UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS
SECOND SESSION

VOLUME 120—PART 20

JULY 31, 1974 TO AUGUST 7, 1974

(PAGES 25915 TO 27322)

12 1976 OCT

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1974

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS, SECOND SESSION

SENATE—*Wednesday, July 31, 1974*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Lord of our lives and God of our salvation, deliver us and all the people of this land from the sins which are a reproach to any people and lead us in that righteousness which exalts a nation. Overrule our human frailties by imparting Thy higher grace and wisdom. Hear our prayers for the President, the Congress, the judiciary, and for all in the service of the Nation that we may witness our love to Thee by keeping Thy commandments.

We pray in His name who, without blemish, did the Father's will even on a cross. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 30, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SUBSTITUTION OF A CONFEREE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Senator STEVENS be named to replace Senator FONG as a conferee on H.R. 14715, White House employment, and S. 628, surviving spouse annuities.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 993, 994, and 996.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EQUITABLE TREATMENT FOR RANCHERS AND FARMERS

The Senate proceeded to consider the bill (S. 3056) to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers, which had been reported from the Committee on Agriculture and Forestry with amendments:

On page 2, in line 12, strike out "1970" and insert in lieu thereof "1969".

On page 2, in line 12, strike out "1974" and insert in lieu thereof "1972".

so as to make the bill read:

S. 3056

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order that the amount of such payments may, in the case of any rancher or farmer, be computed on the basis of (1) the net sales proceeds received, or (2) in the case of any rancher or farmer who failed to realize the amount provided for in the sales document, the lesser of the following: (A) the net sales proceeds based on the price the rancher or farmer would have received had there been no default of payment under such document, or (B) the fair market value of the commodity concerned at the time of sale.

SEC. 2. The Secretary of Agriculture is further authorized to reconsider any application filed for the payment of price support under the National Wool Act of 1954 with respect to any commodity marketed during the four marketing years 1969 through 1972 and to make such payment adjustments as he determines fair and equitable on the basis of any amendment to regulations made under authority of the first section of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930

The bill (H.R. 13264) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities, was considered, ordered to a third reading, read the third time, and passed.

SAFETY STANDARDS FOR BOILERS AND PRESSURE VESSELS

The bill (H.R. 10309) to amend the act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

A LAW FOR EVERYTHING?

Mr. HUGH SCOTT. Mr. President, by now, I would have thought that we would have a law for everything. Evidently, we have not.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from New York (Mr. BUCKLEY) is recognized for not to exceed 15 minutes.

(The remarks Senator BUCKLEY made at this point on the introduction of S. 3640, dealing with vehicle safety standards, and the ensuing discussion are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

THE PRESIDENT FAILED TO COMPLY WITH THE WAR POWERS LAW ON THE CYPRUS EVACUATION

Mr. EAGLETON. Mr. President, on July 21, 1974, the American Ambassador to Cyprus cabled the State Department requesting a military evacuation of American citizens caught in hostilities on that island. Upon approval by the Secretary of Defense—and presumably the President—the Chairman of the Joint Chiefs of Staff ordered naval task force 61-62, comprised of five vessels of the U.S. Navy, to a point 20 miles south of Cyprus.

On July 22 at 11:15 a.m.—eastern daylight time—American military personnel began the evacuation of American citizens from the hostile zone. During that day 22 helicopter sorties were made from the U.S.S. *Inchon* to Dhekelia, Cyprus, and 384 Americans and 82 foreign nationals were evacuated to the U.S.S. *Coronado*. The operation was concluded that same day at 4:30 p.m. EDT.

On July 23, 135 Americans and foreign nationals were evacuated by helicopter from the northern Cyprus city of Kyrenia in a joint British-American operation. They were moved to the U.S.S. *Trenton* on the Cyprus south coast.

The Cyprus evacuation was an efficient, well-run operation. Hundreds of innocent victims who had found themselves in the midst of a revolution and a subsequent invasion by Turkey were rescued. A cease-fire arrangement was agreed to the next day, brought about mainly by the outstanding work of American diplomats.

We can be proud of American military and diplomatic personnel for their accomplishments during the Cyprus situation. They saved American lives and they worked tirelessly to bring about a cease-fire in a situation that threatened the stability of one of the world's most strategically important areas.

But a glaring and serious omission of law detracts from the otherwise commendable action taken by the administration last week. On July 24, the President of the United States was to have submitted a written report to the Speaker of the House of Representatives and the President pro tempore of the Senate, who now occupies the chair, advising Congress that American forces had been introduced into a hostile area. That report, required under the war powers resolution, Public Law 93–148, was never submitted.

In rescuing American citizens the President fulfilled a traditional responsibility of the Commander in Chief—a responsibility which has been recognized as legitimate in case law. It is a use of the Armed Forces which has always received the post facto support of Congress. Indeed, in two succeeding years, 1972 and 1973, the Senate passed war powers legislation which would have formally delegated to the President the right under certain conditions to rescue Americans in emergency situations.

But the issue here is not whether the President had the authority to evacuate 384 Americans caught in a hostile zone. It is instead the failure of the President to report his action under section 4(a)(1) of the war powers resolution within 48 hours, setting forth in writing:

> (A) the circumstances necessitating the introduction of United States Armed Forces; (B) the constitutional and legislative authority under which such introduction took place; and (C) the . . . scope and duration of the . . . involvement.

Mr. President, we should not underestimate the potential danger of a rescue operation of this type. If one of those 22 helicopters had been shot down, additional forces may have been necessary to protect the survivors. While it appears that there was no objective other than saving Americans on July 22, past rescue operations—the most classical example of which was the everlasting rescue operation in the Dominican Republic in 1965, under President Johnson. Such operations in the past have evolved into serious involvements by the United States. This is exactly why we have a requirement in law today that all such operations be reported to Congress—the branch of Government which possesses the sole responsibility for authorizing war.

There is no doubt in my mind that there is unanimous approval within Congress for the Cyprus rescue operation. But that is exactly what concerns me about the President's failure to report it.

If this very popular introduction of the Armed Forces goes unreported, can we assume that less popular, more dangerous uses of force will be faithfully reported? If, for example, U.S. paratroopers had been clandestinely dropped into the Nicosia airport to assist U.N. forces there, would the President have been more or less inclined to fulfill his legal obligation?

The war powers resolution was the focus of a good deal of public attention last year. Some said that its enactment would enable Congress to recapture its power to authorize war. Others, myself included, called it a dangerous law—a law which formally gave away the sole constitutional prerogative of Congress to decide in advance whether the United States should go to war.

President Richard Nixon also felt that the war powers resolution was a bad law, but for other reasons. He said it would tie his hands—that the necessity to report to Congress would restrict his actions as Commander in Chief. And when the bill was enacted, it was done over the President's strenuous objection and his veto.

Mr. President, Cyprus was the first test case for the war powers resolution. We should be grateful that our involvement there was limited to the evacuation of American citizens. Nonetheless, President Nixon failed this first major test.

Whether the President has committed an error of omission or commission, I cannot in all honesty say that I am surprised by his failure. In a letter of April 24 to the Secretary of State I asked what measures had been taken within the executive branch to implement the reporting and consultation sections of the war powers resolution. In a response from the Department, dated May 10, 1974, I was told:

> With respect to the 48-hour notification requirement, it is our view that no particular new procedural measures within the Executive Branch are necessary . . . The particular nature and content of any such notice would of course have to await an actual event covered by the legislation, given the possible variety of actions covered.

Mr. President, the event to which the State Department referred has come and gone. Whether I, or President Nixon or any other American disagrees with the effectiveness, or even the constitutionality of that law, it must be obeyed.

Whether or not the war powers resolution was an appropriate mechanism for recapturing Congress power to authorize war, it was intended by well-meaning Members of this body to accomplish that end. It was motivated out of a desire to avoid the precipitous involvement of the United States in war. The omission of President Nixon should not be taken lightly by those who had hoped that the requirement to report the introduction of U.S. forces into hostilities would put a halt to unilateral Presidential warmaking.

Mr. President, I have today written to the Speaker of the House and the President pro tempore of the Senate asking that they advise the President that he has failed to comply with Public Law 93–148, and that he be asked to submit a report to the Congress in accordance with section 4 of that law at the earliest possible time. I ask unanimous consent it be included in the RECORD at this point.

There being no objection, the text of the letter was ordered to be printed in the RECORD, as follows:

TEXT OF LETTER TO SPEAKER ALBERT AND SENATOR EASTLAND

On July 22, 1974, the United States introduced armed forces into the nation of Cyprus for the purpose of rescuing American citizens. On that day Cyprus was in the midst of open hostilities, the result of a coup d'etat and a subsequent invasion by Turkish forces.

As you know, the War Powers Resolution, Public Law 93–148, requires the President to notify you in writing within 48 hours of any introduction of U.S. forces into a hostile situation and to set forth: (A) the circumstances necessitating the introduction of United States Armed Forces; (B) the constitutional and legislative authority under which such introduction took place; and (C) the estimated scope and duration of the hostilities or involvement (since in this case the involvement apparently ended prior to 48 hours, a report of the exact duration of involvement would be appropriate).

The Cyprus evacuation is the first test case for the War Powers Resolution. The rescue operation of course has the unanimous approval of Congress. But the popularity of this action should cause even more concern. We can only assume the worst—that more controversial uses of force will also go unreported.

We are fortunate, I feel, to have a test case which did not evolve into a more serious commitment of American forces into battle. Accordingly, Congress should, in my opinion, press now to protect its legal prerogatives before dangerous precedents of omission are established in the implementation of P.L. 93–148.

I, therefore, respectfully request that you advise the President that he has failed to comply with Section 4 of the War Powers Resolution and that he submit the required report at the earliest possible time.

Sincerely,

THOMAS F. EAGLETON,
U.S. Senator.

Mr. EAGLETON. Finally, Mr. President, I would like to make one additional comment with regard to the landing of American helicopters at Dhekelia. I understand that the State Department may argue that the British sovereign base area at Dhekelia, where our forces landed, was not part of the hostile zone. I disagree with that assessment. It seems obvious that the executive branch is attempting to split hairs on what should be a routine requirement of the law. I would add that if the British sovereign base was not part of a hostile zone, it would not have been on full-scale military alert, and, Mr. President, that British base was on full-scale military alert.

It would seem that a much more healthy reaction to my remarks here today would be that an omission has been made and that a report, as required by law, will be promptly forthcoming.

Finally, Mr. President, I ask unanimous consent that two Defense Department factsheets, dated July 23 and July 24, respectively, be entered in the RECORD at this point.

There being no objection, the fact sheets were ordered to be printed in the RECORD, as follows:

JULY 23, 1974.

DHEKELIA EVACUATION FACT SHEET

Through the Department of State the American Ambassador in Nicosia, Rodger P.

Davies, requested evacuation at 7:30 a.m. EDT, July 21. Upon approval of Secretary Schlesinger, the Chairman of the Joint Chiefs of Staff ordered Task Force 61–62, headed by the USS Inchon, to proceed with the evacuation. That Task Group included, in addition to the Inchon, the following ships: USS Coronado (LPD–11), USS Trenton (LPD–14), USS Spiegel Grove (LSD–32) and USS Saginaw (LST–1188).

The Task Group moved to an area 20 miles south of Dhekelia, the British Sovereign Base Area, from which the evacuation off Cyprus commenced at 11:15 a.m. EDT, July 22. A total of 384 U.S. citizens and 82 persons of other nationalities, who had moved by auto convoy from Nicosia to Dhekelia, were lifted by Marine helicopter from Inchon to Coronado. That operation was completed at 4:30 p.m., EDT, July 22. Coronado then proceeded to Beirut, Lebanon, where it arrived at 3:40 a.m. EDT, July 23.

Included among the evacuees on to Coronado were two NBC and three CBS newsmen.

Evacuees included, in addition to American citizens, the following nationalities: three British, 21 Lebanese, four Cypriot, 11 Egyptian, two Kuwaiti, one Swedish, nine Greek, one German, one Canadian, four Indonesian, 14 Iraqi, six Jordanian, one Saudi Arabian, one Australian, one Israeli, and two Swiss.

Evacuation onto Coronado required 22 helicopter sorties, using CH–46s and CH–53s.

July 24, 1974.

For Correspondents

The following was released by EUCOM at 0600 EDT 24 July 1974:

"An additional contingent of Americans are presently being evacuated from Cyprus in a joint United States-United Kingdom effort.

"Some 60 Americans who made their way by convoy to the Cyprus South coast British Sovereign Base at Dhekelia yesterday will be flown by British aircraft to London today.

"One hundred and thirty-five Americans and foreign nationals were evacuated to HMS HERMES from the north Cyprus city of Kyrenia yesterday. They are being moved to USS Trenton at Akrotiri Bay on the Cyprus south coast for further transfer to an undetermined location. The 135 were part of approximately 2,000 evacuees taken to HERMES from Kyrenia yesterday.

"Although 6th Fleet units will continue to stand by for further evacuation if required, today's actions complete removal of all known concentrations of Americans from the Mediterranean Island."

Mr. EAGLETON. In addition, Mr. President, I ask unanimous consent that my letter of April 24, 1974, to the State Department and the response of May 10, 1974, be inserted in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

April 24, 1974.

Hon. Henry A. Kissinger,
Secretary of State,
Washington, D.C.

Dear Mr. Secretary: I wrote you on November 9, 1973 requesting your Department's legal evaluation of the effect of the war powers legislation enacted by Congress. In addition, I asked to be informed as to the measures taken by the Executive Branch to implement the law.

Assistant Secretary Marshall Wright responded to my letter on your behalf on November 30, 1973. In that letter, he stated that the Department was "currently reviewing with other appropriate Executive Branch agencies the implications of the resolution," and that I would be informed "as soon as possible" of any decision that might be made in changing Department procedures.

I, therefore, request a summary of the actions taken within the Executive Branch to implement the provisions of Public Law 93–148. If no action has thus far been taken, I would appreciate being so advised.

Thank you very much for your assistance. It would be extremely helpful if you could provide an expeditious reply.

Sincerely,

Thomas F. Eagleton,
U.S. Senator.

Department of State,
Washington, D.C., May 10, 1974.

Hon. Thomas F. Eagleton,
U.S. Senate,
Washington, D.C.

Dear Senator Eagleton: Secretary Kissinger has asked me to reply to your letter of April 24 concerning the War Powers Resolution.

In response to your inquiry of November 9, 1973 on this subject we advised you that the Department was reviewing with other appropriate agencies whether any changes in Executive Branch procedures might be required by that legislation. I wish now to supplement the comments made in the Department's letter to you of November 30 and I hope that this delay has caused no inconvenience.

With respect to the 48-hour notification requirement, it is our view that no particular new procedural measures within the Executive Branch are necessary. The notification requirement is well known in all the relevant Government agencies and there would appear to be no particular advantage either to the effective application of the legislation or to the efficiency of the Executive Branch in adopting procedures in addition to those regularly followed in responding to Congressional notification requirements. The particular nature and content of any such notice would of course have to await an actual event covered by the legislation, given the possible variety of actions covered.

The effect of the War Powers Resolution on the President's ability to deploy U.S. forces is similarly definable in a meaningful way only in the context of an actual set of facts against which the requirements of the Joint Resolution will have to be measured. To speculate about hypothetical situations might be possible but would not seem useful or helpful in any way.

I hope that these observations more fully answer the queries you put forward in your letter referred to above.

Sincerely,

Linwood Holton,
Assistant Secretary for
Congressional Relations.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

The PRESIDENT pro tempore. The Senator's time has expired.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. Robert C. Byrd) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, at the request of the Senator from West Virginia I yield back his time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Proposed Amendment to the Budget, 1975, for the Department of the Interior (S. Doc. No. 93–99)

A communication from the President of the United States transmitting a proposed amendment for appropriations transmitted in the budget for the fiscal year 1975 in the amount of $4,310,000 for the Department of the Interior (with accompanying papers). Referred to the Commitee on Appropriations, and ordered to be printed.

Proposed Amendment to the Budget, 1975, for the Interstate Commerce Commission (S. Doc. No. 93–100)

A communication from the President of the United States transmitting a proposed amendment for appropriations transmitted in the budget for the fiscal year 1975 in the amount of $345,000 for the Interstate Commerce Commission (with accompanying papers). Referred to the Committee on Appropriations, and ordered to be printed.

Test Date on Certain Aircraft

A confidential document from the Assistant Secretary of Defense relating to test date on A–10 Aircraft and AIM7F Sparrowe. Referred to the Committee on Armed Services.

Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana, et al., v. The United States of America

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, its report of its final determinations with respect to Docket No. 221–B, Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana, Joe Corcoran, on behalf of the Chippewa Cree Tribe, Blanche Patenaude, Joseph Richard, Joseph Gooselain, John B. Slayter, Wm. John Delorme, William Trottier, on behalf of the Little Shell Band of Indians and the Chippewa Cree Tribe, plaintiffs, v. The United States of America, defendant (with accompanying papers). Referred to the Committee on Appropriations.

Report of National Railroad Passenger Corporation

A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report for the month of May 1974 on the average number of passengers per day and the on-time performance of each train operated (with accompanying papers). Referred to the Committee on Commerce.

A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report for the month of June 1974 on the average number of passengers per day and the on-time performance of each train operated (with accompanying papers). Referred to the Committee on Commerce.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Modernization of

1872 Mining Law Needed to Encourage Domestic Mineral Production, Protect the Environment, and Improve Public Land Management" (with an accompanying report). Referred to the Committee on Government Operations.

URBAN MASS TRANSPORTATION NEEDS AND FINANCING

A letter from the Secretary of Transportation transmitting, pursuant to law, a study of urban mass transportation needs and financing (with accompanying report). Referred to the Committee on Public Works.

THE COST OF CLEAN AIR 1974

A letter from the Administrator of the United States Environmental Protection Agency transmitting, pursuant to law, a report entitled "The Cost of Clean Air, 1974" (with accompanying report). Referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAVEL, from the Committee on Public Works, without amendment:

S. 3537. A bill to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085) (Rept. No. 93-1044).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 3578. A bill for the relief of Anita Tomasi (Rept. No. 93-1045).

By Mr. ALLEN, from the Committee on Agriculture and Forestry, without amendment:

S. 2189. A bill to amend section 602 of the Agricultural Act of 1954 (Rept. No. 93-1046).

By Mr. McGOVERN, from the Committee on Agriculture and Forestry, without amendment:

S. Res. 351. A resolution relating to an investigation of price spreads and margins for livestock, dairy products, poultry, and eggs (Rept. No. 93-1047).

By Mr. ROBERT C. BYRD, from the Committee on Appropriations, with amendments:

H.R. 15405. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1048).

By Mr. CANNON, from the Committee on Rules and Administration:

S. Res. 374. An original resolution relating to the purchase of calendars for 1975 (Rept. No. 93-1049).

S. Res. 375. An original authorizing supplemental expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations during the period March 1, 1973, through February 28, 1974 (Rept. No. 93-1052).

S. Res. 376. An original resolution to pay a gratuity to Rosalie S. Lewis; and

S. Res. 377. An original resolution authorizing the printing of the Seventy-sixth Annual Report of the National Society of the Daughters of the American Revolution as a Senate document (Rept. No. 93-1053).

S. Con. Res. 106. An original concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Public Financing of Federal Elections." (Rept. No. 93-1050).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. 857. A bill to authorize the Smithsonian Institution to plan museum support facilities (Rept. No. 93-1051).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

Brig. Gen. Wayne S. Nichols, U.S. Army, to be a member of the Mississippi River Commission.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

JOINT REFERRAL OF EXECUTIVE NOMINATION

Mr. MANSFIELD. Mr. President, as in executive session I ask unanimous consent that the nomination of Lynn Adams Greenwalt, of Maryland, to be Director of U.S. Fish and Wildlife Service be jointly referred to the Committees on Commerce and Insular Affairs. The nomination of Mr. Greenwalt, which was received on July 29, was referred solely to the Committee on Interior and Insular Affairs.

The joint referral is appropriate as both Committees share jurisdiction over the activities of the U.S. Fish and Wildlife Services.

This matter has been cleared on both sides.

The PRESIDING OFFICER (Mr. MUSKIE). Without objection, it is so ordered.

ORDER FOR STAR PRINT OF CHILD AND FAMILY SERVICES ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, I have been asked by the Senator from Minnesota (Mr. MONDALE) to make the following request and I read the following statement by the Senator from Minnesota:

Mr. President, on July 11, 1974, I introduced along with Senator JAVITS and 22 other cosponsors the Child and Family Services Act of 1974.

I have now had a chance to examine the bill after we received it from the printers, and there are several clerical and technical errors in it. I ask unanimous consent that a star print be made correcting these errors.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BUCKLEY (for himself, Mr. EAGLETON, Mr. DOMINICK, Mr. DOMENICI, and Mr. INOUYE):

S. 3840. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain seatbelt standards under such act. Referred to the Committee on Commerce.

By Mr. DOLE (for himself and Mr. THURMOND):

S. 3841. A bill to amend sections 555 and 556 of title 37, United States Code, relating to members of the uniformed services who are in a missing status, and for other purposes. Referred to the Committee on Armed Services.

By Mr. CURTIS:

S. 3842. A bill for the relief of Dr. Carlos E. Nossa-Rodrigues. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 3843. A bill to designate certain lands in the Sequoia and King's Canyon National Parks, California, as wilderness;

S. 3844. A bill to designate certain lands in the Pinnacles National Monument, California, as wilderness;

S. 3845. A bill to designate certain lands in the Havasu National Wildlife Refuge, San Bernardino County, California, as wilderness;

S. 3846. A bill to designate all of the Semidi National Wildlife Refuge, Third Judicial Division, Alaska, as wilderness;

S. 3847. A bill to designate certain lands in the Crab Orchard National Wildlife Refuge, Jackson, Union and Williamson Counties, Illinois, as wilderness;

S. 3848. A bill to designate certain lands in the Hawaiian Islands National Refuge, city and county of Honolulu, Hawaii, as wilderness;

S. 3849. A bill to designate certain lands in the Red Rock Lakes National Wildlife Refuge, Beaverhead County, Montana, as wilderness;

S. 3850. A bill to designate certain lands in the Missisquoi National Wildlife Refuge, Franklin County, Vermont, as wilderness;

S. 3851. A bill to designate certain lands in the Aleutian Islands National Wildlife Refuge, Third Judicial Division, Alaska, as wilderness;

S. 3852. A bill to designate certain lands in the Rice Lake National Wildlife Refuge, Minnesota, and the entire Mille Lacs National Wildlife Refuge, Minnesota, as wilderness;

S. 3853. A bill to designate certain lands in the Tamarac National Wildlife Refuge, Becker County, Minnesota, as wilderness;

S. 3854. A bill to designate certain lands in the Rocky Mountain National Park, Colorado, as wilderness;

S. 3855. A bill to designate certain lands in the Glacier National Park, Montana, as wilderness;

S. 3856. A bill to designate certain lands in the Katmai National Monument, Alaska, as wilderness;

S. 3857. A bill to designate certain lands in the Zion National Park as wilderness;

S. 3858. A bill to designate certain lands in the Crater Lake National Park, Oregon, as wilderness; and

S. 3859. A bill to designate certain lands in the Olympic National Park, Washington, as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY:

S. 3860. A bill to study and control the disclosure of voter registration lists for nonelection purposes. Referred to the Committee on Rules and Administration.

By Mr. COOK:

S. 3861. A bill to amend the Natural Gas Act in order to give the Federal Power Commission certain authority to regulate synthetic natural gas. Referred to the Committee on Commerce.

By Mr. THURMOND (for himself, Mr. HELMS, Mr. DOLE, Mr. CURTIS, Mr. GURNEY, and Mr. SPARKMAN):

S. 3862. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

By Mr. PERCY (for himself, Mr. GOLDWATER, and Mr. HRUSKA):

S. 3863. A bill to name the synthetic gas pilot plant located in Rapid City, South Dakota, the "Karl E. Mundt Gasification Pilot

Plant." Referred to the Committee on Commerce.

By Mr. McGOVERN (for himself, Mr. SCHWEIKER, Mr. CASE, Mr. KENNEDY, Mr. MONDALE, Mr. HART, Mr. ABOUREZK, Mr. CRANSTON, and Mr. PERCY):

S. 3864. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to nutrition education and nutrition-related problems. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON:

S. 3865. A bill to amend the Land and Water Conservation Fund Act of 1965; and

S. 3866. A bill to amend the Land and Water Conservation Fund Act of 1965. Referred to the Committee on Interior and Insular Affairs.

S. 3867. A bill to amend the Federal Food, Drug and Cosmetic Act to promote honesty and fair dealing in the interest of consumers with respect to the labeling and advertising of special dietary foods, such as vitamins and minerals, etc. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON (for himself and Mr. SYMINGTON):

S. 3868. A bill for the relief of Chae Won Yang, Myung Jae Yang, Yoo Jung Yang, Jee Sun Yang, Yoo Sun Yang, and Hong Suk Yang. Referred to the Committee on the Judiciary.

By Mr. HARTKE:

S. 3869. A bill to amend title 5, United States Code, to require the heads of the respective executive agencies to provide the Congress with advance notice of certain planned organizational and other changes or actions which would affect Federal civilian employment, and for other purposes. Referred to the Committee on Post Office and Civil Service.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUCKLEY (for himself, Mr. EAGLETON, Mr. DOMINICK, Mr. DOMENICI, and Mr. INOUYE):

S. 3840. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain seatbelt standards under such act. Referred to the Committee on Commerce.

Mr. BUCKLEY. Mr. President, today the Senator from Missouri (Mr. EAGLETON) and I, are introducing a measure aimed at amending motor vehicle safety standards in an attempt to lift from the shoulders of the American citizen the very real constraints of the interlock system as well as that of the sequential warning device or buzzer. I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, the proposed legislation is cosponsored by Mr. DOMENICI, Mr. DOMINICK, and Mr. INOUYE, who likewise share our desire to amend section 103(a) of the National Traffic and Motor Vehicle Safety Act of 1966 by directing the Secretary of Transportation to prescribe regulations—within 60 days of enactment of this legislation—which would make optional to the consumer, rather than mandatory, the inclusion of any starter interlock system, or sequential warning device—buzzers, lights—associated with seatbelts or upper torso restraints, or any other similar system requiring the use of such belts or restraints in order to start or operate the vehicle or producing a buzzing, light, or other warning signal if such belts or restraints are not used.

Mr. President, my first order of business this legislative session was to introduce in January, legislation which would make optional the inclusion of any starter interlock system associated with seatbelts or upper torso restraints on any motor vehicle. This was my first step in my campaign to remove the grasping hand of big brother government from the lives of American citizens. This campaign was prompted by hundreds of thousands of letters from constituents in New York State and from people all across the country. The theme underlying this correspondence was that there exists a virtual state of war—a war being waged by the American citizen against the excesses, the follies, and the dangers of the Federal Government's increasing—and frightening—big brother-like intervention in their lives. I thus learned of the American citizen's outrage with the documented failures of the philosophy "Washington knows best."

Pursuant to the introduction of my optional ignition interlock bill, which received overwhelming support all across the country, I have since learned that the mandated buzzer warning devices are likewise very strongly detested—the tone of these devices probably ranks with that of a piece of chalk squeaking across a blackboard. Because of the strong criticism of the buzzer warning system, I am today extending the scope of my original legislation by likewise attempting to offer to the consumer the opportunity of purchasing a vehicle equipped with or without the ignition interlock, the sequential warning device or both or neither.

Mr. President, I have already presented my arguments against the ignition interlock in the RECORD of January 21, 1974, and I therefore ask unanimous consent that my remarks of that date be printed at the conclusion of this text.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. BUCKLEY. Mr. President, I would now like to briefly summarize the role that the Federal Government has played in motor vehicle safety.

The second session of the 89th Congress passed the National Traffic and Motor Vehicle Safety Act of 1966—Public Law 89-563—which authorized the establishment of Federal safety standards for motor vehicles and their component parts. This legislation greatly accelerated the Federal Government's activities concerning automotive safety resulting in the Department of Transportation administratively determining specific safety standards rather than Congress legislating such standards.

Apparently, most would agree that such standards are appropriately matters for regulatory action by the Department of Transportation—rather than legislative action—and such resultants automotive safety standards may be all well and good. However, it is one thing to deal administratively with product safety but quite another with regard to personal safety. I argue that Federal motor vehicle safety standards tend to confuse personal safety with product safety.

Such is the case of Federal Motor Vehicle Standard No. 208 which currently requires motor vehicle manufacturers to provide a seat belt ignition interlock system in all cars manufactured after August 15, 1973—a device that prevents the engine from being started until both the driver's and front passenger's seat-belts and shoulder belts are fastened. I might add parenthetically, that because of the inevitable mechanical failures in these systems, often the driver has strapped himself in and still cannot start his engine. I know of no single intervention by government into the lives of its citizens that is more universally resented than this current requirement for 1974 model cars that dictates that we shall not start our engines until we strap ourselves in.

Apparently, most would tend to agree that the Federal Government has an appropriate role in insuring the manufacture of automobiles that are safe, however, Federal coercion is pushed too far in both cases where the ignition interlock and the sequential warning device are mandated as standard equipment on a car. These safety standards are devised to impact on the individual's behavior even though the consequences of that behavior affect only that individual and not the safety or health of the general public.

I would like to emphatically state that I have no intention of minimizing the importance of safety, nor the importance of seatbelts and torso restraints, but neither do I believe that we have to go so far as to eliminate all freedom of choice in this area.

My legislation would rightfully restore to the consumer the freedom of choice in purchasing a vehicle with or without the ignition interlock or the sequential warning device or both. I recommend the use of seatbelts but I strongly condemn the administrative mandate of an interlock which forces us to use them. I view such coercive measures as the interlock as an intolerable usurpation by Government of an individual's rights under the guise of self-protection. Forced self-protection moreover does not limit the extensions of statutes that could be devised to protect people from themselves.

At this point, I would like to interject a quote by Mr. Eric Sevareid which very succinctly expresses my views on this matter. Mr. Sevareid has stated that—

> The special nature of liberties is that they can be defended only as long as we still have them. So the very first signs of their erosion must be resisted . . . It is an eternal error to believe that a cause considered righteous sanctifies unrighteous methods . . .

With these thoughts in mind I would like to add that those struggling to make our automobiles and highways safer should not stop with seatbelts along with their mandated ignition interlock and buzzers, as a means to curing the problems of automotive-highway safety. The vehicle itself is only one of three elements that are involved in determining highway traffic safety—the other two being the highway and the driver.

Cars still require the responsibility and the good judgment of the driver to make highways safe and therefore the drivers should be educated rather than coerced by the interlock to use safety restraints. In addition, the field of highway safety technology should be further researched. Such funds as have been requested by DOT for its incentive program for the purpose of giving States grants equal to as much as 25 percent of their apportionment of Federal highway safety funds for those States that adopt mandated safety belt use laws may better be utilized if such funds—$141 million for fiscal year 1973—were to be applied toward pursuing improved highway safety technology.

In closing, I would like to give a word of advice to those owners of 1974 automobiles equipped with the ignition interlock. A sense of compassion compels me to advise such owners that, according to DOT:

> The Interlock system that has been installed in 1974 vehicles pursuant to one of the occupant restraint options in Federal Motor Vehicle Safety Standard No. 208 . . . Applies to new vehicles only. Once a new vehicle has been sold for purposes other than resale and the buyer has taken delivery, the vehicle becomes a used one under the act.

This means that such vehicles are subject to adjustment at the will of the owner unless otherwise sanctioned by State legislation.

Mr. President, I do urge our colleagues to respond to the overwhelming demand of the people of this country to be given choice in this matter.

I urge the relevant committees to act on this legislation, and I also advise my colleagues that Senator Eagleton and I intend to offer this legislation as an amendment to appropriate legislation that may come before us.

Exhibit 1

S. 3840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 103(a) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting "(1)" after "Sec. 103.(a)" and by adding at the end thereof the following new paragraph:

"(2) Nothing in this Act, or regulations pursuant thereto, shall require any motor vehicle to be equipped with any starter interlock system, or any buzzer, light, or other warning system, associated with seatbelts or upper torso restraints, or any similar system requiring the use of such belts or restraints in order to start or operate the vehicle or producing a buzzing, light, or other warning signal if such belts or restraints are not used, but standards shall be promulgated by the Secretary within sixty (60) days of enactment of this Act to require that such a starter interlock system, and such a warning system, be made available with any new motor vehicle at the option of the purchaser."

Exhibit 2

[From the Congressional Record, Jan. 21, 1974]

By Mr. BUCKLEY (for himself, Mr. William L. Scott, and Mr. Eastland):

S. 2863. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 in order to provide that certain seatbelt standards shall not be required under such act. Referred to the Committee on Commerce.

IGNITION INTERLOCK BILL

Mr. Buckley. Mr. President, during the 3 years I have been a U.S. Senator, I have received hundreds of thousands of letters from constituents in New York State and from people all across the country. It would be impossible to list their varied and complex concerns under any one label, but it seems to me that no matter how many different individual problems I have learned of through these letters, there is an underlying theme to almost all of them: Citizens of New York and throughout the other 49 States are virtually in a state of war against the excesses, the follies, and the dangers of Federal Government's increasing—and frightening—big brother-like intervention in their lives. The American citizen is exasperated to the point of outrage with the documented failures of the philosophy of Washington knows best.

I want to emphasize that I chose the term "citizen" deliberately. I dislike the condescending term "average American" and "silent majority" does not get to the heart of the matter. I find that Americans are proud to see themselves as citizens, as free and responsible members of the body politic. The American citizen does not see himself as "the little guy" or "the forgotten American" of political folklore. He may be ignored but thank God he cares enough about his country to make his voice heard so that he will not be forgotten. The main trouble of our political system is that many in Washington have tried to ignore or forget the wishes of the American citizen.

The dictionary defines "citizen" as:

"A member of a state or nation . . . owing allegiance to its government and entitled to its protection."

The American citizen I speak of does have allegiance to the Government of the United States and a deep abiding love of this country. But more and more, he sees the Federal Government becoming what John Courtney Murray once described as the worst kind of government: one that is everywhere intrusive and evermore impotent.

The recent report of the Senate Subcommitte on Intergovernmental Relations entitled "Confidence and Concern: Citizens View American Government" demonstrates beyond any doubt that the American citizen is now beyond the point of debating whether or not big government is worth the cost in loss of freedom and privacy. The report states:

"There is little doubt that the actions of the federal government are regarded as making the greatest impact on people's lives."

Anger over high taxes is not, surprisingly, the most deeply felt concern. The report further goes on to state:

"The public underscores its belief in shared governmental responsibilities with an overwhelming endorsement of two policy propositions:

"(1) State and local governments should be strengthened; and

"(2) The federal government should have power taken away from it.

"Public support (61%) for reinforcing the structure and authority of local government almost precisely matches the percentage (59%) by which it advocates strengthening state government. In contrast, only 32% of the public feel the federal government needs added power, while 42% recommend diminishing its clout."

Mr. President, I want to state today, at the beginning of this new legislative session that it is time that the complaints of the American citizen are not only listened to but acted upon in the Congress. We have to not only pay lip service to but actually put into practice the virtue of economy in government. And we have to work to get the grasping hand of big-brother government out of the lives of American citizens.

As my first contribution to this task this year, I introduce today legislation amending section 103(a) of the National Traffic and Motor Vehicle Safety Act of 1966 to direct the Secretary of Transportation to prescribe regulations—within 60 days of the date of enactment of this legislation—which would make optional the inclusion of any starter interlock system associated with seatbelts or upper torso restraints on any motor vehicle. I know of no single intervention by Government into the lives of its citizens that is more universally resented than the current requirement for 1974 model cars that dictates that we shall not start our engines until we strap ourselves in. This resentment is typified by the following excerpt from a recent column by Carl Rowan:

"But the tendency to push governmental coercion too far is perfectly illustrated in the 1974 models. Government has forced car makers to rig cars so that they cannot be started until the belt-harness is fastened while the motorist's weight is on the seat.

"If government wants to make rules that prevent me from killing other people with my car, wonderful! But government has no business telling me that I can't bust my own head against the windshield, if I want to be that stupid.

"Imagine the nuisance effect and the lost man-hours that these '74 models bring to parking lot attendants!"

The National Traffic and Motor Vehicle Safety Act of 1966 authorized the establishment of Federal safety standards for motor vehicles and their component parts. Federal motor vehicle safety standard No. 208 currently requires motor vehicle manufacturers to provide a seat belt interlock system in cars manufactured after August 15, 1973—a device that prevents the engine from being started until both the driver's and front passenger's seat belts and shoulder belts are fastened.

It is currently a violation of Federal law for car dealers to deactivate the system and State laws are being planned to prevent others from tampering with it.

There are three basic reasons for opposing the mandatory requirement for seatbelt-ignition interlock systems: first, infringement of the individual's rights; second, safety and third, cost.

It is wrong for the Federal Government to require an individual to conform with an arbitrary standard of conduct that is unrelated to the public safety. It may well be that any driver who fails to put on a safety harness is an idiot. But freedom implies the freedom to be an idiot so long as one does not endanger others. The interlock requirement is not only an arrogant invasion of privacy, it is a blatant example of bureaucratic idiocy. Even a cursory examination of the current standards shows them to be manifestly unreasonable. Let me give you two examples:

Any item more than 47.3 pounds must be buckled up. I can see a generation of American shoppers learning how to buckle up the family groceries or limiting purchases to 47.1 pounds.

If the sequence of "sit down, fasten seatbelts, start car" is broken—for example, at gas stations where the driver would remain seated but would unbuckle to reach his wallet—it is necessary for all belts to be released and rebuckled before the car can be started. I have personally been told of a case when a handicapped person who is an experienced driver cannot buy a 1974 model car because of his inability to strap himself in.

Then, of course, there is the matter of safety:

A person under 4 feet 7 inches cannot safely use the torso belt, a point that mothers across the country are now discovering.

The current system adds greatly to the complexity of auto electrical systems and would become increasingly susceptible to malfunction as cars age.

I am told engineers estimate at least a 3-percent failure rate in 1974. Using a production figure of 10 million cars produced in 1974, this means that some 300,000 car owners will be subjected to ignition malfunction this year alone, not to mention the resultant cost of repair.

Finally, consumers are required to pay around $50 per car for this device whether they want it or not.

Mr. President, this kind of naked, Federal coercion is the wrong approach to auto safety. Unlike the the prohibiting of driving under the influence of intoxicating beverages, the implementation of the interlock system has no effect on the lives of those in cars not using the system.

The American citizen deserves and demands the right to live his own life free of the constraints of the Federal Mrs. Grundys whose lust to interfere in the private lives of others knows no bounds. I think it will be a salutary and highly symbolic gesture if we can tell the American citizen we are in favor of lifting all such constraints by taking from his shoulders the very real constraint of the interlock sysem. I, for one, believe that the American citizens love their own lives and the lives of others enough to take good care of them voluntarily without Big Brother tinkering with auto ignition systems.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Hawaii (Mr. Inouye) be added as a cosponsor to the Buckley-Eagleton bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I am today joining with the distinguished junior Senator from New York (Mr. Buckley) in introducing a bill to revoke the Department of Transportation regulation requiring installation in new cars of an interlock seat belt device and the seat belt buzzer warning system.

I am for safety in the design of new automobiles. Who is not? Consistently, I have voted for auto safety acts and the adequate funding of such programs.

But I think there is a significant difference—and I draw the line—between making personal safety equipment available to consumers at their option and the kind of "no choice" regulation promulgated by the Department of Transportation which presumes to protect the individual against himself.

Mr. President, every week I receive hundreds of letters from my constituents on a variety of Federal programs. I know of none that creates more resentment and hostility than this act of big brotherism on the part of the Department of Transportation.

It is one thing to protect society against the imprudent or criminal acts of an individual. But it is quite another to attempt to protect the individual against himself. Carried to its extreme, that principle could justify Federal intervention in such personal affairs of citizens as their diet, their recreational activities or lack thereof, and even the movies they watch. All of these things by one theory or another could be judged to have some impact on the overall national welfare.

If freedom is to have any meaning in this country, it certainly must encompass the right of an individual to lead his life as he sees fit so long as it does not interfere directly with the similar pursuit by others.

I happen to believe that every individual should use seatbelts. I believe it is in his best interest. But I do not believe that I have a right either as an individual or as a Member of the U.S. Senate to order an individual to do what I think is in his best interest. That is for him to decide and the legislation I am cosponsoring today with the distinguished Senator from New York (Mr. Buckley) would make it possible in this small area for him to regain that right of individual choice.

Mr. President, so that it will be clear what is involved here, I should note that the mandatory buzzer and interlock seatbelt systems were required by virtue of the general standard setting authority given to the Department of Transportation under the National Traffic and Motor Vehicle Safety Act of 1966.

That act in itself does not require any such seatbelt systems but it does authorize the Secretary of Transportation to promulgate regulations one of which was the Federal Motor Vehicle Safety Standard No. 208 requiring motor vehicle manufacturers to install seatbelt interlock systems in all cars manufactured after August 15, 1973.

Mr. President, I could cite many practical and economic reasons why this seatbelt system should not be required but I will rest my case on the simple ground that it is a serious infringement on the right of the individual to a free choice in matters that concern only himself. I would therefore urge my colleagues to vote for this legislation which would require manufacturers to continue to offer as an option an interlock or seatbelt buzzer system but which eliminates the requirement that the individual buying that automobile purchase such a system.

Finally, on this same subject, Mr. President, I do not recall, quite frankly, how the Senator from New York voted on the bill that was before us a few weeks ago on compulsory FM radio.

The bill, which as I recall it was reported by the Commerce Committee, said that henceforth any radio made in this country over a value of $15 would have to have an FM component in it.

Mr. President, I voted against that bill. It was a very close vote as I recall. The reason I voted against that bill was the same as that I have expressed today with respect to seatbelt interlocks.

Why should we, 100 U.S. Senators and 435 House Members, mandate as a matter of Federal law that every blessed radio in excess of $15 in value has to have an FM component?

Why should it not be up to the consumer to decide what kind of radio he wants? If he wants an AM radio, fine. If he wants an AM–FM radio, fine. Why should he not make that choice? Why do we cram it down his throat that he has got to have FM, and point out he is going to have FM regardless of whether or not he wants it? That is big brotherism. I think that is the same point I tried to make with respect to the seat belt situation.

Why does he have a buzzer in his ear? Why does he have to have an interlock? If he wants it, fine, but why does he have to have it?

I yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I thank the Senator from Missouri for joining with me in what I believe to be a very important and needed assertion of individual rights.

We are now engaged in a very important debate on consumer legislation, and I believe it is time to point out that consumerism can be carried a step too far, when we have people in the Federal Government dictating to the consumer what is in his or her best interest, never mind what that consumer chooses for himself.

I am delighted that the Senator from Missouri has reminded us of that legislation, which I am sorry to say I have read this morning the House committee has reported out favorably. I refer to that requirement that any individual wanting to buy a quality radio henceforth must have an FM band as well as an AM band, irrespective of the additional cost to the consumer, and irrespective of whether or not that individual chooses to have the broader receptivity.

I know that in my own insstance, I have bought radios that are exclusively FM. I am located in an area where there is a wide choice of music offered by FM, and I thus satisfy my needs.

I also have a country home in an area where FM cannot be received, and therefore satisfy myself with records and AM radio. But I think this is a very fine example of what can only be described, in the one case of the interlock systems, as bureaucratic arrogance, and in the case of this FM band requirement as legislative arrogance: Talking down to the consumer, saying, "You are not wise enough, old enough, or prudent enough to look after your own safety, your own interests, and your own needs."

I thank the Senator for yielding.

Mr. EAGLETON. I thank the Senator from New York, and certainly subscribe to his remarks concerning not only AM-FM radio, but also the seat belt controversy.

By Mr. DOLE (for himself and Mr. Thurmond):

S. 3841. A bill to amend sections 555 and 556 of title 37, United States Code, relating to members of the uniformed services who are in a missing status, and for other purposes. Referred to the Committee on Armed Services.

RIGHTS OF MIA'S AND THEIR FAMILIES

Mr. DOLE. Mr. President, I am offering today a bill to insure that the rights of our American servicemen who are missing in action, and the rights of their families, are not obscured or dissipated by military status reviews which are now underway. This measure will further provide for consistent review procedures among all military branches, and will insure that MIA families are given access to information upon which the status reviews are based.

The need for such assurances has resulted from recent actions on the part of the military branches to alter the statuses of American MIA's still unaccounted for in Southeast Asia. Earlier this year, the Army, Air Force, and Navy Secretaries initiated a methodical and, to some extent, arbitrary review of the cases of those missing servicemen to determine whether or not any "reasonable" basis existed for assuming that these individuals might still be living. If the respective service Secretary determined that no such basis existed for a particular MIA, then a "presumptive finding of death"—PFOD—was issued. During the first months of operation, this status-review process resulted in 69 PFOD's, in 88 cases which were considered. In several instances, the absence of any recent information about a missing serviceman was, itself, presented as "new" information reflecting doubt upon the serviceman's probability of survival.

Just 6 months ago, a panel of judges reviewing the court case of *McDonald* v. *McLucas* (73 Civ. 3190) held that a "minimum" of procedural standards must be followed in all such military status reviews in order to protect the rights of MIA family members. Although this ruling called for reclassification hearings open to MIA next of kin and provided them with an opportunity to present testimony of their own, it failed to establish any guarantees that family input would have an effective bearing upon the reclassification decision of the military service—even in those instances where no concrete evidence exists that an MIA is deceased. Subsequently, within a matter of several weeks, 69 American veterans of the Vietnam war were eliminated from the lists of the missing by the military services, and added to the rolls of the victims of that conflict.

Mr. President, Congress will be remiss if it permits such death determinations to continue at an accelerating pace during the coming months, with no more substantive basis for that decision than a "presumptive" finding drawn from lack of evidence to the contrary. Surely it is premature to arrive at such a negative conclusion on a man's fate when the North Vietnamese Government has not fully complied with the provisions of the Paris Peace Treaty of 1973 regarding an accounting for missing American personnel in Southeast Asia. Surely it is both insensitive and unjust to fail to reserve certain rights to these families and the MIA's they represent.

The measure I am introducing today will help to prevent declarations of death based on purely arbitrary deductions and decisions by the Secretaries of the military service in those cases where such a decision would run counter to the wishes of the family. It will preclude a change in the status of any MIA by the military services solely on the basis of the passage of time or the absence of additional information on that serviceman if the next of kin objects to such change.

It does not obstruct in any way the normal reclassification procedures prompted by new and substantive evidence which may become available on our MIA's from time to time; nor does it deny the previously existing rights of the next of kin to request or consent to reclassification procedures by the military. But it does maintain that all such procedures shall follow uniform and consistent guidelines; it does prescribe that recent court rulings be given statutory expression; and it does insure that the rights of those individuals whose lives are directly affected will not be forsaken.

As one who has been closely involved in the efforts to secure the release of our POW's and to obtain information on the status of our MIA's, I certainly believe that such endeavors by our Government should continue at an optimum level until the Communists comply fully with the provisions of the Paris Peace Agreement which entitle the United States to conduct a full search and accounting for our MIA's. In the meantime, let us not permit arbitrary and presumptive determinations to rule over the objections of family members. Let us demonstrate to all concerned that justice and sensitivity still prevail with respect to our missing servicemen and their families.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 555(a) of title 37, United States Code, is amended by striking out the period at the end of clause (2) and inserting in lieu thereof a comma and the following: "subject to the provisions of section 556 (i)."

(b) Section 555 of such title is further amended by adding at the end thereof a new subsection as follows:

"(e) The Secretary of Defense shall prescribe regulations for procedures and actions under this section and such regulations shall be applicable to all uniformed services."

SEC. 2. Section 556 of title 37, United States Code, is amended by adding at the end thereof the following new subsections:

"(i) Before the status of any member of a uniformed service who is in a missing status may be changed under the provisions of section 555(a) or under this section, the Secretary concerned must first notify the next of kin of such proposed change and hold a hearing on such proposed change. The next of kin shall be afforded a reasonable opportunity to (1) attend such hearing, (2) be represented at such hearing by private counsel, (3) examine all information upon which the proposed change of status is to be based, and (4) present any evidence or information relevant to the hearing.

"(j) The Secretary of Defense shall prescribe regulations for procedures and action under this section and such regulations shal be applicable to all uniformed services."

SEC. 3. Notwithstanding any other provision of law, in any case in which the status of any member of the uniformed service who is in a missing status is reviewed under section 555 or 556 of title 37, United States Code, on or after the date of enactment of this Act, no change in the status of such member may be made by the Secretary concerned solely on the basis of the passage of time or the absence of any additional information pertaining to the member if the next of kin of such member objects to such change. Any objection by the next of kin to a change in the status of any member of the uniformed services who is in a missing status on the date of enactment of this Act shall prevail until such time as the provisions of the Paris Peace Accord of January 27, 1973, relating to the accounting of missing personnel, have been complied with. As used in this section, the terms "uniformed services", "missing status", and "Secretary concerned" shall have the same meaning applicable to such terms in chapter 10 of title 37, United States Code.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 3843. A bill to designate certain lands in the Sequoia and King's Canyon National Parks, Calif., as wilderness;

S. 3844. A bill to designate certain lands in the Pinnacles National Monument, Calif., as wilderness;

S. 3845. A bill to designate certain lands in the Havasu National Wildlife Refuge, San Bernardino County, Calif., as wilderness;

S. 3846. A bill to designate all of the Semidi National Wildlife Refuge, Third Judicial Division, Alaska, as wilderness;

S. 3847. A bill to designate certain lands in the Crab Orchard National Wildlife Refuge, Jackson, Union, and Williamson Counties, Ill., as wilderness;

S. 3848. A bill to designate certain lands in the Hawaiian Islands National Wildlife Refuge, city and county of Honolulu, Hawaii, as wilderness;

S. 3849. A bill to designate certain lands in the Red Rock Lakes National Wildlife Refuge, Beaverhead County, Mont., as wilderness;

S. 3850. A bill to designate certain lands in the Missisquoi National Wildlife Refuge, Franklin County, Vt., as wilderness;

S. 3851. A bill to designate certain lands in the Aleutian Islands National Wildlife Refuge, Third Judicial Division, Alaska, as wilderness;

S. 3852. A bill to designate certain lands in the Rice Lake National Wildlife Refuge, Minn., and the entire Mille Lacs National Wildlife Refuge, Minn., as wilderness;

S. 3853. A bill to designate certain lands in the Tamarac National Wildlife

Refuge, Becker County, Minn. as wilderness;

S. 3854. A bill to designate certain lands in the Rocky Mountain National Park, Colo., as wilderness;

S. 3855. A bill to designate certain lands in the Glacier National Park, Mont., as wilderness;

S. 3856. A bill to designate certain lands in the Katmai National Monument, Alaska, as wilderness;

S. 3857. A bill to designate certain lands in the Zion National Park as wilderness;

S. 3858. A bill to designate certain lands in the Crater Lake National Park, Oreg., as wilderness; and

S. 3859. A bill to designate certain lands in the Olympic National Park, Wash., as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, on behalf of myself and the ranking minority member of the Committee on Interior and Insular Affairs (Mr. FANNIN), I send to the desk by request, 17 bills to provide for the addition of certain lands to the National Wilderness Preservation System pursuant to the Wilderness Act of 1964.

Two of those proposals include wilderness areas previously introduced, however, their acreage has been increased sufficiently to warrant their resubmission. The proposed acreage of Sequoia-Kings Canyon Wilderness is being increased from about 721,970 to about 790,770 acres and Pinnacles Wilderness is being increased from about 5,330 to about 11,300 acres.

Mr. President, this draft legislation was recommended by the President of the United States in his message to the Congress dated June 13, 1974, and later submitted by the Department of the Interior. I ask unanimous consent that a list of the 15 new wilderness proposals to the System be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

(1) The Havasu Wilderness, composed of 2,510 acres within the Havasu National Wildlife Refuge, California.

(2) The Semidi Wilderness, composed of 256,000 acres within the Semidi National Wildlife Refuge, Alaska.

(3) The Crab Orchard Wilderness, composed of 4,050 acres within the Crab Orchard National Wildlife Refuge, Illinois.

(4) The Hawaiian Islands Wilderness, composed of 1,742 acres within the Hawaiian Islands National Wildlife Refuge, Hawaii.

(5) The Red Rock Lakes Wilderness, composed of 32,350 acres within the Red Rock Lakes Wilderness National Wildlife Refuge, Montana.

(6) The Missisquoi Wilderness, composed of 620 acres within the Missisquoi National Wildlife Refuge, Vermont.

(7) The Unimak Wilderness, composed of 973,000 acres within the Aleutian Islands National Wildlife Refuge, Alaska.

(8) The Mille Lacs and Rice Lake Wilderness, composed of 1,407 acres in the Rice Lake National Wildlife Refuge, Minnesota, and the entire Mille Lacs National Wildlife Refuge, Minnesota.

(9) The Tamarac Wilderness, composed of 2,138 acres within the Tamarac National Wildlife Refuge, Minnesota.

(10) The Rocky Mountain Wilderness, composed of 239,835 acres within the Rocky Mountain National Park, Colorado.

(11) The Glacier Wilderness, composed of 927,550 acres within Glacier National Park, Montana.

(12) The Katmai Wilderness, composed of 2,603,547 acres within the Katmai National Monument, Alaska.

(13) The Zion Wilderness, composed of 120,620 acres within Zion National Park, Utah.

(14) The Crater Lake Wilderness, composed of 122,400 acres within Crater Lake National Park, Oregon.

(15) The Olympic Wilderness, composed of 862,139 acres within the Olympic National Park, Washington.

By Mr. KENNEDY:

S. 3860. A bill to study and control the disclosure of voter registration lists for nonelection purposes. Referred to the Committee on Rules and Administration.

Mr. KENNEDY. Mr. President, I send to the desk a bill to study and control the use of voter registration lists, and I ask that it be appropriately referred.

The purpose of the bill is to encourage voter registration by prohibiting election officials from disclosing Federal registration lists for commercial and other nongovernmental purposes, and to require the Office of Federal Elections in the General Accounting Office to conduct a study of the effect caused on voter registration by the current widespread practice of using registration lists for jury selection.

In essence, the bill would ban one of the principal current nonelection uses of voter registration lists, by prohibiting the sale or distribution of such lists to firms and individuals for purposes of commercial solicitation through the mails. Violation of this provision would carry criminal sanctions, with the maximum penalty set at a fine of $1,000, or imprisonment for 6 months, or both.

It is difficult to overestimate the serious problem of voter nonparticipation confronting the Nation in 1974.

In the 1972 Presidential election, out of an eligible 139 million voters, only 77 million individuals actually went to the polls. Obviously, when half the voters stay home on election day, when only 55 percent of the country's eligible voters choose to exercise democracy's fundamental right, the right to vote, then democracy itself is in trouble, and remedies must be found.

In voter turnout, as is well known, the United States falls behind virtually every major democracy in the Western World. To name but one dramatic example, in spite of the violence and destruction and bloodshed in strife-torn Northern Ireland in recent years, fully 76 percent of the eligible voters went to the polls last February 28 to cast their votes for their representatives in Parliament in the British general elections—a voter turnout that was more than 20 percentage points higher than in the United States in the 1972 election.

To a significant extent, the problem of low voter turnout in America has its roots in the substantial barriers presented by voter registration. Too often, requirements of registration create obstacles to voting that are insurmountable for many citizens.

In recent years Congress has tried to deal with some aspects of the registration problem, by requiring such innovations as post card registration and by offering federal financial assistance to encourage hard-pressed States and local jurisdictions to upgrade their registration methods and their election administration procedures.

So far, however, the focus of attention on the registration problem has been almost solely on the so-called "physical" barriers to registration—the obstacles to registration presented by such practices as inaccessible registration offices and inadequate opportunities for registration. Too little attention has been paid to what are now emerging as serious "psychological" barriers to registration.

In recent years, there has been an increasing number of protests, first made by a few perceptive individual election officials around the country, that a significant number of potential voters are discouraged from registering because of certain side effects of adding their names to the registration lists. In the experience of these officials, the two most significant side-effects are the use of registration data as a source of names for citizens to be called for jury duty, and the sale of registration lists to commercial firms for business solicitation and other purposes.

For years, many election boards have traditionally made available their registration lists for use in jury selection as the most convenient source of names for jury duty.

In the Jury Selection and Service Act, the omnibus Federal jury reform bill signed into law by President Johnson in 1968, Congress ratified this use of registration lists by requiring Federal district courts to use voter registration lists or lists of actual voters as the primary source of names for jury selection, in order to achieve the goal of truly representative juries by requiring the selection of potential jurors to be made from a fair cross section of the community.

In addition, as a result of the pressure of computer technology, election boards in many jurisdictions are also engaging in the newer but increasingly more widespread practice of selling or giving away their voter registration lists to commercial organizations, bill collection agencies, and private citizens for a variety of nongovernmental and nonelection purposes.

As objections mount, it is now becoming clear that these nonelection uses of registration lists are highly detrimental to the goal of increased voter registration and increased voter turnout in elections. Many eligible voters simply refuse to register, preferring not to vote, rather than run the risk of being solicited by commercial agencies or bill collectors, or being selected for jury duty, or being subjected to a variety of other approaches for purposes having nothing whatever to do with the conduct of elections.

Clearly, the practice of supplying registration lists for nonelection purposes is widely prevalent. For example, according to a recent survey conducted for the General Accounting Office by Analytic Systems, Inc., based on responses from 2,800 election boards across the country: 95 percent of the jurisdictions provide copies of voter registration lists at cost to political parties; 71 percent provide copies to other governmental offices; 57 percent provide copies to private citizens; and 34 percent make copies available to commercial firms.

In a *similar* recent survey of 18 representative States, counties, cities, or towns, conducted for GAO by E. G. Shelley, Inc., the following results were obtained:

Ten of the eighteen jurisdictions—South Carolina, Maryland, Alaska, Virginia, Montgomery County in Maryland, Lackawanna County in Pennsylvania, Miller County in Arkansas, Bowie County in Texas, Philadelphia, and Washington, D.C.—or approximately 56 percent of the jurisdictions in the survey—said that they give or sell their lists to groups or individuals for nonpolitical purposes.

Six of the eighteen jurisdictions, or one-third of those studied, permit the use of their registration lists by police, private charitable organizations, or any registered voter willing to pay the fee.

All 18 of the jurisdictions provide voter registration lists for jury selection.

And, all 18 of the jurisdictions sell or give the lists to political parties and candidates.

The Shelley study also contained some of the first substantial evidence that the dissemination of registration lists for nonelection purposes operates to discourage voter registration. In the 18 jurisdictions surveyed, the officials voiced their belief that from 2 to 5 percent of the eligible voters in the jurisdiction decline to register in order to avoid jury duty. If the estimates are accurate, then some 3 to 7 million Americans are sacrificing their right to vote because of their desire to escape jury duty.

Obviously, the same psychological pressures against voter registration exist when potential voters realize that by placing their names on the voter registration lists, they are making themselves susceptible to commercial solicitations, bill collectors, or other undesired nonelection influences.

At the same time, I do not oppose the distribution of voter lists to political parties and candidates. Such distribution is an essential part of the election process. Perhaps some citizens are discouraged from registering by awareness that their names will be available for election canvasses. On the other hand, political parties and candidates use such lists effectively in election campaigns, by encouraging citizens to register who have not yet registered or who have been purged from the lists.

On balance, there is reason to believe that the dissemination of registration lists for election purposes may augment, rather than decrease, the number of potential voters who register. Therefore, the legislation I am introducing does not affect the practice of making such lists available for legitimate election purposes.

But there is no justification for the distribution of voter registration lists for commercial purposes, when the danger is substantial that the distribution intimidates citizens and discourages them from registering.

When such danger is present, Congress has the obligation to act. Voting in local, State, and Federal elections is a constitutional right guaranteed to every American citizen over the age of 18. Democracy works best when the maximum number of citizens take advantage of their right to vote; only in this way can democracy reach its fullest potential for the benefit of all its people.

Therefore, it is of great importance that Congress not only guarantee the right to vote, but take every appropriate step to insure that unreasonable barriers and disincentives to registration and voting are removed, so that all eligible citizens may receive the maximum practicable encouragement to register and vote. To this end, voting should be a separate and distinct American freedom, as unrelated as possible to any other factor—commercial, governmental, or otherwise.

Therefore, section 1 of the bill I am introducing proposes a total prohibition on the distribution of registration lists for any nongovernmental purpose.

In the area of jury selection, however, Congress should go slow, because there are countervailing considerations, based on the needs of the jury system and the clear policy recently enunciated by Congress in the Jury Selection and Service Act of 1968.

It is extremely important that the sanctity and fairness of the jury process be maintained. Clearly, Congress should take no step whose long run effect would seriously impair the jury system or impose substantial new costs on Federal, State, or local officials in developing alternate sources of jury lists. For this reason, the bill I am introducing proposes only a study by the Office of Federal Elections in the General Accounting Office to consider all aspects of the problem in detail and submit recommendations to Congress.

As the preliminary evidence suggests, however, the fairness of jury selection is itself being jeopardized by the actions of citizens who refuse to enter the jury system through the door of voter registration.

In addition, it is not completely clear that registration lists continue to offer the best source of names for jury duty. As the result of improved technology, it may be possible for jury rolls to be compiled from sources other than voter registration rolls, and without substantial additional expense. For example, as the Shelley study recommended, jury lists might be compiled from a combination of other available records, such as: First, Bureau of Motor Vehicles data on driver registration and noncommercial vehicle licenses; second, State unemployment insurance wage-benefit records; third, State and local property tax rolls; fourth, income and other personal tax rolls; and, fifth, utility company files.

Even aside from the desired effect upon voter registration, jury selection from a combination of these and other sources might well offer a more nearly universal population of individuals available to serve on juries. Thus, elimination of voter registration lists as a source of jury selection may well serve the long-run interests of both the jury system and the voter registration system, not only by expanding the jury rolls but also by encouraging voters to register.

In sum, the bill I am proposing is simple in concept and modest in scope. Yet, it holds out the prospect of making a significant contribution to the political process in America by increasing voter turnout. I hope that it will be considered favorably by the Senate and enacted into law.

Mr. President, I ask unanimous consent that the text of the bill I introduce today be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) No list of individuals registered to vote in any Federal election, which has been compiled by the Federal Government, any State or political subdivision, or agency of such state or subdivision, may be made available to or received by any person for any non-governmental purpose, whether or not such person is employed by such Government, State, or political subdivision compiling that list, except that such list may be—

(1) made available to, or received by, a candidate for conducting a campaign for public office or an organization conducting a voter registration campaign; and

(2) made available to persons conducting such campaign, if that list is used solely for such campaign.

(b) A violation of this section is punishable by a fine of not to exceed $1,000, imprisonment not to exceed 6 months, or both.

Sec. 2. The Office of Federal Elections in the General Accounting Office shall conduct a study of the effects on voter registration of the use of voter registration lists or lists of actual voters for jury selection, and shall submit a report to Congress, including recommendations for legislation, on or before January 31, 1978.

By Mr. COOK:

S. 3861. A bill to amend the Natural Gas Act in order to give the Federal Power Commission certain authority to regulate synthetic natural gas. Referred to the Committee on Commerce.

Mr. COOK. Mr. President, over the past months, much has been said and written concerning the shortage of natural gas. The Federal Government has acted to relieve this shortage by a manifold increase in the research and development funding for pilot and demonstration programs for the production of synthetic natural gas. Certainly, synthetic production of gas, particularly from our coal, will provide a partial answer to our problem, and we should move ahead with urgency.

Industry has exhibited its willingness to enter into joint ventures with the Federal Government to share in the financing of the early stages of the development of this new industry, and I would encourage this participation as it is a very healthy and vigorous approach. However, the question arises as to how synthetic natural gas will be marketed when it is produced in commercial quantity. Specifically, there is the question of the Federal Power Commission's authority to regulate this product when it is placed in pipelines for transportation and sale in interstate commerce.

In discussing this problem with the Chairman of the FPC, I am informed that he does not interpret the Natural Gas Act to grant authority to the Commission to regulate synthetic natural gas in the same manner it now regulates natural gas. He also stated that he would favor an amendment to the Natural Gas Act which would place synthetic natural gas within the jurisdiction of the FPC. Industry is understandably concerned that it may not be authorized to recover its cost of production of synthetic gas in the same manner it exercises recovery of costs related to the production of natural gas and thus could not finance the construction of the facility. I do not believe that the Congress intends to retard production by permitting this unfair practice to exist. I am convinced that if the FPC does not authorize a plant to produce synthetic natural gas this gas may never be produced.

I submit that there is a distinct parallel between the cost of drilling, finishing, and operating a well to produce natural gas and the construction and operation of a plant to produce synthetic natural gas. Unless we permit the producer to recover these costs, our efforts to solve our energy problems will be severely hampered, if not brought to a halt.

Mr. President, this is a very simple issue. I do not wish to obfuscate this problem by discussing recent efforts to deregulate natural gas and other problems related to the Federal Power Commission.

I do believe that any plant constructed and operated for the purpose of manufacturing synthetic natural gas for sale in interstate commerce must be subject to the same jurisdiction of the FPC as exercised by the Commission under the Natural Gas Act with respect to any natural gas company. Having said that, I also would qualify this authority by excluding from this jurisdiction the authority to regulate feedstocks of such associated plants. I do not believe that it would be sound policy to cause coal to be regulated just because it is used as a feedstock to manufacture synthetic natural gas. Once the FPC authorizes any company to produce or to acquire from a subsidiary such synthetic natural gas, that company must be permitted to include in its cost of service a reasonable return on funds expended in connection therewith during the construction period of such plant.

Our ultimate goal in this program is, of course, commercial production. We don't know exactly when we will achieve this goal, but I have every confidence that we will see commercial production in the early 1980 timeframe.

Industry must be assured that once commercial production has been achieved the synthetic gas so produced in interstate commerce shall be priced on a cost-of-service basis including a reasonable return on the facility investment.

As I stated earlier, we have been encouraging joint ventures to accelerate the attainment of our goal. Such joint ventures include local, State, and Federal participation, and of course no return should be allowed to industry for any funds invested in such ventures by these participants.

Mr. President, I ask unanimous consent that the bill I introduce today to amend the Natural Gas Act in order to give the Federal Power Commission certain authority to regulate synthetic natural gas be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. The Natural Gas Act is amended as follows:

Strike Sec. 2(5) and substitute the following:

Sec. 2(5). "Natural gas" means either natural gas unmixed, synthetic natural gas, or any mixture of natural and artificial gas.

Redesignate Sec. 2(6) as Sec. 2(7) by inserting before such subsection a new subsection as follows:

Sec. 2 (6). "Synthetic natural gas" means gas produced from fossil fuel or any derivative thereof.

Redesignate Sec. 23 as Sec. 24 by inserting before such subsection a new section as follows: "Synthetic natural gas".

Sec. 23. Any plant constructed and operated for the purpose of manufacturing synthetic natural gas for sale in interstate commerce shall be subject to the same jurisdiction of the Federal Power Commission as exercised by that Commission under the Natural Gas Act with respect to any natural gas company and to the provisions of this section. Such jurisdiction shall not extend to the feedstock of such plant or facilities associated with this feedstock. Any natural gas company receiving Federal Power Commission authorization to produce, or to acquire from a subsidiary, such synthetic natural gas, may include in its cost of service a reasonable return on funds expended in connection therewith during the construction period of such plant. After commercial production has been achieved, the sale or transportation of such gas in interstate commerce shall be priced on a cost of service basis, including a reasonable return on the facility investment. No return shall be allowed a natural gas company for any funds invested in such plant by either state, local, or Federal governments.

By Mr. THURMOND (for himself, Mr. Helms, Mr. Dole, Mr. Curtis, Mr. Gurney, and Mr. Sparkman):

S. 3862. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, on June 20, 1974, I expressed my concern to my distinguished colleagues in this Chamber about the tragic missing-in-action issue. At that time, I expressed grave doubts about our Government pursuing the procedure to change the status of the missing-in-action to "killed-in-action."

Mr. President, I stated at that time that the United States probably should not take such action. Since then, I have conducted a more comprehensive review of the military departments' procedures to reach these presumptive findings by implementing the provisions of the law contained in sections 555 and 556 of title 37. I concluded after this review, that these two sections of the law require further study by the Congress insofar as they pertain to Southeast Asia.

Since this study by the Congress will require considerable time, I am introducing legislation which will temporarily prohibit the military departments from issuing a finding of "killed-in-action" or "presumed killed-in-action," as far as missing-in-action and prisoners of war in Southeast Asia are concerned. The legislative measure will require the Senate and House Armed Services Committees to conduct a study of this problem and report results to the Congress not later than 180 days after the date of enactment of this act.

Meanwhile, the measure will also urge the administration to continue relentless efforts to convince the Democratic Republic of Vietnam—North Vietnam—and the Provisional Revolutionary Government of South Vietnam—Viet Cong—to comply with the provisions of article 8(b) of the Paris peace accord of January 27, 1973. When the President of the United States determines that all reasonable actions have been taken to account for such members, the President must report such determination in writing to the Congress. Mr. President, I fully realize that the Defense Department probably will not recommend approval of this legislative measure. As a matter of fact, in the course of my review, I requested the views of the Defense Department on this proposed measure which were not favorable. One of the objections has been removed in that this measure will apply only to MIAs and POWs in Southeast Asia and not those in a missing status unrelated to the Southeast Asia conflict.

Nevertheless, as a result of my recent review, I was very much impressed by the relentless efforts of the Defense Department and the U.S. Government to account for the MIA's and POW's in Southeast Asia. It should be obvious to the world that the obstreperous attitude of North Vietnam and other Communists is the sole cause for this tragic problem to be unresolved and not the U.S. Government. This intransigence of the Communists was vividly reemphasized recently when Col. William W. Tombaugh, U.S. Army, Chief of U.S. delegation, Four Party Joint Military Team issued his reports after a year of attempting to negotiate with the Communists on the POW and MIA issues. His current report is very pertinent to this legislation which I *am proposing*. Consequently, I ask unanimous consent for these reports to be inserted at this point in my remarks.

There being no objection, the reports were ordered to be printed in the Record, as follows:

Press Briefing by the Chief, U.S. Delegation Four Party Joint Military Team

Ladies and Gentlemen, I would like to say just a few words to more or less put you into the picture, because I think some of the details regarding the U.S. Delegation to the Four Party Joint Military Team are often forgotten. You will recall that the FPJMT actually is a follow-on to the Four Party Joint Military Commission, which terminated on 31 March 1973 after a 60-day operational period. The FPJMT became operational on 2 April 1973, and since that period of time has participated in 105 formal plenary sessions. I think the authority for the FPJMT has been pointed out in the background paper, and is Article 10(a) of the Protocol, Paris Agreement, which states, "the FPJMT shall ensure joint action by the parties in implementing Article 8(b) of the Agreement. When the FPJMT has ended its activity, a Four Party Joint Military Team will be maintained to carry on its tasks." Now, our mission in the FPJMT reflects the clearly stipulated tasks set forth in Article 8(b). Since it is only a few lines, I would like to read it again, because it is sometimes complicated by the other side—when it shouldn't be—I quote:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action."

It is a very simple straightforward task. This mission is restated almost verbatim in Article 8(e) of the Joint Communique signed on the 13th of January 1973. Since its inception, the Four Party Joint Military Team, U.S. Delegation, has fully recognized the unequivocal legal obligations which are incumbent on us under Article 8(b). We have also recognized a strong moral obligation which devolves upon the FPJMT as a humanitarian body. This is a non-political body. The U.S. has attempted to key all its actions toward the assistance of all parties. And please underline that, *all parties*, who have unrecovered dead and missing in this war, and we try to do this, in the spirit of Article 2 of the Protocol, which reads, for your information:

"All captured civilians who are nationals of the United States or of any other foreign countries mentioned in Article 3(a) of the Agreement shall be returned to United States authority. All other captured foreign civilians shall be returned to the authorities of their country of nationality by any one of the parties *willing and able to do so*."

And we key on this last statement, because in this spirit, the US Delegation has been—without qualification—*willing*, and within our qualifications, *able to do so*. Since I have been Chief of the US Delegation—and I am sure my predecessor felt the same way—all our actions have been keyed to pursue these non-political and humanitarian objectives. To illustrate, I would like to itemize just a few of the things we have tried to do to meet these obligations.

In May of 1973, of course, we provided the DRV and PRG complete lists of all the US dead and missing, and all the third country personnel along with as much information as we had: date, time of mission, last known location, etc. At the present time, these lists are being updated, in conjunction with BG Ulatoski's organization—One point.

The second point—We have provided detailed data in both English and Vietnamese, with extra copies of this data, to include photos and all the rest, to the DRV and PRG on those individuals about whom *we know* they have information, either through photographs (some of the photographs appeared in *Paris Match* as you may well recall), newspaper articles, interviews, foreign broadcasts, observed captures; any other information that we have. To date, we have passed about eighty of these documents to the PRG and the DRV. We have others in preparation for about 25–30 more individuals about whom we have real firm information.

Another point that we have done in close coordination with the RVN Delegation, we have researched and provided—without any condition—information on PRG dead and missing. Currently, we are up to around 100 names of the PRG dead. I think it very important for us to remember that the RVN Delegation has without exception, without any qualification, been totally cooperative with the US Delegation effort. They have offered—repeatedly—visits to the DRV and the PRG to the graves of PRG dead who have been killed here in the South, buried, and their graves maintained by the RVN Government. On behalf of BG Ulatoski's Joint Casualty Resolution Center, we have requested that JCRC teams be permitted to visit crash sites in the areas of control of the PRG and within North Vietnam itself. We have indicated that—and BG Ulatoski has said this many times—we will go under *any conditions* they impose and follow their rules completely—anything, just allow us to search for our dead and missing.

To date, we have requested about 15 of these crash site investigations, both in PRG controlled areas here in South Vietnam and also in North Vietnam, and we have more under preparation. Now, it is an important thing to note here again, ladies and gentlemen, the RVN have been petitioned to give similar support to the U.S. Delegation and to the JCRC, and again, without any equivocation, without any conditions, they have provided this support without question.

They have provided this support to the point where ARVN soldiers have been killed and men wounded trying to support the U.S. effort to find out what has happened to our dead and missing. To date, we have conducted in excess of 20 of these crash site investigations in South Vietnam which have been fully supported by the RVN Delegation.

Now, another point, and something that I think is perhaps not so well known, the U.S. has also responded to the requests of third countries, concerning their dead and missing in this war. To date, we have received requests for help to locate and to obtain information about the dead and missing of Great Britain, the Philippines, Australia, Korea, the Federal Republic of Germany, and Japan.

We've tried to explain to the PRG and the DRV Delegations that, many names of third country nationals appeared on the PRG lists which were given to all Delegations in Paris. We have pointed out that the majority of these missing were engaged in humanitarian work. They were not actually parties allied in the conflict, and most of them were not signatories to the Paris Agreement. We have stressed that the FPJMT is the logical avenue of inquiry to find about these third country nationals. Since many of these third country nations do not have diplomatic relations with the PRG, the FPJMT is the logical channel by which they can find out about their own dead and missing. I won't go into any details, but we have been totally and abjectly rebuffed by the PRG.

Now, something that I think may be very interesting to you, gentlemen, because it may hit home: We have also made similar overtures to attempt to determine the fate of 17 newsmen from seven different countries. It is my understanding that this total of 17 now is up to around 20 newsmen, your colleagues.

We have inquired not only about those who were lost in South Vietnam, but we have also requested the Communist delegations to use their good offices to try and determine the fate of newsmen in Laos and Cambodia. We have met with a complete and total rebuff.

Along with these various initiatives, the US delegation has tried to facilitate and to support the work of the FPJMT and the Communist Delegations. We have provided a Saigon/Hanoi liaison flight on a weekly basis as a gesture of good will, although the US specifically is not tasked to provide this flight.

To date, we have made some 51 flights from Saigon to Hanoi and return, primarily to assist the DRV Government in coordinating with their Government concerning, hopefully, the provision of information about the dead and missing. In fact, we have even gone so far as to provide the use of automobiles for the Communist Delegations to travel to and from the conference site and to effect their coordination with the ICCS personnel.

Now, results: With the exception of the repatriation of 23 US DIC's from Hanoi in March, the US Delegation has been faced with a complete and a total DRV and a PRG refusal to meet any of their obligations with regard to Article 8(b). At the same time, they loudly proclaim their "scrupulous implementation of Article 8(b) responsibilities." There has been in the one year that I have been here, a continued introduction by the Communist Delegations of a panoply of issues and problems that are totally unrelated to these specific humanitarian tasks of Article 8(b).

We have sat for a period of, in my own case, over one year, listening to the delivery of protracted propaganda statements by the PRG and the DRV on every item, with the exception of the implementation of Article 8(b). They have punctuated this with five walkouts, and with five boycotts. They have totally failed to respond to any of the inquiries of the US or the RVN concerning requests for information on the dead and missing, which is the key functional part of article 8(b). I might point out again on the same line, they have totally and completely failed to respond to any other inquiries we have made on third country nationals that were not directly involved with the war. I also add, gentlemen, that we have had, as I mentioned before, a complete reluctance to say anything about your colleagues.

Now, a prognosis: I think I would be less than truthful if I did not tell you that the prospects for tangible 8(b) results are at this time not hopeful, perhaps even a little bleak. And the obstreperous attitude of the Communists over this past year has been certainly nothing short of frustrating. But I speak for the US Delegation, and my country that, with the mutual assistance of the RVN Delegation, we will continue to exploit every conceivable avenue in an effort to either encourage or to force the DRV and the PRG to meet these clearly stipulated, humanitarian tasks.

We are not going to cease our efforts to achieve the goal of accounting for all US dead and missing, if there is every any conceivable way we can do it. We are not, because of the suspension of these operations, going to abrogate our responsibilities for the implementation of Article 8(b).

Departure Press Conference by Col. William W. Tombaugh

"Ladies and Gentlemen: As some of you may know, I have been the Chief of the US Delegation to the Four Party Joint Military Team for over thirteen months. I am thus due for reassignment and will be leaving within the next few days. Before I depart, I feel it is my duty to clarify the present status of negotiations within the FPJMT.

You are all aware of the successful Casualty Resolution operation that was completed in Danang on 28 June through the combined efforts of private citizens and the Armed Forces of the Republic of Vietnam. As the Chief of the US Delegation/Four Party Joint Team, I received, on behalf of the United States Government, remains recovered during this operation which we believe to be those of an American MIA. They have been entrusted to the JCRC for identification, verification and processing.

I sincerely believe that this event underscores the basic dichotomy of philosophy that exists between Hanoi's delegations and the delegations of the US and RVN to the Four Party Joint Military Team. I do not have to tell you that the DRV/PRG delegations have continued to boycott plenary sessions of the Four Party Joint Military Team, ostensibly in protest of violations of their "privileges and immunities."

As you know, the FPJMT was embroiled in controversy about privileges and immunities from mid-April throughout May of this year. On 30 May, the other side walked out of the conference and byocotted the sessions scheduled for 4 and 6 June, in protest over the alleged denial of their privileges and immunities. This was the situation that existed when last I spoke to you.

I would like to review with you the history of this issue: privileges and immunities were addressed by the Paris Agreement, specifically Articles 16 and 17 of the Protocol on the ceasefire in South Vietnam and the Joint military commissions.

Detailed procedural aspects of these privileges and immunities were discussed at the Sub-Commission level of the Four Party Joint Military Commission, and later agreed to by the chiefs of all delegations to the FPJMT. In turn, the FPJMT formally adopted these eleven points on privileges and immunities in a written Minute of Agreement on 3 May 1973.

For the next eleven months, all delegations operated with these privileges and immunities. In addition, the RVN unilaterally granted several privileges never formally discussed or agreed upon. Chief among these were the weekly press conferences of the "PRG" and access to the common user telephone system of the Saigon/Gia Dinh area.

In mid April, RVN cancelled the "PRG" press conferences, because they were only a forum for propaganda, contributed nothing to the implementation of Article 8(b), and were never properly a part of the privileges and immunities. RVN also desired to substitute direct telephone service to the ICCS, FPJMT and TPJMC delegations for both the DRV and "PRG" delegations.

RVN also suspended the Saigon/Loc Ninh liaison flight in an effort to obtain a written guarantee of safety, similar to those given by the DRV delegation for the US-sponsored Hanoi liaison flights. This guarantee of safety by the "PRG" was considered necessary after an RVN crew member was killed by ground fire while participating in flights in support of the RVN and "PRG."

This brings us to the 30 May walkout and subsequent boycotts by the DRV/"PRG" delegations. What has happened since?

On 7 June, the RVN notified the DRV/"PRG" delegations that the issue of privileges and immunities would revert to the situation as it existed prior to 16 April 1974, the date the difficulties allegedly began. RVN, to carry out its commitment, provided the aircraft for a liaison flight to Loc Ninh for the "PRG" delegation on 10 June.

The "PRG" refused to use this flight, despite the fact it was one of its original demands. On 11 June, both the DRV and "PRG" delegations again refused to attend the FPJMT plenary sessions, also despite the RVN action of 7 June.

At the next session, on 13 June, the DRV/"PRG" demanded discussion of a written agreement which would vastly extend the previously agreed upon privileges and immunities. The US and RVN suggestion of discussions of this problem at the secretary or deputy level, following earlier FPJMC and FPJMT precedent, while the chiefs of delegations concentrated on immediate and concrete implementation of Article 8(b) was categorically rejected.

At this juncture, the DRV/"PRG", at the 18 June plenary session, raised the ante and demanded US/RVN accession to their demands without discussion. When the US and RVN would not capitulate, the "PRG", as host, unilaterally declared the session adjourned and in company with the DRV immediately walked out of the conference room. On 22 and 23 June, DRV/"PRG" participation in future FPJMT plenary sessions was cancelled by the Hanoi authorities until their demands were met. Since their declaration, they have boycotted four plenary sessions, and the promise of similar conduct in the future remains a cloud over the work of the FPJMT.

I point out that the US and RVN delegations continue to meet at the conference site in the hope the DRV and "PRG" will reconsider their position, recognize their responsibilities and attend the meetings.

As my tour of duty as the Chief of the US Delegation to the FPJMT comes to a close, I can truthfully say that this action by the DRV and "PRG" delegations—with all its attendant denunciations, threats and demands—does not surprise me. On the contrary, I think it is but another manifestation of the lengths to which Hanoi is willing to go in order to avoid meeting its responsibilities regarding the resolution of the problem of the dead and missing in Vietnam.

I hope you will take note of the fact that I refer to the dead and missing issue and not solely to the US dead and missing in South Vietnam. I make this distinction because the FPJMT was created to resolve the dead and missing problem for all parties associated with this war—to include dead and missing nationals of countries not directly involved in the war.

During my last opportunity to speak to the press on 4 June 1974, I gave you a short resume of what the US Delegation had attempted to do over this past year in an effort to solicit positive responses from the DRV/"PRG" delegations. I am not going to go into a recitation of those facts again at this time. I will however, reiterate in the strongest possible terms, that—in accordance with the President's pledge—we have exerted every effort and explored every channel open to us in the attempt to influence the DRV and "PRG" to meet their clearly stipulated obligations with regard to the dead and missing.

In the course, of this effort, we have at no time—nor has the RVN delegation—imposed any conditions on their execution of this responsibility. Despite these efforts and the continued reiterations by the other side of its "scrupulous implementation of Article 8(b)," its delegations have persisted in complicating and politicizing the achievement of these humanitarian tasks. Not only does Hanoi still not show a sincere desire to resolve problems of US and RVN dead and missing, but tragically, it demonstrates that the DRV and "PRG" have absolutely no interest in determining the fates of their young men who were lost during the course of this war. Based upon its performance over this past year, I was not surprised at this latest DRV/"PRG" delaying tactic. On the other hand, I believe that the DRV/"PRG" continue to be surprised and amazed that the US and the RVN Delegations persevere in their efforts to account for the dead and missing regardless of the artificial obstacles placed in their path.

The "PRG" and DRV have clearly underestimated our determination to resolve our dead and missing cases. This fact was underscored very recently when the chief of the "PRG" delegation expressed the "PRG" belief to visiting Congressman Montgomery that the MIA problem is a "minor issue." This miscalculation is costing the communists dearly—as pointed out by Congressman Montgomery—in that Congress will consider no program of postwar reconstruction aid for Hanoi until cooperation on the MIA question begins. Meanwhile, our efforts in Saigon will continue.

This then, is but a brief summary of the present status of negotiations in the FPJMT. The US and RVN Delegations are firmly committed to concrete implementation of Article 8(b), not to achieve political or military or economic gains, but rather to carry out the humanitarian mission entrusted to the FPJMT. Thank you.

Mr. THURMOND. Mr. President, it is clear that our Government is fully and unequivocally convinced that the Communists could provide considerable information about Americans who are missing or prisoners. These missing also include as many as 20 newsmen from seven different countries. Our Government and the world know that the Communists have information about our men, as stated in official reports, either through photographs, newspaper articles, interviews, foreign broadcasts, observed captures and other sources.

Consequently, it is very difficult for MIA/POW wives and families and many faithful Americans to accept the current procedures to declare some of our brave men as presumed dead when there is definitely encouraging hope. However, it is also realized, according to my understanding of Defense procedures, that a presumptive finding to change the status will not be issued when there is hopeful information available. Nevertheless, I believe our Government is premature in implementing sections 555 and 556 of title 37, as pertains to Southeast Asia, in such great haste.

Mr. President, my bill may not be the best solution to this tragic issue. However, I am convinced that the Congress must devote greater and more serious attention to this law, as it applies to Southeast Asia, and revise it accordingly. At the fifth annual meeting of the National League of Families in Omaha, Nebr., according to Mr. E. C. Mills, executive director, the members voted overwhelmingly to stop all status changes by way of presumptive findings of death. Many MIA families have contacted me. They have urged that status changes be stopped until accounting procedures have been proven to be exhausted and a satisfactory new law which will completely protect the rights and individual liberties of each POW and MIA has been enacted to replace or modify sections 555 and 556, chapter 10, title 37 of the United States Code.

Mr. President, this is the objective to my bill. I sincerely urge my distinguished colleagues to give this bill serious and favorable attention.

Mr. President, I request that this bill be appropriately referred and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3862

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding the provisions of sections 555 and 556 of title 37, United States Code, no change in the status of any member of the uniformed services who, on the date of enactment of this Act, is in a missing status as a result of his performance of service in Southeast Asia may be made by the Secretary concerned until—

(1) the Democratic Republic of Vietnam (North Vietnam) and the Provisional Revolutionary Government of South Vietnam have fully complied with the provisions of Article 8(b) of the Paris Peace Accord of January 27, 1973, or

(2) the President of the United States (A) has determined that all reasonable actions have been taken to account for such members, and (B) has reported such determination to the Congress in writing.

(b) As used in subsection (a), the terms "uniformed services", "missing status", and "Secretary concerned" shall have the same meaning ascribed to such terms in chapter 10, of title 37, United States Code.

SEC. 2. The Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives shall each conduct a study of sections 555 and 556 of title 37, United States Code, with a view to determining whether such sections should be amended or repealed. Each such committee shall report the results of its study to the appropriate House of Congress not later than 180 days after the date of enactment of this Act together with such recommendations for legislation as such committee deems appropriate.

By Mr. PERCY (for himself, Mr. GOLDWATER, and Mr. HRUSKA):

S. 3863. A bill to name the synthetic gas pilot plant located in Rapid City, S. Dak., the "Karl E. Mundt Gasification Pilot Plant." Referred to the Committee on Commerce.

Mr. PERCY. Mr. President, on June 3, 1975, former U.S. Senator Karl E. Mundt will observe his 75th birthday. Senator Mundt's long and distinguished career started in 1939 as a Member of the House of Representatives in the 76th Congress. After four terms in the House he was elected to the U.S. Senate where he served for four consecutive terms—the 81st Congress through the 92d. The number of committees and subcommittees on which he served is long and varied and in every assignment his wisdom and counsel was exerted. His influence on constructive legislation was great and his contributions to his country were outstanding.

In the late 1960's Senator Mundt, serving as ranking Republican member of the Interior Appropriations Subcommittee realized our Nation was headed for an energy crisis of enormous magnitude unless the Congress faced up to the problem and attempted to discover new sources of energy. This vital problem disturbed him. He was convinced that the millions of tons of lignite buried in the soil of the Dakotas, Montana, and Wyoming could, after extensive research, produce gas.

Convinced that the coal gasification process developed by the Consolidation Coal Co. was a significant technological advance in solids-to-gas conversion, Senator Mundt was successful in securing the necessary appropriation to construct the CO_2 acceptor pilot plant in Rapid City, S. Dak., at a construction cost of $9.3 million. The sponsor of the plant is the Department of Interior, Office of Coal Research and the operating cosponsor is the American Gas Association which supplied one-third of the funds for construction.

The plant is located on a 10-acre site on South Dakota's highway 79, 2 miles south of Rapid City, S. Dak. The land was contributed by the Western South Dakota Development Corp.

Senator Mundt, with the assistance of the Department of Interior and especially the Office of Coal Research, and the American Gas Association, made this pilot plant possible. I am today introducing a bill to acknowledge this splendid accomplishment, led by Senator Mundt, by having the OCR Lignite Gasification Pilot Plant, Rapid City, S. Dak., named and dedicated as the "Karl E. Mundt Gasification Pilot Plant."

By Mr. McGOVERN (for himself, Mr. SCHWEIKER, Mr. CASE, Mr. KENNEDY, Mr. MONDALE, Mr. HART, Mr. ABOUREZK, Mr. CRANSTON, and Mr. PERCY):

S. 3864. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to nutrition education and nutrition-related problems. Referred to the Committee on Labor and Public Welfare.

NATIONAL NUTRITION EDUCATION ACT

Mr. McGOVERN. Mr. President, today I am introducing the National Nutrition Education Act of 1974.

Mr. President, this bill marks the culmination of many hours of investigations into the area of nutrition education. As chairman of the Senate Select Committee on Nutrition and Human Needs, I have had the opportunity in recent years to listen to many eminent persons testify as to the need for a comprehensive nutrition education program in the Nation's elementary and high schools. It is time, I think, to take advantage of the expertise that has come before congressional hearings and turn it into positive legislation for the Nation's schoolchildren.

This committee has heard testimony from experts in the field of nutrition education that the potential costs, potential health costs of nutritional ignorance may be amounting to billions of dollars. These experts have emphasized to the committee the critical role that proper nutrition education can—and must—play as part of a total national preventive health policy. They have further emphasized the responsibilities that Government, schools and private industry must play in both developing and implementing this policy.

I do not think anyone could argue with the desire for a good education on behalf of all Americans. It is my contention and belief that no better dollar can be spent than one which gives the American citizen a practical education, a day-to-day tool which will enhance the quality of his life and maximize his purchasing dollar. I believe nutrition education does just that.

The fact is, Mr. President, that at the present time there is no comprehensive legislation which allows for the teaching of nutrition education in the Nation's schools. We feed 25 million children a day under the National School Lunch Act, which I think is something we can all take great pride in, but we do not take advantage of that opportunity by educating them at the same time as to food choices, dietary habits, and nutrient content.

I think it is very important to point out that such an education will work a direct benefit upon the schoolchildren, both while they are children and later on when they are adults. It is important to keep in mind certain facts about the current health status of Americans. We know, for example, that diet is one of a number of important factors related to the general health of the American people today. Diseases or health problems such as dental decay, heart disease, diabetes, obesity, and anemia, are all problems which sap billions of dollars from the American taxpayer each year, and which are related, by scientific evidence, to diet.

The entire thrust of this legislation is one of preventive, as opposed to crisis, medicine. There has to be an adjustment in our concepts, our food industries, our advertising agencies, our educators, and our legislatures. We must not take food for granted. As a guarantee of human dignity, it is time that we acknowledge and reappraise for our populace the value of each element of diet: fats, carbohydrates and protein. We have to get away from crisis care of our population and develop maintenance of health as a lifetime attention. Food is one aspect of lifetime care.

Dr. George Briggs, Chairman of the Nutrition Education Panel of the White House Conference on Food, Nutrition, and Health, estimated before our committee that the annual cost of the abovementioned diseases to the American public is approximately $30 billion. The No. 1 recommendation of his panel, in 1969, was that we begin a comprehensive nutrition education program in the Nation's schools. I believe this bill is a late but necessary recognition of that recommendation.

This bill also represents the first legislative action taken directly from the recommendations of the national nutrition policy hearing held this June by the Nutrition Committee. Several of the panels made it clear that the No. 1 need in their area was the need for nutrition education.

We heard over and over again this refrain "you must feed people, but food alone is meaningless without nutrition education."

Dr. Briggs, Dr. Jean Mayer, the Chairman of the White House Conference on Food, Nutrition, and Health, and others, have pointed out before the committee that malnutrition involves more than just hunger. It takes many forms. One form can be obesity, another tooth decay, another anemia. While we have continually stressed, and I think correctly so, the inability of low-income persons to purchase an adequate diet, it is equally well known that Americans of all income levels are making poor food choices and hurting their health. You cannot blame someone for making a poor choice if you have not given them the proper educational tools with which to learn. What I am saying, Mr. President, is that misuse or overuse of fats, sugars, alcohol, and other foods can be as dangerous to one's health as a lack of these things.

The facts are that in 1950 Americans spent $12 billion for health care and $75 billion for the same care in 1972, but have experienced no increase in the life expectancy rate.

We also know that Americans are suffering from a glut of information about food. There are food faddists, recommending radical consumption patterns of different foods, based on everything from religious beliefs to quasi-scientific findings. The fact is that fad diets are sweeping the Nation. And people, in good faith, are taking the words of so-called experts without having a background or backlog of information themselves of how to make good food choices.

Food advertising, which sometimes contains only limited information or half-truths, presents a great deal of misinformation to the consumer each year. The amount of money spent on food advertising each year literally runs into the billions of dollars.

The average supermarkets have 18,000 different articles on its shelves. This is increased by hundreds of items every month. There are approximately $130 billion worth of retail food sales each year in this country, so we can see the amount of food being purchased by the American consumer, and the vast array of choices the American consumer, young and old, is being asked to make.

This bill says:

> Mr. and Mrs. Consumer, we know that you need food to live; we know that you are going to buy many dollars worth of food each year, and we believe that the tax dollar which gives you sound scientific advice on what to purchase is a tax dollar well spent for your future and your health.

Mr. President, what we need to do is spend more for prevention now and less for health care later.

Now that we are seeing more and more the connection between poor nutrition habits and disease, we can begin to relay some of that information to Americans so that they can put it to use in their daily lives.

Now that we have a massive feeding program in the Nation's schools, we have a great opportunity to implement a sound nutrition education program. I think using the school lunch room as a laboratory for nutrition education is an idea that makes eminent commonsense.

Mr. President, over the years we have had many model nutrition education curriculums given to the Senate Select Committee on Nutrition and Human Needs, as examples of the kinds of things that States are doing on a very small scale in this area. I believe from the hearings that we have held it is clear that expertise, energy, and desire exist now to launch this program in the Nation's schools.

No other topic gets raised continually to me with such urgency and fervor from nutritionists, dietitians, and health professionals, than the one of the importance of nutrition education.

The penalties of faulty nutrition are paid at all levels of society—rich, poor and in-between. Malnutrition in the midst of plenty is real and has become a national concern.

We know the American consumer is getting massive doses of sketchy and nonscientific nutrition information from advertising. I think we have an obligation to make those facts that are known about sound nutrition habits available to American children so they can protect their health and grow up to be intelligent consumers. After all, they are our finest resource.

Mr. President, I ask unanimous consent that this bill, the National Nutrition Education Act of 1974, along with a short explanation, be printed in full in the RECORD at this point.

There being no objection, the bill and explanation were ordered to be printed in the RECORD, as follows:

S. 3864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Nutrition Education Act of 1974".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) nutrition education in the schools has the potential for improving substantially the health and well-being of students and of significantly reducing many health problems which adversely affect the learning processes of students;

(2) the provision of a comprehensive program with respect to nutrition education for the children and youth of the Nation should be given high priority; and

(3) most children and youth of the Nation are given little or no instruction regarding nutrition or the importance of a nutritionally balanced diet to mental and physical well-being; and

(4) most teachers are not trained in the fundamentals of nutrition; nor do any of the states require even a single course in nutrition for licensure or certification of teachers;

(5) there is no fully comprehensive program in existence within the Federal Government which has responsibility for furthering nutrition education for all the nation's schoolchildren;

(b) It is the purpose of this Act to encourage the provision of nutrition education programs in the classroom and lunchrooms of elementary and secondary schools by establishing a system of grants for teacher training, pilot and demonstration projects, and the development of comprehensive nutrition education programs. Such nutrition education programs shall fully utilize as a learning laboratory existing child nutrition programs, including, but not limited to, the school lunch program.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "Commissioner" means Commissioner of Education;

(2) the term "nutrition education program" means a multi-disciplinary program by which scientifically sound information about foods and nutrients is imparted in a manner that individuals receiving such information will understand the principles of nutrition and seek to maximize their well-being through food consumption practices, both in the school lunchroom and in the community-at-large, consistent with optimum health. Nutrition education program shall include, but not be limited to, the development and carrying out of institutional models, support programs, classroom materials, and curricula.

(3) the term "state coordinator" means that person within the state educational agency responsible for formulating and implementing the State plan of nutrition education as outlined in Section 9 of this Act.

(4) except as provided by section 6(b), the term "State" means the several States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

TEACHER TRAINING

SEC. 4. (a) The Commissioner shall make grants to State educational agencies and institutions of higher education for teacher training with respect to the provision of nutrition education programs in schools. Such grants may be used by such agencies and institutions to develop and conduct training programs for early childhood, elementary and secondary teachers with respect to the science of nutrition, methods and techniques, information, and current issues relating to nutrition education and food related problems.

(b) The Commissioner shall distribute grants under this section in a manner which insures the most effective and equitable distribution of such grants and which seeks to achieve a reasonable geographical distribution. The Commissioner shall, not later than thirty days before he distributes grants under this section, transmit a report to the Committee on Labor and Public Welfare of the Senate and to the Committee on Education and Labor of the House of Representatives. Such report shall contain a detailed statement of criteria which the Commissioner proposes to use in distributing grants under this section.

(c) There is authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1975, $12,500,000 for the fiscal year ending June 30, 1976, and $15,000,000 for the fiscal year ending June 30, 1977, to carry out this section.

PILOT AND DEMONSTRATION PROJECTS

SEC. 5. (a) The Commission may make grants to State and local educational agencies, institutions of higher education, and other public or private nonprofit education or research agencies, institutions, or organizations to pay the cost of pilot demonstration projects in elementary and secondary schools with respect to nutrition education and nutrition related problems.

(b) Grants under this section shall be available for—

(1) projects for the development of cur-

ricula in nutrition education programs including the evaluation of exemplary existing materials and the preparation of new and improved curricula materials for use in early childhood, elementary and secondary education programs;

(2) projects for demonstration, testing, and evaluation of the effectiveness of such curricula (whether such curricula are developed with assistance under this Act or otherwise); and

(3) in the case of applicants who have conducted projects under paragraph (2), projects for the dissemination of curricular materials and other information with respect to nutrition education programs.

(c) There is authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1975, $17,500,000 for the fiscal year ending June 30, 1976, and $20,000,000 for the fiscal year ending June 30, 1977, to carry out this section.

NUTRITION EDUCATION PROGRAMS

SEC. 6. (a) The Commissioner may make grants to State education agencies to pay the Federal share of the cost of developing and carrying out nutrition education programs in elementary and secondary schools within each State. Such grants shall be available to State educational agencies for the development of such programs and for assistance to local educational agencies in the implementation of such programs.

(b) From the sums appropriated for carrying out this section for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 5 per centum of such sums, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this section. The Commissioner shall apportion the remainder of such funds as follows:

(1) He shall apportion 40 per centum of such remainder among the States in equal amounts; and

(2) He shall apportion to each State an amount which bears the same ratio to 60 per centum of such remainder as the number of children in average daily attendance in the public elementary and secondary schools bears to the number of public schoolchildren in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(c) The amount apportioned to any State under subsection (b) for any fiscal year which the Commissioner determines will not be utilized for such year shall be available for reapportionment from time to time, on such States during such year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (b) for such year, except that the proportionate amount for any of the other States shall be reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for such year. The total of such reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced.

(d)(1) Any State educational agency receiving a grant under this section shall, to the extent consistent with the number of children in the State involved who are enrolled in private elementary and secondary schools, make provision for including special educational services and arrangements (including dual enrollment, educational radio and television, and mobile educational service and equipment) in which such children may participate.

(2) If the Commissioner determines that a State education agency is unable or unwilling to comply with paragraph (1), he may make special arrangements with other public or nonprofit private agencies to carry out paragraph (1). For such purpose the Commissioner may set aside on an equitable basis and use all or part of the maximum total of grants available to the State involved.

(e) There is authorized to be appropriated $50,000,000 for the fiscal year June 30, 1975, and for each of the two succeeding fiscal years, to carry out the provisions of this section.

(f) Funds made available under this section shall be used to increase the level of funds that would, in the absence of federally-funded pilot and demonstration projects approved under section 5 of this Act, be used by the State agency to carry out the purposes of this section, and in no case supplant such funds.

APPLICATIONS

SEC. 7. (a) Grants under this Act may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Each such application shall

(1) provide that the activities and services for which assistance is sought be administered by the State educational agency;

(2) provide that the State educational agency shall establish, consistent with the provisions of section 9 of this Act, an Office of State Coordinator of nutrition education;

(3) provide assurances that the State educational agency will through the State coordinator of Nutrition Education develop a State plan for nutrition education programs, as required under section 9 of this Act;

(4) describe the nutrition education programs in elementary and high schools for which assistance is sought under this part and procedures for giving priority to nutrition education programs which are already receiving Federal financial assistance and show reasonable promise of achieving success;

(5) set forth procedures for the submission of applications by local educational agencies within that State, including procedures for an adequate description of the nutrition education programs for which assistance is sought under this part;

(6) set forth criteria for achieving an equitable distribution of funds under this Act which are made available to local educational agencies pursuant to this Act, which criteria shall—

(A) take into account the size of the population to be served, beginning with preschool, the relative needs of pupils in different population groups within the State for the program authorized by this title, and the financial ability of the local educational agency serving such pupils,

(B) assure an equitable distribution of funds among urban and rural areas;

(7) set forth criteria for the selection or designation and training of personnel (such as nutrition specialists and administrators of nutrition programs in elementary and high school programs assisted under this part, including training for private elementary school personnel, which shall include qualifications acceptable for such personnel;

(8) provide for technical assistance and support services for local educational agencies participating in the program;

(9) provide that not more than 20 per centum of the amount alloted to the State under section 6 for any fiscal year may be retained by the State educational agency for purposes of administering the agreement;

(10) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement, and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant to carry out the purpose of this Act, and in no case supplant such funds; and

(1) provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to insure the correctness and verification of such reports.

(b)(1) The Commissioner shall approve any application which meets the requirements of subsection (a), and shall not disapprove any such application without first affording the state education agency notice and opportunity for a hearing.

TECHNICAL ASSISTANCE

SEC. 8. The Commisioner shall, when requested, render technical assistance to local education agencies, through qualified staff members having expertise in nutrition, health education, school food services, home economics, dietetics, and physical education, to public and private nonprofit organizations, and institutions of higher education for the development and implementation of education programs with respect to nutrition education and nutrition related problems. Such technical assistance may, among other activities, include making available to such agencies or institutions information regarding effective methods of carrying out such programs, disseminating to such agencies or institutions information obtained through programs established by this Act, and making available to such agencies or institutions personnel of the Departments of Health, Education, and Welfare, and Agriculture or other persons qualified to advise and assist in carrying out such programs.

STATE COORDINATORS FOR NUTRITION AND STATE PLAN

SEC. 9. (a) In order to be eligible for assistance under this Act a State shall appoint pursuant to section 6(a)(2) a State Coordinator for Nutrition Education (hereinafter referred to as "State Coordinator"). It shall be the responsibility of the State Coordinator for each State to prepare a State plan as provided in subsection (b) of this section.

(b) Within one year after his appointment, the State Coordinator for each State shall develop, prepare, and furnish to the Commissioner a comprehensive plan for nutrition education within that State. Each such plan shall—

(1) provide for coordinating the nutrition education program carried out with funds made available under this Act with any existing related programs being carried out within the State, including, but not limited to, such programs administered by the Department of Agriculture and health education and nutrition education programs carried out with State funds;

(2) provide for the establishment of a State Advisory Council to assist and advise the State Coordinator regarding the development of nutrition education curricula and programs for the State, and shall provide that the members of such council, which shall be appointed by the State Coordinator, shall include interested teachers, professionals, paraprofessionals, school food service personnel, administrators, representatives from consumer groups, parents and other individuals from private life.

(3) include a program for the systematic training in nutrition education of teachers at both the inservice and undergraduate levels;

(4) include an outline of the State's program for implementing and coordinating programs carried out with grants made under sections 4 and 5 of this Act;

(5) provide, whenever practicable, for the inclusion of appropriate nutrition educa-

tion information in social study courses, science courses, economics courses, anthropology courses, home economic courses, health education and drug abuse courses, physical education courses, and all other related areas of the curriculum.

(6) provide, in carrying out the State plan, for the utilization and involvement of individuals not professionally trained in nutrition, including counselors, coaches, school nurses, school lunch supervisors, interested neighborhood individuals, and students.

NATIONAL NUTRITION EDUCATION RESOURCE CENTER

SEC. 10. (a) There is established within the Office of Education of the Department of Health, Education, and Welfare, a National Nutrition Education Resource Center. The Center shall be located in an area of the United States selected by the Commissioner, and may in part be located within the framework of existing backup facilities in the area of nutrition education—

(1) provide original and ongoing training for the State Coordinator and for interdisciplinary personnel designated by the State Coordinators who may be in need of special training relating to nutrition education and nutrition related problems. Such personnel shall include, but not be limited to, nutritionists, dietitians, home economists, business managers, teachers, administrators and school food service personnel;

(2) collect and create curriculum materials relevant to nutrition education, including, but not limited to, the integration of nutrition education materials into all subject matter at the elementary and secondary education levels;

(3) collect information and materials relating to nutrition education and maintain such information and materials in a library for the use of State Coordinators and other interested persons; and

(4) evaluate on a continuing basis the objectives and effectiveness of the nutrition education programs of the States and their results.

(c) The National Nutrition Education Resource Center is authorized to enter into contracts with other Federal agencies, State and local agencies, institutions of higher education, and with private nonprofit organizations experienced in nutrition education and related fields for the purpose of carrying out any function of the Center under this section.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section but not in excess of $2,000,000 in any fiscal year.

PAYMENTS

SEC. 11. (a) From the amount allotted to each State under section 6 of this Act the Commissioner shall pay to that State an amount equal to the Federal share of the cost of carrying out the application of that State approved under such section 6. The Federal share of the cost of carrying out a State application shall for each fiscal year be 75 per centum. In determining the cost of carrying out the application of a State, the Commissioner shall exclude any cost with respect to which payments will be received by that State under any Federal program.

(b) Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATION

SEC. 12. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

SHORT EXPLANATION OF NATIONAL NUTRITION EDUCATION ACT OF 1974

A. This bill is a three-year pilot effort in nutrition education. The goal is to make available federal funds (with a small state matching share) to introduce, for the first time, a comprehensive nutrition education program into the curriculum of the nation's schools.

B. The legislation stresses technical assistance, teacher training (in-service and undergraduate), planning and organization, both at the state and federal office, and curriculum development. The idea is to start at the beginning, by teaching the teachers and developing materials. The program will be administered by the States' Educational Agency.

C. Each state will have a Nutrition Education Coordinator, who will be responsible for developing and enacting a State Plan for Nutrition Education.

That person shall be advised by a state Advisory Council for Nutrition Education comprised of teachers, parents, school officials, students, school food service personnel and others.

D. The State Plan will coordinate the existing nutrition education efforts within the state and new approaches developed by the Department of Education, combining them into one plan in one office. The plan will include ways to incorporate Nutrition Education into all subjects being taught, using both professional and community resources.

E. A national Nutrition Education Center for training persons in nutrition education, compiling latest materials, developing curricula, and evaluating nutrition education efforts under this Act will be estabilshed, using and expanding existing facilities in HEW and USDA.

F. The funding level for the first year will be approximately $25 million. The bulk of the money ($50,000,000) is scheduled for the third year, after state plans have been developed, teachers trained, and some pilot projects completed. There is a requirement that states contribute 25% of the total monies they receive under this Act.

G. This bill was drafted in consultation with officers of the Society for Nutrition Education, the American School Food Service Association, the National Dairy Council, and representatives of various federal agencies and state departments of education. The states will receive 40% of the funds equally, with 60% of the funds going to states based on student enrollment.

Mr. SCHWEIKER. Mr. President, I am pleased to join with Senator MCGOVERN today in introducing the National Nutrition Education Act of 1974 (S. 3864). I feel this is a very important step since its implementation will make great strides toward improving the nutritional health of our Nation in years to come. This act authorizes a 3-year, nationwide effort to provide a comprehensive nutritional education program in elementary and secondary schools. Primary emphasis is given to technical assistance; teacher training, both inservice and undergraduate; planning and organization, both on the Federal and State level; and curriculum development.

Mr. President, the United States historically has been extremely negligent of its nutritional health. Dr. George M. Briggs, chairman of the nutritional sciences department, University of California at Berkeley, testified before hearings conducted by the Senate Select Committee on Nutrition and Human Needs, which I chaired, that malnutrition costs Americans $30 billion a year in poor health, mental problems, obesity, physical deficiencies, and increased susceptibility to other health problems. This is an enormous cost, particularly when you consider nutritional deficiencies affect not only our Nation's poor, but also middle-income and wealthy families.

The nutritional health of each of us is first determined by our mother's own nutritional well-being. And the nutritional health of the fetus and young child from conception to age five largely determines not only the individual's long-term physical well-being but also his mental development. The Congress has finally recognized this situation and wisely enacted programs, such as the women, infant, and children supplemental feeding program—WIC—to assure that pregnant women and their young children obtain necessary nourishment. It is unfortunate, however, that the executive branch has chosen to impede development of these programs.

Mr. President, during the past two Congresses, I have introduced legislation to provide for nutritional education in our Nation's medical and dental schools. Testimony, again before the Select Committee on Nutrition and Human Needs, has pointed out the dire neglect by medical and dental schools in not teaching basic, applied nutrition principles which can be used in the daily practice of medicine and dentistry.

And so we come to the question, where do we begin a nutritional education program to effectively reach the largest number of Americans? To reach the most people, at the lowest cost to the taxpayer, I feel implementation and expansion of nutritional education in the elementary and secondary school systems is the answer. I chaired Nutrition Committee hearings in Pittsburgh last year and heard testimony from a 12-year-old girl who had planned the meals for an entire school district for 1 week. Unfortunately, this is a rare instance. Most schoolchildren do not have the opportunity to take basic nutrition courses. However, from evidence I have seen, teaching the basics of good nutrition can be very successful within the school system.

The National Nutrition Education Act is a 3-year proposal. The first 2 years are structured primarily to initiate nutritional education courses both on the undergraduate level and for working teachers. It also provides for some pilot demonstration projects within the school system. In addition, a State must appoint a State coordinator for nutrition education in order to be eligible for grants under this act. It is the responsibility of the State coordinator to formulate comprehensive plans for nutritional education within the State.

The bulk of the funds authorized under this act are withheld until the third year after State plans have been developed, teachers trained, and some pilot projects completed. These third-year funds are to be used for the main thrust of this act—implementation of the nutritional education programs within the school systems.

And lastly, this act establishes a National Nutrition Education Backup Center within the Office of Education to provide original and ongoing training for the State coordinators and for interdisciplinary personnel designed by the State coordinators who may be in need of special training relating to nutrition education and nutrition related problems.

Mr. President, I want to offer my thanks to the chiarman of the Senate Select Committee on Nutrition and Human Needs, Senator McGovern, and his staff for their tireless efforts which have gone into the development of this act.

By Mr. NELSON:

S. 3865. A bill to amend the Land and Water Conservation Fund Act of 1965; and

S. 3866. A bill to amend the Land and Water Conservation Fund Act of 1965. Referred to the Committee on Interior and Insular Affairs.

Mr. NELSON. Mr. President, I introduce two bills, each of which would amend the Land and Water Conservation Fund Act of 1965, and I ask unanimous consent that the text of both bills be printed in the Record at this point.

There being no objection, the bills were ordered to be printed in the Record, as follows:

S. 3865

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Land and Water Conservation Fund Amendments Act of 1974".

Sec. 2. The Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601-4 to 4601-11) is further amended as follows:

(1) In section 2(c)(1), strike "$200,000,000" and the remainder of the sentence and insert in lieu thereof "$1,000,000,000 for each fiscal year through June 30, 1989."

(2) In section 2(c)(2), strike "$200,000,000 or $300,000,000" and insert in lieu thereof "$1,000,000,000".

(3) The first sentence of section 6(c) is amended to read as follows: "Payments to any State shall cover not more than 50 per centum of the cost of planning or development projects, and not more than 75 per centum of the cost of acquisition projects, that are undertaken by the State."

S. 3866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Land and Water Conservation Fund Amendments Act of 1974".

Sec. 2. The Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601-4 to 4601-11) is further amended as follows:

(1) In section 2(c)(1), strike "$200,000,000" and the remainder of the sentence and insert in lieu thereof "$1,000,000,000 for each fiscal year through June 30, 1989."

(2) In section 2(c)(2), strike "$200,000,000 or $300,000,000" and insert in lieu thereof "$1,000,000,000".

By Mr. NELSON:

S. 3867. A bill to amend the Federal Food, Drug and Cosmetic Act to promote honesty and fair dealing in the interest of consumers with respect to the labeling and advertising of special dietary foods, such as vitamins and minerals, et cetera. Referred to the Committee on Labor and Public Welfare.

Mr. NELSON. Mr. President, the issue of vitamin regulation by the Food and Drug Administration had aroused enormous interest and concern, stemming from the fact that the FDA's regulations, proposed March 14, 1973, and effective January 1, 1975, are far-reaching and their full implications are not entirely clear.

Basically, these regulations would require all vitamin and mineral products containing more than the FDA-established limit of U.S Recommended Daily Allowance—U.S. RDA—nutrients to be classified as over-the-counter or prescription drugs.

This is a departure from the current situation, in which vitamins and minerals are regulated primarily as foods, and are allowed to be marketed in unlimited nutrient amounts per capsule.

The FDA began a study of the vitamin-mineral situation some 10 years ago.

The ultimate intent of the FDA's regulations is laudable and important: to prohibit the marketing of products with misleading claims, fraudulent labels, and safety hazards resulting from too great an intake of certain vitamins known to be toxic in large amounts, such as vitamines A and D.

To accomplish these goals, a bill I am introducting today would strengthen the FDA's authority to regulate advertising and label statements for vitamin and mineral products and special dietary foods. A product, making a therapeutic claim, would be subjected to the same requirements of safety and efficacy that drugs are, under the Food, Drug, and Cosmetic Act. All labels of nutrient products would be required to be accurate and not misleading. Nutrients which make therapeutic claims would be subjected to the same FDA regulatory review as drugs.

The bill allows the FDA to establish recommended daily allowance levels, but it does not limit the quantity of RDA allowed in nutrient products that are safe in unlimited dosage levels.

If there is any evidence of lack of safety in any dosages, the FDA would, of course, have the same authority that it now has to regulate such substances.

The primary reason for taking this legislative approach lies in the fact that the FDA regulations may be unnecessary in many respects; and may actually work against the goal of protecting the consumer.

To seek clarification of many apparent inconsistencies and problems with the regulations, I and other Members of Congress wrote the FDA on May 7, 1973, and received a detailed response on July 9, 1973, which correspondence was printed in full in the Congressional Record July 12, 1973. However, many of the answers provided by the FDA did not appear to reflect what the regulations would actually do. Therefore, Representative David Obey and I addressed further questions to the FDA in a letter dated July 10, 1974, which was printed in the Congressional Record July 16, 1974, page 23506.

The questions raised in those letters outline the problems with the regulations, as follows:

Products that do not now make drug claims, such as certain vitamins, minerals, and food supplements, would be forced by the regulations to make drug claims, if they contained more than 150 percent of the RDA, as set by the FDA.

Certain products, such as inosotol, bioflavinoids, and rutin, which the FDA has declared to be useless for nutrition, could be sold in unlimited quantities, while vitamins and minerals, which everyone, including the FDA, agrees to be essential, will be available for sale in limited amounts or under strict legal restrictions.

The regulations also inadvertently could create certain potential safety problems which they are intended to overcome. The regulations prohibit the variation of amounts of vitamin-mineral substances above 100 percent of the RDA, which are allowed in combinations.

Separate regulations also set maximum limits of allowable safe levels of vitamins A and D, based on scientific evidence that higher dosages are unsafe.

It is possible that someone seeking to increase the dosage of one vitamin substance might inadvertently and/or unknowingly consume unsafe amounts of vitamins A and D by increasing the intake of combination products, perhaps on a regular basis, thus seriously endangering one's health.

As regards FDA's established RDA limits, there is a scientific view that RDA levels vary with individuals and cannot be arbitrarily established as a common norm. The National Academy of Sciences/National Research Council's "Recommended Dietary Allowances" handbook, eighth edition, 1974, warns that:

> RDA should not be used as a justification for reducing habitual intakes of nutrients. (page 13).
>
> While a diet made up of ordinary foods meeting the RDA standard should maintain health, we are well aware that present knowledge of nutritional needs is incomplete. Requirements of man for many nutrients have not been established. (page 2).
>
> RDA are appropriate standards for all of these purposes (food fortification, nutritional labeling), but their limitations should be recognized. It is important to re-emphasize that RDA have been established for only about one-third of the essential nutrients; that foods are ordinarily analyzed for only a small number of nutrients; and that interactions of various types between nutrients and food constituents may reduce the availability of some nutrients and, hence, the accuracy of information about food composition. (page 19).

The proposed vitamin regulations seem to be inconsistent with this view of the NAS/NRC Committee on Recommended Dietary Allowances, because the regulations set arbitrary limits for nonprescription essential vitamin-mineral nutrients.

This bill would allow the marketing of combination vitamins with various dosage levels, but would require that they be labeled with information about what the FDA considers to be the recommended daily allowance, and what the vitamin contains. Consumers could thus be consistently and repeatedly warned that taking more than one capsule might be harmful.

During hearings on food additives September 19, 20, and 21, 1972, before the Senate Select Committee on Nutrition and Human Needs, Assistant Secretary of HEW for Health and Scientific Affairs, Dr. Charles Edwards, then FDA Commissioner, testified:

> It is our position that the consumer has the right to purchase and use "unnecessary" foods if he so desires provided, of course, these items are safe and properly labeled. For example, there are many nonessential, highly purified foods, such as the bioflavnoids, which certain individuals believe beneficial but which are of no proven nutritional significance in our diet. Another category of "unnecessary" foods is the so-called delicacies. Some may find chocolate covered ants a great treat, but it is highly unlikely they will ever become a dietary staple. And we should not overlook certain snack foods. Many of these add calories and little else to the diet. I would oppose banning these "unnecessary" foods. The proper function of the FDA is to make certain they are not adulterated or misbranded.
>
> . . . Requiring the FDA to make value judgments in this area would only lead to extended controversy and adjudication in areas where health and safety are not involved. We agree with the declared intent of the Congress in passing the Food Additives Amendment (in 1958), that these value judgments should be decided in the market place. People should be free to choose whatever safe food they want. (Page 1229, Part 4B, Food Additives, September 20, 1972, Senate Select Committee on Nutrition and Human Needs.)

How does the FDA justify the demand that vitamins and food supplements, or essential nutrients, be shown to be "necessary," while at the same time rejecting the concept of necessity for nonessential food additives?

The goal of protecting the public health by prohibiting the marketing of products with misleading claims, fraudulent labels, or potential safety hazards can best be accomplished by strengthening the FDA's authority to regulate labeling and advertising of these products, and by requiring that all therapeutic claims be substantiated with scientific data supporting safety and efficacy whenever such claims are made.

WHAT THE BILL DOES

Amends section 401—Definitions—of the Food, Drug, and Cosmetic Act—which allows regulation of vitamin and mineral products—to allow the manufacture and marketing of foods for special dietary uses, such as vitamins and minerals, which do not meet standards, only if they are so labeled and clearly distinguished as not conforming to the standards. If a vitamin contained more than the RDA, for example, it would have to be so labeled.

Amends section 403(j) of Food, Drug, and Cosmetic Act—Misbranded Food for Special Dietary Uses—by requiring that:

The labels of foods represented for special dietary uses, such as vitamins and minerals, include at least: First, the name and address of the place of business of the manufacturer; second, the common or usual names of each ingredient present in the product listed in descending order of predominance; third, a declaration of the percentage of any ingredient of such product if it is an integral part of the product and the Secretary considers it useful for consumers to know about the ingredient; fourth, and a clear statement of applicable U.S. recommended daily allowances—U.S. RDA's.

Any therapeutic claims made for a product be substantiated with scientific data supporting safety and efficacy, as required for drugs under the act; if producers making such therapeutic claims cannot substantiate the claims, their products are deemed to be misbranded. The FDA is prevented from requiring that every product containing more than a set limit of the RDA become classified as a drug.

Advertising for such products not be misleading or false.

Advertising be regulated and that advertising, both printed and visual or oral, contain, to the extent practical, the same information contained on labels, presented in a manner understood by ordinary individuals.

Labeling contain no untrue nutrition, health, or other statement; full ingredient labeling would not be construed to be misleading.

Mr. President, I ask unanimous consent that the text of the bill be printed following these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS AND STANDARDS

SEC. 401 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(f)) is amended by adding after the word "container" the first time it appears and after the semicolon the following:

"*Provided*, That such definitions and standards do not preclude the manufacture of properly labeled and clearly distinguished special dietary food products which do not conform to the standard, and, further,"

MISBRANDED FOOD

SEC. 403(j) is amended by changing the comma after the word "uses" to a colon and inserting a number (1), by changing the period at the end of the paragraph to a comma, and by adding the following at the end of the paragraph:

"Including but not liimted to (A) the name and address of the place of business of the manufacturer, (B) the common or usual names of each ingredient present in the product listed in descending order of predominance, (C) a declaration of the percentage of any ingredient of such product if the ingredient is an integral part of such product and is significant with respect to value, quality, nutrition, or acceptability of such product, or the ingredient is required to be so listed by the Secretary by regulation upon a finding that such information would be useful to consumers, (D) a clear statement of applicable U.S. Recommended Daily Allowances in the form established by the Secretary;

(2) and unless the Secretary finds, after giving due notice and an opportunity to the manufacturer, packer, distributor or other interested parties, for a public hearing, that a therapeutic or preventive claim made for such food product is not supported by substantial evidence that the food product will have the therapeutic effect it is purported or represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling thereof, *Provided*, that no such product shall be considered a drug unless a therapeutic or preventive claim for such product appears as part of its label, labeling, or advertising;

(3) and unless advertising for the product is not false or misleading in any particular;

(4) and unless all advertising for such product contains (A) if printed, the same information required on the label or labeling by subsection (j) of this section; (B) if not printed (television, radio or other) the name and address of the place of business, where the information required in subsection (j) of this section can be obtained, *Provided*, that such information must be presented in such terms as to render it likely to be read in the case of visual ads and heard in the case of ads with oral content, and understood by the ordinary individual;

(5) and unless the label, labeling or advertising contains no untrue nutritional, health, or other statement, *Provided*, that the required listing of ingredients in accordance with this subsection shall not be construed to be false or misleading statements prohibited by subsection (a) of this section.

EFFECTIVE DATE

SEC. The amendments made by this title shall take effect upon enactment, except that the effective date for any regulations promulgated pursuant to this title shall be no earlier than the first day of the sixth month beginning after the date regulations are published as a final order in the Federal Register with respect to all new or changed labels printed thereafter, and the first day of the eighteenth month beginning after the date the regulations are published as a final order in the Federal Register with respect to all other labels.

By Mr. HARTKE:

S. 3869. A bill to amend title 5, United States Code, to require the heads of the respective executive agencies to provide the Congress with advance notice of certain planned organizational and other changes or actions which would affect Federal civilian employment, and for other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. HARTKE. Mr. President, I am introducing today a bill that I introduced in the 92d Congress, to require the respective executive agencies and departments to provide advance notice to the Congress of certain planned organizational and other changes which would affect Federal civilian employees. This legislation is particularly relevant in light of the discussion now circulating on controlling the Federal budgeting process, and the overall impact on the Nation's economy of Federal expenditures.

This legislation is designed to protect and require fair notice opportunities for Federal civilian employees. The experiences of past reductions, and the anticipated gains and reductions in future executive actions have but one victim—the employee who suddenly is without employment through no action on his part, and which leaves little or no recourse for the individual. At the present time, Federal employees are subject to dismissal or relocation without sufficient notice. In order to protect these employees, my bill provides that when an agency or executive policy necessitates the dismissal or relocation of civilian employees, the head of the executive agency shall inform the Post Office and Civil Service Committees of the Senate and House of Representatives, and the respective employee organizations at least 120 days before any such action is taken.

In some cases, the severe hardship employees economically find themselves subjected to are unnecessary, and could be prevented with adequate notice, planning, and preparation. The Federal Government must take the first step and provide the employees with appropriate notice of contemplated actions.

While my bill will not find new employment for the thousands who must search for new employment, and sometimes relocate, it will provide the employee ample opportunity to go into the employment marketplace and search for existing possibilities.

Fairness to the Federal worker demands fairness by the Federal employer. Decisions on transfers, discontinuations of programs, or reductions in force are not decisions that should be made without consideration by the employer of the consequences to the employee. It is only fair that the decisions made by the employer be passed along to the employee in a timely matter with fair notice under our civil service system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That (a) subchapter II of chapter 29 of title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 2955. Advance notice to Congress of certain proposed actions of executive agencies affecting Federal civilian employment

"Whenever it is determined by appropriate authority that any administrative action, order, or policy, or series of administrative actions, orders, or policies, shall be taken, issued, or adopted, by or within any executive agency, which will effectuate the closing, disposal, relocation, dispersal, or reduction of the plant and other structural facilities of any installation, base, plant, or other physical unit or entity of that executive agency and which—

"(1) will necessitate, to any appreciable extent, a reduction in the number of civilian employees engaged in the activities performed in and through those facilities of that agency, in order to provide those employees with reasonable opportunity for further civilian employment with the Government outside the same commuting area; or

"(2) will necessitate, to any appreciable extent, the transfer or relocation of civilian employees engaged in the activities performed in and through those facilities of that agency, in order to provide those employees with reasonable opportunity for further civilian employment with the Government outside the same commuting area; or

"(3) both;

the head of that executive agency shall transmit to the respective Committees on Post Office and Civil Service of the Senate and House of Representatives and to employee organizations having exclusive recognition, at least one hundred and twenty days before any such action, order, or policy is initiated, written notice that such action, order or policy will be taken, issued, or adopted, together with such written statement, discussion, and other information in explanation thereof as such agency head considers necessary to provide complete information to the Congress with respect to that action, order, or policy. In addition, the agency head shall provide to such committees such additional pertinent information as those committees, or either of them, may request."

(b) The table of sections of subchapter II of chapter 29 of title 5, United States Code, is amended by adding at the end thereof—

"2955. Advance notice to Congress of certain proposed actions of executive agencies affecting Federal civilian employment.".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 754

Mr. ERVIN. Mr. President, I ask unanimous consent of the Senate that the following Senators be added to S. 754, the speedy trial bill to give effect to the sixth amendment right to a speedy trial for persons charged with criminal offenses and to reduce the danger of recidivism by strengthening the supervision over persons released pending trial, and for other purposes. The Senators include Mr. ABOUREZK of South Dakota, Mr. GRAVEL of Alaska, and Mr. HASKELL of Colorado.

These gentlemen were inadvertently left off the bill before it was passed unanimously by the Senate and was printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 2022

At the request of Mr. TUNNEY, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor to S. 2022, the Flexible Hours Employment Act.

S. 3305

At the request of Mr. CLARK, the Senator from Minnesota (Mr. MONDALE), the Senator from Ohio (Mr. TAFT), and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 3305, the National Huntington's Disease Control Act.

S. 3451

At the request of Mr. MCCLURE, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 3451 to exempt range sheep industry mobile housing regulations affecting permanent housing for agricultural workers.

S. 3648

At the request of Mr. TUNNEY, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 3648 to amend the Urban Mass Transportation Act of 1964 to insure that transportation facilities built and rolling stock purchased with Federal funds are designed and constructed to be accessible to the physically handicapped and the elderly.

S. 3649

At the request of Mr. PELL, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of S. 3649, the Social Security Recipients Fairness Act.

S. 3753

At the request of Mr. MCCLURE, the Senator from Utah (Mr. BENNETT), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Dakota (Mr. YOUNG), the Senator from Maryland (Mr. MATHIAS), and the Senator from Idaho (Mr. CHURCH) were added as cosponsors of S. 3753 to provide memorial transportation and living expense benefits to the families of deceased servicemen classified as POW's or as MIA's.

S. 3782

At the request of Mr. JAVITS, the Senator from Indiana (Mr. BAYH), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from New Mexico (Mr. MONTOYA) were added as cosponsors of S. 3782, the Emergency Health Professions Educational Assistance Loan Act.

SENATE JOINT RESOLUTION 189

At the request of Mr. HARRY F. BYRD, JR., the Senator from Georgia (Mr. NUNN) was added as a cosponsor of Senate Joint Resolution 189, to restore posthumously full rights of citizenship to Gen. Robert E. Lee.

SENATE JOINT RESOLUTION 224

At the request of Mr. MONTOYA, the Senator from Iowa (Mr. HUGHES) and the Senator from South Dakota (Mr. ABOUREZK) were added as cosponsors of Senate Joint Resolution 224, to authorize and request the President to issue annually a proclamation designating January of each year as "March of Dimes Birth Defects Prevention Month."

SENATE CONCURRENT RESOLUTION 105—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE RETURN OF SMOKEY BEAR TO CAPITAN, N. MEX.

(Referred to the Committee on Agriculture and Forestry.)

Mr. MONTOYA. Mr. President, 24 years ago, a small black bear cub was found by forest fighters clinging tenaciously to a charred tree trunk in the Capitan Mountains of New Mexico. The young cub was named Smokey Bear. Since that time, Smokey has become America's most well loved spokesman for forest fire prevention.

As Smokey enters the autumn years of his life, the people of New Mexico have expressed their wish that Smokey's body be returned from the National Zoo in Washington to the Capitan Mountains to be laid to final rest.

Today, I submit the following concurrent resolution to implement this request of the New Mexican people. I ask unanimous consent that its text be printed in the CONGRESSIONAL RECORD at this point:

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 105

Whereas a black bear cub was found by forest fire fighters nearly twenty-four years ago in the Capitan Mountains of New Mexico and this cub was placed in the National Zoo in Washington, District of Columbia, and named Smokey Bear and became world famous as the living symbol of forest fire prevention; and

Whereas the people of Capitan, New Mexico, have expressed a strong desire for the return of the body of Smokey to Capitan upon his death: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that upon his death the body of Smokey Bear may be returned to Capitan, New Mexico, for proper disposition and a permanent memorial in or near Capitan.

SENATE CONCURRENT RECOLUTION 106—AN ORIGINAL CONCURRENT RESOLUTION AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF "PUBLIC FINANCING OF FEDERAL ELECTIONS" (REPT. NO. 93-1050)

(Placed on calendar.)

Mr. CANNON, from the Committee on Rules and Administration reported the following concurrent resolution:

S. Con. Res. 106. A concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Public Financing of Federal Elections."

S. CON. RES. 106

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Rules and Administration one thousand additional copies of its hearings of the first session of the Ninety-third Congress entitled "Public Financing of Federal Elections".

SENATE RESOLUTION 372—SUBMISSION OF A RESOLUTION TO URGE THE IMMEDIATE RELEASE OF CRITERIA GUIDELINES AND REGULATIONS TO IMPLEMENT THE DISASTER RELIEF ACT OF 1974

(Referred to the Committee on Public Works).

Mr. HUDDLESTON. Mr. President, in a few days we will mark the 4-month passing since tornadoes struck Kentucky and a number of other Southeastern and Midwestern States, inflicting devastating damage to life and property. In a few hours, over 100 tornadoes caused 322 deaths, millions of dollars of property damage and altered the lives of thousands. Some of the cruelest blows dealt by the massive storm fell on Kentucky which bore the grimmest toll of 71 deaths and 693 injured with an estimated $150 million in property damages.

The Congress acted quickly in passing the Disaster Relief Act of 1974 and on May 21, over 2 months ago, President Nixon signed it into law. And, I must say, the immediate response from the Federal Government was swift and excellent. However, while the immediate emergency is behind us, the intermediate and long term rehabilitation still lies ahead.

Yet this work is being impeded because guidelines and regulations have not been announced by the Federal Disaster Assistance Administration. I feel it is imperative that the momentum begun in the early stages of recovery be continued without interruption and delay, and that individuals, businesses and farmers and communities be advised of the assistance available to them in order that they might proceed with this rehabilitation.

The assistance provided under the Disaster Relief Act is desperately needed and the delay of this assistance causes undue hardship on victims attempting to reorient, adjust, rehabilitate and recover. For example, hundreds of individuals and families in Kentucky and elsewhere need the assistance provided by section 408 of the act and many communities burdened with sudden, extraordinary expenses need the assistance loans provided under section 414.

In addition, communities are hampered in developing plans to replace public facilities until Federal guidelines and regulations are released.

The burden of recovery is compounded by inflation throughout the economy including very necessary and essential building materials. Each day of delay impedes recovery and escalates the cost of rehabilitation.

Since Kentucky was designated a disaster area, 21 other States have received Presidential declarations of major disaster areas. I know that the disasters in these States have added to the urgency to complete and disseminate regulations and guidelines. It is my understanding that the Federal Disaster Assistance Administration has been working on the criteria, standards, and procedures for some time—predating enactment of Public Law 93-288 by a number of weeks. I have been in frequent contact with Secretary Lynn and Administrator Dunn to inquire when these regulations will be issued, and have received for 2 months now the same assurances—"any day."

Once again, I would commend the Federal Government for its immediate response. But that initial response has not been followed up by the bureaucracy charged with implementing the new Federal disaster law.

It is sad indeed that the benefits of a worthy program are denied its rightful recipients because of dilatory action by a government bureaucracy.

If it takes this long to write regulations, I shudder to think how long it might take to actually deliver the aid promised.

I am afraid that many disaster victims are beginning to feel that they have the best wishes of their Government for a speedy recovery and little else.

Mr. President, I am sure that Members of Congress appreciate the urgency of this matter and trust they will join me in approving a resolution calling for the immediate dissemination and implementation of the criteria, standards, and procedures for assistance under the Disaster Relief Act of 1974.

The resolution reads as follows:

S. RES. 372

Resolution to urge the immediate release of criteria, guidelines and regulations to implement the Disaster Relief Act of 1974

Whereas on May 21, 1974, the Disaster Relief Act of 1974 was signed into law; and

Whereas the Senate and House Public Works Committees acted with extraordinary speed in developing new legislation and in securing passage by the Congress so that relief could be provided as soon as possible; and

Whereas the only remaining delay in implementing the new law is the release of administrative regulations and guidelines; and

Whereas there have been assurances from the Housing and Urban Development Department for weeks that administrative regulations had been substantially completed and would be released any day; and

Whereas delayed assistance causes undue hardship on victims attempting to reorient, adjust, rehabilitate, and recover; and

Whereas daily rising costs in building materials and other essential supplies further escalates cost of recovery; and

Whereas many communities burdened with extraordinary expenses need assistance loans and replacement of public facilities; and

Whereas individuals, businesses, farmers and communities cannot proceed with intermediate and long-term rehabilitation: Now, therefore, be it

Resolved, That it is the sense of the Senate that criteria, standards and procedures for assistance under the Disaster Relief Act of 1974 be disseminated and implemented immediately.

SENATE RESOLUTION 373—SUBMISSION OF A RESOLUTION AUTHORIZING THE PRINTING AS A SENATE DOCUMENT A STUDY ENTITLED "NATIONAL GROWTH POLICY"

(Referred to the Committee on Rules and Administration.)

Mr. HARTKE. Mr. President, once the future of this Nation knew no bounds. We talked of growth as if it were both inevitable and desirable, but we did not reckon with the consequences of growth. Now we have crowded cities and deserted rural areas, air and water pollution, and shortages of major commodities.

Our country must grow in order to prosper, and we have the capacity to continue to grow—but our expansion must be neither boundless nor irrational. We must plan for the future of this Nation at all levels of government so that we can anticipate future needs and avoid crises.

That is the essence of my National Growth Policy Planning Act—S. 1286—to provide both an incentive and a mechanism for us to plan for the future of this country.

Late last year, I asked the Congressional Research Service to undertake a study of the need for a national growth policy. The results of that study have now been compiled in an excellent report, which I believe should be made available to the public.

I am therefore submitting a resolution today calling for the printing of this study entitled "National Growth Policy" as a Senate document.

Mr. President, I ask unanimous consent that the text of my resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 373

Resolved, that the study entitled "National Growth Policy", prepared by the Congressional Research Service, Library of Congress, be printed as a Senate document; and that there be printed one thousand thirty additional copies of such document for the use of the Senate.

SENATE RESOLUTION 374—ORIGINAL RESOLUTION REPORTED RELATING TO THE PURCHASE OF CALENDARS FOR 1975 (REPT. NO. 93-1049)

(Placed on calendar.)

Mr. CANNON, from the Committee on Rules and Administration reported the following resolution:

S. Res. 374. An original resolution relating to the purchase of calendars for 1975.

S. RES. 374

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate

$905, in addition to the amount specified in S. Res. 299, Ninety-third Congress, agreed to March 26, 1974, to pay for the increased cost of calendars authorized to be purchased under that resolution and to purchase two hundred and fifty additional calendars.

SENATE RESOLUTION 375—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS (REPT. NO. 93-1052)

(Placed on calendar.)

Mr. CANNON, from the Committee on Rules and Administration reported the following resolution:

S. Res. 375. An original resolution authorizing supplemental expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations during the period March 1, 1973, through February 28, 1974.

S. Res. 375

Resolved, That section 2 of Senate Resolution 33, Ninety-third Congress, agreed to February 22, 1973, is amended by striking out "$475,000" and inserting in lieu thereof "$478,200".

SENATE RESOLUTION 376—AN ORIGINAL RESOLUTION TO PAY A GRATUITY TO ROSALIE S. LEWIS

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. Res. 376. A resolution to pay a gratuity to Rosalie S. Lewis.

S. Res. 376

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Rosalie S. Lewis, widow of Willie L. Lewis, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATE RESOLUTION 377—ORIGINAL RESOLUTION REPORTED AUTHORIZING THE PRINTING OF THE 76TH ANNUAL REPORT OF THE NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION AS A SENATE DOCUMENT (REPT. NO. 93-1053)

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

S. Res. 377

Resolved, That the Seventy-sixth Annual Report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1973, be printed with an illustration, as a Senate document.

ADDITIONAL COSPONSOR OF A RESOLUTION

Senate Resolution 352

At the request of Mr. Moss, the Senator from Alabama (Mr. Sparkman) was added as a cosponsor of Senate Resolution 352, to amend certain standing rules of the Senate with respect to jurisdiction over energy research and development matters.

AMENDMENT OF THE ATOMIC ENERGY ACT—AMENDMENT

AMENDMENT NO. 1760

(Ordered to be printed and to lie on the table.)

Mr. SCHWEIKER submitted an amendment intended to be proposed by him to the bill (H.R. 15323) to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of nuclear incident, and for other purposes.

AMENDMENT NO. 1762

(Ordered to be printed and to lie on the table.)

Mr. NELSON (for himself and Mr. Mondale) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 15323), supra.

DEVELOPMENT OF A FAIR WORLD ECONOMIC SYSTEM—AMENDMENT

AMENDMENT NO. 1761

(Ordered to be printed and referred to the Committee on Finance.)

Mr. HARTKE submitted an amendment intended to be proposed by him to the bill (H.R. 10710) to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes.

OIL IMPORTS BY U.S. FLAG VESSELS—AMENDMENT

AMENDMENT NO. 1763

(Ordered to be printed and to lie on the table.)

Mr. HATFIELD. Mr. President, I send to the desk an amendment to H.R. 8193, the Energy Transportation Security Act. H.R. 8193, as reported by the Senate Committee on Commerce, states in section 4 that the provisions of the act would not apply to any refiner whose total capacity does not exceed 30,000 barrels per day. I propose that section 4 be amended so that the act will not apply to any refiner whose capacity does not exceed 175,000 barrels per day or whose total refinery capacity is located within Foreign Trade Zones.

The 30,000 barrel-per-day criterion for the exemption may be based on SBA guidelines, 121.3-8, "Definition of small business for Government Procurement" paragraph (g), "refined petroleum products," item (ii). This small refiner definition as applied by DOD establishes certain preferential DFSC bidding rights to companies controlling 30,000 barrels per day or less crude oil or bona fide feedstock refinery capacity. The SBA criterion was established many years ago before such small refineries were considered economically obsolete by the U.S. oil industry and before complex fuels desulferization became a prerequisite of domestic refining facilities.

The 30,000 barrels per day "small" definition was made obsolete by Congress in Public Law 93-159, the Emergency Petroleum Allocation Act of 1973. Therein Congress defined a small refiner as—

> A refiner whose total refinery capacity . . . does not exceed 175,000 barrels per day.

This has proven to be a workable "small refinery" size definition for the allocation of deficient U.S. crude oil supplies among refiners under the FEA Petroleum Allocation and Pricing Regulation, paragraph 211.63 "Definitions" (chapter II of title 10 of the Code of Federal Regulations, parts 211 and 212).

Page 17 of the conference report (House Report 93-628) on the emergency petroleum allocation bill addressed the reasons for selecting the 175,000 barrel-per-day capacity limit for small refiners—

> In singling out small refiners for certain purposes under this Bill, the Conference Committee intends to offer a mantle of protection to those refiners who by reason of their relatively small size may be disadvantaged in competing with larger refiners in bidding for and obtaining adequate crude supplies.

My amendment, therefore, brings the small refiner exemption in the Energy Transportation Security Act into line with the workable and accepted definition of small refiner that Congress established in the Emergency Petroleum Allocation Act.

Regarding the additional exemption of refiners located in Foreign Trade Zones, I do not believe it is the intention of the committee to apply the restrictions of this bill to Foreign Trade Zone operations—rather, I believe it is an oversight, as there is only one such refinery in the country, in Hawaii. Such refineries are required under Public Law 73-397, as amended (Public Law 81-566), "to expedite and encourage foreign commerce." Therefore, they would normally process 100 percent foreign crude oil and market a significant portion of their zone refined products to foreign countries. To remain competitive in these markets, this special class of U.S. based international refiner must be allowed 100 percent crude import carriage in foreign bottoms if it is to equitably compete under U.S. law with foreign based operations.

Unless Foreign Trade Zone refiners are exempted, this bill will unfairly discriminate against existing and future zone refiners by requiring a significant portion of its zone-entered crude oil to be transported on higher priced American flag tankers, probably preventing the economic growth of such zone-based but foreign market-oriented operations.

I have prepared more specific arguments supportive of my amendment, and I ask unanimous consent that they appear in the Record following my remarks, together with the text of the amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

Supportive Arguments

My amendment No. 1763 to exclude small refinery companies (175,000 bpd or less capacity) as well as U.S. Foreign Trade Zone-based refinery operations will prevent disincentives to the independent segment of the refining industry in the following ways:

1. It will allow those small refiners (total refinery capacity of less than 175,000 bpd) who do not enjoy the economic benefits of super-tanker cargo movements (which are

only practical for the very large refiners) to remain competitive by the exclusive use of lower cost foreign bottoms until such time as U.S. flag charters are economically competitive.

2. It will assure the desired growth of the U.S. merchant fleet without seriously diminishing (less than 18%) the total import tonnage that would otherwise be carried under U.S. flag.

3. According to FEA comments (39 FR 8635), "most small refiners (up to 175,000 bpd) above that level (75,000 bpd) have coastal locations and are able to seek out and handle imported crude. Many of those below that level (75,000 bpd) are inland refineries less well situated and not as experienced in importing crude oil. FEO is aware that both the Small Business Administration and the Oil Import Program have used 30,000 barrels a day as a benchmark for determining small refiners. But the legislative admonition to protect a larger class of smaller refiners and the fact that a Congressional Committee declined to set a 30,000 barrel capacity limit in the Bill warrants establishing a higher figure." As a result, the FEO regulations required only refinery companies with more than 175,000 bpd capacity to share their allowable crude oil supplied with refiners having less than 175,000 bpd total capacity.

Because many refineries below 75,000 bpd are inland and thus totally reliant for logistic reasons on domestic crude, exempting that segment from the Bill will have no effect whatsoever on U.S. flag carriage.

4. Further, the Federal Energy Office reported that on January 25, 1974, the gross operating U.S. refining capacity (ex Puerto Rico, Virgin Islands and Guam) and the number of separate refining companies in each relative size capacity bracket was as follows:

Adjusted daily refinery capacity, Jan. 25, 1974	Number of companies	Percent of total U.S. refining capacity	Represents U.S.-based refining capacity, barrels per day
175,001 barrels per day and above	18	82	12, 983, 955
175,000 barrels per day and below	109	18	2, 857, 308
Total	127	100	15, 841, 263

The eighteen major companies in the first category are all involved in international petroleum activity and are integrated operations (crude production/transportation/refining/distribution/retail marketing). But the "international" and "integrated" classifications do not likewise apply to most of the independent "175,000 bpd or less" small U.S. refiners.

Those 18 majors actually represent 110 geographically separate refinery locations, accounting for 82% of the U.S. statewide refining capacity. Further, they control directly or through parent or foreign affiliates a much more significant percentage of foreign crude oil production, transportation, and importation into the U.S. either for their own refineries' account or for resale to the smaller refining companies. Including the crude oil imports of these 18 majors but exempting the 108 smaller U.S. domestic companies (175,000 bpd capacity or less) will assure that at least 82% and probably a much larger portion of U.S. imported crude oil carriage will be covered by the Bill.

5. The House Permanent Select Committee on Small Business, Ninety-Third Congress, concluded in its July 1973 committee report titled "Energy Crisis and Small Business," that,

"1. The eight largest majors have effectively controlled the output of many of the independent crude producers.

2. A high degree of control over crude is matched by relatively few crude exchanges with independents, an exclusionary practice which denies a high degree of flexibility to the independent sector while reserving it to the majors.

3. Independent refiners are largely dependent on the majors for their crude supply, but independents sell very little of their gasoline output back to major oil companies. Independent refiners sell the largest amount of their output to independent gasoline marketers and to their own stations. Thus, the welfare of the independent marketing sector is largely dependent on the well-being of independent refiners.

4. The continued existence and viability of the independent refiner is necessary for the survival of the independent markets. This is especially true since the eight largest majors rarely sell gasoline to the independent marketers.

5. The major oil companies in general and the eight largest majors in particular have engaged in conduct which exemplifies their market power and has served to squeeze independents at both the refining and marketing levels. Such conduct and associated market power has its origin in the structural peculiarities of the petroleum industry and has limited the independents' share of the market to approximately one-quarter of the total, especially in Districts 1 and 3, resulting in a threat to the continued viability of the independent sector in this market."

The foregoing indicates that a year ago the House committee concluded the independent or small refiner group was in difficulty but that their continuing viability was necessary to the independent marketer. In the interim, with the great cash requirements imposed by higher crude oil cost, the formerly competitive small refiner has become even more borderline or is slowly meeting his demise. The small or independent segment of the petroleum market has actually decreased 25–40% in the last decade, depending upon whose figures one uses.

Amending the Bill to cover 82% or more of U.S. imported crude (supplies to refiners with refinery capacity in excess of 175,000 bpd) is a fair compromise between the small refining and U.S. shipping industries. If so amended, the Bill would support competition within the U.S. petroleum and American maritime industries alike without bleeding the hardpressed independent group of oil refiners which is undergoing survival pains imposed by immediate-past, current and projected international energy trends preferentially favoring the large international oil companies.

CONCLUSION

1. There is no apparent justification for including foreign crude carriage to foreign-trade zone refinery capacity if such operations are to remain competitively viable in the world market.

2. Further burdening the smaller segment of the petroleum industry with higher comparative imported raw material transportation costs at a time of ever greater dependence on foreign source crudes is unjustifiable.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1449

At the request of Mr. Tunney, the Senator from Minnesota (Mr. Mondale) was added as a cosponsor of amendment No. 1449, intended to be proposed by him, to S. 3035 to amend title 23, United States Code, the Federal Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes.

AMENDMENT NO. 1541

At the request of Mr. Cook, the Senator from Ohio (Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from West Virginia (Mr. Robert C. Byrd) were added as cosponsors of amendment No. 1541 intended to be proposed to S. 2744, the Energy Research and Development Agency Act.

AMENDMENT NO. 1648

At the request of Mr. Taft, the Senator from New York (Mr. Buckley), the Senator from North Carolina (Mr. Ervin) and the Senator from Michigan (Mr. Griffin) were added as cosponsors of amendment No. 1648, intended to be proposed by him, to S. 707, the Agency for Consumer Advocacy Act.

ANNOUNCEMENT OF HEARING ON NOMINATION OF JACK W. CARLSON TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR ENERGY AND MINERALS

Mr. JACKSON. Mr. President, I wish to announce for the information of the Members of the Senate and other interested parties that the Committee on Interior and Insular Affairs has scheduled an open hearing for Monday, August 5, 1974, at 10 a.m. on the nomination by the President of Jack W. Carlson to be Assistant Secretary of the Interior for Energy and Minerals. The hearing will be held in the Interior Committee room 3110, Dirksen Senate Office Building, and those wishing to present testimony or submit statements for the record should so advise the committee staff.

Mr. President, I ask unanimous consent that a brief biographical sketch of Mr. Carlson be printed in the Record at this point in my remarks.

There being no objection, the biographical sketch was ordered to be printed in the Record, as follows:

Jack W. Carlson

Currently, Assistant to the Director of the Office of Management and Budget (Economic Policy), Executive Office of the President; Director of the Economic Policy Division and responsible for Troika and Quadriad activities, and for coordinating changes in credit, tax, and regulatory policies; Member of the Cabinet Committee on Economic Policy; Director of the Federal Study of Commodities in Short Supply (mineral, agricultural, and processed); Deputy Member of the Cost of Living Council, which was established to help stabilize wages and prices; Chairman of the United Nations Senior Economic Advisers to the governments of the Economic Commission for Europe.

Formerly, Assistant Director of the U.S. Bureau of the Budget (1968–1970) and responsible for the Federal Planning-Programming-Budgeting System; Senior Staff Economist with the President's Council of Economic Advisers (1966–1968); Assistant to the Secretaries of the Air Force and Defense 1964–1966); served in the U.S. Air Force and resigned as a Major; served as Professor of Economics or Management at several universities at various times.

B.S. and M.B.A. (Business Administration) degrees from the University of Utah (1957) and M.P.A. (Public Administration) and Ph.D. (Economics) degrees from Harvard University (1963); Fellow of the School of Public Administration at Harvard University (1968); public writings have been published in Government publications (e.g., "Evaluation of Public Expenditures"), professional journals (e.g., "American Economic Review"), public magazines (e.g., "The Washington Monthly"), and newspapers (e.g., "The New York Times"); congressional testimony has been given before the Joint Economic Senate Aeronautical and Space Sciences, Senate

Public Works, House Ways and Means, House Science and Astronautics, and House Armed Services committees.

Born in Salt Lake City, Utah, in 1933 and lived in Utah, Idaho, and Colorado. Married to the former Renee Pyott in 1954. The Carlson's have seven children, ages 4–18. Office telephone: 202–395–3423. Home telephone: 301–299–8565.

NOTICE OF HEARING BY THE SUBCOMMITTEE ON PARKS AND RECREATION

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public that open public hearings have been scheduled by the subcommittee on parks and recreation on August 2, 1974, at 10 a.m. in room 3110 Dirksen Senate Office Building on the following bills:

S. 3413, to amend the Land and Water Conservation Fund Act of 1965, as amended.

S. 3806, to amend the Historic Preservation Act of 1966 (a bill to increase the authorizations of grants for the preservation of historic properties under the act of 1966).

NOTICE OF HEARING ON H.R. 15791, HOME RULE ACT AMENDMENTS

Mr. EAGLETON. Mr. President, on July 29, 1974, the House of Representatives passed a bill (H.R. 15791), to amend section 204(g) of the District of Columbia Self-Government and Governmental Reorganization Act, and for other purposes. This bill has been referred to the Senate Committee on the District of Columbia. Anyone wishing to inform that committee of their views on those parts of H.R. 15791 dealing with the election of new members to the School Board when vacancies occur, and with granting authority to the City Council to regulate the conversion of rental property to condominiums should submit their statement to the Committee on the District of Columbia, room 6222, Dirksen Senate Office Building, by 12 noon on Tuesday, August 13, 1974.

ANNOUNCEMENT OF HEARINGS ON THE GROWING FINANCIAL PROBLEMS OF THE NATION'S ELECTRIC UTILITIES

Mr. JACKSON. Mr. President, I wish to announce that the Senate Interior Committee will hold hearings on August 7 and 8 on the growing financial problems of the Nation's electric utilities. The hearings will begin each day at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Mr. President, at a time when growing peak load demand, skyrocketing fuel and construction costs and other factors have pushed utilities' capital needs to unprecedented levels, the market for utility bonds is in a state of disarray and the market for utility stocks is almost nonexistent. As a result of these financial conditions, utilities across the country are slashing construction budgets and canceling or postponing major projects. These actions have raised serious questions about the adequacy and reliability of future electricity supplies which the committee wants to explore.

We need to know whether this widespread retrenchment is an appropriate response to high costs of construction, money and fuel, consistent with a declining future growth rate for consumption, or whether it is laying the groundwork for an electricity crisis of the future. We also need to know whether the utilities' problems can be resolved by State public utility commissioners or whether some Federal role is called for, either to reduce the rate of growth in electrical demand, or assist the utilities in raising capital, or both.

These are fact-finding hearings, but we also hope to recommend positive actions that assure consumers of adequate power supplies in the future.

Mr. President, I ask unanimous consent that lists of witnesses and questions and policy issues for these hearings be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Hearing on Financial Problems of the Electric Utility Industry

WITNESS LIST

August 7, 1974—10:00 a.m.

Dr. Irwin M. Stelzer, President, National Economic Research Associates.

Jack K. Busby, President, Pennsylvania Power and Light Company.

Don C. Frisbee, Chairman of Board and Chief Executive Officer, Pacific Power and Light Company.

Andrew H. Hines, Jr., President, Florida Power Corporation.

Charles R. Pierce, Senior Vice President for Sales and Public Relations, Long Island Lighting Company.

John G. Quale, President, Wisconsin Electrice Power Company.

Ralph Sargeant, Jr., Vice President, Public Service Company of Colorado.

Lelan S. Sillin, Jr., President and Chairman of the Board Northeast Utilities Service Company.

Dr. Murray L. Weidenbaum, Professor of Economics, Washington University.

August 8, 1974—10:00 a.m.

Dr. Alfred Kahn, Chairman, New York Public Service Commission.

Mr. William Rosenberg, Chairman, Michigan Public Service Commission.

Mr. Vernon Sturgeon, Chairman, California Public Service Commission.

Financial Problems of the Electric Utility Industry—Questions and Policy Issues for Invited Witnesses and for Statements for the Hearing Record

INTRODUCTION

Beginning in the late 1960s, the electric utility industry in the United States has faced a remarkable series of hardships in meeting the projected demand for electric power. Prominent among them are the following:

(1) Utilities are having to bear a high proportion of the additional costs required nationally to maintain and improve air and water quality.

(2) The high capital intensity of the industry has made it particularly vulnerable to the accelerating inflation of construction costs.

(3) The industry's high capital intensity has also magnified the effect upon its cost and financial requirements of high interest rates.

(4) The last year has seen absolute shortages of some fuels, and an increase in the prices for fuel oil and low sulfur coal of three to five times.

(5) The newest and largest generating plants have almost all been plagued by unanticipated siting, engineering, delivery, construction or startup delays, and by unreliability of equipment.

The impact of these cost-inflating factors upon the ability of electrical utilities to serve future demand has been magnified by a body of regulatory institutions, rules, procedures and accounting practices which seem to be ill-adapted to conditions of rapid change and rapid inflation.

Governmental responsibility over the finances and operation of electric utilities is fragmented among four dozen state utility commissions, the Federal Power Commission, a host of other regulatory bodies (the Environmental Protection Administration, Securities and Exchange Commission, etc.), and various federal, state and local enterprises. No single agency has even the clear responsibility for analytical oversight of the industry, much less the authority to coordinate policy to resolve its problems.

The results have included a growing inability of electric utilities to market either bonds or shares to finance new capacity, and in a few cases difficulty in obtaining working capital to maintain existing levels of service. At least one major utility appears to be on the brink of insolvency. Its failure might be as serious for its service area, and as difficult to reverse, as the collapse of the Penn Central Railroad has been.

The cost squeeze upon the utilities and their difficulties in raising new capital are easy to demonstrate. It is not obvious, however, whether the resulting retrenchment of construction plans should be regarded as

(1) an appropriate response to high costs of construction, money and fuel, and to increasing environmental stress, consistent with a declining future growth rate for electricity consumption;

(2) a situation properly resolved by state public utility commissions, by setting rates consonant with the incremental cost of electricity and by allowing utility earnings consistent with the current cost of capital; or

(3) an imminent national crisis that calls for active intervention by the federal government either to reduce the growth of electrical demand or to assist or even subsidize the utilities in raising capital (or both).

The hearings scheduled for August 7 and 8 by the Committee on Interior and Insular Affairs are part of the National Fuels and Energy Policy Study, which consists of the Committee plus ex-officio members from seven other committees. The purpose of the hearings is an overview of the financial problems of the electric utilities and to consider the range of federal initiatives, if any, which ought to be taken to deal with their problems.

At the hearings the Committee hopes to examine the problems of electricity supply and utility financing in the broad perspective of national energy policy and national economic policy. The following list summarizes the questions and policy issues the Committee wishes to answer. It is not necessarily intended as a strict outline for testimony of invited witnesses or for prepared statements by others for the hearing record. The Committee does request, however, that witnesses and others address themselves, as much as practical within their respective competence (or that of their organizations) and the time or space available, to the range of issues on this list and to the interrelations among them.

Questions and Policy Issues Concerning the Financial Problems of the Electric Utility Industry

1. Is the United States likely to be faced with an inadequate supply of reliable electric power in the early and mid-1980's?

This question has two parts—

(a) To what extent have the events of the last year changed the outlook for growth of electricity consumption over the next decade? What are the implications of this change for total generating capacity, new construction and financial capital required by the electrical utility industry?

Response to this sub-question might begin with electricity demand projections made in early 1973 (or before) with their salient assumptions, and then deal (separately, if possible) with the impact on demand growth, indicated or anticipated, from

(1) higher rates resulting from increases in the cost of fuel, construction, capital and other inputs;

(2) price rises for competing fuels even more rapid than for electricity (because of rolled-in pricing, the influence of low embedded costs on electric rates, and changed perceptions regarding the reliability of competing fuels);

(3) depressed real growth rates for the economy as a whole;

(4) development of a "conservation ethic" and promotion of energy conservation by government (including regulatory commissions); and

(5) other economic or public policy developments.

(b) What is happening to utility construction programs?

Responses to this sub-question should deal with cancellations and postponements, and with changes in types of plants to be built both with respect to size and type of fuel. They might start with capacity, construction and financial need projections made early in 1973 (or before) with their salient assumptions, and then survey the extent to which utilities are reducing or postponing their construction plans. To what extent are these reductions the result of

(1) reductions in the expected growth rate of electricity consumption;

(2) financial circumstances leading to a deliberate reduction in planned reserves and reliability standards;

(3) other factors such as an aggravation of siting and other environmental constraints, engineering and construction delays, startup and plant reliability problems?

2. What would be the actual costs and consequences of a substantial decline in reserve generating capacity and system reliability; what measures are being taken or can be taken to reduce adverse impacts?

Aspects of this issue include the following:

(a) What would be the impact upon the economy, upon public health, safety and welfare, and upon lifestyles, if no measures were taken to anticipate and adapt to diminished reliability?

(b) What measures, either of an emergency or a routine character, such as central station load-shedding devices, could (or would as a matter of course) be taken by utilities, by government, by industry and by households, to cope with and adapt to diminished reliability? Could further use be made of interruptible contracts?

(c) What would be the effectiveness and costs of feasible measures to adapt to diminished reliability? How would those costs compare with the costs of expanding generating and distribution capacity to meet anticipated demand at traditionally acceptable reliability levels?

(d) What measures are actually being taken?

(e) To what extent have utilities prepared contingency plans—such as those required by the Federal Power Commission—to handle loss of load, and exposed them to public scrutiny?

3. Is the electric utility industry in a genuine financial crisis?

This question has several parts, among them:

(a) Why are utilities currently having difficulty raising either debt or equity capital to finance construction programs?

(b) How general are these difficulties; are they confined to only a few (if important and well publicized utilities with the majority in a relatively good financial position? Or, are the agonies of Consolidated Edison only an extreme instance of problems that face the industry generally?

(c) Are the utilities current financial difficulties transitory, or can they be expected to persist or worsen?

(d) If the outlook for the electric utilities is an inevitable slide, piece by piece, into insolvency and *de facto* nationalization, should Congress begin to examine options for general restructuring of the industry, including complete *de jure* nationalization?

4. What role is there, if any, for the federal government in preventing Consolidated Edison and other distressed utilities from collapsing like Penn Central, or in relieving such a crisis if it should occur?

(a) Should there be a contingency plan and a federal institutional framework for sustaining and reorganizing insolvent utilities?

(b) What is likely to happen if there is no such plan? What will be the effect on financial institutions and on the ability of other utilities to raise capital, if a major utility fails? What will be the *ad hoc* demands on the federal government, and what will the policy options be at that time?

(c) What will be the impact upon the incentives of utility management and regulatory commissions to act responsibly if the failure of a major utility establishes a federal rescue precedent? What is the cumulative impact upon the efficiency and integrity of the free enterprise system from the recent and prospective federal rescue of insolvent firms in various sectors?

5. How do the utilities themselves, the state commissions, the Federal Power Commission and other authorities (such as the SEC, Anti-Trust Division, FEA) view the plight of and outlook for the utilities? What is the response of consumers, including large customers and consumer advocacy groups? What policy changes and other actions are being taken and with what indicated and expected results?

(a) In addition to cutting back construction programs, how are utilities adapting to financial stringency? For example, by tending toward less capital intensive facilities (gas turbines rather than nuclear plants), by leasing and other off-balance sheet financing devices by changes in marketing strategy (promotion of conservation, redesign of rate structures, etc.). What are the long term implications of these moves?

(b) Have the actions of regulatory bodies been adequately responsive to the current situation? To what extent have they

(1) Accelerated their decisions in order to reflect rapidly changing conditions;

(2) Allowed higher rates of return on equity;

(3) Adapted accounting practices (flow-through vs. normalization; treatment of AFDC, etc.) to allow higher effective rates of return;

(4) Encouraged or required conservation measures and redesign of rate structures; and

(5) Encouraged or required improved operational efficiency?

(c) In which cases, if any, have measures of this sort been adequate, and what has been the public reaction?

6. What should be the general objectives of public policy toward the electric utilities, and how do these objectives trade off against other important policy objectives?

This question has many dimensions, for example—

(a) Is a period like the present (of high capital costs, unprecedented inflation and capacity bottlenecks throughout the economy) an appropriate time to initiate or sustain large capital-intensive construction projects? To what extent does this consideration dictate—

(1) reduction or postponement of construction plans, particularly for nuclear power;

(2) a deliberate effort to reduce or halt the growth of electric demand (by higher rates, excise taxes, end-use controls, or simply as a result of declining reliability); and

(3) preference in new construction for less capital-intensive facilities (such as oil-fired turbines)?

(b) Which is the greater impetus to inflation and drag on real economic growth:

(1) Restriction on the growth of electrical consumption (through higher rates, taxes, end-use controls, or a decline in reliability) or

(2) the construction program and demand for financial capital necessary to meet all projected demand for electric power?

(c) To what extent should the goal of national self-sufficiency in fuels override other considerations, for example, inflationary impact of construction programs for capital-intensive domestic supply, environmental quality, or safety in determining the volume and character of new electric generating capacity?

(d) To what extent would the objective of increasing utility interconnection conflict with anti-trust and Public Utility Holding Company Act policies?

7. What role, if any, should the federal government play in facilitating the utilities' access to capital through special tax treatment, Treasury credits, federal loan guarantees or intermediation of credits from oil producing countries?

This question has two major aspects—

(a) Is it proper, economically efficient and desirable for the federal government to subsidize electricity production directly or indirectly (and hence consumption) in order to relieve consumers of the need to finance construction through higher rates?

(b) What would be the likely real effect of each proposed kind of federal financial aid upon the availability and cost of capital? What rate increases would be necessary and sufficient to have an equivalent impact?

8. Should the Federal Power Commission and/or the Federal Energy Administration take an activist role, directly and by assisting and persuading state commissions in measures (a) to reduce the necessary additions to generating capacity (particularly peaking capacity), (b) to reduce the cost of new electric supply (c) to assist utilities in raising capital for new construction programs, and (d) to devise acceptable and economically sound means of central station load-shedding?

Measures that might be considered include—

(a) Redesign of utility rate structures in the interest of economic efficiency, including (1) energy conservation and (2) increasing of load factors, by revision of declining block rates, peak load responsibility pricing, etc. (Consideration should be given to the need for coordination to prevent "whipsawing" of states by large industrial customers with respect to rate structures.)

(b) Introduction of peak management systems, including selective load-shedding devices operable from central stations;

(c) Further interconnection of individual utility systems;

(d) Reduction of construction costs by standardization of plant design;

(e) Allowance of economically realistic rates of return on utility investments; (what is a currently appropriate rate of return?)

(f) Revision and standardization of accounting practices to permit a higher effective rate of return on investment (without necessarily increasing the nominal rate of return);

(g) Investigation of the extraordinary inflation of construction costs and the causes of lower reliability of newer generating units; and

(h) establishment of a Federal entity to (1) monitor the efficiency of utility management, and the consistency of expansion plans and rate actions with national energy objectives, and (2) to intervene on these matters with state commissions and federal regulatory agencies.

9. Are there other measures that could or should be taken by the federal government to reduce electricity demand, reduce costs, assist utility financing or reduce utility dependence upon insecure imported fuels?

Issues that might be considered here include:

(a) Whether the Administration had done everything reasonably within its power to restrain or roll back prices of OPEC oil;

(b) Whether new federally sponsored financing arrangements (other than direct or indirect subsidies or guarantees) are desirable to reduce the cost of capital to the industries, or cope with financial crises in individual utilities. For example, would it make sense to organize (1) a utility funded FDIC-like institution to bolster the credit ratings of the companies, or (2) a utility-funded lender of last resort? (Either institution would establish surveillance over the management and investment decisions of the companies as a condition of continued insurance or borrowing rights.)

(c) What, if any, effect would an increase of the investment tax credit for utilities from 4 percent to the 7 percent available to other companies, have upon their ability to raise capital? Since the utilities with the most serious problems have little if any federal income tax obligations, would this measure aid them significantly? To what extent would increased investment tax credits have to be passed on to rate payers under present regulatory standards?

(d) To what extent does meeting the growth of utility demands for coal pose problems of equipment supply, financing, transportation or organization beyond the ability of the utilities themselves, the coal industry and responsible federal agencies (within their existing authority) to resolve? For example, to what extent does delivery of adequate quantities of western coal to midwestern and eastern utilities require a rehabilitation of the U.S. rail system that is not now in prospect?

10. To what extent are the problems of the electric utilities identified here common with those of other classes of public utilities (gas transmission and distribution, telecommunications, transportation) or of larger sectors of the economy?

The assumption of this question is that some problems of the electric utilities should be viewed in a broader economic context. Legislation, or administrative or regulatory actions, directed on an *ad-hoc* basis to this industry alone might not be appropriate if they address problems which the electric utilities face in common with other industries. These instances should be identified and policy proposals should be directed at the more general issue.

ADDITIONAL STATEMENTS

CONSUMER PROTECTION AGENCY

Mr. CURTIS. Mr. President, as we move ahead in debate on whether to establish an additional and unnecessary bureaucratic instrument, the Consumer Protection Agency, I want to call to the attention of my colleagues an editorial which appeared today in the Philadelphia Inquirer.

I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer, July 31, 1974]

United States Does Not Need a New Watchdog

(By Smith Hempstone)

Washington.—The White House can hardly make a move these days without getting "impeachment politics" thrown at it. So it is not unusual that some backers of legislation to create a Consumers Protection Agency would be running around town claiming that President Nixon's threat to veto this new superagency is impeachment politics—that he is bowing to conservatives who oppose the bill in order to win their support in his fight against impeachment.

But that is just a smokescreen to hide the real arguments against what could turn into a giant boondoggle in the name of consumerism.

Opponents of the bill are hard at work in the Senate trying to head off creation of CPA. They contend, and with considerable justification, that it would be just another expensive government agency, staffed by dozens or perhaps hundreds of high-paid lawyers and countless other researchers, typists and paper-shufflers, whose principal function would be to harass other government agencies and private businesses—all with dubious benefit to consumers.

It is a strange concept that holds that government agencies created to look after the public interest must in turn be watched over by still more government agencies. But that's the way it is in Washington: Bureaucracy feeds on bureaucracy.

CPA would be able to stick its finger into just about every other governmental operation around—any that "may substantially affect the interest of consumers." Since almost everything is related in some way to consumers, that is a pretty broad mandate.

With few exceptions, CPA would be able to swing high, wide and handsome. It would have the right to sit in on decision-making and then appeal agency decisions it didn't like to the courts.

The way one supporter described its relationship with other agencies: "With an independent CPA looking over his shoulder, the product-safety agency won't be so quick to tell a manufacturer his lead-based Christmas tinsel won't be banned until after he has unloaded this year's supply on the market. The transportation-safety people will think twice before taking an auto maker's word that a defect in his vehicles isn't anything to be concerned with."

That sounds like putting the watchdog out to guard the watchdog. The product-safety and transportation-safety agencies presumably were established to look after consumer interests.

The President is threatening to veto the legislation unless some changes are made to tie a few strings on the proposed agency. Rather than tinkering with it, Congress probably would be better off just to forget about it entirely.

What the consumers need more than anything are congressmen and administration officials who will do the job they're supposed to do, which is to watch after the public's (the consumers') interests. If congressmen aren't up to the job, maybe what the consumers ought to do is vote in some new watchdogs.

THE ALTERNATIVE TO DÉTENTE

Mr. PELL. Mr. President, the alternative to détente is a return to the cold war and its inevitable result—hot or nuclear war. So, there must be no turning away from the policy of détente with the Soviet Union. However, as we pursue this policy, we must bear in mind that détente looks very different to the more than 100 million human beings in Eastern Europe between the Baltic and Black Seas. These Eastern European countries ranging from Poland in the north to Bulgaria in the south have tasted freedom in the past and have had big mouthfuls of democracy and an open society. For them to be popped back under a despotic rule and to be told that they must turn their trade and cultural leanings from the west to the east is a very real hardship.

Ever since there has been an Iron Curtain, I have made a practice of trying to visit behind it on an average of once a year, and I can assure my colleagues that while physical conditions and the chance of being beaten up or imprisoned are less than they once were in Eastern Europe, the climate there is still dull and gray. There is an air of hopelessness and a resignation to an indefinite absence of freedom as we know it.

From their viewpoint, détente seems to insure that this condition will continue. All that we can assure these peoples is to say that détente is the best we can do at this time and that it is preferable to the alternatives—cold war and hot war.

In this regard, I ask unanimous consent to have printed in the Record, following my remarks, an excellent article concerning "Eastern Europe, Ignored by Détente" by Ambassador Jacob D. Beam which appeared in the Wall Street Journal on July 24, 1974.

Mr. Beam is a very able career diplomat and a member of a diplomatic family. A remarkable linguist and specialist on Eastern Europe, he has served as Ambassador to Poland, Czechoslovakia, and the Soviet Union. His views are worth taking seriously and his views are of the soundest.

There being no objection, the article was ordered to be printed in the Record, as follows:

Eastern Europe, Ignored by Détente

(By Jacob D. Beam)

While few people would like to see the recent improvement in U.S.-Soviet relations reversed, some of the implications which flow from the concept of detente are coming under increasingly close scrutiny.

One area that invites attention is the effect of dentente on the condition and future of the capitive peoples in Europe.

From a moral point of view, the fate of Eastern Europe, taken together with that of the overrun Baltic states, remains World War II's most monstrous legacy. Soviet rule in the region affronts the historic cultures of its peoples, while holding them to levels of economic stagnation not far different from those which prevail in Russia itself.

This injustice is of longer duration, more deeply frustrating and larger in scope than any witnessed in modern times. The Arab and African worlds have waged successful struggles for indepenence, and our country has thought enough of the principle of freedom of choice in Korea and Vietnam to try to uphold it in two costly endeavors. Such opportunities have been denied the Eastern Europeans whose captivity is already at the point of transcending one generation. Their ultimate yoke could endure as long as the Tatar and Turkish conquests which for centuries laid a dead hand over the respective civilizations of Eurasia and the Mediterranean.

The satellites seem condemned to be the victims of non-win situations. When the going is tough between the big powers, they get squeezed. They tend to be forgotten during those periods when the West finds the Soviets in a mood to negotiate seriously on armaments and other important matters. Even our country with its Eastern European ethnic associations is unlikely to spoil the atmosphere by championing the rights of the captive nations, at the consequent risk of being accused of reviving the Cold War.

It is not my purpose to spoil detente by issuing a rash and hypocritical call to arms to save the satellites, but rather to explain their predicament. In between unpredictable outbreaks, which incidentally have caused the Soviets to be the only nation to use arms on the European Continent since the war, the satellite cause has failed to evoke sustained world indignation. There are even some in European official circles who say that the West is well quit of Eastern Europe, including East Germany, despite its accretion to Soviet strategic power. Indeed, Frenchmen have been heard to say: "We love Germany so much, we want two of them."

It is argued that the instability of the small Central European countries contributed to the outbreak of World War II and the same result could re-occur. Such was doubtless what President Podgorny was trying to tell me when I presented my credentials to him as U.S. ambassador in April 1969. He was probably speaking sincerely when he said Soviet action in Czechoslovakia had prevented the beginning of another European war. How much more may the Soviets really believe that detente has confirmed their mission to keep the peace in Europe by despotic methods?

A DEATH KNELL

Czechoslovakia sounded the death-knell to the idea that "convergence" offered a peaceful and painless solution. That doctrine, espoused in American academic circles and also by the leading Yugoslav party theoretician Kardelj, envisaged that the course of history favored an inevitable compromise between communism on the one hand and social democracy or evolving capitalism on the other. (It is less than comforting that the advocates of convergence reassure us that the Christian-Muslim conflict worked itself out over the centuries.)

The movement of course is in the other direction. The allegiance of the Soviets (and the Chinese) to the objective of ideological struggle makes it inconceivable that they would permit a reversal of the called-for progression from socialism to communism. The Czech leaders of 1968 went down to defeat as an advance party for convergence which would have tolerated a sweeping revision of party statutes. This would have provided, among other things, for secret votes for party officials and open meetings of the Central Committee (which incidentally was the practice in Lenin's time). From the Soviet point of view, the Czech party lost control by degenerating into a mass movement for "communism with a human face." As in other countries, the issue is not whether capitalism or socialism shall prevail—there is little doubt that given a free choice some form of socialism would win out—the real issue is the degree of party and therefore Soviet control.

There have been some positive changes in Eastern Europe. Following the world outcry over the Czech invasion, the Soviets held back from using Russian forces to put down the Polish workers' riots in Stettin and Gdansk in late 1970. This does not mean that they would *not* have done so if the Polish police had *not* been up to the task, and if there had been a less satisfactory candidate than Gierek to replace the discredited Gomulka as first secretary.

There also have been practical variations from the Soviet norm. Most important is Poland's ability to safeguard private farming and a fair respect for the Church. Rumania is allowed the luxury of thumbing its nose at certain features of Soviet foreign policy, but mainly because it has no common frontier with the West and because Ceausescu runs a tight ideological ship. Hungary's economy is supposed to be a miracle by comparison with the others. American exports to state-operated industries in the satellites have increased manyfold. They have been absorbed in the pattern which promotes economic as well as ideological integration of the entire Soviet commonwealth.

Except in Poland's case, such manifestations of autonomy have not basically touched society, and could be merely transitory, depending on the local personalities involved. Human rights and freedom in the satellites have not benefitted correspondingly, and there have been recent retrogressions in Czechoslovakia and Hungary.

Moscow remains in charge. It coordinates the secret police in each country and determines party personnel policies. It can punish through the control of state investment and resource allocation. Realistically there is no foreseeable prospect of the captive nations themselves being able to cast off their yoke.

How much do the satellites benefit from Western attempts to circumvent the Soviet Union? The purpose of President Johnson's "bridge-building" exercise was too obvious and ended up a non-starter. Willy Brandt chose the alternate method of trying to get through to Eastern Europe over the bridge of a non-aggression agreement with the Russians. Even this has not been too successful, for while it has fostered detente between the Soviet Union and the West, it has as yet brought little relief to the satellites. In Soviet logic, relaxation of tension between East and West threatens to undermine the basis of Eastern control over the Western-oriented subject states.

Apart from the choice of a conscience-saving escape, leaving it to "good" historical forces to work things out, what are the possibilities of righting the injustices inflicted on the people of Eastern Europe?

Rollback: Presumably by force or pressure as proposed by the Republicans in the 1952 presidential campaign: The West will risk nothing for such a cause.

Revolt: Success possible only as a result of Soviet disintegration, or in the unlikely event an Eastern European or Baltic leader should take over the central government and party apparatus now dominated by the Russians.

Appeal to Russian better instincts: A matter for pious, prayerful hope.

Moderate evolution within the Communist movement: Encouragement of this trend is at the root of most Western policy and is deemed to be the safest, most logical way to proceed. In any event, it will be a slow, painstaking process.

LITTLE WE CAN DO

Realistically there is little we can do to alter basically the Soviet grip on its subject peoples. We hesitated to aid Hungary in 1956 in any substantial way for fear of upsetting the 1955 agreement with the Soviets establishing Austria's independence. Furthermore, the British, French and Israeli attack on Egypt at that time was a most complicating factor. President Johnson's response to the 1968 Soviet invasion of Czechoslovakia was restrained by his forlorn wish to end his administration with a summit with the Soviets and an agreement on strategic arms.

World reaction to Czechoslovakia, especially among the European Communist parties, probably did play a part, however, in bringing the Soviets around to general detente. The international meeting of Communist parties in Moscow in 1969 showed them to be faltering in their contest with the Chinese for ideological leadership. The new ingredient of improved relations with the West was added to the 24th Soviet Party Congress in March 1970. In the subsequent negotiations the Eastern European Communist leaders profited from settlements which confirmed the legality of their regimes and the national boundaries of their states. The issue of Soviet control remains, however, with its grip strengthened by the good use the Soviets make of periods of relative relaxation to consolidate their questionably acquired gains.

Considerable concern is now being expressed—and rightly—over the fate of oppressed minorities in the Soviet Union. It is hard to argue that our moral commitment to the captive peoples is any less great. The conference on European Security and Cooperation, which is reaching a crucial point in Geneva, offers us a chance to do something for them. Over and against the Soviet desire to consecrate East-West detente in a general summit meeting, we are still holding out for a freer movement of persons and ideas, of a kind which would help the isolation of Eastern Europe, and indeed, of the peoples of the Soviet Union.

There will be other occasions to show the Soviets in negotiation that a mitigation of their despotism can yield a range of subsidiary benefits and we should not shrink from utilizing them. To imply, as has been done by some of our own government spokesmen, that American concern for human rights might impede the business of preventing nuclear war, makes no sense.

CONSCIENCE

Mr. STENNIS. Mr. President, ordinarily remarks at our breakfast group meetings are entirely off the record. Recently the Senator from Alabama (Mr. ALLEN), was the leader and gave splendid remarks on conscience, a subject about which he is highly and unusually well qualified to speak.

His thoughts and observations are so worthy that I think they should share with fellow Senators and Members of the entire Congress, and with the public at large. I commend Senator ALLEN highly and ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

CONSCIENCE

Since 1811 there has been a Fund on the books of the Treasury into which are paid contributions by citizens seeking to make amends for fraudulent acts committed by them against the Government in the past—a mechanic stole a screwdriver, a waiter failed to report income from tips, a civil servant took leave without being charged for the work days missed. Contributions through 1973 have amounted to $3,191,200, with the largest year being $370,285 in 1950.

And then a person receives payment of a long-forgotten debt with interest from a friend of long ago—or payment for a wrong perpetrated against him decades ago.

A person surrenders to the authorities and confesses to a crime committed years before that has been forgotten for decades.

Mass confessions of participants in recent well publicized criminal activities—aided and abetted somewhat by detection of their participation and their desire for self-preservation.

All of those people seeking to make amends, seeking to find peace of mind, seeking to atone, have been influenced to do so, in part at least by the pangs of their consciences.

What is this great force—our conscience—that we cannot see or touch but to which we can listen and whose influence we feel?

Is conscience a built-in feature or quality of every person at birth, and a mark of the difference between man and beast?

Are our consciences nurtured and made more sensitive as a result of lessons learned at our Mother's knee, and through a sense of values impressed on us by our parents and developed through our spiritual and academic eduactions?

Are our consciences further polished and refined as a result of our dealings and experiences with our fellow man?

Is conscience then part of the divine spirit or image of our Maker in whose image we were created?

Over 2000 years ago the Greek historian Polybius wrote: "There is no witness so terrible, no accuser so potent, as the conscience that dwells in every man's breast."

Shakespeare, in *Richard III*, wrote concerning conscience, "A man cannot steal, but it accuseth him; he cannot swear, but it checks him; he cannot lie with his neighbor's wife, but it detects him: 'Tis a blushing, shamefast spirit that mutinies in a man's soul."

John Goodwin, writing in *Might and Right Well Met* in 1648, said: "Freedom of conscience is a natural right, both antecedent and superior to all human laws and institutions whatever: a right which laws never take away."

Thomas Jefferson wrote: "The moral sense, or conscience, is as much a part of man as his leg or arm. It is given to all human beings in a stronger or weaker degree as force of members is given them in greater or less degree."

Abraham Lincoln, to whom we turn so often for inspiration and words of wisdom, in replying in 1864 to a committee proposing a plan of peace, said: "I desire so to conduct the affairs of this administration that if, at the end, when I come to lay down the reins of power, I have lost every other friend on earth, I shall at least have one friend left, and that friend shall be down inside me."

Congressman Railsback, member of the House Judiciary Committee, as reported in the press, expressed the same thought with references to his upcoming vote on impeachment: "I want to cast the vote that will make me feel good inside."

George Washington, in his early manhood, wrote, "Labor to keep alive in your heart that little spark of celestial fire called conscience", and I was impressed with the eloquence to his words.

In Hamlet, Polonius advises his son, Laertes—To thine own self be true—and Edgar A. Guest, the homespun poet, points out that, while we might escape the judgments of others, we must be true to and must meet the standards of the person we see in the bathroom mirror.

Alexander Bain, in the *Emotions and the Will*, wrote: "Conscience is an imitation within ourselves of the government without us."

But if our consciences bring out the best in us, might it not be possible for government to be conducted by a rule of conscience rather than by a government of laws, and I suggest this approach, only to strike it down. Interesting as this thought may be, it is hardly practical for there would still have to be laws for those who violate the rules of conscience. Then, too, a rule of conscience for one might be much more liberal than for another. A rule or law must be devised that will provide uniformity for all, rather than to depend upon varying requirements exacted by millions of consciences. For some, their consciences are dormant or are in hibernation. Then, too, many consciences are more persuasive after the fact of improper action then before. Also, there are the smug or self-satisfied or self-righteous consciences to contend with—Lord Byron, in *Don Juan*, wrote: "A quiet conscience makes one so serene! Christians have burnt each other, quite persuaded that all the Apostles would have done as they did."

But what of acts of conscience, whether acts of commission or omission? The Book of Daniel records two classic cases of acts of conscience. The first was where Shadrach, Meschach and Abednego refused to bow down to the golden image as required by King Nebuchadnezzar, even though the penalty for refusal was for them to be thrown into the fiery furnace. The furnace was so hot that the men who threw Shadrach, Meshach and Abednego into the furnace were killed by the heat. The other was the case of Daniel, who refused, as required by decree of King Darius, to make no petition or prayer to God but only to King Darius for a period of 30 days. Daniel was the King's Chief Minister and the King had been tricked into issuing the law by Daniel's enemies.

The King loved Daniel and wanted to rescind the law but there was a peculiar aspect of a law of the Medes and Persians. Once enacted, it could not be changed, giving rise to the expression "as unchangeable as the laws of the Medes and Persians."

These characters from long ago refused to obey the law as acts of conscience. While they felt that God would save them, yet they were willing to go to their deaths rather than to contravene God's laws. They were willing to pay the price for their acts of conscience.

The name of Thomas More, in England in the days of Henry VIII, comes to mind as a man willing to face death rather than to compromise with the truth as he saw the truth. He, too, was willing to pay the penalty for his act of conscience.

Dozens of other cases could be cited. Many in more recent times have performed acts of conscience but instead of paying the penalty provided for such acts, have sought to be relieved of such penalties. To my mind, this detracts from the bona fides of the acts of conscience.

I am indebted to Dr. David H. C. Read, of National Radio Pulpit, for pointing out the applicability of one of the Proverbs to a discussion of conscience and for his development of the thoughts underlying the proverb.

In the King James Version we read in Proverbs 20:27, "The spirit of man is the candle of the Lord, searching all the inward parts of the belly." The Bible, as usual, touches the spot—for isn't it right there that most of us feel our consciences at work?

Moffatt's Version renders the Proverb this way: "Man's conscience is the lamp of the Eternal, flashing into his inmost soul," and yet another version gives it thus: "The Lord gave us mind and conscience; we cannot hide from ourselves."

We cannot hide from ourselves, we cannot kill our consciences. We can, and often do, try our best. We may keep our conscience quiescent over the years by refusing to listen, but yet we continue to have this sense of right and wrong. It may be disfigured, dulled or twisted, but it cannot be completely eradicated.

We sometimes use the word "unconscionable" to describe a person, policy, or measure we dislike, but no one can be completely unconscionable, for it means without any conscience at all. No one—not even the most depraved—can ever, in the end, hide from himself. Somewhere the spirit of man shines a light into the darkest recess and that spirit is the candle of the Lord. But the candle of the Lord that shines into the inward parts is not simply a searchlight to reveal the things we are ashamed of; it is a healing and reconciling light that shows us the way home.

So let us not be afraid to follow the dictates of our consciences. They will show us the way.

MORATORIUM ON IMPEACHMENT COMMENT

Mr. BELLMON. Mr. President, with the action of the House Judiciary Committee this past week, the impeachment process has begun in earnest.

Impeachment of the President of the United States is one of the most serious matters to be considered by the Congress. Only once before in American history has this provision of the Constitution been invoked. The issue of deciding whether the President has committed such acts that he should be removed from office shakes the very foundations of our Government.

As a Member of the Senate who may ultimately sit as a juror in an impeachment proceeding against the present occupant of the Nation's highest office, I approach this matter with grave concern.

The President, as much as any other citizen of this free country, deserves a fair hearing throughout the impeachment process. The Congress has the responsibility to carry out its constitutional duty fairly and impartially. The American people are entitled to no less from their elected representatives.

Mr. President, I am a farmer, not a lawyer. I do not intend to become involved in legalistic maneuvering. I will study the evidence, try to ascertain what the facts are, evaluate them in the light of what constitutes an impeachable offense, and then make my personal decision, if the Senate is indeed called upon to sit in judgment of Richard M. Nixon.

One thing of which I am certain: I will not prejudge the case.

My past personal and professional associations with the incumbent President are not at issue here and will have no bearing on any decision I may have to make. The same applies to my past support and opposition toward administration proposals and policies.

According to established Senate procedure, precedents and practices, in the event of an impeachment trial, each Senator must take the following oath:

> I solemnly swear (or affirm, as the case may be) that in all things appertaining to the trial of the impeachment of ______ ______, now pending, I will do impartial justice according to the Constitution and laws: So help me God.

Mr. President, in order to be in a position to "do impartial justice" if later required to do so, I am today imposing upon myself a moratorium on public speculative comment on impeachment and related matters until such a time as this matter is resolved.

Under our laws, the basis for removal of a President is not to be found in news commentary or popularity ratings, but rather in the Constitution. I strongly feel that no President should be driven out of office by partisan opponents or by the shifting current of public opinion.

If President Nixon is to have his "day in court," and no fair-minded citizen would deny him that right, it is time to put aside conjecture. The Congress should perform its constitutionally prescribed role of finding the facts, conducting its business in full view of the public, and then render its decision.

Mr. President, my self-imposed moratorium on speculative comment will be difficult to achieve fully because of the wide scope of the so-called Watergate scandal. I will do my utmost to keep that commitment because of my firm desire to remain an impartial prospective juror. I strongly urge my colleagues to consider pursuing the same course.

THE URGENCY OF LAND USE PLANNING

Mr. METZENBAUM. Mr. President, the April–June issue of Historic Preservation published by the National Trust for Historic Preservation carries an extension of remarks by Congressman JOHN F. SEIBERLING, Democrat of Ohio. These remarks were made at the annual meeting of State Historic Preservation Officers, January 31, 1974, sponsored by the National Park Service.

Congressman SEIBERLING serves on the House Committee on Interior and Insular Affairs and has long been one of Ohio's leading conservationists. He has served as president of the Tri-County Regional Planning Commission, Akron, Ohio; vice president of the Stan Hywet Hall Foundation; trustee of the Cuyahoga Valley Association; and executive committee member of the Northeastern Ohio section of the Sierra Club. He introduced a bill to establish the Cuyahoga Valley National Historical Park and Recreation Area and is a leading proponent of land use legislation and a pending bill to control the surface mining of coal.

I am inserting Congressman SEIBERLING's remarks in the RECORD so my colleagues may be aware of the urgency of land use planning and may share in Congressman SEIBERLING's thoughts.

Mr. President, I ask unanimous consent to have it printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE URGENCY OF LAND USE PLANNING

(By Representative JOHN F. SEIBERLING)

Thomas Jefferson wrote that the earth belongs to the living generation. He was trying to break what was called the "dead hand of the past" under which, by law, owners could entail their property so that subsequent owners were put into straitjackets: They could not sell the property, they could not develop it, they could not do anything to it.

In arguing against legal restraints that bound one generation to another, Jefferson left out one important concept. The earth is also held in trust by living generations for present and future generations. This is more than an economic or legal principle; it is an ethical responsibility. Decisions about the use of land will affect not only us, but our children and our children's children as well.

As a land-rich nation, we have for too long treated our land as if it were in unlimited supply. Today, as a result, we are are verging on a land use crisis. Our farmlands are being swallowed up by sprawling cities. Our historic and cultural landmarks are being bulldozed to make way for skyscrapers and shopping centers. Power lines and highways are cutting ugly swaths across our rural landscapes, and open space around our major metropolitan centers is being consumed by haphazard and uncontrolled development.

Land use planning is a pivotal issue. How we use or misuse the land affects our environment, our economy, our cultural physical and social well-being. It affects our transportation systems and our use and methods of obtaining energy. It affects our sense of the present and our identification with the past. It affects the historic character of the land itself, which has colored and shaped our past and will likewise color and shape our future. The values of the past were in part derived from our sense of the land and its peculiar qualities, the qualities of beauty, harshness, challenge.

Now our western lands are being threatened by the onslaught of industrialization. Up to now, much of the West has remained a symbol of the frontier, with clear skies and magnificent open spaces. Much land in the West still is sparsely populated; it is largely government owned and mainly used for agriculture and grazing. But a dark cloud hangs over the big sky country, literally as well as figuratively. Strip mining threatens hundreds of thousands of acres of near-virgin land. Because of the dry climate, it is questionable whether the areas can be revegetated. Large energy-producing complexes are being developed there. Industry has plans for some 40 or 50 coal gasification plants in the Northwest states. And precious waters are about to be diverted from agricultural uses to provide for the insatiable thirst of industrialization.

The glitter of industrialization promises economic rewards for a few, but it often proves to be only fool's gold for the many who must inhabit and contend with a degraded environment. Without intelligent planning, industrialization may well destroy our western heritage. It may literally wipe out whole landscapes, and whole life-styles as well. Our country may become one huge industrial megalopolis from sea to shining sea.

Ownership in this country has customarily implied the right of private owners to do anything they want with their land. This is not true in many other countries, particularly in Europe, where owners must consider the public interest in determining the use of their land. The scope of public interest and the mechanism for expressing and enforcing it are broad indeed. Any American who travels in England must be impressed with the way the small country villages have been preserved, free of the squalid blight that affects almost every community, large and small, in our own country. Yet the population density of England is almost 20 times that of the United States. Both countries share a common legal heritage. The difference lies in the legislation that has been enacted to cope with the land use situation.

There is a common law doctrine described in the Latin maxim *sic utere tuo ut alienum non laedas*—"so use your property that you do not injure the rights of others." I have seen land in southern Ohio that has been destroyed by strip mining without any reclamation worthy of the name, and it has been done in the name of private ownership. Yet what rights does the farmer who refused to sell out have? When the land all around him is stripped and the water table is lowered and dust and mess are all around, the very value of this land is cut to a fraction of what it was by others exercising their right to do something on their land. Our concepts of private ownership, and the rights that go with it, are going to have to change. There must be a new sense of the need to harmonize our uses of the land, balancing long-term values as well as short-term needs.

In contrast to its status in Europe, historic preservation in the United States is in its infancy. We are only now beginning to think of preservation in terms of the total environment and not merely in relation to specific people and events. But in Europe whole towns have been declared historic districts, with strict controls on any alteration, conversion or demolition of structures built before a certain specified date. Regardles of their local or national significance, these historic places reflect definitive cultures in their time and in their place.

I was in Nuremberg, Germany, in 1945 and it was a depressing sight. It was a great merchant city of the Middle Ages, in ruin. Today it is hard to believe that the beautiful inner-walled city was almost totally destroyed. The Germans carefully collected all the stones from the original buildings and reconstructed the buildings as accurately as possible. They had a sense of the importance to their culture of re-creating Nuremberg as it was.

By contrast, Americans lack a strong sense of place, just as they lack a strong sense of the continuity of history. Our history is too new. Fifty percent of us move every five years. Mobility has its economic advantages, but our roots and our identification with our ancestral heritage are lost. We are becoming a homogeneous society. As we travel this land, only the geography changes; the man-made forms remain the same. The Golden Arches are the same in Cheyenne, Wyo., as in Atlanta, Ga. Downtown Oklahoma City, Okla., looks much like downtown Akron, Ohio.

But this need not be so. Beyond the main streets, the vestiges of our varied heritage remain—the white clapboard houses of New England, the farmhouses of Indiana, the adobe haciendas of New Mexico. Each is a statement of its own time and place.

When Abraham Lincoln made his first inaugural address, in 1861, the was making a last plea to the southern states against secession. He saved the most powerful, emotional argument for last: "The mystic chords of memory, stretching from every battlefield and patriot grave to every living heart and hearthstone all over this broad land, will yet swell the chorus of the Union when again touched, as surely they will be, by the better angels of our nature." He appealed to a sense of place. He appealed to remembrance of the battlefield and to the patriots' graves. He understood that the land itself and the places where our people sacrificed and fought and died have a tremendous impact on our thinking.

If we are to save the uniqueness of our past and make it workable for the future, historic preservation and land use planning must go hand in hand. This will not be an easy job. Land use planning in the United States is still embryonic; zoning remains the only major practiced form of land use control. But zoning only deals with type and density of development. It does not deal with the larger issues of people as individuals, of neighborhoods and cultures.

Historic preservation in America is also relatively new; it began as a fragmented effort by people who were personally attached to particular historic places. They did not view their history from the outside—they were part of it. Concerted effort at preservation on the state and federal levels has only taken place within this generation.

Major legislation has been introduced in Congress to create an integrated approach to land use planning. The Senate passed a land use planning bill in June 1973. The House Interior Committee completed work in mid-January on a similar bill, only to have it unexpectedly postponed by the House Rules Committee.

This is landmark legislation, but its effectiveness will depend largely on how well federal, state and local officials and private individuals work together.

Contrary to the views of its opponents, the Land Use Planning and Assistance Act would not create federal zoning. It would not threaten private property. It would not remove land use decisions from local government. What it would do is provide grants to States to help them prepare and implement a comprehensive land use planning process. The process would be developed by and tailored to the needs of each state. The bill sets some guidelines for preparing these plans and, once prepared, for administering them. Participation is voluntary. There are no sanctions in the bill. In order to obtain the federal grants, the states must only meet the basic requirements of the bill.

The key to the bill is the requirement that a participating state must develop a comprehensive land use planning process that takes into account all lands and all other natural resources within the state and the cost and benefit of their use and conservation. The process must include the development of an adequate data base, technical assistance and training programs for the public and for state and local agency personnel. It must coordinate land use planning activities of local, state, interstate and federal agencies. Natural and physical resources and recreational needs must be considered as well as the suitability of land for various development purposes.

The bill establishes a two-way street; it requires states to consider the impact of their actions on areas near such federally owned public lands as national parks, forests, wilderness areas and wildlife refuges. It also requires federal projects and activities affecting the use of nonfederal lands to be consistent with the state comprehensive land use planning process. The bill requires each federal public land management agency to prepare and maintain an inventory of all public lands and resources under its jurisdiction. It provides the framework for the federal government to develop land use policies and plans for these lands. These could also serve as standards for the states to consider in developing their own plans, just as the federal agencies can learn much from the work done by the states.

Under the bill, the states would also be required to designate areas of critical environmental concern and regulate their use. "Areas of critical environmental concern" include both natural and historic areas.

When my family gave the Tudor-style Stan Hywet Hull (1911–15) to the community of Akron, Ohio, some people said, "Well, of course, the house is the big thing and the grounds aren't that important; concentrate on preserving this house." But the grounds—some 70 acres of lawns and gardens—were designed by Warren H. Manning, a landscape architect who had been associated with the firm of Frederick Law Olmsted. The house without the grounds would be diminished and much less significant. That is true of many historic sites. Both the natural and manmade environment are irreplaceable, and both yield information about the past, giving us understanding of and appreciation for our physical and cultural evolution.

Linking man-made and natural resources may seem the obvious action to some, but unfortunately most people in this country do not make the connection. The industrial opportunist sees land as a commodity to exploit, and man-made objects as potential profit-makers.

I remember riding to Clev[redacted] with a county engineer and passing a particularly beautiful tract of woodland bordering the highway. I [redacted] You know, it's interesting that [redacted] area is becoming filled up with suburban sprawl yet that particular area has remained open." I was about to say that we ought to figure out some way to keep it that way when the engineer said, "Yeah we've been trying for years to figure out what we could put in that space." His idea was that unless you fill up every inch of space, you have not really used it. Well, some things are better left undeveloped.

Most people do not understand how the natural elements interact with the man-made to produce a total environment. A 1974 Sierra Club calendar has a picture of a New England scene. The caption under it contains a quotation from Thoreau: "A village is preserved not more by the people in it, than by the swamps and woods that surround it."

The practice of strip mining is a perfect example of how we destroy our historical heritage when we destroy [redacted] land. Southeastern and east-[redacted] are beautiful parts of the sta[redacted] bring to mind the Downs of southern England; there is a special mystical quality about the rolling landscape. It is a pristine landscape, except that it is rapidly being destroyed by huge earthmovers tearing it apart. Whole towns have disappeared; whole highways have been removed. Woods and fields have been turned under and replaced by heaps of rubble. This is not just destroying productive land; it is destroying our past, destroying our youth.

Not all of man's historic places are beautiful, and not all of nature is pristine. But something in all of it is worth saving if we can put it in proper perspective. And the signs of change are here. The proposed Cuyahoga Valley National Historic Park and Recreation Area between Akron and Cleveland, Ohio, would not only preserve a vast, beautiful open space but also provide attractive alternatives for outdoor recreation. It could give city people a sense of what it means to be out in open country. The Cuyahoga Valley is not pristine like Yellowstone National Park. But each has unique qualities to preserve. And in preserving such places as the Cuyahoga Valley we can insure that the wilderness of Yellowstone will be preserved for future generations.

A similar analogy holds true for historic preservation. Not every historic building needs to be a museum. Ghiradelli Square in San Francisco, Calf., and Canal Square in Washington, D.C., are examples of old structures given new life while a sense of their original integrity is maintained. Historic resources interact with the contemporary environment, giving a region its character and sense of place. Independence Square in Philadelphia, Pa., was carefully restored to its 18th century scale and appearance. However, many beautiful 19th-century structures were demolished in the process. Historic preservation should not mean freezing an area to one period of the past. We have elements from many periods of the past that should and can coexist harmoniously, to help us understand how we fit into the patterns of history.

Ours is a nation of contrast; its identity lies in the slums and ethnic ghettoes as well as in magnificent mansions and public buildings. And the worthwhile features of these contrasting places, if not identified and preserved now, may be lost forever. Some day no Americans may have to live in slums. But they will want to know what slums looked like, and it is worth preserving one to show them.

Some day we may not even need a National Register of Historic Places. Historic preservation will be a personal ethnic of each person; it will be part of our culture. How we treat the land today and, more importantly, tomorrow, will be determined by our system of values.

We will never see the land as our ancestors did. But we can understand what made it beautiful and why they lived and died to preserve it. And in preserving it for future generations we will preserve something of ourselves.

If we all have an interest in this land, then we all have a stake in its preservation. There is no more worthwhile cause.

THE INTERNATIONAL ECONOMIC SITUATION

Mr. McGEE. Mr. President, this spring, a special session of the United Nations General Assembly was convened. This in itself pr[redacted]ably would not raise many eye-[redacted]d it not been for the uniqueness [redacted] the issues to which the international community was addressing itself.

The focus of this session was an effort to come to grips with a deteriorating international economic situation which threatens not only the survival of the less developed nations of the world, but the industrialized nations as well.

Two major resolutions resulted from this special session. The first resolution entailed a Declaration on the Establishment of a New International Economic Order. The second outlined a proposed Program of Action on the Establishment of a New International Economic Order.

As the gap between the rich and poor nations continues to widen, I believe the Congress and the American people need to know the views of the less developed countries with regard to the future of our world, particularly since the international economic situation represents a threat to the future of us all, rich and poor alike.

I ask unanimous consent that these two resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

TEXT OF RESOLUTIONS ADOPTED

3200 (S–VI). CREDENTIALS OF REPRESENTATIVES TO THE SIXTH SPECIAL SESSION OF THE GENERAL ASSEMBLY

Date: 30 April 1974.
Vote: 86–26–15 (roll call).
Meeting: 2228.
Draft: A/L.726.

The General Assembly,

Having taken note of the report of the Credentials Committee,[1]

Approves the credentials of all the representatives of Member States to the sixth special session of the General Assembly except those of the representatives of South Africa.

ROLL-CALL ON RESOLUTION 3200 (S–VI)

In favour: Afghanistan, Albania, Algeria, Bahrain, Bhutan, Bulgaria, Burma, Burundi, Byelorussia, Central African Republic, Chad, Chile, China, Congo, Cuba, Czechoslovakia, Dahomey, Democratic Yemen, Egypt, Equatorial Guinea, Ethiopia, Fiji, Finland, Gabon, Gambia, German Democratic Republic,

---

[1] A/9555.

Ghana, Guinea, Guyana, Haiti, Hungary, India, Indonesia, Iraq, Ivory Coast, Jamaica, Jordan, Kenya, Khmer Republic, Kuwait, Laos, Lebanon, Liberia, Libya, Madagascar, Malaysia, Mali, Malta, Mauritania, Mauritius, Mongolia, Morocco, Niger, Nigeria, Oman, Pakistan, Panama, Philippines, Poland, Qatar, Romania, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Singapore, Somalia, Sri Lanka, Sudan, Syria, Thailand, Togo, Trinidad and Tobago, Tunisia, Uganda, Ukraine, USSR, United Arab Emirates, United Republic of Cameroon, United Republic of Tanzania, Upper Volta, Venezuela, Yemen, Yugoslavia, Zaire, Zambia.

Against: Australia, Austria, Belgium, Brazil, Canada, Costa Rica, Denmark, France, Germany (Federal Republic of), Iceland, Ireland, Israel, Italy, Luxembourg, Malawi, Mexico, Netherlands, Nicaragua, Norway, Portugal, South Africa, Spain, Sweden, United Kingdom, United States, Uruguay.

Abstaining: Argentina, Bahamas, Bolivia, Botswana, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Japan, Nepal, New Zealand, Paraguay, Peru.

Absent: Barbados, Cyprus, Iran, Lesotho, Maldives, Swaziland, Turkey.

Greece did not participate in the vote.

3201 (S-VI). DECLARATION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER

Date: 1 May 1974.
Adopted without vote.
Meeting: 2229.
Report: A/9556 (Part II).
The General Assembly
Adopts the following Declaration:

DECLARATION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER

We, the Members of the United Nations,

Having convened a special session of the General Assembly to study for the first time the problems of raw materials and development, devoted to the consideration of the most important economic problems facing the world community,

Bearing in mind the spirit, purposes and principles of the Charter of the United Nations to promote the economic advancement and social progress of all peoples,

Solemnly proclaim our united determination to work urgently for the Establishment of a New International Economic Order based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems, which shall correct inequalities and redress existing injustices, make it possible to eliminate the widening gap between the developed and the developing countries and ensure steadily accelerating economic and social development in peace and justice for present and future generations.

1. The greatest and most significant achievement during the last decades has been the independence from colonial and alien domination of a large number of peoples and nations which has enabled them to become members of the community of free peoples. Technological progress has also been made in all spheres of economic activities in the last three decades, thus providing a solid potential for improving the well-being of all peoples. However, the remaining vestiges of alien and colonial domination, foreign occupation, racial discrimination, apartheid and neo-colonialism in all its forms continue to be among the greatest obstacles to the full emancipation and progress of the developing countries and all the peoples involved. The benefits of technological progress are not shared equitably by all members of the international community. The developing countries, which constitute 70 per cent of the world population, account for only 30 per cent of the world's income. It has proved impossible to achieve an even and balanced development of the international community under the existing international economic order. The gap between the developed and the developing countries continues to widen in a system which was established at a time when most of the developing countries did not even exist as independent States and which perpetuates inequality.

2. The present international economic order is in direct conflict with current developments in international political and economic relations. Since 1970, the world economy has experienced a series of grave crises which have had severe repercussions, especially on the developing countries because of their generally greater vulnerability to external economic impulses. The developing world has become a powerful factor that makes its influence felt in all fields of international activity. These irreversible changes in the relationship of forces in the world necessitate the active, full and equal participation of the developing countries in the formulation and application of all decisions that concern the international community.

3. All these changes have thrust into prominence the reality of interdependence of all the members of the world community. Current events have brought into sharp focus the realization that the interests of the developed countries and the interests of the developing countries can no longer be isolated from each other; that there is close interrelationship between the prosperity of the developed countries and the growth and development of the developing countries, and that the prosperity of the international community as a whole depends upon the prosperity of its constituent parts. International co-operation for development is the shared goal and common duty of all countries. Thus the political, economic and social well-being of present and future generations depends more than ever on co-operation between all members of the international community on the basis of sovereign equality and the removal of the disequilibrium that exists between them.

4. The new international economic order should be founded on full respect for the following principles:

(a) Sovereign equality of States, self-determination of all peoples, inadmissibility of the acquisition of territories by force, territorial integrity and non-interference in the internal affairs of other States;

(b) Broadest co-operation of all the member States of the international community, based on equity, whereby the prevailing disparities in the world may be banished and prosperity secured for all;

(c) Full and effective participation on the basis of equality of all countries in the solving of world economic problems in the common interest of all countries, bearing in mind the necessity to ensure the accelerated development of all the developing countries, while devoting particular attention to the adoption of special measures in favour of the least developed, land-locked and island developing countries as well as those developing countries most seriously affected by economic crises and natural calamities, without losing sight of the interests of other developing countries;

(d) Every country has the right to adopt the economic and social system that it deems to be the most appropriate for its own development and not to be subjected to discrimination of any kind as a result;

(e) Full permanent sovereignty of every State over its natural resources and all economic activities. In order to safeguard these resources, each State is entitled to exercise effective control over them and their exploitation with means suitable to its own situation, including the right to nationalization or transfer of ownership to its nationals, this right being an expression of the full permanent sovereignty of the State. No State may be subjected to economic, political or any other type of coercion to prevent the free and full exercise of this inalienable right;

(f) All States, territories and peoples under foreign occupation, alien and colonial domination or apartheid have the right to restitution and full compensation for the exploitation and depletion of, and damages to, the natural and all other resources of those States, territories and peoples;

(g) Regulation and supervision of the activities of transnational corporations by taking measures in the interest of the national economies of the countries where such transnational corporations operate on the basis of the full sovereignty of those countries;

(h) Right of the developing countries and the peoples of territories under colonial and racial domination and foreign occupation to achieve their liberation and to regain effective control over their natural resources and economic activities;

(i) Extending of assistance to developing countries, peoples and territories under colonial and alien domination, foreign occupation, racial discrimination or apartheid or which are subjected to economic, political or any other type of measures to coerce them in order to obtain from them the subordination of the exercise of their sovereign rights and to secure from them advantages of any kind, and to neo-colonialism in all its forms and which have established or are endeavouring to establish effective control over their natural resources and economic activities that have been or are still under foreign control;

(j) Just and equitable relationship between the prices of raw materials, primary products, manufactured and semi-manufactured goods exported by developing countries and the prices of raw materials, primary commodities, manufactures, capital goods and equipment imported by them with the aim of bringing about sustained improvement in their unsatisfactory terms of trade and the expansion of the world economy;

(k) Extension of active assistance to developing countries by the whole international community, free of any political or military conditions;

(l) Ensuring that one of the main aims of the reformed international monetary system shall be the promotion of the development of the developing countries and the adequate flow of real resources to them;

(m) Improving the competitiveness of natural materials facing competition from synthetic substitutes;

(n) Preferential and non-reciprocal treatment for developing countries wherever feasible, in all fields of international economic co-operation, wherever feasible;

(o) Securing favourable conditions for the transfer of financial resources to developing countries;

(p) To give to the developing countries access to the achievements of modern science and technology, to promote the transfer of technology and the creation of indigenous technology for the benefit of the developing countries in forms and in accordance with procedures which are suited to their economies;

(q) Necessity for all States to put an end to the waste of natural resources, including food products;

(r) The need for developing countries to concentrate all their resources for the cause of development;

(s) Strengthening—through individual and collective actions—of mutual economic, trade, financial and technical co-operation among the developing countries mainly on a preferential basis;

(t) Facilitating the role which producers associations may play, within the framework of international co-operation, and in pursuance of their aims, inter alia, assisting in promotion of sustained growth of world economy and accelerating development of developing countries.

5. The unanimous adoption of the International Development Strategy for the Second Development Decade was an important step in the promotion of international economic co-operation on a just and equitable basis. The accelerated implementation of obligations and commitments assumed by the international community within the framework of the Strategy, particularly those concerning imperative development needs of developing countries, would contribute significantly to the fulfilment of the aims and objectives of the present Declaration.

6. The United Nations as a universal organization should be capable of dealing with problems of international economic co-operation in a comprehensive manner and ensuring equally the interests of all countries. It must have an even greater role in the establishment of a new international economic order. The Charter of Economic Rights and Duties of States, for the preparation of which this Declaration will provide an additional source of inspiration, will constitute a significant contribution in this respect. All the States Members of the United Nations are therefore called upon to exert maximum efforts with a view to securing the implementation of this Declaration, which is one of the principal guarantees for the creation of better conditions for all peoples to reach a life worthy of human dignity.

7. This Declaration on the Establishment of a New International Economic Order shall be one of the most important bases of economic relations between all peoples and all nations.

3202 (S-VI). PROGRAMME OF ACTION ON THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER

Date: 1 May 1974.
Meeting: 2229.
Adoption without vote.
Report: A/9556 (Part II).

The General Assembly.

Adopts the following Programme of Action:

PROGRAMME OF ACTION OF THE ESTABLISHMENT OF A NEW INTERNATIONAL ECONOMIC ORDER

In view of the continuing severe economic imbalance in the relations between developed and developing countries, and in the context of the constant and continuing aggravation of the imbalance of the economies of the developing countries and the consequent need for the mitigation of their current economic difficulties, urgent and effective measures need to be taken by the international community to assist the developing countries, while devoting particular attention to the least developed, land-locked and island developing countries and those developing countries most seriously affected by economic crises and natural calamities leading to serious retardation of development processes.

With a view to ensuring the application of the Declaration on the Establishment of a New International Economic Order it will be necessary to adopt and implement within a specified period a programme of action of unprecedented scope and to bring about maximum economic co-operation and understanding among all States, particularly between developed and developing countries based on the principles of dignity and sovereign equality.

PROGRAMME OF ACTION

I. Fundamental problems of raw materials and primary commodities as related to trade and development

1. Raw materials.

All efforts should be made:

(a) To put an end to all forms of foreign occupation, racial discrimination, *apartheid*, colonial, neo-colonial and alien domination and exploitation through the exercise of permanent sovereignty over natural resources.

(b) To take measures for the recovery, exploitation, development, marketing and distribution of natural resources, particularly of developing countries, to serve their national interests, to promote collective self-reliance among them, and to strengthen mutually beneficial international economic co-operation with a view to bringing about the accelerated development of developing countries.

(c) To facilitate the functioning, and to further the aims, of producers associations, including their joint marketing arrangements, orderly commodity trading, improvement in export income of producing developing countries and in their terms of trade, and sustained growth of world economy for the benefit of all.

(d) To evolve a just and equitable relationship between prices of raw materials, primary commodities, semi-manufactured and manufactured goods exported by developing countries and the raw materials, primary commodities, food, manufactured and semi-manufactured goods and capital equipment imported by them and to work for a link between the prices of exports of developing countries and the prices of their imports from developing countries.

(e) To take measures to reverse the continued trend of stagnation or decline in the real price of several commodities exported by developing countries, despite a general rise in commodity prices, resulting in a decline in the export earnings of these developing countries.

(f) To take measures to expand the markets for natural products in relation to synthetics, taking into account the interests of the developing countries, and to utilize fully the ecological advantages of these products.

(g) To take measures to promote the processing of raw materials in the producer developing countries.

2. Food

All efforts should be made:

(a) To take full account of specific problems of developing countries, particularly in times of food shortages, in the international efforts connected with the food problem.

(b) To take into account that, owing to lack of means, some developing countries have vast potentialities of unexploited or underexploited land which, if reclaimed and put into practical use, would contribute considerably to the solution of the food crisis.

(c) By the international community to undertake concrete and speedy measures with a view to arresting desertification, salination, and damage by locusts or any other similar phenomenon involving several developing countries, particularly in Africa, and gravely affecting the capacity of agricultural production of these countries. Furthermore, the international community should assist the developing countries affected by this phenomenon to develop the affected zones with a view to contributing to the solution of their food problems.

(d) To refrain from damaging or deteriorating natural resources and food resources, especially those derived from the sea, by preventing pollution and taking appropriate steps to protect and reconstitute those resources.

(e) By developed countries in evolving their policies relating to production, stocks, imports and exports of food to take full account of the interests of:

(i) Developing importing countries which cannot afford high prices for their imports, and

(ii) Developing exporting countries which need increased market opportunities for their exports.

(f) To ensure that developing countries can import the necessary quantity of food without undue strain on their foreign exchange resources and without unpredictable deterioration in their balance of payments. In this context, special measures should be taken in respect of the least developed, the land-locked and island developing countries as well as those developing countries most seriously affected by economic crises and natural calamities.

(g) To ensure that concrete measures to increase food production and storage facilities in developing countries should be introduced, *inter alia*, by ensuring an increase in all available essential inputs, including fertilizers, from developed countries on favourable terms.

(h) To promote exports of food products of developing countries through just and equitable arrangements, *inter alia*, by the progressive elimination of such protective and other measures as constitute unfair competition.

3. General trade

All efforts should be made:

(a) To take the following measures for the amelioration of terms of trade of developing countries and concrete steps to eliminate chronic trade deficits of developing countries:

(i) Fulfillment of relevant commitments already undertaken in the United Nations Conference on Trade and Development and in the International Development Strategy.

(ii) Improved access to markets in developed countries through the progressive removal of tariff and non-tariff barriers and of restrictive business practices.

(iii) Expeditious formulation of commodity agreements where appropriate, in order to regulate as necessary and to stabilize the world markets for raw materials and primary commodities.

(iv) Preparation of an over-all integrated programme, setting out guidelines and taking into account the current work in this field, for a comprehensive range of commodities of export interest to developing countries.

(v) Where products of developing countries compete with the domestic production in developed countries, each developed country should facilitate the expansion of imports from developing countries and provide a fair and reasonable opportunity to the developing countries to share in the growth of the market.

(vi) When the importing developed countries derive receipts from customs duties, taxes and other protective measures applied to imports of these products, consideration should be given to the claim of the developing countries that these receipts should be reimbursed in full to the exporting developing countries or devoted to providing additional resources to meet their development needs.

(vii) Developed countries should make appropriate adjustments in their economies so as to facilitate the expansion and diversification of imports from developing countries and thereby permit a rational, just and equitable international division of labour.

(viii) Setting up general principles for pricing policy for exports of commodities of developing countries, with a view to rectifying and achieving satisfactory terms of trade for them.

(ix) Until satisfactory terms of trade are achieved for all developing countries, consideration should be given to alternative means, including improved compensatory financing schemes for meeting the development needs of developing countries concerned.

(x) Implementation, improvement and enlargement of the Generalized System of Preferences for exports of agricultural primary commodities, manufactures and semi-manufactures from developing to developed countries and consideration of its extension to commodities, including those which are processed or semiprocessed. Developing countries which are or will be sharing their existing tariff advantages in some developed countries as the result of the introduction and eventual enlargement of the Generalized System of Preferences should, as a matter of urgency, be granted new openings in the markets of other developed countries which should offer them export opportunities that at least compensate for the sharing of those advantages.

(xi) Setting up of buffer stocks within the framework of commodity arrangements and their financing by international financial institutions, wherever necessary, the developed countries and—when they are able to do—by the developing countries, the aim being to favour the producing and consuming developing countries and to contribute to the expansion of world trade as a whole.

(xii) In cases where natural materials can satisfy the requirements of the market, new investment for the expansion of capacity of production of synthetic materials and substitutes should not be made.

(b) To be guided by the principles of non-reciprocity and preferential treatment of developing countries in multilateral trade negotiations between developed and developing countries, and to seek sustained additional benefits for the international trade of developing countries, so as to achieve a substantial increase in their foreign exchange earnings, diversification of their exports and acceleration of the rate of their economic growth.

Transportation and insurance:

All efforts should be made:

(i) To promote an increasing and equitable participation of developing countries in the world shipping tonnage;

(ii) To arrest and reduce the ever-increasing freight rates in order to reduce the cost of imports to, and exports from, the developing countries;

(iii) To minimize cost of insurance and reinsurance for developing countries and to assist the growth of domestic insurance and reinsurance markets in developing countries and the establishment to this end, where appropriate, of institutions in these countries or at the regional level;

(iv) To ensure the early implementation of the code of conduct for liner conferences.

(v) To take urgent measures to increase the import and export capability of the least developed countries and to offset the disadvantages of the adverse geographic situation of land-locked countries, particularly with regard to their transportation and transit costs, as well as developing island countries in order to increase their trading ability.

(vi) By the developed countries to refrain from imposing measures or implementing policies designed to prevent the importation, at equitable prices, of commodities from the developing countries or from frustrating the implementation of legitimate measures and policies adopted by the developing countries in order to improve prices and encourage the export of such commodities.

II. International monetary system and financing of development of developing countries

All efforts should be made:

1. To reform the international monetary system with, inter alia, the following objectives:

(a) Measures to check the inflation already experienced by the developed countries, to prevent it from being transferred to developing countries and to study and devise possible arrangements within the International Monetary Fund to mitigate the effects of inflation in developed countries on the economies of developing countries;

(b) Measures to eliminate the instability of the international monetary system, in particular the uncertainty of the exchange rates especially as it affects adversely the trade in commodities;

(c) Maintenance of the real value of the currency reserves of the developing countries by preventing their erosion from inflation and exchange rate depreciation of reserve currencies;

(d) Full and effective participation of developing countries in all phases of decision-making for the formulation of an equitable and durable monetary system and adequate participation of developing countries in all bodies entrusted with this reform and, particularly, in the Board of Governors;

(e) Adequate and orderly creation of additional liquidity with particular regard to the needs of the developing countries through the additional allocation of Special Drawing Rights based on the concept of world liquidity needs to be appropriately revised in the light of the new international environment. Any creation of international liquidity should be made through international multilateral mechanisms;

(f) Early establishment of a link between Special Drawing Rights and additional development financing in the interest of developing countries, consistent with the monetary characteristics of Special Drawing Rights;

(g) The International Monetary Fund should review the relevant provisions in order to ensure effective participation by developing countries in the decision-making process;

(h) Arrangements to promote an increasing net transfer of real resources from the developed to the developing countries;

(i) Review the methods of operation of the International Monetary Fund, in particular the terms for both credit repayments and "standby" arrangements, the system of compensatory financing, and the terms of the financing of commodity buffer stocks, so as to enable the developing countries to make more effective use of them.

2. To take the following urgent measures to finance the development of developing countries and to meet the balance-of-payment crises in the developing world:

(a) Implementation at an accelerated pace by the developed countries of the time-bound programme, as already laid down in the International Development Strategy for the Second United Nations Development Decade, for the net amount of financial resource transfers to developing countries. Increase in the official component of the net amount of financial resource transfers to developing countries so as to meet and even to exceed the target of the International Development Strategy;

(b) International financing institutions to effectively play their role as development financing banks without discrimination on account of the political or economic system of any member country, assistance being untied;

(c) More effective participation by developing countries, whether recipients or contributors, in the decision-making process in the competent organs of the International Bank for Reconstruction and Development and the International Development Association through the establishment of a more equitable pattern of voting rights;

(d) Exemption, wherever possible, of the developing countries from all import and capital outflow controls imposed by the developed countries;

(e) Promotion of foreign investment both public and private from developed to developing countries in accordance with the needs and requirements in sectors of their economies as determined by the recipient countries;

(f) Appropriate urgent measures, including international action, to be taken to mitigate adverse consequences for the current and future development of developing countries arising from the burden of external debt contracted on hard terms;

(g) Debt renegotiation on a case-by-case basis with a view to concluding agreements on debt cancellation, moratorium, rescheduling, or interest subsidization;

(h) International financial institutions to take into account the special situation of each developing country in reorienting their lending policies to suit these urgent needs. There is also need for improvement in practices of international financial institutions in regard to, inter alia, development financing and international monetary problems;

(i) Appropriate steps to be taken to give priority to the least developed land-locked and island developing countries and to the countries most seriously affected by economic crises and natural calamities, in the availability of loans for development purposes which should include more favourable terms and conditions.

III. Industrialization

All efforts should be made by the international community to take measures to encourage the industrialization of the developing countries. To this end:

(a) The developed countries should respond favourably, within the framework of their official aid as well as international financial institutions, to the requests of developing countries for the financing of industrial projects;

(b) The developed countries should encourage investors to finance industrial production projects, particularly export-oriented production, in developing countries, in agreement with the latter and within the context of their laws and regulations.

(c) With a view to bringing about a new international economic structure which should increase the share of the developing countries in world industrial production, the developed countries and the agencies of the United Nations system, in co-operation with the developing countries, should contribute to setting up new industrial capacities including raw material and commodity transforming facilities as a matter of priority in the developing countries that produce those raw materials and commodities.

(d) Continue and expand, with the aid of the developed countries and the international institutions, the operational and instruction-oriented technical assistance programmes including vocational training and management development of national personnel of the developing countries in the light of their special development requirements.

IV. Transfer of technology

All efforts should be made:

(a) To formulate an international code of conduct for the transfer of technology corresponding to needs and conditions prevalent in developing countries;

(b) To give access on improved terms to modern technology and the adaptation of that technology, as appropriate, to specific economic, social and ecological conditions and varying stages of development in developing countries;

(c) To expand significantly in assistance from developed to developing countries in programmes of research and development and creation of suitable indigenous technology;

(d) To adapt commercial practices governing transfer of technology to the requirements of the developing countries, and to prevent abuse of the rights of sellers;

(e) To promote international co-operation in research and development, in exploration and exploitation, conservation and legitimate utilization of natural resources and all sources of energy;

In taking the above measures, the special needs of the least developed and land-locked countries should be borne in mind.

V. Regulation and control over the activities of transnational corporations

All efforts should be made to formulate adoption and implementation of an international code of conduct for transnational corporations in order to:

(a) Prevent interference in the internal affairs of the countries where they operate and their collaboration with racist régimes and colonial administrations;

(b) Regulate their activities in host countries, to eliminate restrictive business practices and to conform to the national development plans and objectives of developing countries, and in this context facilitate, as necessary, review and revision of previously concluded arrangements;

(c) Bring about assistance, transfer of technology and management skills to developing countries on equitable and favourable terms;

(d) Regulate the repatriation of the profits accruing from their operations, taking into account the legitimate interests of all parties concerned;

(e) Promote reinvestment of their profits in developing countries.

VI. Charter of Economic Rights and Duties of States

The Charter of Economic Rights and Duties of States, the draft of which is presently being prepared by a working group of the United Nations and which the General Assembly has already expressed the intention of adopting at its forthcoming twenty-ninth session, shall constitute an effective instrument towards the establishment of a new system of international economic relations based on equity, sovereign equality, and interdependence of the interests of developed and developing countries. It is therefore of vital importance that the charter be adopted by the General Assembly at its next regular session.

VII. Promotion of cooperation among developing countries

1. Collective self-reliance and growing co-operation among developing countries will further strengthen their role in the new international economic order. Developing countries, with a view to expanding co-operation at the regional, subregional and interregional levels, should take further steps *inter alia:*

(a) To support the establishment and/or improvement of appropriate mechanism to defend the prices of their exportable commodities and to improve access to and to stabilize markets for them. In this context the increasingly effective mobilization by the whole group of oil exporting countries of their natural resources for the benefit of their economic development is to be welcomed. At the same time there is the paramount need for co-operation among the developing countries in evolving urgently and in a spirit of solidarity all possible means to assist developing countries to cope with the immediate problems resulting from this legitimate and perfectly justified action. The measures already taken in this regard are a positive indication of the evolving co-operation between developing countries.

(b) To protect their inalienable right to permanent sovereignty over their natural resources.

(c) To promote, establish or strengthen economic integration at the regional and subregional levels.

(d) To increase considerably their imports from other developing countries.

(e) No developing country should accord to imports from developed countries more favourable treatment than that accorded to imports from developing countries. Taking into account the existing international agreements, current limitations and possibilities and also their future evolution, preferential treatment should be given to the procurement of import requirements from other developing countries. Wherever possible, preferential treatment should be given to imports from developing countries and the exports of those countries.

(f) To promote close co-operation in the fields of finance, credit relations and monetary issues, including the development of credit relations on a preferential basis and on favourable terms.

(g) To strengthen efforts which are already being made by developing countries to utilize available financial resources for financing development in the developing countries through investment, financing of export-oriented and emergency projects and other long-term assistance.

(h) To promote and establish effective instruments of co-operation in the fields of industry, science and technology, transport, shipping and mass communication media.

2. Developed countries should support initiatives in the regional, subregional and interregional co-operation of developing countries through the extension of financial and technical assistance through more effective and concrete actions, particularly in the field of commercial policy.

VIII. Assistance in the exercise of permanent sovereignty of States over natural resources

All efforts should be made:

(a) To defeat attempts to prevent the free and effective exercise of the rights of every State to full and permanent sovereignty over its natural resources.

(b) By competent agencies of the United Nations system to meet requests for assistance from developing countries in connexion with the operation of nationalized means of production.

IX. Strengthening the role of the United Nations system in the field of international economic cooperation

1. In furtherance of the objectives of the International Development Strategy and in accordance with the aims and objectives of the Declaration on the Establishment of a New International Economic Order, all Member States pledge to make full use of the United Nations system in the implementation of this Programme of Action they have jointly adopted in working for the establishment of a new international economic order and thereby strengthening the role of the United Nations in the field of world-wide co-operation for economic and social development.

2. The General Assembly of the United Nations shall conduct an over-all review of the implementation of the Programme of Action as a priority item. All the activities of the United Nations system to be undertaken under the Programme of Action as well as those already planned, such as the World Population Conference, the World Food Conference, the Second General Conference of the United Nations Industrial Development Organization and the mid-term review and appraisal of the International Development Strategy, should be so directed as to enable the special session of the General Assembly on development, called for under General Assembly resolution 3172 (XXVIII), to make its full contribution to the establishment of the new international economic order. All Member States are urged jointly and individually to direct their efforts and policies towards the success of that special session.

3. The Economic and Social Council shall define the policy framework and co-ordinate the activities of all organizations, institutions and subsidiary bodies within the United Nations system which shall be entrusted with the task of implementing this Programme. In order to enable the Economic and Social Council to carry out its tasks effectively:

(a) All organizations, institutions and subsidiary bodies concerned within the United Nations system shall submit to the Economic and Social Council progress reports on the implementation of this Programme within their respective fields of competence as often as necessary, but not less than once a year.

(b) The Economic and Social Council shall examine the progress reports as a matter of urgency, to which end it may be convened as necessary, in special sessions or, if need be, may function continuously. It shall draw the attention of the General Assembly to the problems and difficulties arising in connection with the implementation of this Programme.

4. All organizations, institutions, subsidiary bodies and conferences of the United Nations system are entrusted with the implementation of this Programme of Action. The activities of the United Nations Conference on Trade and Development (established under General Assembly resolution 1995 (XIX)) should be strengthened for the purpose of following in collaboration with other competent organizations the development of international trade in raw materials throughout the world.

5. Urgent and effective measures should be taken to review the lending policies of international financial institutions, taking into account the special situation of each developing country, to suit urgent needs; to improve the practices of these institutions in regard to, inter alia, development financing and international monetary problems, and to ensure more effective participation by developing countries—whether recipients or contributors—in the decision-making process through appropriate revision of the pattern of voting rights.

6. The developed countries and others in a position to do so should contribute substantially to the various organizations, programmes and funds established within the United Nations system for the purpose of accelerating economic and social development in developing countries.

7. This Programme of Action complements and strengthens the goals and objectives embodied in the International Development Strategy as well as the new measures formulated by the General Assembly at its twenty-eighth session to offset the short-falls in achieving those goals and objectives.

8. The implementation of the Programme of Action should be taken into account at the time of medium-term review and appraisal of the International Development Strategy for the Second United Nations Development Decade. New commitments, changes, additions and adaptations in the International Development Strategy should be made, as appropriate, taking into account the Declaration on the Establishment of a New International Economic Order and this Programme of Action.

X. Special programme

The General Assembly adopts the following Special Programme, including particularly emergency measures to mitigate the difficulties of the developing countries most seriously affected by economic crisis bearing in mind the particular problem of the least developed and land-locked countries:

The General Assembly,

Considering that:

(a) The sharp increase in the prices of their essential imports such as food, fertilizers, energy products, capital goods, equipment and services, including transportation and transit costs, have gravely exacerbated the increasingly adverse terms of trade of a number of developing countries, added to the burden of their foreign debt and, cumulatively, created a situation which, if left untended, will make it impossible for them to finance their essential imports and development and result in a further deterioration in the levels and conditions of life in these countries. The present crisis is the outcome of all the problems that have accumulated over the years: in the field of trade, in monetary reform, the world-wide inflationary situation, inadequacy and delay in provision of financial assistance and many other similar problems in the economic and developmental fields. In facing the crisis, this complex situation must be borne in mind so as to ensure that the special programme adopted by the international community provides emergency relief and timely assistance to the most seriously affected countries. Simultaneously, steps are taken to resolve these outstanding problems through a fundamental restructuring of the world economic system, in order to allow these countries while solving the present difficulties to reach an acceptable level of development.

(b) The special measures adopted to assist the most seriously affected countries must encompass not only the relief which they require on an emergency basis to maintain their import requirements but also, beyond that, steps to consciously promote the capacity of these countries to produce and earn more. Unless such a comprehensive approach is adopted there is every likelihood that the difficulties of the most seriously affected countries may be perpetuated.

Nevertheless, the first and most pressing task of the international community is to enable these countries to meet the shortfall in their balance of payments positions. But this must be simultaneously supplemented by additional development assistance to maintain and thereafter accelerate their rate of economic development.

(c) The countries which have been most seriously affected are precisely those which are at the greatest disadvantage in the world economy: the least developed, the land-locked and other low-income developing countries as well as other developing countries whose economies have been seriously dislocated as a result of the present economic crisis, natural calamities, and foreign aggression and occupation. An indication of the countries thus affected, the level of the impact on their economies and the kind of relief and assistance they require can be assessed on the basis, inter alia, of the following criteria:

(i) Low per capita income as a reflection of relative poverty, low productivity, low level of technology and development.

(ii) Sharp increase in their import cost of essentials relative to export earnings.

(iii) High ratio of debt servicing to export earnings.

(iv) Insufficiency in export earnings, comparative inelasticity of export incomes and unavailability of exportable surplus.

(v) Low level of foreign exchange reserves or their inadequacy for requirements.

(vi) Adverse impact of higher transportation and transit costs.

(vii) Relative importance of foreign trade in development process.

(d) The assessment of the extent and nature of the impact on the economies of the most seriously affected countries must be made flexible keeping in mind the present uncertainty in the world economy, the adjustment policies that may be adopted by the developed countries, the flow of capital and investment. Estimates of the payments situation and needs of these countries can be assessed and projected reliably only on the basis of their average performance over a number of years. Long-term projections, at this time, cannot but be uncertain.

(e) It is important that in the special measures to mitigate the difficulties of the most seriously affected countries all the developed countries as well as developing countries should contribute according to their level of development and the capacity and strength of their economies. It is notable that some developing countries, despite their own difficulties and development needs, have shown a willingness to play a concrete and helpful role in ameliorating the difficulties faced by the poorer developing countries. The various initiatives and measures taken recently by certain developing countries with adequate resources on a bilateral and multilateral basis to contribute to alleviating the difficulties of other developing countries are a reflection of their commitment to the principle of effective economic cooperation among developing countries.

(f) The response of the developed countries which have by far the greater capacity to assist the affected countries in overcoming their present difficulties must be commensurate with their responsibilities. Their assistance should be in addition to the presently available levels of aid. They should fulfill and if possible exceed the targets of the International Development Strategy on financial assistance to the developing countries, especially that relating to official development assistance. They should also give serious consideration to the cancellation of the external debts of the most seriously affected countries. This would provide the simplest and quickest relief to the affected countries. Favourable consideration should also be given to debt moratorium and rescheduling. The current situation should not lead the industrialized countries to adopt what will ultimately prove to be a self-defeating policy aggravating the present crisis.

Recalling the constructive proposals made by His Imperial Majesty the Shahinshah of Iran and His Excellency President Boumediène of Algeria,

1. Decides to launch a Special Programme to provide emergency relief and development assistance to the developing countries most seriously affected, as a matter of urgency, and for the period of time necessary, at least until the end of the Second United Nations Development Decade, to help them overcome their present difficulties and to achieve self-sustaining economic development;

2. Decides as a first step in the Special Programme to request the Secretary-General to launch an emergency operation to provide timely relief to the most seriously affected developing countries as defined in paragraph 3 of the preamble with the aim of maintaining unimpaired essential imports for the duration of the coming 12 months and to invite the industrialized countries and other potential contributors to announce their contributions for emergency assistance or intimate their intention to do so by 15 June 1974 to be provided through bilateral or multilateral channels, taking into account commitments and measures of assistance announced or already taken by some countries and further requests the Secretary-General to report the progress of the emergency operation to the twenty-ninth session of the General Assembly through the Economic and Social Council at its fifty-seventh session;

3. Calls upon the industrialized countries and other potential contributors to extend immediate relief and assistance to the most seriously affected countries which must be of an order of magnitude that is commensurate with the needs of these countries. Such assistance should be in addition to the existing level of aid and provided at a very early date to the maximum possible extent on grant basis and where not possible on soft terms. The disbursement and relevant operational procedures and terms must reflect this exceptional situation. The assistance could be provided either through bilateral or multilateral channels, including such new institutions and facilities that have been or are to be set up. The special measures may include the following:

(a) Special arrangements on particularly favourable terms and conditions including possible subsidies for and assured supplies of essential commodities and goods;

(b) Deferred payments for all or part of imports of essential commodities and goods;

(c) Commodity assistance, including food aid, on grant basis or deferred payments in local currencies, bearing in mind that this should not adversely affect the exports of developing countries;

(d) Long-term suppliers' credits on easy terms;

(e) Long-term financial assistance on concessionary terms;

(f) Drawings from special International Monetary Fund facilities on concessional terms;

(g) Establishment of a link between the creation of Special Drawing Rights and development assistance, taking into account the additional financial requirement of the most seriously affected countries;

(h) Subsidies, provided bilaterally or multilaterally, for interest on funds available on commercial terms borrowed by most seriously affected countries;

(i) Debt renegotiation on a case-by-case basis with a view to concluding agreements on debt cancellation, moratorium or rescheduling;

(j) Provision on more favorable terms of capital goods and technical assistance to accelerate the industrialization of the affected countries;

(k) Investment in industrial and development projects on favourable terms;

(l) Subsidizing the additional transit and transport costs, especially of the land-locked countries;

4. Appeals to the developed countries to consider favourably the cancellation, moratorium or rescheduling of the debts of the most seriously affected developing countries on their request as an important contribution to mitigating the grave and urgent difficulties of these countries;

5. Decides to establish a Special Fund under the auspices of the United Nations, through voluntary contributions from industrialized countries and other potential contributors, as a part of the Special Programme, to provide emergency relief and development assistance, which will commence its operations at the latest by 1 January 1975;

6. Establishes an Ad Hoc Committee on the Special Programme, composed of thirty-six Member States appointed by the President of the General Assembly after appropriate consultations, bearing in mind the purposes of the Special Fund and its terms of reference, to:

(a) Make recommendations on the scope, machinery, modes of operation etc. of the Special Fund, taking into account the need for:

(i) Equitable representation on its governing body;

(ii) Equitable distribution of its resources;

(iii) Full utilization of the services and facilities of existing international organizations;

(iv) The possibility of merging the United

Nations Capital Development Fund with the operations of the Special Fund;

(v) A central monitoring body to oversee the various measures being taken both bilaterally and multilaterally; and, to this end, bearing in mind the different ideas and proposals made at the sixth special session, including those contained in documents A/AC.166/L.15 and A/PV.2208 and comments thereon and the possibility of utilizing the Special Fund to provide an alternative channel for normal development assistance after the emergency period;

(b) Monitor, pending commencement of the operations of the Special Fund, the various measures being taken both bilaterally and multilaterally to assist the most seriously affected countries;

(c) Prepare, on the basis of information provided by the countries concerned and by appropriate agencies of the United Nations system, a broad assessment of:

(i) The magnitude of the difficulties facing the most seriously affected countries;

(ii) The kind and quantities of the commodities and goods essentially required by them;

(iii) Their need for financial assistance;

(iv) Their technical assistance requirements, including especially access to technology;

7. Requests the Secretary-General of the United Nations, the Secretary-General of the United Nations Conference on Trade and Development, the President of the International Bank for Reconstruction and Development, the Managing Director of the International Monetary Fund, the Administrator of the United Nations Development Programme and the heads of the other competent international organizations to assist the Ad Hoc Committee in performing the functions assigned to it under operative paragraph 6, and help, as appropriate, in the operations of the Special Fund;

8. Requests the International Monetary Fund to expedite decisions on:

(a) The establishment of an extended special facility with a view to enabling the most seriously affected developing countries to participate in it on favourable terms;

(b) The creation of Special Drawing Rights and the early establishment of the link between the allocation of Special Drawing Rights and development financing; and

(c) The establishment and operation of the proposed new special facility to extend credits and subsidize interest charges on commercial funds borrowed by Member States bearing in mind the interest of the developing countries and especially the additional financial requirements of the most seriously affected countries;

9. Requests the World Bank Group and the International Monetary Fund to place their managerial, financial and technical services at the disposal of Governments contributing to emergency financial relief so as to enable them to assist without delay in channelling funds to the recipients, making such institutional and procedural changes as may be required;

10. Invites the United Nations Development Programme to take the necessary steps, particularly at the country level, to respond on an emergency basis to requests for additional assistance which it may be called upon to render within the framework of the Special Programme;

11. Requests the Ad Hoc Committee to submit its report and recommendations to the Economic and Social Council at its fifty-seventh session and invites the Council, on the basis of its consideration of this report, to submit suitable recommendations to the General Assembly at its twenty-ninth session;

12. Decides to consider, within the framework of a new international economic order, as a matter of high priority at the twenty-ninth session of the General Assembly, the question of special measures for the most seriously affected countries.

NUCLEAR POWER RISKS

Mr. BAKER. Mr. President, the Senate will soon begin consideration of H.R. 15323, a bill to modify and extend the Price-Anderson Indemnity Act of 1957. That act was designed to protect the public and the nuclear industry by assuring the availability of funds for the payment of claims in the event of a catastrophic nuclear incident. Such accidents or incidents must result in damage or loss of either life or property in order for the relevant liability provisions to take effect; and the maximum amount of indemnity of the Government is fixed at $500 million while private insurance is set at $60 million.

The purpose of H.R. 15323 is to amend the act so as to improve its potential effectiveness in the event of a nuclear accident; and to extend it beyond the scheduled expiration date of 1977. I support the concept embodied in the Price-Anderson Act and feel very strongly that it should be extended. To do otherwise, in my judgment, is to create unnecessary havoc in the nuclear industry with regard to the issue of liability for nuclear power plants and facilities presently in the planning stages of their 7- to 9-year leadtime prior to their actual operation.

It has been argued that the Joint Committee on Atomic Energy, of which I am a member, should have postponed markup of H.R. 15323 until we had had an adequate opportunity to review the text and findings of the so-called Rasmussen study. That study dealt with the question of probability of a major nuclear accident and certain safety aspects associated with the construction and operation of nuclear powerplants and facilities.

Although I am deeply concerned about all health, safety, and environmental hazards associated with the peaceful use of nuclear energy, I am not persuaded by the arguments based largely upon the outcome of the Rasmussen study. In fact, Dr. Rasmussen has already testified before the Joint Committee on the findings of the study and that information is by and large part of the public domain. Thus, while I believe that the matter of nuclear safety must be addressed in its totality at some point in the near future and addressed definitively in the proper public form, I see no reason not to extend this act in the interest of continuity and in the absence of compelling information, evidence, or data to the contrary.

Therefore, Mr. President, I shall support amendment and extension of the Price-Anderson Act when it is considered on the floor of the Senate. Moreover, in light of the fact that the discussion on Price-Anderson is just the beginning of what is likely to be a protracted debate in the House and the Senate on the viability of the so-called nuclear option, I should like to call the attention of my colleagues to an excellent article on this subject. That article, entitled "Nuclear Power Risks," was written by Dr. R. Phillip Hammond and attempts, quite successfully in my view, to provide the background to the growing nuclear power debate as well as put the overall question of safety in the proper perspective.

Mr. President, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From American Scientist, March–April 1974]

NUCLEAR POWER RISKS

(By R. Philip Hammond)

(NOTE.—R. Philip Hammond has had over 30 years' experience with radioactive materials. He has worked with nuclear weapons, reactor fuels, fission wastes, and experimental reactors. He has first-hand knowledge of what can go wrong in the nuclear field and what has to be done to clean up after a spill. Safety is thus more than an academic matter to him. Dr. Hammond is well known for his developments in seawater desalting and for his studies of the application of nuclear energy to food production and industrial output in developing countries. He is author of the article "Atomic Energy" in the Encyclopedia Britannica, has been an adjunct professor at UCLA, and is now a consultant in the energy field. Address: R & D Associates, P.O. Box 3580, Santa Monica, Calif. 90403.)

The energy crisis has come to public attention rather suddenly. The citizen who lately was urged to buy an all-electric home and to "see America first" by auto is now confronted with brownouts, reduced power voltage, and gasoline shortages. He is justified in complaining that someone should have foreseen this and have done something about it. Some did see what was happening and urged preventive action, though we know now that not enough was done. One far-reaching step was taken, however: Congress set up the Civilian Nuclear Power Program and instructed the AEC to find means of ensuring a plentiful supply of energy for the United States. The AEC fulfilled its instructions, and commercial nuclear power arrived on the scene in what seemed to be the nick of time.

But something went wrong. Instead of receiving the accolades of a grateful public, the AEC has become the target of impassioned censure for having produced a juggernaut, an inexorable monster which could potentially destroy us if we become dependent on it for our power. The resulting dilemma is one of the most important social, political, and technical questions of our time. Energy is vital to our health, wealth, and safety, and yet the end of our gas and oil resources is in sight. Coal use could be expanded, but only at a very high cost in dollars and environmental effect, while oil imports pose economic and political problems which could become disastrous. It is not surprising that nuclear power has been welcomed by the utility industry as a clean, inexpensive, convenient, and inexhaustible source of energy. The AEC has assured us that reactors are safe, reliable, and economical, but public confidence in their assurances has been seriously undermined by events suggesting attempts to cover up the true status of reactor safety and waste handling.

The public has two big questions: What happens if a reactor breaks down and the fuel escapes? What are the risks and problems of shipping and storing nuclear waste for long periods? There is a third question, equally important, which is not asked: How do the risks for other energy sources compare with the nuclear risk? This question is not asked because most people have not realized there is a risk from using coal, oil, or gas. These questions are legitimate and urgent, and answers to them are available, but the AEC and the nuclear industry seem to increase suspicion, instead of confidence, with every reply they give.

To an observer who has worked with nuclear reactors and nuclear wastes since the early days of the atomic project, the plight of the AEC is indeed ironic. Research in safety and attention to risks have been the watchwords throughout the years; the nuclear industry is without exception the safest in the world in which to be employed, and nuclear hazards are far better understood than are those of thousands of widely used chemical and biological agents, or of common energy sources such as coal. But it is difficult to judge these accomplishments, or the relative risks of various choices, without having information on these matters in clear and simple terms.

Our greatest need is for communication, and members of the scientific community can assist greatly in the process. Radioactivity and nuclear energy are complex subjects, and questions about safety tend to be answered by the experts in their accustomed language; i.e. in technical terms which are often meaningless jargon to the questioner. The basic facts must be put into plain, nontechnical language that people can relate to their own experience. As the President has noted, nuclear power can carry a major part of the energy burden if we can build reactors fast enough. We need to turn out power plants on a production-line basis, but public understanding and acceptance of the risks are essential. This article is an attempt to aid in this important communications step and to draw upon personal, first-hand experience for graphic illustrations of what nuclear fuels and waste materials are like, what amounts would be formed, and how they can be handled. In this effort I am acting as a spokesman for no one; my opinions and comments are not those of the AEC or any other institution, but are strictly my own.

RADIATION

We live in a world which is by nature radioactive. Cosmic rays from space shower the earth steadily; all our food, every spadeful of earth in our gardens, every stone, the very rocks of the earth's crust, and the oceans all carry a small amount of radioactive material, and they always have. This background radiation we must assume is harmless to man, since the human race developed in its presence. Yet these radioactive ingredients of the rocks represent a fantastic amount of energy. A piece of New Hampshire granite contains 100 times as much energy as a piece of coal of equal weight, but in the form of uranium and thorium. Most of the earth's granite has only 10 times the energy of coal per pound, or about the same radioactive content as coal itself. The combustion energy of coal is thus greatly exceeded by the energy of the radium, thorium, and uranium it bears, which remain in the ash or go up the stack when it is burned.

Our ability to detect and measure radiation is millionsfold more sensitive than for other hazards. Present instruments can detect as little as one billionth of the amount of radiation that would be considered hazardous, while for many poisonous materials, such as mercury, our measurement ability is often not far below the threshold of noticeable injury. The great tuna-fish scare came only when new, more sensitive measurements were developed. If we are exposed to a nuclear hazard, at least we can tell it's there.

Two kinds of radiation are produced by nuclear fuels and wastes: short-range radiation and penetrating radiation. The fuel materials emit short-range radiations, called alpha particles. These particles can do severe damage to internal body tissues, but they cannot penetrate the skin or even a piece of thin paper or a coat of paint. Hence the fuel materials could be called radiopoisons because they must be actually eaten or deposited inside the body to be harmful. A famous case in point is that of the radium watch dial-painters in the 1920s, who licked their brushes to point them.

The penetrating radiations, on the other hand, resemble X-rays in that they can produce damage at a distance from their source, even though the emitting material is tightly sealed in cans that do not leak. To handle such materials safely one must work from behind a heavy shield which will absorb the radiation, such as 1,000 feet of air, 20 feet of water, 10 feet of earth or concrete, 3 feet of steel, or 1 foot of uranium metal. (These relative amounts of shielding are only approximately equivalent, but the heavier the shielding material, the less is needed.) Most substances are not affected by absorbing such radiation, but living organisms and photographic film are.

All radiation dies away with time, and it is fortunate that the penetrating radiation does so rapidly. In a mixture of reactor wastes, the intensity of radiation drops by 90% in a few hours and by another 90% in a few months. The residual level is quite low after 100 years, and, after 350 years, penetrating radiation has essentially disappeared as a major source of hazard. The radio-poisons, or short-range emitters, tend to be long-lived, however, lasting for tens of thousands of years, just as do the radium and uranium in the earth.

IDENTIFYING THE HAZARDS

Figure 1 shows a fuel element for a present-day power reactor, called a "light water" reactor, since it is cooled by ordinary water in the core. The element is an assembly of metallic tubes into which the actual fuel is sealed. The tubes permit the heat of the nuclear reaction to pass through the wall but prevent the escape of the radioactive materials. Other types of reactors have different fuel forms, but we will confine our discussion to the most common type.

The public rightly fears the escape of the reactor fuel, which is a radiopoison, and of the waste products, which emit penetrating radiation, into their living space. They also associate reactors with atom bombs and fear a nuclear explosion. Finally, they are concerned about having to store wastes in constantly increasing amounts in an uncertain and indefinite future. Let us try to deal with each of these problems in plain language.

How does a reactor differ from an atom bomb? As the scaremongers say, "A reactor contains enough fissionable material to make hundreds of atom bombs. Do you want *that* in your backyard?" From my experience at the nuclear weapons laboratory at Los Alamos, New Mexico, I can offer three reasons why a light water reactor cannot be a bomb: It has the wrong composition, the wrong surroundings, and the wrong timing. Imaginative people have done their best to think up improbable and hypothetical accident sequences that might produce a nuclear explosion, but they cannot get around the fact that the fuel contains substances which would prevent a bomb from igniting. Further, a bomb must be set off in "clean" surroundings, free from neutrons, or it will preignite and shut itself off by thermal expansion. A reactor always has neutrons present and is thus the wrong surroundings. Finally, a bomb must be fired by pushing its parts together in a few millionths of a second, and there is nothing in a reactor to give such speeds, even if other conditions were met. Each of these three reasons is sufficient alone to prevent a nuclear explosion in a reactor. Thus one fear can be dismissed: A light water reactor may represent other hazards, but it cannot be a bomb.

What *can* happen to a reactor? In recent hearings in this subject, the AEC and the reactor manufacturers tried to defend their position on nuclear safety. They seemed to the public to be saying that, since all contingencies were provided for, nothing could possibly go wrong. In their defense, they refused to discuss what *would* happen if all the layers of prevention failed and the radioactive material escaped from the reactor. By their refusal, they tacitly agreed with the assumption of the uninformed that the cansequences were unthinkably catastrophic. As a result, some writers have loosed their imaginations and have conjured up visions of a deadly, invisible miasma compressed inside a reactor, which, with the slightest failure, will escape and spread over the land, creating death, destruction, and instant blight, forever forbidding man's return to the region. Some typical statements are: "a damage potential beyond any other event that I can imagine. The hazard of fission products persists for a time that is longer than any I can conceive." "Where will your children live?" "Whole states may have to be evacuated." Thus in the absence of a clear statement of what *really* happens, people imagine a situation worse than if a full-scale atom bomb were released.

First, we must ask, is it possible to build a reactor so perfect that none of its components will ever fail? No! Humans being what they are, failures will occur despite the most stringent efforts in quality control and testing. A reactor is basically quite a simple device, compared to a boiler, for instance, but we must assume there will be failures. So far there have been about 2,000 reactor-years of operating experience and many kinds of failures. The majority of these are trivial—pumps to be replaced, bearings scored, control rods warped, various small leaks. There have been a few more serious defects and accidents: fuel failures, flow blockages, broken pipes, an unfastened lid, etc. Reactor operators and manufacturers point out that rarely are any of these failures in the nuclear portion; of those that are, most are trivial mechanical replacements. Of the few more serious failures, not one has yet caused even potential injury to the public. There was a near miss, though, when a British military reactor (of a type no longer used) caught fire while open for reloading and contaminated some pasture land. The reactor had no containment shell.

There is a good case for expecting rapidly diminishing levels of probability for really severe reactor damage and failure, not so much because of man-made safeguards, but because a reactor, of its own nature, tends to shut itself off if overheated. Yes, reactors can fail in dozens of ways, and the consequences can be costly delays and replacements. Very seldom is the fuel damaged, but if it is, there are some tedious and expensive clean-up jobs. Clean-ups within the plant are done by repeated flushing with detergents or other chemicals and rinsing of any spilled materials into special holding tanks. Everything must be done with long-handled tools or by remote control. None of these failures would be detectable outside the plant, and none would affect the public.

Thus far there has never been a reactor accident that ruptured or even damaged the main tank or vessel housing the fuel. For this to happen, all the previous defenses would have to fail, and a complete loss of all coolant would have to occur so fast that all the residual heat would still be on hand. Then the damaged fuel could in principle melt its way through the various structural levels and baffles within the reactor vessel and reach the heavy steel or concrete main vessel wall. No one really knows how likely the fuel is actually to escape in such a case. Most estimates say it would not penetrate the main vessel, but it might under some conditions. Almost any external cooling source would arrest the penetration, however. Some tests would seem to be in order, but no one has yet performed them.

Once through the main vessel, there is still another line of defense or, in some cases, two or three. All water-type power reactors except those in the USSR have a containment shell—an airtight dome or tank which is often the main visual feature of a nuclear power station. This containment shell encloses all the nuclear components—reactor, pumps, heat exchangers, coolant tanks, etc., and is intended to prevent any breakdowns or ruptures of the system from releasing anything to the outside. There is no doubt it can do this if intact, but a hot mass of fuel that has just melted its way through the thick reactor tank might be able to do the same to the containment. Some structural experts believe that the heavy concrete base of the reactor foundation, the presence of coolant that has escaped from the vessel, the diluting and cooling effect of the reactor internals, and the time delay involved in reaching the containment would essentially preclude further penetration. But until more tests are made, there remains a residual chance, however small, that the containment could be pierced.

Up to this point the interests of the public are not concerned. If the hapless reactor owner cannot prevent such serious damage to his half-billion dollar investment, that is his worry. We might reflect cynically that we will have to pay for it in higher electric bills, but there is no direct public risk. Once the containment is breached, however, the situation changes. It becomes very much our worry, and we have a right to know just what will happen. As mentioned above, the lack of official statements on this point has led to wild and imaginative speculations. The only official publication is the famous WASH 740 study (*1*), made many years ago before it was completely clear that a reactor cannot function as a bomb. The authors of WASH 740 were asked to ignore all the improbabilities and assume that a small nuclear explosion *had* taken place and dispersed some of the reactor core in a "worst case" event. This study, often quoted by nuclear detractors, has never been replaced by a more modern, realistic appraisal, until recently when a new team of experts began work, led by Dr. Norman Rasmussen of M.I.T.

ASSESSING THE RISKS

While we are watching for their results, perhaps we can find some preliminary data to estimate the general scope of what we would be faced with and what could be done about it. The first thing that is apparent is that there are some seemingly deliberate attempts to mislead the public. For example, Ralph Nader and Friends of the Earth have recently asked for the shutdown of all operating nuclear power plants. They state that "the amount of radioactivity routinely present [in one of these plants] is equivalent to ten times the amount of radioactive fallout from detonation of the largest nuclear weapon in the United States defense arsenal" (complaint filed in U.S. District Court). In a fine example of misdirection, the reader of this statement is left with the implication that a reactor is ten times worse than an H-bomb, although the statement does not say so directly. An H-bomb or an atom bomb does its damage, of course, primarily by blast, by scorching, intense heat from a fireball, and by a sudden burst of penetrating rays that are part of the fission process itself, not from the fission products or nuclear wastes. Fallout of wastes, though hazardous enough, is by comparison a trivial part of the effect of the bomb. Stating that these materials are present in a reactor, if there is no bomb to spread them over an area, is scaremongering. It is equivalent to saying the chlorine gas stored at the city waterworks and swimming pools is sufficient to poison everyone in the city 8,726 times. Some of the AEC statements have been equally misleading in the other direction.

What facts of our own can we deduce? First, we know that none of the public is near the reactor, for each plant has an exclusion area, usually thousands of acres, which can be cleared in any emergency. Second, we know that there will be plenty of time for warning, evacuation, or preventive measures. The meltdown of a reactor core can occur only if the plant has recently been operated for several weeks at high power and if several kinds of safeguards have failed to provide a way to remove the 1% or so of the heat which is evolved for some hours after shutdown and continues at a diminishing rate for weeks. The rate at which the heat is produced is well known, and it is easy to calculate the maximum rate at which the reactor vessel internals and walls could be penetrated, which may be a matter of hours. Considerable additional time would then be needed to penetrate the containment vessel, so there is time to prepare.

As noted above, the consequences of a major meltdown which might penetrate the containment shell and come out into the ground have never received intensive study, seemingly because to discuss such an event was to admit the possibility of a bureaucratic failure. But let's try to imagine a blob of white-hot fuel emerging into the earth, about 30 to 40 feet under the surface, having penetrated the concrete foundation. There is a very good chance that the public would have no measurable sign that anything had occurred. After several hours of sizzling away, all the easily vaporized materials in the fuel would necessarily have boiled out and probably would have solidified again somewhere inside the cool upper parts of the reactor containment or the concrete foundation. The emerging fuel material—heavy, white-hot, and semiliquid—is essentially inert, like so much molten steel or lava, except that it is emitting penetrating radiation and contains radio-poisons. If the containment is under pressure, the design provides either a means of venting it through a filter system which will remove radioactive particles, or else enough ice or water stored inside to keep everything condensed.

If I had to contend with such a material (and I have had some first-hand experience in cleaning up radioactive spills), I cannot think of a place where I would prefer to have it than far underground. It would be completely shielded by the overlying earth and concrete, it would be enclosed in a thick pocket of fused earth, and it would be completely dry, for it is known that heating of the earth would drive the soil moisture away for perhaps 20 feet or more. At a radius of about 20 feet or so, the heat flowing from the fuel mass would be spread out enough so that the soil could contain some water and so provide a rapid conduction of heat. Thus the system would stabilize and melt no further and would be completely safe until such time as salvage operations might begin. There would be no contamination of the water table because of the dry, heated zone. If the soil is dry, or if the foundation is rock, melting might continue somewhat further, but eventually a sufficiently large radius would be formed to carry away the heat steadily, and penetration would cease with debris encapsulated in a ball of fused earth or rock.

Where is the risk to the public in all this? If there is any, it is not from the melted fuel, but from the more easily vaporized materials driven off beforehand. If by some chance the containment cannot be vented, a blowhole might form through the soil, releasing some of the steam together with radioactive particulates. Such a release would contain only a small fraction of the fission products, but it could be a source of severe danger downwind, though far from a "catastrophe."

Hence it seems to me that all the controversy about whether or not the emergency core cooling system works is barking up the wrong tree. The owner of the reactor may very well want such a system to preserve his investment, but the safety of the public depends upon other factors, such as whether the containment vessel contains enough ice or water to assure condensation of the easily vaporized portion of the fission products, and whether there is a reliable way to vent excess pressure in the containment shell through an adequate filtering system. Such factors are much easier to determine, and the risks easier to guard against, than proving that a meltdown can never occur. If condensation can be assured, there is almost a negligible public hazard, in my opinion, from a meltthrough of the containment shell. I would be glad to tackle the job of drilling into the spilled fuel and bringing it up in small bits for recovery. This could be done safely and completely.

Some experts have worried about whether there could be a so-called steam explosion inside the main vessel, in which molten fuel would suddenly become dispersed in fine droplets in water, and thus generate a volume of steam sufficient to blow off the vessel lid, rupture the containment, and disperse the core over the surrounding area. There is indeed sufficient energy in a melted core to do this, and the consequences, although not in any way resembling the havoc of a nuclear bomb, could be injurious or fatal to persons in the vicinity. However, such an explosion is, in my opinion, incredible because the conditions required for its occurrence are incredible. Such an explosion could not happen if the reactor vessel were full of water, as it normally is, or if the vessel were empty, as it would be if ruptured. (Water stays liquid at the temperature in a reactor only because it is pressurized—if the vessel has even a small leak, all the water inside flashes to steam and escapes.) Thus it is very difficult to have it both ways—dry enough inside to permit an uncooled blob of melted fuel to form, and yet wet enough to provide a pool of water into which it could fall. The scenarios which try to arrange such conditions certainly need to be studied thoroughly, but so far these seem more remote than other kinds of hazards.

Regardless of the precautions we take and the safeguards we install, there will always be a residual hazard from a nuclear power station. The best we can ask is that such a station be at least as safe to the general public as an alternative power source. For the near future, the only practical domestic alternative to nuclear power is coal. Although the coal industry has not yet been required to produce an environmental impact statement, much very disturbing information is now available about the consequences of using coal. One careful 1964 study (2) showed that about 19,000 deaths per year in the U.S. could be attributed, directly or indirectly, to the use of coal and oil, which contain carcinogenic, radioactive, and acid-forming materials. In addition, we are paying heavy environmental cost for coal in mining areas and in continuous damages in corrosion and cleaning losses. A large nuclear power plant could displace nearly 1% of the 1964 U.S. coal consumption and could thus be looked upon as saving 1% of 19,000, or 190 lives per year. Over the 30-year life of the plant, 5,700 lives would weigh in the balance, plus untold property damage. Even the most pessimistic estimates of nuclear plant failures predict a smaller toll than that, with a probability of occurrence not once in 30 years but once in hundreds or thousands of years. As noted above, in a total of 2,000 reactor years of experience, there has been thus far no failure which was a significant hazard to the public.

The above example does not exhaust the list of "What if?" questions about reactors. There are also other types of reactors than the water type considered here. But for all cases I have seen, similar conclusions can be drawn, and the same safety standards will have to apply, so that failures, even rare ones, could hardly be described as catastrophes. On balance, it is hard to escape the conclusion, after 25 years of experience, that reactors, failure-beset as they are, are already much safer than the alternative of using coal, and that they have indeed arrived in the nick of time. There is no doubt that they will be improved as experience is gained.

STORAGE OF WASTE

The storage of nuclear waste is the other big question that concerns the public. This is not a technical question so much as a social problem, for it involves taking on a responsibility which we cannot discharge completely ourselves but must hand on in some form or other to our successors. What is lacking in the public's concept of this problem is an appreciation of the real size, scope, and cost of the commitment and the nature of the hazard involved. People are confused by the apparently careless leakages of stored liquid wastes at the Hanford works of the AEC. The soil conditions at Hanford may be such, as the AEC claims, that no risk has resulted. But a continuing series of unintentional spills is not the way to gain the public's confidence.

First, what is the nature of the waste material? When spent nuclear fuel elements are removed from a reactor, they still look like Figure 1, and both waste products and unburned fuel are completely contained. The penetrating radiation emitted from the wastes, however, means that the elements must be transported in a thick-walled cask or shield to the reprocessing plant. At the plant, in a sealed chamber behind heavy walls, machines chop up the fuel rods and dissolve the material. Chemical treatment then separates the valuable unburned fuel, which is recovered for reuse, from the wastes, which remain in a highly purified liquid form. (There are some gaseous waste products, which must be absorbed on charcoal, pumped into storage tubes, and held for decay; but these are a relatively minor problem, since both the amount and the costs are low.)

After some intermediate storage period, the liquid waste can be boiled down in an electric pot furnace and melted to form a glassy solid. When cooled, the solid waste is a black, ceramic clinker resembling obsidian or lava. It is inert; it does not dissolve in water or react with air. The procedures for converting a batch of waste to this solid form and sealing it into a metal tube 12 inches in diameter and 10 feet long are completely worked out and the costs are known. Once sealed, the tube can be safely moved in a thick-walled shipping cask (designed to survive all conceivable shipping accidents) to a final storage place. If the contents somehow escaped, it would not be dispersed but would lie where it fell until scraped up by remote control vehicles. The public hazard from this material consists only in proximity—it must be kept behind a heavy wall or shield for about 350 years. After that, it could be given more routine storage but, since it contains traces of fuel, which is a radio-poison, it must be kept isolated from food or water, like so much pitchblende or other radioactive ore. Alternatively, further processing could remove the fuel traces.

The part of the waste problem that is hardest to grasp is the extremely small volume produced. A single aspirin tablet has the same volume as the waste produced by 7,000 kw hours, or one person's annual share of U.S. electric output. If the entire electrical capacity of the U.S. were nuclear and ran at the present rate for 350 years, the total waste produced could be stored in a single pit or vault 200 feet long by 200 feet wide and 200 feet deep. (In an engineered waste storage facility, one would allow some extra space for accessibility and cooling passages.) The oldest cans could then be removed as new ones were added, making a perpetual capacity. This volume of waste is quite small compared to the corresponding volume of ore needed, which would occupy a space about 200 feet by 200 feet by 5 miles long (assuming 0.25% ore and breeders available in 10 years or so.) This amount in turn is dwarfed by the environmental impact of producing the same energy from coal: 33 cubic miles would be needed, or the equivalent of a pit 200 feet wide and 200 feet deep extending clear around the earth! In either case, we are perforce handing over a problem to our successors. The nuclear one is much the lesser of the two.

Care in handling nuclear waste is obviously important, especially before the inert solid form is reached. Thus the public should scrutinize the safety measures at fuel-processing plants. But, compared to the large quantities of other lethal materials necessary to our society, the minuscule volume of the nuclear waste reduces the problem, since it cannot add measurably to the overall risk, and the cost of treatment, transport, and storage is only 1/1000 of the cost of electricity.

Whether we want to store the wastes in a retrievable form or effect some permanent disposal, as in an ice cap or salt mine, is a decision of little importance now. Since we have very little waste so far and we may find a use for it later, I think we should keep our options open for the present by retrievable storage, say for the next 30 years or so, until the need and best means of final disposal become apparent.

The issue of sabotage and terrorism using nuclear materials is raised by those who have imagined a deadly, compressed gas which would disperse itself over the countryside. In reality, these heavy, inert solids are less of a threat than so much dynamite. A fanatic could cause trouble with them, mostly to himself. In the long run, just as with reactors, there are going to be spills, casualties or even fatalities from nuclear waste. But it is quite clear that no new, unique avenue is offered to terrorists, nor is the total risk measurably increased. As for do-it-yourself atom bombs, we noted above that nuclear fuels have the wrong composition, so that the materials that move in industrial nuclear power channels are of little use. Whether or not a highly sophisticated, heavily financed organization could acquire the array of special talent needed to seize, separate, and purify plutonium and produce a bomb is a separate question which needs intensive study. It is also a question which does not much affect the choice of a civilian energy source, for such an organization could also intercept weapons materials or finished bombs. Internal disruption of this type is a social question the whole world must face. The terrorist has many types of threat to choose from, no matter what type of power station we have.

MAKING THE CHOICE

The existence of a constantly expanding human population on this hostile ball of clay is fraught with hazard at every turn, and there are *no* completely safe alternatives. All we can hope to do is choose wisely from the paths that are available. Daily experience shows that the public accepts risk when necessary, provided the nature of the risk and the alternatives are understood. Legitimate questions are being asked about the risks of using nuclear power, and they must be answered. The public is not served by those who exaggerate the risks or by those who claim there is no risk. Much of the outcry against nuclear energy is from those who fear it because it is new to them—forgetting that it is 25 years old and that its hazards have been studied from the first—or from those who, hearing of these hazards, have not stopped to compare the dangers of choosing another path.

What I have tried to do in this article is to dispel the vision of unthinkable catastrophe if there is an ultimate nuclear failure. The hazard is real—somewhere along the line in a nuclear economy there will be some lives lost, some injuries, and some nasty messes to clean up and decontaminate. But there will be no catastrophe, and we know from experience that radioactive spills *can* be cleaned up. It seems clear that each of the other available paths will have an even higher cost in lives, in dollars, and in damage to the environment. The *real* friends of the earth can assist the public in such balanced assessment.

REFERENCES

1. USAEC Division of Civilian Applications. 1957. *Theoretical Possibilities and Consequences of Major Accidents in Large Nuclear Power Plants.* WASH 740 (March 1957).

2. C. Starr. 1964. Radiation in perspective. *Nuclear Safety* 5(4):325–35.

RETIREMENT OF LT. GEN. LEO E. BENADE

Mr. STENNIS. Mr. President, among the nominations reported yesterday by the Committee on Armed Services was that of Lt. Gen. Leo E. Benade, U.S. Army, to be placed on the retired list in that grade.

During his entire career as a senior officer, General Benade has devoted himself almost entirely to the most difficult issues in the Department of Defense relating to military personnel, pay, retirement and related issues; his last assignment being that of Deputy Assistant Secretary of Defense for Manpower and Reserve Affairs.

For about 20 years he has testified before the Committee on Armed Services on almost all the military pay legislation that has been considered and other important personnel items. In the 1950's as a lieutenant colonel he assisted in the first legislation authorizing the drafting of doctors during the Korean emergency. Actually, at that time he was a member of the Medical Service Corps of the Army. Later, he participated in the various pay acts beginning in 1955 and succeeding years.

General Benade mastered the most difficult task in the military as well as in other professions, that of acquiring complete, in-depth knowledge of the subject matter, together with the ability to communicate on its many problems. Along with ability, he gained the respect and confidence of the committee members and staff with whom he dealt which is a crucial element in any important legislation.

I have found personally over the many years that military manpower and its related problems is the most difficult area in which the Congress or the Departmental officials must cope.

It is only appropriate, therefore, that we recognize the contribution and service of General Benade to the Department of Defense and his assistance to the Congress over the last two decades. I speak for our entire Armed Services Committee. I am pleased for the Army to promote him to Lieutenant General because it is deserved. I do not believe enough recognition is given to those who labor in this highly important and difficult field.

SENATOR RANDOLPH DELIVERS THOUGHTFUL AND CHALLENGING ADDRESS ON WATER RESOURCES DEVELOPMENT

Mr. GRAVEL. Mr. President, during the nearly 6 years that I have been a Member of the Senate it has been my privilege to serve as a member of the Committee on Public Works, under the very able chairmanship of Senator JENNINGS RANDOLPH.

Senator RANDOLPH is known in the Congress as an eminently fair, considerate, and cooperative chairman. In the conduct of committee business his goal is to develop workable legislation that responds to public needs. In so doing, he is always considerate of the views of Members, be they veterans or newcomers.

The knowledge and experience of Senator RANDOLPH in all aspects of public works is indeed broad. He is the Senate's knowledgeable leader on highway transportation. He was one of the first to raise the banner for environmental protection, and he has a long record of support for water resource development.

As chairman of our Subcommittee on Water Resources during the 93d Congress I have participated in this important work. It has been challenging for me personally, and my work has been greatly facilitated by the concern and guidance of our committee chairman.

Mr. President, Senator RANDOLPH's commitment to water resources development and his extensive knowledge of the subject is reflected in an address he gave at the National Conference on Flood Plain Management on July 25 here in Washington. His observations point the way for the years ahead and I ask unanimous consent that the text of Senator RANDOLPH's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WISE WATER RESOURCE DEVELOPMENT STRENGTHENS AMERICA

Few programs are more essential to the economic and social well-being of our people than wise and comprehensive water resources development.

In 1808 Albert Gallatin, Secretary of the Treasury under President Thomas Jefferson, enunciated for the first time the policy of our young republic regarding water resources development by declaring ". . . no other single operation, within the power of government, can more effectually tend to strengthen and perpetuate that union which secures external independence, domestic peace, and individual liberty."

A Federal program for waterway improvement was initiated with the removal of snags and sandbars from the Ohio and Mississippi Rivers on May 24, 1924.

Throughout the 19th Century, the Federal effort was devoted almost exclusively to the improvement of navigational facilities. The concept of water resources development continued to broaden through the turn of the century.

In transmitting a 1906 report to the Congress, President Theodore Roosevelt emphasized (quote): "The National Government must play the leading part in securing the largest possible use of our waterways; other agencies can assist and should assist, but the work is essentially national in its scope." This concept has guided our water resources policy, and it has enabled us, to date, to meet the demands of a constantly expanding industrial technology and a growing population. In meeting these demands, many of our public works programs have succeeded beyond our expectations.

In the past, our interest in water resources was concentrated on navigation, irrigation development of the West and reducing the impact of natural disasters. Today we see water resources as having an even larger role in our national life. They are vital ingredients in our efforts to support economic development and improve the quality of our physical environment.

Because I am particularly aware of the critical importance of water to our society, I am always bothered when this work is referred to as pork barrel. Those of us who are involved with the development and management of natural resources know this to be an untrue and unwise description of our work.

I cite one example as a demonstration of the great and lasting benefits that accrue from proper water resource development. Just over a year ago the valley of the Mississippi River was struck by unusually heavy flooding. Damage to homes, farms, and industry totaled about $500 million. This is a huge monetary loss and it was accompanied by substantial personal hardship and suffering.

For many years the Federal Government, through the Army Corps of Engineers, has been involved in a gigantic project to tame the Mississippi. Nearly $2 billion has been spent on the Mississippi River and Tributaries Project which is now half completed. The work done thus far prevented at least $7.6 billion in damage during last year's flood.

So our investment, not just expenditure, in the Mississippi Valley was returned nearly fourfold within the space of just a few months. I am sure that people who live in the flood ravaged area of the Mississippi would take a strong exception to pork barrel description of work that has saved them billions of dollars in property and crops, and preservation of life itself.

Of course, no government program can remain static in its operations. Changing conditions require constant evaluation of the way we provide the essential services that the public expects from us. This is as true of water resources development as of other government activities.

Throughout the United States, citizens are taking a new look at the way we treat the world in which we live. We know that we cannot continue to pollute our air and water and to abandon millions of tons of solid waste containing useful materials.

A growing and increasingly productive society such as ours must also give attention to how it uses the land. In recent years land use has been increasingly debated. At every level of government policies relating to transportation, housing, pollution control, and water resources are among those under discussion.

Early this year the Water Resources Act of 1974, became law. One of the most significant features of the Act was Section 73 which for the first time articulated in law the validity of nonstructural approaches in water resources activity.

The resolution of water resources projects has traditionally involved construction. Some of our most important engineering achievements, in fact, are associated with water resources management. The changed nature of our society and the rapidly escalating cost of construction, now make it mandatory that we look to other ways of achieving our goals. The 1974 Act is very specific that in planning any flood protection project "consideration shall be given to nonstructural alternatives to prevent or reduce flood damage."

To further support our belief in the nonstructural approach, the 1974 Act includes three projects of this type. One is the flood plain of the Charles River in the Boston area where the Congress authorized the expenditure of $7.3 million to acquire 8,500 acres subject to frequent flooding. By controlling this land and preventing its development we will obviate the need for expensive upstream dams. The benefit-cost ratio of this project is 6–1 making it an extremely good investment from the taxpayer point of view.

The second nonstructural project provides for total evacuation, flood proofing and land control measures in the town of Prairie du Chien, Wisconsin. This Mississippi River community also suffers severe flooding and this nonstructural answer to its problems is well conceived. It also has a 6–1 benefit-cost ratio.

In addition, we authorized the acquisition of land and development of recreational facilities on the South Platte River in Colorado just below the Chatfield Dam. Without such a procedure, extensive channel improvements would have been required in the river to accommodate water released from the dam. These will now be avoided since private development below the dam will not take place.

I have been in public life long enough to know that a large dam or other structure can be very attractive politically.

We do not properly represent our constituents, however, if we are unable to accept the best way of doing the job even if it does not require a large outlay of money and result in a structure to which local citizens can point with justification.

I fully expect that the nonstructural approach will be increasingly adopted in the years ahead. Construction may not always be the best answer to a flood problem. The proper and less costly response may well be to let the floods come but to control the flood area so that personal and property damage will not occur.

Later today the National Commission on Water Quality will meet. I sponsored the Commission in the Federal Water Pollution Amendments of 1972, as part of our cooperative work effort.

As we develop and maintain adequate water resources, part of our effort must be to provide clean and drinkable water. Congress set forth a series of far reaching requirements and goals. The Commission is to study and investigate the costs, impacts and benefits of achieving these goals and requirements.

Members of the House and Senate and the general public labor to assess the future, not the past, as we investigate this serious problem. Our membership is representative of a cross section of the Nation and the technical fields of expertise required for such a study.

The public sector is represented by Governor Nelson A. Rockefeller, our able Chairman; Raymond Kudukis, a civil engineer and director of public utilities for the city of Cleveland; William R. Gionelli, a consulting civil engineer and former director of the California Department of Water Resources, and Edwin A. Gee, Senior Vice President of the DuPont Corporation.

Congressional members include Senator Edmund Muskie, James Buckley, Lloyd Bentsen, and Howard Baker and Representatives Robert Jones, James Wright, John Blatnik, William Harsha and James Grover.

Those who are participating in this Conference on Plain Flood Management represent organizations with a wide variety of interests. It is highly commendable that you have joined to focus your attention on this very important subject.

In ancient times the first civilizations developed in river valleys. Our great population centers continue to be constructed along waterways and there is no reason to believe that this practice will not continue in the future. Where there are rivers, there will be flooding. If our society changes, so must our methods of protecting people change. I know that by working together we can meet the challenges that lay before us; and I shall be helped in counseling with you and those persons and groups you represent.

FORT CAMPBELL, KY.

Mr. COOK. Mr. President, the people of Kentucky have always been proud of Fort Campbell, but today we take increased pleasure in that pride.

I have been notified by the Defense Department that Fort Campbell was selected a winner for the annual "Secretary of Defense Natural Resources Conservation Award" for 1973.

During my visits to Fort Campbell, I have been very impressed with the excellent relationship between the community and the post. I have been particularly pleased with the number of conservation projects cosponsored by civilian and military leaders.

Kentuckians are proud that Fort Campbell is the home of the 101st Division Airmobile, and we look forward to many years of being the host State of this prestigious division.

I ask unanimous consent to print in the Record a letter I received from Mr. Perry J. Fliakas, who is Acting Deputy Assistant Secretary of Defense.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Office of the Assistant
Secretary of Defense,
Washington, D.C., July 26, 1974.

Hon. Marlow W. Cook,
U.S. Senate,
Washington, D.C.

Dear Senator Cook: I am pleased to advise you that Fort Campbell, Kentucky has been judged the winner of the Secretary of Defense Natural Resources Conservation Award for 1973. This award program, now in its thirteenth year, is designed to recognize the military installation which has demonstrated the greatest initiative and progress in the conservation of its natural resources during a three-year judging period. The DoD conservation program is designed to assure multiple use of military real property consistent with the military mission of the installation.

Six finalists nominated by the three Military Departments from a total of 237 installations throughout the US competed vigorously for this honor again this year. All six were inspected by a selection committee of nationally prominent civilian conservation leaders with Fort Campbell finishing in first place.

The Honorable Arthur L. Mendolia, Assistant Secretary of Defense (Installations and Logistics), will make the presentation of the award at Fort Campbell on the morning of August 13, 1974. You are cordially invited to join Mr. Mendolia at Fort Campbell on that date for the award ceremony. If you are able to attend, additional details may be obtained from Mr. F. E. Roche of this office at OX5-6744 or OX7-7227.

Sincerely yours,
Perry J. Fliakas,
Acting Deputy Assistant Secretary of Defense.

RETIREMENT OF JAMES L. JOHNSON

Mr. BIBLE. Mr. President, several weeks back when James L. Johnson announced his retirement, I was unable to be present on the floor and I would be remiss without noting, I have known Jimmie since he first came to the Hill as a stenographer for the late Alben Barkley.

Jimmie worked 31 years in the Senate and came to the Hill in 1934 when I first met him. As Registration Clerk in the Office of the Secretary of the Senate and later as Assistant Legislative Clerk, Jimmie performed his duties with competence and dignity. Regardless of the issue as history unfolded through the years, Jimmie kept his delightful disposition and was always friendly and courteous.

I just wanted to add my thanks for the devoted employees of the Senate such as Jimmie, who have contributed much to the workings of this body.

I hope he will enjoy his well-earned retirement and continue his cheery outlook on life. He has always been a good friend and we shall miss him.

UNANSWERED QUESTIONS ABOUT THE USE OF UNLEADED GASOLINE

Mr. BIBLE. Mr. President, as chairman of the Select Committee on Small Business, on July 25 I introduced Senate Concurrent Resolution 104 which would express the sense of Congress that reasonable extension of time be permitted to small independent gasoline marketers for the purpose of obtaining and installing product and equipment necessary for their stations to dispense no-lead gasoline.

The present deadline is July 1, 1974—September 1 upon application. However, my best information is that even by the end of the 1975 model year—approximately 13 months from now—only 10 percent of the automobiles on the road will be required to use no-lead gasoline. Thus, an extension of the present deadline—and the accompanying threat of up to $10,000 a day fine—for small service station owners, who despite their best efforts cannot obtain physical delivery of the product or equipment, will not inflict major harm upon the environment. Neither will such delays impair the ability of smaller service stations to render adequate service to 90 percent of the Nation's motor vehicles.

It seems to me that it would be entirely unjustified to let rigid bureaucratic guidelines over the next year force many independent gasoline marketers out of business.

This would seem to be a particularly harsh result in view of the fact that there is so much uncertainty about unleaded gasoline—the extent to which this "clean product" is available, the extent of its use over the next year, and even whether it is lead or some other chemical that is actually doing the damage to the pollution control devices.

In this connection there has come to my attention an article from the July 1974, American Motorist magazine, a publication of the American Automobile Association, which pinpoints many of these questions and sets forth the evidence which is known on both sides.

The type of fuel to be used by the country's 10 million vehicles is an important economic factor that will be with us for some time to come. The introduction of such new products and their associated equipment will have major effects on the small business segments of the petroleum industry, particularly if mandatory Federal standards are imposed under hard and fast deadlines. I feel that the survey of information in this article will be useful to many Members of this body facing decisions on what might constitute appropriate legislative relief measures, and would also be informative to small businessmen and women and the general public.

I ask unanimous consent that this article entitled "Unleaded Gas: Too Little, Too Late?" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Unleaded Gas: Too Little, Too Late?

(By Bill Berman)

Many proud owners of the new 1975 model cars, which will appear in dealers' showrooms this September, will find their gas tanks slightly different in design. They will have a narrower neck that will refuse regular gas station pump nozzles.

This new design is to make sure that no leaded grades of gas can be pumped into these cars since such fuel would "poison" any catalytic converter-emission control device.

What's unusual is that General Motors will install this tank on all of its models whether they have a catalytic converter or not. Ford and American Motors reportedly will follow suit, and Chrysler is said to be planning to install the tank on 60% of its new models.

The only gas these cars can fill up with is called Unleaded Gas. It will be dispensed—if available—from a separate pump with a specially designed nozzle. This gas was supposed to be ready for sale July 1st.

It is not the same as *low* lead fuel which has been marketed under such brand names as Gulftane or Shell Super Regular—both of which have been phased out in most areas. It is a gas that is virtually free of additives containing lead and phosphorus.

The important question to new car owners is whether enough of this new Unleaded Gas will be available when needed. It is a question that only recently has had the full attention of the Environmental Protection Agency (EPA), the Federal Energy Administration (FEA) the auto and oil industries.

The American Automobile Association has been asking this question for more than a year. Yet only after initiating innumerable contacts with government and industry officials during this past April, May and June, were we able to learn what roadblocks lay ahead in distributing Unleaded Gas in all parts of the nation

Originally, we found that with the possible exception of General Motors, no one was inclined to refute EPA's claim that one-half of the country's 218,000 service stations would sell Unleaded Gas after July 1st.

Indeed, the major oil companies had supported EPA by promising that Unleaded Gas would be at all stations which pumped more than 200,000 gallons of gas annually. FEA was also lending support to this issue by promising Unleaded Gas would be distributed to everyone everywhere—even though at that time FEA had no regulations of its own to carry out this vow.

GM'S UNCERTAINTY

But some doubts came to light. Chairman of the Board Richard C. Gerstenberg wrote to the administrators of the EPA and FEA in April saying, "We at General Motors have become increasingly concerned about indications of potential distribution problems with unleaded gasoline."

Gerstenberg said FEA's existing fuel allocation program "appears to fall short of assuring adequate availability of the fuel." He also said that the EPA regulations indicate "Gasoline stations in many rural areas and sparsely populated large counties may not be required to supply unleaded gas, according to available data."

Not without a touch of malice, Gerstenberg urged the agencies to undertake an education program with retail outlets and the public "with the same zeal EPA has given to promoting its fuel economy ratings."

He also asked the officials to bear in mind that although approximately 10 per cent of the cars on the road will *require* unleaded fuel by the end of the 1975 model year, about 62 percent of the total car population will be capable of using it, and many may make that choice.

The danger here is the potential contamination of these new converters. If FEA, EPA and the oil industry could not deliver Unleaded Gas where it was needed, then some of the nation's 10 million new car owners might switch to leaded fuel. Such fuel will slowly destroy the inner workings of catalytic converters—and if forced to replace them, owners could pay as much as $150.

WAS ANYONE CERTAIN?

Various other auto and oil industry representatives told the AAA in April they doubted whether enough Unleaded Gas could be made and distributed by the time new cars would appear. They said EPA's original Unleaded Gas regulations ignored many providers of gasoline other than service stations. These include municipal, state and private fleet vehicle operators, auto assembly plants and dealerships. Where would they get Unleaded Gas?

In addition, they felt at the time that EPA hadn't realized there may be a secondary demand for Unleaded Gas. This would come from motorists who wanted to try the new fuel, but actually didn't need it. This demand might strain Unleaded Gas supplies severely, they said.

But more startling, we found indications during April and May that EPA's promise of Unleaded Gas at every other station may have been made prematurely. Actually, EPA and FEA were meeting as late as mid-May with auto and oil companies to resolve:

How much Unleaded Gas could be made by the nation's 130-odd refiners, and how many cars would need it, initially.

What parts of the nation would receive little or no Unleaded Gas.

What would happen if drivers and potential new car buyers lived in or drove into areas that had limited quantities of Unleaded Gas.

NOTHING SURE ABOUT UNLEADED GAS

Since there were conflicting and sketchy reports of these meetings, AAA began a detailed questioning of representatives of the oil and auto industries for their projections of the future availability of this new fuel. We were told at that time:

The auto companies were making the same inquiries that we were. As one company spokesman put it, "We're just plain scared there's not going to be any Unleaded Gas everywhere we travel."

Every auto company had expressed concern to the two agencies that if Unleaded Gas were not visibly available—especially in the nation's many rural counties—then potential new car buyers might delay their purchases. The result could be economic disaster for the auto industry.

One auto company felt that once Unleaded Gas became a household word then the number of motorists wanting it would jump from 10 per cent initially to possibly 20 per cent of the auto population.

Meanwhile, oil industry representatives were telling us:

The FEA hadn't realized until April 1974 that it would become involved with Unleaded Gas. Only then did it hurriedly begin to survey the nation's refiners to find out how much could be made and what lead time was needed.

The major gasoline marketers were guaranteeing that only their "directly served" stations would have some Unleaded Gas after July 1st. "Indirectly served" stations (those owned by independent operators but which carry brand names like Exxon, Mobil etc.) were not getting such guarantees from their parent companies.

In fact, Gulf Oil Company had told stations carrying its name in 13 Mid-West states (but for which it was no longer a fuel supplier) that it would not make Unleaded Gas available. They would have to find suppliers of the fuel on their own.

However, after AAA reported this decision and it was picked up by the Associated Press in May, Gulf told AAA it had changed its mind. The company would send those stations Unleaded Gas even though it was not obliged to do so by law.

Nor were many of the independent nonbranded stations, which sell 22 per cent of the nation's gasoline, able to get firm Unleaded Gas contracts from maor suppliers—at least as of when this was being written.

AAA repeatedly pointed out such problems to both FEA and EPA during May. Consequently, FEA has issued a proposed rule which may insure that all bulk purchasers of gasoline will be able to obtain Unleaded Gas supplies without too much difficulty.

There were unconfirmed reports that some oil companies which traditionally sold only two grades of gas—Premium and Regular—felt they might have to drop one or the other once Unleaded Gas was required. The problem was an 18-month delay in procurring new under-station storage tanks because of a current steel shortage. And the cost of sinking such tanks could run beyond $5,000.

In fact, Union Oil Company disclosed to AAA in May that it would have to drop regular gas at all of its stations required to sell Unleaded. Some marketers, however, were said to be planning to drop Premium.

Since then AAA has been trying to confirm recurrent reports that CITGO, Phillips, Getty, Hess and Clark stations required to sell Unleaded probably will drop their Premium grades. Murphy Oil Company stations also will likely drop Regular.

Spokesmen for Atlantic Richfield, Mobil, Ashland, Texaco and Chevron (East) have said their outlets presently selling two grades may decide on their own to drop Premium if required to sell Unleaded, although the companies would try to discourage this action.

Indeed, a few EPA officials had been privately suggesting to many gas marketers that it would be wise to drop Premium if they faced a delay in dispensing Unleaded Gas.

Almost to a man, the oil industry people AAA contacted expressed fears that neither FEA or EPA grasped the gravity of the coming demand for Unleaded Gas.

Actually, FEA's initial reaction to concerns about potential shortages of Unleaded Gas was summed up by one FEA spokesman who said to AAA, "We don't want to overestimate the demand for this fuel."

A SCARCITY OF NOZZLES?

During all of our contacts with the government and auto and oil industries, we did not hear that the availability of the special Unleaded Gas pump nozzles might be a problem.

However, AAA found that one of the three major nozzle makers had been on strike between April and June. It had placed a freeze on its orders during this strike and had not had a chance to contact all of its customers.

Neither of its two competitors were able to take on additional orders during this strike. All three companies expressed doubts that all those who had ordered the nozzles would receive them during the summer. The company that was on strike told AAA on June 4th it was 40,000 nozzles behind in its schedule. However, the company did feel it could catch up by September.

EPA DROPS A SURPRISE

Though it repeatedly assured the AAA that it would remedy all future problems with Unleaded Gas availability, the EPA published a ruling in May that would narrow that availability in metropolitan areas.

The agency said it had erred in its original mandate on Unleaded Gas which was published in January 1973. That mandate obligated high-volume stations to sell Unleaded Gas, and owners of chains of six or more stations to sell the fuel at 60 per cent of their outlets no matter their gas sales volume.

EPA claimed the latter rule did not significantly improve the availability of Unleaded Gas, although such chains include as many as 90,000 stations and it dropped these stations from the Unleaded Gas network.

To make up for this massive deletion, EPA proposed at the same time to obligate some 10,000 rural service stations to sell Unleaded Gas after January 1, 1975—a full three months after new cars come out in September.

The agency briefly noted that the effect of this proposal—since it would not take hold until after new cars appeared—would be that motorists would be able to find Unleaded gas at only 29 per cent of the stations in two-thirds of the counties of the nation.

Still, the agency said its latest actions would significantly help the distribution of the new fuel, claiming some 111,000 stations would sell Unleaded Gas after July, and 10,000 more stations would sell it after January.

EPA noted AAA's concern for Unleaded Gas availability in the prologue to its May proposal, saying:

". . . the American Automobile Association has recently written to EPA stressing the interest of the motorist. Their letter states that 'without lead-free gas readily available, catalytic systems will be quickly damaged. This would cause the motorists to be faced with an early, expensive replacement bill. Additionally, the owner-operators would then be contributing to air pollution, probably without his knowledge.'"

AAA will respond to EPA's latest rulings shortly by saying we feel they will work a hardship on many more motorists than EPA is aware.

A WRONG DECISION?

But the entire Unleaded Gas availability matter took another surprising turn in May. A Chrysler Corporation scientist announced that he had found lead itself does not poison catalytic converters. An additional chemical—Ethylene Dibromide—which has traditionally been added to gasoline with lead may be the actual destroyer of the sensitive metals within converters.

This scientist's findings have shaken the oil and auto industries and EPA who find they might be getting the wrong chemical out of gasoline; that lead might be able to be kept in gas and allowed to fuel converter-equipped cars after all.

Representatives of the Ethyl Corporation and E. I. DuPont De Nemours & Co. told AAA they think the findings are sound. A Ford spokesman told AAA the company feels this revelation is encouraging. EPA announced in June that it was gathering all data on the matter of Ethylene Dibromide and would review them as soon as possible.

But GM, taking its traditional "get the lead out" line, said it was unconvinced by these late reports.

VIEWS OF THE U.S. CHAMBER OF COMMERCE

Mr. PACKWOOD. Mr. President, through an unfortunate oversight, a statement submitted for the record of the Banking Subcommittee on International Finance Hearings on export control policy and the Eximbank by the U.S. Chamber of Commerce never got printed. I ask unanimous consent that that statement be printed in the RECORD in order that other Senators might know the Chamber's views on this important legislation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON S. 1890, EXPORT-IMPORT BANK ACT AND S. 3282, EXPORT ADMINISTRATION ACT FOR SUBMISSION TO THE SUBCOMMITTEE ON INTERNATIONAL FINANCE OF THE SENATE BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE FOR THE CHAMBER OF COMMERCE OF THE UNITED STATES

(By Richard O. Lehmann [1])

The Chamber of Commerce of the United States appreciates the opportunity to comment on aspects of international economic policy related to extension, which we support, of (1) the Export Administration Act; and (2) the statutory authority of the Export-Import Bank of the United States (Eximbank). Our interest in these issues stems from a responsibility to represent a membership of over 46,000 business firms, 2600 local and state chambers of commerce, 1100 trade associations, and 35 American Chambers of Commerce abroad. This diversity of membership obliges us to assess the impact of export control and need for export financing from the view point of both the internationally and domestically oriented American business communities.

THE INTERNATIONAL ECONOMY

In 1971, when the Export-Import Bank Act was last considered by the Congress, the Chamber expressed concern about our "nation's delicate trade situation." The first two quarters of that year had seen a sharp deterioration in the traditional American trade surplus while other warning signs had begun to appear internationally. Nonetheless, the basic outlook at that time, as it had been through most of the postwar era, was optimistic.

However, in summer 1971, the situation, abroad and at home, changed radically. On August 15, President Nixon suspended the dollar's convertibility, applied a 10% surcharge to all dutiable imports and initiated a wage-price freeze. At the same time, the U.S. began to experience monthly trade deficits of such magnitude that 1971 became the first deficit year, on the trade account, since 1893. With the international economy on the verge of chaos as a result of the unilateral American actions and with our own competitive export position deteriorating, a major domestic response was the introduction, in early fall, of the Foreign Trade and Investment Act, the so-called Burke-Hartke bill.

This response manifested a profound lack of understanding that the crisis situation and its ostensible cause, the overvaluation of the dollar, were long-term problems which generally stemmed from the accumulated inadequacies of the international economic system. That system, embodied primarily in the General Agreement on Tariffs and Trade (GATT) and the International Monetary Fund (IMF), was negotiated and established at the conclusion of World War II when the United States was the only significant global economic power. By 1971, however, the nations of Europe and Japan were, in every sense, our economic equals. This equality was reflected in trade flows, global competition for markets, and technological innovation; reflected everywhere, except in basic rules and concepts under which the international economic system through the GATT and IMF operated. While policies followed in the postwar movement toward an open global trading system had been successful, it was clear that the system itself required further review and modification to take into account the economic realities of the 1970's.

Policy response

The American policy response to this challenge has been developed in two distinct, but parallel, efforts. In the monetary area, the December 1971 Smithsonian Agreement on currency realignments produced the first dollar devaluation followed by further devaluations—one official and one unofficial. This parity change is responsible, in large part, for the $8 billion turnaround on the American trade account between 1972 and 1973. At the same time, progress has been achieved toward basic monetary reform in the Group of Twenty under the auspices of the IMF.

The American policy response to this challenge has been developed in two distinct, but parallel, efforts. In the monetary area, the December 1971 Smithsonian Agreement on currency realignments produced the first dollar devaluation followed by further devaluations—one official and one unofficial. This parity change is responsible, in large part, for the $8 billion turnaround on the American trade account between 1972 and 1973. At the same time, progress has been achieved toward basic monetary reform in the Group of Twenty under the auspices of the IMF.

Concurrent with the Smithsonian Agreement was the commitment to engage in negotiations aimed not only at further reduction of tariff and non-tariff barriers, but also to reform the international trade rules. Progress in this area has been neither as rapid nor encouraging as in the monetary field. While in September 1973 more than 100 nations met in Tokyo to open formally the scheduled talks, earnest negotiations will not begin until the world's most powerful economy—the United States—possesses a negotiating mandate in the form of an enacted trade bill.

1973

Global economic events in 1973 have caused reconsideration of these basic approaches to foreign trade and monetary issues. With greatly intensified demands for American wheat and soybeans; with the oil embargo and its attendant price rise; and with simultaneous booms in the economies of the developed world accompanied, outside the U.S., by double-digit inflation—some contend trade and monetary reforms, in present conceptual form, are largely irrelevant. These "new" problems, it is maintained, are of sufficient magnitude and importance that they alone should be the basis for future policy development.

We disagree. It is unfortunate that the most recent economic events often tend to color unduly our responses to the challenge of long-term policy-making. For example, when the Trade Bill was introduced in April of last year, following, in 1972, the largest trade deficit in our history, concern focused internationally on expanding markets for American exports and, domestically, on how best to deal with dislocations resulting from import competition. Today, in the wake of an oil embargo with short supply situations at home, we are engrossed with the "access to supply" question. Incidentally, part of the U.S. shortages problem does not result from the actions of any foreign country, but from the poorly-conceived wage-price mechanism of the past summer when a domestic price ceiling existed absent export controls. The market mechanism thus was only partially operational so that items subject to price controls naturally flowed abroad, where market prices were substantially higher. In such circumstances, we should not exacerbate the situation by overreacting further through the imposition of export controls, but completely do away with the cause of the original distortion—wage-price controls.

As with the principle of the open market, our approach to handling the challenges and problems of the international economy must consistently address actual circumstances, not changing perceptions of them. Access to supplies was a problem long before the oil embargo and access to markets for American exports remains of utmost importance today.

Exports

In development of international economic policy, it is fundamental to recognize the interrelationship of its many parts. Exports are one key to the U.S. international economic performance; imports, investment flows, government expenditures, and receipts from overseas production are other indicators of our international economic health. Within this overall context, the expansion of American exports is crucial for two reasons:

(1) With the prospect that the developed nations will be simultaneously in payments deficit this year, increased export trade must be regarded as a major means of off-setting the American deficit.

(2) The experience of the past year has dramatically demonstrated the dependency of the United States on imported basic raw materials to support its industrial base. We need to sell abroad to pay for what we must purchase in foreign markets. Quite apart from consumer preference for some foreign manufactured products, the increased prices of basic commodities make export expansion a necessary and important goal.

Two major aspects of this critical effort are the issues at hand before this subcommittee.

(1) Competitive financing of American exports.

(2) Reliable supply of American exports.

With its enormous domestic market, the nature and meaning of exporting has often been misunderstood in the United States. It is not sufficiently appreciated that exporting and the development of markets abroad cannot be accomplished overnight, and the flow of products cannot be expected to be turned on and off like a water faucet.

In planning for export sales, American business must have reasonable assurance there will be known and reliable sources of financing at competitive rates. Similarly, foreign business, purchasing American exports, requires reasonable certainty that their sources of supply in the United States will continue to be reliable and regular.

With these considerations in mind, we submit the following comments and recommendations relative to the legislative issues before the subcommittee.

EXPORT-IMPORT BANK ACT

S. 1890

The National Chamber supports S. 1890 which would extend the statutory life of the Export-Import Bank of the United States and increase its loan and guarantee commitment authority. The major provisions of this bill, of special interest to the business community, include:

---

[1] Associate Director, Foreign Trade Policy, Chamber of Commerce of the United States.

(1) Extension of the Bank's charter to 1978.

(2) Increase in guarantees and insurance chargeable on a 25% fractional reserve basis from 10 to 20 billion dollars.

(3) Increase in loan commitment authority from 20 to 30 billion dollars.

(4) Exemption of bank borrowings from the Eximbank from provisions of the National Bank Act, where applicable.

Prompt and full enactment of this legislation is a necessary step in maintaining and improving our exporters' competitive position in world markets.

Record of the Bank

Eximbank's record since enactment of the 1971 legislation has been exemplary. The Bank has aggressively and imaginatively supported growing amounts of American exports to the $10.5 billion level of fiscal year 1973.

A continuing concern with agencies such as Eximbank is that their efforts and programs be complementary to, rather than in place of, traditional activities carried out by the private sector. Eximbank, in assisting greater amounts of exports, has consistently encouraged the widest private financial community participation. Thus today, direct loans represent a much smaller percentage of total Bank activity than in the past. In addition, the Bank's facilities have become increasingly available and utilized by the small and medium-sized exporter. Eximbank's overall flexibility and program mix are, in the opinion of the exporting and financial community, fully consistent with the Bank's congressional directive: "to provide guarantees, insurance and extensions of credit at rates and on terms and conditions which are competitive with the government-supported rates and terms and other conditions available for the financing of exports from the principal countries whose exporters compete with United States exporters."

The crucial nature of export expansion today makes it imperative that this congressional mandate be substantially maintained. American business needs the basic assurance that long-range export development efforts will be rewarded. Certainly, the price, quality, and nature of American exports justify such efforts. What is required, in addition, is the certainty of known and suitably competitive sources of export financing. The National Chamber is confident that Eximbank will continue to provide this reliability in a responsive manner.

Need to avoid unnecessary controls

In testimony on this subject in 1971, the Chamber noted:

"Instead of pursuing consistent policies toward strengthening our domestic export base, the government has maintained controls on the very tools which are crucial to successful international competition."

At that time, the controls to which we referred included restrictions on Eximbank operations resulting from requirements of the unified budget, Voluntary Foreign Credit Restraint program (VFCR), and restrictions against financing in Eastern Europe. We maintained that continued use of such controls would have negative effects on Eximbank operations and general efforts to expand American exports. We were gratified when Congress agreed to remove Eximbank from under the unified budget, and to provide the President with certain flexibility in regard to the extension of Exim facilities to Eastern Europe. Earlier this year, the Administration announced removal of VFCR guidelines.

While the lifting of these controls and restrictions is clearly not the sole reason for the dramatic expansion of Exim operations over the past years, that expansion would not have been as marked or effective if the Bank had been required to continue operation under the same strictures that were present prior to enactment of the 1971 Act.

Serious policy issues relating to trade with communist nations and in energy-related products have been raised in regard to Exim's operations. As previously noted, export markets are developed and maintained, West and East, through reliability of supply and competitiveness of financing. The National Chamber believes this market development can only be accomplished through consistent efforts which are best achieved without unnecessary controls and restrictions

EXPORT ADMINISTRATION ACT

S. 3282

The National Chamber supports extension to 1977 of authority contained in the Export Administration Act of 1969 to control exports to the extent necessary:

(1) To protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand;

(2) To further significantly the foreign policy of the United States and to fulfill its international responsibilities; or

(3) To exercise necessary vigilance over exports from the standpoint of their significance to the national security of the United States.

We believe this authority is necessary to protect the trade and foreign policy interests of the United States. We caution, however, that its indiscriminate overuse could have serious implications for the international credibility of the United States as a source of reliable supply. Export controls, outside security considerations, are a policy alternative of utmost gravity which should be employed only as as a last resort.

With the exception of the Administration-proposed amendment to Section 3 of the Act and the extension to 1977 of existing authorities, we are not in a position to comment, in any detail, on the other proposed Administration amendments embodied in S. 3282. We do, nonetheless, have general comments relative to the issues involved in the revision and extension of this Act.

Retaliatory authorities

In testimony on the Trade Reform Act (H.R. 10710) before the Senate Finance Committee, we supported revision of that bill "to mandate U.S. negotiators to deal with (access to supplies) in multilateral negotiations and to grant the President certain powers for use against unfair foreign export restrictions." We are thus in agreement with the thrust of the Administration-proposed amendment to Section 3 of the Export Administration Act which would enable the President to retaliate against countries unreasonably restricting U.S. access to supplies of a commodity. We suggest, however, that such authority may be misplaced and inappropriate in the Export Administration Act.

A widely-supported Administration-proposed amendment to H.R. 10710 would authorize the President to engage in multilateral negotiations aimed at international agreement on standards and procedures for the control of exports. Their amendment to S. 3282 which would give the President retaliatory power against "unreasonable (foreign export) restrictions" could create a dangerous bifurcation in trade policy. International negotiations on what constitutes "unreasonable restrictions" would be carried out under authorities conferred in one law, while in a different statute, the President could employ retaliatory authority simply by providing his own definition of "unreasonable," irrespective of the ongoing negotiations.

This dilemma could, in our opinion, best be resolved by including both the negotiating and retaliatory authority in H.R. 10710. While this may prove difficult, as that legislation is outside the purview of this subcommittee, we believe the minimum required is a responsible definitional link between the negotiating and retaliatory authorities.

Public procedures

On June 27, 1973, the Administration embargoed the export of soybeans—a surprising action not only because there had been little prior indication of the seriousness of the situation, but also because there was so little done in terms of prior consultation or cooperative efforts by the Administration.

Following from this experience, we believe that, in the few instances where imposition of export controls may appear necessary "to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of abnormal foreign demand," appropriate procedural safeguards, including prior public hearings, should be provided all interested parties. The above noted criterion sets out appropriately strict conditions that do not generally arise overnight. As such, public hearings and other appropriate safeguards would not seriously hinder the implementation of the procedures and requirements of this Act. At the same time, introducing an element of fairness and openness—heretofore absent in the imposition of export controls—would avoid the disruptive effects on contractual obligations which stemmed from the June 1973 action.

COMPARABILITY FOR CIVIL SERVICE PERSONNEL AT GRADES GS 16–18

Mr. McGEE. Mr. President, the Civil Service Commission today announced the results of a nationwide executive pay study, in which it was assisted by the American Compensation Association, the American Management Association, and the Conference Board. Its findings, relating to pay for Federal employees in the supergrade categories—that is, individuals at grades GS–16, 17, and 18—are rather startling and go far in telling us why it is that many competent, experienced career executives either have left Government service recently or are seriously considering that move.

Generally, the study, which was conducted among 144 companies, large and small, and encompassed eight occupations which represent 40 percent of the Federal employment at the top of the general schedule, showed that the salary rates in effect for GS–16 trail private sector salaries by 27 percent. At the GS–17 level they trail the private sector by 55.6 percent. And at GS–18 they are 97.4 percent below the private sector's salary level for comparable positions.

Of course, at present, the pay rates for all GS–18's all GS–17's, and all GS–16's above the third step of the schedule are frozen at $36,000 per year by the workings of the system that bars general schedule employees from being paid salaries higher than those in effect for persons on the executive schedule.

Mr. President, I ask unanimous consent that the Civil Service Commission announcement of its study be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

[From the U.S. Civil Service Commission]

NATIONWIDE EXECUTIVE PAY STUDY

The Civil Service Commission today announced the results of a nationwide executive pay study conducted as part of the Commission's review of the Federal Pay Comparability Process. The objective of the study was to determine current private enterprise salaries for positions equivalent to top Federal career levels.

The study showed that in private industry, an executive working at the level of a GS–16 civil servant is receiving an average salary of $45,146 per year; at GS–17, $56,011; and at GS–18, $71,076. These salaries are well above the current $36,000 limit applied to all Federal positions at the GS–16 through 18 levels.

BACKGROUND

Under present pay comparability procedures Federal salary rates for GS–1 through GS–15 level positions are compared and adjusted in accordance with the results of the Bureau of Labor Statistics annual survey of professional, administrative, technical, and clerical occupations (PATC). Scheduled salary levels for civil service executives at grade levels above GS–15 are determined by extension of the results of the BLS data. The present salary schedule provides for a range at grade 16 of $32,806 to $41,550; at grade 17 the range is from $37,926 to $43,040; and at grade 18 a single salary rate of $43,926. However, pay of civil servants is limited by law to no more than the rate for Level V of the Executive Schedule, currently $36,000 per year.

CONDUCT OF THE STUDY

The CSC Executive Pay Study was designed to approximate the industrial coverage of the annual BLS PATC survey. The following industrial categories were represented in the study: Manufacturing; Transportation and Public Utilities; Wholesale Trade; Retail Trade; Finance, Insurance, and Real Estate; and Services. One hundred forty-four companies, ranging from some of the larger firms in America to those employing as few as 500 persons, were visited.

Eight occupations, representing more than 40 percent of Federal employment at those upper grade levels, were included in the study: Directors of Personnel, Attorneys, Chief Accountants, Engineers, Electronic Data Processing Program Managers, Plant Managers, Commercial Managers, and Economists.

The Commission was assisted in the design and conduct of the study by the American Compensation Association, American Management Association, and the Conference Board.

Commission staff and 26 Federal agency job analysts spent two weeks during April collecting job content and compensation information from study participants. An extensive job evaluation process, which included an independent review by private industry experts, resulted in usable information on more than 700 private industry positions equivalent to Federal GS–16 through GS–18 level positions.

PRINCIPAL FINDINGS

Generally, the study showed that the salary rates produced for GS–16 through GS–18 levels under the current method are quite conservative in comparison with private enterprise salaries. The findings indicate that Government salaries trail private sector salaries by 27 percent at the GS–16 level, 55.6 percent at the GS–17 level, and 97.4 percent at the GS–18 level.

Another sharp distinction was found in the extent that private sector compensation is increased through the awarding of bonuses. Bonuses play a significant part in the compensation of private sector officials, with individuals at the responsibility level of GS–16 receiving average annual bonuses of $9,676; at GS–17, $16,361; and at GS–18, $22,985—above and beyond base salary.

A detailed report of the study findings is scheduled to be sent to the participating companies in August.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one of the principal functions of our system of government, as embodied in our Constitution and our Bill of Rights, is to protect individual citizens from abuses of power by those elected or appointed to positions of authority. No tradition is more firmly rooted in our democracy than this safeguarding of personal liberty from the stifling bonds of tyranny. Over the two centuries of our independence Americans have made enormous sacrifices to win and protect this freedom.

I believe that no liberty or right is more fundamental than that to life itself. Genocide is the systematic denial of this right to existence. The awful dimensions of this ultimate abuse of power became especially clear in the Second World War with the advent of Nazi-sponsored mass persecutions and executions.

In response to these horrors the nations of the world created the International Convention on the Prevention and Punishment of the Crime of Genocide. To date, more than 70 countries have ratified the accord, which defines this crime and binds its signers to action against its perpetrators. Our Nation, regrettably, has yet to join in this effort.

The Senate should act swiftly to correct this disfigurement of our tradition of liberty and freedom. As the section of individual rights and responsibilities of the American Bar Association concluded in a 1969 study—

> The United States, which was founded on the basis of protest against governmental excesses, and which grew great in substantial measure because it was a haven and the hope for oppressed persons everywhere, should be in the lead in joining in the declaration of revulsion at the organized effort to eliminate a whole people during World War II, and of determination that such an effort shall not be undertaken ever again.

Too many men and women stood idly by earlier in this century while millions of their fellows died. We must not shirk our moral responsibility to commit the United States to the defense of all men against destruction at the mad whims of the powerful.

SENATE JURISDICTION OVER ERDA

Mr. CURTIS. Mr. President, in the next few weeks, the Senate will probably act on the Energy Reorganization Act of 1974 (S. 2744). The Government Operations Committee is to be commended for this legislation, because it addresses the Nation's energy problem in a clear, farsighted fashion.

There is no doubt that the sense of urgency over energy has somewhat abated since last winter. The gas pumps are open again, and the highways are full of cars.

But the long-range problem of providing cheap and plentiful energy for the Nation has not gone away. We know our sources of fossil fuels are finite. Some day we will simply run out.

The Energy Reorganization Act of 1974 makes a clear bid to centralize energy research and development at the Federal level within one agency. It is a wise measure, because it ends the current fragmented approach to energy research and development.

In other words, it attacks the energy problem the same way we responded to the space challenge after Sputnik was launched in 1957.

I am sure I do not need to remind the Senate that following the launch of Sputnik there were tremors both here and abroad. The response was the creation of the National Aeronautics and Space Administration that put America first in space.

I believe there is a clear parallel between the aftermath of Sputnik and the energy problem confronting the Nation today.

If the executive branch of Government is going to have a unified approach to solving the energy problem, I submit the Senate should do the same thing. In other words, jurisdiction over the Energy Research and Development Administration should be vested in one, and only one, legislative committee.

In my opinion the committee best able to take on this job is the Aeronautical and Space Sciences Committee, for it has a wealth of experience in handling high technology R. & D. programs.

Moreover, the Space Committee understands multidisciplinary programs through its involvement with NASA. In all likelihood, a multidisciplinary approach will be required to find the technology that can substitute for fossil fuels.

The Space Committee will give ERDA programs the close attention they deserve, and the committee will see to it that all forms of energy receive fair consideration to the exclusion of none.

Finally, the Space Committee has a strong bipartisan tradition, and let us face it, there is not one energy crunch for Democrats and another one for Republicans.

Mr. President, in view of the urgency over energy research and development, I have asked to be made a cosponsor of Senate Resolution 352 which would confer jurisdiction over the Energy Research and Development Administration to the Aeronautical and Space Sciences Committee.

A PUBLICATION OF INTEREST AND VALUE TO SPANISH-SPEAKING CITIZENS

Mr. MONTOYA. Mr. President, I have recently received a copy of a new publication of the U.S. Civil Service Commission Bureau of Recruiting and Examining, "La SF–171 Se Llena Asi!" For the benefit of those of you who are not bilingual, let me explain that title: "Form SF–171 Is Filled Out in This Way"

This booklet will be of inestimable value to those minority working people who have been excluded from many Government jobs because they could not break through the language barrier. Although there are many jobs in civil service which could be filled by the

Spanish-speaking working people of this Nation, these jobs have always been closed to those applicants who could not understand the instructions and terms used in the standard application forms.

The Office of the Spanish-Speaking Program at the Civil Service Commission has now prepared a detailed explanation, in Spanish, for these disadvantaged applicants.

I commend them for the fine job they have done, and suggest to my colleagues that they assist the Commission in disseminating information about this booklet to constituents in Spanish-speaking communities in their States.

The publication, BRE-55, can be obtained from the Civil Service Commission Office of the Spanish-Speaking Program, Washington, D.C. 20415.

Spanish-surnamed citizens are not represented in Government service in the same proportions as they are in the population, and it has been very difficult to increase their numbers or make sure that they have an equal opportunity to work at all levels in government.

The "Sixteen Point Program," begun in 1970, has never been fully implemented or successful in overcoming the difficulties or recruitment or hiring of Spanish-surnamed applicants. This new publication is very welcome as part of the effort to make that program more worthwhile.

THE FREEDOMS AMERICANS DESERVE

Mr. PROXMIRE. Mr. President, Herbert W. Hobler, the president of the Nassau Broadcasting Co., which operates radio stations in Princeton and Trenton, N.J., has been crusading against the fairness doctrine and the equal time provision which govern broadcasters.

Here is a licensee who has the temerity to challenge his license grantor.

In a recent editorial, which rather sums up his continuing campaign, Mr. Hobler makes some telling points.

It was written before the Federal Communications Commission reaffirmed the fairness doctrine, which explains Mr. Hobler's optimism at the end of the editorial.

Yet, it does present the problem in a clear way.

Mr. Hobler also has published a booklet on the subject. His title, "Americans . . . One of Your Freedoms Is Missing!" sounds the warning.

Mr. President, I ask unanimous consent that the editorial of July 10 be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Editorial of Nassau Broadcasting Co., July 10, 1974

(By Herbert W. Hobler)

Forty years ago, on July 10, 1934, the Communications Act was passed creating the Federal Communications Commission. At the time of the act almost anyone could start a radio station by filling out a form and going into business. One station was even operating at 500,000 watts and covering most of the United States. Other stations were literally moved about from town to town in trucks using their frequency wherever they want. And so, the basic purpose of creating the FCC was to bring order out of chaos, to set technical standards, to allocate frequencies, to establish a philosophy of service to the public for their convenience and necessity.

There are many things that Americans can celebrate 40 years later, for radio and TV for all their shortcomings has become a communications complex that has transformed our society's interrelationships with each other and indeed with the world. Today, within a matter of minutes, we all become aware of local, national, or international news, we are exposed to great dramas, documentaries, and we debate issues through telephone talk shows; and we even listen and watch a man step onto the moon. And, with all our information exposure and ultimate greater knowledgeability of the ongoing world, we have become captives of our own communications system. For, as we have become liberated and informed sophisticates and as we have become more and more a people of, by and for the government, we have set up distinctions in our media.

We are critics of the theater, of books, magazines, the arts, and newspapers and we fight for their rights under the First Amendment for free speech, their rights to be biased and critical. On the other hand, we encourage the Federal government and the FCC to restrict freedom of expression of broadcasters through the Equal Time Law, the Fairness Doctrine, the right to announce lottery numbers, the right to advertise the armed forces—the right to be judged as the free press is for unrestricted viewpoints and program concepts.

We believe that our forefathers would find it incomprehensible that our Supreme Court had to be petitioned by the Miami Herald in order to once again prove, as it was just decided a few weeks ago, that there is no room for a Fairness Doctrine in our free press, that the nation's principal form of communications—radio and TV—are encumbered with violations in name and in spirit of the first amendment through federal controls. We also believe the forefathers of the FCC 40 years ago did not conceive such restrictions for they wrote into that very act a section which still says: "Nothing in this act shall be understood or construed to give the Commission the power to censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech of radio communication".

This week our Supreme Court in Washington has begun sitting in judgment as to whether a President can legally or perhaps quasi-legally have rights beyond the scope of the Constitution. A few blocks away the FCC celebrates 40 years of broadcasting regulations which over the years have more and more assumed certain controls which challenge our basic freedoms guaranteed in the Constitution. The present Commission is thoughtfully concerned with these matters. So are we. Perhaps together we can restore the freedoms Americans deserve.

MILITARY ORDER OF THE PURPLE HEART—INSTALLATION OF CHAPTER 1974 AT FINDLAY, OHIO

Mr. TAFT. Mr. President, Mr. John Binnion, the National Commander of the Military Order of the Purple Heart, made some remarks at the recent installation of a Chapter of the Order in Findlay, Ohio, which I think can serve as an inspiration for all of us. His discussion of the history of the Military Order of the Purple Heart serves to remind us all of the tremendous dedication and sacrifices of the men of our military services for their Nation and for freedom.

Mr. President, I accordingly ask unanimous consent that Mr. Binnion's remarks be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Installation of Chapter 1974 at Findlay, Ohio

Commander Chain, National Vice Commander Flanders, Department Commander Inman, Past National Commander Lukatz, Fellow Patriots, guests . . . my pleasure in being here this evening is difficult to put into words. To see any organization come into being is a thrill indeed. But to see a new Chapter of the Military Order of the Purple Heart spring up is something special because the members are something special. So I thank you all for putting this evening together so that I could be here to share it with you.

My remarks will be brief—or, as brief as I can make them and say what has to be said at such an event. The talk will be divided into four sections: (1) a brief history of the Military Order of the Purple Heart; (2) the function of the Order on a National scale; (3) some of the National objectives of the Order; and (4) some of the objectives which the local Chapter, Number 1974, could strive to obtain.

BRIEF HISTORY OF MOPH

As some of you here tonight know, the Purple Heart Medal is the oldest military decoration in the United States. In fact, I am told that it is the oldest decoration for gallantry and bravery in the world, except for the Cross of St. George of Russia. The first Purple Heart decoration was authorized on August 7, 1782, by General George Washington at Newburg, New York. Allow me to read from the orderly book of General Washington's Headquarters on that date.

"The General ever desirous to cherish virtuous ambition in his soldiers, as well as to foster and encourage every species of Military merit, directs that whenever any singularly meritorious action is performed, the author of it shall be permitted to wear on his facings over the left breast, the figure of a heart in purple cloth or silk, edged with narrow lace or binding. Not only instances of unusual gallantry, but also of extraordinary fidelity and essential service in any way shall meet with a due reward. Before this favour can be conferred on any man, the particular fact, or facts, on which it is to be grounded must be set forth to the Commander-in-chief, accompanied with certificate from the Commanding officers of the regiment and brigade to which the Candidate for reward belonged, or other incontestable proofs, and upon granting it, the name and regiment of the person with the action so certified are to be enrolled on the Book of Merit which will be kept at the orderly office. Men who have merited this last distinction to be suffered to pass all guards and sentinels which officers are permitted to do.

"The road to glory in a patriot army and a free country is thus open to all. This order is also to have retrospect to the earliest stages of the war, and to be considered as a permanent one."

The Book of Merit, referred to in the orderly book, has been lost or misplaced or destroyed. However, there are four other references to this Badge of Military Merits as the Purple Heart Medal was first named.

(1) In the Museum in Exeter, New Hampshire, a uniform which was worn by a Revolutionary War Patriot (name unknown) is displayed. On the left breast of the blue tunic

is seen a heart of purple silk, bound with braid and edged with lace, undeniable proof of the Badge of Military Merit.

(2) Sergeant Daniel Bissel of the Town of Windsor, Hartford County, Connecticut, was awarded the Badge of Military Merit on May 3, 1783. At the request of General Washington, Sergeant Bissel pretended to desert from the Army and "escaped" to New York City where he served as a spy. When he returned to Newburg and reported to General Washington he was cited for bravery. Ironically, while in New York City, he was forced to join the British Army and served in the very regiment given to Benedict Arnold for his "service to the king."

(3) The second Badge of Military Merit to be reported on was presented to Sergeant Elijah Churchill of the 2nd Continental Dragoons. In the words which come down to us, we find: "In the opinion of his officers he acted a conspicuous and singularly meritorious part. . . . acquitting himself with great gallantry, firmness and address."

However, there was more to it than that. In November of 1780 Sergeant Churchill with a detachment of fifty men under the command of Major Benjamin Talmage, crossed Long Island Sound in open boats for an attack on Fort St. George. Somehow, they missed their bearings and landed twelve miles below their objective.

Sergeant Churchill with sixteen men went ahead of the main body, surprised, took, and destroyed Fort St. George, assisted in the burning of a British supply schooner anchored close to shore, and helped capture fifty prisoners. He returned to the American lines with all his men and only one of them wounded.

But that was not all.

In October of 1781 he was again under the command of Major Talmage. And again he was in charge of a contingent which preceded the main attack upon Fort Slongo on Long Island. As a result of the surprise and the success of his attack, twenty-one prisoners were taken and a large supply of clothes, food, powder, and ammunition was taken back to the Americans. There were no Continental casualties.

Sergeant Churchill was from the town of Enfield, New York.

(4) The third Badge of Military Merit which can be reported upon was won by Sergeant Daniel Brown during the Battle of Yorktown on the evening of October 14, 1781. Sergeant Brown was serving under Alexander Hamilton at the time.

Sergeant Brown was ordered to take a detachment of men and precede the main attack upon the British lines. Like the shock troops of the wars with which we are more familiar, he was to draw and sustain the first brunt of the enemy's fire and drive into their lines as far as he might without waiting for sappers to cut through the barricades and obstructions so that those who were to follow might find the going more easy.

General Greator and his board of officers, in the citation and the investigation, found:

"That Sergeant Brown, of the late 5th Connecticut Regiment, in the assault of the enemy's left redoubt at Yorktown in Virginia, on the evening of October 14, 1781, conducted a forlorn hope with great bravery, propriety and deliberate firmness and that his general character appears unexceptionable."

And then? Well, we don't know how many Badges of Military Merit were awarded. We do know, however, that the Purple Heart was forgotten until some time just prior to the two hundredth anniversary of George Washington's birth. John C. Fitzpatrick, Custodian of Documents of the Library of Congress, discovered records of the decoration and its award by Washington in some half-burned bundles of official papers which had survived the burning of Washington in the War of 1812.

Upon President Hoover's direction, General Douglas MacArthur, Chief of Staff of the United States Army, issued a General Order on February 22, 1932, reviving the Purple Heart decoration in honor of our first President. And the Purple Heart Medal has been an integral part of the Military since that time.

THE FUNCTION OF THE ORDER ON A NATIONAL SCALE

The Preamble to our Constitution of the Military Order of the Purple Heart contains these words. "Through this organization and our membership in it, we hope to be able to preserve and perpetuate those ideals of liberty, justice, and the general welfare which are the very foundation of our way of life, and we pledge to foster and enhance those principles which have made this nation what it is today and which, from the beginning of our national history, have served as a beacon of hope and salvation to the peoples of all nations."

Specifically, our Order has four principles and objects:

(1) Patriotic;
(2) Fraternal;
(3) Historical;
(4) Educational.

Those are defined in the Constitution. However, we need to be a little more specific and pay special attention to our work with Veterans—not only those who were wounded, but all Veterans who need our help. We do this through assistance in many ways:

Hospital visits; education; employment; rehabilitation; and others.

The theme, always, is on assistance. Sometimes this assistance is with money; sometimes with our hands and our hearts; sometimes with our leadership; sometimes in our joining hands with other Veterans' organizations or other agencies; and so forth. But always it is assistance, *assistance*, Assistance.

NATIONAL OBJECTIVES OF THE ORDER

In a previous section we mentioned something of the National Objectives. However, at one time or another, the Order has taken upon itself the burden to carrying a message to the people. We do this, often, through Resolutions which have been passed at our National Conventions. Some of the more recent ones included:

(1) Our stand for better educational benefits for Veterans of the Vietnam conflict.

(2) Our stand against the defamation and desecration of the United States Flag by some who would degrade it through senseless and malicious actions.

(3) Our stand for increased aid to Veterans of World War I.

(4) Our stand for better medical care and facilities for all Veterans.

(5) And many, many more, including support of the United Nations Organization.

The important thing to remember is that we recognize individual differences of opinion and we respect all opinions of our members.

SOME OBJECTIVES FOR CHAPTER 1974

Finally, we would insert at this time our challenge to Chapter 1974 to come up with some specific, obtainable objectives which can be accomplished during the months and years ahead. It is not enough that you have an organization; it is not enough that you increase its membership. What you must remember is that you have an obligation to make your community, your State, your Country better.

Some of your goals might include participation in:

(1) Youth activities.
(2) Assistance to Veterans of all wars.
(3) Hospital visits.
(4) Patriotic activities.
(5) Community Leadership.
(6) School visitations.
(7) Religious activities.
(8) Citizenship activities.
(9) Library aid.
(10) And so forth. The list is almost endless.

CONCLUSION

There, I suppose, is a thumbnail sketch of the Military Order of the Purple Heart and the challenge to Chapter 1974.

I hope you new members can appreciate the history of the Order. I hope you can live up to the challenges which truly lie before you. I hope that your Chapter will grow, not only in membership but in service. And finally, I hope that your Chapter and all Chapters in the Order will die out because there will be no more wars and therefore no new members.

Allow me to close with a prayer which General Washington gave at Newburg, New York, the place of the origination of the Purple Heart Medal. General Washington was a devout man and he knew his Bible. The prayer came from the question the Prophet Micah asked in Chapter 6, Verse 8, when he said, "And what does the Lord require of you?" Micah then answered his own question: "To be just, to love mercy, and to walk humbly with your God."

Listen for those words here.

"I make it my earnest prayer that God would have the United States in His Holy protection; that He would incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; to entertain a brotherly affection and love for one another, and particularly for their brethren who have served in the field.

"And finally that He would dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of minds which were the characteristics of the Divine Author of our blessed religion, and without an humble imitation of whose example in these things we can never hope to be a happy nation. Amen."

Thank you for allowing me to talk with you here tonight. And may God bless you all.

DEATH SENTENCES IN CHILE

Mr. KENNEDY. Mr. President, recent reports from Chile continue to confirm the absence of due process protections and the lack of adequate legal protections under the military junta.

New articles published in the Washington Post and New York Times note the sentences in the widely published trials of air force officers and former civilian members of the Allende government include four death sentences. The article also describes the specific restrictions on defense attorneys that have convinced many foreign observers that, even assuming the legitimacy of the use of a military court martial proceeding in time of war, the proceedings were "a show trial" rather than a correct legal proceeding.

One attorney was thrown out of court for speaking "too warmly" of the Allende government. Another was reprimanded for reporting that his five clients had been tortured.

These reports confirm the testimony of Judge William Booth of the Criminal Court of New York City and Ramsey Clark, former Attorney General of the United States, who visited the trial and concluded that there is no rule of law in Chile.

I ask unanimous consent that their statements be printed in the RECORD at this time.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY RAMSEY CLARK BEFORE THE REFUGEES AND ESCAPEES SUBCOMMITTEE, COMMITTEE ON THE JUDICIARY, U.S. SENATE, JULY 23, 1974

Democracy in Chile died September 11, 1973. No fiction agreed upon can alter that fact. All who love democracy must mourn its passing. The death of any democracy diminishes all.

Your concern here is human rights. Democracy is not unrelated to human rights. Reinhold Niebuhr told us, "Man's capacity for justice makes democracy possible, but his inclination for injustice makes democracy necessary." Injustice, including the denial of human rights, is largely unrestrained in the absence of democracy.

There are no human rights in Chile today in the only sense that rights have value. The military government of Chile can transgress any human right with impunity; for any reason it chooses, or no reason at all. Rights are unenforceable. Arbitrary, uncontrolled will governs.

Chile, I believe, has a longer history and higher commitment to democracy than most nations of the Americas. Article 1 of its constitution, provided "The state of Chile is unitary. Its government is republican and representatively democratic." No electorate chose the military junta that overthrew constitutional democracy or the dictator who now rules Chile. By what it calls Law Decree 27, the junta dissolved the Congress on September 21, 1973 and transferred legislative power to itself. By Law Decree 128, the junta assumed the power to modify the Constitution on November 12, 1973 and that is a pretty comprehensive power. These were, of course, laws in name only. They represented the exercise of military power; that is all.

Constitutional government with its promises of freedom, the rule of law and integrity in governmental activity also died September 11. Chile's constitution was a wisely conceived allocation of the powers of government and rights of a people. It was born of legal process and served its nation well for nearly half a century. It did not guarantee easy times and Chile has not known easy times. It did offer democratic government and the rule of law. It was rendered meaningless by the violence of armed force. Among constitutional provisions directly violated are the following:

Article 4. No magistracy, or person, or assembly of persons, not even under the pretext of extraordinary circumstances, is empowered to assume any other authority or rights than those that have been expressly conferred upon them by the laws. Every act in contravention of this Article is void.

Article 11. No one can be sentenced unless he is legally tried in accordance with a law promulgated prior to the act upon which the trial is based.

Article 15. In case an authority orders the arrest of any person, he must, within the forty-eight hours following, make report thereof to the proper judge and place at his disposal the person detained.

Article 16. Every individual who may be arrested, charged or imprisoned contrary to the provisions of the foregoing articles may apply, for himself, or by anyone in his name, to the judicial authority designated by law, petitioning that the legal requirements be observed.

Article 18. In criminal cases the accused shall not be obliged to testify under oath about his own actions, nor can his ascendents, descendants, spouse, or relations within the third degree of consanguinity of second or affinity, inclusive, be obliged so to testify. Torture shall not be applied . . .

Article 22. The public force is constituted solely and exclusively by the Armed Forces and the *carabinero* guards, which entities are essentially professional, organized by rank, disciplined, obedient and nondeliberating.

Article 23. Every resolution the President of the Republic, the Chamber of Deputies, the Senate or the Courts of Justices may agree to in the presence of or on demand of an army, a commandant at the head of an armed force, or of any assembly of people, with or without arms and in disobedience of the authorities, is null in law and cannot produce any effect.

Article 66. When the President of the Republic in person commands the armed forces, or when from illness, absence from the territory of the Republic, or from any other weighty reason, he cannot exercise his office, the Minister whom the order of precedence as fixed by law may designate shall substitute for him, under the title of Vice President of the Republic. In default of such, the Minister who follows in the order of precedence, and in default of all the Ministers, the President of the Senate, the President of the Chamber of Deputies or the President of the Supreme Court successively, shall substitute for the President.

In case of death, or declaration of cause for resignation, or other kind of absolute impossibility, or disability that cannot be ended before the completion of the time remaining of the constitutional period, the Vice President in the first ten days of his incumbency shall issue the proper orders to proceed, within sixty days, to a new election of President in the manner prescribed by the Constitution and by the electoral law.

Article 72 (17). Special attributes of the President are: To declare in a state of assembly one or more provinces invaded or menaced in case of foreign war, and in a state of siege one or several points of the Republic in case of foreign attack.

In case of internal disturbance the declaration of one or more places being in a state of siege belong to Congress, but if Congress is not in session, the President may make it for a determined period.

Through the declaration of a state of siege, there is conceded to the President of the Republic only the authority to transfer persons from one department to another and to confine them in their own houses, or in places other than jails or intended for the confinement or imprisonment of ordinary criminals.

Measures taken on account of the state or siege shall have no greater duration than the siege, but the constitutional guarantees granted to deputies and senators shall not be infringed thereby.

Article 80. The power of judging civil and criminal cases belong exclusively to the tribunals established by law.

The five trials I witnessed conducted by the Air Force under the authority of the military government were lawless charades. Whether there was in fact justification for the State of Siege allegedly based on the mysterious Plan Z or the junta had seen too many movies is not relevant. Metaphysical references to the differences in legal systems cannot incapacitate foreign judgment. One need not be a scholar of Chilean law, or have witnessed trials in Spain and other continental countries as I have done, to know the trial was neither governed by pre-established principles and procedures uniformly applied nor an effort to determine truth.

First it is not possible to trace power from the constitution to the court. Perhaps this is why posted outside the courtroom which was once the chapel of a Catholic convent was a rainspotted carbon copy of a typed memo saying no attorney shall challenge the jurisdiction of the court or the procedures it uses. A lawyer who dared to question whether his client had been tortured was banned from further practice there among other penalties.

General Orlando Gutierrez, the Air Force Fiscal, or prosecutor, presented his entire case by reading from the Dictamen, or indictment and witness statements. Virtually all the statements were by defendants and their co-defendants and uncorroborated, seriously questioning whether they were true. All were elicited under circumstances so inherently coercive, whatever the techniques employed, as to make them questionable by any standard. No witness appeared at the trial. No prosecution witness was present to be challenged by cross examination. No defendant offered or compelled a single witness in his defense or spoke a word himself in "open" court. While the trials were called open, no family was permitted to be present and whatever the reasons, the room was virtually empty except for one morning when a first year law class from the University of Chile attended a single trial. The press, nearly all Chilean, sat in the balcony. A few foreign observers attended part time, and personnel from the Army monitored the trials.

The serious offenses charged, treason and sedition, with death demanded for some, could not be applied by any stretch of logic or twist of legal reasoning to the facts alleged which uniformly referred to activity prior to September 11, 1973, nor support jurisdiction in a military court at a date after September 11, 1973. Thus the statute itself could not support the prosecution even if the court had jurisdiction and the application of law was not *ex post facto*.

No system seeking objective fact finding permits the trier of fact to be the persons threatened by the acts alleged; yet here the very court personnel were potential victims of the conduct allegedly planned, though admittedly not executed. The absence of a legal officer to guide the court, instruct it in the law or determine procedures made the trial a game of soldiers playing prosecutor, judge, and jury, which is to law as children playing soldier is to war, but deadly yet. Only one member of the seven man court was a lawyer. The prosecutor was a general untrained in law.

The ultimate irony was the fact that the members of the court had participated in the very violent overthrow of the government that they accused some of the persons they tried with planning, but not executing. It can only be assumed that these mock trials, demeaning legal institutions and due process were intended as a justification for the golpe. Even if the charges were true, a planned overthrow of government by one junta cannot justify an actual revolution by another. Subjecting these defendants to this Kafkaesque show trial is itself a denial of human rights.

The denial of human rights in Chile on and since September 11, 1973 is widespread and continuing. Life is the first right of every human. We do not know how many humans have lost their lives to lawless acts of the military. We know one of the first was the constitutional President, Salvador Allende. We know deaths must be measured in the thousands. Tens of thousands have lost their liberty. Thousands remain in detention today. Thousands more have been tortured.

Among the fundamental human rights protected by the Universal Declaration of Human Rights and the International Convention of Civil and Political Rights ratified by Chile which have been flagrantly violated are the following:

1. Right not to be subjected to arbitrary arrest or detention (Art. 9, U.D.H.R. and Art. 9 I.C.C.P.R.).

2. Right not to be subjected to torture or to cruel, inhuman or degrading treatment or punishment (Art. 5 U.D.H.R. and Art. 7 I.C.C.P.R.)

3. Right to a fair and public trial with all the guarantees necessary for one's defense before an impartial and independent tribunal. Respect for the principle of non-retroactivity (Articles 10 and 11 of the U.D.H.R. and Articles 14 and 15 of the I.C.C.P.R.).

4. Right to life, liberty and the security of persons (Art. 3 of the U.D. and Article 6 of I.C.C.P.R.).

5. Right not to be subjected to arbitrary interference with one's privacy, family, home or correspondence, nor to attacks on one's honor and reputation. (Article 12 of the U.D. and Article 17 of the I.C.).

6. Right to freedom of movement and of residence within the borders of a State. Right to leave any country including one's own and to return to one's country. (Article 13 of the U.D. and Article 12 of the Covenant).

7. Freedom of thought, conscience and religion, freedom of opinion and expression, and freedom of peaceful assembly and association (Articles 18, 19 and 20 of the U.D. and Articles 18, 19, 21 and 22 of the International Covenant).

8. Right to work and to a just and fair remuneration and to protection against unemployment. Right to form and join trade unions. (Article 23 of the Universal Declaration and Articles 6, 7 and 8 of the International Covenant on Economic, Social and Cultural Rights).

As we have seen, the military seizure of power in Chile destroyed democracy and constitutional government. No rationalization can alter that. It brought a violent and lawless reign of arbitrary power dealing death to thousands, imprisonment and torture to tens of thousands and terror to hundreds of thousands. It established authoritarian government controlling the people by military force and threat of force, seizing university administration, abolishing labor organizations, suspending political parties and burning books. It continues today a state of siege, holding former high officials of civilian government and thousands of others, many since September, yet not charged with crime. On page 5 of its White Book explaining the seizure of power it says it has governed since September 11 "in an atmosphere of absolute peace and normality."

We can rage at what has been done to rights and humanity in Chile, but rage rarely solves problems and rarer still is the solution wise. Rather we should look at our own conduct. Finally it is our own conduct that is our responsibility. What has the United States of America done in Chile?

Our nation praises democracy and constitutional government, extols the rule of law and proclaims the primacy of human rights. How then do we explain our policy and conduct in Chile? For we witnessed, condoned and may have been an agent in the fall of constitutional democracy, subversion of law and the death and torture of thousands. If we care why do we not speak out and act? You cannot make the world safe for hypocrisy.

I urge your committee to find the truth to the following questions and act upon that truth. An open, democratic society must know what its government and other agencies and instrumentalities of its society affecting the rights of others do. For their acts are our responsibility.

1. Did the Departments of State, Defense, the CIA or other federal agencies discriminate against, or directly or indirectly act to cause or encourage the overthrow of constitutional government in Chile?

2. Did U.S. economic or military aid to Chile or its withdrawal contribute to the fall of that government? Does the pattern of total aid from 1965 to date suggest a failure to value democratic government over military government?

3. Did corporations owned and operated by U.S. interests or multi-national corporations dominated by U.S. interests contribute to the military seizure?

4. Do government records reveal a discriminatory policy by U.S. or U.S. dominated business which contributed to economic instability in Chile? Do American corporations prefer to do business with a military government in Chile?

5. Why has our government not protested a military seizure of power and urged an immediate return to constitutional government?

6. Were there units of the U.S. Navy off the shores of Chile or other U.S. military presence in the area on September 11 in unusual numbers? If so, why?

7. What has our government done to protect human rights in Chile? Have we acted to prevent or protested killings, torture, arbitrary incarceration? When? How?

8. How many persons did the U.S. Embassy grant and deny asylum to on or after September 11, 1973? What are the policy reasons for failing to protect persons whose lives were in danger as many other nations did?

9. How many persons from Chile have we offered permanent residence rights here? How does this policy contrast with our policy toward Cuba? What are the reasons for the difference?

10. Have we restricted persons exiled from Chile in visiting, traveling, or speaking freely in the U.S.? Why?

11. What economic, political and moral sanctions can the U.S. and its people bring to bear on totalitarianism in Chile?

12. What can the U.S. do to stimulate UN, International Banks and other organizations to bring economic, moral and other pressures to restore human rights in Chile?

If we revere life and democracy, we must pursue such questions with a passion and through them forge a foreign policy based, not on military power or economic profit, but on the way governments treat their people—on the quality of human rights. Then we can find peace through the affirmative response President Kennedy sought from us when he asked, "Is not peace, in the last analysis, basically a matter of human rights?"

Statement of the Honorable William H. Booth, Judge, New York City Criminal Court

Judge Booth. I appear here today with Mr. Clark, with whom I observed trials in Santiago, Chile recently for one week. Certainly, one week does not make one an expert on anything but I believe our observations may be of some aid to you in your legislative work.

Before I left for Chile, I was warned by some that I ought not to pre-judge what I might see, and to understand the pride of Chilean Americans in their sense of democracy and justice. Then, during the entire course of my visit, and even now, there appears to be great concern that a short term visitor might hastily arrive at an unjust conclusion about the situation in Chile.

The city of Santiago certainly does not have the immediate appearance of a place wracked by revolution. People travel about freely, there seems to be an abundance of food, clothing and other goods for sale to the general populace. People seem healthy, happy and even publicly affectionate. Only when you speak to families of prisoners, to people who have been sorely affected by the political upheaval of September 11, 1973 do you begin to feel a different mood. They relate of torture during interrogation of prisoners, of prisoners being held incommunicado, of poor prison conditions, and of the insensitivity of the new government. They tell of successive arrests of the same person by each of the Armed Forces, interrogation and release, and rearrest thus causing fear and panic among them. They show shuttered homes in which they tell you are prisoners, under interrogation and torture, carried there under cover of darkness and a one o'clock curfew.

After conversations of this sort, one can't help notice the large numbers of police and military personnel on the streets; the fears experienced by those whose loved ones have been affected are seen as another part of the city than that first seen on arrival. A shuttered Congress is a reminder that drastic change has occurred; bombed or fired-out buildings are deadly reminders of how that change was brought to fruition.

To a U.S. citizen trained in the law, the trials we saw are most difficult to objectively observe. They are held in an Air Force base, the tribunal is composed of seven generals only one of whom is a lawyer. The prosecutor also is a nonlawyer although his secretary is a civilian lawyer. The trials proceed by the prosecutor reading the statements of any of the 67 defendants which implicate the defendant then on trial. Then, he reads the defendant's statement, after which he requests the appropriate penalty, from a term of years to death in some instances. Then defense counsel—usually assigned—reads his statement in opposition. The defendant does not testify, nor can counsel call any of the others whose statements have been used. The only "live" witnesses who were called were character witnesses occasionally called by the defense. After all the trials have been completed, it is understood the tribunal will recess and later announce their verdicts and sentences. All 67 trials should have been completed soon since two or three are heard daily.

It appears to be an inviolate rule that defense counsel does not question the voluntariness of defendants' statements. It was explained that to do so would impugn the reputation of the prosecutor. One young counsel did raise questions as to defendants' statements and the tribunal announced that he could no longer practice before them. Referral was also made to the equivalent of our bar Association and other disciplinary action against the lawyer was involved.

From conversations with all concerned, the system of "justice" in these trials is hardly questioned. But, also, apparently all believe the defendants will be convicted; the only question appears to be the severity of the penalty. What's more, the defendants are on criminal trial for acts of conspiracy in support of the then constitutionally elected government—to which incidentally they were obligated by oath to uphold!

We were permitted to visit the public jail and to confer, though not privately, with prisoners of our choice. Though the prison is an ancient and rickety one, the men we spoke with assured us that their lot was a great deal better there than at the military detention centers where they had been detained earlier. We saw there also men held incommunicado allegedly for misdeeds while there; though we were advised that they were still under interrogation and this is the real reason for their being isolated.

It is interesting that in order to see prisoners, we had to seek permission from the prosecutor, one General Gutierrez. One night while giving me a lift to the jail, General Gutierrez remarked that too many people in Chile are involved in politics. I responded that this was laudable, that not enough people are involved in U.S.A. politics. He repeated his remark adding that politics should be only for the politicians!

Earlier observers have testified to first-hand indications of torture and other human rights violations. I would hope that your committee will recommend a change in U.S. Policy to permit asylum to political prisoners. We saw many other Embassies accepting asylees, but the American Embassy has not taken any, not even relatives of American citizens. We have always been proud of our country's heritage. Particularly have we reason to be proud that we have been a haven to all those who have had to leave their homeland because of oppression. Although Chileans may not on the whole be oppressed, there are many thousands who are living a hell on earth because of their political beliefs. To continue our great traditions, it would seem most urgent to me that we once again open our doors to those Chileans who desire our aid.

Mr. KENNEDY. Mr. President, the lack of legal protections is only part of the problem in Chile as witnesses before the Senate Subcommittee on Refugees testified last week. Their concern, described in recent news accounts of the hearing, is that human rights continue to be violated by the practices of the Junta.

For all of these reasons, I intend to introduce legislation to suspend U.S. military aid to Chile when the foreign aid bill comes before the Senate.

Mr. President, I ask unanimous consent that articles on these matters be printed in the Record at this time.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, July 31, 1974]

Chile Sentences Ex-Officials to Death

(By Joseph Novitski)

Santiago, Chile, July 30.—A Chilean air force court martial condemned four supporters of former President Salvador Allende to death for treason and sentenced 56 others to prison today.

The four men sentenced to death are Carlos Lazo, 47, a leader of Allende's Socialist Party and former vice president of a state bank, and three former air force officers—ex-Col. Ernesto Galaz, ex-Capt. Raul Vergara and ex-Sgt. Belarmino Constanzo.

The court martial decided that the four men were the ringleaders of a conspiracy by Marxist political parties within the government coalition and an extreme leftist group outside the government to recruit air force non-commissioned officers into political groups, to pass secret air force plans to the government and to try to place officers favorable to Allende into key air force commands.

The court also found that plans were made to seize a nearby air force base, but they were not carried out.

In effect, the court tried 54 air force men and 9 civilian men and one woman for treason, sedition or military insubordination on the basis of acts committed while Chile was not at war and the defendants were serving a constitutionally elected government. Today it found all but three of them guilty.

The trial attracted attention throughout the world, and many foreign observers attended those sessions that were open.

The court martial cited the Dreyfus affair in France, the Stalin purge trials of 1937, the execution of Julius and Ethel Rosenberg as spies in the United States and Fidel Castro's trial of the Cubans captured on the beaches of the Bay of Pigs as historical precedents for its decision.

The sentences were approved unanimously by the seven senior officers who made up the court after two months of open sessions and 45 days of private deliberations. The sentences cannot be appealed, but must be confirmed by Gen. Jose Berdechesky, commander of the Santiago air force garrison and convening authority of the court martial.

The families of the four men sentenced to die before a firing squad were expected to appeal to Gen. Berdechesky and to Gen. Augusto Pinochet, the army general who rules Chile in the name of the military junta that seized power in the Sept. 11 coup.

When the trial began, it appeared to some foreign legal observers to be proceeding correctly under the Chilean military code. As it went on, however, restrictions were imposed, turning it into a show trial.

One of the 31 defense lawyers was thrown out of court when he spoke too warmly of the Allende government. The court then forbade political arguments.

Another lawyer reported that all five of the men he was defending had been tortured. He was reprimanded by the court.

Defense lawyers agreed privately to present their charges of torture in writing and not to read them aloud in court. Then the court began telling some lawyers which parts of their written legal arguments could be read in court.

Watched by jurists from the United States and Europe, by diplomats and by a lawyer from the International Red Cross, the air force prosecutor argued that the defendants had stolen military secrets, organized subversive cells in air force units and that some of them were connected with a plan by leftists to seize El Bosque, an air base on the outskirts of Santiago which houses the Chilean air force academy.

Today, in a 234-page decision, the court agreed. It found that, in fact, the Chilean armed forces had been legally at war with several small extremist groups since before Allende was elected in 1970. It concluded that a court martial was therefore competent to judge offenses committed against the military code before the coup.

"Finally, the trial record leads to the categorical conclusion that the military pronunciamiento on Sept. 11, 1973, halted plans to destroy the air force in particular and the armed forces in general and prevented the mass assassination of their non-Marxist members a few short days before it was to be consummated," the officers on the court declared.

They rejected all of the arguments brought up by defense lawyers to challenge the constitutional basis of the trial. They also refused to consider the extenuating circumstances, such as good service records, lack of previous prosecutions and good character witnesses, in all but seven of the 60 cases that resulted in findings of guilty.

Erich Schnake, a former Senator and Socialist Party leader, for whom the prosecution requested the death penalty, was sentenced to 20 years in prison.

The court sentenced 34 of the defendants to lesser penalties than the air force prosecutor had requested, but it made it clear in almost every instance that it was doing so by its own decision and not as a result of defense arguments. The court upheld the prosecutor's request in sentence in 8 cases and increased the severity of the sentences in 22.

[From the New York Times, July 31, 1974]

Chilean Court Condemns Four and Imprisons 56 in Mass Trial

Santiago, Chile, July 30—An air force court-martial today condemned four persons to death by firing squad and sentenced 56 to prison in the mass trial of persons seized after last year's coup against the Marxist coalition Government of President Salvador Allende Gossens.

The prisoners, air force personnel and civilians, were tried on charges ranging from possession of Communist literature to treason. Three persons were acquitted.

The death sentences are subject to review by the military junta that has controlled the country since Dr. Allende's overthrow and death last Sept. 11. There have been no known death sentences in Chile since mid-January, although firing squads shot at least 96 persons in the months following the coup.

The prison terms handed down today range from 300 days to life.

Among those condemned to death was one of the 10 civilians on trial, Charles Lazo, former president of the state bank and a member of the outlawed Socialist party. The military prosecutor had sought life imprisonment for Mr. Lazo on charges of treason and espionage, but the six-officer court overruled him.

Capt. Patricio Carbacho, one of six defendants for whom the prosecutor had sought the death penalty, received life imprisonment.

The others facing execution are former air force men, Col. Ernesto Galaz Guzman, Capt. Raul Vergara and Sgt. Berlimino Constanz. They were convicted of treason and sedition.

Erich Schnake, who was a Senator and director of the Socialist party, was sentenced to 20 years in jail for espionage and inciting a revolt. The only woman defendant, Maria Teresa Wedeles, was sentenced to 300 days in jail.

The court-martial, which was open to newsmen and international legal observers, began April 17 at the Air Force Academy on the outskirts of Santiago. Testimony ended during the first week of June and the officers adjourned to consider the verdicts.

THE CONTINUING TROUBLES OF THE SST

Mr. PROXMIRE. Mr. President, the wisdom of the Senate's decision to discontinue Federal funding of an experimental supersonic transport aircraft becomes more evident with each passing day. The flaws and potential dangers of supersonic airplanes are emerging as French and Soviet SST's begin to enter service. More importantly these weaknesses represent only the tip of an iceberg of problems and hazards still to be confronted by the developers of the SST.

A study released recently by the U.S. Department of Transportation, for example, predicts the SST's now being developed will produce noise that will carry farther and have an impact on more people than the loudest subsonic jets now in use. Although it appears that the sounds produced by the SST will be no louder than those of conventional jets, many more people will be subjected to the roar of such aircraft. At airports in crowded metropolitan areas an SST will expose nearly twice as many persons to the 100-decibel thunder of a jet engine.

Another recent report, written by Swedish aeronautics expert Bo Lundberg, details a more serious potential shortcoming of the SST's. Mr. Lundberg argues that the long-term effects of the enormous aerodynamic pressures and blistering heat imposed by supersonic speeds upon an aircraft's structure are still uncertain. Adequate tests of these effects, as Mr. Lundberg points out, will not be completed until the early 1980's, long after some SST's will begin service.

The ultimate product of these uncertainties could be extraordinarily high costs, in both structural repairs and, as the SST crash outside Paris earlier this year so tragically illustrates, in human lives.

This body halted Federal funding for the SST because it was an unsound investment of the taxpayers' dollars. These new studies indicate that we made the proper choice. Today the SST remains an uneconomical, bothersome, and dangerous example of the misapplication of technological expertise.

ILLINOIS' CATERPILLAR CO. OFFERS HELP WITH ALCOHOLISM

Mr. PERCY. Mr. President, the Second Report of the National Commission on Marihuana and Drug Abuse stated that alcohol dependence is without question the most serious drug problem in this country today. Available statistics support that statement:

About 1 in 10 of the 95 million Americans who drink is now either an alcoholic or a problem drinker.

At least half of the annual 55,500 traffic fatalities in the United States are alcohol related.

In 1971, alcoholism and related problems accounted for $9.35 billion in lost production time in the United States.

Mr. President, it is obvious that alcoholism and alcohol abuse are causing extremely serious problems in this country. In terms of lost productivity, health costs, family disruptions, and loss of individual dignity, alcohol abuse takes an immeasureable toll of our citizens and of our society as a whole.

In May Congress approved and the President signed into law the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act amendments, authorizing the expenditure of more than $400 million during the next 3 years to combat alcoholism in this country. Funds appropriated under this authorization will mean tremendous steps forward in the Federal attack on alcoholism, but even generous Federal assistance cannot eradicate the problems of alcoholism and alcohol abuse in this country. Substantial efforts by private groups must be made if this most critical problem is to be combated effectively.

I am most pleased to report that the Caterpillar Co., headquartered in Joliet, Ill., has initiated an outreach, education, and treatment program to assist its employees who have alcohol related problems. I wish to commend the Caterpillar Co. for its most progressive and humane attitude toward employees who have occupational and personal difficulties because of alcohol. I would hope that other companies in all States will realize how much the interests of their employees and their companies can benefit from programs designed to combat alcohol abuse. I am convinced that many large companies would realize substantial benefits from instituting similar policies and programs, and I would urge them to consider doing so.

I ask that two recent articles from the Caterpillar "Bulldozer" newsletter be printed in the RECORD in order that my colleagues may be aware of the need for and benefits resulting from a company-directed program to combat alcohol abuse.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Caterpillar Bulldozer,
May 30, 1974]

IF DRINKING IS A PROBLEM YOU CAN RECEIVE HELP

Stop and think!

When was the last time you had too much to drink?

Was it three or four drinks?

Could you just possibly be suffering from the illness of alcoholism?

Every day, hundreds of people cross over the line. Approximately nine million Americans are alcoholics—many more millions are problem drinkers. "An alcoholic is someone whose drinking causes a continuing problem in any department of his life."

And the problem doesn't stop outside the gates of our plant. There are some employees—both men and women on all payrolls—who are having serious job performance difficulties because of excessive drinking.

"The unfortunate thing is that many individuals moving towards alcoholism won't admit it to themselves until the human costs are tremendous," says Dr. Robert Babick, Director of Medical Services.

"What I mean by human costs is the damaging results of alcoholism or other drug abuse to a person's mental, physical, and spiritual health. Also, the suffering this illness brings to an alcoholic's family."

Jim Cunnane joined the Medical Services staff several months ago to help coordinate the plant medical program for employees with drinking and/or other drug abuse problems.

"I want to stress that Jim is an important member of our medical staff," says Dr. Babick. "He has an extensive background in industry and the rehabilitation of alcoholics.

"Already, he is helping a number of employees having difficulties with alcohol. His counseling efforts are backed up by extensive outside rehabilitation programs when needed."

Dr. Babick encourages any employee who needs help to make an appointment with the Medical Department.

"All interviews are confidential." An employee can make an appointment through his supervisor or with Medical directly.

"No employee should feel embarrassed to come in. That's why we are here. We will do everything possible to help an individual who sincerely seeks it."

Dr. Babick pointed out that the typical alcoholic is between 35 and 50 years old. He is a skilled or semiskilled employee who usually owns his own home, has two children, and at least seven years' seniority.

"The average age of employees at our plant is 37.23 with 12 years of seniority," he relates. "We estimate through national statistics that approximately six percent of our employees are suffering from alcoholism."

Dr. Babick stresses that alcoholism is not limited to any sex or economic status.

"Sometimes we have found that a woman is more hesitant than a man in seeking help." But without help, it's very difficult for a person to lick this problem.

"Alcoholism is a progressive illness. It doesn't happen overnight. The sickness usually creeps up slowly on a person. He gradually crosses over into alcoholism without knowing it. Left untreated, it can be fatal."

But the illness is treatable and can be arrested. Dr. Babick indicated that Lutheran General Rehabilitation Center of Chicago reports 80% recovery rates for Industrial Alcoholism programs where there is direct involvement in treatment by the family and the employer.

"The Company stands ready to cooperate fully with any employee who recognizes he/she has an alcohol or other drug abuse problem and makes an effort to correct it," Dr. Babick concludes.

WHAT KIND OF DRINKER ARE YOU?

Do you think and talk about drinking often?

Do you drink more now than you used to?

Do you sometimes gulp drinks?

Do you often take a drink to help you relax?

Do you drink when you are alone?

Do you sometimes forget what happened while you were drinking?

Do you keep a bottle hidden somewhere—at home or at work—for quick pick-me-ups?

Do you need a drink to have fun?

Do you ever just start drinking without really thinking about it?

Do you drink in the morning to relieve a hangover?

If you answered "yes" to any of these questions, you may want to do some serious thinking about the way you use alcohol.

[From the Caterpillar Bulldozer, July 9, 1974]

YOU CAN RECEIVE HELP: IF DRINKING IS A PROBLEM

EDITOR'S NOTE: (Employees suffering from alcohol and/or other drug abuse illness may receive comprehensive help from Medical Services. An article in the May issue of "Bulldozer" briefly explained how an employee can obtain this help. Drexel White, president of Local 851, International Association of Machinists and Aerospace Workers, has recommended that the program be more fully explained in "Bulldozer." While endorsing this effort to help employees, White feels that some individuals with a drinking problem may be reluctant to seek help unless they first know all the facts. "An employee wants to know how seeking help will affect his job, his pay and his chances for advancement," White said. "And he wants to know how much this help is going to cost him." In response to White's suggestion, the following article uses a fictitious person to relate what does happen when an employee seeks Company help for an alcohol and/or drug abuse problem.)

Bill realized that he wasn't going to make it alone.

Bill, age 35, had worked for Caterpillar-Joliet for 15 years. He was a good employee and had progressed through several promotions. He lives in a nice neighborhood and in the past participated in several community activities.

Yet, Bill had been having problems in the last couple of years. His relationship with his wife and two sons was slowly disintegrating.

But then things really went bad. Bill had an auto accident and was ticketed for driving under the influence of alcohol.

Personal bills seemed to be piling up. He thought alcohol eased the tensions. He used to drink only after work. But lately, the drinking increased. He began taking a bottle to work with him in his car—sneaking a few belts before entering the plant.

The ache in his stomach during work bothered him. Only a drink seemed to soothe the pain. He began missing work more often because of heavy drinking hangovers.

ALWAYS SICK

Bill felt like he had a constant flu bug. Drinking became more important than eating or spending time with his family. He became totally preoccupied with drinking. His job performance began to suffer.

Still, Bill didn't think he had a drinking problem. He thought it was just daily pressures which forced him to drink often.

Then, Bill began to get scared. Occasionally he couldn't remember what happened after starting to drink heavily. This happened more and more often. The "blackouts" sapped his strength and ability to lead a normal life.

His family was suffering because of his drinking. Bill realized that he needed help. The tremendous obsession and compulsion to drink was consuming his life.

So what could he do?

Bill heard there was a program to help employees with drinking problems. He was fearful to take the first step. What would happen to him? Would he lose his job?

Finally, Bill decided to request an interview with Medical Services to discuss his problem. It was the first step to recovery.

Bill went in for the interview. He talked with Jim Cunnane, coordinator in Medical Services for employees with alcohol and/or other drug abuse problems.

NEEDED DATA

Cunnane explained that Medical would do everything possible to help him arrest his drinking problem. Also, that alcoholism is an illness—an illness that if left untreated can be fatal.

Bill was relieved to find out that no record of his problem would be placed in his Caterpillar Personal History Folder. This was a medical matter and all information was strictly confidential.

But, Bill had to do his part. He sincerely had to cooperate in the treatment of his illness.

Bill's situation was thoroughly evaluated under the direction of Dr. Robert Babick, manager of Medical Services. Cunnane handled the confidential personal interviews—utilizing his extensive background in the rehabilitation of alcoholics—to help make a recommendation on Bill's case.

Medical recommended that Bill participate in a voluntary rehabilitation program for alcoholics at Lutheran General Hospital, Park Ridge, Ill.—considered by professionals to be an outstanding program.

Cunnane explained that Lutheran General Hospital's Rehabilitation Center is a self-contained world of academic-looking lecture rooms and library, deep-carpeted group rooms, comfortable lounges and recreation rooms. With "motel-like bedrooms" and pleasant surroundings, the center offers a challenging 25-day rehabilitation program where the alcoholic has the maximum opportunity for recovery.

Men and women from all walks of life—blue collar, white collar and professionals—have participated in the Lutheran General program with good results.

Cunnane also explained that the program cost is completely covered under Bill's Employee Benefits Plan. While in treatment, he will receive weekly disability benefits. If needed, Bill first would experience a short detoxification period, a "drying out," at Lutheran General Hospital under expert medical care. Then he enters a formally structured 21-day treatment program.

RIGHT DECISION

The choice was up to Bill. He decided to go to Lutheran General. And for Bill, the treatment program has been successful.

Though Bill will always be an alcoholic, he leads a normal life today. He participates in local Alcoholics Anonymous activities. His family members also take advantage of community supportive resource programs. They are vitally important in the total rehabilitation program. Medical Services keeps in touch with Bill to assure things are going well.

BILL IS SYMBOL

Though Bill doesn't exist, he does symbolize a number of employees now being helped by Medical Services because of alcohol and/or other drug abuse problems.

"We are dedicated to providing total quality medical care for all illnesses, including alcoholism," says Dr. Babick.

An employee who wishes to discuss a drinking and/or other drug abuse problem can on a confidential basis first discuss the problem with his supervisor, or call Medical direct, 6281.

CONSERVATION AND REHABILITATION PROGRAMS ON MILITARY RESERVATIONS

Mr. HART. Mr. President, I ask unanimous consent that the bill H.R. 11537 as passed by the Senate on July 15, 1974 be printed in the Record. While this is not the usual practice for House bills passed by the Senate, the Commerce Committee has received a number of requests for copies of the Senate-passed version of H.R. 11537. It would facilitate the distribution of this material if the bill could be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

H.R. 11537

An Act to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to promote effectual planning, development, maintenance and coordination of wildlife, fish and game conservation and rehabilitation in military reservations", approved September 15, 1960 (16 U.S.C. 670a–f), is amended—

(1) by inserting immediately after the first sentence of the first section thereof the following new sentence: "Such cooperative plan shall provide for (1) fish and wildlife habitat improvements or modifications, (2) range rehabilitation where necessary for support of wildlife and (3) control of off-road vehicle traffic."; and

(2) by amending section 6(b) thereof—

(A) by amending the first sentence thereof by inserting immediately after "July 1, 1971," the following: "and not to exceed $1,500,000 for the fiscal year beginning July 1, 1972, and for each of the next five fiscal years thereafter,"; and

(B) by inserting immediately before the last sentence thereof the following new sentence: "There is authorized to be appropriated to the Secretary of the Interior not to exceed $2,000,000 for the fiscal year beginning July 1, 1973, and for each of the next four fiscal years thereafter to enable the Secretary to carry out such functions and responsibilities as he may have under cooperative plans to which he is a party under this title."

Sec. 2. Such Act of September 15, 1960, is further amended by adding at the end thereof the following:

"TITLE II—CONSERVATION PROGRAMS ON CERTAIN PUBLIC LAND

"Sec. 201. (a) The Secretary of the Interior and the Secretary of Agriculture shall each, in cooperation with the State agencies and in accordance with comprehensive plans developed pursuant to section 202 of this title, plan, develop maintain, and coordinate programs for the conservation and rehabilitation of wildlife, fish, and game. Such conservation and rehabilitation programs shall include, but not be limited to, specific habitat improvement projects and related activities and adequate protection for species considered rare or endangered.

"(b) The Secretary of the Interior shall implement the conservation and rehabilitation programs required under subsection (a) of this section on public land under his jurisdiction. The Secretary of the Interior shall adopt, modify, and implement the conservation and rehabilitation programs required under such subsection (a) on public land under the jurisdiction of the Chairman but only with the prior written approval of the Atomic Energy Commission, and on public land under the jurisdiction of the Administrator, but only with the prior written approval of the Administrator. The Secretary of Agriculture shall implement such conservation and rehabilitation programs on public land under his jurisdiction.

"Sec. 202. (a)(1) The Secretary of the Interior shall develop, in consultation with the State agencies, a comprehensive plan for conservation and rehabilitation programs to be implemented on public land under his jurisdiction and the Secretary of Agriculture shall do the same in connection with public land under his jurisdiction.

"(2) The Secretary of the Interior shall develop, with the prior written approval of the Atomic Energy Commission, a comprehensive plan for conservation and rehabilitation programs to be implemented on public land under the jurisdiction of the Chairman and develop, with the prior written approval of the Administrator, a comprehensive plan for such programs to be implemented on public land under the jurisdiction of the Administrator. Each such plan shall be developed after the Secretary of the Interior makes, with the prior written approval of the Chairman or the Administrator, as the case may be, and in consultation with the State agencies, necessary studies and surveys of the land concerned to determine where conservation and rehabilitation programs are most needed.

"(b) Each comprehensive plan developed pursuant to this section shall be consistent with any overall land use and management plans for the lands involved. In any case in which hunting, trapping, or fishing (or any combination thereof) of resident fish and wildlife is to be permitted on public land under a comprehensive plan, such hunting, trapping, and fishing shall be conducted in accordance with applicable laws and regulations of the State in which such land is located.

"(c)(1) Each State agency may enter into a cooperative agreement with—

"(A) the Secretary of the Interior with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land which is under his jurisdiction;

"(B) the Secretary of Agriculture with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land which is under his jurisdiction; and

"(C) the Secretary of the Interior and the Chairman or the Administrator, as the case may be, with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land under the jurisdiction of the Chairman or the Administrator; except that before entering into any cooperative agreement which affects public land under the jurisdiction of the Chairman, the Secretary of the Interior shall obtain the prior written approval of the Atomic Energy Commission and before entering into any cooperative agreement which affects public lands under the jurisdiction of the Administrator, the Secretary of the Interior shall obtain the prior written approval of the Administrator.

"Conservation and rehabilitation programs developed and implemented pursuant to this title shall be deemed as supplemental to wildlife, fish, and game related programs conducted by the Secretaries of the Interior and

Agriculture pursuant to other provisions of law. Nothing in this Act shall be construed as limiting the authority of the Secretary of Agriculture or the Interior to manage the national forests or other public lands for wildlife and fish and other purposes in accordance with the Multiple Use—Sustained Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528–31) or other applicable authority."

"(2) Any conservation and rehabilitation program included within a cooperative agreement entered into under this subsection may be modified in a manner mutually agreeable to the State agency and the Secretary concerned (and the Chairman or the Administrator, as the case may be, if public land under his jurisdiction is involved). Before modifying any cooperative agreement which affects public land under the jurisdiction of the Chairman, the Secretary of the Interior shall obtain the prior written approval of the Atomic Energy Commission and before modifying any cooperative agreement which affects public land under the jurisdiction of the Administrator, the Secretary of the Interior shall obtain the prior written approval of the Administrator.

"(3) Each cooperative agreement entered into under this subsection shall—

"(A) specify those areas of public land within the State on which conservation and rehabilitation programs will be implemented;

"(B) provide for fish and wildlife habitat improvements or modifications, or both;

"(C) provide for range rehabilitation where necessay for support of wildlife;

"(D) provide adequate protections for fish and wildlife officially classified as rare or endangered by the U.S. Department of the Interior, or considered threatened, rare, or endangered by the State agency;"

"(E) require the control of off-road vehicle traffic;

"(F) if the issuance of public land area management stamps is agreed to pursuant to section 203(a) of this title—

"(i) contain such terms and conditions as are required under section 203(b) of this title;

"(ii) require the maintenance of accurate records and the filing of annual reports by the State agency to the Secretary of the Interior or the Secretary of Agriculture, or both, as the case may be, setting forth the amount and disposition of the fees collected for such stamps; and

"(iii) authorize the Secretary concerned and the Comptroller General of the United States, or their authorized representatives, to have access to such records for purposes of audit and examination; and

"(G) contain such other terms and conditions as the Secretary concerned and the State agency deem necessary and appropriate to carry out the purposes of this title.

A cooperative agreement may also provide for arrangements under which the Secretary concerned may authorize officers and employees of the State agency to enforce, or to assist in the enforcement of, section 204(a) of this title.

"(4) Except where limited under a comprehensive plan or pursuant to cooperative agreement, hunting, fishing, and trapping shall be permitted on public land which is the subject of a conservation and rehabilitation program implemented under this title.

"(5) The Secretary of the Interior and the Secretary of Agriculture, as the case may be, shall prescribe such regulations as are deemed necessary to control, in a manner consistent with the applicable comprehensive plan and cooperative agreement, the public use of public land which is the subject of any conservation and rehabilitation program implemented by him under this title.

"SEC. 203. (a) Any State agency may agree with the Secretary of the Interior and the Secretary of Agriculture (or with the Secretary of the Interior or the Secretary of Agriculture, as the case may be, if within the State concerned all conservation and rehabilitation programs under this title will be implemented by him) that no individual will be permitted to hunt, trap, or fish on any public land within the State which is subject to a conservation and rehabilitation program implemented under this title unless at the time such individual is engaged in such activity he has on his person a valid public land management area stamp issued pursuant to this section.

"(b) Any agreement made pursuant to subsection (a) of this section to require the issuance of public land management area stamps shall be subject to the following conditions:

"(1) Such stamps shall be issued, sold, and the fees therefor collected, by the State agency or by the authorized agents of such agency.

"(2) Notice of the requirement to possess such stamps shall be displayed prominently in all places where State hunting, trapping, or fishing licenses are sold. To the maximum extent practicable, the sale of such stamps shall be combined with the sale of such State hunting, trapping, and fishing licenses.

(3) Except for expenses incurred in the printing, issuing, or selling of such stamps, the fees collected for such stamps by the State agency shall be utilized in carrying out conservation and rehabilitation programs implemented under this title in the State concerned and for no other purpose. If such programs are implemented by both the Secretary of the Interior and the Secretary of Agriculture in the State, the Secretaries shall mutually agree, on such basis as they deem reasonable, on the proportion of such fees that shall be applied by the State agency to their respective programs.

(4) The purchase of any such stamp shall entitle the purchaser thereof to hunt, trap, and fish on any public land within such State which is the subject of a conservation or rehabilitation program implemented under this title except to the extent that the public use of such land is limited pursuant to a comprehensive plan or cooperative agreement; but the purchase of any such stamp shall not be construed as (A) eliminating the requirement for the purchase of a migratory bird hunting stamp as set forth in the first section of the Act of March 16, 1934, commonly referred to as the Migratory Bird Hunting Stamp Act (16 U.S.C. 718a), or (B) relieving the purchaser from compliance with any applicable State game and fish laws and regulations.

(5) The amount of the fee to be charged for such stamps, the age at which the individual is required to acquire such a stamp, and the expiration date for such stamps shall be mutually agreed upon by the State agency and the Secretary or Secretaries concerned; except that each such stamp shall be void not later than one year after the date of issuance.

(6) Each such stamp must be validated by the purchaser thereof by signing his name across the face of the stamp.

(7) Any individual to whom a stamp is sold pursuant to this section shall upon request exhibit such stamp for inspection to any officer or employee of the Department of the Interior or the Department of Agriculture, or to any other person who is authorized to enforce section 204(a) of this title.

"SEC. 204. (a)(1) Any person who hunts, traps, or fishes on any public land which is subject to a conservation and rehabilitation program implemented under this title without having on his person a valid public land management area stamp, if the possession of such a stamp is required, shall be fined not more than $1,000, or imprisoned for not more than six months or both.

"(2) Any person who knowingly violates or fails to comply with any regulations prescribed under section 202(c)(5) of this title shall be fined not more than $500, or imprisoned not more than six months, or both.

"(b)(1) For the purpose of enforcing subsection (a) of this section, the Secretary of the Interior and the Secretary of Agriculture may designate any employee of their respective departments to (i) carry firearms; (ii) execute and serve any warrant or other process issued by a court or officer of competent jurisdiction; (iii) make arrests without warrant or process for a misdemeanor he has reasonable grounds to believe is being committed in his presence or view; (iv) search without warrant or process any person, place, or conveyance as provided by law; and (v) seize without warrant or process any evidentiary item as provided by law."

"(3) Any person charged with committing any offense under subsection (a) of this section may be tried and sentenced by any United States magistrate designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided for in section 3401 of title 18, United States Code.

"(c) All guns, traps, nets, and other equipment, vessels, vehicles, and other means of transportation used by any person when engaged in committing an offense under subsection (a) of this section shall be subject to forfeiture to the United States and may be seized and held pending the prosecution of any person arrested for committing such offense. Upon conviction for such offense, such forfeiture may be adjudicated as a penalty in addition to any other provided for committing such offense.

"(d) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the custom laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as such provisions of law are applicable and not inconsistent with the provisions of this section; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Department of the Treasury shall, for the purposes of this section, be exercised or performed by the Secretary of the Interior or the Secretary of Agriculture, as the case may be, or by such persons as he may designate.

"SEC. 205. As used in this title—

"(1) The term 'Administrator' means the Administrator of the National Aeronautics and Space Administration.

"(2) The term 'Chairman' means the Chairman of the Atomic Enegry Commission.

"(3) The term 'off-road vehicle' means any motorized vehicle designed for, or capable of, cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland, or other natural terrain; but such term does not include—

"(A) any registered motorboat at the option of each State;

"(B) any military, fire, emergency, or law enforcement vehicle when used for emergency purposes; and

"(C) any vehicle the use of which is expressly authorized by the Secretary of the Interior or the Secretary of Agriculture under a permit, lease, license, or contract.

"(4) The term 'public land' means all lands under the respective jurisdiction of the Secretary of the Interior, the Secretary of Agriculture, the Chairman, and the Administrator, except land which is, or hereafter may be, within or designated as—

"(A) a military reservation;

"(B) units of the National Park System;

"(C) an area within the national wildlife refuge system;

"(D) Indian reservations;"

"(E) an area within an Indian reservation or land held in trust by the United States for an Indian or Indian tribe."

"(5) The term 'State agency' means the agency or agencies of a State responsible for the administration of the fish and game laws of the State.

"(6) The term 'conservation and rehabilitation programs' means to utilize those methods and procedures which are necessary to enhance wildlife, fish, and game resources to the maximum extent practicable on public lands subject to this title, including appropriate protection, consistent with any overall land use and management plans for the lands involved. Such methods and procedures shall include, but shall not be limited to, all activities associated with scientific resources management such as protection, research, census, law enforcement, habitat management, propagation, live trapping and transplantation, and regulated taking in conformance with the provisions of this title."

"Sec. 206. Notwithstanding any other provisions in this title, section 203 of this title shall not apply to land which is, or hereafter may be, within or designated as National Forest Service land or as Bureau of Land Management land of any State in which all Federal lands therein comprise 25 per centum or more of the total area of such State."

"Sec. 207. (a) There is authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1974, and for each of the next four fiscal years thereafter to enable the Department of the Interior to carry out its functions and responsibilities under this title.

"(b) There is authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1974, and for each of the next four fiscal years thereafter to enable the Department of Agriculture to carry out its functions and responsibilities under this title."

Sec. 3. Such Act of September 15, 1960, is further amended—

(1) by redesignating the first section and sections 2 through 6 as sections 101 through 106, respectively;

(2) by striking out "That the Secretary of Defense" in section 101 (as so redesignated) and inserting in lieu thereof the following:

"TITLE I—CONSERVATION PROGRAMS ON MILITARY RESERVATIONS

"Sec. 101. The Secretary of Defense";

(3) by striking out "Act" the first time it appears in the proviso to section 102 (as so redesignated) and inserting in lieu thereof "title";

(4) by striking out "Act" each place it appears in sections 104 and 106 (as so redesignated) and inserting in lieu thereof "title"; and

(5) by striking out "sections 1 and 2" in section 106 (as so redesignated) and inserting in lieu thereof "sections 101 and 102".

"Sec. 208. Nothing in this Act shall enlarge or diminish or in any way affect the rights of Indians or Indian tribes to the use of water or natural resources or their rights to fish, trap, or hunt wildlife as secured by statute, agreement, treaty, Executive order, or court decree. Nor will any provision of the Act enlarge or diminish or in any way affect existing State or Federal jurisdiction to regulate those rights either on or off reservations."

Sec. 4. Nothing in this Act shall in any way affect the jurisdiction, authority, duties or activities of the Joint Federal-State Land Use Planning Commission established pursuant to section 17 of the Alaska Native Claims Settlement Act (85 Stat. 688). And, any comprehensive plan promulgated pursuant to this Act for Alaska shall be submitted to such Commission for its advice and comments prior to its approval.

INDOCHINA AID

Mr. KENNEDY. Mr. President, the Congress will soon consider the administration's budget requests for the so-called Indochina Postwar Reconstruction program—a $943 million request for this coming fiscal year, or nearly double that authorized last year.

Of this amount, well over half will go to purchase commodities for the Commercial Import Program in South Vietnam or to support the stabilization funds that help Cambodia and Laos close their foreign exchange gap. Less than a quarter of our aid to Indochina will be spent for humanitarian purposes and not much more will go to fulfill the objectives for which the program is labeled: "postwar reconstruction."

Instead, American money will buy commodities for rich merchants to sell or corrupt governments to dispense, and not to bring relief or rehabilitation to millions of war victims in need of help. We will continue to support war economies rather than help war victims.

Mr. President, the abuses and failures of our commodity import programs in Indochina have been documented and exposed for a number of years. Yet, this administration seems determined to repeat the failures of the past. The name of the program changes, but the purposes of the program remains the same.

Nowhere is this stated more clearly than in a news dispatch yesterday by Mr. Tammy Arbuckle in the Washington Star-News. He once again reviews the corruption and abuses which surround our AID program in Laos and Cambodia, suggesting it will remain this way so long as we are more interested in supplying commodities for Indochina instead of providing humanitarian assistance.

Mr. Arbuckle's article is a sobering reminder to Congress that, as we consider this year's foreign assistance bill, there are some long overdue reforms that must be made in our Indochina program. In the absence of any meaningful change by the administration, the Congress must act to change the character and level of our aid program, and to establish a humanitarian priority.

Mr. President, I would like to draw the attention of all Senators to the article by Mr. Arbuckle, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star-News, July 30, 1974]

Laos Programs: Good and Bad AID Work

(By Tammy Arbuckle)

Vientiane.—A huge waste of American aid funds in Indochina, combined with the failure of the U.S. Agency for International Development to achieve its objectives in the area, makes necessary a searching appraisal of America's Indochina aid program, U.S. officials in the area say.

"I guess we know only how to do things the most expensive way," a senior USAID official said, trying to explain away the high cost of a tiny project in northwest Laos, the construction of a market, completed in March, in the town of Ban Houei Sai.

This market covers only 1,400 square meters and consists of only a concrete floor, cement pillars and a tin roof with no walls for coolness. USAID's share of the cost of construction materials, equipment and personnel alone was $32,533, calculating at the official exchange rate of 600 kip to one dollar.

To make matters worse, the USAID-built market is placed to cause the maximum inconvenience for the local people who are supposed to use it, USAID critics says.

Americans said the market is placed at the rear of the town, far from the center of commercial activity—the main street along the Mekong bank where Thai traders from across the river come to trade with the hill tribes, often using their profits to buy other items before returning to their villages. USAID sources admit the market location is bad and has made America look stupid. AID officials' defense is that the market is located on the only piece of ground available.

Nobody can find fault with the work of USAID field officer Frank Bewitz in Laos' northern capital, Luang Prabang. For an outlay of only $2,000 and some technical knowledge and skill with his hands Bewitz has given the close to 4,000 inhabitants of Pak Ou a town north of Luang Prabang, a complete potable water system using new type plastic tubing for waterpipes.

USAID's food and nutrition program in South Vietnam and humanitarian programs in Cambodia are certainly worth continuing, along with the agency's malaria eradication program in Laos.

Falsipiral malaria is a deadly killer in Laos, but USAID teams, in cooperation with the International Red Cross, spray Laos valleys, slowly clearing mosquitoes from some areas.

The malaria program, one of the few efforts which bring immediate, obvious help to poorer people and earn the gratitude on which political succes can be built, lacks funds.

With so many aspects of good and bad, and with such a complex set of programs it is difficult to decide what aid to continue and how much to spend.

This year the Nixon administration is asking for more aid money in Indochina than ever anywhere else—a total of $939.8 million

This money is for a multilateral aid program in Indochina which has three basic components: One is humanitarian aid; the second is development aid, this year being sold to congress under the rather dubious label of reconstruction; and the third is aid to save currencies and keep an artificially high standard of living for political reasons.

Many U.S. officials in Indochina missions and some brighter young Vietnamese, Cambodian and Lao officials believe USAID should should be revamped along different lines, with much of third part of the aid program cut out and American spending cut drastically.

These sources advocate that aid should reach directly to the bottom of the economic and social scale—to the man in the street, or ricefield, of Indochina—and that those programs which cause U.S. funds to filter only partially from the top to the bottom of society here should, at the very least, be reassessed and preferably should be severely cut.

This would mean that USAID's emphasis would be placed on the humanitarian and field programs.

The $170.3 million for humanitarian uses included in this year's Foreign aid bill achieves the twin objectives of reaching people who need it most and of letting poorer people in the region see the United States is really trying to do something to help them. The ordinary people of Indochina continue to prove a fruitful field for Communist cadres—which is itself an indictment of aid.

Although there is maladministration and corruption in some of these programs, the sources say humanitarian programs are successful because they are something which affects large numbers of people, something tangible.

So, too, is much of the development program—the building of schools and hospitals, for example—but not enough to justify the amounts asked for by the administration this year, according to critics.

The administration is seeking $227.7 million for development aid in South Vietnam and $22.4 million for Laos, with nothing for Cambodia.

President Nixon's tagging of those programs as reconstruction in his congressional request last April is seen as a political gimmick to give the impression something has been achieved in Indochina and give congress, heart a nudge. In requesting Indochina aid the president said the money was to assist Indochina nations "in their efforts to shift their economies from war to peace," but in South Vietnam the war is boiling on, making reconstruction pointless. In Laos there is little fighting but the Communists whose area has the greatest war damage, will not permit any American entry for aid supervision.

All over south Vietnam and Laos USAID has constructed stone buildings for various purposes at great cost: markets, for example.

Every population centre always had its markets. To construct a new market adds precisely zero to the economy. All the dirt of the old market is shifted to the new American-built market.

"It's a political thing so that the people can see the USAID handshake on the wall," a U.S. offical said, but "the handshake soon disappears under a coating of dirt."

The most flagrant abuses of aid are practiced in the Cambodian commodity import program, for which $71 million is asked this fiscal year, the Cambodian exchange support fund and the Laos foreign exchange operations fund, budgeted at $17.5 million each.

South Vietnam does not have similar programs. A senior American aid official there labels them "economically unsound" and says they are not in Vietnam because U.S. officals there know they don't work.

But senior aid officials in Cambodia and Laos, because the three programs are part of a web of U.S. political support for the governments there, fight to keep the programs even when they demonstrably fail.

The three programs are related to increased Cambodian and Lao government spending which causes deficit budgets.

They were begun in an effort to soak up extra money generated by war in these countries and stabilize the Cambodian rial and Lao kip monetary units.

But the aims of the program have been frustrated by corruption of the Vietnamese and Chinese who control these countries economies and high-ranking Lao and Cambodian official who's WHO officials have stolen U.S. funds.

In the commodity import program the merchants in Cambodia receive goods cheaply and sell them at a high price, as there are no price controls.

This defeats the purpose of making cheap goods available to large numbers of the population, who see goods displayed which they can't afford, arousing political discontent.

High profits for the Chinese produce large withdrawals in the fund as these merchants convert their profits back into dollars. Sometimes dollars are taken out through false invoicing for non-existent goods.

Because of the heavy imports, there is no incentive for staple goods, such to be locally produced. Thus, in Laos, there are no exports to give real backing to the kip currency.

The system does nothing to stop inflation. In Laos there has been over 70 percent inflation since January. In Cambodia, the figure is about 30 percent.

To make matters worse, the Cambodians and Laotians will not cut deficit spending. Nor will they devalue fast enough. And they cannot or will not institute price controls.

In Laos the program has turned out particularly badly for the United States. The Communists in the coalition government refuse to devaluate or institute price controls and spend government funds as fast as they can.

Among the uneducated population, the communist cadres successfully—and falsely—claim the Americans are taking dollars away, causing inflation and devaluation. The United States gets the blame from the Lao public sick of inflation and tired of seeing luxuries it can't buy.

Detractors of the aid schemes suggest Congress could phase out the import programs gradually.

They argue that the Lao and Cambodian governments then would realize the United States can't support them forever. The governments would be forced to devalue their currencies slowly thus avoiding sudden political collapse, the critics say, and would have to cut spending and institute price controls.

Critics argue that, because the programs widen the gap between rich and poor, there would be a political collapse, anyway.

U.S. officials unhappy with the programs point out the Communists are stronger than ever Indochina and therefore USAID, in its present form has failed after fifteen years of trying.

RESTORATION OF CITIZENSHIP TO GEN. ROBERT E. LEE

Mr. HARRY F. BYRD, JR. Mr. President, I am pleased to announce that the distinguished Senator from Georgia (Mr. NUNN) has asked to be added as a cosponsor of Senate Joint Resolution 189, a measure to restore posthumously full rights of citizenship to Gen. Robert E. Lee.

In asking that Senator NUNN be included as a cosponsor of this resolution, I think it is fitting to note that he joins Senators THURMOND, WILLIAM L. SCOTT, GRAVEL, HUMPHREY, HELMS, PERCY, GURNEY, and TOWER, all of whom are already cosponsors of the measure.

I would also like to bring to the attention of my colleagues that on July 6, 1974, the Reserve Officers Association of the United States formally endorsed this resolution. I attach particular importance to the unanimous action of this national organization at its annual convention in Atlanta, Ga.

As many of my colleagues know, the Reserve Officers Association of the United States carriers a membership which now exceeds 90,000. The ROA National Convention drew over 1,000 delegates representing every State in the Union. Their act reaffirms my representation to the Senate when I introduced this measure on February 21, 1974: this proposal speaks not to sectionalism, but instead expresses unanimity of thoughts in tribute, respect, and with a sense of justice to one of America's greatest men—Gen. Robert E. Lee.

I ask unanimous consent that the distinguished Senator from Georgia (Mr. NUNN) be added as a cosponsor of Senate Joint Resolution 189, and that the text of the standing mandate of the Reserve Officers Association of the United States be printed in the RECORD.

There being no objection, the mandate was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 5—RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES STANDING MANDATE

RESTORE THE U.S. CITIZENSHIP OF ROBERT E. LEE

Whereas, Robert E. Lee, the Confederacy's greatest general and one of Virginia's most distinguished sons, whom the entire nation has long recognized because of his outstanding virtues of courage, patriotism and selfless devotion to duty, and his contribution in healing the wounds of the War Between the States, did not have his United States citizenship restored after the War Between the States, and

Whereas, previous attempts have failed to restore his citizenship primarily because there had been no proof that he had ever complied with the requirements of amnesty by swearing "to support, protect, and defend the Constitution of the United States," and

Whereas, archivists in the National Archives in 1970 discovered his amnesty oath taken at Washington College in Lexington, Virginia, on October 2, 1865, and his application for reinstatement of citizenship submitted to President Andrew Johnson after being favorably endorsed by General Ulysses S. Grant on June 16, 1865, and

Whereas, the Robert E. Lee Chapter of ROA was named after this distinguished citizen-soldier who resided in Arlington, Virginia, and

Whereas, Senator Harry F. Byrd, Jr., and Representative Thomas N. Downing introduced Joint Resolutions on February 21, 1974, and March 6, 1974, respectively, to restore General Lee's citizenship,

Now therefore be it resolved that the Reserve Officers Association of the United States endorses the resolutions made by Senator Byrd and Representative Downing to restore posthumously United States citizenship to Robert E. Lee.

ADM. ELMO RUSSELL ZUMWALT, JR.

Mr. PROXMIRE. Mr. President, Adm. Elmo Russell Zumwalt, Jr., who has ended his 4-year tour as Chief of Naval Operations, moved decisively and boldly to reinvigorate the tradition-bound U.S. Navy. He made sweeping changes within his service, challenging old assumptions and testing new ideas.

In many ways, the changes initiated under Adimral Zumwalt's leadership may prove as revolutionary to the service and our Armed Forces as the shift from sail to steam that occurred well over a century ago.

Admiral Zumwalt is a unique and extremely well qualified officer. His broad background and assignments were not restricted to ship commands or to any single area of operations but were spread out among many fields of opportunity. This gave him a sure grasp of the key aspects of naval policies and operations. Diverse duties, both ashore and afloat, from service abroad various combatant vessels to the Naval ROTC program, and tours in the Pentagon, culminated in a year as the Naval Component Commander of the Military Assistance Command of Vietnam.

The CNO's long and varied career included three major areas that prepared him well for the rigors of command as Chief of Naval Operations .

SYSTEMS ANALYISIS

The first of these areas was systems analysis. When Secretary of Defense Robert McNamara introduced this technique into the Department, Admiral Zumwalt undertook to direct a systems analysis group within the Office of the Chief of Naval Operations. He became one of the first contemporary naval officers to use this approach in evaluation and problem-solving and did much to spread its theories throughout the U.S. Navy.

Admiral Zumwalt served as Deputy Scientific Officer to the Center for Naval Analysis during 1966 to 1968 and was instrumental in restructuring the Center's approach to problem-solving. It is important to note that while serving as Director of the Systems Analysis Group, he was the personal representative of the Chief of Naval Operations, not only in dealings within the Defense Department, but also in testifying before congressional committees. For his work in system analysis Admiral Zumwalt was awarded the Distinguished Service Medal for "establishing the system analysis division and rapidly developing it into a highly effective, and responsive organization."

INTERNATIONAL AFFAIRS

The second important area of specialty was international affairs. In June 1962, he was assigned to the Office of the Assistant Secretary of Defense for International Security Affairs—ISA. At that time, ISA was an extremely important element in coordinating international and defense-related policies with DOD. Because of its influence in foreign policy it was often called the "Pentagon's little State Department."

Within this center for political-military planning, Admiral Zumwalt first served as desk officer for France, Spain, and Portugal, then as Director of Arms Control and Contingency Planning for Cuba. In addition to these assignments within ISA, Admiral Zumwalt served in the highest councils of the Navy, becoming the executive assistant and senior aide to the Honorable Paul H. Nitze, Secretary of the Navy.

His subsequent studies from the National War College prepared him to participate in joint, high level command and staff functions, and to execute national policy and strategy. For his activity and outstanding service within the offices of the Secretary of Defense and Secretary of the Navy, Admiral Zumwalt was awarded the Legion of Merit.

PERSONNEL POLICIES

The third specialty area was in the field of personnel.

Admiral Zumwalt did not develop a "people"-oriented attitude while in the CNO's position. His interest in personnel dates back to his early years in the U.S. Navy.

In June of 1953 he was assigned as Head of the Shore and Overseas Bases Section, Bureau of Navy Personnel at the Navy Department. He also served as officer and enlisted requirements officer and as action officer on medicare legislation. Undoubtedly, his first impressions toward Navy personnel policies and possible reforms within this area developed during this early period. After serving a brief tour of duty commanding a destroyer, he returned to the Bureau of Naval Personnel in 1957 and in 1958 was transferred to the Office of the Assistant Secretary of the Navy for Personnel and Reserve Forces.

In this position he served as Special Assistant for Naval Personnel until November 1958 then as Executive Assistant and Senior Aid until July 1959. Unquestionably, Admiral Zumwalt's tour as a personnel officer, together with his several sea commands in the U.S. Navy provided him with the necessary background, information, insight and appreciation of the problems and conflicts encountered by Navy men and women. As CNO the Admiral's flexibility in applying traditional Navy policies, his perseverance in initiating reforms, and his drive and energy to achieve the "impossible" in personnel relations undoubtedly came as a direct result of his own experiences.

MANPOWER REQUIREMENTS

On becoming Chief of Naval Operations in 1970, Admiral Zumwalt was faced with the Navy's most serious problem of manpower requirements. Still at war, both in and off Vietnam, the Navy was losing sailors at an alarming rate. Only 10 percent of the seamen on their first tour of duty were reenlisting. On Atlantic fleet aircraft carriers the rate was less than 3 percent. "In a highly technical organization," the CNO said at that time, "our retention problem borders on the verge of a catastrophic personnel crisis." The rising sophistication of weaponry demanded retention of trained and experienced personnel, especially in the fields of electronics and aviation machinery repair.

Admiral Zumwalt was idealy suited to communicate with younger enlisted and officer Navy men and women. He could reach them because he knew their problems, but more important, because he was both mentally and physically young and wanted to help. At the age of 44, he was the youngest naval officer ever promoted to rear admiral, and at the age of 49 the youngest four-star admiral in U.S. Naval history and the youngest to serve as U.S. Chief of Naval Operations. His youth was an important asset in better understanding, relating, and dealing with the great problems that beset the new and old recruits of the modern Navy. In order to move that huge Navy organization toward positive and progressive reforms it took a youthful, energetic, and dynamic personality. Admiral Zumwalt was that man.

THE Z-GRAMS

Three months to the day after moving in his office as CNO, Admiral Zumwalt issued the first of his now famous Z-grams. The purpose was to establish a study group to discover why Navy men were failing to reenlist. Ever since then, Admiral Zumwalt sought to make the Navy challenging enough to attract volunteers and retain trained personnel.

Admiral Zumwalt labeled the most important Navy communications with his initial to let Navy men know where they came from and where feedback could be directed. There have been more than 120 "Z-grams," with 104, or 87 percent, of these communications directly related to personnel problems. The admiral himself has called them "people programs," and has said that the "worth and personal dignity of the individual must be forcefully reaffirmed." He has brought about a revolution in personnel reforms and has issued Z-grams that:

Direct every base, station, air squadron, and ship commander to appoint minority group representatives to serve as minority affairs assistants with direct access to the commanding officer.

Launched a campaign to recruit more blacks officers and enlisted men, eliminate bias in job assignments and, in general, to transform the Navy into a "model of equal opportunity" by 1976.

Authorized beer vending machines in Navy barracks and liquor in those barracks which are divided into rooms; set up experimental hard-rock music clubs at five naval stations; abolished penalties for moustaches, beards, sideburns and longer hair; liberalized regulations on wearing uniforms; and knocked out a rule barring sailors from driving motorcycles onto Naval bases.

Abolished, effective July 1, 1973, the traditional sailor suit—with its round hat, jumper, necktie, flap on the back of the neck, and bell-bottom trousers—and replaced with the same double-breasted jacket, blue trousers, black tie and white cap worn by officers. Admiral Zumwalt said the old uniforms were just "not as prestigious as the suit and tie."

Ordered the opening of many new Navy billets to women and said the assignment of women aboard warships was the "ultimate goal" that will be timed to ratification of the women's equal rights amendment to the Constitution of the United States.

Other Z-grams forbade imposing a lower maximum for an enlisted man's personal checks on base than for an officer's [now its $50 for all], set 15 minutes as the maximum time any sailor should be ordered to wait in line for anything and established a new office in the Bureau of Naval Personnel called PERS–P to help Navy men solve their individual problems.

In a survey of nearly 12,000 enlisted men taken in 1971, 86 percent said the Z-grams had been good and a majority said Navy life had improved in 5 out of 8 areas. About half thought that there had been improvements in the field of human rights. The innovator and man most responsible for these reforms is Adm. Elmo Zumwalt.

ALL VOLUNTEER FORCE

In a recent interview the admiral said that he was motivated by two concerns. One was a belief that if the Navy were to compete for manpower in a day of an all-volunteer force, it had to recognize the legitimate desire of young men "to live in the lifestyle of their generation." The other was that racial integration of the Navy was a challenge so absolutely important and right that it just had "to be waded into." Admiral Zumwalt saw vindication for his reforms in the rising enlistment and reenlistment figures, which are also regarded as a good barometer of Navy morale.

Today, 4 years after Admiral Zumwalt took office, reenlistments are up 23 percent for first-tour sailors and have risen from the 80's to 91 percent for career personnel. It is widely recognized in the Navy that from the first day on the job Admiral Zumwalt set about to improve the life of the ordinary seaman by eliminating unnecessary irritants and by treating Navy men as mature individuals.

On the question of racial integration in the Navy, the number of black officers has increased from three quarters of 1 percent to 1.5 percent and the number of black enlisted men from 4.4 percent to 8 percent. The first black admiral, Samuel L. Gravely, Jr., was appointed under Admiral Zumwalt and recently a second black officer, Gerald E. Thomas, has been selected for promotion to rear admiral.

Although the Z-grams particularly caught the public eye, Admiral Zumwalt also innovated a series of face-to-face meetings with members of his command. He has made himself highly visible to all hands, but especially to the enlisted personnel. The admiral has held numerous question-and-answer conferences with the men and women of the Navy in various parts of the country and the world in a continuing effort to ascertain sources of dissatisfaction and to find ready solutions to individual or collective problems.

The admiral has devised and established a "mod squad" destroyer squadron operating in the Mediterranean Sea. In this experimental project all the commanding officers, executive officers, and department heads of the seven destroyers are a rank lower than is normal for such key positions. And the skippers, execs, and senior officers, therefore, are several years younger and have perhaps only half the naval experience of officers who traditionally fill such seagoing posts. Admiral Zumwalt explained that this experiment was designed to give up-and-coming young officers an earlier crack at senior command billets, thus utilizing their talents sooner and providing an incentive for the brightest young officers to remain in the Navy. He may have summed up his philosophy on personnel relations when he said, "my first move is to retain the best I can find. In my book, people come first."

Mr. President, Admiral Zumwalt and I have had any number of disputes. We have argued about the strength of the U.S. Navy and the strength of the Soviet Navy. We have debated strategy and tactics. In many cases I have thought that he presented only the bleak picture of the threat in order to justify larger Navy expenditures.

But through it all I recognized the CNO as an effective, persuasive, and vigorous proponent of the Navy viewpoint.

He has my respect.

SANTA MONICA MOUNTAINS NATIONAL URBAN PARK AND SEASHORE

Mr. CRANSTON. Mr. President, I recently had the pleasure of testifying before an Interior Subcommittee on Parks and Recreation hearing, chaired by Senator BENNETT JOHNSTON, on a bill to establish the Santa Monica Mountains National Urban Park and Seashore, a bill I have cosponsored with my California colleague, Senator JOHN V. TUNNEY.

There is a real need for an urban recreation area for metropolitan Los Angeles. I believe firmly that the Federal Government has a responsibility to help provide this area not only for the 10 million residents in the Los Angeles basin, but for the many thousands of Americans from all over the country who visit southern California each year.

I ask unanimous consent that my testimony before the Interior Subcommittee be printed in the RECORD. I also ask unanimous consent that an article from the Sierra Club magazine be printed in the RECORD. This article describes vividly the tremendous urban pressures upon the Santa Monica Mountains for further development and expansion and, I believe, makes a persuasive case for the need to preserve this wide-open space for all times.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF U.S. SENATOR ALAN CRANSTON

Mr. Chairman, I am delighted that the Senate Interior Committee has scheduled this field hearing to consider legislation establishing a Santa Monica Mountains National Urban Park and Seashore. The bill is S. 1270, and I am a co-sponsor of this legislative attempt to preserve, as park land, this last remaining open space in the Los Angeles Basin.

I am especially pleased that this hearing is being convened here in Los Angeles. This is where the park is needed and where the park would be. And I am convinced that no better audio-visual aid exists anywhere in America to demonstrate the need for open space recreation areas for our millions of urban citizens.

Mr. Chairman, the issue before us is not simply the creation of another park. It goes right to the heart of a major national debate: the role of the federal government in providing its citizens with the elbow room to engage in a true pursuit of happiness.

Let me take just a few moments to put my views in perspective, by describing why I believe this measure is of transcendental importance to our concept of national parks and the future of open space recreation in America.

There is the intrinsic worth of the bill itself: The Santa Monica Mountains and adjacent coastline comprise over 200,000 acres of undeveloped land stretching from the beaches of Santa Monica Bay eastward to the coastal mountains and canyons of Los Angeles and Ventura Counties, from Griffith Park to Point Mugu. The landscape is varied—rolling hills and sandy beaches, stark cliffs and lush creek corridors, grasslands and chaparral. The plant and animal life is unique, for the Santa Monica Mountains is the only place in the western hemisphere with a Mediterranean-type climate. Sage, sumac, yucca and other foliage characteristic of the Mediterranean cover the hillsides. There is plenty of wildlife, including deer, coyote, bobcat, raccoon, rabbit, fox, and squirrel. Marsh and water birds are found along the coast.

The Santa Monica Mountains and seashore have tremendous value as open space and park land. The 10 million people living in metropolitan Los Angeles have less recreation land than any other urban dwellers in the United States, including New York. Existing public parks and beaches are consistently overcrowded. Campers frequently must be turned away from full campgrounds. As the population of Southern California increases by five percent each year, the demands on these facilities are being intensified and the need to develop new parks increases.

In addition, the Santa Monica Mountains serve as an important buffer against continuing urban sprawl, as an airshed, a refuge from urban pressures, and a resource for scientific studies.

These values are literally unquestioned. In its Santa Monica Mountains Study released last year, the Bureau of Outdoor Recreation clearly recognizes the values of the Santa Monica Mountains and notes the federal criteria the proposal meets.

The mountains are spacious; though not urban in character, they are within easy driving distance of the second largest urban area in the country. They are more than a regional resource; the fact that 5 percent of the nation's population visits Southern California each year to enjoy the sun and beaches makes the region, and the Santa Monica Mountains and seashore in particular, a national asset. Creation of an urban park would open up this vast area to the hundreds of thousands of vacationers, tourists and convention-goers who annually visit Los Angeles. The scale of investment, development and operation responsibilities require direct federal involvement.

But the Bureau contends that a national recreation area in the Santa Monica Mountains area cannot be justified under current federal guidelines—guidelines which dictate higher recreation carrying capacities for the area to be served.

I think these guidelines are completely out of date. But their continued use poses an important question, central to the federal role in meeting our recreation needs: Are parks to fit the needs of people, or are people to fit the needs of parks?

The effect of what the Bureau is saying is clear: If the proposed Santa Monica Mountains recreation area cannot support the number of visitors the Bureau thinks it should, then it shall not be a recreation area under federal sponsorship, and therefore quite possibly shall serve no people at all.

Mr. Chairman, the Bureau's guidelines for national recreation areas are over a decade old. They were drawn for an America that no longer fits the old specifications. They were written for an age when "energy crisis" was an unknown term, when heavy urbanization of our coastal areas had just begun, and bigger cars and better highways helped Americans escape the cities and reach the open spaces quickly and confidently.

This clearly is no longer the case. And America's "space for life" has declined to the point where we have barely room to breathe.

Of all the public open spaces we need, recreation space is at the top of the list.

Between 1950 and 1970, acreage in state park systems increased by over 80 percent while attendance increased more than 300 percent.

In our National Park System, acreage expanded by about 29 percent while the total number of visits soared more than 400 percent.

In urban areas, the need for open space is critical. And it is becoming clear that the acquisition of space will have to match the scale of the urban regions themselves.

In the words of the Rockefeller Panel on Urban Growth:

"Especially in newly urbanizing areas, we see both recreation and social needs best served by establishing as public policy that the limited natural supply of prime recreational open spaces, particularly beaches and other waterfront areas suitable for recreation, should, to the maximum feasible extent, be acquired by government, preserved, and made publicly accessible."

Even the Bureau of Outdoor Recreation—while opposing creation of this park—concedes that existing state, county, and city authorities cannot do the job alone. These units of government, by themselves, simply do not have the resources necessary to acquire threatened parklands quickly enough to prevent their being lost to incompatible development.

At the rate we are going, we are plainly in danger of being too late with too little. If we wait to move ahead, the land our citizens need will be vastly more expensive or much of it will no longer exist at all; cost then will no longer matter.

Mr. Chairman, I am aware that the Department of Interior's opposition to urban parks is not limited to our Santa Monica proposal. Also under fire from the Department is a proposed Cuyahoga Valley park between Akron and Cleveland, which also—according to Interior—fails to meet the criteria for "national significance."

What this means, I believe, is that the Department is determined to make the Cuyahoga bill and our proposal for a Santa Monica National Urban Park and Seashore into tests cases on the responsibility of the federal government in providing open space recreation for urban Americans.

And I want to serve notice, Mr. Chairman, that I am just as determined to do all I can to see that the federal government does not walk out on its basic responsibility to help provide *all* Americans with the space they need for recreation—not just those who can afford the cars, the gasoline, and the time to drive to a Yosemite or a Yellowstone.

I realize that there are enormous costs involved in buying up the Santa Monica Mountains. However, the federal government must not abandon the entire park proposal because of this. We should use our limited resources as effectively as possible to provide for public recreation needs.

If the federal government's investment in the Santa Monica Mountains is to be limited, it should be concentrated along Mulholland Drive. Preservation of this thoroughfare is the key to controlling development throughout the Santa Monica Mountains.

Last year the Los Angeles City Council adopted the report of the Citizens' Advisory Committee for the Mulholland Scenic Parkway, protecting Mulholland Drive within the City as a low-volume, slow-speed scenic parkway with two lanes, one in each direction. But the action is limited to the City of Los Angeles and can be reversed.

There will undoubtedly be pressures for zoning changes, and efforts to widen the main access road into the mountains. Without involvement of government beyond the local level, permanent protection is not yet assured. The 53-mile Mulholland Drive—extending from the Hollywood Freeway to the Pacific Coast Highway—serves as a connecting link between existing chain of state and local parks. Federal acquisition of this roadway and the establishment of a scenic corridor with overlooks, picnic areas, bike and horse paths, would reinforce previous state and local efforts, and would be an important start in the preservation of this natural environment.

Breathing Space for Los Angeles—The Mountains and the Megalopolis

(By Joseph E. Brown)

On a balmy spring morning a lizard, in retreat from the sun's increasing heat, slithers beneath a sumac bush. Not far away, a young gray fox pauses to slake his thirst at a small stream, flanked by graceful laurels and willows standing motionless on this breathless, windless day. Then he scurries up a ridge toward a sandstone peak. To the southwest, beyond the shoreline at the mountains' feet, beyond sight or hearing of either lizard or fox but surveyed by a flock of terns, three California gray whales lumber northward. Their destination: the Arctic, their annual migration to the Baja California calving grounds fulfilled once again.

There is much more in these Santa Monica mountains, along this seashore—hidden valleys, steep cliffs, submarine canyons, placid ponds, and shady groves. Companions of the fox: bobcat, coyote, ground squirrel, deer. Waterbirds and shorebirds. And an archaeological treasure: more than 600 Indian sites dating back nearly 7,000 years identified so far, possibly only a tenth of the number still awaiting discovery.

The Santa Monica Mountains, running roughly east-west parallel to the meandering Pacific shoreline, rise abruptly out of the agricultural Oxnard plain in the west; and in the east the range buries its feet beneath the asphalt of freeways and the concrete and glass of highrises almost at the heart of downtown Los Angeles. To the north lies the sprawl of the heavily populated San Fernando Valley, but to the south the range adjoins one of the most outstanding marine areas left between Santa Barbara and San Clemente, containing an extremely rich marine biota, kelp beds, and a spectacular stretch of sand beaches and rocky headlands. Together, mountains and shore contribute to Los Angeles' physical identity, provide a clean airshed for smog-contaminated inland cities, offer recreational alternatives to overused Southern California beaches, and support a surprising variety of plant and animal species.

They are not Alps, these mountains. One would hesitate to equate them with some of California's other natural wonders—Lake Tahoe, for example, or Yosemite, or the giant redwoods. Yet to the ten million residents of the Los Angeles megalopolis, the 46-mile-long, 10-mile-wide, 220,000-acre Santa Monica mountain range and its neighboring shoreline are far more important. For Los Angeles has less public lands and parks than any other American city, including New York. Worse, open space continues to shrink as the population expands. (Although 1970 marked the first time that more residents left Los Angeles County than arrived, adjacent Orange and Ventura ranked as California's fastest-growing counties of the sixties.) The Santa Monicas constitute the last surviving unpreserved open space close by the nation's second most populous urban area. So to Los Angeles' millions, this geologically, biologically, and geographically diverse mountain range is a backyard Big Sur, an Everyman's Sierra Nevada—so close that from downtown Los Angeles, the most distant point of the range is only 90 minutes away by automobile.

Ironically, the very attribute that makes this range especially valuable as open space—its proximity to a giant urban area—also makes it attractive to developers. And now, as never before, these mountains and the adjacent seashore are threatened by mindless development. If they are lost, not only will Los Angeles and California be poorer, but the entire nation as well, for this society can no longer afford to squander its resources, especially when the welfare of one of its largest cities is at stake.

Los Angeles needs all the open space it can get, and if the Santa Monicas are lost—when the need to preserve them is so clear and the means of doing so near at hand—what hope for other cities and regions to preserve the lands necessary and dear to them? Setting aside open space adjacent to urban areas is essential if our cities are to retain even the semblance of livability. The precedent for doing so exists in the two recently established national urban recreation areas in New York and San Francisco, and in many smaller open-space programs in other cities. It only remains for environmentalists to persuade federal, state, and local governments that such examples should be emulated in every urban area. Right now, the need for doing so is nowhere greater than in Los Angeles.

The bulldozer is at work on the Santa Monicas at the eastern end, near the heart of megalopolis; on the north, close to the heavily trafficked Ventura Freeway; and increasingly along the scenic Pacific Coast Highway to the south. Already, homes and apartments occupy about 32,000 acres, only 1,000 acres less than city, country, and state governments, and private property owners have been thoughtful enough to set aside for recreation and open space. Another 1,000 acres now supports a welter of commercial and industrial enterprises, ranging from shopping centers to gas stations and from movie studios to warehouses. Still another 5,800 acres remain as farmland. Only 150,000 acres—most of it in private ownership—remain in the Santa Monicas for badly needed open space. In another month or two—possibly three—the stage will be set for what possibly could be the Santa Monicas' last chance for survival as an open-space resource.

For years, the Sierra Club and other conservation organizations have advocated preserving the Santa Monicas as open space. Now, action finally seems possible. In January, 1973, for the second year in a row, California Senator John Tunney introduced a bill which would create a 100,000-acre Santa Monica Mountain and Seashore National Urban Park. This legislation, almost identical to another Tunney bill which wasn't heard in Congress last year, gives special priority to acquiring areas of "scenic, recreational, and open-space value." It initially appropriates $30 million for land-use study and acquisition, and, just as significantly, urges consideration of a regional commission to put the program into motion.

It also urges rigid land-use controls as safeguards against the "grow or die" philosophy to which local governments are traditionally prone. Although the exact boundaries for the park would not be determined until later (a deterrent to land speculators), the giant park would generally encompass the area east of the San Diego Freeway along the crest of the range to Griffith Park, and west of the freeway from Sunset Boulevard to Point Mugu. It would also include portions of the beaches and coastal canyons of Santa Monica Bay.

Senator Alan Cranston coauthored the Tunney bill, and Los Angeles area congressmen Barry Goldwater, Jr., and Alfronzo Bell introduced duplicate legislation simultaneously in the House. Committee hearings on both bills should be scheduled soon—probably by summer.

The Sierra Club supports the Tunney bill, as do other conservation groups. Both the city and county governments of Los Angeles have endorsed the concept, but while there appears to be local unity for the park itself, developers are certain to fight tooth and nail against the recommendation for regional controls. That the majority of Californians obviously approve of the regional concept was indicated by passage last November of the monumental coastal protection initiative. While the initiative at last established sensible, rigid control machinery for the seaward portion of the proposed mountain-seashore park, its authority ends at the ridge crest. A separate regional agency, originally proposed by a state study commission and inferentially endorsed by Tunney's bill, is needed to assure that haphazard development does not continue on the Santa Monicas' northern slopes.

Arguing for the need for federal action, Senator Tunney last August cited the narrowing gap between Los Angeles' increasing population and dwindling open space. "Daily this process of uncontrolled urban sprawl into our *de facto* open space continues and the reality of a permanent, protected open-space and recreational area is slipping from our grasp," he said. "The enormity of the problem, and the expense of acquiring large areas and developing them for large-scale recreation—a totally new problem from the time when large scenic areas could be acquired for a pittance—necessitates federal involvement."

The Santa Monica Mountains represent precisely that sort of terrain on which development should not occur. Seventy-eight percent of the slopes west of the San Diego Freeway are in gradients over 25 percent; nearly half of them, 50 percent or more. Building on slopes this steep requires extensive cuts and fills which destroy the ecology of an area and contribute to further weakening of already precarious strata. The highly erodible soil and rock formations of the Santa Monicas' steeper slopes present a formidable slide hazard even without human meddling. Furthermore, fires, floods, and earthquakes scorch, soak, and shake the range at distressingly frequent intervals.

When the warm, dry Santa Ana winds sweep this area each fall, and humidity drops below ten percent, fires are inevitable and living in these mountains is a calculated risk. In the past 40 years, 37 major fires have blackened 400,000 acres of the Santa Monicas. It is as if the entire range had been burned almost twice over. As an example of how disastrous these fires can be, the September 1970 Bel Aire-Brentwood fire was stopped only after it had razed buildings worth $25 million. "It is not a matter of *will* the Santa Monica Mountains burn, but *when*," said one official of the Department of the Interior, which recently completed a land-use study of the range.

Winter rains come to the Santa Monicas only a couple of months after the brushfires of fall, and the steep slopes that fire has stripped of vegetation become torrents of mud. The most spectacular flood conditions occur in the Malibu Creek area north of the beach community of Malibu. The average annual runoff of the creek is 67,000 acre-feet, and during a record deluge in 1969, runoff soared to an astonishing 33,760 cubic feet per second.

And of course there are the earthquakes. The damage caused by the disastrous Sylmar tremor of February 9, 1971—which occurred in another range near the Santa Monicas—underscores the constant danger of the ragged-branching fault lines that bisect all the mountains of this region, including the Santa Monicas, Hundreds of quakes have occurred in this range over the years, many of them along the Malibu Fault, a close cousin to the one that rattled Sylmar two years ago.

But in the Santa Monicas, nature can also be benevolent. Because of clean, prevailing winds blowing off the Pacific Ocean, the mountain range serves as a valuable airshed, diluting the already critically polluted air over the Los Angeles basin. Development of these mountains would not only add new smog as more and more two- and three-car families commute to work, school, and store from their split-level hillside perches, but would also remove the giant natural air cleaner that keeps pollutants in the metropolitan basin from becoming worse than they are.

Development also would obviously place great pressure on the mountain ecosystems, drastically altering their ability to support native plants and animals. Natural landforms, geological formations, and archaeological sites would be invariably altered or obliterated.

Finally, development of any area—especially an area like the Santa Monicas where topsy-turvy terrain carries such a high price tag—is almost certainly irrevocable. As the Interior Department study observed in what was perhaps the understatement of the year: "After huge sums of money are invested in development, a site is for practical purposes permanently altered and prohibitively expensive to buy and convert back to such a use as recreation or open space."

Yet despite the hazards and the costs, the bulldozer is ever on the move in these mountains.

Although the Santa Monicas once supported some of the densest populations in aboriginal North America—Chumash, Fernandeno, Gabrielino, and Tongua Indians, for example—these pre-Hispanic communities lived simply and left no lasting scars on the land. Even after 1848, when California was ceded to the United States, the area's ability to replenish itself kept ahead of man's ability to destroy. The gap narrowed with the opening of the transcontinental railroad in 1876. First, the immigrants filled the central Los Angeles basin, but as more were lured west to bask in a Mediterranean-like climate, they began spilling into adjoining valleys and nibbling at the foothills. Dissolution of the huge Rancho Malibu and opening of the coastal highway in the 1930's spurred growth along the coast. The population of the San Fernando Valley just north of the Santa Monicas increased rapidly in the forties and fifties, and suburbs began creeping up the canyons and gentler slopes of the nearby range.

With increasing development, open space throughout the Los Angeles area rapidly dwindled so that today, pressures on remaining lands are acute. Development continues apace in this already congested region, and existing recreational facilities are insufficient for the huge population. "Beaches are continually crowded and camping sites for hundreds of miles around often require reservations and turn thousands away on popular weekends," Senator Tunney reminds us. "Los Angeles residents are equally discouraged by the teeming crowds at the few local recreational areas, and by the crowded highways leading to facilities in outlying areas." As a case in point, Tunney cites what happened at a county park in the Santa Monica Mountains. "Its facilities were so consistently overused that officials were forced to close the area to overnight campers."

Los Angeles conservationists, long alarmed over this trend, began years ago to protect the diminishing, precious natural resource of the Santa Monicas and the adjoining seashore. Considering the enormous opposition from developers, who are abetted by a tangle of tax dollar-hungry local governmental jurisdictions, even the conservationists' smallest victories today loom as milestone achievements. In 1968, for example, they managed to block plans to "upgrade" Mulholland Drive to what is deceptively called a "scenic drive"—as if it weren't already. Their argument was devastatingly simple: how "scenic" can any road be when it is converted to a mini-freeway. They also convinced the state to remove the proposed Malibu and Pacific Coast freeways from future maps, and their outspoken concern for the Santa Monica Mountains was given heavy credit for passage of the state's 1964 park bond act. (Though that still appears something less than a full-blown victory, for only a portion of the promised park has materialized.)

The idea of utilizing the Santa Monica mountain range for some kind of urban park, preserving its open space for future generations, was kindled in the late 1960's and caught fire at the start of the present decade. At a conference at UCLA in 1970, those interested in preserving this urban resource proposed such a plan, and much of the community has rallied behind the idea. About the same time, Interior Secretary Walter Hickel announced that his department was laying groundwork for a national system of urban parks—14 altogether, one of them the Santa Monica Mountains and seashore. Exhaustive, three-phase studies of each proposed park was assigned to Interior's Bureau of Outdoor Recreation, which issued its preliminary Santa Monica report last August.

The report recognized that Los Angeles open space was diminishing at a time when it was needed most, but recommended acquisition of only 35,500 acres. Furthermore, the report proposed acquisition not by the federal government, but by state and local agencies, on the grounds that the Santa Monicas are good for "high quality but not high quantity use," and therefore do not qualify under existing statutes. The Santa Monica Mountains received greater priority under Hickel than they do today, even though badly needed open-space lands are now becoming increasingly developed, yet ever more expensive to acquire. But as disappointing as this decline in priority may be, the coalition of urban park supporters, hailed the bureau's recommendation for regional controls of the area, especially significant because the bureau suggested no other alternative.

Regional controls for the Santa Monicas are indicated because the range straddles two counties (Los Angeles and Ventura), and five cities (Los Angeles, West Hollywood, Beverly Hills, Thousand Oaks, Camarillo). Jurisdiction over recreational activities alone is divided between seven government agencies. Finally, we must add other existing and anticipated forms of regional government, such as the six-county, 106-city Southern California Association of Governments (SCAG).

As Interior's study points out, local governing bodies continually seeking new tax sources are most susceptible to pressure from developers, and fiscal considerations rather than environmental or human needs usually determine who gets what. The State Environmental Quality Control Council made this point following a hearing in Malibu in 1969. After listening for two days to a dozen local officials who gave a dozen different opinions of how Malibu should grow, the council concluded: "Each agency pursues its own narrow objectives, as required by law, which, as we have seen, generally fails to consider environmental quality."

At the same Malibu meeting, noted systems ecologist Kenneth Watt effectively punctured the one notion that most local agencies *do* manage to agree on—that only progressive development, by supposedly spreading the tax load among more people, can keep taxes down. Taxes not only do not go down when this happens, Professor Watt argued, they often go up because the additional population requires additional government services, which more than offset additional tax revenues. One study shows that in costly-to-build mountain areas like the Santa Monicas, each new dwelling costs the taxpayer between $5,000 and $10,000 for such services as roads, sanitation, and fire and police protection.

Although the Interior study endorsed the regional concept, the Ventura-Los Angeles Mountain and Coastal Study Commission, which first proposed it, did not survive long enough to see it implemented. In its final report issued last March, commissioners asked the state legislature for a two-year extension and $700,000 to complete their work, but the bill to implement this request died in the 1972 session.

Still very much alive, however, are organizations to promote development in the Santa Monicas, such as Advocates for Better Coastal Development (ABCD) and its spinoff, Concerned Citizens for Local Government (CCLC), which hastily came into existence in an effort to counter the Ventura-Los Angeles commission's recommendations. ABCD and CCLC argued that existing land-use controls are adequate for proper development of the Santa Monico Mountains and adjacent coastal zone, a ludicrous view in light of the area's past history of haphazard development.

The organizations were supported in their position by Commissioner Merritt Adamson who, in an outraged minority report, sputtered that the commission's proposals—which included a moratorium on building during a further study period—would have a "devastating effect" and result in "enormous economic loss to any developer."

Tunney's bill, which would place "substantial reliance" for land-use planning on the cooperation of federal, state and local governmental agencies, nevertheless would direct the Interior Department to give serious consideration to the Ventura-Los Angeles commission's recommendations, which include, of course, the regional-control concept.

The $30 million Tunney seeks to implement his mountain-beach urban park legislation won't do that whole job; at today's prices it will buy only a small slice of the 100,000 acres envisioned for the long-sought desperately needed mountain-seashore greenbelt. Although property in remote, less accessible sections of the Santa Monicas can be purchased today for as little as $300 per acre, the beachfront pricetag at Malibu sizzles up to $3,000 per front foot. Using the Bureau of Outdoor Recreation's modest $3,000-per-acre figure, acquisition of 100,000 mountain and seashore acres today would cost $300 million, and the longer action is postponed, the higher the price will be.

Therefore, Tunney has proposed a system of acquisition priorities, considering first those sites that have unique "scenic, recreational or openspace value." These include the Mugu-Pacific View-Boney Mountain-Hidden Valley complex; Zuma, Trancas and North Ramerez canyons; Malibu Canyon and Century Ranch; Cold, Tuna and Santa Maria canyons; areas north and west of Will Rogers State Park; Caballero Creek; the 55-mile, winding Muholland Highway (for development as a scenic corridor the length of the range); and seashores and associated canyons.

The $300-million pricetag for the proposed 100,000-acre urban park is staggering to be sure, but the cost of preserving the Santa Monica Mountains to the ten million residents of the Los Angeles area and eight million annual visitors is only about $17 per person. Few could deny they would be getting one of the world's great bargains.

THE CONSUMER PROTECTION AGENCY

Mr. DOMINICK. Mr. President, I ask unanimous consent that two letters sent to me by Mr. Gilbert Simonetti, Jr., vice president, government relations, of the American Institute of Certified Public Accountants be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS,
Washington, D.C., July 22, 1974.

Hon. PETER H. DOMINICK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOMINICK: As you know, S. 707, legislation to create a "Consumer Protection Agency," is now being debated in the Senate. I am writing to you at this time on behalf of the more than 100,000 CPAs who are members of the American Institute of Certified Public Accountants to express our strong concern regarding the title proposed for the new agency.

"Consumer Protection Agency" when abbreviated, "CPA," is identical to the description which has come to be recognized universally as a respected, professional attainment in accounting. All 50 states restrict the use of the "CPA" designation only to those who have met the requirements to be licensed as a certified public accountant.

Senator Pete C. Domenici shares our concern in this matter and intends to seek an amendment which would merely make an editorial change in the name of the proposed consumer group, such as, "Agency for Consumer Protection" instead of "Consumer Protection Agency." This name change accords with the view expressed in the report of the Government Operations Committee (Report No. 93–883, p. 14). Because of the urgency of this matter, we would sincerely appreciate your support for such an amendment, and request that your office contact Senator Domenici's office indicating such support.

The Institute is not attempting to sway the substance of the legislation one way or the other. Our only concern in this matter stems from the confusion which will result in the use of the initials "CPA" to identify the proposed consumer protection agency and the identification of those initials with a certified public accountant.

On behalf of all CPAs, and, in particular, the CPAs in Colorado, your support of Senator Domenici's action in this matter is earnestly requested.

I hope we can count on your assistance.

Sincerely,
GILBERT SIMONETTI, Jr.,
Vice President, Government Relations.

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS,
Washington, D.C., July 29, 1974.

Hon. PETER H. DOMINICK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOMINICK: On behalf of the more than 100,000 members of the American Institute of Certified Public Accountants let me express our sincere appreciation for your vote on July 23 in favor of the title change in the consumer protection bill (S. 707).

Your recognition of our concern over the confusion which would have resulted from the use of the initials "CPA" for the proposed consumer agency is greatly appreciated by certified public accounts throughout the country.

Let me also add that we would welcome the opportunity to provide your office with assistance in areas in which we have an expertise. Please feel free to contact me to discuss such matters at anytime.

Sincerely,
GILBERT SIMONETTI, Jr.,
Vice President, Government Relations.

Mr. DOMINICK. Mr. President, these letters pertain to S. 707, legislation designed to create a Consumer Protection Agency, now being debated in the Senate. When abbreviated, the name Consumer Protection Agency becomes CPA, which is identical to the description which has come to be recognized universally as a respected professional attainment in accounting. All 50 States restrict the use of the CPA designation to those who have met the requirements to be licensed as a certified public accountant.

As one of the very few Senators who employs a CPA on his staff, I am fully aware of the significance attached to the initials CPA. It was this awareness that led me to support the changing of the proposed agency's name from Consumer Protection Agency to Agency for Consumer Advocacy.

This may be viewed by some as a small and unimportant change, but to the men and women in the accounting profession who are charged with the responsibility of providing opinions on the fairness and accuracy of the presentation of the financial statements of our Nation's businesses, the preservation of the uniqueness of the initials CPA is a matter of professional pride. I am pleased to have been associated with the effort to maintain the special designation accorded to the certified public accountants and to those who aspire to that title.

THE NATIONAL ENDOWMENT FOR THE HUMANITIES

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Arts and Humanities, I am very pleased to bring to the attention of my colleagues a recent article published in the Washington Star-News on Dr. Ronald Berman, Chairman of the National Endowment for the Humanities.

This article by Anne Crutcher demonstrates the excellent work being done by this Endowment in bringing the humanities into the mainstream of our national life.

I have stated my own convictions that the humanities serve to translate knowledge into wisdom, and I am pleased to apply this concept to Dr. Berman's leadership.

He has brought great wisdom to his work, and in so doing has increased the contribution this Endowment is making to the well-being and the enrichment of our people.

In days when we are considering appropriations for this Endowment and its sister, the National Endowment for the Arts, it is well to reflect on the sound investment in the future they represent. As I have on other occasions, I would urge full funding for these Endowments at levels we in the Congress authorized, levels greater than those recommended by the present administration.

Mr. President, I ask unanimous consent that the text of the article to which I have referred be printed in the RECORD following these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows.

RONALD BERMAN: BRINGING THE HUMANITIES OUT OF THE CLOISTER

(By Anne Crutcher)

If Washington ever takes over from New York and the Cambridge-New Haven axis to become the cultural as well as the political capital of the United States, the National Endowment for the Humanities will be partly responsible. Specifically, the Endowment as led by Dr. Ronald Berman, the Shakespeare scholar, has been its chairman since 1972.

While its twin, the Endowment for the Arts, has the more familiar name, the Endowment for the Humanities probably has had a greater impact in the last few years. One Endowment project, the Humanities Film Forum, made television-watching respectable and more—the nine-week public television dramatization of "War and Peace" last winter was an event Ph.D.'s planned dinner parties around. It was homework high school kids could hardly hate.

Endowment projects have also had Americans going to museums in stampede numbers. French and British Impressionist paintings from the Soviet Union exhibited here under Endowment auspices had spectators lining up at the door, and "by turnstile count," Dr. Berman said, " 'The Masterpieces of Tapestry' exhibit, which the Endowment sponsored, drew the biggest crowds in the history of New York's Metropolitan Museum."

Ten to 15,000 people daily thronged to see the greatest French tapestries of the 14th, 15th, and 16th centuries. These had been brought together in a once-in-a-lifetime display that underscored the universality and pluralism of appeal such works had in the days when art was mass communication.

The smallest children looking at the Unicorn series had a good time pointing out birds and dogs and rabbits among the leaves and flowers of the pre fleurie. Meanwhile, sophisticated intellectuals could look and be awed by patterns of sensibility complex beyond modern ways of reconciling imagination and outward reality.

"You'd have to fill Kennedy Stadium 20 nights running to equal the number of people who saw those tapestries," said Dr. Berman, "I'd like to see a football game match that."

Furthermore, he expects the next item on the endowment's museum agenda to draw even greater crowds. This will be the recently unearthed Chinese tomb treasures, which are scheduled to be shown in Washington in November.

With Dr. Berman in charge, there's no danger that this enthusiasm for numbers will mean a leveling down of quality in what's presented. A totally unabashed advocate of excellence, Dr. Berman started his tenure with the Endowment under fire as an elitist because he wanted to veto grants for studies more notable for counterculture zeal than for intellectual rigor or a classic perspective on the humanities.

His own career and outlook are marked by purist ardors—the symbolism of his Harvard scholarship as a distance runner is quite in line with the character of the man. He is a striver and an individualist.

When universities were full of professors ready to say it was they who should be learning from the student revolutionaries in their classes, Dr. Berman, sharing a campus with Herbert Marcuse at the University of California-San Diego, was having none of the spirit of the times. He wrote a masterful book called "America in the Sixties: An Intellectual History," which analyzed the ideas in the forefront of public attention during the last decade, measuring them against values distilled through history in the humanities. Such values as reason, order, and justice. Hope made rational by the weighing of experience.

But Dr. Berman's intellectual and moral fastidiousnes never gets in the way of a desire to disseminate the insights of the humanities as widely as possible. As he once put it, with typically epigrammatic precision, "You can be accused of elitism if you confine education to the elite, but you can't be accused of elitism for bringing the best to the most."

To him, this means popularization, as opposed to vulgarization, of the disciplines falling between the fine arts and the sciences. History, literature, philosophy, ethics, and the idea end of the arts fall within the province of the humanities and so do the softer social sciences. What they have most importantly in common is a way of knowing that uses intuition as well as reason and objective evidence as well as imagination.

Popularizing of this kind is what the Endowment is already doing, and expecting to do more of, in connection with the Bicentennial.

Ten years ago, history was bunk to young and old alike at many a prestigious university, just the way old Henry Ford used to say it was. Now, however, either the approach of the Bicentennial or a simple swing of the pendulum is bringing history back into favor.

Dr. Berman and John Schonleber, his assistant coordinating Bicentennial-related projects, find the proposals submitted for Endowment funding to be increasingly concerned with appraisal of American institutions and their origins.

The mood has very little in it of the easy self-congratulation that used to go with Fourth of July patriotism. On the other hand, neither is it a mood that says we ought to give up in despair because of Watergate. We seem to have outgrown the need for Parson Weems and George Washington's inability to tell a lie, and, at the same time, to be getting past the likes of Gore Vidal, who insist that all Founding Fathers were particularly cheap and sleazy scoundrels.

A third of the Endowment's funds—if proposed legislation goes through, Dr. Berman's office will be passing out more money than any private foundations except Ford and the National Science Foundation—are in American studies. And these days much of the money is going into local and regional history.

One of the major Endowment projects for the Bicentennial is the development of state histories. Endowment money is helping each state get its archives in order so historians can see the records they need to interpret each area's story. And a comprehensive history is under way for each state.

Some of the Endowment-sponsored delving into America's past is focused on people. A 13-part TV series, "The Adams Chronicles," which will cover four generations of John and Abigail Adams' descendants, is a prime example.

Another project will focus on issues. The problems of unity in diversity posed by a people of multi-national and multi-racial origins . . . liberty and the demands of order. A national planning group will arrange a calendar of such discussion topics for the Bicentennial year. For this "American Issues Forum," there will be efforts to bring them so vividly before the public that everybody will be talking about them as well as reading and watching and listening to others debate them in the media.

The humanities, as Dr. Berman says, have come out of the cloister.

PAN AMERICAN DEVELOPMENT FOUNDATION

Mr. KENNEDY. Mr. President, the campesinos of Latin America generally have to borrow money from moneylenders at usurious rates to grow their crops. The lack of a rural commercial banking system in most Latin American countries thus adds to the marginal status of the rural poor.

The Pan American Development Foundation, an affiliate of the Organization of American States, has recently drawn attention to this unfortunate situation. The World Bank has called for the creation of intermediate institutions to channel private and public credit to farm cooperatives. Other international lending agencies are trying to use various nonprofit, private national development foundations in Latin America to bridge the gap between the existing credit institutions and the bypassed peasant.

The situation calls not only for our intensified attention to potential causes of instability in Latin American countries but also for our increased support of international agencies which are attempting to alleviate that situation.

We have supported the Pan American Development Foundation and have attempted to evaluate the possibility of duplicating its performance in the Community Development Loan Guarantee Program now housed with the Overseas Private Investment Corporation. I hope that we will continue to support both of these bilateral and international efforts to spur rural community development activities in Latin America.

I ask unanimous consent that a news item concerning this matter be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Times of the Americas, June 12, 1974]

Backland Bankers Are Usurers

(By Winthrop P. Carty)

Usurers are the unquestioned "Bankers of the backlands" in Latin America. A vast majority of peasants have never seen the inside of a commerical bank. They are totally accustomed to borrowing money where they can and without any thought to the interest rate.

"Even the poorest farmer in the furthest rural area," reports the Pan American Development Foundation, an OAS affiliate, is receiving credit, but generally on terms that make us uncomfortable—crops that are mortgaged before they are planted."

There is no possible way of measuring the "unofficial money market" in Latin America. A startling clue emerged a couple of years ago, however, when the Honduran government demanded that all moneylenders report their outstanding loans. Within the first two months of the law, roughly 350 usurers gave some kind of accounting. Their combined portfolios were the equal of 10 percent of the agrarian nation's banking system. Furthermore, the money-lenders had double the resources of the entire Honduran cooperative credit system.

Many economists argue that, in the absence of a rural banking system, usury is not only inevitable but necessary. Often subsistence farmers need a fast loan for survival. And the lenders are friends or relatives who merely charge the going rate.

Making reasonable credit available to the rural poor is an acknowledged world-wide problem. The U.S. Foreign Assistance Act specifically directs AID to encourage the "maximum feasible participation" of private resources in Latin American social development. The Act permits U.S. investment guarantees to back Latin American bank loans to people outside of the money economy.

"Unfortunately," ruefully notes OAS Secretary General Galo Plaza, "these well motivated measures have been seriously hampered in execution by technical and operational limitations."

Most commercial banks, investment guarantees notwithstanding, find the cost of processing a small loan is prohibitive. Credit institutions have far more solid loan applications than they can possibly fulfill. The medium and large loan requests from old clients are accompanied by gilt-edged collateral, a sharp contrast to the small petition of the scratch farmer who doesn't even have clear title to his land.

Ironically, the peasant is demonstrably a good financial bet. Surveys of small commercial loans to Latin American peasants are amazingly uniform: 95 percent of the loans are paid back faithfully, and only a tiny percentage have to be written off. Peasants work at such a primitive level that a small investment in a modern tool, improved seed, fertilizer and irrigation swiftly multiplies crop yields.

Public agrarian banks haven't established an effective "delivery system" to put credit in the hands of the rural needy. Instead, the tendency is to take the politically expedient measure of simply lowering the interest rate The peasant, observes World Bank president Robert McNamara, "would be much better off if he had to pay a realistic rate of interest but could actually get the money."

McNamara calls for the "creation of intermediate institutions" to channel private and public credit to farm cooperatives. The international lending agencies are placing special attention on Latin America's 19 non-profit, private national development foundations, which, with uneven success, try to bridge the gap between the existing credit institutions and the bypassed peasant.

The Dominican Development Foundation is the best capitalized and most effective of the national development foundations. Its field representatives aid peasants form cooperatives, identify bankable projects, and assist local banks process loan applications.

The Chase-Manhattan Bank, for example, has lent nearly $500,000 to Dominican peasants.

In the Dominican Republic, which has the highest ratio in Latin America, out of every $300 that is loaned by commercial banks, only $1 is earmarked for peasants.

The amounts of money are piddling compared to the need. But at least the usurer is beginning to get a run for his money in one Latin American nation.

A REPORT ON A VISIT TO BRITAIN, GERMANY, AND FRANCE

Mr. JAVITS. Mr. President, during the period of June 28 to July 8, I visited Britain, Germany, and France, as well as Israel. I reported to the Senate on July 16 concerning my visit to Israel. Today, I report on my inquiries in London, Bonn, and Paris. In Britain I talked with Prime Minister Wilson, Chancellor of the Exchequer Healy, Home Minister Jenkins, and Minister without Portfolio Lever. In the Federal Republic of Germany I met with President Scheel, Chancellor Schmidt, Foreign Minister Genscher, Defense Minister Leber, as well as Dr. Kurt Birrenbach, a longtime CDU member of the Bundestag and Chairman of German Council on Foreign Relations, U.S. Ambassador Hillenbrand and U.S. Consul General in Frankfurt Harlan. During my stay in Paris, President Giscard D'Estaing and the senior ministers of his cabinet were in Bonn for the semiannual Franco-German summit meeting with Chancellor Schmidt and his cabinet colleagues. Thus, while in Paris, I met with the Secretary General of the Elysee M. Claude Pierre Brossolette, and with the Acting Foreign Minister M. Bernard Destremau.

The overriding concern of the new governments in Britain, Germany, and France is the critical international economic situation. There is a great anxiety over the vulnerability of the international economic system, which in turn threatens the viability of each national economy, none of which is conceived of as being capable of standing against a collapse of the international system. The revolution in oil prices has ignited virulent inflationary forces throughout Western Europe, as it has in the United States. One major member nation of the European Economic Community—Italy—is seen to be on the brink of economic insolvency because of inflation and severe balance of payments deficits. Moreover, the dire situation of Italy is not seen as necessarily a special case. Rather, Italy is seen to be suffering in acute form from maladies which are also clearly discernible in the British economy and also, though perhaps less acutely, in the French economy. The economic situation of the Federal Republic of Germany, viewed in isolation is one of robust health. But no one is more acutely aware than the leadership of Germany of the interdependence of the West German economy with its EEC partners, as well as the U.S. economy and other constituent economies of the Western trading system.

I found broad agreement that the most immediate problem facing the international economic system is the crisis confronting the international banking system—both public and private—arising from the massive transfer of foreign exchange credits to the Middle Eastern oil-producing states; most acutely to low-consumption states such as Saudi Arabia, Kuwait, and Abu Dhabi. Such sums, now in the $70 billion range, are often held as short-term demand deposits in private banks. In this form, these holdings pose a grave, almost unbearable liquidity strain on the private, international banking system in pursuit of its traditional banking function of relending its deposits for longer terms at higher rates of interest. The capacity to absorb imports or to make major investments of Saudi Arabia, Kuwait, and Abu Dhabi is very limited and grossly disproportionate to the extreme rate at which these nations are accumulating foreign currency—generally in the form of "Eurodollars."

The longer term problem is the seemingly unstoppable inflation eroding confidence in the instrument of credit including money.

While I found virtual unanimity of diagnosis concerning the banking crisis growing out of Western oil payments, and confidence and general agreement on the urgency of a concerted plan to meet the crisis, there is as yet no clear consensus of the steps needed to effect a solution. I found marked differences of emphasis—no doubt reflecting their individual national situations—in Britain, Germany, and France. The position of Germany is closest to that of the United States on most of the key factors under debate. The most urgent problem is that of "recycling" the massive foreign exchange of the Arab oil-producing states, now being held in short-term, demand deposit account. Concerted action by the central banks of "The Ten," to monitor, regulate and reinsure the private international banks is an urgent necessity. But, differences of view exist respecting timing, the degree and the nature of the concerted actions to be taken, the proper international forum in which to organize multilateral activities, and the degree to which the Arab governments must be associated with the steps proposed to be taken within the Western banking system.

The task is complicated by a universal recognition that one cannot proceed very far in devising measures to insulate the international banking system from the dangers of collapse without raising the most profound and politically difficult issues of national and international economic policy.

Nonetheless, despite the difficulties I feel that concerted action will be taken this year to meet the crisis. For there is a clear-sighted recognition of the urgency and the dangers of the situation. And, there is the most realistic awareness of the complete interdependence respecting monetary matters of all the major participants in the international monetary system. This awareness—that we must all hang together, or hang separately—is the essential precondition for effective international action, and is accordingly, in my judgment, the most hopeful aspect of a very grave and dangerous situation.

The immediacy of the monetary crisis, precipitated by the revolution in oil prices/Arab foreign exchange holdings has also brought about a sober reassessment of some of the divisions which came to the surface between the United States and its European allies during and after the Yom Kippur war and the Arab oil embargo. The leaders of Europe regret those divisions, genuinely seek to prevent a repetition of them and have a clear-sighted appreciation of the danger to the common security inherent in such divisions, and this was evident over the past 6 months, respecting energy policy, Mideast political developments and most markedly the Cyprus crisis. There seemed to be a general recognition that Europe "tilted" too far in favor of the Arab position during the Yom Kippur war and its immediate aftermath, albeit under the pressure of the oil embargo. Sympathy for Israel remains high in Europe, particularly as regards public opinion. And, the new governments of Britain, France, and Germany all are expected to improve or strengthen their relations with Israel.

At a minimum, the monetary crisis has brought a new awareness of the need for close cooperation between the nations of the EEC and the United States with respect to Mideast policy. For Europe this means essentially active partnership in forging a solution to the monetary issues as well as a joint aproach to longer run energy policy. While Europe feels unequipped and ill-disposed to play an active role in the political and security aspects of United States-Mideast diplomacy, there is a greater appreciation of the interrelatedness of economic and energy questions with the fundamental issues of security and political alinements.

In this connection, I found a broad appreciation for the diplomatic accomplishments of Dr. Kissinger, and equally broad approval of the reestablishment of American diplomatic and other links with principal Arab nations.

While in Europe, I also discussed the principal issues facing the North Atlantic Alliance, in the context of followup to the Report of the Committee of Nine. The adverse impact of the oil embargo and price revolution on the economies of Europe has tended to produce feelings of weakness, vulnerability and isolation within Europe—which in turn have led to a greater appreciation of the importance of the NATO alliance and strong, across-the-board relations with the United States.

One of the key issues in Britain, and of Western Europe, is Britain's future relationship to the EEC. The labor government of Prime Minister Wilson has pledged to seek to renegotiate the terms of Britain's adherence to the Treaty of Rome and some elements in the Labor Party and elsewhere advocate Britain's withdrawal from the EEC.

Altogether on the basis of my conversations, I feel that Britain will remain in the EEC, while pressing hard for concessions—like the regional funds—to ease Britain's economic difficulties.

I believe that the labor government has come to perceive that Britain's future must be as a member of the EEC and a united Europe. Certainly, Britain has a great deal to contribute to the process of building a European political entity, as is outspokenly recognized by the continental members of the EEC.

What is being challenged by some elements in Britain is the economic advantages for Britain to be derived from EEC membership. Unfortunately, the short period of Britain's EEC membership has coincided largely with a period of very rapid inflation, the oil price crunch, and balance-of-payments difficulties. These difficulties are recognized by many, however, as resulting from factors other than Britain's entry into the EEC, and they are maladies now generally affecting all the EEC nations, and indeed all the industrial economies of the world.

I believe that Britain's leadership is determined to take action to reduce inflation and increase productivity. Such measures are essential if Britain is to regain economic health and are indispensable to assure the longer term viability of the nation. Fortunately for this thesis, Britain expects to be able to achieve self-sufficiency in oil by the end of the decade from development of the large oil reserves proven to exist in the North Sea bases off the shores of Scotland.

My conversations in Paris and elsewhere in Europe lead me to believe that the prime external relations note of the new Government of France is the desire to improve the tenor and the tone of relations with the United States. In my judgment, a restoration of close cooperation between Paris and Washington is one of the most important developments which could occur in the weeks and months ahead, and could contribute historically to the successful management of the acute crisis threatening the Atlantic Alliance nations. The essential concommitant of a new look in French diplomacy, of course, will be full reciprocity in Washington. The United States must shed the habit of expecting a lack of cooperation from France and cultivate a new habit of seeking and expecting effective partnership from the Government of France. This will require perhaps a greater willingness to accommodate particularly French attitudes and interests, but the benefits would far outweigh the inconveniences.

The new government of Chancellor Schmidt is notably alliance minded. In separate discussions with the Chancellor, his Foreign Minister and his Defense Minister it was apparent that the emphasis in German foreign policy has shifted away from new initiatives to the East, toward a strengthening and consolidation of the Federal Republic's ties to NATO and the European Economic Community. Such a shift was probably inevitable, given the completion of the process of ratification of the Ostpolitick treaties with the U.S.S.R. and the East European Communist states and had been foreshadowed by Chancellor Brandt himself. Nonetheless, the primacy of economic issues has perhaps accelerated the shift in emphasis in Germany policy—which also appears to be more congenial to the talents and temperament of Chancellor Schmidt, whom I found to be a leader of great drive and competence.

Nor has the priority given to economic issues by the Schmidt government, in my judgment, marked any change in the priority which Germany accords to NATO as compared with the EEC. Indeed, the shift in emphasis from Ostpolitick to Westpolitick has, if anything, reinforced the primacy of security considerations in German policy; and Chancellor Schmidt is outspokenly proud of his own accomplishment in helping to negotiate the "offset" agreement with the United States, which has helped to defuse the issue of U.S. forces in Germany.

Quite naturally, the leaders of Germany and of the other NATO governments in Europe are highly gratified by the decision of the Senate to defeat the Mansfield amendment which had become a symbol—rightly or wrongly—in Europe, and particularly in Germany, of American steadfastness respecting the collective security of Western Europe.

As the nation geographically closest to the full weight of Soviet power, throughout the postwar period the FRG has been among the wariest of Soviet intentions, as well as capability. Moreover, I detected in my conversations in Bonn a feeling that the Federal Republic's experiences in negotiating the Ostpolitick treaties and the basic agreement with East Germany, have confirmed earlier attitudes respecting the long term objectives of the Soviet Union in relation to Germany and Western Europe. Accordingly, the Federal Republic seeks its security and prosperity within the framework of a uniting Europe closely alined to the United States in security and economic matters. Within the EEC, Germany proposes consistently to dispose of its influence in this direction as it does also within the framework of NATO.

Moreover, within the limits in which it must operate, I believe that the German outlook on global affairs—outside defined area of NATO concern—is among the most congenial in Europe to American policy. In this respect, I feel it was significant that I encountered no lingering indications of previously expressed anxieties that bilateral agreements might be reached by the United States with the Soviet Union over the head of Western Europe and at Western Europe's expense.

One of my purposes in meeting the leaders of the new governments of Britain, France, and Germany was to request official reactions to the report of the Committee of Nine, along the lines of the extension, paragraph by paragraph, commentary issues by the Department of State. I am pleased to be able to report that this request is now receiving sympathetic consideration by the leaders of the British, French, and German Governments.

The Cyprus crisis, occurring several weeks after my conversations in Europe, indicates that the need of U.S.-EEC cooperation in foreign policy has been well understood on both sides of the Atlantic. The cease-fire, which averted a wider crisis and prevented war between two members of NATO, was an accomplishment based on superb coordination of policy between Secretary Kissinger and the Foreign Ministers of the EEC nations, who also constitute our principal NATO allies in Europe.

The world press has taken prominent note of this feature of the Cyprus crisis, and has suggested that it is the beginning of a major new development in the recent history of United States-European relations.

In addition to the testimony of the press in this respect, the major participants have themselves confirmed, not only the event itself, but also its far-reaching significance. Dr. Kissinger has been making this very point currently and on his current visit to the United States the Foreign Minister of the Federal Republic of Germany, Herr Genscher, was most forthcoming and positive in his description of the coordination which enabled Dr. Kissinger and the EEC Foreign Ministers to work together rapidly, harmoniously—and most importantly, successfully—in bringing about the cease-fire on Cyprus.

I believe that we have reason to feel that a new leaf has been turned which is of great benefit to the Atlantic Alliance. I hope that the Senate will do its part in encouraging and fostering an atmosphere in which the same mode of swift, effective foreign policy coordination among the Atlantic allies can be applied to the great problems we face respecting monetary questions and energy policy.

In conclusion, I returned from Europe with a feeling that the awareness of the grave dangers—indeed, the crisis in monetary matters—which jointly confront the United States and our Western European allies has served to heighten awareness of the absolute need to find joint solutions achieved through concerted action. Moreover, in contrast to the experience of recent years, I find a new awareness of the close interrelatedness of the major issues confronting the Alliance nations, requiring cooperation on broad fronts. In this awareness of the interrelatedness of interests, I believe that the self-defeating compartmentalization of issues will give way to a new pattern of joint action and in this context, a high order of U.S. statesmanship is required, as well as a brand of skillful but unobtrusive leadership.

THE EDUCATION PROVISIONS OF THE ELEMENTARY AND SECONDARY EDUCATION ACT

Mr. PELL. Mr. President, the conference report on H.R. 69 is a rather voluminous document ably setting forth the differences and the agreements of the conferees, but does not give a simple explanation as to what is in the bill. Therefore, I ask unanimous consent for printing in the Record a factsheet on the education provisions only.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Factsheet on the Education Provisions of H.R. 69 As Reported by the Committee on Conference

The conference report on H.R. 69 extends the Elementary and Secondary Education Act, the impact aid laws, the Adult Education Act, the Bilingual Education Act, and the Indian Education Act through fiscal year 1978. It also extends the Education of the Handicapped Act through fiscal year 1977 and the Emergency School Aid Act through fiscal year 1976.

TITLE I, E.S.E.A.

The Title I formula is amended to allocate funds on the basis of more current data. State agency programs for handicapped, migrant, and neglected and delinquent children will receive funds in accordance with the new formula and will continue to receive funds "off the top" in accordance with established practice. No State agency will receive less than its fiscal 1974 allocation. Each local education agency will receive at least 85% of its previous year's allocation. The 1975 authorization is estimated at $3.1 billion for LEA grants.

Part B of Title I, incentive grants to States with a high tax effort for education, is continued with a maximum appropriation of $50 million.

Part C, grants to areas with high concentrations of low income children, is extended through 1975.

Authority is contained in the bill for a separate authorization which permits the Commissioner in special circumstances to make grants to school districts which are receiving less than 90% of their previous year's allocation.

A by-pass for non-public school children is included.

OTHER TITLES

Titles II, III, and VIII of ESEA are extended through 1978 and Title III of NDEA is extended through fiscal year 1977. These programs may not be funded in any year in which there is a consolidation of programs as described below.

CONSOLIDATION

State operated programs are combined into the following divisions:

(a) "Libraries and Learning Resources" included ESEA I, NDEA III, and the guidance and counseling portion of ESEA III.

(b) "Support and Innovation" includes the balance of ESEA III, Nutrition and Health and Dropout Prevention from Title VIII, and ESEA V.

Consolidation must be forward funded and during the first year there will be a 50% hold-harmless for each program.

A by-pass for non-public school children is included.

Total discretion is given to local educational agencies on spending under Libraries and Learning Resources. States distribute funds under Support and Innovation on a project grant basis.

Also adopted is a provision for a simplified State application for ESEA I, II, III, NDEA III, Adult Education, Vocational Education, and Education of the Handicapped.

The Special Projects Act is included which provided an "incubator for new categorical programs. Under this concept new programs will be protected for a period and then will compete for funding without the protection of set-asides. These new programs include Women's Educational Equity, Career Education, Consumer's Education, Gifted and Talented, Community Schools, Metric Education, and Arts in Education.

IMPACT AID

Effective in fiscal 1976, amendments are accepted which will include guaranteed funding for public housing children of 25% of entitlement, equal to about $53 million in 1976. Entitlements for military children remain as in current law. Entitlement rates for civilian children are reduced slightly for those who live within the same county (from 50% to 45%) and for those who live within a different county in the same State (50% to 40%). Entitlements for those who live in a different State are eliminated except that those payments will be reduced over a number of years as the result of hold-harmless provisions.

School districts with 25% or more of their enrollments "a" children will be guaranteed the full amounts of their entitlements for these children.

No school district which receives more than 10% of its budget from impact aid will have its payments reduced less than 10% each year. Districts which receive less are guaranteed 80% of their previous year's payments. Also every district is guaranteed that it will not lose any regular impact aid funds due to the inclusion of public housing children.

Handicapped children of military personnel will be entitled to a payment of 1½ times that of other children. These funds must be used for the purposes of providing special education for these children.

Funds which a district receives as the result of public housing children must be used for programs of compensatory education.

ADULT EDUCATION

The Commissioner's 20% set-aside is deleted and all funds are to be allocated to the States. Up to 20% of a State's funds may be used for high school equivalency programs.

The program of adult education for Indians is continued through 1978.

HANDICAPPED

All existing programs for the handicapped are extended through fiscal year 1977. For fiscal 1975, $630 million is authorized to be allocated among the States on the basis of total population ages 3–21. These funds will be particularly helpful in meeting requirements for the education of all handicapped children facing many States as the result of court decisions.

States are required to show how they will meet the needs of those children.

BILINGUAL EDUCATION

Authorizations are increased and special emphasis is placed on the training of personnel. Funds are also provided to States to assist them in developing their capacities to develop programs of bilingual education.

A national assessment of the need for bilingual education is to be conducted in 1975 and 1977 and sent to the Congress.

Also included is a program of fellowships for students who will enter the field of training teachers in bilingual education.

READING

A new program of reading improvement is included. Funds are authorized for grants to local educational agencies and States for comprehensive programs of reading improvement and projects which show promise of overcoming reading deficiencies. Also included are funds for special emphasis projects in reading, for the training of reading teachers on public television, and for reading academies.

VOCATIONAL EDUCATION

Included are two new programs which provide funds in fiscal 1975 for bilingual vocational training and bilingual vocational education.

INDIAN EDUCATION

The Indian Elementary and Secondary School Assistance Act is extended through 1978. Up to 10% of the funds are to be made available to Indian controlled schools.

An annual authorization of $2 million for special training programs for training teachers of Indian children is included and a program of fellowships for Indian students is also included.

OTHER PROGRAMS

The Emergency School Aid Act is continued through 1976. The authority to fund educational parks and the set-aside for metropolitan areas programs are repealed.

An amendment to authorize the CLEO program to assist disadvantaged students to prepare for and attend law schools is accepted.

The Ethnic Studies program is extended through 1978.

A program of grants to States to assist them in planning State equalization programs is included. Grants range from $100,000 to $1,000,000 per State depending upon population.

MISCELLANEOUS FEATURES

An upgraded National Center for Education Statistics within the Office of the Assistant Secretary for Education is created.

Regionalization of the Office of Education without an act of Congress authorizing such regionalization is forbidden.

Congress is afforded the opportunity to disapprove regulations for any Federal aid program for education.

Parents of students and students attending post-secondary institutions are afforded the right to inspect their school files and the release of documents in those files is restricted.

COMMENTS ON THE FINAL REPORT OF THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

Mr. ERVIN. Mr. President, the Senate Select Committee on Presidential Campaign Activities, which was created by the unanimous adoption of Senate Resolution 60 on February 7, 1973, and which will cease to exist upon the completion of 90 days after June 28, 1974, has made its final report to the Senate.

Such report summarizes the evidence taken by the committee and makes recommendations that the Congress adopt certain legislative proposals to safeguard the integrity of the process by which the President of the United States is nominated and elected.

As chairman of the Senate Select Committee, I wish to commend the patriotic services rendered by the other members of the Select Committee, which was composed of Senator Baker, of Tennessee, vice-chairman; Senator Talmadge, of Georgia; Senator Inouye, of Hawaii; Senator Montoya, of New Mexico; Senator Gurney, of Florida; and Senator Weicker, of Connecticut.

The Senate and the American people owe a deep debt of gratitude to these Senators. I shall forever treasure in my heart the recollection of their great aid to me in my capacity as chairman of the Select Committee.

The Select Committee was aided in its labors by an extremely able staff consisting of Chief Counsel and Staff Director Samuel Dash, Deputy Chief Counsel Rufus L. Edmisten, Minority Counsel Fred D. Thompson, Deputy Minority Counsel Donald G. Sanders, David M. Dorsen, James Hamilton and Terry F. Lenzner, who served as Assistant Chief Counsel.

Their work, as well as that of the members of the Select Committee, enjoyed the benefit of the services of other members of the staff, some of whom served throughout the period of the committee's labors, and some of whom served for short periods of time. These members of the staff were as follows:

1. Mark J. Biros, Eugene Boyce, Donald Burris, H. Phillip Haire, Mark Lackritz, Robert McNamara, William Mayton, James Moore, Robert Muse, Ronald D. Rotunda, Barry Schochet, W. Dennis Summers, and Alan S. Weitz, who served as Assistant Counsel;

2. Howard S. Liebengood, Michael Madigan, Richard Schultz, H. William Shure, and Robert Silverstein, who served as Assistant Minority Counsel;

3. Carmine S. Bellino, Wayne Bishop and Harold Lipsett, who served respectively as Chief Investigator, Chief Field Investigator, and Assistant Chief Investigator;

4. R. Scott Armstrong, Andy Chinni, John Dale, Mary DeOreo, Michael Hershman, Kenneth Jernigan, Al Keema, William McCafferty, Robert O'Hanlon, Scott Parr, and Lee E. Sheehy, who served as Investigators;

5. Orville Ausen, Robert J. Costa, James Elder, Benjamin Plotkin, and Emily Sheketoff, who served as Minority Investigators;

6. Arthur Miller, who served as Chief Consultant, and Herbert Alexander, Jerome Barron, Sherman Cohen, Eugene Gressman, Jed Johnson, Charles Rogovin, Richard Stewart and Carl Rizer, who served as Consultants;

7. Carolyn M. Andrade and Laura Matz, who served as Administrative Assistant; Carolyn E. Cohen, who served as Office Manager; Madelyn Harvey, who served as Financial Clerk; and, Shelley Walker, who served as Assistant Financial Clerk;

8. Deborah Actenberg, Phyllis Balan, Marianne Brazer, Phyllis Britt, Marie Geneau, Jeanne Havasy, Barbara Kennedy, Shirley McAlhaney, Elizabeth McCulley, Carol Mullins, Gloria Proctor, Virginia Simmons, Julie Smith, Bernita Sloan, Susan Myers, Earline Ching, Elizabeth Ching, Margrethe Ravnholt, Barbara Friedman and Florence Thoben, who served as Secretaries;

9. Joan C. Cole, Secretary to the Minority, and Barbara Chesnik, Sally Montgomery, Gail Oliver, Carol Anderson, Karleen Milnick, and Linda Beversluis, who served as Secretaries for Minority Staff;

10. Carol Anne Wiik and Vicki Movold, who served as Security Clerks; Collette Elliott, Boyd Gregory, Sharon Kirby, Dorilda Roberge, Elaine Gibbs and Chris Rogan, who served as IBM Magnetic Tape Selectric Typewriter Operators; Deborah Ferguson, Shirley Strong and Donna Schober, who served as National Cash Register Key Punch Operators; and Alberta Thomas, who served as Microfilm Clerk;

11. Pauline Dement, John Elmore, Dave Erdman, John Etridge, Louise Garland, Roy Ginsberg, Grayson Fowler, Deborah Herbst, Joel Klineman, Michael Kopetski, Lacy Presnell, Brenda Robeson, James Rowe, Paul Summit, William Taylor, Richard Simmons, Bruce Quan, Martha Talley and Gail Waller, who served as Research Assistants;

12. Mark Adams, Roger Cohen, Karen Cole, Carolyn Dorais, Peter Drymalski, Robert Dughi, James Dunlap, Michael Frisch, Gary Gerson, Harry Gurkin, Herbert Hoell, James Holtkamp, July Moreland, Patrick O'Leary, John Peterson, Paul Kamenar, Linda Satterfield, Nancy Story, Joseph Tasker, Donn Walters, Joseph Gazzoli, and Richard Miller, who served as Computer Research Assistants;

13. Sally Auman, Jonathan Blackmer, Gregory Church, James Copeland, John Dolan, Don Sanford, Gordon Freeman, John Dondey, John Greer, Daniel Higgins, Joseph Kelley, Thomas Ritter and Barbara Shatten, who served as Staff Assistants;

14. John Brightman, Alan Crosby, Tony Harvey, Gloria Lancaster, Noel Peterson, Susan Thomas, Gerald Reid, and Dennis Crossland, Members of the Library of Congress Computer Staff, who were of material assistance to the committee in computerizing the information assembled by it;

15. John Walz, Publications Clerk, Michael Flanagan, Assistant Publications Clerk, Raymond St. Armand, Assistant Publications Clerk, William Fair, Ralph Binkley, Charles Hitchens, Leonard Mogavero and Arnold Simko, their assistants on the Government Printing Office Staff, who furnished material aid to the Select Committee in connection with its various publications;

16. Walker F. Nolan, Jr., Counsel, J. L. Pecore, Assistant Counsel, J. Michael Carpenter, Brent McKnight, Judy Dash, Suzanne Williams, Research Assistants, and Rachel Dash, Staff Assistant, members of the Staff of the Subcommittee on Separation of Powers who were loaned temporarily to the Select Committee and furnished it substantial assistance; and

17. Stephen Leopold, Linda Cole and Ronald Riggs, who aided the Select Committee as Volunteers.

Many of the news media have commented upon the final report which the Senate Select Committee has filed with the Senate.

I ask unanimous consent that the following of these comments be printed in the body of the Record:

First, the comments entitled "Final Report of Senate Watergate Committee" which appeared in the U.S. News & World Report for July 22, 1974;

Second, the comments entitled "Sam Ervin's Last Harrumph" which appeared in Newsweek for July 22, 1974;

Third, the comments entitled "The Ervin Committee's Last Hurrah" which appeared in Time for July 22, 1974;

Fourth, the comments entitled "Watergate Reforms" which appeared in the New York Times for July 25, 1974; and

Fifth, the comments entitled "A Job Well Done" which appeared in the Washington Star-News on July 3, 1974.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From U.S. News and World Report, July 22, 1974]

"TRAGIC HAPPENINGS"—FINAL REPORT OF SENATE WATERGATE COMMITTEE

NOTE.—From the official text of the final report of the Senate Select Committee on Presidential Campaign Activities—the Senate Watergate Committee—which was released on July 14, 1974.

"Watergate is one of America's most tragic happenings.

"This characterization of Watergate is not merely based on the fact that the Democratic National Committee headquarters at the Watergate was burglarized in the early morning hours of June 17, 1972. Rather, it is also an appraisal of the events that led to that burglary and its sordid aftermath, an aftermath characterized by corruption, fraud and abuse of official power.

"The Select Committee is acutely conscious that, at the time it presents this report, the issue of impeachment of the President on Watergate-related evidence is pending in the Judiciary Committee of the House of Representatives. The Select Committee also recognizes that there are pending indictments against numerous defendants, most of whom were witnesses before the Committee, which charge crimes that, directly or indirectly, relate to its inquiry.

"It thus must be stressed that the Committee's hearings were not conducted, and this report not prepared, to determine the legal guilt or innocence of any person or whether the President should be impeached. In this regard, it is important to note that the Committee, during its short life span, has not obtained all the information it sought or desired, and thus certain of its findings are tentative, subject to re-evaluation when the full facts emerge.

"Moreover, the Committee, in stating the facts as it sees them, has not applied the standard of proof applicable to a criminal proceeding—proof beyond a reasonable doubt. Its conclusions, therefore, must not be interpreted as a final legal judgment that any individual has violated the criminal laws.

"The Committee, however, to be true to its mandate from the Senate and its constitutional responsibilities, must present its view of the facts. . . . Thus the factual statements contained in this report perform two basic legislative tasks:

"First, they serve as a basis for the remedial legislation recommended herein which the Committee believes will assist in preserving the integrity of the electoral process not only for present-day citizens but also for future generations of Americans.

"Second, they fulfill the historic function of the Congress to oversee the administration of executive agencies of Government and to inform the public of any wrongdoing or abuses it uncovers. . . .

"Certain general observations based on the evidence before the Committee are appropriate. The Watergate affair reflects an alarming indifference displayed by some in high public office or position to concepts of morality and public responsibility and trust. Indeed, the conduct of many Watergate participants seems grounded on the belief that the ends justified the means, that the laws could be flaunted to maintain the present Administration in office.

"Unfortunately, the attitude that the law can be bent where expediency dictates was not confined to a few Government and campaign officials. The testimony respecting the campaign-funding practices of some of the nation's largest and most respectable corporations furnishes clear examples of the subjugation of legal and ethical standards to pragmatic considerations.

"Hopefully, after the flood of Watergate revelations the country has witnessed, the public can now expect, at least for some years to come, a higher standard of conduct from its public officials and its business and professional leaders. Also, it is helpful that the Watergate exposures have created what former Vice President Agnew has called a 'post-Watergate morality' where respect for law and morality is paramount. . . .

"Surely one of the most penetrating lessons of Watergate is that campaign practices must be effectively supervised and enforcement of the criminal laws vigorously pursued against all offenders—even those of high estate—if our free institutions are to survive."

CAMPAIGN PRACTICES

"The 1972 presidential campaign was replete with abuses of positions, power and prerogatives, particularly by White House personnel. The political advantages held by an incumbent President are immense, and they were constantly used and abused by this Administration.

"A corollary to the abuse of presidential incumbency for political gain is the considerable extent to which objectionable campaign practices were conceived, encouraged and controlled by high-level presidential aides. This was true from the early days of the first term, when there was no campaign organization, and it continued to be so through the 1972 election.

"Another important theme is the misuses of large amounts of money, especially difficult-to-trace cash that was held in secret places in the White House and elsewhere."

The basic "attack strategy" of the 1972 Nixon campaign, the Committee reports, "was ultimately converted by others into gross abuses and unethical manipulations of the electoral process by persons who had little political experience and by persons, including some with considerable political experience, who had little respect for fair play in elections."

As for the Democrats, the Committee says:

"The staff did uncover some instances of improper activity directed at President Nixon's re-election campaign. The results of these investigations, however, show no pattern of illegal, improper or unethical activities carried out or condoned by any Democratic aspirant or Democratic campaign organization."

Further, the Committee says it "wishes to note that it has received no evidence suggesting any complicity in wrong-doing on the part of the Republican National Committee or the Democratic National Committee or its principal officers during the presidential campaign of 1972."

During the time covered by the investigation, Senator Robert Dole, of Kansas, was the Republican Chairman and Lawrence F. O'Brien was the Democratic Chairman.

To help prevent future excesses, the Committee recommends setting up an independent, nonpartisan Federal Elections Commissions to supervise enforcement of all election laws. It calls this "probably the most significant reform that could emerge from the Watergate scandal."

The Committee also recommends four largely technical laws that would deal primarily with "dirty tricks" such as infiltration into a campaign and that would hold persons in control of campaign funds criminally liable for funds spent for illegal purposes.

CAMPAIGN FINANCING

The Committee offers 10 specific recommendations on financing federal political campaigns.

1. Contributions and expenditures in cash by anyone above $100 should be prohibited.

2. Each presidential and vice-presidential candidate would have to designate one central campaign committee with one or more banks as his campaign depositories.

3. Over-all expenditures by presidential candidates should be limited. The Committee proposes a limit equal to 12 cents times the voting-age population during a general election.

4. Total contributions—cash or otherwise—should be limited to a maximum of $3,000 by any individual "to the campaign of each presidential candidate during the prenomination period, and a separate $3,000 limitation during the post nomination period."

5. Tax credits "in a substantial amount" should be allowed to help finance campaign contributions.

6. Any form of public financing of candidates should be prohibited. Says the Committee: "We find inherent dangers in authorizing the federal bureaucracy to fund and excessively regulate political campaigns.

7. Campaign contributions by foreigners, now forbidden in part, should be banned.

8. High Administration officials who leave office to enter a campaign should be barred from engaging in all fund-raising activities for a period of one year.

9. Stringent limitations should be imposed on the right of organizations—whether they be composed of individuals, corporations or unions—to contribute to presidential campaigns. The Committee suggests a limit of $6,000.

10. Violations of the major provisions of the campaign-financing law, such as participating in a corporate or union contribution in excess of the limit, should constitute a felony. Some are now classed as misdemeanors.

"POLITICIZING" ADMINISTRATION DECISIONS

"A White House-devised plan, known as the Responsiveness Program, was an organized endeavor "to politicize" the executive branch to insure that the Administration remained in power.

"The scope of this effort was broad and its potential impact considerable. It included, for example, plans to redirect federal monies to specific Administration supporters and to target groups and geographic areas to benefit the campaign. It entailed instructions to shape legal and regulatory action to enhance campaign goals. It comprised plans to utilize Government employment procedures for election benefit.

"Not only were such plans laid; they were, in part, consummated, although departmental and agency resistance to campaign pressures limited the success of these endeavors. Particularly in regard to the expenditures of federal monies concerning certain minority and constituent groups were there flagrant abuses of proper governmental procedures. Some of these abuses appear to stem from the improper involvement of campaign officials in governmental decision making. . . .

"A question exists whether the planning and implementation of the Responsiveness plan rises to the level of a conspiracy to interfere with the lawful functioning of Government—conduct prosecutable . . . as a conspiracy to defraud the United States.

"The Committee rejects the proposition that much of the conduct described . . . should be viewed as acceptable political practice. The Responsiveness concept involved the diverting of taxpayers' dollars from the primary goal of serving all the people to the political goal of re-electing the President.

"To condone such activity would display a limited understanding of the basic notion that the only acceptable governmental responsiveness is a responsiveness to the legitimate needs of the American people."

To cope with such problems the Committee recommends:

Establishment of a permanent Public Attorney to prosecute criminal cases in which there is a real or apparent conflict of interest within the executive branch. The Public Attorney is envisioned as an "ombudsman" with power "to inquire into the administration of justice in the executive branch." He would be appointed for a fixed term—say, five years—and would be chosen by the judiciary, subject to Senate confirmation.

A general overhaul of existing laws governing conduct of federal officials in elections.

Placing all Justice Department officials, including the Attorney General, under the Hatch Act, which bars certain federal employees from engaging in political activities.

SPYING AND PERSONAL PRIVACY

The Committee makes three recommendations for congressional action in connection with intelligence-gathering activities:

1. Make it unlawful for an employe in the Executive Office of the President to authorize or engage in any investigative or intelligence-gathering activity concerning national or domestic security that is not authorized by Congress.

2. Supervise more closely the operations of the intelligence and law-enforcement "community," especially in its relations with the White House, and "promptly determine" if any changes in the laws relating to these agencies need to be made.

3. Study laws covering electronic surveillance to see if they should be tightened. Says the Committee: "A thorough re-evaluation of this legislation, including a factual investigation of federal wiretapping practices, is necessary."

USING THE INTERNAL REVENUE SERVICE

"There were numerous efforts by the White House to use the IRS for political purposes between 1969 and 1972. Particularly striking examples, such as attempts to use the IRS to harass persons perceived as 'enemies,' have already been exposed and discussed at great length by the Select Committee and other groups. In addition, there was misuse of the IRS by the White House regarding the IRS investigation of Rebozo, the President's brothers and people connected with the Hughes operation. Because of the close relationship of several of the parties to the President, questions of improper White House influence in this case are particularly acute."

As a result, the Committee says, communications between the White House and the IRS should be more strictly regulated. Four specific recommendations are made:

"1. Any requests, direct or indirect, for information or action made to the IRS by anyone in the Executive Office of the President, up to and including the President, should be recorded by the person making the request and by the IRS. Requests and responses by the IRS (i.e., whether information was provided) should be disclosed at least once a year to appropriate congressional oversight committees.

"2. On 'sensitive-case reports,' which cover special cases, the IRS should be permitted to disclose to persons in the Executive Office of the President, up to and including the President, *only* the name of the person or group in the report and the general nature of the investigation.

"3. All persons in the Executive Office of the President, up to and including the President, should be prohibited from receiving indirectly or directly any income-tax return.

"4. All requests for information or action and all IRS responses should be disclosed periodically to the appropriate congressional oversight committees."

The Committee also recommends that the President and Vice President annually make full public disclosure of their finances, including tax returns. It said this would "help protect the office of the President, insuring that no individual occupying the office would be the object of any speculation, innuendo or suggestion of impropriety regarding income, gifts and expenditures."

On the Role of "Bebe" Rebozo—

In a report issued on July 10, the staff of the Senate Watergate Committee asserted there is evidence that $50,000 spent for President Nixon's personal benefit included cash secretly channeled from campaign contributions.

The 350-page report said the expenditures were made from a fund set up by the President's close friend, Charles G. ("Bebe") Rebozo, in Key Biscayne, Fla.

The report added:

"There is evidence that the fund which Rebozo maintained in Florida consisted of campaign funds."

One payment listed as having been made through the Rebozo fund was $4,562 toward the $5,650 cost of platinum-and-diamond earrings given by Mr. Nixon to the First Lady as a birthday present on March 17, 1972.

Besides the payment for earrings, the report implies that Mr. Rebozo used campaign donations to pay for $45,621 worth of improvements to the President's Key Biscayne properties.

Among items listed were a swimming pool, a putting green, a billiard table, and the conversion of a garage into living quarters.

Public release of the staff report was authorized by the Committee four days ahead of its full report.

The document strongly suggested that part of a $100,000 campaign contribution from billionaire Howard Hughes was used by Mr. Rebozzo for outlays benefiting Mr. Nixon.

This conflicted with Mr. Rebozo's sworn statements that the Hughes money had been returned to the donor untouched.

The Committee staff said that records and testimony indicate that the cash available to Mr. Rebozo during the period in question was from the $100,000 Hughes contribution and a $50,000 campaign donation by A.D. Davis, a Florida supermarket executive.

According to the report, a complex series of transactions involving transfers of funds into four bank trust accounts concealed the sources of cash used by Mr. Rebozo.

The Committee staff also declared it had additional information to support a charge that Mr. Rebozo gave or lent part of the Hughes contribution to Rose Mary Woods, the President's personal secretary, and the Chief Executive's brothers, Donald and Edward. This has been denied by Mr. Rebozo, Miss Woods and the Nixon brothers.

In advance of the report's release, White House special counsel James D. St. Clair told the Senate Committee by letter that the President "never instructed C. G. Rebozo to raise and maintain funds to be expended on the President's personal behalf, nor, so far as he knows, was this ever done."

On July 11, White House Press Secretary Ronald L. Ziegler characterized the report as "surmise, suggestion and conjecture, with little supporting facts."

The report does not allege that Mr. Nixon knew the source of funds being spent by Mr. Rebozo or that the President ever asked Mr. Rebozo to foot his bills.

Despite all the evidence, the staff said it could not reach a precise conclusion on alleged improper expenditures on the President's behalf because Mr. Rebozo "persisted in his refusal to make records controlled by him or his bank" available to the Committee and "placed himself beyond the reach of the Committee by traveling to Europe" just before the Committee was to be officially disbanded.

The federal campaign law contains no specific prohibition against the use of campaign contributions for personal expenses.

The staff report made no specific suggestion of criminal activity.

[From Newsweek magazine, July 22, 1974]

Sam Ervin's Last Harrumph

It has been a year and a half since the Senate Watergate committee began its task, and just over a year since the nation watched transfixed as former White House counsel John W. Dean III delivered his *j'accuse* to the wary senators. The committee has been reduced to somnolent murmuring for months, and not even a torrent of leaks about its long-overdue final report could rouse much interest in this section of impeachment. But when the three-volume, 2,299-page report finally emerged last week, it showed that Sam Ervin and his band still had a wallop left. In an exhaustive, 350-page section, the report provided the most damaging evidence yet that Richard Nixon had secretly and possibly illegally enhanced his personal wealth with political campaign contributions—and it suggested the existence of a "slush-fund" of unknown size, managed by the President's longtime friend, C. G. (Bebe) Rebozo.

The report was otherwise a long retracing of the path that the committee had blazed a year ago in its probe of wrongdoing during the Presidential campaign of 1972. That period, the senators said, had been "characterized by corruption, fraud, and abuse of official power," but they refused to assign individual responsibility. "Some people draw a picture of a horse and then write 'horse' under it," chairman Ervin explained. "We just drew the horse." Still, the committee's conclusions showed through in its 37 specific legislative recommendations for preventing future abuses. The proposed legislation would rein in the President, subject the Justice Department to scrutiny and give Congress more authority over a runaway executive branch.

RADICAL RECOMMENDATION

The most radical recommendation was for a permanent office of public attorney, to be named by the judiciary and approved by the Senate. The attorney, the report suggests, "would not be only a 'special prosecutor' but an ombudsman," with access to executive records and a franchise to investigate any apparent misconduct by the Administration. Reflecting on the "plumbers" operation, the committee would ban intelligence gathering by the White House; it would also increase Congressional supervision of the FBI, IRS and CIA, while severely restricting all communication between the IRS and the White House. The committee offered a list of restrictions on dirty campaign tricks. And to the section on Rebozo, the committee attached a recommendation that Presidents and Vice Presidents be required to make full disclosure annually of all income and gifts.

It was in the unraveling of Rebozo's intricate financial ties to Mr. Nixon that the report covered new ground. The thrust of the charge was that, from 1968 to 1972, Rebozo had used a complex set of bank accounts in the name of his lawyer, Thomas H. Wakefield, to funnel more than $50,000 to the President's personal use—and the implication was that at least part of that sum may have come from the mysterious $100,000 cash gift of billionaire Howard Hughes. According to the report, Rebozo had deposited sizable funds—including at least $20,000 in $100 bills—in three trust accounts held by Wakefield. Out of those he had paid $45,621.15 for improvements on Mr. Nixon's Key Biscayne properties, including a swimming pool, a fireplace and an Arnold Palmer putting green. There might have been more such expenditures, the report speculated, but Rebozo had refused to comply with subpoenas for his financial records.

Possibly the most damning single charge by committee investigators was that $4,562.38 in campaign funds had gone toward the purchase by Mr. Nixon of some platinum-and-diamond earrings for his wife's 60th birthday in 1972. Long before, money left over from the President's 1968 campaign had been deposited in the account of the Florida Nixon for President Committee, controlled by Rebozo, in Rebozo's Key Biscayne Bank & Trust Co. In 1969 Rebozo had transferred $6,000 from that account to another in his bank, the latter in Wakefield's name. There were some withdrawals that year, then none until June 28, 1972, the report charged, when Rebozo transferred the remaining balance—$4,562.23—to a trust account of Wakefield's law firm; then $5,000 was moved from there to a fourth account in First National Bank of Miami. Later that day, $5,000 was withdrawn in a cashier's check, payable to Harry Winston, the New York jeweler. Winston's records also show a $560 check from Mr. Nixon's Washington bank and a $90 check from his secretary, Rose Mary Woods, apparently to cover an unanticipated difference in the price of the earrings.

SWIMMING POOL

Rebozo conceded that the $4,562 came from campaign funds, the report said, but he maintained that the money was owed to him for his own undocumented expenditures during the campaign. But if Rebozo was making Mr. Nixon a gift totaling about $50,000, the report said, he failed to pay the necessary gift tax. While the transfer might have been a loan, the only record of reimbursement by the President noted in the report was a $13,642.52 check for the swimming pool—issued in mid-1973, when the committee was already probing the Hughes contribution. The Cooper & Lybrand audit of Mr. Nixon's finances last year reflected no such debt to Rebozo. The auditors, in fact, had not been told of the $45,621 worth of improvements on Key Biscayne, although the report said that Mr. Nixon knew that the improvements had been made and had met once with a contractor.

Even more potentially damaging was the report's suggestion that the $50,000 may have been only the tip of the iceberg. Only one month after the first Nixon Inauguration, the report disclosed, H. R. Haldeman wrote John Ehrlichman: "Bebe Rebozo has been asked by the President to contact J. Paul Getty in London regarding major contributions . . . The funds should go to some operating entity other than the [Republican] National Committee so that we retain full control of their use." That plan was later abandoned, but two months later Rebozo wrote to Herbert Kalmbach, the President's lawyer and fund raiser, about a fund he would maintain in Florida to "take care of frequent administration-connected costs." That fund began, Senate investigators suspect, with a relatively modest transfer of $6,000—but Wakefield and former Haldeman aide Laurence Higby have mentioned amounts between $200,000 and $400,000. Whatever the size, Newsweek's Nicholas Horrock learned, committee investigators believe that secret donations may have come from individuals seeking government favors.

The mystery surrounding Rebozo's handling of the $100,000 gift from Hughes, the probers charge, was only deepened by an IRS investigation into the matter. The agency delayed its inquiry for months after learning of the fund, and then handled Rebozo gingerly. Only days before Mr. Nixon fired special Watergate prosecutor Archibald Cox, the IRS told Rebozo that Cox was investigating him; the same day, the report said, White House chief of staff Alexander Haig tried to stop Cox's investigation.

The IRS's leniency with Rebozo was in marked contrast to its investigation of Democratic Party chairman Lawrence O'Brien. It began, the report said, when Ehrlichman learned that O'Brien's public relations firm had received a retainer from a company owned by Howard Hughes. Although the IRS had finished a routine audit of O'Brien, Ehrlichman has testified that he prodded the agency into reopening the case. "I wanted them to turn up something and send O'Brien to jail before the election," Ehrlichman told the committee. When the then Treasury Secretary George Shultz and IRS Commissioner Johnnie M. Walters telephoned Ehrlichman to report that O'Brien was clean, Walters said, Ehrlichman raged at him. It "was my first crack at [Walters]," Ehrlichman said. "George wanted to stand between me and his commissioner and this was the first time I had a chance to tell the commissioner what a crappy job he had done."

ETHICAL QUESTIONS

The committee had made other discoveries, but most had been leaked by the time that the report appeared. Investigators found evidence that the Presidential campaign committees of Democratic Sen. George McGovern were settling bills with creditors at 50 per cent of face value—while making substantial transfers of funds to McGovern's 1974 senatorial campaign. While the report presented no evidence of illegal intent, it raised a conspicuous question of ethics. And investigators charged that both Sen. Hubert Humphrey and Rep. Wilbur Mills had received thousands of dollars in illegal corporate contributions to their unsuccessful 1972 primary campaigns for the Democratic Presidential nomination.

There were also few surprises in the senators' individual reports. Most shunned the question of the President's role in the cover-up; only Sen. Edward Gurney, a Florida Republican, concluded that Mr. Nixon had no advance knowledge of the break-in and first learned of the cover-up in March 1973. (Last week Gurney was charged by a grand jury with bribery and conspiracy concerning a secret fund for his benefit.)

The report also contained a letter from Presidential counsel James St. Clair, replying to some of the charges and disparaging the rest. Mr. Nixon, he concluded, "never instructed C. G. Rebozo to raise and maintain funds to be expended on the President's personal behalf, nor, so far as he knows, was this ever done." Presidential spokesman Ron Ziegler added that the Rebozo charges were so much "warmed-over baloney"—a phrase that led the jovial Ervin to brandish an 11-pound sausage at the committee's final session in the Senate Caucus Room. But the White House response begged the question of whether campaign money had actually been diverted to Mr. Nixon's private use—and the charge promised to be yet another factor in the growing case for the impeachment of Richard Nixon.

[From Time magazine, July 22, 1974]

THE ERVIN COMMITTEE'S LAST HURRAH

The Senate Watergate committee passed quietly into history last week—and with it an extraordinary episode in congressional annals. Having accomplished its primary objective—to inform the U.S. public about the facts and dimensions of the Watergate case—the committee bequeathed the continuing investigation to a host of other legislative and judicial bodies. But before it expired, it issued one last broadside: a 350-page staff report alleging, among other things, that leftover campaign funds had been used by President Nixon's good friend C. G. ("Bebe") Rebozo to pay for various major improvements to the Nixon properties at Key Biscayne and for a pair of platinum-set diamond earrings that the President gave to Pat in 1972 for her 60th birthday.

Then, finally, on a warm summer day, the committee assembled for a closing ceremony in the marbled Old Senate Caucus Room. At the long table sat the Senators and key staff members, like a senior class on graduation day. Only four of the committee's seven members were present: Chairman Sam Ervin, Lowell P. Weicker Jr., Joseph M. Montoya and Daniel K. Inouye. Vice Chairman Howard H. Baker Jr. was home in Tennessee; Herman E. Talmadge was busy elsewhere; and Edward J. Gurney was beset by troubles of his own.

Attention focused naturally on Sam Ervin, now serving the last of his 20 years in the Senate. Through some ten weeks of televised hearings last summer, he had become, at the end of his career, a folk hero, a landmark of integrity. As Time Correspondent Stanley Cloud observed last week: "Sam Ervin hadn't been discovered as a result of Watergate; he had simply been there waiting, as though his entire life had been a preparation for this final service."

After paying tribute to his colleagues and to the committee staff, Ervin was presented with a 10-lb. sausage by Committee Counsel Samuel Dash, in recognition of White House Press Secretary Ronald Ziegler's denunciation of the committee's special report on Rebozo as "warmed-over baloney." Then Sam Ervin delivered a short speech, quoting right and left from his favorite writings, and it was over.

WITHOUT DEMAGOGUERY

Whatever its weaknesses—excessive leaking and petty rivalries—the committee accomplished its basic task. After a year and a half of existence, it had spent about $2 million of the public's money, produced 13 volumes and 5,858 pages of testimony and exhibits, and written a three-volume 2,217-page final report. Without engaging in demagoguery and without acting as prosecutor or persecutor, the committee had laid out the basic story of Watergate as clearly and fully as it could. Moreover, it had largely carried out this task in public, so that the American people would be able to make their own decisions about who was telling the truth and who was not.

The committee's special report on Bebe Rebozo's expenditures was not particularly important for the amounts of money involved. Compared with the abuses of power already documented in the Watergate affair, for example, the allegation that Rebozo spent $4,562.38 in leftover campaign funds for earrings for Pat Nixon would not ordinarily have been of much consequence. But it was perceived as a vivid symbol, calling immediately to mind a much younger Richard Nixon who bragged on television that his wife wore only a "respectable Republican cloth coat." Strategically, the allegation was also important to investigators because it helped them trace the means by which much of Nixon's campaign funds had apparently been "laundered."

The report alleges that the $4,562.38 portion of the $5,650 spent on the earrings was originally derived from campaign funds and that Bebe Rebozzo attempted to disguise the money's source by transferring it in and out of four separate Florida bank accounts. The $4,562.38, the report charges, was part of $6,000 that Rebozo withdrew on April 15, 1969, from the Florida Nixon for President Committee account in the Key Biscayne Bank and Trust Company—which he heads—and immediately deposited in a trust account in the name of his lawyer, Thomas H. Wakefield.

NICE DISCOUNT

Then, on June 28, 1972, the report continues, Rebozo (or his lawyer) transferred $4,562.38 to another Wakefield trust account in the Key Biscayne bank, immediately transferred $5,000 from this account to still another Wakefield trust account in the First National Bank of Miami, and finally bought a $5,000 cashier's check payable to New York Jeweler Harry Winston—all in the same day.

The rest of the cost of the $5,650 earrings was covered by two personal checks—one from Richard Nixon (for $560), the other from his personal secretary, Rose Mary Woods (for $90). The sale was apparently made by Winston's man in Washington, the late Don Carnavale, who was a close friend of Miss Woods. The earrings, containing 20 diamonds, were delivered to a presidential aide, Lieut. Commander Alex Larzelere, and the bill was marked "Please send to Rose Mary Woods." The earrings were subsequently appraised by Carnavale at $9,000—indicating that Winston gave Nixon a nice discount.

Rebozo admitted to the committee that the $4,562.38 had originated from campaign funds, but maintained that it was a proper reimbursement to him of money he had spent on campaign costs. The Ervin committee saw the transaction differently. "This complex fourstage process of payment for this gift," declared its report, "concealed the fact that the funds originated from contributions to the 1968 campaign and were ultimately used by Rebozo on behalf of President Nixon."

The report also charges that Rebozo used various trust accounts (again in the name of Thomas Wakefield or his law firm) for the deposit and transfer of at least $20,000 in $100 bills, and that these funds were subsequently used to pay for part of the $45,621.15 in improvements to the Nixon's Key Biscayne properties. These improvements included a new swimming pool and accessories, a fireplace, a putting green and a billiard table.

Whether specific laws were violated in the alleged use of campaign funds for private purposes is subject to varying legal interpretations. But certainly such funds would be taxable, and there is no record that the committee could find showing that the President paid any income tax on them. Nor, according to the committee, is there any record that Rebozo filed a required U.S. gift tax return for 1969, 1970, 1971 or 1972 on any improvements of more than $3,000 that he may have made to Nixon properties from his own funds. The committee noted that the only record of a reimbursement to Rebozo by the President had been a check for $13,642.52, issued in August 1973 at a time when Rebozo's affairs were being actively investigated by the Internal Revenue Service as well as by the Watergate committee itself.

Indeed, Rebozo seems to have conducted his business affairs with consistent vagueness. When asked by the Watergate committee earlier this year whether he had ever been reimbursed for bills that he paid for improvements to the Nixon properties, he replied: "Yes, I say, usually, I'm not going to nitpick with the President. If there's something I think he should have, I might just go ahead and do it without even him knowing about it. He just doesn't concern himself at all with financial problems, never has."

The committee failed in what had been a primary purpose of the Rebozo investigation: to establish a definite link between Rebozo's expenditures on the President's behalf and the $100,000 campaign contribution from Billionaire Howard Hughes. The report alleges but does not prove that, contrary to Rebozo's sworn testimony, he did not leave the Hughes contribution intact in a safe-deposit box for three years before returning it to a Hughes representative in June 1973. As previously reported, the President's former lawyer, Herbert Kalmbach, told the committee that Rebozo had told him that he gave part of the $100,000 to the President's brothers, Edward and F. Donald Nixon, to Miss Woods, and to "unnamed others."

SPECIAL ACCOUNT

The report contains some fascinating details about Rebozo's role as a part-time political fund raiser. In February 1969, according to a White House memorandum, Nixon asked Rebozo to solicit Billionaire J. Paul Getty in London for "major" campaign contributions—only a few months after he had completed his victorious campaign for the presidency. Getty subsequently contributed $125,000 to the 1972 Republican campaign. In early 1969, Rebozo established a special account in his Key Biscayne bank to pay for what he described as "Administration-connected costs"; this was the account from which the "earring" funds were withdrawn on June 28, 1972.

The special report on Rebozo and his friends was but one part of the complete report that the Senate Watergate committee issued. Within this exhaustive document, based on the testimony and other evidence, are 35 suggestions for government reform.

SPENDING CEILING

Among these would be the establishment of an office of "public attorney"—a sort of permanent version of the Special Watergate Prosecutor—who would prosecute criminal cases involving conflicts of interest within the Executive Branch. The committee favored setting up a nonpartisan elections commission to enforce statutes governing campaign contributions and expenditures. It proposed that cash contributions by an individual be limited to $100, that total contributions by any person to a presidential candidate be limited to $6,000; and that the overall spending in any presidential campaign be limited to an amount equal to 12c for every citizen of voting age. (This would hold the 1976 campaign funds to approximately $17 million.)

At the closing ceremony last week, a reporter asked Sam Ervin why the committee had failed to state in its report any conclusions about the responsibility for the Watergate scandal. Ervin replied that it was possible to draw a picture of a horse in two ways. You could draw the picture of a horse, with a very good likeness. Or you could draw the picture and write under it, "This is a horse." Well, said Sam Ervin, "we just drew the picture."

[From the New York Times, July 25, 1974]

WATERGATE REFORMS

Under the leadership of Senator Ervin of North Carolina, the Senate Watergate committee has concluded a year and a half of admirable work by agreeing upon a set of bipartisan recommendations for strengthening Federal law and creating new institutions of the Federal Government to lessen the risk of future scandals. In the present agony of impeachment the need for reform is obvious, and the means are now at hand.

The committee's most important proposal is for a permanent special prosecutor who would be chosen by a panel of three judges and serve a fixed five-year term. As the committee points out, the appointment of a special prosecutor proved necessary to cope with the present scandals and with the Teapot Dome scandal of fifty years ago because, in both instances, the Justice Department was too deeply compromised for the public to be certain that it would conduct a thorough inquiry.

President Nixon's dismissal of Archibald Cox and his attempt to abolish the office of special prosecutor last October demonstrated that such an officer has to have assured independence and must not be a Presidential appointee. The committee's recommendation deserves enactment by Congress; the only questionable aspect is whether the prosecutor should also serve, as the committee suggests, as an ombudsman for administrative complaints arising against all executive departments and agencies. Such a wide-ranging assignment might tend to entangle the special prosecutor in too many small disputes and distract him from dealing with rarer but more substantive abuses.

The committee's second institutional innovation would be creation of a Federal Elections Commission, a proposal already approved by the Senate in this year's campaign reform bill. However, the House Administration committee has voted for a mockery of a commission with six of the seven seats occupied by members of Congress and Congressional appointees. The Watergate committee's report ought to reinforce pressure for a genuinely independent commission. Otherwise, it would be better to leave supervision where it now is—with the Controller-General—but shift legal enforcement from the Justice Department to the new Special Prosecutor.

In the only recommendation that divided the committee, the majority opposed public financing of Federal elections on both constitutional and practical grounds. Public financing has already been approved by the Senate and is essential to a thoroughgoing reform of the electoral system. On this issue, we believe that the committee dissenters, Senators Inouye of Hawaii and Montoya of New Mexico, have the better of the argument.

Among the laws that the committee would amend or enact are several to protect the integrity of political campaigns against various "dirty tricks." It would, for example, become a crime for anyone to obtain employment in any campaign for Federal office for the purpose of interfering with or spying upon the candidate. Those who financed such undercover agents would also become criminally liable.

In an effort to break the unhealthy practice of using the Justice Department as a political command post, the committee urges that all officials of that department, including the Attorney General, be placed under the restrictions against political activity imposed by the Hatch Act on ordinary civil servants. We think that this, too, is a practical and needed reform.

[From the Washington Star-News, July 3, 1974]

A JOB WELL DONE

It was called formally the Senate Select Committee on Presidential Campaign Activities but it forever will be known as the Senate Watergate Committee. In its heyday, it caused millions of Americans to sit glued to their television screens watching with alternating bewilderment, anger and sadness as the almost daily bombshells rocked the nation.

Yet not many mourned the committee's passing last Sunday; most probably didn't even notice, for it had been eclipsed in the rushing Watergate tide that had moved on to impeachment and given another congressional panel, the House Judiciary Committee, its time in the sun.

There were criticisms of the Senate Watergate Committee, to be sure, and some of them had validity. There were times when members used the spotlight for personal posturing. There were times when the proceedings seemed unfair, when men were skewered publicly without a chance to defend themselves, when reputations and defendants' rights were damaged in the glare of publicity and the onrush of events. Some observers thought, too, that the committee unduly prolonged its existence, having managed to stretch its life five months beyond the year which the Senate originally allotted.

Despite its faults, the committee performed commendably overall, and its work was in the national interest. It did the initial work in baring the awful truth of Watergate and it laid the groundwork for calling those responsible to account for their legal and moral transgressions. There was an imposing need for the nation to cleanse itself of Watergate but before that could be done, the people had to be made aware of what Watergate was all about. The Senate committee did that, and if there were some excesses in the handling of its business, that was a price worth paying.

The ultimate objective of the committee was to suggest legislation to prevent future Watergates, and such recommendations will be made shortly. Many of the forthcoming proposals already have been revealed through committee leaks. Some of them, such as proposals to tighten campaign financing laws, should be enacted without delay. Some others, such as a recommendation to create a permanent special prosecutor's office to provide a continuing probe of allegations of wrongdoing in the executive branch, will bear close scrutiny and thoughtful consideration before rushing to implement them.

But from the beginning, Chairman Sam Ervin saw the main purpose of the committee's task as investigative and educational rather than legislative. He thought it more important to get the truth to the people and to convince them that the system could expose and correct its own ills. Toward that end, Ervin and his colleagues did their job well.

IMPEACHMENT

Mr. BUCKLEY. Mr. President, I have been very disturbed by reports I have received from friends in the House of Representatives with respect to pressures being brought to bear on them from constituents and public groups to vote one way or another on the question of impeachment. I have, accordingly, issued a statement describing my own understanding of a Senator's unique responsibilities in the event the House should vote articles of impeachment.

Mr. President, I ask unanimous consent that a copy of my statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR JAMES L. BUCKLEY ON IMPEACHMENT

It appears reasonable at this juncture to prepare for the possibility that the House of Representatives may soon approve a bill of impeachment. It is with this possibility in mind that the Senate leadership is now moving to study procedures that might be followed should we be confronted with an impeachment trial in the Senate.

The media is also preparing for the possibility of impeachment. In fact, there are already those who are predicting how I and other members of the Senate might vote at the conclusion of such a trial.

Such predictions strike me as both risky and presumptuous, especially in light of the nature of the principle Articles of Impeachment formulated by the House Judiciary Committee. For these consist not merely of charges that the President committed specific acts that are individually impeachable. They also appear to allege that the President has been guilty of acts of commission and omission that taken together constitute "high crimes and misdemeanors" within the meaning of Section 4 of Article II of the Constitution. By basing its charges in substantial part on patterns of conduct, the Judiciary Committee is not only casting judgment as to the weight of the evidence before it; it is asserting an interpretation of what constitutes an impeachable offense within the meaning of the Constitution as to which honest men can and do disagree. Thus, if a majority of the House of Representatives ratifies the action of the House Judiciary Committee, members of the Senate will be called upon not only to sit as jurors at a trial, but as judges of the legal sufficiency of the charges.

In my own case, I have made no judgment as to either the Constitutional sufficiency of the Articles of Impeachment recommended by the House Judiciary Committee or of the evidence offered in their support. Furthermore, I do not intend to address myself to these important and time-consuming matters unless and until it is my constitutional duty to do so.

In the meantime, I shall proceed on the understanding that judges and jurors are supposed to decide a case on the basis of an objective assessment of the law and of the evidence presented at trial rather than on the basis of personal prejudice, public pressure or extraneous influences that have little if anything to do with the facts of the case or with the demands of due process.

The perfect judge or juror may not exist, and all of us have our personal feelings about the events of the past eighteen months. But we can and should strive for objectivity.

I have, therefore, instructed my staff to withhold from me all mail urging either an affirmative or negative vote on the question of the President's guilt or innocence. The President deserves an objective hearing based on the evidence and should be neither convicted nor acquitted because of public pressure.

INFLATION, THE PLIGHT OF THE INDEPENDENTS AND THE NEED TO EXTEND THE PETROLEUM ALLOCATION ACT

Mr. HUMPHREY. Mr. President, as author of S. 3717, a bill to extend the

Emergency Petroleum Allocation Act from February 28, 1975, to June 30, 1976, I testified this morning before the Senate Committee on Interior and Insular Affairs to urge support for an extension of the allocation program.

Expiration of the Allocation Act would have a devastating impact upon our raging inflation, it would do great damage to our independent oil dealers, and it would disrupt our distribution and supply of petroleum products during the upcoming winter months. The Federal Energy Administration would like to see the act expire. The FEA is continuing with its plans to decontrol residual fuel oil, butane, gasoline, and other petroleum products in the near future. Now that the first break in the energy storm clouds has appeared, it is not time to throw away our authority for dealing with a problem that will be with us for a long time.

Mr. President, we are currently in a two-digit inflationary cycle, and the increasing price of petroleum products is adding to that inflation. If we allow the Emergency Petroleum Allocation Act to expire, domestic oil prices will shoot up to the price of world oil. Retail prices will go up and so will oil company profits. Decontrol of oil products right now would be like throwing gasoline on the raging fire of inflation.

Gasoline and motor oil costs are up 38.9 percent to the consumer this year. The price of heating oil and the price of electricity which is produced from plants burning residual fuel oil keep going higher and higher. How long will the American public put up with this situation? I do know that the public will not condone congressional inaction that will result in another huge windfall for the oil industry.

Mr. President, for the sake of the consumer, the independent oil marketers and refiners and for our economy, I urge support of my bill. I ask unanimous consent that the text of my remarks this morning before the Senate Interior and Insular Affairs Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY, SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, EXTENDING THE EMERGENCY PETROLEUM ALLOCATION ACT, JULY 31, 1974

Mr. Chairman: I have come this morning to urge the Committee to recommend that the Senate extend the Emergency Petroleum Allocation Act, as proposed in legislation I have introduced, S. 3717. My bill will extend the allocation act from February 28, 1975 to June 30, 1976. The Emergency Act has served the Nation well. It has permitted the Federal Energy Administration and its State counterparts to step into situations where fuel supplies were inadequate to make sure that essential activities, such as food production and essential public services, were not disrupted. It has permitted the FEA to moderate the inflationary impact of higher world oil prices on the U.S. economy by preventing the price of some already flowing domestic crude oil from adjusting upward to the world level. It also permits the FEA to direct the major oil companies to continue supplying the independent oil refiners and distributors. Although the administration of this part of the Act up to now has not been adequate to save the independent sector from being severely squeezed, it has saved the independents from complete extinction.

MAINTAINING ESSENTIAL ACTIVITIES

No one needs to be reminded of the dire fears and forecasts that existed last fall concerning the adequacy of heating fuel in certain parts of the country. Some disruption of transportation and production did occur, but a great deal was avoided through the efforts of the FEA and collaborating State officials. No one needs to be reminded of the drastic shortage of gasoline that prevailed intermittently from last Thanksgiving through the beginning of April. Bad as it was, it was greatly mitigated by the FEA acting under the authority of the Emergency Petroleum Allocation Act.

Mr. Chairman, supplies since that time have been adequate in the main largely because of our good fortune with last winter's very mild weather. Meanwhile we have foolishly returned to business as usual. Our consumption is growing again but increases in domestic crude production and refinery capacity are still some years away. No one guarantees that shortages will not return if, for instance, next winter is not so merciful as last. They could well be worse than anything we have seen yet.

The allocation machinery is just getting oiled up. The first break in the storm clouds is no time to throw away our authority for dealing with a problem that all agree is a long-term matter.

CONTROLLING INFLATION AND OIL PROFITS

As for oil prices, Mr. Chairman, I think we do not realize how much the Emergency Petroleum Allocation Act has permitted FEA to soften the blow to the U.S. economy. Despite the fact that crude price increases were granted which profited domestic producers about $10 billion, the price controls have held the price of 60 to 70 percent of U.S. domestic crude production at about one-half of the level to which it would have gone without controls. As a result, the *increases* in oil prices were shaved by about one-third.

If the Emergency Act is allowed to expire, the prices of all crude oil and oil products will "even up" to a level commensurate with OPEC prices. This will mean that *all* regular gasoline will go up another 10 cents a gallon to about 65 cents per gallon from today's average of about 55 cents. Fuel oil will rise sharply again. And these increases will be reflected in the prices of freight rates, air fares, electricity, and all the goods that contain some fuel component.

It is estimated that last year's big jump in crude oil prices contributed about 3 percent on top of other factors to this year's alarming rate of inflation. If we decontrol oil prices next February, we can expect similar shock waves to roll through the economy again.

Mr. Chairman, I believe that the public just will not condone Congressional inaction that will result in another huge windfall for the oil industry at the expense of consumers.

There is no economic reason for permitting it to happen. Higher prices are not resulting in increases in total level of oil production. Price increases on controlled old production will not result in more drilling activity in the future. In fact higher prices and new oil corporation profits would most likely result in the feverish scramble for scarce resources in the industry and bidding up prices of rigs, piping and labor even more.

Let me remind you that absolutely no action has been taken by the Senate up to now to recover any of the oil profits bonanza in taxes, either for this year or in the future.

SAVING COMPETITION IN THE OIL INDUSTRY

It it weren't for the Emergency Petroleum Allocation Act, Mr. Chairman, there would be virtually no independent refiners or marketers left in the oil industry today. They would have been rubbed out in the short period of two years. As it is, they have suffered great attrition, and their share of the retail market, has slumped, according to a recent FEA consultant's report, from about 28 percent in 1972 to about 17 percent at present.

Various observers of oil industry have testified—several of them before the Subcommittee on Consumer Economics, which I chair—that the major oil companies in the past have taken most of their profits at the crude-oil level and have kept the profitability of refining and marketing artifically low as a means of curtailing competition there. However, now that overseas producing countries have seized control of much of the crude production and the associated profits, the major companies are turning increasing attention to tightening their grip on the downstream sectors and to increasing profits there.

Some major companies are taking over previously franchised stations for their own use, and all of them continue to build new stations, often to represent their so-called "fighting brands;" that is "gas-and-go stations" set up to compete directly with the independent gasoline marketers. This is why the independent firms, already weakened financially by two years of supply starvation are convinced that they will not be able to obtain adequate supplies from their major-company competitors now that the latter are moving in to take over the action. And we need the competitive influence of the independents more than ever.

As I indicated, Mr. Chairman, while the Emergency Petroleum Allocation Act was provided vital authority to regulate oil supplies and prices, it has not succeeded as it is administered in assuring fair pricing to the independent sector of the industry. Although the law provides for fair distribution to all segments of the industry *at fair prices*, the FEA refused for a long time to take any action to assure fair pricing. So the major companies could fulfill their supply commitments to independents largely with crude oil at the high uncontrolled price and with products based on such crude, while underselling their competitors with oil at the lower controlled price. This has meant that supply commitments to independents, in many cases, were meaningless, because at the prices offered the supplies could not be resold.

For example, Exxon is selling regular gasoline in Washington, D.C. for about 55 cents a gallon under price control, but independent stations receiving only uncontrolled oil must charge well over 60 cents. With this disparity in costs, the independents cannot sell any gas and are rapidly going out of business. I attach for the record three tables provided by the Independent Gasoline Marketers' Council, showing their increase in wholesale prices compared to that of the integrated companies and their resulting loss of market share of price.

FEA's response to this problem has been very halting and incomplete. Recently, after much footdragging, Mr. Sawhill said FEA will consider ordering the majors to supply certain quantities of lower-priced oil to a small selection of independent refiners whose costs are farthest out of line. FEA contends that this correction at the refinery level will take care of the desperate plight of independent marketers as the savings in cost were passed through. But this action has not occurred and is a totally inadequate response to the problem and leaves many independent refiners and marketers in an untenable competitive position.

THE NEED FOR PROMPT ACTION

In closing, Mr. Chairman, I urge the Committee and the Congress to act quickly on this matter. The need to expedite the renewal legislation stems from the fact that the Administration is proceeding with its decontrol plans for this Fall and Winter. The result of this is that producers and distributors all along the line will begin to hold back production as decontrol approaches in hopes of realizing a sizeable increase in price and in the value of their inventories, including inventories in the ground. Therefore, we cannot act too soon to remove this uncertainty from the market and to convince the industry that it will profit them nothing to hold back production in anticipation of new shortages.

Independent Gasoline Marketers Council—Sales Volumes Analysis, June 28, 1974

Comparison of sales of motor gasoline by sample of nonbranded independent marketers, representing more than 2,700 retail outlets from coast to coast and, sales of motor gasoline by total industry, as reported by the Federal Energy Administration:

Time period	Base period 1972	Current 1974	Percent of base period
Sample of nonbranded sales:			
January	156, 385, 023	133, 457, 685	85.3
February	149, 150, 279	129, 918, 573	87.1
March	176, 010, 430	136, 085, 432	77.3
1st quarter	481, 545, 732	399, 461, 690	82.9
April	174, 699, 612	138, 014, 540	79.0

Time period	Base period 1972	Current 1974	Percent of base period
Total industry sales:			
January	7, 226, 016, 000	7, 563, 150, 000	104.7
February	6, 955, 998, 000	6, 835, 584, 000	98.3
March	8, 348, 760, 000	8, 190, 294, 000	98.1
1st quarter	22, 530, 774, 000	22, 589, 028, 000	100.3
April	7, 905, 870, 000	8, 058, 582, 000	101.9

Independent Gasoline Marketers Council—Wholesale Price Movement Anaylsis, June 28, 1974

Comparison of the average cost of regular gasoline, excluding taxes, to nonbranded independent marketers, representing more than 2,700 retail outlets from coast to coast, and the average cost of regular gasoline, excluding taxes, to all marketers, as reported by Platt's Oilgram for 1972 (average of 55 markets) and by the Federal Energy Administration of 1974:

Time period	Base period 1972 cents per gallon	Current 1974 cents per gallon	Percent of base period
Nonbranded average costs per gallon:[1]			
January	12.7	23.3	183
February	12.7	26.9	212
March	12.7	29.7	234
1st quarter	12.7	26.6	209
April	12.8	30.2	236
All marketers average costs per gallon:[2]			
January	13.0	20.2	155
February	12.9	22.5	174
March	12.0	24.2	201
1st quarter	12.6	22.3	183
April	12.2	25.5	209

[1] Nonbranded costs do not include national brand name advertising and refiner credit card services as do branded jobber costs.

[2] Cost figures are based on "dealer tankwagon prices," less 5 cents to reflect jobber margins, but without adjustment for refiner advertising and credit card services.

Independent Gasoline Marketers Council—Market Share Analysis, June 28, 1974

The market share of nonbranded independent marketers during current periods of 1974, measured in each period as a percentage of the comparable period of 1972. The sample consists of sales of motor gasoline by more than 2,700 retail outlets from coast to coast.

Percent of base period market share

1974:	*Percent*
January	81.5
February	88.8
March	78.7
First quarter	82.2
April	77.7

THE HOT RIVER VALLEY

Mr. ABOUREZK. Mr. President, the Nation magazine devoted almost its entire issue of April 3, 1974, to an article by McKinley C. Olson on "The Hot River Valley," a discussion of the controversy about nuclear powerplants in York and Lancaster Counties in Pennsylvania. Thursday the Senate will vote on extension of the Price-Anderson Act. Because the article written by Mr. Olson deals entirely with the safety issue of nuclear powerplants, I urge all Members of the Senate to read it and ask unanimous consent that the text of the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Hot River Valley

(By McKinley C. Olson)

(This article examines the controversy arising from the increasing reliance on nuclear power to supply the country's energy. Although a number of potential sources of power are mentioned, it is not our purpose to offer a full-blown discussion of the nation's energy problems or its options for the future. Also, readers would do well to remember that all confrontations over nuclear power, from Vermont to California are replays, with local variations, on the same essential theme: How safe is controlled nuclear fission?—The Editors)

Lightning flashed. The emergency warning system went off and a siren began to wail. One of the foremen yelled to his men, "get the hell out of here." Workers on the night shift ran for their cars and trucks and pulled away from the construction site, racing at crazy speeds over the one-lane bridges and down the back-country roads.

This was in July 1971, about 7:00 in the evening in rural Pennsylvania. No one thought to alert the people who lived in the area. Farmers, their wives and children, watched bug-eyed from their porches as the vehicles flashed by.

It turned out to be a false alarm, touched off when lightning struck a power line, but the people around here will never forget that night. They live next door to the Peach Bottom nuclear power complex. In 1971 there was one atomic plant here; today there are three. Tomorrow there might be two more. And two more after that.

There have been other nervous moments. A year after that thunderstorm, toward the end of July people in the neighboring county across the river from Peach Bottom were startled by the sound of a loud "woosh" in the night. One woman told the press it sounded like "the world's largest teakettle was leaving off steam." The power failed; frightened people left their homes and made their way to phones to call the plant across the river. The atomic workers told the callers they had heard no noise, but the "wooshing" persisted for well over an hour. A few days later, the plant reported that lightning had struck again, hitting a transformer line and shutting down a large generator, which in turn gave off steam that made the sound.

Again, nothing of fatal consequence. But the people wonder if the plant was being evasive that night even though they were told that residents on the plant side of the river, for some reason, didn't hear the "frightening noise."

These are samplings of the stories that are told along a secluded 26-mile stretch of the Susquehanna River in the southeast corner of Pennsylvania, 35 miles north of Baltimore, which could become the largest concentrated source of nuclear power in the world.

Philadelphia Electric Company has applied for a permit to build two more nuclear reactors across the river from the three existing reactors at its Peach Bottom complex, the newest two of which are among the largest in the world. The two proposed reactor stations would compare in size and output to these giants. And the utility already talks of building two additional atomic power plants a relatively short distance downstream from these.

The electricity generated by these nuclear plants is to serve the Philadelphia area, 65 miles to the north. That is a bone of contention for the residents of York and Lancaster Counties which face each other across the Susquehanna and share this nuclear development. They sense that they are being required to assume all the risks of nuclear power while being denied any of the benefits. Quite a few people here who derisively refer to York and Lancaster as The Nuclear Capital of the World, feel that they are already living with more than their share of nuclear power plants; they strongly oppose any more such neighbors. There is also a core of angry, outspoken activists who are against nuclear power plants in any contemporary form, shape, size or number.

Together, the merely uneasy and the bitterly opposed have joined forces in a local coalition to pit their meager resources against the nuclear establishment. These contestants, the sponsors of nuclear power and those who opposite it, are participating in what could well be a historic contest. Ralph Nader predicts that it will become the biggest citizens' battle of our time.

UNCORKING THE BOTTLE

I became actively interested in nuclear power in 1959 when, as a reporter and photographer for the York (pa.) *Gazette and Daily*, I was assigned to cover the development of the first Peach Bottom plant. That was two years after the nation's first atomic plant had gone on line. Nuclear fission was already being hailed by its boosters as our coming energy source. By 1972, after years of funding and research, only thirty nuclear plants were operating in the country, producing only about 1 per cent of the power. This year, forty plants will deliver 4 per cent of the power. But this picture could change rapidly. Today, according to AEC figures, forty-four plants are licensed to operate, fifty-four are being built and orders have been placed for another 109. By the year 2000, if current plans hold, more than 1,000 nuclear fission plants may be producing 30 to 60 per cent cf the nation's energy.

Here at the start of my discussion it is important to differentiate between uranium or plutonium fission and nuclear *fusion*—still in embryo—which would combine hydrogen atoms from ordinary sea water at extremely high temperatures to produce unlimited energy in a controlled reaction. Nuclear fusion is considered safe by opponents of nuclear fission, who contend that a fusion reactor could not "run away" because it would not accumulate the dangerous radioactive wastes that characterize the fission process. The critics of nuclear power are speaking of power from fission. They contend that available sources of conventional power give us enough time to turn our backs on the atomic plants of today and the immediate tomorrow, and concentrate on developing other potential sources of power. Proponents of fission cite the alleged energy crisis as the prime reason why we must redouble our reliance on that approach to nuclear power.

Despite such fundamental disagreements, all reputable parties in the debate accept several basic premises. First, that a major fission power plant accident would be catastrophic in terms of death, disease and damage to property. Next, that the radioactive materials employed in the fission process are deadly. Plutonium-239, the most dangerous substance ever handled by man, is one of the byproducts of today's reactors and will probably be the principal fuel of tomorrow's. A spoonful of plutonium dioxide particles, if dispersed in the air, is enough to kill millions of people. It also remains active for a long time, and must be contained with no leakage for thousands of years. Thus, even a short-term commitment to fission power means that we would saddle generations to come with its dangers.

The advocates of nuclear power along the Susquehanna are much the same as those elsewhere. They include the utilities that have invested in nuclear power or will do so; giant outfits such as Bechtel, Westinghouse, Gulf Atomic and General Electric which build the plants and supply the nuclear hardware; the Congressional Joint Committee on Atomic Energy and the ubiquitous Atomic Energy Commission (AEC), which has the conflicting roles of promoting the development of nuclear power and protecting the public from its hazards.

These groups form the nation's multibillion-dollar nuclear establishment. They employ a substantial number of people—the AEC alone has some 7,000 workers, a great many of whom have invested most if not the whole of long professional careers in the service of nuclear power. Thousands of well-salaried jobs and the comfort and welfare of many families depend today on the nuclear industry. In York and Lancaster Counties, the most prominent targets of anti-nuclear attack are the Philadelphia Electric Company and the AEC.

The local foes of nuclear power include two small environmental groups (the one in York has some twenty-five members; its neighbor in Lancaster has around 100) and the Peach Bottom and Fulton Township government units which lie on either side of the river just above the Maryland line. Two other Pennsylvania environmental groups, larger and with more muscle, but with diversified interests, support the local protesters. All these in turn draw help and moral support from small but tenacious national environmental and scientific groups such as the Union of Concerned Scientists and the Committee for Nuclear Responsibility, both of which have membership lists bearing distinguished names.

The anti-nuclear people also have friends in the nation's capital, and the number there has been growing of late. Sen. Mike Gravel (D., Alas.) and Ralph Nader have been among the most outspoken critics of nuclear power in the capital. Back in Pennsylvania, former State Insurance Commissioner Herbert S. Denenberg, the consumer-orientated gadfly, entered the fray last summer with the pronouncement that "this is the most important issue ever to face the American public," and the cry that "it may be that nobody but God could write the insurance policy we need on nuclear plants." In addition, the city of Baltimore—which draws drinking water for some 2 million people from the Susquehanna River 9 miles below the Philadelphia Electric nuclear complex—the state of Maryland and the Chesapeake Bay Foundation (an environmental group) are all taking an active interest in the developments upstream.

The five nuclear plants in York County are on the west side of the river. Two are in the northern end, across the river and 5 miles south of Harrisburg, the state capital. The other three are bunched together in a nuclear power complex 26 miles downstream at Peach Bottom. Philadelphia Electric, which owns controlling interest in the three-plant complex, and operates it, has asked the AEC for a construction permit to build two more giant reactor plants—at a cost of $1.5 billion—in Lancaster County's Fulton Township, on a site directly across the river from the Peach Bottom complex. And Philadelphia Electric has notified authorities in Maryland that it thinks of building yet another pair of nuclear stations on the river in Cecil County, just below the state line (see map p. 81).

STAMP OF APPROVAL

The AEC controls the major checkpoints in the development of an atomic plant—issuing the original construction permit and later an operating permit (the AEC's final stamp of approval). The agency holds public hearings before awarding these permits. One recent study called these hearings "charades" because the AEC's "common set of interests" with the utilities and reactor manufacturers almost assures that citizen opposition to a nuclear plant will be defeated. Moreover, according to Steven Ebbin, director of the Environmental Policy Study Group at George Washington University, and Raphael Kasper, a nuclear engineer with the National Science Foundation, the issues are argued in technical and legalistic language that excludes the layman.

But the basic shortcoming of the AEC plant hearings is that they do not provide a forum for debating the issue of nuclear power as such. At most, they permit the AEC examiners to make sure the utility has lived up to the specifications established by the commission. Citizens concerned about the cumulative effects of low-level radiation discharges, the unsolved problems of storing radioactive waste for thousands of years, the danger of nuclear sabotage, theft or blackmail, are likely to derive little satisfaction from local AEC hearings, where the questions they want to raise are often dismissed as irrelevant to the purpose of that meeting.

In York, the anti-nuclear environmental group and its attorney have been trying, unsuccessfully, to keep Peach Bottom Units Two and Three—the two big new reactors—from operating. Petitions have also been filed by the York group and the Peach Bottom Township supervisors, opposing Philadelphia's application for a permit to build the two additional Fulton stations, which the environmental group and government bodies in Lancaster also oppose.

The Philadelphia Electric wants to build these plants in Fulton Township because it already has rights-of-way and power lines there. Also, these large nuclear plants use a lot of water—Peach Bottom Units Two and Three will each take and discharge a billion gallons a day—and the Susquehanna, a mile and a half wide here, is one of the largest rivers east of the Missisippi. Furthermore, the site is only 65 miles from the utility's 1.2 million customers. And only 7,000 people live within a 5-mile radius of the nuclear complex at Peach Bottom, which accords with the AEC's policy of keeping atomic plants away from urban centers. Peach Bottom, however, is small rather than remote. It is less than 60 air miles from Washington, D.C., and about 30 per cent of the nation's 200 million people live within a 250-mile radius of this nuclear complex; 5 milion of them within a 50-mile radius.

Upstream, near Harrisburg, Metropolitan Edison Company heads the consortium that is building two nuclear plants at Three Mile Island at a cost of $1 billion. Met Ed's first reactor, an 871-megawatt unit, was supposed to go on line this year, but there have been many delays. The second Met Ed unit, a 905-megawatt reactor, was scheduled to begin generating commercial power in 1976. The AEC says both plants are about 60 per cent completed.

Most of the local controversy is focused downstream, at Peach Bottom and Fulton. When I was last there, the only unit in operation was a small experimental, 40-megawatt high-temperature gas-cooled reactor, the one I began reporting on in 1959. It began to generate commercially in 1967 and has been running off and on ever since. Philadelphia Electric reports that it has been a successful prototype, but plans to retire the unit within a few years, since its output is too small to be commercially worthwhile. Its immediate neighbors dwarf their dome-shaped senior. These new twin, 1,065-megawatt General Electric boiling water reactors are as big as they come today. An AEC Peach Bottom report notes that "this total industrial complex . . . has . . . considerable visual impact . . . on the surrounding rural scene." The new reactors, turbines and generators are housed in smooth rectangular buildings. Freight cars standing next to the buildings seem borrowed from a child's toy railroad.

THE RISK-BENEFIT ARGUMENT

Thus far, Philadelphia Electric and the other utilities associated in the Peach Bottom project have spent about $750 million on the new plants. The final cost could be more than a billion dollars. Unit Two was supposed to go on line last year but has been plagued by generator and turbine trouble. It finally began generating this July. It is also possible that the utility may have to recool completely all the water it draws from the Susquehanna before returning it to the river. An initial AEC licensing board decision is asking for closed-circuit cooling for Peach Bottom Units Two and Three by January 1977. A final AEC ruling in favor of total cooling, to protect the ecology of the Susquehanna, would force Philadelphia Electric to close down its new reactors and, at the very least, build two additional cooling towers alongside the four already provided for partial cooling. Shutting down the plants and building the two towers would cost a minimum of $112 million, according to Philadelphia Electric.

Because of the AEC's current demand for closed-circuit cooling, Philadelphia Electric has incorporated this system into the design of the proposed Fulton reactor plants, which would feature two 1,160-megawatt high-temperature gas-cooled reactors—enormously larger versions of the prototype at Peach Bottom. Closed-circuit cooling, while it protects fish and other forms of marine life from the harmful effects of hot water, evaporates tremendous quantities of water, and that in turn could upset delicate ecological balances even in a body of water as large as Chesapeake Bay. Forty per cent of the bay's fresh-water input comes from the Susquehanna. The proposed Fulton reactors would evaporate some 28 million gallons of water a day. This loss and the evaporation from the five other nuclear plants on the river would approximate one-third of the Susquehanna's low water flow.

A sharp reduction in the amount of fresh water emptying into the bay could ruin commercial fishing. Oysters, for one, thrive on the blend of fresh water and salt. Philadelphia Electric rather blithely brushes off this concern about the future of Chesapeake Bay, contending that if unexpected problems do arise, they can be handled without much trouble. The environmentalists and the anti-nuclear people are afraid that if the utility is found to be wrong it might be too late to repair the damage. This difference of opinion is typical of the nuclear controversy. The AEC and the nuclear industry display almost boundless confidence in their ability to solve all problems and contain all hazards should they arise. The anti-nuclear critics contend that the dangers inherent in the nuclear fission process are beyond the present ability of the engineers to contain. In the words of Dr. Henry W. Kendall, a high-energy physicist at M.I.T. and a leading spokesman for the Union of Concerned Scientists, the critics believe that the nuclear proponents should be required to "prove safety beyond all reasonable doubt, rather than for their opponents to prove the contrary." Legislation and suits calling for moratoriums on the operation, construction and export of nuclear-fission power plants until the safety issues have been resolved in the public interest have been introduced and filed by—among others—Ralph Nader, Sen. Mike Gravel and Friends of the Earth, an environmental group.

The pro-nuclear establishment, while conceding that there are grave dangers in the fission power cycle, argues that the ability of atomic power to provide our economy and way of life with the energy it needs to survive and prosper far outweigh the potential hazards. They also contend that it is efficient, clean and relatively cheap, once the heavy construction costs are absorbed. They cite the fact that reactors have been operated for the past seventeen years without a major mishap. Director-General Sigvard Elklund of the International Atomic Energy Agency, who says he "can't see how mankind can survive without more energy," which "nuclear power . . . only . . . [can provide] for the next ten years," contends that these seventeen years without a serious accident are the equivalent of more than 1,000 years of cumulative nuclear reactor experience.

The atomic power advocates are fond of noting that fossil fuels are exhaustible, and contend that mining and burning coal, which they consider the only feasible alternative to nuclear power, are processes too damaging to the environment to be continued. Spokesmen for fission are quick to dismiss alternative sources of power such as solar and geothermal energy, which are free of the risks associated with atomic energy, on the grounds that they are impractical, prohibitively expensive, or beyond immediate reach. All these premises lead the pro-nuclear people to conclude that fission power is the only realistic means to bridge the immediate short-term energy gap and meet the increasing demands for power in the future.

Dr. Ralph E. Lapp, a physicist, nuclear consultant and author, is one of the best known publicists for this point of view. Writing a few months back in *The New York Times Magazine*, Dr. Lapp argued that society must weigh the risks of fission against the demands for more power: "We must consider the question of nuclear safety in this risk-benefit context." He concluded that *if* the highest standards are enforced in the design, construction and operation of atomic plants, nuclear power is "not only an acceptable risk" but the "only practicable energy source in sight adequate to sustain our way of life and to promote our economy."

In its pristine form, the anti-nuclear objection is that fission power demands human and technical infallibility, not just for today and tomorrow but for thousands of years. Dr. Alvin Weinberg, former director of the AEC's Oak Ridge National Laboratory, admits that "once man has opted for nuclear power, he has committed himself to essentially perpetual surveillance of the apparatus of nuclear power."

Although most nuclear critics believe that it is impossible to build a "safe" nuclear power plant, they contend that even if it were, the whole nuclear cycle—power plants, fuel reprocessing centers, transportation, waste-storage facilities—is extremely vulnerable to the threat of accident, war, nuclear blackmail, sabotage and theft. Newspaper headlines and the everyday stuff of the six o'clock news testify to turbulent times. Russell W. Peterson, the former governor of Delaware and chairman of the President's Council on Environmental Quality, said recently that we should move our atomic plants out to sea, that being the only way he could imagine to guard them and population centers from "the potential of sabotage" in an age of growing terrorism.

The critics also believe that radioactive releases from normally functioning nuclear plants are much greater than the AEC and the nuclear industry admit; and that even the most minute emissions of radioactive materials, which all nuclear plants release, will in time increase the number of cancer, leukemia and heart disease victims by the thousands if not millions. The anti-nuclear crowd also contends that, some time, some place, a major reactor accident is bound to occur, and that when it does, enough radioactive poison will be released to kill and cripple many thousands of people, devastate cities and lay waste thousands of square miles of countryside. And, finally, that if we were to abandon atomic fission power and put all the time and research and development funds that it now commands into the development of other sources of energy, we could rather quickly provide society with safe alternatives.

ATOMIC RECEPTACLE

Raymond L. Hovis, boyish-looking at 40, with mod glasses and long, neat, pale red hair, is an attorney in York who has been representing the York opponents of the Peach Bottom reactors, members of the York Committee for a Safe Environment, which is supported by the Central Pennsylvania Committee on Nuclear Power, and the Committee for Responsible Energy Sources of Philadelphia. A former member of the Pennsylvania House, a liberal Democrat and the nephew of former state Gov. George Leader, Hovis is determined to proceed cautiously and keep an open mind.

"I'm not totally opposed to atomic power," he said to me, "but I'm afraid we're going to become a receptacle of nuclear power plants, now that they're talking about nine potential reactors within a 50-mile radius of the city of York (the county seat), if you include the two below the Maryland line in Cecil County." Within nine years, Hovis notes, Pennsylvania is supposed to have fourteen nuclear power plants in operation, most of them along the lower Susquehanna River. Only Illinois, slated for fifteen, would have more. "And no one has ever been asked to license five reactors 2 miles apart," Hovis said, referring to Philadelphia Electric's request to build the two Fulton plants in Lancaster County across the river from Peach Bottom. "As far as Peach Bottom goes, the only thing we can fight for now when it comes to the AEC and Philadelphia Electric is to try to force them to make the plants as safe as they can be under the circumstances."

Hovis said he was unsuccessful last summer when he appeared before a hearing of the AEC Safety and Licensing Board in York to protest the issuance of an operating permit for the new Peach Bottom plants. He tried to argue that atomic plants were proliferating in the York area at an alarming rate; that the AEC had refused to consider the cumulative effects of low-level radiation from the three Peach Bottom plants; that the agency had ignored the risks involved in transporting radioactive fuel and waste materials to and from the nuclear complex, and that the AEC had failed to compel Philadelphia Electric to produce a workable emergency evacuation plan in the event of a nuclear accident.

"The licensing board dismissed all these objections as irrelevant," Hovis said, and granted a conditional operating permit. He has appealed the decision to an AEC appeals board, and is prepared to take his case to court if the board rules against him.

Hovis shook his head ruefully as he thought of the time and work it takes to ready a case for the AEC. Pointing to a row of thick volumes pertaining to Peach Bottom alone, he said, "I had to go through 6 to 8 feet of reading material which the AEC handed me just to get started. I have at least $12,000 down in my time book, and I'm not finished yet." He knows that the chance of getting paid for his work, especially in full, is slight, but he has no intention of dropping the case. "I find it fascinating and very educational, in every way," Hovis said. Another anti-nuclear critic in York put it this way: "The problem is so immense that you go from antitrust laws to windmills and hit everything in between."

All the winding paths of inquiry lead back to a beginning: How dangerous is nuclear power? And how much trust can we place in the hands of its champions?

From the very first, in the immediate postwar era, such people as Albert Einstein and David E. Lilienthal, the former head of the AEC, questioned the safety of atomic power. And, in 1946, an AEC safeguards panel told Lewis Strauss, then chairman of the AEC, that "the committee believes there is insufficient information available at this time to give assurance that the . . . reactor can be operated at this site without public hazard."

The reactor in question was the Fermi fast-breeder plant (a breeder reactor produces more fissionable fuel than it consumes) on Lake Erie not far from Detroit and Toledo. The critics charge that Strauss suppressed the go-slow recommendation, and a few months later the AEC allowed Fermi to build. Protests were lodged and the case went to the Supreme Court which decided for the AEC. The Fermi plant was built but its performance was marked by accidents and long breakdowns and it has since been shut down for good. The Fermi controversy aroused suspicions about atomic safety and the credibility of the AEC which persist to this day.

The next milestone in the nuclear power controversy came in 1953 when President Eisenhower unveiled his Atoms for Peace Program, implemented a year later by an amendment to the original Atomic Energy Act of 1946, an amendment which in essence invited private industry to share in the economic rewards of atomic power, which has been developed with public funds and workers. [See *The Nation* special issue, "The Great giveaway," October 2, 1954.] The 1954 amendment also made the AEC responsible both for promoting the development of nuclear power and protecting the public from it.

The private sector hesitated; it thought nuclear power would be too expensive to produce and sell. And nuclear power plant safety was an unknown factor: insurance companies were refusing to write policies.

INSURING AGAINST CHAOS

The AEC's reply was a veiled warning that if industry refused to go nuclear, the government might set up its own atomic utility. Then the threat was sweetened: government subsidies would be available; the taxpayers would build demonstration reactors, and fuel would be supplied at attractive prices. The AEC also thought of a way to get around the insurance hurdle. The Brookhaven Laboratories were commissioned to delve into the hypothetical consequences of a nuclear plant accident. Its findings were presented to Congress in 1957 and they were staggering. A small runaway or exploding reactor could kill 3,400 people within 15 miles of the site; 43,000 people within a 45-mile radius could be injured. Property damage could reach the $7 billion mark, and radioactivity could contaminate an area the size of Maryland. Private insurance companies were unwilling to assume risks of this magnitude. But Congress, more daring, passed the Price-Anderson Act, a law which limited total liability in the event of a nuclear accident to $560 million, of which a utility would be liable for only $60 million. Taxpayers' money would cover the rest.

The critics were quick to point out that the gap between $7 billion in potential damages and $560 million in coverage meant that victims of such an accident might collect 8 cents on the dollar. But the American Nuclear Society hailed the measure as a "real vote of confidence" in atomic power, since even the limited risk that the insurance industry was willing to assume was the "greatest commitment they have ever made for a single hazard."

The AEC felt the Brookhaven report had served its purpose—to demonstrate that the government would have to underwrite the major portion of the nuclear insurance policy—and proposed that it be shelved and forgotten. But it continues to pop up at every debate on the basic premises of nuclear power. To compound the controversy surrounding the Price-Anderson Act, the AEC had its 1957 Brookhaven report updated in 1965. Using the larger reactors that had been developed since the first report, the second Brookhaven findings were indeed awesome; 45,000 deaths, 100,000 injuries, $18 billion to $280 billion in property damages, with fallout from this theoretical accident—equivalent to the release from several thousand Hiroshima-sized bombs—blanketing an area the size of Pennsylvania.

The AEC managed to keep this report secret until 1973, when Friends of the Earth got wind of it and filed a freedom-of-information suit. Reluctantly, the AEC made the report public.

That created another tempest. The findings were terrifying; even worse, the AEC had tried to conceal them. The commission replied that the Brookhaven reports of 1957 and 1965 were based on the "worst" that could happen, and the agency now awaits a new report from a study group headed by Dr. Norman Rasmussen, a nuclear physicist at M.I.T., which is avoiding the "worst case" approach and concentrating instead on the probability of a nuclear accident occurring and the likely consequences if one does. One finding which the Rasmussen report is supposed to make public is the prediction that the chance of an accident occurring for every 100 reactors is one in 10,000 per year or, one in a million a year for a community near any given atomic plant.

Ann Roosevelt, the legislative director and an energy specialist for Friends of the Earth, considers the forced disclosures of the 1965 report a major achievement. "The Price-Anderson Act was up in 1967," she told me in her Washington, D.C. office. "Hearings to renew the law were starting in 1965, the year the second Brookhaven report was completed. The utilities took one look at it and were horrified. They persuaded the AEC that its disclosure would cripple, perhaps even kill, the nuclear power business. So the AEC buried it, and kept it hidden, until we dug it up." Noting that Price-Anderson will be up for renewal again in 1977, Ms. Roosevelt said her group is preparing a determined challenge to the Act. The House has already voted for a ten-year extension. The matter is expected to come up soon in the Senate.

Some nuclear critics feel that even the catastrophic predictions of the Brookhaven reports understate the possible results of a major reactor accident. Dr. John W. Gofman claims that a runaway reactor could kill 5 million people and injure as many more. Gofman, a physician with a Ph.D. in nuclear-physical chemistry, does research work and teaches on the West Coast. He is the co-author with biophysicist Dr. Arthur R. Tamplin of the anti-nuclear book, *Poisoned Power*.

Dr. Gofman is a spokesman for the Committee for Nuclear Responsibility, whose board includes the Nobel Laureates Linus Pauling, chemistry; Harold Urey, chemistry; James D. Watson, biology; George Wald, chemistry; as well as David R. Inglis, a nuclear physicist who was a member of the team that developed the first atom bomb, and the former senior physicist at the AEC's Argonne National Laboratory in Illinois, and Paul R. Ehrlich, the biologist from Stanford. Nevertheless, the champions of atomic power dismiss Dr. Gofman as a crank. The critics charge that the AEC's suppression of the updated Brookhaven report is a good example of why the agency cannot be trusted.

THE TRUE BELIEVERS

Another fear is that the AEC, in the manner of government regulatory agencies, may be identifying more with the industry it is supposed to supervise than with the public it is supposed to serve. Some people also feel the AEC has fallen prey to conceit. Ray Hovis, the York lawyer, put it this way: "People who work for the AEC and the utilities are the victims of their backgrounds. They've been working with nuclear power for so long, and have so much of their lives invested in it, that they have been sold on their own promotion. Nuclear power has been in existence for only thirty years, and these people . . . feel they know a hell of a lot more about it than anyone else."

Raymond Powell, a nuclear core physicist and the AEC licensing project manager for the Peach Bottom reactors, has spent his entire career in the atomic power field—a background "that is common for 75 per cent of the senior AEC people." Before joining the AEC, Powell worked in the private sector for AMF's Atomic Division in York.

Most of the people I've met in the nuclear establishment seem dedicated, capable and professional. Powell, whom I met with at AEC headquarters in Bethesda, Md., is that kind of man. He cultivates a deliberate, self-contained manner, but underneath has a deep faith in atomic power—seeming closer to certainty than mere confidence—that is characteristic of the nuclear industry. "This is the most regulated industry in the nation," Powell said. "If everyone met the kind of standards we impose, you'd hear no more about consumer complaints.

"We're very strict and rigid when it comes to basic specifications. And the whole nuclear process is one of continuous review—to upgrade all phases in the field as we go along. We have an environmental monitoring program. We're very conservative. You have to be," Powell insisted, "when you're talking about public safety." He pointed out that AEC staff recommendations at Peach Bottom "could cost Philadelphia Electric $2 million to $3 million if they have to shut down" to reduce the radioactive emissions from the new plants and build more cooling towers.

Powell readily conceded that "a lack of coolant is the most crucial point" of concern at a nuclear power plant, but insisted that every imaginable safeguard is employed to guard against it. He also said that radioactive emissions at Peach Bottom would be "as low *as practical*, using the current state of the art." (*Emphasis added.*) This would be only a fraction of the amount of natural background radiation in the area, Powell said, explaining that the AEC monitors radioactive discharges "at a point where the [smoke] stack ends, where it leaves the plant, where the plant loses control." This means that each plant is monitored individually. (Soil and milk tests are made to measure cumulative effects.) The anti-nuclear forces in York call this a meaningless standard saying that the total amount of radioactivity released by all three nuclear plants at Peach Bottom is the relevant index. I tried to pin Powell down on this. He smiled politely, shrugged his shoulders, but declined to tell me what he thought would be the most valid yardstick. I later read an AEC instruction sheet which cautions its employees "never to disagree with established policy" at AEC safety policy hearings.

This attitude prompts people like Hovis to complain that "the whole trouble with the AEC—and the utilities—is that they say 'we'll meet whatever regulations exist.' But the AEC establishes the regulations. And you can't pin them down. It's like wrestling with an octopus waving arms of rules and regulations all around and in and out. When we talk about low-level radiation discharges, they tell us the emissions fall below the federal threshold for each plant. But this ignores the accumulated or total amount of radiation at Peach Bottom. It also ducks the validity of these federal standards. Whenever we raise the issue of future problems, we're assured that when the time comes they'll be taken care of. But what do you do, for instance, with a 'hot' nuclear plant? They're licensed for forty years. We've been told they'll get 'leaky' by then. They've never decommissioned a hot nuclear plant—and there's going to be hundreds of them around if this keeps up." Hovis showed me a thick AEC booklet on Peach Bottom which proposed an estimated $100 million figure to decontaminate completely a 1,100-megawatt nuclear plant.

Chauncey R. Kepford of York, who has a Ph.D. in chemistry, is one of the most active members of the local anti-nuclear group. He has channeled all his time and energy into his fight against nuclear fission, creating a whole new life style for himself in the process. He is very critical of the AEC public hearings: "We're strapped to the AEC's quasi-legal format, which means we can't stop these plants because the AEC in general is in the crazy position of being advocates of nuclear power, who assume it will be the normal means of power generation in the future. At most, all these guys are interested in is getting what they call 'proper technical regulation.' "

Kepford, 35, is tall, lanky and bearded. He moved to York several years ago to teach chemistry at the local Penn State extension campus. Before that he had worked as a radiation research chemist for a New England laboratory. While he was still teaching, Kepford came across a story in one of the local newspapers reporting that Met Ed Company had applied for a U.S. Corps of Army Engineers' permit to dump 50,000 picocuries of tritium (radioactive hydrogen) per liter of water into the Susquehanna River from the Three Mile Island atomic plants. Kepford thought this excessive, and he publicly questioned the Corps of Engineers and the utility about the proposed discharge. The amount was lowered from 50,000 to 500 picocuries. Curious, Kepford decided to look into the nuclear power issue.

"I started off by reading popular paperbacks on nuclear power," Kepford said. "But I was still kinda casual about it. Being a reference freak, I started checking up on the AEC and all the other government stuff. And what I found just blew my mind."

Kepford evolved into a full-time opponent of nuclear power. He lost his college teaching job, his wife and three children. Kepford claims pressure from the nuclear establishment was applied to have him fired from Penn State. Protesting his dismissal, Kepford hired a lawyer, and a settlement was reached out of court. He said he has "enough money to keep going" while he pursues his fight against nuclear fission power. His wife left, taking their three young children with her. "My wife was against nuclear power too, but not that committed"—waving a hand at the voluminous library he has put together on atomic power. "I have to keep fighting," Kepford said. "It has to do with self-respect."

"The only real hope at Peach Bottom," Kepford contends, "is the courts. If the AEC appeals board turns us down, the next step is the Circuit Court of Appeals." He thinks the anti-nuclear position will receive a fair hearing in court. Justice William O. Douglas and the late Hugo Black, in their dissenting opinion in the Fermi atomic plant case, called the AEC's attitude "a light-hearted approach to the most awesome, the most deadly, the most dangerous process that man has ever conceived."

Dr. Gofman, discussing the AEC public hearing process, charges that "concerned citizens have been led, like lambs to the slaughter, into the promoters' arena. . . . But [this] is no technical controversy that can be resolved by a debate on the merits of specific gadgets in the nuclear power industry. What is really at issue is a moral question—the right of one generation of humans to take upon itself the arrogance of possibly compromising the earth as a habitable place for this and essentially all future generations."

I've attended AEC hearings. The utilities' representatives and the government people sit apart, but even so, I think it is difficult for a layman to distinguish between them—they all seem to be on the same pro-nuclear team. But those who work in the industry do not feel that way. I went to Philadelphia to talk to the key personnel in Philadelphia Electric Company's nuclear division. Jack L. Allen, a likeable witty man, is the chief assistant mechanical engineer. He told me about Philadelphia Electric's four-year attempt to obtain an AEC construction permit for its proposed Limerick nuclear plant on the Schuylkill River near Pottstown. "We filed for a construction permit in February 1970 and haven't gotten it yet. It's the longest delay in AEC history." In its most recent annual report, the utility attributed the delay to "susbtantial changes in AEC regulations and prolonged public hearings." One after another, industry spokesmen, appearing at recent hearings on reactor safety conducted by the Joint Committee on Atomic Energy, complained that the new AEC standards for emergency core cooling systems are unnecessary, time-consuming and expensive.

"It's costing us $5 million a month to do nothing at Limerick," Allen said. "In the long run, the ratepayers will probably wind up paying for the delay. It's been two years since the AEC Advisory Committee on Reactor Safeguards hearing. We've satisfied every requirement, written and unwritten. We've asked the AEC five times for a variance to get moving at Limerick, because we can't turn a spadeful of dirt without a construction permit. But we've been having a real problem getting the AEC to schedule hearings for us." The solution, Allen says, "is to speed up the whole licensing procedure."

The Joint Committee would like to do that, too, but there are people even within the AEC, such as Oak Ridge safety director William B. Cottrell, who opposes shortening the procedure. It now takes seven-to-ten years from the time initial plans have been drawn to get an atomic plant operating. Allen showed me seven thick volumes on Peach Bottom, a project they have been working on for years. "We've answered 1,500 questions from the AEC on Peach Bottom alone," he said. Philadelphia Electric, the sixth largest private utility in the nation, is nevertheless determined to go nuclear. It has large interests in seven reactor plants. "We are planning for 70 per cent of our electric generation to come from nuclear plants by the mid-1980s," the utility said. This means "expenditures of $3.2 billion over the next five years, compared with $1.5 billion during the past five years." This is "more than a lot of money," Philadelphia Electric said. "It's an *enormous* (utility's emphasis) amount of money . . . that has to be raised in the financial market—at high rates of interest." Recently, in order to keep moving toward the nuclear future, Philadelphia Electric issued another mortgage bond issue, this one for $125 million.

A utility's profit is based on invested capital, and private utilities enjoy one of the highest industrial rates of return in the country. But even a mighty utility like Philadelphia Electric—with more than $95 million in profits for 1973, the last year for which complete figures were available—could take a back seat to those largely invisible sources of "*enormous* amount[s] of money . . . at high rates of interest." Some of the anti-nuclear critics believe that the real attraction of atomic power lies not in its ability to produce energy but in its ability to generate financial rewards for those who invest in it.

Trying to give me an idea of some of the costs involved, Philadelphia Electric engineer Robert Logue told me that Peach Bottom's $750 million figure included $40 million each for the two reactor cores, $180 million to fuel each of the two units for a year, and $15 million per reactor just to put in fresh uranium fuel rods each year and take out the spent fuel and waste. "We're spending $1.5 million to $2 million a year just to monitor the temperature in the Susquehanna River."

Money. The nuclear industry has money on its side. Private money and government money. Money for attorneys, for consultants, for expert testimony. Money for laboratories, for salaries. There are no financial rewards worth mentioning, at least yet, in bucking the nuclear establishment. Experts who present anti-nuclear testimony at hearings consider themselves lucky if their expenses are paid. Sometimes they pick up a $50 fee. They labor out of conviction and are often stimulated by harassment, which at times has given the anti-nuclear crowd an air of martyrdom. Leo Goodman, who was the AFL–CIO's top energy expert and science adviser to the late Walter Reuther of the Auto Workers union before he was forced to retire, showed me a list he's compiled of "forty-three top scientists who," Goodman alleged, "have been fired or harassed because they either spoke out against nuclear power or questioned it."

I mention Goodman, and Chauncey Kepford in York because, right or wrong, they have the kind of intense passion that money can't buy, the kind of save-the-world religion that is said to move mountains. But money is also essential. "You'd have to have at least $50,000 to make a proper case against a utility in a nuclear power hearing," says Ray Hovis. "For studies and expert testimony—to really know what you're doing." He thinks the government should provide "seed money" for the opponents of nuclear power, to stimulate a debate which he feels would be in the public interest. Legal fees are no problem for Philadelphia Electric—its customers will pay them.

"CHINA SYNDROME"

Hovis interrupted his discourse on legal expenses to exclaim, "God, it would be just unbelievable if these nuclear reactors ever blew up." There is no danger that an atomic power plant could ever explode like an atom bomb. Hovis was referring to the possibility of a loss-of-coolant accident.

Conventional steam-driven electric plants burn fossil fuels—sometimes as much as 100 tons an hour—to heat water in a boiler. In an atomic plant, the reactor takes the place of a boiler. The reactor core is a thick cylindrical steel containment vessel into which long, slender rods containing uranium fuel pellets are inserted and withdrawn to create and control the nuclear reaction. Reactors are also equipped with control rods, usually made of a special silver alloy, which can be inserted into the fuel core to modify or stop the reaction. Vast quantities of water are poured into a water-moderated reactor such as the giants at Peach Bottom, to promote the fission process as well as to cool it.

The reactor core is encased within walls of concrete and steel designed to withstand earthquake, flood or plane crashes.

The radioactive materials within the reactor must be covered at all times by water or cooled by gas to prevent the core from overheating and melting into a large radioactive mass that could not be cooled or contained.

The important word in the much discussed loss-of-coolant issue is "if"—*if* there's a sudden failure in the complex plumbing or steam supply piping systems; *if* all the many back-up safety devices and systems prove inadequate or fail to function. What then?

Within an hour or so, a cloud of radioactivity would burst from the rent containment vessel, to be caught up and dispersed by the wind. Then, since nothing could contain this overheated radioactive fuel, it would melt together into a molten mass weighing several hundred thousand pounds and eat its way down through the reactor core and into the primary containment core and from there down into the earth. This is called the "China Syndrome," and no one is willing to guess exactly how far the molten mass would sink. In any case, a huge radioactive mass a couple of hundred feet down in the earth would take years to cool.

The barrier standing between us and such an accident is the emergency core cooling system, designed to pour emergency coolant into the core should the primary systems fail. This emergency system has never really been tested. According to the American Nuclear Society, a full-scale test would cost around $250 million—"prohibitively expensive" and "impractical," the society says—because a large part of the system would have to be destroyed for each test. Six out of six mini-scale tests of emergency core cooling systems sponsored by the AEC have failed. So all we have to go on is an earnest assurance from the AEC and the nuclear industry that the emergency system *will* work if and when the time comes.

Radioactive releases from a nuclear power plant are also of major concern. In the case of Peach Bottom the AEC staff contends that there will be "significant" releases of radioactive iodine from the new plants and wants Philadelphia Electric to reduce them. The AEC licensing board, overruling the AEC staff, gave the utility a conditional operating permit for a specified time, during which the utility must monitor its radioactive discharges into the atmosphere, along with the effects of pouring heated water into the Susquehanna. If the AEC continues to find the iodine discharges excessive, it will probably recommend the installation of charcoal filters on the vent stacks. The agency will also require the utility to shut down the new plants and build more cooling towers if the ecology of the river appears to suffer under the present cooling system.

The AEC has reduced by 97 per cent its estimate of the number of millirems of iodine–131 that might injure a 2-year-old child. The thyroid gland has a special affinity for iodine, and a child's thyroid is considered especially vulnerable. Children are milk drinkers; thus a cow grazing on radioactive grass could pass the contamination on to a child. The nuclear critics contend that plants and animals consumed by man can concentrate massive quantities of radioactive substances.

ENERGY AND CANCER

Opinions in the scientific community vary on the question of how much radiation is harmful. In 1955, in a paper banned by the AEC, Dr. Hermann J. Muller, a Nobel Prize-winning scientist, said "there is no amount of radiation so small that it cannot produce harmful effects." One thing is certain: the amount of radiation considered safe by regulatory bodies keeps dropping.

It is especially hard to assess the hazards of radiation because the signs of damage are often so long delayed. Of course, victims of high-level radiation suffer injuries that are immediately recognizable, but those exposed to harmful low radiation do not. The period between radiation and the appearance of cancer is quite long. Leukemia, often called blood cancer, does not become evident for at least four or five years; other forms of cancer may take fifteen to twenty years. It is even more difficult to relate radiation to genetic defects because the cause-effect connection may not be apparent for generations.

Dr. Linus Pauling recently told me he believes that "the radiation hazards from nuclear plants involving nuclear fission are such that no more fission power plants should be built. The problem of preventing damage from leakage of radioactive substances produced in power plants is such a serious one as to justify banning them entirely."

Pauling, who is associated with the Institute of Orthomolecular Medicine in California, said "high-energy radiation and the nature of the gene are such that genetic mutation could occur even at the smallest dose rates . . . that is, there is no threshold below which no genetic or somatic damage is done by high-energy radiation." Pauling notes, first, that the American people are exposed to 110 millirads of whole body ionizing radiation each year from background or natural sources; next, that the Federal Radiation Council in 1970 declared that the public could safely be exposed to an additional 170 millirads per year. Pauling alleges that this additional exposure would result in the following annual increases: 12,000 children born with gross physical or mental defects; 60,000 embryonic and neonatal deaths; 2,200 leukemia cases and 96,000 bone cancer deaths.

According to the AEC's 1973 final environmental report on Peach Bottom, radioactive releases from the new reactor plants—in the form of gas, particles and water—will be minuscule as compared to the natural background level around the plant. Harking back to the small prototype gas-cooled high-temperature Peach Bottom reactor, Philadelphia Electric engineer Jack Allen said "We've had extremely good experience in terms of leakage—a thousandth of what the AEC considers tolerable. The radiation dial on my watch," Allen told me in Philadelphia, "gives off more radiation than you'd get around the plant. And you'd get thirty to forty times the amount of irradiaion in an airplane ride as you'd get around Peach Bottom."

The American Nuclear Society says we get 55 millirems of radiation a year from X-rays, five from other sources including television sets, and less than a tenth of one per cent from nuclear plants.

Dr. Ernest J. Sternglass, who has a reputation for being a scourge to Philadelphia Electric and Pennsylvania's other nuclear utilities, is a professor of radiation physics at the University of Pittsburgh. He charges that 100,000 times more radiation than was anticipated has emanated from the Peach Bottom site and that as a result infant mortaliy is on the rise in York and Lancaster Counties. Displaying large statistical charts, Sternglass alleges that the number of infants with leukemia and cancer is also increasing in the vicinity because pregnant women have been exposed to radiation. (The fetus is believed to be fifty times more vulnerable to radiation than are adults.)

Philadelphia Electric has supplied a mass of expert testimony to refute Sternglass, and the American Nuclear Society claims that he cannot prove his charges, that his statistical methods have been found "erroneous" and that his conclusions have been repudiated by any number of state health departments, the Health Physics Society and the American Academy of Pediatrics. But the number of scientists who believe that his work merits further consideration seems to be growing.

They are especially worried by Sternglass' case against the Duquesne Light Company's nuclear plant at Shippingport, in western Pennsylvania. Built in 1957, Shippingport was the first atomic plant in the nation. In 1972 Duquesne Light claimed it was the "cleanest, safest nuclear plant in the world," alleging it was the first to record zero gaseous releases for a year. Yet Sternglass claims that Shippingport has contributed to marked increases in cancer, leukemia, heart disease and infant mortality along the Ohio River all the way from Pittsburgh to Cincinnati. One of his most telling allegations is that infant mortality in the town of Aliquippa, 9 miles from the Shippingport reactor and 30 miles below Pittsburgh on the Ohio, rose in 1970 to its highest peak since 1945: forty-four deaths per 1,000 births, the most reported for any town in Pennsylvania that year. The infant mortality index is considered significant because in the 1930s and 1940s improvements in health and medical care steadily reduced the number of infants who died in their first year. Then in 1951, when the atom bomb tests began, the mortality rate for infants in this country suddenly reversed itself. When the nuclear bomb tests stopped, the rate dropped. Then once again it began to pick up. The AEC and the nuclear industry said the infant mortalities cited by Sternglass were the result of natural causes such as flu epidemics or pneumonia. But some scientists began to agree with Dr. David Inglis, the physicist, who in 1972 said, "despite . . . reservations, the collection of cases that Sternglass presents would seem to suggest that there is a relationship between fallout and infant mortality of the general nature he claims."

Duquesne Light Company sent Sternglass one of the environmental reports it had prepared for the government on Shippingport. Instead of reassuring him, which he assumes was the utility's intention, Sternglass said he was shocked by what he found in the fine print of the study. He said the utility's report indicated that the presence of radioactive strontium-90, cesium-137 and iodine-131 in air, soil and milk samplings around the plant was fifty to 100 times normal.

When Duquesne Light announced it was applying for a construction permit to build two large nuclear reactor plants at Shippingport, the Mayor of Pittsburgh and many civic and environmental groups—disturbed by the Sternglass allegations—spoke out. Pennsylvania Gov. Milton Shapp appointed a special commission to investigate Sternglass' charges.

The commission's final report, released this summer, said there was insufficient information to either prove or disprove the Sternglass allegations because systems designs to monitor radioactive releases from nuclear plants have been "inadequately devised and carried out" by the AEC and the nuclear industry. The committee then asked the federal government to initiate "accurate and reliable" radiation monitoring programs and to establish health physics programs at all nuclear power plants.

In one year, a large nuclear plant produces as much long-lived radioactivity as the explosion of some 1,000 Hiroshima-size bombs—including cancer-producing products such as strontium-90, cesium-137 and plutonium-239. Dr. John Gofman presents his statistics as follows: Initially by-passing the plutonium issue, he cites the total amount of radioactivity released by all atom bomb tests through 1963. Then he cites estimates from the AEC on how much nuclear fission energy will be produced within the next thirty-to-fifty years, and with it, the yearly amount of radioactive products which will be created by these 1,000-plus nuclear plants. Next, Gofman cites the amount of radioactivity which would be released if only one one-thousandth of this material escaped. In that case, he concludes, the American public will be receiving 200 times the annual rate of radioactivity it got during the atom bomb-testing days—3,800 millirads of radioactivity yearly compared to 19 millirads from bomb fallout.

Proponents of nuclear power are disposed to scoff at Gofman's charges. Some of his credentials read as follows: professor of medical physics at Berkeley; former associate director of the AEC's Lawrence Radiation Laboratory; co-discoverer of a number of elements, including uranium-232, and the fast neutron fissionability of uranium-233; co-inventor of the uranyl acetate and columbium oxide processes for plutonium separation. Gofman has also been a pioneer in the field of medical research for the past twenty years, especially in the area of coronary heart disease.

Dr. Gofman and Dr. Arthur T. Tamplin, the biophysicist, have already led a successful fight to lower the radiation threshold. They were working at the Lawrence laboratories in 1963 when the AEC assigned them to evaluate the hazards of atomic radiation. The two men released their findings in 1969, concluding that if everyone were to receive more than the 170 millirads of radiation which federal standards claimed the public could be exposed to without harm (in addition, that is, to natural or background radiation), "there would, in time, be an excess of 32,000 cases of fatal cancer plus leukemia per year, and this would occur year after year."

Gofman and Tamplin expected the AEC to "welcome our report on cancer plus leukemia risk—especially since the findings were being made available before a massive burgeoning of the nuclear electricity industry." Instead, their report touched off a furious, bitter controversy that is still raging within the AEC and the nuclear industry. The American Nuclear Society derided their claims, contending their conclusions were "false" because based on "improper use of existing data" and aggravated by "impossibility." Besides, the society added not long ago, "their charges have lost all revelance" since the AEC revised its standards downward on the amount of radioactivity a nuclear plant is allowed to release. This—in line with the suggestions of Gofman and Tamplin themselves, and as finally recommended by the National Academy of Sciences—is now 100 times lower than the old AEC threshold.

Dr. Tamplin is back in the headlines again, this time spearheading a National Resources Defense Council drive for a dramatic reduction of the level for radioactive plutonium. Measured in curies, it is already very low, but Tamplin and the public-interest law group, in petitions to the AEC and the Federal Environmental Protection Agency, are now asking the AEC to make its standards on plutonium 115,000 times more stringent to protect the public from this man-made element.

THE BURDEN OF PLUTONIUM

A large, 1,100-megawatt nuclear plant—like those at Peach Bottom and the proposed Fulton reactors—produces some 200 pounds of plutonium per year. Plutonium has a half-life of 24,000 years and is one of the most poisonous elements handled by man. Dr. Donald Geesaman, an authority on plutonium hazards at the Lawrence Radiation Laboratories in California, estimates that a pound of finely dispersed plutonium-239 dioxide is sufficient to cause some 9 billion cases of lung cancer. And the 8,820 pounds of plutonium the AEC says we'll produce in fission reactors this year is expected to increase to an annual 600,000 pounds by the year 2000.

Today's water-moderated reactors use uranium-235 fuel elements, but uranium-235 is only 1 per cent of natural uranium, and is expected to last only another thirty years or so. That is why the nuclear industry is pushing the development of the "breeder" reactor, which would operate at very high temperatures, be cooled by liquid sodium, and produce more fissionable materials in the form of plutonium than it consumes. Plutonium, then, would replace uranium as the basic nuclear fuel.

This would mean, according to critics such as Dr. Gofman, that we would be producing around 15,000 tons of plutonium-239 a year forty or more years from now. If we contain 99.9999 per cent of this future annual total, says Gofman, the "amount escaping confinement would be one part per 1 million. . . . If we assume only one particle out of every million is inhaled annually thereafter, we would still be creating 27 million cases of cancer each year thereafter.

"Plutonium particles, once dispersed into the environment, can settle to the ground and be borne aloft by winds for centuries and still be essentially fully capable of producing lung cancer. In human time-scales, plutominum dispersed into the environment will be a hazard for at least 100,000 years." But other scientists, such as Dr. Glenn A. Seaborg, former AEC chairman and a co-discoverer of plutonium, while conceding its toxic nature, believe it can be contained and safely employed in nuclear plants as one of our major energy sources.

The AEC is spending an estimated $366 million out of its fiscal 1974 budget of $517 million to develop the breeder—a joint TVA-private utility-AEC project—which the agency is expected to finance with an additional $4 billion or more by the time the project is completed in the 1980s. However, if the standards on plutonium are drastically revised downward, as Dr. Tamplin and others are now asking, the cost of building and operating these proposed plutonium-breeding reactor plants would become much more expensive. The cost of transporting radioactive materials around the country and storing radioactive waste would also increase. And many critics of nuclear fission believe that the dangers of a reactor accident or "routine" radioactive emissions from nuclear power plants might be less in the long run than the hazards they site in other links of the nuclear chain. These dangers, they say, include transportation accidents or mishaps at fuel reprocessing plants, the threat of nuclear blackmail, the danger that weapons-grade nuclear material will be stolen and made into clandestine atomic bombs, and the necessity to contain long-lived radioactive waste materials for thousands of years.

The last of these problems is not just an alarming possibility; it is a certainty. When enriched uranium completes its year or more of duty inside a reactor the spent fuel is highly radioactive. This waste is held at the site of the plant which produced it until some of the radiactivity decays. Then it is all shipped to a reprocessing plant where the hot material is removed from the steel or graphite fuel rods and chopped up and dissolved. Some of the spent nuclear fuel can be processed for reuse; the rest is sent to storage sites.

Former AEC chairman David Lilienthal warned that this process involved "a risk of error at every step." Dr. Hannes Alfven, the Nobel Laureate in physics from Sweden, alleged that "in a full-scale fission program, the radioactive waste will soon become so enormous that a total poisoning of our planet is possible." The AEC position was recently expressed by Dr. Frank K. Pittman, director of the agency's division of waste management and transportation: "The problem of waste storage is the least of any nuclear problem, but the problem is that you have to do it forever."

The AEC has not been able to come up with a fool-proof solution. One proposal is to store the waste in salt mines. Here is Alfven's reaction to that notion.

"It is claimed by some that these [salt mines] are geologically so stable that there is no risk of leakage from the repository into the biosphere. This is questioned by a number of geologists. There is no doubt that the salt mines could be considered safe for any normal waste products. But because of the very large quantities of extremely poisonous substances, it is required that the repository should be absolutely free of leakage for a period of hundreds of thousands of years. No responsible geologist can guarantee this, simply because the problem is one of which we have no experience."

There have been spills at the AEC's 560-square-mile waste-storage facility at Hanford, Wash., where eleven of 151 containers developed leaks between 1944 and 1970. One of the most recent, and largest, according to an AEC announcement in June 1973, was the escape of 115,000 gallons of radioactive waste, which seeped from a corroded steel tank into the soil under Hanford. The leak had gone undetected for six weeks because a supervisor at Hanford failed to read a report showing that levels in the tank had been dropping. This spillage occurred a year after the American Nuclear Society said that "nuclear wastes have been successfully stored since the very beginning" of the atomic energy program, and that "massive tank failures resulting in large flows . . . have never occurred and are not expected."

The AEC tried to minimize the seriousness of the Hanford spillage, contending that radioactivity had not escaped to the atmosphere and that there was no way it could reach ground water. Critics in the state of Washington charge that the ground water beneath Hanford has already been heavily contaminated by radioactive leaks, and that this spillage might work its way underground to the Columbia River, 10 miles away.

The AEC's position was that radioactive wastes could not and would not pass through the ground into underground water tables and from there into a community's drinking supply. But that did happen last summer to the Colorado town of Broomfield, midway between Boulder and Denver. The presence of tritium—heavy hydrogen—in the Broomfield reservoir was found to be ten times higher than normal. The normal background level in Colorado is about 1,200 picocuries per liter of water; the highest reading in the Broomfield reservoir was 23,000 picocuries of tritium per liter. Colorado's governor called the discovery "alarming but not dangerous" for the town's 13,000 residents. The tritium contamination was traced to waste dumps at the AEC's nuclear weapons factory at Rocky Flats, 5 miles from the reservoir. Colorado health officials found tritium concentrated at 3 million picocuries per liter in a creek a mile from the weapons site. Colorado standards hold that 1 million picocuries of tritium per liter of water is the upper safety limit.

BLACK MARKET BOMB

Transportation is another vital link in the nuclear power cycle. Philadelphia Electric engineer Robert Logue estimates that there will be around 600 pounds of spent fuel per year from each of the two big nuclear reactors at Peach Bottom. This means that about 200 truckloads or sixteen railroad cars of radioactive material (in very bulky containers) will leave Peach Bottom each year. "This material would range from zero to very hot in terms of radioactivity," Logue said. "Five to 15 pounds in every 200 would fall within the 'hot' radioactive category."

Philadelphia Electric plans to truck the spent fuel south on Route 1 to Baltimore, around the city beltway, down to Washington, D.C., and around the D.C. beltway south to a nuclear reprocessing plant in Barnwell, N.C. If the spent fuel goes by train it will move from Peach Bottom to the city of York, which has a population of 50,000 centered in a metropolitan area of 180,000.

"This means it'll have to be transferred here from one railroad company car to another," Ray Hovis said in York. "The utility says it will ship it as fast as possible—but you know the railroads. And the utility's 'bad weather' truck route is through the small (York County) towns of Dallastown and Red Lion. What happens if there's an accident in these communities? What happens if someone grabs one of these trucks, runs it up to the White House from the beltway and tries to blow it up?"

Raymond Powell of the AEC feels the probability of a serious accident or theft in the transportation of nuclear fuel and waste materials is minimal. "You can't transport nuclear fuel any old way," Powell said. "And we're in the process of rewriting our regulations as to what standards must be met. Every truck will be required to have at least one armed guard with it, and they'll have to phone in to a checkpoint every two hours. And the design of the casks used in this shipping is such that there would be no radiation leakage in the event of an accident."

These nuclear shipping casks are designed to withstand a 30-foot free fall, exposure to a blazing fire for a half hour and submersion under water for at least eight hours. There have been relatively few accidents in the transportation of nuclear materials, and when they have occurred, the thick lead and steel casks have apparently contained all radioactive material. How well the record will hold up is problematical. Highway safety figures average out to one accident every million miles. More nuclear plants in the future will mean more nuclear shipments, and the probability of nuclear road accidents will rise. When asked about the likelihood of sabotage and theft, Powell of the AEC and Allen and Logue of Philadelphia Electric contend that such fears are the ingredients of James Bond movies. "While it theoretically might be possible to steal enough plutonium for a bomb, it is believed to be impractical," according to the American Nuclear Society. "Throughout its processing the plutonium is very carefully controlled, and strict accountability is maintained for economic, safety and munitions reasons."

But a report prepared for the AEC, and recently released by the Senate Subcommittee on Executive Reorganization, used the words "entirely inadequate to meet the threat" in describing the steps taken to prevent sabotage and theft. And Theodore B. Taylor, once a nuclear bomb maker, claims it would be "comparatively easy" to steal nuclear material and make atom bombs from it. While he was working for the AEC at Los Alamos, Taylor designed one of our smallest and lightest fission bombs (less than 50 pounds) and the largest-yield hydrogen bomb ever exploded. Taylor, a theoretical physicist, is no longer designing nuclear weapons. He is now active in the nuclear safeguards field, urgently warning the public about the dangers connected with nuclear fission—dangers which Taylor alleges are increasing because each new atomic plant means more weapons-grade nuclear material.

According to Taylor, all the information necessary to make a bomb in a basement is readily available. Little Boy, the bomb that killed 100,000 people at Hiroshima, was a 15-kiloton weapon containing 60 kilograms of weapons-grade nuclear material. The AEC has said we will produce 4,000 kilograms of plutonium in the United States this year.

It is now buried as waste or stored for the time when it may be valuable as nuclear fuel. A thousand or more nuclear plants by the turn of the century means the United States would be producing more than 250,000 kilograms of plutonium a year.

Taylor was the subject, a few months back, of a disturbing series of *New Yorker* articles (now expanded into a book, *The Curve of Binding Energy,* Farrar, Straus & Giroux), in which the physicist told author John McPhee that a sliver of uranium-232 about three-quarters of an inch square, if fissioned, "would be enough to knock down the World Trade Center" in New York. A "crude" bomb, with a yield of only a kiloton and its related "weapons effects," Taylor told McPhee, could wipe out New York's financial district and kill 100,000 people. A tenth of a kiloton exploded outside a nuclear plant would be sufficient to destroy the reactor and release from its shattered remains enough radioactivity to match the fallout from a 100-megaton bomb.

The AEC said that a person would need the special skills and experience of a Theodore Taylor to make a clandestine atom bomb. Taylor disagrees, insisting that anyone with a rudimentary knowledge of reactor theory and engineering could do the job. All the necessary information is available, he says, in public print.

Taylor took McPhee on a tour of key nuclear installations. They visited atomic power plants, fuel reprocessing centers, waste-storage facilities, nuclear weapons sites, shipping points. Taylor kept pointing out how inadequate were the safeguards. Gates were open, doors unlocked, fences were low, accounting procedures were casual, some guards were absent, others hadn't officially qualified with the pistols they carried. But safeguards cost money. We spend billions yearly on nuclear weapons, and only $4 million to $6 million a year to protect nuclear materials. Nor is money the only consideration; the nuclear industry is also concerned for its image. It is said that every nuclear shipment in the Soviet Union is accompanied by a Red Army guard, but the idea of employing U.S. Army troops to accompany nuclear shipments is repugnant to an industry that is spending millions to assure the public that nuclear power is safe.

The AEC claims to have updated its security standards and that measures are now taken to guard against nuclear theft, sabotage, blackmail or any other illegality "short of significant armed attack." Theodore Taylor says this is not enough to stop a *significant* attack. Money is better protected than uranium or plutonium, Taylor said, at a time when uranium-233 sells for around $25,000 a kilogram and an ounce of plutonium-239 is worth ten times more than an ounce of gold. Critics believe that a nuclear black market will spring up to supply nonnuclear nations, guerrillas, terrorists and criminals with weapons-grade material. They point out that 2 per cent of everything shipped in this country is pilfered. They also repeat allegations that organized crime has made deep inroads into the transportation industry. Taylor seems to say that the only effective protection against nuclear theft and clandestine bomb-making is to abandon nuclear fission power. Besides, Taylor is among those who believe that there are a number of other solutions to the energy problem.

A VARIETY OF ENERGY SOURCES

Nuclear fission receives the largest percentage of the tax money spent on energy research and development. But a growing body of literature promotes solar and geothermal energy, nuclear fusion, the production of clean oil and methane gas from animal waste and urban garbage, power from the wind and tides, the large-scale cultivation of algae plants which can be converted by fermentation to methane gas, and the conversion of coal into clean energy. Combinations of these potential energy sources can be brought into play, the opponents of nuclear power claim, to supply the nation with the energy it requires. This would avoid the eggs-in-one-basket approach that has dominated the nuclear establishment.

According to federal figures, energy research and development money will be spent in fiscal 1974, as follows, $517 million will go for nuclear fission—$366 million of it for the breeder reactor; $98 million for nuclear fusion; $18 million for solar energy; $11 million for geothermal power; and $167 million to convert coal into oil and gas—triple the amount of research money coal received last year.

The United States derives two-thirds of its energy from fast-depleting sources of natural gas and petroleum. Coal accounts for 88 per cent of its fossil energy reserves, and most of the nuclear proponents contend that coal is the only alternative to nuclear fission in the immediate future. However, they deplore the large-scale exploitation of coal on the grounds that strip mining will brutally assault the landscape and that burning large quantities of coal will poison the atmosphere. Some of their opponents believe that methods are available or can be developed to mine coal without despoiling the environment, but most of them contend that a debate over the merits and disadvantages of fission and coal is misleading because there are other alternatives to both fuels.

Nuclear fusion, for example, might be available and practical within the next twenty years, and perhaps much sooner, if the process receives more support and money. A nuclear fusion power plant would create energy by combining deuterium—heavy hydrogen—atoms at sensationally high temperatures. Scientists have not yet been able to sustain a continuous fusion reaction, but studies employing high-powered lasers are under way in an effort to heat frozen pellets of hydrogen to temperatures of hundreds of millions of degrees in a billionth of a second. And no material nor technology now available will contain a continuous fusion reaction in a reactor because of the tremendous temperatures and pressures involved. But fusion offers the promise of unlimited commercial power, if and when, because fuel comes from ordinary sea water. And nuclear fusion has thus far been considered "clean" because it does not produce radioactive waste products; that also cancels out the possibility of a nuclear explosion at a fusion power plant.

There is also solar power, which Linus Pauling told me is "especially attractive and promising." It is available today, but converting, storing and routing this sunshine power, given present technology and facilities, would be prohibitively expensive. In 1970, the late Dr. Farrington Daniels, one of the world's leading chemists, was saying that "solar energy is amply adequate for all the conceivable energy needs of the world. It is harmless and sure to work. . . . Surely solar energy will be important within twenty years, and if enough financial support should become available, the time could be considerably less."

More than thirty homes in the United States are heated and cooled by converting sunshine into electricity. And there have been a number of proposals to collect, store and transmit commercial solar energy on a large scale. But the nuclear critics contend that the AEC has consistently played down solar energy in order to boost public reliance on the breeder reactor. The Scientists' Institute for Public Information, an organization of more than 900 scientists and laymen, recently criticized an AEC draft assessment of the hazards involved in the development of the breeder reactor as "frivolous and shallow." Dr. Barry Commoner, chairman of the group, and David Inglis, the eminent physicist, charged that the AEC's statement failed to acknowledge in full the dangers of plutonium explosion and radiation, while trying to "cover up" the commercial feasibility of solar energy.

William E. Heronemus, a professor of civil engineering from Massachusetts, contends that we are "out of touch with the reality of the world in which we live" as long as we "cavalierly ignore" solar power—"the first energy used by man" which, Heronemus says, "will be the last." He also advocates wind power, believing "that the entire electricity demand of the six-state New England region could be satisfied by wind power alone by the year 2000 at a cost which "even now would be competitive." He adds that wind power could supply two-thirds of our current energy demands and about a fourth of our future needs. Heronemus also urges that "tidal power possibilities, discarded by the United States in the past but carefully set aside by the more canny Canadians, should be re-examined at once."

Another alternative to nuclear fission is geothermal energy, which is tapped by drilling 5 to 10 miles down into the earth for hot water and steam. Some people feel the electric power potential from steam and hot water under California's Imperial Valley alone could have generated between 30 to 90 per cent of the energy we consumed three years ago. Geothermal power, now being explored in this country, particularly in California, is operating today in Russia, Japan, New Zealand, Mexico, Italy and Iceland.

Methane gas could be another immediate source of commercial energy. County farm agents in Pennsylvania working with Penn State extension campuses, have been demonstrating the workability of homemade manure gas generating kits. A farmer with fifteen head of cattle would have enough animal waste on hand to produce clean methane gas for all his farm equipment, his trucks and car, and to heat and cool his home. The remaining sludge retains its high nitrogen content and can be returned to the soil as fertilizer. Some urban home owners, instead of throwing their garbage away, have been turning it into methane to heat their city homes. Manure and garbage can also be turned into low-sulfur oil—enough perhaps for more than 2½ billion gallons a year. (See "Garbage: A Neglected Resource," by Sen. John V. Tunney, *The Nation,* May 18.) Plans have been proposed to "farm" instantaneous methane from large crops of algae.

In the context of alternative sources of energy, the nuclear critics point out that the private utilities in this country spend more on promotion and advertising than they do on research and development. Figures compiled by Sen. Lee Metcalf's office (D., Mont.) for 1972, the latest year for which complete figures are available, show that private utilities spent some $314 million on advertising and promotion, compared to $94 million on energy research and development.

SOMETHING LESS THAN INFALLIBLE

The petitions opposing the operation of the Peach Bottom nuclear reactors in York County and Philadelphia Electric Company's application for an AEC construction permit to build two more large nuclear reactors in Fulton Township contain all the general objections to nuclear fission. The petitions allege that Philadelphia Electric has failed to explore potential alternatives and that the utility has either understimated or ignored the possibility of reactor accidents, radiation dangers, an enemy attack on a nuclear power complex, thermal pollution of the Susquehanna River and the surrounding atmosphere, earthquakes (a utility continued construction work on an atomic plant in Virginia after being notified of a geological fault under the site), transportation mishaps, waste-storage leaks (in March, the AEC reported another large leak at its huge

Hanford depository) and the occurrence of accidents up and down the nuclear chain.

There have been a number of such accidents. The Fermi fast-breeder reactor plant closed down for four years after its fuel rods melted; now it has been shut for good. The Vermont Yankee plant was recently closed down because of a fear that key devices for controlling the nuclear reaction might have been installed upside down. That was the seventeenth major shutdown in the nineteen months the plant has been operating. A spokesman for the utility told *The New York Times,* "we are not as bad as some, but we're not as good as others." Consolidated Edison, the nation's largest private utility, was supposed to begin generating commercial nuclear fission power for the New York City area more than two years ago from its reactors on the Hudson River, about 21 miles north of the city. A Con Ed spokesman recently told the press that the plants are still in the "testing stage." They have been plagued by accidents, breakdowns and delays.

Commonwealth Edison's 600-megawatt Dresden nuclear plant in Illinois had to shut down for repairs when a reactor went out of control for a couple of hours. Workers at the nuclear plant (which Commonwealth Edison operates) at Cordova, Ill., found the auxiliary power system and backup coolant pumps under 15 feet of water because of a leaking pipe joint. The Oyster Creek nuclear plant in New Jersey had to shut down when an operator's mistake dumped 50,000 gallons of radioactive water into the basement of the reactor building. The Shippingport plant recently suffered a cooling system explosion. Philadelphia Electric has experienced months of delay in trying to put its Peach Bottom Unit Two on line. There was a $6 million accident last October at the AEC's experimental uranium enrichment laboratory at Oak Ridge, Tenn. And three armed men once hijacked a jet airliner and threatened to crash it into Oak Ridge unless their demand for $10 million ransom was met. Walter H. Jordon, a member of the AEC's Atomic Safety and Licensing Board, said "there are no measures we can take that will eliminate the possibility of a major nuclear accident."

The petitions opposing Philadelphia Electric's petition to build the two Fulton plants all cite the fact that the utility does not own the amount of land it is required by law to possess around a nuclear plant site, and that the owners of the land it needs do not want to sell. For that reason, the intervenors at Fulton Township have asked the AEC to cancel its building permit hearings. The utility would then have to seek a court order forcing the owners to sell the land, and the anti-nuclear people in York and Lancaster Counties would be happy to confront Philadelphia Electric in court. That would give them a long-awaited opportunity to air their many objections to fission power before a judge or jury.

George L. Boomsma, who lives with his family on the fringes of the proposed Fulton reactor plant site, thinks "our chances are very good in court. Which they wouldn't be if we had to present our case in front of the AEC." Boomsma is president of the Save Southern Lancaster County Environmental Conservation Fund. A salesman, Boomsma moved his family from the New York City area several years ago to a restored stone farmhouse in the wooded hills along the east bank of the Susquehanna. He and his wife are convinced that the presence of a nuclear plant in their back yard would endanger their growing children and the lives and health of all the people who live in the area.

I walked along the river with Boomsma not long ago. The Peach Bottom nuclear power complex, imposing if not overwhelming at close range, looked demure a mile and a half away on the opposite bank. Boomsma showed me a couple of radiation monitoring stations and told me about the fight against nuclear power in Fulton Township.

The Lancaster opponents are much better organized than those in York County. They have more members—farmers, housewives, professional men and women, including members of the faculty at nearby Franklin and Marshall College in the city of Lancaster—and more money. "We collected petitions at the local county fairs last summer," Boomsma said, "and we found sentiment running 10 to 1 against more reactors here."

Across the river, in York County's Peach Bottom Township, a farmer's wife sighs as she says, "It was too big for us to fight here. When we made a ripple, the Philadelphia Electric public relations people just came in and snowed us. So 95 per cent of the people around here thought atomic power was O.K. Their public relations people did a wonderful job. We all got invited to the plant. They fed us homemade pie and ice cream—and spent all their time telling us there was nothing to worry about."

Now the people who live near the Peach Bottom nuclear power plants aren't so sure. They mention five or six women within a 5-mile radius of the nuclear complex who have cancer and argue back and forth as to whether or not the atomic plants might to some degree be responsible.

Boomsma, across the river, is concerned about the danger of earthquakes. "Last year we had an earth tremor here from the Delaware River Valley. We have walls an inch and a half thick, but our house was shaking." The proposed Fulton reactor site lies near the Peach Bottom geologic fault, which Boomsma said is "supposedly" inert.

Mrs. Boomsma, working in the kitchen where we were talking, said, "We were brought up in an era in which science was God. We were taught to have total faith in technology. But the more we go along, the more we learn that science in this nuclear business doesn't have all the answers."

"You know," her husband mused, "these nuclear plants might turn out to be the dinosaurs of the energy age. In addition to being dangerous, they're also very impractical." Boomsma showed me figures to indicate that nuclear plants "are very inefficient—they have an operating dependability factor of less than 60 percent. Peach Bottom One and the reactor at Shippingport have operated only 40 percent of the time." Look at Peach Bottom Two across the river. The plant's been shut down for months and months because of turbine and generator troubles. Turbines and generators! They've been making them for over a hundred years. And they still have problems with them. And now they're talking about operating these huge nuclear reactors which are much, much larger than anything they've had any real experience with. And it's very expensive," Boomsma said, "to shut down a nuclear plant. Repairs cost a lot of money and a utility has to keep paying interest of 12 percent or more on them whether they're working or not.

"In the long run," Boomsma contends, "economics and what is practical will determine the future of nuclear power. Nuclear power is not only dangerous, but it's going to prove way too expensive in the long run for the public to put up with."

INGENUITY AND SKILLS

"Nobody who has visited a reactor station can avoid being deeply impressed by the ingenuity and skill which are manifest in the safety precautions," writes Nobel Prize-winning physicist Hannes Alfven. "But the fission reactor represents only one part in a complicated series of operations for fission energy. . . . The reactor constructors claim that they have devoted more effort to safety problems than any other technologists have. This is true . . . but it is not relevant. If a problem is too difficult to solve, one cannot claim that it is solved by pointing to all the efforts made to solve it. . . . The real question is whether their blueprints will work in the real world and not only in a 'technological paradise' . . . [because] . . . the consequences of nuclear catastrophes are so terrible that risks which usually are considered to be normal are unacceptable in this field."

I spent hours tourning the nuclear power complex at Peach Bottom, and I too was impressed by the care and ingenuity that has gone into it. Richard Fleishman, the assistant plant superintendent who escorted me around and answered my questions, has an academic background in chemistry and almost a decade of experience with atomic power. He is young and sturdy, a good leader with a great deal of team spirit. He seems extremely conscientious and hard-working. And he loves his work. "Look," he says, "I'm selfish like everyone else when it comes to safety. I've got a wife and kids, too, you know. And we live only 3 miles away from the plants. Do you think I'd be working here and we would be living here if there's anything to worry about?"

But Charles Bacas, who lives with his wife and two sons in the city of York 35 miles from Peach Bottom, is worried. Bacas, a former reporter for the *Gazette and Daily,* serves now as the executive assistant to the secretary of Pennsylvania's Department of Community Affairs in Harrisburg. Thoughtful and intense, he feels that the sponsors of nuclear fission power have tried to deprive citizens of their inalienable right to life, liberty and the pursuit of happiness.

"The process of assessing technologies has got to become part of the democratic process, or, in the coming decades, our liberties are going to decline as drastically as technological complexity is expected to rise," Bacas said. "At the present time, our votes at the polls and our dollar votes in the marketplace have a minimal effect on what are essentially elitist 'planning' decisions, whether by government or business.

"A number of risk-taking technological programs have been implemented, with the result that the democratic process has been particularly ill-served by the governmental and corporate proponents of these technologies, because potential dangers have been cloaked behind the man-in-the-white-coat certainties of deterministic science. This science no longer exists, and its certainties are no more available to us than the once seemingly limitless American frontier. Yet scientists and corporate and governmental executives continue to make particular decisions affecting the well-being of us all without even having the vaguest general consent from the public to do so."

The nuclear industry is engaged in a determined public relations effort to convince the American public that nuclear fission is safe. Standard Rate and Data shows that it costs about $40,000 to put a full-page four-color ad in *Time*—and the media have been laced with such nuclear promotion. The utilities have also been enclosing pro-nuclear material with their bills, a practice which it would cost the nuclear critics many thousands of dollars to duplicate. "We just about broke our treasury," says Ann Roosevelt of Friends of the Earth, "to run one full-page, black and white ad in the *San Francisco Chronicle*" at a cost of around $7,300. This ad has been quite effective. Reprinted as posters, it has found its way to doors and bulletin boards around the country.

Yet Ms. Roosevelt is confident that the foes of nuclear fission will win their fight. "We're doing something that has never been done before " she said, "in taking on a fully developed industry that's been protected by a mission-oriented Congress. Until a year ago, we could hardly get an anti-nuclear story in the newspapers because they were convinced that nuclear power was safe. We think it's a tremendous victory because the press is beginning to notice us." She showed me a much-quoted *New York Times* editorial of last year which said, in part, "Once so promising in the first enthusiasm of the atomic era, nuclear power generation is becoming something of a monster, with dangers to people and the environment so awesome as to raise serious doubts that this is indeed the best energy source of the future."

"Just look around," Ms. Roosevelt said. "Even the AEC banned the proposed reactors at Newbold Island, near Philadelphia and Trenton because there were 'too many people' in the area. A RAND report in California called for a slowdown on nuclear fission. The Federation of American Scientists did too. Ralph Nader is against it. The Sierra Club reconsidered its policy on nuclear power and recently came out against it. "Even Congress," Ms. Roosevelt said, "is beginning to wake up. It wasn't their fault. The Joint Committee on Atomic Power monopolized the field and Congress depended upon the committee for its information about nuclear power. This committee acts more like an executive committee than a legislative one. It has tremendous power. But no matter how much the Joint Committee says nuclear power is safe, the grass roots are growing. Congress is becoming aware of the problem. And I'm confident we're going to win."

Ms. Roosevelt is a level-headed woman; I think she may well be right.

SATELLITE TRANSMITTAL OF "VILLA ALEGRE"

Mr. MONDALE. Mr. President, this week thousands of children of diverse cultural backgrounds in isolated rural areas of this country will view a television program that is educationally sound, culturally enriching, and humanistically positive. Because public television signals cannot reach many of our rural areas, this seemingly ordinary occurrence required a major breakthrough in the use of advanced telecommunications techniques.

On May 30, an ATS–6 satellite was launched by NASA from Cape Kennedy and positioned on the equator in a stationary orbit. From its orbit 22,300 miles above the Galapagos Islands, the satellite can transmit educational programs between a Denver Earth station and a number of rural sites that would otherwise be isolated from public television transmission.

With funding under the Emergency School Assistance Act, Bilingual Children's Television produced "Villa Alegre"—an educational program coupling vigorous research and advanced educational techniques with the most sophisticated audio and visual innovations of the television media.

This educational television program represents a celebration of this country's multiculturalism. It is a program for all children, using a bilingual—Spanish and English—approach to presenting our country's many cultural strengths.

The individuals and organizations who have collaborated to create "Villa Alegre" and to permit its satellite transmission deserve our thanks and our congratulations. I ask unanimous consent that a copy of the announcement of this transmittal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

"VILLA ALEGRE" TO BE RETRANSMITTED TO EIGHT STATES VIA NEW SATELLITE

DENVER, July 26.—A satellite 22,300 miles above the Galapagos Islands will begin retransmitting bilingual educational television programming to the western United States next Monday. The program, a Bilingual Children's Television (BC/TV) production called "Villa Alegre," will be transmitted from an earth station at Denver and relayed by satellite to 56 receiver sites in eight of the Rocky Mountain States.

The receivers are in schools in isolated rural areas. Twelve additional receivers, to become operational this fall, are located in Public Broadcasting Service (PBS) stations in the region. Monday's effort is designed to demonstrate the feasibility of a satellite-based media distribution system for isolated rural populations.

The satellite project is designed and managed by the Federation of Rocky Mountain States. Project director is Dr. Gordon Law of Denver. Participating states are Idaho, Montana, Wyoming, Utah, Colorado, New Mexico, Nevada and Arizona. Funding is primarily through the National Institute of Education of the U.S. Department of Health, Education, and Welfare.

(The Rocky Mountain states have a unique communications problem, explained Dr. Luis Bransford, the director of utilization for the satellite program: the area contains 35 percent of the land in the United States but only 4 percent of the population. Most of the population the area does have is concentrated around several major cities. Reaching the rural areas has proved financially infeasible and technically difficult for the public television stations," Dr. Bransford said, and this has left isolated portions of the state at an educational disadvantage. The satellite program is seen as a way of overcoming this disadvantage.)

Daily school program transmission will begin Sept. 9. Educational material will then be broadcast via the satellite to all the school receivers and the PBS stations.

Six of "Villa Alegre's" half-hour segments will be transmitted during the demonstration. This bilingual (Spanish and English) and bicultural educational television program will be aired nationwide by conventional means on PBS stations this fall.

Dr. René Cárdenas, director of BC/TV, said he sees the airing of "Villa Alegre" by the satellite as a national breakthrough in the utilization of space technology to disseminate educational programs to those areas lacking PBS facilities. "The implications for international dissemination of educational programming and technological information to developing countries are monumental," he said.

"Our staff is delighted by the fact that the first satellite transmission of an educational program in the world utilized concepts developed by BC/TV," Cárdenas noted.

The satellite, an ATS–6 (Applications Technology Satellite "6") was launched by NASA from Cape Kennedy, May 30. It is positioned on the equator in a synchronous, or stationary, orbit. It can provide two-way audio and visual communication between the Denver earth station and 24 of the rural schools, designated Intensive Sites. The other 44 locations are receiver sites only.

When fully operational the system will represent, according to Dr. Bransford, the first widespread use of a satellite-based telecommunication system in a direct educational application.

ALEX MANOOGIAN HONORED

Mr. GRIFFIN. Mr. President, on behalf of the people of Michigan, Gov. William G. Milliken recently awarded a Certificate of Appreciation to one of our State's most distinguished citizens, Alex Manoogian, international president of the Armenian General Benevolent Union.

The life of Alex Manoogian is an outstanding example of the success that can be achieved in America. Even more important is the fact that Alex Manoogian has never taken the freedom and opportunities of America for granted. Instead he has generously demonstrated his gratitude by helping others to realize the best of their individual abilities and talents.

That is the American way; and that has been the way of Alex Manoogian, a fine American.

Mr. President, I ask unanimous consent that a biography of Alex Manoogian indicating his wide-ranging interests and accomplishments be printed in the RECORD.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

ALEX MANOOGIAN

Mr. Alex Manoogian, considered by many to be the chief Armenian community leader in Detroit, the United States and throughout the diaspora, was born in the region of Smyrna (Izmir), a well-known seaport on the coast of Asia Minor, in 1901. Under the supervision of his parents, Tacvor and Tacoohie Manoogian, Alex received his primary and secondary education in local Armenian schools.

World War I left economic chaos, political confusion and personal insecurity for the Armenians in Turkey, so the young Alex decided to leave his father's business in 1920 to come to America—just two years before the destruction of Smyrna by the Turks.

After living in several cities, he made Detroit his home in 1924. First working in an auto parts manufacturing plant to gain experience, he then founded his own company in 1928 which was to grow into the huge Masco Corporation. Although the depression years were hard, by 1936 Mr. Manoogian's company was large enough to be listed on the stock exchange.

In 1931 he married Marie Tatian in New York, and soon their union was blessed with two children—Louise (now Mrs. Arman Simone) and Richard. The Manoogians now have six grandchildren. Mrs. Marie Manoogian has been a constant companion and help mate to her active and industrious husband.

Mr. Manoogian had joined the Armenian General Benevolent Union (AGBU) and the Knights of Vartan in 1930. By 1940 he was elected Avak Sbarabed (National Commander) of the Knights; and in 1943 he was elected to the Central Board of Directors of the AGBU.

In 1953 Alex Manoogian was elected International President of the AGBU, a post which he has occupied with honor for 20 years. After 17 years of successful leadership, during which time AGBU capital funds were raised from eight million to over twenty million dollars, there was a tremendous expansion of its world-wide activities. Mr. Manoogian was voted life President in 1970 by a grateful General Assembly.

In 1968 the AGBU Alex Manoogian Cultural Fund was established with an initial endowment of one million dollars; since then the endowment has been doubled by its generous benefactor. The Fund has supported the publication of many scholarly and literary works, cultural activities, and has provided assistance to needy Armenian intellectuals and educators throughout the world.

As a grateful citizen of the United States, Mr. Manoogian has contributed generously to American hospitals, museums, libraries, universities, schools and other charitable and cultural organizations. He donated his former mansion to the City of Detroit as an official residence for the Mayor.

Space does not permit an enumeration of even his major contributions in cities all over the world, but we must mention his building of the AGBU Alex Manoogian School, the Tacvor and Tacoohie Manoogian Manor for the Aged, and his substantial donation of time, interest and money to the building of St. John's Armenian Church of Greater Detroit and the Armenian Cultural Building.

To date, Mr. and Mrs. Manoogian has contributed seven million dollars to charitable, religious, cultural and educational causes. In recognition of his international philanthropy, Mr. Manoogian was awarded the Cross of St. Gregory the Illuminator First Degree by His Holiness Vasken I, the Catholicos of All Armenians; the First Degree Order of the Cedars by the President of Lebanon; the Cross of St. James by His Beatitude the Patriarch of Jerusalem; and the 50th Anniversary Medal by the Prime Minister of Armenia.

IN MEMORIAM: EARL WARREN

Mr. CRANSTON. Mr. President, on July 10 I addressed the Senate on the impact of Earl Warren upon our history and upon our future. I spoke of his vision, of his decency and compassion, and of his concern with the ideal of equal rights under the law. That special quality which Earl Warren demonstrated in his illustrious years of service to our Nation have been eloquently summarized in an elegy by the poet laureate of the State of California, Charles B. Garrigus.

I would like to share with my colleagues here in the Senate these lines of verse. I ask for unanimous consent that the poem by Charles B. Garrigus, "In Memoriam: Earl Warren," be printed in the Record:

There being no objection, the poem was ordered to be printed in the Record, as follows:

In Memoriam: Earl Warren

There is a special grief that people feel about the death of certain men.
It is a sorrow rooted in awareness that such men have loved and served the interests of mankind.
There will be no black shroud of gloom about Earl Warren's passing.
Instead there will be sadness born of gladness and deep gratitude
That in her hour of need, America this man could find.
His life throughout was preparation for the work he had to do.
Through the translucent windows of slow time,
His figure will grow larger, looming clearly as a greater man.
Than those who stood beside him ever knew.
He never had that close concern with all the obvious, petty kind
That might obscure the greater thoughts behind.
His field of action was those principles which mold the mighty matters of the mind.
With the key of justice he unlocked the gates of knowledge for the underprivileged and poor.
We know in every schoolhouse of the land
His was the hand which opened wide the door.
Now California's Favorite Son has gone;
His niche in life is deep, his fame deserved.
His tribute is the faith which every man has in the law;
His monument is every life that has a richer hope because he served.

Charles B. Garrigus.

TWENTY-FIFTH ANNIVERSARY OF GSA

Mr. JAVITS. Mr. President, 25 years ago this month President Truman signed the Federal Property and Administrative Services Act of 1949 which created the General Services Administration. This independent agency was formed to consolidated government procurement policy and bring greater efficiency and savings to the Federal Governmnet. In the intervening years, broader, and additional responsibilities were assigned to it until today, in a very real sense, it is the marketing and business arm of the Federal Government.

During the past 25 years GSA has accepted its challenge of doing the Government's business with vitality and dedication. While GSA has been involved in controversy, because of its efforts, respect in this agency has grown over the years with its size and responsibility. I extend my congratulations to the past and present GSA employees who have contributed to the fine reputation which GSA so rightfully deserves.

On this commemorative occasion I ask unanimous consent to print in the Record the following speech delivered by Arthur F. Sampson, the very able Administrator of General Services Administration .

There being no objection, the speech was ordered to be printed in the Record, as follows:

Address By Mr. Sampson

This month GSA observes its 25th anniversary, an occasion marked by celebration and social events. But our anniversary must be something more than a celebration; it must be a time when we examine our progress and set our goals for the future.

How far have we come? GSA, today, is vastly different from the GSA of 25 years ago. In 1949, the General Services Administration was created to fulfill the administrative needs of the Federal agencies. For years, we have operated behind the scenes, concerned with getting the job done. We have succeeded in centralizing and consolidating many managerial functions of the Federal Government. And have succeeded in serving the Federal agencies effectively and efficiently.

Today we are contributing to the quality of life through our pioneer efforts in energy conservation and firesafety. We are bringing the Federal Government closer to the American people with our business service centers and the Federal information centers. We are a leader in the construction industry—the biggest industry in America. We're providing sophisticated teleprocessing services, we save millions in procurement, we've brought the Nation's history to its people through the archives, and, we are assuming a new role in the Federal Government with the addition of Federal management policy and emergency preparedness operations.

That mission hasn't always been glamorous and our successes haven't always been visible.

In fact our service mission may have affected our outlook in the past. We called the agency the "housekeeper" for the Federal Government—a title that belies the important management functions of the agency and the millions of dollars in its programs.

That image and the attitude it created have been changing in recent years.

GSA has built on its basic mission and has changed dramatically in the past few years.

Today we can look at our operations, our record, with pride. And we can look at GSA in a new light—an agency with as much talent, as much challenge, and ultimately, as much importance to Americans as any other agency in Government.

Our 25th anniversary should give us all a chance to share in that pride and to understand that new vision of GSA.

But our celebration should also be a time to face further challenge.

First, the process of building on our mission and finding better ways to do our job must continue. In fact, the two go hand-in-hand to the extent that we are efficient and enterprising on a day-to-day basis, we will be given new responsibilities and accorded new respect as an agency.

A second challenge is this: We must do our jobs better in the context of material and energy shortages. Not only must we conserve in our operations. We have to demonstrate ways for others to conserve.

Next, we must economize. We should be spending our money in the most productive way we know how.

The President has set this theme. But keeping down the cost of government is a fundamental part of public service—no matter what administration or what the state of the economy. Every one of us should keep that duty in mind.

Finally, we all face a special challenge in the years ahead.

We are going through a period when all our institutions are viewed with skepticism.

That's true of marriage, the family, our churches and our educational system.

But it's especially true of government.

Just because we do work for the Federal Government, people today are going to question our honesty and our ability. That's true for me in Washington and it's true for you in the field.

It's up to us to change that. On the job and off, everyone of us should be showing the people we meet that we're working, we're working well and we're working for them.

Getting that word out may be the toughest task we face in the next few years.

That challenge, then, and the others I mentioned, face us all as individuals in GSA.

John Kenneth Galbraith once said, "People are the common denominator of progress. So no improvement is possible with unimproved people."

At a typist's desk, a loading platform, on a midnight security patrol or in a big office like mine—it's all the same.

The success we've had so far at GSA has been your success, your reward.

And the success we will have in meeting challenges is up to you—each of you.

EXTENDED BENEFITS PROGRAM

Mr. JAVITS. Mr. President, I wish to thank and commend the conferees on H.R. 8217 which contains a vital provision to continue unemployment payments for those who have exhausted their regular benefits without being able to find work again. At a time when the rate of unemployment is still intolerably high, we must be able to provide our unemployed workers with the means of sustaining themselves and their families for longer periods than when our economy is at or near full employment.

In 1970, along with several amendments to the unemployment insurance program, we enacted the Federal-State extended unemployment compensation program. That program soon proved to be unworkable, and since the fall of 1972 I have proposed a series of amendments designed to make this program effective by relaxing the statutory trigger requirements for extended benefits. On four separate occasions we have temporarily waived the 120 percent trigger requirement from the extended benefits program. The latest of these amendments was attached by the Senate to this bill, H.R. 8217.

Without this amendment, the trigger requirement operates so that in order to be eligible to participate in the extended benefits program, a State must not only have a high rate of insured unemployment, but must also have an insured unemployment rate which is 120 percent higher than its rate for the previous 2 years. The effect of this requirement has been that States with chronic unemployment problems were not eligible for the program even though their insured unemployment rates might be 6, 7 or even 8 percent.

The conferees on this legislation have brought back a report which will extend the relaxation of the 120 percent trigger requirement through next April. The potential effect of this legislation will be to allow over a million unemployed workers to become eligible for extended unemployment benefit that they would not otherwise have received.

This amendment will also allow ample time for the Senate Finance Committee and the House Ways and Means Committee to study the problems in the extended unemployment benefits program, and to work out a permanent solution to those problems without the threat of cutting off thousands of potential beneficiaries because they are facing a short deadline on reporting reform legislation.

I know that I am joined by many Members, both here and in the House, who are dissatisfied with the way in which this and other aspects of our entire unemployment compensation system are functioning. We may not have a consensus on an appropriate solution to this problem, but we are agreed that it is a serious problem. This extension of the trigger modification will allow the committees to hear all points of view and to report to their respective bodies appropriate reform measures.

I am pleased to note that we can expect the full cooperation of the Department of Labor. As Secretary Brennan stated in a letter to Chairman Long concerning this matter:

> A full study of duration issues, including the adequacy of the existing trigger mechanism, is clearly necessary and such a study is now underway in the Department of Labor.

I wish particularly to thank my colleague, Senator Russell Long, Chairman of the Senate Finance Committee and the distinguished chairman of the House Ways and Means Committee, Mr. Mills, for their cooperation in working out this extension. I would also like to thank my colleague from Connecticut, Senator Ribicoff for presenting and fighting for this extension and for his longstanding and dedicated commitment to finding a solution to this problem.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the annual report of the Commodity Credit Corporation for the fiscal year ending June 30, 1973, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry, and ordered to be printed. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Cong., 2d Sess., (62 Stat. 1073), I transmit herewith the annual report of the Commodity Credit Corporation for the fiscal year ended June 30, 1973.

Richard Nixon.

The White House, *July 31, 1974.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION ACT, 1975

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 15544, which the clerk will state.

The legislative clerk read as follows:

> A bill (H.R. 15544) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1975, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDENT pro tempore. The time for debate on this bill shall be limited to 2 hours, to be equally divided and controlled by the Senator from New Mexico (Mr. Montoya) and the Senator from Oklahoma (Mr. Bellmon), with 30 minutes on any amendment and 20 minutes on a debatable motion or appeal.

Who yields time?

Mr. MONTOYA. Mr. President, I yield myself such time as I may require.

The PRESIDENT pro tempore. The Senator is recognized.

Mr. MONTOYA. Mr. President, on behalf of the Committee on Appropriations, I am pleased to present the Treasury, Postal Service, and general government appropriations bill for 1975, H.R. 15544. The committee reported this bill to the Senate on July 24, and recommends appropriations amounting to $5,563,508,000. The bill passed the House of Representatives June 25 in the amount of $5,503,794,000 so that, based on the testimony at our hearings and the appeals of the agencies regarding the action of the House, we are recommending amendments of $59,714,000 to the House bill. The major portion of the committee's increase is $37,399,000 for budget amendments submitted subsequent to the House markup by the Treasury Department for mandatory cost increases and liquidation of the economic stabilization program. The balance of our amendments is for various program expansions that we believe are necessary and cannot be accomplished within the House allowance. I will highlight the major items in this bill.

TITLE I—TREASURY DEPARTMENT

The budget estimates for the Treasury Department total $2,342,665,000, or $415,927,000 over 1974, of which $143 million was for payment to the General Services Administration for rental of office space. The House allowed $2,231,215,000 and the committee recommends $2,289,454,000. The committee's recommendation is $58,239,000 over the House, of which $37,399,000 is to cover the budget amendments not considered by the House that I noted previously.

The major addition to the House allowance is full restoration—$7,139,000—of the budget of the Bureau of Alcohol, Tobacco, and Firearms. This Bureau was separated from the Internal Revenue Service in 1972 and has experienced a steady erosion of manpower so that the number of agents and other direct mission personnel has decreased by an average of 115 over the last 2 years. The Bureau is presently accomplishing only 42 percent of its workload with respect to firearms and explosives compliance, and an estimated $4 million alone in occupational taxes on liquor dealers is not being collected due to a lack of manpower.

Once again, this year the Subcommittee on Treasury, Postal Service, and General Government Appropriations held extensive hearings spanning 6 different days to look into the problem of the Internal Revenue Service taxpayer assistance and compliance programs. The subcommittee received testimony in the following areas: First, dissemination of information; second, infringement on taxpayer rights; third, problems related to use of the U.S. Tax Court; fourth, sufficiency of amount exempt from levy; and, fifth, allegations of a quota system used by IRS agents.

A more extensive discussion of our hearings can be found on pages 4 through 10 of the committee report, and I will make a full report to the Senate on this subject shortly.

I am also pleased to note the complete cooperation of Commissioner Donald Alexander, who shares our interest in providing the fullest level of assistance to the Nation's taxpayers. We have noted in the Report the improvements made by IRS in this area, including the increase of IRS authority at the District conference level of appeal; the new Taxpayer Service Division; and the ongoing IRS effort to improve form letters used in contacting taxpayers.

For the Internal Revenue Service we recommend program increases of $7.4

million to strengthen the Executive direction of the agency and to increase the audit sample of tax returns from 2.2 to 2.3 percent. The audit rate has dropped over the years due to the siphoning off to special programs, such as the strike force and economic stabilization. While the American people continue their high level of voluntary compliance, the unfortunate publicity last year about the tax returns of certain persons has prompted fears of mass cheating. It is still too early to tell if income tax cheating has significantly risen but the committee recommends an additional $6.4 million to raise the audit sample one-tenths of 1 percent.

Our other additions for the Treasury Department include $2 million for the Mint to provide staff and machinery to meet the ever-rising demand for coins. Recently, the Federal Reserve banks forecast a demand of 15 billion coins for the Nation's economy in fiscal year 1975. The budget request contemplates the minting of 10.9 billion coins, which is far short of this estimate. The committee has restored $1 million of the $1,578,000 that the House of Representatives reduced the request for the manufacture of coins and has also provided an additional $1,000,000 for the procurement of additional coin presses necessary to meet the heavy demand for coins in fiscal year 1976–77, which may go as high as 17 billion pieces. We also added $2.3 million for the Bureau of Public Debt. This Bureau is consolidating its operations in Parkersburg, W. Va., and we look forward to real savings next year and the years following from a streamlined operation. I also want the record to indicate that we denied the amendment for additional Executive Protective Service personnel without prejudice as the authorization has not been approved.

TITLE II—U.S. POSTAL SERVICE

The committee has made no change in the level of the House appropriation of $1,550,000,000 to the U.S. Postal Service. This appropriation is based on the formulae in the Postal Reorganization Act for public service costs, revenue foregone, and the unfunded liabilities of the old Post Office Department assumed by the Postal Service. We did join the other body in making a slight nick of $2.6 million to remind the Postmaster General that Congress is still around. Subsequent to the action of the House, Public Law 93–349 was approved July 12, 1974. This law authorizes a one-time appropriation of $285,000,000 for the unfunded liabilities in the Civil Service Retirement System due to postal employees' pay increases since 1971. We are informed that this will be covered by a supplemental budget estimate.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

The budget estimates for the Executive Office of the President amounted to $81,957,000 of which the House allowed $74,872,000. The committee recommends $76,387,000, a net increase of $1,515,000 over the House allowance.

Public Law 93–346, approved July 12, 1974, established the former home of the Chief of Naval Operations as the temporary, official residence of the Vice President. We did not receive a budget estimate for this, but the Vice President is anxious to move into his new home and the Navy has supplied us with a letter stating that $315,000 is required. I ask unanimous consent that the letter of July 18, 1974, that I received from the Navy Department with regard to this be made part of the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY, OFFICE OF
THE CHIEF OF NAVAL OPERATIONS,
Washington, D.C., July 18, 1974.

Senator JOSEPH M. MONTOYA,
Chairman, Senate Subcommittee on Appropriations for the Department of the Treasury, U.S. Postal Service, and General Government, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request for an estimate of the funds that will be necessary to include in an appropriation for FY–1975 for the establishment and maintenance of the temporary official residence of the Vice President established by Public Law 93–346 enacted July 12, 1974.

At the direction of the Secretary of the Navy, careful and moderate estimates have been made of appropriations necessary. The estimates are in the following categories.

For the structural renovations, alterations and repairs to the House, $50,000. This work will be integral to the structure and will be of a nature comparable to that which would have been required coincident to occupancy by a new Chief of Naval Operations.

For institutional investment costs, $225,000. This includes sundry furniture, china, carpets, crystal, flatware, and kitchen utensils, all of which are relocatable and will be a permanent asset of official residence of the Vice President.

For security related investment costs to the Navy specified by the Secret Service, $7,500 to construct a secure gate at the main entrance to the Naval Observatory to replace the present gate barrier, a portable wooden structure.

For recurring annual expenses, $32,500 will be required in Fiscal year 1975. This amount is for the provision of utilities, maintenance of the interior and exterior of the house and the support buildings associated with the house, housecleaning, and the direct cost to the Navy for administration of the residence and pertinent accounts. This requirement is generally comparable to the expenses incurred by the Defense Family Housing Management Account in prior years in support of the Chief of Naval Operations with a small increase for incidental requirements associated with Secret Service occupied spaces and utilities.

It is understood that your committee is now considering an appropriation to support the purposes of Public Law 93–346. We request that your decision reflect requirements listed above, in the sum total of $315,000 for Fiscal Year 1975. This request has been discussed with the Office of the Vice President of the United States.

W. D. GADDIS,
Vice Admiral, USN, Deputy Chief of Naval Operations (Logistics).

Mr. MONTOYA. Mr. President, I will mention for the information of the Senate that the $315,000, all of which we appropriated, consists of $50,000 for structural renovation, alterations and repairs to the house; $225,000 for institutional investment costs, including sundry furniture, china, carpets, crystal, flatware, and kitchen utensils; $7,500 to construct a secure gate at the main entrance; and $32,500 for recurring annual expenses.

The committee has added $3,100,000 for the Office of Management and Budget to provide a total of $22.5 million. As the Senate will recall, an amendment on the floor of the House of Representatives reduced OMB to the 1974 level of $19.4 million. In this year of rental payments to GSA, higher salary costs, etc., there is just no way to maintain programs at the previous year's level. This then is a cut, and a very drastic cut as OMB's base is $21,850,000. The committee does not believe that any difficulties with OMB can be solved by choking it to death. For the record, I also want to indicate that the committee has allowed 677 positions for OMB.

The third change recommended in title III is a reduction of $1,900,000 for the Office of Telecommunications Policy. This Office used to have funds both in this bill and the Commerce bill. The distinguished Senator from Rhode Island (Mr. PASTORE) and I agreed it all ought to be in one place, so our recommendation of $7.5 million is not a $5.4 million increase over 1974 as it might first appear. The first $4.4 million is to bring the Commerce activities into this bill. We believe a more modest expansion is in order than the almost 50 percent increase approved by the House, and have provided approximately $1 million over the combined 1974 level.

TITLE IV—INDEPENDENT AGENCIES

For the independent agencies in this bill, the committee recommends $1,647,667,000. Technically, we are over the budget estimates by $6.7 million but this comes about because GSA's administrative operations fund was provided for on a direct appropriation basis rather than as a management fund by the House of Representatives. When proper allowance is given for the reduction of $17,525,000 in the Federal buildings fund because of this, which cannot be reflected in the tables at the end of the report, we have actually cut the estimates by $10,825,000.

In our report, we have again stressed that one of the most important functions of the Civil Service Commission is to assure a merit work force so that the public can be guaranteed a personnel management program and a work force of the highest caliber and quality. The committee also recognizes that it is equally vital and important that all citizens, regardless of race, color, creed, sex, or ethnic background, be afforded and given equal employment opportunities in the Federal service. In this connection, the Civil Service Commission is again directed to pursue, with vigor, a program of affirmative action to assure equal opportunity in Federal employment, and the committee again directs that this program be given the highest priority possible.

The committee recognizes that some measures have been taken by the Commission to comply with committee directives but testimony before the committee again indicates that the Civil Service Commission has not sufficiently pursued its obligations under the Equal Employment Opportunity Act of 1972 in a manner consistent with the spirit and letter of the act.

For example, a review of Federal employment statistics with regard to employment of Spanish-surnamed persons reflects that from November 1969 through May 1973 there was only a net increase of 4,652 Spanish-surnamed Americans hired by the Federal Government. On the other hand, Treasury Department employment statistics for the same period reflect an increase of 1,672 Spanish-surnamed employees. Consequently, during the period November 1969 through May 1973 the Department of the Treasury hired approximately one-third of all Spanish-surnamed Americans hired throughout the Federal Government. The Department of the Treasury is commended for their leadership in this highly critical area. In the most recent reports to the Civil Service Commission of Spanish-surnamed hires from 1972 to 1973, Treasury shows an increase of 541 against the total Federal Government net increase of approximately 1,650 new jobs.

From the above, it is evident that the Civil Service Commission needs to and must take a variety of steps to assure that bilingual recruiters participate in recruitment activities in order to increase the likelihood of success in recruiting efforts, and that all Federal agencies review their staffing practices to assure themselves that artificial barriers and obstacles in their appointment practices which prohibit Spanish-speaking Americans from obtaining Federal employment are immediately eliminated. The President's 16-point program should be advanced more aggressively through the Federal service and the committee again urges, in the strongest possible manner, that full consideration of Spanish-speaking persons be given to mission-related occupations and executive positions.

We have restored the President's Commission on Personnel Interchange under the Civil Service Commission. This program provides the opportunity for the interchange of managerial skills between the Government and private sector. This program was knocked out on a point of order on the floor of the other body, but we have the opinion of both the General Counsel of the Civil Service Commission and the Comptroller General that sufficient authority exists to continue this program. Since this year's participants have already been announced and have made their plans, we believe the funding should be restored. However, we make it clear in the report that no additional participants are to be selected or commitments made until the GAO completes a review of this program.

The committee has also restored $750,000 for the Commission on the Review of the National Policy Toward Gambling that was reduced to $250,000 by the House of Representatives. This will provide a total of $1 million for a staff of 20 and $400,000 for studies of gambling. The need for the $1 million was strongly presented by the Senate members of the Commission.

Before I get to the General Services Administration, I am happy to note our addition of $252,000 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped. The authorization for this program was approved July 25, 1974, and we fully support the efforts of this committee to direct Government procurement of the products of the workshops for the blind and other severely handicapped.

For the General Services Administration, other than the Federal buildings fund, we recommend a net reduction of $1,420,000. This consists of decreases of $500,000 in the grants made by the National Historic Publications Commission and $1.5 million in the Defense mobilization functions of eight Federal agencies; and increases of $450,000 for general management and agency operations, and $130,000 for Federal management policy.

Now for the No. 1 item in this bill—the Federal buildings fund. This fund was created by the Public Buildings Amendments of 1972, Public Law 92-313. Everyone here has seen the manifestations of this new procedure for financing the construction and maintenance of Federal buildings, as witnessed by the hundreds of letters I have received regarding the possible reductions in GSA's custodial and protective forces. Rent payments, in the form of the standard level user charges, have been distributed to practically every account in the budget. In many cases, these payments are the main item of increase for the agencies. As I indicated earlier, these charges amounted to $143 million of the additional $415.9 million requested by the Treasury Department.

If the Members of the Senate will turn to page 46 of our Report I believe it will help them understand this situation.

First of all, with regard to the revenues or income of the fund, the budget projected a total $1,359,326,000. Two things have happened here. First of all, the Appropriations Committees have established a policy of reducing the Standard Level User Charges by 10 percent because we determined they were too high. That cuts income by $115.6 million. Second, due to weather conditions, strikes, and other delays, the construction program GSA planned for 1974 fell far short and, as a result, the unobligated balances that are merged by law into this Fund increases from $28,326,000 to $121,450,000. This increases income by $93,124,000. Total revenues of the fund are now estimated at $1,336,850,000.

Now let us look at the expenditures. GSA proposed a single limitation of $980 million on obligations; the House has written in 7 limitations that conform to the categories used in GSA's justifications. These are the first seven items under expenditures. Earlier I mentioned that the House moved $17,525,000 out of the fund's program direction activity to provide a direct appropriation for GSA's agency overhead. The other changes made by the House were a reduction of the amount for rental of leased buildings by $14 million, which is in line with the 10-percent reduction in the "standard level user charges"; and a cut of $101.6 million to "real property operations," which is the basis for all the letters about the 8,500 janitors and guards being laid off. The House also provided $25 million for carryover into 1976.

As detailed on page 45 of the report, the committee has deleted the $25 million carryover as it is not needed. Second, we have fully restored $76.6 million of the $101.6 million reduction in real property operations. The $76.6 million restored consists of $44.6 million to provide for work performed on a reimbursable basis in 1974 that will come into the fund as user charges this year; $21 million for cost increases of labor, utilities, and materials; and $11 million to raise the level of services—particularly cleaning—toward a comparable commercial standard for the rates GSA has imposed. GSA wanted $36 million to raise the cleaning level, but in view of the current economic situation the committee concluded that the Government could forego the additional pleasantries of level 4 cleaning while allowing some improvement over the current level 10 condition. These are categories or classifications of cleaning in Federal buildings. Level 4 is the equivalent of the commercial standard, and level 10 is something that is acceptable and in current use.

Our other problem with the expenditures is the late-blooming unobligated balance problem. We are advised by GSA, and by GAO, that the balances are for real. Most of this represents ongoing construction projects that were authorized and funded by the Congress over the last several years that are now in various stages of construction. Some 90 projects are involved and they are written into the bill on pages 20 through 22. The House made no provision for this situation as unfortunately GSA failed to bring it to their attention until it was too late. Unless we make provision for them, most of these projects will come to a halt.

Lastly, I should mention that the House inserted a limitation of $250 million on the aggregate amount of purchase contracts for construction of Federal buildings that could be executed in fiscal year 1975. GSA has appealed for an open-ended arrangement but your committee is no more enthusiastic about this procedure than our counterparts in the House. However, we are advised that the contract for the new Social Security Administration Building in Baltimore is now ready and we have increased the ceiling to $350 million.

Finally, with regard to GSA I direct the attention of the Senate to the discussion on pages 41 through 43 of the report dealing with FEDNET and excess property. We went into these matters thoroughly in the course of a long hearing with GSA. We have strengthened the language of the House of Representatives prohibiting the procurement of FEDNET by cutting off access to GSA's ADP fund. We have also spelled out to GSA that their recent revision of the regulations covering the excess property program is not to be used to choke off the program but is merely for the professed need to improve administration.

The fiscal year 1974 Treasury, Postal Service, and General Government Appropriations Act—Public Law 93-143—and the first fiscal year 1974 Supplemental Appropriations Act—Public Law 93-245—contained identical provisions relative to the Sand Point naval facility in Seattle. The committee has been advised by the Senate Legislative Counsel that that language is permanently binding law. The General Services Administration has advised the committee that it concurs with the Legislative Counsel's conclusion. The committee has, therefore, taken no action in this bill on the Sand Point facility and intends that its inaction be fully understood to have been based on the conclusion that the language about the facility in Public Law 93-143 and Public Law 93-245 is permanently binding. I want this to be crystal clear, and I ask unanimous consent that the letter I received from GSA dated June 25, 1974, be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

General Services Administration,
Washington, D.C., June 25, 1974.

Hon. Joseph M. Montoya,
Chairman, Subcommittee on Treasury, Postal Service, and General Government, Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Senator Montoya: Your letter of June 24 refers to Section 5 of Public Law 93-143 and Section 1001 of Public Law 93-245 which in effect require that before any portion of the Sand Point Naval Air Station, Seattle, Washington, can be transferred for aviation use that the General Services Administration (GSA) transfer to the National Oceanic and Atmospheric Administration (NOAA) title to that portion of the Facility which NOAA had requested and that the City of Seattle, the County of King, and the State of Washington approve a plan for aviation use of a portion of the Facility.

GSA has proceeded with its disposal plans in accordance with the provisions of the above cited legislation and on June 14, 1974, filed with the Council on Environmental Quality a final environmental statement required by the National Environmental Policy Act. This statement contemplates disposal of the available property at the Sand Point Naval Air Station in the following manner:

A. 100 acres will be transferred to NOAA for the development of a Pacific Northwest throughout the Western States, Alaska, and Regional Facility to serve NOAA units Hawaii and to provide for consolidation of the Seattle area offices of NOAA.

B. 212 acres will be assigned to the Bureau of Outdoor Recreation for conveyance to the City of Seattle for park and recreational use.

This letter confirms that GSA agrees with the opinion of the Senate Legislative Counsel that Section 5 of Public Law 93-143 and Section 1001 of Public Law 93-245 are permanently binding.

Sincerely,

Dwight A. Ink,
Acting Administrator.

LANGUAGE CHANGES

Mr. MONTOYA. Mr. President, the committee recommends insertion of various language provisions that are not authorized in law. These have been set out in the report and are, for the most part, continuation of previous practice, such as: Authorizing the Treasury Department to purchase confidential information from informers; representation funds for the Secretary of the Treasury, Council on International Economic Policy, and Civil Service Commission; and allowing the President latitude in appointing staff of the Council on International Economic Policy and Domestic Council. The committee has continued language added in the recent supplemental authorizing Secret Service protection of the Vice President's family; and inserted a provision to extend the authority of the Executive Protective Service to the Vice President's new official residence.

CONCLUSION

Mr. President, before concluding my remarks I wish to say that I enjoyed working together with the senior Senator from Oklahoma (Mr. Bellmon), the ranking minority member of the subcommittee, and also with the other members on both sides of the aisle. They attended many of the hearings, they were very contributive to the full hearings that we had on the many agencies that we hear. I want to commend all the members of my subcommittee for the contributions which they have made.

Senator Bellmon participated actively in the hearings and in the markup of the bill and thus contributed greatly to the committee's recommendations before the Senate.

I also want to note that for the first time in many years Mr. Joe E. Gonzales, the long-time staff assistant on this bill, is not with us. Mr. Gonzales transferred to the Treasury Department earlier this month where he will assume impotrant and critical duties in connection with the Department's operations in the southwestern portion of the Nation. Mr. Gonzales served the committee in outstanding fashion for 19 years. In the Spanish-speaking community we are well aware of Mr. Gonzales' valuable assistance in my pursuit of full implementation of the 16-point program, and the Department asked Joe to join them because of his special ability in this critical area.

Now, Mr. President, I ask unanimous consent that the commitee amendments be agreed to en bloc, and that the bill as amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER (Mr. Clark). Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, in line 7, after the semicolon, insert "and not to exceed $10,000 for official and representation expenses".

On page 2, in line 8, strike out "$21,-600,000" and insert in lieu thereof "$26,500,000".

On page 2, in line 9, strike out "services as authorized by 5, U.S.C. 3109" and insert "unforeseen emergencies of a confidential character, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, and of which $3,600,000 shall be for repairs and improvements to Treasury buildings and shall remain available until expended".

On page 3, beginning with line 5, insert:

EXPENSES FOR ECONOMIC STABILIZATION
(LIQUIDATING FUNCTIONS)

For expenses necessary to enable the Secretary of the Treasury to terminate and provide for an orderly phaseout by December 31, 1974, of the economic stabilization activities conducted under the Economic Stabilization Act of 1970, as amended, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for GS-18, $2,000,000: *Provided*, That advances, repayments or transfers may be made to any department or agency for expenses of such termination.

On page 3, in line 19, strike out "$85,-000,000" and insert in lieu thereof "$100,000,000".

On page 3, in line 3, after "$600,000," insert "to remain available until expended."

On page 4, in line 7, strike out "as authorized by 5 U.S.C. 3109" and insert "of expert witnesses at such rates as may be determined by the Director;".

On page 4, in line 9, strike out "$87,-500,000" and insert in lieu thereof "$94,-639,000".

On page 4, in line 19, strike out "$283,000,000" and insert in lieu thereof "$284,800,000".

On page 5, in line 6, strike out "$30,-000,000" and insert in lieu thereof "$32,-000,000".

On page 5, in line 10, strike out "$85,-000,000" and insert in lieu thereof "$88,-500,00".

On page 5, at the end of line 16, strike out "services as authorized by 5 U.S.C. 3109" and insert "services of expert witnesses at such rates as many be determined by the Commissioner;"

On page 5, at the end of line 18, strike out "$40,000,000" and insert in lieu thereof "$41,000,000".

On page 6, in line 2, strike out "as authorized by 5 U.S.C. 3109," and insert "of expert witnesses at such rates as may be determined by the Commisioner;".

On page 6, at the end of line 7, strike out "$705,000,000" and insert in lieu thereof "$712,600,000".

On page 6, in line 15, strike out "as authorized by 5 U.S.C. 3109" and insert "of expert witnesses at such rates as may be determined by the Commissioner;".

On page 6, in line 17, strike out "$780,-000,000" and insert in lieu thereof "$791,000,000".

On page 7, in line 12, strike out "$77,-000,000" and insert in lieu thereof "$79,-300,000".

On page 7, at the end of line 15, insert "and for the utilization of the Executive Protective Service to provide security at the official residence of the Vice President".

On page 7, at the end of line 23, insert "entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries;".

On page 8, at the end of line 13, strike out the comma and "of which $414,418,-500 shall be available only for transfer to the Civil Service Retirement and Disability Fund".

On page 9, line 9, strike out "services as authorized by 5 U.S.C. 3109" and insert "personnel services without regard to the provisions of law regulating the employment and compensation of persons in the Government service,".

On page 9, after "$1,600,000" insert "of which, an amount not to exceed $1,000 may be expended for official entertainment".

On page 9, in line 18, after "3109" insert "but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS–18; and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service;".

On page 10, beginning with line 7, insert:

Official Residence of the Vice President

OPERATING EXPENSES

For the care, maintenance, repair and alteration, furnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, $315,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

Federal Energy Office

SALARIES AND EXPENSES

No part of any appropriation contained in this or any other Act for the regulatory functions of the Federal Energy Administration under authority of Public Law 93–159, shall be obligated or expended beyond the expiration date of that Act except with explicit approval of the appropriations committees.

On page 11, at the end of line 15, strike out "$19,400,000" and insert in lieu thereof "$22,500,000".

On page 11, in line 23, strike out "$9,400,000" and insert in lieu thereof "$7,500,000".

On page 11, in line 23, strike out the colon and *"Provided*, That not to exceed $1,100,000 of the foregoing amount shall be available for telecommunications studies and research.".

On page 12, in line 18, after "functions," insert "as authorized by law".

On page 12, in line 19, after the comma, strike out

"services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS–18, compensation for one position at a rate not to exceed the rate of level II of the Executive Schedule, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service,".

On page 13, in line 21, strike out "$1,050,000" and insert in lieu thereof "$1,075,000".

On page 14, in line 7, after the semicolon, insert "not to exceed $2,500 for official reception and representation expenses;".

On page 12, in line 12, strike out "$89,647,000" and insert in lieu thereof "$90,000,000".

On page 16, in line 17, strike out "$250,000" and insert in lieu thereof "$1,000,000".

On page 16, beginning with line 18, insert:

"Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped

"SALARIES AND EXPENSES

"For expenses necessary for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, established by the Act of June 23, 1971, Public Law 92–28, including hire of passenger motor vehicles, $252,000.

On page 18, at the end of line 12, strike out "$871,875,000" and insert in lieu thereof "$1,044,925,000".

On page 19, in line 15, strike out "$293,594,000" and insert in lieu thereof "$370,194,000".

On page 19, beginning with line 18, strike out "$25,000,000 shall be available for obligation in fiscal year 1976" and insert

$121,450,000 of the amounts merged with the fund pursuant to section 210(f)(3) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(3)) of which (a) not to exceed $89,856,000 for the construction of buildings as authorized by law including construction projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

Alabama:	
Mobile Federal Office Building	$224,000
Alaska:	
Fairbanks Federal Office Building and Parking Facility	638,500
Anchorage Court House, Federal Office Building, and Park Facility	2,000,000
Alaska Highway Border Station	839,000
Juneau Post Office and Court House	12,000
Petersburg Federal Office Building and Post Office	25,000
Arizona:	
Nogales Border Station #2	2,670,000
Arkansas:	
Batesville Post Office, Court House, and Federal Office Building	86,000
Fayetteville Court House and Federal Office Building	89,000
California:	
Los Angeles Federal Office Building and Multi-Parking Facility	1,981,000
San Diego Border Station	1,724,000
Hawthorne Federal Office Building	92,000
Santa Rosa Federal Office Building	235,000
Santa Ana Federal Office Building	18,000
San Diego Federal Building	225,000
Calexico Border Station	88,000
Connecticut:	
New Haven Federal Office Building	877,000
Delaware:	
Wilmington Court House, Customs Court, and Federal Office Building	151,000
District of Columbia:	
South Portal Site Federal Office Building	10,631,300
James Forrestal Federal Office Building	170,700
Department of Labor Building	11,083,600
J. E. Hoover Federal Bureau of Investigation Building	514,000
Florida:	
Orlando Courthouse and Federal Office Building	99,000
Tampa Motor Pool	15,000
West Palm Beach Post Office and Courthouse	31,000
Georgia:	
Atlanta, Richard B. Russell Federal Office Building	$700,000
Augusta Post Office and Federal Office Building	99,000
Griffin Post Office and Federal Office Building	176,000
Rome Post Office and Courthouse	106,000
Waycross Courthouse and Federal Office Building	19,000
Hawaii:	
Honolulu Federal Office Building	115,000
Idaho:	
Sandpoint Federal Office Building	16,000
Illinois:	
Chicago Federal Supply Center and Parking Facility	312,000
Chicago Federal Archives and Records Center	15,000
Chicago Federal Office Building	1,194,000
Alton Courthouse and Federal Office Building	50,000
Carbondale Federal Office Building	261,000
Indiana:	
Indianapolis Federal Office Building	15,000
Indianapolis Post Office and Courthouse	10,000
Iowa:	
Iowa City Post Office and Federal Office Building	12,000
Kansas:	
Topeka Courthouse and Federal Office Building	662,500
Kentucky:	
Covington, Internal Revenue Service Center	79,000
Frankfort Courthouse and Federal Office Building	67,000
Louisville Federal Office Building	53,000
Louisiana:	
Houma, A. J. Ellender Post Office and Federal Office Building	160,000
New Orleans Courthouse and Federal Office Building	30,000
Maryland:	
Baltimore, E. A. Germatz Federal Office Building	22,000
Massachusetts:	
New Bedford, Hastings Keith Federal Building	204,000
Michigan:	
Ann Arbor, Federal Office Building	322,000
Detroit, Patrick V. McNamara Federal Office Building	49,000
Grand Rapids, Courthouse and Federal Building	57,000
Saginaw, Federal Office Building	448,000
Mississippi:	
Aberdeen, Federal Office Building	54,000
Hattiesburg, Federal Office Building	69,000
Oxford, Courthouse, Post Office, and Federal Office Building	82,000
Nebraska:	
Lincoln, Courthouse, Federal Office Building, and Park Facility	67,000
New Hampshire:	
Manchester Federal Office Building	456,000
New Mexico:	
Gallup Federal Office Building	137,000
New York:	
Buffalo Federal Office Building	950,000
Champlain Border Station	262,000
Hyde Park, F. D. Roosevelt Library Extension	65,000
New York Customs Courthouse and Federal Office Building	113,500

New York—Continued	
Rochester, Customs Courthouse and Federal Office Building	$70,000
New York, Foley Square Courthouse Annex	737,000
North Carolina:	
Winston-Salem, Courthouse and Federal Office Building	839,000
Ohio:	
Akron, Courthouse, Federal Office Building and Parking Facility	43,000
Akron, Post Office	13,000
Columbia, Federal Office Building	861,000
Dayton, Courthouse and Federal Office Building	42,000
Mansfield, Post Office and Federal Office Building	348,000
Oklahoma:	
Oklahoma City, Federal Office Building	603,000
Oregon:	
Eugene, Courthouse and Federal Office Building	30,000
Portland, Federal Office Building	12,000
Pennsylvania:	
Philadelphia, J. A. Byrne Courthouse and W. J. Greene, Jr., Federal Office Building	10,624,000
Williamsport, Courthouse and Federal Office Building	335,000
Puerto Rico:	
San Juan, Courthouse and Federal Office Building	$25,000
Rhode Island:	
Providence, Post Office and Federal Office Building	38,000
South Carolina:	
Columbia, Courthouse, Federal Office Building, Parking Facility and Vehicle Maintenance Facility	955,000
Florence, John L. McMillan Federal Building and Courthouse	327,000
South Dakota:	
Huron, Post Office and Federal Office Building	470,000
Rapid City, Courthouse and Federal Office Building	31,000
Tennessee:	
Nashville, Courthouse and Federal Office Building	130,000
Texas:	
Dallas, Courthouse and Federal Office Building	31,000
McAllen, Border Patrol Sector Headquarters	22,000
Marfa, Border Patrol Headquarters	136,000
Midland, Post Office, Courthouse, and Federal Office Building	135,000
San Antonio, Courthouse and Federal Office Building	594,000
San Antonio, Post Office	73,000
Vermont:	
Norton, Border Station	10,000
Brattleboro, Post Office, Court House, and Federal Office Building	10,000
Virginia:	
Quantico, Federal Bureau of Investigation Academy	555,000
Roanoke, R. H. Poff Federal Office Building	37,000
Virgin Islands:	
Charlotte Amalie, Courthouse and Federal Office Building	45,000
Washington:	
Blaine, Peace Arch Border Station	3,081,000
Seattle, Federal Office Building	2,503,600
Seattle, Federal Center South	2,878,000
West Virginia:	
Morgantown, Post Office and Federal Office Building	200,000
Elkins, Post Office, Courthouse, and Federal Office Building	454,000
Wisconsin:	
Madison, Courthouse and Federal Office Building	$680,000
Including a reserve for the Federal Office Building, Athens, Georgia, the Post Office and Court House, Moscow, Idaho, the Philip J. Philbin Federal Building and Post Office, Fitchburg, Massachusetts, the Customs Court and Federal Office Building Annex, New York, New York, the Post Office and Federal Office Building, Denton, Texas, and the Winston Prouty Federal Building, Essex Junction, Vermont	10,803,000
Funds for contractor's claims and judgments rendered by U.S. Courts related to site acquisition and contract appeals, also relocation cost	9,057,300
Total	89,856,000

Provided, That the immediately foregoing limits of cost may be exceeded to the extent that they apply to construction projects previously included in the appropriation, Construction, Public Buildings Projects, to the extent that savings are affected in other such projects, but by not to exceed 10 per centum of the amounts previously appropriated for such projects under such appropriation; (b) not to exceed $700,000 for repair and improvement of public buildings; (c) not to exceed $5,245,000 for additional court facilities; (d) not to exceed $16,149,000 for construction services of on-going construction projects; and (e) $9,500,000 for the completion of buildings management projects, including charges for work for other agencies begun in prior years but not yet completed and $2,571,000 to be deposited in the Treasury as miscellaneous receipts:"

On page 24, line 4, after "collections", strike out:

Provided further, That any revenues and collections and any other sums accruing to this Fund, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of $871,875,000 shall be deposited in miscellaneous receipts of the Treasury of the United States

On page 26, beginning with line 11, insert "and acceptance and utilization of voluntary and uncompensated services".

On page 26, line 12, strike out $50,500,000" and insert in lieu thereof "$50,000,000".

On page 26, in line 13, strike out "$2,000,000" and insert in lieu thereof "$1,500,000".

On page 28, in line 7, strike out "$3.000,000" and insert in lieu thereof "$1,500,000".

On page 28, in line 12, strike out "$10,200,000" and insert in lieu thereof "$10,650,000".

On page 28, in line 22, strike out "$1,600,000" and insert in lieu thereof "$1,730,000".

On page 30, beginning with line 14, insert "or under section 111 of the Federal Property and Administrative Services Act of 1949".

On page 31, in line 13, strike out "$60,000,000" and insert in lieu thereof "$63,400,000".

On page 31, at the end of line 24, strike out "$22,000,000" and insert in lieu thereof "$18,600,000, to remain available until expended".

On page 34, in line 25, strike out "$250,000,000" and insert in lieu thereof "$350,000,000".

Mr. JAVITS. Mr. President, reserving the right to object—of course I shall not object—I wish to use the opportunity to inform my friend and colleague that I have a modest amendment respecting the Productivity Commission, and I would like to inquire when it will be convenient for the Senators to consider that.

Mr. MONTOYA. Well, the Senator from Oklahoma has a statement to make on the bill and then we will be ready for amendments.

Mr. JAVITS. I thank my colleague.

The PRESIDING OFFICER. Is there objection?

Mr. ABOUREZK. Mr. President, reserving the right to object—Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MONTOYA. Mr. President, I will allow part of my time for that purpose.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, as the ranking minority member of the subcommittee which considered H.R. 15544, the appropriation bill for the Treasury Postal Service, and general Government for the fiscal year ending June 30, 1975, I want to associate myself generally with the remarks of the chairman of the subcommittee, the distinguished senior Senator from New Mexico (Mr. MONTOYA) and to applaud his leadership in reporting this bill.

This measure now before the Senate is the product of many days of hearings and persevering effort put forth not only by our most capable and cordial chairman, but also the other members of the subcommittee.

I would like to congratulate the chairman for the way he has conducted the affairs of the subcommittee through these recent months.

Let me assure my colleagues that there are no monumental new programs in this bill. Although there are certain sections in the bill where I believe additional reductions might have been employed, frugality has been the password of the committee as we worked on this legislation.

By and large this bill provides funds for the general Government activities of the Federal Establishment. There are moneys for the levying and collection of taxes, for the operation of the Postal Service, for the operations of the White House, for the Domestic Council, the National Security Council, the Office of Management and Budget, the Civil Service Commission and a host of other activities too numerous to mention at this time. While some may disagree as to the amount by which these activities should be funded, let no Senator forget that many of the items in H.R. 15544 are necessary sums to effectively operate the executive branch of the Government, and one of the three coequal branches of Government under our Federal system.

Under the GSA section of this bill I supported in full committee markup a motion to reduce the appropriation for real property operations, cleaning, maintenance and security operations, and so forth. During these days of double digit inflation, it is my opinion that we must do without in as many areas as possible. The House cut this item by $101.6 million. The Senate cut was a mere $25 million, or a restoration of $76.6 million. Therefore, as this measure now stands before the Senate, GSA's real property operations are funded at $370,194,000, or $25 million below the budget request.

Mr. President, I shall not take the time of the Senate to address myself to each line item in this bill. However, let me conclude my remarks by urging the Senate to adopt the bill which our committee has sent you after weeks of hearings and deliberations.

Once again I want to commend the manager of this bill and the distinguished chairman of our subcommittee for the firm, fair and methodical manner in which he has presided over the development of this legislation.

Now, Mr. President, I have three minor, perfecting amendments at the desk, and I ask that they be reported at this time.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendments.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendments will be printed in the RECORD.

The amendments are as follows:

1. On page 9, following line 23, insert the following provision:

"UNANTICIPATED PERSONNEL NEEDS

"For expenses necessary to enable the President to meet unanticipated personnel needs and to pay administrative expenses incurred with respect thereto, as authorized by law, $1,000,000."

2. On page 10, line 5, after the words "Executive Residence" and before the figure "$1,695,000" insert the following:

"and official entertainment expenses of the President,"

3. On page 13, line 6, strike the figure "$16,367,000" and insert in lieu thereof the following:

"including hire of passenger motor vehicles, and official entertainment expenses of the President, $16,367,000: *Provided*, That not to exceed $10,000 shall be available for allocation within the Executive Office of the President for official reception and representation expenses."

Mr. BELLMON. Mr. President, I ask unanimous consent that these amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I believe these amendments are all familiar to the distinguished chairman of the subcommittee and that he is agreeable to the amendments. I will not take the time of the Senate to discuss them.

Mr. PROXMIRE. Would the chairman yield briefly on that?

Would the chairman inform the Senate as to whether these would increase or decrease the amounts of the bill in any way?

Mr. MONTOYA. I defer to the Senator from Oklahoma.

Mr. BELLMON. Mr. President, let me say that amendment 1 has the effect of providing $1 million to the President for unanticipated needs of a highly important but temporary nature.

This is the same $1 million that Congress has been making available to the President for the last 20 years.

Mr. PROXMIRE. Was it the same amount available last year?

Mr. BELLMON. Yes, there is no increase; the same fund has been in the budget for the last 20 years for this purpose.

Mr. PROXMIRE. Is that the only one that affects it?

Mr. BELLMON. The amendment 2 authorizes an entertainment allowance for the President. The authorization is not self-executing, but requires that funds be specifically appropriated for entertainment expenses. This amendment will provide those funds to be expended at the discretion of the President.

Mr. PROXMIRE. How much is involved in this entertainment fund?

Mr. BELLMON. There is no additional money.

Mr. MONTOYA. It is just an authorization for him to use part of these funds for that purpose, and that authorization has been in previous bills.

Mr. PROXMIRE. On the basis of the hearings, is there any indication of any abuse of this?

Mr. MONTOYA. No.

Mr. PROXMIRE. There has been some criticism of the White House's use of funds, especially in the last few days by the House Judiciary Committee, but apparently the chairman and ranking member are satisfied that this would not involve any abuse of those funds; is that correct?

Mr. BELLMON. I do not believe, Mr. Chairman, we have had criticism of this particular fund, and this is no additional money; it is a procedural matter.

The third amendment will make available the second type of entertainment funds authorized by H.R. 14715, to be available for allocation within the Executive Office of the President rather than expended by the President himself. There is a built-in limitation of $10,000 on these funds. In addition, this amendment will specifically provide for the hire of passenger motor vehicles, a service made available to the Vice President and other entities in this act, but omitted to the President. This is a minor but necessary authority for the proper functioning of the White House office.

Mr. PROXMIRE. It does not mean the White House is going to lease more limousines and chauffeur various automobiles for the White House?

Mr. BELLMON. It means, Mr. President, that if there is a need for leased automobiles, perhaps to take care of visiting heads of state or something of that kind, the President will be able to lease them, and not just the Vice President.

Mr. PROXMIRE. But it would be confined to people like visiting heads of state; it would not be used by the staff at the White House?

Mr. BELLMON. It is not intended for use of the White House staff.

Mr. PROXMIRE. I thank the Senator.

Mr. MONTOYA. This authorization has been in the bill before. There was a little omission in the House bill. This provides complete authorization as we have had it heretofore.

Mr. BELLMON. If the Senator would care to look at the bill, H.R. 15544, on page 12, he will find that this language appears in line 18 of page 12. We have simply moved the language over to line 6 on page 13, so that it will not be limited only to the Vice President, but will also include the President. Where it appears first, it enables the Vice President to hire these vehicles. This change would make it possible for the President also to have that right.

Mr. PROXMIRE. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments of the Senator from Oklahoma.

Mr. ABOUREZK. Mr. President, will the Senator yield for a question?

Mr. BELLMON. I yield for a question.

Mr. ABOUREZK. Are there funds in these amendments for the President's lawyers that he has hired in the last year and a half?

Mr. BELLMON. Mr. President, there are no funds in these three amendments that have anything to do with hiring the President's lawyers.

Mr. ABOUREZK. Or in the bill itself?

Mr. MONTOYA. Yes. I was going to make a statement about this. Once we dispose of these amendments, I would welcome a colloquy with the Senator about this matter, because I have an important statement to make in that respect.

Mr. ABOUREZK. I will withhold now, then. I thank the Senator.

The PRESIDING OFFICER (Mr. CLARK). The question is on agreeing, en bloc, to the amendments of the Senator from Oklahoma.

The amendments were agreed to.

Mr. PROXMIRE. Mr. President, will the Senator from Oklahoma yield? If the Senator from South Dakota and the Senator from New Mexico will permit, I would like to make a brief statement on the bill.

Mr. BELLMON. I yield.

Mr. PROXMIRE. Mr. President, first I commend the distinguished chairman and the distinguished ranking minority member. I think they have done a good job. It is very hard for us to hold down these expenditures; there is always great importunism by the people involved, the agencies and departments involved, and I think in this case the chairman and the subcommittee have done well.

Nevertheless, I would like to put this bill in perspective, because I think we can and should recognize that it is not quite the remarkable economy measure it appears to be. It is below the administration's budget request; and it is also an amazing $679 million below last year's budget expenditures.

These figures are misleading, however. Let us take a few examples. Why is the bill so far below last year's budget? First, no disaster relief funds are included in the bill. This program is now funded through the HUD-space-science-veterans' appropriations bill. The result, a "paper" saving of $400 million when compared with last year's bill. And as we all know disasters are made by God, not by man. It is impossible to predict with any certainty how much money we will need this year in the HUD-space-science bill—the $400 million provided last year or the $100 million requested this year.

But this is not the only paper saving. We appear to be reducing spending for the Public Buildings Service of the General Services Administration by $614,087,000. How is this possible in 1 year? The answer is that it is not possible. This simply represents a change in the way the GSA handles this account—being paid by other agencies to provide building space and services. Thus this bill's saving is translated into additional costs for other agencies.

Finally we have a $75 million saving because the fund for economic stabilization activities has been eliminated.

As we all know, the wage-price program, in the view of many, has failed, but whether it has failed or not, the fact is that the services are terminated. So it is not truly an economy measure. It simply indicates the failure of the administration's economic policy.

Allowing for all this, the bill is about $420 million, or about 8 percent, over last year.

We can look at this in two ways. If we can keep on spending at this 8-percent level of last year, we can hold the bill $13 billion below the President's budget request.

But looked at another way, it is too high. The overall cut from the budget is $54,688,000. If we were to impose a $10 billion reduction in Federal spending as we voted to do earlier this year the cut would have to be $138 or $139 million. This would be a hard cut, but it would be an eminently responsible one in this time of soaring inflation fueled by excessive Federal spending.

Nevertheless, when all is said and done, I think we can recognize that the subcommittee has done a commendable job, and they do deserve commendation.

I am a little embarrassed because I must ask the chairman to consider favorably an amendment which the Senator from New York is going to offer, which I support, but which I think is strongly anti-inflationary. That is to add another million dollars. I wish we could subtract another $100 million. But this million dollars is for the Productivity Commission, which everyone recognizes is one way of greatly reducing costs in our economy and providing, I think, at least a 100 to 1 benefit-cost ratio in terms of the advantages that we get if we can improve productivity. Despite the fact that the million dollar increase that the Senator from New York is suggesting would increase the amount of the bill by only a tiny fraction, by increasing the funds for the Productivity Commission by the fraction of 1 percent, we would have a potential saving of $100 million. So I think this would be an extraordinarily good amendment to take, and while a million dollars is a lot of money, I think we all recognize it is a tiny amount in the budget, and a very small amount even in this overall appropriation.

Mr. JAVITS. Mr. President, let me just say to the Senator that I appreciate his statement. I regard it as an example of economic statesmanship, and wish to say that he truly deserves his great national reputation in that regard. I thoroughly agree, and I hope that the committee will sympathetically consider my amendment. I do not know what the manager will do about it, but I am strongly in sympathy with its fundamental thrust.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I yield the floor.

AMENDMENT NO. 1641

Mr. HASKELL. Mr. President, I call up my amendment No. 1641, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HASKELL. Mr. President, I ask unanimous consent that we dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HASKELL's amendment (No. 1641) is as follows:

On page 5, between lines 6 and 7, insert the following:

CONSTRUCTION OF MINT FACILITIES

For expenses necessary for construction of mint facilities, as authorized by the Act of August 20, 1963 as amended (31 U.S.C. 291–294), $11,800,000, to remain available until expended.

Mr. HASKELL. Mr. President, I bring this amendment up for the purpose of discussing the status of the Denver Mint with the manager of the bill and the ranking minority member.

The purpose of the amendment is to appropriate funds for the commencement of construction of a mint in Denver.

In fiscal year 1972 and 1973, funds were in the appropriation bills. They were not expended, because the mint site had not been selected. This year the committee report states that it is not included because the mint site has not been selected, and this is very understandable. I am sure that that statement was accurate at the time of the drafting of the report, although not accurate at the time the report was issued.

The site now has been selected. On July 16 of this year, the Honorable Mary Brooks selected a specific location in the city of Denver.

This facility is of vital importance to Denver and to Colorado. The new facility, will employ a great many minority groups as does the present one, and is obviously of overwhelming importance to them.

Mr. President, I intend to withdraw my amendment because the necessary authorizing legislation has not passed the House of Representatives. Therefore, an amendment to appropriate funds is not in order.

I would like to ask the distinguished chairman of the subcommittee and the distinguished ranking minority member if they would be sympathetic to including this item in a supplemental appropriation bill, assuming that a supplemental appropriation bill comes out after the authorization takes place.

So I would like to ask my friend, the Senator from New Mexico (Mr. MONTOYA) his attitude on this.

Mr. MONTOYA. May I say to my good friend from Colorado that I have been sympathetic to the construction of this building for many years. I included in the bill for fiscal year 1972 an appropriation of $1,500,000 for the acquisition of the site. Then in fiscal year 1973 this committee included a $2 million item for design and site development. We have our foot in the door by way of commitment, and I am sure the subcommittee will consider very favorably the moneys that might be required for the construction of the building once the authorization goes through the House.

The authorization has already passed the Senate and has been reported out of the Public Works Committee in the House, but no further action has been taken by the House. The disposition of the authorization bill in the House will come at any time, and then eligibility will set in for construction money. I can assure the Senator from Colorado that I will do everything possible to make my recommendation felt before the subcommittee and the full Appropriations Committee.

Mr. HASKELL. I thank the distinguished Senator very much indeed for his commitment.

Might I inquire of the distinguished Senator from Oklahoma (Mr. BELLMON) whether he shares the chairman's sympathy to this project?

Mr. BELLMON. Mr. President, I am in general agreement with the position expressed by our distinguished chairman.

I feel that there is a need for this kind of a facility, and I would be very happy to work with him in devising means of moving the project along.

Mr. HASKELL. I thank the Senator.

Mr. President, I now withdraw my amendment No. 1641.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

On p. 14 after line 24 add the following: "No part of the funds appropriated by this

Act shall be used for the President's Commission on Personnel Interchange."

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the two amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, the Senate Appropriations Committee has recommended an appropriation of $90,000,000 for salaries and expenses of the Civil Service Commission for fiscal year 1975. As stated in the committee's report:

> This amount recommended is $18,766,000 more than the amount appropriated for 1974; and $353,000 over the House allowance.

The House disallowed $353,000, because Congressman CHARLES VANIK raised a point of order with respect to appropriating this money for the President's Commission on Personnel Interchange. Congressman VANIK argued, as I shall argue, that because of the serious conflict of interest questions regarding some of the individuals who have participated in this program and because of the potential for conflicts of interest in the program itself, this appropriation ought to be eliminated.

According to the GAO report requested by Congressman VANIK, the executive interchange program served as a vehicle to facilitate the entry into public service by industry executives.

The report stated:

> In our view, the more important question raised by FEO's use of presidential executive interchange program personnel with oil and related industry backgrounds concerns the judgment exercised in placing executives on a year's leave of absence from private industry in positions in an agency exercising a regulatory-type responsibility over the activities of the very company to which the individual involved will return at the completion of his year's assignment. It was this action which created potential conflict-of-interest situations.

As a result of its investigations the GAO has referred two cases involving former FEO officials to the Justice Department for further action. One former FEO employee, Mr. Robert Bowen, came from Phillips Petroleum Co., and the other, Mr. Edmund Western, came from the Sun Oil Co. Both were involved in advising FEO officials in a policymaking position. While Dr. Sawhill, for example, has defended Mr. Bowen's work as merely technical in nature, it is clear from the documents collected by the Interior Committee in its hearings on the confirmation of Dr. John Sawhill as FEO Administrator that Mr. Bowen's advice and work was much more than technical.

The FEO's own general counsel warned of Mr. Bowen's potential impact on FEO regulations relating to petroleum products and recommended that the FEO Administrator consider appropriate action. Yet, instead of making a determination of whether or not there was a conflict-of-interest problem, Administrator Sawhill merely transferred Mr. Bowen back to the Treasury Department.

In point of fact, there are still serious problems concerning conflict-of-interest questions in the underlying philosophy of the executive interchange program itself. I can see no justification for bringing into Government, men from private corporations, for whom the public interest is rarely a primary concern, and whose responsibilities in Government will bear, either directly or indirectly, on decisions which may benefit their own corporations to which they will return. I believe that it is the basis of democratic government that public officials must serve only one master—the American people, the public interest.

Knowing that he will return to work with a private corporation after a year of service with the Government, a corporate executive is not likely to either make recommendations to Government officials which will hurt his company or benefit the public, for as the late Senator Estes Kefauver observed it is illogical to expect corporations to work in the public interest.

One need only mention a few decisions in any administration to show how readily public officials cave in to the demands of private corporations—tax loopholes, the sale and leasing of public land, nonenforcement of environmental laws, and on and on.

The fact that the executive interchange program allows a private corporation to send one of its executives to work for a Government agency for 1 year demonstrates how vulnerable is our system of government to penetration by large economic interests. A 1-year stay is on its face an admission that the public interest will not be served. Unlike an elected official, this individual is not required to stand for reelection. Unlike an appointed official, he need not face congressional approval. And unlike a career civil servant, he has no commitment to serve the public. Indeed, such a program as this executive interchange program undermines the very foundation of a government free of the corrupting influences of large economic interests. In my opinion, this program serves to erode responsible public decisionmaking in favor of legitimating private interests through governmental actions.

Therefore, Mr. President, I urge the adoption of this amendment to strike the appropriation and to prohibit the use of any funds in this bill to fund the President's Executive Interchange Program.

I reserve the remainder of my time.

Mr. MONTOYA. Mr. President, I am in full sympathy with the concern expressed by the junior Senator from South Dakota. However, I am constrained to oppose the amendment for other reasons.

In the first place, the reduction was made in the House, and we restored the funding in the committee.

The House action stemmed from a point of order raised on the floor of the House against this particular item.

Since the House action, the matter was gone into by our committee and we have received the opinion of the Comptroller General that there was adequate authorization for the inclusion of this particular money in the bill.

The authority of the President to convoke a commission of this type is within authorizing statutes, and the Comptroller General has communicated to the committee that this is proper in a letter dated July 24, 1974, to the chairman of our full Committee on Appropriations (Mr. MCCLELLAN). I shall insert the letter in the RECORD, but I shall read this salient and applicable portion of the letter.

> After examining the matter, we believe the President and the CSC have sufficient authority under the general delegation of authority by Congress to administer the civil service to establish a program such as that administered by the President's Commission on Personnel Exchange.
>
> Specifically, we believe the following sections of title V, United States Code, provide basic authority under which the CSC may operate a program such as that described in Executive Order No. 11451: Sections 1301, 1302, 3301, and 3302.

Mr. President, I ask unanimous consent that the full text of the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, D.C., July 24, 1974.

Hon. JOHN L. MCCLELLAN,
Chairman, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: In response to a telephone request from Mr. Warren Kane of the staff of the Senate Committee on Appropriations of July 17, 1974, we are writing to provide you with our views as to the authority for appropriating funds to the President's Commission on Personnel Interchange. The question has arisen as a result of the action of the House of Representatives on June 25, 1974, (see Congressional Record pages H5678 and 5679) in which the bill H.R. 15544 was amended to delete the appropriation for the interchange program requested by the Civil Service Commission (CSC).

After examining the matter, we believe the President and the CSC have sufficient authority under the general delegation of authority by Congress to administer the civil service to establish a program such as that administered by the President's Commission on Personnel Interchange.

Specifically, we believe the following sections of title 5, United States Code, provide basic authority under which the CSC may operate a program such as that described in Executive Order No. 11451: Sections 1301, 1302, 3301 and 3302.

With respect to the discussion between Mr. Kane and a member of our staff as to the possible applicability of chapter 41, title 5 (Government Employees Training Act) as authority for the program, it is our view that the limitations of the Training Act with respect to personnel covered, compensation, relocation expenses payable and length of time permitted for training make that Act inappropriate for use as authority for the interchange program.

Finally, we would like to point out that it is our understanding that the appropriation in question concerns only the appropriation for the Commission itself, and does not affect the expenses incurred by various agencies in which persons have been selected for participation in the program. In this connection, we have noted the reference in the House debate to the language of 31 U.S.C. 673 which was there interpreted as precluding establishment of such a Commission in the absence of specific statutory authority. Our Office has, on the contrary, interpreted

> that statute to hold that the language in question "does not necessarily require that commissions, boards, and other such bodies be specifically established by statute" 40 Comp. Gen. 478, 479 (1961), so long as sufficient general statutory authority exists to allow payment of expenses incurred.
>
> Sincerely yours,
>
> ELMER B. STAATS,
> *Comptroller General of the United States.*

Mr. MONTOYA. Mr. President, I was deeply concerned about the conflict of interest situations that arose by this interchange of employees with private industry. Certainly, we do not condone it, and the Comptroller General has conducted a very thorough investigation of the individuals mentioned by the junior Senator from South Dakota. The matter is now pending in the Department of Justice and they are dealing with it as they might—under the law—undertake to do.

There is a conflict of interest statute on the books, and because of the incidents which the gentleman from South Dakota has brought out, the Comptroller General has started a broad investigation as to conflict of interest situations that might arise. The Comptroller General has assured this committee that he will present a comprehensive report once it is completed by the GAO.

This program allows the Government to send some of its people into the private industry sector so that Government people can gain experience from methods employed in private industry and can bring part of that expertise into the Government. Similarly, people from private industry are placed in Government positions. The point of great concern to me at the present time is that except for these two instances, this program is working well; it is a very desirable program; and we have already started, this fiscal year, on a continuing resolution basis. The people who are participating in this year's program, have been selected; I understand that some are already on board and the Government is committed to have them for a year. The amount of money that the amendment seeks to strike from the appropriation bill is not for the payment of these individuals; it is merely for the administration of the program. This is a staff of twelve that go out and interview and prepare the papers for the selections and conduct the educational program that is part of this experience.

But I might say to the Members of the Senate and to my distinguished friend from South Dakota that what I have said is not in any way taking away from the great concern that I share with the Senator from South Dakota about the two incidents which he has brought to light during this debate.

We have taken care of that, too. We have asked for this report, and I can assure the Senator from South Dakota that if the Government through the Civil Service Commission and the General Accounting Office, does not set up some proper safeguards so as to avoid any conflict of interest situation in the future, I would be the first one to come back to the Senate and recommend that the program be discontinued and that no funding be allowed for this particular program.

So I oppose the amendment, Mr. President, for those reasons.

Mr. BELLMON. Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BELLMON. Mr. President, I rise to support the position of our chairman. I feel that the arguments he has given are good arguments and that they are well reasoned and convincing. I also understand fully the concern of the distinguished Senator from South Dakota and I share his concerns about conflict of interest. But as the chairman pointed out very stern penalties are already provided in the law for this kind of conduct, and there is ample provision for the Civil Service Commission and the Department of Justice to see that conflicts of interest do not occur.

Mr. President, I wish to call to the attention of the distinguished Senator from South Dakota pages 35 and 36 of the report on the bill where the statement is made that the criminal penalties which attach to conflict of interest are set forth in the United States Code, and the Civil Service Commission and the Justice Department have authority to apply those penalties.

I also have before me a letter dated June 27, 1974, signed by Robert E. Hampton, Chairman, U.S. Civil Service Commission, addressed to the distinguished Senator from New Mexico (Mr. MONTOYA), chairman of the Subcommittee on Treasury, Postal Service, and General Government of the Committee on Appropriations. I wish to read pertinent sections of the letter for the RECORD. Chairman Hampton stated in the letter:

> It is of the utmost importance that your committee specifically restore the funds permitting continued operation of the President's Commission on Personnel Interchange. While the House deleted the Commission on a point of order. I believe that the legislative history and the continued need for a program of this nature amply justify its continued existence. I have been closely associated with the design and implementation of the Executive Interchange Program since the Advisory Committee created by President Johnson recommended that it be established. By the end of this summer over 200 promising mid-level executives from Government and the private sector will have completed their assignments. Evaluation reports received from individual interchange executives and participating Government and private sector organizations indicate that substantial improvements and measurable benefits have been achieved through the efforts of interchange executives.
>
> The Commission on Personnel Interchange has informed me that the General Accounting Office is conducting a management review of the Program and of the Commission standards, practices, and procedures. The findings can be expected to demonstrate the effectiveness of the Program's operations over time.

Mr. President, our chairman, the distinguished Senator from New Mexico (Mr. MONTOYA) has said that he has called for a report from the General Accounting Office as to how this program has been operating. Based on my association with the distinguished Senator from New Mexico, I can guarantee the Senate that when he asks for a report he gets a report. We have had many dealings with the Internal Revenue Service and the chairman does get reports that he asks for. So when he calls upon the General Accounting Office for a report on this matter I am sure he will get what he asks for. It would be a great mistake for the Senate to end this program before we know whether the allegations of impropriety are true. Also, we need to have the program in operation until we see how it is functioning, and if we have the legal authority to prevent the abuses that have been alleged.

Mr. President, in conclusion, I might say that in charging that someone in an oil company working with the Federal Energy Office has somehow or other taken advantage of his position, merely adds to a kind of "hate the oil industry" philosophy that has been prevalent in this body ever since I have been here. I do not know how the Federal Energy Administration is going to operate unless it gets input from people who know something about the energy business.

Many of the most talented people in the energy industry are involved in one way or another with some of our petroleum companies. The Phillips Petroleum Co. is an Oklahoma company. While I do not know the gentlemen involved in this controversy, I do believe I can state that Phillips is one of the finest oil companies in my State, and I, from the surface view, do not believe that they would be involved or participate in anything that would justify a charge of conflict of interest.

I would say to my friend from South Dakota that we ought to get the facts in this matter, and not attempt to rule out the use of people who know something about the petroleum industry in trying to establish the FEA. Moreover, we must give those FEA administrators a chance to use the experience and the training that people in the petroleum industry have in trying to work out a solution to the Nation's critical energy problem.

I do not think, on the surface, we ought to automatically assume that there has been something wrong just because someone who knows something about the oil industry has been involved in this interchange program. Again, I believe we ought to at least fund it for 1 more year and give the GAO a chance to give us a report on how it has been operating.

Mr. President, I would like to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I have been an admirer—since he has been in the Senate—of my distinguished colleague from South Dakota. I will be in his State this weekend.

In this particular instance, I would urge that he give reconsideration to a precipitous move here on the floor of the Senate which, by action of his amendment, would stop the program started by Lyndon Johnson.

Mr. ABOUREZK. Would the Senator yield briefly on that point?

Mr. PERCY. Of course.

Mr. ABOUREZK. The amendment does not stop the program.

Mr. PERCY. It cuts the money out.

Mr. ABOUREZK. It stops the funding for the agency. The expenses for the people on the interchange program are paid out of the individual departments that undertake the interchange.

Mr. PERCY. But what would be stopped would be the funds available to Executive Office of the President, which really is the inducement to bring these people down here. One of the great values to the people of the United States is to have people in government go back to industry and learn how the private sector operates and what the problems of the private sector are.

One of the great values of our whole scheme of government is that we have this interchange of technologies, interchange of skills, interchange of positions, and by that cross-fertilization we learn from those contacts and a person can become a better executive in whatever responsibilities he then chooses to carry on. When people come down from industry, they not only go to an agency, but they also have the benefit of the educational program that these funds make possible. These people are then put together as a unit. They move around and are moved around and given the benefit of a broader spectrum of Government operations than they could possibly have when just specifically assigned to one agency.

For instance, we have 80 people in this program this year—40 of whom are now completing the program in Washington, just as we have a comparable number out in industry. The people who are now on their way to Washington—some of whom are here, others of whom are preparing to come, disposing of their housing, making their physical adjustment—are doing so out of consideration for the fact that they would have available to them the educational value of this program provided by the Executive Office of the President.

That has been a part of the inducement. We would, in a sense, be pulling the rug right out from under them, bringing them down under conditions that are quite different than they had every reason to believe would be carried on.

I recognize that it would be better to have an authorization for this. I understand that steps are now being taken to provide such authorization.

I think when the distinguished Senator from South Dakota says that this program has not had any kind of congressional review as to the wisdom of the program, it would be well for us to take a look at the printed report of the "Executive Interchange Program of 1973," which contains statements by various agencies of Government as to the benefits that they have received themselves, and a summary report, the "Evaluation of the President's Interchange Program" for the 4 years of 1970 to 1973. This is the President's Commission on Personnel Interchange.

Congress has had this report available. Every Member of the Congress can analyze it and appraise it.

Mr. President, I ask unanimous consent that these two reports be incorporated in the RECORD at this point.

I could take the time to go through these reports, but I feel certain that the distinguished Senator from South Dakota is familiar with them. Otherwise, he would not have presented an amendment on a program that he had not fully analyzed.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S EXECUTIVE INTERCHANGE PROGRAM

"The enormous challenge facing America today makes it essential that Government and Business work together, not apart from each other. The Executive Interchange Program has proven time and again that it can be one of the most effective ways of sharing ideas, techniques and talent. I hope that leaders in both Business and Government will continue to give this effort their full support."—RICHARD NIXON.

PURPOSE AND HISTORY

Government and business no longer live in separate worlds. Each still exists to serve society in its own way, but the activities and concerns of these two major forces in American life are becoming increasingly similar. As participants in regulatory matters and as partners in social action programs, foreign trade, national defense and a wide variety of other areas the public and private sectors work in close proximity.

Meeting the challenges of the future will demand even more understanding between the two. The nation's goals and problems are beyond the resources of business and government working separately. Only through coordinated action will there be enough talent and imagination to meet our needs in the coming decades.

The future executive leaders in this changed environment will be the highly talented men and women who understand not only their own sector—be it business or government—but the perspective, procedures, potential and limitations of the other sector as well. Indeed, a lack of such understanding promises to become one of the effective limits on an executive's career potential.

Given this situation, the President's Executive Interchange Program was established in 1969 to provide highly talented executives with an opportunity to gain experience by crossing sector lines to work temporarily in government or business during the important middle years of their careers.

Since the program was started, a select number of individuals identified as potential senior executives by their companies or the government have participated in the program. They have brought expertise to their assignments as Presidential Interchange Executives working in key positions in government or business. They have returned to their employers with broadened perspective and insight that will be of significant value in later positions of senior responsibility.

Thus, both the individuals and the organizations participating in the program benefit substantially. Most important, the nation benefits as well by the establishment of a cadre of top young leaders with the ability and broad-based experience to deal effectively with complex national issues in future years. The emerging need for such men and women is intense, and the President's Executive Interchange Program is an attempt to meet that need.

The following pages provide detailed information on the procedures and qualifications necessary for participation in the President's Executive Interchange Program.

OBJECTIVES

The objectives of the President's Executive Interchange Program are several:

To promote understanding and a better working relationship between business and government through the exchange of the best young executives from each sector.

To provide executives with an increased awareness of the perspective, methods, resources and operation of the Federal Government or of the private sector.

To open government agencies and executives to the management expertise of the private sector.

To develop a cadre of business executives with successful mid-career government experience who could be called upon at a later date for service on advisory boards and panels and in high appointive positions.

SUMMARY OF THE PROGRAM

Business candidates for the President's Executive Interchange Program are nominated by the top management officers of their companies. Government candidates are sponsored by the cabinet officers heading their departments. Those selected take leaves-of-absence from their organizations for approximately one year, and serve in demanding jobs with host organizations in the opposite sector. The length of the interchange assignment is flexible, however, and may extend up to a maximum of two years.

Salaries are paid by the host organizations, but Presidential Interchange Executives can continue to participate in the various benefit programs offered by the sponsoring organization. Moving expenses are paid by the sponsor.

Participants in the program come from executive positions ranging across the full spectrum of the management process. In the past, those from industry have had backgrounds in areas such as general management, marketing, finance, operations research, accounting, law, personnel, planning, international business and engineering. Those from government have had executive experience in fields such as urban development, program management, international relations, purchasing management, management information systems, economic planning and industry analysis. In short, the only real constant among Presidential Interchange Executives is uncommon ability and initiative.

Past participants in the President's Executive Interchange Program have tackled a wide variety of tough jobs during their tenures. For example:

An executive from a manufacturer of data processing equipment directed a key study which assessed the growth of civil aviation during the next 30 years and recommended appropriate action to cope with projected needs.

A government planner working in industry conducted a social audit of a major American corporation to help the company measure the effects of its activities on society.

A marketing executive from industry serving with the Department of Commerce initiated and directed a successful domestic information program designed to increase the number of American exporters.

A purchasing manager from the Department of Defense set up a new and more effective purchasing system for a major utility while serving in a senior executive position with the company.

At the same time they are contributing significantly to their host organizations, Presidential Interchange Executives also are learning through association with the talented people and new methods of those organizations. In this sense, the interchange experience gives participants an opportunity to view their own organizations more objectively and to form new business and social friendships in the process.

ELIGIBILITY

The President's Executive Interchange Program is limited to the exceptional high potential business and government executive who:

Has been nominated by the top management level of his company or cabinet officer of his government department.

Has a proven record of management abilities and significant on-the-job accomplishments, and a history of increased responsibility and compensation growth.

Has the personal traits including high intellect, integrity and well-developed leadership skills which should enable advancement to the senior management level in the sponsor organization.

Is a citizen of the United States.

THE SELECTION PROCESS

The President's Commission on Personnel Interchange administers the President's Executive Interchange Program. Members of the Commission are executives from the highest levels of industry and government. The Commission evaluates candidates from business and government, handles requests from both sectors for Presidential Interchange Executives, and conducts the careful matching process necessary to place qualified candidates in appropriate positions.

Candidates for the program are nominated by the sponsoring organization. The Commission then screens the candidates through interviews and an evaluation of the executive's talents and interests. If qualified, the candidate is matched to a position in the opposite sector. The candidate may then be accepted by the host organization following further interviews arranged by the Commission.

Determination of a Presidential Interchange Executive's salary is a matter of discussion between the executive and the host organization with the Commission providing assistance as necessary. Generally, a Presidential Interchange Executive receives approximately the same salary from the host as from the sponsoring organization. If possible, the host organization pays slightly more as a consideration for the inconvenience of moving, the possible need for maintaining two homes, and other similar factors. However, since the current top government annual salary is $36,000, some business executives receive less compensation while serving as Presidential Interchange Executives than they do in private life. As noted previously, moving expenses and fringe benefits are borne by the sponsoring organization.

Presidential Interchange Executives are placed in challenging positions where they can grow professionally and make a significant contribution to the host organization. Once the executive is on the job, the Commission maintains close contact in order to assure the satisfaction of both host and executive with the arrangement.

Organizations wishing to sponsor and/or host a Presidential Interchange Executive can do so by contacting the Commission at any time during the year. To date, most of those participating in the program have been nominated by their sponsoring organizations prior to May 1, have been placed in a position with a host organization by June 15, and have begun their assignments in August or September. This chronology need not always apply, however. There is a continuing demand for Presidential Interchange Executives throughout the year, and accordingly, the Commission's placement activities take place on a continuing basis.

THE EDUCATION PROGRAM

For Presidential Interchange Executives from the business sector, the experience of working in an important position in the Federal Government is itself an incomparable educational opportunity. To extend the executive's understanding of government beyond this, however, the Commission also conducts an advanced education program throughout the year.

At the beginning of their interchange assignments, Presidential Interchange Executives participate in a comprehensive seminar covering subjects such as government organization, operation, international affairs, domestic issues and finance. Seminar leaders include members of Congress, White House aides, senior staff officials of Federal Government departments, and experts from public and private organizations. Past participants have found that this experience is one of the more valuable aspects of the program.

Throughout the program year, the Commission arranges meetings that bring together Presidential Interchange Executives and leading government figures. These informal sessions permit in-depth discussion of questions and issues. Past meetings, often conducted over breakfast or lunch, have included sessions with members of Congress, Presidential aides, and cabinet officers. Presidential Interchange Executives also are briefed formally by the top officers of each department of the Executive branch on the missions and operations of the departments.

The education program for government officials selected as Presidential Interchange Executives and working for business employers throughout the country is somewhat less structured than that for business executives working in government. Presidential Interchange Executives from the government attend a comparable orientation seminar on business, focussing on discussion with company presidents and other top officials. Following this, the Commission staff, the host company, and the Presidential Interchange Executive confer to develop a program tailored to that city or job situation. City or Company programs may include activities such as meetings with senior company officers, visits to company facilities, and participation in management seminars, among others, in one or more companies. While the elements of each program differ, all serve the common end of enriching the executive's total experience with the company and its environment. Throughout the year there are additional seminars lasting up to one week on issues of concern to both groups of executives.

THE NEXT STEP

For further information, please contact: Executive Director, President's Commission on Personnel Interchange, 1900 E Street, N.W., Washington, D.C. 20415. Telephone: 202–632–6834.

MEMBERS OF THE PRESIDENT'S COMMISSION ON PERSONNEL INTERCHANGE

J. Stanford Smith, Chairman, Chairman and Chief Executive Officer, International Paper Co., New York, N.Y.

Gerhard D. Bleicken, Chairman of the Board and Chief Executive Officer, John Hancock Mutual Life Insurance Co., Boston, Mass.

A. W. Clausen, President, Bank of America National Trust and Savings Association, San Francisco, Calif.

Arthur A. Fletcher, President, Arthur A. Fletcher and Associates, Washington, D.C.

Robert W. Fri, Partner, McKinsey and Co., Washington, D.C.

John D. Harper, Chairman and Chief Executive Officer, Aluminum Co. of America, Pittsburgh, Pa.

C. Charles Jackson, Jr., Vice President—National Sales, Hoerner Waldorf Corp., St. Paul, Minn.

Ralph E. Kent, Senior Partner, Arthur Young & Co., New York, N.Y.

Herman W. Lay, Chairman of the Executive Committee, Pepsico, Inc., Dallas, Tex.

James T. Lynn, Secretary of Housing and Urban Development, Washington, D.C.

Frederick V. Malek, Deputy Director, Office of Management and Budget, Washington, D.C.

Franklyn C. Nofziger, Nofziger Co., Sacramento, Calif.

William E. Simon, Secretary of the Treasury, Washington, D.C.

Jayne B. Spain, Vice Chairman, Civil Service Commission, Washington, D.C.

Elizabeth Van Meter Sperline, Sperline and Associates, Yorba Linda, Calif.

John K. Tabor, Under Secretary of Commerce, Washington, D.C.

Herman L. Weiss, Vice Chairman of the Board, General Electric Co., New York, N.Y.

Summary Report: Evaluation of the President's Executive Interchange Program, 1970–73

The President's Commission on Personnel Interchange was created by Executive Order 11451 of President Lyndon B. Johnson on January 19, 1969, and was charged with developing . . . an Executive Interchange Program under which promising young executives from the Federal departments and agencies and the private sector will be selected as Interchange Executives and placed in positions offering challenge and responsibility in the other sector . . . for the purpose of promoting understanding and a better working relationship between business and Government.

To determine the program's effectiveness during its first 3 years of operations, an evaluation study was undertaken to answer four major questions:

Has the Executive Interchange Program increasingly attracted high-caliber participants?

Have the interchange executives, their companies and Federal agencies been satisfied with their participation in the Executive Interchange Program?

Has the Executive Interchange Program been successful in creating a better understanding and working relationship between Government and the private sector; and has the Commission's education program been beneficial in achieving such understanding?

Do the results of the Executive Interchange Program warrant its continuance; and, if so, should the program be strengthened?

In 1973, the third group of Government and private sector executives completed their 1-year assignments as part of the Executive Interchange Program of the President's Commission on Personnel Interchange. The program's objectives focus on increasing understanding between the public and private sectors through the interchange of top young executives from industry and Government for limited term assignments in the other sector. The 134 executive participants in the first 3 years of the program, the 71 companies and 24 Federal agencies that sponsored or hosted executives, and the 72 supervisors of the third group of participants were surveyed in November 1973 to determine if the goals of the Executive Interchange Program were being met. The survey findings indicate that they are.

FINDINGS

High Caliber of Executives. Participants from both the Government and the private sector average 35 years of age and earn $30,000 a year, which indicates the effectiveness of the program's selection criteria. All participants in the Executive Interchange Program have completed at least 4 years of college and received bachelor's degrees in arts or sciences. Over 50 percent have advanced academic degrees (master's, doctor's, or law).

There were 134 executives who participated in the first 3 years of the Executive Interchange Program; 34 were from the Federal Government and 100 were from the private sector. The distibution between the public and private sectors in each group was:

	Group I	Group II	Group II	Group IV
Government executives	11	8	15	35
Private sector executives	19	24	57	45

Program balance, in terms of the nearly equivalent size of the Government executives' group and the private sector participants' group, has been achieved in Group IV.

Minority participation, though small, has been increasing. Group II had the first two Black executive participants, one each from both the public and private sectors; and, Group III had three Blacks from Government and one from industry. The first woman executive, who was Black, participated in Group III; she was from the Federal Government.

For the first 3 years of the program, salaries ranged from a GS–13, step 2, through GS–18, step 1. The most frequent GS grade in each sector was GS–14, step 8, for Government participants, and GS–15, step 3, for private sector executives. Both of these grade/step levels approximate a $30,000 annual salary; there is less than a $250 difference between them.

Executives satisfied with Interchange Assignment. Participants in all three groups, from both Government and industry, placed similar values on their job assignments in their answers to the 26 survey questions. Respondents said:

[In percent]

	([1])	([2])
Job met my expectations	62	73
I had a great deal of responsibility	62	57
My interchange position satisfied my sponsoring organization	93	86

Executives' reaction to their interchange supervisors varied. It was favorable to items such as:

Immediate supervisor was effective	86	75
Supervisor fulfilled his responsibilities to me	79	76

And their response was mixed when it came to questions like:

Immediate supervisor provided me only minimal direction	43	63

Executives felt that:

I made a major contribution to the company/agency (i.e., host) during my inter change assignment	75	84
My interchange experience will make me more effective in my regular assignment in my sponsoring agency/corporation when I return to it	76	79

[1] Government Executives (N=29).
[2] Private Sector Executives (N=70).

Changes in Attitudes About Government and Industry. To put the work experience in the host sector within a broader context and to further the understanding of the host sector, the President's Commission on Personnel Interchange engaged in a 10-month education program for the interchange executives. This program varied for each of the three groups, but for all groups it provided more activities for the private sector executives in Washington, D.C., than it did for the Government executives located outside of Washington.

To questions related to learning and education, executives said that:

	([1])	([2])
Brookings orientation was beneficial	83	93
As a learning experience, my horizons were broadened considerably by:		
Contact with other incharge participants	69	91
Contact with company/agency executives	86	89
Education programs arranged by the commission staff	72	91

[1] Government Executives (N=29).
[2] Private Sector Executives (N=70).

Survey data indicate that attitudes of participants changed during the interchange year. As a result of their interchange experience, executives stated that:

[In percent]

	([1])	([2])
My understanding of industry or Government operations has increased significantly	90	97
Executives in Government can achieve increased understanding of industry's problems	93	84
Executives in industry can achieve increased understanding of Government's problems	78	94

[1] Government Executives (N=29).
[2] Private Sector Executives (N=70).

Executives' Program Expectation Level and Benefits. This survey was a post-evaluation of the executive's interchange experience. However, an attempt was made to collect data also on the executive's pre-program expectations. Executives were asked to select from a list of 19 factors as many reasons for entering the interchange program as were appropriate to their situation. They were then asked to review the same items from the standpoint of realized program benefits. Table 1 enumerates the 19 factors and the responses by Government and private sector executives to them.

In this report, a factor was considered significant if it was selected by half or more of the respondents in that group. It was also judged significant if there was a relative change of 50 percent or more in response to an item "before" and "after" participation in the program; for example, regarding the Commission's education program, while 41 percent of Government executives chose it as a major benefit of the program "after," this number represented more than a 100 percent increase over the 17 percent who had marked it as a major reason "before."

Private sector executives considered the educational benefit to their wives and families of living in Washington, D.C. (factor 7) a prime reason for their joining the program and a benefit therefrom. About one third of the Government executives considered this a significant reason for their decision, and over 40 percent ranked it as a benefit after their year.

The factor showing the most marked overall positive change for Government and private sector executives was the Commission's education program events (factor 8). Within the private sector group, Group III's "before" and "after" responses exceeded those of the entire industry group.

TABLE 1.—MAJOR BENEFITS OF THE EXECUTIVE INTERCHANGE PROGRAM PERCEIVED BY THE EXECUTIVES BEFORE AND AFTER THEIR INTERCHANGE ASSIGNMENTS

Major reasons for joining the interchange program (=before)/major benefits from the program (=after)	Percent before: Government (N=29)	Percent before: Private sector (N=70)	Percent after: Government (N=29)	Percent after: Private sector (N=70)
1. Excellent job opportunity	51	34	31	37
2. Wanted to know how corporations/Government worked	58	59	34	54
3. To see if there were critical differences between managers in industry and Government	51	35	44	33
4. To break down myths people have about civil servants/businessmen	31	11	38	[1]17
5. Wanted a change in life style	20	24	14	26
6. My wife wanted to move for variety	6	0	[2]0	[1]6
7. Educational benefit to my wife and family	31	51	41	56
8. Commission's education program events	17	44	[1]41	[1]70
9. Growing stale in my job	20	12	14	7
10. Wanted a year's breather from my current job	20	15	17	11
11. Learn new management techniques in my own field	65	17	48	17
12. Learn new management techniques in fields other than my own	55	53	41	37
13. Learn something new other than management techniques	41	53	38	59
14. Share my management techniques	34	50	31	47
15. Increase my chances for promotion	55	56	41	40
16. Opportunity to work with high-caliber people	55	30	44	[1]46
17. To increase my scope of contacts	31	57	34	57
18. My agency/company wanted me to be part of the program	27	45	[2]10	
19. Other	20	34	[2]14	[2]16

[1] Positive change of 50 percent or more between "before" and "after" response.
[2] Negative change of 50 percent or more between "before" and "after" response.

Government and private sector executives both were motivated to join the Executive Interchange Program by the opportunity to increase their chances for promotion (factor 15); but when considering program benefits, its importance diminished.

Government executives were eager for the opportunity to work with high-caliber people in industry (factor 16); their experience did not achieve this expectation. The reverse situation was characteristic of the private sector executives, particularly those in Group III; there was a marked positive change in their attitude toward the opportunity of working with high-caliber people in Government "before" and "after" their assignment.

Enlarging their scope of contacts (factor 17) was consistently ranked as important by private sector executives, and only "after" their experience by Group III Government executives.

When asked to single out "the" major program benefit, over 80 percent of the respondents wrote in what they had hoped to obtain from the Executive Interchange Program. The benefits that they listed paralleled both their expressed hopes and their responses to like questions elsewhere in the survey.

PROGRAM RESULTS

Upon return to their sponsoring organizations after completing their interchange assignments, over 60 percent of the interchange executives from the private sector and nearly one quarter from the Government were promoted.

Executives' job performance was rated as satisfactory to superior by Government and industry interchange supervisors, who anticipated that there would be a long-term benefit from the work that executives produced while in their interchange assignment. According to their interchange supervisors, participants were effective in executive functions such as leadership, planning and organizing.

Reentry. As of December 1973, 89 of the 99 respondents had completed their interchange assignments, and they:

[In percent]

Returned to their sponsoring sector	93
Returned to the same firm or Federal agency within sponsoring sector	83

Benefit. When participants were asked to appraise their experience in the interchange program, over 75 percent considered it very beneficial. Responses from Government and private sector executives to the question of the personal value of the interchange experience were that the:

Executives

[In percent]

	Government	*Private Sector*
Interchange program was very beneficial	65	81
Interchange program was beneficial	28	17
Interchange program was not too beneficial	7	2
And that they recommend sponsoring agency/company continue to participate in the interchange program	86	89

Participants Satisfied With the Program. Responses from both Federal Government and private sector interchange executives indicate strong support of, interest in, and benefit from the Executive Interchange Program. Executives generally reported that they had good jobs on their interchange assignments; that they made a contribution to their host organization; that they increased their understanding of either business or Government operations; and that they were promoted upon return to their sponsoring organizations.

Benefit to the Supervisor and Host Organization. Supervisors' attitudes about the job performance of the interchange executives under their direction were that the:

Supervisors

[In percent]

	Private Sector (N=10)	*Government (N=33)*
Executive performed adequately	90	94
Executive was very responsive to company/agency problems	90	97
Interchange executive was willing to share his knowledge of Government operations/business operations (i.e., of his sponsoring sector) with his co-workers	100	100
Interchange executive was effective in terms of functions such as planning, leadership, etc.	100	91
Executive's management techniques were beneficial in host organization	90	85
Executive was able to handle a great deal of responsibility	100	94
Executive made a major contribution to the operations under supervisor's direction	100	91
Executive's work is expected to result in a long-term benefit to our organization	80	82
Interchange program is beneficial to industry/Government (i.e., the host sector)	80	97
Host organization should hire another interchange executive if possible	90	97

Federal departments and agencies, and companies in the private sector, regarded the program as beneficial to their organizations and very beneficial to the individual executives they had sponsored.

Greater Understanding Achieved. A very positive and significant result of the interchange experience was the increased understanding of Government achieved by industry executives; and the reciprocal increased understanding of industry operations gained by Government executives. Participating executives were quite optimistic about the capacity of their sponsoring organizations, whether they were companies or Federal agencies, to respond to the needs of the other sector.

Satisfactions and Dissatisfactions. Executives reported that major satisfaction with the interchange program came from their job accomplishment; from participation in the Commission's education program; and from better understanding of their host sector, be it Government or industry. Program aspects cited as dissatisfying concerned poor job matching; reentry difficulties; and the lack of the interchange program's visibility within the Federal Government and the corporate world.

Overall, respondents emphasized that the Executive Interchange Program was a valuable experience and one that should be continued.

COMMISSION ACTION

After reviewing the full evaluation report, which provided basic program data not previously available, the Commissioners of the President's Commission on Personnel Interchange determined that the Executive Interchange Program was meeting its objectives. The Commissioners fully endorsed the program's continuance and made recommendations to strengthen it. Their recommendations focused on the two issues of maximizing the utilization of executives returning to the Federal Government, and, of promoting the value of the interchange concept in both the public and private sectors.

FEDERAL DEPARTMENTS AND AGENCIES PARTICIPATING IN THE EXECUTIVE INTERCHANGE PROGRAM, FISCAL YEARS 1971–74

Legislative branch

General Accounting Office.

Executive branch

Executive Office of the President

*National Security Council (includes the Central Intelligence Agency).

Office of Management and Budget.

Office of Economic Opportunity.

Executive Departments[1]

Department of Agriculture.

Department of Commerce.

Department of Defense.

Department of Health, Education, and Welfare.

Department of Housing and Urban Development.

Department of the Interior.

Department of Labor.

Department of State.

Department of Transportation.

Department of the Treasury.

Independent Agencies

Cost of Living Council (includes National Commission on Productivity).

Environmental Protection Agency.

Export-Import Bank of the United States.

*Federal Home Loan Bank Board.

*Federal Power Commission.

General Services Administration.

National Aeronautics and Space Administration.

National Aeronautics and Space Council.[2]

*National Science Foundation.

Securities and Exchange Commission.

*Small Business Administration.

United States Civil Service Commission.

United States Information Agency.

United States Postal Service.

Veterans' Administration.

PRIVATE SECTOR ORGANIZATIONS PARTICIPATING IN THE EXECUTIVE INTERCHANGE PROGRAM FISCAL YEARS 1971–1974

*ACI Systems Corp., American Airlines, Inc., American Can Company, American Standard Inc., American Tel. & Tel. Company, Arthur Andersen & Co., Atchison, Topeka & Santa Fe Ry., Atlantic Richfield Company, AVCO Corporation.

Bank of America, *Battelle Memorial Institute, *Bechtel Corporation, Bendix Corporation, The Boeing Company, *Burroughs Corporation.

Carborundum Company, Caterpillar Tractor Co., Cities Service Company, Citizens & Southern National Bank, *Collins Radio Company, Computer Congenerics Corporation, Consolidated Edison Company, Consumers Power Company, *Continental Illinois National Bank & Trust Co., *Coopers & Lybrand, Cummins Engine Company, Inc.

*Dalton, Dalton, Little, Newport, Dow Chemical U.S.A.

E Systems, Inc., *Employers Insurance of Wausau, *Ernst & Ernst, Esso Eastern Inc., Exxon Company, USA.

*First National Bank of Chicago, *First National Bank of Miami, *Ford Motor Company.

*General Components, Inc., General Electric Company, *General Motors Corporation, General Telephone & Electronics Corp., Girard Bank.

John Hancock Mutual Life Insurance Company, Hay Associates, *Hewlett-Packard Company, Hoffmann-LaRoche Inc., *Hornblower & Weeks-Hemphill, Noyes Inc.

International Business Machines Corporation, International Tel. & Tel. Corp.

*S. C. Johnson & Son, Inc.

Kaiser Industries Corporation.

*Lear Siegler, Inc., Litton Industries, Inc., Lockheed Missiles & Space Company, Inc., Lukens Steel Company.

Management Analysis Center, Inc., Marathon Oil Company, *Mason-McDuffie Co., McDonnell Douglas Corporation, McKinsey & Company, Inc., The Mead Corporation, *Mellon Bank, N.A., Memorex Corporation, The Mitre Corporation, Mobil Oil Corporation, Motorola, Inc.

*National Association of Black Manufacturers, Inc., New England Mutual Life Insurance Co., Norton Simon, Inc.

Owens-Illinois, Inc.

*Pacific-Sierra Research Corp., Peat, Marwick, Mitchell & Co., Pfizer Inc., Philadelphia Electric Company, *Phillips Petroleum Company, PPG Industries, Inc.

*Quaker Oats Company.

*Recognition Equipment, Inc., Rockwell International, *Rodeway Inns of America, Rohr Industries, Inc.

Sears, Roebuck and Co., *Shell Oil Company, *Smithfield Foods, Inc., SmithKline Corporation, The Sperry and Hutchinson Company, Sperry Rand Corporation (Univac), A. E. Staley Manufacturing Company, Standard Oil Co. of California, Standard Oil Co. (Indiana), Star Manufacturing Company, State Street Bank & Trust Company, *Sun Oil Company, Syntex Corporation.

*Tennessee Gas Transmission, Thiokol Chemical Corporation, Towers, Perrin, Forster & Crosby, TRW Inc.

*Underwriters' Laboratories, Inc., *Uniroyal, Inc., United Aircraft Corporation, *United California Bank, United Telecommunications, Inc., The Upjohn Company.

Westinghouse Electric Corporation, *Weyerhaeuser Company.

Arthur Young & Company.

Mr. PERCY. Mr. President, it would be my hope that we would not at this time remove this modest amount of funds, involving many, many top level people who have interrupted their private careers and interrupted their governmental careers in order to engage in a program which was created by Executive order under President Lyndon Johnson, and carried on enthusiastically by the Nixon administration. This program certainly transcends partisan lines because of the enthusiasm of the respective agencies that have benefited from this program by having an interchange of people where they can send them into industry and they can also receive from industry a certain number of people.

---

[1] The Department of Justice has not participated as a host or sponsor.

[2] The Council was abolished by the President's Reorganization Plan No. 1 of 1973, effective July 1, 1973. See U.S., Congress, House, Reorganization Plan No. 1, 1973, sec. 3 (a) (4), H. Doc. 43, 93d Cong., 1st sess., January 26, 1973.

* First participated in Group IV, Fiscal Year 1973–74.

*First participated in group IV, Fiscal Year 1973–74.

I understand that there have been two instances where a conflict of interest may have been injurious. As I understand it, there have been only seven people who have gone from agencies to FEO, who came out of this program. They did not originally go to the Federal Energy Office from this program. They were sent over in an emergency situation by other agencies.

This program is not at fault. They were sent over by those other agencies.

Certainly, if you have only two instances out of the total number of people involved, I would say that is very rare indeed. Whenever we find malfeasance on the part of a Member of the Senate or the House, we are not going to abandon the Senate and House and say the system does not work. We are going to correct whatever conflict of interest there may be. But you do not destroy a program, you do not stop in midstream, you do not do it precipitously when you have people coming down who have been given every assurance that the full benefits of this program would be made available to them.

I hope the amendment would be reconsidered by the distinguished Senator from South Dakota who offered it. If it is offered and a vote is taken, I hope the Senate will defeat it and sustain the Appropriations Committee, which I believe opposes it.

The **PRESIDING OFFICER.** Who yields time? The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, I want to thank the chairman of the subcommittee (Senator BELLMON) and Senator PERCY for their statements regarding this program.

The offering of this amendment in no way, in my opinion, derogates from their concern about an interchange and an exchange of ideas between the private sector and Government. What this amendment does, in my opinion, is to force a reevaluation by the Congress of this program which has never been specifically authorized. It has never been specifically gone over by any congressional committee.

The result of it has been that there are no specific regulations, procedures, or standards set by Congress which establish how the interchange program works. It is done strictly and specifically by Executive order.

To say that this amendment is precipitous compares in no way to the precipitous nature of how this program was established merely by Executive order, under a vague authority of the Civil Service Act.

I would submit to the Senator from Illinois that if he says there have been only two cases, which he considers to be a minor number of cases of conflict of interest, with regard to what has happened with the fuel situation over the last year or year and a half that these two cases are enough to justify passage of my amendment. We do not know how many more there are. These are the two cases that are glaring. It is a distinct possibility there are many, many more cases that no one has yet uncovered.

When you send an executive from a major oil company into the Government to write regulations which affect that particular company and the rest of the oil industry, it would seem to me time the Congress redelegated to itself the authority to set standards as to how the executive interchange program is to work. This $353,000 deletion and the prohibition of the use of any funds in this bill to fund the Executive Interchange Agency will do specifically that. It will force a reevaluation by Congress. It will not prevent those people who have been selected this year from serving out their year. But it would be my guess that Congress and the appropriate congressional committee would immediately undertake a reevaluation if this program is as good as its proponents say it is.

Mr. President, I ask for the yeas and nays on the Abourezk amendment.

The yeas and nays were ordered.

Mr. ABOUREZK. I have one request of the Senator from New York (Mr. JAVITS), who has asked that he be allowed to offer an amendment before the yeas and nays are given. He says it will not be controversial and will be accepted. On that basis, I would ask unanimous consent that the rollcall vote on my amendment come following the presentation of the amendment of the Senator from New York.

The **PRESIDING OFFICER.** Is there objection?

The Chair hears none, and it is so ordered.

Mr. PERCY. The Senator from Illinois would like 5 minutes to respond further on the pending amendment.

Would that right be protected?

Mr. MONTOYA. I yield 5 minutes to the Senator from Illinois.

Mr. JAVITS. Mr. President, I call up my amendment which is at the desk, and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 11, line 5, strike out "$1,500,000" and insert in lieu thereof "$2,500,000".

Mr. JAVITS. Mr. President, I yield myself 3 minutes to put this into focus.

This is a restoration to the budget estimate of the amount provided for the National Commission on Productivity. I am joined in this amendment by Senators PERCY, TAFT, and PROXMIRE.

Mr. President, the amendment is dictated solely by our solicitude that, in the struggle against inflation, a measureable effort in the productivity field is absolutely indispensable, and the cost-benefit ratio is enormous.

Mr. President, I know—I rarely say this, but in this case I feel I can—that Senators MONTOYA and BELLMON are just as interested as I am in doing exactly what I have just stated, and what the Senator from Wisconsin (Mr. PROXMIRE) supported so eloquently a little while ago when he spoke.

The difficulty is that the agency did not make a sufficient case for its appropriation. I thoroughly agree with that. Therefore, Mr. President, I shall endeavor to sketch out an adequate case—I have already conferred with both Senators about it—to indicate that the amount is warranted.

I also know, because Senator MONTOYA has assured me of this, and he will have my full and understanding cooperation, that the committee will very carefully monitor the situation, assuming this appropriation works out in conference, in order to be sure that the money is well spent, exactly on the enormous cost-benefit ratio that we have described.

Mr. President, the case relies upon the following:

The House of Representatives, as the debate shows—and I ask unanimous consent that the debate be included in the RECORD as a part of my remarks—said that the Senate was the place to make this case, because apparently questions were raised in the House committee when the matter came up. So they are receptive and the debate so shows.

There being no objection, the debate was ordered to be printed in the RECORD, as follows:

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. STEED. I will be happy to yield to the gentleman from California.

(Mr. SISK asked and was given permission to revise and extend his remarks.)

Mr. SISK. Mr. Chairman, I appreciate the gentleman's yielding.

I wish to compliment the gentleman. I know he always does a great job. I compliment the committee as well.

I have a question I wish to ask the gentleman. Referring to page 8 of the bill, the item dealing with the National Commission on Productivity, I am sure my colleague will recall at least the events concerning this matter and the fact that this matter was held up last year in connection with the authorization. Then we recently passed the new authorization and cut the figure from the $5 million which was in the original request to $2.5 million.

I note that the committee has only seen fit to allow $1.5 million.

I raise the question merely because this National Productivity Commission, to my own certain knowledge, actually has been very helpful in connection with certain problems we have had on the west coast and with respect to transportation problems. I was curious to know if this result comes from a failure of the agency to make out a good case or if the gentleman would indicate what the future might hold in connection with this Commission.

Mr. STEED. As the gentleman I am sure realizes, when you have a bill with as many items as this one contains, and where there are some 200 hours of hearings, the difficulty is that some of these items were treated several weeks ago.

At the time this particular matter was up, the legislative situation was still unsettled. The Cost of Living Council had gotten involved with some of the personnel, the agency was being permitted to go out of existence, and so at that time it seemed that we could keep their activities together and hold them.

I have come into possession of information lately that had we had it at the time of the hearings and on the markup, that we might have been more generous. I have suggested that since the situation has come around to this point that they appear before the other body and present any new and up-to-date information that they have with the hope that maybe the matter can be worked out before the final version of the bill is completed.

Mr. Sisk. I thank the gentleman very much for yielding to me, and I appreciate the gentleman's comments. I had intended to confer with the gentleman earlier on this matter, and it slipped my attention. I do deeply appreciate the gentleman's willingness to make his comments.

Mr. Steed. I am aware of the work that they did, along with the Council and others. As the gentleman mentioned, there are some areas where some very good work has been done, so we are not in any way reluctant to see them proceed and, hopefully, with enough resources to do the job.

Mr. Sisk. Again, I thank the gentleman very much for yielding to me.

Mr. Robison. of New York, Mr. Chairman, if the gentleman will yield, relative to the question asked by our good friend, the gentleman from California (Mr. Sisk) about the National Commission on Productivity, I would like to say for the Record that we on the minority side look, I think generally speaking, with favor on the work of this commission. I think it is necessary and important. I believe, though, that it is fair to state that the reduction we made in the budget request was made in the light of the fact that the National Commission on Productivity's authority did run out, and had been renewed, and were aware of the fact that it would take some time for the Commission to get reorganized and restaffed, even up to this level.

So, as the gentleman from Oklahoma stated, if the Commission supporters can present other information to the other body on this item I am sure we would be happy to consider it in an objective light at the time we go to conference.

Mr. JAVITS. In offering this amendment I would like to correct some of the misconceptions that have surrounded the National Commission on Productivity during its tenuous existence. For instance, the format of the Appropriations Committee report does not allow for the fact that although the NCOP was appropriated $885,000 during fiscal year 1974 it was only for 6 months of operations because the organization did not technically exist and was forced to borrow funds from other agencies to provide the continuity to its efforts the Congress expected. So although the amount here appropriated is technically $615,000 greater than last year it really does not provide for any expanded activities for fiscal year 1975 at a time when our economy can most use efforts such as these. I would also point out that when it was brought up on the floor of the other Chamber, the chairman of the House Appropriations Subcommittee on Treasury, Postal Service, and General Government and the ranking minority member felt that these facts ought to be sufficient for the Senate to request additional funds in joint conference.

On another of the substantive issues raised by committee I would like to present for the Record a statement of major representatives of the State and local governments of our Nation which indicates that the NCOP is perhaps the only agency of the Federal Government which has addressed the issue of productivity in a fashion which is beneficial and useful to State and local government leaders.

I ask unanimous consent that the letter be included in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

July 30, 1974.

To the Members of the United States Senate:

The report of the Senate Appropriations Committee on H.R. 15544 with reference to the FY 1975 appropriation for the National Commission on Productivity states that the Appropriations Committee "is dubious of the efforts involving state and local governments and believes that the Commission should leave these efforts to the agencies with experience in these areas."

We compliment the Appropriations Committee on its feeling that continued Federal attention should be given to the importance of state and local government productivity improvement. We hasten to point out, however, in our experience, none of the Federal agencies have yet acquired experience in state and local government productivity sufficient to respond to the need our members describe.

We have encouraged the National Commission on Productivity to concentrate on state and local government productivity improvement as one of its four major sector areas, and are pleased that they are not only doing so, but have been so effective in their effort.

As a result of the pioneering by the Commission in this field, both we and they can point to significant results at the state and local levels in the nature of productivity improvement programs, resulting in improved service at lower cost to the American taxpayer.

The role of the National Commission has been described as that of a catalyst, initially defining the significance and the nature of the state and local government productivity problems and then, encouraging appropriate agencies to assume continuing responsibility. We feel the Commission's role has been, and should continue to be, compatable with that role.

It would indeed be unfortunate if this essential effort is seriously hampered by the proposed budget reduction undertaken with the misconception that other Federal agencies can and will assume the responsibility for stimulating state and local government productivity improvement.

We support the continuance of the National Commission on Productivity in state and local government productivity improvement and hope the Senate action on this appropriation bill will reflect our desires.

Mark E. Kane,
Executive Director,
International City Management Association.
Bernard F. Hillenbrand,
Executive Director,
National Association of Counties.
John J. Gunther,
Executive Director,
United States Conference of Mayors.
Earl S. Mackey, *Director,*
National Legislative Conference.
Charles Byrley,
Executive Director,
National Governors' Conference.
Allen E. Pritchard, Jr.,
Executive Vice President,
National League of Cities.

Mr. JAVITS. The second point of importance with respect to this matter is that the million dollar reduction is primarily going to be used for contracted-out projects and, therefore, that that is a very good way in which to do their job without a lot of overhead and a lot of bureaucracy. That can be done quite promptly. Again, here is where the committee monitoring will come into play.

So the million dollars I am requesting for them is based on their contracting-out ability, which can take place very promptly and be very effective.

Finally, what projects are they engaged in? They are mainly in the food business—that is, involving a material improvement in the way in which food is handled, delivered, and processed. Our committee itself recognized its excellence in that field. It says in its report:

> The Commission has much potential, and its past efforts in transportation and food should prompt increases in productivity.

The primary efforts of the Commission are in the food processing and transportation fields. I ask unanimous consent that a complete analysis of their proposed work in these fields be printed in the Record as a part of my remarks.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

[From the annual report of the National Commission on Productivity, July 1, 1974]

Analysis of Proposed Work

III. PROPOSED PROGRAM FOR FISCAL YEAR 1975

The Commission's program for FY 1975, based on a budget of $2.5 million, proposes to concentrate on the four industries where a start has already been made in identifying the opportunities and barriers to productivity improvement. The Commission's experience indicates that its objectives do not lend themselves to easy or dramatic breakthroughs, but rather require detailed analysis and persistent long-term efforts. An action orientation, rather than an academic and theoretical approach, has been adopted as the most effective method for long-term productivity improvement.

Food industry

In the food industry, the Commission plans to follow up on recommendations made in the 1973 study of opportunities for improving productivity. Working with industry, labor, and government groups, such as the newly formed Retail Food Labor Management Committee, it will seek to achieve improvements in the following areas:

Retail Backhaul. The wastage of fuel and equipment because of barriers to pickup by trucks of food wholesalers and retailers could amount to as much as $250 million a year, according to expert estimates. The Commission will work with industry and government groups to expand the use of backhaul and reduce the cost of food distribution. As a first step, a booklet on how to develop additional backhaul will be distributed to retailers and suppliers.

Direct Store Delivery. Many food stores receive a large number of merchandise deliveries in small quantities directly from individual suppliers, a practice that results in excessively high delivery costs. If these separate deliveries could be consolidated at a central warehouse and delivered in a unitized shipment, considerable cost savings might be achieved. The Commission will study the benefits and costs of proposed changes in delivery methods. In cooperation with the industry, it will encourage and assist in the changeover to more economic methods of delivery.

Modularization of Containers. Because of great diversity and incompatibility in the design of packages, shipping containers, and pallets, there is considerable wastage of space in trucks and trains which adds to delivery costs. The Commission, in consultation with food industry, labor, and government groups, will seek ways to speed implementing recommendations on modularization of packaging.

Adjustment to Technological Change. Pending changes in food distribution technology could create problems of manpower adjustment affecting worker morale and satisfaction. The Commission will assist the industry's labor-management committee in studying ways of achieving an orderly changeover to more automated methods.

Transportation

The Commission will concentrate on improving the utilization of freight cars through a series of analytical studies and experiments in cooperation with the industry.

As a follow-on to the Railroad Productivity Study described on page 17, the Commission has organized a Federal Task Force on Rail Car Utilization. The Task Force includes representatives of the Association of American Railroads, Interstate Commerce Commission, Department of Transportation, Council of Economic Advisers, Office of Management and Budget, and Department of Agriculture.

Freight cars are being used productively at only a small fraction of their total potential. The average freight car takes approximately 21 days to complete one load cycle (shipper-to-shipper) and moves only 16,000 miles a year, compared with 125,000 miles for some types of intercity trucks. A reduction in load cycle to 14 days would increase the effective fleet capacity to equal an investment of about $50 billion in new capacity at present freight car prices and help relieve freight car shortages.

The Task Force found that one of the most important causes of low productivity of freight equipment was the provision of rail cars either free or at prices far below their value. This under-pricing encourages casual handling and slow movement of cars. Many car services are not separately priced, but rather through custom and tradition are "bundled" into the charge for the line haul movement. As a result, cars can be detained by shippers and carriers in uneconomic use for long periods of time.

The NCOP Task Force proposed that consideration be given to charging separately for each discrete service, i.e., "unbundling," to create an incentive for faster car cycling. This would allow the car user to pay for only those services needed, give users an incentive to move cars more promptly, and allow for more expeditious return of cars to owners.

For example, consider a loaded car delivered to a receiver on Friday at 9 a.m. Since demurrage check-in time is 7 a.m., Friday is a free day. Saturday and Sunday are also free because there are no weekend demurrage charges. A receiver is allowed two "free" days which in this example would be Monday and Tuesday. Thus, demurrage charges would not begin to accrue until 7:00 a.m. Wednesday. Clearly, the receiver of this car has little incentive to unload it promptly.

Many receivers could unload cars and have them ready for the next use in a few hours. If the price for demurrage reflected the economic value of the car and was separated from the cost of transporting the car everyone would gain.

For a car worth, for example, $10 per day to the carrier, a movement which might now be priced at $500 could be separated into two charges: $480 for the line haul, and $10 per day for unloading time (demurrage).

For an effective receiver, this "unbundling," with the prompt return of the car, could reduce the price to slightly over $480 rather than the current charge of $500. The carrier has his car working for him more hours every day, the receiver has lower transportation costs, and all receivers have less likelihood of car shortages.

Many other services are provided by railroads in this manner. In-transit storage, diversion privileges, inspection, and the return flow of empty cars are examples of underpriced or free services which actually provide incentives to poor utilization.

Inefficient use has led to chronic shortages of cars. To assure that carriers who have made investments in car fleets will obtain a fair share of use of their own equipment, special rules and orders promulgated by the Association of American Railroads and the ICC require direct return of empties and routing of loaded cars to or via the owner line. Such rules are equitable and necessary when equipment is in short supply, but they do require excessive movement of empties and, on occasion, excessive mileage in moving loaded cars.

The NCOP has now proposed to all 70 "Class I" carriers an experiment which should reduce this waste yet retain the preference of owners in the use of cars. The experiment seeks to eliminate the need to return a significant percentage of empty cars which cannot be loaded because of prevailing rules and directives by the simple expedient of netting-out like cars much as a bank clearinghouse operates. For example, assume Railroad I has 125 cars of type A on its line owned by Railroad II and Railroad II has 140 cars of the same type owned by Railroad I on its line. Assume further that none of these cars can be loaded because of the existing car service rules and directives. At present, all 265 would have to be returned. Under the clearinghouse experiment, 15 cars would have to be returned empty by Railroad II to Railroad I and each of the two carriers would have 125 cars immediately available for loading in any direction.

The railroads would save the cost of transporting the empty car, experience less congestion in yards and on lines, and be able to serve shippers quicker. As more railroads join the experiment, savings increase because empty cars that still must be returned can be returned in such a manner that the least possible total miles are traveled.

At the time this report is written a number of railroads have indicated interest in participation, and two, the Southern and Penn Central, have made a definite commitment. Meetings are underway with other interested carriers and the experiment could begin within weeks. Each carrier added to the experiment increases the gains to all. For example, if three major carriers are involved, the savings, at an estimated $80 per empty car returned, are $3 million per year for plain boxcars alone. With the addition of one more major carrier to the experiment, the savings jump to $8.4 million per year. For eight major carriers, an analysis indicates savings of up to $40 million per year. The development and implementation of this experiment would not be possible without the assistance and cooperation of the ICC, whose help is gratefully acknowledged.

A major part of the Commission transportation efforts in FY 75 will be devoted to the railcar utilization effort. In addition to the clearinghouse experiment described, other experiments are planned addressing inefficient car use. Studies also will be made of the rail movement of a number of key commodities to determine the specific rail car utilization practices in these movements. They include fertilizer, grain, steel gondolas, auto parts, and mechanical refrigerators.

The Commission's earlier work with unit trains for transcontinental shipments of fruit and vegetables has indicated that it may be possible to improve service further if properly located terminals can be developed at or near the locations of major Eastern users. Studies will be carried out with major food chains and the Penn Central Railroad to determine the costs versus benefits of such terminals. Additional activities will include analysis of the reasons for shipments being routed on other than the shortest routes, an experiment to provide incentives for routing via the shortest delivery time, analysis of the impact of poor pricing of rail cars and services, and analysis of the costs to the economy of not revising the pricing structure.

Health industry

The Commission in FY 75 will also be concerned with evaluating, disseminating, and implementing the recommendations of the Task Forces on Improving Productivity in the Health Industry. This work will be carried on through committees made up of representatives of professional associations, administrative organizations, Federal and State agencies, unions, and industry, and will include efforts to develop a national system for measurement of health care productivity.

Public sector

The Commission will also expand its initiatives at the Federal, State and local level.

Federal Government Improvement Project Support. This project will include the development of training materials and tools for use by Federal managers (including diagnostic techniques, manuals, and visual aid materials) in taking advantage of existing measurement programs to improve productivity.

Educational Effort. The concept of productivity will be marketed to State and local government officials, chief executives, and other elected participants through a series of regional development meetings, publication of handbooks and other material, and participation in annual meetings. These officials will be provided information on ways to improve productivity in their own jurisdiction and means to determine the level of current efforts.

Motivational Techniques. Material for use by government administrators in the application of innovative motivational techniques will be developed. Work will capitalize on the survey already performed and will attempt to add evaluative criteria to the use of the various incentive schemes presently available but underutilized in order to assist administrators to select motivational techniques most appropriate for their needs.

Advisory Groups. Advisory groups in functional areas of fire, education, and social services will be organized to develop productivity indices and practices in these areas and expose practitioners to the value of productivity improvement. The best practices would be made available to the sector as soon as practicable.

Manpower Training. The Commission will assist in development of the analytical capability required by State and local governments to improve productivity by ascertaining the needs, surveying existing training programs, and developing curriculum modifications where applicable.

Manpower Impact. Research will be started on the effects on public employees of efforts to increase productivity and on various ways of introducing improvements that benefit all parties. Work will include elements of productivity bargaining and other shared benefit schemes, as well as other labor-management cooperative efforts.

Comparative Data. The Commission will work on the development of comparative statistics for intergovernmental comparisons of productivity performance.

Public awareness

The Commission will continue to sponsor activities to create greater public understanding of the importance of productivity improvement.

Fiscal Year 1975 activities will concentrate on increased work with the business press, the labor press, and the college and university press to supplement the overall program designed for the general public.

Conferences will be held in cooperation with professional organizations to familiarize reporters, feature writers, and editors with the meaning and importance of productivity.

Quality of work and labor-management cooperation

The Commission is planning to expand its efforts, where feasible, in the four critical areas of interest to enhance the quality of work and labor-management cooperation. It will endeavor to organize projects to demonstrate ways of improving the design of work processes and create greater worker satisfaction on the job.

In the government sector, the Commission will continue to support projects in Federal agencies to test the effectiveness of techniques of job enlargement and enrichment, "flexi-time" and other monetary and nonmonetary incentive programs. Working with management and labor, it will evaluate the results of the five projects initiated in FY 1974.

In local government, the Commission will develop informational material on motivational techniques, extending its work on employee incentive plans. It will provide labor and management groups data for evaluating incentive and other techniques for improving work satisfaction.

In the food industry, the Commission will cooperate closely with the Retail Food Labor Management Committee in its activities. It will assist the Committee in efforts to develop orderly ways of adjusting manpower to technological changes.

In consultation with management and labor, the Commission will seek opportunities for encouraging and assisting projects in other critical sectors to demonstrate innovative techniques for improving worker morale and satisfaction.

Mr. JAVITS. At a time when so much of our attention is directed to how we can control inflation we would indeed be shortsighted if we did not provide every opportunity for achieving the productivity gains our economic well-being requires. We have only to look at recent trends in productivity growth: 1.9-percent decline in the nonfarm sector during the last quarter of 1973 and 4.5-percent decline during the first quarter of 1974 to realize the improvement we require does not come about automatically.

I would like to include for the RECORD an OPED article by A. H. Raskin of the New York Times wrote last January voicing support of the Commission. His concluding sentence is of particular note to my amendment proposed here today:

> Saving the $2.5 million a year it costs to run the Commission is no economy if it cuts off that kind of independent blame-fixing.

The NCOP will not be able to accomplish even a small portion of what this Nation needs unless we provide them the resources.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 29, 1974]

ELIMINATING STATISTICAL GARBAGE

(By A. H. Raskin)

In June, 1970, when all President Nixon had to worry about were little things like Vietnam and the skyrocketing cost of living, he went on television to bid Americans be of good cheer. He had invented a device for checking inflation without forcing the nation down the slippery road of wage-price controls.

The President's magic weapon, put forward as a one-click key to price stability, healthy economic growth and a higher standard of living, was the National Commission on Productivity, an agency linking the top echelons of industry, labor and Government. Its basic aim was to find ways to heighten efficiency in both the public and private sectors, a goal of great soundness but scarcely one capable of being cranked into instant effectiveness on an economy-wide basis.

Not surprisingly, the commission had no discernible impact on the upward rush of the inflationary spiral. Fourteen months after the commission's creation, the external pressure for stern White House action to halt the leapfrogging of prices and wages grew so intense that the President temporarily sent Adam Smith back to the showers in favor of John Maynard Keynes and embraced the anti-inflation controls he had vowed never to use. Now, ill-pleased with the way these controls are working under his Administration's half-hearted enforcement of them, Mr. Nixon is formulating recommendations to Congress for some graceless mode of burial—either suddenly or by slow death.

Long forgotten in the public disappointment over the feebleness of the governmental defenses against runaway prices is the overblown role in that defense effort originally assigned by the President to the Productivity Commission. Indeed, the foremost forgetter has probably been the President himself. He seems to have forgotten not only the assignment but even the existence of the commission.

That is sad because the commission does have a thoroughly realistic function to fulfill as clearinghouse and catalyst in pointing directions toward more efficient application of the country's resources of manpower, material, technology and managerial skill and also toward easing many of the discontents that plague workers, undermine quality and push up costs.

Right now the Productivity Commission is dying of financial anemia. The House of Representatives has refused to vote it any funds for this year, and its tiny staff of twelve professionals will have to be liquidated if Congress refuses to heed an emergency plea for reconsideration by the commission's chairman, Dr. John T. Dunlop, who also heads the Cost of Living Council. Dr. Dunlop is sure that he has enough Republican and Democratic support lined up to guarantee approval, but he has not yet convinced the man who will be pivotal in getting the issue to the floor for another test, chairman Wright Patman of the House Banking Committee.

"I'm all for it myself," says the Texas Democrat, "but the evidence of membership support, especially on the Republican side, just isn't there."

The commission's able executive director, John M. Stewart, has seen so much of his personal productivity drained off in the endless panhandling for month-to-month handouts to keep the agency alive that Feb. 15 he is going back to his old post in a New York management consultant firm.

For all the despair that shrouds the commission's offices, it does have a few admirable projects under way. Most notable perhaps is the "unit train" it originated to get refrigerated cars of fruit and vegetables from California to the Northeast in half the old time and with far less spoilage.

Identifying opportunities for productivity improvement and developing trustworthy yardsticks for measuring progress are both arcane arts, especially in the white-collar and service fields. It is easy enough to devise standards for measuring the efficiency of garbage removal—how many tons of trash does each sanitationman handle each week?—but the commission quickly discovered that "the farther you get from statistics about garbage, the more garbage there is in the statistics." Much of the commission's focus has been on eliminating that garbage.

It is also trying to overcome some of the worries about productivity that Charlie Chaplin made part of American folklore with "Modern Times," his classic indictment of the speed-up. The concentration now is on projects jointly fashioned by unions and management, with stress on job satisfaction as well as lower unit cost. Mr. Stewart's explorations already have made him consign to the realm of mythology the notion that union-fostered make-work rules are generally the chief villains in holding down productivity.

In food distribution, for example, where management initially blamed labor for 80 per cent of the wasteful practices, the commission concluded that 15 per cent was the right figure, with Government regulations accountable for 50 per cent of the inefficiency and employers for 35 per cent. Saving the $2.5 million a year it costs to run the commission is no economy if it cuts off that kind of independent blame-fixing.

Mr. JAVITS. The virtue in having this before us, Mr. President, is that if the manager and ranking minority member do go along with this matter, which I hope very much they will, that will be a criterion against which performance may be checked.

For all of those reasons, Mr. President, I say—as I explained to the Senator from New Mexico (Mr. MONTOYA) and the Senator from Oklahoma (Mr. BELLMON), I have had to make the case which they did not, but I think it is conclusively made, and I hope very much, therefore, that we may go forward with what is really indispensable in a time of serious inflation, when the worst statistic in our country is the fact that productivity has fallen 8.8 percent as against its normal increase, and that we are practically at the bottom of the 10 leading industrial nations of the world in terms of productivity.

Mr. PERCY. Mr. President, if the distinguished Senator from New York will yield——

Mr. JAVITS. I yield.

Mr. PERCY. I would also like to assure the distinguished manager of the pending bill that the Senator from Illinois will do everything he can to sharpen the focus of the Commission. But it is my own judgment that this would be one of the most tragic deletions, and has been a most tragic deletion, of expenditures for a project that is one of the few projects focusing on the No. 1 problem of today: inflation.

We also have a serious problem in the dissatisfaction of American workers with the jobs they hold, the work they are performing, and certainly the quality of work being turned out. It is for this reason that the Commission is being renamed the Commission on Productivity and Work Quality, because of the phenomenon we have in America today, where we simply must get back that attitude toward work that has made us a preeminent economic power.

So far as the return on investment is concerned, I think Senator MONTOYA and Senator MCCLELLAN would always be first to say that we ought to see what we are getting back for the taxpayers' dollar.

The Productivity Commission, if it did nothing else this year, in just one industry would have returned the funds it has received many times over. The Commission has made an intensive analysis and study of the railroad industry. The Task

Force on Railroad Productivity of the National Commission on Productivity has worked, now, for some time to determine what it is that is causing the slow death of an industry that is absolutely vital to the American economy.

That industry, the railroad industry, has raised its prices 32 percent from 1967 to 1971. It employs 61 percent fewer workers today than it did 25 years ago. Its inefficiency is estimated to cost the American taxpayer $10 billion annually. Yet this small productivity commission has now gone in and made an incisive investigation of the causes for such a decline in productivity. It has focused on three principal areas.

If we stand here some day in the future and find the railroads of America on our hands, and we did not do everything, on this day, July 31, 1974, to prevent that kind of catastrophe, then there would be something derelict about the way we face up to expending and investing the taxpayers' money.

I cannot think of an expenditure that would be more universally supported by every witness we have had before the Joint Economic Committee. In recent weeks, we have had further testimony that this area is one of the areas of concentration that should not be neglected, minimized, or cut back, and I would respectfully urge the members of the Appropriations Committee to support this modest increase, so that the work of this Commission can go on, and I join with the distinguished Senator from New York (Mr. JAVITS), who has devoted himself to this field through the years, in indicating that, for one, the Senator from Illinois will continue also to devote personal time and attention to making certain that the objectives and purpose of the Commission are fulfilled.

Mr. MONTOYA. Mr. President, I wish to state just briefly that during the course of the hearings, I did ask for detailed justification testimony from Dr. Dunlop, and I told him that on the basis of the record and the testimony which was presented to the subcommittee, there really was no justification to increase the appropriation, and that as of then I was not convinced that the Commission was doing its job.

I am still not convinced, Mr. President. I mean this sincerely, and I am not trying to criticize the individuals who are in charge, but I do not think they are doing enough. I am going to insist that unless they show performance and results within the next year, I will recommend that their appropriation be disallowed. I think their mission is a good one, but I am not satisfied that they have produced any results.

About all that I could exact during the testimony from Mr. Dunlop was that he had gone up to New York to a meeting with the union chiefs. They also had come out with a report on how to better assemble transportation facilities for perishables starting in California and going to New York. They were also engaged in a study on how to expedite people through the checking counters in grocery stores. Those are the three things that appear in the RECORD.

I asked for more detail, and so finally I was supplied with a report, and the report appears in the hearings now, but this was belatedly done.

I am not against the mission or objective of this commission. I am all for it. As the Senator from New York (Mr. JAVITS) and the Senator from Illinois (Mr. PERCY) have expressed themselves, I am 1,000 percent for those purposes. They are noble, but I think that when we appropriate money to a commission, that commission ought to perform its mission and show results to Congress, otherwise the mission has failed.

So I am putting them on notice now, Mr. President, that they had better do a good job and, with that in mind, I will, after consultation with my minority counterpart, the Senator from Oklahoma (Mr. BELLMON), accept the amendment.

Mr. JAVITS. I thank my colleague very much. I think it is most statesmanlike.

As the Senator heard, I anticipated everything he felt. I knew how he felt, and I can only pledge myself—I think I can have some clout here, as can Senator PERCY—to work indefatigably to see that they earn it. I am very grateful to my colleague for his expression of confidence.

Mr. PERCY. Mr. President, would the Senator yield for a very brief comment I would like to make as part of the legislative history that the Senator from Illinois concurs fully with this 1 year notice. I think there has been a gracious acceptance now of the amendment, and I fully concur that the Commission should put up or shut up.

Of all groups that ought to produce, it is the Commission on Productivity that ought to prove and demonstrate in the year now that has been given to them that they can produce, they can be effective, and they can give a return on investment of the taxpayers' money.

I commend the distinguished Senator from New Mexico for spending that money wisely and well and putting them on due notice that they should do likewise.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONTOYA. Before I yield back my time, I would like to yield to the distinguished chairman of the Appropriations Committee, Senator MCCLELLAN.

Mr. McCLELLAN. I thank the Senator very much.

I just wanted to observe as the bill stands now, according to advice from the staff, it would be $52,688,000 under the administration's amended budget. That is some reduction. I note that in conference there will be some $59 million, about $60 million, and it can be well anticipated that, as a result of conference, there will probably be a further reduction in this total amount of the bill, and we ought to have a reduction of around $70 million, $75 million.

Mr. President, that is no great amount, but it is progress. We are not always able to do what we would like to do in making these reductions, but it does indicate again Congress—and the Senate particularly—is working endeavoring to find areas where appropriate reductions can be made in order to move more and more in the direction of a balanced budget, holding our expenditures within our revenues.

I want to compliment the distinguished Senator from New Mexico (Mr. MONTOYA) for his efforts and that of his colleagues on the committee for making this good showing in the handling of this bill.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONTOYA. I thank the Senator for all those kind words.

Mr. JAVITS. Mr. President, I yield back my time, and I thank Senator ABOUREZK for his courtesy.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MONTOYA. I yield it back.

Mr. PERCY. Under the 5 minutes yielded to me on the bill, I would like to address my comments to the amendment of the Senator from South Dakota.

The PRESIDING OFFICER. Will the Senator yield? We will first vote on the Javits amendment.

All the time having been yielded back, the question is on agreeing to the amendment by Mr. JAVITS. [Putting the question.]

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from South Dakota.

The Senator from Illinois.

Mr. PERCY. Mr. President, I thank my distinguished colleague for yielding.

Mr. ABOUREZK. Mr. President, would the Senator yield just briefly? Has the Senator asked for 5 minutes on the bill?

Mr. PERCY. Five minutes on the bill.

Mr. ABOUREZK. I wonder if I could have some time to respond to whatever the Senator from Illinois says on the bill?

The PRESIDING OFFICER. That would be up to the manager of the bill.

Mr. MONTOYA. I am very short of time, Mr. President, but I would yield 2 minutes if the Senator requires any time at all. I would yield 2 minutes to him.

Mr. ABOUREZK. I may not require it, but I would be grateful if I might have it if it is necessary.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague, and I hope my remarks will be constructive and helpful.

First, with respect to the very important question of conflict of interest that the Senator from South Dakota has raised, a very pertinent question and it is a question addressed in a letter from Fred Malek, Deputy Director of the Office of Management and Budget, to Senator MCCLELLAN, dated July 23. I would like to quote just a few things from that letter.

> The President's Commission on Personnel Interchange has a vested interest in seeing that conflicts are avoided and that the law is upheld. Although the latest review of the PCPI procedures by the Commission confirms our confidence in their adequacy, the General Accounting Office is also performing a program review, and I understand that their interim report is scheduled for release shortly.

In order to secure an airing of the conflict of interest possibilities and to eliminate future points of order, we are committed to submit authorizing legislation which would allow review of the goals and objectives of the Interchange Program and operations of the Commission and the staff.

So the point made by the Senator from South Dakota is a good one. I think it is being paid very careful attention, and I trust that that would be satisfactory.

Mr. President, I ask unanimous consent that the letter of Mr. Malek to Senator McCLELLAN, dated July 23, 1974, be placed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., July 23, 1974.
Hon. JOHN McCLELLAN,
Chairman, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR McCLELLAN: I would like to urge you to support the restoration of the $353,000 earmarked for the President's Commission on Personnel Interchange to the Civil Service Commission appropriation.

The funds were deleted in the House on the basis of a point of order which was purportedly based on a House rule that prohibits appropriations for expenditures that have not been "authorized by law" or which have no legislative basis. Congressman Vanik also expressed reservations with regard to the potential conflicts of interest "uncovered by his office and the General Accounting Office."

The President's Commission on Personnel Interchange (PCPI) has a vested interest in seeing that conflicts are avoided and that the law is upheld. Although the latest review of the PCPI procedures by the Commission confirms our confidence in their adequacy, the General Accounting Office is also performing a program review, and I understand that their interim report is scheduled for release shortly.

As to the point of order, the Civil Service Commission General Counsel has cited legal precedents for Commissions, Councils, Boards, etc. and has concluded that "under these interpretations, there would be no basis for questioning whether the President's Commission was authorized by law, since indeed it was established by Executive Order."

Congress has appropriated funds to finance the President's Commission since its inception under President Johnson in 1969, and there was a specific reference in Senate Report No. 91–521 (to accompany H.R. 12307 and which became Public Law 91–126): "Civil Service Commission-Senate Document 91–34 adds $160,000 for President's Commission on Personnel Interchange."

In order to secure an airing of the conflict of interest possibilities and to eliminate future points of order, we are committed to submit authorizing legislation which would allow review of the goals and objectives of the Interchange Program and operations of the Commission and the staff.

Abrupt termination of the Executive Interchange Program will create a hardship on the new group of Federal career employees and their private sector counterparts who are now assuming their interchange positions. Commitments have been made to sell houses and to purchase new houses, by both groups of interchange executives here in the Washington area and in and around most of the major cities in the United States.

Abrupt termination will also cause a hardship for the Commission staff of 9, since they would have to be placed automatically in a non-pay status and there are no funds available for the payment of lump sums for accrued annual leave or severance pay.

Sincerely,
FREDERIC V. MALEK,
Deputy Director.

Mr. PERCY. Second, with respect to what we would be doing, what we would be doing to the executives who have already committed themselves from private industry to move down to Washington to take their posts down here and engage in this program, what we really would be eliminating precipitously and without advance notice to them is the educational program being carried on by the Commission. This program states, in a folder that every single one of them has received from the President's Executive Interchange Program:

> At the beginning of their interchange assignments, Presidential interchange executives participate in a comprehensive seminar covering subjects such as government organization, operation, international affairs, domestic issues and finance. Seminar leaders include Members of Congress, White House aides, senior staff officials of Federal Government Departments, and experts from public and private organizations. Past participants have found that this experience is one of the more valuable aspects of the program.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be recognized but that this not interrupt the Senator's remarks. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER (Mr. McINTYRE). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PERCY. Finally, in Senator ABOUREZK's letter to his colleagues he has indicated that the program does not have any kind of congressional review as to its merits and, therefore, it would be unwise.

There were not Members of Congress on the Commission. This is the President's Commission on Personnel Interchange, but all Members of Congress have had available to them an evaluation study that was undertaken not only by top leading executives in business and banking fields but also by a partner in McKinsey and Co., Mr. Robert W. Fri; also by Secretary Lynn of Housing and Urban Development; Fred Malek, Office of Management and Budget; William Simon, Secretary of the Treasury; the Vice Chairman of the Civil Service Commission, Jayne B. Spain; and John K. Tabor, Under Secretary of Commerce.

All of them engaged in a study and they issued a report on their findings. I shall simply read the final summary of the Commission action.

> After reviewing the full evaluation report, which provided basic program data not previously available, the Commissioners of the President's Commission on Personnel Interchange determined that the Executive Interchange Program was meeting its objectives. The Commissioners fully endorsed the program's continuance and made recommendations to strengthen it. Their recommendations focused on the two issues of maximizing the utilization of executives returning to the Federal Government, and, of promoting the value of the interchange concept in both the public and private sectors.

The Commission, after 3 years of operation of the program, asked itself these questions:

> Has the Executive Interchange Program increasingly attracted high-caliber participants?
>
> Have the interchange executives, their companies and federal agencies been satisfied with their participation in the Executive Interchange Program?

They went about reviewing, analyzing, appraising, and interviewing every single one of the members that have participated, government and private. When they asked the questions related to learning and education, the executives indicated that the Brookings orientation—and Brookings participated in this program—was beneficial; 93 percent of them said "yes" to that question.

In response to the question.

> As a learning experience, my horizons were broadened considerably by: contact with other interchange participants.

Ninety-one percent said yes.

In regard to contact with company-agency executives, 89 percent said yes.

In connection with the education programs arranged by the commission staff, which are the very programs that would be cut out if this amendment is approved, 91 percent of the private participants indicated they have benefited from those programs.

I think we not only would be pulling the rug out from under people, changing the rules in midstream, disrupting lives, I think we would be also sacrificing the public interest. Certainly, this program can and should be studied by Congress. If we want hearings, we can have them.

I hope this amendment will be defeated.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. ABOUREZK addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. ABOUREZK. I would feel a great deal better about the remarks of the Senator from Illinois with regard to changing the rules in midstream had he joined me in opposing the impoundment of funds for the Rural Electrification program when President Nixon impounded those funds, in effect, changing the rules in midstream.

If a poll had been taken of the private participants, in this interchange program, and if the question were asked, "Are you engaged in any kind of conflict of interest?" I submit that none of those people, would say that they were involved in any kind of conflict of interest. They would all say, "Of course not."

Yet one or two of the cases involved in the Federal Energy Office that we have discussed today have been referred to the Attorney General for prosecution. That is the kind of program that we would continue on and on indefinitely if the amendment is not agreed to, if the money is allowed to continue.

I yield back the remainder of my time and ask for the vote.

Mr. PERCY. Mr. President, I move to table the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the distinguished Senator from South Dakota.

Mr. MONTOYA. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. ROBERT C. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. I remove my objection.

The PRESIDING OFFICER. Without objection, the quorum call is rescinded.

The question is now on——

Mr. PERCY. Mr. President, I ask unanimous consent that the motion to table that I offered be withdrawn.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the call for the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I ask unanimous consent that action on the Abourezk amendment be postponed temporarily so that I may offer another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, before I offer this other amendment, I would like to ask unanimous consent that I be permitted to insert in the Record a letter from the General Services Administration, which is responsive to the language in the committee report with respect to the purchase and procurement of ADT equipment and interpretive of the limitations which we have put in the committee report.

There being no objection, the letter was ordered to be printed in the Record, as follows:

General Services Administration,
Washington, D.C., July 30, 1974.

Hon. Joseph M. Montoya,
Chairman, Subcommittee on Treasury, U.S. Postal Service, General Government Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Senator Montoya: We have reviewed the Report of the Senate Committee on Appropriations concerning GSA's Fiscal Year 1975 appropriation for the Automated Data and Telecommunications Service.

GSA is pleased to observe that the proposed Senate language is not intended to "preclude joint procurement or long-term procurement of data processing equipment when the equipment is intended to serve individual agency users only and can be justified on that basis. Nor is it intended to preclude continuation of existing common user shared facilities including maintenance and servicing of such facilities."

In order that there will be no future misunderstanding of the Committee's intention regarding GSA's activities in the ADP and telecommunications area of responsibility, we have enclosed a listing of major existing proposed and planned programs for your review. In our opinion, programs of this nature are completely in consonance with the intent of the Committee and do not conflict with Section 3 as amended. However, if there are any questions from the Committee on any of these programs, we would appreciate your advising us as soon as possible, so that we may discuss them with you.

These programs play very important roles in helping virtually all Federal departments and agencies meet their day-to-day mission needs including such fields as medicine, veterans, social security, and the aged and handicapped.

Sincerely,

Arthur F. Sampson,
Administrator.

EXISTING PROGRAMS OF GSA IN THE ADP

ADP Requirements Contracting by GSA for Government-wide Use.
ADP System Procurements for other Agencies.
Excess Redistribution Program.
Sharing of excess ADP capacity.
ADP Fund Lease Program.
Third Party Equipment Procurement Program.
Collocation/Consolidation of ADP Equipment.
Upgrade of Remote Access Multi-user System (RAMUS).
Automatic Data Processing Management Information System (ADP/MIS).
Federal Telecommunications System (FTS) Network.
FTS Circuit Procurement.
Advanced Record System (ARS) Enhancement (The data portion of the Federal Telecommunications System).

Name of Program—ADP Requirements Contracting by GSA for Government-wide Use.

Description of Program—For several years, the General Services Administration has been awarding mandatory requirements contracts for selected items of ADP equipment. These contracts are awarded by GSA for the individual requirements of all Federal agencies. Examples of previous contracts awarded covered such items as punched card accounting equipment, plug-to-plug compatible tape and disk drives, plug-to-plug compatible memories and disk packs. This is a continuing program which has resulted in significant cost avoidance to the Government.

Status—We are planning to develop Requests for Proposals to meet individual agency requirements for terminals, minicomputers and printers, all of which are scheduled to be released during FY 1975.

Name of Program—ADP System Procurements for other Agencies.

Description of Program—As an outgrowth of the ADP procurement responsibility granted to the Administrator of the General Services Administration, under P.L. 89–306. GSA has established ground rules (Federal Procurement Management Regulations) under which agencies may procure or be provided specific authority from GSA to procure (Delegations). In this review process when an agency requests a delegation of procurement authority, GSA may elect to conduct the procurement and not delegate. In all cases, the individual agency is master of its requirement and also the vendors which meet that requirement. GSA is responsible for only the formal contracting. In such instances, GSA designates a contracting officer from its staff and works closely with the agency throughout the procurement cycle up through and including the final contract award. GSA on the average conducts approximately 20 such procurements each year for individual agency requirements. GSA has an excellent track record in effecting significant cost reductions from established commercial list prices when it does other agency procurements. We delegate from 200 to 300 procurements for the agencies to fully accomplish themselves. RFP CDPA 74–14 which was previously a joint GSA/Agriculture procurement is now solely to meet the requirements of Agriculture.

Status—We are continuing to contract for other agency individual ADP requirements. GSA is still doing the formal contracting for the Agriculture requirements that remain in RFP CDPA 74–14.

Name of Program—Excess Redistribution Program.

Description of Program—A continuing program exists effecting the redistribution of excess leased or excess Government-owned ADP equipment. Equipment no longer required by an individual agency is advertised to the Federal Government to determine whether a requirement exists elsewhere for continued usage. Many times, cost reductions are realized by replacing existing leased items with Government-owned items. In addition, installation enhancements are effected.

Status—This is an ongoing program which has resulted in cost avoidances of approximately $750 million at acquisition cost since its inception.

Name of Program—Sharing of excess ADP capacity

Description of Program—This program involves a nationwide system of ADP sharing exchanges which provide information and advice to Federal agencies so that excess capacity in Federal computers is utilized as a first source of supply rather than the purchase of new computers or commercial services. ADTS coordinates this program. of $185 million in FY 73.

Status—This is an existing program. FY 74 cost avoidance is estimated at $203 million. FY 75 cost avoidance is estimated at $223 million.

Name of Program—ADP Fund Lease Program

Description of Program—The ADP lease program is a financial vehicle which permits agencies to acquire their proven individual requirements under the least cost alternative mode of acquisition including long-term multiyear leasing. It has no relation as to what will be acquired.

Status—The ADP Fund lease program operates pursuant to OMB policy program and apportionment guidance.

Name of Program—Third Party Equipment Procurement Program

Description of Program—There exists in the marketplace, contractors who either have inventories or can obtain ADP equipment configurations which are comparable to equipment installed in the Government, and which are being leased from the original equipment manufacturers. They offer such equipment at prices 30–50 percent below the original equipment manufacturer's prices.

Status—GSA has a continuing program to replace any installed leased equipment with identical equipment from the third party sources at prices substantially lower than what the Government is currently paying.

Name of Progam—Collocation/Consolidation of ADP Equipment

Description of Program—

Collocation—This program is designed to encourage Federal agencies to collocate their ADP equipment to save space, air-conditioning, etc. Computers, however, are not shared.

Consolidation—This program is designed to encourage Federal agencies to consolidate computer operations onto a fewer number of computers, whenever economical to do so.

Status—A number of Federal agencies have undertaken individual programs to consolidate their individual facilities. Additional intra- and inter-agency studies are being considered.

Name of Program—Upgrade of Remote Access Multi-user System (RAMUS).

Description of Program—The purpose of this project is to increase the capacity of the RAMUS interagency timesharing service offered by GSA's Atlanta Federal Data Processing Center by adding a second Honeywell G-440 computer to the configuration, together with additional file storage capacity.

Status—The equipment has been installed and was partially accepted on July 22. The soliciting of additional users for this system has been suspended for any users who plan to employ this system in a way which would store personal information. The existing security plan is being reviewed.

Name of Program—Automatic Data Processing Management Information System (ADP/MIS)

Description of Program—The ADP/MIS is an information system concerning ADP activities of Federal agencies on a world-wide basis. GSA maintains the system in accordance with OMB and Office of Federal Management Policy directives. It consists of a perpetual ADPE inventory, annual information concerning time utilized, type of use, manpower and costs.

Status—The system is currently being studied for potential modification to provide for additional information and greater speed relative to the answering of inquiries from the Congress, the private sector, and Government users of the information contained in the information bases.

Name of Program—Federal Telecommunications System (FTS) Network.

Description of Program—The FTS Voice Network in operation since 1963 consisting of both "intercity" and "local service" telephone and data transmission facilities, is operated in support of individual Federal agency requirements. The system links approximately one million Federal telephones.

Status—Based on changing agency requirements and cost effectiveness, Federal agencies and facilities are routinely added or deleted from the network through tariffed carrier offerings and through potential competitive procurements.

Name of Program—FTS Circuit Procurement.

Description of Program—GSA operates a consolidated circuit procurement function in conjunction with the Department of Defense at Belleville, Ill. To achieve economies of scale in the procurement of voice and data circuits, individual agency requirements are merged with those of the DOD, and procured on a consolidated basis.

Status of Program—Based on changing individual agency requirements, circuits are routinely added or deleted from the FTS network.

Name of Program—Advanced Record System (ARS) Enhancement (The data portion of the Federal Telecommunications System)

Description of Program—The Advanced Record System (ARS) is a nationwide data network leased from the Western Union Telegraph Company. It provides a message store and forward capability for some 2,200 teletype terminals. It services the Social Security Administration, the Veterans Administration, the Department of Agriculture, and the General Services Administration, and some 20 other civilian agencies thru individual terminals and a series of GSA operated message centers throughout the Nation. It can be automatically interconnected to the Department of Defense Message System AUTODIN, as well as to the Western Union TWX and TELEX services. The ARS enhancement provides for the modernization of message switching facilities, improved data transmission speeds and "on-line" operation with the computing facilities of the Social Security, Veterans Administration, and the DOD AUTODIN data transmission systems. This fast response is necessary for the VA to meet urgent operating needs to serve the veteran, as well as permitting SSA to process critical inquiries associated with serving the aged, blind, and disabled.

Status—The enhancement of the message switching facilities is currently in its final phase and is expected to be completed during Fiscal Year 1975.

PROGRAMS UNDERWAY

Federal Data Processing Centers.

ADP Procurement Schedule Contract Program.

Teleprocessing ADP Schedule Contract Program.

National Teleprocessing Services (Requirements Contract with INFONET Division, Computer Sciences Corporation).

GSA's Internal ADP Upgrade Project.

Upgrade of IBM 360/50.

Upgrade of the Kansas City FDPC.

DOD/GSA Multiplex Utilization Program.

Promotion of ADP facilities designed to achieve cost reductions for the Federal Government.

Software Exchange Program.

Communications Management Information System (C/MIS).

Name of Program—Federal Data Processing Centers.

Description of Program—Common user shared facilities offering a wide range of ADP. Twelve FDPC's are operated by GSA (one by a facilities management contract) and two by other agencies.

Status of Program—The FDPC's have been in operation from three to six years. They meet individual agency needs economically and efficiently. GSA internal requirements constitute a substantial part of the FDPC computer computational capability.

Name of Program—ADP Procurement Schedule Contract Program.

Description of Program—A method of the ADP procurement program whereby over 200 separate ADP vendors contract annually for basic terms, conditions, and prices to provide hardware, software and maintenance services to meet individual Federal agency requirements when appropriate competition has been obtained.

Status—This program contained approximately $372 million in acquisitions during FY 1974. The FY 1975 volume is estimated to be $360 million.

Name of Program—Teleprocessing ADP Schedule Contract Program.

Description of Program—This program will encompass a broad range of teleprocessing services—to be provided by the private sector—much more comprehensive than the now existing single requirements contract with the INFONET Division, Computer Sciences Corporation. The discounts for Government use of commercial time sharing will continue under the INFONET contract until its expiration. The successors to the INFONET contract will also provide for discounts.

Status—The schedule of this project is for the development and issuance of a Request for Proposals and a series of contracts to be awarded during FY 1975 for FY 1976 operation. We anticipate that from 10 to 20 contracts will be awarded to existing commercial timesharing firms, most of which are currently doing substantial Government teleprocessing, pursuant to individual contracts with agencies.

Name of Program—National Teleprocessing Services (Requirements Contract with INFONET Division, Computer Sciences Corporation)

Description of Program—A mandatory commercial source of supply of teleprocessing services for Federal agencies when their requirement:

1. Exceeds current Federal in-house capabilities (sharing program); and
2. Is both met by and falls within the INFONET scope of contract clause (both interactive and Remote Job Entry processing on a common data base through a nationwide network)

Status—The current contract expires on June 30, 1975, and may be extended, at the option of the Government through June 30, 1976. The extensive use of this contract by Federal agencies makes it urgent to make plans during FY 1975 for a successor source of teleprocessing supply before the contract expires. Failure to plan during FY 1975 could lead to a violent disruption of ongoing Government programs. (See previous page)

Name of Program—GSA's Internal ADP Upgrade Project

Description of Program—In order to meet GSA's internal ADP requirements for the next 8 to 10 years by upgrading and possibly consolidating its 10 Federal Data Processing Centers, GSA is planning a teleprocessing hardware and/or services procurement. This is a restructuring of the internal GSA requirements previously included in the New Equipment Project. ADTS management is developing a decision paper that sets forth alternatives, including one or more computing sites; one or more service bureau contracts; using excess equipment elsewhere in the Government; or some combination of these, to meet GSA's ADP requirements.

Status—Initial planning and a study of alternatives is to be completed in the first quarter of FY 1975. We will consult with Congress and the appropriate agencies of the Executive Branch prior to issuance of the solicitation.

Name of Program—Upgrade of IBM 360/50.

Description of Program—The purpose of this project is to reconfigure the installed IBM 360/50 computer located at the Washington, D.C. Federal Data Processing Center so as to provide a remote batch capability. As presently configured, this equipment is accessed only locally at the computer site. The upgrade is to provide GSA's Federal Supply Service with urgently needed interim remote processing capability, pending the availability of new GSA computing resources required by FSS plans.

Status—The necessary procurement documents are in preparation so that aspects of the project can proceed so as to meet the scheduled installation date of January 1975.

Name of Program—Upgrade of the Kansas City FDPC.

Description of Program—A system, utilizing Government-owned excess inventory of a Burroughs B5500 computer, will be added to provide remote job entry, and local batch services for GSA and other Federal agencies similar to those provided by Infonet. The system is intended to achieve cost avoidances of approximately 40% of equivalent commercial prices.

Status—Equipment has been placed into the facility. The system is scheduled to be in operation in the second quarter of FY 75.

Name of Program—DOD/GSA Multiplex Utilization Program.

Description of Program—Pursuant to GAO and OTP recommendations an agreement is being entered into between DOD and GSA which would provide for utilization of multiplex communications lines between civil and military agencies.

Status—Implementation is planned for September 1975, and significant dollar savings are anticipated.

Name of Program—Promotion of ADP facilities designed to achieve cost reductions for the Federal Government.

Description of Program—A continuing program is underway to seek out "pockets of expertise" within the Federal Government and to utilize such facilities for all Government agencies. Part of the program seeks to identify existing Federal ADP facilities which could provide computational or other ADP services to other Government agencies. The intent of this kind of arrangement would be to achieve cost avoidances and efficiencies that would otherwise not be achieved were agencies to establish their own facilities.

Status—Several efforts are currently underway examining the technical and economic feasibility for such arrangements.

Program Underway

Name of Program—Software Exchange Program.

Description of Program—A Software Exchange Program is being planned with the goal of reducing Federal ADP software costs. It is aimed at preventing the duplication of software packages which already exist.

Status—The program which was recommended by GAO is being coordinated with Government agencies and the Office of Management and Budget. Implementation is planned for January 1975.

Name of Program—Communications Management Information System (C/MIS)

Description of Program—A C/MIS is currently being developed similar to the ADP/MIS. The system will provide information on data communications equipment inventory, utilization, and cost. The objective of the system is to provide information which can be utilized in planning, designing, and implementing future communications systems in response to agency needs and to be responsive to congressional, agency and public requests.

Status—Implementation is planned for Fiscal Year 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote occur on the amendment by Mr. ABOUREZK at 1:30 p.m. today.

The PRESIDING OFFICER. Is there objection? The Chair hears none. It is agreed to.

Mr. MONTOYA. Mr. President, I send my amendment to the desk.

The PRESIDING OFFICER. The clerk will read the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MONTOYA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 30, following line 24, insert:

"SEC. 4. Not to exceed 2 per centum of any appropriations made available to the General Services Administration for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided*, That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of $2,000,000."

Mr. MONTOYA. Mr. President, this is an amendment which has appeared for many years in the appropriations bills. This amendment merely gives GSA 2 percent transfer authority within the appropriations in the bill. There is no objection to it. I have cleared it with the minority.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment was agreed to.

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BIDEN). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

TWENTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 20 minutes.

The motion was agreed to; and at 1:06 p.m. the Senate took a recess until 1:26 p.m.; whereupon, the Senate reassembled on call to order by the Presiding Officer (Mr. HATHAWAY).

Mr. CLARK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

The hour of 1:30 p.m. having arrived, under the previous order the vote will now occur on the question of agreeing to the amendment of the Senator from South Dakota (Mr. ABOUREZK).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), and the Senator from Idaho (Mr. MCCLURE), are necessarily absent.

The result was announced—yeas 24, nays 74, as follows:

[No. 338 Leg.]

YEAS—24

Abourezk
Biden
Church
Clark
Cook
Cotton
Dole
Eagleton
Fulbright
Hartke
Haskell
Hollings
Huddleston
Hughes
Johnston
McGovern
Metcalf
Metzenbaum
Moss
Nelson
Proxmire
Schweiker
Scott, William L.
Tunney

NAYS—74

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Curtis
Domenici
Dominick
Eastland
Ervin
Fannin
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hatfield
Hathaway
Helms
Hruska
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Mondale
Montoya
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NOT VOTING—2

Fong
McClure

So Mr. ABOUREZK's amendment was rejected.

Mr. MONTOYA. Mr. President, I might state to the Members of the Senate that I have experienced great concern about the use of public moneys by the President for his defense up to now, dealing with Watergate problems. I have consulted many Members of Congress; and in a spirit of fairness to the President, we have more or less tolerated the expenditure of these funds up to the present time. The President has taken unto himself the authority and the privilege of assigning these funds for his own defense.

Mr. President, I should like to state at this point in the RECORD that during the course of the fiscal year up to March—and this is according to a report furnished to us by the Comptroller General—the President has expended for attorneys and clerks servicing the needs of these attorneys in the amount of $334,000. Undoubtedly, the amount has increased for the remainder of the fiscal year.

The point that we must decide now is this: What are we going to do by way of affirmative action with respect to the use of these funds for the defense of the President if impeachment follows in the House of Representatives?

I have examined the precedents and the statements made on this subject recently as well as before these events started. During the situation involving Andrew Johnson, the Attorney General at that time made the statement that no public funds would be used by Andrew Johnson in his defense. The Attorney General at that time resigned his position and organized a legal defense fund for Andrew Johnson. This is the precedent that has been set, if we are going to follow precedents.

But what has transpired since Watergate, and what declarations have been made? The present Attorney General has been asked on numerous occasions what, in his opinion, the President should do with respect to the employment of public funds for his defense?

On "Face the Nation," on January 13, 1974, Mr. Saxbe was asked this question by Mr. Graham:

> At what point do you think the matter of counsel for the President becomes his own personal obligation?
>
> Mr. SAXBE. Well, I think obviously when impeachment is voted by the House and it goes in the nature of a trial—which is what the Senate hearing is—goes in the nature of a trial, and I think if it ever reached that point, then it would be necessary for him to provide entirely his own representation.

In another press conference, the Attorney General was asked as follows:

> Question. Well, my question is, are they going to help the President in his defense in impeachment proceedings?
>
> Attorney General SAXBE. I think not. I think not; if it reaches that point.
>
> Question. May I then ask you about other lawyers from other agencies of the government, the Department of Justice—of Defense and such. Would it be proper for them to be loaned to the White House to defend the President?
>
> Attorney General SAXBE. I think when it comes down to defense, you are presuming that it proceeds to impeachment. I think at

that time, there will have to be set up an independent defense lawyers group; and it would not be proper to take them from any other department of government.

Question. Pardon me, sir.

And finally, is it proper for the taxpayers to pay for those lawyers through the White House budget?

Attorney General SAXBE. At the time of impeachment, of an impeachment trial?

Question. Yes, sir.

Attorney General SAXBE. No; and I don't think they would be.

That is a statement from the Attorney General, backed up by precedent.

I understand that there was a meeting this morning of Department of Justice officials on this subject. Subsequent to that meeting the Director of Information, John Hushrus, informed the office of Senator HUGHES as follows:

> If the House votes impeachment and the Justice Department is faced with the issue of who pays for the President's defense, there will be careful legal research and a legal opinion on the subject.

I have no quarrel with that. Of course, I will insist—and I think we should establish the legislative history today—that none of these funds appropriated to the White House should be used by the President in conducting his own defense pursuant to impeachment by the House. If this should occur, I would be the first to convoke a meeting of the subcommittee and ask for a full hearing as to why the President is doing it and to enact any necessary prohibition against the use of public moneys.

At this point, I am assuming that the President will abide by the precedents and by the statements heretofore issued by the Attorney General on this subject.

Does that explain to my colleague the subject of the subcommittee?

Mr. ABOUREZK. Mr. President, I wonder if I might ask the chairman a couple of questions to further clarify the position of the Senate and of the chairman?

I would like to ask unanimous consent, Mr. President, to have received in the RECORD at this point a Congressional Research Service report prepared by the Library of Congress, entitled "Impeachment Defense Counsel for the President," which establishes the precedents in American history for the provision of Government funding for defense counsel at impeachment trials.

There being no objection, the Service Report was ordered to be printed in the RECORD, as follows:

IMPEACHMENT DEFENSE COUNSEL FOR THE PRESIDENT

INTRODUCTION

The purpose of this report is to discuss various legal issues and provide some historical information regarding the defense of the President of the United States in an impeachment trial before the Senate. Some legal restrictions and other considerations which might be relevant to who may appear before the Senate as defense counsel for the President necessarily involve an examination of the possible role of the Attorney General, White House staff lawyers and other government lawyers in impeachment proceedings.

In the discharge of its constitutional power of impeachment the House of Representatives formally adopts charges, known as Articles of Impeachment, which are forwarded to the U.S. Senate where they serve as the basis for an impeachment trial. The House of Representatives appoints managers who present the charges to the Senate and serve as counsel for the House of Representatives for the presentation of the case against the impeached officer (the respondent) at the impeachment trial in the Senate. The Constitution provides in Article I, Section 3 that the Chief Justice of the United States presides over the Senate at the impeachment trial of the President.

The Senate has adopted rules in connection with the conduct of an impeachment trial. See, Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials, Senate Manual, Senate Document No. 93–1 93rd Congress, 1st Session (1973). Some provisions of those rules relate to the appearance of the accused and his defense counsel:

Rule VIII provides:

VIII. Upon the presentation of articles of impeachment and the organization of the Senate as hereinbefore provided, a writ of summons shall issue to the accused, reciting said articles, and notifying him to appear before the Senate upon a day and at a place to be fixed by the Senate and named in such writ, and file his answer to said articles if impeachment, and to stand to and abide the orders and judgments of the Senate thereon; which writ shall be served by such officer or person as shall be named in the precept thereof, such number of days prior to the day fixed for such appearance as shall be named in such precept, either by the delivery of an attested copy thereof to the person accused, or if that can not conveniently be done, by leaving such copy at the last known place of abode of such person, or at his usual place of business in some conspicuous place therein; or if such service shall be, in the judgment of the Senate, impracticable, notice to the accused to appear shall be given in such other manner, by publication or otherwise, as shall be deemed just; and if the writ aforesaid shall fail of service in the manner aforesaid, the proceedings shall not thereby abate, but further service may be made in such manner as the Senate shall direct. If the accused, after service, shall fail to appear, either in person or by attorney, on the day so fixed therefor as aforesaid, or appearing, shall fail to file his answer to such articles of impeachment, the trial shall proceed, nevertheless, as upon a plea of not guilty. If a plea of guilty shall be entered, judgment may be entered thereon without further proceedings.

Rule X provides:

X. The person impeached shall then be called to appear and answer the articles of impeachment against him. If he appear, or any person for him, the appearance shall be recorded, stating particularly if by himself, or by agent or attorney, naming the person appearing and the capacity in which he appears. If he does not appear, either personally or by agent or attorney, the same shall be recorded.

Rule XV provides:

XV. Counsel for the parties shall be admitted to appear and be heard upon an impeachment.

Rule XVI provides:

XVI. All motions made by the parties or their counsel shall be addressed to the Presiding Officer, and if he, or any Senator, shall require it, they shall be committed to writing, and read at the Secretary's table.

These rules and others provide that the respondent may be accompanied at the Senate impeachment trial by a person acting on behalf of the respondent for the purpose of defending against the charges contained in the Articles of Impeachment. Under Rule VIII, it appears that the respondent could appear either in person or by "attorney." If neither appears, the trial would proceed as upon a plea of not guilty. Rule X allows the appearance by the respondent, his "agent" or "attorney." And Rules XV and XVI allow the accompaniment by "counsel."

Although the differences in these rules may be semantic, it is not entirely clear that the respondent is entitled to appear with or through a person who is by some standard a qualified attorney; that is, by someone admitted to practice law before the highest court of some state. The rules perhaps imply that a non-attorney "agent" might be allowed to appear on behalf of or to accompany the respondent.

Because the trial procedure in the Senate is an adversary proceeding somewhat like a judicial proceeding, the activities of a person appearing on behalf of a respondent for the purpose of a full defense would likely require a relationship with the respondent and actions constituting the practice of law. In past impeachment trials the managers from the House of Representatives have presented themselves as formidable adversaries in the proof of the impeachable offenses charged in the Articles of Impeachment. See, Appendix B. The process has in the past involved the presentation of opening statements, examination and cross-examination of witnesses, presentation of other evidence, various procedural and substantive arguments as well as closing arguments.

The role of the defense could require counseling on a wide range of legal matters, including the anticipation of legal problems beyond the immediate scope of the impeachment trial, for the respondent could be criminally liable. In any event, one point deserves some comment: the defense of an accused by a non-attorney could create ethical consideration, perhaps to the extent of unauthorized practice of law.

THE RIGHT TO COUNSEL

Although the rules of the Senate provide that an impeached officer may appear with or by counsel at the Senate impeachment trial, these rules are not, of course, irrevocable. By the means used to adopt these rules the Senate could repeal, or amend them. There is no express provision in the Constitution which guarantees the right to counsel at a Senate impeachment trial.

The right to counsel guaranteed under the Sixth Amendment of the U.S. Constitution attaches only to "all criminal prosecutions." Even though an impeachment trial in the Senate has some of the same characteristics of a criminal trial in a court, it is generally understood that an impeachment trial is not a criminal prosecution in the ordinary sense. Article I, Section 3 of the Constitution clearly provides that a person convicted on impeachment ". . . shall nevertheless be liable and subject to Indictment, Trial, Judgment and Punishment, according to Law." It would therefore follow that the Sixth Amendment is inapplicable to impeachment trials in the Senate, and that the Sixth Amendment right to counsel does not attach to an impeachment trial. The interpretative significance of the Sixth Amendment as requiring appointment of counsel for indigent defendants would also be inapplicable to a Senate impeachment trial. *Johnson v. Zerbst*, 304 U.S. 458 (1938); *Gideon* v. *Wainwright*, 372 U.S. 335 (1963); and *Argersinger v. Hamlin*, 407 U.S. 25 (1972).

This argument merely concludes that there is no Sixth Amendment obligation to provide counsel for the respondent in a Senate impeachment trial. However, it must be said that there have been arguments advanced to the effect that the Sixth Amendment is applicable to a Senate impeachment trial. See, for example, footnotes 65, 66, 67 and 68 in "Federal Impeachments" by Alexander Simpson, 64 *University of Pennsylvania Law Review* 651, at 675 (1916). However, this theory of application of the Sixth Amendment is unexplained and this conclusion is somewhat suspect since Simpson defended Judge Archbald in his Senate impeachment trial.

The due process clause of the Fifth Amendment of the U.S. Constitution may, however, offer a constitutional basis for the invocation of a right to counsel in an impeachment trial:

No person shall . . . be deprived of life, liberty or property, without due process of law . . ."

This clause has been interpreted in such a way as to give rise to a right to counsel in proceedings not strictly criminal in character and without the scope of the Sixth Amendment, but resulting in the loss of liberty, for example, as in the revocation of parole. See, *Gagnon* v. *Scarpelli*, 411 U.S. 778 (1973). Since the judgment in cases of impeachment may include removal from office and disqualification to hold and enjoy offices of honor, trust or profit (Article I, Section 3 of the U.S. Constitution), an argument could be made that the penalty could include the loss of liberty to hold office or the loss of the proprietary interest in the Office presently being held as in *Board of Regents* v. *Roth*, 408 U.S. 564 (1972).

Again, it must be pointed out that the application of the Fifth Amendment to an impeachment does not appear to have been definitively laid down by judicial opinion. As a consequence, the extent to which rights of due process might be applicable to an impeachment trial are unclear. For example, the Constitution does not provide for a right of appearance, confrontation of witnesses, or other rights generally associated with legal proceedings. Perhaps those questions are even more fundamental than the right to counsel, for it is generally understood that the right to confrontation of witnesses carries with it the notion that a party of interest has the right to be present at proceedings; that the proceedings are not *ex parte*. It is only after the right of presence is established that the question of accompaniment of counsel can be taken up. For example, consider the process before a federal grand jury where a witness or possible defendant called before the grand jury is not allowed to be accompanied by an attorney during his testimony.

Although the rules of the Senate provide for a process of impeachment trial which allows for the appearance of the respondent and his counsel, whether or not the provisions of those rules could be enforceable as a matter of constitutional right is a question of difficult interpretation. For that reason, the past practice of the Senate deserves consideration and analysis.

HISTORICAL PRECEDENTS

It appears that the custom and practice of the Senate with respect to defense counsel at impeachment trials is to allow whatever counsel is designated by the respondent to be present at the Senate impeachment trial and to otherwise assist in the preparation of defense.

On the basis of the summary of persons appearing as defense counsel in Senate impeachment trials contained in Appendix A, it appears that all impeached officers who entered an appearance at the trial did so either by appearing themselves accompanied by counsel or by directing counsel to appear on their behalf.

Only two impeached officials failed to appear themselves or through counsel: John Pickering and West H. Humphreys. Pickering's son appeared with a petition concerning his father's insanity, but this was not apparently regarded as an appearance on behalf of Pickering. Humphreys, a federal judge in Tennessee during the Civil War who was charged with aiding the Confederacy, did not appear either, probably because of the nature of the charges against him and the circumstances of the War.

IMPEACHMENT TRIAL OF ANDREW JOHNSON

It might be said by way of observation that the responsibility and burden of duties in the preparation of a defense for an impeachment trial in the Senate appear to be such that counsel of sort is virtually indispensible.

One impeachment trial in particular offers substantiation of that observation and has particular relevance to the questions relating to defense counsel for an impeached President: the Senate impeachment trial of President Andrew Johnson, the only such trial ever conducted involving a President of the United States.

It may be recalled that the first investigation involving the conduct of President Johnson began on January 7, 1867. After at least two investigations by the House of Representatives, Articles of Impeachment were finally adopted on March 2, 1868. Because of the length of these investigations and the House deliberations, President Johnson was aware of the possibility of a Senate impeachment trial and of the necessity for making arrangement for defense counsel for the trial in the Senate. In fact, historical accounts reflect preparation for impeachment defense in anticipation of the adoption of Articles of Impeachment by the House of Representatives.

Accounts from the *Diary of Gideon Welles*, Volume 3, Houghton Mifflin Co. (New York and Boston, 1911) present information about the consideration of defense counsel for President Johnson. Gideon Welles, then Secretary of the Navy, was apparently privy or party to many of the conversations and some of the planning of the President for his defense at the Senate trial, with Attorney General Stanbery.

Welles noted in his *Diary* as early as February 29, 1868 that the matter of representation of the President was being considered:

"There is, Stanbery thinks, an intention on the part of the managing Radicals to exclude him from taking part in defense of the President before the court of impeachment because he is Attorney-General. He queries whether he had not better resign forthwith, and devote his whole time to the case. To this we were each and all opposed, or to any resignation unless he were compelled. *Diary*, Vol. III, *supra*, at 299."

Shortly, after the Articles of Impeachment were adopted, the Cabinet met, it appears, for the specific purpose of discussing counsel. Welles observed in his notes on March 4, 1868:

"The Cabinet met last evening at half-past seven instead of at noon. But little official business was done. We had a two hours' talk of the condition of public affairs, and especially of the great question now before the country. Judge Curtis was expected today. He is associated with Mr. Stanbery as one of the counsel of the President. Other names were talked of, but no conclusion come to. *Diary*, Vol. III, *supra*, at 301."

It appears that the final decision on the representation of the President in the Senate trial was made on March 10, 1868 and that the matter of Stanbery's resignation was also considered:

"At the Cabinet-meeting this noon, Mr. Stanbery named, as the counsel who would probably be retained, himself, Black, Curtis, Evarts, Groesbeck, and Nelson of Tennessee, whom the President has invited here, and who was introduced to us. . . .

"Mr. Stanbery says he must resign his place as Attorney-General in order to devote his whole time to this case. He is unwilling to be trammeled, or have his mind disturbed by any official duties, obligations, or embarrassments, and says it will undoubtedly be urged against him that, as the prosecuting officer of the Government, it is his duty to sustain rather than oppose the articles of impeachment. I am not impressed with his views. As the constitutional legal adviser of the President—one of his civil household and officially and personally a part of the Government—I think he would find no difficulty in sustaining himself on account of his being a member of the Cabinet, the legal adviser of the Administration, would have a good influence before the country. I so expressed myself. But Mr. Stanbery is sensitive and timid. . . . *Diary*, Vol. III, *supra*, at 308."

The matter of Stanbery's resignation was again taken up on March 12 when Stanbery presented his resignation and assumed the role of defense counsel:

"At a special Cabinet-meeting the matter of Stanbery's resignation was considered. The general wish was that he should retain the office and act as counsel; but he prefers to be untrammeled, and has his heart much set on the trial. . . . *Diary*, Vol. III, *supra*, at 311."

The extent to which these excerpts from the Welles *Diary* accurately reflect the full discussions of the Cabinet is not known. Neither is it known the extent to which legal considerations bore on the decision of Stanbery to resign. However, it does appear that Stanbery did express concern about the potential conflict involved in defending the President in an impeachment trial while holding the office of Attorney General.

It does appear that Stanbery took an active role in advising the President during the consideration of impeachment in the House of Representatives. Stanbery also appears to have advised President Johnson on many matters relating to the offenses enumerated in the Articles of Impeachment, particularly with respect to the Tenure of Office Act.

For whatever reason or reasons Stanbery seemed to have been concerned about the distinction between advising the President with respect to matters involving impeachment and actually appearing as counsel at the Senate impeachment trial. Stanbery therefore chose to resign after the House of Representatives adopted Articles of Impeachment, and as Appendix A indicates Stanbery headed the group of lawyers who served as defense counsel. It appears that although some consideration was earlier given to the question of who would represent the President in the Senate, the decision and preparations for defense did not actually begin with all the defense lawyers until after the House adopted the Articles of Impeachment.

Some indication of how President Andrew Johnson's impeachment defense in the Senate trial was financed is found in the William Maxwell Evarts Papers—The Correspondence of William Maxwell Evarts 1842–1908 in 54 Volumes. The Library of Congress 1945.

Evarts, who was one of the defense lawyers for Andrew Johnson, obtained a copy of an accounting ledger signed by Henry Stanbery and dated May 15, 1968. See, Volume 1. That accounting ledger indicates the following sums were received as contributions for the defense of the President in the impeachment case:

February 29, 1868:	
To drafts from Mr. Seward	$7,500
April 23, 1868:	
To drafts from Mr. Randall	500
May 8, 1868:	
To drafts from Mr. Browning	100
May 8, 1868:	
To drafts from Mr. E. Cooper	3,000
Total	11,000

The ledger further indicates the following payments made from that fund:

May 4, 1868:	
Paid W. T. Peddrick for services to Presidents Counsel	$200
May 4, 1868:	
Gibson Bros. for printing	100
May 5, 1868:	
Mr. Ashton for services to counsel	150
May 8, 1868:	
Mr. Grosbeck	2,025
Mr. Curtis	2,025
Mr. Evarts	2,025
Mr. Nelson	2,025
Mr. Stanbery	2,025
May 9, 1868:	
Mr. Grosbeck	100
Mr. Curtis	100
Mr. Evarts	100
Mr. Nelson	100
Mr. Stanbery	100
By Telegrams	25
Total	11,000

It might be recalled for the purpose of giving the dates in this ledger significance that the House of Representatives adopted a resolution of impeachment on February 24, 1868; Articles of Impeachment were passed by the House on March 2, 1868; the Senate trial was scheduled to begin March 30, 1868; President Johnson was acquitted on the eleventh Article on May 16, 1868; and Johnson was finally acquitted on the other Articles on May 26, 1868.

It therefore appears that the financing of impeachment defense counsel anticipated the actual adoption of Articles of Impeachment but that no payments were made until well into the trial. What other payments might have been made is not known, but it does appear that the defense was not paid by the government, but rather by private contribution.

An interesting footnote to Stanbery's resignation is that after the Senate trial resulted in acquittal of President Johnson, Stanbery was nominated for the Office of Attorney General. The Senate rejected that nomination on June 3, 1868. Apparently there had been no other nomination sent to the Senate after Stanbery's resignation.

It might be noted that the responsibilities and role of the Attorney General changed substantially with the statutory creation of the Department of Justice in 1870. See, 16 Stat. 162 (1870). This Act had the effect of centralizing the authority for the conduct of litigation on behalf of various departments, agencies, and officers in the Attorney General as the head of the Department of Justice. In addition the authority previously vested with the United States Attorneys was brought under the supervision of the Attorney General. Although the present statutory duties of the Attorney General relating to the impeachment process will be discussed later in this report, it might be said that the duties of the Attorney General in Stanbery's day were not as extensive as they are today; and therefore his consideration of the conflict of simultaneously acting as defense counsel and Attorney General might be even more compelling today.

ROLE OF THE ATTORNEY GENERAL IN PRESIDENTIAL IMPEACHMENT

Whatever the basis for Stanbery's resignation to defend President Johnson, there are certainly a number of significant considerations relevant to the role of the Attorney General in Presidential impeachment.

The functions of the Attorney General are statutory. The Attorney General has the specific function of advising the President, and it is often said that the Attorney General is the "President's Lawyer." That is not literally or practically accurate.

"The Attorney General shall give his advice and opinion on questions of law when required by the President. 28 U.S.C. Section 511."

Certainly there are a broad range of matters relating to impeachment which would fall within this responsibility to advise the President on legal matters. Since there is no limitation or qualification on the subject matter upon which the Attorney General might render his advice or opinion, there would seem to be no necessity that these matters be related to a public function rather than a private or personal matter.

As the head of the Department of Justice the Attorney General has responsibility for the conduct of litigation in which the United States, an agency or an officer thereof is a party or is interested under the provision of 28 U.S.C. Section 516:

"Except as otherwise authorized by law, the conduct of litigation in which the United States, an agency, or an officer thereof is a party, or is interested, and securing evidence therefor, is reserved to officers of the Department of Justice, under the direction of the Attorney General."

By way of clarification of what might be contemplated within the scope of "litigation", 28 U.S.C. Section 515(a) spells out more precisely the nature of the proceedings in which the Attorney General may act:

"The Attorney General or any other officer of the Department of Justice, or any attorney specially appointed by the Attorney General under law, may, when specifically directed by the Attorney General, conduct any kind of legal proceeding, civil or criminal, including grand jury proceedings and proceedings before committing magistrates, which United States attorneys are authorized by law to conduct, whether or not he is a resident of the district in which the proceeding is brought."

What remains for clarification from this section is whether or not an impeachment proceeding is either a civil or criminal legal proceeding such as that contemplated this grant of authority. It would seem that the best view is that an impeachment trial is not such a legal proceeding. The non-criminal nature of a Senate impeachment trial has already been discussed in this paper, *supra*, at p. 5. Certainly an impeachment trial is not a civil proceeding in the ordinary sense of the use of that term. At common law a "civil action" was one which sought the establishment, recovery, or redress of private and civil rights; one brought to recover some civil right, or to obtain redress for some wrong not being a crime or misdemeanor. *Blacks Law Dictionary* 312 (4th Ed. 1951).

It would therefore seem to follow that the lack of any specific statutory authority and the lack of any general statutory authority which might authorize the Attorney General to act in the defense of an impeached President in an impeachment trial in the Senate would be outside the authority of the office of the Attorney General.

There are certainly other considerations which bear on the role of the Attorney General in an impeachment trial. As mentioned earlier, an officer convicted on impeachment is also subject to criminal prosecution. Article I, Section 3, U.S. Constitution. The Attorney General has direct statutory responsibility for the prosecution of such an official for criminal violations. The Attorney General, as head of the Department of Justice and by virtue of his responsibility over the Federal Bureau of Investigation, has specific authority and exclusive final responsibility for the investigation of federal crimes involving government officers under the provisions of 28 U.S.C. Section 535.

In addition to the investigatory function of the Attorney General, the prosecutorial function vested in the United States Attorneys under 28 U.S.C. Section 547 also falls within the direct authority of the Attorney General by virtue of his supervisory responsibility over the U.S. Attorneys as provided in 28 U.S.C. Section 519.

The responsibility of investigating and prosecuting violations of federal criminal statutes is clearly within the responsibility and duty of the Attorney General. Defending a President, or any other impeachable government official, at a Senate impeachment trial could easily and likely create problems of incompatibility and conflict with the statutory duties and responsibilities of investigation and prosecutions of federal criminal offenses. In short, the Attorney General might find himself directing an investigation of a President after an impeachment conviction.

In addition the Attorney General may have a direct conflict in matters occurring at an impeachment trial. For example, the Attorney General might wish to defer the issuance of an order under the provisions of 18 U.S.C. Section 6005 with respect to the granting of immunity from prosecution for witnesses who invoke their 5th Amendment right against self incrimination. Moreover the Attorney General could have specific responsibility for the prosecution of criminal offenses which are related to the proceedings in the Senate trial but which have nothing necessarily to do with the substance of the Articles of Impeachment. For example, witnesses called before the Senate could potentially become defendants against charges of obstruction of justice under 18 U.S.C. Section 1505 or perjury under 18 U.S.C. Section 1621, to name but two such offenses, from circumstances relating to their testimony before the Senate in an impeachment trial. Although these problems are only speculative, the fact that the Attorney General might later have responsibility for the enforcement or prosecution growing out of the Senate proceedings would seem to compel his independence from the Senate proceedings.

Attorneys employed by the Department of Justice may also have some legal limitations imposed upon them with respect to their continuing in the employ of the Department of Justice and either advising the President with respect to legal problems relating to impeachment or actually making an appearance as defense counsel at an impeachment trial in the Senate.

The Department of Justice, through the Attorney General, has promulgated rules of conduct. One specific rule which may have some relevance to the question of acting as impeachment defense counsel in any capacity is 28 C.F.R. Section 45.735–7:

"§ 45.735–7 Disqualification of former employees in matters connected with former duties or official responsibilities; disqualification of partners.

"(a) No individual who has been an employee shall, after his employment has ceased, knowingly act as agent or attorney for anyone other than the United States in connection with any judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, or other particular matter involving a specific party or parties in which the United States is a party or has a direct or substantial interest and in which he participated personally and substantially as an employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed.

"(b) No individual who has been an employee shall, within 1 year after his employment has ceased, appear personally before any court or department or agency of the Government as agent, or attorney for, anyone other than the United States in connection with any matter enumerated and described in paragraph (a) of this section, which was under his official responsibility as an employee of the Government at any time within a period of 1 year prior to the termination of such responsibility.

"(e) No partner of an employee shall act as agent or attorney for anyone other than the United States in connection with any matter enumerated and described in paragraph (a) of this section in which such Government employee is participating or has participated personally and substantially as a Government employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation or otherwise, or which is the subject of his official responsibility. (18 U.S.C. 207)"

In addition to limitations imposed upon former employees, there are also limitations imposed upon employees which would prohibit the outside practice of law. 28 C.F.R. Section 45.735–0 provides:

"§ 45.735–9 Private professional practice and outside employment.

"(a) No professional employee shall engage in the private practice of his profession, including the practice of law, except as may be authorized by or under paragraph (c) or (e) of this section. Acceptance of a forwarding fee shall be deemed to be within the foregoing prohibition.

"(b) Paragraph (a) of this section shall not be applicable to special Government employees.

"(c) The Deputy Attorney General may make specific exemptions to paragraph (a) of this section in unusual circumstances. Application for exceptions must be made in writing stating the reasons therefor, and directed to the Deputy Attorney General through the applicant's superior. Action taken by the Deputy Attorney General with respect to any such application shall be made in writing and shall be directed to the applicant.

"(d) No employee shall engage in any employment outside his official hours of duty or while on leave status if such employment will:

"(1) In any manner interfere with the proper and effective performance of the duties of his position

"(2) Create or appear to create a conflict of interest, or

"(3) Reflect adversely upon the Department of Justice.

"(e) A professional employee may, in off-duty hours and consistent with his official responsibilities, participate without compensation for his services, in a program to provide legal assistance and representation to poor persons. Such participation by professional employees of this Department shall not include representation or assistance in any criminal matter or proceeding, whether Federal, State, or local, or in any other matter or proceeding in which the United States (including the District of Columbia Government) is a party or has a direct and substantial interest. Notice of intention to participate in such a program shall be given by the employee in writing to the head of his division or (in the case of an Assistant U.S. Attorney) to the U.S. Attorney in such detail as that official shall require.

"[Order No. 350–65, 30 F.R. 17202, Dec. 31, 1965, as amended by Order No. 379–67, 32 F.R. 9066, June 27, 1967]"

The Department of Justice also has a general conflict of interest regulation covering employee activities. 28 C.F.R. Section 45.735–4 provides:

"§ 45.735—4 Conflicts of interest.

"(a) A conflict of interest exists whenever the performance of the duties of an employee has or appears to have a direct and predictable effect upon a financial interest of such employee or of his spouse, minor child, partner, or person or organization with which he is associated or is negotiating for future employment.

"(b) A conflict of interest exists even though there is no reason to suppose that the employee will, in fact, resolve the conflict to his own personal advantage rather than to that of the Government.

"(c) An employee shall not have a direct or indirect financial interest that conflicts, or appears to conflict, with his Government duties and responsibilities.

"(d) This section does not preclude an employee from having a financial interest or engaging in a financial transaction to the same extent as a private citizen not employed by the Government so long as it is not prohibited by statute, Executive Order 11222, this section or § 45.735–11."

All of these matters relate to the functions of the Department of Justice, and particularly to the Attorney General, with respect to the impeachment investigation currently in progress against President Richard Nixon. The Department of Justice through Solicitor General Robert H. Bork took the position in a memorandum submitted in the Agnew case that the President was immune from indictment until the President had been impeached, convicted and removed by the Senate. See, Memorandum For the United States Concerning the Vice President's Claim of Constitutional Immunity, In Re Proceedings of the Grand Jury Impaneled December 5, 1972: Application of Spiro T. Agnew, Vice President of the United States, U.S. District Court, District of Maryland, Case Number Civil 73–965.

Clearly, the deferral of possible indictment until the culmination of impeachment proceedings could create a serious conflict, particularly if the Attorney General (or even a former Attorney General) as the chief legal officer of the United States were to appear at a Senate impeachment trial in defense of the President of the United States. It is not well settled that a President is not indictable despite arguments advanced around *Mississippi* v. *Johnson,* 4 Wall. (71 U.S.) 475 (1867). See, "The President, Congress, and the Courts," by Raoul Berger, 83 Yale L. J. 1111, at 1123.

ATTORNEY GENERAL SAXBE'S POSITION

It appears that a number of these considerations have been contemplated by the present Attorney General, William B. Saxbe, regarding his possible role in the impeachment proceedings under way against President Richard Nixon. Shortly after his appointment, Mr. Saxbe was asked a number of questions at his first press conference on January 11, 1974 relating to impeachment. The following is an excerpt from the question and answers given at the press conference:

"Question. Mr. Attorney General, how do you envisage your role in the continuing House impeachment investigation; and if it gets to the Floor of the House, what will your role be?

"Attorney General Saxbe. I have looked into this both before I came over here and since I have been here; and I find no role for the Attorney General in this area.

"Now, certainly, any evidence that Mr. Jaworski comes up with, working under the Department of Justice, which is a part of this office, will be involved. But other than that, I see no role, either on the prosecution, if it happens or on the defense.

"Traditionally, as you know, the Attorney General is the official lawyer for all agencies of government, including the President. But in this particular area, a situation arises which divorces itself from the traditional role of government.

"Question. You would be entirely neutral?

"Attorney General Saxbe. I don't think I have any choice; and I think that I have to draw the line very carefully, and I intend to.

"The Department of Justice is—could be in a prosecutorial situation if the Jaworski Committee or if the impeachment committee comes up with crimes that would have to be prosecuted.

"Now, the services that can be afforded the White House under the role of the lawyer available to all government agencies is not going to be shirked.

"At the same time, if it reaches that point, of impeachment, I think that it would traditionally and should go to independent defenders, defenders of the President.

"Question. Sir, can I ask you to elaborate on that? I believe there are three Justice Department lawyers now working in the so-called legal group in the White House, which would defend the President if impeachment proceedings go forward.

"Are you saying those three will be pulled out of that group?

Attorney General Saxbe. As I recall these—and this is something that I have learned of this week—these are three lawyers that are not—they are research lawyers that are doing research and are being supplied—and I am not even sure they are in the White House—but they are doing work over there and have been there for some time.

Question. Well, my question is, are they going to help the President in his defense in impeachment proceedings?

Attorney General Saxbe. I think not. I think not; if it reaches that point.

Question. May I then ask you about other lawyers from other agencies of the government, the Department of Justice—of Defense and such. Would it be proper for them to be loaned to the White House to defend the President?

Attorney General Saxbe. I think when it comes down to defense, you are presuming that it proceeds to impeachment. I think at that time, there will have to be set up an independent defense lawyers group; and it would not be proper to take them from any other department of government.

Question. Pardon me, sir.

And finally, is it proper for the taxpayers to pay for those lawyers through the White House budget?

Attorney General Saxbe. At the time of impeachment, of an impeachment trial?

Question. Yes, sir.

Attorney General Saxbe. No; and I don't think they would be.

Question. You mean the President would have to pay it out of his own pocket?

Attorney General Saxbe. I think there would have to be established a defense fund.

Question. Could you give us some idea of how this public defender, if that's the term—the concern of how you might function or how you envision this sort of office or official—

Attorney General Saxbe. A public defender?

Question. That seemed to be what you were pointing to in the case of possible impeachment.

Now, how——

Attorney General Saxbe. Oh.

Question. Now, how—what type of man himself is that?

Attorney General Saxbe. Well, at the time of our only Presidential impeachment, which was Andrew Johnson, the then Attorney General resigned from his office as Attorney General and as a private citizen, put together a defense group that were not paid by government, and operated separately.

Question. Now, how could you see that function as of today? Do you think that it would still be private?

Attorney General Saxbe. I would think so, at that point of an impeachment trial; yes.

Question. Mr. Attorney General, would you consider resigning yourself and set up the President's defense and, if so—if not, why not?

Attorney General Saxbe. Well, for one thing, I am not qualified to be that kind of a lawyer, I don't believe. I think that this is a particular area of law which demands substantial experience. I have usually been involved in the side that I am in right now. My—I have had criminal trials, but I am certainly not qualified to go into an impeachment trial, nor would I feel called upon to do so.

QUESTION. So you would not consider resigning?

Attorney General SAXBE. No.

President Nixon responded to this and other statements of the Attorney General Saxbe. In his News Conference of March 6, 1974 President Nixon was asked:

"Mr. President, Attorney General Saxbe has expressed the opinion that at some point in the impeachment procedure you might have to start paying for your own legal defense. Sir, do you have any plans to hire your own lawyers at your own, rather than public, expense?"

President Nixon responded to that question as follows:

"If the Attorney General should rule that I should pay for my own defense, I shall, of course, do so.

"I should point out, however, that I am not a defendant until the House passes a bill of impeachment. I would then be a defendant, and if the Attorney General of the United States should rule that the President should pay for his defense, I will find somebody to loan me the money." (Laughter) See, Weekly Compilation of Presidential Documents, Monday, March 11, 1974, Volume 10, Number 10, at 295.

It would appear that Attorney General Saxbe has given thought to many of the considerations about the role of the Attorney General which may have been made in the impeachment trial defense of Andrew Johnson.

WHITE HOUSE STAFF LAWYERS

Beyond the Attorney General, there are certainly a number of other attorneys in the employ of the United States Government who might be capable or available to provide a defense for President Nixon in an impeachment trial.

There is statutory authority for the detail of various Governmental employees to the White House under the provision of 3 U.S.C. Section 107:

"Employees of the executive departments and independent establishments of the executive branch of the Government may be detailed from time to time to the White House Office for temporary assistance."

Although this authority is somewhat ambigous in that it fails to specify who may direct such a detail, it would seem that as a practical matter, if not as a matter of law, that this authority may be exercised by the President.

Just how this detail process actually works is not specified under the statutory authority, but it is clear that detail of executive departmental personnel has been and is made to the White House. In Senate Hearings Before the Committee on Appropriations, on Supplemental Appropriations for Fiscal Year 1974, H.R. 11576, 93d Congress, First Session, Part 1, at pages 349–351 a list of personnel on detail to the White House in 1973 listed 92 employees who had been detailed to the White House in 1973. Although no explanation is given as to whether these persons were on full-time detail or only partial detail to the White House, 28 of the personnel are indicated to have been detailed in such a manner so as to provide reimbursements to the parent agency, and the remainder were listed as nonreimbursable personnel on detail. Among the nonreimbursable personnel on detail was listed the name of J. Fred Buzhardt on detail from Office of Secretary of Defense. This may be of interest to the immediate discussion because Mr. Buzhardt also served at that time, and apparently continues to serve, as legal counsel to the President.

What all of this means in terms of impeachment defense counsel is that the President appears to possess the authority to detail executive personnel to the White House without reason and to assign them background research or other duties in connection with the preparation of a defense at an impeachment trial.

Whether or not limitations on appropriations or other limitations would prevent these detailed persons from actually appearing before the Senate as counsel for an impeached President is not clear.

In addition to those executive department personnel who might be detailed to the White House, there is of course the regular staff of the White House. Here again whether or not limitation on appropriations or other limitations would prevent White House staff members from actually appearing before the Senate as counsel for an impeachment trial is not clear. What is clear, however, is that White House staff could be, and probably is being, used for the purpose of advising on various legal matters related to possible impeachment.

One source of interesting information regarding the expenditure for White House staff is the information included in the Appendixes to the Budget of the United States Government for the Fiscal Years 1974 and 1975.

EXECUTIVE OFFICE OF THE PRESIDENT

FISCAL 1974 BUDGET, AT 57, APPENDIX

OBJECT CLASSIFICATION (IN THOUSANDS OF DOLLARS)

	1972 actual	1973 estimate	1974 estimate
Personnel compensation:			
Permanent positions	7,169	7,408	6,797
Positions other than-permanent	76	100	100
Other personnel compensation	476	541	541
Total personnel compensation	7,721	8,049	7,438
Personnel benefits: Civilian	582	600	552
Travel and transportation of persons	166	138	138
President's travel	58	75	75
Transportation of things	2	1	2
Rent, communications, and utilities	311	294	294
Printing and reproduction	351	320	350
Other services		16	16
Supplies and materials	145	179	150
Equipment	6	95	95
Total obligations	9,342	9,767	9,110

PERSONNEL SUMMARY

	1972 actual	1973 estimate	1974 estimate
Total number of permanent positions	540	510	480
Full-time equivalent or other positions	4	5	5
Average paid employment	519	510	480
Average GS grade	7.5	7.6	7.6
Average GS salary	$10,425	$10,825	$11,112

FISCAL 1975 BUDGET, AT 57, APPENDIX

OBJECT CLASSIFICATION (IN THOUSANDS OF DOLLARS)

	1973 actual	1974 estimate	1975 estimate
Personnel compensation:			
Permanent positions	7,380	8,491	9,664
Positions other than permanent	105	200	300
Other personnel compensation	585	600	725
Special personal services payments		86	203
Total personnel compensation	8,070	9,377	10,892
Personnel benefits: Civilian	589	695	842
President's travel	75	100	100
Travel and transportation of persons	154	200	200
Transportation of things	3	4	4
Rent, communications, and utilities	311	335	2,680
Printing and reproduction	371	385	550
Other services	2	16	35
Supplies and materials	138	150	175
Equipment	12	16	32
Total obligations	9,745	11,278	16,510

PERSONNEL SUMMARY

	1973 actual	1974 estimate	1975 estimate
Total number of permanent positions	510	510	540
Full-time equivalent of other positions	15	15	15
Average paid employment	510	510	540
Average GS grade	7.6	7.8	7.8
Average GS salary	$10,825	$11,885	$12,470

Although these charts represent funds for the purpose of providing the President with staff assistance and for providing administrative services to the White House, they do not identify what functions or tasks may be assigned to persons whose salaries are paid out of these funds. It does appear that the President possesses a large degree of discretion with respect to work assignment of staff members.

There are however some interesting matters which might be noted with respect to these two similar charts from the Fiscal 1974 Budget and the Fiscal 1975 Budget. In the 1975 Budget an item identified as "11.8 Special personal service payments" appears for the first time and it is indicated that $86,000 is estimated to be spent this fiscal year and $203,000 is estimated for Fiscal 1975. It might also be noted that without exception all items listed under "Personnel compensation" in the 1975 Budget show a substantial increase in the 1975 estimates over previous years and also show an increase for the 1974 estimate in the 1975 Budget over the 1974 estimate in the 1974 Budget. What all of this means is that the White House appears to be spending more money for personnel now than it has since 1972.

Another source of information about the operation of White House staff with respect to impeachment activities is the published Hearing before the Committee on Post Office and Civil Service on H.R. 14715: "Authorization For Staff Support in the White House Office and for the Executive Duties of the Vice President," May 23, 1974, House of Representatives, 93rd Cong., 2d Sess.

That Hearing was held for the consideration of the administration proposal, H.R. 14715. Information about White House staffing, employees detailed from federal agencies and matters relating to the legal staff are included in the hearing. Mr. Roy Ash, Director of the Office of Management and Budget was the sole witness to testify at the hearing.

When asked about whether H.R. 14715 would authorize money for Presidential defense in impeachment proceedings, Mr. Ash responded, in part:

"These are not amounts to defend the President. These are amounts to provide information, a response generally to congressional and judicial requests for information from him (President Nixon). *Hearings, supra*, at 33."

One is left to conclude that money is possibly being used to pay persons hired on the staff or detailed as reimbursable personnel from executive agencies for work in connection with the impeachment investigation of President Nixon, and perhaps in preparation for possible impeachment trial in the Senate.

CONCLUSION

The amount of work necessary for the preparation of an impeachment trial in the Senate is likely to necessitate counsel with a rather sizable staff. In realistic terms that means the defense will cost a good deal of money.

There appears to be little question that certain members of the White House staff, detailed employees from executive departments, and perhaps the Attorney General by virtue of his statutory duties may advise the President on a wide range of matters relating to impeachment. Certainly all of the above, except the Attorney General, could be used to marshall evidence, prepare memoranda of historical precedents, prepare briefs and all of those things preparatory to the actual appearance of defense counsel in the Senate.

However, with respect to the actual appearance of counsel at the Senate, the practice has been that only privately retained defense counsel, and not persons in the salary of the federal government, have appeared on behalf of the respondent. Certainly, the Andrew Johnson precedent is most relevant to Presidential impeachment. Adhering to that precedent would require the retention of private counsel after Articles of Impeachment are adopted by the House of Representatives and the payment of private counsel by the respondent.

APPENDIX A—COUNSEL FOR RESPONDENT IN SENATE IMPEACHMENT TRIALS

Officer, counsel, and Hinds' and Cannon's section:

William Blount, appeared through Jared Ingersoll, Esq., A. J. Dallas, Esq., section 2305.

John Pickering, no appearance entered,[1] section 2333.

Samuel Chase, appeared with Robert G. Harper, Luther Martin, Philip B. Key, Joseph Hopkinson, Esquires, as counsel, section 2351.

James H. Peck, appeared with William Wirt and Jonathan Meredith, section 2374.

West H. Humphreys, no appearance was made, section 2395.

Andrew Johnson, entered appearance by letter naming counsel Henry Stanbery, Benjamin R. Curtis, Jeremiah S. Black, William M. Evarts, Thomas A. R. Nelson, W. S. Groesbeck, of counsel,[2] section 2424.

William W. Belknap, appeared with counsel Matt H. Carpenter, Jeremiah S. Black, Montgomery Blair as counsel, section 2452.

Charles Swayne, appeared through counsel Anthony Higgins, John M. Thurston of counsel, section 2481.

Robert W. Archbald, appeared with Robert W. Archbald, Jr., M. J. Martin, Alexander Simpson, Jr., A. S. Worthington of counsel, section 458 Cannon's.

Harold Louderback, appeared with Counsel James M. Hanley, Esq., Walter H. Linforth, Esq., section 518 Cannon's.

Halsted L. Ritter, appeared with counsel Frank P. Walsh, Esq., Carl T. Hoffman, Esq., Senate Document No. 200, 74th Cong., 2d Sess. (1936), p. 27.

FOOTNOTES

[1] No appearance was made at the Senate trial by John Pickering or by counsel acting on his behalf. However, Jacob S. Pickering, son of John Pickering, appeared and submitted a petition with respect to the insanity of the accused.

[2] Mr. Black was designated originally as a counsel. See, Hinds' Precedents, Section 2424. Later, Mr. Groesbeck's name was added to pleadings and Mr. Black's omitted. See, Hinds' Precedents, Section 2430.

APPENDIX B—MANAGERS FROM THE HOUSE OF REPRESENTATIVES FOR SENATE IMPEACHMENT TRIALS

Respondent, Managers, and Citation:

William Blount, Messrs. Sitgreaves; James A. Bayard, of Delaware; Harper; William Gordon, of New Hampshire; Thomas Pinckney of South Carolina; Dana; Samuel Sewall, of Massachusetts; Hezekiah L. Hosmer, of New York; John Dennis, of Maryland; Thomas Evans, of Virginia; and James H. Imlay, of New Jersey, section 2299, Hinds' Precedents.

John Pickering, Messrs. Nicholson, Early, Caesar A. Rodney, of Delaware; William Eustis, of Massachusetts; John Randolph, Jr., of Virginia; Roger Griswold, of Connecticut; Samuel L. Mitchell, of New York; George W. Campbell, of Tennessee; William Blackledge, of North Carolina; John Boyle, of Kentucky; and Joseph Clay, of Pennsylvania. section 2323, Hinds' Precedents.

Samuel Chase, Messrs. John Randolph, Jr., of Virginia; Caesar A. Rodney, of Delaware; Joseph H. Nicholson, of Maryland; Peter Early, of Georgia; John Boyle, of Kentucky; Roger Nelson, of Maryland; and George W. Campbell, of Tennessee, section 2345, Hinds' Precedents.

James H. Peck, James Buchanan, of Pennsylvania; Henry Storrs, of New York; George McDuffie of South Carolina; Ambrose Spencer, of New York; and Charles Wickliffe, of Kentucky, section 2368, Hinds' Precedents.

West H. Humphreys, Messrs. Bingham, John Hickman, of Pennsylvania, George H. Pendleton, of Ohio; Charles R. Train, of Massachusetts; and Charles W. Walton, of Maine,[1] section 2386, Hinds' Precedents.

Andrew Johnson, Thaddeus Stevens, of Pennsylvania; Benjamin F. Butler, of Mass.; John A. Bingham, of Ohio; George S. Boutwell, of Masachusetts; James F. Wilson, of Iowa; Thomas Williams, of Pennsylvania; John A. Logan, of Illinois; section 2417, Hinds' Precedents.

William W. Belknap, Messers. J. Proctor Knott, of Kentucky; Scott Lord, of New York; William P. Lunde, of Wisconsin; John A. McMahon, of Ohio; George Jenks, of Pennsylvania William A. Wheeler,[2] of New York; and George F. Hoar, of Massachusetts,[3] section 2448, Hinds' Precedents.

Charles Swayne, Messers. Henry W. Palmer, of Pennsylvania; Samuel L. Powers, of Massachusetts; Marlin E. Olmsted, of Pennsylvania; James B. Perkins, of New York; Henry D. Clayton, of Alabama; David A. DeArmond, of Missouri; and David H. Smith, of Kentucky,[4] section 2475, Hinds' Precedents.

Robert W. Archbald, Henry D. Clayton, of Alabama; Edwin Y. Webb, of North Carolina; John C. Floyd, of Arkansas; John W. Davis, of West Virginia; John A. Sterling, of Illinois; Paul Howland, of Ohio; and George Norris, of Nebraska, section 500. Cannon's Precedents.

Harold Louderback, Hatton W. Sumners, Gordon Browning, Malcolm C. Tarver, Fiorello H. LaGuardia, and Charles I. Sparks,[5] section 517, Cannon's Precedents.

Halsted L. Ritter, Hatton W. Sumners of Texas; Randolph Perkins, of New Jersey; Sam Hobbs, of Alabama, Senate Document No. 200, 74th Cong., 2d Sess. (1936), p. 17.

FOOTNOTES

[1] All but Messrs. Train and Walton were members of the Judiciary Committee and all of the committee except Mr. Pendleton appear to have been of the majority party in the House.

[2] Mr. Wheeler, of New York asked to be excused from service and the request was granted by the House. Mr. Elbridge G. Lapham, of New York was nominated and chosen as a manager.

[3] Five managers were members of the majority party and two were members of the minority party.

[4] Four managers belonged to the majority party in the House and three to the minoirty. All but two were members of the Judiciary Committee.

[5] This list was appointed on February 27, 1933 in the 72nd Congress. On March 22, 1933 Randolph Perkins and U.S. Guyer were appointed to replace LaGuardia and Sparks who were no longer members of the House at the convening of the 73rd Congress. Malcolm C. Tarver resigned on March 27th, 1933 and J. Earl Major and Lawrence Lewis were added to the managers.

Mr. ABOUREZK. I think one of the salient positions here is, on page 28:

Whether or not limitation on appropriations or other limitations would prevent these detailed persons—meaning people detailed for the President's defense—from actually appearing before the Senate as counsel for an impeached President is not clear.

I think it is of critical importance that we realize what we are about to approve.

This bill will add 30 additional positions to the White House Office at the request of the White House to meet the demands being made of that office by various investigations and legal proceedings.

Now, Mr. President, my question is, is it to be the policy of the Senate that, in the event the Senate is later confronted with an impeachment trial, the President may retain defense counsel at the public expense?

Conceding that some of the persons employed in the legal group in the White House are engaged in responding to the legitimate requests for information made by the Special Prosecutor and various defense counsels for indicted former White House employees, the question still stands as to how much of the White House budget is going to pay for the preparation of the President's defense?

If the Senate votes the increase in personnel as proposed in the bill before us, does it not then follow that the Senate has acquiesced in the President's budgetary requests for defense funds, and in effect, permitted the establishment of a new precedent for future impeachment trials contrary to every prior impeachment trial—where counsel has been privately retained?

I should like the Senator to respond if he would.

I have one other question that I would like to ask.

Mr. MONTOYA. I might say, during the course of the hearings I went into this with the Director of the Office of Management and Budget:

GOVERNMENT VERSUS PRESIDENT'S FUND FOR LEGAL EXPENSES

Senator MONTOYA. At what point would you consider these legal expenses the President's personal expenses?

Mr. ASH. That is a judgment that probably ought to be left up to somebody more legally qualified than I, and I would think that even General Counsel Ebner would probably want to leave it to others as well; would you like to comment otherwise?

Mr. EBNER. I would prefer to leave it to others. Certainly up to this point, Mr. Chairman, we have no problem justifying the expenditure of these dollars for legal and support activities. There may come a point of course where it will have to be reconsidered.

Senator MONTOYA. There is quite a concern as to whether the President should have that many lawyers representing him at the present time. That has not been resolved anywhere.

Mr. ASH. As it does go on, we note the number asking the questions seems to be increasing. Sometimes it takes more time to answer the question than it does to ask one. So, there is a need to maintain a proper relationship between the lawyers asking questions and the lawyers answering questions, which is one of the things that is behind the request for 30 additional spaces because we think that relationship is not balanced at this time.

Then I proceeded to say:

DETAILS TO THE WHITE HOUSE OFFICE

Senator MONTOYA. I will insert in the record at this point a summary of employees detailed to the White House Office during fiscal 1974 through May 11, 1974. The summary shows that 25 employees are presently detailed to the White House staff offices from other agencies, seven persons are detailed to the President's Foreign Intelligence Board and two persons are detailed as White House Fellows.

So that was the substance of the colloquy which I had in the committee hearings with Mr. Ash. One of the main reasons why I am bringing this colloquy to a head here with respect to this is because I still have great concern that taxpayers' money's are being used by the President in his own defense. I am concerned about the legality of this.

Certainly, if the articles of impeachment are approved by the full House and the President is impeached and the trial then is necessary here in the Senate, I would not want the President to use one nickel of the funds allocated to the White House in this bill for use in his defense. I would certainly object to it.

As I stated before to my colleague from South Dakota, I will maintain surveillance over the employment of these funds and I will insist at all times that they be used for purposes outlined in the justifications and not for any other extraneous purpose.

Mr. ABOUREZK. I thank the Senator from New Mexico. I have one other general question on this line.

At what rate is James St. Claire being compensated by the White House Office for his services as Counsel to the President?

Mr. MONTOYA. $42,500.

Mr. ABOUREZK. Should not the Senate go on record as disapproving any compensation in excess of level V—$36,000—comparable to the rate of pay for counsel to the House Judiciary Committee, Doar?

Mr. MONTOYA. I might say to the Senator from South Dakota that I do not think it would be practical to limit the President to this salary limitation. The White House legislation that is in conference this afternoon would give him general authority to employ his assistants and to set their salaries, at not to exceed $42,500, of course. Perhaps the Senator might want to amend that one, but this is not the bill to place any limitation on any particular salaries.

Mr. ABOUREZK. I have one other question for the distinguished Senator from New Mexico.

J. Fred Buzhardt is apparently on loan from the Defense Department as nonreimbursable expense.

Should the White House legal group not be required by the committee to respond to the question of exactly who is being compensated from what funds, at what rate, and for what purpose, that is, detailed, on loan or direct employee?

Mr. MONTOYA. I asked for that information at the hearing and found that Mr. Buzhardt was put on the White House rolls effective January 4, 1974. That information appears in the hearings record. Unfortunately, I might say that we were unable to print the hearings this year. They will be printed eventually, but the Government Printing Office is so loaded with requests from the Watergate Committee for printing and from the House Judiciary Committee that our hearings have a low priority.

Before too long, we expect to have the full hearings record, but I do have the galley proof here for inspection.

Mr. WEICKER. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 41, line 13, after the (a), insert the following:
>
> Section 613. None of the funds available under this act shall be used for the purpose of obtaining copies of, or information contained in, the financial records of any customer from a financial institution by a subpoena not including notice to such customer.

Mr. WEICKER. Mr. President, I only wish to speak briefly, for a few minutes, but I wonder if I might have order in the Chamber.

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. WEICKER. I yield to the distinguished Senator from New Mexico.

Mr. MONTOYA. I have read the Senator's amendment and I have consulted with the ranking minority member of our subcommittee. We are prepared to yield back the remainder of our time and accept the amendment.

The PRESIDING OFFICER. Does the Senator from Connecticut yield back his time?

Mr. WEICKER. I would like to speak for 1 minute, if I might.

Mr. President, the time has come to clamp down on Government investigators who rummage through bank accounts of American citizens behind their backs.

We have all witnessed the massive attempts in recent years to use the vast powers of Government against the individual citizen. All too often these attempts had some success, and much needs to be done to guarantee that they never be tried again. But that isn't the end of it.

Others on some future day will indeed try again. And when they do, every American must have the greatest possible opportunity to defend himself.

The greatest defense known to our system is the right to face your accuser, the right to be informed of the accusation made against you, thus guaranteeing a full opportunity to defend yourself.

Our Constitution clearly recognizes this right, in the words of the sixth amendment:

> . . . The accused shall enjoy the right . . . to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him . . .

While the sixth amendment pertains specifically to criminal charges, the principle is more than appropriate for investigations such as those undertaken by the IRS.

The American taxpayer has every bit as much interest in defending himself against a reckless IRS investigation as an accused has in defending against a baseless criminal charge.

Even aside from the constitutional principle and the requirements of due process of law, this practice raises questions as to just what kind of government we want.

Today, field investigators from the IRS, other investigative branches of Treasury, the Post Office Department, and the Executive Office can subpena bank records of any citizen, organization, or corporation, enter the bank vaults, find out all about your personal transactions, use that information any way they please—and you will never be told about it.

The amendment I am offering today would stop that, absolutely. If the Government wants to examine your records, they would have to tell you.

We do not need, and we do not want, a government that sneaks around, doing business in the dark.

We not only do not want that kind of government, we also do not want a government that does not play by the same rules that apply to everybody else. I refer now to the whole history and scope of subpena practices.

In every other instance where subpenas are used to gather evidence, the target of that subpena knows full well what evidence he must hand over. Whether it be your personal property, or whether it be your testimony, you are extended the protection against someone going in the back door and gathering information of a personal nature.

Only bank records, records that contain some of the most personal information about you, are unprotected. Just because your confidential information resides in a bank vault is no reason to change the rules.

To those who say government has to hide its activities, I say what is there to hide. If our Government cannot explain what it is doing, then it has no business doing it. Above all, why should it only be allowed to hide when it comes to bank records. Apparently investigators in all other areas have been able to function; there is no reasonable basis for believing that normal investigative techniques would not work in the area of bank records.

To those who say it is no problem, let me refer them to the mass of evidence this Senator presented on April 8, 1974, before a joint hearing by three subcommittees of the Judiciary and Foreign Relations Committees. That testimony contained documentary proof that in mid-1969 the IRS set up an Activists Organizations Committee, to investigate "ideological" and "other" organizations.

One of the goals of that committee, according to a briefing paper dated August 20, 1969, was to: "Attempt to determine sources of funds flowing into the organizations."

To give an example of how such a technique works, on October 28, 1971, the entire bank records of the Unitarian Church, which records were held at the

New England Merchants Bank in Boston, were subpenaed. The Unitarians happen to own Beacon Press, which had recently published the Pentagon Papers. Their publication was based on the papers as read into the Senate RECORD by Senator GRAVEL, not on the basis of any contact with Dr. Ellsberg.

Nevertheless, 16,000 financial records of the church, including complete lists of all their contributors, were gone through before a bank official who knew an official of the Unitarian Church decided, on his own, to tell the church about the subpena. The church took immediate legal action and stopped the search.

In any event, one can imagine how nervous a member of the church would feel about giving a charitable contribution, upon learning that his act of charity would make him part of a Government investigation, with no chance to explain that his only interest was religious.

This is not some fiction. This is fact; it is real life; but it is not the kind of life Americans expect or deserve.

Mr. President, I ask that once and for all we act to bring the awesome investigative powers of the Federal Government out into the open, and that the rights of the individual be preserved even as we pursue the legitimate functions of government.

I do hope that the distinguished Senator from New Mexico and the distinguished Seantor from Oklahoma will do their best in the conference to carry this amendment. It is a small amendment, but I think it is enormously important in keeping government in proper perspective with the rights of privacy of the average citizen.

Mr. MONTOYA. Mr. President, I can assure the Senator from Connecticut that I will certainly insist on keeping this amendment in the bill if it is approved by the Senate and we go to conference with it.

Mr. WEICKER. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to the bill?

If no further amendments, the third reading of the bill.

Mr. DOLE. Mr. President——

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. I send to the desk a motion to recommit.

The PRESIDING OFFICER. The clerk will report the motion.

The assistant legislative clerk read as follows:

> The Senator from Kansas (Mr. DOLE) moves that the appropriation bill for the Treasury Department and the Postal Service, H.R. 15544, be recommitted to the Senate Appropriations Committee with the following instructions to the committee:
>
> That they reduce the total amount of expenditures under the act to $5,432,000.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I think it was demonstrated yesterday in voting on the agriculture appropriation bill that there are a great many Senators concerned about inflation and concerned about Federal spending as the cause of it. I think we all agree that something must be done.

Mr. President, we are in a period of severe inflation. Inflation and its economic and financial impact has become the issue of greatest concern in Kansas and throughout the Nation today. Recommendations have come from the administration and the Congress that Federal expenditures be curtailed to reduce inflation. If this objective is going to be accomplished, we must take a stand to limit expenditures now—on this bill and on the bills we consider in the future.

I move that the Treasury appropriation bill be recommitted to the committee with instructions to cut expenditures to 3.3 percent below the budget request, or to $5,432,796,000.

A 3.3-percent cut, if followed consistently on all appropriation bills, would result in the $10 billion reduction in Federal spending that has been recommended.

I say to my friends that if we believe what we say about reducing inflation, we should act according to what we say. And if we believe what we read about the necessity for cutting Federal spending, sooner or later we are going to have to start doing it. It is the position of the Senator from Kansas that the time to start is now.

According to the 1975 budget scorekeeping report published by the Joint Committee on Reduction of Federal Expenditures on June 21, 1974, the Congress has already enacted a $727 million increase over the budget request. The report also shows that appropriation and legislative bills already passed by the Senate would increase expendiutres above the budget request by $3,677,296,000. This level of increase is more than 10 percent above the budget request and in view of this, I believe a 5-percent reduction in the Treasury appropriation bill is not unrealistic.

Yesterday I voted against the Agriculture appropriations conference report. Nothing in my State is more important than agriculture. I know of nothing more painful politically than voting against an agriculture appropriation bill.

But if we are serious about inflation and about the impact it is having on farmers, consumers, and everyone else in America, we must stand up and say "No," however painful. We just cannot have it both ways.

The bill we are considering is already about $55 million less than the budget request. While I commend those on the Appropriations Committee for their efforts to hold down spending requests, I suggest they should have done more. They would cut the appropriation by another $131 million under this motion.

This year, with this budget, we have to start somewhere if we are really serious about doing something to combat inflation. I urge the Senators from every State to support this motion.

Mr. MONTOYA. Mr. President——

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. MONTOYA. I will state my position very briefly. This bill is perhaps the most important bill that we will pass in the Congress. Here we have the sinews and the muscle to collect the revenue and avoid the deficits and pay for the expenditures about which the Senator from Kansas seems to be so alarmed.

If this cut goes through, that means we are going to cut down on auditing functions of the Internal Revenue Service; we are going to cut down on compliance programs in the Internal Revenue Service; we are going to cut down on the collection of customs and duties. That is what this means. We are cutting the very fiber of our existence in this bill.

If the Senator wants to do anything about cutting expenditures, he ought to use another vehicle rather than this bill. This is a money-raising bill. He ought to resort to other appropriations where the emphasis is more on spending than raising the revenues.

Mr. President, I resist the motion to recommit, and I ask the Senate to vote it down.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, I join with the distinguished chairman of the subcommittee in opposing this motion. I would like to list very briefly some of the activities that are funded by this bill, which are also described in the report which is on every Senator's desk.

We are talking about IRS, the Customs Service, the Bureau of Alcohol, Tobacco, and Firearms, and all the other agencies that go about raising the revenues that we have to have. It simply makes no sense to cripple those agencies and thereby reduce the flow of funds to the Federal Treasury, as well as increase the temptation for dishonest citizens to cheat on their tax payments.

This simply makes no sense at all. If we are going to cut, let us cut somewhere besides cutting the muscle out of Government agencies that help to provide the funds we need.

I yield back the remainder of my time.

Mr. MONTOYA. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Kansas yield back the remainder of his time?

Mr. DOLE. I do.

The PRESIDING OFFICER. All time has been yielded back. The question is on the motion of the Senator from Kansas.

The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Nebraska (Mr. HRUSKA), are necessarily absent.

The result was announced—yeas 42, nays 56, as follows:

[No. 339 Leg.]

YEAS—42

Abourezk
Bartlett
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Chiles
Church
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Fulbright
Goldwater
Gurney
Hansen
Helms
Hollings
Hughes
Johnston
McClure
McGovern
Metzenbaum
Nelson
Nunn
Pearson
Proxmire
Ribicoff
Roth
Schweiker
Scott,
  William L.
Taft
Thurmond
Tower
Tunney

NAYS—56

Aiken
Allen
Baker
Bayh
Bellmon
Bennett
Bible
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Eagleton
Eastland
Ervin
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Packwood
Pastore
Pell
Percy
Randolph
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Weicker
Williams
Young

NOT VOTING—2

Fong
Hruska

So the motion to recommit was rejected.

Mr. BUCKLEY. Mr. President, the Dole motion to recommit with instructions to reduce the appropriation by 3 percent was a reasonable, responsible measure. Because it failed to carry, because individual items within the appropriations bill reflect "fat" in the form of increases well beyond those attributable to inflation—the inflation that is a direct result of the reckless refusal to reexamine and economize that is reflected by this appropriation bill.

Mr. BIDEN. Mr. President, I rise today to voice a complaint frequently heard in this body. I hope to refrain from the boilerplate language which usually is part and parcel of critiques of the mail service provided in this country. Yet, by the same token, I cannot accept the logic that the issue of ineptitude and insolvency at the Post Office should be left alone because it has become such a perennial pincushion that criticism of the mail service has totally demoralized the Nation's second largest bureaucracy. The very consistency of complaints from every part of the country ought to be compelling proof of the need for concern about the state of the mail by every Member of Congress.

It is now more than 200 years since the colonial legislature of the counties of Delaware, on October 23, 1773, created a Committee of Correspondence, by which to gather and transmit news of the growing discontent with English rule among similarly appointed colonial legislatures. These bodies, whose efforts led directly to the popular uprising of the patriots whose Bicentennial we anticipate in 1976, achieved their ends entirely through determined letter-writing. This crucial correspondence between the colonists, according to the contemporary historian, Jared Sparks,

> . . . increased their mutual intelligence, gave them confidence and encouragement, harmonized their sentiments, and sowed the seeds of union.

For this reason, the Founding Fathers took care to establish a Post Office as one of the first Cabinet Departments, and elevated their most respected elder statesmen, Benjamin Franklin, to be the first Postmaster General. Since that time, Mr. President, the government monopoly which provides us with mail service has burgeoned into the Federal Government's second largest bureaucracy. As Ronald Kessler pointed out in his seven-part essay on the U.S. Postal Service in the Washington Post,

> To most Americans, the Postal Service is the only branch of Federal Government that touches them directly each day. The mailman walking his route on a tree-lined residential street has become a symbol of America.

Indeed, Mr. President, for many Americans, elderly retirees and lonely students, homesick travelers and the ones they left behind alike, the arrival of the mail constitutes the high point of the day. The four or five deliveries per day to the offices of Senators are the prime source of constituent contact for the Members of this body. Yet, the vital exchange of ideas by mail, after decades of political manipulation of the administration of the agency, and a classic failure of the oversight responsibilities of Congress, resulted in 1966 in the closing of the Chicago Post Office because of a mail glut with which the U.S. Post Office as then constituted and managed, was unable to cope.

This collapse had long been forecast, and resulted in 1970 in the authorization of a tax-supported, privately governed government corporation, the U.S. Postal Service, similar to the Tennessee Valley Authority. Today, the Senate is being asked to appropriate $1.5 billion to pay the debt that this $700,000-man, $9.8 billion postal operation will run up in the 1975 fiscal year.

The concept of overnight delivery, embodied by Paul Revere's ride through Middlesex County has been abandoned by the new Postal Service. Two surveys, both this year and last, conducted by my staff found that letters traversing the 100 miles from points in Delaware to Washington, D.C. took 3 to 6 days to make the journey. The concept of an efficient national postal service by which to speed the flow of ideas and information, a concept specifically contained in the Constitution, has, I am afraid, gone by the board as well. The subsidization of certain classes of mail, through an inequitable postage rating system has driven the Postal Service into perennial deficits which show no signs of abating. And, finally, most unfortunately the concept of a reformed, nonpartisan Postal Service, for which many Members of Congress held so much hope, has seemingly vanished in the gleam of the plush new headquarters of the USPS at L'Enfant Plaza.

Insensitivity at the management levels of the Postal Service to the fact that their organization is a largely black, labor-intensive operation, combined with the disregard for personal property consigned to the near-vandalous trusteeship of the parcel post system, has shattered not only a good many valuable packages, from chocolate chip cookies to family heirlooms, but also the hopes of many of the most ardent supporters of the reformed Postal Service. Mr. President, at this point in my remarks, I would like to insert seven articles from the Washington Post, written about the Postal Service by Ronald Kessler, and the remarks of an esteemed colleague from the House side, Mo UDALL, the father of postal reform in that body, from a speech he delivered to the National Press Club day before last. Together, they provide a damning indictment of the agency which today asks Congress for a billion and a half dollars.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BIDEN. Mr. President, the Postal Service is protected by law from competition by other firms in the carrying of letters, which is fortunate, since their inefficiency would lose them that business, as it has the parcel business, were it the other way. Furthermore the USPS is allowed to raise funds by sale of bonds to the public, unlike any other agency. Even so, service in the Postal Service has declined by around 20 percent, while postal rates have doubled the rate of inflation to increase by 66 percent in the last 5 years, since the inception of the Federal corporation. And still, the Postmaster General cannot break even, and still the Congress has to bail out the USPS. I cannot support this blank-check subsidy of ineptitude, and have introduced a bill S. 2134 on behalf of the victims of the Postal Service all over the Nation. It would require the agency to return to the Congress each year and put its head on the fiscal chopping block to justify the need for taxpayer support of its supposedly improving and increasingly self-sufficient operation.

Mr. President, I intend to vote against this appropriation. There are a number of good reasons to do so. It is a $54 billion bill. Yet less than 10 percent of the funds contained in this item, though it represents nearly one-sixth of the entire Federal budget, are controllable by the Congress. The Appropriations Subcommittee, led by my able colleague Senator JOSEPH MONTOYA, in its scrupulous analysis of the bill, could make cuts in only about $5 billion worth of the total amount requested by the administration. Thirty-one billion dollars of this bill is earmarked to pay the interest on the national debt for this year.

Congress has no say about that, since inflation and the Nixon budget for 1975 will drive the Nation into the red by about $18 billion more, to near the legal limit of $490 billion by next June 30. Another billion and a half will be required by the Civil Service Commission to pension off its retired and disabled workers, and to pay for public servants' health benefits. This too, is beyond the ability of the Appropriations Committee to do anything about, except act as a rubber stamp. The costs of this item by 1980 are feared to range up to $11 billion a year, assuming only 3 per cent inflation. As a member of the newly-appointed Committee on the Budget, I cannot in conscience vote to continue this madness, which will surely bankrupt the Treasury unless Congress can somehow control bills such as this one.

There is $16.3 million in the White House salary fund to hire 30 additional staff to help defend the President against impeachment at public expense. Though there has been a reduction of 4 people from the staff of the National Security Council's 79 members, their salaries and expenses item has increased by $88,000 to $2.9 billion this year. This does not include the pay for the numerous staff persons who have been assigned on temporary duty to the NSC for periods of years, and are still at work there. Similarly, the President's Commission on Personnel Interchange has been funded with an additional $353,000 for 12 more positions.

Mr. President, I cannot justify a vote for such appropriations to my constituents, and intend to cast my vote "nay" on final passage of H.R. 15544.

EXHIBIT 1

[From the Washington Post, June 9, 1974]

FIRST-CLASS LETTER WRITERS PAY JUNK MAIL USERS' DEFICIT

(By Ronald Kessler)

The new U.S. Postal Service has deliberately slowed delivery of first class mail and has overcharged first class mail users by an apparent $1 billion a year while undercharging commercial mail users, a Washington Post investigation has found.

Delivery of first class mail—the class used by most Americans for letters—has been slowed by a Postal Service policy of putting aside mail arriving from out of town during the night for sorting during the day.

The policy, which delays mail by a full day, was put into effect largely to avoid paying extra salary for night work. But the total cost of extra night salary is about 1 per cent of the postal budget, and the new policy has saved only a fraction of this cost.

While the Postal Service saves night salary by allowing sacks of first class mail to pile up in post offices throughout the country, it continues to pay the extra salary for sorting non-priority mail carrying less postage than first class letters. This includes slow-moving fourth class parcel post and commercially oriented junk mail and second class newspapers and magazines.

A transcript of a high-level meeting of postal officials in 1969, when the new policy for first class mail was begun, shows a decision was made to no longer strive for overnight mail delivery and to keep this a secret from Congress and the public.

The transcript shows that Frank J. Nunlist, then an assistant postmaster general, told regional postal officials:

"Now if we announce that we are going to do this (lower overnight standards) there are 700,000 guys (postal workers) that are going to run to their congressmen and say, "You can't have a postal corporation these guys are not going to serve the American people."

"So." Nunlist continued, "we have got to be a little tight about this, and you can't even say to your employees in the post office, 'Don't promise prompt service.' We have got to play this game pretty carefully."

While the Postal Service has slowed first class delivery, the agency also has overcharged this class of mail and undercharged those classes generally used by special commercial interests, six postal cost studies, including two by the Postal Service show.

One study, by the U.S. Postal Rate Commission staff that represents the public shows an over-charge to first class mail users in fiscal 1972 of about $1 billion, or 2 cents per letter. (The figure does not include the overall postal deficit for which no particular class of mail pays).

The study shows undercharges to third class, so-called junk mail, second class newspapers and magazines, and fourth class parcel post.

The Postal Service is required by law to avoid favoring or discriminating against any mail user and to charge rates that cover all costs reasonably assigned to each class of mail.

The Postal Service denies it overcharges, and it cities as evidence a seventh study it has performed, which shows that third class junk mail pays for itself. This study has been rejected as failing to show true postal costs by both the chief administrative law judge of the separate U.S. Postal Rate Commission, which helps set postal rates, and by the General Accounting Office, the audit arm of Congress.

Some postal officials who have publicly defended the official Postal Service cost study say privately it was designed to cover-up losses run up by cheaper classes of mail generally used by commercial interests. The reason, they say, is that users of more expensive first class mail, who include both individuals and businesses, do not have the political clout of the special interests.

The Washington Post investigation has also found that:

Since the new policies of the Postal Service were established in 1969, first class mail has been slowed 14 per cent to 23 per cent, according to the agency's own mail sampling system. During about the same time, the price for first class service has risen 66 per cent, or about double the rate of inflation.

A $1 billion parcel sorting network being built by the Postal Service to try to stop loss of business to its private industry competitor, United Parcel Service (UPS) promises to offer slower service than UPS. The Postal Service has acknowledged internally that a chief reason for the success of UPS is a package damage rate a fifth that of the Postal Service. But sorting equipment in the new parcel network will, in the course of processing parcels, drop them a foot, compared with what UPS says is no drop during its processing.

A mechanized letter sorting system said by the Postal Service to produce savings of billions of dollars has been found by the GAO to be more costly than the existing, old-fashioned system. The Postal Service internal auditors have reported confidentially that the new system sorts letters at a rate slower than the system used by Benjamin Franklin, the first postmaster general, who placed letters, one by one, in pigeon holes.

The Postal Service has spent more than $140 million on contract cost overruns since the assertedly cost conscious policies of the new agency were established in 1969. About half the contracts for $5,000 or more awarded by the Postal Service in 1973 were let without competitive bidding involving formal advertising. Although competitive bidding is not required by law, it is the method considered cheapest and fairest by the GAO and the Postal Service itself.

These and other findings resulted from a four-month Washington Post investigation of the Postal Service. The investigation included visits to five of the six largest post offices in the country, interviews with hundreds of present and former postal officials, technical experts, mail users, and postal oversight officials, and examination of hundreds of internal Postal Service memos, reports, studies, and letters, as well as congressional and rate hearings, government audit reports, and private consultants' reports.

What emerges is a portrait of how one of the largest government agencies works—or doesn't work—for the tax- and postage-paying citizens it is supposed to serve.

Asked for a comment on The Post's findings. Postmaster General Elmer T. Klassen said he would defer to comments made by his deputies on specific matters because he is not familiar with all the details of postal operations.

E. V. Dorsey, senior assistant postmaster general for operations, acknowledged that first class mail arriving from distant points at night is not sorted until daytime. He disputed, however, that this delayed mail.

"We have priorities," he said. "We have other things to do." He said the policy saves the 10 per cent extra night pay and some equipment costs.

Arthur Eden, director of rates and classification, denied first class mail users are overcharged. He said rates are set in accordance with law, and cited a Columbia University professor who agrees with the agency's method of determining costs of various classes of mail.

Asked to cite improvements since the Postal Service was created, Klassen said in a letter it has "improved the speed and reliability of service." He said productivity has increased, field managers have been made accountable for service and costs, and postmasters are no longer selected because of their political connections.

"In short," Klassen said in the letter, "we've come a long way. We have made some mistakes, but they are far outnumbered by the things we have done right. Through the diligence of a great number of dedicated men and women, we are well on the road to making the Postal Service an organization of which every American can be proud."

To most Americans, the Postal Service is the only branch of federal government that touches them directly each day. The mailman walking his route on a tree-lined residential street, as depicted by Norman Rockwell on covers of the old Saturday Evening Post, has become a symbol of America.

To the nation's businesses, the Postal Service is essential. Without it, the economy would quickly become paralyzed. Recognizing this, the Founding Fathers specifically provided in the Constitution for operation of a national postal service.

The present Postal Service is a big business. Its $9.8 billion budget would rank it among the nation's 10 largest industrial firms. Its 700,000 employees make it second only to the Defense Department as the federal government's largest employer.

Although the Postal Service is a big business, it has never had the same incentives to achieve efficiency that a business has. If its service was slow and customers complained, there was no reason to think they would turn to a competitor. Congress historically had prohibited private companies from competing with the Postal Service for first class mail delivery.

If the postal agency wasted money, its employees did not fear losing their jobs in a bankruptcy proceeding. Congress would always bail the agency out with more subsidies.

Public dissatisfaction with this method of doing business reached a head in 1966, when the Chicago post office became so glutted with mail that it closed down.

Lawrence F. O'Brien, then postmaster general, proposed that a presidential commission study reform of the old Post Office Department. In 1968, the panel, headed by former American Telephone & Telegraph Co. chairman Frederick R. Kappel, recommended reorganization of the department as an independent branch of government.

The idea, the commission's report said, was that the agency could use modern business methods to move the mail if it were insulated from politics and given independent control over its funds. Such methods would save at least 20 per cent of the agency's costs, the commission estimated.

The agency that evolved from this recommendation is a branch of government with certain special privileges. Unlike other government departments, it does have control of its own funds and may raise additional money by selling bonds to the public. It is prohibited from making appointments based on political considerations.

Finally, it is required to become financially self-sufficient—free of subsidy from Congress—in 1984.

The agency does not report to the President. Instead it is run by a board of governors whose members are appointed by the President with the consent of the Senate, much as the Federal Trade Commission is run.

Although Congress enacted the Kappel Commission proposals into law in 1970, and the new agency chose to change its name in 1971, most of the new policies followed today by the Postal Service did not require legislation and were implemented in 1969 by Winston M. Blount, President Nixon's appointee as postmaster general.

But five years later, a key finding of the Kappel Commission remains true:

"The commission has found a pattern of public concern over the quality of mail service. Delayed letters, erroneous deliveries, damaged parcels, and lost magazines and newspapers are everyday experiences."

Rep. Thaddeus J. Dulski, chairman of the House Post Office Committee, wrote to Postmaster General Klassen last December, "No one expected the transition from the Post Office Department to the U.S. Postal Service to be easy, but on the other hand, neither did any one expect it to be catastrophic."

Dulski and others have charged that rather than improving mail service, the new agency has spent millions of dollars on advertising and public relations efforts to make the public think it is getting better service.

This approach was illustrated by an internal Postal Service memorandum written last year by James L. Schorr, director of advertising.

Schorr, whose department spent $2.5 million on advertising last year, argued in the memo that advertising being tested in St. Louis should be extended nationally.

The reason, Schorr wrote, was that although the advertising promoted such special postal products as money orders and stamp collecting supplies, it had the effect in St. Louis of improving the public's overall view of the Postal Service.

"This is particularly significant," he wrote, "in that the actual level of (mail) service in St. Louis fell off worse during Christmastime than in the rest of the country."

Indeed, Schorr wrote, favorable opinions of the Postal Service were found to be higher in St. Louis than in cities with better service that had not been exposed to the advertising.

Like a number of other postal officials, Schorr declined to be interviewed by this reporter.

Instead, Schorr said questions would be answered by the agency's public relations department. But one can learn little about the Postal Service and why the mail is so slow by going through official channels.

Klassen, in testimony before the Senate postal committee last year, said service was actually "somewhat better than on July 1, 1971, when the Postal Service came into being."

What Klassen did not tell the committee was that nearly all the mail processing policies followed by the new agency were started in 1969, and the 1971 date he used for comparison represented little more than a change in the name of the department.

He did not say that when compared with the last year of the old Post Office policies, service had deteriorated.

"The method of presenting statistics is highly selective," said a former postal official who helped write some of Klassen's speeches and congressional testimony.

"We're always desperate to find something good to say about service," said a current postal official who has gathered information for Klassen's statements in agency annual reports.

The difficulty is not surprising. The agency's internal mail sampling system confirms what thousands of complaints to the agency and Congress have charged; that rather than improving service, the new Postal Service has made it worse.

Nor does the sampling system, known as Origin-Destination Information System (ODIS), necessarily portray the full extent of the deterioration.

The system records postmarks before letters are given to carriers for delivery to homes and businesses.

This means it does not measure delays that occur before letters are postmarked—when they are picked up from collection boxes, trucked to post offices, and initially sorted. It also means the system does not measure delays after letters are received by letter carriers.

In one test, the GAO found the ODIS figures would show a 10 per cent longer delivery span if it measured time from deposit of letters to delivery.

The postmarks used in the ODIS system are recorded by clerks who work for local postmasters. Since the postmaster's performance is being measured by the system, this arrangement does not necessarily provide incentives for doing an accurate job.

"The standard procedure is to disregard late mail," says Melvin Wilson, a Los Angeles postal clerk who recorded ODIS mail until 1970.

If late mail were included in daily reports, Wilson said, "They'd call you down and say, 'Do they (the figures) look right to you.' That means change it."

Carolynne M. Seeman, the statistician in charge of ODIS, acknowledged that cheating occurred. "We've seen information erased (from reports) to make the service look better," she said.

She said she does not have the staff to question the accuracy of the reports, and she said she does not believe cheating is a "major problem."

Despite the opportunities for cheating the ODIS figures show a 23 percent increase in average first class mail delivery time from the last three quarters of fiscal 1969—the last year of the old Post Office—to the same quarters in fiscal 1973. (The first quarter was not tabulated.)

The figures show service improved slightly in fiscal 1974 but remained 14 percent slower than under the old Post Office.

The agency handled 89.7 billion pieces of mail in fiscal 1973, compared with 82 billion pieces in fiscal 1969.

What the figures mean to the average user of the mails is that there is no assurance that a letter will be delivered overnight anywhere in the country.

The chances of overnight delivery of out-of-town mail in the most recent fiscal quarter were only two in five for local mail, the chances were about nine in 10.

There is, of course, no way of knowing whether a particular letter will be one of those delivered overnight, and the chances of getting overnight delivery are slimmer when letters are addressed to cities in distant states.

ODIS figures show that in the postal fiscal quarter ended March 29, first class letters mailed from Washington, D.C., and from Manhattan, N.Y. received overnight delivery to specific cities in these proportions:

[In percent]

To:	From Washington	From Manhattan
Akron	9	4
Boston	19	14
Brooklyn, N.Y	17	60
Chicago	9	6
Cincinnati	17	2
Detroit	17	6
Los Angeles	10	2
Miami	5	1
Richmond	74	7
San Francisco	15	2
Manhattan, N.Y	44	73
Washington, D.C	90	21

Despite this performance, the Postal Service periodically tells Congress and the public that it is meeting or nearly meeting its overnight delivery standards. What the Postal Service defines as overnight delivery is often quite different from what one would expect.

Overnight delivery of air mail is promised only if it meets certain tests. It must be deposited in special, white-topped collection boxes; it must be zip coded; it must be mailed before 4 p.m. and it must be addressed to certain cities generally not farther away than 600 miles.

Since the identity of these cities is known only to the Postal Service and is constantly changing, a mail user has little chance of knowing whether his letter will be delivered the next day.

Indeed, says Miss Seeman of the ODIS system, only about 2 per cent of total air mail volume meets the overnight standard of the Postal Service.

For first class mail, the Postal Service has established a standard for local delivery that represents an erosion of service when compared with the standard of the old Post Office Department.

The old standard promised overnight delivery within a state. The new one promises it only within local delivery areas, only if letters are mailed before 5 p.m., and only for 95 per cent of the mail.

A substantial portion of business mail is deposited after 5 p.m., postal officials said, and some question whether a 95 per cent standard is good enough for the mailer who wants to know his letter will get there the next day.

For out-of-town mail, the Postal Service standard allows as many as three days for delivery. In part because of this generous time span, the agency was able to claim that a historic subpoena requesting President Nixon's appearance in a Los Angeles courtroom arrived only a day late—although it took six days to make the trip from Los Angeles to the D.C. Superior Court.

The Postal Service did not count two of the days because they were holidays.

Despite the leniency of the standards, the ODIS figures show they often are not met. This has not deterred the Postal Service from claiming they are.

The basis for the claims is often a different measuring system that uses specially prepared envelopes sent through the mails by postal employees. These envelopes—called test letters—generally portray service in a more favorable light than the ODIS system.

The GAO has reported that air mail test letters bore markings that made them readily indentifiable as test letters to the clerks who sorted the mail. The clerks singled them out and gave them speedy treatment, including dispatching them in specially marked pouches.

On the basis of these purported tests, Klassen claimed in the fiscal 1971 report the agency was "close to the attainment of its performance standards for air mail." Postal officials made similar claims in 1972 Senate hearings.

The unreliability of the tests is no secret. Marie D. Eldridge, former statistical director of the Postal Service, said internal auditors periodically reported that clerks ran across work room floors carrying the special letters.

Nevertheless, the Postal Service spent $4 million in a little over a year to send air mail test letters, GAO reported. Although these tests have been stopped, local post offices continue to send test letters to measure the service they provide local residents.

The D.C. post office sends about 600 of the letters a week. They are small prestamped envelopes that bear the notation, "MAS," which stands for Methods and Standards, the department that sends them out.

Robert H. Brown Sr., a clerk in the D.C. post office, said supervisors instruct employes to look for the letters and speed them on their way. "It is a farce," he said.

A supervisor whose suburban Washington home is a recipient of the letters said they have never taken more than a day to be delivered.

L. A. Hasbrouck, who sends the letters from the D.C. post office, said, "I don't deny that the mailings could be identified as test letters."

Asked why taxpayer money is being spent to send them, Hasbrouck did not reply directly. Instead, he said the "MAS" notation is gradually being removed from plates used to print adresses on the letters.

If the test letters appear to be a dubious expenditure, the $200 million spent by Americans last year on air mail represent, in the view of Rep. Lester L. Wolff (D-N.Y.), a "fraud."

When air mail was first flown in 1918, paying the extra postage for an air mail stamp was the only way to get air service. Today, nearly all mail sent outside local delivery areas goes by air.

The Postal Service claims the extra 3 cents for an air mail stamp buys the fastest possible service to any point. Special, white-topped air mail collection boxes bear stickers promising overnight service even in local delivery areas.

But the ODIS figures show the extra air mail postage generally buys slower service. Air Mail was delivered overnight 21 per cent of the time in the most recent postal fiscal quarter, or about a third as often as first class.

Even local mail that carries air mail postage—as suggested by air mail collection boxes—gets there far slower than first class, the ODIS figures show.

The figures also show that air mail has a slight advantage over first class if it goes more than about 400 miles, but the Postal Service promises speedy air mail service over any distance.

The answer to the mystery of slow air mail service, according to postal experts, is that the special, costlier treatment given air mail has the effect of slowing it.

"You divert air mail to a separate center, and in the meantime the first class is running like hell through the system," says M. Lile Stover, who was director of distribution and delivery until 1969.

In addition, Stover and others said air mail addressed to nearby cities with no air service is sent back to the first class section for delivery.

Indeed, said Mrs. Eldridge, the former statistical director, "Air mail often goes back and forth several times."

Terming air mail a "fraud on the American consumer," Rep. Wolff of New York last year asked the Federal Trade Commission to investigate the Postal Service for possible violation of deceptive advertising laws.

The FTC declined on the grounds it cannot investigate another government agency.

"A government agency should be more responsible than companies in the private sector," Wolff said. "It seems to me incredible that a government agency is allowed to get away with defrauding the American public."

Those who pay 60 cents extra for special delivery service also might not get what they pay for.

Clerks in the special delivery section of the D.C. post office said special delivery for downtown businesses is delivered with regular mail, and special delivery for residences is specially delivered only if the regular carrier has already left.

In New York, only 35 per cent of special delivery mail received special service on a typical Tuesday, a House postal subcommittee was told in 1970. Most of the special deliveries were of packages.

"If a private company charged extra for special delivery and didn't specially deliver, it would be referred to the Attorney General for investigation," said Rep. Edward I. Koch (D-N.Y.). "As far as I'm concerned, it's fraud."

[From the Washington Post, June 10, 1973]

Letter Processed in 47 Steps—And Each Can Delay It

(By Ronald Kessler)

If you get a sinking feeling that the letter you deposit in a mail box might not reach its destination the next day or even the next week, your apprehension is well founded.

When your letter will be delivered will depend largely on luck as it goes through 47 processing steps, each capable of delaying it. During its journey, your letter will be sacked, dumped, culled, sorted, flown, unloaded, sorted, and sorted again.

It could get chewed by machines. It could get missent. Or it could get lost.

If it reaches its destination, the arrival date could be a day, a week, or even a month or more after it is sent.

It is this uncertainty about when a letter will be delivered that was identified by the Kappel Commission, which recommended postal reform, as the public's primary concern about mail service.

A businessman or housewife who needs overnight delivery but cannot feel assured he or she will get it from the Postal Service must turn to more costly alternatives—telephones, telegrams, private messengers and special delivery systems.

In recent years, the use of these alternatives has grown rapidly while the letter mail volume has risen an average of 2 per cent a year.

At the same time, the cost of delivering a letter has risen 66 per cent faster than the increase in inflation. This has been caused largely by a second problem identified by the Kappel Commission—the Postal Service's almost total reliance on human labor, rather than machines, to move the mail.

In a comment that could be made today, the Kappel Commission observed in 1968:

"The Post Office's inefficiency is starkly apparent to anyone who walks across a workroom floor. In most offices, men and women lift, haul, and push mail sacks and boxes with little more mechanical assistance than the handcart available centuries ago. In this electronic era, the basic sorting device remains the pigeonhole case, into which letters are placed, by hand, one by one."

In contrast to the Postal Service, the telephone company has automated so that all local calls, and more than 80 per cent of long distance, calls, are dialed by customers without assistance from operators.

This saves customers' time and the telephone company's money. Indeed, American Telephone & Telegraph Co. estimated it would need a million operators if it had not introduced dial telephones.

Each letter handled by the Postal Service, on the other hand, is sorted by humans as many as seven times before it is delivered.

The Postal Service has installed an increasing number of machines for sorting letters, but they still generally require humans to read addresses.

Jacob Rabinow, chief of invention and innovation for the National Bureau of Standards, said Postal Service mechanization is still in the Dark Ages. Rabinow, who has testified before the Postal Rate Commission on what he calls his personal views, said the agency uses "stupid, horrible equipment."

"If you can collect, clean, and inspect eggs by machine, there is no excuse for not being able to sort mail entirely by machine." Rabinow charged. "It's just that private manufacturers care, and the Postal Service doesn't."

The agency's machines have had little effect on its degree of labor intensiveness. Rather than decreasing the proportion of the postal budget devoted to salaries and benefits—a measure of labor intensiveness—has increased under the new postal management from 82 per cent to 85 per cent.

To find out why costs are high and service slow, your letter can be followed from its deposit in a D.C. mail box to a destination on the West Coast.

Your letter faces an immediate delay of a day if it is mailed after the last collection for the day.

Residential mail boxes were generally collected three times a day under the old Post Office according to a report by the General Accounting Office, the audit branch of government. The new Postal Service has reduced most pickups to one a day, the GAO said.

Since these pickups are generally in the morning, your letter will be delayed a day if it is mailed in the afternoon.

It will be delayed if it is mailed after the 5 p.m. or 6 p.m. pickup from business collection boxes. The GAO found the old Post Office generally picked up as late as 9 p.m. from business areas.

When it is picked up, your letter is stuffed in a canvas bag or sack, a container that a number of industry experts said increases costs and delays letters.

Coleman W. Hoyt, distribution manager of Reader's Digest, said that while industry generally transports goods on wooden pallets that can be loaded by fork-lift trucks. Postal Service bags must be lifted by hand.

Hoyt said letters sometimes become lost in the folds of the sacks for weeks at a time and often become damaged so they cannot be handled by labor-saving machines. "Letters should never go in bags," Hoyt said in an interview.

The problem is exacerbated by a Postal Service policy requiring that empty mail sacks be shipped in tightly rolled wads. Each sack is individually rolled, and 19 of the rolled sacks are stuffed into a 20th sack. The Postal Service said the policy keeps bags from going astray, but the number of jobs created by the need to roll and unroll the sacks each day can easily be imagined.

The sack with your letter is trucked in the early evening to the columned D.C. Post Office at Massachusetts Avenue and North Capitol Street, where mail is sorted for D.C., Bethesda, and Chevy Chase.

To anyone who has visited an automation manufacturing plant, where ingredients go in raw one end and come out the other as finished products, a postal sorting operation comes as a shock. "I was appalled," said James E. Josendale, a businessman who was deputy assistant postmaster general for operations from 1969 to 1971, of his first visit to a post office. "Everything was done by hand."

Four or five men drag the sack containing your letter from the back of a truck and throw it on a hand cart. Another crew of men throws the sack from the cart down a chute in the loading platform at the back of the D.C. Post Office.

The process continues on the main floor, where the sack emerges. Crews of men lift, throw, push, and dump the sacks until your letter ends up on a conveyor belt.

By installing equipment used by industry to move mail within post offices, productivity of many post offices could be raised 50 per cent, the Kappel Commission estimated in 1968.

The conveyor belt on which your letter is thrown is tended by some eight employees, who sift the mail to pick out special rate classes, such as air mail, special delivery, and third class, so-called junk mail. The special classes are thrown in bins for separate handling.

The Postal Service has some 40 rate categories, each with its own regulations and requirements, often requiring extra labor to verify that the regulations are met and the proper service given. The Kappel Commission recommended reducing the number of classes to four, but the Postal Service has plans to complicate the system further by adding more classes.

The rates charged for each of the classes have little to do with the cost of handling the mail. A magazine may be charged rates varying by 100 per cent and more depending on how much advertising it carries, whether it goes over a county line, what type of subscription list it has, and whether its publisher makes profits.

Letters are charged according to their weight, even though weight has little or nothing to do with the cost of delivering mail.

What does affect cost is whether a piece of mail is too large, bulky, or irregular in shape to be handled by machines. An internal Postal Service study showed last year, for example, that the cost of handling a large envelope, which cannot be handled by a machine, is about double the cost of handling an ordinary letter, which goes through machines. Yet the charge is the same for both. (The agency proposed charging extra for large envelopes, but the request has not yet been approved by the Postal Rate Commission.)

The emphasis on weight makes it easy for postal customers to cheat, since the cost of weighing each letter would probably wipe out any extra postage collected. As a result, the Postal Service has no regular procedure for weighing letters.

Indeed, letters with no postage at all are not returned to the sender. Instead, they are stamped "postage due" and forwarded to the person to whom they are addressed. Whether the postage is collected depends largely on whether the recipient is at home and the mood of the letter carrier.

In a test, the GAO found postage due was not collected by letter carriers on half the letters it mailed with no postage or insufficient postage. By contrast, the telephone company will not complete a pay telephone call unless a customer first pays for it.

The GAO has also found abuses of the complicated rules governing rates for other mail classes. For example, the Postal Service lost $1.5 million in postage because 115 mailers improperly claimed they were nonprofit organizations, GAO reported.

After the special rate classes are removed from the mail stream in the D.C. post office, your letter is piled on a hand cart and pushed to another conveyor.

Unlike production lines in manufacturing plants, postal sorting operations generally are not physically connected, and the capacity of the machines is not necessarily the same as others in the sorting process.

As a result, mail often is delayed or machines are not operated at full capacity, increasing costs as much as 20 per cent, Communications & Systems Inc., a private consulting firm, told the Postal Service in 1969.

The second conveyor where your letter is dumped is manned by additional workers, who pick out mail too bulky to go through the canceling machine. These items, which include bank statements, tissue-thin air mail envelopes, and circulars, must be canceled on slower machines or by hand with rubber stamps.

The canceling machine imprints postmarks on letters faster than the eye can see, but in visits to post offices from Boston to Chicago and New York to Los Angeles, these machines were observed to jam on an average of every 10 to 15 minutes. When the machines jam, a handful of letters are ripped, and these letters must be mended by hand in a separate section.

"It was a beautiful machine when it was invented over 30 years ago," said Rabinow, the National Bureau of Standards official, of the canceling machine. "It's now obsolete."

For one thing, noted Rabinow, the machines cannot tell if a stamp has previously been canceled. This means stamps can be re-used, he said. Some say that canceling stamps is obsolete and could be replaced with a variety of more efficient procedures.

After being canceled, your letter is sent to be sorted by clerks who place letters in pigeon holes according to zip codes. Those letters without zip codes—about 7 per cent of the total handled in D.C. last year—are sorted by special clerks who have memorized the postal distribution system.

An Associated Press mail test last year found using zip codes does not speed your mail. However, postal experts say that if a significant portion of the population stopped using them, the mail system would collapse, since most clerks do not know the distribution system and rely on the codes when sorting mail.

In D.C., your letter has a one in three chance of being sorted by machine. The letter sorting machine is described by the Postal Service as "the equipment of the future".

The 91-foot-long sorting device is far from being automated, however. It is manned by 20 employees, most of whom read zip codes on each envelope and punch the codes into keyboards. The machine shunts letters to appropriate bins.

Nor is the principle behind the machines new. The Postal Service experimented with a keyboard device in 1918 and installed such devices in a Providence, R.I., post office in 1960. The Providence post office, which was characterized by the postal officials as a "mechanized" operation, did not work because of mechanical failures.

Postal Service figures show that the present machines handle slightly more mail per man hour than hand sorting. The machines sort to more bins, and this can save subsequent sorting.

But the GAO said the machines also are an important cause of erratic mail delivery. The reason is that they have an error rate as high as 17 per cent, which means that letters are routed to the wrong place 17 per cent of the time.

Each time a letter is missent—say, to Chicago instead of Miami—it can be delayed as many as five days while being re-routed, in addition to regular delivery time, GAO said. In addition, missorting adds to costs by requiring nearly twice as many handlings in the process of routing letters back to their proper destinations, GAO said.

The GAO found that in recent six-month periods, 13 million letters were missorted by the machines in a New York City post office, 56 million letters were missorted by the Boston post office, and 8 million letters were missorted by two Florida post offices.

Dr. James C. Armstrong, a former postal official who is manager of corporate planning for AT&T, said this and other problems of the Postal Service would be eliminated if the agency required mail users to write zip codes in boxes printed on standard-size envelopes.

Dr. Armstrong said the envelopes could be made by commercial envelope manufacturers and sold in stores just as envelopes are sold now. Similar systems are used by Japan and Russia, he said.

Those persons who wanted to use conventional envelopes without zip code boxes would be charged extra, Dr. Armstrong added.

Because the envelopes would come in a standard size easily handled by machines and would show zip codes in the same place on each envelope, the letters could be sorted by relatively inexpensive machines, Dr. Armstrong said. These machines would read the zip codes through optical scanners without need of human operators.

Rabinow estimated each such machine would cost $350,000, compared with $300,000 for the current machines that require 20 operators. He said another machine that the Postal Service has been testing for sorting costs $3 million. This machine handles about twice the mail as one of the conventional machines.

Rabinow, who invented the current letter sorting machine in 1956, said that in addition to reducing the Postal Service's labor intensiveness, preprinted zip code boxes would eliminate missent letters. Because human operators would not read zip codes, he said, there would be no errors.

These and other experts said further savings would occur if zip codes had 10 digits so that each residence would have a number.

Although most of the technical experts interviewed for this series agreed such a system would be the best solution to rising costs and declining service, the Postal Service said it does not believe the method would work.

J. T. Ellington Jr., assistant postmaster general for planning, said he doubted the public would accept the constraint of using special envelopes.

Merrill A. Hayden, a former Sperry Rand Corp. executive vice president who was deputy postmaster general in 1971, contended the public would accept zip code boxes as easily as it accepted direct long distance dialing.

"People soon learned to dial direct on telephones because of the extreme saving in cost and time," Hayden said. "The present mechanization (in the Postal Service) is so costly because of the lack of standardization."

Josendale, the former deputy assistant postmaster general, who is chairman of Wire Rope Corp. of America in St. Joseph, Mo., said use of zip code envelopes would mean "all the mail could be delivered overnight."

Many postal experts, such as M. Lile Stover, who was director of distribution and delivery until 1969, believe nearly all the mail could be delivered overnight—if the Postal Service had the will to do it.

But a Postal Service policy begun in 1969 dictated that first class mail arriving in post offices during the night from distant points should not be sorted until daytime to save extra night pay and some equipment costs.

As a result your letter from D.C., although it generally arrives in California during the early morning hours, is not delivered until the third day after it is mailed—assuming it is not missent or encounters other delays.

"It hurts me," said Stover, "that I spent 30 years trying to get the mail to move the fastest way, and now they're slowing the mail."

A transcript of a meeting of postal officials in 1969, when the new policy was established, shows they were not unaware that the idea of slowing the mail would not sit well with the American public.

Although the purpose of the new Postal Service was to speed rather than slow the mail, Winston M. Blount, President Nixon's appointee as postmaster general, told the officials at the meeting:

"I don't give a damn if 90 per cent of my mail doesn't get there for a week or three or four days, anyway, but that other 10 per cent, I want to know it is getting there."

Blount then cautioned the others, according to the transcript: "We have been talking about that enough around here . . . Anything you talk about around this area gets in the paper."

The discussion was continued by Blount's deputy, Frank J. Nunlist, a former president of Studebaker-Worthington Inc., which once made Studebaker cars. The transcript shows that Nunlist, who died recently, made it clear there were no plans to establish a fast and a slow service for first class mail. Instead, he said, the idea was to cut costs by educating the public not to expect "prompt" service.

"I must point out to you," Nunlist said, "that there is an area here where, whether we like it or not, we are not yet a postal corporation. And we want to get that bill passed. And then we can do a lot of other things. So you tread a little bit diplomatically to get the Congress to vote for your reorganization bill."

He added, "I am afraid that we probably have got to be careful and not publicly announce that we are not going to be striving for perfection."

Two months after the meeting, Postmaster General Blount testified before a House postal subcommittee:

"I have been asked whether the new U.S. Postal Service would jeopardize the level of postal services existing today. Let me make it clear that nothing could be further from the truth . . ."

Following is a sampling of complaints from the files of the House Postal Committee:

". . . To say the USPS is less than satisfactory is putting it mildly. I mailed an insurance payment from National City, Calif., to San Diego, Calif., (seven miles away), and three weeks later it arrived in San Diego, and needless to say the insurance agent was beginning to doubt my word that payment had been made . . ."—Iva McLaughlin, Jamul, Calif.

". . . Within the past month, it required three weeks to get a small book from Sacramento to Paradise (Calif.), 100 miles. Three weeks ago it took four days to get a bank deposit from Paradise to Chico (Calif.)—15 miles in a zip-coded letter. . . ."—Paul H. Finch, Paradise, Calif.

". . . I want to add my voice to those who must certainly be writing to you every day to protest the deterioration of our postal service. It took five days for a letter mailed here in Butler (Pa.) to be delivered in New York City. . . . It took four days for a letter from Butler to be delivered in Pittsburgh, Pa., 35 miles away. . . ."—La Monte Crape, Butler, Pa.

". . . It . . . takes four days for a letter to get there from Washington (D.C.) which is outrageous. The Pony Express did better than the U.S. Postal Service today, and we didn't pay the taxes we do now . . ."—Margaret Hildt, Hobe Sound, Fla.

". . . The higher rates have come along but the service has dropped to such a low point that every now and then I think it can't get any worse, and then it does . . . A small parcel post package mailed to me from New York took more than three weeks for delivery.

"Material mailed to my office building containing information on a meeting held March 11 (1974) and mailed from Jacksonville, Fla., the last week in February arrived in Shreveport the last week in April. Bulletins mailed to my office from Chicago took more than three weeks for delivery . . ."—Sam B. Hicks III, Shreveport, La.

". . . I would like to know why it takes five long days for an airmail letter to get from Denver to Prescott, Ariz., a distance of around 600 miles? . . .—John L. Parker, Prescott, Ariz.

". . . It is my understanding that the Postal Service is being or has been reorganized to insure more efficient and expeditious service, but you would never guess it from my experience and those I have heard from others. I find that the postal service is worse today then it has been ever during my lifetime of 62 years . . ."—Russell S. Garner, Arlington, Va.

". . . Congressman (Morris K.) Udall (D.-Ariz.) mentioned the claim of the Post Office that, 'Airmail provides a service advantage over first class mail, and it is believed that many postal customers are not using it to their advantage.' As demonstrated by a survey we have conducted. . . . this claim is manifestly erroneous . . ."—Rolland Bushner, Council on Foreign Relations Inc., New York, N.Y.

". . . About two (2) months ago, our firm mailed a bid for a project in Castelberry, Fla. It was mailed ten (10) days prior to the specified arrival date. It was certified mail, return receipt requested. It did not arrive on time (and) therefore was not accepted. . . . This sale was valued at over $10,000 . . ."—Frank Costello, President, Slurry Seal Pavements Inc., Newington, Conn.

[From the Washington Post, June 11, 1974]

Accounting System Changed: Profit Claimed for Third Class Mail

(By Ronald Kessler)

At first glance, it appeared to be a miracle. Third class, so-called junk mail which had been causing a loss to the Postal Service of $152 million a year, was suddenly bringing in a tidy profit of $407 million a year.

Even more startling was that the actual revenues and costs of third class mail had not changed.

Indeed, the conflicting versions of whether third class mail made money or not applied to the same year—fiscal 1970. What had changed was the Postal Service's method of showing those costs.

On the basis of the new method, the Postal Service claims that third class mail paid for itself and that first class mail—the class used by most Americans—is not overcharged to subsidize it.

The agency has cited the new cost system to justify recent increases in the price of a first class stamp from 8 cents to 10 cents.

But the agency's claims are contradicted by six other postal cost studies, including two by the Postal Service itself. They showed first class mail was overcharged and subsidizes all, or nearly all, of the other classes, which are generally used by special commercial interests.

One of these studies, by the U.S. Postal Rate Commission staff assigned to represent the public in rate questions, showed an overcharge to first class mail in fiscal 1972 of about $1 billion, after the overall postal deficit, for which no class of mail pays, is eliminated.

This means first class mail users are paying an extra 2 cents a letter to subsidize others.

The Postal Service denied it overcharges any mail class, and it said its official cost study is the correct one. But one postal rate expert who has publicly defended the new system said it was designed to hide costs. "The purpose of the system," the expert said, "was to cover up losses on second, third, and fourth class mail for political and economic reasons."

Second class is used by newspapers and magazines, third class by so-called junk mailers, and fourth class by parcel post mailers, who include the general public and large mail order houses. First class is used by individuals and by business.

The expert added, "First class was just Joe Doaks. They weren't worried about first class."

Postmaster General Elmer T. Klassen said in a Wall Street Journal interview that when postage rates are raised, first class mail would bear the brunt. "To the housewife mailing six or eight letters and bills a month, that's insignificant," Klassen said, referring to a possible first class increase from 8 cents to 10 cents.

"I'm more concerned about the big mail user. . . . Big mail users are much more vocal" than consumers in fighting rate rises, Klassen said.

Klassen recently discounted the interview as "misrepresenting" his views. He said he could not recall what he had said.

The question of overcharges and undercharges has long been a point of contention. Through the years, third class mailers had been accused of not paying their way, but they argued they saved the post office money because they presorted their mail. One industry consultant figured third class mail requires 30 fewer handlings than does first class.

To those not familiar with the Postal Service's old method of determining its costs, the argument made sense. Third class mail is presorted, and does save costs.

But as Congress was told by the General Accounting Office, its audit branch, the old method took presorting into account.

The cost figures were based on observations of time spent by clerks handling the various mail classes. If clerks spent less time on third class mail, it showed up in the cost figures, GAO said.

The figures still showed third class was losing money, and the issue became of more than academic interest when Congress, in creating the new Postal Service in 1970, said all classes must pay their full costs.

This meant third-class rates would have to be substantially raised. But during the debate on the postal reform bill, the cost system was changed.

Where third class had been losing money, it was now making money. Indeed, Winton M. Blount, President Nixon's appointee as postmaster general, called third class mail the agency's "most profitable class of business."

Was a deal made to change the cost system for third class mailers if they would support the Nixon administration's bill?

Robert M. Huse, executive director of the Mail Advertising Services Association, a third class industry group, said, "I think the promise to change the cost system made reform a little more palatable. The new cost system showed that third class mail was not only paying its way but making a profit."

What the new system did, in effect, was to change the rules defining costs.

The old system—known as a fully allocated system—charged all the costs of running the Postal Service to the various classes of mail.

Time spent by clerks sorting third class mail was charged, based on salaries, to third class mail. The cost of maintaining sections of buildings used for sorting parcels was allocated to fourth class parcel post. A postmaster's time tending to first class mail was assigned to first class.

The new Postal Service system—called short-run incremental costs—allocates to the various classes of mail only about half the expenses of running the agency. The remaining costs are charged to the mail classes largely according to the Postal Service's judgment of how much they can be charged without driving customers away.

Since first class mail customers have nowhere else to go because the Postal Service has a legal monopoly on the delivery of letters, the Postal Service has allocated the highest proportion of these extra costs to first class mail.

Economists and accountants interviewed for this series said most companies, federal regulatory agencies, and government agencies use the Postal Service's old cost system—fully allocated costs—for determining their expenses. They said some companies use another cost method, called long-range incremental costs.

But they said the Postal Service's new system—using short-run incremental costs—is rarely used. When it is, they say, it is only for special, limited purposes.

For example, a manufacturer may have extra plant space available for a year. He might use a short-run system to figure his extra cost for making a new product line in the extra space while it is free. For this purpose, he would estimate the extra costs of salaries and equipment, but would exclude the cost of building and maintaining the plant, since this cost would continue regardless.

Obviously, if the manufacturer decides to continue making the new product line, he would have to take a long-range approach and figure in his plant costs. If he did not, he might think he is making money when he is losing it.

The new Postal Service method does not include the cost of buildings. It includes only costs that the Postal Service believes would increase or decrease within a period of a year if mail volume increased or decreased in the same period.

Since an increase in mail volume would not produce a new building within a year, buildings are not considered costs caused by any particular mail class, said Nathan W. Schachter, the Postal Service accountant who developed the new cost system. Schachter recently retired from the agency but continues as a consultant on rate matters.

For similar reasons, Schachter said, the new system does not charge to individual mail classes the costs of supplies, building maintenance, stamps, or most salaries of letter carriers, postmasters, and clerks who sell stamps.

A $1 billion expenditure on new buildings for sorting second, third, and fourth class bulk mail will be charged to first class mail users as well, said Arthur Eden, the agency's director of rates and classification.

If a home owner planned to charge rent for his home only on the basis of annual maintenance costs without including the cost of a paint job every five years, would he lose money?

Yes, Eden said.

Will the Postal Service lose money if it does not charge bulk mail users with the cost of painting buildings that sort bulk mail?

No, Eden said. Using an analogy, he said that if an apartment owner had difficulty renting his apartments, he would forget about the cost of constructing them and charge rents low enough to attract tenants.

Does this mean the new bulk mail facilities will lose money? No, Eden said, they will save money.

Seymour Wenner, chief administrative law judge of the U.S. Postal Rate Commission, found much of the Postal Service's reasoning to be anomalous. He ruled the agency's cost system does not show "the real costs the various classes impose on the system's capacity."

Wenner said the agency must change its cost system, but to date it has not done so. While six cost studies show first class mail is overcharged, the Postal Service has continued to base its rates on its new cost study, which shows first class is not overcharged.

In addition to Wenner's ruling, the new study has been found lacking by the GAO, which is expected to report this year that it fails to show the true costs of the mail classes.

Asked to cite any experts who agree with the Postal Service cost system for rate-setting, Eden of the Postal Service named two economists.

One, Dr. William S. Vickry, a Columbia University economics professor, said he generally agrees with the Postal Service method, but acknowledged that all of the federal rate-setting agencies that have heard his views—including the Federal Communications Commission and interstate Commerce Commission—have rejected them.

"I'm a voice crying in the widerness," said Dr. Vickry, who is a paid Postal Service consultant.

The second expert, Dr. Alfred E. Kahn, a Cornell University economics professor, said he did not agree with the Postal Service method. To use short-run costs for setting rates, Dr. Kahn said, "would mean that you could be losing money when you think you are making it."

He added, "To fail to put the bulk mail costs on the bulk mail users is to subsidize bulk mail at the expense of first class mail users."

Since the new U.S. Postal Service was established, it has been engaged in a running battle with magazine and newspaper publishers over the issue of second class postage rates.

Government policy since the founding of the country had encouraged preferential rates for newspapers and magazines as a way of stimulating the flow of ideas and information. Benjamin Franklin, the first postmaster general, himself took advantage of this policy to send his own publications through the mails.

When Congress passed the act establishing the new Postal Service in 1970, it said the new agency should charge rates that cover as much as possible all the costs of a class of mail.

As a result, the newly established U.S. Postal Rates Commission approved increases in second class rates charged newspapers and magazines by an average of 138 per cent. Because of the sharpness of the increase, the new rates were to be phased over five years beginning in 1971.

Publishers, stung by increases amounting to millions of dollars, attacked the rate rises as an invitation to bankruptcy for some publications and an infringement of freedom of the press. They lobbied for legislation which recently passed the Senate, to delay the rate increases for a longer period.

The New Republic, which had traditionally opposed government subsidies of private industry, editorialized that what was at stake was whether "a multiplicity and diversity of periodicals is in the public interest."

Robert J. Myers, publisher of The New Republic, said he saw no conflict in the magazine's positions on subsidies. He said each subsidy must be evaluated on a "case-by-case basis."

"You either believe dissemination of free ideas in a free society is important or you don't," Myers said.

Not all publishers saw the issue that clearly, and some questioned the cries of financial doom.

"If the press' existence is determined by a government handout that can be taken away at will, I don't see that we've got much freedom of the press," said William G. Mullen, secretary and general counsel of the National Newspaper Association, which represents publishers of some 6,000 small daily and weekly newspapers.

According to James Milholland Jr., chairman of American Business Press, which represents business magazine publishers, "Postage rates, in our opinion, have not put any newspaper or magazine out of business."

Disagreeing, Stephen E. Kelley, president of the Magazine Publishers Association, cited the deaths of Life and Look as examples of the effect of the postal rate increases. The increases will "restrict the dissemination of information, ideas, opinions and education matter" and will stifle the birth of new magazines, Kelley told a congressional committee last year.

But a number of publishing industry executives said the mass circulation magazines were in trouble long before the Postal Service was established, and they said they often lacked the successful editorial focus of such magazines as Time, Newsweek, Cosmopolitan, New Yorker, Reader's Digest, Psychology Today, and Playboy.

While the rate increases were steep by any standard, they do not appear as large items in publishers' budgets.

Newsweek magazine, published by The Washington Post Co., owner of this newspaper, spent about 4 per cent of its 1973 budget on second class postage. This was one percentage point higher than in 1970, before the rate raises.

Second class postage for the average copy of Time magazine will increase to 4.7 cents after the five-year phased rate increase from 1.8 cents before, Andrew Heiskell, chairman of Time, Inc., told a House postal subcommittee.

The additional cost to a subscriber of Time, if the full increase were passed along to readers rather than advertisers, would be $1.50 a year. Heiskell said. He predicted, however, that the added cost would come to more than this figure because of an expected drop-off of circulation caused by higher subscription prices.

The rate increases have been stiffened further since the estimate was made.

Kelly of the Magazine Publishers Association has warned that if the second class rate increases had been in effect in 1970, the magazine industry's average pretax profit of 3.1 per cent would have turned into a $59 million loss.

But magazine industry consultant James B. Kobak, in a speech distributed by Kelly's group, pointed out the 3.1 per cent profit margin came from a survey whose results were heavily weighted by the losses of magazines such as Look. Other, profitable magazines were not included in the survey, he said.

In a forum less public than congressional testimony, Kelly has been more sanguine.

"We in the magazine field," he was quoted last year as saying in Folio, a magazine industry trade publication, "look ahead with strong convictions of further growth within the industry."

Figures compiled by Kelly's organization lend weight to his optimism. Thirteen consumer magazines ceased publication in 1973, while 128 new ones were started, they show.

[From the Washington Post, June 12, 1974]

$1 Billion for Second-Rate Parcel Post

(By Ronald Kessler)

The new U.S. Postal Service is spending $1 billion to build parcel sorting facilities that promise slower and more damage-prone service than the agency's parcel post competitor, United Parcel Service.

The network of new facilities, called the bulk mail system, are under construction and are expected to be finished in 1975. One of the buildings is now in operation in Jersey City, N.J., and the parcel sorting center for the Washington area is expected to be completed in Largo, Md., in September.

The Postal Service has promised that the new facilities will give the public "vastly improved service" by reducing parcel damage and speeding deliveries.

Presently, although the Postal Service does not disclose the fact to persons mailing packages, the average parcel mailed from Washington to Los Angeles takes more than eight days to be delivered, according to internal reports for the latest fiscal quarter for which figures are available. This is longer than the Pony Express trip from Missouri to California in 1861.

The Postal Service also does not tell the public that the chances of a package arriving at its destination unscathed are less reassuring. Internal reports show that, in a Postal Service test, about half the fragile items mailed by parcel post arrived broken.

The reason for the breakage is not hard to find. Although the new Postal Service told the press in 1972 it is "no longer throwing packages," visits to post offices from Boston to Cincinnati and from Miami to Los Angeles reveal it is rare when a package is not thrown.

Since sorting bins are placed 5 to 25 feet from clerks who sort the parcels, the alternative to throwing a package is a long walk to sort each one.

In the Chicago post office, clerks throw packages under a sign warning, "The parcel you toss may be your last." Clerks in the New York general post office are told, "Parcels must not be thrown more than five feet."

Although another sign warns that packages marked "fragile" are not to be thrown, these parcels were observed to be treated like any other.

"A private company that did that wouldn't last in business or would be investigated for consumer fraud," said John D. Swygert, executive assistant to the deputy postmaster general until 1969 and a consultant to large mailers.

If the shortcomings of the Postal Service's parcel post are obvious, so are the advantages of the private United Parcel Service (UPS).

Although the Postal Service publicly denies it, the government agency's internal reports show that one important reason for building the $1 billion bulk mail system was to attempt to stop an accelerating loss of business to UPS.

UPS, a private company started in 1907 as a messenger firm and owned largely by its managers, now handles about twice as many parcels as the public Postal Service. Seven years ago, the situation was reversed.

Internal Postal Service studies list the reasons for this success. UPS service is faster and more reliable than parcel post; its rates are generally cheaper; and its damage rate is one-fifth that of the Postal Service.

In addition, the studies say, UPS offers services the Postal Service does not: it gives free insurance on every parcel up to $100, it keeps a record on each parcel, and it picks up from homes and offices for an extra $2 fee.

While the Postal Service makes one attempt to deliver, the reports say, UPS makes three.

The Postal Service at times has publicly attributed UPS' success to what it calls "cream skimming" of the most profitable business. Unlike UPS, the public agency said, it must deliver every package of crumbling cookies and fruit cakes to every point in the nation, no matter how out-of-the-way.

There is some truth to this. The less profitable parcel business generated by households accounts for one-quarter of the Postal Service's volume, compared with less than 5 per cent of UPS'.

On the other hand, the majority of both entities' business comes from large, commercial mailers, and the Postal Service has never presented evidence to contradict UPS' claim that it picks up and delivers anywhere in the 43 states it is authorized by the Interstate Commerce Commission to serve.

"For the many reasons, disclosed on this record," John B. Drury, ICC administrative law judge, ruled last year on a UPS application to expand its jurisdiction, "it is abundantly clear that UPS is providing the American people with a broad service, designed to meet the public need, that is far superior to that of the (Postal Service's) parcel post or of any other carrier herein of record at a comparable, and oftentimes lower, cost."

Despite UPS' lower rates, it made an after-tax profit in 1972 of $77 million, or about 7 per cent of its $1 billion revenue. In about the same year, the Postal Service, which does not pay taxes, had a loss on its fourth class, largely parcel post, business of nearly $300 million, as calculated by the U.S. Postal Rate Commission's staff assigned to represent the public.

The Postal Service proposed in 1969 to change all this. To carry out the mechanization recommendations of the Kappel Commission, Winton M. Blount, President Nixon's appointee as postmaster general, said the Postal Service would build separate, modern systems for handling letter and bulk mail.

Processing both types of mail under the same roof, he said, was like "trying to manufacture tractors and sports cars on the same assembly line."

Blount said the bulk mail network would handle second-class newspapers and magazines that do not require speedy delivery, third-class mail, and fourth-class parcel post.

They would use modern sorting machinery designed to keep damage to a minimum. They would be located outside congested areas and near major transportation lines. To reduce handling and speed the mail, they would consolidate sorting now done in more than 500 post offices into 33 centers, including 12 auxiliary stations.

Five years later, the bulk mail system is being built under the direction of Blount's successor, Elmer T. Klassen. Despite Blount's original claims, the GAO has found the $1 billion network promises to give slower service than UPS and, in some instances, than the existing parcel post system.

While the Postal Service has claimed the new system would save money when compared with the existing system, the GAO has found the agency has no evidence to support its contention.

While UPS has designed its facilities to keep damage to a minimum by eliminating any free-fall drops of parcels, the Postal Service has designed its new buildings with drops of at least a foot.

When they designed the new bulk mail system, postal officials had before them the successful UPS facilities as models, but there is little resemblance between the two systems.

While the new bulk mail system will handle a large portion of parcels in canvas sacks, UPS uses no sacks.

"One of the problems with a canvas sack," said a UPS spokesman, "is that corrugated boxes are designed to withstand pressure if they're on their bases; in a sack, packages may or may not be sitting on their bases."

To empty parcels from the sacks, the bulk mail system uses a machine that tips them upside down and allows parcels to fall on a flat conveyor with impact-absorbing cones. Parcels near the lip of the sacks drop a foot. Those near the tops of the sacks drop as much as four feet.

A Postal Service analyst who helped design the system said, "There are an awful lot of ways to handle parcels besides dropping them from sacks. It's madness."

Employees in the Jersey City facility, which sorts parcels for the New York metropolitan area, said some parcels get caught in the folds of the sacks and later drop seven feet to the floor. They say other parcels are crushed in the sorting machinery or burst open when bounced against other parcels by high-speed sorting equipment.

"Parcels are breaking open like crazy," said an operator of one of the machines. Others say glassware, clothing, and books often spew on the floor, and extra workers have been assigned to rewrap damaged packages.

Repeated requests to tour the $130 million Jersey City facility were turned down by the Postal Service on the grounds the employees were too busy to give tours and the plant is not fully operational.

George R. Cavell, manager of the facility, did not return a reporter's telephone calls. Cavell selected the company that made the sorting equipment after he had been paid as a consultant to the company. He also determined that no other companies should be allowed to bid on the $8.4 million contract.

Cavell's secretary referred calls to Julie B. McCarthy, a headquarters employee, who said that although she had not seen the equipment sort parcels, the damage rate in the plant "has not been a problem which has occurred in any general sense."

She said parcels that drop four feet from sack-shaker machines are cushioned because they slide out on top of other packages. She said other machines are still be tested and improved.

In an interview, E. S. Brower, assistant postmaster general for bulk mail, acknowledged he did not know what the maximum drop in a UPS facility is.

When told it was zero, Brower, who claimed in 1972 that the Postal Service no longer throws packages, said he did not think the one-foot, designed-in drop in the new bulk mail facilities is unreasonable.

Brower said many parcels that do not arrive in sacks will drop only nine inches. He said tests have shown the equipment does not significantly damage parcels. He would not make available copies of the study, however.

Brower said the new system will offer service "as good or better than UPS." However, the GAO has found the new system promises slower service than UPS.

For example, UPS promises to deliver packages locally in one day, compared with two days promised by the bulk mail system. (The Postal Service recently amended its standard to call for one-day delivery of 76 per cent of local parcels.)

From Washington to New York, UPS promises two-day delivery, while the bulk mail network promises to make the trip in three days.

The Postal Service found in a 1971 test that UPS does not always adhere to its standards. Parcels that were supposed to be delivered to one area in three days took an average of 3.3 days, the test determined.

The bulk mail standard for the same distance is four days.

Much of the slower service of the new bulk mail system will be caused by its consolidation of more than 500 sorting centers into 33, the GAO has reported.

To Americans brought up on the proposition that bigness means efficiency, the consolidation makes sense. But in service industries like the Postal Service, bigness often means delays and higher costs. The largest post offices in the country, for example, have productivity rates as much as 50 per cent lower than smaller post offices.

In the bulk mail system, packages will often be slowed because they will travel longer distances before being sorted at the consolidated centers, GAO says. A parcel mailed the 103 miles from Pensacola to Panama City, Fla., will travel 1,536 miles through New Orleans, Memphis, and Jacksonville, GAO has reported.

Brower called GAO's conclusion that the new system will in some instances offer slower delivery than the present system "not true." He said the degree of consolidation of the new sorting facilities is "really not different from UPS."

However, Charles W. L. Forman, executive vice president of UPS, said that UPS has three times more sorting centers to serve 43 states than the Postal Service will have for 48 states. In the New York metropolitan area, he said, UPS has five centers, compared with the Postal Service's one in Jersey City.

Large centers, Foreman said, have been found by UPS to reduce productivity and increase service time.

Although the Postal Service has told Congress the new bulk mail centers would use modern sorting equipment, Brower acknowledged the machines work on the same principle as those used in post offices in 1968. They route parcels to appropriate bins based on address information punched into keyboards by clerks who read labels on packages.

Brower said the new equipment would cut costs because they sort to more bins than the old machines, reducing the number of addition sortings needed.

The Postal Service did not attempt to develop new sorting devices because "we wanted to make sure it would work," Brower said. He indicated new machines might not work because they would be untried.

The GAO has found that much of the sorting equipment installed in Jersey City still does not work.

An internal agency memorandum by Robert E. Ruckman, a research analyst, says the equipment was designed on a rush basis. The official in charge of the project, Harold F. Faught, formerly a senior assistant postmaster general, was committed to starting construction of the system "too soon—before he could locate or design them (the buildings) with valid systems data," the memo says.

The number and location of sorting centers was determined by a computer based on "obsolescent" information, the memo said. Because of the "strange locations" chosen by the computer, the 12 auxiliary stations had to be added to fill in blank spaces on the map, the memo added.

Cavell, who was then in charge of the national bulk mail system, wanted the network designed in three months, ". . . other things, such as how the system would work, being add-on details later," the memo said.

Cavell, the memo said, decided to use "current processing hardware—no new development of machinery . . ."

The memo quoted Cavell as suggesting the new buildings could be used for five to seven years, then "write it off and ask for new facilities . . ."

The system was designed, the memo said, by "the blind leading the blind."

Asked why a mailer would want to switch his business from UPS to the Postal Service after the facilities are built, Brower said, "The main advantage over UPS is that they (persons mailing packages) can mail (parcels) with their other mailings."

Like other postal officials, Brower disclaimed any intention of building the facilities to compete with UPS. In part, postal sources said, this position is a reaction to congressional criticism of the unseemly appearance of spending $1 billion in public funds to compete with a private business that is, by all accounts, doing a good job.

"Is there any reason," postal officials were asked in 1972 hearings by Rep. Robert N. C. Nix (D-Pa.), "for the public to be concerned about the fact that a private company has taken parcel business from the Postal Service? Is there any reason to spend $1 billion on such an enterprise?"

Despite the claim that this was not its purpose, the Postal Service's internal reports devoted considerable space to charts depicting how the new system will stop the loss of business to UPS. Postal officials said that if the system does not do so, it will have no parcels to sort.

The system's capacity of 1.2 billion parcels is the combined volume of the Postal Service and UPS in 1971. Postal Service volume since slid to 475 million parcels, or less than half the capacity of the bulk mail network.

Brower said the new system will save money when compared with the present network even if parcel volume dropped further to 230 million packages. He declined to make available a copy of the study predicting the savings.

Brower said it had been reviewed by GAO, which "agreed" with it. However, GAO, it was learned, had told Brower that the study represented "speculation." Brower did not return subsequent telephone calls from a reporter.

A number of postal officials said the agency knew almost from the start that the new system might not justify its $1 billion cost. They said Blount, and later Klassen, were intent on showing visible improvement in the form of bricks and mortar.

"It was a shell game," said Dr. James A. Armstrong, a former postal official who is director of corporate planning for American Telephone & Telegraph Co. "No one knew when it was going to blow up."

James E. Josendale, who was deputy assistant postmaster general for operations from 1969 to 1971 and is now chairman of Wire Rope Corp. of America, said: "If I did that in my company and didn't show where I'm going to receive the money (to justify the investment), they'd throw me out."

[From the Washington Post, June 13, 1974]

Mechanical Bugs Foil Mail Delivery

(By Ronald Kessler)

A maintenance man recently stood on top of a letter sorting machine in a Cincinnati post office and poked it with a broom handle in an effort to make it work. A half hour later, the man was still poking the machine, while a second worker fed it letters one by one.

The machine was not a leftover from the old politics ridden Post Office Department. It was part of a new computerized letter sorting system that the new U.S. Postal Service claimed last year would save $1 billion annually.

Despite the claim the difficulty observed on a recent visit to the new letter sorting machine system in use in Cincinnati was not unusual.

Government audits have detailed a series of horror stories about the new equipment, from a high rate of missent letters to frequent jamming of letters in the machinery.

Last year, the General Accounting Office, the audit branch of Congress, reported that rather than saving money, the new system would be more costly than the present, largely manual system.

A confidential report by the Postal Service's internal auditors concluded that the system correctly sorted 1,100 letters per man hour. In contrast, the agency says about 1,700 letters per manhour were sorted by the D.C. post office last year using the method employed in 1775 by Benjamin Franklin, the first postmaster general: manually placing letters, one by one, in pigeon holes.

Ever since Franklin's time, postal officials have dreamed of replacing the pigeon holes with modern machinery.

While the telephone company replaced operators with dial equipment and manufacturers built automated plants, the Postal Service found itself largely bypassed by the industrial revolution.

Today, a majority of the mail continues to be sorted by hand. The Kappel Commission, which proposed postal reform, identified this reliance on hand labor as a chief cause of poor service and rising rates. The commission said the new Postal Service must be established as an independent government agency so it can raise money for mechanization.

In 1969, Winton M. Blount, President Nixon's appointee as postmaster general, promised he would give the public "sharply improved service" by building two mechanized systems—one for bulk mail, the other for letter mail.

Five years later, the bulk mail system, which will largely benefit special commercial interests, is being built, while the letter mail system, which would benefit individual citizens and all businesses, is not.

Without referring to the critical audit reports, Postmaster General Elmer T. Klassen told postal managers in a February, 1973, memorandum that a decision on implementing the letter mail system would be delayed until the Postal Service establishes it can successfully operate the bulk mail system.

While he calls the letter mail system that had been planned by the Postal Service "ill-conceived," Murray Comarow, who was senior assistant postmaster general for policy until earlier this year, said the lack of any mechanized system means "a continuation of the rising costs and erratic service that the new Postal Service was supposed to stop." Comarow was executive director of the Kappel Commission, which recommended postal reform in 1968.

Many postal officials are talking privately about the possibility of a 15-cent first class stamp, and congressional committees are talking about an increase in government appropriations to close the widening gap between revenues and costs.

The story of how the Postal Service arrived at this impasse illustrates what many postal officials say are some of the agency's most basic problems. It also sheds light on what mail service might be like in the future, since the Cincinnati equipment may one day be installed in post offices throughout the country.

At the heart of the Cincinnati project—the prototype of the proposed mechanized letter mail system—are two machines that sort letters into bins according to zip code.

One relies on human operators to read the code on each envelope and punch the information into keyboards. The second replaces the operators with computerized, optical scanners that read the codes.

Both machines imprint bar codes on letters to enable machines at subsequent points in the mail system to sort them more easily. The codes, which may be seen on some return envelopes oil and credit card companies provide for paying bills, contain address and zip code information.

Both machines currently are used in other post offices outside Cincinnati, and both have their shortcomings.

The machine that relies on human operators has an error rate as high as 17 per cent, the GAO has found. Each time a letter is missorted. It might be delayed as many as five days in addition to normal delivery time, the GAO said.

The optical scanner does not read handwritten or typewritten mail. It will not read mail addressed by machine if the addresses are in the wrong type face or ink, if the envelopes are the wrong color or carry printing or if anything besides the address shows up in a transparent address window.

A more sophisticated version of this machine being tested in New York reads typewritten mail but costs $3 million per copy and still requires 16 operators.

In contrast, the conventional letter-sorter reads all mail, costs about $600,000, and requires about 40 operators to handle about the same volume of mail as the computerized machine in New York.

The two machines used in Cincinnati were developed in the 1950s after then Postmaster General Arthur L. Summerfield began a policy of attempting to mechanize the mails.

Jacob Rabinow, chief of invention and innovation for the National Bureau of Standards, said no effort was made to develop a better machine when the Cincinnati project was started in 1969. "They decided they wanted something quick off the shelf because they wanted results to show the public," he said.

"An awful lot of planning (for the letter mail system) was done in a vacuum in the sense that they looked at isolated engineering possibilities rather than looking at the whole system," said Dr. James C. Armstrong, a postal official at the time who is now manager of corporate planning for American Telephone & Telegraph Co.

"The research and development effort at the Postal Service was largely a collection of hobby shops where people worked on pet projects that interested them," Armstrong added. "The idea of putting all the machinery under one roof hadn't occurred to them."

Indeed, the Cincinnati project is, in effect, half a post office. It does not sort letters until they have been initially sorted and canceled by a conventional post office on a different floor.

The Postal Service poured $49 million into developing the Cincinnati project, and according to the outside consultants hired to evaluate the system, the expenditure was well worth it.

A study by Computer Sciences Corp. showed the system, if installed in 180 new postal buildings, would bring the Postal Service a net savings of $12 billion over 10 years with a $4 billion investment.

The system would even save money if installed in the 588 existing mail sorting post offices, the report, a one-inch thick document bound with the Postal Service seal, said.

The report, however, was based on a computer analysis and a computer analysis is only as good as the figures put into it. The GAO found they left much to be desired.

The figures did not include half the cost of erecting the new buildings, GAO said. They did not include additional transportation costs caused by carrying the mail further to reach consolidated sorting centers. And GAO said they were based on the system's theoretical, rather than actual performance.

The gap between theory and practice was wide. An internal Postal Service audit report said last year that the system rejected 20 per cent of the mail fed into it, even though the mail generally was selected as it would be handled easily by machines.

Rejected mail is delayed and adds to costs because it must be handled a second time by conventional sorters.

Because of frequent breakdowns, about 75 per cent of the cost of operating the Cincinnati project was spent on maintenance, the audit report said.

Often postal management did not know why machines were broken. It also did not know the total costs of operating the project, the report stamped "limited official use," said.

As recently as July, Ralph W. Nicholson, senior assistant postmaster general for finance, asked in an internal memo if the Postal Service knew exactly what the system consists of and what is expected of it.

The GAO found that about one-third of the letters sorted by the system could not be sorted according to plan at subsequent points in the mail network because they had been missorted, miscoded, or jammed in machinery.

Rather than speeding mail service, the GAO found the system might slow it in many areas because mail would be concentrated at large sorting centers.

This would mean longer trips before mail reached sorting centers, GAO said. In addition Postal Service internal figures show the productivity of larger post offices such as Chicago and New York is often half that of smaller post offices.

Despite the audit findings, Alden J. Schneider, assistant postmaster general for research and engineering, said recently that the Cincinnati project is not dead. He said further improvements are being made, some of the equipment is being replaced, and fewer maintenance men are now needed.

Schneider recently resigned, and no successor has been named.

Internal memos also show the agency has considered constructing new mail-sorting buildings even if it is not sure what will go in them. This plan was questioned in a 1972 memo by J. T. Ellington Jr., assistant postmaster general for planning. He pointed out that the computer analysis predicting savings from new buildings was based on the assumption they would contain the equipment used in Cincinnati.

"If so," Ellington wrote to other high-ranking postal officials, "we would appear to be deploying facilities to house equipment we may not use . . ."

By April, 1973, Ellington's doubts had been resolved. "I am satisfied," he wrote in another memo, "that the location of the facilities as currently developed is not materially affected by the type of mechanization," assuming it is not far different from equipment in Cincinnati.

Ellington said recently some of the new buildings planned would be necessary, anyway, to replace outmoded facilities. Asked what would happen if new machines that might be developed could not be used in the new buildings, Ellington said they would not be installed.

An official of Computer Sciences, which predicted savings from a network of new buildings, called the Postal Service reasoning "poor thinking." The official who asked not to be named, said, "First you choose the system then you build the buildings."

[From the Washington Post, June 14, 1974]

NEW POSTAL CONTRACTS COST $140 MILLION IN OVERRUNS

(By Ronald Kessler)

The new U.S. Postal Service has spent more than $140 million on contract cost overruns since the assertedly cost conscious policies of the new agency were adopted in 1969, a computer print out obtained by The Washington Post shows.

The print-out shows that overruns amounting to $128 million occurred on contracts that had not been competitively bid through formal advertising. The overruns on these contracts amounted to 40 per cent of the original contract prices.

In fiscal 1973, Postal Service figures show, only about half the contracts let by postal headquarters for $3,000 or more were given after formal, competitive bidding. The items purchased without bidding ranged from forklift trucks to carpeting for Postmaster General Elmer T. Klassen's office.

The law that created the new postal agency does not require competitive bidding. It does require it to operate efficiently. Both the postal agency and the General Accounting Office, the audit branch of Congress, have said competitive bidding is generally the cheapest and fairest way of procuring goods and services.

When it was informed of The Post's findings on Postal Service contracting, the GAO said it would begin an investigation of the agency's procurement practices.

Robert H. McCutcheon, assistant postmaster general for procurement and supply, said, "I don't feel the figures (from the computer printout) are an objective portrayal of procurement in the Postal Service." He added, "I'm not trying to cover up any messes."

McCutcheon contended that formal advertising is not the only way of securing competitive bidding. He said a different procurement method—called "negotiated" contracting—is also competitive.

Under the "negotiated" method, the agency selects companies to submit bids. The bids are not sealed, and the agency is not bound to accept the lowest one.

McCutcheon said two-thirds of the negotiated contracts let by the postal agency in a recent period were first listed in a publication that is read by potential contractors.

Asked about McCutcheon's comments, a GAO official cited by the agency as an expert in government procurement said, "Negotiation is not pure competition the way we would like to see it."

Although he was singled out by the GAO public information office as an official spokesman, the expert asked not to be named.

McCutcheon also said many cost overruns apparently had occurred because the Postal Service had changed the requirements of some of the contracts in question. He said other increases might have occurred because the agency ordered additional quantities under a contract allowing extra items to be purchased at the original price.

McCutcheon cited two examples of these contracts, but both turned out to be with another government agency rather than with a company. Those contracts were not included in The Post's analysis. A postal contracting source called the number and value of such contracts "minimal" and McCutcheon declined to cite the total amount of such contracts, saying it would require too much manpower.

In general, the GAO official said, any increase in the price of contract is an overrun and should not occur. It does not make any difference, he said, if the increase is caused by the contractor or the Postal Service. If changes occur often, he said, "It's poor management and poor planning."

Even a price increase caused by an increase in quantities ordered may not represent efficient procurement, the GAO official said. If each quantity desired were bid as a separate contract, he said, the agency should get a better price.

Almost from its inception, the Postal Service has been engaged in controversy over its contracting methods.

For example, the postal agency chose an underwriter to handle the sale of $250 million in bonds it sold to the public in 1971 without competitive bidding.

Congressional hearings later revealed that the underwriter, Salomon Bros. in New York, hired the former law firm of President Nixon and former Attorney General John N. Mitchell to handle the legal work for the offering.

The law firm was hired by William E. Simon, then a Salomon Bros. partner and more recently federal energy chief and Treasury Department secretary. Simon has acknowledged he is a friend of Mitchell.

Another contract for $8.4 million was given without competitive bidding to the Speaker Sortation Division of ATO Inc. by a postal official who had been a paid consultant to the company.

The Postal Service official, George R. Cavell, justified giving the contract to Speaker on the grounds it had the required equipment without the need for substantial development work. The GAO later said the postal agency knew at the time that Speaker's equipment—package sorting machinery for a bulk mail facility at Jersey City, N.J.—required further development.

Indeed, the GAO said much of the equipment has continued to require modifications even after it was installed. The Postal Service refused to allow this reporter to see the machinery.

More recently, the Postal Service spent $32 million to buy a new headquarters building in Washington's L'Enfant Plaza because its old building on Pennsylvania Avenue was too large and inefficient. Many postal officials now complain that the new building is too small.

Just before he took over as postmaster general on Jan. 1, 1972, Klassen pledged to tighten contract procedures. "We must do something from inside to provide better controls to avoid this kind of criticism from Congress," he said.

Since that time, Klassen himself has been found to be involved in giving contracts to acquaintances without competitive bidding.

Postal Service files show Klassen instructed postal officials to give contracts eventually amounting to more than $700,000 to a New York marketing firm headed by Charles N. Burnaford, a longtime Klassen business associate.

Burnaford said recently that Postal Service auditors had disallowed $135,000 in payments to his company. "The government steps on you." he said.

Although the Postal Service's contracting manual provides that goods and services should be purchased through competitive bidding with formal advertising unless it would interfere with "prompt, reliable, and efficient postal service," a memo in the

Burnaford file shows how the requirements are circumvented.

The memo, between postal contracting officers says a $43,000 contract must be given to Burnaford without competitive bidding because of the "crash nature" of the work to be done.

The project preparation of documentary films for the 1973 Postal Week program.

Another method of avoiding competition is illustrated by a $3.7 million contract given by the Postal Service in 1971 to Westinghouse Electric Co.

Why the job was given to an outside contractor is not clear. The job—to evaluate job positions to determine if they fit job duties—had previously been performed by postal employes.

"The feeling," said one postal official who asked to remain unidentified, "is you have to cover your ass, and if you give work assigned to you to someone else outside the agency), you can't be blamed if something goes wrong."

On the surface, the Westinghouse contract appeared to be routine. Indeed, then Postmaster General Winton M. Blount claimed in 1971 congressional hearings it had been competitively bid with formal advertising.

As a House postal subcommittee later reported, the contract was far from routine. "The evidence is overwhelming," it said, "that the Postal Service made up its mind long before the bids were solicited that the contract was going to Westinghouse."

How this happened provides a fascinating case history of procurement methods sometimes used by the Postal Service.

The House subcommittee found that more than a month before bids were solicited, the agency approached Westinghouse and began drawing up a contract to do the job. Robert W. Eidson, the postal official who gave the contract, told his superiors in a memo, "I can now say this will be Westinghouse for the contractor . . ."

The postal agency's legal department, however, blocked the attempt to give the contract without bidding.

Eidson then solicited bids from six companies, including Westinghouse. By soliciting bids, rather than advertising for them, Eidson was using the negotiated contract method.

The subcommittee reported that specifications in the solicitations for bids were tailored to fit the proposal already submitted by Westinghouse. It also found that the firms were given less than a week to submit bids after being told the agency's requirements.

When the bids were received, the one from Westinghouse turned out to be the highest in price. It exceeded the lowest bid by $1.8 million.

Eidson justified giving the contract to Westinghouse on the grounds it was most experienced in doing job evaluations and had the necessary qualified personnel.

However, a Westinghouse official later testified that his firm, which makes electrical equipment and appliances, had previously performed only one job evaluation. In contrast, several of the other bidders considered by Eidson to be less experienced had performed thousands of such evaluations, the subcommittee reported.

Eidson had also acknowledged before he rated the bids that Westinghouse was "not knowledgeable in the job evaluation area," according to the testimony of a former postal official, Anne P. Flory. She said Eidson told her Westinghouse would have to be trained by another firm to do the job.

Another firm was hired to train Westinghouse—at Postal Service expense. An official of that firm. Fry Consultants Inc., testified it could have performed the entire job evaluation contract for $2.2 million less than Westinghouse charged.

The official said his firm had never heard of an organization hiring a company to train another company to complete a contract.

Eidson also said the Westinghouse bid was superior because it complied with one particular requirement of the solicitation: that the contract be performed in 3,132 man weeks.

One of the bidders, Booz, Allen & Hamilton, was eliminated because it said it could do the job in about 2,000 man weeks.

Eidson acknowledged under subcommittee questioning that he did not know how many jobs the Postal Service had to evaluate when he arrived at the requirement of 3,132 man weeks.

"Yet you come up with not an approximation, not approximately 3,000 or approximately 2,000, but you come up with a figure of exactly 3,132 man weeks?" Eidson was asked rhetorically at subcommittee hearings.

The subcommittee referred its findings to the Justice Department for "appropriate action," but no action has been taken by Justice.

Westinghouse defended the Postal Service decision to give it the contract on the grounds that its bid complied with the man-weeks requirement. In addition, Westinghouse said previous experience in job evaluations was not necessary, so long as those assigned to the job had intelligence and general industrial experience.

Eidson, asked for comment recently, declined to say why he chose Westinghouse. He then refused to discuss any aspect of the episode.

When Eidson gave the contract to Westinghouse, he was in a department headed by Harold F. Faught, who had previously been employed by Westinghouse for 21 years and continued to receive deferred compensation from Westinghouse.

Faught said in subcommittee hearings that Eidson was temporarily detached from his staff while the Westinghouse contract was being negotiated. Although Eidson knew Faught had worked for Westinghouse, and the two men saw each other often, Eidson never mentioned the contract, Faught testified.

Last summer, Faught left the Postal Service as senior assistant postmaster general to become a vice president of Emerson Electric Co., which has a $4 million competitively bid contract with the Postal Service.

Emerson's chief executive, Charles F. Knight, is the son of the chairman of Lester B. Knight & Associates, an architectural engineering firm that has received nearly $6 million in postal contracts without competitive bidding.

Faught acknowledged recently that while at the Postal Service, he had helped select the Knight firm as a contractor, but he said any claim of a connection between the contracts and his jobs is "ridiculous."

[From the Washington Post, June 15, 1974]

POSTAL WOES START AT TOP

(By Ronald Kessler)

"The will of the Congress, and the will of the people, is clear," President Nixon declared in 1969, when he proposed reform of the Post Office Department. "They want fast, dependable, and low-cost mail service. They want an end to the continuing cycle of higher deficits and increasing costs."

Five years later, the record of the new Postal Service shows mail service has become slower rather than faster, deliveries more erratic rather than more dependable, and costs and government subsidies larger rather than smaller.

The new U.S. Postal Service has not been without achievements. It has appointed postmasters on merit rather than political considerations. It has decentralized operations to allow field managers to make more decisions based on local needs. And it has encouraged managers to think for themselves instead of relying on rule books.

But the agency has failed to fulfill its mandate of improving service and reducing costs and much of the debate over this failure has centered on a philosophical argument: Is the Postal Service a government agency created to serve the people or a business created to make a profit."

The debate stems from the agency's own congressional mandate—it must operate as a "service to the people" and strive to become financially self-sufficient by 1984.

The argument largely misses the point. A private company that gives poor service will eventually lose its customers, and with them, its profits in business as in government, service comes first and cost-cutting second.

The Postal Service has often forgotten this, but a majority of the present and former postal officials, congressmen and their aides, technical experts, and mail users interviewed for this series of articles said they believe the agency's problems go deeper than a reversal of priorities.

The problem, in their view, is not the basic legislation creating the Post Service. Although the legislation could be improved, they said, a return to the old Post Office Department would be a step backward.

Instead, the problem, in the view of most of those interviewed, is a lack of direction by the postal agency's management and the lack of a remedy in the congressional act for dealing with poor management.

The postal management does not see it this way. It contends that service has improved and costs have been cut, but there is less to these claims than meets the eye.

The agency said the postal deficit has been reduced, but a look at the annual report shows this has been accomplished because government appropriations have been increased.

It said productivity has gone up, but internal agency memos show the improvements have often been at the expense of service—for example, reducing collections from mail boxes. The 14 per cent increase in productivity—pieces of mail handled per man-year—has been offset by a 48 per cent increase in average compensation paid per man-year.

The agency said it has avoided crippling strikes, but union and postal officials said this has been achieved by giving the unions almost everything they demanded.

It said it has cut its work force by 5 per cent, but the reductions have been of temporary workers in response to union demands, while the number of costly, full-time workers has gone up. While the work force has been cut, payment of overtime has risen 13 per cent under the new management of the agency.

The Postal Service said it now treats mail users as "customers," but when it decided to strive no longer for overnight delivery of all mail, the agency made a deliberate decision not to tell the public or Congress.

The agency said improvements in service should now begin to show up, but it has been making similar claims almost since it was created.

Rep. Thaddeus J. Dulski (D-N.Y.), chairman of the House Post Office and Civil Service Committee, wrote to Postmaster General Elmer T. Klassen last December:

"I have been given repeated assurances that solutions to the collapsing postal system were at hand. But the promises keep falling by the wayside; instead of improvements, new complications arise, and things grow steadily worse."

Some of the reasons are relatively easy to pinpoint.

Service reached its lowest point since the agency began to measure it on a consistent basis in 1968 after Klassen ordered a hiring freeze in 1972.

The freeze applied equally to post offices with rising and declining mail volume. Since the agency is almost totally dependent on human labor to move the mails the resulting decline in service was not a surprise.

The lesson was not new. Although the old post office publicly blamed the historic pile-up of mail in the Chicago Post Office in 1966 on factors largely beyond its control, former high-ranking postal officials said it was caused by a refusal by then-Postmaster General Lawrence F. O'Brien to soften a freeze on overtime. O'Brien said recently he could not recall his decisions on the matter.

Klassen now concedes his freeze was "wrong," but he blames aides for not warning him. One former aide said he told Klassen, but the advice was ignored.

Although the reasons for imposing a hiring freeze are readily understandable, many of the postal management's decisions outlined in this service are more difficult to explain.

How does one explain a decision to deliberately slow down first-class mail delivery? Or to spend $1 billion for parcel sorting facilities that promise slower service than one's competitor? Or to spend five years and $49 million on new mechanized letter sorting equipment without knowing what the equipment is supposed to do or what its full costs are? Or to charge first-class mail users for buildings not used by first-class mail?

Perhaps the most perplexing decision is a non-decision not to seriously explore requiring the public to use envelopes preprinted with boxes for zip codes. Most experts interviewed said these envelopes would solve most of the Postal Service's problems because they could be sorted easily by relatively inexpensive machines. Those who did not wish to use the envelopes could pay extra postage, the experts said.

The Postal Service said it does not believe the public would accept such a system, but it acknowledges that it has not asked.

Many present and former postal officials explained these shortcomings by citing the effects of a bureucracy, of the Postal Service's lack of either public accountability or a profit motive, of its inability to attract the top government job applicants, and of its lack of direction from the top.

"The basic inclination is to destroy intelligence and initiative," said a consultant who has worked closely with what he calls the "postal bureaucracy."

"There are more Ph.D.s, analysts, economists, and mathematicians on my floor at AT&T than in the whole Postal Service," said Dr. James C. Armstrong, a former postal executive who is manager of corporate planning for American Telephone & Telegraph Co. in New York.

"Nobody at the Postal Service looks at the whole picture," said Merrill A. Hayden, a former Sperry Rand Corp. executive vice president who was deputy postmaster general in 1971. He said each department within the agency goes its own way, and no one coordinates them.

Most of those interviewed said that rather than solving these problems, Klassen, the 65-year-old head of the Postal Service, has exacerbated them.

Klassen had risen from office boy to president of American Can Co. when he was named deputy postmaster general by President Nixon in 1969. He was subsequently appointed by Mr. Nixon to the newly created Postal Service board of governors, and in 1971, the board named him to succeed Winton M. Blount as postmaster general.

Critics, who refused to be identified, said Klassen does not take time to learn the workings of the Postal Service, inhibits aides from giving candid advice, gives short-shrift to long-range planning, and blames others for problems he often creates himself.

Former aides, who also insisted on anonymity, said Klassen takes frequent vacations and spends long weekends at his summer home.

Klassen's apparent lack of knowledge of postal operations has not gone unnoticed in Congress, where he is quizzed periodically on why the mails are so slow.

Referring to aides Klassen brought to help answer questions at a hearing last year, Rep. Charles H. Wilson (D-Calif.), said, "You have 40 or 50 people here, and yet you seem to have difficulty answering some of the questions."

Present and former aides of Klassen said his lack of attention to detail is aggravated by eyesight that becomes strained when reading normal-size print. Because of this, they say, reports given to him are often in large-size type, or he is given oral reports illustrated with slides.

Klassen denies he has a reading problem, and he has said he has been given bad advice by his subordinates. "There are too many people who want to tell the boss what they think he would like to hear," he said at a Senate postal hearing.

"Klassen says he's lied to. He's right. The reason is they're frightened of him. He says you do something, and I'm going to fire your ———," a former aide said.

Klassen denied he intimidates aides, and he cited meetings he initiated in February, 1973, to elicit criticism from postal managers. However, when the criticism turned to him, recalled a former aide. "He chewed them out."

While Klassen often talks of cost-cutting and modern management techniques, he has been criticized for lavishly furnishing his office ($1,500 for a receptionist desk $11,000 for carpeting) and his performance at American Can has come in for attack on Wall Street.

Under the structure established by an analyst for Merrill Lynch, Pierce, Fenner & Smith, the stock brokerage firm, American Can was "poorly managed" and "lacked a sense of direction."

An analyst for Smith, Barney & Co., a New York investment banking firm, said American Can was "one of the worst managed companies in existence" under Klassen. "They just did everything wrong," he said.

In recent interviews, Klassen, a gruff plain-spoken man who towers above most of his visitors, said, "I agree that American Can is poorly managed now. I brought the company from $2.70 per share to $4.18 per share."

(Earnings rose from $3.57 a share when Klassen became president in 1955 to $4.24 a share when he left in 1963.)

American Can's chairman did not respond to telephone calls.

Alternately hostile and conciliatory, Klassen said, "All you're really trying to do is smear the Postal Service, including Klassen." Softening, he offered, apparently only half in jest, to hire this reporter as a consultant.

Klassen denied subordinates are afraid to tell him the truth. "People speak their ——— piece," he said.

"Sure I'm impatient," he said. "I want to turn this thing around."

Under the structure established by Congress, Klassen reports to a board of governors, whose members are appointed to nine-year terms by the President. The board alone has the power to hire or fire a postmaster general. If service is slow, only the board can take action to correct it.

Those who have worked with the board said it has little understanding of how the Postal Service operates and is dependent on Klassen and his staff for information.

The board cannot take action if it does not think service is slow, and whether it is aware that service has declined under the policies of the new Postal Service is an open question.

Board members are paid $10,000 a year plus expenses and $300 per meeting. They make decisions affecting billions of dollars in public funds. But half the board members did not return telephone calls made to determine if they were aware service had declined.

Of those who did return calls, one said he would answer only questions in writing and the remaining members talked only in generalities or praised the Postal Service.

"I think the management is doing a good job," said Crocker Nevin, a former chairman of Marine Midland Grace Trust Co. in New York. He declined to discuss service.

Dr. John Y. Ing, a Honolulu oral surgeon, said he thought service had improved "considerably" since Klassen became postmaster general. (Postal Service sampling figures show it has remained unchanged—far worse than in fiscal 1969, the last year of the old Post Office management.)

Asked about Postal Service plans to spend $1 billion on bulk mail sorting facilities and $4 billion on letter sorting centers, Dr. Ing confessed he was "not too familiar" with the letter system and had not received "detailed" information on the bulk mail system.

The vice chairman of the board, Myron A. Wright, chairman of Exxon Company, U.S.A. the oil company, was among those who did not return calls.

The board chairman, Frederick R. Kappel, the former AT&T chairman whose report led to postal reform, said he would grant a personal interview only if it would "help" the Postal Service.

Kappell, 72, continues to maintain an infrequently used office at AT&T headquarters and owns AT&T stock and pension rights. In a brief telephone conversation from his Bronxville, N.Y., home, Kappel referred to "they" in the Postal Service and "we" in the telephone company.

Asked if he is aware postal service has declined. Kappel said he was not familiar with the figures but believes Klassen has provided proper leadership and "turned around" the agency.

He said, "if the Postal Service had spent less time sitting before congressional committees, they'd have better service."

Memo Sent to Postal Managers

Philadelphia, Pa.
Jan. 1, 1974.

To: District Managers:

Please be alert to the fact that Washington Post investigative reporter Ron Kessler is visiting major offices. He just hit Cincinnati, apparently looking for trouble spots.

Between incessant and detailed questions posed about the Washington, D.C. Post Office, he did an expose on the President's real estate in San Clement, CA.

Kessler could well show up at a post office under tour jurisdiction. Do not tell him we won't furnish him any information. Do alert your key people to tell him that the post office is a restricted area and that the postmaster has certain regulations to follow. After he has been ushered in to see the postmaster, it should be very tactfully suggested he should take his inquiries through the office of assistant postmaster general for communications Jim Byrne at headquarters.

——— ———.
Director, Public & Employee Communications.

Board of Governors—10 Shape Postal Policy

Following is a list of the board of governors of the Postal Service:

Frederick R. Kappel of Bronxville, N.Y.; chairman; former chairman of American Telephone & Telegraph Co. and of the Kappel Commission, which recommended postal reform.

Myron A. Wright of Houston, Tex.: vice chairman; chairman of Exxon Company, U.S.A.

Elmer T. Klassen of Bethesda; postmaster general; former president of American Can Co.

Charles H. Codding Jr. of Foraker, Okla.; owner of a cattle ranch and cattle breeding research firm.

Robert E. Holding of Cheyenne, Wyo.;

president and general manager' of Little America Refining Co.

Andrew D. Holt of Knoxville, Tenn.; retired president of the University of Tennessee.

Dr. John Y. Ing, Honolulu, Hawaii; oral surgeon.

George E. Johnson of Chicago; president of Johnson Products Co.

Crocker Nevin of New York, N.Y.; consultant to Marine Midland Grace Trust Co.

Hayes Robertson of Flossmoor, Ill.; attorney.

(The 11th position on the board is vacant because the position of deputy postmaster general is unfilled.)

[From the Washington Post, June 15, 1974]

Reporter on Postal Trail Plods Through "Rain, Sleet, Snow"

(By Ronald Kessler)

In theory the new U.S. Postal Service is a government agency whose policies and operations are open to public scrutiny. In practice, a reporter who attempts to probe behind the agency's official claims can learn little by asking questions directly of officially designated spokesmen.

A Postal Service source familiar with its public information policies said, "They're cooperative when they think it will help them, and they verge on secrecy if they think they can get away with it when you're getting into areas that could embarrass them."

A request for operating and financial statistics on the D.C. Post Office was met with a claim by Carlton G. Beall, Washington district manager, that most of the figures requested do not exist.

Beall said in a letter that figures on salaries and number of workers per shift "is not the type that is needed or compiled in the day-to-day operations of the Washington Post Office."

He said the information "could only be supplied as a result of in-depth statistical studies." The studies would require "considerable" extra expense for which the D.C. Post Office is not budgeted, he said.

When postal headquarters was informed that this reporter had seen much of the information that Beall said did not exist, Herbert L. Wurth, a news information officer, acknowledged the information did exist but would have to be obtained from a computer in Philadelphia.

Wurth promised the information would be supplied, but several months later, it had not arrived. Additional complaints elicited statistics that had not been requested.

When the requested information eventually arrived after new complaints were made, the Postal Service refused to make available for questioning those persons who had prepared it.

The Postal Service allowed this reporter to see files on a postal contract given to an old business associate of Postmaster General Elmer T. Klassen.

But Bernard J. Roswig, director of public and media communications, requested that this reporter return copies made of documents in the file. The reason, he said, was that they had to be reviewed by the agency's legal counsel to determine if they should be given out under the Freedom of Information Act.

James H. Byrne, assistant postmaster general for public and employee communications, did not respond to a request that the agency cite an exception from the act to justify its refusal to make public the documents.

Charles J. Kidwell, an attorney in the legal department, later said his department had reviewed the documents and ruled they should be given out under the Freedom of Information Act.

During preparation of this series, Byrne issued a teletyped instruction warning the major post offices in the country that they might be visited by this reporter.

"Do not tell him we won't furnish him with any information," the memo said. "Do alert your key people to tell him that the post office is a restricted area and that the postmaster has certain regulations to follow. After he has been ushered in to see the postmaster, it should be very tactfully suggested he should take his inquiries through the office of assistant postmaster general for communications, Jim Byrne, at headquarters."

When this reporter attempted to tour a new bulk mail sorting facility at Jersey City, N.J., he was turned away by guards at the gate on the orders of E. S. Brower, assistant postmaster general for bulk mail.

Brower said employees in the $100 million installation were too busy to give tours, and he said it was not fully operational. A request that Brower cite a legal authority for refusing to allow a citizen into a public building was ignored.

When a reporter is permitted to tour a postal facility, he does not necessarily see what its employees see.

Prior to this reporter's planned visit to the Fort Worth, Tex., post office, for example, a local postal official warned his employees in a memo:

. . . Mr. Kessler, a columnist from a large newspaper, will be here for two days and two nights to criticize this office. The building will be cleaned thoroughly, and all supervisors will see that all employees are kept busy.

"Also, each employee must be prepared to answer any questions that might be asked. The maintenance unit will be kept in shipshape. If a work order is needed to correct a deficiency please ask for one."

Melvin Wilson, a Los Angeles post office tour guide said the agency generally prepares for visits by cleaning buildings and telling supervisors to make their employees "look alive."

"They do it for professors, reporters, film makers, and anyone from Washington," he said.

A reporter who wishes to get first-hand information from Postal Service employees responsible for key decisions often finds it difficult.

During preparation of this series, many high-ranking postal officials did not return telephone calls. Instead, the calls were returned by a public information officer, who said questions would be answered by the public relations department.

In this way, the officials avoided taking personal responsibility for the comments made about their own actions.

Those who would not talk ranged from Benjamin F. Bailar, a former American Can Co. official who is Postmaster General Klassen's top aide, to Paul N. Carlin, a former senior assistant postmaster general whose present title and duties for the postal agency could not be determined. Carlin would say only that he is doing a "special project for the postmaster general."

Other assistant postmasters general who declined to be interviewed included Robert E. Isaacs, who headed real estate and building until his recent resignation; William D. Dunlap, customer services; James C. Gildea, labor relations; and Darrell F. Brown, employee and labor relations.

Asked for comment, Byrne who is in charge of public information, did not respond to specific instances of non-cooperation. Instead, he said in a letter, "We have gone out of our way over the last three months to deal with Mr. Kessler on an almost daily basis in a spirit of openness and cooperation."

Byrne charged that this reporter had used "unprofessional and unethical tactics" that included calling postal officials "liars," acting as "an advocate rather than as a reporter seeking the facts," and "vowing to hold us up to ridicule in his story if we did not jump at his commands."

The charges were denied by The Post's executive editor, Benjamin C. Bradlee.

[From the Washington Post, June 11, 1974]

Representative Wright Asks Postal Action

(By Barbara Bright-Sagnier)

Rep. James M. Wright (D-Tex.), author of one of the 20 bills introduced in the House that would abolish the semi-private U.S. Postal Service and re-establish close Federal control over the Nation's mail system, called for congressional action yesterday against what he called the postal service's "cavalier disdain" for the public.

Citing the current series in The Washington Post, The Great Mail Bungle, Wright said on the House floor that "one of the biggest mistakes Congress has made in recent years was surrendering its authority over the postal service and turning this vital public function over to a semi-secret private group."

Richard Barton, staff director of the postal service subcommittee of the House Post Office and Civil Service Committee, said Wright's bill of May, 1972, is one of 20 that would repeal the Postal Reorganization Act of 1970 establishing the present postal system.

Barton said the subcommittee is "trying to work out amendments to improve" that act rather than to repeal it.

He said Rep. James C. Hanley (D-N.Y.) would introduce within two to three weeks a series of amendments that would change the organizational structure of the Postal Rate Commission, increase the public service subsidy to the Postal Service, and clarify what may be sent through the mails.

Barton said an increase in the subsidy "would give Congress more control over how the Postal Service spends its money." A bill calling for annual congressional authorization of all appropriations to the Postal Service passed the House last year and is pending in the Senate, he said. The appropriation for fiscal year 1975 is about $1.5 billion.

Barton said the House subcommittee also is considering legislation that would allow the Postal Rate Commission, an independent government agency, to make the final decision on how much is to be charged for various classes of mail. The board of governors of the Postal Service currently has the final authority.

Other bills before the postal service subcommittee, said Barton, would establish nationwide standards of postal service and extend rural mail delivery.

He said the subcommittee expects to hold hearings in mid-July on recommended changes in the Postal Reorganization Act.

Address by Representative Morris K. Udall Before National Press Club

The Speaker pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. Henderson) is recognized for 15 minutes.

Mr. Henderson. Mr. Speaker, at noon today, my good friend Morris Udall, a senior member of the Post Office and Civil Service Committee addressed the National Press Club here in Washington on the subject of the U.S. Postal Service. I ask unanimous consent that his address be printed here in its entirety in that it contains information of considerable import to this body.

I want to associate myself with the statement made and opinions expressed by my colleague, the gentleman from Arizona. Like him, I labored in the vineyard in support of postal reorganization. Like him, I supported this measure during a Republican administration, taking in good faith assurances given to us that it was the aim and goal of that administration to remove politics completely from the Postal Service.

Some people now suggest that maybe we should put the politics back in. Mr. UDALL does not buy that proposition and neither do I; but I agree with him that without substantial alteration of the present administrative framework, changes can and should be made to improve the Postal Service.

To the extent that legislative action may be required to accomplish these changes, I will work with Mr. UDALL and other like-minded colleagues on the House Post Office and Civil Service Committee to bring such legislation promptly to the House floor. The address follows:

ADDRESS BY REPRESENTATIVE MORRIS K. UDALL, NATIONAL PRESS CLUB, WASHINGTON, D.C., JULY 29, 1974

Somewhere, I ran across the anguished prayer of an anonymous politician: "Oh, Lord, give us the wisdom to speak gentle and tender words, for tomorrow we may have to eat them."

The subject I will address today is one I approach in sadness, humility, and a touch of anger.

Sadness because of a broken dream.

Anger, because a few men have lacked the vision and dedication that might have brought the dream closer to reality.

And humility—because I must admit I was too optimistic.

In just two weeks, we will mark the fourth anniversary of the signing of the Postal Reorganization Act of 1970.

August 12, 1970, was a day of optimism for me. The President's signature on the Act marked the climax of more than two years of intensive work, in which I was an enthusiastic participant. Many persons, inside and outside of Congress and the Post Office Department, private citizens and spokesmen for two Administrations, had contributed to what was a truly bipartisan reform effort. Though we had approached the problem from many different angles, we had converged on a common point that emerged as the Reorganization Act.

Our dream was somewhat like that of Franklin Roosevelt's in proposing the Tennessee Valley Authority: In 1933 he said Congress should create "a corporation clothed with the power of government but possessed of the flexibility and initiative of a private enterprise."

We did not exactly achieve such a plan. But we thought we had come close. We felt we had devised a mechanism that had great potential.

The best minds in the field had faith in what we had done. Postmaster General Winston M. Blount, and most of his living predecessors, were present for the bill-signing. Hopes were high.

Nobody predicted either overnight miracles or long-term perfection. But we did expect measurable improvement within a reasonable period of time.

During debate in the House on August 6, 1970, I told my colleagues, "There are cynics and skeptics who believe this new postal organization will fail. No one can say it will not. But I have high hopes."

I said the main thing was that the old system was not working and we had no choice but to try something else. Then I predicted, "During the coming years, I am sure modifications will be necessary, omissions will be discovered and corrected." But Congress could take care of that when the time came, I said.

Well, the time has come. It was three years ago this month that the United States Postal Service came into being. Three years of the new management team is a long enough trial period. And my disappointment cannot be contained.

During the past three years, I have often kept silent when I felt like speaking out. I have given my support when my doubts were rising. I have felt the sting from colleagues who followed my advice in those days of 1970, and who now feel misled and cheated by a postal service which seems to get ever worse. I have counseled patience when my own patience was nearly exhausted.

I wanted—and still want—to believe in the system we had created. After all, it was the product of one of the most intensive examinations of a government service ever conducted, involving the work of a highly talented Presidential Commission, aided by numerous private consultants, endorsed by nearly every living Postmaster General, and by two Administrations of opposite parties. I was impressed by these people—people like Lawrence O'Brien, who gave the problems of the Post Office Department his greatest effort and dedication, both as Postmaster General and later as co-chairman, with Thruston Morton, of a citizens' committee dedicated to reform.

I believed that the House Post Office and Civil Service Committee had done an outstanding job, and that the final product, hammered out on the floors of the House and Senate, represented the best combination of the ideal and the possible that the legislative process could produce.

So, I have waited and watched. And now the time has come to speak out.

Four years have gone by and I no longer have much hope. The time has come to say that the system we created isn't working, and it is now painfully clear to me that there are no solid improvements in prospect. This bright new machinery, under this present management, simply isn't flying.

It is as if we had built an engine with eight cylinders, four ran beautifully but the other four blew out, and the operator had never looked at the manual.

We designed politics out of the system, and insofar as we eliminated the political appointment of postmasters and, promotion of upper level supervisors, we largely succeeded. But when it came time to issue the first quarter-million dollars in bonds, I was horrified and felt almost betrayed to discover that the old Wall Street firm of Peter Flanagan, White House business liaison and operator-at-large, got part of the business. And then when they picked the lawyers to handle the lucrative legal work related to the deal, they blatantly picked none other than the old Nixon-Mitchell law firm. And when I complained, they behaved as though they couldn't understand what I was talking about!

This was one of the early jabs of disillusionment I felt, but there were to be more. It was the first clear sign of politics and cronyism, of a far more vicious and destructive sort than the lower-level kind we tried to eliminate, creeping in the back door.

We gave postal workers collective bargaining, and we have avoided much of the widespread employee discontent that plagued the latter days of the old system. But we have yet to see the emergence of the truly well-motivated work force that is essential if we are ever to achieve the kinds of productivity increases that we need so badly.

We have seen some progress in construction of new postal plants and in the introduction of some modern equipment. But there has been a stubborn inability to approach any meaningful level of automated efficiency.

I should add that the merits of some of these construction projects are somewhat dubious. For example, one feature of the bulk-mail program is that the building company headed by former Postmaster-General Wilson Blount is sharing in them to the tune of 90 million dollars, about 10% of the total construction program.

We took rate-setting procedures out of the hands of Congress. But the public still considers postal rates to be too high for the quality of service received.

It seems that for every success there has been at least one failure—and some of the failures have lacked a redeeming success.

So, what are the choices? What do we do? I can see a number of alternatives, but I have to say none of them is very good. We can't turn back the clock. My optimism of 1970 won't rise again.

For one thing, I now have deep doubts that any public service monopoly can function efficently in a society and an economy as complex and dynamic as ours. The forces of powerful labor unions and the pressures of rapid changes in society's needs and demands may be too great.

The Postal Service and all its troubles aren't, after all, unique. Those who've tried to get a plumber or have had a TV or washer repaired know that even in straight private enterprise fields service is lousy. And a casual look at the other more-or-less monopolistic public or quasi-public service industries that serve us—or which we wish would serve us—tell the same doleful tale.

The nation's railroad system; public education; law enforcement; sanitation; urban bus and taxi systems; some of the privately owned utility monopolies; even fire departments and the mundane agencies of urban government—each has shown a tendency in recent years to become balky, inefficient, heavy bureaucratic, unresponsive, even rebellious. Why? I doubt that anyone has all the answers—if they have, why have they not come forward with the solutions?

But I see some common denominators here that may help explain some of the basic causes of trouble. One is that these are all monopolies. And, true to all our capitalistic phobias about monopolies, they tend to do as they please when they discover they have no real competition—and this is compounded, the bigger and more vital they get.

A second common-denominator I see is that these public service monopolies tend to be highly labor-intensive. When we say the public service agencies and utilities are monopolies, what we are saying in large part is that the workers in those fields have a monopoly. They know, on one hand, that they can put tremendous pressure on public executives and legislators when they want to, usually when they want their way in a dispute over a labor contract. At the same time, given the lack of competition, they have no really effective source of outside pressure to make them perform in the most responsive manner for the public. The only way they can be brought to act responsively and responsibly is by making them feel motivated to do so. And the necessary motivations and incentives have too seldom been provided.

So, one possibility is to chuck the whole thing overboard and go back to the old system. There are those among my colleagues who would like to go this route. Some of them, in nostalgia, think those were really the good, old days when a presidential patronage system and its corresponding party in Congress substantially controlled and managed such a major enterprise.

But we have been down that road already. And the results were disastrous. No evidence can persuade me that a 535 headed Congress can exert effective control and make the system work now, when congressional control failed so miserably before.

Back in the "good, old days," we had severe and repeated labor discontent. We had politics intruding in all sorts of places where it didn't belong. We had annual rate battles and bottom-of-the-barrel financing of postal construction and improvement projects.

One of the men who had the burden of trying to run the system. Larry O'Brien, said during those days that the Post Office was "in a race with catastrophe." He was right, and despite reorganization, the system still is not winning the race.

Think of the problems we would have today if we had not changed.

We would have continued to have all the problems I just mentioned, and on top of that, the present Administration (or a Humphrey Administration, had 1968 gone differently) would have had time to load the system with 12,000 patronage postmasters!

There is a commonly made assumption that is never challenged and should be. That is, that if we had kept the bankrupt old system, it would somehow be giving us good or at least better service than we're now seeing, The critics of the new system simply forget how bad things were deteriorating when we tried to change them. We knew the old system was wrong, and it would have been wrong to keep it. The critics seem to imply that two wrongs would have made a right.

I think we can agree that things would not have been better if we had left things as they were—my guess is they might well have gotten worse. The problem is that they have not gotten enough better—quickly enough.

So, if the old way is not the solution, what about the other extreme? We have gone part-way to independence, creating a special agency of the Federal Government, not cut loose from government apron-strings, but on a longer tether. Why not follow the advice of the free-enterprisers and completely sever most of those strings?

Take the suggestion of Congressman Crane, for instance, and invite competition and free enterprise. After all, some priavte carriers are doing quite well, despite (or perhaps because of) the presence of the near-monopoly of government in this field.

In some areas of mail service, private enterprise probably could do a better job. But at what price? The rural areas where customers are far-flung would suffer immense cost increases. Many publications and non-profit organizations, which the present system subsidizes, would also suffer dearly. I see these as serious arguments againt putting postal services entirely in the hands of private enterpirse.

Yet, if what we had in the past didn't work, and what we have now isn't doing any better, we should not rule out any other alternative without at least giving it a full and fair hearing. We have come to a point where we must keep an open mind, reevaluate all the old assumptions, and make room for some new approaches. I won't accept private enterprise right now as a solution; but I won't entirely rule it out as an eventual option, either.

There is also a third choice; it isn't very promising either. It is to take this new, malfunctioning machine that we build four years ago and remodel it—redesign some of it, give it some new working parts.

And, one more very important change—give it a new pilot and flight crew, a new management team that understands, better than the present one, what we are trying to accomplish and how to operate it.

A central reason for the failure of the new postal system to rise to our expectations has been, I am convinced, the failure of those who were placed in charge of it to fully understand how it was to function and what would make it go. Its managers never really grasped the concept we had.

Neither the present Postmaster General nor his predecessor, with both of whom I had good personal relations, demonstrated the range and depth of vision that I believe was called for, to translate the blueprints we drew in Congress into a fully and efficiently operating system.

The managers who were put in charge of it were mostly good capable men with commendable records as managers of private industry. They were honest, decent men; but, they never fully understood what we were trying to do. They never were able to shift gears, and make the change, from running a business to running a public service.

They and the board of directors that were brought in with them suffered from terribly narrow conceptions of the postal system. They were unable to grasp the central fact that they were running a highly labor-intensive industry. Labor accounts for something like 85 per cent of the dollar cost of the Postal Service. This they have failed to understand. Under these circumstances, the central, most vital single job of management is to devise methods of bolstering employee morale, incentive and productivity.

Yet, who has been in charge, attempting to lead this army of nearly three-quarters of a million people? The present Board of Governors includes a rancher, the head of a refining company, a former university president, a dentist and real estate developer, the head of a cosmetics company, a retired telephone company director, a banker and financier, and an oil company executive, plus the Postmaster General, the retired head of a container manufacturing firm. The experience value of these backgrounds appears to be of little relevance to trying to run the Postal Service.

These are men who have experience of essentially two kinds: they either come from highly mechanized industries, or from the financial world. They know how to manage machines and money, but not enough about managing men.

Their backgrounds seem to have hindered more than helped.

Most of these people are beyond their most active and productive years. They had given their best efforts to their private pursuits before coming to the Postal Service.

They come from the same narrow world of the big corporation. At the top of an organization that counts heavily on blacks and females as employees, there is not one female and the one black member is hardly representative of the rank-and-file blacks who handle the mail every day and who make up 40 per cent of the postal work force.

Such a lack of breadth and depth at the top is a severe handicap. But narrowness and shallowness are not the greatest handicaps that have hobbled the Postal Service's leadership. The last couple of appointments of the Board of Governors have carried the unmistakable taint of political influence. It is well known that powerful Members of Congress have in effect nominated, and the White House, through its ability to pull the strings and control appointments, has confirmed selections of members of the board.

So, what are the rewards of this kind of manipulation and political cronyism? For one thing, we get a leadership that totally lacks the ability to try new methods and explore new approaches to the difficult tasks that confront the Postal Service. The leaders of this sluggish army fail even to consider methods that others have tried and have found to work.

Consider, for example, the business management techniques lately being employed in other industries and in other countries. To cite just one example that has captured attention not only in business circles but in the popular media, the Japanese have developed management techniques that might potentially be highly effective in the Postal Service, but which to the average American corporate executive turns everything upside-down. It goes against the very grain and current of American management practice to give the initiative to people at the bottom of the management ladder, yet that is exactly what Japanese managers do, and at least one recent study has shown their methods significantly superior to ours.

Newsweek magazine recently published a report on the differences between the two systems and the successes the Japanese have had, even when using their methods in the United States, with American workers. To quote one management specialist named in the article, "The Japanese simply outmanage us when it comes to people. We've done very well coping with the inanimate elements of management. But a shocking number of American managers are really inept in dealing with people."

I don't know that the methods of the Japanese, or of other countries or industries that could be examined, would bring big, immediate improvements in the performance of our postal system. But it reveals a basic narrow-mindedness that the managers of the system have failed even to give the thought some serious consideration, and perhaps a field trial or two.

Another glaring deficiency, which indicates to me how the present management has failed to recognize the dominance of the human side of the Postal Service, is the lack of emphasis on having a good staff, or a director or two, who fully understand public service labor unions and how they work.

No matter how many billions of dollars are spent on machines and buildings, they won't do the job without also dealing with the human side that is 85 per cent of the system.

Besides being too homogenous, too lacking in the kinds of background, experience and perspective that were called for, the board of director has fallen down in fulfilling what should be one of its main functions: to stand up to the management of the system, to challenge its judgments, to stimulate new thinking, and to continually press for creative and appropriate solutions.

One reason for this is that the board of governors has been in effect, hand-picked by the White House and management—with the unfortunate help of some congressional stringpullers. As a result, it has served as a rubberstamp, a tool of the management it instead should be prodding and challenging.

I doubt that any of these men have ever been out in the work room when the mail rush is on, or has known a postal worker as a friend.

The board of governors should be part gadfly, part guiding light. Part coach and part umpire. It should include men who understand managing a system such as this; but it also should include spokesmen for the interests the system is there to serve and with whom it must deal—mail users, citizens, postal workers.

But the Board of Governors can not carry the load alone. They must have top managers who also understand what we are seeking and know how to achieve it. There have been some excellent appointments among the top managers to date—but these have been the exception rather than the rule. Too many of our senior managers both past and present, do not seem to understand the mission of the public service, which is precisely: to serve the public with efficient, reliable mail service. The Postmaster General and his main aides must understand that this isn't American Can Company, but a public service arm of government. An agency that is not here to turn a profit, but which hopefully can break even, and which has as its chief task to deliver the best possible service.

There have been lesser problems which also have contributed to the overall difficulties.

One has been an extremely high turnover rate among management personnel. We all have experienced the effect when there is a new letter carrier on our route—it slows down the mail for a few days. When there is constant change in personnel at the top, it has a similar effect, but with far wider ramifications.

Finally, we have seen some cases of extremely bad judgment on the part of top-level management. If the reports that have become public in recent weeks about cronyism and favoritism in the sales of bonds, the buying of equipment, the letting of contracts, are true, then it is a double tragedy.

It is a tragedy because it is yet another rip in the lately tattered moral fabric of our government. And it is a tragedy because men who were entrusted with a job that is vital to the commerce and communications of their country placed self-interest above that trust and thereby held it in contempt. Had they been dedicated to getting the job done the best possible way, they would have acted otherwise.

But hand-wringing and mourning the failures of the Postal Service will not correct its problems. We need strong practical measures.

Many men have worked hard and with great dedication to try to reform this postal system, to create the new agency and start it down the road. Men like Chairman Dulski and Congressmen Jim Hanley and Charles Wilson of the Post Office Committee, and Tom Steed and Howard Robinson of the Appropriations Subcommittee on the Post Office, who supported passage of the bill, wished it well and worked hard to give it the financial tools to work with in its infancy.

In the Postal Service itself, we have had the full support and dedication of some fine and able men as well. General Counsel Lou Cox, Senior Assistant Postmasters General Ralph Nicholson and Edward Dorsey, Assistant Postmaster General Norman Halliday—these men and others have struggled against great handicaps to try to make the new Postal Service fulfill the hopes and intentions of its authors and supporters.

These men deserve every effort we can put forth, in recognition of what they have given, to try to correct the flaws that have become evident over the past four years, to try to make right what they believed in.

I for one feel a strong obligation to make what suggestions I have, if only because of my share of the responsibility for shaping the Reorganization Act.

Here are some steps I believe might improve upon the present structure and functioning of the Postal Service:

First, I have never been satisfied with the composition of the Board of Governors. We should keep it at its present size—nine members plus the Postmaster General and his Deputy. But I believe we should diversify the backgrounds of those members. We should consider including representatives of labor, mail users, perhaps Congress. While I have pointed out the Postal Service's heavy dependence upon human labor, it is important further to recognize that a large portion of that work force has been traditionally black. We should consider this, too, in choosing members of the Board of Governors.

In connection with this reform, I believe the independence of the board is essential to a healthy spirit of creativity and open-mindedness. Giving the board its own small independent staff would be a step toward this objective.

Second, we must clarify and tighten up the rules for recruiting, hiring and compensating high-level management personnel. Though local postmasters are now recruited from the ranks of the work force, too few career postal workers have been placed in top management positions at the headquarters level.

Congress should specify the number of employees that are permitted in the $36,000-and-up salary ranges and require more strict justification for placement of personnel at those levels, and for outside recruitment.

Third, there should be Congressional action mandating that the Postal Service follow the contract-letting procedures required of other federal agencies under present law. When we wrote the Postal Reorganization Act, we deliberately exempted the Postal Service from these requirements. For the most part, I am told they are followed anyway, and I assume they are.

But the past four years or so have brought to American government some of the most discouraging examples of cronyism in a long, long time. We have learned of case after case in which public officials apparently just didn't understand that a public servant doesn't give government business to a favorite friend, just because he is a friend. Sadly, the Postal Service has not escaped these subversions of the public trust.

I have already mentioned how Peter Flanagan and the old Nixon-Mitchell law firm got a piece of the action when that first quarter million dollar bond issue was sold. The buddy system was at work with a vengence. James Hargrove, at the time a senior postal official, admitted that he and Flanagan were pals.

But I wouldn't want to leave out the fact that William Simon, who has risen from Nixon fund-raiser to manager of the public purse as Treasury Secretary, was previously connected with another firm that was favored with a chunk of the business.

There have been lesser examples; instances of contracts being let to firms that either previously or subsequently employed Postal Service officials.

In recent weeks we have seen a stream of news articles alleging a variety of questionable acts by high officials. These charges and revelations only serve to send employee morale plummeting lower while heightening the public's sense that it isn't service that counts after all, but promotion of personal gain.

When Congress exempted the Postal Service from the usual contracting and procurement restraints, it was done in the hope that this would provide a flexibility that would promote faster improvement in service. We gave freedom, but we did not intend free wheeling and dealing. It is time to pull in the reins.

Even if we could be assured that only the highest principles would govern future business transactions by the Postal Service, we must show the public and the postal work force that Congress won't stand for any more favoritism. Giving your pals the contracts may be the way private businesses operate—it may even be alright in the private sector. But public agencies can not be allowed to run that way.

It is disturbing that we turned to business to provide the management and leadership, and business has let us down. The reason may be that the Postal Service is a hybrid, only part business and the rest government bureaucracy, existing chiefly as a public service institution. This is a far more difficult kind of institution to manage than a private corporation. Being confined by requirements such as competitive bidding doesn't make it any easier.

But this only demonstrates and underscores the need for top-flight management that possesses a rare combination of know-how in both business and government, that understands politics, and has the knack—so critical in labor-intensive organization—of managing and motivating people.

Fourth, Congress should adopt the rate-setting safeguards contained in the House version of the Reorganization Act, but modified in conference with the Senate. The Congress, under this provision, would retain veto-power over rate increases. This is one of the most emotional aspects of postal operations, and one in which I feel the public wants its elected representatives to have a final say.

Fifth, I believe the time has come for the American people to decide whether they want total freedom of variety in the form of the mail they send or whether they are willing to sacrifice some of this freedom—which seems to verge at times on anarchy—in exchange for greater efficiency.

We should carefully explore the feasibility of creating a new type of First Class Mail, which would be sent in standardized envelopes, possibly containing pre-printed Zip Code spaces that a machine could find and read. This would be strictly a private-letter class of mail.

This is not a new idea. Great Britain uses a standardized mail system somewhat of this sort. It is optional, but it goes at a reduced rate. We already follow a plan somewhat like this in the International Postal Union's letter system, with the dimensions of letters required to fall within a standardized range.

What logic is there in having hundreds of possible sizes and shapes of envelopes, and then wondering why we can not have automation? Variety may keep life interesting, but it keeps the life of the postal wofker confusing and frustrating. Americans should decide whether they want good service or every size and shape of envelope the human mind can devise.

Please note that I am not even suggesting that all mail should be standardized. I am only talking about what is sometimes referred to as "Aunt Minnie Mail," personal letters. Yet, this accounts for fully one-fifth of all 1st class mail—about 10 billion letters a year. It would seem that finding a way to automate its handling would not only speed its delivery, but ease the burden of handling the other four-fifths.

While investigating this proposal, we should also consider freezing the postal rate for this kind of mail at the present 10 cent rate, for a fixed period of time, to avoid further increases in the cost of writing to Aunt Minnie.

Sixth, I believe we should seek the support of the postal workers in trying out, on a limited, pilot-test basis, a variety of incentive plans. These could range from piece-work incentives (extra pay or benefits for handling or delivering more than some reasonable average number of pieces) to off-the-job benefits such as family recreation programs, group vacation plans and other ideas that would serve as fringe-benefits while building esprit de corps.

The Postal Service is not designed to make a profit—Heaven knows, we wish it would break even—so it would be difficult to attempt a profit-sharing incentive plan. But perhaps there are ways we could tie some employee benefits to improvements in efficiency and reduction of costs. This, too, should be at least explored.

Seventh, I believe both the Postal Service and the public deserve to know where Congress stands on the question of postal service standards. Congress should adopt a clear-cut statement on the levels of service it expects, both in speed of mail delivery in the various classes and in the services delivered at the Post Office window and to customers along the route.

True, writing this down in the book won't guarantee that these service levels will be met. But they will provide a guideline and a yardstick that should help the Postal Service in its attempts to raise its levels of performance, and help the public measure its success.

Eighth, finally, the general public is doubly frustrated in attempting to cope with the problems it perceives in the Postal Service.

Besides being frustrated when the system doesn't perform as well as the public thinks it should, citizens are frustrated when they attempt to express their frustration.

They complain to the local letter carrier and the hometown postmaster, who say they are doing the best they can, but policy is set in Washington. So the citizen writes his Congressman, and is told that Congress doesn't run the Post Office anymore. There was good reason for getting Congress out of the everyday operations of the postal system. But the Citizen still deserves to have a voice in the system.

To achieve this, I would suggest creating local citizen mail-users' councils, to meet regularly and discuss the operations of the system, to have a say in changes in policy and procedures before they are put into effect—in short, put to a productive use the public's desire to have a say in the system.

We already do this to improve business mail service. The ordinary citizen deserves at least equal treatment.

Besides bringing the public into the picture in an orderly and constructive fashion, these councils would give postal officials a chance to express their frustrations and explain their problems. The result at a minimum would be greater understanding on both sides, and at best could bring some real improvements in service.

I also raise a suggestion that I approach with regret and reluctance. It deals with Postmaster-General Klassen, the man where the bucks stops.

I know Ted Klassen and I like him. His life story is one of struggle and success. I consider him a friend who would welcome forthright advice. He undertook a trying, difficult, second career when he could have the luxury of a leisurely retirement. With bluntness and courage, he has stood up to political pressures, including a good number from the White House. His stewardship at the Postal Service is not without success. I firmly believe him when he explains that the recent disclosures about a consulting fee he received in the interim between his two tours of duty in high Postal Service posts were in good faith—though I do fault him for a mistake in judgment and for not seeing how the transaction would appear to the public.

And so, not in rancor, but in friendship and with reluctance, I call on him to pick an appropriate time in the next six months when his pending projects are in order—and then to step aside. Not under fire . . . but with gratitude for giving his best, and in the best interest of the things he was worked for. I ask him to go at a time of his choosing—not in failure . . . but in recognition of the limitations of what he can hope to do.

For I am convinced that if the Postal Service is to surmount the unique challenges, it needs a new leader who can see things in a fresh perspective. If the United States Postal Service is to succeed it will take new concepts, attitudes, vigor, fresh thinking, and enthusiasm which he cannot be expected to provide.

The resignation of the present Postmaster General could open the way for an intensive search for an executive of proven talent and experience in a field which may have provided the kind of background needed in this extremely difficult position. We could search for someone with the peak of his—or her—career still ahead. Someone who could bring fresh ideas and vigorous leadership to the task. Someone capable of dealing with the needs of a highly labor-intensive industry that cries out for innovative thinking, new technology, new methods. Surely, somewhere in America, there is a man or woman in their 30's or 40's who can bring a sense of excitement, innovation, newness, change, enthusiasm to this troubled and extremely vital public service. Someone ready to give the best ten years of his or her life to the task, and to show us that we are wrong—to demonstrate that public service monopolies can find new ways to overcome their own handicaps and weaknesses, and can give us efficiency and service.

I am convinced that the choice of the person at the controls is among the most important factors in determining how the machine functions.

So, those are my modest suggestions:

A newly constituted Board of Governors, with wider diversity and viewpoint, greater independence and influence;

Tightened rules for recruiting, hiring and paying top management personnel, with more stress on drawing on career employees of the Service;

Tougher control over the contracting and procurement procedures;

Congressional veto-power over postal rates;

A new, optional, standardized class of mail for personal letters, with automation as a major goal;

Experiments with employee incentive plans;

Congressionally mandated standards of service;

A system of local private citizen mail-users' councils; and

A new, vigorous, innovative Postmaster General.

I am sure others also have ideas, and I would hope that Congress, in the coming months, would give full, open-minded consideration to all of them. I am pleased that the House Committee hearings are now underway and we must not leave any possible solutions outside our investigations. We must not accept any of the old assumptions without challenging them. We have replaced one system that didn't work with a new system, and found it doesn't work much better. We can't afford strike three.

As long as men write laws, laws will be imperfect. If that weren't true, we would have legislated ourselves out of business long ago.

We can only do our best, and then try to improve on it. We did our best with our postal reorganization plan. Now it is time to do better.

CUSTOMS SERVICE

Mr. HUMPHREY. Mr. President, I wish to commend the Appropriations Committee for including in this bill language specifically prohibiting the use of any funds available in this bill for the transfer of any functions, personnel or equipment out of the U.S. Customs Service or from the Bureau of Customs to any other agency of the Federal Government without the express consent of Congress.

This requirement relates, of course, to the efforts of the Office of Management and Budget to transfer the functions of the Customs Service between ports of entry along the Mexican border to the Immigration and Naturalization Service, and to carry out this transfer of statutorily assigned functions without the benefit of congressional approval. Last year the OMB was unable to obtain approval for all the transfers they wished to accomplish, so this year—lacking the power to transmit reorganization proposals any longer—they decided to carry out the transfer unilaterally, and to label it a "management" decision.

Last month, I introduced Senate Concurrent Resolution 92, which calls upon the Office of Management and Budget to desist from any actions intended to execute the planned transfer. In introducing that resolution, I noted that only Congress has the right to alter statutorily assigned functions, and that the OMB was attempting to bypass the Congress illegally. The chairmen and members of the Treasury Appropriations subcommittees in both the House and the Senate sent letters to OMB Director Roy Ash pointing to the illegality of his proposed actions, and demanding that he refrain from any further actions.

The limitations against the use of any funds appropriated in this bill for carrying out any facets of such a transfer are a further step in our effort to prevent this capricious avoidance of congressional authority by the OMB. It is not at all clear to me why the OMB should have found it necessary at a time like the present to engage in such an attack on the constitutional prerogatives of the Congress. But I would sincerely hope that the message we are sending to the OMB in this bill will be clearly heard and thoroughly understood.

Mr. MATHIAS. Mr. President, as the full Senate today considers passage of H.R. 15544, the Treasury, Postal Service, and general Government appropriation bill for fiscal year 1975, I am pleased to rise in strong support for this bill as reported by the Committee on Appropriations.

The bill we have before us represents the product of careful deliberation and close scrutiny by the subcommittee chaired by the distinguished Senator from New Mexico (Mr. MONTOYA) and by the full committee, on which I am privileged to serve. At a time of great inflationary pressure, I am particularly pleased that we have succeeded in trimming a total of $54,688,000 from the amount requested in the President's budget, and a total of $679,659,000 below the amounts we appropriated for the same agencies and programs in the last fiscal year.

I believe this is clear evidence of the commitment of the Appropriations Committee—and the Congress as a whole—to keep a close watch on every taxpayer's dollar and to hold the line on excessive Government spending. At the same time, I am also convinced that these represent responsible cuts, so that the Government will not be hobbled or hindered from functioning efficiently and smoothly.

I would also like to commend the committee action with respect to two items of particular interest to me, both of which relate to the appropriation for the General Services Administration. The bill which passed the House, Mr. President, included two cuts or limitations in the GSA budget which were of grave concern to me.

The first was a substantial cut of $101.6 million in the request for real property operations. This cut, if not restored by the Senate, would have resulted in a critical reduction in the level of protection, cleaning and maintenance available for Federal buildings, and might have required the firing of as many as 8,500 blue collar workers responsible for providing these services.

For this reason, I strongly protested this House cut in a letter to Chairman MONTOYA and urged a full restoration of these funds. It seemed to me that we would be most ill-advised to make a cut so deep that we would, in effect, be asking our dedicated Federal employees to carry out their tasks in a steadily deteriorating work environment—which would hardly have been a useful way to encourage increased productivity by our civil servants.

While this view did not completely prevail in our committee deliberations, I am happy to note that we did at least succeed in restoring all but $25 million of this cut—which will be sufficient to avoid laying off any existing employees, and to provide at least a minimal level of protection, cleaning and maintenance for Federal buildings.

Another issue of importance raised by this bill as passed by the House concerned the provision written into the bill which would have limited GSA's authority to execute purchase contracts—which finance the construction of Federal buildings—to a maximum of $250 million during this fiscal year. The Senate committee has wisely recommended an increase in this limitation to a level of $350 million, specifically pointing out in its report that this will allow a full go-ahead for financing of the construction of a much-needed new national headquarters building for the Social Security Administration in Woodlawn, Md.

For these reasons, Mr. President, I want to commend my fellow members of the Committee on Appropriations for reporting out a bill which is both fully responsive to the needs of our Federal employees and programs and at the same time fiscally responsible during this period of crucial Federal belt-tightening.

The PRESIDING OFFICER (Mr. BARTLETT). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. MONTOYA. I yield back the remainder of my time.

Mr. BELLMON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The bill, having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG) and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) would vote "yea."

The result was announced—yeas 82, nays 15, as follows:

[No. 340 Leg.]

YEAS—82

Aiken
Allen
Baker
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Curtis
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Goldwater
Griffin
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—15

Abourezk
Bartlett
Biden
Buckley
Chiles
Cotton
Dole
Gurney
Helms
Hollings
Huddleston
Nelson
Nunn
Proxmire
Scott, William L.

NOT VOTING—3

Fong
Gravel
Hruska

So the bill (H.R. 15544) was passed.

Mr. MONTOYA. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of H.R. 15544.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MONTOYA, Mr. BAYH, Mr. EAGLETON, Mr. CHILES, Mr. MCGEE, Mr. MCCLELLAN, Mr. BELLMON, Mr. HATFIELD, and Mr. YOUNG conferees on the part of the Senate.

PRIVILEGE OF THE FLOOR ON H.R. 15323

Mr. PASTORE. Mr. President, I ask unanimous consent that the following members of the Joint Committee on Atomic Energy staff be allowed to be present during the debate and voting on H.R. 15323 being considered tomorrow: Edward J. Bauser, James B. Graham, Randall C. Stephens, and James T. Ramey.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 11108) to extend for 3 years the District of Columbia Medical and Dental Manpower Act of 1970, in which it requests the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has affixed his signature to the following enrolled bills:

H.R. 5094. An act to amend title 5, United States Code, to provide for the reclassification of positions of deputy United States marshal, and for other purposes; and

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research development, test and evaluation for the Armed Forces, and to prescribe that authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 11108) to extend for 3 years the District of Columbia Medical and Dental Manpower Act of 1970 was read twice by its title and referred to the Committee on the District of Columbia.

ORDER FOR PRINTING OF S. 821, JUVENILE JUSTICE BILL

Mr. BAYH. Mr. President, I ask unanimous consent that S. 821, the Juvenile Justice and Delinquency Prevention Act of 1974, be printed as passed by the Senate on July 25, 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 2510) to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes; disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HOLIFIELD, Mr. ST GERMAIN, Mr. FUQUA, Mr. HORTON, and Mr. ERLENBORN were appointed managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, with an amendment in which it requests the concurrence of the Senate; and that the House recedes from its disagreement to the amendment of the Senate to the title of the bill and concurs therein.

ENROLLED BILL SIGNED

The message also announced that the Speaker has affixed his signature to the enrolled bill (H.R. 15472) making appropriations for agriculture-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. METCALF).

The message further announced that the House has agreed to House Concurrent Resolution 566 to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 566) to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry was referred to the Committee on Rules and Administration.

EXEMPTION FROM DUTY CERTAIN EQUIPMENT AND REPAIRS FOR VESSELS

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 8217.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Rpresentatives to the amendment of the Senate to the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, which was: In lieu of the matter proposed to be inserted by said amendment, insert:

SEC. 3. The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233 and amended by section 2 of Public Law 93-256 and by section 2 of Public Law 93-329) is amended by striking out "August 1, 1974" and inserting in lieu thereof "April 30, 1975".

SEC. 4. (a) The second sentence of section 204(b) of the Emergency Unemployment Compensation Act of 1971 is amended to read as follows: "Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest, as provided in section 905(d) of the Social Security Act."

(b) Section 903(b) of the Social Security Act is amended by striking out paragraph (3).

SEC. 5. Section 1631 of the Social Security Act is amended by adding the following at the end thereof:

"REIMBURSEMENT TO STATES FOR INTERIM ASSISTANCE PAYMENTS

"(g)(1) Notwithstanding subsection (d)(1) and subsection (b) as it relates to the payment of less than the correct amount of benefits, the Secretary may, upon written authorization by an individual, withhold benefits due with respect to that individual and may pay to a State (or a political subdivision thereof if agreed to by the Secretary and the State) from the benefits withheld an amount sufficient to reimburse the State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

"(2) For purposes of this subsection, the term benefits' with respect to any individual means supplemental security income benefits under this title, and any State supplementary payments under section 1616 or under section 212 of Public Law 93-66 which the Secretary makes on behalf of a State (or political subdivision thereof), that the Secretary has determined to be due with respect to the individual at the time the Secretary makes the first payment of benefits. A cash advance made pursuant to subsection (a)(4)(A) shall not be considered as the first payment of benefits for purposes of the preceding sentence.

"(3) For purposes of this subsection, the term 'interim assistance' with respect to any individual means assistance financed from State or local funds and furnished for meeting basic needs during the period, beginning with the month in which the individual filed an application for benefits (as defined in paragraph (2)), for which he was eligible for such benefits.

"(4) In order for a State to receive reimbursement under the provisions of paragraph (1), the State shall have in effect an agreement with the Secretary which shall provide—

"(A) that if the Secretary makes payment to the State (or a political subdivision of the State as provided for under the agreement) in reimbursement for interim assistance (as defined in paragraph (3)) for any individual in an amount greater than the reimbursable amount authorized by paragraph (1), the State (or political subdivision) shall pay to the individual the balance of such payment in excess of the reimbursable amount as expeditiously as possible, but in any event within ten working days or a shorter period specified in the agreement; and

"(B) that the State will comply with such other rules as the Secretary finds necessary to achive efficient and effective administration of this subsection and to carry out the purposes of the program established by this title, including protection of hearing rights for any individual aggrieved by action taken by the State (or political subdivision) pursuant to this subsection.

"(5) The provisions of subsection (c) shall not be applicable to any disagreement concerning payment by the Secretary to a State pursuant to the preceding provisions of this subsection nor the amount retained by the State (or political subdivision).

"(6) The provisions of this subsection shall expire on June 30, 1976. At least sixty days prior to such expiration date, the Secretary shall submit to Congress a report assessing the effects of actions taken pursuant to this subsection, including the adequacy of interim assistance provided and the efficiency and effectiveness of the administration of such provisions. Such report may include such recommendations as the Secretary deems appropriate.".

SEC. 6. (a) Section 1611 of the Social Security Act is amended—

(1) in subsection (a)(1)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,752";

(2) in subsection (a)(2)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628";

(3) in subsection (b)(1), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,752"; and

(4) in subsection (b)(2), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628".

(b) Part A of title XVI of such Act is further amended by adding at the end thereof the following new section:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS

"SEC. 1617. Whenever benefit amounts under title II are increased by any percentage effective with any month as a result of determination made under section 215(i), each of the dollar amounts in effect for such month under subsections (a)(1)(A), (a)(2)(A), (b)(1), (b)(2) of section 1611, and subsection (a)(1)(A) of section 211 of Public Law 93-66, as specified in such subsections or as previously increased under this section, shall be increased by the same percentage (and rounded, when not a multiple of $1.20, to the next higher multiple of $1.20), effective with respect to benefits for months after such month; and such dollar amounts as so increased shall be published in the Federal Register together with, and at the same time as, the material required by section 215(i)(2)(D) to be published therein by reason of such determination."

SEC. 7. (a) Section 15(c)(2) of Public Law 93-233 is amended by striking out "December 1, 1974" and inserting in lieu thereof "March 1, 1975", and by striking out "July 1, 1975" and inserting in lieu thereof "March 1, 1976".

(b) Section 15(c)(5) of Public Law 93-233 is amended by striking out "March 1, 1975" and inserting in lieu thereof "June 1, 1975" and by striking out "October 1, 1975" and inserting in lieu thereof "June 1, 1976".

(c) Section 15(d) of Public Law 93-233 is amended by striking out "January 1, 1975, except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may, by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975" and inserting in lieu thereof "July 1, 1976".

SEC. 8. Section 249B of the Social Security Amendments of 1972 is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1977".

SEC. 9. (a) Section 1902(a)(14)(B)(i) of the Social Security Act (relating to certain cost-sharing fees required to be paid by some individuals under medicaid) is amended by striking out "shall" and inserting in lieu thereof "may".

(b) The amendment made by subsection (a) shall be effective January 1, 1973.

SEC. 10. (a) Section 211(a)(1) of the Social Security Act is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(b) Section 1402(a)(1) of the Internal Revenue Code of 1954 (relating to definition of net earnings from self-employment) is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(c) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1973.

SEC. 11. (a) The staff of the Joint Committee on Internal Revenue Taxation shall conduct a comprehensive study and investigation of the operation and effect of the Renegotiation Act of 1951, as amended, with a view to determining whether such Act should be extended beyond December 31, 1975, and, if so, how the administration of such Act can be improved. The Joint Committee staff shall specifically consider whether exemption criteria and the statutory factors for determining excessive profits should be changed to make the Act fairer and more effective and more objective. The Joint Committee staff shall also consider whether the Renegotiation Board should be restructured.

(b) In conducting such study and investigation the staff of the Joint Committee on Internal Revenue Taxation shall consult with the staffs of the Renegotiation Board, the General Accounting Office, the Cost Accounting Standards Board, and the Joint Economic Committee.

(c) The staff of the Joint Committee on Internal Revenue Taxation shall submit the results of its study and investigation to the

Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate on or before September 30, 1975, together with such recommendations as it deems appropriate.

Mr. TALMADGE. Mr. President, I believe the Senate can be quite pleased with the House action on H.R. 8217. The Senate added 11 provisions to this bill. The House has accepted all or a significant part of nine of the Senate provisions. Of the three amendments with the greatest cost impact, the House has accepted the major part of two of the Senate provisions, concerning supplemental security income and unemployment benefits. The House was unwilling to accept at this time the third provision, relating to the retirement income credit, because the Ways and Means Committee has already proposed its own retirement income credit provision as a part of the tax reform bill they are working on now.

Let me describe briefly how the provisions in the House substitute amendment relate to the provisions in the Senate-passed bill.

RETIREMENT INCOME CREDIT

Under present law a retirement income credit of up to $1,524 multiplied by 15 percent—that is, $229—is allowed for single persons age 65 or over having retirement income. The credit is reduced by social security and certain other pension income, and it is reduced for persons under age 72 by 50 percent of earnings over $1,200 and 100 percent of earnings over $1,700. Under the Senate provision, the credit for a single person would be based on $2,500 instead of $1,524, and the credit would be reduced by 50 percent of all earnings above $2,100. The House was unwilling to accept this provision at this time because the Ways and Means Committee has already incorporated a provision liberalizing the retirement test in the tax reform bill they are now working on.

SUPPLEMENTAL SECURITY INCOME PROVISIONS

The Senate amendment included a provision which would make it possible for the Social Security Administration and the States to enter into arrangements whereby the States would provide payments to meet the basic needs of aged, blind, and disabled persons during the time while the Social Security Administration is processing their claims for benefits under the supplemental security income program.

Social security would then reimburse the States for these interim payments out of any retroactive SSI benefits otherwise due the applicant. The Senate amendment would have authorized these arrangements for a temporary period ending June 30, 1975, with a requirement that the Secretary of Health, Education, and Welfare report to Congress his recommendations concerning this provision 60 days prior to that date. The House agreed to this Senate provision with a modification which would move the expiration date from June 30, 1975, to June 30, 1976.

The Senate amendment also contained a provision which would provide for automatic cost-of-living increases in supplemental security income benefits starting in July 1975. Under this provision SSI benefits will be increased whenever social security benefits are increased automatically because the cost of living has risen. The Senate amendment would also have required States which provide additional State benefits over and above the Federal SSI benefits to pass on these automatic increases in SSI to the beneficiaries rather than offsetting them by reducing the amount of the State benefits. The Senate provision also included some Federal funding for States which would have incurred additional costs because of this requirement. The House of Representatives accepted that part of the Senate amendment which provides for automatic cost-of-living increases in the Federal SSI benefits, but rejected the requirement that States pass through these increases to beneficiaries without offsetting reductions in State benefits.

UNEMPLOYMENT BENEFITS PROVISIONS

Under existing law, extended unemployment benefits are payable for up to 13 weeks over and above the 26 weeks of benefits under the regular unemployment programs in States experiencing high rates of unemployment. To be eligible for 50 percent Federal matching, States must have both a 4-percent or higher rate of insured unemployment and a rate of insured unemployment which is at least 120 percent of the rate prevailing in the State in a comparable period of the prior 2 years. Because of persistent unemployment in certain areas of the country, however, many States which meet the first requirement of a 4-percent insured unemployment rate no longer are able to meet the second factor. Consequently, Congress has on several occasions acted to allow States, on an optional basis, to waive the 120 percent requirement. The most recent enactment permitting such a waiver will expire at the end of this month.

Under the Senate amendment, the authority for the States to receive Federal matching for extended benefits without meeting the 120 percent requirement would have been extended through the end of June, 1975. The House accepted this amendment with a modification under which the provision will expire on April 30, 1975 rather than on June 30, 1975.

The House also accepted, without change, a Senate amendment which would modify the procedure for reimbursing the general fund for certain advances which were made to the Unemployment Trust Fund to cover the cost of benefits under the Emergency Unemployment Compensation Act of 1971.

MEDICARE AND MEDICAID AMENDMENTS IN H.R. 8217

The House has accepted the three Senate provisions relating to the medicare and medicaid programs. The first provision extends for an additional 3 years 100 percent Federal funding of the costs for training and compensation of inspectors of long-term care institutions participating in medicaid. These inspectors determine compliance of skilled nursing facilities and intermediate care facilities with health and safety standards.

The second provision removes a requirement that States impose a premium or enrollment fee on medically needy persons using medicaid. The provision makes this premium optional with the State rather than mandatory.

The third provision extends the period for a study of appropriate and fair reimbursement for physicians in teaching hospitals until March 1976. The original study requirement was included in Public Law 93-233. Both the Department of Health, Education, and Welfare and the National Institute of Medicine, which is doing the study for HEW, indicated that a longer study period was needed to do a thorough job.

SOCIAL SECURITY COVERAGE OF FARM INCOME

The Senate amendment included a provision to make clear that a farm owner who does not himself participate in the operations of the farm will not be subject to social security tax on farm rental income because of actions taken by a farm management company which acts as his agent in leasing the farm to the tenant. The House of Representatives agreed to the Senate amendment with modifications of a technical nature.

PROVISIONS RELATING TO THE RENEGOTIATION ACT

The Renegotiation Act was recently extended for 18 months, through December 31, 1975. The Senate bill would have provided for an extension only through June 30, 1975, and it directed the staff of the Joint Committee on Internal Revenue Taxation to conduct a comprehensive study and investigation of the operation and effect of the Renegotiation Act. The House would not accept a modification in the expiration date of the Renegotiation Act, but they did agree to the Senate provision directing a comprehensive study of the act. This study must be submitted to the Committee on Finance and the Committee on Ways and Means by September 30, 1975.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. Mr. President, I wonder if the Senator will tell me who on their side is primarily concerned with this.

Mr. TALMADGE. It went to conference in the House, and was reported in technical disagreement. The House and Senate conferees were unanimous in their report. The House will propose certain amendments which embodied about 80 to 85 percent of the Senate amendments to the bill.

It was agreed to by the conferees on the part of the Senate, which I believe were Senator BENNETT, Senator CURTIS, and one other I do not recall at the moment. Senator BENNETT can speak for himself.

Mr. BENNETT. So far as I am concerned, I see no reason why we should not concur in the House amendment.

Mr. TALMADGE. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ORDER FOR CONSIDERATION OF DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I should like to make a request while the distinguished Republican leader is on the floor. I ask unanimous consent that the Department of Transportation appropriation bill be the first order of business at the conclusion of morning business on Friday, with the time limitation being 1 hour, equally divided between the Senator from West Virginia and the Senator from New Jersey; that there be a time limitation on any amendment, debatable motion, or appeal of 30 minutes, and the division with regard to the control of time be in the usual form.

The PRESIDING OFFICER. Is there objection? If not, it is ordered.

INCREASED U.S. PARTICIPATION IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the papers on S. 2665 be messaged to the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXPORT ADMINISTRATION ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of S. 3792, the Export Administration Act.

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate bill 3792, which the clerk will report by title.

The legislative clerk read as follows:

S. 3792, a bill to amend and extend the Export Administration Act of 1969.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is further discussion of the pending business under a time limitation?

The PRESIDING OFFICER. Yes, the Senator is correct. The time for debate on this bill shall be limited to 2 hours, to be equally divided and controlled by the majority and minority leaders or their designees, with 30 minutes on any amendment except one to be offered by the Senator from New York (Mr. JAVITS) on which there shall be 40 minutes, and with no time limitation on any debatable motion or appeal.

The pending question is on agreeing to the amendment of the Senator from Washington (Mr. JACKSON).

The amendment is as follows:

Section 4 of the Export Administration Act of 1969, as amended, is further amended by adding at the end thereof a new subsection 4(j) as follows:

On page 13, after line 13, insert a new section as follows:

"(j) (1) The Secretary of Commerce, after consulting with the Secretary of the Treasury, the Attorney General, and the Secretary of State, shall establish regulations for the licensing of exports of all police, law enforcement, or security equipment manufactured for use in surveillance, eavesdropping, crowd control, interrogations, or penal retribution.

"(2) Any license proposed to be issued under this subsection shall be reviewed by the Attorney General and shall be submitted to the Congress. The Congress shall have a period of sixty calendar days of continuous session of both Houses after the date on which the license is transmitted to the Congress to disapprove the issuance of a license by the adoption in either House of a resolution disapproving the proposed license.

"(3) The Secretary of Commerce, with the concurrence of the Secretary of the Treasury, the Attorney General, and the Secretary of State, may by regulation exempt individual countries and specific categories of police, law enforcement, or security equipment from the congressional review and disapproval authority set forth in paragraph (2) if he finds and determines export of the equipment would not threaten fundamental human and civil liberties."

The PRESIDING OFFICER. What is the pleasure of the Senate? Who yields time?

Mr. STEVENSON. Mr. President, may I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered.

The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I believe my amendment is pending, is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. JACKSON. Mr. President, this amendment arises out of the investigation conducted by a subcommittee that I chair, the Permanent Subcommittee on Investigations. Approximately two weeks ago it came to our attention that U.S. firms were scheduled to display in the Soviet Union, and offer for sale to the Soviets, sophisticated criminological devices. I directed the staff of the Permanent Subcommittee on Investigations to investigate this matter and establish, through sworn statements and other documentation, that this incredible report was, in fact, true. It was.

The investigation developed the fact that in the case of each company we interviewed that was scheduled to participate in the exhibition, the Commerce Department had been contacted and had advised either that no export license was required or that the materials would not fall under export control.

As I stated then, I feel that it is outrageous for American technology to be used to assist the Soviet security services in repressing the Soviet people. I feel it is essential, even though the Commerce Department has now issued instructions that such items are subject to license, that the Congress of the United States formally establish a position that we will not allow American technology to be used in this manner by any nation that engages in repressive police practices which deny their citizens due process and fundamental human and civil liberties.

Mr. President, what we are really doing here is to write into the law the requirement that this type of export must be licensed, and subject to congressional review.

I believe that anyone who is deeply committed—and I think all Senators are—to the preservation of civil liberties should support this amendment. The last thing the United States should do is to be a party to an effort to make more efficient the secret police services of any totalitarian state. This is the heart of the effort here. I hope the Senate will adopt this amendment.

Mr. STEVENSON. Mr. President, I support this amendment. The United States has no business aiding the oppressive activities of foreign countries. The amendment permits the Secretary of Commerce, with the concurrence of the Secretary of the Treasury, the Attorney General, and the Secretary of State, to exempt individual categories of equipment and individual countries, from the review provisions of the amendment. This would permit an exception for exports to friendly and democratic countries. I think it is a good amendment and would be glad to accept it.

Mr. President, I will yield the remainder of the time in opposition to this amendment to the Senator from Oregon.

Mr. PACKWOOD. Would the Senator from Washington yield for a question?

Mr. JACKSON. Yes.

Mr. PACKWOOD. I am confused by the third section, under which the Secretary of Commerce concurs with the Secretary of the Treasury and the Secretary of State and may, by regulations, exempt individual countries and specific categories, but has to make the finding that these countries do not threaten fundamental human or civil liberties. Is that correct?

Mr. JACKSON. That is correct.

Mr. PACKWOOD. In other words, if he does not make the finding that these countries fit within that definition, of not threatening fundamental human and civil liberties, then there can be no export?

Mr. JACKSON. There could be an export, but we would have the right of congressional review. There are totalitarian countries in addition to the Soviet Union that should not get this equipment. This is what we are aiming at.

Mr. PACKWOOD. As I read the amendment, we are going to have the right of review in any State.

Mr. JACKSON. No. It is confined to subsection (3) that says the Secretary of Commerce, with the concurrence of the Secretary of the Treasury, the Attorney General, and the Secretary of State, may, by regulation, exempt individual countries from congressional review, and disapproval authority set forth in paragraph 2 if they find—and this is the crucial part—and determine that the export of such equipment would not threaten fundamental human and civil liberties.

There is no problem in selling this equipment to democratic countries, but there are obviously certain countries in the world where I do not think we should be a party to aiding and abetting repression.

Mr. PACKWOOD. I am still trying to understand how this works. I understand that these different Secretaries must confer and then the Secretary of Commerce will issue a statement that England does not threaten fundamental human and civil liberties, and then we could export this equipment to England. Is that right?

Mr. JACKSON. The way it works is that when an application for the export of the specific equipment comes in, they then make a judgment regarding whether the sale of the equipment would threaten fundamental human and civil liberties.

I believe I know what concerns the Senator from Oregon. That is the question of whether the Federal agency must immediately list the countries that meet the test of not denying human and civil liberties.

As I see it, that is not the way it would work. The way it would work is that when applications come in, for example, with respect to a totalitarian government in South America, and they want to get police equipment, the administration would be required, under this section, to state whether or not that country does in fact deny and threaten fundamental human and civil liberties.

Mr. PACKWOOD. My problem goes a little deeper than that, because what to me are fundamental human and civil liberties would include freedom of the press, freedom of assembly, and many of the things we would take for granted that are in our Bill of Rights.

The Senator's definition would probably include all the countries of Africa that are under military dictatorships, most of the countries of Asia, and most of the countries of the world, I think, because in one form or another they threaten fundamental human and civil liberties, as the Senator and I would cherish and understand them. At least, that is my understanding of the amendment.

Mr. JACKSON. If they do, why should we aid and abet the denial of civil liberties?

Mr. PACKWOOD. That is where I want to make sure we understand. What does the Senator mean by freedom of the press?

Mr. JACKSON. One has to make an overall judgment. There may be conduct in certain areas that would not necessarily put it in that category.

Let me restate it. All equipment, first of all, requires a license. All licenses—this is the key point—are subject to congressional review, unless pursuant to subsection (3)—that is what we have been talking about—exemption from review may be granted to certain countries on the specific categories of goods.

In other words, as one illustration, handcuffs could be sold, I suppose, to many countries.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. STEVENSON. In reading this amendment, if I understand it correctly, paragraph 3, which permits the exemptions, permits exemptions to the congressional review procedures in paragraph 2.

If, to take the Senator from Oregon's case, the administration did propose to permit the export of police equipment to a totalitarian state in Africa, or any place else in the world, it would mean that Congress would have to approve. The export would not be absolutely prohibited by anything I can see in this amendment.

Mr. PACKWOOD. If I understand the amendment, if the Secretary of Commerce makes a decision that the Government does not threaten fundamental human and civil liberties, they go ahead with the license and sell it. From the standpoint of diplomacy, if they do not want to say that, they are going to put the monkey on Congress back.

It means making a decision, country by country; and we are going to support many of our allies who perhaps do not give any greater degree of protection to fundamental and human civil liberties than many of our opponents, and we are going to do it on a country by country, irrational, and ad hoc basis.

Mr. JACKSON. I do not agree with that conclusion.

I believe we are outlining here a rational course to follow.

I sponsored the amendment with Senator PELL to cut off aid to the military junta in Greece, and it was adopted by the Senate unanimously. We have called on the House not to act on this matter, in light of the fact that Greece is now in the process of restoring civil rule and is going to hold elections. But I do not think the United States ought to be sending highly sophisticated police equipment to any regime that practices the techniques that are followed in a totalitarian state. Let the Senate decide that.

Mr. PACKWOOD. Let me ask the Senator's opinion. I am trying to get a grasp of the types of countries.

Let us assume that the administration does not make its finding, so that they do not say to a country, "You are totalitarian." So the license is issued, and the matter comes to us. In the estimation of the Senator from Washington, would a country such as South Korea threaten fundamental human and civil liberties?

Mr. JACKSON. I do not know the details of the immediate situation, but it is possible they are engaged in repressive conduct. We can make available military equipment to support Korean independence, but why should we make available equipment to further aid and abet the repression of their people? I do not have any compunction about stopping that.

Mr. PACKWOOD. What about the Philippines? Does it repress?

Mr. JACKSON. They have martial law. Why should we aid and abet them in that effort?

Mr. PACKWOOD. What we are saying, really, is that, for all practical purposes, we will go ahead and export military material to those countries, but we are not going to send them police revolvers or handcuffs or whatever they might use in normal police work in a totalitarian or nontotalitarian country.

Most of the countries, I think, from the answer of the Senator from Washington—and I probably would agree with him—will not fit the definition or pass the definition of fundamental human and civil liberties.

Mr. JACKSON. In total numbers, the Senator may be correct. I just do not want my country to be a party to making more efficient the practices they engage in that aid the repression of liberty and freedom. That is all I am saying.

Mr. PACKWOOD. I find a fine line between the military equipment we have sent many of these military dictatorships around the world—some of them are allies—and police equipment.

Mr. JACKSON. The Senator knows that we have treaty commitments with many countries; but the treaty commitments relate to a common concern about our own security and the security of the Western World. We have treaty commitments with Spain, which has a totalitarian government. That does not mean that we ought to eliminate the treaty. But in the meantime, we want to do everything we can to encourage freedom. I think that is what our foreign policy should be about.

I do not believe we are far apart. I have great respect for the Senator from Oregon. I think he is raising the question here of whether or not this is onerous and difficult to handle.

I was horrified to find that GS-10's and GS-11's, career people, down in the Commerce Department—and this has happened under all administrations—are willy-nilly granting the right to sell equipment used for repression. I do not think we ought to be a party to that kind of conduct.

In all the time I have been in Congress, I am very proud of my record on civil liberties. No one in the House or the Senate has had a longer, more consistent record in this regard. I have always taken that position. I have taken that position on Rhodesia, where they practice racial discrimination, and I have taken that position in the case of South Africa. I also took that position with respect to Greece.

I am taking that position now in insisting that we ought to try to implement the United Nations Universal Declaration of Human Rights, adopted in 1948, article 13, providing for free emigration.

I am just explaining my position. I do not think we ought to be a party to repression.

I hope the Senator will accept the amendment.

Mr. PACKWOOD I am going to move to table.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PACKWOOD. Mr. President, I move to table the amendment.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The motion is not in order. The Senator has 10 minutes remaining.

Mr. JACKSON. I yield back my time, Mr. President.

The PRESIDING OFFICER. The time yielded back.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, I commend the Senator from Washington (Mr. Jackson) for offering this amendment.

The Permanent Investigations Subcommittee, of which the Senator from Washington is chairman and on which I serve, held an executive session on July 19, 1974, on the planned exhibition by U.S. firms of law-enforcement equipment at a fair, Krimtekhnika–74, to be held in Moscow during the August 14–28 period.

Equipment scheduled to be exhibited included fingerprint detection and analysis, voice identification, psychological stress valuation machinery—machinery which could be used not only against minority groups and political dissidents of the Soviet Union but in espionage and counterespionage activities.

In questioning during the executive session, I elicited what I consider to be several extremely significant facts. First, in many cases, the sophisticated equipment to be displayed is not available from sources other than those in the United States. Second, once a machine is obtained, it can usually be duplicated.

In my opinion, this raises serious question about the advisability of exhibiting such equipment in the Soviet Union, where the most logical purchaser is the KGB, the state police. I do not believe we either want to or should place ourselves in the position of making available equipment which could be used by a government to deprive its citizens of what we could consider basic civil rights or perhaps be used against us. Such a move is not justifiable. It does not make sense.

I appreciate the fact that the Secretary of Commerce has acted to restrict the movement of such equipment. I believe his decision was the correct one. But, I also believe that the fact that we came so close to sending sophisticated crime detection to a country with rigid state controls and well-documented surveillance of its people and to a country which is involved in intellegence operations against our country points up the obvious need for this amendment and for a review of the entire export control activities of our Government.

American technology is superior technology. It has traditionally been much desired by foreign nations. But, it is also an American resource which must be used carefully, judiciously, and for the benefit of our Nation. And, I am not at all convinced that the possible transfer of detection technology to the Soviet Union would be a careful, judicious, or beneficial use of that technology.

Mr. PACKWOOD. Mr. President, I move to lay on the table the amendment of the Senator from Washington.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. In announce that the Senator from Alaska (Mr. Gravel) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Hampshire (Mr. Cotton), the Senator from Hawaii (Mr. Fong), the Senator from Nebraska (Mr. Hruska), the Senator from Maryland (Mr. Mathias), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The result was announced—yeas 21 nays 73, as follows:

[No. 341 Leg.]

YEAS—21

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Brooke
Cook
Curtis
Fannin
Fulbright
Goldwater
Griffin
Gurney
McClure
Packwood
Scott, William L.
Sparkman
Stafford
Thurmond
Tower

NAYS—73

Abourezk
Allen
Bayh
Bentsen
Bible
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stennis
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—6

Cotton
Fong
Gravel
Hruska
Mathias
Taft

So the motion to lay on the table was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. STEVENSON. Mr. President, I move to lay the motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Washington (Mr. Jackson). (Putting the question.)

The amendment was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. STEVENSON. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I call up my amendment covering a number of conforming amendments to the act, which is at the desk.

The PRESIDING OFFICER. Will the Senator send his amendment to the desk.

The clerk will report.

The assistant legislative clerk read as follows:

At page 10, lines 1 and 2, deletes the phrase "(2) Notwithstanding any other provision of law, whenever"; and insert in lieu thereof the following: "(2) Whenever"

At page 11, line 9, strike the word "decision." and insert the following: "decision together with the recommendation of the Secretary of Defense."

At page 11, lines 12 and 13, strike the phrase "by majority vote of both Houses, the action of the President.", and insert the following: "the action of the President by adopting a concurrent resolution disapproving the application for the export of such goods, technology or techniques."

At page 12, strike lines 24 and 25. At page 13, strike lines 1 and 2 and insert the following:

"(C) the term 'controlled country' means the Soviet Union, Poland, Romania, Hungary, Bulgaria, Czechoslovakia, the German Democratic Republic (East Germany), and such other countries as may be designated by the Secretary of Defense."

At page 13, strike lines 3 through 5 and insert the following:

"(8) The Secretary of Defense shall submit to the Congress a written report on his implementation of this section not later than 30 days after the close of each quarter of each fiscal year. Each such report shall, among other things, identify each instance in which the Secretary recommended to the President that exports be disapproved and the action finally taken by the executive branch on the matter."

At page 13, add a new subsection (9) as follows:

"(9) Whenever the President exercises his authority under subsections (5) and (6) he shall, having first solicited the recommendation of the Secretary of Defense, transmit his decision, together with the recommendation of the Secretary of Defense, to the Congress. The review and disapproval provisions of subsection (3) shall be applicable to actions taken under subsections (5) and (6)."

At the end of Section (9) add a new subsection as follows:

"(10) The authority granted to the President in subsection (5) and (6) of this section shall be non-delegable."

Mr. JACKSON. Mr. President, all of the conforming amendments are intended to bring the provisions of the Export Administration Act into conformity with the comparable provisions of the Defense Procurement Act and to make congressional review procedures applicable to changes in the lists of licensed items and the so-called COCOM lists and procedures.

The PRESIDING OFFICER. Will the Senator suspend? The Senate will come to order. The Senator from Washington is entitled to be heard. It is difficult for him to speak with the noise that is going on. Will Senators please take their seats?

The Senator from Washington.

Mr. JACKSON. Mr. President, the Members of the Senate will recall that we passed in the Defense Procurement Act a provision which gave to Congress the right to veto, in effect, transfers of technology that might affect the security of this Nation with respect to the Warsaw Pact countries.

At the time of that debate, in colloquy with the Senator who is handling the bill, the able Senator from Illinois (Mr. STEVENSON), we made it clear that we would, when the Export Control Act was up, move to add these controls to the Export Control Act. It is now pending before the Senate, and that is what we do in these conforming amendments.

I would point out that modifications 1, 2, 3, and 4 are of a technical nature, the effect of which is to bring the language of the act into conformity with the Defense Procurement Act.

Modification No. 5, which is also made to conform to the Defense Procurement Act language, adds Romania and Poland to the list of controlled countries. A substantial number of technology transfers of critical defense technology has taken place through these two countries.

Whatever the merits of treating Romania and Poland separately for general trade purposes, where technology with profound military implications is concerned, they ought to be included under stringent controls.

The reporting section is required in any case under the Defense Procurement Act, and that is in there.

Modification No. 7 would clarify the act by making it explicit that the recommendation of the Secretary of Defense and a review by Congress applies to any alteration of our lists of controlled items or to the COCOM lists.

Without subsection (10), which makes the authority granted to the President nondelegable, the basic purpose of the section cannot be effected. As the Senator from Illinois (Mr. STEVENSON) and, I think, the Senator from Oregon (Mr. PACKWOOD) will recall, we discussed this on the floor of the Senate, and I hope that the amendments would be accepted, because this is an important matter.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. STEVENSON. Mr. President, as the Senator from Washington has already indicated, these amendments simply conform the provisions of the Export Administration Act to those already approved by Congress in the Military Procurement Act, so I am quite prepared to accept the amendments, and to yield back time to the Senator from Oregon.

Mr. PACKWOOD. We will accept the amendments and I yield back the time.

Mr. JACKSON. We are ready to vote. I yield back my time.

The PRESIDING OFFICER. All time is yielded back, and the question is on agreeing to the amendments of the Senator from Washington. (Putting the question.)

The amendments were agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. STEVENSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, would the Senator yield 30 seconds?

The PRESIDING OFFICER. The Senator from Washington.

Mr. STEVENSON. I yield.

Mr. JACKSON. Mr. President, I want to take this opportunity to express my deep appreciation to the chairman of the subcommittee, the floor manager of the bill, the distinguished Senator from Illinois (Mr. STEVENSON), for his leadership in dealing with this very difficult and intricate problem. He is to be commended most highly for the time and effort he has put into it to bring about some rationality in the handling of exports at a time when there are so many policy conflicts in the granting of these licenses.

I want to express my deep appreciation to him because he has spent many days trying to work out some sensible solution to these problems.

I want to express, too, my appreciation to the ranking minority member, Mr. PACKWOOD, for while we have not agreed on every item, he has been most cooperative in working out these amendments that relate to export controls.

Mr. STEVENSON. Mr. President, I thank the Senator from Washington. He deserves our commendation for bringing these important matters before the Senate. He has my gratitude for his very able cooperation.

Mr. President, I yield 2 minutes on the bill to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. BAYH. Mr. President, I ask unanimous consent to reconsider the previous action of the Senate in adopting my amendment No. 1609.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAYH. Mr. President, I send to the desk a modification of amendment No. 1609.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

> At the end of amendment No. 1609 add the following new language: "to the United States petroleum purchaser."

The PRESIDING OFFICER. The amendment, No. 1609, is so modified.

Mr. BAYH. Mr. President, this is an effort to try to resolve some different interpretations that the Senator from Alaska (Mr. STEVENS) and I have regarding the impact on the consumer of the oil exchange procedure, which we anticipate will follow the construction of the Alaskan pipeline. I do not want cheap Alaskan oil to be exchanged for expensive Saudi Arabian crude which would be brought into the Eastern and the Midwestern parts of the country at significantly higher prices than Alaskan crude would sell for domestically.

This language change, which does not offset the substance of the amendment, apparently is acceptable to the Senator from Alaska and is acceptable to the Senator from Indiana.

Mr. PACKWOOD. Will the Senator yield?

Mr. BAYH. I will be glad to yield.

Mr. PACKWOOD. I would appreciate it, because the Senator from Alaska wants to comment on this, if the Senator could explain the difficulty or the confusion that led to the adoption of this amendment and the harmonizing of his views and those of the Senator from Alaska.

Mr. BAYH. I can suggest that the Senator from Alaska was concerned that the previous language would prohibit the exchange from taking place, as it deals with wellhead price, transportation costs, how the base price is established, and all of these things that one almost needs a Ph. D degree to understand. But we are in agreement on this language and we are in agreement that neither one of us wants a policy of buying Alaskan oil at price x and shipping it through Saudi Arabia at a price of x plus $5 a barrel. This language would prohibit Alaskan oil from being exchanged, if indeed that would require consumers to purchase the foreign oil for which Alaskan oil has been exchanged at a higher price than Alaskan oil would command within the United States.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time not be taken out of the time on either side. I think the Senator from Alaska should be here.

Mr. CHILES. Will the Senator yield? May we delay the consideration of this amendment until the Senator from Alaska gets here, and take up another amendment?

Mr. BAYH. I apologize to the Senator from Florida. If I had not thought this had been worked out to everybody's satisfaction, I would not have proposed the modification to my amendment.

Mr. PACKWOOD. The Senator from Alaska (Mr. STEVENS) is on his way. He will be here in 2 or 3 minutes, but he wanted to be here to participate in this colloquy.

Mr. JACKSON. Mr. President, I withdraw my unanimous-consent request.

The PRESIDING OFFICER. The unanimous-consent request is withdrawn.

Mr. STEVENS addressed the chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I wish to make certain that the record shows that the purpose of this amendment is to assure that the U.S. purchaser of the petroleum will not pay any increased price as a result of an exchange which might take place pursuant to the authorization that is contained in the Alaskan pipeline amendment. It is my understanding that the Senator from Indiana has offered the amendment that we have discussed off the floor and that he agrees to this interpretation at this time.

Mr. BAYH. Yes, I think the words speak for themselves.

Mr. PACKWOOD. Mr. President, I ask unanimous consent to have the amendment read again so that the Senator from Alaska may hear it and make sure it is exactly what he wants.

The PRESIDING OFFICER. Is the request to have the amendment 1609 read in its entirety?

Mr. PACKWOOD. No, just the addition.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

At the end of Amendment No. 1609 proposed by Mr. Bayh, add the following new language: "to the United States petroleum purchaser."

Mr. STEVENS. Mr. President, that eliminates my concern over the amendment that was offered and adopted yesterday by the Senator from Indiana and agreed to. We still have a disagreement in terms of the interpretation of the basic law. I think that if we intended to use the word, "contiguous," in that amendment to the Federal Leasing Act, we would have done so. We used the word, "adjacent." Japan is adjacent to Alaska; Japan is not contiguous to Alaska. Under the circumstances, that concern still remains between the Senator from Indiana and myself.

I am appreciative of his willingness to clarify the intent of the amendment that was adopted yesterday, and I concur heartily in what he has done. I thank him for his courtesy.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. BAYH. I appreciate the cooperative spirit of my friend from Alaska. I think I should also note that we have agreed to disagree. The previous record in which we have discussed this in some length will define the differences of opinion that we have on the whole thrust of how to handle the Alaskan oil in this exchange process.

We have agreed on the substance of this language, and I think that is probably the best we can do right now.

Mr. JACKSON. Mr. President, last April the distinguished Senator from Indiana requested me to investigate reports that the owners of the trans-Alaska pipeline planned to export significant quantities of crude oil from the North Slope to Japan, despite this Nation's overall deficit in domestic energy.

As chairman of the Interior Committee, I addressed a series of questions to the companies and the administration regarding west coast supply and demand for crude oil, the likelihood of a west coast oil surplus after completion of the trans-Alaska pipeline, and the companies' plans for marketing any such surplus, either in other parts of the United States or abroad.

Committee staff have prepared a memorandum summarizing the results of this inquiry to date. A more complete report, including the detailed responses to my questionnaire by Federal agencies and the oil companies, will be published soon as a committee print.

The preliminary findings of my inquiry, in summary, are the following:

First, that there is great uncertainty about both supply and demand on the west coast of the United States in the early 1980's, and considerable disagreement among the companies and the agencies about the most probable supply-demand balance;

Second, that most of the parties, nevertheless, project as their most probable estimate, a substantial and growing excess of west coast supply over west coast demand for crude oil;

Third, that the most attractive market to the companies for this excess would be in Japan, rather than the Eastern and Midwestern United States, if the law authorizing the trans-Alaska pipeline had not placed crude oil exports under strict control;

Fourth, that a swap of Alaska crude oil exported to Japan for Persian Gulf or Carribbean crude oil imported into the Eastern United States may well make sense economically, and may benefit both the companies and the State of Alaska, but they are not likely to benefit U.S. consumers in price terms, and

Finally, that the provision of pipelines or other facilities to move west coast crude oil to other parts of the United States raises serious environmental and economic issues that ought to be addressed by Congress.

Senator Bayh's amendment, No. 1609, is intended to close one possible loophole in the Alaska Pipeline Act's provision controlling crude oil exports. That law prohibits exports that cause a net reduction in the quantity or quality of petroleum available to U.S. consumers. The Senator from Indiana proposes to tighten this provision by precluding exports—including exchanges—which would increase the prices of petroleum products in U.S. markets. The staff report I cited questions whether such exports are very likely under existing law. Nevertheless, circumstances can be imagined in which exports or exchanges could be used to evade domestic price regulations, or otherwise to increase prices. I endorse the Senator's proposed amendment to close this loophole.

I ask unanimous consent, Mr. President, to insert into the Record at this point, the staff memorandum on "The Alaska Pipeline, West Coast Oil Surpluses, and Crude Oil Exports."

There being no objection, the material was ordered to be printed in the Record, as follows:

MEMORANDUM, JULY 30, 1974

Re Preliminary Report—The Alaska Pipeline, West Coast Oil Surpluses, and Crude Oil Exports.

To: Henry M. Jackson, Chairman, Committee on Interior and Insular Affairs.

From: Arlon R. Tussing, Chief Economist.

SUMMARY

Reduced growth of West Coast oil demand and increased supplies are expected to flow both from recent crude oil price increases and from changes in public policy. These developments increase the likelihood that the West Coast of the United States will be more than self-sufficient in crude oil and have an exportable surplus by the early 1980's.

Companies that control most of the pipeline's potential throughput as yet have no concrete plans for marketing volumes excess to West Coast demand, but Section 28 (u) of the Mineral Leasing Act makes significant exports (other than exchanges with Canada) improbable. Adequate safeguards exist to prevent exports which are not in the national interest, with one exception: The Mineral Leasing Act's export restrictions apply only to oil carried through a pipeline across federal lands.

The prospect of a crude oil surplus on the West Coast does, however, raise important issues regarding the relative environmental, economic and security implications of alternative systems for transporting West Coast crude oil to other parts of the United States.

BACKGROUND

In 1973, as Congress debated legislation to authorize construction of the Trans Alaska pipeline, it was widely suspected and alleged that the oil companies which controlled reserves on the North Slope of Alaska favored the Trans Alaska pipeline-tanker route (as opposed to an overland pipeline through Canada) at least in part to be in a position to export some of its throughput to Japan. Spokesmen for the companies and the Interior Department maintained, however, that—

(1) domestic demand in District V (the West Coast) would be more than sufficient to absorb the added production from Northern Alaska in addition to the crude oil expected to be produced elsewhere in District V; and that

(2) even if a temporary excess developed in District V during the early years of pipeline operation. U.S. crude oil prices were sufficiently greater than world market levels that exports would not be economically attractive to the companies.

Notwithstanding such assurances from the companies and the Administration, Congress, in authorizing construction of the Trans-Alaska pipeline, foresaw a possibility of circumstances in which crude oil exports might be advantageous to the oil companies but detrimental to United States interests. The reasoning of Congress in this matter was set out clearly in the section Major Issues: "2. Exports of Alaskan Oil," in the report of the Committee on Interior and Insular Affairs on S. 1081, the Federal Lands Right of Way Act of 1973, a copy of which follows this memorandum as appendix I.

Section 28 (u) of the Mineral Leasing Act of 1920 as amended by the law authorizing the Trans-Alaska pipeline, now reads as follows:

"Limitations on Export

"(u) Any domestically produced crude oil transported by pipeline over rights-of-way granted pursuant to section 28 of the Mineral Leasing Act of 1920, except such crude oil which is either exchanged in similar quantity for convenience or increased efficiency of transportation with persons or the government of an adjacent foreign state, or which is temporarily exported for convenience or increased efficiency of transportation across parts of an adjacent foreign state and reenters the United States, shall be subject to all of the limitations and licensing requirements of the Export Administration Act of 1969 (Act of December 30, 1969; 83 Stat. 841) and, in addition, before any crude oil subject to this section may be exported under the limitations and licensing requirements and penalty and enforcement provisions of the Export Administration Act of 1969 the President must make and publish an express finding that such exports will not diminish the total quantity or quality of petroleum available to the United States, and are in the national interest and are in accord with the provisions of the Export Administration Act of 1969: *Provided*, That the President shall submit reports to the Congress containing findings made under this section, and after the date of receipt of such report Congress shall have a period of sixty calendar days, thirty days of which Congress must have been in session, to consider whether exports under the terms of this section are in the national interest. If the Congress within this time period passes a concurrent resolution of disapproval stating disagreement with the President's finding concerning the national interest, further exports made pursuant to the aforementioned Presidential findings shall cease.

In adopting this language, Congress did not intend to proscribe crude oil exports absolutely. Firstly, it was recognized that significant economies—to the nation as well as to the owners of the oil—might under some circumstances be achieved by appropriate "import-for-export" arrangements. Secondly, a categorical prohibition might set a precedent, and encourage retaliation, by countries on which we depend for imports. Thirdly, such a ban might prevent or handicap arrangements among oil importing countries to share secure supplies in the event of economically or politically inspired curtailments by exporting countries. Finally, it was recognized that the United States might again, at some time in the future, become substantially self-sufficient in energy and develop a surplus whose export would benefit the balance of payments and the national economy.

Subsection (u) was adopted to assure that any such exports would indeed be in the national interest, (1) by placing crude oil exports under the licensing requirements under the Export Administration Act; (2) by prohibiting exports that would reduce net U. S. supplies; (3) by requiring an express Presidential finding that proposed exports conform to the preceding criteria and are in the national interest, and (4) by allowing Congress sixty days in which to disapprove any such Presidential finding.

The violent upheavals of domestic and world crude oil prices resulting from the Arab embargo in late 1973 have led to a reconsideration of all earlier supply and demand projections. Higher oil prices plus policies promoting energy conservation and the use of other fuels, particularly coal, are certain to restrain the growth of West Coast demand for petroleum products. At the same time, high prices plus public policies encouraging more rapid development of domestic petroleum resources (for example, accelerated leasing of the Outer Continental Shelf) can reasonably be expected to increase District V crude oil production above what it would have been if the embargo and the price leaps had not occurred. Finally, the relationship of domestic and world crude oil prices has been reversed over the course of a year, and Persian Gulf crude oil is now being landed in Japan at prices more than twice that of price-controlled domestic crude oil on the United States West Coast.

In these circumstances, the issue of possible exports of North Slope crude oil to Japan was raised anew by an April 12, 1974, Associated Press dispatch from Spokane, as follows:

"A large portion of oil transported through the Trans-Alaska Pipeline will be exported probably to Japan during the line's early years of operation, Jack B. Robertson, Regional Administrator of the Federal Energy Office, said yesterday.

"Robertson said West Coast markets originally earmarked for as many as two million barrels of Alaskan crude oil daily would not be able to absorb that quantity until 1985.

"'Much of it probably will be sent to Japan. That in turn will free foreign supplies for shipment in exchange to United States Markets,' Robertson told a combined meeting of the Radio-Television News Directors Association and the Society of Professional Journalists.

"He said there would be 'an awful lot of swapping' of oil between nations and, in effect, most of the Alaskan oil traded away eventually would return to the domestic market."

An article in the March 18 Oil and Gas Journal ("Prudhoe Oil Will Bring Profound Change to West Coast Crude-Flow Patterns") also speculated about what would happen to the "surplus" of crude oil that is expected on the West Coast as a result of full-capacity utilization of the pipeline. The author mentions exports to Japan as one of the "three alternatives most discussed" for dealing with this surplus. He does, however, suggest it is considered unlikely for political reasons.

As a result of national publicity regarding Robertson's statement, E. E. Patton, President of the Alyeska Pipeline Service Company, issued a press release stating that none of the oil "is scheduled to be exported." This legalistic formulation was not particularly definitive because it is not likely that the disposition of any of the crude oil had, strictly speaking, been "scheduled" yet. On the same day, Charles Spahr, President of SOHIO, issued a less-than-categorical statement that SOHIO "has no intention" of shipping oil to Japan from Alaska.

Later in April, Senator Bayh expressed on the Senate floor his concern that even a barrel-for-barrel import-for-export arrangement would leave American consumers worse off (and the owner companies with higher profits) by creating a mechanism for avoiding domestic price regulations on crude oil.

At Senator Bayh's request, Senator Jackson (as Chairman of the Committee on Interior and Insular Affairs, which has oversight responsibility concerning the Mineral Leasing Act including its Alaska pipeline provisions), initiated an inquiry into (1) the likelihood of a crude oil surplus in District V, (2) the intentions of the owner companies with respect to transportation and marketing of crude oil from Alaska's North Slope (or with respect to any District V crude oil excess to District V demand), and (3) the need for further legislation to regulate or prohibit crude oil exports.

A detailed questionnaire regarding projected West Coast supply and demand, and plans for transporting and marketing North Slope oil were sent to the Interior Department, Federal Energy Administration, State of Alaska, BP Alaska and SOHIO, ARCO, and EXXON.

The three producer groups on the list (plus the State of Alaska) are believed to control about 93 percent of the oil reserves in the Prudhoe Bay field.

Copies of the questionnaires are attached to this memorandum as appendix 2. Responses were received from each of the foregoing agencies and companies and in some cases initial responses were followed with further questions. On certain issues additional clarification or elaboration is required, so that the present memorandum should be regarded as only a preliminary report.

SUMMARY AND ANALYSIS OF RESPONSES TO COMMITTEE'S QUESTIONNAIRES

The following is a summary of the most important conclusions from the agency and company responses.

(1) *Uncertainty*. Great and unavoidable uncertainty exists regarding both supply and demand on the West Coast in the 1977–1982 period. Firm projections are not possible regarding

(a) the effect of higher oil prices on the growth of consumer demands;

(b) the effect of higher prices in encouraging greater recovery from known reserves;

(c) the size and timing of future discoveries; and

(d) the volumes of crude oil available to the West Coast from Canada.

There are, in addition, significant differences over the production potential of the Prudhoe Bay field itself and over the probable timing of successive increases in North Slope production.

Several respondents gave a wide range of projections in answer to questions, rather than a single figure. Combining projections from different sources for individual elements of the West Coast supply-demand balance, it is possible to forecast a 1982 *deficit* in District V of as much as 500,000 barrels per day, or a *surplus* of as much as 1,900,000 barrels per day (or 2,300,000 barrels per day if Canadian supply is included).

There are plausible scenarios consistent with some elements of the projections that might result in even greater deficits or surpluses.

(2) *Most Likely Projections*. Combining the projections for each agency or company regarding

(a) Trans-Alaska pipeline throughput,

(b) District V production outside Northern Alaska, and

(c) District V demand,

most individual sets of projections show a West Coast deficit until about 1979, and a surplus beginning about 1980. Only Exxon projects a deficit over the whole period. The 1982 projections for West Coast Crude Oil surpluses are as follows:

Interior Department, 1.0–1.5 MMB/D.
BP/SOHIO, 0.6–0.8 MMB/D.
ARCO, 0.9 MMB/D.
EXXON, —.1 MMB/D (Deficit).

Each of these projections assumes no net imports from Canada, and no production from major new discoveries in either Alaska or California. In each case, the surplus increases (or the deficit diminishes) over the time of inquiry.

(3) *Individual Company Status*. The following summarizes the supply-demand status of individual producers at the end of the first five years of operation of the Alaska pipeline, as inferred from their own and (to the extent necessary) other projections:

(a) *BP/Sohio* now has no West Coast refineries and does not intend to build or acquire any. Sohio's entire production (almost one million barrels per day) will be surplus to the company's West Coast needs, and would have to be sold or exchanged to others.

(b) *Exxon* has only one small refinery (87 MB/D) on the West Coast and does not plan to expand it; Exxon's own West Coast surplus will reach 300,000 to 400,000 barrels.

(c) *ARCO* expects to increase its own West Coast refinery capacity from 281,000 B/D to 401,000 B/D, and is expected to be roughly in balance on the West Coast.

(d) *The State of Alaska* can be expected to market its own royalty oil. It will have a marketable surplus (over present commitments to Tesoro) on the order of 250,000 B/D, and all but 50–60,000 can be expected to be sold outside Alaska.

4. *Marketing Plans.*

Sohio has made sales on commitments to Columbia Gas and FINA for a small proportion of its production, but very little of the projected supply (except for that of ARCO, which will primarily supply its own refineries) is now committed to specific customers or markets. Each producer who expects to be in a surplus position intends first to sell or exchange its excess to other West Coast refiners. No concrete plans yet exist to transport North Slope crude oil beyond the West Coast. SOHIO, however, has announced plans for a feasibility study of a pipeline from the West Coast across the Rockies to the Midwest.

(5) *Exports to Japan.*

The companies each insist that they have got the message from Congress regarding exports and are planning to market exclusively or principally in the U.S. SOHIO claims its own studies show transshipping to the Midwest is economically superior to an exchange with Japan for Persian Gulf Oil.

In any case, the companies seem to recognize the political hazards of any major exports of Alaska oil as long as the United States faces a crude oil deficit.

CONCLUSIONS

The following are my preliminary conclusions based upon results of the Committee inquiry to date.

(1) *District V excess.*

The domestic supply of crude oil in District V is likely to exceed District V demand under present price relationships by about 1980.

(2) *Relative attractiveness of exports.*

(a) Exports of domestic oil to Japan will not be attractive to the companies until all U.S. West Coast demand at prevailing prices is met. Both U.S. and Japanese market prices will be determined, in the absence of price controls, by Persian Gulf prices plus transportation, which will slightly favor the U.S. West Coast as a market for Alaska oil.

(b) If present relationships continue among uncontrolled domestic crude oil prices, Persian Gulf prices and transportation costs, exports to Japan appear to result in higher netback prices (and hence higher profits and state royalties) than transshipment East of the Rockies by any new transportation system. (This conclusion may be at odds with the reported implication of the Sohio study mentioned above, which we have not yet seen). In the absence of legal restraints, it is likely that some or all District V production excess to District V demand (at prices equal to Persian Gulf plus transportation) would be exported.

(3) *Avoidance of price controls.*

It would of course be attractive to producers of domestic price controlled crude oil to be able to export it at world market prices. Senator Bayh's explicit concern in April was the possibility that Alaska crude oil would be exported in exchange for foreign crude, imported at a price free from U.S. price controls, in order to avoid the effect of those controls.

This does not seem to be a real possibility, however. Under current regulations, North Slope crude oil would be *new oil,* exempt from price controls, and would be marketed in the United States at the same price as comparable grades of imported crude. In any case, the present authority for control of petroleum prices expires on February 28, 1975.

(4) *Adequacy of existing legal controls on exports.*

Existing law makes the export of crude oil carried through interstate pipelines exceedingly difficult, as the three requirements in section 28 (u) are additive rather than alternative. It is improbable that any company would base any long term marketing or investment plans upon the assumption that export applications would be approved, and the procedure required by the law is too slow and unwieldy to encourage short term export transactions.

There is no contingency that I can forsee which is not adequately controlled under the present language, with the following qualification:

(5) *Loophole for oil not transported by pipelines across federal lands.*

Present export restrictions under Section 28(u) apply only to crude oil "transported by pipeline over rights-of-way granted pursuant to Section 28. . ." Although the law clearly controls all exports of oil carried by the Trans-Alaska pipeline, that crude oil could in effect still be exported by *displacement.* That is, all North Slope crude oil could be delivered to domestic refineries, but the California oil it backed out could, in equivalent volumes, be exported without invoking the law, if that oil had never been carried through a pipeline across federal lands. Also, it might be noted, there are no restrictions in present law on exports of oil even from Northern Alaska if it were carried directly by tanker, without an intervening pipeline whose right-of-way was granted pursuant to Section 28.

Congress may in the future want to consider amending the law to deal with these potential loopholes. Inasmuch, however, as circumstances making major crude oil exports from the West Coast commercially attractive are not likely to develop for five to six years, the urgency of closing this loophole is not apparent.

(6) *Collateral issues.*

There are several collateral issues that depend upon expected West Coast oil supply-demand relationships, and which may be of greater importance than the prospect *per se* of significant crude oil exports to Japan. Some of these issues are clearly appropriate for further inquiry by the Committee. Among them are the relative economic and environmental consequences of alternative systems for moving oil that is surplus to West Coast demand to other parts of the United States.

(a) If there will be a West Coast surplus on the order of 1 million B/D it would clearly support a pipeline from Pacific Coast ports to the Midwest. One consequence could be a four to five-fold increase in Puget Sound tanker traffic over that necessary to serve the Cherry Point refinery alone. Such a development would probably provoke severe opposition both within Washington, State and from Canada.

(b) Existing pipelines (Transmountain and Four Corners) are already capable of carrying about 650 MB/D into District V (and the Canadian West Coast). Question could well be raised about the economic and environmental wisdom of building a wholly new pipeline, when the net effect of reversing the flow of two existing installations could be equivalent to an eastward flow of as much as 1,300 MB/D. Any consideration of reversing the Transmountain pipeline, however, depends upon agreement with Canada, which in turn probably hinges upon arrangements to keep crude oil tankers out of Puget Sound and the Strait of Georgia. Collaboration between the United States and Canada would be necessary for a deepwater port offshore the West side of the Olympic Peninsula or Vancouver Island. Another requirement might be a general pipeline treaty between the United States and Canada.

Arctic Gas Pipeline. The struggle over competing routes for a natural gas pipeline from the North Slope may well become more protracted and more bitter than over the oil pipeline. The prospect of a crude oil surplus on the West Coast will be argued as additional grounds for choosing a trans Canada route to deliver natural gas directly into the Midwest.

OCS Leasing. There will be strong opposition from environmentalists and local interests to reviving activity on existing Santa Barbara leases and to new leasing off California and in the Gulf of Alaska. As I have set out elsewhere, oil and gas production from the OCS is, from a national perspective, probably the least environmentally damaging energy alternative. Nevertheless its adverse local impacts will tend to exceed by far its local benefits. A key argument of leasing opponents in California and Alaska will be the oil surplus already in prospect for the West Coast.

APPENDIX I

("Major Issues," from Report of S. 1081, Federal Lands Right of Way Act of 1973. (June 12, 1973)).

2. EXPORTS OF ALASKAN OIL

The question of possible exports of crude oil produced on Alaska's North Slope has been raised repeatedly before this Committee and elsewhere in connection with consideration of alternative pipeline routes for that oil. Some have contended that, despite the national deficiency in crude oil supply, the oil companies with major reserve interests on the North Slope chose the Trans-Alaska alternative in order to be in a position to export a significant fraction of its throughput to Japan.

Despite strong denials by spokesmen for the companies and the National Administration, these allegations have not been *totally* implausible. Their most important foundation has been the possibility of a crude oil surplus on the West Coast. The throughput schedules announced for the Trans-Alaska pipeline in 1969 and 1970 considerably exceeded the anticipated domestic supply deficiency in P.A.D. District V (the West Coast) for several years after the pipeline's completion date. Notwithstanding this expected crude oil surplus on the West Coast, the owner companies indicated no clear plans for shipping Alaska oil to other United States markets.

With the prolonged delays in authorization of a Trans-Alaska pipeline right-of-way, and the repeated slippage of the expected completion date, however, projected West Coast oil demand in the early years of pipeline operation has greatly increased; at the same time, projected onshore production in California has declined. Current estimates by both the Interior Department and industry groups now indicate that demand in P.A.D. District V would substantially exceed domestic production in the District, even including North Slope production.

These recent projections from government and industry sources do not completely dismiss the possibility of crude oil surpluses on the West Coast after the pipeline is completed, however, because these projections assume that no major reserve additions will occur in the region. Areas in which there could be significant reserve additions include the Gulf of Alaska, Lower Cook Inlet and Santa Barbara Channel provinces, where major new lease sales are scheduled or are under active consideration.

Public suspicions that exports were to be a significant function for the Trans-Alaska pipeline have been rekindled from time to time by a number of circumstantial indications. Premier Sato suggested in a 1971 interview in Anchorage that Japan was looking forward to receiving crude oil by way of the pipeline; a corsortium of Japanese companies obtained a part interest in some (as yet unproved) North Slope leases; and Phillips Petroleum Co. proposed to the Cabinet Task Force on Oil Import Control that barrel-for-barrel import quotas be granted to producers who exported crude oil from the United States.

The "import-for-export" proposal envisioned a crude oil excess in one part of the United States, presumably the West Coast, in the context of a general national deficiency, and was aimed at reducing transportation costs. Alaska crude oil could be sold in Japan, for example, offsetting Carribbean or Middle Eastern imports to the East Coast. Not only would the total tanker distance be less than an Alaska-East Coast route, but the shippers could reduce costs further by using tankers of foreign registry, rather than the domestic vessels required in the United States coastal trade. The importance of this proposal was probably exaggerated at the time, however. Phillips did not (and does not) control significant North Slope reserves. The proposal was not pressed nor endorsed by the companies that have such reserves, and it was never seriously entertained by the Task Force.

Price relationships argued strongly in the past against the existence of plans to export Alaskan crude oil. Because of United States quota restrictions on oil imports, the prices of crude oil on the West Coast of the United States were until 1972 about $1.50 higher than landed costs of comparable Middle Eastern crudes in Japan, and U.S. Midwestern prices were on the order of two dollars higher. If these differentials continued, there would be little incentive to export Alaskan oil without the import-for-export allowance; it would clearly be worth while to transship any oil surplus in District V to the Gulf or East Coasts or even to the Midwest, rather than to export it.

Alternatives considered by the companies (but not actively prosecuted) for getting North Slope oil to Midwestern or Eastern U.S. markets included a tanker route around the Horn; a pipeline across Panama linking two tanker segments; reversing the direction of the Four Corners pipeline in order to carry crude oil from Southern California to Texas and thence to the Midwest; reversing the direction of the Transmountain Pipeline between Alberta and Puget Sound, then using the Interprovincial Pipeline to deliver crude oil to the Midwest; and construction of a new pipeline from Puget Sound to the Midwest along the Burlington Northern or Milwaukee Railroad right-of-way.

Although the prospect of significant crude oil surpluses on the West Coast of the United States in the late 1970's and early 1980's have diminished somewhat (but not completely), the rising world prices of oil and devaluation of the dollar have increased the comparative attractiveness of export markets. If crude oil prices in both markets (Japan and Southern California) are determined in the future by transportation costs from the Persian Gulf, so that landed prices per barrel in Japan remain 25 to 50 cents lower than in California, this differential plus the 21-cent license fee announced in April 1973 (when the quota restrictions were removed) would seemingly more than offset the transportation cost advantage of shipping Alaska oil to Japan. But if the past two years' trends in exchange rates and world oil prices were to continue, North Slope oil would be marketable in Japan at considerably higher prices than on the West Coast of the United States by the time a Trans-Alaska pipeline could be on stream.

Three companies control more than 90 percent of the proved reserves of the Prudhoe Bay field, the largest in North America. This field, whose production will dominate West Coast oil supplies will be developed and produced as a single unit pursuant to state conservation law. The same companies will also own 82 percent of the Trans-Alaska pipeline, which is organized as an undivided interest joint venture. West Coast crude oil prices, the companies' profits and the state's revenues, and fuel prices for West Coast consumers, will all be affected powerfully by the amount of oil that the companies and the state permit to be delivered to District V markets. There is no assurance that all the oil which is "surplus" to the West Coast (and thereby "available for export") in the companies' eyes will be truly in excess from the standpoint of consumers, national security or national economic efficiency.

Because of uncertainty regarding the volume of District V crude oil production and the imponderable but almost surely enhanced commercial attractiveness of oil exports to Japan in future years, the Committee is of the view that even though it has had repeated assurances from the oil companies and the Administration that the former "have no intention" to export crude oil produced on Alaska's North Slope, there should, nevertheless, be a statutory check upon such exports.

Section 114 of the Act expresses the Committee's concern that the companies that control the North Slope oil reserves might decide on the basis of private commercial advantage, to make export sales or exchanges that result in a net reduction of crude oil supplies available to the United States, or an increased dependence of the United States upon insecure foreign supplies.

The Committee did not believe that a categorical prohibition of oil exports would be wise, however. There might well be a situation in which export-for-import arrangements would be of benefit to both the United States and its trading partners. For example, the export to Japan of Alaskan crude oil supplies to west coast needs in exchange for Latin American or Eastern Hemisphere crude (which would otherwise have been transported to Japan) for the Northeast could, under some circumstances, be a better arrangement to bring the Northeast region additional crude oil supplies than either transcontinental pipelines or a tanker route around the Horn. A total prohibition might, in addition, encourage other countries to restrict exports to the United States, or cripple efforts to provide cooperation or sharing of restricted supplies among consuming countries.

Section 114 provides that any export arrangement be critically examined in light of the national interest to assure that a few pennies per barrel in private transportation expense are not saved only at a great cost to the total security of national energy supplies. Issues that might be scrutinized in any such examination include whether any export at all is in the national interest, the duration of the export contract, the international consequences of diverting such exports to domestic use in an emergency, the availability of transport capacity to do so, and the net impact of any sale or exchange upon the United States balance of payments.

The provisions of the Section effectively place the burden upon an applicant for an export license to demonstrate that exports of North Slope crude oil are indeed in the national interest, and by requiring an express Presidential finding, compel an examination of that interest at the highest levels.

APPENDIX II

QUESTIONS REGARDING POSSIBLE EXPORTS OF ALASKA NORTH SLOPE CRUDE OIL

To Agencies:

Please prepare for the Committee's use the following information:

1. What are your present projections for total production of crude oil and natural gas liquids on the North Slope of Alaska for each of the first five years (by quarter, if possible) of operation of the Trans Alaska Pipeline? If these figures differ significantly from your projects for pipeline throughput or tanker cargoes from Valdez, please indicate the latter figures as well, and explain any disparity between them.

2. How much of this production, throughput and/or cargoes expected to be owned or controlled by each of the companies with a producing interest on the North Slope or with an equity interest in the Trans Alaska Pipeline? (Indicate whether these figures are gross or net of the state's royalty interest.)

3. What are your current projections for each year of the same five-year period of total demand for (a) refined petroleum products and (b) crude oil and natural gas liquids in P.A.D. District V?

4. What are (a) the total current refinery capacity and (b) projected refinery capacity and throughput in P.A.D. District V for each year of the five-year period for each of the companies either with a producing interest on the North Slope or with an equity interest in the Trans Alaska Pipeline?

5. What is the current volume of, and what are your present projections for each year of the five-year period for, total P.A.D. District V production of crude oil and natural gas liquids other than from the North Slope? If possible, subdivide these by region (e.g., California onshore, California offshore, Cook Inlet, etc.).

6. What is the current net production in P.A.D. District V, by region, of crude oil and natural gas liquids by each of the companies with a producing interest on the North Slope Alaska or with an equity interest in the pipeline, and what is the projected production for each of these companies for each year of the five-year period?

7. To what extent, if at all, is any North Slope crude oil production already under contract or otherwise committed tentatively or otherwise to specific destinations or purchasers?

8. If the projections in response to questions 1, 3, 4 and 5 imply a supply deficit in P.A.D. District V, what are the expected sources for the balance of demand, and in what projected volumes; if the projections indicate an excess supply, what are the expected destinations of the excess, and in what projected volumes?

9. What plans exist, or are under active consideration, for transporting any crude oil produced on Alaska's North Slope or anywhere in P.A.D. District V, to markets outside District V.

10. In your opinion will limitations of demand in District V or in general be, or might they ever be, a constraint or delaying factor in raising the throughput of the Trans Alaska Pipeline from its planned initial throughput of 600,000 barrels per day to its planned capacity of 2 million barrels per day?

11. What, if any, agreements are required among the pipeline owner companies to increase the pipeline's operating capacity? What would happen if one or more companies favor an increase in capacity and others oppose it? What arrangements exist with respect to a company which wishes to ship through the pipeline a volume of oil in excess of its equity in existing capacity?

12. What authority, if any, has the Interstate Commerce Commission or the State of Alaska to require the owners (a) to expand producing capacity up to 2 million barrels per day, or (b) to loop the pipeline for throughputs greater than 2 million barrels? Is there any circumstances in which a shipper who is not one of the owners of the pipeline might have a valid cause of action to compel the owners to expand pipeline capacity?

13. What, if any, authority has the State of Alaska to employ either market demand prorationing, or regulation of pipeline throughput, to prevent the development of crude oil surpluses or softening of prices in markets for the state's oil? Under what circumstances, if any, can you anticipate exercise of such authority?

To Companies:

I would appreciate it if you would prepare for the Committee's use the following information:

1. What are your company's present projections for total production of crude oil and natural gas liquids on the North Slope of Alaska for each of the first five years (by quarter, if possible) of operation of the Trans Alaska Pipeline? If these figures differ significantly from your projections for pipeline throughput or tanker cargoes from Valdez, please indicate the latter figures as well, and explain any disparity between them.

2. What are your company's present projections over the same five-year period of net volume of crude oil and natural gas liquids (a) produced by your company and its affiliates on the North Slope, (b) shipped through their share of the pipeline, and (c) loaded by them at Valdez? (Indicate whether these figures are inclusive or exclusive of state royalty oil.)

3. What are your current projections over the same five-year period of total demand for (a) refined petroleum products and (b) crude oil and natural gas liquids in P.A.D. District V?

4. What is the present capacity of your company's P.A.D. District V refineries and those of its affiliates, and what are your current projections or plans for refinery capacity and throughput for each year of the five-year period?

5. What is the current volume of, and what are your company's present projections for each year of the five-year period for total P.A.D. District V production of crude oil and natural gas liquids other than from the North Slope? If possible, subdivide these by region (e.g., California onshore, California offshore, Cook Inlet, etc.).

6. What is the current net production of crude oil and natural gas liquids controlled by your company and its affiliates in P.A.D. District V, by region, and what are your projections for this production for each year of the five-year period?

7. What portion, if any, of your company's

projected North Slope production and/or that of its affiliates is already sold or under sale contract, or otherwise committed, tentatively or otherwise, to specific destinations or purchasers (including your own refineries and/or those of your affiliates)? How much of this supply is committed to P.A.D. District V?

8. If the projections in response to questions 1, 3, 4 and 5 imply a supply deficit in P.A.D. District V, what are the expected sources of the balance of demand and in what projected volumes; if the projections indicate an excess supply, what are the expected destinations of the excess, and in what projected volumes?

9. If the responses to questions 2, 4 and 6 indicate a supply deficit for your company and its affiliates in P.A.D. District V, from what sources do you expect to fill the deficit and in what volumes; if the responses indicate a surplus, what are the expected or planned destinations of the surplus, and in what volumes?

10. What plans exist, or are under active consideration by your company or its affiliates, for transporting any crude oil produced on Alaska's North Slope or elsewhere in P.A.D. District V to markets outside District V.

11. In your opinion will limitations of demand in District V or in general be, or might they ever be, a constraint or delaying factor in raising the throughout of the Trans Alaska Pipeline from its planned initial throughput of 600,000 barrels per day to its planned capacity of 2 million barrels per day?

12. What, if any, agreements are required among the pipeline owner companies to increase the pipeline's operating capacity? What would happen if one or more companies favor an increase in capacity and others oppose it? What arrangements exist with respect to a company which wishes to ship through the pipeline a volume of oil in excess of its equity in existing capacity?

13. What authority, if any, has the Interstate Commerce Commission or the State of Alaska to require the owners (a) to expand producing capacity up to 2 million barrels per day, or (b) to loop the pipeline for throughputs greater than 2 million barrels? Is there any circumstance in which a shipper who is not one of the owners of the pipeline might have a valid cause of action to compel the owners to expand pipeline capacity?

14. What, if any, authority has the State of Alaska to employ either market demand prorationing, or regulation of pipeline throughput, to prevent the development of crude oil surpluses or softening of prices in markets for the State's oil? Under what circumstances, if any, can you anticipate exercise of such authority? Under what circumstances, if any, can you anticipate a request (or endorsement) by your company for such action to limit production?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana, as modified.

The amendment (No. 1609), as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CHILES. Mr. President, I send to the desk a modified version of my amendment No. 1646 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment (No. 1646), as modified, is as follows:

ECONOMIC POLICY ACTIONS

SEC. . (a) Section 3 of the Export Administration Act of 1969, as amended by section 4 of this Act, is amended by adding at the end thereof the following new paragraph:

"(7) It is the policy of the United States to use export controls to secure the removal by foreign countries of restrictions on access to supplies (a) where such restrictions which have had or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have had or may have a serious adverse effect on employment in the United States, or (b) where such restrictions have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make every reasonable effort to secure the removal or reduction of such restrictions, policies or actions through international cooperation and agreement before resorting to the imposition of controls on the export of materials from the United States: *Provided*, That no action shall be taken in fulfillment of the policy set forth in this subsection to restrict the export of medicine, and medical supplies."

(b) Section 4 of such Act, as amended by sections 3, 4, 9, and 10 of this Act, is amended by adding at the end thereof the following new subsection:

"(j) Before exercising the authority conferred by this Act to implement the policy set forth in section 3(7), the President shall—

"(1) request and receive from the Tariff Commission its views on the probable impact on the domestic economy of such exercise of authority: *Provided, however*. That such views are transmitted to the President within 30 days of the request therefor; and

"(2) consult with the appropriate committees of the Congress with respect to such exercise of authority."

Mr. CHILES. Mr. President, the amendment as modified contains several changes from the printed amendment. Primarily, it now contains some language that would provide for a new section B. Where such instructions have been imposed for the purpose of influencing the foreign policy of the United States, in effecting this policy the President shall make reasonable effort to secure the removal or reduction of such restrictions. That is in addition to the amendment as it was printed.

In addition to that, we have stricken the reporting language on the amendment as it was originally printed because there is reporting language in the bill.

The thrust of this amendment is to provide that it is the policy of the United States to use export controls to secure the removal by foreign countries of restrictions on access to supplies where such restrictions would have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have or may have a serious adverse effect on employment in the United States.

It further provides that if these appear to be conditions, that the President shall request and receive a report from the Tariff Commission of its views on the probable impact on the domestic economy of the exercise of such authority.

What we are attempting to do with this amendment is to provide the tools in the bill wherein if a country attempts to restrict supplies or access of supplies to the United States, and if that restriction is adversely going to affect our economy, cause inflation, cause severe inflationary hardship, cause severe unemployment, we would be able to at least have at our disposal the tool of determining whether we were going to restrict the access of our exports to a country that was engaging in policies that would affect us in that way.

I think we have to recognize that today we are living in an era in which we are going to see perhaps more and more boycotts; combinations of countries that would attempt to use restrictions on their exports to the United States, and exports to other countries, in a manner that could cause severe economic hardship to this country. While I do not believe that is the way we should play the trade game—I believe there should be free access to trade where possible—I believe that we have to be prepared and have to have the capability to be able to respond to that kind of action.

I have a feeling that if we are prepared, if we have the capability, and if other countries realize that we have the capability and the determination to respond to these kinds of actions, then there is less of a chance that we will be brought into this kind of a protectionism and this kind of economic warfare which appears to be on the horizon, and which has already been used in some instances.

I have discussed the amendment at length with the floor leader (Mr. STEVENSON) who is handling the bill, and also with the leader from the minority. I think this is a tool that would be in the best interest of this country, if we had this tool.

Mr. STEVENSON. Mr. President——

The PRESIDING OFFICER. The Senator from Illinois.

Mr. STEVENSON. This amendment is intended to strengthen the bargaining position of the President for the purpose of reducing barriers that deny the United States access to supplies.

The international economic debate has been shifting in recent years from import controls and access to markets to export controls and access to supplies. The concern which we all face in the industrialized world is dramatized by the recent action of the oil-producing countries when they imposed an embargo. Acting jointly through the OPEC, the oil-producing countries caused severe economic consequences in other countries for the purpose of influencing the foreign policies of those countries. Without such power as this amendment affords the President, the United States is virtually powerless. Its military power and its economic power are not exercisable.

The purpose of this amendment is not to encourage the use of export controls. Its purpose, on the contrary, is to discourage resort by governments to export controls and such other devices which deny access to supplies.

This amendment is carefully drawn to permit resort to export controls by the President only when a foreign country has imposed restrictions on supply which have a serious domestic inflationary impact in the United States or have caused a serious domestic shortage or a serious adverse effect on employment. That is the one test.

The other test offers the President the opportunity to impose export controls when the purpose of the restriction by the foreign country is to influence the foreign policy of the United States.

Even this authority, the authority to impose controls in these carefully circumscribed circumstances, is further limited.

The amendment requires that the President first make every reasonable effort to secure the removal or reduction of such restrictions through international cooperation and agreement, before resorting to the imposition of controls.

I want to emphasize, Mr. President, that the purpose of this amendment is not protectionism. The purpose of this amendment is to give the President the authority by which to bring down trade barriers which deny the United States access to essential supplies. Oil is the obvious example, but there are other possibilities lying in wait for us down the road.

We have and produce in this country such high-technology products and agricultural commodities which gives us economic power, which could be used under this amendment to bring down unreasonable trade barriers and permit us access to essential commodities produced by foreign countries.

Without this power we are on a one-way street. Other countries resort to export controls, but the United States does not. We take it lying down.

I will support this amendment, Mr. President.

Mr. PACKWOOD. Mr. President, will the Senator from Florida yield for a question?

Mr. CHILES. I yield.

Mr. PACKWOOD. I want to make sure of the specific intent of the amendment. One, it is permissive, not mandatory, on the part of the President using this; is that correct?

Mr. CHILES. That is right. It is permissive. It requires, as in other sections of the bill, reporting to the Congress of his actions.

Mr. PACKWOOD. But this amendment is not the basis for a legal action on somebody's part to force the President to act?

Mr. CHILES. It is not self-acting, no.

Mr. PACKWOOD. Second, you have used the word "serious" on three occasions. I take it that would mean exactly what it means, that it must cause a serious domestic inflation.

Mr. CHILES. In addition, the Tariff Commission makes a report of the consequences.

Mr. PACKWOOD. Third, as I read the amendment, it would not apply if a country raises the price on a material that it might be selling in the world, because that is not denying access to supplies; it is simply raising the price of them.

Mr. CHILES. I think it could. I think it would be possible. If the raising of that price was to the extent that it was denying access and if a report showed that, then it would be possible.

Mr. PACKWOOD. But that would have to be a raising of a price to such an extent that it would be, in essence, pricing the community out of the world market and nobody wants to buy it.

Mr. CHILES. Again, it would have to be such that it would be causing this kind of A, B, C—that it would be causing serious unemployment, economic distress, or an inflationary impact; and it would take a report of the Commission.

To be frank with the Senator, I would envision that it would certainly be possible that price could do that, if the raise was of that amount. That would depend, again, upon the seriousness of it and upon the report.

Mr. PACKWOOD. What the Senator is saying, then—now I understand—is that, realistically, the countries that have control of tin or copper or bauxite would trigger this permissive retaliation, if they were to raise their price high enough to the world community, not just to the United States, so as to cause the serious short supply or the serious inflation. In that case, we can say to Bolivia or Jamaica, "We are going to retaliate. You cannot raise your price that high on your tin or your bauxite."

Mr. CHILES. I think the price raise would have to be sufficient so that findings could be made that it amounted to a restriction on access. There are a number of ways that you could restrict access. One way would be to price your material at such a price that it amounted to that, which caused a diminished demand, to the extent that you restricted access of the supplies.

Mr. PACKWOOD. I do not understand the answer. I cannot think of any commodity that any foreign country sells that has ever been priced so high that it restricted access to it. Even in the petroleum boycott, it was the fact that it was a boycott by the Arab countries and they would not sell it to us, not the price, that prohibited our access to it.

Mr. CHILES. I think that high price always is possible to restrict access to supplies, if that price is high enough.

Mr. PACKWOOD. I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. PACKWOOD. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, on November 30, 1973, I introduced an amendment to H.R. 8547, which dealt with the devastating impact of the Arab oil embargo. This amendment read as follows:

> During any period during which a foreign country prohibits the export of crude oil or refined petroleum products from such country to the United States, the President shall prohibit the export from the United States to such foreign country of all articles, materials, and supplies, other than food, medicine, and medical supplies.

My rationale for precluding the President from ordering retaliatory embargos on exports of food, medicine, and medical supplies, lay in the belief that America should never play politics with people's lives.

At a time when petroleum was in critical short supply around the world, the Arab nations saw fit to pursue their political goals by exerting economic blackmail against the United States and other countries. In shutting off their exports of crude oil and refined products, the Arab leaders thought that by endangering the health and safety of the poor, the elderly and the sick, they could bring about changes in our foreign policy.

This was clearly blackmail on the part of the Arab leaders and I felt then, as I do now, that our Nation must reject this diplomacy of calculated human suffering.

I felt it was essential to put heads of state on notice that we do not consider blackmail a valid tool of international policy.

That is why, though I did not believe we should keep on selling the Arabs items such as power machinery, motorized vehicles, and the very drills they use to produce the oil they embargoed last winter, I, nevertheless, am concerned that America not exercise retaliatory export authority to withhold food and medical supplies from the Arab people.

As the pending Chiles amendment is another attempt to authorize the President to impose retaliatory export controls, I am introducing my modifying amendment to indicate that blackmail is not an acceptable policy for export controls by the United States.

I thank my esteemed colleague from Florida for accepting this modification to his amendment.

Mr. PACKWOOD. Mr. President, I am prepared to accept the amendment of the Senator from Florida and yield back our time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CHILES. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. CHILES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I ask unanimous consent that the name of the Senator from Georgia (Mr. NUNN) be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. DOLE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 1, strike out line 6 through line 8. Redesignate the succeeding sections accordingly.

Mr. DOLE. Mr. President, section 2 of the bill we are considering, S. 3792, to extend the Export Administration Act of 1969, significantly liberalizes the conditions under which the President may impose export controls. This change, if adopted, could be detrimental to the agriculture industry and to the Nation as a whole. I offer this amendment to keep the conditions for imposing export controls as they exist under present law.

Under the existing language of the Export Administration Act of 1969, one condition which must be satisfied before the President may impose export controls is that the measure must be necessary "to reduce the serious inflationary impact of abnormal foreign demand." The bill we are considering deletes the word "abnormal."

The change proposed in the bill would permit misguided and misinformed advocates of export controls to force the President, through court action, to institute export controls at a time when it could be detrimental to the entire Nation.

FOREIGN DEMAND IS BENEFICIAL

Last year, agricultural exports kept our balance of trade in the black in spite of increased costs for oil and other foreign materials we import and depend on greatly. Foreign demand is expected to remain strong and continue to give us a favorable balance of trade. Agricultural exports are expected to amount to $21 billion in fiscal year 1975, and they were even higher than that in fiscal year 1974. Clearly, this additional income is advantageous to the entire Nation and to agriculture as well.

The continuation of strong foreign demand is expected to keep prices for agricultural commodities at a profitable level. This is healthy for the entire economy. However, some advocates of depression level prices for farm commodities could press for export controls under any type of foreign demand. If the bill is adopted in its present form. Such advocates, by acting under the guise of "consumer interests," have nearly forced us into export controls in the past under existing law. For example, there was the "$1 per loaf" scare on wheat supplies last winter.

My argument is simply that strong foreign demand for our commodities is a healthy situation and the present bill would permit export controls to be implemented even in such circumstances. My amendment would prevent this from happening since strong foreign demand is not necessarily abnormal demand.

I urge the adoption of this very important but rather technical amendment.

I reserve the remainder of my time.

Mr. STEVENSON. Mr. President, in the past, one of the impediments to the effective use of export controls has been the need to show abnormal foreign demand which produced an excessive drain of scarce materials and serious inflation. The term "abnormal" suggests the need to show, by reference to some earlier period, that the pattern or magnitude of foreign demand had changed.

However, the determination of an appropriate reference point for assessing whether foreign demand was normal or abnormal was impossible to do with any degree of certainty, since trade patterns fluctuate; and in some situations, an excessive drain of scarce materials and serious inflation can result even if foreign demand levels have not changed significantly.

In other words, what difference does it make if the foreign demand is abnormal or normal, so long as it is causing serious inflation and an excessive drain of scarce materials?

It was for those reasons that the committee unanimously supported this change to delete the reference to abnormal foreign demand.

For those reasons, I have to oppose the amendment offered by the Senator from Kansas.

Mr. PACKWOOD. Mr. President, I join the Senator from Illinois in opposition to this amendment. The committee, as I recall, was unanimous.

There is simply no standard of abnormality, whether it be on scrap metals or wheat exports. If we are going to insist upon the use of the term "abnormal," for all practical purposes, this has proved to be a useless clause. I support the export of agricultural commodities, I think, as much as the Senator from Kansas; but we are going to have to strike the use of the word "abnormal" if we are going to have any kind of standard we can look to from time to time.

We have been over and over it in committee. It is just a worse than useless word that causes an inoperative section.

Mr. DOLE. Will the Senator yield?

Had the word "abnormal" been stricken a few months ago, we probably would have had export controls because of all the scare talk about bread prices at $1 a loaf.

Does the Senator see it making any difference if we strike the word "abnormal"?

Mr. PACKWOOD. No, I doubt that, with or without the word, we would have had export controls based on that scare talk, but I can foresee a situation in any kind of commodity, be it scrap iron or otherwise, where, as the foreign demand increases and increases and as the supply in the United States is static, and as gradually foreign demand forces up our domestic prices, we would say at some stage, "Stop."

But to say abnormal foreign demand almost implies the kind of situation that you are only going to use this where the foreign demand is so extraordinary, so unusual, as to be almost unthought of.

We thought in committee that was too high a standard to subject domestic consumers to.

Mr. DOLE. Mr. President, it just seems to the junior Senator from Kansas that we make a serious mistake by removing the word "abnormal" from section 3 (2) (A):

> (2) It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of [abnormal] foreign demand.

It seems to this Senator to have the effect of significantly liberalizing conditions under which the President can impose controls on nonagricultural goods.

For agricultural commodities, as I understand it, the Export Administration Act provides an additional and more important test before the export controls may be imposed.

But there is a great feeling in this country, and not just for agricultural commodities, that, when market prices reach profitable levels, there are always great demands advocated in the name of consumerism or consumer interests which would, in effect, impose export controls having the ultimate effect of lowering prices on farm and other commodities.

We had an example somewhat over a year ago with export controls on soybeans. The market price on soybeans, I think, dropped from around $12 to $3 or $4. We did not have any more soybeans because of export controls and probably no lesser amount of soybeans, so the drastic fall in prices was about the sum and substance of the export controls.

They were later lifted and it was acknowledged at the time they were lifted that it probably was a mistake to impose the controls in the first instance.

So it seems clear that our farmers and others engaged in export need this protection.

I am willing to submit this measure to a voice vote. I want to call it to the attention of the Senate and would hope it might be accepted. The issue has been discussed in the committee. Can we have some assurance by the committee that it makes no significant difference?

Mr. STEVENSON. I share the Senator's concern and commend him for expressing it.

I represent the largest agricultural exporting State in the Union and I could not support this amendment if I thought it would have any adverse effect on our farmers or on our agricultural community in general.

The fact of the matter is that almost no matter how you look at it, demand for U.S. food, whether it is Kansas wheat or Illinois corn, is abnormal and is going to remain abnormal for a long time with the demand rising simultaneously at home and abroad.

So, the deletion of the word "abnormal" is very unlikely, in my judgment, to make any difference at all to farmers.

Certainly, in the case of the soybeans, with or without the word "abnormal," the Government would have had the authority with which to impose that embargo.

I thought the imposition of the soybean embargo was a terrible mistake. It is, however, possible in other circumstances that demand, whether it is for ferrous scrap or some other commodity, might not be abnormal by some test, yet could be causing very serious inflation and a drain of an essential commodity at home and, thus, require the imposition of controls.

It is for that reason that the committee recommends deleting the word "abnormal." It adds an element of uncertainty, of confusion. It is an unrealistic test, and one that is most unlikely to have any effect at all on the American farmer.

So I hope that on the basis of this colloquy, and the unanimity that has been expressed on this question here on the floor and also within the committee, that it might be possible for the Senator from Kansas to withdraw his amendment.

I certainly assure him that if under the changes in this act this or any other administration resorted arbitrarily to the use of export controls with adverse effect on our farmers, I would be among the first to join with him in changing the law to provide a different and perhaps more realistic standard than the now "abnormal" provides in the law.

Mr. DOLE. Will the Senator yield?

I do appreciate the expression by the distinguished Senator from Illinois and the distinguished Senator from Oregon.

I think we are in accord: we all represent agricultural States. There are large exports from the State of Oregon, from the State of Illinois, from the State of Kansas, and from other States across the country. Agricultural exports, of course, are very important to our States.

I do not intend to suggest either Senator would bring a bill to the floor that might impose any hardship or restriction on potential exports.

This exchange has been very helpful. It does make some guide to those who would have authority to impose export controls.

Under existing law as it deals with agriculture, before the President can impose export restrictions on any agricultural commodity, the Secretary of Agriculture must certify that the supply of such commodity is not in excess of requirements for the domestic economy.

It is my understanding that S. 3792 does not affect this latter provision relating to agriculture. So on the basis of the exchange with the Senators from Oregon and Illinois, I think it best not to withdraw the amendment. I would like to have the record show it was offered, but I am certainly willing to accept the decision on a voice vote of the Senate.

Mr. STEVENSON. I am glad the Senator made that point. He referred to the additional safeguard that does remain in the Export Administration Act for the farmers.

That provision has not been changed by this legislation.

The PRESIDING OFFICER. Do both sides yield back the remainder of their time?

Mr. DOLE. I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I do not yield yet.

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. What is the will of the Senate?

Mr. PACKWOOD. I yield back the remainder of our time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas (putting the question).

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed——

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 1 line 7, after "Sec. 2" insert "(a)".

On page 1, between lines 8 and 9, insert the following:

(b) Section 3(2)(A) of such Act is amended by striking out "and" and inserting in lieu thereof "or."

Mr. JAVITS. Mr. President, this is not the 40-minute amendment; it is an ordinary amendment, with a 30-minute limitation. I yield myself 3 minutes.

The purpose of this amendment is strictly to deal with the declaration of policy in the basic act which is here being dealt with. The basic act is a little out of date in terms of the problems which now face our country.

I wish to emphasize that my intercession in respect to this whole bill is only because inflation is very directly involved, now, in respect to food prices and food exports; otherwise I would leave it to the agricultural experts and the Committee on Banking, Housing and Urban Affairs. But under present circumstances, it really affects us all.

It will be noted that the particular section that I have in mind to deal with here in this rather brief but I think important amendment, in terms of the purposes which we are trying to serve, appears in the third line of sec. 3(2)(A) on page 12 of the committee report. That purpose reads as follows:

> It is the policy of the United States to use export controls (A) to the extent necessary to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of . . . foreign demand.

My proposal would be to separate the two concepts, "to stop the excessive drain of scarce materials," or "to reduce the serious inflationary impact of foreign demand."

The reason for that, Mr. President, is that we would have a right to consider—that is why this would go in as a matter of policy, rather than as a mandatory direction—as one of the criteria for imposition of export controls, whether it drains scarce materials or gives us a serious inflationary impact, in the event that foreign demand creates that inflationary impact.

Second, Mr. President, as we stand now, joining these two requirements with the word "and," we have the problem that an excessive drain of scarce materials may not immediately cause a serious inflationary impact, but our situation is now so bad in respect to inflation that we cannot actually wait until the inflationary impact hits us before we deal with export controls.

Finally, Mr. President, on this particular matter, in the recent example of price controls there was an excessive drain, as we all know, based on the tremendous reduction which has taken place in even the minimal reserves which are now on hand respecting the major farm commodities like wheat; and there was no inflationary impact immediately, but an inflationary impact was delayed and occurred at a later time, so that this definition would not have been met then and there.

Yet, as we all know, and as, for example, the Investigations Subcommittee of the Committee on Government Operations, of which I am one of the two ranking members, has found, the inflationary impact, though deferred, of the Russian wheat deal, nonetheless was a serious stimulus to what could almost be characterized as a runaway price.

So for all of those reasons, Mr. President, and recognizing that we are now in a different kind of a world, and as so much of this act states that it has relation to the fundamental policy of the United States, I believe—and I am speaking now not in the sense of an agriculturist, but strictly in terms of the interests of consumers—that the policy of the United States ought to be both to deal with the danger of the excessive drain of scarce materials and to deal with the danger of the serious inflationary impact of foreign demand.

As I have pointed out, this is simply a declaration of the basic policy of the United States, which this amendment seeks to make cover both contingencies instead of the one with two criteria. That is the whole essence of the amendment, and I would hope very much that all of us would recognize that this is the idea.

I might point out that in the House of Representatives that construction prevailed. In the other body they did use the word "or."

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I yield myself 3 minutes. Will the Senator from New York yield?

Mr. JAVITS. Of course.

Mr. PACKWOOD. Again I want to be specific. Let us take wheat, for example. We will grow about 1,900,000,000 bushels this year in this country, give or take 50 million bushels, and will use only 700 million bushels domestically; so we are not short of wheat. It is not a scarce commodity.

But if we change the "and" to "or", does that mean we cannot export any wheat, or where do we trigger it? Does there have to be a serious inflationary increase in the price of wheat, or does it have to be a serious overall economic impact to the entire economic picture?

Mr. JAVITS. The latter.

Mr. PACKWOOD. The latter?

Mr. JAVITS. As the Senator knows, I am very deeply concerned with exports and maintaining exports, and our balance of trade demands it. As a matter of fact, today agricultural exports are critical. We are just mighty lucky that we have them, and that this is the great granary of the world.

The only thing I am trying to effect by the two amendments I propose—and I have separated them because they really have a thrust in different directions—the only thing I am trying to do is give us the tools with which to work, nothing else.

In other words, if Congress is persuaded that an export control is required to avoid a really substantial inflationary impact, which means an impact on price of whatever is our crop situation, for example, there is no question about the fact that if we have as low a carryover—and, Senator Packwood, I hope you will help me because I do not pretend to be an agricultural expert, I am not, but I do know something about economics and price, and that is the only area in which I speak—but, as I understand it, there could be a very major influence on price with a very low carryover, and that looks like it is indicated for our country, so I have no desire whatever—I do not think I am—of doing anything which in any way prejudices not only the idea of having agricultural exports but their great desirability, with which I thoroughly agree.

The only thing I am trying to do is establish criteria which deal with both shortages of supply and inflationary impact.

What we do with that will be up to Congress or whatever machinery we set up in this law which gives control either to the Secretary or to Congress.

I might say, in advance, that I have been much impressed with the fact that whatever is done in this field should be done by Congress, and the next amendment I will propose will be to vest that power in Congress rather than in any official, but to allow us to have the recommendations of the appropriate official. However, my purpose in this is solely to recognize that in the new shape we are in, a serious inflationary impact should also be a criterion. We may or may not follow it, but at least it should be recognized as a criterion, and I mean the latter part of your two-part definition, the overall economic situation, not strictly the question of what the size of our crop is, how much we have for export, and so forth.

Mr. PACKWOOD. If the Senator is talking about the entire national economy, we are going to be hard-pressed to find any export of a commodity, be it scrap iron or wheat, that has that dramatic effect on the overall economy.

Mr. JAVITS. That is right.

Mr. PACKWOOD. It would have to be an extraordinary event.

Mr. JAVITS. It really would, and that is what I have in mind; it would have to be extraordinary. But we went through one. I mean, when we look at the price of wheat at $6 a bushel from what it was when this grain deal was made, I would point out to the Senator that we really, until we begin to debate this bill, have had no reaction to that situation in terms of statutory tools.

Mr. PACKWOOD. But the point I would raise exactly on the wheat, when it hit $6, although it has fallen to——

Mr. CURTIS. $3.75.

Mr. PACKWOOD [continuing]. About $3.75, wheat is a very small part of the cost of bread, and I think you could not make a valid argument that you had a serious national inflation not just as it relates to the price of wheat but overall from the export of wheat to the Soviet Union.

The deal was unjustified. The Department of Agriculture got caught by surprise, and we got taken. But whether or not that caused a serious national inflation I think probably is not true.

Mr. JAVITS. If I could say to the Senator, I doubt very much—I thoroughly disagree with him—that in any one item you would run into that situation, but you could run into that situation if some price leader touched off an inflationary move in other directions as well or if, coupled with moves in other directions, that is, other agricultural commodities, et cetera, you did have a serious inflationary impact.

In any case, all I say is it should be a tool in our hands so that our policy says that we are going to look at this both from the point of view of shortage and from the point of view of serious inflationary impact, and we are not going to be blind to the fact that we are living in a new world situation.

Mr. PACKWOOD. Mr. President, I will yield to the Senator from Nebraska.

The PRESIDING OFFICER. Yield time on the bill?

Mr. PACKWOOD. Time on the bill.

Mr. CURTIS. Mr. President, my distinguished friend from New York (Mr. JAVITS) is so able and so persuasive that he almost persuades people when it is wrong, and he is wrong now.

This little change is contrary to the trade policy of the United States. It makes it easier, it is an inducement, to impose export controls.

The country got excited and pressured this government into imposing an export control on soybeans. What happened? Purchasers all around the world proceeded to find a new place they could buy. Acres upon acres of additional soybeans are planted in South America as a result of the blunder of this country imposing export controls.

This is contrary to the whole concept of our trade, which is to have a situation where there would be no Government export controls imposed.

Now, let us keep this in mind: About 100 people out of 100 consume food, and about 5 percent produce it, and so those who produce it will be the whipping boy all the time.

At the highest price of wheat it cost 8 cents to buy wheat for a loaf of bread, and the loaf of bread was selling for around 47 cents.

Someone asked me, saying, "What are you going to do if the price of bread goes to $1." Well, the thing to do is to put some city slickers in jail because wheat could not and would not go that high at all.

Let me say something about this Russian wheat deal. As a matter of fact, our exports of agricultural products were not something to be proud of in the days gone by. We had surpluses of everything. We were giving away food. We had the Public Law 480 plan, we had plans whereby we paid the freight and almost paid foreigners to take our surplus grain because we were spending hundreds of millions of dollars every year to store surpluses. So with that pattern over several years, along comes a chance to sell the Russians some wheat.

Nobody complained about the plan before, but the fact that we had a customer they said, "Oh, no, this is terrible."

Well, here is how terrible it was. The farmers of America have collectively enjoyed 80 percent as much prosperity as the nonfarm population. When the Russian wheat deal——

The PRESIDING OFFICER. The 3 minutes of the Senator from Nebraska have expired.

Mr. CURTIS. I was operating under time from the bill.

Mr. PACKWOOD. Time from the bill; I thought we had 2 hours. Fine, I yield 3 more minutes.

Mr. CURTIS. I thank my friend from Oregon.

At the time the so-called Russian wheat deal was made the price of wheat to farmers in my State was about $1.41. We got rid of all that surplus. The Government is not holding a big surplus to keep a cloud over the market. While the price then was just temporarily up to $5 or $6, it is about $3.75 now, where the price should be.

Agricultural prices are not too high. The cost of fertilizer has gone up two or three times. The cost of tractor fuel has gone up in the same proportion, as everybody knows, as the price of gasoline has gone up.

This is a proposal to place the burden for causing inflation upon the agricultural people of this country who traditionally have lived on a lower standard, had less income than the rest of the population.

Now, what do we do? At the present time, it provides that "to protect the domestic economy from the excessive drain of scarce materials, and to reduce the serious inflationary impact of foreign demand," it is proposed that we change "and" to "or" so we could have a situation where we have all sorts of supplies in this country but, if somebody, an economist, a bureaucrat or someone, says this is inflationary, the pressure starts for export controls.

Mr. President, the only bright spot we have in foreign exports is in agricultural products. Why do we want to send out word to the purchasers of agricultural products, "Do not buy from Uncle Sam," because in order to appease in this country an export control program might be slapped on at any time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. CURTIS. It does not matter to me.

Mr. JAVITS. Mr. President, if the Senator will withhold his request I would like to have the amendment debated slightly. We can always get the yeas and nays, unless the Senator particularly wishes to do so at this time.

Mr. CURTIS. No; it does not matter to me when we get them.

Mr. JAVITS. Mr. President, I yield myself 3 additional minutes on this particular amendment.

The PRESIDING OFFICER (Mr. TOWER). The Senator from New York is recognized.

Mr. JAVITS. Mr. President, I have heard the argument of the Senator from Nebraska with great interest, but all the Senator argues is that we should not do it, not that we should not give ourselves the authority if we wish it. All I am arguing is for the authority.

In short, we must exercise whatever authority we have providently, but that does not mean we should not have the authority.

The Senator argues that agricultural prices are not too high today and, therefore, let us not impose export controls. I do not say to impose export controls, but I do say that, having gone through the experience we have, the policy of the United States should take into contemplation what has occurred in terms of our difficulties.

It is very well known and there has been widespread discussion about the fact that, as far as farm commodities are concerned, the consumer has to have something to say in respect to them if there is going to be a balanced policy on the part of the United States. We cannot just go on pouring out resources of the United States, whatever may be the effect on the internal economy of the United States. Right now I think we have a right to balance our situation by at least giving us the necessary authority.

I might point out, too, that I think the House of Representatives is probably just as compassionate to the farmer as the Senate. The House, in its version of this very bill, has done exactly what I am urging upon the Senate. The House has provided that the Secretary of Commerce, in consultation with the appropriate U.S. departments and agencies and any technical advisory committee, shall undertake an investigation to determine which materials or commodities shall be subject to export controls because of the present or prospective domestic inflationary impact on short supply of such material.

That is exactly what I suggested, not even making it as strong as what is contained in the House bill, but just saying we should recognize now the equal interest of the consumer in inflation and the farmer. I am not trying to inhibit. I am just trying to give us the necessary policy that will be evenhanded in that regard.

I would like to point out that I am sustained in this by very considerable authority. A very distinguished newspaper like the London Economist, in its April 1974, issue reports the fact that in their opinion it is the unprecedented tripling of wheat prices and the doubling of soybeans, animal feed, and beef prices over the past 2 years more than any other factor that stoked up economic inflation.

I believe that is a widely held belief in the United States; that that has been the situation. I believe our farm people have been very cognizant of this. We should have a definition of our policy which at least calls for an even balance as between the demands of the farmer; and we are very proud to state that affirmatively, and the productivity, technology and tremendous contribution our farm people make to this whole country, but we should have some balance in the consumers' interests, in terms of inflation.

The reason I asked the Senator from Nebraska to wait a minute before asking for the yeas and nays is the following. I did not frankly think we would have any great problem about the policy.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. I yield myself 2 additional minutes.

I did not think we had any great problem about the policy. If we have, the essence of what I think ought to be our authority is contained in the second amendment which I was going to offer, which I would like to read to the Senate.

As the House has adopted this provision that I am contending for, and it is going to be in conference anyhow, it may well be that if there is less difficulty about the second provision, we can simply adopt that so that is in conference, and then go on to other business.

The provision which I would propose to add as a second amendment which I was going to propose deals with the reporting section of this bill, which is section 4. The provision calls for certain reports to be made to the Secretary and to add this requirement—to add, I emphasize; I am taking nothing out, I am just going to add—that within 90 days after the beginning of the crop year, the Secretary of Agriculture shall determine which commodities, if any, subject to the reporting requirements of section 812 of the Agricultural Act of 1970——

Mr. PACKWOOD. Will the Senator yield?

Mr. JAVITS. Yes, I yield.

Mr. PACKWOOD. Which section are you amending?

Mr. JAVITS. I am amending the reporting section, section 4.

Mr. PACKWOOD. I thank the Senator.

Mr. JAVITS. Within 90 days after the beginning of the crop year, the Secretary of Agriculture shall determine which commodities, if any, subject to the reporting requirement of section 812 of the Agricultural Act of 1970 are likely to be in short supply. A commodity shall be determined to be in short supply if the Secretary of Agriculture estimates that the total quantity of the commodity that will be produced in the crop year will be insufficient to provide for anticipated domestic consumption, commercial exports, programed food assistance commitments, disaster relief assistance and other emergency assistance, and for a reasonable carryover at the end of the crop year.

The Secretary of Agriculture, with the concurrence of the Secretary of Commerce, shall submit his findings to Congress, together with a plan or plans to cope with the anticipated shortage.

Now, Mr. President, if that would sound agreeable to the managers of the bill, I would be willing to forego the first amendment, because, as I say, it will be in conference anyhow.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

Mr. JAVITS. I ask unanimous consent that the time be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I withdraw the amendment which is pending.

The PRESIDING OFFICER. A quorum call is in progress.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be suspended.

Th PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I withdraw the amendment before the Senate and send another amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following:

AGRICULTURAL COMMODITIES

Sec. 4(f) of the Export Administration Act of 1969, as redesignated by section 3 of this Act, is amended by inserting "(1)" immediately after "(f)", and by adding at the end thereof the following:

"(2)" Within ninety days after the beginning of the crop year the Secretary of Agriculture shall determine which commodities, if any, subject to the reporting requirements of Section 812 of the Agricultural Act of 1970, are likely to be in short supply. A commodity shall be determinined to be in short supply if the Secretary of Agriculture estimates that the total quantity of the commodity that will be produced in the crop year will be insufficient to provide for anticipated domestic consumption, commercial exports, programed food assistance commitments, disaster relief assistance and other emergency assistance, and a reasonable carryover at the end of the crop year. The Secretary of Agriculture with the concurrence of the Secretary of Commerce shall submit his findings to Congress together with a plan or plans to cope with the anticipated shortage.

Mr. JAVITS. Mr. President, the amendment I am offering will require the Secretary of Agriculture to look ahead and estimate whether certain important raw agricultural commodities, now subject to the reporting requirements of the Agricultural Act of 1970, will be in short supply during the crop years. If the Secretary of Agriculture finds that certain commodities will be in short supply, he will transmit this information to Congress, together with a plan to cope with the shortages. The Secretary of Commerce would participate in this system.

Mr. President, it is scarcely believable that 2 years after the Russian wheat deal, which the Permanent Investigations Subcommittee just reported resulted in product shortages and higher prices for the U.S. consumer, we still do not have an advance warning mechanism and requirement for planning to head off such events in the future. The amendment I am proposing would do nothing to require the imposition of export controls, which should be applied only as a last resort, but it would at least require that the Department of Agriculture develop a plan to cope with shortages and submit such a plan to Congress. This is a minimum requirement, and is the very least the American people should expect. We cannot afford either a repetition of the hurried and disruptive application of export controls, such as last year's export controls on soybeans which substantially damaged our relations with the Japanese and Europeans, or the unchecked purchase of one-fourth of our wheat crop by the Soviet Union.

We are approaching a critical condition with regard to the world food supplies, with starvation in Africa, very low levels of reserves, and sharply declining estimates of U.S. grain crops. We would be irresponsible if we allowed this situation to deteriorate without requiring a planned and responsible approach to commodities in short supply. Mr. President, there have been a large number of articles recently on these problems, and I ask unanimous consent that these be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 26, 1974]

EXPERTS ASK ACTION TO AVOID MILLIONS OF DEATHS IN FOOD CRISIS

(By Boyce Rensberger)

From drought-besieged Africa to the jittery Chicago grain market, from worried Government offices in Washington to the partly-filled granaries of teeming India, the long-predicted world food crisis is beginning to take shape as one of the greatest peacetime problems the world has had to face in modern times.

With growing frequency, a variety of leading individual experts and relevant organizations are coming forth to warn that a major global food shortage is developing.

They say it is almost certain to threaten the lives of many millions of people in the next year or two, and they urge international action to prevent a short-term crisis from becoming a chronic condition.

A DIFFERENT SITUATION

While there have always been famines and warnings of famine, food experts generally agree that the situation now is substantially different for these reasons:

World population is expanding by larger numbers each year, especially in the poor countries that are most susceptible of famine. Last year, the population increased by 76 million, the largest increase ever. The number of mouths to feed throughout the world has doubled since the end of World War II.

While agricultural production has generally kept pace, it has done so by increasing reliance on new, high-technology forms of farming that are now threatened by shortages of fertilizer and energy and soaring prices of raw materials.

The grain reserves that once made it possible to send emergency food to stricken areas are now largely depleted. The huge American farm "surpluses" that were such an item of controversy in the nineteen-sixties have long since been given away or sold and eaten. The world stockpile of grain that, in 1961, was equivalent to 95 days of world consumption has fallen to less than a 26-day supply now.

As the Arab oil embargo hastened the beginning of the energy crisis, so a major global shortage of fertilizer, precipitated by the oil squeeze, is cutting into this year's agricultural productivity in several populous countries.

SOONER THAN EXPECTED

The lack of fertilizer and rain and the untimely arrival of rains in some areas, are, in the view of many international food authorities, bringing the world to a food crisis sooner than had been expected a year or two ago.

The fertilizer shortage has already stunted the latest wheat crop in India and will likely reduce the succeeding crops so severely that by this autumn India could be experiencing a famine of sizeable proportions. Unless massive international aid is forthcoming, Norman Borlaug, the Nobel Prize-winning developer of high-yielding wheat, has forecast, from 10 million to 50 million persons could starve to death in India in the next 12 months.

His forecast is based on the calculated number of people the wheat shortfall would have fed plus a factor for the shortfalls expected in crops not yet harvested but lacking fertilizer and rain.

In other parts of Asia and in Latin America where supply has long barely met and sometimes failed to meet demand, people are beginning to experience unusually severe food shortages. The food that is available has become so costly that the meagerest of meals for millions of poor families take from 80 to 100 per cent of their incomes.

EXPERTS NOT OPTIMISTIC

And in Africa the long drought conditions. International relief agencies forecast that the effects in coming months could be more severe than ever because the people have been weakened by previous years of deprivation.

Before this year is out, many food experts fear, the soaring curve of food consumption will have overtaken the gentler slope of food production for the vast majority of the world's people, bringing more of mankind to hunger than ever before.

Many food and international relief experts say privately that they are not optimistic about how fast the rich countries will respond to a large famine. "It may take 50 or 100 million deaths before people are moved to find some kind of effective, long-term solution," one foundation official said.

A number of experts believe that the crisis may try the humanitarian potential of the American people—who control the world's largest source of food—as never before. Increasing social and political pressures within affected countries and growing stresses on "business as usual" international trading practices may test to the limit the ability of world leaders to cooperate.

Addeke Boerma, director general of the United Nations' Food and Agriculture Organization, said that the international community must soon come to terms with "the stark realities facing the people of this planet."

"Remember," Mr. Boerma said, "that, for one thing, prolonged deprivation leads people to desperation. Desperation often leads them to violence. And violence, as we all know, thrives on enlarged prospects of breaking down restraints including those of national frontiers."

Norman Borlaug often warns of the same thing when he says, "You can't build peace on empty stomaches."

The growing food shortage began to become critical in 1972, when a lack of rain in many countries led to poor crops. World grain production fell 4 per cent, a significant drop because the demand for food grows by 2 per cent each year. Drought in the Soviet Union caused that country to buy in 1973 one-fourth of the United States wheat crop.

"This small change was enough to cause violent responses in prices and shifting of foreign exchange expenditure and human suffering," said Lowell Hardin head of agricultural programs for the Ford Foundation, a major supporter of agricultural research.

Poor weather this year, coupled with the fertilizer shortage, is expected to limit crop yields sharply again. The effects will, of course, be felt most severely in countries where the nutrition levels are already inadequate.

Although areas of malnutrition exists in virtually all underdeveloped countries, by far the greatest food problems now exist among the 700 million people of India, Pakistan and Bangladesh. Other large problem areas are in the drought-stricken regions of Africa, in northeastern Brazil, among the Andean Indians, and in the poorer parts of Mexico and Central America.

The Overseas Development Council, a private "think tank" that studies the world food situation, estimates that one billion people suffer serious hunger at least part of the year. The F.A.O. estimates that 400 million people are malnourished, but adds that "a less conservative definition [of malnutrition] might double the figure."

According to the World Health Organization, ten million children under the age of 5 are now chronically and severely malnourished, and 90 million more are moderately affected. While undernourished children may remain alive for a while, they are extremely vulnerable to minor infectious diseases.

"Where death certificates are issued for preschool infants in the poor countries, death is generally attributed to measles, pneumonia, dysentery or some other disease when, in fact, these children were probably victims of malnutrition," said Lester Brown, senior fellow of the Overseas Development Council.

W.H.O. figures show that of all the deaths in the poor countries, more than half occur among children under five, and that the vast majority of these deaths, perhaps as many as 75 per cent, are due to malnutrition complicated by infection.

While most people recognize that protein deficiency is a major problem, few appreciate that many people also suffer from a lack of starchy foods, which supply calories for energy.

BELOW THE MINIMUM

"Average calorie intake in countries containing close to two-thirds of the world's people is below the nutritional minimum required for normal growth and activity," Dr. Brown said.

Even in countries where protein and calorie intake may be adequate, there can still be malnutrition due to deficiencies in one or more trace nutrients. W.H.O. authorities estimate that 700 million people now suffer iron deficiency anemia severely enough to impair their ability to work.

Every year hundreds of thousands of children, especially in Southeast Asia, go blind due to a lack of the leafy green or yellow vegetables that supply vitamin A.

Perhaps the most widely publicized recent hope for improving world food production is the controversial "Green Revolution," the use of new seed varieties that respond to irrigation and fertilizer with vastly increased crop yields.

Although the new, high-yielding strains involve mainly only two kinds of crops, wheat and rice, the potential benefits are significant because each of these grains supplies one-fifth of the world's food, more than any other source, plant or animal.

In Asia, where the situation is most critical, cereal grains, meaning wheat and rice almost exclusively, supply 74 per cent of the calories consumed. In North America, cereal grains supply only 24 per cent of the caloric intake. The difference is that North Americans and, increasingly Europeans and Japanese, consume large quantities of meat, milk and vegetables.

However, because much of the meat and dairy products consumed in the United States require grain for their production, the average American diet requires about five times as much grain to be grown as does the average Indian diet.

The "Green Revolution" has been criticized as giving all the advantages of large-scale high-technology farmers who then squeeze out their smaller competitors. Because most of the world's farmers have been too poor to buy irrigating equipment and fertilizer and too isolated to get the needed technical advice, they have not taken advantage of the new farming methods as readily as have wealthier farmers.

NEW CREDIT SOUGHT

For these and other reasons, Green Revolution farming has not been practiced on one-half the arable land in any developing country, and in most of those countries it has been used on less than one-tenth the farmland.

Thus, agricultural researchers like Mr. Borlaug note, the full gains to be made through the Green Revolution have yet to be realized. Efforts are now under way through many agencies to develop credit mechanisms for small farmers to enable them to invest higher yields and to improve the teaching of new farming methods to small farmers.

In small countries where this has been done, such as Taiwan, where the average farm size is 2½ acres, it has been found that small farms outproduce the huge "agribusiness" farms of the United States. American farms yield an average of 3,050 pounds of grain per acre per year. Taiwanese farmers get 3,320 pounds.

While a long-term solution of the world food crisis depends on fundamental changes in the policies and practices of most small countries, the short-term solutions, many authorities feel, depend more on United States policy.

From the mid-nineteen-fifties to the nineteen-seventies, while the United States Government was buying surplus grain to keep market prices up, much of the developing world relied on this excess production to prevent famine. Through a change in Department of Agriculture policy, American grain reserves have now been largely eliminated.

To an extent greater than many people realized, it was American surpluses that stood as the world's buffer between enough to eat and famine. Now there is considerable controversy over whether the United States should reestablish large grain reserves or, as an alternative, contribute to a proposed world granary that famine-stricken nations could draw upon.

The debate includes concern over the impact of an American reserve on domestic prices, with the perennial conflict between farmers who want to sell for high prices and consumers who want to buy for low.

Although many food experts see a world grain reserve as essential in dealing with sporadic famines, most agree that, for the long range, even the vast productivity of American farms cannot forever make up the world's food deficits. Population is growing too large.

While every country produces all or most of the food it consumes only a handful produce much more than enough for domestic needs, thus providing large quantities for export. Besides the United States, the major food exporters include Canada, Australia and Argentina.

REALISTIC SOLUTION

For the long-term solutions, few experts see any realistic solution other than to intensify the agriculture within the developing countries, trying to make each country as nearly self sufficient as possible. The agronomists note that because agriculture in the United States and other developed countries is already operating near the limits of presently available technology, whatever gains that can be expected must come from improvement in the countries where agriculture remains poor.

However, the experts note, upgrading agriculture in the poor countries will not be easy, because that effort would depend on ample supplies of fertilizer (and the petroleum from which much fertilizer is made), irrigation equipment and know-how, new credit mechanisms and continuing plant-breeding programs to adapt the better strains to local climate conditions.

Much of this effort is becoming increasingly costly in a world of scarce resources and tight markets.

Many experts, such as George Harrar, a pioneer in breeding better food plants and a former president of the Rockefeller Foundation, see difficult conflicts between the humanitarian desire to rescue famine victims with food handouts and the need to increase incentives for poor countries to become more self-reliant in food.

"Why should we feed countries that won't feed themselves," Dr. Harrar often challenges.

While no one advocates abandoning innocent famile victims, many agree with Dr. Harrar that ways must be found to end the history of dependence on the United States for food that many small countries have had.

Because of the great complexity of the food problem, and because of the increasing interdependence of nations in matters of food, fertilizer, energy and raw materials, many authorities see a need to develop new world institutions to deal effectively with the problems.

Even then, most experts are not sanguine, for there remains the problem of population growth.

"I don't think there's any solution to the world food situation unless we get population stabilized," said Sterling Wortman, vice president of the Rockefeller Foundation. "Those of us who have been working to increase the food supply have never assumed we were doing any more than buying time."

[From the New York Times, July 26, 1974]

In Midwest, Drought Worsens

(By Seth S. King)

Chicago, July 25.—A Midwestern drought has begun to reduce this year's corn and soybean crops and many farmers are hoping, some desperately, for rain this week to save them.

Hundred-degree temperatures have taken their toll on the crops and have shriveled the grass on the cattle ranges. Even if rain comes the price of beef is likely to rise later this year because the smaller crop will increase the cost of feeding the cattle.

In parts of the corn belt, crops that escaped the spring deluges were still thriving. Rain in the next week could save the corn and soybeans harvests in many other areas, though the yields would be below average.

But in eastern Nebraska, where about half of the corn crop is not irrigated, drought damage has been so severe that many farmers were giving up and cutting the stunted plants for silage.

In southwestern Iowa, where the corn is now in the delicate pollination phase, Agriculture Department agronomists say that the crop will be badly damaged if it does not rain within six days.

In many areas soybean crops were already behind schedule because rain delayed spring planting. But soybeans withstand heat and lack of rain better than corn. If it rains during the next two weeks, the soybean crops will survive.

OVER-ALL PICTURE BRIGHTER

While scattered drought conditions will result in serious losses for some grain farmers and a lower total corn and soybean crop than the Agriculture Department was expecting earlier this month, there was no threat of food shortages in the United States.

"It's certainly serious for some farmers, but it's by no means a catastrophe yet," said Rod Turnbull, spokesman for the Kansas City Board of Trade and a former farmer editor of The Kansas City Star.

"We've already harvested the biggest winter wheat crop in our history and while the spring-planted wheat may be hurt some, we could still get the biggest total wheat crop we're ever raised in this country," he said.

Only a fraction of the wheat crop is used for livestock or poultry feed. Corn and sorghum, supplemented with soybean meal, are the basic feeds. Smaller production of these crops will certainly mean higher feed costs for cattle, hog and poultry raisers.

Feed-grain prices are already at record levels and many cattle and hog feeders, to cut their losses, have been reducing the numbers of animals they are fattening.

HIGH HOPES DASHED

With all planting restrictions off this year, the Agriculture Department was hoping for bumper corn and soybeans crops, lower feed grain prices, and a resulting increase in cattle, hog, and poultry supplies this fall, which should have resulted in lower prices for the consumer.

But in many parts of the Middle West, torrential spring rains washed out some corn and delayed soybean plantings. Now some of these same areas are dangerously short of rain and the severe heat of the last two weeks has made the threat to the late-planted crops even greater.

The Agriculture Department, which had originally forecast a corn crop for October of 6.6 billion bushels, revised this in the middle of July to a range of 5.95 billion to 6.35 billion. The Department also reduced its soybean outlook from 1.5 billion bushels to a range of 1.39 billion to 1.47 billion bushels.

Today, private grain-trade forecasters thought the heat and drought could cut the corn crop to 5.5 billion bushels. They were more cautious in estimating the soybean crop, but believed it could still come within the Agriculture Department's outlook.

But even a drop to a 5.5 billion yield would mean a crop as large as that of 1970.

POSSIBLE EFFECT

If the heat and lack of rain continue to damage range grasses, many ranchers in western Nebraska and eastern Colorado will have to send unfattened cattle off their pastures and directly to the stockyards.

This would mean financial losses for them and a further decline in live beef prices. But it would also mean even fewer cattle going into feed lots and an even sharper drop in the supply of prime and choice grade beef for consumers this winter.

The grass is deteriorating badly all through the western Nebraska ranges," according to Duane Foote, a University of Nebraska agronomist. "We haven't as yet seen any big movement of cattle off these ranges," he said today. "But a lot of ranchers won't be able to hang onto them much longer if they don't get some good soaking rains soon."

[From Newsweek, Aug. 5, 1974]

Africa's Disastrous Drought

(By Andrew Jaffe)

On the outskirts of Niamey, the capital of Niger, 20,000 nomads cluster in a pocket of disease and pestilence that passes for a refugee camp. The smelly four-day-old carcass of a donkey rots in the sun near the camp's main waterhole, and children—their bellies bulging from untreated parasites—play nearby. "There is almost no malnutrition here," says a complacent Red Cross worker. But just then several mothers pass by carrying babies with yellowish hair and skin like papier mâché. They are suffering from marasmus—progressive emaciation.

At a camp in Dessiye, Ethiopia, 6,000 barefoot peasants huddle together for warmth as they wait for food. Some are half naked;

others cling to rags so filthy that they are alive with flies and lice. Many of the children show signs of pneumonia and tuberculosis, and much of the camp is afflicted with crippling diarrhea. To while away the time, the children make long whips out of hemp and then lash each other in cruel delight.

In camps across north-central Africa, 1.5 million men, women and children are leading a brink-of-death existence. They are refugees from the great drought that has scourged sixteen African nations for several years (map, page 59). At best the camps provide the barest food and health care; at worst, they are hellholes. But the Africans who inhabit the camps are, in a way, the lucky ones. Another million Africans have already died of hunger and disease. Five to 10 million more are starving in the African bush or the slums of drought-area towns. The African drought is one of the great catastrophes of the twentieth century. And the response of the world community and the African governments themselves has, in many ways, only compounded the tragedy.

The drought began in the Sahel—an arid savanna that stretches across six nations on the southern fringe of the Sahara desert. The natives of the Sahel are among the world's poorest people—ragged, cattle-raising nomads and subsistence farmers. When the region's meager rainfall failed in 1968—the result of a change in the global weather pattern—25 million Africans were soon hard pressed for a living. As the brutal dry spell continued and desperate nomads cut down trees and shrubs to feed their starving cattle, the Sahara itself moved southward at a rate of 30 miles a year. Eventually the drought spread east into the provinces of northern Ethiopia. "We have eaten more sand this year than in our thirteen years here," one European missionary in Western Niger told me. "There is not enough vegetation to hold back the desert." Today, in an area the size of the continental U.S., the streams and watersheds of north central Africa are dusty, rocky beds. Even Lake Chad, one of Africa's principal bodies of water, has been reduced to a sea of mud and small ponds.

The reaction to the drought is an unedifying tale of official incompetence and inactivity. As herds died, hungry Africans by the hundreds of thousands began to drift to the edges of towns and cities. But the pride—or terror—of the governments concerned kept them from admitting the scope of the problem or sounding a timely alarm. This was particularly true in Ethiopia, where local officials long ago reported to the Cabinet that a northern famine had begun. When frantic men, women and children fleeing drought-stricken Wollo province appeared near Addis Ababa, authorities locked them up and left them to starve. A military coup has since overthrown the government of Ethiopia, and an investigation of this official indifference to the famine is under way.

Hushed Up: To make matters worse, the vaunted "early warning system" of the U.N. Food and Agriculture Organization (FAO) first began reporting crop failures and food shortages in the Sahel in September 1972—years *after* they began. Though by then the situation was critical, it was a full eight months before FAO Director-General A. H. Boerma set up a five-man Office of Sahelian Relief Operations (OSRO) in Rome. In the case of Ethiopia, fear of offending Emperor Haile Selassie even led U.N. officials to hush up field reports that drought and hunger were affecting millions.

Not until last autumn did the FAO and experts from major industrial states survey the African drought region to determine the needs of each nation. The experts' figures—showing a need for nearly a million tons of food grain—were accurate enough. But the FAO failed to collate the data and organize a shipping schedule for donor nations until last February. Why the delay? OSRO chief J.V.A. Nehemiah's answer was candid if startling. "It's not such a long delay if you take into account that we had to break for the Christmas holiday," he explained. And U.N. coordinator in Niger Alexander Rotival lays blame at the door of the donor nations themselves. "In December and January we had almost no food coming in," he says. "Was it necessary for the donors to wait for us to finish before they started shipping?"

This delay has certainly cost lives. And it has increased the relief bill by millions of dollars. In June, for instance, the U.S. began an airlift of grain from Bamako to the wasted region of Mali around Timbuktu. Early this year, when the Niger River was navigable, supplies could have been moved for about $80 per ton. But now Mali's food needs are so urgent that emergency measures have become a necessity. According to the FAO, the airlift the U.S. has organized may come to $900 a ton. And a truck convoy that European nations have dispatched south across the Sahara from Algeria will cost more than $200 a ton.

BADGER

The relief effort that has been mounted is gigantic in scope. More than 120,000 tons of food a month are flowing from the U.S., Europe and Asia to the African interior. A small band of men share credit for finally getting the operation off the ground. One is former U.S. Ambassador to Mali Robert Blake. The State Department has never been overly concerned with the small and nonstrategic nations of north-central Africa, and Blake had to badger Washington for six months to shake loose funds for Malian disaster relief. Stephen Green, an American working for UNICEF, the U.N. children's agency, is the man responsible for first exposing the extent of starvation in northern Ethiopia. (The U.N. has since told Green, in effect, that his career as an international civil servant is probably finished.) And indefatigable Trevor Page, OSRO's 33-year-old British logistics officer, has managed to bully donors into line, break through bottlenecks all over Africa and personally set in motion the trans-Sahara truck convoy across Algeria.

But enormous problems remain. The food en route is grossly inadequate for the Africans' needs. And many drought victims are now so weakened from lack of nourishment that they are dying of simple afflictions like diarrhea. In the meantime, 200,000 tons of grain are stacked at the ports of West Africa waiting to be distributed. When I toured the area, some of the food had already rotted from improper warehousing. Much of the blame for this lies with the Africans themselves. Recently, for example, the FAO discovered that food bound for Chad was stalled at the Nigeria-Chad border. The reason: the wife of Chad's President owns the national truck monopoly and she wanted to ferry the food into Chad on her own trucks—at twice the going freight rate.

Furthermore, current relief projects deal only with short-term needs. In the view of experts, a coordinated master plan for water conservancy and land use is what north-central Africa really needs. That, of course, would be very costly. "What is required is probably $10 billion over a 25-year period," says Dr. Edward Fei, AID's regional coordinator for Africa. One partial solution would be to resettle nomadic tribes on newly developed farmland. But that idea is bound to meet with resistance from the nomads themselves. "We would rather die than leave the desert," the son of one Tuareg chief in Niger told me.

Reticent: African governments are not enthusiastic about joint, long-range planning either. Each is pursuing its own interest and when a master plan is suggested, officials react much like Senegal's Planning Minister, Ousmane Seck. "What we are afraid of," says Seck, "is that some of the developed countries will impose priorities on us that only benefit their economies".

Within the next few weeks, the need to solve Africa's water crisis will be dramatically highlighted by nature. The scanty rains that annually water the Sahel and neighboring regions will descend in a sudden flood. The torrent will wash out roads—and thus make the delivery of relief even harder. And ironically, if the rainy season amounts to anything this year, it may actually leave the Africans worse off than a continued drought would. For the chances are that a marginal crop will emerge from an extended rainfall. And then the world community, which is already tiring of its $500 million African relief effort, may seize the occasion to ignore the catastrophic drought and its victims. "What worries me," says one British relief worker in Upper Volta, "is that this year's rain may be a bit better. Then interest in the Sahel will dim. And people will forget the African drought before any permanent solution has got started."

[From the New York Times, July 29, 1974]

Two U.S. Agencies Split on Sub-Saharan Hunger

(By Leslie H. Gelb)

WASHINGTON, July 26.—Two major departments within the Nixon Administration cannot agree whether the hunger problem in sub-Saharan Africa is getting better or worse, and one of these agencies cannot even agree within itself.

An internal report of the Agency for International Development, released by Senator Edward M. Kennedy today, states that "the great drought is continuing to have catastrophic consequences." Yet a high Agriculture Department official told a Congressional committee last week that the situation was under control and "mass starvation averted."

To complicate matters, Donald S. Brown, deputy aid administrator for Africa, seems to disagree with his own staff's report. Calling it in a telephone interview a "draft report" that was going to be submitted to Congress anyway, Mr. Brown said that the problem of malnutrition and food distribution in sub-Sahara Africa had "vastly improved."

COMMENT BY KENNEDY

Senator Kennedy, Democrat of Massachusetts and chairman of the Senate subcommittee on refugees, said today in making public the report, "Famine conditions in Africa are spreading, and death and new catastrophe threaten millions of people in the Sahel and other parts of the continent."

He called on the Nixon Administration to "redouble its efforts in behalf of humanitarian relief and rehabilitation needs, and to speed up its use of special Congressional funds for this purpose."

According to the Senator's staff, the aid report was written on June 25 and is based upon United Nations surveys, American Government field studies, official cablegrams and reports of various voluntary agencies.

A copy of the report was made available to The New York Times. Its principal findings are the following:

While firm data are "almost impossible to obtain," the Health, Education and Welfare Department's center for disease control estimated that as many as 100,000 people may have died.

"It is obvious that this year the cumulative impact of inadequate or bare subsistence diets will leave many more susceptible to disease and more likely to succumb to it."

Seventy-six thousand metric tons of grain are currently backlogged at the port of Dakar, which serves Mali, Mauritania, Senegal and Niger. At the current rate of delivery of 13,000 tons a month, it will take six months to send this food to the country. Deliveries from Lagos in Nigeria will take over a year.

"The loss of livestock is uncalculable." The report goes on to state that known amounts of grain allocated to the area so far in 1973–74 by all donors "total over a half a million tons, or only 85 per cent of the estimated needs prior to the October harvests." The United States is providing about 45 per cent of this total, but not all has been shipped, according to the report.

Mr. Brown, who initially could not recollect this specific report, said, "Disease and malnutrition are substantially less than a year ago."

This view was closer to the position taken by Don Paarlberg, director of agricultural economics in the Department of Agriculture, in his testimony on July 23, 1974, before the House Agricultural Subcommittee on Operations.

In his testimony, Mr. Paarlberg said that the situation "could have been much worse." Of the quarter-million tons that Washington has pledged to the afflicted countries, Mr. Paarlberg said, "90 per cent has already arrived in West African ports."

"Because of United States experience and assistance in dealing with such emergencies," he continued, "bottlenecks have been eliminated, large quantities made available and mass starvation averted."

Mr. Paarlberg cited sub-Saharan Africa to support the point that "famine is not new but our ability to do something about it is."

Senator Kennedy said "The sense of urgency dramatized by conditions in the field is not fully reflected in the policies, priorities and programs of aid." He continued, "Although the record shows some meaningful progress in recent months, the fact remains that our Government's actions are too often belated and bogged down in bureaucratic red tape and indecision."

[From the New York Times, July 29, 1974]

Soviet Wheat Sale "Ineptly Managed" Senate Panel Says

WASHINGTON, July 28.—Senate investigators charged grain sale to the Soviet Union in 1972 was "ineptly managed" from start to finish.

As a result, they said, taxpayers' money went to waste, food prices increased and public confusion resulted.

The conclusion was reached by the Senate Permanent Investigations subcommittee on the basis of a long inquiry and a series of public hearings.

In the summer of 1972, the Soviet Union bought more than 700 million bushels of grain from the United States, including 25 per cent of the nation's wheat crop.

GREAT GRAIN ROBBERY

Henry M. Jackson, Democrat of Washington, chairman of the subcommittee, charged that "the great American grain robbery" was born, nurtured and consummated in a climate of secrecy and bureaucratic negligence. "The Russians and the large grain companies reaped the major benefits," he said.

Senator Charles H. Percy of Illinois, the ranking Republcan on the panel, said that "out of the Russian grain deal, U.S. consumers got product shortages and higher prices."

The report said that Earl L. Butz, who was then Secretary of Agriculture, had seriously underestimated the impact of the sales.

The report said the deal had created a shortage in domestic supplies, which drove up the price of flour-based products. It also raised the price of feed grains, and thereby the costs of meat, poultry and dairy products.

[From the Wall Street Journal, July 29, 1974]

Farm Export Subsidies Should Have Tighter Controls, Panel Urges

WASHINGTON.—A Senate subcommittee urged legislation tightening up the Agriculture Department's money spigot for farm export subsidies, based on a long investigation of the 1972 grain deal with the Russians.

The Senate Government Operations Investigating Subcommittee said it didn't find any evidence of conflict-of-interest or other wrongdoing on the part of federal officials in the massive sale of 700 million bushels of grain to the Soviet Union that year. But the subcommittee accused the Agriculture Department of plenty of bureaucratic bungling.

"At virtually every step," said the subcommittee's report, "from the initial planning of the sale to the subsidy that helped support them, the grain sales were ineptly managed. The result was public confusion, waste of taxpayers' dollars and higher food prices."

The subcommittee especially was critical of what it estimated as a $300 million payment in export subsidies to private U.S. grain traders that year. The subsidies, originally intended to encourage grain companies to sell wheat at "world" prices lower than the U.S. domestic price, were stopped after White House budget officials decided the heavy shipments to Russia made them unnecessary.

The Secretary of Agriculture currently decides whether to pay an export subsidy and how much it should be. While the wheat subsidy still isn't being paid, the subcommittee said a more formal decision-making method should be followed if an Agriculture Secretary ever wants to resume it.

The panel said legislation is needed requiring that the final decision be made in the form of a presidential Executive Order. Before the order is published, the new law would require the Agriculture Department to hold a public hearing to get opinions for and against the proposed subsidy. The subcommittee also said new government reporting systems are needed to help officials keep track of subsidies paid, and of private export deals that are in the works.

The subcommittee is chaired by Sen. Henry Jackson (D., Wash.). A skeptic of detente with the Soviet Union. Sen. Jackson in a separate statement was harshly critical of what he called "the Great American grain robbery" of 1972.

But the nine-member subcommittee's unanimous report used more restrained language.

"The subcommittee," said the report, "finds no fault with the decision made by President Nixon to use farm exports as a means to improve relations with the Soviet Union, and other nations, offset U.S. trade imbalances and enhance the financial position of American farmers. These are worthwhile goals. To the extent that they were achieved, the administration is to be commended."

[From the Wall Street Journal, July 29, 1974]

Drought May Keep Corn Crop Below 1973, Putting Pressure on Retail Food Prices

(By Norman H. Fischer)

CHICAGO.—Eight weeks ago, the nation's corn farmers were hoping the rain would stop. Now they wish it would start again.

Severe drought has taken a heavy toll on large parts of the Corn Belt, compounding the damage from earlier flooding. "Feed crops are burned up," lamented Alfred Bond, a manager for Goodpasture Inc., a feed-grain handler in Brownfield, Texas. "Farmers will be lucky to get 25% of last year's grain sorghum crop. This is the driest spell we've had in 20 years."

Before the rains came the Agriculture Department spoke optimistically of a record 6.7 billion-bushel corn crop. Thursday, the department said now it expects 5.95 billion to 6.22 billion bushels. But interviews with farm managers, agronomists, users and crop observers indicated the situation has deteriorated so much in the past two weeks that output may fall below last year's 5.6 billion bushels. At least, they said, the crop will come in at just under 5.9 billion bushels.

That spells trouble because corn is the most important feed ingredient in producing beef, pork, poultry, eggs and milk. Government economists were counting on a bumper crop this year to end sharply rising food costs.

But that hope has just about evaporated in the dry, 100-degree heat around the Midwest. Retail food prices once again may approach the record levels of last summer, economists said.

Corn prices at Chicago are already at record levels. Friday, No. 2 yellow corn, a key grade, was quoted at $3.66¼ a bushel, up $1.14 from early May and around 30 cents higher than the previous peak in February.

EXPECT $4 CORN BEFORE LONG

Traders and corn users said they believe that $4-a-bushel corn is likely before long and $4.50 corn isn't out of the question. Corn futures on the Chicago Board of Trade have moved up the daily 10-cent-a-bushed limit in seven of the past eight trading sessions because of deteriorating crop conditions.

As corn prices have climbed, so have prices of other feeds. Soybean meal, for instance, which was selling in Decatur, Ill., for about $93 a ton as recently as a month ago, has more than doubled in price. Two of the Midwest's biggest feed manufacturers, Ralston-Purina Co. and Allied Mills Inc., are raising prices another 10% today. Both have been boosting prices over the past few weeks. In spite of this, demand has held up surprisingly well, they said, with many livestock producers apparently building inventories in anticipation of still higher prices.

Livestock producers normally could have counted on larger supplies of corn left over from earlier crops to help ease their plight. But because of heavy export demand and large numbers of livestock on feed, the Agriculture Department predicts a carry-over of only about 425 million bushels at Sept. 30, when the new crop officially comes in; that would be the smallest carry-over in 26 years. The National Corn Growers Association is more pessimistic. It thinks the supply of "old corn" will be closer to 353 million bushels.

Feed generally accounts for 60% to 75% of the total cost of producing meat, poultry and the like. "If corn goes to $4, I'll have to get near $55 a hundredweight for my hogs to make any profit," estimated one central Illinois livestock farmer. "If I don't get it, I just won't produce." Live hog prices currently peaking at about $37 a hundredweight at Omaha and East St. Louis.

SOME TIMELY RAIN WOULD HELP

Farmers say some timely rain would ease their situation considerably.

There's little reason for optimism, though. There have been some scattered showers in the past week in the Corn Belt, but extended forecasts call for more hot weather. Some crop observers said rain at this time still wouldn't be likely to boost the crop size much beyond 5.7 billion bushels. "Things are just too far gone to make up the losses," said an official of the corn growers association.

Sections of Nebraka, Iowa, Illinois, Indiana and some other states all have been hurt by drought. Some of these areas were planted late because of spring flooding. Corn, whose growth was stunted by wet weather, now is only four to five feet high there when it should be at least seven feet.

Eastern Nebraska has been particularly hard hit. "Things looked pretty bright a few weeks ago, but that was a few weeks ago," said Hugh L. Tinley, vice president of Farmers National Co., an Omaha-based farm-management concern. Half of the state's 6.3 million planted acres aren't irrigated and are expected to yield a maximum of 25 bushels an acre, he said. As a result, the state's corn crop may come in at about 380 million bushels, down from 544 million bushels last year, he predicted.

Things aren't all bad, however. Some areas still expect bumper crops, including parts of Ohio, Iowa and Minnesota.

[From the Washington Post, July 31, 1974]

CORN PRICE GAIN STOPS

(By Jack Egan)

Corn future prices broke their rapid advance yesterday dropping from record levels on the country's commodities exchanges. But continued drought conditions over large parts of the corn belt make further price increases likely for the nation's No. One feed grain, unless soon relieved by rain, traders said.

The Agriculture Department, in its weekly weather report, said development of the corn crop was retarded because "limited soil moisture and hot, dry weather, particularly in the western corn belt, continues to put stress" on the crop.

Corn is primarily used to feed hogs, cattle and poultry and only secondarily for direct human consumption. Corn prices are thus a major determinant of future meat, egg and dairy prices. It is estimated that feed accounts for anywhere from two-thirds to three-fourths of the cost of red meat production, for example.

Earlier this year, the Agriculture Department predicted a 6.7-billion-bushel corn crop, and anticipation of what would have been by far a record harvest dropped corn prices about $1 from their February peaks to about $2.50 a bushel by early May.

However, weather has played havoc with harvest prospects since then and corn has risen nearly 50 percent to more than $3.70 a bushel in both cash and futures markets. Excessive rains during May delayed plantings, not only of corn but also of soybeans. Hot and dry weather subsequently has lowered prospective yields and, as a result, harvest projections have been reduced steadily downward.

The USDA recently forecast a corn harvest in a range of 5.95 billion to 6.22 billion bushels. But the department's deputy chief economist, Dawson Ahalt, conceded yesterday that it was "getting more difficult every day" to meet even the low end of the prediction because of deterioration in crop prospects since the estimate came out.

Ahalt noted that a few days of rain in the Midwest farm areas could rapidly change the picture and bring corn prices down substantially. "If we get the moisture, we are still not in an irreversible position," Ahalt said.

The National Corn Growers Association has lowered its harvest projection to 5.2 billion bushels. Ahalt said this was far too low. Other crop watchers, however, say it is unlikely that this year's harvest will exceed last year's 5.6-billion-bushel record by very much.

One reason for the extreme price volatility of the grain markets, including corn, is that U.S. carryover stocks will be the lowest in more than a quarter of a century. The predicted 428-million-bushel corn carryover this fall would be the lowest in 26 years.

Corn prices on the Chicago Board of Trade, the country's biggest commodities exchange, yesterday dropped by 4.5 cents a bushel on the September delivery contract and by 10 cents a bushel on the December contract, the daily permissible limit. Trading in corn and soybeans swung over a wide range, going up and down the daily limit within a short period after the opening and fluctuating again afterward.

One source indicated that the primary reason for the price break in corn—after daily-limit 10-cent advances in eight of the last nine sessions—was primarily profit taking, and the rising trend could easily resume. Another source pointed to the possibility of rain in the corn belt by the weekend in the weather bureau's five-day forecast as another reason for the break.

An economist in the USDA economic research service pointed out that, while supply prospects for the corn harvest have been dwindling, demand also has been declining with a decrease in the number of hogs, cattle and other livestock currently on feed, partly because of recent high feed prices.

In addition, he noted that exports of corn also have been slack compared to last summer's torrid pace. "Demand is actually weak," he said, adding that the situation in the futures markets is "a little bit too wild."

He said that if corn and other feed prices remain at their present high levels, there would be resistance from the livestock and poultry industry which eventually could lead to smaller supplies of meat—and higher prices—as fewer cattle are put on feed, and hog farmers decide to breed fewer pigs. The effect would not be seen for many months.

Ahalt, however, said it was much too early to tell if the present high prices are having any effect yet on demand for corn.

[From the Washington Post, July 12, 1974]

U.S. LOWERS WHEAT ESTIMATE; HIGHER PRICES SEEN ENSUING

(By Jack Egan)

The Agriculture Department yesterday sharply lowered its estimate of this year's wheat harvest—by 150 million bushels or 7 per cent—because of recent bad weather in growing areas. It also cut the number of corn and soybean acres it expects U.S. farmers to harvest this fall.

The news contained in the eagerly awaited July crop production report is almost certain to increase prices for these fundamental food and feed grains in the short run. It also dims administration hopes for bumper harvests large enough to moderate the current rate of inflation.

The latest USDA wheat projection totals 1.925 billion bushels (including both winter and spring wheat harvests), up 12 per cent from last year's record but down significantly from the 2.074 billion bushels the Agriculture Department predicted only a few weeks ago. This in turn was down from the nearly 2.2 billion-bushel wheat harvest the USDA expected in May, when the winter wheat harvest started.

The department's crop reporting board said the revised figure was the result of "continued dry weather in some areas, excess moisture in others, and advancing disease damage."

Wheat, a staple in most diets in the form of baked goods, has fluctuated spectacularly in price in the last year. It rose from $2.50 a bushel last July to nearly $6.50 a bushel in the early part of 1974, largely on the basis of heavy export demand. Some groups expressed fears that exports could lead to a shortage of wheat in this country.

When it became apparent that there would be sufficient wheat for domestic needs and when this year's harvest came into view with early optimistic projections, the price plunged to around $3.50 a bushel in May. It has since returned to the neighborhood of $4.50 a bushel, still high by historical standards.

The USDA predicted that 67.6 million acres of corn will be harvested this fall, down from the 68.3 mililon acres projected eariler but up 9 per cent from 1973. Soybean acreage was put at 52.5 million acres, down from the earlier forecast of 55 million based on farmers' intentions in March and a decrease from last year's 57.3 million acres.

The Agriculture Department made no official harvest estimate for either corn or soybeans in yesterday's crop report. The first official forecast based on samplings of the condition of these crops in the field comes out a month from now. But the USDA is expected to issue a range of possible yields in today's supply and demand situation outlook report.

However, the department several weeks ago predicted a 6.4 billion-bushel corn harvest, down in turn from an earlier projection of 6.7 billion bushels. Bad weather in the corn belt during planting has caused both estimates to be greeted with skepticism by both farmers and those in the grain trade.

The head of the National Corn Growers Association Wednesday said this year's corn crop is in worse shape than any other in a decade because of losses from hail, water and erosion.

"I don't know anyone who would look at this crop that would estimate it would come out at 6.4 billion bushels," Washington agriculture consultant Howard J. Hjort, said, commenting on the corn situation. "People are estimating between 5.8 billion to 6.2 billion," he said. "Only the Agriculture Department sees 6.4 billion."

He added that recent downward revisions in corn and wheat estimates are "one of the most dramatic deteriorations in crop prospects that we've ever seen in the United States in such a short period."

Don Paarlberg, chief economist for the USDA, conceded that "delayed plantings are likely to reduce the yield below trend projections" for corn. He said that feared fuel and fertilizer shortages will not have a major impact. "The big difference is old man weather," he said, noting some improvement in weather in the corn belt in the past 10 days.

Last year's corn crop was a record 5.6 billion bushels.

[From the Washington Post, July 29, 1974]

BUTZ' JUDGMENT BLAMED IN WHEAT DEAL

(By Ralph Dannheisser)

Inefficiency and bad judgment by top officials of the Agriculture Department made the massive 1972 Russian wheat deal a disaster for the American public, a Senate panel charged yesterday.

In its final report on the controversial sale of U.S. grain to the Soviet Union, Sen. Henry M. Jackson's (D-Wash.) Permanent Investigations Subcommittee singled Earl L. Butz and two former assistant secretaries, Clarence Palmby and Carroll Brunthaver, for special responsibility for what it called a $300 million error in judgment."

That was the amount the government channeled to six grain trading firms in the form of export subsidies that never should have been paid, according to the subcommittee.

The report depicts the Commodity Exchange Authority as "derelict in its oversight responsibility" in mishandling the investigation of possible market manipulation by some of those companies in order to boost the subsidy level.

At issue is the purchase by the Soviet Union of more than 700 million tons of U.S. grains, including almost 440 million tons of wheat.

The subcommittee report follows hearings last summer and fall on the grain deal, which critics said depleted American reserves, created farm-product shortages and forced up food prices for American consumers.

Jackson endorsed that position in releasing the report, saying the grain deal was the cause of the present crisis in the livestock industry.

The Senate panel said it found no fault with President Nixon's decision to use U.S. farm exports as a means of improving relations with the Soviet Union, improving the U.S. trade balance and boosting American farm income.

But the sale became "an illustration of how, in pursuit of a worthwhile goal, government programs and officials can go astray," it said.

"At virtually every step, from the initial planning of the sales to the subsidy that helped support them, the grain sales were ineptly managed. The result was public confusion, waste of taxpayers' dollars and higher food prices."

It charged the Agriculture Department showed "a total lack of planning . . . prior to the largest grain sale in American history.

The magnitude of the sale, unanticipated by Butz and other officials, created a shortage of domestic supplies which resulted not only in higher prices for bread and flour-based products in the United States, but also in price boosts for beef, pork, poultry, eggs and dairy products reflecting higher feed costs, the panel reported.

The subcommittee said wheat subsidies maintained by the Agriculture Department through August, 1972, were unjustified and had cost American taxpayers $300 million.

It found "the responsibility for this $300 million error in judgment lies first of all with . . . (Palmby), who failed to consider the wheat export subsidy in planning for the Russian grain sale, and secondly with . . . (Brunthaver), who made verbal commitments to the grain export companies in July, 1972, that the wheat export subsidy would be continued indefinitely without any consultation or evaluation of the effect of such a commitment.

But it added:

"The overall responsibility must, of course, fall on the Secretary of Agriculture, Earl Butz, who testified that he approved continuation of the subsidy."

Among the subcommittee's recommendations in its 67-page report are:

Passage of legislation to prohibit imposition of export subsidies on any agricultural commodity without a prior public hearing by the Agriculture Department;

Establishment of an independent commodity exchange commission patterned on the Securities and Exchange Commission, to replace the present Commodity Exchange Authority;

Creation of a task force, drawing its membership from all government agencies concerned with the nation's economy, to coordinate the federal role in any future transactions like the grain deal.

Preparation by the Agriculture Department and the Council of Economic Advisers of a five-year projection of U.S. supply and demand of all grains, to be submitted each year beginning in 1975.

[From the New York Times, July 31, 1974]

DROUGHT CONTINUES TO CUT PROSPECTS FOR GRAIN CROP

WASHINGTON, July 30—The drought that has sent crop prospects down and grain prices up continued to plague wide areas of the nation's grain belt last week, the Agriculture Department said today.

The agency's weekly crop weather report said rains and near-normal temperature helped corn in part of Illinois, Iowa, Michigan, Minnesota and Wisconsin last week. However, the report said more rain is needed to permit good development of the crop.

Over-all, the report added that progress of the corn crop—the key raw material for future supplies of meat and other livestock products—was slow because "limited soil moisture and hot, dry weather, particularly in the Western corn belt, continues to put stress on [the] crop."

POSSIBLE RECORD SEEN

"Corn in Western Iowa as well as dryland corn in Nebraska and Kansas has been hurt considerably by the prolonged dry spell . . . top soil moisture supplies are now rated mostly short from Nebraska to Ohio," the report said.

Earlier this year, Administration officials had forecast a possible record 6.7 billion bushel crop and a 2.2 billion bushel wheat crop to rebuild reserves, currently at levels considered dangerously low.

But on the heels of a wet spring, which reduced corn planting and a summer drought, which is cutting yields, the Agriculture Department has already cut its corn projection to a range of 5.950 billion to 6.220 billion bushels—still a record, but not as much above potential needs in the coming year as officials had hoped.

DROUGHT RAMIFICATIONS

The weekly crop-weather report also indicated that the 1974 wheat crop estimated currently at 1.925 billion bushels, may be reduced further. It said the drought is continuing to reduce yield prospects for late-planted spring grains, including spring wheat.

The report also said soybean development continued behind last year although gains were made last week.

The drought also is drying up pastures in the mid-part of the country and cows are being shipped to market from some pastures and ranges in part of Kansas, Oklahoma and Texas, experts said. In some areas, ranchers are having to haul water to their cattle on parched grazing lands.

Mr. JAVITS. Mr. President, I think we have debated this. If my colleagues are agreeable, I am prepared to yield back the remainder of my time.

Mr. YOUNG. Will the Senator yield?

Mr. PACKWOOD. I yield.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 3 minutes on the bill.

Mr. YOUNG. I am concerned about this amendment in that it would require the Secretary of Agriculture to make reports about the adequacy of any farm commodity. If the Secretary had to make a report that a certain commodity was in short supply, immediately futures prices would go up. Then the demand would be on to apply export controls. I think it works against what the Senator is trying to accomplish.

The farming industry is probably the only free enterprise we have. We have millions of farmers competing against each other. This year, if we had a good crop year, you would have a big crop and lower prices, much lower than they are now. Only lack of rain over a wide area this year prevented a big crop—surpluses and lower prices.

But the very fact the Secretary of Agriculture would have to report a crop in short supply, being on the free market, the futures would skyrocket. You would have high prices and a great demand for export controls. Export controls did not work on soybeans and they will not work on any other commodity.

Mr. JAVITS. Mr. President, I have not yielded my time. I yield myself 3 minutes.

Mr. President, may I say first——

Mr. YOUNG. Has my time expired?

Mr. JAVITS. I will yield to the Senator in a moment.

May I say first on this proposition that the reports are provided for in the bill every quarter. There is a tremendous amount of reporting done in this field. All the speculators figure out whatever they wish, whether they think there will be or will not be a shortage. All I am saying is that a shortage is clearly indicated—and I would like the Senator to note I do not say is in short supply, but I say is likely to be—at least the Congress should have an opportunity. That puts it on the highest level.

We cannot, after all, sweep all of these things under the rug and operate in camera. We have to take some risks with the fact that the public is to be informed in the sense that the consumer and the country need to be protected, too.

Mr. HUMPHREY. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. I think the Senator's amendment is meritorious. I spoke to the Senator earlier that I had a more precise amendment which I intended to offer.

It is a fact that the Department of Agriculture has been derelict in keeping track of the world food supply and the supply situation here at home. It is a fact that their estimates have not been accurate. Last year they estimated that the price of food would go up 3 percent; it went up 20 percent. They estimated at the start of this year that the corn crop would be 6.7 million bushels, and they will be lucky if it is 6 million bushels. I think what the Senator from New York is trying to do is commendable, but it needs to be done in more precise language.

I do not want to see embargos placed whether they are on agricultural or other commodities. I feel that the first duty of a Secretary of Agriculture is to the people of this country, and not somebody else.

May I say today that the rich Middle East countries could walk into the American market this afternoon and buy up the bulk of our crop, and leave us emptyhanded. It could happen right now, just as Iran bought a quarter of the Krupp firm the other day. They also may come in and decide to buy General Motors, the way it looks. They have the money.

But buying up our crops would be even worse, and they could do it before we got the information as to what had happened.

Mr. YOUNG. Would the Senator yield?

Mr. HUMPHREY. I think it is time we had some kind of monitoring and protection system for the American public. Of course, we could buy it back from them. They would raise the price on the wheat just as they did on the oil.

I yield, but I do not have control of the time.

The PRESIDING OFFICER. Who yields time? The Senator from New York has the floor.

Mr. JAVITS. I will yield to the Senator from North Dakota.

Mr. YOUNG. I have just one short question. The Middle East countries certainly do have the money to come in and buy up a lot of wheat, but the Secretary of Commerce would not issue export licenses. They would have to have export licenses.

Mr. HUMPHREY. No, they do not. There is no export license today required for wheat. The Cargill Co. or Continental Grain Co. could go ahead and sell as they did with the Russians.

What I want to offer is an amendment which will require that when your estimated crop carryover gets down to certain levels, you install a licensing system. A deal could be made in the back room of a hotel in New York City this afternoon for the export of 1 billion bushels of wheat, and we would be in serious trouble. The Senator knows it, and every Senator around knows it.

You would find out that it happened a couple of days or a week later, but in the meantime you might have to renege on your contract. I think that it is time that we had some protection for the American consumer and the American farmer.

Let me tell you, if they bought that wheat at $4.50 a bushel today, they would sell it back to us at $10. That is what they did with oil. The Russians can do the same thing. The price of gold has gone up and the Russians have a lot of gold.

I want some protection, and that is why I am going to offer an amendment. We need to find out whether this body is prepared to take care of the people of the United States of America, or whether we are more interested in the people of other nations.

The PRESIDING OFFICER. The gallery will be advised to observe the rules of the Senate. Occupants of the gallery are not allowed to demonstrate approval or disapproval.

Mr. JAVITS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. JAVITS. Mr. President, I yield 4 or 5 minutes to the Senator from California.

Mr. President, may I thank Senator HUMPHREY? He is very eloquent on the subject. He helps me. I do not pretend to be an agricultural expert. He is, Senator YOUNG is, and Senator CURTIS is. But I am trying in a most basic way to see what we can do to recognize the interest of the consumer, subject to congressional action, the Secretary's action, or whatever. But at least we should begin to see that interest.

I yield to the Senator from California.

Mr. TUNNEY. I want to thank my distinguished colleague from New York for yielding to me.

Mr. President, I want to say I strongly support this amendment and the next amendment that I understand the distinguished Senator is going to offer.

Despite a period of the most severe shortages and intense inflationary pressure in the history of peacetime America, it seems to me that the economic policy-making procedures of our country have become essentially inoperative. Unlike any other major nation in the world, the United States has no consistent policy to protect its domestic economy against the ravagement by foreign cartels and governments operating outside of the constraint of the market forces, which we know in this country to be the foundation of our economic system.

I commend the Senator from New York for offering this amendment—and his next amendment—to broaden the criteria for imposition of export controls and to require the Secretaries of Agriculture and Commerce to do advance planning and policy development, so that in the future we can avoid the kind of crises that we have had in food and material supplies, which have had such a severe impact upon our economy.

Mr. President, California and New York are the major importing States, and I dare say that the Senator from New York and I yield to no one in our desire to promote free world trade. But the issue today is not free trade. The issue is whether or not the ample resources of the Commerce and the Agriculture Departments will be used to protect the vital interests of the American consumers.

I think the Senator from Minnesota has expressed his view very clearly, in a very cogent fashion, about what could happen to this economy, when nations that have extraordinary surpluses in their balance of payments and in their monetary reserves are able to come into this country and buy up essential industries. As the Senator from Minnesota has indicated, they have the money to be able to buy up our entire wheat production. What would that do to the American consumer and the price that the American consumer would have to pay for food?

Last summer, I chaired some hearings in California on the impact of food price inflation. I brought back to the Senate a hearing record that was filled with unbelievable tales of the kind of suffering that existed in California—and obviously it exists all around the Nation—as a result of the increase in food prices.

There were unbelievable tales of elderly people surviving on dog food; extraordinary stories of our hospitals eliminating essential medical services in order to be able to provide food for the residents of those hospitals. Many people in these residential hospitals were living on 65 cents a day. It is absolutely impossible for anyone to live on 65 cents a day and have any idea that their Government is treating them fairly.

Not only that—we heard stories of elderly people living in these hospitals who wanted to die rather than continue indefinitely in the future on a budget of 65 cents a day for food. As a matter of fact, we heard that some people were refusing to eat because they just wanted to die.

It is an absolute outrage that we do not have a better means of monitoring what is going on in this country with respect to exports. We all know what happened to food costs and why. We all know of the failure of the Department of Agriculture to assess properly the impact of the Russian grain deal.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. TUNNEY. I am strongly in support of the Senator's amendment, and the next one I understand he is going to offer, and I hope it will be adopted overwhelmingly.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I intend to offer an amendment in the nature of a substitute.

Mr. JAVITS. A second amendment, after this one is disposed of?

Mr. HUMPHREY. I intend to offer an amendment in the nature of a substitute.

Mr. JAVITS. For this one?

Mr. HUMPHREY. Yes.

Mr. JAVITS. I certainly wish to facilitate that, so that we can get on with the business.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Illinois yield back his time in opposition to the amendment?

Mr. STEVENSON. Yes.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

AMENDMENT NO. 1758

Mr. HUMPHREY. Mr. President, I call up my amendment No. 1758.

The PRESIDING OFFICER (Mr. ABOUREZK). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 13, between lines 13 and 14, insert the following:

EXPORT LICENSES REQUIRED FOR CRITICAL COMMODITIES; VALIDATED EXPORT LICENSING SYSTEM

SEC. 11. Section 4 of the Export Administration Act of 1969, as amended by sections 3, 4, 9, and 10 of this Act, is further amended by adding at the end thereof the following:

"(j) (1) Effective only with respect to the 1974 through 1977 crops of wheat, feed grains, cotton, and soybeans, whenever the Secretary of Agriculture finds and notifies the Secretary of Commerce that the combined domestic requirements and export sales of any such commodity threaten to reduce the carryover of such commodity at the close of the marketing year for such commodity below the level specified for such commodity in paragraph (4), he shall designate such commodity as a 'critical' commodity for the current marketing year, and thereafter, during such marketing year, no person may export any such commodity from the United States without an export license issued by the Secretary of Agriculture authorizing the export of such commodity by such person.

"(2) The Secretary of Agriculture is directed to maintain a weekly projection of foreign sales and domestic requirements in relation to available supplies for each designated critical commodity. Except for sales and other dispositions made to friendly countries under the Agricultural Trade Development and Assistance Act of 1954, as amended, at any time that the projected carryover stocks for any commodity in any marketing year fall below the level specified for such commodity in paragraph (4) the Commodity Credit Corporation may not, so long as the stocks of such 'critical' commodity remain below such level, sell any of its stocks of such commodity for export for less than 120 per centum of the weekly average cash price of the commodity in Chicago, Kansas City, and Minneapolis markets in the immediately preceding week, except that in the case of cotton, the minimum price at which such commodity may be sold shall be 120 per centum of the weekly average cash price in the designated spot markets reported by the United States Department of Agriculture in the immediately preceding week. None of the stocks of any commodity designated as a critical commodity under this subsection may be sold by the Commodity Credit Corporation to any buyer for domestic utilization unless such buyer agrees, in such manner as the Secretary of Agriculture may prescribe, that any stocks of such commodity sold to him will not be exported.

"(3) Whenever the projected carryover stocks of wheat, feed grains, cotton, or soybeans fall below the level specified for such commodity in paragraph (4)—

"(A) the Secretary of Agriculture is authorized to initiate a 100 per centum validated export licensing system with respect to such commodity if the President determines the initiation of such system with respect to such commodity is necessary to protect the United States against a future shortage thereof or is necessary to protect the economy of the United States. The Secretary of Agriculture is also authorized to initiate, either in conjunction with or independent of a 100 per centum validated export licensing system, any reporting system he deems appropriate with respect to any such commodity: and

"(B) no quantity of such commodity may be exported to any foreign country in an amount that would result in total export sales to such country (from the United States) during such year in excess of 120 per centum of the amount of export sales of such commodity to such country (from the United States) in the preceding marketing year, unless the Secretary of Agriculture specifically approves the export of such quantity to such country.

As used in this paragraph, the term '100 per centum validated export licensing system' means a licensing system under which (i) the Secretary of Agriculture authorizes the exportation of a quantity of wheat, feed grains, cotton, or soybeans only when the application for a license to export any such commodity is accompanied by a certified copy of a contract for the export from the United States of a quantity of such commodity equal to the quantity of such commodity for which the export license is requested, and (ii) licenses are issued, unless otherwise provided by the Secretary of Agriculture, to cover exports anticipated for the current month or the current and immediate succeeding month.

"(4) Notwithstanding any other provision of law, effective only with respect to the 1974 through 1977 crops of wheat, feed grains, cotton, and soybeans, the Commodity Credit Corporation shall not sell any of its stocks of wheat, corn, grain sorghum, barley, oats, or cotton, respectively, at less than 135 per centum of the established price applicable by law to the current crop of any such commodity, or any of its stocks of soybeans at less than 150 per centum of the current national average loan rate for such commodity, adjusted (in the case of all such commodities) for such current market differentials reflecting grade, location, and other value factors as the Secretary determines appropriate, if the Secretary determines that the sale of such commodity will (A) cause the total estimated carryover of such commodity at the end of the current marketing year for such commodity to fall below six hundred millions bushels in the case of wheat, forty million tons (collectively) in the case of corn, grain sorghum, barley, and oats, five million bales in the case of cotton, or one hundred and fifty million bushels in the case of soybeans, or (B) reduce the stocks of the Commodity Credit Corporation below two hundred million bushels in the case of wheat, fifteen million tons (collectively) in the case of corn, grain sorghum, barley, and oats, one million five hundred thousand bales in the case of cotton, or fifty million bushels in the case of soybeans; and in no event may the Corporation sell any of its stocks of any such commodity in any marketing year at less than the established price applicable by law to the current crop of any such commodity, adjusted for such current market differentials reflecting grade, quality, location, and other value factors as the Secretary determines appropriate plus reasonable carrying charges, whenever the total estimated carryover of such commodity in such marketing year is in excess of the amount specified for such commodity in clause (A) above. The provisions of this paragraph shall not apply to dispositions made to friendly foreign countries under the Agricultural Trade Development and Assistance Act of 1954.

"(5) The Secretary of Agriculture is authorized, to the maximum extent practicable, to administer the provisions of this subsection through the services and personnel of the Department of Commerce, and the Secretary of Commerce shall cooperate with the Secretary of Agriculture in the administration of this subsection and may perform, on a reimbursable basis, such services as the Secretary of Agriculture may request.

"(6) The Secretary of Agriculture is authorized to issue such rules and regulations as he deems necessary to provide for the effective administration of this subsection.

"(7) In determining the quantity of carryover of any commodity at the beginning of or during any crop-marketing year and the quantity of any commodity owned by the Commodity Credit Corporation, there shall be included any quantity of such commodity contained in the disaster reserve inventory maintained under the provisions of section 813 of the Agricultural Act of 1970.

"(8) Nothing in this subsection shall be construed to restrict the authority of the President under the Agricultural Trade Development and Assistance Act of 1954 except with respect to prices at which commodities may be sold under title I of such Act.

"(9) As used in this subsection, the term 'feed grains' means corn, grain sorghum, barley, and oats.

"(10) There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.".

On page 13, line 15, strike out "Sec. 11" and insert in lieu thereof "Sec. 12".

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Mr. Nelson Denlinger of my staff be permitted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, first of all, I want to say that the amendment offered by the Senator from New York is a very commendable amendment. I am in full agreement with its principle and purpose. I spoke earlier to the Senator from New York about his amendment and the fact that I had an amendment with a similar purpose, but which had more specific requirements.

Under present law relating to export sales, in section 812, it should be noted that on all exports of wheat and wheat flour, feed grains, cotton and products thereof, and other commodities the Secretary may designate, reports are to be made to the Secretary of Agriculture on a weekly basis.

It also states that the individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exported agricultural commodities produced in the United States shall, upon request of the Secretary of Agriculture, be reported to the Secretary.

This language was placed in the Agricultural Act of 1973, Public Law 93–86, so that section 812, which is referred to in the pending legislation, represents a substantial improvement in reporting over the situation that existed prior to 1972–1973.

We should note that the Committee on Agriculture and Forestry did look into the situation on export sales very carefully when we passed a bill, Public Law 93–86, on August 10, 1973. We do have a system now for reporting export sales.

But I make note of the fact that the reporting must be within a week. This means, quite obviously, that a number of sales can be made prior to the knowledge of the Secretary of Agriculture.

Mr. President, this amendment responds to a problem which still remains unmet. That problem is determining how we can make certain that our own domestic food requirements are not overlooked or ignored and especially when our food and fiber supplies are seriously reduced.

This problem was brought home to me very vividly by the recent report of Senator Jackson's Permanent Investigations Subcommittee on the controversial Soviet wheat sale. The report was discussed by the Washington Post on July 29 in an article entitled "Butz Judgment Blamed in Wheat Deal." I ask unanimous consent that the article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Butz' Judgment Blamed in Wheat Deal

(By Ralph Danneheisser)

Inefficiency and bad judgment by top officials of the Agriculture Department made the massive 1972 Russian wheat deal a disaster for the American public, a Senate panel charged yesterday.

In its final report on the controversial sale of U.S. grain to the Soviet Union, Sen. Henry M. Jackson's (D-Wash.) Permanent Investigations Subcommittee singled Earl L. Butz and two former assistant secretaries, Clarence Palmby and Carroll Brunthaver, for special responsibility for what it called a $300 million error in judgment."

That was the amount the government channeled to six grain trading firms in the form of export subsidies that never should have been paid, according to the subcommittee.

The report depicts the Commodity Exchange Authority as "derelict in its oversight responsibility" in mishandling the investigation of possible market manipulation by some of those companies in order to boost the subsidy level.

At issue is the purchase by the Soviet Union of more than 700 million tons of U.S. grains, including almost 440 million tons of wheat.

The subcommittee report follows hearings last summer and fall on the grain deal, which critics said depleted American reserves, created farm-product shortages and forced up food prices for American consumers.

Jackson endorsed that position in releasing the report, saying the grain deal was the cause of the present crisis in the livestock industry.

The Senate panel said it found no fault with President Nixon's decision to use U.S.

farm exports as a means of improving relations with the Soviet Union, improving the U.S. trade balance and boosting American farm income.

But the sale became "an illustration of how, in pursuit of a worthwhile goal, government programs and officials can go astray," it said.

"At virtually every step, from the initial planning of the sales to the subsidy that helped support them, the grain sales were ineptly managed. The result was public confusion, waste of taxpayers' dollars and higher food prices."

It charged the Agriculture Department showed "a total lack of planning . . . prior to the largest grain sale in American history."

The magnitude of the sale, unanticipated by Butz and other officials, created a shortage of domestic supplies which resulted not only in higher prices for bread and flour-based products in the United States, but also in price boosts for beef, pork, poultry, eggs and dairy products reflecting higher feed costs, the panel reported.

The subcommittee said wheat subsidies maintained by the Agriculture Department through August 1972, were unjustified and had cost American taxpayers $300 million.

It found "the responsibility for this $300 million error in judgment lies first of all with . . . (Palmby), who failed to consider the wheat export subsidy in planning for the Russian grain sale, and secondly with . . . (Brunthaver), who made verbal commitments to the grain export companies in July, 1972, that the wheat export subsidy would be continued indefinitely without any consultation or evaluation of the effect of such a commitment.

But it added:

"The overall responsibility must, of course, fall on the Secretary of Agriculture, Earl Butz, who testified that he approved continuation of the subsidy."

Among the subcommittee's recommendations in its 67-page report are:

Passage of legislation to prohibit imposition of export subsidies on any agricultural commodity without a prior public hearing by the Agricultural Department;

Establishment of an independent commodity exchange commission patterned on the Securities and Exchange Commission, to replace the present Commodity Exchange Authority;

Creation of a task force, drawing its membership from all government agencies concerned with the nation's economy to coordinate the federal role in any future transactions like the grain deal.

Preparation by the Agriculture Department and the Council of Economic Advisers of a five-year projection of U.S. supply and demand of all grains, to be submitted each year beginning in 1975.

Mr. **HUMPHREY**. Mr. President, I think the point that was made in the investigation was simply to the effect that there was not sufficient monitoring by the Department of Agriculture as to the world food supply and the effect of a massive sale, the likes of which we had never before experienced. The American consumer has been reeling ever since as has our economy.

Mr. President, I feel compelled to offer this amendment because, although the Agriculture and Consumer Protection Act of 1973 did improve the reporting mechanisms on export sales, we still are vulnerable to the large export sale.

Our reporting information comes largely after the fact and, in a tight world market, we cannot afford to have a large part of our crops sold out from under us.

I should warn my colleagues that, with many of our Midwestern States facing drought conditions, commodity buyers are now out buying heavily.

The USDA has now scaled down its earlier optimistic crop estimates, but it still has not faced up to the problem of large purchases by foreign countries.

For example, as I indicated earlier today, the oil exporting countries, with billions of dollars pouring into their treasuries because of the high price of oil, could easily step into the American commodity market and buy up massive amounts of food and fiber and have that sale reported a week later. That is closing the barn door after the horse is gone; or, to put it more directly, closing the granary after it is empty.

What I think is necessary is for us to keep a watchful eye over sales and particularly in a tight world food supply market. We must prevent what happened in the case of soybeans—namely, embargoes.

We do not want to have commodity embargoes or export embargoes. We need a rational, sensible sales program.

One of the reasons we got into a bind on the soybean market was because we permitted the private companies to oversell, and when they started to look around they found out they were practically out of commodities. The price of soybeans in this country then zoomed to $11 and $12 a bushel.

The farmer did not get this price. Farmers out in the Midwest sold their soybeans for $3.50. The speculators and the manipulators got the $10 and $11. After the soybeans were sold, we found out we had inadequate supplies for our own people, and we had to put on an embargo. That embargo upset the world trading community no end.

I want to avoid embargoes. I think it is clear we all would like to avoid the imposition of an embargo as happened in the case of soybeans.

The farmers do not want to have us resort to embargoes, and I believe the same is also true of the major responsible trading companies.

Unfortunately, an administration which has declared that it will not resort to embargoes in the future, may be making such an action difficult to avoid by ignoring the need for more current export reporting information.

Mr. President, my amendment basically establishes a mechanism to enable us to pay closer attention to our export sales in a tight market, and to be more timely in reporting export sales. Mr. President, timeliness is the key in the reporting of export sales. You have got to be on the job on time. You have got to have reporting on time.

The Secretary has to know what is going on when those supplies are being drawn down. If our supplies are drawn down this year to where we have a carryover of 150 million bushels of wheat, which would be a dangerously low carryover, we would be in serious trouble here at home. This is barely adequate to meet our needs.

We also may have a very serious problem with the corn crop this year.

To be specific, when the Secretary of Agriculture under my amendment determines that the estimated total carryover of certain key commodities will fall below certain levels—wheat, 600 million bushels; feed grains, 40 million tons; cotton, 5 million bales; and soybeans, 150 million bushels—or that the stocks of the Commodity Credit Corporation are expected to drop below 200 million bushels of wheat, 15 million tons of feed grains, 1.5 million bales of cotton and 50 million bushels of soybeans—then certain steps are to be taken to more closely monitor and protect these remaining supplies.

For example, I think when we draw our wheat supply down to, let us say, 500 or 600 million bushels, we ought to do one thing. The Secretary ought to be watching to see that no one steps into the American market and cleans it all out. That is to the advantage of no one.

I am opposed to any kind of embargo, and the way to prevent an embargo is to have a sensible monitoring system of the supply. In that way we know what we have got to sell and we know what we ought to maintain back home. That is an important thing to keep in mind.

So I would provide in my amendment a figure of 600 million bushels of wheat, 40 million tons of feed grains, 5 million bales of cotton, and 150 million bushels of soybeans.

Now, that does not mean the Government owns it. It does not involve Government ownership at all. It is just simply this, that when we get down to where we have got 150 million bushels of soybeans, that is all there is left. The Secretary of Agriculture, before any more exports of soybeans are made, takes a look and monitors it carefully and requires a license so that he can keep track of the situation.

It does not mean we prohibit the export; it does not mean that the Government owns it. The private trade still owns it. It simply means we ask the private company to get a license at that point so that there is a reasonable protection for the American market.

My amendment provides that when the Secretary of Agriculture determines that combined domestic requirements and export sales threaten to reduce the commodity carryover levels below the amounts specified above, the Secretary shall designate such commodity or commodities as critical for the current marketing year, and no person may export any such commodity from the United States without an export license issued by the Secretary of Agriculture authorizing the export of such commodity by such person.

The Secretary of Agriculture also is directed to maintain a weekly projection of foreign sales and domestic requirements in relation to available supplies for each designated critical commodity.

Except for sales made to friendly countries under the Agricultural Trade Development and Assistance Act of 1954, at anytime that the projected carryover stocks for any commodity in any marketing year fall below the level specified for such commodity, the Commodity Credit Corporation may not, so long as the stocks of such "critical" commodity remain below such level, sell any of its stocks of the commodity for export for less than 120 percent of the weekly average cash price for that commodity.

None of the stocks of any commodity designated as a critical commodity under this subsection may be sold by the Commodity Credit Corporation to any buyer for domestic utilization unless such buyer agrees, in such manner as the Secretary of Agriculture may prescribe, that any stocks of such commodity sold to him will not be exported.

The Secretary of Agriculture is authorized to initiate a 100 percent validated export licensing system with respect to such critical commodities if the President determines the initiation of such a system is necessary to protect the United States against a future shortage thereof or is necessary to protect the economy of the United States.

The Secretary of Agriculture is also authorized to initiate, either in conjunction with or independent of the 100 percent validated export licensing system, a commodity reporting system and no quantity of any commodity may be exported to any foreign country which would result in total export sales from the United States in excess of 120 percent of the previous year export sales of such commodity from the United States, unless the Secretary of Agriculture specifically approves the export sale.

Mr. President, this amendment does not seek to establish a rigid set of controls. The licensing system is most permissive, and it is designed to get better information on a current basis when we are in a tight market situation.

I regard this proposal as a device which sets off warning lights when our supplies begin to get low. Officials will have to pay closer attention to what is happening in our export market.

At that stage, as we know from last year's experience, more careful monitoring is a must, and the best current information is essential.

Mr. President, this amendment will be a useful step in avoiding more drastic embargoes which we all wish to avoid. I urge that it be adopted by the Senate.

Mr. YOUNG. Is the Senator indicating that when the supplies of wheat get below the 600 million bushels, say as of July 1, that there be no more exports?

Mr. HUMPHREY. Oh, no, not at all, Senator.

Mr. YOUNG. What would the Senator do?

Mr. HUMPHREY. All I am saying is that when the wheat supply gets down to 600 million bushels, sort of an alert would go up that would say "Mr. Secretary, wake up, something is happening." If there are going to be more exports, and there undoubtedly would be, we would need to know about them.

We would not want somebody to step into the market, such as Saudi Arabia or Iran, and buy up 550 million bushels and have the company report the sale a week later. We would be out of business.

All I am saying is that it is reasonable and right to ask the Secretary of Agriculture to keep an eye on the situation when supplies are low. When the exporter comes in with a sale he would report on the day he makes the sale. He would say to the Secretary, "Look, I have got a chance to sell 200 million bushels of wheat to Saudi Arabia or Iran." They are friendly countries, so let us use their names. The Secretary of Agriculture would say, "Well, we have 600 million bushels left, and we will give you a license."

But if somebody says that we are going to sell 550 million bushels, of our total 600 million bushels, to Kuwait or Iran or Saudi Arabia and they have got the money to pay for it, the Secretary would have to say, "Wait a minute, that would draw the supply down to where it was dangerous in this country. You cannot sell 550 million bushels. Sell only x number of bushels."

I think that is a reasonable protection for the American people.

Mr. YOUNG. Will the Senator yield for a minute?

Mr. HUMPHREY. Yes.

Mr. YOUNG. Does the Senator believe we should maintain a 600 million bushel supply on hand?

Mr. HUMPHREY. No.

Mr. YOUNG. If we did, I think——

Mr. HUMPHREY. No, Senator, wait a minute.

Mr. YOUNG. It would bring us back to where we were before.

Mr. HUMPHREY. Do not put those words in my mouth. I do not want 600 million bushels lying around here. I do not ask for that. I am simply using that figure as a trigger mechanism to alert the Secretary of Agriculture not to let the Soviet Union come in and buy all of our supplies.

Under the present law, Senator, they can do it. You know it, and I know it.

Mr. YOUNG. Will the Senator yield?

Mr. HUMPHREY. They can come in and buy it up.

Mr. YOUNG. Would the Senator yield for just a minute?

When the Russian wheat deal was made, the average farm price was $1.41 a bushel average farm price. Now, that is less than half what is deemed to be a fair price.

The Russians paid exactly the same as every other country, and maybe we oversold, but the people of our country had been complaining bitterly about all the wheat we had, costing a million dollars a day for storage.

Mr. HUMPHREY. You and I did not complain about that sale.

Look, I come from the same part of America you do. I was interested in the wheat farmers just as the Senator from North Dakota or the Senator from Nebraska. I do not want to see low prices, for wheat.

I am not trying to set up a reserve program here, let us get rid of that idea.

I am simply saying that under existing law that countries with money can go to any American company and buy up any amount they want to buy.

I think the Secretary of Agriculture should have a stop and alert signal. I only want the Secretary to look out for all of the American people, not just a couple of big companies.

I am willing to reduce these levels. I used these just as a triggering mechanism. Let us put it down to 500 or 400 million bushels so that we have a tighter market. I simply do not want to have some foreign government or some foreign buyer able to walk into the American market and buy it up. We would not know what happened until it had happened.

I do not want an embargo system. I do not want the Government to own large reserves. Later on I will talk about that subject.

But I do want protection for the American economy.

Believe me, we have been taken for a ride on oil and we can be taken for a ride on food.

I am here to tell the Senate that the Arab nations can buy up our food supply and sell it back to us.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, will the Senator yield me 3 minutes on the bill?

Mr. PACKWOOD. I yield 3 minutes on the bill to the Senator from Texas.

Mr. TOWER. Mr. President, I am really a little bit amused by this talk about Arab oil. I would be more amused were it not for the fact that I cry a lot about it. Because the fact of the matter is, a lot of the very people who want to proscribe the export of American farm products abroad are the people who would deny the incentives necessary to the oil and gas industry in this country to increase domestic exploration and production, and would make us even more reliant on Middle East sources of oil.

The people in the North apparently would rather pay a dollar and a half for liquified natural gas from Algeria than pay 75 cents for natural gas from Texas, Oklahoma and Louisiana.

Let us face it: We are the best farmers in the world. Food is one thing we produce that the world wants, and we produce it better, more efficently and cheaper than anyone else. We had better not place proscriptions on the export of agricultural products, or we will never absorb the dollar overhang abroad, which has been partially the result of our consciously and wittingly reducing ourselves to a state of dependence on those people for fuel and energy, power, at a time when their price was cheaper than the domestic price.

So let us get this thing in proper perspective: We had better be willing to export agricultural products, or we are going to have to be facing up to unfavorable balance-of-trade exports year after year.

Several Senators addressed the Chair.

Mr. STEVENSON. I yield 2 minutes on the bill to the Senator from Minnesota.

Mr. HUMPHREY. Let us not pettifog this issue, Mr. President. The Senator from Minnesota is not for export controls. I have held hearings on export controls, and I am opposed to them.

I simply said that the reason we have got export controls on soybeans is because we did not supervise and monitor the exports, and we got caught. Every Senator here knows that.

All that I am saying is that there has to be a better system of monitoring our supplies as they flow out of this country. I want commercial exports, but I want to tell you something: I want also to be sure that the American consumer has a supply of food here at home, and

I do not want us to be hijacked. I do not want some country to be able to walk in here and buy up our crop and then sell it back to us at twice what they paid for it.

I am here to tell the Senate that that can happen, and no Senator can prove to the contrary.

Surely, we need exports to pay for oil. The way we get them is to produce and to sell. But I would be a madman, if I ran a bank and I disposed of all of my reserves. We would be more than that, may I say, if we permit this country to dispose of all of its foodstuffs in the name of commercial exports.

Is it not interesting that we have reserves of bombs? We have $500 million worth of them stored in Asia. But we do not even want to watch what is happening to the market and the supply condition as far as foodstuffs are concerned.

Mr. President, I do not intend to press this amendment to a vote, because the purpose of the amendment was to buttress the argument of the Senator from New York. But I wanted very clearly to make the case as to why we need closer monitoring. The Senator from New York has an amendment which I think will suffice——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. HUMPHREY. Though it does not go as far as it ought to.

I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Elinor Bachrach, Senator PROXMIRE's legislative assistant, be allowed to remain on the floor during the pendency of the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. STEVENSON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON's amendment is as follows:

> S. 3792 is amended by redesignating section 11 on page 13, line 15 as section "912)" and inserting a new section 11 as follows:
>
> "The Export Administration Act of 1969 as amended is further amended by inserting after section 4A as added by this bill, the following new section:
>
> "4B. Notwithstanding any provision of this or any other law, for one year from the date of the enactment of this law, the United States shall not export any materials, supplies, articles, technical data or any other information relating to the design, development, fabrication, supply, repair or replacement of any nuclear facility or any part thereof, unless the country receiving such export has agreed (1) to subject all nuclear facilities within such country to the safeguards of the International Atomic Energy Agency, (2) to adopt such additional safeguards as the United States Arms Control and Disarmament Agency shall prescribe, and (3) has agreed not to reexport any nuclear supplies, articles, information and technical data. Exempted from this one year moratorium on nuclear exports, are existing commitments by the United States to supply fuel under contracts signed prior to June 30, 1974."

Mr. STEVENSON. Mr. President, I do not do this very often, but I want to warn my colleagues that I am going to take a little time and talk on a subject that I think is of great importance to the future of this country and the world, the subject of nuclear proliferation.

Mr. President, I offer this amendment on behalf of myself, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Idaho (Mr. CHURCH).

Twenty years ago the United States started, innocently enough, a program called "Atoms for Peace." In the intervening years, the United States has entered into cooperative agreements with 29 countries for the transfer of nuclear technology—technology ostensibly for peaceful purposes.

During that 20 years, other countries have acquired U.S. nuclear technology indirectly, some of them from France, which imports U.S. nuclear technology. Still other countries have developed their own nuclear technology, and in turn have exported it to even more nations.

Nuclear technology is now advancing at a rate that is far in excess of the rate at which peoples and governments can begin to comprehend and respond to in the interest of their ultimate safety. Nuclear reactors are being developed, including heavy-water reactors, which can use unenriched or slightly enriched uranium. Nuclear technology now also includes fast breeder reactors and high-temperature gas reactors. All of these reactors produce plutonium. And the technology to convert this plutonium into bombs is freely available.

The short of it, Mr. President, is simply that with the technology now available and the proliferation of nuclear equipment throughout the world, any country that wants to will soon be in a position to obtain an atomic bomb.

Not only has there been rapid advances in reactor technology, but also in technology for the processing of the fuel used in nuclear reactors. The Union of South Africa, for example, is reported to be developing a new laser for the processing of fuel for nuclear reactors.

The reactors themselves are of many varieties. Canada and the United Kingdom recently opted for the heavy water reactor. Canada is already exporting this reactor to many parts of the world. The Canadian reactor is virtually unpoliceable, particularly because it uses unenriched or raw uranium, which is abundant throughout the world.

Mr. President, this all means that every country that wants to can soon have some sort of nuclear capability, and that, in turn, means not only the countries themselves but terrorist groups.

The result in the world will be destabilizing in the extreme. Regional conflicts which were once limited to conventional warfare could escalate and go nuclear.

It is not coincidence that many of the countries acquiring a nuclear military capability are in such unstable regions of the world—South Asia, East Asia, the Middle East, and Latin America.

It means, Mr. President, that U.S. influence will diminish as the nuclear monopoly is broken up, as other countries acquire nuclear power for military as well as for peaceful purposes. It means that the terrorist organizations, which have resorted to hijacking, killings, and other forms of terrorism in the past for blackmail purposes will, in the future, have, if something is not done, access to nuclear technology, nuclear weapons for the same ugly purposes.

Mr. President, this proliferation of nuclear technology, ostensibly peaceful, but actually or inevitably for nonpeaceful purposes, was given momentum by the recent Moscow summit test ban agreement, which will surely convince all the nations of the world that the super powers, the United States and the Soviet Union, are not serious about controlling the testing of nuclear weapons.

It is given impetus by the energy crisis. Countries everywhere are seeking alternative sources of energy to expensive oil. It is given impetus by the desire of the major industrialized countries to export commodities of all kinds, including nuclear reactors, in order to generate the revenues with which to pay their growing oil bills.

Many countries fear that the U.S. nuclear umbrella is shaky; that its commitment of conventional forces to the defense of these countries is weak. Japan is but one example.

The political instability of many regions gives nuclear proliferation added momentum. It is no accident that India has already detonated a nuclear explosive device. Pakistan is now in the process of attempting to acquire a separator with which it will be able to process and produce the plutonium for the development of its own nuclear weapons. Iran will certainly not be content to remain a nonnuclear power in the Middle East. And the Canadians are now making efforts to sell heavy water reactors to South Korea. Thus, countries seeking a cheap source of energy can, at the same time, obtain a cheap source of what they perceive to be power and influence in the world.

So it is, Mr. President, that already 5 countries are known to have nuclear military capability. Others may have it or are close to developing it. Those countries include Japan, West Germany, Argentina, Brazil, Pakistan, South Korea, India, and Israel.

Still more countries have the capability for acquiring nuclear military potential within the next 10 years: Italy, South Africa, Spain, Portugal, Algeria, Chile, Saudi Arabia, North Korea, Egypt, the Netherlands, Belgium, Turkey, Colombia, Libya, Switzerland, Venezuela, and South Africa, to mention but a few.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield to the Senator from Rhode Island.

Mr. PASTORE. I would like to ask several questions of the Senator. I think the spirit of this amendment is good.

First of all, let me ask this question: Why does the Senator limit this to one year? Is there any special reason for it?

Mr. STEVENSON. Yes, there is. I have not gotten to my explanation of the amendment yet, but I will tell the Senator the purpose is the same purpose which led to the Nuclear Test-Ban Treaty. The purpose is to give the nations of the world a breathing spell, an opportunity to sit down and begin to develop adequate bilateral and multilateral safeguards and the institutions with which to enforce and maintain those safeguards.

That world is looking to the United States now just as it did in 1956. There is no other country that can take that lead, that can say, "We will stop." Let us take a second look at what we are doing and give ourselves an opportunity to develop those safeguards, and the institutions with which to enforce them."

I point out also that in 7 months the nuclear proliferation conference required under the Nuclear Proliferation Treaty begins. That may be the last chance we have to get the cows back in the barn or to prevent all of the cows from getting out.

The purpose is simply that, to give us some time, perhaps a last chance, to develop those safeguards and those institutions with which to enforce them, and if this country does not take the lead, no other country will.

Mr. PASTORE. May I ask another question? In other words, this would eliminate that agreement with relation to Egypt on a reactor; is that correct?

Mr. STEVENSON. Well, it would for a year. The amendment is drafted in such a way that it would not interfere with any existing contracts. Of course, that contract is not yet in existence, but if it were, it would be postponed for a year unless, of course, Egypt agreed to the conditions.

If the Senator will look at the amendment——

Mr. PASTORE. That is the point I was going to raise.

Mr. STEVENSON. If they agree to international safeguards.

Mr. PASTORE. Then it is not a moratorium at all; it is a conditional——

Mr. STEVENSON. It is a partial moratorium. If the country will agree to adequate international safeguards and not to re-export nuclear technology, then the moratorium would not be applied. Then we would be confident that the safeguards were being adhered to.

Mr. PASTORE. What bothers me, if the Senator will permit, as to No. 1, I have no question at all, "subject all nuclear facilities within such country to the safeguards of the International Atomic Energy Agency." Now, that is already in existence. They already have safeguards, and every American reactor is under the International Atomic Energy Agency, so I have no question about that.

No. 2, "To adopt such additional safeguards as the U.S. Arms Control and Disarmament Agency shall prescribe."

That is a responsibility now within the jurisdiction of the AEC. That is exactly what their job is, to prescribe the proper safeguards.

I wonder why the Senator is shifting from the AEC over to the Arms Control and Disarmament Agency which has no expertise in this direction?

Mr. STEVENSON. Well, the reason is that the Atomic Energy Commission does not review the safeguards of the IAEA. This is aimed at the IAEA. Its safeguards do not apply to all nuclear facilities.

Mr. PASTORE. All the American ones.

Mr. STEVENSON. All the American ones.

Mr. PASTORE. Of course, we cannot govern other agencies, we cannot govern other countries. This Government follows the policy of every American reactor that goes under the international agency; I mean, we do that now. Of course, we cannot tell France what to do because France has now sold four reactors to Iran without any safeguards at all. We cannot tell France what to do. We can only tell America what to do.

Mr. STEVENSON. Mr. President, will the Senator yield?

What technology did France sell to Iran? Is that not Westinghouse technology? Is that not U.S. technology? What did we do to control it?

Mr. PASTORE. Well, now, wait a minute, but the control of that is in France. They have the majority stock. It is a French deal, and there is nothing, of course, that stops Westinghouse from opening up a plant and cooperating with the French Government. I mean I do not know how we are ever going to change that. But the point I am making there is——

The PRESIDING OFFICER. The time of the Senator from Illinois on the amendment has expired.

Mr. STEVENSON. Mr. President, I yield myself ten minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Is there time for the opposition to this amendment?

The PRESIDING OFFICER. The Senator from Oregon has 15 minutes.

Mr. PACKWOOD. I yield 5 minutes to the Senator from Rhode Island for the opposition.

Mr. PASTORE. I think this raises many international problems. I mean, the Senator already has admitted that this would block the agreement that there may be a reactor furnished to Egypt or to Israel. We are now negotiating with Iran. Iran has already bought four reactors from France. I am afraid that we are going to muddle up American export trade; that is about the size of it.

What we are going to do is just throw American industry right out of the international market and put it in the hands of other foreign governments—the British, the French.

If we have a provision here that America shall not export any technology or any reactor without it being placed under the safeguard of the international agency, I say fine. If we go on to say those safeguards must also be approved by the Atomic Energy Commission and recommended to the Congress, I say fine. But when we say that a peaceful reactor has to be charged by the Arms Control and Disarmament Agency, I am afraid we are going to break our relations diplomatically with the countries of the world; and what we are going to do is take a flourishing American industry and turn it over to foreign entrepreneurs. I say this would be a very serious mistake, and I do not think this matter ought to be resolved on the floor in 10 minutes.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield to the Senator from Vermont.

Mr. AIKEN. As this amendment is written, I think it would apply primarily to India, Israel, and Egypt.

Mr. PASTORE. That is the intention.

Mr. AIKEN. But there are 19 countries in which agreement has already been reached. The result would be that we would simply be concentrating all this nuclear business in the hands of France, which is sitting there, ready to take the business.

Mr. PASTORE. They are already doing it.

Mr. AIKEN. At present, it would prohibit doing business with Egypt and Israel, and I am sure that India would be involved, or quite upset, anyway. We have a reactor in India, although it was not our reactor that made the difficulties the other day. They were complying with our regulations, but the Canadians did not have them.

Mr. PASTORE. There is another matter here, also. I would make a provision here that there could not be any export of this technology unless they signed a nonproliferation treaty. I would buy that.

Mr. HUMPHREY. Will the Senator from Illinois yield?

Mr. STEVENSON. I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. I must say that I think some of the situations that have been suggested here by the Senator from Rhode Island carried great merit and I would hope the main sponsor of the bill would give them the most serious consideration.

I like, for example, the most recent suggestion of the Senator from Rhode Island which I believe would do a great deal to eliminate the danger of proliferation which is what we are worried about.

Secondly, where the amendment has reference to the U.S. Arms Control and Disarmament Agency, the main consideration needed here is to make sure that any country which receives an export shall at least be required to abide by the safeguards of the International Atomic Energy Agency.

Now, that is the first point in the amendment.

Mr. STEVENSON. That is already law, and it is totally ineffectual.

Mr. HUMPHREY. Well, that is the first——

Mr. STEVENSON. We have been holding hearings on this subject and the evidence is undisputed. The only standard safeguards that have any effect at all are the IAEA safeguards, plus whatever safeguards we get in the cooperation agreements with recipient countries. Even in the case of light water reactors, the IAEA standards are inadequate because the safeguards do not prevent diversion of nuclear materials. Their only purpose is to detect, and to that extent, they are inadequate, too, because the IAEA does not even have the personnel or the funds with which to enforce these safeguards throughout the world.

Mr. HUMPHREY. But, if the Senator will yield, the first provision in the amendment which I am privileged to join him in is to subject all nuclear facilities within such countries to the safeguards of the International Atomic Energy Agency. There is that No. 1.

Mr. STEVENSON. That is number one, and that goes beyond what is being done now.

Mr. HUMPHREY. That is right.

Mr. STEVENSON. So I say, before we sell in those countries, we should require that the recipient subject all of the nuclear facilities to the IAEA standards. That is the first one.

Mr. HUMPHREY. May I ask the Senator from Rhode Island, is that not a sensible requirement?

Mr. PASTORE. Well, that may be a sensible requirement, but the fact still remains that there is a situation here with Egypt and with Israel where there are going to be some big problems. I do not think that this matter that is so important and has so many ramifications and could have so many serious consequences ought to be settled this way. As a matter of fact, I would like to appear before the committee that considered this in order to present what I feel should be the answer to the problem.

I was the author of the nonproliferation resolution which led to the Non-Proliferation Treaty, and that passed by a vote of 84 to 0. I have lived with this for 21 years.

I realize we have to be very careful. No. 1, I would not sell a reactor to anyone who has not signed a nonproliferation treaty. Egypt has signed a nonproliferation treaty but has not ratified it. Israel has not signed it. India has not signed it.

If the Senator is telling me that we should not give them a reactor until they sign that nonproliferation treaty, I shall buy it.

Mr. HUMPHREY. I think the Senator's suggestion is very meritorious.

Mr. PASTORE. The argument that he is making is that we cannot sell to India a reactor unless India agrees to put all the reactors she has from France or Germany or Great Britain or anybody else, or from Canada—that she put that under the international agency. That might be all right, but I would like to hear from the Secretary of State before we agree to that.

What will that lead to? These are very fundamental questions. How do we decide it on an amendment that is limited to a 10-minute debate?

It is ridiculous because the ramifications and the consequences are so severe here that we could find ourselves right behind the eight ball.

Mr. HUMPHREY. Mr. President, I think the Senator makes a very valid point. I gather that one of the purposes in offering the amendment is to get this matter ventilated and to open up the subject. The Senator from Illinois has been holding hearings on nonproliferation and has gathered a great deal of information. I thought as one who wanted to support his effort that we should hear what he has to say. I think his proposal and debate today has been very valuable.

Mr. PASTORE. I would like to ask the Senator from Illinois whether the Secretary of State has been heard on this.

Mr. STEVENSON. The Secretary of State has been heard.

Mr. PASTORE. On this particular amendment?

Mr. STEVENSON. No, not on this particular amendment; of course not. I would not expect him to support it.

Mr. PASTORE. Is it not a shame that we cannot get the Department of State to support something that is good for this country. What are we going to do with Henry Kissinger; just kiss him goodbye, too?

Mr. STEVENSON. Mr. President, the principal purpose of this amendment is to begin debate with respect to a matter which is of vital importance to the United States.

The Government of the United States, like the Government of Canada, takes the view that it should promote the sale of nuclear reactors indiscriminately, everywhere in the world; in the case of the United States subjecting them to IAEA safeguards but in the case of Canada subjecting them to no adequate safeguards at all.

What I am trying to do is suggest that there are longer terms and more important considerations than the immediate effect on the balance of payments in the sale of nuclear reactors. I know there is widespread concern about it in the Department of State. There is a great deal of uncertainty in our Government today about what should be done, but a growing feeling that something should be done. I am not confident of the answer. All I know is that I feel very, very deeply that we should be seeking that answer because the existing safeguards of the IAEA are grossly inadequate.

They are not even intended to prevent the diversion of nuclear materials for military purposes. They are simply intended to detect the diversion after the fact. With the proliferation of nuclear technology throughout the world, and with the rapidity with which the technology is developing, including the technology for the processing of the fuels, it means that very soon any country that wants it will be able to acquire the nuclear device, the bomb—and the terrorists groups, too.

All I am saying, Mr. President, is that the safeguards now are inadequate. In many countries, of course, they do not even exist, or they only partially exist, as in the case of India. Even where IAEA has some jurisdiction, it does not have the personnel with which to police the agreements.

What I am suggesting, Mr. President, is that some country has to take the lead. The IAEA and the Nuclear Proliferation Treaty are not even addressed to the problem of reexports. That is how the Iranians acquired nuclear reactors. The United States exports to France which, in turn, exports to Iran. Nothing prevents one country from exporting to another.

To make matters worse, Mr. President, the only effective sanction or means of enforcing such safeguards as exist is the control of fuel. The United States can cut off fuel as a means of controlling the use of nuclear reactors for nonpeaceful purposes. But as countries develop their own sources of fuel or acqire access to alternative sorces of fuel—as technology advances—that sanction weakens.

This is particularly true in the case of the Canadian reactor, which uses unenriched uranium. Unenriched uranium, or raw uranium, is in abundant supply throughout the world. It may already be too late to get those cows back into the barn, but it is not too late to attempt some sanity.

The proliferation of nuclear technology, ostensibly for peaceful purposes but with the potential of use by governments and by nonnational groups—terrorist groups—for nonpeaceful purposes, is potentially the most serious threat to the peace of the world.

The Nuclear Proliferation Treaty recognized that threat, but it is not equal to the task. Since its adoption, nuclear technology has proliferated for peaceful purposes. Now we know that the technology for peaceful purposes can be used for nonpeaceful purposes.

The United States took the lead once before by suspending unilaterally the testing of nuclear devices in the atmosphere. That act led to the partial nuclear test ban treaty. What I am doing in this amendment is simply to suggest that we should do so again.

The world looks to the United States for leadership, as it has nowhere else to turn. All this amendment does is propose a 1-year moratorium on U.S. exports of nuclear technology and materials to countries which do not subject their nuclear facilities to the safeguards of the International Atomic Energy Agency, and safeguards that we know are adequate, namely the standards of the Arms Control and Disarmament Agency.

It would also forbid exports to such countries which do not, in turn, agree not to reexport nuclear material.

It is my hope that with the United States taking the lead, others will follow, as they did in the case of the unilateral suspension of nuclear weapons the testing by the United States years ago.

If, of course, other countries did not follow, the United States could resume exports of nuclear reactors and other materials in competition with other countries.

Mr. President, all nations, both recipients and suppliers, share an interest in controlling this menace. The conference required by the Nuclear Proliferation Treaty meets in February. That Conference will afford all the supplier countries, as well as the recipients, an opportunity to take some time to develop safeguards against proliferation of nuclear technolgy for nonpeaceful purposes and to review the international institutions wish to enforce such safeguards.

All I am suggesting, Mr. President, is that the supplier countries now take time, just a little time—1 year—to develop realistic safeguards and those international institutions, neither of which are available now to protect the world from the proliferation of nuclear technology for nonpeaceful purposes.

If we do not take that lead, no one will. Soon it could be too late.

Mr. PASTORE. Will the Senator yield?

Mr. PACKWOOD. How much time does the Senator wish? I will yield all the time I have on the amendment.

Mr. PASTORE. Mr. President, only this past week, as chairman of the Subcommittee on Appropriations for the State Department, I invited the members of the State Department to come and address our committee. I invited all the members of the Appropriations Committee, and there was a very, very fine attendance on the part of the members.

I am not revealing any secrets at all, but Mr. Kissinger, when he was asked about the situation in the Middle East, informed the committee that the Russians were sending in massive military aid to Syria, and that because the Israelis had more or less built their settlements up to the line of occupation, that this raised a very, very delicate question as to whether or not this matter can be resolved, and be resolved amicably in a short time.

He went on to indicate that the one key that we have in the Middle East at the present time, insofar as the leaders of the Arab world are concerned, is Sadat.

This amendment, if it is passed tonight and becomes law, will bar and postpone for 1 year whatever agreement is made with Egypt on furnishing them technology on a nuclear reactor for peaceful purposes.

I am not going to argue the merits of whether or not we should grant this to Egypt or not. All I am saying is this: That if we summarily block that agreement here tonight, without knowing what the world repercussions will be, we might lose the key and we might have that part of the world inflamed once again.

All I am saying is that this is a very, very serious and important problem, and it is one that needs to be explored in detail; that the consequences have to be considered.

I hope that something will be worked out in the future and that my good friend, the Senator from Illinois, will not press this amendment at this time.

If this matter is to be studied, I am all for a study. But if we pass a law tonight blocking any agreements with Egypt or with Israel, we may spoil in 10 minutes what it took Henry Kissinger to put together in 5 or 6 months. I hope we do not do that tonight.

I hope that the Senator from Illinois, as sincere and devoted as he is, will understand that the ramifications might come back to haunt us. It might again start a shooting war in the Middle East; and perhaps with a little calmness, a little commonsense, and a little understanding, we can avoid that. That, to me, is the important thing tonight.

I hope the Senator from Illinois will withdraw this amendment. Otherwise, I will be compelled to move to lay it on the table.

Mr. STEVENSON. Mr. President, I do not intend to press for a vote of this amendment tonight.

I do point out, once again, that the amendment would not bar, even for the 1-year period, the transfer of nuclear technology to either Egypt or Israel—or, for that matter, to any country in the world. All it would do would be to ban the transfer by the United States of nuclear technology to those countries if they did not agree to international safeguards against diversion of nuclear materials for nonpeaceful purposes. If the Egyptians and the Israelis will not agree to those terms, why should we supply them with this technology?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. PASTORE. The Senator knows that the Arms Control and Disarmament Agency has not considered safeguards. It might take them a year to explore that.

According to the Senators' amendment, the whole world will have to wait until that agency begins to hold hearings and institutes and enacts safeguards which we do not have.

This problem is so immediate that we might have to decide the Egyptian question within a week. I do not know. But negotiations have been going on.

We have already reached an agreement with Egypt that if they do get a reactor, over and above the international agency, they will have to account to us on a bilateral basis, and that we intend to take the fuel rods out and make sure they get into another sovereignty and not remain in Egypt. All this is being worked out. With this amendment, the Senator is going to kill it all off tonight.

I am saying that these repercussions may be so serious that we could even be starting a war tonight.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. MANSFIELD. I understood the manager of the bill to say that he did not intend to press this amendment, just before the Senator took the floor.

Mr. PASTORE. He said he did not press for a vote tonight. I do not know what this means. We will do it tomorrow.

Mr. STEVENSON. Mr. President, I do intend to withdraw this amendment and to offer a second amendment, which I am very hopeful that the distinguished Senator from Rhode Island, my good friend, will accept.

Mr. PASTORE. Mr. President, I want to congratulate the Senator. I will support his second amendment.

Mr. STEVENSON. Mr. President, I withdraw the amendment.

The PRESIDING OFFICER (Mr. MUSKIE). The amendment is withdrawn.

Mr. STEVENSON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Redesignate section 11 on page 13, line 15 as section "(12)" and insert a new section 11 as follows:

The Export Administration Act of 1969 as amended is further amended by inserting after section 4A as added by this bill, the following new section:

"4B. The President is directed to review all laws and regulations issued thereunder by the Atomic Energy Commission, the Department of Commerce, and other government agencies, governing the export and re-export of materials, supplies, articles, technical data or other information relating to the design, fabrication, development, supply, repair or replacement of any nuclear facility or any part thereof, and to report within six months to the Congress on the adequacy of such regulations to prevent the proliferation of the nuclear capability for nonpeaceful purposes. The President is also directed to review domestic and international nuclear safeguards and to report within six months to the Congress on the adequacy of such safeguards to prevent the proliferation, diversion, or theft of all such nuclear materials and on efforts by the United States and other countries to strengthen international nuclear safeguards in anticipation of the Review Conference scheduled to be held in February 1975 pursuant to Article VIII, section 3 of the Treaty on the Non-Proliferation of Nuclear Weapons."

Mr. STEVENSON. Mr. President, the hour is late. I do not intend to press this any longer on the Senate's time.

This amendment would simply require the President to review existing bilateral safeguards and the adequacy of international safeguards and report back to Congress within 6 months on the adequacy of all such safeguards. I have chosen the period of 6 months because in about 7 months, the Conference on the Review of the Nuclear Proliferation Treaty begins.

The resolution would also require the President, in effect, to prepare for that conference.

Mr. President, as I suggested earlier, my purpose is basically twofold: to begin a consideration of nuclear proliferation and the threat which the proliferation of nuclear technology poses for the world; also, to try to encourage the executive branch to give its attention to this problem and to prepare for the conference which begins in February. That is the entire purpose of this amendment. I urge its adoption.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield.

Mr. PASTORE. Mr. President, I congratulate the Senator for this amendment. I think this matter calls for a study that is very timely. I believe the President of the United States has that responsibility, and we in Congress should be informed to that extent. I congratulate the Senator.

Let the record show that I am supporting this amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. STEVENSON. I thank the Senator from Rhode Island.

I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I commend the Senator from Illinois for his very constructive approach on both these amendments. The first one, which he withdrew, was an amendment designed to promote constructive debate, and it did just that. We have been talking here privately about the dangers of proliferation of nuclear weapons.

The distinguished Presiding Officer, the Senator from Maine (Mr. MUSKIE), is chairman of the Arms Control Subcommittee, and he has scheduled hearings on this subject. It is a matter of deep concern for the Committee on Foreign Relations and, I imagine, for every Member of Congress.

The Senator from Illinois has shown the initiative to hold hearings and to give us the benefit of his counsel. I thank him. That is why I associated myself with him in this endeavor.

The second amendment is highly commendable and desirable. I hope the RECORD will indicate that Congress, itself, should be looking into all laws and regulations relating to nuclear energy, its peaceful uses, and any dangers or problems that might ensue or follow from the sale of nuclear reactors.

I am very pleased to have an amendment that asks the President and the agencies of the executive branch to do this. But I would gather that, as a result of that study, we would have some responsibility of our own to follow through, to utilize the information that comes from the President and from the Executive offices and to make our own assessments; because we are going to be confronted every year, from here on out, with a continuing export problem or export sales of nuclear reactors for the purposes of energy.

I am hopeful that we will see to it that the safeguards to which the Senator from Illinois has given his attention are properly designed and enforced, lest we find that we have opened up the world to the expansion of nuclear weaponry to a point where there is no return, and no one is safe.

I thank the Senator from Illinois.

Mr. STEVENSON. I thank the Senator from Minnesota. I heartily approve his suggestion that it behooves Congress and all its appropriate committees to begin a thorough airing of this subject. So far as the Subcommittee on International Finance is concerned, of which I am the chairman, it will do so.

Mr. President, I yield back the remainder of my time on the amendment.

Mr. PACKWOOD. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to read the amendment.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 8, lines 2 and 15, insert "unique" immediately before "hardship".

Beginning on page 8, line 19, strike all through page 9, line 8 and insert in lieu thereof the following:

"(1) Whether denial would cause a unique hardship to the applicant which can be alleviated only by granting an exception to the applicable regulations.

In determining whether relief shall be granted the Secretary will take into account:

"(A) Ownership of material for which there is no practicable domestic market by virtue of the location or nature of the material;

"(B) Potential serious financial loss to the applicant if not granted an exception;

"(C) Inability to obtain, except through import, an item essential for domestic use which is produced abroad from the commodity under control;

"(D) The extent to which denial would conflict, to the particular detriment of the applicant, with other national policies including those reflected in any international agreement to which the United States is a party;

"(E) Possible adverse effects on the economy (including unemployment) in any locality or region of the United States; and

"(F) Other relevant factors, including the applicant's lack of an exporting history during any base period that may be established with respect to export quotas for the particular commodity.

"(2) The effect a finding in favor of the applicant would have on attainment of the basic objectives of the short supply control program.

In all cases, the desire to sell at higher prices and thereby obtain greater profits will not be considered as evidence of a unique hardship, nor will circumstances where the hardship is due to imprudent acts or failure to act on the part of the appellant.

Mr. PACKWOOD. Mr. President, this is an amendment which Senator PROXMIRE, the Department of Commerce, Senator STEVENSON, and I have drafted and agreed to tighten up the language allowing for exceptions in unique hardship situations.

The language that came out of the committee we felt was loose, and we would rather have this tighter language and take it to conference in this fashion.

Mr. PROXMIRE. Mr. President.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Would the Senator yield me a little time?

Mr. PACKWOOD. Yes.

Mr. PROXMIRE. Mr. President, I am willing to accept the Senator's language amending section 8 of S. 3792. This language has been worked out in consultation with the Department of Commerce, and I am satisfied that it will deal with the problem addressed in that section of the bill.

Let me describe the nature of that problem and clarify the understanding reached with the Department of Commerce.

In the course of the committee's consideration of this legislation, it was brought to my attention that the imposition of short supply controls by the Commerce Department on exports of ferrous scrap, pursuant to the Export of Administration Act of 1969, created a unique hardship on the operations of certain segments of the U.S. automobile industry. The adverse impact of the controls in this instance is largely the result of the economic relationship of domestic automobile manufacturers with Canadian subsidiaries, affiliated producers, and contract suppliers, who produce critical components for automobiles assembled in this country. In some cases, the foreign firm is the sole supplier of the component to the U.S. manufacturer. These relationships have developed principally as a result of the U.S. Government's policy of encouraging the integration of the U.S. automobile industry on both sides of the United States-Canadian border, a policy that has been in effect since the signing of the United States-Canadian Automotive Products Agreement in 1965.

The advent of export controls on ferrous scrap has had the effect of restricting the ability of some Canadian producers that are historic suppliers of automotive components used in assembly operations in the United States, to obtain adequate ferrous scrap to meet their supply commitments to the U.S. automobile industry. This situation could ultimately lead to instances of plant shutdowns or curtailed assembly operations by automobile manufacturers in the United States.

To avoid disruption of automobile production schedules in the United States, with attendant adverse impact on domestic employment, and considering that the dependency of U.S. automobile manufacturers on Canadian components has been encouraged and fostered by the U.S. Government pursuant to the United States-Canadian Automotive Products Agreement, I have been assured by the Secretary of Commerce that it is consistent with the objective of the export control program and with the national interest to give favorable consideration to granting hardship licenses for the export of ferrous scrap to historic Canadian manufacturers of U.S. automobile components. Such licenses would be granted on a case-by-case basis upon receiving satisfactory evidence that the amount of ferrous scrap available to the Canadian manufacturer from U.S. sources under historic export quota allocations, coupled with the amount of scrap obtainable by him from Canadian sources, is insufficient to enable him to supply the components needed to maintain automobile production schedules in the United States. Is this the understanding of the managers of the bill?

Mr. PACKWOOD. Yes, this is exactly the understanding that we worked out with the Department of Commerce on the problem involved.

Mr. PROXMIRE. May I ask the Senator from Illinois if this is his understanding also?

Mr. STEVENSON. Yes, it is.

Mr. PROXMIRE. I thank the Senator. Mr. President, then I agree to accepting the amendment as proposed.

Mr. STEVENSON. Mr. President, I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Oregon (Mr. PACKWOOD).

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on S. 3792 occur not later than the hour of 6:30 p.m., and that rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. STEVENSON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. STEVENSON. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENSON'S amendment is as follows:

On page 12, line 1, strike the word "disagree". and insert in lieu thereof the word "agree".

On page 12, line 3, insert the word "not" immediately after the word "would".

Mr. STEVENSON. Mr. President, this is a technical amendment. It simply changes the word "disagree" on page 12 to "agree," and adds, after the word "would" on line 3 on page 12, the word "not." It makes no substantive change in the language of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. MUSKIE). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Hawaii (Mr. FONG), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The result was announced—yeas 79, nays 7, as follows:

[No. 342 Leg.]

YEAS—79

Abourezk
Aiken
Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Goldwater
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—7

Buckley
Fannin
Hansen
Helms
McClure
Scott,
  William L.
Young

NOT VOTING—14

Baker
Bennett
Brock
Cotton
Curtis
Eastland
Fong
Fulbright
Gravel
Hruska
Long
Mathias
Metcalf
Stennis

So the bill (S. 3792) was passed as follows:

An Act to amend and extend the Export Administration Act of 1969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Export Administration Amendments of 1974".

SHORT SUPPLY POLICY

SEC. 2. Section 3(2)(A) of the Export Administration Act of 1969 is amended by striking out "abnormal".

MONITORING

SEC. 3. (a) Section 4 of the Export Administration Act of 1969 is amended by redesignating subsections (c) through (e) thereof as subsections (d) through (f), respectively, and by inserting after subsection (b) a new subsection (c) as follows:

"(c)(1) To effectuate the policy set forth in section 3(2)(A) of this Act, the Secretary of Commerce shall monitor exports, and contracts for exports, of any article, material, or supply (other than a commodity which is subject to the reporting requirements of section 812 of the Agricultural Act of 1970) when the volume of such exports in relation to domestic supply contributes, or may contribute, to an increase in domestic prices or a domestic shortage, and such price increase or shortage has, or may have, a serious adverse impact on the economy or any sector thereof. Information which the Secretary requires to be furnished in effecting such monitoring shall be confidential, except as provided in paragraph (2) of this subsection.

"(2) The results of such monitoring shall, to the extent practicable, be aggregated and included in weekly reports setting forth, with respect to each article, material, or supply monitored, actual and anticipated exports, the destination by country, and the domestic and worldwide price, supply, and demand. Such reports may be made monthly if the Secretary determines that there is insufficient information to justify weekly reports."

(b) Section 10 of such Act is amended—

(1) by inserting "(a)" after "SEC. 10."; and

(2) by adding at the end thereof the following:

"(b)(1) The quarterly report required for the first quarter of 1975 and every second report thereafter shall include summaries of the information contained in the reports required by section 4(c)(2) of this Act, together with an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for articles, materials, or supplies subject to monitoring under this Act, (B) the probable duration of such shortages or increased prices, (C) the worldwide supply of such articles, materials, and supplies, and (D) actions taken by other nations in response to such shortages or increased prices.

"(2) Each such quarterly report shall also contain an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for commodities subject to the reporting requirements of section 812 of the Agricultural Act of 1970, (B) the probable duration of such shortages or increased prices, (C) the worldwide supply of such commodities, and (D) actions being taken by other nations in response to such shortages or increased prices. The Secretary of Agriculture shall fully cooperate with the Secretary of Commerce in providing all information required by the Secretary of Commerce in making such analysis.".

(c) Section 5(a) of such Act is amended—

(1) by striking out "hereunder" in the first sentence and inserting in lieu thereof the words "or monitored under this Act"; and

(2) by inserting immediately after such first sentence the following: "Such departments and agencies shall fully cooperate in rendering such advice and information.".

(d) Section 5(a) of the Act is further amended by the following at the end thereof: "In addition, the Secretary of Commerce shall consult with the Federal Energy Administration to determine whether monitoring under section 4 of the Act is warranted with respect to exports of facilities, machinery or equipment normally and principally used, or intended to be used, in the production, conversion or transportation of fuels and energy (except nuclear energy), including but not limited to, drilling rigs, platforms and equipment; petroleum refineries, natural gas processing, liquefication and gasification plants; facilities for production of synthetic natural gas or synthetic crude oil; oil and gas pipelines, pumping stations and associated equipment and vessels for transporting oil, gas, coal and other fuels.".

INTERNATIONAL COOPERATION TO SECURE ACCESS TO SUPPLIES

SEC. 4. (a) Section 2 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraph:

"(5) Unreasonable restrictions on access to world supplies can cause worldwide political and economic instability, interfere with free international trade, and retard the growth and development of nations."

(b) Section 3(3)(A) of such Act is amended by striking out "with which the United States has defense treaty commitments".

(c) Section 3(5) of such Act is amended—

(1) by striking out the word "and" immediately preceding clause (B); and

(2) by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and (C) to foster international cooperation and the development of international rules and institutions to assure reasonable access to world supplies.".

HIGH TECHNOLOGY EXPORTS

SEC. 5. (a) Section 4 of the Export Administration Act of 1969, as amended by section 3 of this Act, is amended by adding at the end thereof the following new subsection:

"(g) Any export license application required by the exercise of authority under this Act to effectuate the policies of section 3(1)(B) or 3(2)(C) shall be approved or disapproved not later than ninety days after its submission. If additional time is required, the Secretary of Commerce or other official exercising authority under this Act shall inform the applicant of the circumstances requiring such additional time and give an estimate of when his decision will be made."

(b) Section 5(c)(1) of such Act is amended by striking out the next to the last sentence thereof and inserting in lieu thereof the following: "Each such committee shall consist of representatives of United States industry and Government, including the Departments of Commerce, Defense, and State, and, when appropriate, other Government departments and agencies.".

(c) Section 5(c) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) To facilitate the work of the technical advisory committees, the Secretary of Commerce, in conjunction with other departments and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security, pertaining to the reasons for the export controls which are in effect or contemplated for the grouping of articles, materials, and supplies with respect to which that committee furnishes advice.".

(d) Not later than one year after the date of enactment of this Act, the Secretary of Commerce shall include in a quarterly report under section 10 of the Export Administration Act of 1969 an accounting of actions taken to expedite the processing of export license applications as required under section 4(g) of the Export Administration Act of 1969.

OPPORTUNITY TO COMMENT ON LICENSING

SEC. 6. Section 5(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following:

"(2) Upon imposing quantitative restrictions on exports of any article, material, or supply to carry out the policy stated in section 3(2)(A) of this Act, the Secretary of Commerce shall publish a notice in the Federal Register inviting all interested parties to submit written comments within fifteen days from the date of publication on the impact of such restrictions and the method of licensing used to implement them.".

TECHNICAL AND CONFORMING CHANGES

SEC. 7. Section 4(d) of the Export Administration Act of 1969, as redesignated by section 3 of this Act, is amended to read as follows:

"(d) Nothing in this Act or the rules or regulations thereunder shall be construed to require authority or permission to export, except where required by the President to effect the policies set forth in section 3 of this Act.".

HARDSHIP RELIEF

SEC. 8. The Export Administration Act of 1969 is amended by inserting after section 4 the following new section:

"PROCEDURES FOR HARDSHIP RELIEF FROM EXPORT CONTROLS

"SEC. 4A. (a) Any person who, in his domestic manufacturing process or other domestic business operation, utilizes a product produced abroad in whole or in part from a commodity historically obtained from the United States but which has been made subject to export controls, or any person who historically has exported such a commodity, may transmit a petition of hardship to the Secretary of Commerce requesting an exemption from such controls in order to alleviate any unique hardship resulting from the imposition of such controls. A petition under this section shall be in such form as the Secretary of Commerce shall prescribe and shall contain information demonstrating the need for the relief requested.

"(b) Not later than thirty days after receipt of any petition under subsection (a), the Secretary of Commerce shall transmit a written decision to the petitioner granting or denying the requested relief. Such decision shall contain a statement setting forth the Secretary's basis for the grant or denial. Any exemption granted may be subject to such conditions as the Secretary deems appropriate.

"(c) For purposes of this section, the Secretary's decision with respect to the grant or denial of relief from unique hardship resulting directly or indirectly from the imposition of controls shall reflect the Secretary's consideration of such factors as—

"(1) Whether denial would cause a unique hardship to the applicant which can be alleviated only by granting an exception to the applicable regulations. In determining whether relief shall be granted, the Secretary will take into account:

"(A) ownership of material for which there is no practicable domestic market by virtue of the location or nature of the material;

"(B) potential serious financial loss to the applicant if not granted an exception;

"(C) inability to obtain, except through import, an item essential for domestic use which is produced abroad from the commodity under control;

"(D) the extent to which denial would conflict, to the particular detriment of the applicant, with other national policies including those reflected in any international agreement to which the United States is a party;

"(E) possible adverse effects on the economy (including unemployment) in any locality or region of the United States; and

"(F) other relevant factors, including the applicant's lack of an exporting history during any base period that may be established with respect to export quotas for the particular commodity.

"(2) The effect a finding in favor of the applicant would have on attainment of the basic objectives of the short supply control program.

In all cases, the desire to sell at higher prices and thereby obtain greater profits will not be considered as evidence of a unique hardship, nor will circumstances where the hardship is due to imprudent acts or failure to act on the part of the appellant.".

INTERAGENCY REVIEW

SEC. 9. Section 4 of the Export Administration Act of 1969, as amended by sections 3 and 4 of this Act, is amended by adding at the end thereof the following new subsection:

"(h)(1) The Congress finds that the defense posture of the United States may be seriously compromised if the Nation's goods and technology are exported to a controlled country without an adequate and knowledgeable assessment being made to determine whether export of such goods and technology will significantly increase the military capability of such country. It is the purpose of this section to provide for such an assessment and to authorize the Secretary of Defense to review any proposed export of goods or technology to any such country and, whenever he determines that the export of such goods or technology will significantly increase the military capability of such country, to recommend to the President that such exports be disapproved.

"(2) Whenever a request for a license or other authority is required by any person to export any goods or technology to any controlled country, the appropriate export control office or agency to whom such request is made shall notify the Secretary of Defense of such request, and such office may not issue any license or other authority pursuant to such request prior to the expiration of the period within which the President may disapprove such export, or prior to the expiration of the period within which the Congress may disapprove an action of the President, if applicable. The Secretary of Defense shall carefully consider all notifications submitted to him pursuant to this subsection and, not later than thirty days after notification of the request, shall—

"(A) recommend to the President that he disapprove any request for the export of any goods or technology to any controlled country if he determines that the export of such goods or technology will significantly increase the military capability of such country;

"(B) notify such office or agency that he will interpose no objection if appropriate conditions designed to achieve the purposes of this Act are imposed; or

"(C) indicate that he does not intend to interpose an objection to the export of such goods or technology.

If the President notifies such office or agency, within thirty days after receiving a recommendation from the Secretary, that he disapproves such export, no license or other authorization may be issued for the export of such goods or technology to such country.

"(3) Whenever the President exercises his authority under this subsection to modify or overrule a recommendation made by the Secretary of Defense pursuant to this section, the President shall submit to the Congress a statement indicating his decision together with the recommendation of the Secretary of Defense. The Congress shall have a period of sixty calendar days of continuous session of both Houses after the date on which the statement is transmitted to the Congress to disapprove the action of the President by adopting a concurrent resolution disapproving the application for the export of such goods, technology or techniques.

"(4) In determining whether the export of any goods or technology to any controlled country will significantly increase the military capability of such country, the Secretary of Defense shall take into account all potential end uses, and the likelihood of an end use other than the end use indicated by the applicant for the export of such goods or technology.

"(5) Effective on July 1, 1974, the removal of any category of goods or technology requiring an export license or other authorization shall require the approval of the President.

"(6) The President is authorized, on behalf of the United States, to agree to any modification of the so-called COCOM international lists (or interpretations thereof) if he determines that such modification would not likely result in a significant increase in the military capability of any controlled country.

"(7) As used in this subsection—

"(A) the term 'goods and technology' includes but is not limited to—

"(i) machinery, equipment, durable goods, and computer software;

"(ii) any license or other arrangement for the use of any patent, trade secret, design, or plan;

"(iii) the so-called know-how or knowledge of any individual, firm, corporation, or other entity;

"(iv) assistance in planning and joint venture arrangements; and

"(v) arrangements under which assistance is provided in developing a manufacturing capability, including so-called turnkey arrangements;

"(B) the term 'export control office' means any office or agency of the United States Government whose approval or permission is required pursuant to existing law for the export of goods or technology; and

"(C) the term 'controlled country' means the Soviet Union, Poland, Romania, Hungary, Bulgaria, Czechoslovakia, the German Democratic Republic (East Germany), and such other countries as may be designated by the Secretary of Defense.

"(8) The Secretary of Defense shall submit to the Congress a written report on his implementation of this section not later than thirty days after the close of each quarter of each fiscal year. Each such report shall, among other things, identify each instance in which the Secretary recommended to the President that exports be disapproved and the action finally taken by the executive branch on the matter.

"(9) Whenever the President exercises his authority under subsections (5) and (6) he shall, having first solicited the recommendation of the Secretary of Defense, transmit his decision, together with the recommendation of the Secretary of Defense, to the Congress. The review and disapproval provisions of subsection (3) shall be applicable to actions taken under subsections (5) and (6).

"(10) The authority granted to the President in subsections (5) and (6) of this section shall be nondelegable."

EXPORT FEES AND LICENSES

SEC. 10. Section 4 of the Export Administration Act of 1969, as amended by sections 3, 4, and 9 of this Act, is amended by adding at the end thereof the following:

"(i) In imposing export controls to effectuate the policy stated in section 3(2)(A) of this Act, the President's authority shall include, but not be limited to, the imposition of export license fees and the auction of export licenses.

"(j)(1) The Secretary of Commerce, after consulting with the Secretary of the Treasury, the Attorney General, and the Secretary of State shall establish regulations for the licensing of exports of all police, law enforcement, or security equipment manufactured for use in surveillance, eavesdropping, crowd control, interrogations, or penal retribution.

"(2) Any license proposed to be issued under this subsection shall be reviewed by the Attorney General and shall be submitted to the Congress. The Congress shall have a period of sixty calendar days of continuous session of both Houses after the date on which the license is transmitted to the Congress to disapprove the issuance of a license by the adoption in either House of a resolution disapproving the proposed license.

"(3) The Secretary of Commerce, with the concurrence of the Secretary of the Treasury, the Attorney General, and the Secretary of State, may by regulation exempt individual countries and specific categories of police, law enforcement, or security equipment from the congressional review and disapproval authority set forth in paragraph (2) if he finds and determines export of the equipment would not threaten fundamental human and civil liberties."

PRESIDENTIAL REVIEW

SEC. 11. The Export Administration Act of 1969 as amended is further amended by inserting after section 4A as added by this bill, the following new section:

"SEC. 4B. The President is directed to review all laws, and regulations issued thereunder by the Atomic Energy Commission, the Department of Commerce, and other Government agencies, governing the export and re-export of materials, supplies, articles, technical data or other information relating to the design, fabrication, development, supply, repair or replacement of any nuclear facility or any part thereof, and to report within six months to the Congress on the adequacy of such regulations to prevent the proliferation of nuclear capability for nonpeaceful purposes. The President is also directed to review domestic and international nuclear safeguards and to report within six months to the Congress on the adequacy of such safeguards to prevent the proliferation, diversion or theft of all such nuclear materials and on efforts by the United States and other countries to strengthen international nuclear safeguards in anticipation of the Review Conference scheduled to be held in February 1975 pursuant to Article VIII, section 3 of The Treaty on the Non-Proliferation of Nuclear Weapons."

EXPIRATION DATE

SEC. 12. Section 14 of the Export Administration Act of 1969 is amended by striking "July 30, 1974" and inserting in lieu thereof "June 30, 1977".

REVIEW BY COMPTROLLER GENERAL

SEC. 13. (a) The Comptroller General of the United States shall conduct a continuous review of the effectiveness of procedures implemented by the Secretary of Commerce pursuant to the provisions of section 4 of the Export Administration Act of 1969. In carrying out such review the Comptroller General shall consider, among other relevant factors—

(1) current and projected domestic shortages of key commodities, export levels of these commodities, the impact on domestic prices and employment of such shortages, and anticipated domestic and foreign demand for such commodities; and

(2) the need for additional export controls of commodities in short supply, the time and manner in which such controls should be implemented, and the recommended duration of any such controls.

(b)(1) The Comptroller General shall transmit to the Congress regular reports setting forth the results of the review required by subsection (a).

(2) In addition, the Comptroller General shall transmit without delay to the Congress a special report whenever he determines that there is a domestic shortage of any commodity which together with exports of that commodity, threatens domestic price stability of that commodity and/or employment related to that commodity. Such report shall contain the Comptroller General's estimate of the extent of the domestic shortage of that commodity, the current and projected export levels, and the projected domestic price and employment impact at projected export levels. The Comptroller General shall include such recommendations for legislative or administrative action as he deems appropriate.

(c) Notwithstanding the provisions of any other law, in carrying out such functions, the Comptroller General is authorized to request, and any department, agency or instrumentality of the Federal Government is directed to furnish, such information as is necessary to carry out the functions provided for under this section, including estimates of the quantity of any commodity necessary for (1) domestic consumption, (2) exports, and (3) reasonable carryover, including disaster relief assistance or other emergency situations.

AMENDMENT TO MINERAL LEASING ACT OF 1920

SEC. 14. Section 28(u) of the Mineral Leasing Act of 1920 (30 U.S.C. 185) is amended by inserting immediately after "quantity and quality of petroleum available to the United States" the following: "or result, directly or indirectly, in any increase in the price thereof to the United States petroleum purchaser".

AGRICULTURAL COMMODITIES

SEC. 15. Section 4(f) of the Export Administration Act of 1969, as redesignated by section 3 of this Act, is amended by inserting "(1)" immediately after "(f)", and by adding at the end thereof the following:

"(2) Within ninety days after the beginning of the crop year the Secretary of Agriculture shall determine which commodities, if any, subject to the reporting requirements of section 812 of the Agricultural Act of 1970, are likely to be in short supply. A commodity shall be determined to be in short supply if the Secretary of Agriculture estimates that the total quantity of the commodity that will be produced in the crop year will be insufficient to provide for anticipated domestic consumption, commercial exports, programed food assistance commitments, disaster relief assistance and other emergency assistance, and a reasonable carryover at the end of the crop year. The Secretary of Agriculture with the concurrence of the Secretary of Commerce shall submit his findings to Congress together with a plan or plans to cope with the anticipated shortage."

ECONOMIC POLICY ACTIONS

SEC. 16. (a) Section 3 of the Export Administration Act of 1969, as amended by section 4 of this Act, is amended by adding at the end thereof the following new paragraph:

"(7) It is the policy of the United States to use export controls to secure the removal by foreign countries of restrictions on access to supplies (a) where such restrictions which have or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have or may have a serious adverse effect on employment in the United States, or (b) where such restrictions have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make every reasonable effort to secure the removal or reduction of such restrictions, policies or actions through international cooperation and agreement before resorting to the imposition of controls on the export of materials from the United States: *Provided*, That no action shall be taken in fulfillment of the policy set forth in this subsection to restrict the export of medicine and medical supplies."

(b) Section 4 of such Act, as amended by sections 3, 4, 9, and 10 of this Act, is amended by adding at the end thereof the following new subsection:

"(k) Before exercising the authority conferred by this Act to implement the policy set forth in section 3(7), the President shall—

"(1) request and receive from the Tariff Commission its views on the probable impact on the domestic economy of such exercise of authority: *Provided, however,* That such views are transmitted to the President within thirty days of the request therefor; and

"(2) consult with the appropriate committees of the Congress with respect to such exercise of authority."

Mr. STEVENSON. Mr. President, I move to reconsider the vote by which the bill was passed.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR DEBATE ON CLOTURE MOTION TOMORROW TO BEGIN AT 1:15 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the hour for the debate on the cloture motion tomorrow begin at 1:15 p.m. That would put the vote at approximately 2:30.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR METZENBAUM TOMORROW

Mr. METZENBAUM. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, the Senator from Ohio (Mr. METZENBAUM) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW FOR CONSIDERATION OF PUBLIC WORKS APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the Senator from Ohio (Mr. METZENBAUM) completes his statement, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate proceed to the consideration of the Public Works, AEC appropriation bill.

The PRESIDING OFFICER (Mr. BURDICK). Without objection, it is so ordered.

ANNOUNCEMENT OF HEARINGS ON IMPEACHMENT RULES OF THE SENATE

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, and as chairman of the Subcommittee on Standing Rules of the Senate of the Committee on Rules and Administration, hearings will be conducted beginning on Monday of next week at the hour of 10 a.m., at which time Senators may appear before the subcommittee to deliver their testimony with regard to the impeachment rules of the Senate, and suggesting any revisions that they may wish to have considered.

Senators will be notified by mail by the Subcommittee on Rules of this date and the time of the hearings, but I wish to make the statement for the RECORD now. I ask that the appropriate officers of the Senate on tomorrow, or even this evening, make this information available also on the hotlines of the two respective cloakrooms.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield at this point?

Mr. ROBERT C. BYRD. I am glad to yield to the Senator.

Mr. HARRY F. BYRD, JR. Mr. President, instead of appearing before the committee, I wish to take 1 minute to express the hope that the committee of the Senate will adhere to the statement that has been made in the whip notice for several days, which quotes a present Senate rule that if and when a trial should begin that it "shall continue in session from day to day (Sunday excepted), unless otherwise ordered by the Senate, until final judgment shall be rendered."

I think it is important that any proceedings in the Senate be handled as promptly as possible; that the Senate stay in session on the particular subject and conclude it at the earliest possible time, one way or the other.

Mr. ROBERT C. BYRD. I share that viewpoint. The distinguished majority leader has also stated that to be his viewpoint, and if the Senate operates under the present impeachment rules, that will be the procedure.

Mr. PELL. Mr. President, will the Senator yield.

Mr. ROBERT C. BYRD. I yield.

Mr. PELL. I wish to support the Senator's view, and I am delighted to know the intention of the leaders.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow, the Senate will convene at the hour of 9:30 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Ohio (Mr. METZENBAUM) will be recognized for not to exceed 15 minutes, after which there will ensue a period of not to exceed 15 minutes, with statements therein limited to 5 minutes each, for the transaction of routine morning business. At the conclusion of routine morning business tomorrow, the Senate will proceed to the consideration of the bill making appropriations for Public Works, H.R. 15155. There is a time agreement on that bill. Undoubtedly, rollcall votes will occur on the passage thereof and perhaps on amendments thereto.

Upon the disposition of H.R. 15155, the Senate will proceed to the consideration of H.R. 15323, an act to amend the Atomic Energy Act of 1954, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes.

There is a time agreement on that bill. It is anticipated that rollcall votes will occur thereon.

A rollcall vote on the motion to invoke cloture on the consumer protection bill will occur at about 2:30 p.m.

Tomorrow gives promise of being a busy day and it could be a very long day with several rollcalls throughout.

ADJOURNMENT TO 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 6:48 p.m., the Senate adjourned until tomorrow, Thursday, August 1, 1974, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 31, 1974:

DEPARTMENT OF JUSTICE

Richard W. Velde, of Virginia, to be Administrator of Law Enforcement Assistance, vice Donald E. Santarelli, resigned.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service Officer for promotion from class 3 to class 2:

Richard W. Berg, of New Hampshire.

For appointment as a Foreign Service information officer of class 2, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Gerald Stryker, of Virginia.

Now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consular officer of the United States of America:

Peter C. Walker, of the District of Columbia.

For appointment as Foreign Service officers of class 3, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Roy Y. Fujioka, of California.
Esther Magdalena Rice, of Ohio.

For appointment as a Foreign Service officer of class 4, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Richard Augustus Calfee, of Michigan.

For appointment as Foreign Service information officers of class 4, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Ray Heyden Burson, of North Carolina.
Vincent Chiarello, of New York.
Sally M. Grooms, of Illinois.
Alan A. Rogers, of California.
Dennis Ray Shaw, of South Dakota.
Karin Thorbecke Stephen, of Florida.
Frances F. Switt, of New Jersey.
Robert Topp Tims, of Virginia.

For promotion from a Foreign Service officer of class 6 to class 5:

William C. Kelly, Jr., of New Jersey.

For reappointment in the Foreign Service as a Foreign Service officer of class 5, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Mary Michelson Haselton, of New Hampshire.

For reappointment in the Foreign Service as a Foreign Service information officer of class 5, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Hugh James Ivory, of New York.

For appointment as Foreign Service officers of class 5, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Guy C. Johnson, of California.
Ellen G. Joyner, of North Carolina.
Ishmael Lara, of California.
B. Jerry Lujan, of New Mexico.
Margie M. Mallory, of Texas.
W. Lee Mattingly, of Massachusetts.
Roy Raymond Matson, of Virginia.
Michael L. Milligan, of New York.
Charles E. Pedonti, of Massachusetts.
Eleanor M. Ridge, of Massachusetts.
Diane C. Salisbury, of New York.
Marguerite M. Simonson, of Pennsylvania.
Mary Elizabeth Snapp, of Virginia.
Lyle A. van Ravenswaay, of Missouri.
Bobby L. Watson, of California.
Katherine M. White, of Arizona.
Warren E. Mills, of Massachusetts.

For appointment as Foreign Service information officers of class 5, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Philix Silvio Aragón, of New Mexico.
William Scott Watson, of Virginia.

For promotion from Foreign Service officers of class 7 to class 6:

Leslie Alson Doak, of California.
Shaun Edward Donnelly, of Indiana.
Wayne Stephen Leininger, of Florida.
George H. Mitchell, Jr., of Virginia.
William Howard Moore, of Virginia.
John J. Tkacik, Jr., of Virginia.

For reappointment in the Foreign Service as a Foreign Service information officer of class 6, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Donna Millons Culpepper, of Washington.

For appointment as Foreign Service officers of class 6, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Charles Lynwood McKinnon, of the District of Columbia.
Elizabeth Ann Powers, of Pennsylvania.
H. Clarke Rodgers, Jr., of Georgia.

For promotion from a Foreign Service officer of class 8 to class 7:

Andrew Sciacchitano, of Illinois.

For appointment as Foreign Service officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Sara E. Barr, of Florida.
Jonathan M. Bensky, of Virginia.
Steven M. Brattain, of Ohio.
Donald Camp, of Maryland.
John Davis Caswell, of Connecticut.
Michael A. Ceurvorst, of Iowa.
Philip Dale Dean, Jr., of Virginia.
Patrick DelVecchio, of Virginia.
Milton K. Drucker, of Massachusetts.
Franklin Huddle, Jr., of Virginia.
Edmund James Hull, of the District of Columbia.
Donald Carter Hunter, of New Jersey.
Donald C. Johnson, of Oregon.
Gerald Richard Lueders, of Nebraska.
Michael E. McNaull, of Washington.
Michael J. Metrinko, of Pennsylvania.
Brian J. Mohler, of New York.
Patrick J. Nichols, of Virginia.
John A. Polansky, Jr., of Texas.
Charles E. Redman, of Indiana.
Ronald MacDonnell Roberts, of California.
Karla R. Smith, of Florida.
David C. Summers, of Ohio.
Robert Craig Van Voorhees, of Michigan.
Michael R. Vick, of Virginia.
Steven Wagenseil, of Rhode Island.
Paul T. Walters, of Ohio.
Kent M. Wiedemann, of California.
William N. Witting, of Virginia.

For appointment as Foreign Service information officers of class 7, consular officers, and secretaries in the Diplomatic Service of the United States of America:

David L. Arnett, of Louisiana.
William C. Dawson, Jr., of Kentucky.
Richard J. Kaplan, of Massachusetts.
Joel J. Levy, of Connecticut.
Karl F. Olsson, of Nebraska.
William G. Pelfrey, of Michigan.
Louise Taylor, of California.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the Diplomatic Service of the United States of America:

Edna M. Black, of Massachusetts.
Steven Robert Buckler, of Michigan.
Anne O. Cary, of Maryland.
Kathleen Chisholm, of Massachusetts.
Timothy John Dunn, of Illinois.
George Ernest Hamilton, of Texas.

For appointment as a Foreign Service information officer of class 8, a consular officer, and a secretary in the Diplomatic Service of the United States of America:

Barbara St. C. Calandra, of New York.

Foreign Service reserve officers to be consular officers and secretaries in the Diplomatic Service of the United States of America:

Craig A. Arness, of Virginia.
Philip J. Balestrieri, of Virginia.
Janine M. Brookner, of New Jersey.
John H. Buehler, of Texas.
Stewart D. Burton, of Utah.
Charlotte Z. Bustos-Videla, of Virginia.
Virginia S. Carson, of the District of Columbia.
Allan Price Daw, of Virginia.
Allan V. Ellsbury, of Wyoming.
Victor H. Galt, of Virginia.
Norman D. Glick, of New York.
Vasia C. Gmirkin, of Nevada.
Russell S. Hibbs, of Nevada.
David M. Hoopes, of the District of Columbia.
Stephen M. Hourigan, of Virginia.
Miller N. Hudson, Jr., of New Mexico.
James R. Hughes, of Virginia.
Eugene L. Jeffers, Jr., of Maryland.
Robert H. Larson, of Virignia.
Nicholas G. Mariano, of Maryland.
Warren J. Marik, of Virginia.
Elizabeth Davenport McKune, of the District of Columbia.
James A. Moorhouse, of Virginia.
Felix N. Negretti, of Maryland.
Einar O. Olsen, of Virginia.
Morton M. Palmer III, of Virginia.
Jeffrey G. Peterson, of Virginia.
Ruth H. Phillips, of New York.
Bernard C. Pollock, of Virginia.
Andrew D. Rohlfing, of Virginia.
Thomas A. Ryan, of Virginia.
Frederic H. Sabin, of Virginia.
William C. Simenson, of Virgina.
James J. Soldow, of Florida.
Howell S. Teeple, of Texas.
Donald F. Vogel, of Virginia.
Dan S. Wages, of Virginia.
James C. Whittemore, of Virginia.
Robert H. Wilcox, of Maryland.
William W. Williams, of Colorado.
Geraldine J. Wittbrod, of Illinois.
Gerald A. Zingsheim, of Virginia.

For Service Reserve Offices to be Secretaries in the Diplomatic Service of the United States of America:

Vincent W. Brown, of California.
Charles J. Nelson, of the District of Columbia.
William C. Poole, of Virginia.

Foreign Service staff officers to be consular officers of the United States of America.

Francis J. Holeva, of California.
Camilo E. Leon, of Arizona.
Jack J. Rudolph, Jr., of California.

IN THE COAST GUARD

The following officers of the U.S. Coast Guard for promotion to the grade of lieutenant (junior grade):

Christian T. Bonher
Otis B. Jones, Jr.
James E. Koehler
Richard P. Tittermary
Wayne K. Gibson
Douglas K. McFadden
Thomas A. Trosvig
Richard E. Frye II
Dennis R. Shoebothan
Bruce E. Tate
Walter Sapp
James W. Guin, Jr.
William A. Danner
David J. Doyle
Walter J. Brudzinski
Arthur E. Adkins
Herman S. Pritchard
David V. Romme

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the Regular Coast Guard in the grades indicated:

Commander

John M. Cece

Lieutenant commander

Kenneth J. Morris
Richard L. Schoel

Lieutenant

Raymond M. Paetzold
Craig T. Lynch
Kyle E. Jones
William H. Boland, Jr.
Darryl R. Hannon
Lewis C. Dunn

Lieutenant (junior grade)

Lawrence M. Jasmann

The following temporary officers of the U.S. Coast Guard for promotion to chief warrant officer, W2:

Thomas F. Weber
Charles O. Gill

HOUSE OF REPRESENTATIVES—*Wednesday, July 31, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us search and try our ways, and turn again to the Lord.—Lamentations 3: 40.

Almighty God, who art the source of all our being and the sustainer of our daily lives, give us grace to grow in goodness, to increase in insight and to live in love that every talent Thou hast entrusted to us may be strengthened by faithful use. In all our getting help us to get wisdom—wisdom to see clearly, wisdom to make decisions courageously, and wisdom to seek to live on the higher ground of truth and good will.

Bless our Nation with Thy favor, we pray Thee, and in these troubled times help us to be true to the great ideals of our fathers that our country may ever be the home of freedom, justice, and true brotherhood.

In the spirit of Him who is the Way, the Truth, and the Life we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 23, 1974:

H.R. 11385. An act to amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries.

On July 25, 1974:

H.R. 7824. An act to amend the Economic Opportunity Act of 1964 to provide for the transfer of the legal services program from the Office of Economic Opportunity to a Legal Services Corporation, and for other purposes; and

H.R. 11143. An act to provide the authorization for fiscal year 1975 and succeeding fiscal years for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, and for other purposes.

On July 26, 1974:

H.R. 8543. An act for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3477. An act to amend the act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14592) entitled "An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15472) entitled "An act making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes," and that the Senate agreed to the amendment of the House to the amendment of the Senate numbered 56, to the foregoing bill.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 425) entitled "An act to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. METCALF, Mr. JOHNSTON, Mr. HASKELL, Mr. NELSON, Mr. FANNIN, Mr. HANSEN, and Mr. BUCKLEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 228. Joint resolution to extend the expiration date of the Defense Production Act of 1950; and

S.J. Res. 229. Joint resolution to amend the Export-Import Bank Act of 1945.

The message also announced that Mr. STEVENS was appointed as a conferee on the bill (S. 628) entitled "An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married" in lieu of Mr. FONG, excused.

The message also announced that Mr. STEVENS was appointed as a conferee on the bill (H.R. 14715) entitled "An act to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes" in lieu of Mr. FONG, excused.

PROPOSED REDUCTION IN MILITARY ASSISTANCE SERVICE FUNDED PROGRAM

(Mr. FLYNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLYNT. Mr. Speaker, next week when the House considers the Department of Defense appropriation bill for fiscal year 1975, it will very likely contain an item of $1 billion for U.S. support of the military assistance service funded—MASF—program, the principal instrument for American military aid to the Republic of South Vietnam.

At the proper time I will offer an amendment to reduce the $1 billion figure to $700 million. This amendment will be consistent with actions of the House of Representatives over the past few months despite admonitions of calamity from the administration.

The House has previously acted responsibly in reducing the adminstration requests for MASF and has thereby contributed to the possibility of meaningful peace in Vietnam.

We in the Congress again have the responsibility to continue this effort, and for this purpose I will offer the amendment to strike the figure of $1 billion for the MASF program in fiscal year 1975 and insert in lieu thereof the figure $700 million—a figure comparable to the actual MASF expenditures made for South Vietnam in fiscal year 1974.

While it is true that in fiscal year 1974 the Congress provided a limitation of $1.009 billion for military assistance to South Vietnam, less than $750 million was actually applied against the fiscal year 1974 account. Any amount over $750 million would be an increase over fiscal year 1974. Believing as I do that some reduction must be made and after consultation with other members of the Appropriations Committee, I have selected the $700 million figure as one which is both realistic and which while constituting a reduction from the expenditure level of 1974, it is a mild reduction and one which is fully justified.

A number of fundamental considerations have led me to offer the $700 million figure. The 1-minute rule under which I speak does not permit a full discussion of any of these at this time, but I shall discuss these considerations tomorrow again under the 1-minute rule.

MILITARY ASSISTANCE BUDGET SHOULD BE CUT

(Mr. GIAIMO asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. GIAIMO. Mr. Speaker, I rise to associate myself with the distinguished gentleman from Georgia (Mr. FLYNT) and with his remarks, that the military assistance budget for South Vietnam, which will be part of our defense appropriation bill should be cut as outlined by the gentleman from Georgia. There is no question that we must indicate quite clearly to all that it is America's intent to cut and eventually eliminate these massive amounts of military aid which have been supplied to South Vietnam, so that ultimately a political and peaceful solution can be found for the difficulties in Vietnam, rather than intensification of the military activities which our military aid abets.

COMMODITY CREDIT CORPORATION ANNUAL REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Cong., 2d Sess. (62 Stat. 1073), I transmit herewith the annual report of the Commodity Credit Corporation for the fiscal year ended June 30, 1973.

RICHARD NIXON.

THE WHITE HOUSE, *July 31, 1974.*

ANNOUNCEMENT OF ADDITION TO LEGISLATIVE PROGRAM

(Mr. McFALL asked and was given permission to address the House for 1 minute.)

Mr. McFALL. Mr. Speaker, I take this time to announce that on tomorrow the first item of business will be the conference report on H.R. 14021, the legislative appropriations bill.

THE LATE HONORABLE FOREST A. HARNESS

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, it is with deep regret that I announce today the death of a former Member of this great body, former Congressman Forest A. Harness of Indiana who passed away this week. Since that time he and his wife, the former Amy B. Rose, have lived in Sarasota, Fla.

Congressman Harness was a Member of the House of Representatives here beginning with the 70th Congress through and including the 80th Congress. In serving here, he served on the Committee on Armed Services, then known as the Committee on Military Affairs. After his service, in 1948 he practiced law, and then in 1952 became the Sergeant at Arms of the Senate. He left that position in 1955 when appointed to the American Battle Monuments Commission, and retired from Government service altogether in 1960.

While in the Congress, Congressman Harness served on the Committee on Military Affairs, Committee on Rules, Subcommittee on Expenditures and Propaganda in the Federal Government.

He was also chairman of the committee which investigated the Federal Communications Commission. He also served on the Republican Policy Committee.

The Congressman was active in the American Legion since its inception, and served as commander of Post 6 in Kokomo, Ind., judge advocate and department commander for the State of Indiana.

I am proud to have known Congressman Harness and honored to have shared the same hometown.

To his widow I extend my deepest sympathy at this time.

CALL OF THE HOUSE

Mr. CONABLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 421]

Arends
Baker
Blatnik
Brasco
Carey, N.Y.
Carter
Chappell
Chisholm
Clark
Clay
Conte
Conyers
Culver
Davis, Ga.
de la Garza
Diggs
Drinan
Evins, Tenn.
Foley
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Hébert
Hogan
Holifield
Jones, Ala.
Kuykendall
Landrum
McSpadden
Meeds
O'Neill
Pike
Powell, Ohio
Rees
Rooney, N.Y.
Rostenkowski
Steiger, Ariz.
Symington
Tiernan
Udall
Vander Veen

The SPEAKER. On this rollcall, 389 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPOINTMENT OF CONFEREES ON S. 2510, CREATING FEDERAL OFFICE OF PROCUREMENT POLICY

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2510), to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island? The Chair hears none and appoints the following conferees: Messrs. Holifield, St Germain, Fuqua, Horton, and Erlenborn.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON HOUSE CONCURRENT RESOLUTION 564, RETURNING SMOKEY BEAR TO HIS PLACE OF BIRTH

Mr. RUNNELS. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on House Concurrent Resolution 564, to declare the sense of Congress that Smokey Bear shall be returned on his death to his place of birth, Capitan, N. Mex.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

CONFERENCE REPORT ON H.R. 8217, EXEMPTION FROM DUTY OF EQUIPMENT AND REPAIRS FOR CERTAIN VESSELS

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 8217) to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 16, 1974.)

Mr. MILLS. Mr. Speaker, in view of the fact that the text of the Senate amendments was printed in the Record last week and Members had access to it at that time, I ask unanimous consent to dispense with the reading of the amendment.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MOTION OFFERED BY MR. MILLS

Mr. MILLS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mills moves that the House recede from its disagreement to the Senate amendment to the text of the bill, H.R. 8217, and concur therein with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill (page 2, after line 6), insert the following:

Sec. 3. The last sentence of section 203 (e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233 and amended by section 2 of Public Law 93-256 and by section 2 of Public Law 93-329) is amended by striking out "August 1, 1974" and inserting in lieu thereof "April 30, 1975".

Sec. 4. (a) The second sentence of section 204(b) of the Emergency Unemployment Compensation Act of 1971 is amended to read as follows: "Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest, as provided in section 905(d) of the Social Security Act."

(b) Section 903(b) of the Social Security Act is amended by striking out paragraph (3).

Sec. 5. Section 1631 of the Social Security Act is amended by adding the following at the end thereof:

"REIMBURSEMENT TO STATES FOR INTERIM ASSISTANCE PAYMENTS

"(g)(1) Notwithstanding subsection (d) (1) and subsection (b) as it relates to the payment of less than the correct amount of benefits, the Secretary may, upon written authorization by an individual, withhold benefits due with respect to that individual and may pay to a State (or a political subdivision thereof if agreed to by the Secretary and the State) from the benefits withheld an amount sufficient to reimburse the State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

"(2) For purposes of this subsection, the term 'benefits' with respect to any individual means supplemental security income benefits under this title, and any State supplementary payments under section 1616 or under section 212 of Public Law 93-66 which the Secretary makes on behalf of a State (or political subdivision thereof), that the Secretary has determined to be due with respect to the individual at the time the Secretary makes the first payment of benefits. A cash advance made pursuant to subsection (a)(4)(A) shall not be considered as the first payment of benefits for purposes of the preceding sentence.

"(3) For purposes of this subsection, the term 'interim assistance' with respect to any individual means assistance financed from State or local funds and furnished for meeting basic needs during the period, beginning with the month in which the individual filed an application for benefits (as defined in paragraph (2)), for which he was eligible for such benefits.

"(4) In order for a State to receive reimbursement under the provisions of paragraph (1), the State shall be in effect an agreement with the Secretary's which shall provide—

"(A) that if the Secretary makes payment to the State (or a political subdivision of the State as provided for under the agreement) in reimbursement for interim assistance (as defined in paragraph (3)) for any individual in an amount greater than the reimbursement amount authorized by paragraph (1), the State (or political subdivision) shall pay to the individual the balance of such payment in excess of the reimbursable amount as expeditiously as possible, but in any event within ten working days or a shorter period specified in the agreement; and

"(B) that the State will comply with such other rules as the Secretary finds necessary to achieve efficient and effective administration of this subsection and to carry out the purposes of the program established by this title, including protection of hearing rights for any individual aggrieved by action taken by the State (or political subdivision), pursuant to this subsection.

"(5) The provisions of subsection (c) shall not be applicable to any disagreement concerning payment by the Secretary to a State pursuant to the preceding provisions of this subsection nor the amount retained by the State (or political subdivision).

"(6) The provisions of this subsection shall expire on June 30, 1976. At least sixty days prior to such expiration date, the Secretary shall submit to Congress a report assessing the effects of actions taken pursuant to this subsection, including the adequacy of interim assistance provided and the efficiency and effectiveness of the administration of such provisions. Such report may include such recommendations as the Secretary deems appropriate.".

Sec. 6. (a) Section 1611 of the Social Security Act is amended—

(1) in subsection (a) (1) (A), by inserting "(or, if greater, the amount, determined under section 1617)" immediately after "$1,752";

(2) in subsection (a) (2) (A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628";

(3) in subsection (b) (1), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,752"; and

(4) in subsection (b) (2), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628".

(b) Part A of title XVI of such Act is further amended by adding at the end thereof the following new section:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS

"Sec. 1617. Whenever benefit amounts under title II are increased by any percentage effective with any month as a result of determination made under section 215(i), each of the dollar amounts in effect for such month under subsections (a) (1) (A), (a) (2) (A), (b) (1), (b) (2) of section 1611, and subsection (a) (1) (A) of section 211 of Public Law 93–66, as specified in such subsections or as previously increased under this section, shall be increased by the same percentage (and rounded, when not a multiple of $1.20, to the next higher multiple of $1.20), effective with respect to benefits for months after such month; and such dollar amounts as so increased shall be published in the Federal Register together with, and at the same time as, the material required by section 215(i) (2) (D) to be published therein by reason of such determination."

Sec. 7. (a) Section 15(c) (2) of Public Law 93–233 is amended by striking out "December 1, 1974" and inserting in lieu thereof "March 1, 1975", and by striking out "July 1, 1975" and inserting in lieu thereof "March 1, 1967".

(b) Section 15(c) (5) of Public Law 93–233 is amended by striking out "March 1, 1975" and inserting in lieu thereof "June 1, 1975", and by striking out "October 1, 1975" and inserting in lieu thereof "June 1, 1976".

(c) Section 15(d) of Public Law 93–233 is amended by striking out "January 1, 1975, except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may, by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975" and inserting in lieu thereof "July 1, 1976".

Sec. 8. Section 249B of the Social Security Amendments of 1972 is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1977".

Sec. 9. (a) Section 1902(a) (14) (B) (i) of the Social Security Act (relating to certain cost-sharing fees required to be paid by some individuals under medicaid) is amended by striking out "shall" and inserting in lieu thereof "may".

(b) The amendment made by subsection (a) shall be effective January 1, 1973.

Sec. 10. (a) Section 211(a) (1) of the Social Security Act is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(b) Section 1402(a) (1) of the Internal Revenue Code of 1954 (relating to definition of net earnings from self-employment) is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(c) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1973.

Sec. 11. (a) The staff of the Joint Committee on Internal Revenue Taxation shall conduct a comprehensive study and investigation of the operation and effect of the Renegotiation Act of 1951, as amended, with a view to determining whether such Act should be extended beyond December 31, 1975, and, if so, how the administration of such Act can be improved. The Joint Committee staff shall specifically consider whether exemption criteria and the statutory factors for determining excessive profits should be changed to make the Act fairer and more effective and more objective. The Joint Committee staff shall also consider whether the Renegotiation Board should be restructured.

(b) In conducting such study and investigation the staff of the Joint Committee on Internal Revenue Taxation shall consult with the staffs of the Renegotiation Board, the General Accounting Office, the Cost Accounting Standards Board, and the Joint Economic Committee.

(c) The staff of the Joint Committee on Internal Revenue Taxation shall submit the results of its study and investigation to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate on or before September 30, 1975, together with such recommendations as it deems appropriate.

Mr. MILLS (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the motion and that it be printed in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

POINT OF ORDER

Mr. PICKLE. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. PICKLE. Mr. Speaker, I make a point of order on section 3 of this bill because it does not conform to the House germaneness rule, rule 28, clause 5(b) (1).

In no way can this section be germane to the House-passed H.R. 8217.

The House bill dealt with exempting from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

Section 3 deals with the unemployment compensation program as it relates to extended benefits. This has nothing to do with the "repair of vessels."

Mr. Speaker, I feel that it is necessary to take time to explain why the Senate unemployment compensation amendment is nongermane to the House-passed tariff bill.

It is nongermane on its face, and I ask that my point of order be sustained.

The SPEAKER. Does the gentleman from Arkansas (Mr. Mills) desire to be heard on the point of order?

Mr. MILLS. Mr. Speaker, I must admit that the point of order is well taken. I cannot resist the point of order.

The SPEAKER. The point of order is sustained.

MOTION OFFERED BY MR. PICKLE

Mr. PICKLE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. Pickle moves that the House reject section 3 of the proposed amendment to the Senate amendment to the text of the bill H.R. 8217.

The SPEAKER. The gentleman from Texas (Mr. Pickle) will be recognized for 20 minutes, and the gentleman from Arkansas (Mr. Mills) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I am objecting to this section of the bill for several reasons.

On its face, the amendment sounds good, but closer examination will reveal why it is wrong for the House to acquiesce to the other body, which has—once again—come in at the last minute to suspend or waiver the provisions of the unemployment compensation laws.

The need for such a study is one reason why I oppose the Senate amendment. For the first time in 2 years we are having an open and full debate on what the Senate is doing to our unemployment compensation program.

For the fifth time in 2 years the other body is tinkering with the extended benefits program. For the fifth time in 2 years the House is being asked to go along blindly with the Senate. We are asked to do so despite promises from the Ways and Means Committee that a permanent solution is forthcoming. The employers of the country are being traded off again.

Just what is it that we are being asked to do?

The extended unemployment benefits program is complicated. Its basic goal is one with which no one quarrels. The goal is that when a State has abnormal unemployment rates, unemployment benefits are extended beyond the normal period for payments. In the unemployment compensation system, the time for extended benefits period is 13 weeks. The extended benefits are financed 50 percent from the State participating and 50 percent from a Federal trust fund.

Moneys in the State fund and Federal fund come from taxes on employers. To pay the Federal fund—the FUTA—an extra tax is placed on the employers all across the Nation.

Under permanent law, a State gets to tap the Federal fund when two events occur. First the unemployment rate has to be above 4 percent, and second, the unemployment rate for a 13-week period has to be 120 percent of the same 13-week period of the previous year.

So, under the permanent law, when the unemployment rate drops below 4 percent, or becomes less than 120 percent of the previous year's unemployment, the State can no longer get Federal funds for extended benefits payment.

For the past 2 years, the Congress has waived, or eliminated, with temporary measures the 120-percent trigger mechanisms.

Today, we are being asked to waive the 120-percent trigger until April 30, 1975. The present waiver expires July 31, 1974.

The waiver of the 120-percent trigger was done originally to help those states with chronic high unemployment.

I do not quarrel with this original goal, but I do want Congress to know that taxes on employers are paying for these extra benefits.

The sum of it is that the House is being asked time after time to put more taxes on employers in various states without debate.

This is one reason why I ask the House to reject the Senate amendment.

The main reason that I ask the House to reject the Senate amendment is the facts of the situation.

As of June 15, 10 States were receiving extended benefits under the present waiver of the 120-percent trigger. Only three of these states had unemployment rates above 6 percent. Three had unemployment rates below 5 percent.

When the program was originally established, 4 percent unemployment was the goal.

Now, many economists feel 5 percent is the figure to shoot for.

So, it would seem that an abnormal unemployment situation does not exist for 7 States now draining the Federal fund at the expense of employers of the other states.

The House should put a stop to this practice, and establish a permanent system to help those states with unusually high unemployment.

Perhaps a better solution would be to move to a simple solution whereby extended benefits would be paid when the unemployment rate went above 6 percent.

Such a permanent system would bring four States and Puerto Rico under an extended benefits program. Two more States were so close to 6 percent plus as of June 15, that they, too, would probably qualify if this new system was adopted

The rates that I am using are the insured unemployment rates. Let us remember, the uninsured do not receive benefits no matter what. So those who ask the uninsured rate be counted in are using the poor in a devious way.

If we want to help the uninsured poor, a system for them should be considered. We should not be lulled into thinking we are assisting the uninsured, who are generally the lowest income sector of the economy, by tinkering with the insured unemployment benefits program.

In conclusion, Mr. Speaker, I think the House should reject the Senate nongermane amendment.

Legislation that is not fair to all the States should not be passed willy-nilly everytime the Senate asks for it.

The facts also show that the waiver of the 120-percent trigger until June 1, 1975, is not really needed.

I ask the House to vote against the Senate amendment, and to ask the Congress to come up with a permanent solution to the problem.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I thank the gentleman for yielding. I would like to be associated with the remarks made by the gentleman from Texas (Mr. PICKLE).

As I understand the situation, besides the fact that this is an ungermane amendment, and it certainly appears to be one to me, it does not seem fair that this extension of the unemployment compensation law should be enacted as a rider put on by the Senate. It should be a bill standing on its own feet—there should be hearings.

Mr. PICKLE. The gentleman from New Hampshire is correct, obviously the section is not germane. I would say to the gentleman that this has happened on about four or five occasions. The gentleman from Arkansas, the chairman of the committee, and I have had colloquies on this matter before. I know that the intent is to try to correct a situation that is obviously and blatantly unfair. It is not right for some 37 States to pay for the extended benefits of 10 or 13 other States. This is what is happening today, and it has happened many times in the last 2 or 3 years.

Unless we handle this problem correctly it can go on and on by virtue of the waiver of this formula of the trigger here at the last moment as the Senate has done on many occasions before.

Mr. CLEVELAND. Mr. Speaker, I want to compliment the gentleman from Texas, (Mr. PICKLE) for bringing this to the attention of the Members of the House.

As I understand it, the gentleman from Texas at one time served in the Texas employment security service, and as such has become an expert in this field. I do know that the gentleman has a national reputation in this field.

I think it is regrettable that we address this with an amendment tacked on by the Senate on a bill that really does not deal with this problem.

Mr. PICKLE. I certainly do not claim to be any sort of an expert in this field, but I was part of the Texas State program when we recommend the formula that established the unemployment extended benefits program.

I think it is good that our States that have abnormally high unemployment should be helped, and it is to the credit of all the States, that they have come together in years past and said, "We will join and help you." But the States that said they wanted to help did not say, "We will allow a few States to continue to take advantage of the program by waiving the formula." We ought to have a change in the formula now.

Mr. SCHNEEBELI. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. I thank the gentleman for yielding.

I should like to correct the record in one respect. This is not new legislation. It is merely an extension of legislation that has been on the books for some time.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I appreciate the gentleman from Pennsylvania correcting me. This is not new legislation, but when this amendment was tacked onto this legislation, at that time there were no hearings to permit anyone to make their points in regards to the basic legislation to be extended.

Mr. PICKLE. The gentleman is correct.

Mr. CLEVELAND. So this just continues the situation without giving us the opportunity to be heard as to whether or not the formula that is now devised is working properly, or fairly to many States, such as New Hampshire.

Mr. PICKLE. The gentleman is correct. May I make one other point, and then I will reserve my time.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Arkansas.

Mr. MILLS. I thank the gentleman for yielding.

There have been hearings by the Committee on Ways and Means on this whole subject matter. Contrary to the observation of the gentleman from New Hampshire, we have had hearings this year.

Mr. PICKLE. I appreciate and I would not challenge the statement in a strict sense of the word, but the gentleman knows, and the Members of this House know, that in every instance we have come in at the last minute, in the last 2 or 3 years, and asked that the formula be waived.

Let me recap one statement, and then I will reserve my time. I do want the chairman of the committee to comment on this matter because the impression may be that one is trying to kill the extended unemployment benefit program.

I do think it ought not to be abused. The formula needs to be changed. Either the Members of the House must get together and recommend a formula, or the States must be able to say, "We have come to some agreement." It is a little difficult for the States in the program to come to full accord for the simple reason that when 10 States get all the benefits and 40 other States pay for it then the States that get the free benefits are naturally not going to vote to do away with their own benefits. But we, the State officials, are close to an agreement in conference.

As it is now, when we waive the 120-percent formula, then all that has to occur is for the employment to be over 4 percent. That means that at least 23 States could come in and take advantage of any seasonal unemployment, so if we do not do something about it, we are going to have a situation where about one-half of the States will be drawing these benefits, and one-half or more will be paying for them. This is not right, and something must be done.

Mr. Speaker, I reserve the balance of my time.

Mr. MILLS. The effect of the motion made by the gentleman from Texas, for whom I have very warm affection and great respect, would be to strike section 3 of the amendment that I proposed earlier. It would be an attack on the basic provisions of the Extended Unemployment Compensation Act. As I understand the gentleman from Texas, his principal objection is that if we vote to extend the authority of the States to waive the 120 percent requirement, the employers in all of the States will be required to help finance a portion of the extended benefits which will be payable only in those States that would be affected under the amendment. This objection to the proposal presently under consideration could be applied equally to the permanent provisions of the extended unemployment compensation legislation. This is an issue that we decided several years ago when the House voted to adopt the basic provisions of the law establishing the unemployment compensation program, which is a Federal-State program financed on a 50-50 basis from Federal and State unemployment tax receipts.

I think there was a general agreement then and there is general agreement now that the basic legislation, except for the flaw that exists on the State trigger provisions, is good and sound legislation.

The purpose of the provision to extend the temporary waiver authority through April 30, 1975, is to buy time in order that a better solution to the State trigger problem can be achieved. The Department of Labor along with the administrators of the State programs, as the gentleman from Texas pointed out, is presently engaged in a study which will not yield any result immediately. This study should provide—and I think we should wait for the study—the basis for the development of alternative improvements in the State trigger provisions. I contend that we will be able to devise a much better alternative and bring it up for consideration early next year.

The gentleman from Texas apparently objects to the timing of the extension, which is of course as I said until April 30, 1975. With all that we have facing us in the Ways and Means Committee and with all that we have facing us in the House, it would be utterly impossible for our committee prior to recommendations from the Department of Labor and the Conference of State Administrators of Unemployment Compensation to develop a program that would be meaningful and that would be an improvement over the existing provisions.

I do not quarrel with the gentleman from Texas that changes are required. It is merely a matter of time. If his motion prevails, extended unemployment compensation comes to a halt in a number of States at the end of this week. I do not think the gentleman wants that. I do not think the House wants that because we are now without any question of a doubt at the edge of or already in a degree of recession in our economy.

I would hope that the House would allow our committee and the Department of Labor and the Conference of State Administrators of this program this much time to work out a proper solution. As I said before and I repeat, the present triggering device is not acceptable. We know it. But we have not had time to get advice from the people who know the subject matter as to what changes should be made.

Mr. SCHNEEBELI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Speaker, the conferees on this side agree with the position taken by the conference committee in acceptance of this amendment. We all agree constructive changes should be considered in connection with our unemployment compensation laws. As the chairman has stated, the Department of Labor is now undertaking an intensive study, and we hope it will have a report before us soon. The committee has had 2 days of hearings on this subject. We are aware of the problems, but time limitations did not allow us to get into the subject early enough to conduct the thorough review which is necessary.

Mr. MILLS. Would the gentleman agree with me that it would be utterly impossible for us to conform this change and clear it through the House and Senate much earlier than April 30?

Mr. SCHNEEBELI. Yes. At the present time I would like to assure the House the committee is working very diligently and for long hours on a comprehensive tax reform bill. We hope to complete drafting decisions soon, but we have other pressing business to attend to, and I do not believe we have the time, Mr. Speaker, to get to this legislation this year.

Mr. MILLS. Would the gentleman also agree with me that the next subject matter to come before the committee is national health insurance?

Mr. SCHNEEBELI. It is my understanding that national health insurance legislation will be considered very soon.

Mr. MILLS. None of us want to see the program expire, including the gentleman from Texas (Mr. PICKLE), who contends that we should do something within a 60- or 90-day period, as I understand it. That the committee cannot possibly do. It is just a matter of a difference in the time involved. If the House would give us the time that we have asked for in this motion, I am satisfied we can work it out.

The gentleman refers to a statement that was made while I was absent last month that we would do something before the expiration of this present extension.

I think the statement was made sincerely by the gentleman from Oregon (Mr. ULLMAN), but it has been utterly impossible for us to carry out that intention.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Let me ask the gentleman, was it not known by the House committee and by its counterpart in the other body that this extension would be required on August 1 of 1974? If so, how do you plead to the fact that no action was taken prior to this time and the House is asked to resort to this dishonorable situation created by the other body in attaching to a bill in the House a totally nongermane amendment.

Mr. MILLS. There is no question about it being nongermane. I have to agree to the point of order stated by the gentleman from Texas. That is why we brought it back in disagreement.

But let me remind my friend, the gentleman from Iowa, that the gentleman from Texas himself has said he does not want this legislation to expire this week. He wants a permanent solution; but the Department of Labor has not come up with its recommendation yet, neither has the person in the State of Iowa who administers it, along with the people in other States. We must have the benefit of their advice as to some alternative. I do not know what the alternative is.

Mr. GROSS. But the unanswered question is, why did not the committee bring to the floor of the House a simple extension, rather than go through, I say again, this dishonorable act on the part of the other body?

Mr. MILLS. It is not a dishonorable act.

Mr. GROSS. All right——

Mr. MILLS. If the gentleman from Iowa will note, it was in executive session.

Mr. GROSS. I will retract and apologize for the word "dishonorable," but I do say it is highly objectionable. What we are asked to do here today is accept a totally ungermane amendment, something we have railed against for years and said we were going to stop, yet for the sake of expediency, we are again asked to roll over and play dead.

Mr. MILLS. Oh, no.

Mr. GROSS. Oh, yes, we have.

Mr. MILLS. We have not said that under the rule. We have said if the Senate acts on a matter not germane under the House rule, we have to bring it back so a separate vote can be developed if Members desire it. That is what we have done. As far as I am concerned, I do not object to what was said and done in this instance, because this is a most important matter. It involves several States. It may well involve the State of Iowa before the year is up. It could well involve other States before the year is up. No one knows how much unemployment we will be likely to experience before the end of this year. This has to be done in order to protect people who may be or who are already unemployed.

The gentleman from Texas does not want it to stop. What he wants us to do is develop an alternative to the triggering device in 60 days. The gentleman from Iowa knows the schedule of the House.

It is just a question of time. I think the gentleman from Texas would admit that if I yield.

Mr. PICKLE. Mr. Speaker, if the gentleman will yield, it is a question of time, but may I remind the chairman and Members of the House that we extended this program and waived it last fall. Now, 45 days ago we extended it again with the understanding by the gentleman's committee that we would take some positive action by today. I recognize I have come in on July 31. I do not control the bill and I can do nothing more than express myself here at this hour.

Mr. MILLS. The gentleman from Texas has admitted that the group that administers these programs at the State level have not yet listed what the alternatives should be. Should not we have the advice of that group before we act?

Mr. PICKLE. Yes; I think we should. They have not given a formal vote. I think at this point it is good to point out to the gentleman a poll taken of all the States has now shown—I talked to the chairman of the interstate conference—that 27 States would prefer a simple change in the 6-percent figure; 34 States would rather have a 5-percent figure, and do away entirely with the 120-percent formula, but at least the majority of the States by official report to the chairman has reached a general agreement. The interstate conference is going to meet in September and they will officially take a position on this subject at that time.

Mr. MILLS. Would the gentleman agree that a majority of States agree that this program has to be extended and it should not expire?

Mr. PICKLE. I believe so, and I agree that unemployment program should be extended, yes.

Mr. MILLS. So the difference between the gentleman and the committee is only a question of time?

Mr. PICKLE. A question of time and action, Mr. Chairman, and I repeat to the gentleman again this is the fifth time in 2 years that this program has been extended and we have seen no action on the program yet. If we do not take action, Mr. Chairman, the employers of the various States who are paying the program are going to protest. It may be you will want to take that out of the general treasury. I think as long as the States want to pay for it themselves, that is what ought to be done.

Mr. MILLS. Would the gentleman from Texas consider, since we have debated the matter and since it is only a question of time—would the gentleman entertain a suggestion from me, since he has made his point, and since we are all in agreement that something has to be done and it cannot be done between now and midnight, would the gentleman entertain a suggestion that he withdraw his motion?

Mr. PICKLE. I would like to comment on this in the time that I have reserved, what I hope we can do basically on this.

Mr. Speaker, I would like an expression from the House that obviously what is being done is not fair, and we ought to take action, so that we will not stop these payments to States such as Massachusetts and New Jersey, both of which do have high unemployment rates and do qualify and should be given help. I would like to see a 60-day extension granted.

When the conference came in, the gentleman will remember that we considered what to do and extended the program until April 30. We changed the Senate recommendation from June 30 to April 30. We did cut off 3 months, but we really extended it for 9 months, and that is going to cost the employers of the United States nearly a half billion dollars—somewhere between $400 million and $500 million in the next 9 months.

I propose, if the House knocks this section out when it comes time for adoption of this report on the previous question, I would ask for a "no" vote. If the gentleman will agree to that section and continue it for 60 days and give us time to work on it.

Mr. MILLS. This seems to me a matter that the gentleman and I can resolve very quickly. The gentleman knows the situation we face in the Congress and what may happen or what may not happen. I have advised the gentleman of the situation in the Ways and Means Committee. He is willing to extend it for 60 days. I am really suggesting that the committee cannot come up with a solution until we get the advice of the Department of Labor, and the people who administer the program on the State level. There is no assurance whatsoever even if we had the time in the Congress that they could report back to us in 60 days.

What is the difference between 60 days and time enough for us to work out a proper solution to the problem.

Mr. PICKLE. I am saying to the gentleman that it will be something like $300 million for employers in 37 States.

Mr. MILLS. I know that whatever we do is going to cost the employers. It is not a question of saving the employers. They are going to have to pay something anyway, so I would hope that the gentleman would withdraw his motion.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr. Speaker, the distinguished chairman of the House Ways and Means Committee, WILBUR MILLS, will offer a motion today to recede from disagreement to the Senate amendment to the text of H.R. 8217 and concur with the Senate amendment as agreed to in conference. I urge strong support for this position and hope the House will concur.

I have a particular interest in one amendment which may be the subject of some controversy today, and I mention it now to ask this Chamber's support for an amendment to extend until April 30, 1975, the provision of the present law which permits States to participate in the extended unemployment compensation program if the rate of insured unemployment is 4 percent—without regard to other requirements of permanent law.

Mr. Speaker, as a member of the House Ways and Means Committee, I have repeatedly stressed that a more workable program of long-term unemployment compensation be devised by this Congress. Our experience with the present triggering mechanism for the extended program has unquestionably shown that it is unrealistic, unworkable, and totally ineffective as an index of compensation requirements. It is incumbent upon the Congress to adopt an entirely different approach in benefit planning, one that is based not only on the number of people unemployed, but also on the amount of unemployment the individual is experiencing.

Four times, Mr. Speaker, during the last 2 years, Congress has on a temporary basis waived the requirement that in order to "trigger" on to the extended-benefits program a State's insured unemployment rate must not only equal or exceed 4 percent, but must also be 20 percent higher than that for the same month of the preceding 2 years. I think it is abundantly clear that the trigger mechanism does not take into account the steady, but very high unemployment situations faced by many States, such as my State of Massachusetts.

These suspensions, however, indicate a realization on the part of Congress that these States and the individuals in these States, are desperately in need of the extra 13 weeks of Federal-State-shared benefits. Workers who exhaust their 26 weeks of State benefits in Massachusetts and in 23 other States will have no recourse except welfare unless we take affirmative action to suspend this trigger mechanism again today.

Mr. Speaker, I do not like this approach. No one in this Chamber likes this approach. It is a piecemeal and stopgap approach at best. It is an attempt to get around a provision in the permanent law which if allowed to operate would deny benefits where they are needed most. Perhaps criticism of what we are doing today is entirely justified, but in the absence of reform legislation, I frankly see no alternative. An overhaul of our Federal unemployment compensation program is long overdue. The Ways and

Means Committee began examining alternative approaches earlier this year. I thought that we were finally on the right track then and I applauded the committee's willingness to finally sit down and review a program that has perplexed and discouraged those of us from high unemployment States. I offered legislation at that time which I feel would form the nucleus of a sound and workable system of extended benefits and end once and for all the awkward and unworkable trigger mechanism. In the press for tax reform legislation from all sides, the committee was forced to suspend work on unemployment compensation legislation, and, in the absence of this legislation today we are again faced with the dilemma of what to do with a program which, if allowed to operate would deny benefits where they are most needed.

What we are asking for today is a 9-month suspension of the trigger-mechanisms. The distinguished chairman of our committee has promised that during that time legislation will be considered by our committee to resolve this issue.

I plead with you today to accede to this request. I cannot see how we can act otherwise without showing callous indifference to the welfare of the long-term unemployed in this Nation.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New Jersey.

Mr. PATTEN. Mr. Speaker, New Jersey needs the action that the Committee on Ways and Means has taken, and I wish that my good friend from the 88th Congress would withdraw his motion.

I am opposed to his motion, and I support the conference report of the Committee on Ways and Means.

The SPEAKER. The gentleman from Texas has 7 minutes remaining.

Mr. PICKLE. Mr. Speaker, recently we had a debt ceiling bill before this body. To it we attached another extension and waiver of the extended benefit program, with the understanding of the committee that they would come back and make a formula recommendation before today.

No action was taken, and we are faced now on the very last day of the extension program with the waiver formula.

I know that the Committee on Ways and Means is very busy and has had some heavy problems before it. Therefore, I do not say that the gentleman is unmindful of the problem, but I must say that this is the fifth time in 2 years that the same thing has happened.

The States have paid the unemployment benefits and have joined hands voluntarily to pay for them. They are willing to do it, but I do not think they are willing to continue paying for what is seasonal unemployment. If we waive the formula by removing this 120 percent, then any State that has abnormal unemployment above the 4-percent level, can come in and get the extended unemployment benefits. There are some States which would qualify if we had either formula change recommended, such as the State of Massachusetts where there is a lot of unemployment, the State of New Jersey, and the State of Washington. There are some of those States that really must be helped, and I think it would be a tragedy to stop that, but it is not right for some of our other States to milk the fund. I will not mention them by name, but it is not right for about 10 other States to come in and claim extended benefits, and by waiving this formula. Then the 37 or 40 other States are paying the unemployment benefits for the other 13 States.

The chairman knows that and agrees with it.

It is for that reason that I think we ought to get at this thing, and if this amendment were adopted, then at the proper point, when the previous question was ordered, I would have a motion just to extend it for 60 days.

I am sympathetic with the problem we have, but something must be done. What we are doing is wrong, and it must be stopped.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Arkansas.

Mr. MILLS. It is my understanding that the Conference of State Administrators and the Department of Labor will not be able to report back to us their recommendations on this subject matter until sometime in November.

Mr. PICKLE. I would have to differ with the gentleman on that. I have been told that this will be ready or should be acted on by early September, the first week in September.

At that point they would hope to have an official position ready.

Mr. MILLS. That is the State administrators, but the Department of Labor would not have a report ready.

Mr. PICKLE. The gentleman may be correct on that point.

Mr. MILLS. Mr. Speaker, if the gentleman will yield further. I think the gentleman's motion is merely one as to time. I further suggest to the gentleman that if it is just a question of time, the gentleman and I are in agreement that something has to be done.

Mr. PICKLE. That is why I have offered my motion.

Mr. MILLS. That is right. The gentleman and I are in agreement that we need to extend the program and not allow it to lapse.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

My problem with this procedure, as I have tried to express it before, is that the amendment dealing with the extension of unemployment compensation is made a rider to a bill to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States, and so on.

This amendment cannot and did not, as admitted by the gentleman from Arkansas, stand the test of challenge for consideration on the floor of the House. This amendment ought not to be in this conference report, and I still have received no answer to the question as to why the Committee on Ways and Means of the House or its counterpart in the Senate did not bring forth days or weeks ago, knowing this act would expire, a simple resolution providing for its continuance, instead of subjecting the Members of the House to further humiliation by the other body resulting from the affixing a totally nongermane amendment. The House has a strict rule of germaneness and the Members of the House who go to conference with the Senate ought to insist that it be observed.

Mr. MILLS. Mr. Speaker, if the gentleman from Texas will yield, there is no question about its not being germane. I admitted that when the gentleman from Texas raised his point of order.

However, this is one body of Congress, and there is another body. We cannot in this body control the Senate. We do under the rules of the House say that if an amendment is adopted by the other body that is not germane, it can be brought back in disagreement and the House offered an opportunity to vote one way or the other on it.

Mr. Speaker, that is what we are doing right now.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman's yielding.

I am a little unclear as to exactly where we stand because of the discussion on amending the non-germane amendment to provide for 50 days.

Am I correct that the gentleman from Texas intends to pursue this motion to reject the nongermane portion?

Mr. PICKLE. Mr. Speaker, the point of nongermaneness has already been ruled on, and we now face the vote on either to adopt or reject the section. Under the rules I cannot amend the conference report, except on motion of the previous question. If I could amend it, I would offer it now.

All the conferees did was change the dates. The other points are not in issue in conference or are not in controversy, so my only alternative is to await that procedure.

Mr. STEIGER of Wisconsin. Mr. Speaker, if the gentleman will yield further, if the motion offered by the gentleman from Texas to reject section 3 is adopted, then what is the intention of the gentleman from Texas insofar as dealing with that issue is concerned?

If that motion is adopted and we have rejected the nongermane portion which was added on by the other body, at what point does the gentleman get to the place where he attempts to deal with the 60 days?

Mr. PICKLE. Mr. Speaker, at the time the gentleman moves the previous question on the adoption of this conference report, I would ask for a no vote. If a no vote prevails, I would then be recognized, I would presume, for the purpose of offering an amendment to section 3 to extend the benefit program for 60 days. That would give us time to work and a proper formula.

Mr. STEIGER of Wisconsin. Mr. Speaker, I thank the gentleman and urge adoption of the motion to reject section 3.

The SPEAKER. The time of the gentleman from Texas (Mr. Pickle) has expired.

Mr. MILLS. Mr. Speaker, I have 2 minutes remaining, and in that time I wish to reply to the question raised by the gentleman from Wisconsin (Mr. Steiger).

I have tried repeatedly to advise the House that the Committee on Ways and Means cannot act within 60 days on this matter, because we need recommendations from the administrators at the State level, and we need recommendations from the Department of Labor, and those recommendations, I am told, will not be forthcoming perhaps from the State administrators until September and will not be forthcoming from the Department of Labor until November.

All we are talking about is the question of time. I can assure the gentleman that the committee is so loaded down now with tax legislation, national health insurance legislation, and other matters, that we could not possibly do anything, if the gentleman from Texas were to prevail, other than to come back to the House at the end of 60 days and ask for an extension of this program.

Mr. SCHNEEBELI. Mr. Speaker, if the gentleman will yield, I agree with the gentleman from Arkansas that the committee does not have the time to handle this properly in such a short period of time. The two reports we need in order to do a competent job in this area will not be forthcoming in the next 60 days.

Mr. MILLS. So my friend, the gentleman from Pennsylvania (Mr. Schneebeli), is joining me in expressing the hope that the House will vote down the motion offered by the gentleman from Texas (Mr. Pickle).

Mr. SCHNEEBELI. I am expressing the hope that the House will support the position of the conferees.

Mr. PICKLE. Mr. Speaker, I would hope the motion would prevail, but in the event it does not, and if the Interstate Commerce Commission reaches the end of its authority next month, between now and next April, would the committee try to give us a bill back as quickly as possible?

Mr. MILLS. That is absolutely certain. It would be the next thing we would go into, really.

Mr. PICKLE. I want an "aye" vote on the motion, but I am glad to have that assurance.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Pickle).

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion.

Mr. PHILLIP BURTON. Mr. Speaker, regular order.

Mr. GROSS. Mr. Speaker, I was on my feet and seeking recognition.

The SPEAKER. Was the gentleman from Iowa on his feet at the time the question was put?

Mr. GROSS. Mr. Speaker, I certainly was.

Mr. PHILLIP BURTON. Mr. Speaker, regular order. The gentleman from Arkansas (Mr. Mills) was recognized prior to the gentleman from Iowa seeking recognition.

The SPEAKER. The Chair will state that the Chair did not see the gentleman from Iowa (Mr. Gross) and did not hear the gentleman from Iowa seeking recognition, but the Chair has to accept the word of a Member who states to the Chair that he was on his feet and seeking recognition at the time.

Mr. GROSS. Mr. Speaker, I was on my feet and I was walking down the center aisle of the Chamber seeking recognition.

The SPEAKER. The gentleman from Iowa was seeking recognition for what purpose?

Mr. GROSS. To object to the vote on the ground that a quorum was not present, and make the point of order that a quorum is not present.

Mr. MILLS. Not on the previous question I hope?

Mr. GROSS. No; I wanted it on the vote on the motion offered by the gentleman from Texas (Mr. Pickle).

Mr. MILLS. Mr. Speaker, I must make the point of order that the gentleman's request comes too late.

Mr. PHILLIP BURTON. Mr. Speaker, you had already put the question, and announced the result.

The SPEAKER. The Chair will state that the Chair announced that the noes appeared to have it. The gentleman from Iowa states that he was on his feet and seeking recognition of the Chair to make the point of order that a quorum was not present, and to object to the vote on the ground that a quorum was not present.

Mr. MILLS. Mr. Speaker, the Chair had also recognized me on the previous question.

The SPEAKER. The Chair will state that the Chair had not observed the gentleman from Iowa at the time when the gentleman from Iowa was seeking recognition to make the point of order that a quorum was not present and object to the vote on the ground that a quorum was not present.

Therefore the Chair must recognize the gentleman from Iowa, and the Chair does recognize the gentleman from Iowa who objects to the vote on the ground that a quorum is not present and makes the point of order that a quorum is not present, and evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 63, nays 336, not voting 35, as follows:

[Roll No. 422]

YEAS—63

Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bennett
Blackburn
Brinkley
Burleson, Tex.
Camp
Casey, Tex.
Chamberlain
Cleveland
Collier
Collins, Tex.
Crane
Daniel, Dan
Davis, Wis.
Fisher
Flynt
Fountain
Froehlich
Fuqua
Gross
Henderson
Kazen
Ketchum
Landgrebe
McCollister
Mahon
Mann
Martin, N.C.
Milford
Mizell
Montgomery
Patman
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Rarick
Roberts
Robinson, Va.
Rose
Rousselot
Ruth
Satterfield
Sikes
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, N.C.
Teague
Thomson, Wis.
Thone
White
Wright
Wyman
Young, S.C.

NAYS—336

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bauman
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Cederberg
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
Macdonald
Madden
Madigan
Mallary
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis

Peyser
Pike
Podell
Price, Ill.
Pritchard
Quie
Quillen
Randall
Rangel
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton,
  J. William
Stanton,
  James V.
Stark
Steed
Steele
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Thompson, N.J.
Thornton
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson,
  Charles H.,
  Calif.
Wilson,
  Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—35

Arends
Blatnik
Brasco
Carey, N.Y.
Carter
Chappell
Chisholm
Clay
Conte
Culver
Davis, Ga.
de la Garza
Devine
Diggs
Evins, Tenn.
Green, Oreg.
Green, Pa.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Hays
Holifield
Jones, Ala.
Landrum
McKinney
McSpadden
Meeds
O'Neill
Railsback
Rees
Rooney, N.Y.
Rostenkowski
Tiernan
Vander Veen

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Rostenkowski with Mr. Arends.

Mr. Rooney of New York with Mr. Devine.

Mr. Green of Pennsylvania with Mr. McSpadden.

Mr. Evins of Tennessee with Mr. Blatnik.

Mr. O'Neill with Mrs. Green of Oregon.

Mr. Vander Veen with Mr. Brasco.

Mr. Tiernan with Mr. Carter.

Mr. Hays with Mr. Conte.

Mr. Jones of Alabama with Mr. Holifield.

Mr. Diggs with Mr. McKinney.

Mr. Chappell with Mr. Hansen of Idaho.

Mr. Carey of New York with Mr. Clay.

Mr. Davis of Georgia with Mrs. Chisholm.

Mr. de la Garza with Mr. Culver.

Mr. Meeds with Mrs. Hansen of Washington.

Mr. Rees with Mr. Railsback.

Mr. Gunter with Mr. Landrum.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair desires to state that under the rule the gentleman from Arkansas (Mr. MILLS) will be recognized for 30 minutes and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS. Mr. Speaker, let me say that I have no intention of consuming 30 minutes of time.

Mr. BINGHAM. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I do yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I appreciate the chairman yielding to me.

The reason for my wishing to converse with the chairman is that, as I understand it, the Senate amendment did provide for those eight States which are under the hold-harmless provision.

Is it correct that the Senate amendment to this bill did provide that for States that increase their benefits under the SSI for a cost-of-living increase comparable to what is mandated in this legislation for the Federal Government, they would be protected to the extent of 50 percent of that increase on the hold-harmless basis? In other words, that the Senate provision constituted a kind of compromise of a 50–50 compromise between the position originally taken by the Ways and Means Committee on this matter and the position taken by the House under the amendment proposed by the gentlewoman from Michigan (Mrs. GRIFFITHS). Is that a correct statement?

Mr. MILLS. The gentleman is correct.

Mr. BINGHAM. Mr. Speaker, if the gentleman will yield further, I would say that I consider it most unfortunate that apparently the House has insisted on rejecting this 50–50 arrangement. Those States which are making special effort on behalf of the aged, the blind, and the disabled to keep up with the cost-of-living increases that are mandated, in line with social security cost-of-living increases, will not get the benefit of any Federal assistance in making up that cost-of-living increase. I would have supposed that this was a reasonable compromise between two conflicting positions on this issue.

I wish the chairman could explain to us how States in the position of New York and the other seven States affected can be expected to carry the entire load. Is it expected that the aged and blind in those States are going to have to wait until all other States have caught up to their level?

Mr. MILLS. The gentleman from New York is aware of the fact, I think, that the Congress—not only the Ways and Means Committee—the Congress as a whole has been very reluctant to tell the States what they have to do. We have never done that with respect to welfare payments. We have only suggested that we will go so far in matching State moneys, and whatever the States do, we will do it. There is no reason why the State of New York or any other State—and there are very few States that are involved in this issue—cannot go forward with increases to cover cost of living and so forth. We are paying now a major part, under the SSI program, of the benefits that are paid in the gentleman's State or my State. The States are saving generally a lot of money in this area, along with the program we adopted to help them known as revenue sharing.

As I recall, last fall the House specifically overruled the position that the gentleman suggested we now take. As far as I am concerned, I do not want to have to tell the States what they have to do.

Mr. BINGHAM. Mr. Speaker, if the chairman will yield briefly further, the Ways and Means Committee had recommended that the Federal Government pick up the entire additional burden.

Mr. MILLS. Mr. Speaker, I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Speaker, I thank the gentleman for yielding.

The point I am trying to make is that the House did not reject the proposal that the Senate had made for a 50–50 arrangement on sharing the costs of these cost-of-living increases. The House rejected a position that had been taken by the Committee on Ways and Means that the Federal Government would continue the hold-harmless provision to the entire extent, and I believe it was an amendment offered in the Senate by Senator MONDALE. The 50–50 arrangement would have been a reasonable compromise.

Mr. MILLS. The House did reject the proposition which is comparable to what the gentleman is talking about.

I just never will put myself in the position of telling the State legislature in New York what it ought to do about welfare. It has done enough, I think, already to take care of those people and I am not going to tell it to do more.

Neither am I going to agree to something in conference that the House had objected to in principle just a few months prior to our conference. I understand the gentleman's position, but I think the gentleman should get in touch with his own State legislature and his own Governor to see if they cannot provide these increases.

Mr. BINGHAM. If the gentleman will yield further, I also know that New York State and seven other States affected have been the ones who have been making the greatest effort in this direction.

What this amounts to is that as to the cost of living increases, which are mandated through this legislation for SSI beneficiaries along with social security beneficiaries, the States in the hold-harmless position do not get the benefit of that legislation.

Mr. MILLS. The gentleman knows that last November, while I was not here, the House did overrule the Committee on Ways and Means on a matter that is similar to this, and in principle, the same. Therefore, the gentleman is asking the conference committee on the part of the House why we did not agree in conference to something that the House in principle objected to. I am not, as a conferee, going to try to override the will of the House. I just cannot do it.

Therefore, the gentleman should take his case to the New York State Legislature. New York State is the beneficiary of a tremendous amount of Federal money under the revenue-sharing program.

Mr. BINGHAM. If the gentleman will yield further, I do not want to take the further time of the House. However, I would like to register the fact that I and I think other members of our delegation are unhappy as to what might have been a compromise position on this issue, but which was rejected.

I thank the gentleman for yielding.

Mr. SCHNEEBELI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Speaker, the position of the conferees on our side as to other amendments is that they are noncontroversial. Some of them are in answer to requests of executive departments. Some are largely housekeeping items, and I certainly concur that we should approve the rest of this package.

Mr. MILLS. Mr. Speaker, the gentleman from Pennsylvania agrees with me that there is not one amendment agreed to in conference that was not supported by the department which asked for it. All of these amendments were supported by the departments, and all of them were supported by our own staff.

I must say that I do not like the way the Senate operates. I am not a Member of that body, but the Senate has a right under its rules to add amendments to House-passed bills, even though they may not be germane to the subject matter of the bill that we sent over.

Mr. SCHNEEBELI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Speaker, we turned down other Senate actions which we felt were not in keeping with the legislation we brought to the floor for House approval.

Mr. MILLS. The gentleman is correct. Mr. Speaker, at this point in the RECORD I would like to include an explanation of the entire amendment, other than the sections I have already discussed, which I have offered:

Explanation of Motion by Mr. Mills

Mr. Speaker, let me take a minute to explain to the House the parliamentary situation with reference to the changes the Senate added to H.R. 8217, which was a bill relating to the tariff duties imposed on the equipment and repairs of certain U.S. vessels made in foreign parts.

As Members of the House will recall, the House bill was passed by the House unanimously on October 2 of last year.

The Senate added a series of completely non-germane provisions to this bill. It did not change the provisions of the bill itself. The changes which the Senate added covered a variety of subjects unrelated to the House bill. We found when we went to conference that all of the Senate changes, which I have indicated covered a number of different subjects, were embodied in one Senate amendment. In the light of this fact, and because all the changes are indeed non-germane to the bill itself, we brought back a Conference Report which states that the conferees could not reach agreement.

However, the conferees did discuss all of the changes and we did reach an understanding of what might be done with reference to each of the changes. It was clearly understood by the Senate conferees that the House would not accept certain of those changes but probably would accept other changes.

For example, we made it quite clear that we would not ask the House to accept the proposed change made by the Senate concerning the retirement income credit, even though it is very close to what the Ways and Means Committee very probably will propose to the House in a week or so in our tax reform bill. We made it clear that the Committee will have a tax reform bill, and that there will be a provision on this subject in that bill.

We did, however, suggest to the Senate conferees that we would offer a motion in which we would recommend that the House accept certain of the Senate changes.

The motion which I have presented to the House does, therefore, accept certain of the changes but rejects others of the changes.

I have already discussed the extended unemployment program extension.

I will now cover the other matters.

REPAYMENT OF ADVANCES UNDER THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT

The Senate included an amendment, which is also included in the motion I have offered, relating to the repayment of funds advanced from the general fund of the Treasury to pay for benefits during the first 5 months of the operation of the Emergency Unemployment Compensation Act of 1971. Under existing law, these advances are to be repaid to the general fund of the Treasury by withholding from any State in which payments under the emergency unemployment compensation program were made, amounts which would otherwise be distributed to such States under Title IX of the Social Security Act. These distributions would be paid only when all of the accounts in the Federal unemployment trust fund are built up to their statutory limits and excess amounts of money in the unemployment trust fund are to be distributed to the States according to the Reed Act. It is not expected that this will happen in the foreseeable future. The amendment I have offered would provide that advances made to the States under the Emergency Unemployment Compensation Act are to be repaid to the general fund of the Treasury directly from the extended unemployment compensation account in the Federal unemployment trust fund whenever that account has an adequate balance to permit such repayment. This is the same procedure as applies to the repayment of advances under the emergency unemployment compensation program to finance the cost of benefits paid during the last 9 months of that program.

REIMBURSEMENT TO STATES FOR INTERIM ASSISTANCE TO SUPPLEMENTAL SECURITY INCOME BENEFICIARIES

The motion which I have offered includes a Senate amendment affecting the Supplemental Security Income (SSI) program. This provides authority for the Federal government to reimburse States for assistance provided to individuals who have applied for, but have not yet received SSI benefits. Existing law provides that an eligible individual shall be paid from the month of his application. During the early months of the program some applications have been substantially delayed and the applicants have needed immediate help. If that help was provided by a State or local welfare agency, that agency has had to look to the individual for repayment from the retroactive check that he received when his benefits were approved. This method of collection has proved unsatisfactory and a more direct approach is generally thought desirable. The provision simply allows the retroactive payment to be made to the States or localities if the applicant has so chosen instead of to the applicant. I have no doubt that such an election would be a prerequisite to the receipt of emergency non-Federal aid. The amendment has no cost as the amount payable would be exactly the same as under existing law. The language has been developed jointly by a committee of State welfare officials and the Social Security Administration.

AUTOMATIC COST OF LIVING INCREASE IN SUPPLEMENTAL SECURITY INCOME BENEFITS

The Senate added an amendment to H.R. 8217 which would have done three things. First, it would have provided an automatic cost of living increase for Federal SSI beneficiaries whenever there was such an increase based on the cost of living in social security benefits. Under such an arrangement SSI beneficiaries would gain in Federal SSI and social security benefits whatever percentage the cost of living increase amounted to. This would not have any effect prior to July 1, 1975, and at that time only if the cost of living increase under social security goes into effect. It would on a continuing basis solve the problem of "pass through" of social security benefit increases insofar as the Federal SSI payment is concerned. This provision is included in the amendment which I have offered.

As I have indicated, the provision would have no cost in the fiscal year ending June 30, 1975. The Department of Health, Education, and Welfare, on the assumption that there will be a 5.5 percent cost of living increase July 1, 1975, estimates that there would be a $480 million increase in basic Federal SSI benefits during the fiscal year ending June 30, 1976. There would be an offsetting savings in Federal funds of $93 million. The net cost for the fiscal year 1976 is accordingly $387 million. The Administration has proposed similar legislation with the same objectives and costs.

The other two parts of the Senate amendment were rejected by the House conferees. One of these would have required that States never reduce the amount of their supplementary payments. This seemed an unduly harsh requirement to place upon States since the amount of money which they would be required to spend (under penalty of loss of medicaid funds) cannot be estimated precisely. The third provision of the amendment would have reimbursed the so-called "hold harmless" States of one-half of any costs necessitated by the amendment. The House voted decisively on this question last November. The House conferees accordingly rejected these last two features of the Senate amendment and they do not appear in the amendment which I have proposed.

EXTENSION OF 100-PERCENT FEDERAL FINANCING FOR NURSING HOME INSPECTORS UNDER MEDICAID

Public Law 92–603 authorized 100-percent Federal funding of expenditures under medicaid for the training and compensation of inspectors of long-term care institutions between October 1972 and June 1974. The amendment would extend this provision through June 1977. This proposal has been recommended to the Congress by the Administration.

POSTPONEMENT OF STUDY REPORT ON TEACHING PHYSICIANS

Public Law 93–233 contained two provisions related to the method of paying for physicians' services in teaching hospitals under the medicare program. First, it deferred, until as late as July, 1975, the implementation of the 1972 amendment which provided, in part, that charges would be paid only where a teaching hospital patient is a "private patient." Second, it provided for the Secretary to contract with the National Academy of Sciences to conduct studies concerning appropriate methods of reimbursement under the medicare and medicaid programs for medical services in teaching hospitals and to submit its report by July 1, 1975. The amendment would postpone the due date for the report to July 1, 1976, and changes other dates to coincide with this change. The National Academy of Sciences, in planning the studies authorized by Public Law 93–233, has concluded that it will not be possible to conduct responsible studies of the scope contemplated within the time constraints that have been prescribed.

PERMITTING, NOT REQUIRING, STATES TO IMPOSE PREMIUMS ON THE MEDICALLY INDIGENT UNDER MEDICAID

Public Law 92–603 amended title XIX, medicaid, to require States to impose an enrollment fee, or premium, on the medically needy. The medically needy are persons who have too much income to qualify for cash assistance, but not enough to pay for their medical care. The amendment would continue to allow States to impose a premium on the medically needy but it would not require them to do so if they do not believe it is feasible or cost effective.

As States have tried to implement this provision, many have found that it is extremely difficult and costly to administer. Medically needy persons typically apply for coverage when they are already facing medical costs and need care. It is difficult to keep track of them and to collect a regular premium payment. Further, at the point when medically needy persons do enter the system, they are often least able to make the premium payment.

EXCLUSION FROM SOCIAL SECURITY COVERAGE OF CERTAIN FARM RENTAL INCOME

In 1956, Congress enacted legislation providing social security coverage for farm rental income of a landowner when the landowner materially participates in the production of the commodities raised on his land. Several years after this provision was enacted, there were court decisions which held that material participation by the landowner could be established through the actions of his agent, and the Social Security Administration has conformed with these court decisions since 1961.

A problem has arisen in the case of landowners who enter into an agreement with a professional farm management company or other person who has the responsibility to choose a tenant and to manage and supervise the farm operation. In such a situation, the landowner often does not consider himself to be participating in the operation of the farm and views his income as investment income rather than income from farm self-employment.

In order to correct this situation, the Senate added an amendment to the bill which would exclude from coverage under social security farm rental income received by a landowner under an agreement between the landowner and another person under which the other person is to manage and supervise the production of commodities on the land if there is no personal participation in the operation of the farm by the landowner.

The amendment I have offered, while it differs technically from the Senate amendment, has the same general purpose and effect. It would restore the original intention of the provision covering farm rental income under the social security system in cases in which the landowner does not materially participate in the operation of the farm.

I wish to emphasize that this amendment makes no change in the law with regard to the coverage under the social security system of farm rental income in situations where the landowner does materially participate in the production of commodities on his land, which of course includes lease arrangements which provide for such material participation as in the past. The amendment is limited to excluding farm rental income only in instances in which the landowner completely turns over the management of his land to an agent, such as a professional farm management company and does not materially participate in the farming operation himself on that land.

RENEGOTIATION ACT STUDY

Mr. Speaker, as to the proposed study concerning the Renegotiation Act, the motion which I have offered simply changes the date on which the report of the staff of the Joint Committee on Internal Revenue Taxation is to be made from May 31, 1975, to September 30, 1975. This is simply because the various studies which are being made by the Renegotiation Board, the General Accounting Office, and the Joint Committee will be ready by the latter date.

Mr. SCHNEEBELI. Mr. Speaker, I support the motion of the gentleman from Arkansas, the chairman of the Ways and Means Committee.

The arrangement made by the conferees on H.R. 8217 represents an effective compromise by the managers on the part of the House and by the managers for the other body. The package, which has the support of the administration, includes changes which are in each case reasonable and which, generally speaking, should be broadly beneficial.

H.R. 8217, the legislative vehicle for the conference report, would exempt from duty certain equipment for, and repairs of, vessels which were operated by or for U.S. agencies, where entries were made in connection with vessels arriving before January 5, 1971. The bill was approved unanimously by our committee, and was passed by the House in October of 1973.

In addition to this bill, the package produced by the conferees include nine amendments:

First. Under existing provisions, those who are eligible for supplemental security income, SSI, are entitled to receive Federal payments effective with application. However, SSI is a new program and the applications in many cases require months for processing. Applicants who are in dire need, therefore, have been turning to State welfare offices for emergency aid. If the State gives such assistance, it must seek reimbursement from the recipients, who are not likely to have any means of reimbursement until their first SSI checks come in. Under the conference proposal, applicants requiring emergency aid could sign agreements permitting the States to receive their initial SSI payments. The States would be required promptly to turn back to the applicants any difference between the amount of the SSI benefits and the emergency aid provided. The change was worked out between State and Federal agencies involved, and appears to be fair and equitable to all parties concerned.

Second. Under present law, social security benefits in the future are tied to the cost-of-living, through an automatic escalator provision which the House overwhelmingly approved. Under the conference proposal, Federal supplemental security income payments also would rise automatically by the same percentage as cost-of-living increases in social security benefits.

Third. When the Congress enacted the Federal-State extended unemployment compensation program, it provided that a State must pay extended benefits if its insured unemployment rate were at least 4 percent, and if that rate had increased 20 percent over the prior 2 years. Subsequent legislation, however, has permitted States temporarily to participate in the program without regard to the 20-percent increase criterion. That legislation expires at the end of this month. The conference proposal would extend it further, until April 30, 1975. It is expected that this extension will be sufficiently long to enable the committee to examine the entire unemployment insurance system thoroughly and to carefully consider proposals for permanent improvements.

Fourth. Another conference proposal related to unemployment insurance would amend a requirement that advances to States from the general fund of the Treasury to finance the payment of benefits for the first half of 1972 under the Emergency Unemployment Compensation Act of 1971 must be repaid by withholding Reed Act distributions to those States. The conferees agreed to provide instead that these advances must be repaid whenever the extended unemployment account has a balance high enough to permit such repayment.

Fifth. The conferees also agreed on a proposal to extend until June 30, 1977, the authority for full Federal funding of expenditures for training and compensation of inspectors of long-term care institutions under the medicaid program.

Sixth. Public Law 92–233 made two changes relating to the method of paying for physicians' services in teaching hospitals under medicare. It deferred until July 1975, the implementation of a requirement that charges be paid only where the teaching hospital patient is a private patient. Second, it authorized a contract with the National Academy of Sciences for a study of reimbursement methods for medical services in teaching hospitals. The Academy is to report by July 1, 1975, but it has since become clear that more time is needed for the study, and the conferees agreed upon a deferral of the report deadline to March 1976, and a further postponement of the implementation of the reimbursement procedure until July 1976.

Seventh. A provision of Public Law 92–603 requires States to impose an enrollment fee, or premium, on the medically indigent as distinguished from cash assistance recipents. At the time, it was thought that this provision would result in substantial savings. However, many States have found that the administrative costs of implementing the provision will far exceed any possible savings. In addition, it has been noted that when medically needy persons are entitled to this type of aid, they are often unable to make a premium payment. Therefore, the conferees agreed to an amendment which would make optional the imposition of a premium by a State.

Eighth. The conferees also approved an amendment directing the staff of the Joint Committee on Internal Revenue taxation to conduct a study and investigation of the operation and effect of the Renegotiation Act, and to report its findings to the Committees on Ways and Means and Finance by September 30, 1975. This was in line with provisions which the Congress earlier enacted in extending the life of the Renegotiation Act.

Ninth. Finally, the conferees agreed to a provision to assure that an owner of farmland who does not participate materially in management or production of the land, but acts solely through an agent, will not have any rental income from that land counted as earned income for social security purposes.

There were other amendments which the Senate had attached to H.R. 8217. But the House conferees declined to accept them. We feel the amendments to which we did agree warrant the support of the House, and I therefore urge the approval of the conference package.

Mrs. GRIFFITHS. Mr. Speaker, attached by the Senate to the tariff bill H.R. 8217 are several nontariff provisions. Several of these provisions are reasonable: The provision that supplemental security income, SSI, benefits be raised automatically to keep pace with cost-of-living increases, and the requirement that such increases be timed to coincide with cost-of-living increases in social security.

But I urge conferees to reject the Senate move to revive the practice of Federal reimbursement for State welfare payments to the aged, blind, and disabled. In passing SSI in October 1972, Congress took a giant step of responsibility. It assumed the duty of giving basic income protection to all the needy aged, blind, and disabled, and it agreed that each such American should get the same number of dollars from the U.S. Treasury, no matter where he lived. We decided to stop paying $62 for an aged woman in Mississippi, but almost twice as much for one in Michigan, and to pay them both the same $130 monthly. Before the program started, we raised the figure to $140, and now, on July 1, to $146.

The Senate proposal would put us back in the business of giving more to some than to others, and it would discriminate in favor of the least needy. It would have the Federal Government give more to a person in Boston than in Baltimore, in San Francisco than in Cincinnati, in New York than in Chicago. This is wrong. The proposal would—

First. Require all States to pass along any future cost-of-living increases in the basic SSI floor payments, and would be enforced by loss of medicaid funds; and

Second. Pay half the cost of this for any State that already was spending as much on SSI supplements as its 1972 share of former welfare payments to the aged, blind, and disabled. There now are six such States: California, Hawaii, Massachusetts, Nevada, New York, and Wisconsin; New Jersey and Rhode Island may reach this level of hold-harmless SSI spending in fiscal year 1975.

If the House should acquiesce, and if the cost of living were to go up 10 percent a year, it would mean that the Federal Treasury would pay an estimated $75 million in fiscal year 1976 to increase SSI supplementary payments in perhaps eight States, States where levels far exceed the average.

Consider how it would work out. The basic SSI floor would rise from $146 to $161 per individual, a gain of $15. This still would be below the poverty level, by $16.

But in Massachusetts, one of the hold-harmless States, an aged person on SSI already receives $268.96, 52 percent above the poverty line. Under the Senate amendment, his payment would rise $15, too—up to $284, 60 percent above the poverty line. And $7.50 of this increase would be paid by the Federal Government.

In California an aged couple now can receive a maximum of $440 a month in SSI plus the State supplement. This is almost double the poverty level. If the couple also has social security, its monthly guarantee is $20 higher, $460. This is $4 more than the maximum security benefit received anywhere in the country by someone who paid the maximum payroll taxes for all their working lives. Assuming a 10-percent boost in the cost of living, the Senate amendment would boost the California guarantee level for an aged couple on social security up to $482 per month, almost $5,800 per year in tax-free income.

If the object of the amendment is to help those poor persons most injured by inflation, those extra Federal dollars should go instead to help raise the basic SSI floor. If the full $7.50 per single person were added to the floor, it would finally be barely over the poverty line, by a margin of $1.50, although at higher cost.

If the States want their SSI recipients to get the benefit of cost-of-living increases, it is the States responsibility to provide the supplement. In 42 States this can be done without spending an extra penny. This welfare costs for the aged, blind and disabled are less today than in calendar 1972, thanks to SSI; and the cost-of-living boost in the basic floor would give them additional savings to pass along.

Once before, last November, there was an effort to turn the clock backward by returning to Federal matching for State supplements. The House voted 246 to 163 against that move, and on the floor Ways and Means Committee members voted almost 3 to 1 against it—16 to 6, with 3 not voting.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas (Mr. Mills).

The motion was agreed to.

The Senate amendment to the title of the bill was concurred in.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO HAVE UNTIL MIDNIGHT, THURSDAY, AUGUST 1, 1974, TO FILE REPORT ON H.R. 12589, FEDERAL MASS TRANSPORTATION ACT OF 1974, AS AMENDED

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight, Thursday, August 1, 1974, to file the report on H.R. 12859, the Federal Mass Transportation Act of 1974, as amended.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

INFLATION POLICY STUDY

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1251 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1251

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (S. Con. Res. 93) relating to an inflation policy study. After general debate, which shall be confined to the concurrent resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the concurrent resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the concurrent resolution for amendment, the Committee shall rise and report the concurrent resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the concurrent resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. Speaker, because of the fact that in addition to being a member of the Committee on Rules, I am also a member of the Joint Economic Committee, and because I am anxious not to give the impression that the Committee on Rules was handling too quickly a matter that affected the Joint Economic Committee, I provided, along with the committee—and the Committee on Rules cooperated fully—for an excessive amount of time for the consideration of this Senate concurrent resolution.

The Senate concurrent resolution is the brainchild, I think I might say, of the majority leader of the Senate, Mr. Mansfield, and the ranking Democrat and the ranking Republicans of the U.S. Senate, Senators Proxmire and Javits. It provides, as it passed the Senate unanimously, for a 6-month study—which is now somewhat foreshortened—of the problems of the American economy by the Joint Economic Committee or any of its subcommittees.

It provides also that the Joint Economic Committee may have the power of subpena for the purposes of this study, and it provides for $100,000 in connection with this study.

Mr. Speaker, I do have at least one request for time, but I am not aware of any controversy whatsoever on concurring in the Senate concurrent resolution.

Unless controversy develops, I propose, when the rule is adopted, to ask that the matter be considered in the House as in the Committee of the Whole, thus limiting the general debate that would otherwise be available under the rule.

But if debate is desired and if there is controversy, I am perfectly happy to use whatever time the Members desire.

Having said that, I reserve the balance of my time.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as previously explained, House Resolution 1251 provides for the consideration of Senate Concurrent Resolution 93, to provide funds for a study of inflation, under an open rule with 1 hour of general debate.

The primary purpose of this resolution is to authorize $100,000 to the Joint Economic Committee for an emergency study of the current state of the economy and the problems relating thereto, with special reference to inflation, including, but not limited to, such inflation-related problems as Federal spending; tight money and high interest; food, fuel, and other shortages; credit policies; export policies; international exchange rates; and indexing. The purpose of this study is to provide the Congress with specific recommendations for legislation to remedy the existing ills and improve the performance of the economy.

The joint committee is to report its findings to the Congress not later than December 31, 1974.

Mr. Speaker, this concurrent resolution passed the Senate on July 9, 1974.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Senate concurrent resolution (S. Con. Res. 93).

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I am alarmed that the House is even considering this resolution. Why must the Congress spend an additional $100,000 to study inflation? That in itself is inflationary.

The fact is, this is simply reflective of the age-old practice of this body—do not face the problem: study it and hope it will go away. Have we learned nothing from our experiences with the energy crisis? The Congress was totally unable to meet the crisis with decisive legislation. As a result, the executive branch accomplished everything by fiat, and the Congress was left whimpering that not enough was done.

The country needs no additional studies on inflation. It needs action by its Congress. There are enough committees of the House and Senate to study the problem and report out corrective legislation before the end of the 93d Congress. The people cannot wait until next year for action on inflation. They must have it now.

I propose as a start, that the remaining appropriations bills be pared so that the budget can be balanced. I propose further that, when yet another increase in the public debt comes up for a vote this fall, it be voted down.

Action should be taken by the House Banking and Currency Committee to report out measures to shore up the moribund housing and mortgage market. The Ways and Means Committee should report out legislation to eliminate various tax loopholes and thereby raise needed revenues to produce a balanced budget.

The Agriculture Committee should develop a bill to increase farm production and hold down costs for the consumers.

These actions require no additional appropriations, no further studies, no lollygagging about—just plain, old work by the Members of this body. If inflation wasn't such a serious problem, this bill would be almost laughable. But these are serious times and the country is on the brink of a severe economic depression. High unemployment is already with us; runaway inflation is just around the corner: and few Americans can afford a chicken in every pot.

The President has already announced he will do nothing about inflation. A little jawboning to the general public and subsidies for the fat cats is the extent of his efforts. The country needs legislation from Congress of the magnitude, and with the swiftness, that characterized President Franklin Roosevelt's first 100 days in office. In this Congress last 100 days, we would do well to match his record. And, we can start by voting down this ridiculous resolution today.

Mr. BOLLING. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Speaker, I, too, do not wish to have prolonged debate on this issue. I support a study on inflation by the Joint Economic Committee, but I think that it would be important to bring out some of the things that I think the Committee should particularly concentrate on. I am on the Committee on Education and Labor, and for the past few years we have been trying in that committee to come to grips with the problem of unemployment in this country. We have found that many of the theories which have been supported in the past by the economists of the country make it impossible to develop a meaningful employment policy.

I believe that those theories have been discredited by what is going on in the country today, but I also believe that it is important that the Joint Economic Committee address itself to those theories so that we can have a meaningful employment policy.

For example, there is a theory that was developed by a British economist by the name of A. W. Phillips, which says that it is impossible to have a program of full employment in our economy because if that were to happen we would have runaway inflation. Based on that theory, every time that we have tried to come up with a program of full public service employment, we have been defeated because there are people who say that we cannot have full employment because you would then have runaway inflation.

However, today the fact is that we have both runaway inflation and unemployment, so it is certainly clear that that theory does not work.

It is also clear that those economists who have been advising the administration and the Members of the Congress up to now have been consistently wrong, and we are not going to be able to have a policy to control inflation and to provide for full employment unless we repudiate those theories which have been discredited by experience.

This inflation study is basic to all that we may be doing in the next year, and in the year to come, and for that reason it is important that we go forward with this study but that we call in new people who will challenge the theories that have been expressed in the past few years, and who will come up with some meaningful approaches on how to deal with the problems of inflation and unemployment. I trust that this can be done and I urge the adoption of this resolution and urge the Joint Economic Committee to undertake the emergency study without delay.

Mr. BOLLING. Mr. Speaker, I thank the gentleman for his contribution, and will tell him that there is no question but what the Joint Economic Committee has exactly the same thing in mind that the gentleman has stated, to look at the problem afresh without regard to those views that have been prevalent in the past.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Senate concurrent resolution (S. Con. Res. 93) relating to an inflation policy study, be considered in the House as in the Committee of the Whole.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. DEL CLAWSON. Mr. Speaker, reserving the right to object, will the gentleman from Missouri explain to the Members of the House how this procedure will affect them in their response and their debate?

Mr. BOLLING. As the gentleman from Missouri understands, it eliminates general debate and makes amendments under the 5-minute rule in order, and pro forma amendments.

Mr. DEL CLAWSON. We can immediately proceed under the 5-minute rule of the House as in the Committee of the Whole, and Members can seek recognition for amendments?

Mr. BOLLING. That is correct; it simply eliminates the general debate provision of the rule.

Mr. DEL CLAWSON. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 93

Whereas the United States economy has been suffering from serious and persistent inflation; and

Whereas unemployment continues to be an economic problem, for the present as well as the near future; and

Whereas extremely high interest rates have caused serious dislocations in the housing industry, in small business, and in other sectors of the economy; and

Whereas the economy of the United States has been upset by shortages of basic resources; and

Whereas prospective shortages continue to be a cause of concern; and

Whereas solutions to these economic ills require the consideration of a large number of interrelated policy questions; and

Whereas it is incumbent upon the Congress to develop more effective economic policies for the Nation and to provide more effective means for coordinating public policy decisions to the end that the national economic welfare be better served; and

Whereas such requirements require that experts throughout the country be utilized for the purpose of obtaining the best available judgment on these important issues; and

Whereas the Joint Economic Committee of the United States Congress is charged by law with the responsibility of conducting a continuing study of matters relating to the economic reports of the President and with providing guidance to the several committees of the Congress dealing with legislation relating to public economic policy: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Joint Economic Committee, or any subcommittee thereof, as authorized by the Employment Act of 1946, shall undertake, as soon as possible—

(1) an emergency study of the current state of the economy and of the problems relating thereto, with special reference to inflation, including, but not limited to, such inflation-related problems as Federal spending; tight money and high interest; food, fuel, and other shortages; credit policies; export policies; international exchange rates; and indexing; and

(2) to provide the Congress with specific recommendations for legislation to remedy the existing ills and improve the performance of the economy.

SEC. 2. (a) For the purposes of this concurrent resolution, the Joint Committee, or any subcommittee thereof, is authorized from July 1, 1974, through December 31, 1974, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (5) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the services of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, and (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) Subpenas may be issued by the Joint Committee, or subcommittee thereof, over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the Joint Committee or any member thereof may administer oaths to witnesses.

SEC. 3. The Joint Committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate and the House of Representatives at the earliest practicable date, but not later than December 31, 1974.

SEC. 4. (a) The Joint Committee is authorized, from July 1, 1974, through December 31, 1974, to expend under this concurrent resolution not to exceed $100,000 of which amount not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof.

(b) The expenses of the Joint Committee under this concurrent resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Joint Committee.

Mr. GROSS. Mr. Speaker, I move to strike the necessary number of words.

Mr. Speaker, I fail to understand what cannot be done by the Joint Economic Committee in the absence of this particular resolution.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. BOLLING. I thank the gentleman for yielding.

To the best of my knowledge, there are two things that the Joint Economic Committee could do in the absence of this resolution. One is use subpena power, and another is to spend $100,000.

Mr. GROSS. I think the latter is probably the most important of the two objectives cited by the gentleman from Missouri. I agree with the gentleman from New York (Mr. BADILLO), that another look might be taken at the situation in which we find ourselves in in this country. Inquiry might well be made into why a majority of the Members of the House and the other body have consistently followed the policy that we can spend our way out of debt and inflation.

I hope that for $100,000 the committee can provide the answers to all of the subject matter set forth here on inflation-related problems such as Federal spending and tight money. The latter is an interesting topic, as is the disappearance of the dollar.

I note the gentleman from Texas (Mr. PATMAN) is waiting and probably to give us some information on what is proposed to be done with respect to tight money. He may also offer some discourse in support of printing press money.

Perhaps we can also have a discourse on high interest rates; food, fuel, and other shortages; credit policies; export policies; international exchange rate; and indexing. I do not know what is proposed to be done by way of indexing, but I am sure that for $100,000 and additions to the staff they will be an answer to that too.

I note and it seems to me to be significant that there is no provision in the subject matter set forth in the bill for study of the annual foreign handout program, which runs in the neighborhood in all its ramifications of about $13 billion. I would hope that in the absence of an amendment to that effect, the Joint Economic Committee will give serious consideration to what has happened in the field of the foreign handouts which, as I say, is running at an annual rate of $13 billion to $15 billion and to a total of about $260 billion since it was inaugurated as the Marshall plan some years ago.

At any rate I do hope that everything will be lovely and the goose will hang high as far as the Joint Economic Committee is concerned when they get the $100,000 which is here proposed to be appropriated so we can be provided with all the reasons for and solutions to the fiscal situation that threatens national bankruptcy.

Does the gentleman wish me to yield to him?

Mr. BOLLING. Mr. Speaker, I can barely resist the temptation to rise to the gentleman's bait. The subjects he raises are also interesting. If I were not conscious of the very monumental amount of business which is to follow this, I am afraid I would be tempted to debate them, but being a very restrained person I will resist.

Mr. GROSS. I thank my friend, the restrained gentleman from Missouri, for his contribution.

In conclusion, Mr. Speaker, I suggest that the expenditure of this $100,000 will be nothing more than a future contribution to the Nation's deficit and debt.

Mr. FRASER. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I want to commend the committee for reporting this resolution. I think it is important.

I want to call attention to certain aspects of the current economic problems that I do not think have been dealt with sufficiently in prior studies. In the resolution adopted by the Democratic Caucus the other day, there was a call for the use of credit controls in order to rechannel credit to priority needs in the economy. I have always felt that this was an important tool of economic management, but the fact is that we do not know how to do it. We have not developed the technique. We do not know what kinds of institutions, what kinds of regulations would effectively accomplish the channeling of credit away from low priority needs to high priority needs.

In fact today we induce real distortions into the allocation of credit in a number of ways. One is the arbitrary ceiling on interest rates. Another is that more credit and resources are available to large corporations than are available to small businesses and consumers.

We all know the regressive aspects of our fiscal policy. However, our monetary policy is also regressive. The tightening of credit is not distributed equitably throughout the economy.

While credit allocation sounds as though we will give preferential treatment to certain investments, we can only try to offset the tremendous advantages large corporations have in obtaining credit. A minimum goal would be to obtain neutrality between all investment alternatives.

Currently 70 percent of the impact of monetary policy fall on the housing industry. Yet housing is one of our highest priorities. We need to develop a system of making monetary policy work toward these social goals, not thwart them.

So one of my purposes in rising now is to urge that when the Joint Economic Committee undertakes this study, it pay special attention to finding means through which we can effectively channel credit to those sectors of the economy which need credit. We must also discourage the use of credit where it contributes to inflation. If a venture neither helps to meet high priority social needs nor breaks up inflationary bottlenecks, credit must be restricted.

The second matter I hope the Joint Economic Committee will look into is the growing disparity in income and resources between the rich and the poor in the United States. We often talk about the growing gap between the rich and the poor nations, but we have the same widening gap between the rich and the poor here at home. Inflation is accelerating that unhappy trend toward making the rich even more wealthy.

In undertaking this study of the economy, we must keep in mind our ultimate goals. The gentleman from New York spoke about the problem of achieving full employment while maintaining low levels of inflation.

We also need to deal with the more fundamental problem of inequality in America, inequality in access to income, inequality in access to credit, and inequality in access to full participation in the mainstream of the American economic system.

So I would add my concern and hope that in its study, the Joint Economic Committee will pay special attention to the problems of inequality and that it investigate legislative measures which can remove, rather than increase, the spread of income between the rich and the poor in the United States. Only as we move in that direction can we come up with an economic system which will redeem the hope of all the people in the future of our Nation.

Mr. BROWN of Ohio. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in support of House adoption of Senate Concurrent Resolution 93, which would provide funds to the Joint Economic Committee—not to exceed $100,000—to conduct a study of the Nation's inflation problems.

Inflation, as one interlocking part of the Nation's economic problem, has become the most worrisome of our domestic issues to the great majority of the American public. Every effort must be made by the Congress to get to the heart of the problem—to rediscover its root causes and analyze the reasons for its persistence. New economic developments, such as the energy crisis and changing patterns of world supply and consumption of food deserve consideration at this particular time. Such findings need new interpretations as they relate to the broad impact of inflation throughout the economy—from the basic industries such as farming, mining and the timber, through the processing and manufacturing stages to the wholesale and retail markets and the ultimate consumers, whether these consumers be the housewife buying groceries or shoes or a shortage industry trying to expand its productive capacity.

Interest rates and their impact on every consumer must be restudied. The whole range of governmental policy in budget, fiscal and monetary areas needs a thorough review in light of continuing deficit spending and tight control over capital growth. Congress own spending habits must be given new scrutiny as those habits relate to the overall problem of inflation and executive branch authority for carrying out programs affecting the economy.

Mr. Speaker, the Joint Economic Committee Monday began a mid-year review of the economy with Presidential economic adviser, Kenneth Rush, as the first witness. At that hearing, I suggested to the committee's vice chairman, Senator WILLIAM PROXMIRE, that the Joint Economic Committee undertake to get the views on inflation of representatives of labor, farmers, housewives, the poor, the elderly, small businessmen, and others. Views of these citizens have not been sought at meetings held by the administration with big business, professional economists, and the president of the Teamsters. No program to curb inflation can hope to succeed with only that constituency and without the support of farmers, consumers, small businessmen, average workers, and so forth. I suggest that the Joint Economic Committee inflation study be accomplished through a series of hearings around the Nation, in the 10 Federal administrative regions, so as to give members of the public an opportunity to provide the Congress with their own views of the impact of current economic problems and their own suggestions as to what Government should be doing to solve those problems.

Mr. Speaker, I think such input from the general public is paramount if the public is going to support the tough decisions that this Government and the Nation must make to halt inflation and find workable long-term solutions to the problems of the economy which have dogged the Nation for the past decade. I was, therefore, pleased that Senator PROXMIRE favorably received my suggestion for regional hearings, and if it is approved by the distinguished committee chairman, Mr. PATMAN, and the remainder of the committee, the funds requested in Senate Concurrent Resolution 93 could be available to the committee for carrying out that proposed series of public hearings. It is for that reason that I most strongly support approval of Senate Concurrent Resolution 93.

The SPEAKER. The time of the gentleman has expired.

(On request of Mr. GROSS and by unanimous consent Mr. BROWN of Ohio was allowed to proceed for 3 additional minutes.)

•Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman give us some idea of what is already being expended on the Joint Economic Committee?

Mr. BROWN of Ohio. The current budget of the Joint Committee, unfortunately, is not one of the figures I have in my head, I must reply to the gentleman.

Mr. GROSS. Would the gentleman agree with me that what Congress needs to do is stop spending billions for unessential programs? Inflation will not be stopped by creating a so-called budget control committee, or by an addition to the Joint Economic Committee for study? Is it not the fact that what we have to come back to in the end is to cut spending, as Mr. Burns, Chairman of the Federal Reserve Board, has told us almost every day recently?

Mr. BROWN of Ohio. Absolutely. I concur with the gentleman that there is a need to curb Federal spending, reduce the deficit and get control of the fiscal policy of this Nation. In addition to that, of course, there are somewhat more sophisticated problems, such as the money supply and what we should do with that; some things that relate to international trade and even some things, I may say to the gentleman, that relates to policies that might not precisely be called fiscal matters but relate to it such as housing loan guarantees and guarantees of personal deposits in banks, and things like that, which, if we get into deeper economic trouble than we are already in, would have the impact of being even more inflationary than some of our direct spending fiscal policies are currently. I think the gentleman would agree with me.

Mr. GROSS. It will all come back in the end, no matter how many studies are made, it will all come back in the end to contain spending within revenue.

Mr. BROWN of Ohio. That certainly would be one of the basic needs of getting to the problem.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to my colleague from Ohio.

Mr. VANIK. Mr. Speaker, I thank the gentleman for yielding to me.

I want to say that I concur in what the gentleman says with respect to regional hearings on this issue. I would like specifically to ask whether the scope of this economic study is going to be broad enough to include a review of other forces which contribute to inflation, which occur from outside the

United States, which have an impact in the country.

For example, the effect of the OPEC policies; the effect of the cartel control of commodities by investor groups outside of the United States which control supply and thereby inflate the price of these commodities when made available to the consumers of America. Will the gentleman's study be broad enough to include that area of review?

Mr. BROWN of Ohio. I would assume, if we get into regional studies, we will deal with those parts of the economy which are affected by trade abroad.

The SPEAKER. The time of the gentleman from Ohio has again expired.

(On request of Mr. VANIK and by unanimous consent Mr. BROWN of Ohio was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. I would assume, in our study, we would get input in our regional sessions from those activities in this country that are impacted by trade abroad, and certainly from those individuals and those companies which are impacted by the oil producing nations and their control of at least a third of our supply of the oil we utilize.

Mr. VANIK. Mr. Speaker, if the gentleman will yield further, the problem extends beyond that. It extends to the control of such commodities as coffee, sugar, and other items that are in short supply and which appear to be controlled by cartel investments outside of the United States.

Mr. BROWN of Ohio. I agree with the gentleman. I agree with the recommendation of the gentleman. I would say to him that in addition to that, we should probably get into such things as our foreign trade policy, and what should be done regarding the foreign trade bill which, as I understand it, is being held up in the Senate. That will have an impact on how much we can sell abroad and on the rate of exchange. It will affect our trade balance and a great many other things, all of which have some direct benefit or negative impact on the inflationary situation in this country today.

Mr. VANIK. I thank the gentleman for yielding.

Mr. DEL CLAWSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Yes.

Mr. DEL CLAWSON. In response to the first question the gentleman from Iowa, Mr. GROSS, asked in connection with the amount the committee spent, I understand from information coming to me that, the expenditure last year was over $800,000. Perhaps the gentleman will correct me if that is in error.

The SPEAKER. The time of the gentleman has expired.

Mr. RIEGLE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in support of this concurrent resolution.

I think it is absolutely essential that we get on with this job.

I listened with great interest to the remarks of my friend and colleague, the gentleman from Iowa (Mr. GROSS), whom I respect very much, and I agree with much of what he said in terms of his concern about the causes of inflation, and very particularly, what might be done right now in terms of reducing Federal spending. I also think it is something that can be accomplished and ought to be accomplished.

I, for one, happen to think that the Presidential recommendation we heard the other day about a $5 billion Federal budget cut was really inadequate. I think we have to go far beyond that at this time.

I know from my conversations with Dr. Burns at the Federal Reserve that if we really want to talk about easing the restraints on inflation in the monetary policy area, with some hope of bringing down interest rates, we are going to have to do much more in the area of fiscal restraint than what we, in the Congress, have done so far or what we are contemplating at this time.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RIEGLE. Yes, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I would like to concur in what the gentleman has said. I also think the restraints on the budget are inadequate, with the present situation.

I might say to the gentleman from Iowa, if he is on the floor, that we need somewhat stronger fiscal restraint than is the situation so far.

Mr. RIEGLE. I might say to the gentleman from Ohio that I think if we want to be serious about what needs to be done in terms of real fiscal impact, overall economic impact as well as psychological impact, we are talking probably in terms of a budget cut of something like $10 billion or more.

I realize that is tough to accomplish, and that all of us would want to apply cuts of that magnitude in different areas of the budget.

What I would hope we could recognize is this: If we are not able category by category to agree on budget reductions where we would like to reduce the budget in the aggregate amount of 10 billion, I suggest that we must then think in terms of an across-the-board percentage budget cut, perhaps exempting some limited number of special situations where there is a particular and very great human need that would warrant an exemption from an across-the-board cut. However, by and large, having recognized the emergency economic situation, if we cannot get an agreement on area-by-area cuts, what we will have to do, I think, is agree on an across-the-board reduction.

Mr. BROWN of Ohio. I think the gentleman's point is very well taken. If, in fact, we are going to balance the budget, there will have to be a cut of $11.4 billion.

Now, that is going to be very possible because the Federal Government does not do anything that is undesirable. We do things that are desirable, at least to some segment of the economy.

However, if we are going to get agreement on where those cuts must come or whether we are to have additional taxes, if that is the other thing we must do to balance the budget, then we are going to have to get the support of the average citizen in this country, the support of the people who are facing the inflationary problems, whether they be in industry which needs to expand or the housewife who is trying to buy food.

The way to do that, I think, is to take the problem to the people and get their input and to that extent for us to try to solve the problems.

Mr. RIEGLE. I thank the gentleman for his comments. Mr. Speaker, I would say further on this issue that I do not know of a family or a business or a private institution that has not been required to undergo some sort of budget reduction at the present time. Everyone I speak to and talk to in the private sector, including individuals, is in that situation, and I think it is entirely reasonable for us at the Federal level not only to recognize the fact that we, too, can and should do this—and probably accomplish more by spending less with greater care—but there is an enormously important reason for us to do it right now. The fact is that we must act now to break this inflationary momentum.

Mr. Speaker, let me say one other thing. I think it is significant that this resolution calls for this work to be done by the end of this year. That is an immediate mandate to get on with this job and to assemble and evaluate all the facts. I think, in response to the question that was raised earlier, it clearly does not just center on domestic issues but it gets to issues and causes and influences of inflation that might come from abroad.

I think this mandate, as it is spelled out here, will give us an opportunity to have in our hands before this year is out the critical facts and information and understandings that we will not receive in any other way. Especially so now that we see the Cost of Living Council disbanded and out of business at the very time when we need it the most. That is really a very ironic and troubling fact.

The SPEAKER. The time of the gentleman from Michigan (Mr. RIEGLE) has expired.

(On request of Mr. REID and by unanimous consent, Mr. RIEGLE was allowed to proceed for 2 additional minutes.)

Mr. REID. Mr. Speaker, will the gentleman yield?

Mr. RIEGLE. I yield to the gentleman from New York.

Mr. REID. Mr. Speaker, I commend the gentleman from Michigan for entering the well and for his support of this resolution, along with the gentleman from New York (Mr. BADILLO). I think this study is clearly needed.

There is one point, however, that has not, as I have understood the debate, been discussed. That is the fact that the United States today is very close to facing a serious depression—not recession, but depression.

In my judgment, there is a total absence today of Presidential leadership to take any steps at all to develop now a coherent policy utilizing both monetary and fiscal approaches while striving also for international monetary reforms.

There is no effective policy which I am aware of to deal with the energy crisis in this country. There is no alternative proposal being developed if we faced with a new oil embargo.

Inflation is out of sight in this country, and many are being driven to the wall, particularly senior citizens.

Mr. Speaker, my point is this: that there is a suggestion made today that some Members of Congress meet with the President and develop within the next few weeks a policy of coherent action. I am afraid if we wait until the end of this year and if there is further delay, this country could be in a very serious depression, with millions of people being affected.

Mr. RIEGLE. Mr. Speaker, I support much of what the gentleman has said, and I agree that the step he suggests ought to be taken, as well as this step.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RIEGLE. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I just want to welcome the expressions of Republican philosophy from that side of the aisle.

Mr. RIEGLE. Mr. Speaker, I might just say to the gentleman from Ohio that the last two speakers have had some training and background in that area.

Mr. BROWN of Ohio. Mr. Speaker, it shows through. It shows through, and I want to congratulate both of them.

AMENDMENT OFFERED BY MR. YOUNG OF ILLINOIS

Mr. YOUNG of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. YOUNG of Illinois: Page 2, line 7 after ", but not limited to," "the causes of the current inflation and".

Mr. YOUNG of Illinois. Mr. Speaker, I would say that this resolution for an emergency economic study is timely, and I want to support it. I think that there is a slight oversight that should be corrected in the language as to the scope and coverage of this study. If this study is going to be directed to the problems of inflation, then it ought to also include the "causes" of the current inflation.

Mr. Speaker, I would ask that the Members of the House support this amendment, which is merely to clarify the scope of this study so as to give the Joint Economic Committee ample opportunity to not only look into the problem, but also to look into the causes which are really at the root of the problem.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Illinois. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, I thank the gentleman for yielding, and I would say that without any consultation with any of the other members on the committee I certainly will be delighted to accept the amendment offered by the gentleman from Illinois (Mr. YOUNG).

Mr. YOUNG of Illinois. I thank the gentleman from Missouri.

Mr. DEL CLAWSON. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Illinois. I yield to the gentleman from California.

Mr. DEL CLAWSON. Mr. Speaker, we have no objection to the amendment on this side, as far as I am concerned.

Mr. YOUNG of Illinois. Mr. Speaker, I thank the gentleman from California.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Illinois. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, this resolution holds out the hope that as a result of what is called an emergency study the Congress may be provided with specific recommendations for legislation to remedy inflation and improve the performance of the economy. If I were to think that such a study would achieve that goal, I would be moved to say that the $100,000 requested to fund it was a meager price to pay.

But just 2 weeks after this resolution was introduced in the House, the Democratic caucus adopted a resolution on the economy. It is difficult to conceive of a situation in which an emergency study might recommend proposals, which if they disagreed seriously with the caucus position, would have much chance of legislative survival. Therefore, though the ostensible purpose of this resolution is to commission a study of inflation, if it does not conform in large measure to the caucus proposals it will be consigned to legislative oblivion and will be essentially useless. Moreover, considering the recommendations made on this topic by the Joint Economic Committee in the past, and the rejection of these proposals by the minority, is it not reasonable to assume that the recommendations to be forthcoming will hardly differ by a hair?

I would submit to my colleagues that what the Democratic caucus provided us is nothing more than a collection of warmed over panaceas which have failed to serve us in the past. In fact that characterization casts their proposals in a benign light which belies their essentially counterproductive approach. First on the list of priorities set by the resolution is the adoption of what was termed "a balanced tax reform package" to offset the harm done by inflation to the purchasing power of middle- and lower-income families.

The notion of a balanced tax reform package entails cuts for some and increases for others. A reasonable estimate of the cost of restoring the purchasing power of middle- and lower-income families through a tax cut comes to approximately $15 billion. I am frankly at a loss to find anywhere a statement on the part of the caucus about how the Treasury might raise the revenues to balance this cut. But should they come from among the traditional targets, they would surely include higher taxes on preference income, repeal of ADR and slashes in the investment tax credit. Yet, pushing aside the disruptive consequences of such action, the annual revenue generated would scarcely exceed $4 billion. This I suggest, Mr. Speaker, is the guidance the Democratic caucus would provide majority members of the JEC.

The caucus also called upon us to expand unemployment compensation programs couched in the alarmist phraseology of a rising tide of unemployment. But what do they recommend? You will recall in May, when for the final time the Standby Energy Act was considered, the committee bill proposed an expanded unemployment program for those put out of work by energy shortages. The Manpower Administration estimated that that provision alone would cost more than $4 billion. Moreover, the eligibility standards set by that legislation held out the possibility of receiving benefits for nearly 2 years. In sum, the proposal given birth by the majority party would have provided dangerous inflationary impulses directly through massive Federal expenditure, and indirectly through establishing a substantial disincentive for unemployed workers to seek job retraining or to seek employment outside their immediate labor market.

Mr. Speaker, any serious recommendation on inflation will have to come to grips with the difficult tradeoffs of the nature which this example raises. But the majority members of the JEC armed with the caucus resolution would undertake the study with their membership in the House demanding essentially inflationary programs or worse. To deal with the problem of high interest rates and tight money, for example, the caucus recommends a program of credit rationing. In other words, at a time when most economists are suggesting the wisdom of getting the Government out of the regulation of the financial markets and reducing the barriers to competition in banking, the caucus would have us interject even greater rigidities.

Mr. Speaker, absent from the proposals the majority would presumably have the JEC adopt is any mention of the area in which Government reform would possibly be most helpful—the elimination of Government-imposed regulations which have had the effect of raising substantial barriers to competition in our economy. Literally hundreds of regulations which owe their existence to legislative action in agriculture, banking, labor, trade, Government operations, and taxation have encumbered the economy for years. At present they present massive resistence to changes in economic policy designed to lower prices and increase efficiency in production. Merely a partial list of the offending legislation would include the Jones Act, the Robinson-Patman Act, the Buy America Act, the Davis-Bacon Act, Federal Reserve Regulation Q, and the Connolly Hot Oil Act.

In this morning's Wall Street Journal, Hendrik Houthakker, professor of economics at Harvard University, presented what he called a positive program to fight inflation, entailing the reform and elimination of these and other programs. I shall ask the Speaker to insert it in the RECORD at the end of my remarks. It is an outline of the kind of program those of us on the minority side would tend to support, and that we have advocated for years. Yet during the same period, programs adopted by the JEC have largely ignored such an approach, and I find it truly astounding, that not so much as lip-service is paid to them in the resolution on the economy adopted by the majority of this body.

Under these circumstances, Mr. Speaker, I find it impossible to believe that the study advocated by this resolution would offer even the slightest hope for effective reform, and I must urge the defeat of this resolution.

[From the Wall Street Journal, July 30, 1974]

A Positive Way To Fight Inflation

(By Hendrik S. Houthakker)

At the present time our efforts to fight inflation are pretty well confined to a single weapon: monetary policy. There are admirable plans to balance the budget and cut expenditures, but they face formidable obstacles and in any case it is not clear that fiscal irresponsibility is a major factor in the present inflation. Price-wage controls have turned out to be a dismal failure; they may well have made inflation worse rather than better. It is understandable, therefore, that the emphasis is on monetary policy, for it was excessive growth in the money supply that permitted the inflation to begin with.

Nevertheless it will be very difficult to bring inflation under control by monetary policy alone. The present growth rate of the money supply, probably somewhere around 6% per year, is certainly not low by historical standards, yet it already puts severe strains on the monetary system. At the same time this growth rate is consistent with an inflation rate of at least 7% and perhaps more. Therefore monetary policy would have to be tightened further if we are ever to go back to a reasonably noninflationary economy. It is doubtful whether the financial system could stand this.

Most people are probably not reconciled to living with inflation rates of 7% or more. We therefore need something more promising than the present approach. We have to recognize that inflation has become a long-run problem and calls for long-run solutions. Our economy has to be made less prone to inflation and more responsive to anti-inflationary policies.

This means, in particular, that institutional barriers to price declines have to be removed, or at least weakened. Stability of the general price level does not mean that all prices remain forever the same; on the contrary, some prices must rise and some must fall, largely in response to technological changes and to fluctuations in demand. In a competitive market prices are flexible in both directions; the recent precipitous decline in the price of electronic calculators is a good example of the reaction of a competitive market to changes in fundamental conditions.

The barriers to competition that exist in many markets usually originated in the desire to prevent such price falls rather than to raise prices. Many years ago a German economist called cartels "children of adversity"; the anticompetitive measures that were part of the New Deal, some of them still in force, are a case in point. A more recent example is the effort to reverse a sharp fall in livestock prices by providing government-guaranteed loans to producers, thus eliminating one of the few areas where relief to the hard-pressed consumer was in sight.

BARRIERS TO COMPETITION

To a large extent fiscal and monetary policy has the same effect. In a competitive market the normal reaction to a fall in demand is a decline in price, but where competition is weak the usual reaction is to cut the quantity supplied, leaving prices more or less unchanged; the steel market during the 1960s is a typical example. Reductions in supply lead in due course to reductions in employment, which is the accepted purpose of fiscal and monetary policy to counteract. Thus general economic policy serves to reinforce the downward price rigidity characteristic of noncompetitive markets. Of course in such markets cost increases are almost automatically passed on to the buyer, and fiscal and monetary policy also serve to validate that practice. Barriers to competition therefore make an economy more susceptible to inflation, in addition to creating inefficiencies of various kinds.

These barriers are not likely to be removed on a piecemeal basis, though the recent House vote against the sugar bill is an encouraging exception. Most of them are supported by powerful pressure groups who will respond with "why pick on us?" If these barriers can be removed at all, it has to be done comprehensively. An omnibus bill to this effect would have to include the following provisions:

In Agriculture it would amend marketing order legislation so as to prohibit restriction of interstate movements, and production quotas on individual producers. The bill would also repeal the Meat Import Act and replace dairy import quotas by tariffs, if needed at all. Export subsidies would be abolished, except when the domestic price is at support level. Agricultural cooperatives with sales exceeding $10 million per year would lose their antitrust exemption. Food stamps would be replaced by cash payments.

In the field of Transportation the bill would remove all route and other restrictions in existing trucking licenses. Changes in railroad rates would be approved automatically if they fall within a zone of reasonableness determined by variable costs. The Interstate Commerce Commission would lose the authority to grant general rate increases. The antitrust exemption of railroad and trucking rate bureaus would be terminated. The Federal Aviation Act would be amended to make discount air fares legal, and to bring capacity-limiting agreements under the antitrust laws. The Jones Act, which reserves coastal shipping to U.S. vessels, would be repealed. Subsidies for ship construction and operation would be abolished unless military need is proved.

In the area of Energy the bill would deregulate the wellhead price of new natural gas. It would outlaw state prorationing of oil and gas and repeal the Connolly Hot Oil Act. It would terminate crude petroleum allocations and oil price controls, and reform pipeline legislation so as to make oil pipelines effective common carriers. The present embargo on uranium imports would be rescinded.

In Banking there would be a general revision of Federal Reserve Regulation Q, including permission for banks to pay interest on demand deposits. The limitations on interest rates paid by savings institutions would be phased out. Interstate banking would be permitted subject to the antitrust laws. The accounting procedures of financial institutions would be subjected to more rigorous standards.

In the field of General Business resale price maintenance would be abolished. The antitrust laws would be amended to make refusal to sell a violation in the case of large corporations, thus reducing their market power. The Justice Department merger guidelines would be reformulated to emphasize the effect of mergers on competition rather than numerical standards. All corporations over a certain size would be required to have a minimum number of outside directors.

In the field of Labor unreasonable restrictions on union membership, such as prior apprenticeship or excessive entrance fees, would be prohibited. Union-operated hiring halls would be abolished. The Davis-Bacon Act and similar laws concerning wages paid under government contracts would be phased out. The bill would also reform unemployment insurance so as to make it less of a disincentive to work, and would exempt juveniles from minimum wage laws.

In Foreign Trade the Buy American Act would be phased out. A constitutional amendment to remove the obsolete prohibition against export duties would be initiated. The voluntary export agreements on textiles and steel would be terminated. Export-Import Bank credit would be allowed only where our exports are at an artificial disadvantage.

In the area of Government Operations present prohibitions against the sale of surpluses from the stockpile would be terminated, and so would the interest rate ceiling on long-term government bonds. The private express statutes which give a monopoly to the Postal Service would be repealed.

Finally, this omnibus anti-inflation bill would have provisions for administration by a special board and establishment of an adjustment assistance fund which could make limited grants to firms or workers seriously damaged by provisions of the bill, or guarantee loans to firms for restructuring made necessary by the bill.

Enactment of such a bill would not only have an immediate impact on the general price level, but would also make the U.S. economy more resistant to inflation in the longer run and stimulate productivity. It would have to be supplemented by other measures, one of which would permit the Treasury to issue cost-of-living bonds, whose interest and principal would be related to the consumer price index, thus making it easier for small investors to protect themselves against such inflation as is still to come.

EXPANDING INDUSTRIAL CAPACITY

Another important component of a positive strategy against inflation is the expansion of industrial capacity. It has become increasingly clear in recent years that capacity bottlenecks are a powerful contributor to inflationary pressures and may cause unemployment at the same time. In several basic industries, steel being the outstanding case, capacity has fallen far behind demand, thus opening the door for sharp price increases. There are various reasons for the shortage of capacity, but one measure that would help alleviate it is an overhaul of the corporate income tax to facilitate the financing of new investment.

In particular, dividends paid to domestic stockholders should be exempted from the corporate income tax, though not from the individual income tax. Dividends are factor payments just like wages, rent and interest, which are already subject to the tax on individuals only. The exemption of dividends would increase corporate cash flows and make equity issues more attractive to corporations as well as to investors, thus reducing pressures on the new issue market in fixed-interest securities. It would also cause a loss of federal revenue amounting to about $15 billion which could be made up by two other changes in the corporate income tax.

One of these would be a surcharge on corporations whose rate of return to net worth, averaged over a period of years, exceeds a certain figure (say 15%). In most cases persistently high rates of return are an indicator of great market power reinforced by a failure to expand capacity as much as cash flows allow. The averaging feature would protect corporations with fortuitously high profit from the surcharge, while the use of net worth as a divisor would be a safeguard against excessive depreciation. Since the surcharge would by itself encourage additions to capacity there would be less need for the investment tax credit, which could thus be eliminated or modified to make up a further part of the revenue loss. Additional individual income tax receipts from dividend income would also help.

These three legislative proposals—the comprehensive removal of barriers to competition, the issuance of cost-of-living bonds, and the corporate income tax reform—are independent of each other and should be evaluated separately. Together they constitute a program that will get us away from the present excessive reliance on monetary policy.

Given enough patience we can perhaps control inflation by bringing the economy to a virtual standstill or worse, but the cost in terms of lost output and employment will be staggering. By adding new weapons to the fight against inflation we can not only make success more probable and more timely, but we can also lay a better foundation for the performance of our economy in the future.

Mr. YOUNG of Illinois. Mr. Speaker, I would also like to say that I hope this study will be approved by the Members, and that it will be completed, and that, when the study is completed, the House will study it very thoroughly, and follow its recommendations.

The SPEAKER. The time of the gentleman has expired.

Mr. BOLLING. Mr. Speaker, I move to strike the last word.

The gentleman from Missouri hesitates to say what he is about to say, but the gentleman from Missouri and the gentleman from California, I believe, were together trying to pass a relatively innocuous resolution. There is a great deal of business before the House scheduled for this day. The gentleman from Missouri is perfectly competent to deal with partisan debate, and he has heard a good deal of it, and he is prepared to engage in it if it becomes essential. But the gentleman from Missouri is primarily interested in disposing of a resolution to allow a committee created under the Employment Act to make a simple study of a great problem, the solution to which seems to be rather different in the minds of different people.

If we are to pursue this a great deal further, the gentleman from Missouri would feel compelled to defend the position of the party that he represents, but I think it is rather silly to engage in this on a resolution which was introduced at the request of the majority leader by the ranking Democrat and the ranking Republican in the Senate. I should like to see the resolution pass, and incidental to that I should like to see the amendment offered by the gentleman who just had the floor adopted.

Mr. McKINNEY. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I thank the gentleman for yielding.

Mr. Speaker, the seriousness of the economic situation is apparent to everyone in this Chamber and to all Americans. Once the Joint Economic Committee begins its consideration of this subject, I would commend to their attention the record of the extensive hearings now being held by the Banking and Currency Committee on the subject of high interest rates now plaguing the American people.

The situation as regards tight money and the concurrent high interest rates is acute. It is destroying savings and loan liquidity and it has pulled the rug out from under the housing industry, virtually excluding the average American from homeownership and worsens as his savings are eaten up by inflation.

I hope that the Congress acts quickly, not only to establish this study and upon the Joint Economic Committee's recommendations in December, but also upon the many innovative proposals which have already been introduced and are pending action. One measure I especially hope will get consideration is aimed at giving tax credit on a dollar-for-dollar basis for the interest earned from passbook savings up to a maximum of $250. I introduced such a bill, H.R. 16121, in order to give incentive for savings which in itself is anti-inflationary but it will also act to encourage those with funds already in savings accounts to keep them there, blunting disintermediation and lessening some of the pressure on those banks and other financial institutions which provide mortgage money. This is especially a help at a time when the U.S. Treasury itself is competing for investment capital by offering high interest Treasury notes and tax-exempt bonds. There is no way that savings and loans, and mutual and thrift institutions can compete with such high interest offerings when the interest rates they can offer are federally regulated at lower than market levels.

I have great confidence in the abilities of the able members of the Joint Economic Committee to study the problem thoroughly and recommend a course of action. But there are steps that Congress can take now to reduce the rate on inflation. Giving tax credit for increased savings is just one of many suggestions which have already been made, not only by myself but by other Members of Congress. Most should be considered by both Houses before the end of this year when the JEC report is made. The American people urgently need our action now to begin to stem the inflation which increases almost daily. We can not be content to wait until December.

Mr. WYLIE. Mr. Speaker, I move to strike the last requisite number of words.

Mr. Speaker, I will vote for the resolution in the hope that the study will be beneficial and because of the magnitude of the problem of inflation. But, my constituents can tell Congress now how to reduce inflation. They are pressing for a balanced budget and have been for many years.

The popular Phillips or British theory that employment begets inflation has been disputed by many respected economists including Dr. Alan Greenspan who recently stated that he had never seen proof that reducing Federal spending increases unemployment. He stated that unemployment caused by excessive spending can be proved and pointed to the inflation-caused, major retrenchment underway in the consumer market and housing industry. The retrenchment, Greenspan said, is causing and will cause substantial unemployment.

Let me offer a simple example. As the price of refrigerators soars, the housewife stops buying refrigerators and refrigerator companies stop manufacturing refrigerators. Unemployment results. So, cutting inflation can increase employment.

Many respected economists like Herbert Stein, Alan Greenspan, and Dr. Arthur Burns agree that excessive Federal spending is the root cause of our current crippling inflation.

Congress must take strong action and I recommend passing a strong bill like H.R. 144 introduced by my good friend, the gentleman from Iowa, Mr. H. R. GROSS, or H.R. 15375 which I introduced which would cut Federal spending 2 percent below income. We really do not need to appropriate $100,000 to reduce inflationary pressures. But, I will admit that the studies contemplated under this resolution, if properly carried out, could recommend future courses of action to avoid many of our present problems.

I yield back theb alance of my time.

Mr. DELLUMS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I choose not to take a great deal of time this afternoon. I should like to applaud my distinguished colleague on this side of the aisle who offered an amendment to get the Joint Committee to deal with the issue of causes.

I tried to listen as diligently and as carefully as I could this afternoon to some of the proposals made. It seems to me they are symptomatic in approach, because they are only dealing in symptoms. If we are going to talk about causes, I should like to make a nonpartisan statement, because I think my statement constitutes accord for both the Republican and the Democratic Party. If we are going to talk about the causes of inflation, there are three major areas of misallocation we must examine. I hope this Joint Committee does that. They are, one, our exorbitant Defense budget; two, the lack of equity in our tax structure; and, finally, the major subsidies, huge subsidies, to major corporations in this country. Unless the Joint Committee addresses itself to the causes of inflation, looks at the question of how much money we spend on defense, looks at the fact that middle-income Americans pay most of the taxes, whereas the wealthy and the major corporations of this country pay little or no taxes, and, finally, the extraordinary giveaways to major corporations in this country, it would seem to me that the Joint Committee is going to play partisan games dealing with symptomatic approaches, and we are never going to solve the problems of inflation.

I would simply admonish my colleagues on both sides of the aisle to bite the bullet and make some recommendations to come to this floor to talk about cutting the Defense budget, to talk about tax reform, and to talk about removing some of these huge giveaways to major corporations. Beyond that, we are, in fact, taking an ineffective approach to an extremely difficult problem.

Mr. Speaker, I yield back the balance of my time.

Mr. WIDNALL. Mr. Speaker, I move to strike the last word.

As the ranking minority House member of the Joint Economic Committee, I convene with the gentleman from Missouri (Mr. BOLLING) and move to accept the amendment offered by the gentleman from Illinois (Mr. YOUNG), and it should be adopted.

Mr. FRENZEL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I support Senate Concurrent Resolution 93, the inflation study by the Joint Economic Committee, but I do so with some skepticism.

Inflation is the number 1 problem today. We all know it, and so do our constituents. My skepticism arises from that knowledge and from the track record of the JEC.

Inflation needs congressional attention. Congress has done nothing and has no policy on the economy. Study will improve the Congress, or is likely to do so, since the only way we have to go is up.

The JEC has plenty of staff as it is. The extra $100,000 may be inflationary, but it wil be a minor transgression among our inflationary sins. The JEC has no legislative authority. I would rather see an inquiry handled by a legislative committee. I want to warn that some of us in the House will not tolerate another whitewash of our high spending, Congressional extravagance.

The majority party has to take full responsibility for years of overspending. One harmless study can't erase that sorry record. Nor can it cover the total absence of some economic policy. Congress can do something. It can tighten its belt. It can provide leadership and example. I cast my aye vote in hope, but I must admit my hope, based on our performance to date is a forlorn one.

Mr. KEMP. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in opposition to this resolution, the fact that this resolution—which calls for a study by the Congress of the causes and effects of inflation—is now before us is in my opinion, a ringing indictment of the Congress continuing inaction and confusion on this crucial problem of inflation. It tells the American public that the majority in Congress do not yet understand that excessive Government spending is the cause of inflation and that the Congress is going to yet spend more money to "study" inflation. Passing this resolution will not symbolize action. To the contrary, it symbolizes more inaction.

We do not need to spend more of the taxpayers' money—on one more study of a phenomenon which has been studied endlessly—to tell us what we already know. Government spending is the cause of inflation. And, since the leadership of Government—executive and legislative—created the problem, it has the power to correct it. It can do so now. It does not need to wait on the results of this study.

If one wants to know why we have inflation, read the pages of the CONGRESSIONAL RECORD each day and look at the excessive spending which the Congress is foisted upon the American taxpayers—spending which results in deficit spending for which the Government must both borrow more and more money at exorbitantly high interest rates and print additional paper money behind which there is no commensurate growth in national productivity.

Our economic history is clear on the fact that additional increases in money supply, unaccompanied by increases in national productivity, drive up prices. For every surge in money supply, there has been a direct, corresponding surge in prices. As a matter of fact, there has never been a dramatic price surge which has not been accompanied by a drastic increase in paper money supply or some similar form of artificial government manipulation of the marketplace. We need no new study by the Congress to tell us that.

The Federal Reserve Board has been pressured into issuing more paper money as a means to lessen the amount which the Government has to borrow to cover its deficits. When Government has a deficit—and it has one every year now—it can do one or both of two things: it can borrow the money, just like any other borrower, in the money markets of the country, and/or it can print new paper money with which to cover its debts unlike any other borrower. The way to correct both of these problems—for one takes crucially needed funds away from capital-starved industries and the other fuels the fires of inflation—is to deal with it at its primary source—Government spending.

We attack this basic problem of excessive spending by balancing the budget. The President should submit a revised budget message for the current fiscal year, recommending specific cuts of at least $10 billion. I would prefer $15 or $20 billion. He should veto all appropriations bills in excess of his spending requests, as revised. He should withhold the obligation of funds already approved but in excess of his spending requests. He must insist upon a balanced budget for the next fiscal year, a budget balanced on the basis of realistic projections of revenue. He should direct his department and agency heads to stop hiring more Government workers, allowing natural attrition—retirements, deaths, terminations, and resignations—to bring down Federal employment. He should direct the Federal Reserve Board of Governors to tie money supply directly to national productivity, or, at a minimum, to curtail the money supply growth rate to about 5 percent this year—a manageable level.

The Congress should insure a balanced budget and hold total spending down to the level of revenue—not a dollar more. It should authorize the President to withhold the obligation of funds when the exercise of that power would help control inflation and curtail spending, for with such a specific statutory grant of power to the President, his actions in this regard would not be invalidated by court orders. The Congress should legislate a requirement which limits the growth in paper money. The Congress should require that all new Federal programs be tested first—to see if they will work or not—before they are made the law of the land and applicable to everyone, eating our tax dollars in the process. The Congress should start its appropriations process for each fiscal year from a zero base; that is, every program would have to justify its continued funding, in order that only those programs which deserve tax dollars will continue to receive them. The Congress should impose revenue and budget ceilings in relation to aggregate national income.

The Congress alone has the constitutional power to tax and to appropriate money. We should exercise that power by holding the line both on spending and the taking of taxes necessary to support that spending. It is time to stop passing the buck on this issue to the administration, for that administration—while there are things as I have enumerated which it can and should do—is not the branch of Government which authorizes and appropriates money. We should exercise that authority instead of trying to sidestep the question by having it studied. What can a new study tell us that the revenue-raising and appropriations committees have not already explicitly or impliedly shown to us? Or, that countless economists and professors and hundreds of textbooks—and 200 years of national experience—have not told us? Nothing; or at best, very little.

The time has come for action—actions like slashing spending, actions like trimming the sails on the printing of more paper money. The time has long since passed when a study would have been appropriate.

Mr. Speaker, I urge the defeat of this spending proposal and urge my colleagues to tell the American people the truth—we must cut the cost of Government in order to cut the cost of living. We owe it to the taxpayers of our country and to the future of our free enterprise system.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. YOUNG).

The amendment was agreed to.

Mr. BAUMAN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I did not want this occasion to pass without making an observation. The question was raised earlier about the current budget for the Joint Economic Committee. I understand from the committee staff the budget is $950,000 approximately already this year for this committee's activities. By our action, we are here adding $100,000 of the taxpayers' money to that committee budget to allow them to conduct a study of the national economy, called "an emergency study," which will take 6 months—some "emergency," I must say.

I only wish, since the decision may be made to permit television to cover our debates, that the American people could see the confession of failure occurring here in the House this afternoon. By this resolution we are admitting that the Congress of the United States does not know what the economic problems are and that it will take 6 months and one-tenth of a million dollars to find out what these problems are. Apparently, we are all oblivious to the reality around us.

I must commend the Speaker because it took him only an hour the other day during his special order to explain in great detail what the economic problems were and who caused them. He assured us he was offering a complete program to solve all these ills, and his entire remarks only took an hour and did not cost a dime. So I hope when the Members get to vote on this they will consider the taxpayers and the free advice of our beloved Speaker. I do not think we need another study to tell us what we already know. If this resolution passes, I suggest we use the rollcall vote as "exhibit A" to show what is really wrong with our economy; that is the total unwillingness of the majority of the Congress to restrain their habit of constantly spending money we do not have for projects of dubious merit.

Mr. BOLLING. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished gentleman from Missouri. I will always yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, I would like to explain that I answered the question of the gentleman from California on the $800,000 budget of the Joint Economic Committee accurately. It is approximately $800,000 for the Joint Economic Committee as a whole. The other moneys expended are for a special study separately financed by the appropriations committees of the House and the Senate for the very excellent study made by the gentlewoman from Michigan (Mrs. GRIFFITHS) through our Subcommittee on Fiscal Policy. So both the gentleman from Maryland and I are accurate and I do not contest anything else he wishes to say because I will reserve that for another forum.

Mr. BAUMAN. I thank the gentleman from Missouri.

Mr. PATMAN. Mr. Speaker, the U.S. economy is sick. The present inflation is one of the worst in our history and it does not appear to be easing. As soon as one component of the Price Index starts to go down, another begins to rise. In the past year, we have suffered sharp increases in food and energy prices and now we face the unpleasant prospect of continuing sharp rises in industrial prices.

Meanwhile, unemployment, according to the experts, will rise during the second half of the year. Our economy is in a stagnant condition and prospects for recovery are dim. Agriculture is disrupted, our housing industry is in a shambles, and double digit interest rates are stifling the economy.

In the face of these problems, the administration is following a do-nothing policy. They have done nothing to cope with these threats to our economic well being. Not since the days of Herbert Hoover have I seen such a lack of competence to deal with the serious economic issues of the day.

Clearly, Mr. Speaker, Congress must take the initiative and develop a program to save our economy from worse disruption. It is up to this body to develop economic policies for the Nation and to promote a better means of coordinating decisions so as to improve our economic welfare.

In the fact of our current difficulties, I am glad to see that the Senate has just passed Senate Concurrent Resolution 93 which would require the Joint Economic Committee to conduct an emergency study of the economy and to look into all of the important aspects of the present economic difficulties. The Committee would also be authorized to make specific recommendations to the Congress for dealing with our current ills by the end of the year. Admittedly, this is a very rigid schedule but, as chairman of the Joint Economic Committee, I would be happy to undertake it. It is a job that needs badly to be done. My colleagues on the Joint Economic Committee would be proud to undertake it. Accordingly, I urge that the House concur in the resolution.

If granted the authorization and financing of this resolution, I promise that the Joint Economic Committee will call in outstanding experts to advise on the major problems of the economy and on means of resolving them. It would be my hope to supplement this with studies directed to problem areas and undertaken for the purpose of providing the Congress with recommendations to be considered in forming economic policies for the year ahead. I would hope that the results of this undertaking would provide the Congress with additional insights and, hopefully, incentives to counteract the worsening chaos in our economy that the administration is responsible for.

Mr. GILMAN. Mr. Speaker, I rise in support of Senate Concurrent Resolution 93, legislation authorizing funds for the Joint Economic Committee to conduct a 6-month emergency study of the current state of the economy.

While it does seem strange that we should be considering spending $100,000 for an economic analysis at a time when it is so important to keep a tight control of Federal spending, I am hopeful that this will be money well spent and that the committee will expeditiously come forward with some sound recommendations and remedies for our economic woes.

Mr. Speaker, we are confronted with a severe economic crisis. With double-digit inflation, skyrocketing interest rates, climbing food prices and taxes, there is not a single citizen who is not concerned with the unrelenting increases in the cost of living.

In looking at the economic problems confronting our Nation we must also assess the economic stature of the rest of the world. Inflation is a worldwide problem which has been further complicated by energy shortages and the resultant severe rise in fuel prices. While it is little consolation to our wage earners, the inflation rate in the United States is among the lowest of any industrial nation in the world.

The fact remains, however, that most of our populace cannot tolerate the current rate of inflation. The critical economic burdens affecting us are, by far, the most troublesome of all of our domestic problems.

The administration has proposed a policy of economic restraint, advocating a tight rein on lending and vast reductions in Federal spending. While I agree with the necessity for strict monetary and fiscal policies, I feel that these remedies alone do not go to the root of the problem and will not provide us with the means for allowing our citizens to look forward to a prosperous, inflation-proof future.

Accordingly, the moneys we are authorizing for this Joint Economic Committee's study should be spent in fully investigating some solutions for stabilizing our economic seesaw. I urge the committee to specifically consider the following areas of economic concern:

The need for a unified depository of economic data, including an assessment of those materials and minerals which are, or may be, in short supply;

The need for a regional approach to our economic problems, taking into consideration growth of a region, rate of unemployment, and the need for economic stimulation;

The need for encouraging increased development of our energy sources. Fuel shortages, as the greatest contributor to economic instability, must be given the highest priority;

The need for assessing our economic policy in relation to international developments. While we enjoy one of the world's lowest inflation rates, we cannot help but be effected by the skyrocketing inflation rates of other nations. The plague of inflation travels and is not abated because an ocean separates us from the European community or from the hard-hit Eastern countries.

Accordingly, Mr. Speaker, I support this funding of the Joint Economic Committee because it is incumbent upon the Congress to thoroughly and expeditiously investigate the economic concerns confronting us, to assess all of the relevant data and to seek sound paths for our future economic policy.

Mr. DRINAN. Mr. Speaker, the economic situation which confronts the Nation today compels the Congress to take action, to help answer the questions of those Americans who ask why the United States has fallen on such hard times. What are the tough economic facts which confront us today? Mr. Speaker, inflation has continued to grow, exceeding all expectations by reaching the 11 percent mark. Unemployment hovers above 5 percent, and gives no sign of abating. Interest rates have risen drastically, now at their highest level this century, and these rates have brought on a further worsening of the economy by affecting housing and the business markets. And the picture hardly looks brighter on the international scene, where shortages of materials, the balance of payments, and the value of the dollar threaten our future stability and well-being.

It is increasingly apparent to all of us in Congress as we witness this country's economic stagnation that the solutions to this complex problem are not easy. However, it is also apparent that we, as representatives of our constituents, must do more than hope that the economy will improve. We must do more than simply to ask hard-pressed consumers to save more money, or to implore business and labor to keep wage and price increases to a reasonable level. In recent months the administration's economic policies have reflected little more than such ineffectual requests, but we no longer tolerate these policies. The problems facing us are too severe.

Today I am pleased to support Senate Concurrent Resolution 93, a resolution authorizing an emergency study of the current state of the economy by the Joint Economic Committee. While I would like to see stronger legislation passed to rectify immediately the current problems, it is imperative that we first understand the situation as completely as possible. This emergency study will especially focus in on our rampant inflation, but it will also investigate related problems such as Federal spending, tight money, high interest rates, the shortages of materials, credit and export policies as well as international exchange rates and indexing. In conducting the study, the Joint Economic Committee will be authorized to hire additional staff, to engage consultants, to enter into contracts for further studies, and to consult experts throughout the Nation. In addition, the committee will be granted the power of subpena.

Mr. Speaker, this country's economy needs more than studies; it needs farsighted leadership. If the Nixon administration will not respond to our economic plight, then Congress must take on that responsibility. Our people can no longer tolerate an economy which worsens with each passing day. It is time for us to act.

Mr. BOLLING. Mr. Speaker, I move the previous question on the Senate concurrent resolution.

The previous question was ordered.

The SPEAKER. The question is on the Senate concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. PODELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 335, nays 66, not voting 33, as follows:

[Roll No. 423]

YEAS—335

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bennett
Bergland
Bevill
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Corman
Cotter
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dent
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fisher
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Grover
Gubser
Gude
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holtzman
Horton
Hosmer
Howard
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—66

Anderson, Ill.
Archer
Armstrong
Ashbrook
Baker
Bauman
Beard
Biaggi
Biester
Bray
Brown, Mich.
Burleson, Tex.
Burlison, Mo.
Byron
Collins, Tex.
Conlan
Coughlin
Crane
Davis, Wis.
Dennis
Derwinski
Devine
Dingell
Dorn
Findley
Fish
Flynt
Goldwater
Gross
Guyer
Hechler, W. Va.
Henderson
Holt
Huber
Hudnut
Jones, Tenn.
Kemp
Ketchum
Lagomarsino
Landgrebe
Lott
McCollister
Martin, N.C.
Mathis, Ga.
Mayne
Montgomery
O'Brien
Passman
Powell, Ohio
Price, Tex.
Rarick
Robinson, Va.
Ruppe
Scherle
Schroeder
Shuster
Smith, N.Y.
Spence
Steed
Steiger, Ariz.
Symms
Taylor, Mo.
Ware
Young, Alaska
Young, S.C.
Zion

NOT VOTING—33

Arends
Brasco
Carey, N.Y.
Carter
Chappell
Chisholm
Clay
Collier
Conte
Conyers
Culver
Davis, Ga.
de la Garza
Diggs
Edwards, Calif.
Evins, Tenn.
Fraser
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Jones, Ala.
Landrum
McSpadden
Nix
O'Neill
Rooney, N.Y.
Rostenkowski
Tiernan
Vander Veen
Waldie

So the Senate concurrent resolution was concurred in.

The Clerk announced the following pairs:

Mr. Rostenkowski with Mr. Arends.

Mr. Rooney of New York with Mr. Edwards of California.

Mr. Fraser with Mr. McSpadden.

Mr. Evins of Tennessee with Mrs. Hansen of Washington.

Mr. O'Neill with Mrs. Green of Oregon.

Mr. Vander Veen with Mr. Brasco.

Mr. Tiernan with Mr. Carter.

Mr. Jones of Alabama with Mr. Conte.

Mr. Diggs with Mr. Holifield.

Mr. Carey of New York with Mr. Clay.

Mr. de la Garza with Mr. Hansen of Idaho.

Mr. Gunter with Mr. Landrum.

Mr. Nix with Mr. Culver.

Mr. Davis of Georgia with Mrs. Chisholm.

Mr. Waldie with Mr. Conyers.

Mr. Chappell with Mrs. Griffiths.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL MIDNIGHT TO FILE REPORT ON H.R. 16136, AS AMENDED

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a report on the bill (H.R. 16136), as amended.

The SPEAKER. Is there objection to

the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H.R. 69, EDUCATION AMENDMENT OF 1974

Mr. PERKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 23, 1974.)

Mr. PERKINS (during the reading). Mr. Speaker, I ask unanimous consent that the reading of the statement of the managers be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, the conference report on H.R. 69 extends and improves dozens of Federal aid to education programs. It also authorizes a number of new programs and makes much needed improvements in the administration of Federal aid programs.

If this conference report is not adopted today, there can be no appropriation bill for education this year, and school districts throughout the country will have to rely upon the continuing resolution for their Federal aid. As I pointed out in Monday's RECORD, this turn of events will mean that school districts will receive hundreds of thousands and, in some cases, millions of dollars less in Federal aid to education this year than they would if this bill is passed.

The reason for this loss of funds is that under the continuing resolution the administration is only required to spend at last year's appropriation level. This amount for title I, for instance, was only $1.719 billion; and from that amount the administration on its own has even withheld part from being allocated among the States. But, if the conference report is adopted and signed into law, the President has said that he will request and spend $1.885 billion for title I. This will mean that every State in the country will gain greatly needed dollars for education.

California will gain $18 million. Alabama will gain $5.7 million; Florida $7.8 million; Mississippi $5.2 million; and Virginia $4.8 million.

This conference report must be adopted if we are to continue the progress we have made in Federal aid to education.

I would like to cite for my colleagues some of the improvements contained in this conference report:

In the title I program, the major Federal aid program, we have adopted a more equitable formula for distributing funds which will be effective through fiscal 1978. This formula is a product of a long, protracted debate in the Congress, a debate which I am sure many Members do not want to go through again;

The impact aid program is extended through fiscal year 1978, and public housing children are included for the first time. But there is also included a provision that no school district will receive less in regular impact aid payments due to the inclusion of these children;

A consolidation of seven separate programs into two simplified programs is also contained in the conference report. This consolidation is the number one priority of the administration this year in education. It would be phased in over 2 years and would have to be forward funded and would have to be funded at the same level of appropriations as the separate programs were funded;

A greatly enlarged aid for the handicapped program is also included in the conference report. This program, which will provide $630 million in aid, is meant to assist the States in educating all their handicapped children; and

The adult education program is also extended, as is the Bilingual Education Act and the Indian Education Act.

The conference report also contains several new programs. The most notable of these is a reading improvement program to provide assistance to all children with reading deficiencies, regardless of the income of their family, and the community schools program, which is meant to encourage the better use of school buildings throughout the country. Grants are also provided for the first time to assist States in formulating equalization plans for the better distribution of their State and local resources for education.

The conference report also adopts a simplified application for States applying for Federal aid to education. This simplification is meant to cut down on the amount of paperwork involved in applying for Federal aid.

Those extensions of Federal aid programs and those improvements in their administration are the heart of this bill. Unfortunately, there are also in the conference report amendments dealing with busing. Those amendments by right should not have been attached to this bill, but rather should have been considered by the Judiciary Committees in each House. But, since they have been attached to our education bills, we have done the best we could to work our way to agreement with the Senate conferees.

I would like to point out to my colleagues, first of all, concerning these antibusing amendments that the vast bulk of these provisions were identical in both the Senate and House bills. Both bills contained prohibitions against busing beyond the next closest school. Both bills forbade the disregarding of district lines. Both bills said that the assignment of students to their neighborhood schools did not violate the 14th amendment. Both bills said that population changes should not serve as a basis for new lawsuits. And, both bills stated clearly that racial balance is not required in achieving desegregation.

The conference report retains all those provisions intact, verbatim. No one word is changed.

The conference report also adopts several antibusing amendments which were proposed and adopted on the Senate floor. Those amendments forbid any busing except when all other alternatives have been exhausted. They forbid any busing to start except at the beginning of a school year, and they forbid any busing except after a school district has been given reasonable opportunity to formulate a voluntary plan to achieve desegregation.

All of those amendments were adopted in the conference committee and are contained in this conference report.

The conference report also contains provisions allowing the reopening of court orders when the health of the child is imperiled or when its educational process is impaired. The termination of court orders regarding busing is also permitted if the school district is in compliance with the 14th amendment.

The conference report also contains the Ashbrook amendment which forbids the use of Federal funds for busing. The only change in that amendment as it passed the House is a clarification concerning impact aid.

Mr. Speaker, all these amendments show clearly that Congress does not favor the busing of schoolchildren in desegregation situations. These provisions are the farthest that the Congress has yet gone in expressing its will on busing.

But, I urge my colleagues to look upon this bill primarily as an education bill and not as an antibusing bill. I also urge my colleagues to remember that unless we adopt this conference report today, there will be no education bill this year. A year and a half of work will go down the drain and the education of millions of schoolchildren will be impeded.

Mr. Speaker, I would now like to discuss in more detail the principal provisions of the conference report.

EXTENSIONS OF ACTS

In general, the conference report extends the programs authorized under the Elementary and Secondary Education Act, the Bilingual Education Act, the Adult Education Act, the impact aid laws, and the Indian Elementary and Secondary Education Act through fiscal year 1978. The Education of the Handicapped Act is extended through fiscal year 1977, the Emergency School Aid Act is extended through fiscal year 1976, and title III of the National Defense Education Act is extended through fiscal year 1977.

TITLE I, ESEA

Title I of the Elementary and Secondary Education Act is the major program of Federal aid to elementary and secondary education. It provides funds to local school districts for compensatory education for educationally deprived children.

A major controversy concerning title I

for the past several years has been over the formula for the distribution of funds. I am pleased to say that the conference report on H.R. 69 adopts the formula which was written in the House Committee on Education and Labor and adopted overwhelmingly by the House last March. That formula, to my way of thinking, provides for the most equitable distribution of funds possible at this time in the title I program.

The formula distributes funds principally on the basis of the number of poor children in each school district as determined using the official Federal definition of poverty, the Orshansky index. The adoption of that index for title I will, over time, lead us in the direction of a uniform means of allocating these funds throughout the country.

But, I would like to point out that the formula in the bill is, and will continue to be, still weighted in favor of the wealthier States as is the title I formula in the present law. Under the new formula those States will receive more funds than the poorer States due to the inclusion of AFDC children in addition to these Orshansky children, due to these States' higher expenditures for education which will result in higher payments, and due to the farm-nonfarm differential in the computation of the Orshansky index which favors the more urbanized States. The formula in the conference report, nonetheless, is the best formula we could enact at this time.

The conference report also retains a provision guaranteeing every school district 85 percent of its previous year's allocation and a provision permitting the Commissioner of Education under a separate authorization of appropriations to grant additional assistance to school districts receiving less than 90 percent of their previous year's allocation. The purpose of that latter provision is twofold: To provide assistance to school districts which are hampered in maintaining the present level of support for their title I programs by the operation of the new formula; and also to provide funds to assist school districts which are in counties with declining numbers of title I children, but which themselves have increasing numbers of those children.

Providing some additional assistance to school districts in this last described status is necessary because of the manner in which the Department of Health, Education, and Welfare presently administers the title I program. Instead of allocating funds to local school districts, HEW has been allocating funds only to the county level, claiming that there is a lack of data to provide for allocations to local school districts. This means that unusual circumstances can develop in which the overall numbers of title I children in certain counties can be stationary or declining, while particular school districts within those counties can have increasing numbers of title I children; and, because HEW only allocates funds to the county level, those school districts with increasing numbers of poor children would be held to the same amount of funding as all the other school districts in the county.

This is an inequitable situation and one which should be redressed. This new authority is meant to assist the Commissioner in providing funds to those school districts until the Office of Education is able to obtain the data needed to distribute all the title I funds to the local school district level. The Office of Education should have been compiling that data for such use years ago, and this amendment is meant in no way to condone its present practice of allocating funds only to the county level.

As regards the use of the migrant student record transfer system in the program of aid to State agencies providing education for migratory children, the conference report provides that the Commissioner may use that system for distributing these funds if he determines that it provides the best data obtainable. We urge, however, that if the Commissioner shifts to this new method of allocating funds, the transition take place over time and after a careful study of the MSRTS. That system has not as yet been used to distribute funds and should be perfected before it is put into full use.

The conference report also amends title I to—

Provide local school districts with the discretionary authority to make schools "target schools" if they have the same proportions of poverty children as regular title I schools and yet are not within poverty areas;

Require that a "target school" be designated as such for 3 years;

Require that there be established both local school and districtwide advisory councils composed of a majority of members being parents of title I children; and

Provide that the Commissioner must bypass local and State educational agencies to provide assistance to children in private schools if those agencies cannot by statute, or are substantially failing to, provide such assistance.

The conference report also permits a limited study of the use of methods other than poverty for the purpose of determining "target schools" under title I. A maximum of 20 local school districts in the country are permitted to experiment with such methods in projects under the administration of the National Institute of Education. The conference report also allows the Commissioner to set aside up to one-half of 1 percent of the title I appropriation for the purpose of evaluating title I programs.

BILINGUAL EDUCATION

The conference report strengthens the Federal commitment to bilingual education by increasing the authorization of appropriations for the Bilingual Education Act, by more precisely defining the requirements for federally assisted bilingual education programs, by providing for the voluntary enrollment of English-speaking students in those programs, by requiring consultation with parents of limited English-speaking ability and teachers in developing the applications for those programs, and by expanding the list of eligible activities which can be funded to include supplementary activities such as adult education and preschool programs.

Of particular importance is the emphasis placed in these amendments to the Bilingual Education Act upon the training of personnel involved in bilingual programs. The conference report provides for both preservice training and inservice training of teachers, administrators, paraprofessionals, teacher aides, and parents. The conference report contains all the training provisions under the act in one section. These sections had appeared as two separate sections of the Senate bill and did not appear in the House passed version of H.R. 69. By consolidating these sections of the Senate bill into one provision in the conference report, no change in substance was intended by the conference.

The administration of bilingual education programs was also improved by requiring the creation of an Office of Bilingual Education within the U.S. Office of Education. This Office must administer all programs relating to bilingual education within the USOE.

IMPACT AID

The impact aid laws, Public Law 81–815 and Public Law 81–874, are amended in several very significant respects. I would like to describe certain of these amendments.

Public Law 81–874 is amended to require that heavily impacted school districts, those school districts with 25 percent or more of their enrollments "A" children, must receive the full amount of their entitlements for these "A" children. The conference report also adopts an amendment clarifying that all Indian children living on Indian land which is now used for low-rent public housing are to be considered regular impact aid children and not as public housing children. It is expected that the Office of Education will make payments for all these children in both fiscal year 1974 and thereafter. There seems to have been some administrative confusion concerning the status of those Indian children in fiscal 1974, and this amendment is meant to make clear that payments must be made for them. Effective in fiscal 1976, all children on Indian land, including this land used for public housing, will be considered "A" children.

Also effective in fiscal year 1976 are a series of broad amendments revising the entitlements and payment rates for almost all "A" and "B" children. Those amendments have been delayed in effect until 1976 so that the Office of Education can collect data much more extensively than it has so far on the repercussions of the amendments.

A major amendment effective in 1976 requires that public housing children must be funded for the first time under the impact aid program. Funds for those children, however, unlike other impact aid money, must be used for categorical compensatory education programs. Those programs must be funded in the following order of priority. First of all, programs in title I funded areas which have been harmed by the adoption of the new title I formula must receive funds to maintain those programs. Second, if that first priority is met, then programs in title I eligible areas which are not funded with regular title I appropriations must be funded. And third, if both of the first two priorities have been met, then other schools in the school district may be funded for compensatory education programs for educationally deprived children of low-income families.

It is expected that the U.S. Office of Education and the State educational agencies will monitor the expenditures of these funds for compensatory education. The title I personnel in both the U.S. Office of Education and the State educational agencies must be involved in this monitoring since they have the expertise developed over many years in dealing with compensatory education programs.

A method for assuring compliance with these requirements could be that a local school district receiving funds for these public housing children must submit a letter of compliance with the U.S. Office of Education and its State educational agency before it receives its impact aid funds. Then, USOE and the State educational agency would monitor its compliance. If the State educational agency has any administrative funds under title I which are not being expended, those funds could be used to assure compliance with these requirements.

The impact aid program is also amended to provide additional assistance for handicapped children of military personnel. It is expected that the same type of administrative procedure will be provided for those children as for the public housing children since their funds must also be used in an identifiable manner for categorical special programs for such children.

The conference report also adopts an amendment to Public Law 81–874 to allow States to consider impact aid as local resources in their distributions of State aid under State equalization programs. Some confusion seems to have arisen over one of the conditions under which States can consider that aid. The report states that impact aid can be considered—

> Provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

The term "local revenues" in this context clearly means local revenues for education and not all local revenues for all local services.

CONSOLIDATION

The conference report adopts the consolidations of State formula programs which were contained in H.R. 69 as it passed the House. Those consolidations were put into two categories and seven separate Federal categorical aid programs.

Those consolidations, however, must be phased in over 2 years and cannot become effective in their first year before fiscal 1976. They also cannot become effective unless the appropriations for the consolidations are provided in an appropriation bill providing appropriations for the fiscal year preceding the fiscal year in which the consolidations are to be effective. Neither can the consolidations be effective unless the total appropriations for the consolidations are at least equal to the total appropriations for the separate programs before they were consolidated, to the level of appropriations for the consolidations in the previous fiscal year if they were funded in that fiscal year.

These "triggers" on consolidation are meant to assure the best administrative transition to consolidation possible and to assure that consolidation is not used as a device for cutting back on Federal aid to education. When these triggers refer to the consolidations as being "effective" or "in effect," it is meant that the consolidations are actually being funded in that year.

Since the consolidations must be phased in over 2 years with a requirement that 50 percent of the funds used for each program before consolidation must continue to be used for that program in the first year of the phase-in, it will be necessary to identify the sums used for each program in the year before the consolidation is first funded or in fiscal year 1974, whichever year has a higher amount. That determination may be somewhat difficult regarding the guidance and counseling program which is consolidated into the "library and learning resources" category.

According to the U.S. Office of Education, $26,599,689 is the projected expenditure by the States in the fiscal year 1974 for guidance, counseling, and testing under title III of the Elementary and Secondary Education Act. The expenditures under the Commissioner's discretionary funds, section 306 of title III, ESEA, have not been precisely identified as yet. But, it could be reasonably presumed that the same proportion of funds were spent by the USOE for guidance, counseling, and testing as were expended by the States from their total title III, ESEA, allocations. Whatever the combination of those two sums, that amount would be the sum used for determining the phase-in for the consolidation of guidance, counseling, and testing. This same amount would also have to be used in combination with appropriations for title II, ESEA, and title III, NDEA to determine the level of appropriations needed to trigger the "Libraries and Learning Resources" consolidation.

The conference report also adopts a Special Projects Act to serve as an "incubator" for new categorical aid programs. Some of those new programs are the Community Schools Act, the Women's Educational Equity Act, and the Career Education Act. The conference report also requires an administrative consolidation of the paperwork involved in States applying for Federal aid to education. This administrative consolidation is meant to cut back on this paperwork and to be a step in the direction of the simplification of Federal administrative requirements.

EDUCATION ADMINISTRATION

The conference report upgrades the National Center for Education Statistics by putting it in the Office of the Assistant Secretary for Education and by requiring that an Advisory Council on Education Statistics be appointed to review the general policies of the Center and to establish standards to insure that statistics and analyses disseminated by the Center are of the highest quality.

It is our hope that this reorganization will lead to a far better collection of education statistics than is presently being conducted. USOE, which presently performs this function, is now requiring the States and local school districts to fill out hundreds of different forms for education statistics, many of which are overlapping in their requests for information and many of which are of dubious importance. Then, once these statistics are collected, it is frequently 2, 4, or 7 years until the results are tabulated and disseminated. By that time the usefulness of such data is practically nil.

This reorganization will allow a fresh beginning for the collection of education statistics and will provide the opportunity for the policymakers at HEW to commit themselves to correcting the present sorry situation.

Recognizing the importance of library and learning resources to the educational process, I would strongly urge this new National Center to conduct an annual survey of academic libraries, school libraries and media centers, and public libraries. The Center should also conduct at least one survey of special libraries.

The conference report also requires numerous other improvements in the administration of Federal education programs. The most noteworthy is the requirement that all regulations for Federal education programs must be submitted to the Congress for review and that Congress must be given the opportunity to disapprove those regulations.

Also of importance is a provision setting a 5-year statute of limitations on the collection of allegedly misspent funds under the Elementary and Secondary Education Act and a provision requiring the States to submit detailed fiscal data on their use of Federal funds. An amendment is also included requiring schools to give parents and students in post-secondary institutions a right to inspect their school files and restricting the release of this data to third parties.

EDUCATION OF THE HANDICAPPED

In addition to extending all the Federal education programs for the handicapped, the conference report contains a very substantially increased authorization for aid to the States for the education of the handicapped for fiscal year 1975. It is the purpose of that authorization to provide massive aid to the States so that they can begin the monumental task of educating all their handicapped children. Many of the States are now coming under court orders to educate all these children.

OTHER PROGRAMS

The Adult Education Act is amended to eliminate the Commissioners set-aside of funds and to turn all the funds over to the States for operating programs. The act is also amended to permit the States to use up to 20 percent of their allocations for programs of high school equivalency.

The emergency school aid is amended to repeal the authority for the funding of education parks and to repeal the set-aside of funds for metropolitan projects.

A new program is authorized for grants to the States for the purpose of planning the equalization of their State and local revenues for education. Grants will vary by State from $100,000 to $1 million, depending upon the population of the State. I believe that this relatively small grant program offers one of the best opportunities for the Federal Government to help the States in remedying the root cause of much of the inequity that exists in providing educational opportunity today.

The Vocational Education Act is amended to authorize a new 1-year program of bilingual vocational education and to authorize a new 1-year vocational—manpower—training program.

A reading improvement program is also authorized for the purpose of assisting States and local school districts in helping to remedy reading disabilities of children regardless of their economic status.

STUDIES AND WHITE HOUSE CONFERENCE

The conference report also authorizes several studies on updating the information used for distributing funds under title I of the Elementary and Secondary Education Act, for studying the premises of the Orshansky index of poverty, for analyzing the effects of late funding of education programs, for surveying athletic safety in the schools, and for reporting on crime in the schools. The conference report also contains several policy statements dealing with advance funding of education programs, museums, and equal educational opportunity.

A White House Conference on Education is authorized to be convened in 1977 for the purpose of renewing the national commitment to education.

Mr. Speaker, I would now like to insert in the RECORD a short summary of the conference report:

FACTSHEET ON THE EDUCATION PROVISIONS OF H.R. 69 AS REPORTED BY THE COMMITTEE ON CONFERENCE

The conference report on H.R. 69 extends the Elementary and Secondary Education Act, the impact aid laws, the Adult Education Act, the Bilingual Education Act, and the Indian Education Act through fiscal year 1978. It also extends the Education of the Handicapped Act through fiscal year 1977 and the Emergency School Aid Act through fiscal year 1976.

TITLE I, E.S.E.A.

The Title I formula is amended to allocate funds on the basis of more current data. State agency programs for handicapped, migrant, and neglected and delinquent children will receive funds in accordance with the new formula and will continue to receive funds "off the top" in accordance with established practice. No State agency will receive less than its fiscal 1974 allocation. Each local education agency will receive at least 85% of its previous year's allocation. The 1975 authorization is estimated at $3.1 billion for LEA grants.

Part B of Title I, incentive grants to States with a high tax effort for education, is continued with a maximum appropriation of $50 million.

Part C, grants to areas with high concentrations of low income children, is extended through 1975.

Authority is contained in the bill for a separate authorization which permits the Commissioner in special circumstances to make grants to school districts which are receiving less than 90% of their previous year's allocation.

A by-pass for non-public school children is included.

OTHER TITLES

Titles II, III, and VIII of ESEA are extended through 1978 and Title III of NDEA is extended through fiscal year 1977. These programs may not be funded in any year in which there is a consolidation of programs as described below.

CONSOLIDATION

State operated programs are combined into the following divisions:

(a) "Libraries and Learning Resources" includes ESEA II, NDEA III, and the guidance and counseling portion of ESEA III.

(b) "Support and Innovation" includes the balance of ESEA III, Nutrition and Health and Dropout Prevention from Title VIII, and ESEA V.

Consolidation must be forward funded and during the first year there will be a 50% hold-harmless for each program.

A by-pass for non-public school children is included.

Total discretion is given to local educational agencies on spending under Libraries and Learning Resources. States distribute funds under Support and Innovation on a project grant basis.

Also adopted is a provision for a simplified State application for ESEA I, II, III, NDEA III, Adult Education, Vocational Education, and Education of the Handicapped.

The Special Projects Act is included which provides an "incubator" for new categorical programs. Under this concept new programs will be protected for a period and then will compete for funding without the protection of set-asides. These new programs include Women's Educational Equity, Career Education, Consumer's Education, Gifted and Talented, Community Schools, Metric Education, and Arts in Education.

IMPACT AID

Effective in fiscal 1976, amendments are accepted which will include guaranteed funding for public housing children of 25% of entitlement, equal to about $53 million in 1976, Entitlements for military children remain as in current law. Entitlement rates for civilian children are reduced slightly for those who live within the same county (from 50% to 45%) and for those who live within a different county in the same State (50% to 40%). Entitlements for those who live in a different State are eliminated except that those payments will be reduced over a number of years as the result of hold-harmless provisions.

School districts with 25% or more of their enrollments "a" children will be guaranteed the full amounts of their entitlements for these children.

No school district which receives more than 10% of its budget from impact aid will have its payments reduced less than 10% each year. Districts which receive less are guaranteed 80% of their previous year's payments. Also every district is guaranteed that it will not lose any regular impact aid funds due to the inclusion of public housing children.

Handicapped children of military personnel will be entitled to a payment of 1½ times that of other children. These funds must be used for the purposes of providing special education for these children.

Funds which a district receives as the result of public housing children must be used for programs of compensatory education.

ADULT EDUCATION

The Commissioner's 20% set-aside is deleted and all funds are to be allocated to the States. Up to 20% of a State's funds may be used for high school equivalency programs.

The program of adult education for Indians is continued through 1978.

HANDICAPPED

All existing programs for the handicapped are extended through fiscal year 1977. For fiscal 1975, $630 million is authorized to be allocated among the States on the basis of total population ages 3–21. These funds will be particularly helpful in meeting requirements for the education of all handicapped children facing many States as the result of court decisions.

States are required to show how they will meet the needs of those children.

BILINGUAL EDUCATION

Authorizations are increased and special emphasis is placed on the training of personnel. Funds are also provided to States to assist them in developing their capacities to develop programs of bilingual education.

A national assessment of the need for bilingual education is to be conducted in 1975 and 1977 and sent to the Congress.

Also included is a program of fellowships for students who will enter the field of training teachers in bilingual education.

READING

A new program of reading improvement is included. Funds are authorized for grants to local educational agencies and States for comprehensive programs of reading improvement and projects which show promise of overcoming reading deficiencies. Also included are funds for special emphasis projects in reading, for the training of reading teachers on public television, and for reading academies.

VOCATIONAL EDUCATION

Included are two new programs which provide funds in fiscal 1975 for bilingual vocational training and bilingual vocational education.

INDIAN EDUCATION

The Indian Elementary and Secondary School Assistance Act is extended through 1978. Up to 10% of the funds are to be made available to Indian controlled schools.

An annual authorization of $2 million for special training programs for training teachers of Indian children is included and a program of fellowships for Indian students is also included.

OTHER PROGRAMS

The Emergency School Aid Act is continued through 1976. The authority to fund educational parks and the set-aside for metropolitan areas programs are repealed.

An amendment to authorize the CLEO program to assist disadvantaged students to prepare for and attend law schools is accepted.

The Ethnic Studies program is extended through 1978.

A program of grants to States to assist them in planning State equalization programs is included. Grants range from $100,000 to $1,000,000 per State depending upon population.

MISCELLANEOUS FEATURES

An upgraded National Center for Education Statistics within the Office of the Assistant Secretary for Education is created.

Regionalization of the Office of Education without an act of Congress authorizing such regionalization is forbidden.

Congress is afforded the opportunity to disapprove regulations for any Federal aid program for education.

Parents of students and students attending post-secondary institutions are afforded the right to inspect their school files and the release of documents in those files is restricted.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I appreciate the chairman's yielding.

In my own city of Chicago, as an example, if what the gentleman is saying is true, can the city school system order forced busing of children from the south side of Chicago to the northwest side of Chicago?

Mr. PERKINS. Does the gentleman mean city board of education has ordered it?

Mr. ANNUNZIO. My question is very simple. Can the Chicago Board of Education bus people from the south side of Chicago to the northwest side of Chicago? I know about the recent Supreme Court decision. That is a decision where the young people are taken from the city to the suburbs. But now I am talking about just within the city of Chicago.

Mr. PERKINS. If the city is not under a court order to bus and there is only de facto segregation within that school district, I would not see any reason why busing should be ordered by a court. If there has been no discrimination within the school district, I would see no reason why any court should order busing. And since this bill deals only with busing ordered by Federal courts and agencies, I do not see where the gentleman has a problem with this bill in Chicago.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. I thank the gentleman for yielding.

Mr. Speaker, if I might try to respond to the question of the gentleman from Illinois, if I understand it, the bill under consideration does not forbid orders that may be entered into by a school district voluntarily. The bill has to do with busing that may be ordered by a Federal court or agency.

Mr. PERKINS. That is correct.

Mr. Speaker, I would now like to state the reason that I put a statement in the Record on Monday showing how much every State in this Nation loses if we continue under this continuing resolution.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York (Mr. Kemp).

Mr. KEMP. Mr. Speaker, I compliment the chairman for his constructive efforts on behalf of this vital legislation. I would like to ask my chairman a question as to what was the action in conference with regard to the right of a parent in an experimental subject under title III of ESEA to remove a child from an experimental program if in fact they do not agree with what is being taught.

Mr. PERKINS. That was the Kemp amendment offered in the House, was it not? It was agreed in conference that a parent has the right at the secondary school or elementary school level to inspect those records and that a student in college has a right to inspect his own records.

It was also agreed to give parents the right to inspect the curriculum materials used in experimental programs. That particular amendment resulted from the gentleman's action.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I simply want to ask the distinguished chairman a question as to whether or not he is going to use the entire 30 minutes allocated to this side of the aisle or whether he is going to allocate any time to those of us who oppose this proposition. I think we are entitled to some time.

Mr. PERKINS. This is one of the most important conference reports that has ever been brought before this Chamber.

Mr. WAGGONNER. And the gentleman is filibustering it, too.

Mr. PERKINS. And I have not taken the time to adequately explain it but I will yield some time.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I thank the gentleman for yielding.

When we had this debate in the House on this bill, the distinguished gentleman from Kentucky, the gentleman now in the well stated that there were three sections in the bill from which funds could be derived for programs to stop school dropouts which are very closely related to crime. Is that preserved?

Mr. PERKINS. It is preserved.

I would like to take this opportunity, Mr. Speaker, to commend Congressman Al Quie, the ranking Republican member of the Education and Labor Committee, for the tremendous work which he put into achieving this conference report. Without Al's efforts, we would not be here today with as fine a piece of legislation as we have achieved.

I would also like to thank all the members of the General Subcommittee on Education and Congressman John Brademas for their fine work. Every one of them worked long and hard hours to achieve this conference report.

I would also like to thank Jack Jennings, counsel of the subcommittee, and Chris Cross, minority legislative associate, for their fine work.

Lastly, I would like to commend Senator Pell for the tremendous work which he did on the Senate side in achieving this fine piece of legislation. Senator Pell and his professional staff on the subcommittee, Steve Wexler, Jean Frohlicher, and Dick Smith, are to be highly commended for their work.

Mr. QUIE. Mr. Speaker, I yield myself 11 minutes.

Mr. Speaker, although I know that the debate on the House floor today will focus almost exclusively on the issue of busing, I think the Members should also know that this legislation is the most important elementary and secondary education bill to be considered by the Congress in the last several years. Virtually the entire catalog of Federal programs to elementary and secondary schools are contained in this act.

Something in the neighborhood of $26 billion is authorized in the bill over the next 4 years. The authorization for this year alone is more than $7.4 billion. The entire appropriations process for these programs is being held in limbo pending the passage and signing of this act. It is no exaggeration to say that the failure of Congress and the White House to enact this conference report into law will bring chaos to the schools of this country and will result in a substantial lowering of resources available for education.

Those who would be most severely affected by the failure to enact this legislation are those who can least afford to suffer the loss of support. H.R. 69 authorizes very important programs for disadvantaged children, children of limited English-speaking ability, Indian children, handicapped children, and those children who reside in areas which are heavily impacted by the Federal Government. In each of these instances, Federal funds provide very important resources which States and local communities would find it almost impossible to replace. Let us examine some of these programs and their importance as we consider this conference report.

The most important program contained in this bill is title I of the Elementary and Secondary Education Act. This program, authorized first in 1965, is the major source of funds to provide compensatory education to students in our Nation's schools. In fiscal 1974 this program provided $1.720 billion in aid to some 13,000 school districts in every State in the Nation. The President's budget request for this program for fiscal 1975 is $1.885 billion, a $165 million increase from the fiscal 1974 figure.

There is no more important program for providing aid to the approximately nine million children in this country who are eligible for service under the act. The beneficial results of title I have been cataloged in a number of evaluations and studies. School district after school district, State after State can point with pride to the impressive gains achieved by their students as the result of receiving special Federal help. These gains have been particularly impressive in the 3 years of the program. To remove that support at this time would be to subject those nine million students to potential regression in their academic progress.

This act also authorizes several hundred million dollars in special aid to handicapped children through the extension of the Education of the Handicapped Act. The tremendous needs of this group of children has been forcefully demonstrated through court actions in many, many States. The actions of the conferees will lead to better service and greater opportunities for these oft-neglected children. In the current fiscal year alone, H.R. 69 provides $630 million in authorized grants for distribution among the States to serve the special needs of handicapped children.

While this legislation contains many far-reaching titles and programs covering elementary, secondary, adult, bilingual, Indian education, reading and impact aid, it also represents the culmination of 2 years of intensive work in another vital area, namely, the education of handicapped children. Educational practice which has effectively resulted in the exclusion of over 50 percent of our school-aged handicapped children from an appropriate program in the public school systems is finally being turned around. In order to meet the pressing financial crunch in local communities resulting from the ever accelerating pace of both court orders and State legislation mandating the education of all handicapped children, the legislation alters the formula of title VI-B, Education of the Handicapped, Aid to the States, by providing funding based upon the number of all children within a State between the ages of 3 and 21 in the most recent year for which the satisfactory data is available, multiplied by $8.75. A full appropriation would make available $630 million for fiscal 1975.

Beyond that, this legislation enhances the State plan requirement for the education of handicapped children which is submitted to the Commissioner of Education by ordering the States to submit a detailed blueprint demonstrating how they will identify, evaluate, and serve all of the handicapped children within their jurisdiction. Moreover, vital, long overdue guarantees are mandated in the same State plan:

Provision that priority in the use of title VI-B funds go to children not now receiving an education program;

Provision of specific due process guarantees for the children served and their parents in all matters relevant to identification, evaluation, and placement;

Prohibition against the classification of children to promote racial or cultural discrimination; and

Provision that all handicapped children be educated in the least restrictive environment.

The bill also establishes provisions to assist States that are moving toward deinstitutionalization of handicapped children but are not required to do so by the legislation. Where States are attempting to move children from institutions back to their homes or facilities closer to their homes, the money formerly provided for their educational programs while they were in institutions will now be allowed to follow them to the local program. I sponsored the amendment which will permit a State, for the purposes of determining its allotment under the so-called 89-313 program—Public Law 89-313—to continue to count the children who leave the institutions supported by the State and enter educational programs which are the responsibility of the local school districts. The provision adopted by the conference assures that the money generated under this provision would go to the local school district providing the special education program.

The conferees also changed the amount of money a State would receive in the future under the 89-313 formula from 50 percent of the average per pupil expenditure in the State to 40 percent. So that no State would be penalized, the conference agreed to a hold harmless provision which provides that a State will not receive less than it received in the last fiscal year.

Finally, with respect to the handicapped, the conference accepted a concept that I have long been concerned about, that is, it is generally more expensive to provide educational programs for the handicapped than it is for the "normal" student. In this regard I offered an amendment which was adopted by the conference which will allow school systems receiving impact aid money to count a handicapped child as one and a half for the purposes of eligibility. Because of my concern that handicapped children receive the best educational program possible, in addition to allowing school districts to count children at a higher rate, the legislation also requires that they provide programs for handicapped children which are of sufficient size, scope and quality which show promise of substantial progress in meeting the unique needs of handicapped children.

In my judgment H.R. 69 is truly landmark legislation and will provide benefits which will not only assist the handicapped but all Americans as well.

H.R. 69 also authorizes an extension of both the Bilingual Education and Indian Education Acts. These two programs are the source of a considerable amount of assistance for programs and projects designed to assist children of limited English-speaking ability and Indian children. The needs of these groups, too, are critical and must not be neglected. To withdraw Federal funds will be to deny these children needed opportunities for receiving an adequate educational program.

A final target group who will benefit from this act are the children in school districts which suffer from Federal impact. The impact aid program, Public Law 874 of the 81st Congress, is the oldest program of significant size which provides aid to elementary and secondary schools. As a result of the amendments adopted by the conference committee, this program now will assist districts with a heavy impact of public housing children as well as assisting those traditional impact districts who suffer tax loss as a result of the presence of a Federal installation. This change while of primary interest to urban areas, can be used only for compensatory education for educationally disadvantaged children as in title I.

These then are the major groups who will benefit from this act and whom we shall not deny support.

In addition to these target groups, the bill does a number of other things of which I am particularly proud. First, and in my view most importantly, the bill does provide for a significant consolidation of several programs of aid to elementary and secondary schools. This consolidation, which was authored by Congressman Bell, has great significance for returning a large measure of control over Federal programs to States and local school districts. It is a goal that those of us on this side of the aisle have been after for years.

The consolidation is in two parts. The first, Libraries and Learning Resources, combines the programs formerly authorized under ESEA title II with NDEA title III and the guidance and counseling portions of ESEA title III. The first-named act has provided since 1966 aid to schools to purchase library books and educational material. NDEA title III has been in effect since 1958 and provides funds for schools to purchase equipment. Quite obviously, these two authorities overlap; and as a result the school districts have been forced into dealing with two separate Federal programs with different sets of rules and requirements. The consolidation gives local districts complete authority on how to spend these funds, in my view, a very important issue of local control.

The other part of the consolidation includes the remaining portion of ESEA title III, which provides funds for innovative programs, together with two other innovative programs operated under title VIII of ESEA. These latter two programs provide funds for dropout prevention and programs for nutrition and health. Programs under this part will be totally administered by the States, and grants will be awarded on a project grant basis. Also included, with a ceiling, is the part in ESEA title V providing aid to State departments of education.

H.R. 69 has also made some fundamental changes in a number of existing programs which I believe are of major importance. First, a new formula for the distribution of funds under title I of ESEA has been adopted. In my view the new formula is much more equitable and will redress many of the imbalances which were created in recent years by a title I formula which has been based upon out-of-date data and a highly unreliable set of figures relating to welfare payments. The new formula treats the States much more evenhandedly.

In addition, the conferees agreed to changes which will increase programs for migrant students and permit State agencies for the handicapped to continue to count for the purposes of payment those students who they assist who have been deinstitutionalized. I am also pleased that the conferees have agreed to terminate the part C program of concentration grants after fiscal 1975. This action will result in making available more funds for the most important program under title I, programs operated in local school districts.

The impact aid changes agreed upon by the conferees represent probably the most important reform of that program to occur since it was enacted in 1950. For the first time school districts will be guaranteed of receiving payments for children who reside in public housing projects constructed with Federal funds, and for the first time the act will recognize the obvious differences in burden which result from the presence of various kinds of Federal employees.

Military personnel will continue to be counted as they are under present law, thereby recognizing the fact that these Federal employees represent the greatest burden on a community since for the most part they do not pay State taxes and if they reside on Federal property do not pay any real estate taxes.

The important distinctions are made in the case of civilian employees whose presence does not represent the same sort of burden on the community. Under the conference agreement civilian employees who both live and work in the same county will be entitled to a payment rate of 45 percent of the local contribution rate. Under current law the rate is 50 percent. This very minor reduction, in my view, a reduction smaller than facts indicate, does represent a modest bow toward the fact that these employees are contributing in a positive way to the economy of the community. Civilian employees who do not live in the same county in which they work will have their entitlements reduced to 40 percent, again a rather minor adjustment. Finally, civilian employees who live in a different State will not be eligible for any entitlement, thereby acknowledging the fact that their situation is no different from that of a private-sector employee who crosses a State line in search of employment. This latter provision will be mitigated by an amendment added in the other body, which will phase those reductions over a period of time.

I am very pleased with these changes in impact aid and commend them for the support of my colleagues.

H.R. 69 also extends the Adult Education Act and makes some significant amendments to that act which I believe will be quite beneficial. First, it makes the program one entirely administered by the States. Under current law 20 percent of those funds are administered by the Commissioner on a discretionary basis. The allotment of all of these funds to the States is another positive step in returning control to States and local communities. Conference amendments also provide that adult education programs must be coordinated with the manpower programs and with reading programs for adults. The act will also permit a State to establish or designate an advisory council for adult education. Finally, the conference agreement provides that up to 20 percent of a State's allotment may be used for programs of equivalency for a certificate of graduation from a secondary school.

H.R. 69, in addition, continues a number of amendments to the Higher Education Act. Although several of these amendments are of a rather technical nature, others have a rather significant impact on such programs as the veterans' cost of instruction program and the Teacher Corps.

The veterans' cost of instruction program is amended to remove the barrier that has existed in the act to schools receiving funds after they had established the fact that they were serving larger numbers of veterans. This becomes particularly important since with the declining Armed Forces the actual number of veterans available is decreasing, thereby making it harder and harder for schools to qualify for payments.

The Teacher Corps amendment goes in the direction of permitting the Corps to involve experienced teachers, who might not otherwise be attracted to teach in heavily disadvantaged areas, in addition to recruiting inexperienced teachers who have been to date the focus of the program. In times of a declining market for teachers, I believe this provision is very important since it places the emphasis where it should be placed, on the retraining of already experienced professionals.

As is inevitable, when dealing with the other body, H.R. 69 also authorizes a number of new categorical programs. Although I have reluctance in supporting more categorical programs, I believe some of these have significant merit; and I commend them for your support.

The first and largest of these is the reading program contained in title VII. This program consists of several parts, the most important of which in my view is part B, which provides for the creation and execution of comprehensive State programs to deal with problems of reading. Since education is a fundamental State responsibility, I think it very important that this program recognize the State role and seeks to get them to commit their own energies and resources to alleviating reading problems at the elementary and secondary level.

H.R. 69 also contains a Senate creation known as the Special Projects Act. This is what might be called a holding company for new categorical programs. The Senate concept is that funds will be available for a 3-year period for a specified set of programs after which they would compete against one another and with other national priorities for funding but without set-asides to guarantee specific amounts. The idea is that if a program has merit then after 3 years of funding it should be able to stand on its own and achieve success. If it is not meritorious, it should fall and not continue to be artificially supported. Under the Special Projects Act, the Senate has created seven new programs. They are education of the gifted and talented, women's educational equity, career education, metric education, consumers' education, community schools, and arts education. Of these I believe the most meritorious are the programs for the gifted and talented, which will provide needed support for a group often overlooked, and the community schools program which was also in the House bill, which seeks to aid communities in making better use of their school facilities.

In addition to these program features in the bill, there are a number of other aspects of the legislation which I believe deserve some special mention. First of all, under title I there is a significant change in the migrant program. For the first time HEW will be directed to use statistics other than those rather inadequate ones provided by the Labor Department. The conference bill directs the Commissioner to use the system known as the Migrant Student Record Transfer System. It also permits him to use another system which is reasonably comparable to MSRTS.

One aspect of the title I migratory program that is unchanged by this bill is that which relates to children who were formerly migratory but who have settled into an area served by an agency carrying on a program or project under that program. As was the case prior to these amendments, such children may, with the consent of their parents, continue to be considered migratory children for a period of up to 5 years after they cease migrating and may thereby continue to participate in title I migratory programs. However, they may not be counted for the purpose of increasing a State's migrant allocation; and children who are presently migratory must be given priority in consideration for participation in title I migratory programs.

In determining the number of migrant children for the purposes of making allocations of migrant funds, the bill requires the Commissioner to use statistics made available by the Migrant Student Record Transfer System or such other system as he determines accurately and fully reflects the number of migrant students in a State. Although the Migrant Student Record Transfer System will provide accurate data for those States which have been participating in the program, it will not contain data for those areas—such as Alaska, Hawaii, and Puerto Rico—which are not now included in the record transfer system. Therefore, it will be necessary for the Commissioner to make estimates as to the number of migratory children in those areas during that period in which those children are being added to the record transfer system.

Another title I amendment which is of particular concern to me is that which is known as the excess cost amendment. From its beginning title I has been viewed as being a program to provide additional services for disadvantaged children over and above those which a school district might normally provide. Through my efforts this concept was included in the law with specific language stating that title I is to be used only for excess costs.

A further amendment removes the situation in current law which operates to penalize a State which has special programs for particular groups of children. The primary concern of the conferees in adopting the amendment on excess cost was that the Federal Government not be in the position of creating a situation in which States and local districts are penalized if they choose on their own initiative to provide funds to meet the special needs of educationally deprived children, handicapped children, children with specific learning disabilities and children of limited English-speaking ability. It is the understanding of the conferees that special programs of this type do exist in a number of areas and are currently being hampered in their operation through the over-rigid application of the comparability provisions of the law. This amendment is intended to rectify that situation. It is not intended to be a device through which school districts and States can subvert the basic intention of title I comparability, to assure that regular services provided to children in title I schools are equivalent to those provided to children in nontitle I schools. It is my hope that the operation of this provision be monitored and audited very closely by the Office of Education, the HEW audit agency, and the General Accounting Office. Any abuse of this provision should be brought to the attention of the two committees immediately and without delay.

I would also like to make clear the fact that the phrase "similarly disadvantaged children" in the definition of excess cost is meant to refer to children with similar needs. In other words, children with similar handicaps should be treated equally in both project and nonproject areas. It should also be made clear that the excess cost language does not require or imply a matching by State or local districts of Federal dollars for compensatory education.

H.R. 69 also specifically permits LEA's to use their title I funds for the training of teachers.

Title I also contains a provision directing the National Institute of Education to conduct a full and comprehensive study of State and Federal compensatory education programs, including specifically the study of whether funds may be distributed for title I on a basis which counts children who have severe educational needs rather than continuing to allocate money on the basis of census and welfare figures. I believe that it is crucial that we develop a more sensitive measure to get the funds to the children who need them regardless of their economic status. A middle-income child who needs help is almost as apt to be a burden on society as a child from the very lowest incomes. This amendment is a direct reflection of my concerns as expressed through the introduction of H.R. 5163 in the first session of this Congress.

With regard to impact aid, I would like to note particularly that the conference agreement includes language which removes another barrier to effective State action in education. The conferees have adopted language which permits States under carefully controlled circumstances to count Federal impact aid funds when they determine allocations for State aid programs. This amendment is particularly important now that so many States are taking strong affirmative action to deal with unequal expenditures in various school districts within the same State. Without this sort of amendment, the Federal Government could be guilty of providing unequal resources and thereby negating a State's efforts to redress this problem.

The conference agreement also contains an amendment which would effectively bar the regionalization of education programs by HEW unless they obtain positive congressional sanction for that action in legislation enacted subsequent to this bill. My colleagues know of my long disenchantment with regional offices. Although they may have merit in some areas, in education they represent another level of bureaucracy standing between the Congress and those who are to receive Federal aid. Personally, I would hope that we could deal with State departments of education rather than with regional offices. I am, of course, pleased that in his confirmation hearings last October Vice President FORD expressed his belief that regional offices should be abolished.

Finally, the conference report contains a number of provisions dealing with the privacy of student records and the rights of students and parents to have access to those records and the rights of parents to examine instructional material in federally funded programs. The amendments also prohibit the Office of Education from considering an application under ESEA unless the public was provided with an adequate opportunity to present their views on the programs applied for by the LEA. These amendments are long overdue.

Section 437(b) (3) provides an exception to the limitation on access to student records in the case of certain Federal and State authorities who have responsibility for auditing and evaluating Federal education programs and for enforcing Federal legal requirements related to those programs. However, the exception is limited by a proviso under which, unless the collection of personally identifiable data is specifically authorized by law, any data obtained by such officials may not include information which would permit the personal identification of students after the data so obtained has been assembled. Under this provision, GAO or HEW would be permitted to conduct longitudinal evaluations by using a code or other system that would permit the tracking of a student from one point in time to another in order to measure the effect of his participation in a particular program. But any such code or other means of identifying the student would have to be destroyed when all the data necessary to complete the evaluation is essembled.

With regard to the enforcement of Federal legal requirements, nothing in this section is to be interpreted as precluding the Secretary or other authorized officials from having such access to student records as may be necessary to insure that all conditions of participation in Federal education programs, such as compliance with title VI of the Civil Rights Act of 1964, are being met. However, such officials must take all necessary steps to protect the confidentiality of such information and to prevent its use for any purpose other than the enforcement of such legal requirements.

In closing, I would like to compliment several people on the fine work that went into this bill.

I am particularly indebted to Chairman PERKINS for his fine leadership. It is not the slightest exaggeration to say that without his tenacious leadership and determination to get a bill we would never have concluded the conference. I am also very indebted to the work of my Republican colleagues who participated so fully and so actively. The contributions of AL BELL, JOHN ASHBROOK, ED FORSYTHE, and BILL STEIGER were all vital in formulating a final bill.

In this bill, perhaps more than most, the staff played a key role in developing the conference materials and in the laborious task of committing to language the actions of the conferees. I am particularly impressed with the fine work of Jack Jennings, the subcommittee counsel, who is one of the best professionals on Capitol Hill. Senate staff people, including Roy Millenson, Steve Wexler, Jean Frohlicher, and Dick Smith, were also of great assistance.

In this legislation we also had the very valuable resources of the Congressional Reference Service. The substantial contributions of that staff in dealing with the data and technical questions included in title I formulas and impact aid reform made it possible for us to grapple with these issues with substantial knowledge and with relative ease and assurance as to the outcome. The Education and Public Welfare Division, headed by Bill Robinson and Helen Miller, has one of the finest collections of CRS staffs. The work of Tish Busselle on title I was particularly outstanding. We regret the fact that she will soon depart for California. I also wish to acknowledge the work of Dave Osman and Paul Irwin on impact aid.

The final round of compliments I have reserved for the excellent work of certain HEW people who have worked long and hard to get a bill which contained administration priorities such as consolidation, title I reform, and impact aid reform. Charles Cooke, Deputy Assistant Secretary for Legislation, and his staff, Sue Hause and Peter Gossens, have done yeomen work. The superb negotiating talents of Frank Carlucci are without comparison. He has the qualities which are irreplaceable—candor, humor, and political sensitivity.

I recognize that a substantial portion of this debate over the conference report may not deal with these critical education issues, but rather with the provisions of the bill relating to limitations on court orders in desegregation cases, and particularly busing.

For that reason I had printed in the CONGRESSIONAL RECORD for Thursday July 25, a side-by-side comparison of the features of the House-passed bill and the conference-approved bill relating to these provisions. It begins with a statement on page 25325 of the RECORD. Copies of that special order are at the committee desk if any Member wishes to study it. In brief summary, of the 24 provisions of the House bill relating to this matter, the Senate bill retained 17 intact and they were not in conference. The Senate had eliminated four provisions and amended three. In addition, the Senate added 10 sections dealing with desegregation orders, 9 of which strengthened the general position of the House and are included in the conference bill. The 10th—which I included among the three House provisions which were amended—was the Ashbrook amendment, which emerged from conference in stronger form than in the Senate amendment or in existing law. The remaining two amendments of House provisions both relate to the so-called Scott-Mansfield language, but the conference retained Scott-Mansfield in only one instance. It appears to say no more than that the provisions of the title relating to court orders are intended to conform to the requirements of the Constitution—in short, it simply states the established doctrine that a legislative enactment is presumed to be constitutional.

Of the four House provisions dropped by the Senate amendment, two—attorneys' fees and one provision relating to limitations on the duration of court orders—are not included in the conference bill, but their substance is to a considerable extent preserved in legal precedent which requires no statutory affirmation. In fact, the Senate bill would have nullified the practice of awarding attorneys' fees in certain instances, at least in cases brought under the provisions of this bill, so that in eliminating the Senate provision we preserved the discretionary power of the courts to make such awards to a prevailing party.

The other two provisions eliminated by the Senate, relating to reopening of old proceedings and to limitations on the duration of that part of a court order relating to busing, were retained in weakened form. However, here again it is worth noting that a court may always review an order in the form of a decree in equity—which these proceedings are—in the light of changed circumstances and upon motion of a proper party. So I believe that the House conferees did very good work in reaching a fair compromise of the limited matters in issue relating to busing.

And let us keep this central point in mind. The heart of the Esch amendment as approved by the House—the limitations on court orders and Federal agency compliance orders, particularly as they relate to busing—were retained intact by the Senate bill and were never before the conference. They are intact in this conference report bill. They go farther than the Congress has ever before gone in giving direction to the courts and to Federal agencies in shaping desegregation remedies. If the conference report is defeated, these provisions are lost; and we are left with no congressional direction to the courts.

In closing, let me say again that this is a good bill. It is the best bill that could be obtained under any circumstances. It contains many Republican objectives and in my mind warrants full and unqualified support.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Speaker, I rise in support of the conference report on H.R. 69.

In has taken us almost 2 years to get this far and the school districts of our Nation cannot afford to lose it now.

H.R. 69 contains vital new programs. It contains needed improvements and expansion of other programs. And it goes a long way toward consolidating duplicative programs and eliminating administrative redtape.

I have received countless letters from parents and children who suffer from handicaps or from specific learning disabilities.

I have heard from parents of children who cannot read.

And I have heard from school districts concerned about their ability to help children who need bilingual services.

Mr. Speaker, approval of this conference report is vital if we are to fulfill our obligations to these children.

Until this bill is enacted, we cannot adopt a general appropriations bill for education.

And until this bill is enacted, we cannot reform the formula for distributing title I money.

H.R. 69 effects necessary improvements in the title I formula. Improvements, which I might add, particularly benefit the Southern and rural areas of our Nation.

Unless we approve this bill, Louisiana, for example, will lose over $6 million in title I money.

Alabama and Georgia will lose almost $5 million each.

Michigan will lose approximately $8 million.

What I have just stated represents the financial losses these States will sustain if we vote down this conference report and go the route of the continuing resolution.

And we will all lose the crucial new authorizations for aid to handicapped children.

The vote on this conference report should be based on the merits of these vital education programs not on the relatively minor changes in the House-passed antibusing provisions. But nevertheless in this regard, the very heart of the Esch amendment—limitations on court orders, and on the extent of busing—is in this conference bill. This is the farthest the Congress has ever gone in giving direction to the courts. To defeat this report would mean we lose that direction.

If opponents of the conference report believe so strongly that not one comma of the House language should have been changed, then they can continue in the future to approve the Esch language as amendments to appropriations bills.

But it would be tragic to sacrifice the $26 billion worth of programs for youngsters contained in this bill because of language that, as a practical matter, will have no effect on the ultimate disposition of the busing issue by the courts.

I urge my colleagues to approve the conference report.

Mr. QUIE. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, I first wish to compliment both the chairman of the committee and the ranking Republican member (Mr. QUIE) on the fine work of the conference. Indeed, this is a monumental education bill, and I commend them for their efforts. Many of the provisions of this bill are concepts that I have worked to develop during the past 2 years and will give new direction to education in this country.

It is, therefore, with great reluctance that I stand here and speak against the conference report, because the busing amendments, I believe, as brought back by the conference committee, will not perform the functions which the orginal Esch amendment proposed.

Unfortunately, I have not been given enough time to explain the situation in full to the Members of the House.

Suffice it to say that many of us feel that the application of the Scott-Mansfield language, although most of the Esch amendment has been left in, raises a cloud over effectiveness of the rest of the Esch amendment.

I would also like to emphasize that, contrary to previous speakers, it should be emphasized that should this conference report be voted down, it is my understanding that the gentleman from Ohio (Mr. ASHBROOK) will offer a motion to send the bill back to the Senate and ask for a conference.

The great majority of the House desire an education bill of this magnitude, and thrust, so I will stress that this, indeed, is a parliamentary situation rather than an attempt to, in any way, kill the education bill.

Let me say a word with reference to another matter. I believe the Supreme Court decision reaffirmed the concept of the Esch amendment.

Mr. PERKINS. Mr. Speaker, will the distinguished gentleman yield?

Mr. ESCH. Mr. Speaker, I am sorry; I would like to yield to the chairman of the committee, but I have only about 30 seconds of my time left.

The SPEAKER. The time of the gentleman has expired.

Mr. QUIE. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan.

Mr. ESCH. Mr. Speaker, I thank the gentleman for the additional time, and I will be happy to yield to the chairman on his time, or as soon as I finish my statement, if I have time remaining.

The point is this, and it is a significant point, I think, for the Members to consider; I believe that we are at a turning point in this country. Throughout the country there is a growing feeling that there are other ways to provide quality education for our children, black and white, other than just busing. That is the thrust of the Esch amendment. I would hope that the Members of the House will move the bill back into conference, and then come out with a bill that contains the Esch amendment in a more clearly drawn manner. Then let us in the country move into programs where we can provide an education that will bring about equality of education for our children, whether they be black or white, without regressing further into the busing-antibusing polarization.

Again I appreciate the gentleman yielding me this time, and I would yield now, if I had 10 seconds left, to my distinguished chairman.

Mr. PERKINS. Mr. Speaker, I would like to ask the gentleman from Michigan if the gentleman realizes that the Senate conferees will not go back into conference?

This is it. We have scraped the bottom of the barrel. There is no way where we can get anything further. These are all of the antibusing provisions we will get, and we will not get any more this year.

Mr. ESCH. Mr. Speaker, will the chairman, the gentleman from Kentucky (Mr. PERKINS) yield me 30 seconds?

Mr. PERKINS. I yield 30 seconds to the gentleman from Michigan.

Mr. ESCH. Mr. Speaker, I appreciate the chairman yielding me this time.

There have been other precedents, I would say to our distinguished chairman, to refer this back to the Senate if this conference report is voted down. We can ask again to go to conference with the Senate. That is a procedural move, and we have done so in the past. The precedents state we can go back into conference with the Senate and I think it would be possible to do so.

I appreciate the gentleman yielding.

Mr. HUBER. Mr. Speaker, I rise in support of the gentleman from Michigan (Mr. ESCH). We cannot let up now. The issue of forced busing must be resolved once and for all. We should not rest on the laurels of the recent Supreme Court decision. Therefore, I urge the defeat of the conference report. Some Members of the other party are saying these days that we should "send a message" to Washington. Let us today send a message to the other body and a beacon of hope to the American people. Let us defeat the conference report on ESEA. The House of Representatives should stand up and be counted on forced busing here and now.

Mr. PERKINS. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, let me say at the outset, those of us who oppose adoption of the conference report to accompany H.R. 69, the Elementary and Secondary Education Act Amendments, do so not in an attempt to do away with the education programs provided for in this legislation, but rather to improve on the quality of education in this country by passing effective antibusing language.

I am not taking issue with other features of the bill. In fact, I do support title I programs providing assistance for disadvantaged children, the impact aid program and education for the handicapped. I do know in particular what this legislation means in the way of funds for my own home State of Louisiana. But, we can maintain the House position on busing and, at the same time, have an education bill. If we vote down the conference report, the rules of the House allow us to, and we will immediately offer, a preferential motion to send the legislation back to the Senate for further action; thereby insuring that we will have an education bill.

But make no mistake about it, the vote on the conference report is a busing issue vote. A vote in favor of the report is a vote for continued forced busing. Let us not delude ourselves; the so-called antibusing amendments approved by the conference committee are illusory. The language approved by the House has been rendered meaningless.

If you do not believe me, listen to what I am going to read from the Christian Science Monitor of Wednesday, July 24, 1974. I want to see the conferees raise their heads with pride when I read this statement. It says:

> If the courts continue to hold that it is, as they have in the past, then the Senate conferees appear once again to have gotten their House counterparts to accept an agreement that appears to be against busing but really would not prohibit it.
>
> The compromise says essentially that courts cannot require that children be bused farther than the second-nearest school to their homes—except when the courts hold that such busing is necessary to protect the constitutional rights of black children.
>
> This important exception was proposed by Senate conferees. Senate sources who insist on anonymity admit that the purpose of this exception was to nullify completely the staunch anti-busing legislation proposed by the House conferees.

And the article went on to say:

> In this stance, the House reflects the nation's general antibusing stance. For instance, last September a Gallup poll reported only 5 percent of persons surveyed picked busing as the best way to integrate schools. At the same time only 18 percent of Americans, according to the poll, opposed public-school integration.
>
> For many Senate conferees, who find busing more acceptable, the question became: How can we include wording which will negate the antibusing provisions? They hit on the idea of an exception for busing to assure constitutional rights of black children, and House conferees bought it.
>
> In the view of one such Senate source, this gives the courts "free rein" to order busing and renders the busing prohibition meaningless.

And it does just exactly that.

The gentleman from Kentucky (Mr. PERKINS) has just stood in the well here and told the Members the Senate would not go back to the conference. I would like to say to the Members of the House just go back and tell your constituents that you were unable to do so because the Senate would not let you. I want you to go home and tell them that you yielded to the domination of the U.S. Senate.

I would only call attention to what was done in conference with regard to the reopener provision. The changing of one word, "shall," to "may" has left that provision in effect a toothless tiger.

Mr. Speaker, when the education bill was initially considered in the House, the antibusing amendments were adopted overwhelmingly on a bipartisan basis, which in my personal opinion was in keeping with the views of over 80 percent of the people in this country. You will recall on June 5 after agreeing to go to conference with the Senate on the bill, this House adopted by a vote of 270 to 103 a motion to instruct our House conferees to insist on one thing in the education bill and one thing alone: Retain the House antibusing amendment.

Again on June 27, this House adopted yet another motion to instruct the members of the House conference to insist on the busing amendment approved in the House; that vote was 281 to 128. There still being disagreement between the House and the Senate concerning this issue, I offered on July 22 another motion to instruct our House conferees to insist on the House-passed busing language; that motion carried 261 to 122.

Mr. Speaker, the record is only too clear. This House on four occasions—once upon adoption of the antibusing amendments and three times on instruction motions—has by more than a 2-to-1 majority on each occasion expressed our collective view on the question of forced busing. We are opposed to it.

We served notice on the Senate and the Nation as a whole that we would insist on our position. If we do not vote down the conference report on this basis, we have lost faith with ourselves and the American people. The integrity of the House is at stake. We must maintain the integrity of this body; we must keep the faith of ourselves and the American people.

Remember, too, that when this same amendment was considered in the Senate, it failed by only one vote of passage. The fact that the other body is so evenly divided on this same amendment is all the more reason the House should not give up its position. We know that at least 45 Members of the Senate support our position.

Mr. Speaker, the American people throughout the Nation are looking at what we do here today. They know that what is involved here is whether the House will vote to continue busing or vote to halt it.

In conclusion, Mr. Speaker, let me say this. Let no Member here think that the problems and hardships created by forced busing are over simply because of the Supreme Court's recent decision in the Detroit case. This Detroit decision means absolutely nothing, and the gentleman from Kentucky (Mr. PERKINS) knows it means absolutely nothing. It simply means, and the Court has said, that it is not ready yet to order busing to achieve racial balance between adjoining school districts. It does absolutely nothing to prohibit busing within a school district. It does nothing whatsoever to prohibit busing within a city, in the instance of Mr. ANNUNZIO's example. If anything can be concluded from the decision, it is that there is room for legislative action on this issue. The Court has provided us with this opportunity. Let us now make the most of it.

Mr. PERKINS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Indiana, (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I rise in support of the conference report on H.R. 69, the Elementary and Secondary Education Amendments of 1974.

I would first like to take this opportunity to congratulate the distinguished chairman of the Education and Labor Committee, the gentleman from Kentucky (Mr. PERKINS) for his great energy and perseverance. The conferees were asked to resolve over 200 points of disagreement between the House and Senate bills during our 6-week conference, and it is due in large part to the leadership of the gentleman from Kentucky, who served as manager of the conference, that we succeeded in reaching agreement on this comprehensive education bill.

I would also like to pay a word of tribute to the ranking minority member of the Committee on Education and Labor, the gentleman from Minnesota (Mr. QUIE) and the ranking minority member of the Subcommittee on General Education, the gentleman from California (Mr. BELL) for their outstanding contributions to this truly bipartisan measure.

Mr. Speaker, the Elementary and Secondary Education Amendments of 1974 is a landmark piece of legislation. It continues our commitment to help the Nation's schools by extending and strengthening the programs authorized in the Elementary and Secondary Education Act of 1965. It reaffirms our commitment to equalize educational opportunities for what we might term the "vulnerable" among our young children—the poor, the disabled, and the handicapped. And it provides important new programs to improve the quality of education in our schools.

The measure extends title I, the Federal compensatory education for the disadvantaged and the largest Federal aid to education program. It authorizes assistance for school libraries, for educational equipment, for school innovation, and for State departments of education. It authorizes programs for the handicapped, bilingual education, and impact aid. It establishes a major new program for teaching reading to elementary and pre-school children. And the measure includes another important new measure, sponsored by the gentleman from Florida (Mr. LEHMAN), to support community school programs.

Mr. Speaker, perhaps the most significant feature of the legislation is the updated formula for title I, which I sponsored in the Education and Labor Committee. I am pleased that after the overwhelming support which the House gave to the committee title I formula, the formula was not a point of disagreement in the conference in fact the Senate had earlier, on the floor, adopted the House formula in its own bill.

The updated formula would distribute title I funds on the basis of the number of poor children according to: First, the Federal Government's official definition of poverty, known as the Orshansky index; and second, two-thirds of the children from families receiving AFDC payments in excess of the official definition of poverty for a nonfarm family of four.

This revised formula will mean that title I funds will now be distributed more equitably across the country.

The new formula will eliminate the distortions in the distribution of title I funds which have resulted from population shifts and from the dramatic increases in the AFDC factor that have occurred since title I was first enacted in 1965.

There is another reaction that the updated formula will provide a more equitable pattern of distribution than the present formula. The new formula will rely on census data which are more accurate and uniform nationwide as a basis of allocating compensatory education funds.

Mr. Speaker, the conference report includes another provision I authored in the committee to conduct a major study by the National Institute of Education of compensatory education programs and alternate methods for distributing such funds.

One of the real problems we encountered is considering H.R. 69 was the difficulty in obtaining reliable and useful information about compensatory education programs, especially about their effectiveness and about alternative methods for distributing such money.

The study authorized in the bill calls for an examination of all compensatory education programs, not only those provided under title I, but State programs as well.

The NIE is directed to study the fundamental purposes of compensatory education programs, evaluate their effectiveness in attaining these purposes and review as well the effect of concentrating such funds in the areas of reading and mathematics.

I am sure, Mr. Speaker, that when we next consider the title I program, we will have the reliable data we need.

Mr. Speaker, the new title I formula, as I have already said, is the most important feature of this legislation. Local educational agencies and State departments of education have been operating for the last several years on continuing resolutions at substantially lower levels than they would receive under the title I formula included in the conference report. In the State of Indiana, for example, adoption of the conference report will mean almost $3 million more for title I programs. We have been operating too long with the uncertainties of continuing resolutions, hold-harmless provisions, and late appropriations, and one of the several reasons that I urge my colleagues to give their overwhelming support to this conference report is the revised and more equitable title I formula I have just discussed.

Mr. Speaker, I want now to say just a word about the importance of the conference report to the 7 million handicapped children in our society.

These children constitute a significant minority group in American life, and, unhappily, many of them have been denied the special educational services they need. Indeed, 1 million of them have been denied any education at all.

Mr. Speaker, two provisions of H.R. 69 will be particularly important to the handicapped. First, part B of title VI of H.R. 69 extends the Education of the Handicapped Act—Public Law 91-230—for 3 years. For fiscal year 1975, the bill authorizes appproximately $630 million to fund State grant programs for the education of handicapped children.

That is an impressive increase, Mr. Speaker, over the $47.5 million being spent in fiscal year 1974 for State grants.

Before my colleagues question if such an increase is justified, let me assure them that it is.

The conferees were persuaded by several reasons to approve such a large increase.

First, we were mindful of the shocking statistics to which I have already referred: Fully 60 percent of the handicapped youngsters in our society are not receiving the educational services they need.

Second, it costs, on the average, at least twice as much to educate a handicapped child as it does to educate a nonhandicapped child.

Third, court decisions all across the land have held during the last 2 years that handicapped children are entitled to the special educational services they need. Mr. Speaker, obviously the States will require assistance in order to implement the court decrees.

Therefore, in order to help the States implement these court orders, Mr. Speaker, the conferees have prudently decided on a large 1-year increase in funding for special education.

Mr. Speaker, the second provision contained in H.R. 69 which means a great deal to the handicapped children of America, extends Public Law 89-313, which amended title I of the Elementary and Secondary Education Act to provide grants for State agencies serving handicapped children in State-supported or State-operated institutions.

EDUCATION OF THE HANDICAPPED ACT

Mr. Speaker, let me briefly mention the most important provisions of the Education of the Handicapped Act and title I of the Elementary and Secondary Education Act as they apply to handicapped youngsters.

In 1966, Mr. Speaker, Congress recognized the special needs of America's then 5.5 million handicapped children, and added a new title VI to the Elementary and Secondary Education Act which provided a program of grants to States for the education of handicapped children, established a National Advisory Committee on Handicapped Children, and created, within the Office of Education, a Bureau of Education for the Handicapped.

In 1970, Mr. Speaker, Congress realizing the handicapped youngsters deserved greater visibility in the Federal legislative process, repealed title VI effective July 1, 1971, and created a separate Education of the Handicapped Act.

In addition to the State grant program, Mr. Speaker, which the conference report would greatly expand for fiscal year 1975, the Education of the Handicapped Act also provides authority for:

Regional resource centers;

Centers for the deaf-blind;

Experimental preschool and early education programs;

Research and dissemination;

Training of personnel to work with handicapped children;

Media services and captioned films for the handicapped; and

Special program for children with specific learning disabilities.

Under the authority of the Education for the Handicapped Act, Mr. Speaker, $152 million was spent in fiscal 1974 to implement the State grant program and the other provisions which I have just itemized.

But, Mr. Speaker, because the majority of handicapped children are not receiving the services they need, and because the courts are increasingly ruling that handicapped children are entitled to appropriate educational services, the conferees agreed that much more must be done.

The conferees agreed, therefore, that for fiscal year 1975 only, the formula by which assistance grants are made to the States under part B of the Education for the Handicapped Act should be changed.

In place of the existing allotment formula, Mr. Speaker, the conferees agreed that in 1975 alone, the formula should be based on an entitlement grant to each State of $8.75 per child between the ages of 3 and 21.

We estimate that this entitlement approach will make available, in fiscal year 1975, $630 million to States for the education of the handicapped.

We have limited this approach to 1 year only, Mr. Speaker, because major legislation to assist States with the education of handicapped youngsters, H.R. 70, is now pending before the Select Subcommittee on Education which I have the honor to chair.

H.R. 70, Mr. Speaker, is a complex measure addressed to a very complicated problem, namely the determination of the excess costs involved in educating nonhandicapped children.

But because the States, Mr. Speaker, and the handicapped of our society need assistance today and cannot await the results of the intensive investigation now being conducted by my subcommittee, the conferees have determined that sound public policy dictates making available, for 1 year, until H.R. 70 is enacted, a significant increase in the moneys available to States for special education.

Mr. Speaker, the conferees have also agreed to new provisions which will insure that the State grant funds are spent as effectively as possible for handicapped children.

These provisions require that—

Priority of title VI-B funds be assigned to children not now receiving educational services;

Due process be guaranteed for the children served with respect to identification, evaluation, and placement;

Classification of children not promote racial or cultural discrimination; and

All handicapped children be educated in the least restrictive environment.

TITLE I "SET-ASIDE" FOR THE HANDICAPPED

Mr. Speaker, let me now turn my attention to another program continued by H.R. 69 which also means a great deal for the education of handicapped children.

I refer, Mr. Speaker, to what is commonly termed the "Title I set-aside for the handicapped" in the Elementary and Secondary Education Act.

As you know, Mr. Speaker, Public Law 89-313, enacted in 1965, extended title I authority to include handicapped children attending State-supported schools.

And the 89th Congress took that action, Mr. Speaker, because we realized that, although the Education of the Handicapped Act and title I did an excellent job of providing financial support for disadvantaged and handicapped children attending local schools—which received the title I moneys—title I funds were not, as the law was originally written, available for handicapped children attending State-supported institutions.

The 90th Congress, Mr. Speaker, went a step further and approved a perfecting amendment under Public Law 90-247 which guaranteed the full funding of the earlier provisions of Public Law 89-313.

And we took that action because we knew that it costs far more to provide educational services to those children so severely handicapped that local educational agencies are often unable to meet their needs than it does to educate a handicapped or non-handicapped child attending a local school.

Mr. Speaker, H.R. 69 continues the full set-aside for handicapped children in State-operated and State-supported schools, which the 89th, and then the 90th Congress endorsed.

Mr. Speaker, the conference report includes an important amendment to the title I set-aside program for the handicapped about which I should say a word.

As I have told my colleagues, the funds for the handicapped under title I are aimed at children in State-supported or State-operated institutions.

But educators and other experts on the education of handicapped children are now convinced that these children benefit greatly from receiving their education, to the extent possible, alongside nonhandicapped children.

The conferees have, therefore, accepted an amendment first proposed in the House by our distinguished colleague from Minnesota, the ranking minority member of the Committee on Education and Labor, Mr. QUIE, which would, for the first time, allow the funds formerly provided for institutional educational programs to follow the child to an educational program offered in an institution closer to his home or to a local school district.

The legislation does not require States to begin programs of deinstitutionalizing handicapped children, but by making the funds available to local programs, the bill encourages the States to do so.

This is a good amendment, Mr. Speaker, one that promises greatly to improve the quality of life for these children and their families.

Mr. Speaker, let me remind my colleagues that we are discussing the funding of programs for those children with the most severe and tragic physical, mental, and emotional problems.

And the educational services required by these children do not always focus on reading, writing, and arithmetic.

In some instances, the services require, first, that the child be taught to speak.

In other cases, the child must be taught to walk, or to bathe himself.

Mr. Speaker, these kinds of programs require enormous expense, frequently involving costly equipment and 1-to-1 teacher-student ratios.

Indeed, the Bureau of Education for the Handicapped, Mr. Speaker, estimates that it costs at least $2,000 annually to provide the services these children need.

And some States are reporting expenditures as high as $6,000.

Mr. Speaker, reasonable people may differ in how best to provide funding for those children with the most severe handicaps in State-supported institutions.

This is a well-conceived program endorsed by our predecessors in both the 89th and the 90th Congresses.

It is a program that we in the 93d should support.

LANDMARK LEGISLATION

Mr. Speaker, to reiterate, passage of H.R. 69 will be seen in the years ahead as landmark legislation.

H.R. 69 reaffirms the Federal commitment to equalizing education opportunity for poor and other vulnerable children.

It provides, also, for a study of the best means of allocating title I funds for disadvantaged youngsters, as well as for a White House Conference on Education.

But in stressing today, Mr. Speaker, the provisions to assist handicapped youngsters contained in H.R. 69, I do so because only 40 percent of the 7 million handicapped children in America are receiving the special educational services they need.

Surely, Mr. Speaker, it is time the Federal Government helped make good for handicapped children the rich promise of the American dream: That each individual will be able to achieve to the full extent of his or her abilities.

Because H.R. 69 will help us make that dream a reality, I urge my colleagues to join with me enthusiastically supporting the conference report on H.R. 69 when it comes before us for adoption.

Mr. QUIE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. LANDGREBE).

Mr. LANDGREBE. Mr. Speaker, I thank the gentleman from Minnesota for yielding.

Mr. Speaker, I would like to make it very clear that I too believe in quality education and I think it is very obvious that an improvement is badly needed in our education in our public schools in America today.

However, I do not think that busing is the answer. I am convinced that busing across district lines is still permitted regardless of this bill and of course regardless of the recent Supreme Court order.

Nor do I think education will be improved through the experiments and the psychological testing and the atheistic humanism that is still authorized in this bill without parental consent or knowledge.

What we are getting in this bill really is 1 ounce of Federal support, 1 pound of Federal regulations, and a ton of Federal Government and education bureaucracy. This is what we have to offer to the students and the moms and dads and the taxpayers of America.

Mr. Speaker, many members may be

persuaded to vote for this conference report because of the recent Supreme Court decision on busing, Milliken, Governor of Michigan, et al. against Bradley et al. From the newspaper headlines, one might think that this decision would prohibit or greatly restrict busing for racial purposes. But this is a false assumption. Not only does this decision allow busing within a school district, but it also allows court ordered busing across district lines.

The House version of H.R. 69 prohibited all cross-district busing and thus it was much more desirable than either the Senate version or the decision of the Supreme Court, which are themselves quite similar in nature and intent.

Thus the Supreme Court decision really has no bearing on H.R. 69. It only appears to have bearing because of the way the news media has played it up as a defeat for advocates of forced busing and as a concession to us opponents.

This raises the question of the timing of this Court decision. Why was the decision handed down now, just prior to consideration of this conference report?

The Supreme Court usually closes its session in June of each year. This year, however, they extended their session. Why? Was it because of Watergate and the possibility of impeachment actions against our President? Why did the Court hurriedly consider the case of the Presidential tapes, United States against Nixon, instead of waiting until its next regular session?

Is the Supreme Court above politics? Have its last two decisions, busing and the tapes, placed the Court in the mainstream of current political activities, thereby destroying its traditional image of being above gut politics?

The normal process of litigation was short-circuited in United States against Nixon by the willingness of the Supreme Court to accept a case that had not yet been argued before all of the competent lower courts. Historically it has been the function and practice of the Supreme Court to act cautiously, deliberately, not hastily, particularly in extremely important cases. For example, in ex parte Milligan, the Court decided that President Lincoln did not have the authority to suspend habeas corpus, nor to try civilians before military tribunals, 3 years after the trial had taken place and after Lincoln was dead. Similarly, the Supreme Court acted deliberately, not hastily, in Marbury against Madison.

It should be pointed out that, contrary to the impression given by the unanimity of the Court's decision in the tapes case, this decision is still controversial and questionable. For example, Prof. Charles L. Black, Jr., author of "Impeachment: A Handbook," and an acknowledged expert in constitutional law, disagrees with the Court's decision in this case, as do many other recognized legal authorities.

So why did the Supreme Court extend its regular session and issue a hastily arrived at decision just as the House Judiciary Committee was considering articles of impeachment? At what time could that negative decision possibly be more damaging to our President, I ask you? On this most important of all important issues "the balance of power between the three branches of our Government" why did they not take much time for exhaustive deliberation?

The President is not above the Court or Congress, but neither is he below the Congress or the Court. Yet lowering the Presidency to a level below that of Congress and the Court is the result of this Supreme Court decision.

Now, in addition, consider the timing of the busing decision. The Supreme Court went into extended session because of the Presidential tapes case. But the busing decision was handed down after the tapes case. Why was not this case disposed of during the regular session of the Court? Why did the Court wait until now?

While one naturally hesitates in accusing the Supreme Court of playing politics, the timing of these two decisions certainly raises that question. However, regardless of the motives, the timing, the decisions of the Supreme Court, this conference report should be defeated on the busing question alone.

Yet, there is another, possibly more dangerous, aspect of this whole question of Federal involvement in primary and secondary education. That is, the elimination of the House-passed language guaranteeing the protection of the rights of students and parents.

Last October I introduced H.R. 10639, a bill I later offered as a substitute to H.R. 69, and which contained several provisions protecting the rights of parents. I received more than 1,300 letters from prominent educators, and from moms and dads across the country supporting my bill and protesting that many untested, unproven, and controversial programs—courses in behavior modification, atheistic humanism, and sensitivity training, for example—are being funded by the Federal Government under title III of the Elementary and Secondary Education Act. Reasonable, responsible people consider these programs to be very dangerous but are powerless to exercise any choice over the nature of the education their children are receiving. In short, their rights as parents are being usurped.

To correct this, H.R. 10639 contained a provision requiring that schools obtain the "prior, informed, written consent" of parents or guardians before requiring a student to participate in a research or experimental program funded by the Federal Government. This provision passed the House as part of H.R. 69 in weakened form:

> Students would not be required to participate in experimental programs if their parents objected in writing, but schools would not be required to inform the parents that their children would be in such programs.

Even this weak provision was eliminated by the conferees.

Thus not only will parents not be informed that their children are being placed in experimental programs, but parents are not even being granted the legal right to withdraw their children from programs they believe to be damaging.

If the Federal Government is going to continue funding and promoting experimental programs in "modifying" the behavior of students in our public schools, the very least it can do is provide parents and students some protection by legally recognizing that the parents, the taxpayer yet have some rights in the education of their children. There are other defects in this bill both in content and in theory but I'll conclude by simply but most sincerely urge the Members to vote against this conference report.

Mr. QUIE. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I trust the Members of this House will think a long time before they lightly dismiss the work of this conference. I can think of no worse exercise in futility than to have this conference report go down in flames over the issue of busing, which when we get all said and done is more form than substance.

The heart of the Esch amendment is continued in this bill. This bill contains far more in terms of effective antibusing provisions than any bill yet passed in this or any previous Congress, and yet apparently it does not go far enough. It goes further than I would like but as a conferee I voted to sustain the House position.

It contains significant revisions in the title I formula for distribution of funds all across the Nation. Yet apparently even on the part of some who gain it has gone too far in some areas and not far enough in others.

Let me level with the House. The distinguished chairman of the committee, the gentleman from Kentucky, and the distinguished ranking minority member, the gentleman from Minnesota, both of whom fought long and hard to sustain the House position, I think if they were asked to report to this body would explain that there was almost no conference report, that there clearly was an indication by the other body and the conferees on the part of the other body that as a result of the adoption of the title I formula in this body and the adoption of the McClellan amendment, which is the title I formula, in the other body that there were certain of the conferees who lost funds who did not want a conference report. Let us not kid ourselves about the degree to which this conference almost fell down as a result of the significant shifts under the title I formula added by this body. So if we decide to reject H.R. 69 in its present form because of our desire to satisfy our constituency not on substance but on form, we make a tragic mistake.

There is one other provision which I think this body ought to consider, particularly those such as the distinguished gentleman from Louisiana or the distinguished gentleman from New York, and that is the Buckley amendment concerning the rights of parents and students to privacy and access to records. I know of no single issue on which the liberals and the conservatives alike can join more than on the need to protect the privacy of the students' records and the right to allow access to those records on the part of the students and the parents which is now not the law. Adoption of the Buckley amendment was supported by the American Civil Liberties Union and the National Committee for Citizens in Education.

The Buckley amendment is consistent with the Kemp amendment which was adopted in the House and is an important part of what this report must be judged on.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from New York who has played such an important role in this matter of privacy. I commend him for his leadership.

Mr. KEMP. I appreciate the gentleman yielding.

There is one aspect of the amendment which was not adopted and that was to provide an opportunity for a family to remove their child from an experimental program under title III, if they did not approve, and I wonder if the gentleman can share with me why it was that this aspect of the Kemp amendment was removed from the conference report.

Mr. STEIGER of Wisconsin. As you know, on pages 98 and 99, section 439 of the conference report reads:

> All instructional material, including teacher's manuals, films, tapes, or other supplementary instructional material which will be used in connection with any research or experimentation program or project shall be available for inspection by the parents or guardians of the children engaged in such program or project.

May I say to the gentleman from New York that we almost lost the Kemp amendment because there was no clear definition of what was experimental or a research project.

Second, this would in my view and in the view of the conferees be mischievous to allow the parents to come in and say they object without any reason whatsoever.

The key to that system working well is the existence of what was retained by the conferees, that is access to the materials so that the parent or guardian may make a judgment about what is done in an experimental project.

I would hope the gentleman from New York realizes the conferees worked very hard to keep the amendment in balance with the informational requirements associated with the evaluation of Federal programs with the needs of parents and students, so that when we take the Kemp amendment, section 439, with section 438 the Buckley amendment, in my view we have taken a giant step to insure a far greater access to records than we have had before as well as more protection of privacy.

Mr. Speaker, as one of the House conferees on H.R. 69, I want to convey to you and to my colleagues in the House my belief that we have brought from conference a good, solid bill. It contains the key features of the bill passed by the House, in some respects improved by the inclusion of some of the Senate provisions and in some cases modified by the necessary process of compromise.

The Senate having included the House formula on the allocation of title I funds in its bill, we succeeded in conference in further refining some of the detailed title I provisions. The essence of the House consolidation of State-operated programs was accepted by the Senate conferees. We accepted certain Senate reforms to impact aid, many of which constitute valuable refinements to the impact aid program.

In addition, the bill contains the provisions necessary to extend and modify the present programs as well as new sections establishing worthwhile programs in a variety of key educational areas: adult education, education of the handicapped, bilingual education, emergency school aid, Indian education, vocational education, and reading. I believe the educational package which comprises the bill represents a responsible and carefully considered extension and reform of the Elementary and Secondary School Act. I recommend the result to my colleagues in the House.

I would like to draw my colleagues' attention to two areas which I believe merit specific mention at this time.

In conference we adopted the essential elements of an amendment proposed in the other body by Senator Buckley, and strongly supported by the American Civil Liberties Union and the National Committee for Citizens in Education; this amendment represents the first steps toward providing much needed protection of the right to privacy of schoolchildren and their parents.

Called the Family Educational Rights and Privacy Act of 1974, it provides that no funds shall be made available under any Federal education program to any educational institution or agency which denies parents the right to inspect and review any and all official records, files and data related to their children, including all material incorporated into each student's cumulative record folder.

Furthermore, parents shall have an opportunity for a hearing to challenge the content of their child's school records, and thus be able to correct or delete any inaccurate, misleading, or otherwise inappropriate data contained therein.

In addition, no funds shall be made available to any educational agency or institution that permits the release of personally identifiable records or files without the written consent of their parents, except for certain designated local educational purposes. Authorized representatives of specifically designated agencies may have such access to records as may be necessary in connection with the audit and evaluation of federally supported programs or in connection with the enforcement of Federal legal requirements, but any data collected by such officials shall not include information which would permit the personal identification of such students or their parents after the data has been collected except when authorized by Federal law.

These provisions represent a first step toward establishing a responsible balance between the legitimate rights of Federal official to make sure Federal money is being spent wisely on the one hand, and the likewise legitimate rights of students and their parents to privacy on the other. The rights of students and parents are frequently infringed upon by overzealous Government agencies in their ever-increasing search for information. In this bill we now begin to redress the balance. I hope the House will pursue the effort to establish such protection, not only in the education field, but in other areas as well.

Allow me to draw your attention to another important part of the bill. It authorizes continuation of assistance to programs for migratory children. Based on estimates of eligible migrant children provided by the U.S. Office of Education and on projections of actual migrant student counts provided by the Migrant Student Record Transfer System, migrant allocations are estimated to increase more than threefold by 1976. This growth will result from a switch to use of the Migrant Student Record Transfer System and the inclusion of the children of migratory fishermen, Puerto Rican migrant children, and 5-year provision children.

Given these new estimates, the number of migrant students in the program is estimated to increase from 162,480 this year to 708,000 in 1976, with the estimated cost rising from $78.3 million in 1974 to $262.2 million in 1976.

Assuming a 1974 hold harmless for all other State agency programs, the growth in the migrant programs will represent a 40 percent increase in State agency allocations. Thus, assuming a constant total title I appropriation level in the 1975 budget request of $1.885 billion, this growth will result in a corresponding 11.17 percent decrease in the funds available for LEA grants in 1976 since State agency grants are paid at full entitlement off the top. In this way State agency grants will increase from $187.9 million in 1975 to $371.8 million in 1976, with LEA allocations decreasing by the 11.17 percent from $1.647 billion to $1.463 billion.

While not questioning the worth of the migrant programs, I am not sure that in funding them we want the LEA allocations to be cut this drastically. At this time I just want to flag this issue and promise my colleagues I will be looking into the potential impact of this decrease. We should examine alternatives and try to find some other way of providing the needed services to migrant children without sacrificing LEA allocations.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I rise in support of the conference report on H.R. 69. This conference report extends the Elementary and Secondary Act, the impact aid laws, the Adult Education Act, the Bilingual Education Act, and the Indian Education Act through fiscal year 1978. Additionally, it extends the Education of the Handicapped Act through fiscal year 1977 and the Emergency School Aid Act through fiscal year 1976.

Like most major pieces of legislation before this body, the conference report on H.R. 69 is a compromise. I personally do not agree with all of its provisions and worked hard, for a year in committee, and later here on the House floor, to forge what I strongly felt to be necessary revisions in the House version of ESEA. Specifically, I fought along with Mr. PEYSER to revise the title I formula to allocate funds on the basis of data different from the data currently in use. I emphatically felt, and still do, that no distribution formula should penalize the residents of New York and Erie County who have demonstrated an outstanding commitment to education, and who have consistently spent a great deal of money furthering education goals.

Although aspects of H.R. 69 have been controversial, and although the conference report before us today is not the perfect reflection of my own, or most of my colleagues, personal views on education, I believe the report is a responsible compromise, which is responsive to the needs of our educational community, and responsive to our national educational goals.

I would like to briefly discuss the provisions of H.R. 69 as reported by the committee on conference.

TITLE I. ESEA

The title I formula is amended to allocate funds on the basis of more current data. State agency programs for handicapped, migrant, and neglected and delinquent children will receive funds in accordance with the new formula and will continue to receive funds "off the top" in accordance with established practice. No State agency will receive less than its fiscal 1974 allocation. Each local education agency will receive at least 85 percent of its previous year's allocation. The 1975 authorization is estimated at $3.1 billion for LEA grants.

Part B of title I, incentive grants to States with a high tax effort for education, is continued with a maximum appropriation of $50 million.

Part C, grants to areas with high concentrations of low income children, is extended through 1975.

Authority is contained in the bill for a separate authorization which permits the Commissioner in special circumstances to make grants to school districts which are receiving less than 90 percent of their previous year's allocation.

A bypass for nonpublic schoolchildren is included.

OTHER TITLES

Titles II, III, and VIII of ESEA are extended through 1978 and title III of NDEA is extended through fiscal year 1977. These programs may not be funded in any year in which there is a consolidation of programs as described below.

CONSOLIDATION

State-operated programs are combined into the following divisions:

First. "Libraries and learning resources" included ESEA I, NDEA III, and the guidance and counseling portion of ESEA III.

Second. "Support and innovation" includes the balance of ESEA III, nutrition and health and dropout prevention from title VIII, and ESEA V.

Consolidation must be forward funded and during the first year there will be a 50 percent hold-harmless for each program.

A bypass for nonpublic schoolchildren is included.

Total discretion is given to local educational agencies on spending under libraries and learning resources. States distribute funds under support and innovation on a project grant basis.

Also adopted is a provision for a simplified State application for ESEA I, II, III, and NDEA III, adult education, vocational education, and education of the handicapped.

The Special Projects Act is included which provides an "incubator" for new categorical programs. Under this concept new programs will be protected for a period and then will compete for funding without the protection of set-asides. These new programs include women's educational equity, career education, consumer's education, gifted and talented, community schools, metric education, and arts in education.

IMPACT AID

Effective in fiscal 1976, amendments are accepted which will include guaranteed funding for public housing children of 25 percent of entitlement, equal to about $53 million in 1976. Entitlements for military children remain as in current law. Entitlement rates for civilian children are reduced slightly for those who live within the same county—from 50 percent to 45 percent—and for those who live within a different county in the same State—50 percent to 40 percent. Entitlements for those who live in a different State are eliminated except that those payments will be reduced over a number of years as the result of hold-harmless provisions.

School districts with 25 percent or more of their enrollments "a" children will be guaranteed the full amounts of their entitlements for these children.

No school district which receives more than 10 percent of its budget from impact aid will have its payments reduced less than 10 percent each year. Districts which receive less are guaranteed 80 percent of their previous year's payments. Also every district is guaranteed that it will not lose any regular impact aid funds due to the inclusion of public housing children.

Handicapped children of military personnel will be entitled to a payment of one and one-half times that of other children. These funds must be used for the purposes of providing special education for these children.

Funds which a district receives as the result of public housing children must be used for programs of compensatory education.

ADULT EDUCATION

The Commissioner's 20 percent set-aside is deleted and all funds are to be allocated to the States. Up to 20 percent of a State's funds may be used for high school equivalency programs.

The program of adult education for Indians is continued through 1978.

HANDICAPPED

All existing programs for the handicapped are extended through fiscal year 1977. For fiscal 1975, $630 million is authorized to be allocated among the States on the basis of total population ages 3 to 21. These funds will be particularly helpful in meeting requirements for the education of all handicapped children facing many States as the result of court decisions.

States are required to show how they will meet the needs of those children.

BILINGUAL EDUCATION

Authorizations are increased and special emphasis is placed on the training of personnel. Funds are also provided to States to assist them in developing their capacities to develop programs of bilingual education.

A national assessment of the need for bilingual education is to be conducted in 1975 and 1977 and sent to the Congress.

Also included is a program of fellowships for students who will enter the field of training teachers in bilingual education.

READING

A new program of reading improvement is included. Funds are authorized for grants to local educational agencies and States for comprehensive programs of reading improvement and projects which show promise of overcoming reading deficiencies. Also included are funds for special emphasis projects in reading, for the training of reading teachers on public television, and for reading academies.

VOCATIONAL EDUCATION

Included are two new programs which provide funds in fiscal 1975 for bilingual vocational training and bilingual vocational education.

INDIAN EDUCATION

The Indian Elementary and Secondary School Assistance Act is extended through 1978. Up to 10 percent of the funds are to be made available to Indian controlled schools.

An annual authorization of $2 million for special training programs for training teachers of Indian children is included and a program of fellowships for Indian students is also included.

OTHER PROGRAMS

The Emergency School Aid Act is continued through 1976. The authority to fund educational parks and the set-aside for metropolitan areas programs are repealed.

An amendment to authorize the CLEO program to assist disadvantaged students to prepare for and attend law schools is accepted.

The ethnic studies program is extended through 1978.

A program of grants to States to assist them in planning State equalization programs is included. Grants range from $100,000 to $1,000,000 per State depending upon population.

MISCELLANEOUS FEATURES

An upgraded National Center for Education Statistics within the Office of the Assistant Secretary for Education is created.

Regionalization of the Office of Education without an act of Congress authorizing such regionalization is forbidden.

Congress is afforded the opportunity to disapprove regulations for any Federal aid program for education.

Parents of students and students attending postsecondary institutions are afforded the right to inspect their school files and the release of documents in those files is restricted.

Mr. Speaker, I believe that the above provisions on H.R. 69 are representative of earnest, bipartisan efforts to update major Federal aid to education. As such, I urge my colleagues to approve the conference report before us.

Mr. STEIGER of Wisconsin. Mr. Speaker, I urge adoption of the conference report.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. FORD).

Mr. FORD. Mr. Speaker, I am not happy to be here in the position I am in, because I have to announce that, after working on some of these education programs for 10 years, and on this particular bill for more than a year and a half now, and after participating to the maximum of my capability in the 100 or more hours of this conference, I have to announce that I am going to oppose the adoption of the conference committee report in its present form and hope that the privileged motion of the gentleman from Ohio will be adopted, which would enable us to refer this matter back to the Senate with the request that the original House antibusing provisions be reinstated.

Mr. Speaker, there are several parts of this bill which trouble me. First of all, if we are to be honest with ourselves we must admit that the new formula for title I is totally illogical and irrelevant to the present needs of education. It is sheer hypocrisy to say that this formula is designed to pump the bulk of Federal education funds to districts with concentrations of poor children, and then on the heels of the recent Supreme Court decision which outlines the very severe problem faced by the Detroit public schools, we pass a bill which increases the amount of funds for sparsely populated Keweenaw County by 251 percent while Wayne County's allocation would be increased by a mere 4 percent.

It is ridiculous for us to say we are passing legislation to help cities and suburbs when the areas which receive the most dramatic increases under this conference report are virtually all rural, sparsely populated regions. Let us just look at some other counties in my own State. Charlevoix will receive a 124-percent increase, Houghton a 136-percent increase, and Mackinac, a 101-percent increase—compared to the 4-percent increase for my own county of Wayne—which is where most of Michigan's population is concentrated.

I am certain that if my colleagues will inspect the printouts made available to the Committee by the Library of Congress, they will discover that this same pattern holds true for all the other States as well.

Mr. Speaker, we are also kidding ourselves when we say that there is language in this legislation which will assure the American public that there will be no more forced cross-district busing.

This body, on no less than three occasions, voted overwhelmingly to instruct its conferees to retain the House anti-busing provisions. On June 5, by a vote of 270 to 103 we instructed our conferees to retain the House anti-busing language. We did it again on June 27 by a vote of 281 to 128 and again on July 22 by a vote of 261 to 122.

Nevertheless, the majority of our conferees gave in to the other body and adopted a watered-down version of the antibusing language instead—language that the Detroit News recently referred to in an editorial as mere "empty rhetoric." The News went on to say that the bill now before us contains "a provision inviting the courts to disregard such antibusing legislation if they wish to do so."

Mr. Speaker, I would like to refer my colleagues to another article which appeared in the Christian Science Monitor on July 24. This article quotes a source from the Senate who claims that the purpose of one part of this so-called compromise is to nullify completely the staunch antibusing legislation proposed by the House conferees. The article quotes another Senate source who feels that the language now before us "gives the courts 'free rein' to order busing and renders the busing prohibition meaningless."

Mr. Speaker, the recent Supreme Court decision did not solve the busing issue once and for all. Attorneys on both sides of that case are speculating that the controversy will continue to plague our schoolchildren. We must therefore return this legislation to the Senate with our original antibusing language restored.

The majority of conferees also agreed to another provision—one that was not even included in the House version, and one to which I strenuously object. This is the so-called protection of the rights and privacy of parents and students language.

Mr. Speaker, I firmly believe in everyone's right to privacy. But I do not believe that this is an issue which should be addressed in a Federal aid to education bill.

Let us take a look at what we are voting on today. The bill we have before us provides that no Federal funds shall be available to any State or local school districts which did not comply with all kinds of rules and regulations relating to students' and teachers' records—including inspections, hearings, challenges, et cetera.

What do we accomplish by this?

Under the guise of protecting the right of parents and students, this provision in effect mandates Federal interference in the local administration of schools.

Interference with the local administration of schools has traditionally been the objection to Federal aid to education which has been espoused by anti-Federal aid to education groups. With the adoption of this conference report, it will become a self-fulfilling prophecy, because this provision will permit the U.S. Office of Education to meddle in the affairs of local school districts.

Mr. Speaker, if this provision becomes law, it would create a situation in which one parent, no matter what his or her motives may be, could, simply by making one allegation against a school district, jeopardize all Federal funds coming into either a local or State educational agency.

There is still another major part of this legislation which I cannot buy. This is title IV—the so-called consolidation of certain education programs. This was a gimmick which the Congress was coerced into accepting by the Nixon administration.

This so-called consolidation of programs is nothing more than a watered-down substitute version of Nixon's ill-fated special education revenue sharing plan which nobody on either side of the aisle would buy. This provision is included in the bill only because the President has persisted in threatening the committee with a veto unless we let him save face by giving him at least some consolidation.

Well, now we have consolidation—or at least we will if we adopt this conference report, and all I can say is that I hope this works out better than the rest of the things this administration has tried to get away with.

Frankly, Mr. Speaker, I am extremely disappointed in what our conferees agreed to with respect to the impact aid provisions of H.R. 69.

Ever since 1950, the Congress has acknowledged and accepted the responsibility of the Federal Government to compensate local educational agencies for property and business taxes which these districts were forced to forgo because of Federal property located within the district. The Congress has for over 20 years now reimbursed these districts for the revenue forgon and for the additional cost of education imposed by the influx of federally connected children. This was accomplished by two laws—Public Law 874 and Public Law 815. The House version of H.R. 69 extended these two laws along with all the other provisions of the bill.

Now, after 24 years of successful operations, this conference committee has recommended that we accept the Senate language on impact aid in lieu of the House version which was merely a simple extension.

What is the Senate version? Mr. Speaker, no one really knows what the Senate version will do. The only thing we know for sure about the Senate version is that it has taken a relatively simple and efficient Federal aid to education program and turned it into an administrative nightmare.

Aside from this, we have determined that it will also result in some disastrous cutbacks to some school districts which depend on impact aid funds for their very survival.

Let us examine just a few of these. The conference report before the House today would remove A entitlements from permanent law—despite the fact that these entitlements have been embodied in permanent law since 1950. Under the conference report, however, authorization for category A grants will expire at the end of 1978.

The conference report would also eliminate entirely funds for out-of-State B children and reduce entitlements for out-of-county B children. Further, the conference report would decrease both the rate of Federal contributions and the percentage payment for all categories of children with the exception of military A children.

The conference report would also include public housing children in payments, but it would do so at the expense of present B children, not as an addition to the program. Finally, I would like to say something with respect to the big cities that have been lulled by the promise of more Federal dollars. Had the conference committee adopted the original House impact aid proposal and agreed to fund part C of title I, ESEA permanently, every single big city, would have received more Federal funds than they can now expect to receive. As things stand now, several big cities will lose millions of dollars under the conference report.

Mr. Speaker, because of these reasons I must reluctantly cast my vote against the conference report on H.R. 69, but I would like to emphasize to my colleagues that I do so not to kill this legislation, but only so we can set the wheels in motion to send it back to the Senate for improvement.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Speaker, it is my intention to support the conference report on H.R. 69, the Elementary and Secondary Education Act, but I will do so with some serious reservations which I would like to bring to the attention of my colleagues.

The conference report is startlingly defective in two respects, the first being the failure of the conferees to agree to the House-passed language relating to the forced busing of schoolchildren.

For several years we have listened to the pleas of our constituents for the Congress to take decisive action to stop this method of social experimentation in our schools. I personally deplore the practice of court-ordered busing, and am deeply concerned over its impact upon both schoolchildren and parents alike. Early in the first session of this Congress, I sponsored a constitutional amendment to prohibit forced busing, but regretfully, the Judiciary Committee has to date taken no action to consider House Joint Resolution 190, or any other of the numerous antibusing constitutional amendments proposed by my colleagues.

For this reason I was immensely pleased by the decision of a vast majority of my colleagues in this body to place strong language in the Elementary and Secondary Education Act with respect to busing. In addition, I strongly support the recent decision of the U.S. Supreme Court which held court-ordered busing across county lines to be unlawful.

Mr. Speaker, on three separate occasions the House has instructed its conferees on this legislation to insist on the busing language we adopted. The intent of the House could not be more clear.

Yet the conference report we have before us today contains severely weakened Senate language which will permit the continued implementation of court-ordered busing. I have pledged to my constituents that I would do all in my power to put an end to this deplorable practice, and I do not believe that we can compromise on this issue. Therefore, I would hope and strongly urge my colleagues serving on the Judiciary Committee to turn their immediate attention to the various antibusing constitutional amendments now before them, so that we can put a stop to court-ordered busing once and for all.

Second, I am deeply disturbed by the so-called reform of the impact aid program contained in the conference report. I have contacted the various school divisions in my congressional district, and have been advised that the phaseout of category B children whose parents do not work in the State may well have a significant detrimental impact upon the operation of our school systems. For example, Fairfax County schools may lose as much as $2 to $3 million each year in the event appropriations for impact aid in fiscal 1976 do not meet 100 percent of entitlement. Let me take this opportunity to assure my colleagues and constituents that I will work for funding at 100 percent of entitlement for impact aid in upcoming fiscal years. And again, I would urge my colleagues on the Appropriations Committee to take into consideration the substantial increase in taxes which the people of this Nation—and particularly in the Washington metropolitan area—will have to pay if impact aid funding is significantly reduced.

I do feel, however, that the importance of the other programs and funding authorized by this bill are of such importance that I must cast my vote in its favor. Additional funding for special education is most urgently needed in my congressional district, and H.R. 69 provides that vehicle.

Mr. Speaker, I would hope that my colleagues will feel as I do, and take appropriate action in upcoming months to guarantee a continued viable impact aid program, and to put an end to the court-ordered busing of our schoolchildren.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. VEYSEY).

Mr. VEYSEY. Mr. Speaker, I am on record supporting the Elementary and Secondary Education Act but I would like to make a few comments on this conference report and its effect on my State of California.

Under title VII a significant increase in the funding level would give California approximately a $4.5 million increase for bilingual education. We now have in California 71 language groups identified, with Spanish, Cantonese, Tagalong, Portuguese, and Japanese the most numerous groups. Title VII funds are now serving approximately 25,000 elementary and secondary school children and needless to say, it is a very important program. I have supported bilingual education from its inception and I commend this extension.

As a result of recent court decisions which will require full education services to all handicapped children, there is an urgent need for special education moneys in California. It has been estimated that in excess of $100 million per year will be needed to fulfill this requirement. Last year we received $4.4 million; if fully funded, H.R. 69 will provide $64.2 million to California schools to enable the school districts to begin the necessary improvement of their programs.

At this time, Title I is operating on a continuing resolution which means that California schools are receiving $4.9 million per year less than last year. The formula under this bill will provide a 10-percent increase—$133 million versus $121 million—for local educational agencies. In order to avoid cutbacks, we must pass this bill as quickly as possible.

This measure will consolidate six of the present categorical programs into two. This move will reduce redtape and give more discretion to local school districts, a move sought by the administration and by educators.

Finally, the conferees included language, which I proposed, to guarantee that there will be evaluations of the educational effectiveness of the projects funded in title I. I want to improve education with these funds—not just spend money. I am confident that when we renew title I 4 years from now, we will have a clearer directive.

Mr. Speaker, ESEA is not only important to California but also to the Nation and I earnestly encourage my colleagues to support this conference report.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, no bill of this complexity will not have some feature which one or more of us will be concerned with, but on balance this is an excellent conference report and I urge its adoption.

Mr. QUIE. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Speaker, there has been so much talk about busing, I thought I would like to put this in perspective. We are talking about 50 million students in America today, youngsters in school, elementary and secondary school. Of that, about 45 percent are bused. 22 million are bused every day to school—not desegregation busing, but just bused to school as a means of normal transportation. Of that percentage of the 22 million, there is no more than 3 percent of those who are under a desegregation busing program.

I think we ought to get this matter in proper perspective.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. ROSE).

Mr. ROSE. Mr. Speaker, I regret to observe at this point that there are those among us who would toss into the dustbin the results of countless hours of labor by the chief architects of H.R. 69. Those of us who are concerned with the plight of impoverished youngsters, of teachers fighting against impossible odds to do their jobs well, and administrators and school boards who must work with woefully inadequate budgets, are aghast at the mean arguments advanced against *this* constructive and well-reasoned attempt to direct greater Federal attention to the needs of our schools.

We need this bill, not because it is perfect—it is not. We need this bill because without it we will break faith with those who look to Congress for relief and assistance that is impossible to achieve at the State and local levels of government. The testimony of hundreds of witnesses who are on the firing line is reflected in the bold initiatives of H.R. 69. We need stability in Federal authorizations, as provided in this bill. We need new programs to address ourselves to new priority issues that are emerging in the seventies.

We need to support this bill because it represents the framework for a new and revitalizing start in Federal support of elementary and secondary education. We will need to improve it as time goes on, but we need even more to replace anxiety with hope and despair with opportunity. I urge a resounding "yea" for adoption of this conference report.

Mr. PERKINS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Speaker, I am pleased to note that the conferees on H.R. 69, the Elementary and Secondary Education Amendments of 1974, have reported back to the House a bill with comprehensive strengthening amendments to title VII of ESEA, the Bilingual Education Act.

During debate on this legislation on March 27, I proposed to offer a package of bilingual amendments which included changing the title of the act to the Bilingual/Bicultural Act; creation of a Bureau of Bilingual Education in HEW with a Deputy Commissioner of Education as director; authorization of grants and fellowships for preservice and inservice training for bilingual teachers and individuals to train such teachers; an emphasis on cultural and historical studies of each particular language group to foster pride and a sense of identity; and other provisions to insure that children of limited English-speaking ability will be given every opportunity to receive the type of instruction that will enable and encourage them to finish their schooling.

Mr. Speaker, I felt that these amendments were necessary in light of our woeful failure to serve the educational needs of some 5 million youngsters in the schools of America who are not native-English speakers. Though we have had the Bilingual Education Act in force since 1967, the annual appropriations have been but a trickle in relation to the need. In New York City only 7,300 out of 250,000 Spanish-speaking youngsters are enrolled in federally funded bilingual programs. Less than 4 percent of the Chicano students in the Southwest are benefiting from bilingual education. And in fact, throughout the Nation only 111,000 schoolchildren are participating in this effort which may be their only reasonable chance to succeed in a school system oriented almost totally toward the native speaker of English.

There is nothing unique about an American citizen with a limited English-speaking ability, Mr. Speaker. The majority of us are descended from Germanic, Hispanic, Italian, Slavic, Scandinavian, Oriental, and other nationalities besides English. Even now there are more than 10 million Spanish-speaking people in this country. Yet despite our history and the present reality, it is an unfortunate fact that, until recently, teaching in any language other than English in the classroom has been illegal in many States.

The Bilingual Education Act of 1967 marked the beginning of the Federal attack on such discriminatory treatment of children from non-English-speaking backgrounds. I am pleased to note the movement now underway in various State legislatures to enact authorizing statutes and provide funding for bilingual programs as a supplement to our efforts here in the Congress. And the Supreme Court, in Lau against Nichols earlier this year added its imprimatur in a determination that failure to provide bilingual education for those who need it is a denial of equal rights under the law.

The original committee version of H.R. 69 did not broaden title VII nearly as much as necessary, and I had prepared a series of amendments closely approximating bilingual education provisions expected to be included in the Senate education bill. Consequently, on March 27 I engaged in a colloquy on the floor with the distinguished chairman of the Committee on Education and Labor who asked that I withdraw my amendments at that time on the premise that the committee had not had adequate time to consider them.

I did withdraw my amendments, Mr. Speaker, in exchange for the chairman's assurances that House conferees would give every consideration to a more comprehensive bilingual package in the Senate bill, and I am pleased to report that the gentleman from Kentucky has been as good as his word.

The conference report before us today includes provisions for training of bilingual teachers, paraprofessionals, teacher aides, and teacher trainers. Significantly, it authorizes at least 100 fellowships in fiscal 1975 for study leading to a graduate degree in the training of bilingual teachers.

The amended title VII of H.R. 69 authorizes bilingual curriculum development, improvement, and innovation, and it now includes heavy emphasis on studies of cultural heritage and cultural resources as an integral part of bilingual education. I am pleased as well that the bill requires educational agencies to consult with parents during the formulation of applications for bilingual programs and to place parents on advisory committees after the programs are instituted. This is very important in terms of home reinforcement for what students are learning and the schools are attempting, factors too often missing in families where English is not the mother tongue. Bilingual instruction for adults is likewise featured in these amendments, and I cannot stress too strongly my support for full implementation of this particular authorization.

The bill also now includes a requirement that the Office of Bilingual Education conduct a national assessment of the number of children throughout America who require bilingual instruction, with a mandate to report back to the Congress no later than July 1, 1977, on the target population, the number of teachers needed, and the costs that would be entailed in a 5-year plan to provide bilingual education, including adult education and vocational training, to all Americans whose educational or occupational advancement is hindered by deficiency in the English language.

Mr. Speaker, the implementation of these new provisions could and should be the long overdue catalyst in advancing us toward the goal of providing equal educational and occupational opportunity for an ignored segment of our heterogeneous population. Our difficulty continues to lie in obtaining adequate appropriations to reflect the authorization levels and the true national need for bilingual/bicultural education. I hope that the title VII amendments in H.R. 69 will become law and provide some stimulus toward sensitizing more Members of this Congress to the justification for vastly expanded Federal bilingual programs.

I cannot overlook the fact, Mr. Speaker, that there are provisions in this conference report with which I disagree. I deeply regret the cutback of title I funds for New York which my colleagues and I fought so strenuously in previous debate on the new formula. I continue to believe that busing restrictions have no place in an education bill, and I deplore the inability of this body to place its priorities on the quality of education for the children of this country rather than on negative aspects that reflect the fears and hostility of their constituents.

Nevertheless, I believe that on balance this conference report should be approved. The bilingual education amendments are a strong element in my support for the bill, and other excellent provisions such as a community schools program, expanded provisions for education of the handicapped, a broadened national reading improvement commitment, and other features merit the passage of H.R. 69. In addition, school systems around the country desperately need to know what programs and funds will be authorized for the approaching school year, and I urge the passage of the conference report forthwith in the interest of maximum use of our resources for the educational advancement of the children of America.

Mr. PERKINS. Mr. Speaker, I yield the remaining time to the distinguished gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Speaker, Members of the House, I rise in support of the conference report. I think perhaps the gentleman from Oregon (Mr. DELLENBACK) stated the situation accurately when he described this as such a complex and all-encompassing bill that it would be difficult to find any one member that agreed with every aspect of it. But on balance it is a very substantial improvement in not only the programs that it amends, but in the new ones which it commences.

But, Mr. Speaker, it is disconcerting, to say the least, to have worked for well over a year with a bill as comprehensive as this and a bill which deals with the advances in education that this one does and to have a portion of that bill, indeed only a fraction of the entire bill, that portion dealing with busing, dominate the debate. The controversy over busing rages as if busing were the only thing in the entire bill. The fact is, it is but a minor fraction of a bill that deals with elementary and secondary education, impact aid, adult education, Indian education, handicapped, bilingual education, vocational education, community education and many other improvements.

Others will address various aspects of the bill. I would like to apply my time specifically to adult education, Indian education and certain aspects of impact aid.

ADULT EDUCATION

There is little controversy over the need for a vigorous and expanding adult education program in this Nation. Nearly one-third of the adults in the United States have less than a high school education. Whether adult education consists of GED—high school equivalency—or basic education, adult education enlarges and enhances the opportunity for the individuals and for this society.

The adult education amendment in this conference report extends the Adult Education Act to 1978 and modernizes the present act. The bill provides for up to 20 percent of the funds to be spent for high school equivalency. This we felt brought a proper balance between the protection of the basic educational aspects and the somewhat more visible high school equivalency. One of the important changes is that we now specify the inclusion of institutionalized adults in the target population. Education and training in institutions can do more to reduce recidivism than any other thing.

While we lower the authorization, we feel it is more realistic to the appropriation history and we certainly do not wish it interpreted as any diminishment of our continuing support for adult education.

That is the important program which many Members of both parties joined me in sponsoring at the beginning of the 93d Congress and is now in the conference report. I thank all those who cosponsored and worked with it.

INDIAN EDUCATION

There are numerous sections which enhance the educational opportunities of Indian children. Certainly one of those must be bilingual education. A recent BIA survey estimates that three-quarters of the students in BIA schools need bilingual education. With the present paucity of bilingual education programs in BIA schools, we are taking young Indian children with a strong Indian cultural background and throwing them "cold turkey" into a Dick-and-Jane school setting. This is one—but a very important one—of the reasons that Indian children have dropout rates in excess of twice that of other students in American schools. In sum, the very important bilingual education program instituted by this conference bill will do a great deal for all Americans whose mother tongue is not English.

In addition, amendments to the Indian Education Act provide for increased funds for schools run by Indian controlled school boards, additional funds for professional and graduate training in law, medicine, engineering, and so forth, and also provide training for teachers of Indian students. There is provision for bilingual teacher training as well as for trained personnel in the special needs of Indian children.

IMPACT AID

Mr. Speaker, the conference bill makes many changes in the impact aid law. I must say that I must agree with most of these changes, but I want to direct my attention especially to the equalization provisions. The present law provides that a State may not count impact aid in equalization formulas. This has acted as a deterrent to State equalization efforts—an impediment most of us dislike. But, conversely, we did not want to see impact aid funds absorbed into total State needs without respect to the special needs of impacted districts. The provisions of the bill provide a formula which would allow impact funds to be, in effect, treated as local resources. This carries out the concept that impact aid is to compensate for withdrawal of tax base, but at the same time shall not deter a State which is really trying to create a realistic equalization formula.

The bill provides that "a state may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues." That means that the funds which a State can use in its equalization formula are really a mirror of the State's efforts to adopt a realistic equalization formula. In States with high equalization formulas, those States would be entitled to count considerably more than those States which have equalization formulas but which do not really equalize at a very high level.

I have prepared an illustration of the effect of this provision on a district in a State with a high level of equalization and on a district in a State with a low level of equalization.

In addition to requiring the Commissioner's approval of State equalization formulas before the provisions of the bill become effective, the bill also provides that affected local educational agencies have an opportunity for a hearing prior to the adoption of any formula which would affect a reduction of impact aid funds in that district.

There are many other portions of this conference report which I consider to be extremely important but time does not permit a full discussion of them.

In sum, Mr. Speaker, this is a landmark education bill which will improve educational opportunity for all Americans. I urge its support.

Mr. QUIE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I want to point out to this body that we ought to get away from percentages. The formula was bad before. This is the wisest formula we can provide. Proof of it is that the Senate did adopt the House formula on title I.

I know there are those Members who wish we had a stronger reopening clause, but those Members who feel there ought to be stronger antibusing language should bear in mind that this is the strongest antibusing language that has ever been enacted, even though I do not like that.

Last, I would say that I have now been told by the Under Secretary of HEW, Mr. Carlucci, that the Department of Health, Education, and Welfare supports this legislation.

Mr. Speaker, I now yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, I believe the distinguished gentleman from Minnesota will agree with me that if we went back to conference, we would never be able to get or to obtain any stronger antibusing provisions than we now have in this bill. Am I correct?

Mr. QUIE. Mr. Speaker, the gentleman is absolutely correct.

Mr. PERKINS. And it would only be doing harm to every local school district in this Nation if we defeated this conference report. The schools would just be deteriorating, not having the funds they need to carry out the educational process.

Mr. BINGHAM. Mr. Speaker, I rise in support of the conference report on H.R. 69, the education amendments of 1974. This legislation authorizes the continuance of vital education programs, and provides the basis for the implementation of progressive new programs essential to a successful learning experience. The generous increased allocation for fiscal year 1975 for the Education of the Handicapped Act, for example, while still not sufficient to provide viable educational opportunities to all of our seven million handicapped youngsters, will be welcomed by educators across the country who are straining to reach each handicapped child and respond to his unique needs. So, too, is the expansion of the bilingual education programs, which to date have been negligently underfinanced and consequently underutilized. In addition to increased authorization for bilingual education, H.R. 69 provides no less than 100 fellowships in the field of training teachers in bilingual education in fiscal year 1975, and establishes an Office of Bilingual

Education in the Office of Education. H.R. 69 also declares it to be the sense of Congress that museums be considered educational institutions and that the cost of their educational services be more frequently borne by the educational agencies and institutions benefiting from those services. I agree that the Federal Government should assume a more positive role in aiding museums to expand their influence in the field of education.

There is one section of H.R. 69 which is of special interest to me, and that is section 825, the safe schools study. Originally introduced by Congressman BELL and myself as separate legislation, this provision would require the Department of Health, Education, and Welfare to conduct a full and complete study of the problem of crime in our Nation's schools, and evaluate the most practicable and effective solutions. The study would measure the cost of crime in our schools, and the real and potential effectiveness of methods schools can use, or are already using, to combat it. I first introduced safe schools legislation 3 years ago when it became apparent that the incidence of vandalism, personal assault, arson, theft and other related crimes were eroding the very foundations of our school systems. I recommended this study only when it became clear that an operational program such as I had first suggested would not be approved by the Congress at this session. It is my hope that the safe schools study will bring to light the serious extent and nature of school crime, and will help to develop effective solutions and restore peace to our troubled schools.

Although H.R. 69 contains commendable advances in the development of this Nation's educational system, the legislation takes some unfortunate steps backward. My initial objection lies in the formula change for the distribution of title I funds to educationally disadvantaged students. This revision will deprive children in New York State of $50 million in title I revenue. The reallocation of title I moneys to the rural areas of this country will shatter the hopes of millions of city youngsters who once held dreams of escaping the education deprivation/economic deprivation cycle. Those hopes will be frustrated because the opportunity for those ghetto children to compete and achieve on equal terms with their peers will be severely limited. I have argued long and hard against this formula change, and again wish to place on record my vehement opposition to the new formula.

The conference agreement to include public housing children in the appropriations for impact aid is a commendable and appreciated effort to restore some of the severely needed title I funds that will be lost by urban school districts. This funding, although only a drop in the bucket, would increase the share of impact aid for which New York would be eligible—the State currently receives only 3 percent of all impact aid moneys—and would thus provide for a more equitable regional distribution of ESEA moneys.

The restoration of parts B and C of title I—incentive grants, and special grants for high concentrations of low income families, respectively—is a most welcome compromise with the Senate. Although the gain that New York would realize from this restoration would be only a fraction of what they will lose as a result of the title I change, it will help to fill the expected void in educational funding. I must again express disappointment in H.R. 69 at this point, however, for part C of title I is a separate line item. This could all too easily result in a lost battle for appropriations for this vitally needed money.

With respect to the provisions relating to busing, I think the conferees are to be commended for working out a compromise which, while unfortunate in some respects, is far superior to the language of the original House bill.

Overall H.R. 69 is a positive piece of legislation, and I urge its acceptance by this body.

Mr. LEHMAN. Mr. Speaker, I rise in support of the conference report on H.R. 69, the Elementary and Secondary Education Act amendments.

Mr. Speaker, the members of the Education and Labor Committee, and those of us on the conference committee, worked long and hard on this legislation over the past year and a half. It is the result of many hours of balancing the interests of our big city schools and our rural areas, between wealthy and poorer States, and between the House and the Senate. There is no doubt that this bill is truly land mark legislation.

In addition to modifying the title I formula, the bill includes an expanded assistance program for the education of the handicapped, a new reading program, education for the gifted and talented, impact aid, community education, women's educational equity, bilingual education—an entire host of educational programs. With local school districts and the States faced with a tight money situation, it is imperative that this conference report be approved today so that these new programs may be begun, and existing programs be carried on without disruption. Education is a continuing process which demands planning in order to be successful. Chaos in funding will reduce our educational programs to ruin.

It would be unconscionable for this body to reject this bill because of a mistaken belief that the conference report is "weak" on busing. I would like to point out to the Members of this House that first, the conference report retains the Ashbrook amendment, which prohibits the use of Federal funds for busing.

Second, the conference report permits court orders requiring busing to be terminated if the judge finds that the school district is in conformity with the Constitution, and the judge believes that the school district will remain in conformity.

Third, the conference report retains language from both the House and Senate bills restricting busing to the next nearest school.

Fourth, it retains language which permits local school districts, parents and guardians to move to intervene in a suit if there is reason to believe that a desegregation plan would be harmful to the children's health or educational process.

Fifth, the conferees adopted four amendments which had been accepted on the Senate floor: First, a court order requiring busing cannot take effect until the beginning of the school year; second, before a court order may be handed down, the school district must be given a reasonable opportunity to formulate its own desegregation plan; third, desegregation plans required by court order may not ignore school district lines; and fourth, busing can not be included as a remedy unless the court finds that all other remedies are inadequate.

The conference report does adopt a provision of the Senate bill stating that nothing in the act is meant to diminish the authority of the Federal courts under the Constitution. I believe that this provision means that the Federal courts will have an opportunity to review the constitutionality of these provisions. Federal courts, however, have this power already, which may not be limited by law.

Mr. Speaker, under unanimous consent I shall include at the conclusion of my remarks a chart I had prepared for the benefit of my colleagues for Florida, indicating the increases in allocations by county under this conference report.

Summary of increased allocations under conference report on H.R. 69 for title I, compared to last year's allocation

County:	Percent change
Alachua	+117
Baker	+84
Bay	+133
Bradford	+170
Brevard	+104
Broward	+101
Calhoun	+43
Charlotte	+128
Citrus	+205
Clay	+111
Collier	+168
Columbia	+85
Dade	+83
De Soto	+95
Dixie	+61
Duval	+99
Escambia	+125
Flagler	+64
Franklin	+144
Gadsden	+85
Gilchrist	+32
Glades	+56
Gulf	+126
Hamilton	+81
Hardee	+162
Henry	+155
Hernando	+163
Highlands	+251
Hillsborough	+125
Holmes	−14
Indian River	+174
Jackson	+38
Jefferson	+58
Lafayette	+89
Lake	+123
Lee	+115
Leon	+133
Madison	+45
Manatee	+138
Marion	+122
Martin	+115
Monroe	+108
Nassau	+74
Okaloosa	+112
Okeechobee	+249
Orange	+116
Osceola	+168

Summary of increased allocations under conference report on H.R. 69 for title I, compared to last year's allocation—Cont.

	Percent change
Palm Beach	+105
Pasco	+169
Pinellas	+99
Polk	+166
Putnam	+149
St. Johns	+124
St. Lucie	+108
Santa Rosa	+135
Sarasota	+149
Seminole	+79
Sumter	+118
Suwannee	+92
Taylor	+108
Union	+76
Volusia	+124
Wakulla	+127
Walton	+45
Washington	+92
State total	+107

Mr. THONE. Mr. Speaker, this is a good bill because elementary and secondary students, as well as adults all over the country, will benefit from the programs contained in H.R. 69. Education cannot be stagnant and by being forced to live under another continuing resolution education will not have a chance to keep up with today's problems and hopes.

Mrs. SCHROEDER. Mr. Speaker, I wish to express my support for the conference report on H.R. 69. This legislation contains authorizations for virtually every program of Federal assistance to elementary and secondary education. It is a solid bill, representing countless hours of substantive work by the Education Committees of both the House and the Senate. The programs it authorizes play a major role in the educational life of our Nation. Further delay, as I am sure my colleagues have been told by their State and local government officials and school administrators, will present almost insurmountable planning difficulties to those who have been forced for too long to labor under the uncertainty of continuing resolutions.

I would like to discuss just a few of the key areas where H.R. 69 strengthens current Federal educational efforts.

There is a long needed revision of the title I formula for aid to educationally disadvantaged children. This compensatory education program is the heart of the original Elementary and Secondary Education Act and constitutes the bulk of Federal education funds available to the States. For too long the money has been maldistributed, based on an outdated census and on an outmoded formula. The more equitable formula found in H.R. 69 is strengthened by the inclusion of a special incentive fund, which rewards those States who spend from their own resources above the national average to finance elementary and secondary education.

For the first time there will be required funding for category C impact aid children, those living in federally subsidized public housing. Certainly schools which are impacted with large numbers of these children have a greater need, and the special needs of these children are recognized in the requirement that this impact aid money be spent for compensatory programs and projects.

I am especially pleased that the bill replaces the current title VII with a greatly expanded and improved bilingual education program which includes: Increased funding for bilingual education projects on the elementary, secondary and preschool level; a bilingual vocational training program; an expanded program for the training of bilingual education teachers and other educational personnel; an in-depth research program by the National Institute of Education to develop better teaching methods and materials; a national survey of the number of children and adults with limited English speaking ability and the extent to which they are being served by Federal, State and local programs; and a strengthened independent National Advisory Council on Bilingual Education which will insure meaningful input from those most directly concerned with the implementation of the above programs.

Another vital step taken in this bill is the initiation of a major program for education for the handicapped. The bill also includes a new national reading improvement program and a consolidation provision which will simplify the paperwork and administration of the current categorical programs.

I ask my colleagues to approve the conference report so that we can get on with the task of educating our children.

Mr. MADDEN. Mr. Speaker, today, we in the House of Representatives will vote on the conference report on H.R. 69 which extends and amends the Elementary and Secondary Education Act.

It is extremely important that we adopt this conference report today. H.R. 69 reaffirms our commitment to better educational opportunities for the underprivileged in our society. The consolidation program in the bill will make it easier to obtain Federal funds for our local school districts.

Far and away the most important provision in the bill is the section providing aid for physically, mentally and emotionally handicapped children. Today only about 40 percent of the more than 7 million handicapped children in the United States receive moneys under title I. This bill will extend coverage under this program to a great percentage of the handicapped children who are not receiving special assistance.

Mr. Speaker, I urge every Member of this House to join me in providing this much needed assistance to the underprivileged and handicapped children of our society by voting for the conference report on H.R. 69.

Mr. BAUMAN. Mr. Speaker, way back on March 27 of this year, this House approved H.R. 69, to extend and amend the Elementary and Secondary Education Act. The bill passed by a margin of 380 to 26, and I was pleased to be among those voting in favor of the measure. I did so for several reasons: It provided assistance to school systems throughout my district according to a formula which will benefit the children there substantially. It contained impact aid provisions which are of critical importance to a number of school districts in the area I represent. And to top it all off, the icing on the cake was a set of antibusing provisions which offered real hope for releasing our Nation's children from the cruel burden of forced busing.

We all know the grim history of the bill following our approval of it on that day in March. The other body failed to approve language regarding busing which was identical to ours by a single vote, 46 to 47. They sent a much weaker busing "prohibition" to conference committee, and their conferees, representing those who had been part of that bare one-vote majority, consistently refused to accept the antibusing language which was so nearly approved by the other body as a whole. Three times this House voted overwhelmingly, by a 2-to-1 margin, to instruct our conferees to insist on the strong House antibusing language. But after a 2-month impasse, the conferees accepted what has been termed a "compromise" in this language.

Mr. Speaker, I would like to state now, for the RECORD, that this language is not worthy of being termed a "compromise," and that it is very little better than no antibusing language at all. The conference version of the bill before us this afternoon represents essentially the Senate version insofar as busing is concerned.

The Ashbrook amendment, which has been adopted by this House several times in recent years, would have prohibited the use of any Federal funds for busing. But the version now before us permits the use of impact aid funds for this express purpose. We cannot approve this language, and then go home and tell our constituents that we have done everything in our power to establish a Federal policy which rejects busing as a proper and viable method of treating America's schoolchildren.

The Esch amendment, adopted by this House overwhelmingly, would prohibit the busing of a child to any school other than that school closest or second closest to his home. On first glance, this provision appears to be contained in the bill now before us. But in fact, it includes an engraved invitation to the courts to ignore this provision entirely, simply by saying that the 5th or 14th amendments to the Constitution may be invoked as a reason for busing as far as the court may wish. Thus, instead of establishing a hard and fast congressional position in opposition to busing as a means of pursuing some absurd notion of mathematical racial balance in schools, we will instead be saying to the courts, "go ahead and bus to your heart's delight if your interpretation of the law differs from ours."

I think it is important to reflect for a moment on just what the Constitution says in this area. The 14th amendment states that no person shall be deprived of equal protection under the law, and in far too many cases around the country, Federal courts have ruled that a de facto situation where attendance at certain schools is heavily black or heavily white constitutes denial of this constitutionally guaranteed equal protection.

Now none of us will deny that in cases where school attendance district lines have been demonstrably drawn for the express purpose of creating schools which are predominantly black or white, the civil rights of those students are being violated. But this falls into the category known as de jure segregation, and is a completely different animal. And even here, the situation can be corrected by fairly and equitably redrawing the district boundaries to reflect neighborhood areas, not by busing these children miles from their homes.

The position of this House is clear. We have consistently voted according to a view of the Constitution which holds that efforts to consciously segregate schools on the part of localities is wrong, but that simply allowing a child to attend a school near his home does not constitute any willful effort to segregate schools, nor does it violate that child's civil rights.

In fact, to bus schoolchildren many miles from their homes simply to pursue a game of mathematical balancing is to violate the civil rights of those children, not the other way around. The very distinguished Senator from North Carolina, Mr. ERVIN, argued this point convincingly on the floor of the other body just 1 week ago. The Senator is a man widely regarded for his expertise and judgment when it comes to matters of constitutional law, and he told his fellow Senators:

> When a court orders a school board to bus children solely for the purpose of integrating their bodies rather than enlightening their minds, the court orders the school board to violate the equal protection clause in two respects.
>
> In the first place, the court states to the school board, "You must divide all the schoolchildren in this school attendance zone or district into two groups. You may let the first group attend their neighborhood schools in their school attendance zone or district, but you must deny the second group of children the right to attend their neighborhood schools in their attendance zone or district." That is an order from the court to the school board to violate the equal protection clause because it clearly orders the school board to treat in a different manner children similarly situated, in that all of them are residents of the attendance zone or district in question.
>
> In the second place, the court orders the school board in a schoolbusing decree to violate the equal protection clause in an additional way. The court says to the school board, "The reason you have to divide these children into these two groups and must deny equal protection of the law treatment to the second group is that you must bus the second group to schools elsewhere, either to increase the number of children of their race in the schools elsewhere or to decrease the number of children of their race in their neighborhood schools."
>
> Oceans of judicial sophistry cannot wash out the plain fact that is denying the children who are ordered to be bused the right to attend certain schools solely on account of their race, and that is exactly what the Supreme Court held in Brown against Board of Education of Topeka to be unconstitutional.

Mr. Speaker, I have quoted extensively from the Senator from North Carolina's remarks because they express so well the truly relevant constitutional considerations to which I believe most of us subscribe.

By adopting the conference bill before us this afternoon we will be turning our backs on this position, and will instead be inviting the courts to go on ruling as they have so often in direct contravention to the interpretation so well articulated by Senator ERVIN. I, for one, cannot condone such a move.

Finally, the conference committee deleted a set of provisions now commonly known as the reopening clause. The House had adopted language which directed the courts to reopen cases where busing had already been ordered, and review those cases in light of these newly enacted laws regarding busing. The Senate replaced the word "shall" with the word "may," an alteration which renders the provision meaningless. The courts "may" already reopen such cases if they wish. The House language would direct them to do so, and would establish a uniform policy regarding busing and the courts throughout the Nation. But the language before us here this afternoon will merely say, "For those of you who have not yet come under a court order to bus, here is some relief. For those of you who have already been ordered to bus, tough luck."

Clearly, the antibusing language in the bill before us here today bears little resemblance to the strong provisions we adopted back in March.

Thus, while I continue to strongly support many of the other provisions of H.R. 69, I am going to vote "no" on final passage of the conference report. I do so in the knowledge that a bill will quickly be resubmitted, and that in the near future our school districts will benefit from the many aid provisions contained in this act. But I believe we must show the other body that we are not willing to give in on the drive to curb forced busing, and that we do not consider an arrangement in which we give the other body 90 percent of what it wants in this area a compromise. I urge the Members to vote down this bill, in order that we may move quickly to adopt a more acceptable measure in accordance with the wishes of the American people.

Mr. JOHNSON of California. Mr. Speaker, the House has received the conference report on H.R. 69 and today will vote on this important educational funding measure as agreed to by the conferees. The committee has worked diligently and deserves praise for the many forward-looking provisions they have included.

I rise to question the committee's action on impact aid to public schools: Public Law 81–874. This program, signed into law by President Truman, was designed to assist local school districts encompassing Federal installations so that they would not suffer financial losses. This administration has attempted to phase out impact aid, yet the fact remains that this program is the closest thing to revenue sharing and block grants to come before this Congress.

States like California with 46 percent of its land federally owned and my own Second Congressional District with over 50 percent Federal lands stand to lose a great deal of Federal financial support for our already money-troubled schools. Where will these school people go to absorb losses? California law recently enacted severely restricts the ability of local education agencies to increase their property tax rates, and the State has not demonstrated its willingness to increase State support to even keep pace with inflation.

Of particular concern to schools in my district are the changes agreed to in the civilian 3B categories. While the Second Congressional District of California had 3,235 ADA in fiscal year 1974 from military-connected families, there were 6,362 students in daily attendance from civilian families who worked on federally connected projects. Certainly, these rural and suburban districts can ill afford to lose between 10 and 20 percent of the Public Law 874 funds next year or any other.

Mr. Speaker, accordingly I would like to call to the attention of my colleagues the serious impact which the bill before us will have in connection with the impact aid program. I intend to support the legislation because it is an omnibus bill with a great deal of merit and value to not only the Second Congressional District of California, but to all of California and the Nation, but I do express the clear hope that ultimately a more adequate program of impacted aid under the provisions of Public Law 81–874 and Public Law 81–815 can be enacted by this Congress.

Mr. PODELL. Mr. Speaker, the Supreme Court recently issued a decision concerning the busing of schoolchildren. The Court ruled that children could not be bused across city lines in order to desegregate schools. The only time this would be permissible is in the case where the district lines had been drawn solely on the basis of race and, therefore, is unconstitutional. This decision is an attempt to solidify the neighborhood school system and by doing so, strengthen it by dealing with its problems in fuller detail than in the past.

In the education bill before us, there are provisions that adhere to and embrace the Supreme Court decision. These set forth the decree that children can not be bused to a school that is farther than the second closest to their homes. By doing this, the children would once again be in a neighborhood school environment, which is sound and productive. The provisions, of course, take into account constitutional and civil rights; however it makes clear that busing schoolchildren is not a productive solution to the problems that are facing a fair and sound education for all.

For many years I have opposed the busing of schoolchildren. I feel that it is more than an inconvience, it is potentially dangerous to the well being of the children; and is unproductive. The answer to the problems lies not in busing but in upgrading the educational facilities and providing an avenue of special training for those children who are in need of it; including such areas as reading disabilities, language problems, Spanish and Italian speaking teachers to help those children who have a problem with English. These are of course, but a few areas of need.

Many people, not only in my district, but throughout the country, choose their homes for their proximity to a school for their children. These people should have the right to be able to have their children attend school as close to home as possible. The neighborhood school creates less stress on a child and the parents. This harmony should not be upset, unless it is absolutely necessary; which it is not, as the Supreme Court has pointed out.

The busing of schoolchildren does not guarantee better education. In fact, there are no conclusive studies that suggests it does. Our experience with this question, has, I believe, shown us that busing is not a viable or productive alternative. It cannot and does not deal with the root of the problem of better education. Better education for all can only be achieved by supplying the needs in each school. It cannot be achieved by skirting the issue and moving people around and juggling them as if they were pieces on a chessboard. I support this education bill and urge by colleagues to do the same.

Mr. HANRAHAN. Mr. Speaker, I wish to express my support of H.R. 69, the Elementary and Secondary Education Amendments of 1974. This bill extends the many excellent provisions such as adult, bilingual, and Indian education programs through 1978, thus giving a necessary sense of certainty to the future of these programs. I also commend the extension through 1977 of the Education of the Handicapped Act, and the extension through 1976 of the Emergency School Aid Act.

However, I must express my continued and vehement opposition to the busing provisions contained in this bill. I have always opposed any attempts at the forced busing of schoolchildren, but I feel that the many outstanding features of the rest of the bill outweigh the negative provisions on busing. I am, therefore, compelled to vote in favor of H.R. 69.

Despite my strong opposition to forced busing, I feel the conferees have reached a tolerable compromise on this much-disputed issue. This report would not allow a child to be bused farther than the next closest school, except in extreme cases. If we must have busing, this, at least is a livable alternative to the problem of disrupting a child's life by transporting him miles from his home.

We must always keep uppermost in our considerations the welfare of the children involved. Therefore, I certainly applaud the provision which states that if a child is to be bused, the parents must be notified by the beginning of the school year. It is most important that a child have a sense of security and permanence during the formative years. It is unsettling for a child to be separated from a familiar teacher and friends in the middle of a school year.

Also to be commended is the provision of the Special Projects Act which calls for new and much needed programs, including women's educational equity, career education, consumer education, and many more.

I am also happy to see a provision which withholds funds from institutions which deny parents the right to inspect their children's files, and gives parents the right to a hearing to contest school records. We cannot stand by and allow capricious and arbitrary grading and disciplinary policies. In this highly competitive age, parents and children should have the right to question records which can seriously affect their futures.

Similarly, I commend the provision which denies funds to schools which release records, without parental consent, to other than educational officials. Such a policy is a blatant violation of the individual's right to privacy. I urge all of my colleagues to join with me in support of this conference report.

Mr. MIZELL. Mr. Speaker, I urge the House of Representatives to vote against the adoption of this conference report because of the language in title II dealing with the issue of forced busing.

Time and time again this body has voted to halt the forced busing of our schoolchildren. In three specific instances, we have instructed, by overwhelming votes, our conferees to insist on the strong antibusing langauage of the Esch amendment.

The House-passed language would prohibit forced busing of any student beyond the next nearest school. The House version would also require existing court-ordered busing cases to be reopened.

The report, as my colleagues know, does not contain this language. I urge its rejection, and I also urge the Congress to act on my constitutional amendment which will once and for all end forced busing.

Mr. MATHIAS of California. Mr. Speaker, I rise in support of the Education Amendments of 1974. The passage of this bill is important to me as a strong supporter of education legislation; and it is equally important to the many, many migrant, bilingual, and low-income children of my district.

One of the most apparent drawbacks of an agricultural area has been the lack of proper education provided the children of migrant farmworkers. Because the work of migrants requires several changes of residence in the course of a year, the provision authorizing the use of the migrant student record transfer system will make it easier for the children to enroll in the schools of the school district into which their families have moved. This system should act as an inducement to the children to resume their education following a move, because it will virtually eliminate the hassle of having to wait for school records to be forwarded from the school previously attended.

An area of concern to the 113,000 Spanish surname residents of my district is that of bilingual education. H.R. 69 authorizes increased funding for the development of bilingual education programs. In order to motivate the children of non-English-speaking families to further their education, it is necessary for bilingual programs to be improved. If we fail to improve these programs, we will only be encouraging an increase in unemployment and an increase in the welfare rolls.

Unfortunately, the children of the 18,000 families in my district who earn less than $5,000 a year endure the brunt of their family's misfortune. If low-income children are not afforded incentives to further their education, we can safely assume that they will become menial laborers or welfare cases when they reach adulthood. Therefore, I believe the special grants provisions to be a worthy section of ESEA. It will help provide the necessary incentive to the children of low-income families.

To a degree, these three areas are interrelated in my district. I have in the past, as I do now, supported measures which will minimize the educational disadvantages of these students. I am encouraged by the estimates of increased title I funding for my district, and confident that under the scrutinous supervision of the State of California, and local agencies, we will be able to correct these problem areas.

Mrs. HOLT. Mr. Speaker, the liberal majority of the U.S. Senate has shown callous indifference to the will of the people by destroying the House amendments against forced busing for racial balance in the schools. The provisions on busing that emerge today from the House-Senate conference committee are so weak as to be nearly worthless, because the Federal courts are expressly invited to continue imposing racial quotas requiring mass busing.

On three different occasions, the House instructed its conferees to insist on the strong antibusing amendments which the House attached to the Elementary and Secondary Education Act. But our conferees weakened when confronted with the liberal pressure from the Senate, and they have returned with a report that is extremely distasteful.

Mr. Speaker, none of us wants to kill legislation that provides funding authority for many worthwhile education programs. I am particularly interested in the program sponsored by Senator J. GLENN BEALL, JR., of Maryland, to concentrate on developing reading skills in our children. However, it is equally important that we stop the tyranny of forced, mass busing that has disrupted education in school districts across the land. We must protect the neighborhood school as the best institution for the education of our children.

Let us send this conference report back to the Senate with instructions to accept the strong antibusing amendments originally adopted by the House. If the Senate kills this legislation by refusing to accept the House provisions against forced busing, then the Senate must answer to the public for its irresponsibility. The quality of education in school systems throughout this country has been damaged by mass busing plans ordered by Federal courts and bureaucrats of the Department of Health, Education, and Welfare.

In Maryland, Prince Georges County is forced to bus more than 20,000 students away from their neighborhood schools for racial balancing of enrollment in every school.

Anne Arundel County and other counties are under increasing pressure to abandon neighborhood schools for the social experimentation of racial balancing.

Baltimore City is in a condition verging on civil crisis because Federal bureaucrats backed by court order are forcing mass transfers of students for racial balance.

Every poll I have seen shows that at least 80 percent of the American people, including the people of my Fourth Congressional District, are against forced busing for racial balance. Yet, the Senate has continued to substitute its judgment for that of the people, making a mockery of the concept of representative government.

Mr. Speaker, it is time for the House to instruct the Senate in the meaning of representative government.

Mr HOGAN. Mr. Speaker, I rise to express my strong opposition to two major provisions of the conference report on H.R. 69, the Elementary and Secondary Education Act Amendments of 1974.

The first of these provisions has to do with the forced busing of schoolchildren for the purpose of achieving racial balance.

The House of Representatives adopted by an overwhelming margin some very strong antibusing language when this bill was considered last spring. That language established a national policy that the neighborhood school principle was to be adhered to as faithfully as possible.

We provided seven means of desegregation which were to be exhausted before busing was even to be considered as a remedy, and even then, busing was proscribed beyond the next nearest school.

That was good language, strong language, effective language. This House thought so much of that language that on three separate occasions, we voted to instruct our conferees that our language be retained in the final conference report. The votes on those motions were 270 to 103 on June 5, 281 to 128 on June 27, and 261 to 122 on July 22.

There is no way the House could have made its position clearer on this issue, and yet we find our position severely compromised, if not totally emasculated, by a provision inserted by the Senate and acceded to by our thrice-instructed conferees.

That provision states that if all of these remedies, including busing to the next nearest school, fail in a court's opinion to guarantee the constitutional right of equal protection to our schoolchildren, then much more extensive busing will be permissible.

The Supreme Court last week ruled against busing across school district lines in the Detroit case, but apparently any amount of forced busing within a school district—no matter how great the distance—will continue to be permissible.

This is clearly not what the House intended, and it is a bitter pill for us to swallow, especially when we went to such great lengths to insist on our position.

Furthermore, the original House version included a "reopener" clause to allow school districts now under court busing orders to reopen their cases in an effort to find a means short of forced busing to comply with this bill's new desegregation standards.

That clause is nowhere to be found in this conference report, which means that school districts like the one in Prince Georges County, Md., will get no relief from the heavy administrative, transportation and social costs that massive busing involves.

To require these school districts already under court orders to continue extensive busing programs, and then allow other school districts with similar desegregation problems to remedy them in less drastic and expensive ways is patently unfair, and this conference report is seriously deficient and quite hypocritical in this regard.

The second provision with which I take issue is that involving impacted aid for school systems with heavy concentrations of Federal employees' children.

When we passed this impact aid section last March 27, we did so by an overwhelming margin of 276 to 129, and that solid victory for extension of impact aid programs through 1977 was well deserved.

The Committee on Education and Labor had recommended phasing out the impact-aid programs at the end of fiscal 1975, despite the fact that other programs under ESEA were granted an extension to 1977. The basic unfairness of this proposal was obvious to a sizable majority of the House membership, and rightly so.

The basis for the committee's opposition to a longer extension for impact aid was a belief that these programs were providing unfair advantages for some school systems that were not afforded to other school systems, and that the impact aid program itself might be outmoded.

But the committee called for further study of these allegations to determine what the future of impact aid should be, and 1 year is simply not enough time to conduct the extensive and definitive study that should be made.

The House rectified this situation in March, with an amendment offered by my distinguished colleague from Hawaii (Mrs. MINK).

But that language does not appear in the conference report before us today, and this is a second very serious deficiency.

Still, the conference report does not include programs that merit the enthusiastic support of the House. Programs for adult education, reading improvements, payments for certain veterans' instruction, education of the handicapped and the disadvantaged, and other worthwhile provisions compel me to support this conference report, even over my strong objection to the two sections mentioned earlier.

Education is probably the most important resource we have in this country, and it is incumbent upon this House and this Congress to provide the measure of Federal assistance required to insure its success and its continuing improvement.

This legislation in its present form is far from ideal, but it is apparently the best we shall have in this Congress, and I urge its passage.

Mr. ANNUNZIO. Mr. Speaker, I rise in opposition to the conference report on H.R. 69, the Education Amendments of 1974.

On March 26, 1974, by a vote of 293 to 112, the House of Representatives adopted an amendment to this bill to ban the busing of schoolchildren except to the schools closest, or next closest, to their homes. The amendment also contained a "reopener" provision which would allow courts to reopen cases in which school districts are already busing in order to assure that desegregation plans are in compliance with the limitations imposed by this amendment.

In spite of this explicit amendment, House conferees ignored the will of the House and dropped completely the "reopener" provision. In addition to that, the conferees diluted the remaining language of the amendment to such that the courts are practically invited to nullify or ignore it.

I am disappointed with the action of the House conferees, because the House position against forced busing did not prevail, despite the fact that the conferees were instructed by the House on three separate occasions not to knuckle under the provisions of the Senate. Since the House conferees failed to uphold the House position, the issue of forced busing has not been resolved, and the view of the American people against forced busing has not prevailed in this conference report.

I would like to call the attention of my colleagues to an article that appeared on July 24 in the Christian Science Monitor entitled "Congress Conferees Sidestep Busing Issue." This article accurately analyzes the empty compromise over busing reached by the Conferees—a compromise which gives the appearance of prohibiting forced busing, but which in reality does not prohibit forced busing, and instead leaves the "basic controversy unresolved." The article follows:

Congress Conferees Sidestep Busing Issue: Although Senate-House Groups Agree, Wording of Bill Leaves It Up to the Courts

(By Robert P. Hey)

WASHINGTON.—An inside look into the sought-after congressional compromise over busing shows that the basic controversy remains unresolved. Still at issue: Is busing required to protect the constitutional rights of black children?

If the courts continue to hold that it is, as they have in the past, then the Senate conferees appear once again to have gotten their House counterparts to accept an agreement that appears to be against busing but really would not prohibit it.

The compromise says essentially that courts cannot require that children be bused farther than the second-nearest school to their homes—except when the courts hold that such busing is necessary to protect the constitutional rights of black children.

This important exception was proposed by Senate conferees. Senate sources who insist on anonymity admit that the purpose of this exception was to nullify completely the staunch anti-busing legislation proposed by the House conferees.

There's an additional reason for uncertainty over busing. For the past month those deeply involved in the busing issue have awaited the Supreme Court's pending decision or whether courts legally may require that children from one local school district be bused into another district. No one here is certain when this decision will come.

Sources here declare that this cross-district busing will be required if inner-city schools are to integrate, in those large cities now turning 50 percent or more black—Atlanta, Washington, and so on.

If the Supreme Court should reject court-ordered cross-district busing, sources here hold, it would not long be possible for such large cities to integrate their schools via busing or any other means.

At stake are the futures of hundreds of thousands of American schoolchildren. If the high court does not issue its ruling in a very few weeks, sources here say, it would not be possible for large-city school districts to integrate with nearby suburbs via busing until the middle of the coming school year, at the earliest.

SOURCE OF CONTROVERSY

In their meetings over the past month, congressional conferees nominally were working on the federal government's major bill authorizing aid to elementary and secondary education—$25 billion over four years. But the real controversy lay over the busing question.

Three times House members had instructed their conferees not to abandon the tought anti-busing measures passed by the House. The most recent such vote was July 21, by a 2-to-1 margin.

In this stance the House reflects the nation's general antibusing stance. For instance, last September a Gallup poll reported only 5 percent of persons surveyed picked busing as the best way to integrate schools. At the same time only 18 percent of Americans, according to the poll, opposed public-school integration.

For many Senate conferees, who find busing more acceptable, the question became: How can we include wording which will negate the antibusing provisions? They hit on the idea of an exception for busing to assure constitutional rights of black children, and House conferees bought it.

FREE REIN

In the view of one such Senate source, this gives the courts "free rein" to order busing and renders the busing prohibition meaningless. He notes that in the late 1960's the Supreme Court in a landmark busing case unanimously upheld court-ordered busing and said one reason it can be court-ordered is to protect the rights of black Americans guaranteed by the Constitution.

I am also deeply concerned by the failure of the conferees to adopt language in title III of the bill guaranteeing the rights of parents and students not to participate in behavior modification and sensitivity training programs. Many of these programs are of dubious and unproven value and I feel that parents should at least have the right to object in writing if they do not wish their children to participate.

It is deplorable that even this mild provision was completely eliminated by the conferees.

I, therefore, call upon my colleagues to reject this so-called compromise bill, send it back to the conference committee, and insist on these House-passed sections of the legislation, which so obviously reflect the will of the American people on these issues.

Mr. DON H. CLAUSEN. Mr. Speaker, the conference report on H.R. 69 is, with some exceptions essentially the bill the House passed in March. At that time, I spoke at length on the need for this legislation. I would like to take this opportunity to comment briefly on some of the issues affected by the measure.

Particularly important is that the bill provides a new entitlement formula for assistance to the educationally disadvantaged under title I. The new formula is far more realistic and responsive to the needs of our Nation's students.

I am pleased that the conference report includes the continuation of funding for Public Law 874 until 1978, when it will begin to be phased out. This, at least, gives local school boards the ability to budget with some authority, instead of the hypothetical guesswork they have had to contend with in the past. I would like to stress, however, that this transitional period in phasing out Public Law 874, must be used to develop an alternate formula so students will not be denied a quality education just because their parents are public servants.

The conferees adopted extensive revision of the existing bilingual education programs. Bilingual education has been recognized as essential if we are to provide an equal educational opportunity for all children. The legislation allows for a national assessment of our methods and techniques and clearly outlines the importance of keeping these children in the regular classroom and involving the parents in the program.

The conferees adopted most of the House provisions regarding consolidation of several of the programs in the bill. I strongly favor this approach and hope it is indicative of the future trend toward giving greater flexibility to local administrators and teachers even in those areas where funding is provided by the Federal Government.

Finally, let me conclude by saying that we are extremely late in reaching the point we are at today. This legislation has been before the Congress far too long. If there is one area of educational funding that must be immediately improved it is the lack of timeliness on the part of the Federal Government in making its financial commitments.

Mr. DRINAN. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this afternoon I will join a majority of my colleagues in approving the conference report on the bill H.R. 69. Our action will clear this legislation for the President's signature after many months of consideration in Congress. The complex bill before us is far from perfect. I disagree with several of the compromises which were reached in conference, most particularly on the issue of school desegregation.

Yet America's schools have operated for far too long under the uncertainty of continuing resolutions. Innovative educational programs and refinements of existing programs have awaited passage of a comprehensive education bill by Congress. The legislation before us authorizes nearly $25 billion in Federal aid to education. It makes great strides toward educating the handicapped, the non-English speaking, and children of migratory workers. It provides for a new national reading improvement program to end the problem of illiteracy in our Nation. It authorizes a White House Conference on Education, to be held in 1977, which will provide a foundation for educational policymaking in the years ahead. Important existing programs, including impact aid and Indian education, are refined and strengthened by H.R. 69.

There are, to be sure, provisions in this bill which raise serious questions of policy and constitutional law. I am deeply troubled by those sections which seek to regulate the remedies which courts may order in school desegregation cases, particularly the so-called antibusing provisions.

The House has had occasion in the past to debate this issue at length. When proposals were made which would unequivocally interfere with the judicial power to formulate a remedy for unconstitutional segregation, I have consistently voted against such attempts to arrest the desegregation process. I do not join with those who would impede the pursuit of equal educational opportunities without regard to race or color.

But the antibusing provisions we have before us are of a different order. They, in effect, would direct courts to desegregate schools using devices in an order of priority, with busing as a last resort. This, of course, is the manner in which judges have operated in the past. There is nothing inherently good or bad about busing; it is a tool to correct the racially discriminatory patterns of the past. If other remedial techniques are available which will satisfy the Constitution, then busing is unnecessary.

H.R. 69 is not designed to undermine the function of the courts in adjudicating constitutional rights. Section 203(b) states without reservation that—

> The provisions of this title are not intended to modify or diminish the authority of the courts of the United States to enforce fully the fifth and fourteenth amendments to the Constitution of the United States.

That language clearly demonstrates the congressional intent to leave with the courts the final determination of what the Constitution requires.

That the judicial branch is the final arbiter of constitutional controversies has been made only too plain in recent days. Whatever lingering doubts may have been harbored by those who would assign that responsibility elsewhere were laid to rest by the decision of the Supreme Court in United States against Nixon. In that case, a unanimous Court reminded the Congress as well as the President, as John Marshall observed over 170 years ago, that—

> It is emphatically the province and duty of the judicial department to say what the law is.

Thus the provisions of H.R. 69 which would, for example, restrict the use of busing, sections 215, 251, and 252; delay the implementation of desegregation orders, sections 218, 253, 258, and 259; prohibit interdistrict desegregation where the Constitution requires it, sections 216, and 257; and bar the use of Federal funds for transporting students, section 252, must be read restrictively to avoid an unconstitutional interference with the judicial function. While I deplore the inclusion of these provisions in the legislation before us, I trust that the courts will not allow them to be used in contravention of established legal precedent in the area of civil rights.

School desegregation cases have been in the courts for many years. They are not new to the judiciary. The scope of the constitutional right and remedy has been defined with some precision. We do not legislate in the area of novel doctrine. Only a few years ago the Supreme Court invalidated an antibusing law which "would inescapably operate to obstruct the remedies" constitutionally required to remove the vestiges of the dual school system based on race. (*North Carolina State Board of Education* v. *Swann*, 402 U.S. 43 (1971). It is that decision and others which compel us to include in this bill the exception set forth in section 203 (b). We could not do otherwise without being unfaithful to the Constitution.

I could support this legislation far more enthusiastically if it did not include the antibusing provisions I have discussed. Yet, I believe it would be far worse to recommit H.R. 69 and start all over again. The prospect of reverting to funding education programs through continuing resolutions for another year is a dismal one, indeed. More over, antibusing amendments could be attached to such resolutions as readily as they have been added to the legislation before us. I believe that the approval of this conference report is a necessary stop toward reaching the goal of providing an adequate education to all Americans.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that he was in doubt.

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 323, nays 83, not voting 28, as follows:

[Roll No. 424]

YEAS—323

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Cleveland
Cohen
Collins, Ill.
Conable
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Dickinson
Donohue
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Grasso
Gray
Green, Pa.
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mallary
Mann
Maraziti
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
Owens
Parris
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Whalen
White
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—83

Alexander
Annunzio
Archer
Armstrong
Ashbrook
Baker
Bauman
Beard
Bennett
Biaggi
Blackburn
Brinkley
Broyhill, N.C.
Burke, Mass.
Butler
Camp
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conlan
Conyers
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dellums
Devine
Dingell
Downing
Esch
Flynt
Ford
Fulton
Gettys
Ginn
Goodling
Gross
Hébert
Holt
Huber
Hutchinson
Jarman
Jones, Tenn.
Kuykendall
Landgrebe
Latta
Lott
Mahon
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mizell
Moakley
Montgomery
Nedzi
O'Hara
Passman
Patman
Poage
Rarick
Robinson, Va.
Rousselot
Ruth
Sandman
Satterfield
Shuster
Snyder
Spence
Steed
Steelman
Steiger, Ariz.
Stubblefield
Stuckey
Symms
Teague
Treen
Waggonner
Wampler
Ware
Whitehurst
Whitten
Young, S.C.

NOT VOTING—28

Arends
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Conte
Culver
Davis, Ga.
de la Garza
Diggs
Eilberg
Evins, Tenn.
Green, Oreg.
Griffiths
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Holifield
Jones, Ala.
Landrum
McSpadden
O'Neill
Rooney, N.Y.
Rostenkowski
Tiernan
Vander Veen

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. Diggs against.

Mr. Carey of New York for, with Mr. Landrum against.

Until further notice:

Mr. Rostenkowski with Mr. Davis of Georgia.

Mr. Eilberg with Mr. Arends.

Mr. Clay with Mr. Brasco.

Mr. Rooney of New York with Mrs. Green of Oregon.

Mr. Hanna with Mrs. Hansen of Washington.

Mr. Gunter with Mr. Culver.

Mr. Jones of Alabama with Mr. Holifield.

Mr. Vender Veen with Mr. Conte.

Mrs. Chisholm with Mrs. Griffiths.

Mr. Tiernan with Mr. McSpadden.

Mr. de la Garza with Mr. Evins of Tennessee.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate (S. 2665) entitled "An act to provide for increased participation by the United States in the International Development Association," with an amendment in which concurrence of the House is requested.

REQUEST FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 570, AUTHORIZING CLERK TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 69

Mr. PERKINS. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 570) and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PROVIDING FOR INCREASED PARTICIPATION BY UNITED STATES IN INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. PATMAN. Mr Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 2665) to provide for increased participation by the United States in the International Development Association, with a Senate amendment to the House amendments thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendments, as follows:

Page 2, line 4, of the House engrossed amendment, strike out "[No rule,]" and insert: "No provision of any law in effect on the date of enactment of this Act, and no rule,".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment to the House amendments was concurred in.

A motion to reconsider was laid on the table.

REQUEST FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 570, AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 69

Mr. PERKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 570).

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 69, Education Amendments of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PROVIDING COMPREHENSIVE, COORDINATED APPROACH TO PROBLEMS OF JUVENILE DELINQUENCY

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 821) to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Juvenile Justice and Delinquency Prevention Act of 1974".

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. (a) Section titled "Declaration and Purpose" in title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is amended by inserting immediately after the second paragraph thereof the following new paragraph:

"Congress finds further that the high incidence of delinquency in the United States today results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources, and (2) that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate and comprehensive action by the Federal Government to reduce and prevent delinquency."

(b) Such section is further amended by adding at the end thereof the following new paragraph:

"It is therefore the further declared policy of Congress to provide the necessary resources, leadership, and coordination of (1) develop and implement effective methods of preventing and reducing juvenile delinquency; (2) to develop and conduct effective programs to prevent delinquency, to divert juveniles from the traditional juvenile justice system and to provide critically needed alternatives, to institutionalization; (3) to improve the quality of juvenile justice in the United States; and (4) to increase the capacity of State and local governments and public and private agencies to conduct effective juvenile justice and delinquency prevention and rehabilitation programs and to provide research, evaluation, and training services in the field of juvenile justice and delinquency prevention."

DEFINITIONS

SEC. 103. Section 601 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following new subsections:

"(p) the term 'community based' facility, program, or service, as used in part F, means a small, open group or home or other suitable place located near the adult offender's or juvenile's home or family and programs of community supervision and service which maintain community and consumer participation in the planning, operation, and evaluation of their programs which may include, but are not limited to, medical, educational, vocational, social, and psychological guidance, training, counseling, drug treatment, and other rehabilitative services;

"(q) the term 'Federal juvenile delinquency program' means any juvenile delinquincy program which is conducted directly, or indirectly, or is assisted by any Federal department or agency, including any program funded under this Act;

"(r) the term 'juvenile delinquency program' means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug abuse programs; the improvement of the juvenile justice system; and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent."

TITLE II—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

SEC. 201. Section 5031 of title 18, United States Code, is amended to read as follows:

"§ 5031. Definitions

"For the purpose of this chapter, a 'juvenile' is a person who has not attained his eighteenth birthday, or for the purpose of proceedings and disposition under this chapter for an alleged act of juvenile delinquency, a person who has not attained his twenty-first birthday, and 'juvenile delinquency' is the violation of a law of the United States committed by a person prior to his eighteenth birthday which would have been a crime if committed by an adult."

DELINQUENCY PROCEEDINGS IN DISTRICT COURTS

SEC. 202. Section 5032 of title 18, United States Code, is amended to read as follows:

"§ 5032. Delinquency proceedings in district courts; transfer for criminal prosecution

"A juvenile alleged to have committed an act of juvenile delinquency shall not be proceeded against in any court of the United States unless the Attorney General, after investigation, certifies to an appropriate district court of the United States that the juvenile court or other appropriate court of a State (1) does not have jurisdiction or refuses to assume jurisdiction over said juvenile with respects to such alleged act of juvenile delinquency, or (2) does not have available programs and services adequate for the needs of juveniles.

"If the Attorney General does not so certify, such juvenile shall be surrendered to the appropriate legal authorities of such State.

"If an alleged juvenile delinquent is not surrendered to the authorities of a State or the District of Columbia pursuant to this section, any proceedings against him shall be in an appropriate district court of the United States. For such purposes, the court may be convened at any time and place within the district, in chambers or otherwise. The Attorney General shall proceed by information, and no criminal prosecution shall be instituted for the alleged act of juvenile delinquency except as provided below.

"A juvenile who is alleged to have committed an act of juvenile delinquency and who is not surrendered to State authorities shall be proceeded against under this chapter unless he has requested in writing upon advice of counsel to be proceeded against as an adult, except that, with respect to a juvenile sixteen years and older alleged to have committed an act after his sixteenth birthday which if committed by an adult would be a felony punishable by a maximum penalty of ten years imprisonment or more, life imprisonment, or death, criminal prosecution on the basis of the alleged act may be begun by motion to transfer of the Attorney General in the appropriate district court of the United States, if such court finds, after hearing, such transfer would be in the interest of justice.

"Evidence of the following factors shall be considered, and findings with regard to each factor shall be made in the record, in assessing whether a transfer would be in the interest of justice: the age and social background of the juvenile; the nature of the alleged offense; the extent and nature of the juvenile's prior delinquency record; the juvenile's present intellectual development and psychological maturity; the nature of past treatment efforts and the juvenile's response to such efforts; the availability of programs designed to treat the juvenile's behavioral problems.

"Reasonable notice of the transfer hearing shall be given to the juvenile, his parents, guardian, or custodian and to this counsel. The juvenile shall be assisted by counsel during the transfer hearing, and at every other critical stage of the proceedings.

"Once a juvenile has entered a plea of guilty or the proceeding has reached the stage that evidence has begun to be taken with respect to a crime or an alleged act of juvenile delinquency subsequent criminal prosecution or juvenile proceedings based upon such alleged act of delinquency shall be barred.

"Statements made by a juvenile prior to or during a transfer hearing under this section shall not be admissible at subsequent criminal prosecutions."

CUSTODY

SEC. 203. Section 5033 of title 18, United States Code is amended to read as follows:

" § 5033. Custody prior to appearance before magistrate

"Whenever a juvenile is taken into custody for an alleged act of juvenile delinquency, the arresting officer shall immediately advise such juvenile of his legal rights, in language comprehensible to a juvenile, and shall immediately notify the Attorney General and the juvenile's parents, guardian, or custodian of such custody. The arresting officer shall also notify the parents, guardian, or custodian of the rights of the juvenile and of the nature of the alleged offense.

"The juvenile shall be taken before a magistrate forthwith. In no event shall the juvenile be detained for longer than a reasonable period of time before being brought before a magistrate."

DUTIES OF MAGISTRATE

SEC. 204. Section 5034 of title 18, United States Code, is amended to read as follows:

" § 5034. Duties of magistrate

"The magistrate shall insure that the juvenile is represented by counsel before proceeding with critical stages of the proceedings. Counsel shall be assigned to represent a juvenile when the juvenile and his parents, guardian, or custodian are financially unable to obtain adequate representation. In cases where the juvenile and his parents, guardian, or custodian are financially able to obtain adequate representation but have not retained counsel, the magistrate may assign counsel and order the payment of reasonable attorney's fees or may direct the juvenile, his parents, guardian, or custodian to retain private counsel within a specified period of time.

"The magistrate may appoint a guardian ad litem if a parent or guardian of the juvenile is not present, or if the magistrate has reason to believe that the parents or guardian will not cooperate with the juvenile in preparing for trial, or that the interests of the parents or guardian and those of the juvenile are adverse.

"If the juvenile has not been discharged before his initial appearance before the magistrate shall release the juvenile to his parents, guardian, custodian, or other responsible party (including, but not limited to, the director of a shelter-care facility) upon their promise to bring such juvenile before the appropriate court when requested by such court unless the magistrate determines, after hearing, at which the juvenile is represented by counsel, that the detention of such juvenile is required to secure his timely appearance before the appropriate court or to insure his safety or that of others."

DETENTION

SEC. 205. Section 5035 of this title is amended to read as follows:

"§ 5035. Detention prior to disposition

"A juvenile alleged to be delinquent may be detained only in a juvenile facility or such other suitable place as the Attorney General may designate. Whenever possible, detention shall be in a foster home or community based facility located in or near his home community. The Attorney General shall not cause any juvenile alleged to be delinquent to be detained or confined in any institution in which the juvenile has regular contact with adult persons convicted of a crime or awaiting trial on criminal charges are confined. Insofar as possible, alleged delinquents shall be kept separate from adjudicated delinquents. Every juvenile in custody shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, education, and medical care, including necessary psychiatric, psychological, or other care and treatment."

SPEEDY TRIAL

SEC. 206. Section 5036 of this title is amended to read as follows:

"§ 5036. Speedy trial

"If an alleged delinquent who is in detention pending trial is not brought to trial within thirty days from the date upon which such detention was begun, the information shall be dismissed on motion of the alleged delinquent or at the direction of the court, unless the Attorney General shows that additional delay was caused by the juvenile or his counsel, or consented to by the juvenile and his counsel, or would be in the interest of justice in the particular case. Delays attributable solely to court calendar congestion may not be considered in the interest of justice. Except in extraordinary circumstances, an information dismissed under this section may not be reinstituted.

DISPOSITION

SEC. 207. Section 5037 is amended to read as follows:

"§ 5037. Dispositional hearing

"(a) If a juvenile is adjudicated delinquent, a separate dispositional hearing shall be held no later than twenty court days after trial unless the court has ordered further study in accordance with subsection (c). Copies of the presentence report shall be provided to the attorneys for both the juvenile and the Government a reasonable time in advance of the hearing.

"(b) The court may suspend the adjudication of delinquency or the disposition of the delinquent on such conditions as it deems proper, place him on probation, or commit him to the custody of the Attorney General. Probation, commitment, or commitment in accordance with subsection (c) shall not extend beyond the juvenile's twenty-first birthday or the maximum term which could have been imposed on an adult convicted of the same offense, whichever is sooner, unless the juvenile has attained his ninteenth birthday at the time of disposition, in which case probation, commitment, or commitment in accordance with subsection (c) shall not exceed the lesser of two years or the maximum term which could have been imposed on an adult convicted of the same offense.

"(c) If the court desires more detailed information concerning an alleged or adjudicated delinquent, it may commit him, after notice and hearing at which the juvenile is represented by counsel, to the custody of the Attorney General for observation and study by an appropriate agency. Such observation and study shall be conducted on an outpatient basis, unless the court determines that inpatient observation and study are necessary to obtain the desired information. In the case of an alleged juvenile delinquent, inpatient study may be ordered only with the consent of the juvenile and his attorney. The agency shall make a complete study of the alleged or adjudicated delinquent to ascertain his personal traits, his capabilities, his background, any previous delinquency or criminal experience, any mental or physical defect, and any other relevant factors. The Attorney General shall submit to the court and the attorneys for the juvenile and the Government the results of the study within thirty days after the commitment of the juvenile, unless the court grants additional time."

JUVENILE RECORDS

SEC. 208. Section 5038 is added, to read as follows:

"§ 5038. Use of juvenile records

"(a) Throughout the juvenile delinquency proceeding, the court shall safeguard the records from disclosure. Upon the completion of any juvenile delinquency proceeding whether or not there is an adjudication the district court shall order the entire file and record of such proceeding sealed. After such sealing, the court shall not release these records except to the extent necessary to meet the following circumstances:

"(1) inquiries received from another court of law;

"(2) inquiries from an agency preparing a presentence report for another court;

"(3) inquiries from law enforcement agencies where the request for information is related to the investigation of a crime or a position within that agency:

"(4) inquiries, in writing, from the director of a treatment agency or the director of a facility to which the juvenile has been committed by the court; and

"(5) inquiries from an agency considering the person for a position immediately and directly affecting the national security.

Unless otherwise authorized by this section, information about the sealed record may not be released when the request for information is related to an application for employment, license, bonding, or any civil right or privilege. Responses to such inquiries shall not be different from responses made about persons who have never been involved in a delinquency proceeding.

"(b) District courts exercising jurisdiction over any juvenile shall inform the juvenile, and his parent or guardian, in writing in clear and nontechnical language of rights relating to the sealing of his juvenile record.

"(c) During the course of any juvenile delinquency proceeding, all information and records relating to the proceeding, which are obtained or prepared in the discharge of an official duty by an employee of the court or agency, shall not be disclosed directly or indirectly to anyone other than the judge, counsel for the juvenile and the government, or others entitled under this section to receive sealed records.

"(d) Unless a juvenile who is taken into custody is prosecuted as an adult—

"(1) neither the fingerprints nor a photograph shall be taken, without the written consent of the judge; and

"(2) neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding."

COMMITMENT

SEC. 209. Section 5039 is added, to read as follows:

"§ 5039. Commitment

"No juvenile committed to the custody of the Attorney General may be placed or retained in an adult jail or correctional institution in which he has regular contact with adults incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges.

"Every juvenile who has been committed shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, counseling, education, training, and medical care, including necessary psychiatric, psychological, or other care and treatment.

"Whenever possible, the Attorney General shall commit a juvenile to a foster home or community-based facility located in or near his home community."

SUPPORT

SEC. 210. Section 5040 is added, to read as follows:

"§ 5040. Support

"The Attorney General may contract with any public or private agency or individual and such community-based facilities as halfway houses and foster homes for the observation and study and the custody and care of juveniles in his custody. For these purposes, the Attorney General may promulgate such regulations as are necessary and may use the appropriation for 'support of United States' prisoners' or such other appropriations as he may designate."

PAROLE

SEC. 211. Section 5041 is added to read as follows:

"§ 5041. Parole

"The Board of Parole shall release from custody, on such conditions as it deems necessary, each juvenile delinquent who has been committed, as soon as the Board is satisfied that he is likely to remain at liberty without violating the law and when such release would be in the interest of justice."

REVOCATION

SEC. 212. Section 5042 is added to read as follows:

"§ 5042. Revocation of parole or probation

"Any juvenile parolee or probationer shall be accorded notice and a hearing with counsel before his parole or probation can be revoked."

SEC. 213. The table of sections of chapter 403 of this title is amended to read as follows:

"Sec.
"5031. Definitions.
"5032. Delinquency proceedings in district courts; transfer for criminal prosecution.
"5033. Custody prior to appearance before magistrate.
"5034. Duties of magistrate.
"5035. Detention prior to disposition.
"5036. Speedy trial.
"5037. Dispositional hearing.
"5038. Use of juvenile records.
"5039. Commitment.
"5040. Support.
"5041. Parole.
"5042. Revocation of parole or probation.".

TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION OFFICE

SEC. 301. Section 203(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by deleting the third full sentence and inserting in lieu thereof the following: "The State planning agency and any regional planning units within the State shall within their respective jurisdictions be representative of the law enforcement and criminal justice agencies including agencies directly related to the prevention and control of juvenile delinquency, units of general local governments, and public agencies maintaining programs to reduce and control crime, and shall include representatives of citizen, professional, and community organizations including organizations directly related to delinquency prevention.".

SEC. 302. (a) Parts F, G, H, and I of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), and all references thereto, are redesignated as parts G, H, I, and J, respectively.

(b) Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding after part E the following new part F:

"PART F—JUVENILE JUSTICE AND DELINQUENCY PREVENTION

"ESTABLISHMENT OF OFFICE

"SEC. 471. (a) There is hereby created within the Department of Justice, Law Enforcement Assistance Administration, the Office of Juvenile Justice and Delinquency Prevention (referred to in this Act as the 'Office').

"(b) The programs authorized in part F (hereinafter referred to as 'this part') and all other programs concerned with juvenile delinquency and administered by the Law Enforcement Assistance Administration shall be administered or subject to the policy direction of the Office established under this section.

"(c) There shall be at the head of the Office an Assistant Administrator who shall be nominated by the President by and with the advice and consent of the Senate.

"(d) The Assistant Administrator shall exercise all necessary powers, subject to the direction of the Administrator of the Law Enforcement Assistance Administration.

"(e) There shall be in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator of the Law Enforcement Assistance Administration. The Deputy Assistant Administrator shall perform such functions as the Assistant Administrator from time to time assigns or delegates, and shall act as Assistant Administrator during the absence or disability of the Assistant Administrator or in the event of a vacancy in the Office of the Assistant Administrator.

"(f) There shall be established in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator whose function shall be to supervise and direct the National Institute for Juvenile Justice established under section 490 of this Act.

"(g) Section 5108(c) (10) of title 5, United States Code, is amended by deleting the word 'twenty-two' and inserting in lieu thereof the word 'twenty-five'.

"PERSONNEL, SPECIAL PERSONNEL, EXPERTS, AND CONSULTANTS

"SEC. 472. (a) The Administrator is authorized to select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

"(b) The Administrator is authorized to select, appoint, and employ not to exceed three officers and to fix their compensation at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code.

"(c) Upon the request of the Administrator, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Assistant Administrator to assist him in carrying out his functions under this Act.

"(d) The Administrator may obtain services as authorized by section 3109 of title 5 of the United States Code, at rates not to exceed the rate now or hereafter prescribed for GS–18 of the General Schedule by section 5332 of title 5 of the United States Code.

"VOLUNTARY SERVICE

"SEC. 473. The Administrator is authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)).

"CONCENTRATION OF FEDERAL EFFORTS

"SEC. 474. (a) The Administrator shall implement overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Administrator shall consult with the Interdepartmental Council and the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

"(b) In carrying out the purposes of this Act, the Administrator is authorized to—

"(1) advise the President through the Attorney General as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

"(2) assist operating agencies which have direct responsibilities or the prevention and treatment of juvenile delinquency in the development and promulgation of regulations, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objectives he establishes;

"(3) conduct and support evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

"(4) implement Federal juvenile delinquency programs and activities among Federal departments and agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

"(5) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to September 30, an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal departments and agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs. This report shall include recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectiveness of these programs;

"(6) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to March 1, a comprehensive plan for Federal juvenile delinquency programs, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

"(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

"(c) The Administrator may request departments and agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this part.

"(d) The Administrator may delegate any of his functions under this part, except the making of regulations, to any officer or employee of the Administration.

"(e) The Administrator is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

"(f) The Administrator is authorized to

transfer funds appropriated under this title to any agency of the Federal Government to develop or demonstrate new methods in juvenile delinquency prevention and rehabilitation and to supplement existing delinquency prevention and rehabilitation programs which the Assistant Administrator finds to be exceptionally effective or for which he finds there exists exceptional need.

"(g) The Administrator is authorized to make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this part.

"(h) All functions of the Administrator under this part shall be coordinated as appropriate with the functions of the Secretary of the Department of Health, Education, and Welfare under the Juvenile Delinquency Prevention Act (42 U.S.C. 3801 et seq.).

"JOINT FUNDING

"SEC. 475. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be requested by the Administrator to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Administrator may order any such agency to waive any technical grant or contract requirement (as defined in such regulations) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

"INTERDEPARTMENTAL COUNCIL

"SEC. 476. (a) There is hereby established an Interdepartmental Council on Juvenile Delinquency (hereinafter referred to as the 'Council') composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, and representatives of such other agencies as the President shall designate.

"(b) The Attorney General or his designee shall serve as Chairman of the Council.

"(c) The function of the Council shall be to coordinate all Federal juvenile delinquency programs.

"(d) The Council shall meet a minimum of six times per year and the activities of the Council shall be included in the annual report required by section 474(b)(5) of this title.

"(e) The Chairman shall appoint an Executive Secretary of the Council and such personnel as are necessary to carry out the functions of the Council.

"ADVISORY COMMITTEE

"SEC. 477. (a) There is hereby established a National Advisory Committee for Juvenile Justice and Delinquency Prevention (hereinafter referred to as the 'Advisory Committee') which shall consist of twenty-one members.

"(b) The members of the Interdepartmental Council or their respective designee shall be ex officio members of the Committee.

"(c) The regular members of the Advisory Committee shall be appointed by the Attorney General from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, such as juvenile or family court judges; probation, correctional, or law enforcement personnel; and representatives of private voluntary organizations and community-based programs. The President shall designate the Chairman. A majority of the members of the Advisory Committee, including the Chairman, shall not be full-time employees of Federal, State, or local governments. At least seven members shall not have attained twenty-six years of age on the date of their appointment.

"(d) Members appointed by the President to the Committee shall serve for terms of four years and shall be eligible for reappointment except that for the first composition of the Advisory Committee, one-third of these members shall be appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; thereafter each term shall be four years. Any members appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

"DUTIES OF THE ADVISORY COMMITTEE

"SEC. 478. (a) The Advisory Committee shall meet at the call of the Chairman, but not less than four times a year.

"(b) The Advisory Committee shall make recommendations to the Administrator at least annually with respect to planning, policy, priorities, operations, and management of all Federal juvenile delinquency programs.

"(c) The Chairman may designate a subcommittee of the members of the Advisory Committee to advise the Administrator on particular functions or aspects of the work of the Administration.

"(d) The Chairman shall designate a subcommittee of five members of the Committee to serve as members of an Advisory Committee for the National Institute for Juvenile Justice to perform the functions set forth in section 494 of this title.

"(e) The Chairman shall designate a subcommittee of five members of the Committee to serve as an Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice to perform the functions set forth in section 496 of this title.

"COMPENSATION AND EXPENSES

"SEC. 479. (a) Members of the Advisory Committee who are employed by the Federal Government full time shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee.

"(b) Members of the Advisory Committee not employed full time by the Federal Government shall receive compensation at a rate not to exceed the rate now or hereafter prescribed for GS-18 of the General Schedule by section 5332 of title 5 of the United States Code, including traveltime for each day they are engaged in the performance of their duties as members of the Advisory Committee. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee."

TITLE IV—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

SEC. 401. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding the following sections to new part F thereof:

"FORMULA GRANTS

"SEC. 480. The Administrator is authorized to make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

"ALLOCATION

"SEC. 481. (a) In accordance with regulations promulgated under this part, funds shall be allocated annually among the States on the basis of relative population of people under age eighteen. No such allotment to any State shall be less than $200,000, except that for the Virgin Islands, Guam, and American Samoa, no allotment shall be less than $50,000.

"(b) Except for funds appropriated for fiscal year 1975, if any amount so alloted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purposes of this part. Funds appropriated for fiscal year 1975 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be reallocated. Any amount so allocated shall be in addition to the amounts already allotted and available to the State, the Virgin Islands, American Samoa, and Guam for the same period.

"(c) In accordance with regulations promulgated under this part, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 per centum of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

"STATE PLANS

"SEC. 482. (a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes in accordance with the requirements set forth in section 303(a) of this title. In accordance with regulations established under this title, such plan must—

"(1) designate the State planning agency established by the State under section 203 of this title as the sole agency for supervising the preparation and administration of the plan;

"(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter referred to in this part as the 'State planning agency') has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

"(3) provide for an advisory group appointed by the chief executive of the State to advise the State planning agency and its supervisory board (A) which shall consist of not less than twenty-one and not more than thirty-three persons who have training, experience, or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education or youth services departments, (C) which shall include representatives of private organizations: concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act, (D) a majority of whose members (including the Chairman shall not be full-time employees of the Federal, State, or local government, and (E) at least one-third of whose members shall be under the age of twenty-six at the time of appointment;

"(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

"(5) provide that at least 50 per centum of the funds received by the State under section 481 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Administrator for any State if the services for delinquent or potentially delinquent youth are organized primarily on a statewide basis;

"(6) provide that the chief executive officer of the local government shall assign responsibility for the preparation and administration of the local government's part of a State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure (hereinafter in this part referred to as the 'local agency') which can most effectively carry out the purposes of this part and shall provide for supervision of the programs funded under this part by that local agency;

"(7) provide for an equitable distribution of the assistance received under section 481 within the State;

"(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency prevention and treatment and the improvement of the juvenile justice system. This plan shall include itemized estimated costs for the development and implementation of such programs;

"(9) provide for the active consultation with and participation of private agencies in the development and execution of the State plan; and provide for coordination and maximum utilization of existing juvenile delinquency programs and other related programs, such as education, health, and welfare within the State;

"(10) provide that not less than 75 per centum of the funds available to such State under section 481, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in developing, maintaining, and expanding programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to juvenile detention and correctional facilities. That advanced techniques include—

"(A) community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, homemaker and home health services, and any other designated community-based diagnostic, treatment, or rehabilitative service;

"(B) community-based programs and services to work with parents and other family members to maintain and strengthen the family unit, so that the juvenile may be retained in his home;

"(C) youth service bureaus and other community-based programs to divert youth from the juvenile court or to support, counsel, or provide work and recreational opportunities for delinquents and youth in danger of becoming delinquent;

"(D) comprehensive programs of drug abuse education and prevention and programs for the treatment and rehabilitation of drug addicted youth and 'drug dependent' youth (as defined in section 2(g) of the Public Health Service Act (42 U.S.C. 201 (g)));

"(E) educational programs or supportive services designed to keep delinquents and other youth in elementary and secondary schools or in alternative learning situations;

"(F) expanded use of probation and recruitment and training of probation officers, other professional and paraprofessional personnel and volunteers to work effectively with youth;

"(G) youth initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

"(H) provides for a statewide program through the use of probation subsidies, other subsidies, other financial incentives or disincentives to units of local government, or other effective means, that may include but are not limited to programs designed to—

"(A) reduce the number of commitments of juveniles to any form of juvenile facility as a percentage of the State juvenile population;

"(B) increase the use of nonsecure community-based facilities as a percentage of total commitments to juvenile facilities; and

"(C) discourage the use of secure incarceration and detention;

"(11) provides for the development of an adequate research, training, and evaluation capacity within the State;

"(12) provide within two years after submission of the plan that juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult, shall not be placed in juvenile detention or correctional facilities, but must be placed in shelter facilities;

"(13) provide that juveniles alleged to be or found to be delinquent shall not be detained or confined in any institution in which they have regular contact with adult persons incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges;

"(14) provide for an adequate system of monitoring jails, detention facilities, and correctional facilities to insure that the requirements of section 482 (12) and (13) are met, and for annual reporting of the results of such monitoring to the Administrator;

"(15) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth including, but not limited to, females, minority youth, and mentally retarded or emotionally handicapped youth;

"(16) provide for procedures to be established for protecting the rights of recipients of services and for assuring appropriate privacy with regard to records relating to such services provided to any individual under the State plan;

"(17) provide that fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by assistance under this Act. Such protective arrangements shall include, without being limited to, such provisions as may be necessary for—

"(A) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise;

"(B) the continuation of collective bargaining rights;

"(C) the protection of individual employees against a worsening of their positions with respect to their employment;

"(D) assurances of employment to employees of any State or political subdivision thereof who will be affected by any program funded in whole or in part under provisions of this Act;

"(E) training or retraining programs.

The State plan shall provide for the terms and conditions of the protection arrangements established pursuant to this section;

"(18) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title;

"(19) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event supplant such State, local, and other non-Federal funds;

"(20) provide that the State planning agency will from time to time, but not less often than annually, review its plan and submit to the Administrator an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary; and

"(21) contain such other terms and conditions as the Administrator may reasonably prescribe to assure the effectiveness of the programs assisted under this title.

"(b) The Supervisory Board designated pursuant to section 482(a) after consultation with the advisory group referred to in section 482(a), shall approve the State plan and any modification thereof prior to submission to the Administrator.

"(c) The Administrator shall approve any State plan and any modification thereof that meets the requirements of this section.

"(d) In the event that any State fails to submit a plan, or submits a plan or any modification thereof, which the Administrator, after reasonable notice and opportunity for hearing in accordance with sections 509, 510, and 511, determines does not meet the requirements of this section, the Administrator shall make that State's allotment under the provisions of section 481(a) available to public and private agencies for special emphasis prevention and treatment programs as defined in section 483.

"(e) In the event the plan does not meet the requirements of this section due to oversight or neglect, rather than explicit and conscious decision, the Administrator shall endeavor to make that State's allotment under the provisions of section 481(a) available to public and private agencies in that State for special emphasis prevention and treatment programs as defined in section 483.

"(f) Any nonadjudicated juvenile shall not be made to partake in a program of behavior modification involving the use of drugs or electrical stimula or other potentially harmful treatment as a part of any such program authorized in whole or in part by this Act without the prior approval of his parents or guardians.

"SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS

"Sec. 483. (a) The Administrator is authorized to make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

"(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

"(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

"(3) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

"(4) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent; and

"(5) facilitate the adoption of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 493.

"(b) Not less than 25 per centum or more than 50 per centum of the funds appropriated for each fiscal year pursuant to this part shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section.

"(c) At least 20 per centum of the funds available for grants and contracts made pursuant to this section shall be available for grants and contracts to private nonprofit agencies, organizations, or institutions who have had experience in dealing with youth.

"CONSIDERATIONS FOR APPROVAL OF APPLICATIONS

"SEC. 484. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under section 483, shall submit an application at such time, in such manner, and containing or accompanied by such information as the Administrator may prescribe.

"(b) In accordance with guidelines established by the Administrator, each such application shall—

"(1) provide that the program for which assistance is sought will be administered by or under the supervision of the applicant;

"(2) set forth a program for carrying out one or more of the purposes set forth in section 482;

"(3) provide for the proper and efficient administration of such program;

"(4) provide for regular evaluation of the program;

"(5) indicate that the applicant has requested the review of the application from the State planning agency and local agency designated in section 482, when appropriate, and indicate the response of such agency to the request for review and comment on the application;

"(6) provide that regular reports on the program shall be sent to the Administrator and to the State planning agency and local agency, when appropriate; and

"(7) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

"(c) In determining whether or not to approve applications for grants under section 483, the Administrator shall consider—

"(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this part;

"(2) the extent to which the proposed program will incorporate new or innovative techniques

"(3) the extent to which the proposed program meets the objectives and priorities of the State plan, when a State plan has been approved by the Administrator under section 482(c) and when the location and scope of the program makes such consideration appropriate;

"(4) the increase in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquents;

"(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

"(6) the extent to which the proposed program facilitates the implementation of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 496.

"GENERAL PROVISION

"Withholding

"SEC. 485. Whenever the Administrator, after giving reasonable notice and opportunity for hearing, to a recipient of financial assistance under this title, finds—

"(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title; or

"(2) that in the operation of the program or activity there is failure to comply substantially with any such provision; the Administrator shall initiate such proceedings as are appropriate under sections 509, 510, and 511 of this title.

"USE OF FUNDS

"SEC. 486. Funds paid to any State public or private agency, institution, or individual (whether directly or through a State or local agency) may be used for—

"(1) securing, developing, or operating the program designed to carry out the purposes of this part;

"(2) not more than 50 per centum of the cost of the construction of innovative community-based facilities for less than twenty persons (as defined in sections 601(f) and 601(p) of this title) which, in the judgment of the Administrator, are necessary for carrying out the purposes of this part.

"PAYMENTS

"SEC. 487. (a) In accordance with criteria established by the Administrator, it is the policy of Congress that programs funded under this title shall continue to receive financial assistance providing that the yearly evaluation of such programs is satisfactory.

"(b) At the discretion of the Administrator, when there is no other way to fund an essential juvenile delinquency program not funded under this part, the State may utilize 25 per centum of the formula grant funds available to it under this part to meet the non-Federal matching share requirement for any other Federal juvenile delinquency program grant.

"(c) Whenever the Administrator determines that it will contribute to the purposes of this part, he may require the recipient of any grant or contract to contribute money, facilities, or services.

"(d) Payments under this part, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Administrator may determine.".

TITLE V—NATIONAL INSTITUTE FOR JUVENILE JUSTICE

NATIONAL INSTITUTE FOR JUVENILE JUSTICE

SEC. 501. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197) is further amended by adding the following sections to new part F thereof:

"SEC. 490. (a) There is hereby established within the Juvenile Justice and Delinquency Prevention Office a National Institute for Juvenile Justice.

"(b) The National Institute for Juvenile Justice shall be under the supervision and direction of the Assistant Administrator, and shall be headed by a Deputy Assistant Administrator of the Office appointed under section 471(f).

"(c) The activities of the National Institute for Juvenile Justice shall be coordinated with the activities of the National Institute of Law Enforcement and Criminal Justice in accordance with the requirements of section 471(b).

"INFORMATION FUNCTION

"SEC. 491. The National Institute for Juvenile Justice is authorized to—

"(1) serve as an information bank by collecting systemmatically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juvenile delinquency, including the prevention and treatment of juvenile delinquency;

"(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency, including State and local juvenile delinquency prevention and treatment programs and plans, availability of resources, training and education programs, statistics, and other pertinent data and information.

"RESEARCH, DEMONSTRATION, AND EVALUATION FUNCTIONS

"SEC. 492. The National Institute for Juvenile Justice is authorized to—

"(1) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with regard to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

"(2) encourage the development of demonstration projects in new, innovative techniques and methods to prevent and treat juvenile delinquency;

"(3) provide for the evaluation of all juvenile delinquency programs assisted under this title in order to determine the results and the effectiveness of such programs;

"(4) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, upon the request of the Administrator; and

"(5) disseminate the results of such evaluations and research and demonstration activities particularly to persons actively working in the field of juvenile delinquency.

"TRAINING FUNCTIONS

"SEC. 493. The National Institute for Juvenile Justice is authorized to—

"(1) develop, conduct, and provide for training programs for the training of professional, paraprofessional, and volunteer personnel, and other persons who are or who are preparing to work with juveniles and juvenile offenders;

"(2) develop, conduct, and provide for seminars, workshops, and training programs in the latest proven effective techniques and methods of preventing and treating juvenile delinquency for law enforcement officers, juvenile judges, and other court personnel, probation officers, correctional personnel, and other Federal, State, and local government personnel who are engaged in work relating to juvenile delinquency.

"INSTITUTE ADVISORY COMMITTEE

"SEC. 494. The Advisory Committee for the National Institute for Juvenile Justice established in section 478(d) shall advise, consult with, and make recommendations to the Deputy Assistant Administrator for the National Institute for Juvenile Justice concerning the overall policy and operations of the Institute.

"ANNUAL REPORT

"SEC. 495. The Deputy Assistant Administrator for the National Institute for Juvenile Justice shall develop annually and submit to the Administrator after the first year the legislation is enacted, prior to June 30, a report on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessment of the application of such result to existing and to new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs. The Administrator shall include a summary of these results and recommendations in his report to the President and Congress required by section 474(b)(5).

"DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

"SEC. 496. (a) The National Institute for Juvenile Justice, under the supervision of the Advisory Committee on Standards for Juvenile Justice established in section 478(e), shall review existing reports, data, and standards, relating to the juvenile justice system in the United States.

"(b) Not later than one year after the passage of this section, the Advisory Committee shall submit to the President and the

Congress a report which, based on recommended standards for the administration of juvenile justice at the Federal, State, and local level—

"(1) recommends Federal action, including but not limited to administrative and legislative action, required to facilitate the adoption of these standards throughout the United States; and

"(2) recommends State and local action to facilitate the adoption of these standards for juvenile justice at the State and local level.

"(c) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Advisory Committee such information as the Committee deems necessary to carry out its functions under this section.

"Sec. 497. Records containing the identity of individual juveniles gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or other agency, public, or private."

TITLE VI—AUTHORIZATION OF APPROPRIATIONS

Sec. 601. Section 520 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is further amended by adding at the end thereof:

"In addition to any other appropriation authorizations contained in this title there is authorized for the purpose of part F: $75,000,000 for the fiscal year ending June 30, 1975; $150,000,000 for the fiscal year ending June 30, 1976.

"In addition to the funds appropriated under this section, the Administration shall maintain from other Law Enforcement Assistance Administration appropriations other than the appropriations for administration, the same level of financial assistance for juvenile delinquency programs assisted by the Law Enforcement Assistance Administration during fiscal year 1972.".

TITLE VII—NATIONAL INSTITUTE OF CORRECTIONS

Sec. 701. Title 18, United States Code, is amended by adding a new chapter 319 to read as follows:

"Chapter 319—NATIONAL INSTITUTE OF CORRECTIONS

"Sec. 4351. (a) There is hereby established within the Bureau of Prisons a National Institute of Corrections.

"(b) The overall policy and operations of the National Institute of Corrections shall be under the supervision of an Advisory Board. The Board shall consist of fifteen members. The following five individuals shall serve as members of the Commission ex officio: the Director of the Federal Bureau of Prisons or his designee, the Administrator of the Law Enforcement Assistance Administration or his designee, the Chairman of the United States Parole Board or his designee, the Director of the Federal Judicial Center or his designee, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare or his designee.

"(c) The remaining ten members of the Board shall be selected as follows:

"(1) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, one member for two years, and three members for three years. Upon the expiration of each member's term, the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be qualified as a practitioner (Federal, State, or local) in the field of corrections, probation, or parole.

"(2) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, three members for two years, and one member for three years. Upon the expiration of each member's term the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be from the private sector, such as business, labor, and education having demonstrated an active interest in corrections, probation or parole.

"(d) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States. Members of the Commission who are full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Board. Other members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Commission pursuant to this title, be entitled to receive compensation at the rate not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, including travel-time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Board shall elect a chairman from among its members who shall serve for a term of one year. The members of the Board shall also elect one or more members as a vice-chairman.

"(f) The Board is authorized to appoint, without regard to the civil service laws, technical, or other advisory committees to advise the Institute with respect to the administration of this title as it deems appropriate. Members of these committees not otherwise employed by the United States, while engaged in advising the Institute or attending meetings of the committees, shall be entitled to receive compensation at the rate fixed by the Board but not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5, United States Code, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(g) The Board is authorized to delegate its powers under this title to such person as it deems appropriate.

"(h) The Board shall be under the supervision of an officer to be known as the Director, who shall be appointed by the Attorney General after consultation with the Board. The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel, subject to the civil service and classification laws, as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Board. The Director is authorized to delegate his powers under this title to such persons as he deems appropriate.

"Sec. 4352. (a) In addition to the other powers, express and implied, the National Institute of Corrections shall have authority:

"(1) to receive from or make grants to and enter into contracts with Federal, State, and general units of local government, public and private agencies, educational institutions, organizations, and individuals to carry out the purposes of this section and section 411;

"(2) to serve as a clearinghouse and information center for the collection, preparation, and dissemination of information on corrections, including, but not limited to programs for prevention of crime and recidivism, training of corrections personnel, and rehabilitation and treatment of criminal and juvenile offenders;

"(3) to assist and serve in a consulting capacity to Federal, State, and local courts, departments, and agencies in the development, maintenance, and coordination of programs, facilities, and services, training, treatment, and rehabilitation with respect to criminal and juvenile offenders;

"(4) to encourage and assist Federal, State, and local government programs and services, and programs and services of other public and private agencies, institutions, and organizations in their efforts to develop and implement improved corrections programs;

"(5) to devise and conduct, in various geographical locations, seminars, workshops, and training programs for law enforcement officers, judges, and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay, ex-offenders, and paraprofessional personnel, connected with the treatment and rehabilitation of criminal and juvenile offenders;

"(6) to develop technical training teams to aid in the development of seminars, workshops, and training programs within the several States and with the State and local agencies which work with prisoners, parolees, probationers, and other offenders;

"(7) to conduct, encourage, and coordinate research relating to corrections, including the causes, prevention, diagnosis, and treatment of criminal offenders;

"(B) to formulate and disseminate correctional policy, goals, standards, and recommendations for Federal, State, and local correctional agencies, organizations, institutions, and personnel;

"(9) to conduct evaluation programs which study the effectiveness of new approaches, techniques, systems, programs, and devices employed to improve the corrections system;

"(10) to receive from any Federal department or agency such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information to the Institute;

"(11) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel, facilities, or equipment of such departments and agencies;

"(12) to confer with and avail itself of the assistance, services, records, and facilities of State and local governments or other public or private agencies, organizations, or individuals;

"(13) to enter into contracts with public or private agencies, organizations, or individuals, for the performance of any of the functions of the Institute; and

"(14) to procure the services of experts and consultants in accordance with section 3109 of title 5 of the United States Code, at rates of compensation not to exceed the daily equivalent of the rate authorized for GS–18 by section 5332 of title 5 of the United States Code.

"(b) The Institute shall on or before the 31st day of December of each year, submit an annual report for the preceding fiscal year to the President and to the Congress. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial condition, and accomplishments under this title and may include such recommendations related to corrections as the Institute deems appropriate.

"(c) Each recipient of assistance under this shall keep such records as the Institute shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(d) The Institute, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

"(e) The provision of this section shall apply to all recipients of assistance under this title, whether by direct grant or contract from primary grantees or contractors of the Institute.

"SEC. 4353. There is hereby authorized to be appropriated such funds as may be required to carry out the purposes of this chapter."

TITLE VIII—FEDERAL SURPLUS PROPERTY

SEC. 801. (a) Section 203(j) of the Federal Property Administrative Services Act of 1949, as amended (40 U.S.C. 484 (j)), is amended—

(1) by striking out "or civil defense" in the first sentence of paragraph (1) and inserting in lieu thereof "civil defense, or law enforcement and criminal justice";

(2) by striking out "or (4)" in the first sentence of paragraph (1) and inserting in lieu thereof "(4), or (5)";

(3) by striking out "or paragraph (4)" in the last sentence of paragraph (2) and inserting in lieu thereof a comma and "(4), or (5)";

(4) by inserting after paragraph (4) a new paragraph as follows:

"(5) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of law enforcement and criminal justice, including research, in any State shall be made by the Administrator, Law Enforcement Assistance Administration, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to such State or to any unit of general local government or combination, as defined in section 601 (d) or (e) of the Crime Control Act of 1973 (87 Stat. 197), designated pursuant to regulations issued by the Law Enforcement Assistance Administration. No such property shall be transferred to any State agency until the Administrator, Law Enforcement Assistance Administration, has received, from such State agency, a certification that such property is usable and needed for law enforcement and criminal justice purposes in the State, and such Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by such Administrator for the disposal of surplus property.";

(5) by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively;

(6) by striking out "and the Federal Civil Defense Administrator" in paragraph (6), as redesignated, and inserting in lieu thereof a comma and "the Federal Civil Defense Administrator, and the Administrator, Law Enforcement Assistance Administration"; and

(7) by striking out "or paragraph (4)" in paragraph (6), as redesignated, and inserting in lieu thereof a comma and "(4), or (5)".

(b) Section 203(k)(4) of such Act, as amended (40 U.S.C. 484(k)(4)), is amended—

(1) by striking out "or" after the semicolon in clause (D);

(2) by striking out the comma after "law" in clause (E) and inserting in lieu thereof a semicolon and "or"; and

(3) by adding immediately after clause (E) the following new clause:

"(F) the Administrator, Law Enforcement Assistance Administration, in the case of personal property transferred pursuant to subsection (j) for law enforcement and criminal justice purposes,".

(c) Section 203(n) or such Act, as amended (40 U.S.C. 484(n), is amended—

(1) by striking out in the first sentence "and the head of any Federal agency designated by either such officer" and inserting in lieu thereof "the Administrator, Law Enforcement Assistance Administration, and the head of any Federal agency designated by any such officer; and

(2) by striking in next to the last sentence "law enforcement" and inserting in lieu thereof "law enforcement and criminal justice", and in the same sentence striking "or (j)(4)" and inserting in lieu thereof a comma and "(4), or (5)".

TITLE IX—EXTENSION AND AMENDMENT OF THE JUVENILE DELINQUENCY PREVENTION ACT

YOUTH DEVELOPMENT DEMONSTRATIONS

SEC. 901. Title I of the Juvenile Delinquency Prevention Act is amended (1) in the caption thereof, by inserting "AND DEMONSTRATION PROGRAMS" after "SERVICES"; (2) following the caption thereof, by inserting "PART A—COMMUNITY-BASED COORDINATED YOUTH SERVICES"; (3) in sections 101, 102(a), 102(b)(1), 102(b)(2), 103(a) (including paragraph (1) thereof), 104(a) (including paragraphs (1), (4), (5), (7), and (10) thereof) and 104(b), by striking out "title" and inserting "part" in lieu thereof; and (4) by inserting at the end of the title the following new part:

"PART B—DEMONSTRATIONS IN YOUTH DEVELOPMENT

"SEC. 105. (a) For the purpose of assisting the demonstration of innovative approaches to youth development and the prevention and treatment of delinquent behavior (including payment of all or part of the costs of minor remodeling or alteration), the Secretary may make grants to any State (or political subdivision thereof), any agency thereof, and any nonprofit private agency, institution, or organization that submits to the Secretary, at such time and in such form and manner as the Secretary's regulations shall prescribe, an application containing a description of the purposes for which the grant is sought, and assurances satisfactory to the Secretary that the applicant will use the grant for the purposes for which it is provided, and will comply with such requirements relating to the submission of reports, methods of fiscal accounting, the inspection and audit of records and other materials, and such other rules, regulations, standards, and procedures, as the Secretary may impose to assure the fulfillment of the purposes of this Act.

"(b) No demonstration may be assisted by a grant under this section for more than one year."

CONSULTATION

SEC. 902. (a) Section 408 of such Act is amended by adding at the end of subsection (a) thereof the following new subsection:

"(b) The Secretary shall consult with the Attorney General for the purpose of coordinating the development and implementation of programs and activities funded under this Act with those related programs and activities funded under the Omnibus Crime Control and Safe Streets Act of 1968"; and by deleting subsection (b) thereof.

(b) Section 409 is repealed.

REPEAL OF MINIMUM STATE ALLOTMENTS

SEC. 904. Section 403(b) of such Act is repealed, and section 403(a) of such Act is redesignated section 403.

EXTENSION OF PROGRAM

SEC. 905. Section 402 of such Act, as amended by this Act, is further amended in the first sentence by inserting after "fiscal year" the following: "and such sums as may be necessary for fiscal year 1975".

MOTION OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAWKINS moves to strike out all after the enacting clause of S. 821 and insert in lieu thereof the provisions of H.R. 15276, as passed, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Juvenile Delinquency Prevention Act of 1974".

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) juveniles account for almost half the arrests for serious crimes in the United States today;

(2) understaffed, overcrowded juvenile courts, probation services, and correctional facilities are not able to provide individualized justice or effective help;

(3) present juvenile courts, foster and protective care programs, and shelter facilities are inadequate to meet the needs of the countless, abandoned, and dependent children, who, because of this failure to provide effective services, may become delinquents;

(4) existing programs have not adequately responded to the particular problems of the increasing numbers of young people who are addicted to or who abuse drugs, particularly nonopiate or polydrug abusers;

(5) juvenile delinquency can be prevented through programs designed to keep students in elementary and secondary schools through the prevention of unwarranted and arbitrary suspensions and expulsions;

(6) States and local communities which experience directly the devastating failures of the juvenile justice system do not presently have sufficient technical expertise or adequate resources to deal comprehensively with the problems of juvenile delinquency;

(7) the adverse impact of juvenile delinquency results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources;

(8) existing Federal programs have not provided the direction, coordination, resources, and leadership required to meet the crisis of delinquency; and

(9) juvenile delinquency constitutes a growing threat to the national welfare requiring immediate, comprehensive, and effective action by the Federal Government.

PURPOSE

SEC. 3. It is the purpose of this Act—

(1) to provide the necessary resources, leadership, and coordination to develop and implement effective methods of preventing and treating juvenile delinquency;

(2) to increase the capacity of State and local governments and public and private agencies, institutions, and organizations to conduct innovative, effective delinquency prevention and treatment programs and to provide useful research, evaluation, and training services in the area of juvenile delinquency;

(3) to develop and implement effective programs and services to divert juveniles from the traditional juvenile justice system

and to increase the capacity of State and local governments to provide critically needed alternatives to institutionalization;

(4) to develop and encourage the implementation of national standards for the administration of juvenile justice, including recommendations for administrative, budgetary, and legislative action at the Federal, State, and local level to facilitate the adoption of such standards;

(5) to establish a centralized research effort on the problems of juvenile delinquency, including an information clearinghouse to disseminate the findings of such research and all data related to juvenile delinquency;

(6) to provide for the thorough and prompt evaluation of all federally assisted juvenile delinquency programs;

(7) to provide technical assistance to public and private agencies, institutions, and individuals in developing and implementing juvenile delinquency programs;

(8) to assist States and local communities with resources to develop and implement programs to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspensions and expulsions;

(9) to establish training programs for persons, including professionals, paraprofessionals, and volunteers, who work with delinquents or potential delinquents or whose work or activities relate to juvenile delinquency programs;

(10) to establish a new Juvenile Delinquency Prevention Administration in the Department of Health, Education, and Welfare;

(11) to establish an Institute for Continuing Studies of the Prevention of Juvenile Delinquency, to further the purposes of this Act; and

(12) to establish a Federal assistance program to deal with the problems of runaway youth.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) the term "community-based" means a small, open group home or other suitable place located near the juvenile's home or family and programs of community supervision and service which maintain community and consumer participation in the planning, operation, and evaluation of their programs which may include medical, educational, vocational, social, and psychological guidance, training, counseling, drug treatment, alcoholism treatment, and other rehabilitative services;

(2) the term "construction" means acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees but not the cost of acquisition of land for buildings);

(3) the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house such machinery, utilities, or equipment;

(4) the term "juvenile delinquency program" means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug abuse programs, alcohol abuse programs, the improvement of the juvenile justice system, and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent;

(5) the term "local government" means any city, county, township, town, borough, parish village, or other general purpose political subdivision of a State, and an Indian tribe and any combination of two or more such units acting jointly;

(6) the term "public agency" means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing;

(7) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(8) the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(9) the term "Federal agency" means any agency in the executive branch of the Federal Government;

(10) the term "drug dependent" has the meaning given it by section 2(g) of the Public Health Service Act (42 U.S.C. 202(g));

(11) the term "Administration" means the Juvenile Delinquency Prevention Administration established by section 101(a);

(12) the term "Director" means the Director of the Administration;

(13) the term "State agnecy" means an agency designated under section 214(a)(1);

(14) the term "local agency" means any local agency which is assigned responsibility under section 214(a)(6);

(15) the term "Institute" means the Institute for Continuing Studies of the Prevention of Juvenile Delinquency established by section 301(a);

(16) the term "Administrator" means the Administrator of the Institute; and

(17) the term "Council" means the Coordinating Council on Juvenile Delinquency Prevention established by section 501.

TITLE I—JUVENILE DELINQUENCY PREVENTION ADMINISTRATION

ESTABLISHMENT OF ADMINISTRATION

SEC. 101. (a) There hereby is established within the Department of Health, Education, and Welfare the Juvenile Delinquency Prevention Administration.

(b) There shall be at the head of the Administration a Director who shall be appointed by the Secretary. The salary of the Director shall be fixed by the Secretary.

(c) The Director shall be the chief executive of the Administration and shall exercise all necessary powers.

(d) There shall be in the Administration a Deputy Director who shall be appointed by the Secretary. The salary of the Deputy Director shall be fixed by the Secretary. The Deputy Director shall perform such functions as the Director from time to time assigns or delegates, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

OFFICERS AND EMPLOYEES

SEC. 102. The Secretary may select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

VOLUNTARY SERVICES

SEC. 103. Notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)), the Secretary may accept and employ voluntary and uncompensated services in carrying out the provisions of this Act.

CONCENTRATION OF FEDERAL EFFORTS

SEC. 104. (a) The Secretary shall establish overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Secretary shall consult with the Coordinating Council on Juvenile Delinquency Prevention.

(b) In carrying out the purposes of this Act, the Secretary shall—

(1) advise the President as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

(2) assist operating agencies which have direct responsibilities for the prevention and treatment of juvenile delinquency in the development and promulgation of rules, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objectives he establishes;

(3) conduct and support, in cooperation with the Institute for Continuing Studies of the Prevention of Juvenile Delinquency, evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

(4) coordinate Federal juvenile delinquency programs and activities among Federal agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

(5) develop annually, submit to the Council for review, and thereafter submit to the President and the Congress, no later than September 30, a report which shall include an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs, and recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectiveness of such programs;

(6) develop annually, submit to the Council for review, and thereafter submit to the President and the Congress, no later than March 1, a comprehensive plan for juvenile delinquency programs administered by any Federal agency, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

(c) The President shall, no later than 90 days after receiving each annual report under subsection (b)(5), submit a report to the Congress and to the Council containing a detailed statement of any action taken or anticipated with respect to recommendations made by each such annual report.

(d)(1) The first report submitted to the President and the Congress by the Secretary under subsection (b)(5) shall contain, in addition to information required by subsection (b)(5), a detailed statement of criteria developed by the Secretary for identifying the characteristics of juvenile delinquency, juvenile delinquency prevention, diversion of youths from the juvenile justice system, and the training treatment, and rehabilitation of juvenile delinquents.

(2) The second such report shall contain, in addition to information required by subsection (b)(5), an identification of Federal programs which are related to juvenile delinquency prevention or treatment, together with a statement of the moneys expended for each such program during the most recent complete fiscal year. Such identification shall be made by the Secretary through the use of criteria developed under paragraph (1).

(e) The third report submitted to the President and the Congress by the Secretary under subsection (b)(6) shall contain, in addition to the comprehensive plan required by subsection (b)(6), a detailed statement of procedures to be used with respect to the submission of juvenile delinquency development statements to the Secretary by Federal agencies under section 105. Such statement submitted by the Secretary shall include a description of information, data, and analyses which shall be contained in each such development statement.

(f) The Secretary may require Federal agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this Act.

(g) The Secretary may delegate any of his functions until this title, except the making of rules, to any officer or employee of the Administration.

(h) The Secretary may utilize the services and facilities of any Federal agency and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

(i) The Secretary may transfer funds appropriated under this Act to any Federal agency to develop or demonstrate new methods in juvenile delinquency prevention and treatment and to supplement existing delinquency prevention and treatment programs which the Director finds to be exceptionally effective or for which he finds there exists exceptional need.

(j) The Secretary may make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this Act.

(k) All functions of the Secretary under this Act shall be administered through the Administration.

JUVENILE DELINQUENCY DEVELOPMENT STATEMENTS

SEC. 105. (a) The Secretary shall require each Federal agency which administers a Federal juvenile delinquency program which meets any criterion developed by the Secretary under section 104(d)(1) to submit to the Secretary a juvenile delinquency development statement. Such statement shall be in addition to any information, report, study, or survey which the Secretary may require under section 104(f).

(b) Each juvenile delinquency development statement submitted to the Secretary under subsection (a) shall be submitted in accordance with procedures established by the Secretary under section 104(e) and shall contain such information, data, and analyses as the Secretary may require under section 104(e). Such analyses shall include an analysis of the extent to which the juvenile delinquency program of the Federal agency submitting such development statement conforms with and furthers Federal juvenile delinquency prevention and treatment goals and policies.

(c) The Secretary shall review and comment upon each juvenile delinquency development statement transmitted to him under subsection (a). Such development statement, together with the comments of the Secretary, shall be included by the Federal agency involved in every recommendation or request made by such agency for Federal legislation which significantly affects juvenile delinquency prevention and treatment.

JOINT FUNDING

SEC. 106. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be designated by the Secretary to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Secretary may order any such agency to waive any technical grant or contract requirement (as defined in rules prescribed by the Secretary) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

TITLE II—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

PART A—GRANT PROGRAMS

AUTHORIZATION

SEC. 211. The Secretary may make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

ALLOCATION

SEC. 212. (a) In accordance with rules prescribed under this title, funds shall be allocated annually among the States on the basis of relative population of people under 18 years of age. No such allotment to any State shall be less than $150,000, except that for the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, no allotment shall be less than $50,000.

(b) Except for funds appropriated for fiscal year 1975, if any amount so allotted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purposes of this title. Funds appropriated for fiscal year 1975 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be reallocated. Any amount so reallocated shall be in addition to the amounts already allotted and available to the States, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for the same period.

(c) In accordance with rules prescribed under this title, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 percent of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

(d) Financial assistance extended under the provisions of this section shall not exceed 90 percent of the approved costs of any assisted programs or activities. The non-Federal share shall be made only through the use of cash or other monetary instruments.

SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS; AUTHORIZATION

SEC. 213. (a) Not less than 25 percent of the funds appropriated for each fiscal year pursuant to this title shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section and section 215.

(b) Among applicants for grants and contracts under this section, priority shall be given to public and private nonprofit organizations or institutions which have had experience in dealing with youth. Not less than 20 percent of the funds available for grants and contracts made pursuant to his section shall be available for grants and contracts to such private nonprofit agencies, organizations, or institutions.

(c) The Secretary may make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

(3) develop and implement programs to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspensions and expulsions;

(4) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

(5) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent; and

(6) facilitate the adoption of the recommendations of the Institute as set forth pursuant to section 309.

STATE PLANS

SEC. 214. (a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes. In accordance with rules prescribed under this title, such plan shall—

(1) establish or designate a single State agency, or designate any other agency, as the sole agency responsible for the preparation and administration of the plan;

(2) contain satisfactory evidence that the State agency has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

(3) provide for supervision of the programs funded under this Act by the State agency by a State supervisory board appointed by the chief executive officer of the State (A) which shall consist of not less than 15 persons who have training, experience, or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice; (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education, youth service departments, or alternative youth systems; (C) which shall include representatives of private organizations concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act; (D) a majority of whose members (including the Chairman) shall not be full-time employees of the Federal Government, the State, or any local government; (E) at least one-third of whose members shall be under the age of 26 at the time of appointment and of whom at least two shall have been under the jurisdiction of the justice system; and (F) which shall have the authority to approve, after consultation with private agencies and alternative youth systems, any proposed modification of a State plan before such proposed modification is submitted to the Secretary;

(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

(5) provide that at least 75 percent of the funds received by the State under section

212 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Secretary for any State if the services for delinquent or potentially delinquent youth are organized primarily on a statewide basis;

(6) provide that the chief executive officer of the local government shall assign responsibility for the preparation and administration of the local government's part of the State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure which can most effectively carry out the purposes of this Act and shall provide for supervision of the programs funded under this Act by the local agency by a board which meets the appropriate requirements of paragraph (3);

(7) provide, to the maximum extent feasible, for an equitable distribution of the assistance received under section 212 within the State;

(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency and treatment and the improvement of the juvenile justice system, including an itemized estimated cost for the development and implementation of such programs;

(9) provide that not less than 75 percent of the funds available to such State or to any local government of such State under this part, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in conjunction with the development, maintenance, and expansion of programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to juvenile detention and correctional facilities; such advanced techniques shall include community-based programs and services relating to various aspects of juvenile delinquency, youth service bureaus to assist delinquent and other youth, drug abuse education and prevention programs, alcohol abuse education and prevention programs, programs to encourage youth to remain in school, improvement of probation programs and services, statewide programs designed to increase the use of nonsecure community-based facilities for the commitment of juveniles, and youth-initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

(10) encourage the development of an adequate research, training, and evaluation capacity within the State;

(11) encourage the placement of juveniles in shelter facilities, rather than juvenile detention or correctional facilities, if such juveniles are charged with or have committed offenses which would not be criminal if committed by an adult; discourage the incarceration of juveniles with adults; and encourage the establishment of monitoring systems designed to augment the commitment policies described in this paragraph;

(12) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth, including females, minority youth, and mentally, emotionally, or physically handicapped youth;

(13) provide for procedures which will be established for protecting under Federal, State, and local law the rights of recipients of services and which will assure appropriate privacy with regard to records relating to such services provided to any individual under the State plan;

(14) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title;

(15) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase (but not supplant), to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event replace such State, local, and other non-Federal funds;

(16) provide that the State agency will from time to time, but not less often than annually, review its plan and submit to the Secretary an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary;

(17) contains such other terms and conditions as the Secretary may reasonably prescribe to assure the effectiveness of the programs assisted under this title; and

(18) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this Act.

(b) The Secretary shall approve any State plan and any modification thereof that meets the requirements of subsection (a).

(c) In the event that any State fails to submit a plan, or submits a plan, or any modification thereof which the Secretary, after reasonable notice and opportunity for hearing, determines does not meet the requirements of subsection (a), the Secretary shall make the allotment of such State under the provisions of section 212 available to the public and private agencies in such State for programs under sections 213 and 215.

APPLICATIONS

SEC. 215. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under this section or section 213, shall submit an application at such time, in such manner, and containing or accompanied by such information, as the Secretary may prescribe.

(b) In accordance with guidelines established by the Secretary, each such application shall—

(1) provide that the program for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out one or more of the purposes set forth in section 214;

(3) provide for the proper and efficient administration of such program;

(4) provide for regular evaluation of the program;

(5) indicate that the applicant has requested the review of the application from the State agency or local agency designated under section 214, when appropriate;

(6) indicate the response of the State agency or the local agency to the request for review and comment on the application;

(7) provide that regular reports on the program shall be sent to the Secretary and to the State agency and local agency, when appropriate; and

(8) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

(c) In determining whether or not to approve applications for grants under this title, the Secretary shall consider—

(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this Act;

(2) the extent to which the proposed program will incorporate new or innovative techniques;

(3) the extent to which the proposed program meets the objectives and priorities of the State plan, when a State plan has been approved by the Secretary under section 214 (b) and when the location and scope of the program make such consideration appropriate;

(4) the increase in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquent;

(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

(6) the extent to which the proposed programs facilitate the implementation of the recommendations of the Institute as set forth pursuant to section 309.

PART B—GENERAL PROVISIONS

WITHHOLDING

SEC. 221. Whenever the Secretary, after giving reasonable notice and opportunity for hearing to a recipient of a grant under this title, finds—

(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title, or

(2) that in the operation of the program or activity there is failure to comply substantially with any such provision,

the Secretary shall notify such recipient of his findings and no further payments may be made to such recipient under this title (or in his discretion that the State agency shall not make further payments to specified programs affected by the failure) by the Secretary until he is satisfied that such noncompliance has been, or will promptly be, corrected.

USE OF FUNDS

SEC. 222. (a) Funds paid to any State public or private agency, institution, or individual (whether directly or through a State agency or local agency) may be used for—

(1) securing, developing, or operating the program designed to carry out the purposes of this Act; and

(2) not more than 50 percent of the cost of the construction of innovative community-based facilities for less than 20 persons which, in the judgment of the Secretary, are necessary for carrying out the purposes of this Act.

(b) Except as provided by subsection (a), no funds paid to any public or private agency, institution, or individual under this title (whether directly or through a State agency or local agency) may be used for construction.

PAYMENTS

SEC. 223. (a) In accordance with criteria established by the Secretary, it is the policy of the Congress that programs funded under this title shall continue to receive financial assistance, except that such assistance shall not continue if the yearly evaluation of such programs is not satisfactory.

(b) At the discretion of the Secretary, when there is no other way to fund an essential juvenile delinquency program, the State may utilize 25 percent of the funds available to it under this Act to meet the non-Federal matching share requirements for any other Federal juvenile delinquency program grant.

(c) Whenever the Secretary determines that it will contribute to the purposes of this Act, he may require the recipient of any grant or contract to contribute money, facilities, or services up to 25 percent of the cost of the project involved.

(d) Payments under this title, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Secretary may determine.

TITLE III—INSTITUTE FOR CONTINUING STUDIES OF THE PREVENTION OF JUVENILE DELINQUENCY

ESTABLISHMENT AND PURPOSE

SEC. 301. (a) There is hereby established an institute to be known as the Institute for Continuing Studies of the Prevention of Juvenile Delinquency. The Institute shall be administered by the Secretary through the Administration.

(b) It shall be the purpose of the Institute to provide a coordinating center for the collection, preparation, and dissemination of useful data regarding the treatment and control of juvenile offenders, and it shall also be the purpose of the Institute to provide training for representatives of Federal, State, and local law enforcement officers, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders.

FUNCTIONS

SEC. 302. The Institute shall—

(1) serve as an information bank by collecting systematically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juveline delinquency, including the prevention and treatment of juvenile delinquency;

(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency, including State and local juvenile delinquency prevention and treatment programs and plans, availability of resources, training and educational programs, statistics, and other pertinent data and information;

(3) disseminate pertinent data and studies (including a periodic journal) to individuals, agencies, and organizations concerned with the prevention and treatment of juvenile delinquency;

(4) prepare, in cooperation with educational institutions, Federal, State, and local agencies, and appropriate individuals and private agencies, such studies as it considers to be necessary with respect to the prevention and treatment of juvenile delinquency and related matters, including recommendations designed to promote effective prevention and treatment;

(5) devise and conduct in various geographical locations, seminars and workshops providing continuing studies for persons engaged in working directly with juveniles and juvenile offenders;

(6) devise and conduct a training program, in accordance with the provisions of sections 305, 306, and 307, of short-term instruction in the latest proven-effective methods of prevention, control, and treatment of juvenile delinquency for correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency.

(7) develop technical training teams to aid in the development of training programs in the States and to assist State and local agencies which work directly with juveniles and juvenile offenders;

(8) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with respect to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

(9) encourage the development of demonstration projects in new and innovative techniques and methods to prevent and treat juvenile delinquency;

(10) provide for the evaluation of all programs assisted under this Act in order to determine the results and the effectiveness of such programs;

(11) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, as deemed necessary by the Secretary; and

(12) disseminate the results of such evaluations and research and demonstration activities, particularly to persons actively working in the field of juvenile delinquency.

POWERS

SEC. 303. (a) The functions, powers, and duties specified in this Act to be carried out by the Institute shall not be transferred elsewhere or within any Federal agency unless specifically hereafter authorized by the Congress. In addition to the other powers, express and implied, the Institute may—

(1) request any Federal agency to supply such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions;

(2) arrange with and reimburse the heads of Federal agencies for the use of personnel or facilities or equipment of such agencies;

(3) confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other public or private local agencies;

(4) enter into contracts with public or private agencies, organizations, or individuals, for the partial performance of any functions of the Institute; and

(5) compensate consultants and members of technical advisory councils who are not in the regular full-time employ of the United States, at a rate to be fixed by the Administrator of the Institute but not exceeding $75 per diem and while away from home, or regular place of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code for persons in the Government service employed intermittently.

(b) Any Federal agency which receives a request from the Institute under subsection (a)(1) may cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information and advice to the Institute.

ADMINISTRATOR AND STAFF

SEC. 304. (a) The Institute shall have an Administrator who shall be appointed by the Secretary and who shall serve at the pleasure of the Secretary.

(b) The Administrator shall have responsibility for the administration of the organization, employees, enrollees, financial affairs, and other operations of the Institute. He may employ such staff, faculty, and administrative personnel as are necessary for the functioning of the Institute.

(c) The Administrator shall have the power to—

(1) acquire and hold real and personal property for the Institute;

(2) receive gifts, donations, and trusts on behalf of the Institute; and

(3) appoint such technical or other advisory councils comprised of consultants to guide and advise the Secretary.

(d) The Administrator may delegate his power under the Act to such employees of the Institute as he deems appropriate.

ESTABLISHMENT OF TRAINING PROGRAM

SEC. 305. (a) The Secretary shall establish within the Institute a training program designed to train enrollees with respect to methods and techniques for the prevention and treatment of juvenile delinquency.

(b) Enrollees in the training program established under this section shall be drawn from correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency.

CURRICULUM FOR TRAINING PROGRAM

SEC. 306. The Secretary shall design and supervise a curriculum for the training program established by section 305 which shall utilize an interdisciplinary approach with respect to the prevention of juvenile delinquency, the treatment of juvenile delinquents, and the diversion of youths from the juvenile justice system. Such curriculum shall be appropriate to the needs of the enrollees of the training program.

ENROLLMENT FOR TRAINING PROGRAM

SEC. 307. (a) Any person seeking to enroll in the training program established under section 305 shall transmit an application to the Administrator, in such form and according to such procedures as the Administrator may prescribe.

(b) The Administrator shall make the final determination with respect to the admittance of any person to the training program. The Administrator, in making such determination, shall seek to assure that persons admitted to the training program are broadly representative of the categories described in section 305(b).

(c) While studying at the Institute and while traveling in connection with his study (including authorized field trips), each person enrolled in the Institute shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code.

ANNUAL REPORT

SEC. 308. The Administrator shall develop annually and submit to the President and each House of the Congress, prior to June 30, a report on the activities of the Institute and on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessment of the application of such results to existing and new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs.

DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

SEC. 309. The Institute, under the supervision of the Secretary, shall conduct a study for the development of standards for juvenile justice. The Institute shall, no later than one year after the date of the enactment of this Act, submit to the President and to each House of the Congress a report based upon such study. Such report shall contain a detailed statement of recommended standards for the administration of juvenile justice at the Federal, State, and local level, and shall recommend—

(1) Federal action, including administrative budgetary, and legislative action, required to facilitate the adoption of such standards throughout the United States; and

(2) State and local action to facilitate the adoption of such standards for juvenile justice at the State and local level.

INFORMATION FROM FEDERAL AGENCIES

SEC. 310. Each Federal agency shall furnish to the Secretary such information as the Secretary deems necessary to carry out his functions under this title.

RECORDS

SEC. 311. Records containing the identity of any juvenile gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

TITLE IV—RUNAWAY YOUTH ACT

SHORT TITLE

Sec. 401. This title may be cited as the "Runaway Youth Act".

FINDINGS

Sec. 402. The Congress hereby finds that—

(1) the number of juveniles who leave and remain away from home without parental permission has increased to alarming proportions, creating a substantial law enforcement problem for the communities inundated, and significantly endangering the young people who are without resources and live on the street;

(2) the exact nature of the problem is not well defined because national statistics on the size and profile of the runaway youth population are not tabulated;

(3) many such young people, because of their age and situation, are urgently in need of temporary shelter and counseling services;

(4) the problem of locating, detaining, and returning runaway children should not be the responsibility of already overburdened police departments and juvenile justice authorities; and

(5) in view of the interstate nature of the problem, it is the responsibility of the Federal Government to develop accurate reporting of the problem nationally and to develop an effective system of temporary care outside the law enforcement structure.

RULES

Sec. 403. The Secretary may prescribe such rules as he considers necessary or appropriate to carry out the purposes of this title.

PART A—GRANT PROGRAM

PURPOSES OF GRANT PROGRAM

Sec. 411. The Secretary is authorized to make grants and to provide technical assistance to localities and nonprofit private agencies in accordance with the provisions of this part. Grants under this part shall be made for the purpose of developing local facilities to deal primarily with the immediate needs of runaway youth in a manner which is outside the law enforcement structure and juvenile justice system. The size of such grant shall be determined by the number of runaway youth in the community and the existing availability of services. Among applicants priority shall be given to private organizations or institutions which have had past experience in dealing with runaway youth.

ELIGIBILITY

Sec. 412. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund an existing or proposed runaway house, a locally controlled facility providing temporary shelter, and counseling services to juveniles who have left home without permission of their parents or guardians.

(b) In order to qualify for assistance under this part, an applicant shall submit a plan to the Secretary meeting the following requirements and including the following information. Each house—

(1) shall be located in an area which is demonstrably frequented by or easily reachable by runaway youth;

(2) shall have a maximum capacity of no more than 20 children, with a ratio of staff to children of sufficient portion to assure adequate supervision and treatment;

(3) shall develop adequate plans for contacting the child's parents or relatives (if such action is required by State law) and assuring the safe return of the child according to the best interests of the child, for contacting local government officials pursuant to informal arrangements established with such officials by the runaway house, and for providing for other appropriate alternative living arrangements;

(4) shall develop an adequate plan for assuring proper relations with law enforcement personnel, and the return of runaway youths from correctional institutions;

(5) shall develop an adequate plan for aftercare counseling involving runaway youth and their parents within the State in which the runaway house is located and for assuring, as possible, that aftercase services will be provided to those children who are returned beyond the State in which the runaway house is located;

(6) shall keep adequate statistical records profiling the children and parents which it serves, except that records maintained on individual runaway youths shall not be disclosed without parental consent to anyone other than another agency compiling statistical records or a government agency involved in the disposition of criminal charges against an individual runaway youth, and reports or other documents based on such statistical records shall not disclose the identity of individual runaway youths;

(7) shall submit annual reports to the Secretary detailing how the house has been able to meet the goals of its plans and reporting the statistical summaries required by paragraph (6);

(8) shall demonstrate its ability to operate under accounting procedures and fiscal control devices as required by the Secretary;

(9) shall submit a budget estimate with respect to the plan submitted by such house under this subsection; and

(10) shall supply such other information as the Secretary reasonably deems necessary.

APPROVAL BY SECRETARY

Sec. 413. An application by a State, locality, or nonprofit private agency for a grant under this part may be approved by the Secretary only if it is consistent with the applicable provisions of this part and meets the requirements set forth in section 412. Priority shall be given to grants smaller than $75,000. In considering grant applications under this part, priority shall be given to any applicant whose program budget is smaller than $100,000.

GRANTS TO PRIVATE AGENCIES; STAFFING

Sec. 414. Nothing in this part shall be construed to deny grants to nonprofit private agencies which are fully controlled by private boards or persons but which in other respects meet the requirements of this part and agree to be legally responsible for the operation of the runaway house. Nothing in this part shall give the Federal Government control over the staffing and personnel decisions of facilities receiving Federal funds.

REPORTS

Sec. 415. The Secretary shall annually report to the Congress on the status and accomplishments of the runaway houses which are funded under this part, with particular attention to—

(1) their effectiveness in alleviating the problems of runaway youth;

(2) their ability to reunite children with their families and to encourage the resolution of intrafamily problems through counseling and other services;

(3) their effectiveness in strengthening family relationships and encouraging stable living conditions for children; and

(4) their effectiveness in helping youth decide upon a future course of action.

FEDERAL SHARE

Sec. 416. (a) The Federal share for the acquisition and renovation of existing structures, the provision of counseling services, staff training, and the general costs of operations of such facility's budget for any fiscal year shall be 90 percent. The non-Federal share may be in cash or in kind, fairly evaluated by the Secretary, including plant, equipment, or services.

(b) Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

PART B—STATISTICAL SURVEY

SURVEY; REPORT

Sec. 421. The Secretary shall gather information and carry out a comprehensive statistical survey defining the major characteristic of the runaway youth population and determining the areas of the Nation most affected. Such survey shall include the age, sex, and socioeconomic background of runaway youth, the places from which and to which children run, and the relationship between running away and other illegal behavior. The Secretary shall report the results of such information gathering and survey to the Congress not later than June 30, 1975.

RECORDS

Sec. 422. Records containing the identity of individual runaway youths gathered for statistical purposes pursuant to section 421 may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

TITLE V—COORDINATING COUNCIL ON JUVENILE DELINQUENCY PREVENTION

ESTABLISHMENT

Sec. 501. There is hereby established, as an independent organization in the executive branch of the Federal Government, a council to be known as the Coordinating Council on Juvenile Delinquency Prevention.

MEMBERSHIP

Sec. 502. (a) The Council shall consist of six regular members appointed under subsection (c) and an additional number of ex officio members designated by subsection (b).

(b) (1) The following individuals shall be ex officio members of the Council:

(A) the Secretary (or the Under Secretary of the Department of Health, Education, and Welfare, if so designated by the Secretary);

(B) the Director of the Administration;

(C) the Attorney General or his designee;

(D) the Secretary of Labor (or the Under Secretary of Labor, if so designated by such Secretary);

(E) the Director of the Special Action Office for Drug Abuse Prevention or his designee;

(F) the Secretary of Housing and Urban Development (or the Under Secretary of Housing and Urban Development, if so designated by such Secretary); and

(G) the Administrator of the Institute.

(2) Any individual designated under paragraph (1)(C) or paragraph (1)(E) shall be selected from individuals who exercise significant decisionmaking authority in the Federal agency involved.

(c) The regular members of the Council shall be appointed by the President from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice. At least three members shall not have attained 26 years of age on the date of their appointment.

(d) (1) Except as provided by paragraphs (2) and (3), members of the Council appointed by the President under subsection (c) shall be appointed for terms of four years.

(2) Of the members first appointed to the Council under subsection (c)—

(A) two shall be appointed for terms of one year,

(B) two shall be appointed for terms of two years, and

(C) two shall be appointed for terms of three years, to be designated by the President at the time of appointment. Such members shall be appointed within ninety days after the date of the enactment of this title.

(3) Any member appointed to fill a va-

cancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until a successor has taken office.

(e) Members of the Council shall be eligible for reappointment to the Council.

(f) The Secretary shall serve as Chairman of the Council. The Director shall serve as Vice Chairman of the Council. The Vice Chairman shall act as Chairman in the absence of the Chairman.

(g) The Council shall meet at least six times per year to receive reports and recommendations and to take such actions as may be considered appropriate by members of the Council. A description of the activities of the Council shall be included in the annual report required by section 104(b) (5).

FUNCTIONS

Sec. 503. (a) The Council shall, through a subcommittee designated by the Chairman, review the activities and administration of the Institute and shall make recommendations with respect to such activities and administration.

EXECUTIVE SECRETARY; STAFF

Sec. 504. (a) The Chairman shall, with the approval of the Council, appoint an Executive Secretary of the Council.

(b) The Executive Secretary shall be responsible for the day-to-day administration of the Council.

(c) The Executive Secretary may, with the approval of the Council, appoint and fix the salary of such personnel as he considers necessary to carry out the purposes of this title.

COMPENSATION AND EXPENSES

Sec. 505. (a) Members of the Council who are full-time employees of the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

(b) Members of the Council who are not full-time employees of the Federal Government shall receive compensation at a rate not to exceed $100 per day, including traveltime for each day they are engaged in the performance of their duties as members of the Council. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

TITLE VI—GENERAL PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

Sec. 601. (a) To carry out the purposes of title I, II, and III there is authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, $125,000,000 for the fiscal year ending June 30, 1977, and $175,000,000 for the fiscal year ending June 30, 1978.

(b) Not more than 5 percent of the funds authorized to be appropriated for any fiscal year to carry out the purposes of this Act may be used for the purposes authorized under title I.

(c) Not more than 10 percent of the funds authorized to be appropriated for any fiscal year to carry out the purposes of this Act may be used for purposes authorized under title III.

(d) (1) To carry out the purposes of part A of title IV there is authorized to be appropriated for each of the fiscal years ending June 30, 1975, 1976, and 1977, the sum of $10,000,000.

(2) To carry out the purposes of part B of title IV there is authorized to be appropriated the sum of $500,000.

(e) There is authorized to be appropriated such sums as may be necessary to carry out the purposes of title V.

NONDISCRIMINATION PROVISIONS

Sec. 602 (a) No financial assistance for any program under this Act shall be provided unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this Act. The provisions of the preceding sentence shall be enforced in accordance with section 603 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

EFFECTIVE DATES

Sec. 603. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall take effect on the date of enactment of this Act.

(b) Section 104(b) (5), section 104(b) (6), and section 310 shall take effect at the close of December 31, 1974. Section 105 shall take effect at the close of August 31, 1977.

The SPEAKER. The question is on the motion offered by the gentleman from California.

The motion was agreed to.

The Senate bill was ordered to be read a third time, and was read the third time and passed.

The title was amended so as to read: "To provide a comprehensive, coordinated approach to the problems of juvenile delinqency, and for other purposes."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 821, IMPROVING QUALITY OF JUVENILE JUSTICE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that the House insist upon its amendments to S. 821, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. Perkins, Hawkins, Mrs. Chisholm, Messrs. Quie, and Steiger of Wisconsin.

AMENDING THE ATOMIC ENERGY ACT OF 1954

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1227 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1227

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15582) to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes to the minority member, the distinguished gentleman from Tennessee (Mr. Quillen). Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1227 provides for an open rule with 1 hour of general debate on H.R. 15582, a bill amending the Atomic Energy Act of 1954, as amended.

H.R. 15582 amends subsection 123(d) of the act to provide for a revised procedure by which certain proposed international agreements for peaceful cooperation in nuclear energy will receive congressional treatment in the manner now provided for military agreements—specifically, the requirement of a 60-day congressional review. The bill also provides that the Joint Committee on Atomic Energy is required to report its views and recommendations, together with a proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed agreement for cooperation.

Mr. Speaker, the House's consideration of H.R. 15582 is particularly timely because on June 14 and 17, the President announced his intention to enter into cooperative nuclear power agreements with Egypt and Israel, respectively. H.R. 15582 provides the Congress with a clear-cut mechanism for responsible participation in these nuclear areas. I urge the adoption of House Resolution 1227 in order that we may discuss, debate and pass H.R. 15582.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1227, as previously explained, provides for the consideration of H.R. 15582, amending the Atomic Energy Act of 1954. This is an open rule with 1 hour of general debate.

This bill was introduced after the President announced in June his intention to enter into a cooperative nuclear power agreement with Egypt and Israel.

The bill amends section 123 of the Atomic Energy Act of 1954 to provide for a revised procedure by which certain proposed international agreements for peaceful cooperation in nuclear energy will, in effect, receive congressional treatment in the manner now provided for military agreements.

The bill strengthens the framework of procedures by placing agreements for power reactors with a capacity of more than 5 thermal megawatts, and special nuclear material associated therewith, on the same level as military agreements, for which a 60-day review is presently required under subsection 123d of the act. That subsection also provides that a congressional concurrent resolution of disfavor would legally bar execution of a proposed agreement. Additionally, the Joint Committee is to report its views within the first 30 days of any such 60-day period, together with a proposed concurrent resolution expressing congressional favor or disfavor.

Mr. Speaker, I have no further requests for time. I urge the adopiton of the resolution.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 15582, to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. Price).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15582, with Mr. Ford in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN (Mr. Ford). Under the rule, the gentleman from Illinois (Mr. Price) will be recognized for 30 minutes, and the gentleman from California (Mr. Hosmer) will be recogized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. Price).

Mr. PRICE of Illinois. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, H.R. 15582, the bill now under consideration will strengthen the procedures for congressional review of certain international agreements for peaceful cooperation in the field of nuclear energy. This bill has the unanimous support of all members of the Joint Committee, and the other body has passed a companion bill, S. 3698, by a unanimous vote of 96 to nothing. It will, when enacted into law, govern the procedures for review of the anticipated agreements with Egypt, Israel, and Iran.

The Atomic Energy Act's present requirements in subsection 123 have served their purpose to date. There has been no evidence of unlawful diversions or unwarranted use of special nuclear material in regard to existing agreements for cooperation. Section 123 provides for adequate disclosures, a guaranty of security safeguards, a guaranty by the cooperating party that any material transferred pursuant to an agreement would not be used for noncivil purposes, and a guaranty of nontransferability to unauthorized parties. Further, under subsection 123b, the President must not only approve and authorize the proposed agreement, but is required to make a determination in writing that its performance will promote and will not constitute an unreasonable risk to the common defense and security.

Nevertheless, the present authority of the Congress with respect to civil agreements is not clear. Section 123c merely provides for a 30-day period before the Joint Committee, and is silent as to congressional remedies. The Joint Committee has taken its responsibility seriously, and has conducted about 90 hearings on proposed agreements. Nevertheless, the committee considered it prudent to provide an adequate, clear-cut mechanism for responsible congressional participation in these sensitive nuclear areas.

H.R. 15582 would accomplish just that, by placing power reactors with a capacity of more than 5 thermal megawatts, and special nuclear material associated therewith, under the ambit of subsection 123d, where language already exists to require a 60-day review, and which provides that a concurrent resolution of disfavor by both Houses would legally bar the execution of a proposed agreement. An additional proviso will require the Joint Committee to report its views and recommendations within the first 30 days of any such 60-day period, and thus give the full Congress ample time to consider any proposed concurrent resolution.

In my view, H.R. 15582 satisfies the concern of the many Members who have expressed themselves on this matter, and I urge their affirmation of this proposal.

Mr. HOSMER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the purpose of this legislation is to give this Congress more oversight than it now has with respect to agreements for cooperation with other countries with respect to nuclear reactors, nuclear material, and things of that nature. At the present time we have many of these agreements.

Each one of them, under the Atomic Energy Act of 1954, has come up before the Joint Committee on Atomic Energy and has laid there for 30 days before it could be executed and put into effect.

Under the procedures of this bill, if it is adopted, those agreements will come up for 60 days instead of 30 days. Within the first 30 days the Joint Committee will have to make a recommendation to the Congress as a whole as to whether or not the agreement should be approved or disapproved and send a disapproval or an approval resolution to each of the Houses of Congress.

If both Houses of Congress pass a disapproval resolution, that ends the matter there. The agreement does not go into effect. If the Congress gets into a time bind and wants to implement one of these agreements before the 60 days expire, then it can pass the resolution of approval and thereby waive whatever balance of time there is within the 60-day limit.

Incidentally, this kind of arrangement for review of any agreement for cooperation would be in effect if there are to be the Israeli and Egyptian reactors that the President talked about in his recent trip to the Mideast.

Mr. Chairman, I join with my colleague, the gentleman from Illinois, in urging favorable consideration of H.R. 15582.

This bill has the unanimous and unqualified support of the joint committee. There have been over a dozen bills, resolutions, and amendments proposed in the House and Senate in the last 3 weeks with essentially the same objectives as this bill. The Senate passed a companion bill without a single dissenting vote. I believe the provisions of H.R. 15582 exprcss the will of the Congress, and do so in the manner most consistent with the overall tone and content of the Atomic Energy Act.

Strengthened provisions for congressional review and approval of proposed agreements for cooperation appear to be desired by the Congress in time to govern the treatment of the upcoming agreements now being negotiated with Egypt, Israel and Iran. Such agreements will probably be submitted a few weeks from now.

This bill has the desirable feature of not requiring congressional action on innocuous agreements such as agreements for cooperation in the use of radioisotopes for medical, industrial, or agricultural research. These will continue to go into effect 30 days after submittal if Congress takes no action.

Let us not lose sight of where we are today with respect to worldwide utilization of atomic energy.

There are now in operation 21 U.S.-type nuclear powerplants in 9 foreign countries with a total capacity of 7 million kilowatts. There are another 90 such plants under construction or on order in 16 foreign countries. These would generate 75 million kilowatts of electricity.

Now, if we look at all kinds of foreign reactors—test, research, and power—throughout the world we find there are 518 of them in operation, under construction, or planned, in 49 countries. Atomic energy has come into its own on a global basis. There is strenuous competition among the seven countries who can supply reactors for electric power generation. At a cost of as much as $600 million for a single reactor, this business can be and is a tremendous asset to the U.S. balance of payments. The same is true for nuclear fuel and other related activities of the nuclear industry.

But in our role as an international supplier of nuclear technology, we must continue to assure that that technology is indeed used for peaceful purposes alone. We cannot prevent other nations from disseminating this technology without adequate safeguards, but we can assure that the reactors and fuel we sell are not diverted for military purposes. We have done so successfully so far.

This bill will provide Congress with an expanded role in developing the terms of agreements for sharing nuclear technology. Our watchfulness will help to insure that the Commission continues its careful safeguards programs.

I support H.R. 15582, and urge its passage.

Mr. PRICE of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Chairman, the Indian explosion of a nuclear explosive and some of the agreements to export nuclear reactors which have been made of unknown content with Egypt and possibly with Iran, I think, have aroused tremendous interest in the need for closer congressional control over nuclear agreements and for subsequent strengthening of international nuclear safeguards to prevent a diversion of nuclear material.

Nuclear reactors, through the production of plutonium, can lead to nuclear weapons. The United States has sold nuclear reactors to 33 countries. Of these 33 countries, 21 have not ratified the Nuclear Non-Proliferation Treaty. Among these 21 nonratifiers are India, South Africa, Brazil, Indonesia, and South Korea.

Now, consider the following scenario: With our help, country A develops nuclear power, declaring it has absolutely no intention of developing nuclear weapons; neighboring country B does not believe country A. And even if its leaders did believe country A, internal political pressures would force country B to go after nuclear weapons as soon as possible. As soon as it transpires that country B is going after nuclear weapons, country A will undergo the same internal pressures to develop its own nuclear weapons despite its previous intentions or disclaimers. Then neighboring country C feels threatened and states that it needs nuclear weapons to protect itself from the threats of countries A and B. And so it goes on with neighboring countries D, E, and F.

We can substitute for these alphabetical letters the countries of Iran, Saudi Arabia, and Iraq, as well as Egypt and Israel, and we will see the dangers of nuclear proliferation once some of these countries get nuclear technology.

Under this conceivable chain reaction situation, it becomes increasingly inevitable that some dictator, terrorist, or demagog who somehow acquires nuclear weapons will use them, possibly touching off a nuclear world war III. We must keep in mind that all the major wars of this century have started from military actions involving small nations.

Mr. Chairman, during the consideration of this bill I intend to offer an amendment to provide that no nuclear agreement or amendment to any nuclear agreement, if the agreement or amendment is entered into after July 1 of this year, shall take effect unless approved by an act of Congress. My amendment provides the simplest procedure to assure strong congressional control and the monitoring of nuclear agreements.

No agreement will go through unless both Houses of Congress act positive to approve the agreement or the amendment to a nuclear agreement by an act of Congress.

Under this Joint Committee's bill, nuclear agreements can be stopped only if both Houses of Congress act to forbid the agreement. So that the agreement has a green light unless we move to stop it. In all of the nuclear agreements we have made with the 33 countries, not once has anything come to this floor of Congress for a vote.

Mr. Chairman, my amendment raises no constitutional issues, because it requires an act of Congress approving nuclear agreements before such an agreement can go through. The Joint Committee bill, by providing a congressional veto of nuclear agreements by congressional action, is proposing a procedure of dubious constitutionality, because article I, section 8, clause 1 of the U.S. Constitution states as follows:

> Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary (except on a question of Adjournment) shall be presented to the President of the United States; and before the Same shall take Effect, shall be approved by him, or being disapproved by him, shall be repassed by two thirds of the Senate and House of Representatives * * *

Now, Mr. Chairman, this makes no exception except for adjournment. Every resolution under the law must go to the President for signature. There is only one exception that is implicit, and that is in Hollingsworth against Virginia in 1798, which indicates a constitutional amendment does not require the President's signature. That is the only one.

Since the concurrent resolution is not signed by the President, the Joint Committee is proposing a procedure of dubious constitutionality which could fail us at a moment when we most need it.

Other bills and laws have used this process of a concurrent resolution. The courts have not ruled on the constitutionality of this procedure. As I said, my amendment would solve this constitutional problem.

My amendment needs no complicated antifilibuster provisions, no confusing timetables, and no requirements that the Joint Atomic Energy Committee shall report such and such a resolution by such and such a date. If the administration wants a nuclear agreement to go through, it will lobby to have Congress approve the agreement, under the procedure of my amendment. If the nuclear agreement is a good one, with atomic safeguards, Congress will approve the agreement.

What is the administration afraid of? My amendment, incidentally, because it covers any nuclear agreement since July 1, will assure that the proposed Mideast nuclear agreements among Egypt, Israel, and Iran would be subject to congressional approval.

Finally, my amendment preserves the House prerogative that no nuclear agreement can go through without the approval of the House as well as the Senate. I think this body has been ignored for too long.

Again, the purpose of my amendment is to make sure that everything that has to do with a nuclear agreement will come to the floor of this body for a vote. This is not to stop nuclear agreements. I have no intention of trying to stop them. I am merely making sure that Congress will have a chance to pass on them to provide the rules under which they will be made.

The impact of requiring congressional action in this is to make sure that better agreements are drafted, knowing that they have to come to the Congress for scrutiny and approval.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. Robison).

Mr. ROBISON of New York. Mr. Chairman, as the gentleman from Illinois, the chairman of the Joint Committee, knows, and the gentleman from California (Mr. Hosmer) knows, I have consistently favored the orderly, careful development of the civilian nuclear power program, both at home and abroad. I also want the gentlemen to know that I support the concept behind this bill. Yet the same world events which have dramatized the need for this legislation have given me some concern over a few of its provisions. I would therefore like to address two questions to the distinguished chairman of the Joint Committee, or to Mr. Hosmer:

First. My first question concerns the provision that only reactors of 5 thermal megawatts or more be subject to congressional approval. According to my information, 31 such reactors have been sold to other countries by the United States since the enactment of the Atomic Energy Act in 1954. It is variously reported that the weapons potential of these small reactors directly relates to the degree of uranium enrichment required by a particular reactor. As a consequence, I am told, small, heavy water reactors using only slightly enriched uranium might produce sufficient plutonium for a weapon within 3 to 4 years, while those other small reactors, such as are mainly used in this country, and which require very highly enriched uranium could take as long as 50 years to yield sufficient plutonium to manufacture a simple bomb.

In light of the comparatively small burden which approval of these agreements for small research reactors would place on the Joint Committee and Congress, and in view of the uncertainty over the weapons potential of such devices, could the distinguished chairman (Mr. Hosmer) further enlighten us as to the committee's rationale in determining that reactors of less than 5 megawatts need not be approved or disapproved by Congress?

Mr. HOSMER. Mr. Chairman, if the gentleman will yield, I will be delighted to explain the situation, as I understand it, to the gentleman.

These are very small research reactors that are involved here, and we looked very carefully into this threshold in relation to the amount of nuisance and bother it would be, not only to ourselves, but to the people overseas with whom we are dealing. And we were able to determine that there was little if any uncertainty about weapons potentiality of such small reactors, and it is truly negligible.

It is true that by using highly optimistic numbers as to how much plutonium is needed to make a bomb, and assuming the research reactor was using low enriched or natural uranium, and was operated for maximum plutonium production, and then assigning the country in question a highly advanced capability for reprocessing that plutonium, we could come up with a scare time such as 3 or 4 years to accumulate enough plutonium to make one small bomb. But the United States does not make research reactors using these low enrichment fuels that would lend themselves to that purpose. We only use the high enrichment fuel elements for the reactors of this kind that we export. Also International Atomic Energy Agency safeguards are applied to all U.S. exports in addition to those that the United States itself provides for in these agreements for cooperation. They apply whether they be as to reactors or fuel or both. The international safeguards are essentially the U.S. safeguards, and we have no evidence of any violation or subterfuge so far.

The plutonium that was obtained for the Indian reactor was from an unsafeguarded reactor that the Canadians sold to the Indians. The safeguarded reactors in every case that are under safeguards do not have that possibility for diversion.

Second, as to the burden, we would be in a sense closing a door that is almost shut anyway, since the emphasis today is no longer on small research reactors but on power reactors, where the committee's threshold is fully operative.

In other words, there is not going to be much more export business on these small reactors. In addition to that, the bill addresses itself to the association of fuel with the reactors, so that if one were to cover all reactors, then Congress would be reviewing the exports of replacement fuel, and thus the burden is actually magnified because of the 31 already in operation in these various places.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOSMER. I yield 5 additional minutes to the gentleman.

If the gentleman will yield further, the Joint Committee has been notified of an export under an agreement for cooperation with Sweden of 13.34 kilograms of highly enriched uranium to be used to refuel a research reactor. We would not want in each of these cases of these 31 reactors or possibly more to have each brought up to the Congress and then go through all of these procedures because, as was explained, the burden is large in relation to any gain we would get.

Finally, under the committee bill, section 123(c) of the Atomic Energy Act remains in force, and under that section the Atomic Energy Commission is required to forward agreements for all exports under 5 megawatts thermal to the Joint Committee for a 30-day review. It is not as formal a procedure as the one in the case of larger reactors in the pending bill.

The committee has always announced the receipt of these proposals in the RECORD for all Members, and one would hope that those interested would have ample time to review the scope of such an agreement and make their views known to the committee.

Mr. ROBISON of New York. May I say to the gentleman I certainly appreciate the time and attention he has given to fleshing out the committee report in these areas. If the gentleman is willing to yield for a second question, I would also like to inquire about the criteria which the Joint Committee and Congress ought to employ to assure that sufficient safeguard guarantees are required in a bilateral or multilateral agreement. In the committee report on H.R. 15582, there is a summary of particular safeguard and security assurances which are presently required by the Atomic Energy Act.

Could the gentleman advise how the Members of this body can best review proposed future international agreements, so as to assure, as fully as possible, that all safeguard and security guarantees are carried out? What criteria does the gentleman expect the Joint Committee and the Congress to employ, so that our constituents are assured that every precaution has been taken against illicit diversion of nuclear materials or sabotage of nuclear reactors provided to other nations.

Mr. HOSMER. Would the gentleman yield?

Mr. ROBISON of New York. I yield to the gentleman from California.

Mr. HOSMER. I thank the gentleman for yielding.

First of all, I believe we would want to have the Congress see whether the proposed agreements meet the provisions of subsections 123 (a) and (b) of the Atomic Energy Act; 123(a) specifies that the proposed agreement must include terms, conditions, duration, nature, and scope of the cooperation; a guaranty by the cooperating party that the specified safeguards will be maintained; a guaranty of peaceful uses only; and a guaranty of nontransfer to authorized persons or beyond the jurisdiction of the cooperating party; 123(b) in addition to that requires that the President certify in writing that he approves and authorizes the execution of the agreement, and that the agreement will promote and not unreasonably risk common defense and security.

In addition to that the Congress would want to review the specific safeguards to be imposed. Normally, as I indicated earlier, these are the IAEA safeguards, which are in effect the U.S. safeguards. But there are additional places such as in the agreement with Egypt and Israel where we might want to insist that we obtain additional safeguards because of the regional situation and we would want to see if these were included in the agreement as presented to us once it got here.

Lastly, I think we would want the Congress to keep a careful eye on U.S. fuel enrichment capacity to insure that domestic needs are not jeopardized by these proposed exports in the case of nuclear fuel. As with other materials these will be in short supply as the nuclear reactors grow around the world and we want to make certain that the United States has the fuel before we engage in exports which would tend to diminish our own supply.

These are the kinds of things we on the committee have always looked at in the past and I believe that the Congress would want to look at them in the future as the new provisions for closer scrutiny and more opportunity by the total membership are adopted so we may take a look at these things.

Mr. ROBISON of New York. Mr. Chairman, I thank the gentleman again for his full and complete answer. His answer does reassure me relative to the legislation which I believe I can now fully support.

Mr. PRICE of Illinois. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to get some information on the effect of this bill upon the recent agreements between the United States and Egypt and the United States and Israel. What effect will this bill have upon these agreements?

Mr. PRICE of Illinois. Since these two agreements are still under negotiation and have not been submitted to the Congress by the joint committee they would be covered by this legislation.

Mr. WOLFF. What about the fuel for the reactors? Will this be covered?

Mr. PRICE of Illinois. Definitely it will be under safeguard provisions in the agreements. One of the strong features of all agreements are the safeguard provisions and that would cover the reactors and the fuels.

Mr. WOLFF. One final point, Mr. Chairman. I wonder if in view of this we will take up a bill, a comprehensive bill here that will take into consideration all future agreements? I wonder, in view of the interest that a great many Members have regarding the situation with Israel and Egypt, if the chairman will entertain a concurrent resolution regarding the new agreements between Egypt and the United States and Israel and the United States?

Mr. PRICE of Illinois. I really do not see any reason for a concurrent resolution at this stage, because when the agreements are submitted to the Joint Committee on Atomic Energy the House will be notified and the other body will be notified. The Joint Committee on Atomic Energy will hold open hearings on these agreements and all Members will be notified in time if they wish to testify on the agreements and they will be permitted to do so, and then the committee within 30 days, under the legislation we are considering, would be compelled to report to the House and to the other body for either approval of disapproval.

Mr. WOLFF. I understand from the gentleman then that there will be hearings on the new agreements?

Mr. PRICE of Illinois. Definitely. Contrary to the prevailing view with few exceptions every agreement that has been entered into in the field of nuclear energy with other nations has been subject to hearings and open hearings. There have been rare occasions when they were not, and there was no particular reason why they were not except at the time they were not considered that important and there was not significant enough interest that anyone sought hearings on them.

Mr. WOLFF. I thank the gentleman. In view of the sensitivity of the situation in the Middle East, I am happy to learn that hearings will be conducted. I congratulate the gentleman on bringing the bill to the attention of the Members.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from New York.

Mr. ROSENTHAL. I had a question. Mr. Chairman, I appreciate the diligence with which the gentleman has pursued this matter. I know the committee has done a very good and thorough job. I still do not understand why it would not be more in order or would not be more appropriate, rather than have sort of a veto by the Congress, rather than approve the amendment of the gentleman from Maryland (Mr. LONG), to have affirmative action required by the Congress. It sort of puts a greater burden on us. It will require a little more effort, a little more attention by all of us; but I would think with the high risk involved, not only in these two situation, but in others that will follow on, why we would not be willing to meet our responsibility to hear, to digest and understand these questions. Does the gentleman get the point of the question?

Mr. PRICE of Illinois. I get the point of the gentleman. We are limited in time, but I would like to allay the gentleman's fears. The legislation under consideration provides that we report to the House within 30 days, before the 60 days expires. If any Member of the Congress wanted to offer a resolution of disapproval, he certainly could. We are not putting that in here, because the gentleman is talking about a lot more than the type of agreements between Israel and Iran and Egypt. The gentleman is talking about research reactors scattered all over the world. If we had to have action every time one of these agreements was made with these small 5 megawatt reactors, we would do nothing but add to the nuclear energy problem.

Mr. ROSENTHAL. Could we have it beyond the 5 megawatts?

Mr. PRICE of Illinois. I think we were extraordinarily cautious. I think it is possible to have a concurrent resolution on any agreement under the provisions of this act that we are working on today.

Mr. ROSENTHAL. I assume the gentleman would agree that giving these reactors both to Israel and Egypt is giving them a part of the world's trouble with all its turmoil and high risk.

I am not suggesting that the gentleman's committee is not paying attention to it; but I do think if our Government had to go the other way in affirmative action by the Congress, there would be greater safeguards.

Mr. PRICE of Illinois. Since I have promised time to another I do not want to take any more time on this. Under the 5-minute rule I will be glad to debate the matter with the gentleman.

I now yield 5 minutes to the gentleman from Washington (Mr. MCCORMACK).

Mr. McCORMACK. Mr. Chairman, I want to speak to a couple of points that have been made here during the discussion in the last 5 or 10 minutes and see if I can help shed a little light on this subject. I want particularly to speak to the expression of deep concern by the gentleman from New York who has just now recommended positive action by Congress. I want to say that I very much share his concern with respect to safeguarding nuclear reactors that we sell to foreign countries.

I think there are several points we should understand, however. One is that no action by this Congress is going to provide absolute control over the development of nuclear reactors in other countries. The United States is not the only exporter of nuclear reactors. The reactor the Indians used in their explosion was bought from Canada. In fact, we do not even make that kind of reactor in this country.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from New York.

Ms. ABZUG. Who supplied the heavy water, however, for that Indian reactor?

Mr. McCORMACK. I cannot answer the question of the gentlewoman for certain, but I suspect it was the Canadians.

Ms. ABZUG. I am advised we did in 1956. We sold to India 42,000 pounds of heavy water at a cost of $1,176,000.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, insofar as the supply of heavy water is concerned, in the beginning what is now called heavy water was supplied by the United States, but subsequently and for quite some time India has had its own heavy water manufacturing capacity. They do it domestically in India.

Mr. McCORMACK. The rationale behind my response was that the Canadian Government, because it manufactures and exports reactors requiring heavy water, and presently manufactures and exports heavy water, was the probable vendor in the case of their reactor.

The next point I wish to talk about is the 5-megawatt thermal threshold. It makes sense to set a threshold someplace, because one can make extremely small reactors which are obviously no hazard with respect to producing weapons materials.

Setting a 5-megawatt thermal threshold makes it virtually impossible to make a weapon. A normal nuclear power reactor produces about 4,000 thermal megawatts. Thus, a 5-megawatt reactor is about one-thousandth of that size. It is very small by comparison.

Ms. ABZUG. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I am very concerned about the limitation and exemption of reactors under 5 megawatts.

For example, Dr. Henry Kendall, professor of physics at MIT, testified before one of our subcommittees. He testified that a simple implosion bomb requires from 1 to 8 kilograms of plutonium, depending on design. A 5-megawatt reactor, if operated 300 days per year, would produce 1.35 kilograms of plutonium per year, or 4.05 kilograms over a 3-year period—enough to manufacture a bomb.

So I think these are not toys we are dealing with. I appreciate the fact that the gentleman from Washington is a scientist and a physicist with a good background and I am just a simple lawyer and Member of Congress. But I am frightened and concerned, perhaps because I am just a simple lawyer and Member of Congress.

If we are going to require the approval of the Congress, why should we exempt reactors of 5 megawatts or less.

Mr. McCORMACK. Mr. Chairman, I am glad to answer the gentlewoman from New York. The reason, of course, is that the Joint Committee on Atomic Energy has always been informed of the export of research reactors, and this information has been available to Congress. The committee has seen no reason to take the time of Congress to review the export of such research tools.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. HOSMER. Mr. Chairman, I yield 3 additional minutes to the gentleman from Washington.

Mr. McCORMACK. Mr. Chairman, let me make one more point, and then if the gentleman has a question I shall be glad to answer it. I want to make just this one fact clear in our minds.

If we control the fuel from a nuclear reactor, both before it goes into the reactor and after it comes out, then we control whether or not weapons will be made. Under the agreements we can write with any country, we can control that fuel to any degree we wish. For instance, we can put it under international safeguards which may allow for reprocessing of the fuel in that country, in which case they may have access to it; or we can require that the fuel elements be shipped out of the country and then processed some place else, in which case they have no access to it at all.

With respect to the agreements with Israel and Egypt that are coming before us under this act in the future, I have already indicated to the members of the Joint Committee and to the Atomic Energy Commission that I will insist that the United States physically control those fuel elements both before they go in the reactor and after they come out of the reactor.

Therefore, there will be no way for any of these countries, short of breaking off diplomatic relations with us and undertaking what would very nearly be a hostile act, to get control of the materials. Those fuel elements can be shipped out and reprocessed in this country or in Brussels, under which conditions the host country would have no access whatever to them.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. This is quite a different circumstance, though. Have not other countries taken our technology, taken our materials, and then booted us out and went on and did what they wanted to do? This has happened to us. It has happened to the Russians.

Is not the gentleman concerned about the use of very small reactors by terrorist groups who may grab them? It is perfectly true that they are not going to declare a major war with all the material accumulated.

Mr. McCORMACK. I will go back to what we said before: There is no way to put the cap back on the bottle of the nuclear genie. That cap was taken off in 1942, and it is never going to be put back on again. We do not have exclusive control over other nations' nuclear programs. No country in the world has control over the manufacture or sale of reactors. If it did, then the gentleman's point would have great validity.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. The point I want to make is that most of the countries who are dealing with these other sources of nuclear reactors and nuclear power are getting their know-how and their expertise from the United States. For example, France reactor technology is United States-licensed from General Electric and Westinghouse, and Japan and Italy, like France, both have U.S.-licensed reactor technology.

Mr. McCORMACK. I will say that the gentleman is completely in error.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. HOSMER. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, I viewed our President's promise to provide Egypt and Israel with nuclear reactors with a sense of incredulity.

The proliferation of nuclear technology has always been risky, but it is particularly alarming in this case due to the volatile history of the recipients.

In a section of the world where the threat of terrorist activities is part of the way of life, the potential for sabotage in a nuclear powerplant is very real.

Contemplate the ramifications of ignorant and desperate men gaining control of nuclear materials.

We must eliminate such possibilities, not encourage them.

India's ostensibly "peaceful" explosion of a nuclear device is one frightening example of how knowledge of nuclear technology can be used to develop a power capable of massive destruction.

Even atomic energy advocates of the proposed sales of nuclear reactors, admit there is no positive guarantee that safeguards will work—that nuclear fuel will not be diverted for use in the development of a nuclear bomb.

It is urgent, therefore, that any decision to grant nuclear aid to any foreign country should be tightly controlled and thoroughly considered by Congress.

In view of increasing demands for new energy sources, it is predictable that nuclear technology will be made available to more and more countries during the years to come.

We, therefore, must not be reckless or offhand about agreements involving nuclear aid.

Such agreements, if not carefully monitored, can too easily be violated.

And the nuclear technological knowledge we have shared, with faith in its intended application for constructive purposes, can be turned instead into a powerful means for belligerent action.

The critical decisions involving the proliferation of nuclear technology will affect the future of all men.

For this reason I believe it is essential for Congress to be well-informed by the Joint Committee on Atomic Energy of all aspects involved in any agreement, and to have final say regarding the acceptability of all nuclear aid pacts.

The power to veto such Presidential proposals is not only essential, but a right clearly granted to Congress in the Constitution, with respect to foreign affairs.

I therefore give H.R. 15582 my full support, and for the sake of our fellow men, urge all my distinguished colleagues to do likewise.

Mr. HOSMER. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Chairman, I had not intended to take any time under general debate, but in view of the remarks that were just delivered here in the well by my very good friend, the gentleman from California (Mr. BELL), I think very briefly we should set within its historical perspective the issue that we are talking about this afternoon.

The United States—and this fact may have been mentioned earlier in the debate—has been, of course, for more than a score of years now committed to the dissemination of the benefits of the peaceful uses of atomic energy or nuclear energy, and we have formal agreements in this area with a number of countries on an individual, bilateral basis, and also in cooperation with two international organizations, the International Atomic Energy Association and the International Atomic Energy Agency.

Mr. Chairman, I thought it might be interesting to merely point out for the record that, excluding the reactors which are now located here in the United States, there are 518 reactors of all types in operation or under construction or planned in other countries around the world. In addition to that and in addition to our own country, the United States, there are six nations which have already entered the international market for nuclear power reactors. These countries are the United Kingdom, West Germany, France, Canada, Sweden, and the Soviet Union. In addition to the countries I have just named, Japan has actively bid on power reactor contracts overseas, and Italy has supplied components.

I have just mentioned that for the benefit of my good friend, the gentleman from California, and I wish to reassure him that really when we talk about this business of selling nuclear reactors to other countries—in this case Israel and Egypt—we are not talking about something that is new. There are 518 of these things around the world now, and 6 countries are engaged in this business.

As we found out the other day, when Iran bought five natural uranium reactors from France for $1.1 billion, there are other countries which are actively engaged in the dissemination of nuclear power. The United States is not doing anything dangerous in the sense that we are suddenly beginning to disseminate nuclear power in a manner that we have not already followed for more than 20 years. This may help, I think, to keep this discussion on a level plane, as I hope it will be.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, the fact that so many countries have this technology and that it has been disseminated is due to the fact that the United States has been so loose in its willingness to spread this technology around the world; is that not the truth of the matter? And this is because Congress has taken very little interest in these matters in the past?

Mr. ANDERSON of Illinois. Mr. Chairman, I cannot agree with the gentleman from Maryland. I respect the gentleman very much, but I could not agree with his characterization of this as a "loose" arrangement. We have some very carefully worked out, highly technical, bilateral agreements with these countries, providing for certain safeguards.

We do cooperate with and we are a member of the International Atomic Energy Association, one of the specialized agencies of the United Nations, and we do pay a great deal of attention to how these reactors are used and for what purposes, and we take pains to guard against the illegal diversion of enriched uranium and special nuclear materials for purposes other than peaceful uses.

So to say we are careless and indifferent, I think, is to simply ignore the facts that are now in the record.

Mr. Chairman, I append herewith a document which details the foreign suppliers of nuclear power reactors and gives some of the other important statistics:

FOREIGN SUPPLIERS OF NUCLEAR POWER REACTORS

In addition to the United States, there are a number of other countries which presently have the capability to supply large power reactors to foreign customers. A brief rundown on these countries follows:

United Kingdom—Supplied natural uranium reactors to Japan (166 Mwe) and Italy (150 Mwe) many years ago. Have been actively involved—without success to date—in efforts to sell advanced gas reactors and steam cooled heavy water reactors.

West Germany—Supplied 318 Mwe natural uranium heavy water reactor to Argentina; 692 Mwe water reactor to Austria; 920 Mwe water reactor to Switzerland; and 450 Mwe water reactor to Netherlands.

Canada—In addition to 40 Mwt research reactor, has supplied India with two CANDU type power reactors (220 Mwe each). Also supplied Pakistan with 125 Mwe natural uranium, heavy water reactor. Is also planning to supply 600 Mwe CANDU reactor to Argentina.

Sweden—Supplying 660 Mwe water reactor to Finland.

France—Supplied 480 Mwe natural uranium gas cooled reactor to Spain. Press reports indicate five power reactors will be supplied to Iran.

Japan—Has bid on foreign sales, but has not as yet sold reactor plant.

Italy—Has supplied large components and systems, but not complete reactors as yet.

Russia—Supplied two water reactors (880 Mwe each) to Bulgaria; two water reactors (834 Mwe each) to Czechoslovakia; and two water reactors (880 Mwe each) to East Germany. Also supplying two water reactors (440 Mwe each) to Finland.

In sum, six foreign countries (UK, West Germany, France, Canada, Sweden and USSR) have already sold power reactors abroad; Japan has bid on power reactors overseas, but has not sold one yet; and Italy has supplied components. It can be expected that additional industrialized countries will acquire this capability in the future. Further details are provided in the attached table:

FOREIGN REACTOR SALES BY NON-UNITED STATES FIRMS

Supplier country, firm, and reactor sales [1]

West Germany; Kraftwerk Union AG; Tulln, Austria.

West Germany; Kraftwerk Union AG; Borselle, Netherlands.

West Germany; Kraftwerk Union AG; Gosgen, Switzerland.

West Germany; Siemens AG; Atucha,[2] Argentina.

Remarks

Stiff competition in many foreign competitions, most of which U.S. vendors have won.

France; Commissariat a l'Energie Atomique; Vandellos,[3] Spain.

Remarks

No recent activity in foreign market but with rapidly building (U.S.-licensed) LWR manufacturing capability may be expected in future.

Sweden; ASEA ATOM; Olkiluoto, Finland.

Remarks

The Finnish sale was initial venture in foreign market. May be expected to continue to compete, especially in Europe.

Canada; Atomic Energy of Canada, Limited (AECL); Rapp-1 & Rapp-2, India.

Canada; AECL/Italimpianti; Rio Tercero, Argentina.

Canada; AECL; Kori-3 & Kori-4, Korea.*

Canada; Canadian General Elec.; Kanupp, Pakistan.

Remarks

Very active sales activity with significant interest especially from nations just going nuclear and with desire for fuel supply independence, local industry participation or political ends.

United Kingdom; none.[4]

Remarks

If UK can make domestic program decisions and get promptly underway, may be a world supplier. Especially likely if choice is US-licensed LWR.

USSR; Atomenergo Export; Loviisa-1 [5], Finland, Loviisa-2.

Remarks

Indications Soviets might be willing to supply reactors in West. LWR technology considered inferior, if Western technology equally available & politically acceptable to customer.

Japan: none.[6]

Mr. SMITH of New York. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I will be happy to yield to the gentleman from New York if I have time left.

Mr. SMITH of New York. Mr. Chairman, I thank the gentleman for yielding.

I wanted to ask a question, and perhaps it has been answered prior to my getting on the floor, in regard to India's recent explosion of a nuclear device which apparently India was able to manufacture from plutonium, or materials gathered from the Canadian nuclear reactor that it has had for some years.

Is India a member of the International Atomic Organization that is supposed to look after this sort of thing?

Mr. ANDERSON of Illinois. I believe yes, that is correct; India is a member of the IAEA. But, as I think the gentleman from California (Mr. HOSMER) explained a little earlier, this particular arrangement with Canada whereby this Canadian reactor was furnished to India, along with heavy water, was not under any safeguard agreement. So actually I do not think you can accuse India of violating any international agreement.

Mr. HOSMER. Mr. Chairman, if the gentleman will yield, as I pointed out, although India is a member of the IAEA, it is not a signatory of the Atomic Energy Treaty.

Mr. LONG of Maryland. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Mr. LONG of Maryland. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN (Mr. FORD). The Chair will state that he is sorry, but having announced the absence of a quorum, we will have to go through the quorum call.

The Chair again announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. PRICE of Illinois. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I think that the discussion here today indicates how serious are some of the problems that are inherent in the transfer of nuclear materials, a problem we have had for a long time but which has been dramatized by the recent proposed agreements between Egypt and Israel.

I do not share the optimism of some of the Members of Congress who have spoken about the fact that we can exempt all reactors under 5 megawatts. I previously quoted from Dr. Kendall, who says that one can manufacture a nuclear bomb with that material if one uses it for 3 years. I then pointed out to some members of the committee that between 1955 and 1973, the United States exported 105 nuclear reactors of all sizes and types, 58 of which were 5-megawatt size or smaller, so that by this exemption we are going to probably exempt half of all we may be exporting.

On the other hand, it has been argued by some of my colleagues that we do no longer export these smaller heavy water reactors. I want to inform you that, in the last 2 months, Canada has taken six orders for exports of heavy water and developed a new and efficent and cheaper method isolating and processing heavy water. I am sure that this event will call into play the great American spirit of competition, and before long we too will be exporting small heavy water reactors, as we did in the past.

I strongly support the amendment to be offered by the gentleman from Maryland (Mr. LONG), which will require the concurrence of both Houses of Congress on nuclear agreements. I have advocated such congressional approval and nuclear limitation.

I believe we have underestimated the impact and the effect of our continuing proliferation of nuclear reactors, nuclear materials, and nuclear weapons to the nations of the world. I can understand India wanting to get into the act, but the fact is that the real problem we confront here today—and I wish there were more Members on the floor—is, are we, by insisting upon exporting this kind of technology, going to blow up the world and blow ourselves up? We have never been willing to face that reality.

---

[1] Outside own country.

[2] A heavy water moderated type FRG neither user domestically nor actively markets in foreign countries but they did bid it (on request) as addition to LWR type in Brazil during the most recent project competition.

[3] The single foreign sale of a power reactor. This gas-graphite natural U reactor is of type abandoned by France for even its own domestic program. Sold to Spain under extremely concessionary terms.

* Only letter of intent.

[4] This ignores the early loss-leader sales of small plants to Italy (Latina) and Japan (Tsuruga-1).

[5] Only sale outside of Bloc.

[6] Have bid in international competition, but not recently. Only sale to date is turbogenerator for Mexican nuclear plants. If manufacturing capacity can keep ahead of rapidly growing domestic program, they may be active competition in future.

I am glad the committee is coming in with some proposal to bring before the Congress the agreements for the transfer of nuclear materials or reactors. But I believe it does not go far enough. We should require the affirmative concurrence of the House and Senate to any agreements. I would hope that the amendment which will be offered this afternoon will be agreed upon and acted upon favorably by this House.

Mr. HOSMER. Mr. Chairman, I have no further request for time.

Mr. PRICE of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. I thank the distinguished chairman of the Joint Committee for yielding, and I would like to commend him and the Joint Committee for recommending this legislation.

I think we have all been shocked by the proposals announced by the President for the granting of nuclear power reactors to Egypt and Israel. Those proposals were made without consultation with the Congress, and I think they have brought home to us the extreme sensitivity of this area and extreme danger involved in some of these proposals.

I recognize that this legislation would apply to those proposals and that the agreements themselves are a long way off. At the appropriate time, I will offer an amendment which would insure that without derogating in any way from the responsibility of the Joint Committee to report a resolution approving or disapproving agreements, the Foreign Affairs Committee and the Foreign Relations Committee would be required to submit their recommendations on such agreements within the same period of time that the Joint Committee is required to submit its report, namely, within 30 days.

Obviously, these agreements involve delicate questions of foreign policy, and it seems to me a way should be provided, a regular and routine way should be provided, so that the House and the Senate would have the benefit of the input of their respective committees which are primarily concerned with the international relations aspects.

The proposed agreements in the Middle East illustrate the point that, to the degree possible, all the international relations expertise should be brought to bear in the consideration of such agreements.

As was mentioned earlier, technical safeguards alone will not be sufficient. We will have to consider the impact on other nations and their desire for similar agreements, and we will measure the danger of a nation simply breaking the agreement and proceeding on its own.

Such considerations, surely, are considerations on which the Congress should have the benefit of the views of those committees that are studying all the time problems of international policy. That is why I will offer my amendment.

Mr. Chairman, I am authorized to say that the chairman of the Committee on Foreign Affairs (Mr. MORGAN) concurs in my amendment and will support it at the appropriate time.

Mr. HOSMER. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona (Mr. CONLAN).

Mr. CONLAN. Mr. Chairman, it seems foolish that a loophole in current law permits U.S. nuclear agreements with foreign nations without congressional approval if they are for supposed peaceful reasons, while requiring Congress to be consulted if nuclear weaponry is involved.

As we learned from India's recent nuclear detonation, there is a thin line indeed between simply generating electricity with uranium-powered reactors and exploding atomic bombs.

That thin line is plutonium, the trigger for deadly atomic bombs, which can easily be extracted by anyone wanting to build such bombs from the irradiated wastes of almost any atomic power plant.

In fact, the type of atomic reactor President Nixon recently agreed to sell Egypt and Israel last month is very similar to the one India bought from Canada about 20 years ago, and which provided the plutonium used in India's A-bomb last May.

But it is not enough for Congress simply to amend current legislation to provide for "approval-by-inaction" of nonmilitary atomic agreements with foreign nations . This is the same cop-out procedure Congress uses to let its own pay increases proposed periodically by the President slip by unnoticed.

Congress must make a specific "yes" or "no" decision on every proposed atomic deal if it is properly to insure that such deals are in the best national interest, and that adequate safeguards and controls are required before they are finalized and approved.

For instance, before any foreign buyer obtains nuclear materials and technology for producing electricity, I would expect Congress to require evidence that safer and more abundant energy sources were not available before transfer or sale of U.S. atomic fuel and know-how could be approved.

I would also expect Congress to make sure that foreign governments are required to sign and ratify the nuclear nonproliferation treaty before atom deals could be made with the United States; that foreign buyers are forbidden from diverting nuclear materials obtained from the United States to other parties; and that reprocessing of nuclear fuel obtained from the United States is done under U.S. supervision, at the buyer's expense, to insure that plutonium is not set aside for use in atomic weapons.

This proposed Long amendment, requiring Congress specifically to approve or disapprove all foreign nuclear agreements, is a necessary first step toward insuring these controls and safeguards. Congress has abdicated too much authority to officials at the State Department, the U.S. Export-Import Bank, and other Federal agencies, who in the past have authorized or funded atomic agreements and nuclear sales and projects without approval of the U.S. Senate and House of Representatives.

It is time to reassert our authority and to help limit the unnecessary spread of atomic materials.

Mr. BIAGGI. Mr. Chairman, I rise in strong support of H.R. 15582, a bill to provide a vehicle by which Congress can increase and better exercise its powers in foreign affairs, through concurring or disagreeing with all atomic energy agreements between the United States and foreign nations.

This particular piece of legislation is the culmination of an effort which I initiated more than 6 weeks ago. Immediately after the President's alarming announcement that he had entered this Nation into major nuclear technology agreements with Israel and Egypt, I introduced a resolution making it the sense of Congress that any nuclear technology agreements shall not be agreed to without the expressed consent of a majority of both Houses of Congress.

What this legislation does is take my original effort and carry it several important steps further by including the following provisions:

First. Increases from 30 to 60 days the period of time during which Congress can act to veto a nuclear agreement which involves a nuclear reactor larger than 5 megawatts.

Second. Provides that a congressional veto of such agreements can be achieved through a concurrent resolution rather than an act of Congress.

Third. Requires that the Joint Committee on Atomic Energy submit to the full Congress within 30 days a report either in favor of or against a proposed agreement and in the effect of a disagreement, a concurrent resolution expressing this shall accompany the report.

While it is true that this legislation was sparked by the recent Egypt-Israel agreements, the need for this kind of legislation has existed far longer. The fact is that the United States has entered into some 20 of these agreements without even an iota of advice from the Congress. None of these agreements were accompanied by even the most basic of safeguards, a tragic gamble, which in our present turbulent world, cannot be tolerated any longer.

The fallacy of not acquiring any effective safeguards in these kinds of agreements was clearly pointed out in the recent deal between India and Canada. Here we found an agreement supposedly for the peaceful use of nuclear energy suddenly violated when India took these materials and developed and exploded a nuclear weapon.

Our concerns here should be as genuine. Who can guarantee that a similar situation might not occur in the highly unstable and explosive Middle East. What assurances can be made, for example, that Palestinian terrorist groups might not steal these nuclear materials and use them to make nuclear weapons to destroy Israel?

The concerns and questions I raise are

not merely an exercise in hypothetical rhetoric, they are realistic concerns which deserve the attention of all of you today. This legislation represents an important first step, and I contend that these answers can be better found in an agreement which has been duly deliberated and ratified by both Houses of Congress.

Still another important purpose could be served with the passage of this legislation. For far too long the Congress has been forced to take a back seat on many of the key foreign policy decisions which this Nation has made. The executive branch has been systematically usurping traditionally legislative powers, thus allowing them to take unprecedented liberties in the conducting of foreign relations. Yet now we are talking about nuclear agreements, which if abused could have incredible consequences for the world community. We must not hasten into any of these agreements for we, as well as our children may have to live or die with these decisions.

It has been said that the future of man may rest with the development of nuclear energy—but in today's world with few means to control its use—it is a highly volatile commodity. I think it is time that we began to take a closer look at our activities in this field. Rather than expanding our commitments, perhaps we should be limiting them. Rather than disseminating the nuclear materials, perhaps we should make certain that they are not as available.

Whatever the case, this legislation will insure that more views are entered into the determination of the merits of these agreements. If you wish to restore a balance of power in this Government and if you want to give all nuclear technology agreements full and careful deliberations, then I strongly recommend your support of this legislation today.

Mrs. SCHROEDER. Mr. Chairman, recent events have reawakened a serious concern about the wholesale proliferation of nuclear weapons.

Since the beginning of the atoms for peace program initiated in the 1950's by President Eisenhower, the United States had quietly concluded agreements with over 30 countries for assistance in the development of nuclear power. Then on May 18 India detonated a 14-kiloton device. This poverty-ravaged country, despite its limited technological and fiscal resources, was able to construct a nuclear explosive device by diverting plutonium from an electricity generating reactor provided to them by the Canadian Government under "stringent safeguards." On the heels of this shocking event President Nixon announced proposed agreements to supply Egypt and Israel with the same type of power reactors. Each of these 600 megawatt reactors is capable of producing enough plutonium each year to power up to 50 atomic bombs.

Up to this time Congress has had virtually no say on the number or extent of these agreements. Although we can reject agreements for military exchanges under section 123(d) of the 1954 Atomic Energy Act, we have no such power over agreements for peaceful purposes. As India's diversion has made apparent, that distinction is now academic.

The legislation before us today is an attempt to restore these powers of review to Congress. I commend Chairman PRICE and the Joint Committee for their timely action, which gives us a chance to institute congressional authority before the negotiations with Egypt and Israel are completed.

It is essential that Congress have a full voice in approving these agreements of such potential import. The Mideast proposals especially raise significant questions which must receive full debate and responsible action in both Houses of Congress. There is no assurance that the long-prayed-for peace in this volatile area is secure, or that a change in governments would not bring a repudiation of the safeguard agreements. The risks of diversion into nuclear weapons, sabotage or theft by terrorists, or a military strike on a nuclear plant in the event hostilities are resumed are all to grimly obvious. We must also consider the wisdom of exporting a technology which is not accepted as completely safe in our own country. One of the touted safeguards to prevent diversion of plutonium for military use is to have the fuel rods returned to the United States for reprocessing. But there is no guarantee that this highly radioactive material can be safely transported even within this country, a danger that is compounded by moving such material abroad. Another question we must address is why, in the first place, we are providing nuclear powerplants to the oil center of the world. It is interesting to note that President Eisenhower, in his Atoms for Peace speech before the United Nations in 1953, stated that one of the primary purposes of the peaceful exchange of nuclear technology "would be to provide abundant electrical energy in the power-starved areas of the world." Egypt, with sufficient oil and the Aswan Dam hydroelectric generator now operating at only half power—5 billion kilowatts—hardly qualifies. We should at least explore the alternatives of assisting these countries in the development of other forms of energy which are safer and more environmentally sound, such as solar power or fuller development of hydroelectric power.

Unfortunately, the bill before us does not insure that Congress will have a chance to pass on these serious questions. Under H.R. 15582 proposed agreements will go into effect automatically after the 60-day layover period unless there is a negative vote in both Houses. There are no safeguards to prevent a filibuster or other procedural delay from preventing action within the necessary time period. Approval by just one House would likewise insure automatic approval.

These deficiencies could be corrected by providing that either House may veto a proposed agreement by simple resolution within the 60 days, or at least instituting safeguards against procedural delays. Passage of H.R. 15582 without any strengthening amendments will be an almost meaningless gesture.

Mrs. GRASSO. Mr. Chairman, nuclear technology is not something which should be dispensed frivolously. It is potentially the most destructive knowledge known to mankind today.

The transfer of nuclear technology on an international level should be highly sensitive business and must not be conducted like an exchange of business machinery. When engaging in such high-level negotiations, the United States should act only after careful consideration has been given by the Congress to the proposed technology transfer.

Unfortunately, under present law, that does not occur. The transfer of "peaceful" nuclear material is not subject to the same stringent safeguards as the transfer of "military" nuclear technology. H.R. 15582, the bill now before us, would extend these safeguards to include large, peaceful nuclear reactors. Under the language of the bill, the Joint Committee on Atomic Energy would be required to submit a written report approving or disapproving the proposed agreements concerning large nuclear reactors. Congressional disapproval of the proposed agreement by a concurrent resolution would bar its execution.

Mr. Chairman, these are times when the proliferation of nuclear weapons is not a distant fear but rather a terrible reality. Recently, an important "neutral" country which cannot feed its own people exploded a nuclear device. In addition, the President promised nuclear reactors—which could produce material for nuclear explosives—to two major participants in the smouldering Mideast conflict.

In these times of sensitive, and carefully achieved strategic relationships, we should not encourage new players to join, and possibly upset, the existing balance of terror. Therefore, the Congress must play a more active role in the serious field of atomic power. If this proposed amendment to the Atomic Energy Act becomes law, then the will of the people—expressed through their elected representatives—could prevent the transfer of nuclear technology which might proliferate nuclear arms in areas of continued international instability.

Clearly, the world has evolved to the point where every exchange of nuclear information and technology—whether peaceful or military—has enormous repercussions. We must weigh all of our high level nuclear negotiations with the greatest of care. The passage of H.R. 15582 would assure this reflective element in the decisionmaking process. I strongly support the bill.

Mr. KEMP. Mr. Chairman, I rise in support of the bill pending before us, H.R. 15582. If enacted into law, this bill would establish a procedure for enabling the Congress to concur in—or to disapprove—each of the international agreements proposed to be entered into between the United States and a foreign country which would result in us helping them build nuclear powerplants.

I support this measure for several reasons.

First of all, I think the principal embodied in the bill—that the Congress, as the elected representatives of the American people, ought to have a greater voice on those matters which affect the peace and security of the world—is an important one.

No matter how worthy the motives of those who have made—and will make—such commitments on behalf of our Government, the Congress ought to have an established procedure for review of the merits and risks involved with each particular project to be undertaken pursuant to such agreements. I take this opportunity to commend the President and to laud the Secretary of State for the strides which have been made by the United States—under their leadership—in securing a more durable peace in the Middle East.

But, in our system of checks and balances and equal branches of government, the Congress has a similar duty and responsibility to insure the peace and to foster the security of peoples against aggression, measures which cannot be more adequately insured when the substance which forms the mass for nuclear weapons—plutonium—is manufactured as a byproduct of the operation of nuclear powerplants, and is, therefore, accessible to any nation which has shown a disregard for preserving the peace.

In our constitutional system, and this is my second reason for supporting the bill before us, the Congress—acting through the Senate—is given the power to pass upon formal treaties entered into through negotiations of the Executive. The Senate exercises the advice and consent function of the Congress as to treaties and must approve them by a two-thirds affirmative vote.

Similarly, the Congress under article 1, section 8, of the Constitution has the power to regulate commerce between the Nations, a power carried out not only through the Senate's advice and consent power but also through the separate authorization and appropriations processes of both Houses—the House and Senate.

It is in keeping with these constitutional powers and the spirit embodied in them, that the Congress ought to be afforded the opportunity to pass upon the substantive merits of all treaties involving nuclear power.

And, we are considering a major question affecting the peace, when we consider agreements like those negotiated with both Israel and Egypt during the President's and Secretary's recent official travels there. This is my third reason for supporting the bill before us. The two agreements now pending—Egypt and Israel—reflect the seriousness of such considerations.

During his trip last month to the Middle East, the President announced the intention of the administration to assist Israel and Egypt with their separate electric power generation programs by supplying each with a 600-megawatt—600 million watt—light water reactor, together with the nuclear fuel necessary for its operation.

Contracts for actual purchases by Egypt and Israel hinge on successful negotiation of international agreements with each, including safeguard arrangements. The development of nuclear power in both these countries is important to developing the resources with which to build their respective economies—which, taken by itself, is a worthy goal.

But safeguard standards must be considered as extremely important by us. Why? Because of the risk that plutonium—as a byproduct of nuclear fission within the reactors—may be secretly extracted from the spent fuel after it is taken from the reactor. A 600-megawatt reactor—as proposed in these agreements—produces about 275 pounds of plutonium each year of operation. That is enough material for about 20 crude nuclear weapons if used for such a purpose.

Safeguards are also needed to protect against theft of the material by terrorist groups.

Although final agreements have not yet been negotiated, Egypt and Israel have already signed preliminary sales contracts for fuel with the U.S. Atomic Energy Commission—AEC. The AEC had set a June 30 cutoff date for fuel contracts because of the tight supply of enriched uranium.

Present law—the Atomic Energy Act of 1954, as amended—requires agreements for export of nuclear reactors or materials to follow a prescribed procedure. The AEC must submit a proposed agreement together with its recommendations to the President for approval of the export of the reactor or materials.

After the President makes a written determination that the agreement will promote, and will not constitute an unreasonable risk to, the common defense and security, he must submit the proposed agreement—along with his approval and written determination—to the Joint Committee on Atomic Energy, a joint House-Senate committee of the Congress.

At this point, however, the law differentiates between military agreements for peaceful cooperation. An agreement for peaceful cooperation may take effect 30 days after it has been submitted to the Joint Committee. There are no special provisions for a congressional disapproval procedure regarding those peaceful agreements. Agreements for military cooperation, on the other hand, are subject to more lengthy congressional consideration—60 days—and may be prevented from going into effect if Congress passes a concurrent resolution of disapproval within the 60-day period.

The bill before us would amend the Atomic Energy Act to revise the procedure for congressional treatment of those proposed international agreements for peaceful cooperation in nuclear energy involving a reactor of more than 5 megawatts and special materials associated with it. This means that the Presidentially approved agreement must be submitted to Congress for a 60-day review period and will not take effect if Congress within that period passes a concurrent resolution of disapproval. The same procedure will apply to proposed amendments to agreements. In the simplest of terms, congressional review is insured for virtually all agreements—for all military and for almost all peaceful cooperation ones.

The administration does not support this bill. I cannot agree with them on this matter. In a manner not too dissimilar from the constitutional requirement of the Senate to advise and consent on treaties negotiated by the President and administration, I believe we should have a similar statutory review mechanism for those agreements negotiated by the President and administration involving nuclear energy—military or peaceful.

Considering that the prime ingredient of nuclear weapons—plutonium—is an unavoidable byproduct of all nuclear fission of this type—no matter how benevolent the purpose of the power generation, and considering the need to stabilize and reduce world tensions by curtailing, to the degree warranted, the proliferation of offensive weaponry, I think Congress should exercise this oversight function. I think it would well serve the cause of peace.

I urge the enactment of this bill.

Mr. WOLFF. Mr. Chairman, I rise in support of H.R. 15582, to enable Congress to concur in or disapprove executive agreements involving the transfer of nuclear technology. I would also like to commend the Joint Atomic Energy Committee, and its distinguished chairman, Mr. MELVIN PRICE, for their expeditious work on this legislation, in getting it to the House floor as promptly as possible.

The basic intent of H.R. 15582 is drawn from legislation which I introduced last month which would subject disapproval power by the Congress. A list of the 23 Members who cosponsored my bill follows my remarks. I introduced this measure in response to the President's pledge to provide nuclear technology to Egypt and Israel. I feel very strongly that American nuclear technology must not be introduced into other areas, and certainly not into the world's most volatile area, the Middle East, without the most careful scrutiny by the American people and their representatives in Congress. The intent of my bill, and the legislation before us today, is to insure the utmost caution and deliberation before we add new members to the "nuclear club."

India's recent nuclear blast confirms the fact that the capability of developing nuclear weapons has become more widespread. Nuclear power designated for peaceful uses can be diverted toward military ends. I feel that this body should view with considerable concern this new medium of exchange in international foreign policy, whereby nuclear technology has been substituted as a bargaining tool in place of dollar assistance. Congress serves as the guardian of the best interests of the people of the United States. Certainly, the proliferation of nuclear technology carries the potential to run counter to the well-being of this Nation. We would be shirking our responsibility, both as a coequal branch of Government and as representatives of the American people, if we failed to pass this bill.

The volatile nature of the Middle East raises grave concern that the introduction of nuclear power may serve as a prelude to an extremely destructive force that may ultimately jeopardize U.S. security. The rise of terrorism in the Middle East throws an even graver pall over the President's pledge to provide nuclear technology. What kind of nightmare would enfold should the nuclear technology we are providing ever reach the hands of terrorist forces? Once the nuclear chain is started, it is beyond our control. We may indeed trust the word of President Sadat and Rabin, but we have no assurances from those who may follow in their footsteps. We cannot afford to play nuclear roulette whatever the prize.

I urge my colleagues to support H.R. 15582 and then to exercise the power which this legislation provides to insure a searching review of the potentially far reaching accords which the Executive has proposed.

Cosponsors of the Wolff bill, H.R. 15453, to subject nuclear technology agreements to a disapproval power by the Congress.

List of Cosponsors

Representatives Abzug, Addabbo, Badillo, Conyers, Ford, Froehlich, Grasso, Grover, Gude, Hechler of West Virginia, Heckler of Massachusetts, Holtzman, Lehman, Metcalfe, Moakley, Nedzi, Rinaldo, Rose, Rosenthal, Roybal, Seiberling, Waldie, and Yatron.

Mr. PRITCHARD. Mr. Chairman, I am supporting H.R. 15582 because any international agreement involving nuclear aid should be subject to public scrutiny and congressional review.

This Congress is now aware that the President's "statement of intent" commits us to the sale of nuclear reactors and fuel to Egypt in quantities sufficient "to guarantee substantial additional quantities of electrical power to support its growing development needs." Bilateral negotiations for this atomic aid are already proceeding. Similar arrangements have been worked out with Israel, which has had a bilateral nuclear research treaty with this country since July 12, 1955.

State Department officials assure us that in the bilateral negotiations the United States will require safeguards to prevent diversion of radioactive byproducts for the construction of nuclear weaponry. This is supposed to include international inspection and provision that byproducts be properly disposed.

But Mr. Chairman, I seriously question the wisdom of introducing nuclear power of any sort to an area so politically unstable as the Middle East. I wonder whether any safeguards can reasonably insure us that we will not just be fueling the fires of conflict and heightening the instability of the area.

This nuclear aid agreement disturbs me greatly when I consider that the plutonium byproducts of a nuclear energy powerplant can be diverted for the construction of nuclear weaponry with relative technological ease. U.S. Atomic Energy Commission officials indicate that the raw materials for the bomb India exploded just this year came from a Canadian plant, similar to those that are proposed to be constructed in the Middle East.

Now I do not doubt that the goal in offering nuclear aid is a positive one with a reasonable rationale. As a nation we must be willing to demonstrate our desire for peace and concern for the people of the Middle East in practical, constructive terms.

A valid argument can be made for Egypt's need of greater electrical power by 1980. With the largest Arab population increasing at a 3-percent growth rate, power from the Aswan Dam and lesser facilities will be insufficient to meet the growing power needs of the people in the near future.

When nuclear power becomes one of the bargaining tools, our zeal for settlement must be tempered with deliberate caution. Unfortunately, nuclear power is principally a force for destruction. Until I am convinced that sufficient safeguards on nuclear power in the Middle East are even possible, I cannot favor such aid.

Considering these high stakes, H.R. 15582 is a necessity to insure crucial congressional and public scrutiny in any nuclear agreement. Congressional approval—at least Senate confirmation—must be a requirement.

I do not believe that Congress should act as an obstacle to foreign policy initiatives or retreat into an isolationistic posture. But it would be a disservice to give anything less than full review to international agreements involving nuclear power.

Congress must have a role in all international agreements in which the United States plays a major part. Congress should be kept abreast of current developments in these negotiations. Often such negotiations involves agreements—whether nuclear or monetary in nature—or other concessions and terms that must be subject to the approval or at least the cognizance of the Congress. The thinking of Congress should be sought during negotiations to insure that agreements do conform to the wishes of the people.

Mr. Chairman, lest I sound overly negative, would point out that I believe prospects for a permanent peace in the Middle East appear brighter today than in a good many years. The role of the United States has, for the most part, been a positive one, encouraging the first fragile sprouts of what we hope will be a new era of understanding in a land where at times only guns have spoken.

The recent disengagement between Israel and Syria should be recognized as a diplomatic triumph. The procurement of this agreement after 28 exhausting days of intense negotiation stands as a tribute to the personal diplomacy of Secretary of State Henry Kissinger, and his perseverence in the face of what many considered insurmountable obstacles.

I am hopeful that this Government will continue its progress toward peace, not only in the Middle East, but also in other areas of the world. The effort for peace is never ending, and one that requires constant vigilance. Someday, with proper diligence, nuclear power, in spite of its destructive potential, may be a generator of peace and cooperation for our friends in the Middle East and the rest of the world. However, that day is not here yet for the Middle East.

This Congress must accept its responsibility and pass H.R. 15582.

Mr. DRINAN. Mr. Chairman, I rise in strong support of the amendment in the nature of a substitute offered by the distinguished gentleman from Maryland (Mr. Long). A substantive revision in the statutory procedures for approval of nuclear aid agreements with foreign countries is long overdue. In 1954, when the Atomic Energy Act was signed into law, few Americans contemplated the possibility of sophisticated nuclear technology proliferating into scores of industrialized and less-developed nations throughout the world. Given a nuclear reactor and, perhaps, a little technological assistance, numerous nations now have the capacity to produce a nuclear weapon which could kill millions of people and contaminate a sizable land area for thousands of years.

The problem of nuclear proliferation has been made more acute by two dramatic developments occurring within the past several months. On May 18, India detonated a nuclear device using plutonium fuel siphoned off from a nuclear reactor provided by Canada. India called its nuclear detonation peaceful, but the fact is that this action seriously raised tensions in a part of the world which only recently was the scene of all-out warfare.

An event with even greater implications took place on June 14 when President Nixon announced that the United States would sell a nuclear reactor and related materials to Egypt. Three days later, President Nixon agreed to provide similar aid to Israel. Many Americans, in and out of Congress, were understandably shocked by these Presidential pronouncements. Only a few months after a tenuous peace had been secured in the volatile Middle East, stability between Israel and its neighbors was being seriously jeopardized. As the Jerusalem Post pointed out in an editorial of June 18:

> One more element of danger and uncertainty has been injected into a situation that will not necessarily always remain under U.S. control.

It is the specter of nuclear war in the Middle East, waged by both sides using American plutonium, which has led to an expeditious reassessment of our procedures for approving nuclear aid agreements. Present law, in effect since 1954, requires no congressional authorization for any nuclear assistance provided to foreign nations. A proposal for military aid can be killed through concurrent resolution passed by both Houses within 60 days, but no such authority for congressional rejection exists in the case of proposed agreements for "peaceful purposes." Senator Pastore, vice chairman of the Joint Committee on Atomic Energy, observed during debate in the Senate on July 10:

> Under the present law, the Joint Committee cannot do very much about it. [The proposed agreement.] All we do is hold hearings. We have the arrangement inserted in the Record and that is where it stands.

I consider it an outrage that the American people, through their elected representatives in Congress, have no power to decide for or against granting nuclear assistance to nations in the Middle East. With the potential power to blow nations off the map at stake, more than the executive branch should participate in making such decisions. The legislation reported out by the Joint Committee on Atomic Energy does go far toward restoring Congress to its rightful place in this decisionmaking process. The adoption of H.R. 15582 will at least give Congress the power to say "no" to most nuclear aid agreements, rather than only those which have been identified as "military" in nature.

Yet legislative authority in our system of Government means more than merely the power to say "no." Unless both Houses of Congress explicitly approve a proposal before it, that proposal cannot become law. The committee bill does not give Congress a full voice in ruling on nuclear assistance agreements. Under its provisions, the failure of either House to explicitly disapprove a pending agreement within 60 days would permit that agreement to take effect. This unusual procedure would permit Congress to legislate through inaction or disagreement.

Moreover, small reactors would not be covered under the committee bill. Over a period of several years, plutonium collected from such a reactor could be used to produce a nuclear weapon. Given this possibility, congressional authority over nuclear aid agreements should not be dependent upon the size of the reactor involved.

The substitute bill introduced by Congressman Long, which I have cosponsored, would plug the loopholes contained in the committee bill. The Long substitute requires that both Houses of Congress must approve a proposed agreement for nuclear aid before it could be implemented. The substitute covers all forms of nuclear aid, irrespective of magnitude or expressed intent. Under its provisions, American nuclear aid will not be given to any foreign country unless Congress gives its positive consent.

The justification for such legislation is clear. Under the Constitution, the most minor piece of legislation must gain the approval of both the House and Senate before it can become law. If the two Houses disagree or if either House fails to act, the legislation dies. Why should an area as grave as nuclear aid be subject to a more lax legislative process? Why should our constitutional power to say "yes" be compromised in matters which warrant the fullest possible legislative consideration? I urge my colleagues to join me in voting for this amendment to provide the American people with the authority in this momentous area which is rightfully theirs.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 123 d. of the Atomic Energy Act of 1954, as amended, is revised to read as follows:

"d. The proposed agreement for cooperation, together with the approval and determination of the President, if arranged pursuant to subsection 91 c., 144 b., or 144 c., or if entailing implementation of sections 53, 54, 103, or 104 in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith, has been submitted to the Congress and referred to the Joint Committee and a period of sixty days has elapsed while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days), but any such proposed agreement for cooperation shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed agreement for cooperation: *Provided, however,* That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed agreement and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed agreement for cooperation."

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Long of Maryland: Page 2, strike out all after "therewith," in line 3 down through line 19, and insert in lieu thereof the following: "shall have no force or effect unless and until specifically approved by Act of Congress.

Mr. LONG of Maryland. Mr. Chairman, the purpose of my amendment is very simple.

The Members will notice that the bill, as presented by the committee, is a rather long one and tries to meet all sorts of situations; but mine, on the other hand, is very simple. It simply says that no nuclear agreement shall take effect until it is approved by Congress, instead of saying that nuclear agreements can be made unless we move to stop them.

As I pointed out before, the United States has sold nuclear reactors to 33 countries, of which 21 have not ratified the Nuclear Non-Proliferation Treaty.

Not one of these agreements has ever come to the floor of this Congress, to either body, for debate.

The purpose of my amendment is to make sure that every agreement comes to the House for debate.

I feel that the real integrity in the Government of the United States is on the floor of Congress. Here is where everything is done, and it is done in the light of the public, with the press listening and the whole world watching. This is the place where everyone can know what is happening to the country and to the issues which may determine the future of the world.

Mr. Chairman, I pointed out previously that once a country gets nuclear power and other countries suspect it is going to go on into nuclear weapons, it becomes politically and absolutely impossible for that other country to avoid going after nuclear weapons itself. First, they have got to get nuclear power. The people in the country, including all the opinion leaders, will insist that they do it.

Therefore, we must do something to bring greater control to Congress, because we might get this chain reaction which could touch off a war which could destroy us all.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I would be glad to yield to the gentleman from New York.

Mr. ROSENTHAL. Mr. Chairman, I agree with the gentleman's amendment. I think it is a very useful amendment.

I think it is important to point out that in the past many of the reactors that we gave or sold were disseminated under other conditions, and the agreements that were made thereunder were made under much more peaceful and more tranquil conditions than we now have. The reactors we are talking about would go to the Middle East, which for the past generation has been an inferno. This requires a far more cautious and a more prudent consideration.

Mr. Chairman, it seems to me the way Congress can meet its responsibility is merely to say that these agreements have to be brought before Congress and an affirmative vote is required before an agreement can be entered into. I cannot see any logical agrument against that position.

Mr. LONG of Maryland. Mr. Chairman, I am glad the gentleman feels that way.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, the gentleman is proposing an amendment that may settle a question that has always troubled me about this kind of language.

The language of the bill and of the act which it amends provides that it is necessary to interpose a concurrent resolution in order to stop the disseminating of such nuclear materials.

I have always been concerned about the provisions of Article I, section 7, of the Constitution of the United States, where in the second sentence the article states as follows:

> Every Order, Resolution, or Vote to which the Concurrence of the Senate and House of Representatives may be necessary * * * shall be presented to the President of the United States; and before the Same shall take effect, shall be approved by him * * *.

Now, it would seem to me that a literal reading of the Constitution would permit the President in all instances to veto the concurrent resolution, subsequent to its passage.

Mr. LONG of Maryland. Mr. Chairman, I agree with the gentleman. I pointed out to the Members in general debate that this whole thing could collapse at the time we need it the most.

Mr. ECKHARDT. Exactly.

Mr. LONG of Maryland. There has never been an occasion in which this concurrent resolution has been upheld constitutionally without a Presidential signature.

Mr. ECKHARDT. And, of course, quite obviously the President is proposing the proposition in the first place, so one might expect his veto. Does the gentleman not agree?

Mr. LONG of Maryland. Yes, I agree with the gentleman.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I would like to join with the gentleman from Maryland in support of his amendment. I think this is something that deserves the full attention of the Congress and not just our negative action.

I have heard the explanations made by the State Department as to the safeguards and how they would work, and yet when it comes to a full explanation, we are not satisfied. We have asked them and I have asked them at various times: "What happens to these safeguards if we are not in the country any more? What happens if we are not in Egypt at the time and we may not be there in the future?"

Mr. Chairman, I think Congress should take a look at this situation.

Mr. Chairman, serious questions exist in consideration of today's legislation, both in the area of checks and balances within our Government, and the spread of technical nuclear assistance for supposedly peaceful purposes.

The recent explosion of a nuclear device by India should be a message to this Congress: It is all too easy to convert nuclear energy technology into nuclear weapons technology.

Plutonium, the substance used to develop nuclear weapons, is a direct byproduct of nuclear reactors, such as the ones recently offered to Egypt and Israel. The need for strong safeguards to protect against the misuse of plutonium is obviously necessary. The present safeguards are ambiguous. They may not adequately protect the world from the possibility of plutonium getting into the wrong hands.

It is time to put a check on Executive power with regard to nuclear agreements. We have already armed half the world with conventional weapons—let us not do the same with nuclear material. We must make sure that nuclear materials do not wind up in the wrong hands: One way to help do this is for the Congress to be involved in the decision.

The complexity and consequences of the issues at stake compel a reasonable government to take a reasoned approach to this situation. Common sense dictates that the introduction of material which could lead to nuclear weapons in an area that the President describes as a "powder keg," deserve, at the bare minimum, very careful scrutiny and explicit congressional approval.

The United States has given peaceful nuclear aid to some 30 nations. All this has been done without direct congressional participation. Yet, how can we be sure that the safeguards for the production, storage, and transfer are adequate and/or complied with? How can we be sure the material does not end up in the wrong hands—say the Palestinians? An irresponsible group in control of nuclear materials could hold the world in blackmail.

Perhaps most important is the fact that we are giving and proposing nuclear aid to countries that have not signed the Nuclear Nonproliferation Treaty. Egypt, and Israel are two such nations; others who have not signed the treaty are Japan, Italy, South Africa, Argentina, Brazil, Switzerland, Turkey, Colombia, Indonesia, South Korea, and Venezuela. While most of these nations are not significant powers, the capability to develop a nuclear bomb is not remote, since the process is a relatively simple one. India exemplifies this, with its "peaceful purpose" explosion.

The Washington Post reported on June 25 that "by the end of this century, a million kilograms of plutonium will be shipped annually by planes, trains, ships, and trucks between thousands of nuclear plants in more than 50 countries."

A serious situation is developing. With all of the critical unanswered questions it is imperative the Congress be involved in the decisions, not just by the right of veto but by a requirement of legislative approval.

In that context, the Congress ought to examine, with meticulous care, any and all proposed nuclear agreements—it is our responsibility to the Constitution and to peace in the world.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. Long) has expired.

Mr. LONG of Maryland. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. HOSMER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Maryland (Mr. Long).

I now yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland, (Mr. Long). I think the amendment adds to the bill for two reasons: First, it will cover the pending proposal relating to reactors with respect to Egypt and Israel which the current bill before us may not cover because of timing. Second, it perfects the mechanism whereby Congress can make its will known.

Therefore, Mr. Chairman, I think this bill, which I would hope on final passage to support, would be improved by the inclusion of the gentleman's amendment.

Mr. LONG of Maryland. I thank the gentleman from New York.

Mr. YATES. Mr. Chairman, I want the gentleman in the well, Mr. Long of Maryland, to know that I too favor his amendment. I think it is a good amendment, and should be supported by the Members.

Mr. LONG of Maryland. I thank the gentleman from Illinois for yielding me this time.

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland (Mr. Long).

In the absence of any genuine nuclear disarmament moves by the great powers, it is obvious that other nations will seek entry into the nuclear club as a status symbol and a power credential. Much as I oppose India's decision to go the nuclear road, I can understand that nation's resentment at being lectured by representatives of nuclear powers who have done nothing of a substantive nature to reverse the nuclear arms race.

As many as 24 nations, some small and unstable, will possess atomic weapons within 10 years, according to Herbert F. York, a former member of the General Advisory Committee of the U.S. Arms Control and Disarmament Agency—Bulletin of Atomic Scientists, March 1974. "If any of these were to make a technical, political or military mistake," says York, "there would be a good chance that the whole civilized world could go up in nuclear smoke."

Access to plutonium is the key factor in a nation's or private group's ability to make a nuclear bomb, and nearly every nuclear reactor produces usable plutonium.

The United States has been in the lead in making nuclear materials available to other nations, large and small. It has already sent some 75 nuclear reactors to 25 other countries. I should say that the executive branch of the Government has done this. Under the existing provisions of the Atomic Energy Act, the Executive Department simply submitted each proposed agreement to the Joint Committee on Atomic Energy, and after 30 days it was put into effect. Now the United States is proposing to offer Egypt a 600 megawatt nuclear reactor.

Of course, the United States is not the only great power that is handing out nuclear reactors without thought of the possible consequences. France has signed a $4 to $5 billion agreement with Iran to supply it with five 1,000 megawatt nuclear reactors.

Senator Henry Jackson asserted on July 10 in Senate debate that:

> Each of the reactors planned for Egypt and Israel (by the United States) will produce enough plutonium each year they operate for at least 20 nuclear explosive devices.

Japan has expressed the intention of building 16 nuclear reactor powerplants in the near future. The United Kingdom supplied natural uranium reactors to Japan and to Italy many years ago. West Germany supplied a huge water reactor to Argentina and one to Austria, Switzerland, and the Netherlands. Sweden supplied a reactor to Finland. Canada supplied India with a reactor, which that nation then used to obtain the material for the nuclear device that it exploded recently.

There is clearly a need for the creation of an international agency that would devise an iron-clad system of control over plutonium supplies to guarantee that they do not fall into irresponsible hands. What we have now does not work. The very least we in the Congress must do now is to insist on control over what happens to the plutonium obtained from nuclear reactors given to other nations by the United States. That is the purpose behind the amendment being introduced today. That is also the purpose behind a resolution of inquiry I have introduced, now before the House Foreign Affairs Committee, in which I am seeking to find out what safeguards, if any, the U.S. executive branch is demanding in exchange for giving nuclear reactors to Egypt and other nations.

With all the facts they can command, and they are overwhelming as well as terrifying, responsible nuclear scientists are trying to alert us to the danger of a nuclear holocaust. If we do not fear such an eventuality, we are foolish beyond belief. If we do not act to do everything possible to prevent it, we are acquiescing to the end of civilization.

We in Congress have not really faced up to our responsibility. And time is running out.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the amendment offered by the gentleman from Maryland.

I believe there is general agreement in this House that the U.S. Government should not march around the world dispensing nuclear technology without congressional scrutiny and approval. The example of India, which successfully constructed an atomic bomb, is too fresh in our memories to allow us to believe that nuclear technology cannot be turned into nuclear weapons. We simply must realize that when we grant a nation materials for nuclear powerplants we are also granting them membership in the nuclear arms fraternity. Considering that many of these nations are less than stable politically, and are not signatories of the Nuclear Nonproliferation Treaty, the wisdom of any technology transfer appears questionable indeed.

The issue before us now is what form of congressional approval will be required to approve transfers made by the executive branch. The language adopted by the Joint Committee on Atomic Energy states that these agreements shall take effect if Congress does not pass a concurrent resolution disapproving the action within 60 days after the proposed transfer is placed before it. In effect, this very nicely lets Congress off the hook. Simply by delaying a vote for 60 days, Congress can shift the responsibility for the spread of nuclear weapons off to the executive branch. It represents the same type of "passing the buck" that was incorporated into the war powers bill.

In spite of all the talk about the reassertion of congressional authority, it seems that we still are willing to allow the executive branch to make decisions that are properly ours. The proliferation of nuclear weapons is far too important an issue for Congress to evade. The American people have a right to know where their representatives stand on each transfer of nuclear technology. They can only get this information if Congress is required to specifically approve such transfers. The Long amendment will force us to make these decisions; the committee language will permit us to evade them.

I consider it vitally important that we accept the Long amendment and our own constitutional responsibilities. I urge my colleagues to vote in favor of both.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Virginia.

Mr. PARRIS. Mr. Chairman, I thank the gentleman for yielding.

I would like to associate myself with the remarks made by the gentleman in the well and, as a cosponsor of the pending amendment, I likewise support the amendment and urge its adoption.

Mr. Chairman, I think it is only right, proper, and fair that the Congress have the affirmative obligation to take action on these matters. It has been my experience in the last 18 months that the Congress cannot even clear its collective throats within 60 days, and to fail to exercise its responsibilities in an affirmative way would be yet another example of the abdication of its proper obligations. I hope the amendment will be adopted.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I want to thank the gentleman from California for yielding, and to commend the gentleman for the remarks he has made. I believe the amendment is an excellent one, and should be adopted.

Plutonium and nuclear technology are some of the most dangerous things among the gifts of this government, and certainly they should be subject to a thorough government scrutiny and not the kind of illusionary checkup before us in this legislation.

The amendment offered by the gentleman from Maryland (Mr. Long) should be adopted.

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield, I want to compliment the gentleman from California (Mr. Ketchum) for the very thoughtful and penetrating remarks the gentleman has made in support of this amendment.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I want to compliment the gentleman from California on the remarks he has made, and on the action he is taking today in support of this amendment.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the purpose of H.R. 15582 to give Congress greater control over the sharing of nuclear power technology with foreign nations but I do not believe the bill goes far enough in the direction of Congressional control of such matters.

Therefore, I approve the concept offered by Congressman Long as a substitute. My position through the years has been consistent in this matter; for I have always opposed sharing this technology with other countries.

I believe the human race is already imperiled by nuclear weapons; and to spread the chances of nuclear war is disastrous folly. I do not believe adequate safeguards have been established to prevent the peaceful use of nuclear power from being used as a base for nuclear war. I doubt that adequate safeguards can in fact be found or established.

Mr. Chairman, in the July 1974 edition of "Not Man Apart" there is an article which discusses the sharing of nuclear technology with foreign nations; and concludes that the export of such technology is "incompatible with the nonproliferation of nuclear weapons, undermines world peace and renders the very survival of humankind doubtful." The article under the title of "Sharing the Risk of Disaster" says in part:

SHARING THE RISK OF DISASTER

BOOM! (India.) BOOM! BOOM! (France.) BOOM! (China.) BOOM! (Great Britain.)

Detonation of five "nuclear devices" by four nations within the span of a few weeks makes one wonder—

What ever happened to nuclear non-proliferation?

World peace and human survival may hinge upon the answer to that question.

If the concept of nuclear non-proliferation isn't as robust as we might wish, the blame for that falls not so much on militarists as it does on industrialists. Captains of industry have rushed in where field marshalls feared to tread.

Carried to its ultimate conclusion, nonproliferation would imply an atomic monopoly by the first nation to harness the power of the atom. Many Americans once actually believed that if only the US could guard its "secrets" well enough, it could retain an atomic monopoly. But Russia exploded that idea disconcertingly soon, and in short order the two superpowers discovered a mutual interest in limiting membership in "the nuclear club" to as few nations (besides themselves) as possible.

What worried the US and the USSR was the prospect of a proliferation in the number of nations with the capability of building atomic bombs. In hindsight, however, it is clear that virtually any country that could get its hands on some reactor fuel (and from this, get plutonium) could build bombs; given the raw materials to start with, the technology of bomb-building simply isn't that difficult.

If non-proliferation was ever to amount to more than a desperate hope, fissionable material would have to be kept out of the hands of nations (and terrorists, and lunatics, and so on) who didn't already possess it. But such a dog-in-the-manger attitude was hard for members of "the nuclear club" to justify to non-members, and it flew in the face of America's longing to erase the memory of Hiroshima by instituting an "atoms for peace" program—a program of exporting "peaceful" nuclear hardware, fuel, and technology.

Although the atom can be split, it is a foolish mistake to assume that it is divisible into peaceful and warlike segments. Nuclear fuel and nuclear explosives are essentially the same thing; burned slowly it can serve as a fuel, burned fast it explodes. A nation that acquires "the peaceful atom" has, for all practical purposes, acquired the bomb.

India (of all countries) drove that point home very forcibly in recent weeks by clandestinely converting "peaceful" nuclear materials (obtained from Canada) into nuclear explosives. Is it any wonder that Pakistan, India's neighbor and traditional enemy, finds it impossible to believe Indian assurances that it is interested only in the peaceful employment of atomic explosives? Is it any wonder that Pakistan hastily announced a crash program to match India's nuclear capability?

If there is any part of the world where nonproliferation is even more devoutly to be desired than on the Indian subcontinent, it is the Middle East. So what happens? President Nixon promises nuclear hardware, fuel, and know-how to both Arabs and Israelis, whose enmity has for decades periodically flared into open conflict. As a result of this diplomatic master stroke, another war in the Middle East will probably involve nuclear-armed antagonists.

This is what "the peaceful atom" has brought us to!

Arabs, Israelis, Pakistanis, and other aspirants to membership in "the nuclear club" will undoubtedly promise the suppliers of nuclear materials not to misuse them—just as India undoubtedly promised Canada. And just as convincingly as India, other new members of "the nuclear club" will proclaim that their atomic testing is exclusively for peaceful purposes.

A point-of-no-return is likely to be reached beyond which proliferation is irreversible. Suppose, for example, that the US has second thoughts about exporting "the peaceful atom" to Country X. By that time the hardware has already been delivered, and atomic technology is currently accessible in virtually all modern societies. The US's only recourse is to quit shipping reactor fuel to Country X—which merely alienates Country X and induces it to switch to a competitive source of supply.

In a world where the relations among nations remain anarchic, nuclear proliferation is mortally dangerous. Yet it proceeds apace. Had not India's atomic blast shocked Canada into deferring action, it would probably, before now, have concluded an agreement to supply Romania with 20 nuclear reactors and fuel. If Romania is knocking for admission to "the nuclear club," can there be any nation, large or small, that isn't thinking of doing likewise?

As I conclude my remarks, I should like to say that the only argument I have heard here in opposition to this point of view has been that the nuclear genie has had itself uncapped. The bottle top is already off. What kind of an excuse is that?

What kind of an excuse is it to say that because the danger is already horrendous throughout the world that we ought to by our funds, by our technology, by our power, and by our industry spread it further?

That would be like saying that since somebody has already thrown a cup of gasoline and lit a match, how can it do any harm for somebody else to throw another cup of gasoline on the fire?

We are dealing with the survival of mankind. To be a part, to be a parcel, of forwarding things that can destroy mankind is just to me unthinkable.

Mr. PRICE of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. HOSMER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 425]

Addabbo
Alexander
Archer
Arends
Biaggi
Blatnik
Brasco
Breaux
Butler
Carey, N.Y.
Carter
Cederberg
Chisholm
Clark
Clay
Conte
Conyers
Culver
Davis, Ga.
de la Garza
Diggs
Downing
Drinan
Edwards, Calif.
Eilberg
Eshleman
Evins, Tenn.
Fisher
Fountain
Fulton
Gettys
Giaimo
Gray
Green, Oreg.
Griffiths
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Hébert
Hogan
Holifield
Ichord
Jones, Ala.
Jones, Tenn.
Landrum
McSpadden
Madigan
Martin, Nebr.
Mathis, Ga.
Meeds
Moorhead, Pa.
Murphy, N.Y.
Nelsen
O'Neill
Owens
Pepper
Rangel
Rarick
Rhodes
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Seiberling
Shuster
Steiger, Wis.
Teague
Tiernan
Udall
Vander Jagt
Vander Veen
Waldie
Whitten
Widnall

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15582, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 356 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Illinois had been recognized for 5 minutes.

Mr. PRICE of Illinois. Mr. Chairman, I oppose the amendment offered by the gentleman from Maryland (Mr. LONG).

The bill that we bring to the floor this afternoon was, when it was introduced, acclaimed by most Members of the House as being a step in the right direction, to further impose congressional supervision or control over agreements for cooperation in the nuclear field. Almost unanimously, every Member of this House indicated his support of this legislation.

I think that the legislation is good legislation, as the Members will see if they read from line 12 through line 19 on page 2 of the bill.

I shall read it. The bill provides: "That prior to the elapse of the first 30 days of any such 60-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed agreement and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed agreement for cooperation."

We gave a lot of attention and a lot of thought to writing this legislation because we knew that if we went too far in it, it would be subject to Presidential veto, and probably rightly so, because we are treading pretty close to a question of the constitutional powers of the separate bodies of the Government. I would think that the Executive might have a good point if he did veto a legislative proposal that went any further than we are going in this bill. The amendment that was offered by the gentleman from Maryland certainly poses that problem and the danger of a veto of a program or of a plan that almost every Member of this Congress 30 days ago accepted with open arms.

We thought we were going in the right direction and this is what the Congress wanted to do. By the adoption of the amendment offered by the gentleman from Maryland (Mr. LONG), we are putting the United States out of the international trade area in this particular field.

The committee's proposal concentrates on items of significance and does not make it mandatory that Congress spend time on actions which are not vital from the standpoint of safeguards.

Contrary to some of the statements heard today, the Congress has not been kept in ignorance about agreements for cooperation. If any Member of the Congress is not familiar with them, it is because he does not read carefully the CONGRESSIONAL RECORD. Every agreement for cooperation is printed in the CONGRESSIONAL RECORD. Hearings are held on them, and with very few exceptions, except those relating only to medical isotopes and research, these hearings are open hearings. Over 90 percent of these have been open hearings. The committee has always informed the House it is going to hold these hearings. Here is a list of our hearings:

PUBLIC AND EXECUTIVE HEARINGS OF THE JOINT COMMITTEE ON ATOMIC ENERGY

Argentina: July 29, 1955—Exec., June 22, 1960—Exec., June 20, 1964—Open.

Australia: March 1, 1961—Exec., August 6, 1957—Exec., March 20, 1967—Open.

Austria: March 20, 1967—Open.

Berlin Reactor: March 6, 1957—Exec.

Brazil: July 27, 1965—Open., May 20, 1964—Exec., June 22, 1960—Exec., July 16, 1958—Exec., June 8, 1955—Exec.

Canada: June 22, 1960—Exec., July 6, 1955—Exec., June 14, 1955—Exec.

China (Rep. of): August 25, 1966—Open, June 30, 1964—Open, June 22, 1960—Exec.

Colombia: June 8, 1955—Exec., March 20, 1967—Open.

Denmark: June 25, 1968—Open, July 16, 1958—Exec.

Euratom: June 22, 1973—Open, September 5, 1963—Open, June 22, 1960—Exec., January 21, 1959—Open, March 28, 1957—Exec., March 9, 1956—Exec.

France: June 30, 1964—Open, March 1, 1961—Exec., July 24, 1957—Exec.

Germany: July 24, 1957—Exec.

Greece: June 30, 1964—Open, June 22, 1960—Exec.

India: September 5, 1963—Open, June 25, 1963—Exec.

Indonesia: January 27, 1966—Open, June 22, 1960—Exec.

Iaea: April 29, 1965—Open, June 30, 1959—Open.

Iran: June 30, 1964—Open, March 28, 1957—Exec.

Ireland: June 25, 1968—Open, March 1, 1961—Exec.

Israel: August 25, 1966—Open, April 29,

1965—Open, May 20, 1964—Exec., June 22, 1960—Exec.
Italy: July 24, 1957—Exec.
Japan: June 25, 1968—Open, July 16, 1958—Exec.
Korea: June 4, 1965—Open.
Netherlands: July 24, 1957—Exec.
New Zealand: June 22, 1960—Exec.
Norway: March 28, 1957—Exec.
Peru: July 24, 1957—Exec.
Philippines: June 25, 1968—Open, June 28, 1966—Open, June 22, 1960—Exec., June 6, 1955—Exec., June 8, 1955—Exec.
Portugal: May 20, 1964—Exec., June 22, 1960—Exec.
Russia: May 26, 1966—Open, June 22, 1960—Exec., March 30, 1960—Exec.
South Africa: June 9, 1967—Exec., July 24, 1957—Exec.
Spain: January 27, 1966—Open.
Sweden: August 25, 1966—Open.
Switzerland: January 27, 1966—Open, June 22, 1960—Exec., July 29, 1955—Exec.
Thailand: June 30, 1964—Open, June 22, 1960—Exec.
Turkey: May 26, 1966—Open, June 4, 1965—Open, June 8, 1955—Exec.
United Kingdom: April 4, 1966—Exec., June 28, 1966—Open, June 17, 1965—Exec., July 19, 1965—Exec. July 6, 1955—Exec., June 14, 1955—Exec.
Viet-Nam: June 30, 1964—Open.
Yugoslavia: June 22, 1960—Exec., March 30, 1960—Exec.

So if any Member has been in ignorance of these agreements for cooperation, it is because he was not following the RECORD, or was not concerned with them at that time.

Mr. Chairman, I think this is a very serious amendment, one that the House should reject. If there is any Member in the House who is concerned about congressional overlook, he should support the committee's position, because in that way we do tighten and get greater control over the agreements for cooperation.

Mr. Chairman, I urge the Members to reject the amendment offered by the gentleman from Maryland.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I should like to explain precisely how this amendment differs from the original bill.

In the original bill, if an international agreement with respect to transmitting atomic energy potential is anticipated—and the way the bill reads, it amends the whole section, section d., so it applies both to military and civilian export of atomic material—if such is anticipated, then the President must report it to Congress and unless a concurrent resolution is passed by Congress disapproving the agreement, the President may go forward with such plan.

The difficulty with that is that a concurrent resolution, under section 7 of article I of the Constitution, is subject to a veto, because the Constitution says quite clearly that anything requiring the concurrence of both bodies must go to the President. That means that Congress right to stop the sending of nuclear materials is really illusory. Because the President has desired to do so in the first place, the concurrent resolution is subject to veto, and one might expect him then to veto it.

Now, under the Long amendment, when such nuclear materials are to be sent to another nation under such an agreement there must be specific, affirmative action by Congress. That is what it provides. If we really want to keep a handle on this activity and really control it in Congress, the only way to do it is by agreeing to the Long amendment. The other way is totally illusory. The other way would simply permit the President at that time to veto.

Now, it may be argued—and some constitutional authorities do so argue—that the condition subsequent of concurrent resolution may be provided for in the original act and therefore is a limitation on the authority granted by the original legislation. It is argued that this makes this kind of a concurrent resolution not a matter subject to veto. It is like an administrative act which is a condition of the original legislation.

But, can you imagine the President not vetoing and not insisting that he has authority to veto? So what in the world do we do? Do we then go into a long constitutional hassle over what power the President has to veto? He controls the Executive Department. He ships the goods. By the time the case is tested the matter becomes moot.

The only way to control the power to export nuclear potential, either for peaceful or military use, is to simply say that before it is done Congress must act affirmatively. That is what the amendment offered by the gentleman from Maryland (Mr. LONG) does.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maryland (Mr. LONG).

Mr. Chairman, I think the problem here is that the gentleman from Maryland (Mr. LONG), has offered an amendment with the idea that it would inhibit the proliferation of nuclear weapons, if his amendment, requiring an affirmative vote by Congress in each case of an agreement for cooperation with another country, is passed.

Mr. Chairman, the truth of the matter is that this issue was met in 1954 when we first passed the Atomic Energy Act. At that time we realized that whenever you had intercourse with other countries in the nuclear area there is an opportunity for information and materials to be diverted from peaceful channels to warlike channels—the bomb.

So we approached the problem in how best to prevent this diversion, and we found out that you cannot do it by agreement. Treaties are broken. Agreements are broken. But you can prevent diversion by other means, and another method, and that is by your agreement establishing a system whereby after the agreement is written, and when anything moves between one country and another under it, there are inspections and there are safeguards. So it is not to scrutinize an agreement for cooperation much further than to make sure it includes safeguards in it, and just so long as it includes inspections in it. Then you have a situation whereby if those inspections and if those safeguards are thoroughly enforced then the diversion of nuclear materials into weapons channels is inhibited.

It is not needed by the Congress to examine minutely each one of these agreements, that is needed by Congress to support the proper safeguards. And we have indeed established these safeguards in this area that are quite effective. We have imposed them also via the International Atomic Energy Agency which imposes worldwide safeguards and inspections. That also addressed the problem. That is where the safety of the world lies. There has never been a diversion of nuclear weapons that I know of under these safeguards. The only situation I know of where there has been a diversion is with the Indian bomb. They made their own material in India, and built their own bomb.

I suggest that this amendment will be quite mischievous, and I ask for its defeat.

STATEMENT IN OPPOSITION TO POSITIVE ACTION AMENDMENT

H.R. 15582 will require a review and report to Congress by the Joint Committee on each proposed agreement and the Congress will have ample time to decide whether or not it wishes to act. Congress should have the option to act on each significant agreement, but we should also have the option not to act on trivial matters.

I want to guard against what may be viewed as an unwarranted intrusion into the prerogatives of the executive branch. H.R. 15582 is not veto-proof, but it applies language which, though not tested, has been in the Atomic Energy Act since 1958, and has earlier roots. I submit that this proposed amendment will make the whole arrangement more susceptible to a veto, and the President may be standing on good constitutional ground in vetoing the bill.

Let me quote from a Supreme Court opinion. Mr. Justice Sutherland, in the case of *U.S.* v. *Curtiss-Wright,* 299 U.S. 304 (1936), wrote:

> It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations . . . Congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved.

If we do not act, then I think the benefit of the doubt ought to go to the administration. I do not think we ought to kill a negotiated international agreement by inaction. Under H.R. 15582, one House of Congress could not frustrate the combined will of the President and the other House. Under this amendment each House would have a veto power. These agreements would have to undergo a more exacting procedure than the Nuclear Test Ban Treaty. This seems to me to be an imbalance.

Increasing the difficulty of obtaining congressional sanction of an agreement will discourage our atoms-for-peace program. But such a development would not cut off access to nuclear energy from any nation, since this technology is available from a number of other nations. For example, England, Canada, France, the Soviet Union and Germany have active foreign nuclear cooperation programs. These nations have already entered into many cooperative nuclear projects with other nations. I might add that some of these nations such as, for example, France, West Germany, and Canada are actively seeking foreign reactor sales. Such foreign sales are obviously an excellent source of foreign exchange funds. Our present nuclear program envisages, for example, an income of over $30 billion in the next two decades from the provision of uranium enriching services alone.

This amendment may have emotional appeal, but what it amounts to is an overreaction to a short-term situation. Let us do something which is practical and effective, but leaves us with a logical procedure. Let us adopt the procedures proposed by the Joint Committee, and defeat this overreaching amendment.

Today peaceful nuclear traffic with other countries has the potential of earning several billions of dollars of foreign exchange. Already, this year alone, we are earning more than half a billion dollars for the sale of nuclear fuel overseas. Safeguards insure no diversions to weapons use. This is under agreements for cooperation of longstanding which have worked well. To now nitpick and impose this kind of barrier to legitimate commerce is unnecessary and will place the United States in considerable competitive disadvantage in an increasingly competitive situation in the world nuclear power business.

To require affirmative action many times each year to enter or amend these agreements for cooperation will impose an impossible burden on our nuclear business without making a single contribution to the cause of nonproliferation.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I want to associate myself with the gentleman in opposition to the amendment, and point out what we would be buying in terms of legislative workload, if we were to adopt this amendment: We already have 30 agreements for cooperation and inspection, and each one of those is subject to periodic renewal or to amendment, or to review of the International Atomic Energy Association protocol, and the like.

For example, we already have no less than 11 such agreements submitted by the AEC in 1974. It is my understanding that they expect to submit seven more during the present year. Most of those are entirely innocuous agreements that should not occupy the important time of this body, and before we undertake to commit both Houses of Congress to mandatory specific action on each one of these items, I think we ought to be asking ourselves whether that is legislating in a responsible manner.

Let me remind this body that substantially similar legislation to that which this Committee is proposing today passed the other body unanimously. The vote was 96 to 0. An amendment almost identical to that offered by the gentleman from Maryland (Mr. Long) was rejected. Then the Senate went on to pass this bill unanimously.

I hope that the Members will join the members of the Joint Committee on Atomic Energy in opposing this amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Maryland (Mr. Long). It had not been my intention to join in debate on this matter, but I have become troubled about, first, the problem of the Congress abdicating its responsibility; and, second, the inattention of the other body to its constitutional duty to concern itself with the ratification of treaties, the confirmation and appointment of ministers, ambassadors, and other high officers of Government.

The President has just returned from abroad. During that trip he had given away, according to what I was informed in the press, a number of things: He has given rights to other countries to engage in air traffic into the United States. I inquired of the State Department. They had no awareness of the President's commitments to an airline in another nation for landing rights parenthetically at a time when two major U.S. carriers are in severe economic difficulty. The President gave away, or was reported to have given away, in one country one atomic powerplant, fuel, equipment, and technology, and in the next country two atomic powerplants and two sets of technology and fuels.

What is wrong with the Congress having a say as to what is given away in terms of nuclear technology and nuclear powerplants, and things of that kind? Nothing that I can discern. Certainly the workload of the Congress is going to be added to by this action, but I do not think it is too much to expect that the Congress would carry out its constitutional responsibility of seeing that the property of the people be properly conserved. In this we exercise a power that is given to the Congress expressly in the Constitution.

The gentleman from California, my good friend (Mr. Hosmer), in his remarks has indicated that treaties and agreements are broken. He is right, this is true. Certainly the peril is most extreme in cases of gifts and arrangements where United States is going to give away nuclear powerplants and equipment and fuel?

The fuel, plutonium which is a particularly essential part of nuclear powerplants, is not only the most toxic substance which is known, but it also has the capacity of being used for atomic bombs. The country is becoming troubled at this time that there is a strong possibility that this may be the subject of hijacking and theft by extremist forces inside this country and perhaps elsewhere around the world. To kill millions one does not need to convert it into an atomic bomb; all he has got to do is explode a device which scatters plutonium around through the atmosphere. It has an enormously long half-life and will persist and poison people for thousands of years.

India has just made an atom bomb. Countries disregard their agreements; countries break their treaties; and I can foresee no reason why countries should not disregard the treaties and agreements which have already been made with regard to the transfer of fissionable material; the transfer of technology, and the creation of atomic plants and other things for peaceful use. It is not too much to ask that the Congress look at these gifts before they are made. The Long amendment gives us that opporunity. We will then have meaningful controls as opposed to the kind of illusory device that the committee has submitted to us.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I do not know if I understood the gentleman correctly, but did the gentleman state the President went overseas and gave away a reactor?

Mr. DINGELL. It was so reported in the press. I do not know whether the press is accurate or not, but all I know is that the Congress in those matters was not consulted. The President also gave away a helicopter.

Mr. LUJAN. If the gentleman is under that impression, let me tell the gentleman the President did not give the reactor away. He just gave them the right to buy the reactor and some fuel.

Mr. DINGELL. I am glad. The gentleman has corrected my impression, I am delighted, but in any event the Congress should have been consulted and under the Long amendment the Congress would have been consulted. I believe we should operate in that way rather than under the illusory controls we have in the present legislation.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I want to make one point. What the gentleman from Michigan has just said, although the remarks have a number of errors in them, is completely beside the point. The point is that when we have an agreement between this country and another country to ratify, are we going to have to do it by a positive action of this House and the other House and take all that time or should we have the opportunity to do it at our will, in other words if we want to? The Long amendment says we have to take a positive action on every single agreement and take our time on that. I ask should we have the option to do it when we want to? I suggest we defeat the Long amendment.

Mr. RANDALL. Mr. Chairman, I rise in support of the amendment of the gentleman from Maryland (Mr. LONG). I cannot sit silent without responding to the gentleman from Washington (Mr. McCORMACK) who just remarked the provisions on the committee bill would save time. My goodness, who should be concerned about taking more time on a matter so important as giving away our nuclear technology. This is an important matter. This concerns our precious and invaluable nuclear materials. We saw what happened in India. It may happen elsewhere if we let the executive branch make agreements without congressional approval.

The gentleman from Illinois (Mr. ANDERSON), on the other side of the aisle, referred to the vote in the Senate. Who cares what the Senate did or does? Let us not worry about the Senate. Rather let us preserve the prerogatives and prestige of the House.

The gentleman from Maryland has offered an amendment which simply says in a few words that any agreement must be approved by Congress. That means both bodies of Congress.

This amendment provides for a very simple procedure to ensure strong congressional control of nuclear agreements. Under the committee bill there is no assurance that Congress will ever get a chance to vote on nuclear agreements. Rather the committee bill is deceptive. It tries to give the impression that Congress will be assured a vote on nuclear agreements. Really it provides only for Congress to pass a concurrent resolution stating that it does not favor the proposed agreement for cooperation. Big deal!

Just think, that even if a resolution is reported, how do we know that the leadership will bring that resolution to a vote? The facts are that if we look back over the past years and look at nuclear agreements for civil uses such as, for example, the proposed Mideast nuclear agreement, the Joint Atomic Energy Committee could have reported a bill disapproving such agreements, but it has never done so. If we follow the committee bill out, how do we know that Congress will actually get the chance to vote disapproval if it so desires?

The Long amendment has some meaning. It preserves the prerogatives of the House of Representatives. If adopted, it means that no nuclear agreement could go through without approval of the House, as well as Senate approval.

Under the committee proposal, the House could vote its disapproval, but if the Senate approved or, note this—did nothing—the nuclear agreement would go through.

Moreover, I think we should look very dimly at any kind of proceeding that calls for congressional action on a nuclear agreement by concurrent resolution. It is of doubtful constitutionality because concurrent resolutions are not signed by the President. If we followed the committee bill, the President could refuse to obey a resolution even though passed by both Houses disapproving a nuclear agreement. He could do this by citing its questionable constitutional status. If the President took such a course, Congress could estop such a nuclear agreement only by passing a new law over the President's veto.

In my judgment we are indebted to the gentleman for offering this amendment because it affects any nuclear agreement entered into after July 1, 1974, and insures that the proposed Mideast nuclear agreements such as those with Egypt, Israel, and Iran would be covered. This means they would have to be approved by both bodies of Congress to take effect.

Mr. Chairman, in the wake of President Nixon's announcement that he intends to negotiate cooperative nuclear power agreements with Egypt and Israel we must pass an amendment that will require affirmative approval by both bodies of Congress. That will stop the Executive from any capricious action. The committee procedure of a concurrent resolution or a veto simply by an action of joint disapproval is not enough because if the Houses are divided and one happens not to act, these international nuclear agreements would thereby escape any congressional approval.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The question was taken; and the Chairman announced that the Chair was in doubt.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 191, not voting 49, as follows:

[Roll No. 426]

AYES—194

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Archer
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Bennett
Bergland
Bingham
Blatnik
Boggs
Boland
Brademas
Breaux
Brooks
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Camp
Carney, Ohio
Casey, Tex.
Clancy
Clark
Collins, Ill.
Conlan
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniels, Dominick V.
Danielson
Davis, S.C.
Delaney
Dellums
Denholm
Dent
Dingell
Donohue
Drinan
Duncan
Eckhardt
Edwards, Calif.
Evans, Colo.
Fascell
Fish
Flowers
Foley
Ford
Fountain
Fraser
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Green, Pa.
Grover
Gude
Hamilton
Hanrahan
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hungate
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Koch
Kyros
Lagomarsino
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McKay
Madden
Mann
Matsunaga
Mazzoli
Melcher
Metcalfe
Mezvinsky
Miller
Mills
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Moss
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
Parris
Pettis
Peyser
Pike
Podell
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncallo, N.Y.
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Shuster
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stark
Steele
Steelman
Stokes
Stuckey
Studds
Sullivan
Symms
Thompson, N.J.
Thornton
Traxler
Udall
Van Deerlin
Vanik
Veysey
Vigorito
Waldie
Wampler
Whalen
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Yates
Young, Fla.
Young, Ga.
Young, S.C.

NOES—191

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Armstrong
Barrett
Beard
Bell
Bevill
Biester
Blackburn
Bolling
Bowen
Bray
Breckinridge
Brinkley
Brotzman
Brown, Mich.
Broyhill, Va.
Buchanan
Burleson, Tex.
Burlison, Mo.
Butler
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
du Pont
Edwards, Ala.
Erlenborn
Esch
Findley
Fisher
Flood
Flynt
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Goldwater
Goodling
Gray
Gross
Gubser
Guyer
Haley
Hammerschmidt
Hanley
Harsha
Hastings
Heinz
Hicks
Hillis
Hinshaw
Hosmer
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
King
Kluczynski
Kuykendall
Landgrebe
Latta
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madigan
Mahon
Mallary
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Milford
Minshall, Ohio
Mitchell, N.Y.
Mollohan
Montgomery
Morgan
Murphy, Ill.
Murtha
Myers
Natcher
Nichols
O'Brien
Passman
Patman
Patten
Perkins
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Sikes
Sisk
Skubitz
Slack
Snyder
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Ullman
Vander Jagt
Waggonner
Walsh
Ware
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn

Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Ill.
Zablocki
Zion

NOT VOTING—49

Arends
Biaggi
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Conte
Culver
Davis, Ga.
de la Garza
Diggs
Eilberg
Eshleman
Evins, Tenn.
Fulton
Green, Oreg.
Griffiths
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Hébert
Holifield
Jones, Ala.
Jones, Tenn.
Landrum
Luken
McSpadden
Martin, Nebr.
Meeds
Nelsen
O'Neill
Owens
Pepper
Pritchard
Railsback
Rarick
Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Stanton, James V.
Symington
Teague
Tiernan
Vander Veen
Young, Tex.
Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. This Act shall apply to proposed agreements for cooperation and to proposed amendments to agreements for cooperation hereafter submitted to the Congress.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland: Page 2, strike out lines 20 through 22 and insert in lieu thereof the following:

"SEC. 2. The amendment made by the first section of this Act shall apply to any agreement or any amendment to any agreement, if the agreement or the amendment is proposed or entered into after July 1, 1974."

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Mr. Chairman, the amendment does not correct anything, and actually the amendment does not mean anything. The committee is willing to accept the amendment.

Mr. LONG of Maryland. Mr. Chairman, I thank the committee for accepting the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCFALL) having assumed the Chair, Mr. FORD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill (H.R. 15582) to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology, pursuant to House Resolution 1227, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. HOSMER

Mr. HOSMER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. HOSMER. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOSMER moves to recommit the bill, H.R. 15582 to the Joint Committee on Atomic Energy.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOSMER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 373, noes 8, not voting 53, as follows:

[Roll No. 427]

AYES—373

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conyers
Corman
Cotter
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Grover
Gude
Guyer
Haley
Hamilton
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Zablocki
Zion

NOES—8

Davis, Wis.
Frelinghuysen
Gross
Gubser
Hosmer
Landgrebe
Powell, Ohio
Ware

NOT VOTING—53

Arends
Biaggi
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Conte
Coughlin
Culver
Davis, Ga.
de la Garza
Diggs
Eilberg
Eshleman
Evins, Tenn.
Fulton
Green, Oreg.
Griffiths
Gunter
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Hébert
Holifield
Jones, Ala.
Jones, Tenn.
Landrum
Luken
McClory
McDade
McEwen
McSpadden
Mann
Martin, Nebr.
Meeds
Nelsen
O'Neill
Owens
Quillen
Railsback

Rooney, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Schneebeli
Symington
Teague
Tiernan
Vander Veen
Whitten
Young, Tex.
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Carey of New York with Mr. Whitten.
Mr. Rostenkowski with Mr. Culver.
Mr. O'Neill with Mr. Arends.
Mr. Diggs with Mrs. Hansen of Washington.
Mr. de la Garza with Mrs. Green of Oregon.
Mr. Davis of Georgia with Mr. Holifield.
Mr. Eilberg with Mr. Luken.
Mr. Evins of Tennessee with Mr. Mann.
Mr. Fulton with Mr. Teague.
Mr. Jones of Alabama with Mr. Zwach.
Mr. Gunter with Mr. Schneebeli.
Mrs. Chisholm with Mrs. Griffiths.
Mr. Rooney of New York with Mr. Railsback.
Mr. Tiernan with Mr. Quillen.
Mr. Vander Veen with Mr. McClory.
Mr. Hébert with Mr. Carter.
Mr. Biaggi with Mr. Martin of Nebraska.
Mr. Jones of Tennessee with Mr. Hammerschmidt.
Mr. Clay with Mr. Brasco.
Mr. McSpadden with Mr. McDade.
Mr. Landrum with Mr. Eshleman.
Mr. Meeds with Mr. Conte.
Mr. Owens with Mr. McEwen.
Mr. Rooney of Pennsylvania with Mr. Nelsen.
Mr. Rose with Mr. Coughlin.
Mr. Symington with Mr. Young of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3698) to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology, a bill similar to H.R. 15582, just passed by the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3698

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 123 d. of the Atomic Energy Act of 1954, as amended, is revised to read as follows:

"d. The proposed agreement for cooperation, together with the approval and determination of the President, if arranged pursuant to subsection 91 c., 144 b., or 144 c., or if entailing implementation of sections 53, 54, 103, or 104 in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith, has been submitted to the Congress and referred to the Joint Committee and a period of sixty days has elapsed while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days), but any such proposed agreement for cooperation shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed agreement for cooperation: *Provided,* That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed agreement and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed agreement for cooperation. Any such concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) within twenty-five days and shall be voted on within five calendar days thereafter, unless such House shall otherwise determine by yeas and nays.".

SEC. 2. This Act shall apply to proposed agreements for cooperation and to proposed amendments to agreements for cooperation hereafter submitted to the Congress.

MOTION OFFERED BY MR. PRICE OF ILLINOIS

Mr. PRICE of Illinois. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PRICE of Illinois moves to strike out all after the enacting clause of the Senate bill S. 3698, and to insert in lieu thereof the provisions of H.R. 15582, as passed, as follows:

That subsection 123 d. of the Atomic Energy Act of 1954, as amended, is revised to read as follows:

"d. The proposed agreement for cooperation, together with the approval and determination of the President, if arranged pursuant to subsection 91 c., 144 b., or 144 c., or if entailing implementation of sections 53, 54, 103, or 104 in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith, shall have no force or effect unless and until specifically approved by Act of Congress.

SEC. 2. The amendment made by the first section of this Act shall apply to any agreement or any amendment to any agreement, if the agreement or the amendment is proposed or entered into after July 1, 1974.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 15582) was laid on the table.

GENERAL LEAVE

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEGISLATIVE PROGRAM FOR TOMORROW

(Mr. McFALL asked and was given permission to address the House for 1 minute.)

Mr. McFALL. Mr. Speaker, I take this time to announce that the first item of business tomorrow, as announced earlier today, will be the legislative appropriations conference report.

Following that, we will take up H.R. 15046, the U.S. Information Agency authorization.

This will be followed by a conference report on the District of Columbia election campaign bill.

Following that we will begin to schedule, as printed in the Whip Notice, the Export Administration Act and so forth.

There are also eligible for tomorrow sometime during the day two conference reports from the Committee on Agriculture.

APPOINTMENT AS MEMBERS OF THE U.S. GROUP OF THE NORTH ATLANTIC ASSEMBLY

The SPEAKER. Pursuant to the provisions of section I, pubic law 689, 84th Congress, as amended, the Chair appoints as members of the U.S. group of the North Atlantic Assembly the following Members on the part of the House: Mr. HAYS, chairman, Mr. RODINO, Mr. CLARK, Mr. BROOKS, Mr. PHILLIP BURTON, Mr. ARENDS, Mr. DEVINE, Mr. FRELINGHUYSEN, and Mr. GUBSER.

WE MUST NOT CONTINUE THE ERRORS AND CRISIS REACTIONS OF THE PAST

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, one of the basic factors of our economy is its laws of supply and demand.

In the past couple years, this Nation has suffered numerous instances where these basic laws of our free enterprise system have been thrown out of whack, creating in their wake inflationary influences. To name a few, we have had an energy shortage, a wheat shortage, a timber shortage, and a scrap iron shortage. We are now in the midst of a meat glut, to boot.

Mr. Speaker, each of these happenings, whether glut or shortage, has fueled the the inflationary fires. These events, however, have not been creatures entirely of their own making. Indeed, while the administration has given birth to some of them, the Congress has also nurtured and cultivated them.

For sure, Congress has had the good sense to pass the Agriculture and Consumer Protection Act of 1973, which ended the ancient government programs of price supports and guaranteed loans and payments. In doing so, we ended a long series of inflationary payouts: $3.31 billion of payments in fiscal year 1972 were eliminated the next year. Programs which paid farmers to keep supply down by not growing food were also put on the shelf. Yet, the administration put through the Russian wheat deal, and we have recently passed the livestock bill. Both of these acts are deliterious influences upon the natural market forces which should govern the agricultural economy.

While the oil embargo has been the primary cause of our energy shortage, we in Congress long have promoted overseas energy production by massive tax subsidies for intangible drilling expenses, overseas depletion, and foreign tax credits. We even promote the export of our own dwindling energy supplies through the tax subsidies contained in the DISC tax laws.

Under the same DISC program, we subsidize the export of our valuable timber and scrap metal while our housing industries and steel users shudder under the spiralling costs of these commodities in our own Nation—costs which have risen so fast that they have caused massive increases in the costs of housing and manufactured goods and cut many consumers out of the market.

Mr. Speaker, I believe that Congress must look both fore and aft as it examines the causes of inflation. The Democratic Steering and Policy Committee resolution adopted by the full Democratic caucus called for the creation of a mechanism for coordinated, long-term planning regarding the resources of this Nation. Earlier this year, Representative Litton introduced a bill to establish a Department of Social, Economic, and Natural Resource Planning. Fourteen of my colleagues and I have since cosponsored this measure with the hope that it can go a long way in getting us together for the future. But as we search for long range answers to inflationary forces, I suggest that we cannot continue the errors and crisis reactions of the past.

REQUEST TO PRINT ADDRESS BY DR. JOHN McLAUGHLIN

(Mr. LANDGREBE asked and was given permission to address the House for 1 minute, to revise and extend his remarks.)

Mr. LANDGREBE. Mr. Speaker, in my earnest opinion there is nothing as important at this moment in history as protecting the President and the presidency of the United States from these wanton and unwarranted attacks that are being leveled against President Nixon and the high office he occupies.

For the sake of the Republic, for the sake of civilized government, for the sake of my kids and grandkids, this precious balance of authority must be preserved from those spoilers who know not what they do.

Tens of millions of dollars of public and media monies have been expended to finance this vendetta against Richard Nixon. There is no way in the world to match this avalanche of acrimony, even if we would.

Now I have been called a conservative. So you will understand why I had to pause and consider when the Public Printer advised me that it would cost an additional $973 to include in the Congressional Record a magnificent address by Dr. John McLaughlin on impeachment madness and common sense. I concluded that it would be a very small price to pay to bring a little religion to that subject, so I ask unanimous consent to insert the address notwithstanding that cost.

THE RULE OF REASON MUST GOVERN THE IMPEACHMENT PROCEEDINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, the House will soon have before it the articles of impeachment ordered reported by the Committee on the Judiciary.

The time draws near for this House to exercise one of the most solemn tasks ever assigned by constitutional process to any assemblage—deciding the fate of a democratically elected head of state.

Like most Americans, I spent many hours during the past days watching and listening to the proceedings of the Committee on the Judiciary, as it debated the issue of impeachment and the particular provisions of the articles.

I was moved by the great burden borne individually by those members who decided—on the basis of presumed innocence or guilt, on the basis of factual evidence and learned conclusions—how they would vote on each article.

While some may have had predetermined opinions on how they would vote—even before the proceedings began—most, I am sure, must have made up their minds as that evidence was debated and weighed. I commend them for their remarks and their conscientious dedication to the Constitution.

It is now the constitutional responsibility of each of us—as Members of the House to which that document fundamental to our freedom assigns the task of impeachment—to weigh the evidence and to come to conclusions on this issue.

I have already studied hundreds of pages of testimony and other evidence submitted both in support of and in opposition to the allegations embodied in the final articles reported. This is, I am aware, but a mere beginning of what I must read, hear, and reflect upon during the coming weeks, for I have not yet—nor should I have—made up my mind on how I will vote.

I think it is most appropriate, at this point, prior to the commencement of proceedings before the full House, to raise an imperative which we must not overlook as we go through the coming weeks. I speak of the necessity of the rule of reason prevailing in this Chamber—both as we debate the issue and as we cast the decisive votes.

In an address on the Fourth of July 1973, entitled "The Fragility of Freedom," Mr. Chief Justice Burger—whose task it may become to preside over the trial of the President in the Senate—if the House should impeach—reflected upon the temper—the tone—of our Nation's political climate during the 1960's, a period inextricably intertwined with ours today:

> That mindless violence of the 1960's seems to have stemmed in part from a confused idea that human beings will be happier and life will be better if they "act out what they feel"—as soon as they feel it—in short, to elevate emotion over reason.

In light of the task which will soon be before us, those words are of great weight.

In our deliberations and in our final vote, the rule of reason must prevail over all other motivations.

Because we live in the present—in this moment of time—it is easy for some to overlook the gravity with which history will judge our actions—the actions of the House as a body of government and an institution of free men and the actions of each of us.

Impeachment is a grave action, for impeachment deals with the fate of a man elected by a free people. It is not simply an administration at stake if a grievously improper decision is arrived at; it could be the stability of freedom and society itself.

The careful research of the historians—men who will never personally know us, nor we them—will reveal the truth, the validity, the accuracy of what we do here. If emotion prevails—emotion which is a quiet form of that violence in the political process to which Mr. Chief Justice Burger referred, manifesting itself in deeds arising from political, or partisan, or even personal motives or aspirations—it will stand glaringly in the light of history's search for the truth.

A vote on impeachment must be based on conscience—arising from the weight of evidence. It must not be based on consensus. Justice is not determined by majority opinion. But I hope to act in such a way that, if all of my constituents were to have the vast information before them—which I will have by the time we come to a final vote—that they would come to the same conclusions evidenced in my final vote.

I think a vote for or against impeachment stands a better test if viewed in this frame of reference and I believe we should all adhere to it.

AMERICA'S SENIOR CITIZENS, OUR PRICELESS RESOURCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Talcott) is recognized for 15 minutes.

Mr. TALCOTT. Mr. Speaker, one of the most valuable resources that this Nation has is our senior citizens. I have long advocated that we make it possible for them to take an active part in community life. Not only is it healthy for them to keep active, but they make contributions which benefit a broad cross-section of the citizens of the community.

Many of my colleagues in the House have joined me in introducing legislation which would establish a permanent Select Committee on Aging to make it easier for the Congress to assist this broad class of Americans. So far our efforts have been unsuccessful in forming this new committee. I, for one, will continue until we do succeed.

The most important reason for establishing such a committee would be to create a focal point for communications between the various factions interested in the special problems of the aging. These Americans are in need of special and unique assistance, and some means must be devised to provide that assistance while holding costs down. As one of my good friends in California said recently:

> How wonderful it will be, when we can see the end of a state of affairs all too familiar to many of the aging—a wasteful, frustrating, heartbreaking situation I call—the right hand giveth, and the left hand taketh away. It seems that such a Select Committee on Aging is the means for keeping both hands pulling together.

Many of our older Americans are already helping themselves, and by doing so, they are also helping their communities. One of the efforts I am most closely associated with, and most familiar with is the tricounty foster grandparent program. It gives me a particular feeling of pride to report to the Congress on the work that these wonderful people are doing. I would like to mention Lillie Bourriague, the director of the program, who has brought a unique rapport to her position, and has made the program go.

Mr. Speaker, I insert two short articles giving details of this program in the RECORD at this point:

[From the Valley Press, June 5, 1974]

FOSTER GRANDPARENTS VOLUNTEER TIME TO TEENAGERS

(By Lois Martin)

Some of the most rewarding experiences in the lives of several local senior citizens are those derived from the time they spend as volunteers in the Foster Grandparent program.

This program is a supplement to organizations working with children with exceptional needs—court wards, groups in charge of mentally and physically handicapped children and day care centers for children of Spanish speaking parents.

It is funded by ACTION along with other agencies such as VISTA, the Peace Corps and SCORE-all volunteer governmental programs.

Men and women over 60 give their time to the program which provides an adult figure without authority, to meet the needs of these young people in a variety of ways. Primarily the needs are for love and understanding. And, the grandmothers and grandfathers have lots to give.

The seniors work 20 hours in the facility where they are most comfortable, whether it be young children, older wards of the court or the handicapped, everyone in the program," explained Lillie Bouriague, director of the tri-county program.

In order to qualify for the program, they must be of low income and in good health. They are paid a stipend of $1.60 per hour for their time.

"Even though they must be of low income, most of them end up putting much of their stipend back into the program by way of the purchases they make for the children they are working with," explained Phyllis Wallace, the Santa Cruz county director of the program.

Those who give four hours of their time each day, obviously do it for more reasons than to supplement their Social Security payments.

They become emotionally involved with the children they work with and therefore derive a great deal of fulfillment from their hours with them.

There seems to be less of a generation gap between the young people and the seniors than with adults in their thirties and forties, according to the directors.

"Most have developed a gentle sense of humor and can laugh with the young people, rather than at them. They often enjoy just listening to the recollections of the grandparents because they've read about them in their history books," Lillie said.

In the case of those grandparents who give their time to the juvenile hall at the county's probation center on Graham Hill road, their primary function is to be a friend to the boys and girls who have been made wards of the court.

One of the best loved grandmothers at the local facility is Roberta Swiger, affectionately called "Bert" by her young friends in the boys unit.

She entered the program when it began in 1972 following the death of her husband. Like many widows, she was somewhat lost at that time and realized she needed something to do wtih her spare time.

Bert greets the new arrivals with a friendly . . . "Hello, My name is Bert. I'm a foster grandparent and I'm here just as a friend. I'm not a heavy. I have no authority. I don't give any discipline. I'm not working for the 'fuzz' and I'm not writing a book. If you need to talk to someone or want help of any kind, come and get me. If you don't want to be bothered, just tell me to 'bug off.' The choice is yours."

She believes that listening, understanding and caring are the prerequisites to fill the roll of a foster grandparent. She has found that they really need someone to talk to . . . to spill out their feelings to a non-authoritarian figure more than anything. This seems to be true with the boys more than the girls, she believes.

"I think boys need more love because it is harder for them to ask for it because we raise them not to show emotions. They need to relax and to become like a small child with their mother. Boys appreciate the affection they receive more, because they find it harder to ask for it. They seem to be more astute at recognizing the difference between phoniness and sincerity," Bert said.

Tom Mote has also been with the program since its inception—first in the boys unit, then the girls and now in the SCAPP section (Santa Cruz Adolescent Placement Program) where the wards must stay for observation 90 days prior to their placement in foster homes or returned to their own homes.

Here they attend school classes and work on various projects and are helped back to a homelike atmosphere. They earn passes to go out with a counselor or parent and are helped in adjusting to regular society again.

"I help them just by being there and talking with them and helping them on their various projects. Just having a friend to talk to helps them curtail their frustration. They get real high strung when they're shut in all the time.

"They relate to us in a different way than the counselors—more like they might to a parent. It seems to have a quieting effect on them," Tom said.

Tom formerly worked in the Meals on Wheels program of Project Scout to supplement his income and give him something to do with his time after retirement. He wasn't sure he'd fit in to the Foster Grandparent program, since he had no children of his own, but was willing to try.

"Working with these young people has given me a new lease on life and something more to think about beside myself and my own problems. I'm sure it will actually lengthen my life because if your mind is active, your body won't deteriorate so fast," he said.

Bert believes she has learned a great deal about herself from the experience of being a foster grandmother, primarily that she needs someone to care for and the young people she has worked with at the probation center have filled that need.

"It gives me a real sense of belonging and being needed. Some of them are so mixed up, and have been through so much for their young years. Some come from such bad family environments which they have no control over. I give them as much understanding as I can and it really takes a lot of heart," she said.

"Many times I get hurt and go home crying, but I love it. I wouldn't trade the hours I spend here for anything."

It is hoped that the program will soon be expanded as there is now a waiting list of potential grandparents for the program. Seniors interested in the program may gain more information by calling 423-6249.

FOSTER GRANDPARENTS FULFILL EXCEPTIONAL NEED

(By Virginia Brailsford)

"Exceptional love and attention" from five volunteer foster grandparents has been a daily bonus this year for young people attending the Training Farm for the Retarded on Spring Valley Rd.

The foster grandparents, participating in "ACTION", a federal program, visit the farm each day for four hours, to serve as companions to mentally retarded children. The young people range in age from 14 to 21 and can be assigned to the foster grandparents by Walter Nicol, the school's head teacher.

"But more often than not, the visitors become involved with more than one child," he said.

In addition to listening to youthful problems and helping with school learning situations under the supervision of teachers, the "grandparents" share their own special skills and backgrounds.

Consequently, they may be found helping out in the greenhouse, in the work shop, the crafts department, or in the barnyard with chickens, lambs or rabbits. Their help is equally in demand in the domestic department. Or they can be found on the ball-field, playing baseball with the youngsters.

Mrs. Frances Soady, foster grandparent who joined the school in September at the inception of the program, is an example of sharing of hobbies. She often helps in the greenhouse, where the children carefully plant, tend, pot and water a wide variety of garden annuals, including herbs. Her enthusiasm for growing things extends to the young gardeners.

The children's pride in the horticultural project is heightened by a small stipend earned for greenhouse duties, Mrs. Soady explained. Each week, a "store" is simulated so that the children may have the experience of making small purchases and handling money.

Another enthusiastic volunteer, is Arthur Gordon of Aptos. A former business writer and dog breeder, he assists with the farm operation. "A favorite task for the children is nursing a motherless lamb," Gordon said. Keeping the pens clean for pigs, rabbits, chickens and other pets is also part of the farm learning activity for youngsters. Gordon helps a teacher with supervision.

Many of the trainees belong to Future Farmers of America and have won numerous ribbons for exhibiting livestock at fairs, Gordon said. "Although some may not be able to master abstract ideas, they grasp simpler skills."

All are termed "trainable" retarded. Many are mongoloids.

Recalling when he joined the foster grandparents program last winter, Gordon said, "I wondered if I could 'reach' the retarded. However there was no problem. Many clutch you in their eagerness for love and attention."

He added thoughtfully, "I discovered, it's a question whether I am doing something for the children, or whether they are helping me. . . . It's wonderful, what they have done for me."

The grandparents, all over 60 years of age, are selected for their patience, love of children, and calm manner, according to Phyllis Wallace, supervisor of the foster grandparent program in Santa Cruz County. "They are assigned by the school principal to specific children in one of the area schools for handicapped children." (Other schools are Calabasas, Kennedy Center, and Duncan Holbert School.)

More foster grandparents are needed.

"There aren't enough to go around," she said.

Another grandparent, relatively new to the program, is Mrs. Bess Maiorino who is involved with reading, homemaking, or horticulture or wherever she's needed.

Mrs. Maiorino believes she has a particular understanding of the handicapped. She grew up with a little girl, a friend, who was retarded. Later she tutored one of her own four children who had a speech impediment until he overcame it and won an outstanding award in English. With 11 grandchildren of her own, she finds the association with Spring Valley Farm rewarding.

"When I started, there was one boy who didn't talk and refused to be touched. He seems to have had unfortunate experiences in foster homes. Now he's less shy and is talking more," she said.

Noting the accomplishments of the girls, she said, "They model the clothes they made at the school's April 22 open house. They were well-behaved and attractive. You wouldn't have known that anything was different about them. When they appeared, I cried."

Another grandmother, Mrs. Isaacs, has been teaching sewing since last fall. A former business woman, she is 70 and helps wherever needed at the school. She lost her husband two years ago and finds the farm fills a definite need in her own life, in addition to her two grandchildren.

"Those at the training school are a lovable group," she said.

"They are different from 'normal' children in surprising ways. There is no jealousy, no antagonism between them. They always help each other."

Mrs. Isaacs recounted a humorous incident, illustrating the effect that unusual situations can have on exceptional children. She and another grandmother had been assigned as "goalposts" in a ball game. Feeling weary, she sat down to rest. One of the boys who rarely speaks began to laugh, saying, "Look, the goalpost sat down."

The senior member of the grandparent team was Mrs. Marie Farrar, a former school cafeteria manager who taught cooking in the school domestic department. Now 72, she has resigned due to health problems.

There are now 23 foster grandparents in the Watsonville area, working with children who have exceptional needs, in such schools as the Training Farm, or at hospitals or day care centers.

The national foster grandparent program, established in 1965, was funded locally in 1972.

Mrs. Lillie Bourriague, former director of Project Scout, is director of the tri-county foster grandparent program. There are 65 volunteers in the three counties and more are needed as the program expands, she said.

"Not only do special schools for the handicapped benefit, and the children receive special attention and love, but the grandparents themselves are living a complete new life," Mrs. Bourriague said.

Grandparents benefit monetarily through the federally financed program. They receive a stipend which is not subject to federal or state tax. Volunteers also have a daily hot lunch, transportation expenses, a physical examination, and $1.60 an hour wage. They may work up to 20 hours a week, and receive a two-week paid vacation, plus sick leave.

"Many older people who find their Social Security benefits are not adequate to cover expenses these days may not know of the foster grandparent program," Mrs. Bourriague said.

Volunteers are carefully screened and trained, she explained. "A necessary quality is the ability to give love and patient understanding to a child with exceptional needs."

To be eligible, volunteers must be over 60 years, and need to supplement retirement income.

If more information is wished regarding the foster grandparent program, persons may call the Santa Cruz office, 505 Lincoln St., at 423-6249, or the Salinas office at 422-8526.

THE JUVENILE DELINQUENCY PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Maine (Mr. COHEN) is recognized for 10 minutes.

Mr. COHEN. Mr. Speaker, I am very pleased that the House today has requested a conference with the other body on H.R. 15276, the Juvenile Delinquency Prevention Act. The prompt action taken by the House and the other body on H.R. 15276 and S. 821, underscores the deep concern and commitment that this Congress has to correct the serious problem of juvenile delinquency which now exists in this country, a problem which jeopardizes the most important resource this Nation has, its youth.

I would like to express my interest in the action taken by the other body to place overall administration of the block grant juvenile delinquency prevention program in LEAA. As you will recall, when the House debated H.R. 15276 on July 1, 144 Members including myself, indicated support for LEAA administration. While I recognize the duty of the conferees to faithfully represent the final House position on the legislation during the conference, I sincerely hope that the House conferees will be able to give favorable consideration to the position taken by the other body on this matter.

During the debate on July 1, I expressed my belief that the block grant programs for juvenile delinquency prevention provided in H.R. 15276 could best be administered by LEAA. In the past 5 years, LEAA has been responsible for the management of a block grant program representing the single greatest effort of the Federal Government to meet this Nation's criminal justice problems. With its assistance and cooperation, State planning agencies throughout the country are developing the comprehensive planning capabilities and mechanisms essential for utilizing these block grants in the manner needed to meet their particular criminal justice problems. In addition, last year this Congress mandated LEAA to develop a comprehensive juvenile justice program, which is now going forward to both the State and Federal level. To me, therefore, LEAA and the SPA's seem in the best position to assure that this new program for juvenile delinquency prevention is promptly and effectively implemented, including careful coordination between it and the other State and Federal juvenile justice efforts.

In closing I would like to commend the gentlemen from California (Mr. HAWKINS), chairman of the Subcommittee on Equal Opportunity of the House Education and Labor Committee, for the dedicated work of his subcommittee on H.R. 15276. I would also like to commend the gentlemen from Minnesota (Mr. QUIE) and the gentlemen from Wisconsin, (Mr. STEIGER) for their efforts to achieve final enactment of this highly significant legislation. As the ranking Republican of the Subcommittee on Crime of the House Judiciary Committee, which has general oversight of LEAA, I pledge my support and cooperation with the Subcommittee on Equal Opportunity in secing that the provisions of the Juvenile Delinquency Prevention Act are fully and effectively implemented by LEAA, should it be given that authority.

IMPEACHMENT DECISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 10 minutes.

Mr. HOGAN. Mr. Speaker, since announcing my decision to vote in favor of certain impeachment articles, I have been subjected to a great deal of personal abuse from some of my friends and colleagues in the Congress, from my political workers and contributors and, most sadly of all, from some of my personal friends.

I have been contacted by thousands of people from my own State of Maryland and from nearly every other State in the Union. Many of these letters, telegrams and phone calls have come from my fellow Republicans, condemning my decision, and addressing me as "JUDAS" HOGAN and "BENEDICT ARNOLD" HOGAN and "BRUTUS" HOGAN, and asking what I would do with my "30 pieces of silver."

To those people, I make a simple request: Study the evidence as I have studied it, and then look yourself in the eye and say, "Richard Nixon has done no wrong. He deserves to remain as President of the United States."

To my fellow Republicans who have asked, "How can you vote to impeach a Republican President?" I ask them in turn, "How can I vote to excuse the wrongdoing of a Republican President?"

Should my allegiance to the Republican Party transcend my oath of allegiance to my country and my loyalty to my own conscience? Of course not.

I can understand that some will disagree with my decision, but I cannot understand those who deny me the right to vote according to the dictates of my own conscience.

Some of my long time Republican supporters and workers, who have written to me in times past commending me for my courage in standing up and fighting for the causes in which they believe, now condemn me for speaking out on an issue on which they do not agree with me.

All throughout our history, beginning at the time of our Founding Fathers, American politicians have seen their duty from different perspectives and have come to different conclusions. Some will do so on this historic issue.

Some, like many of my Republican colleagues on this committee, will look at the evidence and not see what I and six other Republicans on the Judiciary Committee see. I respect these opponents of impeachment for their position even though I disagree with it. I know how hard they have worked for the past several months, and I know the excruciating agony of decisionmaking they have endured, as I have endured. I know they have come to their decision honestly, in response to their consciences' urging, as I have.

But some of our colleagues in the House will not bother looking at the evidence, but will vote for impeachment or against impeachment on a strictly political basis. While I cannot admire this approach to a decision of such vital importance to our Nation, I know the realities of political life.

To my fellow Republicans who have not studied the evidence, but have already made up their minds to oppose impeachment for the sake of the Republican Party, I want to proffer this thought: While this political scandal called Watergate is the shame of America, it is even more poignantly the shame of the Republican Party.

While the travesties of Watergate were perpetrated outside the regular channels of Republican Party organizations, they were all committed by Republicans for the benefit of a Republican President. Each of the 20 Presidential aides who have been convicted was a Republican.

It seems to me, in addition to our responsibility to the country, we also have a responsibility to our party to rectify these wrongs.

Do we want to be the party loyalists who in ringing rhetoric condemn the wrongdoings and scandals of the Democratic Party and excuse them when they are done by Republicans?

During the years I was an FBI agent, I was repeatedly amazed that a mother could never believe that her son had committed a crime. "My son would not do such a thing," she would say.

On Christmas Eve, I arrested a bank robber at his mother's home, and, in a Christmas present box, we found the loot taken in the bank robbery. But his mother would not believe it. In spite of all the evidence against him, his mother still would not accept the reality that her son had committed a crime. "My son would not do such a thing."

Aren't some of my fellow Republicans being equally illogical on this question of impeachment? To those partisans who seem to put party loyalty above all else—and I do not include my esteemed Republican colleagues on the House Judiciary Committee in that category—I would like to speak in the language those Republicans know best—the language of politics.

Confidence in politicians—especially Republican politicians—is at an all-time low ebb. Our Government is reeling from the scandals of Watergate because of this mistrust. The person who bears most of the responsibility for this sad condition is the President of the United States, the subject of this impeachment inquiry.

A year or so ago, it would have been unthinkable for me to even consider the possibility of removing the President from office, but we on the House Judiciary Committee have been thinking this unthinkable thought, and now, after having thoroughly studied the evidence for several weeks, it strikes me that it is unthinkable that we not remove him from office.

If he continues in office, will the people have trust in their Government? Will voters have confidence in politicians who put their party above their country? If we do not purge ourselves of the disease of Watergate, will our party and the two-party system itself survive?

While the House Judiciary Committee was holding hearings on the confirmation of Vice President GERALD FORD, I said at one point that—

> As far as I'm concerned, there is no single thing that can do more toward restoring the American people's confidence in government than for them to get to know (the Vice President) as well as those of us in the House know him.

We subjected GERALD FORD to the most searching investigation and scrutiny of any politician in history. No man is better equipped than JERRY FORD by virtue of his integrity, his honesty and his dedication to his country's welfare to lead us out of the quagmire of Watergate and to restore the people's confidence in government and politics.

We should not fear this transition of leadership. We should welcome and demand it.

ATOMIC ENERGY ACT AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. MCKINNEY) is recognized for 5 minutes.

Mr. MCKINNEY. Mr. Speaker, two recent events have again raised the issue of continued proliferation of nuclear weapons. On May 18, India exploded a nuclear device made with radioactive materials diverted from a Canadian reactor which was built for "peaceful purposes." Later, in June, the President announced his intention to enter into cooperative nuclear power agreements with both Egypt and Israel. It appears as if the "nuclear genie" which was partially bottled by the nuclear test ban, the Non-Proliferation Treaty and the SALT I agreements has been uncorked. And from the comments of the Secretary of State, Henry Kissinger, the bottle might stay permanently uncapped if the Soviet Union and the United States cannot soon come to agreement on SALT II.

The President's intentions to negotiate nuclear agreements with Egypt and Israel focus important considerations, international and constitutional. The legislation before us condenses these issues. H.R. 15582, which enables Congress to either concur or disapprove of international agreements for cooperation in regard to certain nuclear technology, asserts that Congress will not duck responsibility for the proliferation of nuclear technology, but instead face this responsibility squarely. This is especially true if Congress is to continue in the spirit of the war powers resolution and the Congressional Budget Priorities Act in reasserting congressional authority. It seems apparent that any action which commits the resources or abilities of the United States in some way must have congressional concurrence. What could possibly excuse the Congress from this responsibility in the commitment of its nuclear technology?

There are clear constitutional grounds for this amendment to the Atomic Energy Act. The argument that executive agreements do not need congressional concurrence because of the special inherent powers of the Executive to conduct foreign policy has never been strong. The only reason that congressional approval was not sought for executive agreements was that Congress usually did not chose to exercise its authority. Raoul Berger, the distinguished constitutional lawyer, stated in his authoritative book on executive privilege:

> However impenetrable the intentions of the Framers . . . they made clear beyond doubt that the specific objective of the treaty clause was to preclude the President from entering into international agreements without the participation of the Senate.

This measure does not prevent the President from negotiating these necessary agreements in any way. We are assuring that Congress will carefully examine these agreements and concur in them. Under present law, the President submits any nuclear reactor agreements to the Joint Atomic Energy Committee which has only the authority to examine them for 30 days, with no provision at all for congressional consideration. To allow such procedures for continued congressional abdication of power to go on would be totally irresponsible. Congress has the clear responsibility not only to the American people, but to the people of the world, to consider carefully the implications of nuclear agreements such as these.

We carry not only a constitutional responsibility but an international responsibility. The Atomic Energy Act of 1954 recognized the fact that the United States as then leading depository of nuclear technology had the obligation to safeguard the proliferation of atomic materials for peaceful purposes. We also recognized that in keeping with the most time honored traditions of the United States, we should share the advantages of the peaceful use of atomic energy with the nations of the world.

It is essential to be realistic about the prospects for further development of nuclear technology around the world. With the world's resources of oil and coal rapidly being depleted, and economic expansion moving forward at ever increasing rates, especially among the developing countries, we can not reasonably expect to monopolize the use of nuclear power sources. The risks involved in making nuclear technology available to Egypt and Israel for peaceful purposes are self-evident. But if we do not provide energy producing reactors, the odds are great that these countries will get them somewhere else, without the safeguards which the U.S. would require.

Israel already has two reactors, a small research reactor of 5 MW and a French built 26 MW reactor which is capable of producing plutonium for weapons already. Egypt also has a small 2 MW reactor provided by the Soviet Union.

The State Department has stated that the French have already expressed interest in bidding on an Egyptian reactor and the Germans have expressed interest in an Israeli reactor. The question is not whether these nations will obtain nuclear technology but what safeguards will be attached to the acquisition of these reactors.

It is essential that the Congress assure itself and the Nation of the strictness of safeguards to prevent nuclear materials from being diverted to nonpeaceful uses. Restrictions must include:

First. Giving the United States full control over production, shipment, and reprocessing of the uranium and plutonium fuels.

Second. Detailing measures for physical security against theft of nuclear materials.

Third. Preventing the transfer of highly enriched nuclear material.

This last will help to prevent the type of loophole through which India claimed its blast was done for the peaceful purposes laid down by Canada.

While at this time I do not want to get too far beyond the question of whether Congress will or will not take part in nuclear exchange decisions, the implication of that decision will carry beyond legislation to the question of our basic foreign policy. What is the U.S. role to be in aiding other nations meet their future energy requirements, especially when our own are far from assured? In what direction should our efforts lead—nuclear power, solar research, increased oil production? Will our aid be negotiated through bi- or multilateral channels and will political considerations be attached to it?

Mr. Speaker, positive action on this measure today will aid Congress in considering these issues fully and responsibly. Congress' obligation, both to the international community and to the American public, is clear. We must provide ourselves with the tools to share equally with the President the responsibility for these key decisions.

THE AMBASSADOR'S ASSESSMENT OF VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. CLEVELAND) is recognized for 15 minutes.

Mr. CLEVELAND. Mr. Speaker, one of our Nation's most distinguished diplomats, Ambassador Graham Martin, testified before the Senate Foreign Relations Committee on July 25. As our country's representative to the Republic of Vietnam, Ambassador Martin has upheld the highest standards of ability and integrity.

I know that many of my colleagues will be heartened by the ambassador's confidence in Vietnam's future. I know, too, that most Americans will agree that we should leave Vietnam economically viable, secure against aggression and externally supported subversion, and able to choose its government in freedom.

Great sacrifices have been made to secure peace and freedom in Vietnam. It is doubly heartening, therefore, to hear our Ambassador's assessment that we shall be able to close the story of our involvement with success and with pride. I insert in the RECORD the text of Ambassador Graham Martin's remarks to the Senate Foreign Relations Committee on July 25, 1974:

REMARKS OF AMBASSADOR GRAHAM MARTIN

Mr. Chairman, I very much welcome the opportunity to present to this Committee some impressions of the very great changes that have taken place in the Republic of Vietnam since my arrival there a year ago this week. It has been an interesting year, in many ways a fascinating year and, in a few ways, a frustrating year.

But it has also been a rewarding year, because I am able to report to you that if the level of economic assistance for the Republic of Vietnam recommended and urged by Secretary Kissinger is authorized and appropriated by the Congress we can confidently anticipate that in a very few years we will be able to regard our Vietnam involvement as closed. If the Secretary's recommendations are heeded our involvement will be closed in the way that the great majority of Americans quite obviously want it closed—leaving the Republic of Vietnam economically viable, militarily capable of defending itself with its own manpower against both external aggression and externally supported internal subversion, and free to choose its own leaders and its own government as its citizens themselves may freely determine.

I am confident that this is the way we will eventually leave. If the requested level is not forthcoming it will just take us longer. For my part, I deeply believe the quicker we reach this goal, the better off we will be. It was for this reason I had publicly suggested that the appropriate economic aid level for the Republic of Vietnam for FY 1975 should be $850 million rather than the $750 million finally recommended by the Administration.

Although I still think the $850 million level would permit us to more quickly leave Vietnam, I regretfully conclude that there is small chance of my persuading you to raise the Administration's requested $750 million to that level. One senior member of the House did observe that if we could have gotten a majority of the Congress to visit Vietnam this year and see for themselves the actual current realities, we would have little difficulty in getting a clear majority for $900 million. To my great regret the members of this Committee have been unable to visit the Republic of Vietnam in the past year.

I think it very important to note that what we are requesting is less than three-fourths of the amount of economic aid which will be furnished to North Vietnam this year by the PRC, and the Soviet Bloc. Our present estimate indicates that more than $1.2 billion in purely economic aid will be delivered to North Vietnam in this calendar year.

Perhaps it would make a contribution to perspective to recall that when the Paris Agreement was signed in January 1973, no one who was familiar with the complexity and depth of emotion involved in the Vietnam problem expected a perfect peace overnight. However, there was a general consensus that the Agreement provided a good framework on which peace could be built, and there was widespread hope that this peace could be achieved in a reasonable period of time.

In the subsequent 18 months, however, it has become increasingly clear that the Communist side is not yet really serious about implementing the Agreement. Instead, the aging Hanoi leaders are still trying to seize full power in the South through a combination of military, political, and economic pressure. They are also attempting to achieve a cut-back in U.S. military and economic assistance to the South, which they hope would accelerate the collapse of the structure of South Vietnamese society which their doctrine and ideology predicted as inevitable with the departure of American armed forces. But this collapse has not happened, Mr. Chairman, and I am convinced that it will not happen. To document this conviction, let me examine briefly the current political, military, and economic situation in South Vietnam.

Politically the South Vietnamese Government is stronger than ever. It is effective. It exercises normal governmental control over more than 90% of the population and all important towns and economically productive areas. Most significantly, it is perceived to be legitimate by the vast majority of the South Vietnamese people, and it has their full support in its continuing struggle with the Communists. In sharp contrast, the Communists are politically weaker than ever, with control over less than one percent of the population, and very little popular support.

Militarily, the South Vietnamese are also strong. Their armed forces have demonstrated their ability to defend the country by stopping the 1972 North Vietnamese offensive without U.S. ground support, and by maintaining the military status quo since the signing of the Agreement, in spite of serious enemy attacks, without any U.S. combat help or advice. Even with the North Vietnamese military build-up since the Agreement, I am confident the South Vietnamese can continue to handle the military threat on their own, provided we continue to replace military supplies on the permitted one-for-one basis.

Economically, however, South Vietnam has serious problems. The economic decline of the past two years was initiated by the 1972 North Vietnamese offensive and the disruption and refugee burden it created. It was exacerbated by the sharp decline in the value of overall U.S. aid and economic inputs. And it has been further compounded by rapid increase in the price of the major South Vietnamese imports, which consist primarily of petroleum products, fertilizer, and foodstuffs.

The immediate, short-range economic picture may look unfavorable, but its very severity has, up to this point, contributed to the political unity, as all Vietnamese have tightened their belts. There has been no panic, no political unrest, but a steadfast, pervasive determination to surmount this latest obstacle to their goal of a better life, in freedom, for themselves and their children. They have largely preserved the free economy and have permitted the normal forces of a market economy to work.

Thus, we find the price of gasoline at about $1.62 a gallon, one of the highest in the world. Since all imports that were not absolutely essential have been eliminated, new aid will be channeled more than ever before into development and investment projects which will increase the productive capacity and create more jobs. South Vietnam's longer range economic prospects, therefore, are quite good. In fact, all the essential conditions are present in South Vietnam for an economic breakthrough along the lines achieved in Taiwan and South Korea, and in an even shorter time frame.

Overcoming these short-term economic problems and hastening the day of self-sufficiency are the immediate objectives of our FY–1975 economic assistance proposals for South Vietnam. Perhaps of even greater importance are the political and military implications of these proposals. I shall allude to these a bit later.

On the purely economic side, we should note that for the past decade our assistance has been concentrated on a stabilization effort, designed primarily to help the South Vietnamese support the war effort and meet war-related contingencies such as caring for war victims. Wartime conditions and priorities forced the neglect of longer range economic development projects. The South Vietnamese have had some success during the past year in placing more emphasis on the economic future rather than the present. This South Vietnamese Government has responded to the economic crisis in part by eliminating all unnecessary imports, and all U.S. aid-financed imports have become production and development oriented. Now, with our FY–1975 request, we hope to put still greater emphasis on longer range reconstruction and development programs so that the South Vietnamese economy can move as quickly as possible toward self-sufficiency. If the amounts of assistance envisaged in the projections given the Committee by Secretary Kissinger can be provided, I am certain that at the end of this decade South Vietnam will need no more than nominal amounts of further U.S. economic aid.

If we have the wisdom and foresight to make the large initial investment in economic aid I have recommended for the next two years, FY–1975 and FY–1976, I am completely confident that we can reach this goal much sooner. While the FY–1975 emphasis on development will be somewhat more expensive initially, without it South Vietnam's import substitution program would be delayed, economic self-sufficiency would remain a mirage, and the need for outside assistance would be open-ended. One example provides a dramatic illustration. The FY–1975 proposal includes $80 million for the construction of a fertilizer plant.

At the same time, we are spending nearly $120 million per year to help the South Vietnamese import the fertilizer necessary to sustain food production. Yet, until the fertilizer plant is built, we cannot cut off funds for fertilizer imports, since to do so would cause a sharp decline in food production and the consequent prospect of either famine or a massive U.S. food supply program. Neither alternative would appear an attractive option.

The program requested can serve as a sound basis for the U.S. phase-down effort; and in the long run it will be less costly to the American taxpayer than the stabilization programs of the wartime period.

Mr. Chairman, I would like to address two particular questions which I know have been of concern to a good many members of Congress.

First is the assertion made frequently in recent months that eliminating or sharply cutting our aid to South Vietnam will bring peace by forcing the South Vietnamese to negotiate a settlement. This may be true if the kind of peace desired is that of abject surrender to Communist aggression, or the peace which would follow a bloody Communist military victory. But this is not the kind of peace for which we have invested so much all these years, nor the kind of peace which would be in our interest or in the interest of the South Vietnamese people.

In fact, it has not been the South Vietnamese Government which has been blocking implementation of the Paris Agreement and further progress toward peace. It is the Republic of Vietnam which has everything to gain by a full, complete, and rapid implementation of the Paris Agreements. Plain logic makes this conclusion inescapable. It is the North Vietnamese who do not dare the impartial internationally supervised rejection of their claims that they have more than minimal support in South Vietnam which would be the automatic result of the elections required by the Paris Agreements.

Consequently, short of the patently impossible attempt to force their surrender or military defeat, there is no way we can pressure the South Vietnamese alone to make a real peace. The best hope for a genuine negotiated settlement and eventual reconciliation in Vietnam is to maintain the balance of forces, both military and economic, which has permitted the progress made thus far.

Secondly, I am aware of the argument that is being made that in view of the continuing hostilities it might not be possible to achieve South Vietnamese economic self-sufficiency in a reasonable time frame, no matter how much aid we give.

I understand the argument. It has a certain logic. Cautious bureaucrats in the Executive Branch have been using it for years. It still rankles me that I was unable to prevail over it some years ago before I left Southeast Asia in 1967. It was a mistake then. It will be an even greater mistake now. But it overlooks the new factors that, one, there is now no possible way Hanoi can overthrow Saigon by any variation of a fair political contest, and, two, it is now crystal clear that the North Vietnamese cannot conquer South Vietnam militarily.

Their last hope, therefore, is to achieve such a reduction of economic aid to South Vietnam that it will effect the political unity and the military morale and effectiveness of the South Vietnamese Armed Forces. If we do not permit this to happen, if we provide the full amount Secretary Kissinger has recommended, we can confidently anticipate a considerable reduction in the level of violence in South Vietnam and, perhaps, progress toward a real settlement.

I strongly believe, Mr. Chairman, that we should end American involvement in Vietnam, and we should end it as quickly as possible. How we end it, however, is of crucial importance. I believe our objective must be to end it leaving a South Vietnam economically viable, militarily capable of defending itself, free to choose its own government and its own leaders, and able to work out its own eventual reconciliation with its enemies in the North.

Moreover, I believe this objective can be achieved in the time frame we have projected. Whether or not we are able to walk away from such a South Vietnam as I have described, with the evidence of American commitments fully discharged, may well have a decisive impact on our future role in the community of nations, and on our ability to help build a worldwide structure of peace for our children and grandchildren. I deeply believe this to be true, Mr. Chairman, as Secretary Kissinger expressed much more eloquently in his statement to this Committee on June 7.

THE PRESIDENTIAL OATH OF OFFICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, each of us has been impressed by the high quality of work done by the House Judiciary Committee. Outstanding among the statements made was one by my distinguished colleague and good friend, GEORGE E. DANIELSON, concerning the President's obligation under his oath of office. I wish to share it with my colleagues:

In my opinion, Mr. Chairman, this is possibly, probably—I can make that stronger—it is certainly the most important article that this committee may pass out.

The offense charged in this article is truly a high crime and misdemeanor within the purest meaning of those words as established in Anglo-American jurisprudence over a period of now some 600 years. The offenses charged against the President in this article are uniquely Presidential offenses. No one else can commit them. You or I, the most lowly citizen, can obstruct justice. You or I, the most lowly citizen, can violate any of the statutes in our criminal code. But only the President can violate the oath of office of the President. Only the President can abuse the powers of the Office of the President. When our Founding Fathers put our Constitution together, it was no accident that they separated the powers. Against the backdrop of 400 years of history of Anglo-Saxon jurisprudence they realized the need to have a device, a constitutional means of removing from office a chief magistrate who had violated his solemn oath of office. And I respectfully submit that the impeachment clause of our Constitution which, fortunately, we have to use now for only the second time, is that means.

These are high crimes and misdemeanors, meaning that they are crimes against the very structure of the state, against the system of government, the system that has brought to the American people and has preserved for the American people the freedoms and liberties which we so cherish. This is uniquely a Presidential offense, Mr. Chairman, and the most important subject of this hearing.

There are some—and I would like to respond right now—there are some among us, there are many conscientious, dedicated Americans who harbor a feeling of fear and apprehension at this proceeding. They seem—I submit that it is a sensitivity to the travail through which our Republic is now passing, but they feel, they recognize, they sense that this is a most grave responsibility and proceeding and some of them say that this should not be done because it might harm the Presidency. Mr. Chairman, I submit that only the President can harm the Presidency. No one but the President can destroy the Presidency. And it is our responsibility, acting under the impeachment clause, to preserve and protect the Presidency as we preserve and protect every other part of our marvelous structure of government, and we do it through this—do it through this process.

Someone, in his opening statement, referred to this as being a situation of "We, the people" acting. "We, the people," are acting through this procedure, through the provisions put into our Constitution.

The American people, Mr. President, are entitled to and want a government which they can honor and respect, and they should have it. The American people, Mr. President, are eager to revere their President. They are entitled to a President whom they can revere.

Mr. Chairman, I ask, "Is not the violation of the solemn oath of office an impeachable offense?" It is not found in our criminal code. It is implicit in our Constitution but it is necessarily implicit in the Constitution for otherwise why would there be an oath of office?

The offenses charged in this proposed article I respectfully submit, Mr. Chairman, are offenses which go directly to the breach of a solemn oath of office. Can anyone argue that if the President breaches his oath of office, he should not be removed?

I say not. And I respectfully submit that this point of order should be denied.

RAPE CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, the crime of rape is a violent crime. It is not primarily a sexual act; it in no way reflects any sort of sexual union. Rape is hostility and rage that uses sex as an outlet to humiliate and degrade. Sexual desire is not the motivating factor in rape—it is the chosen mode of the expression of anger and hostility. In 85 percent of all rapes some form of overt violence is used to force a woman into intercourse; whether it is beating, hitting, choking, or scratching. In addition, verbal abuse and coercion accompanies nearly all rapes.

On page 156 in "Patterns in Forcible Rape" by Dr. Menachem Amir, he notes that—

> In almost 90 percent of the cases where victim and offender were of the same age level, the rape event involved the use of force. Among the cases where there were gross differences—in at least plus or minus 10 years—between offenders and victims, force was used in 94 percent of the situations where the offender was at least 10 years younger and in only 71 percent when he was at least 10 years older than his victim.

These statistics do not support the statement Judge Levittan made in her address. In addition, Dr. Amir found—

> It should be noted that a *significant* association was found between type of rape and degree of violence in the rape situation. Most excessive degrees of violence occurred in group rape (emphasis his).

Group rapes occurred in 43 percent of the cases Dr. Amir studied. Glueck's New York study found the use of physical force in 57 percent of the cases studied and that in 43 percent of the cases the threat of a weapon was used. In 3 percent of the cases Glueck studied, the victim was murdered. Dr. Amir's study showed that sexual humiliation, fellatio, cunnilingus—or both—and pederasty occurred in over one-quarter of the rape cases he studied. In nearly 10 percent of all cases, the victim was sodomized. I can think of nothing more brutal or violent.

According to the Federal Bureau of Investigation, crimes of violence are rising in this country. The leading element of this increase, above murder and assault, is forcible rape. Last year, there were 51,000 rapes reported in the United States, a dramatic 60 percent increase from 5 years ago. And rape is the least reported crime. No other group of victims are so often disbelieved as women who have been raped. During the 1960's, the incidence of reported rape rose over 65 percent, while in this period the number of convictions for rape rose only 36 percent. Indeed only 13.3 percent of those men tried for rape were convicted in 1972, the lowest conviction rate for any violent crime. One reason convictions for rape are so low is the stringent corraborative evidence requirements. In the courtroom, the victim often must publicly testify as to her past sexual relationships. The offender does not have to testify at all since he cannot be forced to incriminate himself. Moreover, his past behavior and even prior rape convictions are not admissible as evidence.

FBI criminologists estimate that only 1 out of 10 rapes is even reported. Rape is a subject rarely spoken about in public until very recently; because of public ignorance and attitudes it is extremely humiliating for a victim to come forth and report the rape. Silence, however, only perpetuates the shame, guilt, and neglect that already accompany rape. As one woman told a psychologist long after her rape:

> I told people about the robbery and the stabbing, but I didn't tell anyone about the rape. I felt dirty and ashamed.

This type of societal attitude is deplorable and must be changed. There needs to be public education on the subject of rape and treatment for its victims and the offenders. There is a need for strong legislation in this area as well.

I have introduced a bill, H.R. 14223, cosponsored by Representative YVONNE BRAITHWAITE BURKE, which would establish a National Center for the Prevention and Control of Rape within the Law Enforcement Assistance Administration. It would provide financial assistance for research and demonstration programs into the causes, consequences, prevention, treatment, and control of rape. It is necessary to study and evaluate existing laws dealing with rape, the causes and social conditions that encourage rape, and the traditional social attitudes toward rape victims so that rape can be prevented, rapists convicted, and counseling centers for rape victims can effectively help these women.

This legislation is concerned with funding projects that would offer treatment to rape victims and offenders as well as funding public education programs and self-defense courses. It would be the duty of the National Center to compile, analyze, and publish a study to be submitted to Congress annually. The study would make recommendations based on the research and demonstration projects the Center conducted. In addition, the Center would compile and publish training materials for programs and personnel engaged in preventing rape and treating rape victims. The Center would also function as an information clearinghouse with regard to the prevention and control of rape, the treatment and counseling of the victims and their families, and the rehabilitation of offenders.

The Women's Crisis Center in Ann Arbor, Mich., was the first agency in this country established specifically to counsel rape victims. It is a nonprofit, peer counseling service, organized and controlled by women in the community. They organized several years ago in response to the spiraling increases in rape and the needs of its victims. They have written and designed a 16-page pamphlet called Freedom from Rape, which deals with the varied aspects of rape—the myths that surround it, how to prevent an attack, what to expect from the police and medical personnel, and the criminal and civil trial. One article in particular deals with many of the myths and misconceptions many of us believe about rape and the women who have been raped. This article is fully researched and supported by various studies done in the United States—most notably, the Philadelphia study Dr. Menachem Amir published in 1971.

More and more women are beginning to speak out about this horrifyingly brutal experience and share their insights with other women and men. It is time all Americans had a better understanding of the true realities of rape. I believe this article goes a long way to clarifying the real issues. I would like to commend to my colleagues the following excerpt from "Freedom From Rape":

MYTHS ABOUT RAPE

An extensive study of the general problem of rape was published in 1971 by Menachem Amir. The results were rather startling for it showed that many of our beliefs about rapists were only myths. These myths are numerous, varied, and often contradictory.

1. Perhaps the most common myth is the widely held belief that a rapist is a sexually-unfulfilled man carried away by a sudden uncontrollable surge of desire. The actual facts: Dr. Amir's study showed that 90 percent of group rapes were planned in advance and that 58 percent of the rapes committed by a single man were planned. Generally rape is NOT a crime of impulse. As to the myth that rapists are sexually-unfulfilled, Dr. William Prendergast of the New Jersey State Prison states that *all* of the rapists that he has studied had available sexual relationships. Sixty percent of the men in Dr. Amir's study were, in fact, married and led normal sexual lives at home.

2. A second myth is that all rapists are pathologically sick and perverted men. Evidence does not support this view of the rapist. According to Dr. Amir, men convicted of rape were found to have normal sexual personalities, differing from the norm only in their greater tendency to express violence and rage. Sex, therefore, is not the motivating factor in rape—it is merely the chosen mode of expression. Alan Taylor, a parole officer who has worked with rapists in the prison facilities at San Luis Obispo, California, said

about the men, "Those men were the most normal men there."

3. Another popular myth is that most rapes occur in dark back alleys or to women who hitchhike. Some people feel the solution to rape is for women to spend their lives staying at home. But Dr. Amir's study clearly shows the fallacy in this type of thinking. Over *one third* of rapes are committed by a man who forces his way into the victim's home! And over half of all rapes committed occur in a residence.

4. Most people believe that the typical rapist is a stranger to the victim. This just isn't so. Women can't even trust the men they are acquainted with. A full 48 percent of the rapists that Dr. Amir studied were known by the victim. Some were merely casual friends, others were close relatives.

5. The age-old myth that black men rape white women at every opportunity is still perpetuated even though Dr. Amir reports that in 93.2 percent of rape cases both the man and the woman are of the *same* race. In fact, white men attack black women more often than black men attack white women. (3.6 percent compared to 3.3 percent respectively).

6. Many people are inclined to believe that a raped woman was at fault somehow—that she probably provoked the attack. This provocation, considered a mitigating factor in a courtroom, may consist of only a gesture or a way of dressing. Even using this extreme scale, the Federal Commission on Crimes of Violence reports that only 4 percent of reported rapes involved any precipitative behavior on the part of the women. In some cases precipitative behavior is nothing more than walking and dressing in a way that is socially defined as attractive. Our society lauds women who are sexy—but those unlucky enough to be raped are dismissed as tramps.

7. Some persons really believe that rape is impossible without consent, that a normal man cannot rape a normal woman unless he has assistance. Unfortunately, it is simply not true that a woman who does not want to be raped can always prevent it. She may be knocked unconscious, or may submit because she fears for her life if she struggles. Most men are physically stronger than most women, and the attacker usually has the advantage of surprise. There have been instances where experienced policewomen, trained in self-defense and emergency situations, have been raped, despite all their efforts at resistance. There are many men, especially in American prisons, who are attacked and sexually assaulted by their fellow men—despite their superior strength.

8. Another myth, upheld even by the law, is that a woman cannot be raped by her husband. This legal fallacy is a direct result of the age-old concept of a woman as the property of her husband. Any act of sexual intercourse to which the woman does not consent is rape.

9. The common male belief that women, in fact, enjoy rape when it occurs would be hilarious if it wasn't such a tragic and destructive myth. The very idea that a woman could enjoy being attacked by a man she is not attracted to, that she could enjoy being exposed to injury or death, that she could enjoy being treated in a humiliating and brutal fashion is preposterous.

ITALIAN-SPEAKING CHILDREN DESERVE MORE THAN "SINK OR SWIM" SCHOOLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Podell) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, much progress has been made in recent years to recognize and meet the special needs of groups that have suffered injustices in the past for ethnic and other reasons. I have wholeheartedly supported the efforts of policymakers to rectify social and educational inequality of opportunity. I am, however, opposed to programs that disregard and penalize some Americans, including Italian-Americans.

An often overlooked reality is that Italian-Americans encounter illegal discrimination, particularly in the realm of education. They face special difficulties with administrators of professional schools, particularly in medical schools. They are also woefully under-represented on university faculties. Most disconcerting of all is the plight of children of Italian immigrants. Italian-speaking, they are all too often thrown into the English-speaking classrooms on a sink-or-swim basis.

This callous neglect by the Federal Government of the bilingual needs of these children is shocking. Approximately 25,000 Italian immigrants enter this country each year. Recent surveys conducted by the Office of Educational Program Research and Statistics reflect a steady increase in school enrollment of Italian dominant children. They are the third largest group encountering difficulties with English. They are also the most disregarded in the field of education.

The reason is clear. These people are being locked out because they are not the proper ethnic group—not because they lack the talent, or the preparation, or because their numbers are so few. Throughout our history Italian-Americans have constituted a very important minority group.

Almost 6,000 language-deficient Italian-American children do not get bilingual training in the city schools, according to the New York City Board of Education. That means 6,000 young men and women who will be marked for life by a lack of education. Failure to provide a child with instruction in the only language he knows, Italian, blocks the child's opportunity to become all that he is capable of becoming. Academic failure, reflected in lower reading scores, is quite common in such instances. So are the barriers he will face in trying to find a job.

I call upon the Federal Government to remedy its callous neglect of the bilingual needs of these new Americans. It is a demoralizing experience for them to be thrust into a totally alien environment. It is also a denial of their right to educational opportunities and a violation of the equal protection clause of the 14th amendment to the Constitution.

With the more than $35 million provided in the past under the Bilingual Educational Act, no Federal funds were spent on Italian programs. I hope the same will not be true of the $60 million earmarked for bilingual education for 1974–75. Thus far, five New York City school districts have submitted ESEA proposals to HEW for Federal funds that include Italian programs. They are districts 11, 20, 21, 30, and 32. I hope additional plans are submitted, and I strongly urge that all of these proposals be given the Federal funds they require.

My support for these proposals has been made known to the Secretary of HEW, and I trust the proposals will be given immediate consideration.

SPECIAL REQUIREMENTS FUND AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. Harrington) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, my colleague, Representative Pierre S. du Pont, and I will jointly offer two amendments to the foreign aid legislation that will come before the Foreign Affairs Committee—on which both of us sit—this week in markup sessions. Our amendments concern the $100 million special requirements funds—the SRF—requested by the administration as a component of its Middle Eastern assistance package for this year.

PRESIDENTIAL REQUEST

When the President asked the Congress to authorize and appropriate $100 million for the SRF, he wrote:

> This fund will be used for new needs that may arise as the outlines of a peaceful settlement take shape, including provisions for peace-keeping forces, refugee aid or settlement, and development projects.

Daniel Parker, Administrator of the U.S. Agency for International Development—U.S. AID—enlarged on this theme when he testified before the Foreign Affairs Committee:

> [W]e are requesting $100 million for a Special Requirements Fund to permit us to respond effectively in support of our foreign policy to the rapidly changing political situation in [the Middle East].

The relevant section of "The Draft Legislation Requested by the Executive" is, in my view, overbroad. It reads:

> Sec. 904. (a) Special Requirements Fund.—There are authorized to be appropriated to the President for the fiscal year 1975 not to exceed $100,000,000 to meet special requirements arising from time to time in carrying out the purposes of this part, in addition to funds otherwise available for such purposes. The funds authorized to be appropriated by this section shall be available for use by the President for assistance authorized by this Act in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.
>
> (b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programming and obligation of funds under subsection (a).

My colleagues should note two things in particular about this proposed language. In the first place, under this draft legislation, the President is not restricted to the form of assistance to be provided. The President is permitted to offer—at his discretion—economic development assistance, security supporting assistance, or even military assistance. It seems to me that the type of assistance to be provided is critically important to the Congress and should not be left entirely to the Executive. In addition, the Congress is being asked to authorize and appropriate a program about which it knows little or nothing. The amendment which my colleague from Delaware and I will be offering addresses itself to these concerns.

The principle of the SRF is founded on two realities, which I appreciate and, in principle, I support.

NEED FOR SPECIAL REQUIREMENTS FUND

The first reality is that a solution to the Middle Eastern conflict is of critical importance to the United States. The 1973 war in the region illustrates my point in two respects. Over a 25-year period, a regional subsystem developed in which various countries became the client-states of the two superpowers, the United States and the Soviet Union. At certain points in the recent past, the two superpowers were able to use their influence to contain the regional conflict; but three times, since 1956, the superpowers were either unwilling or unable to reduce the increasing tensions, and war was the result. This situation became all the more ominous with the 1973 war, when both countries felt so committed to their respective allies that the superpowers were almost drawn into a fateful, head-to-head conflict. While I am skeptical that the military alert of October 24, 1973 was justified or necessary, I do believe that the potential for a serious confrontation, demonstrated by the October crisis, was sufficiently grave to point out the absolute importance of a general Middle East settlement.

Also, the petroleum embargo imposed by the Arab producers should serve to warn the United States, as well as other industrial nations, that raw material producers are not defenseless international actors. The Arab contingent of the Organization of Petroleum Exporting Countries—OPEC—has based its energy policies on matters related to the political questions of a Middle East settlement. While for some oil-producing states economics were the principle motivations for price increases and reductions in supply, other states—such as Saudi Arabia—were primarily motivated by the political goal of securing a favorable Mideast settlement. The Arabs sought a favorable settlement to the conflict, and had the means—through the embargo—to force U.S. action. The oil embargo, the military alert, and the quarter century of warfare in the region convince me of the necessity that the United States take the initiative in working with interested nations in securing a general settlement.

The second reality upon which I support the SRF is the principle that countries intent on internal development are comparatively less likely to engage themselves in unproductive external conflicts. Evidence for this proposition may be found in the Egyptian example. President Sadat has indicated in recent months his desire to attend to the pressing internal needs of his country. His cooperation in the Israel-Egyptian disengagement was made possible, in part at least, by the U.S. intentions to provide assistance in the reconstruction of the Suez Canal and Canal Zone areas and in the importation of certain commodities in Egyptian economic development. It is my belief that this same proposition holds for the other countries in the region—Syria, Jordan, and Israel. These countries must be confident of their security, and it is for this reason that U.S. mediation will be important. But just as significant will be the assistance that this country may provide to turn these nation's attentions from war to more constructive purposes.

Thus, I believe that carefully formulated development assistance programs to countries in the Middle East will lubricate the negotiating process that has begun, and may improve the chance for a lasting settlement. This conclusion causes me to support a foreign assistance package for the Middle East.

AID TO SYRIA

The administration's request for the special requirements fund and the testimony in support of that request, is ambiguous on one major point: The recipient of SRF moneys. The President has not said one word on this issue. There has been, however, considerable speculation in the press. An April 28, 1974, dispatch by the Philadelphia Inquirer suggests that the:

> $100 million contingency fund could be tapped for economic aid to Syria if it is cooperative in upcoming peace negotiations.

At first, Dr. Kissinger was equivocal about the possibility that Syria was the designated recipient of the SRF; but he would not rule it out in any event. In a late April article, appearing in the Washington Star-News, Jeremiah O'Leary reported on a press briefing given by a State Department spokesman, John King. Mr. O'Leary wrote:

> Diplomatic observers saw considerable influence in King's statement that he would "not exclude Syria from the aid package." Before yesterday, the State Department had said only that it would be premature to discuss any post-settlement aid program involving the Syrians.

Finally, Dr. Kissinger suggested more concrete plans for the SRF when he appeared before the Foreign Affairs Committee. As a correspondent for the Christian Science Monitor reported:

> Secretary of State Henry A. Kissinger is urging Congress to support the momentum of peace in the Middle East with new foreign-aid programs.
>
> Specifically, he links a $100 million request in the foreign-assistance bill now before the House to use in Syria, including reconstruction of the town of Kuneitra on the Golan Heights.

I do not suggest that administration witnesses were guilty of duplicity when they could not—or would not—explain their plans for programing and obligating SRF moneys. The Middle East situation is still in a state of flux, and I am sensitive to the difficulties the administration must experience as it attempts to negotiate simultaneously with foreign nations and with the Congress.

Yet, it remains a fact that the Congress is being asked to authorize and appropriate $100 million for a program without knowing any of the specifics of the proposal.

I believe that the United States should provide assistance to Syria if there is reason to believe that such assistance would facilitate diplomatic efforts in the area. Just as the involvement of Egypt was critical to the initiation of peace talks, Syria will be critical to the successful conclusion of such talks. As such I support the principle of the special requirement fund.

CONGRESSIONAL CONTROL NEEDED

Still, this ill-defined program—indicated by the broad authority contained in the SRF section—should be more carefully drawn. Specifically, an amendment to the foreign aid bill should assert congressional authority over the particulars of any assistance programs to be provided under the SRF.

I believe that the amendments to be offered, jointly, by Representative DU PONT and myself, serve that purpose.

Our first amendment restricts the use of SRF moneys to economic development assistance. By design, under our proposal, the administration would be prohibited from providing security supporting assistance or military assistance. If the United States is intent on promoting peace in the Middle East, it would be wholly inconsistent for us to provide assistance which would increase the military capabilities of any of the countries, as either of these other forms of assistance would do. The rationale for U.S. assistance is to contribute to the willingness of those countries to concentrate their effects on internal development. Only economic development assistance is justifiable.

The second amendment requires a complete report of the President as to the particulars of any assistance grant to be made under the SRF. The President would be required to report the intended recipient, the amount of money to be received by that recipient, and the purpose for each assistance to be funded by the SRF.

The second amendment also contains the provision that would prohibit the President from obligating or expending moneys from the fund unless the Congress has passed, within 45 legislative days after the report, a concurrent resolution approving the proposed SRF assistances in all its particulars—as to recipient, amount, and purpose. It is a primary responsibility of the Congress to authorize and appropriate moneys for foreign and military assistance programs. In its present form, the administration SRF request calls for an inordinate delegation of congressional authority. Our amendment does not assault the principle of Presidential execution of foreign policy; it only asserts congressional prerogatives in the formulation of policy, and the expenditure of funds.

One hundred million dollars is a great deal of money. The Middle East is still a volatile region. It would be the height of irresponsibility for the Congress to issue a carte blanche to the administration when so many delicate issues are at stake.

By authorizing the special requirements fund, with the controls that our amendments would impose, the Congress would indicate its support for the principle of a special requirements fund, while reserving ultimate congressional approval until such time as the specifics are fully fleshed.

The special requirements fund may, in the end, prove to be of great value; but the risk to all concerned is too great to approve the establishment of the Fund without adequate congressional authority.

Copies of our amendments follow:

AMENDMENT TO H.R. —

(Offered by Mr. Harrington)

Page 3, line 11, after "$100,000,000" insert the following: "to furnish assistance under chapter 2 of part I of this Act (development assistance)".

Page 3, line 16, strike out "this Act" and insert "such chapter 2" in lieu thereof.

Page 3, strike out lines 20 through 24, and insert in lieu thereof the following:

"(b) The President may only obligate or expend, for each foreign country, funds authorized under this section after—

"(1) he reports to the Speaker of the House of Representatives and the Committee of Foreign Relations and the Committee on Appropriations of the Senate concerning (A) the name of such foreign country, (B) the amount of such funds to be made available to such country, and (C) the purpose for which such funds are to be made available to such country; and

"(2) the Congress, within 45 legislative days after receiving any report under paragraph (1), passes a concurrent resolution stating in substance that it favors the provisions of the report provided by clauses (A), (B), and (C) of paragraph (1)."

H.R. 11500

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ilinois (Mr. SHIPLEY) is recognized for 5 minutes.

Mr. SHIPLEY. Mr. Speaker, I am certainly pleased that the House has succeeded in passing strict controls over strip mining operations. I joined in the fight for H.R. 11500 amid strong industry opposition because our environment and our citizens have not received enough protection from large coal interests.

Although Illinois ranks third among the States in the production of strip mined coal, there are no active strip mines in my district at the present time. Areas in my district have previously been stripped, but in recent years, strip mining has ceased.

Yet, coal reserves are still abundant, and citizens of the village of Catlin in the northern part of my district are again threatened by the quest for coal. Citizens of the Catlin area have organized into the Association for the Preservation of Catlin Township and are struggling to prevent the devastation of valuable farmland. A large coal corporation has bought several thousand acres of very productive farmland in Catlin Township with the intention of stripping the land to remove the underlying coal. The proposed strip mine would surround the village of Catlin on the north, east, and west. The coal corporation involved has stated that they have "a long tradition of responsiveness to public input," but in reality, they have proven otherwise.

In March of 1973, two representatives of the Association for the Preservation of Catlin Township testified before the Senate Committee on Interior and Insular Affairs. They told of their situation and testified of the need for strong legislation to preserve valuable land and to protect citizens from strip mine operators. Many of their suggestions have been incorporated into the language of H.R. 11500.

Now, H.R. 11500 has passed the House and will hopefully soon become law and give these struggling citizens some relief.

AMENDMENT TO PROVIDE EXPORT CONTROLS ON CRIME EQUIPMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, tomorrow, Thursday, August 1, 1974, I intend to offer the following amendment to H.R. 15264, the Export Administration Act. I am pleased to report that today the other body passed this amendment. The proposal is designed to license, monitor, and control the export of crime control devices to countries which might use such equipment to threaten fundamental human and civil liberties.

The amendment follows:

AMENDMENT OFFERED BY MR. VANIK TO H.R. 15264, AS REPORTED

On page 3, immediately after line 7, insert the following new subsection:

"(b) Section 4 of the Export Administration Act of 1969 (50 U.S.C. App. 2403) is amended to include the following new subsection:

"(f)(1) The Secretary of Commerce, after consulting with the Secretary of the Treasury, the Attorney General, and the Secretary of State, shall establish regulations for the licensing of exports of all police, law enforcement, or security equipment manufactured for use in surveillance, eavesdropping, crowd control, interrogations, or penal retribution.

"(2) Any license proposed to be issued under this subsection shall be reviewed by the Attorney General and shall be submitted to the Congress. The Congress shall have a period of sixty calendar days of continuous session of both Houses after the date on which the license is transmitted to the Congress to disapprove the issuance of a license by the adoption in either House of a resolution disapproving the proposed license.

"(3) The Secretary of Commerce, with the concurrence of the Secretary of the Treasury, the Attorney General, and the Secretary of State, may by regulation exempt individual countries and specific categories of police, law enforcement, or security equipment from the congressional review and disapproval authority set forth in paragraph (2) if he finds and determines export of the equipment would not threaten fundamental human and civil liberties."

On page 3, line 8, strike "(b)" and insert "(c)".

VETERANS' PENSION LEGISLATION

(Mr. HAMMERSCHMIDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAMMERSCHMIDT. Mr. Speaker, this morning the Subcommittee on Compensation and Pension of the Committee on Veterans' Affairs opened public hearings on the subject of veterans' pension benefits. Both the gentleman from Texas (Mr. TEAGUE), chairman of the subcommittee, and the gentleman from South Carolina (Mr. DORN), chairman of the full committee, are to be commended for recognizing the need for action in this important area of veterans legislation.

The 200 bills that are the subject of these hearings attest to the great interest of Members of the House of Representatives in providing a measure of relief for older veterans living on fixed incomes and trying to exist despite continually rising costs of living.

I have given considerable thought to the subject of non-service-connected pensions. Two areas, in particular, are deserving of our prompt attention. First, we must insure that the older veteran who is now on the pension rolls receives an increase in his monthly payment that is commensurate with the increased cost of living. Second, we must make certain that increases in social security do not result in the termination of pension benefits for veterans of World War I and other wars.

To provide some relief in these areas of interest, Mr. Speaker, I am today introducing a bill that will permit veterans who are receiving pensions under Public Law 86-211 and who have reached the age of 75 years to receive the so-called housebound pension allowance of $44 monthly payable in addition to their basic rate of pension. Veterans who are already in receipt of the greater allowances for aid and attendance would not be eligible for this payment.

Additionally, Mr. Speaker, the bill will increase the income limits of current law by $400, thus insuring that no veteran will have his pension terminated as the result of the 11-percent increase in social security payments received in 1974.

I am hopeful that the hearings that began this morning, Mr. Speaker, will result in favorable action on my bill or other legislation to provide more generous pension benefits for older veterans. For the information of Members, a copy of my bill follows:

H.R. 16180

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 415 of title 38, United States Code, is amended as follows:

(a) Subsection (b)(1) is amended—

(1) by deleting "$2600" wherever it appears and inserting in lieu thereof "$3000".

(2) by deleting the period after "8 cents" and inserting in lieu thereof the following: ", but in no event shall the monthly rate of pension be less than $4.".

(b) Subsection (c) of such section 415 is amended—

(1) by deleting "$2600" wherever it appears and inserting in lieu thereof "$3000".

(2) by deleting the period after "5 cents" and inserting in lieu thereof the following: ", but in no event shall the monthly rate of pension be less than $4.".

(c) Subsection (d) of such section 415 is amended—

(1) by deleting "$3800" wherever it appears and inserting in lieu thereof "$4200".

(2) by deleting the period after "3 cents" and inserting in lieu thereof the following: ", but in no event shall the monthly rate of pension be less than $6.".

Sec. 2. Section 521 of title 38, United States Code, is amended as follows:

(a) Subsection (b) is amended—

(1) by deleting "$2600" wherever it appears and inserting in lieu thereof "$3000".

(2) by deleting the period after "8 cents" and inserting in lieu thereof the following: ", but in no event shall the monthly rate of pension be less than $10.".

(b) Subsection (c) of such section 521 is amended by deleting "$3800" wherever it appears and inserting in lieu thereof "$4200".

(c) Subsection (e) of such section 521 is amended to read as follows:

"(e) The monthly rate payable to any veteran under subsection (b) or (c) shall be increased by $44 if the veteran—

"(1) has a disability rated as permanent and total and—

"(A) has an additional disability or disabilities independently ratable at 60 per centum or more, or

"(B) by reason of his disability or disabilities, is permanently housebound but does not qualify for the aid and attendance rate under subsection (d); or

"(2) has attained age 75 and does not qualify for the aid and attendance rate under subsection (d)."

Sec. 3. Section 541 of title 38, United States Code, is amended as follows:

(a) Subsection (b) is amended by deleting "$2,600" wherever it appears and inserting in lieu thereof "$3,000".

(b) Subsection (c) is amended by deleting "$3,800" wherever it appears and inserting in lieu thereof "$4,200".

Sec. 4. The provisions of this Act shall become effective on January 1, 1975, except that the amendments made by section 2(c) shall become effective on the first day of the second calendar month following enactment.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Heinz), to revise and extend their remarks, and to include extraneous matter:)

Mr. Kemp, for 15 minutes, today.
Mr. Talcott, for 15 minutes, today.
Mr. Cohen, for 10 minutes, today.
Mr. Hogan, for 10 minutes, today.
Mr. McKinney, for 5 minutes, today.
Mr. Cleveland, for 15 minutes, today.

(The following Members (at the request of Mr. Breaux), to revise and extend their remarks and include extraneous material:)

Mr. Corman, for 5 minutes, today.
Ms. Abzug, for 10 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Podell, for 10 minutes, today.
Mr. Harrington, for 5 minutes, today.
Mr. Shipley, for 5 minutes, today.
Mr. Vanik, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Landgrebe, to extend his remarks in the body of the Record, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $973.

Mr. Kemp to extend his remarks following the remarks of Mr. Steiger of Wisconsin.

Mr. Flynt, his remarks immediately following those of Mr. Waggonner today on consideration of the conference report on H.R. 69.

Ms. Abzug to extend her remarks following Mr. Long of Maryland during the offering of the Long amendment.

(The following Members (at the request of Mr. Heinz) and to include extraneous matter:)

Mr. Erlenborn.
Mr. Treen.
Mr. Kemp in three instances.
Mr. Conte.
Mr. Findley.
Mr. Hanrahan.
Mr. Broomfield.
Mr. Wyman in two instances.
Mr. Symms in two instances.
Mr. Rhodes.
Mr. Veysey.
Mr. Dennis.
Mr. Derwinski in three instances.
Mr. Mizell in five instances.
Mr. Huber.
Mr. Hosmer in two instances.
Mr. Pritchard.
Mr. Sarasin.
Mr. Whitehurst.
Mr. Taylor of Missouri.
Mr. Heinz.
Mr. Bauman in five instances.

(The following Members (at the request of Mr. Breaux) and to include extraneous matter:)

Mrs. Boggs in two instances.
Mr. Rodino.
Mr. Fraser in five instances.
Ms. Abzug in 10 instances.
Mr. Bowen.
Mr. Sarbanes in five instances.
Mr. Charles H. Wilson of California in 10 instances.
Mrs. Mink in two instances.
Mr. Koch in five instances.
Mr. Anderson of California in two instances.
Mr. Rarick in three instances.
Mr. Gonzalez in three instances.
Mr. Hungate.
Mr. Lehman in three instances.
Mr. Pepper in two instances.
Mr. Harrington in four instances.
Mr. Green of Pennsylvania.
Mr. Stokes
Mr. O'Hara.
Mrs. Sullivan.
Mr. Rogers.
Mr. Mahon.
Mr. Tiernan in three instances.
Mr. Milford.
Mr. Podell.
Mr. Eckhardt.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5094. An act to amend title 5, United States Code, to provide for the reclassification of positions of deputy United States marshal, and for other purposes;

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes; and

H.R. 15472. An act making appropriations for Agriculture Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes.

Wayne L. Hays,
Chairman.

Examined and found truly enrolled.
July 31, 1974.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following title:

On July 30, 1974:

H.R. 15461. An act to secure to the Congress additional time in which to consider the proposed amendments to the Federal Rules of Criminal Procedure which the Chief Justice of the United States Supreme Court transmitted to the Congress on April 22, 1974.

On July 31, 1974:

H.R. 5094. An act to amend title 5, United States Code, to provide for the reclassification of positions of deputy United States marshal, and for other purposes; and

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

ADJOURNMENT

Mr. BREAUX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 21 minutes p.m.) the House adjourned until tomorrow, Thursday, August 1, 1974, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

June 30, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Permanent staff:		
John F. O'Neal	General counsel	$18, 000. 00
Hyde H. Murray	Associate counsel	17, 985. 72
John V. Rainbolt	do	14, 301. 18
Fowler C. West	Staff director	15, 715. 50
Louis T. Easley	Press assistant	14, 301. 18
Steven S. Allen	Staff consultant	8, 526. 32
Marjorie B. Johnson	Staff assistant	9, 427. 36
Peggy L. Pecore	do	9, 427. 36
Betty M. Prezioso	do	9, 427. 36
Mary L. Ross (beginning Mar. 1, 1974).	Printing editor	6, 000. 00
Martha S. Hannah (through Jan. 30, 1974).	Staff assistant	1, 571. 21
George Misslbeck (through Feb. 28, 1974).	Printing editor	3, 946. 32
Investigative staff:		
Mildred P. Baxley	Staff assistant	9, 427. 26
Mary P. Shaw	do	7, 677. 16
Doris Lucile Farmarco	do	7, 667. 16
Julia W. Kogut	do	8, 857. 75
Glenda L. Temple	do	8, 857. 75
Nan Strolmenger Hunter (through March 31, 1974).	Staff Assistant	1, 702. 52
Lydia Vacing	Staff assistant	1, 611. 86
Anita Brown	do	6, 973. 37
Stephen J. Pringle	do	6, 286. 20
Emily Katherine Wulff	do	3, 234. 18
Linda J. Coomer (beginning Apr. 1, 1974).	do	2, 124. 99
Diane M. Keyser (beginning Apr. 1, 1974).	do	2, 625. 00
Janet Jaenke (beginning May 27, 1974).	do	528. 89

Funds authorized or appropriated for committee expenditures	$150, 000. 00
Additional funds authorized	150, 000. 00
Total	300, 000. 00
Amount of expendiutres previously reported	108, 175. 46
Amount expended from Dec. 31, 1973 to June 30, 1974	71, 339. 19
Total amount expended Jan. 1, 1973 to June 30, 1974	179, 514. 65
Balance unexpended as of June 30, 1974	120, 485. 35

W.R. POAGE, Chairman.

COMMITTEE ON APPROPRIATIONS

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the "Legislative Reorganization Act of 1946," Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Keith F. Mainland	Clerk and staff director	$18, 000. 00
Jay B. Howe	Reemployed annuitant	3, 702. 00
G. Homer Skarin	Staff assistant	18, 000. 00
Eugene B. Wilhelm	Reemployed annuitant	4, 110. 00
Samuel R. Pr eston	Staff assistant	18, 000. 00
Hunter L. Spillan	do	18, 000. 00
Henry A. Neil, Jr	do	18, 000. 00
Aubrey A. Gunnels	do	18, 000. 00
George E. Evans	d0	18, 000. 00
Earl C. Silsby	do	18, 000. 00
Peter J. Murphy, Jr	do	18, 000. 00
Edward E. Lombard	do	18, 000. 00
John M. Garrity	do	16, 171. 74
Robert B. Foster	do	15, 721. 74
Milton B. Meredith	do	16, 897. 14
Thomas J. Kingfield	do	14, 218. 62
Donald E. Richbourg	do	14, 218. 62
Robert C. Nicholas	Staff assistant	$13, 953. 42
George A. Urian	do	12, 196. 74
Dempsey B. Mizelle	do	13, 727. 22
Charles W. Snodgrass	do	13, 017. 06
John G. Plashal	do	9, 638. 58
Bryon S. Nielson	do	10, 125. 48
J. David Wilson	do	13, 286. 22
Americo S. Miconi	do	12, 617. 10
Derek J. Vanderschaaf	do	16, 136. 16
Robert L. Knisely	do	8, 696. 40
Richard N. Malow	do	13, 543. 26
Frederick F. Pfluger	do	17, 313. 12
John G. Osthaus	do	10, 977. 00
Paul E. Thomson	do	9, 663. 18
Charles G. Hardin	do	8, 943. 54
Edwin F. Powers	do	12, 024. 72
Gordon E. Casey	do	14, 432. 76
C. William Smith	Staff assistant (from Mar. 17).	7, 366. 67
Nicholas G. Cavarocchi	Staff assistant (from Mar. 16).	9, 870. 83
Karen J. Schubeck	Staff assistant	7, 654. 17
Lawrence C. Miller	Editor	15, 741. 60
Paul V. Farmer	Assistant editor	11, 229. 96
Gerard J. Chouinard	Administrative assistant.	9, 963. 18
Austin G. Smith	Clerical assistant	9, 062. 40
Dale M. Shulaw	do	7, 895. 82
Gemma M. Weiblinger	Administrative assistant to Labor-HEW subcommittee.	5, 895. 66
Virginia M. Keyser	Clerical assistant	6, 644. 10
Jane A. Meredith	do	5, 567. 16
Betty A. Swanson	Clerical assistant (to Mar. 8).	2, 795. 18
Eva K. Harris	Clerical assistant	5, 010. 92
Marcia L. Matts	do	6, 283. 14
Sandra A. Gilbert	do	7, 333. 92
Patricia A. Kemp	Clerical assistant (from Feb. 11).	4, 977. 79
Christine Stockman	Clerical assistant (from Apr. 8).	2, 536. 12
Randolph Thomas	Messenger	6, 823. 20
Francis M. Hugo	Minority clerk	15, 750. 00
B. Enid Morrison	Staff assistant to minority.	13, 375. 02
Mary H. Smallwood	Clerical assistant (majority).	8, 134. 98
Samuel A. Mabry	do	8, 134. 98
Catherine M. Voytko	do	7, 807. 50
T. Robert Garretson	do	7, 807. 50
Naomi A. Rich	do	8, 066. 08
Laura E. Lineberry	do	7, 391. 58
Susan L. Shaw	do	7, 807. 50
George F. Allen	do	8, 134. 98
Robert M. Walker	Clerical assistant (majority) (to May 31).	5, 238. 50
Michael J. O'Neil	Clerical assistant (majority).	11, 524. 68
Freda J. Sheppard	do	8, 749. 98
Diane Rihely	Clerical assistant (majority) (from Mar. 15).	2, 986. 10
David K. Kehl	Clerical assistant (minority).	8, 833. 32
Patience S. Vaccaro	do	8, 500. 02
Anna L. Lamendola	Clerical assistant (minority) (to Mar. 31).	3, 457. 35
Lawrence E. Siegel	Clerical assistant (minority).	10, 859. 24
Charles M. Seeger	do	11, 524. 68
Stephen T. Adams	do	11, 500. 02
Karen S. Vagley	do	10, 500. 00
Beverly B. Thierwechter	do	7, 000. 00
Mary Ann Bond	Clerical assistant (minority) (to Jan. 31).	1, 055. 61
Warren S. Chase	Clerical assistant (minority) to Feb. 21).	2, 968. 49
Dorothea Dickinson	Clerical assistant (minority) (from Mar. 1).	6, 984. 68
Gordon A. Achilles	Clerical assistant (minority) (from Feb. 3).	8, 222. 24
Robert F. Dugan	Clerical assistant (minority) (from Feb. 1).	9, 375. 00
David Clement	Clerical assistant (minority) (from Mar. 27).	4, 700. 00
Grace E. Warren	Clerical assistant (minority) (from Apr. 1).	4, 500. 00
Jimmy R. Fairchild	Clerical assistant (minority) (from Apr. 1).	5, 028. 96
Gladys Meir	Clerical assistant (minority) (from May 1).	1, 666. 66

Amount of expenditures previously reported	752, 896. 77
Amount expended from Jan. 1 to June 30, 1974	845, 660. 29
Total amount expended from July 1, 1973, to June 30, 1974	1, 598, 557. 06

GEORGE MAHON, Chairman.

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS STAFF)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pur**suant to section 134(b) of the "Legislative Reorganization Act of 1946," Public Law 601, 79th Congress, approved** August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of **each person employed by it during the 6-month period from** January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cornelius R. Anderson	Chief, surveys and investigations staff.	$18, 000. 00
Leroy R. Kirkpatrick	Director, surveys and investigations staff (to Apr. 30).	12, 000. 00
David A. Schmidt	1st assistant director, surveys and investigations staff (to Apr. 30) (director from May 1).	17, 873. 92
Dennis F. Creedon, Jr	2d assistant director, surveys and investigations staff (to Apr. 30) (1st assistant director from May 1).	17, 384. 84
Marion S. Ramey	2d assistant director, surveys and investigations staff (from May 1).	5, 780. 00
Genevieve A. Mealy	Administrative assistant.	6, 328. 00
Frances May	Secretary	7, 680. 00
Sharon K. Tinsley	Secretary (to Feb. 10)	1, 100. 00
Ann M. Stull	Secretary (from Feb. 1)	3, 708. 35
Agriculture, Department of—		
R. W. Brannon	Investigator	19, 275. 80
John S. Robison	do	4, 740. 88
Air Force Audit Agency:		
Donald J. Gibb	do	13, 334. 50
Army Audit Agency:		
Stephen E. Keefer	do	3, 741. 78
Commerce, Department of:		
Edward Lombard	do	5, 834. 88
William E. Hickey	do	4, 994. 57
Defense Contract Audit Agency: Maurice A. Herron	do	7, 640. 33
Federal Aviation Administration:		
Ronald N. Bell	do	10, 719, 79
General Services Administration: Kevin F. Flanagan	do	7, 797. 83
National Aeronautics and Space Administration:		
Francis Stepka	do	17, 406. 16
Contract employees:		
Leonard M. Walters	do	10, 000. 00
Andrew J. Shannon	do	12, 500. 00
Mary Alice Sauer	Administrative assistant.	3, 800. 00
Federal Bureau of Investigation:		
Stuart W. Angevine	Investigator	14, 313. 84
William M. Baker	do	11, 919. 60
Carl L. Bennett	do	14, 994. 96
Willis Bennett, Jr	do	14, 313. 84
Lane M. Bonner, Jr	do	6, 921. 60
Andrew P. Bosko	do	13, 292. 16
Ronald B. Carpenter	do	14, 313. 84
Gerard C. Carroll	do	14, 313. 84
W. Dana Carson	do	14, 994. 96
Bernard E. Currigan	do	10, 918. 56
John F. Connaughton	do	12, 170. 40
W. Lee Colwell	do	4, 379. 20
Robert M. Franklin	do	14, 313. 84
Paul K. Funkhouser	do	4, 313. 76
John G. Goedtel	do	14, 654. 40
James H. Geer	do	7, 223. 04
Eugene C. Gies	do	14, 144. 88
William P. Haynes	do	12, 941. 28
Russell N. Kamin	do	10, 708. 00
Edwin J. Kelly	do	13, 632. 72
Martin F. Maher	do	1, 743. 60
Joseph Malyniak, Jr	do	13, 973. 28
James P. Mansfield	do	14, 313. 84
Richard F. McEliece	do	14, 654. 40
Joseph E. Michalski	do	14, 654. 40
Earle J. Morris	do	13, 973. 28
John J. Radican	do	13, 973. 28
Marion S. Ramey	do	11, 076. 80
Thomas C. Renaghan	do	11, 919. 60
Edward V. Schaum	do	14, 313. 84
Charles E. Szoka	do	14, 313. 84
Raymond E. Talley	do	13, 292. 16
John A. Van Wagenen	do	9, 670. 32
William H. Welch, Jr	do	14, 994. 96
H. Branch Wood	do	14, 994. 96
Ann K. Stull	Clerk-typist	712. 08
Marie L. Strittmatter	do	3, 931. 76

COMMITTEE ON APPROPRIATIONS—Continued

Name of employee	Profession	Total gross salary during 6-month period
Eederal Bureau of Investigation—Continued		
Pamela Munro	Clerk-typist	$309.60
Rebecca F. Singleton	do	3,467.52
Health Benefits (FBI)		5,072.69
Life Insurance (FBI)		1,534.86
Retirement (FBI)		26,769.60
FICA (FBI)		262.59
Travel expenses		296,325.74
Miscellaneous expenses		10,333.78

Funds authorized or appropriated for committee expenditures	$1,624,865.00
Amount of expenditures previously reported	764,610.52
Amount expended from Jan. 1 to June 30, 1974	827,626.10
Total amount expended from July 1, 1973 to June 30, 1974	1,592,236.62
Balance unexpended as of June 30, 1974	32,628.38

GEORGE MAHON, Chairman.

COMMITTEE ON ARMED SERVICES

July 3, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frank M. Slatinshek	Chief counsel	$6,300.00
William H. Cook	Counsel	17,950.00
John J. Ford	Professional staff member.	17,950.00
Ralph Marshall	do	16,851.00
George Norris	Counsel	16,182.78
James F. Shumate	do	16,182.78
William H. Hogan, Jr	do	13,364.58
Anthony R. Battista	Professional staff member (from Jan. 21).	13,333.33
A. A. Tinajero	Professional staff member.	13,000.00
G. Kim Wincup	Counsel (from Jan. 28).	7,650.00
Oneta L. Stockstill	Executive secretary	14,526.72
Michael A. West	Executive secretary (from June 11).	833.33
H. Hollister Cantus	Professional staff member (through Jan. 13).	852.20
Berniece Kalinowski	Secretary	10,604.52
L. Louise Ellis	do	10,604.52
Edna E. Johnson	do	10,604.52
Innis E. McDonald	do	7,960.62
Ann R. Willett	do	6,624.18
Emma M. Brown	do	6,624.18
Nancy S. Jones	do	6,146.08
Mary Ann McKibben	do	5,542.10
Rita D. Argenta	do	5,749.98
Jane E. Keating	Secretary (from June 11).	666.67
Diane W. Bowman	Secretary (through June 10).	4,906.83
William B. Short	Clerical staff assistant	8,716.02
James A. Deakins	do	8,018.76
Issiah Hardy	do	6,000.00
Staff, Armed Services Investigating Subcommittee (pursuant to H. Res. 185, 93d Cong.):		
John F. Lally	Assistant counsel	16,851.00
Rose C. Beck	Secretary	7,960.62
Adeline Tolerton	Clerk	6,972.84
Joyce C. Bova	Secretary	6,050.46
Jane E. Keating	Secretary (from June 1 through June 10).	333.33

Funds authorized or appropriated for committee expenditures, H. Res. 264 and H. Res. 790	$375,000.00
Amount of expenditures previously reported	147,293.56
Amount expended from Jan. 1 to June 30	45,629.94
Total amount expended from Jan. 1 to June 30	45,629.94
Balance unexpended as of July 1, 1974	182,976.50

COMMITTEE ON BANKING AND CURRENCY

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Paul Nelson	Clerk and staff director	$18,000.00
Orman S. Fink	Staff director, minority	18,000.00
Curtis A. Prins	Chief investigator	18,000.00
Charles B. Holstein	Professional staff member.	18,000.00
Benet D. Gellman	Counsel	18,000.00
Joseph C. Lewis	Professional staff member.	18,000.00
Graham T. Northup	do	18,000.00
Mary W. Layton	Secretary to minority	12,498.36
Donald G. Vaughn	Administrative assistant.	10,805.34
Total		149,303.70
Investigative staff:		
Richard C. Barnes	Professional staff member.	11,621.40
Annette M. Bouchard	Secretary	1,949.88
James P. Caldwell	Professional staff member.	14,143.95
L. Marie Chaillet	Minority secretary	8,381.58
Davis O'Connell Couch.	Counsel	12,081.30
Ben W. Crain	Staff economist	933.33
Jane N. D'Arista	Professional staff member.	9,363.82
Dolores K. Dougherty.	Research associate	9,271.36
Michael P. Flaherty	Assistant counsel	11,015.52
Helen Hitz	Administrative assistant.	11,896.86
Lorraine G. Inman	Secretary	6,506.25
Joseph J. Jasinski.	Professional staff member.	17,022.00
Richard M. Kay	Assistant clerk	4,190.82
Mary E. Kirk	do	7,149.60
Joann Kniphfer	Secretary	6,024.48
Ellen Marie Larkin	Research assistant	5,071.56
Robert Edward Loftus.	Professional staff member.	12,048.54
Linda Lea Lord	Secretary	729.17
Mary-Helen McGrath.	do	6,107.10
Kelsay Ray Meek	Professional staff member.	16,659.78
Mildred S. Mitchell	Assistant clerk	10,715.28
Miriam Wolman Rokow.	Clerk	5,666.68
Michael A. Rattigan	Research assistant	373.33
Margaret L. Rayhawk	Research associate	10,488.84
Kathy Lee Rohrig	Secretary	4,693.35
Yan Michael Ross	Minority counsel	16,239.36
James Charles Sivon	Research assistant	490.00
Merrill Stevenson	Assistant clerk	8,812.44
Jeanne Carolyn Smith	Secretary	6,507.86
Richard L. Still	Professional staff member.	17,025.12
Catherine M. Taber	Secretary	5,762.34
Thomas Wallin	Research assistant, minority.	266.67
Robert E. Weintraub	Staff economist	18,000.00
David Irving Weil	Economic research assistant.	850.00
Stephen M. Welch	Research assistant	5,238.48
Total		283,298.15

Funds authorized or appropriated for committee expenditures, H. Res. 306 and 800	$1,342,800.00
Amount of expenditures previously reported	542,055.66
Amount expended from Jan. 1 to June 30, 1974	347,488.31
Total amount expended from Jan. 3, 1973 to June 30, 1974	889,543.97
Balance unexpended as of June 30, 1974	453,256.03

WRIGHT PATMAN, Chairman.

SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Housing Subcommittee:		
Brent B. Barriere	Assistant clerk	$1,213.89
Marilyn A. Donahue	Minority secretary	6,286.20
David Glick	Counsel	18,000.00
George Gross	do	18,000.00
Emily Hightower	Executive secretary	9,817.56
Mercer L. Jackson	Minority staff member	17,287.08
Raymond K. James	Counsel	17,810.88
Bonnie V. Lockett	Secretary	3,290.27
Benjamin B. McKeever.	Counsel	17,810.88
Gerald R. McMurray	Staff director	18,000.00
Wanda Jean Raupach	Secretary	8,450.42
Dorothy J. Rayburn	Assistant clerk	1,250.00
Phillip L. Schulman	do	2,628.90
Catherine M. Smith	Minority secretary	6,286.20
Mary Elizabeth Sullivan.	Assistant clerk	5,238.48
Regina Anne Sullivan	do	420.00
Anthony Valanzano	Minority counsel	17,287.08
Doris M. Young	Assistant clerk	11,005.98
Total		180,083.82

Funds authorized or appropriated for committee expenditures (H. Res. 306, 93d Cong. and H. Res. 800, 93d Cong. 2d)	$795,500.00
Amount of expenditures previously reported	362,074.67
Amount expended from Jan. 1 to June 30, 1974	188,061.57
Total amount expended from Jan. 3, 1973 to June 30, 1974	550,136.24
Balance unexpended as of June 30, 1974	245,363.76

WRIGHT PATMAN, Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross 6-month salary during period
Standing committee:		
Robert B. Washington, Jr.	Chl (P)	$18,000.00
Dorothy E. Quarker	Senior consultant (P)	18,000.00
John E. Hogan	Minority counsel (P)	18,000.00
James T. Clark	Legislative counsel (P)	16,929.88
Ruby G. Martin	Associate counsel (P)	14,230.84
Dale MacIver	Staff assistant (C)	13,996.88
Daniel M. Freeman	do	12,215.22
Jacqueline E. Wells	do	11,691.36
Linda L. Smith	do	10,736.50
Maria L. Otero	Office administrator (C).	9,863.52
Alvin D. Loving, Sr	Staff assistant (C), transferred to investigative committee Mar. 15, 1974.	3,125.00
Ralph Ulmer	Professional staff member, minority (P), transferred to investigative committee Mar. 15, 1974.	3,167.50

Name of employee	Profession	Total gross salary during 6-month period
Leonard Hilder	Research assistant, minority (P), effective Mar. 16, 1974.	$7, 318. 64
Joseph D. Krischten	Subcommittee consultant (C), effective Mar. 16, 1974; terminated May 31, 1974.	4, 823. 78
Jacquelyn E. Hams	Staff assistant (C), effective June 1, 1974; terminated June 30, 1974.	2, 700. 00
Total		164, 799. 12
Investigative committee:		
Wilbur G. Hughes	Investigator	8, 024. 44
Jean G. Stultz	Staff assistant	7, 805. 94
Yvonne R. Chappelle	Research assistant	7, 500. 00
La Vonne M. Manley	Staff assistant	7, 468. 36
Joan M. Middleton	do	7, 333. 92
Jane I. Parker	do	6, 499. 98
Lorraine W. McDaniels	do	6, 401. 44
Grace M. DeMaio	Clerk	5, 867. 98
Susan G. Walter	Clerk, terminated May 31, 1974.	4, 854. 77
Louise Winston	Clerk	5, 067. 82
Theodore Richardson	do	5, 067. 82
Dorothy M. Anderson	Clerk, terminated May 31, 1974.	4, 413. 42
Diana E. Jones	Clerk, terminated Feb. 15, 1974; effective Feb. 11, 1974.	1, 244. 15
Shirley L. Harris	Clerk, terminated Mar. 10, 1974.	698. 47
Marguerite Gras	Clerk, effective Mar. 10, 1974.	3, 237. 50
Alvin D. Loving, Sr	Staff assistant, effective Mar. 16, 1974.	4, 375. 00
Minority staff:		
Wanda Worsham	Minority staff assistant.	7, 333. 92
Leonard O. Hilder	Minority research assistant transferred to standing committee Mar. 15, 1974.	5, 227. 60
Ralph Ulmer	Minority professional staff member effective Mar. 16, 1974.	4, 434. 50
Subcommittee staff:		
Subcommittee on Business, Commerce, and Taxation:		
Rebecca D. Moore	Subcommittee consultant.	7, 857. 78
Margaret G. Hoffman	Subcommittee research assistant.	5, 238. 48
Subcommittee on Education:		
Joseph D. Clair	Subcommittee counsel.	11, 524. 68
Michael I. Duberstein	Subcommittee research assistant.	1, 571. 58
Subcommittee on Government operations:		
Jacques Depuy	Subcommittee counsel.	8, 499. 98
Davit Litt	Subcommittee research assistant, terminated Mar. 6, 1974.	550. 00
Dorothy C. Bullitt	Subcommittee research assistant, effective Apr. 1, 1974; terminated Apr. 30, 1974.	1, 133. 33
Patrick R. Liddle	Subcommittee research assistant, effective May 1, 1974; terminated May 31, 1974.	500. 00
Joy D'Amore	Subcommittee research assistant, effective June 17, 1974.	194. 45
Subcommittee on Judiciary:		
Howard Lee	Subcommittee consultant.	7, 058. 76
Muriel Pugh	Subcommittee research assistant, terminated Feb. 10, 1974.	1, 341. 67
Michael Beard	Subcommittee research assistant, effective Feb. 11, 1974.	4, 695. 83
Subcommittee on Labor, Social Services, and the International Community:		
Joseph D. Kirschten	Subcommittee consultant, terminated Mar. 15, 1974 (transferred to standing).	4, 823. 78
Karen Fleischer	Subcommittee research assistant.	2, 599. 28
Subcommittee on Revenue and Financial Affairs:		
Stephen C. Swaim	Subcommittee consultant.	8, 905. 44
Margi H. Mosbaek	Subcommittee research assistant.	3, 666. 96
Total		173, 018. 98

Funds authorized or appropriated for committee expenditures	$298, 058. 51
Amount expended from Jan. 1 to June 30, 1974	179, 237. 05
Balance unexpended as of June 30, 1974	118, 821. 46

CHARLES C. DIGGS, JR., Chairman.

COMMITTEE ON EDUCATION AND LABOR—STANDING COMMITTEE

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Donald M. Baker	Chief clerk and associate counsel (from Jan. 1 to June 30, 1974).	$18, 000. 00
Donald F. Berens	Administrative assistant (from Jan. 1 to June 30, 1974).	14, 772. 60
Louise Maxienne Dargans.	Research director (from Jan. 1 to June 30, 1974).	18, 000. 00
William F. Gaul	Associate general counsel (from Jan. 1 to June 30, 1974).	18, 000. 00
Hartwell D. Reed, Jr	General counsel (from Jan. 1 to June 30, 1974).	18, 000. 00
Benjamin F. Reeves	Assistant to chairman and assistant clerk (from Jan. 1 to June 30, 1974).	18, 000. 00
Austin P. Sullivan, Jr	Legislative director (from Jan. 1 to June 30, 1974).	18, 000. 00
Louise M. Wright	Administrative assistant (from Jan. 1 to June 30, 1974).	15, 529. 14
Marian R. Wyman	Special assistant to chairman (from Jan. 1 to June 30, 1974).	18, 000. 00
Minority staff:		
Robert C. Andringa	Minority staff director (from Jan. 1 to June 30, 1974).	18, 000. 00
Charles W. Radcliffe	Minority counsel (from Jan. 1 to June 30, 1974).	18, 000. 00
Dorothy L. Strunk	Minority legislative clerk (from Mar. 1 to June 30, 1974).	4, 966. 68
Louise W. Finke (deceased).	Assistant to minority staff director (from Jan. 1 to Feb. 27, 1974).	3, 029. 26

Funds authorized or appropriated for committee expenditures	Contingent fund
Amount of expenditures previously reported	$398, 995. 38
Amount expended from Jan. 1 to June 30, 1974	200, 297. 68
Total amount expended from Jan. 1, 1973 to June 30, 1974	599, 293. 06
Balance unexpended as of June 30, 1974	Contingent fund

CARL D. PERKINS, Chairman.

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Carole J. Ansheles	Secretary (from Jan. 1 to June 30, 1974).	$4, 399. 98
Patricia R. Bowley	Administrative assistant (from Jan. 1 to June 30, 1974).	8, 400. 00
William H. Cable	Counsel (from Jan. 1 to June 30, 1974).	13, 515. 36
Gerard C. Cauley	Assistant clerk (temporary) (summer) (from May 23 to June 30, 1974).	633. 33
Katherine Kennedy Clark	Research assistant (from Jan. 1 to June 30, 1974).	10, 178. 34
Elizabeth A. Cornett	Administrative assistant (from Jan. 1 to June 30, 1974).	10, 175. 70
Lelia T. Cornwell	do	9, 215. 12
A. Jefferson Dodds	Assistant clerk (temporary) (summer) (from May 20 to June 30, 1974).	683. 33
Edward J. Dunphy	Assistant clerk (temporary) (summer (from May 28 to June 30, 1974).	550. 00
Eric M. Hall	Assistant Clerk (temporary) (from Jan. 1 to Mar. 31, 1974).	1, 571. 55
Douglas P. Katcher	Research assistant (from Jan. 1 to June 30, 1974).	4, 020. 93
Shirley R. Mills	Secretary (from Jan. 1 to June 30, 1974).	9, 215. 12
Lewis D. Morris, Jr	Assistant clerk (from June 1 to June 30, 1974).	500. 00
Barbara E. Morrison	Secretary (from June 24 to June 30, 1974).	223. 61
Michael Lee Moye	Assistant clerk (temporary) (summar) (from June 24 to June 30, 1974).	116. 67
David E. Pinkard	Assistant clerk (temporary) (from Jan. 1 to Mar. 31, 1974).	1, 500. 00
David S. Putnam	Staff assistant (from Jan. to June 30, 1974).	5, 644. 50
Timothy T. Reese	Assistant (clerk from Jan. 1 to June 30, 1974).	4, 714. 68
Petter Schott	do	4, 602. 06
Mary L. Shuler	Secretary (from Jan. 1, to June 30, 1974).	8, 261. 64
Maureen J. Smith	Assistant clerk (temporary) (summer) (from May 27 to June 30, 1974).	566. 67
Thomas A. Stevenson	Assistant clerk (temporary) (summer) (from May 14 to June 30, 1974).	783. 33
Jeanne E. Thomson	Legislative assistant (from Jan. 1 to June 30, 1974).	11, 095. 50
John Evertt Warren	Research assistant (from Jan. 1 to June 30, 1974).	6, 286. 20
Denise R. Wilson	Assistant clerk (temporary) (summer) (from June 24 to June 30, 1974).	116. 67
Minority:		
Kim Allinger	Secretary (from Jan. 1 to June 30, 1974).	5, 033. 32
Edith Carter Baum	Minority counsel (from Jan. 1 to June 30, 1974).	16, 583. 32
Christopher T. Cross	Minority legislative associate (from Jan. 1 to June 30, 1974).	18, 000. 00
Susan C. DeMarr	Secretary (from Jan. 1 to June 30, 1974).	5, 187. 48
Vicki Fleming	Minority research assistant (from Juna 17 to June 30, 1974).	330. 55
Martin L. LaVor	Minority legislative associate (from Jan. 1 to June 30, 1974).	15, 891. 06
John B. Lee	Minority research assistant (from Jan. 1 to June 30, 1974).	6, 625. 02
Maureen A. Moroch	Secretary (from Apr. 1 to June 30, 1974).	3, 125. 01
Richard H. Mosse	Assistant minority counsel (from Apr. 14 to June 30, 1974).	5, 988. 88
Jo Anne Pierson	Secretary (from Jan. 1 to June 30, 1974).	5, 583. 34
Silvia J. Rodriguez	do	6, 181. 44

COMMITTEE ON EDUCATION AND LABOR—FULL COMMITTEE INVESTIGATING STAFF—Continued

Name of employee	Profession	Total gross salary during 6-month period
Minority—Continued		
John Charles Sheerin	Minority counsel for labor (from Jan. 1 to June 30, 1974).	$18,000.00
Yvonne Franklin Smith.	Minority legislative associate (from Jan. 1 to June 30, 1974).	10,481.22
Dorothy L. Strunk	Secretary (from Jan. 1 to Feb. 28, 1974).	2,433.34
Patricia Ann Sullivan	Secretary (from Jan. 1 to June 30, 1974).	6,139.84

Funds authorized or appropriated for committee expenditures	$1,241,259.81
Amount of expenditures previously reported	472,161.30
Amount expended from Jan. 1 to June 30, 1974	263,965.11
Total amount expended from Jan. 3, 1973, to June 30, 1974	736,126.41
Balance unexpended as of June 30, 1974	505,133.40

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON EDUCATION, NO. 1

(Representative Carl D. Perkins, Chairman)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Diane B. Adair	Staff assistant (from June 12 to June 30, 1974).	$395.83
Ruth Epperson	Staff assistant (from Mar. 23 to Apr. 5, 1974).	650.00
Eydie Gaskins	Special assistant (from Jan. 1 to June 30, 1974).	9,583.50
John F. Jennings	Counsel (from Jan. 1 to June 30, 1974).	18,000.00
Tonie E. Painter	Staff assistant (from Jan. 1 to June 30, 1974).	3,666.96
Ivan Swift	Legislative assistant (from Jan. 1 to June 30, 1974).	11,355.12
Joseph V. Vicidomino	Assistant clerk (from June 3 to June 30, 1974).	466.67

Funds authorized or appropriated for committee expenditures	$174,824.24
Amount of expenditures previously reported	77,123.19
Amount expended from Jan. 1 to June 30, 1974	47,198.80
Total amount expended from Jan. 3, 1973, to June 30, 1974	124,321.99
Balance unexpended as of June 30, 1974	50,502.25

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON LABOR, NO. 2

(Representative Frank Thompson, Jr., Chairman)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeunesse M. Beaumont	Clerk (from Jan. 1 to June 30, 1974).	$9,358.14
Donald J. Kaniewski	Research assistant (from Jan. 1 to June 30, 1974).	3,354.72
Cheryl G. Matcho	Secretary (from Jan. 1 to June 30, 1974).	5,238.48
Richard A. Millner	Research assistant (from Jan. 1 to April 30, 1974).	513.32
Robert E. Moss	Counsel (from Jan. 1 to June 30, 1974).	14,990.57
Daniel H. Pollitt	Special counsel (from Jan. 1 to June 30 , 1974).	4,000.02
Susan H. Pollitt	Assistant clerk (from June 10 to June 30, 1974).	227.50
Jan Lee Roller	Assistant clerk (June 1 to June 30, 1974).	541.67
Audrey Rugg	do	541.67
Richard Shaffer	Research assistant (from June 15 to June 30, 1974).	288.89
Bruce H. Stern	Research assistant (from Apr. 1 to May 31, 1974).	650.00

Funds authorized or appropriated for committee expenditures	$176,933.51
Amount of expenditures previously reported	79,380.55
Amount expended from Jan. 1 to June 30, 1974	41,831.82
Total amount expended from Jan. 3, 1973 to June 30, 1974	121,212.37
Balance unexpended as of June 30, 1974	55,721.14

CARL D. PERKINS, Chairman.

GENERAL SUBCOMMITTEE ON LABOR, No. 3

July 15, 1974.

(Representative John H. Dent, Chairman)

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Barbara A. Dinuson	Secretary (from Jan. 1 to June 30, 1974).	$4,099.98
Julie Dominick	Research assistant (from Apr. 1 to June 30, 1974).	3,750.00
Adrienne Fields	Clerk (from Jan. 1 to June 30, 1974).	9,638.58
Cynthia L. Fox	Secretary (from June 17 to June 30, 1974).	313.25
Ernest J. Mannino	Research assistant (from June 1 to June 30, 1974).	750.00
Robert E. Vagley	Director (from Jan. 1, to June 30, 1974).	18,000.00

Funds authorized or appropriated for committee expenditures	$164,183.08
Amount of expenditures previously reported	66,407.73
Amount expended from Jan. 1 to June 30, 1974	39,670.05
Total amount expended from Jan. 3, 1973 to June 30, 1974	106,077.78
Balance unexpended as of June 30, 1974	58,105.30

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON LABOR, NO. 4

Representative Dominick V. Daniels, Chairman

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Joseph D. Alviani	Associate counsel (Jan. 1 to June 30, 1974).	$8,619.26
Alexandra J. Kisla	Research staff assistant (Jan. 1 to June 30, 1974).	6,810.06
Daniel H. Krivit	Counsel (Jan. 1 to June 30, 1974).	16,448.88
Denniese L. Medlin	Legislative assistant (Apr. 1 to June 30, 1974).	2,550.00
Laura S. Wyman	Research assistant (Jan. 1 to Mar. 31, 1974).	2,278.74

Funds authorized cr appropriated for committee expenditures	$167,282.82
Amount of expenditures previously reported	71,135.57
Amount expended from Jan. 1 to June 30, 1974	38,083.13
Total amount expended from Jan. 3, 1973 to June 30, 1974	109,218.70
Balance unexpended as of June 30, 1974	58,064.12

CARL D. PERKINS, Chairman.

SELECT SUBCOMMITTEE ON EDUCATION NO. 5

(Representative John Brademas, Chairman)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jack G. Duncan	Counsel (from Jan. 1 to June 30, 1974).	$16,227.00
Eleanor M. Finver	Secretary (from Jan. 1 to June 30, 1974).	4,293.88
James J. Harvey	Deputy assistant (from Jan. 1 to June 30, 1974).	8,926.66
Frederick V. Mulhauser	Research assistant (from Jan. 1 to June 30, 1974).	5,625.00
Christine M. Orth	Staff assistant (from Jan. 1 to June 30, 1974).	5,923.34
Gladys Marie Walker	Secretary (from Jan. 1 to June 30, 1974).	5,701.88

Funds authorized or appropriated for committee expenditures	$174,948.00
Amount of expenditures previously reported	76,441.74
Amount expended from Jan. 1 to June 30, 1974	52,012.06
Total amount expended from Jan. 3, 1973 to June 30, 1974	128,453.80
Balance unexpended as of June 30, 1974	46,494.20

CARL D. PERKINS, Chairman.

SPECIAL SUBCOMMITTEE ON EDUCATION, NO. 6

(Representative James G. O'Hara, Chairman)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross 6-month salary during period
Rosanne Aceto	Assistant clerk (from Jan. 1 to Mar. 15, 1974).	$1,858.88
Mary Elizabeth Clark	Assistant clerk (from June 9 to June 30, 1974).	366.67
Alfred Carl Franklin	Counsel (from Jan. 1 to June 30, 1974).	11,676.48
James B. Harrison	Staff director (from Jan. 1 to June 30, 1974).	15,476.82
Aims C. McGinness, Jr.	Research assistant (from Mar. 1 to Apr. 30, 1974).	1,400.00
Bernard Michael Murphy	Research associate (from June 3 to June 30, 1974).	566.22
Bonnie L. Stricklin	Assistant clerk (from May 6 to June 30, 1974).	1,100.00
Elnora H. Teets	Clerk (from Jan. 1 to June 30, 1974).	6,939.78

Funds authorized or appropriated for committee expenditures	$174,819.60
Amount of expenditures previously reported	78,223.54
Amount expended from Jan. 1 to June 30, 1974	43,395.11
Total amount expended from Jan. 3, 1973, to June 30, 1974	121,618.65
Balance unexpended as of June 30, 1974	53,200.95

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON EQUAL OPPORTUNITIES, NO. 7

Representative Augustus F. Hawkins, Chairman

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Constance J. Falwell	Research assistant (from Feb. 1 to May 10, 1974).	$583.33
Susan Durkee Grayson	Special assistant (from Jan. 1 to June 30, 1974).	8,775.00
Bertram M. Gross	Staff assistant (from Feb. 1 to June 30, 1974).	1,000.00
Mary F. Higginbotham	Staff assistant (from Jan. 1 to Feb. 28, 1974).	2,737.50
William L. Higgs	Staff assistant (from Feb. 1 to June 30, 1974).	5,666.66
Lloyd (Al) Johnson	Staff director (from Mar. 1 to June 30, 1974).	10,000.00
Carole M. Schanzer	Clerk (from Jan. 1 to June 30, 1974).	6,924.70
Mary L. Whitsett	Assistant clerk (from May 11 to June 30, 1974).	1,416.67

Funds authorized or appropriated for committee expenditures	$168,781.56
Amount of expenditures previously reported	74,854.03
Amount expended from Jan. 1 to June 30, 1974	41,177.63
Total amount expended from Jan. 3 to June 30, 1974	$116,031.66
Balance unexpended as of June 30, 1974	52,749.90

CARL D. PERKINS, Chairman.

SUBCOMMITTEE ON AGRICULTURAL LABOR, NO. 8

July 15, 1974.

(Representative William D. Ford, Chairman)

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Virginia E. Anstead	Secretary (from Jan. 1 to Jan. 31, 1974).	$1,000.00
Nina J. Arnhols	Assistant clerk (from Mar. 18 to Mar. 31, 1974).	306.94
Roy P. Dyson	Research aid (from Jan. 1 to June 30, 1974).	4,625.49
Lanston E. Eldred	Research assistant (from June 17 to June 30, 1974).	373.33
Michael J. Ferrell	Special assistant (from Jan. 1 to June 30, 1974).	6,000.00
Eugene I. Gessow	Research assistant (from Apr. 1 to June 30, 1974).	1,850.00
Thomas R. Jolly	Counsel (from Jan. 1 to June 30, 1974).	14,880.91
Daniel F. Joy	Research assistant (from Feb. 1 to Feb. 28, 1974).	1,400.00
Patricia R. Morse	Clerk (from Jan. 1 to June 30, 1974).	7,633.93
Daniel H. Pollitt	Assistant clerk (from Jan. 1 to June 30, 1974).	2,500.02
Heidi Schmidt	Staff assistant (from June 10 to June 30, 1974).	420.00

Funds authorized or appropriated for committee expenditures	$176,967.38
Amount of expenditures previously reported	73,861.72
Amount expended from Jan. 1 to June 30, 1974	47,477.26
Total amount expended from Jan. 3, 1973 to June 30, 1974	121,338.98
Balance unexpended as of June 30, 1974	55,628.40

CARL D. PERKINS, Chairman.

TASK FORCE ON WELFARE AND PENSION PLANS, NO. 9 GENERAL SUBCOMMITTEE ON LABOR

(Representative John H. Dent, Chairman)

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Vance J. Anderson	Counsel (from Jan. 1 to June 30, 1974).	$14,453.32
Kathleen Berish	Stenographer (from Jan. 1 to June 30, 1974).	3,666.66
Suzanne Hays	Staff assistant (from Jan. 1 to June 30, 1974).	5,500.02
S. Howard Kline	Assistant clerk (from May 22 to June 30, 1974).	422.50
Richard E. McCormick, Jr.	Staff assistant (from May 1 to June 30, 1974).	$800.00
Russell J. Mueller	Actuary and minority legislative associate (from Jan. 1 to June 30, 1974).	14,667.78
Robin Reid	Minority secretary (from Jan. 1 to June 30, 1974).	4,716.55
Frances M. Turk	Clerk (from Jan. 1 to Mar. 31, 1974).	3,405.03

Funds authorized or appropriated for committee expenditures.	$220,000.00
Amount of expenditures previously reported	107,638.16
Amount expended from Jan. 1 to June 30, 1974	49,140.53
Total amount expended from Jan. 3, 1973 to June 30, 1974.	156,778.69
Balance unexpended as of June 30, 1974	63,221.31

CARL D. PERKINS, Chairman.

COMMITTEE ON FOREIGN AFFAIRS

July 11, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Marian A. Czarnecki	Chief of staff	$18,000.00
Albert C. F. Westphal	Staff consultant	18,000.00
Harry C. Cromer	Staff consultant (terminated June 15, 1974).	16,500.00
Everett E. Bierman	Staff consultant	16,452.78
John J. Brady, Jr	do	15,607.80
John H. Sullivan	do	15,607.80
John Chapman Chester	do	15,107.76
Robert K. Boyer	do	13,096.26
Peter A. Abbruzzese	do	13,945.62
Lewis Gulick	do	14,643.96
Charles Paolillo	Staff consultant (effective June 1, 1974).	2,733.33
Sanford T. Rainwater	Legal consultant (terminated Jan. 31, 1974).	1,000.00
John P. Salzberg	Special consultant (effective Mar. 15, 1974).	5,888.90
Frederick M. Kaiser	Special consultant (effective June 1, 1974).	1,000.00
Ray Sparks	Editor	11,225.10
George R. Berdes	Subcommittee staff consultant.	14,526.72
Robert B. Boettcher	do	14,526.72
Goler T. Butcher	Subcommittee staff consultant (terminated April 8, 1974).	7,908.99
R. Michael Finley	Subcommittee staff consultant.	13,096.26
Clifford P. Hackett	do	14,562.72
Michael H. Van Dusen	do	13,811.49
Thomas R. Kennedy	do	14,026.08
George M. Ingram IV	do	11,000.88
Leslie Ann Yates	Subcommittee staff consultant (effective April 1, 1974).	3,750.00
Helen C. Mattas	Senior staff assistant	13,602.60
Mary Louise O'Brien	Staff assistant	12,138.84
Paula L. Peak	do	10,478.52
Thelma H. Shirkey	do	6,966.30
Arlene M. Atwater	do	6,596.94
Shirley A. McManus	do	7,553.88
Donna Gail Wynn	do	5,644.32
Jeanne M. Salvia	do	6,045.06
Karen Patterson Brennan.	do	5,638.50
Josephine R. Weber	do	5,538.48
Diane Miesel Stoner	do	4,595.58
Nancy K. Stout	do	6,024.30
Joan C. Sullivan	do	5,749.98
Ellen B. Pinnes	Staff assistant (terminated April 31, 1974).	2,000.01

COMMITTEE ON ON FOREIGN AFFAIRS—Continued

Name of employee	Profession	Total gross salary during 6-month period
Jeraldine C. Nolan	Staff assistant (effective February 1, 1974).	$3,958.35
Noel Daoust	Staff assistant (effective April 8, 1974).	2,075.00
Nancy M. Carman	Staff assistant (effective June 5, 1974).	613.89
Andrew B. Vanyo	Clerical assistant	5,578.26
Robert A. Stoner	Publications assistant	5,095.62
Dona Sims	Special assistant (effective June 1, 1974).	708.33
Eugene M. Principato	Clerical assistant (effective June 15, 1974).	266.67

Funds authorized or appropriated for committee expenditures	$1,168,735.00
Amount of expenditures previously reported	476,985.31
Amount expended from Jan. 1 to June 30, 1974	261,258.37
Total amount expended from Jan. 1, 1973 to June 30, 1974	
Balance unexpended as of June 30, 1974	430,491.32

THOMAS E. MORGAN, Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Expenses, Jan. 1 through June 30, 1974:	
Full committee	$4,869.29
Special investigative staff	67,823.04
Legislation and Military Operations Subcommittee	41,748.15
Government Activities Subcommittee	56,475.11
Intergovernmental Relations Subcommittee	70,730.06
Conservation andNatural Resources Subcommittee	60,888.99
Foreign Operations and Government Information Subcommittee	75,172.06
Legal and Monetary Affairs Subcommittee	52,847.48
Special Studies Subcommittee	63,330.64
Total	493,884.82

Name of employee	Profession	Total gross 6-month salary during period
Standing committee, Hon. Chet Holifield, chairman:		
Herbert Roback	Staff director	$18,000.00
Elmer W. Henderson	General counsel	18,000.00
Miles Q. Romney	Counsel-administrator	18,000.00
Douglas G. Dahlin	Associate counsel	14,405.88
Dolores L. Fel'Dotto	Staff member	10,175.88
Ann E. McLachlan	do	9,863.04
Catherine S. Cash	do	8,868.66
Marilyn F. Jarvis	do	8,748.18
Lilian M. Phillips	do	8,041.92
John Philip Carlson	Minority counsel	18,000.00
Warren B. Buhler	Minority professional staff member.	13,096.26
Clara Katherine Armstrong.	Minority research assistant.	9,077.04
Total		154,276.86
Standing committee, Hon. Chet Holifield, chairman: Total expenses.		4,869.29
Special investigative staff, Hon. Chet Holifield, Chairman:		
Stephen M. Daniels	Minority staff member	$10,007.82
Richard L. Thompson	Minority staff member (through Jan. 31 and from Feb. 5).	9,785.42
Lawrence T. Graham	Minority staff member	10,007.82
James L. McInerney	do	9,953.16
Sheila G. Nathanson	Minority secretary	5,239.08
Karen L. Tauber	do	5,019.44
Eileen W. Theim	Staff member	6,884.70
Susan E. Early	Staff member (from June 1, 1974).	916.67
Ralph T. Doty	Clerical staff	5,352.72
Paul N. Nelson	do	4,656.21
Total		67,823.04
Legislation and Military Operations Subcommittee, Hon. Chet Holifield, Chairman:		
Charles Goodwin	Subcommittee counsel	7,494.00
Michael T. McGinn	Defense analyst	9,499.98
Catherine L. Koeberlein.	Research assistant	9,314.88
Mary Etta Haga	Clerk-stenographer	5,810.70
Wanda C. Johnson	do	5,500.44
Michael A. Vorhaus	Clerical staff	3,250.02
Expenses		878.13
Total		41,748.15
Government Activities Subcommittee, Hon. Jack Brooks, Chairman:		
William M. Jones	Subcommittee staff director.	15,421.74
William H. Copenhaver.	Counsel	14,667.78
C. Don Stephens	Research analyst	12,083.52
Lynne Higginbotham	Clerk-stenographer	8,082.84
Kathryn J. Lokos	Secretary	4,452.72
Expenses		1,766.51
Total		56,475.11
Intergovernmental Relations Subcommittee, Hon. L. H. Fountain, Chairman:		
James R. Naughton	Counsel	17,500.02
Delphis C. Goldberg	Professional staff member.	17,500.02
Gilbert S. Goldhammer.	Consultant	11,748.00
Gary E. Bombardier	Professional staff member.	9,429.30
Pamela R. Horsmon	Clerk-stenographer	5,810.70
Margaret M. Goldhammer.	Secretary	4,877.28
Expenses		3,864.74
Total		70,730.06
Conservation and Natural Resources Subcommittee, Hon. Henry S. Reuss, Chairman:		
Phineas Indritz	Counsel	5,236.00
David B. Finnegan	Associate counsel	15,418.98
David H. Baris	Legal assistant (through June 16, 1974).	8,122.21
Robert J. Hellman	Staff analyst	7,000.02
Josephine Scheiber	Research analyst	9,294.24
Ruth M. Wallick	Stenographer	7,247.10
Frances B. Lee	do	5,100.96
Ardith R. Davis	Stenographer (from May 28, 1974).	870.84
Expenses		2,598.64
Total		60,888.99
Foreign Operations and Government Information Subcommittee, Hon. William S. Moorhead, Chairman:		
William G. Phillips	Subcommittee staff director.	17,500.02
Norman G. Cornish	Deputy subcommittee staff director.	17,500.02
Harold F. Whittington	Professional staff member.	13,958.26
L. James Kronfeld	Counsel	13,096.26
Martha M. Doty	Clerk	6,024.30
Nancy E. Wenzel	Secretary	4,349.98
Expenses		2,743.22
Total		75,172.06
Legal and Monetary Affairs Subcommittee, Hon. Wm. J. Randall, Chairman:		
Erskine Stewart	Subcommittee staff director.	$14,667.78
William G. Lawrence	Associate counsel	10,477.02
Wanda J. Reif	Professional staff member.	10,477.02
Gerald J. Laporte	Research assistant (from June 1, 1974).	1,083.33
D. Faye Taylor	Clerk	6,024.30
Eleanor M. Vanyo	Secretary	5,315,40
Expenses		4,802.63
Total		52,847.48
Special Studies Subcommittee, Hon. Floyd V. Hicks, Chairman:		
Joseph C. Luman	Subcommittee staff director.	14,667.78
Jacob N, Wasserman	Counsel	16,598.58
Dean S. Kalivas	Professional staff member.	10,477.02
James L. Gyory	Investigator	9,429.30
Louise Chubb	Clerk (from Feb. 4, 1974).	4,777.50
Geraldine A. Fitzgerald	Secretary	4,924.20
Expenses		2,456.26
Total		63,330.64

Funds authorized or appropriated for committee expenditures, H. Res. 277 and H. Res. 846	$2,111,000.00
Amount of expenditures previously reported	955,018.16
Amount expended from Jan. 1 to June 30, 1974	493,884.82
Total amount expended from Jan. 3, 1973 to June 30, 1974	1,448,902.98
Total amount expended from Jan. 3, 1973 to June 30, 1974	1,448,902.98
Balance unexpended as of June 30, 1974	662,097.02

CHET HOLIFIELD, Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John T. Walker	Staff director	$18,000.00
Frank B. Ryan	Director, information systems.	18,000.00
Robert Gray	Chief auditor	18,000.00
John Warren McGarry	Attorney	18,000.00
John Blair	Assistant to the staff director.	15,107.76
Ralph Smith	Minority clerk	18,000.00
Ralph Murphy	Assistant clerk (minority).	13,455.96
Evelyn H. Wilson	Office manager	8,505.81
Mary Stolle	Assistant clerk	8,505.81
Robert Anton	Assistant legal counsel	7,857.78
Johanna Lucas	Assistant clerk	6,609.30
M. Lynn Hayes	Assistant clerk (minority).	5,762.41
Linda Nave	Assistant clerk (minority).	320.13
Sabastian Tom	Clerk, E. & M. Subcommittee.	9,243.54
Judith H. Simmons	Assistant clerk accounts subcommittee.	4,732.44
Gurney S. Jaynes	Assistant clerk	8,643.54
Joseph T. Ventura	Clerk, personnel subcommittee.	9,953.16
John L. Boos	Clerk, Library and Memorials Subcommittee.	11,679.11
Cynthia Cortese	Assistant clerk	5,250.00
Pamela M. Bussen	Assistant clerk, Personnel Subcommittee.	2,083.33
Barbara Lee Giaimo	Assistant clerk, Elections Subcommittee.	5,576.58

Name of employee	Profession	Total gross salary during 6-month period
Vicki Sue Moser	Assistant clerk	$5,507.76
William E. Sudow	Clerk, Printing Subcommittee.	10,285.02
Thomas M. Pappas	Clerk, Accounts Subcommittee.	10,215.06
Linda Bentz	Assistant clerk, Printing Subcommittee.	3,143.32
Ronald Merenbach	Assistant clerk	1,100.09
Ollievia Frasier	do	1,923.92
John D. Ford	Assistant clerk, Elections Subcommittee.	2,030.43
James Burnes	Assistant clerk	4,833.32
Richard Oleszewski	Clerk, Elections Subcommittee.	4,999.98
Linda Rogers	Assistant clerk, Police Subcommittee.	4,819.44
Candis Whitley	Assistant clerk	1,883.33
Sharon Kite	do	4,999.98
Norman Shore	do	5,500.45
William Baranowski	do	3,177.79
Constance Falwell	Assistant clerk, E. & M. Subcommittee.	2,250.00
Grace Cohilas	Assistant clerk	2,577.79
Elizabeth Ray	do	2,108.34
Nancy Brown	Assistant clerk, E. & M. Subcommittee.	1,466.67
Jim Hart	Assistant clerk	820.00
Dovie Cherry	Assistant clerk, Police Subcommittee.	1,213.89
Lawton Stevens	Assistant clerk	854.17
Mark Maloney	do	655.33
Michael McWherter	do	611.64
Michael Meth	do	433.33
Becky Ransom	do	420.00
Andrew Ingram	do	650.00
John B. Maxwell	do	200.00
Brian Yochum	do	305.82

Funds authorized or appropriated for committee expenditures.	$770,000.00
Amount of expenditures previously reported	319,547.46
Amount expended from Jan. 1 to June 30, 1974	161,769.36
Total amount expended from Jan. 1, 1973 to June 30, 1974.	481,316.82
Balance unexpended as of June 30, 1974	288,683.18

WAYNE L. HAYS, Chairman.

HOUSE INFORMATION SYSTEMS, COMMITTEE ON HOUSE ADMINISTRATION

Julv 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Richard Bates	Communications terminal operator.	$3,770.40
Louise Yates	Senior secretary	3,719.82
Noah M. St. Clair	Senior systems programer.	10,338.48
Timothy Gunther	Programer	6,624.84
David L. Brazeal	Computer systems analyst.	8,789.07
Diane C. Hitz	Communications terminal operator.	3,770.40
William R. Hill	Senior computer systems analyst.	10,266.05
Benjamin R. Candler	Programer analyst	8,064.12
Antionette P. Gauthier	Communications control coordinator.	4,850.17
Robert J. Mumma	Senior computer operator.	5,594.10
Curtis L. Merrick	Section manager	12,094.68
Vernon J. Walters	Programer analyst	7,741.62
Jasper T. Wagliardo	Section manager	11,352.36
Charles E. Graham	Deputy director	18,000.00
Edmund S. Mesko	Information systems specialist.	10,777.68
Dwight H. Pfaehler	Senior information systems specialist.	7,797.68
Gerald L. Barnes	Junior programer	5,239.56
William Freeman	Senior computer systems analyst.	10,666.80
Don Anderson	Systems factors analyst.	$5,923.02
Barbara Burda	Senior production control specialist.	4,831.50
Don L. Robinson	Junior system factors analyst.	7,212.08
Jimmy Powell	Programer analyst	5,272.36
Anne Wightman	do	6,286.74
Norman Young	Senior section manager.	12,901.38
Thomas Hawk	Communications control coordinator.	5,319.18
Robert Cohen	Information systems specialist.	9,903.90
John T. Reed	Senior computer systems analyst.	10,664.04
Berthine Washington	Data preparation specialist.	3,875.46
Howard Ulep	Group manager	12,094.68
Ada Taylor	Communications terminal operator.	2,189.22
Robert Klukas	Section manager	10,683.00
K. Michael Frazier	Programer	6,286.50
Frank Robertson	Section manager	2,348.42
Sheldon Grosberg	Management assistant	12,527.52
Stephen Stofko	Group manager	13,739.52
Patricia Ann Costlow	Senior communications control coordinator.	5,213.33
Marsha Madden	Junior system factors specialist.	5,701.35
Frank W. Byrd	Senior computer operations coordinator.	6,083.52
Diane Lee Yudiskas	Programer analyst	162.93
Deloris Gilliam	Junior computer operator.	3,605.16
Mary Ryan Conroy	Administrative control coordinator.	4,326.81
Martha Crouse	Communications control coordinator.	4,892.82
Robert Garrett	Section manager	12,000.27
Margaret Hyland	Junior secretary	4,738.44
Steven B. Newman	Communications control coordinator.	4,301.70
Elmer Whiting	Computer operator	5,471.64
Linda Hall	Clerk-typist	3,479.20
Dianne Oshetski	Secretary	4,588.82
Frances Pratt	do	4,875.65
Francine Cromwell	Executive secretary	5,882.52
Katherine Diamond	Senior data preparation specialist.	4,027.50
Ed Fairleigh	Junior computer operator.	4,329.48
Samuel Rogers	Senior computer operator.	5,632.66
Donald Morris	Group manager	12,238.96
Louis Johannes	Administrative clerk	4,027.50
Lewis DuBusc	Section manager	11,696.52
Barbara Swart	Junior programer	4,165.14
Susan Starr	System factors analyst	9,420.22
David Underwood	Section manager	11,371.98
Marie Williams	Senior information systems specialist.	9,733.63
Sandra Levine	Junior communications terminal operator.	1,241.70
Stephanie Everett	Senior communications terminal operator.	3,477.99
Wilbur D. Smith	Senior information systems specalist.	11,413.05
Kendall Free	Computer systems analyst.	9,030.12
Gerald Murphy	Section manager	11,068.83
Katherine Bye	Technical research assistant.	5,014.32
Paul Pritchett	Production control coordinator.	4,605.06
Hettie Prater	Technical aide	6,915.36
Ruth Ann Wauters	Junior systems programer.	8,308.26
Stuart Edwards	Computer systems analyst.	9,622.98
Thomas Brown	Section manager	9,472.17
Barbara Daniel	Junior secretary	2,956.28
Richard Maynard	Senior operation research analyst.	12,040.68
Gerald McGuire	Group manager	12,901.38
Gerald Morrone	Computer systems analyst.	9,321.36
Luis Amigo	Programer analyst	7,338.81
Sandra Burke	Technical writer	6,084.00
Lolita Werhan	Junior secretary	3,876.30
Sandra May	Junior communications terminal operator.	1,903.94
James Daley	Programer analyst	7,820.04
Mark Shriver	Computer operator	5,149.44
Mary McNair	Junior data preparation specialist.	3,210.18
Walter Haggerty	Section manager	12,384.84
Wesley C. Jenkins	Computer systems analyst.	9,903.90
Susan Zweighaft	Programer	6,489.48
Robert Silberski	Junior technical aide	6,692.16
Donna Jean Fears	Junior programer	1,052.83
Jim Cowart	Programer	$4,630.60
Cletis Harper	Section manager	9,612.66
Paul M. Kunkel	Production control coordinator.	3,869.60
Kathryn Lyons	Junior communications terminal operator.	2,255.45
Dorothy Ellis	Data preparation specialist.	3,592.86
Amos Hilton	Production control specialist.	3,592.86
Cheryl Trovato	Junior system factors specialist.	5,817.36
Barbara Seymour	Data preparation specialist.	3,725.10
Candace Butler	Junior communications control coordinator.	4,003.53
Nancy Gordon	Junior system factors specialist.	6,084.00
James P. Howell	Junior communications terminal operator.	3,775.68
Stanley Croydon	Junior information systems specialist.	7,428.98
Joseph Evalt	Senior information	11,102.52
Colleen Gorgon	Junior typist systems specialist.	3,204.00
Carol Ann Ruga	Junior secretary	1,970.88
Thomas Leonardo	Computer systems specialist.	9,320.52
Karen Burzinski	Clerk typist	3,168.40
Raymond Ney	Data control specialist	1,068.00
Neil Armann	Information systems specialist.	11,080.50
Carl Schmidt	Systems programer	9,040.02
Henry Collins	Computer systems specialist.	11,371.98
Brian Connolly	Junior systems programer.	8,313.48
Terry Mahn	Programer	6,083.52
Lea Fowlie	Communications terminal operator.	3,646.43
Robert Reardon	Senior systems programer.	10,231.09
Michele Eastridge	Junior typist	1,174.19
Kathleen Mohajer	Junior system factors specialist.	4,731.63
Susan Groseclose	Junior secretary	3,100.65
Richard Fields	Manager	8,419.08
Ethlyn Brooks	Senior information systems specialist.	6,720.01
Helen G. Kenny	System factors analyst	5,876.01
Karen Blake	Communications terminal operator.	2,438.88
May Ellen Yarrington	Senior production control specialist.	2,304.63
Shirley Samuels	Senior clerk	1,361.18
Sharon E. Davis	Junior communications terminal operator.	1,549.58
Patrick Cullen	do	1,528.91
Patricia Bell	Typist	1,714.86
Patricia Dowling	Junior programer analyst.	2,735.28
Marian Lane	Senior data preparation specialist.	1,543.88
James Haga	Information systems specialist.	1,657.34
Jeffery Holcomb	Courier	729.80
Martin Collins	Computer systems specialist.	1,236.80
Michael Jones	Senior clerk	2,673.15
Janet Louise Conrad	Junior communications terminal operator.	959.73
Sylestene Walker	do	959.73
Katherine Kim	Junior typist	778.55
Aaron Greenberg	System factors analyst	1,542.26
Denise Asparagus	Junior data preparation specialist.	535.73
Elizabeth Scattergood	Junior communications terminal operator.	433.88
Marilyn Epstein	Programer	504.74
Kenneth L. Johnson	Senior computer operator.	463.40
Brenda Tereyla	Clerk	220.97
Michael Dougherty	Senior information systems specialist.	652.85
Jeremy D. Frey	Technical assistant	124.60
Susan Earley	do	124.60
Jocelyn White	do	124.60
Gregory Twitchell	do	124.60
Marc Shafroth	do	124.60
Michael Frankhuizen	do	124.60
Marilyn Knox	Junior typist	91.97
Amanda Leech	do	124.60

Funds authorized or appropriated for committee expenditures	$4,800,000.00
Amount of expenditures previously reported	1,711,505.30
Amount expended from Jan. 1 to June 30, 1974	1,174,408.24
Total amount expended from Jan. 1, 1973, to June 30, 1974	2,885,913.54
Balance unexpended as of June 30, 1974	1,914,086.46

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

July 12, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from **January 3 to June 30, 1974, inclusive, together with total** funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Sidney L. McFarland	Terminated Mar. 31, 1974 as staff director and chief clerk.	$1,998.00
Lewis A. Sigler	Terminated Jan. 31, 1974 as general counsel.	429.00
Charles R. Conklin	Staff director and chief clerk.	18,000.00
Lee McElvain	General counsel	18,000.00
William L. Shafer	Consultant on mines, mining and public lands.	18,000.00
Charles Leppert, Jr	Minority counsel	18,000.00
Patricia A. Murray	Full committee clerk	12,060.69
Patricia B. Freeman	Administrative assistant.	10,729.62
Miriam L. Waddell	Secretary-clerk	8,392.50
Sandra Marie Metcalfe	do	8,103.90
Jack Daum	Staff consultant (minority).	12,000.00
Joanne Suter Burgess	Secretary-clerk (minority)-transfer to investment staff as of May 1, 1974.	3,841.56
Majorie J. Reynolds	Secretary-clerk (minority) as of May 1, 1974.	2,083.34
Jim T. Casey	Consultant on water and power resources.	18,000.00
Mary Lee Gennari	Clerk, Subcommittee on Water and Power Resources.	6,774.06
Nancy Lou Larson	Clerk, Subcommittee on Territorial and Insular Affairs.	9,809.78
Kathryn C. Loeffler	Clerk-receptionist	5,619.24
Adrian Winkel	Consultant on Subcommittee on Territorial and Insular Affairs.	16,851.00
Maurice J. Shean	do	16,851.00
David W. Luken	Terminated Apr. 30, 1974 as staff consultant—minority.	5,833.32
Marston Becker	Printing clerk	10,139.07
Edward Gaddis	Staff assistant	6,055.35
Berthe D. Drotos	Secretary-clerk (majority).	6,850.26
Rebecca D. Shapiro	Clerk, Subcommittee on Indian Affairs.	5,619.24
Pamela Warfield	Clerk, Subcommittee on Environment.	5,924.90
Stanley E. Scoville	Staff counsel, Submittee on the Environment.	10,999.98
Franklin Ducheneaux	Consultant, Subcommittee on Indian Affairs.	13,298.13
Thomas S. Dunmire	Staff consultant (minority).	5,802.00
Robert A. Hunt	Consultant, Subcommittee on Public Lands (terminated Apr. 30, 1974).	9,080.08
Bruce Driver	Staff counsel (minority).	10,500.00
James A. Rock	Staff consultant (minority).	11,250.00
Clay E. Peters	do	11,250.00
Nancy G. Drake	Clerk, Subcommittee on Public Lands.	7,071.96
Sharon Peck Cockayne	Secretary, Subcommittee on Public Lands.	5,551.09
John D. Curtis	Terminated May 31, 1974 as staff assistant, Subcommittee on Environment.	7,083.35 7,083.35
Betty Nevitt	Clerk, Subcommittee on National Parks and Recreation.	6,810.06
Dale Pontius	Staff assistant, Subcommittee on Environment.	8,916.68
Betty Jo Hunt	Staff assistant, Subcommittee on Indian Affairs.	7,857.78
Norman R. Williams	Consultant, Subcommittee on Mines and Mining.	12,499.98
Thomas L. Laughlin	Staff assistant, Subcommittee on Mines and Mining.	6,000.00
Gail Whitestone	Secretary-clerk (minority).	4,708.32
Sandra Ann Hugg	Terminated Apr. 30, 1974 as secretary, Subcommittee on Environment.	$2,619.24
David R. Brown	Staff assistant, Subcommittee on Public Lands (as of Mar. 18, 1974.	4,148.60
Cleveland Pinnix	Consultant, Subcommittee on National Parks and Recreation (as of Apr. 14, 1974).	4,919.45
Joanne Suter Burgess	Secretary-clerk (minority) as of May 1, 1974.	2,020.84
Michael Jackson	Staff consultant (minority) as of May 1, 1974.	2,500.00
Deborah Medlar	From May 17, 1974 to June 21, 1974 as secretary, Subcommittee on Environment.	729.17
Elizabeth K. Medeiros	Clerk, Subcommittee on Mines and Mining. (as of June 21, 1974).	4,377.22
Ann F. Zumwalt	Intern, Subcommittee on Indian Affairs.	166.67
Sidney McFarland	Consultant under contract.	3,600.00
Lewis A. Sigler	do	6,000.00

Funds authorized or appropriated for committee expenditures	$1,496,000.00
Amount of expenditures previously reported	497,993.03
Amount expended from Jan. 1 to June 30	362,002.31
Total amount expended from June 19, to June 30, 1974	362,002.31
Balance unexpended as of June 30, 1974	636,004.66

JAMES A. HALEY, Chairman.

COMMITTEE ON INTERNAL SECURITY

July 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from **January 1 to June 30, 1974, inclusive, together with total** funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee (majority):		
Robert M. Horner (P)	Professional staff assistant.	$11,358.00
William H. Hecht (P)	Executive staff assistant	16,361.10
Alfred M. Nittle (P)	Legislative counsel	18,000,00
Robert A. Crandall (P)	Counsel	16,000.02
Richard A. Shaw (C)	Chief investigator (resigned June 23, 1974).	11,533.33
William G. Shaw (P)	Research director	12,168.00
V. Bernice King (C)	Financial secretary	10,597.41
Mary M. Valente (C)	Administrative secretary.	10,615.20
John F. Lewis (P)	Professional staff assistant.	15,286.20
Standing committee (minority):		
DeWitt White (P)	Legal counsel	17,749.98
Herbert Romerstein (C)	Chief investigator	16,083.78
James L. Gallagher (C)	Research analyst	13,142.52
Investigative committee (majority):		
William H. Stapleton	Staff director	7,842.00
Margie D. Biggerstaff	Secretary	5,865.00
Daniel Butler	Documents clerk	6,082.20
S. Janice Coil	Secretary	6,952.89
Elizabeth S. Crawford	Clerk	97.22
Anniel Cunningham	Chief files and reference section.	9,956.10
Florence Doyle	Secretary	5,564.52
Helen M. Gittings	Editor	10,360.86
Doris Jaeck	Information analyst	5,918.85
Mildred V. James	Clerk-typist	4,184.32
Norma H. Lewis	Secretary (resigned Apr. 14, 1974).	$3,455.33
Tina V. Markey	Information classifier	3,580.02
Anita S. Maggio	Clerk	3,776.94
Terry M. Morgan	Information classifier (appointed Jan. 14, 1974).	3,247.20
Virginia Masino	Receptionist	5,020.37
John E. Manning	Investigator (resigned June 30, 1974).	11,478.00
David J. Murray	Assistant documents clerk (resigned Apr. 9, 1974).	1,969.01
Maureen P. Ontrich	Information analyst (resigned Mar. 31, 1974).	2,583.06
P. Lamar Payne	Assistant documents clerk (summer help, appointed June 10, 1974).	379.17
Alma T. Pfaff	Research analyst	7,009.29
Stuart Pott	Investigator	8,137.25
S. Louise Rees	Research analyst	7,500.00
Audrey Rollins	Secretary	5,562.86
Jane Y. Rumsey	Clerk-typist (summer help, appointed Apr. 1, 1974).	1,708.53
Albert H. Solomon, Jr.	Investigator	10,650.00
John N. Stratton	do	9,242.52
S. Jane Strawser	Secretary (appointed May 20, 1974).	1,252.78
Barbara C. Sweeny	Editor	5,543.22
Susan K. Tonkinson	Information analyst	5,126.28
Investigative committee (minority):		
George C. Armstrong	Investigator	8,425.50
Browardine Broyhill	Research assistant (resigned Mar. 31, 1974).	1,178.67
Donna Francisco	Research assistant (appointed Apr. 4, 1974).	1,875.00
Richard Norusis	Investigator	9,006.54
Linda Spirt	Secretary	7,430.28
William T. Poole	Research analyst	7,999.20

Funds authorized or appropriated for committee expenditures	$950,000.00
Amount of expenditures previously reported	446,398.16
Amount expended from Jan. 3 to June 30, 1974	212,942.81
Total amount expended from Jan. 1 to June 30, 1974	659,340.97
Balance unexpended as of June 30, 1974	290,659.03

RICHARD I. ICHORD, Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from **January 1 to July 1, 1974, inclusive, together with total** funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
W. E. Williamson	Clerk	$18,000.00
Kenneth J. Painter	First assistant clerk	17,475.24
Marcella F. Johnson	Assistant clerk	11,401.08
Frank W. Mahon	Printing editor	11,499.42
Eleanor A. Dinkins	Clerical assistant	9,142.86
Mary Ryan	do	9,142.86
Laura F. Elder	do	7,150.98
Edwin E. Thomas	Staff assistant	8,113.58
Lewis E. Berry (minority).	Minority counsel	18,000.00
Professional staff:		
William J. Dixon	Professsional staff member.	18,000.00
Robert F. Guthrie	do	18,000.00
Charles B. Curtis	do	18,000.00
Lee S. Hyde	do	18,000.00
Jeffrey H. Schwartz	do	14,048.13
Elizabeth Harrison	do	14,048.13
John Gamble	Counsel	15,202.95

Name of employee	Profession	Total gross salary during 6-month period
Additional temporary employees under H. Res. 182, 303, 916:		
Henry Thomas Greene	Staff assistant (minority).	$13,727.34
Barbara L. Bullard	Clerical assistant (minority).	8,521.06
Darlene G. McMullen	do	6,510.64
Jan B. Vlcek	Staff assistant (minority).	12,287.40
Bertram J. Levine	do	12,287.40
Thomas C. Sawyer	Staff assistant (mimority) (from Apr. 1, 1974).	6,476.85
Joseph T. Kelley	Staff assistant (minority) (from May 1, 1974).	1,500.00
Joanne E. Bell	Clerical assistant	6,000.00
Violet M. McCarthy	do	7,710.84
Ann P. Jordan	do	5,662.50
Barboura C. Flues	do	6,857.52
Clarence E. Martin III	Assistant counsel (from May 20, 1974).	1,700.33
Martin Auerbach	Staff assistant (to June 16, 1974).	4,831.04
Jo Anne Glisson	Clerical assistant	5,505.16
John L. Duncan	do	7,857.78
Susan Tomasky	Clerical assistant (from June 1, 1974).	666.67
Walter J. Graham, Jr	Staff assistant	14,959.62
Steve Lawton	do	14,959.62
Michael R. Lemov	do	14,959.62
Richard Krolik	do	14,959.62
Marilyn Barber	Clerical assistant (from June 1, 1974).	585.33
Elizabeth Bailey	Clerical assistant	4,750.02
Michael J. Russo	Clerical assistant (from June 19, 1974).	200.00
Douglas Stoddart	Clerical assistant (from June 10, 1974).	466.67
Michael J. Pucillo	Clerical assistant (from June 1, 1974).	500.00
Thomas A. Mesereau, Jr.	Staff assistant (from Feb. 1, 1974).	4,166.65
Special Subcommittee on Investigations:		
Daniel J. Manelli	Chief counsel	18,000.00
William T. Druhan	Staff assistant	16,375.02
James R. Connor	Special assistant	15,183.66
Benjamin J. Smethurst.	do	16,375.02
Mark J. Raabe	Staff attorney	15,688.86
Michael J. Parker	do	12,783.48
Albert J. McGrath	Special assistant	8,821.62
Lynne D. Finney	Staff attorney	13,096.26
Raymond C. Cole	Special assistant	11,015.52
Elizabeth G. Paola	Clerical assistant	9,142.86
Russell D. Mosher	Staff assistant	6,088.26
Diane G. Kirchenbauer	Clerical assistant	6,682.32
Michael F. Barrett	Staff attorney	15,688.86
Elizabeth A. Eastman	Clerical assistant	7,706.04
Special securities study group:		
Robert L. Stern	Special cosultant (to Jan. 31, 1974).	2,663.23
Harvey Rowan	Staff attorney	14,746.40
Marion S. Ryan	Clerical assistant	5,228.04
Vicky Austin	Clerical assistant (to Apr. 30, 1974).	3,485.36
Lisa A. Wiles	Clerical assistant (from May 1, 1974).	1,666.66

Funds authorized or appropriated for committee expenditures	$1,819,000.00
Amount of expenditures previously reported	814,269.17
Amount expended from Jan. 1 to June 30, 1974	440,182.24
Total amount expended from Jan. 3, 1973 to June 30, 1974	1,254,451.41
Balance unexpended as of June 30, 1974	564,548.59

HARLEY O. STAGGERS, Chairman.

STANDING COMMITTEE ON THE JUDICIARY

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jerome M. Zeifman	General counsel	$18,000.00
Garner J. Cline	Associate general counsel.	18,000.00
Herbert Fuchs	Counsel	18,000.00
William P. Shattuck	do	18,000.00
H. Christopher Nolde	do	17,810.88
Franklin G. Polk	Associate counsel	17,601.36
Alan A. Parker	Counsel	16,500.00
Roger Pauley	Associate counsel (through Feb. 10, 1974).	3,492.33
Thomas E. Mooney	Associate counsel	14,458.26
Alexander B. Cook	Associate counsel (from Mar. 1, 1974).	9,219.76
Frances F. Christy	Legislative analyst	12,048.54
Mary G. Sourwine	Clerical staff	10,429.32
Jane C. Caldwell	Clerical staff (through Apr. 30, 1974).	6,705.44
Gertrude Clara Burak	Clerical staff	8,948.04
Pearl Chellman	do	7,851.00
Alma Haardt	do	7,801.02
Alice M. Smith	Clerical staff (from June 1, 1974).	1,114.58
Investigating staff:		
Lynn Alcock	Clerical staff	7,249.98
Deborah Alt	do	5,500.02
Veronica Amick	Clerical staff (from June 17, 1974).	388.89
Maurice A. Barboza	Counsel	11,626.02
Michael W. Blommer	Associate counsel	14,414.82
Robert L. Brown	Assistant counsel	7,999.98
Alan F. Coffey, Jr	Associate counsel (from Mar. 25, 1974).	5,600.00
Daniel L. Cohen	Counsel	11,476.98
Alexander B. Cook	Associate counsel (through Feb. 28, 1974).	4,609.88
Lizzie M. Daniels	Clerical staff	4,849.98
Eva J. Denev	do	8,207.52
William P. Dixon	Counsel	13,310.52
Arthur P. Endres, Jr	do	11,601.98
James F. Falco	do	13,072.50
James B. Farr	Messenger-clerk	5,392.50
Theresa M. Gallo	Clerical staff	6,083.33
Constantine J. Gekas	Associate counsel (from Jan. 23, 1974).	9,216.67
Linda C. Gersten	Clerical staff	9,467.52
Roberta Haeberle	Clerical staff (from June 24, 1974).	155.56
Timothy J. Hart	Assistant counsel (from May 6, 1974).	2,215.27
James D. Hoard	Staff analyst (from Feb. 11, 1974).	4,861.13
Sharon B. Hughes	Clerical staff	5,115.00
Thomas W. Hutchison	Counsel	11,749.98
Alice M. Jackson	Clerical staff	6,137.52
Frederick Jett	Counsel (through Apr. 20, 1974).	366.67
Susan Kapuza	Clerical staff (from Mar. 17, 1974).	2,055.55
Jeffrey Kayden	Clerical staff	3,600.00
Michael Kelemonick	do	7,801.02
Olga Kirk	do	5,749.98
Bruce Lehman	Counsel (from Jan. 21, 1974).	8,888.91
Stephen P. Lynch	Research assistant	5,250.00
Florence T. McGrady	Clerical staff	7,801.02
Betty Jean McKay	do	5,010.00
Mary E. Manners	do	3,750.00
Michael P. Murphy	do	4,053.86
Nancy L. Parke	do	5,529.00
Joan Porter	Clerical staff (through Mar. 15, 1974).	2,077.07
Cheri Robinson	Clerical staff (from Apr. 15, 1974).	1,583.33
Ruth O. Robinson	Assistant counsel	12,499.98
Dennis S. Rutkus	Staff analyst	7,333.92
Dawn M. Ruuspakka	Clerical staff	4,828.02
Arden B. Schell	Assistant counsel	9,006.48
Holly C. Shaw	Clerical staff	2,444.45
Judith M. Shellenberger.	do	4,902.87
Alice M. Smith	do	4,947.90
Jared B. Stamell	Assistant counsel	10,977.00
Peter Straub	do	3,963.67
Robert J. Trainor	Counsel	11,476.98
Jean LaRue Traylor	Assistant counsel (through Mar. 31, 1974).	4,500.00
Louis S. Vance	Messenger	5,669.46
Dorothy Wadley	Clerical staff	6,137.52
Karen Walsh	do	3,928.98
Marice C. Werth	Clerical staff (from Mar. 25, 1974).	2,133.34
Mary Y. Westergren	Clerical staff (through May 15, 1974).	2,812.50
Minnie White	Clerical staff (through June 30, 1974).	9,429.30
Janice A. Zarro	Assistant counsel	7,999.98
Virginia Allred	Clerical staff (from Feb. 9, 1974).	5,522.24
Fred H. Altshuler	Counsel (from Jan. 16, 1974).	$9,854.18
Barbara A. Bacon	Clerical staff (from Feb. 25, 1974).	836.15
Ernest Banchero	Clerical staff	5,183.34
Maureen Barden	Research assistant	7,741.65
Carolyn K. Beahm	Clerical staff (through March 1, 1974).	1,186.10
Thomas D. Bell	Counsel (from Jan. 7, 1974).	9,425.00
David L. Bennet	Clerical staff (from Jan. 1, 1974).	4,449.99
Elsie A. Biggs	Clerical staff (from Mar. 9, 1974).	3,266.67
William P. Bishop	Counsel (from Jan. 29, 1974).	5,911.13
Philip Boone, Jr	Clerical staff	4,241.66
Nancy H. Brooks	Clerical staff (from Jan. 28, 1974).	5,276.40
Jeannette Brown	Clerical staff (through Feb. 15, 1974).	1,166.67
Martha K. L. Brown	Clerical staff (from Jan. 21, 1974).	4,444.43
Cheryl R. Budd	Clerical staff	1,167.48
Julia Busalacchi	Clerical staff (from Apr. 25, 1974).	2,108.33
Susan Butler	Clerical staff (from Mar. 17, 1974).	1,808.89
Barbara Campbell	Research assistant (from May 5, 1974).	1,883.33
Doris G. Cassidy	Clerical staff	1,824.98
Richard L. Cates	Senior associate special counsel.	18,000.00
Robert H. Charles	Security assistant (from May 6, 1974).	2,291.67
Abbie L. Cole	Technician (Mar. 15, through Apr. 30, 1974).	2,555.56
Michael M. Conway	Counsel (from Jan. 1, 1974).	8,444.43
Donald R. Coppock	Information officer (from Jan. 23, 1974).	5,103.40
Rufus Cormier, Jr	Special assistant (from Jan. 22, 1974).	9,683.33
Edward L. Dale	Counsel (from Jan. 22, 1974).	9,716.65
Lois D'Andre	Administrative assistant (through Feb. 1, 1974).	1,550.00
John B. Davidson	Counsel (from Feb. 4, 1974).	8,166.68
Evan A. Davis	Counsel (from Jan. 23, 1974).	14,044.46
Lance Davis	Clerical staff (from May 25, 1974).	720.00
Susan Davis	Clerical staff (from Apr. 1, 1974).	2,499.99
Beatrice E. Dillard	Clerical staff (from Feb. 4, 1974).	4,370.83
John M. Doar	Special counsel	18,000.00
Patricia A. Donohue	Clerical staff (through Mar. 1, 1974).	2,363.89
Marie Drayer	Clerical staff (from Feb. 7–June 28, 1974).	4,930.57
Elizabeth M. Dunigan	Research assistant (from Jan. 28, 1974).	4,249.98
Valerie P. DuVal	Clerical staff (from Feb. 1, 1974).	5,208.35
Charles E. Feeley	Clerical staff	4,216.66
Barbara Fletcher	Clerical staff (from Jan. 21, 1974).	6,666.67
Jonathan Flint	Research assistant (from Jan. 29, 1974).	4,222.21
Gayle D. Falin	Clerical staff	4,708.35
David C. Forrester	Clerical staff (from Jan. 28, 1974).	3,516.66
Samuel A. Garrison	Counsel	17,500.00
Gregory M. Gill	Clerical staff (from Feb. 14, 1974).	3,320.55
Richard Gill	Counsel (from Jan. 22, 1974).	14,133.35
Paul Goodrich	Counsel (through May 21, 1974) (from June 1–15, 1974).	4,303.33
Patricia Gray	Clerical staff (from Jan. 7, 1974).	5,380.55
James Haardt	Clerical staff (from May 5, 1974).	1,120.00
Judy Haberek	Clerical staff (from Jan. 28, 1974).	4,213.87
Charlene R. Haley	Clerical staff (Feb. 25 through Mar. 11, 1974).	94.44
Dagmar S. Hamilton	Counsel (through June 28, 1974).	10,877.76
David S. Hanes	Assistant to special counsel (through May 31, 1974).	11,458.35
Timothy Harr	Research assistant (from June 3, 1974).	894.44

STANDING COMMITTEE ON THE JUDICIARY—Continued

Name of employee	Profession	Total gross salary during 6-month period
Kenneth S. Hays	Clerical staff (from May 6, 1974).	$1,100.00
Robert K. Hedrick, Jr.	Clerical staff	4,299.99
Janet Howard	Administrative assistant.	8,066.66
Michael H. Hughes	Clerical staff	4,483.32
Roberta Johansen	Research assistant (from Jan. 14, 1974).	6,587.20
Florence C. Johnson	Clerical staff (Jan. 21 through Mar. 31, 1974).	2,236.10
Yolanda Johnson	Clerical staff (from June 10, 1974).	262.50
Ilene Katz	Clerical staff (from Mar. 1, 1974).	4,125.01
John E. Kennahan	Counsel	15,791.68
Lawrence Keives	Research assistant (from Jan. 1, 1974).	6,888.91
Terry Kirkpatrick	Counsel (from Feb. 16, 1974).	6,937.52
Helen F. Klein	Research assistant (Jan. 23 through Feb. 2, 1974).	300.00
Kris M. Kononen	Clerical staff (from Feb. 2, 1974).	4,552.80
John Labovitz	Counsel (from Feb. 1, 1974).	13,014.18
Patsy Ann Leigh	Clerical staff (from Mar. 6, 1974).	3,513.90
Alyn H. Levin	Clerical staff (from Feb. 9, 1974).	3,352.76
Lawrence Lucchino	Counsel (from Feb. 2, 1974).	7,297.24
Phyllis MacKown	Clerical staff (from Jan. 10, 1974).	7,027.79
R. L. Smith McKeithen	Counsel (from Feb. 4, 1974).	9,800.00
Alan Marer	Counsel (Mar. 11 through June 25, 1974).	9,333.35
Elizabeth J. Marra	Clerical staff (from Jan. 19, 1974).	4,808.33
Benjamin C. Marshall Sr.	Security officer (from Jan. 14, 1974).	9,380.57
Catherine Marshall	Research assistant (from June 17, 1974).	280.00
E. Anne Meiselman	Clerical staff (Feb. 14 through Mar. 24, 1974).	1,050.00
Michael J. Murphy	Clerical staff (from Jan. 28, 1974).	3,562.50
Robert J. Murphy, Jr.	Staff assistant	4,624.99
Ricki L. Ninomiya	Clerical staff (from Mar. 4, 1974).	3,249.99
Bernard W. Nussbaum.	Senior associate special counsel (from Jan. 17, 1974).	16,400.00
James B. Oliphant	Counsel (from Jan. 21, 1974).	11,555.57
Jan Orloff	Research assistant (from Feb. 11, 1974).	5,638.87
Ann J. Palmer	Clerical staff (from June 3, 1974 through June 17, 1974).	466.67
Thomas J. Payne	Staff assistant	11,630.01
John Peterson	Research assistant (from Feb. 11, 1974).	4,791.67
Elizabeth Pond	Clerical staff (from Jan. 18, 1974).	5,206.93
Richard H. Porter	Counsel (from Feb. 6, 1974).	8,659.74
Lillian V. Pride	Clerical staff (Feb. 2, through Feb. 5, 1974).	94.44
Muriel Pugh	Research assistant (from Feb. 11, 1974).	5,055.55
George G. Rayborn, Jr.	Counsel (from Jan. 17, 1974).	12,072.20
Sally A. Regal	Research assistant	4,733.32
James M. Reum	Counsel (from Feb. 1, 1974).	9,166.65
Joan A. Reynolds	Clerical staff (from Feb. 16 through June 16, 1974).	4,537.50
Jane Ricca	Clerical staff (from Feb. 11, 1974).	5,833.33
Elise Ritter	Clerical staff (from May 16, 1974).	900.00
Hillary Rodham	Counsel (from Jan. 14, 1974).	8,813.87
Linda Rogerson	Clerical staff (from Mar. 15, 1974).	3,533.33
Marguerite M. Roney	Audio specialist (Apr. 1 through Apr. 30, 1974).	1,458.33
Robert D. Sack	Associate special counsel (from Jan. 17, 1974).	15,488.87
Nancy R. Schaefer	Clerical staff (from Jan. 14, 1974).	5,697.21
Diane I. Schneider	Clerical staff (Feb. 15 through June 7, 1974).	3,390.00
Alan E. Schwartz	Clerical staff (from May 8, 1974).	$1,207.22
Sara L. Shafer	Clerical staff (from Jan. 7, 1974).	5,447.49
Stephen A. Sharp	Counsel (from Feb. 3, 1974).	7,893.33
Robert A. Shelton	Associate counsel for administration (Jan. 1 through June 30, 1974).	16,208.33
Katherine R. Siddall	Clerical staff (from Feb. 15, 1974).	1,893.06
Eileen Silverstein	Counsel (from June 7, 1974).	1,333.34
Carl H. Simms	Security assistant (from May 1, 1974).	2,875.00
Barbara Simon	Clerical staff (Apr. 29 through May 17, 1974).	1,240.00
Doris G. Smith	Clerical staff (from Jan. 3, 1974).	5,358.33
Mary Ann Spaeth	Clerical staff (from Apr. 1, 1974).	1,991.67
Roscoe B. Starek, III	Counsel (from Jan. 22, 1974).	7,950.00
Gary W. Sutton	Counsel (from Jan. 28, 1974).	10,624.98
Nina Sweetwood	Clerical staff	4,216.66
Edward S. Szukelewicz	Counsel (from Jan. 28, 1974).	7,950.90
Theodore R. Tetzlaff	Counsel (Feb. 11, 1974 through Mar. 24, 1974).	3,361.12
Sue M. Trabosh	Clerical staff (from Jan. 14, 1974).	6,113.88
Nina J. Turitz	Clerical staff	4,216.66
James S. Walker	Counsel (from Apr. 1, 1974).	5,675.01
Ben A. Wallis, Jr	Counsel (from Feb. 13, 1974).	9,966.68
Olga E. Watkins	Clerical staff (from Jan. 18, 1974).	6,338.91
Gary M. Weaver	Clerical staff	3,499.98
William F. Weld	Counsel (from Jan. 14, 1974).	10,901.37
Muriel J. White	Clerical staff (Feb. 14 through May 17, 1974).	2,872.24
William A. White	Associate counsel	11,749.98
John S. Whitman	Counsel (from June 3, 1974).	1,555.56
Josephine C. Will	Clerical staff (Jan. 21 through Jan. 31, 1974).	325.00
Denise R. Wilson	Clerical staff (from May 28, 1974).	325.00
Joseph Woods	Senior association special counsel (Jan. 14 through May 22, 1974).	12,900.00
Joanne Woods	Research assistant (from June 10, 1974).	554.17
Yvonne Zecca	Clerical staff (from Mar. 7, 1974).	1,140.00

Funds authorized or appropriated for committee expenditures	$2,585,217.75
Amount of expenditures previously reported	554,680.06
Amount expended from Jan. 1 to June 30, 1974	1,312,028.06
Total amount expended from Jan. 3, 1973 to June 30, 1974	1,866,708.12
Balance unexpended as of June 30, 1974	718,509.63

PETER W. RODINO, Jr., Chairman.

Funds for Preparation of United States Code, District of Columbia Code, and Revision of the Laws

A. Preparation of New Edition of United States Code (no year):	
Unexpended balance Dec. 31, 1973	$131,808.61
Expended Jan. 1–June 30, 1974	27,310.31
Balance June 30, 1974	104,498.30
B. Preparation of New Edition of District of Columbia Code:	
Unexpended balance Dec. 31, 1973	153,562.90
Expended Jan. 1–June 30, 1974	7,764.12
Balance June 30, 1974	145,798.78
C. Revision of the Laws, 1974:	
Unexpended balance Dec. 31, 1973	21,980.00
Expended Jan. 1–June 30, 1974	7,764.12
Balance June 30, 1974	14,215.88

PETER W. RODINO, JR., Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Ernest J. Corrado	Chief counsel	$18,000.00
Ned P. Everett	Counsel	17,534.34
Francis D. Heyward	do	12,136.32
Leonard L. Sutter	do	15,421.74
Frances P. Still	Chief clerk	4,959.84
W. Bernard Winfield	Clerk	13,072.98
Vera A. Barker	Secretary	10,602.42
Richard N. Sharood	Minority counsel	16,523.28
Charles A. Bedell	do	11,000.00
Virginia L. Noah	Minority clerk	10,464.74
Investigative committee staff:		
Mary C. McDonnell	Counsel	11,566.32
Frank M. Potter, Jr	do	11,182.18
Carl L. Perian	Professional staff member.	14,870 94
Donald A. Watt	Editor	11,135.58
Terrence W. Modglin	Clerk	5,881.42
Ruth I. Hoffman	Assistant clerk	7,710.84
Jacquelyn M. Westcott	Stenographer-clerk	7,327.92
Eleanor P. Mohler	Secretary	6,941.04
Mabel Duran	do	6,908.28
Marvadell Zeeb	Secretary (appointment Jan. 1, 1974).	5,461.69
Boyd T. Bashore	Clerk (appointment May 1, 1974).	3,500.00
Gwndolyn H. Lockhart	Assistant minority clerk.	7,160.10

Funds authorized or appropriated for committee expenditures	$494,500.00
Amount of expenditures previously reported	203,063.19
Amount expended from Jan. 1 to June 30, 1974	116,675.48
Total amount expended from Jan. 1, 1973 to June 30, 1974	319,738.67
Balance unexpended as of June 30, 1974	174,761.33

LEONOR F. SULLIVAN, Chairman.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
John B. Martiny	Chief counsel	$13,686.00
Victor C. Smiroldo	Staff director and counsel.	17,916.66
Theodore J. Kazy	Assistant staff director.	17,916.66
Roy C. Mesker	Staff assistant	17,916.66
Francis C. Fortune	Coordinator	15,175.02
Robert E. Lockhart	Assistant counsel	15,649.98
Barbara M. Wells	Executive secretary	9,730.02
Maria R. Pendleton	Administrative clerk	9,604.98
Dorothy L. Peters	Document clerk	8,340.00
Special fund staff:		
Edward T. Hugler	Investigator	14,625.00
Alton M. Howard	Printing editor	11,350.02
John Gabusi	Staff assistant	9,750.00
Margaret Napier	Secretary	6,445.02
Jo Ann Ciaravella	do	6,250.02
Patricia Perdue	do	4,274.98
Catharin Thomas (through Apr. 30).	Assistant document clerk.	3,460.00
Diane Bakall (as of May 20).	Clerk-typist	683.33
Edward M. Sibble (as of May 20).	Intern	546.67
Andrew Sangeorge (as of June 14).	do	226.67

Name of employee	Profession	Total gross salary during 6-month period
Manpower and Civil Service Subcommittee:		
Paul Newton	Investigator	$12,000.00
Patricia Pankonin	Secretary	6,000.00
Evelena Carroll (as of June 10).	Clerk-typist	437.50
Julia McNair (through May 17 and June 1 through June 14).	Secretary	3,355.57
Deborah Willey (as of June 17).	Intern	186.67
Postal Service Subcommittee:		
Richard Barton	Staff assistant	13,999.98
Cassandra Cox	Secretary	4,750.02
Rosemary Storey (as of Mar. 18).	Associate staff assistant.	3,433.33
Joy Smucker (as of June 1).	Intern	400.00
Robert Husson (as of June 1).	do	400.00
Postal Facilities, Mail, and Labor Management:		
George B. Gould	Staff assistant	14,500.02
Michael Cavanagh	Associate staff assistant.	6,000.00
Paula Hemphill (as of May 24).	Secretary	1,181.94
Janet Jerz (through May 31).	do	4,599.98
Karen Ingoldsby (as of June 16).	Intern	200.00
Retirement and Employee Benefits:		
Donald Terry (through Mar. 1 and as of May 28).	Assistant counsel	5,483.34
Robert Neuman (through Mar. 1–May 31).	do	6,000.00
Michael O'Connor (through Mar. 1).	Staff aide	3,050.00
Joseph Skillin (as of Mar. 1).	Staff assistant	4,400.00
Bruce Mansel Gwinn	do	4,999.98
Wendy Weisheit	Secretary	3,649.98
Census and Statistics:		
Richard Bullock	Staff assistant	13,999.98
Bettie LaMotte	Secretary	6,250.02
Austin Bray, Jr. (through Apr. 15).	Assistant counsel	4,593.75
Ronald McCluskey (from Apr. 16 through May 31).	do	1,968.75
Minority:		
Anthony J. Raymond	Staff assistant	12,900.00
Ray H. Coultrap	do	7,900.02
Kathryn Bates	Secretary	6,925.02
Margaret Barry	do	5,749.98
Lawrence Portwood (as of June 17).	Intern	186.67

Funds authorized or appropriated for committee expenditures	$1,173,500.00
Amount of expenditures previously reported	486,885.36
Amount expended from Jan. 1, to Jul 1, 1974	268,827.11
Total amount expended from Jan. 1, 1973 to to June 30, 1974	755,712.47
Balance unexpended as of June 30, 1974	417,787.53

THADDEUS J. DULSKI, Chairman.

COMMITTEE ON PUBLIC WORKS

June 30, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from **January 3 to June 30, 1974, inclusive, together with total** funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Richard J. Sullivan	Chief counsel	$18,000.00
Lester Edelman	Counsel	18,000.00
Lloyd A. Rivard	Engineer consultant	18,000.00
Carl H. Schwartz, Jr.	Consultant—projects and programs.	5,538.00
James. L. Oberstar	Administrator	18,000.00
Dorothy A. Beam	Executive staff assistant.	$13,135.23
Meriam A. Buckley	Calendar clerk	10,685.28
Sterlyn B. Carroll	Staff assistant	9,613.49
Ruth Costello	do	10,046.42
Clifton W. Enfield	Minority counsel	18,000.00
Richard C. Peet	Associate minority counsel.	18,000.00
Erla S. Youmans	Minority executive staff assistant.	10,874.82
Investigating staff:		
Phyllis B. Stone	Staff assistant	5,408.77
Peggy C. Pasquini	do	5,893.30
Joan Marie Kovalic	do	9,250.02
Thomas L. Anderson	do	6,024.30
Patricia Carol Cross	Staff assistant (terminated Jan. 11, 1974).	272.11
Catherine A. Evans	Staff assistant	5,668.30
Roger B. Furey	do	2,988.22
J. Ann Joseph	do	4,557.48
Robert Whitfield	Staff assistant (terminated Jan. 31, 1974).	1,047.70
Machele Miller	Staff assistant	5,518.09
Shirley Ruhe	do	7,333.92
Robert F. Spence	do	10,028.52
Toby J. Stein	do	4,884.97
Clyde E. Woodle, Jr	do	9,782.67
Olga Wynnyk	do	4,190.82
Charilyn W. Cowan	Staff assistant (effective Jan. 10, 1974).	3,800.02
Christine E. Teal	Staff assistant (effective Feb. 5, 1974) (terminated Apr. 30, 1974).	2,030.55
Harry Lee Stout	Staff assistant (effective Mar. 1, 1974).	4,666.68
Gail Ann Chase	Staff assistant (effective May 13, 1974).	1,066.67
Douglas W. Marshall	Staff assistant (effective May 20, 1974).	820.00
Catherine Lawson Hagaman.	Staff assistant (effective June 3, 1974).	833.33
Kevin J. Jennier	do	933.33
Elisabeth Forshay	Staff assistant (effective June 13, 1974).	575.00
Gordon E. Wood	Assistant minority counsel.	16,763.22
Sheldon S. Gilbert	do	16,523.28
Patricia A. Hill	Minority staff assistant	6,925.05
Richard C. Barnett	do	7,925.70
Brenda G. Jones	do	2,237.11
Alexandra R. Sassoon	do	5,346.23
Joanne Morrone Frantzich.	do	5,323.73
Cheryl Ann Meyers	do	5,080.48
Florence B. Edelen	Minority staff assistant (effective Apr. 15, 1974).	2,427.77
James Walter Brown	Minority staff assistant (effective June 10, 1974).	700.00
Errol Lee Tyler	Associate counsel	15,715.50
Joseph A. Italino	Editorial assistant	12,152.41
Marie M. Lynch	Clerk, Subcommittee on Water Resources.	7,907.27
Nancy B. Vitali	Clerk, Subcommittee on Public Buildings and Grounds.	8,721.93
Subcommittee on Economic Development:		
Robert Paul	Consultant, environment and economic development.	18,000.00
Carl J. Lorenz	Counsel	17,432.04
Margaret McCarthy	Staff assistant (terminated Jan. 31, 1974).	846.89
Anne Louise Howard	Staff assistant	5,668.12
Ann D. Clineburg	do	6,286.20
John Jeffery Carter	do	4,583.33
Nancy Denholm	Staff assistant (effective Feb. 19, 1974).	3,116.65
Subcommittee on Energy:		
Salvatore J. D'Amico	Counsel	17,936.64
Henry G. Edler	Technical adviser	18,000.00
Carole Dahlstedt	Clerk	8,381.58
Stephanie G. Negley	Staff assistant	6,286.20
Subcommittee on Investigations and Review:		
Walter R. May	Chief counsel	18,000.00
John P. O'Hara	Associate counsel	17,432.04
Robert G. Lawrence	do	18,000.00
George M. Kopecky	Chief investigator	18,000.00
William O. Nolen	Investigator	11,621.40
George P. Karseboom	Professional staff member.	15,688.86
Charles A. Krouse	do	15,688.86
B. Craig Raupe	do	15,663.12
Charles W. Prisk	Staff engineer (effective Jan. 1, 1974).	5,838.00
Walter L. Mazan	Professional staff member (effective June 15, 1974).	1,000.00
Kathryn M. Keeney	Chief clerk	$11,015.52
Betty Hay Wright	Administrative assistant.	10,464.72
Agnes M. Ganum	Staff assistant	7,523.46
Shirley B. Novotny	do	7,263.36
Virginia Middledorf	do	6,600.54
John Brooks Harrington.	Staff assistant (effective Jan. 10, 1974).	1,710.00
Paul R. S. Yates	Minority staff director	17,624.82
Martha F. Downie	Minority staff assistant	7,995.33
Consultants:		
Stephen Clapp	Consultant	800.00
F. Robert Edman	do	10,900.00
Peter Jutro	do	1,060.00
Richard C. Royce	do	8,400.00
Max Taher	do	7,800.00
Chung-ming Wong	do	6,000.00

Funds authorized or appropriated for committee expenditures:	
H. Res. 285	$1,519,700.00
H. Res. 987	1,394,480.00
Total	2,914,180.00
Amount of expenditures previously reported	1,060,137.06
Amount expended from Jan. 1, to June 30, 1974	639,915.67
Total amount expended from Jan. 3, 1973, to June 30, 1974.	1,700,052.73
Balance unexpended as of June 30, 1974	1,214,127.27

JOHN A. BLATNIK, Chairman.

COMMITTEE ON RULES

July 22, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Dorothy Ballenger	Secretary	$7,857.78
Laurie C. Battle	Staff director and counsel.	18,000.00
Margaret Anne Bundick	Staff assistant	8,261.64
William D. Crosby, Jr	Minority counsel	13,218.60
Jonna Lynne Cullen	Assistant minority counsel.	9,996.60
Donald Gregory Nicosia	Majority counsel	9,429.30
Nancy J. Smith	Intern	233.33
Linda L. Trotter	Secretary	6,286.20
Winifred L. Watts	Administrative assistant.	11,015.52
Total		84,298.97

Funds authorized or appropriated for committee expenditures	$5,000.00
Amount of expenditures previously reported	2,326.69
Amount expended from Jan. 3, to June 3, 1974	1,245.12
Total amount expended from Jan. 3, 1973 to June 30, 1974	3,571.81
Balance unexpended as of June 30, 1974	1,428.19

RAY J. MADDEN, Chairman.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

COMMITTEE ON SCIENCE AND ASTRONAUTICS—Continued

Name of employee	Profession	Total gross salary during 6-month period
John L. Swigert, Jr	Executive director	$18,000.00
James E. Wilson, Jr	Deputy director	18,000.00
John A. Carstarphen, Jr	Chief clerk and counsel	18,000.00
Philip B. Yeager	Counsel	18,000.00
Frank R. Hammill, Jr	do	18,000.00
Mary Ann Robert	Administrative specialist.	8,373.92
Carol F. Rodgers	Secretary	7,832.42
June C. Stafford	do	7,950.00
Patricia J. Schwartz	do	6,049.25
Carl Swartz	Minority staff	13,882.02
Rebecca S. Wheeler	Secretary	4,966.68
Michael A. Superata	Minority staff (from Apr. 1, 1974).	5,250.00
Joseph Del Riego	Minority staff (to Jan. 19, 1974).	1,410.03
Investigative staff (H. Res. 793):		
William G. Wells, Jr	Technical consultant	17,230.16
Helen Lee Fletcher	Secretary (from Mar. 27, 1974)	3,916.67
George W. Fisher	Special assistant to chairman.	18,000.00
Francis J. Giroux	Printing clerk	10,175.88
Harold A. Gould	Technical consultant	18,000.00
J. Thomas Ratchford	Science consultant	17,457.80
Leon F. Drozd, Jr	Assistant to the chief clerk (from May 1, 1974).	3,000.00
Judith Ann Everett	Secretary	4,699.98
John D. Holmfeld	Science policy consultant	14,110.13
L. Kirk Hall	Technical specialist	8,059.00
Thomas N. Tate	Technical consultant and counsel.	14,280.63
Peggy Glynn Welch	Secretary	4,249.98
Mark D. Friedrichs	Research assistant (from Feb. 1, 1974)	2,500.00
William G. Carter	Publications clerk	4,993.35
Suzanne M. Stamper	Secretary (to June 21, 21, 1974)	4,675.00
Barbara A. Sutton	Secretary (from Mar. 16, 1974).	2,292.50
Linda Gene Craig	Secretary (to Mar. 31, 1974)	2,250.00
Martha N. Rees	Secretary (to Jan. 31, 1974).	1,245.46
Thomas H. Tackaberry	Research assistant (from June 3, 1974).	583.33
Ellen M. Barney	Clerical assistant (from June 20, 1974).	232.22

Funds authorized or appropriated for committee expenditures	$780,000.00
Amount of expenditures previously reported	328,981.92
Amount expended from Jan. 1 to June 30, 1974	198,771.74
Total amount expended from Jan. 1, 1973, to June 30, 1974	527,753.66
Balance unexpended as of June 30, 1974	252,246.34

OLIN M. TEAGUE, Chairman.

Funds authorized appropriated for committee expenditures H. Res 219 Mar. 20, 1973)	$25,000.00
Amount of expenditures previously reported	7,758.91
Amount expended from Jan. 1 to June 30, 1974	+677.39
Total amount expended from Mar. 20, 1973 to June 30, 1974	8,436.30
Balance unexpended as of June 30, 1974	16,563.70

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

July 8, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Swanner	Staff director	$18,000.00
William F. Arbogast	Assistant staff director.	15,000.00
Mariann R. Mackenzie.	Secretary	12,572.40
Pamela Gray	Assistant clerk (May 28–June 30, 1974).	755.56
Nancy Nicholas	Assistant clerk (June 1–June 30, 1974).	500.00
Lynn Graham	Assistant clerk (June 19–30, 1974).	300.00
J. Charlene Brimmer	Assistant clerk (Jan. 1–May 31, 1974).	4,583.35

COMMITTEE ON VETERANS' AFFAIRS

July 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Oliver E. Meadows	Staff director	$18,000.00
Donald C. Knapp	Counsel	18,000.00
John R. Holden	Professional staff member (minority).	18,000.00
Billy E. Kirby	Professional aide	18,000.00
Arthur M. Gottschalk	Professional aide (minority).	12,202.44
Mack G. Fleming	Assistant counsel (from Apr. 8, 1974).	8,300.00
Helen A. Biondi	Clerk	11,664.00
Marjorie J. Kidd	Clerk stenographer	8,082.84
Patsy R. Kelley	Clerk stenographer, minority (to Jan. 22, 1974).	768.48
Candis L. Graves	Clerk stenographer	5,762.34
Morvie Ann Colby	do	8,451.36
Audrey P. Burnett	do	6,369.72
Barbara Lee Neff	Clerk stenographer, minority (from Feb. 1, 1974).	5,208.35
Investigative staff:		
Philip Eugene Howard	Investigator	17,888.88
Vance L. Gilliam	Records clerk	5,056.64
Alice V. Matthews	Clerk stenographer	3,666.96
Margaret Hulehan	do	5,762.34
Anne Steadman	do	6,705.00
Diane Sue Gaujot	Clerk stenographer (minority).	5,237.52

Funds authorized or appropriated for committee expenditures	$270,000.00
Amount of expenditures previously reported	107,962.22
Amount expended from Jan. 1 to June 30, 1974	56,198.71
Total amount expended from Jan. 1, 1973 to June 30, 1974	164,160.93
Balance unexpended as of June 30, 1974	105,839.07

WM. J. BRYAN DORN, Chairman.

COMMITTEE ON WAYS AND MEANS

July 3, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Martin, Jr	Chief counsel (P)	$18,000.00
Richard C. Wilbur	Minority counsel (P)	18,000.00
John Patrick Baker	Assistant chief counsel (P).	17,749.98
William Fullerton	Professional staff (P)	17,749.98
Robert B. Hill	do	14,710.14
William Kane	Professional staff (P) March/11.	7,001.38
James W. Kelley	Professional staff (P)	17,749.98
Harold Lamar	do	17,749.98
Arthur Singleton, Jr	do	17,749.98
Florence Burkett	Staff assistant (C)	9,432.33
Virginia Butler	do	10,631.68
William C. Byrd	Staff assistant (C)	$7,345.72
Marie Crane	do	9,793.93
Connie Faulkner	do	5,183.58
Hughlon Greene	do	9,973.98
Charles Hawkins	do	17,749.98
Grace Kagan	do	11,077.53
June Kendall	do	13,217.20
Marilyn Lee	Staff assistant (C) from June 1.	958.33
Elizabeth Lieblich	Staff assistant (C)	6,068.42
Walter B. Little	do	9,973.98
Danna Palmer	do	5,874.96
Doris Parker	do	5,915.86
Marsha Powell	do	5,648.71
Jean Ratliff	do	7,080.69
Karen Schwarz	do	6,750.00
Gloria Shaver	do	10,580.35
Margo Shildkret	do	4,774.98
Carole Vazis	do	8,329.20
Under H. Res. 945, 93d Cong.:		
John Meagher		17,749.98
Robert Leonard (from Jan. 15).		9,222.24
Marilyn Lee (Feb. 1–May 31).		3,833.32
Robbye Meador (June 5–June 18).		202.22
Jan Wallace (June 5–June 18).		202.22

Funds authorized or appropriated for committee expenditures	$520,000.00
Amount of expenditures previously reported	69,732.97
Amount expended from Jan. 1 to June 30, 1974	38,044.09
Total amount expended from Jan. 1, 1973 to June 30, 1974	107,777.06
Balance unexpended as of June 30, 1974	412,222.94

WILBUR D. MILLS, Chairman.

SELECT COMMITTEE ON COMMITTEES

July 10, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles S. Sheldon II	Chief of staff	$18,000.00
Melvin M. Miller	Deputy chief of staff	18,000.00
Gerald J. Grady	Professional staff member.	16,774.98
Spencer M. Beresford	Counsel	18,000.00
Linda H. Kamm	do	13,866.65
Robert C. Ketcham	Special counsel	15,715.50
Roger H. Davidson	Professional staff member.	16,999.98
Terence T. Finn	Staff consultant	10,725.00
Mary E. Zalar	Professional staff member.	8,250.00
Linda G. Stephenson	Chief clerk (to May 31).	6,711.55
Shirley A. Kalich	Secretary (to February 3).	1,109.16
Rose M. Sanko	Secretary (to March 19).	4,282.47
Carmen T. Bagherzadeh	Secretary (to February 24).	1,650.01
John Bannon Bachula	Research assistant	6,443.10
Ellen E. Leake	Secretary (begin February 11).	4,277.79
Barbara K. Rodriguez	Chief clerk (begin February 11).	4,486.12
Lorren V. Roth	Secretary (begin February 25).	3,058.33

Funds authorized or appropriated for committee expenditures	$1,500,000.00
Amount of expenditure previously reported	343,410.88
Amount expended from Jan. 1 to June 30, 1974	219,391.23
Total amount expended from Jan. 1, 1973, to June 30, 1974	562,802.11
Balance unexpended as of June 30, 1974	937,197.89

RICHARD BOLLING, Chairman.

SELECT COMMITTEE ON THE HOUSE RESTAURANT

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Campbell	Staff director	$11,095.66
Susan Cory Lawrence	Secretary—Resigned Mar. 15, 1974.	1,743.28
Denise Ann Bell	Secretary—Reported May 1, 1974.	1,116.66
Total		13,955.60

Funds authorized or appropriated for committee expenditures	$68,000.00
Amount of expenditures previously reported	30,717.41
Amount expended from Jan. 1 to June 30, 1974	14,065.96
Total amount expended from Jan. 3, 1973, to June 30, 1974	44,783.37
Balance unexpended as of June 30, 1974	23,216.63

JOHN C. KLUCZYNSKI, Chairman.

PERMANENT SELECT COMMITTEE ON SMALL BUSINESS

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Emilia E. Parrish	Secretary	$6,499.98
Susan Burnette	do	625.00
William A. Keel, Jr	Research analyst	18,000.00
Myrtle Ruth Foutch	Clerk	12,499.98
Donna M. Watson	Secretary	5,375.01
Henry A. Robinson	Counsel	17,750.01
Peter D. H. Stockton	Staff assistant	4,500.00
Lois Liberty	Printing editor	9,000.00
Thomas G. Powers	Counsel	9,000.00
Elizabeth Cingel	Secretary	4,125.00
Justinus Gould	Counsel	17,500.02
William F. Demarest	do	9,000.00
Mary Eileen Hohman	Secretary	4,000.02
Howard Greenberg	Staff director	18,000.00
Lucille C. Hicks	Secretary	6,750.00
Kenneth H. Davison	Staff assistant	4,166.65
Michael J. Ward	Counsel	6,649.98
Linda Louise Hardin	Secretary	6,249.99
Charles D. Loyd	General counsel	3,000.00
James R. Phalen	Minority counsel	13,500.00
Paul Kritzer	Assistant minority counsel.	11,625.00
Elmira R. Stewart	Secretary, minority	4,625.01
Willa C. Rawls	do	5,874.99
Carol Ann Ward	do	5,124.99

Funds authorized or appropriated for committee expenditures	$994,000.00
Amount of expenditures previously reported	470,182.77
Amount expended from Jan. 1, to June 30, 1974	217,777.48
Total amount expended from Jan. 3, 1973, to June 30, 1974	687,960.25
Balance unexpended as of June 30, 1974	306,039.75

JOE L. EVINS, Chairman.

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Eugene F. Peters	Executive director	$18,000.00
Raymond L. Gooch	Staff counsel	15,977.40
Cynthia K. Watkins	Office manager	7,999.98
Donald G. Tacheron	Director of research	17,749.98
George Meader	Counsel	300.00
Ann Holoka	Staff assistant	3,666.95
Beverly Jean Muncy	Stenographer	2,328.21
Barbara C. Lyle	Receptionist/typist	3,479.16
Robert J. Kelley	Administrative officer	10,824.10
Susan B. Perry	Staff assistant	692.65
James F. McAllister	Administrative officer	14,405.88
Gerard C. Snow	do	6,428.72
March E. Dyer	Placement assistant (to Feb. 28).	1,484.24
Betty A. Franklin	do	1,500.00
John Gilman Stewart	Temporary clerk (to May 31).	5,000.00
Lee A. Riedel	Placement assistant (to Mar. 1).	1,378.14
William F. Walsh	Temporary clerk (to Jan. 31).	750.00
William B. Blacklow	Staff assistant	7,103.34
Mark L. Greenberg	Placement assistant (to Apr. 11).	2,311.48
Grace Seckler	Placement assistant	4,125.00
Sally K. Murphy	Placement assistant (to Jan. 31).	611.16
Sybil Anne Capps	Placement assistant	4,407.76
Simeon R. Orlowski	Temporary clerk (to April 30).	633.32
John Turner Donelan	Temporary clerk to Jan. 31).	312.50
Earl Francis Rieger	Counsel	9,333.33
Samuel Merrick	Staff assistant	7,500.00
Patricia Neal Gray	Temporary clerk	3,000.00
Linda Jo Richards	Stenographer	3,547.22
Francis J. Keenan	Professional staff	14,041.65
Mary C. Mundee	Placement assistant	3,041.68
Denise M. Berkley	Temporary clerk (Feb. 19 and 20).	41.67
David Robert Solomon	Placement assistant (from Feb. 20).	2,729.17
James Joseph Abrams	Placement assistant (from Feb. 25).	2,800.01
Dolores A. Cotter	Temporary clerk (Mar. 4–10).	145.83
Debra Dawn Rollyson	Temporary clerk (Mar. 25–27).	62.50
Margaret A. Borellis	Temporary clerk (Mar. 21–31).	208.33
Kathy Sue Hockenberry	Temporary clerk (Mar. 25–Apr. 1).	125.00
Henry David Rosso	Temporary clerk (Apr. 4–16).	281.67
Nancy Louise Emery	Placement assistant (from Apr 5).	1,552.79
David W. Schmucker	Placement assistant (Apr. 15–June 18).	1,333.33
Gerald P. McCartin	Temporary clerk (May 1–June 3).	2,000.00
J. E. Vandelly	do	3,000.00
Melanie E. Wolfram	Temporary clerk (May 9–31).	427.77
Julie S. Gross	Temporary clerk (May 1–June 30).	1,500.00
Laura May	Temporary clerk (May 20–26).	136.11
Peter B. Crouch	Temporary clerk (June 1–30).	1,500.00
Victor D. Petaccio	do	2,100.00
David W. Savercool	Temporary clerk (from June 3).	466.67
Susan Ellen Shapiro	Temporary clerk (June 1 to 30).	1,000.00
Terrence John McCartin	Temporary clerk (from June 1).	750.00
Nina Swan Davis	Placement assistant (from June 27).	88.89

Funds authorized or appropriated for committee expenditures	$530,000.00
Amount of expenditures previously reported	213,621.02
Amount expended from Jan. 1 to June 30, 1974	211,868.51
Total amount expended from July 1, 1973, to June 30, 1974	$425,489.53
Invoices received, pending payment	6,698.96
Obligated, but not billed: Approximately	7,500.00
Balance unexpended as of June 30, 1974	104,510.47

LEE METCALF, Chairman.

JOINT COMMITTEE ON DEFENSE PRODUCTION

July 11, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Harold J. Warren	Staff director and counsel.	$18,000.00
Cary H. Copeland	Assistant staff director	13,514.94
Robert S. Riggs	Professional staff	5,971.92
Robert B. Geddie, Jr	do	7,857.78
J. Michael Hemphill	do	12,286.38
Ruth Baskerville	Secretary	5,272.02
Edward A. Sokol	Professional staff	9,167.40
Ed McMurphy	Clerk	660.35
William Kling, Jr	do	588.57

Funds authorized or appropriated for committee expenditures	$152,105.00
Amount of expenditures previously reported	71,269.50
Amount expended from Jan. 1 to June 30, 1974	75,476.58
Total amount expended from July 1, 1973, to June 30, 1974	146,746.08
Balance unexpended as of June 30, 1974	5,358.92

JOHN SPARKMAN, Chairman.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

July 15, 1974.

To the Clerk of the House:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1 to June 30, 1974, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurence N. Woodworth	Chief of staff	$19,999.98
Lincoln Arnold	Deputy chief of staff	18,000.00
Herbert L. Chabot	Assistant chief of staff.	18,000.00
Arthur S. Fefferman	Chief economist	18,000.00
Bernard M. Shapiro	Legislation counsel	17,842.50
Harrison B. McCawley	Refund counsel	16,886.27
James H. Symons	Statistical analyst	18,000.00
John Germanis	do	15,869.73
Michael D. Bird	Economist	18,000.00
Albert Buckberg	do	17,842.50
Leon W. Klud	do	12,296.65
James W. Wetzler	do	9,372.93
Howard J. Silberstone	Legislation attorney	16,366.23
Robert A. Warden	do	16,366.23
Robert A. Blum	do	14,411.65
Thomas R. White III	do	15,846.25
Mark L. McConaghy	do	13,933.73

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION—Continued

Name of employee	Profession	Total gross salary during 6-month period
James L. Billinger	Legislation attorney	$13,544.15
Paul W. Oosterhuis	do	8,006.68
Joseph P. Spellman	Refund attorney	12,556.67
Carl E. Bates	do	12,531.67
Joseph E. Fink	Statistical clerk	12,515.00
Cynthia F. Wallace	do	6,925.40
Allan S. Rosenbaum	Accountant	13,247.08
Joanne B. McDermott	Secretary	10,227.48
Linda R. Savage	do	7,923.35
Blanche F. Nagro	do	7,569.58
Jamie L. Daley	do	7,187.10
Marcia B. Rowzie	do	7,047.92
Jacqueline S. Pfeiffer	do	7,022.92
June M. Matthews	do	6,508.32
Amelia Del Carmen	do	6,374.17
Alexa B. Gage	do	6,103.73
Maria L. Winter	do	5,939.60
Ellen I. Woodriff	do	5,594.17
Sharon F. Malcom	do	5,109.60
Michael Cook	Clerk	4,875.02
John J. King	Administrative assistant (as of Jan. 3, 1974).	10,961.10
Richard L. Bacon	Legislation attorney (as of Mar. 21, 1974).	8,888.90
Don L. Ricketts	Legisiation attorney (as of Mar. 18 1974).	7,522.23
Meade Emory	Legisiation attorney (as of June 4, 1974).	2,475.00
Donald C. Evans	Legislation attorney (to Jan. 12, 1974).	897.53
Norma E. Kershner	Secretary (as of Feb. 25, 1974).	4,200.00
Elizabeth A. Dale	Secretary (as of Feb. 13, 1974).	4,600.00
Elizabeth Ruth	Secretary (from Jan. 15 to Mar. 8, 1974).	2,089.92
Theresa Sbarra	Secretary (to Feb. 7, 1974).	1,141.45
Peter J. Davis	Econometrician (as of Apr. 22, 1974).	2,587.50
Herman Wommack	Clerk (as of May 28, 1974).	733.34
Guy Richard Eigenbrode.	Clerk (as of June 3, 1974).	622.22

Funds authorized or appropriated for committee expenditures	$1,021,180.00
Amount of expenditures previously reported	456,313.52
Amount expended from Jan. 1 to June 30, 1974	512,372.11
Total amount expended from July 1, 1973 to June 30, 1974	968,685.63
Balance unexpended as of June 30, 1974	52,494.37

RUSSELL B. LONG, Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2611. A letter from the Secretary of the Army, transmitting notice of the proposed disposal of certain lethal chemical warfare agents and munitions, pursuant to 50 U.S.C. 1512; to the Committee on Armed Services.

2612. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

2613. A letter from the Comptroller General of the United States, transmitting a report on benefit provisions, financial data, and key issues relating to Federal retirement systems; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 16077. A bill to amend the Public Health Service Act to extend through fiscal year 1975 the scholarship program for the National Health Service Corps and the loan program for health professions students; (Rept. No. 93–1240). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on Foreign Affairs. H.R. 16168. A bill to authorize appropriations for the Department of State, and for other purposes (Rept. No. 93–1241). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS: Committee on Foreign Affairs. H.R. 15172. A bill to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service (Rept. No. 93–1242). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 13320. A bill to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended (Rept. No. 93–1243). Referred to the Committee of the Whole House on the State of the Union.

Mr. PIKE: Committee on Armed Services. H.R. 16136. A bill to authorize certain construction at military installations, and for other purposes; with amendment (Rept. No. 93–1244). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. House Concurrent Resolution 564. Concurrent resolution to declare the sense of Congress that Smokey Bear shall be returned on his death to his place of birth, Capitan, N. Mex. (Rept. No. 93–1245). Referred to the House Calendar.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7486. A bill to authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts; with amendment (Rept. No. 93–1246). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 8352. A bill to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes; with amendment (Rept. No. 93–1247). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 16177. A bill to amend the Internal Revenue Code of 1954 to provide a basic $5,000 exemption from income tax, in the case of an individual or a married couple, for amounts received as annuities, pensions, or other retirement benefits; to the Committee on Ways and Means.

By Mr. DICKINSON:

H.R. 16178. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. DINGELL (for himself and Mr. DOWNING):

H.R. 16179. A bill to amend the Fishermen's Protective Act of 1967 in order to strengthen the import restrictions which may be imposed to deter foreign countries from conducting fishing operations which adversely affect international fishery conservation programs; to the Committee on Merchant Marine and Fisheries.

By Mr. HAMMERSCHMIDT:

H.R. 16180. A bill to amend title 38 of the United States Code to increase the income limitations relating to the payment of pension and dependency and indemnity compensation and to provide supplemental pension payments to certain veterans; to the Committee on Veterans' Affairs.

By Mr. HENDERSON (for himself and Mr. DERWINSKI):

H.R. 16181. A bill to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of Pennsylvania:

H.R. 16182. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. MOORHEAD of Pennsylvania:

H.R. 16183. A bill to amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records and to provide that individuals be granted access to records concerning them which are maintained by Federal agencies; to the Committee on Government Operations.

By Mr. MURTHA:

H.R. 16184. A bill to amend title 23 of the United States Code to add 90 miles to the Interstate System and provide for the inclusion of a critical north-south highway corridor; to the Committee on Public Works.

By Mr. MURTHA (for himself, Mr. DENT, Mr. KEMP, and Mr. DULSKI):

H.R. 16185. A bill to amend title 23 of the United States Code to add 337 miles to the Interstate System and provide for the inclusion of a critical north-south highway corridor; to the Committee on Public Works.

H.R. 16186. A bill to amend title 23 of the United States Code to add 320 miles to the Interstate System and provide for the inclusion of a critical north-south highway corridor; to the Committee on Public Works.

By Mr. MURTHA (for himself, Mr. DENT, and Mr. DULSKI):

H.R. 16187. A bill to amend title 23 of the United States Code to add 272 miles to the Interstate System and provide for the inclusion of a critical north-south highway corridor; to the Committee on Public Works.

By Mr. MURTHA (for himself, Mr. DENT, Mr. STAGGERS, and Mr. DULSKI):

H.R. 16188. A bill to amend title 23 of the United States Code to add 522 miles to the Interstate System and provide for the inclusion of a critical north-south highway corridor; to the Committee on Public Works.

By Mr. OBEY:

H.R. 16189. A bill to amend the Federal Food, Drug and Cosmetic Act to promote honesty and fair dealing in the interest of consumers with respect to the labeling and advertising of special dietary foods, such as vitamins and minerals, et cetera; to the Committee on Interstate and Foreign Commerce.

By Mr. OWENS (for himself, Mr. RAILSBACK, Mr. MITCHELL of New York, Mr. BADILLO, Mr. BREAUX, Mr. BUCHANAN, Mr. CARNEY of Ohio, Mr. COCHRAN, Mr. CONYERS, Mr. DEVINE, Mr. DRINAN, Ms. HECKLER of Massachusetts, Mr. HEINZ, Mr. HORTON, Mr. KEMP, Mr. LONG of Maryland, Mr. MCCLOSKEY, Mr. MOAKLEY, Mr. MOSHER, Mr. RIEGLE, Mr. STUDDS, Mr. TIERNAN, and Mr. UDALL):

H.R. 16190. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

By Mr. PATTEN:

H.R. 16191. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS:

H.R. 16192. A bill to allow an additional income exemption for a taxpayer or his spouse who is deaf or deaf-blind; to the Committee on Ways and Means.

By Mr. RONCALLO of New York:

H.R. 16193. A bill to prohibit certain conflicts of interest between financial institutions and corporations regulated by certain agencies of the United States; to the Committee on Banking and Currency.

By Mr. SHIPLEY:

H.R. 16194. A bill to further the purposes of the Wilderness Act by designating certain lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEELMAN (for himself, Mr. Kemp, Mr. Hudnut, Mr. Brown of California, Mr. Gude, Mr. Bennett, Mr. Pritchard, Mr. Roncallo of New York, Mr. Horton, and Mr. Heinz):

H.R. 16195. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. WOLFF (for himself, Ms. Abzug, Mr. Brasco, Mr. Harrington, Mr. Lent, Mr. Kyros, Mr. Roncallo of New York, and Mr. Stokes):

H.R. 16196. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. HUBER:

H.R. 16197. A bill to establish a Commission on Medical Malpractice Awards; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 16198. A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to establish fire safety requirements for locomotives in order to minimize the danger of fires along railroad right-of-ways; to the Committee on Interstate and Foreign Commerce.

H.R. 16199. A bill to amend section 4945 (g) of the Internal Revenue Code of 1954 to make it clear that nothing in that provision authorizes the limitation of the grants awarded by a private foundation to a fixed percentage of the number of applicants for such grants; to the Committee on Ways and Means.

By Mr. NIX:

H.R. 16200. A bill to prohibit discrimination on the basis of sex, marital status, and sexual orientation, and for other purposes; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 16201. A bill to amend the Mineral Leasing Act of February 25, 1920, as amended; to the Committee on Interior and Insular Affairs.

By Mr. PODELL (for himself, Mr. Wolff, Mr. Rosenthal, Mr. Biaggi, Mrs. Chisholm, Mr. Carey of New York, Mr. Murphy of New York, Mr. Rangel, Mr. Badillo, Mr. Addabbo, Mr. Delaney, Miss Holtzman, Mr. Koch, Ms. Abzug, Mr. Bingham, and Mr. Peyser):

H.R. 16202. A bill to establish in the Department of Housing and Urban Development a housing enforcement assistance program to aid cities and other municipalities in the more effective enforcement of housing codes; to the Committee on Banking and Currency.

By Mr. ROE (for himself, Mr. Brown of Michigan, Mr. Conlan, Mr. Cotter, Mr. Gray, Mr. Hudnut, Mr. McKinney, Mr. Mazzoli, Mr. Minish, and Mr. Van Deerlin):

H.R. 16203. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. Staggers, Mr. Satterfield, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut):

H.R. 16204. A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective area and State health planning and resources development programs; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHERLE:

H.R. 16205. A bill to provide emergency deficiency assistance to producers of agricultural commodities; to the Committee on Agriculture.

By Mr. STOKES (for himself, Mr. Biester, Mr. Matsunaga, Mr. Mosher, Mr. Moss, Mr. Owens, Mr. Railsback, and Mr. Riegle):

H.R. 16206. A bill to require that discharge certificates issued to members of the armed forces not indicate the conditions or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable and to improve the procedures for the review of discharges and dismissals; to the Committee on Armed Services.

By Mr. WYMAN:

H.R. 16207. A bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts; to the Committee on the Judiciary.

By Mr. PERKINS (for himself and Mr. Quie):

H. Con. Res. 570. Concurrent resolution authorizing the Clerk of the House to make corrections in the enrollment of H.R. 69; ordered to be printed.

By Mr. ANDERSON of California:

H. Con. Res. 571. Concurrent resolution for negotiations on the Turkish opium ban; to the Committee on Foreign Affairs.

By Mr. CAMP:

H. Con. Res. 572. Concurrent resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. McCOLLISTER:

H. Con. Res. 573. Concurrent resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. HEINZ (for himself, Mr. Addabbo, Mr. Biester, Mr. Gilman, Mr. Hawkins, Mr. Stokes, Mr. Towell of Nevada, Mr. Waldie, and Mr. Wolff):

H. Res. 1281. Resolution to create a Select Committee on Aging; to the Committee on Rules.

By Mr. ICHORD:

H. Res. 1282. Resolution providing for additional copies of the committee print, a staff study entitled "Terrorism"; to the Committee on House Administration.

By Mr. SYMINGTON (for himself, Mrs. Burke of California, Mr. Eilberg, Mr. Heinz, Mr. Michel, Mr. Rees, Mr. Thompson of New Jersey, and Mr. Waggonner):

H. Res. 1283. Resolution requesting that each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, American Samoa, and the Trust Territory of the Pacific Islands conduct a survey or study to determine the views of their citizens with respect to abortion laws; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON of Texas:

H.R. 16208. A bill for the relief of the estate of Earnest Nancy Brindley; to the Committee on the Judiciary.

By Mrs. SULLIVAN:

H.R. 16209. A bill for the relief of Chae Won Yang, Myung Jae Yang, Yoo Jung Yang, Jee Sun Yang, Yoo Sun Yang, and Hong Suk Yang; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H.R. 16210. A bill for the relief of Maria Elena San Agustin; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

FEDERAL FOOLISHNESS

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 31, 1974

Mr. HELMS. Mr. President, on previous occasions I have discussed in the Senate my friend, Jack Rider, who operates Stations WFTC and WRNS, in Kinston, N.C.

If there is a more forthright broadcaster in America, it has not been my privilege to listen to him. Jack writes and presents a daily editorial, called "Editorially Speaking," for his stations. And, as I have said before, when Jack Rider speaks out, the people for miles around listen attentively and, for the most part, approvingly.

On July 17, Jack Rider presented an editorial that has come to my attention. As I read it, it was my immediate judgment that other Senators would be interested in his comment.

Therefore, Mr. President, I ask unanimous consent that Jack Rider's "Editorially Speaking" of July 17 be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

EDITORIALLY SPEAKING

(By Jack Rider)

Government is by consent of the governed, and I can only wonder how long the people are going to keep consenting to far worse invasions against their freedom than King George ever dreamed about in his wildest fantasies. Consider this: Monday we and thousands of other people who have from time to time sold anything to the Du Pont Company received a form letter, which cost the Du Pont Company about 50 cents to get out to every supplier it has all across the nation. The cost of this red-tape compliance, of course, has to be added to all the products Du Pont manufacturers . . . but the political cost is far, far worse than the fractional increase it causes in the price of Dacron or any other Du Pont product. This letter says, in part:

"Being subject to the provision of Executive Order 11246, as amended, relating to equal employment opportunity, as well as Executive Orders 11265, 11640, 11701 and 11758, E. I. du Pont de Nemours, and Company is required to certify that: (1) It is in compliance with the Equal Opportunity Clause as set forth in Section 202 of Executive Order 11246; (2) It does not maintain segregated facilities for its employees; (3) It will file annual reports on Standard Form 100 (EEO-1); (4) It has developed and maintains a written and signed affirmative action program at each of its facilities."

And the letter continues, "We are required in turn to obtain a similar certification of fair employment practices from our suppliers, under each of these executive orders; and we have elected to fulfill this obligation by obtaining an annual certification from each non-exempt supplier rather than obtaining individual certification with each contract or purchase order. The necessary certification form is enclosed. Please sign the attached form indicating your acceptance of these terms as a part of any purchase order or agreement between us and return. . ."

Ironically enough on the Du Pont stationery at the bottom there is a slogan which reads: "There is a world of things we're doing something about."

Operating a radio station under the federal feral first, we are no stranger to this kind of tyranny. In order to protect our investment and the jobs of our 20 people, we have to sell our soul to the federal devil, or our franchise will be taken away. There is not a radio or television station owner in this nation who believes that the Federal Government has either a moral or a legal right to dictate whom it shall hire and whom it shall not hire; but we, like Du Pont, sign sworn statements on a dictated, regular basis affirming that we believe what we utterly despise.

NEWARK CELEBRATES PUERTO RICAN DAY PARADE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. RODINO. Mr. Speaker, 22 years ago, a covenant that proclaimed the creation of a permanent union between the people of Puerto Rico and the United States was signed. On July 25, 1952, the Commonwealth of Puerto Rico joined hands with the mainland on the "basis of common citizenship, common defense, common currency, a free market, and a common value of democracy".

For more than two decades this unique relationship between the 3 million people of Puerto Rico and the American people has existed. Progress, economic, social, and cultural has been vital for both the island and the mainland. And, today as we look at this progress and the many achievements resulting from this union, our hearts and spirits are filled with pride and joy.

Puerto Rican Gov. Rafael Hernandez Colon since his election has introduced dynamic programs that have proven to be extremely beneficial to the island. And, to further insure continued advancement, a year ago an ad hoc committee consisting of seven members from the mainland, including five Members of Congress was formed to examine the various problems of the island and introduce steps to strengthen our mutual bond.

Many of our Puerto Rican brothers and sisters, who have chosen to settle on the mainland, regard July 25 as a day of great celebration. The richness of Puerto Rican culture and traditions had indeed become in each succeeding year more and more a part of our communities.

On Sunday, July 28, in my hometown of Newark, N.J., the Puerto Rican people once again joined together to commemorate this most joyous occasion. The 10th Annual Puerto Rican Parade was certainly a beautiful and marvelous display of pride and culture. And, Miguel Rodriguez, grand marshal, and Jose Rosario, parade president, deserve the highest of recognition for their leadership in organizing the days' events.

Gov. Brendan T. Byrne, Mayor Kenneth A. Gibson, Archbishop Peter L. Gerety, members of the State legislature, and other officials were among the 6,000 spectators. Senator Frank Los of Puerto Rico and Rafael Torregrosa, executive director for Puerto Rican Migration Division were also on hand.

Our joy and pride were further elevated when we looked at lovely and talented Mary Lou Rivera of Newark, the winner of Miss Puerto Rico of New Jersey. I know that when our Puerto Rican citizens celebrate, they rejoice with heart and soul. And, I join them in spirit and pride on this most special occasion.

RESOLUTIONS ADOPTED BY THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. RHODES. Mr. Speaker, the National Society of the Sons of the American Revolution has asked me to insert into the CONGRESSIONAL RECORD the resolutions adopted at its 84th annual Congress, June 23 through June 27, 1974, in Baltimore, Md., and I am pleased to do so.

The resolutions follow:

RESOLUTIONS ADOPTED BY THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

RESOLUTION NO. 1

Whereas, under the 1903 Treaty with Panama, the United States obtained the grant in perpetuity of the use, occupation and control of the Canal Zone territory with all sovereign rights, power and authority to the entire exclusion of the exercise by Panama of any such sovereign rights, power, or authority as well as the ownership of all privately held land and property in the Zone by purchase from individual owners; and

Whereas, the United States has an overriding national security interest in maintaining undiluted control over the Canal Zone and Panama Canal and solemn obligations under its treaties with Great Britain and Colombia for the efficient operation of the Canal; and

Whereas, the United States Government is currently engaged in negotiations with the Government of Panama to surrender United States sovereign rights to Panama both in the Canal Zone and with respect to the Canal itself without authorization of the Congress, which will diminish, if not absolutely abrogate, the present U.S. treaty-based sovereignty and ownership of the Zone; and

Whereas, these negotiations are being utilized by the United States Government in an effort to get Panama to grant an option for the construction of a "sea-level" canal eventually to replace the present canal, and to authorize the major modernization of the existing canal, which project is already authorized under existing treaty provisions; and by the Panamanian government in an attempt to gain sovereign control and jurisdiction over the Canal Zone and effective control over the operation of the Canal itself; and

Whereas, similar concessional negotiations by the United States in 1967 resulted in three draft treaties that were frustrated by the will of the Congress of the United States because they would have gravely weakened United States control over the Canal and the Canal Zone; and by the people of Panama because that country did not obtain full control; and

Whereas, the American people have consistently opposed further concessions to any Panamanian government that would further weaken United States control over either the Canal Zone or Canal; and

Whereas, many scientists have demonstrated the probability that the removal of natural ecological barriers between the Pacific and Atlantic oceans entailed in the opening of a sea-level canal could lead to ecological hazards which the advocates of the sea-level canal have ignored in their plans; and

Whereas, the Sons of the American Revolution believes that treaties are solemn obligations binding on the parties and has consistently opposed the abrogation, modification or weakening of the Treaty of 1903; now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, opposes the construction of a new sea-level canal and approves Senate Resolution 301 introduced by Senator Strom Thurmond and 34 additional Senators, to maintain and preserve the sovereign control of the United States over the Canal Zone.

RESOLUTION NO. 2

Whereas, the strength and stability of the economic and monetary system of the United States is vital to the defense of the country, and

Whereas, the fiscal and monetary policies of the Congress and Administration, present and past, have led to the devaluation of the dollar, double digit inflation, and the current economic crisis in the United States, and

Whereas, double digit inflation within is as great a threat, if not a greater threat, to the liberty and freedom and well-being of this country as the threat from our enemies without, and

Whereas, the basic cause of the rampant inflation is the deficit spending of the United States Congress, and

Whereas, under the Constitution of the United States, Congress is charged with the responsibility for all federal appropriations, and

Whereas, it is the urgent duty of the United States Congress to limit federal spending to the revenues of the Federal Government, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, urges the Congress to balance the federal budget.

RESOLUTION NO. 3

Whereas, it was the national policy of the United States of America to intervene in Vietnam and prevent a Communist takeover of that country, and

Whereas, it is the duty of every American citizen to bear arms in support of the national policies of the United States, and

Whereas, a citizen of the United States is called upon to share the burdens of citizenship in order to insure its benefits for all citizens, and

Whereas, 40,000 young Americans fled to foreign countries to evade the military obligations of United States citizenship, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, is opposed to any granting of amnesty to those who refused to bear arms for their country and instead, fled to foreign countries to evade their military obligations.

RESOLUTION NO. 4

Whereas, this country was founded by God-fearing men and women and conceived in liberty, and

Whereas, men of all countries have been moved by the eloquence and high spiritual qualities of the Declaration of Independence, and

Whereas, the Bicentennial will be a focal point for a nationwide review, and reaffirmation of the values upon which this Nation was founded, and

Whereas, all businesses and private citizens should display the United States Flag daily during daylight hours except during inclement weather, and

Whereas, it is fitting for patriots to celebrate each Fourth of July with prayer, music, fireworks and other expressions of joy and cheer, and

Whereas, it is the duty of every citizen and local community to take the initiative in planning a suitable commemoration of the Bicentennial: Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, urges its members and all citizens to fly flags daily, to ring bells and blow automobiles horns on the Fourth of July at a time to be set by each community as a suitable prelude to the Bicentennial.

RESOLUTION NO. 5

Whereas, we believe the Federal Government has entered upon a movement to eliminate basic rights and powers guaranteed to the states by the 10th Amendment to the Constitution, in particular the control of education and public schools, the control of land, the extension of jursidiction of the federal judiciary, the weakening of state criminal law enforcement by the imposition of untenable federal standards that result in interminable trials and sheer technicalities that often show more concern for the criminal than for the innocent victim and the long-suffering public, to name a few: Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, recommends that our state governors and legislators resist these federal encroachments upon state sovereignty and oppose the extension of federal grants and Supreme Court decisions.

RESOLUTION NO. 6

Whereas, hostile foreign nations desire to obtain advanced American technology during a period of our history entitled "detente," and

Whereas, the sharing of our technology with unfriendly foreign powers will weaken this country's power and protection of the free world, and

Whereas, the joint exploration of space with any foreign nation will result in the release of technical information vital to the defense of this nation, and

Whereas no foreign power has been successful in its man-in-space program, Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution, in its 84th Annual Congress assembled, opposes in general the sharing of any of our technology with unfriendly foreign nations and in particular the sharing of our man-in-space capability with any foreign power, and recommends that all federal agencies should intensify efforts to prevent the dissemination of critical technology to any foreign power.

RESOLUTION NO. 7

Whereas, the National Society, Sons of the American Revolution supports proper commemoration and celebration of the American War for Independence which gained the 13 Original Colonies their freedom; and

Whereas, the Battle of Cowpens, fought in South Carolina near the present village of Cowpens was a major victory for loyal Americans in their fight for liberty; and

Whereas, the Federal Government has appropriated certain funds for the improvement and enhancement of the Cowpens Battleground site; and

Whereas, the effect of monies spent will be much more effective and widespread, and of longer duration, if a permanent annual celebration is held at the Battleground; Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, favors allocation of an adequate portion of available funds for the construction of a suitable amphitheater which will be made available for the production of an annual outdoor drama based upon the Battle of Cowpens and surrounding events, so that the people of America will have a better opportunity to become more conversant with the great deeds of our illustrious ancestors.

RESOLUTION NO. 8

Whereas, Professional Standards Review Organization (PSRO) was established as a rider attached to the Social Security Law of 1972 without public hearing or proper consideration; and

Whereas, confidential medical records of every patient under any of the numerous government-sponsored health care programs will be open to PSRO inspectors; and

Whereas, "norms" set by the Department of Health, Education and Welfare, after examination of all patient records, will change the concept of health care, nullify doctor-patient privacy preventing full use of the doctor's knowledge, experience and training; and

Whereas, PSRO can overrule a doctor's decision in prescribing, hospitalization, or operating under penalty of fine and suspension from medical practice; now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, supports the adoption of H.R. 9375, or similar resolutions, which would repeal the provisions of the Social Security Act which violate the confidentiality of the doctor-patient relationship which would be contrary to numerous state statutes, contrary to professional ethics, and which would lead to federal control of medicine.

RESOLUTION NO. 9

Whereas, there is pending in the United States Congress a resolution sponsored by Senator Harry Flood Byrd, Jr. of Virginia in which Senator William Scott of Virginia has also joined as a co-sponsor, to restore the citizenship of General Robert E. Lee, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, joins in with the purpose and spirit of this pending Congressional resolution.

RESOLUTION NO. 10

Now, therefore, be it *resolved,* That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, reiterates and reaffirms that all previous resolutions adopted at prior Congresses be reaffirmed.

RESOLUTION NO. 11

Whereas, the 84th Annual Congress of the National Society, Sons of the American Revolution has been successful in every respect, and

Whereas, that success has been due to the efforts of those who planned and took part in the program, now, therefore, be it

Resolved by the National Society, Sons of the American Revolution, That it hereby expresses its gratitude and deep appreciation:

1. to the President General for his able leadership,
2. to the officers, chairmen and members of their committees,
3. to the loyal headquarters staff for their constant effort in providing an efficient operation,
4. to the speakers, Compatriot (Dr.) Norman Vincent Peale and the Honorable J. William Middendorf, II, Secretary of the Navy, for their inspiring addresses,
5. to the United States Navy; Joint Armed Forces (Pentagon); Colonial Guard, 175th Infantry; United States Marine Corps and the Commander-in-Chief's Guard Colors, U.S. Army, for furnishing color guards,
6. to the United States Marine Band, the United States Army Soldiers' Chorus, the Chorus of the Chesapeake, and the U.S. Navy Sea Chanters for furnishing music and entertainment,
7. to the press, radio and television for their coverage of the Congress,
8. to the Maryland Society for its contribution to a successful 84th Annual Congress,
9. to all individuals who contributed to the success of this Congress.

BINARY NERVE GAS FUNDING—NOT IN THE NATION'S INTEREST

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. OWENS. Mr. Speaker, the military appropriations bill will be before the House Appropriations Committee this Thursday and the full House next week. As far as I now know, one of the items within this bill is the authorization to begin the procurement of the binary chemical weapons system. This request, for approximately $5.8 million, has been the subject of hearings before the House Armed Services, Foreign Affairs, and the Appropriations Committees.

The continued justification for this binary chemical weapons appropriation is the threat posed by the chemical stockpiles of the Soviet Union. This is the same justification which has been presented to the Congress since the end of World War II. There is no evidence to show that a new round of chemical weapon procurements, which may eventually cost this Nation as much as $2 billion, will in any way alter or improve the capability of the United States to prevent the use of chemical weapons by the Soviet Union or to strengthen the U.S. retaliatory threat to any enemy who should be contemplating the use of chemical weapons against our forces. It seems to me that the initiation of such a procurement at this time involves more arguments against than can be presented in support of the proposal.

We currently have the capability to produce more nerve agent in existing chemical plants than our Armed Forces can possibly foresee as a requirement. We now have vast stockpiles of bulk nerve agent in storage. We are going through a period of adjustment which includes some disposition of deteriorating munitions and elimination of chemical agents no longer considered to be standard agents in our arsenal. The binary offers a limited advantage in safety and handling in comparison with existing stockpiles. It presents many political disadvantages, in addition to possibly being a less effective chemical weapon.

I urge you to examine the discussion presented by Representative FRASER in the CONGRESSIONAL RECORD on July 16, 1974. If you agree with this logical analysis, I believe that you will also agree that the procurement of the binary chemical weapon is not in the best interest of this Nation at this time and that to delay this procurement until more thoughtful examination of the issue can be completed will not jeopardize the security of this Nation in any way. The elimination of this item from the fiscal year 1975 military appropriations bill will provide the Congress with the time to examine this issue with greater care.

THE TIDE IS CHANGING

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BOWEN. Mr. Speaker, those of us in Congress who represent predominantly rural districts have been very concerned that rural America's needs, goals, and great contribution to the stability of this country not be overlooked. I am pleased to call to the Congress' attention this very excellent editorial in last week's edition of the Winston County Journal at Louisville, Miss., written by one of the many responsible and progressive newspaper editors of our State, Mr. Joe T. Cook. The editorial, entitled, "Tide Is Changing," reads as follows:

TIDE IS CHANGING

The tide is at last flowing in the opposite direction.

Following a period of about 30 years during which young people, particularly, have been leaving their small-town homes and seeking their opportunities in the large metropolitan areas of this country, the trend is now reversing itself.

There has been a sizeable upswing in the nonfarm rural job opportunities. Between March, 1970, and March, 1973, non metropolitan areas reported an increase of 7.8 percent in jobs as compared with 3.6 percent in metropolitan areas.

The large cities have reached the point in time when the quality of life they can offer, everything considered, does not compare with that of the small community.

Urban congestion, spiraling costs of housing and services, the rising crime rate in the cities, the increasing prevalence of drug pushing, the chaotic conditions in the schools—all have combined to influence people to seek a calmer, more rewarding way of life in the smaller communities.

The assistant secretary for rural development of the USDA said recently: "I have no quarrel with those who prefer city life. But for those people who prefer to maintain their rural family and community ties, there should be enough local jobs available within reasonable commuting distance to make this possible. This is a central goal of rural development.

"For many years cities have had most of the jobs. Millions of farm, small town, and other rural people have been forced to move there. . . . Many cities grew excessively, became congested and unmanageable. And small towns often withered as their population dwindled.

"Every new job adds to the economic tempo of the community, bringing additional jobs and business to it. Small-town and rural people are increasingly organizing to hammer out a master plan for their community," he said.

The USDA and other Federal agencies are giving assistance in building better community facilities for small towns. The Appalachian Program, Farmers Home Administration, and several other agencies are approving grants and loans for making possible a better life in the smaller communities of our nation.

Louisville and Winston County are taking advantage of some of this assistance, and we think that our city and county officials should be alert for every possible source of help to improve our community facilities to provide an increasingly better life for those of us who prefer to live in a small town.

ISRAEL'S REMARKABLE ACCOMPLISHMENT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. FINDLEY. Mr. Speaker, for the first time in Israel's brief 26-year history, the prospects for peace in the Middle East are bright and hope is strong. Israel now may get on with the pressing domestic problems which confront this dynamic nation.

One of the truly monumental accomplishments of Israel has been its unceasing ability to absorb countless thousands of Jewish immigrants over the years. People with disparate backgrounds have come to this land, adopted it as their own, and begun to make a productive contribution to their new society. Generally, the assimilation has been remarkable, not unlike that in the melting pot of New York City and much of the United States around the turn of the century when waves of immigrants came to the United States.

In fact, many of Israel's problems are directly attributable to the huge numbers of people who have chosen it for their new home.

Housing is crowded in the extreme, with three or more persons often sharing one room.

Education, which begins with nursery school, must accommodate the varied backgrounds and languages of all the children, often within a crowded classroom.

Income, social services, agriculture, human welfare—each of these areas presents a unique problem for the Israelis.

To deal with these problems, Israel has one of the highest income taxes anywhere in the world.

Perhaps Israel's greatest problem, however, is the incredible rate of inflation it is currently undergoing. Double-digit inflation is nothing new to the Israelis. However, the current rate of 40 percent a year cannot be permitted to continue. Israel's new government simply must find a way to bring inflation under control.

Another enormous problem is Israel's deficit in its balance of payments. This further weakens its currency and causes instability in its financial affairs.

Yet, with all of this, Israel is still truly a phenomenon of the 20th century. That one small nation could take unproductive land and make it into a home and a refuge for so many must be accounted an outstanding accomplishment. Hopefully a way will be found to extend the peace indefinitely so that Arabs and Jews can once again live and work in harmony together in the Middle East.

PLIGHT OF SOVIET JEWS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BROOMFIELD. Mr. Speaker, the plight of Soviet Jews was made startlingly clear to me recently through a case involving one of my constitutent's relatives. The tragic story, related to me by Rev. Shabtai Ackerman of the Beth Abraham-Hillel congregation in Birmingham, Mich., underlines the cruel and ruthless tactics the Soviet Union employs to harass and detain Jews wishing to emigrate, and I would like to share it with my colleagues.

Mr. Yichil Kutchuk and his wife and sister-in-law applied for and were granted passports to emigrate to Israel in April. The Kutchuks' son had been allowed to emigrate to Israel 18 months earlier. After being assured that their visas were in order, the Kutchuks packed the belongings they would need for the trip, sold the rest, and made plans for a joyous reunion with their son.

But 3 hours before their scheduled departure by train from Kishinev, the police informed them they had to go to the Customs Office to have their baggage checked. When they arrived at the office they discovered their bags had already been opened. Officials proceeded to confiscate their passports and papers, arrest Mr. Kutchuk, and send his wife home to an empty apartment. Since that time over 3 months ago no one has been permitted to visit Mr. Kutchuk, and no official charges have been made against him. His relatives have learned he is ill and being held in the prison hospital. Mrs. Kutchuk, who suffers from a heart condition, has been forced to appear at the police station every day for questioning, returning in the evening to her bare apartment.

Upon learning of this travesty of justice I immediately wrote the Soviet Embassy asking for an explanation. The only reply I have received has been a one-line note telling me that my letter has been referred to proper Soviet authorities. I am not holding my breath waiting for a further reply, although I urgently hope for a pleasant ending to the Kutchuk's story.

Mr. Speaker, this episode is an example of the outrageous treatment of Jews that continues to take place in the Soviet Union on a regular basis. It is precisely these inhumane actions that have prompted many members of Congress, myself included, to urge that the Soviet Union not be granted most favored nation trading status. I will continue to adamantly oppose any granting of such status so long as the cold and calculating persecution of Soviet Jews continues. We in the free world cannot and must not tolerate the continued oppression that the Kutchuks and thousands of others have been subjected to.

THE TROUBLE WITH GOVERNMENT REGULATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. SYMMS. Mr. Speaker, occasionally, a philosophical masterpiece arrives at my office. There is not a word I can add to the letter and accompanying article sent to me by Mr. Piatt Hull, a distinguished attorney from Wallace, Idaho. I would like to enter it in the Record at this point:

Hull, Hull, & Wheeler,
Attorneys at Law,
Wallace, Idaho, June 28, 1974.

Hon. Frank Church.
Hon. James McClure.
Hon. Steve Symms.
Hon. Orval Hansen.

Gentlemen: I enclose a copy of an article from the current Reader's Digest "The Trouble with Government Regulation" by Walter B. Wriston, Chairman of Citicorp.

This restates a proposition I have urged upon you on past occasions: A problem is never as bad as the government's solution to the problem.

Example: One seemingly minor governmental action that has done as much as any other single thing to screw up the energy situation—setting well head prices on natuural gas at the rate of about $2 or $3 per ton of coal measured in btu's. Ergo, everybody tended to convert to gas, nobody drilled for gas and the coal mines tended to go to pot. If the price of gas had been left alone, use would have declined, supplies would have been increased, prices would have been competitive and the coal industry would have tended to thrive.

Regulation has obviously killed the railroad industry. Why should we pay billions to the railroads and at the same time let ICC continue to louse up as it has for generations? Why not abolish the ICC and turn the railroad loose to serve the country, subject only to the Sherman Anti Trust Act? Things can't get worse, they would necessarily get better.

Why not adopt the philosophy that we can run our businesses better than you can—you people don't know a single specific thing about running any business, except, perhaps, the one or two you actually engaged in prior to assuming public office, and you are tending to become damn rusty there.

Very truly yours,

Piatt Hull.

Enclosures.

The Trouble With Government Regulation

(Condensed from a speech by Walter B. Wriston, Chairman, Citicorp)

When bureaucrats try to manipulate the marketplace, the result is usually disastrous. It's far better, says this distinguished banker, to allow the enormous innovative talents of the American people free play.

Anyone in our society whose eyesight and hearing are not totally impaired is likely to believe that we Americans are on a collision course with Doomsday. Certainly, the energy shortage has produced no scarcity in the rhetoric of crisis.

The compulsion of the media to turn every scrap of bad news into a full-blown crisis distorts our perspective, however. For prophets of doom fail to appreciate man's inherent ability to adjust and innovate.

The British economist Thomas Malthus, for example, predicted in 1798 that the imbalance between population growth and food production would bring the world to the verge of starvation. The doomsayers called it the iron law. As time has proved, it was neither iron nor law. Like many of our current crop of transient experts, Malthus underestimated everyone's intelligence but his own; he was incapable of imagining that out of the Industrial Revolution would come reapers, threshers, combines and tractors. He did not foresee the era of cheap energy. Nor did he envision chemicals and fertilizers creating such abundance that foolish governments would pay farmers not to cultivate the soil.

A second reason why doomsayers are so frequently unable to predict accurately what will happen is that they cling to the belief that there are accepted absolutes in a rapidly changing world. Examples abound. A commission appointed by President Herbert Hoover in 1929 later reported to Franklin D. Roosevelt on how to plot our course through 1952. The report was in 13 volumes prepared by some 500 researchers.

Yet the two-volume, 1600-page summary contained not a word about the development of atomic energy, jet propulsion, antibiotics, transistors or other significant advances. The World's Fair of 1939, which was dedicated to the World of Tomorrow, didn't envision the impact of these steps forward. The people who have come closest to predicting the future are some of the science-fiction writers, unencumbered by elaborate research or prestigious committees, but with the courage to dream.

Our latter-day Malthusians appear oblivious to the fact that man, given the proper incentive and freedom to act, has repeatedly found substitutes for dwindling materials. The United States was denied 90 percent of its sources of natural rubber during World War II, but technological ingenuity created synthetic rubber, which is now more widely used than the natural product. Coal was not even considered a resource before the Steam Age, nor was uranium highly valued before the Atomic Age. These experiences of yesterday are relevant today. I do not assert that history repeats itself, but offer a reminder that the human story did not begin with today's crisis.

Energy is no exception. Few Americans even remember that, from the time of the American Revolution until the Civil War, a major source of artificial lighting was the whale-oil lamp. The Civil War disrupted whale-oil production, and its price shot up to $2.55 a gallon—almost double what it had been in 1859. Naturally, there were cries of profiteering and demands for Congress to "do something about it." The government, however, made no move to ration whale oil or to freeze its price, or to put a new tax on the "excess profits" of the whalers. Instead, prices were permitted to rise.

The result, then as now, was predictable. Consumers began to use less whale oil, and the whalers invested more money in new ways to increase their productivity. Meanwhile, men with vision and capital began to develop kerosene and other petroleum products. The first practical generator for outdoor electric lights was built in 1875. By 1896, the price of whale oil had dropped to 40 cents a gallon. Whale-oil lamps now sit in museums to remind us of the impermanence of crisis.

The whale-oil "energy crisis" is one of an infinite series demonstrating the ability of the free market to solve problems of scarcity. Shortages, then and now, can often be eliminated when prices are allowed to exercise their age-old functions—that is, to motivate the consumer to consume less and the producer to produce more, and to spur someone on to develop a new product that is better and cheaper. Shortages become a crisis when government intervenes to frustrate the ability of the free market to function.

But government seems loath to learn from experience about intervention. The result is non-economic. No one who saw it on television last year will soon forget the wholesale drowning of baby chicks. It was done because the government froze the price of grown chickens at a level which made it uneconomic for farmers to raise and sell them. But this drowning was only a rerun of the plowing-under of "surplus" cotton and grain, and the slaughter of piglets a generation ago—a slaughter predicated on the proposition that governments are smarter than markets, which all history refutes. Anyone observing the consequences in our country of price and wage controls can have few illusions left about the efficiency of government-controlled markets.

Substituting bureaucratic regulation for the marketplace has always served first to produce a shortage and then to intensify it. Whenever our system appears to falter by not providing our accustomed relative abundance at a low price, the people who distrust freedom stand ready with the simplistic solution: the government should intervene.

Paradoxically, many of those who look to government to remedy every economic grievance in our society also want government to get out of their personal lives. They cannot have it both ways; they cannot ask more and more government intervention in what ought to be a free market and still insist on more and more freedom for themselves as individuals. No people have ever preserved political liberty for long in an environment of economic dictatorship. We often learn too late that freedom is indivisible.

Although in America we have what is described as a free-enterprise economy, our government today regulates more business practices than most other democracies. Listen to the roll call: the utilities which produce heat, light and power; the railroads (what's left of them); trucking companies, airlines, broadcasters, drug firms, dry cleaners, auto manufacturers, meat packers, film makers, farmers, brokers, banks and a host of other enterprises. Most of these industries are highly competitive, but government has decreed that they must serve a variety of objectives other than selling their products at the lowest price.

The government regulator is always adjured to serve the public interest. Sooner or later, however, he usually develops into both judge and jury, and often into prosecutor as well. Congress should legislate. The Executive should enforce the law. The courts should interpret the conflict. Instead of this, Congress does its best to bypass the other branches and create separate institutions that combine legislative, executive and judicial functions. The new regulatory body then makes rules with the force of law, substituting its opinion for the judgment of the free market. As time goes on, the bureaucracy changes the active verb "to compete" into the passive "to be regulated." This process tends to create a rigid, backward-looking system—which is neither business-oriented nor consumer-oriented. Instead, it is bureacracy-oriented.

Many industries continue to be regulated as though they were monopolies, whereas, in *fact*, new competitors have long since taken away a good share of their business. The railroads were put at a disadvantage when the truckers began to siphon off revenues; so were the scheduled airlines when the chartered flights entered the market. Instead of welcoming the competitive challenge, the initial regulatory reflex was to reach out and regulate the new industries—permitting no industry to either win or lose on its merits, but causing the public to pay the check for higher costs.

Consider the railroads, which, before the Interstate Commerce Commission clapped them into a regulatory straitjacket, were pioneers in technology—creating the standard track gauge, new freight cars and safety devices. After the ICC stepped in, the efforts of the railroads to improve efficiency through new technology were time after time hampered by costly delays in regulatory decisions. Instead of concerning themselves with key issues, the regulators expended their efforts on such trivia as setting tariffs which distinguished between horses for slaughter and horses for draft. Predictably, many railroads chugged slowly down the road to ruin.

Our current energy crisis furnishes another fork in the road. If you look beyond the panic and concentrate on the problem, there are a number of ways we can go. We can create a new ICC for oil and gas, with the absolutely predictable result that the current market dislocations will become institutionalized, and temporary scarcity will be regulated into permanent shortages.

Or we can permit the enormous innovative talents of the American people to function. Just as the invention of kerosene and practical electric generators took the whale-oil lamps out of the homes of America and put them in the museum, our current energy problem will also be solved in myriad ways that no one now can foresee—if we let the free market operate. Whether it is whale oil, baby chicks or energy, control by a bureaucracy is no match for the free market in the allocation of human and material resources for the good of everybody.

VICTOR B. TOSI

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. PEYSER. Mr. Speaker, Victor Tosi, a constituent of mine, an outstanding community leader and a friend of mine, has recently stepped down as president of the 47th Precinct Community Council of the North Bronx, N.Y. This is indeed an unfortunate loss to the community which Vic has served most ably for many years. Fortunately, the impact of this loss is cushioned by the fact that he will remain on the executive board as an adviser.

During his tenure in office, Vic was responsible for initiating and implementing many beneficial programs and securing hundreds of jobs for the young people in his area. He was, and still is, vitally concerned about safety and crime prevention in our neighborhoods. Most residents of the area remember the leadership that Vic exerted in securing additional policemen assigned to the neighborhood precinct to more effectively serve the community.

Vic Tosi has always had a continuing involvement in community affairs. He has served as chairman of both the public safety and community liaison committees of community planning board No. 13, has been a member of the board of directors of the Bronx Council of the Arts, was the founder and chairman of the New York City Office of Neighborhood Government Advisory Board in his area, was a PTA president, and served as athletic director of one of his local schools.

His achievements in the community have brought Vic much well-deserved recognition. He has additionally received the New York City Certificate of Commendation, and the General Motors Gold Medal as the outstanding man in New York for community service.

Victor Tosi is indeed dedicated and a hard-working, community-minded citizen who deserves the appreciation of us all for his work.

DAY OF RECKONING

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. TAYLOR of Missouri. Mr. Speaker, as you know, our Nation is, day by day, slipping increasingly further into the grips of inflation and, for the most part, we have no one else to blame but the U.S. Congress.

With each passing day Congress approves spending measures with no real thought to fiscal restraint and as a result we are busting the budget completely. There has been, however, one man in the House of Representatives who has been repeatedly warning each of us on the serious predicament in which we have now placed ourselves. The man, the Honorable H. R. Gross, has been the constant watchdog of the Federal budget during his 26 years of service to the Nation, and now his constant warnings are coming into bleak reality.

As a freshman Member, I am gratified to have had the opportunity to serve under H. R. Gross and to have had him as a friend and teacher. It is with this in mind that I wish to present an article written by Mr. Robert M. Bleiberg which appeared in the July 22, 1974, issue of Barron's. In this article Mr. Bleiberg points out Mr. Gross' repeated attempts to bring the budget back into restraints and emphasizing that it is time the Members of Congress begin listening to his warnings. He further stresses that it is about time to take action and place the budget back into proper bounds. I feel this article warrants the careful consideration of the entire membership of Congress so, at this time, I wish to include it in the Record.

The article follows:

[From Barron, July 22, 1974]

DAY OF RECKONING?—THERE'S NEVER BEEN A BETTER TIME TO CUT THE BUDGET

"Hon. Wilbur D. Mills,
"*Chairman, House Ways and Means Committee, Longworth House Office Bldg., Washington, D.C.*

"Dear Mr. Chairman:

As you are well aware, each passing day brings additional news of the tragic effects rampant inflation is having on our economy and our people. This inflation, of course, is fueled in large part by continued spending by the federal government.

"For a number of years I have introduced a bill, H.R. 144, which would require the federal government to live within its means, to limit its spending to its income and to make orderly and systematic payments to reduce the national debt.

"Passage of this legislation would be the first, essential step on the road back to fiscal stability for the United States, and I urge you most strongly to hold hearings on H.R. 144 at the earliest possible moment.

Sincerely,

H. R. Gross."

Like television's Maytag repairman; Rep. H. R. Gross (R., Iowa) used to be the loneliest party in town. Since January 1959, when the 86th Congress convened, he has regularly dropped into the hopper H.R. 144 (twelve dozen, or 144, of anything is a gross), a Bill "to provide that Federal expenditures shall not exceed Federal revenues, except in time of war or grave national emergency, and to provide for systematic reduction of the public debt." At each session, the Bill was referred to the Committee on Ways and Means, where it invariably died. Despite the eloquent plea to the Chairman (dated July 12, 1974, and cited above), H.R. 144 isn't about to become the law of the land; however, in his perennial quest for federal economy and good husbandry, Congressman Gross has finally evoked some response.

Last week GOP Senators Carl T. Curtis (Neb.), Clifford P. Hansen (Wyo.) and James A. McClure (Idaho) issued a call for "courageous and drastic action," including a 10% slash in legislators' salaries and a $10 billion cut in the federal budget. On the same day, the Honorable Wilbur D. Mills (D., Ark.), abruptly awakening to the "very serious inflationary crisis" for which he and his colleagues are partly to blame, sent a wire urging the White House to veto excessive expenditures, or, if necessary, to impound the proceeds. Last month both House and Senate, by overwhelming majorities (75–0 in the upper chamber), approved the Congressional Budget and Impoundment Control Act of 1974, whereby the lawmakers, for the first time in generations, hope to regain their long-lost power of the purse.

One can only say, high time. While the voters' attention has been focused on Watergate, and Congress on occasion has made abortive stabs at tax reform, the cost of government has been getting wildly out of hand. Under an allegedly Republican Administration, the U.S. in the past five fiscal years has gone from a $200 billion budget (on the socalled unified basis, which includes the operations of various trust funds) to the $304 billion which the White House last winter submitted for the current fiscal year. During this period, aggregate federal deficits have topped the $125 billion mark, while the public debt is approaching half a trillion dollars. Pending legislation, notably proposals for national health insurance and subsidized mass transit, would add many billions more to the spreading sea of red ink.

Yet by any yardstick, philosophical and

practical alike, the pendulum long since should have swung the other way. On the first count, while expenditures on welfare, for example, have increased geometrically, the number of the nation's poor has declined. Even as federal spending continues to rise by leaps and bounds, confidence in Washington's ability to solve problems "by throwing money at them"—and, not incidentally, in Congress itself—has sunk to perhaps its lowest ebb since the New Deal. As to principle, we are inclined to believe that even in the palmiest days, many if not most federal programs constitute an unnecessary and unwarranted burden on the nation's taxpayers. Today—when even the well-to-do find it harder and harder to make ends meet, and the average breadwinner, strive as he may, financially is falling further behind month by inflation-ravaged month—the swollen budget adds injury to insult. When everyone is feeling the pinch it's surely no time for government to wax expansive.

However, expand it has—and never more so under an Administration which ran on a platform pledged to reverse the trend. From $196.6 billion in the 12 months ended June 30, 1970, U.S. outlays have soared to the $304.4 billion originally sought for the current fiscal year. Including an estimated $18 billion for fiscal '75, now four weeks old, the accumulated deficit for the six fiscal years, measured by the impact on the public debt. will exceed $130 billion, roughly one quarter of the total put on the books since the founding of the Republic. From an annual rate of 7.3% in 1960–65, federal civilian outlays per capita in recent years have been rising at an annual rate of 15.2%. Moreover, spending has outpaced population and inflation alike; adjusted for both factors, the yearly advance has leaped from 4% to 9%.

Some increases are mind-boggling. To illustrate, the Food Stamp Act, which "aims at making more effective use of our abundance of food and at providing additional nutrition to those in need," began in 1965 with an appropriation of $34.3 million. Last fiscal year, such outlays ran to an estimated $2.5 billion, and this year to nearly $4 billion. In the past decade federal welfare spending as a whole has surged from under $24 billion, to an estimated $113 billion. Meanwhile, the number of needy has fallen sharply. According to the latest Annual Report of the President's Council of Economic Advisers, the number of poor Americans dropped from 39.5 million in 1959 to 24.5 million in 1972. And, of course, along with inflation, the U.S. has experienced a record-breaking surge in production and trade, during which unemployment has remained low and jobs perennially have gone begging.

Such lavish outpouring, it now seems clear, has done more harm than good. Two years ago the far-from-conservative Brookings Institution concluded that when it comes to solving social problems in poverty, health, education and the environment, "the history of the 'Sixties makes clear that current federal approaches are not effective." Everything that has happened since—the waste of millions of dollars on a useless "people mover," demolition of the world's largest public housing project, sale of hundreds of millions of subsidized bushels of wheat to the Soviet Union, unleashing of the worst domestic inflation in a century—only tends to reinforce the dim view.

Small wonder that the legislative branch of government, to judge by a widely quoted survey of public opinion, rates lower than the Executive with the voters. Or that some lawmakers belatedly are voicing alarm. In his telegram last week, Wilbur Mills urged the White House to demand that Congress cut $10 billion out of the $304 billion budget. If Congress refuses to cooperate, added the lawmaker, the President should impound that sum of money. "The people are beginning to panic," he went on. "We're in a very serious crisis." However, other solons—notably Senator Humphrey (D., Minn.) and Speaker of the House Carl Albert (D., Okla.)—are still doing business at the same old doctrinaire stand. Budget deficits and federal spending, said the former the other day, have little or nothing to do with inflation, which, in his opinion, is caused by "energy and commodity shortages, our changing international financial position, and the continued existence of monopoly and oligopoly power in our economy." Not to mention the economic illiterates who govern our destinies.

Wiser heads—especially if pointed the right way by an aroused electorate—may yet prevail. If so, at least a start may be made toward economy. In a study released today, the Council of State Chambers of Commerce, citing as a precedent the Revenue and Expenditure Control Act of 1968, which effectively cut both budgeted expenditures and new obligational authority by $6–$10 billion, urges a re-run. For the longer haul, an analysis prepared for Treasury Secretary William Simon shows how Congress, given the will, can slash outlays by upwards of $25 billion. For years and years, Congress and its "fiscal constituencies" have sought to avoid the inevitable day of reckoning. They won't succeed forever.—ROBERT M. BLEIBERG.

NAVY RESCUES AMERICANS IN DANGER

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. WHITEHURST. Mr. Speaker, I want to express my pride and my gratitude to the men and women of the 6th Fleet who particicipated in the rescue and evacuation efforts during the recent fighting on Cyprus. I have the honor of representing the homeport of many of these brave sailors and marines.

I would also state, Mr. Speaker, that I was absolutely shocked to learn of the remarks of a Member of the other body who questioned the right of the President to send a limited number of American military personnel ashore to direct the evacuation effort. To connect these humanitarian efforts with the limitations on Presidential war powers is not only spurious, it is ludicrous. The lives of 500 American citizens cannot and must not be placed in jeopardy by such considerations.

The recent situation in Cyprus has again emphasized that necessity for having our military forces strategically deployed so that they may respond rapidly to emergencies. The swift and skillful actions of the U.S. 6th Fleet were instrumental in preventing possible loss of American life, as well as contributing to the stability of a volatile international situation.

Shortly after the American Ambassador requested evacuation of American civilians, Secretary of Defense Schlesinger directed a Navy task force to speed to the area.

On the afternoon of July 22, 1974, Marine helicopters from the U.S. 6th Fleet amphibious helicopter carrier U.S.S. *Inchon* began evacuating American citizens from the British Sovereign Base at Dhekelia in southern Cyprus.

Evacuees were flown to a five-ship U.S. Navy amphibious group composed of the U.S.S. *Inchon*; the assault ships U.S.S. *Coronado*, U.S.S. *Trenton*, U.S.S. *Spiegel Grove* and the amphibious tank-landing ship U.S.S. *Saginaw*.

By the end of the evacuation cycle, almost 500 American citizens and about 250 foreign nationals from 24 countries were embarked aboard these 6th Fleet ships.

Following initial evacuation at Dhekelia, the U.S.S. *Trenton*, along with ships and helicopters from the Royal Navy, British, proceeded on July 24 to Akrotiri Bay, Cyprus. There, some 200 persons were transported from the British ship H.M.S. *Hermes* to the U.S.S. *Trenton* in landing craft buffeted by rough seas and high winds.

Sailors and marines from 6th Fleet ships assisted the arriving evacuees, arranged sleeping accommodations in the ship's living spaces, and helped acclimate them to shipboard life during their overnight voyage to Beirut. Numerous first person accounts of the care and hospitality extended during the transits to Beirut have appeared in print.

During evacuation and transit to Lebanon, additional ships of the 6th Fleet stood by in international waters in the area, should the need for further evacuation have arisen.

Arriving in Beirut, *Coronado* and *Trenton* were met by diplomatic officials who processed the disembarked evacuees and arranged onward transportation. The American Ambassador in Beirut, G. McMurtrie Godley, sent the following message to Capt. E. N. Fenno, the commanding officer of the U.S.S. *Coronado:*

> Hearty well-done to you and officers and men of *Coronado* for evacuation of civilians from Cyprus. Debarkation went off without a hitch, thanks to outstanding cooperation and first rate professional planning.

I think that all of my colleagues will join me in extending a "well done" to the officers and men of these ships and aircraft as well as the rest of the Defense Department. This kind of readiness and superb professional ability continues to be vital to U.S. interests when peace and humanity are threatened. We should not overlook the dedication of these servicemen nor become complacent about their availability.

PERSONAL EXPLANATION

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. DENNIS. Mr. Speaker, due to a longstanding engagement in the city of Muncie, Ind., in my congressional district, and to the unpredictably extensive debate on the Surface Mining and Reclamation Act, H.R. 11500, I was unavoidably absent Thursday, July 25, on rollcall vote 410, on final passage of H.R. 11500. Had I been present I would have voted "aye," as I did on a previous bill to regulate strip mining which passed the House a year or two ago.

While this measure may not be the most desirable, and there was room for considerable improvement, as witnessed by the many amendments offered during the 5 days of debate on the measure—we all recognize the urgent need for reclaiming our mined lands, and, on balance, I hope and believe this legislation—as ultimately passed by the House—does represent a workable compromise between the economic and environmental interests, both of which are of very fundamental importance.

NETWORK BIAS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HUBER. Mr. Speaker, Mr. Anthony Harrigan, executive vice president of the U.S. Industrial Council, recently wrote a very penetrating column entitled "Network Bias," which I believe hits the nail on the head. In it he points out that on any national network program that purports to broadly survey some subject, spokesmen from the liberal to left side of the philosophical spectrum are always included in abundant numbers while the conservative side of the issue is usually not represented or represented by one person as a "token" of fairness. This, in spite of the fact that more and more persons in the United States consider themselves to be conservatives, according to the polls. The article follows:

NETWORK BIAS

The role of the television networks as instruments of establishment liberalism continues to trouble many thoughtful Americans. The networks deny that their programs are slanted. But all their actions reveal that they are interested in presenting only one view—the liberal view—of American life.

A case in point is "The American Challenge," a weekend special on CBS Network earlier this summer. The program purported to offer listeners insight into where the country is going and what are our next frontiers. In an advertisement placed in newsmagazines, CBS said it was broadcasting 39 reports by an "impressive array of thinkers and doers."

It was an impressive array of liberal thinkers and doers. But where were the conservative thinkers and doers? Where was the balance in presentation that should have been offered by the network? The balance simply wasn't there. Only one well-known conservative thinker—William F. Buckley Jr.—was included in the list, as a form of liberal tokenism.

The listening audience heard about America's future from Profs. John Kenneth Galbraith and Paul Samuelson of Harvard, former Johnson administration staffers Richard Goodwin, George Reedy and Bill Moyers, former Sen. Eugene McCarthy, women's liberationist Gloria Steinem, former Socialist Party Chairman Michael Harrington, and a variety of liberal critics of American society, including Margaret Mead, Robert Hutchins, Barry Commoner, Nat Hentoff and Dwight Macdonald. If ever there was a one-sided forum, this was it.

These voices should be heard, but their critics also should be heard. It is inexcusable and intolerable that only the spokesman of liberal elitism should have a hearing on network programs.

Well, someone may say: who should have been on the program to give balance? It would have been the simplest matter for CBS to include a representative group of thinkers and doers who believe in our economic system and in the general structure and objectives of our society—for example, economists Milton Friedman and Henry Manne, essayist Russell Kirk, columnist Stanton Evans, national legislators such as Rep. Philip Crane and Sen. Jesse Helms, and such scholars and commentators as Thomas Molnar, George Roche, Stefan Possony, and R. Emmett Tyrrell Jr.

Why didn't CBS include conservatives of this caliber to balance the liberals and radicals? Why are conservatives systematically excluded from major media events? The answer is that the major media, such as CBS, are determined that the public not receive an in-depth, balanced understanding of national issues. Though fairness is supposed to be built into network programming, the fact is that fairness is almost wholly absent.

One wonders when a really large part of the public will realize that it is being spoon-fed liberal-left views and denied access to other significant views and vital facts. The networks, for example, have functioned as lobbyists for a single point of view—a single conception of America.

Given the fact that the air waves belong to the public, it is outrageous that the electronic media should be characterized by such sustained, systematic bias in the presentation of public issues. In allowing this condition to exist year after year, without making any attempt to require the networks to develop balance in news and commentary, the Federal Communications Commission is betraying its duty to the American people.

SYRIA'S OPPRESSED JEWS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BIAGGI. Mr. Speaker, the systematic persecution of the venerable Jewish community in Syria has been a matter of international concern for some years. The timeliness of the Jewish holy day of Tisha B'aV, this year marked on July 28, commemorating the destruction of both Temples in Jerusalem thousands of years ago, makes more poignant the tragic plight of Syrian Jewry.

Most recently, the outrages were highlighted by the barbaric rape and murder of four young Jewish women found near the Syrian-Lebanese border several months ago. As a result of an international call for action, the Syrian Government arrested four people described by Syrian Minister of Interior Ali Zaza as "assassins, robbers, and smugglers" who allegedly confessed to the crime under interrogation. It has been since learned that two of the accused murderers are prominent leaders of the decimated Syrian Jewish community, one of whom is even a brother-in-law of one of the murdered women.

In view of the past record of harassment and persecution of Syria's Jews, one does not find too surprising Syria's condemnation of two major figures of the Jewish community for Syria's own murder of Jewish women.

The secret trial of these two Syrian Jews is now in progress. Regardless of the trumped up charges which these two prominent Jews are accused of, it is the duty of free men to speak out against this outrage. The need to raise our voices against these acts is all the more poignant in the Tisha B'aV season which marks the destruction of ancient Jerusalem. I urge deep censure against these atrocities.

OUR VETERANS MUST BE PROTECTED

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. LEHMAN. Mr. Speaker, today the Subcommittee on Compensation and Pension of the Veterans' Affairs Committee, chaired by our distinguished colleague from Texas, held its first day of hearings on legislation in two areas that is of vital interest to our veterans. The first bill, H.R. 1753, would prevent the loss of veterans' benefits when social security benefits are increased. The second bill, H.R. 13977, would provide the veterans of World War I with a pension on the same basis as the veterans of the Spanish-American War.

As a cosponsor of both bills, I was pleased to submit to the subcommittee my statement of full support, and am inserting below my testimony:

STATEMENT OF THE HON. WILLIAM LEHMAN

Mr. Chairman and members of the subcommittee: I am pleased to have this opportunity to share with you my thoughts on the issue of non-service-connected pensions for our veterans.

I have co-sponsored H.R. 1753 which would protect our veterans from having their pensions reduced because of social security increases. As it happens, every time social security benefits are increased, hundreds of thousands of veterans stand to have their pensions reduced, or to even be dropped from the rolls. And every time this occurs, these veterans look to the Congress as their only source of relief. I realize, as we all do, that these pensions are not considered compensation for military service. Rather, they are an income supplement based on need, and every time a veteran exceeds the established income limitation of $2,600 for an individual, or $3,800 for a veteran with dependents or family, he stands to lose his VA pension.

Our veterans cannot view our action here in Congress as part of the grand (or not so great scheme) of things that we do; he only sees the laws giving with one hand and taking back with the other. And at a time when rampant inflation threatens even our working citizens with middle incomes, the effects on our elderly with fixed incomes can truly be tragic.

If our veterans living on a fixed, marginal income are to be able to meet their daily living expenses, they must receive the full value of all cost-of-living increases legislated by Congress.

You can be certain that these veterans never had a wavering thought about defending our country in times of war. They were ready to assist in any way, to give everything they had to preserve the freedom and democracy of America. Now when these same men need our assistance we cannot let them down. We must preserve the dignity and security of our veterans by our prompt action on this legislation. The assurance of a more secure pension is a small price to pay for the loyalty and courage these men displayed when our nation called.

I would also like to reiterate my affirmative stand on H.R. 13977, legislation I cosponsored which would entitle World War I veterans and their widows to a pension on the same basis as veterans of the Spanish-American War. Spanish-American veterans received this reduction-free pension only twenty-two years after the end of *their* war. World War II, Korean and Vietnam veterans were entitled to GI bill benefits, training benefits, employment assistance, educational assistance, and home loans.

The Veterans Administration was not even in existence when our veterans came home from World War I, and we have never really made it up to them. Over 4.8 million men served in World War I, but only just over one million are alive today. These men know how tough life was for them. They had no veterans orgnization to help them again reenter the changed society. Many of them had to struggle all their lives to make up for the lost time, money and opportunities that they missed by serving their country. The Great Depression which followed a few years later made things all that much more difficult.

For many of them, life has never gotten any easier. Many of these veterans are living in dire poverty, I am sorry to say. We all know that our Veteran's pension program was devised to recognize our obligation to the war veteran population. I really think, given what these brave men missed, we owe them a reduction-free pension so they may live out their later days in a bit more financial comfort.

It is my sincere hope that we pass this legislation as soon as possible. These men need our assistance while they can still use it. It is the least we can do.

MIZELL POSITION ON IMPEACHMENT

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MIZELL. Mr. Speaker, today I have issued a statement of position in regard to the concluded impeachment proceedings of the Committee on Judiciary. I would like to insert my statement at this time in the RECORD:

STATEMENT

The recommendation by the Committee on the Judiciary did not come as unexpected. Another step in our constitutionally provided procedure of impeachment is now completed.

Until I reach a conclusion on the evidence of these recommendations, it is imprudent of me to address the question of impeaching the President. I am well aware of my serious responsibility in these proceedings, and I am attempting to study all that is relevant to the articles as reported by the committee.

At the appropriate time, I will be prepared to perform my constitutional duty and responsibility in the impeachment procedure.

When I make my decision, it will not be a political decision, it will not be a partisan decision, and it will not be a politically expedient decision. It will be based on the facts on hand at the time.

This is a grave and serious question that is now before the House of Representatives and the American people, and it is my hope that we work responsibly and expeditiously in order that the other serious questions that now face the American people shall not be neglected.

CAMPAIGN FINANCING REFORM

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. GREEN of Pennsylvania. Mr. Speaker, the House Administration Committee yesterday reported a comprehensive campaign financing reform bill (H.R. 16090). It is essential that this measure be passed into law during this session of Congress.

H.R. 16090 provides for strict limits on private contributions, spending limits for candidates, total public financing of Presidential elections, a $100 limit on cash contributions, and a board of supervisory officers to oversee and administer the law. I strongly urge my colleagues to support this vital legislation when it comes to the floor of the House. I also urge support for amendments that will strengthen the oversight commission, and provide for public financing of congressional elections.

Iwould like to take this opportunity to commend the Philadelphia Evening Bulletin and the Philadelphia Inquirer for their frequent editorial calls for campaign financing reform. These two newspapers have been out front on the issue of election reform for many months.

The tireless efforts of the news media have uncovered many of the abuses of existing campaign financing laws that might otherwise never have come to light. The persistent efforts of the Inquirer, the Bulletin, and newspapers around the country on their editorial pages to encourage congressional action on campaign financing reform has helped considerably in bringing the issue to the floor of the House.

Following is a sample of some of the editorials that have appeared in the Bulletin and the Inquirer over the last year:

[From the Philadelphia Sunday Bulletin, Nov. 25, 1973]

NEW "FUEL" FOR CAMPAIGNS

Whether or not all the Watergate "bombshells" have exploded, there's no reason why Congress can't begin cleaning up some of the debris.

An excellent place to concentrate—but understandably, an unpopular one for many incumbent legislators—would be campaign financing practices. No doubt, legislators seeking reelection don't want to make that task any harder; however, since congressional elections are less than a year away, there's no better time for a serious reform effort to begin.

Funding abuses connected with the 1972 Presidential election have, naturally, attracted most of the headline space. The problem of unethical or illegal campaign contributions for favors sought or rendered, unfortunately, is far-reaching.

Last year's campaign records show, for instance, that an independent group called the Builders Action Committee contributed more than $16,000 to 40 congressional candidates, many of whom were members of Senate and House Committees involved with housing legislation. The directors of the builder group are members of the powerful National Association of Home Builders.

A former aide of Senate Watergate investigator Edward J. Gurney (R-Fla) has testified that he collected for the senator a secret fund of some $300,000 from Florida builders who had contracts with the Federal Housing Administration.

A study of last year's congressional campaign funding, released earlier this year, found that incumbents attracted more campaign money than challengers, that the candidate who spent the most money usually won and that large contributions were vital to candidates' success.

It would seem that the need for a system—such as public funding of election campaigns—that would either eliminate or drastically reduce the necessity as well as the possibility of blatant influence seeking and peddling would, by now, have been firmly established.

The message appears to be getting across in the Senate, where nine senators, including Sens. Hugh Scott and Richard S. Schweiker of Pennsylvania, are pushing a compromise on public funding bills as an amendment to the almost certain-to-be passed debt ceiling bill. It would provide public funds for Senate and House general elections and for presidential primaries.

Delaware's freshman Democratic Senator Joseph Biden said the current system "rips off" politicians as well as the public. He offered the following description: "You know what you've got to do to raise money. And it's the most degrading damn thing in the world. . . We know we've got to go out with our hat in our hand. . . whether it be a labor union, or whether it be to big business interests."

Meanwhile, it seems that public financing and other reforms such as limits on campaign expenditures and contributions, which were approved by the Senate in July, face an uphill, perilous road in the House. There, Rep. Wayne Hays (D-Ohio), chairman of the House Administration Committee and also chairman of the Democratic Congressional Campaign Committee, has no desire to make the job of getting reelected any tougher.

The voter turnout in the last local elections indicates that public confidence in the political system has sunk to new lows. A thorough reform of the campaign financing system could do a lot to lessen the public's doubt about the system and to improve its showing in the polls.

[From the Philadelphia Inquirer, Dec. 5, 1973]

CAMPAIGN SPENDING REFORM MUST MOVE FORWARD SWIFTLY

The attempt to make Presidential campaign financing a public matter was defeated Monday in the Senate. That defeat should surprise no one inured to the natural conservatism of elected officials concerning their own access to power.

Revolution is not to be undertaken casually. It cannot be disputed that the proposal to finance Presidential campaigning virtually entirely from tax funds is just that: a radical change in one of the most fundamental mechanisms of American politics.

But we believe it is a revolution long overdue. And we believe that the wisdom and necessity of the revolution is the most obvious and redundant lesson of the scandals that have been tearing at this nation's political heart for a year and more.

It was the need for money, in huge quantity, that corrupted the 1972 electoral process beyond the grimmest, most cynical limits of previous imagination.

Certainly, that dollar-lust derived from the appetite for power that motivates all political hopefuls, for better or worse. But it was the process of raising 60 million dollars for the re-election of Mr. Nixon that accounted for the most despicable crimes, and created the mood that led to other violations of both law and common decency that have driven the Nixon Administration to its present sad and battered state.

Money flowed in to the Committee to Re-Elect the President from thousands of sources, much of it shoddily, much of it in outright defiance of the law. Many of the contributors, practical men in a tough world, rightly or not could not distinguish between contribution and bribe. As George Spater, board chairman of American Airlines, explained his own firm's illegal contributions, they were made "in fear of what could happen if (they) were not given."

Altogether, an estimated $500 million went into political campaigns in 1972. Raising and spending, and accounting for the contributions of, money in those proportions produces pressures on public servants that can only worsen unless the public-funding revolution is brought to pass.

In failing to cut off the filibuster Monday, the Congressional supporters of the first vital step in that revolution were thwarted, even though the practical possibility they were pressing for would have affected only Presidential campaigns, with Congressional campaign financing still to be dealt with.

There is considerable wisdom in exposing the Congressional campaign funding question to further examination—not because the principle is not sound, but because there are dangers of very substantial and unfair imbalances in any transitional approach. High among these is the enormous campaign-funding power of labor unions—which unlike corporations are now allowed to support candidates with little limitation.

That labor money is far too potent a force to be left unregulated and unlimited. The reform principle could greatly add to the power it represents, and thus to the influence of a small group of labor leaders with very specific political interests.

But that disbalance can be overcome, we are confident, with reasonable accommodation within the House and Senate.

Senate Minority Leader Hugh Scott deserves great credit in pressing for the unsuccessful reform despite heavy White House pressure. Working with Majority Leader Mike Mansfield he gained promise that a full campaign-spending reform bill will be reported out by the Rules Committee within 30 days of Congress's reconvening in January. That promise must be kept, and no time should be lost in fashioning it into law.

[From the Philadelphia Inquirer, Aug. 1, 1973]

CAMPAIGN SPENDING REFORM MUST NOT BE DELAYED

The United States Senate has passed a campaign spending bill that goes far and commendably beyond all previous restrictions on the acquisition, use and accounting of money for political purposes. The House should move swiftly, more swiftly than its leaders indicate are present plans, to pass it and send it to President Nixon for signature.

The nation's attention is on the subject these days. For although money is not the only root of what John Mitchell calls the White House Horrors, it is a main stem. And loose, unenforced or unenforceable restraints were, it becomes increasingly clear daily, a major nourishment.

The Senate bill is complex and it is strong. It would, most importantly, establish a seven-member Federal Election Commission, with regulatory and prosecutive powers. That role has previously fallen to the U.S. Department of Justice, which, under the last three Presidents at least, has been the most political of all cabinet agencies. Justice Department zeal and detachment in the area has been minimal and suspect.

The bill, at the moment it was signed, would also establish, with stern criminal sanctions, limits on the amounts of money any single contributor could give any and all candidates, and upon the amount that could be spent by any candidate in pursuit of any Federal office.

More important than the limits, perhaps, would be the section of the bill that would make it a crime to give or receive a cash contribution of more than $50, and to fail to disclose all gifts of $100 or more by amount, name, address and occupation of the donor.

Sen. Howard H. Baker, vice chairman of the committee that is now laboring over the story of American campaign corruption and criminality in 1972, caused something of a stir on the Senate floor by declining to vote either for or against the new campaign spending bill. His point was that it probably does not go far enough, and that much is being learned, and more will be, in the course of the committee's work.

His points are valid. But his reservation of support for the bill was misplaced.

Far off as the 1974 elections may appear, candidates are raising campaign funds for them at this moment. And every day that passes without erecting, staffing and amply funding an independent campaign policing commission is a day that invites further finagling.

Those represent immediate and important needs, which should be satisfied with a minimum of delay—weeks, not months. The Senate Select Committee's report will not come before next February, and at the present rate of progress may be delayed long after that.

In the fullness of that time, even more significant reforms must be considered, including the attractive but radical proposal that campaign funds be taken out of the hands and influences of private donors altogether.

Meanwhile, the American political atmosphere needs quick cleansing, lest the present public dismay be turned to public cynicism.

[From the Philadelphia Evening Bulletin, Aug. 27, 1973]

ENDING ELECTION ABUSES

Both the value and the weaknesses of the 1971 Federal Election Campaign Act are dramatically revealed in the General Accounting Office's voluminous report on political contributions during 1972.

That GAO report, published last week, lists over 70,000 persons who gave or lent some $79.1 million to the presidential candidates after April 7, 1972 (when the 1971 law went into effect). The estimated total for the full year is about $100 million, of which about two-thirds went to President Nixon's campaign.

Knowing who gave how much, while enlightening, is obviously only part of the task of curbing U.S. campaign excesses.

And the problem now is setting a reasonable limit on spending, considering inflation, that won't play into the hands of incumbents; also to clamp down on individual contributions, some of which, as the GAO report reveals, have been astronomical.

Beyond all this is the problem of enforcement. While the GAO has done yeoman service in detailing all the whos and whats of 1972 giving, it is forced to rely on the Justice Department for prosecuting infractions of the law. And the Justice Department is, of course, always somewhat beholden to the incumbent administration.

With Watergate's abuses in mind, the Senate passed, on July 30, tighter campaign financing legislation. Now the questions are: Can it pass the House? Does it set the proper limits on spending and contributions?

There is no answering the first question until reformers try.

As for the limits—on spending, the maximum would be 25 cents per voting age constituent, or about $35 million each party could spend on a presidential race; on contributions, the most any person could give to any candidate would be $3,000 per election, and $25,000 to all candidates for all elections each year.

To eliminate abuses such as those alleged against the Committee to Reelect the President, every expenditure over $1,000 for President would have to be approved by the national committee of the candidate's party.

By far the most needed provision in the Senate bill is one to create a bipartisan and independent Federal Elections Commission with power to subpena, prosecute and fine violators. There should be no hesitancy in enacting this provision in time to be effective for next year's congressional races.

The proposed limits on spending and contributions are tied to the question as to whether there should be public (tax) funds made available to political campaigners.

Certainly, both spending and contributions have been getting out of hand. The GAO report shows the need for curbing campaign excesses, but unless the ceilings are realistic, they may do more harm than good.

[From the Philadelphia Evening Bulletin, Apr. 18, 1974]

FORCING CAMPAIGN REFORM

Although reform-minded members of the U.S. Senate managed to push through a wide-ranging campaign spending reform bill when the legislation appeared to be doomed, final enactment of true reform legislation this session is doubtful.

The bill, passed by the Senate, which applies to presidential and congressional elections, would limit contributions and expenditures, establish an election commission with prosecutory powers and provide for the use of public funds in both primary and general elections.

In spite of the clear need and increasing public demand for such reform, the issue has languished in the House. Representative Wayne Hays, chairman of the House Administration Committee, which has jurisdiction over campaign reform legislation, is also chairman of the Democratic Congressional Campaign Committee. A staunch opponent of public campaign financing, Mr. Hays has kept reform legislation bottled up in committee for nearly sixteen months.

While the Democratic congressional leadership has been quick to exploit Watergate to its fullest political advantage, it has been noticeably silent on the reform question. Cashing in on Watergate is understandable; not to do so would be unlikely. But, missing the point of Watergate and permitting the same abuses to flourish seems equally cynical and indefensible.

The Senate bill undoubtedly asks a lot in the way of reform. In the light of Watergate and related disclosures, however, arguments that it proposes too much change don't hold. Public demand for sweeping reform including some form of public financing is strong. The mandate cannot be ignored.

A number of lawmakers such as Mr. Hays, who wield considerable power and are comfortable with the present system, are obviously determined to have their way. That powerful minority should not be allowed to succeed merely because they are willing to take the political heat.

The House leadership should force the reform issue promptly and see to it that the legislation contains the basic provisions in the Senate bill. And House members should approve the measure by such a wide margin that President Nixon has no justification for vetoing it.

[From the Philadelphia Inquirer, July 8, 1974]

CAMPAIGN SPENDING REFORM MUST NOT DIE IN THE HOUSE

Congress now is returning from the Fourth of July recess, during which its members have almost unanimously celebrated the joys and traditions of American democracy. Its members—or those in the House anyway—will almost immediately face a challenge which will draw the line between those whose conception of democracy is merely clambake oratory and those who want to make it work democratically.

The issue that will divide them is campaign funding reform.

Few things in the public process are simple, and the financing of politics, its evils and its strengths, is no exception. But it is hard to imagine that two years after the Watergate break-in there can be many right-minded people in the United States who are not appalled by what lay as its root cause: a political financing system that invites big-money perversion.

The Senate has responded well. On April 11 it passed a bill that offers immensely constructive therapy for those ills. It would, most importantly, establish an independent campaign spending enforcement agency and set up long-overdue public funding of election expenses, including matching grant arrangements for Congressional candidates. It would set ceilings on the size of individual contributions and over-all limits on spending by any candidate.

The House meanwhile has stood by its tradition on such reforms—one of delaying when possible and emasculating when delay fails. The House Administration Committee, under the chairmanship of Democratic Representative Wayne Hays of Ohio, has produced a bill which will go to the House floor this week. It makes mockery of the Senate's efforts and the national needs.

The Hays bill was analyzed by Common Cause, the public interest lobby that has been a pre-eminent campaign-reform force. Its conclusion:

"The House Committee's bill is a grossly inadequate response to the money-in-politics scandals that have been the underpinning of the Watergate story. The loophole-ridden proposal virtually ignores the growing public demand for true reform of American political campaign financing."

Those are strong terms. But they could be stronger, for if the committee's bill should be passed under the guise of a real reform, it could cripple the chances of any actual improvement.

An impressive number of Congressmen are as appalled by the Hays committee's bill as is Common Cause—and ourselves. A number of them have promised efforts to amend into the bill, on the House floor, the main principles and the teeth that the Senate wisely approved.

Those efforts deserve the support of everyone who shares with us the conclusion that American politics is being intolerably corrupted by legislation-through-contribution. Every member of the House this autumn faces re-election or retirement. How each Congressman stands on the campaign-reform issue could very well decide which it is to be for him.

STATEMENT OF LEN B. JORDAN

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. SYMMS. Mr. Speaker, on July 15 the House Parks and Recreation Subcommittee took testimony on the future management of an important area of my State, Idaho's famed Hells Canyon. At that time, it was not possible that my distinguished friend and adviser, former U.S. Senator Len B. Jordan, be present to explain the concept he had proposed for Middle Snake management back in 1968.

Earlier this month, he submitted a written statement to Chairman TAYLOR which I believe demonstrates wisdom and responsibility in the management of our natural resources. I insert it in the RECORD at this point:

STATEMENT OF LEN B. JORDAN OF BOISE, IDAHO

I wish to be recorded as supporting Congressman Symms' bill for a four year moratorium on the construction of dams on the Middle Snake River.

To identify myself for the record, my name is Len B. Jordan. Except for time away in government service, I have spent my entire life in close proximity to the Middle Snake. I grew up at Enterprise, Oregon, attended public schools there, graduated from the University of Oregon in 1923, moved to Idaho in 1932. I spent 12 years on the Middle Snake—one year on the Lower Imnaha in Oregon and 11 years as owner of an Idaho ranch at the head of navigation on the Middle Snake below Hells Canyon. My knowledge of the area covers a period of more than 50 years.

Since disposing of our Middle Snake ranch in 1943, I have spent many years in public service: Idaho State Legislator, Governor of Idaho, 1951–55; Chairman, U. S. Section of International Joint Commission—1955–58. Working out details with Canada for the joint development of the St. Lawrence Seaway and Power project and the Columbia Treaty.

I served in the U.S. Senate from August, 1962 to January 3, 1973 when I retired. During all of my Senate years I served on the Committee on Interior and Insular Affairs. I also served on the Committee on Finance and the Joint Economic Committee. I served also on the Public Land Law Review Commission.

My support for the Symms moratorium bill is consistent with my Senate record. Two similar bills, S. 940 in the 91st Session and S. 488 in the 92nd Session both passed the Senate but were not acted upon in the House of Representatives.

On February 1, 1971 I said on the floor of the Senate:

"Mr. JORDAN of Idaho. Mr. President, I introduce today, for appropriate reference, on behalf of myself and my distinguished colleague, Senator Church of Idaho, a bill which will declare a moratorium on the granting of a Federal Power Commission license for any dam on the Middle Snake River, between the existing Hells Canyon Dam and the authorized Asotin Dam. The moratorium would extend to September 30, 1978, a date which marks the termination of an existing 10-year statutory moratorium on reconnaissance studies to augment the surface water supplies of the Colorado River Basin from outside that basin.

"This bill is an updated version of S. 940, also co-sponsored by the Idaho Senators, which was approved without opposition by the Senate last May 15. The Senate-approved bill was referred to the House Committee on Interstate and Foreign Commerce, where it remained without further action when the 91st Congress ended.

"Our colleague, Representative Orval Hansen of Idaho's Second Congressional District, is introducing a companion bill in the House.

"Mr. President, this bill is designed purely and simply to keep open the options for the development of Idaho's limited future water supplies in the Snake River, the State's major source of surface water.

"The time scope of this bill with the remainder of the 10-year moratorium on interbasin water diversion planning incorporated in the Colorado River Basin Act of 1968 is not a mere coincidence. The planning moratorium was inserted in the Colorado River bill at the insistence of the Members of Congress from the Pacific Northwest who had become concerned at talk of diverting the Columbia River or its Snake River tributary to the water-short Pacific Southwest.

"This diversion scare promoted needed interest on the part of my State in its future requirements for water and the means to protect the sources of this needed water. As a result, the State of Idaho established a water resources board and immediately embarked upon a series of studies which will result in formulation of our first State water plan. These multiple planning studies will not be completed until the mid-1970's—another reason for the 7-year moratorium time span.

"Mr. President, I shall conclude with the observations I made 2 years ago when I introduced the predecessor bill, S. 940:

" 'Idaho is now at a water supply crossroads. The stakes are high. Within 7 years we must decide which direction to take, whether it be toward achieving our high reclamation potential by full development of the Middle Snake or to maintain an open river. We do not have to make this decision now. Nor do we wish to be forced into a decision by others who are motivated by the single purpose, power. Bear in mind, there are many sources of power, including nuclear or fossil fuel generation, but the one essential element in making the desert bloom is water.

" 'In Idaho we have a double loyalty in our great love for our vast forests, mountain meadows, open ranges, lakes, and streams. We are determined to protect our great wildlife and recreation resources and we are equally determined to utilize the natural resources of these areas to help us grow and develop fully our industrial and agricultural potential. I believe that these objectives are not incompatible and I hope that Congress will help us reach these objectives by granting a moratorium against further development until our studies have been completed.' "

To those who are not familiar with the area, the name "Hells Canyon" is a vague but exciting place. Many people confuse the ranching area along the navigable portion of the Middle Snake as Hells Canyon. Having spent twelve years living in this area we speak with some degree of accuracy. In her book "Home Below Hell's Canyon" Grace Jordan took care to emphasize that the ranching area where we lived was many miles below the true Hell's Canyon, described as the deepest canyon in North America. That area lies roughly between the end of navigation upstream from Lewiston and the end of navigation downstream from Weiser. This distance of roughly twenty-five river miles is indeed spectacular. No trails, no habitation, walls rising abruptly from the river to the Seven Devils on the Idaho side to the Wallowa Mountains on the Oregon side. That is Hells Canyon, impenetrable except by downstream floating—remote, inaccessible. No matter how you label it the gorge of the Hells Canyon proper is destined to remain unchanged unless it becomes the backwater of a high dam downstream on the Middle Snake.

The ranching area where present interest is focused is not much different than any number of western ranch areas. It is very similar to the Riggins-Whitebird area of the Salmon River. It is accessible by roads, by power boats and by many trails. Moreover, it provides a continuing economic contribution to a region where most of the area is already publicly owned. I repeat the suggestion I mentioned earlier. Those who would change the regimen of a productive ranch country for all time should fortify their judgment by spending a day or two in the area at various seasons of the year. I offer my services as a tour guide for such a trip.

The first point I wish to emphasize is that more than any other tributary of the mighty Columbia river system the Snake is a working river. Its waters are the life blood of Southern and Eastern Idaho. The 3.5 million acres presently irrigated represent only about half of Idaho's irrigation potential. Back through the years leaders of both political parties have stood shoulder to shoulder to insure that this most precious water resource and the land of high potential for reclamation should never be alienated. So far this bipartisan effort has paid off, but we must be ever vigilant so that future generations will bless us for the prudence and foresight of our stewardship.

It is no coincidence that here in Idaho we speak proudly of the Treasure Valley and the Magic Valley. These valleys became treasures through the magic of applying life giving water to arid lands. To illustrate the importance of water to Idaho's economy I have frequently used this illustration. Suppose a major disaster such as a massive tornado or an earthquake reduced every home, every business building, every school, every hospital and church to a mass of rubble and ashes. As long as the Snake River continued to flow the towns and the cities would be rebuilt and revitalized. Like the Phoenix of ancient mythology new structures would rise from the ashes to house a new and thriving economy. But let some major disaster diminish or divert the flow of our Snake River and the towns and cities of the Snake River Valley would wither and die.

The earliest emigrants paid Idaho as little attention as possible. Billowing clouds of sage-scented dust marked the Oregon Trail as the covered wagons toiled slowly and laboriously across the rutted plains of the Snake River Valley on their way to the lush meadows and tree clad hills of the Willamette Valley.

My second point is the need for flood control in the Lewiston-Clarkston area. Most people do not realize that irrigation has flood control benefits too and they are substantial. This is how it comes about. The Snake River at Weiser contributes about 10% of the normal flow of the Columbia River at The Dalles but, due to the flood retarding effect of reclamation facilities upstream, at high flood stage the Snake at Weiser contributes only 5% to the flood flows. Reclamation has tamed the floods by stabilizing the flow of the river. On the other hand the Clearwater and the Salmon and the Imnaha and the Grand Ronde which join the Snake below Weiser contribute about 14% of the normal flow of the Columbia at The Dalles but their contribution increases to nearly 30% of the flood flows. These percentages are calculated prior to Libby and Canadian storage which will reduce flood flows at The Dalles to a tolerable level but will have no effect whatever on flood flows in the Lewiston-Clarkston area.

I would point out to those in that area who want all dams below and no dams above that they are courting disaster. The hydrologic potential for a major flood disaster is enhanced by present development of 8 dams downstream which retard the outflow. The value for power and navigation is unquestioned. In every study made by the Corps of Engineers and other Federal agencies these dams were intended to be operated with adequate upstream storage to retard the runoff for flood protection at the confluence of all these tributaries at Lewiston. When the Lower Granite dam is completed, downtown Lewiston will be protected by dikes.

The question is, will the dikes be adequate? I don't think they will. Modern technology enables us to calculate with great accuracy the amount of the runoff from any watershed. No one has yet devised a way to predict the vagaries of the weather which will determine when or how fast the runoff comes. From a flood control standpoint, the eight power and navigation dams are on the wrong end of the river system. When the floods do come and downtown Lewiston is under water, the origin of those flood flows will be the watersheds of the wild and the untamed rivers upstream rather than from the comparatively docile Snake.

It is unfortunate that flood control facilities cannot be operated from the vantage point that hindsight would provide. Instead, they must be operated on a forecast basis. Who among us has the wisdom of a Solomon to decree, in a time of energy crisis, that certain generators must be idled in order to accommodate flood flows which may not come at all this year as nature cooperates and provides another season of orderly runoff.

A third point is that, if given all the facts, I firmly believe that the majority of Idaho citizens are not ready to surrender control of Idaho's working river to federal authority. A short time ago I approved the action of Idaho's political leaders as they spoke with one voice to urge the Corps of Engineers to keep hands off the management of Lake Coeur d'Alene, a navigable body of water in North Idaho.

I would urge the same hands off policy with respect to the Middle Snake. It seems most inconsistent to me to oppose Federal control of a navigable lake and invite Federal control of a navigable river, especially when that river is the life blood of Idaho.

If we keep the fox away from our chicken coop on Lake Coeur d'Alene, why should we invite the same fox to guard our chickens on the Middle Snake?

Federal designation and control has an irrevocable finality. I cannot recall a single instance where any area or river once set aside and authorized as a National Park, National Wild or Scenic River or a National Recreation Area has ever been withdrawn from the national classification and returned to its prior status.

Claims by some proponents that such resources may be held on a tentative basis as in a soil bank have no historical precedent. Once committed to a national purpose, that commitment is permanent and irrevocable.

And finally I am apprehensive about the effectiveness of "protective language." Sponsors of Recreation Area legislation now being considered for the Middle Snake claim that language written into the bill guarantees rights for future upstream consumptive use when more new lands are reclaimed for irrigation. Before officials of Idaho and Oregon cooperate in moves to give the Middle Snake a federal label whether it be for a National River, a Wild or Scenic River, or even a National Recreation Area in the belief that protective language asserting the supremacy of State water law, I think they should consider what has happened to such protective language on other rivers in other Western states. I shall not give details here but the record is available for examination.

In short, the record shows that no protective language, however specific it may be, has ever survived the challenge in later years by those who sought to disregard it. That is why I have grave concern about the ultimate effectiveness of any attempt to incorporate protective language for future upstream consumptive use under state law in any proposal that bears a national label and/or is set aside for a designated national purpose.

A recent Potomac Associates book entitled "The Limits to Growth" provides some startling predictions on the limits of certain nonrenewable energy resources. They say:

1. Global natural gas reserves will be exhausted in 22 to 49 years.

2. Global reserves of petroleum will be exhausted in 20 to 50 years.

3. Global reserves of coal will be exhausted in 111 to 150 years.

Citizens of New Hampshire and Rhode Island have refused to allow installation of oil refineries within their borders. Delaware led the parade by not only refusing oil refineries but by also prohibiting oil tankers to discharge their cargo off Delaware's shore.

If the United States is to become self sufficient energywise, it will become necessary for each of the 50 states to make some trade offs to accommodate their energy needs. Are the states of Idaho, Oregon and Washington willing to lock up a great potential source of clean renewable energy and demand that other states or foreign nations bring their nonrenewable energy to us?

We speak hopefully of clean new sources, solar, geothermal, breeder reactors as if energy demand would remain constant for 25 or 30 years. Relief is not in sight for the immediate future.

Compared to energy from nonrenewable sources, clean hydro takes on new value and renewed respect. Hydro is solar energy provided by natural laws of the hydrologic cycle. Before we lock up our remaining hydro let's have another look.

For example, Idaho's contribution to the original National Wild and Scenic Rivers is 250 miles—44% of the total mileage. These include the Lochsa, the Selway, the Middle Fork of the Clearwater and the Middle Fork of the Salmon River. Collectively these rivers have a potential hydroelectric potential of 5 billion average annual kilowatt hours.

Presently under study for inclusion in the same system are Idaho rivers Moyie, Priest, St. Joe, all of the main stem of the Salmon River and the Bruneau—a total of 550 linear miles with a hydro potential of 11 billion average annual kilowatt hours.

Superimposed on all of these are proposals for a free flowing Middle Snake and tributaries with a hydro potential of an additional 9½ billion average annual kilowatt hours.

With less than 30% of Idaho's hydro potential presently developed, this state does not need 1000 miles of National Wild and/or Scenic rivers.

Idahoans must have more time to explore our options!

AN ALTERNATE PROPOSAL

This legislation is too important to be treated in haste. It involves the permanent lockup of power from a renewable source equivalent to 19,000,000 barrels of oil a year. It leaves the Lewiston-Clarkston area vulnerable to frequent and extensive flood damage. You will recall that the original Main Control Plan for the Columbia and its tributaries called for storage at Bruces Eddy (now Dworshak), Penny Cliffs and High Mt. Sheep (or Nez Perce). After the treaty with Canada was consummated, Canadian storage was substituted for Snake and Clearwater projects in the Main Control Plan. Thus the Portland-Vancouver area is protected but the Lewiston-Clarkston area is not.

Personally I do not favor the applicant's proposal that is now before the Federal Power Commission. The only justification for flooding true Hells Canyon would be to extend barge navigation to the Weiser-Ontario area, and that is technically possible but not economically feasible at this time. But it is possible to develop about 85% of the potential hydro, preserve the salmon runs on the Salmon and Imnaha and Grand Ronde Rivers, preserve the true Hells Canyon in a free flowing state—all in one coordinated plan, which would include Asotin, China Garden, and Appaloosa (backing the water up only to the head of navigation at the downstream entrance to Hells Canyon). Under this plan, diversion of Salmon River flood flows via tunnel to Appaloosa Reservoir is economically feasible without doing violence to the salmon resource. This would provide needed flood protection for the Lewiston-Clarkston area.

In the late 50's, I was on the IJC working out details of power development at Barnhardt Island on the St. Lawrence as a joint venture between U.S. and Canada. That same concept, now working so well between neighboring nations, surely could work between the three neighboring northwest states. It is worth exploring. I believe the northwest states should retain control of northwest water.

If the United States is to become self-sufficient energy-wise, it behooves each of the several states of the Union to re-examine its own potential energy resources before we levy demands on other states or turn to the volatile Middle East for oil.

A distinguished Supreme Court Justice has declared that a river is more than an amenity—it is a treasure. The Snake River is greater than the Colorado River. In multipurpose potential it is unexcelled by any river in America. Some of its tributaries are already included in the National Wild Rivers System.

I wish to re-emphasize the fact that the Snake is a working river—one of the most heavily used rivers in the country. Idaho's major industries—agriculture and food processing—are directly dependent upon water from the Snake.

In spite of wishful thinking on the part of many of us, that Idaho should remain unchanged and unspoiled, our state is destined to increase in population. We had better prepare ourselves to manage the inevitable growth so as to retain the best of what we have and to accommodate growth and expansion of the right kind.

Along with our water resources planning we need a comprehensive statewide land use plan that is compatible with our long term objectives. As I said at the beginning of my remarks, land and water and life are interdependent.

The best way that we in Idaho can improve the quality of life is to dedicate ourselves to improving the quality of our stewardship over the land and the water resources which are our heritage. Some people equate non-use with conservation—or conversely, use with exploitation. Neither is true. Wise and responsible use is the essence of true conservation. By using these resources wisely and well, we not only improve the quality of our own lives but we may take pride in passing our heritage on to future generations as good or better than it came to us.

In closing, Mr. Chairman, may I extend an invitation to you and your committee to come to Idaho and talk with our people, inspect the Middle Snake as a committee project and hold public hearings in Idaho.

Idahoans should not have to journey to Washington, D.C. to defend our river.

THE INFORMATION EXPLOSION—A LOGISTICS PROBLEM

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. FUQUA. Mr. Speaker, the Institute of Electrical and Electronics Engineers, Inc., in their April issue of Spectrum carried a thought-provoking statement of the distinguished chairman of the Committee on Science and Astronautics, the Honorable OLIN E. TEAGUE. Chairman TEAGUE joined several other Members of Congress in evaluating the significance of scientific and technical information to our national well-being. Because of the importance of these remarks, I am including them in the RECORD for the benefit of our colleagues and the general public:

THE INFORMATION EXPLOSION—A LOGISTICS PROBLEM

(By Representative OLIN E. TEAGUE)

It is pretty difficult to say anything on the subject of freedom of scientific and technological information except something nice. I do not intend that observation to be a facetious one. It is undeniably true that the strength, quality, and durability of our economy and, in fact, our country depend upon adequate scientific information and its judicious use.

I have said many times before, and I repeat now, my belief that the relative status of all nations within the global community will be throughout the foreseeable future in direct proportion to their effective handling of science and technology.

It is also axiomatic and, I take it, an article of faith that such information must be freely available, freely exchanged—for without such freedom, information is worth very little. Those who may seek to delay or tightly control it usually hurt only themselves and, in any event, their efforts at best can be only temporary. True scientific information, as we should have learned during the past three or four decades, cannot be monopolized and sooner or later will surface everywhere.

FREE EXCHANGES NOT ENOUGH

Having said this much, however, I nonetheless feel constrained to point out that it is by no means enough to say that we as a nation or a Government should have a policy of free exchange of scientific and technological information. Further, we must have active, dynamic policies and mechanisms which will guarantee that this information is appropriately used.

I am sure that none of the *Spectrum* readership needs to be told how complicated a problem this is. For example, there must be certain exceptions to the foregoing rule, such as those spelled out in the Freedom of Information Act, which protects information that has special significance for national security as well as information of a proprietary nature. The latter may be quite as important as the former since it impinges on our whole industrial system of trade secrets and patent laws. Certainly we need these as a spur to innovation. Yet anyone who has looked closely at our patent system in recent years also realizes that here is an area of technological information handling which needs a general overhaul.

Another problem lies in the fact that the various systems by which our technical information is stored, retrieved, and transmitted are often incompatible with each other—a fact that causes enormous confusion and can defeat the very purpose of scientific research and development.

Still another problem lies simply with the surfeit of information, which from time to time inundates those who would like to use it. For example, I recently noted a directory of Information Analysis Centers supported by the Federal government, and found that there were 119 of these scattered about the country. This, of course, is quite aside from the various information banks and storage systems maintained by private sources.

Moreover, we have a number of Federal entities such as the Committee on Scientific and Technical Information within the Executive Office, the Science Information Exchange of the Smithsonian Institution, the Office of Science Information Service of the National Science Foundation, the National Technical Information Service of the Department of Commerce, and others—all of whom are spending a lot of time and effort on promulgating up-to-date scientific information in the hope of assuring its utility.

As any of these organizations will tell you, the task is an extremely complex and difficult one. I sometimes get the impression that scientific information experts are almost afraid to push their own computer buttons for fear of being drowned in floods of data, abstracts, bibliographies, charts, blueprints, and what have you—with maybe two thirds of it either incompatible with or irrelevant to what is being sought.

THERE'S STILL HOPE

I have not intended simply to paint a gloomy picture or to question the value of our national R&D effort. I do not intend to suggest that we have gone so far down the road of accumulating scientific and technological information in an inept fashion that it no longer is possible to manage. I am sure that it *is* manageable. But I also have the strong impression—given the explosion of current technological information—that we need a lot more research, and soon, to learn *how* to manage it. Otherwise that nice sounding phrase "freedom of information" is likely to go down in the books as a pious platitude generated by a civilization that couldn't keep from stumbling over its own technological feet.

REPRESENTATIVE KEMP INTRODUCES THE RAILROAD RIGHT-OF-WAY FIRE PREVENTION ACT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. KEMP. Mr. Speaker, on June 14, I had the pleasure of meeting with the legislative seminar of the Erie County Volunteer Firemen's Association.

In our discussion of measures to prevent and control fire, it was brought to my attention that a significant fire hazard exists along railroad rights-of-way, where sparks given off from the exhaust stacks of locomotives threaten adjoining residential, commercial, and industrial property. The high incidence of fires along railroad rights-of-way places a considerable burden upon our communities in terms of the high cost of fire equipment and manpower to control and extinguish these fires.

The Firemen's Association of New York State, and the Erie County Volunteer Firemen's Association under the outstanding leadership of President William Ziegelhofer, and their able legislative chairman, Leon Jacobs, have been tremendously active in seeking a solution to this problem. For several years in a row, they have supported legislation in the New York State Assembly designed to curtail and eliminate fires caused by sparks from locomotive smokestacks. This past year, legislation to require spark arresting devices on certain locomotives passed both houses of the New York State Assembly. It was not, however, signed into law, because the Governor felt this problem was more properly the province of Federal legislators.

Mr. Speaker, today I am introducing a bill to establish fire safety requirements for locomotives. Entitled the Railroad Right-of-Way Fire Preventive Act, my bill directs the Secretary of Transportation to establish standards of fire safety for locomotives that will greatly reduce the likelihood of sparks falling from smokestacks and igniting property adjacent to railroad rights-of-way. The technology exists for controlling sparks. So-called spark arresters have been proven effective. It is, therefore, essential that their use be required on those locomotives which present a constant threat of fire.

This body has actively committed itself to the control and prevention of fire. In April we passed the Fire Prevention and Control Act of 1974—comprehensive legislation designed to give our Nation's firefighters the credit, recognition, and Federal assistance they need to tackle the monumental task of reducing fires. At that time, it was widely recognized that many specifics remained to be done in our overall efforts to combat fire. At that time, it was widely recognized that we must continue to be responsive to the expressed needs and concerns of those closest to fire prevention—our firefighters.

Mr. Speaker, the firefighters of western New York have worked hard to focus attention upon the threat of fire produced by the smokestacks of certain locomotives. My bill would end this threat by requiring that technology we already possess—spark arresters—be required on locomotives. I hope that my colleagues will join me in support of this bill, the text of which follows:

H.R. —

A bill to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to establish fire-safety requirements for locomotives in order to minimize the danger of fires along railroad rights-of-way

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Railroad Right-of-way Fire Prevention Act".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) there is a continuing problem with fires along railroad rights-of-way;

(2) such fires often cause serious damage to residential, commercial, and industrial property located adjacent to such right-of-ways,

(3) such fires impose a considerable burden upon local communities and upon State and Federal agencies which must furnish the firefighting equipment and manpower necessary to control and extinguish such fires;

(4) most such fires are caused by sparks emitted from the exhaust stacks of locomotives;

(5) the technology exists for controlling such emissions and thereby greatly reducing the likelihood of such fires; and

(6) requirements that such technology be utilized by railroads should be nationally uniform to the extent practicable.

(b) It is the purpose of this Act to amend the Federal Railroad Safety Act of 1970 to direct the Secretary of Transportation to establish railroad safety requirements for controlling spark emissions from locomotives in order that the danger of fires along railroad rights-of-way be significantly reduced.

ESTABLISHMENT OF FIRE SAFETY REQUIREMENTS

SEC. 3. The Federal Railroad Safety Act of 1970 (45 U.S.C. 431–441) is amended—

(1) by adding immediately after the first sentence in section 202(a) the following new sentence: "For the purpose of minimizing the danger of fire along railroad right-of-ways, the Secretary shall prescribe rules, regulations, orders, and standards establishing requirements for controlling spark emissions from locomotives, including, to the extent he deems necessary, requirements that spark arresters, or other devices, of such type or meeting such standards as he may prescribe, be used."; and

(2) in subsection (b) of section 209 by—

(A) inserting immediately after "under this title" the following: ", other than a rule, regulation, order, or standard issued pursuant to the second sentence of section 202(a),"; and

(B) by adding at the end of such subsection the following new sentence: "The Secretary shall include in, or make applicable to, any rule, regulation, order, or standard issued pursuant to the second sentence of section 202(a) a civil penalty for violation thereof in such amount, not less than $100 nor more than $250, as he deems reasonable.".

INITIAL ESTABLISHMENT OF FIRE SAFETY REQUIREMENTS

SEC. 4. The Secretary of Transportation shall initially prescribe rules, regulations, orders, and standards pursuant to the second sentence of section 202(a) of the Federal Railroad Safety Act of 1970, as added by paragraph (1) of section 3 of this Act, not later than ninety days after the date of enactment of this Act.

RHODESIAN CHROME

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mrs. MINK. Mr. Speaker, the debate surrounding the reimposition of the ban on imports of Rhodesian chromium, as embodied in S. 1868, is beginning to escalate as action on this issue becomes imminent. Among the oft heard arguments against reimposition of this ban are the following:

First. There is no substitute for chromium.

Second. The U.S.S.R. is not a reliable source of mineral supplies.

Third. There are no other major sources of chromium except for Rhodesia and the U.S.S.R.

Fourth. If a ban were reinstituted, the price of chromium from the U.S.S.R. would skyrocket, having great economic impact on the United States.

However, none of these allegations will withstand close scrutiny, for they are based on half-truths at best. I would like to direct some responses toward these fears.

THE QUESTION OF SUBSTITUTES

The Commodity Data Summaries, 1974, appendix I to the Third Annual Report of the Secretary of the Interior Under the Mining and Minerals Policy Act of 1970 states that:

> Nickel, zinc, cobalt, molybdenum, vanadium and titanium are competitive alternative materials for chromium in varibus end use applications.

This lengthy list of metals demonstrates that there are indeed a number of substitutes for chrome. Moreover, a considerable portion of the chromium used in the United States today is primarily of decorative value. It would therefore seem entirely possible to achieve the replacement of chromium by other metals without any significant loss in economic terms. The primary requirement would appear to be a modification of consumer demand for certain types of commodities.

Further in this regard, Dr. Franklin P. Huddle of the Science Policy Research Division of the Library of Congress has advised me that:

> It is possible that an alloy containing various amounts of aluminum (ranging from 10 to 16 percent) and molybdenum (3 to 4 percent) the balance being iron, could be developed as a replacement for some uses of stainless steel alloys. Studies sponsored by the Office of Saline Water have shown that the corrosive resistance of some of the aluminum iron alloys approximates that of corrosion-resistant stainless steel in salt spray. Earlier studies of the alloy system at the Naval Ordnance Laboratory, White Oaks, Maryland, showed that it had excellent oxidation resistance up to 2,000 degrees F., which suggests the possibility of some high temperature applications (such as jet engine parts, steam turbine superheaters, furnace boiler tubes, etc.).

Amplifying his statement, Dr. Huddle asserts that:

> There are admittedly technological problems to be overcome in the use of aluminum irons as an alternative material for stainless steels. However, the most difficult obstacle is the inertial resistance to the new metallurgical concept for the express purpose of replacing a well-established and commercially important product. The vulnerability of U.S. industry to curtailment of chromium imports would need to be recognized by industry as a serious threat before the aluminum irons would be regarded as a useful system . . .

In light of the total lack of industry interest in this promising alternative to the use of chromium, we can only conclude that there is no real concern as to the supposed vulnerability to curtailment of imports.

THE QUESTION OF SOVIET UNION RELIABILITY

This brings us to the second objection often raised against a reimposition of the chromium ban, that is the reliability of supplies of chromium or chromite ore from U.S.S.R. It is significant that the United States imported 32 percent of its platinum groups metals from the U.S.S.R. during the period 1969–72. That our dependence on Soviet supplies is increasing is demonstrated by the fact that we imported nearly twice as much platinum-group metals from the U.S.S.R. in 1972 as in 1971. Evidently our platinum industry is not particularly fearful that supplies from the U.S.S.R. will be cut off. Recent agreements on the part of the U.S. natural gas industry to develop Russian resources indicate that this segment of industry is also not overly concerned with the reliability of Soviet supplies. Why should chromium be any different?

THE QUESTION OF ALTERNATIVE SOURCES OF CHROMIUM

Contrary to the popular misconception, Rhodesia and the U.S.S.R. are not the only world sources of chromium. The Republic of South Africa possesses almost two-thirds of total known world reserves. Reserves in other areas of the world—including, among others, the Republic of the Philippines and Turkey—constitute twice the known reserves in the U.S.S.R.

The United States itself possesses domestic reserves of chromium. They are found in the Stillwater region of Montana. The U.S. Geological Survey has recently concluded a study of the potential for development of the minerals located in this region—USGS Circular 684. The total reserves of chromite are estimated to be 7.9 million short tons.

THE QUESTION OF ECONOMIC IMPACT

It is obviously impossible to predict what would happen to the price of chromite shipped from the U.S.S.R. if a ban on importation of Rhodesian chrome were to be reinstituted. However, 1972 price figures—as supplied to me by the Congressional Research Service—indicate that Soviet chromite, while higher in grade than that from other sources, was actually priced considerably lower. The figures, on a per content ton basis were: U.S.S.R., $58; South Africa, $42; Rhodesia, $80; and Turkey, $81. These figures indicate that there could be a major rise in the price of chromite from the U.S.S.R. before it would equal the price now being paid for Rhodesian chromite. Moreover, the current atmosphere of détente with the U.S.S.R. together with the considerable broadening of economic ties with this Nation indicates that an unreasonable rise in the price of chrome would be unlikely.

FURTHER ARGUMENTS

RECYCLING

During recent oversight hearings held by the Subcommittee on Mines and Mining on the subject on mineral scarcity, representatives of the specialty steel industry stated that they are allowing themselves to be outbid by foreign purchasers of stainless steel scrap. These representatives could give no valid reason for this situation except for the now-defunct price control effects. If the price of chromium were to rise significantly, in response to the reimposition of the Rhodesian ban, the specialty steel producers might then see the economic advantage of purchasing domestically available stainless steel scrap, thus conserving this valuable resource and reducing our overall dependence on foreign supplies.

IMPORTS OF IMPORTANT METALS FROM OTHER AFRICAN NATIONS

One important political implication associated with the current U.S. policy toward Rhodesian chrome is the effect which it has upon emergent black African nations. Although these nations have made no threats regarding the imposition of a ban on the export of minerals to the United States as a result of our policy toward Rhodesia, the potential is there. The recently held Sixth Special Session of the U.N. General Assembly on the problem of raw materials and development—April 9 to May 2, 1974—clearly indicates a growing awareness on the part of these and other mineral exporting nations of the economic power available through manipulation of mineral resources. Among the important minerals which we now import from black African nations are:

Cobalt: Zaire, 45% of U.S. imports.
Columbium: Nigeria, 14% of U.S. imports.
Manganese:
(a) Gabon, 35% of U.S. imports.
(b) Zaire, 7% of U.S. imports.
Tantalum: Zaire, 14% of U.S. imports.

In the long run, do we want to run the risk of triggering a cutoff of these important mineral resources?

Mr. Speaker, all of the above arguments in favor of the Rhodesian ban are directed at assessing the impact of this ban on the domestic economy of the United States. To me, the economic evidence is overwhelming. However, the ethical argument in support of this ban is even of greater importance. The United States is the only U.N. member to officially disavow the U.N. resolution. As leaders of world opinion, we must take action to censure the illegal and racist government of Rhodesia. I believe America will not in any way jeopardize her economic well-being as far as chromium supplies are concerned if we move to support world leadership by reimposing the Rhodesian ban.

THE PRESIDENT'S TAXES AND IMPEACHMENT

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. O'HARA. Mr. Speaker, I deeply regret the decision of the House Judiciary Committee in rejecting the proposed article of impeachment relative to the fraud involved in President Nixon's income tax returns. By their vote, 26 members of the committee have asserted that this matter should not be left to the consideration and collective judgment of the 435 Members of the House of Representatives and, potentially, the 100 Members of the Senate.

Most of the Judiciary Committee members from President Nixon's own party, in the course of debate, conceded the handling of the President's tax returns was "shabby." I agree, but these defenders of the President contented themselves with rendering their personal moral judgments on the President, and then voted to deny the full House of Representatives the opportunity to render its constitutional judgment through the medium of the impeachment process.

It seems clear, from the preponderance of the evidence, that a tax fraud was committed. Even the President's defenders agree that Mr. Nixon signed and filed a grossly incorrect tax return. The President may want to argue that this was an honest mistake, or an error, as his defenders argued in the Judiciary Committee. But it is wrong for some members of the committee simply to assert such a defense and then dismiss the matter out of hand. The defense of honest mistake or error can properly be asserted only by the person who signed and filed the tax return—Mr. Nixon. Such a defense can best be raised in the impeachment proceedings in the House and any trial in the Senate growing out of the House proceedings. A similar defense could be offered by Mr. Nixon in the courts, although such a prospect seems unlikely at present since the question has been raised as to the validity of taking criminal action against a sitting President, and since there is, therefore, some reluctance on the part of the Special Prosecutor to move against Mr. Nixon on the tax fraud question at this time.

The President's defenders on the committee argued for months that only issues of criminality should properly be considered in impeachment proceedings—yet, on the tax fraud issue, which clearly involves criminality, these same members reversed their stand and claimed that, while this might be a matter for the courts, it was not a proper matter for the Congress to consider. Beyond that, in a regrettable departure from fair play, the President's defenders gratuitously brought in the names of former Vice President HUBERT HUMPHREY and the late President Lyndon Johnson, asserting that they, too, made gifts of official papers for which they claimed tax deductions. But the President's apologists know that there never has been an assertion against either Mr. HUMPHREY, Mr. Johnson, or any other Government official, that tax deductions were claimed on papers donated after the tax laws had been changed to prevent such gifts.

Mr. Speaker, the fact of the matter is that every piece of objective evidence shows that the President's gift of papers to the National Archives occurred after, not before, the deadline established in the bill, which Mr. Nixon, himself, signed into law—signed into law, that is, only after the President, through White House staff assistants, had lobbied long and unsuccessfully to delay congressional action on the bill and to change its effective date.

It is spurious to argue, as the Nixon loyalists do, that the gift was effectively made merely because the papers were in the possession of the National Archives prior to the deadline. It has long been the custom of Presidents to send papers to the Archives for safe keeping and storage. It is a custodial relationship, a courtesy extended to Presidents, nothing more. In any event, the claim that the papers constituted a gift at the time they were sent to the Archives is effectively destroyed by the President's later actions—because 17 boxes containing the most valuable of the Nixon correspondence with national and world leaders were retained as the President's personal property and were not made subject to the deed of gift.

Beyond that, the facts are that the appraiser was not chosen to evaluate the papers until 4 months after the deadline for making such gifts; that the appraiser did not even begin the selecting-out process until nearly 5 months after the deadline; that the appraiser did not complete this selection process until the following taxable year; and that the deed of gift, about which there is clear evidence of back-dating, was defective because it gave Mr. Nixon continuing title and authority over the papers during his lifetime—a fact which, all by itself, rendered the gift not a proper subject for a tax shelter, even if the deadline had properly been met.

It is not just the impropriety of the "gift" of Presidential papers that is involved, Mr. Speaker, for there is a whole litany of tax abuses—the failure to report capital gains on the sale of property in New York, California, and Florida; the failure to report, as income, the taxpayers' dollars that were spent to enhance the value of Mr. Nixon's private vaction resorts at San Clemente and Key Biscayne; and the failure to report, as income, other emoluments received from the Government, in excess of those provided by statute. In sum, the President's tax returns grossly understated his income, and grossly overstated his deductions. No other taxpayer could have hoped to avoid prosecution for such gross and callous disregard of the Internal Revenue Code.

Mr. Nixon's defenders put the responsibility for all of these irregularities on the shoulders of members of the White House staff, the President's tax consultant, and the President's tax lawyer. But it was Mr. Nixon, himself, who signed the fraudulent tax return, and it is Mr. Nixon, himself, who should be held accountable under the law. Every lawyer on the Judiciary Committee knows this—and so should Mr. Nixon, whose legal specialty happened to have been tax law.

The President's handling of his tax returns, which could have resulted in the defrauding of the U.S. Treasury of more than $400,000 in taxes had the irregularities not been brought to light, warrants consideration by the full House as an impeachable offense. It is one more piece of evidence of this President's utter disdain for the laws which govern other citizens; it demonstrates his total insensitivity to the nature of our income tax laws which rely so heavily on the integrity of the individual taxpayer; it is, in my opinion, a crime against the State and an affront to the law-abiding, taxpaying American people. If any action of a President cries out for the impeachment remedy, this one does.

Mr. Speaker, it is my hope that the full House of Representatives will have an opportunity to consider, and pass judgment, on the evidence in this case—either as a separate article of impeachment, or as an addition to one of the other articles which are to be transmitted to the House. Beyond that, at such time as the Special Prosecutor deems it proper to take criminal action, it is my hope that this matter will be brought to the attention of the appropriate grand jury. I believe, that both in the Congress and in the courts, the issue of President Nixon's tax returns must be resolved—and resolved in such a way that the American people can have the assurance that the laws of our land are being faithfully executed.

DR. RAYMOND L. BISPLINGHOFF LEAVES THE NATIONAL SCIENCE FOUNDATION

HON. JOHN W. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. DAVIS of Georgia. Mr. Speaker, the House Subcommittee on Science, Research, and Development, which has oversight responsibilities for the National Science Foundation, has recently received word that Dr. Raymond L. Bisplinghoff, NSF's Deputy Director since 1970, has submitted his letter of resignation to the President, effective September 30, 1974. Dr. Bisplinghoff will become chancellor of the University of Missouri at Rolla beginning October 1. Once known as the Missouri School of Mines and Metallurgy, Rolla is the university member of the University of Missouri that is principally oriented toward science and technology.

Ray Bisplinghoff was appointed NSF Deputy Director in October 1970, following an outstanding earlier career in aeronautical engineering and administration at the Massachusetts Institute of Technology and in Government service with NASA. He is a member of both the National Academy of Sciences and the National Academy of Engineering; a fellow of the American Astronautical Society; a fellow of the Royal Aeronautical Society; and a member of the International Astronautical Federation—to name only a few of a long list of distinguished honors and affiliations.

He has helped Dr. H. Guyford Stever, NSF's Director and the President's Science Adviser, administer the National Science Foundation during a period of significant growth in its responsibilities, and has played a key role in guiding the Foundation into new areas and expanding its contribution in traditional ones. Coming to NSF soon after extension of the Foundation's authority to support applied research, Dr. Bisplinghoff made important contributions to the establishment of the program of Research Applied to National Needs—RANN. Following this, he supervised the formation of four additional units—the Programs of National R. & D. Assessment and Experimental R. & D. Incentives, and the Offices of Energy R. & D. Policy and Science and Technology Policy.

A native of Ohio, Ray Bisplinghoff attended the University of Cincinnati, where he received the degrees of A.E.—aeronautical engineer—in 1940 and M.S. in physics in 1942. His work toward the Ph. D. in physics was interrupted by the war. He received the Sc. D. degree from the Eidgenossische Technische Hochschule, Zurich, Switzerland, in 1957.

At the time of his appointment as Deputy Director of the National Science Foundation in the fall of 1970, Dr. Bisplinghoff was dean of the school of engineering at the Massachusetts Institute of Technology. His career at MIT has spanned more than two decades, commencing in 1946 with an assistant professorship in the department of aeronautics and astronautics, moving on eventually to department chairman in 1966, and then to the dean of the engineering school in 1968. The years at MIT were interrupted while he served as Director of NASA's Office of Advanced Research and Technology, Associate Administrator of NASA for Advanced Research and Technology, and special assistant to the NASA Administrator, during the period 1962–66. Upon his return to MIT in 1966, he continued to serve as consultant to the NASA Administrator.

Dr. Bisplinghoff is the author of three scientific books. He has served as a member of many important committees and governmental boards, scientific societies, and industry groups, both here and abroad, and in numerous consultant roles. In 1967 he received NASA's Distinguished Service Medal and in 1973 the Distinguished Service Award from the National Science Foundation. He is also the recipient of the Distinguished Alumnus Award, University of Cincinnati, 1969; NASA Apollo Achievement Award, 1969; Carl F. Kayan Medalist, Columbia University, 1961; and the Godfrey L. Cabot Award, 1972.

On behalf of the House Subcommittee on Science, Research, and Development I express our very deep appreciation to Ray Bisplinghoff for his extremely valuable contributions to the advancement of science and science administration, both in university and Government circles. We are sorry he is leaving the Washington scene, but we congratulate the University of Missouri at Rolla upon its wise selection of a new chancellor.

WAR AND IMPEACHMENT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BROWN of California. Mr. Speaker, yesterday the House Judiciary Committee considered, and rejected, an article of impeachment that accused President Richard M. Nixon of violating the Constitution in the pursuit of an illegal war. There were other aspects to this proposed article, but the purpose of it was to clearly establish that the power to make war is one reserved to the Congress, and the actions of President Nixon exceeded his power under the U.S. Constitution, and he is therefore impeachable.

The debate on this article opened up the ugly wounds that the undeclared military actions of the United States in Indochina created. I believe that the debate on this article was a healthy ventilation of this issue, and the country was served well by the Representatives who pressed for this article. This was not a partisan effort, as the accusations against President Johnson clearly showed. Nevertheless, President Nixon carried his authority beyond that of President Johnson, and he deliberately concealed his illegal acts. Most of us who opposed the war would like to see a true amnesty result from that war. This article was an attempt, not to relieve the war, but to define, for the future, the limits of Presidential power to make war.

One of the main arguments used against this article was that the Congress shared in the responsibilities for the war. On the contrary, adoption of the article on illegal warmaking would guarantee that future wars would truly be the responsibility of the Congress, as demanded by the Constitution. If we are to go to war, to kill in the name of the United States of America, then the Congress should be willing to accept its constitutional responsibility and knowledgably vote for or against that course of action.

Mr. Speaker, the American Report published an article on July 22 that predicted yesterday's vote in the House Judiciary Committee. This news article describes very aptly the seriousness of the now-rejected article of impeachment on illegal warmaking. I commend it to my colleagues:

[From the American Report, July 22, 1974]

Impeachment and the War: Why Nixon Will Get Away With Murder

"I impeach Warren Hastings of high crimes and misdemeanours. I impeach him in the name of the Commons' House of Parliament, whose trust he has betrayed. I impeach him in the name of the English nation, whose ancient honour he has sullied. I impeach him in the name of the people of India, whose rights he has trodden under foot, and whose country he has turned into a desert."

That quotation, taken from a speech delivered by Edmund Burke in the High Court of Parliament in February, 1788, appears on this page of *American Report* for the second time. On the first occasion, in our issue of Feb. 4, 1974, it was printed in 30-point type (three times the size of this) and accompanied by illustrations which suggested that what Burke said in 1788 about Warren Hastings (a former Governor General of colonial India) needed to be said this year about Richard Nixon.

It wasn't a gimmick. The passage from the Burke speech was a key element in an article ("Is There an Edmund Burke in the House?") by attorney Peter Weiss which we regarded as one of the most significant the paper has ever published. Weiss demonstrated: 1) that the House of Commons impeached Warren Hastings in 1787 for acts against the people of India which were identical in nature with actions in Indochina ordered or sanctioned by Richard Nixon; and 2) that the framers of the Constitution added the phrase "high crimes and misdemeanors" to the impeachment clause precisely so that the House of Representatives could bring a President to account for crimes like those of Hastings.

Last February, that kind of argument was highly relevant to the shaping of the Judiciary Committee's inquiry into impeachment. We therefore promoted the article heavily, sending copies of the issue to scores of non-subscribers: Members of Congress, lawyers, professors of law and political science, columnists and editorial writers. This effort failed. Neither our regular readers nor our one-time guests responded in anything like the volume we expected.

In light of what has happened since February, this sequence seems to us to deserve reflection now. True, Nixon's conduct of the Viet Nam war has never been wholly ruled out of consideration by the Judiciary Committee, but in every listing of possible articles if impeachment it appears only briefly, always last on the list—included, it seems, only out of grudging deference to the handful of Committee members (Drinan, Waldie, Holtzman, Mezvinsky) who think it matters. It will be surprising indeed if any war crimes count survives the final winnowing process in the committee. Even Nixon's long-sustained, savage bombing of neutral Laos and Cambodia—wholly unauthorized by Congress, wholly unknown to the American people—will rank, it seems, with the purchase of earrings for Pat out of campaign funds.

How can this be so? Members of the Committee surely understand that they are not only making history but also creating law, since the precedents they are setting will inevitably serve as guidelines to future Presidents, courts and Congresses. It will be a bitter irony if the process launched to curb the arrogance of the Presidency ends by assuring its unrestricted power in military affairs and foreign policy: freedom to make and threaten war at will.

Surely the Committee knows also, as Peter Weiss suggested that for millions of Americans the excesses and illegalities of the Viet Nam war, the brutalities committed in their name, were for many years the central issues around which their political and moral consciousness evolved. They were not, of course, a majority, but they were not a scattered few, and for them My Lai and its coverup were infinitely more seriously than the antics of Gordon Liddy and Howard Hunt. If their deep grievance and their doubt about America were to be healed, they needed a hearing. Why aren't they getting it? By now, every decision of every player in the cast relating to Watergate and its cover-up has been rehearsed and re-rehearsed dozens if not scores of times; we have still to witness any close examination of the decisions that wiped out hundreds of villages, devastated thousands of acres, killed peasants by the tens of thousands. Again why?

The answers, we suggest, are not difficult to perceive; for many of us in the peace movement, they are difficult to face.

The most obvious reason why the majority of the Judiciary Committee, the House and the Senate, wish to keep the war out of the impeachment process is that they themselves and a majority of their constitutents share responsibility for Viet Nam. If the House were to impeach Nixon for war crimes, it would impeach itself—and simultaneously accuse the voters who elected them. There is an exception, the secret bombings; obviously Congress and the people could not be held responsible for actions of which they had no knowledge. But no debate linking those bombings with impeachment could insulate the issue; and Congress knows a can of worms without opening it.

On a more technical plane, any effort to impeach a sitting President for exceeding his authority in connection with the making of war, or for sanctioning methods of warfare contrary to international law, would instantly encounter a legal-historical tangle. Many Presidents have made war without asking the approval of Congress; none has been impeached for doing so. As for barbarity, not even the Christmas bombing of Hanoi rivaled in ferocity the dropping of the first atomic bomb on Hiroshima, and no one credibly urged the impeachment of Harry Truman for that act, perhaps the cruelest in the history of war.

The ultimate, unhappy truth of the matter is that the American people, like most other peoples in this and other eras, do not greatly care what their leaders do to other nations in war, and will not closely study why they do it. In contemporary America it is not possible, as it was in Burke's day, to indict a general or a governor or a President for acts of tyranny against distant, dusky foreigners. Yet, a minority will protest such acts; and no, their protest will not change the course of policy. In Viet Nam, it was not political revisionism or moral revulsion that brought about withdrawal. It was, rather, our costly, bloody failure; and the "enemy's" consent to let us call retreat success.

In a sense, this reading of the Judiciary Committee's attitude toward war crimes is a playback. It is probable that at least three-quarters of the readers of *American Report* agree that Richard Nixon was indeed guilty of high crimes and misdemeanors for his conduct of the war in Indochina. The reason the Weiss article nevertheless drew so little response; it seems likely, is that readers instinctively knew this scenario would not play in Peoria. Anyone who has been watching American politics or taking part in the 60's and 70's should understand now the problem American poses for the world. After the Bay of Pigs, the invasion of the Dominician Republic, Tonkin Gulf, the reaction to My Lai, the Democratic convention of 1968; the endless revelations of duplicity, corruption, ruthlessness in Saigon, the Christmas bombing—after a decade and a half of education, we should know that the American people can tolerate intolerable things. Such a truth is ugly and unwelcome, but hiding from it isn't healthy.

A U.S. PORTFOLIO IN THE U.S.S.R.?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. FRASER. Mr. Speaker, Zbigniew Brzezinski, on leave from Columbia University, is director of the Trilateral Commission, a private American-European-Japanese organization concerned about world problems. At Columbia, Brzezinski is Herbert H. Lehman Professor of Government and Director of the Research Institute on Communist Affairs.

One of our most prolific writers on the Soviet system, Brzezinski has contributed a thoughtful article to the August 5, 1974 issue of the New Leader, "The Economics of Détente; A U.S. Portfolio in the U.S.S.R.?"

Professor Brzezinski—he also has served in a policymaking position in the State Department—concludes his essay with the thought that only a comprehensive understanding with the Soviets—a political, strategic and social understanding—will provide a solid base for enduring agreement. Mr. Speaker, I share these sentiments. Until we achieve this broad agreement we must proceed with détente, but we must proceed cautiously.

The Economics of Détente—A U.S. Portfolio in the U.S.S.R?

By Zbigniew Brzezinski

It is rightly said that there is no alternative to détente. I can assert this in good faith, for as far back as 1960 I was directly involved in developing the idea of peaceful engagement with the Communists as the only acceptable means of ending the Cold War. Subsequently, I promoted this concept while serving in the State Department, often over strong internal opposition. During the 1968 Presidential campaign, I suggested to the Democratic contender, Vice President Hubert

H. Humphrey, that he publicly propose annual summit meetings between U.S. and Soviet leaders—a proposal he did make, and one that President Nixon later implemented. Finally, on leaving government service in 1968 I published a comprehensive plan for East-West negotiations designed to establish a framework for eventual reconciliation.

I emphasize these points not out of vanity (though I do take pride in them) but because I believe firmly that a protracted and unchecked Cold War entails risks no sane statesman can afford to underestimate, and is prohibitively costly as well. President Nixon and Party Chairman Leonid I. Brezhnev therefore deserve credit for resuming the efforts of Presidents John F. Kennedy and Lyndon B. Johnson and of First Secretary Nikita Khrushchev—initiatives that were interrupted by the Soviet occupation of Czechoslovakia in 1968—to counterbalance the competitive aspects of our relations with cooperative arrangements.

Still, if there is no alternative to détente, it is also true that the word can mean different things to different people. The Soviets have made it quite plain that they have a very clear concept of the kind of détente they desire and—by and large—they have so far succeeded in shaping U.S.-Soviet relations according to it.

Moscow openly views détente as a limited and expedient policy, in no way aimed at terminating the tensions of the Cold War. Indeed, the Soviet rulers have emphasized over and over again that, far from abating, ideological conflict is to intensify during times of "peaceful coexistence." But this, they feel, should not interfere with economic cooperation. As Professor Marshall Shulman of Columbia University ably stated in his testimony before the Senate Banking Committee last April 25: "Rather than face the politically painful choice of instituting fundamental economic reforms, the Soviet leadership has opted for a massive effort to overcome its shortcomings by increasing the flow of trade, advanced technology, capital, and management experience from abroad."

From the American perspective, to be sure, a circumscribed détente is better than nothing, and can be regarded as a necessary way station on the road to a fuller accord. Yet we must recognize that the present arrangement is potentially quite unstable. Ideological hostility, artificially kept alive by impediments to wider contacts, could become a source of renewed strain. And given its limited scope, the Nixon-Brezhnev understanding could easily be reversed should individuals ever come to power, either in the U.S. or the Soviet Union, who were unsympathetic to the present accommodation.

Most significantly, were the existing détente to break down after a period of sustained U.S. investment in the Soviet economy, accompanied by heavy Soviet indebtedness, an undesirable state of affairs could develop. Economists must judge whether large-scale trade would in time leave the United States more dependent on Soviet raw materials than the USSR would be on American markets. *But one can certainly conceive of a Soviet leadership being tempted to use its indebtedness to the United States and American dependence on Soviet raw materials for political purposes. Paradoxically, the very size of the Soviet debts would give the Kremlin additional leverage.* (I might add that the availability of American credits to the Soviets would enhance their ability to make similar commercial deals and obtain the same sort of leverage with Western Europe and Japan.)

Clearly, it is in our national interest, and that of peace in general, to seek a more inclusive, more enduring détente, one that is not restricted to economics nor offset by officially sustained enmity. A comprehensive agreement should encompass broad cultural and political accommodation; the shaping of closer social ties; the expansion of global collaboration to cope with the many new international problems; the adoption, both in principle and in practice, of true reciprocity in our relations; and the rejection of the harmful and antiquated notion that ideological and class struggle are properly part of détente. Unfortunately, in at least five areas the Soviets' current behavior is not consistent with progress toward these goals:

IDEOLOGICAL HOSTILITY

As noted, Moscow's intensification of Cold War animosities not only contradicts the spirit of détente, but poses a potential threat to it.

STRATEGIC SECRECY

Surreptitious military planning, development and deployment by the Kremlin stimulate legitimate anxiety in Washington about the extent and depth of its commitment to peace. Consequently, our policymakers are obliged to consider whether détente is not seen by at least some Soviet leaders merely as a breathing spell, designed to lull the U.S. into a false sense of security while the USSR attempts to move from strategic parity to a position that could be exploited politically. For this reason, an equitable SALT II agreement is a major litmus test of Moscow's intentions.

For this reason, too, current U.S. research and development aid—and I use the word "aid" advisedly—seems to me difficult to justify. I am thinking particularly of the American-Soviet space venture, which has become a vehicle for the one-sided transfer from the U.S. to the USSR of a technology that has obvious military applications. I am also troubled by the Department of Commerce's efforts to modernize the Soviet Air Control System—something that will significantly strengthen Moscow's airlift capability, especially against the Chinese. Nor can I square our concern for human rights with our apparent willingness to sell the Soviets lie detectors and voice-print detection equipment—fortunately blocked because of Congressional outrage.

INDIFFERENCE TO GLOBAL PROBLEMS

The USSR appears remarkably insensitive to matters that cry out for greater cooperation among the advanced nations. Though one of the key beneficiaries of increased commodity prices throughout the world, it remains largely unresponsive to the needs of less developed countries now burdened with huge food and energy costs. In addition, the Soviet rulers have shown a tactically cynical nonchalance to the threat of nuclear proliferation triggered by India's atomic explosion.

HUMAN RIGHTS

The Communist record here leaves much to be desired. While President Nixon and Secretary of State Henry Kissinger are correct in saying we cannot insist other governments alter their systems to please us, to assert that proposition is to skirt the real issue. It is a political fact that many Americans are deeply concerned about those Soviet citizens wishing to leave the Soviet Union, and in that sense the question is not only a domestic one; it affects adversely and directly Soviet-American relations much in the same manner that any U.S. limitations on the right of Americans wishing to leave for the Soviet Union—were such limitation to exist—would affect American-Soviet relations. (I should note as well that the spurious argument of domestic nonintervention did not prevent—justly—the Soviet leaders from condemning anti-Semitic practices in Nazi Germany, nor, more recently, from changing their stand on Chile in the wake of Salvador Allende's overthrow.) Moreover, in the light of this country's traditions, adopting a posture of amorality means sacrificing something very precious, something that should not be sacrificed lightly.

RECIPROCITY OF TREATMENT

U.S. diplomats, businessmen and tourists are subjected to incomparably greater restraints in the USSR than are their counterparts in the United States. American newsmen and scholars have been harassed and excluded from the Soviet Union—in marked contrast to the welcome extended here to Soviet specialists. Whereas Soviet citizens are free to lobby and to promote joint U.S.-USSR lobbies in this country, American access, even to the Soviet elite, is severely restricted. Almost every day some new example of this asymmetrical treatment emerges, such as Moscow police physically barring people from entering the American embassy. Actions of this kind are a basic violation of the concept of détente.

(The above list, I might point out, does not include any reference to divergent U.S. and Soviet positions on important regional disputes, as in Europe or the Middle East. It is only natural that the two major powers, in different geopolitical situations, would have diverse and occasionally conflicting estimates of their vital interests.)

These five areas should be borne in mind when formulating U.S. policy on business investment in the USSR and U.S. credits for Soviet economic development. Although it may be argued that some commitments should be made to encourage accommodation, in my opinion the current level of U.S. concessionary credits is sufficient under the present circumstances. Future progress on the broader issues would of course justify more extensive American commitments.

With regard to the debate over granting the USSR most-favored-nation status (MFN), Congress might consider the following compromise solution since it is in the U.S. interest that a Soviet-American trade bill be passed: The Soviet Union could initially be given MFN for a two-year trial period. The grant would automatically terminate at the end of that time and its renewal would require affirmative Legislative action. This would permit Congress to make a fresh determination based on observation of Soviet behavior during the interim.

In reaching a decision on any of these matters, however, we should remember that U.S.-USSR trade arrangements are politically weighted on the Soviet side because its economy is controlled by the state. America's relatively free market system makes it difficult to infuse a sense of national purpose into business transactions, yet unless we attempt to do so, the USSR will derive important political advantages from its economic relations with us. Thus Congress should explore the idea of creating a formal instrument, perhaps a joint Executive-Legislative coordinating organ, to monitor this crucial area and insure that American interests are not slighted. It simply does not follow that what is good for U.S. business is automatically good for the United States.

In the broadest terms, the U.S. has three options in its economic relations with the USSR: (1) To restrict trade and investment by political means; (2) not to restrict them; or (3) to actively promote them by political means. Unquestionably, détente has advanced sufficiently to warrant the discontinuation of the first course, and this has already been done for the most part. But I cannot help wondering if we have come far enough yet to justify exercising the third option, which would mean providing Moscow with credits at concessionary rates and making a determined effort to encourage massive U.S. investment in the USSR. In my view, Washington's approach ought to be closely calibrated with accommodation on the larger political-strategic issues, and should not outrun it.

Here I can only endorse Henry Kissinger's statement of October 8, 1973, while deploring the White House's failure fully to apply it: "This Administration has never had any illusions about the Soviet system. We have always insisted that progress in technical fields, such as trade, had to follow—and not reflect—progress toward more stable international relations. We have maintained a strong military balance and a flexible defense posture as a buttress to stability. We have insisted that disarmament had to be mutual. We have judged movement in our relations with the Soviet Union, not by atmospherics, but by how well concrete problems are resolved and by whether there is responsible international conduct."

Unless we apply the Secretary of State's injunction very precisely and most deliberately, we run the risk of perpetuating the USSR's existing system and ideological attitudes. That is, we would reduce internal pressures for economic modernization and political decentralization and political decentralization without really altering the external American-Soviet relationship. The central point to remember is that a comprehensive undertaking—political, strategic and social—is the only solid base for an enduring agreement and until we obtain it, we would be wise to proceed cautiously, not allowing the economic association to become détente's primary blossom. In brief, the time is not yet ripe for a high-risk U.S. portfolio in the Soviet Union.

STATEMENT OF RABBI BARUCH KORFF

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MATHIS of Georgia. Mr. Speaker, I rise today for the purpose of calling to the attention of all Members of this House a full page advertisement that appeared in last Thursday's edition of the Birmingham News. The advertisement, and I assume it was an advertisement even though it was not labeled as such, contained a statement by Rabbi Baruch Korff, president of the National Citizens Committee for Fairness to the Presidency. The statement by Rabbi Korff, according to the advertisement, was delivered at the second session of the Citizens Congress, Sunday, July 21, 1974, at the Shoreham Americana Hotel here in Washington.

Mr. Speaker, I urge each Member of the House to read this article if for no other reason than to see the words of a demagog. This Rabbi Korff, who apparently holds himself out to be a man of the cloth takes the liberty of comparing himself to Tom Paine, one of the architects of the Revolution in 1776. Rabbi Korff calls the impeachment proceedings "a showdown between our traditional form of government and leftist-radical mobbery."

At the time this statement was apparently made, the Committee on the Judiciary had not voted on any article of impeachment, and the votes of several Members obviously were undecided. Listen to these words:

> Chairman Rodino has for weeks been ruthlessly forcing the Democratic members of the Judiciary Committee into line.

The rabbi continues:

> Frankly, we don't yet know whether he has been able to dominate Walter Flowers of Alabama, James Mann of South Carolina, and Ray Thornton of Arkansas. Time will tell whether their loyalty is to their constituents or to their party chieftains.

I believe, Mr. Speaker, that every American citizen has a right to his opinion, and a right to express it, but this vicious assertion goes far beyond decency. For Rabbi Korff's information, I know these men, and I know the agony they have undergone in attempting to decide how to cast their votes, and I know them well enough to know that party affiliation had nothing to do with their decision. The votes cast by WALTER FLOWERS, JIM MANN, and RAY THORNTON were cast because they were in fact, in the highest tradition of public service, representing their constituents, and doing so in the manner they deemed best.

Rabbi Korff goes on to viciously attack those Republicans who he feels might vote for impeachment and alleges they have been somehow rewarded by the news media for their position. And, he attacks other members of the committee, many of whom I do not agree with politically or philosophically, for their stand on this issue.

Mr. Speaker, I have seen many distorted articles and heard many distorted statements in my lifetime, but I have never seen anything more vicious than this. Rabbi Korff closes his article with a quote from Tom Paine;

> Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph.

I submit, Mr. Speaker, that it is tyranny to malign decent men, it is tyranny to call for laws to be broken, it is tyranny to demagogue. And, it is shameful and deceitful for a man who says he is for fairness to resort to such unfair and unreasonable tactics.

I regret that many Americans who are honest, decent citizens, and genuinely concerned have apparently been misled by this type of individual.

The article follows:

STATEMENT BY RABBI BARUCH KORFF

Over the past year, you have read our messages. We have requested FAIRNESS for the Presidency and have condemned the vicious impeachment campaign of this country's entrenched radical elite.

Now the final crisis is at hand.

We are approaching a Constitutional *Armageddon*, a showdown between our traditional form of government and leftist-radical mobbery.

Do you dislike those words? Do you consider us extremists for saying them? Would you rather we offered you pretty phrases and reassured you that the partisan lynching in Washington was really a political tea party? Not a chance! Like Tom Paine in 1776, *we can no longer equivocate about tyranny.* Like him, we appeal to the common sense of mankind and tell you plainly: *if you value our system of government, you had better act now to defend it or you won't have it long.*

If you have been shocked by our previous revelations about the impeachment lobby—how they have had free access to the tax-supported office facilities of leftist congressmen, how they have been financed by the forced contributions of millions of patriotic union members, how they have secretly determined to nullify the voters' decision of 1972—then this latest expose will horrify you even more. You already know that Chairman Rodino has for weeks been ruthlessly forcing the Democratic members of the Judiciary Committee into line. Frankly, we don't yet know whether he has been able to dominate Walter Flowers of Alabama, James Mann of South Carolina, and Ray Thornton of Arkansas. Time will tell whether their loyalty is to their constituents or to their party chieftains.

But did you know that 4 or 5 Republican congressmen on the Committee are also the subject of a heinous—and very skillful—campaign to secure their votes against the President? Here's the story you won't hear from Cronkite or Chancellor.

The impeachment gang needs some Republicans to create an illusion of bipartisanship. They are desperate to win over a few members of the President's own party, who have disagreed with him over various policy issues, so they can convince the nation that impeachment is not partisan. To that purpose, they have lavished media attention upon a few congressmen—like freshmen William Cohen of Maine—flattering them with laudatory newspaper editorials and, as long as they spoke against the President, rewarding them with prime-time television exposure so valuable in this election year. Haven't you noticed how it is always the same members of the Judiciary Committee who appear on the evening news and the talk shows? Legally, this is not bribery, but it is nonetheless shameful.

And now the pressure is being increased. The radicals don't dare ask the full House of Representatives to vote impeachment along party lines. They already know that dozens of old-line Democrats, patriots in the tradition of Sam Rayburn and John McCormack, will refuse them. They must have some Republican votes as window-dressing. So reporters besiege Republican committee members in the corridors of the Capitol. They press them for commitments against the President. They urge them to make sensational statements against him. They ask defamatory questions, they invite predictions of impeachment, and tailor their conclusions to fit their witch hunt. Thus the media lobby for impeachment.

As the showdown approaches, this is what we face. Bumbling Peter Rodino has become a willing tool of his supposed employee, John Doar. Before being hired by Rodino, he ran an anti-poverty outfit in New York which was the largest single community development grantee in the whole sordid history of the Office of Economic Opportunity? It is no coincidence that, only a year ago, when President Nixon called O.E.O. a travesty against the poor and appointed Howie Phillips to end it, Doar's welfare empire, subsidized by your taxes, fell apart. Doar hates the President for this as much as he lusts after the federal money that is now denied him. This is the rogue who has drawn up articles of impeachment even before the Committee members have seen the evidence. Columnist Joseph Kraft, no friend to the President, happily admitted in the Washington Post on July 21 that, obeying Rodino, Doar purposely created a bland, odorless image of himself and his work. "The aim was to baffle administration charges of partisan bias. Mr. Doar did the job so well that most of the committee were stupefied—even anesthetized." What treachery!

For whom does Doar really work? For the seven members of the Judiciary Committee who had demanded the President's impeachment even before Watergate? For Drinan, Holtzman, and Seiberling, who still weep for the Viet Cong victory of which the President has cheated them? For Edwards, Kastenmeier and Mezvinsky, who are trying desperately through impeachment to divert the voters' attention away from issues of forced busing, abortion, and the subversion of American values? For Waldie, Rangel, and

Conyers, men of no repute and even less regard?

And what will you do about it? Write Doar a letter? Forget it! One does not reason with lynch mobs. But you have a congressman, and he has an office in your district. Collect some friends together and go there. Present your demands in writing for fairness to the President. Don't be stalled. Don't be jived. Don't take "no" for an answer. Your congressman and his staff are paid by your taxes, so make them listen to you. If they walk away, follow them. If they hang up the phone, call again. If they lock their doors, get their home address and meet them there. If they treat you with disdain or condescension, tell them what you think of them! And don't delete your expletives!

For too long we have allowed Congress to listen to an elite—privileged, snobbish, contemptuous of our values and traditions. We have been too quiet, too polite, too respectful. Now, we have learned their ways, we know their tactics. We can scream, too. We can fill offices with angry citizens and chase congressional cowards down the halls of the Capitol. We can interrupt their speeches with the truth. We can boycott their media allies. And with our votes this November we can whip out of the Congress the rascals who have so disgraced that body.

So watch what happens this week. How many Democrats on the Judiciary Committee will recognize John Doar as the paid assassin he is? Will any Republican on the committee sell our birthright of Constitutional liberty for a mess of media pottage? And will you put up with it? Be guided by Tom Paine's advice: "Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph."

ALCOHOLISM: A GROWING HEALTH PROBLEM

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. ROGERS. Mr. Speaker, on July 10 I had the privilege of addressing the first meeting of the new and largely expanded Labor-Management Committee of the National Council on Alcoholism. The cochairmen of the NCA Labor-Management Committee are Mr. George Meany, President of the AFL-CIO, and Mr. James M. Roche, chairman of the Board, General Motors Corp. The expanded committee comprises some of the top labor union and corporate presidents in the United States.

The National Council on Alcoholism was founded in 1944 and during the 1950's and 1960's made the fight against alcoholism in industry one of its top priorities. However, in those days the stigma of alcoholism still prevailed, and while there were limited successes in some industries, there had to be a major attitudinal change on the part of the American public before real progress could be made.

At the luncheon both Mr. Meany and Mr. Roche pledged their full cooperation to developing in the voluntary sector a massive program to detect and treat alcoholism in industry. We in the Federal Government must do our share, because the rising consumption of alcohol is reaching epidemic proportions in the United States. We passed the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act in 1970 and renewed it again in 1974. But passing the law is one thing—getting it implemented is another. That is why I was so delighted that these leaders from both labor and industry have joined hands on their own initiative to see that alcoholism treatment and prevention programs eventually reach into every assembly line and into every corporate executive suite.

The very same day this luncheon was held Secretary Caspar W. Weinberger of the U.S. Department of Health, Education, and Welfare sent to Congress the second special report on developments since the first report was released in February of 1972. The 219-page report was prepared by a 38-member task force of distinguished alcoholism authorities from all over the country.

Interestingly enough, the massive report singled out alcoholism programs in business and industry as one of the most effective segments of the work of the National Institute on Alcohol Abuse and Alcoholism and stated that such programs report the highest rates of recovery. However, the report in its entirety makes for some unhappy reading. In its first report to the Congress in 1972, HEW estimated the cost to the country from alcoholism at $15 billion. At the press conference on July 10, 1974, Secretary Weinberger, referring to alcohol misuse and alcoholism as "an epidemic health and social problem," announced that the report of the 38 experts made a conservative estimate of the cost of alcoholism of $25 billion annually to our country.

The largest single area of cost—amounting to $9.35 billion—was the lost production of the goods and services which could be attributed to the reduced production of alcohol-troubled male workers. The cost of the lost production of women and of alcoholic persons who are institutionalized or living on skid row is not included in the $9.35 billion estimate. Other highlights of the HEW report to the Congress can only be briefly summarized:

First. A Gallup poll of June 9, 1974 reported that the proportion of adults who drink is at the highest point recorded in 35 years of regular Gallup poll audits of America's drinking habits. It reported that 18 percent of those 18 years and older—some 25 million Americans—sometimes drink to excess and more than they think they should.

Second. Excessive use of alcohol, as reported in studies from all parts of the world, is related to certain cancers, particularly those of the mouth, pharynx, larynx, esophagus, and primary cancer of the liver. A heavy drinker who does not smoke has approximately the same increased risk of developing cancer of the mouth and throat as a heavy smoker who does not drink. When heavy drinking and heavy smoking are combined, the risk jumps enormously—to 15 times greater than among people who neither drink nor smoke.

Third. The increase in junvenile drinkers is staggering. The study reports that one out of every seven high school seniors admitted to getting drunk at least once a week. At the present conference Dr. Morris Chafetz, Director of the National Institute on Alcohol Abuse and Alcoholism, said the increase in heavy teenage drinking "just blows my mind. It worries me greatly."

Fourth. Dr. Charles C. Edwards, the Assistant Secretary for Health, emphasizing the report's conclusions that alcoholism is an illness that can engender other serious diseases, said, "the time has come to bring the treatment of alcoholism into the mainstream of our Nation's health crew systems."

EQUAL RIGHTS AMENDMENT

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. PEYSER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

There are indeed many misconceptions today about the effects of the proposed Equal Rights Amendment. As one who worked actively for the passage of this amendment in the Congress I am most concerned about this. The following article excerpted from the March issue of Ms. magazine I think clears up some of these misconceptions and I would like to insert it in the CONGRESSIONAL RECORD at this time for the benefit of my colleagues:

EQUAL RIGHTS AMENDMENT

(By Lisa Cronin Wohl)

Phyllis Schlafly was in her glory. There she was on William Buckley's talk show, "Firing Line," waging holy war against the Equal Rights Amendment—and doing just fine.

"The proponents of the Equal Rights Amendment have given up claiming that ERA can do anything for women in the field of employment," she asserted, gracefully balancing the stack of "evidence" she held on her lap. "Even when Dr. Emerson came to testify at the Missouri hearing, he conceded that ERA will do nothing for women in the field of employment which is not already done by the Equal Employment Opportunity Act of 1972."

ERA won't bring equal pay, she implies—a telling point. Score one for Schlafly, right?

Wrong. "Dr. Emerson," who is an attorney, a Yale Law School professor, and calls himself *Mr.* Emerson, conceded nothing of the kind.

"No, I didn't say that at all," he told me. "That's absolutely incorrect. Obviously ERA would do a great deal to improve opportunities for women workers."

But the television audience didn't have a chance to hear Thomas I. Emerson's correction. Schlafly emerged unscathed, still smiling and one step ahead of the facts.

Carefully choreographed performances like this have lifted Schlafly to her current eminence as a leader in the fight to prevent ratification of the Equal Rights Amendment. A veteran of right-wing causes, she is the author of *A Choice Not an Echo*, a tract boosting the 1964 Presidential campaign of Barry Goldwater. And in 1960 she was termed a "very loyal member of the John Birch Society" by its director Robert Welch—a claim she says she denied at the time.

Now she has surfaced as chairman (yes, chair*man*) of STOP ERA, a national organization opposing the Amendment. As such, she has addressed state legislatures across the country, appeared on national and local television programs, and given countless radio and newspaper interviews.

In her wake, she has apparently left thousands of frightened women who fear ERA will destroy the American family, legalize rape, send mothers into combat, require unisex bathrooms, and force contented housewives into jobs they don't want. One apparent victim of acute Schlafly-shock even thundered that, after ERA, women and men could be "squatting over open latrines"—as if ERA were a chemical that would corrode modern American plumbing.

None of the above is true. Nevertheless, partly as a result of such scare tactics, the ratification of ERA, which had seemed a sure thing in 1972, slowed down in 1973. A total of 38 states must ratify ERA before it becomes the 27th Amendment to the Constitution. Last year four states ratified, bringing the total to 30; 13 failed to ratify (two of them by only a one-vote margin), and one state, Nebraska, attempted to rescind ratification, a maneuver of dubious legal effectiveness.

"Not too bad a track record for an amature," Schlafly says as she smiles sweetly to reporters.

More about that "amateur" standing later. First, let's note that Schlafly can't take all the credit. Some state legislators are adamantly opposed to anything that smacks of women's rights. They would vote against ERA with or without Schlafly.

More ominously, the Equal Rights Amendment has become a rallying point for right-wing extremist organizations around the country. The John Birch Society, the Ku Klux Klan, the National States Rights Party, and other radical right groups have sent their members—some organizationally identified and some not—into the fray. They tend to mirror Schlafly's views, tactics, and arguments; and ultraconservative backing has been a factor in creating her reputation for superhuman effectiveness.

"The claim that American women are downtrodden and unfairly treated is the fraud of the century," she avers. "The truth is that American women have never had it so good. Why should we lower ourselves to 'equal rights' when we already have the status of special privilege?"

In Schlafly's America, every woman enjoys the "right to care for her own baby in her own home while being financially supported by her husband." Never mind that 43 percent of American women over the age of 16 work full time outside the home and that 70 percent of women workers have to work because they are single, widowed, divorced, or married to men who earn less than $7,000 a year. No matter that 61 percent of poor people in this country are female. Schlafly and the lawmakers are in television-commercial land, where the lady in the high heels and $100 skirt delicately mops her vast and already spotless kitchen floor.

Schlafly paints ERA as the product of "liberationists," who are "a bunch of bitter women seeking a constitutional cure for their personal problems." The "libbers," she charges, are using ERA to wage "a total assault on the family, on marriage and on children." Naturally, she doesn't dwell on ERA's backing from the League of Women Voters, the Homemakers of America, the National Coalition of Catholic Nuns, the Women's Christian Temperance Union, the General Federation of Women's Clubs, and dozens of women's groups that are hardly considered radical.

Schlafly plays skillfully on the insecurities of women who are dependent on their husbands, as well as on the role images of male legislators out to "protect" womankind. She uses her discussion of the issues to manipulate the emotions of her audience.

Holding up a fat green copy of *American Jurisprudence 2d*, a legal encyclopedia, Schlafly proclaims the book proves that today in every one of the 50 states, a married women "has the legal right to be supported by her husband."

"This is regardless of her own separate means," Schlafly says. "He can't make her go to work if she doesn't want to. She has the legal right, and these are the laws which will be invalidated by the Equal Rights Amendment."

Here Schlafly addresses a complex and rapidly changing area of the law with oversimplifications that do no service for the women she claims to defend. The issue of homemakers' rights has given her perhaps her most successful arguments and it's important to examine Schlafly's statements carefully. The law does provide a right of support to wives, but too often women wake up to find that this right gives them as much effective protection as the emperor's new clothes.

Most families, of course, work out arrangements for sharing financial, child-rearing, and housekeeping responsibilities, and these agreements are enforced by love and custom—not the law. If a husband becomes a gambler, an alcoholic, or simply lazy, a dependent wife is in serious trouble. At best, if she can get help from a court, it is likely that she would get only a bare minimum of support. In fact, in many cases wives do not get help at all.

Schlafly's toting that heavy copy of *American Jurisprudence* doesn't mean that she is in fact citing weighty and dispositive evidence. She describes the series as "authoritative" and "the most comprehensive modern text statement of American law." But good lawyers would not rely on *American Jurisprudence's* statement of the law without substantial further research.

But Schlafly has other sources. "In Illinois," she told William Buckley's "Firing Line" audience, "the court said the husband had even to buy [his wife] a fur coat—a beautiful silver mink coat. And he had that obligation to do it because it was his obligation to support her, even though she had separate means—she had a $10,000 income of her own—and even though she had four other coats."

A court-ordered mink coat sounds terrific, doesn't it? Where do we sign up?

Unfortunately, according to Professor Judith Areen, associate professor of law at Georgetown University, Schlafly is being "absolutely misleading." Areen explained that the case [Lewis Berman & Co. *v.* Dahlberg, 336 Ill App. 233 (1948)] involved a wife who had charged a fur coat at a store. Her husband had to pay the bill because under the Illinois Family Expense Statute, it is assumed that he consented to her purchase.

That law, like others in the support cases Schlafly cites, is designed to protect creditors or the state—but certainly not the wife. If the wife had not charged the coat, but had simply gone to court and asked for one, she would have lost. And if her husband had canceled all her charges (as he probably did) afterward, that law wouldn't insure her rights to another fur coat.

"What Schlafly didn't say was that under the same law, if the *husband* had charged the coat, the *wife* would have had to pay," Professor Areen added. "That law wouldn't change at all under ERA."

Furthermore, while big alimony and child-support payments may be a reality in Schlafly's wealthy social circles, the average woman facing a separation or divorce soon finds that the "absolute" right to support shrinks to a slim reed indeed.

"Alimony is granted only in a very small percentage of cases," the Citizens Advisory Council on the Status of Women reports, noting that despite the lack of research, a 1965 survey of judges by the American Bar Association showed that temporary alimony is awarded in less than 10 percent of cases and permanent alimony in as few as 2 percent of cases. Moreover, the council continued, "fathers by and large are contributing less than half the support of the children in divided families" and "alimony and child-support awards are very difficult to collect."

You don't have to be a lawyer to figure out why this is true. Most families barely scrape along on one income. Obviously, when the family divides into two households, extra income is needed, and that means the wife usually must work outside the home. Furthermore, most judges are reluctant to impoverish a husband, and often award wives token child-support payments that do not reflect the actual cost in time and money it takes to bring up children. And one study cited by the Citizens Advisory Council showed that 10 years after the divorce, 87 percent of ex-husbands had skipped out on even these meager obligations.

ERA, Schlafly says, "will make a wife equally responsible to provide a home for her family and to provide 50 percent of the financial support of her family." Her statement can terrify housewives who fear they will be forced to go out and earn half the dollars their family spends. This is not the case.

ERA will not interfere with private marital arrangements. The Amendment will change support laws to provide a reciprocal right of support between husbands and wives. Some states, such as Pennsylvania and Schlafly's own home, Illinois, already have reciprocal rights of support. And no one has seen a flood of destitute, abandoned housewives going into the unemployment offices. Furthermore, contrary to Schlafly's assertions, courts already often consider a wife's separate means or earning capacity in settling support disputes. The fact is that whatever effective protection dependent wives now enjoy will not be destroyed by ERA.

Far from depriving the homemaker of her rights, ERA probably would enhance her status. At present, the financial value of the homemaker's contributions as housekeeper, child-raiser, hostess, chauffeur, and general factotum is not legally recognized.

However, ERA "will require state laws to recognize the contribution of the homemaker who takes care of her home and family," according to Common Cause. "The ERA would entitle the homemaker to financial support in compensation for her services as homemaker. In this way, the ERA will actually strengthen the dignity of the homemaker because support laws will be based on the actual earning power and contributions of each spouse, instead of being based simply on sex."

But while ERA backers are mired in the details and complexities of the reality of homemaker's rights, Schlafly has lit a new firecracker. This time it's the draft.

The ERA will "positively, absolutely, and without the slightest shadow of a doubt make women subject to the military draft on the same basis with men," she warns the legislators, her eyes flashing a steely glint. "Women will be sent into combat and onto warships with men and will be required to carry the same forty- or fifty-pound packs. Mothers will have to be drafted on the same basis as fathers."

But doused with facts, this little bomb goes off not with a bang but a fizzle. For one thing, we now have a *volunteer* army. *No one*, male or female, is being drafted.

Yes, we might have another war and reinstitute the draft. But in the event of a nuclear war (which Schlafly in her other writings says is imminent), questions of the draft become somewhat academic. No one would be safe.

The argument that ERA backers jokingly call the "potty problem" is at the same juvenile level. Schlafly and cohorts warn that ERA would outlaw separate bathrooms and sleeping facilities for men and women in public places. However, nothing in ERA prohibits sex-segregated bathrooms, and proponents argue that the Supreme Court has enunciated a constitutional right to privacy between the sexes. Anyway, don't these people use single-sex bathrooms on airplanes?

* * *

Schlafly's methods are in the best traditions of a propagandist preying on the fears of the ill-informed. She has a reputation for guts—for taking on all comers, which seems to give her a certain credibility. (However, she twice refused to be interviewed by me, even when I suggested she come armed with tape recorder and witnesses.)

Her performance relies heavily on an adroit combination of facts, half-truths, overstatement, and misrepresentation. She puts opponents on the defensive and then, with supreme self-confidence, repeats simplistic statements over and over. Most of us find it hard to believe that a respectable-looking matron might be careless with the truth. To cite a few examples:

In Georgia, Schlafly warned that ERA would eliminate dower rights—a legal provision that allots a man's estate to his widow. In fact, Georgia had abolished dower rights several years earlier.

Schlafly threatens that ERA will do away with so-called protective legislation for women workers. In fact, this legislation, although often well intentioned, tended to protect women from advancement and better-paying jobs. (For example, a law "protecting" women from overtime prevented women from earning time-and-a-half pay rates on an equal basis with men.) Such laws are already being invalidated under Title VII of the Civil Rights Act of 1964. And under ERA, when a law is truly protective, it can be extended to both sexes; when it is discriminatory, it will be eliminated.

Yet, for all the error of her words, Schlafly's arguments are widely promulgated. They have been reprinted—often word for word—in various ultraright publications, from H. L. Hunt's *Life Line Freedom Talk;* to the *Manion Forum*, run by Dean Clarence Manion, a John Birch Society National Council member; to Birch Society publications. Her arguments also appear in local newspapers. Sometimes the story is attributed to her; sometimes a local by-line is used, giving the material grassroots flavor.

Some experts believe that Schlafly and her ultraconservative admirers are concerned with far more than the well-being of women. "The right is always looking for issues of this kind that have some popular appeal and that will bring them into contact with segments of opinion in the mainstream," explains Irwin Suall, director of the domestic fact-finding department of the Anti-Defamation League of B'nai Brith, which carefully monitors extremist groups of all political persuasions. "Then, within that broad context, they try to press their own personal point of view on other issues.

"There is no doubt that the John Birch Society latched onto ERA because they sensed an issue they could exploit," Suall continued. "They got in relatively late after some of their own members had already come out against it. They saw it as an avenue to expand their influence."

Evidence in support of this speculation comes from Washington *Star* reporter Isabelle Shelton. "In state after state," Shelton wrote in a recent article, "labor found that the troops Mrs. Schlafly had organized for a blitz campaign against ERA would stay behind [while she was off in search of more conquests] to use their newfound legislative know-how to fight some of labor's pet programs."

(Until recently, Schlafly has made ample use of the fact that the AFL–CIO was divided on ERA to assert that America's workingwomen don't want the Amendment. That claim evaporated in October when the nation's largest labor organization unanimously endorsed ERA at its tenth convention—thanks largely to extreme pressure from women in the rank and file and the few women in leadership positions.)

The John Birch Society, of course, thinks ERA is a left-wing plot and admits a full-fledged effort to stop it. "It's safe to say that, where ERA was defeated, the Birch Society was involved," said John F. McManus, director of the society's public relations, in a telephone interview.

According to McManus, the Birch Society's first mention of ERA came in a November, 1972, article in *American Opinion* by Birch National Council member John G. Schmitz. Later, the Society's founder and director, Robert Welch, urged members to "plunge in and help relegate this *subversive* proposal to early and complete oblivion."

McManus reported that Birchers responded enthusiastically to Welch's call. "Many of our members have formed local groups and have taken on the job of organizing," McManus says, "because Birch members know how to organize." Birch telephone networks also have called legislators at strategic moments to urge them to vote against ERA, McManus said. The networks are not necessarily identified as Birch-organized.

Although the society's headquarters publicizes its opposition to ERA, the identity of its state and local organizers is carefully concealed. The Birch origins of only a few local groups—such as Utah's HOTDOG (Humanitarians Opposed To Degrading Our Girls) and Wisconsin's POW (Protect Our Women)—have been revealed by the society.

McManus defended the secrecy, saying, "We have a policy of allowing our members to choose their own techniques. We're anxious to be identified because we want people to know what the John Birch Society is doing. But if a local citizen wants not to be identified, that's his affair."

Helping the "local citizens" are 85 full-time paid Birch organizers (called coordinators) across the country. "We're using their talent and organizational abilities to oppose ERA," McManus said. The Birch connections of these coordinators are also kept quiet.

McManus denied that the national Birch organization has sent funds to anti-ERA groups. While denying the existence of a specific ERA war chest at the national level, McManus said, "Any money that has been spent has been raised at the local level. I don't know how much the local societies have spent but I doubt if it's been very much."

He did, however, say that the 85 full-time organizers spend a substantial part of the society's $8-million-a-year budget. Presumably, some of that money could find its way into anti-ERA work.

"Quality is much more important than quantity," he continued, denying a heavy financial commitment. "You don't need a whole lot of literature, but a few pieces mailed to the right people or just sitting down and talking to the right person can be very effective."

Schlafly's alleged John Birch Society connections have been a subject of considerable controversy. In the *John Birch Society Bulletin* in March, 1960, Birch Society founder and director Robert Welch praised Schlafly as a "very loyal member of the John Birch Society." His words have haunted Schlafly ever since.

She steadfastly denies that she is currently a Birch member, and has said that she was not a member in the past. However, her statements about her 1960 status have been less than satisfying, and have led to speculation that Schlafly may have been in fact an early society member but withdrew later to broaden her personal appeal and thus advance her political ambitious.

When I phoned Schlafly to ask for an interview, she declined, and refused to answer a specific question about her alleged Birch Society membership or to help me check other facts about her career.

I asked McManus of the Birch Society whether Welch stood by his 1960 statement calling Schafly a "loyal member." "There is nothing said in the *Bulletin* that [Welch] doesn't stand by," McManus answered firmly.

However, there can be no doubt that Schafly has had a cordial relationship with the society.

For example, unlike Senator Goldwater, who denounced the John Birch Society and rejected its support in his 1964 Presidential campaign, Schlafly has defended the society from attack. In 1965, according to newspaper reports, she charged that Republicans who denounced the John Birch Society were "guilty of diversionary and divisive tactics."

She herself refused to take such a step in 1967 when her alleged Birch connections became an issue in her bitterly fought but unsuccessful battle for the presidency of the National Federation of Republican Women.

After candidate Schlafly denied that she held Birch membership, Elizabeth Fielding, then the federation's director of public relations, demanded to know why she didn't "denounce the Birch Society . . . as Barry Goldwater has." Fielding offered to call a press conference right away so that Schalfly could do so. But Schlafly, who often paints herself as a Goldwater conservative, declined to follow Goldwater's lead.

For its part, the Birch Society, while not always totally in agreement with Schlafly, has generously pushed her career. *A Choice Not an Echo* became a best-seller at least in part due to promotion and distribution by the society. Later the society called another book "an excellent small volume," while another was "recommended for all adult education courses in national survival" in an *American Opinion* review. Robert Wech urged members to buy yet another Schlafly tract, saying, "You can order it from us by mail; and it is, or soon will be, on sale at practically all our bookstore units."

Recently, of course, Welch's complimentary mentions of Schlafly's anti-ERA activity have been frequent. In December, 1972, Welch recommended a Schlafly newsletter on the ERA, calling her statement "another excellent educational weapon recently added to the anti-Amendment toolbox." In February, 1973, Welch praised the anti-ERA efforts of Schlafly and Jacquie Davision. (Davison heads Happiness of Womanhood, Inc., and plans to defeat ERA and then promulgate the doctrine of "Fascinating Womanhood," which goes something like: "If you make your man your king, then you are a queen," etc.) And significantly, in 1973, Schlafly and her husband J. Fred Schlafly appeared as featured speakers at the Birch Society's annual God, Family, and Country Rally.

Schlafly has repeatedly declared that she does not receive "one dime" from the Birch Society or other far-right groups. Indeed, she told St. Louis *Post Dispatch* reporter Patricia Rice that the STOP ERA fight "hasn't cost me anything."

"I do it right out of my kitchen," she told Rice. "I don't go anywhere to give speeches unless they pay my fare. When I get there, they pass the hat. They buy reprints of my report or they run off copies themselves."

Schlafly's pin-money explanation is too vague to satisfy observers who have seen her anti-ERA blitz in action. For one thing, her kitchen must be pretty crowded since she reportedly has two paid secretaries.

Who, for example, paid for Schlafly's visit to Nebraska last year during that state's rescission fight? The most visible anti-ERA group was the Omaha Unit of Pro America, Inc., an ultra-conservative national organization. Schlafly stayed overnight with the group's president, Mrs. T. A. Bjorge. However, Mrs. Bjorge told me that Pro America did not pay Schlafly's plane fare and she was not aware of anyone passing the hat to raise Schlafly's expenses. And although large quantities of anti-ERA literature appeared in Nebraska, Mrs. Bjorge said Pro-America spent less than $100 on the struggle.

The National Organization for Women has charged that the insurance industry was a key funding source in the Nebraska anti-ERA fight. (ERA would prohibit many insurance-industry practices that discriminate against women, and would therefore cut into the companies' profits.) NOW points out that State Senator Richard Proud, who led the rescission move, is an employee of Mutual of Omaha and that other anti-ERA leaders had insurance-industry connections. Mutual of Ohama has denied any participation. Of course, Schlafly would not agree to an interview, I could not determine for sure who, if anyone, paid for her Nebraska trip.

Schlafly also denies using her own Eagle Trust Fund to fight the ERA Eagle members pay $5 a year for dues and a subscription to "The Phyllis Schlafly Report," her newsletter. Schlafly puts the number of Eagle subscribers at "under 10,000."

Schlafly could end the speculation and the charges of right-wing funding with a publicly audited account of STOP ERA and Eagle Trust Fund finances. NOW is making available such an accounting of its own ERA war chest, but so far Schlafly has failed to do the same.

Despite her lack of success in previous bids for national attention, she has come far fighting the ERA. Because she or her followers demand equal time on each occasion that an ERA proponent makes an appearance on radio or television, Schlafly has made it out of the minor leagues of obscure right-wing publications and into the national media.

In some ways, she might be called an artificial creation of the fairness doctrine: wherever the pro-ERA views of the vast majority of Americans are presented, Schlafly—the only nationally known spokeswoman against it—is brought out in the name of objectivity.

Schlafly is using her newfound celebrity to promote her conservative views. Recently, CBS gave her a regular national forum as one of its commentators on "Spectrum," a network radio and television editorial series.

Schlafly can expect stiffer opposition on women's issues in the future. ERA backers are now gearing up with an educational campaign to counter Schlafly-style rhetoric in states that haven't ratified.

As the proponents look up the cases Schlafly cites and check on her facts, she will doubltless move onward to new cases and new facts.

In fact, Phyllis Schafly's description of the ERA as a "terminal case" should encourage ERA backers. In 1971, for instance, she urged Nixon to bow out in favor of Reagan: she had a poll, she said, proving that Richard Nixon could not win.

So much for the Schlafly instinct and research. Once we understand her methods, we can cure Schlafly-shock. Women across the country have been working hard for ERA. And this Amendment—the most important legislation for women since suffrage—can and will be passed.

(Lisa Cronin Wohl is a free-lance writer. She supports the ERA, but does not plan, as Schlafly fears, "a total assault on the family, on marriage and on children.")

CONSUMER ADVOCATE FLORENCE RICE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. RANGEL. Mr. Speaker, consumer education is a hot issue these days. In minority communities, it has always been an issue. Because they lacked both information and power, blacks and other minorities allowed themselves to be taken advantage of by companies and stores. But things are changing. As in other areas of politics and power, blacks are making headway in the field of consumer education. In New York City, the driving force behind this progress is an energetic, committed consumer advocate named Florence Rice.

Ms. Rice has been working to protect consumers for more than a decade, and has achieved tangible success in increasing their awareness of how to protect their interests. I commend Ms. Rice's efforts, and urge my colleagues to read the following article about the opening of her second consumer education center:

PRAISE FOR HARLEM "PEOPLE'S ADVOCATE" MARKS OPENING OF SECOND CONSUMER OFFICE

(By Charlayne Hunter)

In a small, cramped storefront in Harlem, Federal, state and city officials and a few "arch-enemy friends" joined Florence Rice yesterday in opening her second consumer-education center uptown.

Mrs. Rice, who organized the Harlem Consumer Education Council, Inc., in 1963, and has been active in a range of consumer problems since, was praised as a "pioneer" and a people's advocate" and as someone who "puts any money she gets back into the community."

In turn, she pledged to continue her battles in the consumer arena, particularly her long-standing ones with the utility companies.

Before the informal opening ceremonies, guests who preferred the heat outside to the heat inside talked about Mrs. Rice and her tireless efforts, often without remuneration, on behalf of poor people.

AIDED BY URBAN COALITION

"Any money she gets she puts back into the community," said Luther Gatling, executive assistant to Eugene Callendar, president of the New York Urban Coalition. Both he and Mr. Callendar said that the coalition had been helping Mrs. Rice for the last year, and that they planned to help her draw up a proposal to some foundations.

"She needs at least $50,000 a year to do just the bare-bones work in consumer education," Mr. Gatling said.

"She can't get any money because of what she's doing" Mr. Callendar said. "She's a real people's advocate" before the state Public Service Commission and the Federal Trade Commission. "If you have a problem with your phone bill or your gas bill, you don't call Con Edison or the phone company, you call Florence."

Others, who asked not to be identified, said that Mrs. Rice had turned down offers of grants from Consolidated Edison and the telephone company.

IRKED BY DUNNINGS

Mrs. Rice, who over the years has been outspoken at hearings and public forums about billing practices and complaint procedures of the major utility companies, said that she had found that "people in this area"—Upper Manhattan—were "still having to pay exorbitant deposits, and there's a lot of estimate billing and people getting dunning letters saying they've got to pay immediately."

Among those attending the opening at 1956 Amsterdam Avenue at 157th Street were Attorney General Louis J. Lefkowitz, Richard Givens, region Federal Trade Commissioner, and Consumer Affairs Commissioner Elinor Guggenheimer, both of whom pledged their support to Mrs. Rice's efforts.

Also present were representatives of the Public Service Commission, the Telephone Company and Con Edison, which Mrs. Rice described as "my arch-enemy friends."

"We're going to take care of Florence's people," said Waymon Dunn, deputy assistant to the chairman of Con Edison.

"We're going to take care of all the people, honey, because I'm going to send them to you," Mrs. Rice replied.

Mrs. Guggenheimer said, however, that she was "worried about consumer offices that are not hooked into offices that help them do something."

"A lot of them are confusing the consumer about where you can get governmental action, and where you can go and talk to a friend," she said. Florence is education. She isn't saying that she's the complaint resolution center."

One such agency, a branch office of the Manhattan District Attorney's office at 55 West 125th Street, was established last month, specifically to handle cases involving thefts by deceit and defrauding consumers.

122 CASES IN MONTH

Figures released by District Attorney Richard H. Kuh yesterday showed that the agency had handled 122 complaints in its first month, 16 of them involving allegations of crime.

Of that number, 13 are being investigated further on possible charges of harrassment, fraud, false advertising and larcency. The remaining number involving civil problems were referred to "more appropriate agencies," along with WMCA's Call for Action program.

"A starting volume of 30 complaints a week between June 10 and July 9 demonstrates that district attorneys throughout the country should take their offices to the people," Mr. Kuh said in a statement released to the press.

Mr. Kuh estimated that the figure "will spring upward," as more people learn about the office, which is on the 11th floor of the Charles A. Vincent Building on 125th Street near Lenox Avenue. It is open daily from 9:30 A.M. to 6 P.M., and on Saturdays until 1 P.M.

LUBBOCK, TEX., JOB TRAINING PROGRAM A SUCCESS

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MAHON. Mr. Speaker, Dr. Leon Sullivan has done an outstanding job in behalf of the underprivileged youth and citizens otherwise of our country. He established what is known as the Opportunities Industrialization Center—OIC—back in 1963 from a pilot project in job training and placement in Philadelphia. OIC has grown to include centers in 6 foreign countries and boasts some 110 centers in 43 States. The job retention rate for graduates is an amazing 85 percent.

The July 1974 issue of the Reader's Digest carries an article about Dr. Sullivan and the OIC program. Reference is made in the article to a very successful OIC unit in my home town of Lubbock, Tex. I quote the following excerpt from the article:

> Out on the Great Plains, at Lubbock, Texas, I found OIC operating in an abandoned supermarket converted into a big open classroom, with a day nursery for small children. Sparked by the Rev. Allen L. Davis, the Lubbock OIC serves blacks (48 percent), Chicanos (36 percent) and whites (16 percent). About a quarter are on welfare. One ex-student is a 46-year-old father of eight, who is now working his way through college as a printer, after getting his start at OIC. A mother of five, with a tenth-grade education, trained at OIC to be a sales clerk, and is now earning $320 a month instead of drawing $105-a-month welfare.

I would like to commend Dr. Sullivan, Reverend Davis, and many others who have worked long and hard over the years in behalf of those who want to help themselves.

REVITALIZING THE SYSTEM

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HARRINGTON. Mr. Speaker, I would like to bring to the attention of my colleagues an article by Richard Trout, TRB, which appeared in the July 20 edition of the New Republic. Mr. Trout raises an issue which should be of central concern to our country—the absence of governmental responsibility and accountability.

The United States is now suffering from fundamental problems which demand immediate and effective action. We face a skyrocketing inflation combined with high unemployment, an environmental crisis, shortage in energy and food, and an executive branch which has lost its ability to lead. Our Government in turn, has proved unable or unwilling to deal with these pressing issues. One party controls the executive while another controls the legislature. The result is a mutual check which either leaves legislation at a standstill or waters it down to such a degree that it lacks any authority.

Mr. Trout presents a convincing argument for establishing a more responsive governmental system. In every other democracy in the world, government is held accountable for its actions and for inaction. Thus, if it meets with popular disapproval it will quickly and efficiently be removed from office and be replaced by a party which has a public mandate to act.

Mr. Trout poses the question, "Who's in control?" This question can only be answered through responsive and accountable leadership. Until such change comes about, we must brace ourselves for more of the same, ineffective leadership which is unable to deal with our country's basic problems.

I would commend TRB's column to the attention of my colleagues, and the text follows:

[From TRB, July 20, 1974]

TURBULENCE AHEAD

With a parliamentary system like Canada's the United States could have dealt with Watergate two months after it was discovered. With our rigid government we have instead reached a point of public helplessness that is demeaning to a great nation. It is not merely demeaning but dangerous. We face extraordinary shocks on the economic front and the President evidently does not know what to do, nor is there any quick way of replacing him. There is impeachment, of course, but that is reserved for high crimes and misdemeanors and simple economic muddleheadedness does not meet the formula. There is no lack-of-confidence vote in our system that can get an election and oust an inept leader, there is no arrangement whereby a political part itself can readily change its spokesman as the Progressive Conservative party in Canada is now preparing to do with the unfortunate Robert Stanfield after his defeat in last week's election. No, we are helpless, as James Sundquist of Brookings put it, recalling the discredited British Prime Minister who sought to appease Hitler. "Under our system, a Neville Chamberlain would stay in office for his full term even if that meant losing a war, and the very freedom of the nation."

We need a more flexible system. For example, Sen. William Fulbright, who has headed the Foreign Relations Committee longer than anybody else, is a national asset. But he was defeated in a local primary and must go. Why should a man like Fulbright—or some equivalent senator in the same fix on the conservative side—be lost under a rigid system, and not run from some other constituency, from some safe seat, to give Congress the benefit of his continuing experience?

It is stunning to cross the line that separates the United States and Canada and find the idea of transferable legislative constituencies unthinkable in the former and taken for granted in the latter. Mr. Stanfield has just run from a district in central Halifax in Nova Scotia—he doesn't live there. Prime Minister Pierre Elliot Trudeau is elected from the Mount Royal district of Montreal—he doesn't live there either. They are glad to have famous men to elect.

There are two dangers of Watergate, one that Mr. Nixon will ride out impeachment, in which case the great sword that the Founding Fathers forged for the Constitution will rust and be forgotten; the other that he will be impeached, and the Nation will say, "See, now we have solved the Nixon problem and we can forget Watergate as soon as possible!" Of the two, the latter possibility could be the more dangerous if it throws away the experience we have gained and what might be the last chance of some permanent reform.

The dominance of the presidency over Congress and courts seems likely to be checked now for a while whatever happens, because Mr. Nixon has overreached himself and been too arrogant. But the same process is apt to begin again after a while because the Nation needs a strong leader, and will achieve it in one way or another.

Suppose the future man in the White House had the charisma that Mr. Nixon lacks, the demagoguery of Huey Long, the effrontery of Joe McCarthy, the racism of George Wallace, and pushed his power in the paths Mr. Nixon has pointed out—impoundment, executive privilege, national security, warrantless wiretaps, sale of ambassadorships, falsification of cables, favors for campaign funds, burglary, spying and all the rest. Could we depend on the device of impeachment alone to handle the matter? Really, wouldn't it be simpler to adopt a collectized parliamentary government or some partial adaptation of it? Half a dozen proposals are now in Congress.

The United States would never accept parliamentary "instability," it is argued, like that in Canada; it breeds coalition governments. It is odd to hear the latter argument advance. Prime Minister Trudeau has just been reelected with a fresh mandate, and presumably he can govern for the next four years with collective party responsibility.

Things are different in Washington. I do not mean Watergate. One party controls the White House, a rival party controls the legislature and the emphasis is on negativism. Ah yes, you say, but this is the exception. Not at all. In the last 46 years the control of Congress and the White House has been split 16 years, or one-third of the time.

Often you hear it said with smug self-satisfaction, "So what? Divided government is good; one party will watch the other; the sound men of business will be the real rulers; this means less government interference. The fewer laws the better."

Business certainly is powerful. But in the real pinch can government act? You could find no better example than the terrible problem of inflation at the present time. All around the world today the economic warning signs are flashing: "Buckle seat belts, turbulence ahead!" It is the most serious international inflation in history. How badly America needs a leader it can trust!

Last week Herbert Stein, chairman of Mr. Nixon's Council of Economic Advisers, called the American economy "very strong," but also acted like the watchful airline hostess who doesn't want to frighten anybody but wants to be sure everybody is tucked in:

"We have no easy way out of this. I think we have to be prepared to continue for a long time. I think in terms of years, not months—three, four years, and more or less indefinitely, we have to follow a policy of much greater discipline."

In Herbert Hoover's Great Depression there was a Commerce Department economist named Julius Klein. Mr. Hoover would see prosperity just around the corner, and Klein would explain why. The similarities are rather striking:

Said Julius Klein in '29,
"I'm confident there's no decline!"
Said Herbert Stein, "Hew to the line,
We'll all be fine by '79."

Dr. Stein says the real blame for inflation is with the American public—they rejected "tax increases." It is an astonishing statement for the aide of Mr. Nixon who pledged in 1972: "My goal is not only no tax increase but no tax increase for the next four years."

Tighten your seat belts, turbulence ahead. Who's at the controls?

TRIBUTE TO ERNEST AND ROSE SAMUELS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. LEHMAN. Mr. Speaker, a recent event that took place in the State of Israel was a most appropriate form of recognition for one of our unique men in the 13th District of Florida.

At a time when most see the tranquility of retirement, Ernie Samuels has not sought but has accepted many responsibilities in our community. As chairman of the Condominium Executive Council of Florida, he was a leader in the legislative battle for the rights of his fellow condominium owners. He has also been a leader in the effort to protect our air and water.

In light of his concern for the environment, it is fit and proper that to honor his successful fundraising effort for Israel in the October fight for survival, there now exists in Israel a Point East Ernest and Rose Forest.

The text of the news items as it appeared in the Jewish Floridian of July 12, 1974, is as follows:

JNF POINT EAST PILGRIMAGE TO ISRAEL

A most impressive pilgrimage, comprised of 47 delegates, traveled to Kfar Hachorshim to dedicate the Point East Ernest and Rose Forest in the Governor Askew Park Forest. This memorable event will linger for a long time as a testimonial of love and respect to the great leader of Point East, Mr. Ernest Samuels, who has become a legend in his own time in this great condominium.

Attending the ceremony from Miami Beach was Judge Zev W. Kogan, President, JNF Southern Region, who came especially to pay tribute on this great occasion to Mr. & Mrs. Samuels, and to share with them and with the pilgrimage the joy of this great day. Representing the Keren Kayemeth was Mr. Tidhar of the American desk.

It is good that Ernie and Rose were accompanied by so many of their supporters and workers from Point East, who have helped him make that condominium development maintain a leadership position in south Florida.

CONGRESSIONAL ACHIEVEMENTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. WOLFF. Mr. Speaker, I recently received a copy of an editorial which was delivered over WGSM radio on July 20, 1974. The editorial points out several major congressional achievements during the last session and helps to document that we have been diligent and constructive in our work. Editorials like this will help to dispel the post-Watergate myth that Congress is not doing anything positive. I am sure that the following editorial will be of interest to my colleagues:

CONGRESSIONAL ACHIEVEMENTS

Congress never had it so bad. The public seems to have the idea that their Representatives aren't doing anything. Perhaps because the President keeps talking about getting back to the business of the country as though nothing's happening in the Senate and House and because the nation is leaderless at the Executive level.

Worst of all, Watergate, for some unknown reason, seems to have rubbed off more on Congress than on the President where it belongs. A recent poll show 72% of the American people thought Congress was doing a bad job. The truth probably is most people don't know what kind of a job Congress does. During this session the Congress passed a milestone bill, called the Budget Control and Anti-Impoundment Act, which not only has a built in spending limitations and priorities, but provides that each governmental program must be cut a pro rata percentage whenever expenditures exceed revenues.

The President can no longer pick out a program, supported by the Congress that he opposes and withhold funds, arbitrarily, from that one area of concern. Two full Congressional Committees worked an entire year on that legislation also called the Percy/Ervin/Muskie Bill. There were few public hearings or emotional exchanges, little radio and television coverage. Private interests were well represented at the hearings, but no public hearings. This is legislation important to every citizen, to everyone who pays taxes.

Other Congressional accomplishments include the War Powers resolution which provides that no United States troops can be committed to foreign wars, by any President, for more than a short period, without Congressional approval. Additionally, Congress passed a pension reform bill, insuring private pension plans, a Social Security increase of 11%, the 55 mph speed limit, the Alaskan pipeline, unprecedented funds for energy research and a new agriculture bill that is sending farm subsidies down from 4 billion dollars to 2 billion dollars this year and 460 million next year. What it really says to farmers is—Grow as much as you can.

Still on the Congressional agenda, among pressing concerns undone, remain Election Campaign Reform and Internal Congressional Reform, but the Congressional Report Card is not nearly as empty or as poor as the American people seem to think. With 254 sub-committees and 37 standing committees, it's sometimes difficult to separate the legislative wheat from the chaff. Certainly, a limitation of Presidential war powers, budget control and increased food supply are commendable and progressive moves for which Congress should receive credit rather than criticism.

ROY EARL MULLIN—GO-FER FIRST CLASS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MILFORD. Mr. Speaker, it is with deep regret that I announce today that I am losing the senior member of the staff team which I have relied upon so strongly during two campaigns and my first term in office.

I am speaking of Roy Mullin, whom few of you know because he works in my district office in Grand Prairie. We are losing Roy through circumstances none of us could have anticipated, knowing him as long and well as we have. Roy has been accepted for enrollment by a major university.

We just sort of acquired Roy. Shortly after I announced as a candidate for Congress in 1972, he wandered into the campaign office and said he wanted to help. For a while, because of the braces on his teeth, his long hair and big glasses, we wondered whether he really was of our world.

But, by virtue of "just being there," Roy ascended to the exalted role of go-fer. He would go for this and go for that or for anything we needed. It took a while for his talent to sink in—you all know how hectic campaigns can be. But we came to realize that Roy had an uncanny ability to solve problems.

One time we needed a television set, for example.

Mature, educated, sophisticated people ranted and raved about this need while Roy stood, nurturing his Prince Valiant hairdo, in the corner.

The campaign leaders never solved the problem of the television set, because suddenly one appeared.

"Where did it come from?" we asked.

An extensive search turned up Roy. When pressed upon just how he solved the momentous problem of the day, Roy said, "Well, I just went down to the Seven/Eleven and rented it."

Roy's simple and direct approach to problem-solving flowered and flourished and we came to appreciate it. All we had to do was tell Roy what we needed, carefully avoid specific questions about how he was going to do it, and whatever it was would get done.

All this talent, and Roy didn't cost anything! All we had to do was feed him. Now that, Mr. Speaker, was something else again. Roy is stringbean thin, but he has the greatest capacity I have ever seen for hamburgers, peanut butter, balogna, pie, cake, beans—food, any kind of food!

All over the 24th District, they looked forward to my appearance at bake sales—not for me, or a chance to visit with a candidate, but because Roy would buy them out! If they were serving free food, we would get kicked out.

When the campaign was over and done—and successful—Roy received his reward. He was assigned to temporary duty in Washington for familiarization and to attend the swearing in ceremony as I became a Member of this body.

When Roy returned to Texas, it developed that our office could not function without him and his special abilities. Since he continued to haunt our office each day after school and on Saturdays, I gave him a part-time position on the staff. The position paid very little money but carried an elevated title as "congressional go-fer, first class."

There has never been any doubt that he has fulfilled all his responsibilities in an outstanding way—despite the fact that his memos sometimes are a little sticky with peanut butter.

Roy has made another important contribution to my operation. My administrative assistant, executive secretary, district coordinator, legislative assistant, field assistants, case workers, and secretaries, have all at one time or another been humbled when Roy invoked his privilege of seniority. He even wrote me a memorandum once, reminding me of his senior status on staff.

I hope you can tell how much we all love and respect Roy Mullin from the light nature of these remarks. One has to respect a man to kid him.

To me, Roy is an outstanding example of the kind of young people we have so many of, and hear so little about. These are quiet young people who look at the world they live in and decide to get involved, to do what they can, and to make an opportunity to learn more about the system which governs, and how it operates.

Roy was in high school when he decided to get involved in a political campaign. I am eternally grateful that he picked mine. I probably learned more from Roy than, he has from me.

Mr. Speaker, we now have a vacancy in our Grand Prairie district office for one "congressional go-fer." Starting salary will be low and the working standards will be high—Roy Mullin established them. I do not really think that it will stay vacant long because there are many other young deserving youngsters that are also seeking to become involved within the system. After proving himself, he too will be eligible for inservice promotion to "Congressional Go-Fer—First Class."

HELP FOR TENANTS AT LONG LAST

HON. BERTRAM L. PODELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. PODELL. Mr. Speaker, a major problem facing the urban dweller has been the inability of municipalities to maintain quality housing. In New York Ctiy, by the end of 1968, 18 percent of the total stock and 29 percent of the rent controlled stock was classified as substandard. This was unacceptable in 1968 and intolerable today. Many structurally sound buildings are in disrepair, and more are on their way to this unfortunate state. New housing cannot meet all the needs of housing and is not a solution in itself.

One need only drive through the city to find former beautiful neighborhoods decaying merely because owners of property have failed to maintain them. Apartment houses are becoming slums because landlords have refused to keep them in a state of repair and because the cities have insufficient funds to enforce housing codes.

As a result, neighborhoods are being torn down and in their place, erector-set type projects are being built, which are slowly becoming the slums of the future. If we are to preserve the middle class neighborhoods of our cities, we must prevent landlords from milking the property and force them to keep them modern, attractive, and in keeping with the needs of the neighborhood.

Unless we do this, the Boroughs of Brooklyn and Queens will soon look like the war torn areas of the Bronx, and this must not happen.

To this end, I, together with every New York City member of the congressional delegation, from both parties, have introduced a bill which will once and for all afford the tenants of our city a place to bring their complaints, provide them with a code of uniformity, and laws that will strictly enforce the preservation of existing housing.

More specifically, the major provisions of this legislation are as follows:

First. The training, employment and compensation of housing inspectors and personnel;

Second. The establishment of housing courts for dealing with building violations, other controversies and criminal penalties; and

Third. The development and improvement of housing codes and related code enforcement programs.

The allocation of the distribution of funds will be 90 percent Federal and 10 percent State, city, or municipality. The appropriation for this legislation is $400 million.

This legislation is desperately needed by cities and municipalities throughout the country, more particularly by New York City, more particularly by the Borough of Brooklyn. If we are to preserve the neighborhood, we must once and for all prevent its decay. This legistion will be the first giant step in that direction and I urge my colleagues to join with me in its support.

ALL IS SILENT

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. PEPPER. Mr. Speaker, our country has recently seen the end of our involvement in the longest war in the history of this country. The cost in lives of young and brave men, as well as in the money which was so desperately needed for programs to improve the lives of our citizens here at home, is incalculable. Our country has been involved in other bloody conflicts, the memories of which are deeply etched in the minds and hearts of all of us, especially our brave men who were on the fields of battle. One such individual is now a member of our Capitol Hill Police Force and while he keeps watch at his appointed post here in the Cannon Building, his thoughts sometimes take him back to those scenes of horror that he witnessed during World War II. He has put some of these memories into poems which enable us all to feel as if we are walking with him across the battlefield. I include, Mr. Speaker, one of the poems of this Capitol Hill policeman, who prefers to remain anonymous, in the RECORD following these remarks. It is entitled "All Is Silent." I believe that reading this poem will make each of us more thankful for the peace our country now enjoys:

ALL IS SILENT

All is silent. All is silent.
As I walk over the battlefield after a battle,
I see death all over the field on its last rattle.
They lay in slumber in their Death Mask of deep sleep
Looking around at the bodies I wonder why death is so cheap.
Some are lying on their backs, others kneeling in their Death Mask of sleep.
I wonder aloud and ask have they died in vain.
On some of the faces, a tortured mask of pain.
There are tanks and guns and bodies everywhere in sight.
I look and ponder, why does my heart feel feel so tight.
All is silent, all is silent in this desolate place.
They sleep in peace with a Death Mask etched on their face.
There are some gruesome sights; others look like they dropped to rest.
But in this fight they undertook they met death in its sternest test.
In the hot blistering sun, the stench of death is everywhere.
I stand in stunned silence praying to drive this out forever.
All is silent. All is silent. What is there to say.
On the field of death, I shiver in this hot summer day.
I stumble and tumble along like an animal in a trance.
All is silent. All is silent. Please God give them a chance.
They say death is like a thief in the night.
But these comrades of mine died in the broad daylight.
The wounded have long been taken off the field of battle.
The cries of agony I hear like a faint distant rattle.
I walk off the field watching them put the dead in their sacks.
Away from the field under tarpaulins in a triangle the dead are stacked
My heart grieves, I cannot cry, I cannot stay, I must go on to live another day.
I stumble onto another day; I thank the Lord for saving me today.
All is silent. All is silent.

CONGRESSMAN KEMP PRAISES AN INNOVATIVE NEW YORK STATE EDUCATION PROGRAM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. KEMP. Mr. Speaker, I would like to bring to the attention of my colleagues a new education program, initiated by the State of New York on May 24, 1974.

This program is called the Regents Credit Bank. For a small fee, an individual can have this computer system store all college courses, military education programs, and special tests. This service is especially beneficial to those who interrupt their education programs to enter the military or for other reasons. The Regents Credit Bank will make it much easier for these people when they decide to return to school. The information contained in the bank will be made available to the school or employer only at the request of the individual, thus guaranteeing the individual's right to privacy. The bank's primary use will be in the educational systems, but this service can be used for job applications as well.

I bring this program to the attention of my colleagues, as it is the first program of its kind in this country. For many years now New York State has been a national leader in the advancement of new and innovative aids to students and educators, and I want to take the opportunity to commend the New York State Department of Education for this its newest effort on behalf of our educational system and its beneficiaries.

At this point, Mr. Speaker, I insert the text of the statement made by the department of education:

THE REGENTS CREDIT BANK

In our society where a college degree opens countless occupational doors, the Board of Regents of the University of the State of New York has recognized the need for certifying the accomplishments of those who have obtained knowledge and skills outside the formal classroom. In September 1972, therefore, the Board of Regents established the External Degree Program, which so far has enrolled over 5,000 students from all over the country. Emphasizing that what a person knows is more important than how he learned it, the program allows qualified persons to earn a college degree without attending classes. Students earn credit toward an external degree in various ways, including college equivalency examinations, courses at accredited colleges, military education programs, and special tests.

To date over 1,200 individuals have received external degrees in liberal arts, business administration, and nursing. Many graduates of the associate in arts program have continued their education in 4-year colleges, while others are using their degrees to satisfy job requirements. A large percent are on active duty in the military, most of them career service personnel.

With the success of its External Degree Program already acknowledged, the Board of Regents has recently expanded services to independent learners by initiating a new evaluation and transcript system known as a "Credit Bank." This unique service is designed to evaluate an individual's educational achievements in terms of college credit, and record them on a single transcript from the University of the State of New York, the comprehensive educational system over which the Regents preside. Originally available only to enrollees in the External Degree Program, the Credit Bank is now open to all interested persons, including members of the armed forces and their dependents, regardless of age, state of residence, or previous educational experience.

The Credit Bank will evaluate scores earned on proficiency examinations such as those offered by the College Level Examination Program (CLEP) and the College Proficiency Examination Program (CPEP), and the United States Armed Forces Institute. The Credit Bank will also consider military service school courses and courses taken in residence or by correspondence from accredited colleges and universities. All evaluations will be conducted according to the academic policies and standards established by the faculty of the Regents External Degree Program.

In operation since late May, the Credit Bank will open a record for any individual for a small fee. It will then provide an unlimited number of evaluations and transcripts for two years. At the request of the Credit Bank member, transcripts will be forwarded to any agency, person, or educational institution.

The Regents expect the Credit Bank to meet the need of employers, agencies, and institutions of higher learning for a formal comprehensive, and academically consistent transcript. Hopefully it will function like the External Degree in aiding job advancement and academic placement.

The Credit Bank should especially help those people who use their local libraries for independent study. These persons, who are interested in preparing for proficiency examinations such as CLEP and CPEP, will now be able to earn college credit directly and keep a record of their achievement until they wish to apply it toward a degree program, external or campus-based. If widely used, the Credit Bank could significantly increase the number of independent learners who devise a program of study centered in the library. The Regents Credit Bank could thus have important implcations for libraries as they plan their policies and programs with independent learners in mind.

ALCOHOLISM: A GROWING PROBLEM

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. ROGERS. Mr. Speaker, for many years now there has been a growing realization of the direct and indirect effects which alcoholism has had on this Nation. We in the Congress have tried to do our part in fighting this growing problem, but obviously, it takes more than Federal participation to do the job.

That is why I was pleased to meet with the new and expanded Labor-Management Committee of the National Council on Alcoholism, an organization which operates in the private sector to supplement what the Government is doing.

I think the prestige of the men who head this program indicates the concern of the private sector. The cochairmen of the NCA Labor-Management Committee are Mr. George Meany, president of the AFL–CIO, and Mr. James M. Roche, chairman of the board of General Motors. The expanded committee comprises some of the top labor and corporate presidents in the United States.

The National Council on Alcoholism was founded in 1944 and during the 1950's and 1960's made the fight against alcoholism in industry one of its top priorities. However, in those days the stigma of alcoholism still prevailed, and while there were limited successes in some industries, there had to be a major attitudinal change on the part of the American public before real progress could be made.

At the luncheon both Mr. Meany and Mr. Roche pledged their full cooperation to developing in the voluntary sector a massive program to detect and treat alcoholism in industry. We in the Federal Government must do our share, because the rising consumption of alcohol is reaching epidemic proportions in the United States. We passed the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act in 1970 and renewed it again in 1974. But passing the law is one thing—getting it implemented is another. That is why I was so delighted that these leaders from both labor and industry have joined hands on their own initiative to see that alcoholism treatment and prevention programs eventually reach into every assembly line and into every corporate executive suite.

The very same day this luncheon was held, Secretary Caspar W. Weinberger, of the U.S. Department of Health, Education, and Welfare, sent to Congress the second special report on developments since the first report was released in February of 1972. The 219-page report was prepared by a 38-member task force of distinguished alcoholism authorities from all over the country.

Interestingly enough, the massive report singled out alcoholism programs in business and industry as one of the most effective segments of the work of the National Institute on Alcohol Abuse and Alcoholism and stated that such programs report the highest rates of recovery. However, the report in its entirety makes for some unhappy reading. In its first report to the Congress in 1972, HEW estimated the cost to the country from alcoholism at $15 billion. At the press conference on July 10, 1974, Secretary Weinberger, referring to alcohol misuse and alcoholism as "an epidemic health and social problem," announced that the report of the 38 experts made a conservative estimate of the cost of alcoholism of $25 billilon annually to our country.

The largest single area of cost—amounting to $9.35 billion—was the lost production of the goods and services which could be attributed to the reduced production of alcohol-troubled male workers. The cost of the lost production of women and of alcoholic persons who are institutionalized or living on Skid Row is not included in the $9.35 billion estimate. Other highlights of the HEW report to the Congress can only be briefly summarized:

First. A Gallup poll of June 9, 1974, reported that "the proportion of adults who drink is at the highest point recorded in 35 years of regular Gallup poll audits of America's drinking habits." It reported that 18 percent of those 18 years and older—some 25 million Americans—sometimes drink to excess and more than they think they should.

Second. Excessive use of alcohol, as reported in studies from all parts of the world, is related to certain cancers, particularly those of the mouth, pharynx, larynx, esophagus, and primary cancer of the liver. A heavy drinker who does not smoke has approximately the same increased risk of developing cancer of the mouth and throat as a heavy smoker who does not drink. When heavy drinking and heavy smoking are combined, the risk jumps enormously—to 15 times greater than among people who neither drink nor smoke.

Third. The increase in juvenile drinkers is staggering. The study reports that one out of every seven high school seniors admitted to getting drunk at least once a week. At the press conference, Dr. Morris Chafetz, Director of the National Institute on Alcohol Abuse and Alcoholism, said the increase in heavy teen-age drinking "just blows my mind. It worries me greatly."

Fourth. Dr. Charles C. Edwards, the Assistant Secretary for Health, emphasizing the report's conclusions that alcoholism is an illness that can engender other serious diseases, said:

> The time has come to bring the treatment of alcoholism into the mainstream of our Nation's health care system.

A DAY IN COURT FOR VETERANS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. RANGEL. Mr. Speaker, the issue of the reassimilation of veterans has been a concern of American governments after each of our major wars. For over a half of a million Vietnam-era veterans efforts toward this reassimilation have been severely hampered by use of behavioral stigmas by the U.S. Department of Defense. These stigmas can cost the veteran vital educational and medical benefits as well as preclude the veteran from employment in a position with a secure future.

I, like a number of my colleagues, find it very disturbing that ex-servicemen should be haunted by their past "less than honorable" records. Unquestionably employers should be informed as to whether or not a veteran who is applying for a job with their firm received a dishonorable discharge. Perhaps, too, certain "less than honorable discharges" should be recorded on a veterans discharge papers.

However, the necessity for recording all such "less than honorable" discharges should be reviewed. Why should a veteran's bedwetting problem preclude him from a job with a secure future? It seems to me that employers' hiring processes should be sophisticated enough to determine the qualifications of their prospective employees without requiring such irrelevant behavioral stigmas.

As a product of the efforts of our colleagues, Mr. KOCH and Mr. ASPIN, ex-servicemen and women can now request new discharge papers without the Defense Department's code which connotes the reason for discharge. Representative STOKES has introduced a measure which would prohibit the code from being printed on a veteran's discharge papers. This bill would also limit the number of "less than honorable discharges," as well as improve the discharge and dismissal review process.

For the benefit of my colleagues I would like to present the following article by Robert S. Stokes, a reporter for the Asbury Park Press. Mr. Stokes speaks to this issue and informs veterans that there is a Discharge Review Board before which hearings on upgrading an assigned discharge are conducted.

The article follows:

A DAY IN COURT FOR VETERANS

(By Robert S. Stokes)

In the past decade, more than a half million servicemen and women have left the armed forces stigmatized by official records that give them a sort of social leprosy. Some of these are veterans with "other than honorable" discharges from the service—"undesirables," "bad conduct," or "dishonorable." Some even have "general" discharges that state they are for service "under honorable conditions."

A discharge certificate is given to each discharged serviceman with a title that characterizes the moral rectitude of his service. No such certificate shows special merit. The serviceman who keeps his nose clean merely gets a certificate that can't hurt him. Only those whose records were thought by the military to be special in a negative way are distinguished by this system.

Major employers, at least those with personnel departments, usually ask to see the discharge certificate. They don't have to look far for such records; all they have to do is ask the applicant to show it. For most veterans with "less than honorable" discharges, and even for some with "general" discharges, it's generally difficult to secure a decent job with a secure future.

For these people, many of them drafted to serve in Vietnam, re-entry into American society is tough enough without this kind of handicap. It can cost them important benefits like a Veterans Administration educational loan or grant, a VA-approved mortgage, or sorely needed medical care in a veterans hospital.

Furthermore, the administrative discharge system—which determines the original discharge status—was characterized as a "chamber of horrors" by Douglass L. Custis in a 1971 article in the ABA *Journal*. In citing what he called "kangaroo court proceedings," Mr. Custis (who served in the Judge Advocate General's Corps) decried a procedure "in which the person accused is denied the right to subpoena witnesses on his own behalf, confront and cross-examine the witnesses against him, require the prosecution to adhere to the rules of evidence, or expect the prosecution to shoulder the burden of proving him guilty beyond a reasonable doubt."

What makes the situation of these veterans with "other than honorable" discharges doubly unfortunate is that an established, if not always successful avenue of appeal does exist—a little-known recourse to have these tainted discharges upgraded or modified. The so-called courts of last resort for veterans, located in the Pentagon, are Discharge Review Boards or Boards for Correction of Military Records, one for each branch of the armed services. (Some of those with "general" or "undesirable" discharges are further stigmatized by an "SPN" number on Defense Department Form 214, which all ex-servicemen are given and which major employers and government agencies know enough to ask for.

These members, giving the reason for discharge, are keyed to a widely circulated Defense Department list; they may show that the serviceman was discharged for "homosexual tendencies," bedwetting, use of drugs, or mere lassitude, among other reasons. As of May 1, the Defense Department, at the prodding of Congressman Edward Koch of New York and Les Aspin of Wisconsin, administratively changed the system to allow veterans to request new discharge papers without the SPN code. Those discharged after May 1 will not have SPN numbers on their discharge papers.

On May 15, Congressman Louis Stokes of Ohio introduced H.R. 14827 "to require that discharge certificates issued to members of the armed forces not indicate the conditions or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable, and to improve the procedures for the review of discharges and dismissals." The bill is now in the House Armed Services Committee.

Few lawyers know about this narrow aspect of military law, but those who have handled appeals for upgrading bad discharges for ex-GIs say it represents a rapidly growing field of legal services. Elliott H. Vernon, who returned to private practice in Monmouth County, New Jersey two years ago after serving for more than four years with the U.S. Army's Judge Advocate General's Corps, has represented several servicemen before discharge review boards and has succeeded in having their discharge status modified. "I've found the boards I've appeared before to be eminently fair," says Vernon, "and to have the best interests of the veteran at heart."

Vernon recently appealed the discharge of a former Army enlisted man who spent 18 months in military hospitals for a service-connected injury and was subsequently released from active duty without any consideration of disability compensation. When the Army Board for Correction of Military Records ordered another physical examination of the veteran, doctors found the man physically unfit at the time of his discharge. The Army Discharge Review Board subsequently ruled that the veteran was entitled to compensation for his injuries.

In cases where veterans have been discharged from military service as a direct result of conviction of offenses under the Uniform Code of Military Justice, it's more difficult to get a discharge modified or upgraded. The need for a route of appeal is particularly great today because the "other than honorable" discharge may be capricously given; grounds for such a discharge range from nonpayment of debts to alleged drug abuse.

The main stumbling blocks to veterans seeking changes in their discharge status seem to lie in the location of the boards, the extensive preparation required by the lawyer representing the veteran, and the long wait for a hearing. "Dealing with the military in legal matters," said one lawyer familiar with these appeals, "frankly scares a lot of lawyers off a case like this even if they know the procedure."

Nevertheless, the Air Force Board for Correction of Military Records recently reported that 16 percent of "punitive" discharges ("bad conduct" or "dishonorable") have been upgraded as a result of veteran appeals. David Addlestone, director of the American Civil Liberties Union's Military Rights Project in Washington (address given below), says more GIs could have their bad discharges upgraded if there were regional review boards.

"It is very important for veterans to appear in person at these hearings," says Addlestone, "and since they must pay their own traveling expenses to Washington, many of them simply don't apply due to lack of funds."

To give interested lawyers the knowledge necessary to file discharge appeals, the ACLU's Military Rights Project, which has legal advisers with the various state ACLU chapters, is planning to hold seminars in major cities around the country.

"There is definitely a growing need for legal service for GIs with bad discharges," says Addlestone. "These veterans deserve their day in court just as much as anyone else who feels they've suffered an injustice."

The review board procedure basically involves a written request for a hearing, a statement indicating what the veteran wants corrected in his or her record, and the reasons for the correction or modification. Attorneys also submit other documents to support the veteran's claim.

Members of the review boards are either active duty officers or civilian government officials with expert knowledge of military discharge classification procedures. A board examiner presents the case to the review board and the veteran's attorney is usually required to be present to answer questions.

The Vietnam War is over for most veterans, but those who came home with less than honorable discharges wage a never ending battle for economic and psychological survival, a battle perpetuated by the blotch on their military records. For veterans who feel that they received an unjust discharge, the legal profession should attempt to satisfy the right to legal counsel by having the knowledge necessary to represent them. A veteran needs and deserves his day in court.

GLENN HALSEY, MEMBER OF GRAYSON COUNTY, VA., BOARD OF SUPERVISORS, ENDORSES LEGISLATION TO SAVE THE NEW RIVER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MIZELL. Mr. Speaker, one of the main reasons that I have worked to see that the New River be studied for possible inclusion in the Wild and Scenic Rivers System is that through this legislation the people that are affected will be directly heard. The Department of Interior's regulations provide that public hearings be conducted in the area, and not just in Washington, D.C., or an area which is inaccessible to most of the citizens.

A major complaint on the Federal Power Commission when it considered the proposed Blue Ridge power project was that it had not made itself available to hear testimony in the affected area. Just one public hearing in the area was held, and it was in Beckley, W. Va., some 144 miles from the project area. This made it nearly impossible for local citizen participation due to the difficulty in travel and location.

Mr. Glenn Halsey, a member of the Grayson County, Va., Board of Supervisors, made an eloquent plea for such public hearings in his testimony before the House Interior and Insular Affairs Subcommittee on National Parks and Recreation. For the benefit of my colleagues, I submit the text of his testimony:

TESTIMONY OF MR. GLENN HALSEY

My name is Glenn Halsey. I am a member of the Grayson County Board of Supervisors serving as Chairman of that Board from 1959 to 1971. The major flow of New River is through my district and the most devastating destruction of farm lands and dislocation of schools, churches and roads will be in my district.

Throughout the years I have had the full support of my constituents in opposing the impounding of New River for the purposes of flushing out the Kanawha River for the relief of the chemical companies around Charleston. Now that has been swept under the rug and we are asked to believe that the project is needed to meet peak demands for electric power. All the time, even now, the Power Company says there is no shortage in their system, no brown-outs and they continue to advertise to solicite more use of power.

We have appealed to our State and Federal officials to help us and are told over and over again that the responsibility for the project lies in the Federal Power Commission and before the Administrative Law Judge. We beg our State and Federal officials to convene hearings at Wilkesboro Federal Courthouse or Abingdon Federal Courthouse in order that the people may be heard rather than the lawyers. One hearing was held at Beckley, West Virginia, a long, hard days travel from Grayson and Ashe. I attended.

My district joins Ashe and Alleghany; my problems are the same as theirs. We are thankful that we have voices strong and courageous enough to speak for us in Washington—even if we are not your constituents, we are one people trying to save an eternal river.

Mr. Chairman, we urge support of this bill to include the New River in the Wild and Scenic Rivers System for study. Maybe while that is being done we can get the support of our representatives in the Congress.

Mr. Chairman, I ask for leave to file, prior to June 13, 1974, certain supplemental data and documents relating to the statements I have made.

Thank you.

HARRINGTON AMENDMENT TO CLARIFY POLICE TRAINING PROHIBITION

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HARRINGTON. Mr. Speaker, tomorrow, as the Foreign Affairs Committee continues markup on the Foreign Assistance Act, I intend to offer an amendment to clarify the prohibition on police training contained in section 112 of the Foreign Assistance Act. This amendment would resolve the ambiguities now in the statute, while preserving and strengthening the intent of Congress as expressed in 1973.

Currently, section 112 states that no part of the appropriations made available to carry out the act, including Agency for International Development and military assitsance program funds, shall be used to "conduct any police training or related program in a foreign country." However, the term "police training or related program" is not defined in the section. The imprecision of this term has left the act open to differing interpretations, and has allowed for the continuation of programs which appear to circumvent the intent of Congress.

It seems clear that in section 112 Congress intended to end the American subsidization of all training programs in foreign countries which involve instruction of policemen in the skills and tactics normally associated with police operations. The committee report accompanying the Senate version of the Foreign Assistance Act of 1973 states plainly of this section:

> United States participation in the highly sensitive area of public safety and police training unavoidably invites criticism from persons who seek to identify the United States with every act of police brutality or oppression in any country in which this program operates. It matters little whether the charges can be substantiated, they inevitably stigmatize the total United States foreign aid effort.

In its approval of section 112, Congress appears to have expressed the philosophy that interference with the domestic law enforcement policies of foreign nations is not a proper aim for American assistance programs. Although it seems obvious that Congress intended to halt police training programs in foreign countries, the lack of precision in the wording of section 112 has allowed for the continuation of programs which circumvent this intent. Currently, at the Army School of the Americas, a Defense Department training school in the Panama Canal Zone, 1,340 military troops from 16 Latin American nations, partially supported by MAP funds, are being instructed in areas such as "urban counterinsurgency," "urban counterinsurgency operations," "internal development civic action," and "internal security operations." These courses seem to be providing the kind of knowledge and skills that can be used for police-type operations.

The Department of Defense has issued a memorandum (unclas 8226) containing its interpretation of section 112, which indicates how the intent of Congress has been misconstrued to allow for the continuation of these programs:

> Assistance in foreign countries under the Foreign Assistance Act for all phases of civilian law enforcement (other than narcotics control) is prohibited. "Law enforcement" includes apprehension and control of political offenders and opponents of government in power (other than prisoners of war) as well as persons suspected of commission of so-called common crimes. Section 112 FAA does not prohibit assistance, pursuant to Sec 502 FAA to units whose sole function is that aspect of internal security which may involve combat operations against insurgents or legitimate self-defense of national territory against foreign invasion, whether or not such units are called police. "Assistance is, however, prohibited to units which have an on-going civilian law enforcement function as well as a combat function. . . . The prohibition does not apply to units which have a contingency function of supporting the police but which do not have any on-going civilian law enforcement functions.

Thus, according to DOD's interpretation of the law, military forces which serve an unofficial, non-ongoing civilian law enforcement function, are not prohibited from receiving U.S. aid or assistance for police training purposes.

In many Latin American nations the military plays a large role in civilian law enforcement practices. Although these duties may not be an official ongoing part of the military's responsibilities, these civilian police activities are, in fact, often performed by the military forces.

In May 1970 the Foreign Affairs Committee issued the "Report of the Special Study Mission on Military Assistance Training (Latin America)," which contains information on the civilian law enforcement functions of the military in the four countries they visited. Excerpts from the report, which follow, indicate the extent to which the military is, indeed, involved in civilian law enforcement:

> Brazil: "Internal security is considered a prime mission for nearly all armed forces units, particularly the Army. While civilian police forces have the primary responsibility for responding to threats of public disorder, they are backed up by military forces as required. . . ."
>
> . . . "traditional role of the Brazilian military in frontier and interior areas where it has engaged a significant part of its manpower and other resources on projects from which civic benefits result."
>
> ". . . the Brazilian military's concept of professionalism does not include staying out of politics."
>
> Peru: "As for internal security, the Peruvian armed forces have proved their capabilities by crushing swiftly and effectively a Castroite uprising. Most officers have received some American training in doctrines of counterinsurgency. The emphasis which the United States military missions have given to civic action has been readily acceptable to the Peruvian military. Their own service schools have constantly stressed the importance of the military role in the 'social and economic progress' of the country."
>
> *Colombia:* "U.S. civic action doctrine also has been generally accepted by the Colombian military. Top generals are convinced that if the insurgents are to be kept within manageable bounds, the populace must know and trust the army as a friend and protecter. Called "a civic action army" by members of the milgroup, the Colombian Armed Forces are engaged in a number of projects aimed at benefiting rural citizens."
>
> *Panama:* "The internal security capabilities of the National Guard (which includes all the services) have been adequate to cope with the small insurgency organized by supporters of deposed President Arias which periodically surfaces near the Costa Rican border. Our milgroup has promoted increased involvement of the Panamanian forces in civic action. . . ."

Just this week, events in Chile demonstrated the continuing law enforcement role often played by the military in

Latin American countries. A military tribunal convicted 60 persons of essentially political crimes—sentencing four of them to death by firing squad—a stark example of how the military can easily become heavily involved in domestic criminal justice affairs.

All five of the countries mentioned above, whose military forces were involved in civilian law enforcement functions, are currently having troops trained at DOD's military training schools in the Canal Zone. The troops are being instructed in tactics which are easily adaptable, if not identical, to police functions, and which are of questionable relevance to legitimate military defense training. It is clear to me that the Department of Defense has taken advantage of the vague and imprecise wording of section 112 to instruct these military personnel in what are essentially police tactics.

Action needs to be taken to insure that the intent of Congress, with respect to police training, is fully carried out. Accordingly, section 112 of the Foreign Assistance Act should be refined to ban explicitly the kinds of police training activities which are being carried out by the Army School of the Americas in the Canal Zone. My amendment would add the following paragraph to section 112, offering a more specific definition of police training programs:

AMENDMENT TO H.R. —, OFFERED BY MR. HARRINGTON

Page 4, after line 22, insert the following new section:

SEC. 6. Section 112 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151j) is amended by adding at the end thereof the following new subsection:

"(c) For the purposes of this section, the term 'police training or related program' shall include any training or instruction of any individual relating (1) to that individual's performance of any law enforcement function in a governmental, unofficial, part-time, or full-time capacity, or (2) to that individual's participation in any operation of a police, civilian militia, or intelligence nature in support of a government against any insurgent forces operating against such government. Notwithstanding the preceding sentence, this section shall not apply to any program which trains the military police of any of the armed forces of a foreign country solely for law enforcement activities within those armed forces."

This paragraph defines police training to include any training or instruction relating to an individual's participation in domestic law enforcement operations or domestic insurgency operations. It would deny police-related training to any individual who participates in such activities in any capacity—officially or unofficially, full time or part time. Adoption of this amendment would insure that the intent of Congress can no longer be circumvented by an interpretation of the law which excludes part-time police officers from the ban on police training in foreign countries.

My amendment makes no substantive changes in section 112. Rather, it defines the terms contained therein more precisely in order to avoid further misinterpretation and circumvention of congressional intent.

CARPOOLING FOR MINORITY SUBURBAN WORKERS URGED

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. TIERNAN. Mr. Speaker, I would like to commend the Planning Division of the Rhode Island Department of Transportation for their "Plan for the Conservation of Transportation Energy." The program is composed of a much heralded employer-based carpool program, plans for fringe parking construction and improvements to mass transit. It is financed by a $400,000 grant from the Federal Highway Administration.

It must be pointed out that regardless of oil company efforts to convince us otherwise, there is still a compelling need to conserve fuel; and there will always be a need to improve air quality in urban areas. The plan delineated by the Rhode Island DOT is a necessary and important step towards that end. I would recommend that anyone interested in this program contact either Lee Taylor or Francis Dutra of the Department of Transportation, Planning Division, State Office Building, Providence, Rhode Island 02903.

I include the following articles:

CAR POOLING FOR MINORITY SUBURBAN WORKERS URGED

A state-backed car pooling program could assist large suburban employers in meeting their quotas for hiring minorities, a spokesman for BIF Industries said yesterday.

Those comments were among the words of support given the program yesterday by the two employers who are already committed participants in the effort, BIF and Rhode Island Hospital Trust National Bank.

The car pooling plan, called a Transportation Assistance Program for Employers, was discussed during a meeting in the state house.

According to Gene Kopl, BIF spokesman, most minority persons live in Providence and have difficulty getting to plants in the suburbs. Car pooling and public transportation improvements, he said should make it easier to work outside the city.

He said the company's commuter trends reversed when it recently moved its plant from Providence to East Greenwich. Most BIF employees live in the city and commute. He said a trend of that sort will continue to grow even further when former Navy property at Quonset is turned over to industry.

Ronald Andsager, the Hospital Trust spokesman, said his company has taken the position that it cannot close its eyes to the real possibility of another energy crisis affecting the commuting habits of its employers coming into Providence.

The new state-backed program, he said, will provide Hospital Trust with a complete profile of its employes' transportation habits, the kind of transportation they use, public transit opportunities and other pertinent information. He said the car pool-transit effort could provide "an emergency backup transportation system in time of gasoline shortages similar to last winter's crisis."

Facing both companies in trying to solve their own commuter problems are what Andsager called "urban traffic and parking congestion and other transit problems well beyond our control."

GROWTH PATTERNS SEEN AFFECTING CAR POOLS

(By Paul A. Kelly)

The two committed employer participants in a big state-backed car pooling effort are facing the problem from opposite directions. One wants to get its city employes out to his plant in the suburbs while the other is concerned about bringing its workers into the city from their homes outside.

The two test participants are BIF Industries, which moved its plant from Providence to East Greenwich and Rhode Island Hospital Trust, which has most of its employes working in metropolitan Providence.

Their viewpoints on what has been labeled a Transportation Assistance Program for employers were explained by company spokesmen at a state house meeting on the car pooling effort yesterday.

Gene Kopf, BIF spokesman, said the commuting problems of that firm were turned around when it moved to East Greenwich. Many of its employes still live in the Providence area and find themselves commuting out to the suburbs to work while the general run of commuters are going the other way.

Kopf said this is a trend that has been growing as more industries have located in the suburbs. It will grow still more when new industries develop at former Navy property at Quonset Point, he said.

The BIF spokesman said the new employer transportation assistance program, emphasizing car pooling should help employers with equal employment opportunity goals. He said a problem with most minority groups is that they live in Providence and have difficulty getting to jobs in plants in the suburbs. Carpooling and public transit improvements should help them, he said, since it is tailored to improve transportation for those leaving their homes in the city to work outside as well as those commuting to city jobs.

Ronald Andsager, the Hospital Trust spokesman, said his company has taken the position that it cannot close its eyes to the real possibility of another energy crisis that could affect the commuting habits of its employes. He said the car pool-transit program can at least provide "an emergency back-up transportation system in time of gasoline shortages similar to last winter's crisis."

The new program, he said, will provide Hospital Trust with a complete profile of its employes' transportation habits, the kind of transportation they use, public transit opportunities and other pertinent information. He said that while his company has been looking for improved transportation services for its employes "it becomes a terribly complicated problem when you are contending with urban traffic and parking congestion and other transit problems well beyond our control."

TRANSIT PLAN

Commuters who drive back and forth to work—and their employers—should be introduced to the Rhode Island Action Plan developed by the state planning division. Its purposes are to conserve fuel, and to improve air quality in urban areas. These are familiar goals, true, but their importance has grown sharply because of the energy crisis and keener awareness of the importance of clean air.

The serious intent of the plan is underlined by substantial financial support—up to $400,000 from the Federal Highway Administration. The sum is probably the largest ever spent in Rhode Island on a transportation energy conservation project.

The plan's first phase—the Transportation

Assistance Program—begins this week. Participating with the state will be BIF Industries and Rhode Island Hospital Trust Corp., whose employe commuting "characteristics" will be analyzed by computers on the basis of questionnaires. Locations for car-pooling, bus pick-ups, fringe parking facilities, commuter rail service and bus routes also will be studied. Again, most of these transit study areas are familiar. But there should be some surprise when findings about transit service are related to in-depth analysis of commuter attitudes. Many commuters would perhaps leave cars at home, if express service minibuses were available.

Some Rhode Island firms do urge that employes ride buses. Textron workers received a modest subsidy for bus fare—one firm's attempt to reduce expressway congestion. Possibly BIF and Hospital Trust will add to knowledge about the auto use habit that has such an obvious grip on the commuter.

Expressway appearances during rush hours suggest that the scene never will change, that transit programs are destined to fail. Fortunately, in this state, the legislative outlook is not bleak. The sense of responsibility for reliable bus service is keener probably than in the past; witness the purchase of a private bus line with state funds. Also, taxpayers are awakening to their growing support of Transit Authority operations. The state administration refuses to give up a foot of rail trackage without a fight. And there is the specter of further gasoline shortages, and perhaps higher prices.

These concerns, with their significance for the environment and transportation, do relate to the Rhode Island Action Plan, and the employer transit assistance program. The need is to convince employers and workers to participate in transportation programs that are designed for more efficient energy use and for improving air quality.

News Release

Boston.— The Regional Administrator of of the U.S. Environmental Protection Agency today commended the State of Rhode Island for its initiation of a statewide Carpool-Public Transit Program and urged the cooperation of industry.

In a letter to Governor Philip Noel, John A. S. McGlennon praised the Rhode Island Department of Transportation for establishing the computer carpooling system which is designed to reduce gasoline consumption, improve air quality through a decrease in vehicular traffic, ease traffic congestion, and provide dollar savings to those participating in the program.

Initially, the Carpool Program will be geared to the 4 largest employers throughout the state, or businesses employing at least 250 persons. Eventually the program may be broadened to smaller employers and individuals.

The Rhode Island Department of Transportation at present is testing the program at BIF Industries in East Greenwich and Rhode Island Hospital Trust Corporation in Providence. In August, the Department will open up the program to the 84 designated employers.

The funds for the Carpool Program were provided by a U.S. Department of Transportation, Federal Highway Administration grant of $400,000. While the Carpool Program uses less than one-fourth of this amount, the remainder of the grant will be used for construction of fringe parking facilities and improvements to mass transit.

"I am particularly encouraged to see Rhode Island approaching a computer carpooling system through an employer-based incentive program. Experience from other cities attempting similar projects has shown this program to be both efficient and manageable with the greatest record for success. The success, of course, depends to a large extent on business leaders promoting the program at their facilities," Mr. McGlennon said.

"We can expect that development of an effective carpool program can be of such significant value in reducing automobile associated air pollution that the necessity for strict transportation controls may be minimized for the Providence area. I urge the full cooperation of Rhode Island industry in this program," he concluded.

HOODWINKING—COAST TO COAST

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BAUMAN. Mr. Speaker, many of us are being besieged by organized group pressure to vote in favor of the use of taxpayers funds to finance the election campaigns of candidates for Federal office. Last week one of the most respected newspapers in Maryland, the Aegis, of Bel Air, published an editorial published. "Hoodwinking—Coast to Coast" pointing out the fiscal impact of such proposals. A poll conducted by me in my congressional district earlier this year showed that response to the question "Do you think that tax dollars should be used by the Government to finance the campaigns of candidates for public office?" showed the following results; yes, 26 percent; no, 63 percent; undecided, 9 percent.

I think it is well for us in the House to consider this aspect of Federal financing of elections as we come to the consideration of reform of our election laws.

The article follows:

Hoodwinking—Coast to Coast

Millions of Americans put a mark inside of a box on their income tax report this year, signifying their intent to place one dollar of their tax payment for the past year into the campaign treasury for future candidates for national office. Many more millions did not choose to do this, meaning that they had to pay a higher income tax than the others.

The idea to raise funds with such a small sum from many people to help prevent obvious abuses which have occurred in past elections when large contributors received wholesale favoritism, is praiseworthy, but we still have doubts if the check-off on an income tax return is fair.

We certainly cannot believe that if, as the result of ten million individual returns signifying a desire to make a contribution to a political party, there has not been created a ten million dollar deficit in the federal budget. And who makes this up—the taxpayer who didn't wish to make the contribution, of course.

A far better way, it would seem, would have been for the political parties to spread the word about the importance of wholesale contributions by individuals and for the parties themselves to do the collecting, rather than Uncle Sam. Obviously, this method has long been available but it has not worked too well. It has usually been easier for a candidate to line up a few generous supporters, rather than scores of small ones.

And so, people in national office have decreed that this new opportunity be extended so that campaigners for national office will have heavier and wider backing. You and I pay and we're told it's a discount off our tax bill. But it really is an extra dollar for a contribution, just like the other guy's extra dollar for the national budget.

If there has to be a fair way to utilize the income tax return system, why not spell it out as an added dollar, over and above the income tax payment? Tell it like it is!

PUBLIC FINANCING'S LAST STAND

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HANRAHAN. Mr. Speaker, there is a definite need for campaign reform in our political system. I have introduced two pieces of legislation which would reduce unnecessary campaign spending by linking the ceiling on campaign expenditures to the salary of the office for which the candidate is running. My bill would also propose that all contributions and the names of all contributors be disclosed to the public. The maximum allowable single contribution to a candidate for Federal office would be $5,000, and all cash contributions and in kind services would be prohibited. For my colleagues' interest, I wish to insert the following campaign reform article from the Chicago Tribune:

[From the Chicago Tribune, July 28, 1974]

Public Financing's Last Stand

The public campaign financing bill that went sailing thru the Senate has hit a brick wall in the form of Rep. Wayne Hays' House Administration Committee. As a substitute, Mr. Hays has produced a "compromise" measure that pleases no one and, as he may have calculated, stands little chance of passage.

It will be subject to amendment on the House floor, however, and the public financers, led by John Gardner's Common Cause, are preparing to restore most of the public financing provisions that passed the Senate.

The expected floor fight will undoubtedly be the last battle over public financing for some time to come.

The evils of public financing have been spelled out time and again.

It would encourage a multiplicity of candidates, cripple party organizations, and weaken a two-party system already in trouble because of Watergate-induced voter hostility toward all politicians.

It would force the taxpayers to subsidize the waste and extravagance of political campaigns and give them no voice in the allocation of their money. It would hand gobs of money to candidates who don't need it and intrude the federal burocracy into the entire election process.

According to the polls, American public opinion is turning against public financing.

To spark this last-ditch effort, Mr. Gardner has produced a voluminous report telling of the millions spent by special interest groups in the 1972 elections and the millions they have available for use this fall.

We don't dispute this. What we do reject is Mr. Gardner's apparent contention that public financing is the only alternative to election year influence purchasing and peddling and other forms of abuse.

The Senate Watergate Committee, which spent 17 months studying the problem firmly rejects the idea of public financing. In its final report, it said there are other more workable and less dangerous alternatives.

> Among them are limitations on campaign spending, limits on the amount and sources of contributions, tighter reporting requirements, and increased tax credits to encourage small contributions.
>
> It is far more sensible to try to correct the abuses in the present system, while preserving its advantages, than to scrap it in favor of a dubious alternative. In the meantime, we look to the House members, who in the past have listened more to their constituents than to reformers like Mr. Gardner, to show the same good sense and defeat this proposition.

CONFERENCE REPORT ON THE ELEMENTARY AND SECONDARY EDUCATION ACT

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. SARASIN. Mr. Speaker, today, in considering the conference report on the Elementary and Secondary Education Act, our primary responsibility lies in enacting legislation that will effectively expand the availability and quality of education for our Nation's youth.

The House Education and Labor Committee, on which I serve, worked diligently, in order to report legislation which would effectively improve as many near and far-reaching aspects of our educational system as possible. I could not, and did not, support certain specifics of H.R. 69 because of the disadvantages to my State of Connecticut. I did, however, support the general thrust of the legislation because of my interest in continuing our efforts to improve education. I also supported the effort in the House to insure the protection of the neighborhood school concept, to end the busing which has so badly divided our country.

The House antibusing version was strong; the Senate version lacked any such provision. Recognizing their responsibility to expedite the passage of sorely needed educational reform, the conferees from each body agreed to compromise toward a milder antibusing measure. I was extremely disappointed that the House efforts had been minimized, and I gave much thought toward voting against the conference report.

However, as I have felt in the past on other significant measures, to cast a vote against a major reform bill because of opposition to a single provision would do far more to harm than to benefit the entire situation.

Therefore, I am putting aside my personal feelings toward the busing issue in the context of this legislation. I am instead considering both the immediate and long-range educational needs of our schoolchildren and the fact that a vote against the conference report could be a profound setback for the improvement that has already occurred in our education system. In voting for the conference report on the Elementary and Secondary Education Act, I am not condoning the compromise of the neighborhood school concept, but I am strongly supporting the basic provisions of the measure we are considering, ones that will continue the constant improvement of our education and will bring us nearer our educational goals.

U.N. BODY MOVES TO TIGHTEN SANCTIONS AGAINST SOUTHERN RHODESIA

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. ECKHARDT. Mr. Speaker, throughout the long debate on the Rhodesian sanctions, it has been charged that sanctions have not been effective, with no one taking them seriously. This, it is said, is an argument for why the United States should not reimpose its sanctions against Rhodesia.

We now know that this is not true. In recent months, nations have taken steps, both individually and collectively, to tighten loopholes in the sanctions.

This has not been the only activity, however. Since the Security Council adopted resolutions 232—1966—and 253—1968—the United Nations has continued to study the problem of strengthening sanctions. In its resolution 333 passed on May 22, 1973, the Security Council called—

> For the institution of "effective procedures at the point of importation to insure that such goods arriving for importation from South Africa, Mozambique and Angola are not cleared through customs until they are satisfied that the documentation is adequate and complete and to ensure that such procedures provide for the recall of cleared goods to customs custody if subsequently established to be of Southern Rhodesian origin;"
>
> On governments to "encourage individuals and non-governmental organizations to report to the concerned bodies reliable information regarding sanctions breaking operations;"
>
> On "states with legislation permitting importation of minerals and other products from Southern Rhodesia to repeal it immediately;"
>
> Upon "states to enact and enforce immediately legislation providing for imposition of severe penalties on persons natural or juridicial that evade or commit breach of sanctions by:
>
> "1. Importing any goods from Southern Rhodesia.
>
> "2. Exporting any goods to Southern Rhodesia.
>
> "3. Providing any facilities for transport of goods to and from Southern Rhodesia.
>
> "4. Conducting or facilitating any transaction or trade that may enable Southern Rhodesia to obtain from or send to any country any goods or services.
>
> "5. Continuing to deal with clients in South Africa, Angola, Mozambique, Guinea (Bissau) and Namibia after it has become known that the clients are re-exporting the goods in components thereof to Southern Rhodesia, or that goods received from such clients are of Southern Rhodesian origin."
>
> On "states in the event of their trading with South Africa and Portugal, to provide that purchase contracts with these countries should clearly stipulate, in a manner legally enforceable, prohibition of dealing in goods of Southern Rhodesian origin; likewise, sales contracts with these countries should include a prohibition of resale or re-export of goods to Southern Rhodesia;"
>
> Upon "States to pass legislation forbidding insurance companies under their jurisdiction from covering air flights into and out of Southern Rhodesia and individuals or air cargo carried on them;"
>
> Upon "states to undertake appropriate legislative measures to ensure that all valid marine insurance contracts contain specific provisions that no goods of Southern Rhodesia shall be covered;"
>
> Upon "states to inform the committee of the Security Council on their present sources of supply and quantities of chrome, asbestos, nickel, pig iron, tobacco, meat, and sugar, together with the quantities of these goods they obtained from Southern Rhodesia before the application of sanctions."

Thus, Mr. Speaker, since the above resolutions steadily tighten the sanctions, and as more and more countries pay stricter attention to enforcement, the end of the illegal Smith regime is in sight. Therefore, unless my colleagues wish to back a clearly lost cause and risk the alienation of black African countries—upon which we are dependent for many raw materials—I would urge that they vote in favor of S. 1868—a bill to restore full U.S. compliance with the U.N. sanctions against Southern Rhodesia.

SENATE—*Thursday, August 1, 1974*

The Senate met at 9:30 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father, God, we thank Thee for the night of rest and the opportunities of this new day. In this hallowed moment may Thy Holy Spirit invade our hearts to empower us for our labors. In the crucial days of soul searching, conscience testing, and scrutiny of character help us to be true to truth, true to self, true to those we love, and true to Thee. May the stains upon the few never blemish the virtues of the many. With thanksgiving for all that is good in the past, and with forgiveness for all that is wrong in the present, lead our Nation to a new commitment to Thy law and give us grace to press forward, whatever the cost, to the moral and spiritual renewal of the Republic.

We pray in His name whose law is love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 1, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, July 31, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The clerk will report the first nomination.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I make the same request, that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I make the same request that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

MISSISSIPPI RIVER COMMISSION

The second assistant legislative clerk proceeded to read the nomination of Brig. Gen. Wayne S. Nichols, U.S. Army, to be a member of the Mississippi River Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, in the Army, in the Navy, and in the Marine Corps placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. The President will be so notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 997, 998, 999, 1001, 1007, 1008, 1009, 1010, 1011, and 1012.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GREAT DISMAL SWAMP NATIONAL WILDLIFE REFUGE

The Senate proceeded to consider the bill (H.R. 3620) to establish the Great Dismal Swamp National Wildlife Refuge, which had been reported from the Committee on Commerce with an amendment on page 4, line 1, strike out:

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

and insert in lieu thereof the following language:

SEC. 4. (a) Except as provided in subsection (b) of this section, there is authorized to be appropriated for the fiscal year ending June 30, 1975, not to exceed $1,000,000; for the fiscal year ending June 30, 1976, not to exceed $3,000,000; and for the fiscal year ending June 30, 1977, not to exceed $3,000,000.

(b) In no event shall the amount authorized to be appropriated exceed the cost estimates of the report to be submitted to the Congress by the Secretary pursuant to Public Law 92-478.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INCREASED U.S. PARTICIPATION IN THE ASIAN DEVELOPMENT BANK

The Senate proceeded to consider the bill (S. 2193) to provide for increased participation by the United States in the Asian Development Bank, which had been reported from the Committee on Foreign Relations with an amendment on page 1, beginning at line 6, strike out the following language:

"SEC. 20. (a) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to thirty thousand additional shares of the capital stock of the Bank in accordance with and subject to the terms and conditions of Resolution Numbered 46 adopted by the Bank's Board of Governors on November 30, 1971.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $361,904,726 for payment by the Secretary of the Treasury.".

and insert in lieu thereof the following language:

"SEC. 20. (a) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to thirty thousand additional shares of the capital stock of the Bank in accordance with and subject to the terms and conditions of Resolution Numbered 46 adopted by the Bank's Board of Governors on November 30, 1971.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $361,904,726 for payment by the Secretary of the Treasury.

"SEC. 21. (a) The United States Governor of the Bank is hereby authorized to agree to contribute on behalf of the United States $50,000,000 to the special funds of the Bank. This contribution shall be made available to the Bank pursuant to the provisions of article 19 of the articles of agreement of the Bank.

"(b) In order to pay for the United States contribution to the special funds, there is hereby authorized to be appropriated without fiscal year limitation $50,000,000 for payment by the Secretary of the Treasury.".

so as to make the bill read:

To provide for increased participation by the United States in the Asian Development Bank

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Asian Development Bank Act, as amended (22 U.S.C. 285-285p), is further amended by adding at the end thereof the following new sections:

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PISCATAWAY PARK, PRINCE GEORGES COUNTY, MD.

The Senate proceeded to consider the bill (H.R. 4861) to amend the act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges County, Md., and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, in line 2, strike out "PIS–P–7000," and insert in lieu thereof "PIS–P–90,000,".

On page 2, in line 2, strike out "Revised January, 1973,"." and insert in lieu thereof "July 19, 1974".".

On page 2, in line 9, strike out " "Effective on the date of enactment of this Act, there is hereby vested in the United States" and insert in lieu thereof " "Within one year from the date of enactment of this Act, the Secretary shall acquire".

On page 2, in line 12, strike out "in, and the right to immediate possession of," and insert in lieu thereof "in".

On page 2, beginning at the end of line 15, strike out the following language:

> Subsection 2(b). The United States will pay just compensation to the owners of any property taken pursuant to this subsection and the full faith and credit of the United States is hereby pledged to the payment of any judgment so entered against the United States. Payment shall be made by the Secretary of the Treasury from moneys available and appropriated from the Land and Water Conservation Fund, subject to the appropriation limitation contained in section 4 of this Act, upon certification to him by the Secretary of the Interior of the agreed negotiated value of such property, or the valuation of the property awarded by judgment, including interest at the rate of 6 per centum per annum from the date of taking to the date of payment therefor. In the absence of a negotiated agreement or an action by the owner within one year after the date of enactment of this Act, the Secretary may initiate proceedings at any time seeking a determination of just compensation in a court of competent jurisdiction. The Secretary shall allow for the orderly termination of all operations on real property acquired by the United States in parcels A, B, C, and D of this subsection, and for the removal of equipment, facilities, and personal property therefrom.

and insert in lieu thereof "subsection 2 (b) by purchase with donated or appropriated funds, donation or exchange."

Mr. BEALL. Mr. President, I endorse H.R. 4861 as a much-needed step to protect and preserve one of our Nation's most historic areas—the view from Mount Vernon, home of George Washington.

By favorably considering this measure, Congress will complete an effort begun in 1961 with the establishment of Piscataway Park. It is important that we take this step now, before this invaluable parkland is seriously damaged.

The Bicentennial is fast approaching and Mount Vernon will no doubt be a major attraction to the millions of Americans and foreign visitors who will stream to the Washington area. Let us make sure that they will see essentially what George Washington saw 200 years ago, and not a continuation of the urban sprawl, nor a Disneyland-like amusement extravaganza.

Additionally, Mr. President, Piscataway Park represents a unique recreational site in its own right. Millions of our citizens live within a short drive of this area, and I am confident they will find a properly developed Piscataway Park to be a valued haven.

I would like to particularly pay tribute today to the citizens of the Piscataway area, who have throughout the years safeguarded this land and the historic view that it represents. Dedicated individuals and organizations have done much to defend this land against unwanted encroachment, and I believe the Federal Government, and all of us who are deeply interested in historic preservation, must recognize them for their continued fine work .

On a personal note, Mr. President, the culmination of the preservation efforts as symbolized by this bill will serve as a fitting tribute to my late friend and former colleague in the House of Representatives, John P. Saylor. Congressman Saylor was particularly interested in the protection of the Potomac River area, and this bill, which he authored, will significantly guard this majestic river from abuse.

Therefore, I urge the Senate to give H.R. 4861 its favorable consideration.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

DESIGNATING CERTAIN NATIONAL FOREST WILDERNESS AREAS IN CALIFORNIA, COLORADO, AND MONTANA

The Senate proceeded to consider the bill (H.R. 12884) to designate certain lands as wilderness, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert the following:

> That in accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891) the following areas are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:
>
> (1) The area in the Cleveland National Forest in California classified as the Agua Tibia Primitive Area, with deletions therefrom, which area comprises approximately sixteen thousand nine hundred and seventy-one acres, is generally depicted on a map entitled "Agua Tibia Wilderness—Proposed," dated July 1974, and shall be known as the Agua Tibia Wilderness. The previous classification of the Agua Tibia Primitive Area is hereby abolished.
>
> (2) The area in the Stanislaus National Forest in California classified as the Emigrant Basin Primitive Area, with additions thereto and deletions therefrom, which area comprises approximately one hundred and six thousand nine hundred and ten acres, is generally depicted on a map entitled "Emigrant Wilderness—Proposed, 1970" on file in the Office of the Chief, Forest Service, Department of Agriculture, and shall be known as the Emigrant Wilderness. The area commonly called the Cherry Creek exclusion, depicted on such map as Exclusion 2 and comprising approximately six thousand and forty-two acres, shall, in accordance with the provisions of subsection 3(d) of the Wilderness Act, be reviewed by the Secretary of Agriculture as to its suitability or nonsuitability for preservation as wilderness in conjunction with his review of the potential addition to the Hoover Wilderness in Toyabe National Forest. The recommendations of the President to the Congress on the potential addition to the Hoover Wilderness shall be accompanied by the President's recommendations on the Cherry Creek exclusion. The previous classification of the Emigrant Basin Primitive Area is hereby abolished with the exception of said Exclusion 2.
>
> (3) The area in the Routt and White River National Forests in Colorado classified as the Flat Tops Primitive Area, with additions thereto and deletions therefrom, which area comprises approximately two hundred and thirty-seven thousand five hundred acres, is generally depicted on a map entitled "Flat Tops Wilderness—Proposed", dated October 1973, and shall be known as the Flat Tops Wilderness. The previous classification of the Flat Tops Primitive Area is hereby abolished.
>
> (4) The area in the Arapaho and White River National Forests in Colorado classified as the Gore Range—Eagles Nest Primitive Area, with additions thereto and deletions therefrom, which area comprises approximately one hundred and twenty-eight thousand three hundred and seventy-four acres, is depicted on a map entitled "Eagles Nest Wilderness—Proposed", dated October 1973, and shall be known as the Eagles Nest Wilderness. The previous classification of the Gore Range—Eagles Nest Primitive Area is hereby abolished.
>
> (5) The area in the Rio Grande and San Juan National Forests in Colorado classified as the San Juan and Upper Rio Grande Primitive Areas, with additions thereto and deletions therefrom, which area comprises approximately four hundred and thirty-three thousand seven hundred and forty-five acres, is designated on the map entitled "Weminuche Wilderness—Proposed", dated February 1974, and shall be known as the Weminuche Wilderness. The previous classification of the San Juan and Upper Rio Grande Primitive Areas is hereby abolished.
>
> (6) The area in the Flathead National Forest in Montana classified as the Mission Mountains Primitive Area, with an addition thereto, which area comprises approximately seventy-five thousand five hundred and eighty-eight acres, is depicted on a map entitled "Mission Mountains Wilderness Area—Proposed", dated July 1974, and shall be known as the Mission Mountains Wilderness Area. The previous classification of the Mission Mountains Primitive Area is hereby abolished.
>
> SEC. 2, (a) As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and legal description of each area designated as wilderness by this Act with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in each such description and map may be made.
>
> (b) Each such map and description shall be on file and available for public inspection in the office of the Chief, Forest Service, United States Department of Agriculture.
>
> SEC. 3. The areas designated as wilderness by this Act shall be administered by the Secretary of Agriculture in accordance with the applicable provisions of the Wilderness Act (78 Stat. 890) governing areas designated as wilderness by that Act, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read, "An Act to designate certain national forest wilderness areas in the States of California, Colorado, and Montana."

MUSEUM SUPPORT FACILITIES AT THE SMITHSONIAN INSTITUTION

The Senate proceeded to consider the bill (S. 857) to authorize the Smithsonian Institution to plan museum support facilities, which had been reported from the Committee on Rules and Administration with amendments.

On page 1, in line 6, strike out "scientific and" and insert in lieu thereof "scientific,".

On page 1, in line 7, strike out "artifacts, and" and insert in lieu thereof "artifacts;".

On page 1, in line 9, strike out "Institution." and insert in lieu thereof "Institution; and for the training of museum conservators."

On page 2, in line 3, strike out "the" and insert in lieu thereof "Washington,".

On page 2, in line 8, strike out "such sums as may be necessary" and insert in lieu thereof "$690,000".

On page 2, in line 9, strike out "Act." and insert in lieu thereof "Act, such funds to be considered a part of the total design cost of the proposed facilities, and to remain available until expended."

so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Regents of the Smithsonian Institution are authorized to prepare plans for museum support facilities for the care, curation, conservation, deposit, preparation, and study of the national collections of scientific, historical and artistic objects, specimens, and artifacts; for the related documentation of such collections of the Smithsonian Institution; and for the training of museum conservators.

SEC. 2. The museum support facilities referred to in section 1 shall be located on federally owned land within the metropolitan area of Washington, District of Columbia. Any Federal agency is authorized to transfer land under its jurisdiction to the Smithsonian Institution for such purposes without reimbursement.

SEC. 3. There are hereby authorized to be appropriated to the Smithsonian Institution $690,000 to accomplish the purposes of this Act, such funds to be considered a part of the total design cost of the proposed facilities, and to remain available until expended.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC FINANCING OF FEDERAL ELECTIONS

The concurrent resolution (S. Con. Res. 106) authorizing the printing of additional copies of Senate hearings entitled "Public Financing of Federal Elections" was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Rules and Administration one thousand additional copies of its hearings of the first session of the Ninety-third Congress entitled "Public Financing of Federal Elections".

PURCHASE OF CALENDARS

The resolution (S. Res. 374) relating to the purchase of calendars for 1975, was considered and agreed to, as follows:

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate $905, in addition to the amount specified in S. Res. 299, Ninety-third Congress, agreed to March 26, 1974, to pay for the increased cost of calendars authorized to be purchased under that resolution and to purchase two hundred and fifty additional calendars.

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The resolution (S. Res. 375) authorizing supplemental expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations during the period March 1, 1973 through February 28, 1974, was considered and agreed to, as follows:

Resolved, That section 2 of Senate Resolution 33, Ninety-third Congress, agreed to February 22, 1973, is amended by striking out "$475,000" and inserting in lieu thereof "$478,200".

SEVENTY-SIXTH ANNUAL REPORT OF THE NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

The resolution (S. Res. 377) authorizing the printing of the 76th Annual Report of the National Society of the Daughters of the American Revolution as a Senate document, was considered and agreed to, as follows:

Resolved, That the Seventy-sixth Annual Report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1973, be printed with an illustration, as a Senate document.

ROSALIE S. LEWIS

The resolution (S. Res. 376) to pay a gratuity to Rosalie S. Lewis, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Rosalie S. Lewis, widow of Willie L. Lewis, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished assistant Republican leader, the Senator from Michigan (Mr. GRIFFIN).

Mr. GRIFFIN. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished Senator from Ohio (Mr. METZENBAUM) for not to exceed 15 minutes.

OIL POWER: THE GROWING THREAT TO THE AMERICAN ECONOMY

Mr. METZENBAUM. Mr. President, this morning I would like to talk about the power of petroleum.

The theme is not new, of course. Ever since the early part of the century, the tentacles of the oil octopus have seized expanding shares of the national wealth. But today there is new cause for alarm.

While consumers have been victimized by the recent energy crisis, the oil industry has been amassing enormous profits—profits which allow the industry to extend still further its power over the American economy.

SECOND QUARTER OIL PROFITS RISE BY 18 TO 292 PERCENT

The gravity of this problem is emphasized by the recent flurry of financial reports by oil companies. During the second quarter of this year, 14 major oil companies reported profit increases ranging from a low of 18 percent to a high of 292 percent over the same period of last year. For the first half of this year, the profit increase ranged from 21 percent to 402 percent.

Mr. President, I ask unanimous consent to have printed in the RECORD, a brief table on recent oil company profits.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SELECTED OIL COMPANY PROFITS

Company	2d quarter 1974 (millions)	Change from 1973 (percent)	1st half 1974 (millions)	Change from 1973 (percent)
Ashland Oil	$32	+40	[1] $86	+41
Cities Service	54	+76	123	+82
Continental Oil	100	+94	210	+111
Exxon	850	+67	1,500	+53
Gulf Oil	250	+28	540	+50
Marathon Oil	50	+90	81	+98
Mobil Oil	367	+99	626	+84
Occidental Petroleum	93	+292	160	+402
Phillips Petroleum	124	+166	205	+127
Shell Oil	124	+39	246	+45
Standard Oil (Indiana)	280	+130	499	+105
Standard Oil (Ohio)	50	+18	73	+21
Sun Oil	127	+163	218	+124
Texaco	460	+72	1,049	+98

[1] Last 9 months.

Mr. METZENBAUM. Mr. President, the average profit increase by these 14 companies for the second quarter comes to 98 percent. The enormity of this harvest is demonstrated by the fact that, as reported by the First National City Bank recently, the second-quarter profits of major U.S. corporations rose by only 28 percent over the same period of last year.

OIL COMPANIES AMASS $5.6 BILLION IN FIRST HALF OF YEAR

For the first half of this year, these 14 oil companies amassed in excess of $5.6 billion—on top of the industry's already huge resources. The massive wealth of the petroleum industry is most strikingly demonstrated when it is measured against the rest of American industry.

PROFITS OF 31 OIL COMPANIES AMOUNT TO 60 PERCENT OF PROFITS OF ALL OTHER MANUFACTURERS

Of the world's 15 largest manufacturing companies, seven are oil companies and five of these are based in the United States. During the last quarter of 1973—the most recent period for which such a comparison is available—31 domestic petroleum companies reaped $2.5 billion in profits; this represented almost 60 percent of all profits earned by the remaining 572 major manufacturing concerns in the United States. In 1973, the net worth of 108 domestic petroleum companies surpassed $60 billion, more than 3 times as great as the next largest industry.

Mr. President, before coming to the Senate, I was a businessman. I know the vital role played by profits in our free enterprise system. I know that industry needs profits to finance future growth. However, there are limits.

Industry does not need—and should not have—inflated profits unconscionably extracted from consumers. Excessive profits of today's magnitude can only bring about developments that are inimical to the continued welfare of the American economy.

OIL COMPANIES MOVE TO CONTROL ALTERNATE SOURCES OF ENERGY

Although historically oil companies have used profits to finance growth within the petroleum industry, in more recent years the oil men have moved aggressively to control the production of such alternative sources of energy as coal, nuclear power, and solar power.

OIL COMPANIES: COAL

Beginning in 1963 with Gulf's acquisition of Pittsburgh and Midway Coal Mining Co., major oil companies have built up a substantial stake in the coal industry. Since that time, six petroleum firms bought out coal companies accounting for more than 20 percent of current coal production. Moreover, the petroleum industry has insured its future hold on coal production by securing control over more than 20 percent of known coal reserves.

Mr. President, I ask unanimous consent to have printed in the RECORD a table on the takeover of the coal industry by the oil companies.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

OIL INDUSTRY CONTROL OF COAL PRODUCTION

Acquiring firm	Acquired firm	Acquired firm percent of market	Date of acquisition
Gulf Oil	Pittsburgh & Midway Coal.	1.3	1963
Continental Oil	Consolidation Coal	9.9	1966
Occidental Petroleum	Island Creek Coal	4.1	1968
Standard Oil (Ohio)	Old Ben Coal	1.9	1968
Ashland Oil	Arch Mineral	1.1	1968
Eastern Gas & Fuel	Eastern Associated Coal.	2.1	1969-70
Total		20.4	

Source: Small Business Committee, 92d Congress. Production data from Keystone Coal Industry Manual.

OIL COMPANIES URANIUM

Mr. METZENBAUM. Mr. President, Petroleum firms have also sought to dominate the nuclear energy market. Kerr-McGee now controls 27 percent of domestic uranium production, and Humble Oil is planning a mill with capacity equal to 8 percent of domestic capacity. Other oil firms also are planning to invade the production of uranium. The Bureau of Mines estimates that the industry now controls about 80 percent of domestic uranium reserves, and the Oil and Gas Journal reports that the "oil industry is moving more and more into coal and uranium."

OIL COMPANIES: SOLAR ENERGY

Although solar energy currently makes a negligible contribution to our energy needs, a recent Atomic Energy Commission report stated that that energy source could easily provide up to one-third of our future requirements. The oil industry has begun to move into solar energy research on a large scale. The Exxon Corp. recently purchased Solar Power Corp.; Shell now controls Solar Energy Systems; Gulf conducts solar research through one of its subsidiaries, and other firms have also begun work in this area. By the time solar energy is commercially feasible, the oil industry will have built up a substantial stake in solar power.

OIL COMPANIES INVADE UNRELATED SECTORS OF AMERICAN ECONOMY

Senators, day in and day out representatives of the oil industry have come before the Senate Interior Committee, pleading that they need enormous profits to finance the further development of our petroleum resources. If their investments were confined to petroleum research and development, their pleas might make some sense. However, the fact is that the oil barons are using their incredible profits not only to expand into other energy fields, but also to invade totally unrelated sectors of the American economy.

Many oil companies, for example, have made significant investments in real estate. Arco began acquiring property in downtown Los Angeles 2 years ago. Gulf Oil Real Estate has been involved in new communities such as Reston, Va., and is currently developing a 2,700-acre site in Florida for residential and commercial use. Gulf attempted to expand its real estate holdings last year by acquiring the CNA Financial Corp.

Now the oil companies are reaching beyond real estate. Mobil Oil recently announced its intention of purchasing a controlling interest in Marcor Corp., the parent company on Montgomery Ward and Container Corp. of America. At current prices the Marcor deal would cost Mobil $350 million, a huge sum but less than Mobil's second quarter profits.

These are but a few of the many instances in which the oil companies are using their tremendous resources to move into other industries.

INTIMATE RELATIONSHIPS BETWEEN OIL INDUSTRY AND FINANCIAL COMMUNITY

Besides their own vast economic power, the oil companies also have been able to establish intimate relationships with the Nation's major financial institutions—relationships that the Federal Trade Commission has announced it will investigate.

To mention just a few examples from a 1972 study by the Ruttenberg Consulting Firm, Exxon shares two directors with Chemical Bank of New York, one director with Chase-Manhattan and one with Morgan Guaranty. Gulf shares three directors with Mellon National. Shell has one director on the Board of First National City Bank of New York.

A more recent study by the office of my distinguished colleague from South Dakota, Senator ABOUREZK, updates the Ruttenberg analysis. I ask unanimous consent that a table based on the Abourezk study be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

INTERLOCKING DIRECTORATES BETWEEN SELECTED OIL COMPANIES AND FINANCIAL INSTITUTIONS

Oil company	Banks	
Amerada Hess	Chemical	
Arco	Chase Manhattan	First Chicago.
Continental	Morgan Guaranty Trust, Mellon National	Continental Illinois.
Cities Service	Morgan Guaranty Trust	
Exxon	First National City, Chase Manhattan, First City BankCorp. (Texas)	Morgan Guaranty Trust, Chemical (2).[1]
Gulf	Mellon National (5)[1]	
Marathon	Chemical	
Mobil	First National City	Chemical.
Phillips	First National City	
Shell	Charter New York	
Standard Oil (California)	First National City (2)[1]	Bank America (2).[1]
Standard Oil (Indiana)	Chase Manhattan	Continental Illinois (3).
Standard Oil (Ohio)	Cleveland Trust (2)[1]	
Superior	First City BankCorp (Texas)	

[1] The figure in parenthesis is the number of interlocking directorates, if more than 1.

INTERLOCKS REINFORCE MONOPOLISTIC MOVEMENTS IN CONCENTRATED INDUSTRY

Mr. METZENBAUM. Mr. President, clearly, an oil company which has close relationships with one or more large banks will be at an advantage in seeking credit. At the same time, the company is in a position to learn valuable intelligence about its competitors. Extensive interlocks between major banks and oil companies, therefore, pose a potentially significant barrier to the growth of independent oil firms and tend to reinforce monopolistic movements in an industry that already is highly concentrated.

According to data gathered by the Federal Trade Commission in 1971, half of all domestic oil production is accounted for by just 20 firms, even though there are more than 8,000 in the business. Four companies, by themselves, account for one-fourth of all crude production. Refining is even more concentrated: the 20 largest refiners are responsible for 84 percent of domestic refinery capacity, and the top four firms control one-third of all domestic capacity.

Not surprisingly the largest producers are also the largest refiners. The top eight producers and refiners are the same. All of the top 16 producers are among the 20 largest refiners. Because of this inter-relationship, an FTC report last year charged that:

> The major oil companies in general and the eight largest majors in particular have engaged in conduct which exemplifies their market power and has served to squeeze independents at both the refining and marketing levels . . . the majors continually engage in common courses of action for their common benefit.

ANTITRUST PROBE REQUESTED TO DETERMINE IF OIL OUTPUT IS BEING RESTRAINED

More recently news reports indicate that major refiners may well be acting in concert to restraint the output of gasoline and other refined products. During the week ending July 19, the production of gasoline dropped 6 to 7 percent below the same week last year, despite a 9-percent increase in available crude oil. One respected industry analyst, Dr. Fred Allvine, of Georgia Tech, has reviewed the current production figures and concluded:

> As long as they (the major companies) can keep the supply of gasoline relatively tight, they can keep gas away from the dealer who could cut prices and pass on savings to the public. That makes it possible to report higher profits month after month.

I have asked the Attorney General to investigate this situation for possible violations of the antitrust laws.

CONSUMER SUFFERS HIGH PRICES, LOSS OF JOB OPPORTUNITIES

In the long run, the victim of the oil industry monopoly is the American consumer.

He pays more for fuel. Over the past year, the price of regular gasoline has increased by more than 40 percent. The price of home heating oil has jumped by almost 70 percent.

He is losing job opportunities. Two well-known economists, Walter Heller and George Perry, have warned that up to 600,000 workers will be denied jobs because of the energy price increases and the fuel shortages.

And while the consumer, not to mention the entire economy, suffers this awful squeeze, what are we in Government, who are supposed to be representing the public's interest, doing to protect the American family?

We sit and watch the oil octopus invade the Government and those agencies created to advise it. For example, in November, 1973, the President activated the Emergency Petroleum and Gas Administration to appraise the oil crisis. No less than 128 key positions were filled by personnel from other major oil and natural gas firms. In recent weeks, the General Accounting Office has issued conflict-of-interest charges against oil industry personnel who served with the Energy Policy Committee and the Federal Energy Administration.

OIL AND GOVERNMENT: SWEETHEARTS FOR 50 YEARS

A friendly relationship between the Government and the oil industry is nothing new, however. Indeed, this is an apt description of the relationship over the past 50 years, beginning with the adoption of the depletion allowance in 1926. Depletion is a luxury enjoyed by the oil grants for far too long.

Depletion was only the beginning of the Government's aid to oil. In 1928, the State Department gave the oil monopoly a mighty thrust by abandoning its "open door" policy for oil exploration in the Middle East. This allowed the seven major international oil companies to curtail crude oil output and to limit competition in refining, marketing, and the securing of concessions.

Twenty-two years later the Treasury Department secretly propped up the Ibn Saud regime in Saudi Arabia and, at the same time, reduced the tax load on the four U.S. major companies controlling Saudi production. On the advice of the Aramco cartel, and with the approval of the U.S. Secretary of State, the Saudi Government in 1950 changed the royalties assessed on crude oil to a so-called income tax.

Supported by a favorable tax ruling by Treasury, oil companies then received a dollar-for-dollar tax credit for royalties—thereafter described as taxes—paid foreign oil-producing nations against income taxes owed the U.S. Treasury. In 1950, Exxon, Texaco, Mobil, and Standard Oil of California paid $50 million in U.S. taxes and $66 million in Saudi royalties; in 1951 their U.S. taxes fell to $6 million, while Saudi Arabia collected $110 million. From then on, the United States began losing hundreds of millions of dollars annually in tax revenues from oil companies operating abroad.

In 1952, the State Department again came to the industry's aid by shielding it from a Justice Department investigation of the international petroleum cartel, arguing that the investigation might spur nationalization fever in the Middle East. Not only was the antitrust assault sidetracked, but the Government permitted the big oil companies to limit sharply the participation of independents in Iran's production.

Then in the late 1950's, the Arab producing nations formed the Organization of Petroleum Exporting Countries—OPEC—to improve their bargaining position. To meet this threat, the oil companies sought to draw up a united front, and the Justice Department secretly agreed to forgo antitrust action.

Most recently, as we all are well aware, the oil industry exploited this past winter's energy crisis to boost prices and profits beyond reason. And we in Congress were rendered helpless by President Nixon's veto.

RECOMMENDATIONS FOR RESTRAINING THE OIL INDUSTRY'S GROWING POWER

Mr. President, I submit that this is a shameful history. Now that the energy crisis seems to have eased somewhat, this is no time to relax. Rather, we should take the first steps toward cutting back the enormous and growing power of the oil industry.

On the one hand we must press the administration to enforce diligently the antitrust laws designed to maintain competitive markets. As I indicated earlier, I have written the Attorney General to investigate whether the oil companies have deliberately restrained production in order to preserve their price-profit spiral. At the same time, Congress should exercise vigorously its oversight powers to insure that the FTC moves expeditiously in its more sweeping investigation of the structure of the oil industry.

These steps will reduce the concentrated power of the industry in the long run, but we must take action now to alleviate the plight of consumers. I urgently call on the President to lay down the veto club he holds over oil price rollback legislation.

Lower prices will cut back the bloated profits of the oil industry. In addition, Congress should immediately revise our tax laws to discourage the continued massing of profits in oil industry hands. The oil depletion allowance, if once justified, is no longer needed or warranted. We should abolish this bonanza immediately.

We must also stop the outrageous and inequitable tax advantage by which foreign royalty payments are offset against the oil industry's domestic income taxes. In fairness, the industry should be allowed to take business deductions for foreign royalties, as was the case before 1950, but it is high time for the U.S. Treasury to begin recapturing those hundreds of millions of dollars it is losing annually through this tax loophole.

Mr. President, we must seriously reevaluate the role of big oil in the American economy. If we do not act, the growing power of the industry may suffocate us all.

TRANSACTION OF ROUTINE MORNING BUSINESS

The **ACTING PRESIDENT** pro tempore. At this time, in accordance with the previous order, there will be a period not to exceed 15 minutes for the transaction of routine morning business with statements therein limited to 5 minutes.

The Senator from Montana.

AUTHORIZATION FOR THE SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CHANGES TO S. 3792, A BILL TO AMEND AND EXTEND THE EXPORT ADMINISTRATION ACT OF 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 3792.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Allen) laid before the Senate the following letters, which were referred as indicated:

Annual Report of the Securities Investor Protection Corporation, 1973

A letter from the Chairman, Securities and Exchange Commission, transmitting, pursuant to law, the Third Annual Report of the Securities Investor Protection Corporation covering the year 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Report of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report summarizing benefit provisions, financial data, and key issues relating to Federal retirement systems (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Legislation To Establish a Grant-in-Aid Program for State Veterans Cemeteries

A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38 of the United States Code, to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of veterans cemeteries, to eliminate certain duplications in the payment of Federal burial benefits, and to provide for transportation of bodies to a national cemetery (with accompanying papers). Referred to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 3489. A bill to authorize exchange of lands adjacent to the Teton National Forest in Wyoming, and for other purposes (Rept. No. 93–1054).

By Mr. PROXMIRE, from the Committee on Appropriations, with amendments:

H.R. 15572. A act making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent, executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1056).

By Mr. BAYH, from the Committee on Appropriations, with amendments:

H.R. 15581. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93–1057).

By Mr. LONG, from the Committee on Finance, with amendments:

H.R. 6191. An act to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty (Rept. No. 93–1058);

H.R. 7780. An act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk (Rept. No. 93–1059);

H.R. 11251. An act to amend the Tariff Schedules of the United States to provide for the duty-free entry of methanol imported for use as fuel (Rept. No. 93–1060);

H.R. 11452. An act to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes (Rept. 93–1061);

H.R. 11830. An act to suspend the duty on synthetic rutile until the close of June 30, 1977 (Rept. No. 93–1062);

H.R. 12035. An act to suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts (Rept. No. 93–1063);

H.R. 12281. An act to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper (Rept. No. 93–1064); and

H.R. 13631. An act to suspend for a temporary period the import duty on certain horses (Rept. No. 93–1065).

EXECUTIVE REPORTS OF COMMITTEES

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Col. John W. White, U.S.A., to be brigadier general, Medical Corps and Lt. Gen. Howard Wilson Penney, U.S.A., to be placed on the retired list in that grade; in the Navy, Vice Adms. Vannoy, Wheeler, and Behrens, Jr., for appointment to the grade of vice admiral on the retired list and Vice Adm. Weinel for appointment to the grade of admiral; and, in the Air Force, Maj. Gen. Winton W. Marshall to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutiions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. NELSON (for himself, Mr. Cranston, Mr. Mondale, Mr. Randolph, and Mr. Bayh):

S. 3870. A bill to provide for the extension of Headstart and other programs under the Economic Opportunity Act of 1964, to establish a Community Services Administration in the Department of Health, Education, and Welfare to administer programs which have been administered by the Office of Economic Opportunity, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JOHNSTON:

S. 3871. A bill to authorize the Administrator of the Federal Energy Administration to conduct a study of the energy needs of the United States and the methods by which such needs can be met, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. EAGLETON:

S. 3872. A bill to inform the public concerning the differences in delivery times between first class mail and air mail. Referred to the Committee on Post Office and Civil Service.

By Mr. BENTSEN:

S. 3873. A bill for the relief of the city of Aransas Pass, Tex., and the Urban Renewal Agency of the city of Aransas Pass, Tex. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. GRAVEL:

S. 3874. A bill to authorize the Secretary of the Interior to convey all right, title, and interest of the United States in and to a tract of land located in the Fairbanks Recording District, State of Alaska, to the Fairbanks North Star Borough, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

S. 3875. A bill entitled "Energy Revenue and Development Act of 1974." Referred to the Committee on Finance.

By Mr. MATHIAS (for himself and Mr. Beall):

S. 3876. A bill to provide for the expansion of the Antietam National Battlefield site in the State of Maryland, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS (for himself and Mr. Buckley):

S.J. Res. 230. A joint resolution to salute Chautauqua Institution on the occasion of its 100th anniversary. Considered and passed today.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON (for himself, Mr. Cranston, Mr. Mondale, Mr. Mr. Randolph, and Mr. Bayh):

S. 3870. A bill to provide for the extension of Headstart and other programs under the Economic Opportunity Act of 1964, to establish a Community Services Administration in the Department of Health, Education, and Welfare to administer programs which have been administered by the Office of Economic Opportunity, and for other purposes. Referred to the Committee on Labor and Public Welfare.

COMMUNITY SERVICES AND HEAD START ACT OF 1974

Mr. NELSON. Mr. President, I am introducing the Community Services and Head Start Act of 1974, a bill to provide for the extension of Head Start and other programs under the Economic Opportunity Act of 1964, to establish a Community Services Administration in the Department of Health, Education, and Welfare to administer programs which have been administered by the

Office of Economic Opportunity, and for other purposes.

Under this proposed legislation, the functions of the Office of Economic Opportunity would be transferred to the Department of Health, Education, and Welfare. The bill would extend the authorization for the various programs under the Economic Opportunity Act for another 3 years—fiscal years 1975 through 1977. The Office of Economic Opportunity itself would be discontinued as a separate Federal agency after the transfer of functions to HEW is completed.

The Office of Economic Opportunity's responsibilities for community action and related programs would be vested in a newly created agency within the Department of Health, Education, and Welfare known as the Community Services Administration. The concept of an administration within HEW to take over the functions of OEO is substantially the same as that contained in the House-passed Community Services Act of 1974—H.R. 14449—which recently passed the House of Representatives by a vote of 331 to 53.

The Director of the Community Services Administration would be responsible directly to the Secretary of Health, Education, and Welfare, and would be subject to confirmation by the Senate.

I share the concern of those who believe that it is important that there continue to be an agency to serve as a focal point within the Federal Government for advocating policies responsive to the concerns of the poor. I believe that a statutorily created agency at a high level within HEW can provide that kind of a strong voice for the poor and thereby continue to carry out the role which OEO has performed in the past.

From its enactment 10 years ago, the Economic Opportunity Act has contained provisions designed to give administrative flexibility to the war on poverty. Under that act, the Office of Economic Opportunity is authorized to delegate programs to other agencies under so-called delegation agreements setting forth arrangements designed to assure maximum liaison and coordination among programs. From their beginning, Neighborhood Youth Corps, Operation Mainstream, and the various work and training programs other than Job Corps were delegated for actual administration to the Labor Department. In 1969, Job Corps was delegated to the Labor Department, and Head Start, which had been administered in the Office of Economic Opportunity, was delegated to the Department of Health, Education, and Welfare. OEO's health programs have likewise been spun off to HEW.

The bill I am introducing contains titles requested by the administration to consolidate the legislative authority for Head Start, Follow Through, Native American programs, and research and demonstration programs as responsibilities of Secretary of Health, Education, and Welfare.

During the period of time since its establishment in 1964, the Office of Economic Opportunity has served as the incubator for innovative programs designed to alleviate the conditions of poverty in this country. Over the 10 years of this war on poverty, a number of the programs nurtured in OEO have matured, and the executive branch has exercised its discretion under the legislation to spin off such programs to take their place among related programs in established departments of the Federal Government.

A few years ago, the Office of Economic Opportunity administered programs involving over a billion dollars of Federal funds. With its other programs spun off to other agencies, it still retains responsibility for community action programs, community economic development, and legal services so that at the present time OEO provides annual funding of about $400 million. In view of the fact that the Legal Services Corporation has recently been signed into law—Public Law 93-355—the legal services program will, under the terms of that legislation, cease to be a responsibility of OEO within several months—the transfer takes effect 90 days after the Corporation's Board of Directors has been confirmed.

I recognize that there are those who would have preferred that the Office of Economic Opportunity retain the operational responsibility for many of the programs in the war on poverty. In acting upon the Economic Opportunity Amendments of 1969 and 1972, Congress deferred the spinoff of the programs that now remain in OEO—community action, community economic development, and legal services—because we felt that legislative approval should be given to any proposed new location for these programs which are at the core of the war on poverty.

With respect to one of these programs, we have now enacted legislation providing a new home for the Legal Services Corporation. As a result of action on the pending legislation, the community economic development program will be spun off from OEO. The question of where responsibility for the community action programs is to be lodged must therefore be squarely faced by this Congress.

I am in agreement with the approach of the legislation passed by the House of Representatives to transfer the community action program to the Department of Health, Education, and Welfare. Many of the local activities of community action programs are in the field of health, education, and welfare. It makes sense to locate the responsibility for community action programs in the department which has on-going relationships with these programs. This is particularly appropriate since HEW now has responsibility for antipoverty programs such as Headstart, neighborhood health centers, alcoholism and drug rehabilitation programs, and nutrition programs.

It is important, however, to assure that the responsibility for community action programs will not be buried under or lost in the bureaucracy. Without detracting from the ultimate responsibility of the Secretary and Under Secretary of Health, Education, and Welfare for programs within their Department, the proposed legislation I am introducing requires the establishment of a Community Services Administration with primary responsibility for community action programs and research and development functions under the Economic Opportunity Act. The Secretary would have the discretion to assign related responsibilities to such Administration, particularly other programs under the Economic Opportunity Act if such a reorganization of functions is deemed desirable.

It should be pointed out that the bill I am introducing makes no change in the current law's local share requirement for community action programs, under which local resources must be provided for 20 percent of the costs of carrying out such programs. The House-passed bill does make a change in that local share requirement, increasing the required local share to 30 percent in fiscal year 1976 and 40 percent in fiscal year 1977. I believe that we should await further experience under the provisions of this legislation before requiring such a drastic increase in the financial burden upon local programs.

Rather than a mandatory increase in the local share, which could prove particularly difficult in rural areas, I have included in my bill an authorization for incentive grants to match dollar for dollar any State and local governmental funds provided to community action programs. There is a similar provision in the House-passed bill. I am hopeful that this incentive approach will induce interest on the part of the State and local governments toward greater involvement with antipoverty programs. Some interest in budgeting funds for antipoverty programs was manifested in a number of States this year.

But very limited funds have so far been actually appropriated by State and local governments for community action programs. Community action programs may be more successful in obtaining State and local funds in the future. We should encourage such efforts by allocating part of the Federal antipoverty funding to match State and local funds which are made available for such programs. My proposal provides that half of any increase in funding for local initiative community action—over the current annual program level of $330 million—would go for these incentive grants to match State and local funding.

The overwhelming 331 to 53 vote by which the House of Representatives passed legislation similar to the bill I am introducing is an indication for the widespread bipartisan support that community action programs have come to enjoy in communities all over America today.

The community action programs developed under the Economic Opportunity Act have become one of the most flexible weapons in the war against poverty. These programs have stimulated the mobilization of other resources, which together have gone a long way toward alleviating some of the inevitable and debilitating consequences of being poor in a nation of affluence. They have formed an important link between our governmental institutions and the poor, by bringing local imagination and flexibility to bear on the often unpredictable variety of problems that can exist in any city, county, or region. By encouraging the development of leadership from within the poverty community, these programs have provided a very special and unbureaucratic approach to problem solving at the local level.

It has always been my strong belief that local citizens could do a far more competent job of planning and running local programs than bureaucrats sitting thousands of miles away in Washington, no matter how well intentioned those bureaucrats might be. Community action programs are just such local institutions.

Since the 1930's the Federal Government has been assuming more and more responsibility for meeting needs that State and local governments were not able to face. Now that States and localities are more aware of the needs, and have demonstrated an ability to carry out social programs, it is time to strengthen responsibility at the local level where the problems are, where the problems are best understood, and where they must be solved.

What has led so many national, State, and local political leaders, of every political persuasion, to offer their strong support for the continuation of local initiative community action programs has been the hard-won expertise these programs have demonstrated in reflecting the particular concerns of the poor communities they serve. These programs have acquired the flexibility to develop specific local responses to specific local problems, as well as the flexibility to marshal the resources of existing private and Federal, State, and local governmental programs in their innovative atacks upon the problems of the poor in their communities. They have done so in a spirit of cooperation with public and private officials at all levels. They have truly earned the wide bipartisan support they now enjoy.

Since successful community action agencies demonstrate that Federal funds can be wisely administered by people and government at the local level, we must insure the continuation of those programs by extending the Economic Opportunity Act which authorizes support for their activities.

Mr. President, on Wednesday, August 7, the Subcommittee on Employment, Poverty, and Migratory Labor, of which I am chairman, will hold a hearing on the Community Services and Headstart Act of 1974, which I am introducing today, as well as Senator Javits' bill, the Economic Opportunity and Community Partnership Act of 1974, and the House-passed Community Services Act of 1974—H.R. 14449. The hearing will be in the hearing room of the Labor and Public Welfare Committee, room 4232, New Senate Office Building, beginning at 10 a.m.

Mr. President, I ask unanimous consent that there be included in the Record following this statement a summary of the bill I am introducing and the text of the bill.

There being no objection, the summary and bill were ordered to be printed in the Record, as follows:

Summary of Community Services and Headstart Act of 1974

(Introduced by Senator Gaylord Nelson)

Extends the Economic Opportunity Act for three years, authorizing appropriations through fiscal year 1977.

Transfers Office of Economic Opportunity functions to a newly-created Community Services Administration within the Department of Health, Education, and Welfare.

Provides legislative authority for Head Start, Follow Through, and Native American Programs in the Department of Health, Education, and Welfare (HEW now operates such programs under delegation arrangements from OEO).

Retains 80 percent Federal, 20 percent local share of costs, same as current economic Opportunity Act requires of Community Action programs.

Authorizes additional program of incentive grants to match dollar for dollar those funds made available by State and local governments for community action programs.

Authorizes appropriation of such sums as may be necessary for Economic Opportunity Act programs for fiscal years 1975 through 1977. Any amount above $330 million allocated for local initiative community action programs would split half-and-half between direct local initiative funds and incentive grants to match State and local government funds for community action programs.

S. 3870

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Community Services and Headstart Act of 1974".

STATEMENT OF PURPOSE

Sec. 2. It is the purpose of this Act to extend programs under the Economic Opportunity Act of 1964 and to establish within the Department of Health, Education, and Welfare a Community Services Administration to administer programs which have been administered by the Office of Economic Opportunity.

HEADSTART AND FOLLOW THROUGH

Sec. 3. (a) Title V of the Economic Opportunity Act of 1964 is amended by striking out the heading thereof and all of such title preceding part B thereof (which is hereby redesignated as part C) and inserting in lieu thereof the following:

"TITLE V—HEADSTART AND FOLLOW THROUGH PROGRAMS

"PURPOSE OF TITLE

"Sec. 501. In recognition of the role of Project Headstart and Follow Through in the effective delivery of comprehensive health, education, nutritional, social, and other services to economically disadvantaged children and their families, it is the purpose of this title to provide the legislative basis for the administration of the Headstart and Follow Through programs in the Department of Health, Education, and Welfare.

"Part A—Program Authority and Requirements

"AUTHORIZATION OF HEADSTART PROGRAM

"Sec. 511. The Secretary may, upon application by an agency which is eligible for designation as a Headstart agency pursuant to section 514, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Headstart program focused upon children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, nutritional, educational, social, and other services as the Secretary finds will aid the children to attain their full potential, and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 512. There are authorized to be appropriated for carrying out the purposes of this part such sums as may be necessary for fiscal years 1975 through 1977.

"ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

"Sec. 513. (a) Of the sums appropriated pursuant to section 512 for any fiscal year beginning after June 30, 1975, the Secretary shall allot not more than 2 per centum among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. In addition, the Secretary shall reserve not more than 15 per centum of the sums so appropriated for use in accordance with such criteria and procedures as he may prescribe, and not less than 10 per centum of the sums so appropriated for the purpose of assisting Headstart agencies to meet the requirements of section 513(d). The remainder shall be allotted among the States, in accordance with the latest satisfactory available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the relative number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families below the poverty line in each State as compared to all States; but there shall be made available, for use by Headstart programs within each State, no less funds for any fiscal year than were obligated for use by Headstart programs within such State with respect to fiscal year 1975. For the purpose of this subsection, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.

"(b) Financial assistance extended under this part for a Headstart program shall not exceed 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this part.

"(c) No program shall be approved for assistance under this part unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may prescribe.

"(d) The Secretary shall establish policies and procedures designed to assure that not less than 10 per centum of the total number of enrollment opportunities in Headstart programs shall be available for handicapped children (as defined in paragraph (1) of section 602 of the Education of the Handicapped Act) and that services shall be provided to meet their special needs. The Secretary shall report to the Congress at least annually on the status of handicapped children in Headstart programs, including the number of children being served, their handicapping conditions, and the services being provided such children.

"(e) The Secretary shall adopt appropriate administrative measures to assure that the benefits of this title will be distributed equitably between residents of rural and urban areas.

"DESIGNATION OF HEADSTART AGENCIES

"SEC. 514. (a) A public or private nonprofit agency which (1) has the power and authority to carry out the purposes of this part and perform the functions set forth in section 515 within a community, and (2) is determined by the Secretary to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Headstart program, may be designated as a Headstart agency.

"(b) For the purposes of this title, a community may be a city, county, multicity, or multicounty unit within a State, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organization base and possesses the commonality of interest needed to operate a Headstart program.

"(c) In the administration of the provisions of this section, the Secretary shall give priority in the designation of Headstart agencies to any public or private nonprofit agency which is receiving funds under any Headstart program on the date of the enactment of this Act, except that the Secretary shall, before giving such priority, determine that the agency involved meets program and fiscal requirements established by the Secretary.

"POWERS AND FUNCTIONS OF HEADSTART AGENCIES

"SEC. 515. (a) In order to be designated as a Headstart agency under this part, an agency must have authority under its charter or applicable law to receive and administer funds under this part, funds and contributions from private or local public sources which may be used in support of a Headstart program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Headstart program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

"(b) In order to be so designated, a Headstart agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to influence the character of programs affecting their interests, (2) provide for their regular participation in the implementation of such programs, and (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

"SUBMISSION OF PLANS TO GOVERNORS

"SEC. 516. In carrying out the provisions of this part, no contract, agreement, grant, or other assistance shall be made for the purpose of carrying out a Headstart program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of this part. Funds to cover the cost of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor.

"ADMINISTRATIVE REQUIREMENTS AND STANDARDS

"SEC. 517. (a) Each Headstart agency shall observe standards of organization, management, and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this part and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

"(b) No financial assistance shall be extended under this part in any case in which the Secretary determines that the costs of developing and administering a program assisted under this title exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 per centum of such total costs but, in his judgment, is excessive, he shall forthwith require the recipient of such financial assistance to take such steps prescribed by him as will eliminate such excessive administrative cost, including the sharing by one or more Headstart agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this paragraph for specific periods of time not to exceed six months whenever he determines that such a waiver is necessary in order to carry out the purposes of this part.

"(c) The Secretary shall prescribe rules or regulations to supplement subsection (a) of this section, which shall be binding on all agencies carrying on Headstart program activities with financial assistance under this part. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. Policies and procedures shall be established to insure that indirect cost attributable to the common or joint use of facilities and services by programs assisted under this part and other programs shall be fairly allocated among the various programs which utilize such facilities and services.

"(d) All rules, regulations, guidelines, instructions, and application forms published or promulgated by the Secretary pursuant to this part shall be published in the Federal Register at least thirty days prior to their effective date.

"PARTICIPATION IN HEADSTART PROGRAMS

"SEC. 518. (a) The Secretary shall by regulation prescribe eligibility for the participation of persons in Headstart programs assisted under this part. Such criteria shall provide (1) that children from low-income families shall be eligible for participation if their families are below the poverty line or if their families qualify or, in the absence of child care, would potentially qualify for public assistance; and (2) that programs assisted under this part may include, to a reasonable extent, participation of children in the area served who would benefit from such programs but whose families do not meet the low-income criteria prescribed pursuant to clause (1).

"(b) The Secretary shall not prescribe any fee schedule or otherwise provide for the charging of any fees for participation in Headstart programs, unless such fees are authorized by legislation hereafter enacted.

"APPEALS, NOTICE AND HEARING

"SEC. 519. The Secretary shall prescribe procedures to assure that—

"(1) special notice of and an opportunity for a timely and expeditious appeal to the Secretary is provided for an agency or organization which desires to serve as a delegate agency under this part and whose application to the Headstart agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Secretary;

"(2) financial assistance under this part shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(3) financial assistance under this part shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

"RECORDS AND AUDITS

"SEC. 520. (a) Each recipient of financial assistance under this part shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such financial assistance, the total cost of the project or undertaking in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under this part.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 521. The Secretary may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this part, and (2) training for specialized or other personnel needed in connection with Headstart programs.

"RESEARCH AND DEMONSTRATION PROGRAMS

"SEC. 522. (a) The Secretary may provide financial assistance, by contract or otherwise, for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this part. He may also contract or provide financial assistance for research pertaining to the purposes of this part.

"(b) The Secretary shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this part. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.

"ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

"SEC. 523. (a) The Secretary shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any demonstration or research project; and

"(2) the results, findings, data, or recommendations made or reported as a result of such activities.

"(b) The public announcements required by subsection (a) of this section shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

"EVALUATION

"SEC. 524. (a) The Secretary shall provide for the continuing evaluation of programs under this part, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such programs, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. The Secretary may, for such purposes, contract or make other arrangements for independent evaluations of those programs or individual projects.

"(b) The Secretary shall to the extent feasible develop and publish standards for evaluation of program effectiveness in achieving the objectives of this part. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under this part.

"(c) In carrying out evaluations under this part, the Secretary may require Headstart agencies to provide independent evaluations.

"DEFINITIONS

"SEC. 525. As used in this part, the term—

"(1) 'Secretary' means the Secretary of Health, Education, and Welfare.

"(2) 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; except that, when used in section 513(a) of this title, this term means only a State, Puerto Rico, or the District of Columbia; and

"(3) 'financial assistance' includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

"LABOR STANDARDS

"SEC. 526. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—275a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(C)).

"COMPARABILITY OF WAGES

"SEC. 527. (a) The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this part shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher, or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

"NONDISCRIMINATION PROVISIONS

"SEC. 528. (a) No person in the United States shall on the ground of race, creed, color, national origin, sex, or political affiliation be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this part.

"(b) The Secretary shall enforce the provisions of this section by (1) referring the matter to the Attorney General with a recommendation that an appropriate civil action be instituted, (2) exercising the powers and functions provided by title VI of the Civil Rights Act of 1964, or (3) taking such other action as may be provided by law.

"LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

"SEC. 529. No individual employed or assigned by any Headstart agency or other agency assisted under this part shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this part by such Headstart agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

"POLITICAL ACTIVITIES

"SEC. 530. (a) For purposes of chapter 15 of title 5 of the United States Code any agency which assumes responsibility for planning, developing, and coordinating Headstart programs and receives assistance under this part shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this part shall be deemed to be a State or local agency.

"(b) Programs assisted under this part shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Secretary, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

"ADVANCE FUNDING

"SEC. 531. For the purpose of affording adequate notice of funding available under this part, appropriations for carrying out this part are authorized to be included in an Appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

"PART B—FOLLOW THROUGH PROGRAMS

"GRANTEES; NATURE OF PROJECTS

"SEC. 551. (a)(1) The Secretary is authorized to provide financial assistance in the form of grants to local educational agencies, combinations of such agencies, and, as provided in paragraph (2) of this subsection, any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out Follow Through programs focused primarily on children from low-income families in kindergarten and primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Headstart or similar programs.

"(2) Whenever the Secretary determines (A) that a local educational agency receiving assistance under paragraph (1) is unable or unwilling to include in a Follow Through program children enrolled in nonprofit private schools who would otherwise be eligible to participate therein, or (B) that it is otherwise necessary in order to accomplish the purposes of this section, he may provide financial assistance for the purpose of carrying out a Follow Through program to any other public or appropriate nonprofit private agency, organization, or institution.

"(3) Programs to be assisted under this section must provide comprehensive services which the Secretary finds will aid in the continued development of children described in paragraph (1) to their full potential. Such projects must provide for the direct participation of the parents of such children in the development, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the project of children who are not from low-income families will enhance the development of children from low-income families or will otherwise serve to carry out the purposes of this section, he may provide for the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in paragraph (1) of this subsection.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 552. (a) There are authorized to be appropriated for carrying out the purposes of this part such sums as may be necessary for fiscal years 1975 through 1977. Funds so appropriated shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

"(b) Financial assistance extended under this part for a Follow Through program shall not exceed 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this part.

"(c) No project shall be approved for assistance under this part unless the Secretary is satisfied that the service to be provided under such project will be in addition to, and not in substitution, for services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.

"RESEARCH AND DEMONSTRATION, EVALUATION, AND TECHNICAL ASSISTANCE ACTIVITIES

"SEC. 553. (a) In conjunction with other activities authorized by this part, the Secretary may—

"(1) provide financial assistance, by contract or otherwise, for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this part;

"(2) provide, by contract or other arrangement, on a nationwide basis, for the continuing evaluation of projects assisted under this part, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects; and

"(3) provide, directly or through grants or other appropriate arrangements, (A) technical assistance to Follow Through programs in developing, conducting, and administering programs under this part, and (B) training for specialized or other personnel which is needed in connection with Follow Through programs.

"ADVANCE FUNDING

"SEC. 554. For the purpose of affording adequate notice of funding available under this part, appropriations for carrying out this part are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation .

"GENERAL PROVISIONS

"SEC. 555. (a) Recipients of financial assistance under this part shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in projects assisted under this part.

"(b) Financial assistance under this part shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken.

"(c) Financial assistance under this part shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing."

(b) The Economic Opportunity Act of 1964 is further amended by striking out "Director" each place it appears in section 522 and inserting in lieu thereof "Secretary", by striking out "and the Secretary of Health, Education, and Welfare" in section 522(d), and by striking out "their jurisdictions" in section 522(d) and inserting in lieu thereof "his jurisdiction".

(c) Sections 521 through 523 of the Economic Opportunity Act of 1964 are redesignated as sections 571 through 573, respectively.

ASSISTANCE FOR MIGRANT AND OTHER SEASONALLY EMPLOYED FARMWORKERS AND THEIR FAMILIES

SEC. 4. (a) The Economic Opportunity Act of 1964 is further amended by striking out "Director" each place it appears in sections 312, 313, 314, and 321 and inserting in lieu thereof "Secretary of Labor".

(b) In providing funding under the provisions of part B of title III of the Economic Opportunity Act of 1964, the Secretary of Labor shall, in conjunction with funding provided under section 303 of the Comprehensive Employment and Training Act of 1973, give priority to any public or private nonprofit agency which has provided services thereunder during the preceding fiscal year.

NATIVE AMERICAN PROGRAMS

SEC. 5. The Economic Opportunity Act of 1964 is further amended by inserting after title VII thereof the following new title VIII:

"TITLE VIII—NATIVE AMERICAN PROGRAMS

"SHORT TITLE

"SEC. 801. This title may be cited as the 'Native American Economic Opportunity Programs Act of 1974'.

"STATEMENT OF PURPOSE

"SEC. 802. The purpose of this title is to promote the goal of economic and social self-sufficiency for American Indians, Hawaiian Natives (as defined in paragraph (5) of section 813 of this title), and Alaskan Natives.

"FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

"SEC. 803. (a) The Secretary is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, and such public and nonprofit private agencies serving Hawaiian Natives, and Indian organizations in urban or rural nonreservation areas, for projects pertaining to the purposes of this title. In determining the projects to be assisted under this title, the Secretary shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible.

"(b) Financial assistance extended to an agency under this title shall not exceed 80 per centum of the approved costs of the assisted project, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this title.

"(c) No project shall be approved for assistance under this title unless the Secretary is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Secretary may waive this requirement in any case in which he determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purpose of this title.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 804. The Secretary may provide, directly or through other arrangements, (1) technical assistance to public and private agencies in developing, conducting, and administering projects under this title, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title.

"RESEARCH AND DEMONSTRATION PROJECTS

"SEC. 805. (a) The Secretary may provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in furthering the purposes of this title. He may also provide financial assistance for research pertaining to the purposes of this title.

"(b) The Secretary shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

"ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

"SEC. 806. (a) The Secretary shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency for a demonstration or research project; and

"(2) except in cases in which the Secretary determines that it would not be consistent with the purposes of this title, the results, findings, data, or recommendations made or reported as a result of such activities.

"(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

"SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

"SEC. 807. (a) No financial assistance may be provided to any project under section 803 of this title or any pilot or demonstration project under section 805 of this title, which is to be carried out on or in an Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

"(b) No financial assistance may be provided to any project under section 803 of this title or any pilot or demonstration project under section 805 of this title, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village, or Hawaiian Homestead, unless the Secretary has notified the chief executive officer of the State of his decision to provide that assistance.

"(c) No financial assistance may be provided to any project under section 803 of this title or any pilot or demonstration project under section 805 of this title, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan Native village, or Hawaiian Homestead, unless the Secretary has notified the local governing officials of the political subdivision of his decision to provide that assistance.

"RECORDS AND AUDITS

"Sec. 808. (a) Each agency which receives financial assistance under this title shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and reords of any agency which receives financial assistance under this title that are pertinent to the financial assistance received under this title.

"APPEALS, NOTICE, AND HEARING

"Sec. 809. The Secretary shall prescribe procedures to assure that—

"(1) financial assistance under section 803 of this title will not be suspended for failure to comply with any applicable terms and conditions, except in emergecy situations, nor an application for refunding under such section denied, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(2) financial assistance under section 803 of this title will not be terminated for failure to comply with any applicable terms and conditions unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

"EVALUATION

"Sec. 810. (a) The Secretary shall provide for the evaluation of projects assisted under this title, including evaluations that describe and measure, with appropriate means and to the extent feasible, the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, and including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects. The Secretary may, for such purpose, contract or make other arrangements for independent evaluations of projects.

"(b) The Secretary shall, to the extent feasible, develop and publish standards for evaluation of project effectiveness in achieving the objectives of this title. He shall consider the extent to which such standards have been met in deciding whether to renew or supplement financial assistance authorized under this title.

"(c) In carrying out evaluations under this title, the Secretary may require agencies which receive assistance under this title to provide independent evaluations.

"LABOR STANDARDS

"Sec. 811. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this title, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

"DELEGATION OF AUTHORITY

"Sec. 812. (a) The Secretary is authorized to delegate to the heads of other departments and agencies of the Federal Government any of the Secretary's functions, powers, and duties under this title, as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

"(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this title.

"(c) Funds appropriated for the purpose of carrying out this title may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are authorized and appropriated.

"DEFINITIONS

"Sec. 813. As used in this title, the term—

"(1) 'Secretary' means the Secretary of Health, Education, and Welfare;

"(2) 'financial assistance' includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

"(3) 'State' includes the District of Columbia;

"(4) 'Indian reservation or Alaskan Native village' includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands subject to a restriction against alienation imposed by the United States or a State, and any lands imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaskan Natives or Alaskan Native organizations under the Alaska Native Claims Settlement Act; and

"(5) 'Native Hawaiian' means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 814 There are authorized to be appropriated for the purpose of carrying out the provisions of this title, such sums as may be necessary for fiscal years 1975 through 1977."

COMMUNITY ACTION PROGRAMS WITH INDIAN TRIBES

Sec. 6. Section 210 of the Economic Opportunity Act of 1964 is amended—

(1) in subsection (a) thereof, by inserting "or an Indian tribal government," before the world "which"; and

(2) by repealing subsection (f) thereof.

RESEARCH AND DEMONSTRATION PROGRAMS

Sec. 7. The Economic Opportunity Act of 1964 is further amended by adding at the end thereof the following new title:

"TITLE XI—RESEARCH AND DEMONSTRATIONS

"STATEMENT OF PURPOSE

"Sec. 1101. The purpose of the title is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient.

"RESEARCH, DEMONSTRATION, AND PILOT PROGRAMS

"Sec. 1102. (a) The Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the 'Secretary') may provide financial assistance through grants or contracts for research demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purpose of this title.

"(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Secretary shall consult with other Federal agencies for the purpose of minimizing duplication among similar activites or projects and determining whether the findings resulting from any such projects may be incorporated into one or more programs for which those agencies are responsible.

"(c) No project shall be commenced under this section unless a plan setting forth such proposed project has been submitted to the chief executive officer of the State in which the project is to be located and such plan has not been disapproved by him within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

"(d) In making grants or contracts under this title, the Secretary shall insure that not less than 25 per centum of the funds made available under this title in any fiscal year shall be provided to recipients of financial assistance under section 221 or 235 of this Act.

"CONSULTATION

"Sec. 1103. (a) In carrying out projects under this title, the Secretary shall, whenever possible, arrange to obtain the opinions of program participants about the strengths and weaknesses of programs.

"(b) In carrying out evaluations under this title, the Secretary shall consult with the heads of other Federal agencies carrying out activities related to the subject matter of those evaluations.

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECT CONTRACTS

"Sec. 1104. (a) The Secretary shall make a public announcement concerning—

"(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this title; and

"(2) the results, findings, data, or recommendations made or reported as a result of such research, demonstration, or pilot project.

"(b) The public announcements required by subsection (a) shall be made within thirty days of entering into any such grant or contract and thereafter within thirty days of the receipt of such results, findings, data, or recommendations.

"(c) The Secretary shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds employed under this title shall become the property of the United States.

"(d) The Secretary shall publish studies of the results of activities carried out pursuant to this title not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such studies.

"NONDISCRIMINATION PROVISIONS

"SEC. 1105. (a) The Secretary shall not provide financial assistance for any program, project, or activity under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national original, sex, political affiliation, or beliefs.

"(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program, project, or activity receiving assistance under this title.

"PROHIBITION OF FEDERAL CONTROL

"SEC. 1106. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"DEFINITIONS

"SEC. 1107. As used in this title, the term—

"(1) 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

"(2) 'demonstration or pilot project' means any project, whether or not involving research, which includes the delivery of human services.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1108. There are authorized to be appropriated for carrying out the purposes of this title such sums as may be necessary for fiscal years 1975 through 1977."

"EVALUATION

SEC. 8. Title IX of the Economic Opportunity Act of 1964 is amended to read as follows:

"EVALUATION

"PROGRAM AND PROJECT EVALUATION

"SEC. 901. (a) (1) The Secretary shall, directly or by grants or contracts, measure and evaluate the impact of all programs authorized by this Act and of poverty-related programs authorized by related Acts, in order to determine their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

"(2) In carrying out his responsibilities under this subsection, the Secretary, in the case of research, demonstrations, and related activities carried out under title XI of this Act, shall, after taking into consideration the views of State agencies and community action agencies designated pursuant to section 210 of this Act, on an annual basis—

"(A) reassess priorities to which such activities should be directed; and

"(B) review present research, demonstration, and related activities to determine, in terms of the purpose specified for such activities in section 1102(a) of this Act, whether and on what basis such activities should be continued, revised, or terminated.

"(3) The Secretary shall, within 12 months after the date of enactment of this Act, and on each April 1 thereafter, prepare and furnish to the appropriate committees of the Congress a complete report on the determination and review carried out under paragraph (2) of this subsection, together with such recommendations, including any recommendations for additional legislation, as he deems appropriate.

"(b) Effective July 1, 1975, before funds for the programs and projects covered by this Act are released, the Secretary shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this Act. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under any section of this Act. Reports submitted pursuant to section 608 of this Act shall describe the actions taken as a result of these evaluations.

"(c) In carrying out evaluations under this title, the Secretary shall, whenever possible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this Act about such programs and projects, and shall consult, when appropriate, with State agencies and community action agencies designated pursuant to section 210, in order to provide for jointly sponsored objective evaluation studies on a State or areawide basis.

"(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

"(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this Act shall become the property of the United States.

"OBTAINING INFORMATION FROM FEDERAL AGENCIES

"SEC. 902. Such information and cooperation as the Secretary may deem necessary for purposes of the evaluations conducted under this title shall be made available to him, upon request, by the agencies of the executive branch."

INCENTIVE GRANTS TO MATCH STATE AND LOCAL FUNDS

SEC. 9. The Economic Opportunity Act of 1964 is further amended by inserting after section 234 thereof the following new sections:

"INCENTIVE GRANTS

"SEC. 235. (a) The Director may provide financial assistance to community action agencies or public or private nonprofit agencies designated under section 210 for programs authorized under this title, and to State economic opportunity offices for programs and activities authorized under section 231(a). Financial assistance extended to a community action agency or other agency pursuant to this section may be used for new programs or to supplement existing programs and shall not exceed 50 per centum of the cost of such new or supplemental programs.

"(b) Matching State and local funds made available for the purposes of this section shall be in cash. No program shall be approved for assistance under this section unless the Director is satisfied (1) that the activities to be carried out under such program will be in addition to, and not in substitution for, activities previously carried on without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community, area, or State will not be diminished in order to provide the contributions required under this section. The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may prescribe establishing objective criteria for determinations covering situations where a strict application of such requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

"LOCAL INITIATIVE FUNDS AVAILABLE FOR INCENTIVE GRANTS

"SEC. 236. Out of any sums appropriated or allocated for local initiative programs under section 221 of this Act for any fiscal year, the Director may transfer and make available for the purpose of carrying out section 235 of this Act an amount not to exceed 50 per centum of any amount so appropriated or allocated which is in excess of $330,000,000 but not in excess of $450,000,000."

ESTABLISHMENT OF COMMUNITY SERVICES ADMINISTRATION

SEC. 10. (a) Section 601 of the Economic Opportunity Act of 1964 is amended to read as follows:

"COMMUNITY SERVICES ADMINISTRATION

"SEC. 601. (a) There shall be established in the Department of Health, Education, and Welfare a Community Services Administration (referred to in this Act as the 'Administration') which shall be headed by a Director (referred to in this Act as the 'Director'). The Administration shall be the principal agency for carrying out this title, title II, and title XI of this Act, and such other functions, including carrying out other provisions of this Act for which the Secretary is responsible, as may be assigned to the Administration by the Secretary. In the performance of his functions, the Director shall be directly responsible to the Secretary of Health, Education, and Welfare, and shall not be subject to the supervision or control of any officer or employee other than the Seccretary or Under Secretary. The Secretary shall not approve any delegation of the functions of the Director with respect to carrying out this title, title XI, or section 221 or 235 of this Act to any other officer or employee not directly responsible to the Director.

"(b) The Director, Deputy Director, and Assistant Directors shall be appointed by the

President by and with the advice and consent of the Senate and the Director shall be compensated at a rate not less than that of level IV of the Executive Schedule specified in section 5316 of title V, United States Code."

(b) The Economic Opportunity Act of 1964 is further amended by—

(1) striking out "Office of Economic Opportunity" each time that it appears in section 602(d) and inserting in lieu thereof "Community Services Administration";

(2) striking out "Office of Economic Opportunity" in section 603(c) and inserting in lieu thereof "Community Services Administration";

(3) striking out "in the Office" in section 605(a) and inserting in lieu thereof "in the Community Services Administration";

(4) striking out "Office of Economic Opportunity" in section 632(2) and inserting in lieu thereof "Community Services Administration";

(5) striking out "the Secretary of Commerce, the Secretary of Health, Education, and Welfare," in section 637(b)(2); and

(6) striking out "of the Office of Economic Opportunity" in section 637(b)(2), and inserting in lieu thereof "of the Community Services Administration".

TRANSFER OF FUNCTIONS OF OFFICE OF ECONOMIC OPPORTUNITY

SEC. 11. (a) Paragraphs (1), (2), and (6) of section 222(a) of the Economic Opportunity Act of 1964 are repealed, effective July 1, 1975.

(b) Not later than July 1, 1974, the property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions of the Director of the Office of Economic Opportunity shall be transferred to the Director of the Community Services Administration. All grants, applications for grants, contracts, and other agreements awarded or entered into by the Director of the Office of Economic Opportunity under the authority of the Economic Opportunity Act of 1964 shall continue to be recognized so that there is no disruption of ongoing activities for which there is continuing authority.

(c) Not later than July 1, 1975, all Federal personnel, employed by the Office of Economic Opportunity under the authorization and appropriation for the Economic Opportunity Act of 1964 shall be transferred to, and, to the extent feasible, assigned to related functions and organizational units in the Community Services Administration, without loss of salary, rank, or other benefits, including the right to representation and to existing collective bargaining agreements.

(d) All official actions taken by the Director of the Office of Economic Opportunity, his designee, or any other person under the authority of the Economic Opportunity Act of 1964 which are in force on the effective date of this Act and for which there is continuing authority under the provisions of this Act, shall continue in full force and effect until modified, superseded, or revoked by the Director of the Community Services Administration.

(e) All references to the Office of Economic Opportunity, or to the Director of the Office of Economic Opportunity, in any statute, reorganization plan, executive order, regulation, or other official document or proceeding shall, on and after the effective date of this Act, be deemed to refer to the Community Services Administration, or to the Director thereof, as the case may be.

(f) No suit, action, or other proceeding, and no cause of action, by or against the agency known as the Office of Economic Opportunity, or any action by any officer thereof acting in his official capacity, shall abate by reason of the enactment of this Act.

(g) Section 616 of the Economic Opportunity Act of 1964 is repealed, effective July 1, 1975.

PROGRAM AUTHORITY

SEC. 12. (a) Sections 245, 321, and 615 of the Economic Opportunity Act of 1964, are each amended by striking out "eight succeeding fiscal years" and inserting in lieu thereof "eleven succeeding fiscal years".

(b) Section 523 of such Act (redesignated as section 573 by section 3(c) of this Act) is amended by striking out "seven succeeding fiscal years" and inserting in lieu thereof "ten succeeding fiscal years".

(c) Section 741 of such Act is amended by striking out "three succeeding fiscal years" and inserting in lieu thereof "six succeeding fiscal years".

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. For the purpose of carrying out title II, title III, title V, title VI, title VII, and title IX of the Economic Opportunity Act of 1964, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1975 through 1977.

EFFECTIVE DATE

SEC. 14. Except as otherwise provided, the provisions of this Act shall take effect on the date of enactment of this Act.

By Mr. JOHNSTON:

S. 3871. A bill to authorize the Administrator of the Federal Energy Administration to conduct a study of the energy needs of the United States and the methods by which such needs can be met, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

NATIONAL ENERGY STUDY ACT OF 1974

Mr. JOHNSTON. Mr. President, with the advent of the energy crisis and the reverberations it has caused throughout our economy, there has been much talk about what the future energy policy of the United States should be. Should we relax clean air standards so we can burn more coal? Should we develop the Outer Continental Shelf off the east coast of the United States? Should we become totally self-sufficient? These are merely examples of the far-reaching questions that have been raised as we address ourselves to the future energy policy of this Nation.

If anything is clear, Mr. President, it is that such questions cannot be considered in isolation from related questions dealing with such matters as national security, trade policy, and overall environmental considerations. Indeed, no logical analysis of our future energy policy can be made except in the context of the interrelationships between energy needs and environmental risks, energy costs and social costs, and energy policy and national security, trade and economic policy. I am, therefore, today introducing the National Energy Study Act of 1974, which provides for an annual interdisciplinary study of the energy needs of the United States and the alternative methods of meeting those needs. Pursuant to the legislation, the Administrator of the Federal Energy Administration is directed to conduct such a study each year and report to the Congress his analysis of those needs and the methods of meeting those needs. Each study would focus both on the short-term situation and the 10-year energy outlook in the United States. And in making such studies the Administrator would consult with other relevant governmental departments and agencies, as well as with other appropriate persons and groups, so that his analysis fully considers our various energy options and their social, economic, and environmental implications.

The latter aspect of the proposed energy study is of particular importance, for the reasons I already have noted. It is thus the intention of this legislation, for instance, that in examining the question of whether energy needs are best met by additional drilling on the Outer Continental Shelf, the Administrator consult not only with the Department of the Interior with respect to the potential energy resources available from such drilling, but also with the Environmental Protection Agency with respect to the environmental risks of such drilling compared with other energy options such as burning additional coal. Similarly, consultation with the Department of State, the Department of Defense, the Department of the Treasury and other departments would be necessary in order to evaluate the risks of utilizing varying amounts of imported energy resources. The key consideration is that all possible options, and the advantages and disadvantages of each, be considered and evaluated so that we are in a position to make the most intelligent and informed energy choices for the Nation.

In sum, the annual FEA study mandated by the National Energy Study Act of 1974 would provide annually a careful and comprehensive interdisciplinary analysis of what our short and longer term energy options are, as well as recommendations for future action. There presently is no statutory requirement of any such study and analysis, and, in my judgment, Mr. President, such a requirement is long overdue. We must begin to plan now to meet our future energy needs, and the legislation I am introducing today will, I believe, provide a sound basis for such planning.

Mr. President, I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Energy Study Act of 1974".

SEC. 2. The Administrator of the Federal Energy Administration (hereinafter referred to as the "Administrator") is hereby authorized and directed to conduct an annual comprehensive, interdisciplinary study of the energy needs of the United States and the methods by which those needs can be met. The Administrator shall submit to the Congress, not later than January 31 of each year, a full and complete report of the findings made under the prior year's study.

SEC. 3. In carrying out the studies authorized by this Act, the Administrator shall—

(1) identify and collect such information as may be required to carry out the studies authorized by this Act;

(2) consult with and secure information from representatives of industry, the financial community, labor, agriculture, science and technology, environmental groups, academic institutions, consumer and other public interest organizations, and such other groups as the Administrator deems suitable; and

(3) consult with and secure information from the Department of State, the Department of the Treasury, the Department of Defense, the Department of the Interior, the Department of Commerce, the Atomic Energy Commission, the Environmental Protection Agency, the Federal Power Commission, and such other government departments and agencies, Federal, State, and local, and such foreign governments and international organizations, as he deems necessary or appropriate to conduct the studies authorized by this Act.

SEC. 4. Each study authorized by this Act shall include, for each of the next five fiscal years folowing the year in which such study is submitted, and for the tenth fiscal year following the year in which such study is submitted—

(1) an estimate of the energy needs of the United States, including an analysis of the effect of various conservation programs on such energy needs;

(2) an analysis of the alternative methods of meeting such energy needs and of—

(a) the relative capital and other economic costs of each such method;

(b) the relative environmental, national security and balance of trade risks of each such method; and

(c) the other relevant advantages and disadvantages of each such method; and

(3) recommendations for the best method or methods of meeting the energy needs of the United States and for legislation needed to meet those needs.

SEC. 5. The heads of all Federal departments and agencies are authorized and directed to provide the Administrator with any information he requests to assist him in preparing the studies required by this Act.

SEC. 6. (a) The Administrator may procure the temporary or intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code. Persons so employed shall receive compensation at a rate to be fixed by the Administrator but not in excess of the maximum amount payable under such section. While away from his home or regular place of business and engaged in the performance of services for the Federal Energy Administration in conjunction with the provisions of this Act, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

(b) The Administrator is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of any agency or instrumentality of the Federal Government in conjunction with the study authorized in this Act.

SEC. 7. There is authorized to be appropriated, for each of the five fiscal years following enactment of this Act, the sum of $2,000,000 to carry out the purposes of this Act. Any funds so appropriated shall remain available until expended.

By Mr. EAGLETON:

S. 3872. A bill to inform the public concerning the differences in delivery times between first-class mail and airmail. Referred to the Committee on Post Office and Civil Service.

TRUTH IN MAILING ACT

Mr. EAGLETON. Mr. President, I am introducing the Truth in Mailing Act in an effort to correct a great deception upon the American public by the U.S. Postal Service.

A random telephone survey I conducted in Missouri found that a large percentage of the people believe that paying 3 more cents for an airmail stamp will considerably expedite the delivery of their letters. In Missouri 66,000 airmail letters are mailed every day. Missourians are paying $725,000 a year, 3 cents at a time, for what they believe is faster mail delivery.

The facts show that the people have been misled. According to the Post Office's own delivery rate survey, the average airmail letter from Kansas City to the North Suburban Post Office in Chicago takes 1.1 days longer than the average 10-cent first-class letter. Assistant Postmaster General Edward Dorsey, when being interviewed about poor airmail service, said the last time he used an airmail stamp was in 1943 when he was in the Army.

My own Missouri mail delivery study, designed by a former postal employee whose job was to monitor mail delivery, found that airmail moved no faster than regular first-class mail. The most favorable Postal Service data for airmail delivery shows average airmail delivery over long distances arriving only half a day ahead of regular 10-cent first-class mail.

Years ago airmail letters traveled by airplane and regular first-class mail was transported by the slower surface carriers. Today things have changed. Nearly all letters are transported by airplane.

For a long time airmail letters were guaranteed space on airplane flights. First-class mail letters were transported on a space-available basis. About a year ago that distinction also was eliminated.

In today's parlance, the Postal Service is "ripping off" the American people. Over 2 months ago, when Postmaster General Klassen appeared before the Senate Postal Appropriations Subcommittee, I told him about the "airmail ripoff" and expressed my belief that the public should be told. Nothing has been done by the Postal Service in this regard.

It is bad enough that the Postal Service is refusing to inform the public about the airmail deception which is costing the American people millions of dollars a year. A 1973 study by the investigative arm of the legislative branch—the General Accounting Office—revealed a million dollar advertising program to increase the use of airmail.

Mr. President, the Truth in Mailing Act will require the U.S. Postal Service to do what it should have been doing all along. It must simply keep the public informed of the average delivery times of the 13-cent airmail and regular 10-cent first-class mail so that the American people can prudently spend their postal money.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3872

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truth in Mailing Act".

SEC. 2. (a) Chapter 4 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 413. Disclosure of average delivery times

"As long as there exist two classes of mail of the kinds referred to in former chapter 59 of this title, relating to first class mail, and former chapter 61 (other than air parcel post) of this title, relating to air mail, the Postal Service shall determine the average periods of time required for delivery among major metropolitan areas of the United States of mail of such classes, and undertake measures necessary to keep the public informed of such average delivery times and the differences, if any, in delivery times of mail of those classes among such areas."

(b) The analysis of such chapter 4 is amended by inserting immediately below item 412 the following:

"413. Disclosure of average delivery times."

By Mr. BENTSEN:

S. 3873. A bill for the relief of the city of Aransas Pass, Tex., and the Urban Renewal Agency of the City of Aransas Pass, Tex. Referred to the Committee on Banking, Housing and Urban Affairs.

CITY OF ARANSAS PASS, TEX., AND THE URBAN RENEWAL DIVISION OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. BENTSEN. Mr. President, a dark cloud of indebtedness hangs over the city of Aransas Pass, Tex., as a result of complications with an urban renewal project.

In late 1965, survey and planning were implemented by the Department of Housing and Urban Development for the Golden Palms project, Texas. The project was set up as a self-liquidating urban renewal effort and there was great optimism over the project's possibilities.

To fulfill the local responsibilities of the project, the Aransas Pass Urban Renewal Agency immediately began to purchase the necessary property and to identify and deal with the associated problems. The first problem, which proved to be a serious, expensive, and continuing one, involved property title defects. Property title interest was vested in individuals residing all over the world, and the legal situation required the serving of citations on heirs and relatives of former owners worldwide. The magnitude of this problem is graphically reflected in the fact that of 400 parcels of land acquired, 240 had to be obtained by condemnation proceedings. This aspect of the matter proved time consuming and had a strong negative effect upon the initial profit projects of HUD experts. At that juncture HUD and the Urban Renewal Agency determined mutually to reanalyze the economics of the project for timely guidance on a future course of action, both for the Government and local interests.

No sooner had this step been taken and completed than hurricane Celia struck with devastating force causing massive destruction to Aransas Pass. Thus, through no fault of the city but as a direct result of an act of God, the project envisioned in the Golden Palms project was doomed.

Thus, HUD, the city, and the Urban Renewal Agency reached an unavoidable conclusion that the myriad of difficulties arising out of the hurricane and the other matters set out herein left no alternative to the declaration of the project as both economically and physically infeasible.

At the city's urgent request late in 1970, Congressman John Young and I agreed to extend every possible effort in alleviating their encumbrances arising out of this project. In going into the matter in conversations with HUD officials at all levels, we found a sympathetic understanding of the problem and a desire to relieve the city of their debt obligation, but HUD officials regretfully advised that no authority existed in law to permit forgiveness.

Pursuing a parallel course with HUD officials to resolve the problem, the city, at this same point in time, entered into negotiations at length with HUD which culminated recently in a contract converting the project from a self-liquidating, nonassisted project, to a conventional project. While this contract conversion did assist them a great deal, it still left the city with a debt obligation of approximately $166,735 plus interest, none of which the city is able to meet because of this very disastrous situation, beyond their control, and the staggering obligations of every nature imaginable resulting from the hurricane, which continue to confront them. This agreement was necessary to bring the matter into focus with regard to the city's specific indebtedness, and I am asking that the Congress approve the measure I introduce today which would relieve the city of Aransas Pass, Tex., of this obligation. All assets are being liquidated in accordance with HUD direction, and all proceeds will inure to the benefit of the Government as per the conversion agreement.

Mr. President, I would hope that my colleagues would join with me in this effort, and give this measure expeditious approval. I am pleased that HUD and the Office of Management and Budget have given their approval to this effort, and I ask unanimous consent that a letter explaining HUD's position be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The General Counsel of
Housing and Urban Development,
Washington, D.C., July 11, 1974.

Hon. Peter W. Rodino, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

Dear Mr. Chairman: Subject: H.R. 9588, 93d Congress (Young of Texas)

This is in further response to your request for the views of this Department on H.R. 9588, a bill "For the relief of the city of Aransas Pass, Texas, and the Urban Renewal Agency of the city of Aransas Pass, Texas."

H.R. 9588 would, in effect, release the City of Aransas Pass and its Urban Renewal Agency from a contractual obligation to repay a $166,735 loan made by the Department to the City and the agency. The loan was necessary to facilitate an early closeout of the City's urban renewal project numbered Tex. R–92 which had been rendered infeasible by a 1970 hurricane, and was made for the specific purpose of enabling the City to repay its local share of the net project costs.

The City of Aransas Pass is a small city with a predominantly low to moderate income population of under 10,000. It is our understanding that the 1970 hurricane destroyed most of the City and eliminated most of its tax base. It has since been faced with the considerable financial burden of rebuilding its community facilities, including repairing its seawall to prevent future flooding. In order to repay the HUD loan, the City would have to raise taxes and defer expenditures for vital municipal improvements.

In view of the hardship that repayment would undoubtedly cause the City and the unique nature of the situation, this Department would have no objection to enactment of H.R. 9588.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Robert R. Elliott.

By Mr. GRAVEL:

S. 3875. A bill entitled "Energy Revenue and Development Act of 1974." Referred to the Committee on Finance.

ENERGY SELF-SUFFICIENCY

Mr. GRAVEL. Mr. President, the Congress has spent many months debating our energy problems. Yet the energy crisis, which just a few months ago was our most pressing problem, has receded in the Nation's consciousness. The problem, however, is real and still with us. We cannot afford to be complacent. This summer we face brownouts of electricity, a possibility of gasoline shortages, and a continuing scarcity of propane, a vital fuel in rural America. At present it is not posible to project whether we will have enough residual and middle distillate petroleum supplies to make it through the winter. Domestic production is still virtually at the same level as last year, approximately 11.2 million barrels per day. Although there is an encouraging conservation effort, we are still relying on imports to the extent of 6 million barrels per day.

To meet the continuing energy challenge, the Congress must give some direction to a comprehensive program to develop our domestic energy supplies. For this purpose, I am introducing legislation to launch a national, long-term program to attain energy self-sufficiency.

The Energy Revenue and Development Act would create an energy trust fund to finance a national energy program to provide loan guarantees for prototype plants, and to implement new energy technology including solar, geothermal, coal gasification and liquefaction, hydrogen, and fuel cells. A similar national research and development program coupled with loan guarantees was passed overwhlemingly in the Senate in December as S. 1283. However, that bill did not contain financing provisions. My bill would fund our national energy program with revenues from within the energy industry, from Outer Continental Shelf bonus and royalty moneys. A portion of the trust fund would provide revenue sharing with coastal States which permit offshore drilling or new refinery capacity.

We have long discussed the need for equitable tax reform to foreign source income and the depletion allowance. My bill contains several tax reforms including the repeal of the foreign depletion allowance as well as a significant alteration in the domestic depletion allowance designed to halt its abuse without destroying its value.

Finally, the bill would deregulate natural gas newly committed to interstate sale while protecting the consumer through a sanctity-of-contract clause and the distributor's right of first refusal.

This legislation is the product of weeks of hearings before the Finance Committee, hundreds of pages of testimony, and consultations with many representatives of the administration and private sector. This legislation merits prompt action by the Congress. I have a detailed summary of the bill, as well as an explanatory letter to Secretary William Simon. Because most of the provisions relate to tax revenue policy, I ask unanimous consent that the bill be referred to the Finance Committee.

The PRESIDING OFFICER. Without objection, the bill will be referred as requested.

Mr. GRAVEL. Mr. President, I also ask unanimous consent that the bill, a summary, and the letter to Secretary Simon be printed at this point in the Record.

There being no objection, the bill and material was ordered to be printed in the Record, as follows:

S. 3875

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Revenue and Development Act of 1974".

TITLE I—ENERGY TRUST FUND; OUTER CONTINENAL SHELF REVENUES ENERGY TRUST FUND

Sec. 101. (a) Establishment of Trust Fund.—There is hereby established in the Treasury of the United States a trust fund to be known as the Energy Trust Fund (hereinafter in this section referred to as the "trust fund"). The trust fund shall consist of such amounts as may be appropriated or credited to it as provided in this section.

(b) Transfer of Amounts to Trust Fund.—

(1) In general.—There are hereby appropriated to the trust fund amounts equivalent to the taxes received in the Treasury under section 107 of this Act.

(2) Method of transfer.—The amounts appropriated by paragraph (1) shall be transferred at least monthly from the general

fund of the Treasury to the trust fund on the basis of estimates by the Secretary of the Treasury of the amounts referred to in paragraph (1) received in the Treasury Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) APPROPRIATION OF ADDITIONAL SUMS.—There are hereby authorized to be appropriated to the trust fund such additional sums as may be required to make expenditures referred to in subsection (e)(1) of this section.

(d) MANAGEMENT OF THE TRUST FUND.—

(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to manage the trust fund and (after consultation with the Administrator of the Federal Energy Administration) to report to the Congress not later than the 1st day of March of each year on the financial condition and the results of the operations of the trust fund during the preceding fiscal year and on its expected condition and operations during each fiscal year thereafter. Such report shall include the recommendation of the Administrator of the Federal Energy Administration as to the amount of revenues needed by the trust fund during the following fiscal year to meet expenditures from the trust fund during such fiscal year. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(2) INVESTMENT.—It shall be the duty of the Secretary of the Treasury to invest such portion of the trust fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, is hereby extended to authorize the issuance at par of special obligations exclusively to the trust fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(3) SALE OF OBLIGATIONS.—Any obligation acquired by the trust fund (except special obligations issued exclusively to the trust fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at part plus accrued interest.

(4) INTEREST AND CERTAIN PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund.

(e) EXPENDITURES FROM THE TRUST FUND.—

(1) ENERGY PROGRAMS.—Amounts in the trust fund shall be available, as provided by Appropriation Acts for making expenditures to carry out the provisions of sections 102, 103, 104, 105, 106, 107, and 108 of this Act.

NATIONAL ENERGY PROGRAM

SEC. 102. (a) The Federal Energy Administration (hereinafter the "Administration"), in order to carry out the purposes of this Act, shall develop, direct, and carry out a national energy program involving energy research, demonstration, development, utilization, and conservation in order to meet the present and future energy needs of the United States.

(b) In carrying out its functions the Administration shall—

(1) develop the technology and information base necessary to support development of the widest possible range of options available for future energy policy decisions of the United States by pursuing research, demonstration, and development programs in a wide variety of energy technologies with a view to progressively reducing the dependency of the United States on foreign sources of energy;

(2) provide for the assessment, overview, and direction of the energy research and development activities of the Federal Government with a view to assuring adequate, reliable, economical, and environmentally acceptable energy systems to support the essential needs, present and future, of the United States;

(3) encourage the conservation of limited energy resources and maximize the efficiency of energy development, production, conversion, and use;

(4) provide the most effective short-term solutions to immediate energy shortage problems which are having serious impacts upon the Nation; and

(5) formulate and carry out a comprehensive energy research, development, and demonstration program which (A) will advance the policies and purposes of this Act, (B) is designed to make available to American consumers domestic fossil fuels, nuclear fuels, geothermal energy, and the potentially unlimited reserves of solar power, tidal power, and other unconventional sources of energy, and (C) will insure that full consideration and adequate support is given to—

(i) improving the efficiency, conservation, and environmental effects of the conventional sources of energy, including discovery, production, conversion, transportation, and use, and the disposal of waste products;

(ii) advancing energy research, development, and demonstration of unconventional energy sources and technologies, including, but not limited to, solar energy, geothermal energy, magnetohydrodynamics, nuclear fusion and fission processes, fuel cells, low head hydroelectric power, use of agricultural products for energy, tidal power, ocean current and thermal gradient power, wind power, automated mining methods and in situ conversion of fuels, cryogenic transmission of electric power, electrical energy storage methods, alternatives to internal combustion engines, solvent refined coal, utilization of waste products for fuels, and direct conversion methods; and

(iii) improving management techniques and the effectiveness of management of existing energy systems through quality control; application of systems analysis, communications, and computer techniques; and public informaton to improve the reliability and efficiency of energy supplies and encourage the conservation of energy resources.

AUTHORITY OF ADMINISTRATION

SEC. 103. (a) In the performance of its functions the Administration is authorized—

(1) without regard to section 3648 of the Revised Statutes (31 U.S.C. 529), to enter into—and perform such contracts, leases, cooperative agreements, or other transactions, and to make such grants, all in consultation with the Commission on Energy Technology Assessment established pursuant to section 108 of this Act, as may be necessary in the conduct of its work and on such terms as it may deem appropriate, with any agency or instrumentality of the United States, or with any State, territory, or possession of the United States, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution. To the maximum extent practicable and consistent with the accomplishment of the purposes of this Act, such contracts, leases, agreements, and other transactions shall be allocated by the Administrator in a manner which will enable small-business concerns to participate equitably and proportionately in the conduct of the work of the Administration;

(2) to enter into a contract or other agreement with any person, firm, association, corporation, or other entity, pursuant to which contract or agreement (A) such person, firm, association, corporation, or entity shall be authorized to design, construct, operate, and maintain a demonstration-type, or full-scale, commercial-size facility to produce energy from oil shale, coal gasification, solar power, tidal power, or other unconventional sources of energy and (B) the Administration would be authorized to financially assist in the designing and construction of any such facility by means of a loan guarantee in accordance with the provisions of section 104 of this Act;

(3) to enter into a contract or other agreement with any person, firm, association, corporation, or other legal entity engaged in the prospecting, exploration, development, or production of oil or natural gas in accordance with the mining or mineral leasing laws of the United States, pursuant to which the Administration shall financially assist such person, firm, association, corporation, or entity in carrying out such prospecting, exploration, development, or production by means of a loan guarantee in accordance with the provisions of section 104 of this Act;

(4) to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies, institutions, and instrumentalities in the use of services, equipment, and facilities. Each department and agency of the Federal Government shall cooperate fully with the Administration in making its services, equipment, personnel, and facilities available to the Administration;

(5) to appoint, in accordance with the applicable provisions of the Federal Advisory Committee Act, such advisory committees as may be appropriate for purposes of consultation and advice to the Administration in the performance of its functions;

(6) to establish within the Administration such offices and procedures as may be appropriate to provide for the greatest possible coordination of its activities under this Act with related scientific and other activities being carried on by other public and private agencies, institutions, and instrumentalities;

(7) to obtain services of experts and consultants in accordance with section 3109 of title 5, United States Code;

(8)(A) to consider, ascertain, adjust, determine, settle, and pay, on behalf of the United States, in full satisfaction thereof, any claim for $5,000 or less against the United States for bodily injury, death, or damage to or loss of real or personal property resulting from the conduct of the Administration's functions as specified in this Act, where such claim is presented to the Administration in writing within two years after the accident or incident out of which the claim arises; and

(B) if the Administration considers that a claim in excess of $5,000 is meritorious and would otherwise be covered by this paragraph, to report the facts and circumstances thereof to the Congress for its consideration; and

(9) to reimburse, to the extent determined by the Administrator or his designee to be fair and reasonable, the owners and tenants of land and interests in land hereafter acquired by the United States for use by the Administration by purchase, condemnation, or otherwise for expenses and losses and damages incurred by such owners and tenants as a direct result of moving themselves, their families, and their possessions because of such acquisition. Such reimbursement shall be in addition to, but not in duplication of, any payments that may otherwise be authorized by law to be made to such owners and tenants. The total of any such reimbursement to any owner or tenant shall in no event exceed 25 per centum of the fair value, as determined by the Administrator, of the parcel of land or interest in land to which the reimbursement is related. No payment under this paragraph shall be made unless application therefor, supported by an itemized statement of the expenses, losses, and damages incurred, is submitted to the Administrator within one year from (A) the date upon which the parcel of land or interest in land is to be vacated under agreement with the Government by the owner of tenant or pursuant to law, including but not limited to, an order of a court, or (B) the date upon which the parcel of land or interest in the land involved is vacated, whichever first occurs. The Administrator may perform any and all acts and make such rules and regulations as he deems necessary and proper for the purpose of carrying out this paragraph. Funds available to the Administration for the acquisition of real property or interests therein shall also be available for carrying out this paragraph.

LOAN GUARANTEES

SEC. 104. (a) In order to financially assist any person, firm, association, corporation, or other legal entity in carrying out any contract entered into pursuant to paragraph (6) or (3) of section 103(a) of this Act, the Administration may, in accordance with the provisions of this section, guarantee to non-Federal lenders making loans to any such person, firm, association, corporation, or entity, payment of principal of and interest on loans, made by such lenders, which are approved under this section.

(b) No loan guarantee under this section for any such purpose referred to in subsection (a) of this section may apply to so much of the principal amount thereof as exceeds 90 per centum of the cost of carrying out any such purpose.

(c) For each project for which a guarantee of a loan is sought pursuant to this section, there shall be submitted to the Administration an application by any such person, firm, association, corporation, or entity seeking such guarantee. Such application shall contain such information as the Administration may require to carry out the purposes of this section.

(d) The Administration may approve such applications only if—

(1) it is assured that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Administration may reasonably require; and

(2) it determines, in the case of a loan for which a guarantee is sought, that the terms, conditions, maturity, security (if any), and schedule and amount of repayments with respect to the loans are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Administration determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

(e)(1) In the case of any such loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any such guarantee under this section, unless the Administration for good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(2) Guarantees of loans under this section shall be subject to such further terms and conditions as the Administration determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Administration to the extent it determines such modification to be consistent with the financial interest of the United States.

(f) Any guarantee of a loan pursuant to this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

(g) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this section may not exceed such limitations as may be specified in appropriations Acts.

(h) With respect to any contract or other agreement entered into pursuant to section 103(a)(2) involving the designing, construction, operation, and maintenance of commercial or demonstration type facilities to produce energy from oil shale, coal gasification, solar power, tidal power, or other unconventional sources of energy, the Administration is authorized to include as a part of such contract or agreement provisions pursuant to which the Administration agrees to purchase any such energy so produced on a cost and reasonable profit basis. Energy so acquired by the Administration shall be disposed of in such manner and under such terms and conditions as the Administration shall prescribe. Revenues received by the Administration arising out of the disposition of such energy shall be deposited in the trust fund established by title II of this Act and shall be available for use by the Administration in the same manner and to the same extent as other moneys within such trust fund. Notwithstanding any other provision of law, no energy product produced or manufactured by any such facility with respect to which a loan guarantee was entered into pursuant to this section shall be exported from the United States for use in any other country.

MONETARY AWARDS

SEC. 105. (a) Subject to the provisions of this section, the Administrator is authorized, upon his own initiative or upon the application of any individual, partnership, corporation, association, institution, or other entity, to make a monetary award, in such amount and upon such terms as he shall determine to be warranted, to any such individual, partnership, corporation, association, institution, or other entity, for any scientific or technical contribution to the Administration which is determined by the Administrator to have significant value in the conduct of energy activities. In determining the terms and conditions of any award the Administrator shall take into account—

(1) the value of the contribution to the United States;

(2) the aggregate amount of any sums which have been expended by the applicant for the development of such contribution;

(3) the amount of any compensation (other than salary received for services rendered as an officer or employee of the Government) previously received by the applicant for or on account of the use of such contribution by the United States; and

(4) such other factors as the Administrator shall determine to be material.

(b) If more than one applicant under subsection (a) of this section claims an interest in the same contribution, the Administrator shall ascertain and determine the respective interests of such applicants, and shall apportion any award to be made with respect to such contribution among such applicants in such proportions as he shall determine to be equitable. No award may be made under subsection (a) of this section with respect to any contribution—

(1) unless the applicant surrenders, by such means as the Administrator shall determine to be effective, all claims which such applicant may have to receive any compensation (other than the award made under this section) for the use of such contribution or any element thereof at any time by or on behalf of the United States, or by or on behalf of any foreign government pursuant to any treaty or agreement with the United States, within the United States or at any other place; or

(2) in any amount exceeding $100,000, unless the Administrator has transmitted to the appropriate committees of the Congress a full and complete report concerning the amount and terms of, and the basis for, such proposed award, and thirty calendar days of regular session of the Congress have expired after receipt of such report by such committees.

AUTHORIZATION

SEC. 106. (a) There are authorized to be appropriated out of the Energy Trust Fund (established by title I of this Act) such sums as may be necessary to carry out this Act. Sums appropriated pursuant to this section shall remain available until expended.

OUTER CONTINENTAL SHELF REVENUES

SEC. 107. (a) Section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) is amended to read as follows:

"Sec. 9. Disposition of Revenues.—(a) All rentals, royalties, or other sums paid to the Secretary or the Secretary of the Navy under or in connection with any lease on the Outer Continental Shelf for the period beginning June 5, 1950, and ending with the day preceding the date of the enactment of the Energy Revenue and Development Act of 1974 shall be deposited in the Treasury of the United States and credited to the miscellaneous receipts.

"(b) All rentals, royalties, or other sums paid to the Secretary or the Secretary of the Navy under or in connection with any lease on the Outer Continental Shelf for the period beginning with the date of the enactment of the Energy Revenue and Development Act of 1974 shall be deposited in the Treasury of the United States; and of the amount of the revenues so deposited in each fiscal year which are attributable to that portion of the Outer Continental Shelf adjacent to any State or that portion of the Outer Continental Shelf to which a State

* * * * *

"(1) 60 per centum shall be paid by the Secretary of the Treasury to such adjacent State, to be added to its general funds and to be used for what it deems to be in its best interests, except that for the purposes of this clause (A) if the revenues attributable to a State in any fiscal year amount to $100,000,000 or more in royalties, then rentals, bonuses, or revenues other than royalties shall not be included, or (B) if the revenues attributable to a State in any fiscal year amount to less than $100,000,000 in royalties, such revenues other than royalties shall be included in such amount as does not exceed $100,000,000 in total revenues attributable to such State; and

"(2) the percentage set out in clause (1) above shall apply to the first $50,000,000 in revenues attributable to any one State in a single year. In the event that such revenues exceed $50,000,000, the share of the excess payable to that State under such clause shall be reduced in accordance with the following table:

"Amounts:	*Percentages*
From $50,000,000 to $75,000,000	45
From $75,000,000 to $100,000,000	30
From $100,000,000 to $125,000,000	15
On excess over $125,000,000	10

"(c) The total of all rentals, royalties, and other sums deposited in the Treasury in any fiscal year pursuant to subsection (b) which is in excess of (1) amounts paid by the Secretary for such year pursuant to clauses (1) and (2) of such subsection, and (2) the amount credited to the Land and Water Conservation Fund for such year pursuant to section 2 (c) (2) of the Land and Water Conservation Fund Act of 1965, shall be deposited in the Energy Trust Fund.

"(d) Any moneys paid to the Secretary or the Secretary of the Navy under or in connection with a lease but held in escrow pending the determination of a controversy as to whether the lands on account of which such moneys are paid constitute part of the Outer Continental Shelf shall, to the extent that such lands are ultimately determined to constitute said part of the Outer Continental Shelf, be distributed—

"(1) in accordance with subsection (a) if paid before the date of the enactment of the Energy Revenue and Development Act of 1974, and

"(2) in accordance with subsections (b) and (c) if paid on or after the date of the enactment of the Energy Revenue and Development Act of 1974.".

(b) (1) Nothing contained in this section or in the amendments made by this section shall be construed to alter, limit, or modify in any manner any right, claim, or interest of any State in any funds received before the date of the enactment of this Act and held in escrow pending the determination of any controversy as to whether the submerged lands on account of which such funds are received constitute a part of the Outer Continental Shelf.

(2) Nothing contained in this section or in the amendments made by this section shall be construed to alter, limit, or modify any claim of any State to any right, title, or interest in, or jurisdiction over, any submerged lands.

(c) The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is further amended by adding at the end the following new section:

"SEC. 18. Refinery Siting.—In any case where oil is being produced from an area of the Outer Continental Shelf and where the construction of an oil refinery is initiated after the date of enactment of the Energy Revenue and Development Act of 1974 in the State which is adjacent to such area the Secretary of the Treasury is authorized to pay upon completion of such refinery, out of the Energy Trust Fund, to the local government of such State which has jurisdiction over the area in which such refinery is located an amount equal to one dollar multiplied by the daily capacity of such refinery measured in barrels. In the event more than one local government has jurisdiction over such area the Secretary is authorized to divide such amount between such governments on the basis of the amount of services provided such area by each such government. The Secretary shall consult with the Administrator of the Federal Energy Administration in determining refinery capacity and completion dates for the purpose of this section."

ESTABLISHMENT OF COMMISSION

SEC. 108. (a) There is hereby established the Commission on Energy Technology Assessment (hereinafter referred to in this section as the "Commission"), which shall be independent of the executive departments.

(b) The Commission shall consist of an Energy Technology Assessment Board (hereinafter referred to in this section as the "Board") which shall formulate and promulgate the policies of the Commission, and a Commissioner who shall carry out such policies and administer the operations of the Commission. The Commissioner shall be appointed by the President of the United States, with the advice and consent of the Senate.

(c) The Board shall consist of twenty-two members as follows:

(1) seven members appointed by the President of the United States, with the advice and consent of the Senate, who shall be persons eminent in one or more fields of the physical, biological, or social sciences;

(2) seven members appointed by the President of the United States, with the advice and consent of the Senate, who shall be persons eminent in the field of engineering or in fields referred to in section 102(b)(5)(C)(ii) of this Act;

(3) seven members appointed by the President of the United States, with the advice and consent of the Senate, who shall be persons eminent in the field of economics; and

(4) the Commissioner, who shall not be a voting member.

(d) Members of the Board, including the Commissioner, shall receive basic pay at the rate provided for level II of the Executive Schedule under section 5314 of title 5, United States Code.

(e) The Commissioner shall be appointed for a term of ten years. Members of the Board shall be appointed for terms of ten years, except that, of the members first appointed (other than the Commissioner), seven shall be appointed for terms of four years, seven for terms of seven years, and seven for terms of ten years. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of the original appointment.

(f) The Commissioner shall serve as Chairman of the Board. The Deputy Commissioner shall act in the place and stead of the Chairman in the absence of the Chairman.

(g) (1) The basic functions of the Commission shall be—

(A) to advise, consult with, and make recommendations to, the Administration;

(B) to provide early indications of the probable beneficial and adverse impacts of the applications of technology related to energy;

(C) to analyze the quality of research, development, and demonstration contracted for by the Administration in carrying out the purposes of this Act, and the Commission is authorized to enter into contracts with individuals, private agencies and entities, educational institutions, and other nongovernmental sources in making such analysis;

(D) to establish standards and goals for research, development, and demonstration on a priority basis in accordance with the present and future energy needs of the United States;

(E) to engage in studies to evaluate the relative benefits and costs of alternative forms of energy; and

(F) to construct and maintain economic models of the energy needs of the United States economy and the alternative means and costs of satisfying such needs currently and during the subsequent five years.

(2) In carrying out such functions, the Commission shall—

(A) identify existing or probable impacts of technology or technological programs relating to energy;

(B) where possible, ascertain cause-and-effect relationships;

(C) identify alternative technological methods of implementing specific programs relating to energy;

(D) identify alternative programs for achieving requisite goals;

(E) make estimates and comparisons of the impacts of alternative methods and programs relating to energy;

(F) estimate the economic costs of alternative energy sources and programs when technological development has been completed;

(G) identify the availability of various forms of energy from domestic and foreign sources and their prospects as reliable continuous sources of supply in the future;

(H) present findings of completed analyses to the Administration, to the appropriate committees of the Congress, and to the public;

(I) identify areas where additional research or data collection is required to provide adequate support for the assessments and estimates described in subparagraphs (A) through (H) of this paragraph;

(J) from time to time, take such action as may be necessary to keep the public fully informed as to its findings and recommendations in connection with the carrying out of such functions; and

(K) undertake such additional associated activities as the Commission may determine necessary, or that the Administration may request.

(h) The Board is authorized to sit and act at such places and times as it may determine, and upon a vote of a majority of its members, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths and affirmations, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable. The Board may make such expenditures, as it deems advisable. The Board may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the Board assent. Subpenas may be issued over the signature of the Chairman of the Board or of any voting member designated by him or by the Board, and may be served by such person or persons as may be designated by such person or persons as may be designated by such Chairman or member. The Chairman of the Board or any voting member thereof may administer oaths or affirmations to witnesses.

(i) In addition to the powers and duties vested in him by this section, the Commissioner shall exercise such powers and duties as may be delegated to him by the Board.

(j) The Commissioner may appoint, with the approval of the Board, a Deputy Commissioner who shall perform such functions as the Commissioner may prescribe and who shall be Acting Commissioner during the absence or incapacity of the Commissioner or in the event of a vacancy in the office of Commissioner. The Deputy Commissioner shall receive basic pay at the rate provided for level IV of the Executive Schedule under section 5315 of title 5.

(k) The Commission shall have the authority, within the limits of available appropriations, to do all things necessary to carry out the provisions of this section, including, but without being limited to, the authority to—

(1) make full use of competent personnel and organizations outside the Commission, public or private, and form special ad hoc task forces or make other arrangements when appropriate;

(2) enter into contracts or other arrangements as may be necessary for the conduct of the work of the Commission with any agency or instrumentality of the United States, with any State, territory, or possession or any political subdivision thereof, or with any person, firm, association, corporation, or educational institution, with or without reimbursement, without performance or other bonds, and without regard to section 5 of title 41;

(3) make advance, progress, and other payments which relate to technology assessment in the energy field without regard to the provisions of section 529 of title 31;

(4) accept and utilize the services of voluntary and uncompensated personnel necessary for the conduct of the work of the Commission and provide transportation and subsistence as authorized by section 5703 of title 5 for persons serving without compensation;

(5) acquire by purchase, lease, loan, or gift, and hold and dispose of by sale, lease, or loan, real and personal property of all kinds necessary for or resulting from the exercise of authority granted by this section; and

(6) prescribe such rules and regulations as it deems necessary governing the operation and organization of the Commission.

(l) Contractors and other parties entering into contracts and other arrangements under this section which involve costs to the Government shall maintain such books and related records as will facilitate an effective audit in such detail and in such manner as shall be prescribed by the Office, and such books and records (and related documents and papers) shall be available to the Office and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination.

(m) The Commission, in carrying out the provisions of this chapter, shall not, itself, operate any laboratories, pilot plants, or test facilities.

(n) The Commission is authorized to secure directly from any executive department or agency information, suggestions, estimates, statistics, and technical assistance for the purpose of carrying out its functions under this section. Each such executive department or agency shall furnish the information, suggestions, estimates, statistics, and technical assistance directly to the Commission upon its request.

(o) On request of the Commission, the head of any executive department or agency may detail, with or without reimbursement, any of its personnel to assist the Commission in carrying out its functions under this section.

(p) The Commissioner shall, in accordance with such policies as the Board shall prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this section, and obtain services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(q) The Commission shall submit to the Congress an annual report setting forth actions taken by it during the calendar year preceding such report in carrying out its functions under this section, including its expenses with respect thereto. Such report shall be submitted not later than March 15 of each year and shall be available to the public.

(r) For the fiscal year ending June 30, 1975, there is authorized to be appropriated such sum, not to exceed $, as may be necessary to enable the Commission to carry out its functions under this section. To enable the Commission to carry out its functions each fiscal year thereafter, there is authorized to be appropriated out of moneys in the trust fund established pursuant to title I of the Act an amount equal to 1 per centum of moneys received by such fund during the preceding fiscal year.

TITLE II—CHANGES IN INCOME TAX DEDUCTION ALLOWED FOR PERCENTAGE DEPLETION OF OIL AND GAS WELLS

Sec. 201. (a) Section 613 of the Internal Revenue Code of 1954 (relating to percentage depletion) is amended by adding at the end thereof the following new subsection:

"(e) Limitations.—

"(1) Denial of percentage depletion for foreign oil and gas wells.—Subsection (a) does not apply to any oil or gas well located outside the United States.

"(2) Limitation of percentage depletion deduction for domestic oil and gas wells.—In the case of a taxpayer who claims a foreign 263(c) deduction for any taxable year, the amount of the oil and gas percentage depletion deduction for that year shall not exceed an amount which bears the same ratio to the amount of the oil and gas percentage depletion deduction allowable without regard to this paragraph as the amount of the domestic 263(c) deduction claimed by the taxpayer for the taxable year bears to the sum of the foreign 263(c) deduction and the domestic 263(c) deduction claimed by the taxpayer for that year. In the case of a taxpayer who claims a foreign 263(c) deduction for a taxable year and who does not claim a domestic 263(c) deduction for that taxable year, the amount of the oil and gas percentage depletion deduction allowable for that taxable year is zero.

"(3) Definitions.—For purposes of this subsection—

"(A) United States.—The term 'United States' means the several States of the United States, the Commonwealth of Puerto Rico, any possession of the United States, and the Outer Continental Shelf (as defined by section 2 of the Outer Continental Shelf Lands Act).

"(B) Foreign 263(c) deduction.—The term 'foreign 263(c) deduction' means the amount deductible as expenses under regulations prescribed by the Secretary or his delegate under section 263(c) with respect to oil or gas wells located outside of the United States.

"(C) Domestic 263(c) deduction.—The term 'domestic 263(c) deduction' means the amount deductible under such regulations with respect to oil or gas wells located within the United States.

"(D) Oil and gas percentage depletion deduction.—The term 'oil and gas percentage depletion deduction' means the deduction allowed by section 611 and determined under this section with respect to oil and gas wells.

(b) Effective Date.—The amendment made by this section applies to taxable years beginning after the date of enactment of this Act with respect to gross income derived from any oil or gas well after the beginning of such taxable year.

TITLE III—TERMINATION OF PRICE CONTROLS

PETROLEUM PRODUCTS, CRUDE OIL, NATURAL GAS, COAL, AND DRILLING AND MINING EQUIPMENT

Sec. 301. Section 203 of the Economic Stabilization Act is amended by adding at the end thereof the following new subsections:

"(k) Upon the expiration of one year following the date of enactment of this subsection, or on the date provided in section 218, whichever is earlier, the authority conferred by this section to stabilize the prices of petroleum products, crude oil, natural gas, and coal shall terminate, but such termination of authority shall not affect any action or pending proceedings, civil or criminal, not finally determined on the date of such termination of authority, nor any action or proceeding based upon any act committed prior to such date. Immediately upon the enactment of this subsection, the President or his delegate shall begin to make such periodic adjustments in ceiling prices of commodities referred to in the preceding sentence as may be appropriate to insure that such termination of authority may be accomplished in a manner which does not cause undue disruption or dislocation in the economy or any industry.

"(l) Notwithstanding the provisions of section 218, the authority conferred by this section may not be exercised after the date of the enactment of this subsection to stabilize the prices of steel pipe, drilling equipment, casing, or any other steel product which the Secretary of the Interior certifies is in short supply in the United States and is used in the extraction, refining, or transportation of crude oil or gas, or in the extraction of coal, but the provisions of this subsection do not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to such date.".

NATURAL GAS DEREGULATION

Sec. 302. (a) Section 1(b) of the Natural Gas Act is amended to read as follows:

"(b) The provisions of this Act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for domestic, commercial, industrial, or any other use, and to natural gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas or to the sale of natural gas dedicated for the first time to interstate commerce or rededicated upon expiration of an existing contract on or after the date of the enactment of the Energy Revenue and Development Act of 1974, or produced from wells commenced on or after such date, for domestic, commercial, industrial, or any other use, by any person, whose principal business is not the transportation of natural gas in interstate commerce."

(b) Section 2(6) of the Natural Gas Act is amended by striking the last two words and by inserting before the period at the end thereof a comma and the following: "subject to the exception in section 1(b) above".

(c) Section 2 of the Natural Gas Act is amended by adding at the end thereof the following new clause:

"(10) 'Affiliate' of another person means any person directly or indirectly controlling, controlled by, or under common control with such other person."

(d) Section 3 of the Natural Gas Act is amended by striking from the first sentence "or import any natural gas from a foreign country" and by striking from the second sentence "or importation".

(e) Section 4(e) of the Natural Gas Act is amended by inserting before the period at the end thereof a colon and the following: "*Provided, however,* That the Commission shall have no power to deny, in whole or in part, that portion of the rates and charges made, demanded, or received by any natural gas company for or in connection with the purchase of natural gas exempt from this Act pursuant to section 1(b) except to the extent that the rates or charges made, demanded, or received for natural gas by an affiliate of the purchasing natural gas company exceed those made, demanded, or received by persons not affiliated with the purchasing natural gas company: *Provided further*, That the Commission shall have no power to deny, in whole or in part, that portion of the rate or charges made, demanded, or received by any natural gas company for natural gas produced from the properties of that company from wells commenced on or after the date of the enactment of the Energy Revenue and Development Act of 1974, except to the extent that the rates or charges made, demanded, or received exceed those made, demanded, or received for natural gas by persons not affiliated with the purchasing natural gas company.".

(f) Section 5(a) of the Natural Gas Act is amended by inserting before the period at the end thereof a colon and the following: "*Provided, however*, That the Commission shall have no power to deny, in whole or in part, that portion of the rates and charges made, demanded, or received by any natural gas company for or in connection with the purchase of natural gas exempt from this Act pursuant to section 1(b), except to the extent that the rates or charges made, demanded, or received for natural gas by an affiliate of the purchasing natural gas company exceed those made, demanded, or received by persons not affiliated with the purchasing natural gas-company: *And provided further*, That the Commission shall have power to deny, in whole or in part, that portion of the rate or charges made, demanded, or received by any natural gas company for natural gas produced from the properties of that company from wells commenced on or after the date of the enactment of the Energy Revenues and Development Act of 1974, except to the extent that the rates or charges made, demanded, or received exceed those made, demanded, or received from natural gas by persons not affiliated with the purchasing natural gas company: *And provided further*, That the Commission shall have no power to order a decrease in the rate or charge made, demanded, or received for the sale of natural gas by any person not engaged in the transportation of natural gas in interstate commerce or by any affiliate of such person, if such rate or charge shall have been previously determined to be just and reasonable, such determination being final and no longer subject to judicial review.".

(g) Nothing in the amendments made by this section shall terminate any right of renewal, right of first option or other similar right in any contract.

SUMMARY OF ENERGY REVENUE AND DEVELOPMENT ACT OF 1974

TITLE I—ENERGY TRUST FUND; REVENUE SHARING WITH STATES

This Title would set up an Energy Trust Fund, administered by the FEA to carry out a national energy program, to finance energy research and development, and to conduct a loan guarantee program for demonstration plant projects. The national energy program would be a comprehensive plan to provide domestic self-sufficiency through more efficient production, conversion, and use of energy. The trust fund would be financed by outer continental shelf revenues, a portion of which would be allocated to the States adjacent to offshore drilling. In this way, government revenues from the energy industry can be kept in energy development. Coastal States would be encouraged to promote offshore drilling and refinery construction by sharing in the Federal revenues.

TITLE II—DEPLETION ALLOWANCE

The foreign depletion allowance would be repealed by this Title. It has served only to encourage further investments in insecure sources of supply and to increase foreign profits of multinational oil companies. Its repeal would benefit the Treasury approximately $40 million annually.

The domestic depletion allowance is necessary to preserve the independent sector of domestic oil and gas producers which account for 80 percent of the exploratory drilling in this country. As presently constituted, however, the depletion allowance has not been sufficient to reduce the higher profitability on foreign production over domestic. This bill helps restore the balance between an investment in low cost foreign oil and higher cost but still lower priced domestic oil. It would preserve the independent sector of the petroleum industry while cutting back on the depletion allowance for the majors. The new depletion allowance would be proportional to the ratio of a firm's domestic to worldwide intangible drilling expenses. To illustrate: new depletion allowance=22% × domestic intangible drilling costs ÷ worldwide intangible drilling costs.

TITLE III—DEREGULATION OF OIL AND GAS PRICES

This title would terminate price controls on all petroleum and petroleum products. The price regulation this past year has proven inefficient and inequitable. The most efficient allocation of supplies can only come through prices determined in the marketplace.

Deregulation of natural gas is sorely needed to stimulate a significant exploratory drilling effort. The new Federal Power Commission wellhead rate of 42 cents per thousand cubic feet is equivalent to oil at about $2.35 per barrel. This rate is still unrealistically low when the average domestic oil price is $7.00 per barrel and the foreign price is $10.00. This bill would provide for deregulation of new gas, as well as old gas released from expiring contracts. In any case, the wellhead price is only a small fraction of the cost to the consumer; the major cost is in the transmission and distribution of the gas which would remain regulated. In addition to protecting the consumer from rapid price increases created by shortages, this deregulation bill protects the distributor with sanctity of contract and right of first option clauses.

COMMITTEE ON FINANCE,
Washington, D.C., July 2, 1974.

Hon. WILLIAM SIMON,
Secretary of the Treasury,
Department of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: You asked for a summary of the energy bill which I plan to introduce this month, the purpose of which is to foster energy independence in the United States. The bill has several unique provisions which we discussed in my office Thursday, June 27. These provisions include an energy research and development trust fund financed by outer continental shelf revenues; revenue sharing with adjacent States combined with a bonus incentive to local municipalities for the construction of new refinery capacity; eliminating the foreign depletion allowance and making the domestic percentage depletion allowance proportional to a firm's domestic vs. overall intangible drilling costs. Another provision of the bill with which you are familiar would deregulate new natural gas. This provision would include sanctity of contracts and right of first option renewal features.

The energy trust fund is no stranger to you; the Treasury Department proposed, as an option for Congress to consider, such a concept as a part of its petroleum windfall profits tax recommendations earlier this year. My proposal would finance such a trust fund through the Federal Government's outer continental shelf revenues. It would also share a certain portion of those monies with the coastal States permitting offshore oil and gas production. As you know, a substantial portion of our oil and gas reserves lie offshore, but there is little local and State support for developing those resources off the Atlantic and Pacific coasts. My bill would provide a direct reimbursement to the States proportional to the offshore development that they allow. This revenue sharing with the States would proceed according to the formula which would generally provide between $50 and $100 million for each State, depending on the amount of leasing. In addition, States and localities would benefit from offshore revenues allocated to the Land and Water Conservation Fund. Had this program been in effect over the past two years, the revenue sharing would have been distributed according to the following table:

REVENUE SHARING WITH STATES

[Millions of dollars]

Year	Total OCS receipts	Balance to energy trust fund and land and water conservation fund	Alabama	California	Florida	Louisiana	Mississippi	Texas
1972	$2,625	$2,541.0		$7.9		$72.3		$3.8
1973	3,495	3,222.1	$47.8	6.9	$47.8	74.8	$47.8	47.8

It is not possible to estimate exactly what the level of bonus bidding revenues would go to a State which has not yet allowed bidding off its shores, nor for that matter, what the total Federal offshore revenues will be for 1974. However, should a State allow offshore bidding in a significant way, it would almost certainly receive $47.8 million at a minimum. With increased offshore leasing the amount would rise significantly. Under this proposal, States which have possibilities for offshore drilling or which permit new refinery capacity would be able to strike a better balance between the advantages of such additional revenues and industrial development against whatever disadvantages outer continental shelf development or refineries may entail.

The granting of an incentive to a local municipality for the construction of a petroleum refinery follows the same principles as the above revenue sharing plan, granting any municipality a bonus of one dollar per barrel per day of new refinery capacity installed. In most cases, it is the local municipality which feels unreimbursed for the discomfort of having a refinery within its jurisdiction. My bill would seek to restore the balance in making such a decision. Many of the states which do not extend their hospitality to refineries also currently oppose offshore drilling. The uneven geographic production of energy results not only in severe regional shortages and excessive concentration of production and refinery capacity, but also in interstate rivalries over the growing curtailment, shortages, and price rises over which producing states have no control.

The depletion allowance, in and of itself, is no culprit in our overall energy predicament. The problem, rather, is one of the worldwide economic situation, in which it is much more profitable to invest in foreign rather than domestic oil and gas production. That situation may change with the trend toward nationalization, but as the following chart shows, profits of the seven largest oil companies increased by only 6.4 percent on domestic operations in 1973, as compared with a whopping increase of 136.8 percent on their foreign operations.

INCOME OF 7 LARGEST INTERNATIONAL PETROLEUM COMPANIES

	1972 (billions)	1973 (billions)	Increase	Distribution of profit percentage increase	Percentage increase
Total	$4.865	$8.771	$3.906	100.0	80.0
Western Hemisphere (not United States)	.772	1.330	.558	14.3	72.0
Eastern Hemisphere	1.984	5.197	3.213	82.2	161.0
Total Foreign	2.756	6.527	3.771	96.5	136.8
United States	2.109	2.244	.135	3.5	6.4

A new policy is needed, one which tips the economic scales back towards investment in secure, domestic production. My bill would accomplish this goal by eliminating the foreign depletion allowance and by making the domestic depletion allowance proportional to the ratio of a firm's domestic intangible drilling costs divided by its worldwide intangibles. Put another way, the new domestic depletion allowance would be 22 percent (the current rate) times the ratio of domestic to worldwide intangible drilling costs. Such a calculation would encourage further domestic investment in production while protecting the competitive element of the industry, the independent drillers.

I strongly feel that this package of proposals would foster the President's stated goal of achieving energy self-sufficiency. Frankly, I have seen nothing in either the Administration's or the House Ways and Means Committee's "windfall profits" proposals which would encourage the development of our own energy resources. It is my hope that the Administration will support and perhaps suggest improvements in the proposals I have described in this letter. Should you desire any more information on these proposals, please do not hesitate to call on me or Bob Best of the Finance Committee staff.

Sincerely,

MIKE GRAVEL,
Chairman, Subcommittee on Energy.

By Mr. MATHIAS (for himself and Mr. BEALL):

S. 3876. A bill to provide for the expansion of the Antietam National Battlefield site in the State of Maryland, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MATHIAS. Mr. President, I am pleased today to introduce, on behalf of myself and Senator BEALL, revised legislation for the expansion and protection of the Antietam Battlefield in the State of Maryland.

This bill is substantially similar to legislation we introduced, along with Senator HATFIELD and Senator STENNIS, on October 11, 1972, in the 92d Congress.

This measure will authorize the expansion of the national battlefield, now about 1,100 acres, to a total of 3,260 acres. This would include the 1,440-acre site of the actual battle, as well as an environmental protection zone of 1,820 acres, so as to preserve the present, largely rural scenery around the battlefield and along lower Antietam Creek to its junction with the Chesapeake and Ohio Canal National Historical Park.

The history of this legislation reaches back several years, and I believe the revised bill we are introducing today is worthy of strong congressional support. Senator BEALL and I first introduced such legislation on September 18, 1969, on the 107th anniversary of the historic battle. We revised and reintroduced it on April 15, 1971, in the 1st session of the 92d Congress.

Thereafter, an Antietam National Battlefield Advisory Committee was formed at my request, to discuss and evaluate the legislation, and to offer recommendations for refinement and improvement of the original proposals. The committee was appointed by the Washington County Commissioners and chaired by Commissioner Rome Schwagel.

I would like to take this opportunity to offer some well-deserved praise to Commissioner Schwagel and all the members of the advisory committee for their dedicated efforts over a span of 3 years in considering and recommending improvements in this legislation. The committee met and consulted with a broad range of local citizens and landowners interested in and affected by the proposed legislation, and carefully examined all the property in the area on a parcel-by-parcel basis. Every single owner of affected land was notified and given an opportunity to meet with the committee to discuss the best disposition of his or her property—an opportunity of which the majority of landowners took full advantage. Representatives of the National Park Service were also in attendance at every committee meeting and have thus had a full opportunity to offer their own suggestions and gain a clear understanding of all the local issues which might arise. The Park Service has indicated that this has been the most desirable approach yet developed for park land acquisition. I thoroughly concur. Indeed, the committee's role serves as a model which I hope may be followed for the development of any other legislation which seeks to preserve and protect our precious national heritage through park land acquisition.

In May of 1972, the committee issued its basic report of findings and recommendations, which I inserted in the CONGRESSIONAL RECORD on May 22, 1972. The thrust of these suggestions, and others which have been offered since that time, are incorporated in the legislation we introduce today.

Under this bill, owners of residential or agricultural properties within the expanded area would, in most cases, have the option of retaining the rights of use and occupancy of their properties for purposes compatible with the project. If a scenic easement is recommended on a parcel of property by the Advisory Committee in its report, however, and the property owner wishes to sell his land to the Park Service with no residual rights, the new bill will grant any such landowner the option of a fee simple acquisition or scenic easement.

Another recommendation of the advisory committee which we have made part of the present legislation involves the appointment of two nonvoting members to the permanent advisory commission which the bill establishes, in addition to the seven voting members.

These two non-voting appointees will serve in 1-year terms and will be appointed by the Board of Commissioners of Washington County for the specific purpose of advising the National Park Service on the administration of scenic easements.

A third recommendation of the committee which we have adopted in this legislation, is a provision which would transfer 549 acres of land at Fort Ritchie, Md., from the Department of Defense to the Interior Department. This land would then be available for exchange for Antietam property to be acquired from private landowners, or for sale to any member of the public. This will help to maintain privately owned property on the local tax rolls.

Mr. President, because this legislation incorporates the recommendations and enjoys the support of the broad range of public officials, historical societies and concerned citizens in Western Maryland, I believe that it merits wide support here in Congress, and we will press for its enactment at the earliest possible time. It is becoming increasingly clear that the survival of the Antietam Battlefield in the face of encroaching development can no longer be entrusted purely to chance or private action.

In this regard, however, I am encouraged by the creation of a new nonprofit corporation, Antietam Battlefield Protectors, Inc., which has been formed by local citizens to help buy land to protect Antietam from commercal encroachment. Their efforts demonstrate clear local support for the principle of preserving Antietam, and the lands thus purchased may later be donated to the National Park Service upon enactment of the legislation we are introducing today.

In concluding, Mr. President, I would simply like to point out that the beautiful Antietam area has attracted well over a million visitors in the past 3 years alone. Many of the historical sites they have come to see, such as Dunkard Church, the Sunken Road, and the fields southeast of Sharpsburg where A. P. Hill's men rebuffed the advance of Union troops to end the battle, are outside of the current Federal property. The need to encompass these historical portraits in an enhancing and protective frame is apparent to all who visit Antietam. I therefore, hope that we will be able to obtain approval of this important bill in the coming year.

Mr. President, I ask unanimous consent that the full text of this legislation, S. 3876, be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3876

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in furtherance of the purposes of the Act entitled "An Act to provide for the protection and preservation of the Antietam Battlefield in the State of Maryland" approved April 22, 1960 (74 Stat. 79), and other Acts relative thereto, and additionally to provide for the protection and preservation of the historic field hospital site where Clara Barton, founder of the American Red Cross, served, the Secretary of the Interior is hereby authorized to acquire, by purchase, exchange or donation, additional lands and interests therein over and above the limitations as previously authorized: *Provided,* That the total of lands previously acquired and currently included within the Antietam National Battlefield Site and Antietam National Cemetery, plus such lands as may be acquired under authority of this Act, shall together not exceed three thousand two hundred sixty acres: *Provided further,* That, within the total acreage as herein authorized, one thousand four hundred forty acres shall be identified by the Secretary of the Interior as comprising the historic battlefield scene and the same shall be protected and preserved as such for the cultural benefit and inspiration of the public through the acquisition of fee simple title thereto; and the remaining one thousand eight hundred twenty acres shall be contiguous to the historic battlefield and shall provide environmental protection thereto through the acquisition of less-than-fee interests therein. Notwithstanding the foregoing limitation, the Secretary may acquire the fee simple title to any property in lieu of a less-than-fee interest upon the request of the owner.

(b) The Antietam National Battlefield site established pursuant to such Act of April 22, 1960, including lands acquired by the Secretary pursuant to subsection (a) of this section, is hereby redesignated the "Antietam National Battlefield Park".

Sec. 2. (a) With the exception of property that the Secretary of the Interior determines is necessary for purposes of administration, preservation, or public use, any owner or owners (hereinafter in this section referred to as "owner") of improved property on the date of its acquisition by the Secretary may retain the right of use and occupancy of the improved property for noncommercial residential or agricultural purposes as hereinafter provided, for a term, as the owner may elect, ending either (1) upon the death of the owner or owner's spouse, whichever occurs later, or (2) not more than twenty-five years from the date of acquisition. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of the interest in such property retained by the owner. Such right (1) shall be subject to such terms and conditions as the Secretary deems appropriate to assure that the property is used in a manner compatible with the purposes of this Act, (2) may be transferred or assigned, and (3) may be terminated with respect to the entire property by the Secretary upon his determination that the property or any portion thereof has ceased to be used for noncommercial residential or agricultural purposes, and upon tender to the holder of the right of an amount equal to the fair market value, as of the date of the tender, of that portion of the right which remains unexpired on the date of the termination.

(b) As used in this section, the term "improved property" means (1) a detached year-round dwelling which serves as the owner's permanent place of abode at the time of acquisition, and construction of which was begun before January 1, 1971, together with so much of the land on which the dwelling is situated, the said land belonging in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, and (2) any property that is used exclusively for agricultural purposes and continues in such use, including housing directly incident thereto: *Provided,* That the Secretary, in consultation with the Commission as hereinafter authorized to be established, may exclude from any improved property any waters or land fronting thereon, together with so much of the land adjoining such waters or land as he deems necessary for public access thereto.

Sec. 3. The Secretary of the Interior is hereby authorized to undertake such research as is necessary to define those lands actually comprising the historic Antietam Battlefield scene and to identify them as such for protection and preservation within the purposes of this Act; to undertake research, including archeological investigations, as necessary to identify the actual site of the historic Clara Barton field hospital for purpose of acquisition and protection and preservation as provided herein; and to enter into such agreements with affected property owners as may be necessary to carry out such research and field studies.

Sec. 4. The administration, protection, preservation, and such minimal development as is necessary to provide for public use and enjoyment of the Antietam National Battlefield Park shall be exercised by the Secretary of the Interior in accordance with provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes" approved August 25, 1916 (39 Stat. 535), as amended and supplemented.

Sec. 5. To carry out the purposes of this Act, those lands situated in Washington County, Maryland, and identified as "Fort Ritchie—Site B" as indicated on county tax maps numbered 67 and 72 and currently under the jurisdiction of the Department of Defense and administered by the commanding officer at Fort Ritchie, Maryland, containing approximately five hundred forty-nine acres, are hereby transferred to the jurisdiction of the Secretary of the Interior, and shall be utilized in acquisition of lands as authorized by this Act, either through exchange upon the basis of equal value, or sold under sealed bid at not less than a fair market value as shall be determined through appraisal, with monetary proceeds therefrom to be applied directly toward purchase of land as herein authorized.

Sec. 6. (a) In carrying out the purposes of this Act, including historic preservation and restoration, environmental protection, and historical interpretation for the benefit and enlightenment of the public, the Secretary of the Interior is hereby authorized and directed to consult at least semiannually with the advisory commission established under subsection (b) of this section, and also to consult and cooperate with appropriate agencies and officials of the State of Maryland, Washington County, Maryland, and interested local governments, and with interested organizations, groups and individuals.

(b) (1) There is hereby established an Antietam National Battlefield Park Advisory Commission (hereinafter referred to as the "Commission") to assist the Secretary in developing policies and programs pursuant to this Act, and to promote the coordination of those policies and programs with relevant Federal, State, local and private efforts in historic preservation and interpretation, environmental protection and related fields.

(2) The Commission shall be composed of seven voting members and two nonvoting members. The voting members shall be appointed by the Secretary for terms of five years, as follows:

(A) Two members to be appointed from recommendations submitted by the Board of County Commissioners of Washington County, Maryland;

(B) Two members to be appointed from recommendations submitted by the Governor of the State of Maryland; and

(C) Three members to be appointed by the Secretary, one of whom shall be designated Chairman of the Commission, and at least two of whom shall be members of regularly constituted historical or environmental organizations.

(3) The nonvoting members shall be appointed by the Board of County Commissioners of Washington County, Maryland, for terms of one year and shall act in an advisory capacity with the National Park Service in administration of the scenic easement.

(4) Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(5) Members of the Commission shall serve without compensation, but the Secretary is authorized to pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this Act.

(6) The Commission shall act and advise by affirmative vote of a majority of the members thereof.

Sec. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. BEALL. Mr. President, I am pleased to once again join with my distinguished colleague from Maryland (Mr. Mathias) in introducing legislation designed to protect the Antietam National Battlefield. Similar legislation was introduced in the 92d Congress, but unfortunately no action was taken prior to adjournment. Since then, the pressures for development have become even greater, to the point that, many historic areas will be lost forever unless the Congress moves in the near future.

The Battle of Antietam was one of the most critical moments of the Civil War. Union and Confederate casualties numbered over 23,000, making it the single bloodiest day in our Nation's history. Further, although the battle was a tactical draw, it served as a major strategic victory for the Union. The Confederate Army withdrew back into Virginia, and its morale suffered a serious blow. Even more important, it doomed Southern hopes for a decisive military victory and thus forestalled any hope that foreign nations might intervene on the side of the South. Finally, it was the "victory" President Lincoln needed to issue the Emancipation Proclamation, a step which brought much of world opinion into support of the Union cause.

Clearly Antietam is an integral part of our American heritage. Yet, because it is located at easily commutable distances from major urban areas, much of its historic land is now in jeopardy. Thus, I urge the Congress to act rapidly and favorably on this proposal.

Specifically, the bill would authorize the Secretary of the Interior to expand the Antietam National Battlefield by 3,260 acres. Some 1,440 acres would be identified by the Secretary as comprising the historic battlefield area and are to be purchased. The remaining 1,820 acres shall serve as a contiguous environmental "buffer zone" to further protect the park, and the Secretary is authorized to acquire less-than-fee interests in this area. However, the Secretary, under this legislation, may still purchase title to any such property if desired by the owner. In most cases, owners may retain the use and occupancy of improved property for noncommercial or agriculture purposes until the death of the owner or the owner's spouse, or for not more than 25 years.

Mr. President, too many historic sites around our country have fallen victim to unwanted development. This bill seeks to prevent such action at one of our country's most significant battlegrounds, and thus I urge prompt consideration of this measure.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3480

At the request of Mr. TUNNEY, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 3480 to authorize a national summer youth sports program.

S. 3514

At the request of Mr. CHILES, the Senator from Utah (Mr. MOSS) was added as a cosponsor of S. 3514, to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes.

S. 3775

At the request of Mr. BUCKLEY, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 3775 to provide for the monthly publication of a Consumer Price Index for the Aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 347

At the request of Mr. INOUYE, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of Senate Resolution 347 to authorize the Committee on Commerce to make an investigation and study on the policy and role of the Federal Gvernment on tourism in the United States.

SENATE RESOLUTION 352

At the request of Mr. Moss, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. Res. 352 to amend **rules XXV** and XVI of the Standing Rules of the Senate with respect to jurisdiction of energy research and development matters, and for other purposes.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY—AMENDMENT

AMENDMENT NO. 1764

(Ordered to be printed and to lie on the table.)

Mr. ERVIN submitted an amendment, intended to be proposed by him, to the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

PRISONER OF WAR AND MISSING IN ACTION TAX ACT—AMENDMENTS

AMENDMENT NO. 1765

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY submitted an amendment, intended to be proposed by him, to the bill (H.R. 8214) to modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT

AMENDMENT NO. 1766

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. McGEE (for himself, Mr. KENNEDY, Mr. HUMPHREY, and Mr. CRANSTON) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. McGEE. Mr. President, today I am submitting an amendment to S. 3394, the Foreign Assistance Authorization Act for fiscal year 1975, which would increase our contributions to the United Nations voluntary programs by $33 million over the President's request for these programs.

Contributions to three U.N. voluntary agencies would be affected by my amendment. First, the U.S. contribution to the United Nations Development Program—UNDP—would be increased by $20 million—from $110 million as proposed by the President to $130 million. Second, the U.S. contribution to the United Nations Relief Works Agency—UNRWA—would be increased by $10 million—from $23.2 million as requested by the President to $33.2 million. Third, the U.S. contribution to UNICEF would be increased by $3 million—from $15 million requested by the President to $18 million.

I believe a strong case exists for increasing our contributions to all three U.N. programs. By providing an additional $20 million for UNDP, the United States would be able to make a $110 million contribution for calendar year 1975, rather than the $100 million proposed by the President. The additional $20 million available to UNDP under my amendment would be used to end split-year funding for UNDP which has been undertaken since calendar year 1973 when only $70 million was provided for UNDP under the fiscal year 1973 continuing resolution. At that time, in order to allow the United States to make a $90 million contribution to UNDP in 1973, $20 million had to be drawn from fiscal year 1974 funds. Therefore, my amendment would allow us to remedy this situation by restoring our UNDP contribution to a full annual funding basis. It is in the interest of sound management that we do so in the fiscal year 1975 authorization bill.

A $110 million contribution to UNDP in fiscal year 1975 would represent approximately 25–26 percent of the total contributions anticipated by UNDP in 1975. While other nations have continued to increase their contributions substantially in recent years, the U.S. contribution has fallen from 28.1 percent of total contributions in 1973 to 23.8 percent in 1974. This is despite our assurances to other U.N. members that a reduction in our assessed contributions to the U.N. to a level of 25 percent would not apply to our contributions to the voluntary programs.

The Foreign Relations Committee has already made its views known on this matter in a very explicit manner. Last year, the committee noted in its report on the Foreign Assistance Act of 1973 that:

> The Committee is gratified with the resolution of the last General Assembly which endorsed the principle of a 25% ceiling on the U.S. contribution to the United Nations regular budget. However, a reduction in our contribution to UNDP, following the same principle, might cause many governments to reconsider their support for reducing the U.S. contribution when the report of the Committee on Contributions is submitted to the General Assembly for final approval in the fall. To many other governments, our support for UNDP serves as an indication of our continuing commitment to multilateral cooperation for development. Since 1970, the contributions of other governments to UNDP have increased by more than 46%. Thus, the Committee considers it most important for the United States to maintain its generous support and is pleased with the apparent direction taken by the Administration following the recommendation of the Lodge Commission which stated:
>
> That our contribution to the United Nations voluntary programs be increased by an amount at least corresponding to our reduction in assessed contributions.

However, despite this explicit statement from the Senate Committee on Foreign Relations, our participation in UNDP has declined. In fact, on the basis of the last pledging conference for UNDP, other nations increased their commitments by 96.1 percent since 1970, compared to a 4.3 percent increase in U.S. contributions over the same span of time. Therefore, I am offering my amendment as an effort to bring our participation in the program within the criteria set down by the committee last year.

I support this increased contribution

to UNDP not only because I believe we must do our share in the international development effort, but also because UNDP is able to utilize effectively the funds we provide. UNDP is particularly equipped to utilize new funds to assist the least developed countries, where the ratio of its allocation of funds is already four times that of our bilateral aid program. UNDP is also equipped to undertake projects on an intercountry basis. Having installed the country programing system and other reforms called for by the Jackson study, UNDP is now prepared to undertake substantially increased program delivery in 1975.

Accordingly, I believe we should be prepared to do our part in providing the funds which will enable UNDP to capitalize on the many improvements made. This is particularly true since other nations are contributing to the program at a much faster and higher rate than the United States.

I believe UNDP is indeed vital to our effective participation in the United Nations. It always has been, and will continue to be, a measuring stick used by developing nations as to the seriousness of our participation in the institution.

An additional $3 million is provided in my amendment in order to make available the full amount earmarked for UNICEF in the authorization bill last year. This amount—$18 million—is $3 million above the amount requested by the President for fiscal year 1975. Such an increase was believed to be justified by both the House Foreign Affairs and Senate Foreign Relations Committees last year in view of the fact that emergency demands on UNICEF resources had increased markedly. Despite these increased needs, our contribution to UNICEF has remained at the $15 million level since 1972.

My amendment would also make available an increase of $10 million for UNRWA as a special emergency contribution by the United States. UNRWA continues to be this year, as before, in serious long-term financial difficulty, although its 1974 appeal for special contributions met with a greater response than in the past from donors other than the United States. Most notable is the case of the European Economic Community which approved a special emergency contribution of $7.9 million in June. These contributions, including a special U.S. contribution of $4.2 million, will bring UNRWA through calendar year 1974 without adding to its deficit.

However, UNRWA has a substantial deficit accumulated from previous years and also faces inflation in many areas where it operates, which is even more acute than elsewhere—about 20 percent. Furthermore, there is increased demand for its services due to the natural growth in the numbers of refugee children as well as the longstanding, unfulfilled demand from those refugees who are entitled to UNRWA's services, but cannot obtain them because the agency lacks the necessary funds. To regain the financial solvency, it must have to continue its humanitarian work; and to play the role it may have in a peace settlement in the Middle East, UNRWA will require additional special support.

Arab governments which are hosts to the Palestinian refugees provide substantial amounts in goods and services to the refugees directly. These governments, not UNRWA, are responsible for roads, utilities, and civil administration in the areas where the refugees live; and they share with UNRWA the provision of health services, education, and shelter to the refugees. In 1973, the estimated value of these services provided by host governments was more than $20 million.

The negotiations on a peace settlement in the Middle East have given an additional importance to UNRWA's work. UNRWA's health, education, and food services have always been essential to a minimally acceptable standard of living for the refugees it serves in offering them more hope for the future, especially for their children. UNRWA has thus been central to maintaining such stability as the refugee areas have had, including those refugee areas in Israel-held territory where some 40 percent of these refugees live. Any reduction now in our support for UNRWA in relation to its need, forcing the agency to cut back its services, would endanger not only this stability, but also the settlement negotiations. In particular, it would be seen as totally inconsistent with our repeatedly expressed position that a just and lasting peace in the Middle East cannot be established without taking into account the wishes and aspirations of the Palestinians.

Mr. President, as a delegate to the United Nations 2 years ago and having served as a member of the UNRWA Committee, I can personally attest to significant contributions made by this agency. It has been an invaluable tool in meeting the needs of those peoples who have been displaced by the problems of the Middle East.

I would just say that the international community, including the United States, has come to rely more and more upon the United Nations as an instrument for coming to grips with, and seeking solutions to, massive world problems of hunger, poverty, illiteracy, and disease. We are also coming to realize the fruits of the United Nations as a peacekeeping institution. Had it not been for the United Nations and the valuable peacekeeping role it has played in the Middle East, it is doubtful we could have succeeded in disengagement efforts on the Egyptian and Syrian fronts. The United Nations stood as the only buffer between the belligerents of the last Middle East crisis—belligerents who could have brought the United States and the Soviet Union into direct conflict had not an internationally guaranteed emergency force been available. The latest Cyprus crisis is another instance of the invaluable contribution the United Nations has made in stabilizing a potentially explosive situation which could have erupted into all-out war between two NATO allies.

In conclusion, Mr. President, we owe much to the United Nations. Yet, at a time when we are coming to rely more and more upon the U.N., the United States is weakening its commitment to the institution. My amendment involves a very small increase in our contributions to three vital U.N. voluntary agencies, particularly when one compares the immense benefits we have reaped from the organization.

I also wish to express my gratitude to my distinguished colleagues, the senior Senator from Massachusetts (Mr. KENNEDY), the junior Senator from Minnesota (Mr. HUMPHREY), and the senior Senator from California (Mr. CRANSTON), for joining me in sponsoring this amendment.

I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 5, line 9, strike out "$153,900,000" and insert in lieu thereof "$186,900,000".

Mr. KENNEDY. Mr. President, I am pleased to join my distinguished colleague from Wyoming, (Mr. MCGEE), in cosponsoring this amendment to the foreign assistance authorization bill to increase the U.S. voluntary contribution to the splendid work of three United Nations specialized agencies.

This amendment will increase, by a modest $33 million, our contribution to the important work of the United Nations Development Program—UNDP—to UNICEF, and to the United Nations Works and Relief Agency—UNRWA.

Mr. President, I have, over the years, witnessed firsthand in the field the humanitarian programs undertaken by these agencies all around the world. In several areas, their presence has meant the difference between life and death—for refugees in need, for children suffering the effects of famine and hunger.

In countless countries, the UNDP has contributed significantly over the past two decades in helping to promote essential economic devlopment programs. Hand in hand with local governments it has worked to close the gap between the rich and the poor, and to achieve greater economic progress.

In the Middle East, UNRWA has helped to meet the countinuing humanitarian needs among the refugees. Given the hopeful changes toward a lasting peace in the Middle East, our country and the international community must not lose sight of the important role and contribution of UNRWA.

With headquarters in Beirut, UNRWA operates in Lebanon, Syria, Jordan, and the Israel-administered territories of Gaza and the West Bank. Some 1,600,000 refugees are currently registered and assisted by UNRWA, and they need our continuing support.

The role of UNICEF around the world has been a bright beacon of hope for millions of children and mothers. In South Asia, and today in Africa, it has helped to avert famine and to blunt the ravages of malnutrition and disease. UNICEF is also exploring ways to contribute further in Indochina, to meet the massive humanitarian needs of war orphans and children disadvantaged by the years of violence.

Mr. President, the amount of money we are talking about here is really small—especially when compared to what we so readily spend for military aid, or what we provide in foreign exchange support of governments, rather than to meet the humanitarian needs of people. But although this amount is small, it is nonetheless a significant and important contribution to the effective work of these agencies, and, unlike some bilateral programs, we can be assured that these dollars will be efficiently used to meet humanitarian needs.

We have been told by Secretary of State Henry Kissinger that our foreign assistance program is "a faithful expression of our moral values . . . it reflects the humanitarian dimension of the American character." Regrettably, Mr. President, far too much of our aid now goes to buy guns and for security assistance, rather than humanitarian assistance that can help millions of people really in need.

This amendment, in a small way, will help to remedy this imbalance, and will truly reflect the humanitarian dimension of the American character. I urge its favorable consideration by the Foreign Relations Committee.

ADDITIONAL COSPONSORS OF AN AMENDMENT

AMENDMENT NO. 1648

At the request of Mr. Taft, the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Fannin) and the Senator from Wyoming (Mr. Hansen) were added as cosponsors of amendment No. 1648, intended to be proposed to S. 707, the Agency for Consumer Advocacy Act.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Joseph W. Keene, of Louisiana, to be U.S. Marshal for the Western District of Louisiana for the term of 4 years. (Reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, August 8, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARING ON MATERIALS SHORTAGES: IMPACT ON SMALL BUSINESS

Mr. JOHNSTON. Mr. President, I wish to announce that the Subcommittee on Retailing, Distribution, and Marketing Practices of the Select Committee on Small Business will hold a public hearing on August 9, 1974, in the second floor courtroom of the Federal Building, 4th and Perry Streets, Davenport, Iowa, beginning at 10 a.m.

The subject of the hearing will be "Materials Shortages: Impact on Small Business." The subcommittee may hold additional hearings on this subject in Washington or elsewhere but no further dates have been scheduled at this time. We invite all small businesses which are experiencing problems as a result of shortages of essential materials to write to the Subcommittee describing the situation.

Of particular interest and concern are instances of unfair discrimination against small business by suppliers, in the allocation of scarce commodities and products.

The Senator from Iowa (Mr. Clark) has been designated by me to serve as acting chairman of the subcommittee for the August 9 hearing in Davenport.

A witness list will be available at the offices of the Committee, 424 Russell Senate Office Building, telephone 225-5175, at an early date.

NOTICE OF CHANGE IN HEARING DATE ON OIL PROFITS AND THEIR EFFECT ON SMALL BUSINESS

Mr. McINTYRE. Mr. President, I wish to advise that it has become necessary to change a previously scheduled hearing from August 6 to August 20, 1974, which the Subcommittee on Government Regulation of the Senate Small Business Committee is conducting on oil profits and their effect on small business and capital investment needs of the energy industries. The other two hearing dates on this subject remain unchanged, August 7 and 13.

Further information may be obtained from the Subcommittee on Government Regulation, room 424, telephone 225-5175.

NOTICE OF A HEARING ON A NOMINATION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, August 8, 1974, at 9:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nomination:

Murray I. Gurfein, of New York, to be U.S. circuit judge for the second circuit, vice Paul R. Hays, retiring.

Any person desiring to offer testimony in regard to this nomination shall, not later than 24 hours prior to such hearing, file in writing with the committee a request to be heard and a statement of their proposed testimony.

The subcommittee consists of the Senator from Mississippi (Mr. Eastland) chairman; the Senator from Arkansas (Mr. McClellan) and the Senator from Nebraska (Mr. Hruska).

ADDITIONAL STATEMENTS

THE ECONOMY—ADDRESS BY SENATOR BENTSEN

Mr. MANSFIELD. Mr. President, last night, on the national television networks, Senator Lloyd Bentsen gave a response by the Democratic Party to the President's recent report on the economy of the Nation. Senator Bentsen outlined a six-point program to restore the economic health of the Nation.

As always, he presented his case with poise and a confidence built on his wide experience as a Member of the House of Representatives, as a successful businessman, and now as a Senator of the Senate Committees on Finance, Public Works and the Joint Economic Committee. He is eminently qualified to speak in this all important area of solving the Nation's economic problems.

This was an outstanding report on the economy given by Senator Bentsen and I urge my colleagues who were not able to see him last night to read his remarks. I ask unanimous consent that his address be printed in the Record.

Report on the Economy

(By U.S. Senator Lloyd Bentsen)

Good evening. I'm Senator Lloyd Bentsen. For a few minutes tonight I want to talk about the price of food. About the cost of buying a house. About good times and bad times. In short, about our national economy and the way it affects your household.

Last week the President spoke to the Nation about his economic efforts. Perhaps you listened, as I did, while the President sought to explain his most recent ideas for dealing with inflation and recession.

As a former businessman, I looked for guidance from the President on how long we must suffer the soaring interest rates that are stalling economic growth. But I didn't find it.

As a Member of the Senate, I hoped for a clearly outlined legislative program—explained in frank terms to Congress and the people. But I didn't hear it.

As a consumer, I looked for action to reduce the 11% inflation rate. But I heard nothing to reassure me.

Finally, I looked to the President—as you may have—for national leadership from the top to give us the unvarnished facts and a clear sense of direction. But here again, you and I were disappointed.

For the President offered us more of the same: high interest rates, tight money, slow growth—business as usual.

It seemed to me, as I listened, almost as if the clock had been turned back 40 years. Once again we could hear a President telling us, "Prosperity is just around the corner,"—when most citizens perceive not a corner, but a blind alley.

The President told us that our present economic troubles are everyone's fault—except his and his advisors'. He blamed internnational conditions . . . wild spending by Congress . . . the extravagance of citizens who spend money rather than save it. I felt that I was hearing the language of economic cover-up.

Tonight, speaking from my vantage point as a Democrat and a Member of Congress, I want to express a different point of view.

I want to outline, briefly, a six-point program to restore our economic health. It bears the stamp of the Democratic Party. But I believe it merits the support of both parties; of businessmen and workers; of every family concerned about its savings—about food costs and college tuition and money for retirement.

Two charts tell the story of the economy in recent years—and the story is one of contrasts.

Under President Kennedy and President Johnson, the economy showed an average annual consumer price increase of less than 2½%. I need scarcely tell you how different things are today. During the Nixon Administration, that average annual price increase has soared to 7%.

In 1968, Mr. Nixon campaigned against inflation. Well, the inflation that year was 4.7%, the highest of the Kennedy-Johnson years. Compare that to the 11% inflation we suffered last year.

If you are a typical citizen, your real weekly earnings—your wages after inflation was taken out—grew six times faster in the Kennedy-Johnson years than they have grown during the Nixon years. In the last 12 months, in fact, the real value of your paycheck has fallen sharply. I need not tell you what such inflation means to older citizens; to the working poor and others who have little hope of increasing their earnings.

The President promised us in January that we would have "no recession in 1974." But since then we have gone through two quarters of economic decline. According to most experts, that is the way we define—a recession.

Clearly, for you and me and millions of Americans, "business as usual" offers little hope—and no solutions. This is a time for strong initiatives. We are suffering not only inflation, but recession; not just fever but paralysis.

Yet, last week, the President offered only one new suggestion. He appealed to you and me to save our money; to stop spending so much of it.

I thought, as I listened to the President, "That may be good advice for the well-to-do. But the President should realize that most American families have middle incomes—or less. By the time they pay inflation-swollen prices for food and clothing, for house payments and other necessities, they just don't have much left to save."

I thought, as I listened to the President, about a letter that came to me some time ago from a woman in Texas. In 1970 her husband retired from his job as fireman on $450 a month. They could get by on that in 1970. In 1974, they can't. So her husband is out looking for part-time work. And at his age, jobs aren't easy to find.

Inflation and stagnation are making moonlighters out of millions of Americans.

In my judgment, the President's advice sadly misses the point. And his advice implied that the American people—the teachers and policemen and retired citizens of this country—are the villains responsible for inflation.

I don't believe that—I don't believe that Congressmen and Senators are the villains wholly responsible for our economic troubles.

Perhaps it would serve us better to abandon this pointless search for culprits—and begin a more hopeful effort: a bi-partisan search for solutions: practical solutions that all of us—Democrats, Republicans, businessmen, workers, even the White House—can embrace and enact.

In fact, the major cause of this inflation has not been your greed or wastefulness. It has been shortages—shortages of gasoline; shortages of food; shortage of raw materials; shortages of basic goods from steel to fertilizer.

The real solution to this kind of inflation does not lie in further crippling the ability of families like yours to buy the things they need. Nor does the solution lie in clinging to the most exhorbitant interest rates since the Civil War; for higher interest rates actually cripple the farmer, the home builder, the energy producer. The real solution to inflation lies in increasing the supplies of the goods we need: food, gasoline, housing and manufactured goods.

So I wished, as I listened to the President, that he would offer us less in the way of slogans and rhetoric—and more in the way of fresh solutions and action. It should be clear by now that serious problems cannot be solved by public relations; they can only be solved by public responsibility.

My purpose tonight is to outline a workable program for economic recovery. A program—not a panacea.

We are a rich and resilient nation. Surely we can recover our economic health; surely, with better policies and clearer leadership, we can put this nation back on the upward road of economic growth.

We owe it—to the tens of millions of American families who are not rich; who do not have unlimited resources—to launch a program of economic action.

Six steps, in my judgment, could put us back on the road to economic health.

First, three short-term measures that can help right away. And next, three long-term measures that will protect our economic well-being for many years to come.

The first step is action—decisive action—to channel loan money in the most productive directions. We need urgently to expand the output of America's factories and industries—so that they can supply more houses; more energy; more food. One way to do that is to make it possible for essential industries to get the loan money they need.

In my judgment, the President should waste no time in communicating with banks, insurance companies and other lending institutions. He should urge them to launch a voluntary program of credit discipline—aiming the new loans they make toward the neediest and most potentially productive areas—like the housing industry. He should urge the great lending institutions to hold back on loans that do not contribute to the creation of items in short supply.

To reinforce this program of selective credit, Congress should act to give the Federal reserve more flexibility—enough flexibility to guarantee a reasonable level of loans to encourage home building, to expand manufacturing capacity and to help small businesses.

Meanwhile, we should look, with a careful eye, at the flow of dollars away from the United States into foreign banks and treasuries.

Earlier this year all restrictions on the outflow of U.S. investment money were lifted. Since then, our own banks have increased their loans to foreign customers by $2½ billion. Those loans, called flight money, are flying away when they could be used at home.

It seems to me that when millions of Americans can't get home loans, when American businessmen can't get financing, we should put some restraints on the flow of our dollars out of the country; we should cut back on loans and government grants to other countries. Certainly we have obligations abroad. But our first obligation is to our own people, here at home.

Second, the President should establish, right away, a Cost of Living Task Force—to keep track of price increases and wage settlements in the coming months—and to offer guidance to business and labor about what is best for the Nation.

I would not advocate a return to wage and price controls. But the President has no machinery for telling business and labor what is responsible. If he does not seek legislation to establish a Cost of Living Task Force, then Congress must move on its own.

A third immediate step: we must step up our efforts to rein in Federal spending. The President last week paid tribute to budget reform legislation recently passed by Congress. He did not mention that this legislation was initiated wholly within Congress; approved overwhelmingly by both the House and the Senate—without leadership or encouragement from the White House.

The United States Congress, in my judgment, is serious about fiscal responsibility. But I think it is fair to ask, how serious is the Administration? The President complains about spending; he blames Congress for spending. But his Administration requests—more and more spending.

In 1969 the President inherited a $3 billion budget surplus from President Johnson. Since then he has recommended to the Congress more deficit financing than any President since World War II. Mr. Nixon is the first President to propose a $200 billion budget—and the first to propose a $300 billion budget.

The appropriations bills acted upon by the House earlier this year—and those currently before the Senate—represent a reduction from the President's request of almost one-half billion dollars. I think I can assure you that further reductions will be made.

Some Administration spokesmen, for example, insist that there is no room for any reductions in the Pentagon budget. I support—and almost every Democrat in Congress supports—a strong national defense. But an Armed Force that has more Lieutenant Colonels than Second Lieutenants; an Armed Force with one of the highest ratios of support troops to combat troops has room for some real budget savings.

My final three proposals are long-range measures. But they are equally vital to our long-term well-being—to your hopes for your family.

Point number four: We should act now to reform our tax system. When the President spoke last week, he did not mention taxes—except to say that they should not be raised or lowered. He ignored one of our most pressing economic opportunities: tax fairness—fairness in laws for the families who pay their taxes—and fairness in enforcing those laws.

It makes no sense to offer a few prosperous citizens tax loopholes and tax shelters for unproductive investments. We should remove such shelters. By doing so, we can spur investment in areas where money is needed to increase production and bring down prices. Eliminating unfair tax shelters will increase tax revenue—and give a break to low and moderate income taxpayers.

Certainly we should end tax breaks for building factories in foreign countries. I think our tax laws should encourage businessmen to build plants here at home. Our goal should be to send our *goods* abroad and keep our *jobs* at home. We should end tax breaks that send American dollars to build factories in foreign countries.

Most important, when it comes to this principle of fairness: we should stop using our tax laws to encourage foreign oil and gas production. The energy crisis has taught us that if our nation is to be secure and self-sufficient, we must produce more energy here at home. And we must depend less on oil from the far corners of the world.

The fifth item in this six point program is an action plan to increase the productivity of our business and industry.

In my judgment, the working people in this country have an excellent record of cooperation in the fight against inflation. Wage increases during the last few years have been modest in comparison to price increases. Strikes, work stoppages, and labor disputes have been surprisingly few over the same period.

Yet, the President, on nationwide television, has told us that people are wanting too much—and working too little. I disagree.

What is the real way to increase our nation's productivity? One way is to devote more attention—and more money—to research and development, especially in food production. Our farmers have become the most productive and efficient in the world. And research is the reason why. Research to develop higher yields of food and fiber has meant more income for the farmer—and cheaper food for your table. But since the 1950's, unfortunately, a shrinking portion of the Agriculture Department's budget has been devoted to research.

That was a kind of economic myopia. This Congress turned that trend around—and that is good news. Because research to increase food production is one area where Federal spending helps fight inflation—by lowering prices.

Meanwhile, we should make a major national commitment to job training—to provide more people with skills they can use. Because education—vocational education and retraining programs—have always provided a high return to the Federal treasury. They increase the number of Americans making a productive contribution to our national life. And most important, these programs take people off the unemployment rolls and put them on payrolls.

My sixth and final point is perhaps the most important of all: the Administration must put its own economic house in order.

President Nixon spoke last week about the need for *steadiness* in fighting inflation. "The key to fighting inflation," he said, "is steadiness."

Certainly he was right. Nothing can more quickly undermine a President's economic efforts than the appearance—or the fact—of vacillation; of inconsistency; of desperate trial and error.

That is why so many of us in the Congress have been troubled, for the past five years, by the drastic fluctuations in the President's economic efforts: the on-again, off-again controls; the sudden freezes and phases; four Treasury Secretaries, four budget managers, six wage and price controllers, five energy chiefs, three Chief Economic Advisors. And now, another newly-created post: an "Economic Counselor." The President's economic efforts have seemed to be—or have been—a patchwork.

Too many changing policies, replacing one another.

Too many conflicting voices, contradicting one another.

Too many trials—and far too many errors.

Sadly, only four things have really been steady: steadily rising prices; steadily dwindling confidence; steadily cheerful assurances from the Administration—followed by steadily worsening results.

This is the steadiness of failure—not success.

The Russian Wheat Deal and the energy crisis are just two examples of the failure of government to look ahead and provide wisely for our own economic security.

Whatever happened to those shrewd Yankee traders? The wheat deal sharply increased the price of bread for your family. And your government's failure to foresee and forewarn us about the energy crisis helped put you in a long gasoline line last winter.

The Federal Export-Import Bank—to cite another example—borrows from our hard-pressed money markets so it can lend Russia $180 million for a fertilizer plant. It makes another loan to Algeria for 20 oil drilling rigs. Yet here at home, shortages of fertilizer and a scarcity of drilling rigs are hindering our efforts to produce more food and fuel. To make matters worse, the Export-Import Bank offered these loans at one-half the interest rate a U.S. company would have to pay. That is neither fair nor wise—and we should stop making such mistakes.

For every man, woman and child in the United States, there are ten Federal forms to be filled out each year. Just filling out government forms costs this nation's small businessmen about $18 billion a year—most of which is passed on to you at the cash register. A bill is presently moving through the Congress to cut down this expensive burden of paperwork. I think the Federal government should make a complete review of other laws and regulations—with an eye toward scrapping or changing those that cost more than they're worth.

Six steps toward economic health. Some small, some large. Some for the short-term—some for years to come. Certainly this six-point program does not exhaust the possibilities for action and decision. But it underscores the fact that there are things to be done—more than the Administration is doing now.

In every moment of difficulty we have lived through as a nation, we have saved ourselves by summoning up wise and honest leadership—and then we have tackled our difficulties in the active, not the passive voice. That is what we must do now.

There used to be a saying that Democratic Administrations were good for wage earners while Republican Administrations were good for business. The past five years prove the emptiness of that myth. For this Administration's economic policies have been bad for everyone.

Ask the man who is holding two jobs to make ends meet.

Ask the businessman who has tried to raise capital for a new plant; ask one of the 52,000 businessmen who have been forced to close their doors in the last five years.

Ask the homemaker standing at the cash register watching her $20 bill buy one lonely sack of groceries. Ask your neighbor who is poor, or old, or out of a job tonight.

Of all the shortages in our country today, our most critical shortage is the shortage of leadership—sound, effective leadership.

For sixteen years before I came to the United States Senate, I was a businessman. In my experience I found that when the average working man and working woman in this country do well, business does well—the country does well.

So I reject the old "trickle down" economic theory of the President and his economists.

Any gardener knows that you do not water a plant on its leaves and hope it will trickle down to the roots. You nourish the roots.

Well, the roots of this great nation are its working people. They pay most of the taxes to support our public institutions. They fight our wars when the need arises. They provide the muscle for all of the progress we have enjoyed through our rich history.

Let us provide broader opportunities for them to become consumers, jobholders and taxpayers. Then, perhaps, the leaves will turn green again and the entire economy grow more productive.

The answer to our present difficulties must be to nurture and encourage the working families of America—not to ignore them; not to patronize them with empty promises and slogans.

The program I have described tonight offers us—I believe—a way up and out of our difficulties. It emphasizes growth rather than stagnation.

As President Kennedy used to say: A rising tide lifts all boats. I have spoken frankly about the difficulties we are facing—because I believe that nothing can be gained by papering them over, or covering them up.

APPROPRIATIONS FOR THE DEFENSE CIVIL PREPAREDNESS AGENCY

Mr. HUGH SCOTT. Mr. President, I am delighted that the Senate yesterday approved the Committee on Appropriations' recommendation (H.R. 15544) for an appropriation of $63.4 million for operation and maintenance of the Defense Civil Preparedness Agency for fiscal year 1975. This funding will enable the Agency to provide maximum assistance to States when faced with natural disasters, such as floods and tornados, and it restores a full program for disaster training and education.

I favor any action by Congress to assist citizens in preparing for and coping with disasters. Many Pennsylvanians have suffered from floods in past years, most notably 2 years ago when Hurricane Agnes caused severe damage in the Wilkes-Barre area. It is my sincere hope that terrible disasters like the Hurricane Agnes flood may be avoided through expert contingency planning. I hope the Commonwealth of Pennsylvania will be spared such terrible burdens in the future by alert study of past disasters.

RHODESIAN CHROME

Mr. CANNON. Mr. President, last year for the third time in 3 years, the Senate debated the issue of Rhodesian chrome. The issue was the same then as it was the year before and in 1971 when the Congress first adopted the Byrd amendment, which permits the importation of strategic and critical materials from Rhodesia as long as they can also be imported from Communist-controlled countries. On December 18, 1973, the Senate passed S. 1868 which would impose the former sanctions and sent it to the House where it was referred to the Committee on Foreign Affairs. That committee favorably reported it out on June 27, 1974 and it now appears on the House calendar for an early vote.

The issue is obscure and remote from the lives of most Americans. It is also complex, involving our national need for supplies of critical materials which are not produced in the United States or even in all of North America, and involving our relationships with the United Nations. It is an issue which deserves careful and thoughtful review. My aim today, therefore, is to provide a careful outline of my reasons for continuing to support the Byrd amendment and opposing the enactment of S. 1868, now H.R. 8005, which would repeal it.

The principal commodity affected by the Byrd amendment is chrome ore, specifically metallurgical chrome ore, because in Rhodesia are located the free world's largest deposits of high-grade metallurgical chrome ore. Other types of chrome ore, including chemical grade and refractory grade, are found elsewhere in the world, but the metallurgical grade is by far the most important kind in terms of both economics and national security. The importance of metallurgical chrome is heightened because the world's other major sources are the Soviet Union and South Africa, although much smaller quantities are found in Turkey, Iran, and India.

Metallurgical chromite in the form of ore as it comes from the mine cannot be employed by the steel industry or by other industrial users. It must first be converted into one of several types of ferrochromium by a high-temperature smelting and reduction process. This process is carried out by the ferroalloys industry—which also converts manganese ore into various types of ferromanganese and ferrosilicon for use by steel producers and the aluminum industry.

METALLURGICAL CHROME AND THE NATIONAL SECURITY

Chromium is one of the most important and indispensable industrial metals. Current U.S. consumption of metallurgical chrome ore totals about 700,000 tons per year. None is mined in the United States or in North America.

Ferrochromium is irreplaceable for the production of stainless steel and other types of high-performance steels and superalloys, where the chromium imparts vital resistance to heat and corrosion. About 10 percent of domestic production of these steels goes directly to military and defense applications. Modern jet airplanes, nuclear submarines and warships, for instance, cannot be built without metallurgical chrome. Eighty-five percent of stainless steel is devoted to other essential uses, such as oil refineries, hospital equipment, food processing machinery and chemical plants. Only about 5 percent of U.S. chrome usage goes to household appliances and kitchen tools.

When the United States began to designate strategic materials for stockpiling and defense purposes in 1939, chromium was one of the first four commodities to be listed. The stockpile consists of metallurgical grade chromite and of several types of ferrochromium.

In April 1973, President Nixon proposed a new stockpile disposal legislation based on stockpiling essential needs for a 1-year period. In the case of chrome, the stockpile objective would be reduced to 445,000 tons. The legislation is pending before the Armed Services Committee, but no hearings have been held.

Mr. President, with the press of other business before the Armed Services Committee this year, the Subcommittee on the National Stockpile and Naval Petroleum Reserves, which I have the honor of chairing, has not scheduled hearings on the President's proposals for considerably revising our stockpile objectives and policies.

Until we examine our stockpile reserves and measure them against our national security requirements in a careful, thoughtful fashion, it would be seriously irresponsible to contend that we can cut ourselves off from foreign sources of chrome and use up the stockpile.

Furthermore, we cannot ignore the fact that our principal source for metallurgical chrome ore is still the Soviet Union. There is no reason to cut off this supply, or to turn our back on it. But our interest in "détente" with the Soviet Union certainly does not mean that we can count on them as a continuing source of one of our most critical materials in every circumstance. We would be foolhardy to accept that kind of a bear hug.

PRICES OF METALLURGICAL CHROME

The prohibition against importation of chrome from Rhodesia in the 1967–1971 period produced a market increase in the price of Russian chrome. The U.S. Bureau of Mines Mineral Yearbook for 1970 states,

> Metallurgical grade chromite prices rose for the fourth successive year, continuing the trend initiated in 1967, primarily as a result of continued United Nations economic sanctions against Southern Rhodesia.

The price of Russian chrome dropped sharply after the enactment of the Byrd Amendment in 1972.

Its repeal is likely to result in a substantial increase. When repeal of the Byrd amendment was under consideration in 1972, suppliers of chrome forecast an immediate 20 percent price increase if imports from Rhodesia were banned again. If history repeats itself, repeal of the Byrd amendment would also result in a 20-percent increase in the price of Russian—and Turkish—chrome ore.

EFFECTS OF BYRD AMENDMENT ON THE FERROCHROME INDUSTRY

By producing a reduction in the price of metallurgical chrome ore, the adoption of the Byrd amendment has directly and usefully benefited the domestic producers of ferrochrome. It has reduced the cost of their essential raw material—whether obtained from Russia, Rhodesia, Turkey or elsewhere—and made them more competitive. Even if there have been no price reductions, the availability of alternate sources of ore is beneficial.

However, the U.S. ferroalloy industry has faced severe competition from imports of ferrochrome and ferromanganese for more than 15 years. Lower cost imports from foreign countries have put, and are continuing to put, increasing pressure on the domestic industry. There are a number of causes for this import competition. Among them:

First. The natural desire in many mineral-rich countries of the world to upgrade their products as much as possible. The ore-producing countries, including those who produce both chrome and manganese ore, seek to upgrade their products into ferroalloys and retain for themselves the economic benefits of such processing. Rhodesia and South Africa are doing this. Russia, too, must also be thinking of such moves. It may be further encouraged to do so if the Congress agrees to most favored nation tariff treatment for Russian goods. Such a move would reduce the duty on Russian ferrochrome by 75 percent.

Second. Forward integration efforts such as these by mineral-rich countries are spurred by specific savings that can be realized in transportation costs which may, in the case of chrome, account for 25 percent or more of total costs. It takes about 2½ tons of chrome ore to produce 1 ton of ferrochrome; the transportation rate per ton, however, is the same for the ferroalloy as it is for the ore. The ferroalloy producer who is located where the ore is found thus has a 50 percent or greater saving on his ocean freight costs.

Third. Electric power costs account for somewhere between 10 and 20 percent of the production costs for ferroalloys. The energy crisis in the United States is an important fact of life to the entire domestic ferroalloy industry which is power intensive and requires large quantities of electric energy. Rising costs of fossil fuels, the imposition of air pollution requirements on electric generating stations, and other factors are producing strong upward pressures on the costs of electric energy in the United States. In many of the producing countries today, the cost of electric power is significantly less than that in the United States.

Labor costs are, in contrast, not a very significant factor. For ferrochrome labor costs account for only about 10 percent of the production costs. While U.S. wage rates are much higher than those elsewhere in the world, U.S. productivity is much higher. Therefore, foreign ferroalloy producers do not have a significant labor cost advantage.

Imports of ferroalloys have accounted for somewhere between 20 and 40 percent of the domestic consumption of ferrochrome and ferromanganese over the past decade. Lower-priced ferroalloy imports put a severe squeeze on the earnings of the domestic producers and denies them the funds needed for modernization and expansion. This reality has made it all the more difficult for the domestic industry to respond to the current requirements for air pollution control and to meet the rising levels of electric energy costs.

These problems existed for some years before the Rhodesian sanctions were imposed but the imposition of sanctions in 1967 significantly aggravated the situation for the domestic producers of ferrochrome. The sanctions deprived them of the best source of lower cost chrome ore and made them depend instead on higher cost Russian or Turkish ore. Their competitive position and economic health suffered correspondingly. Adoption of the Byrd amendment benefited the industry—but not enough to reverse these trends.

None of this is particularly new and the fact that imports of ferrochrome are a serious problem for domestic producers can hardly come as a surprise to anyone familiar with the industry or to those in the government with responsibilities in this area. As early as 1963, the domestic ferroalloys industry petitioned for governmental relief and assistance under the national security provisions of the Trade Expansion Act. This petition and a subsequent one were both denied.

Another major factor which has affected the domestic ferrochrome industry was the increase in imports of stainless steel from Japan and elsewhere, which produced a significant and serious drop in the domestic production of stainless steel during the 1967–71 period and a corresponding drop in ferrochrome demand.

Caught between increasing imports and a declining market, profits of the U.S. ferrochrome industry were seriously eroded to the point where, in some cases, production is no longer economically feasible.

THE STAINLESS STEEL AND SPECIALTY STEEL INDUSTRIES

The price and competitive availability of chrome—specifically ferrochrome—are of critical importance to the stainless and specialty steel industry of the United States. Stainless steel has a chrome content of 18 percent. Some special steels contain much higher amounts than that. Obviously, then, the cost of chrome is a significant factor in production of these steels.

Its importance is heightened if foreign steel producers, who have freely evaded the U.N. sanctions against Rhodesia since 1967, are again able to procure their raw materials for as much as 30 percent below the cost to American steelmakers. Although chromium accounts for an average of only 16 percent of stainless steel content, it represents fully 25 percent of the raw material cost for stainless production. Reimposition of the embargo would give foreign producers an automatic 6 percent cost advantage over American steelmakers. The penetration of foreign specialty steel into the American market would almost inevitable increase. Furthermore, Rhodesian chromium would enter this country, undetectable, in the form of stainless steel—as it did before enactment of the Byrd amendment, nullifying whatever effect the sanctions may have had.

SANCTIONS AGAINST RHODESIA ARE NOT PRODUCTIVE

The concept of general economic sanctions to achieve political goals has historically met with mixed success. Napoleon's effort to isolate England was a classic failure. The League of Nation's sanctions against Italy were a model of futility.

Prior to the sanctions resolution, Rhodesia relied upon agricultural products—primarily tobacco—for foreign exchange earnings. Manufactured goods were largely imported. Immediately following imposition of the embargo, the Rhodesian Government initiated a policy of self-sufficiency. Sanctions required extensive diversification of industry, but also granted a captive market to domestic suppliers. The results have been dramatic.

Since independence, Rhodesia's gross domestic product has sustained a growth rate of 10 percent a year. In 1971, manufacturing recorded a 15 percent advance, as textiles, nonmetallic minerals, foodstuffs, metals, transport equipment and machinery registered gains of better than 10 percent. Between 1964 and 1971, Rhodesia's total industrial output increased 70 percent, while the value of new construction doubled. Even the mining sector, one of the prime targets of the embargo, has been growing at a record pace. The value of mining output grew 6.7 percent in 1972 alone and topped 1967 production levels by over 95 percent.

Since imposition of the sanctions, over a hundred cases of evasion have been reported to the United Nations by Great Britain. These represent only the tip of the iceberg: sanction-busting continues to occur on a monumental scale.

South Africa and Portugal ignored the embargo from the outset. They were soon followed by Eastern European countries and parts of the Middle East. Finally, Western Europe and Japan entered the Rhodesian market with a vengeance. West Germans, Dutch, Italian, Japanese and Swiss companies have been blithely ignoring the embargo since 1968.

Despite the sanctions, therefore, this country of only 6 million inhabitants exported over a quarter of a billion dollars worth of goods last year.

The sanctions have been so flagrantly violated, few knowledgeable people seriously argue its effectiveness.

When the U.S. Ambassador to the United Nations charged widespread sanctions violations by several countries, none even bothered to respond.

The only excuse for the sanctions against Rhodesia was an official disapproval of the policies of its government. But we hardly approve of the policies of the Soviet Union either. What is wrong with buying what we need where we can get the best price and an adequate supply? Nearly everybody else does. My motive in supporting Rhodesian chrome importing is to protect the national security of the United States. I am unable to determine if Russia's prejudice towards Jews is more defensible than the Smith government's toward Africans.

Neither am I too happy about the resumption of last October's Mideast war which was made possible by the Soviet Union quietly and consistently sending tanks, arms and aircraft to the Arab nations and I might add, some of its most modern and sophisticated equipment. The individual shipments were not large enough to alarm the West, but the overall flow of arms was steady and accumulated over the months to make the Arab strike possible. And we now have had a resultant oil embargo and associated energy crisis and yet there are those who want the United States to once again become dependent upon the Soviet Union for chrome.

We cannot afford to have our economic strength used as a pawn in political or social contests, and we should not restrict our access to essential raw material for reasons like that.

I voted against S. 1868 for all those reasons and want my colleagues in the House to know these facts when voting on H.R. 8005.

THE FERTILIZER SHORTAGE

Mr. STEVENSON. Mr. President, I recently submitted a statement concerning the fertilizer shortage to the Subcommittee on Agricultural Credit and Rural Electrification of the Senate Committee on Agriculture and Forestry. I ask unanimous consent that the statement be printed in the RECORD, with supporting documents.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY ADLAI E. STEVENSON

Ours is the most productive agriculture in the world. But as technology increased productivity with better farm machinery, better seeds, and better fertilizers, it created a whole new set of problems. If one of a number of ingredients becomes unavailable, the agricultural machine slips into a lower gear, and the economic, social, and political reverberations are felt everywhere in the world.

If a few industrialized nations fall short in their fertilizer production, the peasant in Burma may find that his miracle rice is useless, the factory worker in Siberia may find that he cannot get enough bread to feed his family properly, and the farmer in Illinois may find he cannot make a decent living by working his land.

There are those who still say that we can sit back and let the market solve each and every supply-and-demand problem which comes along. I disagree. When serious supply problems arise with basic commodities such as food, fuels, and fertilizers, it is grossly irresponsible for public officials to say "There is nothing we can do—except trust in the invisible hand."

That is the one thing we cannot do—unless we are willing to let economies collapse, governments topple, and people starve. The assured availability of fertilizers and other basic commodities should be an explicit national goal. In furtherance of that goal, it is incumbent upon the Congress and the Executive Branch to formulate an effective, coherent fertilizer policy. It is in that connection that I advance the specific ideas which follow.

THE NATURE OF THE PROBLEM

Over the past four years a wide gap between fertilizer demand and fertilizer supply has opened up—a gap which is likely to persist through at least 1976.

This past year alone 19 million U.S. acres which had previously lain fallow were put into production. Many of those acres are marginal and require intensive fertilizing. As other nations attempt to coax greater yields from limited amounts of arable land, they have added substantially to global fertilizer demand.

A number of densely populated nations which lack hard currency reserves—notably India and Bangladesh—are finding it extremely difficult to buy fertilizer on the world market. A number of nations—including Belgium, the Netherlands, Romania, and Hungary—produce more fertilizer than they consume, but they are selling all of it for hard currencies; and so are we. Thus, a disproportionate share of the sacrifices occasioned by the fertilizer shortage is being borne by those least able to assume the burden—the poor and the weak masses in the Third World.

Supply cannot quickly expand to meet rapidly increasing demand. Approximately three years must pass before a fertilizer plant reaches productive capacity, and while several new ones are planned in this and other countries, they will not be operative until 1976 or 1977. Last year, the inability to produce sufficient fertilizer resulted in a domestic shortage of seven to ten per cent in nitrogen and phosphate fertilizers. A shortage of similar magnitude is forecast for the coming year.

The spread between world supply and world demand is difficult to chart because data is difficult to obtain and evaluate. Nitrogen consumption, however, is expected to be approximately 2.8 million metric tons greater than last year's, with somewhat lesser increases for phosphate and potash. On a world-wide level, about a two per cent spread exists between the supply and demand for nitrogen. That spread is enough to drive up the world price substantially.

The problem must be analyzed and attacked on two broad fronts—production and distribution.

PRODUCTION

On the production side, we must in the short run make the best possible use of existing capacity, and in the medium and long run expand and diversify our productive capacity.

The key to proper utilization of existing capacity and to stimulation of investment in additional capacity is natural gas, which is itself in very short supply.

In the Senate Commerce Committee, I have been working on a bill which will reform the regulation of natural gas—a bill which will allow the necessary incentives for increased production, while guaring against the disastrous inflationary impact of uncontrolled price increases in a non-competitive market. We must not make the same mistake with natural gas that we made with oil—price increases which create economic hardship and produce profits far in excess of the industry's capacity to reinvest in oil and gas exploration.

Title I of the Consumer Energy Act, which is the product of 20 hearings, 150 witnesses, and 8 months of hard negotiations, will be ready to go to the full Commerce Committee within the next two weeks. This legislation will recognize the priority nature of agricultural uses of natural gas, particularly the manufacture of fertilizer, during times of shortage. Most important, it will provide the price incentives needed to increase natural gas supplies without placing an undue burden on the American consumer or more extortionate profits in the hands of the nation's major oil companies.

This legislation will be a step in the right direction. But unfortunately, if the Congress completes action on a natural gas bill tomorrow, it will not have any significant effect on natural gas supplies for this or the next several winters. The natural gas shortage is going to get worse before it gets better. It is thus essential that we face up to the need for an allocation and curtailment program that reflects the most important and efficient uses of natural gas right now.

To its credit, the FPC has established curtailment priorities which recognize the overwhelming importance of natural gas used to meet basic human needs. Thus, residential and small commercial consumers are given the highest priority. Keeping warm in one's home or place of business is clearly a basic human need.

Having enough to eat is also a basic human need; and the natural gas used as a feedstock in the manufacture of fertilizer is as important to the basic human need for food, as the natural gas burned in our homes is to the basic human need for warmth.

Yet by rejecting the agricultural priorities called for in S. Res. 289, the FPC in its decision rendered July 16, 1974 underscored the inadequacy of its own priority system. Currently natural gas used as a feedstock for the manufacture of fertilizer has the same priority as natural gas used as a feedstock for the manufacture of hula hoops. Interruptible natural gas contracts for the manufacture of fertilizer are placed in a lower priority than firm contracts for the manufacture of hula hoops.

I can understand the Commission's reluctance to begin allowing across-the-board exceptions for individual industries, as opposed to adhering to their carefully worked out industrial priority system based on volumes, substitutability, and type of contract.

But since the Commission has already chosen to single out certain uses such as residential consumption because of their relation to a basic human need, the precedent is already established for granting special priority to industrial uses essential to basic human need such as food production. The use of natural gas as a feedstock for the manufacture of fertilizer, whether under a firm or interruptible contract, should have a priority right behind that of the residential and small commercial user. If the FPC cannot recognize this basic need, the Commerce Committee stands ready to develop the necessary legislation.

The Congress simply cannot stand by while something as essential to our food production as the manufacture of fertilizer is not given the priority it deserves. The Commission has proposed a case-by-case review of the natural gas needs of individual fertilizer plants. Under this system, the most any plant could receive would be the amount it received the previous year. Aside from being inefficient, this approach takes no account of the critical need for expanded fertilizer plant capacity.

To increase production we also need to expand fertilizer capacity. Capacity has not expanded as rapidly as it could have for several reasons. In the early to mid-1960's, fertilizer producers expanded too rapidly, and then lost profits when demand eased later in the decade. The losses amounted to as much as $150 million a year in the United States alone, and producers are understandably hesitant after that experience to plunge back into production.

But we would be wrong to accept that experience as the sole explanation of stagnant productive capacity for nitrogen fertilizers. Gulf, Continental, Cities Service, Mobil, Shell and Atlantic Richfield—once major investors in the fertilizer industry—bailed out when the going got rough. Now that they are earning profits in oil of two to three times what they earned last year, they have little incentive to reinvest in fertilizer production. We know, too, from our experience with the oil industry that reluctance to expand productive capacity may be motivated by a desire to bring about a shortage which will create windfall profits rather than by the unavailability of raw materials.

The Federal Trade Commission has already embarked on an investigation of the competitive practices in the oil industry. I have today written the Chairman of the FTC urging that immediate consideration be given to a similar investigation of the nitrogen fertilizer industry.

As so often happens when a critical commodity is in short supply, grey markets in fertilizer have developed, and there are persistent reports of widespread gouging and sharp dealing.

Most producer-suppliers have put their dealers on allocation. Typically the dealer is limited in current purchases to a percentage of past purchases, often 80% of average purchases during the past three years. Dealers who want to engage in gouging—and many dealers are not doing so—are reluctant to do it themselves because they will thereby alienate steady customers. Instead, they may quietly sell a portion of their allotment to fast-buck artists called brokers, who in turn gouge the farmers. There are no indications I am aware of that producer-suppliers are doing anything to police their dealers, or otherwise to discourage this practice. In my judgment, it is imperative that the Department of Agriculture and the Department of Commerce investigate the situation and encourage producer-suppliers to institute preventive measures. If the gouging continues unabated, the pressures for export controls can and should intensify.

As we focus on the production of fertilizer, we should work on as broad a scope as possible. One way to diversify our efforts is to encourage the use of organic fertilizer. A recent project in Chicago and Fulton County, Illinois shows that a city's sludge can be used as an effective and economic fertilizer. This project offers great promise because it shows that sludge can be used to reclaim land and is an effective fertilizer. To develop this source of fertilizer, I introduced legislation which would authorize federal programs to use sludge to reclaim strip-mined land. That legislation recently passed the Congress as part of the Surface Mining Reclamation Act, and will soon go to Conference.

Mr. Chairman, we should encourage research which would develop organic fertilizer and we should encourage farmers to use it—because it is effective and potentially abundant. It occurs to me that this organic fertilizer could also become a larger source of fertilizer for higher priced lawn, garden and golf course uses, freeing up some inorganic fertilizers for agricultural purposes. I am, therefore, urging the Environmental Protection Agency to expand demonstration projects which utilize such fertilizer and to develop public information programs in those areas where the demonstrations occur.

DISTRIBUTION

In the short run, we are going to have fertilizer shortages. The best we can do in the short run is to improve the distribution system so that scarce supplies are widely available at a fair price and on an equitable basis.

The first change that should be made on the distribution side is the immediate suspension of special tax breaks for fertilizer exporters. In 1971, the Congress established the DISC program to encourage exports through tax breaks. Because it makes no sense to encourage the exports of items in short supply domestically, Congress also enacted a clause permitting the President to suspend DISC tax breaks on the export of any commodity the supply of which is "insufficient to meet the needs of the domestic economy".

Despite the fact that there is not enough fertilizer—especially nitrogen—to meet domestic demand, the Administration continues to allow exporters of fertilizer to receive special tax breaks as they sell the fertilizer out from under our farmers. In 1972, $136 million worth of fertilizer exports received DISC benefits. This year the comparable figure is probably close to half a billion dollars. Of the 157 categories of manufactured goods into which the Treasury divides all exports, fertilizers rank 19th from the top in terms of lost revenues. The top 20 includes other items in short supply: industrial chemicals, drugs, plastics, mining equipment, and fabricated metal products. The Administration has not suspended DISC tax breaks on any of these items, either.

In May, 1974, I asked the Department of Agriculture to provide me with its position on whether DISC tax breaks on fertilizer exports should be suspended. On July 10—two months later—an answer arrived. The Department does not support a suspension of DISC tax breaks for fertilizer exports and neither does the Administration. I ask unanimous consent that the USDA statement of July 10 be reprinted at this point in the record.

If the Administration fails to suspend DISC benefits for exports of fertilizer in short supply, the Congress should do so—as I have proposed.

A second curious aspect of the distribution picture is that we seem to be selling large quantities of relatively low cost fertilizer to foreign purchasers, and making up the difference by importing relatively high cost foreign fertilizers. Middlemen do well at both ends, but U.S. farmers and U.S. consumers appear to be footing the bill.

In 1973–74 we exported approximately 1.1 million product tons of nitrogen while we imported approximately 1 million tons. In other words, while we face a shortage of fertilizer at home we are exporting about the same amount that we import. And imports are more expensive than domestic products, if for no other reason than that added transportation costs accrue.

Our phosphate exports and imports show a similar pattern. Our exports increased by more than nine per cent in the last year. While the greatest demand is for nitrogen-based fertilizer, we should carefully watch our exports of phosphate to see that shortages are at the least not aggravated and are actually reduced.

If the price spread between foreign and domestic nitrogen is $125 a ton—and that is a conservative estimate—the export-import criss-cross is costing us $125 million a year. The situation warrants examination by USDA and the Department of Commerce.

Industry should also exercise a greater amount of voluntary restraint in the export of fertilizer than it has in the past. The farmer-owned fertilizer companies, which account for 30% of U.S. production, stopped exporting in 1972 even though the export price was and is higher than the world price. The profit-making fertilizer producers have not followed suit. Unless they do so, export controls may become necessary. I would hope that we will not have to resort to such a drastic step as that.

The third major distribution question involves transportation. This year, the shortage of railroad cars delayed the shipment of available fertilizer from plants in Florida to the Midwest, where fertilizer shortages were fast reaching a crisis level. In response to this urgent problem, I and members of the Committee on Agriculture and Forestry urged the Interstate Commerce Commission to break the transportation bottleneck adversely affecting the delivery of fertilizer. On March 18, the ICC issued a service order requiring eleven different midwestern railroads to deliver 1100 railroad cars to the Seaboard Coastline Railroad in order to expedite the shipment of fertilizer from production facilities in Florida to the Midwest.

Transportation difficulties—particularly the shortage of hopper cars and tank cars—have long been a problem for the fertilizer industry. Transportation bottlenecks regularly occur between February and April, when fertilizer is normally moved from inventories to retail distributors and farmers. Yet, we continually fail to insure the orderly transportation of fertilizer from the point of manufacture to the areas where it is needed. More important, we have allowed our transportation system to deteriorate to the point where even advance planning may not avoid transportation bottlenecks.

To deal with the problem, the Senate has passed S. 1149, the so-called freight-car bill. One element of this bill is the development of a computerized system to help the railroads keep track of and utilize their cars more efficiently. The Association of American Railroads is not waiting for S. 1149 to become law. It has decided to develop its own national computer system. An additional element in the bill is the creation of a $2 billion loan guarantee program for the construction of freight cars and a provision enabling the federal government to construct them if within two years the companies themselves have not done so. I hope that the House will act on the freight car bill this year.

Finally, one of our greatest needs is for the facts. Companies need more information so they can plan their production. We need information so we can provide effective oversight. To deal in part with that problem I am sponsoring an export control bill which provides for regular monitoring and reporting of exports. The bill will improve the situation but will not completely solve the problem.

Mr. Chairman, I have tried to suggest that the fertilizer problem is complex and multifaceted. It requires us to consider many factors as we plan. I commend you and the Committee for your efforts and hope we can work together to develop a sound federal fertilizer policy.

STATEMENT ON DISC

(Statement by Deputy Assistant Secretary of Agriculture, Richard E. Bell)

We do not think that the DISC tax deferral program can be turned on and off. If DISC is a part of the tax structure, exporters should be able to rely upon it, to base their forward sales planning on its continuation, and not be faced with its discontinuation on short notice.

We all know that the fertilizer supply situation is tight this year. But we do not believe that we should proceed to remove DISC tax eligibility unless it is determined that the supply is insufficent to meet the requirements of the domestic economy. This would be consistent with the criteria contained in the Export Administration Act governing circumstances in which export controls may be applied.

It is difficult to make an assessment of the effects of DISC on exports of fertilizer since data on the DISC program are only available for 1972. They do not show how much fertilizer was exported under the DISC program nor do they provide information on what proportion of total fertilizer exports received DISC benefits. Also, the results for 1972 would be affected by other factors, notably the currency realignment and domestic price controls.

We do know that export sales became more profitable than domestic sales as a result of domestic price controls imposed in August 1971 and some fertilizer moved abroad for that reason. To correct this situation, fertilizers were exempted from price controls on October 25, 1973, and, in anticipation of increased domestic requirements, U.S. fertilizer producers agreed to make an additional 1.5 million tons of ammonia, urea, ammonium sulfate, diammonium phosphate, and concentrated superphosphate available to U.S. farmers from October 1973 through June 1974. Thus, the total quantity of fertilizer supplied to farmers is substantially above the previous year's total, even though the supply situation remains tight because of the great increase in demand.

PANAMA CANAL—A NEW LOOK

Mr. THURMOND. Mr. President, in an address to the Senate in the RECORD of August 2, 1973, I commented at length when introducing S. 2330, a bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, which is identical with H.R. 1517, introduced by Representative DANIEL J. FLOOD of Pennsylvania. These measures would authorize the resumption of construction on the suspended Third Locks project, as modified to include the principles of the Terminal Lake-Third Locks plan, a proposal that originated in the Panama Canal organization as the result of World War II experience. This plan received the support of important navigation interests, and won the approval of President Franklin D. Roosevelt as a postwar project.

Since then, it has been studied by many independent experts who consider that the plan offers the best solution of the canal question when it is evaluated from all significant angles. Among those who have looked into the matter are the members of the Committee for Continued U.S. Control of the Panama Canal. In 1973, these experts submitted a memorial to the Congress on "sovereignty and modernization." Another group of professionals, the Panama Canal Pilots Association, also adopted a strong resolution on the subject last year.

The latest contribution on the canal matter are two articles in the Military Engineer, the journal of the Society of American Military Engineers, which is dedicated to national defense: One by Col. Charles J. McGinnis, a recent Deputy Governor of the Canal Zone, and the second by John J. Kern, managing editor of the Military Review.

The article by Colonel McGinnis summarizes some of the major canal problems mainly from the engineering viewpoint and describes the Terminal Lake-Third Locks plan as the first priority for long-range planning. That by Mr. Kern gives some of the historical background of the canal and lists recent studies. He concludes that future definitive action "will apparently depend on an increase in the pressure areas—economic, military, political, and diplomatic—which originally combined to result in the construction of the present canal." Neither of these articles really comes to grips with the major issues involved, which must be understood and met.

As the 1973 memorial and the pilots' resolution do meet the critical issues and thus supplement the contents of the McGinnis and Kern articles, the combination of the four provide useful sources for reference for cognizant committees of the Congress and others concerned with the canal question.

Mr. President, accordingly, I ask unanimous consent to have four papers printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Military Engineer, July–August 1974]

A NEW LOOK AT THE PANAMA CANAL

(By Col. Charles I. McGinnis)

The 60th anniversary of the first official transit of the Panama Canal will be observed on August 15, 1974. The SS *Ancon* made a complete transit on that date in 1914. Since then, more than 2 billion tons of cargo and 400,000 ships have passed through the canal with traffic now averaging more than 14,000 ships a year. It has served the needs of world commerce and strengthened the defense of the Western Hemisphere. The canal is a tribute to the engineering genius of those who designed and built it.

The canal has undergone many changes. The operation of the canal was reorganized in 1950 to make it financially self-sustaining. The pressures of increasing traffic resulted in modernizations which have permitted operations 24 hours a day since January 1963. This was largely assisted by the lights which were installed on both banks of the 8-mile stretch of Gaillard Cut in 1960. The biggest improvement ever undertaken on the canal was completed in 1970—the Gaillard Cut widening project.[1] As a result, ships can now enjoy a full 500 feet of navigable width as opposed to the 300 feet provided in the original construction.

MAINTENANCE AND OPERATION

The problem of maintaining a 60-year-old facility is substantial. A lock canal is complex; the machinery is heavy and extensive. Its tropical location with the effects of sun, rain, humidity, and corrosive salt water are the chief aspects of these problems.

Not all maintenance problems can be predicted. Landslides may be expected in an unstable, inundated valley. The geology of the Isthmus of Panama, particularly that section through which the canal has been cut, is complex. Heavy, dense, and resistant rock has been deposited over weak and yielding clays and shales. Landslide problems which started with construction have continued, though never whether there will be slides, but when and how large they will be.

The problems of operation and maintenance are compounded by the demands of traffic. An increase in ship size requires more time for transit of the locks, special navigational restrictions on passage through Gaillard Cut, and special shiphandling problems in the navigation of Gatun Lake. Leisurely lock overhauls, manual transit scheduling, visual signaling, and extensive periods of interruption for channel maintenance are no longer acceptable. A target of 17 hours average transit time from arrival to departure has been established and adhered to whenever possible. Changes have been needed to meet this target, and more will be required in the future.

SHORT-TERM PLANNING

Channel deepening.—The most limiting factor on canal capacity is the available supply of water from Gatun Lake to operate the locks. The operating scheme requires ever-increasing withdrawals of fresh water from the summit lake through the operating culverts to permit lock functioning. The Gatun Lake watershed is extensive but finite. At the present demand rate of about 40 lockages a day, the normal water requirement exceeds 2 billion gallons daily. This approaches the practical limit, even in an area as generously endowed with rainfall as the Canal Zone. It has been decided that deepening the channel is the most effective, short-term method of increasing the traffic capacity of the canal. Deepening will permit the capturing of more water in wet years, a greater lake level drawdown, and the avoidance of unreasonable vessel draft limitations in dry years. The first phase of this improvement is well under way. When completed, the bottom of the channel will have been lowered by 8 feet to an elevation which is then controlled by the lock sill height. This project will yield sufficient water to permit normal operation on the canal at projected traffic levels only to the end of the century. Other alternatives under consideration include rainmaking, salt-water pumping, extra impoundments, and lake water recirculation schemes. These alternatives require extensive study since there is doubt as to their acceptability and feasibility.

Navigational aids.—Hazards of fog and heavy rainfall in areas of restricted navigation result in an annual average of 143 days in which shipping will experience delays due to meteorological conditions. Work is in progress to overcome this problem through evaporation supression, use of innovative lighting techniques, and consideration of electronic aids such as radar.

Lock maintenance.—Canal designers made appropriate provisions for continuing maintenance. Lock gates require periodic overhaul for corrosion prevention, seal renewal, and rehinging. Gates were originally designed with watertight compartments which provide sufficient buoyancy to assist in their handling. The original maintenance concept for miter gate overhaul required that a lane be out of service for about five weeks. In 1929, miter gate overhauls were scheduled at 4-year intervals. The annual number of lost lane days for each lock under this original concept is unacceptable today. In recent years, through careful engineering analysis and management techniques significant progress has been made in reducing the time necessary for a lock chamber to be out of service for overhaul operations. Through the use of cathodic protection, improved design of valve slide bearings, and more efficient maintenance techniques, the period between culvert valve overhauls has been increased from four years to ten years, and the time necessary to overhaul the machinery in one culvert decreased from 21 days to 6 days. Both lanes remain in service with single-culvert operation during these overhauls. The outage required for overhaul of a pair of miter gates has been reduced from eight weeks to 4½ days.

Traffic management is another area where short-term improvement can be effective. Ship schedules were developed in the early days of canal operation using pencil and paper. In the early 1960's a simple analog computer consisting of nails driven in a wooden frame with appropriate risers to represent key control points along the canal, all connected by rubber bands, allowed the preparation of daily schedules of transits. It works on the principle of time-distance computations used in planning troop movements and is reliable and simple. Although it is nearly immune to human error, it fails to consider the many complicating factors which increasingly affect canal capacity. Recognizing the impossibility of maintaining ship schedules on a completely manual basis as the traffic load grows, the Panama Canal Company is now developing a computer-assisted, marine traffic control system. This system is expected to be operational in 1975, and will eliminate the possibility of error in assignment of pilots, tugs, launches, and the many other supporting activities necessary to the successful transit of a ship from ocean to ocean. This new system will be highly interactive with pilots on the bridge, with ship-position sensors at the locks, and with the many officials who dispatch auxiliary personnel and equipment in support of the transit operations.

Communications and administration. An improved communications system consisting of a new telephone microwave link across the Isthmus, additional teletype circuits, and an improved UHF pilot radio net will be necessary to support the marine traffic control system. Closely associated with computer-assisted scheduling and control is the Ship Data Bank which maintains various data on each vessel transiting the canal. Scheduling and planning, as well as administrative activity such as assessment of toll charges, are greatly assisted by efficient retrieval of this information. This system became operational in July 1973 and is being converted from a batch process system to an on-line system for random inquiry.

Motive power.—Improving canal capacity will require more tugs and locomotives to assist ships through the locks and restricted channels. The present program will add one tugboat to the fleet in 1975 and in 1979. One aging tug will be replaced each year from 1976 to 1978. The original towing locomotives, dating from 1914, were replaced in the 1960's by electric motive power. By 1980, 26 locomotives will have been added to the fleet.

Bank stabilization. Earth and rock slides can interrupt traffic at anytime. Stability of slopes in the Gaillard Cut has remained a major challenge throughout the life of the canal. An investigation of bank stabilization was undertaken in 1968 and will continue for two more years. Thereafter, survey stations monitoring areas of the most intense activity will provide timely warning of hill-mass movement, thus permitting corrective action in advance and avoiding costly disruptions to traffic. When all of the most active areas have been instrumented, surveillance should provide the necessary early warning.

Shiphandling. The problems of shiphandling and navigation in restricted waters of the canal have increased with increases in ship size. Research has revealed little in the technical literature on engineering principles involved in restricted-water shiphandling. Ships drawing the maximum draft have only five feet between their keels and the canal bottom when at rest. In a waterway 500 feet wide, a ship whose beam is 106 feet occupies a major part of the cross-sectional area. The rapid movement of water displaced by a moving hull results in dangerous forces which must be understood by the control pilot. A better understanding of these forces and a reduction of their impact on the handling characteristics of a transiting vessel are essential to maintenance of the canal's outstanding safety record.

Port and oil-bunkering facilities. Although improvements in transit operations have the highest priority, there are additional competing requirements to which attention is given. A port for container-ship operations is being expanded. A large gantry crane has been in operation since February 1974 in the Balboa pier area. The container yard storage area is also being expanded. The container workload has increased by 35 percent during the last 2 years; it has doubled during the past five years. Annual improvements in oil-bunkering facilities are planned through 1982 to modernize the entire system at both major ports of the Canal Zone. Modernization will include new hose-handling equipment and loading arms, meters for billing purposes, and replacement of underpier pipelines.

Electricity. The Canal Zone community has an ever-increasing requirement for electric power. Present plans call for installation of a 22-MW gas turbine generator in 1976. A new high-capacity steam turbine generating plant is programmed for 1980.

Housing and service facilities. Fifty units of family housing are under design for assignment to Company and government employees. Roads and streets are being widened and modernized. Co-operative plans are being discussed with officials of the Republic of Panama for new, higher-capacity highways through the Canal Zone. Improvements in health care facilities have been programmed to include seismic protection for the Gorgas Hospital, fireproofing of medical facilities, changes to the leprosarium operated by the Canal Zone Government, and improvements to community health centers. Employee services are to be provided in the future from modernized facilities, such as the new service center in Balboa, the new community center in Gatun, and by construction of modernized facilities such as minitheaters and retail stores in areas where marketing surveys show increased demand. National environmental protection laws are applicable in the Canal Zone, as is the Occupational Safety and Health Act, and these laws are responsible for many of the past and proposed improvements. Active projects involve better water quality, oil pollution control, land-based sewage treatment facilities, and planning for installation of marine sanitation devices.

---

[1] See "Gaillard Cut—Final Widening Project," by Maj. Peter Brindley [M.E. Jan.–Feb. 1969].

LONG-RANGE PLANNING

The Third Locks Project.—Short-term plans and project will permit the canal to grow from its present annual workload of between 14,000 and 15,000 transits to its ultimate capacity of about 25,000 transits a year. The upper limit will vary because the size of ships to be accommodated affects the number of ships at maximum capacity. When the demands of world commerce exceed the ultimate capacity of the present canal, a major investment will be required to continue providing acceptable service. Though the requirement for major change is not expected until after the turn of the century, long-range planning is under way to assure the uninterrupted flow of world shipping. The Third Locks Project has been under consideration since pre-World War II days. The concept was to provide an alternate set of locks on each side of the Isthmus in case of damage to the regular locks. Work was started in 1939 but was suspended in 1942. With each session of Congress, new legislation is introduced to authorize construction of a third set of locks and to provide for additional improvements in Gatun Lake channels and anchorages. H.R. 1517, currently pending before the 93rd Congress, would authorize completion of a third lane of locks with larger chambers. Locks on the Pacific side would be relocated and an anchorage established at a terminal lake on the Pacific side. Gatun Lake would be raised about five feet. This project would increase annual traffic capacity to about 35,000 transits.

A sea-level canal.—A commission appointed by President Johnson recommended in 1970 that a sea-level canal be constructed approximately ten miles west of, and generally parallel to, the existing Panama Canal,[2] with work beginning not later than 1985. As an alternative, it was recommended that a sea-level canal be constructed within the Canal Zone using part of the present canal in the new system. The sea-level canal would allow increased annual capacity beginning at about 35,000 transits, with ample opportunity for future expansion.

Both of these expansion alternatives present significant questions of economic, technical, political, and environmental importance. While these questions are far from answered, attention is being given to insuring continued passage of traffic under favorable terms well into the future.

OTHER CONSIDERATIONS

Political.—Future relationships between the United States and the Republic of Panama are at present the subject of intensive negotiations between the two governments. Quite clearly, the outcome of these discussions will be of critical importance in the determination of the future of the present canal, the disposition of plans for a new canal, or a decision to undertake major improvements.

Economic.—Canal customers have enjoyed use of the Panama Canal over these 60 years without a unit price increase in tolls. Worldwide inflationary pressures and generally increasing operating costs have resulted in a recent proposed increase in tolls of just under 20 percent. This proposal was publicly announced by the Panama Canal Company Board of Directors on December 15, 1973. Public hearings were held on March 5, 1974.

CONCLUSIONS

The Panama Canal on its 60th anniversary faces problems, but it continues to be dependable and efficient. In 20 years the traffic load has tripled and traffic is moving faster but the work force has decreased. Salaries have escalated, the canal has continued to pay its own way, and for more than half a century there has been no change in tolls. The Panama Canal, completed and operated by military engineers, remains a true wonder of the engineering world.

A Panama Summary

(By John J. Kern)

In this sonnet Keats ascribes the discovery of the Pacific Ocean to Cortez. Although his sonnet is a masterpiece, Keats was historically inaccurate since it was actually Vasco Nuñez de Balboa who discovered the Pacific Ocean in 1513 while atop a mountain peak in the Darien province of eastern Panama.

EARLY EXPLORERS

Rodrigo de Bastidas of Seville discovered Panama in 1501 from the Atlantic side. Christopher Columbus explored the area on his fourth American voyage in 1502. Surprisingly, within 50 years of the discovery of Panama, all of the presently discussed possible canal routes across Central America had been identified, described, and to a certain extent surveyed. Alvaro de Saavedra Ceron, a cousin of Cortez, drafted the first plan for a transisthmian canal in 1529. In 1534, Charles V of Spain directed that a survey be made for a ship canal between the Chagres River and the Pacific Ocean.

EARLY HISTORY OF REGION

The Camino Real was in use by 1535 and over it millions of dollars worth of Peruvian and Mexican gold was transported for ocean shipment to Spain. The Panama area was subsequently incorporated into the viceroyalty of New Granada of Spain's western empire. A preliminary Spanish attempt to construct a canal in 1814 was interrupted by a revolt of her colonies. Panama severed political relations with Spain in 1821 and joined with Colombia in the Republic of Greater Colombia. In 1831, New Granada became an independent republic incorporating Panama as a state. Ten years later Panama seceded from New Granada and maintained its independence for thirteen months.

UNITED STATES INVOLVEMENT

The 1846 Treaty between the United States and New Granada gave the United States a transportation concession across the Isthmus in return for a guarantee to protect the sovereignty of New Granada. One year later the Panama Railroad Company was organized, and in 1848 gold was discovered at Sutter's Mill in California. This event soon brought to the Isthmus a tidal wave of immigrants seeking a better route to the gold fields of California rather than the arduous overland route. Congress cooperated in the same year and authorized steamship lines from New York and New Orleans to Chagres and from Panama City to California and Oregon. The economic pressure of an emerging nation was beginning to be felt on the Isthmus.

Difficulties again between Panama and New Granada resulted in Panama's temporary secession in 1853. In 1856 the United States Marines landed to protect the Panama Railroad during a riot. Thus began the military involvement of the United States.

In 1869 a diplomatic agreement between the United States and Colomia (which had changed its name from New Granada in 1861) provided for the construction of a canal. This was rejected by the Colombian Senate. This same year the opening of the Suez Canal focused international attention on a similar canal in Panama. The United States Congress, in 1872, authorized appointment of the first of many such committees—The Interoceanic Canal Commission to determine the most practical route for a waterway between the Atlantic and the Pacific. Its report recommended construction of a lock canal across Nicaragua.

FRENCH INVOLVEMENT

In 1875 Ferdinand de Lesseps, the successful builder of the Suez Canal, proposed a sea-level canal at Panama. The Société Civile International du Canal Interoceanique was organized in 1876 to make surveys and explorations. The negotiations in 1878 between Lucien Napoleon Bonaparte Wyse and the Government of Colombia for a canal concession, and subsequent French proposals of de Lepiney for a lock canal, resulted in counteraction by the United States. On June 25, 1879, the United States Congress resolved that any attempt of a European power to establish a ship canal across the Isthmus would be considered "a manifestation of an unfriendly disposition towards the United States." Thus, politics and diplomacy joined previous United States economic and military pressures for action in constructing a canal across the Isthmus of Panama. Nevertheless, in the same year, the Compagnie Universelle du Canal Interoceanique de Panama was organized with de Lesseps as president. The new company ceremoniously started digging a sea-level canal on January 1, 1880, on the Pacific side of the Isthmus. Excavation of Culebra Cut was started in ten days although it was not until one year later that sizable numbers of French construction gangs arrived at Colon. Within five months, the first deaths from yellow fever occurred among Canal employees.

FRENCH CONSTRUCTION DIFFICULTIES

In September 1882, a severe earthquake damaged the canal railroad and buildings. Internal security remained a problem and in May 1885 Colon was burned during a Panamanian revolution. The following year the status of Panama was changed from a Colombian state to a department governed by federal appointees. Corporate difficulties increased within the Compagnie Universelle. Philippe Bunau-Varilla was appointed canal engineer in 1885, only to be relieved one year later. Construction difficulties increased and it became apparent that a sea-level canal was beyond the capabilities of the French company. The plan was changed to a lock canal in 1887. In 1888, after further unsuccessful efforts, the Compaignie Universelle went into receivership.

Meanwhile, independent United States efforts to build a canal across Nicaragua continued. In 1889 the United States Congress incorporated the Maritime Canal Company which began an unsuccessful four-year effort to construct a canal over the San Juan route. These efforts coincided with the suspension of work by the French company on the Panama Canal. The latter company was replaced by the Compagnie Nuovelle du Canal de Panama, but little progress was made and efforts were further hindered by the start of a five-year revolt against Colombia by Panama in 1898.

ISTHMIAN CANAL COMMISSION

On March 3, 1899, the First Isthmian Canal Commission was created by President McKinley to examine all practicable routes across the Isthmus. A year later, this Commission determined from the engineering aspects that a Nicarguan or a Panamanian route would be about equally feasible. With the expectation of difficulty in acquiring the assets of the French company and operating rights in Panama, the Commission recommended the Nicaragua route. In 1902 the Isthmian Canal Commission reversed its decision and favored adoption of the Panama route after the French company reduced its demands to approximate the appraisal of its assets. United States attention finally settled on Panama as the site of the canal. The Compagnie Nouvelle then agreed to a sale of its canal assets for $40,000,000. The United States Congress promptly granted broad powers to the President to construct the Panama Canal.

---

[2] See "A Sea-Level Canal," by Col. Alex G. Sutton, Jr. [M.E. Mar. Apr. 1968] and "A Canal for Tomororw," by Col. James H. Torney [M.E. Mar.–Apr. 1969].

PANAMANIAN REVOLT AND THE HAY/BUNAU-VARILLA TREATY

On March 17, 1903, the Senate ratified the Hay-Herran Treaty which would grant construction rights in a canal zone in return for payment of $10,000,000 to Colombia and an annuity of $250,000. This treaty was rejected by Colombia on August 12, 1903, and on November 3 the final Panamian revolt against Colombia resulted in a declaration of independence. Three days later the new Government of Panama was recognized by the United States and within an additional 12 days the Hay/Bunau-Varilla Treaty was signed and ratified by both sides, granting United States occupation of the Canal Zone in perpetuity under similar financial terms as originally offered to Colombia Relations between the United States and Panama was thus initiated, and assumed much of their later character.

In 1904 the French canal properties were transferred to United States ownership and in November of that year the first American construction effort began. Work was steadily pushed ahead for the next decade and on August 15, 1914, the SS *Ancon* transited the canal, officially opening the waterway to world commerce.

RECENT STUDIES

The 1929 Study.—Several years after the opening of the Panama Canal, concern that traffic demands would eventually exceed canal capacity led Congress, in 1929, to direct a survey in Panama and Nicaragua to decide the feasibility of adding additional locks to the existing canal, or of constructing another canal at some other location. The United States Army Interoceanic Canal Board of 1929–1931 was created and its report, submitted in 1931, proposed three long-term alternatives: a third set of locks for the existing canal; conversion of the existing canal to sea level; or construction of a new lock canal in Nicaragua.

The Third Locks Project Study (1936–1939).—Congress authorized the Governor of the Panama Canal to study the possibilities of increasing the capacity of the canal. The study report revised a concept which was considered in the original design of the canal and further revised in the 1929 study, and proposed a third set of locks separated from each of the existing locks. In 1939 the Congress authorized its construction, but the project was suspended in 1942 and has never been resumed.

The 1947 Report.— Congress again directed the Governor, in late 1945, to study methods of increasing canal capacity and defenses as well as to consider other alternative routes. Thirty possible routes from Mexico to Colombia were identified and numbered. The report recommended that the existing canal (Route 15) be converted to a sea-level canal by deepening and straightening the existing alignment along a new route called Route 14.

1954–1960 Ad Hoc Committee for Isthmian Canal Plans.—The Board of Directors of the Panama Canal Company authorized this study in which recommendations included the first mention of nuclear excavation. The report recommended planning for construction of a sea-level canal using nuclear excavation along a route outside of the Canal Zone. If such plans were not available to implement by the early 1970's, the existing canal was to be converted to a sea-level canal.

1957–1960 Board of Consultants Study.—Concurrently with the Ad Hoc Committee's study, the House Committee on Merchant Marine and Fisheries appointed a Board of Consultants to prepare short- and long-range improvement plans. The report recommended that a sea-level conversion project should not be undertaken in the near future, but that the situation should be reviewed by 1970. In the interim, new studies should continue on conventional and nuclear construction methods.

1964 Isthmian Canal Studies.—This report was prepared by the president of the Panama Canal Company with the participation of the Atomic Energy Commission, the Corps of Engineers, and consultants. This comprehensive study summarized canal traffic projections and capacity, examined methods of improving lock canal facilities, provided a detailed analysis of the Third Locks Plan and a modification of this plan called the Terminal Lakes Plan, and proposed a sea-level canal within the Canal Zone. This report also set the number of lockages per year which could be accommodated at about 26,000. It also examined the technical feasibility of using nuclear excavation on sea-level canals in eastern Panama and northwestern Colombia.

Interoceanic Canal Studies 1970.—This Study Commission, was required by Public Law 88-609 of the 88th Congress, September 22, 1964, to study the feasibility of, and the most suitable site for, a sea-level canal connecting the Atlantic and Pacific Oceans. The Commission was appointed in April 1965 and presented its report to President Nixon on December 1, 1970. Concerning nuclear excavation, the report concludes that this technology will not be available because its technical feasbility and international acceptability has not been established. Using conventional construction means, a sea-level canal is physically feasible and the most suitable site is along Route 10 in the Republic of Panama. Construction cost was estimated at $2.88 billion in 1970 dollars. A suitable treaty should be negotiated with Panama, providing for a unified canal system (existing canal plus a sea-level canal on Route 10) to be operated and defended jointly by the United States and Panama. Construction should be started no later than 1985.

PRESENT LEGISLATIVE STATUS

House Resolution 1517 pending before Congress and would authorize completion of a third lane of locks. Beyond this, there is no legislation pending which would provide for radically altering the existing canal or constructing another canal in some other location. Thus, future definite action will apparently depend on an increase in the pressure areas (economic, military, political, and diplomatic) which originally combined to result in construction of the present canal.

[Memorial From Committee for Continued U.S. Control of the Panama Canal, 1973]

PANAMA CANAL: SOVEREIGNTY AND MODERNIZATION

To the Honorable Members of the Congress of the United States:

The undersigned, who have studied various aspects of interoceanic canal history and problems, wish to express their views:

(1) The report of the interoceanic canal inquiry, authorized under Public Law 88-609, headed by Robert B. Anderson, recommending construction of a new canal of so-called sea level design in the Republic of Panama, was submitted to the President on December 1, 1970. The proposed canal, *initially* estimated to cost $2,880,000,000 exclusive of the costs of right of way and inevitable indemnity to Panama, would be 10 miles West of the existing Canal. This recommendation, which hinges upon the surrender to Panama by the United States of all sovereign control over the U.S.-owned Canal Zone, has rendered the entire canal situation so acute and confused as to require rigorous clarification.

(2) An important new angle developed in the course of the sea level inquiry is that of the Panamis biota (fauna and flora), on which subject, a symposium of recognized scientists was held on March 4, 1971, at the Smithsonian Institution. That gathering was overwhelmingly opposed to any sea level project because of the biological dangers to marine life incident to the removal of the fresh water barrier between the Oceans, now provided by Gatun Lake, including in such dangers the infestation of the Caribbean Sea and Atlantic Ocean with the poisonous yellow-bellied Pacific sea snake and the crown of thorns starfish.

(3) The construction by the United States of the Panama Canal (1904–1914) was the greatest industrial enterprise in history. Undertaken as a long-range commitment by the United States, in fulfillment of solemn treaty obligations (Hay-Pauncefote Treaty of 1901) as a "mandate for civilization" in an area notorious as the pest hole of the world and as a land of endemic revolution, endless intrigue and governmental instability (Flood, "Panama: Land of Endemic Revolution . . ." C.R., August 7, 1969), the task was accomplished in spite of physical and health conditions that seemed insuperable. Its subsequent efficient management and operation on terms of "entire equality" with tolls that are "just and equitable" have won the praise of the world, particularly countries that use the Canal.

(4) Full sovereign rights, power and authority of the United States over the Canal Zone territory and Canal were acquired by treaty grant in perpetuity from Panama (Hay-Bunau-Varilla Treaty of 1903). In addition to the indemnity paid by the United States to Panama for the grant in perpetuity of the indispensably necessary sovereignty and jurisdiction, all privately owned land and property in the Zone were purchased by the United States from individual owners; and Colombia the sovereign of the Isthmus before Panama's independence, has recognized the title to the Panama Canal and Railroad as vested "entirely and absolutely" in the United States (Thomson-Urrutia Treaty of 1914–22). The cost of acquiring the Canal Zone, as of March 31, 1964, totalled $144,568,571, making it the most expensive territorial extension in the history of the United States. Because of the vast protective obligations of the United States, the perpetuity provisions in the 1903 Treaty assure that Panama will remain a free and independent country in perpetuity, for these provisions bind the United States as well as Panama.

(5) The net total investment by the taxpayers of our country in the Panama Canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000; which, if converted into 1971 dollars, would be far greater. Except for the grant by Panama of full sovereign powers over the Zone territory, our Government would never have assumed the grave responsibilities involved in the construction of the Canal and its later operation, maintenance, sanitation, protection and defense.

(6) In 1939, prior to the start of World War II, the Congress authorized, at a cost not to exceed $277,000,000, the construction of a third set of locks known as the Third Locks Project, then hailed as "the largest single current engineering work in the world." This Project was suspended in May 1942 because of more urgent war needs, and the total expenditures thereon were $76,357,405, mostly on lock site excavations at Gatun and Miraflores, which are still usable. Fortunately, no excavation was started at Pedro Miguel. The program for the enlargement of Gaillard Cut and correlated channel improvements, started in 1959, was completed in 1970 at a cost of $95,000,000. These two works together represent an expenditure of more than $171,000,000 toward the major modernization of the existing Panama Canal. Under current treaty provisions Panama has proclaimed that the word "maintenance" in the treaty permits "expansion and new construction" for the existing Canal (C.R., July 24, 1939).

(7) As the result of canal operations in the crucial period of World War II, there was developed in the Panama Canal organization the first comprehensive proposal for the major operational improvement and increase of capacity of the Canal as derived from actual marine experience, known as the Terminal Lake—Third Locks Plan. This conception included provisions for the following:

(1) Elimination of the bottleneck Pedro Miguel Locks.

(2) Consolidation of all Pacific Locks South of Miraflores.

(3) Raising the Gatun Lake water level to its optimum height (about 92')

(4) Construction of one set of larger locks.

(5) Creation at the Pacific end of the Canal of a summit-level terminal lake anchorage for use as a traffic reservoir to correspond with the layout at the Atlantic end, which would improve marine operations by eliminating lockage surges in Gaillard Cut, mitigate the effect of fog on Canal capacity, reduce transit time, diminish the number of accidents, and simplify the management of the Canal.

(8) Competent, experienced engineers have officially reported that all "engineering considerations which are associated with the plan are favorable to it." Moreover, such a solution:

(1) Enables the maximum utilization of all work so far accomplished on the Panama Canal, including that on the suspended Third Locks Project.

(2) Avoids the danger of disastrous slides.

(3) Provides the best operational canal practicable of achievement with the certainty of success.

(4) Preserves and increases the existing economy of Panama.

(5) Avoids inevitable Panamanian demands for damages that would be involved in the proposed sea level project.

(6) Averts the danger of a potential biological catastrophe with international repercussions that recognized scientists fear might be caused by constructing a salt water channel between the Oceans.

(7) Can be constructed at "comparatively low cost" and being "an enlargement of existing facilities" without requiring additional "lands and waters" avoids the necessity for a new canal treaty with Panama.

(9) All of these facts are elemental considerations from both U.S. national and international viewpoints and cannot be ignored, especially the diplomatic and treaty aspects. In connection with the latter, it should be noted that the original Third Locks Project, being only a modification of the existing Canal, and wholly within the Canal Zone, did not require a new treaty with Panama. Nor, as previously stated, would the Terminal Lake—Third Locks Plan require a new treaty. These are paramount factors in the overall equation.

(10) In contrast, the persistently advocated and strenuously propagandized Sea-Level Project at Panama, initially estimated in 1970 to cost $2,880,000,000, exclusive of the costs of right of way and indemnity to Panama, has long been a "hardy perennial," according to former Governor Jay J. Morrow. It seems that no matter how often the impossibility of realizing any such proposal within practicable limits of cost and time is demonstrated, there will always be someone to argue for it; and this, despite the economic, engineering, operational, marine biological and navigational superiority of the Terminal Lake solution. Moreover, any sea-level project, whether in the U.S. Canal Zone territory or elsewhere, will require a new treaty or treaties with the countries involved in order to fix the specific conditions for its construction; and this would involve a huge indemnity and a greatly increased annuity that would have to be added to the cost of construction and reflected in tolls, or be wholly borne by the taxpayers of the United States.

(11) Starting with the 1936–39 Treaty with Panama, there has been a sustained erosion of United States rights, power, and authority on the Isthmus, culminating in the reopening in 1971 of negotiations for a proposed new canal treaty or treaties that would:

(1) Surrender United States sovereignty over the Canal Zone to Panama;

(2) Make that weak, technologically primitive and unstable country a senior partner in the management and defense of the Canal;

(3) Ultimately give to Panama not only the existing Canal, but also any new one constructed in Panama to replace it, all without any compensation whatever and all in derogation of Article IV, Section 3, Clause 2 of the U.S. Constitution. This Clause vests the power to dispose of territory and other property of the United States in the entire Congress (House and Senate) and not in the treaty-making power of our Government (President and Senate)—a Constitutional provision observed in the 1955 Treaty with Panama.

(12) It is clear from the conduct of our Panama Canal policy over many years that policy-making elements within the Department of State, in direct violation of the indicated Constitutional provision, have been, and are yet, engaged in efforts which will have the effect of diluting or even repudiating entirely the sovereign rights, power and authority of the United States with respect to the Canal and of dissipating the vast investment of the United States in the Panama Canal project. Such actions would eventually and inevitably permit the domination of this strategic waterway by a potentially hostile power that now indirectly controls the Suez Canal. That Canal, under such domination, ceased to operate in 1967 with vast consequences of evil to world trade.

(13) Extensive debates in the Congress over the past decade have clarified and narrowed the key canal issues to the following:

(1) Retention by the United States of its undiluted and indispensable sovereign rights, power and authority over the Canal Zone territory and Canal as provided by existing treaties;

(2) The major modernization of the existing Panama Canal as provided for in the Terminal Lake—Third Locks Plan.

Unfortunately, these efforts have been complicated by the agitation of Panamanian extremists, aided and abetted by irresponsible elements in the United States, aiming at ceding to Panama complete sovereignty over the Canal Zone and eventually, the ownership of the existing Canal and any future canal in the Zone or in Panama that might be built by the United States to replace it.

(14) In the 1st Session of the 93rd Congress identical bills were introduced in both House and Senate to provide for the major increase of capacity and operational improvement of the existing Panama Canal by modifying the authorized Third Locks Project to embody the principles of the previously mentioned Terminal Lake solution, which competent authorities considered would supply the best operational canal practicable of achievement, and at least cost without treaty involvement.

(15) Starting in January 1973, many Members of Congress sponsored resolutions expressing the sense of the House of Representatives that the United States should maintain and protect its sovereign rights and jurisdiction over the Panama Canal enterprise, including the Canal Zone, and not surrender any of its powers to any other nation or to any international organization in derogation of present treaty provisions.

(16) The Panama Canal is a priceless asset of the United States, essential for interoceanic commerce and Hemispheric security. The recent efforts to wrest its control from the United States trace back to the 1917 Communist Revolution and conform to long range Soviet policy of gaining domination over key water routes as in Cuba, which flanks the Atlantic approach to the Panama Canal, and as was accomplished in the case of the Suez Canal, which the Soviet Union now wishes opened in connection with its naval building in the Eastern Mediterranean and Indian Ocean. Thus, the real issue at Panama, dramatized by the Communist take over of strategically located Cuba and Chile, is not United States control versus Panamanian but continued United States sovereignty versus Soviet control. This is the issue that should be debated in Congress, especially in the Senate. Panama is a small, weak country occupying a strategic geographical position that is the objective of predatory power, requiring the presence of the United States on the Isthmus in the interest of Hemispheric security and international order.

(17) In view of all the foregoing, the undersigned urge prompt action as follows:

(1) Adoption by the House of Representatives of pending Canal Zone sovereignty resolutions and,

(2) Enactment by the Congress of pending measures for the major modernization of the existing Panama Canal.

To these ends, we respectfully urge that hearings be promptly held on the indicated measure and that Congressional policy thereon be determined for early prosecution of the vital work of modernizing the Panama Canal, now approaching saturation of capacity.

Signed by:

Dr. Karl Brandt, Palo Alto, Calif., Economist, Hoover Institute, Stanford, Former Chairman, President's Council of Economic Advisors.

Comdr. Homer Brett, Jr., Chevy Chase, Md., Former Intelligence Officer, Caribbean area.

Hon. Ellis O. Briggs, Hanover, N.H., U.S. Ambassador (retired) and Author.

Dr. John C. Briggs, Tampa, Fla., Professor of Biology, University of South Florida.

William B. Collier, Santa Barbara, Calif., Business Executive with Engineering and Naval Experience.

Lt. Gen. Pedro A. del Valle, Annapolis, Md., Intelligence Analyst, Former Commanding General, 1st Marine Div.

Herman H. Dinsmore, New York, N.Y., Former Associate Foreign Editor, *New York Times*, Editorialist.

Dr. Lev E. Dobriansky, Alexandria, Va., Professor of Economics, Georgetown Univ.

Dr. Donald Dozer, Santa Barbara, Calif., Historian, University of California, Santa Barbara, Authority on Latin America.

Lt. Gen. Ira C. Eaker, Washington, D.C., Former Commander-in-Chief, Allied Air Forces, Mediterranean, Analyst and Commentator on National Security Questions.

K. V. Hoffman, Richmond, Va., Editor and Author.

Dr. Walter D. Jacobs, College Park, Md., Professor of Government and Politics, University of Maryland.

William R. Joyce, Jr., J.D., Washington, D.C., Lawyer.

Maj. Gen. Thomas A. Lane, McLean, Va., Engineer and Author.

Edwin J. B. Lewis, Washington, D.C., Professor of Accounting, George Washington University, Past President, Panama Canal Society of Washington, D.C.

Dr. Leonard B. Loeb, Berkeley, Calif., Professor of Physics (Emeritus), University of California.

William Loeb, Manchester, N.H., Publisher and Author.

Lt. Col. Matthew P. McKeon, Springfield, Va., Intelligence Analyst, Editor and Author.

Dr. Howard A. Meyerhoff, Tulsa, Okla., Consulting Geologist, Formerly Head of Department of Geology, University of Pennsylvania.

Richard B. O'Keeffe, Fairfax, Va., Asst. Dir.

of Library, George Mason University, Research Consultant on Panama Canal, The American Legion.

Capt. C. H. Schildhauer, Owings Mills, Md., Aviation Executive.

V. Adm. T. G. W. Settle, Washington, D.C., Former Commander, Amphibious Forces, Pacific.

Jon P. Speller, New York, N.Y., Author and Editor.

Harold Lord Varney, New York, N.Y., President, Committee on Pan American Policy, New York, Authority on Latin American Policy, Editor.

Capt. Franz O. Willenbucher, Bethesda, Md., Lawyer and Executive.

Dr. Francis G. Wilson, Washington, D.C., Professor of Political Science (Emeritus), University of Illinois, Author and Editor.

Institutions are listed for identification purposes only.

PANAMA CANAL PILOTS ASSOCIATION,
Washington, D.C., October 26, 1973.

Re Panama Canal—Third Locks-Terminal Lake Plan.

DEAR CONGRESSMAN: The Panama Canal Pilots Association strongly supports the Thurmond-Flood bills regarding major modernization of the Panama Canal.

We have given much thought and study to this matter. Furthermore, in our work of transiting vessels through the Canal we constantly observe the operations and are, of course, thoroughly familiar with the physical features of the Canal.

The original engineering and construction were magnificent. The engineers involved were very farseeing and the Canal has essentially met the needs of world shipping for over 60 years. However, time and progress are fast catching up with and will soon overwhelm the Panama Canal as now structured.

Attached hereto, is a copy of a Resolution which was passed unanimously at a very well attended General Meeting of our Association held on October 15, 1973.

We hope that you will be able to support the Thurmond-Flood bills.

Sincerely yours,
Capt. W. H. VANTINE,
President.

PANAMA CANAL MAJOR MODERNIZATION—OCTOBER 15, 1973

Whereas, since 1914 the pilots of the Panama Canal have accumulated a vast knowledge concerning its marine operations through thousands of transits on all types of vessels; and

Whereas, during World War II extensive studies in the Canal organization of marine operations conclusively established the location of the bottleneck at Pedro Miguel Locks in the south end of Gaillard Cut as the fundamental operational error in constructing the Canal; and

Whereas, as a result of those World War II studies, there was developed in the Canal organization and approved by a committee of our most distinguished senior pilots what is now known as the Terminal Lake-Third Locks Plan; and

Whereas, this plan has been consistently recognized by various responsible independent navigation interests as providing the best operational canal practicable of achievement; and

Whereas, more than $171,000,000 has been expended toward the major modernization of the Canal, $76,357,405 on the suspended Third Locks Project and some $95,000,000 on the enlargement of Gaillard Cut; and

Whereas, the several items in the 1969 Improvement Program for the Panama Canal, though important, are non-basic in character and no solution for the Canal's major marine operational problems; and

Whereas, the Thurmond-Flood bills for the major modernization of the Canal now before the Congress will provide increased lock capacity for larger vessels, greater transit capacity, and eliminate the Pedro Miguel bottleneck locks; and

Whereas, the plan provided for in these bills would preserve the existing fresh water barrier between the oceans and thus continue to protect them from the biological hazards feared by respected scientists in any sea level undertaking; and

Whereas, responsible organizations and informed experts oppose the construction of any sea level canal as needlessly expensive, diplomatically hazardous, ecologically dangerous and less satisfactory operationally than the existing canal; now therefore, be it

Resolved, by the Panama Canal Pilots Association that it supports the Terminal Lake-Third Lock solution as provided in the Thurmond-Flood bills; and

Resolved, that the Panama Canal Pilots Association urges the Governor of the Canal Zone to use the full force of his office to support prompt enactment of the pending legislation for major canal modernization; and

Resolved, that the Panama Canal Pilots Association opposes the construction of a new canal of so-called sea level design; and

Resolved, that the Panama Canal Pilots Association directs that copies of this resolution be sent to the following:

President of the United States.
Vice President of the United States.
Secretary of State.
Secretary of Defense.
Secretary of the Army.
Secretary of the Navy.
All Members of the Congress.
Leading Marine Organizations and Periodicals.
American Society of Civil Engineers.
Society of American Military Engineers.
American Legion.
Veterans of Foreign Wars.

Capt. W. H. VANTINE,
President, Panama Canal Pilots Association.

THE GENOCIDE CONVENTION AND ADMINISTRATIVE CONFUSION

Mr. PROXMIRE. Mr. President, a perennial criticism of the Genocide Convention is that it would adversely affect the administration of criminal justice by allowing a confusion of jurisdictions for crimes of homicide, kidnaping, and assault and battery.

This criticism contends that there could be no clear initial assumption of whether a crime was committed with "genocidal intent" and therefore, because of the Convention Accords, should be tried in the Federal courts or whether it was committed without such intent and is therefore within the jurisdiction of the State. A typical case offered by the proponents of this criticism is where a man who has committed several atrocious homicides and is tried in a Federal court for genocide. The court acquits on the basis that there was no genocidal intent. The State court is unable to bring charges against the accused because of the constitutional prohibition against double jeopardy and the murderer is freed because of the initial mistake in assigning jurisdiction.

This criticism is faulty for several reasons. First, it is doubtful that the double jeopardy clause prohibits consecutive Federal and State trials for genocide and homicide since the primary purpose of the Genocide Convention is to make genocide a separate and distinct crime.

Second, this criticism overstates the likelihood of jurisdictional confusion. It should be noted that the convention is not self-executing; that is, once the treaty is ratified enabling legislation will have to be enacted by Congress pursuant to article V of the convention. It is clear that implementing legislation would deal with the possibility of such problems by reserving to the States the right to prosecute and punish as homicide those acts described in the accords. In such a case, Federal charges of genocide would be brought only when the intent was clear; when the intent was not clear prudent prosecution would dictate that indictment be sought under State laws.

Thus, Mr. President, the problem of administrative confusion over the appropriate jurisdiction for genocide and related crimes is really no problem at all and I call upon the Senate to ratify the treaty as soon as possible.

WILBUR COHEN ON HEW APPROPRIATIONS

Mr. RIBICOFF. Mr. President, one of the most complex budgets this Congress must consider is that which involves Health, Education, and Welfare. There are few people in this country who truly understand what is going on in that giant Department.

One of them is Wilbur Cohen. Wilbur worker in the Social Security Administration from 1935 to 1956. He helped develop our social security system. When I was Secretary of HEW he served as Assistant Secretary for legislation and continued in that post until 1965 when he became Undersecretary. In 1969 he distinguished himself as Secretary.

Wilbur Cohen still plays a most active role in the HEW appropriations process and his insight is most valuable.

Today he appeared before the HEW Appropriations Subcommittee which is so ably chaired by the senior Senator from Washington (Mr. MAGNUSON).

I ask unanimous consent that Wilbur Cohen's testimony before the subcommittee be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

NEEDED CHANGES IN HEW APPROPRIATIONS

(By Wilbur J. Cohen[*])

I am pleased to appear before your distinguished Subcommittee to give my comments on the appropriations to H.E.W. and the programs and policies of the Department.

GENERAL OBSERVATIONS

The President's Budget proposals for the Department of H.E.W. for the fiscal year 1974–75, in my opinion, are, on the whole, inadequate, unfortunate, undesirable and tragic for the future of our country.

The House has made a number of significant improvements. The appeal of House actions by the Department is, on the whole, not a very constructive or progressive set of recommendations with a few exceptions. I hope this distinguished Subcommittee will build upon the House action and take a vigorous, independent review of a number of items and revise the House action accordingly.

---

[*] Presently Professor of Education and Dean of the School of Education and Professor of Public Welfare Administration, School of Social Work, The University of Michigan; Co-Chairman, Institute of Gerontology, University of Michigan-Wayne State University; President-Elect, American Public Welfare Association; Secretary of Health, Education, and Welfare, 1969–69; Under-Secretary, 1965–68; Assistant Secretary for Legislation, 1961–65; Social Security Administration, 1935–56.

I should like to recall that as Under-Secretary during 1965–68, I was responsible to the Secretary for the review of four budgets of H.E.W. (1966–67–68–69) and I had the primary responsibility for the submission of a fifth budget (1970). I have attempted to follow the budgets since then but, of course, I do not have as intimate knowledge of present items as I did five years ago. I present my views today with the recognition that I may not be in possession of all of the facts. I will try to limit my comments and recommendations to those policy questions which are appropriate for public discussion and your Subcommittee's decision.

HEALTH PERSONNEL AND NATIONAL HEALTH INSURANCE

The President and the Secretary of H.E.W. have taken a strong position for the early adoption of a national health insurance program. I wish to compliment them on their support for this important objective. I also wish to compliment and support them on the broad scope of medical coverage in the Administration proposal. The scope of coverage in the Administration bill is almost identical with those in the Kennedy bill and the Kennedy-Mansfield-Mills bill. Both Senator Kennedy and Chairman Mills have indicated their willingness to arrive at an accommodation with the Administration. Consequently, I assume that national health insurance legislation of some kind will become a reality within the next 12 to 24 months.

The adoption of any national health insurance legislation is a major step which requires planning and preparation equal to that of the nation and General Eisenhower's planning for D Day in 1944. Essential to any such plans is the development of the necessary trained manpower and womanpower to deliver the services. Moreover, it will take a number of years to develop the necessary personnel and have them in the right place at the right time with the right skills.

I find it strange that, on the one hand the Administration should be proposing and urging a broad-gauged $40 billion a year national health insurance plan, and, on the other hand, the Administration has not funded adequately the existing and proposed legislation for the training of health personnel.

Therefore, I commend, Mr. Chairman, that your Subcommittee look at every health personnel item in the pending bill and increase the funds for training of health personnel. I shall identify a few of the areas with which I have a familiarity and concern.

Let me begin with the maternal and child health.

MATERNAL AND CHILD HEALTH

Any national health insurance program must—and, in my opinion, will—provide comprehensive health services to children, including prenatal and postnatal services, family planning and nutrition services, and some dental services. We should prepare for this eventuality by expanding the training of the necessary professional, paraprofessional and supporting staff. We should be experimenting with methods to deliver care in an effective, efficient and compassionate manner. We should be extending maternal and child health services in areas where these services do not now adequately exist.

The present authorization for maternal and child health services Budget request was $265 million. The House allowance was approximately $285 million with which the Department concurs.

I recommend you appropriate $350 million for 1975, an increase of $65 million. I suggest that $14 million of this be for grants to states, an additional $1 million for Sudden Infant Death Syndrome information dissemination, and the remaining $50 million addition for training of personnel.

CHILD WELFARE SERVICES

The Budget request for child welfare services is $46 million—$1.5 million below the 1974 expenditure level. The House allowed $47.5 million. This, however, is still $2.5 million below the $50 million appropriated for 1974. In view of inflation, I recommend at least $55 million.

CHIEF OF THE CHILDREN'S BUREAU

In connection with this item I should like to point out that the Department has not had a recognized national leader as Chief of the Children's Bureau for nearly two years. This is a tragic mistake. The precipitate firing of the Chief of the Children's Bureau in 1969 was the beginning of the difficulty. No Chief of the Children's Bureau from 1912 to 1969—57 years—was ever terminated in a change of Administration until 1969!

NATIONAL INSTITUTES OF HEALTH

The research training program of N.I.H. was funded at $168 million in 1973. The President's request was for $122 million—a drop of $46 million. The House has allowed $147 million. After careful study I recommend $200 million which would just restore this item to the 1973 level taking into account inflation.

I have also reviewed the items for each of the ten Institutes, the research resources item, and Fogarty Center. I suggest the Senate increase the House allowance by about $300 million—about 17%.

For instance, the National Institute of Child Health and Human Development should be increased by about $13 million; the National Eye Institute, about $10 million.

Mr. Chairman, the various programs of the National Institutes of Health are inter-related. No one knows whether the cure for cancer, arthritis, cystic fibrosis or multiple sclerosis will originate in a grant in the Institute in which the grant was assigned by law or by chance in another place. I suggest you give the Director of N.I.H. the authority to transfer up to 1% of any amount appropriated to any one item but not to exceed an increase of more than 2% in any appropriation item.

NATIONAL LIBRARY OF MEDICINE

I especially wish to speak about the need for expansion of the wonderful work being undertaken by the National Library of Medicine. I helped establish the Lister Hill Center of which I am very proud. I believe another $25 million is warranted to carry out the proposals.

NATIONAL HEALTH SERVICE CORPS

The National Health Service Corps has been of great value. The Budget request is for about $9 million. I recommend $15 million to enable this program to expand.

FAMILY PLANNING SERVICES

The 1973 figure for this item is $131 million and the Budget request for 1975 is $100 million—about $30 million below the figure of two years ago. Taking into account inflation, I think about $33 million additional above the Budget request is desirable for this effective and well-accepted program.

EMERGENCY MEDICAL SERVICES

The House allowance is $10 million above the Budget request of $27 million. I urge you to reject the Department's appeal and accept the House allowance.

VENEREAL DISEASE

Venereal disease is a tremendous problem. I would increase the House allowance from $26 million to $32 million.

HEALTH RESOURCES AND FACILITIES

The authorizing legislation for the health resources and facilities has not yet become law. The Budget request for 1975 is $456.8 million. This compares with $1,245.499 million for 1973. I suggest $1.5 billion which is the 1973 level plus an adjustment of 25% for inflation.

OLDER AMERICANS ACT

I am the Co-Chairman of the Executive Board of the Institute of Gerontology of The University of Michigan-Wayne State University. In this capacity I follow closely the activities of the Administration on Aging and the Administration of the Older Americans Act.

Based upon my review of the situation, I recommend the following (in millions):

Legislative item	Authorization	House allowance	WJC recommendation
Title III—Community Services	$130	$96	$125.0
Title IV-A—Training	(OE)	8	10.0
Title IV-C—Centers	(OE)	0	12.5
Title VII—Nutrition	150	....	150.0

I also urge that the amount appropriated for the Age Discrimination Act in the Department of Labor be increased from $1,750,000 to $2 million, and the amount for Community Service Employment from $10 million to $40 million.

NATIONAL INSTITUE ON AGING

Public Law 93–296, approved May 31, 1974, authorizes the establishment of a National Institute on Aging. I urge you to authorize the Secretary on the recommendation of the Director of N.I.H. to transfer from any other Institute the appropriate amounts and projects he deems relevant to the N.I.A.'s responsibilities so that the N.I.A. may be promptly established. The Secretary should have similar authority for other units in the Department.

LIBRARY PROGRAMS

As a long-time supporter of the federal library programs and a library user, I urge this Subcommittee to continue funding them. I am referring to the Library Services and Construction Act (Aid to Public Libraries), the School of Library Resources Program authorized by the Elementary and Secondary Education Act, the College Library Resources Training and Research Programs, authorized by Title II of the Higher Education Act, and the National Commission on Libraries and Information Science.

I am particularly concerned about Title II of the Higher Education Act, for which the House allowed only $11,957,000 for 1975. Title II of H.E.A. authorizes a college library resources program (Part A) for which the House voted $9,975,000, and programs for training and research in librarianship and information science (Part B) for which the House allowed $2,000,000.

The Education Amendments of 1972 (PL 92–318) amended the statutes to make clear that colleges and universities are entitled to basic grants for library resources of up to $5,000 providing they meet certain maintenance of effort requirements. Accordingly, some 2,600 institutions of post-secondary education are eligible for basic resource grants and to provide each one with such a grant would require an annual appropriation of around $13,000,000 for Part A, Title II of H.E.A. The House unfortunately, had allowed only $9,975,000.

Even worse, no funds would be available under the House bill for the very important special purpose grants also authorized by Part A. Special purpose grants encourage college and universities to develop cooperative arrangements among their libraries, so that together they may eliminate costly duplication of effort and better serve the students and faculty of all institutions involved. This trend toward library consortia is an all important one that must be continued and expanded so that costly duplication can be eliminated and the services of many libraries can be made available to the user of any one library. Special purpose grants can only be awarded after all the basic grants are satisfied. Therefore, an appropriation of only $9,975,000 as the House bill provides neither allows the basic grants to be satisfied nor does it allow the awarding of any special purpose grants.

For training and research (Part B) the House bill provides only $2,000,000. This amount does not conform with the requirements of the authorizing statutes (P.L. 92-318) which state in reference to annual appropriation for Title II that "70 per centum shall be used for the purposes of Part A and 30 per centum shall be used for the purposes of Part B, except that the amount available for the purposes of Part B for any fiscal year shall not be less than the amount appropriated for such purposes for the fiscal year ending June 30, 1972." For the year ending June 30, 1972 Congress appropriated a total of $4,750,000 for the purposes of Part B. Accordingly, the $2,000,000 approved by the House for 1975 falls $2,750,000 short of the minimum amount permitted in the authorizing legislation.

I would urge the Senate to rectify the error in the House bill by adding to the level of Part B as required by law, and increasing the funding for Part A so that all the basic grants can be funded as well as a few special purpose grants. An overall appropriation of $20,000,000 would allow $14,000,000 for Part A and $6,000,000 for Part B. This is a modest level of funding indeed considering the financial problems confronting almost every post secondary institution today, and considering the vast "information explosion" confronting us all. The problems of information retrieval and accessibility are increasing, not diminishing.

Title II of the Higher Education Act, if adequately funded to permit research and demonstration in library and information science, can help the nation solve some very serious "information" problems.

SOCIAL WORK TRAINING

The House allowed $6,654,000 for social work training to continue this program at the 1974 level. (Committee Report, p. 64) According to my information, however, this is $2 million less than the funds available for 1974. Taking this factor and inflation into account, a total appropriation of $10 million is warranted.

PERSONNEL

I believe the Department of H.E.W. is made up of a substantial number of able, dedicated, professional and civil service employees who are loyal, efficient and innovative. They have competences and abilities comparable to those found in many businesses and most of the universities. Many of them are relatively underpaid and some are unappreciated. Many work longer than the forty hours required. Many could earn outside the government.

However, I believe the full resources of many of these people in the Department is not being utilized. The morale of many professional civil-service employees currently is low.[1] The forced resignations of competent persons such as Robert Ball (Commissioner of Social Security), Robert Marston (Director of the N.I.H.), Fred Della Quadri (Chief of the Children's Bureau), Peter Muirhead, Deputy Commissioner of Education, and the refusal to appoint Dr. John Knowles (Assistant Secretary for Health) are all illustrations which have left in the minds of many employees and persons outside the Department that professional competence is no longer the sole qualification for continued employment and promotion in the Department. While this has in part been offset by the excellent appointment of Bruce Cardwell as Commissioner of Social Security, a competent and conscientious man, it is negated by the appointment of several people in the Social and Rehabilitation Administration who have had no real program experience in administering state or local welfare programs and in whose blood there flows ice-water and lack of knowledge about the program, its problems and the people in it. In addition, some of these people show a systematic opposition to state welfare officials and to the basic philosophy of federal-state cooperation as it has been operated over the past forty years before they took office.

My suggestion is that you institute an independent review of the competence, morale, promotion and other personnel policies in the Department, along with an examination of exempt positions, with a view to making recommendations to you for any revision of policies. I suggest you also include in the pending appropriation bill that all persons in grades I–IV, not already subject to Senate confirmation, be subject to confirmation by the Senate so the Senate can examine their qualifications.

ADVISORY COMMITTEES

One of the major criticisms I have of the recent Departmental policies is the abolition, reduction, and dissolution of many Advisory Councils to various programs. The success of H.E.W. programs has been, in large part, due to the voluntary participation of many fine men and women to advise on programs. Dr. DeBakey and Mrs. Lasker are but two of hundreds of examples of persons who participated on Advisory Councils whose services you could not possibly pay for in terms of their market value. One way to keep government programs close to people is to have the people back home participate in advising on policies, procedures, forms, projects and priorities.

The House Committee report takes note of this situation on page 23 with respect to N.I.H. But the same situation exists with respect to other programs in the Department.

I suggest you include in the appropriation bill a reduction in the Departmental Management Fund of one percent for each month in which any Council, Board or Committee required by law does not have a majority of members to do business.

ADVISORY COUNCIL ON SOCIAL SECURITY

I am particularly disturbed at the unbalanced and unrepresentative character of the Advisory Council on Social Security which the Secretary appointed earlier this year, as required by the Social Security Act. Previous Councils in 1939, 1948, 1965 and 1971 have included distinguished business, labor and public representatives and outstanding experts.

The three labor representatives appointed by the Secretary on the Council have been repudiated by the AFL–CIO because the Secretary refused to include among the labor appointees the Chairman of the AFL–CIO Committee on Social Security, probably because he had supported Senator McGovern for President. In addition, there is an insurance person on the Council representing employers and another representing the general public. This is unfair. Moreover, there is no representative of public welfare on the Council.

SOCIAL SECURITY ADMINISTRATION

There are three areas in social security in which I believe additional personnel are needed:

1. Supplemental security income payments.
2. Disability payments.
3. Public information.

The SSI program is behind schedule in processing its work. I urge you to consider adding sufficient personnel to the program so that payments will be made correctly and on time.

In addition, appeals on disability claims are far behind schedule. Some additional hearing officers are necessary. Please look into the need to get these claims and appeals handled more promptly with competent and sufficient personnel.

Finally, I believe the Department and the Social Security Administration must take a more vigorous, in-depth, and continuous public information program to offset the scurrilous and mischievous attacks on the integrity of the social security system.

Recently, a series of five articles were published in some 40 newspapers of this country. These articles written by a Warren Shore in the newspaper *Chicago Today* are a composite of inaccuracies, misinformation, half-truths, and preposterous charges, proposals and illustrations. I urge you to include in your Committee Report a specific statement instructing the Social Security Administration to inform the 100 million contributors (employees, employers and the self-employed) and the 30 million beneficiaries of the true situation and to take the offensive in answering the misleading charges against the law as passed by the Congress.

NATIONAL INSTITUTE OF EDUCATION

I understand the difficulties which this Subcommittee has had in making an independent evaluation of the N.I.E. Budget.

The entire manner in which the N.I.E. proposal was originally advocated was on an "oversell" basis: too much and too fast and there was too-little consultation with key educators in the universities.

Educational research is a long-range proposition. It requires careful and considerable discussion, preparation, and consultation with university research leaders and administrators.

Consequently, I recommend you authorize the appointment of a panel of outstanding leaders to be convened to review all the projects approved by the N.I.E. with a view to making a recommendation as to what the level of funding should be for existing projects and what the level of staffing in N.I.E. should be.

Contingent upon this report and its implementation, I recommend you appropriate $88,000,000 for N.I.E. of which $10,000,000 could be expended only if the panel and the Assistant Secretary of Education approved the expenditure items.

I especially urge that some of the additional appropriation be used for research in consumer economics and the interrelationship between health and educational services for young children.

SOCIAL SERVICES

I am deeply distressed at the fact that an agreed-upon legislative substitute for social services authorization has taken such a long time for the Department to work out. The Senate passed a legislative substitute last year as an amendment to H.R. 3153. This bill has not gone to conference although both Chairmen Long and Mills have indicated a desire to do so. Meanwhile, the Department is attempting to develop a modified version. It does not appear to me at this time that a mutually agreed compromise can be worked out between the state and private welfare agencies and the Department. Hence, I recommend that the Senate include in its Committee report that if an agreed substitute is not worked out by the date of enactment of this appropriation bill, that the present regulations and policy be retained until June 30, 1975 unless superseded by subsequent appropriate legislation.

---

[1] See Harold M. Schmeck Jr., "Cutbacks and Low Morale Trouble N.I.H." New York *Times*, Friday, February 22, 1974.

PUBLIC INFORMATION

Recent consolidation and centralization of public information officers and reduction of some publications in the Department were, in my opinion, undesirable. I believe the Department is derelict in its duties of explaining, defending and interpreting the programs which Congress and the President have approved. I believe, therefore, that there is a need for more funds to strengthen the public information program of the Department. The centralization and regionalization of public information which has occurred is, in my opinion, generally undesirable. I believe the taxpayers deserve more uncensored information.

EXPERIMENTAL PROJECTS

I should like to direct the Subcommittee's attention to section 1110 of the Social Security Act which authorizes such sums as the Congress may determine for making grants and contracts for cooperative research or demonstration projects in the general social security area.

The President's Budget contains: 1) $9,700,000 for research and evaluation in Public Assistance under the Social and Rehabilitation Service (Budget, p. 440), and 2) $33,574,000 for policy research in the Departmental Management Fund (Budget, p. 467). I am not clear how this total of $43 million is intended to be expended. I believe the Department should be encouraged to undertake a more experimental and pilot-project approach toward various problems. I would suggest that you include $10 million additional for advance funding of projects in 1975–76 and direct the Department to make a more vigorous and a wider attack on many problems such as child health, welfare reform, and social services.

FUTURE BUDGET REVIEW

I strongly urge this Subcommittee to appoint a Citizens Committee on the H.E.W. Budget which would have the responsibility of reviewing the 1974–75 appropriations when enacted and reporting back to you in April 1975 on the President's proposed budget for H.E.W. for 1975–76.

I suggest such outstanding persons as Mrs. Oveta Culp Hobby and John Gardner as former Secretaries, Jim Kelly and Rufus Miles as former Assistant Secretaries, John Corson, Frank Bane, Dr. Shannon and Dr. Marston, as former top Administrators. They could give you a frank and knowledgeable evaluation of the appropriations requests and their value.

IS THE DEPARTMENT OF HEW MANAGEABLE?

Mr. Chairman, I am frequently asked whether the Department of H.E.W. is a manageable agency. I answered that question in the affirmative on January 17, 1969 when I submitted my final report to the President and the Congress.

I have continued to restudy this matter in the light of developments during the past five years. While I supported the proposal for a Department of Human Resources, I now believe that there are some functions in the Department which could be separated from it, thus making the remainder of the Department a viable and manageable agency.

First, I would transfer N.I.H. to the National Science Foundation and rename it the National Science and Bio-Medical Foundation.

Second, I would transfer F.D.A. to a new Consumer Products Agency.

Third, I would establish the Social Security Administration as a Social Security Board, as it was originally established by Congress in 1935.

POTTSTOWN FLOOD CONTROL PROJECT

Mr. HUGH SCOTT. Mr. President, I am delighted to report that on July 25, 1974, the Public Works Committee approved a resolution authorizing the Pottstown and vicinity flood control project. This will be of inestimable value throughout southeastern Pennsylvania.

In a statement to the members of the Water Resources Subcommittee on July 24, I stated that the time for positive action had come. I am therefore gratified by their immediate and favorable response and I wish to thank them on behalf of the people of the Pottstown area. I trust the House Public Works Committee will shortly act favorably as well and the area will, at long last, receive adequate protection from the flooding which has long been a serious problem in this area of the Schuylkill River Basin.

Mr. President, I ask unanimous consent that my statement before the Water Resources Subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HUGH SCOTT TO WATER RESOURCES SUBCOMMITTEE OF THE SENATE PUBLIC WORKS COMMITTEE, JULY 24, 1974

Mr. SCOTT. Mr. Chairman, I am most appreciative of this opportunity to express my strong support for the flood control plan for Pottstown and vicinity, a very important public works project which the Secretary of the Army has favorably recommended as a Section 201 project.

This local project for flood control, navigation, water supply, recreation, and allied purposes to take place in Chester and Montgomery Counties in Southeastern Pennsylvania entails work along the Schuylkill River and Manatawny Creek. It consists of river channel improvements, an arch bypass around the High Street Bridge on Manatawny Creek, and development of spoil-disposal areas as open space. The affected communities of Pottstown, South Pottstown and Kenilworth should, at long last, receive adequate protection from the flooding which has long been a very serious problem in this area of the Schuylkill River Basin. Since the area was settled in the 18th Century, it has been subject to recurrent flooding due to lack of river channel capacity. Hurricane Agnes and the flooding of last summer, both of which caused widespread and extensive damage to commercial, industrial and residential properties and threatened the lives and safety of the population, graphically demonstrated the continuing need for such a project.

The general welfare and security of the residents of the Pottstown area will be much improved by this long awaited project. The economic development of the surrounding region has been greatly inhibited because Pottstown is the major commercial center of the area. This project will contribute in a significant way to the improvement of the local economy. Much careful consideration has also been given to preserving and enhancing the environment of the basin area, particularly the minimization of damage to fisheries resources and public parkland. I understand this project has the unusually high benefit to cost ratio of 2.8. The project will work in conjunction with the multipurpose reservoirs to be built upstream on Maiden and Tulpehocken Creeks to afford protection to the Pottstown area. Protection could be reduced if the Maiden Creek project is not constructed so we should consider this also.

Thus we see that the Pottstown Project has great merit and I am very pleased to give voice to the great local concern in strong support of this project. The need for positive action is acute. Talking and studying must cease. It is very important to the people of the Pottstown area that something be done about the constant danger of flooding.

It will be a significant contribution to Pennsylvania's continued viability as a commercial and environmental center and I wholeheartedly urge the Committee to consider this project favorable for approval. I also urge the Army Corps of Engineers and the Office of Management and Budget to expedite the funding for this important project so that construction may begin as soon as possible.

NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

Mr. ALLEN. Mr. President, the National Society of the Sons of the American Revolution is a patriotic society committed to the preservation of our constitutional form of government, the maintaining of a strong national defense, and the preservation of the liberties and freedoms that our citizens enjoy.

At the 84th Annual Congress of the National Society of the Sons of the American Revolution a number of resolutions were adopted which I feel will be of interest to the Members of the U.S. Senate.

I ask unanimous consent that the resolutions from 1 to 10, both inclusive, of the 83d Annual Congress of the National Society of the Sons of the American Revolution be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION ADOPTED THE FOLLOWING RESOLUTIONS

RESOLUTION NO. 1

Whereas, under the 1903 Treaty with Panama, the United States obtained the grant in perpetuity of the use, occupation and control of the Canal Zone territory with all sovereign rights, power and authority to the entire exclusion of the exercise by Panama of any such sovereign rights, power, or authority as well as the ownership of all privately held land and property in the Zone by purchase from individual owners; and

Whereas, the United States has an overriding national security interest in maintaining undiluted control over the Canal Zone and Panama Canal and solemn obligations under its treaties with Great Britain and Colombia for the efficient operation of the Canal; and

Whereas, the United States Government is currently engaged in negotiations with the Government of Panama to surrender United States sovereign rights to Panama both in the Canal Zone and with respect to the Canal itself without authorization of the Congress, which will diminish, if not absolutely abrogate, the present U.S. treaty-based sovereignty and ownership of the Zone; and

Whereas, these negotiations are being utilized by the United States Government in an effort to get Panama to grant an option for the construction of a "sea-level" canal eventually to replace the present canal, and to authorize the major modernization of the existing canal, which project is already authorized under existing treaty provisions; and by the Panamanian government in an attempt to gain sovereign control and jurisdiction over the Canal Zone and effective control over the operation of the Canal itself; and

Whereas, similar concessional negotiations by the United States in 1967 resulted in three draft treaties that were frustrated by the will of the Congress of the United

States because they would have gravely weakened United States control over the Canal and the Canal Zone; and by the people of Panama because that country did not obtain full control; and

Whereas, the American people have consistently opposed further concessions to any Panamanian government that would further weaken United States control over either the Canal Zone or Canal; and

Whereas, many scientists have demonstrated the probability that the removal of natural ecological barriers between the Pacific and Atlantic oceans entailed in the opening of a sea-level canal could lead to ecological hazards which the advocates of the sea-level canal have ignored in their plans; and

Whereas, the Sons of the American Revolution believes that treaties are solemn obligations binding on the parties and has consistently opposed the abrogation, modification or weakening of the Treaty of 1903;

Now, therefore, be it resolved that the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, opposes the construction of a new sea-level canal and approves Senate Resolution 301 introduced by Senator Strom Thurmond and 34 additional Senators, to maintain and preserve the sovereign control of the United States over the Canal Zone.

RESOLUTION NO. 2

Whereas, the strength and stability of the economic and monetary system of the United States is vital to the defense of the country, and

Whereas, the fiscal and monetary policies of the Congress and Administration, present and past, have led to the devaluation of the dollar, double digit inflation, and the current economic crisis in the United States, and

Whereas, double digit inflation within is as great a threat, if not a greater threat, to the liberty and freedom and well-being of this country as the threat from our enemies without, and

Whereas, the basic cause of the rampant inflation is the deficit spending of the United States Congress, and

Whereas, under the Constitution of the United States, Congress is charged with the responsibility for all federal appropriations, and

Whereas, it is the urgent duty of the United States Congress to limit federal spending to the revenues of the Federal Government.

Now, therefore, be it resolved that the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, urges the Congress to balance the federal budget.

RESOLUTION NO. 3

Whereas, it was the national policy of the United States of America to intervene in Vietnam and prevent a Communist takeover of that country, and

Whereas, it is the duty of every American citizen to bear arms in support of the national policies of the United States, and

Whereas, a citizen of the United States is called upon to share the burdens of citizenship in order to insure its benefits for all citizens, and

Whereas, 40,000 young Americans fled to foreign countries to evade the military obligations of United States citizenship.

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, is opposed to any granting of amnesty to those who refused to bear arms for their country and instead, fled to foreign countries to evade their military obligations.

RESOLUTION NO. 4

Whereas, this country was founded by God-fearing men and women and conceived in liberty, and

Whereas, men of all countries have been moved by the eloquence and high spiritual qualities of the Declaration of Independence, and

Whereas, the Bicentennial will be a focal point for a nationwide review, and reaffirmation of the values upon which this Nation was founded, and

Whereas, all businesses and private citizens should display the United States Flag daily during daylight hours except during inclement weather, and

Whereas, it is fitting for patriots to celebrate each Fourth of July with prayer, music, fireworks and other expressions of joy and cheer, and

Whereas, it is the duty of every citizen and local community to take the initiative in planning a suitable commemoration of the Bicentennial.

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, urges its members and all citizens to fly flags daily, to ring bells and blow automobile horns on the Fourth of July at a time to be set by each community as a suitable prelude to the Bicentennial.

RESOLUTION NO. 5

Whereas, we believe the Federal Government has entered upon a movement to eliminate basic rights and powers guaranteed to the states by the 10th Amendment to the Constitution, in particular the control of education and public schools, the control of land, the extension of jurisdiction of the federal judiciary, the weakening of state criminal law enforcement by the imposition of untenable federal standards that result in interminable trials and sheer technicalities that often show more concern for the criminal than for the innocent victim and the long-suffering public, to name a few,

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, recommends that our state governors and legislators resist these federal encroachments upon state sovereignty and oppose the extension of federal grants and Supreme Court decisions.

RESOLUTION NO. 6

Whereas, hostile foreign nations desire to obtain advanced American technology during a period of our history entitled "detente," and

Whereas, the sharing of our technology with unfriendly foreign powers will weaken this country's power and protection of the free world, and

Whereas, the joint exploration of space with any foreign nation will result in the release of technical information vital to the defense of this nation, and

Whereas no foreign power has been successful in its man-in-space program,

Now, therefore, be it resolved that the National Society, Sons of the American Revolution, in its 84th Annual Congress assembled, opposes in general the sharing of any of our technology with unfriendly foreign nations and in particular the sharing of our man-in-space capability with any foreign power, and recommends that all federal agencies should intensify efforts to prevent the dissemination of critical technology to any foreign power.

RESOLUTION NO. 7

Whereas, the National Society, Sons of the American Revolution supports proper commemoration and celebration of the American War for Independence which gained the 13 Original Colonies their freedom; and

Whereas, the Battle of Cowpens, fought in South Carolina near the present village of Cowpens was a major victory for loyal Americans in their fight for liberty; and

Whereas, the Federal Government has appropriated certain funds for the improvement and enhancement of the Cowpens Battleground site; and

Whereas, the effect of monies spent will be much more effective and widespread, and of longer duration, if a permanent annual celebration is held at the Battleground;

Now, therefore, be it resolved that the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, favors allocation of an adequate portion of available funds for the construction of a suitable amphitheater which will be made available for the production of an annual outdoor drama based upon the Battle of Cowpens and surrounding events, so that the people of America will have a better opportunity to become more conversant with the great deeds of our illustrious ancestors.

RESOLUTION NO. 8

Whereas, Professional Standards Review Organization (PSRO) was established as a rider attached to the Social Security Law of 1972 without public hearings or proper consideration; and

Whereas, confidential medical records of every patient under any of the numerous government-sponsored health care programs will be open to PSRO inspectors; and

Whereas, "norms" set by the Department of Health, Education and Welfare, after examination of all patient records, will change the concept of health care, nullifying doctor-patient privacy preventing full use of the doctor's knowledge, experience and training; and

Whereas, PSRO can overrule a doctor's decision in prescribing, hospitalization, or operating under penalty of fine and suspension from medical practice;

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, supports the adoption of H.R. 9375, or similar resolutions, which would repeal the provisions of the Social Security Act which violate the confidentiality of the doctor-patient relationship which would be contrary to numerous State statutes, contrary to professional ethics, and which would lead to federal control of medicine.

RESOLUTION NO. 9

Whereas, there is pending in the United States Congress a resolution sponsored by Senator Harry Flood Byrd, Jr. of Virginia in which Senator William Scott of Virginia has also joined as a co-sponsor, to restore the citizenship of General Robert E. Lee,

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, joins in with the purpose and spirit of this pending Congressional resolution.

RESOLUTION NO. 10

Now, therefore, be it resolved that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, reiterates and reaffirms that all previous resolutions adopted at prior Congresses be reaffirmed.

THE NEED FOR LEGAL SERVICES

Mr. HASKELL. Mr. President, on Thursday, July 18, the Senate voted to accept the conference report on H.R. 7824, a bill to establish a Legal Services Corporation. Due to a serious illness in my family I was unable to be present for that vote. Had I been present I would have joined 77 of my colleagues in voting in favor of the bill.

The bill as passed reflects compromises made in the conference committee between the original House and Senate versions. It also reflects several years' worth of legislative activity on the part of the White House and legal services supporters throughout the country. It is a moderate bill pleasing neither the avid supporters nor the strong opponents. In view of the long years of effort which have resulted in this bill I am delighted the President has reversed his earlier position and has signed the bill.

The importance of the measure cannot be underestimated. The legislation insures some minimum level of representation in civil matters for those persons unable to afford legal fees. Enactment of a Legal Services Corporation will insure continuation of several separate programs existing in the major urban areas of my home State—including Denver, Pueblo, and Colorado Springs—as well as a network of rural offices spread throughout the farm and ranch lands coordinated by a central administrative office in Denver.

These Colorado programs presently provide representation for many of our indigent population in municipal, county, and State courts. Lawyers, paralegals, and authorized law students appear before such bodies as the Colorado Department of Social Services, Colorado Department of Motor Vehicles, Colorado Department of Employment, Unemployment Compensation Division to present claims the arguments of their clients before agency referees and personnel. The legal service attorneys in Colorado have a close working relationship with the Colorado Bar Association and have enjoyed the support of both the Colorado Bar Association and local bar associations for some time.

Mr. President, I once served as president of a legal aid society in the Denver area and I can vouch for the widespread community support and bar association support for the program. That support has been echoed time and time again by editorials appearing throughout the State. Mostly, recently both the Denver Post and the Rocky Mountain News have gone on record in favor of a legal services corporation. I ask unanimous consent that the texts of those editorials be reprinted at the close of my remarks, along with communications from the Colorado Bar Association and the Denver Bar Association. These statements reflect only a small portion of the positive showing of support which has reached my office from my Colorado constituents.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POOR NEED LEGAL SERVICES

A bill in Congress to set up an independent corporation to administer legal services for the poor may be in jeopardy when it reaches the desk of President Nixon.

The President reportedly is considering vetoing the bill because it is too restrictive on the activities of legal services lawyers and because of pressure by some conservative members of Congress.

The legal services bill isn't what it should be, but it is better than no bill, which would mean no legal services system for the poor unless some type of similiar program still under the federal bureaucracy were set up.

In the past the legal services program was funded through the Office of Economic Opportunity (OEO), but that funding will cease June 30 as the OEO program is dissolved.

The bill now in Congress first appeared in 1971 when the President proposed consolidating the various types of poverty-law programs into one. He vetoed the legislation that resulted because the President was denied the complete discretion to nominate the corporation's board.

In 1972, Congress proposed the legislation but it died in a conference committee. In May 1973 Nixon again proposed his version, which was adopted by the House after the addition of a number of severe restrictions on attorney activity. The Senate adopted a modified version of the bill, and the effort has now been approved by a conference committee and re-approved by the House. It is awaiting a final Senate vote.

The bill now prohibits legal services lawyers from engaging in litigation about school desegregation, nontherapeutic abortion, the draft, desertion and amnesty, class actions and cases that generate fees. It also prohibits political activity by attorneys and opens the door to the termination of legal services back-up centers, which are resources for litigation in specialized types of cases.

If the bill were to be vetoed by Nixon, the damage to Colorado legal services programs would be widely felt. For instance, the Arapahoe County program is entirely funded through OEO, and almost 47 per cent of the funding for Metropolitan Denver Legal Aid Society comes from that source. In addition, in Denver more than half of its funding already is jeopardized with the ending of the Model City program.

A veto at this point would place the burden of legal representation for the poor back on the state courts, a task they aren't economically ready to handle.

On the other hand, the signing of the bill into law will at least continue the program and allow future Congresses to decide if the restrictions against activities by attorneys are in the best interest. The bill should become law.

A GOOD PROGRAM

Neighborhood legal services for the poor will dry up soon unless Congress approves and President Nixon signs new legislation keeping the program alive.

A bill creating a new legal services corporation is under strong attack by conservatives, who say poverty lawyers spend too much time agitating for political and social reforms.

In fact, such lawyers spend most of their time handling divorce, child custody and housing dispute cases for people who have no other access to legal aid.

This has been one of the more successful antipoverty programs at providing practical help where help is needed.

Yet the program will expire unless new legislation, setting up an 11-member operating board, is approved by the end of the month.

The fear now is that Nixon will veto the legal services bill (which he once supported) in an effort to woo conservative support for his upcoming impeachment battle.

COLORADO BAR ASSOCIATION,
Grand Junction Colo., June 18, 1974.

HON. RICHARD M. NIXON,
President of the United States,
Washington, D.C.

DEAR MR. PRESIDENT: The Colorado Bar Association has long been an avid supporter of the Legal Services Corporation Act which now is in the form of HR 7824. We have been pleased that you submitted the proposition to the Congress and although the legislation may not be in the precise form in which it was submitted, we urge you to sign the Bill and assure permanent legal services to the nation's poor.

Yours very truly,
ANTHONY W. WILLIAMS.

THE PRESIDENT,
The White House,
Washington, D.C.:

Denver Bar Association respectfully urges you to sign H.R. 7824 Legal Services Corporation Act to avoid crisis in provision of legal services to persons unable to afford or obtain such services. Situation very critical in Denver, and other communities.

GILBERT M. WESTA,
President,
Denver Bar Association.

IMPACT OF INCREASED GASOLINE PRICES ON FUEL CONSUMPTION

Mr. BUCKLEY. Mr. President, this morning's Wall Street Journal carried a report on the impact of increased gasoline prices on fuel consumption that deserves a close reading.

During the Arab boycott, we engaged in numerous discussions of ways in which we might encourage the American people to reduce their consumption of gasoline on the one hand while stimulating further exploration on the other. Numerous proposals were advanced at the time. Ration stamps were printed. Bills were drawn that would directly involve the Federal Government in exploration and research. Interventionism sounded appealing at that time as we groped for answers to very real problems.

Those of us who urged reliance on the market were largely ignored or dismissed as unable to comprehend the complexities of the energy problem. We were told, for example, that higher retail prices would not significantly affect gasoline because of a virtually inelastic demand for fuel.

Fortunately, however, the market is once again proving itself capable of dealing with the problem of supply and demand in its own uniquely quiet and efficient way. Domestic demand is down as predicted and more money is being channeled into exploration.

This has been accomplished without bureaucrats and without new laws. The American people are responding voluntarily and rationally to a new situation by reducing consumption and using fuel more efficiently.

This is obvious from the fact that most Americans support the lower speed limits which reduce fuel consumption and make it more likely that travelers will arrive at their destinations in one piece.

And it is clear from the shift in automobile buying patterns. Detroit's monsters are not selling as well as they once did as energy conscious buyers choose more economical models. This shift in consumer preferences has in turn affected Detroit's long-range plans so that next year there will be even more small, economical models to choose from.

The evidence is clear—the market does respond to changes in supply. Price does affect demand and consumers do adjust to shortages without the help of energy czars and price regulators.

As the article indicates, European demand for imported oil may drop by as much as 20 million barrels a day because of market adjustments and we may be saving up to 7.5 billion gallons a year for the same reason.

Adam Smith may sound old fashioned, but the mechanisms he described nearly 200 years ago are still more efficient than all the regulatory boards and planners in Washington.

Mr. President, I ask unanimous consent to print this morning's Wall Street Journal article in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

With Gasoline Higher, Motorists Buy Less, Surprising Experts

(By Sharon Sabin)

The high price of petroleum appears to be trimming demand for fuels—even gasoline.

This is a surprise to most oil observers, "Who would have believed that 55-cent gasoline would deter anybody from driving?" asks a puzzled vice president of one major oil company.

Most oil-industry executives—and many economists outside the industry—have held the theory that there isn't "price elasticity" in petroleum demand in the U.S., at least not for gasoline. In other words, it was generally believed that U.S. drivers wouldn't snub the gasoline pump no matter how high the price might go.

The Arabs and other petroleum producers believed this, too. That's why the Organization of Petroleum Exporting Countries boldly tripled world crude-oil prices last fall and winter. But the assumption couldn't be tested until the end of the petroleum shortages created by the Arab embargo.

Now, with supplies plentiful again but gasoline prices 45% higher than a year ago, American motorists are punching some holes in the theory.

STAGNANT DEMAND

Instead of increasing in recent weeks, as had been predicted for the time when shortages eased, gasoline demand in the U.S. is stagnant. At less than 300 million gallons a day here at the peak of the driving season, gasoline consumption is holding dead level with that of last summer, when spot shortages had caused some cutbacks in motoring.

But even that comparison is misleading. There are more motorists and more cars today. This means that individual motorists are buying less gasoline than they did last summer.

Alan Greenspan, the New York economic consultant who is President Nixon's nominee for chairman of the Council of Economic Advisers, calculates that in recent weeks gasoline demand per vehicle has been down 8%, seasonally adjusted, from the level of November 1973, the last "normal' month before the five-month Arab embargo restricted supplies.

The higher price is the reason, says Mr. Greenspan, who was an early dropout from believers in the inelastic-demand theory.

But many oilmen still aren't convinced. "Our feeling is that the American consumer isn't going to be deterred enough by high prices—although he doesn't like them—to change his driving habits," says Harry Bridges, president of Shell Oil Co.

OTHER EXPLANATIONS

Some other oilmen cite reasons besides price for the stagnant gasoline demand, such as the general economic slump, cancellation of vacation trips by people who have unfounded worries about gasoline availability, and an honest desire by many Americans to conserve energy after the recent crunch. And some suggest gasoline consumption is likely to start climbing again soon.

"At the moment, there is price elasticity in gasoline," says Howard W. Blauvelt, chairman of Continental Oil Co. "But is it only a temporary phenomenon?" he asks.

Continental's economists are predicting that total petroleum demand in the U.S. will rise for the rest of the year, by as much as 2% or 3%. Even so, total petroleum consumption for all 1974 would be at least 1% behind that of 1973 because of the sharp declines in the first half of this year.

The decline in total petroleum demand for the year will be due largely to the slump in consumption of gasoline, the oil industry's bread-and-butter product. Americans burn more than 100 billion gallons of gasoline a year and, demand had been steadily climbing 5% to 6% a year until the Arab embargo curtailed supplies.

IMPACT OF FULL EMBARGO

During the first quarter of this year, with the embargo in full force and supplies restricted, gasoline demand was off 6% from a year earlier. After supplies were restored, starting with the March end of the embargo, demand for gasoline continued to be depressed and was down 2% in the second quarter from a year earlier.

Demand has perked up some with the summer driving season under way. But it's still no higher than a year ago, and price seems to be the key. The high price of gasoline, for example, was probably as important a factor as any in the recent surge in demand for smaller cars, which consume less gasoline.

"In the short run, demand will be measurably—not moderately—modified by high prices," says John H. Lichtblau, executive director of the Petroleum Industry Research Foundation, a nonprofit study group funded by petroleum marketing and refining companies.

A clear indication of growing consumer resistance to high pump prices is the recent build-up of gasoline inventories. At 221.7 million barrels, they're up 9% from a year ago. Because of these accumulating stocks, storage space is running short, and some of the oil companies have begun to put pressure on their dealers and distributors to push gasoline sales.

Consumer resistance in the U.S. and elsewhere clearly is a major factor behind the sudden world-wide petroleum surplus. As much as two million barrels of petroleum a day is believed to be going into inventories in the non-Communist countries.

As a result of the surplus, oil prices are beginning to weaken, although they aren't expected to come down much. Kuwait and some other Arab producers have already run into major difficulties in selling crude oil at prices they demanded. The softening in petroleum markets abroad is likely to be reflected in gasoline prices in the U.S.

Mark Owings, manager of marketing economics for Gulf Oil Corp., says he sees "a lack of strength" in the gasoline market. Gulf, the nation's fifth-largest gasoline marketer, last week reduced gasoline prices by 1.6 cents a gallon to pass through lower crude-oil costs. United Refining Co., a large independent gasoline distributor in the East is cutting prices in some areas for competitive reasons.

The appearance of price elasticity in petroleum is sending oil economists back to their charts. In Europe, the Organization for Economic Cooperation and Development has sharply lowered, from 40 million barrels a day to 20 million, its projections of how much oil its 24 member countries will have to import by 1980. Twenty million barrels a day is less than the 24 countries imported in 1972.

In the U.S., the Federal Energy Administration is sure to give more weight to price elasticity in its studies now nearing completion for the Nixon administration's Project Independence, which is intended to free the U.S. of reliance on foreign energy supplies.

Oil observers also expect consumer resistance to high prices to cause a leveling of profits—and perhaps even declines—for the bigger oil companies in the second half of this year. Says Mr. Lichtblau of the Petroleum Industry Research Foundation:

"If the cost of crude oil remains high because of producer-country cartel pricing while consumer resistance to these prices curtails growth in demand, the international oil companies are likely to see quite an erosion of their existing profit margins."

Because few felt that there was any price elasticity in petroleum demand in the U.S., not many studies have been made on the issue. But one economist who has calculated various short- and long-term elasticities for fuels in the U.S. is Michael K. Evans of Chase Econometrics Associates, a unit of Chase Manhattan Bank. His figures indicate that gasoline is the most price-elastic of all fuels, with an elasticity in the short run (which he defines as a year or less) of 0.15 and much greater elasticity over the long haul.

If gasoline prices go up by 50% (they have risen almost that much, to an average of 55 cents a gallon for regular grade from 38 cents in less than a year), a short-term elasticity of 0.15 means that demand should fall 7.5% (50 multiplied by 0.15 equals 7.5). At the current rate of consumption, that would be a drop of 7.5 billion gallons a year.

COLLECTIVE BARGAINING LEGISLATION

Mr. TUNNEY. Mr. President, in recent weeks we have seen dramatic evidence of growing unrest among public workers. In the city of Baltimore, Md., and in the State of Ohio, public workers recently resorted to strike action to press their demands for decent wages and working conditions. In my own State, workers in the Los Angeles Department of Water and Power briefly struck to press their demands.

The problem in many cases is the absence of an adequate framework for collective bargaining in the public sector. Collective bargaining has long been recognized as a way to avoid labor unrest in the private sector. In the public sector, however, management still clings to the old way of refusing to deal honestly with legitimate worker demands.

A June 23 editorial from the Los Angeles Times emphasizes a need for public sector collective bargaining legislation in my State. In my opinion, though, while that would be a step in the right direction, there is still a need for Congress to consider some sort of Federal law comparable to the Wagner Act to insure a uniform national approach to what is rapidly becoming a national problem.

I ask unanimous consent that this editorial from the July 23 Los Angeles Times be put in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Strikes and the Public: Better Rules Needed

The agreement ending the short but potentially crippling strike against the Los Angeles Department of Water and Power points up once again the need of state legislation governing collective bargaining for public employes.

Although the state courts have ruled that government workers do not have the right to strike, more and more of California's 1.1 million public employes are turning to the strike as the means of obtaining wage increases, especially in these days of inflation. Such was the strike against the DWP.

The dispute should have been settled at the bargaining table. Fortunately the strike was short. As it was several thousand San Fernando Valley residents were deprived of electricity for three long, hot days. That denial of an essential service could and should have been prevented. The question then, is how?

Existing collective bargaining machinery in the public sector obviously is not adequate, but a redefinition of state law governing the bargaining rights and obligations of public employes holds out a possible solution.

Former Assembly Speaker Bob Moretti has introduced a bill that offers the potential for a more precise definition of state law. Already approved by the Assembly and awaiting a Senate hearing, the Moretti bill would permit a court to forbid a public employe strike if it found that public health and safety would be endangered, and if there was agreement for binding arbitration. The proposed bill could provide an approach that would safeguard necessary public services while providing fair treatment of public employes and taxpayers. It warrants the thorough consideration of the Senate.

KIDNEY DISEASE QUESTIONNAIRE—I

Mr. HARTKE. Mr. President, in September of 1972, the Senate passed an amendment to the Social Security Act which established a kidney disease program within medicare. One month later, that program was enacted into law, taking effect on July 1, 1973.

The kidney disease program was unique in the Nation's history. It is the first health insurance program to recognize health care as a matter of right. Anyone within special security employment—or who is the spouse or dependent of such a person—may apply for and receive financial assistance under the program, regardless of age.

For the first 9 months under the program, it was in chaos, and the situation remains critical today. Interim guidelines were delayed and confused, and the regulations were often arbitrary and poorly drafted.

It was just this situation which prompted me to write to hospital associations throughout the country asking a series of basic questions about the program. More than 60 responses from more than 40 States were received, many of them containing detailed information documenting the problems experienced under the kidney program.

Mr. President, I ask unanimous consent that a portion of these responses be printed in the RECORD at the conclusion of my remarks. In subsequent days, I shall ask unanimous consent to have the remainder of the letters printed so that my colleagues may see what can be expected when national health insurance is enacted.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., March 15, 1974.

DEAR —: As you know, Public Law 92–603, enacted by Congress in 1972, established a program to provide Medicare assistance to persons with chronic renal disease. The program began operation in July of 1973.

As the author of the kidney disease program, I am most interested to learn of the experience of hospitals and doctors in your state since last July. Among the questions which I have are:

1. What problems arose at the inception of the program?

2. Have those problems been eliminated as of this date?

3. Have new problems arisen?

4. Approximately how many patients are being served by the program?

5. Does your state have any program to supplement Federal benefits under the kidney disease program?

6. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

I would appreciate your taking the time to write to me about the operation of the kidney disease program in your state. The information provided will be turned over to the Senate Finance Committee so that it can monitor the effectiveness of the program, unless you request that your response be kept confidential.

I am enclosing for your information a statement I made on the Senate floor regarding the kidney program and problems communicated to me from Indiana. You will note in that statement report from the Social Security Administration on the problem of reimbursement for this program.

I look forward to hearing from you. If you would like to contact me on this matter, please call my Legislative Assistant, Howard Marlowe, at (202) 225–4814 or write me in care of 313 Russell Building, Washington, D.C. 20510.

With my best wishes, I am

Sincerely,

VANCE HARTKE,
U.S. Senator.

ARIZONA HOSPITAL ASSOCIATION,
Phoenix, Ariz., April 5, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: This letter is in response to your inquiry on the chronic renal disease program under Medicare and PL 92–603. After discussions with Blue Cross of Arizona who is the intermediary for Medicare in Arizona, we have the following answers to your questions.

1. We have had no specific problems in the inception of the program.

2. We have no new problems that have entered the picture since the inception of the program.

3. We do not have an exact count on the patients being served by the program but they are relatively few and in the neighborhood of 6–8 patients.

4. We do not have a state program to supplement federal benefits to the renal disease program.

5. There is no backlog in intermediary reimbursement to health care providers under the program.

Neither the intermediary or our Association have any recommendations at this point for a change in the regulations since we have had very little activity in the program. We should have some recommendations within the next 60 days and at the time they are developed, they will be sent to your attention.

Sincerely,

L. H. WOODRUFF,
Director of Government and Fiscal Affairs.

CHILDRENS HOSPITAL OF
LOS ANGELES,
Los Angeles, Calif., April 9, 1974.

Attention Mr. Howard Marlowe.
Senator VANCE HARTKE,
Russell Building,
Washington, D.C.

DEAR SENATOR HARTKE: The purpose of this communication is to provide response to your interest in the experience that pediatric hospitals have had with the Medicare Chronic Renal Disease Program. Below is listed our response to your survey as provided to us from the National Association of Children's Hospitals and Related Institutions, Inc. (NACHRI).

QUESTION RESPONSE

1. What problems arose at the inception of the program?

a. Confusion on part of parents on how to apply for program and where.

b. Since the greatest percentage of our patients were covered under CCS, much confusion on the part of the CCS Program as to Medicare requirements, coverage and procedures.

c. Training problems with the hospital's billing office since billing procedures for Medicare were not part of the normal operation.

d. Delay in issuing of Medicare authorizations, and the need to bill retroactively to the effective date of the coverage. These patients have numerous admissions and the program billing requirements have caused much billing delay.

2. Have those problems been eliminated as of this date?

Problems 2 and 4 still exist.

3. Have new problems arisen?

Continued processing problems and programs requirements being brought to our attention by fiscal intermediary.

4. Approximately how many patients are being served by the program?

We have 8 active patients on dialysis and 4 on Home Dialysis.

5. Does your state have any program to supplement Federal Benefits under the kidney disease program?

Medi-Cal and Crippled Childrens Services.

6. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

Not critical at this point.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

Patients having heavy outpatient drug costs which are not covered under the program.

8. Have you experienced difficulty, delay, or red-tape in obtaining Medicare Certification?

No—provider number was issued years ago.

9. Have accounts receivable increased because of any such delay?

No—Medi-Cal and CCS were slow pay prior to this program and we feel that once billing procedures are under control, we will experience better cash turnaround.

Cordially,

R. W. CARSON,
Administrative Director.

LOMBARDY MEDICAL CENTER,
Wilmington, Del., April 8, 1974.

Senator VANCE HARTKE,
U.S. Senator,
313 Russell Building,
Washington, D.C.

Re Communication dated March 15, 1974, Public Law 92–603, Chronic Renal Disease Program.

DEAR SENATOR HARTKE: I appreciate your interest in the Chronic Renal Failure Program and particularly your interest in Public Law 92–603.

In answer to your questions posed in your letter of March 15, 1974, our initial problems at the inception of the program was a totally unprepared bureaucratic system which in turn caused a great deal of delay in getting eligibility dates, etc. Initial problems of repetitive paperwork concerning chronic dialysis patients has persisted to this time. Our difficulties in getting appropriate eligibility dates for patients based on medical need has somewhat improved, due primarily to close cooperation between the Nephrologists of the area (myself and Dr. Robert Flinn) and the Medicare Administration locally. We have had continued difficulties in filling out a rather overlong and complex application for exception to develop a satellite unit capacity. Ours is a new program and the patient volume is steadily increasing, particularly since the inception of the Medicare program. The need for satellite units has arisen quickly and in fairly large numbers. This difficulty in initially obtaining the application form to develop such a satellite capacity and subsequently in completing such form has been a major problem. At the moment, some of these problems do seem to be behind us, but only the future will tell for sure.

In response to "new problems" there have been none that I am aware of.

We are currently serving between 30–35 patients who are at end stage renal failure. There are approximately 10–12 additional patients identified as near end stage and the volume of patients presenting to the program does seem to have increased to about two times that of about two years ago.

In response to Question 5, we do have a small program here in the State of Delaware to supplement as "last dollar" funding for indigent patients or patients who do not have complete funding. This program will require an increase in the State allocation if it is to continue to be as useful as in the past.

We at the moment do have a four month backlog in the intermediary reimbursement to the Wilmington Medical Center for the Chronic Renal Disease Program. Again, as with the initial paperwork problems I mentioned above, this is the end result of a rather complex series of negotiations between the Wilmington Medical Center and the Blue Cross Intermediary and between the Nephrologists and Wilmington Medical Center. The latter negotiation was necessary because of a lack of "Physician fee for service" provision under the stipulations of the End Stage Renal Disease Program. These problems do seem to be behind us and I anticipate the backlog will work its way through in the very near future. In this regard, we have had virtually no problems from the local Medicare program. They have provided every possible cooperation with us within the limits of the Public Law 92–603.

Coming finally to your last questions, there are changes that I feel would be appropriate. I believe more local control from the local fiscal intermediary would be appropriate. The local Medicare people have developed an extremely good rapport with us and with the Wilmington Medical Center and have seemed to provide every service to the benefit of the patient that is feasible. Where they have fallen down is usually in the area of a need to contact National Offices for clearance of certain exceptions, etc. Although I realize this may not be within your authority to change things, I do believe that it would be appropriate to grant more local control.

I also feel that it would be appropriate for the patients to be granted full out-patient coverage of equipment and laboratory funding. In this way, it would eliminate some unnecessary hardships that currently exist in the form of "deductibles" for medically indigent patients on a yearly basis. Finally, in terms of "nuisance work", repetitive history and physical forms which seem to be filled out, lost and "refilled out" could be either streamlined or virtually eliminated. In spite of the attempts by the local Medicare office to improve this area, very little progress has been made. I understand the Government's need for validation and documentation but I feel we had an "overkill" situation.

Again I would like to express my thanks for your interest in this program nationally and your time taken to read this letter concerning our problems locally. Certainly these patients present a very unique form of severe and chronic medical illnesses and the benefits of the "HR–1" program, not withstanding the many problems that have arisen, are unmeasurable. Thank you again.

Sincerely,

William E. Miller, M.D.,
Associate Director, Hemodialysis Unit, Wilmington Medical Center.

Wilmington, Del., *June 12, 1974.*

Re Chronic Renal Disease Program.

Senator Vance Hartke,
U.S. Senator,
Russell Building,
Washington, D.C.

Dear Senator Hartke: I am writing you in follow-up to your inquiry of March 15, 1974 and my reply of April 8, 1974 concerning the Chronic Renal Disease Program.

Since that time, I have noted that, contrary to your efforts on behalf of the Chronic Renal Disease Program, that more paper work and more delays have become permanent rather than been improved. Specifically, in response to a demonstrated need in our community, we have been trying to set up a satellite dialysis unit. We have virtually unanimous approval from the various local and regional authorities and commissions for such a unit and in fact it would be the only unit of its kind in the State of Delaware. However, we have found that there are repetitive road blocks being thrown up by the Medicare Administration Center in Rockville, Maryland. Through the excellent cooperation of the Community Health Planning Council here in Northern Delaware, the local Medicare Personnel, and Mr. Fred Park of the Bureau of Health Insurance located in Philadelphia, we have been able to hopefully expedite some of these obstructions. However, as I mentioned in my previous letter, it would seem to be more appropriate to somehow untangle the mass of red tape and "make work" activities of Rockville and give more local, or at least regional, autonomy. In the eyes of Mr. Park and apparently of his Council in Philadelphia on the regional level, there should be no difficulty whatsoever with our application for permission to set up a unit. The need certainly is there and by the time these various obstructions are totally overcome and the physical plant is built, the delay will result in the compromise of more than one patient's health.

Again I appreciate your attention to any matters concerning the Renal Program both here and nationally. I know that our situation is not unique and I hope other Physicians across the country are taking the time to write to you. I thank you again for your interest.

Sincerely,

William E. Miller, M.D.

Association of
Delaware Hospitals, Inc.,
Dover, Del., April 9, 1974.

Hon. Vance Hartke,
U.S. Senator,
Washington, D.C.

Dear Senator Hartke: In my letter to you, dated March 22, I indicated that I would send you the information reported to me by our hospitals concerning your questions on the kidney disease program in Delaware.

I forwarded your questions to the nine hospitals in Delaware and to Blue Cross, Department of Health and Social Services and the Health Planning Council. Since the answers that I have received to date have taken various forms, I will not attempt to compile them, but simply forward them to you. If I should receive any additional replies, I will forward them also.

I am hopeful that these answers and comments will prove helpful to you and assist your efforts to determine the effectiveness of this most important program.

Sincerely,

Barbara B. Fidler,
Administrative Assistant.

Association of
Delaware Hospitals, Inc.,
Dover, Del., March 22, 1974.

Hon. Vance Hartke,
U.S. Senator,
Washington, D.C.

Dear Senator Hartke: We are in receipt of your letter of March 15 concerning the kidney disease program and the problems encountered with regard to reimbursement.

We will survey our hospitals, using the questions you posed, and send you the results as soon as they are available.

Sincerely yours,

Barbara B. Fidler,
Administrative Assistant.

Blue Cross, Blue Shield, of Delaware,
Wimington, Del., March 28, 1974.

Ms. Barbara B. Fidler,
Administrative Assistant, Association of Delaware Hospitals, Inc., Dover, Del.

Dear Ms. Fidler: Your memorandum of March 24, 1974, asked for comments about the problems being experienced in the renal disease program. We would limit our comments to three areas raised in Senator Hartke's letter.

First of all, some of the problems that arose at the inception of the program have for the most part been eliminated and therefore we will not comment on them.

With regard to question 5 in Senator Hartke's letter, the following supplemental benefits are availble:

1. The Chronic Renal Disease program of the Division of Public Health, which generally covers the "two month waiting period" applicable under the Medicare Program and the services and supplies not covered by Medicare. Of course, this is subject to the availability of the State appropriation.
2. The Title XIX (Medicaid) Program covers the same as (1) above for those recipients eligible under the State Medicaid Program.
3. Blue Cross and Blue Shield of Delaware provides supplementary benefits for the program except for coverage of supplies.

In answer to question 6, it is our information that the Wilmington Medical Center delayed submitting approximately $75,000 in claims for outpatient kidney dialysis services principally because of the very burdensome paper work requirements that must be met before claims are acceptable.

The changes we would recommend in response to question 7 have to do with a reduction in the paper work now faced by the providers. Since kidney dialysis was first available in Delaware, some coverage has been available to patients who were entitled to benefits under one of the three programs mentioned above. None of these programs required such extensive documentation and our experience indicates that the use of services under these programs was generally appropriate. Now, with the new requirements, providers are being bogged down with paper work in attempting to collect information which may or may not have pertinence to the issue of coverage. Hence, it is our recommendation that the administrators of the program examine the value of the extensive data that is obtained.

In closing, it is well to make a general observation. We have reviewed the Congressional Record of Tuesday, March 5, and find that the comments contained therein relate problems which are common to us in Delaware as well. It should be further pointed out, however, that because the Delaware providers do not have a renal transplant program at this time, the problems in administering this benefit do not apply.

Sincerely,
COURTNEY H. TABER.

WILMINGTON MEDICAL CENTER,
Wilmington, Del., April 3, 1974.

Ms. BARBARA B. FIDLER,
Administrative Assistant, Association of Delaware Hospitals, Inc., Dover, Del.

DEAR Ms. FIDLER: The following are our responses to Senator Hartke's questionnaire relative to the kidney disease program:

1. What problems arose at the inception of the program? Communication between hospital and intermediary principally because of HEW not publishing regulations to implement the law.

2. Have those problems been eliminated as of this date? Yes.

3. Have new problems arisen? No.

4. Approximately how many patients are being served by the program? 18.

5. Does your state have any program to supplement Federal benefits under the kidney disease program? Minimal—not significant.

6. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If, so how much of a backlog? No.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend? Improvement or elimination of form SSA 2742 and SSA 2743 required for billing purposes. Presently the provider must also complete forms SSA 1453 for inpatient and form SSA 1483 for outpatient along with the two special forms—SSA 2742 and SSA 2743.

If you have any questions, please contact me.

Sincerely,
H. RICHARD PEARCE,
Controller.

HEALTH PLANNING COUNCIL, INC.,
Wilmington, Del., December 10, 1973.

Mr. JESSE L. LYNN,
Region Representative, Department of Health, Education & Welfare, Philadelphia, Pa.

DEAR MR. LYNN: The renal dialysis situation in the State of Delaware has arrived at a disastrous point in time. H.R. 1 has opened the way for many people within the State of Delaware to seek treatment for renal failure. At the present time, the Renal Dialysis Department of the Wilmington Medical Center is flooded and treating patients in the hallways. They also were forced to reduce the number of treatments from three to two times per week. If this mode of treatment continues, disaster can strike many of these patients. I understand this situation is not peculiar to the State of Delaware alone. I have been informed the Cleveland Clinic is treating ninety patients on once-a-week dialysis instead of the needed three times per week.

This condition is drawn to your attention as the person responsible for this program in Region III, and by sending copies of this letter to my Congressional Delegation hope we might help move this logjam.

I realize the complications that come about when a new program is started, but I don't understand the holdup on approval of satellite clinics to treat the chronic patient as called for in H.R. 1. The problems of fees that seem to be holding up the implementation of this section of the law are certainly not insurmountable and I would call upon you to do everything within your power to see that the problems of payment to facilities and the doctors are resolved as quickly as possible.

As a Planner, we encouraged the amalgamation of the Crozer-Chester Hospital and the Wilmington Medical Center in setting up satellites to take care of the chronic case of renal failure because we felt strongly that treatment of chronic cases is not the business of an acute general hospital. Treatment in a satellite center can be accomplished at a lower cost than in the large hopsital. As a believer of Secretary Weinberger's approach to cost containment, the Health Planning Council has commented favorably on the New Castle County satellite project.

In working with the Federal Government for many years, I have come to understand the problems involved, but I don't understand delays when the lives of people are at stake. We have held out a ray of hope to many people who are suffering from renal failure and now we are dimming that ray of hope.

I sincerely hope that you and your good office will do all within your power to help clear up whatever problems exist so that this important program can be implemented the way that American medicine is used to doing.

Sincerely,
CLIFFORD T. FOSTER,
Executive Director.

ALFRED I. DUPONT INSTITUTE,
OF THE NEMOURS FOUNDATION,
Wilmington, Del., March 27, 1974.

Miss BARBARA B. FIDLER,
Administrative Assistant Association of Delaware Hospitals, Inc., 5 East Reed Street Dover, Del.

DEAR MISS FIDLER: In response to your memorandum of March 22 concerning the chronic renal disease program, please note that the Institute has not participated.

Your truly,
DAVID B. GRAY,
Manager, Research Services.

GEORGIA HOSPITAL ASSOCIATION,
ATLANTA, GA., *June 17, 1974.*

Senator VANCE HARTKE,
U.S. Senate, Washington, D.C.

DEAR SENATOR HARTKE: We have received another reply to our survey concerning the chronic renal disease program under Public Law 92-603.

This report comes from the teaching hospital of the Medical College of Georgia in Augusta. We have previously sent you a report from Grady Memorial Hospital, which is the large teaching hospital in Atlanta affiliated with the Emory University School of Medicine.

With kindest regards, I am.

Sincerely,
GLENN M. HOGAN,
Executive Director.

MEDICAL COLLEGE OF
GEORGIA HOSPITAL CLINICS,
Augusta, Ga., May 7, 1974.

To: Administrators, Members Institutions.
From: Glenn M. Hogan, Executive Directors.
Subject: Chronic Renal Disease Program.

We have been requested by Senator Vance Hartke, United States Senator from Indiana, to give a report on the chronic renal disease program and its operation since July of 1973. As you know, Public Law 92-603 created support for chronic renal disease.

Senator Hartke was the author of the kidney disease program and is interested in learning of the experience of the hospitals and doctors in our state since July. We would appreciate your answering these questions and returning them to us so that we might give a consolidated report to Senator Hartke.

1. What problems arose at the inception of the program? Organizing internal for prompt billings for reimbursement to appropriate agencies.

2. Have those problems been eliminated as of this date? Yes.

3. Have new problems arisen? Professional Fee Billings.

4. Approximately how many patients are being served by the program?

5. Does your state have any program to supplement Federal benefits under the kidney disease program? Georgia Division of Vocational Rehabilitation; The Kidney Program for Georgia; Georgia Medicaid.

6. Is there at present any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog? No.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend? Programs to continue satellite operations; Re-examine schedule of allowable procedures for laboratory and other areas.

We appreciate your support and hope that you will help us in this survey.

GEORGIA HOSPITAL ASSOCIATION,
Atlanta, Ga., May 30, 1974.

Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: Some time ago you wrote us inquiring about the problems in connection with the chromic renal disease program as established by Public Law 92-603 (Medicare amendments).

We have always appreciated your interest in the kidney disease program and your authorship of the amendment. In Georgia we have had, as you might imagine, only a very few hospitals engaging in renal dialysis.

After sending out a questionnaire, we received a good many returns from hospitals indicating that the questions were not applicable in their situations. However, I have now received a report from Grady Memorial Hospital here in Atlanta, which was the first hospital to install a kidney machine in our state. They carry on a considerable activity and have been utilizing the new program.

I believe the report from Grady Memorial Hospital will be useful to you and am enclosing this report in the same form as received by this office.

There are two or three other large hospitals in the state from which we hope to receive reports and as these come in, I will pass on to your office.

We regret the delay, but hope the comments will still be useful.

With kindest regards, I am

Sincerely,
GLENN M. HOGAN,
Executive Director.

GRADY MEMORIAL HOSPITAL,
Atlanta, Ga., May 7, 1974.

To: Administrators, Member Institutions.
From: Glenn M. Hogan, Executive Director.
Subject: Chronic Renal Disease Program.

We have been requested by Senator Vance Hartke, United States Senator from Indiana, to give a report on the chronic renal disease program and its operation since July of 1973. As you know, Public Law 92-603 created support for chronic renal disease.

Senator Hartke was the author of the kidney disease program and is interested in learning of the experience of the hospitals and doctors in our state since July. We would appreciate your answering these questions and returning them to us so that we might give a consolidated report to Senator Hartke.

1. What problems arose at the inception of the program? Extremely long delay in patients receiving HIC number. Late publication of guidelines. Lack of physician incentive to train patients for home dialysis.

2. Have those problems been eliminated as of this date? Not completely. Some delay still exists in notifying patients of Medicare certification.

3. Have new problems arisen? Response to "Notice of Admission" unusually slow. Response to query by intermediary on outpatient claims is slow. Shortage of knowledgeable nephrologists to handle increased patient load.

4. Approximately how many patients are being served by the program? 150.

5. Does your state have any program to supplement Federal benefits under the kidney disease program? Acts as co-insurance coverage to Medicare for patients meeting financial need eligibility requirements. However, does not provide funding for assistance in home dialysis.

6. Is there at present any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog? $194,444.00.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend? SSA2742 should be a part of patients application for Medicare benefits. SSA2743 should be eliminated and a claim form designed incorporating needed information. Should lend itself to computerization. Provide coverage of transplant related medical expense now excluded by patient eligibility criteria. Provide funding for assistance in home dialysis. (Dialysis aide) Provide funding for nephrology manpower training and research. Establish more realistic criteria for exceptions, and more timely handling of requests for provider certification of new facilities.

We appreciate your support and hope that you will help us in this survey.

FRANK LAWFORD,
Assistant Director.

SAINT FRANCIS HOSPITAL,
Honolulu, Hawaii, April 9, 1974.

Mrs. MARY LOU YAP,
Assistant Director, Hospital Association of Hawaii, Honolulu, Hawaii.

DEAR MRS. YAP: Our answers to the questions stated by Senator Vance Hartke are as follows:

1. Our fiscal intermediary did not receive the regulations to implement the kidney disease program on a timely basis. Upon receipt of such regulations, both the hospital and fiscal intermediary had great difficulty in interpreting and implementing the program.

2. Although the majority of the billing portion of the regulation has been clarified, we have not received from our fiscal intermediary details as to how the cost reimbursement formulas will be interpreted. The reimbursement presently received is still contingent on the final audit of the cost of reimbursement and thus this document is of vital importance in order to determine the actual reimbursement to be received. The question of physician's supervision fees still presents a problem.

3. Reimbursement on supplies and maintenance of equipment has arisen in recent months.

4. We have approximately 127 patients.

5. The State of Hawaii appropriated $300,000 per year for 1973–74. There is some feeling that since H.R. 1 has been passed, a lesser amount should be allocated and possibly deleted.

6. Yes—approximately $650,000 as of February 28, 1974.

7. A. One of the recommended changes is the liberalization of coverages in the following areas:

1. Home visit charges. Nurses visits to home care patients, perse are not covered; however, these charges would be covered if through some conversion they are treated as supplies charges. The regulations should be revised to permit home visit charges to be charged as such rather than disguised as other items.

2. Maintenance of hemodialysis equipment for home use by a manufacturer's representative. Routine periodic servicing or maintenance by a manufacturer's representative is not a covered item. (Section 3113.3B Coverage of Services Intermediary Manual). Such servicing includes testing, adjusting and other work to determine that the equipment are working properly. This can be done only by a qualified person and is not done for the convenience of the beneficiary. It is recommended that these charges be included under covered services.

3. Doctors' supervisory charges related to dialysis treatments. Currently these charges cannot be billed separately but must be included as part of the dialysis charges which coverage is limited by a "Screen Amount." The inclusion of the supervisory charges has the effect of the dialysis charges exceeding the reimbursement screen limitation; therefore, it is recommended that the supervisory charges be allowed as a separate physician charge. Separate billing for this item will facilitate the processing of the bills for the dialysis treatments. At present, there is a delay in billing because the information for supervisory charges must be obtained directly from the physicians.

4. Various supplies and accessories used in connection with dialysis. These items which include blood pressure cuffs, stethoscope, forceps, scissors and similar types of physicians instruments, and other nonmedical items such as stop watches are not presently covered by the program (Sec. 60–1, Chapter II—Coverage Issues, Appendix, Intermediary Manual). However, these items are essential items in the dialysis treatments and are issued individually to each patient. It is recommended that coverage be extended to these items when prescribed by physicians.

5. Take home drugs. Drugs prescribed by a physician to be taken at home in connection with the patient's renal disease treatments are not covered by H.R. 1 even though these drugs are necessary to maintain the patient in a stabilized condition. In some cases, the cost of these drugs approaches or exceeds $100.00 per month. It is recommended that take home drugs prescribed by a physician be covered.

B. Fiscal management is an integral and important aspect of the kidney disease program. The initial reimbursement for the providers cost was made approximately five months from treatment. Currently reimbursement of cost is on a 2½ to 3 months delay basis placing the provider in a precarious financial position.

It is recommended that the intermediary be permitted to pay on a reasonable and current reimbursement basis.

C. We also recommend that regional officers of SSA and local fiscal intermediaries of the Chronic Renal Disease Program be delegated more authority and responsibility for decision making and interpretation of program regulations and policies. The necessity for referring many questions concerning billing, coverage, etc. to regional offices or Baltimore or Washington authorities has been one problem area in working with the program. The referral of questions through the various levels contributes to delay and backlog of reimbursement to providers of services.

Very truly yours,

MICHAEL MATSUURA,
Assistant Administrator.

KUAKINI HOSPITAL AND HOME,
Honolulu, Hawaii, April 3, 1794.

Hon. VANCE HARTKE,
U.S. Senator,
U.S. Senate.
Washington, D.C.

DEAR SENATOR HARTKE: I am replying to your letter to Mr. Ollie Burkett, Executive Director of Hospital Association of Hawaii, regarding Public Law 92–603 and Kuakini Hospital and Home's experience in the implementation of this law since July 1, 1973.

Kuakini Hospital and Home presently has a kidney disease program for a mobile unit to take care of emergency renal failure, acute care before patients become chronic, chronic end stage kidney disease program on an outpatient basis, self care unit on the hospital grounds for those who can care for themselves, a home care program for those who can carry on the maintenance program at home, and satellite programs on the neighbor islands at centralized general hospitals. With this background of the program, we will attempt to answer the questions you have posed for Mr. Burkett.

1. What problems arose at the inception of the program?

At the inception of the program, regulations were not finalized and various forms for SSA eligibility, medical eligibility and billing forms were not developed. However, in spite of not knowing which patients were eligible for care at what time and for how much, the hospital billed Medicare starting July of 1973.

2. Have those problems been eliminated as of this date? No.

A. Presently there are four part forms, SSA 795, SSA 2728, 2742 and 2743. SSA 2743 is a billing form which we use by xeroxing additional copies each time we bill because Medicare is still unable to furnish these forms.

B. The Report of Eligibility (ROE) still consumes a great deal of time from the date of submission to final reimbursement for the following reason:

It takes an average of one to two weeks for Baltimore to give us a report of eligibility of patients. The ROE determines deductibles met by patients and their days of eligibility remaining. Hospitals then are allowed to bill for homodialysis patients. It takes another two weeks for the Medicare intermediary to make payments so that it takes an average of over a month for the hospital to be reimbursed after a patient has received treatment.

C. Recently we met with the Medicare intermediary of Hawaii to resolve the very problems you asked in your questions. Attached is a summary of our hemodialysis claims to Medicare and the analysis of the outstanding accounts. The hemodialysis claims were first billed in July of 1973 and the very first payment of these claims was received in December of 1973. Since then, we have been reimbursed monthly and as of March 27, 1974, we have an outstanding account of $81,877.03. The analysis of this outstanding account explains the delay. An example picked at random from our books shows that a patient receiving treatment on November 19 to the 25th, 1973, had to await the report of eligibility from Baltimore until February 4, 1974. Only then could the hospital bill for the patient. Another example relating to ROE is that whereas the hospital business office, physician and the social services department help the patient initiate and fill these forms, the patient is the only one who gets a report of his eligibility stating the effective date and often patients do not inform the hospital because they are not aware of the importance of the eligibility date. It would help tremendously of the institution treating the patients is also informed of the effective date of the patients' eligibility so that the hospitals can process billing.

3. Have new problems, arisen? Yes

A. There are a few laboratory tests that the physician feels necessary to do special studies for other medical complications to give appropriate care to the patient but is refused payment because the tests are not listed on the eligible test list, which is the list for renal disease and not other complications.

B. Home dialysis patients are not covered for cost of maintenance of their machines. The regulations state that if a patient cannot maintain his own machine, the program will pay for the cost of maintenance. However, the local intermediary says that the patient can maintain his own machine. Our physicians, nurses, and patients disagree with this local ruling because experience has shown that we have had to have our maintenance people take special instructions to learn how to carry on maintenance of the dialysis machine. It takes a trained person to carry out this function. Patients or family members are unable to do this. Therefore, cost of maintenance and travel time to the home should be a covered cost.

Peritoneal dialysis is a covered care. However, since patients had to stay in the hospital overnight, we had to get a report of eligibility for each visit which was about two or three times a week. This problem has now been eliminated because the regulations have been amended to treat peritoneal dialysis overnight stays as out-patients.

4. Approximately how many patients are being served by the program?

Fourty-two patients at various levels of dialysis are presently being served by Kuakini Hospital and Home's program.

5. Does your state have any program to supplement Federal benefits under the kidney disease program?

Yes. The Legislature appropriated funds to supplement provider insurance benefits prior to the Federal benefits of July 1973. These funds are still available but plans are under way to phase out this appropriation since Medicare now covers the chronic renal disease programs.

6. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

Yes. As of March 27, 1974, we had an outstanding account of $81,877.03 as discussed in question No. 2.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

Yes. As stated above, we feel that the maintenance cost of home dialysis machines, which would be about once every two months, should be covered by Medicare since the patients or family members are not able to carry out this function and that it requires a trained, experienced person. Laboratory tests that are medically necessary not listed in the eligibility test list should also be covered.

Is there any way that the query for report of eligibility can be handled faster, realizing that Baltimore is replying as fast as they can?

Sincerely yours,

Ronald M. Oba,
Vice President.

Hemodialysis claims

Billed on Hemodialysis accounts, January 31, 1974	$272, 379. 90
Amount Paid on Hemodialysis accounts, March 27, 1974	190, 502. 87
Outstanding accounts	81, 877. 03

Analysis of outstanding accounts

Pending query reply (Report of eligibility from Baltimore)	$48, 317. 23
Questionable claims	18, 148. 36
Incomplete information	$7, 973. 48
Pending claims	7, 437. 96
Total	81, 977. 03

Idaho Hospital Association,
Boise, Idaho, March 18, 1974.

Hon. Vance Harte,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: Thank you very much for your letter of March 15 regarding the chronic renal disease program as approved in P.L. 92–603. We have only one such program in Idaho, and it is located at the St. Alphonsus Hospital in Boise. There have been some major problems with the program, and I have contacted Idaho's Congressmen outlining those problems. However, I am forwarding your letter to the Administrator at St. Alphonsus, Sister Justine Marie, and am requesting that she answer your letter.

Thank you for your interest and I am sure that you will be hearing from Sister shortly.

Cordially,

John D. Hutchison.
Executive Vice President.

Kidney Foundation of Illinois, Inc.,
Chicago, Ill., March 21, 1974.

Hon. Vance Hartke,
U.S. Senator,
Washington, D.C.

Dear Senator Hartke: The Illinois Hospital Association referred your letter of March 15th concerning medical assistance to persons with chronic renal disease. I am enclosing a letter from Dr. James C. Hunt and Mr. Jordan Ringel, officials of the National Kidney Foundation concerning problems with the program. Also enclosed is a copy of a letter from Dr. Edmund Lewis, Chairman of the Medical Advisory Board in Illinois concerning these same problems.

By copy of this letter, I have referred your correspondence to Dr. Joyce Lashof of the Illinois Department of Public Health, under whom an excellent state kidney program has been operating. I am sure the viewpoint you will receive from Dr. Lashof will be a significant one since Illinois has had the best program for treating dialysis patients—the Health Department's renal program has been in operation since 1967 and has gained valuable experience in how a kidney program should operate. Evidence of this is the fact that in Illinois we have approximately 100 kidney patients per million population—when the national average is somewhat below 50 per million.

If we can be of any further assistance, please do not hesitate to contact us.

Sincerely,

Richard P. Demers,
Executive Director.

Rush-Presbyterian-St. Luke's
Medical Center,
Chicago, Ill., March 11, 1974.

Richard P. Demers,
Executive Director, Kidney Foundation of Illinois, Inc., Chicago, Ill.

Dear Dick: As you are aware, as the Regional Representative for the National Medical Advisory Council, I am compiling information regarding the critique of the National Kidney Foundation Position Paper on HR–1 Legislation. I am providing the following information to Dr. Arvin Weinstein, as representative of the communications received from Drs. David Earle, Earl Smith, Robert Muehrcke, Ronald Kallen and Casimir F. Firlit. In addition the Position Paper was consideerd at the January 15th meeting of the Medical Advisory Board of the Kidney Foundation of Illinois and further discussed.

While the Members of the Medical Advisory Board felt that there were many strong points to the document, criticism was evoked in several areas. First, there was considerable criticism regarding the superimposition of a new system of administration, review and monitoring on an existing model in the State of Illinois which has apparently been extremely successful. Particular criticism was levelled towards the complex system of review proposed in the document. In addition, the membership of the area Review Board was considered and it was felt that this should be more strongly described, with a clear indication of medical representation and the way in which members would be placed on this Board. It was further felt that existing programs related to the care of the patients with renal failure should be certified without delay, rather than be submitted to the cumbersome system suggested in the paper.

A second area of considerable concern was that of the relationship of dialysis to transplantation. It was not clear who was to evaluate various transplant programs and how these programs would be evaluated. In a sense, it was felt that dialysis was being placed subservient to transplantation in the total scheme of the program and this was felt to be a position with little merit. The definition of a transplant surgeon, according to the document was not clear. In addition it was unclear as to why it was necessary for a transplant surgeon to be involved in the acceptance of each patient on to a Dialysis Program and presentation of treatment programs to the patient. If the care of the patient with renal failure is to be carried out in the same manner as in the care of any other patient in this country, then it was felt that the patient's primary physician should be responsible for communications between doctor and patient.

Thirdly, several members of the Medical Advisory Board emphasized that the cost of the program proposed in the Position Paper would be far in excess of that which is presently operating in the State of Illinois. On the basis of a variety of cumbersome administrative organizations, the cost of chronic renal failure care could be considerable. In addition, the lack of emphasis on home dialysis and programs which would decrease the cost of hemodialysis would also increase the general cost of the program.

In general, it was felt that the paper was written by physicians in academic medical centers and little consideration was given to the nephrologist who actually cares for the patient in the community. The paper was characterized as consumer-provider oriented rather than doctor-patient oriented, a subtle difference which reflects the relatively callous appoach of government administered programs. As this paper was a paper created by physicians for sponsorship of a voluntary organization, its emphasis would have been more appropriately doctor-patient oriented.

Rather than cover all of the details of the various letters that I have received, I am enclosing copies for the Foundation's files. In addition I would appreciate your circulating this summary statement to the Members of the Medical Advisory Board.

Sincerely yours,

Edmund J. Lewis, M.D.,
Professor of Medicine.

National Kidney Foundation,
New York, N.Y., February 18, 1974.

Memorandum

To. Chairman, Medical Advisory Boards Affiliates, National Kidney Foundation.
From. James C. Hunt, M.D., President
Jordan Ringel, Chairman,
National Kidney Foundation.
Subject. Implementation of Public Law 92–603, Title II, Section 299I.

Comments:

1. Many concerned individuals have called to our attention critical problems associated with implementation of Public Law 92–603 (HR1).

2. A summary of observations reported to us was presented to the staff of the Senate Finance Committee on Wednesday, January 13, 1974.

3. The enclosed letter to Secretary Weinberger was developed by the Public Policy Committee, National Kidney Foundation as authorized by the Executive Committee of the Trustees.

4. We submit that reasonable opportunity has been provided to the various agencies responsible for activation and accomplishment of the legislative provisions of Public Law 92-603; therefore, it is in the interest of the National Kidney Foundation, the affiliates of the National Kidney Foundation, and the public at large that we require reasonable response to health care provisions of this law.

5. Problems encountered by patients, hospital administrators, physicians and other health care professionals in obtaining medical care under PL 92-603 for dialysis and transplantation should be called to our attention.

6. Suggestions should be written, short, constructive and objective.

RUSH-PRESBYTERIAN-ST. LUKES
MEDICAL CENTER,
Chicago, Ill., April 19, 1974.
Hon. VANCE HARTKE,
313 Russell Building,
Washington, D.C.

DEAR SENATOR HARTKE: I have received a letter from Laurie G. Wallach of the Illinois Hospital Association requesting information regarding the Federal Chronic Renal Disease Program.

I have taken the liberty of providing you with a letter that I wrote to Dr. James Hunt, the President of the National Kidney Foundation, regarding the chaos that has arisen in the wake of the new Federal Legislation. The situation at our institution is symptomatic of the situation in the entire State of Illinois. Since the enactment of Public Law 92-603, patients with kidney diseases cannot be assured the quality of care that existed prior to the enactment of this legislation.

I believe that the information in my letter answers, in varying degrees, the questions that you ask of the Illinois Hospital Association in your letter of March 15th. Among the deficiencies of the interim regulations which have been published by the Social Security Administration is a total lack of incentive for patients to be placed on home hemodialysis. This latter fact will account for a considerable increase in government spending regarding this program, insofar as our ability to get a proportion of patients back to their homes, where they can be dialyzed by members of their family, or carry out self-dialysis, is significantly impaired. In addition, mechanisms for reimbursement for professional services have not been mentioned in the Federal Guidelines, thus leaving physicians in a quandary regarding their role in patient care in this Program. Institutional reimbursement has had a considerable lag, however I am sure that you will get more accurate data regarding this latter point from other sources.

Speaking as a private citizen, I am appalled by the fact that Federal Legislation can be written in order to supersede local legislation regarding health care and result in a diminished ability to provide that care. Certainly, our experience in renal diseases in the State of Illinois would indicate that programs for health care that are instituted by the Federal Government might have a more positive impact if it were to supplement local programs rather than supersede them.

I would be happy to further correspond with you on this subject, should you require further information. Thank you for your interest.

Sincerely yours,
EDMUND J. LEWIS, M.D.
Professor of Medicine.

RUSH-PRESBYTERIAN-ST. LUKE'S
MEDICAL CENTER,
Chicago, Ill., February 7, 1974.
JAMES C. HUNT, M.D.,
President, National Kidney Foundation, Mayo Clinic, Rochester, Minn.

DEAR DR. HUNT: It is my understanding that, in your role as President of the National Kidney Foundation, you will have some opportunity to communicate the effect of recent Social Security legislation upon the care of patients with chronic renal failure to members of our representative government in Washington. I therefore wish to describe to you some of the many adverse effects that the confusion surrounding the regulations related to this legislation has had upon my ability to care for my patients.

As a matter of background I would like to describe the situation that existed in my practice and generally in the State of Illinois prior to the passage of the new Federal legislation. The State of Illinois has had a Kidney Disease Program for approximately five years. This program was administered by the Department of Public Health and was created in order that medical facilities and physicians could be reimbursed for the dialysis care of all eligible patients with chronic renal failure. The yearly budget of the Kidney Disease Program was approximately $1,000,000 and a similar amount of money was spent by the State Department of Welfare for patients who were eligible for the latter. A rate of $180 was paid to the institution for each chronic hemodialysis procedure, the professional component of this (i.e. the physician's fee) was negotiable. In our case, this was $25 per dialysis. All administrative procedures relative to certification of the dialysis facility, evaluation of patients for eligibility for the State Program and payment procedures were carried out smoothly and without delay by the Department of Public Health. We never had any problem regarding paper work or payment procedure. The institution was reimbursed promptly. The system, which was supported by an extremely small staff, essentially run by one person in Springfield, Illinois, was a very efficient one from our point of view. I was never forced to delay dialysis nor to reject a patient for dialysis therapy because of financial affairs. With the passage of the Federal legislation, an entirely new system was created entailing significant problems. Firstly, my patients, most of whom are from low income groups, were forced to register with the Social Security Administration. This entailed numerous trips to the local office with considerable confusion on the part of the patients and those who had to administer the program. In addition, we, as physicians, were faced with a large volume of new documents which led to a time consuming effort of supplying the same information that we had originally supplied to the State as well as new information. The above indispositions may not be considered serious by those who spend their lifes in an administrative position, however there is some limit to the amount of time that can be spent away from the patients for whom we are responsible.

Of greater importance regarding the future of our program, the interim regulations for the Social Security legislation did not include a physician's fee. In accord with Medicare rules, the physician's fee would be separate from that charged by the institution. However, no physician's fee was provided for by the new regulations, thus we could not be paid. The difficulty surrounding this is the fact that I spend my time caring for these patients and my livelihood is dependent upon this money. Under the former State Kidney Disease Program, my institution was reimbursed for the time that I spent with these patients and this money appeared as part of my salary. Now, the institution is no longer reimbursed and they are quite concerned about the continuation of the dialysis program, as they must now find funds to pay myself and two other physicians who care for dialysis patients on a day to day basis. I have been told that I cannot expand the current dialysis facility until this matter is clarified. As we have approximately three to four new candidates for dialysis each month, we have been faced with the exceedingly difficult task for keeping them in a reasonable state of health without hemodialysis until such time as these fiscal problems of the institution in running the Dialysis Unit are clarified.

I suppose that even the above would be a tolerable situation if it were carried over a short period of time, however we have now tolerated this for seven months.

In addition, the institution is not being reimbursed promptly, as had been the case when the State Kidney Disease Program was in charge of dialysis payment. The third party insurance carriers, a group that we did not have any difficulty with prior to the legislation, also refuse to pay for those who are insured, as they consider themselves the secondary carrier in these cases. Thus, institutional reimbursement for the dialysis procedure as well as physician reimbursement has inhibited us from functioning with any degree of fiscal responsibility. While the hospital administration must make some difficult decisions in our case, I can hardly blame them for being unwilling to support a program that is extremely expensive and which is surrounded by nothing but bureaucratic confusion. Indeed, the Federal legislation has changed our ability to care for patients at this institution considerably.

Another serious problem that has prevented us from placing patients who require hemodialysis onto the program is that of the problems surrounding centers which are capable of out-of-hospital hemodialysis. Our basic premise in the care of our chronic renal failure patients has been to stabilize them in the in-hospital facility of Presbyterian-St. Luke's Hospital and then refer the patient to an out-of-hospital Center or to home dialysis at such time as the patient was rehabilitated. The absence of Federal payments to out-of-hospital dialysis facilities in the Chicago area, indeed the lag in providing some of the badly needed newer facilities with provider numbers, has made the transfer of these patients impossible. Hence, we must dialyze the existing patients in the more expensive hospital facility and cannot bring new patients into the program. Similarly, the inability of the Social Security Administration to administer the costs of home dialysis care has inhibited us from placing patients in the home. Again, we cannot provide them with the more convenient and less expensive therapy that home dialysis offers, but must keep them within our own facility.

In summary, I think that I am representative of the physicians who are responsible for patients with chronic renal failure in the State of Illinois. Prior to July, 1973 we had a State program that had some deficiencies to be sure, but that provided us with a system whereby we could care for our patients. The care of these patients was not exorbitant and I am sure that the Department of Public Health of the State of Illinois would be happy to have Federal authorities review the records of this. After July, 1973 we have had nothing but chaos. I now find myself in a position of running a program that is a fiscal calamity and this seriously effects the care of my patients. I cannot provide proper dialysis care if the institution to which I am responsible is not properly reimbursed. I cannot provide care to patients when I am not reimbursed for my services. Words cannot express how disillusioned I am with this entire mess. I realize that the National Kidney Foundation was in large part responsible for the legislation, however I do not blame the National Kidney Foundation for the problems relative to rules and regulations related to the legislation. Nevertheless I believe that it is the Foundation's responsibility to carry through on this program in order that patients with chronic renal failure can at least receive the care that would have been available to them prior to the passage of this "landmark" legislation. I hope that you will be able to pursue this in an effective manner. If I can be of any value in helping you, please do not hesitate to call upon me.

Sincerely yours,

Edmund J. Lewis, M.D.,
Professor of Medicine.

Illinois Hospital Association,
Chicago, Ill., April 3, 1974.

Hon. Vance Hartke,
U.S. Senator,
Indianapolis, Ind.

Dear Senator Hartke: In response to your letter we have sent letters of inquiry to five Chicago area hospitals, one in Springfield and the Kidney Foundation. You have had a reply from the latter. To date one hospital has written to us.

I have enclosed a copy of the letter which we sent, along with an article from the *Springfield* (*Ill.*) *Register*.

As soon as I have more information in response to our letter I shall send it on to you.

Sincerely yours

Laurie G. Walsh,
Staff Associate, Research and Education.

March 19, 1974.

Dr. Edmund Lewis,
Director, Section of Renal Diseases, Rush-Presbyterian-St. Luke's Hospital, Chicago, Ill.

Dear Dr. Lewis: Enclosed is a letter from Senator Vance Hartke of Indiana which was received in this office.

Senator Hartke is seeking information on the chronic renal disease program and lists seven questions which we would like to have answered.

Your cooperation in providing us with answers which we could forward to Senator Hartke as soon as possible would be much appreciated.

Sincerely yours

Laurie G. Walsh,
Staff Associate, Research & Education.

Uncle Sam Proves "Slow Pay" on Dialysis Treatment Bills

(By Caryl Carstens)

Uncle Sam is proving to be slow pay for hospitals and other institutions providing dialysis treatments to persons who need kidney machines to stay alive.

A $250 million a year federal program to pay most of the costs of renal dialysis and kidney transplants went into effect last July 1. Benefits are paid under Medicare for anyone eligible under Social Security.

In Illinois, where a state program for renal dialysis has been in operation since 1967, the effect of the federal program has appeared to create chaos for the providers of the service.

Few states had dialysis programs prior to implementation of the federal program. Individuals had to pay the cost of the expensive dialysis treatments out of their own pockets or through insurance.

Treatments are required two or three times a week to remove from the patients' bodies impurities normally excreted by the kidneys. They often cost around $150 each.

In Illinois $1 million a year has been regularly appropriated by the legislature to fund a state dialysis program.

"We're running into more problems here (in Illinois) than other states," admitted Steven Arney of the Bureau of Health of the regional office of the federal Department of Health, Education and Welfare.

"There has been a lot of criticism in Illinois because Illinois had a program going," a Blue Cross representative said.

Illinois hospitals' main problems appear to be getting Medicare cards issued by Social Security to patients so they are eligible and then collecting for treatment given to them.

Memorial Medical Center provides services eligible for federal reimbursement at the rate of approximately $100,000 a month, according to Russell Beckwith, its chief financial officer.

So far the medical center has sent in bills totaling more than $400,000, mainly for outpatient renal dialysis done between July 1 and Feb. 1. The medical center has received only one partial payment of $132,000.

Ultimately for the eight months ending Feb. 28. Beckwith expects Memorial to ask for payments of $800,000, including charges for 15 kidney transplants done during that period.

Spokesmen for HEW and Blue Cross, which handles payments to hospitals for the federal agency, claim they know of no lag in handling billings and insist there are only a few unpaid claims from Memorial on file.

However, after an investigation, Arney agreed there is a sizeable discrepancy between their records of money owed to Memorial and Memorial's report of unpaid bills.

So far, $2.7 million has been approved for payment to Memorial and other operators of Illinois dialysis centers, according to HEW figures.

Twenty-six Illinois hospitals provide the service of which Memorial's is the largest operation downstate. In addition, there are Memorial's six satellite dialysis centers, located in various Central Illinois cities, and five independent centers that provide dialysis.

"Total unadulterated chaos," is Ruth Shriner's description of the effect of the federal takeover on the Illinois program. Mrs. Shriner is supervisor of state services to dialysis patients.

"We're still attempting here in Illinois to convince them we know what we're doing," Mrs. Shriner said. "We've been doing it for seven years."

Problems range from getting federal assistance for individual patients to advising Illinois hospitals on how to bring their programs into conformance with the new federal regulations.

HEW regulations for the program weren't ready when it began last July 1, and providers for some time operated without clear guidelines.

In addition, the Social Security Administration has been slow in providing Medicare numbers for individual patients, and without the number, the patient is a non-person as far as the bureaucracy is concerned.

"Not every individual has been identified and has been given a number. This was the basis of the problem," a Blue Cross spokesman explained. Without that number a hospital can't get payment for dialysis given a patient.

Federal officials have agreed to waive the usual waiting period for receipt of a Medicare card when the individual is on dialysis. However some dialysis patients have been told they would have to wait 24 months before they became eligible for federal assistance, according to Mrs. Shriner.

"Apparently the top drawer (of Social Security) doesn't tell the bottom drawer what's going on," Mrs. Shriner commented.

A patient who had been in the Illinois dialysis program for four years moved from one city to another and found herself being forced to prove her need to federal officials as if she were just starting on dialysis, Mrs. Shriner reported.

Federal regulations have been on the impractical side, according to Mrs. Shriner, although she is hoping for improvement as professionals familiar with the care of kidney patients enter the federal bureaucracy.

The Illinois legislature appropriated $1 million for the renal dialysis program for the current fiscal year which ends July 1. A little over half of the appropriation will be spent, according to State Department of Public Health estimates.

The legislature has been asked to appropriate another $500,000 for the 1974–75 fiscal year.

The state is paying dialysis costs not covered by the federal program which operates under normal Medicare regulations.

As in other Medicare programs the patient is expected to provide the first $60 of payment. Medicare pays 80 percent of the remaining costs.

The state is picking up the $60 and the 20 per cent not paid by Medicare for each Illinois resident in the program.

The Medicaid program for welfare recipients and private insurance companies also are making payments for some patients.

Mrs. Shriner estimates there are more than 800 dialysis patients in Illinois of whom 200 are in a program administered by the Veterans Administration.

Federal officials and Blue Cross expect to have the billing problems worked out in another three months. They also expect Illinois institutions and patients to become adjusted to the federal way of doing things.

"Here it's confusion," one Blue Cross representative admitted. "People were doing it one way. Now they've got to do it another way."

State of Illinois,
Department of Public Health,
April 3, 1974.

Hon. Vance Hartke,
U.S. Senator,
Washington, D.C.

Dear Senator Hartke: This is in reply to your letter to the Illinois Hospital Association regarding the Illinois Renal Program. As you know, a copy of the letter was sent to us by Mr. Richard Demers, Illinois Kidney Foundation.

We, in Illinois, have had a unique program as ours was the first State Program to provide direct care to patients with end-stage renal disease with the purpose of preventing pauperization of individuals who had not needed public assistance until they were struck with this catastrophic illness. In the seven years we have been in existence, the care of such patients has been extended to nearly all corners of the State under a system which was able to maintain cost and quality control of dialysis facilities. There have been 1400 applications for the Program and currently there are approximately 900 patients on the machine, not including 200 veterans.

In answer to your questions, may we submit the following statements:

1. The main problem for all facilities has been a sudden termination of a recognized, acceptable cash flow. There has been great confusion in every area of the national program. *Patients:* There are still patients in Illinois who have not been "entitled" or received their Medicare cards but who were on the machine on July 1; Social Security District Offices have not been uniformly prepared to receive these applications. *Institutions—Dialysis Facilities:* There are hospitals and other dialysis facilities which were in operation on June 1, 1973, which, to date, have received no payment for the treatments they have provided. This is due in part to the confusion surrounding billing procedures.

One significant problem in Illinois has been the sudden change from a system of acceptable charge and payment procedures which covered all patients, either on Illinois Department of Public Aid, or Illinois Department of Public Health, to another less comprehensive one. Blue Cross also recognized the previous state fee schedules as did other third party carriers. These fees were included in signed agreements with all hospitals.

For new facilities, not in business on June 1, 1973, it was necessary to wait for exceptions procedures, which were issued two weeks before the fiscal year was one-half over. All of these new operations were known to the Illinois Department of Public Health to be in the building stage. Because Medicare or Illinois Department of Public Aid could not pay them, a great deal of financial hardship was experienced by the groups who had embarked on providing this care.

2. The problems are being alleviated to some degree. They have not been eliminated, and in order to keep the Illinois Program from being destroyed along with the facilities and patients, the Illinois Department of Public Health has had to put "its fingers in the dikes" within the limits of its own appropriations.

3. The lack of incentives or income guarantees for any facility supervising large home dialysis programs has been a serious problem. Some of these insitutions, part of great universities, have threatened to stop their home training as well as home treatment. One such dialysis center has, in the last week, been encouraged to continue with a recognition of its actual costs for such a large program. It is hoped that these problems will receive the proper attention. The original decision had amounted to a 56 percent payment of the actual costs of supplying the equipment and supplies for home dialysis without any allowance for the required administration, supervision, and professional services for a successful home program.

4. There are approximately 900 patients, eligible for Medicare coverage in Illinois, being treated in hospitals, limited care facilities, and at home.

5. The State has had a State Renal Disease Program since 1967, which is supplementary to all other resources, including Medicare, private insurance, or personal income.

6. There is a backlog of intermediary payments. While we have mentioned it above, an approximate estimate would be several million dollars.

7. It is unfortunate that good Renal Disease Programs, such as Illinois, have had to substitute less satisfactory methods and procedures for those which had been modified by the statutory Renal Disease Advisory Committee to reflect the state of the art and the success of adequate treatment. Our suggestion was first voiced immediately after the Bill 92–603 was signed when we requested that we be given the opportunity to do a Pilot Project or a demonstration to show the validity of our Program. We are in the process of revising our Hospital Agreements to update them in the light of current conditions. However, it seems to be a great waste of experience as well as expertise to refuse to recognize the good points of an existing State Program.

May we ask for copies of the report from Social Security Administration and your statement made in the Senate as they were not included in our reference copy. We are repeating our requests made to many representatives of the Health, Education and Welfare; Social Security Administration; and Bureau of Health Insurance to be given the opportunity to continue Illinois' Program. Incidentally, Indiana took some parts of its program from that of Illinois. We do have a reciprocal arrangement and have included two Indiana hospitals as part of the Illinois Program.

Your sincerely,

JOYCE C. LASHOF, M.D.,
Director.

INDIANA HOSPITAL ASSOCIATION,
Indianapolis, Ind., March 22, 1974.

Hon. VANCE HARTKE,
313 Senate Office Building,
Washington, D.C.

DEAR SENATOR: I am writing this letter the same day as other correspondence to you, but believe the topics are such that I should write it into two pieces of correspondence.

My specific reference here is to the kidney disease program which we talked over with Howard Marlowe. I would like to indicate to you that I think your working with Dr. Kleit and Mr. Hahn is providing you the kind of detail information that will be quite indicative of the total hospital situation in Indiana, although the hospitals having kidney dialysis services have been working with Mr. Hahn in this area, and thus, your information will be rather complete.

May I say that I talked with several other State Association Executives after talking with Howard and encouraged them to correspond fully with you regarding this.

I think the step you've taken is very good and I'm quite certain you will find that Indiana is not a pocket of problems in this area. I trust you get full cooperation from the other states. If I can be of other assistance, please don't hesitate to contact me.

Kindest regards,

ELTON TEKOLSTE,
President.

IOWA HOSPITAL ASSOCIATION, INC.
Des Moines, Iowa, April 2, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: Thank you for your interest in learning about experience of hospitals and physicians in the state of Iowa regarding the kidney disease program you authored.

We are sending a copy of your letter to each of the nine major hospitals in Iowa that operate a kidney disease program (see attached listing) and are requesting them to contact you directly.

Again, thank you for your interest in further improving this very worthwhile program.

Sincerely,

DONALD W. DUNN,
Executive Vice President.

NINE CHRONIC RENAL DISEASE CENTERS IN IOWA

1. Iowa Lutheran Hospital, Des Moines.
2. Veterans Administration Hospital, Iowa City.
3. University Hospitals and Clinics, Iowa City.
4. Henry County Memorial Hospital, Mt. Pleasant.
5. Mary Greeley Memorial Hospital, Ames.
6. Trinity Regional Hospital (West), Ft. Dodge.
7. St. Luke's Hospital, Davenport.
8. St. Vincent's Hospital, Sioux City.
9. St. Francis Hospital, Waterloo.

HENRY COUNTY MEMORIAL HOSPITAL,
Mount Pleasant, Iowa, April 10, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: Mr. Donald W. Dunn, Executive Vice President of the Iowa Hospital Association, has asked me to reply directly to you in answer to your inquiry about the progress of the Kidney Disease Program.

First, I will answer the seven questions which you outlined in your letter to Mr. Dunn:

1. The problems which arose at the inception of the program were mainly that we had no idea of the regulations that would be in effect. As with other federal programs, the beginning date always seems to exceed by a number of months the date on which we receive some kind of directives. In addition to directives, the forms for our use were not ready at the inception of the program and they continue to be changed constantly. Although we were not aware of it at the inception of the program, payments have been very slow and I will give more detail on this later. When we finally did get some firm directives, for example, on the number of laboratory examinations to be allowed, we were greatly disturbed by the very limited number of tests which would be paid for under Medicare.

2. Most of the problems have not been eliminated to date. The forms continue to change. Medicare is far behind in its payments. The number of laboratory tests allowable still are not adequate.

3. You asked if new problems have arisen. Probably one of the most infuriating aspects of the program is that we do not have some specific place to go to get corrections made. A meeting was held approximately six months ago with representatives from the Social Security District Office, the Medicare Fiscal Intermediary (Blue Cross of Iowa) and all of the hospitals providing dialysis services in Iowa. At that time, we were told that payments would be made the following day if we would just send a list of the patients and the number of treatments they have received. To date, these payments have not been received in any great amount. Another most important problem is that the doctor cannot outline the dialysis treatment and the necessary number of laboratory tests that he feels should be taken without having to rewrite a portion of a medical textbook to justify why he is not practicing medicine according to a very limited federal outline of a treatment.

4. Since coming under the Federal Medicare Program, we have given dialysis treatments to eight different patients and have given 530 treatments. Some of these patients did not qualify for Medicare until after 90 days of therapy.

5. The Iowa State Department of Health does have a program to supplement federal benefits under the Kidney Disease Program, but it has these limitations:

a. Payments are limited to the 20% coinsurance rate.

b. The payments cannot be made from this State fund until after Medicare has paid.

c. Any unencumbered balance in this fund reverts to the State general fund on June 30, 1974.

6. Yes, there is an appreciable backlog in intermediary reimbursement to us. Medicare owes us $80,000.00 out of a total billing of approximately $90,000.00 since coming under the federal program on July 1, 1973.

7. We believe that the following changes should be made in the federal regulations governing the Kidney Disease Program:

a. The number of laboratory tests should not be limited, but should be whatever the doctor feels are necessary for each treatment.

b. Payments should be made at least monthly.

c. Federal programs should not start until the necessary forms and proper educational meetings have been held.

d. An incentive should be build in the Medicare reimbursement formula for efficiency of operation. (See my attached letter to Mr. Dave Nugent).

e. We need a clarification about how to pay the attending physician. At a recent State meeting, he was told to wait longer to make an agreement with us pending clarification of some federal regulations.

f. Although the program started last July, we still do not know how much we are going to be paid for each treatment. As you can see, this makes for difficult planning and management.

I realize that most of my remarks have been negative. In spite of this, I respect the fact that through your legislation you are attempting to care for thousands of people in our country who would otherwise die if some funds were not made available to cover the cost of their treatment.

Thank you for initiating that step and for your continued interest in bettering the program.

Sincerely yours,

LYNN BYRNE,
Administrator.

MARCH 25, 1974.

Mr. DAVE NUGENT,
Blue Cross of Iowa, Medicare Intermediary,
Liberty Building, Des Moines, Iowa.

DEAR DAVE: I am writing to you in your role as Head of the Federal Medicare Intermediary of Iowa.

We are working on our survey of dialysis charges, which your office asked to be completed. The thrust of the results of this survey are most disheartening and make two facts very clear:

1. Medicare has not, does not now, and does not intend to carry its own weight financially.

2. Medicare promotes inefficiency.

In support of my first point; we must depend on the "profit" from non-Medicare patients, taxes, endowment funds, or gifts to secure new equipment, for example. Surely, a hospital must replace equipment to keep operating. The rate of depreciation on present assets does not compensate for higher costs at time of replacement. The Medicare reimbursement formula should allow for this.

Regarding my second point, our hospital would receive more money (and Medicare would have to pay out more dollars per treatment) if we had only one dialysis machine. We have two machines, which cuts our per treatment cost and per treatment payment. We have considered three machines—which would increase our efficiency and decrease our income. Medicare should have a system in which the hospital could share in the savings that Medicare now receives through efficient hospital operation.

This is a frustrating situation. When Medicare started, one of the basic principles stated by the Federal Government was that it would pay its own way. It's not doing this; in fact, it's adding to the bill of the non-Medicare patient.

I realize you didn't write the regulations, Dave, but we would appreciate any pressure you can bring to help correct these situations.

Sincerely yours,

LYNN BYRNE,
Administrator.

FOOD RESERVE LEGISLATION

Mr. HUMPHREY. Mr. President, I would like to call attention to three articles which recently appeared in the Mankato Free Press. Written by Patrick Hinrichsen, the articles carefully explain my legislation to create a grain reserve program, raise farm target and loan prices, and improve the monitoring of our agriculture exports.

Mr. Hinrichsen provides a thorough analysis of the present conditions which have led me to introduce what could be one of the major pieces of farm legislation in the Nation's history. The explanations are written to enable a grain growing farmer or a consumer to see the details and the implications of this legislation.

While the Senate Agriculture and Forestry Committee deferred making a decision on my bill, I am convinced that it is urgently needed.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

HHH: HUNGER HURT HISTORIC

(By Patrick Hinrichsen)

Sen. Hubert Humphrey says history may note the 1970s as the beginning of the years of mass world hunger, or the time when men first joined to overcome food shortages.

Mounting fears about a food crisis have come true since 1972, with grain reserves at modern-day lows.

World economic and weather conditions have pushed scarce grain out of the economic reach of more and more poor nations, bringing malnutrition and starvation to millions.

A United Nations world food conference is scheduled for Rome this November. World leaders there will consider forming an international food policy, including a global grain bank.

The U.S., by far the world's largest and most consistent food exporter, will decide the fate of the proposal partly by whether the Senate Agriculture and Forestry Committee this Wednesday accepts or rejects Sen. Humphrey's bill to establish a major U.S. grain reserve.

Such a domestic grain bank program, if approved by Congress and not vetoed by President Nixon, would be one of about a half-dozen pieces of major legislation in the nation's history which have been important in stabilizing and enhancing U.S. food production.

Most agricultural observers see the U.S. and world as entering a period of wide farm price and supply fluctuations. They say it is teetering on the brink of either massive overproduction or massive hunger.

Many persons say grain reserves are the best way to see that people don't starve and to see that farmers can expect enough profit to produce ample food.

But many other farmers and most Nixon Administration spokesmen oppose the reserve idea, saying it would depress prices and reduce long-term production.

Deciding what form of reserve, if any, is needed will be decided in Congress likely before the Rome conference.

But facts about food shortages today and in the future are apparent and dismal.

This year thousands to millions will die from famine in drought-stricken parts of Africa and Asia.

One-fifth of the world's population is starving, and two-thirds suffer from malnutrition.

10,000 persons die daily from lack of food or the wrong food.

Reports of infant mortality, earlier old-age deaths and protein shortages are already reported in Latin America since meat became costly.

People in the Philippines are eating rats because they can afford no meat.

Events leading to today's food worries are complex. But they hinge on world population outclimbing food production, with parts of the world being able to outbid poorer nations for available grain.

Up to the 1970s the U.S. was usually burdened with grain surpluses which cost the government $1 million daily for storage.

In the late 1960s and early in this decade those huge stocks were drawn down slightly. The cause was limited U.S. and Canadian production, a leveling of higher yields from the "Green Revolution," and world affluence which created a greater demand for grain-fed meat.

But the supplies were sharply cut by a small 1972 world grain crop.

Soviet grain production dropped because of winter kill and a dry summer. Australia's production was crippled by drought. India's crops were hampered by below-normal monsoon. The Philippines rice and corn crops were cut by drought and typhoons. West African nations suffered their fifth consecutive drought year (and are in another now). And U.S. and Canada limited crop acres because of the bumper 1971 crop.

Other 1972–73 causes of the shortage include:

A fish failure off the Peruvian coast cut that nation's supply of exportable protein meal.

A poor nut crop in South Asia and Africa added to the protein meal shortage.

The U.S. devalued the dollar, making U.S. grain cheaper for foreign buyers.

As a result of the events, the 1972–73 grain supply was at least 15 million tons below normal, and net foreign imports of grain were 25 million tons above normal.

U.S. grain holdings fell, and domestic and foreign buyers hoarded, causing a price escalation frenzy in grains and livestock.

Between mid-July, 1972 and mid-July, 1973 U.S. farm prices about doubled for wheat, soybeans and corn. The dramatic increases occurred later.

Wheat prices rose 80 percent and corn prices rose 32 percent between mid-July, 1973 and mid-August, 1973.

With costs up, poor nations with the most rapidly rising populations and greatest food needs found themselves least able to pay. Starvation hit there first and hardest.

Population in these areas grows about 3 per cent yearly. These nations with 70 per cent of the world's people produce only about one-third of the world's grain. Average income is about $200 per person a year.

Population in developed, rich nations such as the U.S. grows about 1 per cent yearly. With 30 per cent of the world's people, they produce about two-thirds of the world's food. Income there averages $2,700 per person a year.

The 20 million ton Russian wheat purchase in 1972 may indicate a food policy is needed to be sure the U.S. rations available grain to those who need it, not just to those who can afford it.

The Russian deal also shows how the world's rich nations are able to buy grain to fatten livestock. That process takes about five times the amount of grain as it would take if people ate grain directly to get the same number of calories.

Many experts say Americans and others must cut back on less-efficient meat consumption, or millions of Asians or Africans may starve.

Some farm observers fear tumbling grain prices in the next two years, despite the longrun trend toward food scarcity, because high current grain prices and the absence of government acreage control will cause farmers to overproduce.

The U.S. Agriculture Department expects 21 per cent more wheat harvested this year than was harvested in 1973. It foresees wheat stocks at about 400 million bushels at the end of 1975, compared with this year's projected figure of 170 million bushels.

Sen. Humphrey says the reserve program, if approved quickly by Congress, would be available to buy $1 billion of such grain off the market, and help avoid disaster prices.

Several world events make long-range price and supply pictures fuzzy. They include: changes in economic conditions, changes in detente, major purchases by Russia or China, and world weather conditions.

Because of the uncertainty of prices and supplies, many nations now tend to hoard grain whenever it comes onto the market, and they feel the U.S. is an undependable grain supplier.

Because of that uncertainty, Sen. Humphrey and others say the U.S. needs a grain reserve to provide price stabilization and to protect against hunger.

LET THERE BE GRAIN: HUMPHREY

(By Patrick Hinrichsen)

In Biblical Egypt the decision to establish grain reserves was made easy: God said so.

It's not going to be so easy in 1974 America, although Sen. Hubert Humphrey often cites the story of Joseph in support of his bill which would set up a major U.S. grain bank.

The idea for an Egyptian reserve came from Joseph's interpretation, through God, of Pharaoh's dreams. Joseph was to store one-fifth of all grain produced during seven good years to be used during seven years of drought.

Details of Sen. Humphrey's bill are considerably more complex than the Egyptian model.

The bill, which is scheduled to be voted on by the Senate Agriculture and Forestry Committee Wednesday, is three-pronged. It would create a domestic grain reserve, raise target prices for farm products and manage exports.

The bill calls for the U.S. government to buy grain during years of surplus to put into reserves managed by the U.S. Agriculture Department (USDA) Commodity Credit Corporation (CCC).

Should the USDA project supplies of a commodity fall below adequate supply levels as listed in the bill, several events would automatically occur. One would be a provision to allow the secretary of agriculture to sell some of the CCC-held reserves onto the market to increase supplies.

The bill's level of total adequate supply, the point above which the provisions of the bill would not come into action to avoid shortages, would be: 600 million bushels of wheat (a nine-month domestic supply), 40 million tons of feed grains (a three-month domestic supply), 150 million bushels of soybeans (a 2½-month supply), 5 million bales of cotton (a seven-month supply).

The USDA would be required to maintain one-third of these total reserves in the CCC, which Sen. Humphrey's bill would establish. The rest of the total reserves would be carried by farmers and private traders. The amount of stocks which would be held by the CCC are: 200 million bushels of wheat, 15 million tons of feed grains, 50 million bushels of soybeans, 1.5 million bales of cotton.

The bill also would raise target prices from 1973 levels to $3 for one bushel of wheat, $2 for one bushel of corn and 50 cents for one pound of cotton. No price is set yet for soybeans.

The bill also states the target prices from 1975 to 1977 would hinge on production costs and could go up or down.

The system of buying and selling grain for the CCC reserve would work through a system of loans and target prices such as:

Overproduction might cause the corn market price to drop near the CCC-buying price permitted in the legislation. So the farmer sees he can get a better price from the government than from the market. He could then sell corn to the CCC. Such sales could relieve a corn supply glut and help build the reserve for times of shortages.

The purchase by loans means the farmer enters into an agreement with the government. During three years, while the corn belongs to the government but stays on or near the farm, the farmer could sell the grain on the open market if the price rises.

Thus the farmer has a chance to take advantage of a rising market and make a profit from the margin between the original loan and the new selling price. If the price doesn't rise in three years he can let the corn go back to the government.

Specifics about the bill include:

Buying: Information from USDA projections of the supply of farm stocks could lead to several actions by the agriculture secretary.

If the projections indicated stocks would not be large enough to meet the acceptable total reserve supply, the secretary could release some of the CCC reserve onto the market to increase the domestic grain supply.

If the projections indicated an adequate or oversupply of stocks, the secretary could hang onto the CCC reserve or build reserves as a way to relieve a glut.

Grain buying price would be not less than 90 percent of the target price each year through 1977. The soybean buying price is not yet set.

Storing: The secretary could not recall the grain for three years, except in the case of a food emergency.

Storage costs would be paid by the government. Humphrey says by buying during lows (when the purpose is to relieve an oversupply) and selling during a shortage (to meet demands for grain) the income would be great enough to cover the original cost of the grain, plus cover storage costs.

Selling: No part of the CCC reserve could be sold at a price less than 35 percent greater than the target price each year, unless the total reserves fall below the levels mentioned in the bill. The 35 percent figure is to prevent sales of CCC reserves from depressing prices.

Specifics about export management include:

Terms: When demand draws a commodity below the total reserve figure mentioned in the bill, the commodity would be designated as a "critical" commodity for the marketing year.

Reports: The agriculture secretary is to make weekly reports for foreign sales, domestic requirements and available supplies of "critical" grains.

Reports: The agriculture secretary is to make weekly reports of foreign sales, domestic requirements and available supplies of "critical" grains.

Licenses: While a commodity is termed "critical," no one may export that grain without a USDA export license.

Prices: The CCC could not sell a "critical" commodity for export at less than 20 percent above the weekly average cash price at Chicago, Kansas City and Minneapolis markets the preceding week. Cotton prices would be taken from other markets. This would price CCC reserves sold for export at about 20 percent more than those sold for domestic use.

Access: In a year when stocks were below the desirable reserve level, USDA could prevent raiding from foreign sources by the following method:

Once a country had bought 120 percent of its previous year's purchase amount from the U.S., approval from the agriculture secretary would be needed for any more shipments. This is designed to prevent unexpectedly huge purchases (such as the Soviet purchase in 1972) and assure all buyers equal access to U.S. supplies.

Members of the Agriculture and Forestry Committee are expected to be divided on the bill. A somewhat similar bill is expected this summer from Sen. Dick Clark of Iowa.

The committee may accept, reject or modify the Humphrey bill. If it fails in the committee, Humphrey is expected to carry the fight to the Senate floor.

Humphrey-Proposed Grain Reserve Bill Vote Today

(By Patrick Hinrichsen)

Two opposing sides, both insisting they are striving for the same result, will debate and vote in the U.S. Senate today on a bill to create a grain reserve.

The bill, proposed by Sen. Hubert Humphrey, D-Minn., seeks to maintain a reserve held one-third by the government and two-thirds by private hands. It would consist of wheat, feed grains, soybeans and cotton.

Administration spokesmen, led by Agriculture Secretary Earl Butz, say the government should stay out of grain storage, and that reserves would depress farm prices and cut production.

Others, led by Humphrey, say the government has a moral obligation to protect against hunger, and that the reserves would enhance farm production.

The arguments, of concern today because of food supply worries, are not new.

From former agriculture secretaries Henry Wallace and Orville Freeman to Sen. Humphrey in 1972, the message to create food reserves has been heard repeatedly in Congress.

The U.S. House of Representatives adopted a reserve bill in 1972. But the matter was killed in the Senate committee when only four of 13 senators, one of which was Humphrey, voted for the bill.

This year, with strong Nixon administration opposition, the committee is divided.

Butz argues that the effect on food supply from reserves would be opposite of what Humphrey suggests.

The reserve would depress prices by hanging over the marketplace, Butz says. Lower prices mean less production. Less production means more hungry people.

Another official says little or no excess grain exists to start the reserve.

The reserve also could become a political football, with pressure to release grain every time retail prices start to rise, according to Butz.

Though the administration agrees there are needs for reserves, it wants them held by traders and foreign governments.

"The United States is out of the commodity business. We hope to stay out of the commodity business," Butz argues. "Our domestic farm program is now based on the philosophy that market incentives, rather than government directives, should guide production and marketing."

J. Phil Campbell, undersecretary of agriculture, also has attacked reserves.

"America must not stockpile such a supply of farm goods any more than it should risk storing six months' to a year's supply of automobiles, dishwashers or other consumer goods. The effect would be to drive farmers from the land."

The administration's hands-off farm policy is supported by the nation's leading farm magazine, The Farm Journal. An editorial reads:

"A reserve is bound to depress grain prices. We can call it a strategic reserve. We can promise each other that we're going to insulate it from the market. We can store it in government bins, on the mountain tops or under the oceans. It will still be there. The market will know it's there and will discount grain prices accordingly."

The nation's largest farm organization, the Farm Bureau, also opposes reserves.

A statement by that group argues that much of the sentiment for reserves is growing out of the fear that unless a grain reserve is started, the grain market will be shattered with big crops this fall and next year.

It also states that "Government held reserves are not needed to assure adequate food supplies for the nation. Ample food never has been, and is not now, a problem for either agriculture or the consuming public."

As usual, the three major farm organizations disagree, with the Farmers Union and the National Farmers Organization (NFO) supporting the legislation.

NFO supports a reserve "provided that producers have an opportunity to store a substantial part of such reserves, and its availability for release into the market be tightly controlled by law to prohibit sales at prices less than cost of production plus a reasonable margin of profit," according to a NFO leader.

The Farmers Union states that reserves would have helped avoid problems now facing farmers: windfall profits to speculators, export embargoes, retail price swings, and violent increases and decreases in acreage.

Among committee members, George Aiken of Vermont, George McGovern of South Dakota and Humphrey are the main backers.

Aiken and McGovern sponsored a successful resolution which, in the words of McGovern, "declares it the policy of the Senate that the U.S. develop the mechanism for a strategic grain reserve, and that we take the leadership in development of world reserves of food grains and feed grains."

Sen. Dick Clark of Iowa supports reserves in his own bill which calls for domestic reserves to be tied to efforts to establish global reserves.

Humphrey omitted mention of global reserves from his bill. He feared some senators might vote against the bill if they were uncomfortable with vague world plans, according to an aide.

Humphrey says the U.S. has a moral obligation to establish reserves as a buffer against mass starvation.

"The fuel crisis of 1974 will look like a Sunday afternoon picnic compared to the food crisis of 1975–76. And I'm not just talking about the United States; I am talking about the world food crisis."

Humphrey and Rep. Bob Bergland of Minnesota's 7th District, author of the companion House bill, say the bill protects farmers from depressed prices. Such provisions in the bill include:

The bill would raise target prices to $3 for a bushel of wheat and $2 for a bushel of corn.

Grain buying would not be less than 90 per cent of the target price.

Government reserves could not be sold for less than 35 per cent more than the target price, unless the total reserve supply fell below levels mentioned in the bill.

Government-held reserves could not be sold for export at less than 20 per cent above the domestic price if there were inadequate supplies.

Specific supply levels above which government-held grain could not be sold on the market are listed in the bill.

Humphrey says that through buying at low prices and selling at high prices, the margin would pay for grain storage, the program's main cost.

He also says private grain companies, those which Butz says should keep the reserve, are not in business to prevent starvation, but to make a profit.

U.S. Agriculture Department forecasts of a greatly increased harvest this fall and next year indicate there will be supplies with which to build the reserves, Humphrey says.

This year's all-out production policy, following sudden shortages, may cause overproduction and disaster prices, Bergland says.

"We have asked the American farmer to increase his production at the risk of economic disaster," the representative says. "This legislation is enough to assure a fair return for the farmers' own sacrifice."

If the measure does not pass the Senate Agriculture and Forestry Committee today, Humphrey is expected to take the fight to the Senate floor.

ENERGY TRANSPORTATION SECURITY ACT OF 1974—UNANIMITY OF OPPOSITION BY THE EXECUTIVE BRANCH

Mr. COTTON. Mr. President, on Thursday, June 27, 1974, the Committee on Commerce ordered reported with amendments the bill, H.R. 8193—the proposed "Energy Transportation Security Act of 1974."

The report on H.R. 8193 was filed only last week, late in the afternoon of Thursday, July 25, and the printed hearings are not yet available.

I am strongly opposed to H.R. 8193 for several reasons, including the fact that it would establish a precedent for imposing a statutory preference for the carriage of privately owned commercial cargoes on privately owned commercial U.S.-flag vessels. This bill initially would require that not less than 20 percent of the gross tonnage of all oil, including products derived from oil, be transported on privately owned commercial U.S.-flag vessels "whether transported directly from the point of production or indirectly from such point to and from any intermedial points used for storage, refining, processing, packaging, unloading, or reloading of oil." This percentage would increase to not less than 25 percent beginning after June 30, 1975, and again to not less than 30 percent beginning after June 30, 1977. Thus, passage and enactment of H.R. 8193 would embark us upon a new and probably endless course which could be extended to other privately owned commercial cargoes such as ore, other natural resources, and possibly commercial exports of agricultural commodities.

Mr. President, it was in recognition of this significant potential adverse effect of H.R. 8193 that on July 3, I sent an identical letter to eight departments and one agency of the executive branch, plus Mrs. Virginia Knauer, the President's Special Assistant for Consumer Affairs, enclosing a copy of a committee print dated June 28, 1974, which set forth the text of H.R. 8193 as reported by the Committee on Commerce. I asked each recipient of my letter to respond to me concerning their position and comments on the reported bill.

Mr. President, I request unanimous consent to insert in the RECORD at this point in my remarks my letter of July 3, 1974.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

(Identical letters to others. See list.)

Filed: Commerce Committee
H.R. 193—93rd Congress
Oil Cargo Preference

JULY 3, 1974.

HON. FREDERICK B. DENT
Secretary, Department of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: Enclosed is a copy of a Committee Print of H.R. 8193—the proposed "Energy Transportation Security Act of 1974"—dated June 28, 1974, on which date the full Committee on Commerce ordered this bill reported in the form set forth in such Print, subject only to technical drafting changes to be made, if needed, by the Committee staff.

An examination of the enclosed Committee Print of H.R. 8193 will reveal that, as reported by the full Committee, it is considerably different substantively than the bill passed by the House of Representatives on May 8, 1974, on which you may have submitted comments earlier. For example, since the enclosed Committee Print proposes to add a new subsection (d) to section 901 of the Merchant Marine Act, 1936, as amended, rather than amending section 901(b)(1) of the same Act (which was the action taken by the House of Representatives), there now is no provision whatsoever comparable to the first proviso of section 901(b)(1) of the Merchant Marine Act, 1936, as amended, which would permit a temporary waiver of the oil import cargo preference being proposed ". . . whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver. . . ."

On the contrary, proponents of this legislation soundly defeated an amendment of this nature which I offered to this bill during its consideration in full Committee executive session, countering with an offer that such temporary waiver authority for a declared emergency reside only with the Congress, and then, only by adoption of a Joint Resolution which would have the force and effect of law. I rejected this proposal on the grounds of the precedent already in existing law in section 901(b)(1) of the Act, and on the basis that with respect to energy resources, such as oil, speedy Executive, rather than time-consuming Congressional action might very well be necessary, especially where time is of the essence.

Although I am strongly opposed to this legislation as a matter of policy, especially at this point in time when we are dependent on foreign sources for a significant portion of our energy resources, I find the absence of such a temporary waiver provision but one of several major deficiencies in the bill reported by our Committee.

Accordingly, since H.R. 8193 will be reported to the Senate in substantially the form set forth in the enclosed Committee Print of June 28, 1974, I would appreciate receiving from you, in a timely manner, your position and your comments on this bill, as reported by our Committee on Commerce, in order to prepare for Senate debate, which may be scheduled sometime after July 12th.

Your prompt attention to this request will be appreciated.

With best wishes,
Sincerely,

NORRIS COTTON,
U.S. Senator.

Identical letter sent to the following: Mrs. Virginia Knauer, Honorable Rogers C. Morton, Honorable Henry A. Kissinger, Honorable Earl L. Butz, Honorable Claude S. Brinegar, Honorable James R. Schlesinger, Honorable William B. Saxbe, Honorable William E. Simon, Honorable John C. Sawhill.

Mr. COTTON. Mr. President, I now have received a response from each of those to whom I wrote. Without exception, each and every reply expresses opposition to the bill, H.R. 8193. And, Mr. President, before requesting unanimous consent to insert a copy of each of these replies in the RECORD at the conclusion of my remarks, I would like to emphasize some of their respective observations by quoting pertinent portions from these replies.

Mrs. Virginia Knauer, Special Assistant to the President for Consumer Affairs, noted in pertinent part the following in her letters:

> I appreciate your sharing a copy of the Committee print of June 28, 1974 with me. The changes made in this print have not altered my position on the bill except possibly to increase my concern about the appropriateness of such legislation.
>
> *Passage of oil cargo preference legislation is virtually certain to cause an increase in consumers' cost of living.* This is particularly unfortunate in light of the high inflation which currently confronts us. (Emphasis supplied)
>
> *Uneven adverse regional impact is a further reason to question seriously the wisdom of enacting this legislation.* The increase in price and limitations on supply would be objectionable if borne evenly by all consumers throughout our nation but they become even more unpalatable when localized in those areas most dependent on foreign

> oil. In 1970, approximately 70 percent of oil imports was needed by the 40 percent of our population which resides in the 17 Eastern seaboard states, and this disparity is projected to become even greater in the next few years. In addition there are other states—such as Hawaii—which are also largely dependent on waterborne foreign oil imports. *Consumers in these areas will feel the sting of this legislation the worst.* (Emphasis supplied)

The Department of Agriculture expressed its opposition, in part, in the following manner:

> The Department does not favor enactment of this bill.
>
> * * * we do not believe the proposed legislation would serve the best interests of the American farmer. The required use of United States-flag vessels for petroleum imports would increase the cost of gasoline and other petroleum products of which the American farmer is a major user. These increases would have to be added to the cost of farm products, which would produce higher prices for the American consumer.
>
> Cargo preference on petroleum imports could lead to cargo preference for agricultural exports. The resulting higher shipping rates would seriously damage our growing markets for grains and other commodities. This restriction on exports would in turn impair agriculture's tremendous contribution to the U.S. balance of payments."

Secretary of Commerce Dent included in his letter the following observation:

> Chief among the considerations that have led to our opposition to cargo preference for oil imports are the following:
>
> *Intensify possible energy shortages.* Because of the complicated accounting procedures which must be imposed in the administration of oil cargo preference, certain importers now serving the United States may be expected to seek other markets, thus increasing shortages that are to be expected before the goals of Project Independence are achieved.
>
> For the reasons summarized above, the Department of Commerce is *strongly opposed* to enactment of H.R. 8193 as ordered reported by the Committee. (Emphasis supplied)

The Department of Defense expressed its strong opposition to H.R. 8193 raising the following important points:

> * * * *The amendments made by the Senate Commerce Committee have both broadened the scope of the bill and narrowed flexibility in the use of ocean transportation.* This flexibility is not only necessary in the interest of national defense but also critical in the conservation of government funds expended for transportation purposes. (Emphasis supplied)
>
> The first major addition, now appearing at page 3, line 23, of the Committee print would amend 46 U.S.C. 1241(b)(1) to require all government-impelled cargoes (not restricted to petroleum products alone) to be shipped at the port or range of ports nearest the point where such equipment, materials, or commodities are manufactured or produced.' Not only does this provision appear to go beyond the original purposes of the bill, it could carry substantial impact on DoD particularly because of its vague language.
>
> Another matter of considerable concern to DoD is the lack of a clear provision for the waiver of carriage requirements in the event of an emergency.
>
> In the opinion of this Department, H.R. 8193's benefits are outweighed by its disadvantages which in sumamry are: (1) increased cost of ocean transportation resulting in higher domestic petroleum prices; (2) encouragement of compartmentalization of world tanker fleets and trade routes; (3) potential conflict with the goals of Project Independence; (4) failure to provide any significant additional assurance of oil supply in an emergency; (5) encouragement of unnecessary and non-competitive tanker construction in the face of an incipient world tanker surplus and (6) unwarranted disruption of the DOD distribution system resulting in excessive transportation costs, increased supply levels, unnecessary administrative burden, and loss of flexibility to respond to the needs of national defense.
>
> For the foregoing reasons, the Department of Defense *strongly opposes* enactment of H.R. 8193. (Emphasis supplied)

Mr. John Sawhill, Administrator of the Federal Energy Administration, made the following observations with respect to his opposition to H.R. 8193:

> *"We oppose this legislation on the grounds that it would increase the likelihood and severity of energy shortages, reduce our capability to make adjustments in case of a selective embargo, raise the cost of oil to consumers, and impede implementation of Project Independence.* (Emphasis supplied.)
>
> In the event of supply interruptions caused by producing countries cutting off exports, our security interests would not be served by regulations requiring the use of U.S. flag tankers. * * *
>
> Enactment of the bill would also increase pressure on the cost of a commodity which has, in the past year, become considerably more expensive. * * *
>
> Cargo preference legislation would result in our building tankers in the face of a growing world surplus. Not only the United States but other consuming nations have embarked on energy conservation programs, and tankers under construction or on order on a world-wide basis are expected to greatly exceed the need for tankers for many years. In addition, the opening of the Suez Canal and the construction of a pipeline across Egypt are expected to reduce the need for tankers. * * *
>
> * * * *it would be injudicious for the United States to force a substantial construction program for tankers to import oil. Further, it would stimulate investment in the future of oil imports rather than investment in the future of energy self-sufficiency.* (Emphasis supplied.)
>
> * * * the provision in the Senate bill which reduces import fees imposed pursuant to Presidential Proclamation No. 3279 would not significantly reduce the cost to the consumer of cargo preference and would be unwise from a policy standpoint. *The proposed fee reduction would only partially compensate for the bill's added cost* since fees are phased in gradually over the next six years. *Furthermore, import fees are designed to discourage imports by providing incentives for increased domestic exploration.* The credibility of the fee system, and hence its effectiveness, would be undermined by authorizing exceptions and preferences unrelated to the purpose of increasing our energy self-reliance. (Emphasis supplied.)

The Department of Interior set forth its opposition to this legislation as follows:

> The reasons against enactment of H.R. 8193, as originally introduced which we previously expressed to the House Merchant Marine and Fisheries Committee are still valid with respect to the Senate Commerce Committee Print you forwarded and we therefore continue to oppose enactment of the bill.

The Department of Justice recommended against enactment of H.R. 8193 in the following manner which, I believe, should be of particular interest to the distinguished chairman of the Subcommittee on Antitrust and Monopoly of our Committee on the Judiciary:

> The Department of Justice is opposed to impediments placed in the way of full and free competition in the marketplace. We are also opposed in principle to schemes for Government regulation and allocation of commodities because they operate to freeze and distort the working of competitive forces. *This bill includes both objectionable features.* (Emphasis supplied.)
>
> For the foregoing reasons, accordingly, the Department of Justice continues to recommend against enactment of this legislation.

The State Department set forth its objections as follows:

> * * * Our basic objections which were summarized in former Acting Secretary of State Kenneth Rush's letter to the Chairman dated May 17 and in Departmental testimony before the subcommittee on the Merchant Marine are that the bill, *inter alia,* (1) would place the United States in violation of more than thirty FCN treaties; (2) would encourage similar or more restrictive moves on the part of other countries; (3) would adversely affect the security and flexibility of the transport of U.S. energy imports; and (4) would, by increasing petroleum import costs, affect the U.S. domestic economy in and of itself and would have a negative effect on U.S. export competitiveness.
>
> The Senate version in proposed subsection (d)(5) would add a further protectionist element to our foreign shipping policy by providing for a waiver of the fee on imported oil up to 15 percent [cents] a barrel when it is brought in by U.S. flag tankers. Even though savings would have to be passed on to consumers, this protectionist aspect may be legitimately criticized by our trading partners as discriminatory; it will thus undercut broader U.S. foreign economic policy objectives.
>
> Because of these adverse foreign policy considerations, I urge you and your colleagues to vote against approval of H.R. 8193.

Next, Secretary of Transportation Brinegar made the following observation:

> The Department of Transportation *strongly opposes* the new Senate version because it would conflict with the administration of the Tanker Act. (Emphasis supplied)

Finally, Secretary of Treasury, William Simon, former head of the Federal Energy Office, who has recognized expertise with respect to our Nation's energy problems, expressed opposition to this bill in the following manner:

> Two changes made by the Committee on Commerce since the date of my earlier letter are especially disturbing.
>
> First, as reported out by the Committee, the Act would fail to incorporate the provision allowing an emergency Presidential waiver of the requirement that a percentage—rising from 20 percent at the time of enactment to 30 percent beginning in 1977—of U.S. oil imports be carried in United States flag vessels. Deletion of the emergency waiver provision would greatly reduce our ability to respond quickly and effectively to any future supply interruptions, and our flexibility in securing needed imports under such conditions.
>
> Second, the Committee version would require the reduction of import license fees payable on imports of crude oil pursuant to Presidential proclamation. Such fees would be reduced by 15 cents per barrel for a period of five years from the date of enactment, if the Secretary of the Treasury determines that the crude oil involved is imported on privately owned United States flag commercial vessels, and that "the amount resulting from the nonpayment of such license fees is passed on to the ultimate consumers of such crude oil in whatever form it is when ultimately consumed."

The imposition of license fees is a carefully considered mechanism designed to encourage increased domestic oil production capacity. Insofar as crude oil imports are concerned, it is intended to encourage domestic exploration. Any exemption not directly related to this purpose would undermine this very important mechanism, and seriously affect our ability to set such fees so as to achieve this result. Moreover, the bill is unworkable in its present form since it is difficult, if not impossible, to determine whether license fee savings from use of United States flag vessels have been passed on to the ultimate consumer.

Both this Department and the Federal Energy Administration have previously highlighted, in correspondence and testimony, the adverse effects that enactment of H.R. 8193 would have. As now reported out, such effects would be even more severe.

Mr. President, in conclusion, each and every one of these responses registers opposition to H.R. 8193. In order that my colleagues in the Senate may have the benefit of these views, I ask unanimous consent that the full text of each of these letters appear at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, July 31, 1974.

Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: This is in response to your letter of July 3, 1974, requesting my views on H.R. 8193, the Energy Transportation Security Act of 1974.

I wrote Senator Russell B. Long on June 7, 1974, to express my grave misgivings with the concept of such legislation, and I enclose a copy of that letter for your convenience.

I appreciate your sharing a copy of the Committee print of June 28, 1974, with me. The changes made in this print have not altered my position on the bill except possibly to increase my concern about the appropriateness of such legislation.

Sincerely,

VIRGINIA H. KNAUER,
Special Assistant to the President for Consumer Affairs.

Enclosure.

THE WHITE HOUSE,
Washington, June 7, 1974.

Hon. RUSSELL B. LONG,
Chairman, Subcommittee on Merchant Marine, Senate Commerce Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR LONG: Your Subcommittee is now considering H.R. 8193, the Energy Transportation Security Act of 1974, and S. 2089, a similar bill, and I would like to share with you and the Members of the Subcommittee my misgivings about this proposed legislation.

As you know, both of these bills seek to promote the worthy goal of the expansion of the U.S.-flag tanker fleet, but, in my view, in a very unwise manner. These proposals would require 20 percent of all petroleum and petroleum products imported into the United States to be carried on U.S.-flag vessels with the percentage rising to 30 percent by mid-1977, if United States tonnage exists to carry this quantity.

As a consumer advocate, I would like to focus on the adverse effects that the enactment of this legislation is likely to have on the consumer.

Passage of oil cargo preference legislation is virtually certain to cause an increase in consumers' cost of living. This is particularly unfortunate in light of the high inflation which currently confronts us. Much of what is going on in the American economy is now dominated by the inflation. The cost of living increased at an annual rate of 12.1 percent in the three months prior to June 1, an exceptionally high rate in the history of the United States.

While estimates vary regarding this legislation's general inflationary consequences and its effect on the prices of specific consumer goods and services, the increases will be appreciable. The American consumer simply cannot afford this.

The Maritime Administration estimates that added annual costs attributable to the proposed legislation would be $79.30 million in 1975, $122.87 million in 1980, and $183.11 million in 1985. The American Petroleum Institute has developed figures showing that the cumulative cost of the legislation between 1975 and 1985 could be as high as $60 billion. As an example of the effect of this legislation on a particular product, the Maritime Administration estimates that the cost increase per barrel of gasoline sold in the United States should this legislation be enacted would be .42 cents in 1974, 1.26 cents in 1975, rising to 2.10 cents in 1985.

Some proponents of the legislation say that these increases are minimal and therefore bearable by consumers. I say that such a position is hostile to the interests of consumers. The increases—even by conservative estimates—will amount to literally millions of unnecessary dollars out of the pockets of American consumers every year. Moreover, the cumulative effect of the assault of "minimal" price increases upon the consumer's buying power can be truly unsettling, as we are seeing at the present time.

There are signs of improvement on the inflationary front. It is especially important now that we protect our advantage by firmly resisting temptations which would strengthen the forces of inflation. One way that we can be effective in this regard is to defer on cargo preference legislation.

Beyond its inflationary implementations, I am also concerned by the fact that implementation of this legislation is very likely to reduce the supply of petroleum imports to the United States, and worsen the energy shortage already facing consumers. William E. Simon has stated that this legislation could hinder our progress toward Project Independence whereby we hope to guarantee ourselves a secure and adequate energy supply for the years ahead.

Spot purchases of oil from foreign refineries account for a significant portion of our imports. I understand that passage of this legislation would interfere with these transactions and could result in the loss of as much as a half million barrels per day for the United States. Moreover, exporters of oil to the United States may become disenchanted with cargo preference red tape and turn to other markets instead of those in the United States. The resultant decrease in supply to our nation would once more disadvantage the consumer—and especially the consumer in coastal areas.

Uneven adverse regional impact is a further reason to question seriously the wisdom of enacting this legislation. The increases in price and limitations on supply would be objectionable if borne evenly by all consumers throughout our nation but they become even more unpalatable when localized in those areas most dependent on foreign oil. In 1970, approximately 70 percent of oil imports was needed by the 40 percent of our population which resides in the 17 Eastern seaboard states, and this disparity is projected to become even greater in the next few years. In addition there are other states—such as Hawaii—which are also largely dependent on waterborne foreign oil imports. Consumers in these areas will feel the sting of this legislation the worst.

Another consideration that can have both cost and supply implications is the fact that through this legislation we would in effect be dictating to foreign exporters the nationality of ships they would have to use to do business with the United States.

Both the Senate and House versions of the oil chargo preference bill, while worthy in their basic intent, threaten to have a very unfortunate impact on the American consumer. In my view, other alternatives—such as direct subsidies for construction of tankers and other bulk carriers—with which the Administration is having good success would be effective in accomplishing our common goal of a vigorous and enlarged U.S.-flag tanker fleet while not at the same time burdening the American consumer.

I respectfully request that the Subcommittee examine carefully the proposed legislation regarding its adverse impact on consumers, and I hope that you will agree that better alternatives than its enactment do indeed exist.

Sincerely,

VIRGINIA H. KNAUER,
Special Assistant to the President for Consumer Affairs.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., July 30, 1974.

Hon. NORRIS COTTON,
U.S. Senate.

DEAR SENATOR COTTON: This is in reply to your request of July 3 for this Department's position and comments on H.R. 8193, a bill "To require that a percentage of United States oil imports be carried on United States-flag vessels."

The Department does not favor enactment of this bill.

The bill would establish a preference for the use of United States-flag commercial vessels to transport a part of the petroleum and petroleum products imported into the United States. The percentage required to be transported on United States vessels would increase periodically from an initial 20 percent to 30 percent after June 30, 1977.

As stated in earlier correspondence of this subject, we do not believe the proposed legislation would serve the best interests of the American farmer. The required use of United States-flag vessels for petroleum imports would increase the cost of gasoline and other petroleum products of which the American farmer is a major user. These increases would have to be added to the cost of farm products, which would produce higher prices for the American consumer.

Cargo preference on petroleum imports could lead to cargo preference for agricultural exports. The resulting higher shipping rates would seriously damage our growing markets for grains and other commodities. This restriction on exports would in turn impair agriculture's tremendous contribution to the U.S. balance of payments.

Another unsatisfactory aspect of the Senate Committee version is its failure to include a temporary waiver provision. It is readily foreseeable that conditions might exist which would require temporary waiver of the preference requirement with respect to particular vessels, especially those of limited deadweight tonnage, in order, for example, to free them for emergency use in meeting famine conditions or for military duties.

One other provision of the bill requires comment. The requirement of section 901(b) of the Merchant Marine Act of 1936 that at least 50 per centum of cargo subject to the Act be transported on United States-flag commercial vessels would be amended to require such transportation "to the extent such vessels are available at the port or range of ports nearest the point where such equipment, materials, or commodities are manufactured or produced at fair and reasonable rates for United States-flag commercial vessels, in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographic area. . ."

Such a provision could affect administration of programs authorized by Public Law 480. At present, the Department is able by use of computer inputs to determine what combination of domestic and export transportation will result in the lowest landed cost for the movement of each parcel. Under the proposed change, if United States-flag commercial vessels are available at the port nearest the point of manufacture or production of the cargo, at fair and reasonable rates for such vessels, these vessels would have to be used to the extent necessary to meet the 50 per centum requirement, in preference not only to foreign vessels but also to United States-flag commercial vessels at other ports even though a lower landed cost might be obtained by use of United States-flag commercial vessels at other ports.

Furthermore, the proposed change could be construed as relaxing the requirement that at least 50 per centum of cargo subject to the Act be transported on United States-flag commercial vessels, since that requirement would appear to apply only to the extent such vessels were available at ports nearest the point where such materials or commodities were manufactured. If United States-flag commercial vessels were not available at such ports, foreign flag vessels could be used there or, of course, the cargo could be shipped from other ports using either foreign or United States-flag vessels.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Richard A. Ashworth,
Deputy Under Secretary.

The Secretary of Commerce,
Washington, D.C., July 22, 1974.

Hon. Norris Cotton,
U.S. Senate, Washington, D.C.

Dear Senator: This refers to your letter of July 3, 1974, requesting the Department of Commerce position and comments on H.R. 8193 as it was ordered reported by the Senate Committee on Commerce.

As you know, we are strongly opposed to H.R. 8193. Chief among the considerations that have led to our opposition to cargo preference for oil imports are the following:

Higher costs and inflationary pressures. Since building and operating costs are both higher for U.S.-flag ships than for the ships of most foreign countries, and since the cargo preference requirement would eliminate incentives to minimize U.S.-flag tanker costs, the enactment of H.R. 8193 would significantly increase the costs of our petroleum imports. These increased costs would inevitably be reflected in higher consumer prices for petroleum products and for other derivative products. The legislation would also preclude U.S. consumers from benefiting from periodic downward cycles in world shipping rates. In addition, the current maritime program has already stretched the limits of U.S. shipyard capacity to build large tankers, and the increased demand for such ships resulting from the enactment of H.R. 8193 would force upward the prices of steel and other scarce materials without significantly increasing the rate of tanker construction over the next few years.

Creates an undesirable precedent and invites retaliation. By extending cargo preference to commercial cargoes for the first time, H.R. 8193 would violate a long-standing U.S. position of fostering less restrictive international trade and commercial policies by all nations. If this precedent is established, other interested groups may be expected to seek its application to other commodities. The legislation would also provide an excuse for foreign countries to adopt similarly discriminatory measures. Such actions could take the form of cargo preference damaging to other segments of the U.S. economy. It should also be noted that this legislation would violate our treaties of Friendship, Commerce and Navigation with more than thirty countries.

Intensify possible energy shortages. Because of the complicated accounting procedures which must be imposed in the administration of oil cargo preference, certain importers now serving the United States may be expected to seek other markets, thus increasing shortages that are to be expected before the goals of Project Independence are achieved.

With the sole exception of the credit for foreign-to-foreign operation of VLCC's until a deepwater port off a coast of the United States is in operation, the many changes in H.R. 8193 made by the Senate Commerce Committee have not accomplished any improvement in the bill. Our objections to the changes include the following:

Absence of waiver provision. The absence of a provision permitting oil import cargo preference to be waived by speedy Executive action could be extremely unfortunate, and in the event of a national emergency, it could be most damaging. In the absence of a waiver provision similar to that contained in section 901(b)(1) of the 1936 Act, the United States could be placed in the anomalous and possibly precarious position of requiring U.S.-flag tankers to carry necessary imports and being forced to depend at least partially on foreign-flag tankers for delivery of fuel to combat forces overseas.

Amendment of section 902(b)(1). The insertion of a "nearest port" requirement could lead to significant increases in the shipment time and cost for government-impelled cargoes sent abroad. The extent of such increases would vary among United States regional origin points. It is difficult to anticipate how preference cargo shipments from the Great Lakes region might be affected because there are a limited number of ships in the U.S. privately owned ocean-going merchant fleet that can transit the Saint Lawrence Seaway fully laden.

Double bottom requirement. The value of requiring double bottoms is highly doubtful in view of the recent rejection of such a requirement by the IMCO conference on design and construction standards for tankers to prevent oil pollution. The rejection of double bottoms by IMCO has been followed in recently proposed Coast Guard regulations. This wasteful requirement will add five to eleven percent to the cost of tankers, which implies a required freight rate six to seven percent higher than tankers without double bottoms.

For the reasons summarized above, the Department of Commerce is strongly opposed to enactment of H.R. 8193 as ordered reported by the Committee.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our report to the Congress from the standpoint of the Administration's program.

Sincerely,

Frederick B. Dent,
Secretary of Commerce.

General Counsel
of the Department of Defense,
Washington, D.C., July 24, 1974.

Hon. Norris Cotton,
Committee on Commerce,
U.S. Senate,
Washington, D.C.

Dear Senator Cotton: Receipt is acknowledged of your letter of 3 July 1974 concerning H.R. 8193, the proposed "Energy Transportation Security Act of 1974." The Department of Defense (DoD) not only opposed the enactment of H.R. 8193 when it was considered by the House but strongly opposes the version now appearing in the Senate Commerce Committee Print of 28 June 1974.

Our objections to the earlier version of the bill were contained in testimony before the House Subcommittee on Merchant Marine on 11 October 1973 and in letters on the same subject to Mr. Magnuson dated 9 October 1973 and 21 May 1974. Since that time, the amendments made by the Senate Commerce Committee have both broadened the scope of the bill and narrowed flexibility in the use of ocean transportation. This flexibility is not only necessary in the interest of national defense but also critical in the conservation of government funds expended for transportation purposes.

The first major addition, now appearing at page 3, line 23, of the Committee print would amend 46 U.S.C. 1241(b)(1) to require all government-impelled cargoes (not restricted to petroleum products alone) to be shipped "at the port or range of ports nearest the point where such equipment, materials, or commodities are manufactured or produced." Not only does this provision appear to go beyond the original purposes of the bill, it could carry substantial impact on DoD particularly because of its vague language.

It appears that the purpose of the proposed amendment is to force vessels to go to the ports indicated to pick up cargoes rather than require that such cargoes be moved to other ports which are customarily served by U.S. flag ships. If the U.S. flag ships did not offer service at the port or range of ports indicated, the government would be forced to consider shipping cargo reserved for U.S. flag ships on foreign flag bottoms. An unacceptable alternative would be to accumulate cargo manufactured, for example, in the Great Lakes Basin at one Great Lakes Port for the purposes of inducing a U.S. flag vessel to call. This would delay movement of vital defense cargoes and would very likely result in higher transportation costs and larger stock levels to compensate for increased pipeline time. On the other hand, the routing of ships to call at a multiplicity of Great Lakes ports for small lots would be obviously more expensive and would entail similar if not greater delays.

The Military Services, DSA, and GSA procure a multitude of items that are subsequently shipped to depots for storage that are far removed from points of manufacture or production. These supplies are ultimately issued for both domestic and foreign use. A substantial amount of these supplies are shipped overseas from these depots and inland consolidation points. To return these cargoes to be shipped from the nearest port to their origin point would impose an unconscionable and expensive burden on DoD. In addition, DoD, in many cases, would be denied the benefits of consolidation into container load lots.

Ports are selected for DoD export cargo on the principle of lowest overall cost to the DoD, consistent with operational requirements. In short, costs for a particular segment are not the determining factor for port selection; but, collective cost, when put together and related to service availability to meet delivery schedules, is the criterion for routing export cargo. In many instances, in the exercise of sound traffic management, DoD cargo is routed to ports that are not the closest to the point of origin in order to take advantage of the lowest overall cost principle and the availability of ocean shipping. The effect of the proposed legislation could be to dismantle the present DoD stock point and distribution system for overseas shipments. It could also diffuse DoD's ability to produce and transport its shipments to the many individual overseas consignees at the lowest overall cost to the government.

The provision cited above is not clear with respect to ports protected from port equalization practices by Section 8 of the Merchant Marine Act, 1916, i.e., territorial regions and zones tributary to such ports. The Federal Maritime Commission has held that Stockton, California is not protected from port equalization for the benefit of San Francisco since they serve the same hinterland. (*Stockton Port District* v. *Pacific Westbound Conference,* 9 FMS 12 (1965) affirmed 369 F. 2d 380 (9th Cir. 1966)). It would appear that supplies with an origin closer to Stockton than San Francisco would now be required to move through Stockton notwithstanding the case and decision cited.

It would seem that the proposal was aimed principally at non-military preference cargo to which only 46 U.S.C. 1241(b)(1) presently applies. Up to 50 percent of civilian preference cargo can move on foreign flag ships and undoubtedly a large portion of that which originates in areas naturally tributary to Great Lakes ports does move from those ports in foreign flag ships. This would seem to be particularly the case with grain cargoes. All military cargo, however, is required by the 1904 Cargo Preference Act, 10 U.S.C. 2631 (with exceptions not relevant here), to move in U.S. flag ships. The Comptroller General held in 48 Comp. Gen. 429 (1968) that the 1904 Act requires military cargo to be routed to ports served by U.S. flag ships or that DoD specially route U.S. flag ships to other ports where the cargo is directed for shipment. Thus, so far as DoD is concerned, it would seem that there would be a conflict of directions. This bill would require cargo to be routed to the port nearest to the place of manufacture. The 1904 Act would require the cargo to be routed to a port served by U.S. flag shipping. The Comptroller General's decision does point to a way out of this dilemma. That is the special routing of U.S. flag ships to ports nearest the place of manufacture not otherwise served by U. S. flag shipping. As pointed out above, this routing of ships, however, would be extremely expensive when small lots of cargo are involved which must move on short time frames and cannot therefore be accumulated into large lots suitable for economical carriage.

However, with respect to the use of U.S. flag ships out of Great Lakes Ports, information available to DoD indicates that only eleven U.S. flag commercial ships (1 breakbulk and 10 container) over 1,000 DWT are capable of transiting the St. Lawrence Seaway. Since DoD is governed by both the 1904 cargo preference statute (100% on U.S. flag or U.S. owner vessels, 10 U.S.C. 2631) and the 50/50 Act (46 U.S.C. 1241(b)(1)), the "nearest port" clause would place DoD in an almost impossible situation and also would place an additional unconscionable administrative burden on DoD even under the doubtful assumption that all eleven of the U.S. flag commercial ships were available and could be used efficently.

The increasing use of barge ships whose barges may now call at inland ports not reachable by the "mother ship" should be noted. The intent of the port provision of H.R. 8193 is not clear with respect to such operations. The question remains concerning whether the ports in question involve coastal and Great Lakes ports solely or include all the ports reachable by barge operations.

Accordingly, the DoD strongly opposes the port provisions as they now stand. If such provisions are desired, the DoD should be exempted therefrom in the interests of responsiveness to national defense transportation requirements and unnecessary expense to the government.

Another matter of considerable concern to DoD is the lack of a clear provision for the waiver of carriage requirements in the event of an emergency. This provision now exists in 46 U.S.C. 1241(b)(1). However, with the addition of a new subsection (d), which would not specifically contain such a waiver provision, it could be interpreted as denying to the DoD the flexibility to respond to contingency or emergency requirements of the armed forces should it be necessary (e.g., to alter patterns of petroleum distribution by the use of tankers not meeting the proposed requirements concerning registry, age, economic life, and pollution control capability). Any impediments to the capability of DoD to respond to the requirements of the national security and defense are strongly opposed. It should be noted that the provisions for waiver which now exist in 46 U.S.C. 1241 (b)(1) have not resulted in a disadvantage to the U.S. merchant marine. Therefore, if enacted, a provision for waiver similar to that which now exists should be included in the proposed subsection (d).

As noted above, DoD opposed the original language of H.R. 8193 on the grounds, inter alia, that the legislation was unnecessary in view of the progress made and anticipated pursuant to the Merchant Marine Act of 1970. We still maintain that view. The Department of Defense has historically supported a strong, modern United States merchant marine, capable of providing United States flag vessels in adequate numbers to support the Defense needs of the nation in time of peace or war. The post-war decline in the U.S. Merchant Marine has been viewed with misgiving, but the passage of the Merchant Marine Act of 1970 finally raised the prospect that the nation's shipping fleet could be revitalized in coming years without resort to constraints on the free access of the world's merchant fleets to U.S. ports. For, just as we support a strong U.S. Flag Merchant Marine, we oppose measures which would seek to impose limitations on the free movement of commerce on the high seas. Restrictions by one nation breeds restrictions by many of the ultimate detriment of all.

The United States has become, and will remain for some years into the future, an oil-short and refinery-short nation dependent on multiple foreign sources of crude oil and refined products to sustain its economy in peacetime and to insure adequate petroleum resources for the nation's security in time of war. We cannot expect the nations which produce or refine that oil, however friendly they may be, to look with equanimity on unilateral American legislative actions which would dictate in part the flag of the vessels which call at their ports to carry away their crude oil or refined products, or deliver crude oil to their refineries. H.R. 8193 would so dictate, and should it become law, we must realistically anticipate counter actions which would lead to compartmentalization of the world's tanker fleets on a national flag basis. Eventually, most tankers would be controlled by governments which are likely to be parties to, or vitally concerned with future potential crises in international oil supply, whether caused by economic, political or military reasons. The great flexibility in employment of the world tanker fleet which we have always enjoyed in the past would be gone, with potentially harmful results in an emergency.

We recognize the benefits which might flow from the proposed legislation for domestic shipyards and their employees as well as for American seamen, but the same benefits are already being gained by existing legislation which is producing tankers able to compete in unrestricted world trade. H.R. 8193 is unlikely in our judgment to produce sufficient U.S. flag vessels in this decade to meet the minimum percentages specified for U.S. flag participation in imports, and at the same time meet military requirements as well as intra-coastal movements restricted to U.S. flag vessels by the Jones Act. Accordingly during the critical years of maximum U.S. dependence on foreign imports the bill will do little for national security. However, it can be expected that a rapid expansion of U.S. tanker shipbuilding will occur, probably producing a large amount of new tonnage by the early 1980's, at a time when Project Independence should be leading to sizable reductions in foreign imports. Most of the vessels built under the stimulus of H.R. 8193 should, if the nation is to avoid exorbitant transportation costs, be of the larger sizes. They will be unable to compete effectively in foreign trade and will thus face increasing unemployment as Project Independence develops momentum.

The results of the foregoing considerations could be a boom and bust cycle in U.S. shipbuilding and maritime employment which might lead to strong political and economic pressures to mitigate the drive for energy self-sufficiency, or to force ever higher percentage preferences for U.S. flag carriage of oil imports. Either alternative could be contrary to the best interests of the nation's security.

It is the potential constraints on oil availability, not tankers, which is the key to adequate energy supply. This fact was well demonstrated during the recent oil embargo when almost overnight the world went from a tight tanker supply to a large surplus. There is now a large and growing excess of world tanker capacity which will be sharply increased whenever war or boycott interferes with normal oil supply. Availability of U.S. flag tankers does not therefore provide significant additional assurance that an adequate oil supply will be maintained. In fact, during politically or economically motivated oil boycotts against this nation, U.S. flag tankers could be a distinct liability at loading ports of boycotting or neutral nations.

In the opinion of this Department, H.R. 8193's benefits are outweighed by its disadvantages which in summary are: (1) increased cost of ocean transportation resulting in higher domestic petroleum prices; (2) encouragement of compartmentalization of world tanker fleets and trade routes; (3) potential conflict with the goals of Project Independence; (4) failure to provide any significant additional assurance of oil supply in an emergency; (5) encouragement of unnecessary and non-competitive tanker construction in the face of an incipient world tanker surplus and (6) unwarranted disruption of the DOD distribution system resulting in excessive transportation costs, increased supply levels, unnecessary administrative burden, and loss of flexibility to respond to the needs of national defense.

For the foregoing reasons, the Department of Defense strongly opposes enactment of H.R. 8193.

Sincerely,

Martin R. Hoffmann.

Federal Energy Administration,
Office of the Administrator,
Washington, D.C., July 31, 1974.

Hon. Norris Cotton,
U.S. Senate,
Washington, D.C.

Dear Senator Cotton: This is in response to your letter of July 3, 1974, requesting the views of the Federal Energy Administration with respect to the Senate version of H.R. 8193, a bill "To require that a percentage of United States oil imports be carried on United States-flag vessels."

The bill, amending Section 901 of the Merchant Marine Act, 46 U.S.C. § 1241, provides that not less than twenty percent of the gross tonnage of all oil transported on ocean vessels for import into the United States shall be transported on privately owned United States-flag vessels. This quantity would increase, after June 30, 1975, to not less than twenty-five percent of the gross tonnage, and after June 30, 1977, to not less than thirty percent. The bill directs the Secretary of Commerce to take steps in implementation of its requirements.

We oppose this legislation on the grounds that it would increase the likelihood and severity of energy shortages, reduce our capability to make adjustments in case of a selective embargo, raise the cost of oil to consumers, and impede implementation of Project Independence.

In the event of supply interruptions caused by producing countries cutting off exports, our security interests would not be served by regulations requiring the use of U.S. flag tankers. Flexibility would be markedly reduced. When this country has faced interruptions in the past, companies have managed to maintain oil flows by utilizing all of the world tanker fleet, regardless of flag, ownership, or nationality of crews. The ability to move tankers from one route to another would be severely impaired if shippers were faced with provisions requiring that supplies for specific countries could only be transported in specific tankers. This requirement is exacerbated in the Senate version of the bill, which, unlike the House version, is not subject to the executive waiver contained in 46 U.S.C. § 1241(b)(1). The lack of waiver restricts the President's ability to act independently in a national emergency to lift the Act's requirements, and make available the greatest number of vessels for the transportation of oil.

Even without a supply cutoff, the bill creates logistical problems with respect to the country's continued importation of refined products. The availability of these products depends upon spot conditions, such as foreign demand and operational refinery capacity, that are difficult to predict. Hence, importers must act quickly to obtain available supplies. The introduction of requirements adversely affecting the ability of U.S. importers to move such supplies would reduce their ability to respond quickly, and thus tend to reduce the amount of imports into this country.

Enactment of the bill would also increase pressure on the cost of a commodity which has, in the past year, become considerably more expensive. The scarcity of U.S. tankers, and the fact that transportation in U.S. ships is costlier than that in foreign vessels, would cause an immediate increase in the price of imports and hence contribute to the inflation already borne by U.S. consumers.

In addition, passage of cargo preference legislation would divert technical and manpower resources into building tankers for oil imports when we have more urgent needs related to developing domestic energy sources. Development of resources from the Outer Continental Shelf and the North Slope of Alaska will play a major role in significantly reducing the need for oil imports by the end of the decade. Each of these operations will require construction within a short time of new equipment and additional shipping capacity suitable to service them. On the Outer Continental Shelf, we will need more drill ships, submersible and semi-submersible drill rigs, fixed platforms, work boats and other maritime facilities. Similarly, new, specially-equipped U.S. flag tankers will be needed to haul oil from the Trans-Alaska Pipeline to markets in the United States. Thirty-two tankers will be required just to handle that trade. Construction of tankers for oil imports will mean less steel either for tankers for the Alaskan trade or for floating drilling rigs for developing the Outer Continental Shelf.

Cargo preference legislation would result in our building tankers in the face of a growing world surplus. Not only the United States but other consuming nations have embarked on energy conservation programs, and tankers under construction or on order on a world-wide basis are expected to greatly exceed the need for tankers for many years. In addition, the opening of the Suez Canal and construction of a pipeline across Egypt are expected to reduce the need for tankers. With the completion of the tankers currently on order, there will be a surplus of oil tankers, particularly of the "Very Large Crude Carriers" (VLCCs) used for the long haul from the Persion Gulf to the consuming nations of the industrialized world. In the face of these developments in the world tanker market, it would be injudicious for the United States to force a substantial construction program for tankers to import oil. Further, it would stimulate investment in the future of oil imports rather than investment in the future of energy self-sufficiency.

We have the following specific comments to take on sections of the Senate version of H.R. 8193 which differ from the House bill. First, the Senate version of the bill would limit U.S.-flag commercial vessels to ones that are less than 20 years of age and with respect to which the owner or lessee has entered into a capital construction fund agreement with the Secretary of Commerce, pursuant to which the vessel will be reconstructed or replaced at the end of 20 years. We believe that the economic life of a vessel should be determined by its owner. This provision would result in increased costs due to requirements that the vessel will lose its U.S.-flag status at the end of 20 years in spite of its having a longer economic life.

Second, the Senate bill would require a tanker owner to make mandatory deposits in a capital construction fund in order to replace the vessel after 20 years. One of the aims of the Administration is to reduce our dependence on imports in the future by encouraging conservation in the consumption of energy in the United States and by increasing our supply of energy from domestic sources. Under these circumstances, we think it is unrealistic to require owners to put money aside for the replacement of vessels 20 years from now, when requirements so far in the future for tankers to bring imports into the United States may be less than at present.

Third, tankers over 20,000 dead weight tons (DWT) constructed after December 31, 1974, and delivered after December 31, 1978, would be required to be equipped with double bottoms. This requirement would substantially increase construction costs and could decrease fleet carrying capacity. In addition, the Coast Guard has recently proposed regulations on segregated ballast requirements which will meet many of the pollution control problems without the increased costs which a requirement for double bottoms would cause.

Finally, the provision in the Senate bill which reduces import fees imposed pursuant to Presidential Proclamation No. 3279 would not significantly reduce the cost to the consumer of cargo preference and would be unwise from a policy standpoint. The proposed fee reduction would only partially compensate for the bill's added cost since fees are phased in gradually over the next six years. Furthermore, import fees are designed to discourage imports by providing incentives for increased domestic exploration. The credibility of the fee system, and hence its effectiveness, would be undermined by authorizing exceptions and preferences unrelated to the purpose of increasing our energy self-reliance.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

JOHN C. SAWHILL,
Administrator.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., July 15, 1974.
Hon. NORRIS COTTON,
Committee on Commerce, U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: This responds to your letter of July 3, 1974 in which you ask our position concerning the June 28, 1974 Committee Print of H.R. 8193, the proposed "Energy Transportation Security Act of 1974."

The reasons against enactment of H.R. 8193, as originally introduced, which we previously expressed to the House Merchant Marine and Fisheries Committee are still valid with respect to the Senate Commerce Committee Print you forwarded and we therefore continue to oppose enactment of the bill. A copy of the letter in which we previously expressed our views is enclosed.

With respect to the emergency waiver provision you refer to, we agree that such a provision is desirable if the bill should be enacted.

The Office of Management and Budget has advised that there is no objection to the presentation of this letter from the standpoint of the Administration's program.

Sincerely yours,

JOHN H. KYL,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., October 9, 1973.
Hon. LEONOR K. SULLIVAN,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives,
Washington, D.C.

DEAR MADAM CHAIRMAN: This responds to your request for this Department's views on H.R. 7304 and H.R. 8193, identical bills "To require that a percentage of United States oil imports be carried on United States-flag vessels."

We recommend against enactment of these bills for the reasons stated herein.

Section 901 of the Merchant Marine Act of 1936 as amended, 49 Stat. 2015, 46 U.S.C. §1241(b)(1), requires that 50 percent of any cargo procured by the United States from a foreign nation or furnished by the United States to a foreign nation without reimbursement, shall be transported in United States-flag commercial vessels. For the purposes of the Act, United States-flag vessels must be documented under United States laws and must have a United States crew. If the ship was built or rebuilt outside of the United States, or if it had been documented under a foreign flag, to qualify as a United States-flag vessel it must be documented under United States laws for three years.

H.R. 7304 and H.R. 8193 would amend the Act to require that 20 percent of all petroleum products imported into the United States on ocean vessels be transported in privately owned United States-flag commercial vessels to the extent such vessels are available at fair and reasonable rates. The requirement would be increased to 25 percent in 1975 and 30 percent in 1977 if the United States tonnage is adequate to carry that quantity.

We oppose both bills for several reasons. First, while the United States and many other nations now have cabotage laws restricting trade between domestic ports to vessels of their own flag, very few countries impose these flag restrictions on their imports. The United States has traditionally favored international free trade for private shipping. Enactment of these bills is therefore contrary to that tradition and might prompt similar restrictions by other countries on their imports or restrictions by oil producing nations on their exports.

Second, the bill would substantially increase the cost of imported oil to consumers. American crews are two to three times more costly than foreign crews. The increased cost of imported oil would be borne mostly by east coast consumers. Assuming that this country's dependence on foreign oil increases at the current rate, the bills could raise the cost of imported oil by hundreds of millions of dollars annually by 1985.

While we recognized the importance to the nation's security and economy of a strong domestic shipping industry, we note that there are presently a number of Federal programs designed to revitalize the domestic shipping industry on both the building and operating levels. Moreover, in time of emergency the United States can call upon ships from the "effective control fleet." This fleet is comprised of ships sailing under Panamanian, Honduras and Liberian flags and owned by the United States citizens who agree to transfer control of the ships to the United States in the event of a national emergency. Moreover, many United States owned vessels sailing under foreign flags of convenience never sail into ports controlled by countries of the flag they are flying. The ties these vessels maintain with such countries are often minimal and for appearance only. Any danger of these vessels coming under exclusive control of the foreign country where they are registered is thus remote.

Therefore, we do not feel that the national security benefits these bills and intended to achieve justify the conflict with free trade policies, and the unavoidable increase in costs to consumers of imported oil.

The Office of Management and Budget has advised that there is no objection to the presentation of this report and that enactment of H.R. 7304 or H.R. 8193 would not be in accord with the program of the President.

Sincerely yours,
STEPHEN A. WAKEFIELD,
Assistant Secretary of the Interior.

DEPARTMENT OF JUSTICE,
Washington, D.C., July 26, 1974.
Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: Your letter of July 3, 1974, to the Attorney General asks for our views on the Committee Print of H.R. 8193, the proposed "Energy Transportation Security Act of 1974," which sets forth the bill in the form reported to the Senate by the Committee on Commerce. In this form the bill is considerably different from the bill as passed by the House of Representatives, on May 8, 1974.

The earlier version was almost entirely an amendment to section 901 of the Merchant Marine Act of 1936, as amended, 46 U.S.C. § 1241(b) (1). That provision presently requires that 50 percent of any cargo procured by the United States from a foreign nation or furnished by the United States to a foreign nation without reimbursement shall be transported on privately owned United States-flag commercial vessels. The section defines such vessels to exclude, in effect, virtually all but those constructed within the United States. The present version of the bill makes only a minor amendment to section 901(b), adds a wholly new subsection (d), and contains some provisions which are independent of that Act.

Section 2 has a typographical error and is unclear. However, it appears to amend section 901(b) (1) to add the proviso "to the extent such vessels are available" to the requirement that 50 percent of United States cargo be transported on United States-flag commercial vessels.

Section 3, adding a new subsection (d) to section 901, incorporates much of the substance of the earlier version of the bill plus certain new provisions. Thus, the Secretary of Commerce is required to take steps to assure that not less than 20 percent of the oil imported into the United States on ocean vessels be transported in privately owned United States-flag commercial vessels to the extent that these vessels are available at fair and reasonable rates.

The requirement would be increased to 25 percent in 1975 and 30 percent in 1977 if the United States tonnage is adequate to carry that quantity. The requirement would cover both direct shipment to this country and shipments from the original point of production to intermediate points for storage, processing, refining, or transshipment and ultimate delivery into the United States. The Secretary of Commerce in administering the Act may establish by rule reasonable classifications of persons and imports subject thereto. Provision is also made for review of agency action under the Administrative Procedure Act and for judicial review in the D.C. Court of Appeals.

The subsection contains certain new provisions. For example, the Secretary of Commerce is authorized to grant credits toward the fulfillment of the percentage requirements imposed in the case of oil transported by United States-flag vessels over 100,000 deadweight tons between foreign ports until such time as an oil discharge facility capable of discharging fully laden vessels of over 300,000 deadweight tons is in operation on any coast of the United States. The provision contains a new definition of privately owned United States-flag commercial vessels which goes beyond that already contained in section 901(b) (1) to require a capital construction fund agreement between the owner or lessee and the Secretary of Commerce which would incorporate terms specified in the provision. The subsection also requires annual reports by the Secretary of Commerce to the President and Congress.

Section 4 of the bill exempts small refiners of less than 30,000 barrels per day capacity from its provisions so long as the total imports of the refiner do not in any years exceed its rated refining capacity. Section 5, finally, would reduce license fees required on imports of crude oil by 15 cents per barrel for a period of 5 years if the Secretary of the Treasury determines that such crude oil is transported on United States-flag vessels and the fee saving is being passed on the the ultimate consumers of the crude oil.

The Department of Justice is opposed to impediments placed in the way of full and free competition in the marketplace. We are also opposed in principle to schemes for Government regulation and allocation of commodities because they operate to freeze and distort the working of competitive forces. This bill includes both objectionable features.

First, by requiring that certain percentages of oil imports be carried in United States-flag vessels the bill creates a captive, non-competitive market for this class of tankers.

It is well known that U.S.-flag vessels cost more to construct and more to operate than others. With their use required to the extent indicated the added costs will naturally be passed on to the consumer, disproportionately so to the consumer on the East Coast where the need for imported oil is by far the greatest. But aside from this, establishment of a sheltered market will have an inevitable upward effect on rates, insulating as it will this portion of the tanker trade from the competitive forces of world tanker rates. The situation in the tanker market will be analogous to that in former years when the Mandatory Oil Import Program, by curbing the volume of imported oil, served to insulate the domestic crude and product markets from the competitive effects of foreign oil which was then selling at much lower prices.

Second, special provision for certain tankers necessarily will require a measure of governmental regulation over all tanker imports in order to allocate the required percentages to U.S.-flag vessels. Aside from necessitating a cumbersome and perhaps unworkable system of control, this regulation could seriously affect competitive relationships in the petroleum industry.

Some recognition of this aspect is seen in the bill's exemption from its provisions of imports by small refiners. The rationale for this is obviously the comparatively greater impact an increase in shipping costs would have on their operations compared to the major integrated companies, with a resultant increased difficulty in competing against the latter. But the bill here deals only with the very smallest operators, taking no account of the shipping cost impact on other small refiners, defined by Congress in Emergency Petroleum Allocation Act of 1973 (87 Stat. 627, 629), as those ranging in size up to 175,000 barrels per day capacity.

Again, the ability of non-integrated importers to compete against the majors would be further jeopardized by the bill's provision including shipments from a foreign point of production to a foreign refinery before the product is shipped to this country. This requirement might be attainable by the larger, fully integrated oil companies using their own foreign refineries or the foreign refineries of other under long-term fixed-quantity contracts. But it would seem highly unlikely that any foreign refiners other than those whose primary market is the United States would employ higher-cost U.S.-flag tankers to supply it with crude against the chance of facilitating short-term contracts or spot sales to smaller non-integrated American importers.

In addition, as your letter noted, the problem is compounded by the revised organization of the bill's provisions. Establishing the U.S.-flag vessel quota requirements in a separate subsection has the effect of preventing the applicability to them of the proviso in section 901(b) (1) permitting a temporary waiver of cargo preferences ". . . whenever the Congress by concurrent resolution or otherwise, or the President of the United States, or the Secretary of Defense declares that an emergency exists justifying a temporary waiver. . . ." Thus, under the revised bill the cargo preference requirement is made absolute, with no possibility of waiver for any reason whatever.

For the foregoing reasons, accordingly, the Department of Justice continues to recommend against enactment of this legislation.

Sincerely,
W. VINCENT RAKESTRAW,
Assistant Attorney General.

DEPARTMENT OF STATE,
Washington, D.C., July 16, 1974.
Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: The Secretary has asked me to reply to your letter of July 3, 1974, requesting the views on Senate Commerce Committee Print on H.R. 8193 dated July 12, 1973.

Although the Senate version of the cargo preference bill differs from the House version passed on May 3, we still consider the legislation to be adverse to the foreign economic policy interests of the United States. Our basic objections which were summarized in former Acting Secretary of State Kenneth Rush's letter to the Chairman dated May 17 and in Departmental testimony before the subcommittee on the Merchant Marine are that the bill, *inter alia*, (1) would place the United States in violation of more than thirty FCN treaties; (2) would encourage similar or more restrictive moves on the part of other countries; (3) would adversely affect the security and flexibility of the transport of U.S. energy imports; and (4) would, by increasing petroleum import costs, affect the U.S. domestic economy in and of itself and would have a negative effect on U.S. export competitiveness.

The Senate version in proposed subsection (d) (5) would add a further protectionist element to our foreign shipping policy by providing for a waiver of the fee on imported oil up to 15 percent a barrel when it is brought in by U.S. flag tankers. Even though savings would have to be passed on to consumers, this protectionist aspect may be legitimately criticized by our trading partners as discriminatory; it will thus undercut broader U.S. foreign economic policy objectives.

Because of these adverse foreign policy considerations, I urge you and your colleagues to vote against approval of H.R. 8193.

Cordially,

LINWOOD HOLTON,
Assistant Secretary for Congressional Relations.

SECRETARY OF TRANSPORTATION,
Washington, D.C., July 26, 1974.

Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: Reference is made to your letter of July 3, 1974, which requested the comments of the Department of Transportation on the Senate version of H.R. 8193.

The bill would amend section 901 of the Merchant Marine Act of 1936 by adding a new subsection to ensure that at least twenty percent of the gross tonnage of all oil imported into the United States on ocean vessels is transported on privately owned United States-flag commercial vessels. The bill would require that the amount carried be increased to twenty-five percent by June 30, 1975, and to thirty percent after June 30, 1977, if the Secretary of Commerce determines prior to the effective dates that there is adequate United States tonnage available to carry those quantities of oil.

The bill defines a "privately owned United States-flag commercial vessel" as a vessel of United States registry, which was built in the United States, not over twenty years old (or reconstructed and not beyond economic life), and whose owner or lessee is a party to a capital construction fund agreement which requires replacement at the end of 20 years or extended economic life. Additionally, any privately owned United States-flag commercial vessel larger than 20,000 dead weight tons entitled to the benefits of this proposed subsection, and contracted for after December 31, 1974, or delivered after December 31, 1978, would be required to be constructed using the best available pollution prevention technology and equipped with a segregated ballast capacity, determined appropriate by the Secretary of Transportation, achieved in part by fitting double bottoms.

The Department of Transportation prepared and forwarded to the Senate Committee on Commerce comments on S. 2089, a companion bill to H.R. 8193, on December 18, 1973. We also prepared and forwarded to you answers to three specific questions concerning the relationship between H.R. 8193 and the regulation of tanker vessels under title II of the Ports and Waterways Safety Act of 1972 (46 USC 391a) [hereinafter referred to as the Tanker Act] on June 25, 1974. We offer the following comments on the new Senate version of H.R. 8193.

The Department of Transportation strongly opposes the new Senate version because it would conflict with the administration of the Tanker Act. Section 201 of the Tanker Act gives the Secretary of Transportation the necessary authority to issue rules and regulations for vessels carrying liquid cargo in bulk to regulate design and construction to protect the environment (46 U.S.C. 391a(3)). Double bottoms are not legislatively required by that Act. This bill would require double bottoms on new vessels (as defined in the proposed 46 U.S.C. 1241(d) (4) (B); line 14–24, page 7 of the bill). Arguably, the bill would require the Secretary of Transportation to issue regulations requiring double bottoms on a certain class of vessels, i.e., those new vessels carrying oil for import, whether in bulk or not. Therefore, certain tanker vessels engaged in international trade would be required to have double bottoms, while other tanker vessels would not.

We feel the environmental benefit of this bill is limited. This Department has sufficient regulatory authority under the Tanker Act to address necessary environmental protection issues for tankers. We do not believe double bottoms are a fully effective environmental protection feature unless their adoption is mandatory and universal; that is, for all vessels, both foreign and domestic. This bill would require double bottoms on only a very limited number of tankers; therefore, the degree of protection afforded the environment would be quite small. They would not be required on United States vessels used exclusively in the coastwise trade or exclusively on internal United States waters. Foreign tanker vessels would not be affected, although the bill also raises serious questions about the applicability of 46 U.S.C. 391a(7) in the Tanker Act which requires that any regulatory requirements under the Tanker Act which requires that any regulatory requirements under the Tanker Act apply equally to foreign and United States-flag vessels operating in the foreign trade. Any attempt to extend the double bottom requirement to foreign vessels would meet with strong foreign opposition in light of the rejection of the double bottom concept at the 1973 IMCO Pollution Conference. Further, United States tanker vessels carrying substances other than oil would not be required to comply with the double bottom standard. Therefore, the bill creates a system of inequalities among tanker vessels in contrast to the Tanker Act which mandates equal treatment for all classes of tankers.

We also question the use of the phrase "best available pollution prevention technology" (proposed 46 U.S.C. 1241(d) (4) (B); line 18, page 7 of the bill). There is no corresponding requirement under the Tanker Act and, therefore, a question exists as to exactly what the phrase describes, or whether it is intended to differentiate from construction and operating standards to be issued under the provisions of the Tanker Act. In summary, we feel that the bill is not only a limited pollution prevention measure, but also a stumbling block in the development of a viable United States flag fleet, which we understand to be the purpose of the bill.

We offer the following technical comments on the bill:

a. The use of substantive provisions requiring construction standards (in lines 14–24, page 7 of the bill) in a definitional section is confusing, particularly in light of the reference back (i.e., "such vessels") to the category or class of vessels being defined. This creates a new vessel/existing vessel problem which should be specifically dealt with.

b. Additionally, nowhere in the bill is there a provision limiting the bill's application to vessels carrying liquid cargo in bulk. The present language would appear to apply to any new vessel carrying even a few barrels of oil for import to the United States. The double bottom construction standard would also seem to apply to these vessels, an obviously unintended result. Therefore, there should be a limitation to ensure the bill's application to only tanker vessels.

c. The definition of "United States" (lines 1–3, page 8) does not include all United States areas in which privately owned United States-flag commercial vessels are presently documented.

d. The reference to the Secretary of Transportation (in lines 20–21 and line 24, page 7 of the bill) should more appropriately be "the Secretary of the Department in which the Coast Guard is operating."

Sincerely,

CLAUDE S. BRINEGAR.

SECRETARY OF THE TREASURY,
Washington, D.C., July 30, 1974.

Hon. NORRIS COTTON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COTTON: I have reviewed the provisions of H.R. 8193, the "Energy Transportation Security Act of 1974," as it has been reported out by the Senate Committee on Commerce. I am seriously concerned at the impact which this Act will have on the nation's economy and on our ability to accommodate future energy demands if it were to be enacted in its present form.

As previously noted in my letter of July 3, 1974, enactment of this legislation as it passed the House would result in higher costs for both imported and domestic oil by requiring a specified percentage of United States oil imports to be carried in United States flag vessels. It would adversely affect the nation's ability to maintain and assure adequate supplies of energy, and to achieve the goals of Project Independence. Moreover, supplying the United States built tanker capacity required by this Act would divert vital shipyard facilities from such important domestic energy production efforts as the manufacture of oil rigs and tubular goods.

Two changes made by the Committee on Commerce since the date of my earlier letter are especially disturbing.

First, as reported out by the Committee, the Act would fail to incorporate the provision allowing an emergency Presidential waiver of the requirement that a percentage—rising from 20 percent at the time of enactment to 30 percent beginning in 1977—of U.S. oil imports be carried in United States flag vessels. Delegation of the emergency waiver provision would greatly reduce our ability to respond quickly and effectively to any future supply interruptions, and our flexibility in securing needed imports under such conditions.

Second, the Committee version would require the reduction of import license fees payable on imports of crude oil pursuant to Presidential proclamation. Such fees would be reduced by 15 cents per barrel for a period of five years from the date of enactment, if the Secretary of the Treasury determines that the crude oil involved is imported on privately owned United States flag commercial vessels, and that "the amount resulting from the nonpayment of such license fees is passed on to the ultimate consumers of such crude oil in whatever form it is when ultimately consumed."

The imposition of license fees is a carefully considered mechanism designed to encourage increased domestic oil production capacity. Insofar as crude oil imports are concerned, it is intended to encourage domestic exploration. Any exemption not directly related to this purpose would undermine this very important mechanism, and seriously affect our ability to set such fees so as to achieve this result. Moreover, the bill is unworkable in its present form since it is difficult, if not impossible, to determine whether license fee savings from use of United States flag vessels have been passed on to the ultimate consumer.

Both this Department and the Federal Energy Administration have previously highlighted, in correspondence and testimony, the adverse effects that enactment of H.R. 8193 would have. As now reported out, such effects would be even more severe. I strongly urge that the bill not be enacted in its present form.

Sincerely yours,

WILLIAM E. SIMON.

TRIBUTE TO WAYNE MORSE

Mr. BAYH. Mr. President, it was with great sadness that I learned of the death of former Senator Wayne Morse on Monday, July 22. The country has lost a truly great American, the world has lost a man of distinction, and those of us in the U.S. Senate have lost a friend and a colleague who brought honor to this body.

For all of his 73 years, Wayne Morse fought for his principles. His life was an amplification of the phrase rugged individualism. As a legislator, he was truly nonpartisan, and defended and supported his values no matter what the party line dictated. We all know that he was a member of both major political parties during his service in the Senate. However, no matter what party he was affiliated with the people of Oregon and the entire country knew that Wayne Morse was his own man. Nobody, whether a President, Member of Congress or fellow citizen could tell Wayne Morse how to cast his vote.

His lonely fight against the use of U.S. forces in Vietnam is but one example of an issue where he was not afraid to take and to hold a position and viewpoint that was unpopular but which he felt deep in his heart was right.

While his position on Vietnam has received the most attention in recent years, other areas and issues bear the imprint of this remarkable statesman. Perhaps one of his greatest legacies is to the District of Columbia. Wayne Morse took intense, personal interest in the affairs of the District, particularly in the areas of education and home rule. Among his accomplishments in the area of education, was the creation of two institutions of higher education in the Nation's Capital—Federal City College and the Washington Technical Institute. However, his most vocal fight was for effective home rule for the District of Columbia. Ironically this goal was not achieved while he was a Member of the Senate. But he paved the way for Congress to enact the necessary legislation this year and he lived to see home rule finally come to Washington.

None of us ever knows how history will judge our actions. But I feel confident that the unique contributions of Wayne Morse will bring him recognition for a long time to come. Americans can point to him with pride as a man who served his State and country in the best and most honest way he knew—willing to make the tough decisions, to stand out front and alone on an issue and to be open, candid and honest with his constituents. His independence, integrity, and nonpartisan nature made him reminiscent of the great pillars of the Senate in the 19th century.

Wayne Morse forced us to carefully consider all our policies. Democracy in the United States thrives on open debate and constant vigilance to protect and to preserve our guaranteed freedoms. Wayne Morse made sure that his country continued to move forward and refused to close his eyes when he felt the principles upon which this country is built were threatened or being diluted. Wayne Morse forced all of us to carefully consider and reconsider the directions we were headed and whether or not we agreed with him—he made us think and question.

Wayne Morse, the great dissenter who deeply believed in the slogan of his first senatorial campaign—"principle above politics"—will be missed by the entire country. But his legacy of honesty, trust, and integrity will remain for decades to come.

DAHOMEY'S INDEPENDENCE DAY

Mr. HARTKE. Mr. President, today, August 1, 1974, marks the 14th anniversary of the Republic of Dahomey, a small French-speaking country on the west coast of Africa. Dahomey is rich in history, having been a major West African kingdom during the 18th and 19th centuries. Dahomeans have notable cultural ties with peoples of Brazil and Haiti in the Western Hemisphere.

A developing country, Dahomey's exports are mostly agricultural. Palm oil products have traditionally constituted the country's major export, but in recent years, Dahomey has been increasing cotton production. There are a number of light industry enterprises which produce almost exclusively for the domestic market.

Cotonou, the administrative capital, is a pleasant modern city, with international air services and excellent tourist facilities. Other major towns include: Porto Novo, the traditional capital; Ouidah, a historic trading center dating from the early years of European contact with West Africa; and Abomey, the capital city of Dahomey's royal family. Dahomey's warm tropical climate, sandy beaches, historical sites, and friendly people make it an ideal country for tourists and vacationers wanting a glimpse at authentic West Africa.

The United States has had friendly relations with Dahomey since its independence. There is a small American Embassy in Cotonou and a one man U.S. information office which includes a cultural center. The Peace Corps has been active in Dahomey for several years, and presently has about 60 volunteers engaged mainly in teaching, agriculture, and public health projects. AID has recently made two major development loans: one project involves resurfacing of 75 miles of roadway on Dahomey's vital north-south highway, and the other provides for construction of a new bridge at Cotonou along the coastal highway linking Nigeria with its three western neighbors.

Mr. President, I take this opportunity to congratulate the President, the Government and the people of Dahomey on this, the 14th anniversary of their republic.

THE RETURN OF THE HOLY CROWN OF ST. STEPHEN

Mr. THURMOND. Mr. President, recent articles in a number of newspapers have expressed the opinion that American possession of the Holy Crown of St. Stephen is a major obstacle to fully normalized, friendly relations between our country and Hungary.

Mr. President, I feel that any attempt on our part to allow the transfer of this crown would be grossly inappropriate. In May of 1945, the guardians of the crown deposited it with our government for safekeeping until such time as a legitimate Hungarian Government would be formed and the country's independence restored.

It is obvious that the present Budapest government was neither elected democratically, nor was it evolved in accordance with the principles of Hungarian traditional constitutional law. Furthermore, the presence of over 60,000 Soviet troops in Hungary and the enforced economic and political integration of Hungary into the Soviet bloc provide clear evidence that the present Hungarian Government is neither legitimate nor independent.

The United States would be abdicating its role as a responsible and trustworthy guardian of the Holy Crown of St. Stephen should it fall prey to transient international politicking and submissively deliver the crown to the present Hungarian regime. Such an action would be a complete and utter betrayal of the trust which the guardians of the crown saw fit to place in our country back in 1945.

For a thousand years, this crown has been regarded as a symbol of constitutional and governmental authority, whether or not Hungary was a monarchy. Furthermore, the crown has been for centuries the symbol of Hungarian Christianity. The Holy Crown of St. Stephen is the symbol of the Hungarian nation's constitutional and Christian heritage, not the property of an atheistic, illegitimate regime imposed by the Soviet Union.

Mr. President, American diplomatic recognition of the present Budapest government does not constitute any form of moral approval. Such action merely recognizes that this particular government effectively controls the territory and successfully imposes its will on the people it claims to represent.

Should we allow the transfer of the crown to such a regime, it would represent a clear and unmistakable moral approbation of the present Budapest government. Such an action would be a terrible mistake for our Nation to commit.

AIRCRAFT-NOISE CONTROL NOW

Mr. TUNNEY. Mr. President, necessary aircraft noise abatement regulations must be promulgated now. The Noise Control Act of 1972, which I authored, was aimed at reducing noise pollution with the use of all available technology. Yet, after many false starts, too many delays, we still do not have worthy regulations to quiet our thunderous fleet of commercial aircraft—notably those powered by the JT-3-D and JT-8-D engines.

The Federal Aviation Administration has proposed rule 74-14, concerning SAM aircraft retrofit of the JT-3-D and JT-8-D engines which could reduce unnecessary aircraft noise by as much as 74 percent within the next 5 years. The airlines have strongly protested this proposed rule, based, it appears to me, on purely pecuniary interests. They favor the NASA refan program—a program costing five times that of retrofit, and not technologically available until 1978. Not only are they sacrificing available technology, but I would not be surprised to hear arguments against SAM advanced against refan when such technology becomes readily available.

Moreover, NASA has discontinued its refan program for the JT-3-D aircraft—the 707's and DC-8's—which comprise the noisiest one-fourth of our current fleet. Such aircraft, likely to be in service for another 5 to 6 years, can only be quieted through the use of SAM. There is no trade-off here. Either the JT-3-D aircraft are quieted now with SAM, or they are not quieted at all.

Yesterday, along with my colleagues, Senators Hart, Hartke, Cook, Buckley, and Stafford, I sent a letter to FAA Administrator Alexander Butterfield expressing exasperation with delays and urging immediate promulgation of proposed rule 74-14 which, in compliance with congressional intent under the Noise Control Act of 1972, would make use of available technology to reduce substantially noise pollution.

I ask unanimous consent that the text of that letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., July 30, 1974.

Mr. Alexander P. Butterfield,
Administrator, Federal Aviation Administration, Washington, D.C.

Dear Mr. Butterfield: We understand that you are about to decide whether to revise Proposed Rule 74-14 (March 27, 1974) concerning SAM aircraft retrofit, and that promulgation of some form of the Rule will occur imminently. As members of the Senate Committees with oversight responsibility for the Noise Control Act of 1972, we are writing to ensure that you have before you a balanced view of Senate testimony and other information which we have collected on this issue.

In our view, further delay in promulgation of this Rule cannot be justified if FAA is to comply with Congress' directive in Section 7(b) of the Noise Control Act of 1972 to regulate the abatement of aircraft noise "in order to afford *present* and future relief and protection to the public health and welfare" (emphasis added). Based on the information available to us, it appears that FAA has adequately demonstrated that its proposal for the retrofit or retirement of earlier generation jets powered by JT3D and JT8D engines fully complies with statutory requirements for safety, availability of technology and economic reasonableness. Thus, the Rule should be promulgated without additional delay.

The Environmental Protection Agency, community groups around our Nation's jetports, airport operators and the National Academy of Sciences all support prompt FAA adoption of Proposed Rule 74-14. Opposition has mainly come from the airlines themselves, and has primarily been directed at the high cost of implementation of the SAM retrofit program, a cost which is far below that predicted for implementation of the not-yet-demonstrated refan technology.

(Hence, we surmise that objections on grounds of cost will be raised even more forcefully at such future time as refan technology becomes available.)

We concur with the views of Congressman Wydler, the Acting Chairman of the House Subcommittee on Astronautics and Space Technology, who stated at hearings on this issue last week:

"I come to the conclusion (that) I don't think there really is a viable opinion here (in the refan program). If we are going to do anything in this retrofitting field . . . within the foreseeable future, I think we have to go with the SAM program at the present time." (Transcript, p. 293.)

During the one-day hearing held on May 16 by the Senate Aviation Subcommittee of the Commerce Committee, the Subcommittee heard only from industry representatives on the FAA proposed regulations. Regrettably, no oral testimony was received from any of the local community or citizens' organizations around the Nation in support of FAA's program to reduce noise at its source in the aircraft engine. Had these other groups been heard, they would have supported the merits of SAM technology on the following bases:

1. SAM retrofit will provide "meaningful relief" to our citizens.

SAM retrofit program would bring the noise levels of older jets down to those of the new wide-bodied (B-747, DC-10, L-1011) aircraft. By 1978, the use of SAM would reduce the number of persons exposed to unacceptable levels of noise by 74 percent. This is exclusive of operating procedures which, if implemented, would further reduce the number of individuals impacted. Actual tests comparing untreated and SAM-treated aircraft (such as the tests conducted at Dulles Airport) and psycho-acoustic studies conducted by Columbia University reveal that reductions in noise levels are perceptible to airport neighbors and that the noise levels achievable through SAM technology result in significant, measurable reductions in annoyance.

2. The potential benefits from NASA's refan program do not justify the 3-year additional delay and a cost five times that of the SAM program.

The overwhelming weight of evidence adduced at the three oversight hearings this year suggests that the NASA refan program JT8D aircraft to reduce engine noise—is no longer a viable option to quiet today's fleet of aircraft. The refan program, while indicating the promise of substantial reductions in aircraft takeoff noise in the future, has yet to be flight tested, and final results will not be available for at least another year. In contrast, as the U.S. Department of Transportation has testified, the current commercial fleet could be completely modified by 1978 to community-acceptable levels with SAM nacelle treatments. At least a three-year delay, until 1981, would be required if the refan technology, when proven, were to be mandated for the same fleet.

Moreover, it is anticipated that with continued energy shortages, the life of the fuel-efficient JT3D aircraft [707's and DC-8's] will be greatly prolonged. According to the Air Transport Association, 400 of these noisy aircraft will still be flying in the U.S. fleet by 1981. Refan research on these aircraft was discontinued last year, so SAM-ing offers the only hope of noise relief.

System costs for the refan program are anticipated to be five times those of the SAM program, without a proportional reduction in noise impact. The Department of Transportation's study of the noise contours at 23 major U.S. airports, released on July 25 of this year, concluded that, even assuming the most optimistic results of the NASA refan program, the SAM retrofit program is considerably more cost-effective.

3. The $600-$800 million cost of SAM retrofit can be financed in part by a user tax and in part by the Airport and Airways Trust Fund.

The scheduled airlines view the $600 to $800 million cost of the SAM program as a threat to their economic well being. No doubt this same objection will be raised against the $4 billion price tag of the refan program. While we recognize that our airlines must be kept financially viable, so, too, they must recognize the health and environmental "costs" which aircraft noise imposes on airport neighbors, local communities and airport operators.

At the Senate Aviation Subcommittee hearings in May, the FAA testified that the cost of SAM retrofit could be financed by increasing airline fares by less than one per cent—or about 60 cents per ticket. Those who fly our Nation's airways would bear this nominal cost to assure that their journey will not cause unnecessary annoyance to people on the ground. To put such a cost into proportion, the surcharge for the SAM program would be about the cost of a pack of cigarettes purchased at LaGuardia Airport in New York; less than the cost of an in-flight cocktail. Some money could also be made available from the Airport and Airways Trust Fund, which should show a surplus by the end of Fiscal Year 1975.

Ironically, the airlines have spent more than the cost of retrofit to convert the interiors of their older, noisier aircraft to the new wide-body look, a cosmetic action which also extends the useful life of the planes.

4. Promulgation of proposed Rule 74-14 would not prevent or inhibit use of refan technology at such time as it becomes available.

As you stated and documented at the May 16 oversight hearing, "certainly refan could be applied to aircraft of future design as a potential [for noise relief] for such aircraft." We share your view that technological advances such as refan should be implemented for new aircraft at such time as they become available.

For these reasons, we urge immediate promulgation of proposed Rule 74-14. We are convinced, from the information available to date, that the SAM technology will bring meaningful relief to our noise-impacted communities, that the costs of aircraft modifications are proportionate to the benefits to be derived and that, since the SAM technology fulfills the statutory requirements specified in the Noise Control Act of 1972, FAA can do no less than to promulgate its final regulation without delay.

Sincerely,

Vance Hartke,
Marlow W. Cook,
Robert T. Stafford,
John V. Tunney,
Philip A. Hart,
James L. Buckley,
U.S. Senators.

INTERVIEW WITH AMBASSADOR MYRDAL

Mr. KENNEDY. Mr. President, one of the world's most distinguished arms control advocates, Alva Myrdal, recently discussed her 12 years of experience as a representative of Sweden to the United Nations Conference of the Committee on Disarmament at Geneva.

Ambassador Myrdal termed the 12 years generally a disappointment. She recalled that in 1962 there seemed to be hope of achieving a comprehensive nuclear test ban treaty—CTB. Yet that goal has eluded the committee's grasp. The technical arguments which have been raised as obstacles to the conclusion of a CTB, Mrs. Myrdal argues, have been nationalistic ones in reality, based on national decisions to continue the development of new nuclear weapons rather than to seek an agreement to halt that development.

Mrs. Myrdal stated that the issue of verification as an obstacle to the conclusion of a CTB is in reality a smokescreen since we can monitor effectively virtually all tests. The question now is not one of verification technology, but one of political will.

Her comments on a threshold treaty are particularly noteworthy in the aftermath of the recent summit session. Ambassador Myrdal states:

> It won't work. You can't control the size of the device being tested; you can only monitor the yield on the seismological scale. There is no definite correspondence between the two. It might differ by a factor of 10, depending on whether the device is put in granite or alluvium, or put in a big hole. Everybody knows you can't check on whether a low limit has been violated or not. It's just as easy to agree on a total test ban, and then use the seismological means and other kinds of intelligence reports to check on what is happening.

Meanwhile, as arms control is given only lip-service, the world powers go on adding to their stockpiles and improving the weapons year by year.

> Now the qualitative arms race is the main destabilizing factor that frightens us.

Ambassador Myrdal argued that all nations would be the beneficiaries if the weapons research would cease, and if the resources mobilized for nuclear arms development were harnessed instead for the tasks of development.

But today, Mrs. Myrdal critically notes, many countries are engaged in major new weapons developments, and she cites with particular alarm, two new U.S. systems: lethal binary nerve gas weapons and tactical mininuclear weapons. The first represents a danger of blocking international agreement on preventing a chemical warfare weapons competition; the second presents the danger of blurring the distinction between conventional and nuclear weapons and making these smaller nuclear weapons more "acceptable" for use in an otherwise conventional conflict and thus more easily breeching the psychological inhibition to first using nuclear weapons.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTERVIEW WITH ALVA MYRDAL—"IT'S THE QUALITATIVE ARMS RACE THAT FRIGHTENS US MOST"

The veteran disarmament advocate speaks of her enduring preoccupations: the diversion of arms research and development resources to peaceful purposes and the use of international legislation to outlaw cruel weapons.

I remember very well our interview in March, 1962, in Geneva. It was in your hotel suite and you were surrounded by a vast pile of books, all of which were on arms control, but I think you had every one.

I had to read up at that time when I was rather new to the subject.

Everybody was pretty new to the subject of arms control at that time. And I won't say that the spirit was very optimistic in March of 1962 at the opening of the 18-Nation Disarmament Committee. There was a Berlin crisis at the time. The Russians had broken the moratorium on testing. The United States had announced it was going to resume testing. We were only months away from the Cuban missile crisis. At the same time, the committee seemed to have a workmanlike attitude. The members seemed serious about the subject and there were some reasons to be optimistic. The United States and the Soviet Union seemed to be working together on this problem. We had the neutrals coming in. It was the first time that there had been a standing committee of such a kind. So there was a little bit of hope. And now it's almost a dozen years later, and you've been there all the time. I think you probably have spent more time in the committee than any other delegate. I wonder what you think has happened in this almost 12 years.

Well, it has been a great disappointment, generally speaking. In 1962 we were hopeful. We already had the McCloy-Zorin agreement on principles for disarmament, and we soon got the United States and the Soviet proposals for treaties to achieve general and complete disarmament, in stages. It seemed that we could start to work on a program of gradual disarmament. Then we were so full of eagerness to work that the nonaligned, who got together there for the first time as a group, produced within three weeks of the opening of the E.N.D.C. meeting a memorandum to achieve a comprehensive nuclear test ban. We didn't get it that first year but anyway we were certainly working on a number of proposals. Now we have seen the years come and go. We have learned more and more of the technical arguments pertaining to disarmament, but we have found that no arguments are needed, except purely nationalistic ones. The so-called "disarmament agreements" that we have obtained are either nonarmament agreements or mere cosmetic devices. They have been used to stall for time, and to make people believe that something is being achieved. So we have become deeply pessimistic—and I think I talk not only for myself but practically all the delegations who have participated in the negotiations.

We are pessimistic about achieving any real disarmament because we must blame the two superpowers who all the time, from that early day, have gone on not only piling up more arms but also improving the weapons they have. It's a quantitative armaments race and a qualitative armaments race. The quantitative armaments race has got beyond any reasonable limits, because the two superpowers have far more—particularly in nuclear arms—than they would ever need, either for defense or for deterrence. Now the qualitative arms race is the main destabilizing factor that frightens us. We have seen the superpowers make some bilateral agreements, which of course means also that the multilateral negotiations don't mean very much to them. I think keeping up the Geneva talks is a holding device for the two superpowers. SALT I meant that they are going to put some limit to the quantitative increase of strategic weapons systems, ABMs and ICBMs, i.e., missiles for defensive and offensive purposes. But the ceiling set is higher than the present level. As for the qualitative arms race, the increasing sophistication and kill effectiveness of weapons—so far we have seen nothing that will stop this competition. I have been concentrating this year on two issues in the disarmament field. One is how to stop the qualitative arms race. The other has to do with the uses of weapons, which I'll talk about later.

Could we briefly go over the eight items the agenda of the first committee? I assume these are the same items that are on the agenda of the C.C.D. [The C.C.D. is the Conference of the Committee on Disarmament, the successor to the E.N.D.C. referred to earlier.]

Yes, except the first one on the budget limitations, "Economic and Social Consequences of the Armaments Race and Its Extremely Harmful Effects on World Peace and Security." That has been dealt with a number of times largely outside of the C.C.D. by resolutions in the United Nations. There was one report on that subject, as early as 1962, which was quite important for the time. Then it was repeated in 1971 and 1972 we produced a report which is briefly called "Disarmament and Development," to try to find a link between military budget cuts and resources for development. That is a subject very dear to me. I was the chairman of this group in the U.N. I was an advocate particularly of arms control measures that would release R&D resources for development. However, I prefer to call them "arms regulation measures." I think that's a phrase in the Charter.

(This is a parenthesis, but "arms control" is an American phrase and it has too much of a connotation of controlling somebody else. The French word "control" is much more an accountant's term, meaning simply keeping track of something. I prefer the term "arms regulation.")

The link I want very much to see established is between specific arms regulation measures, like a test ban or prohibition of production of chemical weapons, and cutting down on the research and development for any kind of weapon. If we can stop or impede the R & D work, release the resources which are mobilized for these ultimately destructive purposes and turn them over to development tasks, the world would be so much better off.

That's where I see the importance of that first item. The Romanians will produce a draft resolution on this which should remain on the agenda of the General Assembly for years to come. We should have recurrent reports on what the military budgets set aside for work on new weapons, and new generations, which are really threatening to destabilize the situation.

For the last 10 or 12 years we seem to have been going more or less in the other direction. The military budgets increase, despite reports of the kind mentioned, and actually the amount of money for development, on a per capita basis at any rate, goes down.

True. In the case of the United States budget, if war costs are lowered, the military budget isn't cut. That expenditure then goes toward development of weapons. Some of these developments are fraught with tremendous dangers for the future, particularly in the field of binary chemical weapons, such as lethal nerve gas.

These are weapons that can't be detonated unless you put the two parts together? Separately, they are safe.

Yes. Two non-lethal components would be produced, loaded into a shell in separate containers, and only brought to a mix when the shell is fired. In this way, the moment of use coincides with the moment of production. Again, that means that technologically advanced nations will have an advantage. Also, there is potentially an element of surprise in these developments which could prove destabilizing. It is similar to the development of tactical mininukes in the nuclear field. Tactical nuclear weapons are miniaturized and perhaps might be deployed on the battlefield for what might normally be considered conventional warfare.

Tactical nuclear weapons have already been developed in Europe, haven't they?

Yes, but they are not under the command of the regional commanders. They are under U.S. supreme control as strategic weapons. The mininuke is the kind of weapon that might lead other countries to proliferate, to disregard their inhibitions against developing nuclear weapons, and say, well, if there are nuclear weapons so small that they compete with ordinary conventional weapons, why should they be the monopoly of just a few powers? I think it's a tremendously dangerous development, for these weapons are said by their proponents to be like conventional weapons, not only usable on the battlefield, but even preferable, since they offer cheaper firepower. The introduction of such mininuclear weapons would blur the present distinction between conventional and nuclear weapons.

Don't these mininukes require a very sophisticated technology? Isn't it much easier, actually, to make a bigger nuclear weapon?

Yes, it is technically more difficult to produce the new generation of small ones, but the difficulties can be overcome. And the moral inhibition against producing nuclear weapons might be very much decreased by the spread of mininukes, which are considered by some military advocates to be suitable for use in local wars and in the same category as conventional artillery. The less sophisticated countries would produce old-fashioned Hiroshima bombs perhaps, but that's dangerous enough.

What about the World Disarmament Conference? Is it to be taken seriously—or has it been made irrelevant by the opposition of the Chinese?

It is indeed to be considered seriously because we need some kind of breakthrough. We can't just continue with the C.C.D., in which nobody really believes, on one hand, and then have bilateral negotiations on the other. The World Disarmament Conference is needed. As to the Chinese, I call what they are saying not objection but reluctance to go along. We should take their position very seriously and invite them to compromise by saying that those conditions which the Chinese want to lay down for the holding of the World Disarmament Conference should be treated with highest priority on the agenda. But we should meet in order to consider these pledges called for by the Chinese of non-first-use of nuclear weapons, and never using them against nuclear-free countries. That's what the World Disarmament Conference should be about in the first instance, and then it should go on to other things. A decision in favor of the World Disarmament Conferece might come around in 1974. Putting the Chinese concerns at the top of the agenda must at least be welcomed by them as a good bit more than a face-saving device. And what of the Russians' offer when they say, "We have already promised, you know, never to use force." That's the kind of promise that is just rhetoric. It certainly is no pledge, as the Chinese want it to be.

What about general and complete disarmament? In '62, this was a question of major attention. You scarcely talk about it any more.

That's because all of us have agreed that we should talk about partial measures, or what you call arms control measures, rather than general and complete disarmament. In Swedish we are fortunate enough to have two words for disarmament; we have something called off-armament, which means down with arms, arms reduction, and then disarmament, meaning total, general and complete elimination of arms. I don't think this is the time to work on general and complete disarmament as a gradual reduction from the present level. I'd rather go back to the idea of the minimum deterrent, starting from an imagined zero. What is the minimum that we need in the final stage of the disarmament process? What do we need in the way of a United Nations police force, or something similar? Do we need a minimum deterrent of nuclear weapons? Thus we would decide on the end outcome rather than work down by stages. Going down by stages, you start with what you have, and nobody wants to give up what they have. I suggest that you begin by agreeing on where you will end up.

The end outcome being that the major nuclear powers would still have their individual separate deterrents?

That is what they defend and what we have more or less agreed to for the third stage after the Gromyko proposal of an "umbrella" of around 1965. It will take a lot of work before we can sit down to negotiate on real general and complete disarmament.

What about napalm?

I have two major preoccupations: one is cutting down on research and development, limitation of the qualitative arms race, and the second is using international legislation to prohibit the use of napalm and other cruel weapons. There will be a diplomatic conference of government representatives called by the Swiss government, reaffirming and modernizing the Geneva protocols of 1949, and it will take up area bombing and a number of prohibitions to protect civilian populations. We want to have added to it the subject of prohibition of use of napalm and other specific weapons, such as high-velocity weapons. Sweden has submitted a resolution on this to the U.N. and it was voted on favorably.

Isn't there a treaty agreed upon on bacteriological weapons?

Yes, it's pending, but the effort to ban chemical weapons is at an impasse. There is a draft treaty of the socialist countries which, in principle, prohibits the production and testing of all chemical weapons and calls for destroying the stocks. But what seems to be discussed most now is the Japanese compromise proposal to prohibit only the production of lethal nerve gases, and the crucial question then is whether that should be coupled with the destruction of stocks. If it isn't, if you just prohibit new production of such chemical weapons but let the countries that have them keep their stockpiles, it's a highly discriminatory move. We, the smaller countries, have to fight against such moves all the time. It is like the Non-Proliferation Treaty. Those who have the deadly weapons can retain them and those who haven't got them are supposed never to have any. That's an abnormal position in this world. The same laws don't apply to big powers as to small powers, and that's absolutely wrong. I am perhaps the most outspoken protagonist of the interest of small countries, in particular the nonaligned. Those who belong to alliances keep silent most of the time.

It would seem that you and Alfonso Garcia Robles of Mexico are the two who press most for disarmament.

Yes, Mexico, Sweden, Yugoslavia do so very much in the C.C.D. Canada is usually very good. Romania is good. Of the smaller countries that are not technologically so advanced and cannot produce much in the way of elaborated proposals of their own, we have some very good delegations from Morocco and Ethiopia. While India used to be the leading delegation, it is not so now.

Perhaps the problem with India is that it depends on the Soviet Union.

No. India wants to please both superpowers so that it will not have a direct dependence on either. India finds itself in a delicate position, and doesn't want to antagonize anybody. Somebody has to be courageous enough to take the big powers on.

That leads logically to the question of nuclear testing. There seems to be a total impasse on that. The arguments today are still the same as they were in '62.

Yes. And the argument about the need for verification is more and more an empty one, because we can, not only theoretically but in practice, monitor all important tests. Then there will be a residual of smaller tests, which we might never be able to detect and identify conclusively with seismological means. We can, however, rely a great deal upon satellite observation, which gives indirect evidence, indications that some human activity is going on in some places where they might be testing, but one can't prove or give final evidence of a nuclear test. I do think we are at a stage where the verification issue could be handled, and the question now is one of political will and political trust. This ties in with SALT II—there is a chance! Incidentally, Sweden has produced the only draft treaty on the comprehensive test ban that there is. It calls for the immediate decision to conclude an agreement not to test. But additional protocols give a leeway in time for concluding ongoing test series. The period might be 18 months. So it's not necessary that the decision to conclude a test ban coincide in time with the stopping of tests. The main thing is to agree on stopping them. The date is not the most important thing.

What about solving the verification problem by means of a threshold treaty which would ban all tests except the small ones that conceivably could not be verified without on-site inspection?

It won't work. You can't control the size of the device being tested; you can only monitor the yield on the seismological scale. There is no definite correspondence between the two. It might differ by a factor of 10. depending on whether the device is put in granite or alluvium, or put in a big hole.

Everybody knows you can't check on whether a low limit has been violated or not. It's just as easy to agree on a total test ban, and then use the seismological means and satellite observation and other kinds of intelligence reports to check on what is happening. I do think that when nations, particularly major nations, subscribe to a test ban they intend to keep their pledges. I don't think they would agree to a test ban in order to cheat. So once nations were not allowed to test, the climate would change. The climate would be one of greater trust.

Is the C.C.D. concerned with regional problems?

No. The Latin American Denuclearization Treaty is a model, and because now four of the five nuclear powers have signed the protocol that they are not going to attack the nuclear-free zone in Latin America, I think it's very important as a model, but that is all. The Indian Ocean as a zone of peace is interesting, but it's for the regional countries to decide on it, with a concurrence of the other seafaring nations. It is the same with the European Security Conference—Sweden deals with European problems in that forum and tries not to mix them into negotiations in the C.C.D.

What do you think is going to happen with C.C.D.? What kind of forum for negotiation is there going to be on a global basis? I think that C.C.D. has already continued in its present form longer than most of us ever thought it would. We assumed that when China came into the U.N. the Chinese would enter some disarmament negotiating forum and that perhaps France would then come in also. Where are we now?

We need the World Disarmament Conference in order to involve China and France and the two Germanies, which are new U.N. members that ought to come into a larger discussion and not into the present C.C.D. where each would be just an ally of one bloc. We need a meeting of the U.N. Disarmament Commission, which consists of all the members of the U.N., in order to deal with the problems of machinery, not only an actual program of disarmament, although that is the most important thing. The C.C.D. was bound to prove ineffective because it has the wrong construction. It's not quite a U.N. body, which is wrong, although it gets its money from the U.N. The cochairmanship of the U.S. and the U.S.S.R. is the symbol of what is wrong. It's also an absolute obstacle preventing the entry of China or France. Why should they sit under the tutelage of these two superpowers? We should get a new negotiating body of not more than 30 or so members, but with China and France and the Germanies included. The chairmanship should be changed, either by rotating or electing a chairman for a certain period. But there should be no superpower constellation as there is now.

What are the relationships and what do you think could be the relationships between the C.C.D. (or whatever body succeeds it) and the SALT talks, the European Security Conference, and Mutual and Balanced Forces Reduction talks in Europe? There are at least four different negotiation processes under way, and it seems to me that the relationships are a little confused between them, particularly between SALT and the C.C.D.

It's perfectly legitimate that the two superpowers have negotiations between them. It would also be legitimate if the five nuclear weapon powers got together, as has been proposed. It's also quite legitimate that different regions have conferences in which disarmament problems are integrated. But there should be much more reporting from them to the C.C.D. The C.C.D., or its successor, should serve as a repository for the documentation of what's hapepning in the other negotiations. The multilateral negotiations in the C.C.D. should not interfere with the others but it should get frequent reports on what is happening outside, and maybe discuss how it all fits into a global pattern. So some links should be established in the long run.

During SALT I, C.C.D. had no form of liaison, no input from SALT, even though the two cochairmen represent the SALT powers.

Yes, one of the C.C.D. cochairmen was the same man who headed the American delegation to SALT at that time, Gerald Smith. Now the two jobs are separate. During the SALT negotiations, C.C.D. was neglected by the two superpowers. They didn't care very much about what the rest of us discussed. This was mirrored even in the press. It's very curious: in Geneva it's the spokesmen for the major delegations that meet the press, and they give their interpretations as to what is happening in our meetings. It then becomes very difficult for us to have any access to the media.

Tell me more about your thoughts on limiting qualitative improvements in armaments. Of course, this get directly into SALT. It strikes me that there is a real dilemma. We all knew it was going to come when the U.S. proceeded to build the MIRV [multiple independently-targeted reentry vehicle]. The Americans have not got MIRV technology very far advanced—in fact, deployed. And the Russians seem to have made enough progress so that they could begin to deploy the MIRV to some extent even without further testing. So it's already done. I can't conceive of how you are going to put a limit in SALT II on MIRV without on-site inspection. The Americans certainly can MIRV all their weapons, and the only way to determine that they aren't doing that would be to get into the silo or into the submarine with a screwdriver and take the warhead apart. If this is so, what hope is there in SALT II to limit this activity?

I think the Americans must have faced that when they started MIRVing and also went into SALT—that they should expect the Russians to do the same, and that that would mean we are up in the sky again with weapons development. I can't see how they could achieve an agreement to stop. Either they have to take each other's word, or they will have to figure that practically everything is MIRVed. Then if they come to their senses, they will know that they have too much and will cut down on missiles and launching pads, which will eliminate some.

As an idealist, I have another solution in mind: that we should have less and less secrecy and really reveal everything about these systems. Perhaps that would be, after all, the best deterrent. Each country should know what the other ones have and what they are doing. I believe in the divulgence of secrets, even for future development—in the scientific field and everywhere else. But this is a solution of a much more rational kind than what one sees in the practical political negotiations at this stage.

One thing they talk about in SALT II is banning the tests of MIRV, but at this point that seems like locking the barn after the horse is gone, especially in the case of the United States. SALT I makes a certain amount of sense because it can be verified by unilateral means, but I don't see what they are going to talk about in SALT II.

SALT II probably will achieve little, if anything. If any kind of limitations are going to develop, they likely will have to be unilateral and informal. The two superpowers will just have to come to the realization that they've got so much that they can unilaterally just stop. I don't see any sign that they are going to do that. In fact, the U.S. Congress now seems to be going just a little bit crazy. They are going to build the B-1 (a new round of bombers), they are going to build the Trident, (a new generation submarine), they are going to build aircraft carriers, they are going to build a new fighter, they are going to build, as near as I can see, every kind of new weapon that's been conceived. They haven't killed a single one.

"Technological imperative" is a phrase that has been used to describe a kind of inherent force. You just go on because you have started, and no rational arguments are allowed to change this movement forward. One argument is made that the only reason for building these new weapons is economic, to avoid unemployment. What they should have done long ago is to plan for conversion. Whenever countries plan new production of weapons or even when they plan purchases, they should consider their alternatives, what they could do with the money otherwise. In Sweden we have spent considerable sums on studies of how we could use certain facilities and experts if we discontinued particularly the production of our hypermodern supersonic Viggen. People should be able to see what they could gain in the long run from a conversion to production for peaceful purposes. That was a proposal made in "Disarmament and Development."

What would you like to see happen in SALT II, if they would let you write the agreement?

There must be a cessation of development of the so-called improvements, of new generations of weapons of mass destruction, both nuclear and chemical. I can't give any solution to the verification problems, but strongly believe in greater openness.

It would be very difficult to get them to agree on openness, particularly in sensitive areas like antisubmarine warfare.

I hope that the current Law of the Sea Conference will propose at least some prohibitions on using ocean space for military purposes in order to promote its peaceful uses. Military and national interests must cede the primacy to civilian and international ones.

As far as I know, the only military aspect in the ocean space talks so far has been on transit right questions, like Gibraltar. For example, Spain has suggested that nuclear submarines should be required to surface there because they would be going through Spanish territorial waters.

Let me move to a broader approach. I came into the peace movement as a world federalist many years ago. I've always felt that political organization was necessary in order to have disarmament, and that the Russian notion of "let's just disarm" made no sense at all. I remember a long discussion I had with Philip Noel-Baker. We got to the point where we would be referring to his half of the problem and my half of the problem, his half being disarmament and my half being some form of global political organization.

I'm like Noel-Baker. I haven't been too much preoccupied with world political organization. Functional cooperation will first have to be established, yielding national sovereignty gradually.

The U.S.-Canadian border, for example, is disarmed because we have political agreement. The Middle East, on the other hand, is stacked with arms in all corners because there is no political agreement. In every area where there is not agreement on borders, such as Korea and Vietnam, the political entities are loaded with arms. Germany over the last 20 years, because of political agreements on borders, has become an area of less tension and less danger. We haven't achieved disarmament in Europe, but because of political developments we've made the world safer there.

In Europe, we have an armaments build-up by the two superpowers, not very "European" in origin. The political tension between them of today seems to me to be very much an artificial product. It's engendered by a kind of propaganda that is intruding into everything. In the books you reminded me that I was reading—largely American—even when wonderful people like Herbert York write about these things, the scene on which it is projected is all We and They. As long as you talk in these terms, this tension is going to be kept up. If we could discuss our problems in terms of interests and understanding, of people-to-people contacts, we would be way ahead. This tension is not necessary, it's not inherent in human nature. I don't believe in the theory that people are inevitably aggressive, and must have enemies. This theory is a historical tradition, and nobody is daring to challenge it. Before I would be interested in the world federalist approach, how to construct a world political order, I would have to go from disarmament to political psychology, this generating of tension and how it comes about. That's a middle ground where sufficient work has not been done.

People are still thinking in terms of the zero sum game in which somebody wins and somebody loses, where a point for your side is in effect a loss for the other. They are not thinking in terms of the nonzero sum game, where both sides can win, or both lose. The world is to most an adversary or zero sum game world—and of course there is more than one adversary. But more and more, I think the world has become a nonzero sum game, and by cooperation all sides can win, and by noncooperation all sides can lose.

I think that's the most succinct way of putting it. The build-up of armaments has resulted only in increased insecurity. It has reduced security even for the two major powers. It's against all reason.

I'm resigning from the Swedish government and I'm going out to Santa Barbara to write a book called The Game of Disarmament, which I hope to have published by 1975 when the signatories of the Non-Proliferation Treaty must meet to review the world situation in light of developments since its completion in 1970. But I would have liked to write something much more philosophical and ambitious, which would be about the whole political and psychological constellation of the arms race and the reign of unreason.

AMERICA'S URGE FOR SELF-DESTRUCTION

Mr. GOLDWATER. Mr. President, about the same time that Columnist Joseph Alsop was warning about the excesses of the press treatment of Secretary of State Henry A. Kissinger, a similar column was published by Erich Gysling in the internationally noted Swiss newspaper, Die Weltwoche.

Mr. Alsop's column of June 14 said:

> If the U.S. dollar—your dollar and my dollar—loses a lot of its value on the world markets; and if American foreign policy also joins American economic policy on the dungheap of disorder, you can thank your friendly media.

In his column of June 19, Mr. Gysling observed:

> That the nation's capital is caught in a drama of self-destruction.

Since Secretary of State Kissinger has become a target of the media critics, he added:

> America is running the risk of destroying the results of a very successful foreign policy.

Mr. President, it is interesting to discover that two able commentators an ocean apart can reach the same conclusion relative to the dangerous ramifications of the competition among the media to outdo each other in new accusations against officials of the Nixon administration, who are being judged by different and higher standards than those that prevailed in other times.

Mr. President, as I placed Mr. Alsop's entire column in the Congressional Record of June 20, I now ask unanimous consent to print in the Record the full text of Mr. Gysling's commentary.

There being no objection, the commentary was ordered to be printed in the Record, as follows:

America's Urge for Self-Destruction

(By Erich Gysling for "Die Weltwoche," June 19, 1974)

A visitor to Washington discovers within a very few days with frightful clarity that the Nation's Capital is caught in a drama of self-destruction. He asks himself and his American contacts again and again just how much wantonness is behind this urge for destruction.

Watergate as American tragedy—the analogy forces itself on, since Secretary of State Henry Kissinger has become a target of the critics. Just a few days before his "Salzburg" news conference, the opinion-building press still heaped him with laurels; the New York Times which commented quite skeptically about the peace negotiation settlement at the time, now writes that Dr. Kissinger has proved himself worthy in retrospect as a recipient of the Nobel Peace Prize.

His successful negotiations in the Middle East cleared away all doubts. That is how it appeared until the "Hydra" named Watergate approach the just recent celebrity.

There is little doubt that Henry Kissinger will win the fight to preserve his good name before the Senate Foreign Relations Committee. Legal matters in connection with telephone wiretapping will be dealt with and Kissinger's statements should prove more believable than appeals by the critics with reference to memos of the late FBI Chief, Edgar Hoover.

What may remain as a stain in the minds of the people will be Kissinger's shared responsibility for the bombing of Cambodia in 1969. An American Secretary of State who plays politics in the spirit of Metternich or Bismarck: such accusations are starting to appear in the American press and are being mixed with outside fringe matter of the Watergate affair.

How true and significant are these accusations? America likes to sun itself in the worldwide success of its Secretary of State. It gratefully acknowledges the fact that the United States has won the upper hand in its diplomatic strife with the Soviet Union. But the public finds it hard to understand that world policy requires a certain amount of toughness to be successful and a relatively great deal of secrecy. The average American has become extremely sensitive to such an extent, through the branching out of the Watergate affair, that he demands the revealing of political decisionmaking processes in the smallest detail. Definitely no more secret dealings which have been hatched behind closed doors. Now the motto is: Back to the idealistically colored purity of the American political system in its early days.

The people in rural areas, far away from the opinion-building centers of the East Coast still believe in the realization of this ideal. The recent Nixon supporters stand now in the front row in the process of the big clean-up. Small and medium-sized newspapers which supported Nixon in 1968 as well as 1972 are now asking for his resignation or impeachment. It is no mere chance that the publisher of a Middle West newspaper dealt with Henry Kissinger in a very rough way: on this level, according to a widespread conviction, the proof of independence has to be established; after the "great" press of Washington and New York has taken the lead.

In the face of this late process, the observer is left with a bad feeling. The Watergate affair itself can at the moment offer but very little new ammunition. Meanwhile hundreds of opinion-makers have been engaged by their publishers in the tasks of finding new facts—and since competition among the media is conditional to a journalist's success, the seekers will have to work themselves deeper and deeper into the far reaching and delicate nuances of this national tragedy. It is no longer just the well-known newspapers which employ whole teams of reporters on the subject of Watergate; the "St. Louis Post Dispatch" for instance has had 4 out of 7 correspondents stationed in Washington working exclusively on the Watergate affair since over a year. And if this may sound cynical: this specializing consisting of a permanent commission, naturally had to lead to always new discoveries which did not in each case stand in sensible relation to the importance of the news.

America is running the risk of destroying the results of a very successful foreign policy. Should Henry Kissinger be forced to resign (regardless of whether or not this resignation was brought about by hurt pride of the star politician or actual accusations), it would mean for the United States the development of drama into tragedy. The opinion-makers recognized this shortly after the start of the conflicts with Kissinger. Have they, however, reacted with the necessary speed, to avert this fate? Today they are all facing the open question, how the wheels of the investigative machinery can be stopped, how its critical probing can be brought back to a reasonable balance. The urge for self-destruction in the name of a "higher moralism" seems to keep an upperhand for the time being.

MIDWEST GOVERNOR'S CONFERENCE ADDRESSES FOOD CRISIS

Mr. HUMPHREY. Mr. President, yesterday I had the opportunity of serving as moderator of a Midwestern Governor's Conference panel discussion on the current food crisis.

It was a very distinguished panel, including Representative Paul Findley; David Hume, Administrator of Foreign Agricultural Service, USDA; Lester Brown, Oversea Development Council; Norman Borlaug, Rockefeller Foundation; Tony Dechant, president, National Farmers Union; and Oren Lee Staley, president, National Farmers Organization.

The New York Times reported on the conference on July 31 in an article, "Governors Told of a Food Crisis." Lester Brown was quoted as saying:

> You political leaders must decide now whether to cut Africa and Asia loose and let them starve or to take the lead in urging the American people to turn down their thermostats, eliminate that extra drive to the supermarket, and give up meat at least once a week.

The Nobel Prize winning geneticist, Norman Borlaug, stated:

> I'm depressed not because the world doesn't have the capacity to produce more food, but because we have found ourselves almost devoid of reserves. We're in the ridiculous situation where fertilizer supplies are diminishing, 76 million more persons are being born every year, and we are unable to get the producing countries together to build back our grain stand-bys.

This conference has made a great contribution in alerting the Nation to problems of the food crisis. Our Government must provide leadership to respond to this crisis and particularly to deal with the reserve issue.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Governors Told of a Food Crisis

(By Seth S. King)

Minneapolis, July 30.—Governors of the nation's richest farm states were warned today that, in the near future, politicians would have to decide either to let people in Africa and Asia starve or persuade Americans to reduce their consumption of energy and give up meat at least once a week.

The Midwestern Governors Conference heard a panel of world food experts urge its members to join in an effort to increase world grain reserves.

This could be done, the experts said, only by a check on the world's population, which is threatening the supply of petroleum-based nitrate fertilizers.

Lester R. Brown, a specialist on world food production for the privately financed Overseas Development Council, warned that world grain reserves were down to the lowest point since World War II at a time when drought had already destroyed crops in parts of Africa and India and was threatening to reduce corn and soybean yields in the Governors' home states.

STOCKPILES DOWN

These reserves are now less than 27 days of worldwide consumption; in past years, stockpiles were equivalent to 95 days, he said. In addition, there now is virtually no chance of appreciable surpluses from this year's crops in America.

"Farmers can no longer determine a sufficient food policy by deciding what and how much they plant, even if the weather is perfect," Mr. Brown said. He added:

"Population must be braked and the world's supply of fertilizer must be increased, right now. Most of the world is already under the plow. Most easily acquired irrigation has already been developed. Now our supply of energy from petroleum is becoming more uncertain."

Mr. Brown contended that there was a "leadership vacuum" in educating and persuading the American people to conserve gasoline and heating oil and helping them understand the escalating population-food crisis in the world.

"MUST DECIDE NOW"

"You political leaders must decide now whether to cut Africa and Asia loose and let them starve or to take the lead in urging the American people to turn down their thermostats, eliminate that extra drive to the supermarket, and give up meat at least once a week," Mr. Brown said.

Dr. Norman Borlaug, the Nobel Prize-winning plant geneticist who developed high-yielding wheat strains, said the recent "green revolution" of greatly increased rice and wheat yields in Asia was stalling because of a shortage of petroleum-based fertilizers.

"I'm depressed not because the world doesn't have the capacity to produce more food, but because we have found ourselves almost devoid of reserves," he said. "We're in the ridiculous situation where fertilizer supplies are diminishing, 76 million more persons are being born every year and we are unable to get the producing countries together to build back our grain stand-bys."

POPULATION REMINDER

Dr. Borlaug reminded the Governors that since their conference began here yesterday, 216,000 more persons had been born. "In fact," he concluded, "1,800 more have arrived while I've been talking to you this morning."

The Governors have a politically sensitive resolution by Gov. Patrick Lucey of Wisconsin before them that calls for a national grain reserve.

Many farmers and farm-area politicians fear this would result in getting the Government back into the grain business and creating a grain stockpile that would depress the market.

Senator Hubert Humphrey, today's panel moderator, who is sponsoring legislation establishing a Federal grain reserve insisted that his bill would isolate these stockpile supplies from the market and insure farmers a cost-of-production differential to protect their prices.

But the Minnesota Democrat conceded that it was difficult to promote interest in a stockpile when drought was reducing corn-belt yields and demand for this year's crops was already so great that most of what is grown will be bought immediately.

TRIBUTE TO ELMER SCHWARZ, OF OHIO

Mr. METZENBAUM. Mr. President, today I wish to share with my colleagues a ceremony of award held in Hamilton County, Ohio, last week, 30 years after the acts of heroism which inspired the award. Elmer C. Schwarz received the Croix de Guerre from the Government of France for his bravery in the heavy fighting to hold back the German offensive in the Ardennes in World War II.

Elmer Schwarz is my old and good friend. In the many years I have known him he has never mentioned to me his part in the battles of the Ardennes, Normandy, the Rhineland, and central Europe. Three hundred members of his battalion were lost in the Ardennes. I only learned of Elmer's courage from an article in the Cincinnati Post the other day, reporting that he had received France's highest military honor at last.

At the ceremony Elmer said he was happy to accept the award for his comrades who died. We are all indebted to them and to Elmer Schwarz for their bravery, and I am personally honored by his long-time friendship. I ask unanimous consent that the text of the newspaper article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Cincinnatian Given Medal for Heroism—30 Years Late

(By Barbara Silver)

A battle of World War II came alive again yesterday when Elmer C. Schwarz received the top French award, the Croix DeGuerre Medal, for his heroic service, a presentation that was 30 years late.

Schwarz, 60, was part of the 44th Combat Engineer Battalion that fought one of the battles leading up to the Battle of the Bulge.

No one present at yesterday's ceremony seemed to know exactly why the award presentation was delayed by 30 years. Letters to the French embassy finally got the award to Cincinnati, Schwarz, a lifetime Cincinnati resident, explained.

The award originally was authorized by the French government at the time of the battle and again last May, but Schwarz never received the medal of honor and certificate until yesterday in the ceremony held at Hamilton County Common Pleas Court.

Schwarz, of 7408 Miami Avenue, Madeira, said his battalion knew about the award, "but when I came home in September '45, the big thing then was just to be home."

Common Pleas Judge John W. Keefe presented Schwarz with the framed certificate, which read, "During the violent German offensive of the Ardennes, it (his battalion) attacked and occupied the key position of Wiltz, Luxembourg . . . despite heavy losses and repeated enemy attacks, thus turning aside the first German elements from the road leading to their objective of Bastogne."

Keefe, commending Schwarz, said, "I've always found that the historical development around Bastogne to be the most interesting and exciting events in all of World War II."

After pinning the Croix DeGuerre Medal on Schwarz, Common Pleas Judge Lyle W. Castle saluted him. He said of the presentation, "It's one of the unique privileges that sometimes come to men who have shared in the travail of war and have come to respect one another in peacetime endeavors."

Schwarz, with a tear running down his cheek, said, "I feel honored, and now I can take the citation back to the rest of the battalion." He added that he was sorry for the "300 men that didn't come back, and I'll be happy to accept it in their behalf." Later, he said, "I'm lucky I'm here."

At the annual battalion reunion on Aug. 9, Schwarz will present certificates to the men who fought with him.

Schwarz, who is a business agent for local Union #44 Ironworkers, served four years in the U.S. Army. He fought in Normandy, Northern France, Germany, Ardennes, Rhineland and Central Europe. He was wounded about two months after the Wiltz occupation while crossing the Rhine River, he said.

His wife, Corrine, after watching her husband receive the awards, said, "I'm very proud of him; of course I always am."

OPPOSITION TO EMERGENCY PETROLEUM ALLOCATION ACT

Mr. BROCK. Mr. President, today I would like to share with my colleagues a statement made by Mr. R. H. Deer before the Senate Interior and Insular Affairs Committee. Mr. Deer is executive vice president of Bonded Oil Co., an independent, private brand marketer, and yesterday he testified against extension of the Emergency Petroleum Allocation Act.

Mr. Deer came to Washington to testify, and said:

> To correct the widely held impression that *all* independent marketers, be they major brand or private brand, favor the continuation of existing allocation controls. We are opposed to the further continuation of price and allocation controls and there are many others of like disposition in the country.

Mr. President, so often we hear testimony from individuals or interest groups who are seeking some type of Government assistance, either through tax preferences, guaranteed loans or some other means. It is refreshing to read the testimony of one who only wants the Government to leave him alone and to stay out of his business. Mr. Deer does not want the Government to protect his company. Rather, he says:

> Its survival should be based only on its ability to manage its own investment and run its own affairs.

I urge my colleagues to pay special attention to Mr. Deer's testimony as they consider the wisdom of extending the Emergency Petroleum Allocation Act, and I ask unanimous consent that Mr. Deer's testimony be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement Before the Senate Interior and Insular Affairs Committee by R. H. Deer

Mr. Chairman, and Members of the Committee, I am Randolph H. Deer, Executive Vice President of Bonded Oil Company, Springfield, Ohio. Our company has been in the private brand marketing of gasoline since its founding by my father in 1932. Bonded is still 100% family owned and managed by members of the family. The growth of the company has been slow and deliberate and today we operate 208 service stations in the four states of Ohio, Indiana, Kentucky, and West Virginia; and we employ approximately 900 men and women. We have always chosen to purchase our gasolines on long-term supply contracts and have been buying from our present supplier, Marathon Oil Company (defined in the Allocation Act as refiner-reseller) since 1959. Bonded is defined in the Act as a wholesale-buyer. We and our contract suppliers have always abided by and have enjoyed the mutually negotiated terms and conditions of our contracts until the force majeure provision of the Allocation Act prevented this. We elected to purchase on supply contracts in order to guarantee the highest consistent quality of products for our customers and in order to have the security of adequate supply during the steady forty-two year growth of our company even though we knew that we could have purchased product at a lesser cost on a spot market basis, at most times.

Bonded Oil has been a member of the National Oil Jobbers Council almost since its inception and the president of our company has been a national officer at NOJC and is still active in national NOJC committee affairs. Bonded Oil was a charter member of the Society of Independent Gasoline Marketers of America; and I have served both as president of SIGMA and chairman of its legislative Committee. We are still members and active in both marketing trade associations; however, we feel that as a company, because of the importance of this singular issue, it is now necessary to express our own corporate views and correct the widely held impression that *all* independent marketers, be they major brand or private brand, favor the continuation of existing allocation controls. We are opposed to the further continuation of price and allocation controls and there are many others of like disposition in the country who will not be heard from today.

The private brand marketers have grown and prospered since the early 1930's basically because of surplus refinery capacity of the major integrated and independent refiners. This method of selling gasoline developed into a segment of the industry and as a method of distribution of gasoline as independent private brand marketing companies bought large volumes at discounted prices and then sold at retail to the consumer at a lesser price than major brand competition. They profited only because they were capable of "managing their margins". Because of their lower prices they built customer growth and acceptance. They succeeded because they had the initiative and freedom to accomplish their goals. They have been the innovators in the petroleum marketing business and, as late as 1972–73, reportedly accounted for 20–25% of all gasoline sold in the United States.

The private brand marketers obtained gasoline from three basic sources. One historically purchased large volumes of low cost gasoline on the spot market. Others historically relied on long term contractual relations with major oil companies or individual refiners. Some relied on low cost refined product, imported from Canada, Europe and the Caribbean.

The Allocation Act of November 27, 1973 was enacted in part because of an extreme temporary national shortage of oil and Congress felt allocation was necessary in order to minimize the adverse impact of the petroleum shortage during the time of the crisis. May I please carefully cite three provisions of the Act:

"To the maximum extent practicable, (it) shall provide for—

"(D) preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the producing, refining, distribution, marketing, and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners, small refiners, non-branded independent marketers, and branded independent marketers;

"(H) economic efficiency; and

"(I) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms."

Bonded Oil believes that Congress, while trying to protect the American consumer, was also trying to protect the concept of the individual private brand marketer as a class marketer, but not necessarily guaranteeing the continued existence of each individual enterprise of company whether economically feasible or not.

What is the situation today for the private brand marketer six months after Allocation went into effect on January 15, 1974?

(1) The original problem which gave rise to the program—shortages of crude oil and refined products—has now largely disappeared. Primarily because of higher prices and reduced demand and because of the lifting of the Arab oil embargo, there are ample supplies of crude oil and refined products.

(2) Significant price disparities exist in the market place, basically due to the two-tiered crude pricing system. Because of the crude buy-sell regulations of the Act, if our supplier does elect to replace his domestically sold low valued crude (required by regulation) with high priced foreign crude or refined product, then his and therefore our cost goes up. If our supplier chooses not to replace his domestically sold low cost crude with foreign crude or refined product, then we don't have as much product to sell. Either way, an economic crunch exists for Bonded and like independent marketers. Both conditions existed at various times during the first six months of this programs' operation.

(3) We question whether the petroleum allocation program as mandated by Congress and drafted by the Administration is the best solution to the problems of the independents. This program has placed impossible administrative burdens on the oil industry and, particularly, on the smaller companies which the Emergency Petroleum Allocation Act of 1973 was supposed to help. It has substituted inefficient and cumbersome decision making by federal and state bureaucracies for a reasonably well-working market place. It has involved government intrusion in the oil industry far beyond that necessary to assure the basic objective of the Act—to preserve the historic market shares of the independent segments of the oil industry. May I give an example which demonstrates the confusion created by the Act's definition of "independent". In Ohio, where Bonded has its principal operation, the major branded marketer that enjoys 25% of the retail market and is the largest retailer is defined as an *independent*-refiner because "they produce less than 30% of the crude oil needed for their refinery thruput, "even though they do not retail as a private brander." We thought they should be classified as a major.

(4) Our right to operate and manage our own business has been taken from us, and judgements and decisions which we made for forty-two years are now being made by men new to the petroleum industry, without knowledge of the industry, and without ownership or employment of the firms they are controlling. We must notify the FEA and receive permission to close a station. We must request from the FEA permission to open and operate a new station. There are innumerable forms, and reports, and requests for permission to be filed with the FEA which in most cases have been handled with great delay. This is a sad reflection today of the American free enterprise system. Just one year ago we had the freedom to manage our own business, even in the face of the shortages, as we saw fit. Today that freedom has been removed and at these hearings we are being asked to continue our loss of freedom. You are asking us to agree to the continued denial of our right to manage our own affairs.

(5) In addition, the government has created arbitrary state by state controls over distribution of products which did not exist prior to the passage of the law.

(6) Specifically, we understood the Allocation Act was supposed to help the private brand marketer. By regulations, it took Bonded from a 17 million gallon month in January, 1974 to a 12 million gallon month in February and forced us to curtail the operation of our stations to a mere eighteen hours a week. This caused undue hardship on our employees as well as on our customers. In order to maintain an organization, we had to guarantee and pay our employees a fifty hour week. By contrast, before the shortage we had operated 24 hours a day, seven days a week.

(7) Even though the supply of petroleum products is much better today, we as a company are still not able to adequately respond individually and return to a normal operation because of the specific articles of the regulations. Bonded's ability to sell products depends on how we are defined and how our supplier is defined—not how well we operate. Is there any reason to believe that these adverse conditions will improve because of extension of this Act? We still will not be able to take care of our customers in the most satisfactory way possible, and we cannot provide the total competitive impact on pricing in the market place that we did at one time. We believe the consumer is paying a higher price for gasoline because the Act has triggered a de facto elimination of price competition. The allocation program has in fact guaranteed a profit to the retailer no matter how inefficient he may be. It has eliminated competition and limited the entrance of others into the petroleum business. We don't believe this is what Congress intended.

Bonded Oil Company is opposed to an extension of the Allocation Program. Why should our industry be further regulated when supply adequacy has returned to the market place? Bonded Oil Company is opposed to the continuation of an FEA bureaucracy, not only because of its direct taxpayer cost, but also because we fear it could easily extend its controls over the entire petroleum business in effect converting oil companies into utilities. Incidentally I understand that the Office of Management and Budget has had a request of between 3,100 and 4,000 employees for the FEA. Why should the American consumer, because of regulations passed during a period of short supply, now be faced with higher prices, lack of competition and lack of convenient hours because of the continuation of these regulations? Why should the American consumer guarantee profits to all levels of marketers because their inefficiencies and operations are protected by government regulations? (We believe Bonded Oil Company and all others who choose to market gasoline should have the right to manage their own business as a free enterprise.)

We do recognize that in the case of national emergency some form of standby authority for the allocation of petroleum products is needed. Rather than again develop rules during an emotionally tense situation, as was done during the Allocation Act of 1973, we believe that such standby rules could be developed by the FEA during the remainder of the phase-out period from the current regulations. These standby rules should consider various geographical problems of supply in our country and guarantee the market share of different classes of supplier and marketers in our country. We believe that all major refiners should participate in supplying market shares during shortages and not just the few who have been doing their job of promoting a competitive market place by supplying the private brand marketers.

In conclusion, it is obvious to Bonded's management and employees that in the short term decontrol, which we advocate, could cost Bonded Oil profits and return on investment because it would return it to a competitive market place. In the long term we feel that the Bonded Oil Company should have no more right to survival than any other business. Its survival should be based only on its ability to manage its own investment and run its own affairs and not because it is regulated or protected by an agency of the United States Government.

Thank you for allowing me to appear before you today and express the opinions of the company I represent.

CUTTING THE GOVERNMENT PAPERWORK BURDEN

Mr McINTYRE. Mr. President, I am worried about recent rumors that the administration is considering reversing the favorable position it took on my bill, S. 2445, to cut the onerous paperwork which our Nation's small businessmen face, after it passed the Senate July 16 as a Finance Committee amendment to H.R. 6642. This shift in position is very discouraging to millions of small business men across the United States and I must caution the administration not to change its position without carefully considering its impact on this important sector of our economy.

The bill, now in conference, is intended to reduce, by a small fraction, the staggering burden placed on small business by Federal paperwork requirements. It would eliminate the most onerous of all Federal forms—IRS form 941—by changing the present quarterly system of social security reports to an annual system based on existing IRS form W–2. Its enactment would save small business an estimated $235 million in accounting and clerical costs alone.

In addition, its enactment would mean a significantly reduced cost to the Federal Government for processing these forms. It would eliminate approximately 175 million quarterly wage reports a year, resulting in significant savings for both IRS and the Social Secuity Administration.

The legislation has had strong support. Former Secretary of the Treasury, George P. Shultz, endorsed it as a "real opportunity for reducing paperwork," and the report of the President's Council on Management Improvement stressed that "the objections raised in the past are no longer of sufficient weight to continue the now obsolescent system," of quarterly social security reporting. The National Federation of Independent Business, the largest small business organization in the United States, has favored the elimination of this form since 65 percent of its member firms singled it out as the most burdensome of all Federal forms. This conclusion was supported by a separate study conducted by the Small Business Administration in which 8 out of 10 small businessmen favored using the annual W–2 form instead of form 941.

The bill has also received a great deal of support from our colleagues in the House. It was introduced as H.R. 14311 by Representative ULLMAN of Oregon and Representative YATRON of Pennsylvania, and has attracted 94 cosponsors, including Representative SCHNEEBELI of Pennsylvania, and several other members of the Committee on Ways and Means.

Mr. President, the Federal paperwork burden of which form 941 represents a significant part, has been described as reaching crisis proportions. Many small businessmen have neither the time nor the expertise to handle the large number of forms thrust on them by the Federal Government. Many cannot afford to hire part-time or full-time professional help to hack their way through the jungle of redtape. For some, the required paperwork is the "last straw" for a small businessman struggling to survive against big business on one hand and big government on the other.

For the past 2 years, my Subcommittee on Government Regulation on the Senate Select Committee on Small Business has been conducting an extensive inquiry and public hearings into the nature and extent of the Federal redtape and paperwork burden and its effect on the economic viability of small businesses throughout the Nation. The testimony received from these hearings indicates that Federal paperwork is costing the 8½ million small businessmen of this Nation between $18 to $50 billion per year.

It is time to end this senseless waste. Enactment of this legislation is the long-needed first step toward reducing this burden. It is not the total answer, but our action would be a clear and unmistakable message to the small business community that we do not intend to let them face this problem alone.

A change in the administration's position at this late date would endanger the chances of enactment in this Congress. For the administration to hold out the prospect of relief and then dash those hopes by a sudden change in position would, in effect, be a cruel hoax on the small business community. I am sure that my colleagues will play no part in this deception, and I urge the administration to pause and review the consequences of such a decision.

TROUBLE AND TYRANNY IN SOUTH KOREA

Mr. CHURCH. Mr. President, on July 29, I introduced an amendment cutting off all American military assistance to South Korea. There are several reasons for this action, but by far the most important is the tyrannical behavior by the Seoul regime against its own citizens. U.S. military aid underpins such repressive rule.

Three leading national newspapers ran recent editorials pointing out the current trouble and tyranny in South Korea. I agree with the rhetorical conclusion of the Philadelphia Bulletin:

> Just how solid and reliable is an American alliance with a South Korean regime whose repression, even if it does not ultimately speak a revolution, creates wider disaffection among its people including elements of the population that are probably most oriented toward America and the West?

Mr. President, I ask unanimous consent that editorials from the Baltimore Sun, the Philadelphia Bulletin, and Washington Post be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, July 28, 1974]

AID TO KOREAN TYRANNY

The United States government is committed under a 1970 agreement to increase its already considerable military aid to South Korea to compensate for an American division which was withdrawn. But the 1973 Foreign aid law declares it the sense of Congress that no aid be given a regime that keeps political prisoners. Secretary of State Kissinger has testified grimly to a Senate subcommittee that the American national interest in South Korea's defenses overrides disapproval of its government. Furthermore, he said, the Japanese government feels the same way. This does not end the issue, however. On Tuesday, two House subcommittees will open hearings on an amendment to the next annual foreign aid bill that would decisively cut off aid to a country holding political prisoners. They will focus on South Korea.

There is an immense investment of American dead and American treasure in the independence of South Korea from North Korea. It is ongoing, with substantial American military presence and a joint "United Nations command" under an American general. South Korea has never been persuasively democratic. The authoritarian rule of President Park Chung Hee, since he overthrew an attempted democracy in 1961, has not unduly disturbed the consciences of successive American administrations.

But since he utilized martial law two years ago to impose a new constitution effectively making him lifetime dictator, President Park's authoritarianism has turned into paranoid tyranny that has reached into every peasant village and, in a decree this April, declared death for those who disagree. It is not enough for him to forbid rural folk from collecting leaves for fuel as they always have. Not enough to kidnap from Japan the man who ran him a close race for the presidency in the 1971 election, as he did last year. Park has used the excuse of quite minor student demonstrations to seize and secretly condemn scores of political prisoners. The dragnet has so far taken in a leading satiric poet, a Roman Catholic bishop, an authority on American history, and an aged president who once legitimized Park's rule, not to mention two Japanese citizens. With his vast Central Intelligence Agency, no one is safe, no whisper is discreet. How far this is going is impossible to fathom. The phenomenon resembles nothing so much as Tacitus's descriptions of once-decent Roman administrators going murderously mad as emperors.

Park does this in the name of anti-communism, raising the questions of what he is anti-Communist for, and what liberty denied in Communist North Korea will he maintain in South Korea. A flat ban on aid to any country holding political prisoners would raise many problems of definition and judgment. Aid can never be an effective device to blackmail or bribe nations into democracy. But if the administration is to retain the discretion it should have, it must begin to use it.

[From the Philadelphia Bulletin, July 28, 1974]

TYRANNY IN SOUTH KOREA

A good deal of American blood and treasure have been expended in South Korea. U.S. aid is still running at the rate of several hundred million a year. Some 38,000 American troops, including the Second Infantry Division, are still stationed there.

Repression has grown in South Korea as President Park Chung Hee continues to crack down on any and all domestic opposition. Students, intellectuals and opposition politicians are tried in closed courts-martial. Death sentences and long prison terms are imposed. A prominent Roman Catholic bishop has been among the many Korean Christians swept up in President Park's net.

Some Americans, including Edwin O. Reischauer, former U.S. ambassador to Japan, and John K. Fairbank, who is chairman of the Council of East Asian Studies at Harvard, believe that the United States should distance itself promptly from oppressive acts against the people of Korea; that it should protest and limit its aid. The South Korean situation will figure in hearings shortly to be helped by two House Foreign Affairs subcommittees.

The Nixon Administration's position is that while it doesn't approve of the South Korean government's oppressive policies, American aid should continue for Asian security interests that affect our national interest. For one thing, Secretary of State Kissinger told a Senate appropriations subcommittee, South Korea's strategic position is very crucial to Japan.

It's an old dilemma when this democracy finds itself allied to tyrannies. There is also the question how useful or in the national interest it is for one government to "meddle" directly in the internal policies of another. U.S. influence in South Korea has been reduced along with the reduction of direct U.S. involvement in Asia.

But quite apart from any moral (or merely sentimental) concern Americans might have about the fate of a people and a nation with whom they have had strong ties, there is one point that the more hard-headed pragmatic policy makers might consider.

Just how solid and reliable is an American alliance with a South Korean regime whose repression, even if it does not ultimately spark a revolution, creates wider disaffection among its people including elements of the population that are probably most oriented toward America and the West?

[From the Washington Post, July 27, 1974]

Trouble in South Korea

Late in 1972, President Park of South Korea conducted a virtual coup against his own government, installing martial law and setting himself on a course of arbitrary one-man rule which has steadily intensified since. "We can no longer sit idle while wasting our precious national power in imitating the systems of others," Mr. Park said to those who had hoped that American-introduced democracy would put down roots in Korea. But what apologists call the "Korean style of democracy" has now become so repressive as to raise the question of whether dictatorship flourishes more on the north of the 38th parallel, the dividing line with Communist North Korea, or on the south.

Hundreds if not thousands of political opponents have been arrested, including students (students toppled the Syngman Rhee dictatorship in 1960, every Korean recalls), Christians, intellectuals and every manner of political rival real and imagined. Upwards of a dozen political foes have just been sentenced to death in a trial in which few observers could perceive evidence of due process. Among them is the country's leading poet, Kim Chi Ha, previously arrested and beaten for a poem. The man Mr. Park defeated at the polls in 1971. Kim Dae Jung, who was kidnaped from Japan and brought home last year, faces trial now for alleged campaign violations dating back to 1967. One can now be sentenced to 15 years' imprisonment in South Korea for petitioning peacefully for changes in the martial law constitution under which Mr. Park rules.

Unsurprisingly, President Park regularly invokes the cause of national security, claiming that dangers emanating from North Korea justify his measures at home. And it is so that North-South Korean relations remain tense. Their incipient political dialogue, begun two years ago, is frozen. Military incidents continue. North Korea, few doubt, is itself a rogue regime. But there is nonetheless a hint that Seoul may be manipulating the foreign security threat to help create the proper rationale for domestic repression. North Korea had no cause to sink a South Korean patrol boat in international waters in a well publicized incident a few weeks ago. Yet the boat was sailing a few miles further north, and a bit closer to North Korea's territorial waters, than such boats normally go.

Whether President Park is stifling opposision faster than he is creating it is the central question of Korean politics today. It is a question which must trouble Americans as well as Koreans. For the fact is that the United States is the principal foreign patron of South Korea. Some 40,000 American troops remain there from the Korean War. American aid is extensive—in the $200–$300 million range. The familiar dilemma for Americans is, of course, that not only does American support keep South Korea independent, but American support allows President Park to keep fastening his dictatorship on the land. The administration's answer is simply unacceptable. Asked in Congress on Wednesday about the Korean excesses, Secretary of State Kissinger said that "where we believe the national interest is at stake, we proceed even when we don't approve."

Is there no possibility for a break in this intolerable situation? The continuing American presence in South Korea has been justified in recent years as a source of confidence for Seoul while Seoul worked out a new political relationship with the North. But that relationship is not moving ahead. Military and food aid has been offered on the basis that the South Korean economy needed it. But the South Korean economy is doing well otherwise, all things considered. Seoul insists that the American troops remain vital but its nationalism pushes it tacitly to assert that it does not need an American crutch for all time. We continue to believe that the essential elements of the American presence in South Korea should be altered only by a process that takes into account the need to provide for stability in East Asia as a whole. But a large and growing cause of instability in East Asia now is the police rule of the Park regime.

SENATOR TUNNEY ADDRESSES NATIONAL RESOURCES ISSUE

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues an excellent article in the August 1, 1974, issue of the Washington Post, by Senator TUNNEY, regarding the crucial issue of material shortages potentially facing the United States. As one who shares Senator TUNNEY's concern and who has worked closely with him on these issues, I ask unanimous consent that this article be printed in the RECORD for the careful consideration of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Resources Gap

(By John Tunney)

By the year 2000, twice today's population—more than 7 billion persons—may be scrambling for their daily bread on this earth, and our children may be raising theirs in a bleak world of famine, authoritarianism and war.

Thoughtfully and decisively, we must begin planning now not only to stretch and preserve remaining resources but to encourage the wonders of technology so that future multitudes can live decently and in harmony.

Otherwise, for most persons a mere two dozen years from now, diets will be meager, but their arsenals may be strong, with some of the poorest nations nuclearly equipped for Armageddon. And for wealthier nations, their survival from shortages and cataclysm may be the iron regime of totalitarianism.

In hearings I chaired for the Subcommittee on Science and Technology, expert after expert warned that present trends will confront this nation with disastrous materials crisis. The hearings also revealed that our current institutional structure for monitoring shortages is woefully inadequate to alert us to impending dangers, or to head them off. Within the foreseeable future, a series of sudden, unexpected and economically crippling shortages could generate nearly irresistible pressures for rationing and controls to dole out what resources we have, and for military measures to withhold them from the clamoring demands of others.

If we ignore this threat, we invite its reality. So I was particularly concerned by a July 15th article in The Post, in which Bernard Nossiter sought to debunk predictions of an early exhaustion of critical minerals and material resources. Mr. Nossiter calls the purveyors of such views "ecolyptics," "ecodoomsters," or just "doomsters," and dismisses their forecasts by quoting Wilfred Beckerman, an English economist, to the effect that "resources are not really finite in any meaningful sense." In fact, Beckerman apparently believes that "used up resources are not likely to trouble anyone for 100 million years or so, if then."

But this "debunking" succeeds only by underestimating the difficulties of an exponential growth in world population. To sustain that growth, while attaining even basic levels of human existence, will require unprecedented capital outlays and countless and still uncharted, technological breakthroughs. For example, it is estimated that oil shale deposits in Colorado, Wyoming, and Utah contain 1,800 billion barrels of oil—more than four times the crude oil discovered to date in this country. However, according to a study by the National Academy of Engineering, there is serious doubt whether the huge quantities of water needed to mine the shale can ever be made available. Furthermore, the control of inevitable and widespread pollution in the wake of developing secondary and tertiary sources of energy and materials is by no means within reach, and in many cases beyond our present conceptions.

And if all of these obstacles can be overcome, the nation may still stumble into disaster. For example, the Department of Interior has predicted that by the year 2000, the United States could experience an annual $100 billion gap between the value of primary mineral requirements and primary mineral supplies. This gap would at least strain and probably shatter our balance of trade.

Even willingness to pay a high price for foreign material resources does not assure their availability. As the Arab oil embargo amply demonstrated, in a world where vital material resources are controlled by a limited number of countries, there is no such thing as certainty of supply. Too often, the materials we need may be sold for political concessions rather than hard cash.

Presently, the United States is dependent on imports for the major part of six of the so-called 13 basic raw materials essential for a high level of industrialization—chromium, nickel, rubber, aluminum, tin and zinc. By 1985, the country will depend on imports for more than half our supply of iron, lead and tungsten. By the year 2000, imports will supply more than half of our copper, potassium and sulphur. At what point will we face a choice between the independence of our policy and the prosperity of our economy?

Some experts answer that embargo or drastic price increases through the actions of a cartel will inspire a search for alternate supplies, substitute sources or new technologies. Although this view is undoubtedly correct, it ignores the fact that the time-lag between a decision to develop and the fact of development could be long indeed. Industries cannot consume promises or prospects; during a time-lag, they would be caught short and the economy could be plunged into recession. To treat potential material shortages as merely short-term aberrations ignores the devastating effect of interim shortages on economic growth.

Along these same lines, Nossiter, in discussing the oil embargo, concludes: "The crisis, of course, is one of price, not exhaustion." But for the man in the street who is hard put to buy gas, food, cr other vital commodities because the price is too high, there is little comfort in knowing that the supply is high too.

We should not be "doomsters," wringing our hands over an inevitable materials crisis.

But we must be realists, determined to do what can be done to prevent a catastrophe.

Billions of dollars and millions of tons of valuable materials can be saved each year without any adverse effect on the quality of life in America. We must accelerate research and development efforts to use existing materials more efficiently in products and systems, and to prepare substitute materials. In addition, the recycling of solid waste, the development of energy-efficient, nonpolluting automobile engines, the mitigation of metal corrosion, and changes in energy pricing structures—all issues presently before the Congress, and all with a potential for vast mineral and material savings—can go far to meeting our needs now and in the future. It was a hopeful sign of concern and a step toward meaningful commitment when the Senate recently passed legislation mandating a systematic analysis of our materials posture. But we will not finish the job if we lull ourselves into a false sense of security, if we pretend that half measure will solve the whole problem, if we say that inexhaustible supplies of materials lie readily at hand to resolve any crisis. If we deceive ourselves, we will deplete our society and deprive our children. If we face the facts, we can sustain our economy and fulfill our obligations to most of a world which may be worse off than we are.

THE DEATH OF WAYNE MORSE

Mr. THURMOND. Mr. President, the State of Oregon, the West, and the Nation have lost a man of stature and influence in the death of former U.S. Senator Wayne Lyman Morse.

The distinguished former Senator had served in the Senate from 1944 to 1968, for a tenure of 24 years. During this tenure, Mr. Morse earned a reputation for being an unusually hard-working Senator. He thought of himself as a champion of the common people, and regarded himself as a man who refused to compromise his principles or mute his voice. As evidence of this last trait, in 1953 he talked for 22 hours and 26 minutes against an offshore bill that gave title to coastal States.

Mr. Morse was respected as a gifted lawmaker and was accounted knowledgeable in labor and education matters, in conservation, and in the farm problem. Both those who agreed and disagreed with him will acknowledge that Wayne Morse did not shirk his responsibility to make a decision. We must leave it to history to judge the decisions he made.

Mr. President, I wish to extend my sympathy to his gracious and charming wife, Mildred, in whose companionship he had a strong partner to stand with him in stress as well as in victory. Also to his three daughters goes my heartfelt sympathy, and to his two brothers and his sisters. Their loss is great, but the loss of our Nation is equally heavy.

ADMINISTRATION MISMANAGEMENT COSTLY TO ALL AMERICANS

Mr. HUMPHREY. Mr. President, on July 15, I had the honor of addressing the annual convention of the National Association of Counties.

In that speech, I observed that the greatest current threat to a positive, supportive relationship between the Federal Government and State and local government is the apparent inability of the Federal Government to effectively manage the economy.

I also offered a series of proposals to promote the stable growth of our economy.

These included; a new emphasis on productivity; a balanced fiscal and monetary policy; a planned allocation of credit; long-range economic planning; a balanced national growth and development policy; a National Domestic Development Bank; and the full funding of our rural development programs.

Mr. President, I ask unanimous consent that my remarks to the National Association of Counties be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks by Senator Hubert H. Humphrey

It is a privilege to be with you today as you begin your annual conference. As many of you know, I am no stranger to the National Association of Counties and, in fact, have addressed your convention many times in the past.

This morning I would like to discuss some of the goals we share for America and, more specifically, how to cope with the current economic crisis that so seriously undermines our ability to achieve them.

As I see it, the greatest current threat to a positive, supportive relationship between the Federal Government and the States, counties, cities and towns of America is the apparent inability of the Federal Government to effectively manage the economy.

The most urgent problem facing our county officials, and public officials at every level of government, today is how to cope with a raging inflation that has pushed prices up 10.7% in the past year alone and about 19% in the past 2 years.

Uncontrolled inflation is devastating to our people. It shakes the foundations of our institutions. It makes public decision making virtually impossible. And, as you in the counties who must administer our basic health programs, run our nation's welfare system, and manage our system of criminal justice and correctional institutions, realize more than anyone else, inflation makes planning for the future of these essential activities an almost impossible task.

Yes, inflation is and must be an overriding concern to all of us. It affects the life of every person in our country and every sector of our economy.

However, we must also recognize that inflation today is an international problem—an international plague—shortages of commodities, rising population, crop failures—we are more entwined in its world-wide causes and effects than most nations.

As the largest single producer of consumer and capital goods; as the nation with the largest Gross National Product; and as the financial center of the world; what happens in the United States affects the entire world economy very directly. The U.S. is at the center of the international economic system.

At the same time, the tremendous appetite of our economy and demand for the goods we produce is greatly affected by what happens in other parts of the world.

You only need to remember the impact at the cash registers in our super-markets as U.S. grain exports exploded, or the surge in prices at the gas pumps when the Arabs shut-off exports of petroleum to us. These are but the most obvious examples.

One of the principal reasons for our nation's failure to anticipate the present economic crisis in America was this Administration's failure to pay adequate attention to these and other basic economic changes occurring throughout the world.

This failure has cost the American people a heavy and burdensome price.

First, we have not had strong and consistent economic leadership from the Administration. In fact, we have not had an economic policy at all. Rather, we have had an erratic series of freezes and phases. It has been stop and go, on and off, up and down—freeze and thaw—more like a yo-yo.

We have had an avalanche of "Ad Hoc" economic decisions. We have had a constantly revolving door to the offices of national economic leadership. But this baffling series of new faces and pronouncements has not resulted in a national economic policy.

This piecemeal non-policy has been, in itself, highly inflationary.

In times past, our country may have been able to get by, regardless of what happened in Washington. But today, public confidence in national leadership is of central importance. The Federal Government permeates the entire economy. Whether we like it or not, its $300-billion-plus budget, its huge borrowing and lending operations, its tax policy decisions, and its intervention in the money market, all have a tremendous impact on our economic life.

And today, no one has the foggiest idea of what the Federal Government will do next. Uncertainty brings instability. Fear brings panic buying and inflation.

A typical example is the recent statement by Dr. Stein, Chairman of the Council of Economic Advisors. In a national news interview show two weeks ago, Dr. Stein named the American people as the main villains in bringing about inflation. He charged the public with being unwilling to support a tax increase, and in so doing, "created the conditions for inflation."

This is incredible! Every American who follows public affairs, even very generally, remembers that the Nixon Administration based its '68 and '72 campaigns on the promise not to raise taxes—that such action was totally unnecessary.

But, that is not the end. The following day, the White House assured us, once again, that the President sees no need for higher taxes.

The devastating thing about the current economic crisis is that the record inflation and the all-time high interest rates prevail alongside recession and unacceptably high unemployment. This is an unwelcome first, and runs counter to every theory of economic behavior that has been concocted.

By any definition, the period of declining output we have suffered, during the first six-months of this year, is a "recession"—and no amount of White House rhetoric will change that fact.

And, I find it incredible that the 5.2% rate of unemployment for June was hailed as "gratifying" by the White House.

But the question we must answer is, what do we do to get out of this economic mess. What do we do to provide the healthy national economic framework in which all levels of government can cooperate in solving the people's problems?

First, we need strong, positive, economic leadership from the executive branch. Congress, labor, business, agriculture, and the financial sector, must be regularly consulted and intimately involved in developing a national economic program and policy to which they can commit themselves.

And, I don't mean any one day public relations party on the White House lawn. This may make the front pages, but it won't come up with the solutions we need. Sound planning takes sweat and toil, give and take, and, most of all, strong Presidential leadership.

Phase II was hammered out this way, and it worked for a while. But, it was prematurely abandoned and replaced by a program that kept the brake on wages while letting prices rise.

And while I am on this point, the latest White House economic czar—Mr. Rush—talks a great deal about holding down wage settlements, but very little about holding down prices, profits, and interest rates.

As far as wages are concerned, there is a basic issue of social justice involved. America's workers have lost 5.6% of their purchasing power in the past year. They settled for less in 1973 on the good faith assumption that government would hold back on prices. Government did not live up to the bargain, and justice demands that our workers now be allowed to "catch-up", to make up for the loss they and their families have suffered.

We must have governmental policies that are fair, policies that can be accepted and supported by the majority of Americans because they are even-handed; policies that don't provide favors for a special few, but policies that reward creativity and effort; policies that assign burdens to those most able to carry them and not to those who bear the oppression of unemployment and low income.

Let me suggest some steps we might take.

First, we must get serious in this country about increasing productivity, if we are to meet the growing demands for goods and services of an increasingly affluent society, at reasonable prices. I have no ready answer for exactly how to do it, but we must do a better job of producing more efficiently. We must put a premium on productivity through tax incentives and rewards of profits, wages, and working conditions, for those industries and individuals who make substantial productivity gains.

Second, we must abandon the futile and inequitable attempt to control inflation by relying solely on exhorbitantly high interest rates.

High interest rates add to inflation in an economy like ours where prices are largely administered and not set in a competitive environment. High interest costs, in this setting, are simply one more cost item added to the price of goods and services for the consumer.

In fact, high interest rates result in special favoritism to the big conglomerates and others who have control over their markets. When interest costs can be passed on, they do not dampen spending, they simply push prices higher. And, when a large segment of the private sector can pass on high interest costs with ease, the ability of the county government and all government to borrow is impaired. New York City, for example, recently rejected its only bid for its long term bonds because the rate was 8%—tax free.

Third, we need some plan of action regarding how we want our country to develop. We must begin to design our future, or be forced to resign ourselves to it. The United States is the only modern industrialized nation with no national planning.

We need a policy of Balanced National Growth and Development, such as I have proposed in Congress. Only in this way will we stop our endless shooting from the hip—the current method of economic policy making. We have been playing a dangerous game of economic roulette.

Fourth, we must do a much better job of allocating scarce resources. One important step is to develop a reasonable plan for allocating credit.

With capital in critically short supply, high interest rates cannot be the sole means of deciding where capital will be used. This is not in the best interest of most Americans. It perverts our social policy—a policy that ought to put a premium on the livelihood and living standards of American families.

The Government ought to use its legal power to control interest rates to see to it that credit is available where it is most needed at reasonable rates. Capital allocation is too important to be left to the bankers, those at the FED or those in the private sector.

Fifth, we need a National Domestic Development Bank to provide capital for important public projects at low rates of interest.

This bank would include a special section to provide low-cost housing money. The high interest rate policy pursued by the FED, with White House applause, has raised havoc with the housing market and the construction industry. Fully two-thirds of the American families cannot afford to buy new houses today.

Sixth, we must continue to have Revenue Sharing. But you are going to have to fight for it. Certainly, this program needs a careful review. Perhaps, we need to consider whether or not some guidelines are required. But, just as revenue sharing was needed during a time of severe recession when local government could not raise the funds it required, it is now needed so that local government can meet its obligations in a time of raging inflation, without having to increase the already heavy burden of the property tax.

Seventh, the promises of the Rural Development Act of 1972 must be redeemed. If balanced growth is to be anything more than an empty phrase, our rural areas must be able to sustain American families at reasonable standards of living. This requires the full support and funding of all rural development activities—from housing and transportation, to health care and education.

Eighth, Community Development legislation that truly recognizes the needs of all of our urban areas—small and large cities, as well as our fast growing urban counties—is essential. This legislation must provide an ample opportunity for participation by communities that have not undertaken such Federally assisted programs in the past. At the same time, however, those areas that have participated effectively in the past should not suffer reduced assistance that will reverse the momentum they have developed over recent years to make their cities livable. Most importantly, this legislation must not result in bitter divisive competition between our cities and counties; cooperation is too important to solving the real problems our people face.

America is one country—urban, suburban, and rural—and the quality of life of all Americans requires that each of these areas be made more livable.

But how can we afford to do all these things? Well, you have to bite the bullet. You have to say that there are some things that we will no longer do, and other things that we simply must do. You can't do everything!

A long list of questions on priorities immediately comes to mind.

For example, can we afford to continue Export-Import Bank loans to friendly and unfriendly countries alike at 6% or 7% interest, when we don't provide money at anywhere near these rates for housing, or business expansion, or agriculture in our own country?

Can we afford to continue to subsidize the sale of military hardware to foreign countries, while unable to provide the credit needs for our own small competitive, business enterprises?

Can we afford to continue providing huge tax breaks to highly profitable oil companies, billions of dollars lost each year that could be spent to revitalize communities across the land?

Can we afford policies that result in a failure to keep our economy at a full-employment level? This has cost us over $500 billion of GNP, measured in 1970 dollars, about $130 billion in public revenues—and 11 million man-years of employment. We have paid an awful price for inaction.

Can we afford to continue without a National Incomes Policy? We need to establish income goals for our people and develop the policies and institutions to achieve them. The staggering inflation of the past two years, the growing disparity in income between the rich and the poor, the obvious need to establish guidelines for reasonable wage and price behavior, are only the most apparent reasons for such a policy.

Can we afford an unbalanced fiscal and monetary policy? The monetary policy promulgated by the FED and supported by the White House is totally out of tune with the basic needs of most Americans. The extraordinary tight money policy is padding the earnings statements of our nation's banks, adding to price hikes on everything we keep, and failing to reduce inflation.

While this Administration preaches the gospel of "budget balance," the national debt has risen $107 billion (or 30%) in the six and one-half years of the Nixon Administration—an all-time record of fiscal mismanagement. Loophole closing tax reform is needed, not only for the revenue it will produce, but also to restore the public's confidence in the fairness of our tax system. Substantial reductions in Federal spending for Defense and for lower priority programs are possible and should be made.

We have much to do that we can afford to do, but we will have to make some tough choices. As public officials we must make them. The people we represent demand action—it is the price we must pay if public confidence in government is to be restored.

There are many things that we have done, and others that we've neglected, for which the American people are paying a terrible price today.

We don't have a National Domestic Development Bank to provide the capital needed for public facilities and services—and we are paying the price.

We don't have a National Food Policy with a Food Reserve System to stabilize food prices and assure supplies—and we are paying the price.

We don't have a National Comprehensive Health Insurance System—and we are paying the price.

We don't have a National Energy Policy—and we are paying the price.

We don't have a balanced National Transportation Policy to preserve essential services at reasonable rates—and we are paying the price.

We have concentrated our resources in a non-production Defense Budget—and we are paying the price.

We have adopted a conservative Economic Policy, based almost entirely on high interest rates—and we are paying the price.

We haven't closed glaring tax loopholes, which could raise $20 to $25 billions and provide some tax relief to low and middle income people, and we are paying the price.

And we will continue to pay the price for our failures, until we take a long hard look at our resources and decide how they will be allocated.

This requires the development of some consensus on where we are going as a nation and how and when we want to get there.

We need a system for developing goals and priorities for our nation. They need not be chiseled in marble for the adoration of the ages. In fact, if they are, they are doomed to irrelevance. They must be constantly evolving as needs and attitudes change.

But, it is the priority-setting process, a process that provides the basis for public and private resource allocation decisions that is sorely lacking today. We have made some progress in this direction with passage of the Congressional Budget Reform Bill this year, but this is not enough.

We must create the instruments of government we sorely need to articulate national goals and priorities. We need a Balanced National Growth and Development Policy and Program, as I have proposed in Congress.

We must provide all levels of government with the capacity to plan for meeting these objectives and for anticipating basic changes that will affect them.

And, we must tightly tie together this process, from the local to the national level, in a system of supportive inter-governmental relations—with modern County governments—effectively planning its actions and administering its vital programs.

I urge you to join with me in working to establish this new agenda in policy making—an agenda of vital importance to our counties, to creating a strong and stable economy, and to carrying through the promise of a better life for all the American people.

JUDICIAL RESTRAINT ON SENATE IMPEACHMENT TRIAL

Mr. SCHWEIKER. Mr. President, for the first time in over a century, impeachment articles have been voted by the House Judiciary Committee against a President of the United States. Because of the gravity of this development, preliminary plans have begun in the Senate, so that we are prepared in the event the full House of Representatives sends impeachment articles to the Senate for a trial.

Yesterday, I announced a policy of judicial restraint that I will be following in carrying out my own responsibilities under the Constitution in reviewing this grave question. I ask unanimous consent that my statement on my judicial restraint policy be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of U.S. Senator Richard S. Schweiker

Throughout my Senate term, I have always been free to speak out openly on the issues. I have publicly criticized policies and actions with which I have disagreed, including Watergate.

Now, however, the formal votes of the House Judiciary Committee in favor of impeachment articles transform consideration of Watergate into a quasi-judicial matter with specific Constitutional procedures. If there is a trial, each Senator must take a special oath to "do impartial justice according to the Constitution and laws."

If that happens, I will be one of 100 Senators sitting as a judge in the impeachment trial of the President of the United States. Therefore, I have decided to adopt a policy of "judicial restraint" relating to this grave question:

(1) I do not feel it will be appropriate for me to comment on any substantive matter relating to impeachment charges until the verdict has been reached; and

(2) I will not make any judgment on my verdict until the completion of a Senate trial. The actual vote of a United States Senator must be based on the evidence presented at the trial—and mine will be.

I am adopting this policy of "judicial restraint" so that I can properly fulfill my responsibilities as a United States Senator to be a fair and impartial judge in these awesome proceedings.

CIA TESTIMONY ON SOVIET PRESENCE IN THE INDIAN OCEAN

Mr. SYMINGTON. Mr. President, earlier this month, the Subcommittee on Military Construction, which I have the honor to chair, held hearings on the question of the Navy's request for funds to expand U.S. facilities at Diego Garcia and the effect such a program might have on the future status of the Indian Ocean.

Testimony on this subject was taken in open session from Rear Admiral Grojean, Director, Politico Military Policy Division, Office of the Chief of Naval Operations, Senator Claiborne Pell, and Rear Adm. Gene R. LaRocque, U.S. Navy retired, Director of the Center for Defense Information.

In addition, the subcommittee met in executive session to hear testimony from Mr. William Colby, Director of the Central Intelligence Agency, on Soviet presence in the Indian Ocean.

In that one of the reasons given by Navy for expansion of our facilities at Diego Garcia is to respond to Soviet activities in that part of the world, we believed it important to obtain an assessment of those activities from that agency of the Government assigned the prime responsibility of gathering intelligence data on the Soviet Union.

Director Colby's presentation placed the Diego Garcia request in a much broader context than that of a simple military construction project; and because his was the only testimony presented in closed session, we asked that he declassify as much of his presentation as possible.

That testimony has now been sanitized; and because I believe it important that all Senators have an opportunity to read this assessment before a final decision is made on a project which can have far-reaching military, political, and economic consequences, I ask unanimous consent that the relatively brief testimony in question be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Proposed Expansion of Naval Facilities on the Island of Diego Garcia

U.S. Senate,
Subcommittee on Military
Construction of the Committee
on Armed Services,
Washington, D.C.

The Subcommittee met, pursuant to notice, at 2:10 o'clock p.m., in Room 212, Russell Senate Office Building, Senator Stuart Symington (Chairman of the Subcommittee) presiding.

Present: Senators Symington (presiding), Dominick and Taft.

Also present: Gordon A. Nease, Professional Staff Member; Joyce T. Campbell, Clerical Assistant; and Kathy Smith, Assistant to Senator Symington.

Senator Symington. The hearing will come to order.

Mr. Colby, we welcome you.

I see you have a statement. You may proceed.

STATEMENT OF W. E. COLBY, DIRECTOR OF CENTRAL INTELLIGENCE AGENCY; ACCOMPANIED BY JOHN B. CHOMEAU, OFFICE OF STRATEGIC RESEARCH; WILLIAM B. NEWTON, OFFICE OF CURRENT INTELLIGENCE; AND GEORGE L. CARY, LEGISLATIVE COUNSEL

Mr. Colby. Mr. Chairman, it is a pleasure to be here.

Mr. Chairman, the Soviet naval presence in the Indian Ocean began in March 1968, when four ships from Vladivostok made a "good will" visit to most of the littoral countries. In the little over six years since those visits, the Russians have maintained a nearly continuous presence in the Indian Ocean area.

The Soviet naval presence has grown slowly but steadily during these years, and has helped Moscow increase its influence in that part of the world.

The forces the Soviets have deployed in the Indian Ocean, however, have been relatively small and inactive.

The vessels have spent 80 percent of their time at anchor or in port visits, mostly in the northwestern portion of the ocean.

Although the number of countries visited annually has decreased since 1969, the general expansion of the naval force and the increased use of ports on a routine basis have resulted in an overall increase in the number of port calls. Put in terms of naval ship days in the Indian Ocean the Soviet presence increased from about 1,000 in 1968 to 5,000 in 1973, excluding harbor clearing operations in Bangladesh.

By mid-1973, the typical Soviet Indian Ocean force included five surface warships—one gun-armed cruiser or missile-equipped ship, two destroyers or destroyer escorts, a minesweeper and an amphibious ship. There was also usually a diesel submarine, and six auxiliary support ships, one of which was a merchant tanker.

Mr. Chairman, today there are six surface combatants, one submarine, nine minesweepers and 11 support ships in the Indian Ocean, not substantially different from that typical showing, except for the increase in minesweepers, as I will explain later.

Recently, a Soviet intelligence collection ship has been deployed to the Indian Ocean for the first time since the India-Pakistan War, and is apparently monitoring developments in the Persian Gulf area.

It will probably also conduct surveillance of any major Western naval movements in the Indian Ocean.

In addition, a group of Soviet minesweepers has recently arrived from the Pacific to conduct mine-clearing operations in the Gulf of Suez—in the areas shown on this map at the bottom. The ones at the top you will note are being cleared by the U.S. and the United Kingdom.

Last weekend the helicopter carrier Leningrad, on a voyage from the Black Sea, rounded the Cape of Good Hope and may join this group. This is by far the farthest from home waters that either the Leningrad, or its sister ship the Moskva, has ever ventured.

The Soviet warships and submarines sent to the Indian Ocean normally come from the Pacific Fleet, which is also the primary source for logistic support. Combatants from the western fleets, however, have operated in the Indian Ocean, but only while transferring to the Pacific.

The Indian Ocean has become, in effect, a "southern sea route" for the interfleet transfer of naval units.

About one-fourth of the Soviet warships and submarines that have operated there have been units transferring to the Pacific from the western fleets.

The Pacific Fleet naval forces are now being modernized. As part of this effort, since early 1974 the Soviet force in the Indian Ocean has included more modern anti-carrier and anti-submarine units, transferring from Soviet western fleets. These units have provided the Russians a more impressive naval presence than could have been drawn from their Pacific Fleet a year ago.

In addition to this de facto improvement in the quality of the Indian Ocean force, the length of time on station for the individual warships seems to be increasing. Some of the ships that have just left the area, for instance, were there for a year, as compared to five to six months for previous rotational tours. This added time on station is at least partly owing to improved Soviet support facilities in the area.

Until 1973, the Russians relied almost exclusively on "floating bases"—collections of auxiliary ships usually anchored in international waters—to provide support to their Indian Ocean naval forces.

The most frequently used anchorages were near the Island of Socotra, and in the Chagos Archipelago, about 1,000 nautical miles south of India, where the Soviets have implanted mooring buoys. You will notice that Diego Garcia is in the Chagos Archipelago.

Contrary to numerous reports about Socotra, the barren island has no port facilities or fuel storage and its airstrip is a small World War II gravel runway. The only military installation on the island is a small South Yemenese (PDRY) Garrison. A major construction effort would have to precede any significant Soviet use of Socotra, other than as an anchorage.

In early 1973, the Soviets acquired use of some facilities at the small Port of Berbera, in Somalia. These have now been expanded, and the Soviets are now using the harbor for routine ship maintenance and crew rest.

There are no repair facilities ashore, but tenders now provide the same services in port as they previously did at anchor.

The Soviets have set up naval communications facility near Berbera, and also appear to be building an airfield although they have made little progress [deleted].

The Soviets have use of a POL storage area there, and have constructed a barracks area for their technicians.

Soviet naval ships also have some access to the Iraqi port of Umm Qasr, in the Persian Gulf, where Soviet technicians have been assisting in minor port development.

Repair facilities at the former British naval base at Aden have not been used by Soviet warships, although support ships and, occasionally, small warships stop there for refueling and replenishment. Soviet transports periodically land at an ex-RAF airbase—now Aden's International Airport.

Soviet naval auxiliaries regularly call at Singapore as they enter and exit the Indian Ocean. In addition to receiving bunkers, since May 1972, the Soviet support ships have been serviced in the commercial drydock facilities there.

Moscow's prospects for naval facilities in other littoral countries are not very bright.

The Soviets helped build India's naval base at Vizakhapatnam, and have equipped the Indian Navy with minor warships and diesel submarines.

Nevertheless, New Delhi has not granted the Soviets free access to Indian ports, nor is it likely to do so in the foreseeable future. [Deleted.]

The USSR is trying in some other countries, too, although prospects are equally dim beyond receiving bunkers. Moscow has apparently made overtures to Sri Lanka for access to the Port of Colombo, and has sent in research ships, support ships, and an occasional warship—probably trying to accustom the Ceylonese to a Soviet naval presence.

Similar calls have been made to Port Louis, in Mauritius.

The Soviets may also hope to use the facilities in Chittagong, now that they have finished the harbor clearing operation there.

Senator Symington. Where is Chittagong?

Mr. Colby. Chittagong is in Bangladesh.

You will recall that the Soviets were asked to help in some salvage and minesweeping efforts there. They finished the salvage very rapidly, but the minesweeping operation was very complicated and difficult. They just finished that a few weeks ago. They have withdrawn from there now.

We have no evidence that the Soviets have made overtures for naval access to Littoral countries other than Somalia, Iraq, Aden, India, Singapore, Mauritius, and possibly Sri Lanka.

Senator Symington. Where is Sri Lanka again?

Mr. Colby. To people of our age, it was Ceylon.

Senator Symington. We had an open hearing this morning and a closed hearing this afternoon, but so far it does not seem to me that there is anything that you have said here that should be classified up to IV in your statement. All that information, as I see it, is something that everybody would know that wanted to know it.

Mr. Colby. There may be a few phrases in there, Mr. Chairman, that would reveal how we learned certain items. But in essence, I agree with you.

Senator Symington. Would you please declassify as much as possible of your statement.

Mr. Colby. I would be delighted to go through this and pull out those few things that have to remain classified and declassify the remainder, Mr. Chairman.

So far, Mr. Chairman, I have been talking about the more or less continuous Soviet naval presence in the Indian Ocean. Another aspect of the problem has been the Soviet surge deployments to the area—and these have been highly responsive to U.S. naval activities.

Moscow apparently prefers to keep a minimal force in the ocean that can be quickly strengthened. This provides a "signalling" capability during crisis periods, while avoiding the political and economic costs of maintaining a larger continuous presence.

There have been two occasions when the Soviets have clearly made use of this "signalling" device.

Following the Indo-Pakistani War of November 1971, and almost three weeks after the deployment of the USS Enterprise, they brought their force level up to six surface combatants, six submarines and nine auxiliaries. This represents a doubling of surface combatants, and a significant increase in submarines, from one to six.

In the Arab-Israeli War in October 1973, the Soviets responded to the unanticipated deployment of a U.S. carrier task group to the Indian Ocean by sending additional units into the area—increasing their submarine force from one to four.

[Deleted.]

Senator Dominick. Mr. Chairman, would Mr. Colby yield at that point?

When you are talking about the Soviets, are you talking about missile firing submarines or attack submarines?

Mr. Colby. We are talking about attack submarines, Senator.

Senator Dominick. Thank you.

Mr. Colby. The timing of Soviet ship movements into the area, both during the India-Pakistan War and following the Arab-Israeli conflict, is instructive. The Russian units left port only after U.S. or U.K. carrier task groups had departed for, or arrived in, the Indian Ocean. All indications were that Moscow was chiefly responding to deployments by the U.S. and other western countries, specifically Britain, rather than initiating a unilateral buildup.

There remains one important consideration concerning Soviet naval capabilities in the Indian Ocean—the forthcoming opening of the Suez Canal. We believe this will increase the overall flexibility of the Soviet Navy in the Indian Ocean, but not in itself cause a significant increase in the Soviet presence.

Use of the canal would give the USSR easier and more timely naval access, particularly in times of crisis, to the western Indian Ocean—that is, the important Persian Gulf and Arabian Sea area.

It also would facilitate the logistic support of ships in the Indian Ocean and reduce Soviet dependence on littoral countries.

A reopened canal would expedite interfleet transfers and deliveries of military aid.

A few warships from the Mediterranean squadron probably would be sent to the Indian Ocean once the canal opens.

But because of the higher priority of Soviet naval operations in the Mediterranean, and the maintenance of a strategic reserve in the Black Sea, the Soviet Pacific Fleet would still be the chief source for surface combatants—and all of the submarines—for the Indian Ocean. Support ships could be drawn from the Black Sea and the Pacific on a nearly equal basis.

The Soviet Union is likely to increase its continuous deployments there whether or not the Suez Canal is reopened.

Moreover, the USSR probably recognizes that the canal is subject to closure in a crisis. The Soviets would not wish to be caught with a substantial portion of available units on the wrong end of a blocked canal, and in considering this contingency they almost certainly would give priority to their Mediterranean squadron.

If there is no substantial increase in U.S. naval forces in the area, we believe the Soviet increase will be gradual, say, one to two surface combatants per year.

Mr. Colby. [Deleted.]

Should the U.S. make a substantial increase in its naval presence in the Indian Ocean, a Soviet buildup faster and larger than I have just described would be likely. If the canal were open and available to Russian ships, the task of responding would be easier.

In any event, the Soviets would probably not be able to sustain an Indian Ocean force significantly larger than that presently deployed there without reordering their priorities and shifting naval forces from other areas.

Let me now put the Soviet naval activity I have been discussing into the context of overall Soviet objectives in the Indian Ocean area.

Viewed from a global perspective, the Indian Ocean area—as distinct from the Middle East—has a lower priority than the U.S., China, or Europe in the USSR's diplomatic, economic, and military initiatives. Moscow's probable long-range strategic objectives in this area are to win influence at the expense of the west, and to limit the future role of China.

Toward these goals, the Soviets use their naval presence as one element in a combined approach that utilizes political, economic, subversive, and military aid activity.

We believe that the roles of military, and particularly naval forces, have been secondary to diplomatic efforts and aid programs in promoting Soviet interests in the Indian Ocean area.

The principal objective of the naval force is to maintain an adequate military strength to counter—or at least provide a political counterweight to—moves made by western naval forces there, particularly those of the U.S.

Soviet leaders have shown that they will maintain a naval presence in the ocean at least equal to, if not greater than, that of the U.S. Navy.

Soviet writings have reflected concern over the possibility of the U.S. sending nuclear-powered ballistic missile submarines to the Indian Ocean, but so far the activities of Soviet naval units there have not indicated an anti-Polaris mission.

The Soviets recognize the importance to the west of Persian Gulf oil, and the sea lanes between the Gulf and Europe or Japan. Moscow perceives a causal relationship between the oil question and recent increases in the U.S. naval presence in the Indian Ocean.

Nevertheless, the normal composition of the Soviet force there—particularly the lack of a significant submarine capability—suggests that interdiction of western commerce, particularly oil shipments from the Persian Gulf, has not been a major objective.

At present, about 50 percent of the industrialized countries' oil imports come from the Persian Gulf. This share may decline somewhat in coming years, as alternative sources are developed.

Judging from the size and composition of the Soviet Indian Ocean force, direct military intervention does not appear to figure prominently in Soviet plans.

As for future Soviet naval activity in the Indian Ocean, we believe that growth will be steady over the long term, if there is no permanent increase in U.S. naval forces in the area.

Moscow would probably consider such a measured approach as consistent with a generally growing—and accepted—Soviet presence in the Indian Ocean countries.

Soviet capabilities to project and support larger naval forces in the Indian Ocean are constrained by a variety of factors.

First, is the distance and steaming time from the various Soviet fleets. Those in the western USSR now have to go around Africa, and are twice as far from the Arabian Sea as is the Pacific Fleet. If the Suez Canal were open, the steaming time for the fleets in the western USSR would be significantly reduced, as shown on this map. You can see that the red line south of India, Mr. Chairman, shows the point from which you have approximately an equal steaming time from either the Black Sea or the Pacific Ocean fleets.

Other restraints include the requirement to maintain a strategic reserve in home fleet areas, a large deployed force in the Mediterranean, plus the economic and political costs of operating a sizable naval force in the Indian Ocean.

Moreover, the Soviets are not likely to acquire substantially better naval support facilities for their ships in the Indian Ocean area, at least in the near future. There seems to be little prospect for routine access to large shore facilities—such as those in Singapore, India, Sri Lanka, or Aden—for major repair and overhaul of warships.

The limited facilities that the Soviets use now, such as those in Berbera or Umm Oasr, would require considerable development—and probably changes in the host countries' policies—to provide major services.

On the other hand, the Soviets probably hope to increase their capabilities for air reconnaissance in the Indian Ocean. Their prospects are best in Somalia, where Russian technicians are helping to construct airfields at Berbera and near Mogadiscio.

Somalia is unlikely to give Moscow permanent basing rights, but would probably allow occasional flights.

TU–95 naval reconnaissance aircraft staging from Somalia could conduct surveillance from the Cape of Good Hope to the Malacca Strait.

Visits by TU–95's most likely would be on a periodic basis, as in Cuba and Guinea, but might increase in frequency during times of crisis, major western deployments or exercises, or Soviet naval space support activity.

Anti-submarine warfare aircraft, such as the IL–38 May, operating from Somalia could provide surface reconnaissance and anti-submarine warfare coverage of the Arabian Sea. These aircraft, as well as TU–16 medium bombers, were based in Egypt until July 1972, and closely monitored U.S. and NATO ships and exercises in the Mediterranean.

Mr. Chairman, that completes my prepared statement. I would be very happy to answer any additional questions you might like to ask.

Senator Symington. Thank you, Mr. Colby. The first request would be that you declassify as much of this as possible.

Mr. Colby. I will, Mr. Chairman.

Senator Symington. It would be your decision.

Mr. Colby. The other matters I will do it as best as I * * *.

Senator Symington. The more information we can get out in order to help us make the right decision the better.

Mr. Colby. I understand, Mr. Chairman. In our country our decision-making has to be public as opposed to some countries where it is to be secret, and consequently, we have to make as much of our input public as possible.

Senator Symington. Do you consider the Indian Ocean area to be of strategic importance to either the Soviets or the U.S.?

Mr. Colby. I would rather answer from the Soviet side, Mr. Chairman. I think the Soviets are interested in the Indian Ocean as an area of expanding their influence, primarily through their political relationships with some of the countries in the area, with the Indians, especially, and some of the other countries in that general area. I think they would obviously be concerned if there were some major threat to Soviet security posed from the Indian Ocean. I think there is a certain interest in posing a possible counter-threat to American or western pressure on the Soviet Union by posing a threat to the oil sources of western Europe. But it is certainly not in priority anything like their relationships with the U.S., Western Europe or China.

Senator Symington. The Navy spokesmen have indicated that the Soviets have use of facilities in several locations in the littoral area. I would like to take them one by one and have your comments. I have already heard them in another committee, but I would like to hear them now.

The Island of Socotra.

Mr. Colby. The Island of Socotra, Mr. Chairman, is a bare island. There is almost nothing there except for a small garrison from South Yemen. The Soviets have used Socotra as they have used many other areas around the world as an anchoring place for their ships. The Soviets spend a considerable portion of their time at anchor. They do their provisioning frequently at anchor. They have anchored there off Socotra in protected waters in order to conduct this kind of re-provisioning and just plain sitting.

Senator Symington. How about an air strip?

Mr. Colby. The only air strip on Socotra is on old World War II air strip which is really not feasible for modern operations.

Senator Symington. We were told of anchorages and permanent mooring in the Chagos Archipelago.

Mr. Colby. There are anchorages in that Archipelago. Again, some of this water between the different islands is international water, and Soviet ships are inclined to anchor there. They have set up some mooring buoys there in international waters so that they can just come on and hook onto them.

Senator Symington. That is very close to Diego Garcia.

Mr. Colby. It is not far from there.

Senator Symington. On Berbera, Somalia, communications station, barracks, repair ships and other facilities, including air strips. What are the facts on that?

Mr. Colby. Let me give you an overall picture of the port at Berbera, Mr. Chairman. It is a small installation which will handle two or three ships. And there is an air strip under construction outside of Berbera.

They have been building an air strip there for about a year, but have not gotten very far.

Senator Symington. Mogadiscio.

Mr. Colby. Mogadiscio is the Capital of Somalia, Mr. Chairman. It is a big town there. They have an embassy, and they have people there, advisors.

The port is a fairly big port.

But the area within the breakwater is somewhat shallow water, and you would have to anchor a little offshore and bring lighters in if you use the port at all.

There is an airfield about 30 or 40 miles northwest of Mogadiscio which they have been gradually building up a little bit. But there is not much progress on that either.

Senator Symington. The Iraqi Port of Umm Qasr.

Mr. Colby. Umm Qasi, you will notice there up at the head of the Persian Gulf.

The sea is down here. You come up a river, kind of a delta area. This particular island is claimed by the Kuwaitis as well as the Iraqis. The facility here, the so-called port, is about four, five or six buildings here, a place where you can anchor. It is a little complicated to get through the delta down to the Gulf. The Iraqis appear to be a little bit restrictive as to the degree to which they will allow the Soviets free use of this particular port. [Deleted.]

Senator Symington. The former British base at Aden and the former Royal Air Force Base.

Mr. Colby. The former British base at Aden is a good base. It is a good harbor. There are facilities in it. There is an airfield in that town. That is the Capital of South Yemen. And there is an airfield that is an effective airfield and could be used.

The Soviets have not used it very much. They have not done much more than port visits there. But the Government of South Yemen of course, is a Communist government. The Soviets have been assisting them. So they have a pretty active presence there. But they have not actually used the port facility to that degree.

Senator Symington. What kind of a runway do they have.

Mr. Chomeau. It is short. It is not large enough to handle the extremely large aircraft. I have forgotten the length

Mr. Colby. It is a short runway, not big enough to handle the TU–16's and larger aircraft.

Senator Dominick. It is big enough, Mr. Chairman, to handle the B–24, because I have landed one there.

Mr. Colby. You know, then.

Senator Dominick. It is a horrible place.

Senator Symington. It is probably pretty hot, is it not?

(Discussion off the record.)

Senator Symington. Bunkering rights in Mauritius and Singapore.

Mr. Colby. Singapore, of course, is a very well equipped port. And the Soviets have bunkered there. Singapore sells to whoever happens to go by. They have also used Singapore for some repair, because there are some good shipyards in Singapore, and some of their auxiliary ships, for instance, have been repaired in Singapore.

Port Mauritius—Port Louis on the Island of Mauritius is a very good port. It is not all that highly developed. It is an independent country now, Mauritius. They have sold bunkering to the Soviets.

There are lots of other areas. You can stop by and buy fuel oil if you want to.

Senator Symington. Have they a representative in the UN?

Mr. Colby. I would assume so. I am pretty sure they are UN members. Whether they actually keep a mission there or not, I am not sure. But I know we have an ambassador there. As a matter of fact, Phil Manhardt is just going there as Ambassador. As you will recall, he was a Foreign Service Officer, and was a prisoner of the North Vietnamese for five years.

Senator Symington. Senator Dominick.

Senator Dominick. I think I have only got one question, and that is, what is Mr. Colby's assessment—if we should pass the Diego Garcia enlargement, would we by so doing increase the force of the Russian fleet?

Mr. Colby. I think our assessment is that the Soviets would match any increase in our presence in that area.

Senator Dominick. That is all I have.

Senator Symington. Senator Taft.

Senator Taft. Thank you, Mr. Chairman.

Mr. Colby, would you consider that enlarging the port and the airfield as planned would be such an increase or not?

Mr. Colby. I am not all that familiar with the details of the plan, Senator Taft. I do think that the public impression of what we do would probably be almost as important as what we actually do. In other words, the Soviets would believe that if we were to establish a permanent establishment capable of supporting a regular force in that area, that they would react in some fashion in order to establish a counterveiling force. That is more or less at any degree at which we do it.

Senator Taft. If we have a big debate and authorize it, is that going to have—

Mr. Colby. It will certainly attract their attention.

Senator Taft. If we go ahead and authorize it, and public opinion seems to justify authorizing it, would that have an effect on being able to negotiate limitation on forces in the area?

Mr. Colby. I think that our assessment, Senator, is that you will see a gradual increase in Soviet presence in the Indian Ocean area, that if there is some particular American increase, that the Soviets will increase that gradually to match any substantial additional American involvement. So that it would really depend upon the size of the investment and the forces that we arrange to be there. If we put in a permanent establishment of some size, why they would correspondingly increase to some substantial degree. If we had only sort of tentative connections there and some improvements, they might just continue their gradual increase.

Senator Taft. You have not mentioned the British or French forces, I do not think, that are in the area. Both of them have permanent naval forces.

Mr. Colby. Yes. the French have a naval base up at the north end of Malagasy as well as a base at Djrbouti. They keep, a permanent force of five to six ships. And the British, their only permanent establishment is in Singapore, where they keep a very small fleet. [Deleted.]

Senator Taft. That is all I have.

Thank you, Mr. Chairman.

Senator Symington. Thank you, Senator.

Have the number of ports visited by the Soviets in the littoral area increased in the last few years?

Mr. Colby. Yes, Mr. Chairman. The number of port calls in 1973 has gone up particularly because the calls in Somalia have expanded quite a lot. You will notice that they are rather targeted, there are only certain ones.

Senator Symington. The number of countries visited have dropped?

Mr. Colby. Yes. It has been more of a focus where they have visited.

Senator Symington. As I understand it you expect the Soviet presence in the Indian Ocean to continue to grow regardless of what we do but that it will grow faster if we start developing Diego Garcia, is that a fair interpretation?

Mr. Colby. I think that is true yes, sir.

Mr. Chairman, our estimate of the gradual growth is a reflection of our estimate of the general Soviet intention to assert itself as a major power, as one of the two superpowers, and to assert itself in a world role, and that consequently, there will be a tendency to gradually expand its presence throughout the world.

Senator Symington. Who reacted first in the Indian Ocean at the time of the Indian-Pakistan War?

Mr. Colby. In the Indian-Pakistan War, Mr. Chairman, the first thing that happened was that the British sent a carrier task group to help with the possible evacuation of their citizens. The Soviets sent a force very shortly thereafter. And the American force was sent two or three weeks later, or something like that.

Senator Symington. How about in the recent Middle East War?

Mr. Colby. In the Middle East War the movement of American carrier task group was followed by a Soviet increase in presence, particularly in submarines.

Senator Symington. Who has access to the most ports in the littoral area, the U.S. or the Soviets?

Would that be up for grabs?

Mr. Colby. Even would not be far off, I would say.

Mr. Chomeau. I do not know what the U.S. really has.

Mr. Colby. The U.S., I think, would have access to Pakistan, Iran, and Saudi Arabia.

Senator Symington. Off the record.

(Discussion off the record.)

Senator Symington. There was some question as to whether nuclear submarines could go through the Suez Canal when it is opened. What is the opinion of the CIA on that?

Mr. Colby. Physically, they could go through it, there is no question about it, after it is opened, physically you can send them through. Whether the Soviets would send them through is something else.

Senator Symington. Is there enough depth?

Mr. Colby. You mean without being seen? I mean on the surface, obviously, just going through, I do not think there would be much problem.

Senator Symington. There would not be?

Mr. Chomeau. They have enough depth, but it is risky. You have to be certain that you are not going to run into some place where it is silted. But there is enough depth if it is cleared, yes.

Mr. Colby. It depends upon the permission of the Egyptians, of course.

Senator Symington. Do either of you gentlemen have any further questions?

Senator Dominick. No, Mr. Chairman.

Senator Taft. No questions.

Senator Symington. Thank you very much.

(Whereupon, at 3 p.m., the hearing was recessed, to reconvene at 10 a.m., Friday, July 12, 1974.)

IN SUPPORT OF INDEPENDENCE FOR THE PORTUGUESE AFRICAN TERRITORIES

Mr. HUMPHREY. Mr. President, the Government of Portugal has in the last few days taken significant first steps toward independence for the Portuguese African territories of Angola, Mozambique, and Guinea-Bisau.

On July 27, President Spinola announced:

> The moment has come for the President of the republic to reiterate solemnly the right of all people from the overseas Portuguese territories to self-determination, including the immediate recognition of their right to independence. . . .
>
> This is a historic moment for which the country, the African territories and the world were waiting: peace in Portuguese Africa finally attained in justice and freedom.

A law has been promulgated in Portugal opening the way for this promised independence to become a reality.

As a friend and ally of Portugal, we share her great expectations of peace and freedom for both the people of Portugal and the people of the African territories. As a country which is committed to human rights and to the replacement of colonial rule with genuine self-determination, we rejoice that Africans will finally take their rightful place among the independent states of Africa. As a friend of the African nations that have worked and sacrificed to bring about the independence of these territories, we share their commitment to a transfer of power that is peaceful, their hope that independence will come without further suffering or bloodshed.

I hope it will be made clear that the United States fully supports Portugal's intention to grant independence to Angola, Mozambique, and Guinea-Bisau. We must encourage every effort made by the Portuguese Armed Forces Movement to work out with African leaders in the overseas territories a viable plan for independence. Having joined the rest of the world in condemnation of Portugal's past colonial policies, we must now make it clear that Portugal is not alone in her efforts to bring peace, justice, and freedom to the African territories.

But genuine self-determination will take time to build in Angola, Mozambique, and Guinea-Bisau, just as it will take time to build in Portugal itself. It is important, therefore, that this country not only give diplomatic support to Portugal's policy of independence, but that we also give substantive support to making this independence viable.

I believe that one of the greatest contributions we can make to this effort is to provide educational assistance for the future leaders of Angola, Mozambique, and Guinea-Bisau. The new African states will need African administrators, economists, agricultural specialists, engineers, scientists, teachers, doctors, and businessmen if they are to have genuine self-government. But education for Africans in the Portuguese territories has been far from adequate to meet these needs. One supporter of the Armed Forces movement has been quoted as saying:

> One of the great tragedies is that Portugal did not start a really extensive programme in the overseas territories twenty years ago.

A study done by Peter Walker, now the U.S. Consul General in Mozambique, entitled "The Educational System for Africans in Mozambique: A Sound Foundation for Autonomy or Independence?" reveals the desperate need for educational assistance in the Portuguese African territories. In Mozambique, where there are more than 8 million blacks and 200,000 whites, the educational system has been developed to prepare, primarily, whites for university education and positions of leadership. There are only 20 blacks in a student body of 2,000 at the University of Lourenco-Marques. Ten years ago, there were only five blacks taking university courses.

Of some 1 million blacks of secondary school age, only 1 percent are in secondary schools. Most of these students are not receiving an education preparing them for the university, but rather are being trained for semi-skilled jobs: secretarial work, trade, electronics, mechanics, metal work. Primary schools in the rural areas, where most of the Africans live, have been poorly staffed. They provide about a third of the children in rural areas with training in basic Portuguese and up to 3 years of primary education—not enough to qualify them even for the technical schools that are all in the urban areas. If, at independence, Mozambique is to draw its leadership from all its major population groups—and if all are to have an equal chance to participate in economic development, the rural educational system will have to be greatly improved. This will require the training of teachers for these rural schools.

It has been said that not just Mozambique but all the Portuguese African territories will have a far greater shortage of skilled and educated manpower at independence than was the case in any of the other African States. Yet genuine independence requires a great number of educated and technically training citizens—to draw up plans for economic development, to run local businesses and work with foreign investors, to teach and provide health services, to build a broad-based political system and run the government.

The United States can make a unique and important contribution to the independence of these territories by providing desperately the needed educational assistance. Although we have long been verbally committed to ending colonialism in this part of Africa, our actions have often suggested support for continued Portuguese domination. Our economic and military assistance to Portugal as a NATO ally have been interpreted as enabling that country to continue the wars in Africa. Our votes in the United Nations and other international organizations have been consistently on the side of Portuguese colonialism—against the overwhelming majority of the rest of the world. One of the last and most embarrassing of such votes was our lone vote against admission of Guinea-Bisau into the World Health Organization. Even Portugal abstained We now have a great opportunity to contribute diplomatically to Portugal's efforts to bring about the "peaceful transition to majority rule" we have long advocated for this part of the world—and to contribute substantively through educational assistance to making majority rule a real possibility.

This would be the best possible investment in our future relations with these states. Our willingness to provide educational assistance to newly independent African States has been perhaps the most important element in building strong and enduring friendships between the United States and Africa. Africans educated in the United States now hold high positions in both the governments and the private sectors of their countries. They deal sympathetically and with understanding with U.S. Government and business representatives.

Our educational system provides the kind of educational opportunities most needed by these countries—training in such practical fields as agriculture, medicine, engineering, education and business. Our excellent language-training facilities and the breadth and flexibility or our curriculums make us uniquely qualified to educate Portuguese-speaking Africans. The very strict formal academic requirements of many European and even African universities have posed a hardship for students from Portuguese Africa. Ours is a system that is entered much more easily by students who have not been brought up in it.

Most important, we already have two very fine programs of educational assistance to students from southern Africa. Unfortunately, these programs have been severly cut back. At their height, in 1968, they had more than $2.7 million to work with. This year, one has $100,000 and the other $175,000. With these limited funds, they are to provide assistance to students not only from Portuguese Africa but from South Africa and Rhodesia as well.

The southern African student program brings southern African students to the United States for 2-year graduate level or technical training programs. It used to finance undergraduate education as well, but this has been discontinued. In all, 526 students have been brought to the United States for study under this program, 131 from the Portuguese territories. The program can accept only five new students a year from all of southern Africa.

Under this program, students from Portuguese Africa have studied agriculture, biology, economics, education, engineering, medicine, public administration, and a variety of other subjects appropriate to the economic and political development needs of their countries.

The southern African training program provides fellowships for southern African students to study in African universities, secondary schools, and technical schools. It now provides assistance for a total of 45 students per year.

There is an immediate and pressing need for educational assistance to these emerging African States. And it is terribly important that the United States demonstrate its sincere commitment to independence and self-determination for the people of Angola, Mozambique, and Guinea-Bisau. For these reasons, I believe our existing programs that provide educational opportunities for Africans from these territories must now be expanded.

The African-American Institute has done an excellent job in running these two programs on a contract basis. It has developed close ties with American universities, African nations concerned about the future of the Portuguese territories, and the people who will be the leaders of independent Angola, Mozambique, and Guinea-Bisau. AAI is committed to providing education that is appropriate to development needs and to placing students in the programs most suitable to them. I hope that in expanding this assistance, the African-American Institute will be given maximum flexibility in determining how additional funds are to be spent. Whether a student is to be educated in an American or an African university should be determined on the basis of the abilities and career goals of the student. Also, I hope that the southern African student program will again be allowed to fund undergraduate education.

Mr. President, the United States has always been committed to the peaceful transition from colonialism to majority rule throughout Africa. A cornerstone of this policy has been our willingness to provide badly needed educational assistance to the African States on the eve of and following independence. Our record on the issue of independence for the Portuguese African territories has not been a good one the past few years. We now have an opportunity to show our genuine commitment to independence by providing the best kind of assistance this country has to offer—better than guns, better than rhetoric, better than capital grants—assistance in building the foundation of educated and skilled manpower that is essential for genuine self-government.

I strongly urge the Department of State to increase the budget for educational assistance to the Portuguese territories consistent wtih the great need made apparent by recent events.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1975

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 15155, which will be stated by title.

The second assistant legislative clerk read as follows:

> A bill (H.R. 15155) making appropriations for water and power development, including the Corps of Engineers—Civil, the Bureau of

Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. MANSFIELD. Without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 15155, the Public Works appropriation bill. Under the previous order, time for debate on this bill is limited to 4 hours to be equally divided between and controlled by the Senator from Mississippi (Mr. STENNIS) and the Senator from Oregon (Mr. HATFIELD), with a time limitation of 30 minutes on any amendment and 20 minutes on any debatable motion or appeal.

Mr. STENNIS. That was 30 minutes on each amendment?

The PRESIDING OFFICER. Thirty minutes on any amendment, and 20 minutes on any debatable motion or appeal, with 4 hours on the bill.

Mr. STENNIS. I thank the Chair for that very complete statement.

I ask unanimous consent that during the debate and presentation of this bill, three members of my personal staff be given the privilege of the floor: Mr. R .G. MacDonnell, Mr. J. B. Love, and Mr. Don Fitts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. Yes, I am glad to yield to the Senator from Oregon, who is the ranking minority member of the committee.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the name of staff member Jim Bond be added to that list.

The PRESIDING OFFICER. Without objection, it is so ordered

Mr. STENNIS. Mr. President, we also have present, though he does not require permission, Mr. Proctor Jones, and also other members of our Appropriations professional staff.

Mr. President, I have rather complete remarks here that cover the entire bill.

As I say, Mr. President, we have under consideration H.R. 15155, an act making appropriations for Public Works for water and power development, including the Corps of Engineers-Civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian Regional Development Commission, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

Mr. President, the hearings on the bill started March 1, 1974, and continued throughout the month of March and the first week of April. There were 21 sessions of the subcommittee during that period with the departmental and agencies' witnesses. After the Easter recess, the subcommittee held 7 days of hearings—12 sessions—to receive testimony from Senators, Members of the House, public witnesses, and various interested organizations. More than half of the Members of the Senate, a large number of Members of the House, several Governors and State agencies' heads presented testimony and statements. Over 1,300 witnesses, including delegations from various organizations and local communities, both proponents and opponents, appeared before the subcommittee concerning projects and matters important to their States and to this Nation. In addition, hundreds of written statements and testimony were received. Altogether, the subcommittee held 34 sessions for the purpose of taking testimony, and 3 executive sessions for the purpose of marking up the bill.

Mr. President, a special word about the increases, because I know that those points will be raised, and should be raised. When we total all these figures together, the total amount reported in the Senate bill runs above the estimate or the budget figure for fiscal year 1975 to the extent of $40,377,000, which is eighty-nine one-hundredths of 1 percent of the entire bill. These figures total, above the fiscal year 1974 amount, $624,305,000.

Now, as a part of a special explanation of these increases, we run, first, into these environmental costs. We have about $35 million in here in direct costs to meet environmental requirements, connected with dredging, for example. A large amount of that is for dredging, and the way they are going to have to do the work and the disposal of the dredged up and dredged out material. So that direct environmental costs account for about $35 million of the increase; and we find, then, throughout the bill, that general investigations have had added to their amounts about 10 percent for environmental costs, and that preplanning and environmental impact surveys have been responsible for about a 20-percent increase, because of the requirements of ecology or environmental matters. I do not bring that up to the discredit of the environmental requirements at all; I am just accounting for some of the increases in these appropriations.

But in spite of those things, as I say, we have for the entire bill only an eighty-nine one-hundredths of 1 percent increase over the budget figures.

Of the amount that we are over last year, the AEC, Atomic Energy Commission increase takes up $462.7 million, in round figures, of this total increase of $624,305,000. That leaves—and we will come back to the Atomic Energy Commission items in a few minutes—a difference, then, between fiscal year 1974 and fiscal year 1975, as we bring the report in, of only $161.6 million, which is mostly accounted for by increases for Reclamation and Corps water resources development, for the Bonneville Power Administration, and for the TVA revenue-producing activities. In other words, all of those agencies that I have named are revenue-producing, and will return, in time, a great part of the money increases that are in here for them.

Going back, briefly, to the increases for the Atomic Energy Commission, I shall cover those in my formal statement. Before doing so, Mr. President, I want to especially thank the Senator from Oregon (Mr. HATFIELD), who is the ranking minority member of this subcommittee, and I want to especially thank also the Senator from Nevada (Mr. BIBLE), who handled this bill entirely last year when I was absent, and did a great deal of work on it the year before. He held a great number of hearings while the war was still going on in South Vietnam, and it took 6 months to pass the military procurement bill, which kept me here on the floor a good part of that time.

But in addition to that—and I am not saying this because he is leaving, though I regret very much that he is leaving the Senate—he has been a very valuable member of this subcommittee for years, as he has everywhere else that he works. In addition to that, he has handled for several years the Interior Subcommittee on Appropriations which handles that far-reaching Interior appropriation bill. There were others on the committee; the ranking minority member and dean of the Appropriations Committee, the Senator from North Dakota (Mr. YOUNG) rendered a very fine service, as is his pattern. He is one of the most formidable and serviceable members of the Appropriations Committee, and has been over a period years. I remember also the help of the Senator from Oklahoma (Mr. BELLMON).

Mr. President, the committee report explains the recommendations of the committee and I shall not, therefore, endeavor to detail all the action and changes.

The bill as reported and recommended totals $4,567,203,000 in new obligational authority. This represents an increase of $40,377,000, or less than 1 percent over the amended budget request of $4,526,826,000, and an increase of $91,793,000, or 2.1 percent over the bill as passed by the House. The House considered budget estimates of $4,412,251,000, or about $114,575,000 less than the amended estimates considered by the Senate. The House passed bill was $63,159,000 over the budget estimates considered by the House.

Mr. President, this is a significant bill—an important bill. It represents a substantial investment in the future of America—and in the future needs of our country and our people, the utmost satisfaction in the work that I do on this bill because I know from experience here and from observation that virtually all of these funds are not only an investment, but they are a sound investment. They pay off to the Federal Treasury in that they increase the revenue production of the areas affected in the form of increased taxes paid in, and they serve not only this generation but generations to come—many of these projects do.

I have projects in mind that I can illustrate away from my own area of the country. I know many, many years ago I remember when the first reclamation project, one of the early ones, for that area was opened up in Carlsbad, New Mexico, and it made the area in that little town, which it was then, bloom like a rose, and that reclamation project has been extended twice already, as I recall. It has paid for itself on schedule as well as some advance payments, and now is a very thriving, industrious agricultural area of that fine State.

In my own State last year, in spite of the splendid work over the years of the U.S. Army Engineers, we had backwater floods, as we call them, in my State and in Louisiana, some in Arkansas and some up the river. It is estimated that without the flood control protection there would have been damage there approaching some $15 billion whereas the cost to the Federal Government for the last 50-odd years for all that area from St. Louis, Mo., to the mouth of the Mississippi River has been only about $1.8 billion, and that is an illustration, on a larger scale, that most of these matters are an investment.

We have matters in the bill now such as the Atomic Energy Commission, which includes a great deal of research. Some people look upon that as lost money unless we find a golden egg of some kind, but it is just the rocky road that always has to be traveled, especially in the field of science, before we find the real reward. But no programs being carried on in the Government are more important than a great number of those in the Atomic Energy Commission.

Again, I say that this bill is an investment that will pay rich dividends in benefits and services to our people and in economic benefit to the Nation. The purpose of this bill we are considering today is to build a stronger and better America. Appropriations are provided for water resource and power development including nuclear energy. In providing funding for these programs, we assure needed electric power generation, a more adequate water supply, flood control, irrigation, additional and improved waterways for navigation, recreation and other essential services for our expanded population. This bill will also strengthen the defense of our Nation by providing for research, development and production by the Atomic Energy Commission—for military and military-related missions—and for development of nuclear energy for civilian and peaceful purposes.

The bill has five titles, consisting of:

Title I, the Atomic Energy Commission;

Title II, the Corps of Engineers, civil works program;

Title III, the Bureau of Reclamation and Power Agencies of the Department of the Interior;

Title IV, related agencies—power and water resource agencies, including TVA, Appalachia programs, and the Federal Power Commission.

I will briefly discuss the various titles of the bill and the recommendations for each.

Title I—Atomic Energy Commission. For the Atomic Energy Commission, the committee recommends an appropriation of $1,771,665,000, which is a reduction of $32,723,000 below the budget request and $25,250,000 above the House bill. The recommended appropriation of $1,433,960,000 for operating expenses and $337,705,000 for construction and equipment provides more funds to military than nonmilitary activities. However, as Members know and will recall, provisions that normally would be a part of this bill were placed in one package—the special energy research and development appropriation bill for 1975—which was enacted in late June. An amount of $1,486,660,000 was provided in that bill for the expanded and accelerated energy R. & D. program.

Now, that is an extraordinary program and beyond what has been the normal course.

Taking the total AEC budget into account, approximately 42 percent of the budget, in terms of expenditures or costs, goes primarily for military or defense purposes. At the same time it should be made clear that a great amount of the research and development is also applicable to peaceful, civilian purposes. Just as all of the civilian nuclear energy programs came from the defense or military program, we continue to receive these "spin-offs" in the civilian, peaceful activities. I know that we all look forward to the day when the funds required for military purposes can be reduced further.

Mr. President, I can say that I had a chance, took advantage of it, as did other members of the committee, to really get into this program here of the Atomic Energy Commission other than weaponry, and made a close examination of all the major items that are included. I have a statement here that I am going to ask later to be printed in the RECORD which fully explains for any Member's reference in the future or any citizen's reference in the future, the sources of certain income that the Atomic Energy Commission has and how they account for that money and what we have provided here with reference to it.

There are many programs of the Atomic Energy Commission which are not as well known, such as the physical research program which provides for continuing research in high energy physics and other programs on the frontiers of science to develop a better understanding of atomic particles. This year, the National Accelerator Laboratory at Batavia, Ill. was dedicated and the new accelerator reached a current and energy intensity of 400 billion electron volts, making it the highest powered accelerator in the world today. The work at this and other AEC laboratories is providing new insights into the basic constituents of the atomic nucleus which will be key to the continuing development of nuclear energy.

A portion of the AEC's biomedical and environmental research program provides continued funding for the development of an atomic-powered artificial heart and cardiac pacemaker, which would last for many years. It also provides for research in the use of radiation in detecting and treating medical illnesses and other beneficial biological and agricultural applications.

Mr. President, as of June 30, 1974, there were 47 nuclear-powered plant licensed to operate in the United States. This represents, 29,000 megawatts of electricity or about 6 percent of the total U.S. generating capacity. In addition, there are 186 plants being built, planned, or announced by utilities representing 198,000 megawatts of generating power. Forecasts indicate that by the end of 1980, nuclear-powered plants will provide about 15 percent of the total electrical generating capacity in the United States. By the year 2000, nuclear power is expected to provide more than half of the U.S. total. Funds are also provided in this bill, as well as in the special energy R. & D. bill, to produce enriched uranium to operate these nuclear powerplants. Too, I should emphasize that the uranium enrichment operations produce substantial revenues—including major contributions to our Nation's balance of payments—that are accruing to the U.S. Government as a result of the sales of the uranium enriching services. The revenues for these services are estimated to be $547,230,000 in fiscal year 1975 and essentially offset the operating and construction costs associated with enriched uranium production.

Mr. President, I know from discussions with several Senators, that there is concern over what appears to be a rather large increase for AEC in fiscal year 1975 appropriations over the fiscal year 1974 level. As reflected in the report accompanying the bill, and which makes up the bulk of the total increase over the 1974 appropriation. This increase is more apparent than real. Let me briefly review the facts of this matter. As indicated on page 6 of the committee report, AEC's budget estimate for fiscal year 1975 operating expenses for nonenergy related activities is $1,461,633,000 as compared to the fiscal year 1974 appropriation of $916,378,000. The reason for this apparently large increase of $545,255,000 from fiscal year 1974 is that all AEC revenues, as well as the large unobligated balance carried forward—carryover—from fiscal year 1973 to fiscal year 1974, were applied against the nonenergy portion of the AEC appropriation request. Thus, changes in revenues and carryover account for $358,091,000 of this increase.

The budget estimate for revenues in fiscal year 1975 of $669,600,000 is $135,700,000 less than the fiscal year 1974 amount. Since revenues are applied as a reduction to the Agency's appropriation request, the decrease in revenues in fiscal year 1975 has the effect of increasing the fiscal year 1975 appropriation by $135,700,000 over the fiscal year 1974 amount.

Revenues in fiscal year 1974 totaled $805,300,000, which was unusually high as a result of the special sale of 10 million separative work units to Japan at a price of $320,000,000. Of this amount, $50,800,000 was delivered and taken into revenues at the end of fiscal year 1973; this contributed to the large fiscal year 1973 carryover to fiscal year 1974. The remaining $269,200,000 from the Japanese sale was delivered and taken into revenues in fiscal year 1974; this resulted in usually large revenues for fiscal year 1974.

AEC carried forward an unobligated fiscal year 1973 balance of $222,391,000 into fiscal year 1974 which was used to reduce the Agency's fiscal year 1974 appropriation. This unusual carryover resulted primarily from a slippage in the obligation of the Clinch River demonstration plant contract from fiscal year 1973 to fiscal year 1974—$92,450,000—increases in revenues over the budgeted amount—$65,558,000, which includes $50,800,000 from the Japanese sale—and reductions in programs as a result of the administration's efforts to reduce fiscal 1973 Federal outlays.

A more appropriate indication of the change in nonenergy related activities would be the change in total obligations between fiscal year 1974 and fiscal 1975. The fiscal year 1975 budget estimate is $2,131,233,000, an increase of $187,732,000 over the fiscal year 1974 level of $2,943,501,000. Of this, $77.7 million represents the increased cost of electric power for uranium enrichment operations. The remaining $110 million represents an increase of approximately 56 percent which, in view of inflation, would in effect keep the nonenergy related program activity in fiscal year 1975 at about the fiscal year 1974 level.

The recent, sharp rise in prices due to the oil embargo and other inflationary factors has resulted in substantially higher cost projections for the fiscal year 1975 AEC program than provided in the budget now before us. Price increases of 15 to 20 percent for materials and supplies; 20 to 60 percent for such items as aluminum, steel, copper, and plastics; 15 to 25 percent for electronic items; and 25 to 150 percent for utilities and fuel costs are being experienced. For example, since September 1973, the AEC Brookhaven National Laboratory has experienced a 70-percent increase in the cost of electric power and 150 percent in the cost of fuel oil. For this laboratory alone, the cost of electricity will be about $2.5 million higher in fiscal year 1975 than in fiscal year 1974, even though the total amount of electricity used will be slightly lower. In addition, many of the contractors have already and must renegotiate craft labor agreements this summer of 1974. Negotiations to date confirm that wage settlements will be substantially higher than anticipated in the fiscal year 1974 budget. Of course, this is a problem that cuts across the board in our whole economy.

Mr. President, this is ordinarily thought of as the public works bill for the U.S. Army Corps of Engineers and Bureau of Reclamation. The total sum for the corps' civil works program, nationwide, including Alaska and Hawaii, is $1,729,980,000, which is $33,759,000 less than the 1974 level, $113.7 million more than the budget estimates, and $34.9 million over the House allowance.

The committee recommends $67,847,000 for general investigations by the corps; $984,838,000 for construction; $166,618,000 for flood control measures for the Mississippi River and tributaries; and $455,877,000 for general operation and maintenance. It is interesting to note that the total budget request for construction—$927,500,000—is less than $50 million over the budget request in 1965—10 years ago—although construction costs have doubled during that period of time. That is a significant point to remember, and in other words, should indicate that the committee recommendation is a realistic, hard rock amount based on the needs and priorities.

As in the past, the committee prefers not to make specific allocations of its increases to individual studies, investigations, or surveys. It desires, however, to call to the attention of the Corps of Engineers, the testimony concerning the need for initiating unbudgeted surveys and increases in budgeted studies.

The report carries the specific allocations recomemnded for each project in the construction, general appropriation, which includes preconstruction planning.

For the flood control, Mississippi River and tributaries project, the committee's allocations are likewise listed in the report. Let me say that the importance of the M.R. & T. project can be realized when one considers that the drainage from almost half of the area of the continental United States funnels through the Mississippi River and its tributaries.

Now, Mr. President, the civil works program of the Corps of Engineers deals primarily with improvements for navigation, flood control, water supply, beach erosion, recreation and, of course, hydroelectric power. Priority attention and funding to the capability level is provided for hydroelectric power projects in recognition of the energy crisis. Why, one might ask? A good example of the benefits from hydropower projects is, that in fiscal year 1973, the Federal hydroelectric power projects in the Pacific Northwest alone generated electric energy equivalent to 100 million barrels of oil. In light of present energy problems, that is most important, and it is gratifying to know that it comes from replenishable falling water, rather than from scarce oil or natural gas. The Nation now reaps important benefits because of the foresight in supporting and developing those projects.

Now, Mr. President, one shudders to think where the West would be, the great Midwest, the Rocky Mountain West, and the Far West, the Pacific coast, without the benefit of these hydroelectric generating plants, all of which have proven successful, all of which have proven to have been self-sustaining, and all of which are paying back the costs of construction or a major part of it, all of that part attributed to hydroelectric power, paying it back to the Treasury, and many of those payments being with interest.

That is just one example, and it applies to the Bureau of Reclamation projects also.

TITLE III—BUREAU OF RECLAMATION

For the Bureau of Reclamation, the committee is recommending $473,887,000, an amount that is $10,215,000 over the House allowance and $46,793,000 below the amended budget estimates. The decrease below the budget estimate reflects the committee's decision to provide annual funding for the recently enacted Colorado River Basin salinity control projects rather than the large, one-time, lump-sum appropriation requested under the new act. The committee's action is fully explained on pages 56 and 57 of the report.

The total Bureau of Reclamation appropriation includes $19,651,000 for general investigations; $247,490,000 for construction and rehabilitation; $97 million for operation and maintenance; $24,771,000 for the Upper Colorado River storage project; $22,600,000 for the Colorado River Basin project; and a $32,800,000 appropriation to liquidate contract authority. The loan program, emergency fund, and general administrative expenses are also provided for within the total amount. The water resource program of the Bureau, while similar to that of the corps, is primarily concerned with irrigation for family-type farms. Bureau projects, in addition to irrigation, provide storage for municipal and industrial water supply, power, flood control, and recreation. Although the direct irrigation benefits are vital to the irrigator who repays the cost of the irrigation works, without interest, over a period of years, the greatest benefit of the reclamation program has been its stimulation of rural development and regional economic stability. A more diversified agriculture increases the income flow and business activity in an area. This, in turn, stabilizes the population of rural areas and brings prosperity and a better life to both city and farm populations alike. In most of the areas of the West, nothing happened, and nothing could happen, until the basic resources of land and water were brought together through the reclamation program. Irrigation formed the stable base upon which much of the West was developed and sustained. News reports of the last few days have also brought to our attention, the severe drought that is occurring in many areas upon which our Nation depends heavily for feed and crop production. This is a most disturbing element and could end up in a heavy and disastrous blow to our food production and the cost of food. We should be thankful that we have irrigation in some of the areas of the West and Midwest where bountiful crops are predicted. And, this bill contains funds necessary to continue this important reclamation program during fiscal year 1975. As in the case of the corps hydro projects, funds are provided to the full capability on Bureau hydropower projects in order to expedite the power on the line of this clean power source to help ease the energy problems facing our Nation.

Also, under title III, Department of the Interior, funds are provided for the power agencies, which market and transmit the power produced at the Federal hydro projects. Included in the committee recommendation is the $20 million budget amendment for the Bonneville Power Administration which was not considered by the House.

TITLE IV—INDEPENDENT AGENCIES

A total of $415,510,000 is recommended for the related independent agencies, an increase of $5,834,000 over the budget and $400,000 over the House allowance.

Of this total amount, $293,500,000 is recommended for the Appalachian regional development programs, which continue to have positive and beneficial impact in the 13 State Appalachian region. One hundred and sixty million dollars of this appropriation is for highway construction, and $125 million is for the area development program authorized by Congress, which includes four programs previously funded separately—health demonstration, mine restoration, vocational education, and supplemental grants. The program will now provide the flexibility to meet the needs and requirements of each State under its allocated share. There is no change in the basic requirement that individual project recommendations from the respective States must be received, and then the individual project must be approved by the entire Commission.

The committee recommendation includes $32,100,000 for the Federal Power Commission, which, as members know, is the regulatory agency administering the several provisions of the Federal Power Act and the Natural Gas Act. The FPC also performs other work related to both Federal and private electric power development and associated natural resources.

The committee is recommending an appropriation of $77,400,000 for the Tennessee Valley Authority, the same as the House allowance and an increase of $2.8 million over the budget. Appropriations to TVA are limited to the water resources development program and related activities normally financed by the Federal Government. Its power projects are financed from electric power revenues through the sale of bonds and notes as authorized by Congress.

Funds are also included for the Water Resources Council and a number of river basin commissions, as authorized by law. All of these activities are enumerated in the report.

This, then, Mr. President, is a brief summary of the bill as recommended by the committee.

PROGRAM ACCOMPLISHMENTS, PROBLEMS, AND COSTS

Now, before yielding, I would like to make a few additional observations about some of the programs funded by this bill, about some of the accomplishments and problems confronting these programs, and present some facts and information in justification of the committee's recommendation. Mr. President, this bill has been carefully gone over, as it was in the House. I believe that it represents a sound and balanced program for these agencies in this highly constructive and productive work that has meant, and will mean, so much to the economy and welfare of our Nation, and to future generations.

It was on May 24, 1824, that President James Monroe signed an appropriation bill providing $75,000 to improve navigation on the Ohio and Mississippi Rivers. This past May 24, 1974 marked the 150th anniversary of the civil works program of the Army Corps of Engineers. The historical record of accomplishment under the corps' civil works program, and the Bureau of Reclamation's programs, too, have been substantial and responsive to the expanding needs of our Nation. The investments in water resource projects already built have been repaid many times over. Flood control works have brought security from the ravages of floods to hundreds of cities and towns and saved the alluvial valley of the Mississippi from disastrous overflows—most recently demonstrated by last year's experience. It is estimated that $15 billion in damages were prevented by the Mississippi River Flood control system alone during just last year's flooding. The total Federal investment over the years is about $1.9 billion—and one can plainly see, that is an excellent benefit-to-cost ratio.

Another item of interest relative to flood damages and benefits is that during the first half of the calendar year 1974, several major flood events occurred. In January, over the Pacific Northwest States and California; in April, over the Pearl and Pascagoula Rivers; in the State which I have the honor to represent; and in June, over the gulf coast of Florida. Total flood damages experienced so far this year are estimated to be $419 million, which is about 30 percent higher than the 20-year, 1951–70, national average flood loss adjusted to the 1974 price index. Although above average flooding has resulted, the effects of corps' civil works projects on reducing damages relate a more dramatic picture. The total benefits during this 6-month period from corps projects are estimated to approach $7 billion, more than twice the average flood benefits for an entire year. The Mississippi River and tributaries projects have accounted for the bulk of these benefits, once again avoiding a serious flood along the mighty Mississippi River.

Now, in addition to flood control benefits, let me mention a few other benefits. Deep-draft harbors have opened the cities of our seacoasts and great lakes to the flow of international commerce, and inland waterways have linked vast internal regions together through an effective low-cost transportation system. Hydroelectric installations have provided a clean source of power at low cost to millions, utilizing a renewable resource—falling water. Water supply storage has provided for municipal, industrial and agricultural development and serves as an invaluable insurance against drought conditions. Such beneficial effects of the investments made, have played an important role in the development of major regions of the Nation such as the Ohio, Arkansas, Colorado, Mississippi, and Columbia River Basins. The present value to the Nation of completed projects for water supply, power development, flood control, navigation, reclamation and recreation is evident from the following data:

Annual water supply benefits: 10,668 billion gallons of water furnished, 20 million people served.

Annual power benefits: 43.6 million kilowatts installed capacity, 218 million net kilowatt hours generated, $1.1 billion in gross revenues.

Flood control benefits to date: $39.6 billion estimated value of damage prevented, $7.5 billion expenditures for flood control works.

Annual navigation benefits: 1.6 billion annual traffic tonnage.

Reclamation benefits: 9 million acres irrigated, $2.5 billion annual value of crops produced.

Recreation benefits: 426 million annual visitor days.

The estimated average annual benefits for projects funded in this bill before us totals about $6,355,722,000. That total includes the following major benefits:

[*In billions*]

Flood control	$2.8
Water supply	$216
Power	$920
Irrigation	$796
Navigation	$1.1
Recreation	$263

Again, to summarize these are the estimated average benefits expected to accrue annually over the life of the projects funded in the bill.

Mr. President, it is evident from the debates on some of the appropriation bills preceding this bill on the floor, that there is much concern over the level of appropriations recommended. For this Public Works-AEC appropriation bill, let us briefly examine this aspect.

As shown on the front of the report, this bill is $40.3 million over the budget estimates, an increase of less than 1 percent—eighty-nine one-hundredths of 1 percent.

This increase can be attributed to increases recommended both for on-going projects—under construction already and for a selected, small number of unbudgeted new projects. The budget request was almost entirely for projects under construction or in the planning process already, with only two new, major construction starts. As I indicated earlier in my remarks, the committee has exercised its judgment and discretion in recommending funds for the full capability for hydroelectric power projects of the corps and Bureau of Reclamation. Additionally, a small number of projects were selected for increased funding. These projects deal with needed water supply, flood control, irrigation, and water transportation—priorities which we thought should be met to the extent possible and prudent. As I said earlier, another matter that enters into the total picture is that approximately $35 million of the fiscal year 1975 budget is directly related to the relatively new environmental laws and requirements. That is not to be considered as being against these new requirements, as many of these environmental actions must be taken.

In the general investigations category, environmental considerations have resulted in an approximately 10-percent increase in costs. For the planning category, there is about a 20-percent increase in cost. Additionally, this increase in costs carries over into engineering and design during construction, in the reformulation of projects, in construction changes, delays occasioned thereby, and so forth, all having an impact on increasing the costs.

Taking all of these matters into consideration, and for the value and benefits received in return, I do not believe that this 1-percent increase over the budget estimates is too much.

Another figure of concern to some, as shown on the front of the report, is the bill amount over the fiscal year 1974 appropriation—which shows an increase of $624,305,000. This increase is more apparent than real. Now, I have already explained earlier in my remarks the impact and reason for $462,704,000 of this total amount, which comes under the Atomic Energy Commission part of the bill. The remaining $161.6 million of this amount is under the water resource development and power agency programs. Again, these figures are somewhat misleading. Excepting the increases for the Bureau of Reclamation, TVA, and the Bonneville Power Administration, there is no real significant change in the fiscal year 1975 over fiscal year 1974 level. For example, the Corps of Engineers budget would actually be substantially more than the $33.7 million reduction shown, in comparison to the total fiscal year 1974 appropriations to date, if the $116 million in fiscal year 1973 appropriations which were placed in reserve and carried over into the fiscal year 1974 budget program were included in the 1974 appropriation figures. Actually, the 1975 amount would be a decrease of about $150 million less than the fiscal year 1974 level.

I wanted to point these matters out, so that Members could get the total picture of this apparently large increase over the 1974 appropriations.

Mr. President, this is an important bill—a good bill—I urge its prompt approval.

Mr. President, I think of our Nation in terms of employment; I think of it in terms of military security; I think of it in terms of recreation, or in any other major way. One cannot think of it any more without the benefit of all of these expenditures for our country that have passed through this Chamber in the form of these appropriation and authorization bills.

I call the Members' special attention to the committee report on this bill. It is something for which our staff, in particular, is entitled to a great deal of credit. It is a contribution to the legislative history of all of these projects and the place they have in the economy and the national security and elsewhere.

On the Colorado River Basin salinity control projects, we are all indebted to the Senator from Montana (Mr. MANSFIELD) for the leading part he played and great work that he did in bringing about this agreement. It applies, as Senators know, to Mexico. Mr. President, we shall be glad to answer any questions about the way the committee handled this matter. I have already referred to it and its value and the hydroelectric projects within its area. The Senator from Washington is quite familiar with them and undoubtedly will comment on them.

Mr. President, I mentioned that these agencies—and we took testimony from all of them and the programs are an essential part of our economy—produce revenue. There is no doubt about that. They increase the productive capacity of the areas that they serve, or where they are located, and undoubtedly contribute to the gross national project and the revenue that is paid into the Treasury. I also refer to the Appalachian regional development program; to the Federal Power Commission, which is a regulatory Agency; to the Tennessee Valley Authority, which is a well-established and a going concern and has served greatly over the last part of a century, almost a third of a century. Our recommendations are just about what the budget figure is.

One other word regarding the work of the U.S. Army Engineers. There was a so-called clash or conflict of a kind when we first started out on the ecology requirements. I watched with the greatest interest and admiration how these talented people adjusted to the new situation that they were confronted with, gladly and willingly, giving them a little time to do it. They did adjust to it and took great strides forward, then, with their ingenuity and their experience in carrying out these new, added requirements.

Mr. President, I ask unanimous consent to have printed in the RECORD the general summary about the Corps of Engineers, which appears on page 17 of the report of the Committee on Appropriations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

On May 24, 1824, President James Monroe provided $75,000 for the Corps' first navigation project to conduct experiments to determine the best way to remove shoals in the Ohio River and Mississippi River.

On May 24, 1974, the U.S. Army Corps of Engineers celebrated the 150th anniversary of the Civil Works program. During these last 150 years, the Civil Works Program has stimulated economic growth, provided multiple benefits to the American people, and has contributed significantly to the building of a stronger and better America.

Since that time in 1824, the Corps has continually provided its talents to the development of the Nation's water resources. For example, the Corps has built, operates and manages nearly 400 lakes; has established more than 450 State, county and municipal parks and over 150 fish and wildlife management areas. Flood control projects developed by the Corps have saved countless lives and prevented billions of dollars in property damages and devastation.

The program also includes, among many other services and work, navigation, irrigation, hydroelectric power, water supply, recreation, and fish and wildlife conservation projects—projects and works from which we all draw benefits every hour of every day, in such a way as also to yield extra environmental benefits.

Mr. STENNIS. Mr. President, I will be happy to try to answer any questions that Senators may have, as will other members of the committee, but I hope the Chair will see fit to recognize the Senator from Oregon. At this time I yield the floor, again thanking the Senator from Oregon for his work on the subcommittee.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, the distinguished chairman of the subcommittee (Mr. STENNIS) has done his usual competent job in explaining this bill. I want to give my personal tribute to our chairman for the outstanding work he has done throughout the hearings and markups of this legislation. He has been very kind and courteous to me and the other members of the committee, and I am sure those members share my sentiments.

I also wish to pay special tribute to Proctor Jones, the staff member for the majority, and Jim Bond, the staff member for the minority who, along with their colleagues, performed outstanding staff work on this bill.

Mr. President, this is the bill that provides the funds for water and power development, the Atomic Energy Commission, the Bureau of Reclamation and other small independent offices. The total new budget obligational authority provided for in this bill is $4,567,203,000 an amount that is $40,377,000 over the budget.

We are recommending an appropriation of $1,771,665,000 for the Atomic Energy Commission, which is $32,723,000 under the President's budget. Included in our recommendations are funds for the nuclear materials program, the weapons program, naval reactor development, applied energy technology, space nuclear systems and physical research programs, the biomedical and environmental research and safety program, and regulation activities. Our recommendation will provide needed increases, over the appropriation for fiscal year 1974, for regulation activities, physical research, and the biomedical and environmental research and safety program.

Mr. President, as my colleagues know, a large portion of the total funds available to the Atomic Energy Commission for fiscal year 1975 have been provided in the special energy research and development appropriations bill.

Mr. President, the civil works program of the U.S. Army Corps of Engineers presented the committee with its usual difficulties. On one hand it was our desire to fund needed and desired hydroelectric and flood protection projects, while at the same time not "busting" the budget by recommending all the increases suggested by our colleagues and others. This was not an easy task. The total requests considered by the committee were between $400 and $500 million over the budget. Mr. President, I repeat—between $400 and $500 million over the budget. Considering this, I believe the committee has been responsive and responsible in its recommendations to the Senate. The funds provided under this title will provide a source of energy that is both clean and renewable, protection of life and property from the ravages of flood, recreation areas for our people, and water for irrigation and human consumption. I believe the increases that we have provided are fully justified.

Mr. President, the funds provided under title III of the bill are for the Bureau of Reclamation. These funds are used for general investigations, construction, and rehabilitation and for the operation and maintenance of Bureau projects for irrigation, power, and municipal and industrial water supplies. While we continue to progress in these areas, the committee is recommending an appropriation that is $46,793,000 below the budget.

The final recommendations in the bill are for the various power administrations and regional commissions. The committee's suggestions are substantially in line with the budget.

Mr. President, the committee has worked hard on this bill and has attempted to be as fair and responsible as possible to all the Members of the Senate. Again, I thank and commend the distinguished Senator from Mississippi.

Mr. President, I urge adoption of the Public Works-Atomic Energy Commission appropriations bill for fiscal year 1975 as reported by the Committee on Appropriations.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I ask unanimous consent that Kelley Kosley be accorded the privilege of the floor during the debate and votes on the public works appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I yield the floor.

Mr. STENNIS. Mr. President, I thank the Senator again for his work and his kind remarks.

Am I recognized, Mr. President?

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. I yield to the Senator from Nebraska who has a question about one of these programs.

Mr. HRUSKA. Mr. President, the chairman of the committee will recall that in the committee sessions there was discussion of the bank stabilization program which was authorized, I believe, in the Stream Bank Erosion Control Evaluation and Demonstration Act earlier this year. That was an enabling act. There are some 12 or 15 demonstration projects along this line that have been on file for some time. One of them is located on the banks of the Missouri River toward the northern border of my State of Nebraska and below Yankton, S. Dak.

The Corps of Engineers has indicated they had a capability of some $70,000 for planning there.

I would like to review briefly with the chairman of the subcommittee what the situation is with reference to future progress in getting this program funded and actually on line.

Mr. STENNIS. I appreciate the interest of the Senator from Nebraska. He is alert on this matter. I am familiar with it, too, because we have the problem in my State and in surrounding States.

That is a new authorization to which the Senator has referred. It was just passed this year, as the Senator said. We really did not get into any proof on these projects, except in a general way, those that are under the new authorization; $25 million was authorized for nationwide demonstration projects. That is to be spread around over the country.

The bank stabilization program, to which the Senator specifically referred, is already a going concern in his State, as he doubtless knows. There is nothing in this bill in the way of new funds, but from previous funds made available Engineers will be using at least $50,000.

Mr. HRUSKA. In that range?

Mr. STENNIS. Yes, within the range of $50,000. That will continue the work, even though it is somewhat less than their capability. They are continuing to make progress. I know that the Senator's State will benefit from the work.

Mr. HRUSKA. What would be the timetable on implementing this authorization act? Is there any possibility at all of getting into a supplemental consideration of these projects?

Mr. STENNIS. We want to have some more information and a hearing first, so we will know where we are. There is going to be a manifestation of a great deal of interest from the different areas.

Yes, it is entirely possible that we can take a complete look into this and then in a supplemental appropriation bill, we would be interested in putting in some money. We hope the facts will justify us making a request to at least make a start and get these matters going.

The project to which the Senator specifically referred is not going to stop; it will continue.

Mr. HRUSKA. It is a typical situation. I am in sympathy with the chairman's desire to proceed on a proper justification for each specific location. That is necessary, because otherwise we get into the situation, perhaps, of wasting some funds and then lacking assignment of funds for some highly necessary situations. I am glad to hear him say that we will proceed in the subcommittee to a consideration of these various projects, and as early as we possibly can relieve some of these very dire situations.

Mr. STENNIS. I thank the Senator for his interest. When the authorization committees give a general authorization, that puts the bee on the Appropriations Committee to dig into the facts. They not only have to justify them on the merits, but justify their apportionment of the money. We will get into it.

Mr. HRUSKA. I thank the Senator very much for his explanation.

Mr. STENNIS. I thank the Senator from Nebraska for his interest.

I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent that David Clanton, staff member of Senator GRIFFIN, be permitted the privilege of the floor during the debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, the bill is open to amendments. There is some expression of interest about an amendment of the Senator from Wisconsin.

Mr. President, before I proceed, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, in line 20, strike out "$1,428,760,000" and insert in lieu thereof "$1,433,960,000".

On page 3, in line 21, strike out "$317,655,000" and insert in lieu thereof "$337,705,000".

On page 5, in line 1, strike out "$61,542,000" and insert in lieu thereof "$67,847,000".

On page 5, in line 3, strike out "Bureau of Sport Fisheries and Wildlife" and insert in lieu thereof "U.S. Fish and Wildlife Service".

On page 5, in line 19, strike out "$988,533,000" and insert in lieu thereof "$984,838,000".

On page 6, in line 2, strike out "Bureau of Sport Fisheries and Wildlife" and insert in lieu thereof "U.S. Fish and Wildlife Service".

On page 6, in line 14, strike out "$150,000,000" and insert in lieu thereof "$166,618,000".

On page 7, in line 12, strike out "$440,877,000" and insert in lieu thereof "$455,877,000".

On page 8, in line 6, strike out "$300,000" and insert in lieu thereof "$1,000,000".

On page 8, in line 9, strike out "4601" and insert in lieu thereof "4601".

On page 9, in line 3, strike out "$228,000,000" and insert in lieu thereof "$229,000,000".

On page 9, in line 17, strike out "$18,536,000" and insert in lieu thereof "$19,651,000".

On page 9, in line 21, strike out "$250,000" and insert in lieu thereof "$450,000".

On page 9, in line 22, strike out "Bureau of Sport Fisheries and Wildlife" and insert in lieu thereof "U.S. Fish and Wildlife Service".

On page 10, in line 9, strike out "$261,160,000" and insert in lieu thereof "$247,490,000".

On page 11, in line 9, strike out "$24,251,000" and insert in lieu thereof "$24,771,000".

On page 11, in line 10, strike out "$22,597,000" and insert in lieu thereof "$23,117,000".

On page 12, in line 2, strike out "$60,800,000" and insert in lieu thereof "$55,400,000".

On page 12, beginning at line 6, insert the following new language:

COLORADO RIVER BASIN SALINITY CONTROL PROJECTS

For construction, operation and maintenance of projects authorized by the Act of June 24, 1974, Public Law 93–320, to remain available until expended, $27,650,000.

On page 12, at the end of line 24 after "year", insert a colon and the following new language:

Provided further, That no part of the funds appropriated herein shall be used directly or indirectly for the operation of the Newlands Reclamation project in the State of Nevada

On page 17, in line 24, strike out "Bureau of Sport Fisheries and Wildlife" and insert in lieu thereof "U.S. Fish and Wildlife Service".

On page 18, at the beginning line 11, strike out "$108,000,000" and insert in lieu thereof "$129,000,000".

On page 24, in line 16, strike out "$9,775,000" and insert in lieu thereof "$10,175,000".

On page 24, in line 20, strike out "$2,183,000" and insert in lieu thereof "$2,583,000".

Mr. STENNIS. Mr. President, I know the Senator from Wisconsin has an amendment. I understood the Senator from Florida has an amendment, and there may be others. The majority leader could not be here just now, and I do not propose to assume his role. I am going to suggest the absence of a quorum, the time to be equally charged to both sides, and request that the Chair direct the officers of the Senate to let these parties know that we are ready for their amendments.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, just as manager of the bill, let me say that we do not have anyone here who is offering any more amendments.

Mr. CASE. I may have.

Mr. STENNIS. Well, Mr. President, there is going to be a proposal now to recommit this bill to the committee to make overall reductions.

There is a prospective matter here from the Senator from New Jersey who has been very efficiently presenting these matters. There are prospective matters here.

We have to again urge that those who have amendments come and present them, otherwise we will have to call for a third reading, although we do not want to cut off anyone.

Mr. President, I yield 3 minutes to the Senator from Vermont, on another matter.

The PRESIDING OFFICER. The Senator from Vermont.

CONSUMER INTERESTS

Mr. AIKEN. Mr. President, I am very much interested in and in favor of any legislation which protects consumer interests, but I have been looking quite carefully over the bill which is now pending before the Senate, and I went back to an address given in the House on September 17, 1973, by Representative ROSENTHAL which explains, rather in detail, how this bill would affect agricultural interests.

It would permit intervention and participation in Federal agency proceedings on behalf of the consumer interests, which are very broadly defined, and these are the operations of the Department of Agriculture, which intervention would be permitted.

First, Agricultural Stabilization Conservation Service, including its county committees; second, Export Marketing Service; third, Interagency Commodity Estimates Committee; fourth, Economic Research Service; fifth, Foreign Agriculture Service; sixth, milk price proceedings; seventh, USDA livestock standardization section.

It would also permit intervention on these programs which are held to affect consumer interests:

Production of feed grain, acreage production restrictions and allotments, marketing quotas, land use programs, grain sales, import controls and export policies, price market and farm income stabilization.

This bill, as now written, would permit the consumer interests to intervene on practically every activity of the Department of Agriculture in its efforts to increase the food supply of this Nation. I think we should consider this very carefully before deciding our position on this bill.

As I say, the information which I have given you has been obtained from Representative ROSENTHAL's remarks as pertaining to agriculture printed in the September 17, 1973, CONGRESSIONAL RECORD, on page E5821 and which I ask to have included at the end of my remarks.

It would be almost disastrous for the Department of Agriculture if this should pass as now printed. We only need one Secretary of Agriculture and giving the right of intervention as provided for in this bill would almost certainly prove harmful to our trade with other countries as well as food production in the United States.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

FOOD PRICES AND AVAILABILITY

It is clear to me from constituent mail and from national opinion polls, that the cost of living in general and the cost of food in particular are the major problems facing consumers today. Because the CPA is designed to assure that government decisions are responsive to consumer needs, it might be useful to examine the process by which those decisions influence the cost and availability of food and to determine the role, if any, that consumers play in the making of these decisions. I am not speaking now about decisions of the Cost of Living Council which are generally responsive to more basic economic decisions already made; but rather, to the decisions of the Department of Agriculture and a handful of other agencies that largely pre-determine the supply and cost of food in the first instance.

Department of Agriculture decisions relating to acreage production restrictions, import controls and export policies are all central to the availability and price of food to the public; and the Agricultural Stabilization and Conservation Service (ASCS), together with the Export Marketing Service, exercise enormous influence over those decisions. While grain sales, import restrictions, set asides and the like are approved at the highest levels of government and often involve foreign policy considerations, the USDA bureaucracy does influence those decisions by the information and data it provides on land-use programs designed for voluntary production adjustment, resource protection, and price, market and farm income stabilization.

How does this intricate system develop the data that the policy-makers need to make their agriculture policy decisions and what role does the consumer play? It operates through a system of state and local agricultural committees, supervised by appointees of the Secretary of Agriculture. In each of the approximately 2900 agricultural counties across America, a County Committee of three farmer members is responsible for local administration. In communities within a county, a community committee is elected annually by farmers to assist the county chairman. About 65,000 farmers throughout the country regularly serve as county or community committeemen.

The point here is that these committees are comprised entirely of farmers and that they influence and administer important programs vital to consumers such as feed grain programs, acreage allotments, marketing quotas and long-term retirement programs. There are no consumers and no consumer representation involved in this process.

In Washington, administration decisions relating to export controls, acreage production, farm prices and the like are based on reports and studies from the Department of Agriculture's Inter-agency Commodity Estimates Committee, chaired by the Administrator of the Agricultural Stabilization and Conservation Service. The various food commodity committees which comprise the Interagency Estimates Committee have members from USDA's Export Marketing Service, Economic Research Service and the Foreign Agricultural Service. The function of this group is to make official estimates to the Secretary of Agriculture on agricultural stocks, production, price evaluations, import needs, and domestic consumption requirements.

The point I wish to make here is that this intricate apparatus—the ASCS state and local Committees and the Commodity Estimates group in Washington—provides important data input to the Secretary of Agriculture out of which emerges official policy on exports, imports, acreage production restrictions, marketing orders and the like. Most importantly, this apparatus is closed to consumers and even unknown to the public at large.

A closely related example of how consumers are shut out of the Department of Agriculture's decision-making process is that the Foreign Agriculture Service at this very moment, is actively engaged in spending tax dollars to promote the sale abroad of agricultural commodities, like soybeans and wheat, that are in short supply here.

Let us hope that there won't always be a food price emergency. But so long as meaningful consumer representation is absent from the process by which agricultural policy is established, food prices will continue to rise and food quality will continue to deteriorate.

MILK PRICE INCREASES

On September 4, 1973, the Department of Agriculture announced a major increase in the minimum price that must be paid to farmers for milk, from $5.78 to $6.38 per hundred weight. This 13% increase followed three days of milk marketing hearings in Clayton, Missouri. As a consequence of this ordered increase, milk prices are expected to rise 2¢ a quart at retail in many places across the country. It is not my purpose to argue the merits of the increase. I would like to point out, however, that of the 45 witnesses at the Department of Agriculture hearings, *none* were appearing as consumers or as representatives of consumer organizations. Milk producer associations, dairy cooperatives, state departments of agriculture, dairymen, milk processors and food manufacturers were all represented—but not consumers.

LOWERING THE QUALITY GRADE REQUIREMENTS FOR VEAL AND CALF MEAT

On November 24, 1971, in an action that can only be characterized as being akin to putting a Dior label on a ready-to-wear dress, the Department of Agriculture lowered the quality grade standard for veal and calf meat. Under the revision, meat formerly graded "choice" was upgraded to "prime," "good" was upgraded to "choice," "standard" to "good," "utility" to "standard." According to the Department's Livestock Standardization Section, the change was initiated by the Western State Meatpackers Association as a result of increases in the cost of milk, which is fed to calves.

Of the many comments received by the Department of Agriculture, prior to the proposal becoming final, only three were in opposition to a lowering of the standards—all from individual consumers. The rest were from agri-business interests. The head of USDA's Standardization Section characterized these comments, as follows: "All we can go by is what we hear from the public. And we would give more weight to someone like a meat scientist or a trade association than an individual consumer who obviously knows nothing very much about the problem."

A similar kind of disdain for the views of consumers was reflected in a September 12, 1972 decision of the Department of Agriculture to permit the use of sodium acid pyrophosphate in sausage products to speed curing. Although most of the 447 comments submitted to the Department on its proposal were from individual consumers in opposition to the plan, the Department approved use of the additive by noting that "most of the comments consisted of opinions without supportive data or information."

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1975

The Senate continued with the consideration of the bill (H.R. 15155) making appropriations for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I yield 5 minutes to the Senator from Kansas.

TOMAHAWK AND INDIAN LAKES

Mr. PEARSON. Mr. President, Indian and Tomahawk Reservoirs in Johnson County, Kans., are part of the Blue River Basin project, authorized by the Congress in 1970. When completed, the Blue River Basin project will provide needed flood control for the entire metropolitan Kansas City area.

Because these two reservoirs originally had marginal benefit-cost ratios, the Congress directed a restudy to determine whether further funding was justified. This restudy was not completed in time to incorporate these reservoirs into the regular budget process. Therefore, the President's budget request does not include funds for the advanced engineering and design phase. And although the study has been finished for some time, it was not officially approved by the Corps until recently and the Appropriations Committee did not have the benefit of this new and significant data when it considered H.R. 15155.

I am pleased to report that the Corps has now reported that the benefit-cost ratio for Tomahawk is 2.7 to 1.0 and the Indian ratio is 2/6 to 1.0.

Tomahawk and Indian Reservoirs are located in rapidly expanding suburban areas of Johnson County. The value of this land continues to climb and local authorities are anxious to push ahead with the planning on these projects. But they feel that they need some positive action by the Federal Government to discourage development in the project area. And I agree.

In considering the need for this project, the House approved the necessary funds for this planning.

I believe the current water supply situation in Johnson County should be noted for consideration in this matter.

Mr. President, a partial, voluntary water rationing program is now in effect in Johnson County. Many areas are on an even/odd system for watering lawns. For example, residents with even numbered addresses can water on even numbered days and odd numbered addresses can water on odd numbered days. And there is no watering on weekends. I want to point out that the Tomahawk Reservoir's annual benefits include $265,000 for water supply. And Johnson County needs that benefit as soon as possible.

This privilege of lawn watering might be considered somewhat of a luxury, but the area now is undergoing one of the worst droughts ever experienced in the Midwest, comparable to, I am advised, the great drought in the Midwest in the 1934–1936 time.

I hope that the managers of this bill, the distinguished Senator from Mississippi and the distinguished Senator from Oregon, who have shown such a deep understanding and appreciation of these projects which constitute capital investments in our country and in our communities, take notice of this new benefit-cost ratio report by the corps. I hope they take notice also, as I am sure they will and are compelled to do so, that this particular item is included in the House bill. Therefore with the information that we now are able to supply the committee, unfortunately having to do so here on the floor of the Senate because it was not available at the time, I am going to forgo bringing up any sort of amendment today for the reason that it is in the House bill and because the committee reports, the Corps reports, are available here.

I hope that the managers of the bill respond with some appreciation and recognition of the new information. This is a project desperately needed to proceed at this time in Kansas.

Mr. President, the Corps reports that it has a capability of $150,000 for Tomahawk and $50,000 for Indian. These reservoirs are very important to the success of the entire Blue River Basin project. I fear that no funds in the fiscal 1975 budget could eliminate one or both of these reservoirs from further consideration.

I urge the Senate to adopt this amendment and include these funds in H.R. 15155 as well.

Mr. STENNIS. Mr. President, I thank the Senator from Kansas for his remarks. There may be some other remarks about these projects by other Senators; but, Mr. President, I hasten to assure the Senator from Kansas that it was only this morning that we received this official communication about these projects having been restudied and reevaluated, and the cost-to-benefit ratio having been favorably reported and approved.

We will be glad, in conference, to consider those new facts, which are very favorable to the project.

Incidentally, I have been reading something about the distressing situation in Kansas with reference to cattle, the drought, and so on.

Mr. President, we have applied the same yardstick, so to speak, to this project as to others, and I believe it would be better, if the Senator sees fit, to leave this matter now, rather than offer an amendment; but at the same time, we will assure him that these two items are entitled to new consideration by the Senate committee, and that we will do that, in view of the new facts, and this will give us a chance to apply the yardstick in such a way as to try to treat everyone alike.

Mr. PEARSON. Mr. President, I agree with the Senator.

The letter to which I have made reference is dated August 1, 1974, addressed to the Senator from Mississippi. I wonder if he would have any objection if I incorporated that letter in the RECORD.

Mr. STENNIS. I would be glad if the Senator would do so.

Mr. PEARSON. Mr. President, I ask unanimous consent to have printed in the RECORD the letter from Maj. Gen. J. W. Morris, Director of Civil Works for the Corps of Engineers, addressed to Senator STENNIS, under date of August 1, 1974, together with attachments.

There being no objection, the letter and attachments were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
Washington, D.C., August 1, 1974.

Hon. JOHN C. STENNIS,
Chairman, Subcommittee on Public Works, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR SENATOR STENNIS: The purpose of this letter is to report a change in the status of the Indian Lake, Kansas project and furnish you information on the results of the recently completed restudy of the Indian and Tomahawk Lakes, Kansas projects.

You were previously informed, during your deliberations on the Fiscal Year 1975 Budget that the capabilities expressed for initiation of planning of the Indian Lake and Tomahawk Lake projects were subject to a favorable finding on the restudy report which was then under review in my office. I have recently completed my review of the restudy aspects of the Phase I General Design Memorandum of the Blue River Basin plan submitted by the District and Division Engineers. I have found that the Indian Lake and Tomahawk Lake projects are economically justified as units of the Basin plan and are required to provide an optimum solution to the water resource needs of the Blue River Basin. Accordingly, the Indian Lake project was reclassified from the deferred to the active category on 17 July 1974.

Fact Sheets on each project are inclosed, which provide the detailed results of the restudy.

An identical letter is being sent to the Honorable Joe L. Evins, Chairman, Subcommittee on Public Works, Committee on Appropriations, House of Representatives.

Sincerely,

J. W. MORRIS,
Major General, USA,
Director of Civil Works.

TOMAHAWK LAKE, KANS.

Authorization: Flood Control Act of 1970.

Location and Description: The proposed lake would be located on Tomahawk Creek in Johnson County, Kansas, in the communities of Leawood and Overland Park. Preliminary plans provide for construction of an earthfill dam about 80 feet high and 2,850 feet long, to create a lake with a total storage capacity of about 35,900 acre-feet for flood control, water supply, fish and wildlife, recreation, and sediment reserve.

SUMMARIZED FINANCIAL DATA

	Costs Federal	Non-Federal	Total
Previous estimate (July 1973)	$29,210,000	$3,490,000	$32,700,000
Restudy estimate (July 1973)	30,100,000	10,167,000	40,267,000
Change (increase)	890,000	6,677,000	7,567,000

Reasons for Changes: Project costs increased $7,567,000 due primarily to increased relocation requirements not previously contemplated (+$6,575,000); upgrading of the planned recreation development ($1,530,000); acquisition of additional 295 acres for recreational development (+$2,400,000); and reanalysis of requirements for Engineering and Design and Supervision and Administration (+1,327,000). These cost increases were partialy offset by a decrease in land acquisition of 550 acres (−$3,980,000) required for other project purposes, and a net decrease of $285,000 in other project features. The Federal share of ultimate project costs increased $890,000 due to these changes and required Non-Federal reimbursements increased $3,883,000 due to the addition of water supply and $2,794,000 due to increased recreational development.

	Benefits	
	Previous estimate (July 1973)	Restudy estimate (July 1973)
Flood control	$1,495,600	$6,285,000
Water quality	254,000	0
Water supply	0	265,000
Recreation	384,000	1,080,000
Fish and wildlife	96,000	120,000
Total	2,229,600	7,750,000
Benefit-cost ratio	0.94	2.7

Reasons for Changes: Increased flood control benefits resulted from development in the flood plain which occurred at a much more rapid rate than anticipated in the survey report, and application of current methods of estimating future development. Previous flood control benefits were based on application of price level increases to damage estimates developed in surveys of the Blue River Basin conducted in 1961. Water Quality was deleted based on an EPA determination that this storage was not needed. Water Supply was added as a project purpose to satisfy the needs expressed by local interests. Increases in recreation and fish and wildlife benefits resulted from added recreation facilities, increased visitation and a reanalysis of recreation and fish and wildlife values.

Restudy Findings: Due to marginal economic justification, a restudy was initiated with funds appropriated in FY 1973. The scope of the restudy was subsequently increased to include plan formulation studies of Phase I, General Design Memorandum (GDM) scope of the Blue River Basin plan due to the need to examine the relationship of this project with other Blue River Basin projects. Advance Engineering and Design studies were underway for the Blue River Channel, Kansas City, Missouri, and the Wolf-Coffee Lake, Kansas projects. The Phase I, GDM was completed by the District Engineer and submitted to the Office of the Chief of Engineers in April 1974. Review of the Phase I, GDM disclosed that the restudy aspects of the Phase I, GDM were satisfactory to serve as a basis for further planning of the Tomahawk Lake project. The investigation reaffirmed the need for flood protection in urban areas of the Blue River and Indian Creek flood plains. The need for Water Supply was also established. The restudy indicates a favorable project benefit-to-cost ratio of 2.7 to 1.

Local Cooperation: Local interests will be required to share in the cost of providing recreation developments in accordance with Public Law 89-72. Johnson County, Kansas, passed a resolution of intent to sponsor recreational development in January 1973. The County Commissioners, Johnson County, Kansas, indicated in a letter dated 21 February 1974, that they found the provisions of the draft contract to be satisfactory. It is anticipated that the recreation cost sharing contract will be consummated in FY 1975. Water District No. 1 of Johnson County, Kansas, has indicated that it wishes to sponsor the water supply storage within Tomahawk Lake. The sponsor has been furnished a draft contract for its review. The sponsor has indicated the storage would be for future water supply, therefore, a contract is not required prior to the initiation of construction.

Status of Environmental Impact Statement: The Environmental Impact Statement for the Blue River Basin, Kansas and Missouri, was filed with CEQ on 13 November 1970. An updated draft statement on the Blue River Basin plan was filed with CEQ on 8 April 1974. The final statement is scheduled for submission to CEQ in the first quarter of FY 1975.

INDIAN LAKE, KANS.

Authorization: Flood Control Act of 1970.

Location and Description: The proposed damsite is located on Indian Creek in Johnson County, Kansas, about 14 miles above the confluence of Indian Creek with the Blue River. Preliminary plans provide for construction of an earthfill dam about 80 feet high and 4,800 feet long to create a lake with a total storage capacity of 22,900 acre-feet for flood control, fish and wildlife, recreation, and sediment reserve.

SUMMARIZED FINANCIAL DATA

	Costs		
	Federal	Non-Federal	Total
Previous estimate (July 1971)	$22,065,000	$1,735,000	$23,800,000
Restudy estimate (July 1973)	30,779,000	4,923,000	35,702,000
Change (increase)	8,714,000	3,188,000	11,902,000

Reasons for Changes: Project costs increased $11,902,000 due primarily to price level advances ($4,110,000); the additional acquisition of 430 acres for specific recreation development ($2,880,000); increased relocation requirements not previously anticipated ($3,580,000); refinement of unit costs in the main dam feature ($705,000); upgrading of the planned recreation development ($1,410,000); reanalysis of requirements for Engineering and Design and Supervision and Administration ($1,087,000) and a net increase of $130,000 in other features. These cost increases were partially offset by a decrease in land acquisition of 295 acres ($2,000,000) required for other project purposes. The Federal share of ultimate project costs increased $8,714,000 due to these changes and required Non-Federal reimbursements increased $3,188,000 due to increased recreational development.

	Benefits	
	Previous estimate (July 1971)	Restudy estimate (July 1973)
Flood control	$961,800	$5,597,000
Water quality	132,000	0
Recreation	255,500	720,000
Fish and wildlife	64,500	80,000
Total	1,413,800	6,397,000
Benefit-cost ratio	0.86	2.6

Reasons for Changes: Increased flood control benefits resulted from development in the flood plain which occurred at a much more rapid rate than anticipated in the survey report, updating for price level increases, and application of current methods of estimating future development. Previous flood control benefits were based on application of price level increases to damage estimates developed in surveys of the Blue River Basin conducted in 1961. Water Quality was deleted based on an EPA determination that this storage was not needed. Increases in recreation and fish and wildlife benefits resulted from added recreation facilities, increased visitation and a reanalysis of recreation and fish and wildlife values.

Restudy Findings: A restudy to determine whether an economically justified and locally supported plan of authorized scope could be developed was initiated with funds appropriated in FY 1973. The scope of the restudy was subsequently increased to include plan formulation studies of Phase I, General Design Memorandum scope of the Blue River Basin plan due to the need to examine the relationship of this project with other Blue River Basin projects. Advance Engineering and Design studies were underway for the Blue River Channel, Kansas City, Missouri, and the Wolf Creek Lake, Kansas projects. The Phase I, GDM was completed by the District Engineer and submitted to the Office of the Chief of Engineers in April 1974. Review of the Phase I, GDM disclosed that the restudy aspects of the Phase I, GDM were satisfactory to serve as a basis for further planning of the Indian Lake project. Accordingly, the project was reclassified from the Deferred to the Active category on 17 July 1974. The investigation reaffirmed the need for flood protection in urban areas of the Blue River and Indian Creek flood plains cost ratio of 2.6 to 1.

Local Cooperation: Local interests will be required to share in the cost of providing recreation developments in accordance with and indicates a favorable project benefit-to-P.L. 89-72. Johnson County, Kansas, passed a resolution of intent to sponsor recreational development and to meet the requirements of local cooperation in January 1973. The County Commissioners, Johnson County, Kansas, indicated in a letter dated 21 February 1974 that they found the provisions of the draft contract to be satisfactory. It is anticipated that the recreation cost sharing contract will be consummated in FY 1975.

Status of Environmental Impact Statement: The Environmental Impact Statement for the Blue River Basin, Kansas and Missouri, was filed with CEQ on 13 November 1970. An updated draft statement on the Blue River Basin plan was filed with CEQ on 8 April 1974. The final statement is scheduled for submission to CEQ in the first quarter of FY 1975.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. PEARSON. I do not have the time.

Mr. STENNIS. Mr. President, I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, I associate

myself with the remarks of my senior colleague.

The House of Representatives appropriated $200,000 for the initial planning of Indian Creek and Tomahawk Reservoirs in Johnson County, Kansas. This appropriation was included in the bill passed by the House but was deleted by the Senate subcommittee. The reason for the deletion was that a report on the restudy of the two projects requested by Congress several years ago had not yet been made available to the committee when they considered the bill.

Upon investigation of this matter, I learned that the restudy of the projects, or at least the portions of the restudy needed by the committee to make its decision on the appropriation of planning moneys, had been completed by the Corps of Engineers but had not yet been transmitted to the Appropriations Committee prior to the time they reported the bill now under consideration.

With able assistance and cooperation from the office of the Corps of Engineers, I obtained just this morning a copy of the information obtained by the corps from the restudy of Tomahawk and Indian Creek Reservoirs. This information has been made available to committee members and committee staff for their review and consideration.

The restudy produced two pieces of information which merit serious consideration by the Senate and which I feel justify inclusion of planning funds in the 1975 appropriation bill for these projects. First of all, the restudy indicates that both projects have a high cost-benefit ratio. In other words the benefits to be obtained from each project in terms of water supply availability, flood protection, potential recreational use, and wildlife preservation, far exceed the dollar cost of the project. For the Indian Creek project the benefits are projected to exceed costs 2.6 times. The Tomahawk Reservoir project has a 2.7 to 1 benefit to cost ratio.

In the past, the cost-benefit ratio has created problems for the project. However during the restudy, the inventory of the property in the flood plain subject to flood damage was updated using 1972 rather than 1961 figures. Use of these newer figures plus an actual inventory of the newly developed property in the flood planning raised the cost-benefit ratio substantially so that it now no longer presents a problem.

Second, the restudy took into account a recent reevaluation of the overall plan for water conservation and flood control in the Blue River Basin. The results of the reevaluation indicate that the proposed Indian Creek and Tomahawk Reservoirs are an integral part of the plan and are in accord with the general design of the program and the needs of the area.

I cannot deny that these projects are controversial and that opponents as well as proponents have presented study and convincing arguments both for and against their construction. Disagreement is inevitable in any project of this magnitude which is to be located in close proximity to an active and developing metropolitan area. But the real tragedy of the projects has been the lack of a final decision either for or against their construction.

The years of delay before a final commitment is made either to construct or definitely not to, have imposed extreme hardship on many landowners in the area and has nearly halted growth and development in South Johnson County. Until planning money is available, no detailed plans for the projects will be developed. Until detailed plans for the projects are available, waste treatment facilities for the area cannot be built. Until waste treatment facilities are built, sewer and water development in the area is impossible. And without sewer and water facilities, residential, and commercial development in the area of the proposed dam sites is probably the only factor other than an outright negative decision on the issue of construction which will put the issue behind us. No decision can be made unless planning funds are made available.

An appropriation of planning funds would force a decision on the reservoirs. They will either stand on their merits or they will be rejected due to their shortcomings. Whatever the decision, once it is made the development of Johnson County will be able to continue in a planned and organized fashion. Property owners in the area who want to sell can sell. Prospective owners in the area who want to purchase land there will be able to buy and know how their property fits into the overall development plan. In reference to the importance of making a decision now on these two projects, I would like to quote from a letter from Commissioner John Franke, Chairman of the Board of County Commissioners for Johnson County:

> The two proposed sites are adjacent to, and surrounded by, urbanized areas which are ready to be developed. At least one of these sites (Tomahawk) contains over 50% of an area that is ready now for sewer, utilities, and road developments. If this site is to be preserved, the commitment as represented by the funding allocations is most critical and should not be deleted from the appropriation bill.
>
> Our board is charged not only with the preservation of our resources but with the protection of the rights of property owners and of the individual. To be totally fair to these people on both sides of the issue, a program of progress should be incorporated which includes a commitment from Congress and the Corps of Engineers so additional months are not spent in "marking time" and building further volumes of red tape in order to diffuse and confuse our citizens.
>
> To sum up, the projects do have local support; the projects have received a very favorable benefits to cost ratio by the Corps of Engineers study; the sites are in a rapidly changing, urbanized area which is fast approaching development; and unless such a funding commitment is made now, the changing status of the area and the uncertainty will be detrimental to both resources preservation and to the rights of the property owners and individuals within the site areas.

Mr. President, the planning funds are needed this year, they can be used this year, and the benefit-cost ratio and Blue River Valley plan report indicate this initial investment is a wise and productive expenditure which is part of an overall flood control and water conservation program for the area. But most importantly, the planning funds are needed to get the matter off dead center—to force a decision one way or the other so that property owners in the area know what to expect and the growth and development of southern Johnson County can proceed in an orderly manner.

I regret that I missed some of the earlier debate, but I wish also to concur in the remarks of the Senator from Kansas. As pointed out by my senior colleague, just this morning we were able to obtain from the Corps of Engineers some information as to the restudy and the increase in the cost-to-benefit ratio, which I hope will be considered by the committee and by the conference.

Mr. STENNIS. Mr. President, I definitely assure the Senator from Kansas that there will be further consideration. As I said, we just wanted to see that we applied our guidelines uniformly. I appreciate very much the remarks of the Senator from Kansas.

Mr. President, the bill is still open to amendment, is is not?

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> At an appropriate place in the bill insert a new section as follows:
>
> SEC. . Outlays for the Military Programs of the Atomic Energy Commission shall not exceed $1,478,000,000.

Mr. PROXMIRE. Mr. President, I have distributed copies of this amendment to the desks of all Senators. The amendment would place a ceiling of $1.478 billion on outlays for military programs of the Atomic Energy Commission. The bill provides total outlays for those programs of $1.532 billion.

I believe it would surprise many Members of the Senate—I have talked to some who tell me that they are surprised—that there are appropriations for military weapons in the Public Works-AEC bill. Of course, the members of the committee knew that very well, the members of the subcommittee particularly, but this is something that I think would surprise the other Members of the Senate, and would certainly surprise the public.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes. Mr. President, I understand that the Senator from Rhode Island wants to be here when I start to speak, and he will oppose my amendment. For that reason, I suggest the absence of a quorum.

Mr. STENNIS. Mr. President, will the Senator withhold that?

Mr. PROXMIRE. I withdraw it.

Mr. STENNIS. I thank the Senator. The Senator from Rhode Island has been here in the Chamber, and left with the understanding that we would notify him of this matter.

Mr. PROXMIRE. Very well. Meanwhile, Mr. President, the Senator from Kentucky has something he says will only take a minute or two; perhaps he can go ahead with that.

Mr. COOK. Mr. President, will the Senator yield?

Mr. PROXMIRE. Let me put a quorum call in first, and then I will take it off immediately, so that the Senator from Rhode Island will be notified.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield the floor so that the Senator from Mississippi may yield to the Senator from Kentucky.

Mr. COOK. Will the Senator from Wisconsin yield to me first?

Mr. PROXMIRE. I did not want to yield time from the time on my amendment; that is all.

Mr. STENNIS. On my time, Mr. President, I yield to the Senator from Kentucky.

Mr. COOK. The reason I addressed the Senator from Wisconsin is that I do not wish to mislead him; I do have an amendment which I think we can dispose of, but I did not want to mislead the Senator, because I have some remarks to make. But I do have an amendment, and if he has no objection I would like to call up that amendment now.

Mr. STENNIS. Mr. President, I think, in deference to the Senator from Wisconsin, we ought not to take up another amendment. I was just trying to accommodate another Senator, but if we get off on still another amendment, it may delay his matter. Since the Senator from Rhode Island (Mr. Pastore), as I understand, is on his way to the Chamber, I think it would be better not to do that. I thought the Senator from Kentucky wanted to engage in a colloquy.

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, the Senator from Wisconsin has come in and I thank him for yielding. That time for the quorum call was equally divided, as I understand.

Mr. PROXMIRE. I understood that the time would not be taken out of either side on this amendment.

The PRESIDING OFFICER. It would not be taken out.

Mr. PROXMIRE. Mr. President, I see the distinguished Senator from Rhode Island (Mr. Pastore), the chairman of the Joint Committee on Atomic Energy, has arrived, and I will proceed.

This amendment would place a ceiling on all atomic energy military programs of $1.478 billion in place of the current outlay project of $1.532 billion. This would be a 3½ percent reduction or a $54 million cut in the military programs of the Atomic Energy Commission.

This would still permit an increase of $46 million in outlays over fiscal year 1974 of $1.432 billion. It would bring spending for weapons that are not in the defense appropriation bill that we will be considering later in line with the action of the House Defense Appropriations Subcommittee yesterday when they made a 3½ percent cut in everything else—and, of course, they did not have this before them—and would bring this military spending in line with that.

This amendment is drafted to place a ceiling on outlays for the strongest economic reasons. This is on outlays, not on obligational authority. I do not cut into the obligational authority of atomic energy weapons at all, simply outlays for strong economic reasons.

To limit or reduce budget authority does not mean any corresponding reduction in actual expenditures. The inflation is now, it is not 2 or 3 years from now. If we are going to have an impact on inflation through cutting Federal spending, we have to cut the outlays for this year, and that is what this amendment would do.

Since new appropriations are spent over a period of years, current year outlays may not be affected by congressional reductions in any specific program if they are tied to budget authority.

If we want to reduce spending this year, only a ceiling on outlays will do that. This is the same principle that the Senate has accepted twice on the overall Federal budget outlay level of $295 billion. And the Senate voted that outlay ceiling overwhelmingly by 74–12.

Now why have I picked the Public Works budget in an attempt to place a spending ceiling?

Mr. President I have singled out the Public Works budget because contained within that overall appropriations bill is about $1.5 billion in spending for defense programs.

Every year the Defense Department makes a request for a budget designed to meet defense requirements. And every year we have a debate on that budget on the assumption that contained therein is what the Nation spends for defense.

Mr. President that debate is a facade. The Defense budget does not reflect the total amount spent for defense in any 1 year.

THE AEC MILITARY BUDGET

This bill before us proves that. Under the aegis of the Atomic Energy Commission, an additional $1.5 billion will be spent in fiscal year 1975 for military programs.

Now how do I arrive at the $1.5 billion figure.

First, the operating budget of AEC contains a number of military accounts.

A weapons account shows $875,230,000 for the production research, development, and testing of nuclear weapons. Particular items range from the construction of Trident warhead facilities to the completion of the Sprint, Spartan and Poseidon deliveries.

If anything can be said to be military spending it is right here.

There is $44 million for laser induced nuclear fusion. Several new nuclear weapons are under study including a bomb which can be delivered by aircraft at supersonic speeds, a new 8-inch artillery shell, a nuclear weapon for the Navy's standard missile and of course the new warhead for the Minuteman III ICBM.

The naval reactor program comes in at an outlay level of $167 million. It provides for the design and development of improved nuclear propulsion plants and reactor cores for use on naval vessels.

Tucked away in the budget in other accounts is additional defense related funding. The nuclear materials account contains about $204 million for defense work. The space and nuclear systems account has a small portion dedicated to military research. The biomedical/environmental research and safety line item contains $13 million for waste disposal. The program support account has $10 million for security investigations.

Under the plant and capital equipment title there is about $90 million for capital equipment and $183 million for plant that is related to military activities.

Thus, Mr. President, within this Atomic Energy Commission budget is about $1.5 billion for national defense or 42 percent of the entire AEC request.

TOTAL MILITARY FUNDING

This is on top of the total Department of Defense Budget.

I would remind my colleagues that the story does not stop here. Totally outside of the Defense budget, as in this case with the AEC appropriations, are a number of other items.

The military assistance program is requested at a level of $985 million.

Military credit sales are listed at $555 million.

The Indochina post war reconstruction request is $939 million, much of which goes to support the military capability of South Vietnam.

Title I of the Public Law 480 has been abused by recipient countries under the guise of concessional sales. In fact these sales totalling $425 million this year were used by the administration to compensate for congressional mandated cuts in various assistance programs abroad.

When we cut aid to Vietnam and Cambodia, Public Law 480 sales were increased to make up the reduction and thus allow the recipient country to release more of its own funds for military purposes.

In the foreign aid bill is $385.5 million for security supporting assistance—military aid outside the military budget.

We should also include the full costs of operating the Veterans' Administration at $13.9 billion. The costs of our prior wars are no less a defense related obligation that any other direct personnel program.

Likewise NASA and many other government agencies have joint Department of Defense projects with military implications.

The Space Shuttle alone will be used by the Department of Defense at least 29 percent of its useful life and yet DOD will not have to pay one penny for the $5 billion research and development costs of this vehicle. They get a free ride but the taxpayers know where the money is coming from.

Mr. President if one added up the various defense related figures being requested in this year's Federal budget the total would come to over $121 billion: $92.6 billion requested for the DOD budget, $6.2 billion for a supplemental, $1.5 billion in the Atomic Energy Commission, $1 billion for military assistance programs, $555 million for military credit sales, nearly $1 billion for Indochina post war reconstruction, $425 million for Public Law 480 funds, $385.5 million for security supporting assistance, an estimated $750 million for central intelligence, $13.9 billion for the Veterans' Administration, and untold additional billions for interest on the national debt related to the inflationary financing of the Vietnam war and the cost of past wars. Military construction is $2.14 billion in budget authority.

That is always in a separate budget.

Mr. President I do not think that American people know that there are defense funds in the AEC budget, in the agriculture bill, in the foreign aid bill, in the National Aeronautics and Space Administration budget, in the budget of the intelligence community. The true costs of defense are staggering and must be subject to much greater scrutiny by Congress.

Of all the defense related bills that come before Congress, the bill before us provides the least amount of useful information with regard to military activities.

I recognize that atomic energy matters are closely held and are highly classified. But so are many projects in the Department of Defense.

The Joint Committee on Atomic Energy and the Public Works Appropriations Subcommittee have great expertise in this field. They have a fine staff. But it is impossible to make a judgment about the relative priorities of this long list of military programs when they are not in competition with one another.

PRIORITIES

By placing military appropriations here and there in various bills, we have no idea if the Space Shuttle has a high or low priority for the Department of Defense when compared to the Trident submarine. Maybe if the Shuttle were in the Defense budget it would not even get funded. Such has been suggested to my appropriations subcommittee on HUD-Space Science by competent witnesses.

What about the AEC appropriations? Would they stand the competition with other defense programs? Would security assistance be judged more important than the laser fusion project? Would military assistance to Vietnam under military assistance service funded be ranked higher than the B-1 bomber?

We have no way of knowing because these projects need not stand the test of competing for limited dollars. By funding defense programs throughout the Federal budget, they are isolated from the normal give and take so necessary for efficient allocation of the Nation's scarce resources.

That is why I have offered this amendment to place a ceiling on AEC military programs at 3½ percent under the projected fiscal year 1975 levels. It is a modest ceiling, one designed to encourage us to live within the overall ceiling this body has approved on two occasions.

In fiscal year 1975 AEC weapons budget, laser fusion and advanced isotope separation is up 53.9 percent over last year. The weapons account is up 2.5 percent. The nuclear weapons materials production is up 10.7 percent and the naval reactor development programs is up 4.7 percent. The entire AEC military program is up 7 percent.

Surely a 3½-percent reduction would be in order.

The subcommittee did not make a cut below the budget in obligational authority. They made virtually no cut whatsoever in outlays. They made a cut of about $1.7 million. My cut is $54 million. My cut brings the weapons in this budget in line with what the House Appropriations Committee has done. We may make deeper cuts than that. Maybe we will reject what the House Appropriations Committee has done, but we have not, in the past, to any considerable extent, and I am not going to do it now.

Mr. President, it seems to me that this is a modest, limited, practical accommodation to the fact that we do not have an opportunity to consider this part of the Defense budget, these military weapons, these directly military-related costs in the defense appropriations measure when it comes before us.

For that reason, Mr. President, I hope Senators take this opportunity to vote in favor of what is a limited, modest cut.

As a matter of fact, the New York Times reported this morning, in an article by John Finney, who is highly respected in this area, that the 3.5 percent cut in the military appropriation is considered more as a symbolic action by the House Defense Appropriations Subcommittee. A 3.5-percent cut, although it is an enormous amount of money, is not a cut that will significantly damage the military. I point out that my cut, because it does not reduce obligational authority, does not—will not in the long run—reduce our ability to produce these weapons, which I am convinced we do have to have as a deterrent. But it will make an effort, as I say, to accommodate this situation and to bring weapons spending in line with the action taken by the House, the likely action that the Congress is going to take, and this is the last opportunity we will have to do that with respect to this program.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, how much time remains for the opponents of this amendment, please?

The PRESIDING OFFICER. Fourteen minutes for the opponents.

Mr. STENNIS. Under the agreement, who handles that time, Mr. President?

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I know the Senator from Rhode Island would like to have some time.

Mr. PASTORE. Yes.

Mr. STENNIS. Mr. President, I am opposed to the amendment. In great deference to the Senator from Wisconsin, most of his argument is an objection to the way that these appropriations are handled, rather than to the amount.

Mr. PROXMIRE. Will the Senator yield very briefly?

Mr. STENNIS. Yes.

Mr. PROXMIRE. While there are Senators in the Chamber, so that Senators can be notified, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. STENNIS. My reply will be brief. I call attention to the fact that we did go through these items very carefully. It is true that a large sum is for nuclear weapons. We went through those items and examined them. I get some of this information on the Committee on Armed Services; I get some it through the Committee on Appropriations. I want to be totally frank about it: I do not think there are nearly as many good, solid reasons why this should not be put in the military budget as there were years ago. I am not just constitutionally opposed to putting it all in the military budget, and perhaps sometime, we can work out a plan along that line. But on the floor of the Senate, in an open session, is certainly not the place, I respectfully say, to do it. It just cannot be adequately handled here.

We are making a review, the Committee on Armed Services is making a review of this weaponry as to the amount, the time, the whereabouts, the cost, and the capacity. I asked the Chairman of the Atomic Energy Commission and her staff to give me a special briefing on this matter before we marked this bill up, so I can assure the Senator that it is having attention and, really by the same people, to a degree, as it would be if it were in the regular military.

Mr. HATFIELD. Will the Senator yield?

Mr. STENNIS. I yield.

The PRESIDING OFFICER (Mr. NUNN). The Senator from Oregon is recognized.

Mr. HATFIELD. I only want to underline what the Senator from Mississippi has said on the subcommittee's careful investigation. I have great concern about the military expenditures not being put in one place, so we know how much the Government is really spending. I would like to associate myself with the Senator in looking at it, reviewing the possibility of consolidating as many single budget items into a single military budget so that we will know how much we have of composite spending.

Mr. STENNIS. If the Senator will yield, but not here on the floor of the Senate, in this bill.

Mr. HATFIELD. Exactly. This is not the place to do it, but in committee work, which I think can be undertaken very shortly.

Mr. STENNIS. Mr. President, I yield my remaining time except 2 minutes to the Senator from Rhode Island.

I appreciate his being here.

Mr. PASTORE. Mr. President, let me say at the outset that I have no objection to the military budget program which is now under the jurisdiction of the AEC and under the Joint Committee on AEC of the Congress eventually being put in the Armed Services Committee. But we have to look at the historical truth of why we have come down this road.

When the bomb on Hiroshima was dropped in August of 1945 and, 3 days later, on Nagasaki, this Congress rose up and said that this tremendous power should be placed in the hands of civilian authorities and not in the hands of the military. That is the reason why it was done.

Maybe through the evolution of time, through our desire to cut down these budgets, through our own desire to reorganize the whole system of governmental structure, it might be advisable to put it under the military completely, and I have no objection to that. But addressing myself particularly to this particular amendment, Mr. President, I yearn for the day when every bomb that is in existence in the world can be dropped to the bottom of the sea and then the madness that now confronts mankind will dissipate like the mist in the morning sun.

But unfortunately, we are not living in that kind of a world. Today the Russians are spending two, three, four times more money for research and development in dollars than we are in the United States of America. And the race is on.

I do not want that race. No American wants that race. No American wants to spend 1 penny more for a bomb than he has to.

But we are not here to make choices today. We are here to look at realities. It is not so much what we hope for and what we want. The big question here today, Mr. President—if you want to stay free—if you want to guarantee the security of generations of Americans to come, then the question is, What must you do? What must you do?

I would like to see this budget cut in half, if we could do it. What happens the minute you cut it by $54 million? We are going to lay off over a thousand people? We are going to break up the organization? You are going to stop production in areas where we have to produce? Where does this budget come from? Does this budget come from thin air?

No, this is the requirement between the National Security Council and the Joint Chiefs of Staff; analyzed by the OMB; submitted by the President of the United States; analyzed by the Joint Committee on Atomic Energy; scrutinized in the subcommittee and the full committee of the Appropriations Committee. And this is the problem.

We have cut the budget by $32 million below the budget estimates of the administration. Now you come along and you want to cut it another $54 million. The big question is what do you do to the security of the country? What of this scientist, this research gentleman or woman, who is making sure that we keep abreast in this very, very sensitive world?

We had the Secretary of State come before our Appropriations Committee just the other day, and he told us that the Middle East is still a tinderbox, Cyprus has not been decided, and we are still involved in South Vietnam—the tragedy of this generation and the century.

So here we are. Here we are in an almost impossible situation. I look forward to the day when this budget committee legislation, which passed by the Congress only a short while ago and signed into law by the President only 2 weeks ago, will begin to function; that those on the budget committee will not come before the Appropriations Committee and ask for increases in funding, as others have.

They do it. I hav a request right now to increase one of the items on my budget by $360 million over and above the estimate. By whom? By an individual who was elected to be on the budget committee.

This is their challenge—this is their challenge. I want those Senators to stop asking to increase the budget for their own States and be fair with everybody else. That is the question here. Let us not be so parochial that we want everybody else to make the sacrifice excepting us. "Everything that we want for our State is lily white pure, but what you want is tainted with extravagance and with inflation."

That has to stop. That has to stop. That has to stop.

So I say to my friend, this is not the time and the place. This has been scrutinized, and scrutinized carefully. We are below the budget estimate. If you do this, there is only one thing that you accomplish. You hurt—you hurt—the security of the country, and I am against that.

I want to thank the Senator from Mississippi.

Mr. STENNIS. Does the Senator want more time?

Mr. PASTORE. I do not need any more time. I have said it.

Mr. STENNIS. What remaining time does the opposition to the amendment have?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. STENNIS. Mr. President, anything that I would say would be largely repetitious. Some Senators have come in, though, and I want to assure them that these items are not taken for granted. If they ever were, they are certainly not now, or any time that I know of. We went through and combed this thing very carefully.

We had the Chairman of the Atomic Energy Commission come in, with her staff, and examined the major items of this matter. We made these reductions. I hope the Senate will see fit to adopt the figures that we are recommending.

I hope there will be evolved in logical processes the transfer of this over to the regular military budget. The Armed Services Committee is sending back to the Foreign Relations Committee all this military aid to South Vietnam, and glad to get rid of it, too. But, I do think this one fits in.

I yield the floor.

Mr. PROXMIRE. Mr. President, in the first place, I want to make it clear this amendment does not in any way put the weapons back into the Defense budget. I think they should be there, but this amendment does not affect that in any way, shape, or form.

I want to commend the Senator from Mississippi on his statement that he thinks there ought to be some way of providing responsibility for the Defense Department. What I would suggest is because of the great expertise by the Atomic Energy Committee—and I think it has great expertise—that you provide for a reimbursability. In other words, to the extent that this is a cost to the Atomic Energy Commission, it should be reimbursed by the Defense Department. Then the Defense Department would have a direct and expressed interest in this particular expenditure and would require that it meet their priorities. They would put in their critical view.

They have a limited amount to spend. They know they are going to be held down by the President, the Office of Management and Budget, and the Congress. They can put it in perspective. We do not do it now. I hope we can do it in the future.

All this amendment does is provide for a 3.5-percent reduction. The Senator from Rhode Island made the appeal of why do we not all sacrifice, why do we not make sacrifices for our State.

It was a very good, logical pitch. I would like to make a suggestion that we apply that to the Atomic Energy Committee as far as spending for atomic arms is concerned. Why do not they bear their share?

The fact is that in terms of outlay, they have a cut of exactly one-tenth of 1 percent below the budget estimate—not obligational authority, but outlay—$1.7 million in a $1.5 billion appropriation. So by my 3.5-percent cut, I am bringing this into line with the kind of sacrifice the rest of the military is going to have to make.

Mr. President, I think this a modest amendment, a realistic amendment. Although I recognize there is very formidable opposition to it, I hope Senators can see their way clear to support it.

If the Senator from Mississippi will yield his remaining time, I will yield back my remaining time.

Mr. STENNIS. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin. Yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. FULBRIGHT) is absent because of illness in the family.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Tennessee (Mr. BROCK), the Senator from Hawaii (Mr.

Fong), the Senator from Maryland (Mr. Mathias), and the Senator from Idaho (Mr. McClure) are necessarily absent.

The result was announced—yeas 47, nays 47, as follows:

[No. 343 Leg.]

YEAS—47

Abourezk
Bayh
Beall
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Church
Clark
Cranston
Dole
Eagleton
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Javits
Kennedy
Long
Mansfield
McGovern
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevenson
Symington
Tunney
Williams

NAYS—47

Aiken
Allen
Bartlett
Bellmon
Bennett
Bentsen
Bible
Buckley
Byrd, Robert C.
Cannon
Cook
Cotton
Curtis
Domenici
Dominick
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Jackson
Johnston
Magnuson
McClellan
McGee
McIntyre
Montoya
Pastore
Pearson
Pell
Percy
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—6

Baker
Brock
Fong
Fulbright
Mathias
McClure

So Mr. Proxmire's amendment was rejected.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

URBAN TRANSPORTATION POLICIES AND ACTIVITIES—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Allen) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

The promotion of desirable community development and flexibility in urban transportation policies are principal goals of this Administration.

It is clear that in order to promote the orderly development of urban areas according to local priorities, our efforts should be focused on measures which better integrate and coordinate all modes of transportation in urban areas with other physical and social programs. Moreover, State and local governments should be given greater participation in major decisions in the use of Federal programs affecting community development.

I am pleased to submit to the Congress this report which summarizes the many ways in which the executive branch of the Federal Government is working to effect significant improvements toward that end.

The report was prepared jointly by the Departments of Transportation and of Housing and Urban Development as required by section 4(g) of the Department of Transportation Act of 1966. In particular, it documents the cooperative efforts on legislative proposals, policies and activities that are being taken by this Administration to assure that urban transportation systems most effectively serve both national transportation needs and the development policies of individual urban areas.

I commend this report to the attention of the Congress.

Richard Nixon.

The White House, *August 1, 1974.*

WORLD WEATHER PROGRAM PLAN FOR FISCAL YEAR 1975—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Allen) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

A well-known maxim says, "Everybody talks about the weather, but nobody does anything about it."

That maxim is no longer valid. We are confident that the knowledge of weather we are gaining through studies and experiments carried out under the World Weather Program will give man the understanding, tools and techniques necessary to cope with his atmosphere.

We are continuing to make substantial progress in furthering the goals of this program. These goals are:

—To extend the time, range and scope of weather predictions;

—To assess the impact of atmospheric pollution on environmental quality;

—To study the feasibility and the consequences of weather modification;

—To encourage international cooperation in meeting the meteorological needs of all nations.

The United States will soon begin continuous viewing of storms over much of the earth's surface through the use of two geostationary satellites. These satellites will also relay information from remote observing stations, thereby strengthening our ability to warn of potential natural disasters.

In cooperation with other nations, we expect soon to make five such satellites operational.

Immediate gains in weather predicting are also being made through increased computer power. This increased computer use will also in time produce long-term gains in both immediate and extended range prediction of global weather conditions and in the assessment of the impact of man's activities upon climate and weather.

During June through September this year a major international experiment will be conducted in the tropical Atlantic. This experiment is expected to provide new information on the origin of tropical storms and hurricanes, and the effects of these storms on global circulation.

In accordance with Senate Concurrent Resolution 67 of the 90th Congress, I am pleased to transmit this annual report describing the current and planned activities of Federal agencies participating in the World Weather Program.

Richard Nixon.

The White House, *August 1, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House agrees to the Senate amendment to House amendments to the bill (S. 2665) to provide for increased participation by the United States in the International Development Association.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes.

The message further announced that, pursuant to the provisions of section 1, Public Law 689, Eighty-fourth Congress, as amended, Mr. Hays, Mr. Rodino, Mr. Clark, Mr. Brooks, Mr. Phillip Burton, Mr. Arends, Mr. Devine, Mr. Frelinghuysen, and Mr. Gubser were appointed as members of the U.S. Group of the North Atlantic Assembly.

The message also announced that the House passed the bill (H.R. 15842) to increase compensation for District of Columbia policemen, firemen, and teachers; to increase annuities payable to retired teachers in the District of Columbia; to establish an equitable tax on real property in the District of Columbia; to provide for additional revenue for the District of Columbia; and for other purposes, in which it requests the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 15842) to increase compensation for District of Columbia policemen, firemen, and teachers; to increase annuities payable to retired teachers in the District of Columbia; to establish an equitable tax on real property in the District of Columbia; to provide for additional revenue for the District of Columbia; and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1975

The Senate continued with the consideration of the bill (H.R. 15155) making appropriations for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

Mr. STENNIS. Mr. President, the Senator from New Jersey (Mr. Case) has a matter here that he had before the committee and he strongly requests a few minutes for a conference here with the floor managership of the bill.

For that purpose, I suggest the absence of a quorum for not over 5 minutes.

The PRESIDING OFFICER. On whose time?

Mr. STENNIS. On my time.

Mr. CASE. Mr. President, I ask it be taken out of neither side.

The PRESIDING OFFICER. Is there objection?

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Biden). Without objection, it is so ordered.

Mr. STENNIS. Mr. President, may we have order? This is a highly important matter.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New Jersey is recognized.

Mr. CASE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> On page 5, line 19, strike out "$984,838,000" and insert in lieu thereof "$986,338,000".

Mr. CASE. Mr. President, what is the situation as to time?

The PRESIDING OFFICER. Fifteen minutes allotted to each side.

Mr. CASE. Mr. President, I yield myself such time as I might take at this moment.

Mr. President, this amendment, of course, in terms is a very simple one. It would add $1½ million to the amount appropriated in the bill for the Army Engineers under the rubric "Construction, general."

The purpose of the amendment would be to respond to a request by the Delaware River Basin Commission for Federal assistance in that amount, that is to say, $1½ million for a comprehensive, impartial, objective study of the Tocks Island Lake project, and the Delaware Water Gap project in the Delaware Water Gap Recreation Area.

Yesterday, Mr. President, the Delaware River Basin Commission met and unanimously adopted a resolution, which I ask to be included in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

A resolution relating to a request to the Congress of the United States for the appropriation of funds for land acquisition in, and for making a final determination on, the Tocks Island Lake Project and the Delaware Water Gap National Recreation Area.

Whereas, construction of the Tocks Island Lake Project was authorized by PL 87–874, and the Delaware Water Gap National Recreation Area was authorized by PL 89–158; and

Whereas, the Recreation Area surrounds the Lake Project site and both are located along the Delaware River, within the jurisdiction of the Delaware River Basin Commission; and

Whereas, the House of Representatives passed HR 15155 providing $6,040,000 for land acquisition and $2,450,000 to initiate construction of the Tocks Island Lake project with the direction in House Report No. 93–1077 "that none of the funds added for construction for the Tocks Island Lake project be obligated or expended at this time," adding its intention "that the various governmental parties in interest bring this matter to a decision . . . at the earliest possible time within the next twelve months"; and

Whereas, the Committee on Appropriations of the U.S. Senate in Senate Report No. 93–1032 "recommends that no funds be appropriated for the Tocks Island Project" and further states "the Senate requests the Delaware River Basin Commission to make a definitive and final recommendation on this project within the next twelve months"; and

Whereas, the Tocks Island matter cannot be brought to a decision with definitive and final recommendation until a comprehensive, impartial and objective study is made and evaluated by all interested parties; and

Whereas, the Delaware River Basin Commission does not have the funds or staff resources to conduct such a study; and

Whereas, great hardship and inconvenience is caused those individual citizens whose land is among the 23,480 acres yet to be acquired of the 69,690 acres authorized; now therefore

Be it resolved by the Delaware River Basin Commission that:

1. The Congress of the United States is respectfully requested to appropriate full funding for continued land acquisition by the Federal government of lands within areas authorized for the Tocks Island Lake Project and the Delaware Water Gap National Recreation Area during Fiscal Year 1975, such funds to be used to the extent feasible to assemble complete blocks of holdings, and to speed the time when such areas may be enjoyed by the public.

2. The Congress is respectfuly requested to appropriate $1,500,000 to the Delaware River Basin Commission for the purpose of causing a comprehensive, impartial, objective study to be made of the Tocks Island Lake Project and the Delaware Water Gap National Recreation Area including means of addressing the objectives of these projects.

3. It is the intent of the members of the Delaware River Basin Commission that, if the Congress chooses to appropriate such study funds to the Commission, a comprehensive study by an appropriate independent institution or institutions and/or consultants of recognized expertise shall be undertaken which includes:

a. A region-wide analysis of the needs for water supply, electric power generation, recreation, and other fundamental needs.

b. An environmental, economic and social impact analysis of the proposed projects to evaluate their costs and benefits as compared with those of alternative means of addressing the identified needs.

c. Practical conclusions and recommendations on how best to accomplish the water supply, flood control, recreation, power supply, and related objectives.

In addition, the Commission would assure that the conduct of the study provides for full public participation, including public access to and opportunities for comment on interim and final reports.

4. Copies of this resolution shall be furnished to the chairmen and members of the Committees on Appropriations, Public Works and Interior of the U.S. Senate and the U.S. House of Representatives and to the Congressional delegations of the four member states.

Mr. CASE. I have discussed this question—this is a matter that has been considered off and on now for many years. In active form it has been considered intensively for several weeks within our committee, as well as other subcommittees, specifically the Subcommittee on Agriculture Appropriations. There has been increasing concern in our States, the four States, of New Jersey, New York, Pennsylvania, and Delaware, about this very important and very large project, and it has now come to a head. It was brought up, as a matter of fact, by the House committee in its report—that action be definitely agreed upon as to this project within 1 year. Our own committee's action in eliminating any funds for the project for land acquisition or construction brought up the matter even more forcefully, as did the language in our report which says that the Basin Commission should come to a final decision about what it wanted to do as quickly as possible.

Mr. JAVITS. Mr. President, would the Senator yield for the purpose of including me as a cosponsor of his amendment?

Mr. CASE. Indeed, I would be happy to yield.

Mr. JAVITS. This area touches New York, its northernmost part, Port Jervis.

Mr. CASE. I would be happy to add all of the Senators from the four States. I know that Senator Schweiker wants to join. I understand the Senator from Delaware does, too, and I would ask unanimous consent that all the Senators be added, as cosponsors if that be their wish.

Mr. JAVITS. I thank my colleague, and I wish strongly to support his position in this matter.

Mr. CASE. We have had a discussion about the best way to handle this thing, off the floor just now, and in order that the matter may be immediately brought out and clearly as to what the position of the committee is here, I would be very happy to reserve the remainder of my time with the idea that the Senator from Mississippi (Mr. Stennis), the floor manager of the bill, may want to make a statement.

Mr. STENNIS. Mr. President, first I want to commend the Senator from New Jersey (Mr. Case) for the diligence and great energy with which he has assumed this problem, as well as those who have been assisting him.

Now, Mr. President, this is a highly important project. The Tocks Island project was planned by the U.S. Army Engineers, as is customary; it went before the Public Works Committee where it was authorized, and we have been appropriating money on it now for several years.

Furthermore, it does involve these important four Eastern States that have so many people who live there. The estimated project cost, at July 1973, prices is $360 million, but I do not back off on that account. The reservoir would be many miles long, it has a power unit in it—but the committee took all the money out for fiscal 1975 not because we were trying to kill the project, but we were trying to force the matter to come to a head.

We have a four-State member Commission under a compact authorized by Congress to make an agreement, and it has arrived at a stalemate. Different members of the Commission were writing us that they wanted it deferred for another survey, but the Commission itself did not act, and we were trying to force this to a decision and we, to a degree, got a decision by the Commission. The Senator from New Jersey has it here now and he will present it in the Record, as I understand.

Down in the committee we agreed with him unanimously that, even though we were leaving out all the money to buy more land—and there was a small amount in the bill to start actual engineering and construction in the House bill—that we were leaving all that out of our recommended bill, that, nevertheless, if he got a recommendation from the Delaware River Basin Commission, at the conference with the House conferees, we would consider the advisability and the possibility and all related matters of letting the appropriation go for a million dollars or a million and a half dollars—$1½ million seems to me the reasonable figure—for this survey.

But, as I repeated in the cloakroom a few minutes ago, we cannot agree to a survey that is taken out of the hands of the U.S. Army Engineers altogether. They must have some part or contact with it. Frankly, I think that is the only way that we could legally spend the money which would be through them.

I have not conferred with the House, and I emphasize I cannot speak for the House committee conferees, or how they feel. But if, in conference, this is considered wise and can be agreed on, I will totally support it, assuming there is a reasonable time limit put on it.

We have already spent $54 million on the project, on the counsel and professional advice of the Army Engineers, and we feel that we will have to insist that they continue in it.

The Committee on Public Works of the Senate, and the chairman is sitting right here, authorized it on that basis, and within this great area, there is a large national recreation park project that has been authorized by the Committee on Interior, which has been handled by the able Senator from Nevada (Mr. Bible), both on authorization and on appropriations. It is his subcommittee that handled this recreation authorizing bill—and I am going to yield him some time that I hope he will take in just a few minutes—and therefore this brings the matter to a head and to an issue.

They have made some progress here on getting a report of the Commission and I think, frankly, it is easier, better, to try to work this out in conference than it is to vote on it here on the floor of the Senate.

Those are my sentiments, and if I may yield 5 minutes to the Senator from Nevada or more if he wishes, he will deal with the question.

The PRESIDING OFFICER. The Senate from Nevada.

Mr. BIBLE. Mr. President, I thank the Senator from Mississippi for yielding.

My part in this particular problem comes about because I happen to wear two hats: No. 1, as chairman of the Parks and Recreation Subcommittee, I was privileged to handle the Delaware Water Gap National Recreation Area, and that has been authorized, it has been funded, to the extent of about $50 million under an overall ceiling of something like $54 million or $55 million. As a matter of fact, we will be marking up in full committee the Interior appropriation bill tomorrow morning, and there is in that bill $4,183,000 for land acquisition in the Delaware Water Gap National Recreation Area.

That is the park area part of this particular proposal, and it is tied to Tocks Island project of the Corps of Engineers. Even the recreation area, the land acquisition connected with it, has had some rough roads to go over and many controversies and problems that came up. But, I think we are making headway, at least on that phase of it. I would guess it is almost 90 percent complete as far as land acquisition is concerned.

This money remains in the Corps proposal, as made in the Committee. The Senators from Pennsylvania and the Senator from New Jersey, among others, made one statement that I would call to the attention of my distinguished chairman. That is that the report itself states the committee requests the Delaware River Basin Commission to make a definitive and final recommendation on this project within the next 12 months.

I would call to the chairman's attention that the Senator from New Jersey has already introduced into the Record the resolution and requests of the Delaware River Basin Commission. I would think that as we go into conference, we should bear that resolution in mind, and I think that men of good will can get together in a conference and work out this very troublesome problem.

I pledge the Senator from Mississippi my full support pointed in that direction. I would think it wise to make some kind of a 1-year, overall timetable on that in any event.

I thank the Senator.

Mr. STENNIS. I thank the Senator from Nevada.

Mr. President, I propose to nominate as conferees the Senator from Nevada (Mr. Bible), the Senator from New Jersey (Mr. Case), and the Senator from West Virginia (Mr. Randolph), among other members of the committee.

Mr. President, I yield the floor.

Mr. CASE. Mr. President, I would like to express my appreciation to the Senator from Mississippi and to the Senator from Nevada, the Senator from Oregon, and also the ranking Republican member. We have worked this matter out, I think, in a very satisfactory way. It is a pleasure to me to be associated with men who understand their jobs and are so diligent and conscientious in the performance of them, as well as compassionate in their understanding of problems of the great area of the country which the four States here in question represent.

With complete assurance and in complete reliance upon the assurances of the Senators who have spoken and under the leadership of the Senator from Mississippi, I rest entirely comfortable. I would like, unless the Senator from West Virginia wants to make a comment, to withdraw the amendment. That would be my purpose when he is finished.

Mr. RANDOLPH. Mr. President, will the able Senator from New Jersey yield?

Mr. CASE. I shall be happy to yield.

Mr. RANDOLPH. Mr. President, I am sure the record would indicate, and I am certain the Senator from New Jersey and other Senators who are participating—Senator Stennis, Senator Bible, Senator Javits—would want to know that the Senators from the area affected, including a Senator from New Jersey, originally requested the preliminary survey of the Committee on Public Works in connection with this project. It originated with a Senator from the area. The request for the study survey was made by Senator Robert Hendrickson of New Jersey on April 13, 1950. This preliminary study and those that followed, as the knowledgeable Senator from Mississippi has said, are the bases of the work and the land acquisition on the project by the U.S. Corps of Engineers.

Following other Member requests, on April 28, 1958, Senators from Delaware, John J. Williams and Allen Frear, requested a study to review all previous reports with respect to Tocks Island. The work which followed that request resulted in approval of the project on August 16, 1962.

We conducted exhaustive hearings and carefully considered the proposal in the Subcommittee on Water Resources and in the full committee. The request, I repeat, for the project was made by Senators from the area, which is a very important section of this country from the standpoint not only of industry, but also environmental considerations.

It would seem to me that what has been said by those who have spoken indicates a desire to finalize a program that will result in a determination within the Committees on Appropriations of the Senate and the House, and not allow this matter to be a continuing problem. I am certain that can be done in a fair and realistic way.

Mr. CASE. I thank the Senator from West Virginia for his observation. He is, of course, correct in that the Senators from New York, the Senators from all four States supported this project and the original request for survey and the steps which got it underway. We still think it is necessary to deal with this problem of the use of the waters of the Delaware in the most effective way for all purposes for the region, and this is not contrary to that at all.

Mr. STENNIS. Will the Senator yield to me for one short question?

Mr. CASE. I yield.

Mr. STENNIS. We have referred to the survey here and the time of making the survey has been mentioned. Does not the Senator from New Jersey think that the survey that we are contemplating can be made within a year?

Mr. CASE. I do believe that that is true, according to the best advice that we have gotten.

I yield to the Senator from West Virginia.

Mr. RANDOLPH. It would in no way be critical to say the survey was completed. What is being requested is not actually a survey, but a review, let us say, a reevaluation. That is actually what is contemplated.

Am I correct in that?

Mr. CASE. It is correct to say that, I think, although I would not want any suggestion of a restriction upon this activity, because strongly important in the inquiry, in the investigation, would be the matter of whether alternative possibilities for the development of the water of the Delaware to meet the purposes of the project are desirable.

Mr. RANDOLPH. I would add only that I have an understanding of what my colleague has said. I recall a poem "I wish there were some wonderful place called the Land of Beginning Again."

This development is not a beginning again on this project. It is a review of what has been done, an evaluation of the work that has been completed, and certainly it is not going over work which has been done and doing it again.

Is that correct?

Mr. CASE. I believe the best thing to do as far as our intentions are concerned is to just refer to the resolution.

Mr. RANDOLPH. I have not had the opportunity to study the resolution.

Mr. CASE. I think we will have no differences as to the scope. It is to be a comprehensive examination of the extent to which this, or an alternative, would be best designed to serve the purposes with which we are concerned.

Mr. RANDOLPH. I say to my friends from Mississippi and Nevada, that what I have set forth is only in the interest of keeping the record straight as this matter comes before the Senate. I appreciate the courtesy of my colleagues.

Mr. CASE. I understand and agree with the reason for maintaining the jurisdictional point that the Senator made.

Mr. STENNIS. Will the Senator yield for a moment?

Mr. CASE. I will be happy to.

Mr. STENNIS. I have not had the opportunity to read the resolution by the Commission. I am happy that they made a resolution. I do not want to be bound by words that they may use. This matter that I have been talking about, about spending $1.5 million, is something that is certainly not just a review of what has been done, but it is going to look to the situation as it is now and make some kind of observations and suggestions, as they see fit.

I thank the Senator.

Mr. CASE. Mr. President, on the basis of the record that we have made here, and with great appreciation for the cooperation of my colleagues, I withdraw the amendment.

Mr. STENNIS. I thank the Senator.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, I simply wish to thank the committee for what they did about a number of projects, including beach erosion control in the Rockaways, drift problems in New York Harbor, the Great Lakes, the Hudson River Waterway, the Fire Island Inlet to Montauk Point, and the Buffalo Metropolitan Urban Study. The State will be benefited, and we greatly appreciate the work of the committee.

Mr. President, the Public Works Subcommittee of the Senate Appropriations Committee is to be complimented on its fine job in acting on H.R. 15155, particularly with regard to numerous projects in the State of New York. I would especially like to commend the committee action on several specific projects.

PROJECT FOR BEACH EROSION CONTROL AT EAST ROCKAWAY INLET TO ROCKAWAY INLET AND JAMAICA BAY, N.Y., $4 MILLION

The problem of beach erosion on the Rockaway beaches has become so serious that the city of New York was forced to close 25 blocks of beach to the public last summer. Considering the 8 million persons who have access to New York City beaches that is very serious. At high tide, surrounding roadbeds, power lines, sewer systems, and the boardwalk are threatened. At low tide there exists, in some places, a drop of 8 to 10 feet from the last step of the boardwalk to the beach. The Rockaway beaches alone have served hundreds of thousands annually as a recreational area and are too valuable a national resource to be allowed literally to waste away.

The recently approved Water Resources Development Act contained a provision to permit the Corps of Engineers to proceed with the beach erosion control project immediately following the completion of the required environmental impact study. The corps has indicated that this study has now been completed and that it is prepared to start construction as soon as funds are made available. It has indicated a statement of capability for work in fiscal year 1975 in the amount of $4 million. I am pleased that the committee understood the pressing need to begin work on this project and appropriated sufficient funds for a significant impact on this beach erosion project.

NEW YORK HARBOR COLLECTION AND REMOVAL OF DRIFT PROJECT $330,000

The Water Resources Development Act of 1974 authorized the New York Harbor collection and removal of drift project, in effect modifying the original authorization in 1970. The modified authorization provides a Federal monetary authorization ceiling of $14 million which was based in the survey report reflecting 1969 prices and conditions. The Corps has indicated a fiscal year 1975 capability of $330,000 for this project, which was the amount included in the House-passed appropriation bill.

The New York Harbor collection and removal of drift project is not a local project in the sense that it will benefit only New York or even the New York-New Jersey area. Drift, sunken vessels deteriorated waterfront structures, and other debris in the harbor pose serious safety and health hazards, causing millions of dollars in damage each year. During the past 7 years, the city of New York has spent over $14 million on the removal of deteriorated piers alone, but, without Federal assistance, the city has been unable to make any significant headway.

The most recent cost estimate for this project, in October 1973, was approximately $39 million. The project has a benefit-cost ratio of 6.3 to 1 illustrating its very high potential return on the basis of a relatively small Federal investment.

Over 3 years have been lost since the original authorization for this project, and I was pleased that this $330,000 appropriation was provided to make a significant work start for the removal of drift and debris at critical points in the harbor.

GREAT LAKES TO HUDSON RIVER WATERWAY—$50,000 IN H.R. 15155

At my request, the Committee on Public Works agreed to institute a restudy of possible Corps of Engineers assistance to improve the New York State Barge Canal System—Great Lakes to Hudson River Waterway. This study is to broaden the scope of an existing study on the canal system to include environmental, recreational, as well as commercial considerations.

The Corps examined the study requirements, prepared a cost estimate for this study, and identified a capability for fiscal year 1975 of $50,000. This unbudgeted amount was included in the House-passed appropriations bill and I was gratified that the committee supported a similar amount in the Senate version.

FIRE ISLAND INLET TO MONTAUK POINT—$2,800,000 IN H.R. 15155

Through the joint efforts of the New York congressional delegation, the cost sharing formula for the Fire Island Inlet to Montauk Point project was amended to provide for 70 percent Federal participation in the cost. This project will provide desperately needed protection for the shores of Long Island.

The Corps of Engineers has indicated a capability of $2,800,000 which amount was unbudgeted but was included in the House-passed version of H.R. 15155, in the Senate bill.

BUFFALO METROPOLITAN URBAN STUDY—$275,000 IN H.R. 15155

At the request of Congressman BARBER CONABLE of New York's 35th District, the House Appropriations Committee added $100,000 to the budgeted amount for the Buffalo metropolitan urban study, bringing the total appropriations for fiscal year 1975 to $275,000. The purpose in providing these additional funds is for completion of the flood control study on the Tonawanda Creek, which is part of the Buffalo metro study.

The need for additional flood control measures on the Tonawanda Creek has greatly increased since the Corps initiated a study of it in 1961. The Corps has indicated that it could complete the study of the Tonawanda Creek portion of the Buffalo metropolitan urban study with this additional $100,000.

I fully supported this increased appropriation to provide the full $275,000 in the Senate version of H.R. 15155.

In conclusion, I deeply appreciate the consideration of the committee of these and other projects which are of such significant importance to New York State.

Mr. STENNIS. We thank the Senator from New York very much.

Mr. COOK. Mr. President, I send to the desk an amendment and ask the clerk that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. COOK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 5, lines 19 and 20, in lieu of "984,838,000" insert "986,338,000".

Mr. COOK. Mr. President, the purpose of this amendment is to add $1.5 million to this budget for the continued construction of Paintsville Lake.

Mr. President, the Paintsville Dam project is a project already underway. Funds have already been expended, by an act of Congress, in the acquisition of land. This Senator took a dim view of the recalcitrance of the Corps of Engineers in this project purely and simply because they have not done their homework.

Mr. President, during the past 5 years I have introduced and supported legislation to improve the water resource development programs in the Commonwealth of Kentucky. My primary concern has always been the threat to life and welfare and damage to property caused by flooding. I have also considered the benefits inherent in each project as it relates to the area in which it will be located, as well as its contribution to environmental protection. As the distinguished chairman of the Senate Appropriations Committee knows, this Senator has, on numerous occasions, communicated his feelings to the committee on the more controversial water resource development projects in the Commonwealth.

One such project I have studied to a considerable degree is the Paintsville Lake project, located on Paint Creek about 4 miles west of Paintsville in Johnson and Morgan counties, Ky. This lake would control a drainage area of 92 square miles and is estimated to cost $32,900,000. In excess of $3,700,000 has been allocated for planning and initiation of construction to date.

In my remarks to the Public Works Subcommittee of the Senate Appropriations Committee June 29, 1973, I recommended the Paintsville Lake Project—

> Should no longer be considered by the committee and funds for continued construction—should—be withheld indefinitely.

And in my remarks before the subcommittee on April 25, 1974, I stated it was my—

> Inescapable conclusion that the request of the Corps of Engineers for the Paintsville Dam and Reservoir must be carefully studied, and that all funds already appropriated for the project be withheld until such study is complete.

The ostensible motivations leading to my decision to oppose Paintsville Lake at those times were several, the most persuasive of which was the failure of the Corps of Engineers to evaluate the effect of the oil and gas wells found in the area of the lake.

I was concerned that the Congress not allow the project to go forward at this time as the Corps of Engineers would be creating an oil slick which would result in a liability rather than as asset to the commonwealth. I felt that since the area to be flooded was inundated with over 400 abandoned, unrecorded, unmapped, and uncapped oil wells, whose residual oil and saline solutions would wreak havoc on the water quality and recreation, I could not conceive of how the Congress could justify giving the project a green light until these problems were not only identified, but resolved.

I am now pleased to report, as of July, to the Senate that this deficiency has not only been investigated, studied, and evaluated, but, I hope and believe, it has been solved.

May I say that through our efforts, Mr. President, the Corps of Engineers hired an organization known as General Analytics which went into the area, did a ground study, did a map study, and found in the entire watershed somewhere in the vicinity of 2,500 facilities; got it down then to 400, and finally got it down to 199 within the watershed of the lake. We are now down to the fact that they have discovered and established almost 90 abandoned oil and gas wells which they have assured this Senator, and have assured me through their correspondence as of July 9, 1974, that they are now prepared to cap these wells; are now prepared to test these facilities so that we will not run into the danger of winding up with a dead lake at the time that it is created. I ask unanimous consent that Huntington district engineer Col. Kenneth E. McIntyre's letter to my office of July 9, 1974, be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
Huntington, W. Va., July 9, 1974.

Hon. MARLOW W. COOK,
U.S. Senate,
Washington, D.C.

DEAR SENATOR COOK: I refer to your letter of 25 June 1974 regarding a 13 June 1974 *Licking Valley Courier* article. The following information regarding the Architect-Engineer contract for oil and gas wells inventory, Paintsville Lake Project, is furnished as requested.

The contractor, General Analytics, Inc., has indicated that the Paint Creek Basin area field work is essentially completed with 2,750 wells, facilities and systems having been inventoried, of which 2,500 were well sites. This increase in the number of sites located and inventoried was not unanticipated as is indicated by the Paintsville Lake Design Memorandum No. 5, Volume II, Geology and Soils, dated 27 November 1973, which states:

"Within the drainage basis of the Paintsville Lake Project there are approximately 1,050 oil and gas wells referenced. Located below the limits of flowage easement acquisition there are 40 known gas and oil wells. All oil and gas wells have not been located and some investigators state a 2-times factor is generally representative of the number of oil and gas wells which may be encountered in the field. However, in the Paint Creek drainage basin the number of referenced wells is considered more nearly indicative of field conditions since the successful utilization of water-flooding secondary recovery methods requires the plugging of improperly abandoned wells located adjacent to producers.

"The problems associated with the location of abandoned oil and gas wells and the plugging of oil and gas wells, as required, are not unique to the Paintsville Lake project. Completed projects in the District which required oil and gas well plugging are Grayson Lake, Ky., and East Lynn Lake, W. Va. At both of these projects the plugging was successful and no well source pollution has been noted.

"The Paint Creek project differs from these lakes in the number of wells referenced which includes all sites within the drainage basin area. This comprehensive program, to determine well locations and to evaluate well conditions, would result in the identification of potential sources of oil and brine pollutants located above the limits of the Paintsville Lake.

"Conditions observed to date consist of oil and brine surface seepage from improperly abandoned wells and collection systems, surface discharge of oil or brines from producing wells, and leakage from inadequately maintained collection, storage and holding basin facilities.

"The data presented in this report and referenced as Exhibit Nos. I and II consist of industrial and governmental publications prepared from 1897 to present, and to well location mapping of the period 1916 to date."

In the District's letter to you of 25 March 1974, LTC Orland K. Hill stated:

"The services requested under this contract provide for visual identification and photography of conditions of all the oil and gas wells, abandoned as well as active, and storage facilities in the Paintsville drainage basin. A check list is required to be prepared which includes the notation of oil, gas and brine leakage from casing, production lines, pumps, separators, basins, collection lines and pump stations. The contract also requires the contractor to obtain information on oil and gas wells and related facilities by meeting with industry, government agencies, local groups and individuals. The scope of these services was coordinated with appropriate Kentucky State officials.

"Wells and related facilities within the reservoir acquisition limits will be plugged and treated to eliminate pollutants such as oil, gas and brine from entering the lake. Information (location, condition and leakage) from wells within the drainage basin but outside the Government acquisition lines will be furnished to the appropriate State or Federal agencies having jurisdiction."

General Analytics, Inc., on 6 March 1974, proposed:

"Preliminary work by the Corps of Engineers has resulted in the location of 1,042 wells and related facilities. We intend to add to this number, if possible, by checking the above indicated sources. Each site will be inspected to determine its condition and will be located on a film positive of pertinent U.S.G.S. 7.5 minute topographic quadrangle maps. These maps will be used in preparing the comprehensive location map based on the latest available editions of 7.5 minute topographic quadrangle maps at a scale of 1:24,000. Details of conditions at each well or related facility site will be indicated on the Oil and Gas Well or Facility Check List prepared by the Corps of

Engineers. If modifications to this form are required, they will be cleared with the Corps of Engineers prior to such action. In addition, each form will contain a photograph of the well or facility and a location map. The site location map will be an instant copy of the appropriate portion of the Paintsville Reservoir Project Topographic Survey Print Folio at a scale of 1:4800."

Of the inventoried sites, 199 were noted as being within the approximate Real Estate acquisition limits, while 80 were located below the flood control pool for the proposed lake. These 199 inventoried sites are further categorized to indicate leakage conditions as per the attached Table.

The Kentucky Geological Survey and Department of Mines and Minerals feel that the final report will enable the District to undertake a program wherein wells and related facilities immediately adjacent to and within the reservoir acquisition limits will be plugged and treated to eliminate pollutants such as oil, gas and brine from entering the lake. Information (location, condition and leakage) from wells within the drainage basin but outside the Government acquisition lines will be furnished to the appropriate State or Federal Agencies having jurisdiction.

Inventory information, draft reports and location maps will be forwarded to your offices as they become available to the District.

Sincerely yours,
KENNETH E. MCINTYRE,
Brigadier General, USA District Engineer.

Mr. COOK. Mr. President, I commend the Corps of Engineers for what I consider a conscientious effort—and a lot of prodding—to consult with the knowledgeable agencies and departments to locate the 199 wells within the approximate real estate acquisition limits, and the 80 wells located below the flood control pool. Specifically, I refer to Colonel McIntyre's statement:

> The Kentucky Geological Survey and Department of Mines and Minerals feel that the final report will enable the district to undertake a program wherein wells and related facilities immediately adjacent to and within the reservoir acquisition limits will be plugged and treated to eliminate pollutants such as oil, gas, and brine from entering the lake. Information—location, condition, leakage—from wells within the drainage basin but outside the Government acquisition lines will be furnished to the appropriate State or Federal agencies having jurisdiction.

This is indeed a significant contrast to previous reports last year, when Colonel McIntyre assured me that only 17 wells were known to exist in the area to be impounded, while 77 wells were known to be within the real estate acquisition limits. I think that the figures speak for themselves and the danger has been removed.

We have gone from 77 to 2,500, and we have gone from 17 to almost 90.

During the Senate Appropriation Committee's consideration of the fiscal year 1974 appropriations, the House of Representatives proposed appropriation of $1,720,000 for continued construction at Paintsville was deleted from the Senate's bill. At that time, and under the circumstances that prevailed, I believed the Senate's actions were appropriate. For fiscal year 1975, the House proposes $1,500,000 for continued construction, but as you know, last week the Senate Appropriations Committee deleted this sum from H.R. 15155, the Public Works for Water and Power Development and Atomic Energy Commission Appropriations bill for 1975. Under the circumstances that existed until recently, I remained convinced the committee was justified in deleting the appropriation.

Mr. President, I now feel that real estate acquisition can continue on this project because we now have assurance from the Corps of Engineers that they have found all of the abandoned oil and gas wells; that they will proceed to plug these wells so that we no longer have the situation in Johnson County where we could conceivably have the construction of a flood protection facility that, at the time that it was really full to capacity, and for the purpose for which it was intended, would be nothing but one large oil slick.

However, Mr. President, I submit to my colleagues the situation with regard to Paintsville has changed. Prior to my questioning certain inherent problems at Paintsville, the Commonwealth of Kentucky and the Nation would have inherited from the corps a lake inundated with oil and gas. Upon further investigation of the subsequent progress made at Paintsville, I find this problem has been eliminated by the corps' actions, and that it is safe at this time to go ahead with the project which will now be a tribute to eastern Kentucky and the Commonwealth. Today I am satisfied the Federal Government's investment of $32,000,000 at Paintsville will no longer be a boondoggle, but rather a sound and worthwhile investment now that we know the lake will be built properly.

The amendment I send to the desk would appropriate $1,500,000, as has been approved by the House, for continued construction of Paintsville Lake. I request the Senate's affirmative action on my proposal.

Mr. President, I yield the remainder of my time.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. COOK. I yield.

Mr. STENNIS. Mr. President, in June the committee received a letter from the Senator in which he related his opposition. He was opposed to the project, and the Senator so testified at the hearings held earlier in the year. I am not sure that I caught all that he said as to why he changed his position.

Mr. COOK. Mr. President, may I say to the Senator from Mississippi, in June we had not received a report from the Corps of Engineers. We did not know at that time that they had hired an organization called General Analytics whose job it is to determine these particular kinds of facilities on these projects. On July 9 we were advised by the corps that General Analytics had completed a survey for them in the area to be flooded. Instead of some 17 or a handful, as they had originally told us in their environmental impact study, they had found some 87 or 88 abandoned oil and gas wells. They said they would proceed to test them, to plug them, and to see to it that those facilities would in no way constitute a danger to the lake. In their form prior to that time we would have had tremendous water pressure because of the narrowness of the lake—a tremendously deep facility—and almost a natural percolation of those oil wells that would produce saline in the lake, which in effect would kill all marine life, would kill all aquatic life. This has now been resolved. Since this Senator's communication with the corps in July and my communication with them since, they have resolved this problem. We did not feel in June, when we testified before the committee, that this had been done. We realize that this has been done.

We now feel that we have afforded a service to the people of that area whereby the Corps of Engineers has corrected a situation that would have facilitated a flood protection project on the part of the United States that they would not have wanted under any circumstances.

Mr. STENNIS. I ask the Senator this question: What is the situation about covering up those wells that have a possibility of additional oil there, covering them up with this water, when there is a prospect that they can afford energy and help meet this energy crunch?

Mr. COOK. The Senator from Mississippi and I have been on the same side in this regard, in wanting to resolve these matters. These are old, abandoned wells; some have been abandoned since before the turn of the century. However, they still may have all kinds of salt water residue and all kinds of saline problems, and the ability to produce a barrel a day, which nobody would conceivably pump. But if one were to produce that kind of facility, out of 88 of those, into a lake, the end result would be that that lake could be one large oil slick.

There also would be the problem that old gas wells are in there but probably do not produce anywhere near sufficient pressure to even worry about or to even go back into. But if they are permeated with more than 200 or 300 feet of water and the weight of that residue would get out of those facilities, it would present a great deal of danger in that particular facility.

Those problems have now been resolved by the Corps of Engineers. The money that has already been spent, the acquisitions that already have occurred, can now continue in continuity to the program and to the schedule the Corps of Engineers has set out.

Mr. STENNIS. The situation is that the Senator's letter and his testimony and past actions were completely in opposition to this measure, and we did not know anything about the Senator's position to the contrary until this morning.

The budget has a million dollars. The House put in a million and a half dollars.

We will consider this matter in conference, in light of the new testimony. The Senator's position is a big part of that new testimony. But to be taken by surprise that way means that the committee is at a disadvantage. I wish the Senator had let us know earlier.

What is the Senator's response to that?

Mr. COOK. May I say to the Senator, in all good conscience, that the Senator from Kentucky did not want to surprise the Senator from Mississippi. The Senator from Kentucky merely says that the Senator is not surprised but is delighted that the Corps of Engineers has resolved the problem that existed.

This matter has been before Congress many times, and money has been appropriated. Money had been appropriated until the Senator brought the matter before the committee and said that a situation has to be corrected.

I am now delighted to advise the manager of the bill, the Senator from Mississippi, that the corps has advised me that it has been corrected.

I see no reason to delete these funds, under the circumstances, because it is a project that has had quite substantial approval by Congress for a period of time.

I say, in all honesty, that the Senator did not wish to catch the Senator from Mississippi by surprise. I feel that several amendments will be presented on the floor of the Senate and that those amendments will be honestly considered by the membership.

Mr. STENNIS. Mr. President, I think the Senator has received all the facts we can bring him on this matter, anyway.

The budget request was a million dollars, and we seriously considered the opposition of the Senator from Kentucky. He represents the people there.

We would be glad if the Senator were to modify the amendment to the budget amount.

The Senator from Nevada is on his feet. He handled the bill last year. I yield to him, if he wishes to make a statement.

Mr. COOK. May I say, before the Senator from Nevada speaks, that I would be more than delighted to amend my amendment to conform to the request of the Senator from Mississippi, simply because we know that we are in land acquisition efforts now, and to that extent I think that would be more than sufficient.

Mr. STENNIS. I thank the Senator from Kentucky.

Mr. President, I yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, I thank the Senator from Mississippi.

I was privileged to handle the public works appropriation bill last year in its entirety. I hope that I was somewhat helpful to the Senators from Kentucky in attempting to resolve this problem. It was a difficult and troublesome problem. I commended the Senator from Kentucky then, and I repeat that commendation today. He had a problem. He thought the Corps of Engineers had not properly evaluated it. He brought that to my attention. We not only did not allow it in the basic bill; we finally capitulated in the conference with the House.

I promised the Senator from Kentucky that I would undertake an oversight role in this matter and would ride herd on the Corps of Engineers, to see that they met some of these unanswered problems and questions, not only of the Senator from Kentucky but also of the constituents in that particular area—or many of them. I do not know whether it would be a majority, but there were quite a number. He followed that suggestion. The Corps of Engineers did respond.

The Corps of Engineers has come back with this report; that is what he wanted. He wanted this evaluation, and he has received it, and I would certainly defer to his desire to reduce the figure to $1 million, which is the budget figure. I cannot see bringing the matter back to conference, because we have too many things there already.

Mr. STENNIS. I thank the Senator for his remarks.

I say to the Senator from Kentucky that I fully accept his explanation about the matter of surprise. I know that he is not a designing man. The fact is that we did not know about his change of position.

Mr. COOK. Mr. President, before taking up the question of the modification of my amendment, may I say that the Senator from Nevada (Mr. BIBLE) was tremendously helpful in getting the Corps of Engineers to make these evaluations, in getting the Corps of Engineers to realize their responsibility in this problem. There is really no way I can thank him enough.

It has always been my fear that this was going to be established; that under the failure of the corps to develop a program by which this leakage could be taken care of, the people in that part of the Commonwealth would have a facility they never could use, and the only way they could have corrected it after its creation would have been to completely drain it and clean it and then have done the job they should have done so that they could have the kind of facility they anticipated in the first place.

Mr. President, I ask that my amendment be modified in accordance with the request of the Senator from Mississippi.

The PRESIDING OFFICER (Mr. HATHAWAY). Does the modification mean that the $986 million would be changed to $985 million?

Mr. COOK. The figure would be increased by $1 million, not by $1.5 million.

The PRESIDING OFFICER. The amendment will be so modified.

The modified amendment is as follows:

On page 5, lines 19 and 20, insert the following: in lieu of "984,838,000" insert "985,838,000".

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. STENNIS. I thank the Senator.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. Mr. President, there is a special schedule for this afternoon, what time is that cloture vote scheduled for?

The PRESIDING OFFICER. The Senator is correct.

At 1:15 we will proceed to debate the issue of invoking cloture on S. 707.

Mr. STENNIS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. The time has not been used on this bill, so I judge that would suspend the running of time and we would resume it after the cloture vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. STENNIS. I thank the Chair very much.

The Senator from Illinois had an inquiry to make.

Mr. STEVENSON. Mr. President, will the Senator yield for a question?

Mr. STENNIS. I yield, on the bill, Mr. President.

Mr. STEVENSON. I thank the Senator.

Mr. President, I was greatly surprised as was the senior Senator from Illinois, by the committee's deletion of an appropriation for the William L. Springer Reservoir near the city of Decatur, Ill., $600,000 was budgeted by the President for this project for fiscal 1975 and that amount was approved in the House bill.

Most of the money requested in this year's budget will be used for continued planning to reconcile certain concerns about the environment with the growing needs of this community for water; $360,000 of the $600,000 total requested in the budget would be used for planning which is necessary to provide answers to the problems which confront this community.

This is not construction money, it is simply money with which the corps, the State of Illinois, and the local interests can reconcile this conflict between the concern for the environment on the one hand and the need for water on the other.

That sum of $360,000 was deleted by the committee, and the remaining $240,000 which was for land acquisition was also deleted.

Mr. President, I recognize the desire of the committee to cut back Federal spending and to limit projects of doubtful value, but this cut would be at the expense of a project which may be essential to one of the most productive communities in our agricultural heartland.

So I urge the members of the committee to reconsider their position, and I urge the distinguished manager of the bill and the Senate conferees, to accept the $600,000 appropriation in the House version. If not the $600,000 figure, I would hope the committee might, at the very least, consider retaining $360,000 for planning, so that the whole project will not be abandoned after many years of investment, after many years of very earnest, serious effort that has been made to bring this project to fruition.

Mr. STENNIS. Well, in response to the Senator from Illinois, this project was just one of those along with others that had very marginal justification on the cost-benefit ratio. There was rather strong opposition to it, there was official opposition to it, and everything considered, it just did not meet guidelines that we tried to establish in the subcommittee to help us mark up this bill.

Now, there is money, as the Senator has said, in the bill from the House side which would put the matter automatically in conference and we would feel that we were under obligation, of course, in trying to reach settlement and agreement with the House, to consider, again, the facts, and also consider their position and their argument.

We certainly promise the Senator from Illinois to do that.

We were not automatically just trying to kill the project, I can assure him of that, but as he knows, it is a marginal project and there is much official opposition. We will agree to evaluate and consider everything in conference.

Mr. STEVENSON. I thank the Senator.

The Senator's position would probably have the effect of not killing this project, which is supported by the House, supported by the Corps of Engineers, and is essential to this community.

I would be very grateful.

The PRESIDING OFFICER. Under the previous order, the hour of 1:15 now having arrived, the Senate will resume consideration of unfinished business and proceed to debate the issue of invoking cloture on the bill.

Mr. STENNIS. Mr. President, I ask for 1 minute of additional time.

Mr. MANSFIELD. Will the Senator yield?

Mr. STENNIS. I yield.

Mr. MANSFIELD. I want to make a change. I hope it will not interrupt the colloquy, but as the Senator knows, the Senate has agreed to a cloture vote at the hour of 2:30, with the quorum to start at 2:15 and with the time to begin running at 1:15.

I have talked with several of the people interested in the bill, and I ask unanimous consent that the 1-hour time extension be waived and that instead there be a 10-minute limitation, all time to be equally divided, and that that time is to start at the hour of 1:05.

Mr. GRIFFIN. Mr. President, reserving the right to object——

Mr. MANSFIELD. The vote will occur at the same time.

The PRESIDING OFFICER. The Senator from Montana means 2:05 p.m.

Mr. MANSFIELD. Mr. President, let me change my request.

I ask unanimous consent that notwithstanding the unanimous consent agreement, time on this bill continue not to exceed the hour of 2:05 and if there are any votes on this motion to recommit, I understand a motion on passage will immediately follow the vote on cloture.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CHILES. Mr. President, reserving the right to object, because I did not understand, if we were to continue debate on this bill, if we had time, we would go on and take up amendments or a motion to recommit, or both, if there was sufficient time and the vote afterwards, or would we just wait and postpone all of those until after the vote occurs?

Mr. MANSFIELD. Finish the bill insofar as we can.

Lay down the motion to recommit if it is offered, get the yeas and nays if it is opposed, get permission to have a rollcall vote on passage, but the votes start taking place on the present bill because of the time factor and the press of business immediately after the vote on cloture.

Mr. CHILES. Well, I think, again, I would have no objection to that if we were going to have sufficient time to debate the motion to recommit, if we got caught in a time squeeze where we only had——

Mr. MANSFIELD. Well, then we would have to go over and resume debate after the cloture motion, with that proviso.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. PERCY. Mr. President, I am sorry I was not here for the entire colloquy with my distinguished colleague (Mr. STEVENSON), but if I could have the Senator's attention for just a moment, I would like to very clearly indicate that it would be very costly for us to stop the planning, stop the Lake Springer project at this particular time.

Mr. STENNIS. Mr. President, I have to ask for quiet to the extent that we may hear the Senator from Illinois.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Illinois may continue.

Mr. PERCY. I have an amendment, and I would respectfully suggest it be considered and hope it could be accepted now. It would take into account that no money should be spent for land acquisition until certain questions have been settled.

But certainly the money for planning should be continued. It is $360,000. It would cost a great deal if this work were not carried on, if it were precipitously stopped now and then started again later.

So really, in a sense, this provides continuity to the program at this stage, while these questions are solved that have been recently raised. The corps is now studying it, and GAO is in the process of studying it. But to precipitously cut it off until such studies have been completed, I think, would be a misuse of funds, considering the modest amount of money, for a very important project to provide for the future water supply of a great industrial ctiy in the Midwest.

I hope the distinguished Senator will accept this compromise position.

As I say, Mr. President, I am prepared to introduce an amendment to reinstate in the public works appropriations bill construction money for the Lake Springer Army Corps of Engineers project in Decatur, Ill. The House of Representatives allowed $600,000 for this project, but the Senate Appropriations Committee deleted the whole item. My amendment would put back into the bill $360,000 which would be used for continued planning.

The other $240,000 which I am not asking to be reinstated, is to be used for the beginning of land acquisition. Land acquisition is an important step in the construction phase. Therefore, I feel this money need not be appropriated this year until the remaining problems involving Lake Springer have been solved.

As many of my colleagues may know, this project, formerly called the Oakley Dam project, has been one of the more controversial projects in my State and is well known by environmental groups throughout the country. I have always been a supporter of the project which is designed to increase the water supply for the city of Decatur. However, this year the committee's attention was directed toward certain questions that should be answered before the project can proceed further. These questions, which I will not go into detail on now, involve the water quality of the new lake that will be formed, the true estimated water quantity that is needed and the question of flood control protection to farmers upstream and downstream from the reservoir. Other questions on the environmental affects of the project have also been voiced by many environmental groups.

The corps and GAO are in the process of studying these questions now. However, planning money to continue the corp's investigations is needed if they are to arrive at any answers. I want to see the problems settled now, this year, not dragged out over the next 5 years. It is only fair to the people of Decatur to know where they stand. Therefore, this amendment would allow the corps to continue its study to arrive at a definitive decision as to whether or not the project should proceed.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, as I say, we have considered this project, and the present cost-benefit ratio is 1:06 to 1. I have already said, too, that we had to have some kind of guidelines to go by, and we have the position of the State of Illinois—there was testimony from the official State planning office—representing the Governor of the State that was adverse, at least adverse until certain matters could be settled, and certainly neither one of the Senators from Illinois, and I speak with great deference to them, urged us to put the matter in. Most of the testimony was adverse.

The Senator mentions that now the General Accounting Office has gotten into it. Mr. President, it is getting to where, with so many of these projects we have so many different groups to contend with, the committees can hardly get around.

The General Accounting Office is a very honorable group. Mr. Staats is exceptionally fine. But with the environmental organizations and all, it is getting to where the committees cannot carry the load.

I have said already, and I repeat, that we have these funds in the House bill, and we will confer further with the Corps of Engineers and with the General Accounting Office, if they have anything to offer. We would like to take a firm, strong letter from each of the Senators from Illinois to the conference with us, and we will give their Governors' planning office a chance to restate its position, and then we will reevaluate our own position.

I cannot guarantee anything, and I would not want to be bound by a promise on the planning money, but we will have to reach some agreement with the House conferees to bring back a bill, as the Senators know.

I believe that is the best way to handle it, with all deference to everyone.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield to my colleague.

Mr. STEVENSON. Mr. President, I want to correct just one statement, most respectfully, which the distinguished floor manager made. This position is not a changed position. I testified before the Appropriations Committee, emphatically in support of the full $600,000 that was budgeted by the President, approved by the House of Representatives, and supported by the Army Corps of Engineers.

Certain problems have arisen in connection with this project, as the distinguished manager recognizes.

Mr. STENNIS. Yes.

Mr. STEVENSON. I have raised questions about it. The Governor has raised some questions. But that is the reason that we feel it is essential to get at least this additional $360,000, so that these problems can be sorted out, reconciled, and solved—so the project can go ahead, and so we end up with an adequate supply of water for the growing community of Decatur.

Without the continued funding, this project will die, after the considerable investment of money and time that has already been put into it. So I would urge, as I have already done, that the conferees reconsider their position. I would ask that they reconsider their position with respect to the full $600,000, and at the very least seek a compromise with the House of Representatives that would retain the $360,000 for planning, and keep this important project alive.

Mr. PERCY. Mr. President, I certainly have always, in dealing through the years with our distinguished and beloved colleague from Mississippi, tried to evaluate projects and to give an honest reporting on what is really needed.

There is no question about the water needs of Decatur. Questions have been raised as to the quality of the water that will be provided, as to the flood control protection of farmers upstream and downstream, and as to the environmental question. If the Senator would like letters from both Senators from Illinois and from the Governor, I will leave the letter from the Governor, who is a Democrat, to the junior Senator from Illinois, but I will furnish a letter, and I concur that it would be tragic to lose the $360,000. To lose the moneys that have already been expended and then start up again would mean that the costs would be disproportionately high.

I thank the Senator.

Mr. STENNIS. I thank the Senator. I appreciate the problem. I know that problems such as this have come up in my own State over the years, but such problems are more numerous now, with the ecology requirements and everything else, and the question of well water versus reservoir water, on these water reservoirs, goes into the cost ratio now more than it did.

I think we understand each other. I would like to have those letters, and we will communicate with your Governor's office.

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 5, lines 19 and 20, in lieu of "$984,833,000" insert "$985,138,000".

On page 6, line 1, after "Provided further," insert "that $300,000 of this appropriation shall be available only for the Fort Scott Dam and Reservoir Project, Kansas: Provided further,".

Mr. DOLE. Mr. President, I shall discuss this amendment briefly. I have discussed it with the staff members on the minority and majority sides, and also with my colleagues. The amendment has to do with the Fort Scott Dam and Reservoir project.

The House bill contains an appropriation of $300,000 for the Fort Scott Dam and Reservoir project and provides initial construction funding for this project. This was one of the original projects including in the Pick-Sloan plan. The project has received active support from the citizens of eastern Kansas and western Missouri for more than 15 years.

The benefits to be received from the construction of this lake are many. There has never been any question of benefits that would be received from flood control. Reduction in loss of real property has always been a key goal. In this age of food shortage, the savings in loss of fertile cropland and agricultural commodities have become increasingly important.

Provision for adequate future supplies of water is also important. Most of the area citizens receive need their water through a single water processing system. That has been another insofar as this project is concerned. The water supply provided by this project would substantially aid the overburdened rural water system which presently serves Bourbon County, Kans., and Vernon County, Mo.

This reservoir would serve as a catalyst for growth in an area which presently experiences high rates of unemployment coupled with little economic growth. Southeast Kansas and southwest Missouri are in need of industrial development and an increase in the average income per capita.

Mr. President, the cost-benefit ratio of this project is reported to be low. I have discussed this matter with both the proponents and the opponents of the reservoir. I have discussed it with my distinguished senior colleague (Mr. PEARSON), and understand the reluctance on the part of the committee to include it in the bill, because of the cost-benefit ratio; but the money is provided in the House bill, some $300,000. In view of the House action, the Senate should act in a manner consistent with the study and work already done in the House.

Mr. STENNIS. Mr. President, the Senator has described the cost-benefit situation correctly as being marginal. It is a marginal project.

It is one of those we left out, Mr. President, under the guidelines that we established and uniformly used all the way through, and this low, low benefit cost ratio was one of the major reasons.

The matter will certainly be entitled to a review and a reconsideration of the facts and everything in conference, and we will endeavor to reach agreement with the House conferees and consider every project. This will be included.

I appreciate the Senator's attitude very much, and I am glad he made his record here, presented it here, the way he has.

Mr. DOLE. I thank the distinguished chairman, and am assured that the project was considered fairly and objectively. That is all we can ask.

We are all concerned about spending at this time, and those interested in Fort Scott, whether they be opponents or proponents, can be certain that they have had a fair consideration.

I request at this time to have included in the record a letter from the city of Fort Scott, Kans., signed by Mayor John S. Baker; a letter from a long-time proponent of this project, a very distinguished Kansan, Harry W. Fisher; and a resolution from the city of Fort Scott with reference to the project.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

CITY OF FORT SCOTT,
Fort Scott, Kans., April 29, 1974.

Senator JOHN C. STENNIS,
Chairman, and Other Members, Senate Appropriations Subcommittee on Public Works, Dirksen Office Building, Washington, D.C.

GENTLEMEN OF THE SUBCOMMITTEE ON PUBLIC WORKS: It has been approximately twenty years since consideration was first given to construction of a flood control reservoir on the Marmaton River west of Fort Scott, Kans., this project being identified as Fort Scott Lake.

In the meantime, flooding has continued, crops have been ruined, and much valuable top soil lost. These conditions affect not only the people in the Fort Scott area, but our neighbors in western Missouri as well.

The people have waited patiently and everyone realizes that there are many just demands on Federal funding. We do feel, however, that this project has long been established as being necessary, even critical.

We are, therefore, requesting funding in the amount of nine hundred thousand dollars ($900,000.00) for the commencement of construction. This figure reflects the capability as submitted by the corps of engineers (attached are self-explanatory enclosures in support of this).

Your earnest consideration and appropriate action will be appreciated by the many people in the Fort Scott Lake Project area.

Cordially,

JOHN S. BAKER,
Mayor.

FORT SCOTT, KANS.,
April 29, 1974.

Re Marmaton River impoundment, Fort Scott, Kans.

PUBLIC WORKS SUBCOMMITTEE ON APPROPRIATIONS,
U.S. Senate.

GENTLEMEN: This impoundment part of original Pick-Sloan Plan. Active promotion for over 15 years.

Many volumes of evidence introduced showing need and value. $770,000 appropriations spent in planning and engineering. All ready to go when construction money available. Bypassed many times, for construction in more populous areas.

Land costs and construction costs climbing so that in another year cost benefit ratio will be poor, but good now.

Situated in high unemployment area.

Please do not let us lose the money spent and work done for lack of small appropriation at this time.

Respectfully submitted,
HARRY W. FISHER.

RESOLUTION

Whereas, the Congress of the United States is now considering the appropriation of funds for flood control in the Kansas River Basin; and

Whereas, the City of Fort Scott is situated on the banks of the Marmaton River in Bourbon County, Kansas, and has sustained incalculable losses and property damage as a result of the rampages of the said river, and

Whereas, the most recent of which flooding was in early March of this year, with the Spring rains yet to fall, and

Whereas, it is the conviction of the Governing Body of the City of Fort Scott that the Corps of Engineers project known as the Fort Scott Lake or the Marmaton Valley Reservoir would provide a means of controlling the said Marmaton River as well as stimulate conservation of natural resources and recreational and economic development; now therefore, be it

Resolved by the Governing Body of the City of Fort Scott, Kansas, That it hereby petitions the Congress of the United States and its legislative committees to grant the people of the City of Fort Scott and Bourbon County, Kansas, relief from the periodic inundations of the Marmaton River by passing with all due haste the act relating to the appropriation for the said Fort Scott Lake project.

Mr. DOLE. On that basis, Mr. President, I withdraw my amendment, and I yield to my distinguished senior colleague, Senator PEARSON.

Mr. PEARSON. Mr. President, the Fort Scott Reservoir project was first authorized by the Congress in the Flood Control Act of 1954. This multipurpose project has been eligible for construction funds since 1968. But the Congress has failed to provide the funds. I believe we have asked the citizens of the Marais Des Cygnes-Osage River Basin to wait long enough. These citizens want and need flood protection.

I am encouraged that the House has included construction funds in H.R. 15155. And I am hopeful that the Senate conferees will permit the inclusion of these funds in the final version of this bill.

Mr. STENNIS. Mr. President, I thank the Senator from Kansas (Mr. DOLE) very much and, since his amendment is withdrawn, I do not have to yield back the time.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STENNIS. I believe that completes the amendments, those we know about, except a motion for recommittal, and that we could now have a third reading.

Mr. HOLLINGS. The Senator from Florida did want to be on the floor to make that motion.

Mr. STENNIS. We are going to wait for him. If there are no further amendments, I am calling for a third reading.

Mr. STEVENSON. Mr. President, will the Senator yield for two more questions?

Mr. STENNIS. I am glad to yield to the Senator from Illinois.

Mr. STEVENSON. Mr. President, these questions are not directed to the public works projects but to the appropriations for the Atomic Energy Commission.

Today, perhaps the most critical problem affecting the security of mankind is how to prevent nuclear weapons from coming into unauthorized hands or from spreading to new nations. Such weapons in the hands of terrorists would be an unparalleled calamity.

The AEC appropriations bill which is before us includes $5.033 million for research to develop more effective nuclear safeguards. This is an increase of about 10 percent which, on the face of it, looks like little more than enough to keep up with the costs associated with inflation.

There is also in this appropriation bill a mere $675,000 for safeguard equipment and instruments. In sum, the AEC is proposing to spend a little more than $6 million on developing methods and procuring equipment to safeguard fissionable material which could be turned into lethal weapons either here or abroad.

I suggest to the Senate that these funds are inadequate for the scope of the problem which we face. Little of this program, if any, will have application to the development and implementation of international nuclear safeguards. So I would first suggest that the AEC consider earmarking some of these funds to deal with the development and implementation of improvements in international safeguards, including safeguards against diversion of fissionable materials produced by the foreign-designed nuclear reactors.

I ask the Senator if there is anything in this bill that would prevent the Atomic Energy Commission from using part of these funds for the development of international safeguards.

Mr. STENNIS. My quick answer to that is I feel that they do have funds in this bill that could be used for the purposes outlined by the Senator from Illinois. There is a fund to take care of safeguards, security, and so forth, that has quite a sum of money in it, so I do not think the Senator would have to ask for an additional appropriation on it.

Mr. STEVENSON. I am not suggesting an appropriation. I am referring to the $5.033 million appropriation for research and development of safeguards. It is beyond dispute that the existing safeguards which have been developed are inadequate to the task of safeguarding nuclear materials, especially in connection with, for example, the heavy water reactor produced by Canada as opposed to the light water reactor produced by the United States.

My question is whether this appropriation for research, as opposed to the appropriation for regulatory activities, is broad enough to permit research on the development of technology with which to safeguard fissionable materials produced by foreign-designed reactors.

Mr. STENNIS. Well, the Senator is eminently correct. There is money in the bill for that purpose. It is available for these purposes. It is one of the high priorities. If we looked over their budget, we would find scattered into various parts of the bill for research and for security and safeguards and related matters, as the staff member estimates, a sum of at least $90 million that is available for those general purposes.

Mr. STEVENSON. I thank the Senator for that assurance.

Mr. President, I hope that at the earliest time the AEC will seek whatever additional funds are necessary to expand its efforts to develop and implement adequate domestic and international safeguards. The time is short. Nuclear technology and international nuclear trade is expanding with frightening speed.

I offered yesterday an amendment to the Export Administration Act which would have proposed a 1-year moratorium on international transfers of nuclear materials until adequate safeguards could be developed. This amendment was withdrawn. However, if we do not have a moratorium, the least we can do is to accelerate and expand our efforts to insure that international commerce in nuclear technology does not become the means of spreading nuclear weapons to nonnuclear weapon countries or of allowing nuclear weapons or materials to fall into the hands of terrorist groups.

Not only should we expand our national programs in this area, but we should also make every effort to support similar programs undertaken by the International Atomic Energy Agency, and other nations around the world.

Last night the Senate did adopt my amendment to the Export Administration Act which requires the President to report to Congress within 6 months on the adequacy of U.S. and international safeguards. If that report indicates the need for increased expenditures with which to develop and maintain safeguards at home and abroad, I hope that the Appropriations Committee will give such a request for additional funds for that purpose sympathetic attention.

If such a request for additional funds is made either on the basis of that report or upon the recommendation of the Atomic Energy Commission, could the Senator give the Senate some assurance that it would receive prompt and sympathetic attention from the Committee on Appropriations?

Mr. STENNIS. Well, the Senator has certainly raised a point in which we have an interest. We will urge action in these fields. The Joint Committee on Atomic Energy would be interested, I am sure. But within those fields I can certainly assure the Senator. I shall write a letter to that effect to cover this proposition, as I understand it.

Mr. STEVENSON. I thank the Senator. I was not suggesting any initiative at this point. I was suggesting that if the AEC should seek additional funds to develop or maintain adequate safeguards, or if the President in his report—if that provision is retained in the Export Administration Act—finds that our domestic and international safeguards are inadequate, that in response the Committee on Appropriations would act expeditiously in connection with a supplemental appropriation.

Mr. STENNIS. Well, we know the Senator's concern. Of course, these special programs have to be authorized before they get to the Committee on Appropriations. This is a matter also for the Joint Committee on Atomic Energy. That is about as far as I can go.

Mr. STEVENSON. I thank the Senator.

Mr. GRIFFIN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

> Section 502 is amended by adding at the end thereof the following new sentence:
>
> "No part of any appropriation under Title II shall be available to pay for contract services of non-Government personnel under any contract or arrangement after June 30, 1974 if the Comptroller General of the United States determines that military or civilian personnel of the Department of the Army have been separated to meet personnel quotas imposed by the Office of Management and Budget and if the Comptroller General determines that the cost to the taxpayers for performance of such services by such non-Government personnel would equal or exceed the cost that would have been incurred if such services had been performed by the separated military or civilian personnel."

Mr. GRIFFIN. Mr. President, this amendment is offered to make clear that appropriated funds available to the Corps of Engineers under title II, should not be used to contract for nongovernmental employees to replace military and civilian employees of the Department of the Army merely to meet arbitrary personnel quotas set by the Office of Management and Budget, particularly if the Comptroller General of the United States finds that such a procedure would cost the taxpayers more money.

Mr. STENNIS. Mr. President, this is a language only amendment. The Senator has discussed it with me. We have been through this problem. I think the Senator makes a point and I am glad to accept the amendment. The Senator from Oregon has not returned to the Chamber. He understands the situation that way, too. We are glad to accept the amendment.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. STENNIS. I yield back my time.

Mr. GRIFFIN. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Michigan.

The amendment was agreed to.

Mr. HELMS. Mr. President, I ask unanimous consent that Tom Cantrell be allowed the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

IDAHO PROJECTS

Mr. CHURCH. Mr. President, I want to commend and thank the distinguished chairman of the Senate Appropriations Committee (Mr. McClellan) and the distinguished chairman of the Subcommittee on Public Works for Water and Power Development and the AEC (Mr. Stennis) for the appropriations the committee has recommended to the Senate regarding needed funds for public works projects.

I am particularly pleased to note that the committee has seen fit to recommend an appropriation of $100,000 for predevelopment planning on the new Salmon Falls Division reclamation project near Twin Falls, Idaho. Congress authorized the Salmon Falls project, under my sponsorship, in 1972. The administration, however, has repeatedly refused to request funds to begin the work on this project. The Salmon Falls Division of the Upper Snake River reclamation project would provide reliable supplemental irrigation water supplies for lands first irrigated in 1910.

The distinguished chairman's committee has also approved a $2 million increase which I recommended for construction work on the Bureau of Reclamation's Teton Dam in eastern Idaho. This additional funding will enable the Bureau to meet its original schedule of power generation from the dam by June of 1976.

I would also like to commend the committee for two other actions: its decision to recommend an appropriation of $500,000 to reimburse Boundary County for replacement of a bridge which will be inundated by the new Libby Dam in Montana and to begin the process of reimbursing landowners in the same county for increased pumping costs they must bear as a result of the operation of Libby Dam; and the granting of my request for an increase to $910,000—from the $570,000 sought by the administration—for the Corps of Engineers investigation of the Columbia River and its tributaries. This added amount will enable the Corps to begin an investigation of plans to help the city of Boise assure a minimum flow of water in the Boise River as part of its new sewage treatment system.

THE DELAWARE RIVER BASIN COMMISSION AND THE SUSQUEHANNA RIVER BASIN COMMISSION

Mr. HUGH SCOTT. Mr. President, I am delighted that the Committee on Appropriations, in a report submitted by Senator Stennis, has recommended continued funding for two important public works projects, the Delaware River Basin Commission and the Susquehanna River Basin Commission.

These commissions were created by a compact between the Commonwealth of Pennsylvania and adjacent States, and the Federal Government. Continued funding will enable joint State participation in the development of water and related resources in the areas.

I am very pleased to endorse the recommendation of the committee for the perpetuation of these important projects, which in the past have greatly benefited the citizens of Pennsylvania and adjacent States with their research efforts.

Mr. STENNIS. Mr. President, I know of no further amendments to the bill. The Senator from Florida has a motion to recommit but I believe a third reading is in order.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 15155) was read the third time.

Mr. CHILES. Mr. President, I send to the desk a motion.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

> The Senator from Florida (Mr. Chiles) on behalf of himself and Senators Domenici, Huddleston, Nunn, Bartlett, Hollings, Proxmire, Dole, Helms, Buckley, and Hansen moves that the Senate recommit H.R. 15155 to the Appropriations Committee and instruct that the committee reexamine the various items and readjust them so as to cut the total amount by 5 percent.

Mr. CHILES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. CHILES. Mr. President, will the distinguished majority leader yield for an inquiry?

Mr. MANSFIELD. I yield.

Mr. CHILES. Mr. President, prior to the time the Senator was considering changing the time for cloture, a unanimous consent agreement was entered that we would change the time so that debate would start at 5 minutes after 2, and try to continue on this bill and take up at such time motions or amendments that had not been completed after the vote on cloture.

I suggest that we need about 30 minutes on each side. At least, the proponents of the motion would like about 30 minutes. We would be willing to enter an agreement based on 30 minutes so the vote could take place shortly after the cloture vote.

Mr. STENNIS. Mr. President, a point of order. Do we not already have an agreement?

The PRESIDING OFFICER. 20 minutes equally divided.

Mr. STENNIS. I would agree to some additional time. Let us make it 30 minutes.

Mr. MANSFIELD. 30 minutes equally divided.

Mr. CHILES. That is fine.

Mr. MANSFIELD. To start with.

Mr. CHILES. We could start now and finish after cloture.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order previously agreed to be changed so that there may be 30 minutes equally divided between the manager of the bill and the sponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, we find ourselves facing in this country today an economy where for two consecutive quarters we have not had an increase in the gross national product. That is the sign and the signal that we are entering into a recession.

We find that inflation has continued to plague us and continued to increase at every hand. When I go home, everyone wants to know why we do not do something about inflation. I think many people would like to ask why do we not pass a law that stops the inflation.

Certainly, that is naive. There is no way we can pass a law that will stop inflation. But there is something that we can do. That is to control Government spending. We do know that that has been one of the major—if not the major—causes of inflation. No matter what economist one wants to listen to now—and we have many of them around here talking—they all have their solution of where they would cut, but they all agree that we must cut Government spending. On two occasions we have passed in the Senate a spending ceiling of $295 billion. As we come out with our appropriation bills, we continue to come out with bills that are going to put us over that $295 billion, by about $10 billion or $11 billion, at the present rate we are going.

So, on the one hand, we say we are for $295 billion; on the other hand, we are continuing to vote for appropriations that are going to put us some $11 billion over that ceiling.

I think there is a growing concern in the Senate. I know for a long time that concern has been in the country—that we better do something about our spending. How do you go about doing that? You are in midstream. You have already started the appropriation process.

Then there is the able leadership of our chairman, Mr. McClellan. He asked each subcommittee chairman if they would come up with a target which they would try to stay within, so that we could hold our bill within the President's budget.

They worked hard to do that. They came up with those target figures. I think that at the present rate at which we are going we will come out with total appropriations from the Senate which will be under the President's budget. That is laudatory. I think that is because of a lot of good, hard work that has gone into this by each subcommittee chairman, by the chairman of the Appropriations Committee, the members of the committee, and the staff.

But even when you come up with those figures, even when you come up under the President's budget, we are still going to be $8 or $9 billion over our ceiling of $295 billion. That is not a magic number. That happens to be what the anticipated revenue is for this year.

If we are going to live for 1 year within our resources without having another deficit, which would be 8 straight years of a budget deficit, we have to come within that ceiling.

Because of that, I think you are seeing motions: a motion to recommit on the Treasury bill yesterday; cuts on the agricultural appropriations; some 26 Members voting against the conference report on agriculture.

This is a cumbersome process. Certainly, it is started in midstream, but if we are going to do anything we better start it. Today is too late, so we cannot wait any longer.

So I say to the distinguished chairman of the Subcommittee on Appropriations (Mr. STENNIS) I think he has done an outstanding job. I listened to his report to the full Committee on Appropriations, and listened how they had gaged each one of the projects that came up; how projects which did not meet the criteria were held back. I know that many Members, including the junior Senator from Florida, would like to have some of the projects today in public works, and would like to have an increase. So there is a continual pressure. But just as that is true in almost any budget, what we are talking about with this motion, is the start of the process that should be carried out on every single appropriations measure; that this year we are going to tighten up the bill; we are going to try to do something about our economy; we are going to show the people of the United States that this is not a ship without any kind of rudder, without anyone at the helm; that we are going to try to show that there is someone trying to mind the store, and that we are going to get hold of this economy.

It is, for that purpose, that I offer this motion.

Mr. HATFIELD. Will the Senator yield?

Mr. CHILES. I yield.

Mr. HATFIELD. As a matter of record, did the Senator request the Public Works Subcommittee on Appropriations to add $175,000 for planning over the House amount for the Saint Lucie Inlet in the State of Florida?

Mr. CHILES. Absolutely, I did.

Mr. HATFIELD. Would the Senator indicate whether he would like to have 5 percent cut from the Florida portion of $20,855,000 for construction by the corps or $505,000 of planning money under the corps budget for the State of Florida?

Mr. CHILES. Because of the magnitude of the problem, and what I hear from my people in Florida, I am willing to cut all of these projects in Florida 5 percent, every one of them. I am willing to cut, as I was willing to cut on many other bills. Each one of us have projects in this bill. That is the nature of how the bill is made up. I do not want to cut all of my projects out, no, sir, but I am willing to say that we have to cut back 5 percent to try to get a hold of this economy. So I am willing to take a cut.

I only have a limited amount of time, and I will not yield further. I reserve the remainder of my time.

Mr. STENNIS. Mr. President, I yield myself 3 minutes.

Mr. President, I know it is very easy to vote for a motion like this in a relatively large bill. I explained the bigness of these figures in the beginning. There are funds for the Atomic Energy Commission, which includes a great sum of money for atomic weapons, and all kinds of matters about developing energy, although part of the energy R. & D. has been taken out and put into another bill. The Bureau of Reclamation money is in here; the Appalachia money is in here; the TVA money is in here, in addition to the civil functions of the U.S. Army Engineers—flood control, navigation, rivers and harbors, and related matters. I explained why these costs run up on the individual items.

Mr. President, may we have order in the Chamber? I can hardly hear myself speak.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Those matters have all been gone over. The big thing is, without any flowers for this subcommittee, we spent almost all of the 7 months, with excellent staff work, going over every single item in this vast bill. We had testimony from over 1,000 witnesses. Testimony from all of these departments was cross-examined and reexamined. Then we wound up just a little over the estimate for 1975, less than 1 percent.

We had definite guidelines that we followed. We turned down colleagues in the subcommittee, the committee, and here on the floor today. We had one project where seven Senators wanted a substantial alteration. We turned that down and removed all the money out for that project. We were not trying to kill it, but trying to make it move in a reasonable fashion.

My point is that this bill has been gone over fully. There are mighty few here who would vote for the proposal who would stand up and publicly advocate taking out anything substantial in their State. We have done the best we could. It is now in the hands of the Senate.

There is nothing personal about it, but I do not know how one would go about applying a 5 percent reduction across the board.

I am very much pleased that we are going to have a Budget Committee of our own. I will always regret that I missed last year when I might have been able to make a little contribution, because I was on that special committee.

As the Senators know, next year we are going to let these committees act, and then our super committee will look at all of them together and make a ruling.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield 5 minutes, or such time as he may care to use, to the unusually qualified man in this field, the Senator from Nevada.

Mr. BIBLE. I thank the distinguished Senator from Mississippi.

The comment I wish to make has been partly touched upon by the Senator from Oregon. I hope that if the distinguished Senator from Florida is going to continue to make these reduction amendments, he will also give us a bill of particulars as to where he wants the cuts to go. I think that is extremely important. We have had weeks and months of actually hearing hundreds of witnesses. All of them had appealing projects.

Mr. President, I should like to point out another phase—an important phase—of this bill. I do not have the exact figures before me at this time, but I know that they have been developed and have been inserted in the RECORD.

These flood control projects, which are sometimes referred to as "pork barrel," in effect save millions and millions of dollars in property and also many lives.

In the projects that have been completed to date, the water supply benefits are approximately 10,668,000,000 gallons of water furnished; the power benefits are something like $43.6 million, producing a gross revenue of $1.1 billion.

I have considerable familiarity with the reclamation area, because I am in a reclamation State, and a former Senator from my State was the author of the original reclamation act. These are cash register items; they pay their way, with interest.

In addition, the hydroelectric projects supply the energy which is in short supply at this time. They build economies which produce tax revenues.

Far from being a "pork barrel," this is a strengthening of America in practically every facet this bill covers.

One could go on and develop this matter further, but I know that the Senator is under a time limit.

I hope the motion to recommit is defeated.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the consent agreement previously agreed to be extended to include an additional 15 minutes for the Senator from Florida and an additional 10 minutes for the manager of the bill.

Mr. STENNIS. Mr. President, reserving the right to object—and I shall not object—I do not want to be chintzy about it, but I thought we had already agreed that we would get through with this debate before the other vote. I told that to some Senators. But I am not going to object. The Senator from Montana has a problem.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I should like to reiterate the fact that this subcommittee had the tremendous task of going over, project by project, not only those that were in the budget but also those which were requested by colleagues to be added to the budget.

I wish to reemphasize that the number of projects requested by our Senate colleagues and their constituents totaled between $400 million and $500 million.

The No. 1 point that I think should be considered is that this committee has carefully reviewed each request, and that each decision was based upon cost-benefit ratios and other criteria, so that it was a matter of merit on which we based our decision as to each request.

A very simplistic effort has always been made to cut budgets back by across-the-board percentage reductions. In 8 years as Governor of my State, I heard this many times from both the public and the legislature. But I think that one of the most irresponsible acts that can be committed by any legislative body is to be totally insensitive to individual cases and agencies and projects within each budget, instead of looking at each one on its merit, to take an arbitrary 5 percent, 3 percent, or 10 percent cut.

Mr. President, this is not fiscal responsibility. If we want to make cuts, I am willing to do so, review but on a selective cut basis. I think it ought to be amply clear that, as the ranking minority member of this committee, I shall insist, with all the power I can exert, that any kind of cut be made on a selective basis. All I am saying is that we are going to take each case, each project, on its merit, and make such cuts, rather than across the board, if I have any voice in that decision.

With respect to any referral back to committee, it should be understood that we have the responsibility to maintain the fiscally responsible character of that committee, to consider each case on its merits in making selective cuts totaling 5 percent, rather than across the board.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY

The PRESIDING OFFICER. Under the previous order, the hour of 2:05 p.m. having arrived, the Senate will now resume the consideration of the unfinished business, S. 707, which will be stated by title.

The legislative clerk read as follows:

> A bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the time for debate on the cloture motion will be equally divided.

Mr. STENNIS. Mr. President, it is my understanding that when this vote is disposed of, we will resume debate immediately on the appropriations measure.

The PRESIDING OFFICER. The Senator is correct.

Mr. RIBICOFF. Mr. President, this is the second time this year that the Senate has been asked to limit debate on S. 707. It is the fifth time in the last 2 years on a bill creating a consumer protection agency. It ought to be the last.

The vote on the cloture motion on July 30 made it clear that well over a majority of the Senate wants to see the Senate vote on the merits of this bill.

A minority claims that it is still too soon to set a definite limit on debate. But let us look at the record:

Nineteen hearing days have been devoted to this legislation over the last 4 years. A hearing record of thousands of pages has been prepared. The bill's provisions have been shaped and perfected not only by Congress and the executive branch, but also by outside experts on administrative law.

Today makes the 20th day in the last 4 years that the bill has been debated on the floor of the Senate.

In this Congress, the bill has already been on the floor on 7 different days. Over 85 percent of the words spoken by Senators during that time have been delivered by the minority that opposes this bill.

There is no reason not to now set a definite limit to the debate. Debate without end wastes the time of the Senate.

Supporters of the bill would welcome a debate of any reasonable length. Supporters of the bill would be happy to answer any question any Senator has about the bill. They would be happy to debate and vote on any reasonable number of amendments.

But this is not the real issue. The 100 hours available to all Senators after cloture will assure adequate time to conclude the 4-year debate on this bill. The real issue is whether the Senate will ever be permitted to vote to create an independent consumer protection agency.

S. 707 is landmark legislation. It should help increase the understanding in Washington of the actual needs and interests of people throughout the country. It should help make Federal agency decisions more informed.

If, however, it is the view of Congress after three years that the Agency is not effective, the Agency will be abolished. The bill specifically provides for an initial authorization of only 3 years. At the end of that time Congress will have ample opportunity to study the Agency's record. If the ACA continues in existence after that time, it will only be because Congress affirmatively votes to keep the Agency alive.

A minority of the Senate, however, should not be able to kill the agency before it has had a chance to live.

I hope that cloture succeeds on the vote within 15 minutes.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. I yield myself 3 minutes.

Mr. President, the distinguished Senator from Connecticut mentioned that this is the fifth time that this bill has been before the Senate. Actually, it is not the same bill at all. The 1970 bill has been denounced by some of the very supporters of the proposed legislation. The 1971 bill was denounced by Mr. Ralph Nader as a fraud on consumers. So this is not the same bill at all.

The motion is to cut off debate. What debate? We have had 10 minutes of debate today. The leadership brings up any matter it wishes. There is no logjam of legislation. We have Fridays off in the Senate. Not one bit of legislation is being impeded by the pendency of this bill.

Mr. President, the debate should not be called to a halt. It should be allowed to continue. If the debate is not ended today and we have another cloture vote, it has been the custom in the Senate, on most occasions, that after three cloture votes, if debate is not cut off, the bill will be brought down.

So if the 42 Senators who voted last time against cloture will hold fast for two more cloture votes, we can defeat this measure, which is not needed, which is based on the false premise that all consumers think alike, when they do not.

As Prof. John F. Banzat, professor of law at George Washington University and professor of legal activism, I believe has stated, if you set up one Government agency to police the work or oversee the work of one agency or force one agency's views on another agency, then after you set that up, it will not be long before you have to set up another agency to police the work of the watchdog.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Mr. Smith Hempstone and an editorial published in the Birmingham News in opposition to this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WATCHING WATCHDOGS

(By Smith Hempstone)

The White House can hardly make a move these days without getting "impeachment politics" thrown at it. So it is not unusual that some backers of legislation to create a consumer protection agency would be running around town claiming that President Nixon's threat to veto this new superagency is impeachment politics—that he is bowing to conservatives who oppose the bill in order to win their support in his fight against impeachment.

But that is just a smokescreen to hide the real arguments against what could turn into a giant boondoggle in the name of consumerism.

Opponents of the bill are hard at work in the Senate trying to head off creation of CPA. They contend, and with considerable justification, that it would be just another expensive government agency, staffed by dozens or perhaps hundreds of high-paid lawyers and countless other researchers, typists and paper-shufflers, whose principal function would be to harass other government agencies and private businesses—all with dubious benefit to consumers.

It is a strange concept that holds that government agencies created to look after the public interest must in turn be watched over by still more government agencies. But that's the way it is in Washington: Bureaucracy feeds on bureaucracy; that's how the town got so full of overlapping operations. What the Congress ought to be doing is eliminating a few agencies instead of creating more.

CPA would be able to stick its finger into just about every other governmental operation around—any that "may substantially affect the interest of consumers." Since almost everything is related in some way to consumers, that is a pretty broad mandate.

There are a couple of interesting exceptions, however. One would prohibit CPA from horning in on most labor negotiations; the other would prohibit it from interfering in broadcasting license applications before the Federal Communications Commission. A suspicious person might easily get the idea that backers of the legislation might have been playing a little politics of their own by writing in those exemptions—like cozying up to big labor and the media to get support for the bill.

The legislative director of the AFL-CIO, Andrew Biemiller, made it plain that his organization, which favors creation of the agency, would oppose it without exemptions for labor. "We don't regard labor relations as having a consumer interest. We don't want another government agency intervening in labor-management relations, sticking their nose in our affairs," he said. He's got to be joking. Since when have consumer interests been unaffected by wage negotiations?

With few exceptions, CPA would be able to swing high, wide and handsome. It would have the right to sit in on decision-making and then appeal agency decisions it didn't like to the courts. It would have authority to investigate consumer fraud and other conduct it felt detrimental to consumers. It could require private businesses to furnish information about their operations.

The way one supporter described its relationship with other agencies: "With an independent CPA looking over his shoulder, the product-safety agency won't be so quick to tell a manufacturer his lead-based Christmas tinsel won't be banned until after he has unloaded this year's supply on the market. The transportation-safety people will think twice before taking an auto maker's word that a defect in his vehicles isn't anything to be concerned with."

That sounds like putting the watchdog out to guard the watchdog. The product-safety agencies presumably were established to look after consumer interests. Before long, no doubt, there would have to be a third watchdog that is guarding the first watchdog.

The President is threatening to veto the legislation unless some changes are made to tie a few strings on the proposed agency. Rather than tinkering with it, Congress probably would be better off just to forget about it entirely.

What the consumers need more than anything are congressmen and administration officials who will do the job they're supposed to do, which is to watch after the public's (the consumers') interests. If congressmen aren't up to the job, maybe what the consumers ought to do is vote in some new watchdogs.

[From the Birmingham News]

SUPPORT FOR ALLEN

Alabama's junior senator, Democrat Jim Allen, has established himself as an astute parliamentary tactician and a formidable foe on the floor of the U.S. Senate of legislation he opposes. Allen's knowledge of the Senate rule book already has paid off in some important victories.

But Allen is up to his eyebrows in a fight over the proposed Consumer Protection Act which may, before it is through, test his mettle as never before.

This is one fight in which Allen deserves support from the home folks. The intent of the legislation which Allen opposes is to establish an agency with broad lobbying powers which could intervene in any activities by federal agencies or the courts on behalf of what he considers to be the interests of the consumer.

The proposed agency is generally referred to as the Consumer Protection Agency. But Allen recently offered an amendment, which was passed, changing the name to The Agency for Consumer Advocacy. The change in name may take some getting used to, since the proposed agency has been called by its former name for some time.

The new name is, however, more appropriate. The agency would be an advocate. It would have powers to challenge any action taken by a government agency and could be a party to any adjudication by quasi-judicial agencies such as the Federal Trade Commission.

Let's say that a case is before the FTC. There are now two parties: The company or businessman charged with a violation and the FTC prosecutor, who acts as an advocate before the FTC administrative judge.

Under the proposed legislation, the Agency for Consumer Advocacy would be allowed to intervene as a third party. Since the chances are more than remote that the ACA would side with the businessman, the result in every case would be dual prosecution. The alleged offender would be beset by prosecutors from both the FTC and the ACA.

To opponents of the proposed legislation, such dual prosecution would be a pointless and wasteful duplication.

Proponents of the legislation argue that existing agencies have become "captive" of the interests they regulate. If that charge can be proved, the thing to do is to fire the bureaucrats who have become soft on the job and hire some more. Creating a new layer of bureaucracy is not the answer.

From almost every aspect the proposed legislation is bad. The definition of "consumer" in the legislation is so broad as to include every living man, woman and child in the country. As Sen. Robert Taft Jr., R-Ohio, said in opposition to the bill, "Who can speak for every man?"

The powers of the proposed agency would be so broad that it could intervene at any stage in negotiations between this nation and nations abroad.

In the minority views of the Senate Committee on Government Operations, opposing senators raised these points regarding negotiations with foreign countries: "Has anyone seriously considered the implications of these powers? In our example, Secretary (Henry) Kissinger must keep the (ACA) continually informed of all expected and actual activity at each stage of negotiations, must listen to the (ACA) before making a decision at each stage, and must give the (ACA) an opportunity equal to any other party—equal opportunity to the person negotiating for a foreign nation, be he king or minister.

"Can anyone imagine the secretary of state telling some sheik, 'Excuse me, before I decide on your new proposition, I must contact the administrator of the (Agency for Consumer Advocacy) or one of his agents'."

Whatever good intentions may have motivated the advocates of this legislation have become far offset by the excesses the bill contains. The bill should be killed, and it is to be hoped that Sen. Allen and his colleagues can engineer it.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ALLEN. Mr. President, I reserve the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield 3 minutes to my distinguished colleague from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, the whole problem with this bill is that even if it shall be a matter to kill it, notwithstanding the fact the majority wants it, that if it succeeded before, and it is anticipated it will succeed again, it makes me wonder whether Senator ALLEN will call it off and go ahead with the merits of the bill if less than 42 Senators vote for that position. I doubt it.

Mr. President, the simple fact is that an effort has been made by the opponents of the bill to make U.S. business afraid of this bill.

There is absolutely no ground for that fear, it is highly invidious to U.S. business to take a position so opposed to the interest of consumers in this country.

This is a consumers' economy in America. What we are doing is consolidating in one agency of Government the consumers' advocacy function which, in principle, exists in every Federal Government department and agency but, in fact, does not operate that way. That is what it is all about.

Mr. President, we have locked in, between Senator RIBICOFF and myself, two very experienced business lawyers long before we became legislators, and Senator PERCY, a business executive himself, so many protections—we have almost exceeded what we ought to do in terms of protection—that business shall not be harassed or abused or made difficult.

On the contrary, to have a functional agency which will be able to give business a clean bill of health in respect to consumer relations will be of enormous benefit to business.

Mr. President, this agency which we would create has no policing power, it cannot get secrets other agencies have, even if those secrets were given to another agency by agreement with an individual or a firm.

In short, all of the fears, the fear tactics which have been used here about use of this agency to harass American business, are completely groundless, as an inspection of the details show, and there is no big bureaucracy involved. Our best estimates are that the organization will not exceed 250 to 300 employees.

The consumers' movement is a tremendous movement in this country, Mr. President, and I believe that our constituents, every one of us, want this kind of legislation for their protection. I do not believe they want us to be scared off by unfounded fears of American business inculcated in the business community simply because there are various people, and I do not challenge their motives or sincerity, who are against this bill.

Mr. ALLEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. There are 2 minutes remaining.

Mr. FANNIN. Mr. President, I rise in opposition to S. 707, the bill creating the Agency for Consumer Advocacy.

On April 3, 1974, the House of Representatives passed H.R. 13161 by a vote of 293 to 94. We are now debating an almost identical bill.

What is it?

Both the House and Senate bills establish an Agency for Consumer Advocacy as an independent, nonregulatory agency. The Agency is to be headed by an Administrator appointed for a term of 4 years by the President with the advice and consent of the Senate. All functions and powers of the Agency are vested in the Administrator. The Administrator appoints a General Counsel and may appoint five Assistant Administrators.

The principal function of the Administrator is to represent the interests of consumers before Federal agencies and Federal courts. "Interest of consumers" is defined to include any health, safety, or economic matter which might be important to individuals in their role of consumer.

Section 6(2) of the bill states:

> The functions of the Administrator shall be to (1) represent the interests of consumers before federal agencies and federal courts, in accordance with this Act;

What Federal agencies? Neither the bill nor the report lists the agencies whose functions and responsibilities are to be subject to ACA interference. One has to look to the entire bill, to discover what agencies are excepted in whole or in part.

The first exception is found in section 6(a)(11). If I understand this provision, it would exempt the National Labor Relations Board and the Mediation Service.

The next exception appears on page 85 of the bill. Section 17(d) excepts the CIA, FBI, and national security and intelligence functions of the Department of Defense. Subsection (e) on the same page gives a partial exemption to FCC with respect to renewal of radio and television broadcasting license. I call this "partial" because presumably ACA could intervene in original granting of licensing or in other FCC actions such as the present dispute between CATV and commercial stations. Thus ACA can be expected to intervene in the actions of the hundreds of Federal agencies with the exception of labor, national security, and radio-TV renewals.

Why call ACA an agency? Section 5(b)(1) states:

> The Agency shall be directed and administered by an Administrator.

Section 5(c)(1) states:

> The functions and powers of the Agency shall be vested in the Administrator.

Section 5(c)(3) states:

> The Administrator shall exercise all executive and administrative functions of the Agency.

Section 5(e) states:

> There shall be in the Agency a General Counsel who shall be appointed by the Administrator.

Section 5(f) states:

> The Administrator is authorized to appoint within the Agency not to exceed five Assistant Administrators.

This is not an agency. This is a one-man dictatorship. Senator ERVIN and three other Senators in their minority report refer to the Administrator as follows:

> S. 707 would coronate a Caesar within the Federal Bureaucracy. With deference to Shakespeare, we say to other supporters of consumer rights that our support is no less than theirs; that we rise against this Caesar, not because we desire consumer protection less, but because we desire good government more.

Mr. President, I am in entire agreement with this statement.

The original name of the proposed agency is a cruel hoax upon the American people. Every American is a consumer, and every American wants protection for the consumer. The bill with its apple pie and motherhood name will do nothing to solve the day-to-day problems of the consumer. We will complain about overcharges for unneeded automotive repairs; the prepaid merchandise that never arrives; the dishonest used car salesman; and the unhonored guarantee. But this bill will have no impact whatsoever on these problems. The customer could write to the proposed agency, which has information gathering powers, but his letter would only go into the files. It would be much more effective if he directed his letter to the Better Business Bureau that exists in almost every city.

Instead, the Agency for Consumer Advocacy is given the authority to intervene in cases now handled by some 50 administrative agencies. It not only becomes a party in these cases but its lawyers can carry the cases all the way to the Supreme Court. It will be involved in very complex and lengthy Federal administrative proceedings and court appeals involving such things as antitrust cases, rate settings, drug approvals and a plethora of other complicated matters and its effect will be to further delay the months or years that they now sometimes take. Thus, the consumer is hurt rather than helped by the proposed new agency.

Mr. President, I have read the majority report on this bill. I was especially interested in the 1½ pages following the subtitle, "The Need for the Legislation." Not one single example is cited. The sponsors of this bill merely tell us that congressional committees, the GAO, other Federal agencies, special commissions, consumer organizations, responsible business organizations and newspapers "are continually documenting the failure of Federal programs to adequately consider the interests of consumers."

This statement immediately raised in my mind the questions, What one? What congressional committee? What Federal agency? What special commission? What responsible business organization? Newspapers? I could probably name a couple of them. Consumer organizations? Ralph Nader comes to mind. Then I am lost. I am unable to imagine any responsible business organization desiring this bill to become law. The idea of any Federal agency requesting supervision by another Federal agency—to use an expression of a younger generation than mine—"blows my mind."

Mr President, we do not need this law.

During this decade, Congress has reacted to consumer protection demands by enacting many new laws creating new Federal agencies. To mention a few of the better known agencies over which the new agency would become a super agency, I mention:

National Commission for Product Safety;

Fair Packaging and Labeling Act;

Product Safety Administration;

Occupational Safety and Health Administration;

Interstate Land Sales Act;

Truth in Lending Act;

The Ban and Warning on Cigarette Advertising;

The Environmental Protection Agency;

The Radiation Control Act;

The Clean Air Bill;

Interstate Protection System for Wholesome meat; and

The Federal Energy Office.

Earlier created, but now more active and effective we have:

The Food and Drug Administration;

The Federal Trade Commission;

The Federal Communications Commission;

The Securities and Exchange Commission;

Various branches in the Department of Agriculture; and

Legal Services Act.

Mr. President, speaking as a consumer, I sometimes feel already overprotected.

If any of these Federal agencies which I have named are not doing the job they were created to do, they should be abolished rather than hampered by this one unknown individual who will be the sole administrator of the proposed super agency and will be answerable to no one as to his activities. Further, we have oversight congressional committees with full power to call these agencies to task if they are not doing their job.

Mr. President, this bill fails to do what most needs to be done. Conspicuously absent from the list of agencies over which the ACA will have overriding jurisdiction is the National Labor Relations Board and other agencies dealing with labor and unions. Yet, I can think of nothing which hurts the consumer more than the increased costs, if not unavailability of products, than a secondary boycott, a jurisdictional strike, or a recognition strike. Arizona growers of lettuce and grapes, for example, have had recurring national boycotts of retail stores selling such products not produced by Chavez' union. In Texas, we have witnessed a year-long boycott of Farah trousers. How much has the consumer's wallet been hurt by the fact that the company finally gave in?

Mr. President, ACA would have jurisdiction over many of the divisions and offices of the Department of Agriculture. I am curious as to whether it could intervene in cases and activities of the Department of Labor. For example, I believe the Department of Labor's Employment Standards Administration determines the minimum wage to be paid for construction as required by the Davis-Bacon Act.

For years, I have attempted to get something done about the David-Bacon and Walsh-Healy Acts. Excessive wage rates in the construction industry are largely the result of the Department of Labor using the union scale in fixing the rate for construction of federally financed projects. Walsh-Healy rates for Federal purchases are again set by the union scale and contribute highly to inflation.

This is a highly legitimate consumer interest, but does any Senator really believe the ACA would be interested in intervening in these matters?

Senator **Hansen** has recently uncovered a practice which must have alarmed many in this Chamber. The Farmer's Loan Administration refers all loan requests to the Department of Labor. The Department of Labor, in turn, sends such loan applications to the AFL–CIO for clearance. I am confident that my good friend, Senator **Hansen**, does not expect that the ACA, if it presently existed, would intervene in this reprehensible practice.

Mr. President, the labor exception or prohibition reads:

> The Administrator shall not intervene or participate in any agency or judicial proceeding or activity directly concerning a labor dispute involving wages or working conditions affecting health and safety.

Thus, the bill would also exempt OSHA as well as NLRB. Proceedings of these two agencies have been under congressional attack from the day of their enactment. No one can deny that their activities result in a substantial impact upon consumer prices.

Mr. President, section 6(a)(11) exempting labor matters from ACA intervention is so written that one cannot determine what activities the ACA might have a right of intervention.

The NLRB under section 8(b)(6) is given the task of preventing featherbedding. It has been a most ineffective provision, yet consumers have a high degree of interest in seeing it enforced. As I understand the bill, ACA could not intervene.

This Congress passed many amendments to the Fair Labor Standards Act in addition to raising minimums. Additional coverage of domestics, State, county and municipal employees, changes and elimination of many exemptions of overtime provisions previously enjoyed by many industries all call for extensive study and preparation of directives. Surely the consumer has a great interest in what the Wage and Hour Administrator does, but does ACA have any power here?

The Senate passed a comprehensive private pension bill. The cost of increased pension benefits, early retirement, et cetera, have an impact on consumer interests. May ACA intervene?

Pending bills federalizing State workmen's compensation laws and unemployment compensation have a large impact on the consumer. Can we expect the ACA Administrator to appear before congressional committees and state his position?

Mr. President, as I understand section 6(a)(11), the ACA Administrator has the right of advocacy and court appeal for such actions as reduction in federally regulated utility rates even though such might later result in a wage dispute. The same would be true of reduction in postal rates, and prevention of construction which may have an adverse impact upon the environment, or traffic or resale value of homes.

Mr. President, these are just a few of the vital issues which require answers from the proponents of this bill.

Mr. President, this bill would polarize American citizens. Proponents of ACA tend to speak of "consumers" as if they were invented in the late 1960s. They see them as a group whose interests have been slighted and whose concerns have been ignored. But who are American consumers if they are not the same American public that government has been serving for nearly 200 years?

I am a consumer and I do not intend to vote against myself, but I do intend to vote against this bill. I do so because I believe that the substance of this legislation will not ultimately protect consumers—it will injure them.

Proponents of ACA allege that such an independent entity is essential to monitor all other Federal agencies. This situation is alleged to exist because all our regulatory agencies have been "captured" by the very interest they are supposed to regulate. I am bewildered by the suggestion that all our existing Federal agencies are in some way corrupt and the best way to resolve this is through the creation of a now uncorruptable agency. I again say that if any agency has been captured by interests it is supposed to regulate, it is the NLRB, but that has been exempted.

The interest of consumers is identical to the public interest, for the general public and the consumers are all one and the same. The regulatory agencies we have set up over the past 70 years were designed to protect the public interest.

Mr. President, this bill would unnecessarily hurt business and ultimately the consumer.

The ACA bill, if made law, would have the following effects upon business and ultimately the consumer. It would exacerbate feelings of mistrust and disharmony between the business community and the consumer interests. It would foster a "them-against-us" mentality in which cooperative problem-solving of consumer complaints would have no place. It would increase the costs of doing business in terms of time, effort, and money to meet filing and reporting requirements. Such costs would be reflected in higher prices paid by consumers. No existing Federal agency could any longer guarantee the confidentiality of business records, documents, and other information submitted voluntarily to the agency. Resort will necessarily be taken to the subpena power with litigation instituted by business to defend the confidentiality of trade secrets.

It would create uncertainties among members of the business community concerning the finality of all existing rules and regulations of Federal agencies. Since ACA could challenge any rule or regulation, even if the ACA did not participate in the administrative process, no rule would be final until ACA decided it was in the consumer's interest.

Mr. President, I was especially interested in that section of the minority report which concludes that ACA could meddle in foreign affairs. The minority state:

> The State Department being a target agency for the ACA under this bill, let us consider what the ACA could, as a matter of unchallengeable right, do in regard to Secretary of State Kissinger's negotiations which may relate to trade of fuel products in this country from the Middle East—Has any one seriously considered the implications of these powers? Secretary Kissinger must keep the ACA continually informed of all exported and actual activity at each stage of the negotiations, must listen to the ACA before making a decision at each stage, and give the ACA an opportunity equal to any other party—equal opportunity to the person negotiating for a foreign nation, be he King or Minister. Can anyone imagine the Secretary of State telling some Sheik, Excuse me, before I decide on your new proposition, I must contact the Administrator of the ACA?

I call upon the proponents of this bill to answer these allegations. If they are accurate, and I have no reason to question them, I just cannot understand how any Senator can vote for this bill.

Mr. President, my disagreement with the principles of this bill is so complete that I sincerely believe the bill should be tabled and forgotten.

Mr. President, in conclusion, some may consider me old fashioned. But in this whole area of consumer protection, I believe we have already gone too far. I still believe that the consumer has the right to purchase a cheaper piece of merchandise, or one that will not last as long; that he has a right to make a mistake. I do not object to Federal requirements that he know the facts, but I still retain my belief that a competitive marketplace is the best enforcer of consumer protection.

Mr. President, I conclude with a few remarks in support of the Tower-Fannin amendment, 1567. On Wednesday of last week, the Senate debated at length upon the question of whether to accept the Commerce Committee language or the Government Operations Committee language with respect to the exemption of labor from coverage by ACA. The vote on this amendment accepted the Commerce Committee language as set forth in section 6(a)(11) of the bill.

In my view, there was little difference between the effect of the language between the two provisions. Under either, labor for the most part was exempt from coverage by ACA. Yet the speeches in most part were confined to the argument as to whether labor should or should not be exempt.

There can be no confusion with respect to the Tower-Fannin amendment. The amendment strikes out the proviso to section 6(2)(11) and labor would unquestionably be covered by the bill. Passage of this amendment would place labor agencies on the same basis as all other agencies.

At this time, I do not propose to go into the many reasons why labor agencies should not be exempted. Turn on your radio and listen to the news—read your newspaper. Strikes are sweeping the country. Government employees shut down Baltimore. Ohio cities were paralyzed. Hospitals were closed in California. Can anyone seriously argue that consumers are not affected by labor disputes? Can the U.S. Senate pass a consumer bill and leave completely out of it the interest which has the greatest effect upon the consumer?

If we are to have an Agency for Consumer Advocacy which is not a complete fraud upon the American people, we must include the labor agencies.

Mr. PERCY. Mr. President, the real question before us today is: How much longer must the Senate of the United States endure an obvious attempt to kill this important measure by talking it to death? If discussion of the bill is really desired, then let us vote cloture and proceed on to specific amendments dealing with specific problems that concern the members of this body.

What is being done, instead, is nothing less than a hoax on this Chamber, and on the American people. The intent is not to discuss the bill or its substance, but to talk around it. The intent is not to deal with it on its merits, but to prevent just such a discussion. The intent is not to improve the measure by amendment, but to talk it to death under the guise of "extended debate."

That strategy by opponents of the measure succeeded 2 years ago. It should not, and will not, be permitted to succeed again. We have had enough idle chatter about the bill. We have had enough of the scare language about what this bill might do. We have had enough of the "red herrings" that have been invented by industry lobbyists to scare off potential supporters.

It is now a time to address the bill and what it really would do—namely, to help protect the health and safety—the lives—of the citizens of this country. And, to help check instances of shoddy goods and services, unfair practices, misrepresentation, and fraud that are perpetrated too often on too many American consumers.

PROTECTING PEOPLE TO THE POOR HOUSE

Mr. FANNIN. Mr. President, the most serious problem facing the American people today is inflation. This is apparent from the mail that comes into my office, from the conversations that I have with constituents, and from the many stories carried in the media.

Recently the First National Bank of Arizona published some statistics which are very revealing in regard to the burden of inflation.

First National Bank and Arizona State University sponsored a study which showed comparative living costs for 1973 in Metropolitan Phoenix and 23 other large American cities. This study indicated that the cost of living for an average family of four in Phoenix was $12,151 in 1973—ranking the city as one of the most economical places to live in the United States. Living costs were higher in 19 of the cities studied.

The most interesting statistics, however, concern the increases in living costs between 1972 and 1973.

For the average family in Phoenix housing costs went up 4.6 percent, clothing and personal care costs rose 9.2 percent, transportation costs went up 12.7 percent and food cost 18.5 percent more.

These figures seem pretty steep until we come to the matter of "taxes." The average family in Phoenix was hit by a 20.6-percent increase in personal income taxes and a 35-percent jump in social security and disability taxes. Thus, the greatest rate of inflation was in the taxes imposed by the Federal Government on its citizens.

Mr. President, it becomes more and more apparent that Government—the Federal Government—is the major culprit in the inflationary spiral. It is somewhat ironic that the graduated income tax which is supposed to help equalize the weight of the tax burden actually works to give the Government a vested interest in inflation. As wages go up, the Federal Government's bite becomes bigger.

In addition, we have the Congress passing bill after bill that increase the cost of doing business and thus the costs to American consumers for the goods they must have. The Consumer Protection Agency legislation now before the Senate is another evample of a law which would bring higher and higher prices for goods.

Last week President Nixon gave an excellent speech concerning the causes of inflation and what we can do to cure it. Some people were disappointed that the President did not propose some dramatic blockbuster program to beat inflation overnight. The fact is that inflation is the result of forces—including actions by Congress—which have been at work since well before President Nixon took office.

We will not cure inflation in a day or a week or a month. We can cure inflation only through a persistent and unswerving dedication and through cooperation of the people, the unions, the business community, the administration and the Congress.

For our part in the Congress, we must have a balanced or a surplus budget. We must reject schemes which would increase spending for existing Federal programs or add costly new programs.

We must halt the flood of bills that add enormous costs for business and industry—costs which ultimately are borne by the consumer.

We must reject legislation which would tie millstones around the neck of American business and industry at a critical time in our economic history.

Too many of the bills presented to Congress as legislation to "protect" the people are deadly boomerangs which wind up slamming the consumer in the pocketbook.

We must begin to admit that the Government is not all-wise and all-powerful, that there are limits to what the Government can do for the people. Our national production and our resources are not, at any one given point, infinite. There are limits. And more important, we must remember that government itself is not a producer of wealth; government cannot give anything to one person without taking it away from another.

Recently politicians have made a big thing out of laws to "protect" the people. Each time the Congress passes a law to protect the people, the Congress assesses the people another cost. The fact that the cost usually is well camouflaged does not diminish the fact that it is another real cost and thus inflationary in these times.

Mr. President, I do not know how much more protection our people can stand. It appears the Congress is getting perilously close to protecting people out of their homes, their food, their cars, and perhaps their jobs.

I would hope that we will heed the message from President Nixon and adopt a program of fiscal responsibility which will contribute to economic stability.

Mr. ERVIN. Mr. President, I ask unanimous consent that all amendments which are now pending at the desk shall be considered to have been presented and read for the purposes of satisfying the requirements of rule XXII.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). Is there objection?

Without objection, it is so ordered.

Mr. ERVIN. Mr. President, my good friend from New York spoke about the merits of this bill. In my judgment, from having studied this bill in its present status, I do not think there is any merit in the bill.

For that reason, I think it is essential for those of us who think that this bill would play havoc with our system of government and would subject all the businessmen of America to the uncontrolled, arbitrary power of one single individual whose decisions cannot be reviewed by any power on Earth to have further time to enlighten some of our brethren in the Senate who have not yet seen the light.

For that reason, I sincerely hope that the Senate will permit those of us who recognize what a tyrannous bill this is to continue to point out the vast, uncontrolled and uncontrollable powers that the bill vests in a single individual in a government where it has been recognized that no one individual can be safely trusted with unrivaled governmental power.

The PRESIDING OFFICER. The time for debate having expired, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the bill, S. 707, to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

1. Abaham Ribicoff.
2. Howard M. Metzenbaum.
3. Philip A. Hart.
4. Joseph R. Biden, Jr.
5. Mike Mansfield.
6. Edmund S. Muskie.
7. Warren G. Magnuson.
8. Gale W. McGee.
9. John O. Pastore.
10. Henry M. Jackson.
11. William D. Hathaway.
12. Lee Metcalf.
13. Walter D. Huddleston.
14. Floyd K. Haskell.
15. Claiborne Pell.
16. Clifford P. Case.
17. Edward W. Brooke.
18. Edward M. Kennedy
19. Charles H. Percy.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 344 Leg.]

Abourezk
Aiken
Allen
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fulbright
Goldwater
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

VOTE

The PRESIDING OFFICER (Mr. William L. Scott). Pursuant to rule XXII, a rollcall has been had and a quorum is present.

The question before the Senate is, Is it the sense of the Senate that debate on the bill (S. 707) to establish a council of consumer advisers in the Executive Office of the President, to establish an independent consumer protection agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), and the Senator from Hawaii (Mr. Fong) are necessarily absent.

The yeas and nays resulted—yeas 59, nays 39, as follows:

[No. 345 Leg.]

YEAS—59

Abourezk
Bayh
Bentsen
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Domenici
Eagleton
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—39

Aiken
Allen
Bartlett
Beall
Bellmon
Bennett
Bible
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Fulbright
Goldwater
Griffin
Gurney
Hansen
Helms
Hruska
Johnston
Long
McClellan
McClure
Nunn
Scott, William L.
Sparkman
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—2

Baker
Fong

The PRESIDING OFFICER (Mr. McClure). On this vote there are 59 yeas and 39 nays. Two-thirds of the Senators present and voting not having voted in the affirmative, the cloture motion is rejected.

PUBLIC WORKS FOR WATER AND POWER DEVELOPMENT AND ATOMIC ENERGY COMMISSION APPROPRIATIONS, 1975

The PRESIDING OFFICER. Under the previous order, the Senate returns to the consideration of H.R. 15155, the Public Works Appropriations bill.

Mr. STENNIS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the motion of the Senator from Florida (Mr. Chiles) to recommit with instructions.

Mr. NELSON. Mr. President, may we have order in the Senate?

Mr. STENNIS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

The Senator may proceed.

Mr. STENNIS. Mr. President, we are going to vote in a few minutes. This is the appropriation bill for the Atomic Energy Commission, the Bureau of Reclamation, Bonneville, TVA, Appalachia, rivers and harbors, all the U.S. Army Engineers civil works projects, and other agencies. Amendments have been completed. The motion is to recommit the bill to the committee, with a 5-percent reduction.

Mr. President, we have a new system on these reductions, if any, how to make them after the committee has acted on the bill. I ask the Senator from Maine if he would permit me to ask him just a few questions.

Mr. MUSKIE. Yes.

Mr. STENNIS. I would appreciate it.

The Senator from Maine has been appointed, as we know, as chairman of our new committee on the legislative budget. I call the Senator's attention to the present situation that we have for this method of making reductions and bringing matters in line. I noted yesterday, I think it was, he voted against a motion of this kind.

Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. STENNIS. I ask the Senator what his idea is now. I know the membership would be interested in the approach, the method, and the plan that he understands that he and his committee will propose to follow and what he thinks about this particular reduction at this particular time?

Mr. MUSKIE. I shall be glad to do that, may I say, to the Senator.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Maine is recognized.

Mr. MUSKIE. I shall try to do it under the time restraints.

Mr. STENNIS. I yield additional time.

Mr. MUSKIE. First of all, the Budget Committee has not been formed, organized, or staffed, nor has it adopted policy applicable to this year. But I think it might be useful, and this was the question the Senator put to me privately, to undertake to put this debate in the context of the procedure that will be given its first trial run next year.

Next year, in the spring, we shall be asked and the Budget Committee has the responsibility of recommending to the Senate a first concurrent resolution establishing an overall ceiling, and then subtargets applicable to all programs and functions, and, of course, to all committees of the Senate. That will be debated. The Senate will vote on it. That will be the target for all committees as we proceed through the appropriations process.

The appropriations bills will then move through the process as they now do, bearing in mind the targets set by the first concurrent resolution.

When that work is finished, to the extent that there are discrepancies between the targets set up in the spring and the appropriations bills, those must then be reconciled by the Senate, first by the Budget Committee then by the Senate as a whole. The philosophy of that approach is that if we are to operate within constraints, those constraints ought to be applied on an overall basis from the point of view of the overall perspective we have of the resources available and the priorities that ought to be applied.

I do not know what, if anything, the Budget Committee, when it is formed this year, feels it would like to do with respect to this year's problem. We have a problem that concerns all citizens. The use of budgetary restraint is obviously a useful tool. I think it not unlikely that the Budget Committee, even though it is not in its first year of full operation, may undertake to recommend a policy to the Senate which applies, overall, the total results achieved by the Appropriations Committee and the Senate. Then we can balance our priorities. The Senators can decide whether or not, overall, there ought to be a cut; how much it ought to be; and if it ought to be more than a general cut or a selective one, what that ought to be.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. Mr. President, I yield an additional 2 minutes to the Senator.

Mr. MUSKIE. There are indications already from some of the Senators who would be on that committee that they would welcome that kind of initiative by the Budget Committee. As soon as we are organized and staffed, as soon as the minority members have been selected and we are in a position to meet as a group, I would not be surprised but what this kind of initiative was taken. Indeed, I would welcome it.

In the budget reform legislation we are given a watchdog responsibility over the budget. We are not in a position today, of course, as a committee, to take a position on the amendment offered by the distinguished Senator from Florida, joined in, I think, by the distinguished gentleman from South Carolina. They are both going to be members of the Budget Committee. They feel very deeply about this. I honor them for that.

As far as I am concerned, I think my preference this year would be to take a look at what we finally achieve by the appropriations process, and then decide whether or not we ought to vote a rollback.

Let me say that I have watched the operations of the Appropriations Committee under the chairmanship of the distinguished Senator from Arkansas. I have been impressed by the commitment to fiscal budgetary prudence he has reflected in his leadership of that committee, matched, I believe, by the distinguished Senator from Mississippi. I think we do not go amiss in this transition period in the full budgetary process when relying on the judgment of Senators of this kind. We still reserve upon ourselves the option of adopting an overall policy this year, or at least recommending it to the Senate.

Mr. STENNIS. I thank the Senator very much for his constructive views.

I yield 3 minutes to the Senator from Arkansas, the chairman of the Appropriations Committee.

Mr. McCLELLAN. I thank the distinguished Senator.

I have about the same view of this situation as the distinguished Senator from Maine. Let me point to what can happen and what you are encouraging by this kind of procedure that you are undertaking to follow here today. If everybody knows his bill will get a 5-percent cut when it gets on the floor, all he has to do is to up his appropriation, and, with a 5-percent cut, it is about at the level he wanted to begin with. That is not the way to proceed in this thing. We have established this budget control committee. I would like to see it this year, as the conclusion of all the appropriations bills, take into account the total of what we have accomplished, evaluate it, and then come to the Senate with their best recommendation. But if we are going to take this kind of a procedure—that every time a bill comes up you just whack it 5 percent no matter what is in it, how conscientious the committee has been, how much they have achieved—if you are going to apply a meat ax operation like that across the board, then there is no incentive for me as chairman of my subcommittee to try to hold it down. Just let it go. Let it come before you. You are going to take 5 percent off of it anyhow.

That same thing is true with every other committee. I am sure in all of them the chairmen do what they can, with their views and convictions, to try to hold down expenditures. But there are some appropriation bills that exceed substantially the budget. There are others that are cut below the budget.

If you proceed to apply a 5-percent meat ax across the board, you are going to cause a great deal more injustice than you will if we go along with the law that is enacted and with what it was intended to do.

I have announced heretofore that I am going to try to cooperate with that committee to help make it a success.

Mr. PASTORE. Will the gentleman yield?

Mr. McCLELLAN. I yield to my distinguished friend.

Mr. PASTORE. There is another element that should be emphasized this afternoon. After all, there is no need in spending hour after hour listening to the witnesses if we are just going to have an across-the-board cut. You might as well take the budget estimate of the administration, without holding hearings, and say, "Let us cut it by 10 percent across the board."

What happens then? We are delegating away to the administration the power of Congress. It is our duty to make our priorities; our duty is to cut 15 percent where 15 percent can be cut, and to retain the estimate where it can be retained. I do not think we ought to delegate that away.

A meat cut or an ax cut across the board, in my humble way, takes away from the Congress the discretion to discriminate between priorities. I do not think we ought to abandon that, and I do not think we ought to delegate it to the agencies downtown.

Mr. STENNIS. Mr. President, I yield 2 minutes to the Senator from North Dakota. He has to go to a committee meeting.

Mr. YOUNG. Mr. President, I think this is the last kind of bill to which you would want to apply a meat ax cut.

First, this committee worked hard and diligently and listened to hundreds of witnesses. They were prudent, in fact, cut at least $400 million below requests. We are dealing with wealth creating, wealth producing projects. For example, if it had not been for the late Senator Ellender and his hard work in behalf of navigation, our transportation would be in far worse shape than it is today. There were the improvements for navigation including docks, the deepening of harbors, irrigation for parched agricultural lands of this country to produce more food; to produce more electricity with hydroelectric dams, nuclear power and flood control. Cities suffered from floods.

This whole bill is so meritorious and so different from many other bills that this would be the last one where you would want to apply a straight across-the-board cut.

Mr. STENNIS. I thank the Senator very much, Mr. President, for his remarks.

Mr. CHILES. Mr. President, I yield 10 minutes to the distinguished Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I had not planned to do so, but I appear as a proponent of the meat ax, the meat cutting course.

You know, you learn from experience.

We had this situation one time before, I remind the Senator from Oregon, the Senator from Mississippi, and the Senator from Maine. It was back in 1967 when Lyndon Johnson was President. After we had gone through in the Appropriations Committee and cut $5 billion, we got down to December, 5 months after the fiscal year had started and what we proposed by a vote of 74 to 0 was a delightful meat ax. That meat ax said to cut 2 percent of all civilian personnel and 10 percent of all controllables.

We put in a contingency fund of $300 million for President Johnson, and we did not touch Vietnam, but we did cut 10 percent into the other military employees and programs. The Senator from North Dakota voted for the meat ax. We cut $5 billion by meat ax unanimously in December of 1967, and it was overwhelmingly agreed to by the House of Representatives, because that is the only way we are going to get our hands on this monster.

Do not come back and give me this reply about the number of witnesses. I happen to serve on the Appropriations Committee, and I know we hear the witnesses. The distinguished Senator from North Dakota is loyal in supporting me, as is the Senator from New Hampshire (Mr. COTTON). They do attend the hearings.

But we have to listen to all our own, and then we get the letters from all the Senators, and then there is a sort of poker game of dividing up the cards.

So it is all nailed together, and what does this group use as a response—all the hours of deliberation and the witnesses. This is an answer in light of the raging inflation?

I respect all the Senators, particularly, as a conservative, my friend from Mississippi. He just went over the amount, from 1974 to 1975, by $624 million. If we aprove what he requests, it will be $624 million over last year.

If Senators want to keep that train going, that is their business, but I would hope we can only get the 5-percent cut on the new spending, which will not really damage any project.

The Senator from Oregon says that he is going to take a stand for selective cuts, calling the other approach fiscal irresponsibility. Was it fiscal irresponsibility in December 1967 when my distinguished colleague and I voted for it?

I ask unanimous consent, Mr. President, to have printed in the RECORD this joint resolution, entitled, "Reductions in Obligations and Expenditures," together with a chart showing its effect on the budget.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Public Law 90-218, 90th Congress, H.J. Res. 888, Dec. 18, 1967]

JOINT RESOLUTION MAKING CONTINUING APPROPRIATIONS FOR THE FISCAL YEAR 1968, AND FOR OTHER PURPOSES

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "December 20, 1967".

TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than $9 billion and $4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

SEC. 202. (a) During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

(1) the aggregate amount available to each such department or agency as obligational authority in the fiscal year 1968 through appropriation acts or other laws, or

(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

(i) 2 percent of the amount included in such estimate for personnel compensation and benefits, plus

(ii) 10 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document No. 16, 90th Congress, 1st Session), as amended during the first session of the 90th Congress.

SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading "relatively uncontrollable" in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding $300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided,* That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a)(2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

SEC. 206. The amount of any appropriation or authorization which (1) is unusual because of the limitation on obligations imposed by section 202(a)(2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress.

Approved December 18, 1967.

LEGISLATIVE HISTORY

House Reports: No. 785 (Committee on Appropriations) and No. 1011 (Committee of Conference).

Senate Report No. 672 (Committee on Appropriations).

CONGRESSIONAL RECORD, volume 113, (1967): October 18, December 11: Considered and passed House. October 23-25, December 12: Considered and passed Senate.

NOTE.—The following tabulation sets forth the effect of title II of the foregoing act on controllable obligations as estimated by the Bureau of the Budget on February 8, 1968, but subject to revision as later figures become available:

[In millions]

Department or agency	Budgeted controllable obligations (1)	Reductions in obligations arising from congressional actions other than in H.J. Res. 888 (estimate) (2)	H.J. Res. 888 additional reductions (estimate) (3)	Total reductions (estimate) (4)	Revised obligations (estimate) (5)
Agriculture	$4,322	+$72	$458	$386	$3,936
Commerce	1,070	104		104	966
Corps of Engineers	510	10	57	67	443
Health, Education, and Welfare	7,498	311	439	750	6,748
Housing and Urban Development	1,351	488	150	638	713
Interior	1,668	75	53	128	1,540
Justice	477	20		20	457
Labor	525	27	20	47	478
Post Office	532	62	49	111	421
State	306	6	12	18	288
Transportation	1,456	+6	104	98	1,358
Treasury	917	7	26	33	884
Atomic Energy Commission	2,646	115	85	200	2,446
General Services Administration	699	8	113	121	578
National Aeronautics and Space Administration	$5,061	$511		$511	$4,550
Veterans' Administration	1,754	1	$139	140	1,614
Office of Economic Opportunity	2,060	287		287	1,773
Economic assistance	2,450	455		455	1,995
Other civilian programs	1,300	91	505	596	704
Allowances	2,450				2,450
Interfund transactions	−682				−682
Exceptions			+300	+300	300
Subtotal	38,370	2,500	1,910	4,410	33,960
Defense, non-Vietnam, and military assistance	54,695	2,610	2,989	5,599	49,096
Total	93,065	5,110	4,899	10,009	83,056

Mr. HOLLINGS. Mr. President, the first few words of that title read:

> In view of developments which constitute a threat to the economy with resulting inflation . . .

Not a single Senator dissented then. Senators can refer to the schedule which is attached, in which we did not hurt any particular agency of Government.

This is a complex problem. We discuss whether we ought to agree with these increases and come back later with changes. I think it is highly misleading to give budgetary credibility to this approach by calling on our distinguished budget chairman to tell us about what we are going to do next year. If this is what we are going to do, wait until next year for overruns and targets, then I agree with the sticker I have seen which says, "Impeach everybody." We cannot wait until next year. We have to do something this year. And have to do something within our budget committee too.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HOLLINGS. Not at this time.

The distinguished Senator and I discussed this matter. We on the Budget Committee were waiting on the Republicans to appoint their members. But as these appropriation bills come down the pike now, by cutting 5 percent, we can hold up just one-half of that $600 million increase. Cut my projection in Charleston, S.C., by that percent. I have been working on it for 13 years and it is vital to our economy, but I think it can stand a 5-percent cut in the interest of a balanced budget.

We have to have, as the Senator from Oregon would well have in church, a little lent, a little self-denial, and self-discipline.

We are talking about the number of witnesses and say that this is fiscal prudence when we jump it by $624 million. We are going willynilly down the road to chaos. How are we going to stop it?

I yield to the Senator from Maine.

Mr. MUSKIE. Mr. President, first, I should like to make clear that I do not recall saying earlier, in response to the Senator from Mississippi, that I expected the Budget Committee to wait until next year to exercise any of the responsibilities mandated under the budget reform bill. I recall quite clearly saying that I expected—and may I now add to what I said earlier in response to the Senator from South Carolina—that the Budget Committee would address itself, or seek to do so, to the problem this year.

With respect to the question of what is or is not meat ax, I guess one would have to define it.

I recall the resolution to which the Senator referred, and it is a very carefully worded resolution, occupying, I think, a page and a half of text which was carefully examined by those who are expert on the budget in the Senate.

Mr. HOLLINGS. Mr. President, I do not want to interrupt, but this could be on the time of the distinguished Senator from Mississippi, because we have only a few minutes.

Mr. STENNIS. I agreed to more time for the Senator than for us. I am sorry, but I am about out of time.

Mr. HOLLINGS. I am about out of time, too. I wanted to yield to the Senator for a question.

Mr. STENNIS. Mr. President, I yield 1 minute to the Senator from Maine.

Mr. MUSKIE. As I recall, it was an across-the-board cut, but it was an across-the-board cut that was carefully evaluated by all those who were in a position to understand the implications.

The Senator offered this as a subject for consideration by the Budget Committee the other day. I have already started the process of evaluating it in terms of this year's budget. I certainly do not object to the Senator's initiative this afternoon; I think it is useful. But I do not think that to compare this proposal this afternoon to the kind of carefully developed policy of 1967 is altogether on all fours.

Finally, let me say that I do not challenge any Senator's right to take any initiative he wishes at any time to cut spending. I only undertook to explain my own position with respect to this year's problem. I have a special responsibility as chairman of the Budget Committee. Second, I undertook, at the request of the Senator from Mississippi, to explain the philosophy of the budget bill for whatever use that may have as a guide to Senators responding to this problem.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Mr. President, simply put, I think that we on the Appropriations Committee and on the Budget Committee owe the people the duty to look at what we spent in the last fiscal year, what has been requested for this fiscal year and then see what each one of these committees suggested we spend in this fiscal year. If we do not increase them, if we are below the budget estimates, and there is no increase, then we can hold the line. But if there is a $624 million increase in public works and we say we need these projects and all are well conceived ones, then I ask, "Where are we going to cut?"

We know that some are lying in wait to cut HEW, which the President always vetoes, and others are sitting back waiting to cut Defense. I think we ought to do it across the board. A 5-percent cut will not hurt any of these projects. It is sensible; it is sound; it is not meat-ax. There is a fine, studied precedent.

I think it is misleading to have the chairman of the Appropriations Committee and the chairman of the Budget Committee give fiscal credibility to going over this budget by $624 million as compared with last year.

Mr. STENNIS. Mr. President, will the Senator yield on that point?

Mr. HOLLINGS. I yield.

Mr. STENNIS. The Senator from South Carolina could not be here this morning. He did not hear my remarks this morning, I judge, when I explained the accounting for this overrun.

For example, the Atomic Energy Commission, which accounts for $462 million of the increase over last year, had revenues of $805,300,000 that came in to them in 1974, nonappropriated money, and an unusually large amount. The fiscal year 1975 revenues are estimated to be about $135,700,000 less; $221.3 million was carried over from fiscal year 1973 to fiscal year 1974 which reduced the appropriation in 1974. That accounts for most of the $462 million of the so-called overrun. As to the other difference of $161 million, did the Senator hear me say that it was divided between water resources development matters, Bonneville Power, and TVA—all three of which are revenue producing and repaying agencies that are in this bill?

These are not runaway figures. Those differences account for the $624 million increase.

I appreciate the Senator yielding to me. He just had not had those figures. I ask unanimous consent to place a fact sheet in the RECORD explaining the AEC increase over last year.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

AEC FY 1975 Budget Estimate for Appropriation for Nonenergy Related Activities

As indicated on page 6 of the Senate Committee on Appropriations Report dated July 26, 1974, AEC's budget estimate for FY 1975 operating expenses for non-energy related activities is $1,461,633,000 as compared to the FY 1974 appropriation of $916,378,000. The reason for this apparently large increase of $545,255,000 from FY 1974 is that all AEC revenues, as well as the large unobligated balance carried forward (carryover) from FY 1973 to FY 1974, were applied against the non-energy portion of the AEC appropriation request. As shown below, changes in revenues and carryover account for $358,091,000 of this increase.

Revenues applied, $135,700,000.

The budget estimate for revenues in FY 1975 of $669,600,000 is $135,700,000 less than the FY 1974 amount. Since revenues are applied as a reduction to the Agency's appropriation request, the decrease in revenues in FY 1975 has the effect of increasing the FY 1975 appropriation by $135,700,000 over the FY 1974 amount.

Revenues in FY 1974 totalled $805,300,000 which was unusually high as a result of the special sale of 10,000,000 separative work units to Japan at a price of $320,000,000. Of this amount $50,800,000 was delivered and taken into revenues at the end of FY 1973; this contributed to the large FY 1973 carryover to FY 1974. The remaining $269,200,000 from Japanese sale was delivered and taken into revenues in FY 1974; this resulted in unusually large revenues for FY 1974.

Unobligated balance (carryover), $222,391,000.

AEC carried forward an unobligated FY 1973 balance of $222,391,000 into FY 1974 was used to reduce the Agency's FY 1974 appropriation. This unusual carryover resulted primarily from a slippage in the obligation of the Clinch River Demonstration Plant contract from FY 1973 to FY 1974 ($92,450,000), increase in revenues over the budgeted amount ($65,558,000, which includes $50,800,000 from the Japanese sale), and reductions in programs as a result of the Administration's efforts to reduce FY 1973 Federal outlays.

A more appropriate indication of the change in total obligations between FY 1974 and FY 1975. The FY 1975 budget estimate is $2,131,233,000, an increase of $187,732,000 over the FY 1974 level of $1,943,501,000. Of this, $77.7 million represents the increased cost of electric power for uranium enrichment operations. The remaining $110.0 million represents an increase of approximately 5.6 percent which, in view of inflation, would in effective keep the non-energy related pro-

gram activity in FY 1975 at about the FY 1974 level.

Mr. HOLLINGS. I thank the Senator.

The point is not where it comes from. The time is too limited to explain inflation. I do not believe I could do so.

I yield to the Senator from Florida.

Mr. CHILES. Mr. President, I yield 2 minutes to the distinguished Senator from New York (Mr. BUCKLEY).

Mr. BUCKLEY. Mr. President, I rise in support of the amendment that has been offered. I think it is the only prudent way we can approach the problem, given the practical situation at hand.

I agree that to decide to cut back by 5 percent is difficult. I do not believe that anyone questions the sincerity of the hard work put in by the very able members of the committee.

But we have to face the central fact now facing this country today and that is that we have come to grips with a problem of 2 digit inflation of a type that historically can break the backs of society.

We are not there yet, but if we do not address the problems before us with sufficient seriousness, we can yet achieve the fate of countries across the world.

Mr. President, the simple fact is that a year ago this appropriation spent $3,000,900,000, then by the time this year's budget was considered by the House it began with a figure of $4,000,400,000. They managed to add on another $63 million on the floor. We have to call a stop.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CHILES. Mr. President, I yield 2 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Florida.

Let me say at the outset, if the 5-percent cut fails, then the Senator will offer a more moderate 3-percent cut.

Let me also suggest, certainly this is not criticism of the committee, but I would point out we have not had double digit inflation all year, and some of us are feeling the heat of it this year in particular. There are about 33 or 34 instances that I can think of in this body, and I would only indicate that in every survey the American people are demanding a cut in Federal spending.

Certainly I do not offer and I am certain the distinguished Senator from Florida does not offer any criticism of the committee. I know of no more responsible Senators than those in charge of this bill today on the floor. But it does appear we have an obligation and I think the forces are rolling, the anti-inflation, the cutting-in-spending forces are rolling, and if the 5 percent one fails, I will offer one for 3 percent.

Mr. CHILES. I yield 2 minutes to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Florida.

I just want to say that obviously I do not stand in criticism of those who worked hard to prepare this budget, nor do I stand in opposition to what Senator MUSKIE proposes for the future.

However, it appears to me we have the now. We cannot as a Senate stand by while the American people are asking someone in a position of leadership to do something and excuse ourselves from doing something on the basis of a procedure that is not yet developed, that we wish to get developed, but in all reality will be 5 or 6 months into this fiscal year, if at all, with the things we know are pending before the Senate and the Congress of the United States.

It appears to me that if we want a procedure, the Appropriations Committee themselves could decide that they would meet and each budget would at least have some range, so we do not sit by and watch 14 budgets go through and have the same argument that we have today proposed on each, saying when we are through adding it all up, sometime in December perhaps, then we will apply 5 percent.

I think those who are supporting this, begging us who are going to prepare to do something about it, should meet together and say it is $295 billion, and when we add it all up it is not going to be more than that.

We would not be here meat axing—to borrow a phrase from the Senator from South Carolina—but how can we tell the American people what we are going to do when it is dependent upon 12 more budgets?

We do not know when they are coming and then maybe a committee that does not even have jurisdiction under the helm of Senator MUSKIE might say it is 5 percent too high.

What we are trying to say, the American people want it done.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHILES. Mr. President, I yield 2 minutes to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I thank the distinguished Senator from Florida.

Mr. President, some Senators pointed out that there are many good projects in this bill, and, certainly, there are. I would like to point out that there are many good projects not in the bill that could be included if there were sufficient money, but I do not think we should measure what we do today on the quality of projects in this bill. It is what we can afford.

The American people are saying. "We want a plan to cut back, a plan of a balanced budget."

This is perhaps not the best, but it is a plan, and it will be well understood by the American people.

They are cutting 5 percent, in many cases more than 5 percent, but some people are saying today that we are out of control, that we cannot cut, even if we had the determination to cut, that it is impossible to reduce the budget and balance it.

I cannot believe that. I hope that is not true. I do not believe it is true. But I think it is important that we provide a psychological impact which will certainly go a long way to reduce interest rates by taking action in Congress to reduce the deficit and to balance the budget. I think this would meet with more approval by the American people than anything else Congress could do.

Mr. CHILES. Mr. President, I yield 2 minutes to the Senator from Georgia.

Mr. NUNN. Mr. President, I agree with my colleagues advocating this 5-percent cut.

I believe the attitude of the American people is very clear. I know the attitude of the people of Georgia is clear; and it is very clear to me that Congress must cut Federal spending now or there will be economic disaster in this country.

Next year is not soon enough.

I commend the Senator from Maine because he has done an excellent job setting up what will be a very fine budget mechanism. However, the very premise for that mechanism is setting an overall spending ceiling before we start appropriating money, not afterwards.

We argued that point over and over and over. Thank goodness it is included in the final bill. This Senate also set a $295 billion ceiling. But unless we get down to details, unless we implement this ceiling, our intentions will be nothing but rhetoric.

I am delighted that the Senator from Maine and the Budget Committee are going to take an overall look at it this year. I submit, however, that this approach is going to have to take one of three routes.

The first alternative is for us to say to the President of the United States that we want him to do the cutting, which I do not believe this Congress will do unless we set rigid guidelines; or the second alternative is to say to the Appropriations Committee and the other committees that we want them to do the cutting. The third alternative would result from an absence of the first two. If we do not set spending limits we are going to run away with the budget. If we let the budget steamroll this year, we are not going to have in the future the fundamentally sound economic base this country must have for national security, for public works, for welfare, or for any other possible appropriation.

Mr. President, the details are clear to me and the people of this country. The point is now for the Congress to say "no" to inflationary Federal spending.

Mr. CHILES. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

The Senator from Mississippi has 2 minutes remaining.

Mr. CHILES. I yield 2 minutes.

Mr. HOLLINGS. Mr. President, I am on the Budget Committee and on the Appropriations Committee. What we are saying by this method is that we cannot wait 3 or 4 months for the Budget Committee, for Republican members to be appointed, for the committee to get staffed, have hearings, and do all this deliberating.

Why is this being presumptuous and too speedy?

In and of itself, this method will not stop inflation, but the American economy and the American public deserve a signal from the floor of the U.S. Senate, a signal that we know, that today we are aware, that we understand the dilemma, and that we are acting.

Dr. Kissinger, when he appears before us, does not talk about foreign policy. He talks about his concern over economic stability.

This is our chance. That journey of 1,000 miles begins with one step.

Now is the hour to give that signal, to take that step. It will have a fine psychological effect and it will start us on the right deliberate path.

Mr. STENNIS. Mr. President, I yield to the Senator from Indiana.

Mr. HARTKE. Are not most of the big items in this budget capital expenditures rather than current expenditures?

Mr. STENNIS. The Senator is eminently correct; except for some AEC programs and the smaller agencies and commissions; more than 90 percent are capital investments, and those of us that really followed this through saw where the quicker you finish them the better because of this inflation that is raging. Many of them are revenue-producing.

Mr. HARTKE. And if we delay the thing, it will cost the country more in the long run to get the same end result?

Mr. STENNIS. Yes.

Mr. HARTKE. I am going to support the chairman of the committee.

Mr. STENNIS. I appreciate the Senator's support.

I wish we had more time. I think we have explained this so-called increase from last year matter here, that revenue for these departments was available in 1974 and not in 1975.

Now, this bill has been carefully gone over, as I said, with guidelines. We used them and applied them without exception. Projects with marginal benefits were left out; those without full assurance of local support were left out; projects delayed because of legal action were out, and so on.

Without being offended at all, I observe that Senators who have spoken in behalf of this motion have urged us, here on this floor, to yield to the House of Representatives on matters that we had cut out and accept the House figures, thereby running this bill on up higher.

As I say, I do not complain of that. But we have had 6 months of urging by the membership of this body, and I am glad we have not neglected anyone. I welcomed the urging. We had letters, personal appearances, letters saying, "See my friend Joe Doakes; he has a good project"—that is all right, too. These matters had to be.

But they are not inflated. They are not rounded figures. This is a very conservative bill. I have reminded Senators that this is not only flood control, navigation, and rivers and harbors. It is reclamation. The entire budget for the Bureau of Reclamation is in this bill. It includes the Bonneville Power Administration, the TVA, Appalachia, Atomic Energy Commission, and all this group of others.

The PRESIDING OFFICER (Mr. McClure). The time of the Senator from Mississippi has expired. The Senator from Florida has 2 minutes remaining.

Mr. CHILES. Mr. President, I think this debate shows us why it is wise for us to try to get control over our spending. Every time we work on any piece of the appropriation picture, someone says, and rightfully so, "Why are you singling out this?"

"We have held careful hearings; this measure contains projects that are so important, why are you not doing anything about this?"

We go on to the next, and they argue:

> This one is different; how can you do something about this?
>
> These are people problems, how can you do something about them?
>
> These are food stamp problems, can you do something about them?

Public works favors all of our constituents. People like it. We all like it. So we can never bring ourselves to do anything about it. Yet half of us voted for $295 billion as a ceiling. Are we going to do something about that, or not? If we are, at some stage we have to swallow the bullet. At some stage we have to say, "Painful as it is"—and it is hard to do—"I am ready to do something about it."

I think this is a good time, and I think we ought to adopt this proposal, send the bill back to the committee with a target figure, and tell the committee, "Use your knowledge and use that target figure; we are giving you a goal. We did not give you that to start with; how could we expect you to do a better job? But we are going to do this now on all projects that come up, so that we can show the American people we are going to live within our means."

The PRESIDING OFFICER (Mr. McClure). All the time has expired. The question is on agreeing to the motion to recommit, with instructions. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. Huddleston) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker) and the Senator from Hawaii (Mr. Fong) are necessarily absent.

The result was announced—yeas 41, nays 56, as follows:

[No. 346 Leg.]

YEAS—41

Abourezk
Allen
Bartlett
Bentsen
Biden
Brock
Buckley
Byrd,
  Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Goldwater
Gurney
Hansen
Helms
Hollings
Hughes
Humphrey
McClure
McGovern
McIntyre
Metzenbaum
Mondale
Nelson
Nunn
Packwood
Pell
Percy
Proxmire
Ribicoff
Roth
Scott,
  William L.
Taft
Thurmond
Tower
Tunney

NAYS—56

Aiken
Bayh
Beall
Bellmon
Bennett
Bible
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Eagleton
Eastland
Ervin
Fulbright
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
Metcalf
Montoya
Moss
Muskie
Pastore
Pearson
Randolph
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Weicker
Williams
Young

NOT VOTING—3

Baker
Fong
Huddleston

So the motion to recommit was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I send to the desk a motion to recommit the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

> The Senator from Kansas (Mr. Dole) moves that the Public Works and Atomic Energy Commission Appropriation Bill, H.R. 15155, be recommitted to the Senate Appropriations Committee with the following instructions to the Committee:
>
> That they reduce the total amount of expenditures under the Act to $4,391,021,000.

The PRESIDING OFFICER. There will be 20 minutes for debate on this motion, 10 minutes for each side.

Mr. STENNIS. Mr. President, may we have the figures read again?

The PRESIDING OFFICER. The clerk will reread the figures.

The assistant legislative clerk read as follows:

> That they reduce the total amount of expenditures under the act to $4,391,021,000.

Mr. STENNIS. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, I wish to say to Senators, we have already been over the essential arguments once. This is a more moderate reduction of 3 percent. That is the essence—it is 3 percent instead of 5 percent.

I will yield very briefly to the Senator from Arizona. Then, as far as I am concerned, I shall yield back the remainder of my time.

We are in a period of severe inflation. Inflation and its economic and financial impact has become the issue of greatest concern in Kansas and throughout the Nation today. Recommendations have come from the administration and the Congress that Federal expenditures be curtailed to reduce inflation. If this objective is going to be accomplished, we must take a stand to limit expenditures now—on this bill and on the bills we consider in the future.

I move that the public works and Atomic Energy Commission appropriation bill be recommitted to the committee with instructions to cut expenditures to 3 percent below the budget request, or to $4,391,021,000.

Mr. President, I recognize that there are several Kansas projects in this bill. My interest in these projects does not mean the junior Senator from Kansas feels that projects should be cut in other

States and not in Kansas. On the contrary, Kansans are prepared to bear an equal share of appropriation cuts along with everybody else. The junior Senator from Kansas simply feels that all projects should be cut equally and that all States should bear the pain of budget cuts equally.

According to the 1975 budget scorekeeping report published by the Joint Committee on Reduction of Federal Expenditures on June 21, 1974, the Congress has already enacted a $727 million increase over the budget request. The report also shows that appropriation and legislative bills already passed by the Senate would increase expenditures above the budget request by $3,677,296,000. This level of increase is more than 10 percent above the budget request and in view of this, I believe a 3 percent reduction in the public works appropriation bill is not unrealistic.

But if we are serious about inflation and about the impact it is having on everyone in America, we must stand up and say "no", however painful. We just cannot have it both ways.

The bill we are considering is already about $40 million over the budget request. While I commend those on the Appropriations Committee for their efforts to hold down spending requests, I suggest they should have done more. My motion would require a cut of $176,182,000.

We have to start somewhere if we are really serious about doing something to combat inflation.

Mr. GOLDWATER. I thank the Senator from Kansas for yielding.

I voted for the last amendment; I shall vote for this one. I wanted to call the attention of Senators to a——

The PRESIDING OFFICER. The Senator will suspend. The Senate is not in order.

The Senator may proceed.

Mr. GOLDWATER. I call the Senator's attention to a speech that was made by the Senator from Texas (Mr. BENTSEN) over national television last night that I think is one of the best statements on the economy and what we have to do about it that I have heard. Among other things that he suggested was an increase of congressional effort to cut back Federal spending. President Nixon proposed a $5 billion cut in the 1975 budget. Mr. BENTSEN mentioned no specific figure, but some other Democrats have urged a much larger reduction.

I am very happy to see the majority party, the Democrat Party, finally coming to realize that the Congress is the cause of the inflation that we are having today. It is not the unions, it is not business; it has been the spending of money we have not had and do not have over the last 40 years, through Republican administrations and Democrat administrations.

I think it is high time to use the meat ax approach, if we have to use it. The scalpel is not working.

I support this motion. I hope that Republicans and Democrats will finally come to the realization that the Senator from Texas (Mr. BENTSEN) came to last night, and I imagine he was speaking for his party, because it was in answer to President Nixon's economic speech of last week.

All of us should join together and see that these budgets are cut. I know that when I vote to cut this budget, I am going to cut one of the most important projects my State has ever had, but I would rather live without that project a little longer than live with the thought that people are unable to keep the money that they earn.

I thank the distinguished Senator from Kansas for yielding.

Mr. DOLE. I thank the Senator from Arizona.

Let me repeat, this is essentially the same motion we just defeated, except it is 3 percent instead of 5 percent. I would urge again it is time for Congress to demonstrate responsibility. I know that it is very difficult to vote to cut this bill. It will be difficult to cut the next bill or any appropriation bill this year. But as inferred by the Senator from Arizona, it is a nonpartisan or bipartisan responsibility we have in this critical time.

I yield back the remainder of my time.

Mr. STENNIS. Mr. President.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. I propose to be quite brief about this matter. It is no fun to put a bill like this together. It is going to be very difficult to make a reduction of this kind, one that is fair and right.

No one respects the Senator from Kansas any more than I do. I have affection for him. He is a great asset to the Senate. But he urged us this morning to put in more money—more money.

I do not blame him for that at all. But I illustrated to him, "You cannot put in more money than the House would put in for your State." We left out the money and the Senator, representing his State, asked us on the floor to put it back in. Well, that would have added to the bill. Now he proposes to reduce the bill.

I judge the Senator is still for those in Kansas.

So that is the dilemma that we would be cast in.

Mr. HATFIELD. Will the Senator yield?

Mr. STENNIS. Yes, I am glad to yield to the Senator from Oregon.

Mr. HATFIELD. As a member of the subcommittee, I would be glad to expand on the statement that the chairman is making and ask him to place in the RECORD the $400 million to $500 million requests that were offered by our colleagues to the subcommittee that we considered on their merits and determined we could not increase the budget by that amount. I ask him to make that a part of the RECORD.

Mr. STENNIS. We are not complaining. It just shows the impossibility of the tight spot that the committee and the Senators are in.

Mr. McCLELLAN. Will the Senator yield to me for just a minute?

Mr. STENNIS. Yes, I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. I think I am correct that we invited every Senator to come before the Committee on Appropriations and show us where cuts could be made. We gave every Senator an opportunity—I think I wrote each one twice—and asked them to come and point out where they felt cuts could be made.

Now, if we are going to have a Committee on Appropriations and if it is going to function, we ought to have the benefit of the Senators' counsel there before we bring bills out, rather than criticism of our efforts after we get here.

I hope that Senators will keep that in mind in the future, and if we have something that ought to be taken out, come and present it to us. We get far more requests to put more in than we do to take out. In fact, it is an unusual thing if any Senator writes us and asks us to take something out of these bills.

On the contrary, we get pressure, we get letters to be sure we get this project in and that project in.

I just wanted to mention that. It is not a case of the Committee on Appropriations trying to run this thing and placing its judgment over everybody else. We ask for Senators' counsel. We invite it. If they will come and cooperate with us in that way, maybe we can eliminate some of these items and not come to the Senate floor with so many in such large amounts.

I advance that as a matter of good spirit, but Senators have to cooperate with us and give us their help.

Mr. President, I ask unanimous consent to insert in the RECORD a copy of the letter I sent to each Member asking their cooperation in this matter, to come before us and point out where they wanted the cuts made.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., January 24, 1974.

On February 27, the Senate Committee on Appropriations will begin general overview hearings on the President's proposed budget for fiscal year 1975.

The first witnesses will be Roy L. Ash, Director of the Office of Management and Budget; George P. Schultz, Secretary of the Treasury; and Herbert Stein, Chairman of the President's Council of Economic Advisers.

Following the testimony of these witnesses, I would like to invite you and all members of the Senate to submit your views on the budget and your suggested spending priorities either through direct testimony or by way of a written statement.

Your participation in these hearings will, I am certain, help the Committee to establish tentative spending ceilings similar to those we set—and, surpassed—last year. Your contributions will also help us to develop a legislative budget which will be commensurate with American needs and the fiscal realities we face today.

I, therefore, invite and welcome your participation in our initial review of the President's budgetary proposals. Every effort will be made to arrange for a mutually convenient time for you to appear. To facilitate scheduling, please have your staff contact Proctor Jones on Extension 57260 by February 11.

With kindest personal regards, I am
Sincerely yours,
JOHN L. MCCLELLAN,
Chairman.

Mr. STENNIS. I thank the Senator very much.

Mr. DOLE. I appreciate the reference the Senator made. Whenever he mentions my name, I am honored.

I would say this reduction should be applied to all the Kansas projects, which total about $23 million. Three percent of that is in excess $600,000. The Senator from Mississippi offered his comments to point up how difficult it is to cut Federal spending.

It is very difficult to reduce anything. As mentioned in jest, I could lose a project, but might save my seat if the Senate votes to start cutting expenditures and if the junior Senator from Kansas has the courage to vote for the spending cuts.

It is serious. The American people want some response. We shall continue offering responsible cuts and some day will prevail.

I request the yeas and nays.

Mr. STENNIS. I am glad to yield to the Senator from Arkansas.

Mr. FULBRIGHT. Since I have already lost my seat, I think I can be more objective. I voted for the Senator's amendment yesterday and the day before. I am going to vote for any and all cuts, but I think what is involved is some discrimination between those projects that are most important to the country.

We shall have foreign aid here very soon. A lot of people who are going to vote against this cut will vote against cuts there.

The PRESIDING OFFICER. The Senate will be in order.

Mr. FULBRIGHT. Obviously, somewhere, somebody has to do some discrimination on where we cut. This is public works, here at home. We have rising unemployment; we are likely to have it. Then we come in with an ad hoc, off-the-cuff program to give employment. Why not take a basic bill that has been gone over? Many of the projects here are ongoing projects.

Assuming the cuts occur, we have had the experience time and again that they have delayed projects in my State and doubled the cost, because of inflation, delay, and disruption. I think it is our duty to use discrimination in what we cut. I do not see how you can justify a cut in this kind of a program, which is essentially for the basic improvements of our own economy, in contrast to a lot of other bills I can think of, which I intend to cut.

Mr. STENNIS. I thank the gentleman very much. He has stated the situation far better than I could.

As I stated, a large amount of this money is for capital investment. That is where your money increases.

Mr. FULBRIGHT. That is correct.

Mr. STENNIS. May I take one other minute to explain something that naturally was noticed?

The budget for 1975 was over the budget for 1974 by $624 million. I have already given an explanation, gentlemen, for that apparent great increase: It is made up of less revenues and large carryover balances of the Atomic Energy Commission. They had the benefit of large revenues in the 1974 budget and carryover balances, thereby reducing the 1974 budget, but do not have a like income in the 1975 budget and the carryovers to reduce it further.

These factors left them short about $462.7 million overall. They just did not have the revenue income and the carryover.

That leaves a difference to account for of $161 million, which went to water resources development, the Bonneville Power Administration, and TVA, all of them money-producing works and agencies that turn money back into the Treasury. They are paybacks, that is what they are, and large ones. If you consider that $116 million of 1973 appropriations to the corps were reserved and taken up in the 1974 budget year, this overall increase almost disappears.

So in spite of inflation, this budget is not any big overrun over the 1974 fiscal year. We have carefully prepared and gone over and over these projects, applying the guidelines which had proved well in the past years, dropping out those that had the low benefit-cost ratios, projects about which there was still a lack of support, where legal actions were pending, and taking those, instead, on planning and surveying—which does not run into a large amount of money—and those in the process of construction where we have been committed too far to let them stop, and let them go on and be built before the cost increases.

I hope the Senate will see fit to sustain this position.

The PRESIDING OFFICER. All time has been consumed or yielded back. The yeas and nays have been ordered. The question is on agreeing to the motion to recommit with instructions.

Mr. STENNIS. Instructions for what, Mr. President?

The legislative clerk read as follows:

That they reduce the total amount of expenditures under the act to $4,391,021,000.

Mr. STENNIS. That would be the equivalent of a 3-percent deduction?

The PRESIDING OFFICER. The Chair cannot express a comment on that.

Mr. STENNIS. Can the Senator from Kansas?

Mr. DOLE. That is correct.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON) is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Tennessee (Mr. BROCK), and the Senator from Hawaii (Mr. FONG) are necessarily absent.

The result was announced—yeas 44, nays 52, as follows:

[No. 347 Leg.]

YEAS—44

Allen
Bartlett
Beall
Bentsen
Biden
Buckley
Byrd,
  Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Fannin
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hughes
Humphrey
McClure
McGovern
McIntyre
Metzenbaum
Mondale
Nelson
Nunn
Packwood
Pell
Percy
Proxmire
Ribicoff
Roth
Scott, Hugh
Scott,
  William L.
Stafford
Taft
Thurmond
Tower
Tunney

NAYS—52

Abourezk
Aiken
Bayh
Bellmon
Bennett
Bible
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Eastland
Ervin
Fulbright
Gravel
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
Metcalf
Montoya
Moss
Muskie
Pastore
Pearson
Randolph
Schweiker
Sparkman
Stennis
Stevens
Stevenson
Symington
Talmadge
Weicker
Williams
Young

NOT VOTING—4

Baker
Brock
Fong
Huddleston

So Mr. DOLE's motion was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. McCLELLAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I yield to the Senator from Arkansas whatever time he desires.

Mr. McCLELLAN. Are we going to have a yea and nay vote on passage?

Mr. STENNIS. I would like to, yes.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. STENNIS. I yield to the Senator from Arkansas for an announcement.

Mr. McCLELLAN. Mr. President, I wish to announce to the members of the Appropriations Committee that the meeting we had scheduled for 2:30 we have had to postpone because of the proceedings here on the floor, but we will, immediately following the vote on passage, meet and try to report the bill as scheduled for today.

Mr. PROXMIRE. Mr. President, once again I intend to vote against H.R. 15155, the AEC-public works appropriation bill. Good and needed projects are funded this year, as always. And the committee has worked hard to cut out several projects which are essentially a waste of tax dollars. I am particularly pleased that three projects have not been funded: Tock's Island Dam, Springer (Oakley) Dam, and Falmouth Lake. By recommending against these projects, the committee has performed a real service for the people living in the affected areas and in the interests of preserving environmental quality. The total estimated Federal cost for these three projects is now almost half a billion dollars—money that can be better spent in other areas.

Unfortunately, this year's total appropriation for the AEC and public works is still far too high. By cutting out unnecessary projects, we could greatly reduce the expenditures mandated by this bill. There are two good reasons why the bill is too expensive. First, budget cuts are vitally needed to combat inflation. Second, numerous projects in the bill are environmentally destructive and far more costly than sound alternative means for accomplishing the same goals. If ever we needed greater restraint in Federal spending it is now. At a time when the administration is arguing that budget cuts should be made in areas that promote human welfare, Congress should be taking a good hard look at the sort of funding appropriated in the public works area.

Given the current economic climate, there is no excuse for going over the budget estimates for fiscal year 1975. The total amount voted by the Senate should be substantially lower. Yet this bill appropriates $40 million more than the estimates for 1975 and a whopping two-thirds billion over the appropriations for last fiscal year—a 16 percent increase. The total recommended for public works is almost 3 percent higher than the budget estimates. Funds for construction and planning for the Corps of Engineers and the Bureau of Reclamation are a full 6 percent over the budget estimates and an incredible 13 percent and 27 percent, respectively, above fiscal year 1974 appropriations.

The argument can be made that these figures do not reflect the situation accurately since funds were carried over from 1973 into 1974, thus decreasing last year's appropriation. Yet the real problem is that in any given year, entirely too much money has been thrown away on projects that are either totally unnecessary or positively destructive. We have promoted flood plain development by building dams when it is being widely recognized that developments should be kept out of natural stream flood plains. We have severely damaged the environment to accommodate projects to favor special interests. Water development projects have been built at great public expense while more economic alternatives are ignored.

The committee report justifies the public works appropriations by pointing out the need for Federal money to "provide needed electric power, a more adequate water supply, flood control, irrigation, additional and improved waterways for navigation, recreation and other essential services for our people." I do not argue against such goals. But I cannot support spending hard-earned tax dollars for projects that do not effectively meet them.

Federal funds are unquestionably needed to protect the people from loss of life and property damage due to severe flooding. What I question is how we should go about doing this. The Corps of Engineers answer, as reflected by the large number of such projects funded each year, is to build dams. But I am not at all convinced that the feverish dam building of the last several decades has done the job. In fact, despite ever-increasing Federal appropriations for flood control, annual flood damages continue to grow.

A recurrent phenomenon in corps projects involves justifying dams by deriving substantial part of the flood control benefits from protecting future flood plain development. This sets up a vicious circle: Greater flood plain protection is predicated on extending the flood plain for residential development. Thus, a major flood could still strike the area and cause greater damage than would occur under a similar flood without the developed flood plain.

This year, the corps requested $93.5 million for flood control along the Mississippi River. The Senate committee has recommended $127 million. I question how much of this money is going to be spent wisely. Lulled by a false sense of security due to the presence of a dam, flood plain development is continuing in this area. Ongoing construction all along the Mississippi has tended to increase the flood heights and potential damages.

The economic justifications offered for some of these dams are suspect. The corps has been involved in about 1,000 flood control projects at a cost of $11 billion. These projects have saved almost $30 billion in flood damages. This looks like an excellent record. After all, the projects appear to have paid for themselves threefold. But this is a very good example of the kind of sophistry that can be built on statistics. What happens is this: The corps builds a dam at a cost of $50 million to protect a relatively undeveloped flood plain. Then, after the dam is built, $150 million of new development is located below the dam—development which would not have taken place if the dam had not been built in the first place. Along comes a flood 3 years later, and presto, the $150 million development is spared. The corps can then argue that the dam has already paid for itself three times over. Of course, if the dam fails, the results can be catastrophic to the people living in areas where they would not live if the dam had not been built. This is a little like buying a cat to protect your barn from rats, even when you do not have any rats. Nonetheless, you really want to have that cat, so you go out and buy some rats so the cat will have something to do. You can then go around and tell all your neighbors what a fine cat you have, how it is worth every cent you paid for it because it keeps down the rat population.

The committee has mentioned the need for more energy as a significant benefit provided by the bill under consideration. I fully support projects that will increase our domestic energy self-sufficiency when the benefits legitimately exceed economic, social, and environmental costs. Yet only 40 of the 250 corps projects and studies in this bill will supply any hydroelectric power. The rest of the projects will involve a large energy expense but will produce no energy in return.

Corps of Engineers projects require more energy and create fewer jobs than almost any other Federal program except highway construction. Furthermore, the very forms of transportation which canal and waterway projects often encourage are far less energy efficient than alternative modes. According to a June 1974, study by the University of Illinois Center for Advanced Computation, barges—which are effectively subsidized by these projects—use 10 to 23 percent more energy than railroads. The committee has rightly expressed a concern about our serious energy problems. Yet, millions of dollars are being committed to fund projects which not only require tremendous amounts of energy to build, but also benefit only a small number of people in the area.

A good example of this is the Tennessee-Tombigbee Waterway in Alabama. This one-half billion dollar ditch is justified primarily on the basis of projected savings to shippers who will use the canal. Despite the fact that the existing railway facilities in the area could serve the same purpose and use less energy, this bill appropriates $38 million to subsidize the shipping interests.

According to a recent study sponsored by the energy research group of the Center for Advanced Computation, the total energy which will be expended for construction of this project will be 1.9 by 10^{13} Btu's—the energy content of 3.4 million barrels of crude oil or 762,000 tons of coal. This tremendous expenditure of time, money, and energy, is going to subsidize an industry which is far less energy efficient than the existing alternative modes of transportation in the area. A crowning irony in view of the committee's expressed concern about our energy deficit, is that promotional material supplied by this waterway's supporters in the past has stressed the importance of the canal in facilitating the shipping of strip-mined coal to Mobile for eventual export to Japan.

In some instances, even the projects directly related to producing more energy are not worth the investment. The Dickey-Lincoln Dams which are planned for northern Maine are a case in point.

Although no Federal funds for this project were requested in the budget, both the House and the Senate have recommended $800,000 for planning.

The purpose of this project is to provide hydroelectric power for New England. In view of the recent Arab oil embargo, it is tempting to rush on with any such project. Such action is not justified in this case. The estimated Federal cost of the project is $356 million, using the corps' 3¼ percent discount rate. Using realistic interest rates, however, and taking inflation into account, the final price tag could go as high as $800 million. The Dickey Dam alone would be the sixth largest in the United States, larger than the Aswan in Egypt.

The environmental impact would be significant. The dams would flood 140 square miles of timberland, plus additional land for at least 150 miles of transmission lines.

In return for all of this, what would the dam provide? Less than one-half percent of New England's electrical demand within 10 years after the project is completed. There is no guarantee that any of the power would be made available outside of the State of Maine. How about consumer savings on electric bills? Only a fraction of 1 percent of New England's $1.6 billion power bill—if that much—would be saved.

The $800,000 now recommended for extended planning for this project could be better used to reach long-range solutions for conserving energy through better insulation of buildings, changes in consumption patterns, and new building and transportation design.

Mr. President, these and other projects are far too costly for the limited benefits they would provide. While there are projects in the bill I can and do support, the total impact of this funding is excessive and unjustifiable. I intend to vote against the bill as reported.

Mr. HASKELL. Mr. President, I would like to comment briefly on the pending legislation which appropriates funds for various public works water and power development projects.

At the outset let me extend my sincere appreciation to the distinguished members of the Appropriations Committee for their favorable consideration of several projects which are of great importance to the people of Colorado.

On June 24 I wrote a letter to the chairman of the Subcommittee on Public Works, AEC, Mr. STENNIS, and outlined the specific needs and desires that I had with respect to this bill.

The committee's decisions on these projects are in close agreement with those made by the House of Representatives.

I certainly realize that the needs and desires of the local communities have not, in every case, been satisfied with the decisions which have been made. Those needs simply exceed the amount of Federal moneys which are available. Given that situation it is especially important that we here in Congress make a careful evaluation of those competing needs and interests in order to make as equitable a distribution of funds as is possible.

I believe the bill before us has met that need for equity and am pleased to be able to support it. I hope that in succeeding years we will be able to fund additional projects as they may be necessary.

Mr. HATHAWAY. Mr. President, the Public Works Appropriation bill before the Senate today contains $800,000 to complete preconstruction planning for the Dickey-Lincoln hydroelectric project in northern Maine. Senate approval of this provision would mean that for the first time since 1967, both Houses of Congress would have approved funds for this project which was first authorized in 1965. The House of Representatives, usually the stumbling block in getting planning funds, approved the $800,000 amount this past June, a strong indication that the importance of this project as a sound of desperately needed electric power is becoming more apparent. I strongly urge the Members of this body to give their approval so that the people of Maine and New England, for whom energy costs are an exceptional burden even in the best of times, can be assured that the Federal Government has taken notice of their plight and is acting to bring some relief.

As I am sure the Members of this body are aware, a number of private utilities in Maine and New England, traditional opponents to Dickey-Lincoln, have publicly ceased their opposition this past year. Many Members of the other body, particularly from the New England States, who had been very vigorous and vocal critics of this hydroelectric project in the past, have now strongly endorsed it because of the future energy needs of New England as these have been underscored by the recent energy shortage.

All opposition to the Dickey-Lincoln hydroelectric project, however, has not ceased. I am sure the Members of this body are aware that numerous groups and individuals, concerned about preserving the environment of northern Maine, oppose the project because they believe its adverse effect on this environment is not worth the economic and recreation benefits that will result.

While I believe that most of these groups and individuals are sincere in raising their objections, I believe their fears of environmental damage are exaggerated.

For example, Mr. President, there are approximately 1,600 streams and 2,000 lakes in the State of Maine. A total of five streams will be affected by the Dickey-Lincoln project. Maine is 90 percent forested; one-half of 1 percent of this forested area will be flooded.

Still, I would be less than candid if I did not admit that we have to make some sort of tradeoff if we want to construct the Dickey-Lincoln Dam. There will be certain hunting, wilderness, and canoeing areas that will be flooded by the Dickey Lakes, and I can understand the concern of those who oppose this project because they do not want to see these lost. In view, however, of the vast expanse in our State which will remain untouched by this project and thus capable of providing timber and recreation, coupled with the growing demand for electric power between now and the year 2000, I believe it is in the interest of the people of Maine and New England to construct another source of clean, economical electric power.

I want to assure my colleagues that all aspects of Dickey's environmental impact will be examined very closely at both the Federal and State levels. Indeed much of the $800,000 for Dickey-Lincoln in the bill we are presently considering will be used to make an environmental impact study as now required by law. The environmental protection laws of the State of Maine are among the strictest in the Nation and the Members of this body can rest assured, Mr. President, that the Maine State Board of Environmental Protection will examine the Dickey-Lincoln hydroelectric project very closely. Before any approval would be granted by this board, there would be public hearings so that the people can make their concerns known.

Finally, Mr. President, my own voting record, public statements, and legislative efforts during more than a decade in Congress are overwhelming evidence that environmental preservation has been one of my main concerns. I do not believe that my support for the Dickey-Lincoln hydroelectric project during that same decade is in any way inconsistent with this record.

Mr. ROTH. Mr. President, today we are being asked to approve another budget-breaking appropriations bill. The bill we are considering today would appropriate $4.5 billion for public works projects and the Atomic Energy Commission.

I am not opposed to many of the programs funded by this bill; they are laudable and worthwhile. But I am opposed to automatic expansions of every Federal program and project every year.

This bill appropriates $40 million more than was requested by the President's budget, and $91.8 million more than was passed by the House of Representatives. Additionally, this bill would spend $624 million more than we spent last year.

The Congress simply cannot continue to approve these large increases every year. Inflation is out of control, primarily because of excessive deficit spending, yet we are being asked to approve a 13-percent increase in this spending bill.

Seventy-four Senators have already voted to balance the budget this year; 54 Senators signed a letter to the President asking him to balance the budget this year. But the President cannot balance the budget by himself.

Two days ago the Senate voted to increase spending for agriculture, environment and consumer programs by $138.5 million over the budget and $3 billion over last year's figure. Yesterday, the Senate voted against cutting spending for the Treasury Department and the Post Office by $131 million. And today we are voting on a bill to increase spending by $624 million over last year's total.

In the past 3 days alone, this Senate has voted to spend over $3.6 billion more than last year.

Now, I do not believe that these spending cuts out of a budget of over $300 billion would automatically cure inflation. But it would signal the American people that the Senate is serious about reducing inflation.

The Federal budget is out of control, and unless each Member of Congress takes positive action to restrain spending, we cannot control inflation.

The rejection of just one of these budget-breaking bills would assure the American people that we are determined to control inflation and preserve fiscal sanity.

THE DICKEY-LINCOLN SCHOOL HYDROELECTRIC PROJECT

Mr. MUSKIE. Mr. President, I want to address my colleagues on the importance of the $800,000 which is included in the Public Works appropriation bill, before us today, for continued planning of the Dickey-Lincoln project in Maine.

The project is familiar to many of my colleagues, I am sure—a major hydroelectric facility designed to provide 1.2 million kilowatt hours of electric power to Maine and the Northeastern States. Dickey would increase the peaking power capacity in New England by 18.7 percent when completed and would thus represent a major contribution toward the task of meeting the energy demands of our region. Of equal significance, the project would not depend upon expensive fuel oil now used for the bulk of New England's present and peaking power facilities.

In large measure, because of the high cost of fuel, the private electric utilities which opposed this project in prior years withdrew their opposition this year. Yet, new voices have been raised in opposition and questions have been posed by a number of concerned citizens' organizations regarding the environmental effects of the project and its economic justification.

I believe these questions can be answered. Many already have, I believe, on the basis of information now available. But additional information concerning the impact of the project is required and that is precisely the purpose of the $800,000 appropriation which we consider today.

I would remind my colleagues, however, of two significant historical facts about Dickey-Lincoln which ought to be considered. First, Dickey-Lincoln was born out of a concern for the environment. In the late 1950's, a major study of the feasibility of the Passamaquoddy Bay tidal power project on the Maine-Canadian boundary led to the recommendation of a supplemental hydroelectric facility in northern Maine. During the same period, the National Park Service completed separate study of the recreation potential of New England and recommended a major wilderness area for the same location.

In view of the importance of the environmental and recreational considerations pointed out by the Park Service, the hydroelectric project was shifted to its present site at Dickey, Maine, with a reduction in power values, and the Allagash Wilderness Waterway was established to preserve the river for its scenic and recreational value.

I point this out, not to claim that all the environmental concerns involving the Dickey-Lincoln project have been set to rest, but to dispell the apparent notion held by some that this project is being imposed upon Maine with no environmental consideration at all.

In fact, years before the National Environmental Policy Act came into existence, State and Federal officials—on their own initiative—conducted a series of evaluations of the environmental and recreational aspects of the project. The first such evaluation took place in 1963–64 as part of the Interior Department's study and later, during 1966–67, further studies were conducted by the Army Corps as part of its preparatory efforts.

The funds I urge that we appropriate today will provide the means of preparing a detailed environmental impact statement to continue this prior work. This will give us an opportunity to reevaluate our earlier conclusions in light of environmental standards which have evolved since the mid-1960's. I welcome this. Second, another aspect of the objections which have been raised recently against Dickey concerns the economic justification for the project.

Over the years, the favorable economic basis for the project has been determined, confirmed and reaffirmed by no less than three Federal agencies and by independent analysis.

As a member of the Senate Public Works Committee for 15 years, I have reviewed hundreds of projects which have been authorized by the Congress. I can think of no other project which has been the subject of such intense scrutiny for so long a period. And throughout this time, the benefit-cost ratio of Dickey-Lincoln has consistently been shown to surpass that of the majority of public works projects approved by the Congress.

I note, for example, that during debate on this project in 1967 the Army Corps of Engineers and the Department of Interior advised me that, of 170 Federal power projects ever constructed or under construction, Dickey's benefit-cost ratio was better than 75 percent of them. This information was included in a thorough review of the economic aspects of the project which may be found on pages 31950–31961 of the CONGRESSIONAL RECORD, November 7, 1967, to which I would refer those who wish to explore this aspect in depth.

My point in repeating this information is not to claim that Dickey should be subject to no further scrutiny. Rather, it is to point out that Dickey-Lincoln has been subject to the same tests and the same standards which every other public works project has been for many years. And it has consistently met them. To come in at this late date and seek to apply a different standard—one not applied to other projects—is not only discriminatory but destroys the basis for a meaningful comparison with other comparable projects.

Ultimately, the Dickey-Lincoln project must stand on its own. I believe it will. With the funds included in this measure, we will obtain the information necessary to support a spirited public debate on the project and a reexamination of its value in light of changed circumstances.

I am confident, on the basis of what has gone on before, that Dickey-Lincoln will meet this test and will continue to merit the support of Maine people.

Mr. KENNEDY. Mr. President, the public works appropriation which we are considering today includes $800,000 which is of critical importance to the New England area. These funds will enable us to; First, continue pre-construction planning for the Dickey-Lincoln hydroelectric power project, and second, to conduct a much needed impact statement on the effects of the Dickey-Lincoln facility on the environment in the St. Johns area.

The significance of Dickey-Lincoln as a source of clean, inexpensive power to New England has increased substantially since it was first proposed in 1965. As a result of New England's particular dependence on oil as our primary source of energy, and due to increases in the price of coal and imported fuel oil, our area is now paying 28 percent more for its energy than the rest of the Nation. We are dependent on imports for 35 percent to 40 percent of that oil.

New England has also has lagged far behind the rest of the Nation in the development of low cost electric power. As a result New Englanders pay higher electric rates than those paid by consumers of electric power in the rest of the country. This is due in part to New England's lack of public power facilities to serve as a yardstick in measuring the performance of private electric utilities and the cost of the power they generate. Had construction of Dickey-Lincoln after the initial studies of 1966 and 1967, it would now be nearing completion and filling this need.

Dickey-Lincoln would be a peak power generating plant. Peak power is needed during those periods of the day when the demand for energy is greatest. Dickey-Lincoln could meet that demand.

In the 1966 estimate of the benefit-cost ratio of the Dickey-Lincoln multipurpose dam and reservoir, the Army Corps of Engineers assigned it a favorable 1.91 to 1 benefit-cost ratio. In light of the soaring interest rates and construction costs for privately financed projects, and the high price of oil, the benefit-cost ratio has now risen to 2.6 to 1.

It would take about 7½ years to build the Dickey-Lincoln facility. With 725 megawatts of power on line to Boston, Dickey-Lincoln would provide New England with 10.25 percent of its peaking power requirements by 1983. In addition, 350 million kilowatthour from the downstream New Brunswick plant would be shared with the United States on a 50–50 basis. According to the Army Corps, this energy would be transferred by Canada to the United States at border tie exchange points and there would be no exchange costs.

Moreover when preconstruction planning funds are appropriated, discussions can begin with the New England Power Pool on the possible integration of power transmission on NEPOOL lines. This would result in a substantial reduction in the cost of transmitting power from Dickey-Lincoln to Boston. Discussions could also be held with public and private utilities on the marketing of the power that Dickey-Lincoln will generate.

Capital for construction would be available at an interest rate of 3¼ percent. All but $14 milion of the cost of constructing the dam will be paid back to the Federal Government in 50 years. The dam is expected to last 100 years, with little in maintainance and operating costs.

Serious questions have been raised over the environmental impact of Dickey-Lincoln's construction on the undisturbed St. John wilderness. It would alter an ecological system. A river would become a lake; some timberland would be destroyed. As a result of environmental concern, in 1963 the site of the dam was shifted from the confluence of the St. John and the Allagash Rivers to the present Dickey-Lincoln School location, to avoid the environmental damage and recreational loss which would have resulted from flooding of the Allagash. Thus the Allagash would be preserved in its natural wilderness state.

Beyond the generation of power and creation of new recreational opportunities, an additional benefit may result from construction of this dam. For many years the communities along the St. John have experienced flooding, some of it severe. This year, flooding caused an estimated $3 million damage in Fort Kent. The Dickey-Lincoln dam would provide protection against similar destruction in the future.

In closing, let me emphasize that we are not voting today on the actual construction of Dickey-Lincoln, but on funds to continue preconstruction planning and other related studies, including the environmental impact statement required by the National Environmental Policy Act. Of the $800,000 appropriation, $150,000 will be used to initiate work on that statement. This, together with the other preconstruction studies, will take 20 months to complete. During this period, all interested parties will be given the opportunity to voice their concerns at public hearings. The updated studies will provide long-overdue accurate information on the environmental impact of this project on the St. John.

I urge my colleagues to approve these preconstruction planning funds.

Mr. HELMS. Mr. President, only a few moments remain before this bill will be approved by the Senate. There is no doubt about the outcome. I shall vote against it, for the same reasons that I cosponsored two unsuccessful motions to recommit the bill with instructions to reduce the spending total.

However, let me say, Mr. President, that I thoroughly appreciate the feelings of the distinguished Senator from Mississippi (Mr. STENNIS) and the distinguished Senator from Arkansas (Mr. MCCLELLAN). both of them have said on this floor today that they wished Senators had tried to reduce the enormity of this appropriation when the bill was still being considered in committee.

I need not mention my affection or respect for either of the distinguished Senators. They know that I consider them two of the finest Senators ever to serve their country. Both are fiscal conservatives. On almost every proposition, we stand together and vote alike. I say this to emphasize that my vote against this bill should in no way be interpreted as criticism of them, or as doubt that they have done their best with a huge task of great proportions.

I cosponsored the Chiles motion to recommit with instructions to the committee to reduce spending under this bill by 5 percent. Now, Mr. President, a 5 percent reduction would have done no serious damage to the pork barrel. None of the pork barrel's staves would have been ripped off. But it would have been an indication of good faith on the part of this Senate that we mean what we say in our public oratory about "economy in government." The effort to achieve that 5 percent reduction was rejected today by the Senate, 59 to 39.

Then I cosponsored a motion by the distinguished Senator from Kansas (Mr. DOLE) to recommit this bill to committee with instructions to reduce spending contained in it by a mere 3 percent. We did better on that, Mr. President. We were defeated by a scant margin, 52 to 44.

Now, Mr. President, returning to the suggestion here a few minutes ago that Senators should have tried to reduce this bill with earlier efforts and recommendations, let me say that this Senator tried to do precisely that. In fact, I did the unthinkable. I asked that spending on a project in my home State—indeed, in my own home county—be reduced.

And what happened, Mr. President? On a strict party-line vote in subcommittee, my bill to save a minimum of $12 million dollars was defeated, 4 to 3.

Now let me quickly say, Mr. President, that some of the most fiscally sound Senators in this body are Democrats. Wild spending is not a partisan matter. Neither is doubletalk about "economy in Government." That is why I think it is essential that the American people somehow find a way to check up on how everybody in public life performs when he really has a chance to cut Government spending. Words do not count, Mr. President—but actions do.

I just want the RECORD to show, Mr. President, that this Senator from North Carolina regards it as his duty to practice what he preaches about cutting Federal spending and curbing inflation. And I invite my distinguished friends from Arkansas and Mississippi, to whom I am devoted, and whom I admire immensely, to look into the incident which I have described. There is no time to discuss it now on the floor of the Senate, and I do not feel that this is the appropriate place to discuss it anyhow.

I shall cast a protest vote against this bill, Mr. President, because I do feel that the enormity of the amount of taxpayers' money to be spent ought to have been trimmed—and that it could have been trimmed without adversely affecting any project contained in this bill.

Mr. STENNIS. Mr. President, I yield back the remainder of my time, if the other side will do so.

Mr. HATFIELD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Tennessee (Mr. BROCK), and the Senator from Hawaii (Mr. FONG) are necessarily absent.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) would vote "yea."

The result was announced—yeas 78, nays 17, as follows:

[No. 348 Leg.]

YEAS—78

Abourezk
Aiken
Allen
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Curtis
Domenici
Dominick
Eagleton
Eastland
Ervin
Fulbright
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—17

Bartlett
Buckley
Byrd,
Harry F., Jr.
Chiles
Cotton
Dole
Fannin
Goldwater
Gurney
Hansen
Helms
Hollings
Mansfield
Nunn
Proxmire
Roth
Scott,
William L.

NOT VOTING—5

Baker
Brock
Fong
Huddleston
Mondale

So the bill (H.R. 15155) was passed.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, on behalf of the chairman of our committee, the distinguished Senator from Mississippi (Mr. STENNIS), I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. STENNIS, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. BIBLE, Mr. ROBERT C. BYRD, Mr. PASTORE, Mr. HATFIELD, Mr. YOUNG, Mr. HRUSKA, Mr. CASE, and Mr. RANDOLPH conferees on the part of the Senate.

Mr. STENNIS. Mr. President, I wish to highly commend as well as warmly thank the following highly valuable and inexhaustible members of our staff: Mr. Proctor Jones, Mr. David Gwaltney, Mr. Jim Bond, and Mrs. Gloria Butland. They have been doing exceptionally fine work, with unusually long hours. There have been no weekends that they have failed to work, and they have a good deal of work still ahead of them on this measure.

Mr. HATFIELD. Mr. President, I wish to associate myself with the comments made by our chairman (Mr. STENNIS), and add my voice in commendation and gratitude to the staff for the excellent job they have performed for the subcommittee.

ANITA TOMASI

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1003, S. 3578.

The PRESIDING OFFICER. The bill will be stated by title. The legislative clerk read as follows:

A bill (S. 3578) for the relief of Anita Tomasi.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed as follows:

S. 3578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Anita Tomasi may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed in her behalf by Miss Theresa Tomasi, a citizen of the United States, pursuant to section 204 of such Act: *Provided,* That the brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 425) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. UDALL, Mrs. MINK, Mr. VIGORITO, Mr. MELCHER, Mr. RONCALIO of Wyoming, Mr. SEIBERLING, Mr. STEIGER of Arizona, Mr. RUPPE, Mr. CAMP, and Mr. KETCHUM were appointed managers of the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14012) making appropriations for the Legislative Branch for the fiscal year ending June 30, 1975, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 1–30, inclusive, 32, 33, 34, 38, 42, 43, 44, 45, 47, 52, 53, 54, 60 and 68 to the bill, and concurred therein; that the House recedes from its disagreement to the amendments of the Senate numbered 31, 37, and 69 to the bill, and concurs therein, each with an amendment in which it requests the concurrence of the Senate; and that the House further insists on its disagreement to the amendment of the Senate numbered 51 to the bill.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15074) to regulate certain political campaign finance practices in the District of Columbia, and for other purposes.

The message also announced that the House has passed and agreed to the following bill and concurrent resolution, each with an amendment in which it requests the concurrence of the Senate:

S. 3698. A bill to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology; and

Senate Concurrent Resolution 93. A concurrent resolution relating to an inflation policy study.

SENATE JOINT RESOLUTION 230—ONE HUNDREDTH ANNIVERSARY OF THE CHAUTAUQUA INSTITUTION

Mr. JAVITS. Mr. President, on behalf of myself and my colleague (Mr. BUCKLEY), I send to the desk a joint resolution saluting the Chautauqua Institution on the occasion of its one-hundredth anniversary, and I ask unanimous consent for its immediate consideration. I wish to state that it has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The joint resolution (S.J. Res. 230) was read the first time by title and the second time at length, as follows:

S.J. RES. 230

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas there has been times in the development of the highest qualities of humanity when the threads of spiritual values, educational values, and esthetic values have intertwined in a nexus resting within a unique community and a unique institution, it is fitting that tribute should be paid to the achievement and to the example of Chautauqua; and

Whereas for one hundred years the vision of the distinguished founders of Chautauqua, Lewis Miller and the Reverend Dr. John Vincent, has shone like a beacon, illuminating the cultural life of America and diffusing through every part of that life the light of the high ideals and noble purpose with which they embarked upon their great endeavor; and

Whereas being founded upon a commitment to the unity of the nature of man, Chautauqua in its century has sought to weave the religious, the educational, and the artistic yearnings of mankind into the fabric of American culture; the story of ten decades of unchallenged achievement is itself a testament to the magnanimity in mind and the dedication in deed which those who have played a part in the venture have brought to bear in its fulfillment; and

Whereas as Chautauqua prepares for its second century dedicated to the full development of human potential, it is appropriate that its contribution to the lasting values of the community of mankind should be commemorated; and

Whereas originally established as a center for the education of Sunday School teachers, Chautauqua rapidly interpreted its mission as the dissemination of education to all men and women of all ages, Chautauqua Institution pioneered the teaching of physical education, of musical theory, of painting, and of the arts and crafts; and

Whereas its development of a four-year home reading course, to bring the "college outlook" to those unable to pursue full-time higher education, evoked a response which cut across any barriers of birth or background; and ten thousand reading circles were formed throughout the nation in answer to its bold idea with one million readers enrolling in Chautauqua's Literary and Scientific Circles which not only pioneered the development of book societies, but also the development of the literary magazine; and

Whereas the educational techniques which emerged in Chautauqua's College of Liberal Arts spread across the nation like ripples from a pebble cast into the great pool of the American commitment to knowledge, and both in its summer schools and in its extension courses. Chautauqua served as the inspiration and the example; and

Whereas the Chautauqua Assembly has illuminated the paths of ecumenicism, as have the individual Jewish, Catholic, and Protestant services; and

Whereas the Chautauqua Platform established a model for free speech and open discussion which has profoundly influenced the development of debate in America; the attendance of seven Presidents of the United States is no small measure of its importance in the intellectual life of this Nation; and

Whereas Chautauqua's role in the development of the performing arts in America is witnessed by the history of its symphony orchestra, its opera association, its music school, its amphitheater, its repertory theater and its theater school; from the stages of these great institutions have so many of the world's foremost creative artists have been developed and have sent out their message to the people of our Nation, and to the people of distant lands; and

Whereas Chautauqua itself has inspired other communities to emulate its achievements, and in so doing has passed its own name into the language of a people and into the cultural experience of a Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Congress that Chautauqua Institution, that mirror of America which sends out its rays of illumination and example, and which receives back the reflection of itself in American life, should be saluted on its one hundredth anniversary.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JAVITS. Chautauqua is a word familiar to every American. To many of us, it means an experience within our own lifetime—an experience repeated almost everywhere in America—traveling lectures and concerts.

To those of all ages, it means even more: Chautauqua is an institution on the shores of a particularly lovely and peaceful lake in western New York. While it is in my State, it is much more important that it is in America, for, in a larger sense, Chautauqua is America—or at least a clear reflection of it.

What is Chautauqua?

That question is difficult to answer briefly. I ask unanimous consent to print in the RECORD a recent article in the New York Times which gives a detailed account of that answer under the title "Chautauqua Lives!"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 30, 1974]

CHAUTAUQUA LIVES!

(By S. A. Schreiner, Jr.)

You've heard of Chautauqua, of course—that traveling tent show of lecturers who brought a touch of culture to small-town America back in the days of the nickelodeon. You might even, given enough encouragement, recall that the tent show got its name from a kind of summer colony, up in southwestern New York, where old Aunt Mary spent her vacations. The associations are all past-tense.

Yet Chautauqua lives, and thrives. Not as a peripatetic tent show, but as an establishment that has all the earmarks of the ultimate resort. During its eight-week season, a resident population of 10,000 and another 50,000 casual visitors mingle on the fenced-in, 700-acre tract. Within walking distance, they can sample:

A sparkling lake for fishing and swimming . . . an 18-hole golf course and tennis courts . . . a green for bowling . . . an amphitheater with nightly open-air entertainment (including three symphony concerts a week) . . . a theater producting two operas and two plays a week . . . a summer school with daily courses for college credit . . . a 30,000-volume public library . . . eight restaurants. And more.

For Chautauqua (pronounced Shatawkwa) is not simply a place to go—it has been, since its founding just a century ago, an idea, a commitment to a way of life. It seeks, in the words of its president, Oscar E. Remick, to instill "a new sense of human dignity and worth through participation in the cultural creativity of man."

If that sounds stuffy, so be it. Chautauqua has always had a genteel, "it's-for-your-own-good" flavor, a sense of old values and traditions reinforced. There have been bows in the direction of the modern world; the season that opened yesterday, for example, will include a workshop in electronic music, with a demonstration of the Moog Synthesizer, and another workshop on transactional analysis (based on the theories of Dr. Eric Berne, author of "Games People Play").

For many, Chautauqua is a second home, unto the second and third generations, but people are always discovering the place for the first time, particularly young people. Nearly every job on the grounds—from waitress to lifeguard to gatekeeper—is held down by a college student. Moreover, some 2,000 young people are enrolled in its summer schools, affiliated with the State University of New York at Fredonia.

Chautauqua lies midway between Jamestown and Mayville, N.Y., on Route 394, about 10 miles from Lake Erie, and is accessible by car, bus, plane, or, if you're ingenious, boat. (An uncle of mine once returned to Pittsburgh from a Chautauqua vacation by canoe.) Once there, you have to buy your way in; the open-air entertainments and the institution's public facilities are free to anyone on the grounds. Adult gate tickets run from $90 for the season down to $2.25 for a specific event.

A stroll down the narrow brick path from Chautauqua's gate to the central plaza is a stroll into the past. On either side, crowded onto tiny lots, are two- and three-story gingerbread "cottages" in a turn-of-the-century style. Like the heart of a college campus, the plaza is surrounded by impressively colonnaded brick buildings which house the administrative offices, the post office, the library, the refreshment pavilion and one of Chautauqua's six large hotels. A few blocks to one side, the 6,000-seat amphitheater nestles in a natural ravine; a few blocks in the other direction is the modern opera hall and theater. A short downhill walk from the plaza leads to a manicured lakeside park graced by a square, brick bell tower whose carillon nightly lulls Chautauquans to sleep.

Narrow, twisting roads radiate out from the plaza, lined with private homes that grow progressively modern as you reach the perimeters of what Chautauquans like to call their "square mile of scenic beauty." Some 50 of them rent rooms, at rates that range upward from $35 a week. At the rambling Athenaeum Hotel, which is an authentic 19th-century relic, a room may cost $50 a day, American Plan.

Chautauqua was founded in 1874—as a summer training program for Sunday school teachers—by Methodist Bishop John Heyl Vincent and Lewis Miller, an Akron, Ohio, farm machinery manufacturer. Vincent had been licensed to preach at the early age of 17, and his golden tongue had carried him up the ladder of increasingly larger Methodist pastorates, including one in the town of Galena, Ill., where he became friendly with an obscure Army captain by the name of Ulysses S. Grant. It was a friendship that would put Fair Point, a stubby landing dock and grove of trees on the west bank of Lake Chautauqua, forever on the map.

Vincent and Miller had chosen this spot largely because it was the site of a foundering Methodist camp meeting in which Miller had some financial interest. The lake, which is 18 miles long and roughly two miles wide, narrows to a stone's throw in width at Bemus Point, a fact reflected in the most accepted translation of the Indian word "Chautauqua"—"bag tied in the middle." It lies 1,426 feet above sea level, and summers are cool; the one clear admonition to those planning to attend the first Chautauqua session, or "assembly," was: "Bring your biggest shawl."

Vincent and Miller, short on formal education themselves, included "scientific as well as theological subjects" at this first assembly. A 300-foot topographical map of Palestine was laid out to precise scale along the shore of the lake, a stand-in for the Mediterranean Sea. Despite depredations by generations of children hunting for tadpoles in the "Dead Sea," a low waterfilled pocket in the map, it has been doggedly refurbished to this day.

Nothing at the first assembly, however, touched the great event of 1875—the appearance of the President of the United States. Grant, one of the most tongue-tied men ever to occupy the White House, had good reason to accept his old friend Vincent's invitation, for it was Vincent whose oratory had saved the day when General Grant, the returning Civil War hero, could find no words for his fellow citizens of Galena. Grant's appearance on the Chautauqua platform was described by a contemporary chronicler: "The acceptance of [a Bible] by that great man, in silence, had the appearance of indifference in interest; but that great heart being too full of gratitude for utterance, silence became a higher tribute than words, and may it ever stand as a seal of humble and highest recognition."

Such conclusions about the nature of General Grant's silence may be arguable, but his visit had a lasting significance. The President's trip was given wide coverage in the international press; it made Chautauqua the place for the great to be seen and heard. Subsequently, seven American Presidents used Chautauqua as a sounding board for important pronouncements, ending with F.D.R.'s "I hate war" speech in 1936.

Thus was Chautauqua launched. And it grew apace. A systematic home study course, proved that the world was waiting for book clubs and correspondence courses. In less than seven years more than 100,000 people signed up for the home study and correspondence courses, and branches sprung up from Tokyo to London to Capetown. To meet the demand for books, a Chautauqua Press was set up, and by 1885 its catalogue listed 93 titles. As early as 1879, a Chautauqua Normal School of Languages was added to the Sunday School fare at the assembly grounds, and by 1883 the summer schools were being developed into models of their kind by the energetic William Rainey Harper who later became the first president of the University of Chicago. If imitation is the greatest form of flattery, then Chautauqua was flattered indeed. When Bishop Vincent published "The Chautauqua Movement" in 1885, he listed 31 different "Chautauquas" in nearly as many states; the tent Chautauquas came along in 1904.

Chautauqua students were appreciative. "I live on a farm," wrote one woman from the far West "and my hsband has no help except what I give him. All of the time I am not doing housework, I am obliged to drive the horse while my husband irrigates the land. I have done my readng while driving the horse for the past two months, but I cannot write while driving." For those who managed to finish the prescribed course, Bishop Vincent staged a Recognition Day at Chautauqua. Graduating scholars marched through a golden arch to the Greek-style Hall of Philosophy in a grove while bands played and children flung flowers at their feet.

By World War I, the press was gone, and the correspondence courses were retreating before a rising tide of competition from improved schools and bright commercial ventures. But the place called Chautauqua continued to grow. Its first venture into the serious arts came in 1909 when Walter Damrosch brought his New York Symphony to the grounds; by 1923, it was playing a full season under Albert Stoessel and had been transformed into the Chautauqua Symphony. Radio had muted Chautauqua's platform as a sounding board for the nation's great figures, but it spread Chautauqua's name to another generation of Americans through Sunday afternoon symphony concerts.

Chautauqua also became a training ground for young musical talent, providing both concert and classroom experience in the same place. Instrumentalists like pianist Van Cliburn learned their concert technique on Chautauqua's stage; the roster of Metropolitan Opera stars who are Chautauqua alumni includes Julius Huehn, Josephine Antoine, Annamary Dickey, Rose Bampton and Hugh Thompson; composer George Gershwin spent the summer of 1925 writing his "Concerto in F" in a Chautauqua practice shack.

Today there are some 500 buildings jammed into the area enclosed by the fence of eight-foot metal pickets that runs along Chautauqua's landward boundary. The fence makes it possible to charge one gate fee to cover all events put on by the institution. Since many take place in outdoor halls, it may be the only practical way to run the place, but down through the years the fence has given Chautauqua's critics a great deal of grist for their mills.

The fence not only shuts the world out but shuts Chautauquans in, and newcomers to the place, particularly in the early years when the gate was locked from Saturday night until Monday morning, often experienced what writer Carl Carmer once called a "hemmed in" feeling. In 1913, William James, the great American psychologist, wrote: ". . . what was my own astonishment, on emerging into the dark and wicked world again, to catch myself quite unexpectedly and involuntarily saying, "Ouf! What a relief! Now for something primordial and savage, even though it were as bad as an Armenian massacre, to set the balance straight again. This order is too tame, this culture too second-rate, this goodness too uninspiring. This human drama without a pang; this community so refined that ice-cream soda-water is the utmost offering it can make to the brute animal in man; this city simmering in the tepid lakeside sun; this atrocious harmlessness of all things—I cannot abide them!"

It is quite probable that Chautauqua's founders and the bulk of her devotees would regard such comment as complimentary. They have never been interested in feeding "the brute animal in man." Thus, for example, Chautauqua generated some of the wind behind Prohibition. The Women's Christian Temperance Union grew out of a committee of women who got together at that first tent meeting in 1874.

The pallid goodness that the worldly find so distasteful is part of what Chautauquans love. The sense of security within those gates is rare: Nobody locks his doors; the only thefts ever reported have been cases of petty pilfering in young peoples' dormitories. Old ladies and young children are safe on the darkest streets at any hour. History records only one case of murder in Chautauqua, and it was a crime of passion: Two cooks at one of the hotels had a falling out over the affections of a maid, and one of them belted the other with a cleaver.

The absence of crime in Chautauqua owes more to a fear of God than a fear of the law, for the institution has never had any real policing power. Bishop Vincent did organize a Department of Order from "the best boys on the ground to promote the peace and quiet" of the first assembly. Their duties were to make sure that, in the words of the Assembly Herald, there would be "no giggling after ten o'clock—no chopping of wood before six," a necessary provision when people lived close together in flimsy tents. Keeping people relatively quiet, either during open-air meetings or after the evening carillon has rung, is still the chief duty of Chautauqua's guards. Otherwise the place runs on a self-discipline so remarkable that it is difficult to find so much as a discarded chewing gum wrapper to mar the pristine beauty of the lawns that carpet the lakefront and the plaza.

The absence of license does not, however, affect the Chautauquan sense of liberty. Chautauquans wander in and out of performances in the open air halls at will; if a concert doesn't please, the artist may find his crowd cut in half after intermission. Chautauquans bring their babies, their knitting, their crossword puzzles to the hall. A complaining letter in the administration's files reads in part: "I feel very keenly about the knitting situation, also tatting, crocheting, needlepoint and sewing—and even shelling peas (to say nothing of reading books, papers, and writing letters)—during lectures and concerts and recitals in the amphitheater. I change my seat to get away from the flash of needles and find myself near a tatting shuttle."

Such behavior is part and parcel of the phenomenon known as the "Chautauqua Spirit," perpetuated by a mass of traditions unique to the place. One of these is the Chautauqua salute, originated by Bishop Vincent in 1877 when he suddenly realized that a deaf lecturer could not hear the applause. Vincent suggested that the audience wave white handkerchiefs, an activity since known as "the blooming of the white lilies." The first of a long line of famous visitors to be startled by the silent tribute was Gen. James A. Garfield, during his Presidential campaign in 1880. Some doctors were startled, too, and advanced the theory that the salute was a good way of spreading germs. Today the salute is reserved for rare occasions and is given only at the signal of the platform chairman.

Gregarious Chautauquans have cemented their ties to the old place by organizing a host of clubs—Boys' Club, Girls' Club, College Club, Woman's Club, Sports Club, D.A.R., Y.W.C.A. and, of course the W.C.T.U. The most typically Chautauquan group, however, is the Bird and Tree Garden Club, which nourishes such floral touches as a planting of petunias along the lake front. Under its sponsorship, an ambitious couple by the name of George and Dora Nelms counted and identified every tree over two inches in diameter on the grounds (there are 7,034 of 69 species). The club also organized the Bat Tower Climbing and Chowder Society, dedicated to the proposition that bats keep Chautauqua free of flies and mosquitoes. It built a brand new bat tower atop one of the smaller lecture halls and stocked it with 111 nursing mothers and babies uprooted from barns around Titusville, Pa.

Chautauqua today is very much the same sort of place it has always been—a place for people who believe in going ever onward and upward. They do so, however, under a somewhat revised moral code. Back in the '80's, for example, the colony paper announced that "the great problem of dancing and card playing was decided again. Can't be allowed." Today there is a great deal of both, not to mention Sunday golf and girls in shorts strolling the plaza. And one doesn't have to look far to find a few private citizens saluting the cocktail hour on their porches.

College students and teen-agers have led Chautauqua to put on a jazz night the last several seasons. While they have led to nothing like the Newport riots, these popular offerings bring upon Chautauqua a locust swarm of young people from hundreds of miles around—anywhere from 2,000 to 5,000, including boatloads of young pirates who try to escape the gate fee by coming from the sea. The fact that these entertainers can outdraw even the symphony's pop concerts galls many old Chautauquans. Writing about the situation, a woman said: "From a profit standpoint a huge success *at the moment*, but what will the long view do to the reputation of this Chautauqua founded on Bishop Vincent's dream?"

At this writing, jazz concerts notwithstanding, the bishop's dreams seems in safe hands.

If you go to Chautauqua as a casual visitor rather than as a resident between now and the close of the summer season on Aug. 25, you can attend a wide range of performances that includes 16 operas, 21 orchestral concerts, 16 plays and guest appearances by such stars as Melba Moore, George Shearing, Chet Atkins and Dave Brubeck and sons.

The operas and plays are performed in Norton Hall and the concerts and special guest programs are held in the 6,000-seat Amphitheater. Admission to the concerts is $3.50, to the plays, $2.50, to the operas, $2.50 to $5.50 and to the special events, $4.75.

All performances in the Amphitheater start at 8:30 P.M. and the plays and operas in Norton Hall begin at 8 P.M. Operas are performed on Mondays and Fridays; plays are performed on Thursdays and Saturdays; most guest appearances are on Thursdays, and concerts are held on Tuesdays, Wednesdays and Saturdays.

Here are some of the musical highlights, with their accompanying dates:

"West Side Story," matinee on July 26 and evening performance on July 29.

"La Traviata," July 5 and 8.

"Philip Marshall," a world premiere of an opera by Seymour Barab, July 12 and 15.

"Don Giovanni," July 19 and 22.

"La Boheme," Aug. 2, 3 (matinee) and Aug. 5.

Rossini's "Cinderella," Aug. 9 and 12.

Howard Hanson's "Merry Mount," Aug. 16 and 19.

The schedule of the plays is as follows:

"A Touch of the Poet," July 11 and 13.

"Count Dracula," July 18 and 20.

"Born Yesterday," July 25 and 27.

"The Front Page," Aug. 1 and 3.

"Look Back in Anger," Aug. 8 and 10.

"The Morgan Yard," Aug. 15 and 17.

"6 Rms Riv Vu," Aug. 21 and 22.

For more information, telephone Chautauqua at (716) 357-5635.

Mr. JAVITS. For now, let me say that it is a place of learning: a place to study, a place to practice one's skills and one's ideas, a place to listen to others and to speak one's mind. It is a place of recreation: a place to play team sports, a place to develop individual talents, a place to sail, or golf, or swim—a place to do your own thing. Chautauqua is a place full of excitement yet offering a restful environment preserved for posterity by people who "use" that environment to the hilt. It is an environment of shade trees, light breezes, cobbled streets where autos are almost unknown, of hills, moss, and music.

Chautauqua was founded by Lewis Miller and the Reverend Dr. John Vincent in 1874, as a church school for Sunday school teachers. It quickly took hold and looked over its horizon, expanding its activities on every front realizing that all human experience enriches, and is enriched by, the spiritual experiences which were its genesis.

During the years that followed, Chautauqua has drawn to it people from every State in the Union as teachers, as students, as leisure visitors, as donors. It is in New York only in the narrowest sense; it belongs to all of us.

Next Tuesday, August 6, 1974, is the one hundredth anniversary of Chautauqua's founding, and I offer the joint resolution to salute that occasion.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. JAVITS. Mr. President, I wish to thank the majority and minority leaders and their assistants for their courtesy in this matter.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. President, may I ask is it the intention of the leadership to call up the transportation bill tomorrow morning?

Mr. MANSFIELD. Yes, indeed, it is our intention.

Mr. HARRY F. BYRD, JR. May I invite the majority leader's attention to the fact that the committee's report does not appear to be available. Will it be available today?

Mr. MANSFIELD. I wish to assure the Senator that I will make an effort to get the report as soon as possible. It is my understanding that this is a bill which is below the budget request. It is under the able chairmanship of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the assistant majority leader, and I am sure the Senator knows he has a reputation for prudence when it comes to matters fiscal. But the Senator has a point, and I will do my best to get it to him.

Mr. HARRY F. BYRD, JR. The Senator does have that reputation. I think as a matter of policy in the huge spending bill that, perhaps, we ought to have a reasonable time to digest the report.

Mr. MANSFIELD. I could not agree with the Senator more. The Senator is absolutely correct.

Mr. HARRY F. BYRD, JR. I thank the Senator.

H.R. 15405—DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1006, H.R. 15405, and that it be laid before the Senate and made the pending business for tomorrow.

The PRESIDING OFFICER. Without

objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

Calendar No. 1006, H.R. 15405, an act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Mr. MANSFIELD. Mr. President, it is anticipated that we will take up the Transportation Appropriations Bill tomorrow. There will be a roll call vote on final passage, at least; there may be some on amendments.

It is hoped that during that time period, before or after, it will be possible to take up the Economic Development Act which was reported out of the Committee on Public Works and about which, I understand, satisfactory arrangements have been made covering some differences.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today that it stand in adjournment until the hour of 9 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR EAGLETON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent after the joint leadership has been recognized tomorrow that the distinguished Senator from Missouri (Mr. Eagleton) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished assistant majority leader, the Senator from West Virginia (Mr. Robert C. Byrd), be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO MORNING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, there will be no period for the conduct of morning business during that period; so, as soon as the speakers have disposed of what they have had to say, we will go immediately into consideration of the Department of Transportation appropriations bill.

INTERVIEW OF SENATOR ROBERT C. BYRD ON TELEVISION PROGRAM "ISSUES AND ANSWERS"

Mr. MANSFIELD. Mr. President, I had the opportunity of listening to the distinguished, and seeing the distinguished, assistant majority leader, the Senator from West Virginia (Mr. Robert C. Byrd) in his appearance on the TV program "Issues and Answers." He was interrogated by two expert correspondents, Stephen Geer and David Schoumacher.

I believe that it furnished a primer lesson in what impeachment is and what it entails, and I found it most interesting and very worthwhile.

The Senator from West Virginia was prompt and responsive in his answers to questions. I think that what he has had to say will be of interest, and should be of interest, to all of the Members of the Senate, and I ask unanimous consent that this interview by Senator Byrd be incorporated at an appropriate point in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

Issues and Answers

Senator Robert Byrd (D., W.Va.), was interviewed by: Stephen Geer, ABC news correspondent, and David Schoumacher, ABC news correspondent.

Mr. Geer. Senator Byrd, welcome to Issues and Answers.

There is a big "if" in this first question but if the House should vote to impeach President Nixon and if there is a Senate trial, you would be a judge, so I realize you may have some reluctance to answer this question, but is it your opinion now that the House will vote to impeach the President?

Senator Byrd. I would say yes. There is not an absolute certitude, but I would have to think that it will, based on recent developments.

Mr. Geer. Can you give us some idea of what the vote might be?

Senator Byrd. I have no idea.

Mr. Schoumacher. Senator, have you had a chance to watch any or read any of the hearings before the Judiciary Committee and particularly their last few days of debate.

Senator Byrd. Not a great deal. I have watched as I could, but I haven't been able to watch much.

Mr. Schoumacher. From what you have been able to see or from the reactions you have picked up, what do you think of the job the Judiciary Committee is doing so far? Would you agree, for instance, with the characterization of some that it is unfair; it has been a lynch mob, or would you have some other view?

Senator Byrd. I would thoroughly disagree with such characterizations. I think it has been a very fair and objective committee. I don't agree with everything that every member has said, but I think that on the whole the committee has conducted itself fairly, objectively; it has been patient; it has leaned over backward not only to be fair, but also to give the appearance of fairness and I think both the Chairman and the members of the committee are to be given high marks.

Mr. Schoumacher. Well, one of the criticisms of the Republican members of the committee, in the last Friday's session, was that the President was being denied due process because the charges that were being drawn were not specific enough; they were vague, general.

Are you satisfied with at least the form of this first article of impeachment? That is, could you render a judgment on it?

Senator Byrd. I am satisfied. I could render a judgement on it. I think many people tend to forget that this is not a criminal proceedig and that it is not going to be a jury trial. The impeachment process is a different kind of proceeding, and many of the rules by which a criminal proceeding must be guided will not necessarily obtain here.

Mr. Schoumacher. So you feel that for instance rules of evidence that might pertain to a normal criminal trial such as the kind that Judge Sirica and Judge Gesell have been holding, things like questions of hearsay evidence, that this is a different beast altogether?

Senator Byrd. Absolutely different. The Senate trial would not be necessarily guided by those rules. The Senate jury, if I may use that word, could not be sequestered, as can a jury in a criminal trial. Senators are always subject to hearsay evidence in the newspapers. There is no way to sequester them. So I think we must not make the colossal mistake of equating the Senate trial with the criminal trial—the impeachment process with the criminal process.

Mr. Geer. Let me go back for a moment to the House procedure and your first answer. You indicated you feel the House will vote to impeach the President. May I ask on what you base that?

Senator Byrd. I base it on a number of things. One, the Supreme Court decision, which held against the President's claim of absolute privilege.

Two, the continued "stonewalling" by the President through his lawyer in their objections to giving evidence to the House Committee.

Three, the votes that occurred in the House Committee in which six Republicans joined with Democrats, which plainly reveals that it is not a partisan approach; it is a bipartisan approach, and, additionally, the fact that four southerners were included in those 27 votes. These are among the things that I think indicate that the House will impeach.

Mr. Geer. Do you think the House impeachment process is a more political process than the Senate action?

Senator Byrd. I don't think that one can say that either is a more political process. The impeachment process is a political process. It deals with political characters; it is conducted in a political forum and it is directed toward the political acts of a political person. I wouldn't say the House would be more political than the Senate.

Mr. Geer. How far along now are you in the Senate in preparing for a possible impeachment trial?

Senator Byrd. The Senate has not anticipated, has not acted in anticipation of a House impeachment. I am searching the precedents and the rules. Other Senators may be doing the same.

Mr. Geer. Now, there is a meeting tomorrow between Mr. Mansfield and Mr. Scott in anticipation of a possible trial. You say that you are not anticipating, but to some degree you have to, don't you?

Senator Byrd. I say the Senate has not acted in anticipation. I think that each Senator must gear up, because there is increasingly a lack of doubt in my mind that the Senate will be confronted with a trial.

Mr. Schoumacher. Is it time yet to draw Chief Justice Burger into the preparation process?

Senator Byrd. No.

Mr. Schoumacher. What role do you foresee for him, simply to gavel the meeting to order and recess until tomorrow, or will he rule on evidence?

Senator Byrd. To begin with, of course, he will administer the oath to the various Senators who will sit as jurors. He will preside over the Senate. He will maintain decorum in the Chamber and in the galleries and he will rule on questions of evidence.

Mr. Geer. Can you tell us what will happen if there is a Senate trial, who will act as the managers? Now, I believe that the House will provide perhaps between five and eleven managers. Can you tell us just what?

Senator Byrd. The House can provide any number of managers it wishes to provide. The House will make that decision. In some impeachment cases the Speaker has appointed managers. In most of the cases, the House has selected them and undoubtedly it will in this instance.

Mr. GEER. Do you have any idea who it might be?

Senator BYRD. I do not, but I would presume that the House would likely select some of the members of the Judiciary Committee. It is not confined to that committee, of course.

Mr. GEER. Perhaps the Chairman?

Senator BYRD. Perhaps the Chairman.

Mr. GEER. Now, is it possible for the House to put staff members on the manager's panel?

Senator BYRD. That has never been done. Staff members have never acted as managers on the part of the House in any of the trials that have come to the Senate but staff members, such as Mr. Doar, Mr. Garrison, Mr. Jenner, could come to the Senate and assist the managers on the part of the House and the Senate would have to give those staff people the privileges of the floor, which I think it would.

Mr. GEER. Would all the managers have to be pro-impeachment?

Senator BYRD. All the managers would have to be pro-impeachment.

Mr. GEER. You mentioned Mr. Garrison, for example.

Senator BYRD. I wasn't thinking of him as a manager.

Mr. SCHOUMACHER. How soon do you think you would be prepared to start after a House vote? How long would you allow the President to prepare his case?

Senator BYRD. That would be a matter for the Senate to decide. In the impeachment trial of Andrew Johnson the defense counsel requested 40 days to prepare the answers to the articles. The Senate allowed ten days, including Sundays. The counsel for the President, in the Johnson trial, requested 30 days to prepare for the trial. The Senate granted five days. There is some question as to whether it was five days or six. In any event, it included a Sunday.

I think the Senate, in this instance, would be reasonable, but in being reasonable I think we have to keep in mind that the President and his counsel have had ample time already to make some preparations in the event of a trial. The President's counsel has sat in on the House Judiciary Committee hearings and so the President would be prepared to some extent already, I should think.

Mr. SCHOUMACHER. You say you have been researching this for yourself. Are you satisfied if it becomes necessary the Senate could carry this trial past the first of the year into the new Congress without going back and starting all over again?

Senator BYRD. I hope it won't go beyond the first of the year and the Democratic leadership—and I am sure the joint leadership—will do everything it possibly can to expedite the trial in a fair and objective manner and to complete it before the close of the year. But in the event it lapsed over into the next year, I have no problem with that. The Senate is a continuing body and has been so stated not only by the Senate itself, but by the Supreme Court of the United States. Additionally, the Constitution provides for two-thirds of the Senate always to be in being and a quorum in an impeachment trial is a quorum of the Senate, so the two-thirds that are always in being are a sufficient number to convict or to acquit. In addition, there is precedent—the Louderback case, and as a matter of fact I think to some extent the Pickering case—which would indicate there is good precedent for the fact that if a trial goes over into another Congress, it does not have to be started again.

Mr. GEER. Senator Byrd, one of the Members of the Judiciary Committee, Wayne Owens of Utah, is running for the Senate. It is possible, should he win, or if he did win he would be a Member of the new Senate. If the trial were to carry over into the new Senate, do you feel he should disqualify himself.

Senator BYRD. Not at all. There is no precedent, no rule by which a Member can be disqualified from voting. The Constitution doesn't in my judgment permit it, because it provides that a person who is impeached will be convicted—if he is convicted will be convicted by two-thirds of the Members present. If Wayne Ownes is there and present he is a Member. He can excuse himself if he wishes. He cannot be disqualified. As a matter of fact in the Pickering case there was a resolution introduced to disqualify three Members of the Senate who formerly had been Members of the House and who had voted on the impeachment of Judge Pickering. The resolution was ordered to lie over and never taken up, and those three former House Members voted in the Senate.

Mr. GEER. How do you feel about television coverage? There is no precedent for that, the last Presidential impeachment trial taking place in 1868, I believe. Would you favor television?

Senator BYRD. I would. I think it is imperative that there be a televised trial because I think it is imperative that the American people, who have become so polarized, so divided over this question, would in their own minds, having seen and heard as well as read about developments, would feel that the result, whatever it was, whatever the decision—acquittal or conviction—was fair and was just and was right.

Mr. GEER. Isn't there a Senate rule for impeachment which says debate must be in secret?

Senator BYRD. That has to do with debate among Senators.

Mr. GEER. Yes. If you televised, how would that be——

Senator BYRD. That part wouldn't be televised. That would be behind closed doors.

Mr. GEER. So there would be a fair amount of the proceedings that would be behind closed doors?

Senator BYRD. There would be. The proceedings in which Senators participated would be behind closed doors. A good many people feel a televised trial would be a circus. That is not the case, because the rules governing an impeachment trial are quite different from the rules that govern a committee hearing or the ordinary sessions of the Senate.

Mr. SCHOUMACHER. Senator Byrd, what about the President? You mentioned that those who bring the charges will be men who have voted for impeachment in the House. The President, of course, will be represented by counsel. Will he be present for all of the hearings? Will he testify?

Senator BYRD. The President himself may appear or he may make an appearance through his counsel. The counsel would be present during the presentation of the case by the House managers, who will open the case. The counsel for the President presents the case on behalf of the respondent, and would be present for the final arguments made by the managers of the House.

Mr. SCHOUMACHER. Now one thing the House seems to be having some trouble deciding whether it is an impeachable offense or not is this question of subpoenaes. There is an order now for the President by the Supreme Court—you mentioned that it was an important factor in your mind—to turn over tapes to the Special Prosecutor, to Judge Sirica as well, for the trial. If the House does not go after these tapes, would the Senate go after them?

Senator BYRD. The Senate could go after them. The Senate has the power to secure additional testimony and additional evidence and it may very well feel that those tapes or other tapes or other documents are necessary in order for it to come down with a clear knowledge of all the facts in order to reach a fair and objective judgment. If the Senate decides that it wants additional tapes, it can go after them and if it doesn't get them, I would think that that would sound the death knell for the President so far as some Senators are concerned—my vote being one.

Mr. SCHOUMACKER. Well, would you want to see the additional information—the Supreme Court has just held that it was relevant in the trial—the President is of course an unindicted coconspirator mentioned in the indictment of that trial. Would you want to see that evidence on those 64 taped conversations before you vote?

Senator BYRD. I may want to. I first want to see what the House charges are. We have only seen what their first article is as it has been written and voted on by the House Judiciary Committee. We don't know what the charge will look like once the House completes its work. I want to see what the charge is. If additional evidence is needed in my own judgment, I will vote to secure it.

Mr. GEER. Senator, perhaps I was neglectful earlier when I asked you to predict the outcome of the House action. Are you willing, are you ready at this point to say what the outcome of a Senate trial might be?

Senator BYRD. I cannot say what the outcome of the Senate trial would be. I would not want my answer to imply a pre-judgment. There are always those who will infer a pre-judgment. I would say this, that if the vote were to occur tomorrow in the Senate, the Senate would not convict. However, the possibilities for conviction, I think, are growing daily.

Mr. SCHOUMACKER. I was going to ask you whether the President, who is now heading back to Washington, according to some reports, to begin to prepare his strategy, can he effectively lobby the Senate on this vote or should he stay away?

Senator BYRD. It would have to be a very subtle lobbying and even then it could be counterproductive.

He ought not make the effort.

Mr. SCHOUMACHER. What if he were to appeal to the people to write to their Senators? Is that an effective lobbying method?

Senator BYRD. It may be with some Senators. However, I must say that in this one instance, I am going to be guided by the weight of the evidence, based on whatever the charge is and my construction of the impeachment clause—and not by the weight of the mail.

Mr. GEER. You said if the vote were taken tomorrow the Senate would not vote to impeach. You must have been counting some heads.

Senator BYRD. No, I have not been counting heads.

Mr. GEER. I just wondered if you had any idea how far short it would fall?

Senator BYRD. I have not the slightest idea. I am simply saying that based on developments—and I include among those the conviction of Mr. Ehrlichmann who was one of the top aides of the President; the Supreme Court decision; continued Stonewalling of the President through his counsel in refusing to give evidence to the House committee; and the vote of the House Committee yesterday on which southern conservatives and Republicans joined with Democrats to vote for an article of impeachment—I am saying that the possibilities of ultimate conviction in the Senate are growing.

Mr. GEER. As far as this whole question, and what effect Vice President Ford might have on it, we have noted some grumbling, as well as some applause, for the Vice President's current tour to drum up support for the President. What do you think of that and how effective do you think it will be?

Senator BYRD. I have no complaint against the Vice President's efforts to drum up support for the President. He is a loyal Vice President, but I do think that his categorization of the House committee members is wrong and it is an insult, an insult to those House members—not only the Democrats, but the Republicans as well.

Mr. GEER. Specifically, what characterization?

Senator BYRD. They have indicated that they are not partisan in their votes and I think that the Vice President ought to be promoting unity rather than division because, conceivably, he could become the next President of the United States.

Mr. SCHOUMACHER. You are referring to his pointing out that the Democrats voted solidly and saying that meant it was a partisan vote?

Senator BYRD. Yes. There may come a time when he will need those Democrats, and what the people need now is not division but more unity.

Mr. GEER. Since you have indicated that a House vote will be for impeachment and that, therefore, Senate trial is, if not imminent, is upcoming, do you think there is any possibility that this could be avoided by presidential resignation? Would you expect it? Would you call for it, and, if so, is there any consideration to giving amnesty to the President?

Senator BYRD. There are several questions there. Resignation of the President, of course, is up to him. If he is guilty, he ought to resign and ought to have a long time ago, but he has said repeatedly that he will not resign, so I take him at his word.

Whether he will resign in the event the House impeaches remains to be seen. Resignation in itself would not render an impeachment trial moot. The Senate could still go ahead and conduct a trial even though he resigns—that is, if the House impeaches—but I don't think it would.

I personally would hope that he would not resign. If the House impeaches, I think the President, if he feels he is not guilty, should remain in there, and the constitutional process should go to its conclusion. He should have his day in court. Senators, as jurors, should sit and weigh the evidence and try the case and render a judgment of acquittal or conviction, because only by doing this will the people of the country, and will history, feel that the constitutional process has really worked and that the President really had his chance; he had his day in court and he was not driven out of office by the media or by members of Congress, Democrats or Republicans.

Mr. GEER. If this is not too speculative a question, if the President should offer to resign, would you be willing to work out some kind of amnesty; that is, some kind of situation?

Senator BYRD. No, I would not.

Mr. GEER. You would not?

Senator BYRD. I would not. I have been one of those who, like the President, has preached law and order in my campaigns. I believe that public officials should be held to a higher standard than the private citizen, and I think that if they commit crimes they ought to be punished.

Mr. SCHOUMACHER. Senator, one of the interesting phenomenon of the House Judiciary Committee discussions and vote has been the role of southerners there. Not Republican/Democrat, but southerners, men like Flowers, Butler, Thornton and Mahon.

The President apparently, according to his aides, is banking heavily on southern support in the Senate. What is going on? You are sort of border state to southern-type Senator. What is going on in the South? Can a southerner vote for and find a President guilty on an impeachment charge?

Senator BYRD. No question about it. Southerners are high principled men, just as those who live in other parts of the country. They are strict constructionists. They believe uppermost in the Constitution, they believe in integrity in public office, and they believe that violations of law should be punished—whether in public office or in the streets.

Mr. SCHOUMACHER. So is the President making a mistake in hoping for a solid southern bloc necessarily?

Senator BYRD. I don't know that he hopes for a solid southern bloc, but if he does, those votes by those southern members on the House Judiciary Committee should dispel any thoughts that the southerners can be counted upon as a solid bloc against conviction.

Mr. SCHOUMACHER. Senator, there has been throughout the slow procedings of the House Judiciary Committee—and for a while they were quite laborious—there have been those who claimed that the White House was trying to drag out this process, trying to delay, some saying that if the President is to be impeached that will come on January 20, 1977.

There are others who say there are Democrats who would just as soon delay the process in order to have a very strong situation to run against in the '76 campaign. Is there any truth to the claim that the Democrats desire a delay in the proceedings?

Senator BYRD. No, there is no truth to that claim. To be perfectly frank, the best thing politically, in a partisan way for the Democratic party, would be for Richard Nixon to serve out the last minute of his term. But Democrats, I think, are going to face up to this matter and they are going to put the welfare of the nation ahead of the best interests of their own party, and in the final analysis the best politics is good government and I think that most Democrats will conduct themselves accordingly.

Mr. SCHOUMACHER. Another concern throughout this has been what it is doing to the country or to the Senate and to the Congress. Are we—in such a case—a fixation over Watergate and the President's troubles, that the wheels of government—to use a cliche—ground to a halt?

Senator BYRD. The wheels of the Senate have not ground to a halt. The Senate has proceeded with its program. It has a good record during the first session of the 93rd Congress and thus far this year. During an impeachment trial the wheels of legislation would not grind to a halt, because under the impeachment rules when the Senate adjourns as a court daily, it does not adjourn as a legislative body. Other work can be done. There is no question but that the Executive Branch in many areas has been paralyzed, and especially the White House. But the sooner we get this whole thing over with, the better it is going to be—not only for the President but for the country. I think it is a process that must inevitably reach its conclusion, and it has gone on too long already. It having gone this far, however, I think that the wheels of the constitutional process must grind inexorably to whatever conclusion must be reahced.

Mr. SCHOUMACHER. Senator, we have just a very few seconds remaining. I wonder whether you feel that the President's record, for instance, in foreign policy is a part of his defense, or should be, or would you consider it at all?

Senator BYRD. He has a good record in foreign policy. Sometimes I think he has spent too much time in international affairs, and domestic affairs such as those dealing with inflation have suffered. But while he must be given high credit, I think he must be judged fully on the basis of the charges, the evidence, and the construction of the impeachment clause, all other things notwithstanding.

Mr. SCHOUMACHER. Thank you, Senator.

ORDER OF BUSINESS

Mr. EAGLETON. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. MCCLURE). The Transportation Appropriations Act.

Mr. EAGLETON. Are there any time constraints in terms of limitations insofar as extraneous speeches are concerned?

The PRESIDING OFFICER. The time provisions on this bill pertain until 2 o'clock tomorrow.

Mr. MANSFIELD. I ask unanimous consent that if there is any restraint that it be lifted because we will not start consideration of the pending business until tomorrow, and on that basis there would be no time limitations. But I hope that the Senator has not got unsound intentions in that respect.

Mr. EAGLETON. No.

Mr. President, I ask unanimous consent that I be permitted to speak on a matter unrelated to the pending order of business, either today or tomorrow, for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF AN EMERGENCY TASK FORCE

Mr. EAGLETON. Mr. President, there is as little agreement today over the causes of our current economic traumas as there is over the means to deal with it. But if there is one thing everyone will agree on, it is the lack of leadership and the hesitancy shown in our economic policymaking. We have gone through controls, tight money, freezes, deficit spending, and full-employment surpluses; yet, just as the program changes, the situation seems to take a turn for the worse. The various problems are coming to a head now, and the voices calling out for firm direction are rising to an impassioned plea. The magnitude of the current crisis must not be underestimated.

Mr. President, the many agents and agencies of the Government—the Federal Reserve, the Congress, the regulatory agencies, the various departments—have, I think, pursued policies which they individually believe to be in the Nation's best interest. But there is a crucial lack of overall coordination among them. The diverse policies being followed conflict in some places and leave gaps in others. Rather than permit each subsystem of the economy to follow its own course, hoping that the policies of other segments will not conflict, we need a focal point to coordiate policies on an overall economywide basis.

Mr. President, I intend to introduce a resolution tomorrow that calls upon the President to appoint an emergency task force on the economy to marshall the best efforts of all sectors of the economy in dealing with our current problems. Under the terms of this joint resolution, the President would appoint four members from among the former membership of the Council of Economic

Advisers—I emphasize former members—two each from Democratic and Republican administrations. The task force members in turn would select a chairman and up to four additional members from among the many distinguished economists, business, farm and labor leaders, and members of the general public who are best able to confront these issues. The task force would report back to the Congress and the White House 30 days after its formation with recommendations for action necessary for our economic recovery.

I am concerned not only about our major problem, inflation, but also over the slump in real growth, the decline in incomes, the liquidity squeeze in our capital markets, and the near disastrous situations in the homebuilding and investment banking industries. We continue to suffer from shortages of raw materials, the commodities markets are in disarray, and the stock and bond markets are severely depressed. Our colleges and charities are unable to raise needed funds. All segments of society have suffered in one way or another, but what they do agree on is the need for a comprehensive blueprint for action. Therefore, Mr. President, the bipartisan emergency task force on the economy that I am proposing would draw up that plan.

Mr. President, my resolution raises the issues of the economy out of the realm of party politics, even beyond politics itself. What we are seeking is the very best kind of leadership—experts who are beholden only to the overriding national interest.

The business community has already expressed willingness to cooperate with such a plan for the good of the Nation. It would be my hope that Congress would unite in support of a nonpartisan effort to carry out such measures as the task force may propose, and that the President and his advisors would direct their own activities in support of such an action program. Within such a context, the Federal Reserve Board would then be able to tailor its monetary actions to promote the return of economic health.

Mr. President, the need for action is apparent, I urge the members of Congress to come together in support of this resolution. We must show the American people that the needed economic leadership is going to assert itself, and we must set an example of nonpartisan teamwork that the rest of the Nation can follow. I am confident that an immediate acceptance of this proposal provides the greatest hope for averting a true economic catastrophe and the best possibility for an orderly return to normalcy.

QUORUM CALL

Mr. EAGLETON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEE ON PUBLIC WORKS TO FILE REPORT ON S. 3641

Mr. MONTOYA. Mr. President, I ask unanimous consent that the Committee on Public Works be permitted to file a report before midnight tonight on S. 3641.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MONTOYA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VITIATION OF ORDER FOR RECOGNITION OF SENATOR EAGLETON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unanimous consent order agreed to by the Senate on behalf of the Senator from Missouri (Mr. EAGLETON) be vitiated and that the time be allocated to me instead.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 9 A.M.

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 4:44 p.m. the Senate adjourned until tomorrow, Friday, August 2, 1974, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1, 1974:

MISSISSIPPI RIVER COMMISSION

Brig. Gen. Wayne S. Nichols, U.S. Army, to be a member of the Mississippi River Commission, under the provisions of section 2 of an act of Congress, approved 28 June 1879 (21 Stat. 37) (33 U.S.C. 642).

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be general

Gen. Timothy F. O'Keefe, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Jay T. Robbins, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Carlos M. Talbott, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. James C. Sherrill, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Glenn A. Kent, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Charles W. Carson, Jr., [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Dale S. Sweat, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

The following officer, under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. John J. Burns, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. John W. Vessey, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Ronald J. Fairfield, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. James A. Grimsley, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Willard W. Scott, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Marvin D. Fuller, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Julius W. Becton, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Lawrence E. Van Buskirk, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. James M. Lee, [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Calvert P. Benedict, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. William L. Webb, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Richard G. Trefry, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Bates C. Burnell, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Louis Rachmeler, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Albert R. Escola, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Lawrence M. Jones, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Fye, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles R. Sniffin, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Haldane, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. John L. Gerrity, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Clay T. Buckingham, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John A. Hoefling, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Paul F. Gorman, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. John C. McWhorter, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Philip R. Feir, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Leslie R. Sears, Jr., [redacted] Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Harry W. Brooks, Jr., [redacted], Army of the United States (lieutenant colonel, U.S. Army).

Brig. Gen. Michael D. Healy, [redacted] Army of the United States (lieutenant colonel, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier general

Brig. Gen. Bates C. Burnell, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert W. Fye, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Lawrence M. Jones, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Donald V. Rattan, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Lawrence E. Van Buskirk, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Charles R. Sniffin, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. John C. McWhorter, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Calvert P. Benedict, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John A. Hoefling, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. John E. Hoover, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. John L. Gerrity, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. William L. Webb, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Louis Rachmeler, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Robert J. Baer, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Rolland V. Heiser, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Robert Haldane, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Gordon J. Duquemin, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Henry E. Emerson, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. DeWitt C. Smith, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. L. Gordon Hill, Jr., [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Stan L. McClellan, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. John R. McGiffert II, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Alton G. Post, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. James F. Hamlet, [redacted] Army of the United States (colonel, U.S. Army).

Maj. Gen. Thomas H. Tackaberry, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Albert R. Escola, [redacted] Army of the United States, (colonel, U.S. Army).

Brig. Gen. Ronald J. Fairfield, Jr., [redacted], Army of the United States, (colonel, U.S. Army).

Brig. Gen. John W. Vessey, Jr., [redacted], Army of the United States (colonel, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Harold Arthur Kissinger, [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Leo E. Benade, [redacted] Army of the United States (brigadier general, U.S. Army).

In the Navy

Vice Adm. Philip A. Beshany, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to title 10, United States Code, section 5233.

Vice Adm. Malcolm W. Cagle, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to title 10, United States Code, section 5233.

Rear Adm. Frederick C. Turner, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, appointment to the grade of vice admiral while so serving.

Vice Adm. Gerald E. Miller, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to title 10. United States Code, section 5233.

Rear Adm. Robert Y. Kaufman, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of Title 10, United States Code, Section 5231, for appointment to the grade of vice admiral while so serving.

Rear Adm. James H. Doyle, Jr., U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE AIR FORCE

Air Force nominations beginning Alfred F. Story, to be major, and ending David S. Todd, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on June 24, 1974.

Air Force nominations beginning Elmer R. Bell, to be colonel, and ending Eugene W. R. Sims, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 1974.

Air Force nominations beginning Robert S. Ackerly, Jr., to be lieutenant colonel, and ending Monroe L. Wolff, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on July 15, 1974.

IN THE ARMY

Army nominations beginning Paul M. Adams, to be colonel, and ending William R. Dellinger, Sr., to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on June 21, 1974.

Army nominations beginning Miles E. Bruce, to be colonel, and ending Wendell R. Turner, Jr., to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on June 21, 1974.

Army nominations beginning Ludvig J. Aamodt, to be lieutenant colonel, and ending Jane C. Vickery, to be major, which nominations were received by the Senate and appeared in the Congressional Record on July 8, 1974.

IN THE NAVY

Navy nominations beginning Norvelle Curry, to be captain, and ending Alexander H. Murray, to be ensign, which nominations were received by the Senate and appeared in the Congressional Record on June 24, 1974.

Navy nominations beginning Richard R. Amelon, to be ensign, and ending William A. Wells, to be ensign, which nominations were received by the Senate and appeared in the Congressional Record on July 15, 1974.

IN THE MARINE CORPS

Marine Corps nominations beginning William F. Best, to be second lieutenant, and ending Thomas J. Menendez, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on July 11, 1974.

HOUSE OF REPRESENTATIVES—*Thursday, August 1, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Blessed is everyone that feareth the Lord; that walketh in His ways.—Psalms 128: 1.

Eternal Father, merciful and mighty, by the might of Thy spirit lift us into the light of Thy presence where we may be still and know that Thou art God and from Thee receive forgiveness for our sins and find grace to help in time of need.

Bless the Members of this House this day. May they take care of their duties with cheerfulness and in all sincerity of heart. Help them to do what is right and good and to do it without prejudice or pretense or pride. Make them truthful in all things, strong in spirit, courageous in conviction, and faithful to the faith of our fathers.

Draw them and our Nation more and more to Thee that together they may walk in Thy ways, obey Thy laws, and seek the good of all Thy children.

We pray in the spirit of Him who went about doing good. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10309. An act to amend the act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes; and

H.R. 13264. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2354. An act to provide for the participation of the United States in the African Development Fund; and

S. 3056. An act to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

HEARINGS EXPECTED ON HATCH ACT

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, under the current Hatch Act, millions of Federal, State, and city employees are prohibited from engaging in many aspects of political activity, and are, in effect, made into second-class citizens.

The Committee on House Administration, under the subchairmanship of the distinguished gentleman from Pennsylvania (Mr. Dent), is going to be holding hearings shortly on legislation which would remove those restrictions and at the same time protect those employees from being solicited for funds by people running for office.

I think that it is high time that Federal employees and city and State employees are considered old enough and intelligent enough to participate fully in the process of elections. Up to 3,500,000 State and local employees are affected by the Hatch Act as are 2,750,000 Federal employees. The city of New York alone has more than 300,000 municipal employees. Public employees never were, and are not today, second-class citizens. But the Hatch Act, by limiting their political activities, has effectively put them into that category.

I am introducing a bill today with 25 cosponsors which if enacted would correct the injustice. The cosponsors are Representatives Bella Abzug, Democrat, New York; Joe Addabbo, Democrat, New York; Herman Badillo, Democrat, New York; George Brown, Democrat, California; Yvonne Burke, Democrat, California; Phillip Burton, Democrat, California; Hugh Carey, Democrat, New York; John Conyers, Democrat, Michigan; Mendel Davis, Democrat, South Carolina; Joshua Eilberg, Democrat, Pennsylvania; Ella Grasso, Democrat, Connecticut; Michael Harrington, Democrat, Massachusetts; Ken Hechler, Democrat, West Virginia; Henry Helstoski, Democrat, New Jersey; Parren Mitchell, Democrat, Maryland; Joe Moakley, Democrat, Massachusetts; John Murphy, Democrat, New York; Morgan Murphy, Democrat, Illinois; Bertram Podell, Democrat, New York; Thomas Rees, Democrat, California; Don Riegle, Democrat, Michigan; Ed Roybal, Democrat, California; Pat Schroeder, Democrat, Colorado; Frank Thompson, Democrat, New Jersey; and Charles H. Wilson, Democrat, California.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE A PRIVILEGED REPORT ON THE BILL MAKING APPROPRIATIONS FOR DEPARTMENT OF DEFENSE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I do not want to object, is there any problem with respect to waiving points of order on this request?

Mr. MAHON. If the gentleman will yield, there could be a problem. The final version of the defense authorization bill from the House Committee on Armed Services went to the President yesterday.

As the gentleman knows, the conference report was agreed to by the House and the Senate, but it has not yet been signed into law by the President. However, on Tuesday next we expect to bring the appropriation bill before the House. In the event the authorization bill is not signed by that time we are prepared to ask for a rule, but we hope the President will sign it in time so that a rule will not be necessary. There is no problem otherwise in that the amounts recommended in the appropriation bill are within the authorization as agreed to by the House and Senate.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his explanation. I would like to yield to my colleague, the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, we reserve all points of order on that request.

Mr. WYMAN reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANTIBUSING PROVISIONS OF H.R. 69 THREATEN BLACK GAINS

(Mr. MITCHELL of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL of Maryland. Mr. Speaker, on yesterday the House passed the conference report on H.R. 69. The conference report contained strict antibusing provisions. During the debate on the conference report reference was made to the recent Supreme Court decision on the Detroit school system. I entreat you my colleagues to bear in mind the following words from the dissenting opinion:

> There was more than ample support for the District Judge's findings of unconstitutional segregation by race resulting in major

part from action and inaction of public authorities—both local and State . . . Under this record a remedial order of a court of equity which left the Detroit school system overwhelmingly Black (for the foreseeable future) surrounded by suburban school systems overwhelmingly white cannot correct the constitutional violations herein found. Id., at 250. To conclude otherwise, the Court of Appeals announced, would call up haunting memories of the now long overruled and discredited "separate but equal doctrine" of Plessy v. Ferguson, 163 U.S. 537 . . . (1896), and would be opening a way to nullify Brown v. Board of Education which overruled Plessy . . . Id., at 249.

This Court now reverses the Court of Appeals. It does not question the District Court's findings that any feasible Detroit-only plan would leave many schools 75 to 90 percent Black and that the district would become progressively more Black as whites left the city. Neither does the Court suggest that including the suburbs in a desegregation plan would be impractical or infeasible because of educational considerations, because of the number of children requiring transportation, or because of the length of their rides. Indeed, the Court leaves unchallenged the District Court's conclusion that a plan including the suburbs would be physically easier and more practical and feasible than a Detroit-only plan. Whereas the most promising Detroit-only plan, for example, would have entailed the purchase of 900 buses, the metropolitan plan would involve the acquisition of no more than 350 new vehicles.

STATEMENT OF REPRESENTATIVE BARBER B. CONABLE, OF NEW YORK, CONCERNING IMPEACHMENT

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I am told that the New York Daily News and several TV network news shows have reported during the past 24 hours that I am "leaning towards impeachment." I am at a loss to know how that conclusion has been reached since I have not read the evidence as yet, do not consider newspaper and television reports to be evidence, and have every intention of basing my decision only on the evidence. In short, since I take seriously my constitutional responsibility in this matter, I have no intention to lean for or against impeachment until I can do so on a fully informed basis. I do not want my position on this very serious matter being misrepresented by anyone. I suspect many of my colleagues have experience and intensions in this matter similar to mine.

CONCERNING THE EXHILARATING TRIUMPH OF THE REPUBLICAN BASEBALL TEAM

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, the steady drip, drip, drip of Watergate has been dammed—not in the Judiciary Committee—but on the field of fray. On Tuesday night up in Baltimore, a team of stellar Republicans once again—for the 11th straight year—showed that the better men are found on this side of the aisle.

Yes, Mr. Speaker, I am very proud to report that before 11,000 ecstatic fans, my Republican baseball team trounced a rag-tag coalition of Democrats by the score of 7 to 3.

With fielders like Thad Cochran and Pete McCloskey, we demonstrated we can field anything the Democrats knock our way and throw it back harder.

With base runners like Peter Peyser and John Dellenback, we thought quicker and ran faster. And with nimble players like Bill Frenzel and Barry Goldwater, we showed we can avoid any "tags" the Democrats try to put on us.

My Republicans had the game's most valuable player, whose performance really "freyed" the Democrats.

The Dems' flabby muscles and tired bones looked pale against my Republican men of steel, who all had lots of vinegar where the joints bend.

And once again, as he has for 11 consecutive years, ace pitcher Bob Michel mowed down the Democrats using the "straight Republican pitch."

This was in stark contrast to the Democrats, who scored only when they used a renegade from our ranks, who was not above resorting to common theft—by stealing home.

I hope the American voters have taken note of the men who have achieved this glorious victory—so come November they will recognize which party has the big sluggers.

PERSONAL EXPLANATION

Mr. DEVINE. Mr. Speaker, yesterday during rollcall 422 the gentleman from Ohio (Mr. Hays) and I were in a conference outside the House Chamber on the rule on the election reform legislation, and we inadvertently missed the rollcall.

Had I been present I would have voted "no." I cannot speak for the gentleman from Ohio (Mr. Hays).

CALL OF THE HOUSE

Mr. SCHERLE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 428]

Archer
Ashley
Blatnik
Brasco
Burke, Calif.
Carey, N.Y.
Carter
Chisholm
Clark
Clay
Conyers
Coughlin
Culver
Danielson
Davis, Ga.
de la Garza
Dellums
Diggs
Drinan
Eilberg
Esch
Evins, Tenn.
Fisher
Foley
Fulton
Gibbons
Gray
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Hébert
Hogan
Holifield
Hungate
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kuykendall
Landgrebe
Landrum
McClory
McSpadden
Mathis, Ga.
Murphy, N.Y.
O'Hara
Owens
Patman
Perkins
Podell
Powell, Ohio
Quillen
Reid
Rooney, N.Y.
Schneebeli
Sikes
Symington
Teague
Thompson, N.J.
Waldie
Wilson, Charles, Tex.

The SPEAKER. On this rollcall 372 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LULAC WOMAN OF THE YEAR

(Mr. WHITE asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. WHITE. Mr. Speaker, the recent national convention of the League of United Latin American Citizens honored Mrs. Jesus "Queta" Fierro as National Lulac Woman of the Year. It is my good fortune to have Mrs. Fierro as my secretary in my El Paso district office. It is my pleasure to submit for the Record a letter I have written to her on this momentous occasion:

Dear Queta: To me, your selection as Texas Lulac Woman of the Year, and subsequently National Lulac Woman of the Year, was a foregone conclusion; and moreover, it could have been any other year as well as 1974.

You know how deeply proud I am of you, Queta, and as far as I am concerned both titles are permanently yours.

I am extremely fortunate to have a person of your very pronounced accomplishment associated with me in my Congressional duties, and so is the rest of the 16th District of Texas.

Sincerely yours,
Richard C. White,
Member of Congress.

1975 BUDGET REDUCTIONS OVER $4 BILLION

(Mr. MAHON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, including the defense appropriation bill which was approved by the Appropriations Committee today, action on appropriation bills in the House for the current fiscal year represents a reduction in the President's budget of $4.3 billion in budget authority. Of course, Senate action will be required before we will know the final outcome of the measures involved.

The Appropriations Committee has acted on 11 bills for fiscal 1975. The following appropriation bills remain to be considered:

First. Foreign assistance, for which no authorization has yet been enacted.

Second. Military construction, for which authorization has not yet been provided.

Third. A supplemental bill, which will include consideration of funds for HEW which were not included in the regular Labor-HEW bill due to the lack of authorization.

There is little doubt that in appropriation bills the House and the Congress at this session will be below the amounts requested by the President for the current fiscal year.

CONFERENCE REPORT ON H.R. 14012, LEGISLATIVE BRANCH APPROPRIATIONS, 1975

Mr. CASEY of Texas. Mr. Speaker, I call up the conference report on the bill

(H.R. 14012) making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 22, 1974.)

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CASEY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this conference report provides appropriations totaling $708,275,650. This is $46,969,982 more than the fiscal 1974 appropriation. It is $14,196,735 less than the budget estimate, and $10,163,861 less than the Senate bill. The conference total is an increase of $105,054,370 over the House bill. However, this amount includes $112,824,480 for Senate items which were not considered by the House—$106,100,380 under the Senate heading and $6,724,100 under the Architect of the Capitol. The Senate items are traditionally left for decision and insertion by that body.

The conferees discussed in considerable detail the Senate provision raising the maximum annual rate of compensation for Senate employees and staffs of the joint committees whose funds are disbursed by the Senate. We on the House side felt that this was kind of inflationary, but inasmuch as Senate salaries are a housekeeping matter relating solely to that body, we allowed that portion to stand. The increases for the staffs of the joint committees, however, were not agreed to as it would not be equitable to allow increases for those individuals whose salaries are disbursed by the Senate as such increases would not be applicable to the joint committees whose funds are disbursed by the House.

One item, Mr. Speaker, we did not agree upon was the Senate proposal for restoration of the West Central Front of the Capitol and the development of a master plan for the Capitol Grounds. This amendment has been brought back in true disagreement. The managers on the part of the House will offer a motion later on to further insist on their disagreement to the Senate amendment.

Mr. Speaker, I would point out to the Members of the House that when we brought the bill to them originally, it contained no provision and no funds for the extension of the West Front, as has been requested by the Commission on the Extension of the U.S. Capitol in previous years.

One reason we did not do this was because of the continued disagreement between the Senate and the House as to extension and restoration. Another reason was because the Bicentennial celebration is almost upon us. I think it would be ill-advised for us to have the West front of the Capitol torn up for either extension or restoration during this Bicentennial celebration. Since there has been so much disagreement and argument for such a long period of time, I think we can readily postpone any action on the West Front until after the Bicentennial celebration.

Another matter I want to call to the attention of the House is the provision regarding reporting of foreign travel expenses of Members of Congress and staff. As the Members will recall, there was a requirement for quite a number of years that the reports be made and that they be compiled and published in the CONGRESSIONAL RECORD. This requirement was dropped last year in connection with the Department of State authorization bill.

The Senate placed an amendment in this appropriation bill reinstating the reporting requirement and that they be published in the CONGRESSIONAL RECORD.

Through conference action, a compromise was reached which I think adequately assures the public of full and complete knowledge of these travel expenses. The conference agreement requires and specifies that the reports shall be made in detail and filed with the Clerk of the House and the Secretary of the Senate and that they will be made available for public inspection.

Mr. Speaker, these are the major items in this conference agreement, and the details are set forth in the conference report, which has been available to all Members for over a week.

Mr. Speaker, I ask unanimous consent to insert a tabulation at this point in the RECORD summarizing the amounts agreed to in conference.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The tabulation follows:

LEGISLATIVE BRANCH APPROPRIATION BILL, 1975 (H.R. 14012)

CONFERENCE SUMMARY

						Conference action compared with—			
Agency and item	New budget (obligational) authority, fiscal year 1974[1]	Budget estimates of new (obligational) authority, fiscal year 1975[2]	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill	New budget (obligational) authority recommended by conference action	New budget (obligational) authority, fiscal year 1974	Budget estimates of new (obligational) authority, fiscal year 1975	New budget (obligational) authority recommended in House bill	New budget (obligational) authority recommended in Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Senate	$96, 578, 593	$106, 342, 695		$106, 100, 380	$106, 100, 380	+$9, 521, 787	−$242, 315	+$106, 100, 380	
House of Representatives	162, 511, 395	174, 549, 140	$173, 799, 140	173, 483, 840	173, 483, 840	+10, 972, 445	−1, 065, 300	−315, 300	
Joint items	36, 315, 230	44, 749, 650	44, 889, 840	45, 039, 106	45, 077, 830	+8, 762, 600	+328, 180	+187, 990	+$38, 724
Office of Technology Assessment	2, 000, 000	5, 000, 000	3, 500, 000	4, 000, 000	4, 000, 000	+2, 000, 000	−1, 000, 000	+500, 000	
Architect of the Capitol	52, 374, 300	29, 959, 200	23, 938, 900	51, 897, 000	30, 997, 000	−21, 377, 300	+1, 037, 800	+7, 058, 100	−20, 900, 000
Botanic Garden	884, 700	916, 600	916, 600	916, 600	916, 600	+31, 900			
Library of Congress	86, 820, 450	99, 391, 100	96, 478, 800	96, 998, 585	96, 696, 000	+9, 875, 550	−2, 695, 100	+217, 200	−302, 585
Government Printing Office	112, 871, 000	136, 214, 000	136, 214, 000	117, 000, 000	128, 000, 000	+15, 129, 000	−8, 214, 000	−8, 214, 000	+11, 000, 000
General Accounting Office	109, 450, 000	123, 700, 000	121, 834, 000	121, 376, 000	121, 376, 000	+11, 926, 000	−2, 324, 000	−458, 000	
Cost-Accounting Standards Board	1, 500, 000	1, 650, 000	1, 650, 000	1, 628, 000	1, 628, 000	+128, 000	−22, 000	−22, 000	
Grand total, new budget (obligational) authority	661, 305, 668	722, 472, 385	603, 221, 280	718, 439, 511	708, 275, 650	+46, 969, 982	−14, 196, 735	+105, 054, 370	−10, 163, 861
Consisting of—									
Appropriations	660, 505, 668	722, 472, 385	602, 084, 580	717, 052, 811	706, 888, 950	+46, 383, 282	−15, 583, 435	+104, 804, 370	−10, 163, 861
Reappropriations	800, 000		1, 136, 700	1, 386, 700	1, 386, 700	+586, 700	+1, 386, 700	+250, 000	
Appropriations to liquidate contract authorizations		(175, 000)	(145, 000)	(145, 000)	(145, 000)	(+145, 000)	(−30, 000)		
Memorandum: Appropriations and reappropriations including appropriations for liquidation of contract authorizations	661, 305, 668	722, 647, 385	603, 366, 280	718, 584, 511	708, 420, 650	+47, 114, 982	−14, 226, 735	+105, 054, 370	−10, 163, 861

[1] Includes amounts in 2d Supplemental Appropriations Act, 1974 (Public Law 93-305).

[2] Includes amendments totaling $10,319,910 in S. Docs. Nos. 93-66, 93-80, and 93-91.

Mr. WYMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would concur with what the gentleman from Texas has had to say about this bill.

I would like to make one or two points in connection with our differences with the other body.

In conference, there were considerable differences about the question of the pay of Senate employees, but we ran into the same old argument that it is not up to us to make determinations as to how much the Senators want to pay their administrative assistants. Therefore, since they took great umbrage at our concern over this, it was necessary for us to back off or we would have been in a retaliatory situation to say nothing of contrary precedent.

As far as what the chairman of the subcommittee has said about the west front of the Capitol, I would also concur because what the other body has done here is to attempt to bypass this body and run around the end by putting in some $20 million to restore the west front, even though we had not put in even after a favorable vote in the last session, any sum for the purpose of extension. This was for the reason, as the gentleman from Texas (Mr. CASEY) has indicated, that it would not be appropriate to get into this for the next 2 years because, whether restoration or extension is undertaken at a time when the Bicentennial celebration will be underway and millions of people would be here, it would be undesirable to have the Capitol under construction during the year after next.

There is very little that is controversial in this conference report, and I urge its adoption.

Mr. Speaker, I have no further requests for time.

Mr. CASEY of Texas. Mr. Speaker, I yield 6 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, this bill presents one major issue before us today and it is one that I think almost every Member of this body is familiar with, with the exception of those Members who came in on the special elections this year. That issue is the long-time question of the extension of the west front of the Capitol. That is the front that looks down toward Pennsylvania Avenue.

This is a proposal that has been kicking around in Congress now for 8 years. And this bill, as it came out of the Senate, gives us an opportunity, finally and completely, to put this issue to rest.

We have had a lot of controversy on the floor; we have had a lot of discussions. The House has sometimes supported the costly extension of the west front; at other times it has voted against it. But consistently over the 8 years the other body has refused to approve any extension of the west front of the Capitol and has insisted that the simplest thing to do would be for us to proceed with the repair and restoration and get that out of the way.

Mr. Speaker, that is precisely what amendment No. 51 proposes to do. It puts in $20.6 million to take care of the repair and restoration of the west front and $300,000 for a space study.

I think that it is desirable that we, particularly in view of the overwhelming sentiment of the other body and the narrow votes in the House, get this issue behind us today and make the decision finally to repair and restore the west front of the Capitol, and then let us move on to other matters.

The question of the West Front of the Capitol has frequently been tied up with the matter of space. We in the House need more space in the Capitol, it has been alleged, and that is why we need to spend $70 million or $80 million at today's prices, for the extension of the West Front, in contrast to the $20 million needed for restoration and repair. However, it is obvious that in the past 2 or 3 years as we have been debating this matter of the space needs of the House of Representatives, our space needs have now, just like everything else, escalated out of control, and it becomes really ridiculous to assume that we can get anything like the space that we now need within the Capitol Building itself even if we extend it all the way down to the Washington Monument.

Mr. Speaker, the Senate last year very wisely, in my judgment, had a study made and determined that if the House really needed extra space, we could get twice the space available in a West Front extension at one-seventh of the cost per square foot by simply going underground over here on our side, and without disrupting the West Front at all, the historic remaining portion of the original Capitol, the Olmsted Terraces, and all the rest.

But today I think it is obvious to all of us that with our increased budget for these new committees, the budget committee and all of these other new committees that we are going to be creating to supervise the other new committees, we are going to need even more space than that. And so now we are even talking about moving into the new Madison Library or perhaps even building another House Office Building, which would be named the John McCormack House Office Building.

So I think it is obvious that it does not make sense any more to argue that we must extend the West Front because of our space needs. And therefore the $300,000 in this bill which the Senate has added would give us a thorough study of our space needs and the best and most economical way to meet them.

So, Mr. Speaker, I believe that the sensible procedure and the economical procedure, as well as the wise procedure, would be to start now to get this West Front repaired and restored. We ought to take down those supports out there on the West Front. They are not needed anyway. Those are simply propaganda devices that Mr. George Stewart put up there in an effort to try to get votes for his $70 million or $80 million extension project. He said the Capitol was going to collapse, but then we had a bomb explosion over on the Senate side a couple of years ago and it did not budge the Capitol 1 inch. We ought to get those phoney supports down.

We also ought to get some of the more gross gaps in the cornices replaced; we ought to get the thing painted at least, and then when the Bicentennial is over, if the whole project cannot be completed in a year, at least it will have been started. One of the experts has testified that it can be completed in a year; that was the fellow responsible for Williamsburg, Mr. Eisenberg, president of Universal Restorations, Inc. I think the job can be done in a single year. So let us get going on this job now, not wait another 3 years until 1977.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. STRATTON. Mr. Speaker, will the gentleman from Texas yield me 1 additional minute?

Mr. CASEY of Texas. I yield 1 additional minute to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I thank the gentleman for yielding me the additional time.

Mr. Speaker, the issue is going to be presented here on the floor when we conclude the conference report. I would just like to explain to the House how this is going to be handled from a parliamentary point of view.

The committee is reporting out this amendment, No. 51, in disagreement. After the conference report is adopted—and I am not objecting to that—then the gentleman from Texas (Mr. CASEY) will move that the House insist on its disagreement to amendment No. 51.

At that point the gentleman from California (Mr. ROYBAL) will move to recede and concur in the Senate amendment. So, if the Members believe that we ought to have a clean, smooth-looking Capitol for the Bicentennial, and that we ought not to assume the extravagance of spending $70 or $80 million for an unnecessary extension of the west front, they can simply vote in support of the Roybal amendment to recede and concur.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. GUDE. Mr. Speaker, I rise in strong support of the Roybal amendment. It was with great pleasure that I noted the decision of the Senate to include $20.9 million for this long overdue project, and I hope that my colleagues in the House will look with favor on the measure.

As my colleagues well know, we have been debating the relative merits of restoration of the West Front versus its possible extension for as long as I can remember. The arguments pro and con have been so frequently put forth in this body that I feel safe in saying that I am not alone in my frustration over the question.

How many times has it been pointed out that the West Front of this great and vital building is nearing collapse and yet it continues to stand as firm as our ship of state? How many times has it been pointed out that this is the last remaining original outside wall of the Capitol still exposed? How many times must the point be made that our sense of history is outraged by the call to cover forever the West Front with another extension of this building?

Those who have opposed this extension as consistently as I have supported it always cite the need for additional office space here at the Capitol. But that such needed office space does not have to be tacked onto the historic and beautiful West Front—a utilitarian appendage to a building which serves far more than a strictly utilitarian purpose. Never have I heard an answer to the question, "Why must this new office space be a part of the Capitol building itself?"

I would respectfully suggest the alternatives do indeed exist. In fact, included in the conference report before us is specific funding of $300,000 to be used to determine responsibly what our space needs are, and how they can be best served.

If we are truly concerned over the work which needs to be done here to this building—the very symbol of our democracy—we must act now to save, through restoration, the West Front. If we take this action, we shall then be free to take a close look at our space needs. Also, we might then be free to turn our attention to what I consider to be yet another problem—the present, deplorable conditions we find on the East Capitol Plaza. As many of my colleagues know, I have long been interested in ways in which the East Capitol Plaza—which is, in many respects the public side of the Capitol—can be best made to both serve the public and legislators, and to enhance the magnificence of this Capitol building.

The never ending procession of automotive traffic, garbage trucks, delivery vans, motorcycles, and other vehicles does little to enhance this building. Noise, congestion, the daily battle to cross lane after lane of traffic are not, I would submit, precisely what could be described as ideal conditions. Proposals have been offered in the past which would if implemented, turn the East Plaza into a beautiful place indeed. Traffic access to the Capitol would be underground. On top, a wide open park-like area with fountains in a handsome terrace would take its place. It has even been suggested that a restaurant could be incorporated into such a plan.

It is certainly my hope that someday, this kind of improvement could be undertaken.

So let us not continue this seemingly never-ending debate. The West Front can be restored. It can be done at a cost far less than the alternative of an extension. If we act now, we may be able to insure that the restoration work is completed in time for our Bicentennial celebration.

I again strongly urge that the House concur with the Senate in this worthy task.

Mr. CASEY of Texas. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. VAN DEERLIN). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 13, not voting 41, as follows:

[Roll No. 429]

YEAS—380

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frey
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rarick
Rees
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—13

Archer
Bauman
Beard
Collins, Tex.
Dellenback
Frenzel
Gross
Landgrebe
Miller
Regula
Steiger, Ariz.
Steiger, Wis.
Symms

NOT VOTING—41

Blatnik
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Culver
Davis, Ga.
de la Garza
Diggs
Edwards, Calif.
Eilberg
Evins, Tenn.
Fisher
Flood
Froehlich
Fulton
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kuykendall
Landrum
Lent
McSpadden
Owens
Patman
Podell
Quillen
Reid
Riegle
Rooney, N.Y.
Schneebeli
Stokes
Symington
Wilson, Bob

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Culver.

Mr. Davis of Georgia with Mr. Carey of New York.

Mr. de la Garza with Mr. Fisher.

Mr. Eilberg with Mrs. Green of Oregon.

Mr. Evins of Tennessee with Mrs. Griffiths.

Mr. Flood with Mrs. Hansen of Washington.

Mr. Fulton with Mr. Holifield.

Mr. Podell with Mr. Kuykendall.

Mr. Jones of Tennessee with Mr. Carter.

Mr. Stokes with Mr. Brasco.

Mrs. Chisholm with Mr. Blatnik.

Mr. Diggs with Mr. Edwards of California.

Mr. Gunter with Mr. Froehlich.

Mr. Riegle with Mr. Clay.

Mr. Jones of Alabama with Mr. Schneebeli.

Mr. Symington with Mr. Lent.

Mr. Jones of North Carolina with Mr. Quillen.

Mr. Owens with Mr. Bob Wilson.

Mr. McSpadden with Mr. Reid.

Mr. Landrum with Mr. Patman.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the amendments in disagreement.

The Clerk read as follows:

Senate amendments No. 1 through 30 inclusive: (1) SENATE

(2) COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE

(3) COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

For compensation and mileage of the Vice President and Senators of the United States, $4,790,695.

(4) EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND MAJORITY AND MINORITY LEADERS

For expense allowance of the Vice President, $10,000; Majority Leader of the Senate, $3,000; and Minority Leader of the Senate, $3,000; in all, $16,000.

(5) SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

(6) OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, $552,045.

(7) OFFICES OF THE MAJORITY AND MINORITY LEADERS

For offices of the Majority and Minority Leaders, $215,460.

(8) OFFICES OF THE MAJORITY AND MINORITY WHIPS

For offices of the Majority and Minority Whips, $110,580.

(9) OFFICE OF THE CHAPLAIN

For office of the Chaplain, $28,500: *Provided*, That effective July 1, 1974, the Chaplain may fix the per annum compensation of the secretary to the Chaplain at not to exceed $12,540 per annum in lieu of $9,120 per annum.

(10) OFFICE OF THE SECRETARY

For office of the Secretary, $2,691,345, including $110,010 required for the purpose specified and authorized by section 74b of title 2, United States Code.

(11) COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, $8,069,490.

(12) CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, $174,135.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, $174,135.

(13) ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants to Senators, $42,477,540: *Provided*, That effective January 1, 1974, the clerk hire allowance of each Senator from the States of Arkansas and Arizona shall be increased to that allowed Senators from States having a population of two million, the population of each said State having exceeded two million inhabitants.

(14) OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For office of the Sergeant at Arms and Doorkeeper, $11,998,500: *Provided*, That effective July 1, 1974, the Sergeant at Arms may appoint and fix the compensation of the following positions (a) in the computer center: four senior computer specialists at not to exceed $24,225 per annum each; seven senior programmer analysts at not to exceed $22,515 per annum each in lieu of five senior programmer analysts at $22,515 per annum each; three systems analysts at not to exceed $20,805 per annum each; five systems programmers at not to exceed $20,805 per annum each in lieu of three systems programmers at $20,805 per annum each; eight programmer analysts at not to exceed $20,805 per annum each; four computer specialists at not to exceed $18,240 per annum each; a secretary-receptionist at not to exceed $11,115 per annum; a secretary at $10,260 per annum; a systems supervisor at not to exceed $26,790 per annum in lieu of a systems supervisor at $25,080 per annum; (b) in the service department: an equipment supervisor at not to exceed $18,240 per annum; an assistant equipment supervisor at not to exceed $14,820 per annum; a secretary-receptionist at not to exceed $11,115 per annum; a secretary at not to exceed $9,975 per annum; six cameramen at not to exceed $10,260 per annum each; a film processor at not to exceed $11,115 per annum; an assistant film processor at not to exceed $10,545 per annum; ten messengers at not to exceed $8,265 per annum each in lieu of seven messengers at $8,265 per annum each; (c) in the Senate post office: a mail supervisor at not to exceed $11,115 per annum; sixty-three mail carriers at not to exceed $9,975 per annum each in lieu of fifty-seven mail carriers at $9,975 per annum each; (d) in the cabinet shop: a chief cabinetmaker at not to exceed $18,525 per annum in lieu of $15,960 per annum; an assistant chief cabinetmaker at not to exceed $17,670 per annum in lieu of $13,680 per annum; two cabinetmakers at not to exceed $13,395 per annum each in lieu of $12,255 per annum each; a cabinetmaker at not to exceed $12,255 per annum; a finisher at not to exceed $13,395 per annum in lieu of $12,255 per annum; an upholsterer at not to exceed $13,395 per annum in lieu of $12,255 per annum; and (e) twelve lieutenants, police force at not to exceed $17,100 per annum each in lieu of ten lieutenants at $17,100 per annum each; forty-six sergeants, police force at not to exceed $14,250 per annum each in lieu of forty sergeants at $14,250 per annum each; 389 privates, police force at not to exceed $10,830 per annum each in lieu of 342 privates at $10,830 per annum each.

(15) OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For offices of the Secretary for the Majority and the Secretary for the Minority, $265,050.

(16) AGENCY CONTRIBUTIONS AND LONGEVITY COMPENSATION

For agency contributions for employee benefits and longevity compensation, as authorized by law, $4,000,000.

(17) OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the office of the Legislative Counsel of the Senate, $521,740.

(18) SENATE PROCEDURE

For compiling, preparing, and editing "Senate Procedure", 1974 edition, $5,000, to be paid to Floyd M. Riddick, Parliamentarian of the Senate.

(19) CONTINGENT EXPENSES OF THE SENATE

(20) SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, $342,780 for each such committee; in all, $685,560.

(21) AUTOMOBILES AND MAINTENANCE

For purchase, lease, exchange, maintenance, and operation of vehicles one for the Vice President, one for the President pro tempore, one for the Majority Leader, one for the Minority Leader, one for the Majority Whip, one for the Minority Whip, for carrying the mails, and for official use of the offices of the Secretary and Sergeant at Arms, $40,000.

(22) INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, including $538,205 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, $16,253,175.

(23) FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding $3.68 per hour per person, $82,045.

(24) MISCELLANEOUS ITEMS

For miscellaneous items, $12,921,450.

(25) POSTAGE STAMPS

For postage stamps for the offices of the Secretaries for the Majority and Minority, $320; Chaplain, $100; and for air mail and special delivery stamps for the office of the Secretary, $610; office of the Sergeant at Arms, $240; and the President of the Senate, as authorized by law, $1,215; in all, $2,485.

(26) STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, $3,600, and for committees and officers of the Senate, $21,850; in all, $25,450.

(27) ADMINISTRATIVE PROVISIONS

(28) 1. The paragraph under the heading "Administrative Provision" in chapter IV of the Supplemental Appropriations Act, 1972 (2 U.S.C. 64b) is amended by adding at the end thereof the following: "In the event that the Secretary of the Senate is absent or is to be absent for reasons other than disability (as provided in this paragraph), and makes a written designation that he is or will be so absent, the Assistant Secretary shall act during such absence as the Secretary in carrying out the duties and responsibilities of the office in all matters, except those matters relating to the Secretary's duties as such disbursing officer. The designation may be revoked in writing at any time by the Secretary, and is revoked whenever the Secretary making the designation dies, resigns, or is considered disabled in accordance with this paragraph."

(29) 2. (a) Whenever—

(1) the law of any State provides for the collection of an income tax by imposing upon employers generally the duty of withholding sums from the compensation of employees and remitting such sums to the authorities of such State; and

(2) such duty to withhold is imposed generally with respect to the compensation of employees who are residents of such State; then the Secretary of the Senate is authorized, in accordance with the provisions of this section, to enter into an agreement with the appropriate official of that State to provide for the withholding and remittance of sums for individuals—

(A) whose pay is disbursed by the Secretary; and

(B) who request the Secretary to make such withholdings for remittance to that State.

(b) Any agreement entered into under subsection (a) of this section shall not require the Secretary to remit such sums more often than once each calendar quarter.

(c)(1) An individual whose pay is disbursed by the Secretary may request the Secretary to withhold sums from his pay for remittance to the appropriate authorities of the State that he designates. Amounts of withholdings shall be made in accordance with those provisions of the law of that State which apply generally to withholding by employers.

(2) An individual may have in effect at any time only one request for withholdings,

and he may not have more than two such requests in effect with respect to different States during any one calendar year. The request for withholdings is effective on the first day of the first month commencing after the day on which the request is received in the Disbursing Office of the Senate, except that—

(A) when the Secretary first enters into an agreement with a State, a request for withholdings shall be effective on such date as the Secretary may determine; and

(B) when an individual first receives an appointment, the request shall be effective on the day of appointment, if the individual makes the request at the time of appointment.

(3) An individual may change the State designated by him for the purposes of having withholdings made and request that the withholdings be remitted in accordance with such change, and he may also revoke his request for withholdings. Any change in the State designated or revocation is effective on the first day of the first month commencing after the day on which the request for change or the revocation is received in the Disbursing Office.

(4) The Secretary is authorized to issue rules and regulations he considers appropriate in carrying out this subsection.

(d) The Secretary may enter into agreements under subsection (a) of this section at such time or times as he considers appropriate.

(e) This section imposes no duty, burden, or requirement upon the United States, the Senate, or any officer or employee of the United States, except as specifically provided in this section. Nothing in this section shall be deemed to consent to the application of any provision of law which has the effect of subjecting the United States, the Senate, or any officer or employee of the United States to any penalty or liability by reason of the provisions of this section. Any paper, form, or document filed with the Secretary under this section is a paper of the Senate within the provisions of rule XXX of the Standing Rules of the Senate.

(f) For purposes of this section, "State" means any of the States of the United States and the District of Columbia.

(30)3. (a) The Sergeant at Arms of the Senate shall secure for each Senator office space suitable for the Senator's official use in places designated by the Senator in the State he represents. That space shall be secured in post offices or other Federal buildings at such places. In the event suitable office space is not available in post offices or other Federal buildings, the Sergeant at Arms shall secure other office space in those places.

(b) The aggregate square feet of office space secured for a Senator shall not at any time exceed—

(1) 4,800 square feet if the population of his State is less than 2,000,000;

(2) 5,000 square feet if such population is 2,000,000 but less than 3,000,000;

(3) 5,200 square feet if such population is 3,000,000 but lesst than 4,000,000;

(4) 5,400 square feet if such population is 4,000,000 but less than 5,000,000;

(5) 5,800 square feet if such population is 5,000,000 but less than 7,000,000;

(6) 6,200 square feet if such population is 7,000,000 but less than 9,000,000;

(7) 6,400 square feet if such population is 9,000,000 but less than 10,000,000;

(8) 6,600 square feet if such population is 10,000,000 but less than 11,000,000;

(9) 6,800 square feet if such population is 11,000,000 but less than 12,000,000;

(10) 7,000 square feet if such population is 12,000,000 but less than 13,000,000;

(11) 7,400 square feet if such population is 13,000,000 but less than 15,000,000;

(12) 7,800 square feet if such population is 15,000,000 but less than 17,000,000; or

(13) 8,000 square feet if such population is 17,000,000 or more.

(c) The maximum annual rate that may be paid for the rental of an office secured for a Senator not in a post office or other Federal building shall not at any time exceed the applicable rate per square foot charged Federal agencies by the Administrator of General Services, based upon a 100 percent building quality rating, for office space located in the place in which the Senator's office is located, multiplied by the number of square feet contained in that office used by the Senator and his employees to perform their duties.

(d) (1) Notwithstanding subsection (b), the aggregate square feet of office space secured for a Senator who is a Senator on July 1, 1974, shall not at any time exceed, as long as he continuously serves as a Senator, the greater of—

(A) the applicable square footage limitation of such subsection; or

(B) the total square footage of those offices that the Senator has on such date and which are continuously maintained in the same buildings in which such offices were located on such date.

(2) The provisions of subsection (c) do not apply to any office that a Senator has on July 1, 1974, not in a post office or other Federal building, as long as—

(A) that Senator continuously serves as a Senator; and

(B) that office is maintained in the same building which it was located on such date and contains not more than the same number of square feet it contained on such date.

(e) Clause (4) of subsection (a), the last sentence of subsection (c), and subsection (d) of section 506 of the Supplemental Appropriations Act, 1973, are repealed.

(f) This section is effective on and after July 1, 1974.

Mr. CASEY of Texas (during the reading). Mr. Speaker, inasmuch as amendments Nos. 1 through 30 relate solely to housekeeping operations of the other body in which, by practice, the House concurs without intervention, I ask unanimous consent that Senate amendments Nos. 1 through 30 be considered as read, printed in the Record, and that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendments of the Senate numbered 1 through 30 inclusive and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: On page 14, line 14, insert:

4. The Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $38,760. The Secretary for the Majority (other than the incumbent holding office on June 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of $38,190. The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed $38,190. The four Senior Counsels in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $37,620. The Assistant Secretary of the Senate, the Parliamentarian, and the Financial Clerk may each be paid at a maximum annual rate of compensation not to exceed $37,620. The Administrative Assistant in the Office of the Majority Leader, the Assistant Secretary for the Majority, the Administrative Assistant in the Office of the Minority Leader, and the Assistant Secretary for the Minority may each be paid at a maximum annual rate of compensation not to exceed $36,765. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate of compensation not to exceed $35,625. The two committee employees referred to in clause (A), and the three committee employees referred to in clause (B), of section 105(e) (3) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may each be paid at a maximum annual rate of compensation not to exceed $37,050. The four committee employees referred to in such clause (A) and the sixteen committee employees referred to in such clause (B) may each be paid at a maximum annual rate of compensation not to exceed $35,625. The one employee in a Senator's office referred to in section 105(d) (2) (ii) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. Any officer or employee whose pay is subject to the maximum limitation referred to in section 105(f) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. This paragraph does not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation or limitations referred to in this paragraph under section 4 of the Federal Pay Comparability Act of 1970. This paragraph is effective July 1, 1974.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

4. The Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $38,760. The Secretary for the Majority (other than the incumbent holding office on June 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of $38,190. The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed $38,190. The four Senior Counsels in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $37,620. The Assistant Secretary of the Senate, the Parliamentarian, and the Financial Clerk may each be paid at a maximum annual rate of compensation not to exceed $37,620. The Administrative Assistant in the Office of the Majority Leader, the Assistant Secretary for the Majority, the Administrative Assistant in the Office of the Minority Leader, and the Assistant Secretary

for the Minority may each be paid at a maximum annual rate of compensation not to exceed $36,765. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate of compensation not to exceed $35,625. The two committee employees other than joint committee employees referred to in clause (A), and the three committee employees referred to in clause (B), of section 105(e)(3) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may each be paid at a maximum annual rate of compensation not to exceed $37,050. The four committee employees other than joint committee employees referred to in such clause (A) and the sixteen committee employees referred to in such clause (B) may each be paid at a maximum annual rate of compensation not to exceed $35,625. The one employee in a Senator's office referred to in section 105(d)(2)(ii) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. Any officer or employee whose pay is subject to the maximum limitation referred to in section 105(f) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. This paragraph does not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation or limitations referred to in this paragraph under section 4 of the Federal Pay Comparability Act of 1970. This paragraph is effective July 1, 1974.

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: On page 16, line 8, insert:

5. Effective July 1, 1974, the last full paragraph under the heading "ADMINISTRATIVE PROVISIONS" in the appropriation for the Senate in the Legislative Branch Appropriation Act, 1972, is amended to read as follows:

Each officer or member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate, who performs duty in addition to the number of hours of his regularly scheduled tour of duty for any day on or after July 1, 1974, is entitled to be paid compensation (when ordered to perform such duty by proper authority) or receive compensatory time off for each such additional hour of duty, except that an officer shall be entitled to such compensation only upon a determination made by the Capitol Police Board with respect to any additional hours. Compensation of an officer or member for each additional hour of duty shall be paid at a rate equal to his hourly rate of compensation in the case of an officer, and at a rate equal to one and one-half times his hourly rate of compensation for a member of such force. The hourly rate of compensation of such officer or member shall be determined by dividing his annual rate of compensation by 2,080. Any officer or member entitled to be paid compensation for such additional hours shall make a written election, which is irrevocable, whether he desires to be paid that compensation or to receive compensatory time off instead for each such hour. Compensation due officers and members under this paragraph shall be paid by the Secretary, upon certification by the Chief of the Capitol Police at the end of each calendar quarter and approval of the Capitol Police Board, from funds available in the Senate appropriation, "Salaries, Officers and Employees" for the fiscal year in which the additional hours of duty are performed without regard to the limitations specified therein. Any compensatory time off accrued and not used by an officer or member at the time he is separated from service on the Capitol Police force may not be transferred to any other department, agency, or establishment of the United States Government or the government of the District of Columbia, and no lump-sum amount shall be paid for such accrued time. The Capitol Police Board is authorized to prescribe regulations to carry out this paragraph.

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: On page 17, line 23, insert:

6. Effective July 1, 1974, the first sentence of section 105(d)(1)(A) of the Legislative Branch Appropriation Act, 1968, as amended and modified, is amended to read as follows: "The aggregate of gross compensation paid employees in the office of a Senator shall not exceed during each calendar year the following:

"$370,215 if the population of his State is less than 2,000,000;

"$381,330 if such population is 2,000,000 but less than 3,000,000;

"$408,120 if such population is 3,000,000 but less than 4,000,000;

"$442,605 if such population is 4,000,000 but less than 5,000,000;

"$470,820 if such population is 5,000,000 but less than 7,000,000;

"$500,460 if such population is 7,000,000 but less than 9,000,000;

"$532,665 if such population is 9,000,000 but less than 10,000,000;

"$557,460 if such population is 10,000,000 but less than 11,000,000;

"$589,950 if such population is 11,000,000 but less than 12,000,000;

"$614,745 if such population is 12,000,000 but less than 13,000,000;

"$646,380 if such population is 13,000,000 but less than 15,000,000;

"$678,015 if such population is 15,000,000 but less than 17,000,000;

"$709,650 if such population is 17,000,000 or more."

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: On page 19, line 5, insert:

7. Any witness requested to appear before the Majority Policy Committee or the Minority Policy Committee shall be entitled to a witness fee for each full day spent in traveling to and from the place at which he is to appear, and reimbursement of actual and necessary transportation expenses incurred in traveling to and from that place, at rates not to exceed those rates paid witnesses appearing before committees of the Senate.

Mr. CASEY of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: On page 25, line 3, strike out "$939,805" and insert: "$894,176."

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$950,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: On page 25, line 5, insert:

For an amount (to be disbursed by the Secretary of the Senate on vouchers signed by the chairman or vice chairman and the chairman of the subcommittee) for the Subcommittee on Fiscal Policy, $135,000, to be available until December 31, 1974.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 29, line 5, strike out: to pay the lieutenant detailed under the authority of this paragraph the salary of lieutenant plus $1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent and insert in lieu thereof: "to elevate and pay the lieutenant detailed under the authority of this paragraph the rank and salary of captain plus $1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent,".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: Page 29, line 15, insert the words: and uniform sergeant".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: Page 29, line 18, strike out "this position is" and insert in lieu thereof: "these positions are".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: On page 29, line 10, strike out "incumbent" and insert in lieu thereof: "incumbents,".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: On page 32, line 5, insert:

ADMINISTRATIVE PROVISION

Section 106(a) of the Legislative Branch Appropriation Act, 1963, is amended by adding at the end thereof:

"(8) The Chief Guide, Assistant Chief Guide, and each Guide of the Capitol Guide Service established under section 441 of the Legislative Reorganization Act of 1970."

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 51: On page 34, line 13, insert:

RESTORATION OF WEST CENTRAL FRONT OF CAPITOL AND MASTER PLAN FOR FUTURE DEVELOPMENT OF THE CAPITOL GROUNDS AND RELATED AREAS

Notwithstanding any other provision of law, (1) the Architect of the Capitol, under the direction of the Senate and House Office Building Commissions acting jointly, is hereby authorized and directed to restore the West Central Front of the United States Capitol (without change of location or change of the present architectural appearance thereof), and there is herein appropriated $20,600,000 for such purpose: *Provided,* That the Architect of the Capitol, under the direction of such Commissions acting jointly, is authorized and directed to enter into such contracts, including cost-plus-a-fixed-fee contracts, incur such obligations, and make such expenditures for personal and other services and other expenses as may be necessary to restore said West Central Front: *Provided further,* That any cost-plus-a-fixed-fee general construction contract entered into under this authority to restore said West Central Front shall be awarded on competitive bidding among selected responsible general contractors approved by such Commissions upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further,* That with the exception of any subcontract to be made by the general contractor for underpinning, foundation, and special restoration work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors, and (2) the Architect of the Capitol is hereby authorized and directed to prepare studies and develop a master plan for future developments within the United States Capitol Grounds, for the future enlargement of such Grounds through the acquisition and development of areas in the vicinity thereof, and for the future acquisition and development of other areas deemed appropriate by him to include in and incorporate as a part of such plan, in order to provide within such areas for future expansion, growth, and requirements of the legislative branch and such parts of the judiciary branch as deemed appropriate to include in such plan, after consultation with the leaders of the House and the Senate and the Chief Justice of the United States, and in order to project other anticipated growth in and adjacent to such areas, and there is herein appropriated $300,000 for such purpose, to be expended without regard to section 3709 of the Revised Statutes of the United States, as amended: *Provided,* That the Architect of the Capitol is authorized to enter into personal service and other contracts, employ personnel, confer with and accept services and assistance from the National Capital Planning Commission and other Government agencies and other interested parties to insure coordinated planning, and incur obligations and make expenditures for these and other items deemed necessary to develop such plan: *Provided further,* That upon completion of such plan, the Architect of the Capitol shall transmit to the Congress a report describing such plan, with illustrated drawings and other pertinent material; in all, $20,900,000 to remain available until expended.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Casey of Texas moves that the House further insist on its disagreement to the amendment of the Senate numbered 51.

PREFERENTIAL MOTION OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. Roybal moves that the House recede from its disagreement to Senate amendment No. 51 and concur therein.

Mr. ROYBAL. Mr. Speaker, the conferees to H.R. 14012 have reported in disagreement a provision passed by the other body which will appropriate $20.6 million for the restoration of the west front of the Capitol and $300,000 for the preparation of an overall plan of development for Capitol Hill.

The House-passed version of the bill does not contain a provision for either the master plan, the extension, or the restoration of the west front.

Consequently, I have introduced a privileged motion that the House recede from its disagreement to the amendment of the Senate, No. 51, and concur therein.

This matter has been under discussion by this House on many occasions, and I think that the Members of the House of Representatives have all the facts with regard to either the restoration of the Capitol or its extension.

We all know, as a matter of fact, that the Praeger report of 1970 estimated that it would cost $15 million to restore the West Front. It also pointed out that it would cost in the neighborhood of $60 million for the extension of the Capitol. Just recently John C. Cavanaugh, who was one of the principals involved in the Praeger report, estimated that it would cost $20.6 million to restore the Capitol, if it were started immediately.

Based on that particular estimate, experts now estimate that if we started on the extension of the Capitol, it would cost at least $80 million.

The other body, in its wisdom, appropriated $20.6 million for the restoration of the Capitol, and this was based on testimony that was presented to that committee by experts, who testified to the fact that the restoration would take no more than 1 year's time to complete. This would make it well within the period before the Bicentennial celebration.

We must also not lose sight of the fact, that by adopting my amendment we will appropriate $300,000 to study the overall space needs of Capitol Hill.

Many of us have been complaining because our offices are too small, and some of us have signed a petition that Members of the House of Representatives be allowed to use space in the new building that was being constructed as an extention of the Library of Congress. It is quite evident that more space is needed by Members of the House. That we do know, but the space that is needed has to be, first of all, the subject of a thorough study.

This is what the $300,000 would be used for.

Mr. Speaker, the Bicentennial celebration will bring thousands of people daily into Capitol Hill, and if that wall is in ill repair and if that wall is dangerous, then those people should not be permitted to go anywhere near the west end of the Capitol.

I believe that it is incumbent upon this body to appropriate the money that is necessary to restore the West Front of the Capitol so that it will be ready when the Bicentennial starts. And it can be done by this body here today by adopting the amendment that I have offered.

Mr. ROUSH. Mr. Speaker, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Indiana.

Mr. ROUSH. Mr. Speaker, I strongly support the gentleman's position. I think it would be a shame for the millions of people who are coming to this Capital City during 1976 to see the unsightly props and the sad condition of the West Front of this Capitol Building. We should act to restore and we should act now.

I hope that this House will concur in the gentleman's privileged motion that the House recede from its disagreement and concur with the Senate amendment.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Speaker, I thank the gentleman for yielding.

Every time this matter has been before this body, since I have been here, I have supported the gentleman in his view that we should be for restoration of the historic West Front and not for its replacement and extension.

We do not have many historic buildings left, and we ought to save them.

So I concur with the gentleman's position here that we should recede and concur with the Senate amendment, as it will provide for that restoration and will end the proposal for extension.

Mr. CASEY of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is true that this matter has been kicking around, as they say, for 8 years, because the House has wanted to extend the west central front of the Capitol, based on the law which gave the Commission on Extension of the U.S. Capitol the authority to decide what should be done. The membership of the Commission is made up of the Speaker as chairman, the President of the Senate, the minority and majority leaders of both our body and the other body, and the Architect of the Capitol. It is that Commission that made the determination for extension.

There are some Members who are determined that we are going to restore the old west front and want to forget about the need for additional space.

Mr. Speaker, let me tell the Members this: We did not put funds for extension in the original bill we brought to the floor this year for two reasons:

First. We did not want to take up the time of the House again, because we knew the temper of the other body.

Second. Either extension or restoration would interfere with the enjoyment of the people of this Nation who will be visiting the Capitol during the celebration of the Bicentennial.

Now, when they say, "restoration," some of us may just think, well, that means we go out there and put in a few reinforcements in the stone and put on a new coat of paint.

Let me point out to the Members what "restoration" entails. Restoration means taking off that old paint. They have been coating it with paint since about 1822. It is estimated that there may be as many as 30 coats of paint on that sandstone wall. In places it is as much as one-quarter-inch thick. All of it would have to be taken off.

The wall has to be reinforced. And how do they propose doing that? It is estimated they will have to drill over 5,700 holes in that wall and pump in grout, as they call it, which is a kind of cement, to reinforce it.

Mr. Speaker, one of the Members who advocates yielding to this Senate amendment has said, "Well, it will only take a year."

The chairman of the committee in the other body said that the estimates he has received are that it would take from a year and a half to 2 years to complete restoration. If any of the Members have seen them complete a job around here in the time originally estimated, I will buy them a new Stetson hat. It just is not done.

If you have visitors coming up here to the Capitol during the Bicentennial year they will not be able to use the beautiful terraces that the proponents of restoration want to preserve. You will not be able to get them near the west front because of the sand blasting and drilling that will be going on. In addition, part of the interior of the Capitol would no doubt have to be vacated during the work.

So I say, Mr. Speaker, let us postpone this argument. It has been kicked around here long enough. Let us postpone it until after the Bicentennial celebration. I would much rather that our visitors would see a few of these props on the west front—and, mind you, no one wants to take those props out, even though some people say that they are there just for looks, but they do not want to take the responsibility of taking them out. So, let us postpone action and then have our fight after the Bicentennial, and settle it once and for all, if we possibly can.

Whenever I go out here in our visitors' room, the Rayburn room, to try to talk to some of my constituents—and I am guilty of this sometimes myself—you cannot get in there because of the Members who are using it with their secretaries while signing their mail. And yet some people say we do not need any more room in the Capitol.

Mr. ROYBAL. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from California.

Mr. ROYBAL. Mr. Speaker, I would ask the gentleman from Texas, if he has any estimate as to how much it would cost in 1977 or 1978, to either restore or extend the west front of the Capitol?

Mr. CASEY of Texas. No. I do not have any more idea about that than the gentleman does. Prices may be down by then, and it may cost a lot less in 1978 than right now.

Mr. ROYBAL. Let me state to the gentleman from Texas that it will be a miracle indeed if construction prices go down. On the contrary, the way the cost of construction is increasing at the present time it would cost considerably more.

Mr. CASEY of Texas. Mr. Speaker, I would say to the gentleman from California that if some of the Members had not been so stubborn we would have had more space, and the west front would have been completed, just like the east front that everybody is now so proud of. We could have had it completed by now and at a lesser cost. So the argument the gentleman from California raises does not hold water.

Mr. ROYBAL. I also remember that the gentleman from Texas did oppose at least a year ago a recommendation that was made to make a study of space needs.

Mr. CASEY of Texas. No. No. I did not oppose that one.

Mr. ROYBAL. And this is the same recommendation, that we appropriate funds for a study of our space needs.

Mr. CASEY of Texas. The gentleman from California will recall when we were in the conference with the chairman from the other body, and we wanted to include $300,000 for a study. The gentleman knows what the answer was.

They did not want any money for a master plan without money for restoration.

Mr. ROYBAL. Perhaps it would be a good idea for the House now to make that recommendation.

Mr. CASEY of Texas. We will let the House decide this. But I do want the Members of the House to realize that when you vote to reject this Senate amendment, that you are not committing yourself for either extension or restoration of the West Front. You are merely saying let us postpone action, and let our people enjoy the Capitol without scaffolding and workmen around it during the Bicentennial celebration.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the distinguished gentleman from Texas.

Mr. MAHON. Mr. Speaker, I just want to say that a majority of the Committee on Appropriations are firmly in support of the position taken by the gentleman from Texas (Mr. CASEY). We do not believe that it would be wise to start the work on the West Front at this time, a time when we are approaching the Bicentennial celebration.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I would like to make the point, insofar as the motion of the gentleman from California is concerned, that we on the Appropriations Subcommittee do not want any money in this bill at this time for the west front, either for restoration or for extension.

As the gentleman knows, I happen to be one of those who believes in extension of the west front of the Capitol. I think this will make our Nation's Capitol prettier, as a lot of the other Members do, based upon the sketches we have seen and some of the mockups of the Capitol that have been presented to us, and it certainly will make the Capitol more utilitarian.

I do not think if we are talking about space, that you can talk about space at the Madison Building because that is not the kind of space that the House needs. What is needed is space close to the floor. But that is beside the point.

We did not in the subcommittee, of which the gentleman is a member, put any money in this bill for the extension or for restoration of the west front of the Capitol, because we thought that we could not get anywhere with the other body when the chairman of its corresponding subcommittee is adamantly hostile on the subject of extension, so we left out an appropriation for extension.

Bicentennial factors notwithstanding, we ought not at this time to accord with the motion of the gentleman from California. We ought to leave this west front issue alone for now and insist on the House disagreement.

Mr. CASEY of Texas. I thank the gentleman. He has been a very strong contributor to this subcommittee. He well knows what we put up with in conference.

Mr. WYMAN. If the gentleman will yield further, the subject of money has been brought up. It has been said it will cost $20.6 million now for restoration; it was only $15 million the last time. It is claimed that it will cost $80 million to extend it; and it was only $55 million the last time. These claims are arguable. We do not know what the money factors are at the present time, and we do not know what use is going to be able to be possible of the Madison Building. There is a whole new ball game on this subject that is going to be considered by this subcommittee next year. At the present time the thing to do with this is to leave it alone and not put any money in this conference report for either extension or restoration. The Roybal substitute should be rejected.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from New York.

Mr. STRATTON. I appreciate the gentleman's yielding.

The argument is being made now that we ought not do anything about the west front until after the Bicentennial, although it was only a few years ago that we were being told that the Capitol was going to collapse tomorrow if we did not put this costly extension on immediately.

Mr. CASEY of Texas. Is the gentleman for it? I am agreeing with him now. I am sorry I cannot even agree with him without him disagreeing with me.

Mr. STRATTON. If the gentleman will yield further, what I am saying is that the gentleman's proposal would suggest now that we wait until 1977. But, as the gentleman from California (Mr. ROYBAL) said, just a moment ago, at the rate inflation is going up now, only heaven knows what the cost will be in 1977. We are certainly going to have to settle our office space problems before 1977, and we are going to have to do something about this building before 1977 or we will not be able to afford it. I think we ought to vote the $20 million now and get the work under way. The experts have told us we can do it in a year.

Mr. CASEY of Texas. I have heard no experts. The gentleman is just saying "experts." That is a good word. But the gentleman on the Senate side stated the estimates were a year and a half to two years. That is what the gentleman who put the amendment in stated.

Mr. Speaker, I do not yield any further.

Mr. STRATTON. If the gentleman will yield further, Mr. Eisenberg, the president of the Universal Restoration Co., the fellow who was responsible for the Williamsburg restoration, testified that it can be done in a single year.

Mr. CASEY of Texas. I again repeat that nothing has been done in the 16 years I have been here, and I am sure that follows the pattern that has been going on for a hundred years.

I urge the House not to let the Senate try to force restoration on the House, and to vote no on the gentleman's preferential motion.

The SPEAKER. Without objection, the previous question is ordered on the preferential motion offered by the gentleman from California (Mr. ROYBAL).

There was no objection.

The SPEAKER. The question is on the preferential motion offered by the gentleman from California (Mr. ROYBAL).

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. STRATTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 192, nays 203, not voting 39, as follows:

[Roll No. 430]

YEAS—192

Abdnor
Abzug
Adams
Addabbo
Archer
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Baker
Bauman
Beard
Bell
Bennett
Biester
Bingham
Boggs
Bray
Breaux
Breckinridge
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burke, Fla.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Cleveland
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Dellums
Dennis
Derwinski
Devine
Dorn
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Findley
Fish
Flowers
Ford
Fraser
Frelinghuysen
Fuqua
Gettys
Gilman
Ginn
Goodling
Green, Pa.
Gross
Grover
Gubser
Gude
Haley
Hamilton
Hammerschmidt
Hanley
Harrington
Hastings
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holt
Holtzman
Hosmer
Howard
Hudnut
Hunt
Hutchinson
Johnson, Colo.
Jordan
Karth
Kastenmeier
Ketchum
King
Koch
Lagomarsino
Landgrebe
Leggett
Lent
Lujan
McKinney
Mallary
Martin, N.C.
Mathias, Calif.
Mayne
Mazzoli
Mezvinsky
Miller
Mink
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Murtha
Nedzi
Nichols
Obey
O'Brien
Passman
Perkins
Pettis
Peyser
Pike
Preyer
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Rodino
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Roush
Rousselot
Roybal
Runnels
St Germain
Sandman
Satterfield
Schroeder
Sikes
Spence
Stanton, J. William
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Studds
Sullivan
Symms
Thone
Thornton
Udall
Ullman
Van Deerlin
Vander Jagt
Vigorito
Waggonner
Waldie
Walsh
Whalen
Whitehurst
Widnall
Wilson, Charles, Tex.
Wolff
Wright
Wylie
Yates
Young, Alaska
Young, Fla.
Young, S.C.
Zwach

NAYS—203

Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Bafalis
Barrett
Bergland
Bevill
Biaggi
Blackburn
Boland
Bolling
Bowen
Brademas
Brinkley
Brooks
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Camp
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cochran
Collins, Ill.
Conyers
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, Wis.
Delaney
Dellenback
Denholm
Dent
Dickinson
Dingell
Donohue
Downing
Dulski
Erlenborn
Esch
Evans, Colo.
Fascell
Flynt
Foley
Forsythe
Fountain
Frenzel
Frey
Froehlich
Gaydos
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Gray
Guyer
Hanna
Hanrahan
Harsha
Hays
Henderson
Hinshaw
Hogan
Horton
Huber
Hungate
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.

Jones, Okla.
Kazen
Kluczynski
Kyros
Latta
Lehman
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
Macdonald
Madden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Michel
Milford
Mills
Minish
Minshall, Ohio
Mitchell, Md.
Mizell
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nix
O'Hara
O'Neill
Parris
Patman
Patten
Pepper
Pickle
Poage
Powell, Ohio
Price, Ill.
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Rogers
Rose
Rostenkowski
Roy
Ruth
Ryan
Sarasin
Sarbanes
Scherle
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Staggers
Stanton, James V.
Steed
Stokes
Stubblefield
Stuckey
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Tiernan
Towell, Nev.
Traxler
Treen
Vander Veen
Vanik
Veysey
Wampler
Ware
White
Whitten
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wyatt
Wydler
Wyman
Yatron
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOT VOTING—39

Blatnik
Brasco
Carey, N.Y.
Carter
Chappell
Chisholm
Clay
Culver
Davis, Ga.
de la Garza
Diggs
Evins, Tenn.
Fisher
Flood
Fulton
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kemp
Kuykendall
Landrum
McSpadden
Owens
Podell
Quillen
Reid
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Schneebeli
Stephens
Symington
Wiggins

So the preferential motion was rejected.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Culver.
Mr. Fulton with Mr. Fisher.
Mr. Flood with Mrs. Green of Oregon.
Mr. Carey of New York with Mrs. Griffiths.
Mr. de la Garza with Mrs. Hansen of Washington.
Mr. Evins of Tennessee with Mr. Holifield.
Mr. Jones of Alabama with Mr. Landrum.
Mr. Podell with Mr. Roncalio of Wyoming.
Mr. Owens with Mr. Wiggins.
Mr. Symington with Mr. Kemp.
Mr. Jones of North Carolina with Mr. Kuykendall.
Mr. Davis of Georgia with Mr. Carter.
Mr. Clay with Mr. Brasco.
Mr. Blatnik with Mrs. Chisholm.
Mr. Reid with Mr. Diggs.
Mr. Stephens with Mr. Quillen.
Mr. Jones of Tennessee with Mr. Ruppe.
Mr. Chappell with Mr. Schneebeli.
Mr. Gunter with Mr. McSpadden.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. CASEY).

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52: On page 37, line 5, insert:

The amount of $250,000 of the appropriation under this head for the fiscal year 1974, for modifications to and replacement of existing traffic signals and installation of additional traffic signals and all items appurtenant thereto, is hereby continued available until June 30, 1975.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 52 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: On page 37, line 10, insert:

SENATE OFFICE BUILDING

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902), prevention and eradication of insect and other pests without regard to selection 3709 of the Revised Statutes as amended; to be expended under the control and supervision of the Architect of the Capitol in all, $6,620,800.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 54: On page 38, line 1, insert:

SENATE GARAGE

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, $103,300.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 54 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 60: On page 45, line 25, insert:

Funds available to the Library of Congress may be expended to provide additional parking facilities for Library of Congress employees in an area or areas in the District of Columbia outside the limits of the Library of Congress grounds, and to provide for transportation of such employees to and from such area or areas and the Library of Congress grounds without regard to the limitations imposed by 31 U.S.C. 638a(c)(2).

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 60 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 68: On page 51, line 19, insert:

SEC. 106. Notwithstanding any other provision of law, the citizenship or nationality of Karin Birgitta Holmen shall not prohibit the Secretary of the Senate from paying compensation to the said Karin Birgitta Holmen while serving as an employee of the Senate.

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 68 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: On page 51, line 24, insert:

SEC. 107. Section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)), relating to the use of foreign currency, is amended by striking out the last two sentences and inserting in lieu thereof the following: "Each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member or employee of such committee or subcommittee, and shall forward such consolidated report to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or joint committee whose funds are disbursed by the Secretary of the Senate). Each such report submitted by each committee shall be published in the Congressional Record within ten legislative days after receipt by the Committee on House Administration or the Committee on Appropriations of the Senate.".

MOTION OFFERED BY MR. CASEY OF TEXAS

Mr. CASEY of Texas. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASEY of Texas moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 107. Section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)), relating to the use of foreign currency, is

amended by striking out the last two sentences and inserting in lieu thereof the following: "Each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States, together with the purposes of the expenditure, including lodging, meals, transportation and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member or employee of such committee or subcommittee, and shall forward such consolidated report to the Clerk of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Secretary of the Senate (if the committee be a Senate committee or joint committee whose funds are disbursed by the Secretary of the Senate).".

Mr. CASEY of Texas (during the reading). Mr. Speaker. I ask unanimous consent that the motion be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The motion was agreed to.

Mr. DU PONT. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Speaker, I thank the gentleman for yielding.

As the Members of the House well know, this issue has been a very controversial one ever since last year's State Department authorization bill, by some kind of language which nobody noted, removed the requirement that Members' travel expenses be printed in the CONGRESSIONAL RECORD.

I feel very strongly that we should return to the former policy. While I appreciate what has been done in this conference report, I just want to say that when the State Department authorization bill comes to the floor of the House, I will offer an amendment to that bill to put the printing requirement back in, so that in the future all Members' travel expenses will be published and generally available.

Mr. Speaker, I bring this up because yesterday in the Committee on Foreign Affairs I made an effort to put an amendment on the State Department authorization bill. I was denied an opportunity to do that. I just want the Members to know that it will be coming up when that bill comes to the floor, and we will have an opportunity to put the law back the way it belongs.

Mr. CASEY of Texas. Mr. Speaker, I thank the gentleman for his comments. I think that is the way it should be done.

Mr. GUDE. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Speaker, the recommendation of the conferees in reference to amendment No. 69 of the legislative branch appropriations bill is a considerable step forward over the present situation relating to the reporting of Members' foreign travel.

Because of legislation passed last year, reports of Members' foreign travel are not published in the CONGRESSIONAL RECORD, as used to be the case, but are gathered in the files of the various committees. There is no central repository for these reports, and it has therefore proved difficult to get this information out into public view where it belongs.

I introduced legislation with the cosponsorship of a number of my colleagues to restore publication of such reports in the CONGRESSIONAL RECORD because I believe the public has a right to this information and should not be made to dig for it. Nevertheless, I support the conference proposal on this provision on the basis that reports will be complete in that they will include expenditures of both appropriated funds and counterpart funds used by Members and staff for official foreign travel, and all such reports will be filed together with the Secretary of the Senate and the Clerk of the House.

Therefore, I would like to ask the gentleman this: To what extent will these records be available to the public and to the press?

Mr. CASEY of Texas. It is the intention of this gentleman and, I am sure, the intention of all the conferees, that these records be open to anyone for inspection. That includes anyone who walks in off the street and says, "I understand you have records here" on such-and-such a committee "and I would like to see them."

Mr. GUDE. Then the records would be available to anybody during regular working hours?

Mr. CASEY of Texas. Yes, indeed.

Mr. GUDE. Mr. Speaker, if the gentleman will yield further, the copying of all of these records would be quite an arduous task.

Will there be facilities available whereby the public or the press could obtain copies of these records by paying an appropriate cost?

Mr. CASEY of Texas. Mr. Speaker, I am sure that will be the case. They are public records, and all public records are available.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I am pleased to yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I thank the gentleman for yielding.

In answer to the question asked by the gentleman from Maryland (Mr. GUDE), the Committee on House Administration has adopted a principle that any records of that kind are available through Xerox copies, and I believe the cost is 10 cents a page. So anyone who wants to have a page or several pages copied will be able to have that done.

Mr. GUDE. Mr. Speaker, if the gentleman from Texas will yield, I think that is very important. They should have these facilities readily available. At the same time, however, I intend to continue to urge that my bill be adopted by the House so that these records can be available to the public as before.

Mr. Speaker, I thank the gentleman.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I will say to the gentleman from Maryland that we discussed this at length in the subcommittee.

These records of these travel allowances are records that are going to be just as public if they are filed with the Clerk of the House and with the Secretary of the Senate as they would be if they are published in the CONGRESSIONAL RECORD.

As the gentleman from Ohio (Mr. HAYS) has said, there are Xerox machines available, and anybody who wants copies of these records can go and get them there or send someone to obtain them.

Instead of going through the process of publishing, at taxpayers' expense, pages and pages of these records in the CONGRESSIONAL RECORD, these records are going to be available from the custodians of the records of the two bodies of Congress, and the conferees concluded that this is a substantial improvement.

Mr. DU PONT. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Delaware.

Mr. DU PONT. Mr. Speaker, in regard to the comments made by the gentleman from New Hampshire, that is not the case at all. I appreciate that the reports will be available here in Washington. However, when they are printed in the CONGRESSIONAL RECORD, which is the official record of this body, they are distributed throughout the country to those who subscribe to the CONGRESSIONAL RECORD, and they are available to everyone. We may say that somebody can just walk in and see them, but, although that may be true, it is certainly not the same thing as being able to put that information out to the public through the CONGRESSIONAL RECORD.

Mr. CASEY of Texas. Mr. Speaker, I thank the gentleman for his comments.

Mr. HAYS. Mr. Speaker, if the gentleman will yield, if the gentleman from Delaware offers his amendment to the bill which I will bring up soon I will have a substitute amendment that will cure the whole thing. My amendment will just let the Du Pont family pay for all the foreign travel, and then it will not cost the taxpayers anything.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I would like to make a general comment. I do not think that the nature of the discussion this afternoon should leave any implication that in any way foreign travel by Members of the Congress is not legitimate, is not done for a meaningful purpose, and is not a matter of

public record, and is not in direct relationship to the responsibilities of the Members.

Mr. Speaker, the trouble is that we live in a period where a lot of people are taking cheap shots at the Members of the Congress, and that annually, the real big cheap shot is this old bugaboo of junketing. As far as I am concerned it is all overblown, overworked, and is a demagogic issue.

Mr. Speaker, I see my friend, the gentleman from Illinois (Mr. Murphy) is on the floor, and he was one who took a trip abroad in the company of the gentleman from Texas (Mr. Steelman) during which they uncovered many new facets concerning the international drug trade there, and let me say that the recoveries from the results of their trip more than compensate for it, and indeed represents a tremendous investment on behalf of the public.

Further, I would think that every one of us who are responsible public officials know that when we travel abroad we are getting an education, and when we get an education we are better Members, and our constituents in the country and the people in the nations of the world are better off for having done this.

So far as I am concerned, there is no more impressive body in the world than the U.S. Congress, especially the House of Representatives, and when one of the Members travels abroad he is a diplomat, and indeed a spokesman for our country, and there is not one darned thing wrong with the expenditure of public funds for travel by the Members of the Congress.

And to think that there is something sinister or something wrong with this is just a lot of unnecessary soapbox oratory.

Mr. CASEY of Texas. I appreciate what the gentleman has to say.

Mr. GUDE. Mr. Speaker, if the gentleman will yield, in regard to the remarks of the gentleman from Illinois (Mr. Derwinski), his remarks shine as a light on this subject with a brightness equaled only by his sartorial splendor.

Mr. Speaker, I fully agree with the gentleman. We have nothing to fear by the public knowing the facts. When they know the facts, they can draw the proper conclusion as to the need and benefits derived from foreign travel.

For example, publicity by TV exposure has been very beneficial to the congressional image in the last few weeks. The televising of the proceedings of the Committee on the Judiciary has produced much favorable public response, such as that which I am receiving from my constituents. The mere televising of these hearings has thrown a favorable light on this Congress.

As a result, Congress is today less of a nameless image to them; the public sees that it is composed of hard-working men and women who are conscientiously trying to do a job in the best way possible.

So I agree with the gentleman from Illinois that, in making these records public, we have nothing to fear because the public will evaluate them appropriately.

Mr. DERWINSKI. Mr. Speaker, if the gentleman will yield for one more moment, for the sake of keeping the record clear, these records always have been available, and they always will be, and there is no attempt whatsoever to subvert public knowledge.

The trouble is that we have got a few self-appointed critics who are trying to leave the misguided impression that there has been an attempt to withhold this information from the public press and the public, and that is wrong, and I would like to have the record be clear on that point.

Mr. CASEY of Texas. Mr. Speaker, these records are all available in the various committee offices.

Mr. DERWINSKI. Mr. Speaker, I thank the gentleman.

Mr. CASEY of Texas. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE

Mr. CASEY of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to, and that I be permitted to include extraneous matter, including tabulations, charts, and summaries.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NO KNOCK PROVISION

Mr. GUDE. Mr. Speaker, I note with interest the passage by the other body of legislation repealing so-called no-knock laws. I strongly opposed this provision in the District of Columbia Court Reform and Criminal Procedure Act of 1970, and I warned of the serious dangers of such legislation in my separate views in the committee report (H. Rept. 91–907) as follows:

> The great debate over whether our police should have authority to enter a home without knocking and announcing their purpose has been extremely misleading. Our police officers already have ample authority under the common law and the Fourth Amendment to the Constitution to enter without knocking when the officer on the scene believes that his life will be endangered or that evidence will be destroyed if he identified himself and his mission. No-knock has clear constitutional sanction in such cases.
>
> The provisions of this bill purport to codify this long-standing authority, but in fact, greatly expand it. For example, the bill authorizes a police officer to enter without knocking whenever "such notice would otherwise be a useless gesture." This catch-all standard, if it can be called a standard, gives no guidance to the police officer and none to the courts.
>
> In addition, the bill authorizes the issuance of no-knock warrants where the judge issuing the warrant determines that giving of notice is likely to endanger the safety of the officer or cause the disposal or destruction of the evidence sought. I do not understand how a judgment of this kind—usually reserved for an experienced police officer on the scene—can be made in a courtroom in advance. One can only conclude that the provision will have the effect of authorizing no-knock in whole categories of cases where there is a possibility of danger or the destruction of evidence, and surely there is that possibility in almost every case.
>
> There is no evidence of the necessity for such sweeping authority. Forty-six states do *not* have no-knock statutes, and there is no comparable provision in the Federal Rules of Criminal Procedure. The absence of no-knock authority cannot be critical if a federal narcotics team could capture over a million dollars worth of drugs here recently without it.
>
> Finally, an honest mistake about an address could send police charging into the homes of the innocent, who might well respond by defending themselves, with tragic results. The wholesale no-knock authority provided by this bill will jeopardize the safety of our citizens and police alike, with no corresponding benefit to law enforcement in the District of Columbia.

I opposed no-knock legislation in 1970, and I oppose it now. It is a dangerous and unwarranted extension of police authority into the rights of private citizens. The District of Columbia Police Chief has stated that he had no objection to the repeal of no-knock authority. I hope the Interstate and Foreign Commerce Committee will follow the Senate's leadership and report the legislation favorably.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 14715

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that the House managers may have until midnight tonight to file a conference report on the bill H.R. 14715.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Conference Report (H. Rept. No. 93–1249)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That (a) section 105 of title 3, United States Code, is amended to read as follows:

"§ 105. Assistance and services for President and Vice President

"(a) Subject to the provisions of subsection (b) of this section, the President is authorized to appoint employees in the White House Office and the Executive Residence at the White House without regard to the provisions of title 5 governing appointments in the competitive service. Those employees shall perform such official duties as the President may prescribe.

"(b) The number of employees appointed under authority of subsection (a) of this section may not include—

"(1) during the period beginning on the date of enactment of this subsection and ending immediately prior to January 1, 1976, more than—

"(A) 14 employees at the rate of basic pay then currently in effect for level II of the Executive Schedule of section 5313 of title 5; and

"(B) 21 employees at rates not to exceed the rate of basic pay then currently in effect for level III of the Executive Schedule of section 5314 of such title;

"(2) during the period beginning on January 1, 1976, and ending immediately prior to January 20, 1977, more than—

"(A) 12 employees at the rate of basic pay then currently in effect for level II of the Executive Schedule of section 5313 of such title;

"(B) 10 employees at the rate of basic pay then currently in effect for level III of the Executive Schedule of section 5314 of such title;

"(C) 9 employees at the rate of basic pay then currently in effect for level IV of the Executive Schedule of section 5315 of such title; and

"(D) 9 employees at the rate of basic pay then currently in effect for level V of the Executive Schedule of section 5316 of such title; and

"(3) on and after January 20, 1977, more than—

"(A) 8 employees at the rate of basic pay then currently in effect for level II of the Executive Schedule of section 5313 of such title;

"(B) 10 employees at the rate of basic pay then currently in effect for level III of the Executive Schedule of section 5314 of such title;

"(C) 11 employees at the rate of basic pay then currently in effect for level IV of the Executive Schedule of section 5315 of such title; and

"(D) 11 employees at the rate of basic pay then currently in effect for level V of the Executive Schedule of section 5316 of such title.

The President is authorized to place, subject to the standards and procedures prescibed by chapter 51 of such title and in addition to the number of positions authorized in section 5108(a) of such title, a total of 35 postions in GS-16, GS-17, and GS-18 of the General Schedule of section 5332 of such title.

"(c) The President is authorized to procure for the White House Office and the Executive Residence at the White House temporary or intermittent services of experts and consultants, as described in and in accordance with the first two sentences of section 3109(b) of title 5, at respective daily rates of pay for individuals not more than the daily equivalent of the rate of basic pay then currently in effect for level II of the Executive Schedule of section 5313 of such title.

"(d) The President is authorized to procure goods and services for the maintenance, operation, improvement, and preservation of the Executive Residence at the White House.

"(e) There are authorized to be appropriated each fiscal year to the President—

"(1) such sums as may be necessary to pay official reception, entertainment, and representation expenses, to be expended at the discretion of the President, except that the Comptroller General shall be furnished information requested by him relating to the expenditure of such funds and access to all necessary books, documents, papers, and records relating to any such expenditure, in order that he may determine whether the expenditure was for payment of official reception, entertainment, and representation expenses; and

"(2) such sums as may be necessary for allocation within the Executive Office of the President for official reception and representation expenses.

"(f) In order to enable the Vice President to provide assistance to the President in connection with the performance of functions specially assigned to the Vice President by the President in the discharge of executive duties and responsibilities, the Vice President is authorized to—

"(1) procure temporary or intermittent services of experts and consultants, as described in and in accordance with the first two sentences of section 3109(b) of title 5, at respective daily rates of pay for individuals not more than the daily equivalent of the maximum rate of basic pay then currently paid under the General Schedule of section 5332 of such title;

"(2) appoint employees without regard to the provisions of such title governing appointments in the competitive service, except that he may appoint not more than—

"(A) 1 employee at the rate of basic pay then currently in effect for level II of the Executive Schedule of section 5313 of such title;

"(B) 3 employees at the rate of basic pay then currently in effect for level III of the Executive Schedule of section 5314 of such title; and

"(C) a combined total of 3 employees at the respective rates of basic pay then currently in effect for levels IV and V of the Executive Schedule of sections 5315 and 5316 of such title; and

"(3) place, subject to the standards and procedures prescribed by chapter 51 of such title and in addition to the number of positions authorized in section 5108(a) of such title, a total of 7 positions in GS-16, GS-17, and GS-18 of the General Schedule of section 5332 of such title.

"(g) Notwithstanding any provision of law, other than the provisions of this chapter, no employee in the White House Office or in the Executive residence at the White House, nor any employee under the Vice President appointed under subsection (f), may be paid a rate of basic pay in excess of the maximum rate of basic pay then currently paid for GS-15 of the General Schedule of section 5332 of title 5."

(b) The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by deleting—

"105. Compensation of secretaries and executive, administrative, and staff assistants to President."

and inserting in place thereof—

"105. Assistance and services for President and Vice President.".

SEC. 2. (a) Section 106 of title 3, United States Code, is amended to read as follows:

"§ 106. Unanticipated personnel needs

"(a) There is authorized to be appropriated to the President an amount not to exceed $500,000 each fiscal year to enable the President to appoint employees to meet unanticipated personnel needs and to pay administrative expenses incurred with respect thereto.

"(b) Positions to which appointments are made under subsection (a) shall be subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, except that any positions placed in GS-16, GS-17, and GS-18 of the General Schedule of section 5332 of such title shall be in addition to the number of positions authorized in section 5108(a) of such title.

"(c) The President shall transmit to each House of the Congress reports with respect to expenditures under this section. Each such report shall be transmitted not later than 60 days after the close of each fiscal year and shall contain a detailed statement of such expenditures during such fiscal year, including—

"(1) the name of every employee paid under this section;

"(2) the amount of appropriated moneys paid to each such employee;

"(3) a general title and general job description for each such employee; and

"(4) a detailed explanation of the purposes for the appointment of employees paid under the authority of this section."

(b) The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by deleting—

"106. Administrative assistants."

and inserting in place thereof—

"106. Unanticipated personnel needs.".

SEC. 3. Section 103 of title 3, United States Code, relating to travel expenses of the President, is amended by deleting "$40,000" and inserting in place thereof "$100,000" and by deleting "and accounted for on his certificate solely" and inserting in place thereof a comma and the following: "except that the Comptroller General shall be furnished information requested by him relating to the expenditure of such sums and access to all necessary books, documents, papers, and records relating to any such expenditure, in order that he may determine whether the expenditure was for payment of traveling expenses of the President of the United States".

SEC. 4. (a) Section 102 of title 3, United States Code, is amended by deleting "Executive Mansion" and inserting in place thereof "Executive Residence at the White House".

(b)(1) Section 109 of such title 3 is amended—

(A) by deleting from the section caption "Executive Mansion" and inserting in place thereof "Executive Residence at the White House"; and

(B) by deleting from the text "Executive Mansion" wherever it appears and inserting in place thereof "Executive Residence at the White House" each time.

(2) Item 109 in the table of sections at the beginning of chapter 2 of such title 3 is amended by deleting "Executive Mansion" and inserting in place thereof "Executive Residence of the White House".

(c)(1) Section 110 of such title 3 is amended—

(A) by inserting in the section caption, immediately before "White House", the folowing: "Executive Residence at the";

(B) by inserting in the first sentence immediately after "President's", the following: "Executive Residence at the White"; and

(C) by inserting immediately before "White House" wherever it appears "Executive Residence at the" each time.

(2) Item 110 in the table of sections at the beginning of chapter 2 of such title 3 is amended by inserting, immediately before "White House", the following: "Executive Residence at the ".

(d) Section 202 of such title 3 is amended by deleting "Executive Mansion" and inserting in place thereof "White House".

SEC. 5. Section 107 of title 3, United States Code, is amended to read as follows:

"§ 107. Detail of employees of executive departments to office of President

"At the request of the President, the head of any department, agency, or independent establishment of the executive branch of the Government shall detail, from time to time, employees of such department, agency, or establishment to serve in the White House Office. The President shall advise the Congress of the names and general duties of all such employees so detailed to the White House Office. An employee may not be so detailed for full-time duty on a continuing basis for any period of more than one year. The White House Office shall reimburse each such department, agency, or establishment, for the pay of each employee thereof so detailed for full-time duty on a continuing basis, for any period of such detail occurring after the close of the sixth month following the date on which such detail first becomes effective.".

Sec. 6. (a) Chapter 2 of title 3, United States Code, is amended by adding at the end thereof the following new section:

"§ 112. Statement of expenditures for employees

"The President shall transmit to each House of the Congress reports with respect to expenditures for employees performing duties in the White House Office and the Executive Residence at the White House. Each such report shall be transmitted no later than 60 days after the end of each fiscal year and shall contain a detailed statement of such expenditures during such fiscal year, including—

"(1) the name of every employee in the White House Office and the Executive Residence at the White House;

"(2) the amount of appropriated moneys paid to each such employee;

"(3) a general title and general job description for each such employee;

"(4) the amounts of any reimbursements made to each department, agency, or establishment for employees detailed to the White House Office under section 107 of this title; and

"(5) the name and general duties of each employee so detailed and the department, agency, or establishment from which the employee was detailed.

(b) The table of sections for chapter 2 of such title 3 is amended by adding at the end thereof the following new item: "112. Statement of expenditures for employees.".

(c) The amendments made by the provisions of this section shall apply with respect to fiscal years beginning after June 30, 1974.

Sec. 7. Notwithstanding the provisions of section 105 of title 3, United States Code, as amended by the first section of this Act, if an employee in the White House Office or the Executive Residence at the White House is receiving basic pay immediately before January 1, 1976, at a rate different than the rate authorized under such section 105, then, effective on January 1, 1976, he may continue to receive basic pay at the different rate so long as he continues to perform the duties of the position he occupied immediately prior to January 1, 1976.

Sec. 8. Effective October 1, 1978—

(1) sections 105, 106, and 107 of title 3, United States Code, as in effect immediately prior to such date, are repealed; and

(2) items 105, 106, and 107 in the table of sections of chapter 2 such title 3 are repealed.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the House bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the House bill, insert the following: "An Act to clarify existing authority for employment of personnel in the White House Office and in the Executive Residence at the White House, to clarify existing authority for employment of personnel by the President tc meet unanticipated personnel needs, and for other purposes."

And the Senate agree to the same.

Thaddeus J. Dulski,
David N. Henderson,
Morris K. Udall,
H. R. Gross,
Edward J. Derwinski,
Managers on the Part of the House.
Gale W. McGee,
Jennings Randolph,
Ted Stevens,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

AUTHORIZATION FOR APPOINTMENT OF EMPLOYEES OF WHITE HOUSE OFFICE AND EXECUTIVE RESIDENCE

House bill

The first section of the House bill amended section 105 of title 3, United States Code, to authorize Presidential appointment of such employees in the White House Office and the Executive Residence as the Congress may appropriate for each year. However, the number of such appointments may not exceed—

(1) 5 employees at the rate for level II of the Executive Schedule,

(2) 5 employees at the rate for level III of the Executive Schedule,

(3) 10 employees at the rate for level IV of the Executive Schedule,

(4) 15 employees at the rate for level V of the Executive Schedule, and

(5) 30 employees at the rates for GS–16, GS–17, and GS–18 of the General Schedule of section 5332 of title 5. By setting forth specific rates of pay and by omitting a waiver of the application of the classification and General Schedule provisions of title 5, the House bill denied authority under section 105 for appointment of employees in ungraded positions.

Senate amendment

The first section of the Senate amendment amended section 105 of title 3 to provide authorization for the President to appoint as employees in the White House Office and Executive Residence at the White House not more than—

(1) 15 employees at rates not to exceed the rate for level II of the Executive Schedule,

(2) 25 employees at rates not to exceed the rate for level III of the Executive Schedule, and

(3) 35 employees at rates not to exceed the rate for GS–18 of the General Schedule.

The Senate amendment would have continued the "ungraded position system" by not requiring rates of pay to be fixed at specific levels of the Executive Schedule for positions above GS–18 and by waiving the classification and General Schedule pay provisions of title 5 for the 35 positions at or below the GS–18 rate.

Conference substitute

The conferees agreed to provide the President, effective January 20, 1977, with—

(1) 8 positions at level II,

(2) 10 positions at level III,

(3) 11 positions at level IV,

(4) 11 positions at level V, and

(5) 35 positions in GS–16, GS–17, and GS–18.

The conference substitute clarifies that the 35 positions in GS–16, GS–17, and GS–18 will be subject to the standards and procedures prescribed by chapter 51 of title 5, relating to the classification of positions, and shall be in addition to the maximum number of positions authorized by section 5108(a) of title 5.

Since 14 positions are presently authorized for level II and other positions are authorized at rates of pay not tied to the Executive Schedule or the General Schedule, the conference substitute provides—

(1) for the period from date of enactment through December 31, 1975, that 14 employees could be continued to be paid at level II and 21 positions could remain ungraded at not to exceed the rate for level III; and

(2) for the period from January 1, 1971 through January 19, 1977, for—

(A) 12 positions at level II,

(B) 10 positions at level III,

(C) 9 positions at level IV, and

(D) 9 positions at level V.

The conference substitute also contains a provision, incorporated as subsection (g) of section 105, to make clear that chapter 2 of title 3, as amended by the conference substitute, supersedes any authority for the appointment of employees in the White House Office or the Executive Residence at the White House at rates, or to positions paid at rates, in excess of the maximum rates for GS–15 which may be contained in any other provision of law. This new subsection (g) also applies to the authority of the Vice President to appoint employees under subsection (f).

MAINTENANCE AND OPERATION OF EXECUTIVE RESIDENCE

House bill

The first section of the House bill amended section 105 of title 3 to provide authorization to the President to procure such goods and services "as he considers necessary" for the maintenance, operation, improvement, and preservation of the Executive Residence at the White House. Under the House bill, such procurement was expressly made subject to the Federal Property and Administrative Services Act of 1949.

Senate amendment

The first section of the Senate amendment authorized the President to procure goods and services necessary for the same purposes as was provided in the House bill. The Senate amendment did not expressly make such procurement subject to the Federal Property and Administrative Services Act of 1949, but did specifically omit the phrase "as he considers necessary" and, as the Senate committee report stated, the omission of such phrase conveyed the intention that such procurement would be subject to the provisions of such Act.

Conference substitute

The conference substitute is the same as the Senate amendment.

The Federal Property and Administrative Services Act of 1949 specifically applies to all executive departments and independent establishments in the executive branch. The conferees, in accepting the Senate amendment, intend that procurement under this provision will be in accordance with such Act.

AUTHORIZATION FOR APPOINTMENT OF STAFF FOR VICE PRESIDENT

House bill

The House bill amended section 105 to provide, for purposes of enabling the Vice President to assist the President in carrying out official executive duties and responsibilities, authorization for the Vice President to appoint employees including not more than—

(1) 1 employee at the rate for level II of the Executive Schedule,

(2) 3 employees at the rate for level III of the Executive Schedule,

(3) a total of 3 employees at rate for level IV or V of the Executive Schedule, and

(4) 7 employees at the rates for GS-16, GS-17, and GS-18 of the General Schedule.

By setting forth specific rates of pay and by omitting a waiver of the application of the classification and General Schedule provisions of title 5, the House bill denied authority under section 105 for appointment of employees in ungraded positions.

Senate amendment

The Senate amendment amended section 105 to provide, for the same purposes expressed in the House bill, authorization for the Vice President to appoint and fix the pay of not more than—

(1) 1 employee at a rate not to exceed the rate for level II of the Executive Schedule,

(2) 6 employees at rates not to exceed the rate for level III of the Executive Schedule, and

(3) 7 employees at rates not to exceed the rate for GS-18 of the General Schedule.

The Senate amendment allowed the "ungraded position system" by not requiring rates of pay to be fixed at specific levels of the Executive Schedule for the positions above GS-18 and by waiving the classification and General Schedule pay provisions of title 5 for the 7 positions at or below the GS-18 rate.

Conference substitute

The conference substitute provides that the number of appointments under section 105 may not exceed—

(1) 1 employee at the rate for level II of the Executive Schedule,

(2) 3 employees at the rate for level III of the Executive Schedule,

(3) 3 employees at rates for levels IV and V of the Executive Schedule, and

(4) 7 employees in positions in GS-16, GS-17, and GS-18 of the General Schedule.

The conference substitute clarifies that the 7 positions in GS-16, GS-17, and GS-18, referred to above, will be subject to the standards and procedures prescribed by chapter 51 of title 5, relating to the classification of positions, and shall be in addition to the maximum number of positions authorized by section 5108(a) of title 5.

Conference substitute

The conferees agreed to establish a fund for unanticipated personnel needs, subject to the following limitations:

(1) The amount authorized is limited to $500,000 for each fiscal year.

(2) Positions to which appointments are made under section 106 will be subject to the classification and General Schedule provisions of title 5, and positions placed in GS-16, GS-17, and GS-18 of the General Schedule will be in addition to the number authorized in section 5108(a) of title 5.

(3) A report is required to be sent to the Congress setting forth the name, duties, and pay of each employee paid under section 106, together with a detailed explanation of the purpose of such appointment.

ANNUAL STATEMENT OF EXPENDITURES FOR EMPLOYEES

House bill

Section 5 of the House bill amended title 3 by adding a new section 112 which requires that annual reports be transmitted to the Congress setting forth the names, duties, and pay of employees in the White House Office and the Executive Residence. The House bill requires that each annual report transmitted to the Congress shall be made available to the public.

Senate amendment

Section 6 of the Senate amendment added a new section 112 similar to the provisions in the House bill, except that the Senate amendment required each annual statement to specify the names and duties of employees detailed to the White House Office, and the agency from which detailed. Also, the Senate amendment did not require that the annual reports be made available to the public.

Conference substitute

The conference substitute is the same as the Senate amendment.

ACCESS TO FEDERAL TAX RETURNS

House bill

No provision.

Senate amendment

Section 6 of the Senate amendment added a new section 113 to title 3 to provide that no Federal tax return shall be made available for inspection by, nor shall any copy be furnished to, any officer or employee of the executive branch, other than the President (upon his written request), or any officer or employee of the Department of the Treasury or the Department of Justice who is concerned with the filing and audit of such return, the payment, collection, or recovery of the tax for which such return was made, or any offense arising out of that return.

Conference substitute

This provision of the Senate amendment is omitted from the conference substitute.

The position of the House conferees was that this amendment was not germane to the bill and would be subject to a point of order in the House of Representatives. Further, a letter to the House conferees from Representative Wilbur D. Mills, Chairman of the House Ways and Means Committee, and Representative Herman T. Schneebeli, ranking minority member, expressed their deepest concern with the possible abuse of Federal tax returns. However, the letter also advised that the Ways and Means Committee was studying this matter and that the Department of the Treasury recommendations would be forthcoming very shortly. In view of the Committee's work, the letter recommended deletion of the amendment from H.R. 14715.

Because of the very strong feeling on the part of the House conferees against including the amendment in the conference substitute, the parliamentary problem, the concern of the Ways and Means Committee, and the Treasury Department study, the Senate conferees receded to the House.

PAY SAVINGS

House bill

The House bill provided that employees of the White House Office who, on the date of enactment, are being paid at the rate for level II of the Executive Schedule shall continue to receive basic pay at the rate for level II so long as they continue to perform the duties of the positions they occupied on such date.

Senate amendment

The Senate amendment had no comparable provision since the Senate amendment did not reduce the number of employees paid at the rate for level II of the Executive Schedule.

Conference substitute

The conference substitute provides that any employee of the White House Office or of the Executive Residence at the White House receiving before January 1, 1976, a rate of basic pay which is different than the rate authorized under section 105 effective for the period beginning January 1, 1976, may continue to receive pay at that different rate for as long as he continues to perform the duties of the position he occupied immediately before January 1, 1976. The pay savings authority under this section is permissive and does not preclude the President from appointing any such employee at one of the positions paid at the rates authorized under section 105, effective January 1, 1976, subject to the numerical limitations specified thereunder.

REPEAL

House bill

No provision.

Senate amendment

Section 7 of the Senate amendment provided, effective July 1, 1978, that sections 105, 106, and 107 are repealed.

Conference substitute

The conference substitute is the same as the Senate amendment, except that the effective date of the repeal is made to conform to the change in the fiscal year resulting from the enactment on July 12, 1974, of the Congressional Budget and Impoundment Act of 1974.

THADDEUS J. DULSKI,
DAVID N. HENDERSON,
MORRIS K. UDALL,
H. R. GROSS,
EDWARD J. DERWINSKI,
Managers on the Part of the House.

GALE W. MCGEE,
JENNINGS RANDOLPH,
TED STEVENS,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON S. 425, TO PROVIDE COOPERATION BETWEEN SECRETARY OF THE INTERIOR AND THE STATES AS TO REGULATION OF SURFACE MINING OPERATIONS

Mr. HALEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, S. 425, To provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes, with the House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none, and appoints the following conferees: Mr. UDALL, Mrs. MINK, Messrs. VIGORITO, MELCHER, RONCALIO of Wyoming, SEIBERLING, STEIGER of Arizona, RUPPE, CAMP, and KETCHUM.

U.S. INFORMATION AGENCY APPROPRIATIONS AUTHORIZATION ACT OF 1974

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1280 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1280

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15046) to authorize appropriations for the United States Information Agency, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from California (Mr. DEL CLAWSON). Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1280 provides for an open rule with 1 hour of general debate on H.R. 15046, the U.S. Information Agency Authorization Act of 1975.

H.R. 15406 makes a total authorization for the USIA of $243,738,000, an increase of $28,424,000 over the 1974 appropriation. Of this total, $228,368,000 is allocated for salaries and expenses, $6,770,000 for special international exhibitions; $4,400,000 for the acquisition and construction of radio facilities; and $4,200,000 for employee benefits.

During the next fiscal year, the USIA proposes to operate 190 posts in 109 countries. Among the cultural and information activities to be conducted are press, radio, TV, motion pictures, publications, information centers, libraries, lectures and seminars, book publication and presentations, and support for the Department of State's educational and cultural exchange programs.

Mr. Speaker, I urge the adoption of House Resolution 1280 in order that we may discuss, debate and pass H.R. 15046.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as previously explained, House Resolution 1280 provides for the consideration of H.R. 15046, the USIA authorization, under an open rule with 1 hour of general debate.

The purpose of H.R. 15046 is to authorize funds for the U.S. Information Agency for fiscal year 1975.

This bill authorizes $243,738,000. By way of comparison, the fiscal year 1974 appropriation was $215,314,000. The Executive request for fiscal year 1975 was $246,838,000.

The administration supports this bill. Mr. Speaker, I support this rule in order that the House may proceed to consider H.R. 15046.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15046) to authorize appropriations for the United States Information Agency, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15046, with Mr. ROONEY of Pennsylvania in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN (Mr. ROONEY of Pennsylvania). Under the rule the gentleman from Ohio (Mr. HAYS), will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. FRELINGHUYSEN), will be recognized for 30 minutes.

The CHAIR recognizes the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 15046 is the annual authorization bill for the U.S. Information Agency. My subcommittee for the past 3 years has given careful examination to USIA. While we generally subscribe to the importance of an information program, a number of us have reservations about the most effective and efficient method of carrying on such a program.

The subcommittee heard not only from the Director of USIA but also from each of the heads of the regional bureaus. In all we have 142 pages of testimony that extended over 4 days. I think we did a fair job in legislative oversight.

The largest single item in the bill is for salaries and expenses for which we recommend $228,368,000. This is a reduction of $3.1 million. That is the sum we authorized in a separate piece of legislation as the dollar cost for U.S. participation in the International Ocean Exposition that will be held in Okinawa, Japan, next year. USIA is running our exhibit and we thought it could be funded without adding any further money to the USIA budget.

I should note that we did not allow any funds for the relocation of the Voice of America radio facilities on Okinawa. Under the terms of the reversion agreement with Japan VOA is to be out of Okinawa by 1977. The problem is to find an alternative site. The Agency has been toying with relocating the facilities in South Korea. But the recent history of that country makes us most uneasy about that country as the new site. I still think that with a bit of effort and ingenuity a place can be found on some U.S. trust territory or possession in the Pacific.

We rejected the perennial request of the Agency for an open-ended authorization for employee salary increases. We made it submit a specific figure which is $4.2 million.

For special international exhibits we have recommended $6,770,000. This is for exhibits and displays principally in Eastern Europe. I should add that they have generally been very successful in acquainting the citizens behind the Iron Curtain with our society and its many accomplishments.

Finally there is $4.4 million for the improvement of radio facilities within the United States.

Mr. Chairman, this is a reasonable bill. I want to assure the House that so long as I am chairman of the subcommittee that has legislative oversight of USIA I will dc everything I can to see that it receives no more than it can prudently use.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Ohio, who serves as the chairman of the Subcommittee on the State Department Organization and Foreign Operations, has already outlined the major provisions of this bill.

I want to express my strong support for the bill, which authorizes funds for the U.S. Information Agency for the fiscal year 1975.

Extensive hearings were held in the Subcommittee on State Department Organization and Foreign Operations, and the full committee reported the bill by a vote of 24 to 2.

The committee recommendation of $243,738,000 is a reduction of $3.1 million. This amount was requested to fund U.S. participation in an International Ocean Exposition in Okinawa. Of the total amount, $228,368,000 is for salaries and expenses. The balance covers special international exhibitions, radio construction and employee benefits.

USIA is an effective arm of American diplomacy. As an instrument of our foreign policy the agency works to counter the distorted and frequently negative picture of the United States that sometimes exists in various parts of the world.

To carry out this task effectively, USIA must be competitive in its official informational and cultural activities. With the funds provided in this authorization bill, USIA plans to operate 190 posts in 109 countries. Its country missions conduct cultural and informational programs utilizing press, radio, TV, motion pictures, publications, information centers, libraries, and seminars. On its news, the Voice of America broadcasts to the world what is being done and said on major issues in the United States.

During the past year the Agency has carried out a reorganization to increase its effectiveness and reduce the size of its headquarters establishment. Also, last year USIA began an intensified effort to support the programs of the U.S. Government in the economic field, working closely with other Government agencies.

Mr. Chairman, it is understandable that the excellent programs of this agency are not well known because its efforts are directed abroad. But I would point out that recent administrations, both Democratic and Republican, have recognized the valuable contribution of USIA to our foreign policy and asked for the continuation of this program.

I urge approval of this bill.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New Mexico.

Mr. LUJAN. I have looked over the report. We keep talking about the reduction of $3.1 million, but the appropriation is for $243 million. The 1974 appropriation was $215 million. That seems like an increase of some $28 million. Are the duties of that agency that much more this year than they were last year?

Mr. FRELINGHUYSEN. I would say to the gentleman, if he takes a close look at the chart on page 2, this is a reduction from the Executive request this year. Admittedly the reduction takes place because the fund for the exposition at Okinawa has already been provided for in separate legislation.

There is an increase in the amount to be authorized over last year's appropriation. This is so in large measure because of the additional expense because of inflation, the salary increases and the radio transmitters that is being authorized in this bill.

I might say there is nothing out of line in the request. It has been thoroughly scrutinized. I agree with the gentleman that there is a modest increase over the amount that was made available last year, but I think we can be thankful that so much can be accomplished with the authorization we are requesting.

Mr. DERWINSKI. Mr. Chairman, I want to offer my support for this bill which would provide the authorization for the U.S. Information Agency in fiscal year 1975.

In this period of so-called détente, it is still important for U.S. worldwide interests to do what we can to clarify the misunderstandings that seem to abound as to life in these United States and the policy of our Government on various issues.

Imperfect though it may be, USIA can and does perform a valuable role as an arm of U.S. foreign policy in helping to develop a better understanding of the United States and its policies. We continue to need a U.S. Information Agency to perform that function.

This bill should be approved by the House.

Mr. FRELINGHUYSEN. Mr. Chairman, I have no further requests for time.

Mr. HAYS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read:

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Information Agency Appropriations Authorization Act of 1974".

SEC. 2. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1975, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

(1) $228,368,000 for "Salaries and Expenses" and "Salaries and Expenses (special foreign currency program)," except that so much of such amount as may be appropriated for "Salaries and Expenses (special foreign currency program)" may be appropriated without fiscal year limitation;

(2) $6,770,000 for "Special international exhibitions"; and

(3) $4,400,000 for "Acquisition and construction of radio facilities".

Amounts appropriated under paragraphs (2) and (3) of this subsection are authorized to remain available until expended.

(b) In addition to amounts authorized by subsection (a) of this section, there are authorized to be appropriated without fiscal year limitation for the United States Information Agency for the fiscal year 1975 not to exceed $4,200,000 for increases in salary, pay, retirement, or other employee benefits authorized by law.

SEC. 3. Section 1008 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1439) is amended to read as follows:

"REPORTS TO CONGRESS

"SEC. 1008. The Secretary shall submit to the Congress annual reports of expenditures made and activities carried on under authority of this Act, inclusive of appraisals and measurements, where feasible, as to the effectiveness of the several programs in each country where conducted.".

SEC. 4. Section 701 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1476) is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section shall not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts administered by the United States Information Agency as authorized by law.".

Mr. HAYS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BUCHANAN. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I will not take time except to indicate my full support of this authorization and to say that I believe that at this point in history it is more important than ever before that we continue this funding.

We spend less money than many other nations for this purpose. I think it is important to our country and the world's understanding of our country. I urge its passage.

Mr. GROSS. Mr. Chairman, I move to strike the next to the last word.

Mr. Chairman, I shall take only a minute to state that this is another outpouring of $243,738,000 of our cash. In my opinion, it could well be dispensed with.

I am opposed to it until we get our own financial house in order in this country. I am opposed to this and all similar spending that is in the nature of foreign aid.

Should there not be a vote on this bill—and I hope there will be—I want the record to show that I am opposed to it in all its ramifications.

The CHAIRMAN. If there are no amendments to be proposed, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. PRICE of Illinois) having assumed the chair, Mr. ROONEY of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15046) to authorize appropriations for the U.S. Information Agency, and for other purposes, pursuant to House Resolution 1280, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 352, nays 43, not voting 39, as follows:

[Roll No. 431]

YEAS—352

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz

Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—43

Archer
Bafalis
Bauman
Beard
Brown, Calif.
Burlison, Mo.
Camp
Clancy
Collins, Tex.
Conlan
Conyers
Crane
Dennis
Duncan
Gaydos
Gross
Harrington
Hechler, W. Va.
Ichord
Jarman
Jones, Okla.
Kastenmeier
Landgrebe
Lehman
Maraziti
Mathis, Ga.
Miller
Murtha
Randall
Rarick
Roy
Runnels
Schroeder
Shuster
Skubitz
Stark
Steiger, Ariz.
Studds
Symms
Taylor, Mo.
Towell, Nev.
Young, Fla.
Young, Ga.

NOT VOTING—39

Blatnik
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Culver
Davis, Ga.
de la Garza
Diggs
Evins, Tenn.
Fisher
Flood
Fulton
Green, Oreg.
Griffiths
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Hastings
Holifield
Jones, Ala.
Jones, Tenn.
Kuykendall
Landrum
Lott
McSpadden
Owens
Passman
Podell
Quillen
Reid
Rooney, N.Y.
Schneebeli
Slack
Symington
Teague
Traxler

So the bill was passed.

The Clerk announced the following pairs:

Mr. Flood with Mr. Culver.
Mr. Rooney of New York with Mr. Fisher.
Mr. de la Garza with Mrs. Green of Oregon.
Mr. Diggs with Mrs. Griffiths.
Mr. Carey of New York with Mr. Gunter.
Mr. Evins of Tennessee with Mr. Hanna.
Mr. Podell with Mrs. Hansen of Washington.
Mr. Fulton with Mr. Holifield.
Mr. Davis of Georgia with Mr. Landrum.
Mr. Jones of Alabama with Mr. Kuykendall.
Mr. McSpadden with Mr. Passman.
Mr. Jones of Tennessee with Mr. Carter.
Mr. Reid with Mr. Quillen.
Mr. Symington with Mr. Hastings.
Mr. Slack with Mr. Lott.
Mr. Teague with Mr. Schneebeli.
Mrs. Chisholm with Mr. Blatnik.
Mr. Clay with Mr. Brasco.
Mr. Owens with Mr. Traxler.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 15046, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONFERENCE REPORT ON H.R. 15074, DISTRICT OF COLUMBIA CAMPAIGN FINANCE REFORM AND CONFLICT OF INTEREST ACT

Mr. FRASER. Mr. Speaker, I call up the conference report on the bill (H.R. 15074) to regulate certain political campaign finance practices in the District of Columbia, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 25, 1974.)

Mr. FRASER (during the reading). Mr. Speaker, due to the fact that the conference report has been printed for the Members, and also printed in the CONGRESSIONAL RECORD of Thursday, July 25, 1974, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Speaker, I will indicate what some of the changes are in the conference report. One of the differences consisted of the amounts of money an individual may contribute to the various candidates for office: Mayor, Chairman of the City Council, councilmen, and so on. We had to reconcile the differences between the House and Senate version, and the result was that the limitation for Mayor is $1,000; for Chairman of the City Council, $750; for councilman at large, $500; official of a political party, $100; with an additional $100 permitted in the case of a runoff.

One other change, perhaps of more importance, is that in the House bill we prohibited contributions from corporations and from union treasuries. The Senate bill permitted this. We reconciled the differences by permitting a limited amount of contribution by both corporations and union treasuries, but it is strictly limited in an amount per candidate. It is the same limitation as applies to any other organizational contribution to the same candidates for the same offices.

I might add that one of the reasons that the House agreed to this is that this campaign is already under way.

At present there are no restrictions applicable to corporate contributions, but after January 2 this matter will rest in the City Council, and they may make further changes in the matter if they think it desirable.

We also dealt with the maximum expenditure question. The House had provided a total of $200,000 in the campaign for Mayor. The other body had a lesser amount. They acceded to our amount with the provision that up to 60 percent of the total could be spent in one election. For example, 60 percent could be spent in the primary, leaving 40 percent to be spent in the general election.

These are some of the principal changes that were made. None of the differences were of great significance. I think perhaps the most important one was this matter of permitting corporations and labor unions to contribute.

I include at this point a section-by-section analysis of the bill as approved by the conference committee:

SECTION-BY-SECTION ANALYSIS

Section 101—The title of the Act is "District of Columbia Campaign Finance Reform and Conflict of Interest Act".

DEFINITIONS

Section 102(a)—"Election" means any of the elections in the District of Columbia for nominating or electing candidates to office as the word "office" is later defined. This includes primary and general elections, special elections under the D.C. Code, and runoff elections, which occur in School Board elections, for example.

The term is also defined to include a convention or caucus of a political party held for the purpose of nominating a candidate but there are no such procedures in the District at the present time. The language comes from the Federal Election Campaign Act of 1971. Some states nominate by caucus or convention.

Section 102(b)—"Candidate" means an individual seeking nomination or election to office. The person is considered a candidate when he has authorized any person to obtain nominating petitions, has given his consent to receive contributions or make expenditures, knows that another person is receiving contributions or making expenditures with a view to bringing about his nomination or election, and has not notified that person in writing to cease receiving contributions or making expenditures for that purpose. This definition is not intended to make a person a candidate for the purposes of any other Federal law.

Section 102 (c) and (d)—"Office" and "official of a political party" are the definitions that state the coverage of the bill to the election of local office holders in the District of Columbia. These offices include—

Mayor.

Chairman or Member of the Council.

Member of the Board of Education.

National Committeeman and National Committeewoman of a political party.

Delegates to Nominating Conventions for President of the United States.

Members and Officials of Local Committees of Political Parties.

Under the D.C. Code, all of these positions are filled at public elections conducted by the District at the regular polling places, using regular ballot boxes.

This bill does not extend to elections for the Delegate to the House of Representatives from the District of Columbia or to elections for President or Vice President, all of which also use official District election machinery.

Title IV sets finance limitations for candidates for advisory neighborhood councils.

Section 102(e)—"Political committee" means any committee or group that is engaged in promoting or opposing a political party or the nomination or election of an individual to office. This would include groups administering a separate segregated fund as described in Section 610 of Title 18, U.S. Code, such as the Committee on Political Education of a Labor Union, or a political fund of a business or professional group. In the definition of "contribution," communications by issue-oriented organizations are excluded.

Section 102(f)—"Contribution" is patterned after the definition of "contribution" in the Federal Election Campaign Act in 1971 but includes several additional features. The definition covers gifts of money or anything of value, including such things as membership dues and loans for the purposes of financing the election campaign of a candidate or the operations of a political committee. Promises to make a contribution, whether or not legally enforceable, are included. Transfers of funds between political committees, and paying for and providing the personal services of another person are included. The services of a volunteer are not included.

Additional features in H.R. 15074 include as contributions the furnishing of goods, advertising, or services for a candidate's campaign without charge or at a rate which is less than the rate normally charged for such services.

Additional exclusions from the term "contribution" are the communications by an organization other than a political party solely to its members and their families on any subject. This language is similar to the exemption given to corporations and labor unions in Section 610 of Title 18 of the U.S. Code.

Additional exclusions from the definition "contribution" are communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for office, and also normal billing credit for a period not exceeding 30 days.

Section 102(g)—"Expenditure" is patterned after the definition of expenditure in the Federal Election Campaign Act of 1971 but has an exception for the "incidental expenses made by or on behalf of individuals in the course of volunteering their time on behalf of a candidate or political committee." The basic definition includes a purchase payment, loan, etc. made for the purpose of financing a campaign or a political committee, a promise to make an expenditure—whether or not legally enforceable and a transfer of funds between political committees.

Section 102(h)—"Person" is given the regular legal definition of person to include not only an individual but also partnerships, corporations, and other groups listed.

Section 102(i) and (k)—These subdivisions refer to the Director of Campaign Finance and to the District of Columbia Board of Elections and Ethics.

Section 102(j)—"Political party" refers to those parties which have qualified to have the names of their nominees appear on an election ballot in the District of Columbia.

TITLE II FINANCIAL DISCLOSURES

This title establishes the action required by a candidate and a political committee under the bill. They must submit detailed information to the Director of Campaign Finance in a statement of organization (which constitutes registration of the candidate or committee), keep detailed records of the contributions and the names and addresses of persons from whom contributions have been received or to whom expenditures have been made, designate and report to the Director one national bank located in the District of Columbia as a campaign depository, keep a checking account of that depository into which all contributions are deposited and from which all expenditures are made, including expenditures into a petty cash fund, and keep records of petty cash receipts and disbursements. Each candidate must appoint one political committee as the principal campaign committee of the candidate.

Section 201(a)—Each political committee must have a chairman and a treasurer who must authorize all expenditures. No financial transactions may be made while there is a vacancy in the office of treasurer and no person designated to fill that role.

Section 201(b)—Within five (5) days every person must turn over to the treasurer any contribution of $10 or more along with the name, address, and identification of the person making the contribution. Co-mingling of personal and committee funds is prohibited.

Section 201(c)—The records of a candidate or treasurer of a political committee must include all contributions and expenditures and the full name, mailing address, occupation, principal place of business, and date for each contribution or expenditure.

Section 201(d)—Receipted bills and records must be preserved.

Section 201(e)—On the face of all literature and advertisements soliciting funds must appear the words "A copy of our report is filed with the Director of Campaign Finance of the District of Columbia Board of Elections and Ethics."

PRINCIPAL CAMPAIGN COMMITTEE

Section 202—A candidate must designate a principal campaign committee which receives reports by other committees involved in his campaign, consolidates them, and furnishes the reports to the Director, along with reports of the principal campaign committee.

A political committee may serve as principal campaign committee for no more than one candidate. An exception to that rule applies to elections of officials of the political party. These officials usually run on slates grouped together on the ballot.

DESIGNATION OF CAMPAIGN DEPOSITORY

Section 203(a)—A committee and a candidate must designate one national bank located in the District of Columbia as a campaign depository. A checking account at that depository must receive all contributions and be used for making all expenditures, including expenditures into a petty cash fund.

PETTY CASH FUND

Section 203(b)—A political committee or candidate may maintain a petty cash fund for expenditures up to $50 per transaction. Records shall be kept and reports furnished to the Director. Payments into the petty cash fund must be made by check drawn on the checking account at the campaign depository.

REGISTRATION OF POLITICAL COMMITTEE

Section 204(a)—Within ten (10) days after organizing, a committee must file a statement of organization with the Director.

Section 204(b)—The statement of organization must include detailed information about the officers, jurisdiction, and candidates supported by the committee.

The expected disposition of residual funds in event of dissolution must be explained. The title and number of each account and safety deposit box the committee has at the depository and the persons authorized to make withdrawals must be listed.

Section 204(c)—A committee has ten (10) days in which to report to the Director changes in the statement of organization.

Section 204(d)—Disbanding a political committee must be reported to the Director.

REGISTRATION OF CANDIDATES

Section 205—Within five (5) days of becoming a candidate, an individual must file registration statements with the Director. Information on accounts and safety deposit boxes must be given to the Director.

REPORTS TO BE FILED WITH THE DIRECTOR

Detailed reports of receipts and expenditures must be filed by political committees and candidates on the following days:

Twenty-one (21) days after the date of enactment of this Act.

In each election year: March 10, June 10, August 10, October 10, and December 10.

Fifteen (15) days before an election.

Five (5) days before an election.

January 31 of each year.

July 31 of each year in which there is no election.

Special reports of last minute contributions $200 or more received in the last few days before an election must be made within twenty-four (24) hours after receipt.

Section 206(b)—The items to be reported are listed in detail. Among these are the full name and mailing address, including the occupation and principal place of business, if any, of each person whose contributions aggregate $50 or more during the year or to whom an aggregate amount of $10 or more has been paid. The purchase of tickets for events such as dinners and rallies is included. The net proceeds from the sale of tickets for fund-raising events and the mass collections and sales of campaign buttons, etc., must be reported as a separate item. The cash on hand and the debts owed by the committee or obligations owed to the committee must be reported.

Section 206(c)—Reports shall be cumulative and if no receipts or expenditures have been made during the calendar year, that fact should be reported.

Section 206(d)—Weekly reports of cash contributions are required.

Section 207—As in the present D.C. law, every person other than a political committee or candidate who makes contributions or expenditures other than by contributions to a political committee or candidate, in an aggregate amount of $50 or more within a calendar year, must report separately to the Director.

Section 208—Reports must be verified by Oath or Affirmation.

EXEMPTION FOR CANDIDATES SPENDING LESS THAN $250

Section 209—Candidates anticipating spending less than $250 in any one election are relieved of the requirement of making the report but must register, keep records, and preserve receipted bills and records.

IDENTIFICATION OF CAMPAIGN LITERATURE

Section 210—The words "paid for by" followed by certain identifying information must appear on all newspaper or magazine advertising, posters, and similar campaign literature.

LIABILITY OF PERSONS INVOLVED WITH CAMPAIGN COMMITTEES

Section 211—This section states that this title is not intended to change any existing legal liability of any person for financial obligations incurred by a political committee or candidate.

TITLE III—DIRECTER OF CAMPAIGN FINANCE

To administer the program of reporting and enforcement of limitations, the bill creates the Office of Director of Campaign Finance. This is a suggestion from the Office of Federal Elections within the General Accounting Office. They administer the present federal law and urge that a single Director be given the responsibility for the day-to-day filing and enforcement.

Rule-making power stays with the Board of Elections and Ethics, as under present law.

The Director will provide the forms, develop a filing system, make reports available for public inspection and copying, compile a current list of all statements on file, make audits and field investigations. The Director will issue subpenas upon the approval of the Board.

The Board may appoint a General Counsel who may initiate civil actions, including petitioning the courts for injunctive relief to enforce the law.

These broad new powers to act quickly to enforce the reporting and expenditure requirements—by petitioning the court immediately for injunctive relief if necessary—are a vital part of this bill.

Section 301—This section establishes the Office of Director of Campaign Finance, to be appointed by the Mayor-Commissioner of the District of Columbia. Confirmation of the appointment is by the U.S. Senate until January 2, 1975. Thereafter, the Council of the District of Columbia confirms the appointment. Compensation is set at Grade 16; the Director is responsible for the administrative operations of the Board but not for making Regulations.

Section 301(b)—The General Counsel may be appointed by the Board and responsible solely to the Board. Compensation is the same as for the Director.

Section 301(c)—Apparent violations of the Act may be referred by the Board to the U.S. Attorney for the District of Columbia for prosecution. The Board shall make public the fact of such referral and the basis for finding an apparent violation.

Civil actions may be initated or defended by the Board through the General Counsel.

Declaratory or injunctive relief may be sought by the Board in petition to the Courts of the District of Columbia through the General Counsel.

POWERS OF THE DIRECTOR

Section 302(a)—The Director may require any person to submit reports in writing and answer questions relating to the administration or enforcement of the Act, and administer Oaths for this purpose. Subpoenas may be issued by the Director upon the approval of the Board. Witness fees and mileage may be paid as in court.

Section 302(b)—The subpoenas may be enforced through the courts.

Section 303—This section lists the many duties of the Director in keeping records and making reports to the public. He shall permit and facilitate copying of any reports by duplicating machine at reasonable cost. Audits and field investigations shall be made by the Director. Reports and statements made available to the public may not be used for the purposes of soliciting contributions or for any commercial purpose.

GENERAL ACCOUNTING OFFICE TO ASSIST

Section 304—The Board and the Director may request the assistance of the Comptroller General of the United States in making investigations and audits. The Comptroller General shall provide the assistance. Reimbursement may be agreed to by the Board, Director and Comptroller General.

NOMINATING COMMITTEE

The Mayor's appointments to the Board shall be made from a list of nominations furnished to him by a nominating committee established in Section 305.

Section 305—Effective January 2, 1975, a nominating committee shall suggest persons for appointment to fill any vacancies on the Board of Elections and Ethics. Two members of the committee shall be appointed by the Mayor, at least one of whom shall be a lawyer. Three members of the committee shall be appointed by the Chairman of the Council of the District of Columbia with the approval of the Council.

The terms and qualifications for membership on the committee are stated in this section.

The committee submits a list of three persons as nominees for appointment by the Mayor to fill a vacancy. If the Mayor fails to act within thirty (30) days, the committee shall make an appointment to the Board.

BOARD OF ELECTIONS AND ETHICS

Section 306(a)—The present Board of Elections shall be known as the District of Columbia Board of Elections and Ethics.

Section 306(b)—A civil penalty of $50 or less for each violation of this Act may be assessed by the Board after an opportunity for hearing and a decision by the Board incorporating its finding of facts. The Superior Court of the District of Columbia has jurisdiction to enforce a civil penalty and may determine de novo all issues of law. The Board's finding of fact, supported by substantial evidence, shall be conclusive.

Section 306(c)—Advisory opinions may be issued by the Board upon application by an officeholder, candidate, or a political committee.

TITLE IV—FINANCE LIMITATIONS CEILING ON CONTRIBUTIONS BY AN INDIVIDUAL

Section 401 (a) and (c)—An individual is limited in the amount he is permitted to contribute during an entire campaign (primary election and general election aggregated) to any one candidate to the following amount, depending on the office, as follows:

Mayor, $1,000.

Chairman of the Council, $750.

Council Member-at-Large, $500.

Council Member from a Ward, $200.

Board of Education-at-Large (with additional $200 in case of runoff), $200.

Board of Education from a Ward (with additional $100 in case of runoff), $100.

Official of a political party, $100.

Advisory Neighborhood Council, $25.

However, in no case, may an individual contribute to all candidates during the primary election more than $2,000 and not more than $2,000 during the general election.

CEILING ON CONTRIBUTIONS FROM GROUPS OR ORGANIZATIONS

Section 401(b)—This section sets ceilings for contributions to individual candidates from persons other than individuals. Thus corporations, labor unions, committees, and other groups are limited by ceilings separate from those listed for contributions by individuals. In each case, the ceiling set is twice the amount that an individual can contribute, except in the case of advisory neighborhood council candidate, where the ceiling is $25.

CANDIDATE CONTRIBUTING TO HIS OWN CAMPAIGN

Section 401(b)—This section also permits an individual candidate to contribute to his own campaign the same amount as permitted for persons other than individuals, except that a candidate for Council from a ward may spend $1,000 on his own campaign.

CORPORATIONS AND UNIONS AS "PERSONS"

The provisions of Section 401(b) as they apply to corporations and unions expire on July 1, 1975 unless the Council of the District of Columbia enacts legislation. If the Council fails to act, it must report its reasons to the District of Columbia Committees of the Senate and House of Representatives prior to August 1, 1975.

EXPENDITURES NOT AUTHORIZED BY CANDIDATE

Section 401(d)—A candidate must file a statement with the Board authorizing any person or political committee to receive contributions or make expenditures in behalf of the candidate. No person and no committee organized primarily to support a single candidate may receive contributions or make expenditures without the written authorization of the candidate.

Any expenditures made without the authorization of the candidate are not considered contributions or expenditures for the purposes of the limitations of Section 402, which sets maximum ceilings for expenditures by a candidate and the candidate's committees.

A $1,000 ceiling is placed on expenditures made by any person without authorization from the candidate.

CASH CONTRIBUTIONS LIMITED TO $50

Section 401(e)—This section limits contribution in legal tender to $50.

CONTRIBUTIONS IN THE NAME OF ANOTHER PROHIBITED

Section 401(f)—This section prohibits making a contribution in the name of another person. This is commonly referred to as a prohibition against laundering of contributions.

Section 401(g)—This section states that contributions through an intermediary or conduit shall be treated as contributions from the originator of the contribution to the candidate.

FAMILY LOANS IN WRITING

Section 401(h)—This section provides that a candidate or member of his immediate family may make a loan from personal funds for use in a campaign only by written instrument.

LIMITATION OF EXPENDITURES BY A CANDIDATE AND HIS COMMITTEES DURING A CAMPAIGN

Section 402—This section sets maximums which may be expended by a candidate for an entire campaign and permits up to 60% of that amount to be used in either the primary or general elections. The maximum for the other of the two elections is then set at 40% of the total.

The limitation on candidates, according to the office being sought, are as follows:

Mayor, $200,000.

Chairman of the Council, $150,000.

Other Council Members Elected at Large, $100,000.

Council Members Elected by Ward, $20,000.

Board of Education Members at Large, $20,000.

Board of Education Members from a Ward, $10,000.

After 1974 the ceilings will fluctuate with the price index.

CANDIDATE RESPONSIBLE FOR EXCEEDING CEILING

Section 402(b)—This section prohibits a candidate or a political committee from spending above the candidate's ceiling. The principal campaign committee must notify other political committees and the candidate when the ceiling is reached.

Section 402(c)—Expenditures are to be counted against the campaign year in which the election is held, even when the expenditure is made in another calendar year.

TITLE V—LOBBYING

Section 501. Definitions—For convenience of reference, the definitions of "contribution," "expenditure," and "legislation" in this section are as follows:

(a) The term "contribution" includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

(b) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(c) The term "legislation" means bills, resolutions, amendments, nominations, rules, and other matters pending or proposed in the Council of the District of Columbia, and includes any other matter which may be the subject of action by the Council of the District of Columbia Council.

Section 502. Detailed Accounts of Contributions; Retention of Receipted Bills of Expenditure—Subsection (a) of this section states that it shall be the duty of any person soliciting or receiving contributions (as defined above) to any organization or fund for the purpose designated in this title to keep a detailed and exact account of (1) all such contributions; (2) the name and address of every person making a contribution of $200 or more and the date thereof; (3) all expenditures made by or on behalf of the organization or fund; (4) the name and address of every person to whom the expenditure is made, and the date thereof.

Subsection (b) provides that it shall be the duty of such a person to keep detailed, receipted bills for expenditures in excess of $10, and to preserve all receipted bills and accounts for at least two years from the date of filing of the statement containing such items.

Section 503. Receipts for Contributions—This section requires every individual who receives a contribution of $200 or more for any purpose designated in this title, within five days after receipt, to render to the person or organization for which it was received a detail account thereof, including the name and address of the contributor and the date on which it was received.

Section 504. Statements of Accounts Filed with Director—Subsection (a) of this section requires every person receiving any contribution or expending any money for the purposes designated in this title to file with the Director, between the first and tenth day of each calendar quarter, a statement showing (1) the name and address of each person contributing $200 or more not listed in the previous report, except that the first such report shall contain the name and address of each person making such a contribution since January 2, 1975; (2) the total sum of the contributions made to or for such person during the calendar year and not stated under the foregoing requirement; (3) the total sum of all contributions made to or for such person during the calendar year; (4) the name and address of each person to whom an expenditure of $10 or more has been made within the calendar year by or on behalf of such person and the amount, date and purpose of such expenditure; (5) the total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under the foregoing requirement; and (6) the total sum of expenditures made by or on behalf of such person during the calendar year.

Subsection (b) provides that the statements required to be filed under this section shall be cumulative during the calendar year to which they relate.

Section 505. Preservation of Statements—Subsection (a) of this section provides that statements required under this title to be filed with the Director shall be deemed properly filed when deposited in a post office within the required time, duly stamped, registered, and addressed to the Director; but in the event it is not received, a duplicate statement shall be filed promptly upon notice by the Director of its non-receipt.

Subsection (b) requires that such statements shall be preserved by the Director for a period of at least two years from the date of filing, shall constitute part of the public records of his office, and shall be open to public inspection.

Section 506. Persons to Whom Title is Applicable—This section defines the application of this title to include any person (except a political committee) who, by himself or through an agent or employee or other person in any manner whatsoever, directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

(a) The passage or defeat of any legislation (as defined in section 501(c) of this title) by the Council of the District of Columbia.

(b) To influence, directly or indirectly, the passage or defeat of any legislation by the Council of the District of Columbia.

Section 507. Registration of Lobbyists with Director; Compilation of Information—Subsection (a) of this section provides that any person who shall engage himself, for pay or for any consideration, for the purpose of attempting to influence the passage or defeat of legislation by the Council of the District of Columbia shall register with the Director, giving him in writing and under oath full details of his employment in such capacity. This information shall include his name and business address, the name and address of the person by whom he is employed in this capacity, the duration of such employment, and all details as to his pay for such services. It is further provided that such person so registered shall report to the Director each calendar quarter details concerning money received and expended by him during the preceding calendar quarter in connection with his work. The provisions of this section shall not apply, however, to any person who merely appears before a committee of the Council of the District of Columbia in support of or in opposition to legislation, but who engages in no further activities in connection with the passage or defeat of legislation; a public official acting in his official capacity; and a newspaper or periodical acting in the normal course of its business.

Subsection (b) requires all information filed under the provisions of this section with the Director to be compiled by the Director and to be printed in the District of Columbia Register.

Section 508. Reports and Statements Under Oath—This section requires all statements and reports required under this title to be made under oath.

Section 509. Penalties and Prohibitions—Subsection (a) of this section states that a violation of any provision of this title shall be a misdemeanor, punishable by a fine of not more than $5,000 or imprisonment for not more than twelve months, or both.

Subsection (b) provides, in addition to the penalties provided in subsection (a), that any person convicted of the misdemeanor specified in subsection (a) is prohibited for a period of three years from the date of such conviction from attempting to influence, directly or indirectly, the passage or defeat of any proposed legislation or from appearing before a committee of the D.C. Council in support of or opposition to any proposed legislation. Further, any person who violates this provision shall be guilty of a felony and shall be punished by a fine of not more than $10,000, or imprisonment for not more than five years, or both.

Section 510—The lobbying provisions do not apply to members and staff of Congress, members of advisory neighborhood councils, persons receiving less than $500 a year for lobbying activity, or tax exempt organizations.

TITLE VI—CONFLICT OF INTEREST AND DISCLOSURE

Section 601—A public official of the District is prohibited from using his office to obtain financial gain, accepting gifts for taking official action, disclosing confidential resulting in financial gain. No official can accept membership on a committee, or an assignment of responsibility which creates a conflict of interest.

Section 602—This section requires candidates and District office holders to file a report with the Board of Elections and Ethics containing the income, business transactions, property purchases or sales, and taxes paid each year.

TITLE VII—PENALTIES AND MISCELLANEOUS

Section 701—This section sets penalties for violations of this Act of a fine of $5,000 or imprisonment for six (6) months or both. In cases of knowingly filing false reports or making false statements, the fine is $10,000 and imprisonment for five (5) years or both. The penalties do not apply in cases before the date of enactment of this Act for a person during 1974 who has made contributions or expenditures in excess of the limitation in the Act. However, no further contributions or expenditures during the remainder of calendar year 1974 are permitted by such a person. Prosecutions are by the U.S. Attorney for the District of Columbia.

TAX CREDIT FOR CAMPAIGN CONTRIBUTIONS

Section 702—A $12.50 tax credit is permitted for an individual and $25.00 for married persons filing a joint return.

USE OF SURPLUS CAMPAIGN FUNDS

Section 703—Any surplus funds shall be contributed to a political party for political purposes, used to retire the proper debt of the political committee which received the sums, or returned to the donors within six (6) months of the election date, or six (6) months of an individual ceasing to be a candidate.

A STUDY OF 1974 ELECTIONS BY COUNCIL

Section 704—The Council during 1975 shall conduct public hearings and investigate the operation of this Act and suggestions for improving electoral machinery. A report shall be issued to the public.

Enactment of this Act does not limit the legislative authority over elections given to the Council in the D.C. Self-Government and Governmental Reorganization Act.

EFFECTIVE DATES

Section 705—Except that information in the first report shall be that required by existing law, Titles II and IV of this Act shall take effect on the date of enactment of this Act. Title V shall take effect January 2, 1975. Titles I, III, VI and VII shall take effect on the date of enactment of this Act.

REPEAL OF SUBSECTIONS OF EXISTING ELECTION ACT

Section 706—All subdivisions except subdivision (a) of Section 13 of the present election act for the District of Columbia are repealed.

PAY FOR MEMBERS OF THE BOARD

Section 706(b)—The compensation of Board members is $100 for each eight-hour period with a limit of $12,500 per annum. There is no annual limitation for fiscal year 1974.

AUTHORITY OF COUNCIL

Section 707—As stated in Section 704(b), the enactment of this Act does not limit the authority of the District of Columbia Council under the Self-Government and Governmental Reorganization Act.

AUTHORIZATION OF APPROPRIATION

Section 708—For the purposes of carrying out this act, the $750,000 authorized under Section 722 of the Self-Government and Governmental Reorganization Act may be used.

I will be glad to answer questions if there are any.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I have in hand a story in the Washington Star of this date, August 1, and if the gentleman will indulge me I will read two paragraphs of the story:

> The former chairman of the D.C. Elections Board, Charles B. Fisher, yesterday returned to the city government a $4,950 payment he received last week while the legal authority for the payment was still pending in Congress.
>
> A bill now in the form of a House-Senate conference committee report passed the Senate last week and was scheduled for House floor action today. District and Capitol Hill sources said yesterday that, even under the terms of the bill, there is some question whether the payment would be legal.

My question to the gentleman from Minnesota (Mr. FRASER) is, and I call his attention to page 28 of the conference report, and citing the effective date of January 2, 1975, whether retroactively $4,950 can be paid out to this particular individual under the terms of this bill?

Mr. FRASER. I will say to the gentleman that the committees were aware that during the early part of this year there had been an extraordinary amount of work for the members of the election board, and it was recognized that they were well in excess, at least, some of them, of the maximum compensation permitted. In other words, they had been spending a great deal of time and they received absolutely no compensation despite the fact that they had to prepare for the first time for a comprehensive set of elections for the District of Columbia. So there was inserted a provision that said in 1974—and here I want to add that our understanding is that this is fiscal year 1974, in other words, this so-called retroactive provision extended only up to June 30, which we are already now past—that would in effect permit the board of election members who worked additional hours beyond the maximum in getting ready for these elections, to receive additional compensation.

There is a limitation that is operative beginning July 1 for fiscal year 1975—a limitation of $12,500, whereas the limitation which was removed for this past year was $11,250.

We are hopeful that the bulk of the work has been done, but if it should turn out that during the current year, the current fiscal year, there are such added responsibilities that this limitation is unrealistic, as of January the City Council will be in a position to make some kind of adjustment.

So the gentleman is right, that there is in a sense a provision for retroactive pay, but it is for services performed, and it is a recognition that as in no other fiscal year they had to gear up for the Home Rule referendum election on May 7 and the general and primary elections that are now underway.

Mr. GROSS. I have serious doubt, if the gentleman will yield further, that this legislation will provide legally for such payment since the effective date of the bill is January 2, 1975. I point out that the legislation clearly provides that "title 7 of this Act shall take effect on the date of enactment of the Act" which is January 2, 1975, and nowhere in section 706 or section 13, both of which are in title 7, is there specific authority for retroactive payments nor is the word used.

Mr. FRASER. I believe the effective date of most titles of this act will be when the President signs it. The gentleman may be right, but from a legal point of view it is not that clear. We are told that corporation counsel believes this provision will be effective, but I am sure that we will want to make certain that this question is examined very carefully before any payment is made.

Mr. GROSS. I thank the gentleman.

Mr. BRAY. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Indiana.

Mr. BRAY. Does this bill allow a corporation to contribute to political campaigns?

Mr. FRASER. Yes, it does.

Mr. BRAY. Is that not most unusual to allow that?

Mr. FRASER. If I may say to the gentleman, if he is indicating he does not approve of it, I did not, either. I fought very hard in the District of Columbia Committee to prevent that, as well as to prevent contributions from union treasuries. On the other side they took the opposite point of view. They took the view in the discussion that, in fact, contributions are made in a circuitious manner. Corporations sometimes contribute through their management level officials and somehow they are reimbursed. They argued that it is better to bring it out in the open, and after a rather vigorous discussion I may add, it was finally put in.

Let me add one other element. As the law now stands, and the elections are underway, there is no limitation in the District of Columbia. In other words, had we enacted the restriction on corporations, we would have been changing the state of affairs that exists today; the election is already underway without the restrictions. This authority to contribute applies to just this election. We put a requirement in the conference agreement that the City Council has to take the question up again after January and make a further decision whether they will permit corporations and union treasuries to contribute. I hope they will not permit it.

Mr. BRAY. Is there not a statute in the Internal Revenue law against that?

Mr. FRASER. I think with respect to Federal campaigns and corporate contributions, there is, we were advised. I might say, that about half the States permit corporate contributions to candidates. For example, the State of Maryland does permit corporations to contribute under certain restrictions. I believe the State of Virginia does as well.

Mr. BRAY. The State of Indiana does not. Does not the gentleman believe this should be studied before the Federal Congress allows this to start as a precedent and allow this specifically by statute?

Mr. FRASER. As I say, the election is already underway and without this law, it is already lawful. We are forcing the Council to take it up next year.

I happen to agree with the gentleman. I did not like it, but in trying to work out the differences, we finally acquiesced, permitting it in this election.

Mr. BRAY. I thank the gentleman.

Mr. GUDE. Mr. Speaker, just to add a note for myself and the ranking minority member of this committee from Minnesota (Mr. NELSEN), we felt strongly about this point. We did not prevail in the conference. We did the very best we could.

I think as far as the question whether this is a Federal matter, this bill applies to elections here in the District of Columbia that are for local offices and this is not an amendment to the Federal statutes that prohibit corporations contributing to political campaigns in Federal campaigns.

Mr. FRASER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MAKING TECHNICAL CORRECTIONS IN THE ENROLLMENT OF H.R. 15074 REGULATING CERTAIN POLITICAL CAMPAIGN FINANCE PRACTICES

Mr. FRASER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 574).

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 574

Resolved, by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 15074) to regulate certain political campaign finance practices, and for other purposes, is authorized and directed to make the corrections described as follows:

(1) In section 602 of the bill, immediately after "Sec. 602." insert "(a)".

(2) In section 602(b) of the bill, strike out "and the Chairman and each member of the Council and the Mayor holding mental" and inserting in lieu thereof "and the Mayor, and the Chairman and each member of the Council of the District of Columbia holding office under the District of Columbia Self-Government and Governmental".

(3) In section 602(a)(5) of the bill, strike out "or real property" and insert in lieu thereof "of real property".

(4) In section 702 insert after subsection (a) a new subsection (b):

"(b) The table of contents of such article is amended by adding at the end of the part of such table relating to title VI the following"

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. GROSS. Mr. Speaker, I certainly would like to reserve the right to object.

Would the gentleman take a brief time to explain this? I have just been handed a copy of the concurrent resolution. Was it previously programed for this time?

It has four articles, according to the reading clerk, but there are only three in the material just handed me. I do not know what the resolution purports to do.

Mr. FRASER. Mr. Speaker, if the gentleman will yield——

Mr. GROSS. Of course.

Mr. FRASER. In the printing of the final conference report of the two Houses, there were discrepancies. The official papers on this bill as filed and as approved by the other body are correct. But there was slight variance in the joint conference statement (H. Rept. 93–1225) as filed in the House. These are purely technical. None of them are substantive. They are simply designed to correct errors in printing in connection with the filing of the papers. There is no substantive difference here, or change. It is simply asking that technical and printing errors be corrected.

For example, the fourth item deals with three lines which were in the Senate bill and also in the House bill and in the draft of the conference report submitted in the House and the Senate. However, in setting type they were inadvertently omitted.

Mr. GROSS. I would yield to the gentleman from Maryland to state his version of it if he cares to do so.

Mr. GUDE. I thank the gentleman. This resolution deals strictly with technical areas and is not intended to, in any way, change the substance of this legislation.

Mr. GROSS. Do I understand there is no substantive change of any nature?

Mr. GUDE. That is correct.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRASER. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on the subject of the conference report just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDING ATOMIC ENERGY ACT OF 1954 AND ATOMIC WEAPONS REWARDS ACT OF 1955

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1225 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1225

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15416) to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. ZABLOCKI). The gentleman from Louisiana is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1225 provides for an open rule with 1 hour of general debate on H.R. 15416, the Atomic Energy Commission omnibus bill of 1974.

H.R. 15416 amends the Atomic Rewards Act of 1955 to authorize rewards for the furnishing of information with respect to actual introduction or actual manufacture or attempts to introduce, manufacture, or acquire special nuclear material or atomic weapons. It also provides an authorization for rewards for information concerning the export, attempted export, or conspiracy to introduce, manufacture, acquire, or export special nuclear material or atomic weapons.

H.R. 15416 amends the Atomic Energy Act of 1954, as amended, to provide for a revised procedure by which proposed increases in the amounts of special nuclear material authorized for distribution to the International Atomic Energy Agency, or other groups of nations, or proposed changes in the duration of agreements for such distribution would be reviewed by Congress.

Mr. Speaker, I urge the adoption of House Resolution 1225 in order that we may discuss, debate, and pass H.R. 15416.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1225 is an open rule with 1 hour of general debate, providing for the consideration of H.R. 15416, the AEC omnibus legislation of 1974. This is a completely open rule with no waivers of points of order.

The purpose of this omnibus legislation is to keep current the statutory framework of the atomic energy programs.

The Atomic Rewards Act of 1955 is amended to authorize rewards for furnishing information with respect to attempts as well as actual introduction or acquisition of special nuclear material or an atomic weapon.

The Atomic Energy Act of 1954 is also amended to provide for a revised procedure by which proposed increases in the amounts of special nuclear material authorized for distribution to the International Atomic Energy Agency, or other groups of nations, or proposed changes in the duration of agreements for such distribution would hereafter be reviewed by the Congress.

New language is also added to permit the AEC itself to export or authorize others to export, special nuclear material other than that under an agreement for cooperation.

Mr. Speaker, the administration is in support of this bill. I recommend adoption of the rule in order that the House may proceed to consider this bill.

Mr. Speaker, I have no further request for time.

Mr. LONG of Louisiana. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. PRICE of Illinois. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15416), to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. PRICE).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15416, with Mr. HUNGATE in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Illinois (Mr. PRICE) will be recognized for 30 minutes, and the gentleman from California (Mr. HOSMER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. Price).

Mr. PRICE of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as chairman of the Joint Committee on Atomic Energy, I am pleased to appear before this House today in support of H.R. 15416. This bill is a composite of miscellaneous legislative proposals forwarded by the Atomic Energy Commission. The committee believes that its practice of considering such proposals in omnibus form promotes legislative efficiency and assists in keeping atomic energy related statutes current in the face of rapid advances in the field of nuclear technology.

H.R. 15416 contains seven sections, the first dealing with the scope of the Atomic Weapons Rewards Act of 1955, and the others address various sections of the Atomic Energy Act of 1954, as amended. The Subcommittee on Agreements for Cooperation of the JCAE, on April 30, 1974, held a hearing on what is now section 2 of the bill. The full committee considered the entire range of this legislation on June 18, 1974, and subsequently voted unanimously to approve it, with an amendment, and to report it favorably. I would add that S. 3669, the companion bill to H.R. 15416, passed the Senate without amendment by voice vote on July 11.

I want to stress at the outset that this bill does not affect in any way the proposed agreements for peaceful cooperation with certain Middle Eastern countries.

Returning to the omnibus bill, H.R. 15416, the Joint Committee amended section 2 of the bill to retain the present ceilings on amounts of special nuclear material which the AEC is authorized to distribute to the International Atomic Energy Agency and to provide a clear-cut mechanism for congressional review of proposed increases in these ceilings. The committee believes that Congress must continue to participate deliberately and responsibly in the sensitive area of international dissemination of nuclear fuel as well as the technology itself.

The other sections of the bill, in the opinion of the committee, are noncontroversial and warrant only brief mention. The changes in the Atomic Rewards Act will round out the scope of its coverage with respect to illegal export of, or attempts to export special nuclear material or an atomic weapon, and to cover conspiracies to export, or import such material or weapons.

Another section would make explicit the AEC's authority to conduct a program of approval of persons who will have access to, or control over, significant amounts of special nuclear material. Such persons are not covered by the clearance procedures now required for access to restricted data.

The bill would also extend for 5 more years the compulsory patent licensing provisions of the Atomic Energy Act, whereby the AEC has authority to compel the licensing of certain patents when such action is determined to be in the public interest. Still another section would permit the AEC to exempt minimal quantities of special nuclear material from licensing requirements, as is the present practice for small amounts of source or byproduct materials. This would apply to such items as cardiac pacemakers powered by plutonium-238 batteries. The AEC would be authorized to control such devices by licensing the manufacturers rather than each individual user.

A final provision would permit the AEC to export quantities of plutonium-238 in bulk form. What is envisioned here is that other advanced nations may develop the technology to manufacture cardiac pacemakers, or other peaceful devices involving the use of this material as a power source, in which case they may wish to purchase the plutonium-238 itself, rather than the finished products. There is no way that plutonium-238 could be used to produce material for atomic weapons. Plutonium-238 is not a fissionable isotope such as are plutonium-239 and other isotopes of plutonium. The primary characteristic of plutonium-238 which makes it valuable for such applications as heart pacemakers is its capacity to continually release heat energy which can be converted to electricity. In any case, the bill requires the AEC to make a finding that such distribution would not be inimical to the common defense and security. Additionally, although it is recognized that the AEC cannot be expected to monitor the public health and safety safeguards of other countries, the Joint Committee expects that the Commission, when it considers export of bulk plutonium-238, will ascertain that the country of the recipient has a program for control of such material.

Mr. Chairman, I urge favorable action on H.R. 15416.

Mr. HOSMER. Mr. Chairman, I yield myself such time as I may consume and I join in the remarks made by my colleague, the gentleman from Illinois (Mr. Price).

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. 103 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from California (Mr. Hosmer).

Mr. HOSMER. Mr. Chairman, I was stating at the time someone made a point of no quorum that this piece of legislation is an annual affair. It is more or less the AEC housekeeping bill in which several things are brought together in one omnibus bill. For instance, there has been a proposal around to make more effective the Atomic Energy Rewards Act of 1955. That originally provided for an award for information concerning the import of various kinds of bomb ingredients into this country. We would like to expand that rewards system now to exports, or attempted exports, or conspiracies to import, acquire, or to export an atomic weapon or special nuclear material.

Then the second section of the omnibus bill deals with the ceilings for distribution of such nuclear material to groups of nations. By that we mean the International Atomic Energy Agency and Euratom.

I think it should be understood, Mr. Chairman, that the atomic energy effort of this Nation is a very, very large business.

We, for instance, manufacture nuclear fuel in the form of slightly enriched uranium, enriched in the content of U-235 from 0.7 in which it is naturally found to somewhere between 3 and 5 percent.

Now, this is a fuel which is burned to make the electricity in all of the nuclear power stations around the world. This fuel up to now has been totally supplied out of the enrichment capabilities and facilities of the U.S. Government. As a consequence, people overseas and the large effort that is being made in Europe to gain independence from Arab oil imports is based on building up a large-scale nuclear peaceful reactor business in Europe, business as it is known in our own country.

In the very early days of this business we recognized that there might be attempted illicit diversion of special nuclear material from these accounts, so we established a series of safeguards. We had safeguards imposed by our own Government upon our own reactors and reactors that we supply fuel to overseas. We have safeguards imposed by the International Atomic Energy Agency. We have safeguards imposed by the International Atomic Energy Agency. We have safeguards imposed by Euratom in the countries of its jurisdiction and some of the other nations of the world which have nuclear reactor endeavors also impose safeguards and inspections of one kind or another to make certain there is no diversion.

One of the things that we provided in the Atomic Energy Act, in addition to the normal safeguard procedures and the normal inspection procedures, was an accountability procedure whereby even though nuclear fuel could not be turned into a bomb, we wanted to know how much was around, particularly how much was leaving this country; so in our own arrangements with IAEA and with Euratom, we provided there would be ceilings in the amount that gets exported.

Now, as the peaceful nuclear power business keeps growing, as we have more and more nuclear business worldwide with more and more requirements for nuclear fuel, naturally that ceiling has to move up.

Section 2 provides a mechanism whereby Congress can be aware of the ceilings as they may be changed and can, at any time it receives a proposal to increase a ceiling, inquire as to what the effect would be and to express and work its will respecting the same.

Section 3 of this omnibus bill exempts from licensing in one fashion certain special nuclear materials in very small amounts that are used incidental to the peacetime uses, such as medicine, such as nuclear pacemakers and so on. The other portions of the bill likewise deal with housekeeping items.

Section 4 makes a clarification as to the situation where we have State governments handling certain nuclear licensing matters, that they are actually entitled and have authority to handle them.

There is an extension in section 6 of the compulsory licensing provisions we have had in the patent sections of the Atomic Energy Act for a long time.

In section 7 there is a clarification and expansion of the Commission's authority with respect to licensing people who handle nuclear fuels, for instance, in transportation.

We make certain that those engaged in that endeavor in this country are reliable people and that they are carrying on this activity under the proper kind of safeguards that should be carried on.

Again, Mr. Chairman, I say that the nuclear fuel industry and its related activities are a very, very large and growing part of the U.S. economy and a part of the energy effort that supports that economy, and the same is true in the other nations of the world with which we deal. As a consequence, we have handled this effort very carefully. We have attempted at all times to provide the maximum assurance that these materials will forever remain in peaceful channels and will not be subject to diversion.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, recent events—the explosion of an atomic bomb by India and the concern expressed here in the House, have raised a very important issue as to what safeguards we are providing for to make certain there is a non-proliferation. Responsibility to ourselves requires that if other nations do get nuclear materials from us they are not able to convert them to military purposes. Is there anything in these amendments which provides additional safeguards, with respect to any materials we may be transferring? Do we, for example, require any nation to whom we transfer this material to be either a signatory of or ratifiers of the Nuclear Non-Proliferation Treaty, which puts into motion the IAEA safeguards?

Mr. HOSMER. With respect to any transaction in nuclear fuels with other countries, we provide, except in very minor instances for things for such medical purposes as the heart pacemakers where we use plutonium 238 in very small quantities, and it is not possible to make a bomb out of it anyway, it being a different isotope—we provide that whenever there is traffic in this material, there have to be safeguards as required by an agreement for cooperation. This is the law we have had on the books for years. It requires that it be done under arrangements providing for safeguards both as an obligation of the United States and as an obligation of the nation with whom we are doing business.

More than that, we provide that international safeguards which have been created by the International Atomic Energy Agency, shall also apply in many of these cases. Over and above that, in some countries we insist upon more safeguards than we do with others.

For instance, the nations which are already nuclear powers we do business with, such as France or England, that is one thing. Some other country which is not a nuclear power, that is something different.

With respect to the gentlewoman's question, the portion of it having to do with the signatories to the Non-Proliferation Treaty, we nevertheless do business under agreements with peoples who have not signed that treaty. For instance, with the Japanese. They have never signed the treaty. They have their reasons, whatever they are, but nonetheless, we do not feel that there is any danger in doing this peaceful nuclear business in nuclear fuels because they have not signed the treaty. I believe their emphasis in that particular instance is on some other elements of their foreign policy which are only collateral to this nuclear fuel thing.

Ms. ABZUG. Would we not feel more secure if ratification was required as a condition of our transfer of nuclear materials—an obligation to be subject to the safeguards of Non-Proliferation Treaty?

Mr. HOSMER. No, because the gentlewoman must understand that we are dealing with two different subjects here. Bombs and things like that are one subject.

Then we have the much larger subject of the peaceful atomic business, which is a going business, a legitimate business, a business conducted under safeguards for the last 20 years, a business in which there has never been a diversion of any kind from the channels that we have done business with, an activity within which even we cooperated with the Government of Indian with respect to a reactor or two in that country.

Their materials for a weapon did not come out of that reactor. If we had been the sole and exclusive people who had done business with the Indians, the Indians would not have a bomb today, because the Indians got their capability not from us but from the fact that they dealt with the Canadians. The Canadians did not insist that the Indians observe these safeguards which I have talked about. As a consequence, things got out of hand.

If the gentlewoman says that we should pass a law that these people have to sign up with the Non-Proliferation Treaty; otherwise they cannot do business with us, that would, of course, stop us from doing business and stop us from imposing our safeguards on them. Then they would probably go out and do business with somebody who would not impose those safeguards.

So, my answer to the gentlewoman's question on that basis would be that insistence upon the signing of the Non-Proliferation Treaty, rather than assisting the cause of peace, would be a detriment.

Ms. ABZUG. If the gentleman will yield further, my thought, in face of the recent Indian experience, was just the converse of what the gentleman said.

It seems to me that we have the responsibility to take maximum steps, not to simply say, "We have had safeguards in the past."

There is now a greater spread of nuclear knowledge. There is now a greater danger.

I should think that the gentleman would be most interested in seeing that the safeguards which become operative under the Nuclear Non-Proliferation Treaty are put into effect so that we can be even more certain that any nuclear materials we transfer cannot be converted. There has been much evidence presented in testimony at hearings before the committees of this House, and the other body which suggests greater safeguards are needed.

Why not take the maximum safeguards?

Mr. HOSMER. I think the gentlewoman misconceives the magnitude of the capability of the United States to impose its will on other countries.

I just got through telling the gentlewoman that if we should make the move she recommends, the only result it would have would be that other nations would do business with people who do not impose safeguards and thereby the world would be made an unsafer place.

It is counterproductive to do what the gentlewoman suggests. It is better that the United States, with its careful safeguard systems, should be imposing those rules and regulations and safeguards around the world than it is that none should be imposed whatsoever.

Mr. PRICE of Illinois. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I am sure that we realize that there is, both in the country and in the Congress, a great concern about the nuclear weapon. Not to be afraid of the eventuality of nuclear explosions and not to act on that knowledge, is a suicidal policy.

Scientists who are familiar with the problem of nuclear proliferation and the absence of nuclear safeguards are trying to warn us that the situation is out of control. We are past the point where we can pretend that only the super powers control the nuclear weapon. The United States, the Soviet Union, France, England, and China have it; and now we have India as a member of the nuclear club. Further, it is likely that more nations now have nuclear bombs than has been publicly revealed.

It is no longer necessary to test the nuclear bomb in order to make one. Not only can other nations make bombs but groups of people with a common purpose, terrorists and criminals, have the capacity to make them.

Mr. Chairman, the Members may remember the physicist, Dr. Theodore Taylor, who was a conceptual designer of nuclear bombs at Los Alamos and who designed the "Davy Crockett" which at the time was the lightest and smallest fission bomb ever made, and who designed a super oralloy bomb, which is the largest fission bomb that has ever been exploded.

Dr. Taylor tells us that a bomb can be made by one person working alone with nuclear materials stolen even from private industry. Soon private companies will own more plutonium than exists in all the nuclear arsenal in NATO. The AEC itself actually loses as much as 100 pounds of uranium and 6 pounds of plutonium every year, more than enough to make 10 bombs.

Dr. Taylor, who believes the increasing availability of plutonium on the world scale makes all nations available to nuclear blackmail, has tried to indicate to us how serious is the problem by giving us all kinds of examples. For example, he says that a 1-kiloton bomb exploded just outside the restricted area during the state of the Union message at the U.S. Capitol would kill every one in the Capital.

Mr. Chairman, I am not here to tell scare stories. I think it is quite evident by now that such things are possible.

What I am here to discuss is this: What is the nature of our policy? It seems to me that we must analyze whether we will blow up our country and other countries as a direct result of our own policy.

What I have tried to discuss here briefly with the ranking member of the committee is the question of what is our responsibility. Should we not take as many steps as we can in connection with the transfer or all kinds of nuclear materials? It seems to me that for us not to do so is foolhardy.

We have been in the lead in the field of making nuclear materials available to other nations, large and small. That is quite evident. It is true we cannot control the whole scene. There is, however, a Nuclear Non-Proliferation Treaty, and under its provisions there are international safeguards which those countries who sign and ratify that agreement must follow. Unfortunately they are not subject to it if they are not signatories to that treaty.

I think now we have an obligation to say, in connection with the act before us today, we at least are taking as many steps as we can to safeguard our future. One of those steps that I hope to propose as an amendment to this act is a provision that states when the United States exports any special nuclear material, source material, or production facility through someone who manufactures such facility to a foreign nation or a regional defense orgaization we should require of such foreign nation or member nation of a regional defense organization, as a condition for the receipt of this kind of material, the signature and ratification of the Non-Proliferation Treaty of 1968 and the partial Test Ban Treaty of 1963.

Mr. Chairman, I think unless we do that, then we can be accused of becoming much too carefree about the question of our survival on this planet. I think we must deal with this issue.

Mr. PRICE of Illinois. With respect to section 2 of the bill now before us—amending section 54 of the Atomic Energy Act—I would like to point out the following:

All special nuclear material supplied by the United States through IAEA to a member nation is subject to safeguards approved by the United States. There is no absence of the normal safeguards provisions nor of rights of safeguards inspection. All of the normal guarantees apply.

Under the IAEA safeguards system there has been no indication of attempt to utilize safeguarded nuclear material for nonpeaceful purposes. The system works. It is under periodic reappraisal and improvement to assure its continued effectiveness. There are over 60 professional staff at IAEA currently working in this effort.

Agreement by the foreign nation to the imposition of IAEA safeguards is required in all cases regardless of whether the nation is a signatory to—or ratifier of—the Non-Proliferation Treaty of 1968.

Mr. PRICE of Illinois. Mr. Chairman, I have no further requests for time.

Mr. HOSMER. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Weapons Rewards Act of 1955 is amended as follows:

(a) The initial section of the Act is amended by striking out the words "Atomic Weapons Rewards Act of 1955" and by substituting in lieu thereof "Atomic Weapons and Special Nuclear Materials Rewards Act."

(b) Sections 2, 3, and 5 of the Act are amended to read as follows:

"SEC. 2. Any person who furnishes original information to the United States—

"(a) leading to the finding or other acquisition by the United States of special nuclear material or an atomic weapon which has been introduced into the United States or manufactured or acquired therein contrary to the laws of the United States, or

"(b) with respect to the introduction or attempted introduction into the United States or the manufacture or acquisition or attempted manufacture or acquisition of, or a conspiracy to introduce into the United States or to manufacture or acquire, special nuclear material or an atomic weapon contrary to the laws of the United States, or

"(c) with respect to the export or attempted export, or a conspiracy to export, special nuclear material or an atomic weapon from the United States contrary to the laws of the United States,

shall be rewarded by the payment of an amount not to exceed $500,000.

"SEC. 3. The Attorney General shall determine whether a person furnishing information to the United States is entitled to a reward and the amount to be paid pursuant to section 2. Before making a reward under this section the Attorney General shall advise and consult with the Atomic Energy Commission. A reward of $50,000 or more may not be made without the approval of the President.".

"SEC. 5. (a) The Attorney General is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

"(b) A determination made by the Attorney General under section 3 of this Act shall be final and conclusive and no court shall have power or jurisdiction to review it.".

(c) Section 6 of this Act is amended by deleting the words "Awards Board" and by substituting in lieu thereof the words "Attorney General".

SEC. 2. Section 54 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"SEC. 54. FOREIGN DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—a. The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 123. Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such period of time as are authorized by Congress: *Provided, however,* That (i) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency seventy-five thousand kilograms of contained uranium 235, five hundred grams of uranium 233, and three kilograms of plutonium; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the Internatonal Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: *Provided, however,* That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Joint Committee, and a period of thirty days shall elapse while Congress is in session (in computing the thirty days there shall be excluded the days in which either House is not in session because of adjournment for more than three days) unless the Joint Committee by resolution in writing waives the condition of, or all or any portion of, such thirty day period. The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this subsection which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this subsection. Under any such agreement the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 104, established by the Commission pursuant to section 56, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission.

"b. Notwithstanding the provisions of sections 123, 124, and 125, the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238, and (2) other special nuclear material when it has, in accordance with subsection 57d., exempted certain classes or quantities of such other special nuclear material or kinds of uses or users thereof from the requirements for a license set forth in this chapter. Unless hereafter otherwise authorized by law, the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material. The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection if, in its opinion, such distribution would be inimical to the common defense and security. The Commission may require such reports regarding the use of material distributed pursuant to the provisions of this subsection as it deems necessary.

"c. The Commission is authorized to license or otherwise permit others to distribute special nuclear material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.".

SEC. 3. Section 57 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following new subsection:

"d. The Commission is authorized to establish classes of special nuclear material and to exempt certain classes or quantities of special nuclear material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of special nuclear material or such kinds of uses or users would not be inimical to the common defense and security and would not constitute an unreasonable risk to the health and safety of the public.".

SEC. 4. Section 81 of the Atomic Energy Act of 1954, as amended, is amended by deleting the word "licensees" and inserting in lieu thereof the words "qualified applicants" in the third sentence of such section and by deleting the fifth sentence of such section.

SEC. 5. Sections 123, 124, and 125 of the Atomic Energy Act of 1954, as amended, are amended by substituting the term "54 a." for the term "54.".

SEC. 6. Subsection 153. h of the Atomic Energy Act of 1954, as amended, is amended by striking the figure "1974" and substituting therefore the figure "1979".

SEC. 7. Subsection 161. i of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"i. prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 53 or produced by any person in connection with any activity authorized pursuant to this Act, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, associations and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;".

Mr. PRICE of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Delete the proviso beginning on page 4, line 10 and ending on page 5, line 4, and substitute therefor the following provisos: *"Provided, however,* That, (i) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, five hundred grams of uranium-233, and three kilograms of plutonium, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to June 1, 1960; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: *Provided, however,* that before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress and referred to the Joint Committee and a period of sixty days shall elapse while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days); and *Provided, further,* that any such proposed amounts and periods shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed action; and *Provided, further,* that prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed amounts and periods and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed amounts or periods."

Mr. LONG of Maryland. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate the proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND TO THE COMMITTEE AMENDMENT

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. LONG of Maryland to the committee amendment: On page 5, line 18 strike out all after "periods of time" until page 6, line 12 and insert in lieu thereof the following: "as are given specific prior approval by Act of Congress".

Ms. ABZUG. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Sixty-nine Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 432]

Adams
Aspin
Badillo
Beard
Brasco
Brooks
Butler
Carey, N.Y.
Carter
Chisholm
Clark
Clay
Conyers
Coughlin
Crane
Culver
Davis, Ga.
de la Garza
Dent
Dickinson
Diggs
Dorn
Downing
Drinan
Esch
Evans, Colo.
Evins, Tenn.
Fisher
Flynt
Fraser
Frey
Fulton
Gibbons
Gray
Green, Oreg.
Griffiths
Gubser
Gunter
Hansen, Idaho
Hansen, Wash.
Hébert
Heinz
Holifield
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kuykendall
Landrum
Leggett
McSpadden
Madden
Mathis, Ga.
Minshall, Ohio
Murphy, N.Y.
Nichols
Obey
Owens
Pike
Podell
Quillen
Railsback
Rarick
Rees
Reid
Rinaldo
Roncalio, Wyo.
Rooney, N.Y.
Ryan
Satterfield
Schneebeli
Shuster
Stanton,
James V.
Steed
Steiger, Ariz.
Symington
Teague
Thone
Tiernan
Udall
Ullman
Wampler
Wilson,
Charles H.,
Calif.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HUNGATE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 15416, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 352 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Chairman, I ask unanimous consent that the amendment which I have offered to the committee amendment be re-read.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. The Clerk will re-read the amendment offered by the gentleman from Maryland (Mr. LONG) to the committee amendment.

The Clerk re-read the amendment to the committee amendment, as follows:

Amendment offered by Mr. Long of Maryland to the committee amendment: On page 5, line 18, strike out all after "periods of time" until page 6, line 12, and insert in lieu thereof the following: "as are given specific prior approval by Act of Congress".

Mr. LONG of Maryland. Mr. Chairman, all my amendment does it to conform the procedure of congressional control with respect to the transfer of certain amounts of special nuclear material to the procedure established by my amendment offered yesterday with respect to international nuclear agreements.

The amendment offered yesterday required congressional approval before any further international agreements can take place with respect to sales of nuclear reactors and materials. My amendment today does the same thing with respect to the transfer of certain amounts of special nuclear material to the International Atomic Energy Agency.

Let me point out that the Joint Committee is proposing to conform to the procedure is suggested in H.R. 15582, allowing congressional veto by concurrent resolution. All my amendment does is insure that we adopt the same procedure for sales to IAEA and as this House approved yesterday for bilateral agreements. If we do not adopt my conforming amendment, there will exist a sizable loophole by which the President could export nuclear fuel with very limited congressional check.

There presently exists a very broad agreement with the International Atomic Energy Agency under which reactors and fuel can be sold to third countries.

The Joint Atomic Energy Committee amendment would allow unlimited nuclear fuel to be transferred to the IAEA, and then to third countries, with only a flimsy check of the veto by resolution, which this House rejected yesterday.

We have no control over reactors supplied to third countries through the IAEA, and if the committee amendment is not made to conform with the controls we approved yesterday Congress will have only the weakest check on fuel transfers.

The committee is arguing that if we do not approve their bill, we will not have any bill, because the President will veto. I am pointing out that even if you have a bill, the committee bill is not worth a cent because when it starts to rain the roof will leak.

The concurrent resolution has absolutely no constitutional standing; if the President wants to veto it he can, because the Constitution says specifically that all concurrent resolutions must be signed by the President, and exempts only motions to adjourn and constitutional amendments. Those are the only exceptions. There has never been a case in which any court test has been made which would uphold the committee position.

I urge that the House support my amendment because it does what we tried to do yesterday, putting the Congress on record that we who represent the people of the United States want to have something to say about transfers of nuclear reactors and nuclear materials.

This amendment of mine closes a very important loophole. Let us get a test now. If the President vetoes it, at least we have made a confrontation now, and not someday when it might be much more important than it is at the present time.

I urge an "aye" vote for my amendment, and I yield back the balance of my time.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maryland (Mr. Long).

Mr. HOSMER. Mr. Chairman, I think that we must make a distinct distinction between what we are dealing with today and what we were dealing with yesterday. Then maybe the gentleman from Maryland (Mr. Long) will understand what he is trying to do here.

Yesterday we were dealing with approvals for agreement for cooperation under which there would be traffic between the United States and some other country in nuclear fuel, nuclear reactors, and a whole host of nuclear-related items. What we are talking about today, I would say to my friend, the gentleman from Maryland, is something entirely different. It is entirely different. We already have the agreement for cooperation with Euratom, and with the International Atomic Energy Agency. What we are talking about is approvals for transaction in nuclear fuel for those reactors under existing agreements.

If the amendment offered by the gentleman from Maryland (Mr. Long) should pass, anytime anybody wants to fuel an additional nuclear reactor that is under the IAEA or the Euratom safeguards, he is going to have to come to Congress and get an act of Congress in order to fuel a peaceful reactor. This is the most ridiculous nitpicking that I have ever heard of. These people who need to fuel their reactors do not get it from us free. They bring their own uranium. They haul it from wherever around the world they are and bring it over to one of our enrichment plants, either at Portsmouth, Paducah, or Oak Ridge, and pay a lot of money to us to turn it into what is known as nuclear fuel or special nuclear material. They take it back and put it into their reactors. This is entirely a business transaction.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I think the gentleman has had plenty of time to mess this up, but I will yield to him.

Mr. LONG of Maryland. The gentleman from California, I think, is throwing a red herring across the path here.

Mr. HOSMER. I decline to yield further. I do not tolerate language like that. There are some people on the floor who know what they are doing, and there are some who do not know what they are doing.

Mr. Chairman, I ask that the amendment be defeated, and I yield back the balance of my time.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, this seems a little bit like a replay of what happened yesterday. As I recall, yesterday the House expressed its will rather clearly on this subject matter about whether or not we are going to have nuclear materials, nuclear technology, atomic piles, and other things distributed around the world without the consent of Congress. Now, lo and behold, the same committee that lost on that amendment yesterday is before us with another piece of legislation which would undo the clearly expressed will of the House yesterday.

So the Members will know what is before us and what we are involved in, the question before this body is whether or not nuclear materials, nuclear technology, and other kinds of nuclear devices are going to be distributed around the world without the prior consent of Congress. Fortunately, the gentleman from Maryland (Mr. Long) has had the prudence to rise and say, "No; the Congress should give its consent before this happens."

I am not dead opposed to the idea that this country should help other nations around the world in nuclear technology, with fissionable materials, and the construction of facilities to be used for the peaceful utilization of atomic energy. That is all for the good, but I am not certain that, if we give nuclear technology and material to India, it is going to benefit India. India just exploded a nuclear device. I am not fully satisfied that, if we give it to some of the less responsible countries in the world that the plutonium that we will be giving away is not going to show up in atomic bombs to be used somewhere else, perhaps even on the United States and on the citizens of this Nation.

I do think that in questions of this magnitude, facilities of this kind, the disposal of or gifts of material, technology, and nuclear generating facilities should be subject to the prior consent and approval of the Congress. That is the question that is before us, and I do not think that anyone having looked at the Record of yesterday and listened to the debate could come to the conclusion that the Congress or the House, at the time that we considered the legislation yesterday, was any different group. But, lo and behold, comes the Joint Committee on Atomic Energy, and I suspect that they either did not listen to the debate, or they are not aware of what transpired yesterday, or they are trying to undo the accomplishments of the House on yesterday. There is no chicanery here. It is just a simple question of whether or not we are going to have the prior consent of Congress.

So that we can have before us some facts on this matter, the making of an atomic bomb is a fairly simple undertaking. It falls almost into the general technological capability that might be called plumbing. It is not hard to make them any more, and it is thought now that there is a peril that maybe some of the private groups or regulars and extremists might be using this material for that kind of purpose.

This is material of intense poisonous characteristics and it has a half-life characteristic that goes on for thousands of years. As a matter of fact, to really cause mischief one does not need to make an atomic bomb but one can make a bomb which would spread this stuff as fine dust around and it would kill millions of people for hundreds of years. That is the characteristic of the material we are discussing.

So I think the amendment offered by the gentleman from Maryland is a good amendment. I think the House should adopt the amendment.

While I am sympathetic with my friends and colleagues on the committee, and they are honorable men and they have done a good job over the years, I do not think it is too much to say that we ought not to give totally away the power of Congress over the gift of nuclear materials for peaceful uses of atomic energy. Certainly we should say that these kinds of materials ought to be subject, when they are to be made a gift, to the prior congressional approval. For this reason I think the amendment offered by the gentleman from Maryland (Mr. Long) is a good one. It is my hope that my colleagues will join me in supporting that highly worthwhile amendment.

Mr. PRICE of Illinois. Mr. Chairman, the gentleman who just left the well said that this matter was clearly decided by the committee yesterday. I would like to call the gentleman's attention to the fact that it was decided by a vote of 194 to 191, which left considerable doubt in the minds of many people as to whether or not the right action was taken.

The gentleman also said that this was the same situation as or a replay of what we had yesterday. The gentleman in the first place just recently came to the floor and we have been debating this about an hour now, but this is not a replay of yesterday.

The amendment is the same but the substantive matter is entirely different. Yesterday we were talking about the spread of nuclear technology. Today we are talking about special nuclear materials for the International Agencies on Atomic Energy. The gentleman said we were doing this without the consent of the Congress. Congress has given its consent. We passed a special act to enable us to participate in the speical International Atomic Energy Agency and the benefit of our being in that is we have been able to persuade other nations of the world through the IAEA to adopt special safeguards.

There is no program where more emphasis was placed on safety and safeguards from the beginning of the program than in the atomic energy program. I know it is popular to come in and vote against nuclear reactors. They claim the nuclear reactors are going to blow up every day. But we have more than 45 power reactors in existence today in the United States. There are reactors spread around this country and the world. There are about 500 of them. One hundred of them were based on American technology. With all these reactors in operation there has not been a single nuclear incident that caused injury to any one single person.

What are we talking about? We are talking about cooperation among nations for the peaceful uses of atomic energy. We are talking about the atoms for peace program. The Congress gave its assent and approval and endorsement of that program and America took the lead in that program.

What we are doing here today is listening to the advocacy of some people who want to put a halt to that and put the brakes on the peaceful uses of atomic energy. I would hope the House would recognize the difference between the situation today and what it was yesterday. While that vote yesterday was decided very closely, I have had at least a dozen Members come to me today and say if they had that vote to do again today they would not vote the way they did.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I voted yesterday to have Congress have a first look, and I voted against the gentleman from Illinois, my good and longtime friend, because I thought when we are giving a reactor to a country we ought to take a look at it, but the situation today is a different thing. This is an international agency to which we belong and we have been supporting it and it is not giving away a nuclear reactor to some country which can take it over or some dictator who can move in and grab it or military dictator who can move in and take over.

Comparing the two is like comparing apples and oranges. This is a totally different thing. I intend to support the gentleman from Illinois in his position.

Mr. PRICE of Illinois. Mr. Chairman, I hope that the committee this afternoon will vote down this amendment.

Mr. ECKHARDT. Mr. Chairman, I rise to ask the chairman of the committee about this amendment, because frankly I think the statement of the gentleman from Ohio does raise some questions. I notice that on page 3 of the bill in section 54 it is said:

> The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 123.

Will the gentleman affirm to me that section 123 is the section regulating the agreements that the Long amendment amended yesterday?

Mr. PRICE of Illinois. That is correct and the language the gentleman read is the existing law. The reason we bring it up is to bring it into line with some of the technical features that have been changed in the act.

Mr. ECKHARDT. And then on page 5 it says further:

> *Provided, however,* That, (1) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency.

And then it goes on with reference to the material; so all the provisions here are qualified on compliance of the agreement with section 123; is that not correct?

Mr. PRICE of Illinois. That is correct. This is the section that is being amended and we amended yesterday. The title I the gentleman read is also the existing law.

Mr. ECKHARDT. Then, Mr. Chairman, if any nuclear material is to be distributed under the act we have before us today, assuming the Long amendment of yesterday remains in effect, the agreement itself would have to be approved by Congress; would it not?

Mr. PRICE of Illinois. That is correct, if this amendment were adopted.

Mr. ECKHARDT. So even without the amendment the gentleman from Maryland (Mr. Long) offers today, the agreement itself could not be made and no nuclear materials could be distributed unless Congress approved such agreement; is that correct?

Mr. PRICE of Illinois. That is correct.

Mr. ECKHARDT. But if the Long amendment is passed, there would have to be two levels of approval; first, the agreement, and Congress would have to act on the agreement. Then it would have to act specifically on the implementation of the agreement under this section; is that correct?

Mr. PRICE of Illinois. That is correct. The gentleman is correct in what he says.

Mr. ECKHARDT. I must say that the gentleman has clarified the matter for me. We would hope that the chairman would support in conference the Long amendment of yesterday, perhaps with some reasonable modification; but if that were done, it would seem to me it would be the better part of prudence not to include the Long amendment today.

Mr. PRICE of Illinois. In reference to the Long amendment yesterday, I do not know if the gentleman in the well and members of the committee know the full implications of the Long amendment. We are going to study it thoroughly. We are going to request the appropriate agency that might be affected by it what the effect might be. We are going to study it thoroughly. If we find it is not an acceptable amendment, naturally we will make alterations in it.

Mr. ECKHARDT. If the gentleman will respond also to this question or comment on this proposition: I understand the Long amendment dealt with all agreements, whether they be agreements with countries already having nuclear capabilities or those which do not, for instance, the Arab countries. Would the gentleman see it feasible to use the strict qualifications of the Long amendment with respect to countries where nuclear materials are for the first time being introduced, and then perhaps to provide a more lenient provision similar to the bill that was offered yesterday with respect to supplying nuclear reactors to countries such as Britain, which have nuclear capacity already existing.

Mr. PRICE of Illinois. First of all, we do not supply nuclear reactors to Britain the same way that we do to many others, but I assure the gentleman that every agreement, regardless with what country, is submitted to the Congress, submitted to the Joint Committee.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On the request of Mr. Price of Illinois and by unanimous consent Mr. Eckhardt was allowed to proceed for 1 additional minute.)

Mr. PRICE of Illinois. The minutes are printed in the Congressional Record. Everyone of them have been printed in the Congressional Record. Hearings have been held on most of them. I would say on 90 percent of them hearings have been held, and there has been ample opportunity for any Member of Congress to oppose any of these agreements.

Mr. ECKHARDT. I understand, then, that the gentleman is seriously concerned with the problem of the Long amendment?

Mr. PRICE of Illinois. Very seriously.

Mr. ECKHARDT. And he will consider seriously the question of giving this House realistic opportunity to determine whether or not nuclear capability goes to nations which do not now have it, and will assert that position in the conference committee?

Mr. PRICE of Illinois. I assure the gentleman from Texas that we will do so.

Mr. ECKHARDT. Upon that assurance, I feel that this amendment goes to another matter; goes to a secondary matter that can be protected by the Long amendment of yesterday.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is a slight misstatement—not intentional, I am sure—in the last colloquy that took place. It is true that if one reads page 5(i) of the bill, the Commission is authorized to distribute to the Agency various amounts of special nuclear material, subject to the provisions of section 123.

The gentleman will note, however, that there is another provision on the same page 5—provision (ii) which says:

> Notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear material and for such periods of time as are established in writing by the Commission: *Provided, however,* That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress. . . . That any such proposed amounts and periods shall not become effective if . . . Congress passes a concurrent resolution stating in substance that the Congress does not favor the proposed action.

Thus, only the special nuclear material of provision (i) is subject to section 123 as amended by the Long amendment. Other amounts of special nuclear materials covered by (ii) are not similarly subject.

The situation is identical to yesterday. In H.R. 15582, the Joint Committee proposed that agreements of cooperation be subject to a congressional concurrent resolution of disapproval. The gentleman from Maryland (Mr. Long) amended that to require affirmative congressional approval of agreements of cooperation.

In the bill we are considering today, the joint committee under (ii) again is proposing congressional disapproval by concurrent resolution and the gentleman from Maryland (Mr. Long) seeks again to amend the committee amendment to require affirmative prior approval so that we do not get covered by section 123 at all.

Mr. Chairman, I would like the gentleman from Texas (Mr. Eckhardt), in particular, to recognize that.

Mr. ECKHARDT. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I see what the gentlewoman is suggesting here. It would seem, at first glance, that this is something beyond the restrictions of section 123, but the gentleman from Illinois has assured me that the phrase "notwithstanding the foregoing provisions of this subsection" refers to the fuel limitations in section (i) preceding. Thus it in no way derogates from the requirement that any fuel distributions under this section must be within the terms of an agreement for cooperation under section 123, with the procedures we voted yesterday for such agreements.

Ms. ABZUG. You see, the Long amendment of today is beyond the scope of section 123. I think our colleagues here were given the wrong impression. If they will read the amendment offered by the gentleman from Maryland (Mr. Long), they will see that he merely proposes to require prior approval by an act of Congress in place of what the committee amendment suggests, which is subsequent disapproval. This is exactly the same situation we were in yesterday.

Mr. Chairman, I would emphasize two things for the consideration of the Members of the Committee: First, we will not be protected under section 123 of the Atomic Energy Act should the Long amendment not remain in conference.

Second, if the Committee itself sees the necessity to have agreements for such materials be subject to disapproval by the Congress, then those who voted for the Long amendment yesterday requiring prior approval of the Congress should also support the Long amendment today. I hope the situation is much clearer now.

Mr. HOSMER. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from California.

Mr. HOSMER. We are not talking about nuclear technology or a whole slew of things, talking about an agreement of cooperation requiring approval of Congress. All we are talking about is nuclear fuel for a peaceful nuclear reactor and an existing agreement. To require an act of Congress which has to be passed every time we wanted fuel for a nuclear reactor would simply put this out of business.

What would happen is that the business would go to other countries who do not oppose safeguards.

Ms. ABZUG. As I said before, it is you and your Joint Committee on page 5 who seek an amendment providing for the Congress to act if it does not favor the proposed amounts and periods with respect to special nuclear materials.

All the Long amendment provides is that there be prior affirmative approval. So we are in exactly the same situation.

As I said to the gentleman yesterday, please do not confuse us simple people.

This is the essence of what we voted on yesterday. Those who wish to vote in support of what they believed yesterday would, I think, have to vote the same way today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. Long) to the committee amendment.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LONG of Maryland. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 88, noes 298, not voting 48, as follows:

[Roll No. 433]

AYES—88

Abzug
Addabbo
Anderson, Calif.
Aspin
Badillo
Bennett
Biaggi
Bingham
Boggs
Brademas
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Conte
Cronin
Daniels, Dominick V.
Dellums
Denholm
Dingell
Drinan
Edwards, Calif.
Eilberg
Fascell
Ford
Grasso
Green, Pa.
Grover
Gude
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Howard
Kastenmeier
Koch
Kyros
Leggett
Lehman
Long, Md.
Luken
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Murphy, N.Y.
Nedzi
Nix
O'Hara
Randall
Rangel
Rarick
Rees
Reid
Riegle
Rodino
Roe
Rogers
Rosenthal
Roush
Roybal
Ryan
Sarbanes
Schroeder
Seiberling
Staggers
Stark
Stokes
Stuckey
Steelman
Studds
Thompson, N.J.
Tiernan
Traxler
Vander Veen
Vanik
Waldie
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Yates
Young, Ga.

NOES—298

Abdnor
Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Bafalis
Baker
Barrett
Bauman
Bell
Bergland
Bevill
Blackburn
Blatnik
Boland
Bolling
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Cotter
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Gross
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harsha
Hastings
Hays
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.

Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Lagomarsino
Landgrebe
Latta
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Michel
Milford
Mills
Mitchell, N.Y.
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Rousselot
Roy
Runnels
Ruth
St Germain
Sandman
Sarasin
Satterfield
Scherle
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—48

Ashbrook
Beard
Biester
Brasco
Brotzman
Carey, N.Y.
Carter
Chisholm
Clausen, Don H.
Clay
Conyers
Culver
Davis, Ga.
de la Garza
Dent
Diggs
Donohue
Downing
Evans, Colo.
Evins, Tenn.
Fisher
Fulton
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Hébert
Holifield
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kuykendall
Landrum
McSpadden
Minshall, Ohio
O'Neill
Owens
Podell
Quillen
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Schneebeli
Steiger, Ariz.
Symington
Ullman
Williams

So the amendment to the committee amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. ABZUG: Page 10, insert immediately after line 8 the following:

SEC. 8. Atomic Energy Act of 1954 as amended is amended by inserting after Section 125 the following new section:

"SEC. 126. Notwithstanding the provisions of this Act, neither the Commission nor any person or agency of the United States shall export from the United States for delivery to or use by or within any foreign nation or regional defense organization any special nuclear material, source material, byproduct material, production facility or any license to manufacture said facility, utilization facility or any license to manufacture said facility restricted data or any other material or information that can be used, directly or indirectly, to produce any special nuclear material, source material or by-product material unless said foreign nation or each member nation of said regional defense organization, as the case may be, has signed and ratified both the NonProliferation of Nuclear Weapons Treaty of 1968 and the Partial Test Ban Treaty of 1963."

Ms. ABZUG. Mr. Chairman, if we are to effectively regulate the exportation of nuclear materials, we must establish certain minimum safeguard standards to prevent nuclear proliferation. My amendment does just that.

By prohibiting the exportation of nuclear materials and technology to nations that have failed to ratify the Nonproliferation of Nuclear Weapons Treaty of 1968, we are guaranteeing that all nuclear exports will at least be subject to IAEA inspections and safeguards.

During testimony before a subcommittee of this House, three experts in nuclear weaponry and reactor technology testified that, unless both the exporting and importing countries have ratified the NPT, effective international controls are impossible. Specifically, the United States bound itself to insist upon IAEA safeguards over any sensitive nuclear equipment or materials it supplies when it signed and ratified the treaty. But these safeguards and controls apply only to the facilities and materials actually supplied, and not to all the nuclear hardware operated by a recipient non-party state.

A Middle Eastern nonparty country could receive assistance from the United States under IAEA safeguards and collateral aid from a state that has not ratified the NPT. Such collateral aid could take the form of a chemical separation plant for extracting plutonium from the spent fuel rods, or it could take the form of enriched uranium to be used in conjunction with some U.S.-supplied hardware. In either event, the IAEA would not have jurisdiction over either the supplying country or the recipient country. And in both cases, the recipient nation could build bombs without meaningful IAEA intervention or knowledge.

Moreover, Dr. Willrich, of the University of Virginia, noted while testifying before a House subcommittee that IAEA inspection teams have met with serious resistance while attempting to police facilities supplied by member countries, but which are located in nonmember countries. A case in point is India—a country which is not a party to the NPT. The Indian Government refused to permit the inspection team to examine the CANDU reactor. It was this reactor that generated the plutonium that the Indians used in their nuclear device.

My suggestion is that unless we begin to tighten up and make requirements to the nations to whom we give materials that they become signatories and ratifiers of the Nonproliferation Nuclear Treaty of 1968 and the partial Test Ban Treaty of 1963, we are just creating a serious danger and havoc to all countries of the world and all the peoples of the world.

I would hope we would support this amendment.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is just one more example of ignorance in action.

I hope we are all aware of what the facts in this case are.

Ms. ABZUG. Mr. Chairman, I rise to make a point of personal privilege.

Mr. McCORMACK. Mr. Chairman, I do not yield. I have not impugned the lady. Ignorance in this context means that a person doesn't know what he or she is talking about.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. No, I will not yield.

Ms. ABZUG. I am glad to see the gentleman knows what he is talking about.

Mr. McCORMACK. Let me point out to the gentlewoman and to the members of the Committee what the gentlewoman would do with her amendment. The gentlewoman would prohibit this country from selling, for instance, medical isotopes, industrial isotopes, nuclear material for agricultural research, nuclear material for medical pacemakers, and nuclear material for artificial hearts, to the following countries:

The Philippines, the Netherlands, Luxembourg, Egypt, Israel, Japan, France, Australia, Belgium, Indonesia, and Italy, to name some.

None of these countries have signed a nuclear nonproliferation treaty. I do not know what motivation they have for not signing, but I presume it is that since they are not making weapons and do not possess nuclear weapons and since they are not making nuclear weapons, they obviously have no interest in selling weapons to anybody else; so they have, for their own reasons, decided not to sign a treaty that they will not transfer them. Yet all these countries are in need of the peaceful benefits of nuclear energy, such as would be prohibited under this amendment. Remember: this amendment prohibits not only the export and sale of special nuclear materials such as plutonium and uranium for reactors, but also source material and byproduct material, that is, all these isotopes used for all these peaceful nonmilitary purposes.

This is just one example of not understanding what one is trying to do, and no matter how sincere the gentlewoman may be, I suggest that we reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. HUNGATE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 15416) to amend the Atomic

Energy Act of 1964, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes, pursuant to House Resolution 1225, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SCHERLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 377, nays 6, not voting 51, as follows:

[Roll No. 434]

YEAS—377

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dingell
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Pa.
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landgrebe
Latta
Leggett
Lehman
Lent
Long, La.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—6

Abzug
Bennett
Dellums
Harrington
Long, Md.
Mitchell, Md.

NOT VOTING—51

Ashbrook
Beard
Brasco
Carey, N.Y.
Carter
Chisholm
Clay
Conyers
Culver
Davis, Ga.
de la Garza
Dent
Diggs
Donohue
Downing
Evans, Colo.
Evins, Tenn.
Fisher
Fulton
Gibbons
Green, Oreg.
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Hébert
Holifield
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kuykendall
Landrum
Litton
McSpadden
Metcalfe
Minshall, Ohio
Mollohan
O'Neill
Owens
Podell
Quillen
Reid
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Schneebeli
Sikes
Steiger, Ariz.
Symington
Ullman
Williams

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Reid.

Mr. Carey of New York with Mr. Fisher.

Mr. de la Garza with Mrs. Green of Oregon.

Mr. Hébert with Mrs. Griffiths.

Mr. Donohue with Mr. Gunter.

Mr. Evins of Tennessee with Mrs. Hansen of Washington.

Mr. Dent with Mr. Holifield.

Mr. Roncalio of Wyoming with Mr. McSpadden.

Mr. Evans of Colorado with Mr. Mollohan.

Mr. Rooney of New York with Mr. Quillen.

Mr. Sikes with Mr. Kuykendall.

Mr. Symington with Mrs. Chisholm.

Mr. Jones of Alabama with Mr. Ashbrook.

Mr. Fulton with Mr. Ruppe.

Mr. Jones of Oklahoma with Mr. Beard.

Mr. Diggs with Mr. Brasco.

Mr. Jones of Tennessee with Mr. Minshall of Ohio.

Mr. Culver with Mr. Conyers.

Mr. Podell with Mr. Clay.

Mr. Owens with Mr. Metcalfe.

Mr. Landrum with Mr. Carter.

Mr. Litton with Mr. Schneebeli.

Mr. Downing with Mr. Steiger of Arizona.

Mr. Davis of Georgia with Mr. Williams.

Mr. Ullman with Mr. Gibbons.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed, H.R. 15416.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to take from the Speaker's table a similar Senate bill (S. 3669) to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3669

An act to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Weapons Rewards Act of 1955 is amended as follows:

(a) The initial section of the Act is amended by striking out the words "Atomic Weapons Rewards Act of 1955" and by substituting in lieu thereof "Atomic Weapons and Special Nuclear Materials Rewards Act."

(b) Sections 2, 3, and 5 of the Act are amended to read as follows:

"SEC. 2. Any person who furnishes original information to the United States—

"(a) leading to the finding or other acquisition by the United States of special nuclear material or an atomic weapon which has been introduced into the United States or manufactured or acquired therein contrary to the laws of the United States, or

"(b) with respect to the introduction or attempted introduction into the United States or the manufacture or acquisition or attempted manufacture or acquisition of, or a conspiracy to introduce into the United States or to manufacture or acquire, special nuclear material or an atomic weapon contrary to the laws of the United States, or "(c) with respect to the export or attempted export, or a conspiracy to export, special nuclear material or an atomic weapon from the United States contrary to the laws of the United States,

shall be rewarded by the payment of an amount not to exceed $500,000.

"SEC. 3. The Attorney General shall determine whether a person furnishing information to the United States is entitled to a reward and the amount to be paid pursuant to section 2. Before making a reward under this section the Attorney General shall advise and consult with the Atomic Energy Commission. A reward of $50,000 or more may not be made without the approval of the President.".

"SEC. 5. (a) The Attorney General is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

"(b) A determination made by the Attorney General under section 3 of this Act shall be final and conclusive and no court shall have power or jurisdiction to review it.".

(c) Section 6 of the Act is amended by deleting the words "Awards Board" and by substituting in lieu thereof the words "Attorney General".

SEC. 2. Section 54 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"SEC. 54. FOREIGN DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—a. The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 123. Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such period of time as are authorized by Congress: *Provided, however*, That, (i) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, five hundred grams of uranium-233, and three kilograms of plutonium, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to June 1, 1960; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: *Provided, however*, That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress and referred to the Joint Committee and a period of sixty days shall elapse while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days): *And provided further*, That any such proposed amounts and periods shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed action: *And provided further*, That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed amounts and periods and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed amounts or periods. The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this subsection which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this subsection. Under any such agreement the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 104, established by the Commission pursuant to section 56, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission.

"b. Notwithstanding the provisions of sections 123, 124, and 125, the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238, and (2) other special nuclear material when it has, in accordance with subsection 57d., exempted certain classes or quantities of such other special nuclear material or kinds of uses or users thereof from the requirements for a license set forth in this chapter. Unless hereafter otherwise authorized by law, the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material. The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection if, in its opinion, such distribution would be inimical to the common defense and security. The Commission may require such reports regarding the use of material distributed pursuant to the provisions of this subsection as it deems necessary.

"c. The Commission is authorized to license or otherwise permit others to distribute special nuclear material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.".

SEC. 3. Section 57 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following new subsection:

"d. The Commission is authorized to establish classes of special nuclear material and to exempt certain classes or quantities of special nuclear material or kinds of uses or users from the requirements for a license set forth in this section when it make a finding that the exemtpion of such classes or quantities of special nuclear material or such kinds of uses or users would not be inimical to the common defense and security and would not constitute an unreasonable risk to the health and safety of the public.".

SEC. 4. Section 81 of the Atomic Energy Act of 1954, as amended, is amended by deleting the word "licensees" and inserting in lieu thereof the words "qualified applicants" in the third sentence of such section and by deleting the fifth sentence of such section.

SEC. 5. Sections 123, 124, and 125 of the Atomic Energy Act of 1954, as amended, are amended by substituting the term "54 a." for the term "54.".

SEC. 6. Subsection 153. h of the Atomic Energy Act of 1954, as amended, is amended by striking the figure "1974" and substituting therefor the figures "1979".

SEC. 7. Subsection 161. i of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"i. prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 53 or produced by any person in connection with any activity authorized pursuant to this Act, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, associations, and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;".

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 15416, was laid on the table.

CONFERENCE REPORT ON S. 2296, FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT OF 1974

Mr. RARICK. Mr. Speaker, I call up the conference report on the Senate bill (S. 2296) to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

[For conference report and statement, see proceedings of the House of July 25, 1974.]

Mr. RARICK (during the reading). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. RARICK. Mr. Speaker, the purpose of the conference bill, as with the original House bill, is to establish more long-range planning for the National Forest System, and congressional control over management of National Forest System lands.

The major provisions of H.R. 15283 require the administration to prepare a national renewable resource assessment of all such lands and resources and a Forest Service renewable resource program, and that both the assessment and the program be submitted to Congress for review. The administration must also prepare an annual progress report.

The Congress agreed to eliminate a provision allowing limited impoundment of funds appropriated for the act, but specified that the funds shall be expended in accordance with the Congressional Budget and Impoundment Control Act of 1974.

Senate language to set the year 2000 as the operational target year also was adopted by the conferees. By that year, the major portion of planned intensive management procedures are to be operating and all backlogs of needed treatment for renewable resources are to be reduced to a current basis.

The conference substitute also provides, similar to the House bill language, that the President prepare and submit to Congress a statement of policy to guide the framing of budget requests under the act. Congress may revise or modify this statement within 60 days following submission by the President.

The conference substitute contains no express public participation provision, although the conferees noted that under existing law the Secretary of Agriculture has the authority to provide for needed public participation in development of the assessment, program, and resource inventories.

Mr. Speaker, the cost estimate of $4.9 million over the next 5 years remains the same as the original House bill estimate. The bill passed the House by an overwhelming vote and on 16 of 22 points of discussion during the conference. The House bill language was retained or the Senate bill language was deleted to conform with the House bill. The Senate provisions and compromises on the other six points were mainly technical and improved the House bill.

Of particular interest to the Members will be the constructive and helpful compromise relating to funding of national forest development roads and trails. Under the conference substitute, the Secretary of Agriculture will be required to outline his total road program to the Congress in seeking funds for roads. Thus, credits to timber purchasers for roads they construct under timber sales contract arrangements will now be considered as budget outlays and budget authority in accordance with the Budget and Impoundment Control Act. Along with roads constructed directly by the Forest Service with appropriated funds, the Appropriations Act must now cover the "timber purchaser roads," which are funded by credits to the timber purchasers under the timber sales contract. Since these purchaser credits will be budget outlays which will be discharged without the use of appropriated funds, it will be necessary for the new Congressional Budget Office which will be established under the 1974 Budget Act to develop a means to recognize their liquidation on the credit side of the ledger in establishing the annual balance between national income and expenditures.

The committee recognizes that the amounts needed for timber purchaser roads cannot be estimated with precision, since estimates are made between 18 to 24 months in advance of the timber sales themselves, and market and other conditions can influence the degree to which timber purchaser roads can be constructed. Thus, we expect the Secretary of Agriculture and the Appropriations Committees will develop flexible arrangements which will assure that Congress can approve the overall national forest road program including those constructed by timber purchasers, without impeding an orderly and efficient timber sales program by the Forest Service.

This legislation will provide purposeful direction for development and management of the National Forest System. Through analysis and planning it will enable coordination of both the commodity and amenity resources and uses of that system. The renewable resources assessment and renewable resources program to be prepared under the terms of the bill will be the most comprehensive and coordinated situation review and action program statements ever prepared for either the national forests or the associated work of the Forest Service in cooperative programs and research. Provision is made for consideration of alternative programs. Cost-benefit analyses will include consideration of not only direct but indirect returns as well as both tangible and intangible benefits. Development of the renewable resources program will be in accordance with the principles set forth in the Multiple Use-Sustained Yield Act of 1960 and the National Environmental Policy Act of 1969.

The preparation and submission to the Congress of these two statements will provide the basis for a new era in wise long term use of all of the resources of the National Forest System. Enactment of this measure will mark the beginning of a new era of maturity in the development and management of these great resources.

The needs and the desires of the American people, the complexities of our culture and an expanding national economy all impose new and increasing demands on basic natural resources. The forest, as a source of wood, water, recreation, and wildlife and forage for domestic livestock, is uniquely able to respond to these modern challenges—with man's consistent and dedicated assistance. And, in yielding all of these benefits to man, the forests demand a level of management recognizing their esthetic and environmental qualities.

This accommodation between man and nature, between human necessities and human desires, with full appreciation of the forest's timeless meanings of different things to different men, is essence of the Forest and Rangeland Renewable Resources Planning Act of 1974.

The details of sound forest management will vary with locality and by objectives of ownership but, overall, the purpose of sound planning over prolonged periods will be to attain full considerations. The general trend of forest management has been toward achieving full production with the aid of continuing research and improved technology. Substantial improvement in direction and magnitude must be made, however, to meet the requirements of the future. These opportunities are inherent in the legislation before us. Passage of this bill will enable the Nation to accelerate application of advanced management practices which will give maximum sustained production to the economy and contribute fully to the welfare and enjoyment of its citizens.

Any forest, managed below its full potential to return the benefits the owner seeks, fails to realize its role in the well-being and security of the Nation and its people. We are on the threshold of a new day in forest management when the desert will literally blossom like the rose.

Mr. Speaker, I urge the adoption of the conference report so that the Congress can move forward in establishing a long-range planning program to provide maximum use and protection of our National Forest lands.

Mr. WYATT. Mr. Speaker, will the gentleman yield?

Mr. RARICK. I yield to the gentleman from Oregon.

Mr. WYATT. I thank the gentleman for yielding.

Mr. Speaker, I would congratulate the conferees on an excellent job in bringing back to the House essentially the House bill. This bill, when passed by the House and passed by the Senate on the conference report I am advised tomorrow, will be a long and important step forward in a meaningful, long-range, sensible management of the forest resources that this Nation has. I am advised again that the legislation liaison people in the executive department will advise the President to sign this bill when the conference report is passed.

Mr. GOODLING. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Louisiana. I happen to be one who believes our forests are a renewable resource. In other words, we can have our cake and eat it, too. This bill is designed to do just that. This is a step in the right direction, I believe, and I trust that this bill will pass.

Mr. EVANS of Colorado. Mr. Speaker, I strongly support the adoption of the conference report on S. 2296, the Forest and Rangeland Renewable Resources Planning Act of 1974. I was a cosponsor of this legislation in the House, and am pleased to see S. 2296 brought to the floor for final approval.

As a member of the Appropriations Committee and the subcommittee with jurisdiction over the Forest Service, I have found myself facing the task of trying to determine whether the budget request for a given program represents a sound mix of funding to meet current as well as future needs. In the absence of an agreed upon set of goals or priorities, this problem is complicated by the need to balance the fiscal requirements of competing programs.

In the area of natural resources it is always easy to defer those actions that have long-term benefits, and difficult to provide the funds to meet current and ongoing needs. This has been true under both Democratic and Republican administrations. The current reforestation backlog and inadequate recreation facilities on the national forestlands bear testimony to this fact.

The need to balance funding for various programs is complicated in the field of natural resources because an effective multiple-use program must strike a sound balance of effort. In addition, our forest and range resources are both publicly and privately held. We have programs designed to foster private initiative and we have others that govern the level of activity on the public lands. Each of these must also be balanced if we are going to secure the resources that our Nation needs.

This bill will provide a framework for policymaking that will enable both the Executive and the Congress to do a better job of managing our national forests and rangelands.

The Secretary of Agriculture is directed to prepare a renewable resource assessment which is to be periodically updated. It will serve as a basic body of data and information on which informed decision can be based. In my work on the House Appropriations Subcommittee on Interior and Related Agencies it has been a shock to find out how little the Federal Government really knows about the public's resources.

In addition to preparing the assessment, the Secretary of Agriculture shall prepare a recommended renewable resources program. This too is to be updated periodically.

The President shall transmit to the Congress the assessment and program along with a detailed statement of policy intended for use in framing budget requests for the Forest Service. The Congress then has 60 days to review the statement of policy and act to revise or disapprove it.

An annual report is to be submitted to Congress with the budget expressing in qualitative and quantitative terms the extent to which the programs projected meet the policies approved by Congress.

S. 2296 is in the same spirit as the Congressional Budget and Impoundment Control Act of 1974. It will give Congress more control over the Forest Service budget, and allow both Congress and the Executive to make more informed judgments on Forest Service programs. S. 2296 will assist in setting national priorities for renewable resource management that recognizes the long term needs of our national forests and rangelands.

I commend both the distinguished chairman of the Agriculture Committee, (Mr. Poage) and the distinguished chairman of the Subcommittee on Forests (Mr. Rarick) for the fine job they have done in developing this legislation.

Mr. RARICK. Mr. Speaker, I have no further requests for time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMUNITY DEVELOPMENT AND FLEXIBILITY IN URBAN TRANSPORTATION POLICIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-328)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

The promotion of desirable community development and flexibility in urban transportation policies are principal goals of this administration.

It is clear that in order to promote the orderly development of urban areas according to local priorities, our efforts should be focused on measures which better integrate and coordinate all modes of transportation in urban areas with other physical and social programs. Moreover, State and local governments should be given greater participation in major decisions in the use of Federal programs affecting community development.

I am pleased to submit to the Congress this report which summarizes the many ways in which the executive branch of the Federal Government is working to effect significant improvements toward that end.

The report was prepared jointly by the Departments of Transportation and of Housing and Urban Development as required by section 4(g) of the Department of Transportation Act of 1966. In particular, it documents the cooperative efforts on legislative proposals, policies and activities that are being taken by this administration to assure that urban transportation systems most effectively serve both national transportation needs and the development policies of individual urban areas.

I commend this report to the attention of the Congress.

Richard Nixon.

The White House, *August 1, 1974.*

WORLD WEATHER PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

A well-known maxim says, "Everybody talks about the weather, but nobody does anything about it."

That maxim is no longer valid. We are confident that the knowledge of weather we are gaining through studies and experiments carried out under the World Weather Program will give man the understanding, tools and techniques necessary to cope with his atmosphere.

We are continuing to make substantial progress in furthering the goals of this program. These goals are:

—To extend the time, range and scope of weather predictions;

—To assess the impact of atmospheric pollution on environmental quality;

—To study the feasibility and the consequences of weather modification;

—To encourage international cooperation in meeting the meteorological needs of all nations.

The United States will soon begin continuous viewing of storms over much of the earth's surface through the use of two geostationary satellites. These satellites will also relay information from remote observing stations, thereby strengthening our ability to warn of potential natural disasters.

In cooperation with other nations, we expect soon to make five such satellites operational.

Immediate gains in weather predicting are also being made through increased computer power. This increased computer use will also in time produce long-term gains in both immediate and extended range prediction of global weather conditions and in the assessment of the impact of man's activities upon climate and weather.

During June through September this year a major international experiment will be conducted in the tropical Atlantic. This experiment is expected to provide new information on the origin of tropical storms and hurricanes, and the effects of these storms on global circulation.

In accordance with Senate Concurrent Resolution 67 of the 90th Congress, I am pleased to transmit this annual report describing the current and planned activities of Federal agencies participating in the World Weather Program.

Richard Nixon.

The White House, *August 1, 1974.*

GENERAL LEAVE

Mr. RARICK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the conference report on the Senate bill, S. 2296, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CONFERENCE REPORT ON H.R. 11873, ANIMAL HEALTH RESEARCH ACT

Mr. MELCHER. Mr. Speaker, I call up the conference report on the bill (H.R. 11873) to authorize the Secretary of

Agriculture to encourage and assist the several States in carrying out a program of animal health research, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 12, 1974.)

Mr. MELCHER (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MELCHER. Mr. Speaker, the purpose of the conference bill before us is the authorization to the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

Essentially, this is the same bill that cleared the House on February 7 of this year. The Senate passed the bill on March 28 with but minor changes, the majority of which were technical and clarifying amendments.

Of the amendments other than technical ones made by the Senate, the conferees determined that the amendment with regard to research on fresh water fish and shellfish, and the amendments allowing, as a research purpose under the bill, the study of the loss of livestock due to transportation and handling warranted inclusion in the final product of the conference. The conferees noted that a Senate provision requiring a horse census was not necessary in view of the inherent authority of the Secretary under the Organic Act.

This is a very good bill, Mr. Speaker, for both the consumer and the producer. It is a basic bill in medical research. It will assist in human medical research, as veterinary research always does, and the bill will have the ultimate outcome of assisting not only our medical knowledge but also of having an economic impact on lowering the price of meat to some extent.

Mr. Speaker, I urge the adoption of the conference report, and I will be glad to answer questions of any Member.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, this looks like a lot of additional money for this purpose. Will this authorize a total of $47 million in the three categories to be found on page 2 of the conference report?

Mr. MELCHER. The gentleman is correct.

Mr. GROSS. It is $47 million annually in the three items?

Mr. MELCHER. That is correct, $47 million in each year.

Mr. GROSS. Is that above or below the House figure?

Mr. MELCHER. This is $2 million above the House figure and $28 million below the Senate figure.

Mr. GOODLING. Mr. Speaker, I opposed this bill originally when it was before this body. I said at that time that this was a complete duplication of efforts. I want to repeat that same statement today. This work is being done now at the present time in practically every land-grant college in the entire United States. Every week those of us who read the reports coming out of the USDA will see that practically every week and sometimes two or three times a week grants are made of various kinds to land grant colleges to do research.

As the gentleman from Montana just said, when this bill left the House it called for an expenditure of $47 million. The other body raised that considerably. We did win the battle and as he also states, not only the $47 million, which is just $2 million over what it was when it left the House; but I would like to point out that not one penny of this $47 million is budgeted.

The other body did add a rather interesting thing. It was interesting to me, at least. The other body called for a horse census. I asked one of the distinguished members of the conference committee from the other body to justify a horse census. Well, I received a very diplomatic reply from him. He said, "Just because we want a horse census."

I did not think that was justifying it, but that is the reply I got.

Fortunately, the House Members were able to get that out, because we told them this would certainly be subject to a point of order in this body.

I can assure this body, at least I can assure them, that a horse census will be hidden somewhere in another bill that comes from the other body.

I still do not think this is a good bill, but I shall not say anything more in opposition than I have said.

Mr. MAYNE. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. Yes, I yield to the gentleman from Iowa.

Mr. MAYNE. Mr. Speaker, I rise in strong support of this conference report. It was amply shown in the hearings before the Livestock and Grain Subcommittee and the full committee that there are tremendous losses of livestock through disease each year which greatly add to the cost of meat in this country. The research that we obtain through this bill is going to yield great dividends to the American people, particularly the consuming public, in the long run. It would be penny-wise and pound-foolish for us to vote against this conference report.

Mr. MELCHER. Mr. Speaker, the Department of Agriculture has shown that we have in excess of $4 billion annual loss of meat and poultry through sickness and disease. The bill not only has the basic purpose of research for veterinarian and medical purposes, it also has the economic impact of trying to reduce that annual loss. The bill will broaden the research effort nationwide.

I think the providing of a relatively small amount of money that this bill carries with it will assist this country in moving forward with the eradication of disease.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 15578, SMALL BUSINESS AMENDMENT OF 1974

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1246 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1246

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15578) to amend the Small Business Act, the Small Business Investment Act, and for other purposes, and all points of order against sections 2 and 5 of said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1246 provides for an open rule with 1 hour of general debate on H.R. 15578, a bill to amend the Small Business Act and the Small Business Investment Act.

House Resolution 1246 provides that all points of order against sections 2 and 5 of the bill for failure to comply with the provisions of clause 4, rule XXI of the rules of the House of Representatives—prohibiting appropriations in a legislative measure—are waived.

H.R. 15578 increases the overall loan, guaranty and investment ceilings of the Small Business Act. Under the legislation which expired June 30, 1974, the SBA was allowed to have outstanding in all of its lending programs, other than disaster loans, $4.875 billion. H.R. 15578 increases the overall ceiling to $6 billion with increases in several subceilings for programs such as small business investment companies and economic opportunity loans.

H.R. 15578 also directs the General Accounting Office to conduct a complete audit of the SBA including all of its programs and field offices and to provide the Congress with the results of that audit not later than 6 months from the date of enactment of this bill.

Mr. Speaker, I urge the adoption of House Resolution 1246 in order that we may discuss, debate and pass H.R. 15578.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule, House Resolution 1246, provides for the consideration of H.R. 15578—Small Business Amendments of 1974, under an open rule with 1 hour of general debate. There is also an additional provision in the rule which waives points of order against sections 2 and 5 of the bill for failure to comply with clause 4 of rule XXI. Clause 4 of rule XXI prohibits appropriations on a legislative bill. Clauses 2 and 5 include provisions establishing new revolving funds and transferring specified amounts from an existing fund to a new fund. These provisions require a waiver.

The primary purpose of H.R. 15578 is to increase the overall loan, guaranty, and investment ceilings of the Small Business Administration. At the present time the Agency can have outstanding in all of its lending programs other than disaster loans, $4,875,000,000. This bill would increase the overall ceiling to $6 billion with increases in several subceilings for programs such as small business investment companies and economic opportunity loans.

This bill also transfers the functions of the Economic Opportunity Act which have been carried out by the Small Business Administration to the Small Business Act.

The committee report estimates that there is no budgetary impact involved in raising loan ceilings. The only cost included in the cost estimate is for administrative charges.

Mr. Speaker, I support this rule in order that the House may proceed to consider the merits of this bill.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 13044, AMENDING AND EXTENDING THE DEFENSE PRODUCTION ACT OF 1974

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1233 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1233

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13044) to amend the Defense Production Act of 1950. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 13044, the Committee on Banking and Currency shall be discharged from the further consideration of the bill S. 3270, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 13044 as passed by the House.

The SPEAKER. The gentleman from California (Mr. Sisk) is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. Martin), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1233 provides for an open rule with 1 hour of general debate on H.R. 13044, a bill to amend the Defense Production Act of 1950.

House Resolution 1233 provides that after the passage of H.R. 13044, the Committee on Banking and Currency shall be discharged from the further consideration of the bill S. 3270, and it shall then be in order in the House to move to strike out all after the enacting clause of S. 3270 and insert in lieu thereof the provisions contained in H.R. 13044 as passed by the House.

H.R. 13044 extends for 1 additional year, through June 30, 1975, the powers of the President under the Defense Production Act of 1950. These powers include among others, the power to establish priorities for defense contracts; the power to allocate materials for defense purposes; authority to guarantee loans made in connection with defense purposes; the authority to guarantee loans made in connection with defense contracts; and the authority to make loans and purchases to build up our defense capacity and assure supplies of defense materials and to carry out existing contracts.

H.R. 13044 also requires the Office of Management and Budget to study and report its findings to the Congress by March 1, 1975 recommending legislative and administrative actions for a comprehensive strategic stockpiling and inventories policy to facilitate the availability of essential natural resources and to prevent economic disruptions, unreasonable increases and erratic fluctuations in the price of such resources.

Mr. Speaker, I urge the adoption of House Resolution 1233 in order that we may discuss, debate, and pass H.R. 13044.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1233 is the rule providing for the consideration of H.R. 13044, the Defense Production Act amendments. This is an open rule with 1 hour of general debate. In addition, there is provision for inserting the House-passed language in the Senate bill after completion of action on the House bill.

H.R. 13044 would extend the powers of the President under the Defense Production Act for 1 additional year. These powers include, first, power to establish priorities for defense contracts; second, power to allocate materials for defense purposes; and, third, authority to guarantee loans made in connection with defense contracts.

The bill amends the act to change the method by which Defense Production Act stockpile material is financed by providing for authorization of funds for stockpile financing through congressional appropriations. It also requires the OMB to produce a study and report to Congress by March 1, 1975, recommending legislative and administrative actions for a comprehensive strategic stockpiling and inventories policy.

Mr. Speaker, I support this rule in order that the House may proceed to consider the merits of this bill.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SMALL BUSINESS AMENDMENT OF 1974

Mr. STEPHENS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15578), to amend the Small Business Act, the Small Business Investment Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia (Mr. Stephens).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 15578, with Mrs. Mink in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia (Mr. Stephens) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. J. William Stanton) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Georgia (Mr. Stephens).

Mr. STEPHENS. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, the legislation before the House today, H.R. 15578, is extremely important to the future of small business in this country. The importance of the bill I feel was reflected by the unanimous vote with which the legislation was reported in both the subcommittee and the full Banking and Currency Committee.

I do not want to take up too much time explaining the bill on a section-by-section basis since such a summary is available in the report on this legislation. However, let me discuss some of the highlights of the bill. First, the legislation would increase the authorized loan ceiling under which the Small Business Administration operates from $4.875 billion to $6 billion. This does not provide the agency with any additional funds, but merely allows the agency to expend funds it already has or will obtain through the appropriation process. Without this increase, the Small Business Administration will be unable to continue its loan and guaranty programs. For a number of years the committee and its reports on SBA legislation has directed that agency to move back into the direct loan field at a much greater rate than it has in recent years. In 1965, for example, 92 percent of SBA business loan activities were in the form of direct or immediate participation loans. However, in 1973 only 6.8 percent of the SBA loan volume was in direct or immediate participation loans. The Administration has continued to ignore the committee's requests to make more direct loans available to small businessmen. Because of this, the legislation contains a provision requiring the SBA to make $400 million in direct loans available before the end of the current fiscal year.

Your committee recognizes that such a requirement may require a supplementary appropriation and expects the SBA to apply for additional funds if they are necessary. The Office of Management and Budget has restricted the SBA direct loan activities in the past because these loans were made at a statutory interest rate of 5½ percent, which was below the cost to the government to obtain funds for relending. The Banking and Currency Committee has remedied that objection by removing the 5½ percent statutory rate and substituting instead a rate that will be based upon the cost of money to the Government as determined by available yields of Government securities plus one-fourth of 1 percent for servicing and other SBA expenses. Under current conditions that rate on such loans will now become profit making investments.

While it might be argued that the legislation is increasing the SBA interest rate, in actuality just the opposite is true since almost all of SBA lending is done on a guaranteed basis. A small businessman obtains his money from a commercial bank with the SBA providing only a guaranty of repayment. The interest rate on these loans has gone as high as 12 percent and is currently in the 10 to 10½ percent category. As you can see, the new interest rate formula would make loans available at 5⅛ percent which is far less than the 10 to 10½ percent figure now being charged on most SBA loans.

Many Members have introduced bills dealing with small businesses' hardships caused by the energy crisis. Section 8 is our attempt to respond to these numerous bills since we allow SBA to make direct or guaranteed loans on a disaster basis to those who are drastically affected. It also covers authority to refinance existing loans.

Before concluding, let me turn to one other important area of the bill. I am sure all members have read about the oversight investigation that has been conducted by the Small Business Subcommittee. Quite frankly, Small Business Subcommittee members have been concerned at what we have found in the Small Business Administration. Our findings have ranged from clear criminal acts both inside and outside of the Agency, to simple mismanagement. Some members of the Small Business Subcommittee and the full Banking and Currency Committee were very hesitant about providing SBA with increased authorization, but failed to withhold this authorization because it would penalize small businessmen throughout the country more than it would hurt the Agency.

In order to safeguard the taxpayers' funds and to clean up the operations of the Small Business Administration a number of safeguards have been written into the legislation. First the legislation calls for a full audit by the General Accounting Office of the entire Small Business Administration, the first such audit to my understanding since the inception of the Agency. Second, the legislation provides SBA with new investigatory powers including the use of subpenas in dealing with problem areas and third the legislation requires the SBA to forward to the Banking Committees of both Houses the results of any investigations that it conducts during the year. This will enable the committees to determine if the Small Business Administration is making a bona fide attempt to continue to clean up its bad spots.

Madam Chairman, I urge the enactment of H.R. 15578.

Mr. ANNUNZIO. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I will be glad to yield to the distinguished gentleman from Illinois.

Mr. ANNUNZIO. Madam Chairman, I thank the chairman of the subcommittee, the gentleman from Georgia (Mr. STEPHENS) for yielding to me. I would like to call the attention of my colleagues in the House that ROBERT G. STEPHENS as chairman of the subcommittee has conducted one of the most comprehensive examinations of an agency that I have seen in the last 10 years as a Member of this Congress.

We have held hearings in Atlanta, in Chicago, in Milwaukee, and other parts of the country.

I am one of those who, as a member of the subcommittee, said that because of the fraud and criminal activity that we found which, in my opinion, would total over $100 million in loans that were made, guaranteed loans, with the bankers of this country to small businessmen, that I was very reluctant to support the legislation. But I am doing so tonight because of the millions of honest businessmen in this country who need the Small Business Administration. However, I want to warn the Members of this Congress that as they vote for this legislation to make sure that in the future this legislation does not become an adjunct to the banking industry in this country where we guarantee loans that are made with banks, and then when these loans are made they are not able to be paid back.

For that reason I want to compliment the chairman of this committee, and our chief investigator, for the tremendous job that they have done on behalf of the committee, and on behalf of the taxpayers of the United States.

Madam Chairman, my reluctant support for the legislation is not because of the job that the Small Business Administration has been doing in recent years but in spite of it.

I sincerely wish that there was some way that the Congress could channel aid to small businessmen without going through the SBA. I do not want my remarks to be construed as a blanket indictment of all SBA offices and their employees for I am certain there are a large number of employees who perform their job in a highly conscientious manner. But there appears to be a growing number of SBA officials who are more interested in turning a fast buck than helping small businessmen.

For more than 8 months the Small Business Subcommittee, on which I serve, has been conducting an investigation into the operations of the Small Business Administration. Virtually every day we have discovered new problems within the agency which range from out-and-out criminal fraud to simple mismanagement. At the beginning of our investigation, the Banking and Currency Committee's Chief Investigator testified that he had found problems in some 20 SBA offices. That was at the beginning of our investigation, and since then we have uncovered problems in many more offices including a number of criminal violations.

We have reported all of our findings to the FBI and the Justice Department and also to the SBA. I wish I could report to this body that there has been a concerted effort on the part of the administration to clean up SBA and punish the wrong doers. But the only time we have seen any action is after we have pushed and prodded the agencies involved in the clean-up program. For instance, in Chicago the subcommittee uncovered a $388,000 loan that had been in default for nearly 3 years. The SBA had taken no action to collect this loan even though the borrower had violated a number of SBA regulations in connection with the loan and had virtually thumbed its nose at the agency. Although the borrower had defaulted on the loan, it is my understanding that he had opened a new publishing business and was driving around Chicago in a new car.

Only 4 days after the subcommittee held hearings in Chicago and questioned SBA's lack of collection efforts in this loan, the agency filed suit to recover the loan and less than a month after our hearings in Chicago a former SBA employee was indicted by a Federal grand jury for accepting a bribe in connection with a fraudulent loan. Less than a week later an SBA borrower entered a guilty plea in connection with obtaining a fraudulent loan.

Thus, before the subcommittee went to Chicago there was virtually no action to clean up the SBA mess and after the subcommittee's prodding it appears we are getting some action.

Unfortunately, we are not getting action from all sections of the country. Some indictments were handed down recently in Philadelphia but it took Federal officials nearly 18 months to get indictments in what appeared to be a simple case. In New York City, a Dr. Thomas Matthew has apparently ripped off the SBA for several hundred thousand dollars and SBA recently told the committee there appears to be no way the Government can get the money back. The same Dr. Matthew has been convicted by a Queens County court in New York City on numerous counts of misuse of Federal funds. Yet Federal authorities have never prosecuted Dr. Matthew. One of the reasons why Dr. Matthew was never prosecuted may well be his strong ties to the White House. The subcommittee heard from SBA investigators that they were called to the White House to discuss the Dr. Matthew case and subsequent to that discussion the investigator was called by a high level SBA official with a request to destroy the Dr. Matthew investigation report.

There has also been little action in the Richmond, Va., SBA investigation, even though the subcommittee was told that indictments would be handed down in January.

If the Justice Department ever gets around to prosecuting the wrongdoers in Richmond, in my opinion they are going to find a trail of criminal activities that leads back and forth across this country. Had it not been for the subcommittee going into the Richmond, Va., SBA office in connection with its investigation, the taxpayers would have lost millions of dollars more than has already been lost in illegal loans out of that office.

In the face of all this evidence, the SBA acts as if these are only isolated cases involving only a few wrong doers. SBA Administrator Kleppe, for instance; made a speech in which he said that the losses in Richmond would amount to no more than $50,000 and he chastised the subcommittee for blowing a small situation out of proportion. Now Mr. Kleppe has had to repudiate that statement. He has found what the subcommittee has known all along—that the Richmond losses may amount to millions of dollars.

Madam Chairman, I am supporting this legislation today but I want to make it clear that I am not going to diminish my public demands for action on the part of the Justice Department and the Small Business Administration to punish the criminals within the SBA and those on the outside who are trying to take advantage of the Agency. If SBA officials cannot clean up their own shop then it is time to remove those officials. And it is time for the Justice Department to stop its foot dragging and begin active prosecution of law breakers involved in small business crimes.

Madam Chairman, I have nothing personal against Mr. Kleppe or any of the SBA staff. I merely want to go on record and state that these bad practices must stop and that SBA go back to operating as the Congress intended—with fairness and equity to all.

Mr. GONZALEZ. Madam Chairman, my sentiments concerning this legislation tend to parallel those expressed by the distinguished colleague from Illinois.

The urgent need by thousands of small businessmen impels me to add my voice of support.

For years I have been bitterly disappointed to watch the activities of the SBA degenerate to that of an accomplice of financial institutions in the charging of extremely high—indeed exhorbitant, if not actually usurious—interest rates. Indeed, the way SBA has been operating in the past few years—unfortunately with acquiescence of the Congress—has given serious reason to wonder why it should be continued at all. Only a meager amount of money has been utilized for direct loan purposes—almost all SBA help has been on a participatory basis, yielding up the hapless businessman into the clutches of the usurer—and thereby vitiating the principal reason or cause for the very existence of SBA.

In truth, because of the insistent pressure exerted by a few of us on the subcommittee, this bill for the first time mandates a substantial sum for direct loan.

This is one principal reason why I support this bill.

Mr. PATMAN. Madam Chairman, I am certain that virtually every Member of this body has received letters from small businessmen in recent months complaining of the hardships imposed upon them by the energy crisis.

In fact, more than 100 Members have cosponsored legislation of various types to provide assistance to small businessmen who have been injured by the energy crisis.

It is because of this widespread interest in the energy crisis and its relation to small business that it is imperative that this body enact H.R. 15578 since section 8 of the legislation will allow the Small Business Administration to make loans to small business concerns that have been adversely affected by a shortage of fuel, electrical energy or energy-producing resources or by a shortage of raw or processed materials resulting from such shortages.

The legislation will allow the Small Business Administration to make new loans or to refinance existing indebtedness and to provide such assistance at a rate of interest that will be pegged to the cost of money to the Government plus one-fourth of 1 percent. Under current market conditions the interest rate on such loans would be 6⅛ percent.

Madam Chairman, I would be less than candid if I did not make it clear that enactment of this legislation is not going to solve the energy crisis problem for all small businessmen. In fact, the number of small businessmen who are helped will depend entirely on the amount of money that the administration is willing to place in its budget to fund this loan program.

It is my understanding that the Small Business Administration has only a little over $100 million in its disaster fund at the present time. Even if all of that money could be made available for energy crisis loans, it would cover only a small portion of the entire problem. It must be remembered that the disaster fund has to be used for all disaster loan programs with the greatest emphasis on the physical disasters such as floods, tornadoes and earthquakes.

Although I am hesitant to make an estimate, I will say that it will take at least a billion dollars of disaster loan funds channeled into energy crisis loans in order to even begin to ease the problem. Unless the administration is willing to make that kind of commitment to small businessmen, then I question whether this legislation will have the impact which is intended.

And of equal importance to small businessmen is the need to solve the energy crisis problem. For instance, hundreds of motel operators throughout the country have written me expressing their support for this legislation. They point out that because of the gasoline shortage and the resulting lack of travel the motel business in many areas is at a virtual standstill. If the legislation is enacted and funded, the Small Business Administration will be able to make loans to help these motel operators meet their mortgage payments—but that is not going to put more travelers on the road and more income into the cash registers of the motels. Unless we can solve the energy crisis we are only forestalling the end for not only motel operators but thousands of small businessmen throughout the country whose livelihood is based on the income from travel.

This then is a stopgap measure but hopefully it will save thousands of businesses that might otherwise go under before the energy crisis can be resolved.

Madam Chairman, I strongly support H.R. 15578 and urge its enactment and in doing so urge this body to take all necessary action on measures designed to solve the energy crisis for unless we solve the energy crisis the passage of the legislation here today will be totally meaningless.

Mr. STEPHENS. Madam Chairman, I wish to thank the gentleman for his support of this legislation.

Mr. ROUSSELOT. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from California.

Mr. ROUSSELOT. Madam Chairman, I thank the gentleman from Georgia for yielding me on the subject of H.R. 15578. I would like to take this time to compliment the gentleman from Georgia, who has served as chairman of this Small Business Subcommittee. He has taken this subcommittee through some very difficult hearings relating to the Small Business Administration. During these hearings Mr. STEPHENS has been very fair and complete in the way that he has made sure that the small business people of this country who depend on the SBA have been adequately protected.

The gentleman from Georgia has made sure that we have had total and complete hearings on the charges and countercharges that were made relating to the Small Business Administration.

Because of these hearings it was necessary to withhold this legislation from passage until many of the complaints and charges were cleaned up.

During all of this time the gentleman from Georgia was extremely fair, and made sure that the committee had all the facts. The Administrator, Mr. Kleppe was given adequate time to respond to the many charges that were made by both employees of the Small Business Administration and by outsiders.

Through all of this the gentleman from Georgia has maintained a sense of balance, and a sense of fairness and decency that we do not always find when it is politically popular to jump on troubled agencies.

So I think that the Members of the House should know that, without any doubt, the gentleman from Georgia has consistently worked to make sure that we did not just rush ahead with this legislation to increase the ceiling, without first making sure that the SBA house was in order, and, that the improper practices found in the hearings were curbed and stopped.

I want to compliment the gentleman for his very, very fine sense of fairness.

Mr. STEPHENS. I certainly appreciate the statement the gentleman made. If he keeps on talking like that, I will be glad to yield some more time to him.

Mr. MITCHELL of Maryland. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I thank the gentleman for yielding.

I want to echo the sentiments of the last speaker and the speaker who preceded him. It has been one of the more pleasurable aspects of my short time in this Congress to sit on this particular subcommittee and to witness the way in which the chairman of the subcommittee focused in on a rigorous kind of investigation, but never at any time lost sight of the fact that the Small Business Administration was necessary for the wellbeing of small businessmen in this country. I, too, want to publicly express my appreciation for the way in which the investigations and the hearings have been handled.

When the Senate passed S. 3331, their version of H.R. 15578, the bill we are presently considering, there was a provision to increase the small business 7(a) loan maximum from $350,000 to $500,000.

Today I offer a similar amendment.

The 7(a) loan is to enable small business concerns to finance plant construction, conversion, equipment, facilities, supplies, materials; and to supply such concerns with working capital.

The critical issue here seems to be "what is the size of small business?" Would an increase in the 7(a) loan maximum from $350,000 to $500,000 make a small business a big business? The answer is clearly "no."

The $350,000 maximum has not been changed since 1958. Since that time the rapid inflationary spiral in our economy has caused the cost of business plant and equipment to increase 47 percent; the increase in labor unit cost has risen 49 percent; consumer prices have gone up 54 percent. According to current economic indicators $539,000 is needed in 1974 to purchase what $350,000 bought in 1958. This ceiling increase would technically apply only to guarantee and participation loans because of the administratively set ceiling of $100,000 on all SBA direct loans.

The net effect of not increasing the 7(a) loan ceiling is to make a 1974 small business smaller with less chance to become a big business than its 1958 counterpart.

I urge passage of this amendment.

Mr. J. WILLIAM STANTON. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise to urge the passage of H.R. 15578, the Small Business Amendments of 1974.

As a member of the Subcommittee on Small Business of the Committee on Banking and Currency and the Select Committee on Small Business, I am convinced that these amendments provide an improved, expanded, and more responsible approach to fulfilling the needs of the small business community of this Nation.

Both the Select Committee on Small Business and the Subcommittee on Small Business have, during this Congress, held comprehensive hearings on the administration and operation of the Small Business Administration. Both committees have identified serious problems and have criticized, with justification, the Small Business Administration's failings and shortcomings.

Neither committee, however, has found the problems to be so insurmountable as to justify a cessation or a curtailment of SBA activities. Instead, we have suggested an expansion of those activities, but an expansion coupled with needed reform. The bill before us today provides for that expansion and that reform.

The bill increases the ceiling on loans, guarantees, and investments from $4.875 billion to $6 billion and increases several subceilings, such as those for the small business investment companies and the economic opportunity loans.

The constantly increasing interest rates have diminished the attractiveness and the value of SBA guaranteed loans. More direct loans are needed. Despite this need, only $40 million in direct loans was afforded in fiscal year 1974. This bill requires that the SBA make at least $400 million in direct loans in fiscal year 1975.

In the name of fiscal responsibility, the bill replaces the 5½-percent direct loan interest rate, now fixed by law, with a rate equal to the cost of money to the Government plus one-fourth of 1 percent. Under current conditions, this will permit the SBA to make direct loans at an interest rate of 6⅛ percent, without adding to the Federal deficit.

It is no secret that almost all businesses have been hurt by the energy shortage. The adverse impact on small businesses has been especially acute. Many small businesses—hotels, motels, restaurants, ski resorts, and other recreational facilities—have assumed financial obligations based upon their past volume of business. The fuel shortages resulted in a serious decrease in their volume. When the public stayed at home, because of real or expected problems in obtaining gasoline, these businesses found themselves unable to meet their financial obligation and were threatened with extinction.

The bill recognizes this problem and affords relief. It authorizes the SBA to make direct or guaranteed loans on a disaster basis to small businesses affected by the energy crisis. It permits the SBA to refinance existing loans to such small businesses. This bill, H.R. 15578, contains the same language as that proposed in H.R. 13068. The latter bill was sponsored by the chairman of the Select Committee on Small Business and cosponsored by all of the members of that committee.

As I said earlier, the bill under consideration is designed to expand SBA assistance, but it also provides a mechanism to insure against abuse of the current and expanded authority. It requires an annual submission by SBA to the appropriate committees of Congress of a report detailing complaints of illegal conduct. All investigations and audits must also be submitted. Finally, the bill directs the General Accounting Office to conduct and complete an audit of the SBA and its field offices, and to report its findings to the Congress within 6 months.

This bill, Madam Chairman, represents a responsive and responsible congressional reaction to the problems of the small business community and the Small Business Administration. I urge its passage and early enactment.

Mr. JOHNSON of Pennsylvania. Madam Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I yield to the gentleman from Pennsylvania.

Mr. JOHNSON of Pennsylvania. I thank the gentleman for yielding.

Madam Chairman, I rise in support of H.R. 15578.

Madam Chairman, one has but to read today's daily newspapers or listen to newscasts to realize the extreme pressures being exerted on our business concerns today.

The credit crunch in the form of tight money and high interest rates, the necessity to conform with Federal, State, and local government regulations on environmental and consumer protection laws, shortages of materials, increasing costs and a myriad of other factors are creating increasing and burdensome pressure on small business in particular.

I believe it is vital therefore that the House take quick action to enact H.R. 15578.

This bill would amend the Small Business Act and Small Business Investment Act and I submit that we cannot afford delay on this measure.

The bill is a comprehensive bill. It is a good bill and its provisions have been carefully worked out to provide maximum benefit to the Nation's hard-pressed small businesses. The amendments, if enacted, will permit the Small Business Administration to increase its overall assistance to small firms.

Prompt enactment will permit SBA to operate its financial programs at full capacity and remove the restraint under which the agency now is operating in order to comply with a legal ceiling on the total amount of loans the SBA may have outstanding at any one time.

H.R. 15578 also contains provisions to alleviate the problems created for small businesses by the energy crisis as well as other beneficial amendments.

Madam Chairman, the SBA has, in each of the past 3 years, provided record levels of assistance to small business in all of its major programs—management help, procurement as well as financial assistance.

The SBA has created a spirit of cooperation and partnership with the private sector that is gaining momentum each year and providing the basis for the increased levels of assistance to small business.

Prompt and affirmative action by the House on H.R. 15578 will help SBA maintain that momentum as well as strengthen the confidence of the private sector in SBA and small business which is so vital to the preservation of our free enterprise system.

Mrs. HECKLER of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I yield to the gentlewoman from Massachusetts.

Mrs. HECKLER of Massachusetts. I thank the gentleman for yielding.

Madam Chairman, as a member of the House Subcommittee on Small Business I rise in support of H.R. 15578, the Small Business Act Amendments of 1974. The increase which this bill provides in the loan, guaranty, and investment ceiling for SBA comes at a most appropriate time, because small businesses are faced with some of the most formidable challenges in memory. Costs are rising almost daily. Badly needed materials are in short supply. Additional requirements are being imposed on all businesses to meet laws relating to air and water pollution as well as other consumer-oriented regulations.

These requirements, as necessary as they are, do in fact make it more difficult for small firms to meet competition from larger companies, and I believe that we cannot afford to permit the erosion of the small business community, which is the bulwark of our competitive, free enterprise system. This legislation contains amendments to the Small Business Act which will allow the Small Business Administration to accelerate its assistance to small firms, and strengthen the quality of its programs.

I would like to focus on section 9 of the bill, which is an amendment I offered during the subcommittee's markup. The section provides for the establishment in SBA of a special position, called Chief Counsel for Advocacy, which will draw together under a highly placed official the responsibility for several functions which I believe merit greater emphasis by SBA.

The Chief Counsel's primary duty would be to serve as an ombudsman for small businessmen, both within the SBA and the Federal bureaucracy as a whole. The Counsel would be a focal point for the receipt of complaints, criticisms and suggestions from small businessmen concerning SBA's programs and policies. He would analyze the suggestions and pursue them within the agency to effect changes which will make the SBA more responsive to the small business community.

Also as a result of these communications, the Chief Counsel for Advocacy would represent the interests of small businessmen in the proceedings of other Federal agencies. This is a vitally important role, because as we all know, the most effective way to gain consideration of one's point of view by a Government agency is to participate in the development of policy and programs. The interests of small businesses will be better served by the SBA if the agency would take a more active part in Federal rulemakings, program development, and similar activities which affect small businessmen. The Chief Counsel for Advocacy would have that responsibility.

Another function of the Chief Counsel would be to achieve a wider dissemination of information about Federal assistance programs which might be of benefit to small businesses. At the present time, such information is available only at SBA offices, and is usually limited to SBA programs.

I envision the development of cooperative arrangements between the SBA and private sector, business oriented organizations and associations, through which SBA could distribute practical information on the availability of Federal assistance and the procedures involved in securing such assistance. There are over 1,700 Federal assistance programs, and I am convinced that many small businessmen are not aware of the many programs that are open to them, for the simple reason that the relevant information is not easily accessible. The use of business organizations would help in disseminating this information, and under section 9, the Chief Counsel would have the responsibility for setting up such a network.

These proposals have come from the small business community itself. This past spring, I attended, as did many of my colleagues here today, the annual Washington presentation by small business associations from around the country of their legislative proposals. One organization in that meeting which was particularly enthusiastic about small business advocacy was the Smaller Business Association of New England, which was worked since 1938 to promote the interests of small companies throughout the six-State New England region. Subsequent to the Washington presentation, I worked with the association's officials to develop the proposal which is incorporated in this bill as section 9. Several alternatives were considered, and the one contained in this bill was chosen as the most effective approach at the least cost. Since the proposal was offered in subcommittee, and, incidentally received unanimous support, I have received letters of support from small businessmen in all parts of the Nation. I am grateful for their support, and for their initiative in coming to Washington to advise us on how SBA can better serve the small businessman.

I hope that my colleagues will vote for the bill, and in particular this section, so that we can provide a strong impetus for expansion of the SBA, and the improvement of its programs.

Mr. J. WILLIAM STANTON. Madam Chairman, the legislation we have before us today, of course, came out of the Committee on Banking and Currency to our Subcommittee on Small Business. However, all of us realize that we have been helped tremendously by the Select Committee on Small Business throughout the years on problems involving the Small Business Administration. I should now like to yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE), the ranking minority member of the Select Committee on Small Business.

Mr. CONTE. Madam Chairman, I thank the gentleman from Ohio for his kind remarks.

Madam Chairman, I rise to express my sincere, wholehearted support for H.R. 15578, the Small Business Amendments of 1974, and to urge my colleagues to vote for its passage.

The bill under consideration is responsive to the needs of the small business community and the administrative problems experienced by the Small Business Administration.

These needs and problems have been identified and scrutinized during this Congress by both the Select Committee on Small Business and the Small Business subcommittee of the Committee on Banking and Currency.

In my opinion, Madam Chairman, the bill before us is an excellent response to the problems being experienced by small businesses and firms located in all parts of this country. I would like to thank and congratulate the chairman of the subcommittee on Small Business (Mr. STEPHENS), the ranking minority member of that subcommittee (Mr. STANTON), and all of the members of the Committee on Banking and Currency. They have reported to us an excellent bill, one that can be and should be endorsed by every Member of this body.

As the ranking minority member of the Select Committee on Small Business, I was pleased to note that the bill under consideration addresses the problem area identified in the continuing hearings of the Select Committee on Small Business, as well as those highlighted by the investigations conducted by the Small Business Subcommittee of the Banking and Currency Committee.

Too often, Madam Chairman, this Congress tends to be inattentive to its commitment to small business. We tend to consider problems of the economy and unemployment in terms that are too general. We need to be reminded that there are almost 9 million small businesses in this country. They produce more than 40 percent of our gross national product and over 50 percent of our jobs. These small businesses provide a livelihood for over 100 million Americans.

They are in trouble and they are pleading for help. We can respond to that plea today by voting for this bill.

I believe it is important to note that the bill not only provides for the expansion of existing Small Business Administration programs, it also mandates a closer and continuing congressional oversight of all SBA activities and operations. Thus, while the bill authorizes new programs and raises the ceilings and subceilings on existing programs, it also provides the mechanism for the detection and prevention of abuses.

There are two specific characteristics of the bill that I believe are especially important. The first is the requirement that SBA expand its direct loan activity as opposed to its guaranteed loan activity. The SBA would be required to make at least $400 million in direct loans for fiscal year 1975. This would be a dramatic increase over the $40 million committed to direct loans in fiscal year 1974.

We have to face the fact that the interest rates even on SBA guaranteed loans have skyrocketed. A loan carrying an interest rate of 10½ percent or 11 percent is hardly the kind of assistance needed by a small firm threatened with extinction. On the other hand, the current fixed rate of 5½ percent on direct loans is lower than the cost of money to the Government. The SBA, therefore, has been reluctant to increase its direct loan activity, because of the resultant impact on the budget deficit.

The bill, by requiring more direct loans, but at a rate of one-quarter of 1 percent above the cost of money to the Government, provides a sensible and fiscally responsible solution to the problem.

The other provision I would like to mention and praise is section 8 of the bill. This section includes the language of H.R. 13068, which was introduced on February 27, 1974, by the chairman of the Select Committee on Small Business (Mr. Evins) and cosponsored by every member of the select committee. This section would allow the SBA to make direct or guarantee loans on a disaster basis to any small business adversely affected by the energy crisis. It would also allow SBA to refinance existing loans to such businesses.

I have received complaints and pleas for help from numerous ski resorts, lodges, motels, hotels, and restaurants which have suffered serious economic reversals because their potential customers elected to stay at home rather than face running out of gas on the road. They need help in the form of long-term 30-year, low-interest 6⅓-percent loans. This bill affords that help.

Madam Chairman, I urge my colleagues to support and vote for this bill.

Madam Chairman, as a member of the Appropriations Committee I pledge to the subcommittee, to the chairman and to the ranking minority member that I will do everything I can to see, if a supplemental appropriation bill comes out, that this money is in the bill to be brought to the House and sent to the Senate.

Mr. STEPHENS. Madam Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Georgia.

Mr. STEPHENS. Madam Chairman, I appreciate the information that the gentleman has just given, but also I would like to say that the gentleman from Massachusetts has taken a great lead in this field of small business as the ranking minority member on the Select Committee on Small Business. I compliment the gentleman on that.

Really, this bill and the previous bill the gentleman mentioned earlier are on a subject matter which was reserved to this subcommittee and through the leadership of the gentleman and the gentleman from Tennessee (Mr. Evins), chairman of the subcommittee, as well as the efforts of the Legislative Committee, special attention has been paid to the needs of SBA.

Madam Chairman, I express my appreciation to the gentleman.

Mr. CONTE. I thank the gentleman for his remarks.

Mr. STEPHENS. Madam Chairman, I yield 5 minutes to the gentleman from New York (Mr. Koch).

Mr. KOCH. Madam Chairman, first, I would like to say to the chairman of the subcommittee on which I serve, as have the other Members who have stood in this well this evening and who serve on that committee, that it is a special pleasure to serve on that committee because of the kindness, the courtesy and the cooperation that the chairman gives to every member. I know that on occasion compliments are paid simply because of the courtesies of the House but I want the chairman, my good friend, the gentleman from Georgia (Mr. Stephens) to know that I make the statement with all sincerity and affection for my good friend. He is an exceptional person and it is a pleasure to serve on his committee.

Mr. STEPHENS. Madam Chairman, if the gentleman will yield, I would like to thank him.

Mr. KOCH. I am supporting this bill. As the Members may recall, when the extension of the SBA came before this House several months ago, I opposed the extension with my good friend, the gentleman from Texas (Mr. Gonzalez), a member of the committee, because we believed that the bill at that time ought not to be extended. We believed there were not adequate protections in that legislation.

The subcommittee has worked long and hard, and as others have pointed out, held investigations which brought forth facts which made us certain that all was not right with respect to the administration of the SBA. That is a continuing situation that the committee is addressing itself to.

We have put into this bill a provision that the GAO will have an audit of SBA activities and that the initial audit will be made available to the committee within six months from the enactment of the bill.

I know, having participated in the investigation of the SBA, that much has to be done with respect to the way SBA programs are administered.

I also want to make the point that I am not happy with the nature of the kinds of loans that are being made, the amounts of those loans, the $350,000 loans.

I am not happy with the fact that concerns that do business in the millions are receiving loans.

I believe that SBA was intended for the mama and papa type of establishment. That is what I understood SBA to be all about, but the fact is that is not what it is all about today.

I hope there will be a review of that situation and that there will be changes, so as to make funds available for the small shopkeeper, the small entrepreneur. Yet on balance knowing of the need that we have, I have no hesitation in supporting this legislation and urging my colleagues to vote for it, while seeking to improve the basic legislation.

Mr. J. WILLIAM STANTON. Madam Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. Widnall).

Mr. WIDNALL. Madam Chairman, in jeopardy today is the Small Business Administration's ability to maintain its services to the small entrepreneur, to make the kinds of commitments and loans which thousands of small businessmen depend on.

As of June 30, 1974, the SBA is not allowed, under Public Law 93–237, to incur obligations which exceed the level outstanding as of that date. Also prohibited under the law is the assumption of obligations beyond the subceilings previously authorized and levels reached for, first, State and local government; second, the economic opportunity loan program, and third, the Small Business Investment Company.

Authorization ceilings for the funding of the SBA must be increased in several areas if the agency is to be able to make loans and commitments beyond those it can meet out of its meager repayments and cancellation receipts.

It is as true of the SBA as it is of individuals, that the first to find their griefs are the last to find their faults. The occasion demands, however, that while it is the responsibility of the Congress to make the SBA as well aware of its errors as is everybody else, this should not be done to the detriment of the small businessman. To do that would be to overrate the questionable operations of the SBA and underrate its benefits. The small businessman, having proved in the first instance a victim of neglect, would in the second, prove a victim of reform.

Twenty years ago, the U.S. Congress, taking a broad and perceptive look at the needs of the American economy, enacted a law providing for the establishment of the Small Business Administration. Today, new legislation designed to meet SBA's loan needs, and improve its services, is required. H.R. 15578 meets these demands.

First, the bill would authorize an increase in several loan subceilings, and in the overall ceiling, from $4.875 billion to $6 billion. The authorization increase provided for by the House Committee on Banking and Currency extends through the fiscal year 1975.

While in the past, authorizations have been provided for on a 2-to-3 year basis, the committee, cognizant of its heavy oversight responsibilities, believes that a 1-year authorization will give the Congress a greater opportunity for impact on the agency.

More than this cannot be done, without compromising the freedom of the

SBA, without endangering the success of its operations. It is that element of freedom which, while it does not decrease the possibility for abuses, increases the opportunity for creativity. Power tends to corrupt, as Lord Acton said, but lack of power also corrupts. The Congress cannot change the fact that the seat of evil in this world lies not in men's institutions but in men themselves.

It is the job of the Congress to legislate, not regulate. In performing its oversight functions, the Congress must remain clear of the quagmire of administration, so that it may continue to offer policy and guidance assistance. Reproofs from the Congress ought to be grave and not taunting, just as a parent must instruct and not alienate. This will best serve the interests of the small businessman, who, after all, is the object of our concern.

The agency has, under a 1966 law, the power to subpena both documents and people with regard to its small business investment program. Under H.R. 15578, these investigatory powers would be extended to cover all acts which violate the regulations imposed by the agency in all of its programs.

Another safeguard against corruption is the requirement that all complaints by the public alleging illegal conduct on the part of SBA employees be submitted to the Congress on an annual basis. In addition, the administrator must also prepare each year a report summarizing the investigations undertaken by the SBA in connection with the operation of its programs.

The small entrepreneur needs protection not only from individual instances of corruption, but also from excessive government bureaucracy. As a curb to such abuses as may arise, the bill establishes within the SBA an office known as the Chief Counsel for Advocacy. In short, this high level executive would serve as an ombudsman for small business. This will increase the efficiency of the SBA, and give the man who really needs government help the full benefit of its services.

Businesses adversely affected by energy crisis situations, would be given assistance by this bill, under the SBA disaster loan program. Either their old loans could be refinanced, or new guaranteed or direct loans arranged. This is but another way in which this bill brings into the 1970's, an agency originally designed to meet the needs of the 1950's.

One great problem with the SBA has been the interest rate it charges on direct loans. In the recent past the direct loan program has subsidized small business by charging it interest at a rate lower than the cost of money to the Federal Government itself. A perverse result has been to reward small business borrowers who default on their market-interest rate loans, by SBA taking over the loans at 3 percent. By the provisions of this bill, such a delinquent borrower would pay interest at a rate equal to the cost of money to the Government, plus one-fourth of 1 percent to cover the costs of administration.

Direct loans may be expected to increase greatly as a result of this action by meeting the objections of the Office of Management and Budget in ending the subsidy aspect of the program. In addition, the bill mandates the extension of at least $400 million in direct business loans by the OMB, thus reversing a trend away from the direct to the guaranteed loan. This is a benefit to small business, since the interest rate charged under the revised direct loan program is still far lower than that charged by the banks.

Finally, the surety bond, which guarantees job performance, is raised from a maximum of $500,000 to $1 million. This to meet the increased demands imposed on small business over the past few years.

Whoever takes credit for the rain, an old farm saying goes, must take credit for the drought. The SBA, never one to minimize its accomplishments has, however, taken credit for the drought and worked these past few months to correct its faults. Learning of his errors, it is the fool who leaves them uncorrected. The SBA is no fool.

We are all familiar with the people who run small businesses. They live in our neighborhoods and sell us our groceries. Without them we would all be poorer, for they give our communities a sense of identity and spirit. Shoe leather may be dyed, foods canned, even birds stuffed. But these a society do not make. The heart of our Nation still lies in the breasts of her citizens and not in the memory banks of her computers.

A prescient American wrote in 1820:

> Subdivision of labor improves the art, but debilitates the artist, and converts the man into a mere breathing part of that machinery by which he works.

The United States needs its small businessmen, because it needs to remember that its success was built upon the sweat of men, not the oil of machines.

A nation runs as much on its character as on its cholesterol, as much on its small business spirit as on its big business product. Though the number of small businesses increase by 100,000 each year, of every 10 new small businesses created, 9 are discontinued. If we are to stay the course, then these failures must be limited, the SBA must be able to offer the kind of assistance required. Half of the country's workers depend on the prosperity of small businesses for their jobs. We would do well, by supporting this bill, to protect their livelihoods as a way of protecting our own.

Madam Chairman, before I close I would like to compliment the chairman and the ranking minority member of the Subcommittee on Small Business, who has done an outstanding job in conducting hearings, investigating the problems of the SBA and in making not only adequate but sound recommendations for the future conduct of the SBA. At the same time, I want to congratulate my colleague from Massachusetts, Mr. Conte, who is on the Select Committee on Small Business. He has done an outstanding job through the years in helping those who have problems with small business.

Mr. STEPHENS. Madam Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. Roush).

Mr. ROUSH. Madam Chairman, I wish to commend the committee for bringing forth this legislation which will strengthen the Small Business Administration. I would also like to state my colleague from Massachusetts, Mr. Conte, correctly pointed out that we have 9 million businessmen in this country and, as I understand it, 95 percent of all businessmen are small businessmen.

The small businessman has his back to the wall in many regards. It is not just financial help he needs. On last Friday I held a conference in my congressional district on small business. Participating were a representative of the Select Committee on Small Business of this House, a representative of the Department of Commerce, a representative of OSHA, a representative of SBA and others. The important thing that came from this confeernce was not the lecturing which came from these people but, rather, the input which came from the small businessmen in attendance. They described to us their problems in great detail. I shall put together a report, which I hope to have in the hands of each Member of the House within the next week or 10 days. I would hope that the Members might read this report and that from that they too might be inspired to receive from their constituents, small business men and women, their needs, for they are indeed many.

While I commend the committee for producing this legislation, I think there are many other areas to which this Congress could address itself which would be very helpful to the small businessman.

Mr. WINN. Madam Chairman, will the gentleman yield?

Mr. ROUSH. I yield to the gentleman from Kansas.

Mr. WINN. Madam Chairman, I want to commend the gentleman from Indiana for sending to all of the Members of the House the format of the meeting he has just described in which the members of the Small Business Administration, along with other Government agencies, have participated.

Because of the basic format and suggestions that he has sent around to all Members, I have taken the time and energy, as he did, to set up a similar program the first week in September for the Greater Kansas City area, including all of the same agencies. I look forward to having the same success that he did in his program.

Mr. ROUSH. I think the gentleman will be pleased with the result of his endeavor.

Mr. J. WILLIAM STANTON. Madam Chairman, I yield 1 minute to the gentleman from California (Mr. Lagomarsino).

Mr. LAGOMARSINO. Madam Chairman, I support H.R. 15578, Small Business Amendment of 1974. Small business is the backbone of our economic system and the real hope of our free enterprise system. These small businessmen do not ask for much—just for a chance to participate in the economy. I think it is extremely important that we make it possible for SBA to properly and adequately assist the small businessman.

Mr. STEPHENS. Madam Chairman, I yield 1 minute to the gentlewoman from Louisiana (Mrs. Boggs).

Mrs. BOGGS. Madam Chairman, I am pleased with the action that the House is taking today on the Small Business Act Amendments (H.R. 15578), in particular the amendment to provide long-term, low-interest loans to small businessmen affected by the energy crisis. I had initially cosponsored this proposal with Mr. Fraser and others.

The proposal will allow the Small Business Administration to make or refinance loans to companies which are directly and seriously affected by the fuel shortage. The repayment period for the loans will be up to 30 years. Interest rates will be based on a formula used by the SBA in calculating the repayment terms for natural disaster loans.

This legislation is needed because of the uncertainties small businesses have faced in the past years with the varying administration of wage-price controls and, now, the shortage of energy. The legislation amends the section on natural disasters which is appropriate because the severe ramifications of the fuel shortage could not be predicted by the small concerns and is, thus, as similarly disastrous as a flood or an earthquake.

We cannot afford to lose any more of the independent, owner-operated businesses. They provide an element of competition in an economy dominated by large firms. They provide jobs for millions of people. Congress must take this action so that these companies can continue to provide much needed goods and services.

By providing easier access to credit and better payment terms we should be able to aid small tourist concerns, correlated businesses, and others who are dependent on easy availability of fuel—either as a raw material or as a factor needed for demand.

Mr. J. WILLIAM STANTON. Madam Chairman, I yield 1 minute to the gentleman from Oregon (Mr. Dellenback).

Mr. DELLENBACK. Madam Chairman, I thank the gentleman for yielding. I think the record of the SBA has been an excellent one.

There is not any question that in my district, in my State of Oregon, there has been great good that has been accomplished by it.

I think the provisions in this bill are highly desirable. I commend those who have worked so hard on it, the subcommittee and the committee. I thank them for bringing this bill to us, and I urge support of this legislation.

Mr. KYROS. Madam Chairman, I rise in support of the amendment that will be offered by the gentleman from Louisiana (Mr. Treen) which will restore the rights of our fishermen as small businessmen to the benefits now available to every other businessman. It is indeed ironic that at a time when our fishing industry is facing great economic hardships, they should be cut off from their main sources of Federal assistance. I would hope that all my colleagues here would support this move to end the discrimination which resulted when the moratorium was placed on the fisheries loan fund by the NOAA Administrator in 1973. Speaking for my own fishermen in Maine, I know how important the SBA loans were to them in the interim, and they were frustrated in their attempts to seek loans elsewhere in these days of sky-high interest rates. It is known that the New England fishing industry is in need of economic assistance in order for them to compete on an equal level with the heavily subsidized foreign fleets fishing off our shores. The SBA cut-off of loan funds was the final blow in what they regard as Federal Government indifference to their problems. The amendment which is being offered now would permit loans to be granted while the National Oceanic and Atmospheric Administration is revising the old loan program. I am hopeful that some day funds will again be available from NOAA for our fishermen on the loan basis, but until that date, at least our fishermen will not be discriminated against as small businessmen. The wording of the amendment permits the SBA to end the duplication of Government programs as soon as the moratorium is lifted or a new loan program goes into effect. I earnestly hope that this amendment will receive unanimous support because it is the least we can do to our beleaguered fishermen.

I would also commend my colleagues' attention to the following letter from one of my constituents which clearly and starkly indicates the need for this amendment:

Orr's Island, Maine,
July 23, 1974.

Congressman Peter Kyros,
Cannon House Office Building,
Washington, D.C.

Congressman Kyros: I am writing in reference to the federal aid and assistance in the purchasing of a commercial fishing vessel.

Mr. F. Burton Whitman, the Vice-President of the Brunswick Savings Institution, in Brunswick, suggested that I contact you in this matter because you have been closely associated with the problems of the Maine fishermen.

I am 25 years old and married and have no children. I have been fishing for a couple of years on a dragger and am now on a lobster and tub-trawler. In this short time, I feel I am capable of owning and fishing my own boat. There is a boat for sale at this time in Portland. I know the boat and the skipper. The boat is eight years old, forty-five feet long, steel hulled, and fully equipped with electronics, all in very good condition.

The price of the boat is $60,000. My funds are minimal and this is the problem I face. Regular financing through a bank is not only difficult to obtain, but the interest rates are unbearably high. I have contacted a couple of low interest loan agencies, both Federal and local.

If you could suggest some more agencies and possibly contact them in my behalf and concerning the difficulty for young fishermen to get started in business, I would be very grateful.

Sincerely yours,
Bruce M. Duggan.

Mr. HUNGATE. Madam Chairman, as a member of the House Select Committee on Small Business, I am greatly interested in the legislation before the House today to amend the Small Business Act.

Having served on two subcommittees which have investigated the impact of the energy crisis on small business, I am especially pleased by the provision in this legislation which would permit the Small Business Administration to give direct or guaranteed loans to small businesses affected by the energy crisis.

I also support the provision to increase SBA's loan, guarantee and investment ceiling from $4.875 billion to $6 billion to insure the continuation of those vital programs which presently offer assistance to small business.

Furthermore, I support the amendment to create a Chief Counsel for Advocacy, so that small businessmen can have a spokesman who can advocate their cause.

However, I do have serious reservations about the amendment to section 7 of the Small Business Act, which provides for a new method of calculating interest rates for direct loans. For years now, the Office of Management and Budget has directed the SBA to steadily reduce the amount and volume of direct and immediate participation loans. For example, in 1965, these loans accounted for 92.2 percent of SBA's business loan activities, and last year, this percentage fell to 6.8 percent. To me, this is an appalling statistic.

The administration's excuse for reducing the number of these loans was that, at the statutory 5½ percent interest rate, it costs the Government more to obtain these loans than it would receive in interest and thus these loans were being provided on a loss basis. As a result of this policy, many deserving businessmen were refused loans, and thus have been unable to begin or expand their business. Those able to obtain alternative financing were obliged to pay interest rates of up to 12 percent, and thus many small businessmen were forced to pay millions of dollars in excess interest rates.

Small businessmen are proud, self-reliant individuals, and they do not need subsidies to survive. However, Congress established this program to provide needed assistance to this vital sector of our economy and now, because of the present administration's inept economic policies, which has artificially driven up interest rates to phenomenal proportions, and thereby made these 5½-percent loans uneconomical for the Government to continue, these small businessmen must suffer.

I submit that, as the administration's mishandling of the economy is responsible for this situation, the administration has a special responsibility to assist these small businesses, which it has been persecuting by shutting off the availability of these loans.

I will support this bill only because it will make $400 million available for direct loans to small businessmen next year. Nonetheless, it should be made clear that, should this new formula for calculating interest rates result in higher interest rates, the burden falls upon this administration, which, by its actions and inaction, has shown that it is incapable of formulating an economic policy which fosters and encourages the growth of small business. It is indeed unfortunate that the burden for the present administration's economic ineptitude should be borne by small businessmen, who historically have given so much to this Nation. I commend the Committee on Banking and Currency for this effort to help those who have been abandoned by this administration.

Mr. GILMAN. Madam Chairman, I rise in support of H.R. 15578, the Small Business Act amendments.

I am particularly pleased to support this measure because the Banking and Currency Committee has wisely seen fit to include in the reported bill, provisions of a measure I introduced and supported in March of this year.

My bill, H.R. 13196, authorized the SBA to provide low-interest loans to those small businesses which were seriously affected by shortages in energy producing materials.

There can be no doubt that this sort of assistance is essential for many of our small businessmen. The overwhelming impact of the energy crisis and the resultant shortages of petroleum and petroleum products seriously hampered the productivity of many industries taking the hardest toll on our Nation's smaller businesses.

Section 8 of the committee proposal provides for the issuance of SBA loans to assist or refinance the existing indebtedness of many small business concerns seriously and adversely affected by a shortage of raw or processed materials resulting from such shortages. I commend the committee for including this sorely needed provision and urge my colleagues to support the passage of this significant legislation.

Mr. BADILLO. Madam Chairman, I shall vote for H.R. 15578, which extends the programs of the Small Business Administration because, although the benefits derived from the program are limited, it is important that efforts of assistance in this area be maintained. However, it is time to acknowledge that these programs cannot accomplish the purpose for which they were created because their scope is too narrow and the range of tools available through them too restricted to permit effective response to existing needs.

Small business does not exist in a vacuum. Its success is heavily dependent upon overall economic growth. While the availability of capital is essential and loan programs and loan guarantees are needed, they will amount to very little if business demand is weak. When large industries desert an area, when growth rates drop, and when unemployment reaches high levels, small business suffers despite the loan guarantees we may provide for it.

Small businesses are the first to react unfavorably to decreased profit margins, higher costs of production, narrowing sources of supplies. In addition to the loss of overall job opportunities, the decline in economic growth in our poor areas carries with it a steady decline in ownership opportunities for small businessmen. There are unfortunately no readily available statistics to measure this trend, but ominous indicators appear in news accounts such as the New York Times' recent description of conditions at the Hunts Point Market.

This facility, which took the place of the Washington Market, the main conduit of fresh produce in New York City, was modernized at considerable cost. Its renovation, however, brought with it higher operating costs for cooperating dealers. As a result, while in 1966, 267 independent dealers sold merchandise to the public at the Washington Market, today there are only 89 remaining. Yet, not only does entrepreneurship present a real ladder of opportunity for the venturesome individual, it is also an excellent safeguard of consumer interests because it counteracts monopolistic control of production and distribution of goods. It is also a great contributor to the sound tax base of localities. The energy crisis last winter vividly brought home to us what can happen to the interests of the country and the consumer when huge corporations control production and distribution of vitally needed materials. The indirect costs of such control to the localities in which small, independent businesses were wiped out and imperiled have not yet been totaled.

The core cities of our Nation are steadily losing jobs. New York City in a period of just 1 year lost 36,000 jobs, and over a quarter million jobs were lost during the past 4 years. There was a reduction of 16,000 slots in the manufacturing sector; 10,000 in retail and wholesale trades; 5,000 in the finance, real estate and insurance industries—for a total loss of 44,000 jobs in private industry. These losses were only partially offset by a combined growth of 8,000 jobs in government and service industries, jobs, incidentally, which usually return lower wages and make a smaller contribution to the tax base of the locality concerned than do manufacturing jobs.

By 1965, almost a decade ago, there were sufficient indications to show that our central cities as well as some of our poor rural areas were headed for serious trouble. Economic growth, according to a study published by the Advisory Commission on Intergovernmental Relations, is related directly to rates of increase in the total population and inversely to rates of increase in nonwhite population. Between 1960 and 1965, the period of greatest population growth, over 15 percent was experienced in the metropolitan suburbs. The next greatest growth, 6 percent, occurred in nonmetropolitan towns with over 10,000 population. The central cities in metropolitan areas, however, showed a growth rate of only 3.5 percent and poor rural areas were last with only 3.3 percent.

Madam Chairman, I think it is time we accepted the fact that we can only help small business by inducing overall economic growth and we can only induce sound economic growth by reevaluating our approaches and giving serious thought to utilizing a hitherto little-used tool; namely, tax incentives and tax abatement as inducements to engender investment in economic growth and the creation of jobs. There is sufficient evidence available to us to indicate that such an approach can pay off.

In 1948, Puerto Rico, faced with widespread economic underdevelopment, high unemployment, exceedingly low per capita income, and insufficient utilization of its resources—indicators of economic malaise prevalent in our economically depressed areas—instituted an economic development plan dubbed "Operation Bootstrap." This effort consisted in granting real and personal property invested in certain types of industrial development exemption from municipal and Commonwealth taxes. The period of exemption varied and was directly related to the amount of investment. Thus, commitments of up to a million dollars earned a 5-year exemption, while ventures ranging between $1 and $3 million were rewarded with 6 years. The maximum exemption granted was for 10 years and required a commitment of $10 million.

When Puerto Rico evaluated the results of this policy in 1953 it found that the net income of the Commonwealth had increased from $612 million in fiscal year 1946–47 to $891 million during fiscal year 1951–52; that total wages and salaries earned had jumped from $322,776,000 to $537,627,000 and there had been a concurrent increase in the per capita income of over 50 percent.

Madam Chairman, our poor areas are not only lacking in capital, they are also deficient in available technical skills which would permit them to fully utilize their available resources. Our categorical programs, while filling certain needs, have fallen far short of bringing about the economic growth required. Admittedly, they were hampered by insufficient funding and uncoordinated administration in many instances. But their primary weakness derives from the uncertainty of their future and a deficiency of technical expertise. It would be easy to overcome these two difficulties by inducing private industry to put to work its know-how and investment capacities in areas of designated economic need through favorable tax policies. By rewarding not only investment but success, we would assure ample technical resources and would eliminate the uncertainty connected with categorical programs since the tax breaks granted the firms would signify an ongoing commitment to such an effort.

While I support the measure before us, I have been seeking for solutions to this broader range of problems. As a result of my research, I plan to introduce, within the next few months, a measure designed to promote economic growth by granting liberal tax incentives to industries willing and able to locate, relocate, and expand their operations in our economically depressed areas. I shall also include in my legislation tax credits for the establishment of meaningful job training and promotional policies. The participating firms will be rewarded by tax breaks in proportion to their commitment and in direct ratio to the success they achieve.

Nor is this all. One section of my measure will deal directly with the extension of ownership opportunities for small businessmen by working out a "turnkey" program with large, successful firms under which corporations would utilize their resources in the creation and development of small businesses tied to them for a period of time by long-range contracts but destined for eventual full ownership and control by independent entrepreneurs, or community development agencies capable of acting on behalf of their communities. The firms will be given an option to divert a designated portion of their Federal tax liability into designated types of investment. They will be given tax credits in direct relation to the amount of their investment as well as credits for the value of their technical assistance. If successful, they will be further rewarded with tax abatement on the income they derive from the sale of their share of stocks in the small, successful firm when its period of initial growth and development is over.

The economic situation of our country is extremely serious and the well-being of our citizens is severely imperiled. 1 think the time has now come for new approaches and an all-out commitment to meaningful economic development and growth policies. When my measure is ready for introduction I shall seek the cooperation of Members on both sides of the aisle and I hope that I shall receive their support.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Small Business Amendments of 1974".

SEC. 2. (a) The Small Business Act is amended—

(1) by redesignating subsection (b) of section 2 as subsection (c) and by adding after subsection (a) of that section the following new subsection:

"(b) The assistance programs authorized by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.";

(2) by striking out paragraphs (1) and (2) of section 4(c), and inserting in lieu thereof the following:

"(c) (1) There are hereby established in the Treasury the following revolving funds: (A) a disaster loan fund which shall be available for financing functions performed under sections 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), 7(c) (2), and 7(g) of this Act, including administrative expenses in connection with such functions; and (B) a business loan and investment fund which shall be available for financing functions performed under sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, including administrative expenses in connection with such functions.

"(2) All repayments of loans and debentures, payments of interest and other receipts arising out of transactions heretofore or hereafter entered into by the Administration (A) pursuant to sections 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), and 7(c) (2) of this Act shall be paid into a disaster loan fund; and (B) pursuant to sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, shall be paid into the business loan and investment fund.";

(3) by striking out paragraph (4) of section 4(c), and inserting in lieu thereof the following:

"(4) The total amount of loans, guarantees, and other obligations or commitments, heretofore or hereafter entered into by the Administration, which are outstanding at any one time (A) under sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, shall not exceed $6,000,000,000; (B) under title III of the Small Business Investment Act of 1958, shall not exceed $725,000,000; (C) under title V of the Small Business Investment Act of 1958, shall not exceed $525,000,000; and (D) under section 7(i) of this Act, shall not exceed $450,000,000."; and

(4) by adding at the end of section 7 the following three new subsections:

"(i) (1) The Administration also is empowered to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern, or to any qualified person seeking to establish such a concern, when it determines that such loans will further the policies established in section 2(b) of this Act, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administration may defer payments on the principal of such loans for a grace period and use such other methods as it deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administration may, in its discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administration: *Provided, however,* That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency.

"(2) The Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guarantees, participations in loans, and pooling arrangements authorized by this subsection.

"(3) To insure an equitable distribution between urban and rural areas for loans between $3,500 and $50,000 made under this subsection, the Administration is authorized to use the agencies and agreements and delegations developed under title III of the Economic Opportunity Act of 1964, as amended, as it shall determine necessary.

"(4) The Administration shall provide for the continuing evaluation of programs under this subsection, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report required by section 10 (a) of this Act.

"(5) Loans made pursuant to this subsection (including immediate participation in and guarantees of such loans) shall have such terms and conditions as the Administration shall determine, subject to the following limitations—

"(A) there is reasonable assurance of repayment of the loan;

"(B) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(C) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(D) the loan bears interest at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the program as the Administration may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3108 et seq.) shall not exceed the rate currently applicable to new loans made under section 201 of that Act (42 U.S.C. 3142); and

"(E) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

"(6) The Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this subsection are allotted to small business concerns located in urban areas identified by the Administration as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administration shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this subsection.

"(7) No financial assistance shall be extended pursuant to this subsection where the Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

"(j) (1) The Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical or management assistance to individuals or enterprises eligible for assistance under subsection 7(i) of the Act, with special attention to small business located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(2) Financial assistance under this subsection may be provided for projects, including without limitation—

"(A) planning and research, including feasibility studies and market research;

"(B) the identification and development of new business opportunities;

"(C) the furnishing of centralized services with regard to public services and Government programs including programs authorized under subsection 7(i);

"(D) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(E) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

"(F) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing business, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

"(3) The Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(4) The financial assistance authorized by this subsection includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services.

"(5) The Administration is authorized to make payments under grants and contracts entered into under this subsection in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments.

"(6) To the extent feasible, services under this subsection shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(7) The Administration shall provide for an independent and continuing evaluation of programs under this subsection, including full information on, and analysis of, the character and impact of managerial assistance provided, the location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations deemed advisable by the Administration shall be included in the report required by section 10(a) of this Act.

"(8) The Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this subsection and of subsection 7(i) of this Act. The Administration shall provide for the continuing evaluation of programs under this subsection and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(k) In carrying out its functions under subsections 7(i) and 7(j) of this Act, the Administration is authorized—

"(1) to utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or political subdivision of a State, accept and utilize the service and facilities of such State or subdivision without reimbursement;

"(2) to accept, in the name of the Admnistration, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible, or intangible, received by gift, devise, bequest, or otherwise;

"(3) to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 655(b)); and

"(4) to employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; to compensate individuals so employed at rates not in excess of $100 per diem, including traveltime; and to allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually."

(b) Title IV of the Economic Opportunity Act of 1964 is hereby repealed; and all references to such title in the remainder of that Act are repealed.

SEC. 3. The Small Business Act is further amended—

(1) by amending section 5(b) by striking out "and" following paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and by adding at the end of paragraph (9) the following new paragraphs:

"(10) upon purchase by the Administration of any deferred participation entered into under section 7 of this Act, continue to charge a rate of interest not to exceed that initially charged by the participating institution on the amount so purchased for the remaining term of the indebtedness; and

"(11) make such investigations as he deems necessary to determine whether a recipient of or participant in any assistance under this Act or any other person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or of any rule or regulation under this Act, or of any order issued under this Act. The Administration shall permit any person to file with it a statement in writing, under oath or otherwise as the Administration shall determine, as to all the facts and circumstances concerning the matter to be investigated. For the purpose of any investigation, the Administration is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena issued to, any person, including a recipient or participant, the Administration may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Administration, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found."; and

(2) by striking out the third sentence in paragraph (2) of section 7(h) and inserting in lieu thereof: "The Administration's share of any loan made under this subsection shall bear interest at the rate of 3 per centum per annum."

SEC. 4. Section 10 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(g) The Administration shall transmit, not later than December 31 of each year, to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a sealed report with respect to—

"(1) complaints alleging illegal conduct by employees of the Administration which were received or acted upon by the Administration during the preceding fiscal year; and

"(2) investigations undertaken by the Administration, including external and internal audits and security and investigation reports.".

SEC. 5. (a) The Small Business Investment Act of 1958 is amended—

(1) by striking out in the table of contents in section 101 all references to title IV and section numbers therein and inserting in lieu thereof the following:

"TITLE IV—GUARANTEES

"PART A—LEASE GUARANTEES

"Sec. 401. Authority of the Administration.
"Sec. 402. Powers.
"Sec. 403. Fund.

"PART B—SURETY BOND GUARANTEES

"Sec. 410. Definitions.
"Sec. 411. Authority of the Administration.
"Sec. 412. Fund.";

(2) by striking out section 403 and inserting in lieu thereof the following:

"FUND

"SEC. 403. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitations as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $10,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States;

except that moneys provided as capital for the fund shall not be so invested but shall be returned to the fund in such amounts and at such times as the Administrator determines to be appropriate, whenever the level of the fund herein established is sufficiently high to permit the return of such moneys without danger to the solvency of the program under this part:.";

(3) by striking out "$500,000" in section 411 and inserting in lieu thereof "$1,000,000"; and

(4) by adding after section 411 the following new section:

"FUND

"Sec. 412. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $35,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested but shall be returned to the fund in such amounts and at such times as the Administrator determines to be appropriate, whenever the level of the fund herein established is sufficiently high to permit the return of such moneys without danger to the solvency of the program under this part."

(b) Unexpended balance of appropriations made to the fund pursuant to section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694), as in effect prior to the effective date of this Act, shall be allocated, together with related assets and liabilities, to the funds established by paragraphs (2) and (4) of subsection (a) of this section in such amounts as the Administrator shall determine. In addition, the Administrator is authorized to transfer to the fund established by paragraph (4) of subsection (a) of this section not to exceed $2,000,000 from the fund established under section 4(c)(1)(B) of the Small Business Act: *Provided*, That section 4(c)(6) and the last sentence of section 4(c)(5) shall not apply to any amounts so transferred.

Sec. 6. Section 4(b) of the Small Business Act is amended—

(1) by striking out "three" in the third sentence and inserting in lieu thereof "four"; and

(2) by inserting after the third sentence the following new sentence: "One of the Associate Administrators shall be designated at the time of his appointment as the Associate Administrator for Minority Small Business and shall be responsible to the Administrator for the formulation of policy relating to the Administration's programs which provide assistance to minority small business concerns and in the review of the Administration's execution of such programs in light of such policy."

Sec. 7. Sections 7(a)(4)(B) and 7(a)(5)(B) of the Small Business Act are each amended to read as follows: "the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum; and".

Sec. 8. (a) Section 7(b) of the Small Business Act is amended by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and" and by adding immediately after paragraph (7) the following new paragraph:

"(8) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern seriously and adversely affected by a shortage of fuel, electrical energy, or energy-producing resources, or by a shortage of raw or processed materials resulting from such shortages, if the Administration determines that such concern has suffered or is likely to suffer substantial economic injury without assistance under this paragraph."

(b) The first paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out "or (7)," immediately following "(6)," and inserting in lieu thereof "(7), or (8).".

Sec. 9. Section 5 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(e) The Administrator shall designate an individual within the Administration to be known as the Chief Counsel for Advocacy and to perform the following duties:

"(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other Federal agency which affects small businesses;

"(2) counsel small businesses on how to resolve questions and problems concerning the relationship of the small business to the Federal Government;

"(3) develop proposals for changes in the policies and activities of any agency of the Federal Government which will better fulfill the purposes of the Small Business Act and communicate such propsals to the appropriate Federal agencies;

"(4) represent the views and interests of small businesses before other Federal agencies whose policies and activities may affect small business; and

"(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government which are of benefit to small businesses, and information on how small businesses can participate in or make use of such programs and services.".

Sec. 10. Section 411(c) of the Small Business Investment Act is amended by inserting "based on sound actuarial methods and underwriting practices" immediately after "fee" in the first sentence of such section.

Sec. 11. Section 7(a) of the Small Business Act is amended by adding at the end thereof the following new paragraph:

"(8) During the fiscal year ending June 30, 1975, the Administrator shall make direct loans under this subsection in an aggregate amount of not less than $400,000,000.".

Mr. STEPHENS (during the reading). Madam Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: On page 16, beginning in line 18, strike out "but shall be" and all that follows down through the colon in line 22, and insert in lieu thereof a period.

On page 18, beginning in line 6, strike out "but shall be" and all that follows down through "under this part" in line 11.

On page 18, line 12, strike out "appropriations made" and insert in lieu thereof "capital previously transferred".

On page 22, line 2, insert "of 1958" immediately after "Act".

On page 22, after line 11, insert the following:

"Sec. 12. The General Accounting Office is directed to conduct a full-scale audit of the Small Business Administration, including all field offices. This audit shall be submitted to the House and Senate not later than six months from the date of this Act."

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. ROUSSELOT

Mr. ROUSSELOT. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rousselot: On page 22, line 2 strike the word "shall" immediately following the word "Administrator," insert in lieu thereof the word "may," and, in line 3, delete the words "not less than" immeditely following the word "of."

Mr. ROUSSELOT. Madam Chairman, the amendment which I am offering today to H.R. 15578, the Small Business Act amendments, would change the wording in the new paragraph added to the act by section 11 of the bill to read:

(8) During the fiscal year ending June 30, 1975, the Administrator may make direct loans under this subsection in an aggregate amount of $400,000,000.

The language in section 11, as reported by the committee, would require the Administrator to spend $400 million in direct loans in fiscal year 1975.

I believe my amendment making the direct loans of $400 million permissible rather than mandatory is necessary for the following reasons:

First. A hard-and-fast requirement that a given amount of funds must be provided for direct loans may force the Administrator to relax or abandon normal requirements for approval in order to fulfill the quota.

Second. The mandating of this expenditure essentially amounts to an evasion and frustration of the appropriations process. If this bill were to become law in its present form, the Committee on Appropriations would be required to approve an appropriation of $400 million for direct loans regardless of its evaluation. This procedure reduces congressional control over the budget at a time when increased control is essential, and I believe, it violates the spirit of Public Law 93–344, the budget control legislation which was passed by Congress, and signed into law less than 3 weeks ago.

This amendment is an opportunity to demonstrate by action, rather than just rhetoric, our commitment to budget control, and I believe that it must be adopted.

Mr. ANNUNZIO. Madam Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Madam Chairman, I thank my good friend, the gentleman from California, for yielding.

I have no quarrel with my friend, the gentleman from California (Mr. ROUSSELOT), as to his beliefs about the budget and putting it in balance, because we are all for a balanced budget and we are all against deficit spending. However, I would like to set the record straight in this respect:

This program for the small businessmen of America is important because of the direct loan features in the program. Throughout the entire investigation—and the gentleman from California participated as a member of the subcommittee, and he heard all of the testimony before the subcommittee—the real problem was the bank loan guarantee program. That is the program that has caused the trouble. That is the program that caused the collusion. That is the program that brought about the indictments that we have seen in Chicago where thousands of dollars of the taxpayers' money was given out in bad loans. That is the program that was responsible for the condition in Richmond and Philadelphia, not the direct program but the bank loan guarantee program.

Mr. ROUSSELOT. Madam Chairman, my colleague also understands that if we mandate this $400 million for direct loans, we may place a burden on the Administrator to put out money that in his judgment does not need to go out in loans.

So I will ask my colleagues to support this amendment.

Mr. STEPHENS. Madam Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. ROUSSELOT).

Madam Chairman, I appreciate the arguments that have been placed before the committee by the distinguished gentleman from California, but let me make this comment:

We have sent signals to the Small Business Administration, and to the administration. We have sent smoke signals, we have sent semaphore flag signals; we have sent our report signals; we have sent the committee reports when we passed a bill that we would like to have them get back into the direct loan program, and all of these signals that we have sent them have resulted, not in an increase, but in a reduction of the direct loan program to what is now 6.8 percent of direct loans of the whole volume of SBA loans. It has dissolved itself into a bank guaranteed loan program. I do not object to the bank guaranteed loan program, I just object to the unfair volume of business that has developed in that way, regardless of the fact that our hopes have been disregarded.

Madam Chairman, let me explain why I think it is important for us to have more direct loans. There are many small banks in the rural areas that cannot, for many reasons, get money to make guaranteed SBA bank loans. This should be utilized for direct loans in areas where you have a deficit of immediate capital against the lender, too. It is imperative that that be realized and we are asking for that.

Also, in the bill we are not asking any kind of back-door financing on this. We realize it must be done by the appropriate process, which is the only way that it ought to be done.

Mr. J. WILLIAM STANTON. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Madam Chairman, I would join with the chairman of the subcommittee in opposition to the amendment offered by the gentleman from California (Mr. ROUSSELOT). And, really, it is not that we wish to "get" the SBA, but because of the practices that have been used by the SBA for years, in which they have not followed out the original intent and purpose of the SBA as created by the Congress, which was to help on a direct loan basis the small businessmen of America.

All we are asking for, and telling the SBA and the OMB, and whoever else is involved, is that over this $6 billion ceiling, of this large amount of money, that $400 million would be utilized in direct loan applications.

There is no question, I am sure, of the author of the amendment that the number of applicants for this amount of money, far exceed the amount of money in question.

So I urge the defeat of this amendment.

Mr. ROUSSELOT. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from California.

Mr. ROUSSELOT. Madam Chairman, I appreciate the gentleman yielding to me at this time.

I think the gentleman knows the main point that I am trying to make. The point is that even if the Committee on Appropriations decided that in this overwhelming funding problem that the Congress has in the appropriation process to find if there is $400 million available, and I do not believe there is, for these kinds of direct loans. The problem is in mandating it, I think, is a mistake, and is an improper imposition on the budget.

I do agree with the gentleman from Georgia and the gentleman from Ohio that it has been wrong in the past that the Office of Management and Budget has limited the ability of the Small Business Administration to utilize the direct loan program when, in the opinion of the Administrator, this really made it appropriate to put it in tandem with the guaranteed loan program. I still believe it is wrong for us to mandate the $400 million.

So I urge my colleagues to support the concept of making it permissible.

Mr. STEPHENS. Madam Chairman, as I say, I oppose this amendment, and I ask that we vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT).

The amendment was rejected.

AMENDMENT OFFERED BY MR. MITCHELL OF MARYLAND

Mr. MITCHELL of Maryland. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MITCHELL of Maryland: Page 11, line 25, at the end thereof insert "; and", and immediately after line 25, insert the following new paragraph:

(5)(A) in section 7(a)(4) thereof by inserting "or $500,000 in the case of any loan made in cooperation with a bank or other lending institution through an agreement to participate on a deferred basis" immediately after "$350,000"; and

(B) in section 7(a)(5) thereof by inserting "or $500,000 as the case may be," immediately after "$350,000".

Mr. MITCHELL of Maryland. Madam Chairman, we have a very difficult problem here in terms of a definition of "small business." There are a number of small businessmen who operate to the tune of $25,000 to $50,000 a year, and that is more than enough to keep them going. That is the level at which they want to operate—$25,000 or $35,000 or $50,000 a year. These are the persons that my colleague, the gentleman from New York (Mr. KOCH) alluded to. However, we have another set of small businessmen who need a great deal more money to operate effectively, and I am talking more specifically now about contractors, a construction firm, for example. In the light of the high costs that are with us today, in the light of inflationary costs, and in the light of a whole host of other economic factors, it seems to me that that small businessman who hopes to grow larger needs a higher loan ceiling. As he grows larger, he will cut his relationship with SBA to launch out as an independent to do this he needs a larger size loan in order to make it in this economic system.

Therefore, the purpose of my amendment is to put a loan ceiling of $500,000 for certain kinds of small businessmen, particularly contractors. But it should be made clear that the $500,000 ceiling shall apply only when there is a bank participation loan.

I want to speak briefly to the comments that my friend, the gentleman from Illinois (Mr. ANNUNZIO) had to make about the bank participation program. Indeed, there were some bad things uncovered. On the other hand, I spent more than 3 months in my district working through the operation of the Small Business Administration that serves Maryland. We dug into the bank participation program. It was not as large in volume as I would want it to be, but there was not one scintilla of evidence of any kind of wrongdoing within the operation of the bank participation program as run by the Maryland SBA.

I think it is wise for us to consider the need to take that businessman who is not tiny, not big, but kind of in the middle range and make sure that we give him the money to launch him successfully so that in a few short years, he can be wooed away from SBA and become a moderate-sized small businessman operating on his own in an independent fashion. That is the purpose of my amendment, and I would urge my colleagues to support the amendment.

Mr. STEPHENS. Madam Chairman, I rise in opposition to the amendment. I hate to oppose the amendment proposed in all sincerity and honesty by my colleague, the gentleman from Maryland. I am opposing it because I think that the proposal that he has made, first, is a little premature. We considered this proposal in our amendment process in the committee, and the committee turned it down. This is why I say that his motion is premature. We still have our oversight investigations going on, and I hesitate to ask the House to increase the individual loan from $350,000 to $500,000 at the same time that we are considering oversight investigations.

When we finish our investigation or complete our oversight investigation I think that will be the proper time then to recognize what the gentleman has said, but I would prefer that we postpone this until a later time when it is more propitious to take it up. I just cannot ask the House to do that under these circumstances.

Mr. J. WILLIAM STANTON. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. Madam Chairman, I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Madam Chairman, I join the chairman of the subcommittee in opposition to this amendment. It is a good amendment and it was carefully considered in the subcommittee and in the committee and regrettably it is a casualty of the investigation we are carrying on, but the committee did feel at this particular time, as the chairman of the subcommittee has said, that we could not agree to seek the increase of the ceiling, as the gentleman from Illinois said, to raise the ceiling at this particular time before our investigation is completed.

So, Madam Chairman, I oppose the amendment.

Mr. ANNUNZIO. Madam Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Madam Chairman, I associate myself with the remarks of the gentleman from Georgia (Mr. STEPHENS) and the gentleman from Ohio (Mr. STANTON). Also, I commend my good friend, the gentleman from Maryland. I am delighted that in Baltimore the SBA officials have done a good, honest and conscientious job.

As the chairman of the subcommittee has said, we discussed this matter fully in the subcommittee. It is premature at this time to increase the ceiling from $350,000 to $500,000. I think when we start talking about $500,000, we will have to find a new name for the administration, because when we get into the realm of $500,000 it is no longer small business.

So I say to the gentleman from Maryland, whom I admire a great deal, I must oppose his amendment at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. MITCHELL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. COTTER

Mr. COTTER. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COTTER: Page 21, strike out lines 19 through 22 and insert in lieu thereof the following new section:

Sec. 10. (a) The first sentence of section 411(c) of the Small Business Investment Act of 1958 is amended by inserting "administer this program on a prudent and economically justifiable basis and shall" immediately after "shall".

(b) Section 411(c) of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Within 30 days after the date of enactment of this sentence and at monthly intervals thereafter, the Administration shall publish the cost of the program to the Administration for the month immediately preceding the date of publication. The Administration shall conduct a study of the program in order to determine what must be done to make the program economically sound. Within one year after the date of enactment of this sentence, the Administration shall transmit a report to Congress containing a detailed statement of the findings and conclusions of the study, together with its recommendations for such legislative and administrative actions as it deems appropriate."

Mr. COTTER. Madam Chairman, I am offering this amendment to improve the administration of the SBA surety bond program.

This amendment would require the SBA to keep careful tract of the costs of the surety bond program by requiring the SBA to report on a monthly basis the losses in the surety bond program.

Second, it would require an intensive 1-year study to provide legislative and administrative recommendations to establish financial self-sufficiency in the surety bond program.

This substitute amendment removes an amendment I added in the full committee and gives the SBA another chance to cut the American taxpayers' losses in this program without hurting small contractors, especially minority contractors who depend on the SBA surety bond program.

If I could impose a minute on my colleagues, I would just like to explain how I came to offer my original amendment and the reasons for this new substitute.

When SBA Administrator Tom Kleppe came before the House Banking Subcommittee on Small Business, I asked him what the loss experience was under the SBA surety bond program. I was amazed to learn that the losses were two to three times the premium charged. Or, to put it more simply, the SBA took in $3 million in premiums and will pay out more than $12 million in claims. The U.S. taxpayer is left holding the bag for almost $9 million.

As my colleagues are aware, the SBA actually assumes 90 percent of the liability of these performance bonds. Therefore, I was deeply concerned that with the increase in the bonding level from $500,000 to $1 million, and with the poor administration of this program, the U.S. taxpayers' liability would increase even more dramatically during the next few years. Therefore, I amended the bill to specifically require that the SBA premiums more nearly equal the losses experienced under this program. In short, I want to put this program on a sound actuarial and underwriting basis.

After consultation with SBA and others, I am concerned that this increase in fee, with SBA estimates at six-tenths of 1 percent of the face value of the bond, could undermine the competitive position of the small contractor as well as virtually eliminating the surety bond program.

Therefore, I am offering an amendment which would remove this drastic remedy, but put in its place a system of public monthly reports on losses and a comprehensive 12-month study that will require SBA to make legislative and administrative recommendations that will make this program actuarially sound.

The purpose of the monthly reports are twofold: First, this data will be essential to provide the loss experience needed to make this program actuarially sound. Second, by requiring public information on losses, the SBA will remain under congressional pressure to upgrade its administration of the program to cut losses.

The reasons for the year-long study is obvious. The members of the Banking Committee overwhelmingly supported the idea that this program must be made actuarially sound. This detailed study will give the SBA another opportunity to attain this goal.

If the SBA again shows itself to be unwilling or unable to rectify the shortcomings in this program, I will not hesitate to require more stringent and mandatory actions.

Madam Chairman, I am convinced that if the SBA and the surety companies diligently apply prudent underwriting standards that the losses incurred in the surety bond program can be reduced significantly without requiring the raising of fees which would put small contractors at a competitive disadvantage. In my own research in this area I do not believe that sound underwriting standards have been followed.

Perhaps more thought should be given to lowering the 90 percent liability assumed by the SBA or, if additional fees must be charged to make the surety program actuarially sound, perhaps it should be the sureties who pay the additional premiums. I make these suggestions in the hope that they and others will be considered by the SBA in formulating this comprehensive report.

My substitute amendment provides a stimulus and a challenge to the SBA. I will be watching carefully to make sure that this amendment results in bringing the losses in the surety bond program more in line with the fees collected.

In conclusion, Madam Chairman, I would be remiss if I did not mention the efforts and contributions of my friend and colleague from Maryland (Mr. Mitchell) who worked diligently with me on this substitute amendment and whose support I value highly.

Mr. STEPHENS. Madam Chairman, will the gentleman yield?

Mr. COTTER. I yield to the gentleman from Georgia.

Mr. STEPHENS. Madam Chairman, I would like to say that the amendment is a good amendment and we will accept it.

Mr. COTTER. I thank the gentleman from Georgia.

Mr. J. WILLIAM STANTON. Madam Chairman, will the gentleman yield?

Mr. COTTER. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. Madam Chairman, I join the chairman of the subcommittee in accepting this amendment and I compliment the gentleman in the well because he has in the full committee and the subcommittee contributed a great deal of personal knowledge and experience on this subject.

What the gentleman attempts to do in his amendment, and as explained in his remarks we did adopt but we think this is a better approach and we accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. Cotter).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TREEN

Mr. TREEN. Madam Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Treen: Page 14, immediately after line 19, insert the following new section:
>
> Sec. 5. Section 18 of the Small Business Act is amended by adding at the end thereof the following new sentence: "If loan applications are being refused or loans denied by such other department or agency responsible for such work or activity due to administrative withholding from obligation or withholding from apportionment, or due to administratively declared moratorium, then, for purposes of this section, no duplication shall be deemed to have occurred."
>
> Redesignate the succeeding sections accordingly.

Mr. TREEN. Madam Chairman, on December 4, 1973, this Congress adopted House Congressional Resolution 173, which I introduced with many cosponsors, declaring it to be congressional policy to afford the fishing industry "all support necessary to have it strengthened." Today we have an opportunity to implement that policy.

The need for such implementation is very great indeed. The small fishing industry in this country is in desperate need of assistance. For example, in my own district in Louisiana shrimp fishermen have experienced a 50-percent drop in the price they receive for their catch while operating costs have reached staggering proportions.

I offer an amendment to clarify section 18 of the Small Business Act, and not to change the policy it enunciates. Congress has always limited the availability of SBA assistance to those small businesses unable to obtain financing through local banking institutions and which do not qualify for other Government loan programs. I endorse that policy and wish only to clarify its interpretation.

Fishermen throughout the United States are not able, by and large, to obtain private commercial loans to finance their operations and the purchase of gear. Congress offered them relief through the Fisheries Loan Fund, created by Congress in section 4 of the Fish and Wildlife Act of 1956—84 Stat. 829; 16 U.S.C. 742c. However, the Administrator of the National Oceanic and Atmospheric Administration—who had been charged by the Secretary of Commerce with the responsibility for administering the program after the Reorganization Act of 1970—announced in the February 20, 1973 Federal Register the imposition of a moratorium on applications for loans from the fund. The moratorium was effective March 1, 1973, and is still in effect.

Our fishermen looked to the Small Business Administration for loans. The Small Business Administration responded with a standard operating procedure message to all regional administrators. It is dated February 15, 1974, and states:

> If loans are denied to applicants by the Department of Commerce for administrative reasons (such as moratoriums, freezing of funds, or restrictions against making loans to particular types of enterprises relating to fishing, etc.), then applications for such loans should not be accepted by SBA.

The only purpose of this amendment is to state that it is the intent of Congress that by the word "duplication" in section 18 we do not mean to describe a program that is subject to a moratorium or an administrative withholding of funds.

Mr. STEPHENS. Madam Chairman, will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Georgia.

Mr. STEPHENS. I would like to tell the gentleman, I have looked over his amendment and I agree with the minority that this is a good amendment. At the proper time I will move it be adopted.

Mr. J. WILLIAM STANTON. Madam Chairman, will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. The gentleman has done the committee a favor in bringing this to our attention. We support the amendment and endorse it wholeheartedly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. Treen).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mrs. Mink, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15578) to amend the Small Business Act, the Small Business Investment Act, and for other purposes, pursuant to House Resolution 1246, she reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency be discharged from the further consideration of the bill (S. 3331) to clarify the authority of the Small Business Administration, to increase the authority of the Small Business Administration, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia (Mr. Stephens)?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3331

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Small Business Amendments of 1974".
>
> Sec. 2. (a) The Small Business Act is amended—
>
> (1) by redesignating subsection (b) of section 2 as subsection (c) and by adding after subsection (a) of that section the following new subsection:
>
> "(b) The assistance programs authorized by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises,

with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.";

(2) by striking out paragraphs (1) and (2) of section 4(c), and inserting in lieu thereof the following:

"(c)(1) There are hereby established in the Treasury the following revolving funds: (A) a disaster loan fund which shall be available for financing functions performed under sections 7(b)(1), 7(b)(2), 7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), 7(c)(2), and 7(g) of this Act, including administrative expenses in connection with such functions; and (B) a business loan and investment fund which shall be available for financing functions performed under 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, including administrative expenses in connection with such functions.

"(2) All repayments of loans and debentures, payments of interest and other receipts arising out of transactions heretofore or hereafter entered into by the Administration (A) pursuant to sections 7(b)(1), 7(b)(2), 7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), and 7(c)(2) of this Act shall be paid into a disaster loan fund; and (B) pursuant to sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, shall be paid into the business loan and investment fund.";

(3) by striking out paragraph (4) of section 4(c), and inserting in lieu thereof the following:

"(4) The total amount of loans, guarantees, and other obligations or commitments, heretofore or hereafter entered into by the Administration, which are outstanding at any one time (A) under sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, shall not exceed $6,000,000,000; (B) under title III of the Small Business Investment Act of 1958, shall not exceed $725,000,000; (C) under title V of the Small Business Investment Act of 1958, shall not exceed $525,000,000; and (D) under section 7(i) of this Act, shall not exceed $450,000,000."; and

(4) by adding at the end of section 7 the following three new subsections:

"(i)(1) The Administration also is empowered to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern, or to any qualified person seeking to establish such a concern, when it determines that such loans will further the policies established in section 2(b) of this Act, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administration may defer payments on the principal of such loans for a grace period and use such other methods as it deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administration may, in its discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administration: *Provided, however,* That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individual served to develop entrepreneurial and managerial self-sufficiency.

"(2) The Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guarantees, participations in loans, and pooling arrangements authorized by this subsection.

"(3) To insure an equitable distribution between urban and rural areas for loans between $3,500 and $50,000 made under this subsection, the Administration is authorized to use the agencies and agreements and delegations developed under title III of the Economic Opportunity Act of 1964, as amended, as it shall determine necessary.

"(4) The Administration shall provide for the continuing evaluation of programs under this subsection, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(5) Loans made pursuant to this subsection (including immediate participation in and guarantees of such loans) shall have such terms and conditions as the Administration shall determine, subject to the following limitations—

"(A) there is reasonable assurance of repayment of the loan;

"(B) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(C) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(D) the loan bears interest at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the program as the Administration may determine to be consistent with its purposes. *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3108 et seq.) shall not exceed the rate currently applicable to new loans made under section 201 of that Act (42 U.S.C. 3142); and

"(E) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

"(6) The Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this subsection are allotted to small business concerns located in urban areas identified by the Administration as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administration shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this subsection.

"(7) No financial assistance shall be extended pursuant to this subsection where the Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

"(j)(1) The Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the cost of projects designed to provide technical or management assistance to individuals or enterprises eligible for assistance under subsection 7(i) of this Act, with special attention to small business located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(2) Financial assistance under this subsection may be provided for projects, including without limitation—

"(A) planning and research, including feasibility studies and market research;

"(B) the identification and development of new business opportunities;

"(C) the furnishing of centralized services with regard to public services and Government programs including programs authorized under subsection 7(i);

"(D) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(E) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

"(F) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individual served.

"(3) The Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(4) The financial assistance authorized by this subsection includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services.

"(5) The Administration is authorized to make payments under grants and contracts entered into under this subsection in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments.

"(6) To the extent feasible, services under this subsection shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(7) The Administration shall provide for an independent and continuing evaluation of programs under this subsection, including full information on, and analysis of, the character and impact of managerial assistance provided, the location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations deemed advisable by the Administration shall be included in the report required by section 10(a) of this Act.

"(8) The Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this subsection and of subsection 7(i) of this Act. The Administration shall provide for the continuing evaluation of programs under this subsection and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(k) In carrying out its functions under subsections 7(i) and 7(j) of this Act, the Administration is authorized—

"(1) to utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of such State or subdivision without reimbursement;

"(2) to accept in the name of the Administration, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible or intangible, received by gift devise, bequest, or otherwise;

"(3) to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)); and

"(4) to employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; to compensate individuals so employed at rates not in excess of $100 per diem, including traveltime; and to allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently while so employed: *Provided, however*, That contracts for such employment may be renewed annually."

(b) Title IV of the Economic Opportunity Act of 1964 is hereby repealed; and all references to such title in the remainder of that Act are repealed.

SEC. 3. The Small Business Act is further amended—

(1) by amending section 5(b) by striking out "and" following paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and" and by adding at the end of paragraph (9) the following new paragraph:

"(10) upon purchase by the Administration of any deferred participation entered into under section 7 of this Act, continue to charge a rate of interest not to exceed that initially charged by the participating institution on the amount so purchased for the remaining term of the indebtedness."; and

(2) by striking out the third sentence in paragraph (2) of section 7(h) and inserting in lieu thereof: "The Administration's share of any loan made under this subsection shall bear interest at the rate of 3 per centum per annum."

SEC. 4. (a) Section 7(a)(4)(A) of the Small Business Act is amended by striking out "$350,000" and inserting in lieu thereof "$500,000".

(b) Section 7(a)(5)(A) of such Act is amended by striking out "$350,000" and inserting in lieu thereof "$500,000".

SEC. 5. Section 10 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(g) The Administration shall transmit, not later than December 31 of each year, to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a sealed report with respect to public complaints alleging illegal conduct by employees of the Administration which were received or acted upon by the Administration during the preceding fiscal year."

SEC. 6. (a) The Small Business Investment Act of 1958 is amended—

(1) by striking out in the table of contents in section 101 all references to title IV and section numbers therein and inserting in lieu thereof the following:

"TITLE IV—GUARANTEES

"PART A—LEASE GUARANTEES

"Sec. 401. Authority of the Administration.
"Sec. 402. Powers.
"Sec. 403. Fund.

"PART B—SURETY BOND GUARANTEES

"Sec. 410. Definitions.
"Sec. 411. Authority of the Administration.
"Sec. 412. Fund.";

(2) by striking out section 403 and inserting in lieu thereof the following:

"FUND

"SEC. 403. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $10,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested but shall be returned to the fund in such amounts and at such times as the Administrator determines to be appropriate, whenever the level of the fund herein established is sufficiently high to permit the return of such moneys without danger to the solvency of the program under this part.";

(3) by striking out "$500,000" in section 411 and inserting in lieu thereof "$1,000,000"; and

(4) by adding after section 411 the following new section:

"FUND

"SEC. 412. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $35,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested but shall be returned to the fund in such amounts and at such times as the Administrator determines to be appropriate, whenever the level of the fund herein established is sufficiently high to permit the return of such moneys without danger to the solvency of the program under this part."

(b) Unexpended balances of appropriations made to the fund pursuant to section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694), as in effect prior to the effective date of this Act, shall be allocated, together with related assets and liabilities, to the funds established by paragraphs (2) and (4) of subsection (a) of this section in such amounts as the Administrator shall determine.

SEC. 7. Section 4(b) of the Small Business Act is amended—

(1) by striking out "three" in the third sentence and inserting in lieu thereof "four"; and

(2) by inserting after the third sentence the following new sentence: "One of the Associate Administrators shall be designated at the time of his appointment as the Associate Administrator for Minority Small Business and shall be responsible for the formulation of policy relating to the Administration's programs which provide assistance to minority small business concerns and in the review of the Administration's execution of such programs in the light of such policy.".

MOTION OFFERED BY MR. STEPHENS

Mr. STEPHENS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEPHENS moves to strike out all after the enacting clause of the bill S. 3331 and to insert in lieu thereof the provisions of the bill H.R. 15578, as passed, as follows:

That this Act may be cited as the "Small Buisness Amendments of 1974".

SEC. 2. (a) The Small Business Act is amended—

(1) by redesignating subsection (b) of section 2 as subsection (c) and by adding after subsection (a) of that section the following new subsection:

"(b) The assistance programs authorized

by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.";

(2) by striking out paragraphs (1) and (2) of section 4(c), and inserting in lieu thereof the following:

"(c)(1) There are hereby established in the Treasury the following revolving funds: (A) a disaster loan fund which shall be available for financing functions performed under sections 7(b)(1), 7(b)(2), 7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), 7(b)(8), 7(c)(2), and 7(g) of this Act, including administrative expenses in connection with such functions; and (B) a business loan and investment fund which shall be available for financing functions performed under sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, including administrative expenses in connection with such functions.

"(2) All repayments of loans and debentures, payments of interest and other receipts arising out of transactions heretofore or hereafter entered into by the Administration (A) pursuant to sections 7(b)(1), 7(b)(2), 7(b)(4), 7(b)(5), 7(b)(6), 7(b)(7), 7(b)(8), and 7(c)(2) of this Act shall be paid into a disaster loan fund; and (B) pursuant to sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, shall be paid into the business loan and investment fund.";

(3) by striking out paragraph (4) of section 4(c), and inserting in lieu thereof the following:

"(4) The total amount of loans, guarantees, and other obligations or commitments, heretofore or hereafter entered into by the Administration, which are outstanding at any one time (A) under sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, shall not exceed $6,000,000,000; (B) under title III of the Small Business Investment Act of 1958, shall not exceed $725,000,000; (C) under title V of the Small Business Investment Act of 1958, shall not exceed $525,000,000; and (D) under section 7(i) of this Act, shall not exceed $450,000,000.": and

(4) by adding at the end of section 7 the following three new subsections:

"(i)(1) The Administration also is empowered to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern, or to any qualified person seeking to establish such a concern, when it determines that such loans will further the policies established in section 2(b) of this Act, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals; *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administration may defer payments on the principal of such loans for a grace period and use such other methods as it deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administration may, in its discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administration: *Provided, however,* That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency.

"(2) The Administration shall encourage, as far as possible, the participation of the private business communty in the program of assistance to such concerns and shall seek to stimulate new private lending activities to such concerns through the use of the loan guarantees, participations in loans, and pooling arrangements authorized by this subsection.

"(3) To insure an equitable distribution between urban and rural areas for loans between $3,500 and $50,000 made under this subsection, the Administration is authorized to use the agencies and agreements and delegations developed under title III of the Economic Opportunity Act of 1964, as amended, as it shall determine necessary.

"(4) The Administration shall provide for the continuing evaluation of programs under this subsection including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(5) Loans made pursuant to this subsection (including immediate participation in and guarantees of such loans) shall have such terms and conditions as the Administration shall determine, subject to the following limitations—

"(A) there is reasonable assurance of repayment of the loan;

"(B) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(C) the amount of the loan together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(D) the loan bears interest at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the program as the Administration may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3108 et seq.) shall not exceed the rate currently applicable to new loans made under section 201 of that Act (42 U.S.C. 3142); and

"(E) fees not in excess of amounts necessary to cover administrative expenses and probable loses may be required on loan guarantees.

"(6) The Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this subsection are allotted to small business concerns located in urban areas identified by the Administration as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administration shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this subsection.

"(7) No financial assistance shall be extended pursuant to this subsection where the Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

"(j)(1) The Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the cost of projects designed to provide technical or management assistance to individuals or enterprises eligible for assistance under subsection 7(i) of this Act, with special attention to small business located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(2) Financial assistance under this subsection may be provided for projects, including without limitation—

"(A) planning and research, including feasibility studies and market research;

"(B) the identification and development of new business opportunities;

"(C) the furnishing of centralized services with regard to public services and Government programs including programs authorized under subsection 7(i);

"(D) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(E) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

"(F) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

"(3) The Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concern by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(4) The financial assistance authorized by this subsection includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services.

"(5) The Administration is authorized to make payments under grants and contracts entered into under this subsection in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments.

"(6) To the extent feasible, services under this subsection shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(7) The Administration shall provide for an independent and continuing evaluation of programs under this subsection, including full information on, and analysis of, the character and impact of managerial assistance provided, the location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations deemed advisable by the Administration shall be included in the report required by section 10(a) of this Act.

"(8) The Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this subsection and of subsection 7(i) of this Act. The Administration shall provide for the continuing evaluation of programs under this subsection and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(k) In carrying out its functions under subsections 7(i) and 7(j) of this Act, the Administration is authorized—

"(1) to utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of such State or subdivision without reimbursement;

"(2) to accept, in the name of the Administration, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible, or intangible, received by gift, devise, bequest, or otherwise;

"(3) to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)); and

"(4) to employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; to compensate individuals so employed at rates not in excess of $100 per diem, including traveltime; and to allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually."

(b) Title IV of the Economic Opportunity Act of 1964 is hereby repealed; and all references to such title in the remainder of that Act are repealed.

SEC. 3 The Small Business Act is further amended—

(1) by amending section 5(b) by striking out "and" following paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and by adding at the end of paragraph (9) the following new paragraphs:

"(10) upon purchase by the Administration of any deferred participation entered into under section 7 of this Act, continue to charge a rate of interest not to exceed that initially charged by the participating institution on the amount so purchased for the remaining term of the indebtedness; and

"(11) make such investigations as he deems necessary to determine whether a recipient of or participant in any assistance under this Act or any other person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or of any rule or regulation under this Act, or of any order issued under this Act. The Administration shall permit any person to file with it a statement in writing, under oath or otherwise as the Administration shall determine, as to all the facts and circumstances concerning the matter to be investigated. For the purpose of any investigation, the Administration is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena issued to, any person, including a recipient or participant, the Administration may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Administration, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All processes in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found."; and

(2) by striking out the third sentence in paragraph (2) of section 7(h) and inserting in lieu thereof: "The Administration's share of any loan made under this subsection shall bear interest at the rate of 3 per centum per annum."

SEC. 4. Section 10 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(g) The Administration shall transmit, not later than December 31 of each year, to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a sealed report with respect to—

"(1) complaints alleging illegal conduct by employees of the Administration which were received or acted upon by the Administration during the preceding fiscal year; and

"(2) investigations undertaken by the Administration, including external and internal audits and security and investigation reports.".

SEC. 5. Section 18 of the Small Business Act is amended by adding at the end thereof the following new sentence: "If loan applications are being refused or loans denied by such other department or agency responsible for such work or activity due to administrative withholding from obligation or withholding from apportionment, or due to administratively declared moratorium, then, for purposes of this section, no duplication shall be deemed to have occurred."

SEC. 6. (a) The Small Business Investment Act of 1958 is amended—

(1) by striking out in the table of contents in section 101 all references to title IV and section numbers therein and inserting in lieu thereof the following:

"TITLE IV—GUARANTEES

"PART A—LEASE GUARANTEES

"Sec. 401. Authority of the Administration.
"Sec. 402. Powers.
"Sec. 403. Fund.

"PART B—SURETY BOND GUARANTEES

"Sec. 410. Definitions.
"Sec 411. Authority of the Administration.
"Sec. 412. Fund.";

(2) by striking out section 403 and inserting in lieu thereof the following:

"FUND

"SEC. 403. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitations as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $10,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested.";

(3) by striking out "$500,000" in section 411 and inserting in lieu thereof "$1,000,000"; and

(4) by adding after section 411 the following new section:

"FUND

"SEC. 412. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $35,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested."

(b) Unexpected balances of capital previously transferred to the fund pursuant to section 403 of the Small Business Investment Act of 1959 (15 U.S.C. 694), as in effect prior to the effective date of this Act, shall be allocated, together with related assets and liabilities, to the funds established by paragraphs (2) and (4) of subsection (a) of this section in such amounts as the Administrator shall determine. In addition, the Administrator is authorized to transfer to the fund established by paragraph (4) of subsection (a) of this section not to exceed $2,000,000 from the fund established under section 4(c)(1)(B) of the Small Business Act: *Provided,* That section 4(c)(6) and the last sentence of section 4(c)(5) shall not apply to any amounts so transferred.

Sec. 7. Section 4(b) of the Small Business Act is amended—

(1) by striking out "three" in the third sentence and inserting in lieu thereof "four"; and

(2) by inserting after the third sentence the following new sentence: "One of the Associate Administrators shall be designated at the time of his appointment as the Associate Administrator for Minority Small Business and shall be responsible to the Administrator for the formulation of policy relating to the Administration's programs which provide assistance to minority small business concerns and in the review of the Administration's execution of such programs in light of such policy."

Sec. 8. Sections 7(a)(4)(B) and 7(a)(5)(B) of the Small Business Act are each amended to read as follows: "the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum; and".

Sec. 9. (a) Section 7(b) of the Small Business Act is amended by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and" and by adding immediately after paragraph (7) the following new paragraph:

"(8) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern seriously and adversely affected by a shortage of fuel, electrical energy, or energy-producing resources, or by a shortage of raw or processed materials resulting from such shortages, if the Administration determines that such concern has suffered or is likely to suffer substantial economic injury without assistance under this paragraph."

(b) The first paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out "or (7)," immediately following "(6)," and inserting in lieu thereof "(7), or (8).".

Sec. 1. Section 5 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(e) The Administrator shall designate an individual within the Administration to be known as the Chief Counsel for Advocacy and to perform the following duties:

"(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies aid activities of the Administration and any other Federal agency which affects small businesses;

"(2) counsel small businesses on how to resolve questions and problems concerning the relationship of the small business to the Federal Government;

"(3) develop proposals for changes in the policies and activities of any agency of the Federal Government which will better fulfill the purposes of the Small Business Act and communicate such proposals to the appropriate Federal agencies;

"(4) represent the views and interests of small businesses before other Federal agencies whose policies and activities may affect small businesses; and

"(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government which are of benefit to small businesses, and information on how small businesses can participate in or make use of such programs and services.".

Sec. 11. (a) The first sentence of section 411(c) of the Small Business Investment Act of 1958 is amended by inserting "administer this program on a prudent and economically justifiable basis and shall" immediately after "shall".

(b) Section 411(c) of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Within 30 days after the date of enactment of this sentence and at monthly intervals thereafter, the Administration shall publish the cost of the program to the Administration for the month immediately preceding the date of publication. The Administration shall conduct a study of the program in order to determine what must be done to make the program economically sound. Within one year after the date of enactment of this sentence, the Administration shall transmit a report to Congress containing a detailed statement of the findings and conclusions of the study, together with its recommendations for such legislative and administrative actions as it deems appropriate.".

Sec. 12. Section 7(a) of the Small Business Act is amended by adding at the end thereof the following new paragraph:

"(8) During the fiscal year ending June 30, 1975, the Administrator shall make direct loans under this subsection in an aggregate amount of not less than $400,000,000.".

Sec. 13. The General Accounting Office is directed to conduct a full-scale audit of the Small Business Administration, including all field offices. This audit shall be submitted to the House and Senate not later than six months from the date of enactment of this Act.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 15578) was laid on the table.

GENERAL LEAVE

Mr. STEPHENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDING AND EXTENDING THE DEFENSE PRODUCTION ACT OF 1950

Mr. REES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13044) to amend the Defense Production Act of 1950.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. Rees).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13044, with Mr. Danielson in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. Rees) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. Widnall) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. Rees).

Mr. REES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 13044, a bill to amend and extend the Defense Production Act of 1950, is designed to improve and continue programs which are needed to assure that our industrial capacity and resource inventory remain at levels necessary to adequately safeguard national security.

H.R. 13044 would extend the authority of the Defense Production Act another year, until June 30, 1975. In addition, the bill would amend the act to change the method by which Defense Production Act stockpile materials are purchased for use in order to guarantee uninterrupted defense production when necessary. It also calls for a 9-month administration study of the management of all our stockpiles in light of new worldwide economic developments.

Under the act as it is presently written, such stockpiles are maintained through the purchase of materials with loans from the Treasury. The cost of loan funds, especially in view of the soaring interest rates in today's economy, has constituted a serious financial drain on the stockpile program. H.R. 13044 would eliminate this problem by providing funds needed for stockpile purposes through congressional appropriations. In addition to improving the financial condition of the program, such a change would also improve congressional surveillance and control over stockpiling efforts.

The United States is greatly reliant on foreign sources for many of its vital resource needs. We face intensified competition among the countries of the world for those resources. Also, countries dominating resource markets have the potential to organize market control mechanisms and arbitrarily increase prices. The effect of those price increases on the economy may be quite severe. Hence, the wisdom of the Nixon administration's plan to severely reduce the national stockpiles and inventories is particularly suspect. H.R. 13044, therefore, includes provisions calling for a study to reappraise the current plans for reduction of the stockpiles and inventories.

The stockpiles of materials appear to be inadequate. For example, the stockpile objective for aluminum according to the GSA stockpile report is zero. The stockpile objective for bauxite, metal grade, Jamaica is 4,638,000 long tons, and for bauxite, metal grade, Surinam is zero. According to the preprint from the 1972 Bureau of Mines mineral yearbook section on bauxite, the U.S. consumption of bauxite in 1972 was 15,400,000 long tons—90 percent of U.S. primary consumption of aluminum is supplied by foreign sources. The stockpile supply, then, is 30 percent of our annual consumption. Furthermore, the conversion process from bauxite into aluminum is a complicated and time-consuming process.

Similarly, in 1972 the U.S. imported 169,000 tons of nickel relying almost totally on foreign sources. The current stockpile objective for nickel is zero. Also, 676,891 tons of asbestos were imported in 1972, reflecting a 90-percent import dependency. The total stockpile objective for asbestos is 1,100 tons.

Given this reliance of the United States on foreign sources for many of its most vital resource needs, the intensified competition among the countries of the world for those resources, the potential of countries which dominate resource markets to organize market control mechanisms and arbitrarily increase prices, and the effect of those price increases on our economy, the Nixon administration's plan to severely reduce the national stockpiles and inventories is particularly suspect. Consequently, H.R. 13044 includes provisions calling for a study to reappraise those plans for reduction.

I urge passage of H.R. 13044 with the committee's amendments.

Mr. Chairman, I will have three amendments. They are minor amendments to the bill, and they will be introduced as soon as the 1 hour of debate is finished.

Mr. WIDNALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, last month the House passed a continuing resolution in support of the activities authorized under the Defense Production Act of 1950. It is now imperative that the House favorably pass a DPA Act to insure, for fiscal year 1975, the continued fulfillment of our defense production goals.

This bill would extend for 1 year the powers of the President to guarantee loans and maintain priorities for defense contracts, distribute and make purchases of materials for defense needs, employ advisors and consultants in furtherance of these goals, and establish a reserve of trained executives to meet the requirements of Government during periods of national emergency.

Two changes in the act are provided for in the bill now pending. First, the method by which DPA stockpiles are financed would be changed in order to guarantee the uninterrupted production of defense materials. Under present law, DPA stockpiles are maintained by loans from the Treasury Department. High interest rates have created a drain on DPA stockpiles, they have created a strain on the whole system.

Under our bill, stockpiles would in the future be maintained by regular congressional appropriations. This action would prevent the approaching depletion of the stockpile fund. It would also establish, on a sound basis, the financing of our national security needs with respect to this area of scarce raw materials. As a result of congressional involvement in the financing of the DPA, greater opportunities will be created and sustained for the purposes of legislative oversight.

For example, ever since the DPA was established at the time of the Korean war, the Government has had to finance many operations by business to get increased supplies of raw materials. As I said at the time of our hearings, "Business has made a very healthy profit out of it and Government has had a very losing investment on it." This is very difficult to explain to the people back home. It is the responsibility of the Congress to improve the balance between the needs of Government and the needs of business. Oversight would improve our input in this area.

Aside from the funding problem, some interest has been expressed concerning the lack of a coordinated Government policy toward the Government's use of essential natural resources. This bill would authorize the Director of the Office of Management and Budget, in consultation with several other Government departments, to study the availability of alternative ways to maximize the use of raw materials. This study would, according to the law, have to be completed by March 1975. It would contain both legislative and administrative recommendations of the Director, and include a summary of his conclusions and findings.

The need for this study is obvious, given our increased dependence on imported materials. The problem is that although our domestic production is equal to the needs of our defense, the needs of our economy in emergency situations might go begging.

The acquisition of scarce resources for the Government is the central concern of the Defense Production Act. Under our bill, the financing operations of the DPA would be streamlined, its efficiency and effectiveness improved. By support of this bill, we insure the continued success of the act, one of Congress' best legislative efforts.

Mr. REES. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, my purpose for requesting time on this bill is to discuss section 5, which is an amendment to the Defense Production Act of 1950, as amended.

I am wholeheartedly in favor of serious consideration being given to stockpiling for domestic purposes certain critical materials, and I have advised your committee, through Congressman REES, that I have no objection to a study being made in this field looking to the possibility of the creation of such a stockpile.

However, H.R. 13044, in its section 5 beginning at line 23, page 3, gives me concern as to whether the Banking and Currency Committee is seeking jurisdiction over the strategic and critical stockpile, which has been set up by statute for the protection of the national defense of our country.

I have two concerns about the language as it presently appears in the bill under section 5; one is that at line 10, page 4, and in other places in this section, the Director of the Office of Management and Budget is directed to play a vital part in the proposed study.

The experience of the Stockpile Subcommittee of the House Armed Services Committee has been that the Office of Management and Budget has been the chief administrative force seeking to draw down the stockpiles to dangerous levels, contrary to the advice of other agencies in the Government, and it would, therefore, be a grave mistake to place that responsibility in the Office of Management and Budget. Unless the committee seeks an amendment to strike the Director of the Office of Managment and Budget from the language and replace it with the Comptroller General, I would like to introduce an amendment to do that myself. However, it is my understanding the committee does plan to make this change. Therefore, my remarks at this point are primarily directed at another matter.

Specifically, the language as it now stands refers—lines 12 through 15 at page 5—to projected levels of military consumption and the quantities of materials necessary to satisfy requirements for a period of not less than 1 year.

The Office of Management and Budget has approved the criteria which establishes the stockpile objectives to satisfy requirements for a 1-year emergency. No other department of the Government has been willing to testify before the subcommittee favoring such a short period of time as a basis for military stockpiling. The Comptroller General has indicated that it would be imprudent to enter into a disposal program based on current assumptions until a reevaluation is made of our stockpile objectives.

Therefore, I would like to receive the assurance of the chairman of the Banking and Currency Committee that this legislation is not intended in any way to diminish the jurisdiction of the House Armed Services Committee in handling matters relative to the national defense stockpile requirements.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from California.

Mr. REES. Mr. Chairman, in answer to the gentleman's question, no, there is absolutely no intention on the part of this member or other members of the Committee on Banking and Currency to alter the current division of jurisdiction in any way. We recognize the excellent work done by the gentleman from Florida in his capacity as chairman of the subcommittee. All we seek is a study.

I might also say to the gentleman that I appreciate his assistance on this bill.

Mr. Chairman, I have an amendment which I offer to change the language of the bill so that the Comptroller General of the General Accounting Office will conduct the study, rather than the Director of the Office of Management and Budget.

Mr. BENNETT. Mr. Chairman, I appreciate very much the reassurance the gentleman has given me.

One of the great problems with the requirements of the military stockpile at the present time, other than the military, is the general economics of the country, and the Bureau of the Budget is another reason for concern. These are reasons which have nothing to do with national defense, and I feel, therefore, very much reassured that the gentleman is working on the idea of trying to protect the industry generally in this bill.

Mr. Chairman, I congratulate the gentleman for his efforts.

Mrs. MINK. Mr. Chairman, I wish to commend Chairman PATMAN and the Committee on Banking and Currency for recommending that the House act favorably on the bill which is before us today, H.R. 13044. In particular, I would like to emphasize that the addition of section 720 to the Defense Production Act of 1950 fills a gaping hole in American policy formation.

Since the publication of the President's Materials Policy Commission—Paley Commission—report in 1952, we have been aware of the growing problem of obtaining adequate mineral supplies for our growing domestic needs. More recently, we have been reminded of this concern by the issuance of the 1972 report of the National Materials Advisory Board, "Elements of National Materials Policy"; the report of the National Commission on Materials Policy, "Material Needs and the Environment Today and Tomorrow"; and the publication of the U.S. Geological Survey Professional Paper 820, "United States Mineral Resources."

Moreover, considerable interest in the issue of continuing adequate supplies of raw materials at acceptable price levels has been piqued by the success of the OPEC cartel and the incipient efforts of the International Bauxite Association.

While each of the studies mentioned have provided us with ample warning as to the nature of the problem, little has been done to actually evaluate the alternative policy solutions which are available. The study authorized in H.R. 13044 will finally supply some of the information needed before Congress and the country can take decisive action.

This spring, the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs held a series of hearings on the question of mineral scarcity. We heard testimony from representatives of the Department of the Interior, as well as those industries which are involved in the extraction, beneficiation, and end use of hard rock minerals.

Among the potential solutions to a mineral scarcity problem which were discussed by the various witnesses were two which are now being recommended for study in H.R. 13044; namely, a comprehensive management program for the efficient marketing of U.S. inventories and stockpiles of essential natural resources and the development of substitutes.

Considerable attention has been directed toward the question as to whether the Federal Government should establish an economic stockpile of critical materials. At present, determination of stockpile levels is restricted to consideration of strategic criteria only. A study which evaluates the relative importance of all minerals as well as examines the question of a coordinated stockpile policy, based upon all considerations will certainly contribute to determination of the proper role of the stockpiles.

Substitutes for essential minerals can take many forms. It is possible, for example, to substitute one material for another in its end use application. Thus, glass, plastic, paper, and aluminum containers can be substituted for tin-plated steel cans.

A second possibility for substitution exists in the replacement of one mineral for another in the process of alloy formation. For example, studies have been done which suggest that aluminum can serve as a potential substitute for other minerals in the production of stainless steel. Research on substitution can also include exploration of the possibilities of increased reliance upon recycling, rather than continued emphasis upon virgin materials.

Finally, in some cases, where engineering research enables us to reduce the amount of a material used in the production of a given consumer item, nothing can be substituted for certain materials. A recent example of this is the reduction of the thickness of the tin layer applied to steel food cans. The function remains the same, but the mineral consumption is reduced.

Beyond consideration of these specific policy alternatives, the study authorized in this bill will also evaluate the question of mineral supplies in light of the current and projected market conditions and availability of foreign supplies. One very important aspect of the study will be to define just which natural resources are "essential." Once agreement on this issue is reached, we can direct our efforts toward assuring that these resources are always in adequate supply.

Other research which will be necessary before a complete evaluation of our mineral supply situation is fully appreciated includes research into the potential of deep seabed mining and the potential for development of low-grade, domestic deposits of certain minerals. The study recommended by the Committee on Banking and Currency is a step in the right direction. It is essential that policymakers begin to come to grips with the question of a national materials policy.

Mr. VANIK. Mr. Chairman, I would like to make some brief comments about the nature of the underlying legislation which we are today extending. As the committee report states—

> The bill would extend for one additional year, through June 30, 1975, the remaining powers of the President under the Defense Production Act of 1950.

Most Americans—and probably most Members of Congress—have no idea of the extent of the emergency and dictatorial powers provided by this act which we are so casually extending.

Last November, the Senate Special Committee on the Termination of the National Emergency published a 607-page report on "Emergency Powers Statutes: Provisions of Federal Law Now in Effect Delegating to the Executive Extraordinary Authority in Time of National Emergency." This report summarizes on page 485 the powers available to the President as a result of the Defense Production Act of 1950:

> The authority that remains in the Act includes the power to establish priorities for defense contracts; the power to allocate materials for defense purposes; the authority to guarantee loans made in connection with defense contracts; the authority to make loans and purchases to build up defense capacities, assure supplies of defense materials and to carry out existing contracts; the authority to enable businessmen to cooperate voluntarily in meeting defense needs, with exemptions from antitrust laws; the authority to employ and to prescribe conditions of employment including compensation; the provision for establishment of a reserve of trained executives to fill government positions in time of mobilization; and provision for the establishment of particular cost-accounting standards.

One should remember that this is not just a military defense bill. The President can declare, as Roosevelt did, an economic defense emergency. Thus, if the President were to declare an economic energy emergency this winter, the Defense Production Act might enable him to take the following types of action—all without consulting Congress:

First. Under 50 U.S.C. App. 2071, relating to priority in contracts and orders, it would seem that the President could attempt to ration fuel, order steel for oil drilling rigs and otherwise direct the economy—without specific congressional consent to any of his actions.

Second. Under 50 U.S.C. App. 2072, relating to the control of hoarding of scarce materials, it would seem that the President could attempt to take away steel tubing from those oil companies which are reportedly stockpiling it. While I might personally favor such an action—I do believe that such action should not be taken by the stroke of a pen. Rather, it should be debated and legislated through our proper constitutional processes.

Third. Under 50 U.S.C. App. 2093, relating to the purchase of raw material and the installation of equipment, it would seem that the President could attempt to establish a Federal Oil Corporation. He could set up a whole Federal agency to drill for oil, develop oil shale lands, or install solar heat devices throughout the country. Again, Mr. Chairman, I might be in favor of some of these goals. But the means I have described are the ways of a dictatorship. We must not continue to condone in our society laws which would permit such emergency powers, such sweeping powers to a single individual.

Mr. Chairman, I am concerned that this excellent study on the emergency powers problem has received so little attention. I am disappointed that no action has been taken to review the need for all of these emergency powers. We are proceeding to impeach a President—yet we continue to provide the Executive with dictatorial powers. We in the Congress continually complain of the growth of the Executive and the loss of congressional power—yet we have no one to blame but ourselves. We have handed over on a silver platter dictatorial powers to the President.

I would like at this point to quote from portions of the opening pages of the emergency powers study:

> A majority of the people of the United States have lived all of their lives under emergency rule. For 40 years, freedoms and governmental procedures guaranteed by the Constitution have, in varying degrees, been abridged by laws brought into force by states of national emergency.

Although Lincoln evoked enormous emergency powers, our present "special" laws stem largely from World War I:

> Following the Allied victory, Wilson relinquished his wartime authority and asked Congress to repeal the emergency statutes, enacted to fight more effectively the war. Only a food-control measure and the 1917 Trading With the Enemy Act were retained. This procedure of terminating emergency powers when the particular emergency itself has, in fact, ended has not been consistently followed by his successors.

Franklin Roosevelt vastly expanded those powers to meet the problems of the depression:

> The Trading With the Enemy Act had, however, been specifically designed by its originators to meet only *wartime* exigencies. By employing it to meet the demands of the depression, Roosevelt greatly extended the concept of "emergencies" to which expansion of executive powers might be applied. And in so doing, he established a pattern that was followed frequently: In time of crisis the President should utilize any statutory authority readily at hand, regardless of its original purposes, with the firm expectation of *ex post facto* congressional concurrence.

Truman further expanded the emergency powers and obtained the original passage of the bill we are debating today:

> At the end of the Korean war, moreover, the official state of emergency was not terminated. It is not yet terminated. This may be primarily attributed to the continuance of the Cold War atmosphere which, until recent years, made the imminent threat of hostilities an accepted fact of everyday life, with "emergency" the normal state of affairs. In this, what is for all practical purposes, permanent state of emergency, Presidents have exercised numerous powers—most notably under the Trading With the Enemy Act—legitimated by that ongoing state of national emergency. Hundreds of others have lain fallow, there to be exercised at any time, requiring only an order from the President.

Mr. Chairman, the problem of emergency power legislation is an enormous one. I would hope that during this period of peace and détente, we could begin to eliminate some of these powers. I urge the committee to consider repeal of major portions of the Defense Production Act. Continued extension of this type of legislation could extend us out of a Republican and into a dictatorship. The following quotes from the emergency powers study summarize some of the problems facing our democracy:

> The 2,000-year-old problem of how a legislative body in a democratic republic may extend extraordinary powers for use by the executive during times of great crisis and dire emergency—but do so in ways assuring both that such necessary powers will be terminated immediately when the emergency has ended and that normal processes will be resumed—has not yet been resolved in this country. Too few are aware of the existence of emergency powers and their extent, and the problem has never been squarely faced.
>
> A review of the laws passed since the first state of national emergency was declared in 1933, reveals a consistent pattern of lawmaking. It is a pattern showing that the Congress, through its own actions, transferred awesome magnitudes of power to the executive ostensibly to meet the problems of governing effectively in times of great crisis. Since 1933, Congress has passed or recodified over 470 significant statutes delegating to the President powers that had been the prerogative and responsibility of the Congress since the beginning of the Republic. No charge can be sustained that the Executive branch has usurped powers belonging to the Legislative branch; on the contrary, the transfer of power has been in accord with due process of normal legislative procedures.
>
> It is fortunate that at this time that, when the fears and tensions of the cold war are giving way to relative peace and détente is now national policy, Congress can assess the nature, quality, and effect of what has become known as emergency powers legislation. Emergency powers make up a relatively small but important body of statutes—some 470 significant provisions of law out of the total of tens of thousands that have been passed or recodified since 1933. But emergency powers laws are of such significance to civil liberties, to the operation of domestic and foreign commerce, and the general functioning of the U.S. Government, that, in microcosm, they reflect dominant trends in the political, economic, and judicial life in the United States.

Mr. REES. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Amendments of 1973".

Sec. 2. (a) Subsection (b) of section 304 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2094), is repealed.

(b) Such section 304 is amended by adding at the end thereof the following new subsections:

"(c) The Secretary of the Treasury is authorized and directed to cancel the outstanding balance of all unpaid notes issued to the Secretary of the Treasury pursuant to this section, together with interest accrued and unpaid on such notes.

"(d) Any cash balance remaining on June 30, 1974, in the borrowing authority previously authorized by this section, and any funds thereafter received on transactions heretofore or hereafter entered into pursuant to sections 302 and 303 shall be covered into the Treasury as miscellaneous receipts."

Sec. 3. Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) by inserting "(a)" after "Sec. 711.";

(2) by inserting "(including sections 302 and 303 and for payment of interest under subsection (b) of this section)" after "Act" the first place the term appears; and

(3) by adding at the end thereof the following new subsection:

"(b) Interest shall accrue on (1) the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 302 and 303 when the head of the agency determines that such net losses have occurred; and (2) the current market value of the inventory of materials procured under section 303 as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity.".

Sec. 4. The first sentence of section 717 (a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1976."

Mr. REES (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first four committee amendments.

The Clerk read as follows:

Committee amendments: On the first page, line 4, strike out "1973" and insert in lieu thereof "1974".

On the first page, line 10, strike out "(c)" and insert in lieu thereof "(b)".

On page 2, line 3, strike out "(d)" and insert in lieu thereof "(c)".

On page 3, line 19, strike out "1976" and insert in lieu thereof "1975".

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, immediately after line 19, insert the following new section:

SEC. 5. The Defense Production Act of 1950 is amended by adding at the end thereof the following new section:

SEC. 720. (a) In consideration of—

(1) increased dependence of the United States on the importation of certain natural resources vital to the national defense, the orderly operation of domestic and foreign economies, and the need for reasonable pricing of such resources; and

(2) the ability of other countries that export essential natural resources to, singly or in groups, arbitrarily raise the prices of these commodities to unreasonable levels;

the Congress authorizes and directs the Director of the Office of Management and Budget, in consultation with Council of Economic Advisers, the Council on International Economic Policy, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Commerce, the Administrator of the General Services Administration, and any other appropriate agencies of the United States, to undertake a study.

(b) The purpose of the study is to recommend legislative and administrative actions to develop a comprehensive strategic stockpiling and inventories policy which (1) facilitates the availability of essential natural resources, (2) prevents disruptions in the domestic and foreign economies, and (3) prevents unreasonable increases and erratic fluctuations in the prices of imported essential natural resources.

(c) In carrying out the study the Director shall consider the following:

(1) The feasibility of purchase and sale of essential natural resources by the United States in order to achieve reasonable and orderly market prices of these resources.

(2) A method to determine what constitutes "essential natural resources".

(3) A proposal for a unified administrative structure to formulate and implement a continuing and comprehensive management program for the efficient marketing of United States inventories and stockpiles of essential natural resources.

(4) At current and projected levels of military and civilian materials consumption, the quantities of materials necessary to satisfy demand for a period of not less than one year.

(5) Any current or projected adjustment necessary to reflect dependency on imports.

(6) The current and potential ability of the United States to develop substitutes for imported essential natural resources.

(7) The feasibility of expanding acquisitions of essential natural resources through barter agreements.

(8) The impact of the pricing of essential natural resources on the international monetary system.

(d) The Director of the Office of Management and Budget shall transmit to each House of Congress the study not later than March 1, 1975. It shall contain a detailed statement of the findings and conclusions of the Director, together with his recommendations for legislative and administrative actions.

Mr. REES (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the last committee amendment be dispensed with, that it be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. REES TO THE COMMITTEE AMENDMENT

Mr. REES. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. REES to the committee amendment: Strike out "Director of the Office of Management and Budget" each time it appears therein and insert in lieu thereof "Comptroller General of the United States" and strike out "Director" each time it appears therein and insert in lieu thereof "Comptroller General".

Mr. REES. Mr. Chairman and Members of the Committee, this amendment, which I have discussed with the gentleman from Florida (Mr. BENNETT) calls for a study to be made by the Comptroller General of the United States, rather than the Director of the Office of Management and Budget. In this way we have a mixture of both executive and legislative branch participation.

Mr. Chairman, I know of no objection to the amendment.

Mr MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from California. I would also like to say to the Members of the House that I think it is very important that the Congress have someone connected with the Congress on this commission.

There was a commission exactly the same as this established 2 years ago, which last year wrote a report exactly of the nature called for in this amendment, and I presume that that report has not been read by any Member.

Since we are now in the process of setting up another commission exactly the same as the one in 1972, I consequently think it would be a very fine thing to have someone appointed by the Congress who would serve on a commission like this in the hope that we might be able to pay attention to the recommendations made by that commission.

Mr. REES. Mr. Chairman, I appreciate the statement made by the gentleman from Illinois

I did read the report that was published; it is indeed unfortunate that many Members have not read it since the strategic position—both militarily and economically—of our Nation is of great importance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. REES) to the committee amendment.

The amendment to the committee amendment was agreed to.

AMENDMENT OFFERED BY MR. REES TO THE COMMITTEE AMENDMENT

Mr. REES. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. REES to the committee amendment: Page 4, line 14, after "The Secretary of Commerce": Insert "the Secretary of the Interior, the Secretary of Agriculture,"

Mr. REES. Mr. Chairman, after these original amendments were printed, both the Secretary of the Interior and the Secretary of Agriculture requested that they be allowed to participate in the study. This is the sole intent of the amendment. It merely adds the Secretary of the Interior and the Secretary of Agriculture.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. REES) to the committee amendment.

The amendment to the committee amendment was agreed to.

AMENDMENT OFFERED BY MR. REES TO THE COMMITTEE AMENDMENT

Mr. REES. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. REES to the committee amendment: Page 4, line 19, insert "and economic" immediately after "strategic".

Strike out "essential natural resources" each time it appears therein and insert in lieu thereof "essential resources".

SEC. 720(b), insert between (1) and (2): "identifies the existence of any long- or short-term shortages or market adversities affecting the supply of any resource or commodity."

SEC. 720(c), insert (9): "Any existing government policies and practices which may tend to adversely affect the supply of any resources or commodity."

Page 4, line 23, strike out "imported".

Mr. REES. Mr. Chairman, these amendments merely broaden the scope of the study. They are taken from legislation previously passed by the Senate. The study will now seek to ascertain the nature and possibility of a long- or short-term shortage which would affect the availability of an essential commodity. In addition, the study will analyze the effect of current Government policies on our supplies of essential commodities. I know of no opposition to the amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

In connection with the previous amendment, do I understand that there was a study made only 2 years ago? If there was made 2 years ago a study, by whom was it made? Was a report made?

Mr. REES. I am not posiitve as to the source of the study because it did not go through our committee. I read the study. The report, I think, pointed out that we would have some short- and long-term supply problems with imported materials, but, unfortunately, no one in the Administration seemed to read the report. They have continued the policy of selling off the stockpiles. Therefore, I thought it was necessary to get a short-term, up-to-date, report by the GAO in conjunction with the Administration. I think a new report is absolutely necessary because the previous report was developed prior to the 450-percent increase in the price of imported oil in the Arab boycott.

Mr. GROSS. What is the history preceding that—making these studies every 2 years? Or what is it?

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

The report that I read was prepared by the Director of the Office of Management and Budget, the Secretary of Commerce, the Secretary of the Treasury, and the Secretaries of other departments who studied the problems of raw material shortage and made recommendations in this report. I had some difficulty obtaining the report but did read it and did find in that report several recommendations made to the Congress, none of which apparently have ever been acted upon. They dealt with the recycling of material, the changing of tax structures for recyclers, the possibility of changing of trade situation relationships with foreign countries. All of those things I presume will be studied. It forecast the economic hardships that could come about as a result of the Arab oil embargo or an action of that kind.

It also went into the kind of economic hardships that could occur as a result of other nations engaging in the types of activities that they are now engaging in.

Now I understand there is another leadership bill in that has passed the Senate and is pending in the House that would do exactly the same thing that this bill would do, only I believe it will allow for different membership. It would be my hope, as I expressed earlier, that if we are going to do this kind of thing that it be done by the Congress rather than having the Congress always asking the administration to do it and then ignoring the recommendations forthcoming from the administration.

I can see no reason, if we are going to have a study commission, why it would not be made up of Members of the House and Senate, or at least people designated by them who would put some input into the legislative process.

Mr. REES. Mr. Chairman, I agree with the gentleman. For many years the only report on this subject, and I am talking about an independent report and not an in-house report, was the Paley Commission report completed in 1952. I do think it is absolutely necessary that we have an independent report and not one run by the Office of Management and Budget. An OMB study would discuss the cash flow from stockpile sales rather than examining the problem we have with dependence on imported essential resources.

This bill was amended before the Senate came up with their bill. I was afraid that, because of the logjam of legislation, there would not be enough time here in the House to get the Senate bill out and on the floor for debate. It might be delayed for another 4 or 5 months. Consequently, I would prefer to have the General Accounting Office begin working with the various agencies so that, even if we have a subsequent Senate bill, a basic study would already have been prepared. We must begin the study immediately because we are now in a very serious situation with regard to our natural resource position.

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. Gross, and by unanimous consent, Mr. Rees was allowed to continue for 1 additional minute.)

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I do not quarrel particularly with the necessity for a study and a report. It is this piling of one report on top of another and one body of Congress going in one direction and one in another. If that is what is happening, it ought to be stopped. There is no necessity for this kind of duplication if that is what is taking place.

I thank the gentleman for yielding.

Mr. REES. I hope that this study will not be a duplication because I think we must have immediate action on this problem; and if we have duplication no such immediate action will occur.

Mr. GROSS. These studies and reports do cost money, no matter where they originate or who carries them out. Is that not true?

Mr. REES. They all cost money.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Rees) to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. Danielson, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13044) to amend the Defense Production Act of 1950, pursuant to House Resolution 1233, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1233, the Committee on Banking and Currency is discharged from further consideration of the Senate bill (S. 3270) to amend the Defense Production Act of 1950, as amended.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. REES

Mr. REES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Rees moves to strike out all after the enacting clause of the bill S. 3270 and to insert in lieu thereof the provisions of H.R. 13044, as passed, as follows:

That this Act may be cited as the "Defense Production Act Amendments of 1974".

Sec. 2. (a) Subsection (b) of section 304 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2094), is repealed.

(b) Such section 304 is amended by adding at the end thereof the following new subsections:

"(b) The Secretary of the Treasury is authorized and directed to cancel the outstanding balance of all unpaid notes issued to the Secretary of the Treasury pursuant to this section, together with interest accrued and unpaid on such notes.

"(c) Any cash balance remaining on June 30, 1974, in the borrowing authority previously authorized by this section, and any funds thereafter received on transactions heretofore or hereafter entered into pursuant to sections 302 and 303 shall be covered into the Treasury as miscellaneous receipts."

Sec. 3. Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) by inserting "(a)" after "Sec. 711.";

(2) by inserting "(including sections 302 and 303 and for payment of interest under subsection (b) of this section)" after "Act" the first place the term appears; and

(3) by adding at the end thereof the following new subsection:

"(b) Interest shall accrue on (1) the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 302 and 303 when the head of the agency determines that such net losses have occurred; and (2) the current market value of the inventory of materials procured under section 303 as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity.".

SEC. 4. The first sentence of section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1975".

SEC. 5. The Defense Production Act of 1950 is amended by adding at the end thereof the following new section:

"SEC. 720. (a) In consideration of—

"(1) increased dependence of the United States on the importation of certain natural resources vital to the national defense, the orderly operation of domestic and foreign economies, and the need for reasonable pricing of such resources; and

"(2) the ability of other countries that export essential resources to, singly or in groups, arbitrarily raise the prices of these commodities to unreasonable levels;

the Congress authorizes and directs the Comptroller General of the United States, in consultation with Council of Economic Advisers, the Council on International Economic Policy, the Secretary of the Treasury, the Secretary of Defense, the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, the Administrator of the General Services Administration, and any other appropriate agencies of the United States, to undertake a study.

"(b) The purpose of the study is to recommend legislative and administrative actions to develop a comprehensive strategic and economic stockpiling and inventories policy which (1) identifies the existence or possibility of any long- or short-term shortages or market adversities affecting the supply of any resource or commodity, facilitates the availability of essential resources, (2) prevents disruptions in the domestic and foreign economies, and (3) prevents unreasonable increases and erratic fluctuations in the prices of essential resources.

"(c) In carrying out the study the Comptroller General shall consider the following:

"(1) The feasibility of purchase and sale of essential resources by the United States in order to achieve reasonable and orderly market prices of these resources.

"(2) A method to determine what constitutes 'essential resources'.

"(3) A proposal for a unified administrative structure to formulate and implement a continuing and comprehensive management program for the efficient marketing of United States inventories and stockpiles of essential resources.

"(4) At current and projected levels of military and civilian materials consumption, the quantities of materials necessary to satisfy demand for a period of not less than one year.

"(5) Any current or projected adjustment necessary to reflect dependency on imports.

"(6) The current and potential ability of the United States to develop substitutes for imported essential resources.

"(7) The feasibility of expanding acquisitions of essential resources through barter agreements.

"(8) The impact of the pricing of essential resources on the international monetary system.

"(9) Any existing government policies and practices which may tend to adversely affect the supply of any resource or commodity.

"(d) The Comptroller General of the United States shall transmit to each House of Congress the study not later than March 1, 1975. It shall contain a detailed statement of the findings and conclusions of the Comptroller General, together with his recommendations for legislative and administrative actions.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend the Defense Production Act of 1950."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 13044) was laid on the table.

GENERAL LEAVE

Mr. REES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT TO 11 A.M. FRIDAY, AUGUST 2, 1974

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m., on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I will not object, can we be assured that we will not have any other legislation other than what has been proposed and that there will be no attempt to run in other legislation if we come in that early?

Mr. McFALL. If the gentleman will yield, I can give him that assurance. I asked the Speaker just now if there were any conference reports. There are no conference reports.

The two bills we would take up would begin with the Federal reclamation projects and programs bill and the second bill would be the International Broadcasting Board amendment. Those are the only two bills we would consider. When we finish those, we will be through.

Mr. ROUSSELOT. So the majority whip can assure us there will be only two bills tomorrow?

Mr. McFALL. That is right.

Mr. ROUSSELOT. Mr. Speaker, I appreciate that and with that assurance we are prepared to tell our colleagues they will be able to leave at a decent hour tomorrow.

Mr. McFALL. Mr. Speaker, the reason for asking unanimous consent is for that purpose. I had been telling the Members that they could look forward to finishing about 4 o'clock. I would think this would assure it; coming in at 11 o'clock would give them 5 hours to work. One of these bills has 2 hours of general debate and the other has 1 hour of general debate. I would think we could finish them both by 4 o'clock .

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, I yield to my colleague, the gentleman from Iowa (Mr. GROSS) who always has something to say.

Mr. GROSS. Must we take 5 hours just because we have 5 hours?

Mr. McFALL. No, sir; but if we were to start at 12 o'clock, it would be 12:30 before we get to the bills. I thought that would be cutting it a little close if we wanted to make it by 4 o'clock. Maybe we can break the record and get out by 3 o'clock.

Mr. ROUSSELOT. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROPOSED CHANGES TO THE COASTAL ZONE MANAGEMENT ACT OF 1972

(Mr. DOWNING asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. DOWNING. Mr. Speaker, I am introducing today a bill to make certain needed changes in the Coastal Zone Management Act of 1972.

The purpose of the Coastal Zone Management Act is to provide assistance, both financial and technical, to State and local governments in their efforts to protect and use more wisely the Nation's coastal areas. In addition to the financial incentives provided in the act, the legislation also calls on the Federal Government to aline Federal activities that affect State coastal zones with State coastal zone management programs. The third important provision of the legislation authorizes grants to States for the purposes of acquiring and maintaining estuarine sanctuaries to serve as natural field laboratories to assist in the development of coastal zone management programs.

Although the act was passed almost 2 years ago, it was not until 6 months ago that the administration allowed the program to be funded. And this minimum funding only came about as a result of pressure from the Congress. In any event, funding was made available in December 1973, and I am pleased to note the enthusiastic acceptance of the program by the States and the rapid progress which has been made.

During fiscal year 1974, in only 6 months, grants for developing coastal zone management programs consistent with the legislation were made to 28 States. These are the States of Alabama, Alaska, California, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, New Hampshire, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Texas, Washington, and Wisconsin. All together, $7.2 million of Federal grants have been made available to the States for the purpose of assisting them and their subdivisions in developing programs for the management of their valuable coastal areas.

The National Oceanic and Atmospheric Administration, administering the program, indicates that an additional three States will receive grants during early fiscal 1975. Thirty-one of the 34 eligible States and territories of our Nation are now actively involved in the coastal zone management program, and two of the remaining three have filed letters of intent to submit grant requests shortly.

Mr. Speaker, as I mentioned earlier, another important provision in the Coastal Zone Management Act authorizes the Federal Government to give grants to States to assist them in acquiring and operating estuarine sanctuaries for research purposes. This provision was viewed as an important adjunct to States' ability to develop a meaningful and scientifically sound coastal zone management program. The first such grant was awarded to the State of Oregon during the month of June and at least six more States are expected to submit grant applications within the next 12 months.

Those of us who were involved in sponsoring the original legislation anticipated the growing importance of our coastal zones and the need to move promptly to provide a mechanism to assist in resolving coastal zone problems. The emergence of the energy crisis is only the latest manifestation of the pressing need for rational coastal zone management in both the State and national interest.

At the present time, the Coastal Zone Management Act is the primary mechanism available for bringing about the necessary State and Federal coordination regarding location and operation of energy related facilities in the coastal zone. However, the funding levels authorized in the legislation are extremely low, considering the magnitude of the problems that States have to confront, and we want shortly to consider whether to provide additional funding authorization to meet coastal zone needs.

However, the bill I am introducing today addresses itself to only three areas in making the act more flexible and more responsive to program needs. The first involves the need to extend the authorization for the estuarine sanctuaries portion of the program beyond the initial 1 year currently provided for in the basic act. The second involves a technical change which would replace the percentage limitation on grant size with a figure limitation. This will accomplish the original purpose but in a more flexible manner. And the third requests an increase in the authorization amount for section 305, the program development provision, to aline it more closely with the needs of the States.

Concerning the first change, Mr. Speaker, it is clear that our estuaries are among the most valued parts of our Nation's resources. They are the fertile nursery grounds for our rich and varied coastal fisheries; they are the habitat and nesting areas for water fowl and migratory birds; they offer bountiful opportunity for recreation and leisure time pursuits of many kinds; and under certain conditions, with proper environmental safeguards, they can support important economic and commercial activities.

The legislative history of the estuarine sanctuaries provision of the Coastal Zone Management Act makes it clear that this element of the program was intended to serve as an integral part of the overall coastal zone management programs of our coastal States. The sanctuaries program was designed to provide States with assistance in acquiring and operating natural field laboratories in which techniques and approaches proposed to be incorporated within their coastal management programs could be tested and perfected. The framers of the legislation also felt it important that the system of estuarine sanctuaries established through the assistance of the program be representative of the important types of estuarine systems found along our Nation's coasts.

Studies have indicated that at least 15 sanctuaries will be needed to include the major types of ecosystems found in the estuaries of the United States. Discussions between the representatives of NOAA and those of the coastal States have shown that at least 20 States have a positive interest in participating in the estuarine sanctuaries program. This would suggest that at least 20 sanctuaries are going to be required to meet essential coastal State requirements and, at the same time, provide for the necessary regional and natural differentiation.

Clearly, therefore, the sanctuaries program will need authorization for a period longer than the present 1 year in order to meet requirements. An extension of the authorization for this phase of the program for 3 additional years, that is, through fiscal year 1977, would be adequate to meet the needs presently anticipated.

The amendatory language which I am introducing today extends this phase of the coastal zone management program through fiscal year 1977 to accomplish this purpose. This action will aline the authorization period of this phase of the coastal zone management program with the other major portions of the act. It holds the authorization level for each of the next 3 years at the $6 million amount currently contained in the act.

Mr. Speaker, the second change I am proposing is a technical one. It pertains to language in the act which limits the size of grants to individual States to 10 percent of the amount of money available in a given year. In a normal year, with most coastal States participating, this provision would cause no problem and would serve its intended purpose as a desirable safeguard. However, during the initial year of a grant program, when only a few States are expected to participate, a problem will arise with the 10-percent limitation. For example, in the worst case, with only one State participating, that State could only receive one-tenth of the amount of money available that year for that type of grant. This means that 10 times as much money would have to be requested and appropriated for this purpose as was actually going to be given to the State requesting the grant.

This matter should be dealt with now because it will arise during the present fiscal year in connection with administrative grants to be made under section 306 of the act. It is expected that not more than two or three States will be in a position to qualify for these grants this year. If that is so, the 10-percent limitation will create a major difficulty, without any attendant benefits.

The amendment I introduce today simply substitutes a maximum dollar figure for the 10-percent limitation on maximum grant size for section 306 grants. This proposed change represents a more flexible means of accomplishing the same purpose. I do not foresee that this change will erode in any way the 10-percent safeguard that has been placed on the administration in this program. The limitation will simply be expressed in more effective terms.

Mr. Speaker, the last change which the bill proposes raises the authorization level for management program development grants given under the Coastal Zone Management Act from $9 million to $12 million. Experience gained during the present fiscal year indicates quite clearly that the current maximum authorization of $9 million for program development grants will be inadequate during fiscal year 1975. In fact, Mr. Speaker, in fiscal year 1974, States applying to NOAA for management program development grants received, on the average, approximately 30 percent less than the amount requested. Furthermore, information provided by the States with regard to their anticipated second year requirements—fiscal year 1975—indicate that most States will be needing approximately 30 percent more money in their second year compared to their first year as they move to complete management programs consistent with the guidelines set out in the act. The magnitude of State needs both in fiscal year 1974 and in fiscal year 1975 partly reflect the fact that NOAA is encouraging States to attempt to complete federally approvable management programs in a shorter time than the 3 years allowed for in the act. I heartily support this acceleration of effort and strongly urge action on the bill in the present Congress in order that the necessary Federal resources can be made available. It is anticipated that the full $12 million may be critical only in fiscal year 1975 since, beginning in fiscal year 1976, States will be applying for and receiving administrative grants under section 306 of the act to operate approved management programs. However, the additional authorization should continue through 1977, should future developments require it. Actual appropriations sought should obviously be less, depending on the speed with which the States complete the development phase and move to administrative grants under section 306.

Mr. Speaker, in conclusion, given the importance of the coastal zone management program and the need for its continued vigorous implementation, I solicit the support of other Members in the prompt enactment of these amendments into law.

Thank you.

DEFENSE APPROPRIATIONS BILL

(Mr. FLYNT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. FLYNT. Mr. Speaker, on yesterday I announced my intention to offer an amendment to the Department of Defense appropriation bill for fiscal year 1975 to reduce the military assistance service funded—MASF—program from $1 billion to $700 million. Today I shall discuss two of the fundamental considerations which lead me to support the $700 million figure.

The language of the amendment will be to delete the figure $922,622,000 and insert in lieu thereof $622,600,000. The reason for this numerical difference is because in the same paragraph there is provided $77,400,000 which shall be derived by transfer from aircraft procurement Air Force and is not affected by the terms of this amendment.

Let me now address the fundamental issue before the House. The administration would have us believe that American "generosity" will produce peace. I postulate the opposite.

On December 28, 1973, President Thieu announced that Saigon would not hold elections despite article 9(b) of the Paris agreement. In this context, being excluded from the political process, the other side has no incentive for peace. Our valuable military goods and services have enabled Thieu to resist a political settlement. The only way to further a political settlement is to make clear our intention to wind down funding of the war.

We must communicate to General Thieu that the American people are not going to pay $2 billion a year to enable him to avoid the political realities of his own country.

Another reason why the figure contained in the bill should be reduced by my amendment is because the committee bill provides an increase of more than $250 million over the amount expended in fiscal year 1974.

Let me say to those who speak of a moral commitment on the part of the United States. The only moral commitment of our country is to the furtherance of peace. Seven hundred million dollars is totally consistent with that principle; additional funds blatantly contradict that principle and will perpetuate the stalemate of political negotiations.

In short, an appropriation above $700 million will further endanger the American economy and encourage continued waste and warfare in Indochina. A vote for $700 million would on the contrary be both fiscally and politically sound, I hope my amendment will be adopted.

VIETNAM—THE SECRET RECORD

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Illinois (Mr. CRANE) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, the second extract which I have chosen to insert from Tad Szulc's article in Foreign Policy and the Washington Post further reinforces the alarm which must be generated by the differences between our public and our private negotiating stances.

Supporters of both Israel and Vietnam cannot but feel uneasy at this exposure of our negotiating methods. As a result, to a large extent, of our initiatives, both of these countries find their future survival dependent upon our honoring the pledges of continued support which we made. Supporters of Israel cannot have failed to notice the continuing attempts which are made to undermine our pledges to Vietnam.

We made promises to the government and people of Vietnam to induce them to accept a cease-fire which we thought advantageous to ourselves and to the wider course of world peace. We did the same in Israel. Despite this, however, a campaign has been launched in this country aimed at persuading us to break those agreements and to forfeit our honor.

If we can desert one friend and ally which depends upon us, then we can desert another: if Vietnam today, then Israel tomorrow. As a proud supporter of the rights of both nations to continued existence, and of the rights of both peoples to continued liberty, I insert the second extract from Tad Szulc's article from the Washington Post of July 2, 1974. I hope it will alert supporters of the Israeli and Vietnamese peoples to their common interest, and to their common danger.

FROM VIETNAM—THE SECRET RECORD

(By Tad Szulc)

THIEU BALKS AGAIN

Kissinger was now bubbling with optimism. He planned to return to Paris on Oct. 17 for a final meeting with Thuy (Tho had flown back home for last-minute consultations), and then go on to Saigon for wrap-up conferences with Thieu, between Oct. 19 and 23. Then he would fly secretly to Hanoi to initial the agreement on Oct. 24—his presence in the North Vietnamese capital would be revealed publicly only after the initialing ceremony—and the peace accord would be signed by the four foreign ministers in Paris on Oct. 31. The Hanoi trip would be Kissinger's greatest coup, and he was visibly excited about it. It was a beautiful scenario—except that Kissinger (despite warnings from the CIA's George Carver) had grossly overestimated his ability to bring Thieu around. This error was to plague him for months.

Kissinger arrived in Paris on the morning of Oct. 17 with Sullivan and Aldrich. They went immediately into session with Thuy, but it quickly developed that important textural differences remained between the two sides. The afternoon turned into evening. Kissinger, growing increasingly nervous and impatient, announced that he simply had to leave for Saigon that same evening before Orly Airport closed at 11 p.m. He was anxious to stay on schedule. They told him that the final details presumably could be worked out in Hanoi after Kissinger arrived there from Saigon on Oct. 24. The North Vietnamese liked the idea of having Kissinger in Hanoi to wind up the talks and initial the accord in their capital.

Kissinger and Sullivan arrived in Saigon on the morning of Oct. 19. Nobody there had a clear idea of what was happening; Kissinger had made a point of keeping everyone in the dark. Bunker had not seen the text of the agreement, and was only vaguely aware of some of its provisions. Thieu knew next to nothing. But Kissinger was confident he could get his agreement in three days of talks and then go on to Hanoi.

On Oct. 19, Kissinger and Bunker met for three and a half hours with Thieu at the presidential palace. For the first time, Thieu saw the draft peace agreement—and only in English version, which was all Kissinger had with him. He reacted with undisguised fury. His first objection was that he had not been consulted about the document that Kissinger proposed to initial in Hanoi three days hence.

The text he was shown was still incomplete—the provisions for the release of civilian prisoners in the South and the question of military equipment replacements remained subject to further negotiations—but Thieu opposed most of the clauses that were written into it. His attitude was later described by a participant in the meeting as that of a "trapped tiger. He said he was not ready for a cease-fire and that he could not understand why the Americans had given up their demands for an Indochina-wide cease-fire in favor of a truce confined to Vietnam alone. At the Oct. 19 meeting with Kissinger, and during sessions in the three ensuing days, Thieu claimed that the most important flaw in the proposed agreement was that the North Vietnamese were not required to leave the South. He protested that the document recognized post-truce areas of control in the South for both his forces and the Communists. This, he said bitterly, had the effect of granting the Communists sovereignty over some areas.

As the sessions at the palace grew increasingly tense—a participant said Thieu was acting almost paranoid—the Saigon leader accused Kissinger of negotiating an agreement behind his back and then demanding his endorsement of it in three days. He took exception to the concept of the tripartite commission and to the expression "administrative structure" which was still in the text despite Kissinger's preference for the Reconciliation and Concord Council. Either way, he said, this presaged a coalition government. Thieu saw his survival as South Vietnam's leader gravely threatened by the agreement Kissinger was trying to ram down his throat.

Kissinger (who by now had developed a hatred for Thieu) argued that the proposed agreement, combined with American guarantees, gave the Thieu regime a "fighting chance" and a "decent interval" after the cease-fire and the now inevitable U.S. withdrawal. He told Thieu: "We were successful in Peking, we were successful in Moscow, we were even successful in Paris. There is no reason why we cannot be successful here." Thieu's young foreign policy adviser, Hoang Duc Nha, replied: "So far history has shown that the United States has been successful in many fields. But history does not predict that in the future the United States will be successful here."

Still, Kissinger thought that Thieu would in the end be persuaded, and so advised Mr. Nixon from Saigon. Late on Oct. 21, Mr. Nixon, on Kissinger's recommendation, dispatched an extraordinary message to Hanoi, saying that despite a few remaining problems "the text of the agreement could be considered complete" and that peace could be signed on Oct. 31. The plan still was for Kissinger to go to Hanoi on Oct. 24.

While Kissinger kept negotiating with Thieu, he sent Sullivan to brief Laotian Premier Souvanna Phouma in Vietiane and the Thai leaders in Bangkok. Sullivan told the Thais that as part of the peace agreement the North Vietnamese would withdraw from Laos and Cambodia. If Hanoi violated this commitment, he said, the United States would "obliterate" North Vietnam. This, however, was not entirely accurate. The United States never had a firm commitment from Hanoi on quitting Cambodia, although it had secret assurances that a Laos truce could be arranged, as indeed it was, a month after the Vietnam accord. Kissinger made a quick trip to Phnom Penh to confer with President Lon Nol, but he did not show him the peace plan nor tell him Hanoi resisted a commitment on ending the Cambodian fighting. Instead, he pressed Lon Nol to seek a unilateral cease-fire. Lon Nol thanked him and asked when the North Vietnamese were leaving.

Kissinger and Bunker held their last meeting with Thieu on Oct. 23. Despite Kissinger's entreaties, Thieu remained totally opposed to the peace plan. Kissinger reported this to Mr. Nixon who, in turn, informed Hanoi that the Saigon talks had hit a snag and that, after all, the signing of the peace agreement could no longer be done on Oct. 31. Heavy-hearted, Kissinger, canceled his Hanoi trip and, dejected and exhausted, flew back to Washington.

"PEACE IS AT HAND"

Now a new crisis had developed. The North Vietnamese concluded that the Americans had used them for domestic political purposes and that they were reneging on the agreement reached in Paris earlier in the month. Their response was to "go public" with a broadcast on Oct. 25, disclosing the highlights of the agreement. The broadcast was monitored during the night by the Foreign Broadcast Information Service (a CIA operation) and Kissinger was awakened at 2 a.m. Oct. 26 to be told about it. He instantly telephoned the President at the White House. The two men met in the morning and a decision was made that Kissinger would hold a news conference at noon to explain the situation. Kissinger's overwhelming concern was that Hanoi not think that it was being deceived by the United States. With Mr. Nixon's specific approval, he thus used the now-famous expression that "peace is at hand" and that only a few more meetings with the North Vietnamese were required to iron out final details. The point was to reassure Hanoi, on one hand, and to warn Saigon, on the other, that the United States was determined to conclude a Vietnam peace agreement. Just as importantly, the statement served to undercut McGovern two weeks before the election.

Kissinger, in fact, was deeply concerned that his negotiations with the North Vietnamese would collapse because of Saigon's opposition. While still in Saigon, he had urged Mr. Nixon by cable on Oct. 23 to suspend American bombings north of the 20th parallel as a gesture of goodwill. He even suggested the end of U.S. tactical air support to the ARVN to show his annoyance with Thieu. Mr. Nixon agreed to halt the bombings in the North, but refused to cancel battlefield air support. The pressure on everyone involved was intense: before his return from Saigon to Washington Kissinger had a series of bitter cable exchanges with Haig, who thought that the American negotiating position was eroding.

At his televised performance in Washington on Oct. 26, Kissinger was, in effect, telling Hanoi to cool it, that the United States would deliver despite the unexpected delay. Some of Kissinger's colleagues say he did not believe at that point that peace was really "at hand," but that he was both anxious to commit Mr. Nixon to a quick peace and to keep McGovern on the defensive. He seemed worried that after the elections the President might reopen the whole diplomatic situation; he feared that given Mr. Nixon's natural inclinations, the President might revert to toughness after being reelected.

TRUTH IN FRANCHISING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. YOUNG) is recognized for 15 minutes.

Mr. YOUNG of Illinois. Mr. Speaker, I have introduced today a bill that I refer to as "Truth in Franchising." I think that it has wide application and is a constructive measure to provide guidelines for the responsible and penalties for the irresponsible in the field of franchises.

Franchising is a very popular method of doing business in the United States. It has been favored by the franchisor because it permits such person to develop a wider distribution system without having to make the investment otherwise required, and it gives the franchisor the benefits of the incentives that go with the franchisee running his own business.

This method of doing business has been popular with the franchisee because with a relatively limited amount of money, the franchisee can go into business for himself. The public benefits by a wider range of goods and services at lower prices.

The investment in a franchise business is very similar to the investment in a security. The franchisor should make a full disclosure of material information to the franchisee, who then should make his own decision on whether or not to purchase a franchise or enter into a franchise agreement.

This situation is very common to the sale of securities that are subject to the Securities Act of 1933 and requires what is generally called a full disclosure.

There have been many abuses in the sale of franchise agreements. Such abuses have been the subject of investigations, and many of these abuses have been widely publicized.

The Chicago Tribune has recently run a series of articles outlining the fraud perpetrated on many small investors who have purchased and entered into franchise agreements. A task force headed by Director Pamela Zekman and reporters William Gaines, Robert Unger, and William Crawford made a 2-month investigation that spanned 30 States and Canada, focusing on abuses of the franchise game.

I attach a copy of a Chicago Tribune editorial on this subject to my remarks on this bill.

I have today introduced a bill entitled "Franchising Act of 1974," which provides for the full disclosure of the nature of interests in business franchises in order to provide for increased protection in the sale of business franchises and to provide for fair disclosure in the negotiation of franchise agreements. This bill has bipartisan support, and cosponsors include: Mr. BROYHILL of North Carolina, Mr. McCOLLISTER of Nebraska, and Messrs. HANRAHAN, DERWINSKI, ANNUNZIO and MURPHY of Illinois.

The proposed act prohibits the sale of franchises unless a disclosure statement with respect to such franchise is in effect, and it prohibits the sale of franchises through fraudulent devices and schemes. The law is generally patterned on the Federal Securities Act of 1933. The administration of this Disclosure Act is placed with the Securities Exchange Commission. This agency has over 40 years of experience in administering disclosure law.

Each franchisor must file a disclosure statement setting forth the material information about the franchise agreement and the background of the franchisor with a full disclosure of the nature and terms of the franchise agreement.

The proposed act creates civil liabilities for franchisors if they use false or misleading disclosure statements or sell in violation of the registration provisions of the act.

Nothing in the act denies the right of any State to adopt or enforce any law or regulation with respect to franchises. Jurisdiction of offenses is placed in the U.S. District Courts.

Penalties for willful violations of the act includes a fine of not more than $10,000 or imprisonment for not more than 5 years, or both.

Responsible franchisors already provide this type of information to franchisees, and the requirement that this information be furnished to a franchisee will go a long way to prevent the loss of money by investors in franchises in the future.

I am also having drafted a companion bill to provide the FTC with the power to specifically regulate unfair and deceptive trade practices in connection with the operation and termination of franchise agreements and franchisees.

RISKS IN THE FRANCHISE BUSINESS

The Tribune's recent series on the franchising business consisted largely of horrible examples of how investors had lost money to unscrupulous salesmen. People who would never fall for some of the classic confidence games all too often let their hopes carry them away when they think they hear a business opportunity knocking. The very success of sound, respectable franchisers—and there are many—creates a cover exploited by people who prey on hopes doomed before the victim writes his first check.

There are laws penalizing fraud—but sophisticated franchisers more interested in a quick killing than in a solid reputation have learned to skate between jurisdictions. This is possible in the absence of crisply detailed federal laws or regulations. It just is not safe to assume that society has protected little investors from predatory promoters.

What protection there is might well be improved—by the Federal Trade Commission's insisting on substantial disclosure statements from franchisers, requiring franchisers to let prospects know these statements exist and are public documents, and defining deceptive advertising more closely than in the past. Also, new legislation might introduce new criminal penalties for failure to file accurate disclosure statements and might provide new authority for damage suits. Existing laws can be more vigorously enforced than they have been. Secretary of State Michael Howlett has assigned investigators to inquire why scores of franchisers active in this state disregarded an Illinois statute requiring financial disclosure statements from them.

But even after enactment of such protections, "Let the buyer beware" will probably be even more applicable than "There ought to be a law." Information provided by series such as ours may serve many prospects as effectively as any new regulation or statute. Public disclosure in the press can be no less serviceable than disclosure statements filed in a government office.

The franchise business serves a very useful purpose. There is no better way for an enterprising individual with limited means to go into business with the advantage of a trade name which is known to the public, whether it's in hamburgers or hotels. Our series should not be misunderstood as a blast against franchising; it should help rather than hurt franchisers who do carry out their undertakings and who do help individuals establish their own businesses. The purpose of our series was rather to throw light into a dark corner of American business in the belief that lighting that corner will prevent some hapless citizens from being victimized.

A STATUTORY SHACKLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKinney) is recognized for 5 minutes.

Mr. McKINNEY. Mr. Speaker, since coming to Congress I probably have received more mail on the social security earnings limitation than almost any other aspect of our social security program. I introduced legislation in the 92d Congress to remove the earnings limitation and while progress has been made since that time—the ceiling has been lifted from $1,680 to $2,400—still, however, the figure remains at best, unrealistic.

Many of our elderly wish to remain useful and productive citizens. Others need to work if they are to live independently in these inflationary times. I can not find any rational explanation for our national policy which penalizes, discourages, and prevents those who need to work from actually working. It is cruel to ask our older citizens to live lives of dependence and poverty when they want and need the dignity and self-respect which comes from helping oneself.

How frustrating it must be to want to work and supplement a limited income only to be discouraged from doing so by loss of social security benefits. It has been said that social security was not intended to be and should not be a contract to quit work. With this in mind, I find it sadly ironic that those penalized by the earnings limitation often have the greatest need for more income than their social security benefits provide. No longer should a person who chooses to continue working be arbitrarily penalized for his initiative of efforts, both past and present, by not being able to collect that money which is rightfully his. Instead, we should honor our senior citizen work force removing the earnings limitation statutory shackle. And that is the intent of the legislation I am introducing today.

THE NEED TO EXTEND EXIMBANK AUTHORITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Frenzel) is recognized for 30 minutes.

Mr. FRENZEL. Mr. Speaker, yesterday, the Banking and Currency Committee completed markup and reported out legislation extending the life of the Export-Import Bank. The operations of the Bank have been the subject of much criticism in recent months, and the drafting of this bill has been accompanied by some controversy.

I strongly support the extension of lending and guarantee authority for the Bank, and I want to invite the attention of the Members to some fundamental arguments in favor of extending Eximbank which I believe have have been overlooked in recent discussions.

First, Eximbank is not an "expensive deal for the taxpayers." It is a self-sustaining, profitmaking organization. It does not ask Congress for any appropriated funds. Yet, in fiscal 1974, Eximbank supported nearly $13 billion of U.S. export sales which sustain nearly 800,000 full-time U.S. jobs and produce subcontractor and supplier orders in all parts of America. While making that contribution to the American economy, the Bank has collected enough interest and fees to pay the Treasury $906 million in dividends, build a reserve of $1.5 billion, pay for the money it borrows and carry an organization of 400 people to promote U.S. economic interests worldwide. That is one of the best deals the American taxpayer has ever had.

Second, it is a false assumption that "Eximbank can borrow short-term funds from the Treasury at less than the Treasury rate; in other words, at a concessional rate subsidized by the U.S. taxpayers." The fact is that the Bank pays exactly the rate paid by the Treasury in the public market for its 182-day bills. In addition to such short-term funds, the Bank funds its lending with repayments of principal and interest on outstanding loans, earnings from fees, proceeds of Eximbank debentures sold in the private market at prevailing interest rates, and from its capital and reserves.

Eximbank's overall cost of money exceeded 7 percent for the first time in May of this year. Responding to this increased cost, the Bank has been reducing the percentage of the export price which it finances, where appropriate, and over the last 6 months has increased its maximum interest rate from 6 to 8.5 percent. Exim's interest rate has been fully in line with the Nation's prime commercial rate as illustrated by the fact that since 1960 the Bank's rate has exactly equalled the median of commercial prime rates and exceeded the low end of commercial prime rates in 10 of those years, including as recently as 1971 and 1972. Finally, Eximbank restricts its loans to between 30 and 45 percent of the export price and charges interest rates ranging from 7 to 8.5 percent. Commercial banks do the balance of the financing at market rates. Thus, the rate to the foreign buyer in the transactions runs between 8.9 and 10.8 percent. Eximbank's counterparts in other countries charge interest rates as low as 5.5 percent and finance as much as 85 percent of the export price.

It is also not true that the Bank finances exports for which there is no foreign competition. It is especially not true of commercial jet aircraft. The Europeans now have the A 300B airbus which can compete with our transcontinental range jumbo jets. It can seat 281 passengers and services routes up to 2,200 miles. As such, it represents strong and immediate competition for U.S. aircraft including Boeing 727's and 737's, McDonnell Douglas DC-9's and transcontinental range DC-10's, and Lockheed L-1011's for use on short- and medium-range routes. Potentially, the A 300B can be adapted to compete directly with American made transports on transoceanic routes. In the commercial aircraft industry, a drying up of the domestic market has made sales projections and employment overwhelmingly dependent on foreign markets where Exim financing is necessary.

When U.S. airlines do acquire new aircraft, they do so on terms which represent less of a cash flow burden—a key factor to airline operations—than the terms available to foreign airlines where Exim supports the U.S. sale. Interest rates are generally comparable. While Exim will now finance at up to 8.5 percent, it will usually only cover 30 percent of the sales price with the balance represented by commercial sources at prevailing rates, yielding an overall interest package of almost 10 percent—the equivalent of what a U.S. airline would pay today.

Finally, Mr. Speaker, I am inserting some letters I have received recently from my home State of Minnesota which stress the need to extend the Eximbank's authority. I think they indicate the depth of concern over Eximbank's future. In addition, I am including a chart which indicates recent figures showing total Eximbank financing for on a State-by-State basis:

MINNESOTA DEPARTMENT OF ECONOMIC DEVELOPMENT,
St. Paul, Minn., May 9, 1974.
Hon. BILL FRENZEL,
Representative, Third District,
Washington, D.C.

DEAR CONGRESSMAN FRENZEL: Your Banking & Currency Committee will shortly be considering a charter renewal for the Eximbank and this letter is to bring to your attention the importance of Exim programs to Minnesota's exporters.

Eximbank has financed approximately $973.5 million of Minnesota exports during the last five years (January 1, 1969-December 31, 1973). Over 50 Minnesota companies have found Exim programs to provide a necessary support function for their international sales.

Eximbank programs have been a vital factor in the rapid development of Minnesota exports:

1969 exports—$767,800,000, 1973 exports—$1,500,000,000, 49% increase.

Exports are important to our economy. Approximately 97,826 Minnesotans are employed because of international sales.

We feel that any curtailment of Exim services will severely hurt the competitive position of Minnesota exporters and result in damage to our country's balance of trade and payments positions. We urge you to support a renewal and expansion of the Eximbank charter.

If there is any way we may assist you to further emphasize the need, and indeed extension, of the Eximbank charter and credit authority, please contact me directly.

Sincerely,

JAMES R. HELTZER,
Commissioner.

GREATER MINNEAPOLIS
CHAMBER OF COMMERCE,
Minneapolis, Minn., July 22, 1974.
Hon. WILLIAM E. FRENZEL,
Longworth Office Building,
Washington, D.C.

DEAR MR. FRENZEL: On behalf of the Greater Minneapolis Chamber of Commerce, which reports approximately 3,000 dues paying member firms and individuals in Minnesota, we urge your support for the proposed Extension of the Eximbank Act, H.R. 13838. This Act renews the authority of the Eximbank to encourage the sale of U.S. products to all countries with which the U.S. has diplomatic or trade relationships. Eximbank's purpose is to insure that no sound U.S. export sale is lost by reason of inadequate or non-competitive financing.

The importance of Eximbank support is clear in Minnesota. In the last five years approximately $1 billion in Minnesota export sales have been made possible through Eximbank financing. Over fifty Minnesota companies, approximately one-half of them being located in Minneapolis, have consummated international sales by employing Eximbank financing.

A continuation and expansion of Eximbank financing programs are indispensable to the U.S. trade prospectus and the Minneapolis business economy. We urge your aggressive support of the renewal and expansion of the Eximbank Charter as per H.R. 13838. Eximbank's positive effect was felt not only on the U.S. trade balance but strongly in our overall economy.

Eximbank has Minneapolis' continued support. We ask your assistance in implementing our support for this measure.

JOSEPH A. GRIMES, Jr.,
Chairman, World Trade Task Force.

NORTHWESTERN NATIONAL BANK,
Minneapolis, Minn., May 1, 1974.
Hon. WILLIAM FRENZEL,
Congressman, Third District, Minnesota,
Washington, D.C.

DEAR BILL: I am informed that your subcommittee is conducting hearings on the Export-Import Bank Bill and Greg Peterson asked that we give you our thoughts on the bank's effectiveness to companies in our area.

In general, let me say that we wholly support the proposed expanded authorities for the Exim Bank both from a national and a regional interest point of view. It is apparent to us that the exporting activities of our bank's customers, both small and large, would be severely curtailed should these facilities not be available. I cannot estimate the impact on employment in this area, but I am confident it is substantial.

As an indication, if we consider this bank's employment of domestic funds for international financing (i.e. excluding activities of foreign branches) virtually all of our activities are in the export field in the service of our Minnesota customers. We have in excess of thirty-six million dollars employed in financing local exports in both the short and medium term (up about 100% in the past six (6) months). Of this total, over twelve million dollars are guaranteed by Ex-Im/FCIA and an equal amount is discounted with Ex-Im. The majority of this is done for about twenty-five (25) customers, however, we are experiencing rapid increases in activities with small and medium-sized customers.

I should state that our reliance on Ex-Im would be considerably larger if they were able to rediscount bills arising from grain exports in which we are particularly active, and, indeed, our ability to serve our customers is curtailed accordingly.

Additionally, we have in advanced negotiations an additional twenty-three million dollars in export financing for ten additional Minnesota firms which will depend on Ex-Im guarantee, discount on both. Obviously it is extremely important to us to have our Ex-Im discounts excluded from the bank borrowing limits.

I am unable to estimate the total utilization of Ex-Im facilities from this area, but I hope our own experience will be of some help.

If we can provide additional information please let me know.

Sincerely,

JIM.

SPERRY RAND CORP.,
St. Paul, Minn., July 31, 1974.
Representative BILL FRENZEL,
House of Representatives, Longworth House Office Building, Washington, D.C.:

We at Sperry Univac are deeply concerned with the restrictions written into pending Eximbank legislation in both the Senate and the House of Representatives. The provisions calling for congressional approval of all loans over $50 million are counter to the best interests of the United States and Sperry Rand Corporation. The present bill would severely injure American exporters by delaying the timely financing decision needed to secure export sales. It would also expose exporters to the risk of having proprietary information fall into the hands of foreign competitors through public debate in Congress.

A strong, flexible Export-Import Bank is critical to the success of U.S. exporting efforts. Criticism that the bank is used to substantially support trade with the Soviet Union has little merit since only two percent of Eximbank's resources are used there. Eximbank-financed exports directly support many domestic jobs in Sperry Rand Corporation as well as assist U.S. balance of payments. To cripple the bank's ability to support American exporters at a time when our foreign competitors are expanding their exporting activities with extensive government financing subsidies, would be to risk a severe curtailment in U.S. exports and the loss of the domestic jobs.

Please urge your fellow congressmen/senators:

1. Support the extension of the Eximbank's authority until 1978;
2. Support the increase in its lending authority from $20 to $30 billion;
3. Increase guarantees and insurance from $10 to $20 billion;
4. To reject congressional approval proposals and any other measure that would unduly restrict the Eximbank's freedom and flexibility which are essential if it is to provide competitive support to American exporters.

E. D. HAMS,
Vice President, General Manager.

EXIMBANK FINANCING ON STATE-BY-STATE BASIS AS OF APR. 30, 1974

State	Total number of transactions	Contract value	Exim authorization
Alabama	69	$29,605,972.31	$23,155,744.99
Arkansas	38	50,699,607.00	49,660,048.68
Arizona	48	9,573,744.44	8,830,639.55
California	1,640	6,272,679,628.53	3,512,455,347.80
Colorado	57	30,506,246.60	25,061,396.98
Connecticut	419	437,564,079.33	322,266,651.38
District of Columbia	42	59,143,653.79	38,205,060.00
Delaware	22	186,396,563.30	162,512,324.01
Florida	656	318,499,485.53	278,933,056.74
Georgia	262	296,084.031.61	258,141,322.69
Hawaii	6	3,460,419.28	3,048,129.48
Iowa	145	30,224,223.09	24,436,239.95
Idaho	10	306,220,000.00	171,770,000.00
Illinois	2,513	2,753,582,578.81	2,331,177,627.78
Indiana	203	189,427,460.22	156,586,826.17
Kansas	854	310,842,155.88	250,710,244.36
Kentucky	27	21,299,025.00	20,710,606.07
Louisiana	247	262,375,821.10	157,613,583.12
Massachusetts	661	354,778,717.71	292,898,861.05
Maryland	89	117,357,830.56	108,986,868.43
Maine	11	21,936,010.45	21,068,100.00
Michigan	779	1,473,757,723.31	1,192,283,209.47
Minnesota	394	1,133,708,469.01	1,027,069,354.26
Mississippi	25	33,835,143.22	27,701,031.24
Missouri	150	$157,987,658.06	$143,543,275.87
Montana	3	355,413.00	314,230.00
North Carolina	198	171,921,266.99	124,536,169.08
North Dakota	84	11,238,396.53	9,613,897.44
Nebraska	15	5,267,925.27	4,992,942.20
New Hampshire	58	20,380,354.97	15,157,853.68
New Jersey	686	607,255,010.16	498,206,046.50
New Mexico	3	10,638,156.00	10,459,500.00
New York	4,641	10,995,639,855.55	9,029,454,915.71
Ohio	1,054	1,052,811,839.52	865,522,808.54
Oklahoma	160	345,261,703.15	283,755,640.64
Oregon	107	84,669,520.49	82,670,668.39
Pennsylvania	1,264	1,903,686,561.09	1,507,221,789.24
Puerto Rico	75	44,062,113.31	40,085,844.95
Rhode Island	471	89,476,923.68	68,498,649.03
South Carolina	210	91,540,524.89	65,775,567.76
Tennessee	99	71,677,085.14	67,616,942.35
Texas	847	928,861,585.53	704,293,601.82
Utah	73	10,985,247.21	9,061,347.84
Virginia	79	124,750,887.50	107,540,606.89
Vermont	18	10,771,905.06	6,305,310.00
Washington	399	5,973,761,640.09	2,844,441,739.68
West Virginia	6	859,362.74	514,126.76
Wisconsin	1,391	1,166,544,081.29	999,441,403.60

OVERSIGHT OF POSTAL SERVICES TO THE COUNTRYSIDE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, the post office and postal services are as important to the small community today as the general store was to the Old West. Three years ago the familiar U.S. Department of the Post Office became the U.S. Postal Service.

The reform measure which brought this change about was intended by the Congress to be used by the quasi-independent entity to become a successful business-like organization. Among the prime attributes of the new agency were to be efficiency and service at a reasonable cost.

After observing the effects of the new USPS since its first days 3 years ago, members of the Subcommittee on Rural Development of the House Committee on Agriculture have developed a growing concern about the possibility that postal policies have a counterproductive effect on the countryside.

In view of the concern the subcommittee has scheduled 3 days of hearings here in Washington on postal policy as it relates to the countryside. These hearings will be held September 17, 18, 19. The subcommittee will work in conjunction with the Committee on Post Office and Civil Service. It is our hope that we will be prepared to make recommendations for improvements in the USPS law for consideration during the 94th Congress.

As a part of our research in preparation for the hearing my staff has been working with a number of knowledgeable authorities on postal matters. I, as chairman of the subcommittee, am particularly grateful for the excellent assistance which has been provided by staff of the Library of Congress.

One of the projects which they have assisted us in is the preparation of a detailed questionnaire on postal service which will be used to gather information for the study. Mr. Speaker, since I believe our colleagues may have a particular interest in this subject and acquiring information on it, I would like to make the questionnaire a part of the CONGRESSIONAL RECORD at this time:

A SURVEY OF POSTAL SERVICES IN THE COUNTRYSIDE

PART I. GENERAL INFORMATION

1. How long have you lived at the present address:
(a) Present to 3 years.
(b) Over 3 years.

2. Is your postal delivery designated:
(a) Rural route.
(b) City delivery.
(c) Cluster delivery.
(d) Star route.
(e) Post Office pickup.

3. Is your personal mailbox located:
(a) At the door.
(b) At the road.
(c) At the post office.

4. How far from your home is your designated post office:
(a) 0 to 1 mile.
(b) 1 to 5 miles.
(c) 5 to 10 miles.
(d) over 10 miles.

PART II. SPECIFIC MAIL SERVICES

A. Incoming mail

1. Is local mail in your area delivered:
(a) overnight.
(b) 2 to 3 days.
(c) over 3 days.

2. Is out of town mail in your area delivered:
(a) overnight.
(b) 2 to 3 days.
(c) over 3 days.

3. Are parcel post packages delivered:
(a) overnight.
(b) 2 to 3 days.
(c) 4 to 8 days.
(d) over 8 days.

4. In what condition are parcel post packages received:
(a) good.
(b) fair.
(c) poor.

5. Are newspapers, magazines, etc. received on time:
(a) yes.
(b) no.

6. Are they generally delivered in good condition:
(a) yes.
(b) no.

B. Outgoing mail

1. Where is your nearest pickup:
☐ (a) at the door or road.
☐ (b) neighborhood mail box.
☐ (c) at the post office.

2. How often is mail picked up:
☐ (a) more than once daily.
☐ (b) daily.
☐ (c) less than once daily.

PART III. OTHER INFORMATION

1. Do you believe present rate of mail pick up meets your needs?
☐ (a) yes.
☐ (b) no.

2. In order to meet your needs should mail pickup and delivery be more frequent?
☐ (a) yes.
☐ (b) no.

3. To your knowledge has your first class mail generally arrived:
☐ (a) on time.
☐ (b) late.
☐ (c) very late.

4. The Post Office has instituted or encouraged new services, some in cooperation with private enterprise (such as: mailgram, express mail, stamps by mail, self-service postal centers). Have you had an opportunity to use any of these services?
☐ (a) yes.
☐ (b) no.

5. A number of private corporations have instituted parcel delivery services such as United Parcel Services, American Airlines, and Greyhound. Has the failure of the Postal Service to provide adequate service forced you to use any of these private corporations?
☐ (a) yes.
☐ (b) no.

6. Would you prefer to use other services if available in your locality:
☐ (a) yes.
☐ (b) no.

7. Would you rate mail pickup services in your area to be
☐ good.
☐ adequate.
☐ poor.

8. Would you rate mail delivery services in your area to be:
☐ (a) good.
☐ (b) adequate.
☐ (c) poor.

9. In your experience in the past three years has mail service:
☐ (a) improved.
☐ (b) remained the same.
☐ (c) deteriorated.

10. How important do you consider the post office to the survival and development of your community?
☐ (a) very important.
☐ (b) important.
☐ (c) no effect.

SUPPLEMENTAL SECURITY INCOME: THE H.R. 8217 AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, yesterday Congress gave final approval to legislation which provides for an automatic cost-of-living increase in supplemental security income benefits. Enactment of this legislation means that Federal SSI benefits will increase next July, when social security benefits are scheduled to rise under the terms of the 1972 Social Security Act.

The SSI cost-of-living provision was originally included in a Senate amendment to H.R. 8217 drafted by my colleague from Minnesota, Senator WALTER MONDALE.

Unfortunately, the conferees for H.R. 8217, while accepting the cost-of-living concept rejected other provisions in the Mondale amendment aimed at guaranteeing that all recipients would, in fact, benefit from the Federal increase. Under the Mondale amendment, States would be required to make sure that recipients receiving both Federal and State SSI benefits would realize a net gain in income equal to the Federal cost-of-living raise.

This so-called mandatory "passthrough" would mean, in effect, that States could not cut back State payments to offset the higher Federal benefits. In most States, a mandatory passthrough would require neither increased Federal nor State expenditures. States would merely be prevented from reducing State outlays at the expense of recipients.

In eight States—California, Hawaii, Massachusetts, Nevada, New Jersey, New York, Rhode Island, and Wisconsin—additional expenditures would be required. The total cost of the passthrough for these eight States would be about $150 million in fiscal 1976, according to Senate Finance Committee estimates. Under the terms of the Mondale amendment, this cost would be split on a 50–50 basis between the Federal Government and the States.

The lack of a passthrough requirement means that the bill adopted yesterday could become primarily a fiscal relief measure for the States with no guarantee of higher benefits for many elderly, blind and disabled recipients.

Mr. Speaker, on July 1, Federal SSI benefits for individuals were increased from $140 to $146 a month. Thus far, nine States have agreed to pass on these higher Federal benefits to all or at least some of their recipients. Five other States have approved or are about to approve higher State supplemental payments. But these State actions are likely to affect less than 25 percent of the approximately 1.5 million Americans who now receive some State supplemental aid. The vast majority of all State supplemental recipients will receive no net gain in income as a result of the July increase in Federal benefits.

I should indicate that the Mondale mandatory passthrough even if approved, would not have affected benefit levels this year. But it would have resolved this problem in the future.

I know some of my colleagues maintain that the level of State supplementation should not be a matter of concern to the Federal Government. Yesterday, in fact, during the debate on H.R. 8217, Congresswoman GRIFFITHS expressed concern about the $75 million in Federal funds that would be required to help defray the cost of supplementation in certain States under the Mondale amendment.

Mrs. GRIFFITHS believes that it is somehow inequitable for the recipient in Massachusetts to receive more Federal dollars in SSI benefits than his or her counterpart in Mississippi.

I think it is important to note, however, that State efforts in the income support area very greatly. For at least 10 States, SSI has brought a great windfall. In large part, it has taken them out of the adult welfare business. But in certain other States, including Massachusetts and California, State expenditures for supplementation now exceed State outlays for the pre-SSI adult catigorical programs.

The Mondale amendment was intended to give some measure of continued Federal support to those States where major State financial efforts are still being made.

Ironically enough, under the terms of H.R. 8217, those States that are now spending the most for SSI will have to bear the full cost of any future SSI cost-of-living increase, if this increase, in fact, is passed on to recipient. At the same time those States that spent the least before SSI will be absolved of any responsibility to help pay for these higher benefits.

Mr. Speaker, the debate may continue over the question of Federal versus State responsibilities with regard to income support for the aged, blind, and disabled. In the meantime, the recipient is caught in the middle.

Next year, if not before then, I hope Congress can take a fresh look at the supplemental security income program. It is clear that we must provide a more adequate benefit system for millions of Americans in all States who, because of age or disability, are forced to survive on incomes that keep them only a few dollars away from starvation.

ON THE REGULATION OF OIL TANKERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, as the energy needs of the United States continue to mount, even when Americans are being asked to conserve energy, pollution from oil tankers will increasingly represent a threat to the environment. Last week New York witnessed the results of a minor spill off Port Jefferson, on Long Island Sound: A hose line on the Nepco *Courageous* ruptured as the tanker was transferring oil to a barge. After the oil spill the Coast Guard lowered a 900-foot boom around the oil, but heavy seas and winds allowed the oil to escape and it soon started moving eastward along Suffolk's north shore. A 27-mile stretch of beach had to be cleared of oil in an operation that involved over 100 men. Thousands of residents were kept from swimming for varying periods of time, and it is estimated that it will take from 2 to 3 weeks to finish removing the black globules of oil from the shoreline and wetlands areas.

Though tanker spills are most noticeable when they pollute our beaches, they represent a more serious threat to the ocean. There are leaks from ships whose hulls have cracked or whose tanks have ruptured, perhaps as the result of the ship's going aground. There is callous dumping by ships whose masters believe that ocean currents will disperse the oil before culpability is established. Finally, there is the general dumping by all shipping, tankers and merchant vessels as well, of oily bilge and ballast water.

These constant leaks, spills, and irresponsable dumpings of tank slops have a cummulative poisoning effect, since oil is a hazardous substance for most marine wildlife and plant life. An oil slick moving over the surface of the ocean destroys plankton, and these tiny plants are responsible for the primary production of more than 90 percent of the living material in the sea. The smothering of plankton deprives fish and birds of sustenance, since the life cycles of the sea are so interdependent.

Oil spills also directly affect birds by destroying the natural waterproofing on their skin and feathers. The birds' ability to float properly and to catch fish is therefore hampered, and they are often poisoned by swallowing oil when they preen themselves. A wide variety of effluents poisons the seas. Oil, however, is the greatest polluter of the seas, and tankers disperse more oil into the oceans than any other source.

Because of their widespread environmental damage, oil tankers are increasingly coming under regulation. Last October, the United States participated in the International Convention for the Prevention of Pollution From Ships, which proposed regulations for the construction and operation of oil tankers. The agreement reached in London on November 2 represented the culmination of preliminary negotiations extending back some 2 years before the convention, and this agreement constitutes a substantial improvement of existing international law governing control of pollution from ships. Under the convention, all oil-carrying ships would be required to be capable of retaining oily residues on board. Tankers would have to be fitted with oil discharge monitoring and control systems, oil-water separating equipment or filtering systems, slop tanks, and special pumping and piping arrangements to minimize pollution. A prohibition would be placed on the discharge of oil within 50 miles of land, and parties to the convention would insure the provision of reception facilities for residual oil.

These are just some of the convention's regulations, but it will take many years before they come into effect. The convention must first be ratified by 15 States, representing at least 50 percent of the world's gross tanker tonnage. In the case of the United States, the President has yet to request the Senate's ratification of the convention, and to date, no State has executed a ratification.

Fortunately, however, Congress has already acted on tanker regulation through the Ports and Waterways Safety Act of 1972. This act increases Federal authority to prevent and control the discharge into the marine environment of oil and hazardous substances. It authorizes the establishment and operation of vessel traffic systems in congested waters and directs the U.S. Coast Guard to set forth minimum standards of design, construction, alteration, and repair of vessels for the purpose of protecting the marine environment.

Under the authority granted by the Ports and Waterways Safety Act, the Coast Guard has recently published proposed rules to implement the provisions of the act. These rules would become effective for U.S. vessels engaged in domestic trade sometime in 1975, and for U.S. vessels in foreign trade and foreign vessels entering U.S. waters by January 1, 1976. The proposed rules are consonate with the provisions of the International Convention for the Prevention of Oil Pollution from Ships, and once implemented, they would insure a positive response to oil pollution from tankers within U.S. waters.

However, I do have certain reservations with these proposed rules, and I believe that the Coast Guard has been overly cautious in not demanding the best antipollution equipment for oil tankers. Several incidents involving fires and explosions on large tankers in ballast condition led IMCO, the Intergovernmental Maritime Consultative Organization, to recommend the use of inert gas blanketing on new supertankers. Yet the Coast Guard chose not to incorporate this safety device in their proposed rules. The supertankers now coming into operation are completely electronic, and an electrical blackout would render them inoperable. IMCO has recommended the installment of emergency generators to back up electricity generated by the boiler system, but the Coast Guard has left this provision up to further study The Coast Guard also wishes to further consider duplicate steering mechanisms, such as twin screws and twin rudders, which would increase a tanker's maneuverability. But the duplicate mechanisms have been recommended by IMCO, and several oil companies, such as Gulf Oil Trading, have adopted their use. While the Coast Guard bargained for double bottoms at the Convention for the Prevention of Oil Pollution from Ships, and the Senate Commerce Committee has incorporated double bottoms in its cargo preference legislation, this provision has been specifically excluded from the Coast Guard's proposed rules.

While these antipollution and safety

devices would reduce the chances of a major oil spill, the Coast Guard contends that their cost and the lack of information on the necessity of their implementation discounts the case for their immediate adoption. Mr. Speaker, the results of a major spill, such as the collision of two supertankers each carrying millions of gallons of oil, would be disastrous. I believe that in order to prevent such an occurrence, the best available antipollution equipment within the present state of technology must be incorporated into the construction of oil tankers. And if there is some debate over the adoption of a specific piece of antipollution equipment, we must not be too hesitant. That equipment could prevent an oil spill whose damage would be irreparable.

Under the Ports and Waterways Safety Act, the Coast Guard has the authority to require a tanker to adopt the best antipollution equipment. In the regulations the Coast Guard has presently proposed, there are no provisions for inert gas systems, duplicate steering mechanisms, or double bottoms. I urge the Coast Guard to incorporate these devises into the final set of regulations. If the Coast Guard fails to do so, I urge the Merchant Marine and Fisheries Committee to draft legislation that would mandate the use of specific antipollution devises. This committee should follow the lead of the Senate Commerce Committee, which has modified the cargo preference bill to require that new U.S.-flag tankers would be constructed with segregated ballast double bottom systems. However, I hope that the final Coast Guard regulations will obviate the need for such specific legislation.

INTRODUCTION OF THE COASTAL ZONE AND ENERGY PRODUCTION COORDINATION ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 10 minutes.

Mr. HARRINGTON. Mr. Speaker, in April of this year, the Council on Environmental Quality issued its preliminary assessment of the environmental implications of drilling for oil and natural gas on the Atlantic Outer Continental Shelf and in the Gulf of Alaska. Its conclusions made provocative reading for those of us who live in States adjacent to these areas. Among its observations are the following:

> As the development of offshore oil and gas proceeds from the initial exploratory phase through drilling, production, and transportation, substantial onshore activity will be generated, from which both positive and negative impacts can be expected. The degree to which on balance these effects are positive is related to the ability of public officials to plan for and direct the onshore development that is integral to OCS development and to plan for the growth that onshore facilities generate throughout the region. Refineries, petrochemical complexes, construction industries, and related service operations increase employment opportunities, economic output, and income, but the growth that they cause will strain existing public services, bring additional land under commercial, residential, and industrial development, and add to air and water pollution.

The Council evaluates development in a fair and balanced way, but sums up its perceptions bluntly. The Council states:

> OCS operations will result in massive development in areas where there is little or no experience in land use planning or regulatory activities, unless this capability is quickly developed in such areas, the result could be permanent degradation of the environment and unnecessary disruption of traditional values and lifestyles for those living there now.

Clearly, Mr. Speaker, if domestic oil and gas development proceeds in such areas, the result could be disastrous for States which find themselves unprepared. For that matter, energy activity generated by increased importation of fuel could be as damaging. The vulnerable and valuable nature of our Nation's coastal areas makes them especially susceptible to the adverse effects which any kind of rapid, uncoordinated energy development might impose.

Individuals will differ on the advisability of going forward in short order with drilling in the Atlantic and the Alaskan Gulf, but few would disagree on the need to equip the coastal States with improved planning and management capabilities for the energy activity—whether import-related or domestic—which is sure to come, sooner or later. The CEQ observes:

> In the Atlantic and New England states and in Alaska, there has been little government experience with offshore oil and gas development. Affected states should strengthen their coastal zone management programs by developing special technical expertise on all phases of OCS development and its onshore and offshore impacts.

Specifically, the Council advises:

> Before approving state coastal zone management programs, the Secretary of Commerce should require the state plans to consider refineries, transfer and conversion facilities, pipelines, and other development within the coastal zone.

It is in order to insure that factors like these are taken into account, Mr. Chairman, that today I am submitting the Coastal Zone and Energy Production Coordination Act. The bill amends the Coastal Zone Management Act of 1972, which has given rise to the management programs to which the CEQ refers. In my view, the present act is too general in its planning and operating requirements, and too modestly financed to make more intensive and specific efforts feasible. The legislation I offer today is designed to correct these deficiencies. It is premised on these findings:

There is a likelihood of considerably increased leasing of tracts on the Outer Continental Shelf lands of the United States for the purpose of exploring and developing oil and natural gas resources;

There is a likelihood of increased commercial and industrial activity in the coastal zones of the various States, due to growth in the transportation and importation of energy sources;

These increases in energy-related activities are likely to have economic, environmental, social, and cultural impacts on coastal States, due to the construction and operation of energy-related facilities such as oil refineries, petrochemical complexes, gas processing plants, deepwater port facilities, oil and natural gas storage installations, pipeline systems, offshore production structures, and other energy-related facilities, and the conduct of various energy-related activities;

Economic impacts may include changes in the number and nature of employment opportunities, adjustments in State and local tax bases, and modifications in the mix of commercial and industrial enterprises;

Environmental consequences are likely to include increased demands for air and water pollution control installations, disruptions in land use patterns, adverse modifications in plant and animal habitats, and oil spills;

Consequences for the social and cultural qualities of nearby communities are likely to include stresses on water and power supplies, health care systems, transportation, governmental structures, and other institutions affected by sudden changes in the nature and amount of population; and

There is a need to improve the coastal zone management capabilities of the affected States, so that they might plan and implement programs to coordinate energy-related development in their coastal areas, and minimize any adverse consequences stemming from economic, environmental, and social impacts.

The major provision of the legislation, Mr. Speaker, involves establishment of a Coastal Zone and Energy Production Coordination Fund within the Treasury. Five percent of the Federal Government's revenues derived from provisions of the Outer Continental Shelf Lands Act is set aside for the Fund. The Secretary of Commerce is authorized to make grants from the Fund for the preparation and implementation of State coastal zone and energy production coordination programs.

These coordination programs are intended to be specific and extensive blueprints for planning and managing energy programs in coastal areas. For example, a program, to be approved, must include a method for:

Identifying specific sites where refineries and other energy installations might be constructed and operated, and where energy-related operations might take place;

Identifying specific sites where facilities to improve the environmental safety and quality of energy-related activities might be constructed and operated;

Identifying specific sites where installations to improve the safety, health, and welfare of personnel engaged in energy-related activities might be constructed and operated;

Comparing alternative sites for a given energy-related facility or activity, including a method for ranking alternative sites on a combination of economic, environmental, social, and cultural factors;

Conducting an analysis of the potentially disruptive effect a given facility or activity is likely to have on the traditional values, lifestyles, and community character of surrounding areas;

Conducting an analysis of the attitude of the area's inhabitants regarding a given energy-related facility or activity.

The overall objective of this proposal, Mr. Speaker, is to equip States with the capacity to make wise choices. In many cases, these choices may involve cooperative efforts by two or more States to settle upon one location for a refinery or deepwater port sufficient to supply an entire region. Therefore, as a second major feature, the bill provides special financial bonuses in order to encourage regional planning and decisionmaking.

In the case of a State acting by itself, grants provided from the fund may cover up to 66⅔ percent of the cost of developing or administering the coordination program in any one year. But in the case of two or more States acting together, the grants may cover up to 90 percent of the cost of development or administering a coordination program for the joint management of energy-related activity in those respective States.

A third goal of the bill, Mr. Speaker, is to widen the concept of a "coastal zone" so as to make the bill more flexible. A State may face the prospect of choosing between a coastal refinery site, or one several miles inland where environmental hazards might be less serious. Since selection of the inland location might spare a coastal area from undesirable impacts, it is hardly reasonable to make funds available for siting facilities along a sea shore, but to cut the money off when an inland alternative is considered instead. My amendment, therefore, amends the definition of "coastal zone" to include "those inland areas which are subject to development as a result of energy-related activities taking place on or in the Outer Continental Shelf."

A fourth provision of the legislation authorizes the Secretary to act in a "management consultant" capacity to the States. When he deems it necessary or desirable, the Secretary may issue written evaluations of a State's coastal zone management performance and capabilities, with recommendations for improving State action. The idea is not to provide the Secretary with Draconian "sanctions" he can invoke, but to enable him to comment, without any strings attached, on a State's situation.

A fifth provision concerns the Coastal Zone Management Advisory Committee, a 15-member group appointed to advise the Secretary. The Secretary is required to make certain that "the general public is adequately consulted" by the committee in its deliberations.

Mr. Speaker, I would like to insert a text of the legislation which I am introducing today.

The material follows:

H.R. 16228

A bill to amend the Coastal Zone Management Act of 1972 to broaden the planning and operating capabilities of the various states receiving grants under that Act so that they might better manage the development of energy-related activities in their coastal zones

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Coastal Zone and Energy Production Coordination Act".

FINDINGS

SEC. 2. The Congress finds that—

(a) there is a likelihood of considerably increased leasing of tracts on the Outer Continental Shelf lands of the United States for the purpose of exploring and developing oil and natural gas resources;

(b) there is a likelihood of increased commercial and industrial activity in the coastal zones of the various States, due to growth in the transporting and importing of energy sources;

(c) these increases in energy-related activities are likely to have economic, environmental, social, and cultural impacts on the coastal States, due to the construction and operation of energy-related facilities such as oil refineries, petrochemical complexes, gas processing plants, deepwater port facilities, oil and natural gas storage installations, pipeline systems, offshore production structures, and the conduct of various energy-related activities;

(d) economic impacts may include changes in the number and nature of employment opportunities, adjustments in State and local tax bases, and modifications in the existing mix of commercial and industrial enterprises;

(e) environmental consequences are likely to include increased demands for air and water pollution control installations, disruptions in land use patterns, adverse modifications in plant and animal habitats, and oil spills.

(f) consequences for the social and cultural qualities of nearby communities are likely to include stresses on water and power supplies, health care systems, transportation, governmental structures, and other institutions affected by sudden changes in the nature and amount of population; and

(g) there is a need to improve the coastal zone management capabilities of the affected States, so that they might plan and implement programs to coordinate energy-related development in their coastal areas, and minimize any adverse consequences stemming from economic, environmental, and social impacts.

PURPOSES

SEC. 3. It is the purpose of this Act to insure that—

(a) the affected States have adequate financial and technical capacity to perform the planning and management functions required to coordinate energy-related development in their coastal areas;

(b) the affected States have the expertise to identify and compare prospective sites for energy-related activities and facilities;

(c) the affected States have the expertise to identify and evaluate the economic, environmental, social, and cultural impacts of energy-related development; and

(d) inter-state cooperation, where desirable in the planning and management of energy-related development, is effectively promoted.

AMENDMENTS TO COASTAL ZONE MANAGEMENT ACT OF 1972

SEC. 4. The Coastal Zone Management Act of 1972 (16 U.S.C. 1451–1464) is amended as follows:

(1) The third sentence of section 304(a) of that Act (16 U.S.C. 1453(a)) is amended by inserting, "except the zone shall specifically include those inland areas which are subject to development as a result of energy-related activities taking place on or in the Outer Continental Shelf" immediately after "coastal waters."

(2) Sections 307, 308, 309, 310, 311, 312, 313, 314, and 315 of that Act are redesignated 308, 309, 310, 311, 312, 313, 314, 315, and 316, respectively.

(3) That Act is amended by inserting the following immediately after section 306:

"SPECIAL COASTAL ZONE AND ENERGY PRODUCTION COORDINATION GRANTS

"SEC. 307. (a) There is hereby established in the Treasury of the United States the Coastal Zone and Energy Production Coordination Fund (hereinafter in this Act referred to as the 'fund'). The Secretary is authorized to make grants from the fund to the coastal states to assist them in fulfilling the additional management program development functions and administrative functions described in this section.

"(b) Notwithstanding any other provision of law, 5 per centum of the Federal revenues from the Outer Continental Shelf Lands Act shall be paid into the fund, except that the total amount paid into the fund shall not exceed $150,000,000 in any one year.

"(c) Notwithstanding any other provision of this Act, for the purposes of this section 'coastal state' means a State of the United States in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico. or Long Island Sound.

"(d)(1) The Secretary is authorized to utilize the moneys provided by the fund to make grants to those coastal states who are determined by the Secretary to have qualified for Management Program Development grants under section 305, and who in addition shall commence development of a Special Coastal Zone and Energy Production Coordination program (hereinafter in this Act referred to as the 'Coordination program');

"(2) The Coordination program shall include a method for—

"(A) identifying the specific sites where there might take place the construction and operation of oil refineries, petrochemical complexes, gas processing plants, deepwater port facilities, oil and natural gas storage installations, pipeline systems, offshore production structures, and other energy-related facilities;

"(B) identifying the specific sites where there might take place the construction and operation of facilities related to the importation and transportation of energy sources;

"(C) identifying the specific sites where there might take place the construction and operation of facilities to improve the environmental safety and quality of energy-related operations, and to improve the safety, health, and welfare of personnel engaged in energy-related activities, and their dependents;

"(D) comparing alternative sites for a given energy-related facility or activity, including a method of ranking alternative sites on a combination of economic, environmental, social, and cultural factors, which ranking shall be made public at least 90 days prior to issuance of any State license or permit for the construction or operation of such facility, or the conduct of such activity;

"(E) conducting an economic analysis of the likely impact of such facility or activity on the surrounding area;

"(F) conducting an analysis of the likely environmental impact of such facility or activity on the surrounding area;

"(G) conducting an analysis of the likely impact of such facility or activity on the social and cultural characteristics of the surrounding area; and

"(H) conducting an analysis of the potentially disruptive effect such facility or activity is likely to have on the traditional values, lifestyles, and community character of surrounding areas, and of the attitudes of the area's inhabitants regarding such facility or activity.

"(e) The economic analysis conducted under subparagraph (d) (2) (E) shall include estimates of the—

"(1) number and nature of the employment opportunities which would likely be created by the construction and operation of each energy-related facility, and by the conduct of each energy-related activity, including the opportunities which would likely be created indirectly due to the impact of the facility or activity on services, associated manufacturing, and other economic functions in the surrounding area;

"(2) proportion of such employment opportunities which would likely be filled by local residents, and those which would likely be filled by new residents entering the local job market, together with an analysis of methods of increasing the proportion of such opportunities which might be filled by local residents, whether through job training programs, special recruitment efforts, preferential hiring systems, or other means;

"(3) loss of certain employment opportunities which might occur in commercial and industrial enterprises, such as fishing and tourism, which might be adversely impacted by such energy-related facility or activity; and

"(4) likely impact of such facility or activity on the tax bases of the affected State and localities.

"(f) The environmental analysis conducted under subparagraph (4) (2) (F) shall include estimates of the effect of such facility or activity on air and water pollution levels, land use patterns, animal and plant habitats, and other characteristics of the physical and ecological systems of the surrounding area.

"(g) The analysis of the social and cultural impacts conducted under subparagraph (d) (2) (G) shall include estimates of the effect of such facility or activity on the government service functions of the surrounding area, including the water supply, health care, transportation, and law enforcement systems.

"(h) The Secretary is further authorized to utilize the moneys provided by the fund to make additional administrative grants to the coastal States for the purpose of administering approved coordination programs. States shall be eligible for such grants if they are determined by the Secretary to have acceptably developed coordination programs, satisfied the requirements for receiving administrative grants under section 306 and satisfied the Secretary of their intention to administer a coordination program in accord with rules and regulations promulgated by the Secretary.

"(i) The Secretary is further authorized to utilize the moneys provided by the fund to provide grants for the rental, acquisition, construction, operation, or maintenance of public facilities necessary to fulfill the approved functions of the coordination program.

"(j) The grants provided under subsections (d) and (h) shall not exceed 66⅔ per centum of the costs of developing and administering a coordination program in any one year, except that the grants shall not exceed 90 per centum of the costs of a coordination program in any one year in instances where two or more States, at least one of which is a coastal state, submit a coordination program for the joint management of the energy-related activity and development in their respective States.

"(k) The Secretary shall, by regulation, establish additional requirements and guidelines for grant eligibility under this section, and shall, in like manner, provide for coordination of such grants with all other provisions of the Coastal Zone Management Act."

(4) Section 308 of that Act, as redesignated, is further amended by inserting at the end thereof the following new subsection:

"(h) From time to time, as he deems necessary, the Secretary shall evaluate each coastal State's coastal zone management performance and capabilities. Such evaluations shall be made in writing and shall be made public, and shall include recommendations for improving such performance and capabilities."

(5) The third sentence of section 312(a) of that Act, as redesignated, is further amended by inserting ", and that the general public is adequately consulted" immediately after "coastal zone resources".

(6) Section 314(a) of that Act, as redesignated, is further amended by striking out "307" and inserting "308".

(7) Section 316(a) (3) of that Act is further amended by striking out "312" and inserting in lieu thereof "313".

(8) Section 304 of that Act (16 U.S.C. 1453) is amended by (1) striking out "307 (f)" in subsection (h) and inserting in lieu thereof "308(f)"; and (2) striking out "307 (g)" in subsection (i) and inserting in lieu thereof "308(g)".

THE 1974 CAPTIVE NATIONS WEEK A TRULY AMERICAN EXPRESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, as in previous years, all sections of our country responded to the President's proclamation of Captive Nations Week.

Americans, who understand the fundamental truth that we ourselves cannot remain free unless we constantly and persistently seek the freedom with justice of over one-third of humanity, appropriately raised their voices in behalf of all the captive nations in Central Europe, within the U.S.S.R., in Asia, and in Cuba. Believe me, this augurs well for the future of our country as well as the captive nations.

The data on the Week, as reported out by the National Captive Nations Committee and its chairman, Dr. Lev E. Dobriansky of Georgetown University, amply show this popular expression.

To indicate this in initial part, I am happy to submit the following proclamations by Gov. William A. Egan of Alaska, Gov. Stanley K. Hathaway of Wyoming, Gov. John J. Gilligan of Ohio, Mayor Henry W. Maier of Milwaukee, Mayor Jason Luby of Corpus Christi, Tex., Mayor Gerald W. Graves of Lansing, Mich., and Mayor Thomas G. Dunn of Elizabeth, N.J.:

Proclamation Captive Nations Week

The citizens of Alaska are sympathetic toward the people of captive nations and their goal for renewed self-destiny.

We recognize the desire for liberty and independence by the overwhelming majority of peoples in the world's conquered nations and strongly support their efforts to regain individual liberty and freedom.

The freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom.

The Congress of the United States by unanimous vote passed Public Law 86-90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe this week with appropriate prayers, ceremonies, and activities; expressing their sympathy with and support for the just aspirations of captive peoples.

Therefore, I, William A. Egan, Governor of Alaska, hereby proclaim July 14–20, 1974, as Captive Nations Week in Alaska, and call upon the citizens of our State to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

Dated this 11th day of July, 1974.

Proclamation

By a joint Resolution approved July 17, 1959, the Congress has authorized and requested the President of the United States of America to issue a proclamation designating the third week in July as Captive Nations Week and to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world.

The President of the United States has by such proclamation invited the people of the United States to observe this week with appropriate ceremonies and activities.

Whereas, the spirit of the United States stems from its belief in the ideals of peace, freedom and self-determination; and

Whereas, the oppression of people in Eastern and Central Europe hinders the growth of understanding between Communist and free nations; and

Whereas, many of the people of these captive nations and of other nations which deny liberty to their people, look to the United States as the champion of freedom and for leadership in the struggle for their religious freedoms and individual liberties;

Now, therefore, I, Stanley K. Hathaway, Governor of the State of Wyoming, do hereby proclaim the third week of July as Captive Nations Week in Wyoming and urge all citizens to observe this period by reflecting friendship and harmony to people of diverse backgrounds, and to remember the many citizens of the world who are denied freedom of speech, the press, religion and assembly, as well as the right of political self-determination.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Wyoming to be affixed this 3rd day of July, 1974.

Proclamation in Recognition of Captive Nations Week, July 14–20, 1974

Whereas, this year marks the 15th anniversary of Captive Nations Week, a time set aside by the people of this country in commemoration of those many nations denied their freedom and independence as a result of Communist oppression; and

Whereas, it is of utmost importance to keep this memory alive, and to valiantly and diligently maintain the struggle, lest the battles of our brothers in these captive nations be in vain, and their dreams of freedom fade to nothing; and

Whereas, the United States, itself no stranger to war on tyranny and oppression has become the symbol of personal freedom and democracy in the modern world, and must likewise be the leader of this continuing battle toward a world filled with peace, freedom and equality for all mankind:

Now, therefore, I, John J. Gilligan, Governor of the State of Ohio, do hereby designate this week of July 14–20 as Captive Nations Week in the State of Ohio, and join with all nationality organizations and other concerned citizens throughout the state in bowing our heads in silent tribute to the millions still seeking those freedoms which we enjoy.

In witness whereof, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus, this 8th day of July, in the year of our Lord, One Thousand Nine Hundred and Seventy-Four.

PROCLAMATION

Whereas: The Congress of the United States has provided that the third week of July shall each year be observed as a period during which special concern is to be shown for people living under Communist rule; and

Whereas, This year marks the 15th Anniversary of the unanimous adoption of the Captive Nations Week Resolution of 1959 which President Eisenhower signed into Public Law 86–90; and

Whereas, Captive Nations Week has annually provided a fitting opportunity for Americans to show their solidarity with the people of Eastern and Central Europe; and

Whereas, This year, especially, it is the desire of our Nation's leadership that the observance be made a resounding one so that the world will know that traditional American idealism and politico-morality are as vibrant as ever;

Now, therefore, I, Henry W. Maier, Mayor of Milwaukee, do hereby proclaim the period of July 14–20, 1974, as Captive Nations Week, and I urge all freedom-loving Milwaukeeans to observe this week with appropriate ceremonies aimed at reaffirming our dedication to the principles of national self-determination for all peoples and sustaining the hopes and aspirations of the peoples of the captive nations.

PROCLAMATION

Whereas, recently, relations between the United States and the USSR have improved to some degree, the fact remains that the people of a number of captive nations in many parts of the world are still under oppression; and

Whereas, the desire for liberty and independence by the majority of people in these nations constitutes a powerful deterrent to any ambitions of aggressive leaders to initiate a major war; and

Whereas, the freedom-loving people of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as leaders in bringing about their freedom and independence:

Now, therefore, pursuant to the powers vested in me as Mayor of the City of Corpus Christi, I do hereby proclaim July 14 through 20, 1974 as Captive Nations Week in Corpus Christi and call upon the citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated people all over the world.

In witness whereof, I have hereunto set my hand and caused the Seal of the City of Corpus Christi, Texas, to be affixed this 10 day of July, 1974.

MAYOR'S PROCLAMATION

Whereas, the imperialistic policies of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayers, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive peoples.

Now, therefore, I, Thomas G. Dunn, Mayor of the City of Elizabeth, New Jersey, do hereby proclaim the week commencing July 14, 1974 as "Captive Nations Week" in Elizabeth, and call upon all our citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

Given under my hand this 2nd day of July, nineteen hundred and seventy-four.

BACKGROUND ON LEGISLATION FOR THE ELDERLY, PART I

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, the serious problems which beset our older citizens are among the most important legislative priorities facing Congress. No group of Americans has suffered more from the recent surge of inflation than the elderly, who live largely on fixed incomes. The tremendous increase in the cost of health care has weighed particularly heavy upon the elderly. Housing for elderly Americans remains woefully inadequate.

Congress has long suffered from the absence of a coordinated approach to solving the problems of the aged. The American Association of Retired Persons and the National Retired Teachers Association have helped to provide much needed direction in their study, "Campaign 1974: Aging Issues and Legislative Options." This study, recently distributed to the Members of Congress, discusses pending legislation in the three key areas of income maintenance, health care, and housing. Today I am placing the first section of this excellent background study into the RECORD for the benefit of my colleagues who may not have had an opportunity to read it. The remainder will follow.

CAMPAIGN 1974: AGING ISSUES AND LEGISLATIVE OPTIONS

(Prepared by National Retired Teachers Association and American Association of Retired Persons Legislative Staff)

SECTION I: BACKGROUND STATEMENT AND STATISTICS

Introduction

The merit of a society is said to be intimately related to how it provides for the welfare of its older members. Herein lies an American tragedy: possessing the resources to resolve the problems it knows old age imposes on its members, our society has not demonstrated the will to utilize the means at its disposal. Americans have not faced their responsibility to those who work and efforts have contributed so substantially to a society unequaled in the options, comforts and security it offers to its younger members.

National recognition of the special living problems of the elderly did not focus until 1950 when the Truman Administration responded to an unprecedented increase in the over 65 population by calling the first National Conference on Aging. Two further national conferences have been convened—the 1961 and 1971 White House Conferences on Aging—as this population continues to increase: since 1900, it has done so by nearly 650 percent. Today, our 20.1 million older Americans constitute 10 percent of the total population; it is estimated that their number will grow to at least 33 million by the year 2000 and perhaps even to 55 million a decade later.

Largely as a result of the efforts of the delegates to these conferences, an ongoing attempt has been pursued to define the elderly's problems as well as to determine and recommend the measures necessary to resolve them. The Congress has articulated several noble goals; however, despite significant forward strides, the progress achieved has been at best sporadic, its momentum slowed, and, in some cases, reversed. Federal priorities have been confused and, as a result, national programs have often been both inadequate and ineffective. The ineffectiveness has been brought about in part by a conspicuous absence of coordination between the federal, state and local agencies administering programs designed to ameliorate the conditions that gave them birth. However, given the performance of these programs, the most cruel factor contributing to older Americans' living conditions is the inability of the national leadership to curb the distressing upward trend of inflation.

What are these conditions? To understand them more clearly, it is critical that the most pressing ones be highlighted. Taken from the perspective of mobility, 1.2 million elderly persons were confined to an institution of one kind or another in 1970. Another million were housebound due to chronic conditions. Thus, approximately 18 million older Americans were free to choose their mode of living, subject only to the constraints imposed by their incomes, their relative states of health and available alternatives. But how free are they? It is useful to examine the three basic concerns of the elderly: income, health and housing (human environment).

Income

In most cases, what income older persons have is fixed: nearly 70 percent of the elderly male and 86 percent of elderly female heads of households are not in the labor force. Since the results of the 1970 census, the median income of older families and individuals has been consistently half of that of their younger counterparts. Although Social Security benefits have increased substantially in recent years—reducing the official number of aged poor from 5.3 million in 1969 to 2.1 million in 1973, the cost-of-living has increased by more than 25 percent. The "low" budget for retired couples, as annually established by the Department of Labor, was set at $3,442 in 1972. This is not only $118 a year more than the average couple is receiving in

Social Security benefits but is also more than $1,500 less than the annual budget recommended by the 1971 White House Conference on Aging (WHCoA).

Moreover, there is a substantial degree of hidden poverty among the elderly. Nearly 2 million aged persons are not counted as poor simply because they live in families with incomes above the poverty line. If these persons were counted, nearly a third of those over the age 65 would be classified as poverty stricken. Further, the poverty level itself is based on the cost of a subsistance diet called the Economy Food Plan that was devised by the Department of Agriculture. Established only to vary from rural to urban areas (and not from city to city, state to state or regions within states), the poverty level fluctuates according to the Consumer Price Index (CPI), an indicator of price variations in many commodities besides food. Under present conditions, the potential for inequities is obvious: e.g., while the CPI rose 8.8 percent nationally in 1973, food prices—the basis of the poverty threshold—rose 25 percent in Washington, D.C.

Seen from another perspective, while the number of aged poor is decreasing, the proportion of elderly poor to the total poor population is increasing: while the elderly make up 10 percent of the total population, they constitute 20 percent of the nation's 19.2 million poverty bound.

Health

While growing old is not synonymous with disease, older individuals are more subject to disability, must see physicians more often and require more and longer hospital stays. Indicative of this is the fact that 86 percent of those 65 and older have at least one chronic condition—defining chronic as a permanent, irreversible impairment with residual disability.

Accordingly, the health care costs of the elderly constitute a disproportionate part of the nation's total health care bill: in 1972, 10 percent of the population accounted for 28 percent of the national bill of $72 billion. In fact, the average out-of-pocket expenditure of those over the age 65 doubled that of younger persons ($276 as opposed to $102) while their per capita health care costs tripled that of those under 65 ($1,000 as opposed to $358).

At the same time, Medicare is covering less and less of the older person's health care bill during a period of rising medical costs. Medicare's portion of the bill has declined from 46 percent in 1969 to 42 percent in 1973 while hospital costs rose 10.4 percent last year—despite Cost of Living Council regulations in effect since mid-1971. Furthermore, these rapid increases in health care costs must be seen as affecting most seriously those who have the greatest need and the least ability to pay: the elderly and the disabled.

Housing

The elderly pay a disproportionate part of their income for rent and homeownership costs. While those under 65 pay 23 percent of their incomes for these costs, the aged pay nearly 35 percent. In one mid-western state, more than 8,000 elderly homeowners living on less that $1,000 a year paid 30 percent of their incomes on real estate taxes alone.

While 71 percent of the housing units occupied by elderly heads of households are owner-occupied, 6 million older persons live in dilapidated or substandard housing, 1.6 million live in units lacking basic plumbing facilities and another .5 million live in overcrowded housing conditions.

If fiscal policy is an indicator of national priorities, it is revealing that while tax deductions mostly benefiting upper and middle-income persons totaled $6.3 billion in 1972, only $5.5 billion has been spent on all low and moderate-income housing in the three fiscal years ending in 1975. It should also be noted that housing needs are greatest in urban areas, where housing conditions are deteriorating most quickly and where 60 percent of the elderly reside.

Summary

Of the three basic concerns of the elderly—adequacy of income, health and housing—income is by far the most critical. Health care and housing expenditures constitute the most radical determinants of income adequacy as they are the heaviest drains on older Americans' incomes. Given these factors, improvements in existing income, health and housing programs will affect the adequacy or inadequacy of available life styles for older persons. At issue, therefore, is not only the essence of Administration and Congressional proposals, but the commitment, flexibility and perseverence with which these proposals are pursued. In many areas, immediate action is demanded and the elderly, as a matter of common sense, have the least time to wait.

SECTION II: CAMPAIGN ISSUES, RESPONSIVE LEGISLATION AND FURTHER NEEDS

Income Adequacy

In the Older Americans Act of 1965, Congress nobly declared that the United States has the duty and the responsibility to provide older Americans with an adequate income in retirement in accordance with the American standard of living. The 1971 WHCoA reiterated the essence of this declaration by stating: "There is no substitute for income if people are to be free to exercise choices in their style of living." The present Administration has also said that it is "firmly committed to ensuring an adequate income for older Americans." However, the questions must be asked: what has government done toward fulfilling this goal and what remains to be accomplished? Further, has government realized the qualitative and quantitative distinction between adequate and marginal income?

Social Security—Old Age, Survivors and Disability Insurance (OASDI)

Made possible only by inflation's upward spiral, substantial OASDI cash benefit improvements have been enacted since 1969: 15 percent in 1970, 10 percent in 1971, 20 percent in 1972 and 13.6 percent in 1973. These cost-of-living adjustments have lifted millions of older persons out of their officially determined poverty status. Along with these cash benefit improvements, the retirement earnings limitation test for OASDI recipients has been liberalized to allow an annual income of $2,400 before reductions in benefits begin. A one percent increment in Old-Age Insurance benefits has also been established for those who choose to work rather than retire at age 65. More importantly, the OASDI cash payments program has been made "inflation proof": benefits now automatically increase whenever the Consumer Price Index increases by three percent or more.

Nevertheless, the income characteristics of the aged remain distressing. With eight out of ten older persons out of the labor force and dependent on fixed incomes, the principal problem facing them is the absence of a sound federal economic policy to control inflation. The recent increases in OASDI benefits merely represent attempts to preserve the purchasing power of previous years' increases. What is critical, however, is that the current mechanism to finance these improvements—raising the Social Security taxable wage base—is subject to severe long-range limitations. For example, since the revenues generated by the recent increase in this wage base from $10,200 in 1973 to $13,200 in 1974 will be used solely to preserve the purchasing power of benefit gains achieved in 1972, it is evident that these same revenues cannot be used to finance future benefit increases.

It becomes evident that alternative sources for financing the OASDI cash payments program should be explored to ensure the fiscal viability of the present system. With a declining birth rate, a probable resultant decline in the number of persons actively engaged in the labor force and contributing to the Social Security system, and with a need for future OASDI benefit increases, the use of federal income tax revenues for Social Security benefit purposes may become necessary if not inevitable. For this reason, it is desirable that studies be conducted to ascertain the feasibility of using general revenues for OASDI purposes, particularly for financing cost-of-living adjustments in excess of three percent.

Another issue of some controversy revolves around the advisability of further liberalization or abolition of the retirement earnings limitation test. Many favor its abolition on the grounds that each recipient has an earned "right" to his or her full benefit regardless of other income. Opponents argue that the abolition of the test would mean a fundamental change in the nature of the program, from that of insurance against the loss of income due to retirement, death of a spouse or disability to that of an annuity payable at a certain age. In either case, the employment option must be made more available by liberalizing the test to no less than $3,600 annually until abolition is achieved.

In conjunction with the retirement earnings test's disincentive to continued employment after 65, the current one percent delayed retirement increment, presently available for old-age insurance benefits, should be liberalized on an actuarial basis to counter-balance the test's adverse effects. This would greatly increase benefits since they would be paid over a shorter period of time and would reward those who are able and willing to work and who have to continue to pay the employment tax. This would seem to be simple justice.

Supplemental security income (SSI)

The enactment of the SSI program and its implementation by the Social Security Administration represent exemplary and beneficial efforts of the Federal Government to aid the aged, blind and disabled to attain some measure of guaranteed income protection. The SSI program establishes uniform national standards for eligibility and benefit levels: benefits will soon be $140 monthly for an individual and $215 for a couple. However, critics of the program point out the qualitative and quantitative distinctions between adequate and marginal incomes: the SSI benefit levels neither equal the poverty level nor approach a 1971 WHCoA recommendation calling for a minimum income floor equal to the Department of Labor's "intermediate" budget for a retired couple (presently established at $4,967). Moreover, critics point out that for those elderly persons not covered by OASDI, SSI benefits do not constitute an adequate income.

Thus, the SSI program has need of reform. Among the reforms urged by members of Congress and interest group representatives is an increase of the benefit levels of the SSI program to at least the poverty level. Further, it is urged that the official poverty level be made to vary with the cost-of-living not only between urban and rural areas but also between states and regions within states. Finally, a mechanism should be established (as in the OASDI program) whereby SSI benefits automatically increase whenever the CPI increases.

Pension reform

There have been many abuses and inequities experienced by those who had hoped to provide for their retirement through participation in private pension plans. One

Senator recently told of a man who, after working 47 years for the same company, was laid off three months prior to his 65th birthday. Upon applying for his pension benefit at age 67, he was informed that he did not qualify because he was not contributing to the pension fund at age 65. Others have lost benefits due to a pension plan going bankrupt.

These reports of inequities due to irresponsible vesting and funding requirements and inadequate fiduciary standards have prompted Congress to propose responsive private pension reform legislation. Early this year, the House of Representatives approved legislation (H.R. 2) designed to guarantee the retirement rights of 30 million nonagricultural workers currently covered under private plans. Together with a Senate Bill (H.R. 4200) approved in September 1973, this legislation represents the first comprehensive federal attempt to regulate the administration of such plans. Although the plans differ in scope, taken together they would set vesting schedules, establish minimum funding levels, create a plan-termination insurance fund, set reporting and fiduciary standards, participation requirements and provide for transfer of pension contributions from one plan to another in the case of a job transfer.

These reform proposals are at wide variance with Administration views. The President's recommendations called for a 50–50 vesting plan (50% vesting when age and service equal 50, increasing by 10% in each successive year) but did not include plan termination insurance or portability provisions. Plan termination insurance appears the most controversial section of the proposals, within Congress, the Administration and labor. The AFL–CIO building and construction trades division broke with the parent union on this issue, citing a $600 million annual cost rise in construction pension funds which in turn would result in the reduction of pension benefits for participants and termination in other cases.

Tax abatement

Besides health related expenses (e.g., the nutritional requirements for good health), housing expenditures are the weightiest drains on an older person's limited income. For the 70 percent of the elderly who own their homes, the most pressing expense is property taxes. As inflation has eroded the purchasing power of their already fixed incomes, most elderly homeowners have watched property taxes more than double in the last ten years. Since his Special Message on Aging in March 1972, President Nixon has repeatedly said that the remission of property taxes for older Americans is one of his highest priorities.

The vehicle by which the Administration has proposed to effect this goal is the General Revenue Sharing formula. In principle, this initiative gives states and local communities the opportunity to remit or at least lower property taxes of older persons who qualify on the basis of an appropriate measure of income and assets. However, the record of the states and localities clearly shows that these revenues are more likely to be spent on competing issues: in fact, less than 1% of General Revenue Sharing funds were spent on elderly-related services and issues in the program's first year of operation. The principle of making federal revenues available to the states is commendable but it appears that without controls of the nature of the categorical programs, elderly persons are forced to accept such misallocations of funds as in the case of one Rocky Mountain city spending $547,000 on a municipal golf course or a New England town's $333,000 expenditure for new uniforms for the town band. Clearly, some initiative must be taken to urge or compel local units of government to utilize a part of their revenue sharing funds, if not a percentage set-aside, for the President's stated purpose: otherwise, it remains as rhetorical commitment and nothing more.

Last year, Senator Edmund Muskie (D Maine) introduced legislation (S. 1255) to reform and strengthen state and local government financial structures. The purpose of the legislation was to relieve those portions of the tax which undercut other federal programs of assistance to the low-income persons for whom property taxes are both burdensome and arbitrarily administered. It would have set up an Office of Property Tax Relief and Reform in the Treasury Department empowered to pay half the relief offered by a qualified state system up to a limit of $6.00 per capita in each state. To qualify for federal cost sharing, state programs would have to offer relief in the form of cash payments, tax credits or refunds to homeowners regardless of age. In addition, it would also require the states to conform to uniform assessment standards. The bill, however, was left sitting after hearings were held last year and its doubtful whether action will be taken before the close of the current session of Congress. This is unfortunate as the legislation would provide substantial and responsible property tax relief to older homeowners.

Senator Muskie's legislation came in response to a study concerning the status of state property tax administrations conducted by the Senate Subcommittee on Intergovernmental Relations. Delivered in March 1973, the study found that only two states provided property tax relief to all persons within a certain low income limitation, while only nine provide such relief to owners over the age of 65. The general conclusion of the report was that the need for such relief was demanded as the property tax burden falls disproportionately upon those least able to pay it.

Mandatory Retirement and Employment Opportunities

The widening gap between retirement and employment income, the prevalence of poverty and near poverty among millions of older Americans and the absence of prospects for any substantial improvement in the income position of retirees make the status of retirement unattractive and often unacceptable. However, due to a variety of factors including the retirement earnings policies of mandatory retirement, reduced limitation test, prevailing practices and manpower requirements and age discrimination, the older worker is being excluded from the labor force.

As a first step toward remedying this situation, mandatory retirement policies should be abolished by law for an individual's right to work should not depend solely on the arbitrary and often irrational criteria of age. Secondly, national programs—e.g., Title IX of the Comprehensive Older Americans Act Amendments of 1973—should be fully and adequately funded so as to provide a public commitment toward offering the older worker employment options.

Hand in hand with these objectives, the performance of the Age Discrimination in Employment Act of 1967 (ADEA) should be studied thoroughly. Admittedly, age discrimination in employment may be very subtle and difficult to investigate and prosecute: however, if the law is ineffective and difficult to enforce, it should be revised and strengthened. In addition, coverage of the act should be extended to include all older workers, not just those between ages 40 and 64.

Summary

It is apparent that in spite of many improvements in the public mechanisms proving support to older persons, problems will continue to be experienced unless there is further responsible Administration and Congressional commitment. Although the eroding effects of inflation is the major problem, perhaps equally critical is the need for exploration of alternative vehicles for financing the OASDI cash benefits program since the present system, the backbone of most elderly persons income, is subject to severe long-range limitations.

VANDER VEEN PUBLIC SERVICE EMPLOYMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. VANDER VEEN) is recognized for 10 minutes.

Mr. VANDER VEEN. Mr. Speaker, yesterday I introduced, along with 36 of my House colleagues, the Public Service Employment Act of 1974. This legislation would provide funding for 900,000 public service jobs throughout the Nation.

Inadvertently, the names of two cosponsors were not included on the bill introduced yesterday. Several calls came in immediately prior to introduction and were not added to the list.

I am thus reintroducing the bill today on my own behalf and that of Congressman KYROS of Maine and Congressman HICKS of Washington. This brings the number of cosponsors to 38. I appreciate the support of these distinguished Members of the House and hope this support will provide an impetus to the creation of these needed jobs. The text of the bill and my introductory remarks are printed on pages H7285 et seq. of the RECORD of Monday, July 29.

The bill follows:

H.R. —

A bill to amend the Comprehensive Employment and Training Act of 1973 to establish a public employment program for areas of severe unemployment

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Public Service Employment Act of 1974".

ESTABLISHMENT OF PROGRAM

SEC. 2. The Comprehensive Employment and Training Act of 1973 (P.L. 93–203; 87 Stat. 839) is amended—

(1) by redesignating title VI, and any reference thereto, as title VII;

(2) by redesignating section 601 through section 615, and any reference thereto, as section 701 through section 715, respectively; and

(3) by inserting immediately after title V the following new title:

"TITLE VI—PUBLIC SERVICE PROGRAMS FOR AREAS OF SERVICE UNEMPLOYMENT

"STATEMENT OF PURPOSE

"SEC. 601. It is the purpose of this title to provide employment opportunities to assure that no area in the United States has an unemployment rate in excess of 7 percent.

"ELIGIBLE APPLICANTS

"SEC. 602. (a) Financial assistance under this title may be provided by the Secretary only pursuant to applications submitted by eligible applicants which are—

"(1) prime sponsors qualified under title I; or

"(2) Indian tribes on Federal or State reservations and which include areas of severe unemployment.

"(b)(1) For purposes of this title, the term 'area of severe unemployment' means any area of sufficient size and scope to sustain a public service employment program and which has a rate of unemployment in excess of 7 percent for 3 consecutive months as determined by the Secretary.

"(2) Determinations with respect to the rate of unemployment shall be made by the Secretary at least once each fiscal year.

"PUBLIC SERVICE EMPLOYMENT FUND

"Sec. 603. (a) There is hereby established on the books of the Treasury of the United States a special fund to be known as the 'Public Service Employment Fund' (hereinafter in this Act referred to as the 'fund').

"(b) There shall be available in the fund during each fiscal year an amount equal to the product of—

"(1) the average amount of financial assistance necessary to establish and maintain one public service job under title II (as determined by the Secretary) during the most recent fiscal year; and

"(2) the difference between—

"(A) the total number of unemployed persons in all areas of severe unemployment; and

"(B) the number of unemployed persons in all areas of severe unemployment which is necessary to qualify each such area as an area of severe unemployment.

"(c) Eligible applicants shall be entitled to allotments from the fund in accordance with the excess number of unemployed persons, who were counted for purposes of subsection (b)(2)(B), residing in areas of severe unemployment within the jurisdiction of such applicant compared to the number of such unemployed persons residing in all such areas.

"(d) There are authorized to be appropriated to the fund such sums as may be necessary to carry out the purposes of this title.

"ADMINISTRATION

"Sec. 604. The provisions of sections 203, 205, 206, 207, 208, 209, and 211 shall apply with respect to the administration of this title by the Secretary.

"TRANSITION TO PRIVATE EMPLOYMENT

"Sec. 605. In addition to its functions under section 104, each planning council established by a prime sponsor under section 104 in an area of severe unemployment shall recommend to the prime sponsor procedures to provide assistance, information, and counseling to persons who obtain public service employment under this title, in order to assist such persons in securing subsequent employment in the private sector.".

DEFINITION OF PUBLIC SERVICE

Sec. 3. Section 701(a)(7) of the Comprehensive Employment and Training Act of 1973 (as so redesignated by section 2 of this Act) is amended to read as follows:

"(7) 'Public service' includes, but is not limited to, work in such fields as environmental quality, health care, education, public safety, para-professional medical, nursing, legal, and counseling assistance, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, neighborhood improvements, rural development, conservation, beautification, cultural improvement (including the work of artists, artisans, writers, and historians), veterans outreach, and other fields of human betterment and community improvement.".

TECHNICAL AMENDMENTS

Sec. 4. (a) Section 108(b)(2) of the Comprehensive Employment and Training Act of 1973 (P.L. 93–203; 87 Stat. 847) is amended by striking out "603 or 604" and inserting in lieu thereof "703 or 704".

(b) Section 108(d)(1) of such Act (P.L. 93–203; 87 Stat. 848) is amended by striking out "603(1)" and inserting in lieu thereof "703(1)", and by striking out "612(a)" and inserting in lieu thereof "712(a)".

(c) Section 108(d)(3) of such Act (P.L. 93–203; 87 Stat. 848) is amended by striking out "614" and inserting in lieu thereof "714".

(d) Section 419(b) of such Act (P.L. 93–203; 87 Stat. 874) is amended by striking out "603" and inserting in lieu thereof "703".

LINCOLN PLAQUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Findley) is recognized for 10 minutes.

Mr. FINDLEY. Mr. Speaker, in a fitting ceremony today in Statuary Hall, a plaque was dedicated which marks the location of Congressman Abraham Lincoln's desk during the 30th Congress.

Our distinguished Speaker, Carl Albert, joined Chairman Wayne L. Hays of the House Administration Committee in unveiling the plaque. Both spoke with remarks appropriate to the occasion. As the author of the resolution authorizing the marker, I had the privilege of joining Mr. Albert and George M. White, Architect of the Capitol, and Mr. Hays in troweling mortar in the space in the marble floor of the Chamber reserved for the plaque.

A brief historical review of Statuary Hall and plans for its restoration were given by Mr. White. Rev. Edward D. Latch, Chaplain of the House of Representatives, gave the invocation and benediction. Music was provided by the U.S. Marine Band, with M. Sgt. John Bourgeois conducting.

Presiding over the ceremonies was our colleague from Michigan, Lucien Nedzi, who is chairman of the subcommittee which handled the legislative authorization.

The souvenir program included a reproduction of the pages of the Congressional Directory of the 30th Congress which shows the location of the Lincoln desk, photographs of a desk and chair of that period, the first known photograph of Lincoln taken about the time he became a Congressman, and the first photograph of the Capitol Building, taken in 1846—the year before Lincoln was elected.

The plaque was authorized by House Resolution 605, which I authored and which was cosponsored by Congressmen Beard, Downing, Eshleman, Kemp, Madigan, Michel, Moakley, and Studds. The resolution authorizes similar plaques for eight other Congressmen-Presidents: John Quincy Adams, James Buchanan, Millard Fillmore, William Henry Harrison, Andrew Johnson, Franklin Pierce, James Knox Polk, and John Tyler.

Giving the dedicatory address today was the Illinois State historian, William K. Alderfer. He is also director of Illinois State Historical Society and editor of its journal, executive secretary of the Abraham Lincoln Association, and chancellor of the Lincoln Academy of Illinois. He is an eminent authority on Abraham Lincoln, and his stimulating talk centered appropriately upon the years which Congressman Lincoln served as a Representative from Illinois.

So that all may have an opportunity to read his timely remarks, I include them in the Record at this point:

Concerning Congressman Lincoln

(By Illinois State Historian William K. Alderfer)

I do want to begin by saying how gratifying it is to be here, not only because I am speaking before such an august assembly but because, as an historian, it pleases me to give you the historical credit due you. In all my travels, from the smallest historical society in the State of Illinois, to the largest of our national historical organizations, I have never had the pleasure of speaking to so many nonprofessional historians who have so much historical expertise.

Your own Representative, Paul Findley, who is my Representative, too, and with whom I have the pleasure of working on the board of directors of the Abraham Lincoln Association, is such a Congressman. It is doubtful that plans for the development of the Lincoln Home National Historic Site would be as close to completion as they are if Congressman Findley were not such a persistent advocate and were not, like you so imbued with a sense of history.

In becoming adept at handling contemporary congressional problems and involved with budgets and trade and armaments and civil rights, most of you have acquired a bone-deep, gut-level appreciation of the historical perspective toward the tasks you face. In an era which is striving, sometimes vainly, and occasionally with heartening success, to make history relevant, I confess to you that my knowledge of your constant awareness of the history of your own profession, your own awesome tasks, makes my speech to you a pleasure, rather than a chore.

I would like to talk with you now about one who was once among the least among you, the junior congressman from Illinois from 1847 to 1849. In fact, it is the judgment of many historians that Congressman Lincoln truly *was* the least among you, that his congressional career yielded little of value to that particular session of congress or to the man himself, the man who would later become our sixteenth president.

I wish to dispute that historical judgment. Changing time and changing events can alter historical interpretations. For instance, the caliber of the west-of-the-Allegheny congressman in the past decades has effectively destroyed old prejudices held by the Eastern seaboard that little of consequence ever took place beyond those mountains.

But when the rumpled, homely Lincoln came east, it was still sport to derogate the "Western" states. And in 1848, a reporter from the *Boston Atlas* in Massachusetts, said, "Mr. Lincoln is a capital specimen of a (sucker) whig, six feet at least in his stockings, and every way worthy to represent that spartan band of the only Whig district in poor, benighted, Illinois."

Mr. Lincoln, however, understood the tongue in the cheek having tucked his own there to good advantage in many court cases. Several days after arriving in Washington—on his first trip east of the Alleghenies—to take up his seat in the 30th Congress, he wrote these prophetic words to William Herndon, his law partner in Springfield: "As you are all so anxious for me to distinguish myself, I have concluded to do so before long."

And Congressman Lincoln did distinguish himself. Ten months later, by the end of the 1st session of the thirtieth Congress and on his return to Illinois, this 38-year-old Congressman had been selected by his party to take a major role in behalf of the campaign of the Whig presidential candidate, General Zachary Taylor.

That Lincoln could distinguish himself in such a short period of time, and among seatmates of the caliber of former President

John Quincy Adams; Joshua Giddings, head of the Whig anti-slavery movement; George Ashman, destined to become president of the Republican national convention that would nominate Lincoln; Alexander Stephens, future vice-president of the Confederacy; Caleb Smith, one day to be Lincoln's secretary of the Interior; and David Wilmot, who became a disruptive and historic force through his Wilmot proviso—that Lincoln could distinguish himself in such a short time and among such people is all the more remarkable when one considers that this was his first and only Congressional term and that even before he took his seat he knew that he would not run for reelection. Another candidate, in a rotation previously agreed upon by the Whigs of the 7th Illinois congressional district, would have this privilege.

The success of Congressman Lincoln can be ascribed, in part, to his capacity for hard work. He attended to all details himself; no favor was too small to merit his closest attention. His reputation for getting things done was so well known that after only six weeks in Washington, Lincoln complained that Whigs were coming to him to get appointments to the Army from President Polk, a Democrat. "Not only does the President have no places to give," explained the exasperated Congressman, "but he could hardly be expected to give them to Whigs at the solicitation of a Whig Member of Congress."

It was this attention to detail, coupled with his willingness to put in long hours, that set Lincoln apart from other able House Members and destined him for important party assignments. He was placed on the Committee on the Post Office and Post Roads as well as on the Committee on Expenditures in the War Department. Both were important assignments for a junior Congressman, and Lincoln discharged his duties satisfactorily.

Lincoln's service to his party and to his constituents may have made him popular with his Whig colleagues, but left him little time for his family. His wife, Mary, had accompanied him to Washington, but after a few months she returned west and stayed at her father's home in Lexington, Kentucky. Although Lincoln had encouraged her to leave, he later regretted it, even though he acknowledged that his work in Washington would not let up. "When you were here," he wrote to Mary, "I thought you hindered me some in attending to business; but now, having nothing but business—no variety—it has grown exceedingly tasteless to me."

The quantity of work may have made Lincoln cry "tasteless" when he was in a mood of depression, but he remained unstinting in the execution of his tasks.

The thirtieth Congress had a Democratic Senate and a House with a slight Whig majority. A Democratic President, James K. Polk, occupied the White House. If the Whigs were to make effective their opposition to the Democrats, it would be in the House, where they held control. Control of both Houses was precarious, and that situation affected Lincoln's future. He was the only Whig from Illinois, a Western State, and the very section of the Nation each party would need to win if it was to tip the political balance. The future of America was in the West, and the West was filling up. The West offered cheap land, and settlers accepted the offer in increasing numbers. Each settler was a potential vote, a vote that might tip the balance. There were railroads to be built; there was the prospect of new territory to be added after successful conclusion of the war with Mexico. America had expansion fever. It was an exuberant time. And Lincoln came from the West.

He was, obviously, a man to be wooed by his Eastern and Southern colleagues. And woo him they did. Much of the business of the thirtieth Congress was devoted to boosting the fortunes of possible Presidential candidates who would be nominated at the Democratic Convention in Baltimore in May, 1848, or at the Whig National Convention in Philadelphia in June. In January, Lincoln was recognized by the Speaker of the House for the purpose of introducing a series of resolutions, later to be known as the "spot resolutions." These were designed to embarrass the Democrats and their President by asserting that the "spot" where the first blood of the Mexican War had been shed was in Mexico, not on American soil as President Polk claimed in his explanation to Congress.

The "spot resolutions" were widely commented upon. They pleased their author and the Whig Party, even though the opposition press in Illinois vilified "spotty Lincoln." One Democratic newspaper called Lincoln a modern Benedict Arnold. When these reports from Illinois reached Lincoln in Washington, he would not back down. On the justice of his position, Lincoln wrote: ". . . No man can be silent if he would. You are compelled to speak; and your only alternative is to tell the truth or a lie."

The "spot resolutions" were a part of Whig policy. They were unfavorably reported by the Democratic press and favorably reported by the Whig press, but they were certainly reported. For a junior Congressman with an ambition to succeed, it was important that they—and he—received such wide notice. They not only gave Lincoln national exposure, but led Whig leaders to give the young Congressman speaking assignments in the coming campaign. These speeches would make him a familiar figure in many eastern and northern States.

Lincoln made his second major address in Congress. In July after the Presidential candidates had been selected, one of the targets in this speech was Lewis Cass, the Democratic standard bearer. Lincoln poked fun at the Democratic efforts to make a military hero out of Cass, although the Democrats were probably only trying to counterbalance Whig assertions that their candidate, "Old Rough and Ready" General Zachary Taylor, was a true hero of the Mexican War.

In discussing Cass's attributes as a hero, Lincoln said, "Yessir, in the days of the Black Hawk War. . . . I fought, bled and came away. Speaking of General Cass's career reminds me of my own. . . . it is quite certain I did not break my sword, for I had none to break; but I bent a musket pretty badly on one occasion. If Cass broke his sword, the idea is he broke it in desperation. I broke the musket by accident."

Lincoln also chided the Democrats for making the popularity of their heroes a major campaign issue. "A fellow once advertised that he had made a discovery by which he could make a new man out of an old one, and have enough of the stuff left to make a little yellow dog. Just such a discovery has Gen. Jackson's popularity been to you. You not only twice made President of him out of it, but you have had enough of the stuff left to make Presidents of several comparatively small men since; and it is your chief reliance now to make still another."

A reporter for the Baltimore American said of this second speech: "Lincoln was so good natured and his style so peculiar that in the last half of his speech he kept the House in a continuous roar of merriment." Humorous Lincoln no doubt was.

But he was also a tireless enough worker to have ferreted out all of General Cass's expense accounts to the U.S. Treasury and to discuss them at great- and sober-length. Irrepressibly, he concluded his speech: "But I have introduced General Cass's accounts here chiefly to show the wonderful physical capacities of the man. They show that he not only did the labor of several men at the same time; but that he often did it in several places, many hundreds of miles apart, at the same time. And at eating too, his capacities are shown to be quite as wonderful, from October 1821 to May 1822 he ate ten rations a day in Michigan, ten rations a day here in Washington, and near five dollars worth a day. . . . On the road between the two places; . . . Mr. Speaker, we have all heard of the animal standing in doubt between two stacks of hay, and starving to death. The like of that would never happen to Gen. Cass; place the stacks a thousand miles apart, he would stand stock still midway between them, and eat them both at once; and the green grass along the line would be apt to suffer some too at the same time. By all means, make him president, gentlemen. He will feed you bounteously,—if—if-there is any left after he shall have helped himself.

Lincoln's style of speaking was bound to attract attention. As the *American* reported it, Lincoln would ". . . commerce a point in his speech far up one of the aisles, and keep on talking, gesticulating, and walking until he would find himself at the end of a paragraph, down in the center of the area in front of the clerk's desk. He would then go back . . . . and walk down again. And so on, through his capital speech."

Lincoln discussed his "speechifying" with Billy Herndon, a friend from Springfield. ". . . I made a little speech two or three days ago. . . I find speaking here and elsewhere about the same thing. I was about as badly scared, and no worse, as when I speak in court." Badly scared was not very scared. Lincoln's speeches were well accepted by eastern whigs. His forensic efforts in the House, despite the poor acoustics and the poorer placement of his seat well to the rear, afforded him the recognition of his whig colleageus.

In fact; at the behest of those political allies, Lincoln did not return immediately to Illinois after the summer recess. The "Lone Star of Illinois"—the standard sobriquet which was Lincoln's introduction at campaign rallies in the east—made speaking excursions into Maryland, Delaware, and Massachusetts in behalf of General Zachary Taylor and the whig party.

It was at one of these whig rallies in Massachusetts that Lincoln met Governor William Seward of New York, later to become Lincoln's Secretary of State. Seward had delivered a speech on the great moral issue of the day—slavery. Later that day, as Seward's son recalled, Lincoln acknowledged the justice of Seward's moral indignation, and asserted that "we've got to give more attention to . . . (slavery) hereafter than we have been doing."

Although slavery was becoming an issue of major proportions, the folks back home in Illinois were not ready to forget Lincoln's antiwar and antiadministration stands. The next stop after his eastern speaking tour was Chicago, and Illinois patriots remembered that Lincoln had voted the war "infamous and wicked." Throughout his tour of the northern part of his district, the "spot resolutions" rose to haunt him. A commentator for the Springfield State Journal decided that "Lincoln has made nothing by coming to this part of this country to make speeches. He had better have stayed away."

But in spite of that, when the final tally was in on election day, General Taylor had won, and he had taken Lincoln's district by 1,500 votes. Surely Lincoln could take some credit for that success. His own success, over the succeeding years, arose in large part from his insatiable desire for learning. We are all familiar with the legend of Lincoln's reading by the light of the fire. His term in this House of Representatives provided a brighter light, a different kind of fuel for his urge to learn. He used it well. They used him well.

Of the sixteen members of the House of Representatives who have also been President, Abraham Lincoln has been accorded a special place in the hearts of Americans. His presidential career, which began twelve years after his congressional term ended, needs no recital here. But we would be remiss if we did not recall that Lincoln's congressional career was his first test in national political affairs, the first test of the endurance and determination that he would be called upon to use in leading this Nation away from its darkest hour. In neither career did Congressman Lincoln fail.

Address of Representative Carl Albert, the Speaker, U.S. House of Representatives

It is great pleasure for me to accept this plaque honoring Congressman Abraham Lincoln on behalf of the House of Representatives. It is appropriate that this plaque should be dedicated at a time when this Hall, which for forty-six years served as the Chamber of the House, is about to be restored to its original setting when these nine members served here.

This historic room, which is one of the most beautiful in the Capitol, should bear the seal of and be recognized as part of the United States House of Representatives. I personally want the 10 million persons who visit the Capitol each year to associate this Chamber, where monumental legislative decisions have been made, with the House of Representatives.

Many Americans may not be aware that Abraham Lincoln served in the House; nor may they be aware that the eight other Presidents honored by this Resolution served in the House. Historians have not placed great emphasis on Presidents' congressional careers or for that matter on the contributions of other Members of the House. The House of Representatives deserves far more than a superficial overview in American history; it deserves recognition commensurate to its contributions to America. I am proud that the House and the Capitol Historial Society are eagerly striving to tell the story of the House of Representatives to more Americans.

The dedication of this plaque today and others in the coming months will increase public awareness of the important congressional contributions of nine of our Presidents. I am pleased that Abraham Lincoln, an American who while President led this nation through its most divided and troubled time in history, is the first Congressman whom we honor today. I cannot help but think that his experience in this room 125 years ago gave him keener insight into the greatness of a constitutional government of the people, by the people and for the people.

Remarks of Mr. Nedzi

I want to welcome our distinguished guests to this historic chamber where for fifty years the House of Representatives met, except for the brief period after the British burned the Capitol. Perhaps more than any other spot in the country, this room and the men who served in it were at the very heart of our democracy during its first half century.

One of those men who achieved the highest honor the Nation could bestow, the Presidency of the United States, was Abraham Lincoln. There were others who served in this chamber and were accorded that high honor. The purpose of House Resolution 605 is to recognize the eight Congressmen who sat in this hall when it served as the chamber of the House of Representatives and who also served the Nation as President.

The idea of recognizing those Presidents who served the Nation as Congressmen sitting in what is now Statuary Hall was first conceived in 1967 by Representative Paul Findley, who represents a portion of the same district which Lincoln represented in the 30th Congress.

Through the assistance of the House Librarian it was possible to determine the exact location of Lincoln's desk when he sat in this chamber. The desks of the others have been similarly located.

In fact one, John Quincy Adams, has been so memorialized for years. A bronze circle, its inscription long since obliterated by the tramping feet of ages of tourists, marks the spot where he collapsed while serving as a Representative from Massachusetts after he had finished his two terms as President. It is worth noting that Congressman Adams, who had already sampled the U.S. Senate, preferred the House of Representatives after he had served as the Nation's Chief Executive.

On October 17, 1973, Representative Findley introduced House Resolution 605, cosponsored by Representatives Beard, Downing, Eshleman, Kemp, Madigan, Michel, Moakley, and Studds.

Each of the co-sponsors represents the Congressional district represented by one of the Congressmen-Presidents. On November 28, the Committee on House Administration, having held a hearing on the proposal, ordered it reported to the floor of the House for final action.

The House unanimously passed House Resolution 605 on December 3, 1973.

The plaque commemorating the service of Congressman Lincoln, which is being dedicated today, is but one of eight plaques which will be placed in the floor of this chamber in the near future. The others will be set in place during the restoration of Statuary Hall, scheduled to begin in September. Each plaque represents the unique contribution to the leadership of the Nation which has been made by the people's branch of government.

LET JUSTICE BE DONE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the Nation can look with pride on the performance of the Members of the House Judiciary Committee in carrying out its inquiry into the impeachment of the President—no matter what one's position on impeachment may be. We have just witnessed a superb example of America's commitment to democracy: Members of Congress from all over the country, representing the Nation's great diversity, so ably and responsibly debating the articles of impeachment.

There is the chairman of the committee, Peter Rodino—a gentle man with a spine of steel who is a first generation American of Italian extraction. Barbara Jordan, of Texas—a black woman, a descendant of slaves, whose brilliant mind is equaled only by her beautiful voice. Edward Mezvinsky, of Iowa—a man whose parents emigrated from Poland and Russia to escape the anti-Semitic czars, and a Representative whose constituency in Iowa is less than 1 percent Jewish. Robert Drinan, of Massachusetts—a Catholic priest. James Mann, of South Carolina—a southerner whose profile in courage was drawn by his voting in support of impeachment while 80 percent of his constituency had voted for President Nixon in the last election. Hamilton Fish, Jr., of New York—of a patrician Republican family who cast his vote to impeach a Republican President as a matter of conscience. And Charles Rangel, of New York, who represents the people of Harlem.

The 37 members of the Judiciary Committee are representative of America. Some people have been impatient with the time the committee has taken in reviewing the evidence of the President's wrongdoing. But, I would submit that the committee has demonstrated the uniqueness of the American system and the great care with which this country and its Congress undertakes the removal of a President from office in midterm.

I am convinced that as a result of the impeccably fair proceedings that took place in the Judiciary Committee, the House will vote overwhelmingly to impeach the President. Americans have been impressed by the ability and responsibility of the members of the Judiciary Committee, their grasp of the issues, and their obvious desire to be fair and to do justice.

Yesterday, I heard one of our Republican colleagues thank a committee member and say that he had just returned from his district and the way the Judiciary Committee had conducted itself made it now possible for him to vote for impeachment. My own position is that the committee has made a strong case against the President and one that demands his removal from office.

I was one of those who cosponsored the original resolution of impeachment which initiated the House Judiciary Committee's proceedings. The committee has built a solid foundation for impeachment and removal of the President from office. But, perhaps more important is that again and again, the members of the Judiciary Committee returned to a basic American precept—that ours is a government of laws, not of men, and that no man, including the President is above the law.

Let justice be done.

ON CEASING U.S. AID TO THE REPUBLIC OF KOREA

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, many of our colleagues are shocked at the deplorable situation now existing in the Republic of Korea. This is a situation that is steadily worsening every day, and one which we are supporting with our funding of that government.

In October of 1972, President Park Chung Hee embarked upon a plan to "change the habits and customs of the population." He imposed severe restrictions on the freedoms of speech and of the press; he repealed limitations on his tenure of office; and ordered new rules concerning many social customs, including manner of dress.

In carrying out his design, he enacted "emergency" plans of a more repressive nature, outlawing any criticism of his government. Let me cite some alarming examples of the repression. A student's "refusal to attend classes and examinations without plausible reasons" and student "assemblies, demonstrations, discussions, rallies and other individual and collective activities in and out of school except normal classes and research activities under the direction and supervision of school authorities" is subject to "the death penalty, life imprisonment, or more than 5 years' imprisonment."

There have been massive arrests and it is estimated that between 1,100 and 1,200 persons are now in South Korean prisons for committing antigovernment activities. Among these people are well respected citizens, including the only living former President of South Korea, Yun Po Sun; the country's leading poet, Kim Chi Ha; and Kim Dae Jung, the man who opposed President Park in his reelection campaigns of 1967 and 1971. A total of 19 persons were sentenced to death last month for antigovernment activities, but 5 of the sentences were commuted to life imprisonment. Secret trials are held, violating all due process.

I do not believe that the United States can, as Walter Lippman once said, be the "policeman of mankind." But we must not assist a government in the repression of its people. We now have 38,000 troops in South Korea, and the Republic of Korea has received some $14 billion from the United States over the past 20 years.

I do not believe that we should expect all nations receiving U.S. assistance to be in our own image. There are times when we must compromise in setting standards for governments receiving our aid. But, there are times we cannot and must not compromise. Continued economic and military support of the Park dictatorship by the United States is such a case. By not speaking and acting against the inhumane abuses performed by this government, we are in effect condoning its actions. Our continued support here is not only unconscionable, but an embarrassment to the United States internationally.

Last week, in a statement before the Senate Appropriations Committee, Secretary of State Henry Kissinger defended our continued support of the Park government. He said that—

> The stability and security of South Korea were crucial to the security of the East Asian area.

Is the Park government safeguarding the stability and security of the South Korean people through its policies of torture, silencing dissent, arbitrary arrests and cruel punishments? I think not.

I submit to my colleagues, that we must not permit such a flagrant abuse of American tax dollars. President Park is making a mockery of democratic institutions, and violating internationally recognized human rights. U.S. economic and military assistance to the Republic of Korea should be eliminated, or at the very least, substantially reduced, until that country's government discontinues the overwhelming oppression of its people.

The administration is currently asking Congress to approve $161,500,000 in military assistance, $52,000,000 in military credit sales, and $20,800,000 in excess defense articles for South Korea. I will support amendments to the foreign aid bill to eliminate or severely reduce the amount of assistance proposed.

Very deserving of praise for their work in this area are two of our colleagues, Representative Don Fraser, and Representative Robert Nix. The joint hearings they recently held did much to focus congressional and public attention on this horrible situation. I am confident that the Congress will realize that where American influence can be used to promote civilized behavior, as is the case in the Republic of Korea, it ought to be so employed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Young of Alaska (at the request of Mr. Rhodes), for August 2 through August 9, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Madigan) to revise and extend their remarks and include extraneous material:)

Mr. Crane, for 5 minutes, today.

Mr. Young of Illinois, for 15 minutes, today.

Mr. McKinney, for 5 minutes, today.

Mr. Frenzel, for 30 minutes, today.

Mr. Findley, for 10 minutes, today.

(The following Members (at the request of Mr. Moakley to revise and extend their remarks and include extraneous material:)

Mr. Alexander, for 5 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Harrington, for 10 minutes, today.

Mr. Flood, for 5 minutes, today.

Ms. Abzug, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

Mr. Vander Veen, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Landgrebe and to include extraneous matter.

Mr. Gonzalez to revise and extend his remarks and include extraneous matter immediately following the remarks of the gentleman from Illinois (Mr. Annunzio).

Mr. Patman (at the request of Mr. Stephens) to extend his remarks immediately after the statement of Mr. Gonzalez.

Mr. Gude to extend his remarks and include extraneous material in the body of the Record in one instance.

Mr. Gude to insert his remarks prior to the vote on the Roybal amendment on H.R. 14012.

(The following Members (at the request of Mr. Madigan), and to include extraneous matter:)

Mr. Steiger of Wisconsin in two instances.

Mr. Buchanan.

Mr. Lott.

Mr. Wyman in two instances.

Mr. Walsh.

Mr. Baker.

Mr. Ashbrook in six instances.

Mr. Landgrebe in 10 instances.

Mr. Esch.

Mr. Camp.

Mr. Sarasin.

Mr. Huber.

Mr. Brotzman.

Mr. Broyhill of Virginia.

Mr. Young of Florida in five instances.

Mr. McKinney.

Mr. Fish.

Mr. Nelsen.

Mr. Ketchum.

(The following Members (at the request of Mr. Moakley) and to include extraneous matter:)

Mr. Harrington in three instances.

Mr. Long of Maryland in 10 instances.

Mr. Edwards of California.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in two instances.

Mr. Sisk.

Mr. Thompson of New Jersey.

Mr. de la Garza in 10 instances.

Mr. Dellums in 10 instances.

Mr. Rooney of New York.

Mr. Dent.

Mr. Reid.

Mr. Conyers in 10 instances.

Mr. Rees.

Mr. Flood.

Mr. Stuckey.

Mr. Wolff.

Mr. Riegle.

Mr. Ryan.

Mr. Rogers in five instances.

Mr. Brinkley.

Mr. Zablocki in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3056. An act to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, and for other purposes;

H.R. 10309. An act to amend the act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes; and

H.R. 13264. An act to amend the provisions of the Perishable Agricultural Commodities

Act, 1930, relating to practices in the marketing of perishable agriculture commodities.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2665. An act to provide for increased participation by the United States in the International Development Association and to permit U.S. citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad; and

S. 3477. An act to amend the act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on August 1, 1974, present to the President, for his approval, a bill of the House of the following title:

H.R. 15472. An act making appropriations for agricultural-environmental and consumer protection programs for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, August 2, 1974, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2614. A letter from the Secretary of the Army, transmitting reports on the number of officers on duty with Headquarters, Department of the Army and detailed to the Army General Staff on June 30, 1974, pursuant to 10 U.S.C. 3031(c); to the Committee on Armed Services.

2615. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on deliveries of excess defense articles during the third quarter of fiscal year 1974, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended [22 U.S.C. 2321b(d)]; to the Committee on Foreign Affairs.

2616. A letter from the Executive Director, Joint Financial Management Improvement Program, transmitting volume II of a report on Federal productivity, describing several productivity case studies; to the Committee on Government Operations.

2617. A letter from the Chairman, Securities and Exchange Commission, transmitting the third annual report of the Securities Investor Protection Corporation, pursuant to section 7(c)(2) of the Securities Investor Protection Act of 1970 (Public Law 91-598); to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 14213. A bill to amend the Controlled Substances Act to extend for 3 fiscal years the authorizations of appropriations for the administration and enforcement of that act; with amendment (Rept. No. 93-1248). Referred to the Committee of the Whole House on the State of the Union.

Mr. DULSKI: Committee of conference. Conference report on H.R. 14715 (Rept. No. 93-1249). Ordered to be printed.

Mr. NEDZI. Committee on House Administration. Senate Joint Resolution 220. Joint resolution to provide for the reappointment of Dr. William A. M. Burden as citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 93-1250). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. Senate Joint Resolution 221. Joint resolution to provide for the reappointment of Dr. Caryl P. Haskins as citizen regent of the Board of Regents of the Smithsonian Institution (Rept. 93-1251). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. Senate Joint Resolution 222. Joint resolution to provide for the appointment of Dr. Murray Gell-Mann as citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 93-1252). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. H.R. 5507. A bill to authorize the conveyance to the city of Salem, Ill., of a statue of William Jennings Bryan; with amendment (Rept. No. 93-1253). Referred to the House Calendar.

Mr. NEDZI: Committee on House Administration. Senate Joint Resolution 66. Joint resolution to authorize the erection of a monument to the dead of the 1st Infantry Division, U.S. Forces in Vietnam (Rept. No. 93-1254). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. H.R. 16243. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1255). Referred to the Committee of the Whole House on the State of the Union.

[*Pursuant to the order of the House on July 31, 1974, the following report was filed on August 1, 1974*]

Mr. BLATNIK: Committee on Public Works. H.R. 12859. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to establish a unified transportation assistance program, and for other purposes; with amendment (Rept. No. 93-1256). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL (for himself and Mrs. Boggs):

H.R. 16211. A bill to authorize the Secretary of the Treasury to reimburse State and local law enforcement agencies for assistance provided at the request of the U.S. Secret Service; to the Committee on the Judiciary.

By Mr. BYRON:

H.R. 16212. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

H.R. 16213. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. COLLIER:

H.R. 16214. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. DOWNING (for himself, Mrs. Sullivan, Mr. Mosher, Mr. Rogers, Mr. Steele, Mr. Leggett, Mr. Forsythe, Mr. Biaggi, Mr. du Pont, Mr. Anderson of California, Mr. Cohen, Mr. Breaux, Mr. Pritchard, Mr. Eckhardt, and Mr. Ginn):

H.R. 16215. A bill to amend the Coastal Zone Management Act of 1972, to provide more flexibility in the allocation of administrative grants to coastal States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. GRASSO:

H.R. 16216. A bill to establish the Sewall-Belmont House National Historic Site, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 16217. A bill to provide interim cost relief for customers of regulated public utilities; to the Committee on Interstate and Foreign Commerce.

By Mr. LUJAN (for himself and Mr. Runnels):

H.R. 16218. A bill to repeal the act of May 10, 1926 (44 Stat. 498), relating to the condemnation of certain lands of the Pueblo Indians in the State of New Mexico; to the Committee on Interior and Insular Affairs.

By Mr. McKINNEY:

H.R. 16219. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 16220. A bill to establish the Smaller Communities Adminstration; to the Committee on Banking and Currency.

By Mr. BOB WILSON (for himself, Mr. Martin of North Carolina, Mr. Blatnik, Mr. Rinaldo, and Mr. St Germain):

H.R. 16221. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. WOLFF:

H.R. 16222. A bill to provide for a program of Federal financial assistance for the installation of noise suppression devices on aircraft to suppress aircraft noise pollution; to the Committee on Interstate and Foreign Commerce.

By Mr. BROWN of California:

H.R. 16223. A bill to provide the States with the right to adopt or enforce requirements with respect to certain environmental matters; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH:

H.R. 16224. A bill to amend the act of October 2, 1968 (82 Stat. 931), to expand the Redwood National Park in California and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FOUNTAIN (for himself, Mr. Brown of Ohio, Mr. Brown of Michigan, Mr. Buchanan, Mr. Fuqua, Mr. James V. Stanton, Mr. Steelman, and Mr. Vander Jagt):

H.R. 16225. A bill to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes; to the Committee on Government Operations.

By Mr. FRENZEL (for himself and Mr. Frey):

H.R. 16226. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from income taxation for condominium housing associations and certain homeowners' associations and to tax the unrelated business income of such organizations; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 16227. A bill to amend title 38 of the United States Code to liberalize the provisions relating to the payment of pension; to the Committee on Veterans' Affairs.

By Mr. HARRINGTON:

H.R. 16228. A bill to amend the Coastal Zone Management Act of 1972 to broaden the planning and operating capabilities of the various States receiving grants under that act so that they might better manage the development of energy-related activities in their coastal zones; to the Committee on Merchant Marine and Fisheries.

By Mr. HEINZ:

H.R. 16229. A bill to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the 1st Sunday in October 1974, through the last Sunday in February 1975, and to extend the period for the submission of the final report to Congress; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES of Oklahoma:

H.R. 16230. A bill calling for a domestic summit to develop a united plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

H.R. 16231. A bill to amend the Mineral Leasing Act of 1920, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KARTH:

H.R. 16232. A bill to amend the Lower Saint Croix Act of 1972 by increasing the authorization; to the Committee on Interior and Insular Affairs.

By Mr. KOCH:

H.R. 16233. A bill to amend sections 202 and 203 of title 3, United States Code, to provide for the protection of foreign diplomatic missions, and for other purposes; to the Committee on Public Works.

By Mr. KOCH (for himself, Mr. Addabbo, Mr. Badillo, Mr. Brown of California, Ms. Burke of California, Mr. Carey of New York, Mr. Conyers, Mr. Davis of South Carolina, Mr. Eilberg, Mrs. Grasso, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Murphy of New York, Mr. Murphy of Illinois, Mr. Podell, Mr. Rees, Mr. Riegle, Mr. Roybal, Ms. Schroeder, Mr. Thompson of New Jersey, and Mr. Charles H. Wilson of California):

H.R. 16234. A bill to amend title 5, United States Code, to permit Federal, State, and local officers and employees to take an active part in political management and in political campaigns; to the Committee on House Administration.

By Mr. KOCH (for himself, Ms. Abzug, and Mr. Phillip Burton):

H.R. 16235. A bill to amend title 5, United States Code, to permit Federal, State, and local officers and employees to take an active part in political management and in political campaigns; to the Committee on House Administration.

By Mr. RONCALLO of New York (for himself, Mr. Gray, and Mr. Spence):

H.R. 16236. A bill to authorize the Secretary of the Navy to transfer ownership of two naval vessels no longer needed by the Navy to the city of New York, N.Y.; to the Committee on Armed Services.

By Mr. STUCKEY:

H.R. 16237. A bill to amend the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. WAGGONNER:

H.R. 16238. A bill to amend the Migratory Bird Treaty Act to permit the possession by taxidermists of certain migratory birds, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG of Illinois (for himself, Mr. Broyhill of North Carolina, Mr. McCollister, Mr. Hanrahan, Mr. Derwinski, Mr. Murphy of Illinois, and Mr. Annunzio):

H.R. 16239. A bill to provide for regulation of business franchises, to require a full disclosure of the nature of interests in business franchises, to provide for increased protection of the public interest in the sale of business franchises, and to provide for fair competition in the negotiation of franchise agreements; to the Committee on Interstate and Foreign Commerce.

By Mr. MAHON:

H.R. 16243. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

By Mr. ASHLEY:

H.J. Res. 1104. Joint resolution to extend by 62 days the expiration date of the Export Administration Act of 1969; to the Committee on Banking and Currency.

By Mr. KETCHUM (for himself, Mr. Burgener, Mr. Gubser, Mr. Hosmer, Mr. Johnson of California, Mr. Leggett, Mr. Stark, Mr. Talcott, and Mr. Veysey):

H. Con. Res. 575. Concurrent resolution expressing the sense of Congress that regulations, requiring a statement of ingredients on bottles of distilled spirits and wine, be not promulgated until Congress has considered the matter fully; to the Committee on Ways and Means.

By Mr. KYROS (for himself, Mr. Wolff, and Mr. Yatron):

H. Con. Res. 576. Concurrent resolution calling for the removal of all foreign forces from Cyprus; to the Committee on Foreign Affairs.

By Mr. GUDE (for himself, Mr. Fraser, Mr. Owens, Mr. Roybal, Mr. Dellenback, Mr. Harrington, and Mrs. Heckler of Massachusetts):

H. Res. 1284. Resolution expressing the sense of the House that the U.S. Government should seek agreement with other members of the United Nations on prohibition of weather modification activity as a weapon of war; to the Committee on Foreign Affairs.

By Mr. PRICE of Illinois:

H. Res. 1285. Resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. WHALEN:

H. Res. 1286. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

By Mr. YATES (for himself, Mr. Roush, Mr. Stratton, Mr. Conyers, Mr. Litton, Mr. Mallary, Mr. James V. Stanton, Mr. Hanna, Mr. O'Brien, Mr. Dulksi, Mr. Macdonald, Mr. McCollister, Mr. Helstoski, Mr. Bergland, Mr. Mitchell of New York, Mr. Byron, Mr. Andrews of North Carolina, Mr. Rose, Mr. Yatron, and Mr. Horton):

H. Res. 1287. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 16240. A bill to incorporate in the District of Columbia the American Ex-Prisoners of War; to the Committee on the District of Columbia.

By Mrs. HOLT:

H.R. 16241. A bill to authorize the conveyance of certain lands in the District of Columbia to the Greater Southeast Community Hospital Foundation, Inc., to the Committee on Interior and Insular Affairs.

By Mr. ICHORD:

H.R. 16242. A bill for the relief of Colene D. Ziesman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

465. The SPEAKER presented a petition of the Inter-Tribal Council of the Five Civilized Tribes, Tahlequah, Okla., relative to Government intervention in the Navajo-Hopi land dispute, which was referred to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

DR. ARTHUR A. SMITH ON INFLATION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. COLLINS of Texas. Mr. Speaker, I just read a recent survey that said 70 percent of the American people consider inflation the top problem in America.

So many times we pass over inflation lightly. We refuse to realize that the major cause of inflation is right here in Congress. We in Congress are overspending the Nation's budget. Our continued overspending and our continued deficit financing are accentuating and accelerating our inflation difficulties.

We are looking for easy answers. We would rather not have any answers at all and just shut our eyes and hope that it will go away. But inflation is not going away, and it is continuing to get worse.

Let me give you some realistic facts. In the Sunday, July 28, issue of the Dallas Times Herald they had an interesting artcle by their economic consultant, Dr. Arthur A. Smith. Dr. Smith writes for the Times Herald at this time. Before this he was the economist and vice president of the First National Bank in Dallas. At one time he was the head of the economics department at Southern Methodist Universty. Here is a man who knows the theory and knows the practical side—but what is important is he knows the facts.

Dr. Smith brought out in his article so clearly the fact that it is the poor people and the plain solid average citizen who is getting hit the worst with inflation. Let me quote exactly what Dr. Arthur A. Smith said in the Dallas Times Herald:

We have not yet felt the full impact of the ill effects of inflation. When we do, the jolt will be a severe strain on our economic and political system.

We tolerated for many years small annual rates of inflation, listening to the false doctrine even from high sources that some inflation is good for the economy and that we must have inflation to keep unemployment down.

Now in 1974 we are about to pay for the joyride we have taken. The worst of inflation is beginning to exert itself. Here are some manifestations in the consumer category:

(1) Inflation is reducing the buying power of the masses and lowering their standard of living. Working people's real earnings are 4½ per cent, lower now than a year ago, even though their dollar earnings are up. That much has been lost in the race between rising prices and rising wages.

(2) Retired persons living on fixed pensions and retirement benefits have suffered even worse. They have had a reduction of not less than 10 per cent in buying power in the past year.

(3) Low income families who must spend every cent on food and bare essentials are hardest hurt of all because prices have risen relatively more for them than for any other income category.

(4) Families heavily in debt are beginning to feel the pinch of incomes lagging behind inflation and in time will have to decide where to cut spending in order to meet installment payments or else default. Payment delinquencies as well as outright defaults have been increasing lately.

(5) Thrifty persons who have managed to save have witnessed the buying power of their savings being eaten away over the years by inflation and now they face the realization that what they have saved for is beyond the reach of their accumulations.

HON. TALBOT "SANDY" D'ALEMBERTE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. PEPPER. Mr. Speaker, the Florida Municipal Record in the issue of July 1974 reports that the Honorable Talbot "Sandy" D'Alemberte was named the prominent personality of the month by the Florida League of Cities. Mr. D'Alemberte has had a distinguished record in the legislature and in public service in Florida but his challenging opportunity for public service now derives from his having been recently appointed chairman of the newly created Florida Ethics Commission, a subject in which we in the Congress are keenly interested. I insert the citation of this distinguished public servant and friend in the RECORD following my remarks:

THIS MONTH THE FLORIDA LEAGUE OF CITIES SALUTES HON. TALBOT "SANDY" D'ALEMBERTE

This month the Florida League of Cities takes great pleasure in naming the Honorable Talbot "Sandy" D'Alemberte as our Prominent Personality for this month. Mr. D'Alemberte, a past member of the Florida House of Representatives, was born in Tallahassee and now lives in Miami. He was educated at the University of the South, the Universtity of London, and received his LL.B. from the University of Florida School of Law in 1962. He received many honors, including the Florida Blue Key, and has published numerous articles. He is married to the former Lyn Sears of Davenport, Iowa, and they have a daughter. He was elected to the House of Representatives in 1966 and served until 1972. During his tenure of office he received the Allen Morris awards, "Most Outstanding First-session Member of the House, 1967," and "Second Most Effective in Committee, 1969." He was nominated in 1969 and 1970 for the St. Petersburg Times award, "Most Valuable Member of the House."

The newly-appointed Florida Ethics Commission recently held an organizational meeting in Tallahassee, and upon nomination by former Supreme Court Justice Harris Drew, seconded by former Governor LeRoy Collins, Mr. D'Alemberte was unanimously elected Chairman.

With the establishment of this Commission came its responsibility to administer, among other matters, the 1974 legislation, Chapter 74–177, Laws of Florida, requiring financial disclosure by more than 10,000 municipal officers and candidates and tens of thousands of other public officers and candidates. It is because of the far-reaching responsibility of the Commission that we feature the Chairman, Mr. Sandy D'Alemberte, as our Prominent Personality for July.

Sandy D'Alemberte has been instrumental in many significant municipal issues during his past legislative career. He was a leader in the forces to: (1) tighten property tax exemption and reform the assessment procedures; (2) remove ad valorem assessment and collection from cities to counties; (3) revise Article V of the State Constitution to streamline the State court system; and (4) install the 10-mill cap and the development of the State revenue sharing program.

In addition, he was intimately involved in the development and adoption of the 1968 Constitution of Florida, and was in the forefront of the battle for the reorganization of the Legislative and Executive branches of Florida's government.

Mr. D'Alemberte is a determined competitor and a knowledgeable individual with an obvious desire to understand and respond to the public interest. We believe, from our many years of acquaintance, that he will chair the affairs of the Ethics Commission in a fair and impartial manner, and will continue to earn the respect and admiration of many Floridians in meeting this challenging mandate.

THE CHALLENGE FOR VOCATIONAL REHABILITATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MICHEL. Mr. Speaker, I should like to bring to the attention of my colleagues in the House a statement by James S. Dwight, Jr., Administrator of the Social and Rehabilitation Service, and Dr. Andrew S. Adams, Commissioner of the Rehabilitation Services Administration.

This joint statement explores both the short-term and the long-range directions for the rehabilitation effort in the United States and outlines the challenges facing us in this field.

I am sure this statement will be of very real interest to everyone who is concerned about meeting the needs of vocational rehabilitation in this country:

STATEMENT BY JAMES S. DWIGHT, JR., ADMINISTRATOR, SRS, AND ANDREW S. ADAMS, COMMISSIONER, RSA

In the years immediately ahead, vocational rehabilitation will undertake a much more difficult and complex role than it has in the past. We see that future as a time of very special challenge for vocational rehabilitation, and we are well advanced toward plans to meet that challenge.

Rehabilitation has been a successful concept for more than a half century, but it cannot be satisfied with past laurels alone. As with every aspect of life, vocational rehabilitation must continue to examine its goals and techniques and find ways to adapt them to changing conditions. In the remaining years of the 1970's, this means greater focus on the quality of rehabilitation, on providing more opportunities for participation in the rehabilitation process to persons receiving services, and on stronger efforts to place more rehabilitated persons in gainful employment, an area in which we have not been as successful as we would like.

Through these initiatives, we believe we can provide a basic set of freedoms and human rights to all physically and mentally handicapped persons. These fundamental rights are:

Employment;
Education;
Housing;
Transportation;
Use of Public Accommodations;
Recreation;
Health Care; and
Access to Cast an Election Ballot.

These are essential freedoms that should be available to all Americans, regardless of handicaps.

On May 28, we took a major step toward assuring those rights for handicapped Americans when we published proposed regulations for implementing the Rehabilitation Act of 1973. As soon as all comments on those regulations are received, we will evaluate them for possible inclusion in the final regulations, which we will publish later this summer.

The new regulations encompass significant new directions for vocational rehabilitation. They focus, particularly, on severely handicapped persons and on increasing consumer involvement in rehabilitation policy and in the design and delivery of services. These new emphases, which Congress placed in the Act, will have a direct effect on the rehabilitation services provided at the State and community levels.

In fiscal year 1975, we will greatly increase services for severely handicapped persons, in response to the new rehabilitation legislation. This means greater attention to quality of services rather than quantity. Meeting the needs of severely handicapped persons will involve longer periods of service per rehabilitation, more money per individual, and more manpower to provide service. We will do everything possible to prevent a significant drop in the aggregate number of persons served. However, this obviously is going to affect State reports, which may look as if less rehabilitation is being provided.

We already have evidence of this trend as a direct result of the priority given to rehabilitation of severely handicapped persons in the current fiscal year. It will require understanding and teamwork among all of those involved in the rehabilitation process to bring about an orderly transition.

Another provision of the new Act is to involve consumers increasingly in the total process of rehabilitation, a process from which they have been excluded too long. The rehabilitation program cannot be shaped in a vacuum from which the handicapped are barred. Handicapped individuals are not contagious; they are not threats to people without handicaps. They are persons whom fate has chosen to bear greater burdens than the rest of us, and they have a legitimate claim on equal rights, including a voice in their own future.

They must be involved to the fullest extent possible in their own rehabilitation programs. Their counsel must be sought on programs that deal with all aspects of rehabilitation, including such matters as architectural barriers, transportation and attitudinal barriers. We believe handicapped persons are too valuable a resource to be ignored in planning the total rehabilitation process.

Our new regulations, therefore, propose to involve consumers in each and every step of their own rehabilitation programs. We recognize that States may have to make administrative changes to achieve this important gain for consumers. Under the proposed regulations, consumers must have opportunities to select services that will help them and to work with rehabilitation counselors in developing individualized programs of rehabilitation.

The regulations also propose to involve consumers in State rehabilitation policy and in the design and delivery of services. We believe it is time for consumers to have maximum feasible participation in policy development. Both States and consumers will benefit from this—consumers because they will have a better understanding of State administrative problems, and States because they will realize more than they do now about the problems of handicapped persons.

The new regulations also require that State VR agencies develop affirmative action hiring policies for handicapped persons to set an example for the rest of the State. When these regulations take effect, we will be evaluating State efforts to serve severely handicapped persons very carefully.

Because we believe such policies should be developed for nationwide implementation by the States, we firmly endorse the same measures within our own agency. We refer specifically to our current efforts to employ qualified handicapped people for positions within SRS as they become available. The importance of this has been demonstrated by the appointment of the Commissioner of Rehabilitation Services. Indeed, such handicapped persons are more than executives. They become symbols for all handicapped people, demonstrating that they, too, may seek unlimited opportunities when reaching for occupational goals.

Another part of our effort is directed toward developing a strong program for employment of handicapped persons throughout all parts of the Federal Government. An Interagency Committee on Handicapped Employees has been formed to assure proper and forceful application of policies to increase employment of handicapped persons. We are working very closely in this project with HEW Under Secretary Frank Carlucci, who is co-chairman of the Committee, and Jayne Spain.

We also support strongly the elimination of architectural barriers that block ease of access for handicapped persons. Everyone should have the right of access to buildings, vehicles and other facilities. This becomes critical for handicapped persons whose employment opportunities would be greater if barriers were removed.

To set an example for others, we have initiated a comprehensive renovation of our headquarters, the Mary E. Switzer Building, to make it one of the most accessible buildings in the country for handicapped persons.

This year, as has been the case for the past six years, the Advertising Council, Inc., of New York City, has renewed our request for the only national advertising campaign for all categories of handicapped people. The campaign is a fine example of the cooperative efforts of business, industry, State and Federal governments, and the various communications media. It is recognized as one of the 25 top public service campaigns in the nation.

The emphasis this year will be on sound rehabilitation, particularly for severely handicapped people, that can lead to dignified and productive lives. Our expectation is that this year's program will develop a thrust which will produce a more favorable employment outlook for handicapped persons.

The immediate future also will see increased funding for expansion grants and greater emphasis on application of past research and demonstration projects. These plans include:

Turning over to States the results of our Projects with Industry concept and encouraging them to adopt this approach in State programs. The Projects with Industry concept, which directly involves the private sector in creating employment opportunities for handicapped persons, has developed techniques leading to more suitable placements at less cost than the traditional Federal/State program. The placement rate for this program is 65 percent, compared with the traditional program's rate of 28 percent. The companies in the program know that rehabilitated persons make excellent employees, highly motivated, with an investment in their future. We need to utilize this unique source of manpower to a greater extent.

The suitability of placing handicapped employees within State agencies other than rehabilitation agencies also can be demonstrated.

Another grant we awarded this year was for the establishment of a National Industries for the Severely Handicapped, a counterpart to that already in existence for blind persons. Its purpose is to spur employment growth through the production of government-used products and services in special workshops which will be given preference in the award of contracts.

We also have provided a grant to set up organizations to encourage technical competence among handicapped persons. This is expected to provide transitional employment to provide such persons a bridge into private industry and State employment. This important study, to be completed in fiscal year 1975, will examine the role of sheltered workshops in sharpening the techniques and skills of handicapped persons, and it will provide specialists in rehabilitation work and in industry with a better knowledge of what can be done by rehabilitated persons.

These proposals represent a major step forward in our effort to insure full implementation of the Rehabilitation Act of 1973. In the years immediately ahead, everyone in the rehabilitation field at every level will have clear guidelines for the development of procedures to carry out the Act and provide quality rehabilitation services to handicapped people throughout the country.

In this revitalized effort, we look forward to the continuing support of consumers, professionals and interested volunteers in achieving these new objectives for vocational rehabilitation. Their experience and knowledge makes them prime candidates to provide leadership in developing a national program for severely disabled persons, for increased involvement of consumers and for greater employment of rehabilitated persons.

We look to them for more than the provision of services of individuals who are handicapped. We expect them to fulfill their broader mission of influencing and educating people on the need for these new directions.

Persons in the field of vocational rehabilitation have long demonstrated their ability to blend Federal and State resources with local and voluntary efforts to meet important human needs. We now look forward to their pioneering of other ways to meet the new program goals.

Working together, we can make the newly constituted vocational rehabilitation program a shining example of State-Federal service. We hope you will agree with our assessment of the exciting challenges ahead and join us in supporting the present direction of the united efforts of the Social and Rehabilitation Service and the Rehabilitation Services Administraton toward improved rehabilitation services for our Nation's handicapped.

ARNOLD LEVIEN DAY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. LEHMAN. Mr. Speaker, how rare to become "Alumnus of the Year," 64 years after graduation.

Arnold Levien of Cooper Union is—and I am proud to say he is also the youngest in spirit of any resident of Florida's 13th Congressional District.

Arnold Levien earned this honor, not as we do in Congress because of seniority, not just because of a lifetime of personal accomplishments and creative business developments, but primarily because he has targeted his spirit and his energy toward the service of his fellow man.

For all these reasons, it is my privilege to insert in the RECORD, the Arnold Levien Day proclamation of metropolitan Dade County.

A PROCLAMATION

Whereas: Arnold Levien has reached the young age of 84 after a full life as a philanthropist, humanitarian and benefactor, and as a good neighbor and friend to all who know him, and

Whereas: During his long span of life, to mention a few of his philanthropies, he was a founder of the Albert Einstein Medical College, is deeply involved in the success of Brandeis University, and in Dade County, is a founder of the Miami Beach Taxpayers Association, and an ardent supporter of the Bascom-Palmer Eye Clinic of Jackson Memorial Hospital, and

Whereas: Arnold Levien has had a leading career as a builder and developer and his four sons, Arthur, Henry, Edward and Robert have followed in his footsteps and have made a tremendous impact in the construction industry in both Dade County and other areas of the United States, and

Whereas: His Alma Mater, Cooper Union College of New York, in recognition of his philanthropies and technical ability, will bestow upon him the signal honor of being selected "Alumnus of the Year" on February 17th, 1974,

Now, therefore: *Be it resolved* that I, John B. Orr, Jr., mayor of metropolitan Dade County, Florida, do hereby proclaim Sunday, February 17, 1974, as "Arnold Levien Day."

In observance thereof: I call upon the people of Metropolitan Dade County to join with me in honoring a man who has assumed many responsibilities successfully for and with his community in mind and who has earned therefore the plaudits of his college.

AMENDMENTS TO THE FOREIGN ASSISTANCE ACT LIMITING CIA INTERVENTION IN THE INTERNAL AFFAIRS OF FOREIGN COUNTRIES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HARRINGTON. Mr. Speaker, I am offering amendments to the Foreign Assistance Act limiting CIA covert operations which manipulate and intervene in the internal affairs of foreign countries.

I consider the Foreign Assistance Act the natural piece of legislation for attaching these amendments. For there can be no doubt that when the CIA intervenes in the internal affairs of foreign countries, the CIA is usurping Congress' role and responsibility for formulating foreign policy. Such executive abuses of power must now be ended.

In the last couple of months, particular attention has been given to unlawful CIA intervention into this country's domestic affairs. CIA intervention into the domestic affairs of foreign countries is simply the other side of the coin and deserves equal congressional attention. Such intervention is equally illegal and is a manifestation of the same drive for unchecked power on the part of the executive branch of Government.

This committee should feel a particular obligation to limit CIA activities which intervene in the internal affairs of foreign countries. As reported in the Washington Post on October 21, 1973, CIA Director Colby in hearings on the Chilean coup told me that he would not testify before this committee to specific CIA operations. Yet, it is this committee which formulates foreign policy. If the CIA will not tell us exactly how and in what respects the CIA is influencing foreign policy, this committee's only choice is to prevent the CIA to the extent possible from anyway affecting foreign policy determinations. The CIA now enjoys the best of both worlds. It tells of its intervention in foreign policy only to those Members of Congress either not interested or experienced in formulating foreign policy; on the other hand, it tells those Members interested and experienced in formulating foreign policy that CIA meddling into foreign affairs is none of their business. This clearly cannot continue.

I envision these amendments as only a first step in regaining for the Foreign Affairs Committee power over the CIA's direction of foreign policy. Certainly, full support should be given to that part of the Bolling committee reforms which give the Foreign Affairs Committee some oversight powers in regard to the CIA. Independently, it is also necessary to work for reform which will create a CIA oversight committee which would include members of Foreign Affairs and would have the necessary powers to prevent CIA abuses of its charter.

According to President Truman, whose administration created the CIA, the agency was intended to gather, centralize and analyze intelligence and was never intended to to be a "peacetime cloak-and-dagger operation." The National Security Act of 1947 authorizing the CIA gave it permission to engage only in those activities "related to intelligence." Yet, the evidence is clear that the CIA in conjunction with the National Security Council has taken upon itself the role of directing a secret foreign policy distinct from the one authorized by Congress.

Almost from its inception, the CIA has arrogated to itself the power to secretly intervene in the internal affairs of foreign countries. According to a series of articles written collectively by the New York Times correspondents Tom Wicker, Max Frankel, Bud Kenworthy, and John Finney and published in the Times from April 25–28, 1966, in the early 1950's, the CIA funded defeated Chinese Nationalists and encouraged them to raid Communist China. In Guatemala, the article noted that the CIA has admitted that it funded and engineered the revolution against the Communist-oriented President Jacabo Arbenz Guzman. As is well documented, the Bay of Pigs operation was planned by the CIA.

According to the Times, it is now documented that the CIA operated the Philippine campaign against Huk guerrillas. The CIA organized an unsuccessful coup against President Sukarno of Indonesia in 1958. According to Vincent Marchetti's book, "The CIA, the Cult of Intelligence," the CIA spent an excessive amount of energy in hunting down Che Guevera in 1966–67. All of these operations clearly affected this country's foreign policy.

In Chile, according to an April 6, 1973, Washington Post article by Laurence Stern quoting knowledgeable official sources, major intervention by the CIA helped to defeat Allende in the 1964 election for President. The CIA funded trade unions, farmer organizations, student groups, and the media in order to defeat and discredit Allende. According to testimony given before a Senate subcommittee and printed in the October 21, 1973, Washington Post, the CIA earmarked $400,000 to support anti-Allende news media shortly before the election. In testimony before this committee and printed in the Washington Post, Director Colby refused to say that this money was not spent. The latest CIA manipulative attempt exposed by the press and admitted by the Government was the faking of a letter to Bangkok government by a CIA agent. The agent accredited the letter to a guerrilla leader in order to discredit him.

CIA interference in other countries' internal affairs through military assistance has also been egregious and documented. The CIA has now admitted that it armed, trained, and operated an army of Meo tribesmen in Laos during the 1960's. The Times articles on April 25–28, 1966, documented that the CIA supplied pilots, mechanics, and aircraft to the government of Moise Tshombe in the Congo.

CIA involvement in training the military and police forces of other countries has also recently come to light. In Jack Anderson's column of October 8, 1973, he exposed the existence of papers possessed by Senator ABOUREZK which documented that the CIA was training foreign policemen under the auspices of AID in a remote desert camp in Texas. Foreign countries being trained included Chile, Brazil, Guatemala, the Dominican Republic, Bolivia, and Uruguay. The CIA taught these policemen the use of explosives, electric priming, electric firing devices, explosive charges, and booby traps.

That the CIA is still involved in these operations today is evident. A pattern of intervention in the internal affairs of foreign countries has been clear since the creation of the CIA. There is no reason to believe that the CIA has suddenly stopped these activities. Moreover, according to Marchetti, 1,800 CIA agents are still working in the covert activities unit of the CIA—engaged in financing youth, labor, cultural groups, operating clandestine radio propaganda outlets, and conducting large-scale efforts to influence foreign elections. Andrew Hamilton, former program analyst for the National Security Council, reported in the September 1973 edition of the Progressive that according to informed sources the 1971 CIA budget continued at about $100 million for covert operations in 1971.

Finally, it should be briefly noted that not only is there the abundance of evidence mentioned previously tieing the CIA to the formulation of foreign policy, but there is also evidence that some CIA funding comes directly from FAA money. First, there are the police training programs already mentioned. Marchetti reports in his book that AID's Public Safety Division regularly provides cover for CIA operatives all over the world. In addition, the staff of the Senate Foreign Relations Committee revealed that the Laotian war was financed from the budgets of AID and DOD.

These amendments to the Foreign Assistance Act limiting CIA activities offer Congress an opportunity to reassert those powers, which through neglect, have been usurped by the CIA.

LINDY BOGGS COMMENDS CAP TRIO

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mrs. BOGGS. Mr. Speaker, I would like to take this opportunity to extend my heartfelt appreciation and personal commendation to three members of the

Polaris Group Civil Air Patrol in Anchorage, Alaska, who recently were honored for their efforts to locate my husband, the former House majority leader, and Congressman Nick Begich, whose plane was lost in a flight over Alaska in 1972.

Receiving the Meritorious Service Award for their part in one of the longest and most intensive searches ever conducted by the Civil Air Patrol were Maj. Dale Jepson, his wife, Capt. Diane Jepson, and 1st Lt. Ralph Thomas. These public servants were among the members of the Polaris Group that participated in 444 sorties in 310 aircraft to make a total of 1,074 flight hours in a search which lasted from October 16 to November 24, 1972.

During that period, I had the distinct pleasure of visiting Merrill Field in Anchorage and meeting with this outstanding threesome. I was keenly impressed by their competence and expertise, and am immensely grateful for the services they have performed. I would like to extend my special gratitude to Captain Jepson who so kindly escorted me throughout Merrill Field during the search period, and allowed my inspection of the equipment used in the probe. She also made available to me numerous files of many earlier, successful searches in the area.

At this time, I would also like to commend Members of Congress, especially those who have belonged or now belong to Civil Air Patrol units, for their recognition of the importance of CAP projects and training programs. Men and women throughout the Nation are involved in various CAP programs, and the services they perform for our citizenry are worthy of our support and approval. It would behoove us all to continue to conduct our legislative affairs in a manner conducive to maintaining and enhancing our commitment to Civil Air Patrol endeavors. Certainly our entire country will reap the benefits of such action.

KING CAUCUS

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. ERLENBORN. Mr. Speaker, during my tenure in this House, there has been a trend toward greater and greater openness—toward fewer executive sessions of committees, toward more clarity in telling the people what their Government is doing.

We are just now in the process of making the executive branch more open to the people's inquiry and study.

Unfortunately, at the same time, an adverse trend back to secrecy has been gaining a foothold in the House—not among all of us, but rather in some Democratic circles. My colleague from Illinois, JOHN B. ANDERSON, wrote about this threat to good government in yesterday's Chicago Tribune. I insert his statement in the RECORD:

SPECTER OF RULE BY CAUCUS

(By John B. Anderson)

The chief deputy whip in the House of Representatives, Rep. John Brademas [D., Ind.], recently advised the nation's governors they should start thinking about the prospect of what he termed "congressional government" in the next two years—a situation in which a House controlled by 300 Democrats [there are now 247] would confront a much-weakened Presidency.

If the Democratic prescription for "congressional government" is filled at the polls this fall, this country could well be launched on a backward course to the "New Deal—Great Society" eras in terms of domestic policy—a new proliferation of inflationary federal grant programs, and a corresponding elimination of "New Federalism" programs of decentralization, including the repeal of federal revenue-sharing with state and local governments. Such legislative directions will predictably be charted by a "veto-proof," Democratic-controlled "congressional government."

But a second consideration is how the Congress itself will change the manner in which it processes legislation. I think there is cause for serious concern about the potential impact of "congressional government."

In 1885, an obscure professor at Johns Hopkins University, Woodrow Wilson, wrote "Congressional Government: A Study in American Politics." In his book Wilson advocated a Congress patterned after the British parliamentary system: Congressional committees would be composed solely of members of the majority party, subject to strict disciplinary actions if they deviated from the party line.

Perhaps not coincidentally, Wilson's prescription for congressional government came closest to fulfillment during his tenure as President of the United States. Historians record the period 1911–1915 as the era of secret "King Caucus."

Democrats took control of the House in the fall elections of 1910. The new Democratic speaker of the House was Champ Clark of Missouri, but the real power behind the throne of King Caucus was Oscar Underwood of Alabama, who was both the House majority leader and chairman of the powerful Ways and Means Committee and the party committee which selected members for all House committees.

Underwood exercised his considerable powers thru the Democratic Caucus in the House which passed resolutions right and left instructing committees on what bills they would and would not consider, and instructing Democratic members how to vote on floor amendments.

History has a way of repeating itself, and we are already beginning to witness the reemergence of King Caucus in the House today, a development which is bound to be accelerated if the Democrats should control 300 seats in the next Congress.

While the Democrats have only resorted once in recent years to the caucus two-thirds vote rule to bind members' votes on the House floor, they are now employing a more subtle device to restore the iron-grip of King Caucus over the legislative process: issuing binding instructions to Democratic members on committees with respect to legislation under consideration. This procedure, which was used most effectively during the Underwood regime, requires only a majority vote of those present in a caucus.

What this means is that if only a bare quorum or half the total Democratic House membership was present in a caucus, as few as 63 Democrats could constitute a majority vote for the purpose of issuing binding instructions to Democratic members of committees.

The most recent example of King Caucus occurred on May 15 when the caucus, by a voice vote, instructed both the chairman of the Ways and Means Committee and the members of the Rules Committee, to make only two Democratic amendments in order to an oil tax bill reported from the Ways and Means Committee.

Because both the chairman of the Ways and Means Committee and some Democrats on the Rules Committee are not happy with these instructions and a fierce intra-party battle is now raging as to whether they are binding, the measure has not yet been cleared for floor action, and the American people are being denied the "windfall profits tax" in oil companies which they hold has been promised by April.

More of the same can be expected in the next Congress if the Democrats are given their "congressional government" of 300 Democrats in the House. The American people should consider well what this might mean to our representative democracy as we know it.

Finally, one must remember that King Caucus reigns in secrecy, behind closed doors. If the legislative business of the country is permitted to be dictated from behind closed caucus doors, I fear there will be further erosion of confidence in Congress at a time when it is already at one of its lowest points in history.

OLDER AMERICANS COMMUNITY SERVICES EMPLOYMENT PROGRAM IMPLEMENTED AS CONGRESS INTENDED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. BRADEMAS. Mr. Speaker, the rush of other business may at times cause us to overlook the small steps by which government is made truly responsive and programs executed as we in Congress intended. Just this month, the employment program for older Americans is getting underway after narrowly escaping destruction, and I rise with pleasure to mark another victory against what our distinguished colleague in the other body, the junior Senator from South Dakota (Mr. ABOUREZK) has called Operation Mangle of the Nixon administration.

Mr. Speaker, the older American community service employment program, of which I am speaking, was begun as a demonstration as part of Operation Mainstream under authority of the Economic Opportunity Act. Through national contractors, thousands of jobs were developed for older workers. While Operation Mainstream continued, the Select Education Subcommittee, which I have the honor to chair, helped develop separate legislation which finally became law last year to give this program its own separate identity and a permanent basis as title IX of the Older Americans Comprehensive Services Amendments of 1973, Public Law 93–29.

Despite the intent of both the House and the Senate that the 1974 appropriation of $10 million for title IX go to continue the work of the successful national contractors who had operated the Mainstream demonstrations, the Labor Department announced that it had, unilaterally, decided to allocate the funds to the States.

When I first heard of this intention, which gave the appearance of an effort to end the role of the national contractors without any replacements of equal competence, I wrote Assistant Secretary of Labor William Kolberg, and I shall include my letter later in these remarks.

The Labor Department persisted in its intention until almost the end of the fiscal year, ignoring explicit language in reports of both Houses of Congress directing that the national contractors be used to begin the employment program. Only after a final warning from the conference committee on the second supplemental 1974 Labor-HEW appropriation bill, did the Labor Department recant its intentions.

Mr. Speaker, I am pleased to report that the Labor Department is now going ahead with contracts to the national organizations that have done such a fine job with the older worker programs so far: National Farmers' Union, National Council of Senior Citizens, National Retired Teachers Association, National Council on Aging, and the U.S. Forest Service. The final regulations reflecting this shift of views, reported in the letter from Assistant Secretary Kolberg, which I shall also insert in the RECORD, were published in the June 10, 1974, Federal Register.

Mr. Speaker, I believe that all my colleagues will be gratified to know that once again the Nixon administration has been caught in the act of dismantling—consciously or otherwise—an excellent program to serve one of America's vulnerable groups. Only the most vigorous work by Members and interested citizens has averted what might have been another Operation Mangle.

I insert in the RECORD at this point the text of the two letters to which I have referred.

SELECT SUBCOMMITTEE ON EDUCATION,
April 25, 1974.

Mr. WILLIAM H. KOLBERG,
Assistant Secretary of Labor for Manpower,
Department of Labor, Washington, D.C.

DEAR MR. KOLBERG: As you know, the Select Education Subcommittee which I have the honor to chair, added an employment program for senior citizens as Title IX of the Older Americans Act in the Comprehensive Older Americans Services Amendments of 1973, Public Law 93–29. As funds for beginning this program in your Department were voted in the first 1974 supplemental appropriation bill, I am writing about the plans of your Department for carrying out the legislation.

I have noted, in particular, the comments first voiced by the Senate appropriations committee in its report on the first supplemental, and later echoed in the House report on the second supplemental appropriation bill. In both cases, these committees have suggested that national contractors which have operated successful older worker programs under Operation Mainstream be involved in the beginning of Title IX projects also. The Senate wrote that it "expects the Department to utilize the national contracts approach in order to expedite the start-up of this program." The House recently added its voice on the subject, saying that "the Committee expects the Title IX program to be administered primarily through national contracts, as intended by the 1974 Supplemental Appropriation Act."

I am of course aware that the authorizing legislation directs the Secretary of Labor to require Title IX projects to be coordinated with other manpower and unemployment projects under this and other acts, although since the Comprehensive Employment and Training Act was not passed at that time, it is not specifically mentioned. There are several further references in Title IX to authority for coordination, joint applications, and other devices for relating manpower efforts. None of the language seems to me to preclude the use of national contractors.

I should say that while CETA has yet to be established as an operating venture with regulations and administrative mechanisms fully in place, and as such has no track record, I hesitate to require any program designed to aid a specific vulnerable population group such as the elderly, to compete with all other claimants for limited manpower dollars. The experience with general revenue sharing is illuminating; the General Accounting Office has told Representtaive Pepper of Florida that only a fraction of one percent of these funds was allocated to the benefit of older people. If that is evidence of the solicitude of general purpose government for vulnerable groups, then I feel constrained to work hard to maintain Title IX as a separate program, administered through other channels. Will state and local government do any better for the older worker under manpower revenue sharing than they did for the older American under general revenue sharing?

I have been most distressed, in view of the language in the two reports I quoted above, to see the third draft of regulations for Title IX with a governing memo dated April 23 which states in subpart B, section 7, that "the Secretary shall designate the State as the presumptive project sponsor under the Act. . . ." I believe there has been ample time to alter these draft rules to take account of the concerns of both House and Senate Appropriation Committees.

I will look forward to hearing from you immediately on this matter, and to hearing how you propose to alter these regulations to conform to the intent of Congress.

With best wishes,
Sincerely,
JOHN BRADEMAS, *Chairman.*

U.S. DEPARTMENT OF LABOR,
Washington, D.C., June 6, 1974.

Hon. JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BRADEMAS: I am taking this opportunity to personally inform you of recent Departmental policy decisions affecting the implementation of Title IX of the Older Americans Act.

On June 3, 1974, Secretary of Labor Peter J. Brennan signed regulations implementing Title IX of the Older Americans Act which will permit the immediate allocation of $10 million appropriated by Congress to provide part-time employment for approximately 3,800 older workers.

In accordance with the intent of Congress the regulations specify that this program will be implemented in Fiscal Year 1974 primarily through the utilization of national organizations presently sponsoring similar successful older worker programs.

The Manpower Administration is now proceeding to develop the appropriate contracts and grants which will be executed prior to the end of the fiscal year. The funds appropriated will be distributed equitably among the States and Territories in accordance with the formula contained in the Act.

The regulations also call for the close coordination of this program for older workers with other older worker programs and activities sponsored by units of State and local governments acting as prime sponsors under the Comprehensive Employment and Training Act (CETA) of 1973. Liaison will also be established with State and area agencies and commissions on aging which are supported under the Older Americans Act.

In the event that you wish more specific information relative to this program activity, please let me know.

Your interest in Department of Labor manpower programs is appreciated. If you have any questions or comments pertaining to these matters, please do not hesitate to bring them to my attention.

Sincerely,
WILLIAM H. KOLBERG,
Assistant Secretary for Manpower.

REAL ESTATE PROCEDURES ACT—REFORM OR RETREAT?

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mrs. SULLIVAN. Mr. Speaker, earlier this week in the CONGRESSIONAL RECORD, Representative STEPHENS attacked the joint supplemental views of eight Members of the Banking and Currency Committee published in the Committee report on H.R. 9989, the Real Estate Settlement Procedures Act of 1974. The bill was introduced by Mr. STEPHENS, was reported out of committee July 3, and is scheduled for floor action in the House within the next few days.

The supplemental views in question were signed by me and by Chairman PATMAN, Mr. BARRETT, Mr. ASHLEY, Mr. KOCH, Mr. MITCHELL, Mr. FAUNTROY, and Mr. STARK. Separate similar supplemental views were presented by Mr. MOAKLEY and Mr. MCKINNEY.

The main thrust of the joint statement labeled H.R. 9989 as an anticonsumer, antisettlement reform bill, the effect of which is to shield the very people responsible for abusive real estate settlement practices that have bilked homebuyers and homeowners out of hundreds of millions of dollars.

Mr. Speaker, H.R. 9989 would do this because it would eliminate the only Federal authority in existence to regulate maximum settlement costs—in this case maximum settlement costs applied to FHA and VA residential mortgage transactions whenever the need to do so exists. That authority was granted to the Department of Housing and Urban Development under section 701 of the Emergency Home Finance Act of 1970. Section 102(c) of Mr. STEPHENS' bill, H.R. 9989, would repeal section 701.

Thus, although there are a number of provisions in H.R. 9989 which would require advance disclosure of settlement cost information and prohibit abusive settlement practices, the measure would lack any teeth whatsoever to hold settlement costs to a reasonable and fair level. In effect, the measure would largely serve to inform homebuyers and homeowners of the degree to which they are being ripped off by unscrupulous settlement attorneys, title insurance companies, real estate agents, lenders and others who provide settlement services or are involved in settlement proceedings.

The situation is made even more pathetic by the fact that HUD has failed to use the authority to regulate settlement costs for FHA and VA mortgage transactions, even though a study which HUD authorized and conclusions which the Department drew from it, clearly show the need for regulation in wide areas of the nation. HUD actually went so far as to issue proposed maximum settlement costs for six metropolitan areas but never implemented them.

Mr. Speaker, it should be pointed out that every spokesman for the settlement industry who testified at hearings on settlement reform legislation backed H.R. 9989 without reservation. They did so because they were willing to trade the requirements for advance disclosure of settlement cost information and the prohibition against certain abusive practices for repeal of HUD's authority to regulate maximum settlement charges for FHA and VA residential mortgage transactions. In short, they are willing to pay the small price of disclosure for eliminating the prospect of strong regulation, something that could occur by a simple administrative decision on the part of HUD either now or when a new administration takes office.

It should also be pointed out that every major consumer organization in the country opposes adoption of H.R. 9989 so long as it contains a provision to repeal HUD's authority to regulate maximum settlement charges for FHA and VA mortgages. Those organizations are:

The AFL–CIO, the Communications Workers, the International Ladies Garment Workers, the United Steelworkers, Amalgamated Meatcutters, Consumer Federation of America, National Consumers Congress, Congress Watch, Public Citizens Litigation, and the National Homebuyers and Homeowners Association.

Mr. STEPHENS contends that elimination of section 701 authority would still leave FHA and VA with the power to regulate settlement costs in particular mortgage transactions. By this he means that FHA and VA, if they ever are so inclined, can disapprove mortgage insurance or guarantees in individual cases where excessive settlement charges are found. Essentially, this means that FHA and VA can act to prohibit excessive charges only in single, isolated cases, and would have no power to establish maximum cost standards for entire communities or regions where excessive charges were being made. It is obvious that regulation confined to individual transactions of residential mortgage programs which insured or guaranteed more than half a million one-to-four family unit mortgages in 1973, would for all intents and purposes be very cumbersome and utterly ineffective.

This point was brought forcefully home when the Wall Street Journal on July 5, 1972, reported that in proposing maximum settlement charges for six metropolitan areas, HUD said maximum savings could run as high as $318 in Cleveland, Ohio; $407 in Newark, N.J.; $591 in San Francisco, Calif.; $509 in Seattle, Wash.; $276 in St. Louis, Mo.; $451 in the Maryland-Virginia suburbs of Washington, D.C.; and $394 in the District of Columbia itself.

Another indication of possible savings was given in a study conducted by Senator PROXMIRE, who found that the 41 largest title insurance companies in the country received a total of $299 million in premiums in 1970, but paid out less than 3 percent of their gross income in claims.

Despite these circumstances, Mr. STEPHENS asserts that—

> It has never been found that abusive and fraudulent real estate settlement practices are widespread and are resulting in excessive costs in many areas of the country.

Why, then, did HUD propose them for the six of the largest metropolitan areas of the country as a pilot effort for regulation of FHA and VA settlement costs in all areas where it determines the need exists?

Mr. STEPHENS presents a lengthy rationale to support his claim that Congress never intended to give HUD authority to regulate maximum settlement charges for FHA and VA residential mortgage transactions when it adopted section 701 of the Emergency Home Finance Act.

The gentleman from Georgia should read the act, which directs HUD and the VA—

> to prescribe standards governing the amount of settlement costs allowable in connection with the financing of such housing in any . . . geographic area. Such standards shall . . . be based on the Secretary's and the administrators' estimates of the reasonable charge for necessary services involved in settlements for particular classes of mortgages and loans.

It seems to me this clearly says that maximum rates will be established and enforced wherever existing rates are unreasonable, in other words, regulation where needed.

In its report on settlement costs, which section 701 directed the two agencies to conduct, HUD and the VA stated that pursuant to section 701, they intended to immediately "establish maximum allowable charges for all individual settlement cost items paid by both the buyer and seller, except loan discount payments and costs fixed by State and local statutes, for identifiable housing market areas. Government insurance or guarantee will not be issued in any case in which charges exceed any one of the maximums."

The above item was listed as No. 1 in a schedule of proposed actions and recommendations by HUD.

Mr. STEPHENS states there is no evidence that congressional action on settlement reform serves to motivate State legislatures to move along the same lines. The following excerpts from letters received by the chairman of the Banking and Currency Committee should dispell that assertion:

> One of our State Senators has requested us to prepare legislation designed to regulate home mortgage closing costs, particularly title insurance rates, and he has advised us that you may have prepared similar legislation on the Federal level. If a copy of your proposed draft is available, we would greatly appreciate your sending one to us.
>
> JANE R. HARRIS,
> *Attorney, Legislative Service Division, Florida State Senate.*

> I understand that Congressman Patman has introduced, or is planning to introduce legislation in the field of home financing—specifically in the area of closing, or settlement costs. If this is so, we would appreciate having a copy of this legislation, and any relevant material, as we are presently engaged in a study of closing costs in California.
>
> We are attempting to keep abreast of developments in this field at the Federal level, as a balancing point to whatever action we take at the state level.
>
> STEVE POWLESLAND,
> *Department of Consumer Affairs, State of California, Division of Consumer Affairs.*

> I am doing research on settlement costs. It is my understanding that the House Banking and Currency Committee held hearings earlier this year on settlement costs. Could you please have the Committee send me the record of the hearings?
>
> Any help and information you can give me is greatly appreciated. Thank you for your time and consideration.
>
> CRAIG PARKER,,
> *Staff Assistant, Department of Community Affairs and Economic Development, State of Delaware.*

> I have read with a great deal of approval H.R. 13337 [92nd Congress] introduced by you, and referred to the Committee on Banking and Currency, especially that portion requiring the payment of interest to persons making periodic payments into escrow accounts to be used for the payment of taxes, amortization and interest on such mortgages. I enclose herewith a copy of a proposed bill now pending before the New York Legislature designated S. 767 and A. 844 calling for similar relief. . . .
>
> LOUIS J. LEFKOWITZ,
> *Attorney General, State of New York.*

Settlement reform legislation was, in fact, adopted during the last sessions of the New York, Massachusetts, Connecticut, Maryland and North Carolina Legislatures. It is true that for the most part, these measures dealt with the required payment of interest on escrow accounts, a point that Mr. STEPHENS would have us believe has nothing to do with settlement reform. To this I would simply point to a provision of his own bill which prohibits excessive payments into escrow accounts and also directs the Federal Reserve Board to conduct a study to determine the feasibility of requiring that escrow accounts be interest bearing. To the contrary, measures dealing with escrow accounts are very much in the area of settlement reform and legislative action on this subject at the State level is part of the overall effort to achieve settlement reform.

Mr. STEPHENS would have us believe that after conducting a massive study of settlement costs in selected areas across the Nation, and after proposing maximum settlement charges for six metropolitan areas, based on the findings of that study, HUD finally saw the light and backed away from implementation because it found that regulation would be "unwise and unworkable."

It is interesting to note that this position is exactly opposite that held by Secretary Romney, who launched the HUD study and publicly declared that the Department should regulate maximum charges. It is also interesting to note that officials of HUD began to say regulation wasn't possible after Romney left the Department, and after the Department was deluged with protests from those in the settlement industry who declared that they really did not think there was any reason at all to establish maximum charges.

Mr. Speaker, I will close this statement by simply saying that the Washington Post reported on June 4, 1972, that the Board of Governors of the American Bar Association, under the leadership of ABA President Leon Jaworski, 2 years ago supported adoption of settlement reform legislation which would require HUD to set maximum settlement costs for FHA and VA residential mortgages.

We should amend H.R. 9989 to retain HUD's authority to regulate these charges and thereby send the Department a message to go into action immediately.

ENDING FEDERAL CONTROL OF THE AIRWAVES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. CRANE. Mr. Speaker, at the present time the Federal Government possesses monopoly power over the airwaves, effectively determining who shall be able to own and operate television and radio stations and the manner in which such operation is to be conducted.

Such monopoly power on the part of Government is said to be in the "public interest." After all, the advocates of such monopoly control tell us, it is "we" ourselves who have the authority to make decisions.

Prof. Murray Rothbard argues that the collective term "we" has—

> "enabled an ideological camouflage to be thrown over the reality of political life. If "we are the Government," then anything a government does to an individual is not only just and untyrannical it is also "voluntary" on the part of the individual concerned. If the Government has incurred a huge public debt which must be paid by taxing one group for the benefit of another, this reality of burden is obscured by saying that "we owe it to ourselves."

Dr. Rothbard concludes:

> We are not the government . . . the government does not in any accurate sense 'represent' the majority of the people, but even if it did, even if 70 per cent of the people decided to murder the remaining 30 per cent, this would still be murder and would not be voluntary suicide on the part of the slaughtered minority . . .

In 1927 the Federal Radio Commission was set up, not merely to act as policeman for property-rights violators but to establish criteria by which Government approval would be given to operators of radio frequencies. A revised form of this law, in 1934, established the Federal Communications Commission and established the Government policy that remains in operation today.

In an important article entitled "Control of the Airwaves," Chris Hocker, a senior in English at Stanford University, notes that—

> Those guidelines included the definition of the airwaves as 'public' property, to be operated in the public interest, convenience or necessity. Thus, ownership of the airwaves, which had never been clearly defined up to that time, was explicitly vested in the federal government . . .

Urging that Government withdraw from the field of controlling our communications media, Mr. Hocker declares that—

> In the absence of constant government pressure to conform to the State's idea of what constitutes 'good' broadcasting (which is constantly changing anyway), each broadcaster will be free to diversify or to specialize, as he sees fit and as the impartial pressures of the market indicate. Thus, there can be in one geographical area a station for blacks, for chicanos, for conservatives, for radicals—in short, a broadcast system that mirrors the rest of the communications media with their specialized forms and wide range of choice.

Mr. Hocker's thought provoking article appears in the Stanford Independent's March 1973 issue. I wish to share this article with my colleagues and insert it into the RECORD at this time:

CONTROL OF THE AIRWAVES

(By Chris Hocker)

("If censorship and the suppression of free speech ever get established in this country, they will have originated in radio and television."—Ayn Rand, "The Property Status of Airwaves" in Capitalism: The Unknown Ideal.)

Anyone sensitive to the encroachments of government on the private lives of its citizens should realize the obvious, almost simplistic truth of that statement. The government of the United States does now and has for over forty years exercised a degree of direct control over the communications airwaves. Yet, many so-called "civil libertarians" are in the forefront of those demanding an even greater and more direct control by the State, while "free market" libertarians often view the problem as minor or even nonexistent, preferring to wait until "after the revolution" to handle such questions.

But in many ways, the problem of State control over the airwaves illustrates the myriad difficulties facing libertarians in the battle to re-establish private direction in all spheres of economic and socio-political life. Those arguments that are used in favor of State control of the airwaves are similar to those used in the advocacy of other controls. And one of the most blatant forms of government encroachment is in the communications field.

Government control over radio and television traces back to the mid-1920's, when radio was in the early stages of its development. As fledgling stations began to operate predictable conflicts came to the surface. Some operators practiced a form of "air piracy," that is, they jammed the frequencies of their competitors, disabling them, and thus violated their airspace. This problem, though real, was hardly epidemic, and understandable in light of the novelty of the radio industry at that time. Radio operators could reasonably have been expected, with maturity, to establish voluntary guidelines within the industry preventing such violation of rights. In any case, these violations were used as justification for the initial forms of government intervention—the State as policeman, ensuring that air rights would be respected.

BUSINESS INTERESTS

This reasoning, though acceptable, evidently did not comprise the sole motivation of the pro-regulation forces. Already, some businessmen who were becoming prominent in the radio field were seeking to establish their dominant positions with the help of the government. They found an ally in Herbert Hoover, Secretary of Commerce under President Coolidge. In 1927 the Federal Radio Commission was set up, not merely to act as "policeman" for property-rights violators, but to establish criteria by which government approval would be given to operators of radio frequencies. A revised form of this law, in 1934, established the Federal Communications Commission (FCC), and laid the groundwork and guidelines for government policy that remains in operation today.

Those guidelines included the definition of the airwaves as "public" property, to be operated in "the public interest, convenience, or necessity." Thus, ownership of the airwaves, which had never been clearly defined up to that time, was explicitly vested in the federal government, to be operated in the "public interest." Licenses would be given for a period of three years to those applicants who met with the approval of the FCC, a seven-man board of authorities appointed by the President and subject to no Congressional assent.

Although there is difficulty in determining the amount of influence-peddling on the part of certain businessmen on behalf of government control in order to shore up their own interests, the effect of regulation has been the same as if that were the sole motivation. The FCC has never been a strong authority: licenses are granted upon proof of financial stability and a cursory assurance of "responsibility" and demands made upon the licensees have not been great. On the surface, in fact, it would appear that FCC power has been nominal, and that the broadcast industry has progressed just as if it had been operating on the marketplace all along.

A FREE MARKET?

A contrast made between the broadcast communication industry and those industries which have experienced little or no State control, however, reveals great differences in result. Classic market competition within a field of production unfailingly results in a wide range of choice for the consumer, if the product is adaptable to change, improvement, and diversity; or, in the case of other products, competition provides for general consumer satisfaction with one, two, or three major producers, usually due to low price and efficiency of production. Clearly, the broadcast industry under a market set-up would fall into the first category, offering the potential for a multifaceted variety of radio and television programs, each appealing to consumers of varying habits, lifestyles, and preferences. The broadcast industry should have developed along lines similar to the magazine-publishing industry, in which a multitude of publications, appealing both to mass and select audiences, flourish (barring government interference in the form of prohibitive postal rates, etc.).

Radio and especially television have not developed like this, however. In fact, the most frequently-heard complaints concerning the industry run along the lines of: "All programming is the same—lousy;" "There's not enough attention paid to minorities and interest groups;" "The industry is controlled by a few big corporations, and all they're out for is profit." Such complaints are certainly not reflective of a free market offering a wide range of choice.

The latter two statements, though generalizations, are demonstrably true, for the viewpoints of large portions of the population are given a best token representation both in entertainment and news programming. Certainly, three large corporations dominate the television industry, and their concern is profit, profit of the sort backed by State power and not by the free interaction of the marketplace. And, although the first complaint is admittedly a subjective judgment, the mediocre similarity among most programming is undeniable. Yet, those who complain the loudest are usually those who advocate stronger government control over the industry, not realizing that it is the action of the State, in collaboration with those corporations which derive benefit from their status of artificial oligopoly, which has brough about this sorry state of affairs.

ARGUMENTS FOR CONTROL

The general arguments advanced in favor of stronger government control are these: 1) the airwaves are limited in number; there are not enough of them to go around, so that they must be made "public" property in the interests of "fairness;" 2) the giant corporations now controlling the industry are unresponsive to the public and must be made responsive by government action.

The fallacy of 1) is obvious, for scarcity is a fact of economic life, and not a reason for government control. All physical resources are limited, some more than others. There are fewer sources of precious metals, for example, than air frequencies; should they, then, be nationalized, put under government direction, for the "public good"? The logical extension of the "limited-airwave" argument is nationalization of all resources. In addition, the notion of "public" property is a fallacy in itself, for "public" property must be the property of government officials. Otherwise, an individual would be free to sell his share of "public" property, an option which he most definitely does not have.

The problems with the second argument are more complex, for the largest broadcast corporations are not "responsive" in the sense that they do not provide opportunity for all points of view to be expressed to the satisfaction of all. While in a market system no private concern is obligated to present a point of view which it disagrees, the absence of the marketplace and the presence of State-enforced oligopoly renders the rights of these quasi-private corporations illegitimate. The present system is in effect a government sanction of the limitation of free speech.

TOTALITARIAN RESULT

It certainly does not follow from this, however, that further government control will alleviate the ills created by that control. Every historical instance of increased government intervention demonstrates the absurdity of such a claim. Since it is in the direct interests of the regulated companies to exercise political control over the regulator, only a totalitarian commission existing within a framework of an all-powerful state could consistently resist this pressure. This would mean, of course, direct government control over the airwaves, with licensing and the lip-service paid to "responsibility" swept away.

State-run broadcasting industries do exist in other nations, of course, either as out-and-out government extensions, or as state "corporations" with nominal independence, but still retaining virtual monopoly power and a recourse to governmental coercion. To be sure, some of these State-run enterprises are "benevolent," operating with a high degree of attentiveness to public desire and presenting programming that has been labeled "higher" in quality than that available in the United States. However, the utter lack of a guarantee against State retrogression in the form of censorship and other abuses argues strongly against such "benevolent" control for all but the most trusting (or ambitious), and, aside from that, who is to define what "good" programming is? Is the State necessarily more knowledgeable, tasteful, or correct than the individual consumer?

The arguments in favor of increased government control have been and can be shown to promise at least the potential for a far greater evil than the already-considerable evil facing us at present. Semi-control, such as the FCC, is unworkable in terms of providing diversity and "responsiveness" to differing viewpoints, while the total control is a danger that cannot even be considered by those whose interest is freedom.

THE ALTERNATIVE

The alternative proposal is no control at all, or at most, retention of police power to prevent the unlikely occurrence of property-right violation. Assuming such a system, the airwaves, both radio and television, would be open to anyone with the resources to own them, just as in the marketing of any product or service. Take as an example the hypothetical case of a city with five radio stations, all of which operate on the free market (there would be of course, dozens more radio and television stations than five, plus cable outlets, etc.). Assume that the city maintains a wide cross-section of American society: rich, poor, minorities, interest groups, youth, and so on. Methods of financing the stations include, but are not limited to, advertising, fund-raising, promotional activities, and even exclusion devices such as de-scramblers which permit market pricing to work.

Obviously, programming will vary from station to station, unless the listening market is so homogeneous as to demand the same thing from each station. Station A will emphasize rock music, for example, while Station B will take classical music. Station C will devote itself to news, D to public affairs, and E to general programming without specialization. Given a 14-hour prime-time broadcast day (8 A.M. to 10 P.M.), there will be 70 prime time broadcast hours per day available to the city for various programming calculated to attract varying markets, as well as 50 broadcast hours which are not prime time. Certainly, this much time should be sufficient for the representation of all desires in the marketing area.

But assume that this is not the case. Assume that a minority group, Americans of Ruritanian extraction, believe that they are systematically excluded from representation on the city air channels. They never hear Ruritanian music, there are no programs broadcast in Ruritanian, and news coverage ignores the problems of the Ruritanian-American community. What is their recourse?

The most obvious solution would be for them to take advantage of a radio frequency that was not then in use, setting up facilities that would enable them to broadcast independently of the other five stations in the city. For such minority group, a station of low wattage would probably be sufficient for the dissemination of information, cultural affairs, etc., that would be of interest only to the Ruritanian community. In fact, just such a low-wattage station existed recently in Los Angeles, which operated out of a large closet. This so-called "pirate" station was discovered and banned by communications authorities for operating without "proper" government sanction. Even in the absence of an air frequency, cable facilities, which do not require air waves for broadcasting, offer virtually unlimited opportunities.

Or, if such solutions for some reason are impossible, they could attempt to buy one of the existing radio stations. Perhaps Station B, for example, has been losing money and desires to sell its interests. The oppressed group might buy it and feature programming that will appeal to Ruritanians, although they may find that their appeal will need to be widened in order for them to stay in business. But what if no one will sell to them, or they are unable to raise enough money to buy a station? Then, the Ruritanians may take other forms of economic action permissable on the free market—boycotting the stations, urging others to boycott, exerting citizen (not political) pressure on the stations, joining with other minority groups in order to pool resources, etc. It is unlikely that all five stations will decide to ignore the mounting Ruritanian pressure, for at least one station will realize that such pressure represents a potential market and will acquiesce to the Ruritanian demands for economic reasons. Even if the highly unlikely possibility of all five stations deliberately combining against the Ruritanian community occurs, this arrangement will be less than permanent, since continued public pressure and changes in economic fortune will undoubtedly crack such a combination in a relatively short time.

CURRENT SYSTEM

Even assuming the worst possible situation—that of a short-term union formed for the express purpose of keeping Ruritanian-Americans from the airwaves with no other recourse immediately available to the group—the current system of FCC control comes off as far worse. For one thing, broadcast licenses carry a time span of three years (President Nixon has proposed extending this to five). Therefore, the Ruritanians would need to wait until the expiration of a station license in order to apply for such a license before the FCC. (It is legally possible for the FCC to revoke a license at any time; however, such an action has been a historical rarity.) Then, they would have to present their case before the FCC. That body may be under political pressure from the current licensee, and refuse to heed the plea of the minority group. Or, the members of the FCC may be prejudiced against Ruritanians themselves.

Imagine, however, that it is license renewal time for one of the city's stations, and the Ruritanians have come before the FCC to present their case, and that the FCC is sympathetic. Suppose that the FCC renews the license of the station, including the admonition that the station must devote a certain amount of broadcast time to Ruritanian-American affairs.

Perhaps, then, the Ruritanian contingent is satisfied. But what if, in providing space for them, the station must cut down or eliminate programming aimed at another group? In such a case, the entire cycle would begin again, except that the newly-ignored group must wait until license-renewal time.

By demanding that a station must serve "the public interest, convenience, and necessity," the government is suggesting that each station become all things to all groups. Such a command is clearly unworkable. In practical terms, the granting of a license under such an admonition requires the value judgment of a government body as to what best serves the public interest. Even given good faith on the part of the regulatory body, some one or some group is going to be dissatisfied. But granting this good faith is dubious, since the commission is operating not only under the aegis of the government itself, but is also highly susceptible to direct political pressure from those who seek to enlist the aid of the State for their own benefit. Connected to this is the moral question of coercion: should a station be forced to program according to the wishes and whims of the State?

ABSENCE OF COERCION

A reconsideration of the free-market approach reveals a total absence of coercion, as well as a multitude of opportunities for each interest group to be represented on the air, opportunities which are not arranged or dictated at the whim of four bureaucrats (a majority of the FCC). To be sure, the lever in ensuring such representation is economic—but surely that is preferable to the myriad of conflicting political pressures which lie at the root of governmental decision-making in a democracy. The market mechanism is impartial, and is far more likely to bring about a broadcast system that "serves the people" by anyone's definition. And, clearly, the opportunities for unrestricted and diverse utilization of the market mechanism is far greater in a real situation, with dozens of different broadcast outlets, than in the hypothetical instance of a large city with only five radio stations.

In the absence of constant government pressure to conform to the State's idea of what constitutes "good" broadcasting (which is constantly changing anyway), each broadcaster will be free to diversify or to specialize, as he sees fit and as the impartial pressures of the market indicate. Thus, there can be in one geographical area a station for blacks, for chicanos, for conservatives, for radicals—in short, a broadcast system that mirrors the rest of the communications media with their specialized forms and wide range of choice.

And, most importantly, a free-enterprise broadcast industry will eliminate the always-present threat of direct government intervention in the form of censorship, or more subtle ways of abrogating freedom of speech.

Returning the airwaves to the people—that is, returning them to the producers and consumers who may freely determine the range and variety of products in a free market—would mean a major step away from the increasingly blatant violation of individual rights and the ever-growing shadow of 1984.

JOURNALISTIC INSTINCT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. MICHEL. Mr. Speaker, the issue of the National Observer for the week ending August 3, 1974, includes an article excerpted from the remarks by Mr. Roscoe C. Born, vice editor of the Observer, at a convention of the Railroad Public Relations Association in Colorado Springs.

Although Mr. Born's message is directed to his colleagues in the newspaper fraternity, I thought it would be of interest to those Members who may have overlooked the article.

I insert the text in the RECORD:

JOURNALISTIC INSTINCTS TO "GET" PEOPLE

(By Roscoe C. Born)

I may be read out of the newspaper fraternity for this, because what I am about to say might be readily misunderstood as an attack on the press. I hope I will not be so misunderstood. I am proud to be a journalist, and I am proud of the role journalism has played, on balance, in the preservation and development of the American system of self-government. But I must *say* this.

I have come to the belief that there lurks in the character of nearly every journalist a fundamental flaw. I now believe that this flaw is probably there in even the most honorable and decent journalists, even though some have managed to overcome it in the same way that decent and honorable men and women have learned, over the years, to suppress or mask some of their baser instincts.

I suspect this flaw I am trying to describe is an inborn desire to "get" somebody, anybody; to publish a startling story that will result in an indictment, will get somebody fired, will get some public official ousted from office or defeated for re-election. A reporter who takes the hide off somebody in print reaps immense rewards and satisfactions. His colleagues praise him. His editors praise him. His nonjournalist friends suddenly are aware that he has done something remarkable, and they tell him about it. He may even win one of journalism's most famous awards. For it is a fact, known to journalists everywhere, that if one hopes to win a big award for reporting, one must be able to show that his stories got results; someone indicted, someone fired; someone ousted, someone sued. That is the path to journalistic glory.

When I was a kid reporter in Topeka, Kan., I was very pleased one day when no less a person than Alf Landon walked into the newsroom, came directly to where I was sitting, and said: "Well, that story of yours sure rattled the cages." It was a misunderstanding. I didn't know Alf Landon personally then, and he didn't know me; he had mistaken me for the man whose desk I was occupying at that moment. But just the same. I felt a thrill that, for a minute there, a famous person was taking note that I had "rattled the cages" with a story. God knows, I *wanted* to rattle cages. And I don't think that desire is peculiar to me—I think it is common to journalists everywhere.

If this is true, how does it come to be? Are we so indoctrinated in journalism schools that we enter the field brain-washed? I dont suspect that for a moment. And I think it borders on lunacy to suggest that conspiring journalists get together and plot the downfall of the personage or that. Not conspiracy is necessary. Journalists crave the thrill of the expose almost intuitively whether alone or in packs.

I believe this may be an important factor that led most of us into journalism. Its not something we acquire *after* we become reporters. Rather, it may be that the seeds of this desire, nurtured in all of us, caused us to become reporters.

I venture that if you polled all of the nations clergymen, something like 99.9 per cent of them would say they devoutly believe in God. They devoutly believe in God not *because* they are clergymen, but they are clergymen because they devoutly believe in God. And so, I suspect, do journalists almost universally harbor the urge to "get" somebody. They became journalists because they have that urge.

Well, is this instinct—if you'll permit a loose use of that word—is this instinct among journalists to "get" people entirely bad? I think not. If it were not for this drive, what would prompt journalists to fulfill their role in our society? Who would go about their daily lives alert to spot wrongdoing in public places and expose evil so that society might correct it? If any government were so high-handed as to conspire against the liberty of American citizens; to create a secret police unit to burgle their homes and offices and tap their telephones; to use such Government agencies as the FBI, the CIA, and the Internal Revenue Service as personal tools against their political foes—if we could possibly image such an evil government in the United States—who would be the most likely candidates to investigate and expose such a threat to our freedom? Would the Attorney General do it? Would the director of the FBI or the CIA or the IRS do it? Would the President himself do it? Not likely. Not necessarily.

Only the journalist can be relied on to do it, and for that we have to thank—in part, at least—this drive or instinct the journalist has to rattle the cages, to "get" somebody, to topple the mightiest if the journalist is convinced he should be toppled.

But there is the problem. How easily is the journalist convinced? How much of his investigation is prompted by his desire to "get" somebody, to rattle cages? Or, once triggered, does he print stories that are damaging and inflammatory only when he has sound, vertifiable information? Or does his instinct push him into irresponsible, premature publication? Is his judgment crippled, so that he is no longer able to distinguish between fairness and unfairness? Are his stories loaded with prejudicial adjectives, deliberately uncomplimentary descriptions—outright distortions? How many reportorial investigations are started with the goal of simply determining the facts about a person or a situation? Or is the guilt of the target a foregone conclusion, so that only "facts" pointing to his guilt come to the reporter's clear-minded attention?

I suggest that all too often the journalist who searches his conscience cannot answer those questions without admitting the truth of what I am saying. And I suggest that all of us, reporters and editors alike, should reach our consciences—regularly.

I know of no other cure for it. This instinct cannot be banned by legislation. It will not disappear by changing the criteria by which great journalistic feats are judged and prizes awarded—although that might help. I think journalists must learn to be more self-critical; we must learn a bit of humility; we must stop telling ourselves incessantly how damned noble we are in everything we do.

The conscience of the journalist must be pricked. He must stop and think and remember that the right to gather and print information about people and institutions is an awesome power. And somehow we must come to realize that the abuse of our power can no more be tolerated than the abuse of the awesome power of the Presidency and the Government.

THE RESIGNATION OPTION—1 YEAR LATER

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. TIERNAN. Mr. Speaker, I am submitting for the RECORD, a number of articles detailing White House pressure on the Internal Revenue Service. This pressure was designed to bring the powerful administrative measures of the IRS against those the White House considered "enemies" or "uncooperative." It is my contention that this evidence substantiates the need for an independent IRS contained in my proposed legislation, H.R. 14793.

The articles follow:

[From the Washington Post, July 31, 1974]

THE RESIGNATION OPTION—1 YEAR LATER

(By William Raspberry)

A year ago, President Nixon could have resigned "for the good of my country" and made it seem creditable.

It was clear to some of us even then that he was deeply implicated in the Watergate coverup, although a lot of people saw the evidence as ambiguous. But many of those who saw the coverup implications as crystal clear still could have been persuaded that the coverup was a tactical error that, once begun, the President simply didn't know how to stop.

In fact, it was only a little less than a year ago that certain members of the President's own party first suggested that resignation might not be a bad idea.

He didn't take the advice then. The intriguing question is: Is it too late now? And if it isn't, how well would resignation serve the country?

To take the second question first, the major objection to earlier calls for resignation was that it would thwart the public's need to know just how much their government had been undermined.

Resignation then would have left unresolved the question of the President's personal involvement in the scandals and left us instead with a handful of scapegoats to be disgraced and forgotten. Unlike the Agnew case, there would have been no criminal plea for the President to make, no bill of particulars to be made public. Resignation would have been the end of it.

Those of us who saw the scandals as a threat to the American system of government—who, in fact, saw the thing called Watergate as a very nearly successful *coup d'etat*—thought it vital to get the facts out, even if it meant leaving Richard Nixon temporarily in.

In addition, it was almost inevitable that Nixon supporters would have turned his resignation into a form of martyrdom. Their man would have been driven out of office by his natural enemies even though there was no solid proof that he deserved such a fate. It would have been put forward as the liberals' way of rescinding an election they had overwhelmingly lost.

In short, resignation a year ago would have been a disservice to the country.

But now, unless there are to be major new explosions from bombshells contained in the 64 tapes whose delivery the Supreme Court has ordered, most of the Watergate facts appear to be out.

At least enough is known for Americans to get a good sense of the depth and breadth of the scandals, of the pressure put on high officials to use government agencies for political purposes—and of the ultimate source of that pressure.

Proof of presidential complicity in the scandals is lacking only in the most technical legal sense; the President's own version of the White House tapes leaves little ground for doubt. And the combination of his tax situation, his real estate dealings and the purchase with campaign funds of jewelry for his wife eliminates any possibility of his playing the martyr.

In short, resignation at this point—with the House Judiciary Committee already having voted to recommend impeachment, and with a House vote to impeach on at least one count a virtual certainty—would be in the interest of the country saving weeks and perhaps months of televised anguish.

But would resignation be possible now, from the President's point of view?

One of the key difficulties is that Mr. Nixon has been too successful in forcing his definition of an impeachable offense. If he had been content to leave the definition loose enough to encompass malfeasance in office, or failure faithfully to execute the laws, he might have been able to escape with resignation.

But he and his lawyers insisted that only an indictable crime could be an impeachable offense. And now, if the House impeaches, and the Senate convicts him, for offenses that are also indictable crimes, his removal from office could be the first step toward jail.

Even if that removal from office results from resignation. For his insistence on making impeachability synonymous with indictability has forced the Judiciary Committee to a standard of proof and specificity that, assuming conviction in the Senate, would make his conviction in the courts all but certain.

He has persuaded the country that a sitting President cannot be indicted. But the Constitution is clear beyond even James St. Clair's ability to obfuscate that an impeached and convicted President can be tried in the criminal courts.

So perhaps Mr. Nixon can't afford to resign now, even if it would be good for the country. Unless he did so for reasons of poor health, in which case public opinion might dampen the enthusiasm of federal investigators; or unless the Congress could be persuaded to accept the deal proposed by Rep. Wilbur Mills some months ago—legislation giving the President immunity from prosecution in exchange for his resignation.

One other possibility: Somebody suggested recently that the President could escape his dilemma by the bold tactic of (a) confessing every criminal offense he has been accused of, (b) granting himself a presidential pardon, and (c) resigning from office.

Such high-handedness might constitute an impeachable offense but so what?

[From the New York Times, July 17, 1974]

NIXON ASKED DATA ON WALLACE TAX, PANEL WAS TOLD

(By Eileen Shanahan)

WASHINGTON, July 16.—The House Judiciary Committee made public today the sworn testimony of a former White House staff member who said that H.R. Haldeman told him in 1970 that President Nixon personally wanted a report on an I.R.S. investigation of Gov. George C. Wallace of Alabama and his brother, Gerald.

The former staff member Clark R. Mollenhoff, also testified that he had reason to believe that someone "at the highest White House level" gave derogatory information from the report by the Internal Revenue Service on the Wallaces to Jack Anderson, the columnist, three weeks before the Alabama governorship primary in 1970. This was the primary in which White House agents secretly gave $400,000 to Governor Wallace's opponent.

Asked about the allegations, Ronald L. Ziegler, the White House Press Secretary, said: "Ask Clark Mollenhoff. I haven't heard anything about it." Mr. Mollenhoff is now a reporter for The Des Moines Register and the Register is not considered a supporter of the President.

Mr. Mollenhoff's testimony is contained in the ninth volume of the Judiciary Committee's "Statement of Information" for the impeachment inquiry. The earlier volumes, dealing with the Watergate break-in and cover-up, were released last Thursday.

The Mollenhoff testimony is among many items of previously unpublished material relating to the alleged use of the I.R.S. for political purposes by the Nixon Administration.

Other highlights include the following:

Testimony from both of Mr. Nixon's first two Commissioners of Internal Revenue confirming earlier indications that they had offered their resignations in the face of pressures from the White House to take what they considered to be improper actions.

A statement by the first of these, Randolph W. Thrower, that when he had tried to see Mr. Nixon to express his "concern about White House attitudes toward the I.R.S.," he was told by Mr. Haldeman, the White House chief of staff, that "the President did not like such conferences."

Testimony repeatedly naming Vernon D. Acree, the Assistant Commissioner of Internal Revenue, who was promoted by President Nixon to be Commissioner of Customs, as the source of tax information that the White House wanted on prominent persons.

An affidavit from former Revenue Commissioner Johnnie M. Walters detailing repeated efforts by John D. Ehrlichman, the chief White House adviser on domestic matters, to force I.R.S. to find something major wrong with the tax returns of the Democratic National Chairman, Lawrence F. O'Brien, before the 1972 election.

Information that the Rev. John McLaughlin, the Jesuit priest who is on the White House staff, helped on an investigation of Lawrence Y. Goldberg, a Providence, R. I., businessman, who was apparently suspected by some in the 1972 Nixon re-election effort of being too committed to Jewish causes to be a loyal Nixon supporter, Mr. Goldberg ultimately got a staff position with the Committee for the Re-election of the President.

The Judiciary Committee's 400-page volume of evidence on the political use of the I.R.S. discloses that the committee has not made any investigations of its own in this area, but has merely used and published information gathered by others.

For example, the volume contains copies of memorandums that were made public earlier by the Senate Watergate committee, which indicate, without proving, that the White House intervened in a tax audit being conducted on the Rev. Billy Graham, the evengelist.

One such memorandum, from a subordinate of Mr. Haldeman, asks Mr. Haldeman "can we do anything to help?" Mr. Graham, who was under investigation for allegedly receiving income he never reported in the form of construction and decorator work and tuition payments for his children who were in school abroad.

Mr. Haldeman's handwritten reply was, "No—it's already covered."

The Judiciary Committee did not report any attempt to find out what Mr. Haldeman's note meant.

The volume of evidence does not contain new information on the Graham case, however, in the form of previously unpublished testimony by John J. Caulfield, the one-time White House staff member who regularly got confidential information from Internal Revenue for the White House.

Mr. Caulfield testified before a closed session of the Senate Watergate committee that he had, at the request of John W. Dean 3d, the former White House counsel obtained "back door copy" of the I.R.S. status report on the Graham investigation from Mr. Acree, the Internal Revenue Assistant Commissioner.

Mr. Dean wanted to know "whether Mr. Billy Graham was being harassed by the I.R.S.," according to Mr. Caulfield, who said that Mr. Dean "did not indicate where his assignments were coming from."

Mr. Caulfield agreed, under questioning, that "the White House making a request in this fashion would probably be considered abnormal."

Another section of the Judiciary Committee's document indicates that President Nixon knew that his staff members were using circuitous channels for getting information from Internal Revenue.

On March 13, 1973, according to a Judiciary Committee transcript, the President asked Mr. Dean whether he needed "any I.R.S. stuff" in connection with an effort to show that Democrats had been engaged in political espionage and other alleged improprieties.

Mr. Dean responded:

"There is no need at this hour for anything from I.R.S., and we have a couple of sources over there that I can go to. I don't have to fool around with Johnnie Walters or anybody, we can get right in and get what we need."

Among the other pieces of information that Mr. Caulfield testified he got from Mr. Acree were reports of audits of nine "politically active" entertainers whose treatment by Internal Revenue was compared with that received by the actor John Wayne, a conservative and a Nixon supporter.

Mr. Acree selected the entertainers whose audit reports were examined, a list, according to Mr. Caulfield, that included Democrats such as Peter Lawford and such Nixon supporters as Sammy Davis Jr., the entertainer. The list also included Gov. Ronald Reagan of California, a former actor. All were picked because their incomes were similar to Mr. Wayne's, Mr. Caulfield testified.

Mr. Caulfield concluded, on the basis of information provided by Mr. Acree, that "the Wayne complaint"—who received the complaint has not been disclosed—"does not appear strong enough to pursue."

Mr. Acree was also identified by Mr. Caulfield as the man who suggested to him that the way to start an audit on Robert Greene, a Newsday reporter, who had investigated the business interests of President Nixon's friend, Charles G. Rebozo, was to have an anonymous letter written to the I.R.S. suggesting that Mr. Greene had filed inaccurate tax returns.

Mr. Caulfield said that Mr. Acree subsequently told him that "an anonymous letter did go out in a fashion where it would not be considered illegal," although investigators from another Congressional committee reported that they had not found any "informant's letter" in Mr. Greene's I.R.S. file.

Mr. Acree, who rose through the ranks at Internal Revenue, was considered an outstanding career civil servant and in 1972 won the Rockefeller Award that is given annually to about half a dozen outstanding Government careerists. It is considered the highest award available to a career employee of the Federal Government.

Mr. Acree was named Commissioner of Customs in April, 1972, after Commissioner Walters, who had repeatedly resisted White House requests, announced his resignation and after the White House picked Mr. Walters' successor, the present Commissioner, Donald C. Alexander.

Mr. Acree did not respond to a request for comment on Mr. Caulfield's allegations. The request was made by telephone to Mr. Acree's secretary early in the day.

The Internal Revenue investigation of George and Gerald O. Wallace reportedly focused mainly on Gerald and on allegations that he received kickbacks or other illegal payments from highway, liquor and other interests.

No tax case was ever publicly brought against either Wallace, and the only available information on the investigation is the Jack Anderson syndicated column of April 13, 1970.

Mr. Anderson said that he had seen the Internal Revenue report to the White House on the Wallace investigation and that it had been shown to him by Murray Chotiner, a long-time political adviser to Mr. Nixon. Mr. Chotiner was killed in an automobile accident earlier this year.

The columnist said that Mr. Chotiner had come to him, early in the Nixon Administration and had offered to be "a pipeline" to the President by getting Mr. Anderson information that he sought.

Mr. Anderson said that he asked Mr. Chotiner in early 1969 whether the Administration would pursue the I.R.S. investigation of Gerald Wallace, which Mr. Anderson said he had learned began during the Johnson Administration.

More than a year later, three weeks before the Alabama primary in which Mr. Wallace was seeking to return to office and thus continue his career as a major national political figure. Mr. Chotiner answered Mr. Anderson's question by showing the columnist the I.R.S. report, Mr. Anderson said.

The Judiciary Committee's report also discloses for the first time that Mr. Chotiner prepared one of the lists of Administration "enemies" that was sent to Internal Revenue to stimulate tax audits and ignored by Commissioner Waters after consultation with Secretary of the Treasury George P. Shultz.

On another occasion, the Judiciary Committee's volume shows, Mr. Walters told Mr. Shultz that "he could have my job any time he wanted it." This was in August, 1972, after Mr. Ehrlichman repeatedly pressed Mr. Shultz to force Mr. Walters to re-audit the tax returns of Mr. O'Brien and denounced Mr. Walters for not doing it.

Mr. Erhlichman's testimony on the matter, given to a closed session of the Senate Watergate committee and not previously published, was that I.R.S. staff people "down in the woodwork" had "75 selected reasons why they should not audit Mr. O'Brien and they weren't having any of the same reasons with regard to Republicans."

[From the Washington Post]

SAN CLEMENTE TAX DETAILS

(By William Claiborne)

In handwritten instructions to former presidential lawyer Herbert W. Kalmbach, former White House adviser John D. Ehrlichman urged that improvements to President Nixon's San Clemente estate be linked to the Secret Service because of the "tax implication," according to House Judiciary Committee evidence released yesterday.

Ehrlichman's June, 1969, longhand memorandum referred to the "tax implication of SS [Secret Service] use of buildings" on the southern California estate.

It urged Kalmbach to "give SS up to four of outbuildings—more write-off."

Moreover, according to a Judiciary Committee report on federal expenditures at San Clemente, Ehrlichman normally served as a conduit of Mr. Nixon's personal instructions for improvement of the presidential compound.

"The normal and more frequent procedure was for the President to discuss the details of the work and operations at San Clemente with Ehrlichman or Haldeman, who would pass along instructions," the Judiciary Committee report asserted.

H.R. (Bob) Haldeman was the President's chief of staff at the White House.

In closed-door testimony before the committee on July 17, Kalmbach testified, "I had a standard procedure to run all questions relative to matters pertaining to San Clemente past Mr. Ehrlichman and Mr. Haldeman for their approval and direction," according to a partial transcript released yesterday.

Kalmbach testified there was "a great interest (by the President) in all things relative to that property," and he recalled to the committee one occasion when he walked through the San Clemente grounds with President and Mrs. Nixon and Mr. Nixon asked that various rose bushes be rearranged.

The Judiciary Committee reported on a total of $9.1 million in federal funds spent at San Clemente, including $701,000 on Mr. Nixon's ocean front property. The bulk of the remainder has been spent on an adjacent summer White House office complex, military communications and personnel permanently assigned there by the Secret Service, Coast Guard and other agencies.

Last April, the congressional Joint Committee on Internal Revenue Taxation concluded that Mr. Nixon realized more than $92,000 in taxable income from improvements on his property, a levy the President has agreed to pay.

Much of the Judiciary Committee's staff report is a rehash of evidence compiled by other congressional and executive branch investigating units, including the joint committee, the House Government Operations Committee, the General Accounting Office and the General Services Administration.

But the impeachment inquiry staff did question several principal figures in the San Clemente refurbishing, including Kalmbach, who served as Mr. Nixon's on-site representative when most of the work was done in July, 1969.

Kalmbach turned over to the committee the Ehrlichman memo, which, he said, was intended "to provide guidance to me in regard to the manner in which installations were to be made and financed at the President's estate."

The memo includes 10 terse commands, most of which assign the cost liability of improvements at San Clemente to either the GSA or the Secret Service.

For instance, in referring to a new $13,500 electric heating system that ultimately was installed at government expense, Ehrlichman instructed, "At SS cost, if any."

Last December, the General Accounting Office questioned "whether the government should pay the entire cost of the new system, when the President intended to install one anyway." Later, the congressional joint committee ruled that the heating system was a taxable improvement to the property.

When referring to driveway and walkway paving—at a government cost of $19,386—Ehrlichman said, "no change except at government expense." The GAO subsequently said the paving was a "non-protective benefit" to the President and the joint committee ruled Mr. Nixon should be taxed for it.

Referring to $6,642 in improvements to a gazebo, or "card house," on the property, Ehrlichman wrote, "card house on north line, let SS use . . . tax implications of SS use of buildings . . . SS pay for building of property . . . give SS up to four of outbuildings—more write-off."

The Judiciary Committee noted that prior to the gazebo refurbishing, the Secret Service had decided not to use the building as a security outpost. The joint committee concluded the President owed $5,000 in taxes as a result.

In its report, the Judiciary Committee staff made no conclusions about presidential culpability with respect to the San Clemente expenditures and government-paid improvements at Mr. Nixon's home in Key Biscayne, Fla.

However, in a four-page section entitled, "Presidential knowledge of improvements and their financing," the staff implied through a recitation of Mr. Nixon's visits to the estates about the times the work was being done that the President was aware of how much public money was being spent on his homes.

The staff report concluded cryptically that last Dec. 8, Mr. Nixon announced he would donate the San Clemente estate to the nation after his and Mrs. Nixon's deaths.

"This announcement came approximately six months after the House Appropriations subcommittee hearings, one month after the House Government Activities Subcommittee hearings and 10 days before the GAO published its report on expenditures at the President's properties," the Judiciary Committee staff noted.

In another study, the Judiciary Committee staff backed off from saying that the Nixon administration's impoundment of funds appropriated by Congress constitutes grounds for impeachment.

"It does not follow," the staff said in a 91-page report released yesterday, "that the impoundments necessarily constitute grounds for impeachment of the President."

The staff pointed out that each of the three branches of government will push its constitutional powers to the fullest, and in doing so may temporarily step on the powers of another branch.

But the administration has obeyed all court decisions ordering it to release impounded funds, the staff said.

The Nixon administration began impounding appropriated funds early, but the practice reached its height in 1973 when it impounded about $18 billion.

[From the Washington Post, July 24, 1974]

THE IMPACT OF DEAN'S IRS TESTIMONY

(By Rowland Evans and Robert Novak)

One year after his nationally televised Senate testimony began President Nixon's greatest crisis, John W. Dean II has again proved his nemesis by building sentiment for impeachment behind the closed doors of the House Judiciary Committee.

Dean's appearance before the impeachment inquiry July 11 helped shift momentum against the President—generally by appearing as a credible witness but specifically by unveiling some new evidence. When Dean testified to a direct presidential role in attempted misuse of the Internal Revenue Service (IRS), the handful of fence-sitting Republicans who may decide Mr. Nixon's fate were profoundly shocked.

So, the old White House campaign of trying to discredit Dean is being talked up among hard-core Nixon Republicans on the Judiciary Committee. Some insist a committee vote should be delayed for many weeks until Dean's damaging testimony can be checked against a segment of a White House tape recording now in litigation.

These are tactics of desperation. Dean's testimony helped undercut White House attempts to limit impeachment to whether the President authorized hush money in the Watergate cover-up. Dean's incrimination of the President in misusing the IRS led undecided Republican members toward considering gross abuse of presidential power as an impeachable offense.

Dean testified before the Senate Watergate Committee June 25, 1973, on the President's direct role in pushing the IRS to harass Nixon "enemies." According to Dean's description of the Sept. 15, 1972, Oval Office meeting, Mr. Nixon "seemed somewhat annoyed" by IRS refusal to cooperate. But Dean said nothing about direct presidential orders to pursue the matter.

The tape recording of the Sept. 15 meeting given special prosecutor Leon Jaworski did not contain the Nixon-Dean IRS dialogue. Judge John Sirica had ruled those 17 minutes were not relevant to the Watergate investigation. When Jaworski petitioned for their release, Sirica last month reversed himself. But the White House appealed, keeping the matter before the courts.

Consequently, Dean was plowing new ground July 11 before the impeachment inquiry. Dean testified he told the President on Sept. 15, 1972, that IRS Commissioner Johnnie M. Walters was refusing to audit tax returns of Nixon enemies. Dean next added: "And he (Mr. Nixon) said something to the effect, well, if (Treasury Secretary George) Shultz thinks he's been put over there to be some sort of candy ass, he is mistaken, and if you have got any problems, you just come tell me, and I will get it straightened out."

This was a direct presidential link to Walter's sworn statement to the House committee that Dean on Sept. 25, 1972, again pressed him to audit the "enemies." After conferring with Shultz; Sept. 29, Walters continued, "We again agreed that nothing would be done with respect to the list."

Hard-core Nixon defenders shrug this off with the assertion that after all, the President's attempts failed. But uncommitted Republican committee members are deeply disturbed by the new revelation. Were it not for the stubborn integrity of George Shultz, they now believe, the Nixon administration could have assumed characteristics of a police state.

"This sounds like 'Gulag Archipelago,' like things that happen in Russia but not here," one Republican told us. Another confided that he regards Dean's revelation as the single most damning example of the misuse of governmental power.

To counter this, hard-core Republican committee members are stressing Dean's inadequate explanation to the impeachment inquiry of his one obvious credibility lapse; his failure a year ago to tell the Senate committee he had destroyed the notebooks of Watergate conspirator E. Howard Hunt. His explanation July 11 that the Hunt notebooks "were not in my conscience (sic) at the time I testified" last summer fell flat. It clouded Dean's overall credibility in the opinion of Rep. Thomas Railsback of Illinois, a key undecided Republican who otherwise viewed Dean as a highly effective witness.

Accordingly, presidential defenders argue that Dean's account of what the President said about the IRS should be checked against the Sept 15, 1972, tape. But thanks to the President's legal fight to keep those 17 minutes private, the tape could not reach the House committee for six more weeks at the earliest—long after the scheduled House vote on impeachment.

This suggests Mr. Nixon's last line of defense. Even if the Supreme Court orders the President to give Jaworksi 64 subpoenaed tapes, they could not reach the House committee for months. Consequently, fence-sitting Republican members might vote against impeachment—or abstain—in the coming showdown in protest against the committee's refusal to wait for evidence previously denied Congress by Mr. Nixon. Bizarre though that reasoning is, it may be the President's only remaining barrier against impeachment.

SERVING THE HANDICAPPED

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. RANGEL. Mr. Speaker, to be handicapped means to have to learn to approach life in a different way than most of us do. This is not to say that the handicapped are unable to do many of the things that physically healthy persons can. On the contrary, through sheer guts and determination many handicapped people learn to do a job as well or even better than physically healthy people do.

The life of the handicapped can be just as rewarding as any other if handicapped persons are aided in their efforts to come to grips with the world around them. This requires a person who has the proper perspective, attitude and skills needed to help a person accept his or her disability, and decide to make the most of their remainder of his or her life. Mr. Speaker, the following article speaks to the issue of the proper approach for those who serve the handicapped:

[From Interaction, July 1974]

SERVING THE HANDICAPPED: ATTITUDE, KNOWLEDGE AND SKILLS ARE IMPORTANT

(By Dr. Lillian A. Pennell)

Some volunteers are better qualified than others to work with the handicapped. It is a matter of attitude, knowledge, and skill. But whatever your current qualifications, you can become more capable, more competent, and more productive.

Before getting down to techniques—the do's and don'ts for dealing with handicapped people—you should take a look at how you feel and what you know about physical disability. Maybe this is just not for you. But perhaps it is.

THE IMPORTANCE OF ATTITUDE

Do you see other people as beautiful and capable of self-direction and fulfillment? Or do you see them as blighted and needing someone else to structure their lives? Can you approach the person you work with as one who needs you, as one you need, or both?

What is your understanding of yourself as a person? Are you the type who likes to be with just a few people, or do you love huge parties? Do you do things on the spur of the moment, or do you think through all possibilities carefully before making a decision?

Your feelings toward others and your concept of yourself have much to do with your ability to work with the handicapped.

What is your belief about disability? Do you think of the physically handicapped person as belonging to some broad category of "poor crippled people?" Or is he just a person who happens to have a handicap? Are you one who believes that the problem is brought on by some wrongdoing on the part of the person, or do you see it as an unfortunate event in the normal life process?

What is your understanding of different kinds of disabilities? Do you know the effects of blindness, deafness, cerebral palsy, polio, stammering, epilepsy, amputation of limbs, spinal cord injury, heart disease, organ transplants? Would your present knowledge be sufficient for doing volunteer work with a person with any of these handicaps?

What is your knowledge of rehabilitation? Do you know that people with really severe handicaps often are rehabilitated and do successfully hold full-time jobs? Do you know which agencies offer rehabilitation to the physically disabled? Are you aware that most states have an agency working solely to assist the handicapped to become as physically fit as possible and to obtain training and jobs so as to become taxpayers instead of tax-consumers?

POSITIVE APPROACHES FOR VOLUNTEERS

Here is also what volunteers need to do in working with the handicapped.

Be accepting

As a student volunteer working with a physically disabled person, you must accept him as a person. You cannot ignore the disability, but you can de-emphasize it by focusing your attention on who this person is, what he feels, and what others feel about him. The social and emotional needs of the handicapped differ only in degree from those of the non-handicapped. He is a person just like you with the same kinds of needs and desires. You must accept this.

Be natural

Be just the person you are. If you come across as a phony, your acceptance will be suspect. The disability may raise barriers to easy communication, but these barriers can be eliminated by just being yourself. If you are comfortable with a disabled friend, you will find ways to reduce the impact of the disability and to offer him constructive help with his problems.

Be emphatic

Show empathy, not sympathy. Empathy is the exciting experience of feeling with a person, as opposed to sympathy or feeling sorry for him. An illustration of what not to do comes out of an experience in which I shared. One Saturday afternoon, a group of us who were students in a rehabilitation center were shopping in a small city. Three of us were in wheelchairs, one was on crutches and one was a "walker." We were making our way toward the end of a block when a little old lady suddenly came around the corner. As soon as she saw us, she began to shake her head slowly from side to side. Upon meeting the first wheelchair student, she exclaimed, "What a shame. What a terrible shame! And all of you are so young." Sympathy she had, but empathy there was none.

Empathy, in contrast, can be illustrated by another personal experience. Since I am a quadriplegic, paralyzed in all four limbs, I had a very difficult time learning to move from my wheelchair into bed. The first time I succeeded was a dramatic occasion. My sister and three friends were watching. When I finally inched on to the bed, there were squeals of delight, hugs, and a few tears of happiness. They were really with me, sharing joy in my progress and accomplishment and knowing how I felt inside. Empathy extends in the other direction, too. You feel the anguish of disappointments as well as the joys of success that come to the person with whom you are working.

Use your sense of humor

A genuine sense of humor is displayed by laughing with a person, not at him. Most handicapped people are able to see the amusing elements of their situation, and this insight is a tremendous plus factor in adjustment. You can help with this adjustment by not being embarrassed when an artificial limb squeaks in church or a deaf person misinterprets a statement. A group of students in one rehabilitation center even invents slogans that make light of their disabilities. And after you get to know the person with whom you work, the two of you will share many private jokes. This fosters a feeling of companionship and understanding. Naturally, your sense of humor should not concentrate solely on the disability—it is important in every aspect of life.

Learn to say, "I don't know"

This applies especially in working with the newly disabled person who feels sure he is going to be completely well again. Perhaps he may be, but in most severely disabling situations, there will be residual effects. You have no right to tell the person that you know he's going to be all right. He probably knows better than you do that he won't, and you are simply decreasing the chances of a good relationship by giving unfounded encouragement. Don't pretend and hedge—just say you don't know what the ultimate progress can be (you don't.) What he probably wants is for you to understand his uncertainty and concern and to feel this with him. On the other hand, encourage the optimism he needs for his adjustment if this optimism can be justified.

WHAT VOLUNTEERS CAN DO

Visit the person in his familiar setting

This will give you a better opportunity to get to know him, his interests and his aspirations. He, too, will feel more at ease in getting to know you in secure surroundings. If you are going to visit on a regular basis, find out the time most desirable for him. Be faithful in keeping your commitment. This is especially important for people who are confined to a bed or a building. For them a change in the routine is ever so welcome. Make your visits fun. Plan with him the activities you will do together—play cards or other handwork, discuss special topics. At the same time, allow for spontaneity. Be flexible. You might want to take friends of yours to meet him if it seems there would be mutual interests and benefits.

Take him out for appropriate activities

If you are working in a hospital or another institution, learn the rules concerning persons leaving for outings or visits. Even if there is a rule against it, inquire about exceptions if the person you are working with would like to go out. Before you take a handicapped person outside, become familiar with any special needs and be sure you can supply them. For example, it is rather difficult to fit a folded wheelchair into a small car. Remember to check out steps or other barriers that could present problems for the handicapped.

Only do for the handicapped person what he cannot do for himself

If you are not sure how he feels about your help, ask him. Two men in wheelchairs wrote:

"I think that other people try to help you too much around town. A little help is all right but they try sometimes too hard.

"I hate it when someone tries to do something for me that I can do myself. This of course, comes from well-meaning people who just don't understand. My wife used to even salt my food. If I wanted to try to get up by myself or try something new, I had to nearly yell at the nurses not to help unless I asked for it."

Help remove barriers

Architects and planners seem to share an ecstasy about long flights of steps, an ecstasy that turns into deep frustration for the person in a wheelchair, on crutches or with a heart ailment. Many states now have regulations that require at least one level entrance into government buildings, plus elevators for access to upper floors. Those states without such laws should be encouraged to enact them. Try to influence the designers of non-government buildings (churches are among the worst offenders) to make them accessible. Get in a wheelchair yourself and go around town to see how many curbs you can manage, how many rest rooms you can get into, how many fountains you can drink from, and how many pay phones you can dial. You could organize a survey of accessible public buildings or write articles about architectural barriers.

Prejudice and ignorance also create many barriers. Some people do not realize that blind people see through their ears and hands, that epilepsy is controlled by medication, that deaf persons can read lips better if the speaker talks naturally and does not try to exaggerate lip movement. Discrimination against the handicapped is gradually decreasing. You as a volunteer can speed this progress by helping people to understand the rehabilitation slogan, "It's not what a person has lost but what he has left that counts."

Help with the job hunt when he is ready

Ordinarily the major responsibility for employment will rest with a rehabilitation counselor or someone in a similar capacity, but you may be just the one to help by watching for employment opportunities or providing transportation for the interview.

Learn how to give of yourself

"Most people don't know how to give to another person without making him feel he needs it," wrote one handicapped man. There is no magic formula to avoid that attitude. Your philosophy of man and your understanding of disability are basic to the impression you make on a handicapped person. Such a person is probably overly sensitive to the approach and the reaction of a student volunteer, so just being yourself is very important if you are to come across as real. Remember, too, that the handicapped person has a lot to give to you, and if you don't have some needs that can be satisfied by working with the handicapped, you'll come across as condescending. This concept of giving and needing is a two-way street.

Help the disabled person to set realistic goals

Severely handicapped children set high goals. This has been interpreted as an unrealistic approach demonstrating a wish rather than an ability. You can help by gently suggesting more realistic goals—but do this on the basis of knowledge of what is realistic for him. He may underestimate his potential at times and you can help him build more confidence. It may be that you can guide him to think about where he is at that moment and what the next step should be, rather than thinking in terms of long-term goals. Whatever the direction of his goal setting, you can help him think it through.

Recognize feelings of frustration and depression

For the severely handicapped person there is often a significant amount of emotional damage, and there are always problems of adjustment. There are feelings of dependence, of lack of purpose, and of inadequacy in relating to the opposite sex.

Whenever feelings of this nature are expressed, be sure you recognize them as real. Don't argue or try to talk a person out of his feelings. Just hope that some of the things you and others are doing with him will lead him toward a more positive outlook.

Feel free to discuss religion and faith

Many disabled people feel that one of the basic helps in their adjustment is their religious faith or experiences of a mystical nature.

If the person with whom you are working wants to talk about religion and faith, you should feel free to discuss it, but be careful not to push your ideas on him.

TECHNIQUES FOR TRAINING VOLUNTEERS

Help the volunteer to understand his motives

The initial interview with a prospective student volunteer is very important, no matter what kind of service he wants to perform. If his objective is to work with the physically handicapped, his motive for this should be understood. It should be more than just to do good and make the volunteer feel warm inside. The motive should combine benefits to the student volunteer and to the handicapped person. He should, of course, really enjoy his volunteer work with a disabled person. This enjoyment will enable him to be more helpful and meaningful to the person.

Take them where the handicapped are

Some students who want to volunteer think they want to work with the physically handicapped but have never been around anyone who has a disability. The most logical thing to do is to take them to schools, hospitals, or rehabilitation centers so that they can test their reactions. They should, of course, have the chance to talk with some of the handicapped people.

Let them try "being handicapped"

Put volunteers literally in the disabled person's situation. For example, have them put cotton in their ears to experience deafness; blindfold them and have them try moving around a room; have them get in a wheelchair and push themselves around through rooms and halls, try to get into public rest rooms, or drink from a regular water fountain. Let them try to put on clothes using just one arm.

AND FOR FURTHER INFORMATION

Volunteers For People in Need. Publication Department, IARF, 5530 Wisconsin Avenue, NW., Suite 955, Washington, D.C. 20015. 1972. Price: $2.00.

Handicaps: What Makes It Easier? What Makes It Harder? Compiled by and available from Dr. Lillian A. Pennell, Career and Personal Counseling Center, 135 North Coalter Street, Staunton, Va. 24401. 1960. Price: 50 cents.

When You Meet a Handicapped Person. National Easter Seal Society, 2023 West Ogden Avenue, Chicago, Ill. 60612. Free.

Levin, Stanley. The State of the Art of Volunteering in Rehabilitation Facilities. Goodwill Industries of America, Inc., 9200 Wisconsin Avenue, Washington, D.C. 20014. 1971. Price available upon request.

McDonald, Eugent T. *Understand Those Feelings: A Guide for Parents of Handicapped Children and Everyone Who Counsels Them.* Stanwix House, Inc., 3020 Chartiers Avenue, Pittsburgh, Pa. 14204. 1961. Price: $5.00.

Henderson, Stephen R. *One-to-One Relationships: Some Suggestions for Volunteers.* Career and Personal Counseling Center, 135 North Coalter Street, Staunton, Va. 24401. 1973. Price: 50 cents.

Establishing A Volunteer Department in a Rehabilitation Center. (Rehab. Monograph XXXIII). Prepared by Ruth O'Brien. Institute of Rehabilitation Medicine, 400 E. 34th Street, New York, N.Y. 10016. 1967. Price $2.50.

Johnson, H. C. "Teen Agers. . . . A Real Challenge!" *Crippled Child.* XXX (6), pp. 13–15. 1953.

Meyerson, L. "Psychological Aspects of Sensory Disability." *Annals of the New York Academy of Science.* LXXIV, pp. 128–135, 1958. Pennell, L. A. "The Relationship of Certain Experience to Psychological Adjustment in Persons with Spinal Cord Injury," Doctoral Dissertation, University of Florida. 1969.

Wenar, C. "The Effects of Motor Handicap on Personality: 1. The Effects on Level of Aspiration," *Child Development.* XXIV (5), pp. 123–130. 1953.

Audio-visual resources can be found in the *Catalog of Audiovisual Materials Related to Rehabilitation,* Materials and Information Center, Alabama Rehabilitation Media Service, 216 Petrie Hall, School of Education, Auburn University, Auburn, Ala. 36830. 1971. Price available upon request.

REMARKS ON H.R. 69

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. CONTE. Mr. Speaker, the conference committee on H.R. 69 has done a commendable job. Over almost a month and a half, through 18 days of meetings, the committee has hammered out what is, on the whole, an excellent piece of legislation. It is a "compromise" in the best sense. That is, it mandates change, but provides against its being disruptive. And it provides a reasonable reconciliation of some deeply and sincerely-held differences.

Overall, the bill extends, revises, and in some cases, reforms major educational programs. In most instances, the conference has provided for 4-year extensions in place of the House provision for 3-year extensions. This will give badly needed stability to these programs. The bill also provides for "forward funding", and the conference reinforces those provisions. This will give equally badly needed predictability so far as the resources that State and local agencies will have to run their programs.

While there was a good deal of debate in the House over the new title I distribution formula, I think it is a reasonable one. The problems identified in our debate had to do with our not having the technical know-how to identify the causes of educational disadvantages and enumerate the children so disadvantaged without massive testing programs. The conference's provision allowing a number of local education agencies to participate voluntarily in experimental projects of the National Institute of Education may give us the experience we need to improve the formula in future legislation. The hold-harmless provision for State education agencies' programs for handicapped, migrant, and neglected and delinquent children is one of the provisions against disruptive change that make the report a solid one.

Impact aid programs are to be gradually reformulated. This is a long-overdue move, but, according to the conference report's provisions, will be phased in so that school districts will not have to face immediate, drastic change. And I, for one, feel that the report's provision for an assessment of present bilingual education programs and future needs is essential.

The provisions providing for protection of student privacy, prohibiting the unauthorized release of student records, and permitting parents and students over 18 the right of inspection of records is of major importance. Educational research and testing are essential, but are far too imprecise for us to be careless about their dissemination and use.

I also think that the provisions added by the conference to further equal educational opportunites for women are long overdue and strengthen the House bill considerably.

I voted against the House amendments limiting the transportation of students to implement desegregation plans because of the Supreme Court's decision in Brown against Board of Education. I do recognize that a majority of Members of the House feel differently about these amendments and that those feelings represent the deeply held views and beliefs of large numbers of their constituents. The House Members of the conference have done a solid job of representing the basic views of the majority of the House while finding a ground for reconciliation with the amendments adopted by the Senate. The result is a reasonable one. It does not represent my own views, but it is a reasonable compromise of the views of many. Certainly, the passage of H.R. 69 cannot be further delayed. It is important legislation to the very children in whose name we are trying to provide more equal educational opportunity.

JOHN HEINZ REPORTS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HEINZ. Mr. Speaker, I insert the text of my most recent newsletter to my constituents in the 18th Congressional District of Pennsylvania. This is in accordance with my wish to keep the voters of Allegheny County fully informed of my activities in Congress:

AUGUST 1974.

DEAR FRIEND: Washington will be a little hotter than usual this summer even if the weather is cool. However, it'll be the work that keeps temperatures up, and there's plenty of it. I'll be right here. And if you're in Washington, I hope you'll come to see me. I recently enjoyed the visit of members of the Presidential Classroom (pictured from left to right, Samuel Lema, Marion Thompson and Mr. and Mrs. M. Cammarata) to discuss a number of current issues.

It concerns me that our country isn't making the progress we hope for. Neither is government, and what's needed is stronger leadership in Congress and the White House to undertake the tough jobs such as reforming welfare, eliminating election abuses, making taxes fairer and stabilizing the economic picture. Reform inside Congress is part of the answer, and it is time to streamline the House of Representatives into a functioning, twentieth century institution which represents people intelligently and effectively. But before we move on these matters, Congress will first have to resolve the impeachment question. As this report goes to print, no report or recommendation has yet been made by the Judiciary Committee. However, if the Committee votes for impeachment, an impeachment resolution could reach the House floor in late August. My difficult responsibility then will be to apply the right standard of judgment and to vote solely according to the facts and evidence without regard to party or bias. I think most of you want me to "call it as I see it" and agree that resolving the impeachment question and completing the full investigation of the Watergate scandal will help get government moving ahead for the people it should serve . . . you!

STOPPING INFLATION: TWO ROLES FOR GOVERNMENT

It doesn't seem right to me that the wholesale cost of meat is 15 percent lower than a year ago, while prices to you at the market are down only two percent, according to USDA figures. People aren't getting the benefit of drops in costs to middlemen but they are quick to feel the surge of production and processing cost increases. Skyrocketing prices on food, cars, gasoline, taxes and other items are wrecking family budgets and the security of those on fixed incomes.

Good solutions are hard to come by. We are learning that wage/price controls created more problems than they solved . . . and that more direct government regulation isn't the answer. There are, however, at least two steps—neither of them easy—which Washington can take that I believe will help curb inflation. First, the federal budget should be balanced. Second, responsible enforcement of antitrust laws already on the books will put downward pressure on prices and save small businesses from being squeezed out; in turn, small business provides the jobs, opportunity and competition we all need for a healthy economy.

Happily, Congress took a long overdue step in recently passing a Budget Control Act to set a federal spending ceiling. The effect will be to force us to set better priorities and save taxpayers' money. I'll fight to give health, environment, education and mass transit proper attention, while trimming foreign aid, the military, waste and unnecessary bureaucracy.

We're also moving on antitrust, whose enforcement has been weakened over the years by government letting down its guard. The result: special interest exemptions . . . and a heap of bad, discriminatory regulation. For this reason, I recently organized and now chair a 17-member Republican Task Force on Antitrust and Monopoly Problems. As a result of our work the House voted in June, 216–185, for my amendment to give the Justice Department's Antitrust Division their first manpower increase in four years. Extensive Task Force hearings on food and agriculture are already underway, and we expect to report our findings and recommendations in early September with energy industry and news media proposals to follow shortly afterwards.

Most government controls often wreck opportunity, competition and the basis for an open and dynamic U.S. economy. I believe the responsible alternative is preserving a competitive marketplace where all Americans may buy and sell freely.

POLL SHOWS 18TH DISTRICT PEOPLE WANT WASHINGTON TO ACT

In an effort to learn more about your concerns, I sent questionnaires to all 174,000 households in the 18th District. It is encouraging that more than 28,000 people answered and that many of you approved of the actions I have undertaken in your behalf. Your thoughts and opinions will be very useful to me in the months ahead. Here's the questionnaire and your responses:

[All numbers are in percent]

1. Oil profits: I don't think oil companies should get rich off an "energy crisis" that has caused hardship to so many, I've strongly advocated an excess profits tax on the oil industry and have introduced legislation to permit reasonable profits but prevent profiteering. Do you approve of this approach?

Yes, 79; No, 8; unsure, 13.

2. Environment vs. energy? I believe clean air, water and energy are vital resources we must conserve. While I support limited changes in the Clean Air Act to help attain energy self-sufficiency, I'm opposed to gutting clean air laws that protect the public's health. Do you agree?

Yes, 80; No, 5; unsure, 15.

3. Social security taxes: Someone earning $12,000 a year pays a $702 Social Security tax (the rate is 5.85%). I think this is a tremendous burden. By cutting the rate, increasing the base, and using some funds from other tax revenues to make up the difference, we could lower this tax on working people. In principle, do you agree with this idea?

Yes, 71; No, 14; unsure, 15.

4. Attacking high prices: Wage and price controls haven't worked—except on wages. I think we should attack the real causes of inflation such as stupid wheat deals, wasteful spending, government deficits financed by printing money, and export policies that cause shortages, In addition, I am urging new tough anti-trust laws to force the kind of competition that cuts prices. Do you approve?

Yes, 83; No. 2; unsure, 15.

5. Federal spending priorities: I have voted twice to put a brake on total Federal spending. Also, I have tried to hold the line or reduce military spending, foreign aid, and farm subsidies. Besides checking to see if I'm on the right track, I'd like to know your priorities on how you want your tax dollar spent. Mark following programs: More, Less, Same:

	More	*Same*	*Less*
Education	54	30	16
Welfare	22	33	45
Social security	49	38	13
Manpower training	33	35	32
Foreign aid	2	10	88
Public works	26	37	37
Housing	34	34	32
Health	63	29	8
Mass transit	67	21	12
Military spending	11	28	61
Sewers	50	40	10
Revenue sharing	35	40	25

6. Campaign financing: We need changes to make elections fairer and more competitive. Congress will soon vote on public financing of both primary and general elections for the U.S. Senate and House of Representatives. Do you favor this kind of support from Federal tax revenues?

Strongly favor	27
Mixed feelings	35
Strongly oppose	24
Unsure	14

7. Service to you: I'm presently receiving (and trying to read!) between 500 and 600 letters and telegrams a week, plus many phone calls. Many of these concern questions or problems of individual interest. If you have been in touch with my office during the past year, how would you describe the service you received?

Excellent, 16%, Satisfactory, 18%, Unsatisfactory, 2%. No contact or not responding, 64%.

If you checked "unsatisfactory," I would appreciate your notifying me of the specifics by letter addressed to: Congressman John Heinz, Constituent Service Complaint, 324 Cannon Bldg., Wash., D.C. 20515. This will help me and the Congressional staff serve you better. Thanks!

8. National health insurance: My Public Health and Environmental Subcommittee is working on national health insurance. I feel strongly that Congressional action is overdue to protect Americans in the event of catastrophic medical problems. How do you feel?

Strongly agree	54
Somewhat agree	25
Don't agree	7
Unsure	14

9. Transportation flexibility: I can't help but feel our priorities are wrong when we've spent $60 billion of your tax money on interstate highways since 1958 and less than 1/10th of that amount on mass transit and railroads. Do you favor my efforts to change this?

Yes, 72; No, 6; unsure, 22.

10. Food prices: The Labor Dept. has told us the average family is spending $60.65 for the same weekly groceries $50 bought a year ago. Those of you I talk to seem to think store prices are higher than this. How do the government's figures seem to you?

Much too low	36
Too low	39
About right	23
Unsure	2

The question of impeachment: As you know, the House Judiciary Committee is investigating impeachable offenses by the President and whether he should be tried by the Senate. Sometime this year, I expect to be called upon to vote on these questions. The House of Representatives has a strong legal, moral and political responsibility to be influenced only by the evidence and findings from this investigation. Nevertheless, many of you undoubtedly have strong feelings on these subjects and may wish to share your thoughts with me.

For impeachment	29
Against impeachment	28
Use your judgment	30
Resign	5
Not responding	8

OOPS! PARDON MY MISTAKE

I make my share of mistakes. But some good may come of one I made recently. More than a year ago I introduced H.R. 636, a bill to simplify and encourage reform of our complicated and often unfair tax code. Similar to legislation introduced by others in the last Congress, my bill would force Congress to take a fresh look at virtually all the federal tax laws by requiring their periodic review and renewal. This follows the pattern of legislation in education, defense, health, etc., where laws are enacted for several years, after which they expire and are re-examined by Congress to see what changes are needed.

Imagine my surprise when a number of church groups began to attack the bill because, contrary to my intention, it appeared to threaten charitable contributions. I strongly believe that charitable contributions are vital to strengthening the moral, educational and cultural backbone of the nation and should be kept. And because of this confusion over H.R. 636, I have withdrawn my support of it to look for superior approaches to tax reform.

In seeking better legislation to make taxes fairer, I have become convinced that our present tax laws actually discourage most people from giving to churches and other worthy charitable causes. To change this, I have written H.R. 15722, "The Religious and Charitable Donor's Tax Credit Act," which would permit each taxpayer a tax credit equal to half the value of charitable gifts up to a top credit of $500. With this legislation people at all income levels can afford to support their church or charities. If you would like additional information on this new approach, please don't hesitate to let me know.

HOW TO SUCCEED IN WASHINGTON AT 74

Our Washington office had the decided honor and pleasure of having 74 year old, W. James Steen of Mt. Lebanon, serve as an intern during May. Mr. Steen is a former Duquesne Light employee and brought to us important insights into how Washington treats the aged. Thanks to his effort, I have prepared a new legislative way to give substantial tax relief to aged homeowners and renters. Mr. Steen's idea is to federally fund state rebates to the aged on a sliding scale based on their income. This legislation probably has a better chance for passage since it avoids the bottleneck of the tax-writing Ways and Means Committee.

FROM THE ACTION DEPARTMENT

Energy.—Remember the Arab oil embargo and lines at gas stations? Well, during last winter's "energy crunch" I pushed for legislation to save our oil supplies from being exported by profiteers and to protect small manufacturers of medical and other petrochemical-based items from being squeezed out by the big corporations which control petrochemical supplies. I also pressed for across-the-board emergency price controls on oil. Unfortunately, no energy legislation ever became law. And while the crisis has receded . . . for now . . . it is shortsighted and dangerous that Congress has taken no significant action to develop a bill or energy policy worthy of the name.

College Student Loans.—Added financial relief is now available to students from middle income families. H.R. 12253, a bill identical to one I introduced earlier, recently became law. It provides guaranteed student loans of up to $2500 to those from families with incomes as high as $20,000, and partially eliminates the unfair "needs analysis". Under the old law, some people with the same income and circumstances as others were unfairly penalized just because they were frugal enough to save money. This troublesome and discriminatory test is no longer required for loans up to $2000.

Mental Health.—As you read this the House should be voting on H.R. 14214, which includes H.R. 11518, the bill I wrote to develop better run community mental health centers and ensure broad support for continuing an expanded program. I especially appreciated receiving the National Association of Mental Health Award for "effective leadership" in mental health. On other health bills recently written or cosponsored by me, the Narcotic Addict Treatment Act, the Diabetes Mellitus Act and the Alcoholism Treatment and Prevention Act and the Research on Aging Act, have all been signed into law by President Nixon.

Flood Aid and Prevention.—Remember Agnes? Problems from the flooding are still being solved. Recently, I was pleased that the joint efforts of my office with local, state and federal officials resulted in $4.5 million flood renewal funds going to the McKees Rocks area. We are also working with the Army Corps of Engineers to accelerate flood action plans for Girty's Run and other Allegheny and Ohio River tributaries.

Rape Prevention and Control.—I recently reintroduced my bill H.R. 10848,, with 67 cosponsors to assure rape victims proper and dignified care by police, hospitals and courts. I expect hearings to be scheduled soon.

Social Security (Mal) Administration.—My meetings with Social Security officials to discuss occasional, but too frequent, unprofessional and inhumane handling of disability applicants have produced promises and some results. More careful attention to people's needs and questions is needed while their requests are being processed.

MY CONGRESSIONAL WORKSHOP: CAN YOU COME?

I've sent post cards to announce legislative meetings in schools, churches, libraries and town halls. Please come if you have questions, complaints or something to say. At night I am in Millvale meeting Father Pergl. I'd like to see you, too! Sessions are open, off the cuff . . . not partisan or campaign related. Frequently, I am invited to civic or neighborhood organizations in the same community, and if you would like me to come to your group, please call Barbara Buscemi at (412) 562-0533. This summer and fall, I'll almost certainly be in your community. Cards announcing my workshops usually arrive a week in advance. Hope to see you.

LET ME KNOW

This newsletter is sent to every household in the 18th District. Every once in a while "postal patron" mailings go astray or get mixed with other mail, so some people don't always see it. If you know of someone or several families in the District who do not receive my newsletters, please let me know through my Pittsburgh office. Thank you, have a pleasant summer, and please contact me if I can be of service.

Sincerely,

H. JOHN HEINZ III,
Your Congressman.

MOSCOW'S "MED" MOVES

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. DERWINSKI. Mr. Speaker, as a member of the Foreign Affairs Committee, I have been especially interested in the developments inherent in Cyprus, and in the complications that this poses for the NATO alliance as it does for Greece and Turkey. The obvious interest of the Soviet Union in taking advantage of this crisis in some fashion is quite predictable.

One of the most thorough commentaries of the crisis are the opinions expressed in a column by Alex Seith who was past president of the Chicago Council on Foreign Relations, and incidentally, is a leader in efforts to structure reform of the Democratic National Committee and the Democratic Party. Mr. Seith has a well-deserved reputation for his interest in foreign policy developments, and he has not yet succumbed to the neo-isolationism movement that is so prominent in the Democratic congressional ranks.

Mr. Seith's article, one of the better commentaries on the Cyprus situation, was published in the Star-Tribune on July 28.

The article follows:

[From the Chicago Star-Tribune, July 28, 1974]

MOSCOW'S "MED" MOVES

(By Alex R. Seith)

Has Super-K done it again? Has he produced the peace in Cyprus and averted diplomatic disaster for America?

To many "men in the street" neither the question nor the answer really matters. To them Cyprus is but another screaming headline telling of troubles in a distant place about which most Americans know little and care less.

At a time when inflation is gnawing at everyone's pocketbook and global trouble spots seem innumerable, perhaps it is little surprise if news of war on a Mediterranean island is widely ignored.

Yet, the global balance of power between Russia and America could be massively shifted by the fate of this nation of barely 650,000 Greek and Turkish inhabitants.

Because of Henry Kissinger's truce in the Mid-East, Soviet power and prestige in the region suffered enormously. Although Egypt had been the Kremlin's client state in time of war, it had become America's friend in time of peace.

America is seen as the savior of Egypt's prestige and the provider of its economic rebirth. In Lebanon, Jordan and Saudi-Arabia the Soviets were outmaneuvered by America's deft moves in the last four months. Despite Russia's continuing influence in Iraq and Syria, its status in the Mid-East was—before Cyprus—at its lowest ebb in more than a decade.

Suddenly the Cyprus conflagration has caused the Kremlin to conjure up new dreams of domination in the Mediterranean. For America trouble in Cyprus is a "no win" proposition, while it is a "no lose" prospect for the Soviets.

With an 80 per cent Greek population, Cyprus has been constantly pushed toward political union with Greece. Turkey, concerned for the 20 per cent Turkish citizens of Cyprus, has warned that a joinder of Cyprus and Greece would mean war with Turkey.

Greece and Turkey are both crucial allies in the NATO alliance. With key refuelling and docking stations Greece offers strategic bases for the U.S. Sixth Fleet. Turkey, having a long common border with the Soviet Union and a long history of resistance to Russian imperialism, is among America's most well-armed and most militantly anti-Soviet allies.

Together Greece and Turkey are essential to America's efforts to keep the Mediterranean from becoming a Russian lake and to keep the Mid-East from becoming a Soviet domain.

Yet, during the fighting on Cyprus the Soviets seek to reverse both recent and remote history by allying themselves with Turkey. In offering military backing for the Turkish invasion of Cyprus, the Soviet motives were both devious and clear. The Kremlin wanted to show the Turks that traditional "enemies" in Moscow had become friends. And in the bargain the Soviets wanted to weaken NATO, deprive the United States of key bases in the Mediterranean and re-establish fading Soviet power in the Mid-East.

With daily and almost hourly shifts in events, it is impossible to predict if the Soviets will succeed.

But their latest attempt to divide the west and dominate the Mid-East should be a fresh reminder for the inattentive and the unsuspicious.

For the inattentive it shows how many parts of the world, even the obscure, are part of a global power struggle. For the unsuspicious, it demonstrates that detente does not mean the Kremlin will desist in pursuing imperial power.

PRICES IN PERSPECTIVE

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. TIERNAN. Mr. Speaker, on June 16, 1974, Mobil Oil Co. ran an advertisement in the Washington Post entitled "Prices in Perspective." It purports to show that, in fact, gasoline prices have not risen as astronomically as everyone knows they have. The advertisement compares the prices and the increases in prices of gasoline to such human necessities as a pack of cigarettes, a washing machine, and a one-line classified ad in the New York Times. I will not comment on the folly of such a comparison; that is rather obvious. Rather, I will limit my criticism to the conclusions reached by Mobil from a study of the aforementioned statistics.

Mobil claims that "the average gasoline prices had risen less than 25 percent over the 13½ years, covered by the table, from the spring of 1960 to last fall." That is true, but I do not believe it tells the whole story. I would like to put "Prices in Perspective" in its proper perspective. First, from the year 1960 until 1970, the average price of a gallon of gasoline increased by 16 percent compared to the average increase in prices of the table's articles of 20 percent. So the increases were roughly the same. From the year 1970 to the present however, the price of 1 gallon of gasoline has increased by an astronomical 50 percent, compared to an average increase in the others of 20 percent. In other words, in that 4-year period gas increased at a rate 150 percent greater than that of the other necessities mentioned in Mobil's statistics. Although this increase does not seem out of line to Mobil, it appears blatantly so to me.

If Mobil is seeking to ward off criticism through advertisements such as these, I wish them the best of luck. Perhaps their money could be spent on more worthwhile undertakings, such as lowering the price of their gasoline.

[Advertisement in the Washington Post by Mobil Oil Co., June 16, 1974]

PRICES IN PERSPECTIVE

You don't need a table like this to remind you that the cost of living has gone up. Still, it's another way of looking at those high gasoline prices you hate to pay.

What the table doesn't say is that average gasoline prices had risen less than 25% over the 13½ years from the spring of 1960 to last fall.

Then came the Arab oil embargo. Crude oil prices skyrocketed. Gasoline prices shot up by 10 to 15c a gallon in a matter of months.

Even over a 14-year span, the gasoline price increase doesn't seem out of line with the price increases of the other familiar items listed above. That doesn't make gasoline prices more palatable, but perhaps it puts them in better perspective.

Average price	1960	1970	1974	Change (percent)
Bacon (1 lb)	$0.64	$0.98	$1.25	+95
Bread, white (1 lb)	.20	.24	.34	+70
Cigarettes (1 pk)	.27	.41	.47	+74
Classified ad (1 line) (New York Times)	2.30	3.30	4.06	+77
Dental care (1 filling)	5.08	7.33	8.99	+77
Eggs (1 doz)	.56	.57	.78	+39
Gasoline, regular (1 gal)	.31	.36	.54	+74
Hose, women's (1 pr)	1.52	1.52	1.39	−9
Movie admission (adult)	.95	1.81	2.16	+127
Roast, rib (1 lb)	.81	1.12	1.55	+91
Shoes, men's (1 pr)	15.24	20.40	24.71	+62
Toilet tissue (650-sheet roll)	.09	.10	.13	+44
Washing machine	239.11	226.83	238.19	−1
Vitamins (100 capsules)	3.16	2.78	2.76	−13
Consumer Price Index (1967=100)	89	115	144	+62

Sources: U.S. Bureau of Labor Statistics, Platt's Gasoline Price Index, N.Y. Times, Tobacco Tax Council. (Prices are latest comparable figures available.)

BICENTENNIAL FOG CLEARING

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mrs. BOGGS. Mr. Speaker, as a member of the American Revolution Bicentennial Administration Policy Board I would like to comment on James J. Kilpatrick's article in the Washington Star-News June 10, entitled "Bicentennial Fog Clearing."

Since the appointment of John Warner as Administrator of the Bicentennial Administration 4 months ago, there have been definite signs of increased activity and cooperation on a national level, signs which have been long overdue.

John Warner is known to many of us personally here in the Congress as an outstanding public servant who is dedicated to the belief of putting 100 percent of himself into his work. I am pleased that he is at the helm, and I believe that we can all look forward to a constructive, well-run Bicentennial observance, under his direction.

Mr. Speaker, I insert Mr Kilpatrick's article in the RECORD at this point:

BICENTENNIAL FOG CLEARING

(By James J. Kilpatrick)

John W. Warner, former secretary of the Navy, two months ago took over the helm of the American Revolution Bicentennial Administration. Friends of the bicentennial may wish devoutly, if vainly, that Warner had taken the helm two years ago instead. There is hope that the bicentennial effort at last is gaining momentum.

This observer expresses hope. It is something short of conviction. If Warner manages to pull this effort together, and to achieve a bicentennial observance that appropriately celebrates the past and holds meaning for the future, he will have brought off a miracle of public administration.

When Congress first authorized an official observance of the 200th anniversary of American independence, a bicentennial commission was brought into being. Lyndon Johnson window-dressed the commission with some first-class men and women, and thereafter neglected the body altogether. Richard Nixon treated the commission even more shabbily: He made it a political football and indifferently kicked it around.

By the summer of 1972, just four years before the Great Anniversary, the commission was wholly demoralized. Its chairman could provide no respected leadership. Its director resigned after a management study spoke of his "irritating and insensitive, idiosyncratic behavior." The commission was foundering in politics. The staff lacked any clear sense of direction. In December of 1972, a coldly critical report from the House Judiciary Committee left the ARBC little more than a sinking hulk.

Congress then proceeded to scrap the old commission altogether. In its place, the new American Revolution Bicentennial Administration emerged. The President announced Warner's appointment as director in March, and on April 11 Warner moved into the ARBA's office on Jackson Place. This correspondent found him there last week.

The new skipper is a pipe-smoking, 47-year-old Virginia lawyer, tall, dark-haired, ruggedly handsome. He ought to be playing one of those doctor roles on TV. His first task is to get his new 11-member board in operation. By the end of July, he expects also to have a 25-member advisory council in being. He has drafted Sydney H. Eiges, a top executive of NBC, as his new communications man. He has named James Gregory Barnes as his executive officer. Both appointees, incidentally, are Democrats.

Warner is determined to free the ARBA of its last barnacles of partisan politics. By law the advisory council can have no more than 15 members of the same party. Warner wants both his Republican and Democratic members drawn from a broad public spectrum, and he expects them to work. Their first task may involve passing judgment upon the quality, good taste, and appropriateness of products submitted for ARBA licensing.

The licensing program, not yet publicly announced, is expected to raise several million dollars a year for redistribution to state and local bicentennial committees. The general idea, subject to board approval, is for the ARBA to grant the use of its emblem and its endorsement to manufacturers of everything from inexpensive souvenirs to costly furniture. Warner has no qualms about industrial participation in the bicentennial observance. He wants everybody to get into the act.

Except for the licensing program, the ARBA itself will operate nothing. Its task, under the new law, is to stimulate and to coordinate the efforts of others—chiefly the 1,500 to 2,000 local activities. He is not much concerned about festivals and fireworks; these, he believes, will pretty much take care of themselves. His larger concern is for a popular, nationwide re-examination of the values of 200 years ago in terms of their application to the century ahead. He wants a "do-it-yourself" bicentennial, with a minimum of governmental guidance and direction.

Not much time remains. Warner is like a destroyer captain, ordered into action before his new ship has filled its crew or secured its hatches. He inherits a scattered convoy and chests of abandoned maps, charts and canceled orders. The decks are awash, but the fog is lifting and the skipper seems to know where he is taking his ship. Those who treasure the last quarter of the 18th Century will pray he brings her into port on time.

TERMINATING MILITARY AID TO CHILE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. HARRINGTON. Mr. Speaker, today the Foreign Affairs Committee began its markup of the administration's foreign assistance request for fiscal year 1975, a program which includes many provisions with which I have found disfavor. As a result, I intend to offer a series of amendments, in committee, in an effort to correct what I view as some of the program's major deficiencies. Primary among the faults of the administration bill is the military assistance request for the junta in Chile, a request which stands as a nagging reminder of a foreign policy at odds with itself. The proposal for $21.3 million worth of military assistance grants and sales credits to Chile represents to me an unfortunate continuation of an American policy to influence the internal affairs of Chile, to the detriment of both the Chilean people and the principles of freedom we claim to stand for in the world. For this reason, I intend to offer an amendment which would unconditionally terminate all forms of military assistance to the Chilean junta.

It is with great regret that I note the reports from Santiago in this morning's newspapers that military courts, which have been functioning in Chile since the coup last September, have convicted 60 persons—and handed out four death sentences—for the essentially political offense of belonging to a political party. It is even more distressing to realize that such an occurrence has not been uncommon in post-Allende Chile, as a series before the Subcommittees on Inter-American Affairs and International Organizations and Movements amply documented. However, my purpose here is not to explore the many-faceted internal repression that the Chilean people face. It is not out of a lack of sympathy, but rather a recognition I sense that the fundamental problem in Chile runs deeper than the violations of civil rights inflicted by the current military leadership, that I focus my remarks on American foreign policy toward Chile.

While some of the basic facts about events leading up to the September 1973 coup remain in doubt, it seems evident from our policies that the United States welcomed the military overthrow of President Allende. Basic economic benefits to Chile have once again begun to flow, after a period of economic estrangement while Allende was President. For example, Public Law 480 commodity sales and grants—essentially a form of economic assistance—totaling $37 million is planned for fiscal year 1975, compared to only $2.5 million just 2 years ago. In addition, shortly after the coup, the first major commodity loans extended to Chile in several years, totaling $52 million were made by several lending institutions.

Both this rapid infusion of economic assistance following the military takeover and the rather deliberate reduction in aid during the Allende period, add up to a policy designed to foster the fall of the democratically elected Allende government.

Even if nothing else were done in our name there, this policy of economic isolation forces on the United States a share of the responsibility for the situation in Chile today.

My major concern, however, is not with changing our economic assistance policy. I do not favor the use of humanitarian aid programs as a political tool against the military junta, just as I did not favor the use of these programs as political leverage against Allende. What is more alarming, it seems to me, is the dramatic increase in U.S. military aid to Chile since the advent of the junta. From a modest $10 million worth of foreign military sales credits in fiscal year 1972, the administration is now requesting more than double that amount. Furthermore, Chile is now eligible to purchase sophisticated jet aircraft. A grant training program of Chilean military officers continues, as does the presence of an American military assistance advisory group—MAAG—in Santiago. Even to continue military aid at existing levels, in the face of the military coup, indicates a basic insensitivity to the cause-and-effect relationship of our military support in a foreign country and the direction of its government. And to seek large increases in such aid programs reveals a conscious attempt to strengthen and bolster a repressive and illegitimate government.

Some have argued that a conditional cutback of military aid, linked to an improvement in the political situation in Chile, would be the most responsible way for us to exercise a positive influence. While I wholeheartedly support the goals of furthering human rights, such a policy results at best in a wrist slap to the junta, especially when our own administration appears committed to provide military aid regardless of the internal political situation. Such legislation would only aggregate the perception that Congress can only assert its feelings about critical issues but must, in the end, settle for an administration disregard of these protestations.

I prefer to see the Congress act in a more positive and forceful manner. We must demonstrate to the ruling junta in Chile not only that the United States no longer countenances their internal policies but that we no longer actively support their continued rule of force. A complete and unconditional termination of military aid to Chile would lend veracity to our assertions of freedom and democracy, with resultant positive effects elsewhere in Latin America and the world.

Our "national security" is clearly not dependent upon a continuation of our military aid to Chile. The stability of South America is likewise not kept in balance by the $21.3 million worth of military aid proposed for Chile. The security of Chile from external attack is not guaranteed by our assistance program, as there is no identifiable external threat. The logical conclusion is that our military aid policies do nothing more than help the junta strengthen its grip on the people of Chile.

THE MILITARY AID PACKAGE

The largest single item requested for Chile for fiscal year 1975 is $20.5 million in credits for purchases under the Foreign Military Sales Act. This is more than double the credits authorized in fiscal year 1972, and represents a significant increase over the $15 million in credits extended in fiscal year 1974. Even more important, however, is Chile's recently acquired eligibility to purchase sophisticated jet aircraft. Last June, President Nixon waived the restriction on such sales for five Latin American countries, including Chile. Defense Department reports indicate that Chile is interested in ordering 16, and possibly as many as 36, F-5E aircraft.

Although Congress must authorize the amount of foreign military sales credits extended to Chile, as well as to other countries, it is virtually impossible to control two aspects of U.S. military assistance. The most important of these are direct government-to-government cash sales. No congressional oversight of these arms sales is provided, and reports from DOD indicate that recent sales have included jet trainer aircraft, as well as ammunition and spare parts.

The second significant and undercontrolled source of arms are commercial sales directly from U.S. manufacturers, subject to the grant of an export license by the State Department. We have no way of knowing in advance the extent or nature of these sales. An examination of previous sales, as reported by the State Department, indicates the export to Chile of such items as pistols and revolvers, cartridges and ammunition, and riot control agents.

Another "unreported" component of our military assistance to Chile consists of $626,500 requested for fiscal year 1975 to fund a 15-man military assistance advisory group—MAAG—an item which does not appear in the foreign aid authorization bill now before the Congress. As a result of authority derived from a 1926 law, and years of acquiescence by Congresss, the supporting funds for MAAG's in Latin America, unlike other countries, are included only in the defense budget. Nevertheless, these military missions perform the basic administrative tasks associated with the grant military assistance and foreign military sales programs currently before the Foreign Affairs Committee. According to the statement of Adm. Thomas Moorer before the Foreign Affairs Committee on May 23, 1973, the chief of each MAAG, in addition to processing military assistance requests, training quotas and sales agreements, "serves as the Secretary of Defense's representative with the Ministry of National Defense and is a high-level adviser to the Military Establishment of the host country." This function was described more succinctly in a State Department position paper submitted last year to the Senate Foreign Relations Committee:

> . . . they promote the sale and use of U.S. military equipment.

The delicacy of undertaking such a relationship with the military junta in Chile has been underscored by the recent visit of Secretary of the Army Howard Calloway to Chile and other Latin American countries. As my colleague, Congressman FRASER, has pointed out, this visit with the military leaders in Chile has lended support and credibility to the military government there. I also feel that the Secretary's contacts with the U.S. MAAG personnel in Chile reassert the unfortunately close relationship among the Defense Department, American military personnel stationed in Chile, and the Chilean military junta.

Personal ties between the militaries of our two countries do not end there. As has been reported previously, six high ranking Chilean military officers are graduates of the U.S. Southern Defense Command School of the Americas, in the Canal Zone. The administration aid request for fiscal 1975 seeks $800,000 to continue this and other training programs. Last year, 259 Chileans were trained at the Army school; courses for this year will include flying operations, communications, administration, and the studiously open-ended "military techniques and practices."

Several justifications have been offered for this wide variety of military aid, a considerable increase over expenditures before the coup. Whatever logic exists for providing more military assistance to Chile seems to be more than counterbalanced by the detrimental impact of pouring arms and munitions into the hands of a demonstrably repressive military junta.

First, the Defense Department has indicated that aid to Chile is "simply a continuation of the long standing and friendly relationship between the U.S. Armed Forces and their Chilean counterparts, and reflected our mutual security interest and a Chilean preference for continuing this relationship." It is almost unbelievable that the administration has not been fit to reevaluate that "relationship" in light of the violent overthrow of the democratically elected Government of Chile that was engineered by the military. Our very recent experience in Greece during the Cyprus crisis, in which a threatened withdrawal of American military aid was seen as a significant factor in deterring all-out war and fostering reestablishment of civilian government, should have demonstrated that it is no longer consistent with our national interest to blindly ply arms into the hands of military governments.

A related justification for our military assistance to Chile came from Vice Adm. Ray Peet, in hearings of the foreign aid bill before the Foreign Affairs Committee. He said that it was necessary to continue our military assistance programs at the requested level in order to secure U.S. influence with the Chilean regime. This same argument has been posed time and time again, but the payoff never seems to materialize. To gain some minimal foothold in the minds of the military men now running Chile seems a dubiously small benefit compared to the moral and diplomatic cost of supplying those leaders with the tools to strengthen their repressive hold on the Chilean people.

We can send the junta a message. Only if we terminate our military aid to Chile will the junta know we mean to stand behind our calls for internal reform. It would be a more positive influence to withdraw our military aid, to show our fundamental disagreement with the course of events in Chile, than to follow the unproven logic of gaining influence through arms sales.

A third argument that was presented to the committee by Secretary of Defense James Schlesinger during the hearings on this bill holds that a termination of U.S. military assistance to Latin American countries would "simply encourage them to make their military purchases elsewhere. This is inconsistent with a foreign policy which seeks strong regional associations with the nations of Western Hemisphere." Later he states that we ought not "leave the supply of arms largely to those outside this hemisphere." The facts surrounding possible arms sales to Chile from foreign countries clearly refute these assertions. Of the major weapons suppliers besides the United States, none appear as willing as this administration to provide arms to the Chilean junta. The British Government announced, on April 10, 1974, a termination of military aid to Chile. No new arms exports were to be licensed, and servicing for already delivered fighters has since been terminated. The new President of France has indicated that his country will seriously reconsider any weapons sales to governments such as Chile's, and the Soviet Union can hardly be expected to arm a right-wing military government. That leaves the United States in the unique position of virtually controlling the supply of available weapons to the Chilean junta. At this time, with little effect on our policy of, in Mr. Schlesinger's words, "seeking strong regional associations," we can drive home to the Chilean junta our displeasure with their policies and assert our termination of military support.

Because of the broadly based nature of the military assistance planned for Chile, it is important to enact an across-the-board termination. Otherwise, commercial sales and cash sales will continue, unregulated by the Congress and reported only after the fact. Otherwise, we will remain an active and not entirely beneficial force in Chile's internal affairs. Otherwise, responsibility for the continued repression of the Chilean people rests partly in our hands.

I include the following:

Amendment to H.R. — Offered by Mr. Harrington

Page —, after line —, insert the following new section:

PROHIBITION OF ASSISTANCE TO CHILE

Sec. 305. Section 620 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(x) All military assistance, all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data relating thereto) to the Government of Chile under this or any other law shall be prohibited upon the date of enactment of this subsection."

Renumber the following sections in title III accordingly.

MONTHLY NEWSLETTER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. MIZELL. Mr. Speaker, last week I mailed my monthly newsletter for July 1974 to my constituents in the Fifth Congressional District of North Carolina. In that newsletter I discussed the important topic of campaign finance reform, and I want to share with my colleagues the comments I made.

The comments follow:

Monthly Newsletter: July 1974

CAMPAIGN FINANCE REFORM

For the past year, a major effort of mine has been in studying the many legislative proposals that have been made on campaign reform. On many of these proposals I have asked this basic question: "Does the proposal strengthen the vitality and preserve the integrity of the electoral process?"

Nearly three years ago, I supported the Federal Elections Campaign Act. This proposal was the first campaign reform legislation to be enacted into public law in over forty years. Since that time, events have shown that reform is still needed in this area and I would like to share with you what I consider to be the basic legislative needs, which will give emphasis to further safeguarding our great American political system.

It is my belief that legislation should be enacted which would:

Limit contributions to $1,000 per election per candidate per individual.

Limit contributions to $5,000 per election per candidate from a political committee that makes contributions to five or more candidates.

Prohibit secretive earmarking and laundering of funds.

Prohibit a candidate from making expenditures from their personal funds or the personal funds of their immediate family in excess of $25,000 per election.

Limit expenditures to $10 million for a candidate for nomination for President and $20 million in the Presidential general election. In the Senate and the House of Representatives limit expenditures to 5c times the population of the State or $75,000, whichever is greater.

Prohibit contributions by foreign nationals.

Prohibit contributions in the name of another person.

Prohibit cash contributions in excess of $100.

Outlaw all "dirty tricks" and provide for stiff penalties.

Provide that each candidate designate a central campaign committee through which he must report all expenditures.

Establish an independent Federal Elections Commission, which would administer and enforce the law.

Increase the penalties for violation of the law.

One proposal that has been made and one to which I strongly object is the public financing of elections. The tax dollars from the American people should not be used to finance political campaigns. It is my belief that such a policy would only undermine our traditional political process. The American way allows for free expression of our political beliefs and I do not think the beleaguered taxpayer wants his hard earned money spent by a candidate he firmly opposes.

AWARD GIVEN TO SGT. ROBERT JAMES POTIER

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BREAUX. Mr. Speaker, I would like to take this opportunity to express my pride in an individual from my hometown who has received the highest award given by the American National Red Cross, the Red Cross Certificate of Merit.

Sgt. Robert James Potier, of the Crowley City Police Department, was recently called to the scene of an automobile accident involving a 2-year-old boy. Sergeant Potier, who had been trained in first aid, noticed that the child was not breathing and immediately administered mouth-to-mouth artificial respiration and other life supportive measures. In the time it took the ambulance to arrive, the sergeant had been successful in restoring breathing to the child.

According to the official announcement of the award from the American National Red Cross, the attending physician stated:

> His (the young boy) survival is directly related to the first aid administered at the scene of the accident.

In our fast pace of life, we sometimes forget the devotion displayed to our fellow men by those who sincerely care and are dedicated to saving and protecting the lives of others.

I join, with Sergeant Potier's family and friends, in expressing gratitude for his actions and pride in his accomplishments and high standard of work.

HEW REVEALS PSRO CONTRACTS AWARDED AMA

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. LANDGREBE. Mr. Speaker, at the recent American Medical Association convention, the AMA House of Delegates defeated a motion advocating the repeal of the PSRO provision of the Social Security Amendments of 1972. I consider this action exceedingly shortsighted, for it is the private practice of medicine that is most threatened by bureaucracies like PSRO.

It has recently come to my attention that the Department of Health, Education, and Welfare awarded a large number of contracts for the development of PSRO's the week of the AMA convention. Whether this is a coincidence or not I cannot say. But I do think that this information ought to be made public so that those who are trying to understand the position of the AMA on this issue can also understand some of the usually unseen operations that a bureaucracy performs.

I include the following article:

HEW REVEALS PSRO CONTRACTS AWARDED AMA AND ITS AFFILIATES THE WEEK OF JUNE 23, 1974

An HEW News Release dated July 19, 1974, and additional data cited in the News Release, revealed the coverage and timing of HEW–PSRO contract awards to AMA and its affiliates.

The Release revealed a $995,635 award to AMA on June 29 for developing screening criteria for PSRO policing of medical care—and that $1,455,299 for training of PSRO operatives was awarded an organization representing many foundations set up by components of AMA.

Contracts below are for planning PSROs, except those identified as (SSC) which are for developing "State Support Centers," or (CO) which are Conditional and Operational PSROs.

State, organization, city, and type of contract	Date	Amount
Alabama: Alabama Medical Review, Inc., Montgomery	6/28	$65,000
Alaska: Alaska PSRO, Anchorage	6/25	72,372
Arizona: None		
Arkansas: Arkansas Foundation for Medical Care, Fort Smith	6/24	65,000
California:		
United Foundations for Medical Care, San Francisco (SSC)	6/27	194,335
San Joaquin Area PSRO, Stockton (CO)	6/27	662,470
East Central Los Angeles PSRO, Los Angeles	6/28	78,750
Foundation for Medical Care of Santa Clara County, San Jose	6/24	74,000
Kern County Medical Society, Bakersfield	6/24	61,800
North Bay PSRO, San Rafael	6/24	61,200
Monterey County Medical Society, Salinas	6/24	45,485
Organization for PSR of Santa Barbara and San Luis Obispo Counties, Santa Barbara	6/28	44,700
Redwood Coast Region PSRO, Santa Rosa	6/24	74,500
Riverside County PSRO, Riverside	6/24	56,400
San Francisco PSRO, Inc., San Francisco	6/28	57,000
PSRO of San Mateo County, San Mateo	6/25	62,000
Stanislaus Foundation for Medical Care, Modesto	6/29	50,242
Ventura Area PSRO, Inc., Ventura	6/24	68,590
Colorado: Colorado Foundation for Medical Care, Denver (CO)	6/28	2,700,000
Connecticut:		
Connecticut Medical Institute, New Haven (SSC)	6/28	147,812
Connecticut Area II PSRO, Inc., New Haven	6/24	66,000
Eastern Connecticut PSRO, Inc., Willemantic	6/24	$63,800
Hartford County PSRO, Inc., Hartford	6/24	50,000
PSRO of Fairfield County, Inc., Bridgeport	6/25	58,654
Delaware: Delaware Foundation for Medical Care, Wilmington	6/24	45,150
Florida: Dade Monroe PSRO, Inc., Miami	6/25	73,000
Georgia: None		
Hawaii: Pacific PSRO, Honolulu	6/28	77,120
Idaho: Idaho Foundation for Medical Care, Boise	6/24	51,201
Illinois:		
Chicago Foundation for Medical Care, Chicago	6/28	225,760
Quad River Foundation for Medical Care, Joliet	6/24	46,135
Indiana:		
Indiana Physicians Support Agency, Indianapolis (SSC)	6/25	196,650
Indiana Area V PSRO, Indianapolis	6/24	51,620
Calumet Professional Review Organization, Highland	6/24	39,200
Iowa: Iowa Foundation for Medical Care, West Des Moines	6/24	47,500
Kansas: Kansas Foundation for Medical Care, Topeka	6/24	47,560
Kentucky: Kentucky Peer Review Organization, Louisville	6/24	36,000
Louisiana: None		
Maine: Pine Tree Organization for PSRO, Waterville	6/24	71,000
Maryland:		
Maryland Foundation for Health Care, Baltimore (SSC)	6/26	97,352
Prince Georges Foundation for Medical Care, Hyattsville (CO)	6/29	212,458
Baltimore City Professional Review Organization, Baltimore	6/24	52,555
Central Maryland PSRO, Inc., Timonium	6/24	41,000
Delmarva Foundation for Medical Care, Salisbury	6/24	55,720
Montgomery Co. Medical Care Foundation, Silver Spring	6/24	64,800
Southern Maryland PSRO, Inc., Glen Burnie	6/24	36,555
Massachusetts:		
Massachusetts Statewide Support Commonwealth Institute of Medicine, Boston (SSC)	6/29	289,412
Bay State PSRO, Inc., Boston (CO)	6/28	3,206,680
Charles River Health Care Foundation, Newton Lower Falls (CO)	6/27	503,420
Central Massachusetts Health Care Foundation, Worcester	6/25	64,000
Western Massachusetts PSRO, Springfield	6/28	46,150
Southwestern Massachusetts Professional Standards Review, Middleboro	6/24	61,000
Michigan:		
Michigan State Medical Society, East Lansing (SSC)	6/29	100,475
Genesee Medical Corporation, Flint	6/24	36,000
Upper Peninsula Quality Assurance Association, Escanaba	6/24	45,300
Minnesota:		
Foundation for Health Care Evaluation, Minneapolis (CO)	6/28	886,000
Professional Services Quality Council of Minnesota, Rochester	6/24	66,000
Mississippi: Mississippi Foundation for Medical Care, Inc., Jackson (CO)	6/29	1,277,954
Missouri:		
Health Care Foundation of Missouri, Jefferson City (SSC)	6/25	106,686
Central Eastern Missouri Professional Review Committee, St. Louis	6/24	61,000
Mid-Missouri Foundation, Jefferson City	6/26	64,000
Northwest Missouri PSRO Foundation, Kansas City	6/24	49,500
Southeastern Missouri Foundation for Medical Care, Cape Girardeau	6/27	54,440
Montana: None		
Nebraska: None		
Nevada: Nevada PSRO, Reno	6/29	38,200
New Hampshire: New Hampshire Foundation for Medical Care, Concord	6/24	56,000
New Jersey:		
New Jersey Foundation for Health Care Evaluation, Trenton (SSC)	6/25	193,060
Area I—PSRO Region II, Morristown	6/27	46,150
Passaic Valley PSRO	6/24	37,000
Essex Physicians' Review Organization, Inc	6/24	54,000
New Mexico: None		
New York:		
Medical Society of the State of New York, Lake Success (SSC)	6/25	208,596
Adirondack PSRO, Glens Falls	6/24	52,000
Area 9 PSRO of New York State, Purchase	6/24	57,000
Erie Region PSRO, Inc., Buffalo	6/24	67,000
Five-County Organization for Medical Care and PSR, New Hartford	6/24	521,000
Genesee Region PSRO, Inc., Rochester	6/24	77,000
Kings County Health Care Review Organization, Brooklyn	6/24	64,560
Nassau Physicians Review Organization, Garden City	6/28	96,000
New York County Health Services Review Organization, New York City	6/24	$86,332
Richmond County Professional Standards Review, Staten Island	6/24	55,580
PSRO of Central New York, Inc., Syracuse	6/25	54,400
PSRO of Rockland, Nanuel	6/25	62,871
Bronx Medical Services Foundation, Inc., Bronx	6/24	79,000
North Carolina:		
North Carolina Medical Peer Review Foundation, Raleigh (SSC)	6/29	97,767
Piedmont Medical Foundation, Winston-Salem	6/26	46,380
North Dakota: None		
Ohio:		
Medical Advances Institute, Columbus (SSC)	6/26	134,325
4th Area Professional Standards Review Council, Toledo	6/25	59,000
Region X Professional Review Systems, Columbus	6/25	55,300
Medco Peer Review Inc., Cincinnati	6/24	52,8[illegible]0
Physicians' Peer Review Organization, Cleveland	6/28	63,000
Region Six Peer Review Corp., Akron	6/24	46,000
Western Ohio Foundation for Medical Care, Dayton	6/28	44,330
Oklahoma: None		
Oregon:		
Multnomah Foundation for Medical Care, Portland (CO)	6/27	662,848
Greater Oregon PSRO, Portland	6/24	58,500
Pennsylvania:		
Pennsylvania Medical Care Foundation, Lemoyne (SSC)	3/29	243,295
Allegheny PSRO	6/27	88,217
Central Pennsylvania Area II PSRO, Williamsport	6/28	47,175
Eastern Pennsylvania Health Care Foundation, Allentown	6/25	65,000
Montgomery/Bucks PSRO, Inc., Norristown	6/24	54,000
PSRO Area XII Executive Committee, Philadelphia	6/27	100,000
Highlands PSRO Corporation, Johnstown	6/24	46,600
Southcentral Pennsylvania PSRO, Lemoyne	6/25	54,000
Southwestern Pennsylvania PSRO, Greensburg	6/24	62,500
Rhode Island: Rhode Island PSRO, Inc., Providence	6/24	62,000
South Carolina Medical Care Foundation, Columbia	6/24	60,000
South Dakota: South Dakota Foundation for Medical Care, Sioux Falls	6/24	51,000
Tennessee:		
Tennessee Foundation for Medical Care, Inc., Nashville (CO)	6/29	1,626,305
Shelby County Foundation for Medical Care, Memphis	6/24	54,000
Texas: None		
Utah: Utah PSRO, Salt Lake City (CO)	6/18	951,495
Virginia:		
Virginia Professional Standards Review Foundation, Charlottesville (SSC)	6/15	75,727
Northern Virginia Foundation for Medical Care, Alexandria	6/26	57,875
Vermont: Vermont PSRO, Rutland	6/24	52,400
Washington: Washington State Medical Association, Seattle	6/28	147,480
West Virginia: West Virginia Medical Institute, Charleston	6/24	48,000
Wisconsin		
Wisconsin Professional Review Organization, Madison	6/27	90,600
Foundation for Medical Care Evaluation of Southeastern Wisconsin, Milwaukee	6/24	36,355
Wyoming: Wyoming Health Services Co., Inc., Cheyenne (CO)	6/27	604,502
District of Columbia: National Capital Medical Foundation, Inc., Washington, D.C	6/24	55,000
Puerto Rico: Foundation for Medical Care of Puerto Rico, Santurce	6/28	45,280

	Number	Amount
Total type of contracts:		
Planning PSRO's	91	$5,520,694
(CO) Conditionally Operational PSRO's	11	13,244,132
(SSC) State Support Center Development	13	2,085,492

MUST WE WAGE CHEMICAL WAR?

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. OWENS. Mr. Speaker, I would like to call the attention of my colleagues to an editorial that appeared in the August 1 edition of the Washington Post entitled, "Must We Wage Chemical War?"

Not only would the proposed binary chemical weapon be an unnecessary part of our national defense system, but it would also seriously undermine our current negotiations on international chemical warfare controls. Its approval would make a mockery of the summit pledge recently made with Mr. Brezhnev at Geneva. The article follows:

MUST WE WAGE CHEMICAL WAR?

In votes today and next Tuesday, the House must decide whether to plunge ahead with a program that may keep the United States ready to wage chemical warfare for years to come, or whether to pause and study this especially dread form of warfare more thoroughly and explore new opportunities to limit or even ban it on an international basis. Specifically, the program at issue involves $5.8 million this year (as much as $2 billion later) to start producing a "binary" chemical weapon, a new safer-to-handle method for delivering nerve gas. Generally, the program poses to Congress perhaps its first good opportunity—and if missed, its last opportunity for a long time—to break the monopoly which special interests in the Pentagon have maintained for a full generation over the nation's policies on CW.

The key facts on binaries were brought out last spring in hearings of the House Foreign Affairs Committee. The United States has huge stockpiles of deadly nerve gas so, as Rep. Donald Fraser (D-Minn.) recently put it, "we are not examining this problem from a position of weakness." The small CW lobby within the Pentagon professes to see a looming Soviet offensive CW threat. But, in fact, American military commanders apparently disagreeing with this estimate, have chosen not to prepare to defend against it. And administration officials, while asking for funds to start procuring binaries, concede that full preliminary open-air testing has not been conducted. That is, the United States has on hand enough nerve gas to kill every person in the world several times over. Its military posture reflects a judgment that the Soviet Union does not intend a CW attack. And it has not completed tests on the new binaries it wishes now to procure.

If the military reasons for delay on binaries are strong, the diplomatic reasons are more so. Discussions on controlling chemical weapons—production, stockpiling, use—have been chugging along at Geneva for years. They were given a healthy push at the Moscow summit just a month ago when Mr. Nixon and Mr. Brezhnev agreed to seek "early progress" on an agreement "dealing with the most dangerous, lethal means of chemical warfare." This means nerve gas if it means anything. The administration's arms control director Fred C. Ikle has repeatedly warned Congress that production of binaries would undermine efforts to negotiate international CW controls. Indeed, to launch a massive new CW program now is to make a mockery of Mr. Nixon's summit pledge, itself specifically reaffirmed since then by his ambassador at Geneva. That binary funds should be sought at all, after that summit pledge, is a perverse tribute to the way bureaucratic momentum can substitute for policy at the Pentagon. Careful students of arms control make the further point that binaries, being relatively inexpensive and simple to make, possess an all too scary potential for getting into the hands of terrorists or of countries looking for a hot weapon on the cheap.

The House Appropriations Committee is to vote today on the binary money. Since Rep. George H. Mahon (D-Tex.), the committee chairman, also chairs its defense subcommittee, which has already approved the money, perhaps the best that can be hoped for in the committee is for it to add language somehow hingeing the appropriation to CW negotiations at Geneva. Certainly there is no justification for spoiling these negotiations, even before the promised Nixon-Brezhnev initiative is taken, by charging ahead on binaries. At any rate, the full House is due to address the question next Tuesday. Some 50 or more legislators have already approved a useful resolution by Rep. Wayne Owens (D-Utah) urging movement on both the biological warfare and chemical warfare fronts. So there is a better chance to gain control of binaries on the House floor. It is a fight well worth making.

THE AMERICAN LEGION MOUNTAIN CAMP

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. WALSH. Mr. Speaker, I have recently learned of the existence of a facility in Tupper Lake, N.Y., which provides convalescent and recreation facilities for veterans. The American Legion Mountain Camp is so little known and provides such an important and unique service, I would like to share with my colleagues the following information concerning the facility.

The information follows:

THE AMERICAN LEGION MOUNTAIN CAMP, INC., TUPPER LAKE, N.Y.

IN BRIEF—THE AMERICAN LEGION MOUNTAIN CAMP

The Camp is located in the heart of the Adirondack Mountains on Big Tupper Lake—about midway between Long Lake on the south and Tupper Lake on the north, on New York State Highway #421 (off Route #30).

The Camp is a spot for Convalescence and Recreation. About 1200 acres of land, 25 residential buildings, dining rooms (3) clubhouse, Chapel and community building, garages, storerooms, workshops, etc.: outdoor recreational facilities and miles of woodland trails all bordered on beautiful Tupper Lake, and open each summer season for as long as available funds will permit.

The Camp was established as a Corporation in May, 1922, and received its first patients in the spring of 1923.

The Mountain Camp admits any honorably discharged War Veteran of The United States in need of convalescence and treats him or her without charge of any kind whatsoever. It is necessary to file an application and the case must be the type for which the Camp can properly care. Members of The American Legion Auxiliary are also eligible for admission for both convalescence and/or recreation. Members of The American Legion, and members of their families, are eligible to use the recreational facilities of the Camp. There are no facilities for the families of veterans in the Convalescent Area of the Camp. The two Camps are operated independently of each other and there is no mixing of the two. While the sick are cared for without charge, there is a fee charged for the use of the recreational facilities. Brochures are available to anyone interested, describing the Resort Area of the Camp. Mail a postcard today for up-to-date rates and information.

The two features of the Camp (Convalescent & Recreational) are not in the same area. There is a distance of one-half to one mile between the two areas, as prescribed by regualtions that there must be no mixing of the two features. Separate facilities entirely. The Convalescents have their own dining rooms and the Recreationists have theirs.

There are fifty beds available for Convalescents. Both male and female veterans and members of The American Legion Auxiliary are eligible. The Camp is aiding in the rehabilitation of the sick and disabled.

The Camp pays the cost of caring for its patients with income from the Endowment Fund; revenue from the Resort Area; donations from Legion Posts, Counties, Districts; The Mountaineers; The American Legion Auxiliary, Department of New York and the Units thereof; organized groups of the benefactors; legacies of good friends who remember us and individuals.

SENATOR TUNNEY REVIEWS RESOURCE SHORTAGES

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BROWN of California. Mr. Speaker, the subject of limits to valuable physical resources has been reviewed by many authors, usually resulting in varying conclusions. The only real conclusion that can be drawn from all of these analyses is that we do not know what the limits of each resource are. Many of the researchers in this field have neglected important side effects of increasing the use of physical resources, such as the pollution that will be generated, the declining net energy yields, or economic cost-benefit relationships.

It is for this reason that I was particularly interested in an article that appeared in the August 1 Washington Post by my friend and colleague from California, Senator JOHN TUNNEY. Senator TUNNEY is to be commended for his actions in this area, and I would highly recommend this article, which I will insert for the RECORD in a moment, to my colleagues.

The article follows:

THE RESOURCES GAP

(By Senator JOHN V. TUNNEY)

By the year 2000, twice today's population—more than 7 billion persons—may be scrambling for their daily bread on this earth, and our children may be raising theirs in a bleak world of famine, authoritarianism and war.

Thoughtfully and decisively, we must begin planning now not only to stretch and preserve remaining resources but to encourage the wonders of technology so that future multitudes can live decently and in harmony.

Otherwise, for most persons a mere two dozen years from now, diets will be meager, but their arsenals may be strong, with some of the poorest nations nuclearly equipped for Armageddon. And for wealthier nations, their survival from shortages and cataclysm may be the iron regime of totalitarianism.

In hearings I chaired for the Subcommittee on Science and Technology, expert after expert warned that present trends will confront this nation with disastrous materials crisis. The hearings also revealed that our current institutional structure for monitoring shortages is woefully inadequate to alert us to impending dangers, or to head them off. Within the foreseeable future, a series of sudden, unexpected and economically crippling shortages could generate nearly irresistable pressures for rationing and controls to dole out what resources we have, and for military measures to withhold them from the clamoring demands of others.

If we ignore this threat, we invite its reality. So I was particularly concerned by a July 15th article in The Post, in which Bernard Nossiter sought to debunk predictions of an early exhaustion of critical minerals and material resources. Mr. Nossiter calls the purveyors of such views "ecolyptics," "ecodoomsters," or just "doomsters," and dismisses their forecasts by quoting Wilfred Beckerman, an English economist, to the effect that "resources are not really finite in any meaningful sense." In fact, Beckerman apparently believes that "used up resources are not likely to trouble anyone for 100 million years or so, if then."

But this "debunking" succeeds only by underestimating the difficulties of an exponential growth in world population. To sustain that growth, while attaining even basic levels of human existence, will require unprecedented capital outlays and countless and still uncharted, technological breakthroughs. For example, it is estimated that oil shale deposits in Colorado, Wyoming, and Utah contain 1,800 billion barrels of oil—more than four times the crude oil discovered to date in this country. However, according to a study by the National Academy of Engineering, there is serious doubt whether the huge quantities of water needed to mine the shale can ever be made available. Furthermore, the control of inevitable and widespread pollution in the wake of developing secondary and tertiary sources of energy and materials is by no means within reach, and in many cases beyond our present conceptions.

And if all of these obstacles can be overcome, the nation may still stumble into disaster. For example, the Department of Interior has predicted that by the year 2000, the United States could experience an annual $100 billion gap between the value of primary mineral requirements and primary mineral supplies. This gap would at least strain and probably shatter our balance of trade.

Even willingness to pay a high price for foreign material resources does not assure their availability. As the Arab oil embargo amply demonstrated, in a world where vital material resources are controlled by a limited number of countries, there is no such thing as certainty of supply. Too often, the materials we need may be sold for political concessions rather than hard cash.

Presently, the United States is dependent on imports for the major part of six of the so-called 13 basic raw materials essential for a high level of industrialization—chromium, nickel, rubber, aluminum, tin and zinc. By 1985, the country will depend on imports for more than half our supply of iron, lead and tungsten. By the year 2000, imports will supply more than half of our copper, potassium and sulphur. At what point will we face a choice between the independence of our policy and the prosperity of our economy?

Some experts answer that embargo or drastic price increases through the actions of a cartel will inspire a search for alternate supplies, substitute sources or new technologies. Although this view is undoubtedly correct, it ignores the fact that the time-lag between a decision to develop and the fact of development could be long indeed. Industries cannot consume promises or prospects; during a time-lag, they would be caught short and the economy could be plunged into recession. To treat potential material shortages as merely short-term aberrations ignores the devastating effect of interim shortages on economic growth.

Along these same lines, Nossiter, in discussing the oil embargo, concludes: "The crisis, of course, is one of price, not exhaustion." But for the man in the street who is hard put to buy gas, food, or other vital commodities because the price is too high, there is little comfort in knowing that the supply is high too.

We should not be "doomsters," wringing our hands over an inevitable materials crisis. But we must be realists, determined to do what can be done to prevent a catastrophe.

Billions of dollars and millions of tons of valuable materials can be saved each year without any adverse effect on the quality of life in America. We must accelerate research and development efforts to use existing materials more efficiently in products and systems, and to prepare substitute materials. In addition, the recycling of solid waste, the development of energy-efficient, non-polluting automobile engines, the mitigation of metal corrosion, and changes in energy pricing structures—all issues presently before the Congress, and all with a potential for vast mineral and material savings—can go far to meeting our needs now and in the future. It was a hopeful sign of concern and a step toward meaningful commitment when the Senate recently passed legislation mandating a system analysis of our materials posture. But we will not finish the job if we lull ourselves into a false sense of security, if we presented that half measures will solve the whole problem, if we say that inexhaustible supplies of materials lie readily at hand to resolve any crisis. If we deceive ourselves, we will deplete our society and deprive our children. If we face the facts, we can sustain our economy and fulfill our obligations to most of a world which may be worse off than we are.

SENATOR WAYNE MORSE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. WOLFF. Mr. Speaker, it was with the deepest sadness that I learned of the untimely death of former Senator Wayne Morse.

The passing of Wayne Morse has left a void which will be difficult to fill. He was a man dedicated to the service of the people of the United States and to his beliefs.

Wayne Morse was always an independent at heart; he was never a man of partisan motives. He worked for the solutions he felt best answered the problem, sat hard regardless of the party line. His prophetic vote against the Gulf of Tonkin resolution in 1964 symbolized the determination and strength of conviction he held in every opinion he voiced during his 24 years in Congress.

Whether in the fields of labor or education, civil rights, or home rule, he was always a leading spokesman for the peoples' interests in the classic populist tradition. He was a brilliant legal scholar, a true statesman, and one of the finest individuals to serve in either House of the Congress. The tragedy of Senator Morse's untimely passing, in the midst of his vigorous campaign to regain a seat in the Senate, is heightened in this particular time when our people are seeking in their public officials the qualities of courage, honesty, and forthrightness.

To say that Wayne Morse will be missed by the Congress and by all Americans is an understatement of serious proportions. My deepest sympathy goes out to his wife and family, and to our Nation, which has lost a unique public servant, a man of unparalleled distinction.

AFSCME CALL FOR REORDERING OF PRIORITIES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. FRASER. Mr. Speaker, the American Federation of State, County, and Municipal Employees, AFL–CIO, passed a forceful resolution endorsing a reordering of America's budget priorities at its 20th international convention in June. The statement pointed out that—

> As the federal budget grows larger and larger, inequities which historically have been present in the allocation of funds for domestic programs as against military expenditures, grow in disproportionate ratios.

Mr. Speaker, next week the Department of Defense appropriations bill is scheduled for floor debate. At that time the House will have an opportunity to help reorder our priorities by supporting an amendment to set a ceiling on defense appropriations that will be offered by the gentleman from New York (Mr. ADDABBO).

I am including a copy of the AFSCME resolution in the RECORD at this point:

RESOLUTION 103 OF THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFL–CIO)

As the federal budget grows larger and larger, inequities which historically have been present in the allocation of funds for domestic programs as against military expenditures, grow in disproportionate ratios.

In the current session of Congress, legislation has been enacted to reform the methods used by Congress to consider the federal budget. Approved with AFSCME support, the legislation provides an overall ceiling for federal spending, offers a process for developing budget estimates in a more open environment, and allows greater discussion and evaluation of all federal spending than ever before.

Passage of this important reform makes it all the more necessary for Congress and the nation to formulate priorities for the allocation of federal dollars to be appropriated under the new ceiling.

As this convention meets, the Nixon Administration is holding in reserve some $11 billion in "impounded" funds—funds allocated by the Congress for domestic programs, which the Executive Branch refuses to spend.

At the same time, the White House has proposed an increase of $13.7 billion in appropriations for the Department of Defense.

Over the years the Pentagon has become a classic case-in-point to illustrate waste and fiscal mismanagement. Unlike other agencies which must justify in tedious detail their expenditures for social programs, the Pentagon has been largely free from accountability.

Correcting the imbalance that exists between military spending and spending for human needs need not imply an opposition to a strong national defense posture. Such prestigious political science centers as the Brookings Institution and a number of credible conservative political figures have joined critics of profligate spending by the Pentagon—demanding that the military account for the money it receives.

We must ask ourselves hard questions, such as:

Should an additional $13.7 billion go to the military budget at a time when only $7.5 billion is available for education; $6.4 billion for housing and community development; $2.1 billion for energy research; only $700 million for pollution control?

Do we really need a defense establishment that employs eight times as many civilians as the federal agency that administers all of our federal health, education and social welfare programs—HEW?

Do we need 200,000 uniformed troops in Asia, 300,000 troops in Europe, and a full Army division in Korea in a period of relative peace?

We believe that waste can be removed from the Defense Department budget, and that military spending can be substantially reduced, without compromising the strength of our nation's defense force and its ability to respond to emergencies.

Therefore be it resolved: That the American Federation of State, County, and Municipal Employees will pursue a national policy that balances human needs with military needs.

The International Union will enter into coalitions and joint legislative efforts to persuade Congress to be more judicious in its appropriations for Defense Department requests.

We urge the councils and locals to involve their members in discourse over the need for a more open and understood appropriations process. The International Union will develop materials and information for AFSCME members which will enable them to more clearly relate the federal funding process to their jobs.

Without compromising national interests, AFSCME will urge the Congress to reduce overseas troop commitments and to reduce the standing military to a level consistent with the legitimate defense needs of the country.

A VOTE OF CONSCIENCE

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. McKINNEY. Mr. Speaker, I know that as House consideration of impeachment nears, every one of my colleagues is being innundated with constituent mail reflecting many differing views with a liberal sprinkling of suggestions, offers of advice, demands, and even threats.

Occasionally, however, one receives what can only be called a special letter; a constituent whose thoughts help make this job more than worthwhile. I received such a letter earlier this week from Yvonne Glanze of Greenwich, Conn., and I would like to share it with my colleagues for I feel it will warm their hearts as it did mine. Clearly, she understands the agony of the decision we face. The letter follows:

GREENWICH, CONN.,
July 28, 1974.

DEAR MR. MCKINNEY: I just want to write to tell you that in the coming weeks when, as it appears now, the question of impeaching the President will come up before the House, you ought to follow your conscience only, because in the end that is what you'll have to live with. True, many people in your constituency will pressure you one way or the other—but this is no political matter (or ought not to be). Here "at home" we read papers and transcripts and speculate an awful lot—but the evidence you hear and see in this matter should guide you, not the letters recommending one thing or the other. When the time comes to vote yes or no to recommend trial by the Senate, I trust you will vote your true convictions and not fear reprisals. May God guide you.

Sincerely and with best wishes,
YVONNE M. GLANZE.

THE LAUNCHING OF "THOMAS C. KINKAID"

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. LOTT. Mr. Speaker, I would like to call the attention of my colleagues to a speech given by Vice Adm. Frank H. Price, Jr., at the launching of *Thomas C. Kinkaid*, DD–965, built by the Ingalls Shipbuilding Division of Litton Industries at Pascagoula, Miss. As you may remember, several years ago Admiral Price expressed a somewhat less than optimistic opinion concerning this new shipyard but the fact that the ships are being produced has apparently changed his attitude. He asserts that in addition to the new destroyers, the United States is also getting the world's most modern ship building facility. Indeed, Ingalls' efficiency is to be commended. At the midway point in the contract period, it has not only met every contract milestone to date but has completed the last one 10 weeks ahead of time.

The *Kinkaid* is the third destroyer in a planned fleet of 30 ships known as the *Spruance* class, designed primarily to detect and track enemy submarines. Admiral Price, who is a director in the Office of the Chief of Naval Operations, point out that the United States sorely needs the new ships in order to maintain an effective Navy that will also be functional in the future. As well as employing much advanced electronic equipment, the ships currently being produced are capable of lodging new weapons yet to be developed.

The speech follows:

A SPEECH BY VICE ADM. F. H. PRICE, JR., U.S.N., DIRECTOR, SHIP ACQUISITION AND DEVELOPMENT

When the Secretary of the Navy asked me to represent him in the launching of the USS Kinkaid, it was a twofold honor. First, as the program coordinator for surface ship construction in the Office of the Chief of Naval Operations I have been associated with the Spruance class destroyer program since its beginning and it is a pleasure to see one of these fine ships take the first important step toward joining the fleet in the service of our country. Second, in naming this ship after Admiral Thomas C. Kinkaid, we are honoring a distinguished naval officer whose career was characterized by aggressive leadership and determined action.

This audience is well aware that the Navy is an important element in this country's national strength. The importance of seapower to the security and economic well-being of this country is as great today as it ever has been in its history. The United States and the free world must have unrestricted access to the oceans of the world. The Soviet Union recognized this fact and their historic deficiency at sea a number of years ago. Their position of weakness during the Cuban quarantine was all too evident to them. By virtue of their ability to bypass the democratic niceties that are a part of our heritage and to which we gladly adhere, they were able to quickly institute a vigorous program of shipbuilding which would provide a navy capable of interdicting our sea lines of communications and countering our sea power projection forces.

While our Navy has been shrinking steadily, the Navy of the Soviet Union has been expanding, both in numbers and advanced technology. Only four years ago, the U.S. Navy had just under 1,000 ships. Today, we are down in the neighborhood of 500. On the other hand, the Soviets are building nuclear submarines at three times the rate of the United States with every indication that they will pass us in numbers of nuclear powered ballistic missile submarines by the end of 1974. Also, for the first time they now have more surface combatant ships than we do. They have been remarkably successful in building up their fleet, and now have an impressive array of ships at sea, and under construction. The Soviet Navy has become a competent blue water force capable of challenging our control of the sea and we urgently need to bring our own fleet up in quality and numbers in order to retain our ability to use the seas in support of our national interests. We must have a shipbuilding program which can produce ships at a rate which keeps us abreast of the Soviet threat; ships with advanced systems that are the equal of those of any prospective opponent.

I think it is important that the American people understand that modernizing and maintaining a viable navy is not an easy undertaking. It takes time, on the order of ten years, from the first program decision until significant numbers of ships are at sea and operationally ready to deploy. It also takes budgetary resources, talent, materials and industrial capacity.

In the 1960's the block obsolescence of our World War II ships was clearly evident and the construction rate of new ships was too slow to provide a modern, effective Navy in the future. It was obvious that something had to be done and rapidly. One of the things that was done was to initiate the program for thirty new destroyers, the Spruance class ships which are now being built here in Pascagoula. Among the other significant steps taken was the conscious decision to reduce the numbers of ships in our active fleet—by retiring the older obsolete units—in order to obtain the funds to build the needed new ships. We also looked closely at the characteristics of our future ships, and have matched them carefully to their projected missions and tasks; trading off, where necessary, some nice to have but expensive capabilities to reduce investment costs and thus be able to construct more ships within our allowed budgets.

This concept of optimizing new classes of ships for their projected missions has come to be known as the high-low balanced force mix. Some ships, such as the 963 class destroyers and our guided missile frigates, must operate with our attack aircraft carriers in high threat areas where they will be subjected to a heavy air and submarine threat. These ships, which are highly capable and thus expensive, are part of our high mix programs. Other classes of ships are being optimized for missions in areas of lesser threat density, protecting our sea lines and the replenishment, amphibious and military cargo ships that sail on them. Examples of ships for these latter tasks are the DE 1052 destroyer escorts, the last few of which are being delivered now at Avondale, the future patrol frigates, and sea control ships. These low-mix ships will be effective but less expensive than our high-mix units so that we can obtain the required numbers to carry out our missions. We patently cannot afford to have all of our ships be the "battle ships" that we would like. Rather, we have had to develop a balanced mix of ship types to insure a future Navy that can support our national interests.

In launching Kinkaid we are adding to our fleet the third in a new class of urgently needed, modern surface warships. The Kinkaid is one of the most modern and capable destroyers in the world, with advanced sensors, helicopters with their sensors and weapons, a sophisticated command and control system and a variety of guns, missiles and torpedoes. This ship unlike many others, has been designed with adequate reserves for future modernization, so that it will be a viable ship into the twenty first century, capable of meeting new threats which will develop in the coming decades, by accommodating new weapons and technologies as they are developed.

A unique feature of this shipbuilding program and of the LHA, also being produced here in Pascagoula, is that the United States, in addition to getting new ships, has also gained a new, modern, shipbuilding facility. There has been some controversy generated in the press and in Congress over whether or not this new yard would reap the dividends expected of it when first proposed—a look around us provides visible proof that the United States is gaining not only these thirty modern destroyers and five versatile amphibious ships, but also the country's most modern shipyard. The ability to produce ships rapidly, economically and in quantity is vitally important to the United States, not only for naval strength, but also for our maritime self sufficiency.

I am particularly pleased at the choice of the name Kinkaid for this ship. We have traditionally named our destroyers for our naval heroes. Each destroyer bears a proud name. In some cases, names have been passed from ship to ship as in the case of some of our early heroes such as Decatur, Bainbridge, and Dewey. In other cases, such as the one today, we introduce a new name, from a more recent era.

Thomas C. Kinkaid is a name well deserving of this honor. He served his country with great distinction and devotion. The son of an admiral, Thomas Kinkaid's naval career spanned 46 years from his appointment as a midshipman by Theodore Roosevelt in 1904 to his retirement in 1950.

Admiral Kinkaid had an extraordinary rich naval career. Following graduation from the Naval Academy in 1908, he had tours in battleships, served in a gunboat operating off Vera Cruz during the Mexican Civil War, and was assigned to the British admiralty during the latter part of World War I. Following the war he was assistant chief of staff to the diplomatically important U.S. naval detachment in Turkish waters. In the early 1930's, he was Secretary to the General Board of the Navy. In that capacity and in special assignments, he participated in complex international discussions at Geneva regarding the limitations of naval armaments.

Following command of cruiser *Indianapolis* in 1937, Captain Kinkaid became naval attaché in Italy for two years including additional duty as attaché in Yugoslavia. At this time, Europe was becoming engulfed in World War II.

During 1941, prior to American participation in World War II, Kinkaid commanded a destroyer squadron engaged in short-of-war operations in the Atlantic.

With American entry into the war, Kinkaid (now a flag officer) transferred to the Pacific theatre, where he would participate in virtually every major naval engagement. He was a task group commander at the battles of Coral Sea and at Midway. During the Solomons campaign he commanded a force built around the famed carrier *Enterprise*. In January 1943, he became commander, North Pacific, where he coordinated the operations in the Alaska and Aleutians area of U.S. Navy, Army, and Air Force units, as well as those of the Canadian Air Force.

In the fall of 1943, Kinkaid became commander of the Seventh Fleet and of all allied naval forces operating in the Southeast Pacific theatre. As the commander of "MacArthur's Navy," the admiral oversaw the complex operations in that area and distinguished himself as a commander during the great battle of Leyte Gulf.

At the conclusion of hostilities, his Seventh Fleet accepted the surrender of Japanese naval forces in Korea and landed U.S. and Chinese Nationalist occupation forces in Korea and China. In these operations, Kinkaid became involved in delicate politico-military discussions with Chinese Communist and Soviet authorities.

Admiral Kinkaid concluded his distinguished naval career in the post-war years as commander of the Eastern Sea Frontier and of the Atlantic Reserve Fleet.

The name Thomas C. Kinkaid will provide an inspiring and enduring example for all who serve in this ship in the years to come, and I am sure that Kinkaid both ship and admiral will inspire the rest of the Navy as well toward high standards of professionalism and leadership. May she have calm seas and fair winds in all her voyages.

UNITED STATES-LATIN AMERICA RELATIONS: PROPAGANDA CAMPAIGN EXPOSED

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. FLOOD. Mr. Speaker, during the past 12 months much has taken place in regard to United States-Latin American relations. These include two matters of strategic importance: the U.S.-owned Panama Canal and the U.S. Guantanamo Naval Base in Cuba, respectively, both of which have long been under organized propaganda attack aimed at wrestling them from the control of the United States.

It was, therefore, with much interest that I read in an address to the Senate in the CONGRESSIONAL RECORD of May 20, 1974, by Senator LAWTON CHILES in which he quoted remarks by Hon. Sol M. Linowitz at the launching in New York at the Center for Inter-American Relations of the newly formed Commission on United States-Latin American Relations. The Chiles address includes the names of all the members of the Commission, which is heavily loaded with members of the Council on Foreign Relations, an organization devoted to the formation of world government.

Since the publication of the indicated Linowitz remarks and the names of the members of the Commission headed by him, many have wondered what its report, which is planned for completion in September, will be like. A partial answer to such questions by Harold Lord Varney, the well-informed president of the Committee on Pan American Policy of New York, was recently published.

Because the indicated article by Mr. Varney should be of wide interest to all concerned with United States-Latin American relations, I quote it as part of my remarks:

[From the Review of the News, July 24, 1974]

HEMISPHERE

(By Harold Lord Varney)

THE PANAMA FIGHT

Henry Kissinger is now running scared in his effort to give away our Panama Canal. The news that 36 Senators (23 Republicans, 12 Democrats and an Independent) are prepared to vote no on the Kissinger-Bundy treaty when it reaches the Senate was a crushing blow to the plans of the Secretary of State. Ratification of a treaty calls for a two-thirds Senate majority. Nixon and Kissinger simply haven't the votes to do the job, and Ellsworth Bunker now knows he may be grinding out a new treaty that is going to end in the Senate wastebasket.

The State Department did not expect such a roadblock. When Kissinger signed the "Principles of Agreement" with Foreign Minister Juan Tack in Panama City on February seventh it was fully expected that the new treaty, glossed with the then-current Kissinger glamour, could be whooped through the Senate with only token opposition. Now the boys at Foggy Bottom know that they have miscalculated.

Kissinger's response to this setback has been the launching of a sophisticated propaganda campaign. The effort is being fronted by an organization called the "Commission to Reexamine U.S. Relations with Latin America," which made its first public appearance on May fifteenth. Its initial bow was at the New York "Center for Inter-American Relations," headquarters in a Park Avenue mission alive with the usual Rockefeller toadies.

Front man for the undertaking is Sol M. Linowitz, one of the Xerox millionaires, an Establishment *Insider* who was so disappointing as President Johnson's Ambassador to the Organization of American States. Linowitz has assembled some impressive names behind him. Mass media support is assured by the presence, as a sponsor, of Andrew Heiskell, chairman of Time Incorporated. He will go after big money with the support of Alexander Heard of the Ford Foundation, another sponsor. Prominent Catholics will be roped in by the Reverend Theodore Hesburgh, president of Notre Dame University. "Liberal" Republicans are to be won by the name of Elliot Richardson. Wall Street is represented by Peter G. Peterson, Mr. Nixon's former Secretary of Commerce and chairman of Lehman Brothers.

Opponents of the Panama surrender may now hold the high ground, but in the coming fight Kissinger and Linowitz will have the big guns on their side. The Ford Foundation, the Rockefeller Brothers' Fund, and the Clark Foundation have already pledged large grants for the "Commission." And beyond Panama, we are assured, the new organization will also make recommendations for a change in U.S. policy toward the Communist dictatorship in Cuba.

PANAMA PLOT ADMITTED

Defenders of Secretary Kissinger's policy in Panama usually fall back upon the argument that the United States is being forced into surrender of the Canal Zone because of pressure from other Latin American countries—notably Peru, Venezuela, Argentina, Costa Rica, and Mexico. Now William Jorden, a Kissinger protégé appointed as our Ambassador to Panama has blurted out that the Panama retreat was planned by the White House "a year and a half ago," long before Latin American support for the land grab by General Omar Torrijos had manifested itself.

Speaking before the American Society in Panama, Jorden said that the relationship between Panama and the United States over the Canal Zone was "singled out by the Administration" a year and a half ago as among the most urgent problems of the Hemisphere. His remarks were published in full by the Panama City *Star And Herald*.

NATIONALIZATION

American companies with large investments in Latin America see nothing but gloom on the horizon. Typical is the situation in Jamaica, where the scheme is to make things intolerable for U.S. business as a first step toward nationalization. Jamaica's principal export to the United States is bauxite, the raw material from which aluminum is made. Six U.S. companies have been buying the output. Socialist Prime Minister Michael Manley has in a single move increased by 700 percent the taxes and royalties to be paid by United States and Canadian firms operating in Jamaica.

It was over a decade ago, under the leadership of crypto-Communist Romulo Betancourt, that Venezuela set the pattern for getting rid of the Gringo by such a progressive squeeze on earnings. Today, Venezuela's petroleum royalties and taxes for foreign companies have risen to 90 percent and a complete takeover, without compensation for U.S. installations, is scheduled for 1983–1984.

We have been pushed into a con game. Our companies are encouraged to make huge investments in Latin America, they do so, and then the squeeze is applied. In the end, taxes and royalties become so high that the company is willing to sell its properties at a figure far below replacement cost.

Washington made the situation harder for the American investor by setting a precedent in Peru of consent to such robbery. There the government nationalized our International Petroleum properties at a figure far below cost, and then welshed out of paying even that amount by putting in a fraudulent claim against the company which exceeded its whole value. The Nixon Administration, advised by Henry Kissinger, refused to assert its support of the American investor and meekly consented to the theft. In doing so it ignored an Act of Congress which called for economic reprisals in any such instance, thus setting the precedent for similar grabs from Chile and Libya.

DETERRING DELINQUENCY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. RANGEL. Mr. Speaker, juvenile delinquency is a widespread and dangerous affliction which threatens to undermine the health and energy of this Nation. Scores of young people, who should be looking forward to productive, successful lives, are turning to lives of crime. Neglect and despair compound the problem for these youths who are drawn into lawlessness by their sense of hopelessness and helplessness. At last, Congress has acted to solve this problem by focusing attention and money on preventing our young people from becoming delinquents. Congressman Gus Hawkins deserves praise for his leadership in this field, as does Claude Pepper for the work of his Select Committee on Crime.

WE, THE YOUNG, ARE THE FUTURE

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. RYAN. Mr. Speaker, "the future is now" is not only the motto of a well-known football coach, but also that of a bright, articulate 13-year-old girl from Central School in San Carlos, Calif.

In a graduation speech given last month, Suky Snowden reminds us all that the future of our Nation rests ultimately with our youth. I am confident of our future with youth who, in the words of her teacher, Ramona DeVore, "show a maturing, inquiring mind as well as a growing awareness of the world around them."

Shortly after Suky Snowden gave that speech, it was noted and commented upon by one of the most perceptive editors in California, Mr. Dave Schutz of the Redwood City Tribune. His remarks, and Suky's speech which follow are well worth reading. Occasionally, we all need some evidence that the next generation has the wisdom and ability to keep those ideas and ideals which we pass on to them, and at the same time to repair the damage that occurs because of poor decisions made unwittingly by those of us who now share the responsibility of governing.

YOUTH SOUNDS OFF: "WE, THE YOUNG, ARE THE FUTURE"

(By Dave Schutz)

We are indebted to Ramona DeVore, a teacher at Central School in San Carlos, who has made available to us some of the graduation speeches that were given at the schools' commencement program last month.

As the teacher points out, some of these speeches "show a maturing, inquiring mind as well as a growing awareness of the world around them."

Based on the theme, "We've Only Just Begun," selected, no doubt, from a wonderful song made popular by the Carpenters, these 13-year-olds moved through a variety of topics, and because their thoughts might provide food for thought for other young people, as well as their elders, we have selected one by Suky Snowden, as representative, and present it here.

The speech follows:

"Past, present and future are three of the most important words in the English language. Out of these three, I believe that "future" is most important. It is most important, because you cannot change the past, and you can do very little about the present, but you can change the future for the better.

"We, the young people of America, are the future. We will decide the future presidents. And it will depend on us to keep this country out of ugly wars and disputes.

"We must change the future and make it better than the past or the present. That is why we went to Central School and also why we will go on to high school and many will continue on to college so that we can be depended on to keep the country together and improve it for future generations to come.

"Now we are only just beginning to step out into the world and are starting to experiment with new ideas. We will keep experimenting until we succeed in making this a better world to live in. If we expect to succeed we must start now by enhancing our education and improving our ability to take on responsibility.

"In the years to come we will be able to try out the things we have learned at Central and later use them to help us reach our goals. On the way to reaching our goals we will encounter many obstacles and will have to make many detours, so we must start now in making our minds, as well as our bodies, strong enough to overcome the problems we will meet along the way.

"We must, from now on, stop depending on others to take on our responsibilities for us, and we must be prepared to make important decisions concerning ourselves and later on in life, our families.

"We, the eighth graders of Central School, as well as all young people all over America, are beginning to realize that there are many problems in today's world, such as poverty, war and crime, and we are striving to eliminate them in the future.

"We cannot be completely sure that we will solve all of these problems, but by the time we are the older generation, the new generation, our children, will also be striving to better their future, and hopefully, some day we will have a perfect world.

"Until that day comes there will always be new obstacles to overcome and new problems to solve, and we must be prepared to go on, no matter how many we encounter.

"So always keep this in mind—hope is in the future, and the future is now."

And we would add only that so long as there are Suky Snowdens, and others like her, reaching for that unreachable star our future will be in very good hands.

DR. JOHN McLAUGHLIN TALKS COMMON SENSE TO THE PRESS CLUB

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 31, 1974

Mr. LANDGREBE. Mr. Speaker, In the deplorable atmosphere which pervades Washington at this unhappy hour, few speak common sense and just as few seem interested in hearing it. One gets the feeling that this whole horrible drama to "get the President" is being relentlessly orchestrated by those same political enemies who failed to prevail through the regular electoral processes in 1972.

It is alarming to see men of high position and media of immense influence clamoring for their pound of flesh from the political bones of the President, completely reckless as to reason, and seeking nothing so much as to gain vengeance in their longstanding vendetta with Richard Nixon.

Their sickness of purpose will not be cured by allowing them to "get the President," any more than feeding another Christian to the lions cured the lustful sickness of the Roman powerpack of another day.

A call for common sense—yea, a prayer for common sense—with respect to the impeachment debate, was raised by Dr. John McLaughlin before a National Press Club audience on the 24th of July. "Father John," as he is affectionately known, is one of the most sincere and knowledgeable persons to have addressed himself to this vital subject.

So that many of my colleagues and fellow citizens may have the benefit of his wise words and his plea for common sense, I am pleased to include Dr. McLaughlin's address for the Record:

Address of Dr. John McLaughlin, Deputy Special Assistant to the President, the National Press Club, Washington, D.C., July 24, 1974, "Impeachment and Common Sense"

My chosen subject today is "Impeachment and Common Sense."

Six months before the Declaration of Independence in 1776, Thomas Paine wrote a monograph called Common Sense in which Paine argued for the immediate independence of the United States. George Washington credited Common Sense with having worked "a powerful change in the minds of many men."

Common sense is what brought the Republic into existence and common sense if utilized, will preserve the Republic today.

Thomas Paine describes the nature of common sense: it is wide-angle, panoramic; "it generously enlarges man's views beyond the present day," Paine says. Common sense then, is encompassing rather than piecemeal; it views phenomena in their totality rather than by installments.

George Santayana, the philosopher, describes common sense in this way: "I think that common sense," he says, "in a rough, dogged way, is technically sounder than the special schools of philosophy [in our current context, read 'law'], each of which *squints* and overlooks half the facts, and half the difficulties, in its eagerness to find in some *detail* the key to the whole."

Common sense is the bedrock of the American Republic and the American experience. Americans are not a doctrinaire people, they are a common sense people—sensible, reasonable, not inclined to engorge some particular aspect of a problem into bloated disproportion. Rather they are ready, willing and able to see the problem as a whole, and then to judge with balance and perspective.

In a word, common sense is wisdom. Common sense is what we urgently need today when the present moment so tends to tyrannize and warp our judgment.

PROPOSITION

My proposition to you today is this: Common sense dictate, as well as strict legal justice, that the Judiciary Committee vote the impeachment issue both on the basis of the factual evidence, and on the basis of the probable effects of a presidential trial in the United States Senate on the Nation and the international community.

Regarding the first criterion of impeachment, the factual evidence, let us leave that matter for others to discuss, as indeed they have and will continue to do, *ad nauseam*. I would quickly append the personal view, however, that from my reading of the evidence I see not one jot or tittle of data that persuades me that the President is guilty of any criminal act whatsoever, even of a misdeameanor.

The other index of impeachment—the probable effects on the Nation and the international community of a presidential trial in the U.S. Senate—deserves exploration here.

First, let us chronicle events in their probable course during the next year, on the hypothesis, however improbable, that the Judiciary Committee and the full House of Representatives will in fact vote the impeachment of the President. I emphasize that these are my personal ruminations and do not necessarily reflect the thinking of others in the White House community, not even of those distinguished and high-type luminaries from the White House who adorn this platform with me this afternoon.

By prevailing estimate, the Judiciary Committee will vote on the 31st of July, one week from today—a day, incidentally, that is the feast of the Holy Founder of the Jesuit Order, St. Ignatius of Loyola. Pardon the plug for the home team.

If indeed the Judiciary votes to recommend impeachment, *August* will be the cruellest month this year for the House of Representatives, T.S. Elliot notwithstanding. To conjure in the imagination what the Members of Congress will be faced with during August is mindboggling. Each will have deposited on him almost literally a roomful of data, millions upon millions of words, the largest assemblage of material on any one case in the history of human jurisprudence.

The political atmosphere will become charged. Anti-Nixonites will try to ramrod the impeachment resolution through like robots, whereas Nixon supporters and middle-grounders will try to reflect and sift; try to ascertain whether Judiciary members used criminality as a standard, and whether the norm of evidentiality was "clear and convincing" or "probable cause" or "beyond reasonable doubt."

It will be an invincibly nettlesome, frustrating and, at times, terrifying experience. Members will say to themselves, "How can I in good conscience vote for impeachment when I am relatively uninformed personally on the matter, dependent almost exclusively upon Judiciary with their obvious shortcomings and on media reporting with its biases and slurs. Congressmen will recall, for example, that *Newsweek* and the *New York Times the Week in Review* recently featured only the front section of the President's quotation dealing with a potential White House response to the Senate Select Committee, namely, "I want you all to stonewall it, let them plead the Fifth Amendment, cover-up or anything else." *Newsweek* and the *Times* neglected to similarly stress the other section of the same quote where the President says. "On the other hand, uh, uh, I would *prefer* as I said to you, that you do it the other way."

The House will want to peruse the evidence and to ask questions, but the pressure will be on them to vote, and vote they will. Faced with this avalanche of documentation, the House will probably summon no witnesses, read whatever it can, and decide largely on the basis of the Judiciary Committee's recommendations. Clearly, then, the spread and partisan mix of the Committee vote will be of disturbing importance to the House verdict.

THE SENATE TRIAL

On the hypothesis—hopefully unlikely—that the House votes to impeach the President, the matter will be formally transferred to the Senate. The earliest date for this transfer would appear to be Labor Day, Monday, September 2, 1974. At this point, preparations for the Senate trial will begin. House Managers and the presidential defense counsels will call for time to develop their arguments. Depending on the number of articles of impeachment, the defense counsel will probably want to interview up to 200 witnesses for possible testimony and he will likely seek subpoena power.

This Senate trial would differ from that of Andrew Johnson in several particulars, primarily in the complexity of the transaction. President Johnson's trial was not concerned over matters of fact, but over a matter of right. The fact was not in dispute: the President did discharge his Secretary of War. What was in dispute was the President's right to discharge his Cabinet officer.

In the current case, questions of *fact* are in dispute, and capital investigations of fact usually show a full reliance on an amplitude of witnesses—secretaries, clerks, messengers and anyone who can shed light on what happened. It is entirely possible, depending on the article of impeachment, that many personnel from the Department of Justice, the FBI, the Central Intelligence Agency, Federal Communications Commission, Environmental Protection Agency, Cost of Living Council, Government Auditing Office, Government Services Agency, Internal Revenue Service, Department of State and other agencies will have to be called.

The range of witnesses will be full. Thus if the Milk Case remains as an article of impeachment, the President's attorney might wish to subpoena members of the Congress who accepted milk monies, including the Chairman of the Judiciary Committee and other important political figures. Depositions will be taken, and interviews conducted.

This preparation would appear to require some three months, resulting in a schedule that would set a Senate trial probably for December 1. This date presumes that the problem of new Senators arriving will be resolved in favor of commencement of the trial before their seating. [One third of the Senate, you will remember, will be up for re-election this November.] Some may wish to postpone the start of the trial until the new Senators, elected in November, have been installed.

The length of the trial will depend primarily upon the number of articles in the bill of impeachment. The Johnson impeachment trial began on February 25, 1868 and ended May 26, 1868, three months almost to the day. As noted, the essential argument in that case was simple:

Did President Johnson have the right to discharge his Cabinet officer? Facts are much more intractable to deal with and once discerned they must be read and interpreted. So the current impeachment process, even if limited to one article, is as complex a legal matter as anything the Nation has ever seen.

How long will the trial last? Again this will depend on the number of impeachment articles, but surely the House Managers will wish to consume as long a period for their case as was outlayed by the Judiciary Committee in its recent presentation of one side of the evidence, namely ten weeks. For his part, the President without question will be allowed when on trial to present a volume of evidence of comparable size and in a comparable time frame. Thus, twenty weeks—ten for the managers and ten for the Defense Counsel—or five months would appear to be a baseline minimum for the trial's duration.

Certain realities suggest, however, that the trial would probably run longer than five months.

First, there is the fact that procedures and rules of presidential Senate trials are sketchy at best. They, along with the prerogatives of the court, will have to be reviewed and set. Also, everything that takes place in the trial is subject to challenge and vote. Thus, the Chief Justice of the Supreme Court presides over the 100 Senators acting as jurors, and whenever a question is asked, Defense Counsel or the House Managers can object. The Chief Justice, as the presiding officer rules on whether the objection is to be sustained or not. But that is not the end of it. The Senators can then vote to accept or to reject the Chief Justice's ruling. The Senators can also debate the matter before they vote. So it could readily take a half day to determine whether a particular objection would be sustained or overruled by the Senate majority. It should be remembered, too, that literally thousands of objections will be raised during such a trial. Let me repeat everything that happens in the Senate chamber is subject to debate and vote of the majority. The judge—namely the chief justice—in this tribunal is not supreme. The majority of the Senators is.

Now the Senate, as every schoolboy knows, is a deliberative body, in fact the most deliberative body in the world. Deliberative means many things and among them is "slow."

Second, there is the matter of *verification*. John Doar spent the vast majority of his ten weeks submitting hearsay and documents. The documents were written and signed by individuals who were never called as witnesses. The President's counsel may wish to call witnesses to verify documents so that they may be put into the record. Besides straight vertification the Defense Counsel may ask: "What did you mean by this document? This sentence? This phrase? This word? Did the President actually see the document? How did he interpret the document?" This is time consuming but it is elemental due process and it can be assumed that at a Senate trial nothing is going to elude the President's counsel by default. It should be remembered, too, that documentary submissions to the impeachment inquest number in the thousands.

Putting all this together, my ballpark estimate is that a Senate trial of President Nixon, if it were to materialize, would last 7 and one-half months, a period of time which would bring us to about one year from today.

SENATE TRIAL'S EFFECTS

Let us hypothesize on a Senate trial of the President of the United States, a trial of seven and one-half months duration or even a trial of considerably lesser duration, and the effects of such a trial on the nation at large in the five areas of national *morale, economy, politics, media* and *international relations*.

First, *morale*. The Watergate investigation has lasted for over two years and the feeling of universal surfeit, of gagging, fed-up satiety, is intensely felt.

This pervasive surfeit is accompanied by a numbness and a sense of waste, sterility and barrenness. We appear to be spinning our wheels: there is much motion but no movement.

If the President is forced to stand trial in the United States Senate, however, the morale of the nation will be depressed and outraged by a quantum leap downwards. By definition, a quantum leap means a release of energy over which cannot be predictably measured or controlled. Bitterness and rancour will appear in inestimable volume and intensity. The buttons will be off the foils, everyone will be playing for keeps, all politicians will go for broke. Fresh and anarchic energies wil be unleashed into society. On all sides there will be partisan kicking and biting and scratching and rending of garments.

This is the condition that Alexander Hamilton warned would occur if the Nation moved uncircumspectly towards impeachment, as it did in the time of Andrew Johnson and as it may be doing today. In the Federalist Papers, Hamilton wrote:

"The prosecution [of construed impeachable offenses] will seldom fail to agitate the passions of the whole community and to divide it into parties more or less friendly or inimical to the accused. In many cases it will connect itself with the pre-existing factions and will enlist all their animosities, partialities, influence and interest on one side or on the other and in such cases there will always be the greater danger that the decision will be regulated more by the comparative strength of parties than by the real demonstrations of innocence or guilt."

The public mood during the onset of the Johnson impeachment trial in 1868 was described by Senator Edmund Ross of Kansas and echoes Hamilton's warning:

"Throughout the country, and in all walks of life . . . the condition of the public mind was not unlike that preceding a great battle. The dominant party of the nation seemed to occupy the position of public prosecutor, and it was scarcely in the mood to brook delay for trial or to hear defense. Washington had become during the trial the central point of the politically dissatisfied and swarmed with representatives of every state of the Union, demanding in a partically united voice the deposition of the President. The footsteps of the anti-impeaching Republicans were dogged from the days' beginning to its end and far into the night with entreaties, considerations, and threats. The newspapers came daily filled with not a few threats of violence. . . ."

When one considers how both mass communication and the Presidency have expanded since Andrew Johnson's day, it is hard to believe that the American body politic would today be able to contain its outrage through December, January, February, March, April, May, June, and July while the Congress rehearsed the same tired broken records: ITT, milk subsidies, wiretapping, cover-up, subpoenas, IRS and so forth. Meanwhile besides this polarization, paralysis would be felt: legislation on energy, health, unemployment insurance, education and other social and economic programs would be seen by the electorate as remaining untouched. In this Kafka-esque environment the Nation would probably erupt.

Economic Effects. A seven month Senate trial of the President of the United States would have negative effects on the economy. I do not wish to overdraw this picture because it is very iffy. Nevertheless, it appears that the economy would sag somewhat if the impeachment goes to the Senate. The question is not whether but how much and how bad? Would a recession occur? Would inflation worsen? Would unemployment increase? Would the cost of living rise? Would housing starts plummet? Would confidence in the dollar erode? Would international trade be enfeebled? Would the market idle or drop? This much is certain: A trial of the President would produce perceived instability. The economy of the nation cannot remain indifferent to nervousness and irresolution.

Political Effects. If the impeachment goes to a Senate trial, the fact of the trial itself will wound the Office of the Presidency for an indefinite period and possibly permanently, irrespective of whether the President is convicted or acquitted. Instead of being a residual check, impeachment will become a political weapon to overturn the mandate of an election. The balance between the legislative, executive, and judicial branches will be destabilized.

As far as the bipartisan system is concerned, the prevailing political cynicism will be compounded and the effect of that incremental cynicism will be felt in drop-offs in party affiliation. The end result will be a weakening of our American political bipartisan system.

Over one third of the Nation have cemented their support of Richard Nixon. This segment of our society, do not believe that the evidence warrants a Senate trial for the President. If the impeachment goes to the Senate and the Nation is forced to endure the ordeal of the trial, this giant segment of our society, and many independents, will grow embittered and vindictive.

The President's supporters will remember the actions of certain members of the House Judiciary Committee. Peter Rodino will be recalled as the Chairman who with one hand rapped the gavel on hearings that judged the propriety of milk contributions to the President's election and with the other hand received milk contributions of his own, then refused to return the gifts—even though there are no cows in Newark, even though his fellow Committeemen returned theirs, and even though he had received over $32,000 from the AFL–CIO—all of which raises the question of why he needed the milk money in the first place. In fact, why did he need any big outside funding since he won the race in 1972 by over 80% of the vote?

The President's supporters will remember how Mr. Rodino first rejected TV cameras and the press, thus permitting prejudicial selective leaking against the President and other innocent persons like Dr. Henry Kissinger, the Secretary of State and Nobel Peace Prize Winner. They will remember Mr. Rodino's tampering—equivalently—with the jury by ["pursuading"] two Democrat Judiciary Members into changing their conscience votes after they had opted to support the request of the President's counsel to summon witnesses.

The President's supporters will remember how Mr. Rodino ["denied"] that early on he had said to three journalists: "All the Democrats on the committee will vote impeachment and if five Republicans on the Committee also vote for it, the full House will follow suit." Not only was this [words deleted] and crass prejudgment, the President's supporters will say, but it was public [word deleted] on a massive scale to boot.

The supporters of the President will recall that after Mr. Doar dropped the mask of impartiality and stood as the Committee's self-appointed Torquemada, Mr. Rodino said proudly, "When I hired him, I always knew he eventually would do this."

The President's supporters will remember certain Congressmen on the Committee, like Mr. Drinan and his characterizations of the President as "a goddam fink," and "the absolute hypocrite," and "corrupt," and "murderer," and his characterization of the President's Southeast Asian peacemaking efforts as Hitlerite genocide, and his saying, "We'll have him out by spring," and his wearing of an "Impeach Nixon" button on his lapel until wiser and cooler heads instructed him to remove it.

They will remember Mr. Waldie's use of his franking privilege to send out reprints of his hot rhetoric pro-impeachment address at Berkeley and blank pro-impeachment petitions to be filled out by Californians outside his District so as to maintain the impeachment momentum.

The President's supporters will remember Mr. Conyers and his statement that he was on the Judiciary Committee to keep Mr. Rodino from being "too damn fair." They will remember Mr. Rangel characterizing the President in public print as "an [a vulgar word meaning the excretory opening of the alimentary canal]." There is not a jury in the country that would tolerate any one of these individuals sitting in judgment on materials relating to the guilt or innocence of Richard Nixon, and yet these persons are doing exactly that at the most solemn and grave inquest that the Nation can undertake.

If the President goes to trial, these recollections of unfairness, and indecency on the part of these impeachment zanies will remain indelibly fixed in their memories like an epitaph in stone. This huge group of Nixon supporters will not easily swallow their searing indignation and resentment.

Media effects. An impeachment trial would bloat the power of the media. Many in the press have already claimed Richard Nixon as their trophy, and the trial would justify an I-told-you-so triumphanism.

But a backlash, harmful to the media, in my judgment, will develop. Already people have noted press excesses, as is evidenced by a majority of the populace who now say that the media are mired in Watergate. The people have noted, too, the notebook and tweezers method of executing Richard Nixon that some media have adopted like that the seaming together of fragments of the transcripts by *Time* and *Newsweek* so as to create a tortured and horrid image of the President.

The people have seen through the sophistry of the argument given wide prominence by some media, namely, that an accumulation of suspect areas regarding the President makes him guilty. People realize that twenty rowboats do not make a Queen Mary.

The people know, too, how well the media can bury items, like the "Earl Nash" story. On July 9 the Judiciary Committee released a transcript in which the President is quoted on March 22, 1973 as voicing worry about "Earl Nash." On that occasion Attorney General Mitchell had inquired of the President the general political state of affairs and the President replied, according the Judiciary version, "Earl Nash worries the ["bejabbers"] out of us here regarding (unintelligible)." The Committee staff checked their "Earl Nash" version seven times before they released it and they boast high quality playback equipment. The "Earl Nash" reference sent newspaper research people scurrying, and the *L.A. Times* newspaper librarian pored through reference books and found, "Nash, Harold Earl" in *Who's Who in Government*, identified as an underwater sound expert working for a Navy laboratory in New London, Connecticut. Watergate reporters were then salivating with interest: an acoustical sound expert no less.

The laboratory was phoned and the reporter was told that Earl Nash was away on assignment with the 6th Fleet in the Mediterranean for a month. He was then traced to his apartment in Naples. When his phone rang in Naples, there was no answer. A Military Intelligence expert kept the story alive by telling a reporter that "the name sounds familiar." But the story was finally killed when the Judiciary Committee re-listened to the tape. "Earl Nash," it turns out, was "National Security." That's what worried the President, and so his claim that Watergate disclosures were hurting national security was corroborated by the Judiciary's revision of their version of the tape.

Too bad that the story did not get wider play. Then James J. Kilpatrick might have shown somewhat more skepticism about the other sections of the Judiciary Committee transcripts which alleged points of difference with the White House versions.

Regarding media imbalance, on a more personal note, my own enriching exchange of views with my Jesuit administrator in New England is in point. When I was admonished, the story gained jumbo coverage in the *New York Times*, *Time* and *Newsweek*. But when the administrator came to an enlightened recognition of the truth and recanted on all counts, there was not so much as a line carrying that story in *Time*, *Newsweek* or the *N.Y. Times*.

The First Amendment was designed to guarantee that no power would be used to supress the media, and also to provide that there exist a diversity of opinion. Today the First Amendment is being abused by certain powerful national media in the central political issue of our day, the President's impeachment, to argue to a uniform position, i.e., Richard Nixon must be ousted.

If the impeachment goes to trial, coverage will doubtless be slanted and sensationalized by certain powerful media, as the big media slanted and sensationalized the impeachment of Andrew Johnson.

The sensationalizing of the impeachment trial, if it occurs, will bring with it as a backlash the reinspection of the constitutional role of the media. In our whole democratic experience, the American people have not tolerated irresponsible use of power. Americans will then look to see what controls should be put on the media. They will likely say that if the media are using their power politically, then they must be subject to the same political sanctions as any one else.

Effects on International Relations. If a Senate trial is voted by the House of Representatives, it will probably be transmitted in large segments via satellite to the countries of the planet. Bilaterally, our relationships certainly cannot be helped by this development. During the long period of trial, other countries would not know whether the President had the backing of the Nation, and so they would wonder whether they could depend upon us or not.

Would opponent nations, moreover, on the assumption that our leadership is disorganized, be encouraged to miscalculate? Certain countries like the Soviet Union are geared to this psychology. After Stalin's death, Russia thought very much in these terms, believing that we might try to invade them.

Most importantly, however, the image of democracy would be fouled. The democratic ideal is represented universally on the globe by the success of American democracy. The Congress will be perceived by foreign nations as overturning the democratic will through those Members of the House who disagree with the President's political mandate, not because of any alleged corruption or abuse of power.

The simple fact is, as I can personally testify to, people around the world do not regard the burglarizing of the Democrat headquarters as anything more than a bit of nonsense. They share the view of the Episcopal Bishop of South Florida, Henry I. Louttit who recently changed his registration from Democrat to Republican because of the cruel way the Democrats are exploiting this Watergate issue. "Watergate," says Bishop Louttit, "is an example of the smallest molehill being blown into the biggest mountain in the history of the world. No one charged with anything about Watergate has been accused of doing it for his own benefit. It was not a burglary for money, but for information, which politicians have been doing since time immemorial. If the Democrats had not lost the 1972 presidential election they would not have seized upon Watergate to embarrass a President they despise. Thus far there is not one shred of evidence to show that Mr. Nixon is guilty of anything, but most of the news reports are so slanted that half of the nation probably thinks he has been found guilty by a jury." This is exactly as foreign nationals commonly think.

Non-Americans will certainly not believe that the Watergate burglary—and they see all of the other charges consolidated into that one event—as something that impeachment is designed to remedy. Even sophisticated outside observers, like Alexander Solshenitsyn, points to the two-faced duplicity of those politicians in this country who fulminate over Watergate for political reasons.

Solshenitsyn says: "Deep hypocrisy is characteristic even of today's American political life, of the Senate leaders with their distorted view of the sensational Watergate affair. Without in any way defending Nixon or the Republican Party, how can one not be amazed at the hypocritical, loudmouthed wrath displayed by the Democrats?"

What will foreign nationals then see? Our two previous Presidents were driven from office, and one—if he goes to trial—almost driven from office. So the danger is that internationally the people of the world will see the impeachment trial not as democracy in action—a Pollyannish expectation—but as another baffling and sad failure of the democratic experience.

THE ORDEAL AS PART OF THE IMPEACHMENT JUDGMENT

In the proposition of this address, I stated that common sense dictates that the impeachment issue be decided both on the basis of the factual evidence, and on the basis of the probable effects, immediate and remote, of a presidential trial in the United States Senate on the Nation and on the international community. Not only does common sense dictate this; good law does too.

The ordeal of the Nation consequent upon a Senate trial of the President is not extrinsic to the political and legal judgment that the Judiciary Committee and possibly the full House must render. Indeed, the ordeal of the Nation and its effects on the international community are necessarily ingredient to that judgment.

The role closest to that of a House Member in an impeachment process is that of a prosecutor. Now a prosecutor makes a decision on whether to recommend indictment (impeachment) or not, both on the evidence itself, and on the probable harm that will be inflicted by the indictment on the person to be possibly charged.

As the Deputy Attorney General, Henry Peterson, has ably and correctly pointed out, prosecutors are required *in justice* to include in their judgment of whether to recommend indictment or not the potential damage of the indictment to the individual. If the damage were construed to be great, then the criterion for indictment would be correspondingly more rigorous, though always, of course, subordinate to the legal evidence.

The effect of indictments varies from individual to individual. In some cases, as for example a Congressman or Senator, an indictment is usually ruinous. Such individuals of high station who are indicted often go through life afterwards as pariahs, whether they are acquitted later or not. Other persons of lesser public station are indicted and relatively speaking, the action hardly seems to create a ripple on the even tenor of their lives. From this it can be seen that justice demands that the effect of an indictment on the individual be included in the strict legal judgment.

In the case of the President, the same principle holds true. So, just as the norm of indictment of an individual, by our canons of American jurisprudence, looks both to the evidence and to the effect on the indictment of the individual, so, too, in the instance of the President, the norm of impeachment, analogous to indictment, looks both to the evidence and to the effect of the impeachment on him and what he represents. Since the President embodies the Presidency of the United States and the leadership of the Free World, a more rigorous standard of impeachment must be applied to him than to others, as a matter of strict legal justice.

I would restress here that the evidence, in my view, will sustain no criminal case whatsoever—not even a sustainable misdemeanor charge against the President, and a Senate trial would most assuredly bear this out. It is not unlikely that this realization is part of the reason why Jimmy the Greek is currently oddsmaking the acquittal of the President in the Senate—if it comes to that—by one thousand to one, favoring the President. Our set purpose, however, should be to keep the impeachment out of the Senate, so as to spare the Nation the ordeal.

A CAVEAT AND CONCLUSION

Hearing this, some journalistic provocateurs will say that McLaughlin is launching a new White House strategy: sweep the evidence against the President under the rug because the ordeal of a Senate trial would be too great for the country to bear. Ladies and Gentlemen, with all the emphasis that I can summon, let me declare that this is not the case. The President and his Staff are not afraid of the evidence. The evidence has and will continue to clear the President, and the President is prepared to test the evidence in whatever tribunal or forum required. If that entails a trial in the United States Senate, then *Que sera, sera*. Personally, I have absolute certitude (with Jimmy the Greek) that if the inquest goes to the Senate, the President will be acquitted by more than a majority of the members, because there exists no valid legal case against him.

My purpose in this address is to encourage the Members of the Judiciary Committee and the Congress and the American people to see that the ordeal of the Senate trial should be included as a principal factor in the judgment to impeach or not to impeach, and that this inclusion is altogether justified on political, purely legal and common sense grounds. My further intent is to persuade everyone that it is of absolute importance to keep this inquest out of the Senate. Otherwise negative effects of a probably serious and perhaps intolerable nature would be felt on the Nation's morale, economy, politics, media and international relations.

You will remember that the Senate Select Committee's Watergate hearings exhausted and vexed the Nation, yet there were only seven Senators conducting the proceedings, not 100; there was no examination and the area of investigation was more restricted than the current impeachment inquest.

So the Members of the Judiciary Committee have a responsibility that is colossal. The spread of their vote and its partisan mix will largely determine how the full House of Representatives will vote, House Members realizing that they have neither the time or opportunity to examine the evidence as closely as have the Judiciary Members. Equivalently, then, the Judiciary Members are now voting a Senate trial, with its ordeal, or not.

The standard of their judgment, therefore, ought to be most exacting, i.e., "beyond all doubt." In their heads and in their hearts the Members must be convinced absolutely—without any admixture of uncertainty at all—that the President is guilty of gross criminal misconduct. If this conviction does not well up from their innermost selves, then they should vote to acquit. Above all, the Members should not try to pass the buck to the House—and so ineluctibly to the Senate—by invoking some hokey standard of judgment like "probable cause." Political discretion, pure legal judgment and common sense would be outraged by such an evil evasion of responsibility.

The responsibility of the Judiciary Members is not unlike that described by Edmund Ross at the Andrew Johnson impeachment when he said:

"It was tremendous responsibility, and it was not strange that he upon whom it had been imposed by a fateful combination of conditions should have sough to avoid it, to put it away from him as one shuns, or tries to fight off a nightmare. I almost literally looked down into my open grave. Friendships, position, fortune, everything that makes life desirable to an ambitious man were about to be swept away . . . perhaps forever."

Finally what the Members require—and what we all require at this grave historical juncture, above all else is *impartiality* and *common sense*.

CONCLUSION

At this grave time, the Republic requires impartiality and common sense. Thomas Paine, at the end of his essay on *Common Sense*, called for impartiality. These lines were written on the eve of America's declaring its independence and calling for that independence. Paine wrote:

"On these grounds I rest the matter. . . . Wherefore, instead of gazing at each other with suspicious or doubtful curiosity, let each of us hold out to his neighbor the hearty hand of friendship. . . . Let the names of Whig [Democrat] and Tory [Republican] be extinct and let none other be heard among us than those of a good citizen, an open and resolute friend, and a virtuous supporter of the rights of mankind and of the free and independent states of America."

Regarding common sense, I recall a few years ago a visit to India. My electric shaver broke down and I brought it to a native electrician in Delhi. He asked me for more detailed instructions, and I said to him half-irritatedly: "You know what I want. Just fix it. Use your common sense."

The Indian electrician bowed politely, looked me in the eye, and said, "Sir, common sense is a rare gift of God. I have only a technical education."

Lord, deliver us from those who are judging the impeachment of the President of the United States as if it were simply a matter to be resolved by a technical education, though technically there is no case for impeachment.

Lord, in this solemn hour, give us common sense.

PARTIES PLAY POLITICS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. HUBER. Mr. Speaker, whatever else anyone thinks of the current proceedings of the House Committee on the Judiciary, the former chief minority counsel, Mr. Jenner, of the committee has earned a place in history—an infamous place in my view—as an object lesson in how not to be loyal. He now wears the more fitting and comfortable mantle of associate general counsel. However, elementary good taste would have dictated that Mr. Jenner not accept the position in the first place if he could not perform the assignment in good faith, but assuming he accepted the job in good faith, he should have resigned the moment he felt he could no longer work loyally as chief minority counsel. Above all, he should not have made statements to the press. The politics involved have not added any luster to the current proceedings and I feel the following editorial from the Detroit News of July 23, 1974, is thoughtful in that regard:

[From the Detroit News, July 23, 1974]

Parties Play Politics

That partisanship should rear its ugly head in the House Judiciary Committee's impeachment deliberations is unfortunate—but was inevitable.

The demotion of Albert Jenner from his job as chief minority counsel for being "out of tune with the Republican members" recognized the political realities. Though each side may have its mavericks, the committee is generally divided along party lines.

That division may not be illustrated clearly by the final vote—since another reality, that of political survival, may prevail—but at this point the Democratic majority and the Republican minority stand at swords points.

Putting aside the partisan squabble among committee members, both Jenner and the Democratic chief counsel, John Doar, have displayed an unseemly eagerness for the kill and probably have exceeded their proper roles.

Their proper work would seem to have been to research the law, prepare the evidence and, in Doar's case, to draft a list of possible impeachment charges if the evidence suggested probable cause. These appointed advisers should otherwise have left it to the members of the committee, the elected members of Congress, to initiate any recommendation for impeachment.

As it actually happened, Doar not only urged the committee to find President Nixon guilty but later carried his crusade to the press. Jenner joined him—to the deep annoyance of certain Republican members of the committee who defend the President and feel that the minority counsel should work for the minority or at least maintain a decent neutrality.

Ideally, the committee and its staff would have approached its work in detached fashion, listened with open minds to the evidence and the witnesses, respected the rules of confidentiality, refused to leak stories to the press, eschewed prejudgments, avoided partisanship quibbling and reached a bipartisan and just conclusion.

This ideal rests on the assumption that Congress is a haven full of angels. But, alas, we all know that it's not. In the end, we'll just have to be satisfied with a conclusion shaped in the earthly crucible of politics.

FOOD SUPPLEMENT LEGISLATION

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. OBEY. Mr. Speaker, there has been a heated controversy for more than a year now over soon-to-become-effective Food and Drug Administration regulations covering dietary supplements of vitamins and minerals.

A main issue in the controversy is the requirement of the regulations that high-potency vitamin and mineral products which exceed FDA-established limits be classified as either over-the-counter or prescription drugs.

I realize that these regulations are the outcome of years of consideration of the vitamin-mineral question—years of hearings, studies, proposals, filing of objections, revision, and so on. I also appreciate the FDA's concern that food supplement legislation not diminish statutory authority to protect the consumer.

Because so many important questions about the regulations and their application remain unanswered, and in hopes of finding a more promising approach than the one the FDA is taking, I introduced a bill yesterday—H.R. 16189—that would prevent the FDA from classifying certain vitamin and mineral products as drugs, but would strengthen FDA authority to regulate the labeling and advertising of such dietary supplements.

This bill, which is the House counterpart to S. 3867, introduced yesterday by Senator Gaylord Nelson of Wisconsin, would amend the Federal Food, Drug and Cosmetic Act to:

First. Allow the manufacture and marketing of foods for special dietary uses, such as vitamins and minerals, that do not meet FDA standards, provided they are labeled and clearly distinguished as not conforming to these standards.

Second. Require that any therapeutic claims made for such a product be substantiated by scientific data supporting safety and efficacy, as is required by law for prescription drugs. If producers making such claims cannot substantiate them, their products will be deemed to be misbranded.

Third. Require that the labeling of such products contain no untrue nutrition, health or other statement, and that advertising for such products not be misleading or false.

The bill also requires that the labels of vitamin and mineral products state the manufacturer's name and address, list the common or usual name of each ingredient present in the product, and show the applicable U.S. recommended daily allowance—U.S. RDA—set by the FDA.

I hope that the bill will be considered by the Public Health and Environment Subcommittee, chaired by the gentleman from Florida (Mr. Rogers), which has been meeting this week to consider drafting food supplement legislation. I would also welcome comments on the bill from my colleagues and members of the public interested in the use and availability of dietary supplements.

WHAT'S DELAYING COLORADO'S NEW WILDERNESS AREAS

HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BROTZMAN. Mr. Speaker, I would like to insert into the Record this editorial of July 30, 1974, in which the Denver Post poses the question: "What's Delaying Colorado's Wilderness Areas?" I pose the same question.

The Senate easily approved wilderness status for Eagles Nest, Flat Tops, and Weminuche. In view of this, it would be most regrettable if the House failed to complete action during the current session. If that were to happen the whole process would have to begin again in the next Congress.

A compromise has been reached between the Denver Water Board and environmentalists over the character of the Eagles Nest area, because it was highly unlikely the Public Lands Subcommittee would have acted on any of the proposed Colorado wilderness areas unless such agreements were made.

My colleague, Mr. Melcher—the chairman of the subcommittee—has reassured me that he is aware of the importance of this wilderness legislation, but to date the legislation has failed to move forward.

Part of the reason for the delay is entirely valid. Strip mining was complicated, controversial, and demanded an inordinate amount of time. But we have disposed of that, and I would urge him to end the delay which has stalled Colorado wilderness legislation.

I have been waging this "battle" for quite some time now, and would like to win the "war" before the troops go home.

[From the Denver Post, July 30, 1974]

WHAT'S DELAYING COLORADO'S NEW WILDERNESS AREAS?

Colorado's long struggle to set up three wilderness areas under the federal Wilderness Act of 1964 appears to have been hit by falling rocks.

In a maneuver that has most Coloradans—whether conservationists or economic users of national forest—a little baffled, a Montana congressman has ordered more hearings on the legislation. Directly affected by Rep. John Melcher's order (he is chairman of the House public lands subcommittee) are the proposed Eagles Nest and Flattops Wilderness Areas. But the Weminuche Wilderness Area in southwest Colorado also will be delayed.

Melcher's reasons are straightforward enough. It's quite true that Coloradans have fought bitterly over the Eagles Nest boundaries because of the Denver Water Board's claims to water in the area (Eagles Nest lies in Denver's watershed). Water engineers want future collection areas to be free of wilderness restrictions. Quite understandably, Melcher doesn't want to get caught in the middle of a Colorado internal fight.

The Flattops similarly has been a water battleground.

Doubtless, too, Melcher has been influenced by U.S. Forest Service arguments against wilderness areas whose boundaries are larger than this federal administrative agency originally sought.

But why the fight has erupted again, and at this time, is subject of some conjecture. Legislation proposed in the U.S. Senate by U.S. Sens. Peter Dominick and Floyd Haskell passed easily last year. Haskell, who is chairman of an Interior subcommittee, was induced to support compromise wording arranged between the Denver Water Board and environmental groups. But there appeared to be some broad agreement that, pending such change, there was a consensus among Colorado House members that the three wilderness groups might be approved at this session.

Now that Melcher has made his move the whole question of wilderness is likely to be reviewed. That may not be a bad idea if it isn't destructive to the whole concept. Some wilderness supporters say if the legislation is killed this year (and the Senate bill will die along with the House bill) the matter may not come before Congress again until 1976. A good deal of damage could occur in the fringes of areas proposed for wilderness in those areas of Colorado where commercial development and reaction use are heaviest.

But there is no doubt, too, that a good many citizens are having second thoughts about wilderness. With serious shortages developing in resource areas (timber and metals, for example) those concerned with economic development have new ammunition against "locking up" resources that may be needed in the future. The argument that the President may, under the act, free such resources in time of national need is not reassuring to this viewpoint.

There is the additional argument that the creation of wilderness in other states (which are ahead of Colorado in winning designation of areas) has only served to focus public attention on them with resultant overuse. This was not the intention of the Wilderness Act of 1964.

Congressman Melcher can be forgiven at the present time if he is unresponsive to the Colorado wilderness queries. He is in the midst of a major legislative maneuver over strip mining legislation.

But he does owe Coloradans an explanation of what his plans are on wilderness. There is good evidence that the Denver water engineers and wilderness proponents were fairly close together in the Eagle Nest area. And the Colorado River Water Conservancy District has made concessions on the size of Flattops. Some Western Colorado feeling remains that Weminuche, as proposed and accepted by conservationists, is too big.

So we hope Melcher will make his intentions clear fairly soon. There is a lot of work embodied in the current wilderness areas. If that work is to be scuttled for this session of Congress—and we have not foreclosed the possibility such a delay is needed—Coloradans should at least be given some sort of timetable on what to expect. Melcher, who has supported larger—not smaller—wilderness in his own state, owes some sort of explanation.

DEVELOPMENT OF THE U.S. TAR SANDS DEPOSITS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. OWENS. Mr. Speaker, tar sands deposits are located in at least 22 States, with most of this energy source concentrated in the State of Utah. The oil contained in known U.S. tar sands deposits may exceed 30 billion barrels, roughly five times the quantity of oil which is used in the United States each year. In Utah, potential oil production from tar sands ranges from 20.5 billion barrels to an optimistic 29.7 billion barrels.

Over 60 percent of the tar sands deposits in the State of Utah are publicly owned. However, this potentially valuable resource remains largely untapped due to technical problems under current leasing law. Congress must take the initiative and rewrite the present tar sands leasing guidelines so that a workable tar sands leasing policy can be instituted.

The distinguished Senator from Utah, the Honorable Frank Moss, has suggested proposals to establish a workable leasing policy for the tar sands. His bill, S. 3375, authorizes the Department of the Interior to issue a single hydrocarbon lease which would cover all hydrocarbons removed from beneath the surface. This proposal would remove a major stumbling block to the development of tar sands located on Federal land. The text of this bill is presented below:

S. 3375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Mineral Leasing Act of February 25, 1920, as amended (41 Stat. 437; 30 U.S.C. 181), hereinafter called the Mineral Leasing Act, is further amended by the deletion from the first sentence of the words "native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rocks or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried)" and by the addition of the following proviso: "*Provided further*, That as used in this Act the words 'oil and gas' shall embrace all hydrocarbons, including native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried), but excluding gilsonite and those hydrocarbons which the Secretary of the Interior shall determine to lease as coal or oil shale, and the word 'gas' also includes all naturally occurring gases, combustible and noncombustible, and their constituent vapors, except helium and geothermal steam."

Sec. 2. Subsections (b) and (c) of section 17 of the Mineral Leasing Act, as amended by the Mineral Leasing Act Revision of 1960 (74 Stat. 781; 30 U.S.C. 226 (b) and (c)), are amended to read as follows:

"(b) If the lands to be leased are within any known geological structure of a producing oil or gas field, or are known to contain native asphalt, solid or semisolid bitumen, or bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit has been mined or quarried), they shall be leased to the highest responsible qualified bidder by competitive biding under general regulations in units of not more than six hundred and forty acres, which shall be as nearly compact in form as possible, upon the payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as may be fixed in the lease, which shall be not less than 12½ per centum in amount or value of the production removed or sold from the lease.

"(c) (1) If any lands to be leased are not subject to leasing under subsection (b), the person first making application for the lease who is qualified to hold a lease under this Act shall be entitled to a lease without competitive bidding. Such leases shall be conditioned upon the payment by the lessee of a royalty of 12½ per centum in amount or value of the production removed or sold from the lease.

"(2) Upon application to the Secretary, (A) any lessee under an oil and gas lease issued under this Act prior to the effective date of these amendments of subsections (b) and (c) of this section for lands which are not, at the time of application, also included within a lease for native asphalt, solid and semisolid bitumen, or bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried) and (B) any lessee under a lease for native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried), issued prior to the effective date of these amendments for lands which are not, at the time of application, also included within a lease for oil and gas issued prior to the effective date of these amendments, shall be entitled to exchange his lease for an oil and gas lease issued under this Act."

SEC. 3. Section 21 (30 U.S.C. 241) and section 34 (30 U S.C 182) of the Mineral Leasing Act, as amended, are further amended by the deletion of the words "native asphalt, solid and semisolid bitumen, and bituminous rock (including oil-impregnated rock or sands from which oil is recoverable only by special treatment after the deposit is mined or quarried)" from the first sentence of each section. Section 21 is further amended by the revision of the last sentence of subsection (a) to read as follows: "Not more than one lease shall be granted under this section to any one person, association, or corporation." Subsection (c) of section 21 is hereby repealed in its entirety.

When tar sands are developed for their valuable oil products, we must insure that the environmental integrity of these lands are maintained. Careful environmental regulations must be issued to govern all aspects of tar sands development.

In order to provide other Members with additional information on the tar sands leasing question. I will in the near future insert into the RECORD portions of a report prepared for me by the Library of Congress on the public policy aspects of tar sands development. It will answer such questions as:

What is the resource base of the domestic tar sand resources?

What is the expected rate of development of these resources?

What problems are encountered with the current leasing policy for the federally owned tar sands?

Yesterday I introduced the bill which Senator Moss has introduced in the Senate. The House Interior and Insular Affairs Committee should examine the need for a workable tar sands leasing policy. Development of Utah's tar sands deposits could play a small but vital role in satisfying our future energy requirements.

LETTER OF INTEREST

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. THOMPSON of New Jersey. Mr. Speaker, the recently concluded hearings by the Judiciary Committee on the articles of impeachment against the President gave the Nation an unprecedented opportunity to view a fundamental democratic process in action. I think beyond question the committee performed its constitutional obligation with fairness and with great objectivity and that it merits the respect and gratitude of the House and of the Nation. My mail tells me that that feeling is shared by a great number of my constituents, but it was most eloquently expressed in a letter sent to me by Miss Ann P. Brewster of Lawrenceville, N.J. Mr. Speaker, I have received Miss Brewster's permission to share that letter with you and if there is no objection, I would like to place it in the RECORD at this time.

The letter follows:

LAWRENCEVILLE, N.J.,
July 29, 1974.

Representative FRANK THOMPSON,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. THOMPSON: I know you are unusually busy and will be so for the next month or more, but I hope you have time to read this. The things I have been thinking about are important to me and have to do with the serious business which, I believe, will be before you and the other representatives shortly. I want you to know that my feelings are those of a former cynic, a former radical, and one who seldom cared about the government—and they are sincere.

I have never been a supporter of President Nixon. It is my personal belief that he has committed "impeachable offenses," and that he should indeed be accountable for his actions in all the matters concerned and subject to trial by Congress. The concerns of my letter, however, are not those personal opinions about his guilt, but some broader ideas which have become part of my thoughts and feelings.

For a number of months I have found it tedious and depressing for me to keep up on the facts and progress of the impeachment proceedings against the President. Since live television coverage of the Judiciary Committee hearings began, though, I have been absolutely absorbed by all these events. My impressions of the proceedings have surprised me. I am proud of the members of the committee—all of them—for their ability, diligence, and their concern. And I'm so proud of our democratic system! I say I was surprised by these impressions, and that's true. I have never felt close to my government (which, in the past, I referred to as "the" government) or to the issues it dealt with. I was estranged, really, from my own country. I'm happy to say that I no longer feel that way. I am happily consoled and excited. Though I do think the President is impeachable, I do not take the process lightly. I was afraid, as many were—and some still are—that this grave and unusual situation would devastate our government and, as well, the people's trust in their elected officials. I am positively convinced now that this is not the case. If anything, the ability of Congress to accept and carry out the process is a confirmation of democracy. Never have I felt so encouraged—so proud—of this country and its government. I think it is important that every member of Congress know this. Most especially, I want you to know it.

I have faith in your capacity for understanding and interpretating the events and facts in question, and I realize that you are, because of your knowledge of the facts and your closeness to the controversy, a better judge of the case than I. You have my full support for whatever your convictions may be.

I look forward to a just fulfillment of the provisions of the Constitution. I have absolute confidence in the members of Congress that they will meet their responsibilities in this vital matter as thoughtfully as they have up to this time.

With sincerity and respect,
ANN P. BREWSTER.

SHORTAGES THREATEN FREE PRESS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. EDWARDS of California. Mr. Speaker, the newspaper industry is facing a crisis—its ability to publish. Should the supply of newsprint grow shorter and the price continue to rise, all newspapers will be forced to reduce coverage or shut down.

These choices are unacceptable. We cannot tolerate this threat to a vibrant free press.

Mr. Speaker, I hope my colleagues will read carefully the following persuasive article in the Oakland Tribune by Juan Vergara Hovey:

[From the Oakland Tribune, July 7, 1974]

NEWSPRINT COSTS SOAR, PAPERS CUT BACK

(By Juan Vergara Hovey)

Inflation—the invisible, silent enemy that consumes money faster than a hot furnace—is hitting the newspaper industry in California and elsewhere right where it hurts: in newsprint, the very stuff of which newspaper are made.

A survey by The Oakland Tribune last week revealed two things which are deeply worrying newspaper publishers:

The cost of newsprint is spiraling out of sight.

At the same time the supply is dwindling in relation to demand and is also becoming erratic.

A number of small newspapers in the Eastbay skipped publication over the Fourth of July holiday to conserve their supplies of newsprint.

Prices of the soft, fibrous paper on which newspapers are printed have risen extraordinarily in the last 18 months. One major supplier of West Coast newspapers, including The Tribune, announced a new increase just last week that will balloon the cost of a ton of newsprint 40 per cent over what it was in January 1973. Other suppliers are expected to follow suit.

For a newspaper the size of The Tribune, that means that the annual cost of newsprint will be $2 million higher than it was 18 months ago.

In some cases the price of newsprint is already rivaling the cost of labor, traditionally the highest cost of publishing a newspaper.

In January, 1973, The Oakland Tribune was spending exactly $174 for each ton of newsprint, from which about 3,500 copies of a 50-page newspaper could be printed.

On August 1 the Crown Zellerbach Corp. of San Francisco, which supplies The Tribune and a number of other newspapers, will start charging $245 per ton. That is an increase of 40 per cent.

Industry sources say the end is not in sight. In Europe, prices reportedly range around $350 per ton. Prices already are about $400 per ton in Latin America, and are said to hit $800 per ton in less developed areas of the world, particularly Africa and parts of Asia.

Some of that paper is black market paper. One American newspaper executive, granted anonymity by The Tribune, said a black market is already operating in this country and, though erratic and shadowy, can supply publishers with 4,000 to 5,000 tons of newsprint per shipment—at a cost of about $375 per ton.

The situation apparently had its roots during the economic controls imposed by the Nixon administration in 1971. Among the industries whose prices were strictly controlled were the nation's paper manufacturing concerns.

Traditionally a source of little profit, newsprint instantly became an unattractive product. Prevented from raising prices to meet their rising costs, pulp manufacturers put a halt to their plans for expansion and even, in some cases, reduced their production of newsprint and stepped up production of more profitable grades of paper.

The situation was complicated by a series of strikes and other labor difficulties this year in Canada, from which American newspaper publishers bought about 70 per cent of their annual consumption, which totaled 10.5 million tons last year.

In some cases shortages became so severe that newspapers stopped publishing on some days, or trimmed their circulation or their news space or their ad space.

In nearly every newspaper office in the country, steps were taken to conserve newsprint.

The shortage seemed to lift somewhat earlier this year. The strikes in Canada were resolved, and supplies, despite some intermittent labor troubles, became constant again.

But then the Nixon administration lifted its controls on the paper industry, on March 8 of this year. By March 15, one major supplier of newsprint, the Canadian International Paper Co., raised its per-ton prices from $188 to $213.

And no one in the industry was pretending then that costs would rise no more.

They still aren't.

And now publishers—especially those of smaller newspapers—are faced with the added problem that they can't find enough newsprint no matter what it costs.

The trouble hit home in the Bay Area for the first time this week as publishers received news of the Crown Zellerbach increase—and anticipated similar increases from other suppliers.

The Fremont Argus and Livermore Herald News, did not publish Friday morning. The Hayward Review skipped publication Thursday.

In Contra Costa County, there were no Thursday editions of the daily Antioch Ledger and Concord Transcript and the Pittsburgh Post-Dispatch. The Martinez News-Gazette also did not publish Friday morning but a company spokesman said holiday scheduling rather than the newsprint shortage was the reason.

These, like other small Eastbay newspapers, are faced with the rising costs and dwindling, erratic supply that trouble their larger competitors.

"The spiraling cost of newsprint is one of the greatest threats to newspaper publishing we face," Dean Lesher, publisher of the Contra Costa Times and three other daily newspapers in Contra Costa County, as well as a number of weeklies and several papers in the San Joaquin Valley, told The Tribune last week.

"The Times has a five figure tonnage of newsprint (annually), and those costs are rapidly becoming the Number One costs of operating.

"Circulation doesn't pay the costs of production even before delivery," he said.

"Advertising bears the brunt of publication costs, but there's a limit how far you can raise those. We need at least a 10 to 12 per cent rate of return on our advertising—as opposed to 6 per cent—because of the rising costs.

"And it's not only the costs of newsprint. It's also the supply. Suppliers allocate (their shipments) but they don't always deliver them on schedule."

And the cost keeps rising. Lesher said industry sources had told him that the cost of a ton of newsprint could easily reach $290 by the end of the year.

The latest increase will hike the publishing costs of Lesher's chain by about $500,000 per year, he said.

Another area newspaper executive, Walt Dreitzler, production manager of the Vallejo Times-Herald, said the Donrey Media Group, which owns 32 newspapers including the Times-Herald, had been forced to trim its consumption of newsprint by 40 tons a month because of the shortage.

Daily editions of the papers have been cut by as many as four pages. Both advertising space and the "news hole" suffer, he said.

The Donrey Group's weekly Valejo News Chronicle this week will cut its press run in half—from 30,000 to 15,000 copies, he said.

Shipments have been unpredictable, Drietzler said. The May shipment never did arrive. The June shipment didn't arrive until the end of the month. There's no telling when the July shipment will arrive, he added.

John Fitzwater, publisher of the Pittsburg Post-Dispatch, a member of the Worrell Newspapers chain, has been forced to increase its subscription and advertising rates in order to meet the rising costs of newsprint and other supplies.

The newspaper has contracts for enough newsprint to supply it for the rest of the year, barring labor troubles that could interrupt shipments, he said—but there's no predicting what will happen next year.

Across the country, nearly all newspapers have been forced to increase subscription and advertising rates to meet spiraling costs in recent years. For example, on Sept. 1, 1972, the San Francisco Examiner and Chronicle increased their monthly subscription rates to $4.75. On April 1 of this year, they increased them again to $5.50.

Last month, The Tribune increased its monthly subscription rate to $4.75, the first increase in more than three years.

Some California newspapers were hit with a new wrinkle on the newsprint supply situation last week.

Finland, which exported about 300,000 tons of newsprint to the United States last year, will send no more next year, according to an announcement from the Finnish trade group, Paper Producers Association.

"We shouldn't have any difficulties in selling (the halted shipments to America) in Europe, where the prices are a little bit better," a spokesman for the trade group said.

That 300,000 tons was slightly more than 2 per cent of the total U.S. consumption, but at least one California newspaper group depended heavily on it.

Hugh Hollister, assistant to the president of the Copley Press, La Jolla, which owns the Sacramento Union, the San Diego Union and Tribune, and the South Bay (Torrance) Daily Breeze, said the chain bought 25 per cent of its yearly supply of newsprint from the Finnish exporters.

Next year the Copley papers will get none at all from the Finns, Hollister told The Tribune. Already this year the Finnish exporters have cut back on their contracted-for supplies by 50 per cent, he said, and the chain is seeking other supplies.

Given the tight situation throughout the industry, the chain will have to scramble for it.

Copley's troubles come on top of others—most notably a drop in ad lineage because of the unpredictable future of the American economy, Hollister said.

Some papers in the chain have increased their subscription or street sales rates, and all have instituted strict conservation measures, he said.

"We've taken steps to eliminate waste and restrict our product to accommodate the general shortage," he said, including the elimination of a special edition delivered in parts of the Imperial Valley.

The chain has also trimmed the number of free copies available to schools, libraries, and the like, and only "spoiled" copies are available to editors and reporters in city rooms.

As yet the chain has not trimmed its news content as a result of the newspaper shortage, Hollister said.

"But we are considering it now. We are very much considering the value of some of our features," he said.

As yet the advertising space has not been trimmed either, he added.

The chain has found no supplier to make up for the 25 per cent of its consumption normally received from Finland.

Asked what he thought the general prognosis was for the industry, Hollister said:

"There will be individual cases of near disaster. A large paper can do a variety of things and still make money, but a small paper can't do as much."

The crunch will worsen, he said, until pulp prices rise far enough to make the business profitable again—and even then, because of the lead time required to bring new mills on line, it will be two years before capacity is significantly added to.

"All newspapers are going to be hard hit by the soaring costs," Charles Gould, publisher of the San Francisco Examiner, told The Tribune.

"They can only meet such costs by increasing their revenues. It's part of the inflationary pattern.

Nonetheless, he said, the latest round of price increases "is a shocker.

"I think we're faced with monumental challenges as newsprint costs go up and as labor costs go up.

"Newspapers are in danger of pricing themselves right out of the market."

THE GREAT INFLATION

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, during my trips home and in the letters I receive from my constituents I hear a constant and rising theme of concern about the double-digit inflation we are now enduring. I am sure my colleagues in the House have the same experiences. I want to bring to their attention two excellent articles in the Saturday Review/World which shed considerable light on the exact nature of the problems confronting us.

Sidney Rolfe in "The Great Inflation" gives an outstanding analysis of our current crisis. He expertly lays out the background of the crisis, where we are now, and what we might expect in the near future. Lastly, he lays down some concrete advice as to some appropriate rules which we holding political office should henceforth consider carefully.

The second article, "Inflation Around the World" by Colin Chapman, provides a short tour of inflation highlights in the non-Communist world, underlining that other democratic governments besides our own will be facing difficult decisions in the near future.

The articles follow:

THE GREAT INFLATION

(By Sidney Rolfe)

Like a thief in the night, inflation has silently stolen wealth from all classes in society. Wage-earners and pensioners are hard hit in the supermarkets and in the shops. Since 1966, savings have lost 40 percent of their purchasing power. Stocks and bonds have lost at least this much value with rising interest rates. The flight from paper to things—real estate, art, gold—is an attempt to seek security against monetary depreciation. Loss of wealth and a pervasive feeling of insecurity have contributed to the cynicism and disillusionment that citizens feel for their governments and for the effectiveness of democracy.

Why so much inflation? The perplexed citizen is too often confused by purported explanations that mix symptoms with cause, transitory episodes with fundamental reasons.

Strangely, the best definition is still in Webster's dictionary: inflation is "an increase in the volume of money and credit relative to goods resulting in a substantial rise in the general price level." Or, in the common wisdom, "too much money chasing too few goods." Money and credit, in a more technical phrase, are the "money supply."

Where does too great a money supply come from? The answer again is stunningly simple—the oversupply results from too much deficit spending by governments. The process works this way: as Congress appropriates, and the Treasury spends, more money than it receives in taxes, the Treasury issues IOUs (treasury bills, bonds, and so forth) for the difference. In recession, when the society has idle savings (unloaned funds in the banking system or personal savings that earn zero or low-rated interest), it can lend them to the Treasury for the IOUs. But with near-full employment there are few idle savings around, so the Federal Reserve system simply creates additional money, in the form of bank credit, for banks to buy the IOUs—that is, to lend back to the government. This is a net addition to the money supply.

In times of recession, putting idle savings to work tends to stimulate the economy and create jobs. But when productive capacity and the money supply are fully employed, the result of adding new money supply cannot help being inflationary, after a time lag. This effect is particularly likely when the government buys military goods that never come back into the supply stream, as they either are destroyed or have no civilian use.

To put it differently, the money supply is tantamount to a total, aggregate demand for goods and services. But both the supply of goods and the demand for those goods (the money supply), like two blades of a scissors, determine price. In the natural course of events, because of increasing productivity, the amount of goods available tends to increase, almost automatically, by about 3.5 to 4 percent per year in the United States (more in some countries, less in others). But the supply of money is subject to no "natural" increase rate. How much money and credit are created is arbitrary and determined by government spending decision—or lack of decision—as indicated earlier. Were the increase in money supply restricted to about the same rate as the increase of goods—that is, about 4 percent per year—then prices would remain stable. If it increased less than 4 percent, or fell as it did in the Great Depression, then prices would fall. However, in the past decade the money supply has increased by much more than the magic 4 percent, and the result—à la Webster—has been inflation.

A brief look at the figures tells the story. In the five-year Johnson era, 1964 through 1968, the money supply increased, according to one measure,[1] by no less than 47 percent, from $259 to $382 billion. A little arithmetic tells us that the supply of goods increased at best by about 22 percent—that is, the 4 percent productivity increase compounded over five years. The discrepancy is obvious, and the result was inflation. Nor did the Nixon administration do any better. In the five years from 1969 through 1973, the money supply increased 49 percent ($382 to $571 billion), over double the same 22 percent gain in output of goods. If the whole decade 1964 through 1973 is considered, the money supply increased by 120 percent. For the same decade the increase of output was of the order of 50 percent.

The genesis of the Great Inflation is thus the doubling of the money supply in the United States from 1964 on. The major single reason for the increase was the huge expenditure for Vietnam, which was not offset by increased taxes because the war was too unpopular to face a tax vote in Congress, despite the voluble protests of Johnson's economists that taxes must be raised or there would be inflation.

The signs of inflation were numerous by the late Sixties, but the most significant, for this analysis, were evident in the foreign balance of payments. For the second major step in the drama of the Great Inflation was the transmission of the American inflation to the rest of the world and particularly to industrial Europe and Japan, whence it reverberated, as a result of the international monetary system and, particularly, that system's inflexible adherence to fixed exchange rates.

How did it happen? In 1964 the United States had a favorable balance of payments on trade—that is, a surplus of exports over imports—of some $5 billion. By 1968 this had fallen to near zero and, thereafter, to a negative for the first time in the twentieth century. The inflation in the United States had raised prices more rapidly here than in other countries, reducing American exports and inducing relatively cheap imports. As a result, a vast number of dollars were sent abroad to pay for goods.

These dollar outflows followed a path from American importer to, say, German exporter, who deposited them in a German commercial bank. The bank "sold" the dollars to its central bank for marks. The central bank thus became the residual holder of dollars. In exchange it gave to the German commercial bank from which it had collected the dollars an equivalent value of marks or of credit. So the money supply in the various countries also rose because of the inflow of dollars.

But the inflow of American dollars from the trade deficit was only the tip of the iceberg. For by 1969–70, when it had become apparent that the dollar was badly overvalued and could not earn its way in the world, billions of dollars were transferred from the United States—by foreigners moving their deposits to other countries, by private individuals and banks doing the same, and, least of all, by multi-national corporations. The funds were transferred to foreign banks to be converted into foreign currencies in anticipation of a devaluation of the dollar. For example, in 1971 no less than $30 billion left the United States in this way. And all of this money, like the dollars flowing out because of the trade deficit, was translated in the countries in which it lodged, mainly in industrial Europe, into additional money supply, hence the inflationary potential there.

The "surplus" countries receiving dollars could have done something about the problem. They could have revalued their currency—that is, increased its value against the dollar. Or they could have agreed to permit the United States to devalue the dollar unilaterally, a course American officials proposed in 1970–71. Either adjustment would have permitted the United States to pay its way by making American goods cheaper on world markets so that Americans could export more and import less and move from deficit to surplus on the trade balance. But the surplus nations did not do so, because, although they feared inflation, they feared even more the loss of their own export markets and the political power of their export sectors.

In August 1971, the United States forced the devaluation of the dollar on the world by suspending gold convertibility and by imposing a 10 percent surcharge on imports, superseded in December 1971 by a general agreement on new exchange rates, which devalued the dollar and upvalued the yen, mark, and other currencies of surplus countries. But this, too, broke down, and in February 1973 the dollar was again devalued and all currencies were allowed to float—this is the current state of affairs.

The establishment of floating exchange rates in 1973 stopped the international transmission of inflation, but by then much of the irreparable damage had been done. New levels of money supply had been created throughout the world, and prices rose to meet them, distributing the supply of goods into the swollen money demand. A few figures will illustrate the extent of this world money-supply growth. In the two and a half years from June 1971 to January 1974 the most meager measure of money supply (M1, currency plus demand deposits)—but the only one available for international comparison—rose by no less than 32 percent, from $522 to $690 billion for the ten major industrial nations. Again, this may be compared with a 10 percent productivity growth for the period, and, of course, the process had been going on long before 1971. From 1965 on, the money supply for these nations had more than doubled, from $332 to $690 billion; the cost of living rose by over 50 percent.

Once established, the new money supply cannot be rolled back, as this would reduce spending and thereby employment and/or wages, and result in an unacceptable depression. Therefore prices will not decline in the near future, except for certain commodities, including grains, soybeans, and others for which rapidly rising prices in 1972–73 have called forth a significantly larger crop. On the other hand, there is evidence that the rate of increase of money-supply growth has slowed; so further price rises should be much smaller. The annual rates of change of the money supply for each six-month period of the two-and-a-half-year span through 1973 were 10.8 percent, 16.2 percent, 13.6 percent, 10.2 percent, and only 6.8 percent in the latter half of 1973.

---

[1] M2 is used here—that is, currency plus demand deposits, plus time deposits at commercial banks. Other measures give much the same result. Based on the *Annual Report of the Council of Economic Advisors*, 1973, Table C–52, p. 310.

Parenthetically, it may be noted that some commentators blame flexible exchange rates for increased inflationary pressure in the United States. What they mean is that the devaluation of the dollar resulted in higher import prices and created a new demand for American goods abroad, resulting in a small export-led boom here. This is true as far as it goes; but a more realistically priced dollar was inevitable and should, in the long run, be welcomed. It is only unfortunate that this adjustment did not happen sooner, when a smaller dose of the medicine would have served the purpose.

This essay has blamed inflation primarily on increases in the money supply. Newspaper readers will logically ask, What about other factors in the headlines? Crop failures; Soviet wheat purchases; the anchovies that swam the wrong way; the shortages and the soaring price of grain, proteins, and commodities? What about the Arab oil-company cartel that—using the Israeli war as an excuse—quadrupled oil prices in October 1973?

These elements are important but have been, at most, marginal contributors or, in the case of oil, very late comers. Had there been no endemic inflation, the shortages might have raised prices as a whole 1 or 2 percent, although more than that for specific goods (wheat, beef, gasoline, and so forth). Putting it differently, they converted a 10 percent inflation into perhaps a 12 percent inflation. Most of these shortages would have been much less important if the rapid increase in money supply all over the world had not resulted in simultaneous booms in all industrial countries so that there was unprecedented demand pressure on supplies of almost all raw materials. Under these conditions the world was especially sensitive to any chance shortages or to cartel actions, as in the case of the oil producers.

When the agricultural shortages hit, their impact was sharp. A recent analysis[2] attributes 64 percent of the *additional* inflation, the increase in wholesale prices from late 1972 to mid-1973, to agricultural goods. If this is so, it may well qualify as the straw that broke the camel's already overloaded back. The question is not, Which straw? but, Why so much load? Now, futures prices indicate these agricultural goods will recede with this year's crop, further evidence that the worst of inflation has passed.

More sophisticated readers will recognize the money-supply thesis as what is commonly called "demand-pull" inflation. What about "cost-push"—wage-increase—inflation and others? Wage increases are usually attempts to catch up with living costs raised by monetary inflation. In the absence of monetary inflation, a cost push in one sector may score off other workers or consumers but will not of itself be inflationary overall unless the monetary authorities increase the money supply to "accommodate" the cost push. The key is still the money supply.

To be sure, other factors helped inflation. Price controls—the ill-fated phases I, II, III, and IV—certainly helped, although they were intended to do the opposite. While in force, they suppressed inflation, making it visibly worse when removed; helped reduce needed supplies of goods by making price and profit exceptions uncertain; and did nothing to cure the excess money supply. Indeed, by drawing attention from it, and by purporting to be helpful when in fact they were harmful, price controls were on the whole counter-productive.

A final factor that will only be briefly mentioned is the Eurodollar market, because it is far too complex for a short article. Suffice it to say that this unregulated international banking system, which operates without reserve requirements, expanded the dollar-outflow from the United States into the formidable total estimated at $150 billion at the end of 1973 and increased the world's already swollen money supply. But it, too, is marginal to the extent that it reflects, and thrives on, the outflow of U.S. dollars and some well-meant but counterproductive U.S. government regulations over multi-national banking and business, mercifully ended in early 1974.

Where now? For the immediate future, the worst of the inflation seems to be over. Price increases will not continue as they have in the past, because the rate of increase in the money supply has slowed and governments seem, belatedly, to be sensitive to this factor. In the case of some commodities, prices have fallen from their peaks and will fall more as inventories are dishoarded. Agricultural goods should decline, too. But a general rollback of prices to some halcyon level will not happen. It has been the hypothesis throughout that inflation—that is, price increases—is required to equilibrate the available supplies of goods with the new, higher level of money supply. Much of that equilibrating is past. Recent high interest rates reflect the reduction of money-supply growth; and penalizing though they are for the housing industry and for those businesses that rely on cheap credit, it would seem better to bear them than to increase the money supply again with future inflationary consequences. Interest rates, too, appear to have passed their peak.

Some fear that inflation will end in a crashing depression and are accordingly preparing for the worst. This, too, seems unlikely, although liquidity squeezes and more bankruptcies than usual are likely.

The real question, however, is future policy with respect to inflation. It has now had sufficient impact on enough people so that the mass fear of a repetition is deep and genuine. Can this desire be translated into political will? Any political figure must be tempted by the next election, never far off. This is particularly true in a world beset by weak governments, where a 2 to 3 percent swing of the vote will unseat any incumbent government in the West. The short-run euphoria and the hurrahs that accompany a stimulating rise in the money supply are hard to resist.

The time would seem to be at hand, therefore, for some rules about the money supply to become standard fare in all political rhetoric and action, just as "full employment" has become. The main rule would be to contain the money supply within the bounds set by the growth of output, with a view to achieving something close to price stability. The rule implies much less leeway for the Federal Reserve Board and the monetary authorities to create additional money supplies through their own secret formulas. It also implies greater public awareness, hence pressure on Congress, to resist deficit spending unless this is clearly desired for economic stimulation.

It is also necessary to take a more sophisticated view of the unemployment statistics. The rush to inflate when the overall unemployment rate rises to 5 percent or so must stop. A distinction should be made between head-of-family unemployed and school dropouts who can swell the total number but are not employable in any event and who would be better assisted by job training or direct employment on project work than by a rush to general inflation.

Similarly, the time is at hand for international financial cooperation to coordinate movements of the money supply among the major nations, again with a view to their orderly and rational growth within the bounds of new production. Flexible exchange rates should be re-affirmed as a means of preventing the international transmission of inflation.

Surely, all of this has been advocated before, and cynics may well wonder, Why again? The difference this time is that masses of people in every nation have been stung by inflation, as they were by unemployment during the Great Depression. And there is evidence—*vide* the slowdown in monetary growth—that politicians have been getting the message. The message needs to be sent more clearly, with more specific directions, and more forcibly. It could just work.

INFLATION AROUND THE WORLD

(By Colin Chapman)

History tells us that no democracy has ever survived for long an inflation rate of more than 20 percent. Yet some of the world's great industrial nations have already passed the 20 percent mark—Japan being one notable example. Countries with 16 percent, like Britain and Denmark, are approaching the danger zone, while West Germany and the Netherlands may escape with less than 10 percent.

The fourfold rise in oil prices is the largest single cause of inflation, some countries being more seriously affected than others. Japan, which is over 70 percent dependent on imported oil, has fared particularly badly. Inflation is going to get much worse in every oil-importing country, and more governments will be facing difficult decisions. Here is what is happening in some major non-Communist nations:

AUSTRALIA

The inflation rate was 13 percent last year and is now rising to 16 percent. The country is 75 percent self-sufficient in crude oil from the Bass Strait area, and in the type of oil refined for gasoline it is totally self-sufficient. There has been considerable wage-push and demand-pull inflation. An example of the latter has been a long wait for new cars and, despite tariff cuts, an insufficient supply of imports. Referenda that would give the federal government, rather than the states, power to control wages and prices were defeated. If there had not been two upward revaluations of the Australian dollar, the position would be worse. Inflation was the issue at the May general election, but the government has produced no cure.

BRAZIL

The inflation rate is officially 14.3 percent, but bankers and economists say that 24 percent would be more accurate. However, this is a major improvement from the Sixties, when 100 percent a year was the norm. The Brazilians have a system of "monetary correction" to compensate for the falling value of money. Wages are adjusted upward to compensate for inflation, and so are interest rates. Government bonds are issued with a fixed interest rate plus monetary correction. Thus if the interest rate is 10 percent while the cost-of-living index rises 25 percent, the total interest received would be revised upward to reflect the 25 percent depreciation in currency. There is also a tax deduction for working capital affected by inflation. The system has brought great benefits to Brazil, but, of course, many personal liberties have been suppressed in the name of economic order.

BRITAIN

The rate of inflation was 13 percent last year but now is nearer to 16 percent. In February of this year Heath's Tory administration was defeated because of the unpopularity of its counter-inflationary measures. But these were mainly aimed at keeping wages down, while encouraging profligate spending because of an expanding money supply and easy credit. The Labor government has increased taxes and tightened credit, while wages rise because of new agreements tied to the cost of living. There's not much optimism in Britain these days, but the trade deficit is steadily improving, and most people cling to the hope that North Sea oil will eventually save the day.

---

[2] Nordhaus and Shoven, "Inflation 1973," *Challenge*, May/June 1974.

CANADA

Inflation is threatening to accelerate from a rate of 7 percent last year to as much as 10 percent in 1974. The 1 percent jump in the consumer price index in February was the highest in 20 years. Government inability to deal with inflation explains why the Trudeau administration became the first in Canada's 107-year history to be brought down by a Parliamentary rejection of the budget; it is now in doubt whether Canada can deal with inflation any more effectively than the United States can.

FRANCE

The rate is about 16 percent. France has been Europe's success story, and there is no shortage of optimism-preaching pundits, including the American think-tank forecaster Herman Kahn. But the country depends to a great extent on imported oil and gas, and its coal resources are limited. As finance minister from 1969 onward, President Giscard d'Estaing was always ready to accept a certain degree of internal inflation as the price to be paid for uninterrupted economic growth. The French started off this year with a wild spending spree, but now money is short because of a tight credit squeeze. Efforts to hold back wage increases show few signs of succeeding; it is hard to persuade workers to accept sacrifices while wealth is unevenly distributed. Price controls have been intensified.

GREECE

The inflation rate of 33.4 percent is the highest in Europe, and it is getting worse. The colonels are trying to keep prices down by offering a number of tax incentives to encourage industrial and agricultural production. At the same time they are restricting consumer demand and liquidity by tight credit.

INDIA

The inflation rate is now 15 percent for the second year running. Hardest hit is the middle class, whose savings and hopes have been washed away. Inflation has made nonsense of Prime Minister Indira Gandhi's last-election promise to abolish poverty. Food shortages and high prices pushed her into a major concession to populism—and she nationalized the wholesale wheat trade. But this action caused even more food bottlenecks, and prices soared again. So she denationalized the wheat trade and improved competition by liberalizing licenses for American and other multi-national corporations. To keep wages pegged, she broke an airline strike by locking out the strikers and ordered ruthless industrial repression to starve out railwaymen on strike. Government anti-inflationary measures include steps to check bank credit and a tightening of the money supply. There have been major cutbacks in public spending: administration and development programs are being chopped by 4 billion rupees ($513 million). Price controls have been applied on essential commodities.

JAPAN

Inflation last year reached an unprecedented level of 24 percent in March, but it has been brought in check somewhat since then. Nevertheless, forecasts are grim. Here are three banks' predictions for the year ending March 1975: Daiwa Bank, wholesale 22.5 percent, consumer 19 percent; Mitsubishi, wholesale 21 percent, consumer 19; Fuji, wholesale 26 percent, consumer 19. Anti-inflation measures include a 9 percent discount rate and a control on the monthly volume of loans by individual banks. The government has also exercised direct procedure of Japanese industry through what is known locally as "administrative guidance" in limiting price increases. Monthly wholesale prices have slowed from over 7 percent in December of last year to under 1 percent in March and April. But a faster rate is possible in late summer, owing to the inflationary effects of the recent 30 percent industrial wage increases.

SWEDEN

With inflation moderate at only 8 percent and growth predicted as high as 4.5 percent, the Swedish economy could achieve the best results in a decade. All this with no slums and no poverty. Furthermore, in an attempt to protect the small saver against inflation and to halt the decline in the savings banks' share of total savings, banks are planning to introduce index-linked deposit accounts later this year. These will give the investor not only normal interest on his money but also a further percentage to cope with inflation.

UNITED STATES

Inflation is running at 12 percent. Even so, many people are optimistic because a good harvest is expected, world commodity prices show signs of falling, and the trade unions look as if they will be moderate in wage demands. The Nixon administration hopes that by the end of 1974, prices will be rising by only 7 percent.

WEST GERMANY

In marked contrast to Weimar days, German inflation, at 7 percent, is the lowest in the industrialized world. Chancellor Helmut Schmidt is pursuing a policy of high interest rates and tight credit but will not allow wage or price controls. German institutions are also forced to deposit with the Bundesbank—at a nil rate of interest—one-fifth of whatever money they have borrowed overseas. The stability of Germany is partly due to the 20 percent appreciation of the deutsche mark since December 1971, accompanied by no loss of German exports. West Germany is one of the few oil-importing countries running trade surpluses this year: critics believe this is the wrong way of curbing inflation. But it has worked. As Chancellor Schmidt said recently: "There is no other country that has performed as well as we have, either on the price front or on employment."

SUPREME COURT RETREAT FROM HISTORIC ROLE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BADILLO. Mr. Speaker, the Supreme Court's reversal of a lower Federal court's ruling that would have required exchange of students between the schools of Detroit and the city's suburbs is a severe blow to the legitimate hopes of the minority groups of America for equal educational opportunity.

In its ruling, the Court did not address itself to the exclusionary zoning practices, inequality of educational spending, and all the other strategies which preserve suburbia for the rich and the powerful while leaving the decaying inner cities to racial minorities. The justices fail to inform the country as to who can be expected to provide a decent education and equal opportunity for the children of the ghetto if the suburbs and the State are not to be responsible for school integration or equalization of educational expenditures.

Author William Serrin paints a bleak picture of the decline of the quality of life in Detroit in an article on the op-ed page of the August 1 New York Times, and I commend it to my colleagues for its suggestion of the hopelessness left in the wake of the retreat of the Federal Government from responsibility for equal rights and protection under law for all Americans, particularly the poor and the powerless for whom the need is paramount.

The article follows:

DETROIT, WHERE LIFE IS WORTH LIVING

(By William Serrin)

DETROIT.—For months busing consumed the Detroit area. How the hatred rose, a quilt that smothered the region!

Now the United States Supreme Court has ruled. There will be no metropolitan remedy. There will be no busing to the suburbs.

The suburbs are elated. Blacks won't be coming out. Happy, too, are the politicians—Senator Phillip A. Hart seems the one exception—who scuttled like mice to the anti-busing side, among them many Democrats of long-standing liberal reputation.

The decision seems a disaster for Detroit. The Court said that Detroit's schools, 70 per cent black, 30 per cent white, must be integrated. It is likely there will be busing, probably beginning in 1975. Busing probably will end up working reasonably well. Busing is working fine in Pontiac. It has for some time.

But busing will push thousands of whites from the city—those who can leave. There will be many homes for sale on the northeastern and northwestern sides.

Integration. Yes, the Detroit case was about that. But the case was about other things as well, money and wasted lives.

For years, when this was a prosperous city (there used to be a sign, made with flowers, on the City Hall lawn: Detroit, Where Life is Worth Living), Detroit subsidized much of the state, including the suburbs. Detroit taxes provided a large part of the state budget. They built northern roads and parks They helped build the expressways. Detroit capital financed suburban home and commercial construction.

Now the money is in the suburbs. The new homes are there. The new shops. The new factories. Once Town & Country magazine published a portrait of three dozen "Detroit leaders." Every person—I recall a utility executive who posed in his tennis whites—lived in the suburbs except one, the Mayor of Detroit, required by law to live here.

In the majority opinion, Chief Justice Warren E. Burger said integration plans that linked two districts could be justified only if discrimination in one district produced discrimination in th other. Is not that the effect of what has occurred? Area mortgage practices discriminated against blacks in Detroit. Suburban zoning and home-buying practices kept blacks penned here. State officials allowed unequal education funding.

(Not all the suburbs are prosperous. Some resemble Detroit: the white working-class suburbs of Warren, Westland, Southgate. That is an irony. Schools there face the same money problems as Detroit. But as Detroit's money problems will go unaddressed, so will those communities' money problems. Many whites who flee Detroit will end there, and find that that is the case.)

Detroit is poor, the metropolitan area's barracks, the place where the poor, black and white, and a large number of workers live. Detroit's function is to keep them out of sight although it is ill-recompensed for this service. All the city's services suffer. Parks.

Libraries. Police. The arts. Sanitation. Street cleaning. But schools are particularly hard-pressed. They are old, understaffed, ill-maintained.

What does life in Detroit do to the children? Sometimes I watch them on their way to school. Beautiful, vibrant children. Some turn out to be wonderful people. Some go into factories, marry, raise families, settle in frame houses, and lead happy lives. Some come out of, say, Martin Luther King Jr. High School or Charles F. Kettering High School and go on to Harvard University or the University of Michigan.

But so many lives are wasted. Beautiful, vibrant children become, as young men and women, bitter, ill-equipped, often vicious. Without a future, without hope. Detroit has a stupendous crime problem. Is it any wonder? It is these young people who turn to crime and dope. And end up drinking on street corners or as overdose victims. As prostitutes. They kill and rob. They end up in Jackson Prison or the Detroit House of Correction. Or dead on a hot ghetto street on violent nights.

No one was happy with the idea of busing. It would have been accompanied by great trauma. But busing would have forced suburban communities to become interested in Detroit's schools. White wealth and power could not have ignored Detroit's schools without ignoring white suburban children. Money would have been forced into Detroit. Busing was no magic cure. But it was something.

And now? During the busing controversy politicians kept saying the issue was not busing but quality of education.

Will the leaders—liberals like Democratic Representatives James G. O'Hara and John D. Dingell, who jumped on the antibusing bandwagon; the members of the Legislature; the Governor; the corporate leaders—will these men fight for more money for Detroit? No.

Will school tax revenues be apportioned on the basis of need, so that Detroit and other poor children will get the money they deserve? No. Will Detroit's housing and unemployment problems be addressed? No. Will suburban housing segregation be combated, so blacks can move to suburbs? No. Will artificial boundaries be ended? No. Will wealth assume its responsibilities? No.

Nothing will happen. Integration is now a matter for Detroit only. Thus it will be of little concern to the people of wealth and power, who live elsewhere. Interestingly, some blacks are saying that if whites flee, so what. They—blacks—will run the city, the blacks say. Racism, you see, is a two-way street.

A final point: How much during this controversy did the Detroit area resemble the South when, a decade and more ago, the South faced integration. The problem was the same. The same epithets, the same code words were used. The same cowardice was demonstrated by normally responsible people. The matter was handled in the same way by the press, from the white view.

Everywhere we are the same.

TV AND IMPEACHMENT

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. RIEGLE. Mr. Speaker, the New York Times writer R. W. Apple has an interesting article today concerning the televised impeachment deliberations of the House Judiciary Committee. I insert it for the interest of my colleagues:

TV and IMPEACHMENT: HEARINGS FOUND TO GIVE HOUSE AN IMAGE OF AN INSTITUTION WORTHY OF RESPECT

(By R. W. Apple, Jr.)

WASHINGTON, July 31.—Some months ago, Thomas P. O'Neill, the genial Bostonian who serves as the Democratic leader in the House of Representatives, was reflecting on the way his elevation to the leadership had changed people's perceptions of him. "I used to be an Irish hack," he said. "Now I have become a statesman."

Something of the same thing has happened in the last week to the House Judiciary Committee as a result of its deliberations on the impeachment of President Nixon, and by extension to the House as a whole. Suddenly, the House is seen and sees itself as an institution worthy of respect. For the moment, at least there would seem to be few takers for the derisive judgment of Representative Big Tim Sullivan of New York, who said upon his retirement in 1906. "Congressmen? In Washington they hitch horses to them."

The consensus in Washington is that the committee's six days of nationally televised meetings were marked by a dignity commensurate with the occasion. To be sure, there were some pomposity and some posturing and some pettiness (members on both sides were irked by an attack on Albert E. Jenner Jr., the associate special counsel, for his views on prostitution).

COMPETENCE AND ELOQUENCE

But for all that, what struck most of those who watched the hearings close up, including reporters accustomed to dismissing the House as 435 orators in search of an idea, was the competence of lawyers like Wiggins of California and Jordan of Texas; the eloquence of Mann of South Carolina and Sandman of New Jersey; the evident emotion felt by Railsback of Illinois and Waldie of California.

The onlookers were impressed as well with the patience and evenhandedness of the committee's chairman, Peter W. Rodino Jr., Democrat of New Jersey. He proved to the satisfaction of many that the Truman tradition was not dead in America, that a relatively obscure, somewhat scorned backbencher could rise to even the most intimidating occasion.

"They didn't look like renegades," said a man with close connections to the White House, "and we'd been led to believe that they would."

Nor did the committee give the impression of ritual partisanship. Only eight Democrats voted for all five proposed articles of impeachment; only 10 Republicans voted against all five. By far the largest group, 20 members—13 Democrats and 7 Republicans—voted for some and against some.

Representative William S. Cohen of Maine, a handsome 33-year-old Republican, was commenting at a break in one of the sessions last week. The impeachment deliberations, he said, were giving the country a chance to see what he had concluded shortly after arriving here—that the House was full of talent that got lost "because of the sheer numbers."

RELEVANCE AND DECORUM

Television clearly had much to do with the tone of the debate. There were complaints about the lights, and Hungate of Missouri finally took to wearing sunglasses. There were complaints last night from the Republicans that the Democrats had deliberately delayed discussion of the tax article so it would be seen during prime time.

But the presence of the cameras held the members to a reasonable standard of relevance and decorum and guaranteed that all would be in their seats. It also gave those who feared that they were voting against the grain of their constituents a better chance to explain themselves than a whole year of speeches, newsletters and news conferences.

If television is permitted to cover future Congressional debates on momentous questions, it could work a profound change in Congressional politics—in some ways as profound as its impact on Presidential politics since 1960. In a manner the Founding Fathers never dreamed of, the Representative could truly become the Federal office-holder closest to the people.

With the assistance of television, the committee did much to ruin the climate for the kind of counterattacks on which the White House has relied almost since the advent of the Watergate scandals more than two years ago.

It becomes more difficult, for example to describe the case as the illegitimate product of the News Media when detailed accusations are issuing from the mouths of those who have studied the case for weeks.

COMPLIMENTS RECALLED

It becomes difficult to persuade the country that a committee looks like a kangaroo court when the most impassioned defenders of the President lard their speeches with compliments for the fairness of the chairman and the procedures that he devised.

And it becomes more difficult to picture the "prosecution" as a partisan lynch mob, out of touch with middle America, when, on the first two articles of impeachment there is a coalition of Republicans and Democrats of urban, suburban and rural antecedents; of ideologies rated from zero (Mann of South Carolina) to 100 (Drinan of Massachusetts) by Americans for Democratic Action; of legislators from Tuscaloosa and Bangor, Roanoke and Akron, Moline and Flatbush and Harlem.

It is for that reason, perhaps, that White House spokesmen have abandoned their caustic critiques and began speaking of the fairness with which they hope Congress will attend to its "Constitutional responsibilities."

THIRTIETH ANNIVERSARY OF THE WARSAW UPRISING

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. ROONEY of New York. Mr. Speaker, today marks the 30th anniversary of one of the most courageous and unselfish acts of heroism and sacrifice ever recorded by a people yearning to be free. The acts of common people and citizens, both men and women, young and old, became the standard against which all future acts of peoples trying to be free will be measured. Thirty years ago today the people of Warsaw, Poland, armed with few and primitive weapons rose up en masse against their German tormentors and oppressors and lashed out at them with a fury and frustration built up over 5 years of occupation.

On August 1, 1944, the people of Warsaw and the surrounding area rose up as one against the hated Nazi hordes and triggered a 63-day battle that was to thrill the spirit of free men everywhere. All of us in the West were overjoyed to hear of this brilliant attempt to regain the national freedom and integrity of the Polish state.

As in most great dramas of history, the heroism of the brave is often counterpoint to the cold and calculating cynicism and treachery of a third party. In August and September of 1944 this third party to treachery was the atheistic Communist red army of Russia, then entrenched in the eastern suburbs of Warsaw. The untrustworthiness of the Soviet Communists was complete when, after agreeing to aid the insurrection against the Germans, they not only refused to advance from their positions and attack the Nazi emplacements but they even refused to allow allied bombers to strike German targets in Warsaw and then land behind Soviet lines to refuel and to reload.

Mr. Speaker, the treachery and treason to the cause of freedom and principle that the godless red Communists perpetrated in 1944 stands as a clear warning sign to all those who think that any Communist word then or now can be depended upon.

Even in the face of this most barbarous treachery and behavior, the brave Poles at Warsaw fought on. For the 63 days some of the most bitter fighting of the war took place between the German Army and the Polish patriots.

In the end, Mr. Speaker, over 200,000 Polish victims of the battle lay beneath the rubble that had been Warsaw. The superior firepower and the training of battle-tested troops enabled the Germans to win a victory. But in the final analysis the real victory in man's timeless struggle against tyranny and aggression belonged to the brave people of Warsaw who so gallantly and freely gave their lives in the cause of freedom and dignity.

Finally, Mr. Speaker, I take great pride in saluting my many friends of Polish birth and descent and the many fine Polish-American organizations that represent them on this most moving of anniversaries.

FINAL RESULTS IN LAMAR BAKER'S 1974 OPINION POLL QUESTIONNAIRE FOR THIRD DISTRICT OF TENNESSEE

HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BAKER. Mr. Speaker, my staff, with the help of some dedicated volunteers, has now completed tabulating the returns in my 1974 Opinion Poll Questionnaire. Residents in the Third District have always responded well in these polls and this year was no exception. We were swamped with thousands of returns which is indicative of the interest in governmental affairs. The tabulation, therefore, has taken longer than usual.

With the completion of this task, I think it is important to advise my colleagues of the views expressed by constituents of the Third District of Tennessee on questions dealing with impeachment, energy, national health insurance, wage and price controls, campaign financing and financial disclosure, stripmining and food stamps for strikers.

These responses serve as a guide to me in my deliberation on these issues and I feel that they will be of interest to other Members as well. In presenting the questions and the percentage breakdown of the replies, I want to point out that on the multiple choice questions the percentages exceed 100 percent because some respondents felt they should vote "yes" or "no" on more than one of the choices. In some instances, respondents would vote for all three of the choices.

The questions and final tallies in this year's questionnaire follow:

1974 OPINION POLL QUESTIONNAIRE RETURNS RECEIVED FEBRUARY–MAY 1974

1. Considering the President of the United States, do you favor

a. Impeachment? 11 percent.

b. Resignation ? 11 percent.

c. Filling out his term? 78 percent.

2. In making consumer decisions, do you rely mostly on

a. Ralph Nader? 24 percent.

b. Consumer Reports? 67 percent.

c. Other? 86 percent.

3. To conserve energy, do you favor

a. Year-round daylight savings time? 58 percent.

b. Federal gas rationing? 18 percent.

c. A 55 mph speed limit? 86 percent.

4. Do you favor the TVA arrangement with organized labor that Union members should receive preference over non-union members employment?

Yes, 17 percent.

No, 83 percent.

5. Whom do you consider responsible for the petroleum shortage

a. Government? 75 percent.

b. Major oil companies? 85 percent.

c. Wasteful practices of society in general? 82 percent.

6. Do you favor a national health insurance program for everyone financed by tax revenues?

Yes, 32 percent.

No, 68 percent.

7. Do you favor the continuation of wage and price controls after the April 30 expiration of the present law?

Yes, 35 percent.

No, 65 percent.

8. Do you favor financing federal political campaigns out of tax revenue?

Yes, 27 percent.

No, 73 percent.

9. Do you think all candidates for public office should make full disclosure of their personal finances?

Yes, 64 percent.

No, 36 percent.

10. Would you favor the complete abolition of stripmining?

Yes, 25 percent.

No, 75 percent.

11. Should Congress reconsider and vote to ban foodstamps for strikers?

Yes, 77 percent.

No, 23 percent.

It is appropriate, I feel to emphasize some of the results of this opinion survey. My colleagues should note that 78 percent of those responding are in favor of President Nixon filling out his term while only 11 percent favor impeachment and another 11 percent favor resignation.

There is strong endorsement for retaining the 55 mile per hour speed limit as a means of conserving energy. On the matter of placing responsibility for the petroleum shortage, my poll shows the people feel that the Government, the major oil companies and the wasteful practices of society in general come in for a full share of the blame.

On other issues, my poll shows that there is not much support for a program of national health insurance to be financed out of tax revenues. They also voted against the continuation of wage and price controls by 65 percent to 35 percent. Likewise, my constituents are overwhelmingly against financing Federal political campaigns out of tax revenue by 73 percent to 27 percent.

My constituents feel that all candidates for public office should make full disclosure of their personal finances. They are not in favor of the complete abolition of strip mining, but they do feel that Congress should reconsider its vote of last year and vote to ban food stamps for strikers.

Mr. Speaker, I am grateful for the fine response I received to this year's questionnaire. I want to thank all of those who have participated to give me their views on these issues. I am pleased to share the opinions with my colleagues. I hope these views will be helpful to Members of this body as we give further deliberation to the issues in our legislative process.

YOUNG WEST VIRGINIA LEADER SPEARHEADS FIGHT TO SAVE NEW RIVER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. MIZELL. Mr. Speaker, in my effort to save the New River from destruction by a proposed power project that is dubious, at least, in any value, I have become acquainted with many outstanding people who are dedicated in their efforts to save one of the last free-flowing rivers in the United States. Mr. Jerry "Proc" Kirk, the president of the Three Rivers Chapter of the Izaak Walton League in Hinton, W. Va., is one such person.

This concerned young man has devoted much of his time in this effort. Proc has lived most of his life in the area of the New River, and from his comments to me, I know of his firsthand knowledge of what the destruction of the New River would mean.

No one can find a better example of a young person who cares and who is working within the system.

At this time I would like to submit to my colleagues the text of his remarks at the hearings which was held to provide that a section of the New River in Virginia and North Carolina be studied for possible inclusion in the National Wild and Scenic Rivers Systems:

TESTIMONY OF JERRY P. KIRK

Mr. Chairman, distinguished Congressmen, I am Jerry P. Kirk, P.O. Box 901, Hinton, W. Va. I am proud to have this opportunity to appear before you.

For your reference, I should note here that my home town of Hinton is located on New River about 250 miles downstream from the headwaters in North Carolina and about 60 miles upstream from where New River empties into the Kanawha near Charleston, West Virginia.

I appear on behalf of and as president of the Three Rivers Chapter, Izaak Walton League of America, Hinton, W. Va., and on behalf of and as second vice president of the W. Va., State Division, Izaak Walton League of America. I wish to give you testimony as to the official posture of these organizations in support of House bills 12836 and 11120. I also wish to express our opposition to the proposed Blue Ridge power project which is, of course, at issue here. To deny that Blue Ridge is the real "Bone of Contention" would be deceiving and untruthful.

I would also like to inject here that having spent my entire life up and down this river valley, I feel justified in suggesting that I represent the grass roots feelings and opinions of those who live by, work by, and play in New River.

To state our official position briefly and blunty, we want New River left alone, just like it is now. We want no part of the Blue Ridge project of Appalachian Power Company. We feel the portions of New River designated in the legislation in question will meet the criteria set forth in the Wild and Scenic River System and we want it included within that system.

These are not bland or purely emotional positions precipitated by a "do-gooder" approach. Our position is based on education, having followed and studied the Blue Ridge controversy and in having an intimate familiarity with the river, its characteristics, and in having a firsthand knowledge of what it means economically, socially and culturally.

We know, from studying the testimony and evidence presented in the Blue Ridge, Federal Power Commission hearings, that the proposed modified Blue Ridge dams hold the potential for total destruction of the present natural characteristics of this most unique river which gives so abundantly of water oriented recreation.

We are acutely aware of the current E.P.A. ruling that storage of water for pollution dilution will not be permitted in this project, but we also know that this was an administrative decision which is subject to review and reversal after the big dams are built. When Appalachian made no move to revert to their originally planned project after the E.P.A. ruling, we mean to smell a rat. We know that the pollution abatement goals of the 1972 Water Pollution Control Act are far behind schedule. It is, therefore, definitely possible that after the big dams are built, E.P.A. might well be persuaded that low flow augmentation is, after all, needed to meet the water quality control needs along the heavily industrialized Kanawha river. We want no part of this and we stand firm on this proposition.

When we look at New River we feel a great sense of pride that in spite of all the pollution and degredation around us, it remains a high quality stream. It adds a quality to our lifestyle that cannot be replaced, substituted for or measured. New River is free, a gift of God, and it supports itself. It requires no stocking with the fish or the recreation it dishes out day after day, year after year.

It is well known to those of us familiar with New River, and it is also the consensus of knowledge within the W. Va. Department of Natural Resources that New River is by far the most valuable fishery in the State. Indeed, it has been expressed to me by high officials within the Department of Natural Resources that it may well be one of the best sport fishery rivers in the world. In 1969 a cooperative study between the Corps of Engineers at the Bluestone Dam at Hinton and the W. Va. Department of Natural Resources, on the half mile stretch of river immediately below Bluestone Dam, revealed that during a five month summer season 45,000 anglers used that portion of river. A creel census revealed that over 50% of the fish caught, by weight, were game fish and over 20% were smallmouth bass. To those familiar with fishery systems, these figures are outstanding and are representative of the entire river system. Keep in mind that the fishery of this river is wholly natural with no stocking except for musky which was simply to introduce the specie to the river.

A fantastic natural biological structure must be present in this river to support such thriving fish populations, and is testimony to the high quality of the stream. Indeed, any layman can wade out into this river, lift a rock or other sample of bottom material, hold it in his hands and watch it move alive with natural biota.

Because of the fishery and quality of this river it is without doubt the water oriented playground of the entire southwest coalfields of W. Va. It's all they've got. The other few rivers in that entire area have been ruined by industrialization, primarily strip and deep mining. This is another reason New River must be preserved.

We think it appropriate to add here that from the figure of 45,000 anglers using this half mile stretch of water it is easy to recognize what New River means economically to our area. It is undoubtedly the second leading industry in my home town of Hinton, ranking only behind the C&O Railway.

If the electricity to be generated from Blue Ridge were truly critically needed then perhaps we would need to take a closer look at our posture. What we see, however, is simply an efficiency operation for Appalachian Power Company, rather than a truly necessary commodity. On the evening of March 28, 1974, Mr. Donald C. Cook, chairman of the board of the American Electric Power Company, of which Appalachian is a subsidiary, appeared on a nationally televised NBC–TV energy crisis documentary.

He told the American public that there is no shortage of electricity within the American Electric Power Company system and none is expected in the forseeable future. In fact, I believe he was interviewed because his system is the only major electricity supplier without a power crunch. As recent as May 8, 1974, at a Hinton, W. Va. Chamber of Commerce dinner meeting, Mr. Paul J. Johnson, superintendent of hydro-generation for Applachian Power Company, in response to a question directed by me, stated, "We have never said we had to have the electricity from Blue Ridge to meet our customer needs".

Why then are they so persistent to build these giant dams? We have reason to believe it is because they may have other ulterior motives in store that haven't surfaced yet. For instance, we know that in Appalachian's original application to develop Blue Ridge they also asked for authority to develop the power potential of Bluestone Dam at my home town of Hinton, about 180 miles downstream from Blue Ridge. Facilities for six penstocks were designed into the Bluestone Dam structure when it was built in 1948. These penstocks have never been used because Bluestone is a flood control reservoir and cannot be used for power generation until the upper reaches of the river are brought under control for flood protection purposes. That permit to develop power at Bluestone was then subsequently denied. But, if the modified Blue Ridge dams go in, then the upper portion of the river will be under control and Appalachian could again apply for a permit at Bluestone. Now, what would that mean? Quite simply it means that if power is to be generated at Bluestone, the releases of water during peaking periods would be in excess of 10,000 CF's which would annihilate any public use of the river and upset its ecological balance. Studies have proven that river flows in excess of 4,000 CF's below Bluestone are too much for public use. Now, in order for Bluestone to generate power efficiently, more water would be needed flowing into its reservoir than is now available during normal summer flows. In order to get this extra water it would have to be released from Blue Ridge where it would indeed be available. What we wind up with then is pollution dilution for the Kanawah River through a back door approach. Appalachian could then say "We're not releasing water for pollution dilution, we're releasing it to operate Bluestone". They would then have their whole ball of wax, power in Blue Ridge, power in Bluestone, and pollution dilution for the industry in the Kanawah Valley. We would then have only what might be left over.

If all this sounds like we don't trust the power companies and the industrial complex in the Kanawah Valley, then, for the record, that's exactly what it means.

In closing let me say just one more thing.

The stretches of New River proposed for inclusion in the Wild and Scenic River System by Mr. HECHLER's bill are truly wild and scenic. No one familiar with that stretch of New River could deny that once they have been there to see it first hand. The river here, with the exception of one or two places, is inaccessable to the public except by float trips or back packing. The majesty of the whitewater and intermittent quiet pools at the bottom of that canyon is something to behold and experience. It is a pristine treasure only a fool could deny. It must be preserved.

As we see it, we have two choices. We can let it be exploited and ruined by the fickle hand of the inate greed of man or we can preserve and cherish it for ours and future generations. Whichever we choose will tell just what kind of a people and society we really are.

EXPORT ADMINISTRATION ACT

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. SARASIN. Mr. Speaker, I have taken this opportunity to advise my colleagues of the fact that at the appropriate time, I shall offer an amendment to H.R. 15264, the Export Administration Act Amendments of 1974, when it is considered next week.

The text of my amendment follows:

Amendment offered by Mr. SARASIN to H.R. 15264.

At the end of the bill, insert the following new section:

SEC. (a) The Comptroller General of the United States shall conduct a continuous review of the effectiveness of procedures implemented by the Secretary of Commerce pursuant to the provisions of section 4 of the Export Administration Act of 1969. In carrying out such review the Comptroller General shall consider, among other relevant factors—

(1) current and projected domestic shortages of key commodities, export levels of these commodities, the impact on domestic prices and employment of such shortages and anticipated domestic and foreign demand for such commodities; and

(2) the need for additional export controls of commodities in short supply, the time and manner in which such controls should be implemented, and the recommended duration of any such controls.

(b)(1) The Comptroller General shall transmit to the Congress regular reports setting forth the results of the review required by subsection (a).

(2) In addition, the Comptroller General shall transmit without delay to the Congress a special report whenever he determines that there is a domestic shortage of any commodity which, together with exports of stability of that commodity and/or employment related to that commodity. Such

report shall contain the Comptroller General's estimate of the extent of the domestic shortage of that commodity, the current and projected export levels, and the projected domestic price and employment impact at projected export levels. The Comptroller General shall include such recommendations for legislative or administrative action as he deems appropriate.

(c) Notwithstanding the provisions of any other law, in carrying out such functions, the Comptroller General is authorized to request, and any department, agency or instrumentality of the Federal Government is directed to furnish, such information as is necessary to carry out the functions provided for under *this section*, including estimates of the quantity of any commodity necessary for (1) domestic consumption, (2) exports, and (3) reasonable carryover, including disaster relief assistance or other emergency situations.

OUR FOOTDRAGGING ON CAMPAIGN FINANCE REFORM

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. DRINAN. Mr. Speaker, I bring to the attention of my colleagues, a fine editorial written in the Weston Town Crier, an outstanding newspaper, published in my congressional district.

This editorial calls for meaningful campaign reforms in the legislation which the House will be considering on the floor in the near future.

The title of the editorial is "Our Footdragging on Campaign Finance Reform." It is from the Weston Town Crier of July 11, 1974.

The editorial follows:

Editorial

Our Footdragging on Campaign Finance Reform

After 18 months of allowing corrective legislation to languish, the US House has at last come out with a bill to reform campaign finance—and it isn't nearly good enough. The House bill is so riddled with loopholes and questionable ideas as to make one wonder whether post-Watergate morals were just a dream.

As delineated by Common Cause, the new bill has at least seven major flaws. It would: put enforcement largely in the hands of Congressmen themselves; not provide for any public funding of congressional races (it would for presidential contests); write fresh loopholes into existing legislation; allow congressional election-law committees to veto rules and regulations proposed by election-law officials; have a Congressionally-controlled election board advise candidates on the legality of financing actions, thus relieving candidates of responsibility; allow candidates under investigation to keep the inquiry secret; still permit special interest groups to contribute up to $10,000 to a congressional candidate's campaign.

The bill does have certain strengths, chiefly in limiting individual contributions, limiting cash contributions, and retaining public funding for presidential elections through the income tax writeoff.

The Senate has three times passed reform legislation but the House has continued to balk at meaningful changes. This bill, which has at last emerged from the House Administration Committee, gives only the illusion, not the substance, of reform.

When the bill comes up before the full House some Congressmen will introduce amendments designed to make the bill more effective. We suggest you use whatever influence you have at your disposal from personal contact to a simple wire, to help get this law passed—in a good form. The alternative will be more Watergate-type scandals.

MR. COHEN REPORTS TO THE PEOPLE OF MAINE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. FISH. Mr. Speaker, the day after his historic vote Saturday evening, July 27 in the House Judiciary Committee to recommend an article of impeachment to the House of Representatives, our colleague William S. Cohen, returned to his State of Maine to report to his constituents in a televised broadcast.

I am placing this address in the Record because simply and clearly the gentleman from Maine has stated the law, the evidence and the standard of proof upon which his decision was reached.

Mr. Speaker, I think that all who read my colleague's statement, whatever their disposition toward the question of impeachment, will acknowledge that the decision of the gentleman from Maine was arrived at with a deep understanding of his constitutional responsibility, our political process and from a sincere conviction that the evidence was clear and convincing.

The address follows:

Address by Congressman William S. Cohen

Good evening, ladies and gentlemen.

During the past six months I have been engaged in a process of great contemporary and historical importance. In my very first term in Congress I have been thrown into one of the most critical situations of this century. When you elected me to serve as your representative two years ago, I had no idea that I would be called upon to pass judgment upon the President of the United States. It is an assignment that I did not anticipate or request. But it is a responsibility from which I cannot retreat, whatever the ultimate impact will be upon my own life.

The question I have been compelled to decide is whether President Nixon has engaged in conduct that would warrant his removal from office upon a conviction by a two-thirds vote of the United States Senate.

After having wrestled with this question for six months, after having spent hundreds of hours reviewing evidence in the House Judiciary Committee and after having studied thousands of pages of material—I have concluded that the answer must be "yes": the President must stand trial in the Senate.

Because I am speaking as your Representative and because I am accountable to you for my actions and decisions, I want to take this opportunity to explain to you fully the decisions I have made and the reasons why I have made them.

The selection of a President occupies a unique position within our political system. It is the one act in which the entire country participates, and its result is binding upon the 50 States for at least four years. The outcome is accepted and the occupant of that office stands as the symbol of our national unity and commitment. If the judgment of the people is to be reversed, if the majority will is to be undone, if that symbol is to be replaced through the action of the elected representatives of the people, it must be for substantial and not trivial offenses, supported by facts and not surmise.

A great deal of debate has been devoted to the meaning of the constitutional phrase "high crimes and misdemeanors." Some have suggested that phrase must be restricted to ordinary statutory crimes. I do not accept that narrow interpretation. The purpose of that constitutional provision was to prevent the Chief Executive from engaging in the gross abuse of the tremendous powers vested in that office, to protect the people against the subversion of the rule of law, of their fundamental liberties—no matter how silent or subtle that subversion may be.

One constitutional scholar recently pointed out that if the President of the U.S. were to refuse to appoint members of the Catholic faith to any position within the Government, there would be no violation of our criminal laws, but there surely would be a violation of the Constitution, which provides that there shall be no religious test for office. While this is an exaggerated example, it makes clear that the impeachment process involves a determination as to whether acts that strike at the core of our constitutional system have been committed. It is within this framework that I have attempted to conduct a dispassionate, objective and non-partisan search for the truth.

There have been many people who have written to me calling for the immediate impeachment of the President in order to place him on trial in the Senate, based upon what they had read in the papers or watched on television. But, ladies and gentlemen, the American system of justice demands much more than that. And basic fairness to the President demands much more than that. The scrupulous search for the truth has been a long, painful process. But I have not been prepared to put the President or the country through the ordeal of a trial unless the allegations against him were supported to my satisfaction by clear and convincing evidence.

More than 50 allegations of wrongdoing have been leveled against the President. Upon investigation and examination, many of them were simply without factual support. Some were serious, such as the secret bombing of Cambodia, the impoundment of funds appropriated by Congress, and the expenditures of tax dollars for improvement of the President's residence in California. But in each of these areas, after giving full consideration to all of the factors involved, I concluded they would not support the President's removal from office.

The President's use of tax funds to improve his private residences, as well as some questionable deductions he took on his own tax returns, certainly can be construed as shabby and morally wrong. But, in my opinion, these actions are not sufficient grounds for me to vote for impeachment.

The bombing of Cambodia was carried out in violation of the law because it was secret and it was done without congressional consent. But the lives of our young men in southeast Asia were at stake at the time, and, moreover, Congress failed to take action and acquiesced in the decision even after it was disclosed. It would be an act of hypocrisy for Congress to condemn the President for an act which it had the ability to curtail once it was discovered.

Similarly, in the area of impoundments, I think the President abused the power of the executive to withhold the spending of funds. But Congress, because of its own excesses and its failure to create a meaningful system of controlling its spending policies, contributed to the problem. The recent action of the Congress in creating new legislative machinery to deal with the budget is tacit acknowledgment of its own culpability—at least, in part—in this area.

There are, however, two major allegations which I cannot reconcile with the President's constitutional duties and which I cannot condone:

First, a failure to faithfully execute the laws of this country by engaging in a course of conduct that obstructed justice, and, second, the use and abuse of government agencies for political advantage and to harass and intimidate private citizens for expressing their political views and preferences.

The facts are clear and overwhelming:

That shortly after the break-in at the offices of the Democratic national committee, the President became aware that employees of the committee to re-elect the president, who were previously employed by the White House on other covert and illegal activities, were involved in the planning of that operation as well.

That he allowed his former Attorney General, John Mitchell, to make false and misleading statements to the public concerning those responsible for the break-in.

That he attempted to use the CIA to curb the FBI's investigation of the burglary on the false premise that CIA operations in Mexico might be disclosed and thereby jeopardized.

That his top advisors, H. R. Haldeman, John Ehrlichman, John Mitchell and John Dean were using campaign contributions to pay to those arrested, and in particular to procure the silence of Howard Hunt.

That the President became aware of these payments at least as early as March 21, 1973, and there is evidence that it may have been sooner.

That he approved or acquiesced in the payment of hush money to Howard Hunt for the purpose of purchasing enough time to develop a strategy to combat the investigations underway by the Senate and Justice Department.

That the President encouraged his subordinates to testify falsely before committees of Congress and the Grand Jury.

That he revealed information given him by Assistant Attorney General Henry Peterson for the purpose of helping Mr. Haldeman and Mr. Ehrlichman formulate a defense strategy.

That he has engaged in conduct designed to frustrate the Administration of Justice.

Equally clear and substantial is the evidence that Top White House aides began keeping a list of political enemies as early as 1971 for the purpose of using the Internal Revenue Service and other agencies to harass and intimidate them. The President not only was aware of these activities, but urged that they be implemented.

The American people are unquestionably the most generous in the world in sharing the fruits of their labor. We work hard, and we pay taxes, perhaps not always enthusiastically, but certainly with the hope and belief that our tax dollars will be used for legitimate purposes and programs. The most serious and dangerous threat to our very society and liberties occurs when those in positions of power undertake to turn neutral instruments of government into agents of vengeance and retribution against private citizens who engage in the exercise of their constitutionally protected freedoms. If we are to have confidence in the concept of even-handed treatment under the law, then we simply cannot condone such intolerable conduct.

As I attempted to reach my judgment on whether a vote to impeach the President was warranted on the basis of the evidence, a great many thoughts passed through my mind. What is at stake is the very soul of America. We are a people committed to liberty, to equality, to justice, to the sanctity of the right of privacy and to the dignity of the individual. It is because of our commitment to these principles that the people of this country over the years have dropped their jobs and left their families to pick up arms to fight for the freedom of people in foreign lands. Americans were prepared to let their blood flow so that others would know the flow of freedom in their lands as well.

I think of all of our veterans, or their parents or widows or survivors, and I ask, as they must ask, is this what we fought for, were wounded for, died for—a country, a system of government which attempted to turn our agencies into instruments of abuse out of personal vindictiveness? Is this the product of liberty for which so many were willing to pay so high a price?

I have tried to put all of these events into the context of a political system that I know well, that of the state of Maine. I have asked myself some questions.

What if the governor of Maine ordered his aides to keep a list of those people who supported his opponent?

What if he tried to have the state treasurer's department conduct audits of those who voiced dissent?

What if he ordered the state police to investigate those who were critical of his policies or speeches?

What if he asked aides to lie before legislative committees and judicial bodies?

What if he approved of burglaries in order to smear and destroy a man's credibility?

What if he obtained information that was to be presented to a grand jury for the purpose of helping his advisors design a strategy for defense?

What would the people of Maine say?

You and I both know that the people of Maine would not stand for such a situation, for it is inconsistent with our principles and our constitutional system of government. As Edmund Burke observed, "Law and arbitrary power are in eternal emmity," and our allegiance must always be to the law.

This is not a happy occasion for me. Few, if any, of us are without failings and weaknesses, so that we are free to cast stones at others. Consequently, I pass no personal judgment upon the President. But even though we are not without blemishes in our character, that must not prevent us from meeting our responsibilities to pass judgment upon the conduct of our elected leaders.

I have been faced with the terrible responsibility of assessing the conduct of a President for whom I voted and believed to be the best person to lead this country, a President who has made significant and lasting contributions toward securing peace for our country and throughout the world—but, a President who, in the process, by act or acquiescence, has allowed the rule of law, the very cement of our civilization, to slip under the boots of arrogance, oppression and abuse.

It has been said in recent days that any Republican who votes for articles of impeachment is not a Republican. This suggests that any Democrat who does not vote for impeachment is not a Democrat. This is sheer nonsense. I am a Republican and proud of the traditions of my party. I know the Republican party does not stand for burglary or bugging, the buying of silence, or perjury or the obstruction of justice. The Republican party, just as the Democratic party, believes in the rule of law. No man can stand above it.

How many men have fallen victim to the false plea of loyalty to the President? Kliendienst, Kalmbach, Magruder, Chapin, Porter, Krogh, Ehrlichman, Colson—all indicted and adjudged guilty of crimes.

Ladies and gentlemen, our loyalty must be to the Constitution, not to the President. The future of America is not dependent upon the success or survival of Richard Nixon until January 20, 1977. If we believe that this President and the Office of the President are one, then the President's failings become our undoing. No one man should be able to bind up our destiny, our perpetuation, our success, with the chains of his personal destiny.

It also has been said that even if Mr. Nixon has committed some of the offenses ascribed to him, every other President has engaged in some of the same conduct, at least to some degree. The answer is that democracy is a matter of degree, and that it can be eroded by degree. Its survival will be determined by the extent to which we will tolerate the silent and subtle subversions that absorb it slowly into the rule of a few, in the name of what they perceive to be right.

Our laws and our Constitution are—and must be—more than a pious wish, more than a sanctimonious recital of what we should prefer, but will not insist upon.

We who hold public office are more than simply craftsmen who hammer out legislation for the benefit of the people of this country. We are the keepers of the flame, the symbol of this Nation's ideals, and we do the greatest disservice when we allow that flame to be snuffed out. Justice Brandeis once said: "If the government becomes a lawbreaker, it breeds contempt for the law; it invites every man to become a law unto himself; it invites anarchy."

It has been said that an impeachment proceeding would tear the country apart. But to say that it would tear the country apart to abide by the Constitution is a conclusion I cannot accept.

However distasteful our committee's responsibility may have been, however unpleasant our findings, whatever the short-term dislocations, I am absolutely convinced that our slow, steady, and fair pursuit of justice in this matter will be looked back upon as one of the finest hours in the history of America. We will have demonstrated that in our system of justice, no man, not even the President of the United States, the most powerful man in the world, is above the law.

What would tear the country apart would be to turn our backs on the unavoidable facts and to condone his conduct. That, in my opinion, would do more to start the unravelling of the fabric of this country and the Constitution than would a strong reaffirmation of that great document.

I am confident of the ability of this republic to withstand the outcome of the impeachment debate that will follow on the House floor, as well as a possible subsequent trial in the Senate. We have withstood equally serious crises in the past, and emerged from them stronger and more confident of our own destiny.

Ladies and gentlemen, some of you will undoubtedly disagree with my decision. I want you to know that it has come from sincere conviction. It is a decision that I will be able to live with for the rest of my life, for it does not violate my conscience nor the sacred trust I hold as your Representative.

Thank you—and good night.

AN ESSAY ON GOVERNMENT

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. LANDGREBE. Mr. Speaker I include an essay prepared by Mr. Arthur Frankel, of Chesterton, Ind., in the Record at this point. During one of my recent trips back to Indiana, I spoke briefly with Mr. Frankel, and he mentioned an article he had written a number of years ago on "The First Duty of Government." He has since been kind enough to send me a copy of the article, which I would like to place in the RECORD at this time:

THE FIRST DUTY OF GOVERNMENT IS TO MAINTAIN ITSELF

(By Arthur Frankel)

On reflection it should be immediately apparent that the first duty of government is to maintain itself. For unless it does that it cannot govern. And if it cannot govern it denies itself; it is not what it appears to be and it fails. Countless examples from history demonstrate the truth of that simple fundamental principle: the first duty of government is to maintain itself.

In the United States that principle is bottomed upon a fundamental inherent in our government "of the people, by the people and for the people". So the United States must exist only in accordance with both of these principles simultaneously and at all times. And must so conduct itself.

This being not only true, but acceptable can be violated only at peril. For if one government does not do so, it will be replaced by another. This fact of history cannot be ignored. Such brought the United States into being: first the Revolutionary War, the Articles of the Confederation, then the Constitution.

As any government, the United States has had to apply that principle—the first duty of government is to maintain itself—determining on each occasion the elements, weighing them, evaluating them and then coming to a conclusion, in both its internal and external affairs without exception. Certainly its foreign affairs have had to be determined in the light of that principle, for on what other basis can one explain the Monroe Doctrine, territorial waters, the Panama Canal, treaties, tariffs and all matters dealing with other nations?

The thoroughness of the application of that principle to each situation as it arose, to which subsequent events have furnished the answer, have shown how well that principle has been applied in each situation. A brief reference to American history will point out the correctness of that fundamental principle.

As to internal affairs—they divide into two kinds: first, the relationships of the government to the citizens and second, the relationships of the citizens to the government.

Here a balance must be struck in applying that principle—the first duty of government is to maintain itself—for the full rights, obligations and duties of each must be accorded to each, both government and citizenry, else there is potential and then actual trouble. For inherent in the misapplication of this fundamental criterion is revolution. Woe betide any government that unremittingly fails properly and promptly to apply the first duty of government.

Again the relationships of government to the citizens envisions the myriad of relationships that exist: individuals, groups, taxpayers, associations, unions, employed and unemployed, employers and employees, farmers and manufacturers, those on relief and so forth. Government has a particular relationship with each and all, besides which, frequently overlapping interests between them exist. For none exists independently of another, since all have much in common, besides being the people of the United States. To each and all must the government be fair, consistent with its first duty which is to maintain itself.

With regard to the relationship of the citizens to the government that principle still holds good, for the government can maintain itself only through the people; if they do not assist in maintaining it, then that government will cease to exist in its accepted form, for the people are the ultimate source from which our government derives. This being so, all services, both civilian and military in all capacities, and all revenue come from the people, who by their attitude and acts maintain the United States and make it what it will be.

Today there is a turmoil in the minds of many, as well as in the nation, as a consequence of different connotations of "law and order." Partisan views are taken regarding it and what it means. Yet none of the partisan viewpoints can take exception to that paramount principle: the first duty of government is to maintain itself. And if that principle be adhered to what becomes of "law and order"? Of a certainty it is subordinated to its proper place, and in a just perspective of the nation and the conducting of its internal affairs, having due regard to the interests, rights, duties and obligations of all citizens to one another and to their government, as well as its relationship to them.

Then assuredly the application of that principle, the first duty of government is to maintain itself, with due selection, evaluation and determination of the elements present in each situation is limitless and should be unvarying. Assiduously, carefully applied along with care and concern, it should yield the correct answer, without exception, to all questions or problems confronting the United States of America.

IN MEMORY OF RABBI NUSSBAUM

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. REES. Mr. Speaker, it was with great sorrow that I learned of the death of Rabbi Max Nussbaum. Rabbi Nussbaum, spiritual leader of Temple Israel in Hollywood, was not only a respected leader in the Jewish community but was recognized both nationally and internationally for his efforts to achieve better understanding among all people.

I was privileged to have known and worked with Rabbi Nussbaum for nearly 20 years. Those of us whose lives he touched have been enriched and this world is surely a better place because of his efforts.

I would like to include for the CONGRESSIONAL RECORD excerpts from the eulogy for Dr. Nussbaum delivered by Rabbi Edwin L. Herman; as well as an article which appeared in the B'nai B'rith Messenger.

ALL ZION MOURNS RABBI MAX NUSSBAUM: A STUNNED COMMUNITY PAYS TRIBUTE—WORLD LEADER PASSES AWAY AT AGE 66

Rabbi Max Nussbaum, world Jewish leader and spiritual leader of Temple Israel of Hollywood, was laid to rest in Hillside Memorial Park this week after a stunned and saddened community said its "shalom" Sunday afternoon at the Synagogue. He was 66.

Mourners, filling the house of worship at 7300 Hollywood Blvd., to capacity, stretching to the uppermost reaches of the balcony, heard Rabbi Edwin L. Herman, Pacific Southwest Council director of the Union of American Hebrew Congregations, eulogize his colleague. "We had come to depend on Max for so much," he said of the fallen past national president of the Zionist Organization of America.

MAX LASHED US WITH LOGIC, LIFTED SPIRITS

What a terrible loss Ruth and the children have suffered!

What a terrible loss our community has sustained!

What a terrible loss world Jewry must now measure!

Our beloved Max Nussbaum—so concerned in life, with his family, his community, his people—leaves us suddenly; bereft, heartsick, unfinished.

We had come to depend upon Max for so much. Wherever a Jew cried out in pain, Max was the first to offer healing—and gratefully we learned there his example whenever Israel—*God, how he loved Israel!*—was subjected to criticism or attack, it was Max's voice that provided our direction.

Whatever were the moments that we yielded to apathy or ground under the burden of responsibility for our fellow Jews, it was Max who lashed us with logic, renewed our vigor, pricked our conscience, lifted our sagging spirits.

Rabbi—Teacher—Max's congregation was Temple Israel of Hollywood and the world's Jewish community. He was at home in one as in the other. He was beloved in one as in the other. He will be missed in one as in the other.

Sterling orator, God gifted with an incisive and penetrating mind—devoted, devout Jew—Zionist extraordinaire—our beloved Max made his mark in this world—a modern Jewish hero—whom history will aggrandize—and whose memory we will treasure with love.

Yet, there was one role in life vouchsafed to Max more important than all others: Family Man. . . head of two households, the one which he shared with his darling Ruth, with his children Hannah, and Jerry, Ronnie and his precious grandchildren.

The other which Ruth and he together shared, their Temple family.

For those of us who were privileged to become part of Max's life, it was difficult to tell where one family began and the other ended. Max could love with passion, and he loved them both passionately . . . although I must admit, when he spoke privately of his Ruth and his children, a special glow seemed to illumine his face . . . surpassed only by a bursting radiance when he was with his grandchildren.

Max, who loved to laugh and who loved to tease, was rewarded by society with heaping honors . . . yet his greatest reward was the love that he shared with his family.

The temple family, this congregation, was as precious to him as life itself. He saw Temple Israel as an extension of his own life's purpose and goal—indeed, it is just that.

Max touched the lives of thousands upon thousands in his ministry of more than three decades at our congregation. He taught us that God lives, that the children of Israel live, that the State of Israel lives—that Judaism must be alive.

And he taught us more intimate things, too—that we must never lose our dignity nor sacrifice our integrity, that we are responsible for one another, that when we are called to serve, no matter how modest the honor or inconvenient the moment, we must answer "Yes." By precept and by example he taught us those things. And he helped us see his visions—and dream his dreams.

Would that I were a poet—that with perfect phrase and balanced line. I might aptly express what is my heart and yours this day. But I am not a poet—

I am—as each of us—a mourner, torn within by the profundity of my loss of a precious friend, a magnificent colleague, a dear and beautiful human being.

I feel—as each of us feels—that a star has fallen from God's glorious galaxy.

I hurt until I cry—and then I realize how doubly deep is this heat of pain that scorches these hours for Ruth and his children.

To them we extend our hand in comfort—our hearts in consolation.

Our tears join theirs in a flood of sorrow—what little strength we possess, we offer to them and we offer them our pledge that Max's dreams and aspirations—his work yet unfinished—become our responsibility.

His life had purpose and he gave it plan.
We shall try very hard to fulfill it.

JEWRY MOURNS NUSSBAUM, STRICKEN ON SABBATH EVE

Despite Dr. Nussbaum's preeminence in the world and national scenes, the service at Temple Israel stressed his role as a family man and as a community man. It was truly Los Angeles Jewry's own farewell to the man who for 32 years had been inspiration and guide.

Rabbi Nussbaum had just returned from Europe and Israel, where he had taken part in highest level discussions that would affect the history of the Jewish people in the agonizing post Yom Kippur War period.

He had attended the deliberations of the Governing Council of the World Jewish Congress in Lausanne, Switzerland.

He had taken part in the debates at the Actions Committee of the World Zionist Organization and of the Assembly of the Jewish Agency, both in Jerusalem.

And before returning to Los Angeles, he addressed and played a key role in the 77th annual convention of the Zionist Organization of America in New York.

Many of his friends said that the seemingly tireless rabbi did look "strained" on his return from the four major assemblies.

He was due to report on the impact of the international meetings Friday evening. Shabbat Mattoth-Massi, from the pulpit of Temple Israel. His topic was to have been "Israel and the Jewish people—Dawn of a New Era." But Rabbi Nussbaum never appeared.

His congregants were told that he had been stricken and taken to the hospital.

Dr. Nussbaum had suffered a heart attack while at his Sabbath meal. His wife, Ruth, called the Los Angeles Fire Department emergency squad. They restored his pulse and his breathing.

At 4 a.m., however, the great Zionist leader passed away at the Cedars-Sinai Medical Center.

It was his second heart attack in two years. "What one learns from an experience like this," he told friends after his first seizure, "is how to pace one's self."

In the tradition of his people, Max Nussbaum was interred the day following his death, almost before a weekending community could grasp the full impact of what had happened.

Joining Rabbi Herman in the memorial services at the synagogue—services which drew a cross-section of admirers and coworkers from every segment of the Southland Jewish community—were Rabbi Benjamin Leinow of Temple Israel, Cantor emeritus Saul Silverman of Temple Israel, Cantor David Ben Veniste of Temple Israel, Rabbi Lewis J. Barth, dean of the California School of the Hebrew Union College-Jewish Institute of Religion, and Bruce Corwin, the temple's young president in whom the Rabbi took particular pride.

Corwin had become a Bar Mitzvah at Temple Israel and was blessed by Dr. Nussbaum. "How many Rabbis," he once asked, "are privileged to have such an experience?"

Pall bearers were George Hecker, Paul Sonderling, Ruben Marsh, Larry Leiman, Danny Marsh, Gary Marsh, Bernard Lepoff and Don Marx.

All the presidents of the temple were honorary pall bearers. They included Bruce C. Corwin, Samuel Bischoff, Irving Briskin, Steve Broidy, Irwin R. Buchalter, Herman Burke, Judge David Coleman, Sherrill C. Corwin, Harold L. Fleischer, Julius Fligelman, Joe Herman, Walter Maier, Charles J. Mund, Philip Wain, Jack Winer and Lister Ziffren.

Rabbis Herman, Barth and Leinow and Cantor Silverman officiated at interment rites at Hillside under the direction of Groman Mortuary.

Rabbi Nussbaum is survived by his wife, Ruth, a son Jeremy, a daughter, Hannah, the wife of Ronald Marsh; and three grandchildren.

GREAT LAKES ENVIRONMENTAL RESEARCH LABORATORY ESTABLISHED

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. ESCH. Mr. Speaker, it was my honor to announce to constituents of the Second Congressional District that the Department of Commerce has formally established the Great Lakes Environmental Research Laboratory in Ann Arbor, Mich. This facility will be of tremendous benefit in studying the ecology and future of the Great Lakes. The projects range from basic research to such problem-oriented programs as improving navigation, preventing erosion or pollution, or predicting changes in lake water levels.

Changing water levels in Lake Erie have been a major concern to many lake shore residents who have been plagued by floods despite our efforts to provide a system of protective dikes. The NOAA scientists hope to improve prediction of changes in lake levels and river flows through studies of water levels and how water is added or substracted by the network of rivers surrounding the lakes.

All of these efforts are described in considerable detail in an article in the July edition of NOAA which I insert at this point in the RECORD:

NOAA's NEW LIMNO LINK

(By Louise A. Purrett)

This summer, NOAA puts all its Great Lakes researchers into one laboratory. Scientists from the Lake Survey Center in Detroit are joining researchers working on the International Field Year for the Great Lakes (IFYGL) in a new NOAA laboratory at Ann Arbor, Michigan. The Great Lakes laboratory, established April 28, is the newest partner in NOAA's Environmental Research Laboratories.

At the Great Lakes Environmental Research Laboratory, some 30 scientists will investigate the total lake ecology, from the sediments below the water to the air above. Dr. Eugene J. Aubert, IFYGL Project Office Director, heads the new laboratory.

IFYGL will be the main item on the GLERL agenda for the first few years, and, says Dr. Aubert, "will help tie the whole thing together." The project is an ambitious joint effort between the United States and Canada to collect, analyze, and manage massive amounts of data on one of the lakes the two nations share—Lake Ontario. NOAA is the lead United States agency for the project. Beginning in April 1972, some 600 United States and Canadian scientists and technicians spent a year collecting reams of data about Lake Ontario. But that was just the beginning of the six-phase project. The job of analyzing the data will occupy the scientists until 1977. In addition to the scientists from the IFYGL Project Office in Rockville, about a third of the scientists from the Lake Survey Center are engaged in IFYGL work. Dr. Aubert estimates that for the next couple of years, two-thirds to three-fourths of the GLERL efforts will be occupied with IFYGL.

In the longer view, NOAA has mapped out some of the projects and goals of the Great Lakes Lab. The research will have two emphases. Basic research will contribute to the background of general knowledge about the lakes. Other projects are problem-oriented, aimed at solving specific problems or meeting specific needs, such as improving navigation, preventing erosion or pollution or predicting changes in lake water levels.

One of the main goals of the lake lab will be a comprehensive model of lake circulation—how the water circulates in response to the natural forces upon it. Existing models are in early stages of development, dealing with the effects of surface wind stress and surface heat flux. The GLERL scientists are developing a hierarchy of models that includes every conceivable facet and factor, such as wind stress, differential heating and cooling, inflow of water from tributaries, seasons, and the shape of the lake.

Some of the Great Lakes harbors are plagued with unpredictable currents that call for tricky navigation. Toledo Harbor which has particularly troublesome currents in its entrance channel, is already under study. The researchers hope to produce a device that will show the direction and speed of these currents at any given time.

The group will also study the most familiar type of water motion—waves. Wave action may erode the shoreline in one place and build it up somewhere else. Data on waves can be used to predict wave-induced changes in the shoreline. Surface waves are a hazard to navigation—especially for recreational boating. Wave data must also be considered in designing ships and shoreline structures. Present wave theories are based largely on observations from the oceans, where waves may travel great distances without obstruction. The situation on the lakes is quite different: the total distance from end to end is much more limited and a variety of obstacles may impinge on a wave's path, all making wave predictions much more difficult. The researchers are developing models to predict wave conditions from the meteorological conditions and lake geometry.

The lakes are also subject to seiches—fluctuations in water level that result when water at one end of the lake rises as the other drops, like liquid sloshing back and forth in a bowl. Seiches may cause considerable flood damage to shoreline property. When more is known about water motion in the lakes, perhaps potentially destructive seiches could be better predicted.

Another major project will be to develop comprehensive models of lake ecology. These models would consider the dynamics of such components as phosphorus, phytoplankton, zooplankton, nitrogen, and oxygen, and describe the variations in time and space of physical, chemical, and biological properties—the primary colors in the lake ecology picture—and how these properties contrast and mingle. Information on the characteristics of the water, the nutrients, sediments, and life forms and how these all interact will be combined with data on lake diffusion to assess the natural processes and the effects of contaminants.

Lake levels may change drastically over short periods of time, rising or falling several feet in a few hours, due to wind setup. Long period lake level variations also occur over seasons and over periods of years. Studies of lake levels, lake hydrology and how water is added or subtracted by the network of rivers enmeshing the lakes will aid efforts at water quality control, power generation, flood control, navigation. The NOAA scientists hope ultimately to improve prediction of changes in lake levels and river flows. Winter ice impinges on navigation and shore facilities, and determines the length of the shipping season. With an eye to eventual improved prediction of ice conditions, GLERL scientists will look at how ice forms, its thickness and extent, where it moves, and when it melts.

Complex interactions between lake, atmosphere and land produce a variety of phenomena—localized heavy snowfalls, seiches, dense fogs—all greatly affecting human activity. The GLERL scientists will attempt to develop improved techniques that the weather Service can use to forecast potential hazards.

The rapidly growing population surrounding the Great Lakes will need new sources of power. Power plants should be built at minimum environmental cost. NOAA scientists will develop tools to examine environmental effects associated with the entire problem of planning future power plants; selecting sites, cooling methods, and fuels.

In recent years, pollution of public beaches has been a serious problem. Many beaches are forced to close during the summer because high bacterial levels make the water unhealthy for swimmers. One GLERL project will develop environmental science tools to predict the extent and concentration of this pollution, trace it to its source and suggest ways to control the sources so beaches will suffer less.

Other studies will focus on lake climatology, the population dynamics of key organisms, and water quality in the various bays, rivers, and harbors.

To accomplish these goals, the scientists will work in lab and lake. The facilities at Ann Arbor include laboratories for water chemistry and sediment studies, an ice laboratory with a storage room kept at —30 degrees Celsius for close-up looks at ice, and a biology laboratory for analysis of samples collected in the field and for observing the effects of environmental changes on selected species. A lakeside facility will provide a starting point for field research. For research on the waters of the lakes, the limnologists will use NOAA's 65-foot research vessel, *Shenehon*, operated by the National Ocean Survey's Lake Survey Center.

The laboratory site at Ann Arbor was selected for its central location and for its proximity to the University of Michigan, explains Dr. Aubert. The University of Michigan is a Sea Grant institution, with an ambitious program of lake research and marine applications. The NOAA lake researchers hope to work in conjunction with their colleagues at the university.

In the more distant future, the GLERL may become part of a NOAA Great Lakes Center, which would include regional offices of the National Ocean Survey, the National Weather Service, the Environmental Data Service, and other agencies—all with a Great Lakes focus.

More than 35 million people in the United States and Canada live within the field of influence of the Great Lakes. Major industrial centers line their shores. The lakes serve as playgrounds, water sources, coolant or motive force for power plants, and major routes for trade and transportation. But the many uses of the lakes are also creating some of their problems. If the lakes as to be both exploited and preserved, they must be skillfully managed, and the necessary skill can come only from a more complete understanding of the lakes. The NOAA Great Lakes scientists, from their new laboratory in Ann Arbor, hope to provide that knowledge.

THE TURKISH OPIUM POPPY BAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. RANGEL. Mr. Speaker, I would like to bring to the attention of my colleagues recent editorials broadcast by New York City radio stations WCBS and WWRL which urge that Congress consider cutting off all aid to Turkey, until Turkey reinstitutes its ban prohibiting opium poppy cultivation.

In my home community in New York City, junkies line the streets, occupy abandoned buildings, lurk in doorways and literally hold the community in fear. Consequently I know first hand the destructive impact of heroin on a community, and the detrimental effects it has on the quality of life for our citizens. I have devoted a significant portion of my energies as a legislator toward the elimination of this cancerous sore from my community, as well as from the other infected communities throughout the country, urging the establishment and implementation of more effective law enforcement measures.

No law enforcement measure has proven as successful as the agreement reached between the U.S. and Turkish Governments to eradicate the source by placing a ban on the cultivation of the opium poppy in Turkey.

JUDICIAL SETBACK FOR MINORITY STOCKHOLDERS

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. REID. Mr. Speaker, a brief article, which appeared in Bank Stock Quarterly in May of 1974, raises interesting questions which I would like to bring to the attention of my colleagues regarding the rights of certain minority stockholders under the Bank Holding Company Act of 1970.

The article follows:

JUDICIAL SETBACK FOR MINORITY STOCKHOLDERS

Will the Board of Governors of the Federal Reserve System ask Congress for the authority to assure equal treatment for all shareholders?

When control of a bank or a bank holding company changes hands, should there be two prices for its stock—a big price for the big stockholder, and a little price for the little one? A premium for some, a discount for others?

Why these questions? Because the Federal Reserve's administrative policy of protecting minority stockholders against unequal treatment was struck down on June 21st of last year by the United States Court of Appeals for the Tenth Circuit, Denver. The three-judge panel ruled unanimously that Congress, in enacting the Federal Bank Holding Company Act Amendments on December 31, 1970, had not empowered the Board of Governors of the Federal Reserve System with authority to reject applications on the basis of unequal treatment of stockholders.

The case involved the application of Western Bancshares, Inc. in January 1971 to become a bank holding company following the acquisition by its organizers in late December 1970 of the Rooks County State Bank, Woodston, Kansas. On August 31, 1972, the Federal Reserve rejected the application and ordered divestiture of the acquired bank. The Board held that the substantial disparity in prices paid for the bank stock was not justified and that "the failure to make an equivalent offer to all shareholders of Bank is an adverse circumstance weighing against approval of the application." Shares of the bank's minority stockholders were bought at a price approximately two-thirds less than was paid for the majority interest, without disclosure of the disparity.

Federal Reserve Board protection of minority stockholders has received a judicial setback. As reported in the December 1972 issue of Bank Stock Quarterly, the Board by letter of August 20, 1971 directed the twelve regional Federal Reserve Banks to "use their influence in exercising their authority to approve the formation of one-bank holding companies to assure that: (1) if any offer to acquire shares is extended to shareholders of the bank, the offer is extended to all shareholders of the same class on an equal basis."

This requirement went beyond any standard the courts had established. In a consistent line of cases, the courts had refused to forbid any disparity in the terms of sale of majority and minority stockholdings unless there was some other wrongdoing present. Mere unequal treatment of majority and minority stock interests has not been enough. The Board, however, went beyond court decisions. The Board even required that a fair and equivalent offer be made to all shareholders where an applicant successfully responds to a request for bids by the estate of a majority shareholder. Connecticut Bancshares Corporation (1972 Fed. Res. Bull. 66).

FED DEFENDS POLICY IN COURT

The Board had gone not only beyond court decisions, it had also exceeded its statutory authority under the Federal Bank Holding Company Act, as amended, in requiring that substantially equivalent offers be made to all shareholders. In *Western Bancshares, Inc.* v. *Board of Governors of the Federal Reserve System*, the Fed defended its policy before the Circuit Court as sound public policy on three grounds:

1. Inherent fairness justifies requiring that all stockholders be treated on an equivalent basis;

2. Capital financing of bank stock would be hindered to the extent minority stockholders are treated less equitably than majority holders; and

3. The minority interest in a bank would have a precarious existence if there were not an opportunity to sell out on a basis substantially equal to majority holders.

The court, however, found that: "the Board of Governors of the Federal Reserve System lacked statutory authority to deny the application of the petitioner [Western Bancshares] because substantially equivalent purchase price offers to all of the Rooks County State Bank stockholders had not been made."

PREMIUM FOR SOME, DISCOUNT FOR OTHERS

In *Western Bancshares*, the nominee for the bank holding company, Jack B. Berkley (then serving as President of Stockton National Bank located about nine miles from Woodston), purchased 383½ shares or 76.7 per cent of the 500 outstanding shares of the Rooks County State Bank from the McCormick family for $200,000.00, representing a price of $521.51 per share. On the same day, December 23, 1970, Mr. Berkley purchased an additional 6 per cent of the stock from other officers of the Bank for $400 per share. Again on the same day, the nominee offered to purchase each of the remaining shares at $160 per share. In communicating his offer to purchase the remaining shares, the nominee told the shareholders he had already purchased 83 per cent of the shares although there was no disclosure that he had purchased one block at $521.51 and another at $400 per share. Subsequently the nominee purchased some of the remaining shares at $160 each and some at $164 each.

For their holdings the McCormicks realized a premium of 30.4 per cent over book value. Bank officials were paid the $400 book value. The remaining stockholders were offered $160 per share, or $240 less than the equity, a discount of 60 per cent.

The Rooks County State Bank, founded in

1909, is the only bank in Woodston, Kansas, a town with a population of 332. State-chartered, FDIC-insured and a non-member of the Federal Reserve System, the Bank reported deposits of $1,176,000, loans of $45,000 and equity capital of $200,000 as of December 31, 1970. There were 500 shares outstanding, with an indicated book value of $400 per share.

With Chairman Arthur F. Burns absent and not voting, the Fed's Board of Governors voted four to two to require divestiture of the shares purchased for Western Bancshares. The Board concluded that "approval of the proposal would have no effect upon existing or potential competition." The sole factor leading to disapproval of the application was the Board's consideration of the "public interest" aspect of the disparity in the purchase prices for acquisition and the inequitable treatment accorded minority shareholders.

The Court of Appeals reviewed the legislative history relating to the Bank Holding Company Act Amendments of 1970 and found that it did not "disclose that Congress intended to regulate the price of acquisition stock by bank holding companies." The court thus found that "the Board's divestiture order is based entirely upon its administrative policy requiring equal treatment to shareholders in bank acquisitions." The court, however, could find neither legislative nor statutory authority for the Board's administrative policy.

Thus the court concluded "we have no argument with the Board's policy determination; however, neither the Board nor this court may usurp a function vested exclusively in the legislative branch. . . . Neither administrative agencies nor courts may legislate."

The *Western Bancshares* case was not appealed to the Supreme Court although it is understood that the Federal Reserve Board would have preferred Supreme Court review and that its request for review was denied by the then Solicitor General Robert H. Bork. The Board has therefore eliminated the requirement that the Reserve Banks consider whether an equal offer has been made to all shareholders in passing on bank holding company applications.

ASK CONGRESS FOR AUTHORITY, SAYS COURT

The court in *Western Bancshares* clearly held that only Congress had the power to grant the authority the Board had sought to exercise and that Congress had not done so. If Congress had wanted to empower the Board to regulate or "to order that equity be done if inequity were found to exist in stock acquisitions," Congress was fully capable of doing so.

Undoubtedly Congress was not aware of the need to protect the small stockholder when it enacted the Bank Holding Company Act Amendments of 1970. It is now clear that only Congress can assure that all shareholders receive equal treatment. The concern of the Federal Reserve Board for the small stockholder, while admirable, remains academic until it informs Congress of the abuses in acquisition offers now possible under the Act.

In its argument before the Court of Appeals, the Federal Reserve said that unequal treatment creates "a precarious existence" for minority stockholders, and that "capital financing of bank stock would be hindered" by such unfairness. The argument carries even greater weight today when the Fed is prodding banks and bank holding companies for additional capital.

Ours is a private capital banking system. Its more than 13,000 banks rest on $53 billion of equity capital belonging to individual and fiduciary investors. Because bank credit is a national resource for the benefit of the whole country's economy, Congress and the bank regulatory agencies must encourage the continuing growth of bank capital.

SURVEY RESULTS

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. WOLFF. Mr. Speaker, I received the results of a poll taken from a representative sample of the people of Nassau and Suffolk Counties. The survey was concerned with their feelings about the Judiciary Committee's behavior and the impeachment of the President. There are several statistics which are very significant. When asked the question, "Do you think the President should be impeached?" Fifty-four percent said yes and 37 percent said no. What is so significant is that 1 month before that the response had been 39 percent yes and 52 percent no. Another fact which is important is that 11 percent said that they had changed their minds as a consequence of watching the televised impeachment proceedings. I would like to include the entire survey result sheet in the RECORD because of its findings. I am sure that my colleagues will find the results interesting and noteworthy:

DON: Most significant basic information to emerge from latest Newsday Poll (July 30) of 390 Long Islanders generally representing the overall Nassau-Suffolk population:

1. Nixon is in very serious trouble. People not only think he should be impeached, they think he will be impeached and, what's more, that he will be found guilty by the Senate.

A. Do you think Nixon should resign? Yes 47%; No 46%; Don't know 7%; Refuse 1%.

Last month's responses to same question: Yes 40%; No 50%; Don't know 9%; Refuse 1%.

B. Do you think Nixon should be impeached? Yes 54%; No 37%; Don't know 8%; Refuse 1%.

Last month's responses to same question: Yes 39%; No 52%; Don't know, 8%; Refuse 1%.

C. Do you think House will vote to impeach? (asked after Judiciary Committee had passed 2 impeachment articles). Yes 69%; No 16%; Don't know 14%.

D. If the House votes to impeach, will the Senate find Nixon guilty and vote to remove him from office? Yes 42%; No 33%; Don't know 24%; Refuse 1%.

E. If your congressman or senators failed to support your position on impeachment, would you vote for them when they run for reelection? Yes 33%; No 43%; Don't know 24%; Refuse 1%.

Other findings:

About two-thirds of the respondents (65%) said they had watched the televised impeachment proceedings. 11% said that they had changed their minds as a consequence. (Won't know until tomorrow the makeup of the 11%).

75% agreed with a statement that Nixon took part in the coverup.

58% agreed with a statement that Nixon continually lied to the American people.

66% agreed with a statement that Nixon has abused the power of the presidency for personal and political gain.

43% agreed that "impeachment will do more harm than good even if the President is guilty (46% disagreed.)

NOTE: The sample of 390 was representative. 64% said they voted for Nixon in 1972 (compared with 66% who actually did), 41% are enrolled GOP, 30% Dems, 22% Independent.

THE FACTS ABOUT SOCIALIZED MEDICINE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. LANDGREBE. Mr. Speaker, we have heard a great deal lately about persons withholding evidence on certain issues, but the recent prohibition of the presentation of evidence before the Senate Subcommittee on Health, as revealed by a letter in the June 26 issue of the Philadelphia Inquirer, is an example of the hypocrisy of some of the liberals. I include this letter in the RECORD at this point:

[From the Philadelphia Inquirer, June 26, 1974]

KENNEDY WITHHOLDS FACTS ON HEALTH

NEW ORLEANS, LA.

To the Editor:

On July 22, 1973, in an address to the American Pharmaceutical Association, Sen. Edward M. Kennedy derogated not only the pharmaceutical industry but also the American physician in his role of using and prescribing drugs.

The speech was to serve as the program for the hearings on drugs and drug-prescribing before Sen. Kennedy's Subcommittee on Health between December, 1973, and June, 1974. The hearings were a stage play for the benefit of the press.

A cast of actors was carefully selected and anyone with conflicting testimony was carefully kept out.

Participants included William S. Apple PhD., a co-member with Kennedy on the Committee for National Health Insurance and executive director of the same American Pharmaceutical Association. Several witnesses appeared more than once.

Physicians who have spent a professional lifetime in government service or in administrative work told of their vicarious experience in the use and prescribing of drugs. Faulty data was presented, phony extrapolations of savings were announced and at least one lethal procedure was in a package that was advocated.

Excluded from the hearings were those of us who have spent a professional lifetime attending the sick and who, therefore, have the bulk of the experience in the use of drugs in humans.

For example, the American Council of Medical Staffs (ACMS), a national organization of 34,000 privately practicing physicians, asked to be heard last December and was assured by Mr. Kennedy in January that we would be heard.

Recently, Kennedy's staff notified ACMS that we would not be heard in this matter.

Others who are not members of the appointed chorus have been similarly excluded from the platform, e.g. the Congress of County Medical Societies. One non-collaborator was actually locked up to keep him from testifying in a related hearing.

This Goebbels-like manipulation of testimony is reminiscent of Sen. Kennedy's "roadshow on health" about two years ago, in which he similarly excluded all opposing opinion.

It takes Kennedy's full charisma to accuse President Nixon of withholding information in the Presidential tapes while he himself is withholding information on a subject far more important to the country, the nation's health.

The subject of the hearing on drugs and drug-prescribing bears directly upon us, the practicing physicians who prescribe drugs for the sick, and upon our patients, the American public.

Although Mr. Kennedy may disapprove of wnat we have to say, we should be afforded the right to say it. The American public will suffer the consequences of any legislation based on the faulty information of a stacked tribunal.

EDWARD S. HYMAN, M.D.,
Secretary, American Council of Medical staffs.

CONSUMER PROTECTION AGENCY—GOOD OR BAD

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. KETCHUM. Mr. Speaker, I am not sure that the legislation creating the Consumer Protection Agency is the worst bill that the House has passed during the 93d Congress, but it is certainly a top contender for that honor. The CPA will have authority so broad that the EPA and OSHA will look mild by comparison. It will add a multimillion-dollar bureaucracy to duplicate the responsibilties of existing public and private institutions. I fervently hope that the Senate will take a good look at what is contained in this legislation and resoundingly defeat it.

Last evening an excellent article appeared in the Washington Star News by Mr. Smith Hempstone on the Consumer Protection Agency. I insert it in the CONGRESSIONAL RECORD and urge all my colleagues to give it their close attention.

WATCHING WATCHDOGS

(By Smith Hempstone)

The White House can hardly make a move these days without getting "impeachment politics" thrown at it. So it is not unusual that some backers of legislation to create a consumer protection agency would be running around town claiming that President Nixon's threat to veto this new superagency is impeachment politics—that he is bowing to conservatives who oppose the bill in order to win their support in his fight against impeachment.

But that is just a smokescreen to hide the real arguments against what could turn into a giant boondoggle in the name of consumerism.

Opponents of the bill are hard at work in the Senate trying to head off creation of CPA. They contend, and with considerable justification, that it would be just another expensive government agency, staffed by dozens or perhaps hundreds of high-paid lawyers and countless other researchers, typists and paper-shufflers, whose principal function would be to harass other government agencies and private businesses—all with dubious benefit to consumers.

It is a strange concept that holds that government agencies created to look after the public interest must in turn be watched over by still more government agencies. But that's the way it is in Washington: Bureaucracy feeds on bureaucracy; that's how the town got so full of overlapping operations. What the Congress ought to be doing is eliminating a few agencies instead of creating more.

CPA would be able to stick its finger into just about every other governmental operation around—any that "may substantially affect the interest of consumers." Since almost everything is related in some way to consumers, that is a pretty broad mandate.

There are a couple of interesting exceptions, however. One would prohibit CPA from horning in on most labor negotiations; the other would prohibit it from interfering in broadcasting license applications before the Federal Communications Commission. A suspicious person might easily get the idea that backers of the legislation might have been playing a little politics of their own by writing in those exemptions—like cozying up to big labor and the media to get support for the bill.

The legislative director of the AFL–CIO, Andrew Biemiller, made it plain that his organization, which favors creation of the agency, would oppose it without exemptions for labor. "We don't regard labor relations as having a consumer interest. We don't want another government agency intervening in labor-management relations, sticking their nose in our affairs," he said. He's got to be joking. Since when have consumer interests been unaffected by wage negotiations?

With few exceptions, CPA would be able to swing high, wide and handsome. It would have the right to sit in on decision-making and then appeal agency decisions it didn't like to the courts. It would have authority to investigate consumer fraud and other conduct it felt detrimental to consumers. It could require private businesses to furnish information about their operations.

The way one supporter described its relationship with other agencies: "With an independent CPA looking over his shoulder, the product-safety agency won't be so quick to tell a manufacturer his lead-based Christmas tinsel won't be banned until after he has unloaded this year's supply on the market. The transportation-safety people will think twice before taking an auto maker's word that a defect in his vehicles isn't anything to be concerned with."

That sounds like putting the watchdog out to guard the watchdog. The product-safety and transportation-safety agencies presumably were established to look after consumer interests. Before long, no doubt, there would have to be a third watchdog to guard the second watchdog that is guarding the first watchdog.

The President is threatening to veto the legislation unless some changes are made to tie a few strings on the proposed agency. Rather than tinkering with it, Congress probably would be better off just to forget about it entirely.

What the consumers need more than anything are congressmen and administration officials who will do the job they're supposed to do, which is to watch after the public's (the consumers') interests. If congressmen aren't up to the job, maybe what the consumers ought to do is vote in some new watchdogs.

SALUTE TO JIM HARTZ

HON. JOHN N. HAPPY CAMP

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. CAMP. Mr. Speaker, all Oklahomans share in the pride of Jim Hartz' selection as coanchorman of the National Broadcasting Co.'s "Today" show.

Jim Hartz was born and reared in Oklahoma where he grew into a competent, balanced, and fair broadcast journalist. It was no surprise to Oklahomans that the network recognized his talent and that he moved to New York.

Following the death of Frank McGee, another great Oklahoman who was co-host of the "Today" show, the search for a replacement quite naturally ended with Jim Hartz' selection.

This week, the Nation started sharing the warmth and candor of Jim Hartz in the new role shared with the talented Barbara Walters. It is a responsible position which all Oklahomans know that Jim Hartz will shoulder well because he was nurtured in the balanced atmosphere of a great State and with the love of a wonderful family.

With pride and gratitude, I salute Jim Hartz with best wishes for greater success.

THE FAILURE OF SOCIALIZED MEDICINE IN NEW ZEALAND

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. CRANE. Mr. Speaker, at a time when many in the Congress and elsewhere in the American society are urging a system of nationalized medicine for the United States it is important to review the experiences which other countries have had with socialized medical systems.

There has been much written about the experience of Great Britain and Sweden in this field. In England today, according to a Reuter's report by Peter Mosley which appeared in the Washington Post of July 6, 1974:

> There are longer and longer waiting lists for scarce hospital beds and an alarming militancy by underpaid, overworked National Health Service staffs.

Mr. Mosley reports that—

> The health service commissioner—"ombudsman" for the N.H.S.—reported recently that some people needing treatment at the ear, nose and throat department of one hospital were having to join a six-year waiting list.

Reports from Sweden tell a similar story. Most recently, the failure of the socialized medical system of New Zealand has been the subject of much discussion.

The breakdown of New Zealand's cradle-to-grave welfare system, declares the July 12, 1974, issue of To The Point:

> Has been most obvious in the availability of hospital beds. More than 33,000 people are on public hospital waiting lists and some have been waiting for years. Persons wanting operations for tonsilitis and other relatively minor but annoying complaints must wait at least 2 years. Even delays of four and five years are not uncommon.

The result of the failure of the socialized medical system, To The Point reports, is that—

> Private medical aid groups are growing at the rate of more than 1,200 new members every week. Two of the main groups have a total of 350,000 members between them out of New Zealand's population of 3,026,000. It has been claimed that 45 per cent of all surgery . . . is performed outside the state system of free medical facilities.

Before we enter into any system of nationalized medicine, it is essential that we understand the manner in which such systems have failed in other countries. Those who carefully review the experience of other countries must inevitably come to the conclusion that our private medical care system—which has provided us with a surplus of hospital beds—is far superior to socialized systems with their endless waiting lines and lack of facilities.

I wish to share with my colleagues the report on the New Zealand socialized medical system which appeared in To The Point of July 12, 1974, and insert it into the RECORD at this time.

[From To The Point, July 12, 1974]

SHAKE-UP OVER NZ'S SICK

New Zealand's welfare state health services are to get their biggest shakeup since the system was created by the first Labour Government 40 years ago.

The nation, which pioneered the cradle-to-the-grave welfare system, has been growing restive as it seemed some sections of it were starting to break down. It has been most obvious in the availability of hospital beds. More than 33,000 people are on public hospital waiting lists and some have been waiting for years. Persons wanting operations for tonsilitis and other relatively minor but annoying complaints must wait at least two years. Even delays of four and five years are not uncommon.

As a result private medical aid groups are growing at the rate of more than 1,200 new members every week. Two of the main groups have a total of 350,000 members between them out of New Zealand's population of 3,026,000. It has been claimed that 45 per cent of all surgery in the Dominion is performed outside the state system of free medical facilities.

NEED FOR REFORMS

That so many are deserting the free system in favour of the private medical aids is part of the reason for the Government's decision on the need for major reforms in the medical field. A special White Paper on needed reforms is being prepared by the Department of Health.

It is accepted that more doctors and hospitals are urgently needed. Since 1960 the number of beds per 1,000 population dropped from 6.5 to 6.1. Soon a new clinical school which will turn out 250 doctors a year, will be established and facilities at the medical schools in Dunedin and Auckland will be expanded.

The Government has also announced plans to attract more doctors from overseas. In an effort to streamline the entire public hospital system the nation's 30 hospital boards will be replaced by 14 regional health authorities serving up to 400,000 people each. This will allow patients to be transferred to hospitals presently outside their residential areas, which have either small or no waiting lists.

As these developments take place the private hospital system is expected to suffer. From subsidies of nearly R1 million under the former National administration in 1970–71, the private institutions last year received only R378,000 under Labour. On present rates and on the top automatic salary scale, if a surgeon gave five-tenths of his time to a public hospital, he would be paid R7,764, according to one report. And if this represented only 20 per cent of his income then he would be earning about R38,800 gross annually. This has meant doctors are earning 80 per cent of their income from the private hospital sector—and the public health system has to try to compete. As a result there has been a gross shortage of doctors available for public hospital surgery. These are the sort of figures which have angered the Labour Government and induced it to resolve that the public health system should not be inferior to a private group.

TRIBUTE TO MR. ELMER HART

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. PRICE of Illinois. Mr. Speaker, today I would like to pay tribute to a man whose energy cannot be quelled by the advance of time. Elmer Hart of Hartford, Ill., has given freely of his time to his city and the other communities in the Alton-Wood River area.

As a former mayor of Hartford, Ill., Mr. Hart has been a guiding force in directing the growth of his city. Since his retirement, he has been a leader in the development of the Lewis and Clark Library district, the Lewis and Clark Park, and the historical societies of Madison County, Hartford, and Lewis and Clark. Truly this man is to be admired and congratulated for his fine record of service. I am proud to count Elmer Hart as a friend and constituent.

Perhaps the following article from the Alton Evening Telegraph best exemplifies Mr. Hart's contribution to his community.

The article follows:

FOR FORMER MAYOR RETIREMENT IS BUSY TIME

(By Dave Miles)

When most men retire, they pick up their fishing rod and sit on the bank of some lake waiting for the fish to bite, but not Elmer Hart, Hartford's senior statesman. Since his retirement he has had to all but give up fishing for lack of time to do it.

Hartford's one-time mayor for 14 years told the Telegraph he has been kept busy after his retirement continuing his service to the community and its people.

At 70, Hart finds few moments for himself or his family and he enjoys every minute he has just serving people. "I find retirement a real challenge. I've never had a dull moment since I retired.

"Of course, I take care of myself, get a good night's rest each night and I've found the days just fly by," the former mayor said.

Besides serving his community, Hart still does most of the work around his home, a converted business building since his retirement. He has even put a new roof on his home.

However, outside his family, his first love is his community and people. His civic responsibilities range from being president of the Hartford Library board, a member of the Illinois Public Library advisory board, a member of the Lewis and Clark Heritage Trail Foundation and on and on and on.

He came to Hartford in 1922 at the age of 18, after growing up in an area now known as Pere Marquette State Park. "I grew up in those hills up there and I bet I knew every one of them," Hart said.

He came to Hartford to take a job in the old International Shoe Factory in 1922. but said there is some speculation by his friends on just how he arrived.

"Most of my friends tell me I must have floated down the river on a log and landed in the horse weeds down here in Hartford," he said.

But however he arrived in Hartford, the community and people have prospered from his efforts.

His first service to Hartford came as a member of the Wood River Hartford Elementary Board of Education. He was elected to that board in 1928, at the age of 24.

The year before his election to the school board, he agreed to serve a long-term position as husband of his wife, Thelma, a native of Otterville. The couple had three children, but lost a son in 1949 in an auto accident.

However, his surviving son and daughter have made the Harts grandparents six times and great grandparents three times.

After a six year term on the school board, Hart decided to run for the board of trustees of the Village of Hartford. He was elected in 1934 and in 1935, he ran for his first term of mayor. However, when he ran in 1935, the office of mayor was being reorganized and it was for a two-year term only. In 1937, he ran for his first four-year term and was elected then and in the two succeeding elections for mayor.

He talked it over with his wife in 1949 and they agreed it was about time for him to get out of public office. He ended his years as mayor of Hartford in 1949.

However, that only brought about other positions offered by other groups. "I've never really actively campaigned for many of the positions I've had the privilege to serve in," he said.

He has served on the Lewis and Clark Library District and was chairman of the building committee when the district built it's new headquarters in Edwardsville. He is currently leading the Hartford Library through a 1,200 foot expansion project.

Hart also serves on the Friends of Lovejoy Library at Southern Illinois University, Edwardsville.

Outside his library interests, he is a noted local historian and a big promoter of the Lewis and Clark Park near Hartford. Hart is a member of the Madison County, Hartford and Lewis and Clark historical societies.

Also, as a member of the Hartford Chamber of Commerce, he has been part of a campaign to get traffic signals installed at Rte. 111 and Rte. 11A (the extension of Hawthorne Street of Hartford).

But perhaps his greatest joy has come from working with young people. "Even though I'm 70-years-old. I find I can still relate with today's young people. Working with kids fascinates me, I've seldom found a young person I could not communicate with," he said.

Maybe he has no trouble communicating with young people because he himself is still a young man at heart. One of the few hobbies he still finds time for is bicycle riding—a common interest he has found to have with the young generation.

While the village of Hartford was christened two years before his arrival by log to it, it is little wonder that many people often think the name of Hartford was derived from the name of its most noted citizen, Elmer M. Hart.

REPEAL OF THE SPECIAL POWERS ACT IN NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BIAGGI. Mr. Speaker, recently the Diplock Commission appointed by the British Government recommended that the oppressive Special Powers Act imposed by the British in Northern Ireland be repealed. Rather than adhering to these recommendations, the British Government has chosen instead to merely make new provisions for the continuation of the act, and their claim that it has been repealed becomes very suspect.

Since its inception several years ago, the Special Powers Act has served as a vehicle designed to give the British Government extraordinary powers over the basic human rights of the citizens of Northern Ireland. Stories about the brutal internment of innocent citizens shocked the collective conscience of the world community, and this was reflected in last year's Convention of Human Rights which condemned this practice.

I have long contended that the only true solution to the problems in Northern Ireland will come about with the total withdrawal of all British involvement in the internal affairs of Northern Ireland. In an effort to provide my colleagues with a clear perspective of the Special Powers repeal controversy, I wish to insert into the RECORD an excellent article entitled "Special Powers Act Repealed but Retained," as prepared by Mr. Fred Burns O'Brien, J.D., of the Irish National Caucus.

Mr. O'Brien's article follows:

SPECIAL POWERS ACT REPEALED BUT RETAINED

(By Fred Burns O'Brien)

A major area of contention for the Nationalists in Northern Ireland for the last four years is the ever present fact that men and women are continuously held in concentration camps without benefit of an impartial jury trial of their peers. Internment without trial has offended even the pacifist element of the Nationalist grouping and they persistently demand its curtailment. The Special Powers Act from which authority is derived for internment has been resoundingly condemned by worldwide humanitarian groups concerned with the plight of the Irish victims of this abusive British legislation. Britain has been summoned before the European Court to defend her derogation of human rights and the established Convention of Human Rights to which she is a signatory. With world opinion gathered against her, the British Government created the Diplock Commission to study the Act and make recommendations, which it has done including recommending repeal of the legislation.

THE REPEAL—A PAPER TRANSACTION ONLY

Britain is repealing the Special Powers Act, but has instituted new measures to deal with what she defines as terrorists as a result of recommendations of the Diplock Commission which determined the necessity of a change. The Emergency Provisions Bill that will replace the Special Powers Act appears to be quite vague in that it permits all criticized activity of the Special Powers Act to continue when it is deemed necessary. This is confusing and contradictory.

The British definition of terrorism is any violent action committed by a group connected with the Nationalist position in Northern Ireland. Although there are armed camps in the Six British Occupied Counties of Ireland, only Nationalist "terrorists" are sought out on a daily basis by the British Army and receive the full brunt of harassment. The British Army and Loyalist private armies are not held to the same degree of accountability as the Irish Republican Army. During the four year war in Ireland, Britain's only aim has been the military defeat of the IRA and she has left by the wayside justice in deference to her pride which is all consuming and the Irish people are punished in their own land. (Very recently with Loyalist armies getting totally out of hand, they are now being interned on a token basis for the appearance of impartiality.)

The repeal or the intention to repeal the effects of the Special Powers Act is commendable, but this action is qualified by the British to the extent of making its repeal mute and ineffectual. The British maintain the necessity for extra judicial process and they cite that their potential witnesses are intimidated, so they in effect will intimidate citizens of Ireland in a vengeful tactic of extralegal activity. What is not qualified is the British Army's employment of torture of uncharged internees which has been confirmed by concrete evidence. This abuse of humanity contravenes international law and subverts Britain's international stature.

EFFECTS OF REPEAL

The outcome of the removal of the Special Powers Act serves only to create a blank check on activities of the British Security Forces in the sphere of the rights of citizens. Any activity regarded as necessary in combating terrorism may be utilized leaving a broader discretion than that under the internment procedure. The Emergency Provisions Bill is instituted for one year renewal ad infinitum. Britain contends that the Bill should not remain in force unless there is "ample evidence" to combat terrorism. The words "ample evidence" leave a connotation of ambiguity and such a vagueness as to be completely undefined and subject to arbitrary application at the will of Government and Army.

SCHEDULED OFFENCES

Because of past vague practices, Britain has sought to define the offences whose commission would be pursued under the auspices of the new legislation. These offences to be defined can be categorized under the general heading of "terriorist offences", but this leaves a discriminatory practice of selective definition applicable at the time of the given incident in question. In conjunction with the scheduled offences, the administration of justice in Northern Ireland was altered to supplement the Bill in a general state of vagueness. Stringent limitations were placed upon the granting of bail for the scheduled offences which are defined as falling within a number of acts applicable to Northern Ireland. They are: The Malicious Damage Act, The Offences Against The Persons Act, The Explosive Substances Act, The Firearms Act (N.I.), The Theft Act (N.I.), and The Protection of the Person and Property Act (N.I.) These pieces of legislation remove Northern Ireland from the realm of British democracy and place it in a category of military dictatorship and it is not an equal part of the United Kingdom as British propaganda would have us believe.

The so-called trial commensurate to the provisions of the Bill would be restricted to a judge alone in a higher court without benefit of jury trial. Written statements signed by people in the presence of a constable, who cannot be in court, would be allowed into court as evidence as would any statement by the accused. In what appears to be an admission of past and present practices, the British Government states that statements "obtained by torture or by inhuman or degrading treatment" would be inadmissible. The fact of the utilization of torture by the Security Forces was verified by international investigative bodies and was alluded to in the Report of the Commission of Lord Compton. This admission sets the tone of the treatment of those detained under the Special Powers Act and gives rise to the question of future practices under a Bill which seems to allow a wider degree of the opportunity of these indiscretions. The opportunity of implementation of torture has in no way been eliminated. This activity can still be used to elicit information even though it might now be inadmissible before the court of the judge sitting alone as a complete court within himself.

In a reversal of past administrative practices the burden of proof is now completely on the defendant to prove that he or she had no knowledge of the presence of a firearm in a case where a weapon is found in a vehicle or on the premises of the defendant. What this creates is a situation where the defendant might not be able to prove that there was no knowledge of the presence of the firearms because it was planted in all probability which has been proven factually in many past instances. Weapons can be conveniently placed in a vehicle or on the premises of any contrived defendant in order to have an excuse for encarceration of one held in suspicion. To avoid these possible inaccuracies, the burden of proof should be on the Government to prove defendant's knowledge of the presence of the firearm especially when Britain constantly reiterates a need for an improvement in the protection of individual human rights. This purported practice is a digression from the stated intent.

DETENTION OF TERRIORISTS

For the most part detention means the detaining of alleged members of the IRA and other Nationalist groups in the North as previously stated. According to the Emergency Provisions Bill, an individual could be detained up to a year when the case would be reviewed and then again at six month intervals during the term of internment. This policy would secure the process of detaining people rather than allowing them the rights of a courtroom. For all the rhetoric, the results of the Special Powers Act are in effect whether it is called such or not. What is needed is legislation guaranteeing rights not a system that substitutes one repressive procedure for another. It just serves to perpetuate injustice disguised in a new form with the intent of harrassment intact.

A STRONG U.S. ACTION RECOMMENDED INVOLVING TURKEY EXPORTS

HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. NELSEN. Mr. Speaker, this morning's Wall Street Journal reports that, effective today, the European Common Market is drastically increasing its levies on turkey imports. This unjustified step can only create additional hardship for the turkey producers of our Nation at a time they are already being severely damaged by depressed domestic prices and sharply escalating costs.

The Minnesota commissioner of agriculture reported on June 21 that turkey producers in our State—the Nation's leading turkey grower—were losing up to $2.60 per bird. He reported their situation as "desperate" because of the severe price slump and mounting costs.

Obviously, therefore, the nine-member European Economic Community's latest move to curtail U.S. turkey exports will be felt even more severely. Accordingly, I have today written to President Nixon urging that he move swiftly to initiate U.S. retaliation against the European Common Market to force its suspension of these newly imposed protectionist barriers. I insert the text of that letter at this point in my remarks:

AUGUST 1, 1974.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to urge that you move swiftly to initiate U.S. retaliation against the European Common Market to force its suspension of newly imposed protectionist barriers against our turkey exports. We ought to withdraw recent U.S. concessions on brandy and strengthen our duties on wine, small trucks, starches and other items to which the Europeans may be sensitive. We must convince the Europeans that they cannot get away with their ever-increasing effort to squeeze the U.S. out of their market.

I would also like to suggest that you establish a special top-level government group to provide us with a definitive analysis of which trade interests would be hurt most, the U.S. or the Common Market, if retaliation should escalate. I often think that we are overly fearful of the impact that retaliation might have upon our own producers. It is my view that our trade partners need us more than we need them, and the development of supporting data could be a powerful force to persuade the Common Market to mend its ways before a full-scale trade war develops.

The fact is that the EEC action effective on August 1st, which raises levies by a reported 25 percent on whole turkeys and by 35 percent on drumsticks, will hurt U.S. turkey producers and hurt them badly. My own state of Minnesota is the nation's top turkey producing state, and last year raised 23 million turkeys with an estimated worth of $187 million to farm producers. Minnesota is also a leading farm exporter of soybeans and other farm commodities being discriminated against by the EEC's protectionist trade policies.

To give you an understanding of the new EEC action's effect upon our producers, it should be noted that the U.S. has been selling around two-thirds of all its turkey exports in the Common Market.

Our turkey exports to the nine-member European community in calendar year 1973 totalled 32,779,000 pounds. During the first six months of this year, U.S. turkey exports to these countries totaled 13,178,000 pounds, an increase of about 10 percent over the first six months of last year.

With turkey prices in this country at the bottom of the cellar and producers suffering losses of up to $2.60 per bird in my state, strong U.S. action is clearly warranted in this matter.

With warmest thanks for your consideration,

Sincerely yours,

ANCHER NELSEN,
Member of Congress.

I should add that officials of the U.S. Department of Agriculture, together with other Government officials, have already filed a protest over the new turkey levies with representatives of the EEC. They are to be commended for doing so. But unless our Government follows with additional measures to emphasize that we mean business, it is entirely possible that the EEC will not yield on this matter.

Because of this possibility, I am also submitting my recommendations to the Secretaries of Agriculture and State as well as to the President's Special Trade Representative.

Finally, I want to insert the Wall Street Journal article in the RECORD at this point for the information of my colleagues:

TURKEY WAR LOOMS AS COMMON MARKET LIFTS IMPORT FEES

Now that the chicken war is over, let's talk turkey.

The chicken war, you will recall, was an affair between the U.S. and the Common Market during the early 1960s, when the European Community raised its import levy on chickens and Washington retaliated by increasing its tariffs on French cognac, Volkswagen buses and Dutch starch.

Now, as scars from the battle heal, comes the turkey war. Effective today, the Common Market is raising an average 16% the base price on which it calculates its levies on imported turkeys. There are 39 different levies, covering everything from whole birds to drumsticks.

U.S. sources dispute the average figure and say whole-turkey prices will rise 25% and drumsticks 35%. They say possible negotiations on lowering those U.S. bus and starch tariffs might be scrapped. And they moan that a recent cut in the U.S. tariff on top-grade cognac doesn't seem to have made any impact on the men who set the Common Market's fowl-import rates.

There is a way out, peacemakers note. Another Common Market committee must consider an aspect of the turkey levies, and it could wipe out the effect of what the base price committee has done.

AN ANALYSIS OF GLASS CONTAINERS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. ASHBROOK. Mr. Speaker, the use of beverage bottles—both returnable and nonreturnable—has become an increasingly controversial subject. Legislation aimed at regulating these glass containers is being proposed at all levels of government.

Owens-Illinois, Inc., which does a substantial part of its business in beverage bottles, has prepared a position paper discussing the glass container issue in relation to various environmental and social considerations. The paper is a calm and thoughtful analysis of a complex subject. I believe it deserves the serious consideration of my colleagues.

Following is the text of the Owens-Illinois paper:

[From the Public Affairs/Environmental Affairs Departments, Owens-Illinois, Inc., Toledo, Ohio]

A STATEMENT ON GLASS CONTAINERS: THE ENVIRONMENT AND OTHER LIFE QUALITY CONSIDERATIONS—A POSITION PAPER, 1974

INTRODUCTION

Although Owens-Illinois has been dealing with the environmental impacts of its manufacturing plants and products for a long time, our corporate policy on pollution was first formally published in 1966. This policy gave pollution control the same importance in our business operations as manufacturing efficiencies, safety, materials and labor costs, and other factors affecting the profitable growth of our Company.

This policy, and past and present applications of it, has won for our Company a number of national awards—from both the private and public sectors.

Unfortunately, despite our sincere efforts to cope with our internal and external environmental problems, we have seen unique external considerations come to the forefront in recent years. Basically, these have been attempts to legislate bans, restrictive regulations, or other controls on the products which we manufacture—specifically in the packaging areas of our business.

As we have attempted to analyze and react to the external pressures impacting on our packaging business, we have concluded that they are not considerations that can be dealt with independently. Each has "quality of life" social and economic considerations which represent highly complex, interrelated, often mutually exclusive, sets of objectives with constantly changing priorities. Conversely, we have discovered that no one packaging product seems to satisfy all "quality of life" criteria. One logical hypothesis is that legislation which effectively removes or otherwise regulates products in the marketplace in response to one objective (e.g. air pollution) may actually be a detriment to another "quality of life" concern (e.g. energy). Automotive emission controls and their penalizing effect on gasoline mileage would be but one example of this relationship.

In response to "quality of life" considerations, we will attempt, in this paper, to position one of our packaging products, the glass container for soft drinks and beer, in terms of the environmental or social concerns about—

A. energy.
B. resource conservation.
C. solid waste.
D. litter.
E. product safety and health.
F. air and water pollution.
G. economics and labor.
H. changing life styles.

Although not its primary purpose, this paper will also briefly treat the role of packaging in our society, only because the glass container is, and has been, a major factor in that industry for generations.

SPECIFICS

Energy

Currently, high priority is being placed on energy considerations, and rightly so. However, the energy/packaging relationship is only one of thousands of counter-balances which must be addressed in the energy area. One current approach to the energy situation focuses on the product resulting from the manufacturing process. The question of proper energy management must be examined with extreme caution.

The end-product approach implies that energy should be withheld from certain producers or services because of the items being manufactured, or services being offered. This involves value judgments on the part of governmental agencies or groups, without evaluation of consumer preferences and other important considerations. An end-product energy concept would regiment our economy by logically and legally requiring governmental valuation of the energy requirements of the vast number of products and services produced by American industry. It is questionable that our country could endure this procedure, even if it were administratively possible. Who has the wisdom necessary to weigh the ultimate value to our society of the many goods and services demanded by the consuming public?

There is no question that our world has a finite supply of fossil fuels. Many studies have been performed to measure what share of this reservoir is being consumed by packaging. Although results of these studies vary, the general conclusion is that if a complete transition to a "returnable" packaging system for beer, soft drinks and milk were possible, and assuming extremely high return rates, the resulting savings in energy consumption have been estimated at less than 20/100 of one per cent. Later in this paper, we will deal with the negative impacts on the quality of life that would accompany such a change.

With these caveats in mind, how does the glass container compare to other packages on the consumption of BTU's? A well-known consulting firm, employed by Owens-Illinois, has conducted an exhaustive study which examined energy consumption beginning with the mining of raw materials and extending through the manufacturing, filling, distribution, consumption, and final disposal of the various beer and soft drink packaging systems. As an example, the soft drink comparison in the study shows the following:

12-OUNCE CAPACITY SOFT DRINK SYSTEMS

One million gallons of beverages produced and consumed (including bodies, tops, and associated packaging)

System	*Energy Use (MM BTU's)*
Returnable glass (15 trips)	17,000
Steel—3-piece	45,100
Plasti-Shield	45,600
Plastic-coated glass	47,800
Steel—2-piece	49,700
All plastic	54,500
Nonreturnable glass	54,700
Aluminum	60,500

The preceding comparison shows how glass stacks up in a 12-ounce soft drink comparison. As larger bottles are used (16 oz., 32 oz., 48 oz. or 64 oz.), glass uses and less energy per million gallons of soft drink. This results primarily from the reduced number of closures required and less glass weight per ounce of capacity for a given volume of beverage packed.

A similar comparison for 12 oz. beer containers indicates an even more favorable energy consumption profile for the various glass container systems due largely to lower glass weight.

Another currently popular approach in attempting to analyze the energy situation has been to make various comparisons of products and their energy impacts. Since most of these products serve different human needs, such comparisons are extremely misleading from the "quality of life" or life style viewpoint. For example, the average American family purchases about 3,000,000 BTU's in the form of glass bottles each year. At average current gas rates, the cost of this energy is $3.10. This cost compares with other family expenditures for energy consuming items as follows:

Glass containers	$3.10
Air conditioner (2,000 KWH/yr.)	47.20
Electric blanket (150 KWH/yr.)	3.54
Coffee maker (100 KWH/yr.)	2.36
Frying pan (240 KWH/yr.)	5.66
Hot plate (100 KWH/yr.)	2.36

Such comparisons as this serve very little purpose, since a full evaluation of a product's value must consider much more than energy alone.

Resource conservation

Our Nation is being plagued with shortages of critical materials. Fossil fuels and feed stocks, chemicals, ferrous and non-ferrous metals are currently in short supply. These shortages compound our Nation's balance of payments problems. They also put us, in some cases, at the mercy of foreign interests and power groups.

Currently, the glass industry is suffering from a temporary shortage of soda ash used in the glassmaking process: Most of this difficulty has been created by soda ash production problems, rather than capacity problems. This shortage situation will correct itself in the months to come.

Substantial soda ash expansions are being constructed, or have been announced for Wyoming and Searles Lake, California. It has been estimated that Trona ore deposits in the State of Wyoming alone are sufficient to meet the current level of total soda ash demands for approximately 3,000 years.

The dominant raw material for glass, however, is sand. Sand is one of the world's most abundant resources. The glassmaking process converts sand to glass. The simple grinding of waste glass converts it back to a sand-like resource and, in turn, to glass again. The glass does not deteriorate or degrade at all in the process. We will never have to fear that the raw materials for this industry will be controlled from a supply or price standpoint by some foreign-based pressure group.

Solid waste

As in the energy question, glass containers represent a small part of the solid waste problem. Treatment of municipal solid waste—garbage—is dwarfed by the much larger problem of mining and agricultural solid wastes.

Addressing the municipal solid waste problem alone, numerous studies indicate that all glass represents approximately 9 per cent of our garbage. About two-thirds, or 6 per cent, of this small percentage consists of glass containers, and only about 2 per cent of total municipal refuse consists of nonreturnable beer and soft drink bottles. In perspective then, legislation dealing with nonreturnable bottles addresses only a minute percentage of the municipal solid waste problem—which in itself is only a portion of the Nation's total solid waste considerations.

Owens-Illinois feels that the only logical solution to the total municipal solid waste problem is resource recovery. This should entail the recovery of energy from waste, as well as the recovery of ferrous and nonferrous metals, paper fibers, and glass. In locations where present economics and market conditions favor sanitary landfills, glass presents no problems because it is inert, nonbiodegradable, compacts, and cannot create air or water pollution through decomposition and leaching.

The extensive voluntary recycling efforts of the glass industry, pioneered by O-I, have given us several positive environmental benefits. One very important aspect of recycling is its impact on the use of soda ash. In recent months, soda ash has been in short supply. By increasing the use of waste glass culled in the manufacturing process, glassmakers have reduced their need for soda ash, extending available supplies.

Voluntary recycling programs have also provided the opportunity to discover ways and means of using the larger quantities of waste glass from the myriad of municipal and regional resource recovery facilities which are coming on stream and will soon proliferate across our Nation.

The glass industry has been working in concert with private industries and local government on the development of municipal and regional resource recovery facilities in such locations as Franklin, Ohio; New Orleans; Westchester, New York; Lowell, Massachusetts; Detroit; Baltimore; San Diego; San Francisco; Toledo—and with the states of Connecticut, Massachusetts, Delaware, and New York.

Litter

The problem of litter is an inexcusable disgrace to our Nation's highways and public recreation areas—both urban and rural. Studies indicate that glass containers represent about 6 per cent of highway litter. Of the total, about one-half consists of glass nonreturnable beer and soft drink containers, or approximately 3 per cent.

The person who throws away a beer or soft drink container, in our opinion, does not make his decision based on whether or not that container carries a refund value. Rather, his choice is often based on the actions of other members of the group of people with whom he may be at the time. If their normal behavioral pattern includes the act of littering, he is apt to decide in favor of littering. This choice is made, rather than storing the empty package in his car, returning home with it, and then subsequently taking it to a retail outlet for redemption.

Studies have shown that market areas heavy in returnables are also similarly heavy in returnable package share of the highway litter count.

Much research has been done lately in regards to the sources of litter and the psychology of the litterer. Research shows that litter comes from seven sources, not just the two—pedestrians and motorists—on which most litter-control programs have concentrated.

Surveys in 1971 and 1972 in 105 cities in 17 states comprising about half the Nation's population (including nine cities in New York State) showed that, combined, these five other sources account for a larger share of total litter than pedestrians and motorists. These five sources are:

1. *Improper refuse putouts at commercial establishments and institutions.* These conditions were prevalent at 35 per cent of the installations observed—creating litter that spread as far as six blocks from the points of origin.

2. *Improper household refuse putouts.* Found at 52 per cent of the locations surveyed and responsible for litter throughout entire neighborhoods.

3. *Lack of containment at loading and unloading platforms.* Half of these platforms at shopping centers, factories, warehouses and other locations had litter scattering and blowing onto adjacent properties and beyond.

4. *Uncovered trucks.* Dropoffs, spilloffs and flyoffs from trucks were responsible for between 15 and 20 per cent of the litter observed along roads they normally travel.

5. *Lack of containment at construction projects.* This situation, creating litter in all directions from the sites, was found at as many as seven out of ten projects in some cities.

There are tested techniques that can be applied to stem the flow from the seven sources in communities. They include modern Sanitation Codes, use of technology that makes it easier for people to dispose of litter properly, new educational devices, and streamlined enforcement methods.

Product safety and health

Increased attention is being focused on consumer health and safety as a high priority life quality consideration. The attributes of glass make it extremely useful in dealing with these issues.

With respect to consumer health objectives, the glass container for centuries has been the perfect package. The purity and inertness of glass have long been recognized as superior packaging characteristics. These attributes insure that the packer can deliver his product to consumers without contamination, adulteration or losses in flavor or nutrition due to the package.

Once in the hands of the consumer, the glass package with its reliable closure systems and resealability features, serves as a convenient and safe long-term receptacle for the product until it is finally consumed.

The transparency and clarity of glass enables the consumer to visually inspect the product prior to selection at the point of sale and prior to its ultimate use of consumption.

From the safety viewpoint, the glass container, as well as many other consumer products, is being examined by the Federal Consumer Product Safety Commission. Although glass packaging has not been singled out by the Product Safety Commission for regulation, the fact remains that glass can break—a fact that has long been well understood by consumers. The injury rating of glass containers in the Product Safety Commission's surveillance system (NEISS) is relatively low and about equal to that of cans. Nevertheless, Owens-Illinois and the glass container industry have in the past devoted, and are continuing to devote, significant effort and resources to determine ways to build glass containers with improved performance characteristics. These product safety improvements will continue to receive the highest priority attention.

Probably the greatest "plus" for glass containers in the areas of consumer health and safety rests with its longevity as a packaging medium.

Transmission, extraction, and migration problems are non-existent, and for all practical purposes glass is truly inert. Virtually all of the uncertainties and unknowns have been eliminated. Therefore, while additional improvements are being investigated in the area of glass performance, they are being developed under conditions of extensive experience rather than the uncharted, unpredictable environment of more exotic materials.

Air and water pollution

Owens-Illinois has cooperated with state and federal environmental protection agencies in helping these bodies establish realistic and meaningful goals for glass manufacturing operations, in order to achieve optimum air and water pollution abatement levels. Much has already been accomplished in the development and implementation of new technology to achieve these goals. A great deal of human effort, as well as capital and operating expenditures, has been spent toward these environmental objectives. Much remains to be done—in terms of technology, manpower, and capital—to meet agreed-upon goals and compliance programs. A healthy industry made these achievements possible. Needless to say, it will take a healthy industry to meet the challenges in the future.

Economics and labor

In recent years, the Nation has enjoyed a standard of living which by world standards constitutes affluence. Such has not always been the case. Per capita output in goods and services in 1900 was 25 per cent of what it is today; in 1929 it was only 50 per cent of today's per capita GNP. The concept of mandated source reduction—that is, artificial limiting of production and jobs by fiat rather than free market checks and balances—is not consistent with the free enterprise foundation on which our Nation was conceived and through which it has grown and prospered.

The Executive Council of the AFL–CIO has gone on record with a major policy statement condemning this type of source reduction as being diametrically opposed to interests of the labor movement. Source reduction would induce high unemployment and severe economic and human dislocation.

Labor cannot conceive of a legislative course of action that would trade off well-paying, highly-skilled jobs for menial non-union, minimum wage, litter pick-up jobs to accommodate well-meaning environmentalists with conflicting sets of prioriites and objectives.

Changing life styles

Today, 45.8 per cent of American women are in the work force. Many of these working women fulfill the additional roles of wives, mothers, and homemakers. Convenience packaging has contributed in large measure to making freedom from household drudgery possible, and economically attainable. Packaging has increased the amount of discretionary leisure time available for recreational, social, cultural, educational and similar pursuits. The value of human labor and the need to continue to upgrade the quality of human labor are real social concerns which impact significantly on our national standard of living.

The best of all worlds, we believe, is the co-existence of returnable and nonreturnable packaging systems. Those persons who choose to return their containers will purchase returnables. Those who prefer not to return the containers will choose the nonreturnable package.

As a case in point, for years our Company had two large factories that manufactured principally glass returnable milk bottles. The glass milk bottle was an excellent package. It was designed to withstand the rigors of many trips to the consumer's doorstep. It was never littered and seldom found itself in the solid waste stream. The dairies and glass plants provided a perfect closed-loop recycling system. Glass broken at the dairy was returned to the glass plant to be remelted and transformed into new milk bottles.

But, the returnable glass milk bottle did not survive in the marketplace, largely because it no longer fit the life style of the American consumer and the growth of the modern supermarket retail system. It disappeared from the marketplace in relatively few years and apparently has not been missed by the American consumer.

THE ROLE OF PACKAGING IN SOCIETY

In January of 1974, Arthur D. Little, Inc., published a comprehensive study entitled "Packaging in Perspective." This study was sponsored by an ad hoc committee of the packaging industry.

Glass containers are an integral part of this larger packaging/industrial complex.

The following excerpts from the Little report summarize the critical and highly complex functions performed by packaging in our society:

"*But packaging is more than just the container. It is a system in which the product is the focal point.* Packaging starts with the assembling of raw materials to manufacture a package and a product, and includes manufacture, packaging, unitization (the combining of a number of individual packages), distribution, breakup, and marketing. In this packaging chain, what influences one link can influence every other. And in this context, the total value of packaging when the costs of design, filling, plant operation, and other services are included, is estimated to be $35–$40 billion annually, or about 10 per cent of the value of all finished goods bought by the U.S. consumer each year.

"This dollar value, however, still does not reflect the entire economic value of packaging, for packaging is part of almost every element of U.S. industry today. Few products are distributed to the consumer without it. On a dollar basis, about 75 per cent of all finished goods purchased by the consumer is packaged. *The package-making industry, with about one million workers, is considered the largest industrial employer in the United States and the third largest in sales value.*"

The packaging system today is inextricably interwoven in the matrix of our economy. It is present at all levels of operational activity—in industry, distribution, and the marketplace. Consumption of packaging correlates directly with a nation's standard of living, as measured by per capita income or the degree of industrialization. Packaging and mechanization have contributed to the phenomenal efficiency of agriculture in our country, where only 4.5 per cent of our population produces enough foods not only for our population of 220 million, but also for another 55 million to whom we export.

Every indication from the marketplace is that packaging will become more significant in the future. Packaging will change as new products develop to satisfy the demands of an ever-growing society. And in the future, products will change more rapidly. Packaging will be a critical factor in their marketing and distribution as attractive, functional, and convenient packages will be demanded.

Packaging will continue to have many roles and many functions. It will remain an essential system within the total system that brings more products to the American consumer at a cost he can afford. It will continue to be a complex, delicately balanced, self-correcting system that has operated and should operate on the basis of a free competitive market.

CONCLUSION

In the preceding discussion, we have briefly commented on the attributes of glass containers in respect to various environment and social considerations. Because of its extreme adaptability, glass as a packaging material is able to satisfy successfully these varying sets of "quality of life" objectives.

For generations, glass has successfully proven itself as a packaging medium. It is continually being improved to fulfill an even more demanding role in this regard.

In looking at the various "quality of life" considerations discussed in this paper, it would appear impossible to put together a set of legislative or regulatory controls to give proper balance to all of these important factors. The interrelationship of all of these factors in our economy is so complex and in such a constant state of change that attempts to control them artificially by regulation can only result in severe dislocation to the economy.

Our free enterprise economy, if allowed to function as designed, will make the proper adjustments to keep the system in balance. Attempting to control these diverse factors through edict, legislation, or executive fiat cannot help but further aggravate existing and potential imbalances, resulting in increasingly severe dislocations. It is impossible to conceive of creating a set of governmental controls that are capable of giving proper balance to all of the pertinent "quality of life" factors.

We have just witnessed the ineffectiveness of governmentally mandated controls during the two-year experience with wage and price controls. The complexity, interplay, and fluidity of the various "quality of life" considerations nullified any opportunity for the wage and price controls to succeed.

In fact, there is only one workable approach to these types of problems in our society—and that is to let our free economy, governed by the laws of supply and demand, determine the proper solutions. For example, in the area of energy, an increase in the price of fossil fuel will cause some energy-intensive products to cost the consumer more. He, in turn, casts his dollar votes between such trade-offs as convenience and cost. It is through this free market supply-and-demand mechanism that balances will be restored without the serious dislocations associated with artificially created, man-made controls.

In a like manner, scarce materials will begin to demand higher prices as dictated by the laws of supply and demand. Once again, the consumer will be faced with a selection of products competing for his dollar. His free choice will then determine both the most satisfactory set of purchases for each individual citizen and the allocation of scarce resources among alternative applications—with the dollar acting as the "common denominator" arbiter of the allocation program.

This free market interplay will in the end yield a far better solution, without the trauma that has historically accompanied mandated answers. This should not be interpreted to mean that in a free economy we do not need government participation in these areas.

The proper role of government is to anticipate problems before they occur and adopt policies that promote orderly solutions; and in emergencies, take action to prevent irreparable damage and hardship to protect the public's general welfare. However, the orderly solution can best be effected through private initiative directed by the free play of market forces.

Well-intentioned, but simplistic and ill-defined, restrictive legislation aimed at the regulation of beverage containers, or packaging in general, would seriously endanger the health of the glass container industry. It would be impossible to confine the adverse effects on the industry solely in the beer and soft drink areas. The trauma that would accompany such legislation would also seriously hamper the industry's ability to furnish glass containers for such other critical end-uses, as medicnes, foods and other consumer products.

Since packaging performs a necessary function in our society, another packaging material would quickly emerge to replace any lost glass-packaging application. This could result in an increased demand for other materials already in short supply, or result in the use of materials without the proven track record of glass from a health standpoint.

We feel the wise course of action is to promote a healthy glass container industry which can improve its products, both nonreturnable and returnable, which will continue to meet the changing needs of society—rather than replacing the glass package with an unknown and potentially far more risky substitute package. Such a substitution could represent a gamble that would be ill-advised for our Nation.

ONE PRACTICAL ANSWER TO THE WORLD FOOD CRISIS

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. ZABLOCKI. Mr. Speaker, we are all increasingly aware of the ever-worsening global problems of food supply and rapid population growth. Despite efforts by governments and business communities to deal with these problems, man's ability to produce food is not keeping pace with his need. Escalating food prices and demand aggravate an already serious scarcity of protein-rich foods, particularly in countries where hunger and the diseases that thrive on undernourished bodies are prevalent. Unless there is a continued increase in world food production, there will be even more hunger and malnutrition and rising food prices.

Mr. Speaker, the need to find a solution to the world food crisis is pressing indeed. Surely, effective and realistic measures which would have a tangible impact on eradicating this critical manifestation of world poverty must be found. I am pleased to inform my colleagues that one distinguished citizen in the Fourth Congressional District in Wisconsin, which I represent, has developed a unique concept of preventing a further depletion of food reserves by the development of an inexpensive, versatile, and palatable nutritional food called CSM.

Mr. Charles Krause of the Krause Milling Co. in Milwaukee, developer of the cereal-based CSM, is optimistic about the ability of the world to grow cereal grains in quantities sufficient to feed the populations that are anticipated in the next 50 years. Although Mr. Krause claims that CSM is not a "magical" food, he has taken a creative approach to the food problem by providing a cheap, highly nutritional food that can taste good in all cuisines. His efforts should remind all of us that, acting together with purpose, confidence, and determination, we can effectively mitigate the world food problem and create more hope for mankind in the future.

Mr. Speaker, in order to share with my colleagues the unique idea of the Krause Milling Co. of Milwaukee, I am inserting into today's Congressional Record an article by Fran Smith, printed in the summer 1974 issue of Creative Living, which tells of one practical solution to the world food crisis. I commend the article to my colleagues for their serious consideration:

The Graining of Everyman's Platter

(By Fran Smith)

There is much talk these days of crisis: the energy crisis, international political crisis, the credibility crisis. But one crisis is the root of all the others—the food crisis. Think about it. If you are hungry—and undoubtedly everybody reading this article has never known starvation—you are not concerned with the energy crisis or crises of confidence or political scandals. You have one concern—food.

If world food reserves become further depleted, as seventy-five million new mouths enter the population each year, and a seeming shifting trend in world climate continues to destroy crops in many areas, all the other crises will become inconsequential in a world gone mad for food. This grim forecast may or may not transpire. If it doesn't, Charles Krause will have had a hand in preventing it.

The problem at hand was to develop a "total nourishment" which was inexpensive, versatile in its use and palatable to the many food-taste habits of people the world over. It was a problem that could have continued to defy solution. But, Charles Krause, president of Krause Milling Company in Milwaukee, helped develop a proposed answer: CSM.

Sounding more like a fabric blend than a highly nutritional food, CSM is a mixture of three ingredients—sixty-four percent precooked cornmeal, twenty-four percent soy flour and five percent nonfat dried milk (with two percent minerals and vitamins, plus five percent soy oil added to increase fat content)—grown stateside, then shipped daily to over 120 impoverished countries throughout the world. Since its original introduction, instantized and sweetened variations of the basic product have been introduced, as well as a new corn-soy blend. The CSM concept has also been applied to wheat products, oat products, and, in fact, the idea of upgrading the nutritional content of many grains by combining various forms is becoming quite popular.

"Several things conspire to make the CSM concept unique," observes Krause. "First, there's the positive effect on the millions it's reaching (fourteen million in India alone), and especially its effect on school children and infants, for whom it halts nutrition-based illnesses, such as the fatal kwashiorkor—symptomized by bloated bellies and reddish hair. Wherever it's served daily, the stories of restored health are countless.

"In addition, *all* people know how to cook with it. But that's no mystery, for cereal-based CSM is a universal culinary tongue—wherever grain and flour-based recipes are understood. CSM is understandable. With it, traditional barriers of language and illiteracy just don't exist."

It was in 1963 that the government began its search for a low-cost, high-nutritional food. Until then, a common denominator had been missing. Either flavor appeal was lacking, the texture didn't adapt or some intangible went against prevalent eating habits. Whatever the reason, one thing was apparent: No food product fights hunger if it goes unprepared and remains uneaten.

Industry was asked by the government to join in a testing effort, and donated 10,000 pounds of precooked cornmeal to sixteen countries. Krause Milling was among the leading manufacturers who did. And when the donated product was enthusiastically received—in corn-, wheat- and rice-eating countries—the government moved to supply the willing manufacturers with Agriculture Department guidelines for a new and full-nutrition product.

Among those 1965 guidelines were these prerequisites, out of which CSM developed:

It must have a cereal base of either wheat or corn.

It must be partially cooked, ready to serve within one- or two minutes.

Its protein content must be in the range of eighteen- to twenty-two percent.

It must be fortified with minerals and vitamins.

According to Krause, his company spent over a quarter of a million dollars on research, handling, blending and packaging facilities, in anticipation that CSM would be accepted. The investment paid off in September, 1966, when part of the first order went to Krause Milling. It was a modest request—nine million pounds of CSM—for a company that produces more than one million pounds a day. (Since then, more than two and one-half billion pounds have been shipped.)

Whatever the destination of CSM shipments—be it Lima or Biafra or Bangladesh or Madras—getting the fifty-pound bags to that final unloading dock is a complex matter. "It's a constant, but stimulating challenge to overcome the logistical nightmare involved in transporting the bags from our plant to a location that's possibly 15,000 miles away," remarked Krause. "Before it's opened, the bag, which has been sealed against moisture, rodents and insects, may be handled as many as thirty different times.

"In India, for example, CSM is moved from ship, to rail car to truck, to warehouse and to bullock cart. And from there, it is toted on head to the schools—some of which even report employing a special CSM cook for one hour a day—to be mixed with local spices in a native and nutritious variation on India's peccorah dish—tiny balls fried in soybean oil.

Nuances of political strife are often woven into the considerable distribution of CSM, which serves as the mainstay of relief projects and child-nutrition programs. A classic case proved to be that of the Indian and Pakistani distribution. Krause recalls, "Our government had to satisfy both the Pakistani and the Indian governments that our involvement there was humanitarian in nature, and that our goals were geared only to saving lives, not to strengthening Pakistan's position against the rebels or the rebel position against Pakistan.

"It's rare in business," Krause reflected, "to be part of something that's successful and also creative. The thrust within the program is for countries to develop food products comparable to CSM.

As to the actual creation of CSM, Krause avows that, "When management and employees have an integral part in the production of such a sophisticated, life-giving product, work *always* has meaning. You know where the effort goes and the results.

"But that same meaningful activity exists for everyone," he added, if an individual knows what makes him or her feel worthwhile. From tutoring, to political workshops, to fund raising, once you have a sense of what's important, *what you're looking for*, you'll find it everywhere. In human relations, there's no lack of opportunity.

"Sadly enough, few people develop as far as they can. They leave vast possibilities untouched, either through not searching for them or, worse than that, through doubting their own capabilities.

"Some are quick to say that self-fulfillment is selfish, but I believe that it's good, even necessary, to chart the direction your life takes. As a businessman, I feel that every worthwhile demand makes you more concise, more specific. You learn to reach, to implement and to remain flexible."

Visiting many recipient countries has given Krause firsthand experience with the

CSM distribution system. "To see the eager response of the children now receiving CSM . . . the feeling isn't merely a humanitarian one: it's more like father and child. But to realize that, for all that's being accomplished, CSM reaches only ten percent of India's hungry children, for instance, creates a sense of personal failure."

As one of the country's largest corn millers, employing more than 400 people (with plants in Milwaukee, St. Joseph, Mo., and Dodge City, Kansas, where only sorghum grain is processed), the Krause Milling Company has excellent credentials for supplying a major food program of international proportions. Started in 1907, it has diversified its operations. Besides supplying the market with products such as corn flour, brewer's grits and grits for breakfast foods, it also manufactures an industrial cornbinder—to hold together forms when pouring molten metal—sells crude corn oil and is active in the hominy-feed business.

Why, then, doesn't a company so closely involved with the heart of American agriculture and production make CSM available for the hungry in the United States? Krause Milling simply isn't geared to sell in the retail market. But the future may change that. Although Americans are the best-fed people on earth, we are not *all* well fed and our food delivery systems, as witness recent shortages, are not fail-safe.

The average American consumes roughly four times as much grain as the average world citizen. This is not to say that Americans eat four times as much grain. Rather, with our tendency to derive much of our protein from meats, we consume much of our grain indirectly and inefficiently. One pound of beef is produced by a steer eating seven pounds of grain. That seven pounds of grain would be much more efficiently consumed directly by humans. Although steak and potatoes may continue to be the all-American meal, there is no question in the minds of Krause and other experts that American diets will have to be geared towards direct grain consumption.

With an eye toward this future, Krause did conduct a four-month study in four southern counties to determine CSM's acceptability. About 20,000 people were given one pound a month, and the results were overwhelmingly favorable. Again CSM translated, serving, this time, as a base for meat loaf filler, bread and biscuit flour and gravy thickening.

Appearing before the Senate Committee on Agriculture and Forestry, Krause detailed how CSM results could—and should—be implemented immediately to provide nutrition to the twenty million Americans who receive partial food assistance.

But some basic problems today threaten the increased distribution of CSM abroad. According to Krause, "The government is now placing budget restrictions on the program, at a time when the need in Africa and in Asia is the greatest it has been in the last decade.

"In addition," he noted, "with current increases in the cost of all commodities, including wheat, soy beans and corn, the dollar restriction imposed on PL 480 by the Office of Management and Budget means fewer pounds can be purchased with the approved funds. Also, concern over commodity availability has resulted in additional program setbacks. So it is important, particularly at this time, to rekindle the once-enthusiastic commitment of our people to such a program." Less than enthusiastic U.S. Government support is one of the problems affecting those who desperately need foods like CSM. Some prominent climatologists have attributed recent droughts in Africa and India not to the whims of the Monsoons, but to a global cooling trend. If these experts are correct, millions more will be added to the millions who are starving to death today.

Despite the horror of such predictions, Krause does not view the future as necessarily horrible. "I am not pessimistic about the ability of the world to grow cereal grain in quantities sufficient to feed the populations that are anticipated in the next fifty years," says Krause. "I think the earth can support the nutritional needs of the life on it, but only if that nutrition is allocated properly. The problem is one of logistics—not so much one of growing grain, but of getting it, in proper nutritional form, to those who need it. The earth will support us if we support ourselves . . . and the earth."

Regardless of the political and logistical complexities surrounding this highly versatile product, the one thing that humanizes CSM is its uncanny ability—when local seasonings and spices are added—to become a familiar food, anywhere in the world.

Capable of being prepared in numerous ways—boiled, steamed, oven-baked or skillet-fried—its simplest form is porridge, made by combining one part CSM with two- to three-parts water. This is brought to a boil, and then cooked gently for ten minutes. In Colombia, however, there is the variation of cooking with milk and flavoring with the juice and grated rind of fresh oranges; another translation, in the Dominican Republic, calls for the addition of coconut milk and raisins.

CSM becomes an acceptable soup anywhere, with seasoned vegetabes such as spinach, cabbage, squash, yucca, plantains or sweet potatoes dropped in the pot. In fact, there is no flavor, texture or taste that doesn't blend with CSM, from the molasses-like jogari of India, to the mashed banana of West Africa.

Krause believes that, "CSM is both a weapon against hunger and a hope for the future. For without nutrition, the less-developed countries have scant opportunity to create their own future. Only when their minds and bodies are nourished, can they enter into a full partnership with the world of nations."

But the Milwaukeean is quick to point out that CSM is not a magical food. "It is merely a logical use of commonly known facts about nutrition," he notes. "For example, knowing what we do about the amino acid balance in soy and corn, we combine the two and the synergistic effect is fantastic."

Cracking all the logistical, political, chemical and managerial puzzles of CSM marketing requires much corporate and individual vitality and creativity. Yet, in spite of the broad (even planetary) nature of his business interests—covering territory from India to Dodge City, Kansas—Krause is quick to qualify that every individual can and should maximize his professional and personal creativity beginning with the simplest of givens, the "nows."

"The world is full of worthwhile and creative things to do . . . but first, you must let yourself see what's in that world immediately around you. No one has to leave his own environment. Wherever you are, it is . . . and you can do it right there," Krause encourages.

Those who know him remark on Krause's ceaseless occupation with projects. And when he's put the holistic life question of how to mediate the polar pulls of leisure and business. Krause explains that, for him, "Leisure time spent in another type of 'work' isn't the sign of a driven man. Instead, it's indicative of a man who's been lured by the conviction of his own usefulness. . . ."

In Krause's case, that "usefulness" has affected what is probably the major problem facing the world tomorrow—famine. Using a creative approach to an "impossible" problem—providing a cheap, highly nutritional food that can taste good to all tongues and in all cuisines—Krause energized his company and sweated out a solution. That solution instantly manufactured a host of other problems, some of mystifying complexity.

"You must be an optimist in the business of world feeding," concludes Krause. "Certainly we as a nation have always managed to overcome the past threats to our survival. We've come close to the brink and we see blackness looming, but then we always seem to pull logic and expediency creatively together . . . and we get the job done."

DR. EDWARD TELLER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. FUQUA. Mr. Speaker, at the June 11, 1974 luncheon of the National Capitol Section of the American Institute of Aeronautics and Astronautics, the distinguished gentleman from Virginia, the Honorable THOMAS DOWNING, introduced Dr. Edward Teller, pioneer in nuclear development, who gave an incisive review of the importance of our national space program in these days of energy and other crises. I am including Dr. Teller's impressive discussion and the Honorable THOMAS DOWNING's introductory remarks in the RECORD for the benefit of my colleagues and the general public:

INTRODUCTORY REMARKS BY CONGRESSMAN THOMAS DOWNING FOR DR. EDWARD TELLER

I have the honor of introducing our speaker this afternoon because the man who was supposed to introduce him, the Hon. John Davis of Georgia, chairman of the subcommittee on Science, Research and Development, was unable to be here. He asked me to extend his regrets and to introduce Dr. Teller and of course I'm delighted to do so.

You all know him. He's a physicist, a former Director and currently Director-at-Large of the Livermore Laboratory of the University of California. He's had a long and distinguished career. He was born in Budapest, Hungary and got his Ph. D. in Leipzig, Germany in 1930. He studied in Copenhagen with Nils Bohr, and in London, and came to the United States in 1934. During World War II you know of his work on the Manhattan Project at the University of Chicago and at the Los Alamos Laboratory in New Mexico.

Since 1945 he has done scientific work on a wide range of subjects from atomic and nuclear energy to astrophysics and space. He's been accorded many, many scientific honors, too many to mention here. Naturally a member of the National Academy of Sciences, he won the Einstein Award in 1959, the Fermi Award in 1962 and has merited many other honors. He is a frequent witness before the committees of Congress, a respected witness.

It is my pleasure to present to you probably the most distinguished physicist in the world, in my opinion, Dr. Edward Teller.

SPEECH BY DR. EDWARD TELLER

The question that comes up again and again is, what is the advantage, more than that, what is the practical advantage of space exploration. I can respond to that question quite conclusively by telling you that in the late 15th century, when Christopher Columbus was on his fund raising trip to Queen Isabella of Spain, his argument was that the voyage would make possible better trade with China, a purpose which has indeed been accomplished but only recently by Mr. Kissinger.

However, on the way Columbus seemed to

have discovered something else. That story is to remind you that what we promise is one thing, what we perform is another. But contrary to expectations what we perform is, and I think will be, more than what we promised, I do not have the wisdom to foresee the actual result.

Having therefore described my crystal ball as appropriately cloudy, I shall now take you into these clouds. But first let me stay with solid and obvious problems where no crystal ball is needed. We have an energy crisis. The crisis is real. The crisis is bad for the United States; it may be catastrophic for other parts of the world. And in this crisis NASA is helping in ways that are small and in ways that are large. Harrison Schmitt, scientist-astronaut, who has gone to the moon and who now has his feet back on the common ground is in charge of the small part of the effort. I had the great pleasure of talking with him about everything between the moon and the earth and I would like to mention a couple of ideas which are modestly funded and which I'm sure fully deserve this funding.

The most popular energy source in astronautics is, of course, solar energy. And why not get the abundant solar energy to solve our crisis? There is just one little difficulty. The capital expenditures are too big by approximately a factor of 1000. We have to find ways to mass produce, and produce cheaply, the appropriate apparatus to transform solar light into electricity. It is very doubtful whether this can be done; a factor thousand is not easily obtained, but in new technologies they might be obtained. And it would be of tremendous significance if there would be success. The modest investment that exists in this field is certainly justified.

Let me mention an entirely different project which is connected with the energy crisis a little indirectly but which will certainly work, and which will certainly pay off. We are talking more and more, and we should be talking more and more, about the recovery of materials. For instance all cars should not be junked when they deserve to be junked, but the materials in the cars should be recovered. That is being practiced now, but when it is practiced the car as a whole is junked and what you get back is scrap iron. However the car is more than scrap iron even as far as materials are concerned.

There is chromium, there is copper, there are other materials, and the value that you can recover if you separate out these components and make them available each one in its place is much greater. There is at the same time a saving in energy, because in producing these materials, if you wouldn't recover them, energy would be spent. And this we now can save.

There are plenty of other projects; I happened to think of these two. The ingenuity, the technical know how of NASA is being put to good use.

But let me go back to the big aspect, the field most proper to NASA. One of the possible catastrophic consequences of the energy crisis is in the feeding of the people of the world. Many of the developing nations, for instance India and many others, are hit hard. These nations survive today, their people can be fed today, only on account of the green revolution which has introduced crops growing more food per acre. But the new grains, while they perform better when fertilized, don't perform when not fertilized. And the cost of the fertilizer has skyrocketed. The most important fertilizers, the nitrogen based fertilizers, which are based on gas and oil, are three times as expensive as they used to be a year ago. The result may be starvation for millions of people.

Now what does NASA have to do with this? A great deal. Catastrophes can be avoided; at least they can be rendered less acute, if we foresee them, if we learn where it is that crop failure threatens. In the United States we have good enough reporting and we don't need NASA, but abroad it is a different story In many of the developing countries it is from space that we can first see that drought is beginning to make an inroad, where blight endangers the crop, where the grasshoppers get going. These troubles might be remedied if seen soon enough, and if they can't be remedied at least we shall be forewarned in which areas of the world there is real trouble and where real help will be badly needed.

From a global point of view the situation is even worse. There are people in the world who are powerful and who are less open than we are. Our crop prospects are available. The Russian prospect for the harvest is not. Yet a success or failure of crops in Russia affects the world. By now, the Russians consume per capita almost as much grain as we do and they want it, and they are quite willing to let their allies the Hindus starve. And worse than that, in order to make good wheat deals, they don't give warnings of what their needs on the market will be.

I object to capitalism. I object to the dirty tricks of capitalism. Particularly when practiced by Communists.

Now we can contribute to needed openness in the world because we have satellites that can observe. I would like to see better and I would like to communicate promptly and openly in the interest of feeding all the peoples of the world.

Satellites, in looking back on Earth, are useful in this way and they are useful in many other ways. Dr. Fletcher, I know that you remember a bad and violent girl by the name of Camille. She was a hurricane and she tore Corpus Christi apart. But NASA caught her, reported on her and told the people of Corpus Christi to get out of the way. She killed a few hundred people, but if NASA had not been there with a warning (we have no stations in the Caribbean which could have warned) 50,000 people may have been killed or at least injured on that one occasion.

Ladies and gentlemen, I do not believe that the money spent on NASA is wasted. In fact I sometimes have the sneaking suspicion that the money that is not spent on NASA may be wasted. I believe that with weather satellites around, the time will come where we shall have good enough global weather reporting from the angels point of view and we can use these data not only to predict weather but to study how weather develops with the help of electronic computers. We will not be able to predict the weather for a year in advance because weather is full of trigger effects. But we can study the trigger effects and when we have understood them we might be able to influence weather and when that happens we shall have lost our last safe topic of conversation. And if that is not an accomplishment I don't know what is.

I have talked about practical applications and left out some that you can fill in. I want to turn to my fields of interest in science, to those fields where we gain nothing but knowledge, where we satisfy nothing but our curiosity. Yet curiosity is the most valuable heritage that we got from our ancestors the monkeys. It has carried us to the Moon, it has made modern technology possible and, as I said in the beginning, the unpredictable results are the best.

What can you do in a place like Skylab apart from looking at the sun? Well, I have said on previous occasions and I want to repeat it now, that the theme song of NASA should be the very old and beautiful song, which I will just recite: "I Have Plenty of Nothing, Nothing Is Plenty For Me." And by nothing I don't mean an absence of dollars, although that may begin to be true. By nothing I mean a vacuum, a real vacuum where you may have not more than a few thousand molecules per cubic centimeter.

We pay a high price for a vacuum on earth in scientific experiments. Think of this pen which I hold in my hand as broken. Think of my fitting the pieces together. Will it be whole again? Well you know I wouldn't succeed and you know why: because the broken pieces are a jagged array of microscopic and submicroscopic hills and valleys, and I can't make them fit. But let me take a piece of graphite and break it. When graphite breaks, it breaks along a crystal surface which is completely plane, because graphite is put together from sheets of tightly bound carbon atoms. As we try to fit that together it won't work either, it won't stick. Why not? Because in a time much shorter than a second, the surface that was originally clean has become dirty.

Molecules from the air will sit down on it, stick to it and the two surfaces no longer stick. If I do the experiments in a vacuum I think we will be able to break graphite and put it together again, which is just a nice demonstration. It might not be a useless demonstration because we can prove that the surface remains clean. It might be a sensitive test of how good your vacuum has been.

Now these surface problems are more than toys, more than mere demonstrations. Many of our instruments in electronics are important in hearing aids, important in television—God forgive us for television (I shouldn't have said that, television after all performed a useful purpose at the time of the Moon landings)—and they are important in making computing machines and even in defending the United States. It's the one and only field in which we are still ahead of the Russians, as far as defense is concerned. Surfaces, the study of them, the making and the modifying of clean surfaces, can be decisive in the further development of electronics. This is a highly practical field.

In the recent experiments in Skylab a very remarkable experiment was carried out. People tried to grow crystals in a gravitationless surrounding, and they built the most perfect crystals ever produced by human hand. Some perfect crystals may be good starting points again for electronics. Clean silica crystals in which you can insert the appropriate perturbations and impurities could be manufactured in space. Here we have something more valuable than gold or diamonds so that you might indeed want to go to space to obtain it.

Ladies and gentlemen, where should the money come from? Of course from Congress. It is very possible that there could be another source and that should not diminish our efforts to persuade our own Congress to go ahead. The United States is not alone in the world. I have already pointed out that our activities in space may be more useful for starving people elsewhere than they are in the United States. In space an international effort is fully justified. Weather predictions are needed around the world and if international cooperation is useful in space, international cooperation in space may serve as a symbol, more practical and more valuable than the United Nations.

This may be a long distance off. But I hear that the Germans are beginning to put money into space for the simple purpose to get more deeply involved in developing technologies. Where the Germans go, the Japanese cannot be far behind. So I wouldn't give up. There seems to be another bidder who might be unexpected, but at least he has some money. I mean the Shah of Iran, who is interested in a satellite so as to be better informed about what's going on in neighboring countries. (That this is an important topic many of you know.) We might have bilateral arrangements and surely we might look for multilateral arrangements which are the really important ones.

All of this of course will be immensely helped by the shuttle program which will allow us to put, at a lower price, many space vehicles into orbit for all the purposes I described and for very many which I did not.

But now I would like to look farther ahead. We have been to the Moon and we got back. We got back rather rapidly and as far as I'm concerned, quite unfortunately. We should have stayed. We should have established a base on the Moon: a laboratory to let some of our students do scientific studies on the Moon and get Nobel Prizes, in astronomy, about many other subjects.

Let me mention to you one point that Jack Schmitt mentioned to me. It is extremely interesting and in a technical sense quite relevant. The top few feet of the Moon contain hydrogen. Hydrogen atoms, protons, coming from the sun have embedded themselves throughout the ages so that from one cubic foot of "green cheese" you can get one cubic foot of hydrogen gas at normal temperature and pressure. Now this to my mind is extremely important. Oxygen we have plenty of on the Moon, water unfortunately we don't—at least none has been found. But hydrogen has been found and oxygen from iron oxides can be obtained relatively easily. From the oxygen and hydrogen we then can get concentrated power. One place where there will not be an energy crisis is the Moon. We need not worry about power on the Moon, there will be plenty. You even can put a refueling station onto the Moon. You send up a rocket and you don't carry the fuel for the return trip and then your rocket can be small and cheap. You refuel and come back to Earth and save your rocket. This might make the trips so cheap that the tourist business even might start. I would apply myself for such a trip except that I have promised my mother on her 70th birthday that I won't go to the Moon.

Refueling on the Moon; there is still another application. To go to the Moon to refuel puts you into a position where you can take off for months, with rockets smaller than have been built so far, or at least no bigger. The manned exploration of the solar system can be made into a reality with existing technology. Not today, because we don't have the money, not tomorrow because we don't have the lunar bases, but the day after tomorrow, not in the distant future.

I'm afraid I've talked too long. I have started with China, I will end with China. I have been very much interested in the history of science and technology. Why did this remarkable mutation, the industrial revolution, occur of all places in Europe in the 15th century? It would have been hard to predict such an event and if somebody predicted it he would have located the revolution in China. The Chinese discovered silk. They built, around the time of Christ, the first big canal. The engineering in the Chinese wall was outstanding. They invented gunpowder, rockets, printing, paper. They invented the proper use of horses. The harnessing of horses came to Europe from China.

Why did they fall behind? Why did we forge ahead? There was a critical time in the 15th century when Africa was explored. The west coast by the people sent out by Henry the Navigator and the east coast by the Chinese who came with the monsoons in one direction and sailed back with the monsoons during the other season. And then the internationally minded Tartar dynasty was overthrown and the Ming dynasty took over, and with it Neo-Confucianism was born. On imperial edict the Chinese started to look inward. They produced in the Ming period the best porcelain ever, the best ancient scholars ever, but technology and interest in the rest of the world withered. The Ming emperors forbade the travel outside China, specifically these expensive, senseless trips to some outlandish portion of the world which contained nothing but savages.

Our Ming emperors in the U.S. made a similar edict recently. I hope they shall not prevail.

Questions and Answers for Dr. Teller's Speech

Q. You've talked about applied research and the very practical aspects of the space program. I wonder what you'd say about the more esoteric research—the long range basic research, cosmology, neutron stars, black holes—what value do you place on that?

A. The black holes shouldn't be called black holes. The right name for a black hole is "boojum." You don't know what a boojum is? Haven't you read Lewis Carroll and the hunting of the snark? Haven't you heard of the warning to the nephew that if you ever encounter a boojum you will never be met with again? That's a black hole.

I think they exist. They should exist. We haven't seen any one yet. But we have seen the collapse of a star in a supernova. Then dense material is created and we believe occasionally we can obtain such masses and such densities that the gravitational attraction becomes so strong that once you are in you never get out again, not even if you are light. Therefore it is black. Therefore it is boojum.

I think these boojums exist and I hope they do. Some of my young friends have been telling me that when the universe was made, all kinds of strange things happened and a lot of small black holes occurred which are even more dense and are quite small. No one has ever seen such a small black hole, but they may be hard to find. Someone has claimed that the Russian meteorite of 1908 was such a black hole and I know that isn't so because if it had been it would have caused by far the biggest earthquake in history while passing through the earth. Yet very small black holes might exist and some people are trying to look for them. I certainly cannot tell you what good these black holes are, except to satisfy my curiosity. And on that and on the connected intellectual values I would like to put a high price.

Q. NASA presently has a $3.2 billion budget. How much more would you add to it to maximize the potential of NASA?

A. I don't know what you mean by "maximize." I would think that to get back to at least $5 billion would be highly reasonable and you realize how insanely modest I am. Because after all $5 billion today doesn't buy what $5 billion used to buy. With $5 billion we can begin to start making preparations for the lunar research centers and then I would like to bring in the Shah of Persia and others. It should be an international effort, but he should ante up.

Now let me tell you another story. You asked the wrong person about the budget. Before the Manhattan Project started, a fellow Hungarian, Leo Sziland, wrote a letter, actually signed by Einstein that reached the President. A meeting was held and at that meeting I was asked what is the needed budget. And I said that I don't know but that one of my friends, Enrico Fermi, who couldn't be present suggested that for the first year we should spend on nuclear energy $6,000. And that is what we got. My friends never forgave me. So I have a record for understatement.

Q. Dr. Teller, I really appreciate your mention of China because I came from there and recently I made a trip and stayed five months in Peking. I will tell you something which I saw there. They have been able to push the frontier of the farming land into the desert by a process, which I don't have time to tell you much about. They have been able to double their food production in the last ten years. By the old method, carts and hands, no automobiles, no trucks. Very small help from you. So you can see now what others have been doing. We should do more to help people and create more food.

You talked about satellites; I must mention this fact. They have made use of the satellites of ours, not theirs, for predicting the weather, everywhere. They have more than 30 stations to use satellite pictures and to make weather forecasts. We should do better on that.

A. I am very much in agreement. I would like to see all the pictures published. And furthermore I would like to tell you one more thing about food in China by first telling you something that happened in this country. In 1963 an American company, the Kellogg company, developed a new method of making nitrogen based fertilizer. They are the biggest and the best today. As far as I know at the present time more than half of their orders have been placed by the mainland Chinese government. I agree with you that the Chinese are not in urgent need of automobiles but that does not mean they are not in urgent need of technology.

Q. Dr. Teller, in the last few months there's been new talk of a crisis in fundamental physics, particle physics. It seems to me we have these just about every ten years and then we have a new accelerator.

A. Look, the crisis in energy and the crisis in physics are two entirely different things. The crisis in energy most of us don't want, but the crisis comes. The crisis in physics most of us physicists want, but it doesn't come.

Q. What do you think of gradually opening up our military intelligence satellites so that all of the nations of the world will begin to have a warning system of war in any place in the world? This topic you have written about previously.

A. I have written about things of that kind previously. I have testified before Senator Muskie's committee on secrecy and science and technology, and while I don't think I should answer here your questions I want to repeat my public testimony of yesterday, and you may draw your conclusions. I have four proposals:

1. Science should not be classified.

2. Technology may be classified at any level for the purpose of national security, but after two years this kind of classification must expire because the Russians don't even take that long to find out our secrets.

I suggest that the AEC, the DOD, should imitate NASA. NASA has introduced a new kind of classification which I want to call the U.S. Proprietary Classification, similar to the company confidential or company proprietary classification. This procedure does not try to classify big, important things but it does classify tricks of the trade. The kind of things people abroad, particularly the Russians, have difficulty in obtaining. We should not rush to support our own competitors in trade, and even less in military preparedness.

This is a low-key and an effective procedure. And if government and industry are to cooperate, which they must in solving the energy crisis, then I think a similar mechanism in the two organizations is needed. Secrecy in government didn't work, proprietary information in industry works. Therefore let the government assume the modest low profile of industry and try to spread the information where it belongs and limit the information from spreading where it should not go.

4. There are a small number of topics, an extremely small number of topics, not many millions of documents but a few thousand documents, which have some very special importance and where technical and scientific secrets have to be kept. In those fields I would keep secrecy and make one

man responsible for all of it and he should be responsible for a small number of people. In this way I hope to get away from the unwieldly classification of information which does not allow our own people to find out what the Russians already know, which will not allow that warning be given to a country about to be invaded and which sometimes even limits us from giving information abroad about an impending hurricane or an impending shortage of food.

I want to conclude by quoting a remark of a really great physicist Nils Bohr who in 1945 said: "In the cold war one should expect that each side should use the weapons which it can use best. The best weapon for a dictatorship is secrecy, but the best weapon for a democracy is the weapon of openness." It is indeed a weapon which will lead to faster development of industry and defense, which will lead to international cooperation, and which will work for peace.

UNBELIEVABLE FAITH

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. BRINKLEY. Mr. Speaker, many Members of the House are aware of my interest in reaching the time when America's vast resources will find a way to eradicate or prevent cancer. All too frequently, we are confronted with compelling evidence that this goal must be attained through a concerted national effort.

Such a case is that of the Brasington family, about whom an excellent article recently appeared in the Columbus, Ga., Ledger. Donna Brasington, a brave sixth grader, died a few days ago of leukemia, while her mother, who has suffered from leukemia for 4 years, remains seriously ill. The article follows:

God Gave Donna Unbelievable Faith

(By Lisa Battle)

"She wanted a horse. She'd had a pony when she was little. She read about horses. When she was able to talk, we talked about horses. We had planned to get her a horse. Of course, we never did."

Loving horses was a natural interest for Donna Brasington, her sister, Mrs. Rita Riley, says. The sixth grader at Nanikpooh School was a Girl Scout, a 4-H member and sang in the youth choir at Victory Heights Baptist Church.

"She didn't like to sit still."

But since April, Donna spent most of her time in bed at Atlanta's Emory University Hospital. She died Saturday of leukemia.

Donna's sixth floor room was not far from her mother's. Ruth Marie Brasington has suffered with leukemia for nearly four years and is seriously ill, according to Mrs. Riley.

On the night of May 9, Donna and Rita's father, Columbus contractor James Kirby Brasington, 48, got up from his cot near his daughter's bed to give her cough medicine and had a fatal heart attack. Donna had been suffering intensely for weeks. "He couldn't bear it. His heart was just breaking."

Donna was shocked and hurt over her father's death but her "tremendous faith" kept her from being completely overwhelmed, her sister says.

"She just seemed to accept God 100 per cent. She would witness to people visiting her in the hospital and say, 'God's with me. I'm all right.' She had the same faith that he (her father) would be all right, that he was going to be with God.

"There were times she was very scared. We never told her she had leukemia. I think maybe I didn't want to face it. You feel so confused at such times and don't know what to say."

The dark-haired young woman, mother of two small daughters, took care of Donna during Mrs. Brasington's periodic hospitalizations over the past several years. She was with Donna "almost constantly," during her three months at Emory.

Despite Donna's suffering—she had recurrent chills and fever and hemorrhages—she never cried. But at one point, she asked "Why, God, why does this have to be?" Then she said to me, "Sister, I know I did the wrong thing. You shouldn't ask God why. There's a reason for me being in this hospital. She died saying 'The Lord's Prayer.' "

Donna was the only child on the floor and a favorite with the patients, all of whom had cancer or leukemia, her sister recalls. When her long brown hair was cut in a shag, some of the patients wheeled their chairs to her door, eager to see the new look.

"I told everybody about the love Donna gave people on that floor. They drew faith and strength from her."

Mrs. Riley was to take her mother to Emory today following Donna's funeral here Tuesday. The death of her father and sister and her mother's long illness have been experiences "I never thought I could bear." Yet they "have brought me closer to God.

"God has given me unbelievable strength. You don't really know how much He'll help you until you have to depend on Him." She speaks of the help of family, doctors, nurses, a young chaplain and various friends (a Marie Brasington Fund was started Tuesday at First National Bank) as being from God. "I believe God sends these people.

"The young chaplain . . . cried with me . . . prayed with me . . . held my hand . . . held Donna's hand . . . then he'd go to mother's room. He was there when we needed him." The chaplain is from New York, at Emory only for the summer—"just like God sent him to be with us."

Mrs. Riley says she prayed a long time that Donna would live, then asked God "to take her if He wasn't going to heal her.

"But God did answer my prayer. In a real sense she has been healed. She's alive in a way I can't understand."

The young Fortson woman wants to help other people diagnosed hopelessly ill now that she knows what their lives are like. "They're hurting. Their lives are not normal. They live such a sad life, so heartbreaking. If people would give of their time, of themselves. They need people to talk to them, to be with them, not just money.

"People should try to help anyway they can. I hope I can do more now that I know their need."

THE REVOLUTION IN WARFARE: THE COMPUTER IMPACT

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. DENT. Mr. Speaker, we are going through difficult and trying times in this country and at least partial blame for the problem lies in Congress' inability to assert itself in terms of its constitutional mandate as a separate, equal branch of our Government charged with the responsibilities of regulating foreign trade. For too long now we have operated as a rubberstamp in this city for all of the trade policies that the boys at the other end of Pennsylvania Avenue dream up. And recently the golden boy of all those boys, Dr. Kissinger, has taken to moving right into the realm of foreign trade as a supplement to his foreign policy programs. All that we are getting out of the mix is confusion and a horribly convoluted, disorganized, and unbalanced trade policy.

For that reason a bipartisan group has sponsored H.R. 15657, the National Protection Act amendments to the Export Administration Act of 1969.

The amendments will go a long way in reasserting the responsibilities of this Congress to put an end to this abuse of the fundamental powers of the Secretary of State.

I have several other concerns apart from the obvious one of our congressional responsibilities, however. A very basic question can be asked here: Are we exporting technological and strategic materials or are we simply selling prototypes to the Soviets, to be suddenly made aware of the folly involved in such shortsighted practices. First of all, it is a dangerous thing indeed to give the Russians the various capabilities in technology that they presently lack. This is of prime strategic consideration. But there is also the consideration to be made secondarily in conjunction with the subsequent losses to be suffered by business and labor if the Soviet desire for prototypes proves to be of economic, and not strategic motivation.

These amendments will protect U.S. labor and industry from purposefully unfair Communist competition. While it is true that our labor force is among the best paid in the world, and our industrial might the strongest, there are indications that recent trade policy has tended to undermine these statuses in favor of détente agreements. And with the advantage of our technological advances and the presence of a near-slave labor system in Russia the Soviets may very well be successful in their attempts.

Already my good friend and colleague in the Senate, Henry Jackson, has warned us of the inherent dangers in such naive dealings with a country of the recent reputation of the Soviet Union.

I applaud any chance whereby we might get to know the Russians better in order that we might get along with them better.

But I do not think that any rush to détente in the various forms that the present administration practices is any indication of the stability of such a course of action. And I definitely am sure that these various technological exports, whether detrimental to our strategic outlook or to our economic outlook are poor judgments and should be controlled in whatever way we can control them.

It is time that some basic judgments were made by this Congress and I feel that this amendment will begin to exert our responsibility to that better judgment.

I commend to your attention a very

timely argument in support of the National Protection Act, as published in the July 20, 1974, issue of Human Events. The author, Miles Costick, makes some very cogent points in opposition to any continuance of technological trading with the Soviets.

The article follows:

THE REVOLUTION IN WARFARE: THE COMPUTER IMPACT

(By Miles M. Costick)

At the outset, let me say that we are concerned lest the present detente euphoria mislead us into lowering our guard toward the Communist world. Consequently, we must recognize that a crucial element in our international relations is the maintenance of a margin of military advantage through possession of a number of sophisticated technologies.

The field of computers provides a prime example. A great many modern weapons systems depend on computers, and in the technology of their production and their application in combination with systems integration we are, by conservative estimate, about 15 years ahead of the Soviets. It is not that they cannot make computers. The fact is that they have a computer industry with substantal logic design capability and one to some extent able to supply the most critical military requirements.

What the Soviets lack is the ability to build large numbers of highly reliable sophisticated machines, to provide related equipment and follow-on support, and "naked" technology: i.e., technology as such and not that embodied in a machine.

In October 1973, Control Data Corp. announced its signing with the USSR Council of Ministers for Sciences and Technology of a 10-year agreement for technical "cooperation" in developing and manufacturing advanced computing equipment.

The Soviets said a key purpose of this agreement would be "econometric modeling and management of the Soviet economy." American sources in Moscow put the ultimate worth of the agreement at about $500 million.

Admittedy, the United States must redress its foreign trade imbalances of recent years. It is my contention, however, that such dubiously profitable ventures as this help the Soviets plan what could become our eventual destruction.

The unusual enthusiasm with which Moscow announced the signing of this computer contract was, in itself, quite revealing. It was in marked contrast to the bland, general announcement disseminated by Control Data.

Working through TASS, the official Soviet news agency, the Kremlin leaders volunteered the information that Control Data and Soviet tracking organizations had maintained "commercial ties . . . for over six years." The TASS announcement in English on Oct. 23, 1973, states that "the Control Data Corp. is the first American firm to have signed with the Soviet State Committee an agreement for scientific-technical cooperation for a period of 10 years.

"The agreement envisages joint work in designing most up-to-date computers, computer peripheral equipment (magnetic tapes), systems of information processes, and communication and also software (language and instructions to tell the computer what to do) for such systems."

Furthermore, the TASS announcement went on to reveal that . . . "talks are on the way on the sale of high-speed 'Cyber' electronic computers."

This raised eyebrows in some of Washington's more sensitive sanctums. U.S. officials, as well as some Control Data officials, were surprised that TASS announced any dialogue on the Cyber System. Cyber is an extremely sensitive topic. It is a very high-speed, large-volume, third- or fourth-generation scientific computer which processes 94 million bits of information per second, or even more.

Only eight to 10 such installations exist. Typical installations belong to the Atomic Energy Commission, U.S. Air Force, NASA, and National Security Agency.

Considerable confusion exists regarding the strategic importance of computers. Many analysts point out that numerous other technologies are revolutionizing warfare. For example: giros, lasers, nucleonics, metallurgy and propulsion.

Yet, in one way or another, *all* technologies including the computer technologies themselves, are dependent on computers. For example, our Illiac IV, which is the key facility of the large computer network run by the Advance Research Projects Agency (belongs to NASA), the world's most advanced computer, was built with the help of several other large computers.

In short, today's emerging technologies are as dependent on computers as the technologies of the first industrial and military revolution were related to energy. Furthermore, computers, lasers and nucleonics are inter-related.

Without computers, modern weapons systems could not be built, integrated, tested. deployed, kept combat-ready and operated. In fact, weapons such as missiles, aircraft, tanks and submarines incorporate computers, as part of their armament. Avionics are intrinsically computer-linked. So is missile accuracy. MIRVing missile heads is impossible without computers. Helicopters used against tanks are provided with computers and computer links to obtain the real-time information needed for effective battlefield inaction.

In brief, there are no modern weapons systems that are not vitally dependent upon high-speed computers. A number of strategic missions are centered on high-performance computers: e.g., early warning systems, command-control-communications (C–3), all command control problems, anti-ballistic missiles defense, anti-submarine warfare, space operations and several branches of intelligence.

Simply stated, computers are not just swift calculating machines. They are entire systems. They include memory stores and testing and correcting mechanisms that include, also, peripheral equipment such as display units, input and output links, communications and "software" (instructions for computer what to do); i.e., old and new installations.

The big operational structures such as missile force or the meteorological or hydrological service must have several large general-purpose computers and special computers feeding the general-purpose machines. They also require field computers aboard mobile units such as ships, airplanes, missiles and space vehicles.

For example, in the Apollo Program a fairly large computer is carried in the Saturn booster. One is housed in the command spacecraft; two are attached to the lunar module. The launch site has a large computer installation. The vast tracking system contains many smaller and several large computers. Mission control has still another large installation. The Earth Resource Technology (ERT) program would be useless without computers to handle and "enhance" the inputs from the diverse sensors aboard the satellite.

The actual dismantling of export controls began during 1972. The Office of Export Control staff was reduced from 206 to 138. Also reduced was the list of commodities embargoed for strategic reasons for export to the Soviet Union and other Communist-ruled countries.

Since October 1972, the Commerce Department has removed export restrictions on all but 70 of the 550 items once on that embargo list. At the same time, the Commerce Department has created a new bureau under its jurisdiction—the Bureau for East-West Trade with a staff of 150 people.

The Bureau for East-West Trade has three offices abroad: in Vienna, with 50 employes, Warsaw and Moscow. The purpose of the Bureau for East-West Trade is to actively promote commercial relations with the Soviet Union, its satellites and Red China. In addition, the United States has surprised its allies by actively seeking exemptions to restrictions jointly set by the countries in its own defense network.

In August 1972, the Congress' response prodded by the White House ordered the embargo list to be reviewed. This was in connection with the passage of the "Equal Export Opportunity Act." Commerce officials alleged that the review brought the unilateral American controls into line with the less extensive controls of "COCOM," the Coordinating Committee, the latter consisted of Japan and all the NATO countries except Ireland.

A Paris-datelined New York *Times* report of July 14, 1973, said: "The U.S., which used to be the main force pressing Western Europeans to outlaw a number of items for export to Communist countries on strategic grounds, is now pushing for more exceptions to the ban list.

"The about-face in the American position came about last January 1, it was learned from U.S. officials dealing with East-West Trade in Vienna. Now, when the Coordinating Committee for the Western Allies Trade Embargo Committee meets, the American sources say, the U.S. is the major seeker for clearance of new types of products it can sell to the East.

"COCOM was intended to make sure that strategic goods did not leak through to the East as a result of competition among concerns in different Western countries. Two reviews of the forbidden list have been made recently. They reduced the number of banned items from many hundreds down to what was described as 'less than 50.' 'We no longer use the shot-gun approach,' S. Douglas Martin of the American East-West Trade Center in Vienna said recently. 'We don't ban whole categories of items. Our job here is not to enforce control.'"

Examples of commodities which have been removed from the embargo list include: vehicles for carrying liquified gases; parts and accessories for certain kinds of helicopters; video tape recording equipment; some computers and semi-conductors, satellite communications equipment; industrial pumps; cathode ray tubes; some kinds of transistors; various kinds of quality control machinery; raw materials such as tungsten and titanium; navigation aids; and some explosives.

According to the Washington *Post* of Nov. 14, 1973, a highly placed U.S. official said: "If the U.S. goes too strong in delisting, the whole COCOM fabric could come apart!"

The present U.S. list is still lengthy. It contains a wide variety of chemicals (rocket boosters in which we hold a signficant lead over the Soviet Union), metals, adhesives and electronics, equipment used mainly in chemical warfare agents, rocketry and military aircraft.

On paper, most computer technology is still restricted. But the U.S. has sold a variety of computers and computer hardware to a number of Communist nations. Decisions on which computers to let the Soviets buy seem to be marked by a latitude which detente buffs call judgment and which experts call "ad-hockery."

Wade B. Holland, editor of Rand Corporation's *Soviet Cybernetics Review* put it this way in *Science*, Vol. 183, Feb. 8, 1974:

"There are no rigid standards. Getting a license to export depends on how much weight you can throw or whether your timing is right, like if Nixon has just made a visit to Moscow."

In 1972 the Commerce and State Departments approved the export of 164 Centalign-B precision grinding machines. Just before the presidential election, Nicholas Leyds, general manager of the Bryant Chucking Grinder Co. of Springfield, Vt., announced a contract with the Soviets for 164 Centalign-B machines capable of finishing precision miniature ball bearings to tolerances of 25th-millionth of a inch. The U.S. reportedly never owned more than 77 of these machines.

Ball bearings are an integral part of many weapons systems, there is no substitute. The entire Soviet ball bearing production capability is of Western origin. All Soviet tanks and military vehicles run on bearings manufactured on Western equipment or on copies of Western equipment.

All Soviet missiles and related systems, including guidance systems have bearings manufactured on Western equipment or on Soviet duplicates of this equipment. Bryant Chucking Grinder Co. has been a major supplier of ball bearings processing equipment to the Soviet Union.

"Upon purchase, in 1972, of 164 Bryant precision grinding machines, Anatoliy I. Kostousov, minister of the Machine Tool Industry in the Soviet Union, said they had waited 12 years for these machines, which included mostly the banned models: "We are using more and more instruments of all kinds and our needs for bearings for these instruments is very great. In all, we need to manufacture five times more bearings than 12 years ago."

That makes sense—the Soviets have five times more missiles than they did 12 years ago. (*National Suicide,* Antony C. Sutton, Arlington House, 1973, pp. 100.)

My inquiry with a Defense Department source regarding the Bryant equipment and precision miniature ball bearings resulted in the following reply: "They are the key to our highly accurate, miniaturized ICBM guidance systems and the MIRVing of our warheads."

Recent reports about agreements signed by General Dynamics Corp. with the Soviet State Committee for Science and Technology are also disturbing. The five-year agreement for scientific and technological cooperation covers such defense-related fields as ships and ship building, telecommunications equipment, asbestos mining and processing, commercial and special purpose aircraft, computer-operated microfilm equipment and navigation and water buoys.

Similarly upsetting: the Fairchild Corp. deal with Communist Poland for sale of U.S. integrated circuit technology used extensively in modern weapons systems and in third-generation computers.

The February 1974 issue of *Armed Forces Journal International* reports that the Soviets are asking major U.S. aerospace firms (Boeing, Lockheed and McDonald-Douglas) to sell them, on a major scale, the manufacturing technology and managerial expertise to build wide-bodied commercial jet liners. This is but one of a series of recent deals that bring to a head the issue: How far should the United States go in cultivating new "trade" relations with the Soviet Union?

Where do we draw the line between commercial technology and military or strategic technology in our exports to the Soviet Union?

Firms now being asked to supply Moscow with a full range of technical know-how to build jumbo jets are the same firms building most of our military aircraft. It would be challenging, to say the least, for these firms to develop a major aviation complex for the USSR without some compromise of our own security.

Jumbo jets are the primary aviation in which U.S. industry holds unchallenged domination in world markets. It makes no sense to ship our technology to our self-declared adversary, thereby giving him the ability to disrupt markets, wage economic warfare and inflict damage upon the United States' economic welfare. The word for this is "suicide."

PUBLIC CITIZENS VISITORS CENTER

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mrs. GRASSO. Mr. Speaker, it is a pleasure to submit the following addenda for the Members' roster of items for visiting constituents. I am particularly delighted to offer this article because Ralph Nader is a constituent of mine; Patricia Brooks, the writer, is based in my State of Connecticut, and the subject—the Public Citizens Visitors Center—is an especially timely one and will, no doubt, prove helpful to visitors to the Washington scene.

[From the New York Times, July 28, 1974]

INSIDE WASHINGTON WITH RALPH NADER

(By Patricia Brooks)

"So many visitors to Washington walk past all the famous monuments in lockstep, eyes glazed over. They get no sense of the dynamic things going on around them, things that are going to shape their lives. We're trying to clue them in on the action."

Fay Mauro speaking. She's the director of the Public Citizens Visitors Center, a new enterprise of Ralph Nader, the consumer advocate, devoted to helping tourists see the real sights behind the sites in the nation's capital. It opened late this spring in a modest storefront at 1200 15th Street N.W., just down the road a piece from the White House, and thus far it has corraled only a few hundred visitors a week—a negligible fraction of the 19 million expected to stream into Washington this year. But if the House Judiciary Committee recommends a bill of impeachment, and if the full House of Representatives debates the issue, the volunteers at the Visitors Center expect to have their hands full dispensing free information, advice and assistance. That's exactly the kind of action the center hopes to clue visitors in on.

The earnest intent of the center is evident in its weekly calendar, a four-page compendium of Washington happenings of consumer, civil, political, ecological and cultural interest. Copies are distributed to hotels and motels in the District of Columbia, to the Convention and Visitors Bureau ("They tell you how to spend your money, but not how to spend your time," says Fay Mauro), to the Smithsonian Institution and other places where tourists gather. Some examples of listings in the calendar.

Events of Special Interest. Programs at the Visitors Center starring the deputy director of the Federal Office of Consumer Affairs . . . or with a member of the Capitol Hill News Service on how the press covers Congress . . . or with lobbyists . . . or with someone from the Federal Energy Administration on the energy crisis.

A STOP AT THE PENTAGON

Tours and Visits Recommended. A stop at the Pentagon with "special briefings for small groups" . . . a tour of the Agricultural Research Science Center, "a 'must' for green thumb gardeners" . . . a visit to the Goddard Space Flight Center ("Note: 45 min. driving time involved—but worth it!"). Some of the off-beaten-track tours require appointments, which the Visitors Center offers to arrange.

Congressional Hearings of "Special Interest." "An agricultural commitee hearing may sound like dullsville," says Fay Mauro. "But when you get Cabinet officers testifying about the economy before the Senators who are going to write the laws for change, it can be damn exciting!" The subjects apt to be considered of "special interest" include regulatory agencies such as the Federal Trade Commission, governmental secrecy protection of individual rights, or even hearings chaired by a prominent Senator or Representative known for his interest in consumer or public-interest affairs.

The Visitors Center itself is a pocketsize rectangle of a room staffed by young and enthusiastic volunteers who encourage you to take without charge any or all of the diverse pamphlets stacked neatly on tables. The pamphlets cover such topics as energy, consumer news in Spanish as well as English, the schedule of Smithsonian events, historical data on impeachment and information on salmonella and food poisoning, nursing home care, acupuncture and—not surprising considering the center's guiding light—all you'll ever want to know about automobile safety belts.

FREE MOVIES

There is a tiny adjunct to the Visitors Center on the third floor of the same building, where free movies of public interest are shown three times a day. The films are shorts, many from the National Film Board of Canada, on a variety of subjects: grass roots activism, abuse of the environment, economic exploitation.

Also available upstairs are the Nader reports on all Congressional voting records, handy if you plan to call on your Congressman. The center will also help you contact your Senator or Representative. "If a group comes in," one volunteer explained, "and wants to see their Senator on a specific issue or problem, Fay Mauro tries to help set up an appointment, if not with the Senator, at least with his legislative aide," And the center will point you in the right direction if you want to see your Congressman in action. Volunteers will look up the committees he's on, check the schedule and send you off to the hearing where you can see him function, or not function, as the case may be.

A look at the center's guest book indicates that the 350 or so weekly visitors come from all over the United States, with a handful from Europe. In general, they seem to be people whose political consciousness is raised, though the 16-year-old high school boy manning the desk says, "We do get a few who just come in for the free bus maps."

I accompanied a small group from the Visitors Center one morning to the Dirksen Office Building of the Senate. A young woman from Florida, waiting in line to be admitted to the large hearing room where the Senate Judiciary Committee was hearing witnesses on the appointment of Earl Silbert as United States Attorney, said: "I used to wonder when I took the guided tour of Congress why so few of the Congressmen were on the floor. The tour guide implied they were all goofing off. I've been learning at the Visitors Center about all the hearings our Representatives have to go to."

A college student at George Washington University said, "When I first came to Washington, I thought you had to have 'pull' to get into hearings. Now I know it's just stamina. The popular hearings have thick lines from 9:30 on. But if you persevere, you usually get in for some of the action before the hearing ends at noon. Afternoon hearings generally are even easier to get into."

This was an "action" hearing. Henry Peterson, Assistant Attorney General, was the first scheduled witness. The hearing was to begin at 10:30. It was only 10 A.M. and the line already stretched halfway down the long hall. As members of the Judiciary Committee strode down the hall, the television crews primed themselves to interview the superstars—Sam Ervin, Ted Kennedy, Peterson—while Senators Tunney, Hart, Hruska, even Chairman Eastland, drifted by unheralded. At the hearing itself, Henry Peterson exploded at Sam Ervin, slammed the table repeatedly, and the audience gobbled the scene greedily.

Ralph Nader, at the press conference that officially opened the Visitors Center May 14, was asked, "Why will tourists bother coming here to get information about Congress, the Supreme Court and regulatory agencies' hearings? That doesn't sound like much fun."

Nader replied: "It depends on one's definition of fun. One definition is not being bored. We hope to offer visitors a chance to make their stay in Washington more meaningful than a Gray Line Tour."

The Public Citizens Visitors Center (tel: 202-659-9053) is open from 9 A.M. to 5 P.M. Mondays through Fridays, 9 A.M. to 1 P.M. Saturdays and closed Sundays. The center's calendar states that it is "a free non-profit facility open to everyone and funded entirely by contributions." A discreet money box accepts visitors' donations, but much of the rent is paid by Nader's Public Citizens Organization, which in turn, of course, is funded by contributions.

Much of the material available at the Visitors Center could be obtained elsewhere by diligent bird-dogging. The daily Congressional hearings, for instance, are listed in The Washington Post. But the Nader Center is an unusual one-stop facility that wraps up all kinds of information of general public interest.

NATIONAL SECURITIES MARKET BOARD

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. STUCKEY. Mr. Speaker, the Subcommittee on Commerce and Finance may shortly be taking up consideration of H.R. 5050 which provides, among other things, for the establishment of a national securities market system—an electronic link-up of the stock exchanges with the over-the-counter market. This will be accomplished primarily by a composite quotation and transactional tape which will allow investors to buy and sell at the best possible prices no matter where they occur throughout the system.

Although Congress and the Securities and Exchange Commission appear committed to seeing the implementation of the central market concept, there is as yet no consensus within either the industry or Congress as to how the national securities market system should develop, who should or should not participate, and how it should be regulated. All these are extremely important questions, and the way in which Congress answers them will have a significant impact on the viability of the securities industry, the corporations raising capital through the equity markets, and the public investors who directly or indirectly commit their funds to the growth of America's publicly owned companies.

One of the answers, which I submitted to the subcommittee several months ago in the form of a discussion proposal, is to create a self-regulatory body, a National Securities Market Board. By delegating to the Board regulatory authority over key elements of the national market system—composite quotation and transactional tape—both industry and the public would be assured of maximum involvement in developing, operating, and regulating the system.

The Board would also introduce a greater degree of flexibility into the system's regulatory framework. Subject to SEC and congressional oversight, the Board would be in a position to react quickly and in the public interest to day-to-day management and regulatory problems while also being in a position to evaluate the system and anticipate problems without waiting on Congress for enabling legislation. There is much talk about the "evolution" of the national market system, but no one really knows what this evolution will entail. It would seem that a self-regulatory body for the system would be in a unique position to guide the system's evolution.

A third advantage is the clear delineation of regulatory responsibility for the national market system. The Board would not add another regulatory layer; rather it would prevent the occurrence of either overlapping self-regulatory responsibilities or a void of self-regulatory authority. My bill would accomplish this by providing that the exchanges and the National Association of Securities Dealers would continue to perform those self-regulatory functions not performed by the Board. The Board would only have jurisdiction over: First, the criteria for determining the eligibility of securities to be traded within the system and second, the criteria governing and regulating a consolidated transactional reporting system and a composite quotation system.

Before briefly summarizing the bill's provisions, it should be pointed out that I am introducing the proposal in bill form only to facilitate the solicitation of comments. I plan to offer the bill as an amendment to title VI of committee print No. 1 of H.R. 5050, if that is the vehicle chosen by the subcommittee for markup.

In reviewing and commenting on this proposal, I would encourage interested parties to focus on: First, the need for a self-regulatory body for the national securities market system, an industry board with public representation, and second, the areas of the system over which the self-regulatory body should be granted jurisdiction in order to insure that the system operates smoothly, in the public interest, and with an eye toward future needs. After these major substantive points are addressed, then I think it would be helpful to comment on other provisions such as how many Board members there should be, how they should be elected, who they should represent, et cetera.

We are fast approaching the implementation of key elements of the national securities market system. I would hope that if there is no consensus over other matters, there would at least be consensus on the need to stop haggling over who would have veto power and who should receive special privileges in the system. I would also hope that this proposal coupled with agreements already hammered out on important provisions of H.R. 5050 would be recognized as positive steps in the direction of designing the new system before it designs itself in an ad hoc fashion to the possible detriment of the industry, listed corporations, public investors, and the Nation's capital markets.

EXPLANATION

The bill adds a new section, section 15B, to the Securities Exchange Act of 1934. Subsections (a) and (b) of the new section attempts to indicate the nature of a national securities market system and to specify what may be some of its components. Subsection (a) contains certain findings concerning the country's capital markets and the need to develop a national securities market system, including a national self-regulatory body to govern and operate the system subject to SEC oversight and regulation.

Subsection (b) directs the SEC to take all steps as may be authorized by the new section to establish such a system, and the subsection states that such a system shall include, at a minimum, a transactional reporting system, a composite quotation system, and, until such time as the self-regulatory body is effectively established, rules to establish criteria for securities to be qualified for trading in the system.

Subsection (c) provides that the SEC must appoint a National Market Board at least 3 years after the enactment of the Securities Acts Amendments of 1974—H.R. 5050. The SEC may defer appointment of the Board for periods up to 2 years, but such periods must not exceed a total of 4 additional years from the 3-year time period. In deferring the appointment of the Board, the SEC must give Congress prior notice and state its reasons therefor.

Subsection (d) states that the SEC must appoint 15 members to the Board who will be reasonably representative of registered exchanges and national securities associations; likely classes of participants in the system—securities information processors, marketmakers, specialists, and brokers and dealers—investors; the public; and other persons as the Commission may deem appropriate.

Subsection (e) gives the appointed Board 1 year within which time to file with the SEC a proposed constitution and rules which must provide for, among other things, fair and equitable procedures for the election of successors to members of the Board reasonably representative of the persons identified in subsection (d).

Subsection (f) provides that the SEC must approve or require modifications of the proposed constitution and rules 120 days after the filing, or within such longer period of time as the SEC determines necessary, after providing interested parties with an opportunity for oral or written comments.

Subsection (g) delineates the Board's area of jurisdiction. The Board's rules shall: First, establish criteria for determining the eligibility of securities to be traded within the system; and second, establish criteria governing and regulating a consolidated transactional reporting system and a composite quotation system.

Subsection (h) gives the SEC responsibility for promulgating rules to assure the fair and equitable treatment of all participants in the system and to coordinate functions among the various markets comprising the system.

Subsection (i) prohibits any securities exchange or securities association from maintaining or enforcing any rule or any action that would be inconsistent with the rules promulgated pursuant to subsections (g) and (h).

Subsection (j) provides that the SEC will have the same authority with respect to the Board, its constitution, and its rules and amendments thereto as the SEC has with respect to registered securities exchanges and securities associations on the day after enactment of the Securities Acts Amendments of 1974.

Finally, subsection (k) gives the Board authority to assess participants in the system reasonable fees to finance to cost of the Board's operations and to contract with suppliers and operators of equipment needed to perform the appropriate functions of the system.

LOANS FOR VETERANS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. RANGEL. Mr. Speaker, for the first time in our 200-year history, American soldiers have returned home not to cheers, and trumpets, but rather only to the closed eyes and ears of a nation that grew tired of the Vietnam war. Our colleague, Mr. MURPHY of New York, has opened his eyes and has seen one of the major needs of the Vietnam era veterans—money; money to start or improve his business.

Mr. MURPHY's bill, of which I am a cosponsor, will not only raise the loan ceiling from $2,500 to $30,000 but further it will make all veterans eligible for these loans. To date, young veterans, or those who have served in our Armed Forces since January 31, 1955, have been excluded from eligibility for small business loans. This bill would correct this injustice.

Mr. Speaker, the Vietnam war may not have been our most popular war. However, we should not turn our backs, nor our budget, to the millions of America's former service men and women. They were there when called on, and it is our national and humanitarian duty to come now to their aid.

I introduce the following editorial from El Diario, La Prensa, the fine bilingual newspaper in my city on Mr. MURPHY's bill for the further information of my colleagues:

LOANS FOR VETERANS

It does seem often that veterans are a separate oppressed minority. Many feel that the only time they are in the newpapers is when someone with military experience hijacks a plane, robs a bank or goes out on a killing spree. In the nation's haste to forget its wars, the veteran has been left alone, alone to grapple with his particular problem: trying to get back the chance to enter the mainstream he lost when he answered the call of his country.

Especially poignant is the case of the Vietnam Vet. After other American wars, veterans came home as victors, full of tales of glory. But not the Viet veteran: Wrong war. Wrong generation. Wrong ending. There were no heroes this time. In 1970, a study found that the Vietnam veteran is in much worse shape than his World Wars I and II counterparts.

Coming to the aid of the forgotten veteran, Congressman John Murphy (D.-N.Y.) has now introduced a bill that would really aid the ex-soldiers in their struggle to carve out a future for themselves. The bill would provide for a new program for veterans to obtain business loans.

"Our veterans—the Congressman stated—are a valuable asset to any community. Their desire to own their own business must be encouraged. The legislation I have introduced will add the needed momentum to get veterans back into their community."

Congressman Murphy went on to say that "Veterans who want to obtain loans to start their own business, or improve an existing business, have been fighting a lot of red tape. With the introduction of my new bill, I hope to raise the limits on the amount the veteran can borrow."

Right now the Business Loan Program of the Veterans Administration is foundering. Loans are heard to obtain, and when granted, the maximum amount that a veteran can receive is approximately $2,500: Now, this is chickenfeed in these times of brutal, runaway inflation.

Congressman Murphy's new bill would raise the loan limit to $30,000. Of this amount, not more than $20,000 shall be used for purchases of construction, repairs, or improvements of lands and buildings. Not more than $10,000 is to be used for repair or improvement to equipment or stock.

"The most important part of my bill—Mr. Murphy added—is the fact that for the first time all veterans will be eligible to obtain these loans. Up until this time there was a discrimination against the young veteran." (Veterans who have served after January 31, 1955 have not, up until now, been eligible to obtain a small business loan.)

The Congressman stated that this inequity must be resolved: "These men answered the same call to serve their country as did the men of World Wars I and II, and it is unfair that they are being denied the same benefits that our older veterans now possess," Mr. Murphy said.

With the increase in benefit allowances and the eligibility of veterans who have served since the Korean conflict, this new legislation should provide greater assistance to all veterans.

We hope with Mr. Murphy that Congress will not let this bill languish and die in committee and that the measure will not only increase the amount that the Vet can borrow but that it will encourage more veterans to actively seek these loans as a way of starting a business and getting back into the community.

HOUSE OF REPRESENTATIVES—*Friday, August 2, 1974*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Lord, Thou hast been our dwelling place in all generations. Before the mountains were brought forth, or ever Thou hadst formed the Earth and the world, even from everlasting to everlasting, Thou art God.—Psalms 90: 1, 2.

Our fathers looked to Thee and trusting in Thy mercy, Thou didst uphold them all their days. Give to us in our day such an awareness of Thy presence that we may know that Thou art with us to uphold us and to guide us. Strengthen us in the hour of temptation, keep our feet from falling and our spirits from fainting. Lead in the paths of Thy peace and along the road of Thy righteousness that we may not fail man nor Thee in these critical times.

Make us true children of Thine, promoting peace and justice with good will among our people: for Thy name's sake. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3620. An act to establish the Great Dismal Swamp National Wildlife Refuge; and

H.R. 4861. An act to amend the act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 15544. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President. and certain independent, agencies for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15544) entitled "An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes," disagreed to by the House; requests a conference with the two House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONTOYA, Mr. BAYH, Mr. EAGLETON, Mr. CHILES, Mr. MCGEE, Mr. MCCLELLAN, Mr.

Bellmon, Mr. Hatfield, and Mr. Young to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2193. An act to provide for increased participation by the United States in the Asian Development Bank;

S. 3362. An act to enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes; and

S. 3792. An act to amend and extend the Export Administration Act of 1969.

SECURITY PRECAUTIONS IN HOUSE DURING IMPEACHMENT PROCEEDINGS

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GONZALEZ. Mr. Speaker, I take this opportunity to speak out because it is a matter of concern and has been for some time. This has to do with the fact that in the matter of a few days this House Chamber will be the scene of common national attention where the focus of a great majority of the American people will be concentrated.

It has been precisely at those times that recent history has shown that some people take advantage of an opportunity like this, in order to try to focus attention on some things that happen to be agitated for.

I hope that the security that will prevail during the deliberations on the Articles of Impeachment that will be before the House as a result of the action of the Committee on the Judiciary will be a matter of utmost priority on the part of the House leadership. I believe that the usual security precautions will be inadequate. I think that there is a very serious possibility that once again the House could, to its great dismay, find itself the scene of an incident that was enacted here about 13 years ago.

Mr. Speaker, I feel that the least that can be done is to provide for some precautions now existing at the airport terminals—scanners leading to the House galleries. Ordinary security will not be enough.

CONFERENCE OF HOUSE RULES COMMITTEE ON IMPEACHMENT DEBATE

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, the coming Presidential impeachment debate calls for the House to adopt certain special procedures which are not otherwise necessary when considering regular congressional business.

The members of the Rules Committee, Speaker Carl Albert, House Majority Leader Tip O'Neill, House Majority Whip John McFall, House Minority Leader John Rhodes, House Minority Whip Les Arends, Judiciary Committee Chairman Peter Rodino, and Representative Edward Hutchinson, the ranking minority member of the Judiciary Committee, met in an unofficial capacity Thursday afternoon, August 1. In the 2½ hour meeting thoughts were exchanged and recommendations made regarding the rules and procedures which would be most practical in allowing the entire House membership participation in this historical legislative event.

Although the bipartisan gathering reached no official decision, there was agreement that after the Judiciary Committee files its report on the impeachment proceedings next week, August 8, the Committee on Rules will then convene—on August 13 for the purpose of defining the rules and procedures for House debate. It was also agreed by the members of the Democratic and Republican leadership present that the impeachment debate will begin on the floor of the House on Monday, August 19.

Among the impeachment procedures to be given consideration by the Committee on Rules will be: The overall time of debate; division of debate time during the floor discussion; the control of the time; the question of whether the three articles of impeachment recommended by the Judiciary Committee should be amended; and whether or not the electronic media should be allowed to broadcast the proceedings of the House floor.

CONCURRENT RESOLUTION FOR PRESIDENTIAL INTERCESSION ON BEHALF OF CAPTURED LITHUANIAN-AMERICAN SEAMAN

(Mr. HANRAHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANRAHAN. Mr. Speaker, I would like to introduce a concurrent resolution today calling for Presidential intercession on behalf of captured Lithuanian-American seaman Simas Kudirka, who has been illegally imprisoned in the Soviet Union since 1971.

I hope my colleagues will join the more than 30 sponsors of this resolution in calling on the President of the United States to take the proper action on behalf of this unfortunate American citizen.

We ask that the President direct the Secretary of State to bring to the immediate attention of the Soviet Government the deep and growing concern in the United States over Simas Kudirka's plight.

Further, we ask that the Secretary of State be directed to urge the Soviet Government to release Kudirka from prison and permit his free emigration to the country of his choice, one of the basic rights of every American citizen.

Finally, we ask that the President forward a copy of this resolution to our representative to the United Nations for transmission to the Commission on Human Rights or the Division of Human Rights of the United Nations.

We urge that, during this present spirit of détente, the governments of these two great world powers not overlook the human rights of one ill-fated man whose entire future is at the mercy of the whims of a government.

The incredible ineptitude of American officials lost Simas Kudirka's freedom for him in 1971 when he sought asylum in the country to which he has a birthright. It is now our duty and deepest responsibility to do all in our power to regain for this man and his family the freedom to return to his homeland.

TENNESSEE PRIMARY VICTORY FOR THE HONORABLE DAN KUYKENDALL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I take this opportunity to congratulate our colleague, the gentleman from Tennessee, Congressman Dan Kuykendall, for his overwhelming primary victory yesterday in the city of Memphis, which is the 17th largest city in this country.

Dan, against three opponents, garnered 83 percent of the vote. With the two largest newspapers in his district having come out for impeachment of the President and one of his opponents being for impeachment of the President, and another spending over $60,000, I believe it a real tribute to the great job Dan Kuykendall has been doing for his district.

It is also significant that this was the largest Republican primary in the history of that particular county, both in numbers and in the percentage of votes cast.

So, I again, Mr. Speaker, take this opportunity to congratulate Dan Kuykendall on his overwhelming victory. It certainly pays off to take a positive approach as Dan has done all through his service here in the House.

RESOLUTION OF CENSURE OF THE PRESIDENT

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FINDLEY. Mr. Speaker, soon we will face awesome and troubling decisions relating to impeachment of the President.

Hearings of the Judiciary Committee and developments in the courts have, I believe, clearly established negligence, maladministration, and moral insensitivity on the part of the President. And yet I question whether the evidence establishes convincing proof of wrongdoing on the part of the President personally of such magnitude as to warrant removal from office.

With the thought that others may be similarly troubled and may wish the opportunity to censure sharply the President without taking the ultimate step of voting impeachment, I have introduced today a resolution of censure. In the preparation and introduction of the resolution, I have been encouraged by a number of Members on both sides of the aisle.

I will ask the Rules Committee to make this resolution in order for consideration so that Members will have the choice between censure and impeachment when the time comes to vote.

CALL OF THE HOUSE

Mr. MYERS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 435]

Andrews, N.C.
Armstrong
Ashley
Badillo
Beard
Biaggi
Bingham
Blackburn
Blatnik
Brasco
Brinkley
Broomfield
Brown, Calif.
Brown, Ohio
Burke, Calif.
Burleson, Tex.
Carey, N.Y.
Carter
Chisholm
Clancy
Clark
Clay
Conyers
Crane
Culver
Davis, Ga.
de la Garza
Dennis
Dent
Derwinski
Diggs
Donohue
Dorn
Downing
Drinan
Dulski
Eckhardt
Eilberg
Evans, Colo.
Evins, Tenn.
Fisher
Flood
Flowers
Flynt
Ford
Forsythe
Fountain
Fraser
Fulton
Gibbons
Ginn
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Gunter
Hansen, Idaho
Hansen, Wash.
Hays
Hébert
Holifield
Holtzman
Ichord
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kluczynski
Kuykendall
Lagomarsino
Landrum
Lehman
Lent
Litton
Long, Md.
Lott
McCormack
McKinney
McSpadden
Macdonald
Madigan
Martin, Nebr.
Mathias, Calif.
Matsunaga
Mayne
Metcalfe
Milford
Minshall, Ohio
Mitchell, Md.
Mollohan
Murphy, N.Y.
Murtha
Nedzi
Owens
Pike
Podell
Pritchard
Quie
Quillen
Railsback
Rangel
Rarick
Rees
Reid
Reuss
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Ryan
Schneebeli
Shipley
Sikes
Stanton, James V.
Steiger, Ariz.
Stratton
Stuckey
Symington
Teague
Thompson, N.J.
Ullman
Waldie
Whitten
Wiggins
Williams
Wyatt
Wydler
Wyman
Young, Alaska
Young, Ga.

The SPEAKER. On this rollcall 302 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceeding under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 15736, THE RECLAMATION DEVELOPMENT ACT OF 1974

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1254 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1254

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15736) to authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes, and all points of order against title I of said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. YOUNG of Texas. Mr. Speaker, House Resolution 1254 provides for an open rule with 2 hours of general debate on H.R. 15736, an authorization bill for Federal reclamation programs.

House Resolution 1254 provides that all points of order against title I of the bill for failure to comply with the provisions of clause 4, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative measure—are waived.

There are 14 different titles in the bill, and it includes projects in 10 different States. The total authorization in the bill is $203,925,000.

Mr. Speaker, passage of this bill is necessary to complete many reclamation projects which are vital to their respective areas of the country. The Committee on Interior and Insular Affairs reported this bill by a unanimous vote. I urge the adoption of House Resolution 1254 in order that we may debate, discuss, and pass H.R. 15736.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been stated, this rule, House Resolution 1254, provides for the consideration of H.R. 15736, Federal Reclamation Projects, under an open rule with 2 hours of general debate. In addition, the rule provides that the bill be read for amendment by titles instead of by sections, and that points of order be waived against title I for failure to comply with the provisions of clause 4, rule XXI. Clause 4 prohibits appropriations on a legislative bill. Title I contains language transferring funds from an existing fund to a new purpose, and therefore a waiver is necessary.

H.R. 15736 is an omnibus bill, providing funds for numerous reclamation projects. The bill consists of 14 titles, each broadly representative of one or more individually introduced bills.

The total cost of these projects is $203,925,000.

Mr. Speaker, I support the rule in order that the House may proceed to consider this bill.

PROVIDING FOR CONSIDERATION OF H.R. 14780, AMENDING THE BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1250 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1250

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14780) to authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act of 1973. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 14780, it shall be in order in the House to take from the Speaker's table the bill S. 3190 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 14780 as passed by the House.

The SPEAKER. The gentleman from Indiana (Mr. Madden) is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. Del Clawson), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1250 provides for an open rule with 1 hour of general debate on H.R. 14780, a bill to authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act of 1973.

House Resolution 1250 provides that, after the passage of H.R. 14780, it shall be in order in the House to take from the Speaker's table the bill S. 3190 and to move to strike out all after the enacting clause of S. 3190 and insert in lieu thereof the provisions contained in H.R. 14780 as passed by the House of Representatives.

H.R. 14780 authorizes an appropriation of $49,840,000 for fiscal year 1975 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting. Of the total authorization, $30,685,000 is provided for Radio Free Europe, $18,865,000 is allocated to Radio Liberty, and $290,000 is for the Board for International Broadcasting.

Mr. Speaker, I urge the adoption of House Resolution 1250 in order that we may discuss, debate, and pass H.R. 14780.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as noted, House Resolution 1250 is an open rule with 1 hour of general debate on H.R. 14780, the Board for International Broadcasting Act amendments. In addition, the rule makes it in order to insert the House-passed language in the Senate bill, after completion of action on the House bill.

The purpose of H.R. 14780 is to authorize $49,840,000 for fiscal year 1975 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting.

Of the amount in this bill, $30,685,000 is for Radio Free Europe, $18,865,000 is for Radio Liberty, and $290,000 is for the Board for International Broadcasting.

Mr. Speaker, I support the rule.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE RECLAMATION DEVELOPMENT ACT OF 1974

Mr. JOHNSON of California. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15736) to authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. JOHNSON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15736, with Mr. ROBERTS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California (Mr. JOHNSON) is recognized for 1 hour, and the gentleman from New Mexico (Mr. LUJAN) is recognized for 1 hour.

The Chair recognizes the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to endorse H.R. 15736, the Reclamation Development Act of 1974, and to commend it to my colleagues for their support.

The bill includes all of the authorizing legislation for the Bureau of Reclamation that is planned for consideration in this Congress.

We have chosen to present a consolidated bill in the interest of conserving the time of the House which is becoming increasingly limited as we move toward the end of the session.

In this connection, I would like to assure the Members of the Committee that the processes of our committee have been rigidly followed and that the reporting of an omnibus bill does not imply any shortcutting of procedures or any lack of attention to the issues.

Each program contained in the bill was the subject of duly announced public hearings by the Subcommittee on Water and Power Resources and three of the more important programs were visited by the subcommittee for on-site inspection and the hearing of local witnesses.

In fact, the same care and attention has been given to the individual titles of H.R. 15736 as though they were to be reported and presented individually.

Mr. Chairman, this is not a minor bill; nor should it be considered a major measure as water resource development legislation goes.

The total appropriations being authorized is $191,972,000.

Additional costs for which appropriations have otherwise been authorized will be incurred in the estimated amount of $11,953,000.

Thus, the total price tag on the legislation is $203,925,000.

As chairman of the Subcommittee on Water and Power Resources, where this legislation was developed, I ask the Members to indulge me in a few general remarks for placing the issues in their proper perspective.

Thereafter, there will be ample opportunity for interested Members to discuss, in detail, the elements in which they may have a special concern.

Mr. Chairman, the Federal reclamation program, to which this measure relates, has been an important element of western economic life for 72 years.

Through its projects and influence, facilities have been provided to convert millions of acres of otherwise nonproductive lands into dependable assets for the production of badly needed food and fiber.

These islands of irrigated lands have, in a very real sense, created pockets of prosperity which are strong, tax-producing elements of national strength.

Within them, and in their zones of influence, have been created many of our great metropolitan centers.

The reclamation projects of the West have also contributed to the water and power supply upon which much of our western society depends for its domestic water and energy needs.

In the opinion of this Member, the relatively modest spending that takes place each year on behalf of this program is just about the best money that we pay out.

Not only is much of it returned with interest to the Treasury, but the tax base it creates return revenues every year equal to the original investment.

A few years ago observers of this program began to notice a trend.

I can no more tell you when it started than a man can tell you the precise moment that he develops a cancer.

All I know is, one day we became aware that it was there.

The trend to which I refer has become, with the passage of time, an open, overt, and unconcealed crusade to close down this program and to liquidate the institutions and organizations we have developed for implementing it.

It is clear to me that the nerve center, or command post, for this operation is in the Office of Management and Budget; an institution inhabited by people, not one of which has ever stood for election to his job or had his appointment confirmed by the U.S. Senate.

In more recent years, this influence has spread to the operating agencies by the infiltration of these offices by headquarters-trained operators who, apparently, owe no allegiance to the precepts of the programs—the public utterances of the duly appointed Cabinet officers—or the enactments of the Congress which brought the programs and institutions into being.

How effective has been this effort?

We can only judge by the record.

Despite the clear mandate of the Congress in authorizing feasibility studies and providing their funding at the rate of several millions of dollars per year, the Department of the Interior has averaged well below one recommendation per year for the last 6 years; in fact, I believe that the record will verify that there have only been two voluntarily submitted feasibility reports in the past 5 years.

Mr. Chairman, I have spent countless hours of my own personal time and that of my staff trying to stimulate some interest on the part of the Department of Interior in fulfilling its statutory responsibility to investigate these programs and to file reports on their findings—whether they be favorable or adverse.

We do not get many reports but we do get some interesting excuses.

The only consistent thing about these excuses is that they consistently change.

For example, it seems that we do not need any irrigation projects because they result in commodity production and there is already too much of that.

This is the current rage downtown, as evidenced by administration testimony before our subcommittee on July 1, 1974, which was to the general effect that irrigation programs were the lowest priority of all water-resource undertakings—and that a proposed study should not be authorized, much less carried out.

Another excuse which occupied center stage for years was the fiction that the analytical procedures were obsolete and needed to be changed.

Thereafter, recommendations would presumably be resumed.

This exercise has been going on since early 1969 and has resulted in a statement of "principles" so patently ill-advised that the Congress was compelled to suspend its application—through a statute signed into law by the President on March 7 of this year.

There have been other excuses and I could not begin to discuss all of them under our time limitations.

The requirement for filing environmental impact statements is one of them.

Actually this is a sound and meaningful procedure that no one can fairly oppose but—when it is carried on and implemented in such a way as to provide a field day for the nitpickers and procrastinators—one is compelled to the conclusion that its avowed intent is being grossly subverted.

The last excuse is the "backlog."

This is the line of argument that there is already some authorized projects and therefore there should not be any more until the authorized projects are constructed.

I accept the fact that this bothers some of my colleagues and bothers them genuinely and sincerely—although it bothers this Member hardly at all.

Mr. Chairman, I have recited this information as background for our consideration of this measure here today.

It is all relevant to what we are asking the House to do.

Many Members have appropriately noted that our committee report contains an extraordinary number of letters from the Department of the Interior.

Indeed, there are 17 of them.

They have been included routinely in accordance with the practice of including departmental reports as elements of our committee report.

They also have the added function of illustrating the point that I have previously made concerning the consistently inconsistent position of this administration and its policies on these important issues.

Returning to the commodity issue—I will not unduly burden the members with the obvious.

With cereal, vegetable and fruit prices at all time highs—with cattle feed and forage so scarce that the cattle industry faces wholesale bankruptcy—with our great midwestern breadbasket experiencing the worst drought in 40 years—the administration's irrigation priorities can be seen as the arrant nonsense that they are.

Nevertheless, H.R. 15736 does not authorize a single dollar for irrigation development although it does contemplate the expenditure of slightly over $3 million, already authorized, for drainage construction on existing projects and for the study of one project that would be principally for irrigation.

Perhaps, Mr. Chairman, if this bill has a shortcoming it is the omission of several fine potential irrigation projects which we know to be stockpiled in the Washington office of the Bureau of Reclamation but which the administration refuses to send to us on one pretext or another.

Now, concerning the backlog.

I wish it did not exist.

I wish the executive branch would get on with the business of implementing the Nation's laws.

If the President will request the funds I submit that he will get them.

Be that as it may, this bill has been limited to the approximate level of $200 million in an effort to not unduly enlarge the backlog.

To put this in some perspective it should be noted that the funding level for reclamation construction is about $300 million, plus or minus, each year.

In the 92d Congress we authorized about $350 million. This bill adds about $200 million more.

This total of $550 million should be placed alongside appropriations of more than twice that amount—to illustrate that the backlog is being reduced, certainly in terms of constant dollars.

Very quickly, in my remaining time, let me summarize the bill and what is in it.

It does the following:

Authorizes two reservoir projects in Texas for municipal water supply and other purposes.

Increases appropriations authority for two ongoing reclamation projects in Oklahoma and Colorado.

Facilitates municipal incorporation of reclamation townsite of Page, Ariz.

Authorizes land acquisition and facility development for environmental preservation at two operating reclamation reservoirs in California.

Authorizes repairs to eliminate unsafe conditions at two operating reclamation projects in Wyoming and South Dakota.

Authorizes additional drainage for irrigated land on two projects in Utah.

Authorizes fish passage facilities at existing dam in Oregon.

Authorizes minimum recreation pool in existing reservoir in New Mexico.

Authorizes disposal of surplus canal right-of-way in Oregon.

Authorizes feasibility investigation of three potential programs in California, Arizona, and North Dakota.

One more word, Mr. Chairman, about the departmental reports.

Some of them are favorable, some of them are favorable with amendments.

Some of the amendments were adopted and some were not.

Some of the reports were adverse and some of them recommended deferral for reasons the committee considered not valid.

In every case, where the administration made a recommendation for deferral or change, we heard them out.

In those cases where the committee has departed from the administration's position it has done so judiciously and openly.

We have swept nothing under the rug—rather we have attempted to reassert the prerogative of the Congress, and this House, to determine the public policy and the will of the people.

I believe the Committee on Interior and Insular Affairs has acted responsibly and in keeping with the spirit of its clear constitutional prerogative and duty—to consider the Executive's views and then vote what it, the Congress, deems best for all the people.

I trust that the House will agree and signify that agreement by promptly and overwhelmingly passing H.R. 15736.

Mr. Chairman, I would like to set forth for the benefit of the committee the projects that are to be found in this bill, and their costs:

SUMMARY OF AUTHORIZATIONS AND COSTS—H.R. 15736

Title No. and description of title	Appropriations authority	Other costs	Total
I—Incorporation of Page, Ariz.	$4,000,000	[1] $8,318,000	$12,318,000
II—Cibolo project, Texas	24,160,000		24,160,000
III—Mountain Park project, Oklahoma	$6,057,000		$6,057,000
IV—Casitas Reservoir Open Space, California	10,000,000		10,000,000

Mr. CAMP. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Oklahoma.

Mr. CAMP. Mr. Chairman, I thank the gentleman for yielding. I rise in support of the bill, H.R. 15736, and would like to state that the mountain park project includes a pipeline to the city of Frederick, Okla., at a cost of $4.7 million which will be reimbursed by the city.

(Mr. CAMP asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of California. Mr. Chairman, I thank the gentleman from Oklahoma for his remarks.

Mr. Chairman, continuing with the summary of authorizations and costs, they are as follows:

Title No. and description of title	Appropriations authority	Other costs	Total
V—Klamath project right-of-way, Oregon			
VI—Solano project recreational facilities, California	$3,000,000		$3,000,000
VII—Miscellaneous drainage construction, Utah		[2] $2,535,000	2,535,000
VIII—Belle Fourche Dam rehabilitation, South Dakota	3,620,000		3,620,000
IX—Glendo Road relocation, Wyoming	284,000		284,000
X—Nueces River project, Texas	$50,000,000		$50,000,000
XI—Elephant Butte recreation pool, New Mexico			
XII—Fryingpan-Arkansas project, Colorado	90,000,000		90,000,000
XIII—Savage Rapids fishway, Oregon	851,000		851,000
XIV—Feasibility study authorities		[2] $1,100,000	1,100,000
Total	191,972,000	11,953,000	203,925,000

[1] Represents value of property authorized to be transferred to city of Page, Ariz.

[2] Appropriations authorized by other legislation.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, the gentleman from California (Mr. JOHNSON) is one of the soundest and most responsible legislators in this whole body, and the gentleman chairs the subcommittee with great distinction and care.

I want to thank the gentleman for bringing to the floor a very sound and responsible bill, and a bill that is badly needed.

I particularly want to congratulate

the gentleman on title II, which settles this very difficult and long-standing problem in Page, Ariz.

Mr. Chairman, I say that this is a good bill, and I hope that the Members will pass it with an overwhelming vote.

Mr. JOHNSON of California. I thank the gentleman for his comments.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. HOSMER).

Mr. HOSMER. Mr. Chairman, I am pleased to rise in support of H.R. 15736 and to associate myself with the remarks of the chairman and ranking members of the subcommittee and congratulate the subcommittee on its work. Under their leadership our committee has taken a new approach to water and power legislation this year. By taking action on each of the individual bills and then incorporating them into one piece of omnibus legislation, they have narrowed considerably the work of this body and have produced a well-balanced program of project authorizations.

No single piece of legislation is perfect in all of its aspects, and this bill is no exception. Most of the projects authorized in H.R. 15736 are quite complicated in their details, and many of these details could be argued till doomsday. But the subcommittee and full committee have done their work well and I believe that the details as finally submitted are right and proper for each project.

Local conditions vary from State to State and from county to county, and these variations have been taken into account. The result, I believe, is a bill that is fair and just to local participants in each instance.

If I were to take exception to any aspect of this legislation, I would comment on the fact that none of these projects authorize the creation of additional irrigable acreage. This may appear to be a serious oversight in the light of the current food shortages, but I would point out that the food shortage situation did not exist at the time we began work on these projects. The shortages have developed over the past few months, after this bill was well along the way to completion. I would expect that next year's Reclamation Act will include projects that will expand our food production capabilities.

A number of projects incorporated in this bill are of an emergency nature and are sorely needed to solve existing serious problems. We have serious flood dangers that are being corrected, serious municipal water supply shortages that will be eliminated; overcrowded recreation facilities that will be expanded to meet needs, and a problem of impeded fish passage on the Rogue River that is being corrected.

These are all worthwhile projects, and I urge my colleagues to pass this bill so that work can begin as soon as possible this year.

Mr. LUJAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want first of all to congratulate the chairman of the subcommittee for bringing this legislation in the fashion that he did. We had a rapid succession of hearings, visited many of the sites, and after having done that, we put them all together. While normally I would not think that the best way to go about legislation is on an omnibus basis, I think that in this particular case it enabled us to have a balanced program of reclamation.

We have, Mr. Chairman, various States represented, three projects in California, two in Texas, two in Arizona, two in Oregon, one each in New Mexico, Oklahoma, Wyoming, Utah, South Dakota, and North Dakota. Besides having the diversity, Mr. Chairman, throughout all of the various States, we also have diversity in the types of projects that we have. For example, in the South Dakota project, we found that the dam was very dangerous because of faulty construction and design by the Federal Government, and so it fell on the Federal Government to correct its original mistake.

In Texas, there are two new dams that are being authorized. In Oregon we have a fish passage which will increase the fish population in the river, adding to the economics of the country.

Then we have one in my home State, Mr. Chairman, which moves water down the Rio Grande for the purpose of economic development in a particular section of the State.

So I think, Mr. Chairman, that by and large this approach was particularly good in this legislation. I commend all of the committee members who worked so hard to bring this legislation in.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman from New Mexico for yielding.

Mr. Chairman, I should like to associate myself with the remarks of the gentleman from New Mexico, and certainly associate myself with the remarks of my good friend, the gentleman from California (Mr. JOHNSON), who is chairman of the subcommittee. I would join with my colleagues in commending Mr. JOHNSON for the manner in which this bill was brought to the floor, and for, as always, his distinguished leadership in this field.

Mr. JOHNSON of California. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Chairman. I rise in support of H.R. 15736, the Reclamation Development Act of 1974. As has already been stated, this bill includes most of the legislation affecting the Federal reclamation program that has been considered by the Committee on Interior and Insular Affairs during this session of the Congress. I fully support the entire bill but I want to particularly speak to title II, the Cibolo project and title X, the Nueces River project, in Texas, both of which are subjects of legislation which I have sponsored.

However, before doing this, I want to commend my very able and distinguished colleague, Mr. JOHNSON of California, chairman of the Water and Power Resources Subcommittee. In my opinion, the gentleman from California is the most knowledgeable member in this field in the House. The success of the reclamation program in this country during the last decade is largely due to the work of Mr. JOHNSON and we certainly owe him a debt of gratitude.

Mr. Chairman, the Cibolo project which will be located in Wilson County in my district, approximately 30 miles southwest of the city of San Antonio, is a multipurpose project. The main purpose is to furnish a surface water supply for municipal and industrial uses in order to meet the increasing demands and needs of San Antonio and the cities of Karnes City and Kenedy. The reservoir will also afford a high degree of flood control in the downstream river valley and provide abundant fish and wildlife and recreational benefits.

Mr. Chairman, damsites are hard to find and when one is located, it must be put to optimum use. The Cibolo project will be developed in such manner. The city of San Antonio is the largest city in the United States which depends solely on ground water for its needs. That source is the Edwards aquifer. When the subcommittee held its field hearings, it received testimony that within a short time, this source would become inadequate to fulfill the needs of the city. A large area withdraws water from this aquifer and before too long, withdrawals will be running far ahead of recharge capability. If the city of San Antonio's needs are not provided with the development of a surface water source, it will face a very critical shortage and its prosperity and growth will be in jeopardy. This project is a vital need and necessity for that area.

The project will be constructed under a cost-sharing formula which calls upon the local water users to share substantially in the total cost. Of the project cost estimate of approximately $50 million, $24 million is to be appropriated by the Congress.

Mr. Chairman, I hasten to assure my colleagues there has been no testimony offered to our committee either in the field or in the hearings held here adverse to this project.

Now, Mr. Chairman, title X, the Nueces River project, Texas, provides for a multipurpose dam and reservoir at the Choke Canyon site on the Frio River, a tributary of the Nueces River in Live Oak and McMullen Counties, Tex. The main purpose of this project is to furnish a municipal and industrial water supply to the Coastal Bend Region of Texas which encompasses the city of Corpus Christi and numerous adjacent smaller communities. The reservoir will provide local flood control benefits, fish and wildlife development, and outdoor recreation opportunities. The city of Corpus Christi faces shortages of municipal and industrial water with which to support regional economic growth by 1980. This project, like the Cibolo project, will be financed on a cost-sharing basis with the local water users. The estimated cost of this project is approximately $64 million based on January 1974 price levels. Of this sum, local interests will advance the sum of at least $15 million.

Mr. Chairman, our subcommittee held extensive field hearings on this project and we found a complete unanimity of opinion favoring the construction of this project. Work on these two projects on the local and State level has been going on for years and I am happy to see that the efforts and aspirations of those involved in the long, tedious process of developing the plans for them has at last borne fruit by the consideration of these measures by the House today.

I urge my colleagues to support these two projects and the bill as a whole as recommended by the Interior and Insular Affairs Committee.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Don H. Clausen).

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in strong support of H.R. 15736, the Federal Reclamation Projects and Programs Act which contains, as title VI, the general concept—and most of the language—of my bill, H.R. 11758.

At the outset, let me comment briefly on the leadership of the chairman of the subcommittee, the gentleman from California (Mr. Johnson). While he is clearly recognized with respect in the Congress for his ability and expertise, I want to credit him for the extra effort he gives.

He has held field hearings in most of the areas involved in this legislation and is outstanding in his dedication for the wise and responsible consideration of questions relating to our water resources.

The gentleman from New Mexico (Mr. Lujan) is the ranking minority member of the subcommittee and I am most appreciative of his responsiveness on this issue and others.

And the gentleman from Florida (Mr. Haley) has been most helpful to me as a member of the committee he chairs.

The introduction of my bill to establish a framework for the management of recreational facilities at Lake Berryessa, in Napa County, Calif., came after a long series of events and a great deal of investigation and study into the problems that have arisen in conjunction with this project which was built by the Bureau of Reclamation.

Before detailing the provisions in the bill, Mr. Chairman, I would like to outline the history of the project that has brought us to the place we are today.

The project was constructed in 1956 as a single-purpose irrigation project under the jurisdiction of the Bureau of Reclamation. At that time, it was estimated that virtually no recreational demand for leisure time utilization of the lake would exist and no provisions were made for recreation.

It did not take long, however, for the people of the area to recognize that Lake Berryessa was, and is, the only major freshwater reservoir that is readily available to the San Francisco metropolitan area.

Simultaneously, of course, leisure time activities began to increase for every American in both the time available and the scope of these pastimes.

The result was a substantial recreational use of Lake Berryessa almost immediately after its completion. That growth has continued unabated until this day and, in fact, has increased at a progressively more rapid rate.

Part of the reason for the failure of the Federal agency to recommend the inclusion of recreational facilities at the time of construction of the reservoir was the fact that the lake has a potential drawdown of 200 feet in the event of a series of dry years. However, such a drought period would be unusual and the drawdown has not, nor is it likely, to approach the maximum.

Thus, the lake has provided good quality recreation which has further expanded the demand for its use.

As the demand grew initially, the Bureau of Reclamation found itself without the authority either to construct recreational facilities or to operate and maintain any such facilities.

Very early, then, the Bureau negotiated an agreement with the county of Napa to have the county undertake management of the recreational aspects of the project.

During that time, the county expended over $1 million in fulfilling its responsibilities. In doing so, the county has brought about the development of the only recreational facilities, roads, health and safety supervision, and other functions at the lake.

The only way the county, with its extremely limited financial resources, could meet the need was to contract with concessionaires whose lease provided income to the county.

Because short-term recreation facilities do not return in fees their capital and maintenance costs, the concessionaires have naturally concentrated on long-term use facilities although they have not done so exclusively by any means.

The county has been unable to justify providing day-use facilities from its general revenues because of the large costs involved and because nearly all of those who use the lake are from outside of the county. In fact, 95 percent of those who use the lake reside out of the county but within 100 miles of the lake.

Those short-term facilities which have been developed by the concessionaires are operated by them at a loss. And, studies have shown that users of day-use facilities are unwilling to pay actual costs to reach the break-even point.

Therefore, as recreation demand has continued to accelerate, a conflict has arisen between the need for short-term facilities and the long-term developments around the lake. Because the Bureau of Reclamation does not have the authority to construct, operate or maintain any of these facilities, the problem has increased in complexity and the need for its resolution has increased in urgency.

As the years passed, it became increasingly obvious that changes in management policy would have to be made and that nearly every one involved was desirous of making a number of substantial changes in policy.

Finally, in 1970, the situation came to a head when growing pollution problems at the lake caused a moratorium on the expansion of recreation facilities. Previous negotiations were continued but no agreement was reached.

This impasse could not be allowed to continue. In order to help the negotiating process, I formed a Lake Berryessa Recreation Management Task Force whose purpose was to bring the interested parties together in order to resolve the points of difference and specify the points of agreement.

The task force held a number of meetings and made a number of recommendations that successfully began the process that developed the bill before us today.

The bill itself is modeled after a bill that was enacted as Public Law 87–542 to "provide for the establishment and administration of basic public recreation facilities at the Elephant Butte and Caballo Reservoir areas in New Mexico."

That 1962 act was designed to solve a problem similar to the one we have at Lake Berryessa.

The exact analysis of each section of title VI is included in the committee report but, in general terms, the bill authorizes the Secretary of the Interior to develop, operate, and maintain short-term recreational facilities at the lake. This will mark the first statutory recognition of the Federal role.

Second, the title permits the Secretary to carry out his authority by contracting with "the State of California, or a political subdivision thereof, or a non-Federal agency or agencies or organizations," for management and for operation and maintenance responsibilities should this prove to be a desirable option.

Included in the authority is a provision for a recreation management plan and a provision permitting the collection of fees for the use of the day-use facilities.

The bill authorizes the appropriation of $3 million for the development costs of the facilities.

Let me point out that the Federal Water Projects Recreation Act of 1965 which would ordinarily be involved in a case such as this one is inapplicable here because the reservoir was in operation at the time the act was approved. As an "existing" reservoir it faces a stringent limitation on assistance under the act.

The Department of the Interior in its departmental report on my bill said the Water Projects Recreation Act is "totally inadequate to meet the need."

Therefore, Mr. Chairman, I believe title VI is a fair and responsible approach to solving a federally created problem that needs to be addressed most urgently and I hope it will have the strong and favorable support of the House.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. Dellenback).

Mr. DELLENBACK. Mr. Chairman, I rise in support of this legislation. I would say that so far as the field itself is concerned, those of us in the subcommittee had opportunity to examine very carefully, as we did, each of these projects. We had extensive hearings. We had a thorough consideration in markup.

I can say that I think the bill itself (H.R. 15736) is deserving of the support of this body.

I would say a brief word about the two Oregon projects which are in the bill. One of them is in the territory of my colleague, the gentleman from Oregon (Mr. Ullman), who is in an important meeting of the Ways and Means Committee at this time. I would say that in Mr. ULLMAN's project, title V of the bill, the Klamath right-of-way, we have a situation where a right-of-way, acquired many years ago as part of a then contemplated and authorized project, is no longer needed. The title to the right-of-way, however, is in the United States, and we are in a situation where the interest of the United States is a blot on the title of many individual landowners. The United States has no further use for this land.

Mr. ULLMAN has here proposed a constructive and universally helpful solution to the present problem. The purpose of this particular title is to authorize the Secretary to sell this land to the adjoining landowners. It would be beneficial to the private ownership. It would actually yield money to the United States. The land, as I said, is of no use to the Government any longer.

The second Oregon project is title XIII, the Savage Rapids Fishway, which is in the Fourth District, my district. We are in a situation where we are well along with the construction of a major dam on the Rogue River, the Lost Creek Dam. We have many millions of dollars invested in this important project. We have a fish hatchery with something like $11 million invested in it, and yet further down the Rogue a bottleneck, the Savage Rapids Dam. It is necessary that there be improvement of the fishways around this Savage Rapids Dam in order to get the full benefit to the country of the investment of more than $100 million in the Lost Creek and Elk Creek Dams further up the river. Defective fish passageways are killing fish as they go up and down the river. This can be and needs to be corrected.

Let me only comment further that we would be extremely penny-wise and pound-foolish not to go forward with this project. There has been a study of this situation made under a bill enacted several years ago by the Congress. The recommendation that resulted from the study that was made some time ago is a clear affirmation of the need for this project. I urge that this project as part of this bill secure the consent and approval of Congress.

I yield back the balance of my time with the injunction and the recommendation to my colleagues to support the entire bill.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I rise in support of this bill. I particularly would like to speak to the need for a feasibility study of the Apple Creek unit in my own State of North Dakota.

The quality of municipal and rural domestic water in these counties where the feasibility study will take place is very marginal. For example, Long Lake, the biggest body of inland water in that area, has a severe salinity problem of 10,000 parts per million, and in Apple Creek itself, the salinity ranges from 200 to 1,000. Because of the semiarid problem in North Dakota, Apple Creek often dries out, which increases the salinity problem. The yearly evaporation adds to this problem.

The fact that more irrigation development will come about as a result of this study is advantageous, not undesirable. What my colleagues have been reading in the newspapers in the last 2 weeks and seeing on television of the severe drought that affects the upper Midwestern States is true. You can imagine the adverse effect this is going to have on the consumer this fall and into the winter.

This project adds to the contribution of food and fiber for the benefit of the consumers. The President's economic speech, which he made just recently out in California, pointed out that we needed to stimulate agricultural production. This bill and this part of this bill does just that, and is in the Nation's best interests.

There is additionally a recreation potential in Apple Creek which is tremendous, according to our State water commission. Many experts, both Government and private, forecast that water is one of the critical shortages this country will face in the future. As we found out in the energy crisis, the lack of anticipation of shortages creeps up on us and is adverse to the well being of our Nation.

Mr. Chairman, I urge the support of not only the entire bill, but particularly of this investigative authorization for the Apple Creek unit.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, I rise in strong support of H.R. 15736. I want to commend the Interior Committee and especially Chairman JOHNSON's Subcommittee on Water and Power for their diligent efforts on this important measure. I know that the demands upon the time of the committee members has been extreme in this era of energy and environment. The very fact that they have found the time to report H.R. 15736 attests to its importance.

I would like to comment briefly on title VIII, the portion of the bill with which I am most familiar. Title VIII would authorize the rehabilitation of the Belle Fourche Dam in western South Dakota.

Belle Fourche Dam was one of the first two projects constructed by the U.S. Reclamation Service. Construction of the dam began in 1905 and was finished in 1910. For many years it was the longest earth-filled dam in the world. Presently there are approximately 420 water users in the project who are irrigating 57,128 acres.

The problems of these irrigators may seem insignificant by comparison to needs of the Nation, but an uninterrupted supply of water for irrigation is vitally important to them and, indirectly, to those who reside for a considerable distance surrounding the project.

I would not pretend to be either an engineer or an economist. I do know, however, that a continuation of the current situations is unacceptable both from the standpoint of assuring adequate waters for irrigation and that of insuring truly adequate protection from a disastrous flood.

The Department in their report to the committee on the project, printed on page 61 of the committee report, said:

> Recently developed meterological techniques, current hydrological data, plus additional years of experience in precipitation and runoff studies, have revealed that the design inflow flood at Belle Fourche Dam is greater than was estimated when the structure was designed and constructed. Based upon this information, it has been concluded that failure of Belle Fourche Dam could result from the occurrence of floods approaching the magnitude of the design inflow flood, or from unusually severe wave action against the concrete slab protection on the upstream face of the dam.
>
> Failure of the dam would cause a major disaster in the area downstream, including possible loss of life. Located within the downstream flood zone are: the town of Nisland, South Dakota; two Indian villages (Bridger and Cherry Creek); and a number of farmsteads and ranch headquarters. These communities would either be partially or completely inundated.

The effect of too little water for irrigation upon the farmers and ranchers of the area would be devastating. Likewise, the devastation and loss of life which occurred in the June 9, 1972, Rapid City flood, less than an hour's drive from the Belle Fourche Dam, is vividly etched in our memories and can only increase our concern over the condition of the spillway and face of the dam.

The local irrigation district has looked to the Bureau of Reclamation for the necessary corrective measures since at least March 1, 1966, when a contract providing for interim safety measures was entered into. I believe that any further delay in accomplishing the repairs courts disaster—natural and/or economic.

I, therefore, urge my colleagues to support the passage and rapid implementation of H.R. 15736.

Mr. STEIGER of Arizona. Mr. Chairman, title I of this bill provides for the incorporation of Page, Ariz., a community in the northern part of my State and in my congressional district that was established by the Bureau of Reclamation in the late fifties to provide accommodations for government and contract employees and their families engaged in the construction of the Glen Canyon Dam. Since that time, the town has been administrated by the Bureau of Reclamation.

Unlike many other reclamation encampments which disappear with the completion of construction, Page, Ariz., has become a full-fledged community of permanent residents. These residents wish to see their town become self-governing under the laws of Arizona and separate from the Colorado River storage project.

By enactment of this bill, the people of this community will realize the goal of self-government. Page will become a permanent habitat, regulated by its residents.

The character of the town of Page is changing and developing at a rapid rate to meet the needs of the area, ranging from tourism to the business of providing a vast array of services for miles around. The bill is structured to enable the municipality to assume the fiscal and community responsibilities which are rightfully those of local government.

The people of Page, Ariz., have given a great deal of time and attention to this legislation. This title of H.R. 15736 enjoys the full support of the citizens of Page. Last fall when the Water and Power Resources Subcommittee visited Page and held hearings on this proposal, every witness testified in support of this bill.

Mr. Chairman, I am pleased to endorse the position of the people of Page, Ariz., to assume this mantle of governmental responsibility. I urge my colleagues to support the passage and enactment of H.R. 15736.

Mr. SYMMS. Mr. Chairman, title I of this bill provides for the incorporation of Page, Ariz., a community in the northern part of that State that was established by the Bureau of Reclamation in the late fifties to provide accommodations for Government and contract employees and their families engaged in the construction of the Glen Canyon Dam. Since that time, the town has been administered by the Bureau of Reclamation.

Unlike many other reclamation encampments which disappear with the completion of construction, Page has become a full-fledged community of permanent residents. These residents wish to see their town become self-governing under the laws of Arizona and separate from the Colorado River storage project.

By enactment of this bill, the people of this community could enjoy self-government. Page would become a permanent habitat, regulated by its residents.

The character of the town of Page is changing and developing at a rapid rate to meet the needs of the area, ranging from tourism to the business of providing a vast array of services for miles around. The bill is structured to enable the municipality to assume the fiscal and community responsibilities which are rightfully those of local government.

Our colleague, Mr. STEIGER of Arizona, in whose district this community is located, has given a great deal of time and attention to this legislation. Knowing that he would be unable to be here today, the gentleman from Arizona asked me to bring to the attention of the Members that this title enjoys the full support of the citizens of Page. Last fall when the Water and Power Resources Subcommittee visited Page and held hearings on this proposal, every witness testified in support of this bill.

Mr. LAGOMARSINO. Mr. Chairman, I wish to support the statements of my colleagues regarding H.R. 15736, and in particular, section IV of the act. This section authorizes the acquisition of an 1,800-acre section of land between Lake Casitas Reservoir and Los Padres National Forest in California. The acquisition is necessary in order to protect the purity of the water in Lake Casitas, which is part of the water supply of the city of Ventura.

Lake Casitas Reservoir is a federally funded reclamation project which was brought into being largely through the efforts of the late Congressman Charles Teague. Chuck Teague originally sponsored the acquisition proposed in title IV of the bill and it would be a fitting memorial, Mr. Chairman, to have it enacted in this session. I strongly endorse it for favorable consideration of the House.

Mr. DE LA GARZA. Mr. Chairman, the omnibus bill, H.R. 15736, contains authorization for a project of vital importance to the continued growth and development of the Texas Coastal Bend Area. This is the Choke Canyon project.

An integral element of the Texas water plan, it is urgently needed to provide a major new water supply to meet the rapidly increasing municipal and industrial water developments of an 11-county area centering around the city of Corpus Christi.

Extensive studies by the Texas Water Development Board indicate that the area's municipal and industrial requirements, by 1977 at the latest, will equal the dependable yield of its only presently available water supply. Early authorization of the Choke Canyon project is essential if this area is to continue to expand economically.

In my efforts to advance this project I have had the generous understanding and full cooperation of my colleague, the Honorable HAROLD T. JOHNSON, chairman of the Interior and Insular Affairs Subcommittee on Water and Power Resources, who conducted field hearings in my congressional district. My able and respected Texas colleagues, the Honorable JOHN YOUNG and the Honorable ABRAHAM KAZEN, cosponsors of my original authorization bill, have been towers of strength, the former in his capacity as a member of the Rules Committee and the latter as a member of the Interior and Insular Affairs Committee.

The subcommittee and committee staff, particularly Jim Casey, the consultant on water and power resources, have been enormously helpful. To all of them I extend my deeply felt gratitude.

I ask now—and with confidence—for similar understanding by the membership of the whole House. The Choke Canyon project has the full support of local and State governmental bodies. It is economically feasible and its contribution is in the public interest. I commend it to the House without reservation.

Mr. Chairman, H.R. 15736 authorizes the sum of $24,160,000 for construction costs of the Cibolo Reclamation project, which affects two leading communities in my congressional district. For some 14 years the south Texas communities of Kenedy and Karnes City have labored to make this project a reality.

The Cibolo project would conserve water and supply badly needed additional municipal and industrial water to these two communities and to the city of San Antonio. It enjoys strong local support and is backed by other Members of Congress whose districts would be affected.

I wish to take this opportunity to express my appreciation to Chairman HAROLD JOHNSON and members of the Interior and Insular Affairs Subcommittee on Water and Power Resources for their favorable consideration of this vitally necessary project. I trust the House will send it forward today.

Mr. LEGGETT. Mr. Chairman, pursuant to unanimous consent on H.R. 15736, Federal Reclamation Act, I wish to call to the attention of the House two provisions of the bill which are critical to the enhancement of northern California. The first provision is title VI concerning the development of recreation facilities for Lake Berryessa, a Bureau of Reclamation reservoir in Napa County, Calif. The second provision, title XIV, deals with the development of a total water plan for Solano County.

Lake Berryessa was authorized in 1948 and constructed in 1956, by the Bureau of Reclamation, for the purposes of flood control, irrigation and municipal and industrial water supply. The project did not take into account the development of recreational use, though the lake is located between the two largest population centers in northern California: the San Francisco Bay area and the Sacramento Valley.

The lake has become the second most popular recreation area in California with over 2 million recreation visitor days per year. The visitation is considerably more than many federally funded parks in California, including Point Reyes National Seashore and Redwood National Park.

The management of this enormous recreational area has, up to now, lain with Napa County. Though Napa County use of the lake is only about 10 percent of all the visitor use, the county has contributed over a million dollars from its limited financial resources to provide what exists as public recreational areas. The county's limited financial and staff resources have necessitated, however, the contracting of private companies to develop the area and the county to forgo its responsibilities in 1975.

Unfortunately, the contracted firms' developments have not been for general public use, but rather for more profitable private interests. Such development has further added to a lack of general public recreational space and coordinated recreational planning and development.

The area receives no State funds since it is a Federal project, and properly should come under our jurisdiction to enhance this site. The provision calls for the transfer of authority for recreational operation to the Department of the Interior and funding to provide much needed public facilities such as; picnic areas, sanitation facilities, garbage collection, bath houses and other daily use facilities which are limited or totally lacking in the area.

I am in full support of my California colleague, Mr. CLAUSEN, in his efforts in resolving the management and recreational funding problems which have plagued this popular recreation area. I am confident that with adequate management and funding, Lake Berryessa can properly be developed, both recreationally and environmentally, to insure long lasting use and appreciation of the area by millions of people.

Provision XIV authorizes the Secretary of the Interior to conduct a total water management study for Solano County. The study will analyze the changing needs, goals, and objectives of the area.

Solano County stretches from the Carquinez Strait, in the San Francisco Bay area, to the Sacramento Delta. The area is rich, therefore, in waterways which have had increased development and use, serving the shipping needs of the agriculturally abundant central valley of California. The area has had a progressively increasing population growth and greater industrial and municipal needs. These factors have further increased the need for an analysis and definition of water needs to meet the changing patterns of land use, water requirements, and updating these concerns and population growth to forecast water demand in Solano County.

The study is particularly critical in order to develop a proper water management program, one which will accommodate the needs of the county and insure the preservation of the wetlands in the area. One primary wetland wildlife habitat area is the Suisun Marsh. The marsh serves as an important element of the migratory waterfowl flyway in California.

The study will serve as a comprehensive short- and long-range forecast of the changing needs in the area and responsively providing for proper water management to a much greater extent than past studies have accomplished.

In the interest of the public's welfare and in meeting our federally obligated responsibilities, I urge the House to heartily support, in particular, title IV and title XIV of the reclamation bill before us today.

Mr. LUJAN. Mr. Chairman, I have no further requests for time.

Mr. JOHNSON of California. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will read the bill by titles.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as "The Reclamation Development Act of 1974".

TITLE I

INCORPORATION OF PAGE, ARIZONA

SEC. 101. It is the purpose of this title to separate that unincorporated area in Coconino County in the State of Arizona, commonly known as the town of Page, Arizona, from the Colorado River storage project in order that the United States may withdraw from the ownership and operation of the town and the people of that area may enjoy self-government, and to facilitate the establishment by the people of a municipal corporation under the laws of the State of Arizona by the transfer of certain Federal property described in section 103 of this title.

SEC. 102. The following definitions shall apply to terms used in this title.

(a) The area referred to herein as Page, Arizona, includes the following described land:

PAGE TOWNSITE, ARIZONA

GILA AND SALT RIVER MERIDIAN, ARIZONA

Township 40 north, range 8 east:	Acres
Section 1. All	638.94
Section 2. East half southwest quarter, southeast quarter	240.00
Section 11. East half	320.00
Section 12. All	639.38
Township 41 north, range 8 east:	
Section 25. South half southwest quarter southeast quarter, southeast quarter	60.00
Section 36. East half, south half northeast quarter northwest quarter, east half southwest quarter, northwest quarter, southeast quarter, northwest quarter, northeast quarter southwest quarter, east half northwest quarter, southwest quarter, south half southwest quarter	540.00
Township 40 north, range 9 east:	
Section 4. All	639.48
Section 5. All	639.84
Section 6. All	622.74
Section 7. All	623.68
Section 8. All	640.00
Section 9. All	640.00
Section 19. East half southwest quarter, southeast quarter	240.00
Section 20. South half	320.00
Township 41 north, range 9 east:	
Section 21. West half southwest quarter, west half, southeast quarter southwest quarter, southeast quarter southeast quarter southwest quarter, southwest quarter southwest quarter southeast quarter	120.00
Section 28, West half northeast quarter, northwest quarter southeast quarter northeast quarter, south half, southeast quarter northwest quarter west half, southeast quarter	590.00
Section 29. All	640.00
Section 30. All	641.20
Section 31. All	640.00
Section 32. All	640.00
Section 33. All	640.00
Total	10,717.56

The boundary of Page, Arizona, is shown on drawing numbered 557–431–83, entitled "Page, Arizona, Townsite Boundary" which is on file in the Office of the Commissioner of Reclamation, Washington, District of Columbia.

(b) The term "municipality" shall mean Page, Arizona, after its incorporation as a municipality under the laws of the State of Arizona.

(c) The term "Secretary" shall mean the Secretary of the Interior.

(d) The term "municipal facilities" shall mean certain land, and the improvements thereon, in Page, Arizona, such as hospital, police, and fire protection systems, sewage and refuse disposal plants, water treatment and distribution facilities, streets and roads, parks, playgrounds, airport, cemetery, municipal government buildings, and other properties suitable or usable for local municipal purposes, including any fixtures, equipment, or other property appropriate to the operation, maintenance, replacement, or repairs of the foregoing, which are owned by the United States and under the jurisdiction of the Department of the Interior, Bureau of Reclamation, on the date of incorporation of Page, Arizona.

SEC. 103. Upon incorporation of Page, Arizona, as a municipality under the statutes of the State of Arizona, the Secretary shall:

(a) Transfer to the municipality without cost, subject to any existing leases granted by the United States, all improved or unimproved lands within Page, Arizona, owned by the United States, which the Secretary determines are not required in the administration, operation, and maintenance of Federal activities within or near Page, Arizona, and can properly be included within the municipality under the laws of the State of Arizona, except the land to be transferred pursuant to subsection (c) hereof, and to assign to the municipality without cost any leases granted by the United States on such land.

(b) Transfer to the appropriate school district without cost all right, title, and interest of the United States to the land in block 14–A and lot 1, block 16, as shown on the United States Department of the Interior, Bureau of Reclamation drawing numbered 557–431–87, April 29, 1971, which drawing is on file in the Office of the Commissioner of Reclamation, Washington, District of Columbia, together with improvements thereon owned by the United States at the time of the transfer.

(c) Transfer to the municipality without cost all rights, title, and interest of the United States in and to any land, and the improvements thereon, which may be contained in any reversionary clause of any dedication deed for land in Page, Arizona, issued by the United States.

(d) Transfer all activities and functions of a municipal character being performed by the United States to the municipality subject to the provisions of sections 104 and 107 of this title.

(e) Transfer to the municipality without cost the municipal facilities, as defined in subsection 102(d) of this title, except as provided under subsection 104(a) of this title.

(f) Assign to the municipality without cost those contracts to which the United States is a party, and which pertain to activities or functions to be transferred under subsection (c) of this section and are properly assignable. This shall include contracts for furnishing water outside the boundaries of Page, Arizona, utilizing the municipal system: *Provided,* That the contract which the United States has executed with a private utility for furnishing and distributing electrical energy to the municipality shall be assigned to the municipality upon its request: *And provided further,* That in the assignment of the contract for the operation of the Page Hospital the operating fund balance under said contract, together with all hospital accounts receivable, shall be transferred to the municipality for the same purpose as a part of the assignment of said contract.

SEC. 104. There is hereby reserved for the Glen Canyon unit, Colorado River storage project, the consumptive use of not to exceed three thousand acre-feet of water per year from Lake Powell, of which not to exceed two thousand seven hundred and forty acre-feet of consumptive use of water are hereby assigned to the municipality, consistent with the Navajo Tribal Council resolution numbered CJN–50–69, dated June 3, 1969: *Provided,* That upon incorporation the municipality shall enter into a contract satisfactory to the Secretary covering payment for and delivery of such water pursuant to the Colorado River Storage Project Act of June 11, 1956 (70 Stat. 105), which contract shall among other things provide that:

(a) The reservation and assignment of the consumptive use of water from Lake Powell under this section shall be subject to the apportionments of consumptive use of water to the State of Arizona in article III of the Colorado River Compact and article III(a)(1) of the Upper Colorado River Basin Compact.

(b) Title to the water pumping and conveyance systems within the Glen Canyon Dam and powerplant necessary to supply water to the municipality for culinary, industrial, and municipal purposes shall be retained by the United States until the Congress provides otherwise.

(c) Such retained facilities shall be operated and maintained by the Secretary at the expense of the United States until termination of the fifth fiscal year following the year of incorporation. Not to exceed two thousand seven hundred and forty acre-feet of water per annum or three million gallons of water in any twenty-four-hour period, will be pumped by the United States from Lake Powell to the water treatment plant, or to such intermediate points of delivery as shall be mutually agreed upon by the municipality and the United States for use by the municipality.

(d) Beginning with the sixth year following incorporation and continuing through the tenth year, the municipality shall in each year pay to the United States proportionately increasing increments of the annual costs, including depreciation of the pumping equipment, involved in subsection (c) above with the objective that following the close of said tenth year the municipality shall thereafter bear such costs in total, according to the following schedule:

Portion of cost in subsection (c) of section 104 to be paid to United States each year by municipality (per centum)

Year following incorporation:	
Sixth	20
Seventh	40
Eighth	60
Ninth	80
Tenth	80
Thereafter	100

(e) Upon incorporation and at all times thereafter, the municipality shall bear all costs for operation, maintenance, and replacement of the municipal water system beyond Glen Canyon Dam and powerplant, including but not limtied to filtration, treatment, and distribution of water supplied pursuant to the water service contract with the United States.

SEC. 105. As soon as reasonably practicable after incorporation of the community, the Secretary is hereby authorized to complete all or any part of the following work which has not been completed at the date of incorporation.

(a) Take census of population of the municipality within one year following incorporation.

(b) Repair existing twelve-inch water supply line, if inspection determines this is necessary.

(c) Paint interior of water storage reservoirs.

(d) Seal coat paved streets in municipality.

(e) Install water sprinkler system in Page cemetery.

(f) Improve streets, install curbs, gutters, and sidewalks as follows:

(1) North Navajo Drive:

(i) Pave streets to seventy-foot width from Ninth Avenue to relocated intersection of Aero Avenue and sixty-one-foot width from Aero Avenue to Tenth Avenue.

(ii) Place curb, gutter, and sidewalk on east side of North Navajo Drive from Aero Avenue to Tenth Avenue.

(2) Aero Avenue from North Navajo Drive to Future Street:

(i) Widen existing thirty-foot paved width to seventy-foot paved width.

(ii) Place curb, gutter, and sidewalk on both sides of street.

(3) Tenth Avenue from Future Street to Sandstone Street:

(i) Construct new pavement on north half of street and overlay south half of street.

(ii) Place curb and gutter only on north side of street.

(4) Future Street—Approximately two thousand one hundred and fifty feet beginning at Tenth Avenue and bordering east side of block 101 as shown on Page townsite and block plats:

(i) Pave street to fifty-two-foot width.

(ii) Place curb, gutter, and sidewalk on west side of street and curb and gutter only on east side of street.

(5) Hopi Avenue from Oak Avenue to west boundary of block 101:

(i) Pave street to forty-two-foot width.

(ii) Place curb, gutter and sidewalk on north side.

(iii) Place curb and gutter only on south side.

(g) Construct paved access road from United States Highway Numbered 89 to site of new sanitary landfill to be located in the northwest quarter, section 20, township 41 north, range 8 east, Gila and Salt River meridian, Arizona: *Provided*, That in the performance of the work authorized in this section, the Secretary may either cause the work to be done or transfer funds to the municipality for this purpose after ascertaining that each segment of work will be accomplished by a date certain and to standards satisfactory to the Secretary.

SEC. 106. (a) Upon incorporation the Secretary is authorized to make a lump-sum payment of $500,000 to the municipality as assistance to the municipality in meeting the expenses of police and fire protection facilities and services, sewage system, refuse disposal, electrical distribution system, water treatment and distribution, streets and roads, library, park, playgrounds and other recreational faciilties, municipal government buildings, and other properties and services required for municipal purposes.

(b) To make a lump-sum payment of $50,000 to the municipality for improvements to the Page Hospital.

SEC. 107. Upon incorporation, the United States will provide to the municipality, upon its request, the services of Federal personnel, while they are employed by the United States in the operation and maintenance of the Glen Canyon unit of the Colorado River storage project, to assist in the transition from a federally administered community to a self-governing municipal corporation: *Provided*, That such assistance shall be for a maximum of six months following the date of incorporation: *And provided further*, That the total number of such employees shall be limited to ten at any time.

SEC. 108. (a) Except as herein specifically provided, no assets of the Colorado River storage projects or moneys of the Upper Colorado River Basin Fund shall be utilized after incorporation of the municipality for carrying out the provisions of this Act.

(b) There is hereby authorized to be appropriated from the Upper Colorado River Basin Fund and thereupon transferred to the municipality the amount necessary for the municipality to acquire the electric distribution facilities in Page, Arizona, in accordance with the terms and conditions of the contract with the utility supplying the electricity, in the event the municipality exercises the option in said contract to acquire said electric distribution facilities: *Provided*, That the municipality agress to repay with interest the amount of the funds so transferred in twenty equal annual installments: *Provided*, That the funds so repaid and the accrued interest thereon will be deposited in the Treasury to the credit of the aforesaid Upper Colorado River Basin Fund. The interest rate used for computing interest on the unpaid balance of funds transferred to the municipality for purposes of this subsection shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which the incorporation of Page, Arizona, occurs, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 109. The Secretary of the Interior is authorized to transfer to the United States to be held in trust for the Navajo Tribe title to a tract of land situated within the southeast quarter of the southeast quarter, section 8 the southwest quarter, section 9, section 16, the east half of the northeast quarter of the northeast quarter, section 28, all in township 41 north, range 9 east, Gila and Salt River meridian, Coconino County, Arizona, and containing eight hundred and eight acres, more or less, of which the particular description and drawing (Numbered 557–431–38 "Navajo Tribe—Antelope Creek Recreation Development Area Survey Traverse" dated May 22, 1969) are on file and available for public inspection in the office of the Bureau of Reclamation, Department of the Interior. The transfer of title to such land is made in consideration of Navajo Council Resolution Numbered CNJ–50–69 dated June 3, 1969, and with the understanding that the land so transferred shall thereafter constitute a part of the Navajo Reservation and shall be subject to all laws and regulations applicable to that reservation.

SEC. 110. The Congress hereby directs the Secretary of the Interior to facilitate the effectuation of Navajo Tribal Council Resolutions CD 108–68 and CJN–50–69, subject to the provisions of the Colorado River Basin Project Act (82 Stat. 885).

SEC. 111. The Secretary is hereby authorized, subject only to the provisions of this title to perform such acts, to delegate such authority, and to prescribe such rules and regulations, and establish such terms and conditions as he may deem necessary and appropriate for the purpose of carrying out the provisions of this title.

SEC. 112. The Upper Colorado River Basin Fund established pursuant to section 5 of the Act of April 11, 1956 (70 Stat. 105), shall be utilized as appropriate for carrying out the provisions of this title: *Provided*, That the total expenditures from the fund shall not exceed $4,000,000. Payments made under the provisions of section 105 and section 106 of this title, and transfer, made under the provisions of subsection 108(b) will be made from revenues accruing to said basin fund from the sale of power from the Upper Colorado River storage project.

SEC. 113. All authority of the Secretary under sections 101 through 112 of this title shall terminate five years following date of enactment unless incorporation of Page, Arizona, shall previously have been achieved.

SEC. 114. This title may be cited as the "Page, Arizona, Community Act of 1974".

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request to the gentleman from California?

There was no objection.

The CHAIRMAN. Are there amendments to title I?

There being no amendments to title I, the Clerk will read title II.

The Clerk read as follows:

TITLE II

CIBOLO PROJECT, TEXAS

SEC. 201. The Secretary of the Interior is authorized to construct, operate, and maintain the Cibolo project, Texas, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this title and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of storing, regulating, and furnishing water for municipal and industrial use, conserving and developing fish and wildlife resources, providing outdoor recreation opportunities, and controlling floods. The principal features of the project shall consist of a dam and reservoir on Cibolo Creek and public outdoor recreation facilities.

SEC. 202. The interest rate used for computing interest during construction and interest on the unpaid balance of the reimbursable costs of the project shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 203. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of all the reimbursable construction costs.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

(d) Upon execution of the contract referred to in subsection 203(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the care, operation, and maintenance of the project works; and, after such transfer is made will reimburse the contractor annually for that portion of the year's joint operation and maintenance costs which, if the United States had continued to operate the project, would have been allocated to flood control, fish and wildlife, and recreation purposes. Prior to assuming care, operation, and maintenance of the project works the contracting entity or entities shall be obligated to operate them in accordance with regulations prescribed by the Secretary of the Army with respect to flood control, and by the Secretary of the Interior with respect to fish and wildlife and recreation.

(e) Upon execution of the contract referred to in subsection 203(a) above, and upon completion of construction of the project, the contracting entity or entities, their designee or designees, shall have a permanent right to use the reservoir and related facilities of the Cibolo project in accordance with said contract.

SEC. 204. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Cibolo project shall be in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 205. There is hereby authorized to be appropriated to defray construction costs of the Cibolo reclamation project allocable to flood control, fish and wildlife, and recreation the sum of $24,160,000 (July 1973 prices) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein: *Provided*, That prior to appropriation of any Federal funds the San Antonio River Authority shall, pursuant to a contract satisfactory to the Secretary of the Interior, agree to advance funds for postauthorization planning and construction of the Cibolo reclamation project. The amount of funds to be advanced annually shall be in the proportion to the total annual fund requirements for the project as the construction cost allocated to municipal and industrial water is to the total cost of the project: *Provided further*, That the sum of funds advanced shall not exceed the total project cost allocated to municipal and industrial water. There are also authorized to be appropriated such additional sums as may be required for the operation and maintenance of the project. The discount rate to be used by the Secretary for allocating costs of the works authorized herein shall be the rate for the fiscal year of passage of this Act as derived by the Secretary of the Treasury utilizing the formula set forth in Senate Document Numbered 97, Eighty-seventh Congress, second session, as revised by the Water Resources Council announcement in the Federal Register of December 24, 1968.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will read title III.

The Clerk read as follows:

TITLE III

MOUNTAIN PARK PROJECT, OKLAHOMA

SEC. 301. In order to provide for the construction, operation, and maintenance of facilities to deliver a water supply to the city of Frederick, Oklahoma, from the Mountain Park reclamation project, section 1 of Public Law 90–503 (82 Stat. 853) is amended by deleting "Altus and Snyder, Oklahoma," and substituting therefor "Altus, Snyder, and Frederick, Oklahoma,".

SEC. 302. The amount which section 6 of said Act authorizes to be appropriated is hereby further increased by the sum of $6,057,000 (January 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering costs indexes applicable to the type of construction involved herein.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title III?

Their being no amendments to title III, the Clerk will read title IV.

The Clerk read as follows:

TITLE IV

CASITAS RESERVOIR OPEN SPACE, CALIFORNIA

SEC. 401. In order to provide for protection of the quality of water in Lake Casitas, and to provide for the preservation and enhancement of public outdoor recreation, fish and wildlife, and the environment of the area, the Secretary of the Interior is hereby authorized to acquire in the name of the United States certain privately owned lands within townships 3 and 4 north, ranges 23 and 24 west, San Bernardino base and meridian, lying outside the boundaries of the Los Padres National Forest, as generally depicted on the drawing entitled "Private Lands in Casitas Reservoir Watershed", numbered 767–208–237, and dated September 1972, which is on file and available for public inspection in the offices of the Bureau of Reclamation, Department of the Interior.

SEC. 402. (a) Within the area described in section 401 of this title, the Secretary may acquire such lands by donation, purchase with donated or appropriated funds, or exchange: *Provided*, That any lands owned by the State of California or any political subdivision thereof may be acquired only by donation.

(b) With respect to any property acquired for the purposes of this title, which is beneficially owned by a natural person and which the Secretary determines can be continued in private use for a limited period of time without undue interference with the administration and public use of the area, the owner may on the date of its acquisition by the Secretary retain a right of use and occupancy of such property for agricultural or noncommercial residential purposes for a term, as the owners may elect, ending either—

(1) at the death of the owner or spouse, whichever occurs later, or

(2) not more than twenty-five years from the date of acquisition.

Any right so retained may, during its existence, be transferred or assigned. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(c) The Secretary may terminate the right of use and occupancy, retained pursuant to this section, upon his determination that such a right is being exercised in a manner not consistent with the purposes of this title and upon tender to the holder of the right an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(d) For the purposes of this title "noncommercial residential property" shall mean any single family residence in existence or under construction as of July 1, 1974.

SEC. 403. The Secretary shall administer the lands to be acquired in accordance with the provisions of section 4 of the Act of July 9, 1965 (79 Stat. 213), and may issue such licenses, permits, or leases, or take such other action as may be required for proper management in accordance therewith. The lands will be kept in their natural state as permanent open space and may be managed by the Casitas Municipal Water District, or any other authorized non-Federal public body as part of the Lake Casitas Recreation Area.

SEC. 404. There is authorized to be appropriated the sum of $10,000,000 (April 1974 price levels) plus or minus such amounts as may be justified by changes in the price indexes for agricultural and noncommercial residential property in Ventura County, California.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment to title IV.

The Clerk read as follows:

Committee amendment: On page 21, line 15, add the following sentence: "All funds authorized to be appropriated by this title shall be nonreimbursable."

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

There being no further amendments to title IV, the Clerk will report title V.

The Clerk read as follows:

TITLE V

KLAMATH PROJECT RIGHT-OF-WAY, OREGON

SEC. 501. The Secretary of the Interior is hereby authorized and directed to convey by quitclaim deed to the respective owners of record of those certain lots situated in those subdivisions of Klamath Falls, Oregon, respectively known as Mills Addition, Enterprise Tracts, Mills Garden, Old Orchard Manor, Sixth Street Addition, and Subdivision Block 803, and as such officially shown on the recorded plats of the city records, all right, title, and interest of the United States in the specific tracts of land now owned by the United States which collectively constitute the abandoned Klamath reclamation project "B" lateral canal right-of-way, as designated for general location purposes on Bureau of Reclamation drawing numbered 12-208-338, dated March 27, 1970, and filed for reference purposes in both the Klamath County recorder's office and the corresponding records of the city of Klamath Falls, to the extent that any such tract would constitute a contiguous addition to each of the lots in the above-named subdivisions if the boundaries of each of said lots were to be extended to include the affected portion of above-cited public lands of the United States. Such conveyance shall, in each instance, be made only upon application therefor by the owner of record of one of the affected lots within one year of the date of this Act: *Provided*, That said owner of record shall, to the satisfaction of the Secretary of the Interior, support such application at time of filing same with proof of ownership and an adequate description of the exterior boundaries of the parcel of Government interest land applied for. The Secretary of the Interior is authorized, as determined appropriate by him, to require payment of not more than $100 per parcel of Government interest land applied for in addition to the cost of such conveyance.

SEC. 502. Acceptance of any conveyance made hereunder by any applicant shall constitute a complete and unconditional waiver and release by said applicant or applicants individually or collectively of any and all claims against the United States arising from or occasioned by use of the land by said applicant or his successors in interest.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title V?

If not, the Clerk will report title VI.

The Clerk read as follows:

TITLE VI

SOLANO PROJECT RECREATIONAL FACILITIES, CALIFORNIA

SEC. 601. In order to provide for the protection, use, and enjoyment of the esthetic and recreational values inherent in the Federal lands and waters at Lake Berryessa, Solano project, California, the Secretary of the Interior is hereby authorized to develop, operate, and maintain such short-term recreation facilities as he deems necessary for the safety, health, protection, and outdoor recreational use of the visiting public; to undertake a thorough and detailed review of all existing developments and uses on Federal lands to determine their compatibility with preservation of environmental values and their effectiveness in providing needed public services; to implement corrective procedures when necessary; and to otherwise administer the Federal land and water areas associated with said Lake Berryessa in such a manner that, in his opinion, will best provide for the public recreational use and enjoyment thereof, all to such an extent that said use is not incompatible with other authorized functions of the Solano project.

SEC. 602. The Secretary of the Interior shall make such rules and regulations as are necessary to carry out the provisions of this title and may enter into an agreement or agreements with the State of California, or political subdivision thereof, or a non-Federal agency or agencies or organizations as appropriate, for the development of a recreation management plan, and for the management of recreation including the operation and maintenance of the facilities within the area. The agency performing the recreation management functions is authorized to establish and collect fees for the use of recreation facilities.

SEC. 603. There is authorized to be appropriated to the Secretary of the Interior the sum of $3,000,000 (April 1974 price levels) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in development costs as indicated by cost indexes applicable to the types of development involved herein. There is also authorized to be appropriated such sums as may be necessary for administration of existing facilities and for operation and maintenance of the facilities authorized by this Act.

SEC. 604. All funds authorized to be appropriated by this Act shall be nonreimbursable.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment to title VI.

The Clerk read as follows:

Committee amendment: Page 24, line 20, strike the word "Act." and insert in lieu thereof: "title.".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the second committee amendment to title VI.

The Clerk read as follows:

Committee amendment: Page 24, line 22, strike the word "Act" and insert in lieu thereof: "title".

The committee amendment was agreed to.

The CHAIRMAN. Are there any other amendments to title VI? If not, the Clerk will report title VII.

The Clerk read title VI, as follows:

TITLE VII

MISCELLANEOUS DRAINAGE CONSTRUCTION, UTAH

SEC. 701. The Secretary of the Interior is authorized to construct drainage facilities for the Vernal Unit of the Central Utah project and the Emergy County project to the extent that he determines necessary for the sustained crop production on the irrigable lands of these projects. The Secretary is further authorized to negotiate and execute amendments to contract numbered 14-06-400-778, dated July 14, 1958, between the United States and the Uintah Water Conservancy District and contract numbered 15-06-400-2427, dated May 15, 1962, between the United States and the Emery Water conservancy District to provide for the cost of such drainage works to be paid from the Colorado River storage project basin fund with repayment to be based on ability of irrigation water users to repay as determined by the Secretary.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title VII be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title VII? If not, the Clerk will report title VIII.

The Clerk read title VIII as follows:

TITLE VIII

BELLE FOURCHE DAM REHABILITATION, SOUTH DAKOTA

SEC. 801. The Secretary of the Interior is authorized to construct, operate, and maintain an adequate spillway and to improve the upstream slope protection of Belle Fourche Dam, Belle Fourche project, Belle Fourche, South Dakota, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto) and the provisions of this title.

SEC. 802. Construction authorized by this title shall be for the safety of Belle Fourche Dam and shall not provide additional conservation storage capacity or develop benefits over and above those provided by the original dam and reservoir. Nothing in this title shall be construed to reduce the amount of project costs allocated to reimbursable purposes heretofore authorized.

SEC. 803. Reimbursement of costs associated with improving upstream slope protection on Belle Fourche Dam shall be limited to an amount equal to the estimated annual savings to the Belle Fourche Irrigation District in operation and maintenance expense over the remaining life of the district's repayment contract with the United States. The Secretary is hereby authorized to enter into an amendatory repayment contract with the Belle Fourche Irrigation District to effect such reimbursement without interest. All other costs of construction authorized by this title shall be nonreimbursable.

SEC. 804. There is hereby authorized to be appropriated for the construction authorized by this title the sum of $3,620,000 (April 1974 price levels) plus or minus such amounts, if any, as may be justified by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title VIII be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title VIII? If not, the Clerk will report title IX.

The Clerk read title IX, as follows:

TITLE IX

GLENDO UNIT ROAD CONSTRUCTION, WYOMING

SEC. 901. The Secretary of the Interior is authorized to relocate, reconstruct, and rehabilitate the road that was initially relocated in connection with the construction of Glendo Dam and Reservoir to provide a safe, durable, two-lane highway for public use.

SEC. 902. There is hereby authorized to be appropriated for the relocation, reconstruction, and rehabilitation of said highway the sum of $284,000 (January 1974 price levels) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in construction cost indices applicable to the types of construction involved herein.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title IX be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title IX?

Hearing none, the Clerk will report title X.

The Clerk read title X as follows:

TITLE X

NUECES RIVER PROJECT, TEXAS

SEC. 1001. The Secretary of the Interior is authorized to construct, operate, and maintain the Nueces River project, Texas, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this title and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of storing, regulating, and furnishing water for municipal and industrial use, conserving and developing fish and wildlife resources, and providing outdoor recreation opportunities. The principal features of the project shall consist of the Choke Canyon Dam and Reservoir on the Frio River and public outdoor recreation and sport fishing facilities.

SEC. 1002. (a) Costs of the project, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than forty years under either the provisions of the Federal reclamation laws or under the provisions of the Water Supply Act of 1958 (title III of Public Law 85-500, 72 Stat. 319, and Acts mandatory thereof or supplementary thereto): *Provided*, That, in either case, repayment of costs allocated to municipal and industrial water supply shall include interest on the unamortized balance.

(b) The interest rate used for computing interest during construction and interest on the unpaid balance of the reimbursable costs of the project allocated to municipal and industrial water supply shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

SEC. 1003. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of the balance of the reimbursable construction costs.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

(d) Upon execution of the contract referred to in section 1003(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the care, operation, and maintenance of the project works, and, after transfer is made, will credit annually against the contractors repayment obligation that portion of the year's joint operation and maintenance costs which, if the United States had continued to operate the project, would have been allocated to fish and wildlife and recreation purposes. Prior to assuming care, operation, and maintenance of the project works the contracting entity or entities shall agree to operate them in accordance with regulations prescribed by the Secretary of the Interior with respect to fish and wildlife and recreation.

(e) Upon complete payment of the obligation assumed, including appropriate interest charges, the contracting entity or entities their designee or designees, shall have a permanent right to use the reservoir and related facilities of the Nueces River project in accordance with said contract.

SEC. 1004. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Nueces River project shall be in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 1005. There is hereby authorized to be appropriated for construction of the Nueces River project, Texas, the sum of $50,000,000 (January 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein: *Provided*, That, prior to appropriation of any Federal funds, a qualified local entity shall, pursuant to a contract satisfactory to the Secretary, agree to advance on a schedule mutually acceptable to the local entity and the Secretary, the sum of not less than $15,000,000 representing a non-Federal contribution toward implementation of this title.

Upon completion of the work authorized herein, the aforesaid $15,000,000 shall be applied as a credit to the repayment obligation of the local entity for municipal and industrial water service.

The Secretary is authorized and directed, upon receipt of the aforesaid advance to proceed with postauthorization planning, preparation of designs and specifications, land acquisition, and award of construction contracts pending availability of appropriated funds.

At any time following the first advance of funds by the local entity, said entity may request that the Secretary terminate activities then in progress, return unexpended balances of the funds so advanced, assign to the local entity the rights to any contract in force, convey any real estate acquired by the advanced funds and provide any data, drawings, or other items of value procured with advanced funds to the local entity; and such request shall be binding upon the Secretary.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title X be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to title X? If not, the Clerk will report title XI.

The Clerk read title XI, as follows:

TITLE XI

ELEPHANT BUTTE RECREATION POOL, NEW MEXICO

SEC. 1101. (a) Pending the negotiation of contracts and completion of construction for furnishing water supplies for tributary irrigation units as authorized by section 8 of the Act of Congress dated June 13, 1962 (Public Law 87-483; 76 Stat. 96), and subject to the availability of stored water in Heron Reservoir in excess of one hundred thousand acre-feet, which water is not required for existing authorized uses, the Secretary of the Interior is authorized to permit releases from the Heron Reservoir or the San Juan-Chama project to provide storage and establish a minimum recreation pool in Elephant Butte Reservoir. Such releases, to the extent of the available supply, shall be limited to providing fifty thousand acre-feet for the initial recreation pool and up to six thousand acre-feet of water delivered to Elephant Butte Reservoir annually, for a period not exceeding ten years from establishment of the recreation pool, to replace loss by evaporation and other causes. Authorized releases, as provided above, are subject to and subordinated to any obligations under contracts for San Juan-Chama project water now or hereafter in force and for filling and maintaining a pool in Cochiti Reservoir under the Act of Congress dated March 26, 1964 (Public Law 88-293; 78 Stat. 171). The provisions of section 11(a) of the Act of June 13, 1962 (76 Stat. 96), requiring a contract satisfactory to the Secretary for the use of any water of the San Juan River are hereby expressly waived with respect to the use of water required to establish and maintain a permanent pool in Elephant Butte Reservoir.

(b) The releases of water from Heron Reservoir authorized herein shall not be permitted unless and until the Rio Grande Compact Commission agrees by resolution that—

(1) the term "usable water" as defined in article I of the Rio Grande Compact shall not include San Juan-Chama project water stored in Elephant Butte Reservoir;

(2) in the determination of "actual spill" as that term is defined in article I of the Rio Grande Compact, neither the spill of "credit water", as that is defined in article I of the Rio Grande Compact, shall not occur until all San Juan-Chama project water in Elephant Butte Reservoir shall have been spilled; and

(3) the amount of evaporation loss chargeable to San Juan-Chama project water stored in Elephant Butte Reservoir shall be that increment of the evaporation loss from the storage of San Juan-Chama project water; the evaporation loss from the reservoir shall be taken as the difference between the gross evaporation from the water surface of Elephant Butte Reservoir and the rainfall on the same surface.

(c) Fifty per centum of any incremental costs incurred by the Secretary in the implementation of this title shall be borne by a non-Federal entity pursuant to arrangements satisfactory to the Secretary.

SEC. 1102. Nothing contained in this title shall be construed to increase the amount of money heretofore authorized to be appropriated for construction of the Colorado River storage project, any of its units, or of the Rio Grande project.

SEC. 1103. Nothing herein shall be construed to alter, amend, repeal, modify or be in conflict with the provisions of the Rio Grande Compact.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title XI be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objectin to the request of the gentlman from California?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment to title XI.

The Clerk read as follows:

Committee amendment: Page 33, line 7, strike the words "shall not" and insert in lieu thereof: "nor 'actual spill' shall".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the second committee amendment to title XI.

The Clerk read as follows:

Committee amendment: Page 33, line 14, after the word "from" insert: "the reservoir resulting from".

The committee amendment was agreed to.

The CHAIRMAN. Are there any further amendments to title XI?

Hearing none, the Clerk will report title XII.

The Clerk read title XII, as follows:

TITLE XII

FRYINGPAN-ARKANSAS PROJECT, COLORADO

SEC. 1201. Section 7 of the Act entitled "An Act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado", approved August 16, 1962 (76 Stat. 389), is amended by striking out $170,000,000 "(June 1961 prices)" and inserting in lieu thereof "$432,000,000 (January 1974 price levels)".

SEC. 1202. That for the purpose of increasing the hydroelectric generating capacity the Secretary of the Interior is authorized to construct, operate, and maintain a second one hundred-megawatt unit at the Mount Elbert pumped storage powerplant site of the Fryingpan-Arkansas project, Colorado. The funds required to construct such unit are included in the amount authorized to be appropriated by section 1201 of this title.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title XII be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the committee amendments to title XII of the bill.

The Clerk read as follows:

Committee amendments: Page 34, line 12, strike out "$170,000,000" and insert in lieu thereof: "'$170,000,000".

Page 34, line 15, strike the words "That for" and insert in lieu thereof: "For".

The committee amendments were agreed to.

The CHAIRMAN. Are there further amendments to title XII? If not, the Clerk will read title XIII of the bill.

The Clerk read as follows:

TITLE XIII

SAVAGE RAPIDS FISH WAY, OREGON

SEC. 1301. The Secretary of the Interior is hereby authorized and directed to construct the necessary facilities at Savage Rapids Dam, Grants Pass Division, Rogue River Basin, Oregon, to provide for improved anadromous fish passage at the dam. Such improvements will be substantially in accordance with the plan set forth in the joint special report of the Bureau of Reclamation and the Bureau of Sport Fisheries and Wildlife entitled "Anadromous Fish Passage Facilities, Savage Rapids Dam, March 1974". Operation and maintenance of the facilities herein authorized will be in conformity with procedures developed by the Oregon State Game Commission and will be performed by the Grants Pass Irrigation District at no cost to the United States.

SEC. 1302. There is hereby authorized to be appropriated for construction of the facilities authorized by this Act the sum of $851,000 (April 1974 price levels), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein.

SEC. 1303. The cost of all construction authorized by this title shall be nonreimbursable.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title XIII be considered as read, printed in the RECORD, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there amendments to title XIII?

If not, the Clerk will read title XIV.

The Clerk read title XIV, as follows:

TITLE XIV

FEASIBILITY STUDY AUTHORITIES

SEC. 1401. The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following potential water resource development programs:

(1) A total water management study to consider and coordinate the results of other water-related studies concerning Solano County, California.

(2) A municipal and industrial water supply delivery system for delivery of water to the city of Yuma, Arizona.

(3) The Apple Creek unit, Pick-Sloan Missouri Basin program in North Dakota.

Mr. JOHNSON of California (during the reading). Mr. Chairman, I ask unanimous consent that title XIV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I note that there is about $200 million of authorizations provided in this bill, including authorizations for projects in California, Oregon, North Dakota, South Dakota, New Mexico, Wyoming, and Oklahoma, to mention just a few of the States in which there are projects which are covered by this bill.

Mr. Chairman, the Committee on Interior and Insular Affairs recently reported a strip mining bill which was passed by the House. This strip mining bill, when it passed the House, included a provision to encourage mountaintop removal, and other forms of devastation of the land in the State of West Virginia.

Mr. Chairman, I would like to ask the gentleman from California (Mr. JOHNSON) or any Member on the other side whether there are any funds in this bill for reclamation projects in the State of West Virginia, now that we are ripping up the land through more strip mining.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Chairman, in answer to the question, no, I would say not.

West Virginia is not one of the reclamation States under the Reclamation Act that was passed in 1902 and which became operational throughout the West. There were 17 Western States—and the States of Alaska and Hawaii were added since that time—that have been covered by reclamation law administered under the Bureau of Reclamation as far as the projects and the development of reclamation land is concerned.

This has been an ongoing project for 72 years now, and this legislation is responsible for doing a great job in reclaiming the arid lands of the West and controlling devastating floods, and more recently it has been expanded under legislation by the Congress to include recreation, fish and wildlife, water quality, and other purposes that concern the environment. The most recent of the projects which has been authorized carries as one of the purposes the environment and the ecology of the areas that are affected by the project as a spelled-out purpose in the legislation. West Virginia has never been included in the Reclamation Act as a reclamation State.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, the gentleman from West Virginia has raised an inquiry concerning the reclamation law which is confined to the Western States. However, certainly the gentleman from West Virginia is particularly aware of the fact that under the able leadership of the Committee on Public works in the other body, through Senator RANDOLPH, and through the leadership of the delegation from West Virginia in this body, the State of West Virginia has obtained more than its share of projects in the public works field. I just want to make that point clear.

Mr. HECHLER of West Virginia. Mr. Chairman, I appreciate the comment made by both gentlemen from California. But the law is grossly unfair if it excludes Eastern States. And I strongly disagree with the statement that West Virginia has obtained more than its share of public works funds. Now that we have revenue sharing, West Virginia has funding for many categorical grants.

I would merely like to add that during May of 1974 there has been a 60-percent increase in strip mining production in the State of West Virginia, as contracted with May of 1973. I would certainly hope that when the conferees on the strip mining bill meet with the Senate to consider what kind of surface mining reclamation provision should come out this Congress, they can come up with something that is a little bit stronger and which hopefully will include the Mansfield amendment which was adopted in the Senate.

The CHAIRMAN. If there are no amendments to title XIV, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROBERTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 15736) to authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HEINZ. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 320, nays 8, not voting 106, as follows:

[Roll No. 436]

YEAS—320

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Aspin
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dellums
Denholm
Dennis
Devine
Dickinson
Dingell
Dorn
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Fascell
Findley
Fish
Foley
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Gonzalez
Goodling
Green, Pa.
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hébert
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kyros
Latta
Leggett
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Randall
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—8

Bauman
Collins, Tex.
Conable
Crane
Gross
Hechler, W. Va.
Landgrebe
Steiger, Wis.

NOT VOTING—106

Alexander
Armstrong
Ashley
Badillo
Beard
Biaggi
Bingham
Brasco
Brinkley
Brown, Ohio
Burleson, Tex.
Carey, N.Y.
Carter
Chisholm
Clancy
Clay
Collins, Ill.
Cronin
Culver
Davis, Ga.
de la Garza
Dent
Derwinski
Diggs
Donohue
Dulski
Eckhardt
Eilberg
Evans, Colo.
Evins, Tenn.
Fisher
Flood
Flowers
Flynt
Ford
Forsythe
Fulton
Gibbons
Ginn
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gubser
Gunter
Hanna
Hansen, Idaho
Hansen, Wash.
Hays
Henderson
Holifield
Holtzman
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kluczynski
Kuykendall
Lagomarsino
Landrum
Lehman
Lent
Litton
McSpadden
Metcalfe
Milford
Minshall, Ohio
Mitchell, Md.
Murphy, N.Y.
Nedzi
Owens
Podell
Powell, Ohio
Pritchard
Quie
Quillen
Railsback
Rangel
Rarick
Reid
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Schneebeli
Shipley
Sikes
Snyder
Stanton, James V.
Steiger, Ariz.
Stuckey
Symington
Teague
Thomson, Wis.
Traxler
Ullman
Waldie
Whitten
Williams
Wyatt
Wydler
Wyman
Young, Alaska
Young, Ga.
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Badillo.

Mr. James V. Stanton with Mr. Ashley.

Mr. Rooney of New York with Mrs. Collins of Illinois.

Mr. de la Garza with Mr. Eckhardt.

Mr. Dent with Mr. Fisher.

Mr. Carey of New York with Mrs. Green of Oregon.

Mr. Roncalio of Wyoming with Mrs. Griffiths.

Mr. Sikes with Mrs. Hansen of Washington.

Mr. Jones of Alabama with Mr. Rarick.

Mr. Symington with Mr. Steiger of Arizona.

Mr. Fulton with Mr. Schneebeli.

Mr. Podell with Mr. Snyder.

Mr. Davis of Georgia with Mr. Ruppe.

Mr. Landrum with Mr. Railsback.

Mr. Reid with Mr. Quillen.

Mr. Evins of Tennessee with Mr. Quie.

Mr. Jones of Tennessee with Mr. Pritchard.

Mr. Diggs with Mr. Brasco.

Mrs. Chisholm with Mr. Holifield.

Mr. McSpadden with Mr. Minshall of Ohio.

Mr. Clay with Mr. Culver.

Mr. Burleson of Texas with Mr. Kuykendall.

Mr. Jones of North Carolina with Mr. Beard.

Mr. Kluczynski with Mr. Brown of Ohio.

Mr. Eilberg with Mr. Lent.

Mr. Flood with Mr. Carter.

Mr. Jones of Oklahoma with Mr. Lagomarsino.

Mr. Ginn with Mr. Clancy.

Mr. Biaggi with Mr. Derwinski.

Mr. Henderson with Mr. Goldwater.

Mr. Bingham with Mr. Gubser.

Mr. Mitchell of Maryland with Mr. Waldie.

Mr. Murphy of New York with Mr. Cronin.

Mr. Shipley with Mr. Grover.

Mr. Young of Georgia with Mr. Dulski.

Mr. Donohue with Mr. Forsythe.

Miss Holtzman with Mr. Alexander.

Mr. Teague with Mr. Brinkley.

Mr. Evans of Colorado with Mr. Gray.

Mr. Flowers with Mr. Hanna.

Mr. Flynt with Mr. Lehman.

Mr. Gunter with Mr. Milford.

Mrs. Grasso with Mr. Owens.

Mr. Gibbons with Mr. Thomson of Wisconsin.

Mr. Ford with Mr. Wyatt.

Mr. Litton with Mr. Wydler.

Mr. Metcalfe with Mr. Stuckey.

Mr. Nedzi with Mr. Zwach.

Mr. Traxler with Mr. Rangel.

Mr. Ullman with Mr. Wyman.

Mr. Whitten with Mr. Williams.

Mr. Young of Alaska with Mr. Powell of Ohio.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 15544, THE TREASURY DEPARTMENT, POSTAL SERVICE, EXECUTIVE OFFICE, AND CERTAIN INDEPENDENT AGENCIES APPROPRIATIONS, 1975

Mr. STEED. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15544) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma? The Chair hears none, and appoints the following conferees: Messrs. Steed, Addabbo. Roybal, Stokes, Bevill, Shipley, Slack, Mahon, Robison of New York, Miller, Veysey, Young of Florida, and Cederberg.

AMENDING THE BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14780) to authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act of 1973.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Morgan).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14780) with Mr. McKay in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. Morgan) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. Frelinghuysen) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. Morgan).

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill, H.R. 14780, authorizes an appropriation of $49,990,000 for fiscal year 1975 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting.

Last year, Mr. Chairman, Congress created the Board for International Broadcasting upon the recommendations of a Presidential Study Commission headed by Dr. Milton Eisenhower, president emeritus of Johns Hopkins University.

Under the Board for International Broadcasting Act of 1973, the Board is charged with review and oversight responsibilities. It is also authorized to receive congressionally appropriated funds for allocation to the two stations.

Although the 1973 act was signed into law on October 19, 1973, members of the Board were not appointed and confirmed by the Senate until just prior to the May 14 and 15 hearings before our committee.

As a result of this delay, the Board is just now getting into operation. But Dr. David Abshire, the chairman of the Board, has already moved forward to carry out the intent of Congress to streamline these operations, to reduce personnel, and to cut down on other costs.

Mr. Chairman, the fiscal year 1975 budget request includes a provision for the consolidation of certain facilities of the two stations. It also provides for the modification of the remaining operating centers and elimination of those supporting functions which are no longer required. These expenditures now will reduce overall rentals and lower base cost of administrative and technical support services in the future.

In fiscal 1974, 295 employees of the two stations have been retired or otherwise separated. Radio Free Europe terminated 221 employees—or 14.4 percent—and Radio Liberty terminated 74 employees—8 percent. I want to point out, Mr. Chairman, that these terminations cost more money rather than less money during the year in which they are put into effect. That is because salary and separation benefits have to be paid out immediately—on a lump-sum basis. These are benefits spelled out in contracts which are enforceable in foreign courts.

Despite these increased costs and despite the further decline in the dollar's value abroad, the fiscal year 1975 authorization is smaller than what Congress authorized for these stations in fiscal year 1974.

Radio Liberty has also cut back its operations rather severely. The regular North Caucasian service, for example, has been eliminated and Radio Liberty now carries only a special Sunday program. This affects broadcasts in five distinct languages of the Soviet Union. In addition, Radio Liberty has been required to discontinue service to eastern Siberia from transmitters in Taiwan. Both Radio Free Europe and Radio Liberty have made reductions in substantive original programing. They have also cut down in other areas, such as foreign news bureaus and stringers.

In the light of all these economy measures, Mr. Chairman, the committee has become convinced that the two radios are operating on a tight budget. We are also convinced that the Board for International Broadcasting will give these broadcasts operating continuing oversight and review and that further economy measures will be put into effect during this coming year.

The bill under consideration today contains only one amendment adopted by our committee. This amendment authorizes an additional $75,000 for Latvian broadcasts, and $75,000 for Estonian broadcasts. The administration's budget provided only $75,000 to Radio Liberty for beginning broadcasts in Lithuanian; no funds were projected for broadcasting in Latvian and Estonian.

The question of Baltic language broadcasting is one which the committee has been looking into for the past several years. Both Radio Liberty and the Department of State have recognized the desirability of commencing broadcasts in all three Baltic languages. This view has also been supported by other public witnesses who have appeared before our committee.

It was the committee's consensus that all of the people of the Baltic States should be reached by Radio Liberty and that these broadcasts should begin in fiscal year 1975. Our amendment will make this possible.

Let me point out, however, that even with this additional amount included, the fiscal year 1975 authorization contained in this bill is less than the amount Congress authorized last year.

Finally, Mr. Chairman, let me say that our committee firmly believes that these radios continue to perform a highly useful function and one which is in the overall foreign policy interest of the United States.

Their operations are not out of line with the policy of détente. In fact, by permitting the voices of moderation in these countries to be heard they help promote détente. This is the view of an impressive number of people who are experts in the field of Soviet affairs, both within the Government and from the outside.

The radios also have received the editorial support of the overwhelming majority of newspapers and publications in the United States and Western Europe—publications like the Washington Post and the Chicago Tribune, which are often sharply divided over other issues.

These radios provide the citizens of Eastern Europe with news about events taking place within their own countries—news which is denied to them by their own strictly-controlled media. Moreover, Radio Free Europe and Radio Liberty are the only source of this type of information and it is for this reason, I believe, that our committee voted overwhelmingly in favor of their continuance—by a vote of 23 to 6.

As the Eisenhower Commission noted in its report of last year:

> A people uninformed or misinformed is a danger to itself and a potential danger to its neighbors. Thus, a precondition for world peace is international freedom of information.

In other words, Mr. Chairman, the radios are not merely designed to help the listeners in the Soviet Union and elsewhere inform themselves about what is happening in the world, but to promote our own national self-interest as well. This is a point, which I feel, needs to be emphasized.

Let me conclude, Mr. Chairman, by pointing out that the House, on June 18, has approved the fiscal 1975 appropriations for the Board for International Broadcasting and the two radios, subject to an authorization. Passage of this bill will enable those funds to go forward.

Mr. Chairman, I hope that Members will join with me in support of this legislation.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I, too, rise in support of this legislation. The Chairman of the full committee has already given considerable detail about its significance.

Mr. Chairman, I should like to express

my strong support for H.R. 14780. This will provide a 1-year authorization of $49,990,000 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting. It was approved by a vote of 23 to 6 by the House Committee on Foreign Affairs.

The bill as reported by the committee includes funds for Radio Liberty to begin broadcasts to the Baltic States. The administration request contained $75,000 to initiate broadcasts in Lithuanian. The committee added $75,000 to begin broadcasts in Latvian and $75,000 to initiate broadcasts in the Estonian language. I strongly support these modest sums which will enable Radio Liberty to broadcast to the captive Baltic nations.

In my opinion the recently established Board for International Broadcasting, under the chairmanship of Dr. David Abshive, offers great promise for bringing about more efficiency and effectiveness in the operation of Radio Free Europe and Radio Liberty. The radios are already tightening their operation with permanent personnel reduction totaling 295 in fiscal year 1974.

Mr. Chairman, I believe that Radio Free Europe and Radio Liberty continue to play a vital role as "domestic radios" for Eastern Europe and the Soviet Union. Testimony before our committee has dramatically portrayed the effectiveness of these broadcasts and the need to continue them.

While we continue to hope that one day there will be a free flow of information between all countries of the world, until that time arrives, Western broadcasts will remain a lifeline to many people in the Communist world. Radio Free Europe and Radio Liberty are a vital part of that lifeline. They should be continued, and I urge approval of this bill.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, It is important that Estonians, Latvians, and Lithuanians all have a chance to hear non-Communist broadcasts in their own language. Otherwise many listeners will be excluded by the language barrier. It would be difficult for those so excluded to build a realistic view of the world based only on the Communist side of the picture.

According to recent studies, many middle and senior level Communist Party officials listen to Radio Free Europe, the sister organization of Radio Liberty. This is striking testimony that even the men at the top behind the Iron Curtain feel a need to hear uncensored broadcasts.

Estonia, Latvia, and Lithuania all declared their independence from Russia in 1918 and were promptly invaded by the Red army. The Baltic States resisted the attack until in 1920 the Soviet Government recognized their independence. After two decades of self-government, Latvia, Estonia, and Lithuania were forcefully reannexed by Russia as Soviet Republics in 1940.

Over these past 30 years, the Soviets have continued their illegal annexation and occupation denying the citizens of the Baltic States basic human rights and freedom of expression. Religious persecution has been particularly severe. Latvians, Estonians, and Lithuanians bravely resisted these encroachments on their freedom, but can certainly use the added inspiration Radio Liberty provides. Not only are the broadcasts important to Estonia, Lithuania, and Latvia, it is important to the United States that as many as possible of those trapped behind the Iron Curtain hear what the free world has to tell them.

I hope my colleagues will join me in support of this bill.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. HARRINGTON).

Mr. HARRINGTON. Mr. Chairman, it is with a little bit of awkwardness in not having been an attendee at the sessions which were held in committee this year on this bill, that I take some time, hopefully not as much as 5 minutes, to indicate my objection to what remains, in my opinion, the unreconstructed, excessive emotionalism connected with an era I had long since hoped had passed in American foreign policy.

I cannot help but comment on what seems to be the irony of this bill. I have been a part of a committee which was willing to surrender itself to serving the evisceration of the Arms Control and Disarmament Agency, both in the choice of its Director and, more importantly, in the size of the budget for the Agency. When one considers the importance of the activity for which ACDA is designed to provide, we would hope for at least a voice to begin to deal with the far more pressing problems for the survival of mankind that are presented by the continuing strategic arms race. It is in the context of the importance of ACDA's potential role that we see the stark contrast in a $50 million authorization for what is called the Board for International Broadcasting and the pathetic $10 million for ACDA. Despite the best efforts of its supporters, and despite the name change, what we have in this bill is a program essentially in the same kind of shape that it was 25 years ago—a lingering vestige of the cold war, an anachronism by most standards, and certainly markedly ineffectual when it comes to really providing the citizens of the Soviet Union and Eastern Europe access to other points of view.

Mr. Chairman, I would suggest that the contrast is also striking, in looking at the Peace Corps budget. The Peace Corps has emerged over the course of the last 2 or 3 years into a broader program involving domestic activity. But we have had testimony that the number of would-be American applicants for that program has been increasing; a number of positions remain unfilled because the authorization and the appropriation for the Peace Corps are not sufficient to meet the expressed aim of the program. And again $50 million which is thrown in the direction of this board, for radios funded at least through 1971 by CIA funds, makes no sense at all.

It is suggested that despite the efforts toward reconciliation between the Soviet Union and the United States, the majority of the committee feels that there must be an effort made to insure that we maintain a certain posture of wariness with respect to the differences in ideology between the two nations. I cannot agree.

Let me suggest, in addition, that we consider the administration's charge that we practice fiscal restraint. It was the suggestion of the Secretary of the Treasury that we cut some $10 billion from this year's budget in an effort to balance it. It makes no sense to me not to let the Department of Defense carry the financial burden of this kind of activity, since it is able to get its needs met far more substantially than most other agencies. I don't see why these programs should be carried on at the expense of other programs which are hard pressed to meet the goals which they set out to meet.

Mr. Chairman, I suppose this legislation is regarded in the course of things as an afterthought. And we must consider the fact that we find ourselves on a Friday afternoon with 135 Members absent, which is perhaps a demonstration of their good sense. We are considering this program in a half-hearted way, which is some indication of the kind of significance that the Congress attaches to $50 million funded for a program which has long since ceased to be of interest, not only to the American public but to the international community. I think it is important to show on the record, at least to the degree that it is useful at all, that there is some doubt in the Congress about this sort of thing, which I think long ago should have disappeared with the first flight into Peking, or with the first tentative initiatives toward redefining the American role in regard to the Soviet Union, and American global responsibilities.

Mr. Chairman, without casting any aspersions on my colleagues, I hope we can make the radios the subject of consideration with a great deal more scrutiny during the course of the next year when we are again faced with the problem of coping with the American foreign policy disarray. Even in small ways we might address more discussion to proposals like this.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, Radio Free Europe had its origins as a privately funded activity, with the money coming from individuals and private organizations who felt so intently that a sound propaganda message should be sent within the borders of potentially hostile countries that they were willing to dig into their own pockets and budget such sums for that purpose. And for a good many years the American people suffered under the illusion that this organization, namely, Radio Free Europe, was a privately funded activity in its entirety.

Then the revelation came to light that surreptitiously the CIA had provided a substantial part of the funds, and we have at last changed from undercover public financing of Radio Free Europe to on-the-table public financing of Radio Free Europe.

But I do raise the question as to whether there is enough interest in Radio Free Europe across the Nation as well as within the countries which are supposed to be benefited by this program really to justify its continuation.

I do not have the answer. I just raise the question.

Mr. FRELINGHUYSEN. Mr. Chairman, if the gentleman will yield, if the gentleman from Illinois has read the hearings the gentleman would find that there is very considerable interest in Eastern Europe in these broadcasts, and that they also have a good audience in the Soviet Union.

I think it is no surprise that there is no great interest in this country because the broadcasts do not involve this country. These are directed at Eastern Europe and the Soviet Union.

I might also say to the gentleman from Illinois that the gentleman is inaccurate in suggesting that Radio Free Europe and Radio Liberty at the outset were privately funded. That may have been what was thought, but they were funded by, as the gentleman said, funds from the CIA.

But that is water over the dam. They have withstood inquiry by a commission established for the purpose of establishing whether their activities should continue.

I might say to the gentleman from Illinois that I am glad that we are now funding them over the counter, publicly. But I think without any question, on the basis of what we heard in the way of witnesses, that there is a need and there is an audience, and I would suggest that the question can be easily answered.

Mr. FINDLEY. Mr. Chairman, I might respond to the comments of the gentleman from New Jersey by saying I was present and examined substantial parts of the hearings, and I know there was some testimony in support of it. Questions were also raised, however.

I think my point is sound, relative to the fact that at the outset the public believed that it was a privately funded and privately directed organization, and not a propaganda effort of the U.S. Government.

I think that Gresham's law has operated in this field in that when the fact became known that public money was indeed the backbone of Radio Free Europe then private donations have dropped off. Bad money drives good out of circulation, likewise, public money tends to dry up private donations.

I can recall in my early years in Pike County, Ill., when I was a newspaper editor, that at that time the local banker each year took on the job of raising money for Radio Free Europe. He thought it was a very valuable and constructive device, and he wanted it continued. Little did he know that the CIA was actually the backbone of its financial structure.

I question whether it really serves a useful purpose within these countries.

I raise these questions because I think they are still valid and should be examined thoroughly before further funding is authorized.

Mr. MORGAN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, I would first begin by stating that I would like to associate myself with the exceptionally important remarks made by my distinguished colleague, the gentleman from Massachusetts (Mr. HARRINGTON).

I then would like to turn the attention of the Committee, and particularly that of the distinguished chairman of the Committee on Foreign Affairs, to page 11 of the committee report entitled "Opposing Views of Hon. BENJAMIN S. ROSENTHAL" and at one point there the gentleman states:

> I think it fair to state that Radio Free Europe and Radio Liberty exist largely as a matter of habit. The question for Congress today is whether habituation is a sufficient reason to spend $50 million each year to keep these marginal operations going.

He further states:

> It is clear from this year's testimony that neither private U.S. contribution nor our European allies are going to give any significant funds to sustain these stations.

He then points out that this money could better be used—in his view—by financing an improved and expanded Voice of America, and that this new Voice of America could incorporate the work of Radio Free Europe and Radio Liberty, thereby eliminating the duplication implicit in two U.S. Government broadcasts to Eastern European countries, and to use the savings to reach other people in the world who are also deprived of news about events in their own countries.

He ends his views by saying:

> I hope the Congress will seriously examine our international broadcasting program and allow our policies in this field to express the best of our society instead of a bad version of government radio journalism.

I should like to ask the distinguished chairman of the full committee whether or not he agrees with Mr. ROSENTHAL's notion that an expanded radio Voice of America would eliminate the need for these two programs, thereby saving us money and reducing duplication and advancing the level of competence in journalism.

Mr. MORGAN. Of course, the Voice of America is an altogether different program. The Voice of America is the radio arm of the U.S. Information Agency, and it is the official voice of the U.S. Government. Its primary purpose is to report on U.S. life and events and interpret and explain U.S. policy.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORGAN. Mr. Chairman, I yield myself 2 additional minutes.

Radio Free Europe and Radio Liberty, on the other hand, provide a service that is made necessary by virtue of heavy censorship within the Iron Curtain countries. The Soviet leaders must be sort of fearful of these broadcasts getting to their citizens because they spend, it has been reported, $200 million a year to jam these stations. They do not jam Voice of America because it does not tell them anything they do not want the people to know. But these broadcasts are altogether different.

Voice of America broadcasts, of course, are mostly in English. These broadcasts are in 17 different languages of the Soviet Union, so they are altogether different. The Voice of America will not work for this kind of program.

Mr. DELLUMS. May I ask the chairman one additional question. How does he then respond to the criticism raised by my distinguished colleague, the gentleman from Massachusetts (Mr. HARRINGTON) who points out that perhaps this is a carryover from the cold war days, and that this would probably affect détente? We are talking about strategic arms limitation agreements and trade agreements, but perhaps this propaganda negates our moving into these areas?

Mr. MORGAN. It has been said here, in hearings, and over in the other body, that this is an antique of the cold war. But if it is an antique, the Soviets are paying a mighty high price for it, when they are spending $200 million a year to jam it.

Mr. DELLUMS. I thank the chairman.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. I thank the gentleman from New Jersey for yielding to me.

Mr. Chairman, I am opposed to this bill because nowhere along the way of consideration in the Committee on Foreign Affairs did I get any convincing evidence that we are getting very much for these continued appropriations to the International Broadcasting Board, Radio Free Europe, and Radio Liberty.

My remarks will be brief. There are far better ways to spend $50 million than on this kind of proposition. I do not know whether or when you who support this expenditure are going to meet problems of inflation, and the problems of debt and deficit in this country. This $50 million will have to be borrowed and 8 or 9 percent interest will have to be paid on the money. If Congress cannot begin to save a few items in terms of $50 million, then we are not going to make any progress toward halting inflation.

This $50 million and the many millions of dollars expended since this program was started, is money down the drain.

The Members of Congress who vote for it ought to have to explain why they continue when there is practically no help from the foreign countries who were supposed to join in this program.

The foreign giveaway bill will soon come before the House, and you will be asked to again vote $4 billion or $5 billion for that monstrosity. This, I repeat, is a good place to save $50 million and dedicate it to a useful purpose such as a payment on the Federal debt instead of increasing it.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, I rise in support of H.R. 14780 and wish to associate myself with the remarks of the gentleman from Pennsylvania, the distinguished chairman of our Committee on Foreign Affairs. His remarks accurately reflect the position adopted by the overwhelming majority of committee members who voted on this important issue.

Mr. Chairman, I believe that Radio Free Europe and Radio Liberty serve the foreign policy interests of the United States. I believe they make a positive rather than a negative contribution toward the lessening of East-West tensions; and I think all of the evidence at our disposal, including several major studies of the radios' operations and the testimony of a broad spectrum of expert witnesses who have appeared before our committee in recent years, clearly supports this conclusion. Last May, during the temporary absence of our chairman, I had the privilege of presiding over the hearings on this authorizing legislation and on the basis of that experience, I am all the more convinced that the case for continuation of these broadcast operations is as strong today as at any time in the past.

Mr. Chairman, much can be said—and indeed, much has been said—about the positive value of Radio Free Europe and Radio Liberty during this critical stage of changing and evolving relationships between East and West. At this time, however, I should like to focus primary attention on certain popular misconceptions about the radios' operations which tend to resurface each year, as this authorization is debated—both in our committee and on the floor. Some Members have raised serious questions in this connection which I believe deserve serious replies. I believe there are logical, convincing answers to all of them, but let me concentrate here on just a few of the more prominent charges which have been leveled at the radios in recent years.

First of all, we have heard the charge that Radio Free Europe and Radio Liberty are run principally by non-American emigres, operating from foreign countries to send their views—I repeat their views—to other foreign countries. This charge simply is not true.

The management of both stations and the policy direction are firmly in the hands of American citizens. The boards of directors of both radios, which set policy, are composed exclusively of American citizens—and prominent, distinguished Americans, like Gen. Lucius Clay, former Ambassador Robert Murphy and others. Moreover, the policy decisions of these directors and trustees are now subject to additional oversight and continuing review by members of the board for international broadcasting, who are selected on a nonpartisan basis from among Americans distinguished in the fields of foreign policy and/or mass communications.

All major policy positions within the radios' respective organizations are occupied by Americans. These Americans have had extensive experience in U.S. affairs, government, and international communication. They are also experts in Soviet and East European Affairs.

RFE, for instance, currently employs 233 U.S. citizens in leading management and policy roles out of a total work force of 1,312. Of the non-American employees—only 458 or less than one-third—were born in eastern Europe.

RL employs 167 U.S. citizens out of an employee total of 774; 304 employees, or less than 50 percent, were born in the U.S.S.R. Questions were raised in committee as to why RFE employs 153 Spanish nationals and RL, 291 Portuguese. What, it was asked, do these people know about Soviet Russia and the countries of eastern Europe? The answer is that the main RL transmitter site is located in Spain, whereas RFE's main transmitter is located in Portugal. Spanish and Portuguese nationals are employed as engineers and technicians on these transmitter sites and as general "local employees."

It is, of course, perfectly true that the radios employ non-Americans in a variety of technical capacities, particularly in translation and script-writing work where their linguistic skills are at a premium. Radio Free Europe broadcasts a daily total of 79 program hours in 6 languages. Radio Liberty broadcasts 91 hours per day in 17 distinct languages spoken within the Soviet Union. There simply are not enough Americans qualified to do that job. Moreover, non-Americans are employed at wage scales which are considerably less than would be the case if Americans were to fulfill these same functions.

Mr. Chairman, let me point out that the hiring of non-Americans to perform such duties is nothing new or exclusive to the radios. The Defense Department alone employs some 150,000 foreign nationals worldwide. The Department of State has some 5,218 local employees on its rolls around the world and USIA, around 5,173—just to mention a few. Every agency of the government with overseas missions or operations hires so-called local employees, who are by definition foreign nationals. By contrast, the two radios combined employ a grand total of 1,686 non-Americans—which is, by any standard of comparison, a "drop in the bucket." So much for the so-called foreigner label which has been misleadingly applied to these two broadcasting operations.

Another question which arises from year to year is: "How do we know that anyone really listens to these broadcasts?" Is there any real evidence, some Members have asked—as distinct from self-serving estimates—that the radios are actually reaching a significant, representative listening audience?

The answer is that a considerable body of evidence exists on this subject—based on independent, modern audience research and public opinion sampling methods. RFE, for example, has been conducting research on East European listening habits for the past 15 years. The original polling model used in this research was set up under contract with Professor Cantrell of Princeton University, assisted in part by Lloyd Free of the National Institute of Social Research. In recent years, RFE's opinion-sampling methods have been independently examined and specifically endorsed by:

First. The Oliver Quayle Co., October 1970.

Second. The Congressional Research Service of the Library of Congress, March 1972.

Third. The Presidential Study Commission on International Radio Broadcasting, the so-called Eisenhower Commission.

In its report issued in the fall of 1970, the Oliver Quayle Co., concluded:

> RFE management can take pride and place confidence in this audience research phase of its operation . . . opinion research procedures at Radio Free Europe are sound.

The Congressional Research Service Report of March 22, 1972, found that "the weight of the evidence is that RFE has a substantial and growing popular audience in the five East European countries."

At present, RFE receives audience research data from six independent, professional West European polling organizations headquartered in such countries as Austria, Denmark, Sweden, France, and the United Kingdom.

Radio Liberty has also been conducting this type of research on a continuing, ongoing basis. Again, its opinion-sampling methods have been independently evaluated and endorsed—most recently by MIT professor Ithiel De Sola Pool, a distinguished behavioral scientist and America's foremost expert on diffusion of information within the U.S.S.R.

Moreover, during the period 1970–72, a major behavioral study was conducted on Soviet listening habits. The study was based on information collated by an independent—London-based—social research bureau. Researchers who worked on this project did not know for whom the material was being sought. Interviews were conducted with 1,680 Soviet citizens—primarily tourists—all of whom, and I want to emphasize this point, subsequently returned to the Soviet Union. None were defectors, emigres or those who might be classifiable as "dissidents" or persecutees.

All of these studies are merely illustrative of the work being carried out in this field. The examples I have cited are by no means all-inclusive. On the basis of this extensive research it is estimated that RFE has a total listening audience of about 30 million people—who listen to the radio one or more times per month. This represents 50 percent of the population over 14 years in age in the five "target countries" of Eastern Europe. Similarly, Radio Liberty is believed to reach between 35 and 40 million different listeners during the course of an average month.

Apparently, Mr. Chairman, the Soviet authorities are convinced of the accuracy of these statistics, even if some Members of this body are not. Official estimates provided by our own Government indicate that the Soviets spend between $200 and $300 million per year in attempts to "jam" Radio Liberty broadcasts. This is an exceedingly costly operation to undertake if "nobody listens to the radios"—as is sometimes alleged.

Finally, Mr. Chairman, let me comment very briefly on the question which is raised every year about the alleged lack of West European support for these broadcast operations. If these radio stations are so important, it is asked, why have Western European governments refused to contribute to their support? The answer is that they have not refused; on the contrary, they have provided very significant indirect support—without which the radios could not continue. This support includes:

First. Granting the radios use of various frequencies;

Second. Leasing numerous facilities—at bargain rates;

Third. Providing various tax advantages;

Fourth. Allowing them to operate on their soil.

The West German Government, in particular, has steadfastly resisted Soviet pressures to terminate the radios operation from West German soil—and at a time, I should add, when the foreign policy of that Government has been directed toward improving relations with the Soviet Union and the nations of Eastern Europe, this is a most significant contribution which cannot even be measured in monetary terms, since it affects, to some degree, the very cornerstone of Bonn's Eastern European policy.

Mr. Chairman, it should also be noted that the West German Government is already paying the major share of the cost of RIAS—Radio in the American Sector of Berlin. In the light of all of these considerations, I believe it is both inaccurate and unfair to imply that the Government of the Federal Republic of Germany is not doing its part to carry its share of the overall broadcast "burden."

There is one additional point, Mr. Chairman: The Eisenhower commission recommended against direct public support of broadcast operations by European Governments. Such participation, the commission noted, could result in "confusion in operational policies" and a loss of effectiveness. Thus, in all fairness to our European friends, I think it should be pointed out that one reason West European Governments have not directly supported the radios operations is a very simple one: they have not been asked.

Essentially, Mr. Chairman, these questions I have raised are tangential to the main issue. The real question we must ask ourselves is whether the annual cost of the broadcast operations—which is equivalent to the cost of four F-14 planes—is worthwhile. We must ask ourselves whether the continued functioning of these stations which impart information, not propaganda, to peoples otherwise deprived of it is of value to the United States and furthers the national interest. I think the answer is a resounding yes, and I urge passage of H.R. 14780, as reported by the Committee on Foreign Affairs.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, Jesus of Nazareth once said:

> Ye shall know the truth, and the truth shall set you free.

A great President, President Thomas Jefferson, once said words which became the motto of the University of Virginia, which he founded:

> For here we are not afraid to follow the truth wherever it may lead us, nor to tolerate any errors as long as reason is left to combat it.

One of our great newspaper chains has as its motto:

> Give light, and the people will find their own way.

Why are we spending $50 million of the taxpayers's money to continue the work of Radio Liberty and Radio Free Europe? Mr. Chairman, we are doing so that the people who live behind the Iron Curtain might have the light of truth, that the people who live in the Soviet Union and in other communist countries might simply know what is happening in those countries, what their own intellectuals are saying, what their own thinkers are thinking, and what the truth is as to what is happening now.

Mr. Chairman, I would hardly think that $50 million is too much to expend for such a purpose. Is this some vestige of a cold war that is obsolete and outworn? I say it is not. It is obsolete only if truth is obsolete. It is obsolete only if it is irrelevant whether or not the people who live in the Soviet Union or other Iron Curtain countries shall know what their own best minds are saying, or shall know what is happening in their own societies.

I would say what we are doing is helping to render a service to the people of the Soviet Union, and other Iron Curtain countries. We are rendering a service to them that can indeed lay the basis for long-run friendship and a more stable relationship.

Is this a job the Voice of America could or should do? It is not. That is the official voice of our Government. We could not provide this service through the Voice of America, as the chairman has said, but this is a service that is vital and essential if one cares about human rights; about the right of people to know what is being said and done in their own society.

The distinguished author, Mr. Solzhenitsyn, has had his work broadcast including a book in full through Radio Liberty, and there alone has that been broadcast to the people of the Soviet Union.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Minnesota.

Mr. FRASER. I want to commend the gentleman for his remarks. I share his view. I think providing the people of the Soviet Union an opportunity to know what they cannot know is essential, because there is no free press, there are no periodicals or bookstands in which people can buy freely. There is an effort to obstruct the effective increased contacts with the West and it does seem to me this kind of communication is worthy of our support, so long as the Soviet Union maintains such a closed society.

I want to commend the gentleman for the way he has stated the case so well.

Mr. BUCHANAN. I thank the gentleman for his valuable contribution, because he had laid his finger on the very heart of the matter and it is this: In our country we take for granted a free press. We in the body politic often suffer from the excesses and sometimes the very efficiency of the free press. We are often injured, at least in our own minds, by what they do and say, those who participate in the free press of this society; but I want to say this and say it very strongly: However irresponsible reporters may become in a given instance, even if one could attack whole areas of the media, there is no evil of the free press that is worthy to be compared with the consummate evil of a press controlled by the Government. That is precisely what we have in these other countries. There is no escape from it and there is no other way for the people in these countries to know the truth and I think we are rendering a great service here.

Now, who is running this outfit? Is it the CIA? It is not.

Dr. David M. Abshire is a scholar, an able statesman and diplomat. Whatever he is, he does not represent the CIA. He is rather the chairman of the Center for Strategic International Studies at Georgetown University. He is doing a fine job of leadership, as the chairman has pointed out. We can know that this board is in good hands and is doing a good job.

Mr. Chairman, the word "propaganda" has been used concerning the work of Radio Liberty and Radio Free Europe. Nothing could be more inappropriate than such a characterization at this point in history. The primary function of these media is to simply report the news in closed societies that the free press would surely report in an open society. I do not believe there can be evil in telling the truth to the people, in giving light so the people can find their own way. I urge approval of this authorization.

Mr. STEELE. Mr. Chairman, I rise in support of H.R. 14780, which would authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act and supporting the operations of Radio Free Europe and Radio Liberty.

Radio Free Europe and Radio Liberty are voices of freedom in Eastern Europe and the Soviet Union; they are not Government spokesmen but rather representatives of the independent free press. Since we in this country too often take the latter for granted, we often fail to realize the importance of the existence of such a service to captive nations. Moreover, the service which these two radios perform is indispensible to the continuation of open communication between the people of the Soviet Union and the western democracies, and therefore essential to increasing detente between East and West and liberalization within the Soviet Union and the Soviet bloc countries.

It has long been my firm belief that for these two radios to perform their vital functions fully, it is essential that they include broadcasts in the Baltic languages—Latvian, Estonian and Lithuanian. In its report on last year's authorizing legislation, the House Foreign Affairs Committee joined in this view by pointing out "that Baltic language broadcasts should be accorded a high priority and be included in fiscal year 1975 budget presentation to Congress. Planning for this contingency should begin promptly."

Unfortunately, the administration request for this fiscal year provided only for the initiation of broadcasts in the Lithuanian language. While this was a major step in the right direction, I feel that it is extremely important that broadcasting be commenced in all the Baltic languages. To that end on March 7 I introduced legislation (H.R. 13354) to provide the necessary funding for broadcasting in Latvian and Estonian. And I am most gratified that the committee has overwhelmingly adopted an amendment based on this bill, authored by me and offered by my distinguished friend and colleague Mr. BIESTER to provide an additional $150,000 to the Board for International Broadcasting for the specific purpose of beginning broadcasts by Radio Liberty into the Soviet Union in all of the Baltic languages.

Mr. Chairman, it is a tragic fact that the plight of these nations too frequently goes unnoticed by the free world because of their small size. All three, however, have strong traditions of liberty and democracy, and their inability to achieve the right of self-determination represents one of the most tragic aspects of modern international relations. Any individual who is aware of the history of oppression in these countries and who appreciates the freedoms we possess cannot help feeling a sense of outrage at the consistent denial of similar freedom to the peoples of this region.

Fifty-five years ago, Estonia declared her independence. During the 22 years of freedom that followed, Estonia was a prosperous and growing nation carving out her own destiny. She lost her independence with the advent of World War II when the Soviet Union signed a nonaggression pact with Germany.

Latvia, too, declared her independence in 1918, after more than two centuries of domination by the Russian Empire. The newly formed state quickly became a model of democracy, its Government functioning on true proportional representation and free and open elections. In 1932, Latvia and the Soviet Union signed a treaty of nonaggression which absolutely forbade Russian intervention in Latvian affairs. Very shortly afterward, in blatant violation of their written promise, the Soviet Union began to undertake the active subversion of free Latvia, culminating in total domination by 1940.

That same year saw the forcible annexation of Lithuanian to the Soviet Union. For a brief period between 1920 and 1940, Lithuania enjoyed political sovereignty. With the outbreak of World War II, however, she became one of the first countries to experience the fierce aggression of both Hitler and Stalin. From 1944 to 1962, anti-Soviet partisans struggled for independence, but their efforts were brutally crushed. Fifty thousand Lithuanians were lost during these 8 years of guerrilla warfare, and one-sixth of the population was deported during the Stalin regime. Still the defiance of these courageous people has not been quelled. As recently as May 1972, continued violation of human rights and religious persecution resulted in three self-immolations by Lithuanian youths.

While it is eminently clear that acquiescence is not a Baltic characteristic, the intensive pressure of a consistent program of Russification over the past 30 years now threatens to destroy national culture and identity.

By providing the funds for Radio Liberty to broadcast beacons of freedom in the Baltic tongues, our country can at least help preserve their inextinguishable spirit of liberty and independence, while exerting pressure on the Soviet Government to liberalize its policies in these lands.

Mr. DERWINSKI. Mr. Chairman, I strongly support this legislation. H.R. 14780 provides the authorization for fiscal year 1975 for the operation of Radio Free Europe and Radio Liberty.

The effectiveness of these two radios in bringing factual news to Eastern Europe and the Soviet Union has been documented in hearings before the Committee on Foreign Affairs. It is important to note that despite détente the Communist governments of Eastern Europe and the Soviet Union have continued to restrict the dissemination of factual news in their countries. If anything, they have clamped the lid on even tighter.

So there continues to be a need for the services of Radio Liberty and Radio Free Europe, which act as "domestic" radios bringing to the people of Hungary, for example, news about developments in their own country.

I am especially pleased that beginning with fiscal year 1975, Radio Liberty will begin broadcasts to the Baltic States—Lithuania, Latvia, and Estonia—which continue to be occupied by the Soviet Union. The administration included funds to initiate broadcasts to Lithuania, and the Committee on Foreign Affairs added funds for broadcasts to Latvia and Estonia.

Until such time as the free flow of information is permitted, Radio Liberty and Radio Free Europe must be continued. I urge approval of this bill.

Mr. FASCELL. Mr. Chairman, I rise in support of the pending legislation, and I wish to associate myself with the position of our distinguished chairman, the gentleman from Pennsylvania, and with the majority position of our Committee on Foreign Affairs. I believe that Radio Free Europe and Radio Liberty continue to serve an important national purpose, which is definitely supportive of U.S. foreign policy objectives.

Let me also state, Mr. Chairman, that I fully support the official policy of our Government to seek détente with the Soviet Union and the countries of Eastern Europe. If I believed for 1 minute that these two radios were, in fact, "outmoded instruments of the cold war" or sterile "propaganda" operations, as is sometimes alleged by the stations' critics, I would oppose any further investment of public funds in their continuance. It is because, in my judgment, the radios are not only consistent with the principles of détente but also contribute toward that goal that I lend them my support.

As the gentleman from Wisconsin (Mr. ZABLOCKI) has pointed out, there are a number of misconceptions about these broadcast operations and some allegations which require continuing clarification and rebuttal. I am confident that logical, persuasive responses can be made to all of them. In the brief time at my disposal, however, I would like to focus my attention on the role of these radios in an era of détente because I feel this is an issue of overriding importance. It is also an issue which tends to produce an almost "Pavlovian" reaction among some of those who have supported the radios in the past, but who now feel that their "time has passed" and that they have become an anachronism.

If the concept of détente is to be meaningful—if it is to become something more than a slogan—it must be based on a "freer flow of people, ideas and information" between East and West. That is the language and the position which has been adopted by the U.S. delegation to the Conference on Security and Cooperation in Europe, which is presently in progress in Geneva. A unilateral decision to terminate the radios' broadcast operations would, in fact, serve to undermine that position at a crucial juncture in these sensitive and far-reaching negotiations.

Free communication and exchange of ideas ought to be a two-way street. Unfortunately, it is not. We all know that. If an event transpires which the Soviets or anyone else wants to make available to the people of the United States, that idea is disseminated without any difficulty to our entire population—in just about the time it takes for a person to snap his fingers.

Let us, however, consider how this process works in reverse: Let us assume for a moment that we did not have Radio Free Europe and Radio Liberty and that we merely depended on the normal sources of information for dissemination of news about what is going on within the Soviet Union and the countries of Eastern Europe. Obviously, the door to our message is absolutely closed unless the closed society decides to open the door and let the information in.

If these two radio stations did nothing else than to recite the facts that ordinary people ought to have about events taking place around them—to help them make up their minds as to what they are, what they are doing, and what their government is doing, this would be serving a useful purpose. We all know what can happen if a closed, totalitarian society—specially one armed with nuclear weapons—keeps such information from reaching the people of that society: Nazi Germany and Imperial Japan of the 1930's and 1940's are examples of the possible results. That is why the Eisenhower Commission pointed out that "a people uninformed or misinformed is a danger to itself and a potential danger to its neighbors." Such ignorance is, in fact, a serious potential danger to the people of the United States, and this is a factor which ought to be underlined. That is why I believe the radios perform an essential function which is in our self-interest.

Mr. Chairman, the radios permit the voices of moderation within the Soviet Union and Eastern European societies to be heard—an essential factor in bringing about détente. All of the recent studies carried out on the radios' listening audiences—based on polls conducted by the Soviets themselves as well as by reputable polling organizations in the West—indicate that Radio Free Europe and Radio Liberty are listened to by a substantial cross-section of Communist Party members ,not just by a handful of dissident intellectuals, as is sometimes inferred. These individuals receive news about their own countries which is denied them by their own strictly controlled media.

Moreover, and I want to emphasize this fact, these radios are the only source of this type of information. This coverage we are talking about is not—I repeat not—provided by the Voice of America, nor the BBC, nor the Deutsche Welle, nor by AFN, nor any other radio. Nor could it be. For years now, we have heard the serious and well-intentioned suggestions by several Members that the Voice of America be reorganized and even expanded to take over at least some of the functions of Radio Free Europe and Radio Liberty. On its face, this proposal seems appealing, as it implies a consolidation of facilities and the avoidance of duplication—at a presumed savings to the taxpayer. The idea is, however, unrealistic and unworkable. The reason is that Radio Free Europe and Radio Liberty have been assigned specific frequencies by the West German Government—80 in the case of Radio Free Europe alone—which are, for all practical purposes, nontransferable to another broadcasting operation, such as Voice of America. Thus, for technical reasons alone—this supposed option is not a real one. It is one thing to vote for termination of the radios in their entirety; it is quite another to suggest a consolidation which is impossible to implement.

I say this as one who has long advocated that our Government undertake or sponsor a comprehensive and coordinated study of all U.S. overseas broadcasting facilities and operations. There is an obvious need, in my opinion, to review and evaluate these individual operations, not only in terms of their respective missions, but also in relationship to one another. I believe such a study could point up areas in which real savings might be achieved and produce some informed, meaningful recommendations for increased operational efficiency at reduced cost.

In this connection, I particularly welcomed the section of our committee's report which urged the Board for International Broadcasting to address itself to another recommendation of the Eisenhower Commission:

> That a comprehensive study of all United States international broadcasting facilities be undertaken at the earliest possible date.

As the gentleman from Pennsylvania has pointed out, members of the Board have just recently been appointed and are just beginning to carry out their prescribed responsibilities. I was pleased to note that plans for the consolidation of certain facilities of Radio Free Europe and Radio Liberty already are under active review, and I trust that Dr. Abshire and his colleagues will move further in this direction in the months ahead.

There is, however, a degree of misunderstanding within this body about the distinctive role of the two radios we are considering today. Unlike the Voice of America, the BBC or any other official Government radio—Radio Free Europe and Radio Liberty provide a service that is made necessary by virtue of heavy censorship within the target countries. They are the "surrogate" radios of those countries, focusing on factual news reporting of internal developments—functions the official national radios are neither prepared nor equipped to undertake. For instance, Radio Liberty is the only radio—I repeat, the only one—to have broadcast the complete text of the celebrated Gulag Archipelago by Nobel prize winning author Aleksandr Solzhenitsyn in Russian to the Russian people.

Well, it has been asked by some critics, Is this a proper or appropriate function for Radio Liberty to carry out? Or is this "interference"—by means of U.S. appropriated funds—in the "internal affairs" of another country? Again, my answer is: Yes, it is appropriate—provided the broadcasts in question provide factual, balanced news coverage and commentary and not "hostile propaganda." The U.S. Government has never accepted the proposition that the airwaves anywhere in the world are subject to exclusive control of any government or regime which happens to control the territory to which these broadcasts—any broadcasts—are beamed.

Congress has, in fact, often ventured much further into this field than have the radios. Members have sponsored bills and resolutions condemning the denial of human rights, oppression of different religions, discrimination against certain ethnic or political groups in foreign lands.

Finally, Mr. Chairman, in case there is any doubt on this point as far as the weight of international opinion is concerned, let me quote article 19 of the Universal Declaration of Human Rights, adopted by the United Nations General Assembly:

> Everyone has the right of freedom of opinion and expression; this right includes freedom to hold opinions without interference, to seek, receive and impart information and ideas through any media and regardless of frontiers.

This statement, I realize, reflects the ideal rather than the reality, as it exists in much of the world today. It is, nevertheless, an indication that Radio Free Europe and Radio Liberty are on the right side of this fundamental issue of human rights and are by no means acting contrary to generally accepted standards of international conduct.

Mr. Chairman, I urge my colleagues to join me in support of H.R. 14780, as reported by the Committee on Foreign Affairs.

Mr. FRELINGHUYSEN. Mr. Chairman, I have no further requests for time.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The clerk will read.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)) is amended—
>
> (1) by striking out "$50,209,000 for fiscal year 1974" in the first sentence and inserting in lieu thereof "$49,840,000 for fiscal year 1975; and
>
> (2) by striking out "fiscal year 1974" in the second sentence and inserting in lieu thereof "fiscal year 1975".

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

> Committee amendment: On page 1, line 7, strike out "$49,840,000 for fiscal year 1975" and insert in lieu thereof the following: "$49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language."

Mr. HARRINGTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not want to prolong this discussion. I wanted, before the time of the gentleman from Alabama ran out, to make a couple of observations on his remarks. One is to the differentiation, the distinction, that is to be drawn between the funding of these programs and their origins and the funding of the Voice of America, which is referred to as the official voice of this country's Government. It is apparently being suggested that it is somewhat desirable to maintain a difference or separation between the broadcasts of Radio Liberty and Radio Free Europe and that of the Voice of America. I think the distinction between these broadcasts is at best a very subtle one, since as the gentleman from Iowa (Mr. GROSS) has said, the source for all these broadcasts is the Treasury of the United States and the taxpayers of this country.

Second, not necessarily in keeping with the kind of historical sense referred to in the opening remarks of the gentleman from Alabama (Mr. BUCHANAN), I would like to offer some comments made in the last couple of years by two historians: Henry Steele Commager and Arthur Schlesinger. They have suggested that the legacy of this country to society, both at home and on a global scale, is that of a somewhat enlarged definition of national security, and an obsession with secrecy.

I only can rejoin to the remarks of the gentleman from Alabama that I would think we would have been somewhat more inhibited in our zealousness, in suggesting that we alone know the truth and that we want to make certain that the East Europeans and those behind the Iron Curtain are the beneficiaries of it, were we to consider our own internal problems over the last few years. My sense of history is that our American Presidents, both Republican and Democratic, have had their own difficulties in determining what that truth happens to be. I would hope that we have gained some great, or at least comparative humility over the course of the past turbulent years, when it comes to the kind of evangelical zeal which has characterized our efforts in the past in the area of foreign affairs, and especially when it comes to our effort to suggest that we have a society which is impervious to error and free from fault.

I am not suggesting at all that there are not still broad differences in ideologies, I do not think this bill is something that ought to go without at least some obvious footnoting, especially in the context of the problems we have dealt with none too successfully, internally, in an effort to get the truth to the American public.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARRINGTON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I would never attempt to compete with the gentleman from Alabama (Mr. BUCHANAN) in quoting from the Good Book, but if I remember correctly, it says something about, "Forgive us our debts as we forgive our debtors."

The only trouble that I have had with that is that I have not found anyone willing to forgive me my debts and I doubt very much that we are going to find anybody in Europe who is going to forgive us our debts either, as a nation.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCKAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14780) to authorize appropriations for fiscal year 1975 for carrying out the provisions of the Board for International Broadcasting Act of 1973, pursuant to House Resolution 1250, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 58, not voting 98, as follows:

[Roll No. 437]

YEAS—278

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Ashley
Aspin
Baker
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Biester
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Butler
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dennis
Devine
Dickinson
Dingell
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Fascell
Findley
Fish
Foley
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Gonzalez
Goodling
Green, Pa.
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harsha
Hastings
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kazen
Kemp
King
Koch
Kyros
Landgrebe
Latta
Leggett
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Randall
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Sebelius
Shoup
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Traxler
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—58

Abzug
Addabbo
Badillo
Bafalis
Blackburn
Burke, Fla.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Camp
Chappell
Clawson, Del
Collins, Tex.
Conyers
Daniel, Dan
Dellums
Denholm
Drinan
Gross
Haley
Harrington
Hawkins
Hechler, W. Va.
Huber
Hutchinson
Ichord
Jarman
Johnson, Colo.
Kastenmeier
Ketchum
Long, Md.
Luken
Maraziti
Mayne
Michel
Nix
Obey
Robinson, Va.
Rogers
Rosenthal
Rousselot
Roybal
Runnels
Ryan
Satterfield
Schroeder
Seiberling
Shuster
Snyder
Stark
Studds
Symms
Taylor, Mo.
Towell, Nev.
Veysey
Wilson, Charles, Tex.
Young, Ga.

NOT VOTING—98

Armstrong
Beard
Biaggi
Bingham
Brasco
Breaux
Brinkley
Brown, Ohio
Burke, Calif.
Burleson, Tex.
Carey, N.Y.
Carter
Chisholm
Clancy
Clay
Cronin
Culver
Davis, Ga.
de la Garza
Dent
Derwinski
Diggs
Donohue
Dulski
Eckhardt
Eilberg
Evans, Colo.
Evins, Tenn.
Fisher
Flood
Flowers
Flynt
Ford
Forsythe
Fulton
Gibbons
Ginn
Goldwater
Grasso
Gray
Green, Oreg.
Griffiths
Grover
Gunter
Hansen, Idaho
Hansen, Wash.
Hays
Hébert
Holifield
Holtzman
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kluczynski
Kuykendall
Lagomarsino
Landrum
Lehman
Lent
McSpadden
Mann
Metcalfe
Milford
Minshall, Ohio
Mitchell, Md.
Moorhead, Calif.
Murphy, N.Y.
Nedzi
Owens
Podell
Pritchard
Quie
Quillen
Railsback
Rangel
Rarick
Reid
Roncalio, Wyo.
Rooney, N.Y.
Ruppe
Scherle
Schneebeli
Shipley
Sikes
Stanton, James V.
Steiger, Ariz.
Stuckey
Symington
Teague
Thomson, Wis.
Ullman
Waldie
Williams
Wyatt
Wydler
Wyman
Young, Alaska

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Flood for, with Mr. Podell against.

Mr. Murphy of New York for, with Mr. Clay against.

Mr. Dent for with Mrs. Chisholm against.

Mr. Sikes for, with Mr. Carey of New York against.

Mr. Breaux for, with Mr. Rangel against.

Mr. Hébert for, with Mr. Mitchell of Maryland against.

Until further notice:

Mr. Teague with Mr. Fisher.

Mr. Roncalio of Wyoming with Mr. Brasco.

Mr. Rooney of New York with Mr. Gray.

Mr. Biaggi with Mrs. Green of Oregon.

Mrs. Burke of California with Mr. Reid.

Mr. de la Garza with Mrs. Griffiths.

Mr. Donohue with Mrs. Hansen of Washington.

Mr. Eilberg with Mr. Hays.

Mr. Evins of Tennessee with Mr. Holifield.
Ms. Holtzman with Mr. Landrum.
Mr. Gunter with Mr. Lehman.
Mrs. Grasso with Mr. Forsythe.
Mr. Fulton with Mr. McSpadden.
Mr. Nedzi with Mr. Milford.
Mr. Owens with Mr. Stuckey.
Mr. Rarick with Mr. Derwinski.
Mr. Shipley with Mr. Quillen.
Mr. James V. Stanton with Mr. Railsback.
Mr. Symington with Mr. Cronin.
Mr. Kluczynski with Mr. Beard.
Mr. Jones of Alabama with Mr. Scherle.
Mr. Mann with Mr. Carter.
Mr. Jones of Tennessee with Mr. Ruppe.
Mr. Metcalfe with Mr. Culver.
Mr. Jones of North Carolina with Mr. Kuykendall.
Mr. Evans of Colorado with Mr. Goldwater.
Mr. Flynt with Mr. Grover.
Mr. Jones of Oklahoma with Mr. Brown of Ohio.
Mr. Ford with Mr. Quie.
Mr. Ginn with Mr. Lent.
Mr. Bingham with Mr. Schneebeli.
Mr. Brinkley with Mr. Clancy.
Mr. Davis of Georgia with Mr. Moorhead of California.
Mr. Diggs with Mr. Dulski.
Mr. Eckhardt with Mr. Steiger of Arizona.
Mr. Flowers with Mr. Lagomarsino.
Mr. Thomson of Wisconsin with Mr. Waldie.
Mr. Ullman with Mr. Williams.
Mr. Young of Alaska with Mr. Wyatt.
Mr. Wydler with Mr. Wyman.
Mr. Pritchard with Mr. Minshall of Ohio.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MORGAN. Mr. Speaker, pursuant to House Resolution 1250, I call up the Senate bill (S. 3190) to authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973 and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. MORGAN

Mr. MORGAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MORGAN moves to strike out all after the enacting clause of S. 3190 and to insert in lieu thereof the provisions of H.R. 14780, as passed, as follows:

That section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)) is amended—

(1) by striking out "$50,209,000 for fiscal year 1974" in the first sentence and inserting in lieu thereof "$49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language"; and

(2) by striking out "fiscal year 1974" in the second sentence and inserting in lieu thereof "fiscal year 1975".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 14780) was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader if he will kindly advise us of the program for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield to the gentleman from New Jersey (Mr. RODINO), chairman of the Committee on the Judiciary, so we may have some indication of his plans?

Mr. ARENDS. I yield to the gentleman from New Jersey.

Mr. RODINO. I thank the gentleman for yielding.

I would really like to announce that today I have circulated a letter that should be in the offices of each of the Members which sets up a schedule so that Members who are interested may listen to the tapes that are going to be available in the Congressional Building where the impeachment inquiry staff is located. There will be assistance provided to all of the Members, and this is spelled out in this letter—the schedule as to the time when the tapes will be available, together with the transcripts, and assistance will be provided by members of the impeachment inquiry staff.

In addition to that, there is also in the letter pertinent information which relates to the particular pieces of information or documents that are available. All of the documents that have been printed and the President's counsel's brief will be included. Members will have available to them all that the Committee on the Judiciary has presented and printed and published up to this particular time, which I am sure all Members will be interested in.

I thought that I would make this announcement so that this letter will come to the Members' attention and will not be somehow or other just laid aside. I think the Members are going to be interested in seeing it and knowing that there is a schedule for them, and we will allow them sufficient time within which to be briefed regarding these various materials that are available and the facilities that are available to them.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the distinguished majority leader.

Mr. O'NEILL. I thank the gentleman for yielding.

I should like to address some remarks to the gentleman from New Jersey (Mr. RODINO), the chairman of the Committee on the Judiciary, in view of the fact that the leadership on both sides of the aisle met yesterday with members of the Committee on Rules trying to put together a schedule, which, of course, we understand is tentative.

It was my understanding from that meeting that the Judiciary Committee would be planning to report next Wednesday, and would be going to the Rules Committee on Tuesday, August 13, with the anticipation that the matter of impeachment would be on the floor on Monday, the 19th.

Would the gentleman want to comment on that?

Mr. RODINO. If the gentleman will yield, that is correct. That is the schedule that we hope to follow. I have discussed this with the gentleman from Michigan, the ranking minority member, and we have agreed that the scheduling is the kind of scheduling dates that we can meet. On Tuesday, the 13th, we would go before the Rules Committee. I thank the gentleman.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield further, I will announce the program for next week.

The program for the House of Representatives for the week of August 5, 1974, is as follows:

Monday is Consent Calendar day and under suspensions we will have 19 bills, as follows:

Senate Concurrent Resolution 72, invitation to hold Winter Olympics in Lake Placid, N.Y.;

H.R. 15936, continuation pay for physicians of the uniformed services in initial residency;

H.R. 14402, Air Force lieutenant colonels and colonels;

H.R. 13377, medical care for certain members of U.S. allies in World Wars I and II;

H.R. 15912, Veterans Housing Act;

H.R. 13267, Extension of certain agricultural programs to Guam;

H.R. 16045, solid waste disposal;

H.R. 16077, National Health Service Corps scholarships;

H.R. 14213, 3-year extension for the Drug Enforcement Administration;

Senate Joint Resolution 229, Export-Import Bank 30-day extension;

House Joint Resolution 1104, Export Administration 2-month extension;

Senate Joint Resolution 228, Defense Production Act 2-month extension;

H.R. 8352, Cascade Head Scenic Research Area, Oreg.;

H.R. 7486, Boston National Historical Park, Mass.;

H.R. 14167, amending the Pennsylvania Avenue Development Corporation Act;

House Concurrent Resolution—corrections in the enrollment of H.R. 69;

H.R. 15172, passport application fee;

House Resolution 1258, chemical warfare policy review, and

House Concurrent Resolution 507, aid to Turkey relating to resumption of opium production.

Votes will be postponed until the end of the legislative day.

On Tuesday we will have the Private Calendar and under suspensions there will be no bills.

Then we will have H.R. 16243, the Defense appropriations bill for fiscal year 1976; and

H.R. 9989, real estate settlement procedures, under an open rule with 1 hour of debate.

On Wednesday, Thursday, and Friday we will have:

H.R. 16090, Federal Election Campaign Act amendments, subject to a rule being granted;

A resolution for broadcasting impeachment proceedings;

H.R. 16136, military construction authorization, subject to a rule being granted;

H.R. 15977, Export-Import Bank, subject to a rule being granted; and

H.R. 15264, Export Administration Act, under an open rule, with 1 hour of debate.

There will be a Friday session on next week.

Mr. ARENDS. There will be?

Mr. O'NEILL. May I repeat, there will be a Friday session on next week.

Conference reports may be brought up at any time and any further program may be announced later.

May I also say, that beginning the week of August 19 when we will have the impeachment resolution, it is our intention to meet daily from 10 a.m. to 6 p.m. and to meet through Saturday, August 24.

ADJOURNMENT TO MONDAY, AUGUST 5, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts (Mr. O'NEILL)?

Mr. GROSS. Mr. Speaker, I reserve the right to object.

The SPEAKER. The gentleman from Iowa reserves the right to object.

Mr. GROSS. Mr. Speaker, I would like to return to this program. Is the gentleman programing under a suspension of the rules the military construction authorization bill?

Mr. O'NEILL. No. The gentleman has reference to an earlier draft of the proposed schedule. I announced that H.R. 16136 would be on Wednesday and the balance of the week, subject to a rule being granted.

Mr. GROSS. That will be programed under a rule?

Mr. O'NEILL. Yes, it was taken off the original list of suspensions.

Mr. GROSS. And the gentleman is saying, in view of the program we have here, the Defense appropriation bill and another bill on Tuesday—does the gentleman think we can finish the Defense appropriation bill and another bill on Tuesday?

Mr. O'NEILL. Well, that is the way we have scheduled it, I might say to the gentleman from Iowa (Mr. GROSS). We will have to see what develops during the course of the day; but the Real Estate Settlement Procedures Act was taken off the calendar at the request of the committee this week and was placed in that particular spot on the calendar because it was the only place we could put it in. Possibly after the Defense Appropriations Act is over, we can work late on Tuesday.

Mr. GROSS. And the gentleman does not contemplate a Saturday session?

Mr. O'NEILL. Not for next week.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE A REPORT ON HOUSE RESOLUTION 507

Mr. WOLFF. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on House Resolution 507.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO FILE A REPORT ON HOUSE JOINT RESOLUTION 1258

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on House Joint Resolution 1258.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MEANINGFUL REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. ESCH) is recognized for 30 minutes.

Mr. ESCH. Mr. Speaker, many Americans in recent years have examined the method used by the major political parties to nominate Vice Presidential candidates and concluded the system is badly in need of reform. It has been argued that we should start giving as much attention to the choice of Vice President as to the choice of President.

I concur in that analysis. For too long we have lived with a system under which we spend many months, even years, debating the qualifications of Presidential candidates, but then almost as an afterthought, choose the person who stands only a heartbeat away from the Presidency.

Consequently, I strongly support the efforts of the Republican and Democratic parties to develop meaningful reforms. I know this is not an easy task. There are theorists who would have us believe reform is simply a matter of passing the final nomination decision to some committee or even the Congress. Others believe as I do that must involve more, not fewer people, in the nomination process. Of course, there is no foolproof reform. But there are steps we can take to help guarantee the integrity of the party selection process while greatly increasing the amount of scrutiny given Vice Presidential candidates.

Certainly this is a matter that is of great consequence to all citizens, whether or not they are active in party politics. Almost one-third of our 37 Presidents have also served as Vice President and 8 of those 12 Vice Presidents succeeded to the Nation's highest elected office because of the death of the Chief Executive. Indeed, three of our last five Presidents also served as Vice President. Meanwhile, the responsibilities and duties of our Vice Presidents have been greatly expanded in modern times. Congress too has recognized the importance of the office by adopting the 25th amendment which provides emergency measures to fill Vice-Presidential vacancies.

This increased awareness of the importance of the office has helped us recognize the problems inherent in the traditional convention nomination system. Both major parties are actively seeking reforms in this process and as part of the effort I appeared on April 27 before a subcommittee of the Rule 29 Committee of the Republican National Committee to outline my proposal which is the basis for my remarks here today.

In that regard, let me also express my disappointment that the subcommittee—after recognizing the shortcomings in the present convention nomination system—did not then recommend a positive plan to remedy the situation. Hopefully, given enough incentive from concerned citizens throughout the Nation, the full committee will address this problem at its meeting in December and draft a comprehensive and revised procedure to assure adequate opportunity for appraisal of a Vice-Presidential candidate's potential.

THE KEY TO REFORM

While I agree there is a real need for reform, I believe we must guard against overreaction and doing injury to our two party political system and broaden citizen involvement in the decisionmaking process at our national conventions. That is why I believe the key to reform is a longer selection period at the convention and increased preconvention scrutiny and political testing of potential Vice Presidential nominees. I will outline a plan to provide this scrutiny very shortly, but first let me share with you some of the principles I hope will be encompassed in any change.

Let us maximize public exposure of the qualifications and records of each potential Vice-Presidential nominee well in advance of the balloting at the convention. The news media can play an important role in this area and members of the public can come forward with information and their views on the potential nominees.

We should set aside sufficient time for consideration of a nominee's qualifications and get away from the frantic, disorganized "traditional" process in which exhausted delegates and an equally tired Presidential nominee face an unrealistic deadline for selecting a Vice-Presidential candidate.

Let us encourage selection of the person who might be the best future President, not simply the person who is deemed most attractive for geographical or ticket-balancing considerations.

Let us encourage broader participation by delegates at the convention in the selection process and recognize that the decision is the responsibility of properly selected delegates and not that of a committee or a branch of the Government such as the Congress.

With these principles as goals, I would like now to examine some of the proposals for reform starting with the suggestion that Congress approve or reject the choice for Vice President of a newly elected President. This is basically the same procedure used in the confirmation last year of Vice President GERALD R. FORD. However, I believe congressional approval should remain an emergency measure used only to fill a vacancy in the office of Vice President. The party and the Presidential nominee, I believe, should work together in the selection of a Vice Presidential nominee and the final decision on who shall serve as President and Vice President should be made by the voters. I see no special merit in turning to a parliamentary system of choosing our leaders. The executive branch—as a coequal branch of Government—draws its authority from the voters of the Nation, not another branch of Government. This was the system envisioned by the framers of the Constitution and to change it would take a constitutional amendment. This would be a long process and in the end I do not believe the people would support loss of their right to participate in the selection of the Vice President.

In addition, while I prefer to assume the highest motives on the part of Congress, it is not hard to imagine how the opposition party—or even members of the President's party after a close or ideologically divisive election—might resort to partisanship in rejecting or delaying confirmation of a Vice Presidential nominee. I also do not believe this system would broaden participation by the electorate or encourage selection of the person who might be the best future President. Indeed, a President who does not enjoy the support of Congress might compromise his choice on the best man for the job by making a recommendation that is "politically" popular with the Congress.

Another recommendation I consider flawed is the idea that Vice Presidential candidates use the primary election route to seek convention delegates in the same manner as the Presidential candidates. Or, in a variation on the same concept, the runnerup at the convention in the Presidential balloting would be the Vice Presidential nominee. I think neither would work since this could very well leave an ideological gap at the top of the ticket which would not be healthy for the party or the Nation.

Also, a national primary or an established system by which candidates seek the Vice Presidential nomination in the primaries would eliminate very able men from consideration for the Presidential nomination. Conversely, a very inadequate Vice Presidential candidate might lock up enough delegates for the nomination should all the able candidates concentrate on the Presidency. I see no need to encourage this kind of system when we want to have the highest caliber men in both posts.

It has also been proposed that candidates for President and Vice President run as teams starting with the first Presidential primaries. It is suggested that this would reduce the clutter of candidates for President since some run only to attract support for their nomination as the Vice-Presidential candidate. This system, too, would deny men of high caliber from winning the Vice-Presidential nomination since very able men who run for the Presidential nomination would not be available to fill out a Presidential ticket announced 6 months before the convention.

Among the less serious proposals is one by which we would abolish the Vice-Presidency and allow the House Speaker to serve as President until there is a special, nationwide election to fill the vacancy. However, I think few of us would like to see the country headed by an acting President. Also, the Speaker might well be of another political party from that of the President he succeeded. This could cause considerable turmoil in the weeks and perhaps months preceding the special election.

Of course, there is one alternative that is basically available under the current system. I speak of open conventions whereby the delegates would choose the Vice-Presidential nominee without a recommendation from the Presidential nominee. However, I think we can all agree that in most instances the Presidential nominee will insist on being able to recommend a Vice-Presidential candidate. Indeed, he should have a significant but, not a determining voice in the selection of a running mate.

Still another possibility would parallel the system being adopted by the Democratic Party. Under this concept, the convention could be extended by 24 hours to give additional time for selection of a Vice-Presidential candidate. However, the Presidential candidate would have the option of recommending deferral of the choice to a "miniconvention" comprised of members of the national committee. This recommendation would be approved or rejected by the full convention. The "miniconvention" would act within 21 days of the convention. Another provision which fortunately has been abandoned by the Democrats stipulated that information about the qualifications of potential Vice-Presidential nominees would be compiled by a committee named by the party chairman in May preceding the convention and the information would be made available to the Presidential nominee.

It is indeed encouraging that both of the Nation's major political parties have recognized the need to adopt reforms. There has been considerable public reaction to the suggestions of the Democratic Party commission. The New York Times on January 15 described the proposals as "modest reforms" worthy of adoption by both parties to replace the "demonstrably unsatisfactory" traditional methods of choosing a Vice-Presidential nominee. In my own congressional district, the press in Ypsilanti, Mich., suggested that under either an extended convention program or the "miniconvention" the "hurly burly, sleepless selection of a Vice-Presidential nomination which has been the custom would be eliminated. This is no small improvement; the new idea is worth a try and worth Republican adoption, too."

A SOLEMN RESPONSIBILITY

I agree that more time is needed for thoughtful deliberation by the delegates and the Presidential nominee in order to get away from the deadline politics that has plagued previous conventions. As the New York Times said in its editorial, the decision should be less of an afterthought and more of a solemn responsibility. However, I believe the decision of who shall be the Vice-Presidential nominee is best left with the delegates chosen to attend the national convention, not the national committee.

Our aim should be to open up the selection process to more complete participation by duly chosen delegates representing a broad cross-section of party sentiment. Limiting the Vice-Presidential selection process to national committee members would be a step away from meaningful reform. I do not intend to cast any derogatory aspersions on members of the national committees. I know many members personally and have the highest regard for their integrity and dedication. But we must avoid even the appearance of a return to smoke-filled-room politics at which secret deals could be made. It is entirely conceivable that during the 21 days before the "miniconvention" is held there could be a great deal of wheeling and dealing. Power brokers could make their influence felt. The Presidential nominee—anxious to avoid a divisive fight within the party—could be forced into a secret deal in exchange for support for his choice. Instead of opening up the system and inspiring confidence in our citizens who thirst for meaningful participation in the two-party system, this proposal could lead to greater injustices and cynicism.

I must confess to personal skepticism too, about whether the miniconvention would ever be utilized even if adopted by a major party. I think we can legitimately ask ourselves whether a Presidential nominee would risk deferring the selection of a Vice-Presidential candidate to the national committee. Hopefully and idealistically, deferral would be aimed at focusing public scrutiny upon the recommendation of the Presidential candidate. Practically, it might also be argued that no Presidential nominee would choose to defer the choice to the miniconvention unless he was certain of rubberstamp approval of his recommendation. I think we can assume the Presidential candidate's decision to recommend a miniconvention would be based upon his assessment of the prospects for a divisive fight within the national committee. The candidate would also consider the effect of the delay on his campaign effort. If the convention was held in the third week in August, the ticket would not be completed until the first or second week in September.

In addition, there is always the possibility that adverse information—real or manufactured—might be made public about his recommended choice for Vice President. Considering all the possible pitfalls, I really believe a Presidential candidate would instead opt for the convention to make the final selection. However, under this proposal the delegates might know little or nothing about the recommended candidate and would have precious few hours to check on his credentials.

Rather than resort to window dressing reform—the only description I can honestly give to the miniconvention concept—I have proposed that the Republican Party zero in on concrete reform that will provide preconvention scrutiny of potential Vice-Presidential nominees and reserve sufficient time for a deliberate and reasoned selection process by the Presidential candidate and national convention delegates.

THE BEST CANDIDATE

To give the party the best possible Vice-Presidential nominee and encourage full participation in the selection process, I propose that—

First. The Republican Party mandate that each candidate for the GOP Presidential nomination would announce publicly—at least 14 days before the start of the convention—the name or names of one to six potential Vice-Presidential nominees.

Second. The Presidential candidate would announce within 24 hours of his nomination his recommendation for Vice President or his suggestion to the convention that the delegates make their own choice without his endorsement of a single candidate.

Third. If the Presidential candidate endorses one Vice-Presidential candidate, he should be allowed to choose from outside his originally announced list if the person or persons on the list decide against being candidates for the Vice-Presidential nomination or the Presidential candidate decides that on the basis of new information they are not his first choice for Vice President.

Fourth. Welcoming remarks, adoption of rules and resolution of credentials disputes shall be completed on the first day of the convention in two sessions, one starting in the early afternoon and the second in the evening.

Fifth. The second day of the convention shall be for the address by the temporary chairman followed by nominating speeches and selection of the Presidential nominee.

Sixth. Activities on the third day shall include an address by the permanent chairman of the convention, adoption of the party platform and other committee reports, delivery of the keynote address and election of the Republican National Committee.

Seventh. Nominating speeches and selection of the Vice Presidential candidate followed by acceptance speeches by both candidates on the fourth day would complete the agenda of the convention.

In suggesting a revised format for the national convention, I have not attempted to detail every part of the agenda. Rather I believe the changes would provide the framework for achieving the goal of broad participation in the selection of the Vice-Presidential candidate under a system requiring careful scrutiny of the potential nominees. Each candidate for President would send his list of six or fewer names to the Republican National Committee 2 weeks before the start of the convention resulting in public scrutiny of each name on each of the lists. The news media would have adequate opportunity to interview the potential nominees and delve into their backgrounds. The Presidential candidates would of necessity have given long consideration to the names on the lists before they are made public. The public and convention delegates would have an opportunity to voice their views about the qualifications of the candidates. Finally, the Presidential nominee would have the benefit of those views before he makes a final recommendation to the convention.

TIMELY CONSIDERATION

There are many advantages of preconvention scrutiny; and certainly this system is more desirable than creation of a special committee to compile information on what seemingly could be an endless list of potential Vice-Presidential nominees. Under my proposal, the delegates would have some idea of the Presidential candidate's choice for Vice President. The public and news media would have an opportunity to voice their views on the potential nominees. Moreover, the Presidential candidate himself will have given full and timely consideration to the recommendation he makes to the convention.

Second, the convention would be structured so that the Presidential candidate would have 24 hours after his nomination within which to announce publicly his recommendation for Vice President. However, the process for nominating the Vice-Presidential candidate would not begin until the evening of the fourth and final day of the convention. I include these important time provisions to allow adequate time for the nominee and the delegates to weigh their choice and to compensate for the possibility the convention might draft a Presidential nominee who had not announced his list of potential Vice-Presidential candidates before the start of the convention.

Although the likelihood of a convention turning to a draft candidate is remote, it is a possibility and provision should be made. In addition, the extra time would be needed if the Presidential nominee did not endorse a running mate. Also, it would be useful for delegates to gather support for their choice for Vice President if they are opposed to the candidate recommended by the Presidential nominee.

Moreover, the extra time would be needed if the Presidential candidate recommended a running mate whose name was not on his original list. This possibility would be rare since the Presidential candidate would have given careful consideration to his recommendation before the convention. But his first choices for running mate might decline to accept the nomination. Or, the Presidential candidate might have been given valid information that made him question the potential Vice Presidential candidate's qualifications. It is the purpose of meaningful reform to provide a mechanism to weed out those persons who would not be adequate Vice Presidents. The Presidential candidate could go outside his announced list with a minimum of embarrassment to those passed over compared to the shock and trauma of replacing a Vice-Presidential candidate once the campaign is underway.

Third, the extra time available to the delegates by extending the convention schedule by 24 hours could be used to focus attention on the party platform and other reports of important committees. Election of a new national committee could be held and addresses by many prominent persons could be integrated into the schedule. The time could even be used for a nationwide telethon to raise small contributions for the ticket. The telethon could be part of a national chain of fundraising affairs and dinners via a nationwide television hookup, which could also raise contributions for State party organizations.

I realize there will be some who will argue that in previous years the platform and other committee reports were adopted on the second day of the convention in the afternoon session prior to selection of the Presidential candidate. Or that the keynote address should be given on the first day and not the third convention day. However, I maintain that these matters can be logically reserved for the third day of the convention without adverse effect. The Republican Party selected its Presidential nominee in 1972 on the second night and the party could also decide to select the nominee on the third night and reserve the second day for the platform and other business. I would not object, provided a fifth day is added to the convention schedule so that there is adequate time between nomination of the President and selection of his running mate. This would be a most important requirement if we are to have meaningful reform.

In conclusion, I know you realize that no system will be foolproof. I hope you will agree that indepth preconvention scrutiny will make for a better selection process and give ample time for those who should not be serving as Vice Presidential candidates to be eliminated from contention. At the same time, I hope you will agree that there is a place in our political system for the kind of citizen involvement that we find at our national conventions. Participation is what America is all about. We need to involve more of our citizens, not fewer, in the decisionmaking process.

NEW INTERIOR FORECASTS SUPPORTS REPRESENTATIVE UDALL'S POSITION ON STRIP MINING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. **BINGHAM**) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, during the debate preceding the passage of the landmark strip mining bill last month, many Members who were opposed to the legislation pointed to National Coal Association, Federal Energy Office, and Interior Department estimates claiming that up to 600 million tons of coal would be sacrificed each year.

I was pleased to see in today's Wall Street Journal an article reporting that

Secretary Morton has revised his estimate of potential coal loss downward to about 40,000 tons, bringing it in line with the forecast made by the gentleman from Arizona (Mr. UDALL). I would like to commend my distinguished colleague, as well as his cochairman, the gentlelady from Hawaii, for their leadership leading to the enactment of Federal strip mine controls. I welcome the Department of Interior's new assessment of the legislation's impact and feel this will aid the conferees to work out the remaining differences expeditiously so that this legislation may be remembered as one of the legislative highlights of the 93d Congress.

The article, from the August 2, Wall Street Journal follows:

INTERIOR SECRETARY ALTERS ASSESSMENT OF STRIP MINING BILL

WASHINGTON.—Interior Secretary Rogers Morton has decided the House-passed strip-mining bill mightn't be such an energy disaster after all.

Before the bill passed last week by a wide margin, Mr. Morton had warned that its restrictions on strip mining and its requirements to patch up ground that is cut open for coal would cost the U.S. 31 million to 187 million tons of needed coal in 1975.

But yesterday he had a radically different assessment, saying the measure needn't cut more than 40,000 tons from next year's production.

Mr. Morton conditioned the appraisal on his expectation that when the House bill is reconciled with an earlier Senate version, the Interior Department, which is the agency designated to police stripping, will have adequate enforcement "flexibility." The relatively insignificant drop could be achieved "if we don't try to get ahead of the power curve and make guys do things they don't have the equipment to do," the Secretary observed.

Moreover, even the 40,000-ton loss needn't mean that much of a net reduction from overall U.S. production, currently running at better than 600 million tons annually, because "deep mines probably could make up the difference," Mr. Morton added.

CLOSE TO UDALL FORECAST

The new Morton estimate brings the Interior Secretary fairly close to the forecast of Rep. Morris Udall, a leading backer of the House bill. The Arizona Democrat has predicted that the legislation, by ending uncertainty over federal stripping rules, actually would stimulate an expansion of surface coal mining.

The production-loss controversy remains, however. Still on the record, for example, is the estimate by Federal Energy Administrator John Sawhill, based on his own analysis of Interior Department data, that the legislation would cut 1975 coal output 20 million to 60 million tons. And during the House debate, Rep. Craig Hosmer (R. Calif.), who was pushing a substitute bill, warned of a 50% reduction in coal stripping, which accounts for about half of total U.S. coal output.

The National Coal Association, for its part, is staying with its own warning of a 250 million ton loss in 1975. Robert Price, executive vice president of the industry organization, said Mr. Morton "must be able to read something into the legislation that we can't."

Other high points of Mr. Morton's comments:

—The House and Senate strip mining bills, as they affect reclamation and environmental protection, are "a step in the right direction." But Mr. Morton is troubled by a House bill provision for special unemployment benefits in areas where strip mines must be closed down. That could be a "real Pandora's box" if workers in other industries sought similar rights, the Secretary said.

SEEN AS FAR TOO HIGH

—The unemployment benefits, federal dollars to reclaim abandoned strip-minded land and other spending authorizations in the two bills would tap the Treasury for some $400 million to $500 million annually—far too high for the Nixon administration to accept. Mr. Morton wouldn't say, though, whether failure to remove these features risked a presidential veto.

—The Interior Secretary is mulling the value of attempting to lobby against President Nixon's impeachment with members of the House, where he formerly served as a representative from Maryland's Eastern Shore. Mr. Morton said he has "doubts about the wisdom of Cabinet officers . . . trying to twist any arms" on this issue and that he is "tilting away" from such an approach. Nevertheless, he won't make up his mind until he's talked the question over with his "close friend," Vice President Gerald Ford.

As for advice from the White House on impeachment tactics, there hasn't been any, Mr. Morton said.

BACKGROUND ON LEGISLATION FOR THE ELDERLY—PART 2

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, today I am inserting the second part of the informative legislative background study on problems of the elderly prepared by the National Association of Retired Persons and the National Retired Teachers Association into the RECORD. The first portion of this study appeared in the RECORD of August 1, 1974 on pages 26421–26423.

HEALTH

Since the introduction of the Kennedy-Griffiths bill in 1969, an ambitious federal cradle-to-grave plan to cover the entire U.S. population, spiraling health care costs and mounting public concern have induced the Nixon Administration and powerful members of Congress to propose serious alternatives. The prospect of a federally mandated national health plan ensuring adequate and quality health care at equitable costs for all is naturally supported by older persons, who, as a class, face the highest incidence of illness and disability and are least able to pay for necessary services.

However, it is equally apparent that the prospects of a speedy enactment of national health insurance are dim: there are fundamental differences over a comprehensive or incremental approach; the extent of benefits to be provided; the means of delivering those benefits while simultaneously assuring quality controls; the degree of federal involvement; financing and cost-sharing; and the mechanism for delivering catastrophic protection. Thus, any analysis of the proposed legislation must recognize that the elderly will be compelled to accept the inability of the existing programs to provide adequate health care as the debate inevitably continues.

This type of delay is responsible for alternative piecemeal proposals. Wilbur J. Cohen, former HEW Secretary, has said recently that the "sick, disabled, disadvantaged and the poor should not have to wait five or ten more years while we struggle to perfect the mechanism of control and accessibility which is inherent in the proposals of those who criticize an incremental or piecemeal approach."

COMPREHENSIVE MEDICARE REFORM ACT OF 1974 (S. 3154)

Perhaps the most responsive legislation to date is the Comprehensive Medicare Reform Act of 1974. Sponsored by Senator Abraham Ribicoff (D Conn), it recognizes that the elderly in America are not utilizing the full range of health services they need because they simply cannot afford to: last year, Medicare covered only 42% of the personal health care costs of older persons ($1,000 per person). It anticipates changing Medicare from a limited financial program—which at present demands the beneficiary to seek supplemental insurance—to the program originally envisioned: comprehensive health insurance for all older Americans.

Estimated to cost a total of $17 billion annually, the Ribicoff bill will induce approximately $2.5 billion in new costs to the federal budget. The legislation is designed to reverse the present trend of declining Medicare protection and increasing out-of-pocket health care expenses by eliminating the durational limitations on items and services not covered and replacing existing cost-sharing devices with a single system of copayments subject to a catastrophic protection feature related to income.

A unique cost-cutting and abuse-eliminating feature of the bill would require all fees charged to Medicare patients to be predetermined and prenegotiated between representatives of government, medical professions and consumer interests. Public hearings would be required before final fee structures for a particular region could be set. Of particular importance to the elderly is the fact that this legislation does not conflict with existing law and could easily be incorporated into whichever total national health plan Congress will finally enact.

CATASTROPHIC INSURANCE AND MEDICAL ASSISTANCE ACT (S. 2513)

Senators Russell B. Long and Abraham Ribicoff have also proposed the Catastrophic Insurance and Medical Assistance Act. This plan would continue Medicare but under its catastrophic provisions, benefits would begin after an expenditure of $2,000 for medical services covered by Medicare, or after the 60th day of hospitalization. Benefits would be subject to copayments up to $1,000 per family. Its estimated new costs to the federal budget would be $8.9 billion. While it would undoubtedly aid many Americans in the case of catastrophic illness, its impact on the elderly population would be minimal.

Complementing these "incrementalist" approaches are a number of serious proposals advocating a comprehensive approach to the issue of national health insurance. Among the most important are the Administration's Comprehensive Health Insurance Plan (S. 2970—CHIP), the Health Security Act (S. 3, H.R. 22, 23) of Senator Edward Kennedy (D Mass) and Representative Martha Griffiths (D Mich), and the Comprehensive National Health Insurance Act of 1974 (S. 3286) Jointly sponsored by Senator Kennedy and Representative Wilbur Mills (D Ark).

COMPREHENSIVE HEALTH INSURANCE PLAN (CHIP)

The Administration-backed Comprehensive Health Insurance Plan (S. 2970) stresses voluntary enrollment, largely private financing through cost-sharing, a resulting minimal impact on the federal budget and supervision by state rather than federal officials. Within this comprehensive proposal, the Federal Health Care Benefits program would replace Medicare, but this program offers little or no improvement over the existing program.

Of chief concern for the elderly is the resurrection of a 1973 Administration proposal to require older persons to pay more out of their own pockets for short-term hospital stays. The increase in out-of-pocket expenses (approximately $1.2 billion annually) is justified by the Administration on the grounds that CHIP extends benefits to cover outpatient drugs, limited mental health care and would pay all bills above a $750 out-of-pocket limit. Under CHIP, the Medicare patient (now limited to an $84 fee for the first day of hospitalization and nothing for the second through 60th days) would pay a $100 deductible, a separate $50 deductible for outpatient drugs and 20 percent of all medical bills up to the $750 catastrophic protection threshold.

In short, for the average 12-day hospital stay of an older person, Medicare beneficiaries would pay four times as much under the Administration plan than under the existing program. The Administration supports this effect on the basis that it will eliminate over-reliance on hospitalization rather than outpatient care.

HEALTH SECURITY ACT (S. 3, H.R. 22, 23)

Although the Kennedy-Griffiths bill ignores the importance of long-term care provisions for the elderly, older persons will clearly benefit more than under the Administration-backed CHIP. The Kennedy-Griffiths bill provides for complete hospital and medical care without copayments or deductibles. However, its chief drawback is its high impact on the federal budget; it is estimated that there will be at least $60–80 billion in new costs in the first year of operation. On the other hand, CHIP will account for only $5.9 billion in new costs primarily because of the private financing characteristics of the plan: funds would flow from employees and employers to the private insurance industry. At issue is control: both bills expect to cover 70 percent of the nation's health bill ($92.5 billion in 1973). Supporters of the Kennedy-Griffiths bill contend that this money is being spent already; what the bill would do is funnel the money through the federal government, which would regulate it, instead of the private insurance carriers.

THE COMPREHENSIVE NATIONAL HEALTH INSURANCE ACT OF 1974 (S. 3286)

Introduced in April 1974, the Kennedy-Mills bill is similar to the Administration's CHIP plan but includes more liberal provisions for catastrophic coverage and stricter controls over the private insurance industry. To be financed by payroll taxes, comparable taxes on unearned income, state revenues and general revenues, the Kennedy-Mills bill is estimated to cost somewhat more than the CHIP plan.

With respect to the elderly, the Kennedy-Mills measure is an improvement over the CHIP proposal but lacks the comprehensive concern of the Ribicoff Medicare Amendments (S. 3154). While it retains Medicare's basic structure—Parts A and B with provisions for out-of-pocket premiums, deductibles and coinsurance—it envisions the following major changes: (1) provision of outpatient prescription drugs and biologicals for specified chronic conditions subject to a $1 copayment per prescription; (2) elimination of post-hospital requirement for home health services under Part A; (3) elimination of duration limits on in-patient hospital services; (4) elimination of blood deductible; (5) inclusion of catastrophic coverage provision; and (6) provision of an optional long term care program (viewed as separate from the national health insurance program by the sponsors).

The inclusion of catastrophic protection and the elimination of durational limits on in-patient hospital services are important measures; however, the bill has many shortcomings when compared to the provisions of the Ribicoff bill (S. 3154). Due to the haste with which the measure was drafted, it contains significant gaps, among the most important of which are (1) no provision for meeting the out-of-pocket costs of the indigent elderly (now covered under Title XIX); (2) no provision for long term benefits for the elderly in Intermediate Care Facilities; and (3) no provision for coverage of certain medically necessary devices such as eyeglasses, hearing aides, prosthetic devices and walking aids. In addition, the catastrophic provision is not truly comprehensive as it covers only those items and services covered under present law: e.g., after 100 days in a Skilled Nursing Facility, protection would end except for those participating in the new optional long term care program.

HEALTH CARE REORGANIZATION AND FINANCE ACT (H.R. 1)

Another comprehensive approach of some merit is Representative Al Ullman's (D Ore.) Health Care Reorganization and Financing Act. Backed by the American Hospital Association, it would create a national system of health care corporations to deliver comprehensive benefits. It would also create a cabinet-level Department of Health that would aid state health commissions to develop plans to implement the creation of health care areas served by the health care corporations. H.R. 1 would alter but continue Medicare and finance it through Social Security and general tax revenues. Based on income categories determining maximum liabilities before catastrophic protection begins, it too would rely on a copayment structure. Its principal weakness is that it will not be operational until the fifth fiscal year after enactment.

HEALTH MAINTENANCE ORGANIZATIONS (HMO)

The most important action in the health field taken to date was the passage of legislation (S. 14—P.L. 93–000) providing for federal aid in the development of about 100 Health Maintenance Organizations over a five-year period. HMOs, which offer comprehensive health services for an annual or monthly per capita fee, are considered the major alternative to the traditional fee-for-service medical practice. HMO's unique feature is their emphasis on preventive medicine, an in-built incentive to keep the patient well rather than treating him merely when he is ill. This factor allows HMOs to keep medical costs down and numerous studies have shown them to afford greater control of the quality of the health care provided.

SUMMARY

While the Medicare program has undoubtedly benefited older persons, its performance has indicated its inability to provide the full range of health related services required by the elderly, who, while constituting only 10% of the population, account for 28% of the national health care cost. While current proposals to enact total national health insurance plans in part promise some relief, the inevitable delays before adoption constrain older persons to accept the inadequacy of present programs. This factor should be foremost in considering the relative strengths and weaknesses of the legislation now before Congress.

HOUSING AND HUMAN ENVIRONMENT

Although the housing needs of older Americans cannot be divorced from the needs of the total population, the elderly constitute a special and significant component in the stated national goal of "providing a decent home and suitable living environment for every American family" (National Housing Act of 1949). It cannot be stressed enough that housing for older persons must take into consideration the special living environment needs of the elderly, among the most important of which are medical attention and human contact. "Living" must be made possible and as much as institutional settings must be avoided, appropriate and adequate life supportive services should be included in the planning of all federally subsidized projects. John Martin, former U.S. Commissioner on Aging, recently wrote:

"In the past HUD has tended to assume that matters such as the need for homemakers, home health aides, phone reassurance, transportation, meals, recreation, counseling, information and referral, and crime prevention were the responsibility of the tenants and not management. Insofar as housing is built for younger parts of our population, this assumption can perhaps be made. So far as the elderly are concerned, particularly the older elderly, the assumption is mistaken."

Moreover, to reemphasize a point made elsewhere in this paper, the methodology of production and finance is secondary to the adequacy of the commitment: no methodology will produce adequate results with inadequate resources.

Since the housing recommendations of the 1971 WHCoA were made public, the Nixon Administration's record towards meeting the housing needs of older persons has been open to some criticism. After initially promising 70,000 new housing starts for the elderly, all new commitments for subsidized housing programs were halted on January 5, 1973 when the President ordered a moratorium on federal subsidy programs for the elderly (Sec. 202), for homeownership (Sec. 235), rental and cooperative housing (Sec. 236), rent supplements, low-rent public housing and college housing. On March 8, the Administration announced the beginning of a major HUD study to evaluate existing programs for the purpose of developing solid housing policy for the future. In September, the policy recommendations generated by this study were submitted to Congress and the moratorium was lifted on one housing program, Sec. 23, which allowed the rental of an additional 300,000 housing units by HUD from local housing authorities. This commitment constitutes the entire Administration housing budget for fiscal 1975.

The heart of the Administration's recommendations is a rejection of Congressional housing subcommittees' inclination to use new production as the means to upgrade the housing conditions for the nation's poor. Instead, the Administration is considering the adpotion of a sweeping system of cash benefits designed to maximize use of the nation's existing housing stock. This cash payment strategy for low income groups appears to be consistent with the Administration's overall plan to link all types of public assistance to a broader federal system of income maintenance to replace the existing welfare system. Although the cash payment proposal—i.e., "housing allowances"—has merit, its principal drawback is that it delays positive action until late this year or even to 1975. It is a matter of record that the elderly have the least time to wait.

In addition, the Administration's recommendations—i.e., that the problem is the absence of cash and not housing—appear to conflict with the conclusions reached in a two-year HUD financed housing study conducted by the joint Center for Urban Studies of Harvard University and the Massachusetts Institute of Technology. This study found that some 23 million new housing units will be needed in the decade between 1970 and 1980 for families that can "pay their own way"; beyond that, it concluded that in 1970 there were some 13 million families with low incomes deprived of adequate housing. Confronted with statistics such as these, one might ask the value of future cash payments when the commodity for which their use is intended is nonexistent.

The Administration has proposed legislation in another community related area that has possibly serious long-range consequences for the elderly. The Better Communities Act of 1973 (H.R. 7277) would merge seven existing community development categorical programs and finance them with General Revenue Sharing funds with little or no federal controls. In the long view, the BCA's allocation and distribution of funds schedule represents a carefully defined cutback in federal funds in successive fiscal years. It is apparent that the BCA envisions a withdrawal from the current policy of federal assistance to community development. If federal support is diminished as provided for by the allocation schedule, it is evident that local units of government will be forced to raise taxes if they are to continue these programs after the bill lapses. This, of course, would have an odious effect on the elderly homeowner and renter, unless property tax relief is afforded for them.

The Administration's rationale in leaning away from a federal role in the housing business stems from a fundamental dissatisfaction with the past performance of existing programs. An exception to this record is the Sec. 202 direct loan program for housing the elderly.

The principal Administration objection to this highly successful program is its initial high budgetary impact and not the human, managerial or financial success of the projects built under this program. On the other hand, Sec. 235 and Sec. 236 programs have witnessed some major abuses on the part of developers and some public housing projects—in particular, the infamous Pruitt-Igoe disaster in St. Louis—have degenerated into crime-infested slum areas. Although abuses and inefficient, costly mismanagement are present, the total impact of these programs must be weighed. First, Sections 202, 235 and 236 have gone a long way toward providing decent housing for older persons. Second, 39% of all low-rent public housing units are occupied by elderly families or individuals. The question must be asked whether or not the answer to meeting the housing goals of the nation lies in the costly and delay-ridden option of developing totally new programs or in better administering conceptually solid existing ones. The answer may lie somewhere in between, but, nevertheless, what the Administration proposes is no action at all until some time in the vague future.

On the other hand, Congress has developed alternatives in response to the current tendency of the Administration, both in housing and community development. The basic response has been to continue appropriating funds for existing programs in lieu of substantive Administration proposals. These appropriations, within the existing categoricals' structure, reflect Congress' reluctance to abdicate its role to the states—as it would if it unequivocally adopted the "new federalism" approach—in defining and determining measures to achieve national housing and urban development goals.

Congress' response to the Administration is embodied in the $10.4 billion "Housing and Community Development Act of 1974." S. 3066, recently passed by the Senate, calls for $1.7 billion in interim funds to keep present programs in operation until the new ones take effect. The remainder of the $10.4 billion will be used for various housing subsidy programs (among which are the Sec. 235 and 236 programs but with safeguards to avoid previous scandals), public housing and the new community development block grants. The latter would accomplish essentially the same thing as the Administration-backed BCA but requires localities to submit detailed and acceptable four-year plans to the federal government before funds would be allocated. In short, the bill maintains the concept of federal control of federal expenditures in contrast to the President's revenue sharing concept.

Amended to the omnibus housing bill is S. 2179, a bill introduced by Senator Harrison Williams (D NJ) which resurrects the Sec. 202 direct loan program for housing the elderly but in an altered, more fiscally acceptable version. It would establish a revolving fund operating outside the regular federal budget and financed entirely by U.S. Treasury notes: an off budget capital account—of the type already in use by the Department of Defense in some of its programs, it will not appear as a deficit in fiscal transactions. It retains the same building specifications which made the Sec. 202 projects so successful. In its present form, it is essentially a demonstration program to test the validity of the new financing mechanism: earlier last year, a report to Congress from the General Accounting Office stated that nearly $2.2 billion in savings over the next five years could occur if current subsidized housing programs were by direct federal loans instead of the present interest-subsidy approach.

While the revitalized Sec. 202 program will provide some housing relief for the elderly, other action is urged to ensure that older persons are not further neglected. To accomplish this, it is recommended that a percentage set-aside be established for providing housing specifically designed to meet the needs of the elderly within the various housing programs.

SUMMARY

It is increasingly evident that the only way the nation can meet its stated housing goals is to recognize that it will be expensive. Moreover, action is demanded now. To delay action in the name of providing alternatives for the future is a cruel form of neglect when the elderly are concerned. Existing programs that provide for housing production must continue to be funded: numerous studies point out that the problem is an absence of housing, not cash. But, as mentioned earlier, although the production of housing is a laudable endeavor, attention must be directed towards providing those projects intended specifically or substantially for elderly occupancy to include more community related services as well as the critical life supportive services required by older persons. In short, a national policy for housing the elderly must afford the elderly an opportunity to "live."

WOMEN'S EQUALITY DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 5 minutes.

Ms. ABZUG. Mr. Speaker, today I am introducing a House resolution designating August 26 as "Women's Equality Day," which is similar to the bill, House Joint Resolution 52, passed by this body last year and signed into law.

August 26 marks the day women won the right to vote, and in this 54th anniversary year, I believe it is the duty of this Congress to recognize the long hard struggle of the women's movement for this basic right. August 26 symbolizes women's struggles, both past and present, and in the past few years it has become a rallying point for women around the country who gather in meetings, large and small, to voice their grievance. Last year in Washington alone, hundreds of women gathered at the two local rallies to discuss such topics as job discrimination, lack of adequate day-care facilities for working mothers, credit discrimination, professional recognition and promotion, accessibility of birth control information, and equal representation in political institutions from the local level to this Congress. These are not issues that concern just one political party, religion, class, or ethnic group. They concern every woman, every man, and should concern this House today.

I would like to assure my colleagues that we women are not deluding ourselves that a mere declaration of a special day will wipe out discrimination. We know this is a continuing struggle. We also know that it is only when women organize politically that the full potential of their power can be felt.

A few years ago, when women began to organize politically for the first time since winning the vote, we were scoffed at. The women's movement was described as a fad, a craze of bra-burners and kooks. Personally, I have never seen a bra burned. But we have proven that our movement is not a fad. It is a movement that appeals to women in every walk of life, because our goal is simple; it as a fight for equal rights for all people, not just half of the people.

But a national holiday is meaningless unless there is something to celebrate, and our victories have been too few and far between. This year, 33 of the needed 38 States have ratified the equal rights amendment. This year, numerous sex-discrimination amendments have been added to major pieces of legislation. But this year, still more bills equalizing pay, social security rights, credit availability, and other benefits remain in committee. I believe 1974 should be the year to create a national day that recognizes the progress women have made, but also realizes what inequities still exist. And this year should be the year that both sexes undertake the necessary steps to obliterate these inequities forever. But I believe it is important to give special recognition to the meaning with which the date August 26 has been imbued and to make this symbolize a congressional commitment to equality for American women.

U.S. DISTRICT COURT RESTRICTS NIXON POWER OF IMPOUNDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 10 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, I am elated to call to the attention of my colleagues a landmark decision which has just been issued by Judge June Green in U.S. District Court for the District of Columbia.

In her order signed July 30 and released today, Judge Green has ruled in Rooney against Lynn, et al., that the water and sewer facilities program of grants to assist local governments to develop basic water and sewer systems, arbitrarily terminated by action of the Office of Management and Budget and the Department of Housing and Urban Development in January of 1973, be reactivated, that $400 million impounded since that time be released, and that HUD accept and process all applications from local governments throughout the United States.

The decision is vitally significant to the congressional appropriations process because it marks the first time a court has ever found that the President, through OMB, cannot legally place in reserve, or impound, any funds contained in permanent appropriations. Judge Green ruled that the OMB practice of placing permanent appropriations funds in reserve is "in contravention of the Appropriations Act" which states that funds "are to remain available until expended."

Further, and also of critical importance to the Congress in asserting its coequal status in our system of government, the court found that I, as a Member of Congress, possessed the requisite standing in that my vote in the House of Representatives in support of the water and sewer facilities program was nullified by the actions of OMB and HUD in terminating this program.

The court's order also specifies that while the Secretary of HUD has discretion in determining whether to make a particular new grant award on the basis of the merits of the individual application, there is no statutory authority to exercise that discretion in a manner "calculated to obligate none of the funds."

I think it is clear, Mr. Speaker, that the entire Congress is the victor in this decision. We have here an interpretation of existing law which recognizes that the Congress, in fact, has greater authority in the budget process than we sought to assert in the Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344.

It is significant, too, that the court ruled that this case "is factually distinguishable from and therefore not controlled by" the housing suit, Pennsylvania against Lynn, in which the U.S. District Court of Appeals last week upheld the Nixon administration's suspension of major Federal housing subsidy programs. The distinction is that my suit challenged the administration's abandonment of the water and sewer program for fiscal reasons, while the appeals court found the housing programs were terminated because the administration determined they were not achieving their intended purposes. In the Housing case, the appeals court decision thus avoided the issue whether the President has the authority to impound.

I invite the attention of my colleagues to the court order and findings of fact and conclusions of law in this case and ask unanimous consent that it be printed in the RECORD at this point.

[U.S. District Court for the District of Columbia, Civil Action No. 2010-73, Filed Jul 30 1974]

The Honorable Fred B. Rooney, et al., Plaintiffs, versus James T. Lynn, et al., Defendants.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

FINDINGS OF FACT

1. Plaintiff Fred B. Rooney is a member of the House of Representatives, United States Congress. Plaintiff Rooney represents the 15th Congressional District of Pennsylvania.

2. Plaintiffs Borough of Freemansburg, Borough of Hellertown, Township of Lower Saucon, Borough of Nazareth and Township of South Whitehall are municipalities organized and existing under the laws of the State of Pennsylvania, Plaintiff Rooney's constituents reside in these boroughs and townships. Each of these borough and township plaintiffs has filed a grant application under the Basic Water and Sewer Facilities Grant Program (Section 702 of the Housing and Urban Development Act of 1965, 42 U.S.C. § 1302(a)) (Program).

3. Defendant Roy L. Ash is the Director of the Office of Management and Budget (OMB).

4. Defendant James T. Lynn is the Secretary of Housing and Urban Development (HUD).

5. By Public Law 93-135 (87 Stat. 483), Congress appropriated $400,000,000 for grants authorized by Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. § 3102), to be derived from the unexpended balance of amounts appropriated in Public Law 92-73 and continued by Public Law 92-339, "to be available until expended". (Appropriations Act).

6. Under the Program, the Secretary of HUD is authorized to make grants to local communities for the development of basic water and sewer facilities.

7. The Secretary of HUD announced that effective January 5, 1973, HUD was terminating the processing of applications and the approval of grant commitments under Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. § 3102). Thereafter, Secretary Romney stated that he had ordered a "temporary holding action" on new commitments pending enactment of the proposed Special Revenue Sharing Program, since designated the Better Communities Act. (See S. 1743, H.R. 7277, 93d Cong., 1st Sess. (1973)).

8. The decision to temporarily suspend grant commitments for the Basic Water and Sewer Facilities Program for Fiscal Year 1974 was also based upon the following considerations, according to the Affidavit of Paul H. O'Neill, Associate Director for Human and Community Affairs, OMB:

"(a) Given the existing scarcity of available Federal Resources, and in light of the fact that provision of water and sewer facilities has historically been strictly a local government responsibility, the provision of water and sewer facilities was not deemed to be an appropriate use of Federal dollars:

"(b) Federal grants are not necessary to finance necessary water and sewer facilities, as such facilities can and usually are financed through local user charges, and sewer systems have nationally yielded a profit to municipalities; and

"(c) Even if all funds under the program were utilized, the program could assist only about eight per cent of eligible applicants."

9. While the Secretary of HUD ordered a termination of the processing of applications and approval of new grant commitments, the Department continued to honor all commitments made prior to January 5, 1973. HUD requested, and OMB apportioned $100,000,000 on January 29, 1973, for Program use in Fiscal Year 1973. HUD approved grant reservations of $98,441,163 in Fiscal Year 1973. HUD requested, and OMB approved, an apportionment of no dollars for Program use in Fiscal Year 1974.

10. OMB has "reserved" for savings approximately $401,000,000 appropriated by Congress for grants authorized by Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. § 3102), pursuant to the Anti-Deficiency Act (31 U.S.C. § 665(c)). This section and the reasons therefor were reported pursuant to the Federal Impoundment and Information Act, as amended. 38 Fed. Reg. 19582-83, 19594 (July 20, 1973).

It stated, in pertinent part, that:

"Existing tax laws and the statutory limitation on the national debt are not expected to provide sufficient funds in the current and ensuing fiscal years to cover the total of all outlays in these years contemplated by the individual acts of Congress."

11. After the termination of the Program, Congress took the following steps to secure resumption of processing applications for the Program:

(a) The House of Representatives Appropriations Committee directed that the unobligated funds for water and sewer grants be carried forward and that the Program be reactivated. (H.R. Rep. No. 275, 93d Cong., 1st Sess. 72-3 (1973)).

(b) The House of Representatives on June 15, 1973, passed a bill reappropriating all the impounded funds for the Program. (H.R. 8619, 93d Cong., 1st Sess. (1973)).

(c) the Senate Appropriations Committee concurred with the House directive that the unobligated funds be carried forward and the Program be reactivated. (S. Rep. No. 253, 93d Cong., 1st Sess. 50-51 (1973)).

(d) the Senate on June 28, 1973, passed H.R. 8619, *supra*, which reappropriated funds for the Program.

(e) H.R. 8619 was signed into law by the President on October 24, 1974. It became Pub. L. 93-135.

12. The defendants' actions (Lynn by continuing the termination of the Program, and Ash by reserving all the appropriated funds for the Program), prevent the plaintiff boroughs and townships from having their applications received, reviewed or funded under the Program.

CONCLUSIONS OF LAW

1. The Court has jurisdiction of this matter under 28 U.S.C. §§ 1331, 1361, 2201 and 5 U.S.C. §§ 701-706.

2. Plaintiff boroughs and townships possess the requisite standing to maintain the action because they are potential beneficiaries under the Program. *Pennsylvania* v. *Lynn*, 362 F.Supp. 1363 (D.D.C. 1973), *rev'd. on other grads.* ——— F. 2d ——— (D.C. Cir., decided July 19, 1974).

3. Congressman Fred B. Rooney possesses the requisite standing in his capacity as a member of Congress to maintain this action. The termination of this Congressionally authorized and funded program nullified his vote as a member of Congress and substantially affected his ability to represent his constituents. *Kennedy* v. *Sampson*, 364 F. Supp. 1075 (D.D.C. 1973); *Mitchell* v. *Laird*, 488 F.2d 611 (D.C. Cir. 1973), *reh, en banc denied* (1973).

4. The Court initially concludes that this case is factually distinguishable from and and therefore not controlled by *Pennsylvania* v. *Lynn, supra*. In the case at bar, the Program was terminated for *fiscal*, non-"program related" reasons (See Findings 6, 7, 9, *supra*), and Congress had *clearly* indicated its desire to reactivate the Program. (See Finding 10, *supra*).

CONCLUSIONS OF LAW AS TO HUD

5. Section 702 of the Housing and Urban Development Act of 1965, as amended (42 U.S.C. § 3102), provides in pertinent part that the Secretary "is authorized to make grants to local public bodies or agencies to finance specific projects for basic public water or sewer facilities. . . ."

6. To make such a grant, the Secretary must determine that a project is necessary, will contribute to the community's health and living standards, and that the project is designed for reasonably foreseeable growth needs, consistent with a program meeting the Secretary's criteria for a unified or coordinated areawide water or sewer facilities system, and that it is necessary for orderly community development. 42 U.S.C. 3102(c).

7. Based upon the National Housing policy of the United States as established in the 1949 Housing Act, 42 U.S.C. § 1441(a), the 1965 HUD Act, 42 U.S.C. § 3102 and legislative history, *supra*, there is an affirmative obligation on the part of the Secretary of HUD to administer the Program. This means receiving and reviewing grantee applications and funding those which the Secretary deems, in his judgment, meet the requirements of 42 U.S.C. § 3102 and applicable regulations.

8. While the Secretary of HUD continues

to exercise his discretion in determining whether to make a particular new grant award on the basis of the merits of the individual application, there is no statutory authority to exercise that discretion in a manner calculated to obligate none of the funds appropriated by Congress for new awards in Fiscal Year 1974.

9. The continued authorization and appropriation of funds for the Program and its legislative history mandate that the Program be operative. The Secretary's failure to carry out the Congressional mandate is an abuse of discretion.

10. This Court concludes that, pursuant to the provisions of Section 702 of the Housing and Urban Development Act of 1965, Pub. L. 89-117, 42 U.S.C. § 3102, the Secretary of HUD is obligated to expeditiously process the applications of plaintiffs, the Borough of Freemansburg, the Borough of Hellertown, the Township of Lower Saucon, the Borough of Nazareth, and the Township of South Whitehall for grants for basic water and sewer facilities on the basis of the statutory and regulatory criteria governing his evaluation of such applications.

CONCLUSION OF LAW AS TO OMB

11. Under the Anti-Deficiency Act, 31 U.S.C. 665(c), the language in the Appropriations Act "to remain available until expended" is considered an appropriation of funds not limited to a definite period of time, and as such they *"shall be so apportioned as to achieve the most effective and economical use thereof"*. (*Emphasis added*).

12. Apportionment does not mean expenditure; it means the amount that is available for obligation.

13. The Director of OMB has placed the entire appropriation for the water and sewer program in "reserve". (38 Fed. Reg. 19594 (July 20, 1973)). "Reserve" is described by the OMB as identifying "amounts *not available* for obligation". (OMB Instructions on Budget Execution, Circular A-34, at 20, Sec. 42.7 (July 1971)). *Emphasis added*).

14. The OMB description of the word "reserve" as identifying "amounts which are not available for obligation" is in contravention of the Appropriations Act which states that the ". . . funds are to be available until expended", and in contravention of the Anti-Deficiency Act which states that such funds are not limited to a definite period of time within which to be apportioned.

15. Therefore, the total "reserving" of all appropriated funds for the Program violates the Anti-Deficiency Act, OMB's own guidelines and the Appropriations Act.

JUNE L. GREEN,
U.S. District Judge.

[U.S. District Court for the District of Columbia, Civil Action No. 2010-73, July 30, 1974]

The Honorable Fred B. Rooney, et al., Plaintiffs, versus James T. Lynn, et al., Defendants.

ORDER

This matter having come before the Court on the plaintiffs' Motion for Summary Judgment, and the defendants' Motion to Dismiss, or in the Alternative for Summary Judgment, and the Court having considered the record and the motions and oppositions of the respective parties, and having heard oral argument on the matter and being fully advised in the premises, it is this 30th day of July 1974,

Ordered that the Motion to Dismiss or for Summary Judgment of defendant, James T. Lynn, Secretary of Housing and Urban Development (HUD) is hereby denied;

That the Motion to Dismiss or for Summary Judgment of defendant, Roy L. Ash, Director of Office of Management and Budget (OMB) is hereby denied;

That plaintiffs' Motion for Summary Judgment is hereby granted; and it is

Further ordered:

(1) That defendant Ash, Director of OMB, release from reserve and apportion the appropriated funds for the Grants for Basic Water and Sewer Facilities Program in a manner which, in his judgment, is their most effective and economical use in the accomplishment of the Program and in conformity with the Anti-Deficiency Act, 31 U.S.C. § 665; and

(2) That defendant Lynn, Secretary of HUD, expeditiously consider the applications of plaintiffs herein, on the basis of the statutory and regulatory criteria governing the Secretary's evaluation of applications for the Grants for Basic Water and Sewer Facilities Program authorized by Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. § 3102); and

(3) That defendant Lynn, Secretary of HUD, reactivate the Grants for the Basic Water and Sewer Facilities Program by accepting and processing *all* applications from local communities for such grants and by awarding grants to those applicants, who in his judgment, best meet the requirements of Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. § 3102).

JUNE L. GREEN,
U.S. District Judge.

FEDERAL ELECTIONS CAMPAIGN ACT AMENDMENTS

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, when the House considers H.R. 16090, the Federal Elections Campaign Act amendments, three colleagues and I intend to offer an amendment dealing with public financing of congressional elections. I am proud to be joined in this effort by my good friends, Mr. FOLEY, Mr. ANDERSON of Illinois, and Mr. CONABLE, with active support from 38 colleagues on both sides of the aisle.

This limited amendment will establish a matching payment system for congressional general elections which will be financed out of the "dollar checkoff" fund already provided in this legislation for Presidential elections.

So that our colleagues may be fully aware of the details of this proposal, the text of the amendment follows:

CONGRESSIONAL MATCHING PAYMENT AMENDMENT

On page 78, line 4, add the following new Section 409, and renumber the existing Sections 409 and 410 to become Sections 410 and 411.

CONGRESSIONAL MATCHING PAYMENT ACCOUNT

SEC. 409. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by substituting the following new Subtitle H:

"Subtitle H. Financing of Federal Election Campaigns."

(b) The analysis of chapters at the beginning of subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Chapter 98. Congressional Matching Payment Account."

(c) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new chapter:

"Chapter 98—CONGRESSIONAL MATCHING PAYMENT ACCOUNT

"SEC. 9051. SHORT TITLE

"This chapter may be cited as the 'Congressional Matching Payment Account Act.'

"SEC. 9052. DEFINITIONS

"For purposes of this chapter—

"(1) 'authorized committee' means the principal campaign committee of a candidate for federal office as designated under Section 302(f) of the Federal Election Campaign Act of 1971;

"(2) 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance or deposit of money, or a contribution of products or services;

"(3) 'eligible candidate' means a candidate for election to federal office who is eligible under section 9053, for payments under this title;

"(4) 'Federal office' means the federal office of Senator, or Representative;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office;

"(6) 'matching account' means the Congressional Matching Payment Account established under section 9057;

"(7) 'official political party committee' means a political committee organized by the House or Senate members of any political party having more than 15 percent of the membership of either the House of Representatives or Senate of the United States and designated as an official political party committee by the appropriate House or Senate caucus of the political party;

"(8) 'qualified campaign expenses' means only those campaign expenses incurred in behalf of a candidate for the use of:

"(i) broadcasting stations to the extent that they represent direct charges for airtime;

"(ii) newspapers, magazines and outdoor advertising facilities to the extent that they represent direct charges for advertising space;

"(iii) direct mailings to the extent that they represent charges for postage; and

"(iv) telephones to the extent that they represent lease and use charges for equipment.

Provided, That qualified campaign expenses shall not include any payment which constitutes a violation of any law of the United States or of the state in which the expense is paid or incurred.

"(9) 'Representative' means a Member of the House of Representatives, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

"SEC. 9053. ELIGIBILITY FOR PAYMENTS

"(a) To be eligible to receive any payments under section 9057 for use in connection with his general election campaign, a candidate shall certify to the supervisory officer that the candidate is the nominee of a political party for election to the federal office of Representative or Senator or is otherwise qualified on the ballot as a candidate in the general election for such office, and he and his authorized committees have received contributions for that campaign in the amount of 10 percent of the maximum amount he may spend in the general election under section 608(c): *Provided*, That no candidate in the general election for the office of Senator need raise more than $50,000.

"(b) To be eligible to receive any payments under section 9057 for use as campaign contributions an official political party committee shall have its chairman certify to the supervisory officer its status as an official political party committee.

"(c) In determining the amount of contributions received for purposes of subsection (a) and of Section 9054(a)—

"(1) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) no contribution from any person shall be taken into account (a) in the case of a candidate to the extent that it exceeds $50 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his election campaign; and (b) in the case of an official political party committee to the extent that it exceeds $50 in a given calendar year when added to the amount of all other contributions made by that person to the official political party committees of a given political party during the calendar year.

"(3) no contribution from any person shall be taken into account unless the recipient submits to the supervisory officer at such times and in such form as the supervisory officer may require, a matching payments voucher. Such voucher shall include the full name of any person making a contribution together with the date, the exact amount of the contribution, the complete address of the contributor and such other information as the supervisory officer may require.

"(4) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, to the extent that it was received prior to three months before the special general election is held.

"(5) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received by a candidate or his authorized committee in pursuit of an unsuccessful attempt to obtain his party's nomination for the federal office being sought,

"(d) Certification under this section shall be filed with the supervisory officer at the time required by the supervisory officer.

"SEC. 9054. ENTITLEMENT TO PAYMENTS

"(a) Every eligible candidate and official political party committee is entitled to payments in an amount which is equal to the amount of contributions received by that candidate or official political party committee, subject to the provisions set forth in Section 9053.

"(b) Notwithstanding the provisions of subsection (a), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of any other payments made to him under this section exceeds the amount of thirty-three percent of the expenditure limitation applicable to him for his general election campaign under section 608(c).

"(c) Notwithstanding the provisions of subsection (a), no candidate shall be entitled to receive any payments under this section prior to the date on which the nominating process is complete in the candidate's state for the federal office being sought in the general election, provided that in no event shall any funds be paid to any candidate prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, prior to three months before the special general election is held.

"(d) Notwithstanding the provisions of subsection (a), no official political party committee is entitled to receive in a given calendar year an amount in excess of $1 million when added to the amounts received by all other official political party committees of that political party during the calendar year.

"(e) No campaign contributions made by an official political party committee to a Congressional candidate shall be eligible to be matched by the candidate with funds otherwise available under this chapter to the candidate.

"SEC. 9055. LIMITATIONS

"(a) No candidate and his authorized committee who receive payments under this chapter shall use these funds except for qualified campaign expenses incurred for the period set forth in Section 9054(c).

"(b) No official political party committee which receives funds under this chapter shall use those funds except for purposes of making general election campaign contributions to Congressional candidates.

"(c) All payments received by a candidate or official political party committee under this chapter shall be deposited in a separate checking account at a national or state bank designated by the candidate or official political party committee and shall be administered by the candidate or the candidate's principal campaign committee or by the official political party committee. No expenditures of any payments received under this chapter shall be made except by checks drawn on this separate checking account at a national or state bank. The supervisory office may require such reports on the expenditures of these funds as it deems appropriate.

"(d) Notwithstanding any other provision of this chapter, no more than 100 percent of the allowable spending limit for a given candidate in a general election under Section 608(c), shall be paid under this chapter to all eligible candidates in that race; provided that the Secretary of the Treasury, in seeking an equitable distribution of such funds shall make such distribution in the same sequence in which such certifications are received pursuant to Section 9056.

"SEC. 9056. CERTIFICATIONS BY SUPERVISORY OFFICER

"(a) After a candidate or official political party committee establishes its eligibility under section 9053 and subject to the provisions of Section 9054, the supervisory officer shall expeditiously certify from time to time to the Secretary of the Treasury for payment to each candidate or official political party committee the amount to which that candidate or official political party committee is entitled.

"(b) Initial certifications by the supervisory officer under subsection (a), and all determinations made by it under this chapter, shall be final and conclusive, except to the extent that they are subject to examination and audit by the supervisory officer under section 9058 and judicial review under section 9060.

"SEC. 9057. PAYMENTS TO ELIGIBLE CANDIDATES

"(a) The Secretary of the Treasury shall establish and maintain an account known as the Congressional Matching Payment Account. The funds in this Matching Account shall be available for payment to any candidate or official political party committee eligible to receive payments under section 9053. The Secretary shall deposit in a Presidential election year into the Matching Account the excess amounts available under Section 6096, after the Secretary determines and allocates the amounts required in that Presidential election year in accordance with sections 9006, 9008 and 9037.

"In each of the two years following a Presidential election, the Secretary shall deposit into the Matching Account that portion of the annual amounts designated by taxpayers under section 6096 that equals the excess above twenty-five percent of the total amount made available in the last Presidential election in allocating funds under sections 9006, 9008 and 9037. The monies in the Matching Account shall remain available without fiscal year limitation.

"(b) Upon receipt of a certification from the supervisory officer under section 9056, and subject to the provisions of sections 9053, 9054, and 9055, the Secretary of the Treasury shall promptly pay the amount certified by the supervisory officer from the Matching Account to the candidate or official political party committee to whom the certification relates.

"(c) If on June 1 of any election year the Secretary determines that the funds deposited in the Matching Account pursuant to paragraph (a) amount to less than 100 percentum of the maximum aggregate entitlement for such election, he shall, notwithstanding any other provision of this Chapter, limit payments to each candidate to an amount which bears the same ratio to the maximum entitlement of such candidate as the amount of funds in the Matching Account bears to the maximum aggregate entitlement.

"(d) For the purpose of this section—

"(1) 'maximum entitlement' means the total amount of payments which may be received by a candidate subject to the limitation of section 9054 (b); and

"(2) 'maximum aggregate entitlement' means an amount which is the product of two and the sum of the maximum entitlements for each Federal office for which an election is to be held.

"(e) No payment shall be made under this chapter to any candidate for any campaign in connection with any election occurring before October 31, 1976 or to any official political party committee before June 1, 1976.

"SEC. 9058. EXAMINATION AND AUDITS; REPAYMENTS

"(a) After each general election, the supervisory officer shall conduct a thorough examination and audit of all candidates for Federal office and official political party committees with respect to the funds received and spent under this chapter.

"(b)(1) If the supervisory officer determines that any portion of the payments made to an eligible candidate or official political party committee under section 9057 was in excess of the aggregate amount of the payments to which the recipient was entitled, it shall so notify that recipient and the recipient shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the supervisory officer determines that any portion of the payments made to a candidate under section 9057 for use in his general election campaign was used for any purpose other than for qualified campaign expenses in connection with that campaign, the supervisory officer shall so notify the candidate and the candidate shall pay an amount equal to that amount to the Secretary.

"(3) If the supervisory officer determines that any portion of the payments made to an official political party committee under section 9057 were used for any purpose other than to make general election campaign contributions to Congressional candidates, the supervisory officer shall so notify the official political party committee and the official political party committee shall pay an amount equal to that amount to the Secretary.

"(4) Amounts received by a candidate under this chapter may be retained for thirty days after the general election for the purpose of liquidating all obligations to pay qualified campaign expenses which were incurred for the period set forth in section 9054(c). After the thirty-day period following the election, all remaining federal funds not yet expended on qualified campaign expenses shall be promptly repaid by the candidate to the Matching Account.

"(5) If the supervisory officer determines that any candidate who has received funds under this chapter, is convicted of violating any provision of this chapter, the supervisory officer shall notify the candidate and the candidate, shall pay to the Secretary of the Treasury the full amount received under this chapter.

"(6) No payment shall be required from a candidate or official political party committee under this section in excess of the total amount of all payments received by the candidate or official political party committee under section 9057.

"(c) No notification shall be made by the supervisory officer under subsection (b) with respect to a campaign more than three years after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Matching Account.

"Sec. 9059. Reports to Congress

"(a) The supervisory officer shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the supervisory officer deems necessary) incurred by a candidate and his authorized committees, and by each official political party committee, who received any payment under section 9057.

"(2) the amounts certified by it under section 9056 for payment to each candidate and his authorized committees and each official political party committee; and

"(3) the amount of payments, if any, required from that candidate or official political party committee under section 9058, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a House or Senate document.

"Sec. 9060. Judicial Review

"(a) Any agency action by the supervisory officer made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the supervisory officer for which review is sought.

"(b) Review Procedures—The provisions of Chapter 7 of Title 5, United States Code apply to judicial review of any agency action, as defined in Section 551 (13) of Title 5, United States Code.

"Sec. 9061. Unlawful Use of Payments

"It shall be unlawful for any person who receives payment under this chapter or to whom any portion of such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than for the specific purposes authorized by this chapter.

"Sec. 9062. False Statements

"It shall be unlawful for any person knowingly and willfully to furnish any false, fictitious or fraudulent evidence, books or information to the supervisory officer under this chapter or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books or information relevant to a certification by the supervisory officer.

"Sec. 9063. Kickbacks and Illegal Payments

"It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received under this Chapter or in connection with any expenditures of payments received under this chapter.

"Sec. 9064. Penalty for Violations

"(a) Any knowing and willful violation of any provision of this chapter is punishable by a fine of not more than $25,000, or imprisonment for not more than one year, or both."

CHANGES IN FAA REGULATIONS FOR TRANSPORTATION OF RADIOACTIVE MATERIAL ON AIRCRAFT

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, for the information of the House, I would like to announce that the Atomic Energy Commission has recommended changes in FAA regulations governing the transportation of radioactive materials on passenger aircraft. The recommended changes are the result of a series of studies of the past 16 months to evaluate the adequacy of existing regulations.

The AEC on Wednesday, July 31, issued the following press release on its recommendations:

AEC Recommends Changes in Regulations on Transporting Radioactive Materials on Aircraft

The Atomic Energy Commission's Regulatory staff today forwarded to the Federal Aviation Administration recommended changes in some FAA regulations governing the transportation of radioactive materials on passenger aircraft.

If adopted by FAA, the proposed changes would (1) reduce by one-half the maximum radiation level at any single seat on a passenger flight from packages of radioactive materials; (2) limit the maximum radiation exposure rate from any single package of radioactive material to less than one-third the current allowable rate on passenger flights; and (3) prohibit from passenger flights "unnecessary" shipments of radioactive materials.

Last year there were about 800,000 domestic shipments of radioactive materials of which approximately 75 percent were carried by air. Ninety-five percent of the airborne shipments contained radioisotopes used for medical diagnostic and therapeutic purposes in hospitals and doctors' offices throughout the country.

The AEC, in cooperation with the FAA and the Department of Transportation, has conducted a series of studies over the past 16 months to evaluate the adequacy and effectiveness of existing regulations. Based on the studies, the AEC believes the proposed changes in regulations can be implemented without limiting the shipment of medical radioisotopes.

Radiation levels would be cut in half either by using predesignated areas in cargo compartments for carrying limited amounts of radioactive materials or by specifying minimum separation distances between the floors of passenger compartments and the nearest surface of the packages. The external radiation dose rate of packages would be reduced by limiting the "Transportation Index" (TI) of any single package to 3 TI instead of 10 TI (one TI equals a radiation level of one millirem per hour at three feet from the surface of the package).

Shipments of radioactive materials which would be banned from passenger aircraft as "unnecessary" are those with radioactive yellow–III labels with the exception of radiopharmaceuticals and of radionuclides having half-lives of 30 days or less. Packages marked with radioactive yellow–III labels are those with more than 10 millirems per hour of radioactivity at the surface of the package and more than 0.5 millirems per hour at three feet.

Among the shipments prohibited would be radioactive sources such as iridium–192 used in industrial radiography. It was an improperly packaged source of iridium–192 which led to the exposure to unnecessary radiation of passengers on two passenger flights early last April.

CORRECTIONS IN H.R. 69

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, on Monday I will move that the House suspend the rules to agree to a House concurrent resolution which will correct certain clerical errors made in the conference report on H.R. 69. I would now like to take a minute to describe those corrections.

The first correction will be to add two subsections to the State program for the handicapped under title I of the Elementary and Secondary Education Act. Those subsections were adopted in an identical form by both the House and the Senate but through error were deleted from the conference report as it was filed.

The second correction will be to insert the correct references to a title of the bill which is being amended by section 252 of the bill. This correction has no substantive effect.

The third correction will be to strike "Office" from a section dealing with the Bureau for the Education of the Handicapped in the U.S. Office of Education. This correction also has no substantive effect.

Mr. Speaker, I have deleted from the concurrent resolution which I am going to bring up on Monday two sections which appear in the House Concurrent Resolution 570, which I tried to bring up before the House last Wednesday after the adoption of the conference report on H.R. 69. One of those corrections dealt with the impact aid program, and the other correction dealt with the Equal Educational Opportunity Act. After checking the enrolled bill, we discovered that those two errors did not appear in the enrolled bill although they did appear as printing errors in the conference report as it was printed and distributed. Since they did not appear in the enrolled bill as errors, they are not necessary to correct.

The text of the concurrent resolution follows:

H. Con. Res. —

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, is authorized and directed to make the correction described in the following sentence. Immediately after subsection (b) of section 121 of title I of the Elementary and Secondary Education Act of 1965, which is added by section 101(a)(2)(E) of the bill, insert the following:

"(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c)."

SEC. 2. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence. In section 252 of the bill, strike "Title IV" and insert in lieu thereof "Title V".

SEC. 3. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence. In the title of section 612 of the bill, strike out *"Office"* and insert in lieu thereof *"Bureau"*.

UNETHICAL BEHAVIOR OF MOBIL OIL CORP.

(Mr. TIERNAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. TIERNAN. Mr. Speaker, I am today condemning on the floor of the House of Representatives, the blatantly unethical behavior of the Mobil Oil Corp. and I am calling for an immediate investigation into its activities by both the Federal Trade Commission and the Federal Energy Administration.

During the last few months, Mobil has subjected the American people to a barage of advertisements stressing the need for energy conservation in industry, at home, and on the road. They have incorporated into these ads a lot of nonsense stating in no uncertain terms that Mobil Oil Corp. desperately wants America to use less gasoline.

Ordinarily such efforts, albeit suspicious conduct for a gasoline company, would be laudable. However, I have conclusive proof that simultaneous to conducting this public relations gambit, Mobil Oil Co. has been pressuring a constituent of mine to sell more gasoline, complete with veiled threats to his ownership of the station if he did not comply.

How can a company which admits the energy crisis will be with us for a long time, which paternally delates that "the American public must develop a new national ethic with respect to the use of energy," be surreptitiously pushing for increased sales? How can this be?

Mobil Oil Co. has on the one hand advertised their commitment to energy conservation while on the other has pushed for higher gasoline sales. Mr. Roger W. Sank, acting assistant administrator of the FEA, explained to my office that such actions were "contrary to the whole spirit expressed to us." I categorize such behavior as clearly dichotomous, hypocritical and unethical. Mobil is egregiously insulting the intelligence of the American people and guilty of unquestionable moral laxity.

Included for the RECORD is the letter sent to one of my constituents by Mobil. His name and any possibly revealing statistics have been deleted for his protection. I would also like to mention for the RECORD that he is an independent dealer, and that I will personally take care that Mobil takes no vengeful action against him.

In conclusion I ask my colleagues in the House and Senate to juxtapose this letter to a number of Mobil's energy conservation advertisements, also included. Does this seem like ethical behavior to you? Does a dealer, in light of this Nation's energy woes, have "an obligation to Mobil" to sell more gasoline? I think not; and condemn Mobil accordingly. I am axiously awaiting the results of investigations into Mobil's advertising practices and its relationships with independent dealers.

The material follows:

MOBIL OIL CORP.,
Wethersfield, Conn., July 1974.

DEAR ———: Your monthly gasoline allocation is based on historical factors and proven growth at your location. The allocation for the months of May and June at your location were ——— gallons and ——— gallons respectively. Your total purchases for these two months were ——— gallons or ——— gallons short of what you could have purchased.

You have a very important obligation to your customers, to yourself and to the Mobil Oil Corporation to sell the full allocation available to you each month. Your Marketing Representative ——— has discussed various actions which you could take that would enable you to make your full allocation available to the consuming public. Within the next few days ——— will again review with you our recommendations to eliminate the operational shortcomings and help you fully use the allocation to which you are entitled.

If you have any questions regarding your allocation or our recommendation to fully utilize the allocation you are entitled to, please do not hesitate to discuss them with ——— or ——— your Area Manager, or myself.

Very truly yours,
R. R. SPIOTTA,
District Manager, Connecticut/
Rhode Island District.

[This ad appeared in the New York Times on December 13, 1973]

A FEW REASONS FOR CONSERVING PETROLEUM

Besides fueling our furnaces and cars, petroleum is an essential raw material for an endless list of things. Without these things, we wouldn't eat or play or live very well. And if the industries that make them slow down, many of us won't have jobs. So conserve.

MOBIL.

[This ad appeared in the New York Times on November 29, 1973]

WE MAKE MORE BY USING LESS

This weekend, many a homeowner will be tracking down cold drafts, putting up the last of the storm windows, and yelling at the kids for leaving the back door open.

We're doing the same kinds of things at our refineries, where vast amounts of heat-energy are used to convert crude oil into products like home-heating oil and gasoline.

The homeowner insulates the attic; we wrap tons of insulation around pipes, boilers, and reactor units.

He turns down the thermostat; we use a computer to find the lowest temperature that will keep each refinery unit operating efficiently.

We also go a bit further, like operating an entire refinery by computer for top efficiency.

We recycle waste heat. We transfer heat from hot air going up the chimney to cold air coming into the furnace. And when a product is distilled out of crude oil at high temperature, we transfer waste heat from the product to the crude oil. In both cases we reduce the amount of fuel needed to run the furnaces.

Nothing new about insulating boilers or recycling waste heat. Modern refineries are designed for the conservation of energy—just as new homes and factories and all other buildings should be.

What's new is our Energy Conservation Activity, an all-out effort to apply hundreds of small, extra steps to conserve fuel in our U.S. refineries. Total savings in this program now exceed 60 million gallons of oil a year, and each gallon saved can be converted into consumer products. By the end of 1976 we will be saving nearly 300 million gallons of oil a year. Other companies have similar programs.

This will by no means solve the energy shortage. But along with savings in the producing, transportation, and marketing parts of the business, it will help. And petroleum is just one industry that can save energy.

Conservation costs money. Heat exchangers, computers and other equipment are expensive. That's where some of our profits go. Just as some of a homeowner's earnings might go into oil-burner tuneups, attic insulation, or storm windows.

And like the homeowner, we may save enough oil to offset the cost. These days, neither homeowner nor businessman can afford to pass up an investment that saves money and conserves energy at the same time.

MOBIL.

[This ad appeared in the New York Times on June 15, 1972]

EVEN IF YOU HAVE MONEY TO BURN, YOU SHOULD SAVE ENERGY

We have a booklet called *Money Saving Tips from Mobil*. It's free. You ought to have it, even if a shortage of cash is not one of the crises in your life.

You should have this booklet because there is a crisis that affects you no matter how well off you may be. It's the energy crisis in the United States.

We Americans use far more energy than any other people on earth. Energy is so central to our lives that virtually everything that works in our country—and almost every job—depends on it to some degree.

Oil and natural gas supply three-quarters of the energy used in the United States. Yet crude oil reserves in the lower 48 states are now at the lowest point in 20 years, while natural gas reserves are at the lowest level since 1957. Our country is moving out of an era of abundant, low-cost, largely indigenous energy into an era of serious and growing shortage of domestic energy and greatly increased imports.

Meanwhile, the demand for energy is growing year by year.

Dwindling supply, growing demand. A gap. A widening gap. And when a serious supply-demand gap opens in anything as essential as energy, it's a crisis.

Money Saving Tips aims to help alleviate the energy crisis. It lists 42 practical ways to reduce your consumption of the energy fuels (gasoline, fuel oil, natural gas) needed to power your car, your air-conditioning, and your home-heating system—and to save money in the process.

Here's a sample tip, about driving:

"With a manual transmission, get your car into high gear quickly. At 20 mph, second gear consumes up to 20% more fuel than high—and first gear, up to 55% more."

Here's one on air conditioning:

"You can cut down hours of operation by drawing outdoor air through the house with an attic ventilating fan."

Sensible stuff.

Why should we tell you how to save fuel, when we're in the business of selling it?

Because the most important thing we can sell right now is energy conservation. That's one reason we've been urging improvements in mass transit all these months. We hate to see energy fuels wasted. We don't believe the gasoline consumed by a car idling in a traffic jam represents the best possible use of limited petroleum resources.

Our little booklet won't solve the energy crisis in the United States. Substantial government and other actions are needed. But the booklet can help.

And it certainly won't hurt you to save money, will it?

Send for a free copy of *Money Saving Tips from Mobil.* Write Room 646, 150 East 42nd Street, New York, New York 10017.

Mobil.

[Advertisement from the New York Times, June 28, 1973]

Mobil News Release

Mobil Oil Corporation today announced it is discontinuing its gasoline advertising, including its "Mr. Dirt" television and radio commercials.

The company said it would redirect its efforts toward broad public-service and public-information programs covering the conservation of gasoline and specific suggestions on more efficient use of available energy.

"The American public must develop a new national ethic with respect to the use of energy," Mobil Chairman Rawleigh Warner, Jr. said. "We as a nation must adopt long-term approaches to conserve energy, because the energy shortage will be with us for some time."

Please note there is no "E" in Mobil.

[Advertisement from the New York Times, Apr. 25, 1974]

This Many Americans Didn't Die in January and February, Thanks to the 55 MPH Speed Limit

This January and February 1,880 people didn't get killed on U.S. highways compared with highway fatalities during the same months last year.

This January and February, 40,000 people didn't suffer disabling injuries in car accidents compared with the number hurt during the same months last year.

So say the statistics compiled by the National Safety Council.

Some of the lives were saved because motorists couldn't get enough gasoline and used their cars less. But, according to NSC, most of the lives were saved because, by and large, people observed the 55 mph speed limit.

Nationally, fatalities decreased 25% in the two-month period. Traffic deaths in some states fell even more dramatically—46% in Maryland 68% in Rhode Island, 74% in Utah—where lower speed limits began earlier or were more vigorously enforced.

Caution: these figures don't cover the weeks following the lifting of the Arab oil embargo, when drivers began to regain some of that old get-up-and-go-spirit.

Will American motorists once again slaughter 55,600 people a year as they did in 1973?

We hope not. We hope the energy crisis taught us not just that the 55 mph limit saves dollars and gasoline. But much, much more.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Jones of North Carolina (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Lagomarsino (at the request of Mr. Rhodes), for today, on account of official business.

Ms. Holtzman (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Sarasin) to revise and extend his remarks and include extraneous matter:)

Mr. Esch, for 30 minutes, today.

(The following Members (at the request of Mr. Ryan) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

Ms. Abzug, for 5 minutes, today.

Mr. Melcher, for 5 minutes, today.

Mr. Rooney of Pennsylvania, for 10 minutes, today.

Mr. Brademas, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Madden and to include extraneous matter.

Mr. Hechler of West Virginia to revise and extend his remarks in connection with the debate on H.R. 15736.

(The following Members (at the request of Mr. Sarasin) and to include extraneous material:)

Mr. Gude in five instances.

Mr. Hanrahan.

Mr. Bell.

Mr. McClory.

Mr. Gilman in three instances.

Mr. Scherle.

Mr. Steiger of Arizona.

Mr. Edwards of Alabama.

Mr. McKinney.

Mr. Symms.

Mr. Frenzel in two instances.

Mr. Regula.

Mr. Huber.

(The following Members (at the request of Mr. Ryan) and to include extraneous material:)

Mr. Edwards of California.

Mr. Mitchell of Maryland.

Mr. Seiberling in 10 instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Anderson of California in two instances.

Mr. Wolff in five instances.

Mr. Bingham in five instances.

Mr. Hanna in six instances.

Mr. Kastenmeier.

Mr. Tiernan.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2354. An act to provide for the participation of the United States in the African Development Fund; to the Committee on Banking and Currency.

S. 3362. An act to enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that the committee did on August 2, 1974, present to the President, for his approval, bills of the House of the following titles:

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, and for other purposes;

H.R. 10309. An act to amend the act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes; and

H.R. 13264. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

ADJOURNMENT

Mr. RYAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until Monday, August 5, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXVI, executive communications were taken from the Speaker's table and referred as follows:

2618. A letter from the Acting Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of a facilities project proposed to be undertaken for the Air National Guard, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

2619. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1973-May 1974, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

2620. A letter from the Deputy Secretary of State, transmitting of his determination that the provisions of assistance to Egypt consisting of a VH3A helicopter is essential to the national interest of the United States, and that such assistance will neither directly nor indirectly assist aggressive actions by Egypt, pursuant to section 620(p) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2370(p)) and Executive Order 10973; to the Committee on Foreign Affairs.

2621. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of Ponca judgment funds awarded in dockets 322, 323, and 324 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

2622. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of June 30, 1974, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ZABLOCKI: Committee on Foreign Affairs. House Resolution 1258. Resolution expressing the sense of the House of Representatives concerning ratification of the Geneva Protocol of 1925, and a comprehensive review of this Nation's national security and internal policies regarding chemical warfare. (Rept. No. 93-1257). Referred to the House Calendar.

Mr. WOLFF: Committee on Foreign Affairs. House Concurrent Resolution 507. Concurrent resolution for negotiations on the Turkish opium ban; with amendment (Rept. No. 93-1258). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 16244. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Harriet Tubman; to the Committee on Post Office and Civil Service.

By Mr. DINGELL (for himself, Mr. Grover, and Mr. Kyros):

H.R. 16245. A bill to amend the Fishermen's Protective Act of 1967 in order to strengthen the import restrictions which may be imposed to deter foreign countries from conducting fishing operations which adversely affect international fishery conservation programs; to the Committee on Merchant Marine and Fisheries.

By Mr. LONG of Maryland (for himself and Mr. Breaux):

H.R. 16246. A bill to prohibit the transfer of atomic technology to foreign powers without the express approval of the Congress; to the Joint Committee on Atomic Energy.

By Mr. MADIGAN:

H.R. 16247. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal Estate Tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. MONTGOMERY:

H.R. 16248. A bill to amend title 10, United States Code to authorize a tuition assistance program for enlisted members of the National Guard and the Selected Reserve of the Ready Reserve; to the Committee on Armed Services.

By Mr. PATMAN:

H.R. 16249. A bill to support the price of milk at 90 percentum of the parity price for the period beginning April 1, 1974, and ending March 31, 1976; to the Committee on Agriculture.

By Mr. STEELMAN (for himself, Ms. Burke of California, and Mr. Harrington):

H.R. 16250. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin (for himself and Mr. Culver):

H.R. 16251. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. WHITE:

H.R. 16252. A bill to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Tex., and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. ABZUG:

H.J. Res. 1105. Joint resolution designating August 26 of each year as Women's Equality Day; to the Committee on the Judiciary.

By Mr. MELCHER:

H.J. Res. 1106. Joint resolution to authorize and request the President to issue a proclamation designating the Fourth Sunday in September annually as National Next Door Neighbor Day; to the Committee on the Judiciary.

By Mr. BRADEMAS (for himself, Mr. Kyros, Mr. Yatron, Mr. Sarbanes, Mr. Bafalis, Mr. Wolff, Mr. Annunzio, Mr. Van Deerlin, Mr. McFall, Mr. Burke of Massachusetts, Mr. Waggonner, Mr. Koch, Mr. Breaux, Mr. Lott, Mr. Ginn, Mr. Clark, Mrs. Boggs, Mr. Edwards of California, Mr. Johnson of California, Mr. Smith of Iowa, Mr. Foley, Miss Jordan, Mr. Charles H. Wilson of California, Mr. Price of Illinois, and Mr. Dulski):

H. Con. Res. 577. Concurrent resolution expressing the sense of Congress regarding the withdrawal of foreign troops from the Republic of Cyprus; to the Committee on Foreign Affairs.

By Mr. BRADEMAS (for himself, Mr. Kyros, Mr. Yatron, Mr. Sarbanes, Mr. Bafalis, Mr. Tiernan, Mr. Charles Wilson of Texas, Mr. Boland, Mrs. Schroeder, Mr. Hechler of West Virginia, Mr. Steed, Mr. Downing, Mr. Macdonald, Mr. John L. Burton, Mr. Howard, Mr. Helstoski, Mr. Cohen, Mr. Moss, Mr. Obey, Mr. Yates, Mr. Ryan, Mr. Hawkins, Mr. Phillip Burton, Mr. Pepper, and Mr. Drinan):

H. Con. Res. 578. Concurrent resolution expressing the sense of Congress regarding the withdrawal of foreign troops from the Republic of Cyprus; to the Committee on Foreign Affairs.

By Mr. BRADEMAS (for himself, Mr. Kyros, Mr. Yatron, Mr. Sarbanes, Mr. Bafalis, Mr. Danielson, Mr. Patten, Mr. Giaimo, Mr. Reuss, Mr. Murphy of Illinois, Mr. Mazzoli, Mr. Mezvinsky, Mr. Long of Louisiana, Mr. McKay, Mr. Steelman, Mr. Maraziti, Mr. Moorhead of California, Mr. O'Neill, Mr. Minish, Mr. Rinaldo, Mr. Ketchum, Mr. Hanrahan, Mr. Sarasin, Mr. Conte, and Mr. Johnson of Colorado):

H. Con. Res. 579. Concurrent resolution expressing the sense of the Congress regarding the withdrawal of foreign troops from the Republic of Cyprus; to the Committee on Foreign Affairs.

By Mr. BRADEMAS (for himself, Mr. Kyros, Mr. Yatron, Mr. Sarbanes, Mr. Bafalis, Mr. McCormack, Ms. Abzug, Mr. Moakley, Mr. Rodino, Mr. Dickinson, Mr. Frey, Mr. O'Brien, Mr. Gilman, Mr. Steele, Mr. Treen, Mr. Huber, Mr. Morgan, Mr. Adams, Mr. Fraser, Mr. Zablocki, Mr. Preyer, Mr. Hicks, and Mr. Anderson of California):

H. Con. Res. 580. Concurrent resolution expressing the sense of the Congress regarding the withdrawal of foreign troops from the Republic of Cyprus; to the Committee on Foreign Affairs.

By Mr. HANRAHAN (for himself, Mr. Buchanan, Mr. Fraser, Mr. Brown of California, Mr. Rarick, Mr. Collins of Texas, Mr. Michel, Mr. Metcalfe, Mr. O'Brien, Mr. Young of Illinois, Mr. Annunzio, Mr. Murphy of Illinois, Mr. Price of Illinois, Mr. Gray, Mr. Anderson of Illinois, Mr. Kluczynski, Mr. Madigan, Mr. Roncallo of New York, Mr. Helstoski, Mr. Horton, Ms. Holtzman, Mr. Stratton, Mr. Huber, Mr. Collier, and Mr. Long of Maryland):

H. Con. Res. 581. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman, who is a U.S. citizen, and who unsuccessfully sought asylum aboard a U.S. Coast Guard ship; to the Committee on Foreign Affairs.

By Mr. HANRAHAN (for himself, Mr. Cohen, Mr. Crane, Mr. Moakley, Mr. Flood, Mrs. Heckler of Massachusetts, Mrs. Grasso, Mr. Abdnor, and Mr. McClory):

H. Con. Res. 582. Concurrent resolution expressing the sense of the Congress with respect to the imprisonment in the Soviet Union of a Lithuanian seaman, who is a U.S. citizen, and who unsuccessfully sought asylum aboard a U.S. Coast Guard ship; to the Committee on Foreign Affairs.

By Mr. FINDLEY:

H. Res. 1288. Resolution regarding censure of President Richard M. Nixon; to the Committee on the Judiciary.

By Mr. WINN:

H. Res. 1289. Resolution expressing the sense of the House of Representatives with respect to the participation of the United States in an international effort to reduce the risk of famine and to lessen human suffering; to the Committee on Foreign Affairs.

SENATE—*Friday, August 2, 1974*

The Senate met at 9 a.m. and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, in whose loving care we come and go about our daily duties, keep us as conscious of Thy nearness while we work as when we pray. When times are tense and spirits taut, when the workload is heavy and the time of rest too brief, help us "to lean upon the everlasting arms" which reach out to support, strengthen, and lift us up. Show us the way to a life of poise, peace, and power greater than we now possess. Make this a day of faith and adventure, of vision and victory, of friendship and fraternity, of hope and helpfulness. Keep us faithful to our high trust as servants of the Republic. When the day is done, send us to our rest with joy and peace in our hearts.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 2, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order entered on August 1, 1974, Mr. MONTOYA, from the Committee on Public Works, on August 1, 1974, submitted a report on the bill (S. 3641) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 3-year period, and for other purposes, with amendments, which was ordered to be printed (Rept. No. 93-1055).

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, August 1, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 2665. An act to provide for increased participation by the United States in the International Development Association and to permit U.S. citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad;

S. 3477. An act to amend the act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia;

H.R. 8217. An act to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, and for other purposes;

H.R. 10309. An act to amend the act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes; and

H.R. 13264. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. BURDICK).

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1002, 1004, and 1005.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MODIFICATION OF THE FLOOD CONTROL ACT OF 1965

The bill (S. 3537) to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the project for flood protection and other purposes on Willow Creek, Oregon, as authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1085) is hereby modified to provide for reformulation and construction of the project for purposes of flood control, recreation, fish and wildlife, and future irrigation use in accordance with reclamation law of costs allocated to irrigation, and to authorize advance participation with the city of Heppner, Oregon, in the design and construction of those elements of the city's water supply system which must be relocated as a result of project construction. The discount rate applicable to the project prior to enactment of this Act shall remain in effect for purposes of cost-benefit analyses.

AMENDMENT OF THE AGRICULTURAL ACT OF 1954

The bill (S. 2189) to amend section 602 of the Agricultural Act of 1954, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 602 of the Agricultural Act of 1954, as amended, is amended by adding at the end thereof a new subsection as follows:

"(f) Appropriations available to the Secretary of Agriculture may be used to provide appropriate orientation and language training to families of officers and employees of the Department of Agriculture in anticipation of an assignment abroad of such officers and employees or while abroad pursuant to this Act or other authority: *Provided,* That the facilities of the Foreign Service Institute or other Government facilities shall be used wherever practicable.".

INVESTIGATION OF PRICE SPREADS IN DAIRY PRODUCTS INDUSTRY

The resolution (S. Res. 351) authorizing an investigation of price spreads and margins for livestock, dairy products, poultry, and eggs, was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas a strong viable farm livestock industry is essential to the very well-being of this Nation's economy; and

Whereas costs of production in the livestock, dairy, poultry, and egg industry have skyrocketed and show no signs of abatement; and

Whereas the ability to provide the consumers of this Nation with an abundance of quality food now, and in the future, is thus being jeopardized; and

Whereas farm prices of livestock, dairy products, poultry, and eggs have declined materially; and

Whereas these reduced prices to farmers do not appear to have been fully reflected in reductions of prices at retail to consumers: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate, that the Federal Trade Commission undertake immediately an investigation of margins that exist between farm prices of the specified commodities and prices at retail, to determine—

(a) the margins that exist now and have existed in the past, for the specified commodities;

(b) the changes in the relative values of the items that comprise the margin;

(c) whether these margins fully reflect appropriate farm price changes;

(d) whether any important level in the food marketing chain experienced any losses since August 1973;

(e) profits of each important level in the food marketing chain;

(f) on a preliminary basis whether market power concentration exists to the extent that such concentration impedes competitive forces.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

U.S. AIR FORCE

The second assistant legislative clerk read the nomination of Maj. Gen. Winton W. Marshall to be a lieutenant general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS FOR 1975—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the D.C. appropriations bill is called up and made the pending business before the Senate, there be a time limitation thereon of 1 hour, with the time to be divided between Mr. BAYH and Mr. MATHIAS; that there be a time limitation on any amendment, debatable motion, or appeal of 30 minutes, with the division and control of time in the usual form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that next Thursday, at the conclusion of morning business, the Senate take up the D.C. appropriations bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, on my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of Calendar No. 1014 (S. 3641).

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 3641) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 3-year period, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment to strike out all after the enacting clause and insert the following:

That the first sentence of section 105 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking the period at the end thereof and inserting a comma and the following: "and not to exceed $300,000,000 for each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.". The final sentence of section 105 of such Act, as amended, is amended by striking "and" after the words "June 30, 1973" and inserting ", June 30, 1975, June 30, 1976, and June 30, 1977".

SEC. 2. Section 102 of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

"SEC. 102. For each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, not to exceed $30,000,000 of the funds authorized to be appropriated under section 105 of this Act for each such fiscal year shall be available for grants for operation of any health project funded under this title after the date of enactment of this section. Such grants may be made up to 100 per centum of the estimated cost of the first fiscal year of operation and up to 100 per centum of the deficit in funds available for operation of the facility during the second fiscal year of operation. No grant shall be made for the second fiscal year of operation of any facility unless the agency operating such facility has adopted a plan satisfactory to the Secretary of Health, Education, and Welfare providing for the funding of operations on a permanent basis. Any grant under this section shall be made upon the condition that the operation of the facility will be conducted under efficient management practices designed to obviate operating deficits, as determined by the Secretary of Health, Education, and Welfare."

SEC. 3. (a) Section 201(c) of such Act, as amended, is amended by striking out the period at the end and inserting in lieu thereof ", and shall not exceed $100,000,000 per fiscal year for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.".

(b) Section 202 of such Act, as amended, is amended—

(1) by striking all of subsection (a) and inserting in lieu thereof the following new subsection:

"SEC. 202. (a) (1) The Secretary is authorized to aid in financing, within a redevelopment area, the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage, including the construction of new buildings, the rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings by (A) purchasing evidences of indebtedness, (B) making loans (which for purposes of this section shall include participation in loans), (C) guaranteeing loans made to private borrowers by private lending institutions, for any of the purposes referred to in this paragraph upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

"(2) The Secretary is authorized to aid in financing any industrial or commercial actively within a redevelopment area by (A) making working capital loans, (B) guaranteeing working capital loans made to private borrowers by private lending institutions upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan, (C) guaranteeing rental payments of leases for buildings and equipment, except that no such guarantee shall exceed 90 per centum of the remaining rental payments required by the lease,"

(2) by striking in subsection (b) (7) the comma after the words "no loan" and inserting immediately thereafter the words "or guarantee,".

(3) by striking out in subsection (b) (9) "Loan assistance" and inserting in lieu thereof "Loan assistance (other than for a working capital loan)".

SEC. 4. (a) Section 302 of such Act, as amended, is amended by redesignating such section as section 303.

(b) Such Act, as amended, is amended by inserting immediately after section 301 the following new section 302:

"SEC. 302. (a) (1) The Secretary is authorized, upon application of any city or other political subdivision of a State, or sub-State planning and development organization (including an economic development district), to make direct grants to such city, other political subdivision, or organization to pay up to 80 per centum of the cost for economic development planning. Such assistance shall also be provided to assist economic development districts in carrying out any review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968, if such district has been designated as the agency to conduct such review. Assistance under this subsection may be provided in addition to assistance available to organizations under section 301(b) of this Act, but shall not supplant such assistance.

"(2) The economic development planning assisted under this subsection shall include systematic efforts to reduce unemployment and increase incomes. Such planning shall be a continuous process involving public officials and private citizens in analyzing local economies, defining development goals, determining project opportunities and formulating and implementing a development program.

"(b)(1) The Secretary is authorized upon application of any State to make direct grants to such State to pay up to 80 per centum of the cost for economic development planning. Each State receiving assistance under this title shall establish a continuing comprehensive planning process for economic development carried on cooperatively by the State and its political subdivisions and sub-State planning and development organizations (including development districts). Such planning process shall be part of an overall State planning process which shall establish overall State goals, objectives and priorities for the guidance of economic development planning within the State and for the provision of assistance under section 304 of this Act. The planning process assisted under this subsection shall consider the provision of public works to stimulate and channel development, economic opportunities and choices for individuals, to support sound land use, and to enhance and protect the environment, including the conservation and preservation of open spaces and environmental quality, the provision of public services, and the balance of physical and human resources through the management and control of physical development. The assistance available under this subsection shall be available to develop an annual inventory of specific recommendations for assistance under section 304 of this Act. Each State receiving assistance under this subsection shall submit to the Secretary an annual report on the planning process assisted under this subsection.

"(2) Any State planning process assisted under this subsection shall be conducted cooperatively by the State, its political subdivisions, economic development districts, and development organizations located in whole or in part within such State. In order to facilitate cooperative planning required under this subsection, plans or programs prepared with assistance under subsection (a) of this section shall be made available to such State.

"(c) The planning assistance authorized under this title shall be used in accordance with the review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968 and shall be used in conjunction with any other available Federal planning assistance to assure adequate and effective planning and economical use of funds."

(c) Section 303 of such Act, as redesignated by this Act, is amended by inserting "(a)" immediately after "SEC. 303.", by striking "this title" and inserting in lieu thereof "sections 301 and 302 of this Act", by striking out the period at the end of such subsection and inserting in lieu thereof the following: "and $75,000,000 per fiscal year for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977,", and by adding at the end of such section the following new subsection:

"(b) Not to exceed $15,000,000 in each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, of the sums authorized to be appropriated under subsection (a) of this section, shall be available to make grants under subsection (b) of section 302.".

(d) Such Act, as amended, is amended by adding after section 303 of the following new section:

"SUPPLEMENTAL AND BASIC GRANTS

"SEC. 304. (a) There are hereby authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977, for apportionment by the Secretary among the States for the purpose of supplementing or making grants and loans authorized under titles I, II, and IV of this Act. Such funds shall be apportioned among the States in the ratio which all grants made under title I of this Act since August 26, 1965, in each State bear to the total of all such grants made in all the States since August 26, 1965.

"(b) Funds apportioned to a State pursuant to subsection (a) shall be available for supplementing or making such grants or loans if the State makes a contribution of at least 25 per centum of the amount of such grant or loan in each case. Funds apportioned to a State under subsection (a) shall remain available to such State until obligated or expended by it.

"(c) Funds apportioned to a State pursuant to this section may be used by the Governor in supplementing grants or loans with respect to any project or assistance authorized under title I, II, or IV of this Act, and approved by the Secretary after July 1, 1974. Such grants may be used to reduce or waive the non-Federal share otherwise required by this Act, subject to the requirements of subsection (b) of this section.

"(d) In the case of any grant or loan for which all or any portion of the basic Federal contribution to the project under this Act is proposed to be made with funds available under this section, no such Federal contribution shall be made until the Secretary of Commerce certifies that such project meets all of the requirements of this Act and could be approved for Federal contribution under this Act if funds were available under this Act (other than section 509) for such project. Funds may be provided for projects in a State under this section only if the Secretary determines that the level of Federal and State financial assistance under this Act (other than section 509) and under Acts other than this Act, for the same type of projects in the State, will not be diminished in order to substitute funds authorized by this section.

"(e) After June 30, 1975, funds apportioned to a State pursuant to this section shall be used by the Governor in a manner which is consistent with the State planning process assisted under section 302 of this Act, if such planning process has been established in such State."

SEC. 5. (a) Title IV of such Act is amended—

(1) by adding the following new paragraph at the end of section 401(a):

"(8) those areas which the Secretary of Labor determines, on the basis of average annual available unemployment statistics, were areas of substantial unemployment during the preceding calendar year."; and

(2) by striking out the period at the end of section 401(a)(7) and inserting in lieu thereof a semicolon.

(b) Any area of substantial unemployment so designated under authority of section 102 of title I of the Public Works and Economic Development Act of 1965 which has not had such designation terminated before the date of enactment of this section shall be deemed for the purposes of such Act to be such an area designated under section 401(a)(8) of such Act.

SEC. 6. Section 401(a)(3) of such Act, as amended, is amended by adding at the end thereof the following: "*Provided, however,* That uninhabited Federal or State Indian reservations or trust or restricted Indian-owned land areas may be designated where such designation would permit assistance to Indian tribes, with a direct beneficial effect on the economic well-being of Indians;".

SEC. 7. (a) Section 403(a)(1)(B) of such Act, as amended, is amended by striking out the words "two or more redevelopment areas" and inserting in lieu thereof "at least one redevelopment area".

(b) Section 403 of such Act, as amended, is amended by inserting at the end of such section the following two new subsections:

"(i) Each economic development district designated by the Secretary under this section shall as soon as practicable after the date of enactment of this section or after its desgination provide that a copy of the district overall economic development program be furnished to the appropriate regional commission established under title V of this Act, if any part of such proposed district is within such a region, or to the Appalachian Regional Commission established under the Appalachian Regional Development Act of 1965, if any part of such proposed district is within the Appalachian region.

"(j) The Secretary is authorized to provide the financial assistance which is available to a redevelopment area under this Act to those parts of an economic development district which are not within a redevelopment area, when such assistance will be of substantial direct benefit to a redevelopment area within such district. Such financial assistance shall be provided in the same manner and to the same extent as is provided in this Act for a redevelopment area, except that nothing in this subsection shall be construed to permit such parts to receive the increase in the amount of grant assistance authorized in paragraph (4) of subsection (a) of this section.".

(c) Section 403(g) of such Act, as amended, is amended by striking out "for the fiscal year ending June 30, 1974," and inserting in lieu thereof "per fiscal year for the fiscal years ending June 30, 1974, June 30, 1975, June 30, 1976, and June 30, 1977,".

SEC. 8. Title IV of the Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new part:

"PART C—INDIAN ECONOMIC DEVELOPMENT

"SEC. 404. In order to assure a minimum Federal commitment to alleviate economic distress of Indians, in addition to their eligibility for assistance with funds authorized under other parts of this Act, there are authorized to be appropriated not to exceed $25,000,000 per fiscal year for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, for the purpose of providing assistance under this Act to Indian tribes. Such sums shall be in addition to all other funds made available to Indian tribes under this Act."

SEC. 9. (a) Section 503 of such Act, as amended, is amended by inserting "district," in paragraph (7) of subsection (a), immediately after "other Federal, State,".

(b) The first sentence of section 505(a)(2) of such Act, as amended, is amended by striking out "and training programs" and inserting "training programs, and the payment of administrative expenses to sub-State planning and development organizations (including economic development districts)," in lieu thereof.

(c) Section 509(d) of such Act, as amended, is amended by striking out "and for the fiscal year ending June 30, 1974, to be available until expended, $95,000,000." and inserting in lieu thereof "for the fiscal year ending June 30, 1974, to be available until expended, $95,000,000, and for each of the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977, to be available until expended, $200,000,000.".

(d) Section 511 of such Act, as amended, is amended to read as follows:

"COORDINATION

"SEC. 511. (a) The Secretary shall coordinate his activities in making grants and loans and providing technical assistance under this Act with those of each of the regional commissions (acting through the Federal and State cochairmen) established under this Act in making grants and providing technical assistance under this title, and each of such regional commissions shall coordinate its activities in making grants and providing technical assistance under this title with those activities of the Secretary under this Act.

"(b) Each regional commission established under this Act shall give due consideration in carrying out its activities under paragraphs (2) and (7) of section 503(a) of this Act to the activities of other Federal, State, local, and sub-State (including economic development districts) planning agencies in the region."

SEC. 10. Title V of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181 et seq.) is amended by adding at the end thereof the following new section:

"REGIONAL EXCESS PROPERTY PROGRAM

"SEC. 514. (a) Notwithstanding any other provision of law, and subject to subsection (b), the Federal cochairman of each regional commission established under section 502 of this Act may acquire excess property, without reimbursement, through the Administrator of General Services and shall dispose of such property, without reimbursement and for the purpose of economic development, by loaning to, or by vesting title in, any of the following recipients located wholly or partially within the economic development region of such Federal cochairman:

"(1) any State or political subdivision thereof;

"(2) any tax-supported organization;

"(3) any Indian tribe, band, group, pueblo, or Alaskan village or Regional Corporation (as defined by the Alaska Native Land Claims Settlement Act of 1971) recognized by the Federal Government or any State, and any business owned by any tribe, band, group, pueblo, village, or Regional Corporation;

"(4) any tax-supported or nonprofit private hospital; and

"(5) any tax-supported or nonprofit private institution of higher education requiring a high school diploma, or equivalent, as a basis for admission.

Such recipient may have, but need not have, received any other aid under this Act. For the purposes of this section, until a regional commission is established for the State of Alaska under section 502 of this Act, in the case of the State of Alaska the Secretary of Commerce shall exercise the authority granted to a Federal cochairman under this section.

"(b) For purposes of subsection (a)—

"(1) each Federal cochairman, in the acquiring of excess property, shall have the same priority as other Federal agencies; and

"(2) the Secretary shall prescribe rules, regulations, and procedures for administering subsection (a) which may be different for each economic development region, except that the Secretary shall consult with the Federal cochairman of a region before prescribing such rules, regulations, and procedures for such region.

"(c)(1) The recipient of any property disposed of by any Federal cochairman under subsection (a) shall pay, to the Federal agency having custody of the property, all costs of care and handling incurred in the acquiring and disposing of such property; and such recipient shall pay all costs which may be incurred regarding such property after such Federal cochairman disposes of it, except that such recipient shall not pay any costs incurred after such property is returned under subsection (e).

"(2) No Federal cochairman may be involved at any time in the receiving or processing of any costs paid by the recipient under paragraph (1).

"(d) Each Federal cochairman, not later than six calendar months after the close of each fiscal year, shall account to the Secretary, as the Secretary shall prescribe, for all property acquired and disposed of, including any property acquired but not disposed of under subsection (a) during such fiscal year. The Secretary shall have access to all information and related material in the possession of such Federal cochairman regarding such property.

"(e) Any property determined by the Federal cochairman to be no longer needed for the purpose of economic development shall be reported by the recipient to the Administrator of General Services for disposition under the Federal Property and Administrative Services Act of 1949.

"(f) The value of any property acquired and disposed of, including any property acquired but not disposed of, under subsection (a) shall not be taken into account in the computation of any appropriation, or any authorization for appropriation, regarding any regional commission established under section 502 or any office of the Federal cochairman of such commission.

"(g) For purposes of this section—

"(1) the term 'care and handling' has the meaning given it by section 3(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472(h)); and

"(2) the term 'excess property' has the meaning given it by section 3(e) of such Act (40 U.S.C. 472(e)), except that such term does not include real property.".

SEC. 11. Section 2 of the Act entitled "An Act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for titles I through IV through fiscal year 1971", approved July 6, 1970 (Public Law 91-304), is amended by striking out "1974" and inserting in lieu thereof "1977".

SEC. 12. The Public Works and Economic Development Act of 1965, as amended, is amended by adding the following new title at the end of the Act:

"TITLE IX—SPECIAL ECONOMIC DEVELOPMENT AND ADJUSTMENT ASSISTANCE

"PURPOSE

"SEC. 901. It is the purpose of this title to provide special economic development and adjustment assistance programs to help State and local areas meet special needs arising from actual or threatened severe unemployment arising from economic dislocation, including unemployment arising from actions of the Federal Government and from compliance with environmental requirements which remove economic activities from a locality, and economic adjustment problems resulting from severe changes in economic conditions, and to encourage cooperative intergovernmental action to prevent or solve economic adjustment problems.

"DEFINITION

"SEC. 902. As used in this title, the term 'eligible recipient' means a redevelopment area or economic development district established under title IV of this Act, an Indian tribe, a State, a city or other political subdivision of a State, or a consortium of such political subdivisions.

"GRANTS BY SECRETARY

"SEC. 903. (a)(1) The Secretary is authorized to make grants directly to any eligible recipient in an area which the Secretary has determined has experienced, or may reasonably be foreseen to be about to experience, a special need to meet an expected rise in unemployment, or other economic adjustment problems (including those caused by any action or decision of the Federal Government) to carry out or develop a plan which meets the requirements of subsection (b) of this section and which is approved by the Secretary, to use such grants for any of the following: public facilities, public services, business development, planning, unemployment compensation (in accordance with subsection (d) of this section), rent supplements, mortgage payment assistance, research, technical assistance, training, relocation of individuals, and other appropriate assistance.

"(2)(A) Such grants may be used in direct expenditures by the eligible recipient or through redistribution by it to public and private entities in grants, loans, loan guarantees, or other appropriate assistance, but no grant shall be made by an eligible recipient to a private profitmaking entity.

"(B) Grants for unemployment compensation shall be made to the State. Grants for any other purpose shall be made to any appropriate eligible recipient capable of carrying out such purpose.

"(b) No plan shall be approved by the Secretary under this section unless such plan shall—

"(1) identify each economic development and adjustment need of the area of which assistance is sought under this title;

"(2) describe each activity planned to meet each such need;

"(3) explain the details of the method of carrying out each such planned activity;

"(4) contain assurances satisfactory to the Secretary that the proceeds from the repayment of loans made by the eligible recipient with funds granted under this title will be used for economic adjustment; and

"(5) be in such form and contain such additional information as the Secretary shall prescribe.

"(c) The Secretary to the extent practicable shall coordinate his activities in requiring plans and making grants and loans under this title with regional commissions, States, economic development districts and other appropriate planning and development organizations.

"(d) In each case in which the Secretary determines a need for assistance under subsection (a) of this section due to an increase in unemployment and makes a grant under this section, the Secretary shall transfer funds available under this title to the Secretary of Labor and the Secretary of Labor shall provide to any individual unemployed as a result of the dislocation for which such grant is made, such assistance as he deems appropriate while such individual is unemployed. Such assistance as the Secretary of Labor shall provide shall be available to an individual not otherwise disqualified under State law for unemployment compensation benefits, as long as the individual's unemployment caused by the dislocation continues or until the individual is reemployed in a suitable position, but no longer than one year after the unemployment commences. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the dislocation occurred, and the amount of assistance under this subsection shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment.

The Secretary of Labor is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

"REPORTS AND EVALUATION

"SEC. 904. (a) Each eligible recipient which receives assistance under this title shall annually during the period such assistance continues make a full and complete report to the Secretary, in such manner as the Secretary shall prescribe, and such report shall contain an evaluation of the effectiveness of the economic assistance provided under this title in meeting the need it was designed to alleviate and the purposes of this title.

"(b) The Secretary shall provide an annual consolidated report to the Congress, with his recommendations, if any, on the assistance authorized under this title, in a form which he deems appropriate. The first such report to Congress under this subsection shall be made not later than January 30, 1976.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 905. There is authorized to be appropriated to carry out this title not to exceed $100,000,000 per fiscal year for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 5 minutes, to be divided between the manager of the bill and the sponsors of the amendments, which I understand will be offered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I am pleased to bring to the Senate for its consideration today S. 3641, a bill reported from the Committee on Public Works to extend the Public Works and Economic Development Act of 1965, as amended, for a period of 3 years.

I introduced this bill with Chairman Randolph cosponsoring on June 13 of this year. Administration officials presented their views on it at a hearing of the Subcommittee on Economic Development on June 26.

As chairman of the Economic Development Subcommittee, I am pleased with this bill because it extends the programs administered by the Economic Development Administration and the seven regional commissions authorized under title V, it increases authorizations behind these programs, and it contains significant innovations adding greater breadth and flexibility.

Mr. President, more than 25 Senators have asked to cosponsor this legislation: Senators Bayh, Bentsen, Burdick, Clark, Cotton, Eastland, Gravel, Hatfield, Hollings, Humphrey, Inouye, Jackson, Johnston, Long, Magnuson, Mansfield, McGee, McIntyre, Moss, Muskie, Nelson, Pastore, Randolph, Thurmond, and Young.

As a chairman of an Appropriations Subcommittee, I have developed a sensitivity about excessive Federal spending. I am mindful that holding the line on expenditures makes good sense in times of inflation. Some programs should be cut.

There are programs, on the other hand, that should not be cut. They should be increased because they fight inflation. The programs in this bill provide such an example. To cut them would be false economy.

Unemployment and welfare payments today exceed $25 billion a year. Putting unemployed persons to work is the purpose of EDA and the regional commissions. In its 9-year history, these agencies have created more than half a million jobs. Those jobs were created in the poorer areas with relatively small annual appropriations.

I emphasize the job-creating programs like those of the EDA and commissions are anti-inflationary. Investments are made in the parts of the economy where productive capacity is underutilized. The long-term effect does not feed inflation because it increases the supply of goods and services to the economy.

Mr. President, the bill contains significant additions to existing program authority. First, the bill permits areas designated under the substantial unemployment criteria of title I to be eligible for title II business loan program. This means more than 300 additional areas, many of them moderate to large cities, can take advantage of the full range of EDA programs.

The second significant change in the bill relates to the first: the business loan program is broadened to permit the guarantee of loans and rental payments of leases for buildings and equipment. Working capital loans and guarantees of working capital loans are also authorized. This program authority is much needed in cities, particularly as they struggle to stabilize and revitalize their central cities.

Third, the bill authorizes a new emphasis on economic development planning by providing direct planning grants to States, economic development districts or other sub-State planning organizations, cities and other political subdivisions. Emphasis is given State planning as a necessary precondition for more effective economic development programs, but the committee would expect a substantial share of the funds appropriated to be available to cities and districts.

Fourth, in conjunction with State planning assistance, the bill provides a new supplementary grant program whereby Governors may supplement EDA projects within the States. Each State will receive an apportionment of funds. States are expected to match on a 25-percent share basis the Federal funds provided. Governors may then supplement EDA projects within the State, or in some cases they may fund a project without Federal participation. The purpose is to further the partnership of Federal-State-local capability in economic development.

Fifth, a new title IX creates a special economic assistance and adjustment program. This program grows out of the increasing problems of dislocation to communities and regions. Earlier in the year, the administration proposed an adjustment program that it hoped would supersede EDA and the Commissions. While we have rejected the proposal to phase out EDA, we do think there is merit in devising a program of assistance for communities hit with somethimes severe unemployment caused by forces from the outside. The actions or the planned actions of the Federal Government causes these problems not infrequently—closing Federal installations, energy allotments, and environmental requirements. Some businesses are closing their doors because they can no longer compete in today's uneasy economy. Some industries like the New England ski industry are badly hurt by abnormally low snowfall.

The assistance provided may be used for public facilities, public services, business development, planning, unemployment compensation, rent supplements, mortgage payment assistance, research, technical assistance, training relocation of individuals, and other appropriate assistance.

Mr. President, there are other amendments in the bill that improve present programs. I have indicated the more important new ones in these opening remarks. We have also added flexibility to the EDA's successful economic development district program. Further, we have emphasized coordination in planning and project activity, at all levels.

Mr. President, before I present the authorizations for these titles in dollar amounts, I want to return again to the nature of the EDA redevelopment area—the place where these programs go. Today, roughly half the counties of this country are eligible for assistance under the Public Works and Economic Development Act. Nearly half the Nation's unemployed are in these places. At least 40 percent of the poor are living in these areas. Many of these areas are low-income areas, that is, family incomes are 50 percent or less of the national media.

So many areas in the country suffer economic ill health. What this means is that substantial basic economic differences are still with us. The modest appropriations for these programs in the past—about 37 percent of authorizations—have accomplished a great deal on a community-by-community basis. But aggregate impact has not been enough. It is time to increase the appropriations. For these reasons we have increased the authorizations for these programs.

The first year total authorization is $895 million. The second and third years, $945 million each year.

Title I: Public works grant and supplementary grants, $300 million.

Title II: Public works and business development loans and guarantees, $100 million.

Title III: Planning, technical assistance and research, $75 million. State supplementary grants, $100 million.

Title IV: Growth centers and bonuses for economic development district projects, $45 million.

Title V: Regional action planning commission programs, $200 million.

Title IX: Special economic development and adjustment assistance, $100 million.

Mr. President, the Senate has not yet acted on the annual appropriation bill for these programs. We have requested the administration to amend the original budget request, based on the wishes of Congress in extending these programs. We are hopeful that the bill approved by both Houses will meet the objections raised by the administration so they can join in supporting these efforts during the immediate years ahead.

Finally, Senator HATHAWAY has asked me to emphasize a point in these remarks. He presented some helpful views to the subcommittee during hearings on the bill. He believes, and I agree, that it is worth stressing that local OEDP committees required by the act to prepare plans for designation as a redevelopment area must be committees of local citizens who are broadly representative of the area. Assistance to these committees by EDA in this task, he thinks, is essential if meaningful achievement is to take place. His point serves to remind us that real development takes place at the local level through the efforts of the people themselves. These programs are at their best when they assist such efforts.

Mr. President, in conclusion I want most particularly to thank Senator RANDOLPH, chairman of the Committee on Public Works, for his inspiration and leadership in this important economic development legislation. He has been diligent in attending to our subcommittee's work over the years. His experience and wisdom have once again helped us get a good bill.

I want to say thank you also to the distinguished ranking minority member of the subcommittee, Senator McCLURE. He has acted with dignity and perserverance. He has given precious hours of his time to insure a good bill. His efforts are appreciated.

Mr. BAYH. Mr. President, earlier this month the Senate passed a major economic development bill which I took great pride in cosponsoring. This bill S. 3641, the Public Works and Economic Development Extension Act, will guarantee the continuation of those programs originally authorized by the Congress in 1965 to encourage economically depressed areas to carry out comprehensive development plans, to finance construction of public facilities that would make depressed areas attractive to private investment, and to provide special financing for private firms to encourage them to build new facilities in such depressed areas.

The need for the continuation of these economic development programs is all too obvious in this time of spiraling inflation. In my home State of Indiana, with a statewide unemployment rate of 6.2 percent—almost a full percentage point above the national average—these programs are crucial.

There are very real and frightening human costs in these ballooning unemployment rates. I have seen the despair on the face of working men and women who ache to find a decent job, and to support their families, but who are the innocent victims of the economic policy that accepts growing unemployment with equanimity in a so-called fight against inflation.

It is clear to me that those responsible for formulating the economic policy of this Nation have too often been comfortable with cold statistics. It is certainly much easier to contemplate numbers or percentages than to face the fact that we are dealing with human beings—human beings that must live a day-to-day existence, struggling with conditions over which they have no control.

It is precisely because I am unable to think of these human beings in terms of mere percentages or numbers, that I have given my wholehearted support to those programs fostered under the Economic Development Administration.

Let me take a few moments to examine the Economic Development Administration and its programs in terms of concrete accomplishments towards economic reform—economic reform that has been felt by human beings, not mere statistics.

Over the past several years, the Economic Development Administration has engaged in funding public works projects with the knowledge that the presence of such modern facilities is the prerequisite for economic growth. It has therefore authorized grants and loans to insure this growth for economically depressed areas throughout the country, and of particular concern to me, in my State of Indiana.

The EDA has also been innovative in its provision of capital incentives as inducement for commercial and industrial development in underdeveloped areas. The lending tools which provide this business assistance, I am pleased to say, are substantially broadened under the provisions of S. 3641. This increase in flexibility in the extension of business development and working capital loans and loan guarantees should greatly increase the business community's willingness to expand in depressed areas.

Most EDA programs have been concerned with the development of solutions to long term, structural unemployment in underdeveloped areas. The EDA has always placed strong emphasis on soundly coordinated as well as comprehensive economic development programs which can overcome the difficulties inherent in the arbitrary, hit or miss approach of past efforts.

Traditionally, all eligible redevelopment areas have been required to submit an Overall Economic Development Plan for their area to the EDA before actually receiving aid. I have supported this requirement as a necessary safeguard against wasted effort and careless spending of the taxpayers' money.

The only areas that have been exempted from these requirements are special impact areas, areas which are especially hit hard by the problems of sudden "rise" in unemployment as well as a corresponding loss in both income and population. These areas are in need of immediate relief and have been able to receive money from the EDA on very short notice in order that those unemployed could receive opportunities for gainful employment in the construction of needed public works. In human terms, this program has meant survival for many residents of Elkhart, Indiana who faced the bleak prospects of continuing unemployment after the closing of many recreational industries which drove the unemployment rate in Elkhart upwards of 9 percent earlier this year.

In February of this year, the Administration presented its proposal for a complete overhaul of the regional economic development efforts as we now know them. The proposal would essentially replace the current programs with a revenue-sharing plan that would distribute funds to the States on a block grant basis, according to a formula which would take into account each State's low-income population and unemployment level. This proposal implied that the planning for these funds would have to be done by the States and the local areas intended to benefit from the legislation.

It is certainly the case that the local people know their own needs best, and the goal of locally sponsored planning which would take into consideration the unique needs of the community is an admirable one. Yet I remain concerned that this transition of authority to the States and local communities be done in a manner that would allow existing programs to be managed with the same expertise in regional economic planning currently evidenced at the Federal level.

It is for this reason that I strongly support the provisions of S. 3641. This bill will serve as an interim measure, bridging the gap between present EDA operations which are more oriented to a centralized economic planning and the envisioned program whereby planning would be completed in the locale in question in coordination with Federal agencies.

Various provisions of S. 3641 are specifically designed to implement this transition between the Federal Government and the local community. Amendments to title V of the act stipulate broadened consultation between economic development districts and Regional Action Planning Commission in the areas of awarding public works grants and business loans, and in the provision of planning grants and outright technical assistance. Under provisions of title III, the Secretary of Commerce is authorized to make grants directly to the State agencies and to all types of State political subdivisions for the purposes of economic planning. In addition, $50 million for the remainder of fiscal 1975 and $100 million for fiscal 1976 are authorized to be allocated to the States for the purposes of supplementing grants, loans, and loan and rental guarantees made for the purposes of public works and commercial and industrial development. All these new measures are intended to increase the opportunity of local and State areas to become familiar with both the planning and implementation of economic development.

Not by any means the least important part of the act is the authorization of a new title IX which creates the economic adjustment assistance and demonstration program. By allowing the Secretary of Commerce to make grants to agencies of virtually any subnational entity for the purposes of developing and testing new approaches to problems of adjustment and development, the act furthers the goal of making individual distressed areas less dependent on the initiative of what has been heretofore an increasingly centralized bureaucracy.

For the first time in our history we have comprehensive legislation that will give local areas the funding tools they need to develop new ways to cope with all types of economic burdens imposed upon them owing to changes in public policy—changes causing adjustment problems such as military base closings, environmental protection legislation, international trade legislation and the like. Under our bill, areas can also receive aid if their tourist industries are predicted to suffer on the basis of adverse climate conditions.

A major emphasis of this new program is to aid areas before they reach the stage of acute distress. Very often when areas begin the slide to depression, due for example to the closing of a major industry, the younger, ambitious and more well-educated workers are the first to leave. The outmigration of some of the area's basic units erodes its tax base further, and pushes it along the downward spiral of depression. It is obvious that in the long run it is easier and much less costly to give the area in question the tools it needs to cope with imminent adjustment problems while the area still possesses a viable economic base.

I speak out today in support of S. 3641 with the case of my home State in mind. Since its inception, the EDA has spent some $14 million in Indiana for public works and business development as well as technical and planning assistance. Much more aid will be needed to alleviate the statewide unemployment rate of 6.2 percent. Indiana has faced an increase in the unemployment rate of 2.3 percentage points over last year's rate. Unemployment levels in such leading labor areas as Evansville, Fort Wayne, Gary, Indianapolis, and South Bend have increased as much as 1.3 percent over the last year. The potential for more layoffs due to automobile industry cutbacks indicate more long-range unemployment problems for Madison, Howard, and other such counties.

In addition to the burden of increasing unemployment, statistics show that 98,035 families in Indiana fall below poverty income levels. With the ever-expanding inflation rate, we can expect this figure to grow substantially. Particularly distressing is the fact that of all Indiana citizens 65 years of age or older, 26.4 percent of these senior citizens fall into the below poverty level.

As you know, Mr. President, the Economic Development and Public Works Extension bill is now in conference. I would like to take this opportunity to commend the conferees for the progress they have made so far, and I urge that when the bill is reported from conference, the Congress take positive action on this crucial legislation without delay.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

The Senator from Idaho.

Mr. McCLURE. Mr. President, I have an amendment at the desk which I have discussed with the chairman of the subcommittee, Senator MONTOYA, and the chairman of the full committee, Senator RANDOLPH, and which I understand they are prepared to accept.

My amendment contains three parts. The first section would lower the required spending for the public works impact program from 25 percent to 10 percent of the amounts appropriated under title I. The second would remove language in title IX of the bill mandating unemployment compensation but it would continue this as an eligible use of title IX funds. Third, it would change the authorization in the bill to 2 years—

I ask unanimous consent that prior to adoption of the amendment a statement of my views appear in the RECORD.

There being no objection, the statement of views was included, as follows:

SUPPLEMENTAL VIEWS OF SENATORS McCLURE AND BAKER

Throughout consideration of this economic development legislation, we have endeavored to secure a bill which would assure an extension of ongoing EDA activities—while the Committee and the Congress consider further revision and improvement of existing programs and work to develop alternative proposals.

The Administration has proposed increased flexibility for the economic development programs and an increased State role and responsibility. We are glad the Committee bill includes State planning and project funds and a version of the Administration's economic adjustment program. There are, however, several provisions of the Committee bill which we cannot support, and believe endanger continuation of the EDA programs. These provisions are first, the mandatory payment of unemployment compensation under the Title IX economic adjustment program; second, the 25% mandatory spending level for the Public Works Impact Program; and third, the three-year term of the bill.

UNEMPLOYMENT COMPENSATION

The Committee bill mandates payment of unemployment compensation, up to one year, to any individual as a result of an economic dislocation for which an area is eligible for assistance under the Title IX economic adjustment program.

The purpose of the economic adjustment program, which was first proposed by the Administration, is to permit quick, flexible assistance to areas and regions experiencing, or about to experience, dislocations due to economic changes, particularly those caused by federal actions such as base closings. To best meet the particular adjustment need of an area, a wide range of eligible programs to stimulate economic activity and job opportunities are proposed.

Mandating payment of unemployment benefits from any grant made under the Title could in effect convert the program from flexible economic adjustment to unemployment compensation for a few selected areas. The limited economic adjustment funds would then be used for unemployment compensation rather than to stimulate economic activity and new job opportunities. For example, the total authorization for Title IX is $100 million per year for the entire country. But mandated unemployment compensation program promises to be so costly that the Secretary of Commerce would be able to designate only a few areas under the program. There would remain, however, the pressing need for an economic assistance program, as originally proposed in Title IX, to put people back to work—which we believe would be more productive for the community, the economy, and for individuals and their families.

Further, the unemployment compensation system in Title IX would result in a fragmented and inequitable program. The Department of Labor has maintained that any deficiencies in the existing system should be corrected through comprehensive legislation applicable to all workers not by the creation of separate, new programs, for special groups. To this end, the Administration has introduced legislation. "The Job Security Assistance Act", S. 3257. Title II of that bill, pending before another Committee, would authorize another 13 weeks of benefits, in addition to the 26 and in some instances 39 weeks of benefits under the existing program, in areas of high unemployment without regard to cause; energy shortages, environmental orders and other causes would be covered. The proposal also provides up to 26 weeks of benefits in areas of high unemployment for previously employed workers not covered by unemployment compensation laws.

PUBLIC WORKS IMPACT PROGRAM

The 1971 EDA amendments required that no less than 25% of the funds appropriated under Title I for public works grants be spent on the Public Works Impact Program (PWIP). The purpose of the 1971 PWIP program—a version of accelerated public works—is to create immediate useful jobs for unemployed and underemployed persons in an economically distressed area.

A recently completed survey of the PWIP program by the Department of Commerce indicates that the number and duration of jobs created through PWIP was much lower than projected, fewer jobs than anticipated went to the target population in the distressed areas, the number of man months of employment was less than one-half the estimates, and the cost per job for the target population was exceedingly high.

Specifically the PWIP study indicated that (1) only 22% of the total expenditures under the 1972 program went to wages, and less than 7% of the total cost represented wage payments to the target group workers; (2) the average duration of employment on a PWIP project was less than one man-month per worker, and more than 50% of the jobs lasted for less than 80 hours; (3) the cost of generating one man-month of employment for a target group worker exceeded $10,000; (4) the total number of jobs held by target group workers was 29% compared to the 77% originally estimated, and (5) PWIP hired a maximum of .3% of the aggregate unemployed labor force in the designated distressed area.

As the program has failed to have the direct job impact anticipated when it was enacted two years ago, I believe the mandatory spending level should be reduced so as to allow the Secretary of Commerce more discretion in funding this type project. I believe the high mandatory spending, one-fourth of all funds appropriated under the Title I program, drains limited grant funds from the basic purpose of the EDA Act—which is to stimulate long range economic development in distressed communities.

LENGTH OF THE EXTENSION

While the Committee has included in this transitional bill some new program initiatives and improvements to existing authorities, we have not yet been able to recommend substantive reform of the entire economic development program. A three year extension of a transition program will put off for too long further development of alternatives and needed improvements, which the Committee has indicated it intends to pursue.

A shorter term of authorization could provide a secure transition of ongoing programs, while encouraging our continued discussion of comprehensive economic development legislation. Two years would lead the Committee, we believe, to give closer scrutiny to the newly authorized programs in this bill. It would also prevent locking in this old program through 1977 at a time when we expect to see new economic initiatives, and hope to develop more effective responses to the problems of inflation and unemployment.

We oppose the three foregoing provisions of the Committee bill in our effort to secure an extension of the EDA program. In Committee, Sen. McClure offered amendments to correct them. We consider that the mandatory unemployment compensation, required PWIP spending, and 3 year term, do not contribute to the effectiveness of the EDA program, but rather jeopardize the future of this legislation.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. McCLURE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendments will be printed in the Record.

The amendments are as follows:

On page 13, beginning on line 19, strike all after the period through the end of line 22 and insert the following: "The final sentence of section 105 of such Act, as amended, is amended by inserting after the words "and June 30, 1974," the following "and not less than 10 per centum nor more than 35 per centum of all appropriations made for the fiscal years ending June 30, 1975 and June 30, 1976,".

On page 32, beginning with line 18, strike all down through line 18 on page 33 and insert in lieu thereof the following:

"(d) in each case in which the Secretary determines a need for assistance under subsection (a) of this section due to an increase in unemployment and makes a grant under this section, the Secretary may transfer funds available for such grant to the Secretary of Labor and the Secretary of Labor is authorized to provide to any individual unemployed as a result of the dislocation for which such grant is made, such assistance as he deems appropriate while the individual is unemployed. Such assistance as the Secretary of Labor may provide shall be available to an individual not otherwise disqualified under State law for unemployment compensation benefits, as long as the individual's unemployment caused by the dislocation continues or until the individual is re-employed in a suitable position, but no longer than one year after the unemployment commences. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the dislocation occurred, and the amount of assistance under this subsection shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The Secretary of Labor is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies."

Strike "and June 30, 1977" wherever it appears in the bill and wherever "June 30, 1975, June 30, 1976" appears in the bill insert "and" after "June 30, 1975,".

Mr. McCLURE. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the amendments en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MONTOYA. Mr. President, I yield whatever time I have remaining to the senior Senator from West Virginia.

Mr. RANDOLPH. Mr. President, what is the time limitation?

The ACTING PRESIDENT pro tempore. Two minutes remain on the bill.

ECONOMIC DEVELOPMENT ACT PROVIDES EMPLOYMENT AND STRENGTHENS COMMUNITY FACILITIES

Mr. RANDOLPH. Mr. President, in 1965, the Economic Development and Public Works Act came into being. During that period of time and continuing until today, the results of this program generally throughout the country have been excellent.

I wish to say for the Record that not only have there been job-producing opportunities for hundreds of thousands of persons, but the work done by these people has enhanced the communities in which they live.

There has been a strengthening process which has been going on for many years, not only in the larger cities but in the countryside. In the pockets of unemployment in those sections of the country there is a very real need for programs of this type benefiting the workers and the communities in which they live and strengthening the whole economy of the United States of America.

I express gratitude and I express commendation to the Senator from New Mexico (Mr. Montoya), the chairman of our Subcommittee on Economic Development, who for more than 3 years has worked assiduously in the development not only of the second generation program in this field which is contained in the bill before us. To the Senator who is ranking minority member of the subcommittee (Mr. McClure), I express a like appreciation and commendation. I also express appreciation and commendation to all of the other members of the Senate Public Works Committee, Senators Muskie, Gravel, Bentsen, Burdick, Clark, Biden, Baker, Buckley, Stafford, William L. Scott, and Domenici.

There has been throughout the years, in connection with this bill and other measures, almost a total lack of partisanship on our committee, if indeed it has existed at all. This measure, as it comes to the Senate today, will prove once again that America has programs which have a priority in the strengthening of employment and the development of worthwhile community projects.

Mr. President, I share a close personal affinity to the program which would be extended by the legislation under consideration by the Senate today. The Public Works and Economic Development Act of 1965 originated in the Committee on Public Works.

Its genesis, however, was in the hills and valleys of West Virginia where the conscience of the Nation was first brought to bear more than a dozen years ago on the hardships suffered by many of our fellow citizens. The Appalachian Regional Development Act addressed the specific problems of that region. The Public Works and Economic Development Act has a national focus with activities designed to facilitate community development and provide employment opportunities where they are needed.

This program, carried out largely through the Economic Development Administration, is now a mature one. Concerned State and local officials have fully endorsed the purposes of this program. The bill before us provides a 2-year authorization and refinements in the program to improve its ability to help States and communities build stable economic bases. This type of activity is particularly needed now as we are buffeted by the winds of inflation and face the future without our accustomed confidence in the American economy.

The provisions of the bill will permit us to move with renewed strength to remove the uncertainties that are a way of life for far too many Americans and communities.

Mr. President, one of the most important features of this measure is the two-year period of authorization. If it is to be successful, any effort of this type must have time to plan and implement long-range programs. The creation of firmly founded, stable economies and the creation of job opportunities cannot be done too quickly.

The necessary investments in money and manpower are substantial and they should not be committed lightly. Well-conceived plans must be developed, and there must be adequate time to properly implement them.

The bill also authorizes money in sufficient quantities to translate ideas into realities. There is no way that a development program can succeed unless the plans are supported by the funds that will ultimately permit the goals of the program to be achieved. Although much emphasis is placed on local involvement in the planning and execution of development programs, local entities—especially the ones we are trying to assist—do not have the financial resources required. That is why the Federal Government must be deeply involved with cash as well as guidance and technical expertise.

This is a broadly programed bill that provides a variety of types of assistance. It is a package of tools to attack one of our country's most persistent problems, lingering—almost chronic—pockets of economic distress. Despite our current troubles, America is the strongest Nation on Earth. The fruits of our success, however, have never been evenly available to all citizens. Until all of our people have the opportunity to share in our country's wealth, the task before us is incomplete.

Mr. President, the Senator from New Mexico has reviewed the provisions of this legislation. He has explained to the Senate how they can be implemented to achieve the ultimate goal of providing jobs for Americans. I know the Public Works and Economic Development Act worked for I have seen it work. Communities throughout the United States are better today because in 1965 we made a commitment to help them. We have an obligation to continue and expand that commitment by enacting the bill before us. I am glad that the Congress and the administration can join in this effort.

I thank the chairman of the subcommittee for the time alloted to me.

Mr. MONTOYA. Mr. President, I thank the Senator from West Virginia for his very kind words.

The ACTING PRESIDENT pro tempore. The question is on the committee amendment as amended.

The amendment as amended was agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that the clerk may make necessary technical changes in the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on the engrossment and third reading of the bill.

Mr. GRIFFIN. Mr. President, may I ask third reading be withheld, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield back the remainder of the time allocated to me.

The ACTING PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. GRIFFIN. Mr. President, has the bill come to a third reading yet?

The ACTING PRESIDENT pro tempore. No, it has not.

Mr. MONTOYA. Mr. President, may we have third reading?

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

Mr. GRIFFIN. Now, Mr. President, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold that request?

Mr. GRIFFIN. I withdraw it

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending matter be temporarily laid aside for not to exceed 10 minutes, and that the Senate, in the meantime, proceed to the consideration of the Department of Transportation appropriation bill.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, I yield myself such time as I may require, within the terms of the unanimous-consent order.

Mr. HOLLINGS. Mr. President, will the distinguished Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HOLLINGS. The bill is under controlled time, do I understand?

Mr. ROBERT C. BYRD. Yes, it is.

Mr. HOLLINGS. How much time is allotted?

Mr. ROBERT C. BYRD. I believe it is 1 hour on the bill and 30 minutes on any amendment.

Mr. HOLLINGS. We do have sufficient time, then?

Mr. ROBERT C. BYRD. Yes.

Mr. President, the subcommittee took testimony on estimates totaling $9.22 billion which consisted of $5.68 billion in liquidating cash and $3.54 billion in new obligational authority. The committee's recommendation totals $8.93 billion consisting of $5.54 billion in liquidating cash after certain adjustments and $3.39 billion in new obligational authority. This amounts to a reduction of $286 million below the administration's budget request and an increase of $212 million over the House allowance. However, it should be noted that the House deferred action on the request for the National Railroad Passenger Corporation—Amtrak—since the authorization had not passed the House at the time the bill was reported to the House floor. The committee recommends the full budget request for Amtrak, contingent upon passage of the authorizing legislation by the Congress. This accounts for $143 million of the increase over the House.

The total amount of new budget authority recommended is broken down as follows:

TITLE I—DEPARTMENT OF TRANSPORTATION	
Office of the Secretary	$64,700,000
Coast Guard	897,722,000
Federal Aviation Administration	1,731,921,000
Federal Highway Administration	51,130,000
National Highway Traffic Safety Administration	80,040,000
Federal Railroad Administration	214,470,000
Urban Mass Transportation Administration	54,130,000
TITLE II—RELATED AGENCIES	
National Transportation Safety Board	9,450,000
Civil Aeronautics Board	84,878,000
Interstate Commerce Commission	43,000,000
Panama Canal Zone Government	68,700,000
Washington Metropolitan Area Transit Authority	89,874,000
Total new budget (obligational) authority	3,390,015,000

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

The committee recommends $64,700,000 for the Office of the Secretary, including $31,000,000 for salaries and expenses.

For transportation, planning, research, and development, the committee recommends $32,500,000. The major programs under this appropriation for fiscal 1975 consist of: University research, transportation energy policies, climatic impact assessment, noise abatement, and transportation system assessment.

For grants-in-aid for natural gas pipeline safety, the committee recommends an appropriation of $1,200,000, the same as the budget request and the House allowance.

COAST GUARD

For operating expenses of the Coast Guard, the committee recommends $620,444,448 of which $179,448 shall be applied to Capehart housing debt reduction.

For acquisition, construction, and improvements, the committee recommends the sum of $112,307,000. Included in this amount is $16.9 million for the Loran-C radio navigation system on the Pacific coast, and $15 million for the procurement of new jet aircraft.

The committee recommends concurrence with the House allowance of $29,000,000 for Reserve training, as well as $17.5 million for the research and development programs of the Coast Guard.

In restoring the $10 million requested for the oil pollution fund, the committee recognizes that the capability of the fund to sustain itself is threatened by recent court decisions that persons responsible for spills cannot be assessed a "civil penalty" as a result of reporting them. Also, a recent estimate of the balance in the fund was only $7.5 million of the $20 million authorized in Public Law 92–500.

Federal Aviation Administration

Mr. President, we recommend $1,379,500,000 for the operations of the FAA. This increase of $16.5 million over the House allowance was felt to be necessary in light of the fact that the House reduction was made on the premise that the air traffic levels would be lower than FAA had anticipated in their budget due to the fuel crisis. However, testimony before the committee revealed that FAA had already reduced its staffing request by 4½ percent in December 1973, below levels which they had originally projected in September 1973.

For facilities and equipment, the committee recommends $242,221,000. This includes restoration of $6.7 million over the House bill for training equipment and a reduction of $5,579,000 in funds planned for use in implementing closing of flight service stations. Those funds will no longer be needed for that purpose in view of the committee's recommended concurrence with the House bill language prohibiting any remoting of flight service stations this fiscal year.

For the R. & D. programs of FAA, we have included $70 million, the full budget request. This represents a substantial reduction below fiscal year 1973 and fiscal year 1974 for these programs. During those years, combined financing for engineering and development activities was included in two appropriations—Research, engineering, and development, and facilities and equipment—Airport and Airway Trust Fund—and averaged $100 million annually. Thus, the fiscal 1975 request is not a $7.9 million increase over fiscal 1974, but a decrease of $30 million.

We recommend the full $280 million for airport development grants as well as $4.5 million for planning grants. For National Capital Airports, the committee restored the $3 million requested for construction of a jet ramp at Dulles Airport.

FEDERAL HIGHWAY ADMINISTRATION

To continue the construction in the Federal-aid highway program, we are recommending a liquidating cash appropriation of $4,577,840,000 from the Highway Trust Fund. Of this amount, nearly $3 billion is to continue construction of the Interstate Highway System. The increase of $4 million over the House allowance is intended for the FHWA's construction skill training program. The bill includes separate appropriations for motor carrier safety and highway safety research and development, the same as the House bill. We recommend concurrence with the separation of those accounts for the first time in this bill. The amounts recommended are $6.1 million for motor carrier safety and $9 million for highway safety research and development.

For highway beautification, we recommend concurrence with the House allowance of $25 million in liquidating cash. However, an increase of $10 million over the House in the obligation limitation has been recommended by the committee, bringing the total level to $50 million for fiscal 1975.

We recommend concurrence with the House deletion of the request for the rail crossings projects in the Northeast Corridor. Testimony revealed that almost $20 million of prior year appropriations still remain available for those programs. With respect to the rail-highway crossings demonstration projects authorized by section 163 of the Federal-Aid Highway Act of 1973, we recommend an addition of $7.5 million over the House allowance of $8 million, making a total of $15.5 million for those projects. It is intended that the full Senate addition be used for the Lincoln, Neb., project. It is our intention, as it was of the House, that these funds be used prior to the regular apportionment of funds under sections 203 and 230 of the Highway Act.

In recommending concurrence with the House allowance of $10 million for the rural highway public transportation demonstrations, the committee understands that a budget request will be forthcoming for the remaining $20 million authorized for those programs in later budgets.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

For the highway and traffic safety program, the committee recommends several changes from the House allowance. Those changes include $2.5 million for the initiation of a crash recorder program rather than a crash impact research program, $4 million for extension of at least eight alcohol safety action projects rather than one-half that number permitted by the House, and the remaining $2.19 million for financing safety studies mandated by the Highway Safety Act of 1973. For State and community highway safety, the committee recommends concurrence with the House allowance of $96 million in liquidating cash but recommends an increase of $21 million in the obligation limitation; $5 million of that increase would be for incentive grants to States that pass mandatory seat belt laws and the remaining $16 million for States that substantially reduce traffic fatalities. The payment of the seat belt incentive is authorized under section 219 of the 1973 Highway Safety Act. According to the Agency, mandatory seat belt legislation has been introduced in 27 States during fiscal 1974.

FEDERAL RAILROAD ADMINISTRATION

The committee recommends concurrence with the House allowance for the following accounts: Office of the Administrator, $3.8 million; Railroad Safety, $10,170,000, and grants-in-aid for railroad safety, $1 million.

For railroad research and development, the committee recommends concurrence with the House allowance of $50 million, which represents an increase of nearly $20 million over the amount appropriated for such activities in the last fiscal year. The committee agrees with the House on the importance of concentrating efforts on those programs which offer the greatest potential for early results applicable to present and near-term problems.

For grants to the National Railroad Passenger Corporation, an appropriation of $143 million is recommended. The Corporation is facing severe cost pressures resulting from inflation and the operation of additional mandated routes and services and the amount budgeted herein will not be adequate to fund the operations for the entire fiscal year. Both the Senate and House Legislative Committees have recommended an authorization of $200 million for fiscal 1975. The committee will favorably consider additional funding for capital and operating needs when specific requests are submitted in a supplemental appropriation estimate. The committee is concerned that Amtrak make every effort to control the cost and the committee desires that Amtrak move aggressively to assume all functions now performed by the railroads wherever practicable and, particularly, in the costly repair and maintenance function.

The committee recommends the full budget request of $6.5 million for the Alaska Railroad Revolving Fund, an increase of $2.5 million over the House allowance.

URBAN MASS TRANSPORTATION ADMINISTRATION

The committee recommends an appropriation of $48,138,000 for UMTA's research and development and demonstration and university research and training programs. Specific changes in the House allowances are as follows: For high capacity research, a reduction of $1 million to a level of $1,750,000; for dial-a-ride, an addition of $1.5 million; for transit services, a reduction of $1 million to a level of $9 million, and for dual mode research, an appropriation of $2 million. It is also the committee's intention that $4.5 million of carryover funds available from previous appropriations be fully utilized in the fiscal 1975 programs.

The committee recommends concurrence with the House deletion of $10,620,000 for high performance PRT. The committee understands that the preliminary design phase of this project will be complete in 1975 and recommends a deferral of the construction and demonstration phase of this project.

Concurrence with the House allowance of $400 million in liquidating cash is recommended. However, the committee is recommending an addition of $376.5 million over the House program limitation for fiscal 1975. Of this amount, $375 million is intended for capital grants which raises the total level for those programs from $1.225 billion provided by the House to $1.6 billion.

RELATED AGENCIES

The committee recommends concurrence with the House allowance for the following agencies: National Transportation Safety Board, $9,450,000 for salaries and expenses; for the Interstate Commerce Commission, $43 million for salaries and expenses; for the Panama Canal Zone Government, $62.7 million for operating expenses and $6 million for capital outlays; and for the Washington Metropolitan Area Transit Authority, $72,124,000 for the Federal contribution, and $17,750,000 for the interest subsidy for fiscal 1975. For the Civil Aeronautics Board, the committee recommends concurrence with the House allowance of $17,150,000 for salaries and expenses. However, for payments to air carriers, testimony revealed that the CAB believes that it can handle the anticipated workload in this area for $67,728,000, a reduction of $2.1 million below the House level.

Mr. President, I believe we have brought a carefully balanced bill to the Senate.

Before I proceed further, I wish to express my gratitude to Senator CASE, the ranking Republican member of the subcommittee, and to Senator STEVENS, for the courtesy and cooperation they so consistently have given to me as we work together in our subcommittee on the DOT appropriations bills. They are always most congenial and understanding, and I never hesitate to feel that I can call on them for any assistance. They are both very able Senators, entirely dedicated, and I feel so very fortunate in being able to work with them.

I also wish to compliment Mr. James English, our faithful staff member, without whose diligence and knowledge we would have been sorely disadvantaged. He is not only an agreeable and pleasant man, but he is an able man. It is a pleasure to work with him, as it is with Mr. Gar Kaganawich, who, likewise, is a very amiable and capable staffman. My sincere thanks go to both of these faithful appropriations staff members, and to all Senators on the subcommittee.

Mr. President, I ask unanimous consent that the committee amendments, with the exception of the first committee amendment at the top of page 18 of the bill, be agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of further amendment, with the understanding that no points of order are waived by reason thereof.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I wish to address the Chair on that point. Will that agreement allow for amendments?

Mr. ROBERT C. BYRD. Any Senator may offer any amendment to the bill, and also to any committee amendment that has not been agreed to.

Mr. HOLLINGS. Very well. I have no objection.

The amendments agreed to en bloc are as follows:

On page 2, at the end of line 8, strike out "$31,300,000" and insert in lieu there of "$31,000,000".

On page 2, line 19, strike out "$28,000,000" and insert in lieu thereof "$32,500,000".

On page 3, in line 6, strike out "$617,579,448" and insert in lieu thereof "$620,444,448".

On page 4, in line 12, strike out "$111,307,000" and insert in lieu thereof "$112,307,000".

On page 5, beginning with line 20, insert:

POLLUTION FUND

For carrying out the provisions of subsections (c), (d), (i) and (1) of section 311 of the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92–500), $10,000,000 to remain available until expended.

On page 6, at the end of line 9, strike out "$1,363,000,000" and insert in lieu thereof "$1,379.500,000".

On page 6, in line 22, strike out "$12,000,000" and insert in lieu thereof "$12,500,000".

On page 7, in line 16, strike out "$241,100,000" and insert in lieu thereof "$242,221,000".

On page 8, in line 10, strike out "$55,000,000" and insert in lieu thereof "$70,000,000".

On page 8, in line 19, after "For", insert "grants-in-aid for airport planning pursuant to section 13 of Public Law 91–258 and for".

On page 8, at the end of line 24, strike out "$280,000,000" and insert in lieu thereof "$284,500,000, of which $4,500,000 shall be for airport planning grants".

On page 9, in line 14, strike out "$4,200,000" and insert in lieu thereof "$7,200,000".

On page 10, in line 5, strike out "$127,200,000" and insert in lieu thereof "$131,200,000".

On page 10, in line 10, strike out "$28,600,000" and insert in lieu thereof "$32,600,000".

On page 11, in line 25, strike out "$8,000,000" and insert "$15,500,000".

On page 11, at the end of line 25, insert "by transfer".

On page 12, beginning with line 19, insert the following:

ALASKA HIGHWAY

For necessary expenses to carry out the provisions of section 218 of title 23 of the United States Code, $5,000,000 to remain available until expended.

On page 13, in line 7, strike out "$4,573,840,000" and insert in lieu thereof "$4,577,840,000".

On page 14, beginning with line 18, strike out

BALTIMORE-WASHINGTON PARKWAY

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, $4,000,000 to be derived from the "Highway Trust Fund" and to be withdrawn therefrom at such times and in such amounts as may be necessary.

On page 15, in line 7, strike out "$71,350,000" and insert in lieu thereof "$80,040,000".

On page 15, in line 8, strike out "$27,380,000" and insert in lieu thereof "$32,870,000".

On page 15, in line 10, strike out "$33,705,000" and insert in lieu thereof $36,605,000".

On page 16, beginning with line 14, insert:

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation, $143,000,000, to remain available until expended, of which $127,800,000 shall be available only upon the enactment into law of authorizing legislation by the Congress.

On page 17, in line 17, strike out "$4,000,000" and insert in lieu thereof "$6,500,000".

On page 18, in line 11, strike out "$51,130,000" and insert in lieu thereof "$48,130,000".

On page 18, in line 12, strike out "$47,880,000" and insert in lieu thereof "$44,880,000".

On page 20, at the end of line 21, strike out "$69,828,000" and insert in lieu thereof "$67,728,000".

On page 24, at the end of line 24, strike out "$40,000,000" and insert in lieu thereof "$50,000,000".

On page 25, in line 3, strike out "for incentive grants for mandatory seat belt legislation nor for programs".

On page 25, in line 5, strike out "$100,000,000" and insert in lieu thereof "$121,000,000".

On page 25, in line 14, strike out " 'Urban Mass Transportation Fund' " and insert in lieu thereof "the Urban Mass Transportation Act of 1964, as amended".

On page 25, in line 16, strike out "$1,321,750,000" and insert in lieu thereof "$1,698,250,000".

The excepted amendment is as follows:

On page 18, in line 4, strike out "$7,000,000" and insert in lieu thereof "$6,000,000", to remain available until expended."

Mr. ROBERT C. BYRD. Mr. President, I send to the desk an amendment to the remaining committee amendment, and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 18, line 5, insert the following at the end of the line: *Provided, however,* That there be a 3% reduction in New Budget Authority (obligational) across-the-board of the total appropriations contained in this Act.

Mr ROBERT C. BYRD. Mr. President, if Mr. MONTOYA and Mr. RANDOLPH and the other Senators are ready to proceed with the other matter, I will be happy to yield the floor at this time for that purpose.

Mr. HOLLINGS. As I understand the amendment of the Senator from West Virginia, it requests a 3 percent cut across the board.

Mr. ROBERT C. BYRD. Across the board.

Mr. HOLLINGS. Mr. President, I ask to be added as a cosponsor.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the very distinguished Senator from South Carolina (Mr. HOLLINGS) be added as a cosponsor of my amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. When the Senator does have time I would like to make a few comments, and I commend the Senator.

Mr. ROBERT C. BYRD. I would be delighted to yield. May I yield to the Senator from Maryland (Mr. MATHIAS) at this point.

Mr. MATHIAS. Mr. President, I was just wondering, I have an amendment which is very brief and, if the Senator would yield——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that my pending amendment to the committee amendment be temporarily laid aside and the Senator from Maryland be recognized for an amendment.

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, the Senator is recognized and the clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that we dispense with further reading of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MATHIAS' amendment is as follows:

On page 14 after line 17 insert the following paragraph:

BALTIMORE-WASHINGTON PARKWAY

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, $1,600,000 to be derived from the "Highway Trust Fund" and to be withdrawn therefrom at such times and in such amounts as may be necessary.

Mr. MATHIAS. Mr. President, I would like to commend the Senator from West Virginia (Mr. BYRD) and the Senator from New Jersey (Mr. CASE) for their excellent work in shaping this transportation appropriations bill for fiscal year 1975. In most respects, I believe my colleagues will find this bill as reported by committee to be both fiscally responsible and highly responsive to the growing transportation needs of our Nation.

In particular I want to congratulate our committee for restoring the Amtrak funds cut by the House, for providing for a more realistic program level for urban mass transit, and for taking steps to strengthen our national highway safety program.

The committee also has adopted a number of policy positions in important areas, I believe. For example, the committee has made clear its determination to strengthen a lagging railroad safety program by providing for even more inspectors as soon as the necessary authorizing legislation is enacted.

In this regard, I was glad to note that the committee warned the Federal Railroad Administration that it must change its attitude and give "higher priority to railroad safety."

I also am glad to note the committee has encouraged and directed the Federal Aviation Administration to "vigorously pursue" technological and operational means to substantially reduce noise from the commercial aircraft fleet. The committee's action will be welcome news to communities and citizens living in airport areas.

On balance, therefore, I believe the bill we have before us today is a sound and prudent measure, and worthy of broad support in this chamber.

BALTIMORE-WASHINGTON PARKWAY

However, the bill as reported by committee does contain one important omission of great concern to me and regarding which I would like to seek clarification for the record. I am referring to the lack of an appropriation for continued preliminary work on the Baltimore-Washington Parkway.

Any of my colleagues who have made

the difficult trip on this major artery between our Nation's capital and the Baltimore-Washington International Airport must be well aware of the great need for improvements and reconstruction of the Parkway, and of the heavy traffic demands on it even in spite of the opening of I-95, which runs parallel to it and to the West.

This unique and crucial artery provides access not only to one of the three major airports serving Washington, but also to the city of Baltimore itself, the Goddard Space Center and a host of other key Federal installations. Its proper construction and maintenance are clearly a matter of legitimate Federal concern.

For this reason, the Congress has already authorized a total of $65 million for the reconstruction of a key segment of the Baltimore-Washington Parkway in Public Law 91-605, the 1970 Federal-Aid Highway Act. Under this authorization the federally owned section of the Parkway—running roughly from beltway to beltway—would be expanded to six lanes and built up to Interstate standards, whereupon it would be turned over to the State of Maryland for all future maintenance responsibilities. This is a sound approach and, as I have indicated, has already been enacted into law by Congress.

The President's budget sought an appropriation $10.7 million for preliminary engineering and acquisition of rights-of-way, based apparently on an optimistic projection of the pact with which the project could be undertaken.

In recognition of subsequent delays, the House cut this figure to $4 million, estimating that no more than that amount could usefully be spent on it in this fiscal year. The U.S. Department of Transportation did not appeal this cut, and my inquiries with the Maryland State Department of Transportation revealed that the State concurred in this matter.

The Senate Appropriations Committee went one step further, however, and eliminated the appropriation entirely. It is this action which I would like the Senate to reconsider today.

The committee report simply states that "testimony revealed that no agreement has been reached as to exactly what will be done with regard to that reconstruction. The committee feels that no appropriation is necessary until such time as there has been a meeting of the minds as to the need for an appropriation."

But I want the Record to show clearly that we in no way mean to signal any diminution of congressional commitment to the urgency of the completion of this crucial project. In fact it is the view of the committee without exception that State and Federal officials should redouble their efforts to expedite progress on these reconstruction plans.

In view of the vital nature of this road, I believe we should provide at least the amount of money necessary for detailed contract plans so that as a meeting of the minds is achieved they could go forward with the necessary planning. This amendment merely provides $1,600,000 for that purpose.

Mr. ROBERT C. BYRD. Mr. President, I have discussed this amendment with the distinguished Senator from Maryland, and I believe that my counterpart on the committee, the distinguished ranking member, Mr. Case, would be agreeable. I have some indications of that already that he would be agreeable to the acceptance of this amendment, and I will be glad to accept it and take it to conference.

Mr. MATHIAS. I thank the Senator.

Mr. President, at this time, I ask unanimous consent that the Senator from Maryland (Mr. Beall) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, in Public Law 91-605, the Congress authorized funds for the improvement and reconstruction of the Baltimore-Washington Parkway.

This act conditioned these funds on the State of Maryland and the Department of the Interior entering into agreement which, in effect, would transfer the segment of the Baltimore-Washington Parkway owned by the Federal Government, to the State of Maryland following the improvement and thereafter it would be owned, maintained, and policed by the State.

The Baltimore-Washington Parkway is a near disaster. It is made up of patches over patches. The problem is that the base of the road is inadequate and therefore, most improvements do not last. When one goes over some of these humps, it almost feels like you will become airborne. I have heard complaints of people's air conditioners coming loose, and complaints more numerous to convey to the Senate. The road, of course, was built for another era. It does not meet the Interstate System and I would venture to say that the accident rate on that highway is probably double that of roads meeting interstate standards.

To eliminate these funds, not only is to renege on a commitment which the State of Maryland and the Interior Department reached at the specific directions of the Congress, but it also will perpetuate a dangerous, highly traveled highway.

The Bicentennial will be upon us soon and this will be one of the arteries used as citizens visit the Nation's Capital and surrounding areas. The Federal Government, in my judgment, has a choice either to carry out their end of the agreement or they should bring the highway up to appropriate standards. The maintenance of the status quo is a clear and present danger to our citizens.

Furthermore, it is shortsighted from an economic standpoint. The Federal Government is spending $200,000 annually for maintenance and this year they are adding $150,000 to this sum from regular programs because of the disastrous condition of the parkway. All of this, as I indicated, is money down the drain because the patches will not hold.

Furthermore, the Park Police presently patrol the highway, at an annual cost of $300,000 and once the agreement is consumated and the improvements made and the highway is turned over to the State of Maryland. Maryland will be policing the highway. This, of course, will represent a further savings for the Government.

For the Federal Government to maintain the highway properly and bring it to appropriate standards, it would cost $2 million. The choice is for Congress either to maintain the highway properly, or to carry out the agreement. I have hope that we will approve the funds so that the agreement we asked for and the parties' negotiation can be carried out. This is in the best interest of the Federal Government, the State, and the citizens from all over the country who use this important artery to the Nation's Capital.

Mr. GRIFFIN addressed the Chair.

Mr. MATHIAS. Mr. President, may we have a vote?

The ACTING PRESIDENT pro tempore. Will the Senator state the question again?

Mr. GRIFFIN. I am seeking recognition.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator for 1 minute.

Mr. GRIFFIN. Are we operating under a time limitation? We are not on the amendment, are we?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. On what amendment?

Mr. ROBERT C. BYRD. On the amendment of Mr. Mathias.

Mr. GRIFFIN. What is the time limitation?

Mr. ROBERT C. BYRD. Thirty minutes, 15 minutes to each side.

Mr. GRIFFIN. I see.

Mr. ROBERT C. BYRD. I will be glad to yield to the Senator such time from my remaining time as he wishes.

Mr. GRIFFIN. All right, I appreciate that.

Mr. ROBERT C. BYRD. How much time do I have left?

Mr. GRIFFIN. I seek to be recognized for 2 minutes.

Mr. ROBERT C. BYRD. I will be glad to yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I am confident, on the assurance of both the Senator from Maryland (Mr. Mathias) and the Senator from West Virginia (Mr. Robert C. Byrd) that this amendment is not controversial and that the ranking Member on our side, Mr. Case, would approve it.

However, I believe out of courtesy to him—and it was his understanding I am told by his staff that, perhaps, it was unfortunate but he was led to believe that we would probably not get started on the DOT appropriations bill until 9:30 so he has not arrived in the Chamber yet and, of course, I would have no objection to opening statements being made or any preliminary statements of any kind being made on this legislation—I do not believe that action should be taken on amendments until he arrives.

Mr. ROBERT C. BYRD. Mr. President, I appreciate the Senator's response. May I say——

Mr. GRIFFIN. Unless an unreasonable time goes by, because I expect him momentarily in the Chamber.

Mr. ROBERT C. BYRD. Has the Senator completed his statement?

Mr. GRIFFIN. Yes.

Mr. ROBERT C. BYRD. Mr. President, I have indications from the staff of Mr. Case that this would be agreeable. Having worked with Mr. Case for a number of years on this subcommittee, I am sure the distinguished Senator from Michigan would understand that I would not do anything in the absence of Mr. Case about which I felt there was the slightest doubt. As a matter of fact, I would be willing to bet $25 with the Senator from Michigan [laughter], and let any Senator hold that amount, that the Senator from New Jersey will not have any objection to the amendment.

Mr. GRIFFIN. I would be willing to bet $100——

Mr. ROBERT C. BYRD. I will match it.

Mr. GRIFFIN (continuing). That the Senator from West Virginia is absolutely correct. I certainly have no question whatsoever.

Mr. MATHIAS. Mr. President, let me just reinforce what the Senator from West Virginia said, that not only would he not accept an amendment, I would not offer it in the absence of the Senator from New Jersey if I had not been assured that he was agreeable to it.

Mr. ROBERT C. BYRD. Would the distinguished assistant Republican leader let us proceed and not have a motion to reconsider the amendment? This would protect Senator Case.

Mr. GRIFFIN. Fine. In the interest of orderly procedure—I think the Senator from West Virginia appreciates the importance of that in the operation of this body—I would like to as much as possible protect the chairman and ranking member of the committee on bills.

Mr. ROBERT C. BYRD. I appreciate that. I respect the Senator for it. He does a great job of it. I am just interested in the Senate moving along as long as we have some time.

Mr. GRIFFIN. Let us proceed as the Senator from West Virginia suggested.

Mr. ROBERT C. BYRD. Yes.

The ACTING PRESIDENT pro tempore. Do the Senators all yield back time?

Mr. ROBERT C. BYRD. I yield back my time.

Mr. MATHIAS. I yield back my time.

The ACTING PRESIDENT pro tempore. All time has been yielded back. The question is on agreeing to the amendment of Mr. Mathias. (Putting the question.)

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HOLLINGS. Mr. President, I wish to speak in behalf of the amendment offered by the distinguished Senator from West Virginia and myself.

Mr. ROBERT C. BYRD. I will yield such time as the Senator may require out of my time.

Mr. HOLLINGS. Mr. President, I want to commend the distinguished Senator from West Virginia, and subcommittee chairman on our appropriations subcommittee, for leading the way. In fact, this is what really was intended on yesterday when we were subjected to charges of a meat ax approach. Subsequent to our vote on yesterday we had been trying—but I can be more specific now—we went back down to a similar markup before the Appropriations Committee because the appropriations leadership had admonished the Senator from Florida and myself that what really should be done is that the Senators should appear before the Appropriations Committee before they came to the floor with a percentage cut and tried to take it on an item-by-item basis on a matter.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate while the distinguished Senator is speaking—and I beg his pardon for the interruption. I think he is entitled to be heard.

Mr. HOLLINGS. I thank my colleague. We were admonished that we should go back to the Appropriations Committee and take it up on an item-by-item basis and not come to the floor by way of surprise with the meat ax approach of a percentage cut.

So, Mr. President, we did that, and we have been trying to do it in other appropriations markups, but this is very fresh in memory.

The HUD-space science appropriations bill was marked up and reported out. I do not have a committee report as it is yet to be printed, but in essence, it goes again some one-half billion dollars, approximately $600 million, over last year. Mind you, they emphasize this matter of budget estimate. The phraseology "budget estimate" does not give us a good guidepost however in this particular arena because, after all, we came with a budget last year that the Senate had approved of somewhere in the vicinity of $268.7 billion and with other items went finally to about $278 or $279 billion.

The President then came in with a fiscal year 1975 budget of $305 billion, and at that amount, it is conceded that it is almost $12 billion over last year.

The President said we ought to cut that by $5 billion, and many of us in this body, to really stop inflation, believe we ought to cut the budget back about $10 billion.

Specifically, the Senate itself has voted a $295 billion limitation. In order to obtain that, when we come to the floor with percentage cuts and they respond that they went below the budget estimate, let us remember that the budget estimate was a very extravagant figure, in our view, if one relates that to inflation. The fact is that—there is no need to recount financial history, but the first 5 years of this administration went $100 billion over revenue; a $100 billion deficit. So there is no real credibility, at least fiscal credibility, in the word or phrase "budget estimate."

We went back to the Committee on Appropriations having been duly admonished by the chairman of the budget committee, by the chairman of the Committee on Appropriations and by the distinguished Senator from Mississippi, the chairman of the Public Works Subcommittee of the Committee on Appropriations.

The ACTING PRESIDENT pro tempore. The time allotted on the bill has expired and the Senate will now return to the consideration of S. 3641.

Mr. ROBERT C. BYRD. Mr. President, as I understand it, the distinguished Senator from New Mexico (Mr. Montoya) is not yet ready to proceed on the measure that was pending before the appropriations bill was taken up. With his consent and the consent of other Senators, I ask unanimous consent that the distinguished Senator from South Carolina may have 2 additional minutes to complete his statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HOLLINGS. I appreciate it. It will take several more minutes.

Mr. President, I have been given a correct figure. That HUD-Space Science figure is $483 million over last year, rather than the $600 million previously cited.

We went back down to the Appropriations Committee with an amendment, a modest amendment, in the amount of $43.3 million, to the HUD bill. It amounted to a cut of $18.8 million from NASA, $8.2 million from the National Science Foundation, and $16.3 million from HUD. Mind you this is in the light of an increase in the bill of $483 million.

On the first motion to cut the NASA budget, we were able to obtain the votes of five members. We were beaten 8 to 5. We had the distinguished Senator from Arizona (Mr. Goldwater) and the distinguished Senator from Utah (M. Moss) on space, which put us in a position of, frankly, not knowing in intimate detail what they wanted to say about space and supersonic materiel.

The same was the case on the National Science Foundation. That was defeated by a vote of 8 to 8. On the HUD appropriation, it was defeated again by a tie vote of 8 to 8.

The point I am making now in the closing few moments—because I would like to obtain the floor again when we get back on the major part of the bill to complete my thoughts—is that we tried the item-by-item way: We do not come with the meat ax. It is next to impossible to come before the Senator from Arizona and debate supersonic materiel and win the argument. It is next to impossible to come before the chairman of the Space Committee and argue space as a budgetary member on the Committee on Appropriations and win the argument. They are going to prevail on the particular item. But in trying to get a grasp on this monster of inflation, how are we ever going to do it except on a percentage cut?

I shall conclude for the moment, but I wish to speak again. The pending question is the 3 percent cut sponsored by the manager of the bill himself across the board in new budgetary authority.

I say to the Senator from Florida, that would cut $101 million. We are already below the budget estimates, and this 3 percent cut will cut us another $101 million, which will be substantially less than we would have effectuated if we had prevailed with our 5 percent cut to the public works bill yesterday.

I commend the Senator from West

Virginia on his leadership. If we can gain the support of other Senators on this particular procedure, we shall be giving a signal to the American people that we do not mean to go willynilly down the road in August, September, and October and give them only rhetoric, all the speeches, and TV appearances. We are in the catbird seat; we are in the Senate Chamber. Appropriations are being passed now and, under the leadership, particularly in this measure, of the Senator from West Virginia, we mean to bring fiscal responsibility back into this Congress and not wait until next year for the budget committee to get its appointments, get its assignments, get room space, hire consultants, hire experts, and hold hearings with the country in economic ruin.

Mr. CHILES. Will the Senator yield?

Mr. HOLLINGS. I yield back for the moment to the Senator from West Virginia.

Mr. ROBERT C. BYRD. How much time does the Senator need?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. CHILES. I wonder if the Senator from West Virginia would yield for a moment?

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the distinguished Senator from Florida.

Mr. CHILES. Mr. President, I wish to join in complimenting the Senator from West Virginia on his amendment and the Senator from South Carolina, who, I know, is a cosponsor. I would certainly like to be a cosponsor of the amendment also.

I think some of us have been crying out to try to get someone to do it a better way than we know how to do it. We were talking about doing it, and I am just so happy to see the leadership now taking up this measure, because the leadership has talked about inflation. Of course, all of us have talked about it, but now, I think, if we can get the Senate on record as doing something about it, that is going to give the people more hope and more confidence than anything in the world that can take place in the Government right now.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Florida may be added as a cosponsor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield 1 minute or more to the Senator from Kansas.

Mr. DOLE. Mr. President, I commend the Senator from West Virginia and request I may be added as a cosponsor of the amendment, if there is no objection.

It is clear to the Senator from Kansas that there is growing recognition in the Senate that cuts must be made. No one in this body has more respect for the Appropriations Committee and its leadership than does the junior Senator from Kansas. But there is this sincere demand for cuts in the Federal spending from the people all over America. I believe that now with this effort by the leadership of the majority party, we can be assured of substantial cuts. This will demonstrate to the American people our concern in providing the leadership needed at this time. Cutting Federal spending is an obligation, not just of the executive but of the legislative branch of this Government.

If we are hoping for a $5 to $10 billion cut in Federal spending, this is certainly the time to start. Unfortunately, some of the bills have been passed, but perhaps between now and the time all the appropriations measures are considered, further substantial cuts can be made and we will indicate to the American people that Congress means what it says about spending, that individual members understand the importance of it. We are not scuttling the programs, just reducing the amount of expenditures on those programs at this time.

I appreciate being added as a cosponsor of the amendment.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senator from Kansas (Mr. DOLE) may be added as a cosponsor of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. YOUNG. Mr. President, I am really pleased to see this economy move in the Senate. As late as last year, one Member could add as much as $300 million in amendments on the floor of the Senate. I think it augurs well for the future, but I am wondering if the same percentage cut is going to be applied to the District of Columbia, to HEW, and to all other appropriations bills that might——

Mr. HOLLINGS. Mr. President.

Mr. YOUNG. I shall be glad to yield to the Senator from South Carolina. He would not yield to me yesterday, but I shall yield to him now.

Mr. HOLLINGS. The idea is to be realistic and sensible about this matter, not to meat ax. The question is, as the Senator said, going over the District of Columbia budget, that was not only substantially below the estimates but below the outlays of 1974. So, if we can keep that kind of guideline, we are not going to need any percentage cuts.

We are trying to apply some kind of measure to bring it back down to end up somewhat in the vicinity of $10 million when we get through.

Mr. YOUNG. I think that it is the wrong procedure. I believe it would be better to use an item-by-item cut procedure. Both in the Appropriations Committee and on the floor of the Senate I voted to cut the same items that the Senator from South Carolina objects to now, but we lost. I think I will go along with the 3 percent if there is no other way. I think it may accomplish some good by stopping all these amendments to add hundreds of millions on the Senate floor as so often has been the case.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate may proceed for not to exceed an additional 10 minutes on the appropriation bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield myself 2 minutes on the bill.

Mr. President, the Subcommittee on Transportation went into each item carefully, conducted adequate hearings, and brought a bill to the floor, after its approval by the Appropriations Committee, which reduces the administration's budget request by $286 million in total.

I personally would never offer an amendment making an across-the-board cut in any other appropriation bill because I feel that when the chairman and the ranking member bring an appropriation bill to the floor they have the responsibility for the bill over which they have worked.

It has been their time and their effort that have gone into the molding and shaping of the bill. While any Senator has that right, to offer an amendment to make an across-the-board cut, I have never felt that was my responsibility on another chairman's bill. But this is the bill for which I have responsibility as chairman of the subcommittee. Therefore, I feel that I can, in good conscience, offer this amendment. I feel that we must begin to exercise reasonable restraint upon ourselves.

Middle-income families cannot send their children to college because of the increase in cost of education. Elderly citizens are eating dog food in many instances, according to news reports, because they cannot afford the spiraling costs that are concomitant to the rapid inflation that is not only affecting this country's economy, but also other economies throughout the world.

I therefore believe, Mr. President, that we who talk about economy are going to have to do something about it, and I believe that Congress has the responsibility to lead the way, inasmuch as, in this Senator's judgment, the executive branch is not pointing the way.

I believe that out of a total budget request of over $3 billion—and that is $3 for every minute since Jesus Christ was born—the Department of Transportation can absorb an additional reduction from the budget request of what would amount to something like $100 million.

I feel, Mr. President, not only that it is my right, as it is any Senator's right, but I think it is my responsibility and my duty, as chairman of this subcommittee, to offer this amendment, believing that if it is sustained in conference, it will not impair the Department of Transportation's programs, but that the Department will have ample funds remaining for its programs and its projects, all of which I am personally interested in, from the standpoint of their impact upon my own State.

Mr. DOLE. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. DOLE. I wanted to ask for the yeas and nays.

Mr. ROBERT C. BYRD. If the Senator will withhold that, I am going to ask for them after I have a chance to modify my amendment.

Mr. President, if I may now yield the floor, I would hope that the Senator from

Colorado, who has an amendment, could call it up at this time.

I ask unanimous consent that the pending amendment and the committee amendment, be laid aside temporarily, that the Senator from Colorado may offer his——

Mr. CASE. Reserving the right to object, I want to inquire whether there is still a half-hour in opposition to the Byrd amenment, if it still exists.

The ACTING PRESIDENT pro tempore. There is still 15 minutes remaining in opposition to the Byrd amendment. There are 30 seconds remaining for Mr. BYRD.

Mr. ROBERT C. BYRD. I ask that the time in opposition to the amendment be controlled by the Senator from New Jersey, even though he probably does not oppose it.

Mr. CASE. He just wants to talk.

Mr. HASKELL. Mr. President, I send to the desk a series of amendments. I ask unanimous consent that they be considered en bloc.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The assistant legislative clerk proceeded to read the amendments.

Mr. HASKELL. Mr. President, I ask that further reading of the amendments be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments are as follows:

On page 18, lines 11 and 12, delete "$48,130,000" and insert in lieu thereof "$58,750,000".

On page 18, line 12 delete "$44,880,000" and insert in lieu thereof "$55,500,000".

On page 25, line 16, delete "$1,698,250,000" and insert in lieu thereof "$1,708,870,000".

Mr. HASKELL. Mr. President, the amendments I have sent to the desk are on behalf of myself and my distinguished colleague (Mr. DOMINICK).

What the amendments would do would be to add $10.6 million to the appropriations bill for the purpose of carrying out certain test work at a facility for mass transit to be located in the city of Broomfield, outside the city of Denver, Colo.

Mr. President, in fiscal 1973, $2.8 million was spent in developing technology. An estimated additional $2.8 million was spent in fiscal 1974 in developing the technology. These funds are to build a test system, a demonstration or pilot plant, if you wish, to see if this method of moving people by mass transit works.

I am told that foreign companies are engaged in the manufacture of this particular type of system. I know that six domestic companies have submitted bids for the test facility.

I would suggest Mr. President, that we would be pound foolish and pennywise to throw the research and development money down the drain and not go forward with this test. Granted, it may not work, but hopefully it will.

I have discussed this amendment with the distinguished Senator from West Virginia, the floor manager of the bill. I understand my colleague has discussed this amendment with the distinguished Senator from New Jersey, the ranking minority member.

I would be glad to answer any questions.

Mr. DOMINICK. Mr. President, Senaator HASKELL and I submit this amendment to restore the funds that were deleted for automated personal rapid transit—PRT—systems. We are asking that the $10,620,000 be restored so that the Department of Transportation can move ahead in the development of advanced transit technology for intermediate density cities.

During the last 10 years, U.S. industry has invested considerable technological resources and sizable sums of its own moneys to develop modern automated transit systems. This industry investment is considerably larger than that of the Federal Government. If industry is to continue its development of these systems it is critical that the Federal Government continue the PRT programs and that it provide sufficient funds to give the needed stimulus for private investment.

The Urban Mass Transportation Administration—UMTA—has requested these funds for phase II of the Broomfield, Colo., project during fiscal year 1975. Last year the funds for phase I were approved.

UMTA has issued a request for proposals for the first phase of the Broomfield project, and is presently evaluating six submissions. From these, three contractors will be asked to complete phase I studies for not less than $500,000 each. One of these three phase I contractors is then to be selected on a competitive basis to proceed with phase II, which involves final design, construction and testing of the selected system. Each of the contractors selected for phase I will have to supplement that $500,000 UMTA payment by at least as much funding from his own resources if he wants to compete effectively. The manufacturers who submitted proposals for phase I are apparently willing to commit substantial sums of their own funding to phase I if they believe that they have a good chance of being selected for the phase II design, construction and testing.

The Colorado Regional Transportation District—PRT—has under study the suitability of a PRT system following a public mandate that the potential of such a technology to meet the needs of all sectors of the population be examined carefully. It is my feeling that the Broomfield project could provide a unique opportunity for a combined public and private investment in the advancement of mass transit technology.

Energy shortages and stringent environmental regulations underline the importance of an increased national commitment to the development of modern public transit systems rather than reductions in the already modest appropriations for these purposes. The ever-increasing costs of operating bus systems also provide a powerful incentive for the Federal Government, at the same time it begins to provide operating support, to also move ahead with the further development of automated transit systems which can reduce operating costs substantially.

This is an opportunity for government and industry to join together in realistic and timely steps to provide well-planned and fully tested modern transit systems for our cities.

Mr. President, I strongly urge my colleagues to restore the $10,620,000 request for phase II of the high performance PRT project which is scheduled for construction near Broomfield, Colo.

Mr. ROBERT C. BYRD. Mr. President, I have discussed this amendment with the Senator from Colorado (Mr. HASKELL). I would be willing to take it to conference. I think there is merit in it.

If my distinguished colleague on the other side of the aisle (Mr. CASE) would address himself to it, and if he is willing to accept the amendment, I would also accept it.

Mr. CASE. Mr. President. the chairman has indicated correctly that we have discussed this matter, and we are willing jointly to take it to conference as it is jointly proposed by the Senator and his colleague from Colorado. Mr. DOMINICK also has spoken with us about the matter. It is deserving of going to conference.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. HASKELL. I yield.

Mr. HOLLINGS. How much is in this proposal?

Mr. HASKELL. $10.6 million.

Mr. HOLLINGS. For what purpose?

Mr. HASKELL. For carrying out a test and demonstration facility on a method of moving people by mass transit.

I stress to the Senator from South Carolina that in the 2 years just passed, a total of $5.6 million has been spent in research and development.

I further point out to my colleague from South Carolina that this is a test facility. Unless this demonstraton test facility is built, we will have dumped the research and development money already expended.

I also point out to my colleague from South Carolina that European countries and manufacturers are moving in this direction; that already we have bids from domestic manufacturers to build this test facility. In view of the crying need for mass transit and new ways of moving people, it seems to me highly desirable that this measure be accepted.

Mr. HOLLINGS. Of course, I would defer to the manager of the bill, because he is leading the way to try to cut back. It seems that a test facility would be of a nature that could be withheld for a year, in light of the inflation, would it not? Would it really waste all the research and development? Could not the $10 million be withheld? These are the kinds of things that run the budget up millions upon millions.

Mr. HASKELL. I say to the Senator that anything can be deferred.

Mr. HOLLINGS. And in that spirit, does not the Senator think we should?

Mr. HASKELL. In this case, I think we would lose the momentum. I know that if we turn this down in Congress, manufacturers in this country are going to lose interest completely. It is going to be a signal from Congress that we are not interested in this particular thing. Companies in West Europe will continue; and if this system comes to fruition, we are going to find ourselves in this country buying the equipment from foreign countries, which I do not think is a desired result.

Mr. HOLLINGS. If the Senator will yield further, the idea is not that we are disinterested; but there is an overall, overriding interest in trying to arrest this mammoth monstrosity, inflation.

I do not want to be picayune or belabor the point. I am sorry that I cannot support the proposal, because I think this is the kind of thing that can be withheld—not as a signal that we are disinterested, but because of and in the light of inflation as we see it.

Mr. HASKELL. I concur with the Senator from South Carolina as to the need to curb expenditures, and I intend to support fully the amendment proposed by the distinguished Senator from West Virginia. But the Senator from South Carolina, himself, said that we must pick and choose. With the crying need for mass transit and the urgency of the problem, in the light of many things, particularly the energy crisis, environmental considerations, and the like, as I said earlier, I think we would be penny-wise and pound foolish to defer this.

Mr. ROBERT C. BYRD. Mr. President, is the distinguished Senator from New Jersey willing to accept the amendment?

Mr. CASE. Mr. President, the opinion of the Senator from New Jersey, in discussion with his colleague, the Senator from Alaska, is that this matter should go to conference. In that, he is supported, as I said earlier, by the Senator from Colorado (Mr. DOMINICK), the colleague of the sponsor of the amendment.

Mr. HASKELL. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER (Mr. HUGHES). Do Senators yield back their time?

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

Mr. HASKELL. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

The PRESIDING OFFICER. The Senate will now resume consideration of S. 3641.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate temporarily lay that measure aside for an additional 2 minutes and that the Senate return to the consideration of the transportation appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the names of my distinguished colleagues, Senator RANDOLPH; the distinguished Senator from Oklahoma (Mr. BARTLETT); the distinguished Senator from Georgia (Mr. NUNN); the distinguished senior Senator from New Mexico (Mr. MONTOYA); the distinguished Senator from Kentucky (Mr. HUDDLESTON); the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.); and the distinguished Senator from New Mexico (Mr. DOMENICI) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I now modify my amendment by striking the figure "3 percent" and inserting in lieu thereof the figure "3.5 percent."

The PRESIDING OFFICER. The amendment is so modified.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I will yield in a moment.

I just wish to state that I do this because the Senate has just accepted two amendments from the floor, adding $1.6 million, on an amendment by the Senator from Maryland (Mr. MATHIAS), and $10,620,000, on an amendment by the Senator from Colorado (Mr. HASKELL). In other words, the Senate, by its action, has just added a total, by way of these two amendments, of $12,220,000.

The additional one-half percent cut, by which I have modified my amendment, will more than absorb the amount which has just been added by the Senate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. As the manager of the bill, I have accepted, and the Senate has adopted, two amendments adding $12,220,000 to the bill. If we are going to continue to offer amendments on the floor and adopt them, then I think the percentage across the board should take into consideration that fact. So my modification will more than do that.

Mr. HOLLINGS. Mr. President, I add the fact that we do not have the Coast Guard authorization that passed the Senate. The committee reported some $17 million in authorization in the present bill—and I speak now to my distinguished colleague, the Senator from West Virginia, the manager of the bill—$15 million for jet aircraft. I have always questioned the use of jet aircraft by the Coast Guard, particularly after I saw it in New Delhi, India, with the Secretary. I wondered how far our coast really extended, with respect to the continental United States. I say that affectionately with respect to former Secretary Volpe. I served with him as a fellow governor. The idea is that not many coasts can be guarded with jet aircraft.

With respect to adding some $15 million for jet aircraft, perhaps the manager of the bill would also try to pare down that difference in a markup, as we will try to cut that authorization.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate may delay for 1 additional minute the return to the consideration of the measure which is being handled by Mr. MONTOYA.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the total amount represented by my amendment now would be a reduction of $119,078,225, and that takes into consideration the additions of the two amendments accepted on the floor already today.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, each day we are reminded—grimly reminded—of the economic bind into which inflation has thrown millions of Americans. Citizens watch helplessly as their savings fall short by 4, 5, or 6 percent from keeping pace with inflation. For countless numbers of middle-income wages earners, the result is that the dream of a college education for their children has all but vanished.

The situation is even worse for fixed-income Americans. These citizens—older persons, mostly—have been forced to eat dog food, according to newspaper accounts, because their incomes have not increased, while the price of food has skyrocketed.

As the elected Representatives of the people, we have a very serious responsibility to control inflation; and, in this regard, I feel the Senate has compiled an admirable record. Over the past 5 years, the Senate has reduced the President's appropriations budget request by $23 billion. Obviously, that effort must continue.

Thus, I have proposed this amendment that would result in an across-the-board reduction of 3.5 percent in the Department of Transportation Appropriations bill. The dollar savings of the percentage cut would amount to $119,078,225.

The Senate Appropriations Subcommittee on Transportation, which I chair, went into each item in the Department budget request in considerable detail. And after hearings on the various requests, we reduced the budget authority by $154,988,552 below what the President had asked for. I would like to commend my colleagues on the subcommittee for their diligence in scrutinizing the President's budget requests for the Department of Transportation, and for the responsibility they showed in helping me to cut it by $155 million.

Beyond that substantial reduction, however, I believe that, in view of the spiraling inflation currently jeopardizing the standards of living of all Americans, the Department of Transportation can absorb a further cut. The additional reduction of 3.5 percent, or $119,078,225, could serve as an example to other Federal departments and agencies to tighten their belts—or the Senate will tighten them. And it will show the people of the United States—the people we serve—that the Senate recognizes that it has no more important responsibility than controlling the inflation that poses so grave a threat to their economic well-being.

I am pleased that many of my colleagues have asked to cosponsor my amendment. I welcome their support.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Mr. President, I promised the Senator from Alaska (Mr.

STEVENS) that I would first yield to him. I ask unanimous consent that we remain on the appropriations bill 3 minutes, 2 minutes of which I yield to the Senator from Alaska, a member of my subcommittee, and 1 minute to the Senator from Virginia.

Mr. NUNN. Mr. President, I wanted some time on this measure.

Mr. ROBERT C. BYRD. There will be more time on the measure, I say to my good friend from Georgia. We do have an obligation first to return to the measure that is being managed by Mr. MONTOYA.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, my good friend from West Virginia knows that I have great regard for him as chairman of the committee. He worked quite hard on this bill.

I would like to ask, as I read the amendment now offered by the Senator from West Virginia, he seeks to reduce the subcommittee bill by 3½ percent, or reduce the budget estimate by 3½ percent, which is it?

I would think we would get credit for the fact that we pared down this amount by $154,988,000, and that people are trying to seek to cut from the budget one thing, but can we not get credit for those things we have already forgone?

Mr. ROBERT C. BYRD. The 3½ percent would apply to the amount in the bill.

Mr. STEVENS. A reduction from the amount already——

Mr. ROBERT C. BYRD. A reduction from the amount of budget authority reported to the floor.

Mr. STEVENS. I hope my good friend will not mind if I take him on on this later. I feel strongly that you cannot build a bridge 3½ percent short of getting to the other side. I am one who does not believe the current penchant for cutting the budget will have anything to do with inflation. It is the interest rate that is destroying this country, not the fact that we are trying to meet the needs of the country.

I am sure my good friend knows we are seeking to express what we are trying to do.

The President, I am told, does not have one clout, but he makes a 15-minute speech and everyone is running to the Hill to cut the budget. For 3 years we have given the President millions and millions of dollars more than he wanted and now we are going to cut——

The PRESIDING OFFICER. The Senator from Virginia is recognized for 1 minute.

Mr. HARRY F. BYRD, JR. Mr. President, I applaud and salute the Senator from West Virginia for taking the initiative to recommend a reduction of 3½ percent in the appropriations bill brought in by him on behalf of the Appropriations Committee.

It is the first time that has ever been done in recent years in the Senate. I think it is a hopeful sign, I think it will be very helpful as other appropriation bills are considered.

I support his proposal and I commend the able Senator from West Virginia and I salute him.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator from Virginia.

AMENDMENT OF PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

The PRESIDING OFFICER. The Senate will now resume the consideration of S. 3641, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 3641) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a three-year period, and for other purposes.

Mr. McCLURE. Mr. President, I am glad to join with the chairman of the subcommittee in calling up S. 3641, the bill extending the Public Works and Economic Development Act and authorizing a new economic adjustment program.

I would like to acknowledge the time Senator MONTOYA has given this legislation and his efforts to write a constructive transition bill. I pay tribute also to the chairman of the full committee, Senator RANDOLPH, for his leadership in this field since 1965 and before, and the interest and work of Senator BAKER, our ranking minority member of the full committee, and that of all members of the committee.

The bill represents the cooperative effort of the majority and minority members of our committee, together with the administration, to secure a workable transition of EDA activities. I believe there is general agreement that some extension is necessary until the Congress, working with the Department of Commerce and the executive branch, can write a realistic follow-on program.

Earlier this year I was joined by several members of the committee in introducing the administration's bill, S. 3041, recommending a 1-year extension of existing EDA programs while phasing in a new alternative economic adjustment program.

During the past several months, Agency officials have met with the committee staff to discuss existing programs and directions for future legislation. I hope this dialog will continue in the year ahead as the committee continues consideration of this legislation.

In its proposal and subsequent testimony before the committee, the administration recommended more flexibility and a greater role and responsibility for the States in these programs. I commend Senator MONTOYA for including these as part of the bill he introduced on June 13, and I am pleased the committee bill proposes new initiatives in this direction.

Section 302 of the committee bill authorizes a new planning program to assist States in undertaking overall State economic development planning. Existing EDA planning activities have focused on the local level and the multicounty economic development districts. The provision of State planning funds is an important addition to existing planning activities and I am certain many States will take advantage of the program to increase their capability to address overall development needs of the State.

The bill, which also includes planning assistance for cities and sub-State planning and development organizations, provides for coordination of the planning undertaken by these various levels. The States, I believe, are going to have to be involved in a much more important way in planning and coordination if we intend to make this a more comprehensive program.

In addition to planning funds, title III authorizes grants which the States may use to fund projects on a "first dollar" basis, or to supplement economic development projects under titles I, II, and IV of the act. As introduced, S. 3641 authorizes grants for the States to supplement projects approved by EDA under title I of the act, the public works grant program. The committee strengthened this provision, giving the States more flexibility in the use of the funds.

Inclusion of these two significant provisions is a step toward bringing the States more meaningfully into the economic development activities assisted under this act and will improve our economic development efforts.

Title IX of the bill recommends a version of the administration's economic adjustment program to assist States and communities experiencing, or about to experience, economic dislocations due to severe economic changes, particularly those created by Federal actions, such as base closings. The adjustment program is to permit a quick, flexible response in these areas before, rather than after, the dislocation becomes so severe that the area suffers high levels of unemployment, falling incomes, and the effects of a depressed economy.

In order to best meet the particular adjustment needs of an area, the title authorizes a wide range of programs—including public facilities where needed, incentives to the private sector to stimulate alternative or expanded employment opportunities, and worker retraining and relocation. The transition period will provide the committee experience with this new concept and an opportunity to study the feasibility of this approach.

As pointed out in the supplemental views which I filed with Senator BAKER, and which appear on page 31 of the committee report, there are three points in the bill which I believe endanger continuation of the EDA programs and which I cannot support. These three provisions are the mandatory unemployment compensation program in title IX, the 25 percent required spending for the public works impact program, and the 2-year term of the extension. In a letter dated July 19, the administration clearly stated its opposition to these three provisions of the Senate bill and indicated it would veto legislation if these sections remained part of the bill.

In committee I offered amendments to correct each of these items, and I am pleased that the Senate has today adopted my amendments.

Mr. McCLURE. Mr. President, the senior Senator from Ohio (Mr. TAFT) has today been in touch with us, expressing his concern that cities will share equitably in the 302 planning funds and in the title IX grants. I ask unanimous consent that a statement prepared by Senator Taft be included in the Record at this point.

There being no objection, the statement was ordered to be included in the Record, as follows:

Statement of Senator Taft

I have been concerned that in including States as eligible recipients for planning and program grants for the first time, the States might absorb all or most of the funds in the program.

Cities are also eligible for direct grants, as are sub-state planning and development organizations and economic development districts. I recognize that in some cases the State level may be the most appropriate one to receive funding. However, I also recognize that some of the most serious need for jobs and the most serious economic problems are in the cities. The problems of the industrial centers will not wait while we educate the states to problems the cities have been living with for years. I am acutely aware that many cities have long dealt with the problems caused by dwindling economic development, lack of diversification in industry and marginal industry shutdowns causing massive unemployment. In our efforts to strengthen our economy by mounting a program to rebuild our industrial cities, we must invite into this effort the communities that are the industrial centers.

The State of Ohio's performance on funding municipal sewage projects in which Ohio was the last State in the union to have a priority list approved has given me serious reservations about putting an inexperienced State agency between the Federal Government and the cities.

It is my understanding that although this bill (S. 3641, The Public Works and Economic Development Act Amendments of 1974) does not restrict money for State applicants by percentage, the ratio of State funding to all Federal funding under the Title III planning grants will be upheld, even if the full authorization is not appropriated.

In addition, I understand that under Title IX of the bill, the Committee rejected a plan to make block grants to the States, thereby insuring that States are not to act as pass-through agents for local assistance.

Mr. MONTOYA. Mr. President, I have read the statement of the Senator from Ohio (Mr. Taft), and I understand his concern. The amendments to title III provide new funding and direction for economic development planning by States and by cities, counties, and development districts. While the bill provides that up to $15,000,000 of the total $75,000,000 authorized for planning may be used to assist States, it is the intention of the committee that whatever funds are actually appropriated under this authorization be allocated between assistance to States and assistance to other levels of government, in a manner which reflects the proportions contained in the authorization.

The committee feels strongly that State economic development planning should be encouraged and supported with significant appropriations under this new authority. Funds must be made available, however, to support economic development planning efforts of cities and other units of local governments. The committee does not intend and will not countenance any attempt to shift all these new economic development planning funds to the States.

Mr. McCLURE. Mr. President, I agree. The committee is aware of the possibility raised by the Senator from Ohio (Mr. Taft), that the States conceivably could absorb all or most of the appropriated funds under these two provisions, leaving little support for local planning and programs.

The title IX adjustment program, as first proposed by the administration, was a block grant to the State for adjustment activities. The committee did not support the block grant approach, and in section 903 of the bill explicitly authorizes the Secretary to make grants directly to any eligible recipients in an area experiencing an adjustment problem.

Except for the unemployment compensation payments—which the committee believes should be administered through the existing unemployment insurance system to avoid duplicative and costly administration—grants made under this title shall be made to "any appropriate eligible recipient capable of carrying out such purpose."

On page 13 of its report, the committee makes clear its intent that States are not to be the sole recipient of grant funds under the title IX. The report language reads:

> In the Administration's adjustment proposal earlier this year (S. 3041), a regional administrator was to be appointed by the President to approve adjustment plans submitted by the States, which would receive block grants for adjustment purposes. The Committee rejected that arrangement as did the House. States may be applicants but are not intended as a pass-through for local assistance. Unemployment compensation, of course, is properly a State function, but other means of assistance in adjustment situations may more properly be provided to or through local units of government.

Our chief concern is that adjustment programs be planned and carried out at the most appropriate levels.

The two sections discussed by Senator Taft are new programs, and I am sure the committee will carefully follow their implementation. We appreciate having the benefits of Senator Taft's judgment on this matter, giving us an opportunity to make clear our intention. He is a thoughtful and careful legislative workman.

Mr. President, the ranking minority member of the Committee on Public Works is necessarily absent today, but has devoted keen interest and attention to this legislation. I ask unanimous consent that Senator Baker's statement be included in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Howard H. Baker, Jr.

Since 1965 and before, the Senate Committee on Public Works has taken initiatives in, and pursued the continuing development of, federal assistance to distressed areas, regional planning within states and between states for economic development, and the establishment of structures for more effective cooperation between levels of government and different agencies of government. The Chairman of this Committee, Senator Randolph of West Virginia, has long made this subject one of his chief interests. It has been a privilege for me to work with him in recent years.

I am very glad that our Committee has brought forward, and is today recommending to the Senate, an extension of the Public Works and Economic Development Act of 1965. Credit is due the chairman of the Economic Development subcommittee (Mr. Montoya), and also in large degree to its ranking minority member Senator Jim McClure, who has applied himself to the difficult practical problems presented with his usual competence, diligence, and responsible attention to vital detail.

I want to mention also the spirit of cooperation which has sustained our work with representatives of the Executive Branch which must administer this program, and who have the wisdom gained from practical experience and the exercise of responsibility. Senator McClure and I were pleased, as I know were the Chairmen of the full Committee and Subcommittee, with our conferences earlier this year—directed toward making the best use of the EDA and Title V authorities, towards joining in an effort to improve these programs, and toward achieving a better working relationship in the execution of the all-too-numerous programs and agencies, planning and implementing bodies. I hope very much that the three remaining obstacles to full Administration support for this measure will be removed by the Senate today, so that these useful programs may continue without interruption.

Mr. President, the Public Works and Economic Development Act of 1965 which the bill before us today modifies and extends, like the Appalachian Development Act which preceded it, was directed to the needs of areas of this country that were left behind during our natural growth—for the benefit of families and communities less fortunately situated in the stream of what we are pleased to call progress. They deserved our attention then, and they are entitled to it today and tomorrow.

I make this point because I am somewhat concerned that our national objectives and goals may become obscured or shift too swiftly with the changing moods and tempers of the times. As new challenges arise—energy, environment, inflation, international interdependence—we must relate them to the existing and continuing problems which they may affect, but which they do not supplant.

We still have distressed areas in this country. We still have problems of poverty. We still have challenges of equity. The basic needs of all for education, health, a decent livelihood, hope for the future, and trust in the present functioning of our system—all remain. I hope very much that this measure, although a modest step, will become a useful part of our total effort toward a standard of living and the quality of life we seek for all.

Much remains to be done. I do not contend that the provisions of this bill alone provide any large advance or spectacular new solution to the problems of low income and high unemployment. In fact, I notice that the trend for several years has been to broaden the scope of legislative authority, but to restrict the funds available to implement those authorities. Assuredly, this is a time for greater care in the commitment of funds—public and private. It is a time for selectivity, and for the determination of sound priorities; our development objectives should be directed towards the best use of our resources—material and human. I believe there is some risk of dissipating our efforts over too broad a field, and thereby losing the advantage of a focused and sustained effort.

I hope that the future work of our Committee and others will also address this broader outlook. For if our legislative purposes are broad in scope and scale, the programs must be adequately funded to be effective. Similarly, if we find it necessary—as I believe we will—to hold down levels of public spending, we must take in hand the consequent responsibility of more precisely defining our immediate objectives.

I look forward to continuing my interest in this field. While these remarks may be somewhat theoretical and philosophical, I know from experience the practical and direct benefits which have flowed to people and communities in my own state of Tennessee, and other states, from EDA projects, from the related efforts which these projects have stimulated, and from the cooperative organization and leadership which they have encouraged.

I support the Committee bill as amended, and urge its adoption by the Senate.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and to be read a third time.

The bill was read the third time.

Mr. MONTOYA. I ask unanimous consent that the Committee on Public Works be discharged from further consideration of H.R. 14883 and that the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 14883) to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a two-year period, and for other purposes.

Mr. MONTOYA. Mr. President, I now move to strike all after the enacting clause of H.R. 14883 and that the full text of the Senate bill, S. 3641, as amended, be inserted in lieu thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I want to commend and thank the distinguished Senator from New Mexico, the manager of the bill, and also the Senator from Idaho who is handling it on our side, for their cooperation with me and with the Senator from Ohio (Mr. TAFT) who had an interest in the bill which was unknown to them and which was unknown to me until the last moment.

I understand that the matter that he was interested in has been discussed and he is satisfied, and I will indicate that for the RECORD at this point.

I am glad that the bill is proceeding to passage.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 14883) was read the third time, and passed.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the Senate postpone action on S. 3641 indefinitely.

The PRESIDING OFFICER. Without objection, the bill will be indefinitely postponed.

Mr. MONTOYA. Mr. President, I now move to reconsider the vote by which the bill was passed.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to table.

The motion was agreed to.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senate now return to the consideration of the transportation bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. Who yields time?

The Senator from New Jersey has 15 minutes remaining on the pending matter.

Mr. CASE. Mr. President, as I think we all understand, this initiative on the part of the chairman presented itself only this morning. The first we had heard about this proposed cut was this morning.

I think it is a fine gesture and I do not expect to oppose it, but I would like to discuss it with the chairman a bit because there are some things in here that are quite troublesome.

For instance, Amtrak. It is my understanding that the House cut Amtrak from $143 to $125 million before the whole budget was stricken on a point of order. I understand if Amtrak is cut another $4.3 million under the Byrd amendment, it will end up around $130 million, which may not be enough to get through until the supplemental.

It looks as though the Amtrak deficit may go to $200 million this year.

I wonder whether, because of the importance of Amtrak, we might not except the Amtrak appropriation from the Byrd amendment.

I know that to make any exception of this sort may begin a nibbling away process which will destroy the whole purpose that the Senator from West Virginia seeks to accomplish.

I wish we might discuss that a little bit because the Senator from Alaska and I went through this bill very carefully. I think it is just a question of what we want to do here.

If the figure to be cut was an overall figure and could be allocated between agencies by means of transfer authority or other power, that would be one thing. We would like to get the Senator's view as to where we are going to be on some of these very important projects and programs that perhaps ought not to be cut at all.

Mr. ROBERT C. BYRD. Mr. President, I think the distinguished Senator from New Jersey has raised a pertinent question.

Amtrak operates in my State, and I am as interested in this Amtrak appropriation as I am interested in any other item of the bill. As a matter of fact, I am more interested in that item than in many of the other items of the bill from the standpoint of its effect on my own State and the constituents whom I represent.

However, I fear that if we start making exceptions here, as the distinguished Senator from New Jersey has recognized, we will have difficulty in drawing the line anywhere, because there are other items of particular interest to various Senators, and if we were to make an exception in this one instance, I think we would be opening a Pandora's box.

I would hope we could take this to conference with a clean-cut reduction. There is, in all probability, some areas of the DOT's budget which have some fat in them, while there may be other areas which are operating at pretty close to a bare-bones budget. I would imagine that could be the case. But in the conference with the House of Representatives, I think we could discuss this matter again, and if it be the collective judgment of the conference, certain adjustments could be made. In the meantime, I think we would have an opportunity to contact the Department of Transportation and find out again where it could best accept this kind of reduction, and we could go to the conference with that additional information in mind.

I hope that the distinguished Senator will accept that as a reasonable way of approach, and that he will not press now for an exception.

Mr. CASE. I do accept it. I support the purpose of this amendment and the objective it is presented to accomplish. I am reassured by the Senator's assurance that we may deal with individual items that require full funding in the conference.

Mr. ROBERT C. BYRD. That would be within the province of the conference.

Mr. CASE. I do not mean that there is any assurance on any particular item, but that this is a possibility. In fact, we intend to do just that, because, as the Senator from Alaska earlier said very cogently, you cannot build 95 percent of a bridge, you have to build the bridge all the way. Or, as they used to say in the old days—the Senator from West Virginia is too young to remember this—"You cannot make two jumps from a ferryboat to the shore."

In other words, you have to have all you need to have for certain projects, or you do not have any project at all; and we must be sure that this is done.

Here is one of the many technical questions that it is very difficult to deal with on the floor. It is pointed out with respect to Amtrak that the House deferred action and had nothing in the bill and that we would put $138 million in after this cut; however, if this cut goes through, will we be limited to dealing on the basis of zero to $138 million rather than the $143 million in the committee report? Will there be no chance for funding that particular item at any amount more than what we finally put in the bill?

Mr. ROBERT C. BYRD. In my judgment, the conference would be limited to the two extremes, between the measure as passed by the House and the measure as ultimately passed by the Senate. But this will only be a reduction of a little more than $4 million or $5 million in the Amtrak budget, and if they cannot live with that, there will be a supplemental appropriation bill coming along later, and the committee, I am sure, would be reasonable and would listen to such request as may be made by the appropriate authority.

Mr. CASE. Mr. President, we are dealing here in an area in which symbols have probably as much importance as facts. Generally I would say this is not the way to do it, but it is particularly desirable for us in Congress to evidence a concern about inflation.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. CASE. I shall be happy to yield in a moment. I hope we do not get into this kind of a mare's nest, or whatever may be the proper word, on other occasions, because that is just not the right way to do this thing.

Mr. GRIFFIN. Will the Senator yield to me?

Mr. CASE. I am happy to yield.

Mr. GRIFFIN. I understand the time is controlled. May I ask how much time remains under the control of the distinguished ranking minority member?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. CASE. I have 6 minutes in opposition? I think that is all the time on the bill; I believe time on the amendment has been exhausted.

The PRESIDING OFFICER. There is time remaining on the bill. The Senator has 6 minutes remaining on the amendment.

Mr. CASE. I yield the Senator such time as he may require.

Mr. GRIFFIN. I thank the Senator for yielding. I want to join him in registering concern about the way this amendment is presented.

I am very concerned about what a meat-ax, across-the-board cut can do in some areas of Government affected by this appropriations bill.

For example, in the Great Lakes area the Coast Guard is very important. In my view, the Coast Guard, year after year, has been underfunded to carry out its important safety missions. I am disturbed and concerned to note that the committee has already cut below the administration's budget request for the Coast Guard.

Mr. CASE. Mr. President, I did not want to interrupt the Senator from Michigan because he was making a point that was required to be developed as an entirety.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. CASE. Mr. President, I yield myself 5 minutes on the bill.

I want to make this point. I agree with his comments on the amendment. Although I think I shall vote for it on the balance of symbolic values and meaning, I do not think I should let rest his suggestion that the committee, in its work in bringing the bill to the floor, cut safety measures in any way improperly.

I think we did the right thing. Although in many cases these are figures which are less than the budget requests, I think in all cases relating to safety measures they are higher than the House figure, and represent all the restoration requested by the administrative agencies.

As to whether the additional cuts to be made as a result of the Byrd amendment will cut into the bone and muscle of these programs, that is another question and one properly raised.

Mr. GRIFFIN. I see the Senator from Alaska (Mr. STEVENS) on his feet, and I have some appreciation for the importance of the Coast Guard to his area. Perhaps he might wish to comment on what I have said.

Mr. CASE. Mr. President, if I may just explain the time situation. I have used all the time in opposition to the amendment. I have yielded myself 5 minutes for this purpose, and I yield myself such additional time as necessary to yield to the Senator from Alaska.

Mr. STEVENS. I thank the Senator from New Jersey.

In response to the Senator from Michigan, it is true that this budget is still $2.5 million below the budget estimate for 1975 for the Coast Guard. We have restored the sum of the money that was asked for, $300,000 and 18 positions for the New York area, and $230,000 for the air patrol for oil pollution.

I have the same opinion the Senator does: It is a very underfunded agency.

The air rescue, the sea rescue are the midwives in the Aleutian Islands. These people spend a great deal of time saving lives and delivering lives in my area, and I have always felt they were underfunded.

But I would point out to my friend from New Jersey and the Senator from West Virginia I intend to oppose this cut. I have spoken in the Appropriations Committee and I intend to continue to speak. I cannot understand the penchant suddenly for taking money out of the budget estimates. We have fought against cases of withholding now for 5 years. Finally, all of the money has been released, everything has been released that has been committed, it has been redistributed in these bills, and now the people who would have expected that money to come and be involved in the process of goverment find it is not going to be spent at all, and because of one speech that the President made everybody on both sides of Congress apparently seems to be worried that they are going to be accused of being big spenders.

We have tried to keep this bill to the point where it meets actual needs. I do not think there is any fat left in the Coast Guard budget. There is no fat left in the safety budget, I know that. We even cut out the railway crossings because we felt they should carry over until next year.

But if you look at these budgets they are not fat, they are not the budgets of 5 or 6 years ago when we knew some money was going to be impounded so we put in there more than was necessary. These are all trimmed budgets. They are below the 1975 estimates, and I cannot understand the concept of cutting the budget at this time.

I have great respect for the Senator from West Virginia. From a tactical point of view I know what he is going to do, and I intend to oppose it, at least with my vote, with the concept of cutting the budget, because we have items in there that are right down to the dollar as far as purchases.

You cannot face an inflationary period—inflation in my State is 17.5 percent in the last year. These estimates were based on the dollar figure of a year ago, so in any event, this is going to be 17 percent off in Alaska. I come from an area where there is hope and where people are expanding. We are putting in a $4.5 billion private project, and we are supposed to cut back the Government services in the pollution field, in the fish and wildlife area, anything else, 3½ percent across the board. It makes no sense at all.

I see my good friend from South Carolina here. He and I are very close but, at the same time, we are very much in disagreement about this. This is utter nonsense not to meet the needs of the people at a time when they expect us to deliver the money that is necessary to meet those needs.

It will cost twice as much next year or 2 years from now to do the things we need to do, and I would like to see anyone use that one bridge that misses a 100-foot span by 3½ feet.

Mr. ROBERT C. BYRD. Mr. President, when that bridge misses that span I would like for the Senator to let me know about it.

Mr. STEVENS. I will be holding on to both sides. My 3½ feet are just about spread.

Mr. ROBERT C. BYRD. Mr. President, I yield from the time on the bill. How much time does the Senator want?

Mr. HOLLINGS. Let me complete some thoughts, about 10 minutes.

Mr. ROBERT. C. BYRD. How much time do I have left?

The PRESIDING OFFICER. Thirty minutes.

Mr. ROBERT C. BYRD. I yield 10 minutes to the Senator from South Carolina.

How much time does the Senator from Maine want?

Mr. MUSKIE. I wanted to put some questions—5 or 10 minutes, depending on the length of the answers.

Mr. RANDOLPH. I would like about 2 minutes.

Mr. HOLLINGS. I will try to cut it short.

Mr. ROBERT C. BYRD. I will try to yield to each of the Senators who are standing.

Mr. HOLLINGS. Mr. President, my distinguished colleagues, both from Michigan and the Senator from Alaska, I have got misgivings about this Coast Guard budget, may I say to the Senator from Alaska. The only trouble is they do not ask for what they need. Where do you get $15 million in this budget for jet aircraft to look at the coast? The supersonic witnesses we had to hear yesterday on the space budget, where we tried to save just a few million dollars, were all attesting to the fact of economy, but a jet aircraft has to get up to a height, and we have got to be almost out of sight of land for the operation of a jet aircraft to be economical; you have got to get to a speed of over 500 miles an hour. How are you going to guard the coast flying around the world in that way, and that is the kind of things they have been asking for in the Coast Guard now.

I agree we should have a sound and strong budget, but we are going to have to suffer just a little 3 percent decrease on jet aircraft, and some of these peripheral niceties of the Coast Guard which they have put in as a result of being in the Department of Transportation.

Mr. STEVENS. Mr. President, will my friend yield?

Mr. HOLLINGS. They like the Filipino mess; they like the Coast Guard jet aircraft to run all around the world in, and they have no idea of guarding the coast. You and I are going to have an in-depth study on that group.

Mr. STEVENS. Will my friend yield?

Mr. HOLLINGS. Yes, I yield.

Mr. STEVENS. We have made an in-depth study, you and I have, of the need for enforcing the 200-mile limit, which we hope to get this year. The only way of enforcing that in terms of the zone that is going to be extended from 12 miles out to 200 miles is by jet. With the same number of people, we can cover them with radar and know where these foreign vessels are.

Those jets are absolutely essential to enforcing the 200-mile limit. They are equipped already with the best radar, with the best printout for identification that they can have in terms of all-weather conditions. Without those jets, we shall not be able to enforce the 200-mile limit. Those jets are absolutely essential to the Coast Guard.

Mr. NUNN. Mr. President, will the Senator from South Carolina yield for a question on that point?

Mr. HOLLINGS. Yes, I yield.

Mr. NUNN. As I read the summary of the transportation appropriation bill, the fiscal 1974 Coast Guard budget figure was $795,248,000. The budget for the fiscal year 1975, which we are talking about now, is $897,722,000. We have increased the budget over last year by $100 million. At the same time, it just so happens that we decreased the President's inflationary budget for fiscal year 1975 with its $11 billion total deficit, by $10 million on the Coast Guard.

I do not know what these charges about decreasing the Coast Guard budget are based on. Their budget has increased tremendously over 1974.

Mr. HOLLINGS. The distinguished Senator from Georgia is so right, Mr. President. He puts his finger right on it.

Let me get to the point of trying to treat this budget in its entirety, because we have yet, as a budget committee, to meet, and we are constantly being besieged with the idea that this is meat-ax, as the Senator from New Jersey still calls it, even though he and others joined back in December of 1967 on the 2-percent cut for personnel and a 10-percent cut of controllables.

We are not trying to meat ax; we are deliberately going before the Committee on Appropriations. We are losing the votes on the little items, because the little items get the majority vote. Yet cumulatively, somehow we have to bring this monster, inflation, down to our size so that we can handle it.

Some of us within the budget committee hope to bring order out of chaos. To this end, when we have a looksee, we have a 3.5-percent cut here, maybe we can prevail; maybe a 2-percent on another will prevail. We think perhaps the District budget is in line. We are still going to try.

Then we are going to look at the big picture. We hope that we will consider something on the order of the joint resolution, Public Law 90-218, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

PUBLIC LAW 90-218, 90TH CONGRESS, H.J. RES. 888, DECEMBER 18, 1967

Joint resolution making continuing appropriations for the fiscal year 1968, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution of October 5, 1967 (Public Law 90-102) is hereby amended by striking out "October 23, 1967" and inserting in lieu thereof "December 20, 1967".

TITLE II—REDUCTIONS IN OBLIGATIONS AND EXPENDITURES

SEC. 201. In view of developments which constitute a threat to the economy with resulting inflation, the Congress hereby finds and determines that, taking into account action on appropriation bills to date, Federal obligations and expenditures in controllable programs for the fiscal year 1968 should be reduced by no less than $9 billion and $4 billion, respectively, below the President's budget requests. The limitations hereafter required are necessary for that purpose.

SEC. 202. (a) During the fiscal year 1968, no department or agency of the Executive Branch of the Government shall incur obligations in excess of the lesser of—

(1) the aggregate amount available to each such department or agency as obligational authority in the fiscal year 1968 through appropriation acts or other laws, or

(2) an amount determined by reducing the aggregate budget estimate of obligations for such department or agency in the fiscal year 1968 by—

(i) 2 percent of the amount included in such estimate for personnel compensation and benefits, plus

(ii) 10 percent of the amount included in such estimate for objects other than personnel compensation and benefits.

(b) As used in this section, the terms "obligational authority" and "budget estimate of obligations" include authority derived from, and estimates of reservations to be made and obligations to be incurred pursuant to, appropriations and authority to enter into contracts in advance of appropriations.

(c) The references in this section to budget estimates of obligations are to such estimates as contained in the Budget Appendix for the fiscal year 1968 (House Document No. 16, 90th Congress, 1st Session), as amended during the first session of the 90th Congress.

SEC. 203. (a) This title shall not apply to obligations for (1) permanent appropriations, (2) trust funds, (3) items included under the heading "relatively uncontrollable" in the table appearing on page 14 of the Budget for the fiscal year 1968 (House Document No. 15, Part 1, 90th Congress, 1st Session), and other items required by law in the fiscal year 1968, or (4) programs, projects, or purposes, not exceeding $300,000,000 in the aggregate, determined by the President to be vital to the national interest or security, except that no program, project, or purpose shall be funded in excess of amounts approved therefor by Congress.

(b) This title shall not be so applied as to require a reduction in obligations for national defense exceeding 10 percent of the new obligational authority (excluding special Vietnam costs) requested in the Budget for the fiscal year 1968 (House Documents Nos. 15, Part 1, and 16), as amended during the first session of the 90th Congress: *Provided,* That the President may exempt from the operation of this title any obligations for national defense which he deems to be essential for the purposes of national defense.

SEC. 204. In the administration of any program as to which (1) the amount of obligations is limited by section 202(a)(2) of this title, and (2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution, the amount available for obligation as limited by that section or as determined by the head of the agency concerned pursuant to that section shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

SEC. 205. To the maximum extent practical, reductions in obligations for personnel compensation and benefits under this title shall be accomplished by not filling vacancies. Insofar as practical, reductions in obligations for construction under this title may be made by stretching out the time schedule of starting new projects and performing on contracts so as not to require the elimination of new construction starts.

SEC. 206. The amount of any appropriation or authorization which (1) is unused because of the limitation on obligations imposed by section 202(a)(2) of this title and (2) would not be available for use after June 30, 1968, shall be used only for such purposes and in such manner and amount as may be prescribed by law in the second session of the 90th Congress.

Approved December 18, 1967.

LEGISLATIVE HISTORY

House Reports: No. 785 (Committee on Appropriations) and No. 1011 (Committee of Conference).

Senate Report No. 672 (Committee on Appropriations).

Congressional Record, volume 113 (1967):

October 18, December 11: Considered and passed House.

October 23-25, December 12: Considered and passed Senate.

NOTE.—The following tabulation sets forth the effect of title II of the foregoing act on controllable obligations as estimated by the Bureau of the Budget on February 8, 1968, but subject to revision as later figures become available:

[In millions]

Department or agency	Budgeted controllable obligations (1)	Reductions in obligations arising from congressional actions other than in H.J. Res. 888 (estimate) (2)	H.J. Res. 888 additional reductions (estimate) (3)	Total reductions (estimate) (4)	Revised obligations (estimate) (5)
Agriculture	$4,322	+$72	$458	$486	$3,936
Commerce	1,070	104		104	966
Corps of Engineers	510	10	57	67	443
Health, Education, and Welfare	7,498	311	439	750	6,748
Housing and Urban Development	1,351	488	150	638	713
Interior	1,668	75	53	128	1,540
Justice	477	20		20	457
Labor	525	27	20	47	478
Post office	532	62	49	111	421
State	306	6	12	18	288
Transportation	1,456	+6	104	98	1,358
Treasury	917	7	26	33	884
Atomic Energy Commission	2,646	115	85	200	2,446
General Services Administration	699	8	113	121	578
National Aeronautics and Space Administration	$5,061	$511		$511	$4,550
Veterans Administration	1,754	1	$139	140	1,614
Office of Economic Opportunity	2,060	287		287	1,773
Economic assistance	2,450	455		455	1,995
Other civilian programs	1,300	91	505	596	704
Allowances	2,450				2,450
Interfund transactions	−682				−682
Exceptions			+300	+300	300
Subtotal	38,370	2,500	1,910	4,410	33,960
Defense, non-Vietnam, and military assistance	54,695	2,610	2,989	5,599	49,096
Total	93,065	5,110	4,899	10,009	83,056

Mr. HOLLINGS. This joint resolution has reductions in obligations and expenditures. We would hope to take that up near the end of the treatment of some 14 budget items after we find out where we are, and offer this kind of amendment. This would bring us all up to an orderly basis in light of what appropriations have been approved, so that we are within some kind of $10 billion cut over this particular budget.

We are debating intermittently here with appropriations measures the consumer protection bill, and I shall speak to this more fully later on, I would hope that that great business community that is running all around here trying to filibuster a little consumer protection bill would get their eye on target. When we come around and try to balance the budget, one hears and reads in the news all these stories over the weekend, how they geared up and organized a big assault—Armour, Bethlehem Steel, Exxon, Firestone, Georgia Pacific, Maytag, Shell, the Chamber of Commerce, the National Association of Manufacturers.

Why do they come and try to filibuster a bill that has passed the U.S. Senate by a vote of 74 to 4? I see one of my good friends coming on the floor. Why do not the filibusterers get on to something meaningful, rather than trivial? Why do not the filibusterers come and organize Exxon, Armour, Bethlehem Steel, Georgia Pacific, Chamber of Commerce, National Association of Manufacturers, Armstrong, Greyhound, to balance the budget?

I do not mind lobbyists; I welcome them. But why do not they come up here and help us to get the votes to bring this monster, inflation, down to size and cut the budget by some $10 billion, rather than run around in circles in some bill that the Senate has duly considered over the past 3 years, and, over 3 years ago, passed by a vote of 74 to 4?

Consumerism? I shall tell Senators about consumerism. I went to the convention in 1956 with my distinguished friend's colleague from Alabama. I wanted to get our Governor to be the President, I wanted a little support, so I went over to George Wallace of Alabama in 1956, and we made a deal.

Mr. President, you know, TV was a newcoming thing at that time, and I made a deal on a 10-minute seconding speech; I would give half, 5 minutes, for five votes from Alabama.

We waited all day long, back behind the rostrum, with the seconding speech for George Bell Timmerman for President of the United States, then the Governor of South Carolina. When we came on TV, who should appear but Betty Furness and the refrigerator crowd, or the Frigidaire group? The people did not even see George and did not see me.

Then I came on to the U.S. Senate, and when Lyndon Johnson was President, he sent over before our Commerce Committee—who? His representative in consumerism, Betty Furness. I told her I had been looking for 10 years for that young lady, for knocking us off TV.

But the point to make is, sure, I think I represent consumers. I think that we did not need this agency in a different age, but consumerism has met its point in time. It is accepted by the Executive. President Johnson had his representative; President Nixon has his representative.

Representative agencies come, volunteer groups, and they all appear before the different agencies of Government. The courts recognize it. The only branch that has not recognized it is the Congress.

I would like to institutionalize Nader so that, as a lawyer representing legitimate businesses before the Federal Government, I would know where the other side lay and who they were and how to identify them. But I would think that we would try to join hands and get the real business leadership.

That is what the President of the United States was asking for. He asked for business leadership also to help with this budget. And where are they? when the Senator from West Virginia is taking leadership here and cutting his own budget 3.5 percent?

We are going to make this public law, we are going to work out a joint resolution, and right here and now. Would the Senator from West Virginia yield me just 1 more minute——

The **PRESIDING OFFICER.** The Senator's time has expired.

Mr. ROBERT C. BYRD. Mr. President, I yield 1 additional minute.

Mr. HOLLINGS. I say to my friend, then they would have a filibuster, a real good one, to balance the budget. I do not know when we are going to have it, but when we get to the end of the road, we will have it. I do not know how many we will win on, how many we will lose. I say this just so they will not say it is a surprise when we do it. We believe strongly enough in this 1967 joint resolution that I put into evidence and into the RECORD, to have a resolution of that kind proposed now. Then, I shall get my friend from Alabama and my other distinguished filibustering friends, and we will all join in a meaningful filibuster to stop this inflation, to quit worrying about a little old regulatory agency as though the world is going to end if it passes, and get down to what really makes the world go around—economy.

The **PRESIDING OFFICER.** The Senator's time has expired.

Mr. HOLLINGS. I will get some more time later on.

Mr. ROBERT C. BYRD. Mr. President, I yield 5 minutes to my distinguished colleague from West Virginia (Mr. RANDOLPH).

SENATOR RANDOLPH SUPPORTS REALISTIC CUT IN APPROPRIATIONS MEASURE

Mr. RANDOLPH. Mr. President, among the toughest of tasks is to initiate a reduction in spending. Members of the Senate must recognize today that we have witnessed a profile in courage in the action proposed by my able colleague from West Virginia (Mr. ROBERT C. BYRD). Remember, he offers a 3.5 percent cut in the pending appropriation bill for the Department of Transportation not as a Member of the Senate elected by the people from West Virginia; he comes in a larger role, as the Senator who has brought this measure to this

Chamber. So this is double jeopardy, in a sense, that he faces when he, in good conscience, attempts to do what he is doing at this time. I commend him for his action.

I do not in any way criticize those Members who may vote against this pending proposal. I only say that we should remember that on June 21, 1974, by a rollcall vote of 75 to 0, we adopted the conference report on the Budget Reform Act.

Now, some 6 weeks later, we have the opportunity to prove to the country that ours was not a meaningless gesture. What we did was to erect a guide post for a very careful evaluation of the appropriation measures as they are presented for consideration in this body.

It is difficult for some of us, of course, in connection with transportation matters, to accept a commitment to reduce expenditures. My work over the years has been especially in the field of transportation

I can recognize that there will be an impact on highway programs in the country. It will not be to the extent that those necessary developments will be stymied, but that there will be a tightening of the belts, as it were. Frankly, as the Senator from South Carolina (Mr. HOLLINGS) has said with some vehemence, now is the hour when we can prove to the people that we mean to carry out what we did in creating the Budget Reform Act.

Mr. President, the action proposed if the amendment is agreed to, will do what? It will require the Department of Transportation to carefully review its outlays in the many categories during the fiscal year to insure that only what moneys are needed will actually be spent.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ROBERT C. BYRD. I yield 1 additional minute.

Mr. RANDOLPH. I thank the Senator.

This amendment to cut the Department of Transportation appropriations by 3.5 percent, will do what?

It will help to reduce the inflationary pressures which may result from Government expenditures.

I welcome the opportunity to cosponsor this amendment, and to advise the citizens of this country that we are meeting our commitment to strengthen the economy of the United States and provide more responsible leadership.

Mr. GOLDWATER. Will the Senator yield?

Mr. CASE. I would like to yield to the Senator from Arizona, if I may, for a few moments. I yield 5 minutes to the Senator.

Mr. GOLDWATER. I will not need 5 minutes.

Mr. President, it is impossible for this conservative Republican to describe the great feeling of elation that has come over him in the last 2 days, to hear Democrats proposing cuts in the budget and cuts in spending. I tell you, it is like the sun coming up on a gloomy day.

For 40 years the Democrats have been spending money we do not have, and now, thank God, they have seen the light.

Sometimes we say we politicians see the light rather quickly, but it takes time to feel the heat. The heat is getting here, from South Carolina, from Maine, from West Virginia, and from Arizona. I am glad it is. I want to join these Democrats who are going to propose these cuts. I will join with them in nearly every instance in trying to get something done about reducing the budget.

To my friend from South Carolina, who so eloquently states the case when he asks that we stop filibustering on this consumer bill, I say I would like to see us stop filibustering on it, too. I would like to see us put it back on the shelf and forget about it.

The Senator listed the National Association of Manufacturers, the Retail Federation of Merchants, and the Chamber of Commerce. I would suggest that he seriously consider adding George Meany, of the American Federation of Labor; the UAW and Ralph Nader. I think if we can get that team, together with the business team, we could probably make some progress.

I would suggest to my friend from South Carolina that he call George Meany and say, "George, we are in a hell of a shape in this country and your workers are suffering, probably more than anyone else. Why don't you quit suggesting these crazy agencies that will be established on $30 million and in 5 years they will be $300 million? Your workers are going to pay for it. Why don't you just join us in a real effort to cut spending in this country?"

I will loan the Senator the 10 cents to make the call.

Mr. HOLLINGS. Responding to that wonderful invitation by my distinguished colleague, I voted to put organized labor under the Consumer Act.

Mr. GOLDWATER. I did, too.

Mr. HOLLINGS. We ought to put them, banks and broadcasting and everything else, under the Consumer Act.

I will counter with this question: Was not a $100 billion deficit run up within the first 5 years of President Nixon and were those bills not signed by Republican President Nixon? You were talking about Democratic spending.

Mr. GOLDWATER. Yesterday on the floor I admitted through 40 years of Republican and Democratic administration.

Mr. HOLLINGS. I did not hear the word Republican.

Mr. GOLDWATER. We have only been in office for a few of those years.

As I said yesterday in the appropriations meeting, I get a rather big laugh or a big charge out of hearing people speak for less spending and then come on this floor and vote for every doggone increase in the budget that comes along.

I am glad that you fellows have seen the light. Really, I am beginning to enjoy life again, as an old, tired conservative who has been preaching fiscal responsibility all his life. Maybe in your hearts you know I am right. (Laughter).

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. RANDOLPH. The Senator from Arizona is not old. He is active, his mind is at work, his conscience is clear, and he votes as he believes he should vote.

Neither party has a monopoly on concern with the financial health of this country, as the Senator knows. As Americans we understand that our actions can contribute to fiscal stability or fuel the fires of inflation. While I firmly believe that there are many areas in which the Federal Government should take the lead through well-reasoned programs that require the expenditure of public funds, I believe that we should view our actions in the context of what impact they will have on our total economy.

During my membership in the House of Representatives and in the Senate I have endeavored to be guided by this belief. There have been many occasions on which I have not only voted but have actively supported reductions in Federal spending. I have worked for reduced appropriations, for instance, in such areas as foreign aid and space programs. I did so when I felt that proposed funding was excessive to the demonstrated need and that the anticipated return would not be consistent with the proposed expenditures and, in fact, were self-defeating at the time they were proposed.

I recall 11 years ago when I cosponsored an amendment to cut military appropriations by 10 percent. This branch of the Federal Government has a prodigious appetite for funds, yet I was joined only by the Senator from South Dakota (Mr. MCGOVERN) in voting to reduce military spending.

In 1972 I cosponsored a bill to impose a statutory limit on Federal expenditures and net lending during the following fiscal year. Unfortunately, this measure failed to receive final congressional approval.

Since the convening of the 93d Congress I have voted against the foreign aid bill for I felt that the amounts proposed were excessive and out of line with actual requirements.

So I share the concern of the distinguished Senator from Arizona (Mr. GOLDWATER) that Government spending be kept within reason, and I assure him that this is a bipartisan concern.

Mr. GOLDWATER. I am glad we are adding to the numbers.

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Mr. ROBERT C. BYRD. Mr. President, I should like to plead my own case, briefly. I, too, have often supported budget cuts. For example, just recently, I voted against a measure here on the Senate floor which would have provided for the recomputation of military pay, at a cost of $16 billion to the taxpayers.

Incidentally, may I say that Congress, in the last 5 years, has reduced the President's appropriations budget by a total of more than $23 billion So that is not bad for a Democratic Congress.

Mr. President, how much time does the distinguished Senator from Maine desire?

Mr. MUSKIE. Mr. President, I should like to make a few observations and direct some questions to the distinguished floor manager of the bill.

First of all, there have been several references in the last couple of days to the fact that the Budget Committee has now been authorized by Congress and is about to be formed; and there is some tendency to suggest that as a result of that act alone, 15 Senators suddenly are going to have the wisdom to deal with the complexities of a budget which has been the subject of review and close examination by the Appropriations Committees of both Houses over these few months.

I would not have accepted the Chairmanship of the Budget Committee unless I understood the need for budget restraints. And I do not believe there is a Senator in this body who does not recognize the need for a sound economy. But there is clearly widespread disagreement as to how both of these objectives should be achieved and what approaches could be most productive.

Until the Budget Committee is organized—and it is not as yet—until it has had an opportunity to examine the complex economic, budgetary, and fiscal questions with which it is our responsibility to deal, I think it would be presumptuous and misleading to suggest to this body and to the country that we have an independent capacity to form policy in these areas.

We may, under the pressure of the present inflation and on an ad hoc basis, as a collection of 15 Senators, decide to recommend something to this body; but to suggest that we would be able to do so pursuant to the comprehensive policymaking process that was created by the legislation is a misleading kind of idea to throw around on the floor of the Senate. At the present time, only the Appropriations Committee, in the spending field, has the resources and has given the time to considering the implications of proposals to cut the budget this year.

So in votes on budget-cutting proposals during the past 2 days, I have relied on the Appropriations Committee. Each proposal raises the question of budget priorities: are we cutting what is more important and overlooking what is less important? That question cannot be answered within the confines of a debate about only one of the 13 or 14 appropriations bills. It can only be answered if we consider the total; and only the Appropriations Committee, at this time, is in a position to do that.

So I have relied on the judgment of the Appropriations Committee. During the last few years, under the able chairmanship of Senator McCLELLAN, and I have found that their instinct to cut to the bone, or close to it, has been very strong. They have generally been fiscally responsible and prudent.

The distinguished floor manager of the bill has just told us that, as a result of the Appropriations Committee's recommendations, Congress has cut $23 billion from budget estimates in the last 4 or 5 years. So the record is clear. The Appropriations Committee is a committee upon which we can rely, and I have done so.

My distinguished colleague from West Virginia, the floor manager of the bill recommends this cut. He has studied the part of the budget contained in this bill, as a member of the committee, and is in a position to see the overall picture. I am inclined, provided I am satisfied with the answers to some questions I intend to ask, to support his proposal, because it is based on his work in the only committee now equipped to answer the basis question: Are we cutting what is more important or what is less important?

We still need more and better answers to this question in the future, however. Unless the budget committee was created to help us answer those questions, there is no need for the budget committee. We can always get a collection of 15 Senators to come to the floor of the Senate and pick a figure out of the air—3 percent, 3½ percent, 5 percent, and cut across the board.

If that is all the Budget Committee was created to do, then we would be wasting time, money, and energy—not only of the 15 who are members but the rest of Congress as well—in even going through the exercise.

So we vote today with no suddenly acquired wisdom merely by virtue of the fact that the Budget Committee has been authorized to begin its work. The Republican members of the Budget Committee have not even yet been picked, and the House members have not been picked. We do not yet have even one staff member. We do not have a room in which to operate. We have not even met formally; only the nine Democratic members have yet gathered together, on a brief, ad hoc basis, the other day. But suddenly it is suggested that the Budget Committee ought to move in with the wisdom to deal with this complex question.

I should like now to ask this question of the Senator from West Virginia: Is it true, as I understand it, that the 3.5 percent proposed cut applies only to the new budget authority of $3.4 billion?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. MUSKIE. The cut does not apply, as I understand it, to the $5.5 billion in appropriations with respect to contract authority?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. MUSKIE. As I understand it, this bill is $155 million under the revised budget requests.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. MUSKIE. So that the Appropriations Committee, in the actions it has already taken on this measure has made cuts, below the budget estimates, which is consistent with its history.

Next, this bill is about $200 million over last year's level of expenditures. Is that not correct?

Mr. ROBERT C. BYRD. $193.2 million over the appropriations for 1974.

Mr. MUSKIE. As I understand it, about half of that increase relates to the Coast Guard, and the remainder, I think, to the FAA. Is that correct?

Mr. ROBERT C. BYRD. For the Coast Guard, new budget authority, $102,473,994 over the 1974 figure.

Mr. MUSKIE. Is the remainder of the increase substantially attributable to the FAA?

Mr. ROBERT C. BYRD. For the FAA, there is an increase of $108,084,000.

Mr. MUSKIE. So in these two areas there are increases of approximately $100 million each. As I understand the effect of the 3.5-percent cut, it would be to cut other programs below their level of spending in the last fiscal year, while preserving increases for those two programs for the next fiscal year over the current fiscal year. Is that an oversimplification, or an accurate statement of the effect?

Mr. ROBERT C. BYRD. There has been an increase in the new budget authority for the Coast Guard, for the Federal Aviation Administration, for the Highway Administration, for the National Highway Traffic Safety Administration, for the Federal Railroad Administration, and for the Urban Mass Transportation Administration.

For each of the agencies within the Department of Transportation there is an increase represented in this bill, over 1974, with the exception of one item—that is the Office of the Secretary.

Mr. MUSKIE. I have a further question for the distinguished Senator.

This bill is only about $200 millilon over last year's level overall, and for two of the programs we have discussed there are increases of $200 million—so how do the rest of the programs get increases without a cut somewhere along the line below last year's spending?

Mr. ROBERT C. BYRD. Well, for the most part, I think it can be stated this way.

The recommendations that are in the bill represent an increase in budget authority over 1974 for almost all of the agencies represented, but insofar as the administration's budget request is concerned, it represents a reduction of $154 million.

Mr. MUSKIE. I understand that, but overall the total is $200 million over last year's level and that $200 million appeared to be accounted for by increases for the Coast Guard and the FAA.

Mr. ROBERT C. BYRD. That is correct.

Mr. MUSKIE. So all others must be at about last year's level?

Mr. ROBERT C. BYRD. For the most part, they are over last year's level.

There are three of the related agencies which would suffer reductions: The United States Railway Association, Washington Metropolitan Area Transit Authority, and the Civil Aeronautics Board. But there was no request on the part of the Railway Association.

Mr. MUSKIE. I see.

What I am leading up to is this question. First of all, I am in thorough sympathy with the point of view of the distinguished Senator from Michigan, the Senator from New Jersey, the minority floor leader, the Senator from Alaska, and others, who have expressed concern about the resources of the Coast Guard, not only with respect to the 200-mile limit, but also with respect to enforcing the pollution standards that Congress has imposed on oceangoing traffic.

If the Coast Guard is to do that job, and I understand that part of the increase is for that purpose, their additional funding is very important. But so far as the Coast Guard and the FAA are concerned the 3½ percent will not wipe out their increases, but simply reduce their increases by that amount.

Mr. ROBERT C. BYRD. Yes; it would simply reduce the increases.

Mr. MUSKIE. Now, my final question, or next to final question to the Senator——

The PRESIDING OFFICER (Mr. ALLEN). All time of the Senator from West Virginia on the bill has expired.

The Senator from New Jersey has 18 minutes.

Mr. CASE. I yield 5 minutes.

Mr. ROBERT C. BYRD. I thank the Senator. I yield 2 minutes to the Senator.

Mr. MUSKIE. If the effect of the 3½-percent cut is to hurt programs that are important, what relief then would be available?

Mr. ROBERT C. BYRD. The conferees on the part of the Senate will have an opportunity prior to the conference with the other body to take this matter up with the Department of Transportation and to find out from the Department what the situation is with respect to a 3½-percent across-the-board cut in the budget authority.

In going into conference, we will have this new information, we will know what areas will suffer more than others, and we will, hopefully, be able to make appropriate adjustments in conference.

Then, too, there is another step which the Senator knows can be taken. The supplemental appropriations bill is considered by the committee. If this action today unduly injures any particular item, then consideration can be given at that time to restoring the amount.

Mr. MUSKIE. Could I put a suggestion to the distinguished Senator, and also to my good friend from New Jersey?

It is obvious that the impulse for cutting is very strong; the evidence of the last 2 days speaks for itself. I suspect that judgment will be supported by the action of the Senate today. But what we are doing is still piecemeal, and it seems to me that if we are going to go through this exercise in every one of the 13 or 14 bills that the Appropriations Committee considers, we will take under advisement an overall policy that will apply to all bills, taking into account what is important and what is not, so that perhaps——

The PRESIDING OFFICER. All time yielded to the Senator from Maine has expired.

Mr. ROBERT C. BYRD. I yield another 2 minutes.

Mr. MUSKIE. So that appropriate consideration can be given to the priorities in the context of the overall policy.

I know there is going to be the request by the Senator from South Carolina to the Budget Committee to take on this massive job. We do not have the resources yet. We would be happy to consult with the Appropriations Committee.

But it seems to me, going through this exercise day after day after day, that the time has come when we ought to join with the Appropriations Committee, if that committee wishes to do so, in consultation about the wisdom of the overall policy. Frankly I am terribly disturbed that, without knowing the impact on particular programs, we are going to be cutting things that ought not to be cut and overlooking other cuts that might better be made.

So I would like to ask the distinguished Senator from West Virginia, the floor manager of the bill, whether or not there is any sense to that.

Mr. ROBERT C. BYRD. Mr. President, how much time remains?

The PRESIDING OFFICER. One minute.

Mr. ROBERT C. BYRD. I cannot speak for the Appropriations Committee. I would not offer an across-the-board-cut amendment to any other appropriation bill. I would vote one way or the other if such amendments were offered. But this is the bill that I and the distinguished Senator from New Jersey and other members of the subcommittee have worked on, conducted hearings on, and we have brought it to the floor and I feel that I can do this without any compunction because we have been very liberal in that committee with all of the agencies that are represented.

My own State is affected by those agencies and I do not have any hesitancy when it comes to handling the bill that is brought up by my subcommittee. I have no hesitancy offering such an amendment. I think this cut can be absorbed.

We will go to conference and see what happens there. It is not my desire to unduly injure the programs that are being carried out by any of these agencies under the mandate of the Congress.

I am as sympathetic as any Senator with the programs, but I just cannot believe that, out of a budget of over $3 billion. The Department cannot absorb a 3.5 percent reduction as provided in this amendment.

Now, with some activities within the Department it might be more than minor, but I think we can work with this in conference and, again, when the next supplements come before us.

I cannot speak for the committee, I can only speak for myself.

Mr. MUSKIE. I am most appreciative of the Senator's comments, they are very helpful to me.

May I make one other suggestion?

May I have 30 seconds?

The PRESIDING OFFICER. Will the Senator from New Jersey yield time? Twelve minutes remain.

Mr. CASE. I yield a couple of minutes.

Mr. MUSKIE. One other suggestion: It seems to me, looking toward the possibility of repeating this exercise, that when time agreements are reached in the future on appropriations bills there should be taken into consideration the need to look into the components of these bills.

Because if we are going to get into a debate on priorities, if this whole issue is not resolved by overall policy, I think every Senator has every right to inquire into the impact on particular programs and functions, to see whether indeed we are applying the right priorities under pressure of cutting the budget.

Mr. ROBERT C. BYRD. Mr. President, I have no objection to taking more time today on this bill, but there are some Senators who are not in a position to take additional time. They have made appointments and reservations on airlines. It is only for that reason that I am concerned about the time.

Mr. MUSKIE. May I say to the Senator that my suggestion was not an implied criticism on the time, because I think we may have dealt sufficiently with this matter today.

Mr. ROBERT C. BYRD. Yes.

Mr. MUSKIE. But for other bills, to allow discussion of more details, I think we may need more time.

Mr. ROBERT C. BYRD. I understand.

Mr. JAVITS. Mr. President, I will vote for this amendment offered by the Senator from West Virginia to cut by 3½ percent the entire appropriation for transportation-related activities, but there are special circumstances that lead me to vote for this across-the-board budget cut that do not apply to others that have been offered and that I have voted against. It is because of those special circumstances that I support this amendment while opposing generally the meat-ax cuts in appropriations bills on the Senate floor.

This form of cutback in Federal expenditures is both inexact and misdirected. Across-the-board cutbacks take no account of the legitimate priorities of Federal expenditures and often will cause much greater problems and delays in some Federal programs than others. The extent of the impact on each Federal program is not measured and the need and importance of each Federal program to the overall national good is not considered.

Fortunately, this will probably be the last year in which we must make such across-the-board cuts without guidance from a committee that has the expertise to judge the impact and necessity of the various Federal programs impacted by the cutbacks and the aggregate Federal expenditure against the aggregate Federal intake. This Budget Committee, under the likely chairmanship of Senator MUSKIE, will be in a position to make those judgments and to recommend to the Senate which programs can survive greater cuts than others and which expenditures are more critical to the Nation's immediate well-being, and he has already promised to ask the Budget Committee to apply this expertise to all the appropriation bills this year—I will join in that effort and if it dictates overall cuts I will support them.

However, we are today presented with an amendment that has the endorsement of both managers of the bill—the chairman of the subcommittee as well as the ranking minority member. These two Senators are uniquely qualified to judge on the merits of this particular appropriation bill whether the expenditure cuts recommended will cause undue harm to any given Federal program. Because of their expertise, upon which we need rely, I am able to support this amendment even though I believe this procedure for trimming the Federal budget is inadequate and problematical, will not consider this vote to be a precedent for me.

Inflation is our No. 1 problem and the impact on it of a Federal budget deficit is great. I will endeavor to cut or eliminate such a deficit but wish to do so with the wisdom and discretion the Budget Committee will help us bring to the process.

The PRESIDING OFFICER (Mr. Allen). All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from West Virginia (Mr. Robert C. Byrd). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Nevada (Mr. Cannon), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Ohio (Mr. Metzenbaum), the Senator from Minnesota (Mr. Mondale), the Senator from Connecticut (Mr. Ribicoff), the Senator from Arkansas (Mr. Fulbright), the Senator from Michigan (Mr. Hart), the Senator from Colorado (Mr. Haskell), and the Senator from Montana (Mr. Metcalf) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. Huddleston) and the Senator from Rhode Island (Mr. Pell) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. Huddleston) and the Senator from Rhode Island (Mr. Pell) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. Aiken), the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Hawaii (Mr. Fong), the Senator from Florida (Mr. Gurney), the Senator from Illinois (Mr. Percy), the Senator from Virginia (Mr. William Scott), and the Senator from Ohio (Mr. Taft), are necessarily absent.

I further announce that the Senator from New York (Mr. Buckley), is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 58, nays 15, as follows:

[No. 349 Leg.]

YEAS—58

Abourezk
Allen
Bartlett
Beall
Bentsen
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Ervin
Fannin
Goldwater
Hansen
Hathaway
Helms
Hollings
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Mansfield
Mathias
McClure
McGovern
McIntyre
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pearson
Proxmire
Randolph
Roth
Schweiker
Sparkman
Stafford
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NAYS—15

Bennett
Bible
Griffin
Hartke
Hatfield
Hruska
Inouye
Magnuson
McClellan
McGee
Pastore
Scott, Hugh
Stennis
Stevens
Weicker

NOT VOTING—27

Aiken
Baker
Bayh
Bellmon
Biden
Brock
Brooke
Buckley
Cannon
Cook
Cotton
Eastland
Fong
Fulbright
Gravel
Gurney
Hart
Haskell
Huddleston
Metcalf
Metzenbaum
Mondale
Pell
Percy
Ribicoff
Scott, William L.
Taft

So Mr. Robert C. Byrd's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PASTORE. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Rhode Island.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. Pastore) proposes an amendment on page 11 of the bill after line 19 add a new section appropriating a $12,000,000 for Rail Crossings Demonstration Projects.

Mr. PASTORE. Mr. President, this amendment was recommended by the administration. It was a budget estimate. It was knocked out by the House. I have discussed this with the manager of the bill. I am asking for the restoration of this item. This is for the Northeast Corridor. We have a tremendous problem on these rail crossings. I am asking that that be reinserted in the bill.

Mr. ROBERT C. BYRD. Mr. President, would the distinguished Senator agree to half the amount? If he does, I would be willing to accept the amendment. I have already discussed it with the ranking Member on the other side of the aisle.

Mr. PASTORE. Could we go to $9 million?

Mr. ROBERT C. BYRD. The reason I suggest $6 million is that in the beginning of the day, I offered an amendment which would provide for a 3 percent across-the-board cut. I explained that, only because I was chairman of the subcommittee, would I do that to any appropriation bill. Then two floor amendments were accepted which absorbed $12 million of that proposed cost. Now this amendment is being offered and if the Senator would leave it at $6 million, it would cancel out the half percent across-the-board cut, leaving a full 3 percent across-the-board cut. I hope my friend will accept my suggestion.

Mr. PASTORE. In view of the explanation, I concede. I am a compromiser today. A half loaf is better than none.

I modify my amendment to read "$6" instead of "$12," with the hope that they will insist on $6 million in conference.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HANSEN. Will the Senator yield?

Mr. PASTORE. I yield.

Mr. HANSEN. We would still be trying it out with two tracks, would we not? We would not go to one rail?

Mr. PASTORE. Oh, no, the tracks will be there. This is the idea of the bridges and the crossing. The only two tracks I ever heard of was over here in the Senate when we get ourselves all snafued.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MAGNUSON. Will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MAGNUSON. I want to ask the distinguished Senator from West Virginia——

Mr. PASTORE. I yield back whatever time I have.

Mr. ROBERT C. BYRD. I yield back the remainder of my time.

Mr. PASTORE. I call for the question.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Rhode Island as modified.

The amendment, as modified, was agreed to.

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from Washington.

Mr. CASE. Mr. President, just to keep the record clear——

The PRESIDING OFFICER. The Senator from West Virginia has no additional time.

Mr. CASE. I shall be happy to yield 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Washington has 2 minutes.

Mr. MAGNUSON. I want to ask the Senator from West Virginia if he honestly believes that the amount of money allowed the FAA under this bill as now amended is sufficient to take care of the serious air safety problems in the United States?

Mr. ROBERT C. BYRD. The committee recommended $108 million new budget authority over 1974 for the Federal Aviation Administration. May I say to the distinguished Senator that if we go to conference, in the meantime, we shall talk with the people at the FAA. If there is some need for adjustment there, we shall make every effort in conference to work that out.

I know of the Senator's long-time interest in air safety, and I am also interested in the FAA. It has a great effect upon my own State. I want to assure the Senator that if this reduction impinges unduly on that agency, I, for one, will do everything I can in conference to repair that.

Mr. MAGNUSON. I do not want to get into an argument about the merits of the chairman of the subcommittee offering an amendment to his own bill when he could have done it down in the committee markup of the bill.

Mr. ROBERT C. BYRD. Mr. President, on that point——

Mr. MAGNUSON. I said I do not want to get into an argument.

Mr. ROBERT C. BYRD. I know the Senator does not want to; but he has made reference to my amendment.

Mr. President, I would have offered my amendment in the committee had I thought of it there. The idea occurred to me this morning, and I am sure everybody in this body knows that an amendment to cut this bill would have been offered in any event, by someone. It might have been 5 percent, it might have been 10 percent.

I think that a Department that is getting over $3 billion in a bill can sustain a little bit of a cut.

Mr. MAGNUSON. I do agree with the philosophy of budget cuts, particularly where they do not seriously endanger the purpose of a program. There are some Federal programs that can be cut by 3.5 percent with no injury to the Nation.

Mr. ROBERT C. BYRD. Yes.

Mr. MAGNUSON. But many Federal programs are already under funded. They often are very sensitive. Reckless, indiscriminate budget cuts can endanger the lives and welfare of many people. The FAA is good example.

Mr. ROBERT C. BYRD. I agree.

Mr. MAGNUSON. I was tempted to offer an amendment exempting the FAA from your general 3.5-percent cut. I suppose that would have led to a series of other amendments to exempt other safety programs. But I think the action the Senate just took puts us on very dangerous ground with the FAA and aviation safety. There is still a serious shortage of personnel in the control towers. And this amendment might cut the levels further. So I want to have the Senator's word—I know he will carry it out—that in conference with the House, when he gets to the Federal Aviation Administration, the Senator will be very careful to not cut the FAA. There are more airplanes flying this year than last. There are more near misses this year than last in the Nation's skies—by almost 15 percent.

We have a pretty good record of air safety in this country. I opposed the Senator's meat ax cut because I do not want the lives of citizens endangered in the particularly sensitive area of air safety.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator has that assurance from me, and he knows that I shall do the best I can and all I can in that regard.

I merely want to remind the Senator that it was only last year, I believe, or the year before that I led the fight to add, I believe, $50 million——

Mr. MAGNUSON. For more personnel.

Mr. ROBERT C. BYRD. It was to add $50 million for instrument landing systems, for surveillance radars, towers, and safety equipment all over this country that were not requested in the President's budget.

I agree with the Senator, this is a delicate area and I want to protect it, and I shall do the best I can.

Mr. CASE. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

Mr. CASE. I have been asked for 2 minutes and 2 minutes.

Is there anyone else? There is one. I yield 2 minutes to the Senator from Idaho.

Mr. CHURCH. Mr. President, this bill contains the appropriation of $143 million for Amtrak. The people of Idaho will pay their portion for that Federal subsidy. Yet Idaho was dropped entirely from the Amtrak system, and the people of my State receive no rail passenger service.

I have no quarrel with the Appropriations Committee. The deficiency in the present program—its failure to extend rail passenger service to all the 48 contiguous States—is a matter we have to rectify in the authorization bill. But as long as the people of Idaho pay their part of the subsidy and still receive no service, they are in the same position as if paying their share of the deficiency in the Post Office budget, but receiving no mail. It is obviously unfair to them.

Therefore, I have said that as long as this inequity remains unremedied, I will vote against any appropriation measure financing the Amtrak system. On that basis alone, I will cast my vote against this bill.

Mr. MAGNUSON. Will the Senator yield?

Mr. CHURCH. I yield.

Mr. MAGNUSON. The Senator discussed with me and the distinguished chairman of the subcommittee, the Senator from Indiana. When that bill comes up, which is some time in the near future, both the Senator from Indiana and I will entertain the Senator's views on this matter pertaining to Idaho. But there are some other parts of the country in just the same shape.

Mr. CHURCH. I appreciate the Senator's assurances, and the hope that both Senators have offered.

Mr. CASE. I yield to the Senator from Colorado.

Mr. DOMINICK. I thank the Senator from New Jersey.

If the Senator from Washington will remain in the Chamber, I would like to comment a little on his comments concerning the Federal Aviation Authority.

I guess I am one of about four or five people in the Senate who fly their own aircraft. I have been doing it for 40 years now.

Over the process of time we have had more and more interference by the Federal Aviation Authority in what we can do and what we cannot do. There is more and more expense heaped on general aviation, and less and less safety derived from it.

It is extraordinary to me how the budget of the FAA has gone up without doing a single thing in the way of promoting either the general aviation sector, which is terrifically important to this country—both businesswise and employmentwise—and has done very little, if anything, for safety. Let me give you a concrete example.

They put in a so-called control airport in Denver in which you are required to call in ahead of time as you approach and also get permission as to which direction you are going when you take off.

You are required to do that before you take off or before you come in to land. Since that has been put in, we have had two midair collisions. Before it was put in we did not have any because someone would stick their head out the window and look where they were going. Now they assume that they are on radar and, therefore, they are fully protected.

Another example: I came into the St. Louis airport at one point with broken cloud conditions and on radar, followed the course that I was asked to take, and almost got wiped out by a F-4 taking off. It just went out of sight, within 50 feet. The plane so close I could see the pilot's face.

When I protested to the radar people, they said they had not painted him at all. He was not on radar. I was on radar, but I was steered right into his path.

My question is: Why do we need so much money for the FAA to put in rules and regulations which do not help safety; which cost a lot of people a lot of money and which, in my opinion, are totally unnecessary?

I thank the Senator from New Jersey for letting me get this statement before the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. Mr. President, I yield 1 minute on the bill to the Senator from Indiana.

Mr. HARTKE. I thank the Senator.

Mr. President, I would like to address my remarks to the assistant majority leader and manager of the bill.

On page 24 of the report, under railroad safety, there is an indication that the Federal Railroad Administrator still does not have enough inspectors in the force. The words are last year when this committee provided funds for 95 additional inspectors, FRA indicated a willingness to hire only 66.

Clearly, the agency must change its attitude toward this most serious problem and give higher priority to railroad safety.

We held hearings in Indianapolis on Monday. The Penn Central was forced by FRA to close down last night at midnight. I complained at that time about the failure to hire the necessary inspectors. I want to thank my distinguished assistant majority leader for calling this to the attention of the public. It is true, still, that the appropriations for necessary inspectors would come through if they are willing to change their attitude. Is that correct?

The PRESIDING OFFICER. The Senator's time has expired. One minute remains to the Senator from New Jersey.

Mr. ROBERT C. BYRD. May I respond to the distinguished Senator from Indiana?

Last year the committee provided funds for 95 additional inspectors. The Federal Railroad Administration indicated a willingness to hire only 66. We took this up with the FRA and they have indicated that they are going to try to do a better job. But the answer is that they have not employed the inspectors which were authorized and for which the moneys were appropriated.

Mr. HARTKE. I thank the Senator.

The PRESIDING OFFICER. All time on the bill has expired.

Mr. ROBERT C. BYRD. Mr. President.

I ask unanimous consent that the Senator from Georgia may be allowed to proceed for 1 minute. He has been wanting to speak all morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I thank the Senator from West Virginia. I did want to make a number of comments which would take more than 1 minute. I have been waiting patiently all morning after being assured several times that I would be given time.

I want to take this 1 minute to say that the Senator from West Virginia has displayed, in my opinion and in the words of his colleague from West Virginia (Mr. Randolph), a real profile of courage for the Senate this morning. I hope this is the beginning of other cuts in appropriations.

I do not generally favor the meat-ax approach, but I think it has been proven to be the only approach that we have at the present time available to us.

I would like to say to the Senate that this reduction represents a real departure from past habits and practices. I believe we have now gotten the message from home about inflation, and we realize that the American people place this as their top priority.

I think we also ought to note here today that it has been no easier to cut this budget today than it would have been to cut the budgets we have already passed, which are above the administration requests, or than it will be to cut the ones that are coming.

I think this is a message for the future, and I commend the Senator from West Virginia for what he has done in this notable display of leadership on a very important economic matter.

FEDERAL AVIATION ADMINISTRATION NOISE POLLUTION EFFORTS

Mr. JAVITS. Mr. President, the committee has cut the Federal Aviation Administration's aviation and noise pollution research budget request from $4,986,000 to $4,920,000. Although I recognize the committee's expertise on what level of funding can be efficiently utilized for this program in the 1975 fiscal year, and hence will not seek to amend the bill to restore the $66,000 that has been cut, I think it imperative that the Congress express its displeasure with the speed at which the FAA has implemented the aircraft noise pollution control requirements of the Noise Pollution Control Act of 1972.

Although some progress has been made, our aircraft noise problem remains the most significant question in the entire field of noise pollution. It severely impacts on over 7 million people who live in airport environments; many of those 7 million citizens are within my own State of New York.

There are several possibilities for significant improvement in the immediate future. The committee in its report notes the refan retrofit plan as one such possibility. The FAA has also proposed a rulemaking on two segment instrument landing approaches, which if implemented would generate substantial noise reductions in landing pattern impacted areas and could be achieved immediately.

In addition to this and other operational techniques that could be implemented, the FAA should proceed expeditiously on its retrofit program investigations and rulemaking, so that all areas near airports will again become livable and free from the obtrusive invasions of aircraft noise so commonplace today.

I, therefore, implore the FAA to utilize the funding appropriated today to achieve immediate results, rather than to continue to study and postpone and delay implementation of meaningful reform which was mandated by the Congress over 3 years ago in the Noise Pollution Control Act. For many of our citizens, the aircraft noise problem is the most significant issue they face involving Federal Government authority. We cannot let those citizens down. The problem will not go away by inaction; it must be acted upon now, by the FAA as well as by the Environmental Protection Agency.

Mr. ROBERT C. BYRD. May we have third reading?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended by the Byrd amendment.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT OFFICER. All time has been yielded back.

The bill having been read a third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Nevada (Mr. Cannon), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Michigan (Mr. Hart), the Senator from Colorado (Mr. Haskell), the Senator from Montana (Mr. Metcalf), the Senator from Ohio (Mr. Metzenbaum), the Senator from Minnesota (Mr. Mondale), and the Senator from Connecticut (Mr. Ribicoff) are necessarily absent.

I further announce that the Senator from Rhode Island (Mr. Pell) and the Senator from Kentucky (Mr. Huddleston) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. Huddleston), the Senator from Ohio (Mr. Metzenbaum), the Senator from Rhode Island (Mr. Pell), and the Senator from Colorado (Mr. Haskell) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. Aiken), the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Hawaii (Mr. Fong), the Senator from Florida (Mr. Gurney), the Senator from Illinois (Mr. Percy), the Senator from Virginia (Mr. William L. Scott), and the Senator from Ohio (Mr. Taft) are necessarily absent.

I further announce that the Senator from New York (Mr. Buckley) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy), the Senator from Kentucky (Mr. Cook), and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 69, nays 2, as follows:

[No. 350 Leg.]

YEAS—69

Abourezk
Allen
Bartlett
Beall
Bennett
Bentsen
Bible
Burdick
Byrd, Robert C.
Case
Chiles
Clark
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Fannin
Goldwater
Griffin
Hansen
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—2

Church
Young

NOT VOTING—29

Aiken
Baker
Bayh
Bellmon
Biden
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Cannon
Cook
Cotton
Eastland
Ervin
Fong
Fulbright
Gravel
Gurney
Hart
Haskell
Huddleston
Metcalf
Metzenbaum
Mondale
Pell
Percy
Ribicoff
Scott, William L.
Taft

So the bill (H.R. 15405) was passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate may be authorized to make technical corrections in the engrossment of the amendments.

The PRESIDING OFFICER (Mr. Stevenson). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Robert C. Byrd, Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Bible, Mr. Mansfield, Mr. Eagleton, Mr. Case, Mr. Young, Mr. Cotton, Mr. Stevens, Mr. Mathias, and

Mr. Schweiker conferees on the part of the Senate.

FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT OF 1974—CONFERENCE REPORT

Mr. HUMPHREY. Mr. President, I submit a report of the committee of conference on S. 2296, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2296) to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of July 25, 1974, at pp. 25304–25306.)

Mr. HUMPHREY. Mr. President, it has been 1 year since I introduced the original version of S. 2296. A great deal of solid work has gone into this legislation on the part of the Congress and interested conservation and user groups.

In bringing before the Senate the agreement that the House and Senate conferees reached on the differing versions of this bill, I would like to give some background on the origins of this legislation.

The purpose of this bill is to assist in raising the level of management for programs dealing with the renewable resources on forest and rangeland in the United States. For reference purposes, the Multiple Use and Sustained Yield Act of 1960 describes and defines the types of land and the kinds of resources emcompassed by this legislation.

The 1960 legislation was designed to give the executive, the Congress, and the public the ways and means to build a better structure for meeting our conservation goals.

While the purpose of this legislation is to aid the whole range of programs that the Forest Service administers—cooperative programs with State and private landowners, research and National Forest System management—it also is the purpose of this legislation to respect existing arrangements for the development of conservation information and improve cooperation in the implementation of conservation programs.

Within the past few years there has been a growing concern over the use of natural resources for commodity and noncommodity purposes. This legislation is a direct outgrowth of these concerns and represents a constructive effort to produce their reconciliation by improving the existing governmental machinery.

It is worth recalling that the 1960 Multiple Use Act was proposed by the Eisenhower administration on February 5, 1960. The request for that legislation pointed out that the many existing Forest Service authorities were scattered, and it would be highly desirable to have each of the five major renewable resources referred to specifically in the same statute. The four purposes of that act were:

First. To give legal recognition to the fact that all renewable resources should be managed for a sustained yield.

Second. To assure that they would be managed on a multiple-use basis.

Third. To protect the renewable resources from overutilization.

Fourth. And to assist Congress in the implementation of a program for the national forests which had just been developed by the Eisenhower administration.

When the Congress enacted this legislation, it provided definitions of the terms "multiple-use" and "sustained yield." However, the law was a response to an initiative by the executive, and questions concerning priorities remained. The timber industry wondered whether the bill should not call timber the "number one" resource. Others were concerned about the failure to mention wilderness as a resource.

The Congress did not give any one resource top billing, but it did, at the insistence of Senator Aiken, provide that wilderness was a proper use of national forest land.

There also were concerns as to whether this legislation was political window dressing that substituted high sounding phrases for solid action. The recently unveiled program for the national forests was before the Congress, but there was no initial request for funding despite the claim by the executive that there was a "demonstrated urgency" for a higher level of integrated multiple-use management and a clear need to plan over a longer time frame.

I recall quite vividly the concerns expressed at that time because I was one of the members of the Senate Committee on Agriculture and Forestry who was asked to delay this bill. Instead, I went to the then majority leader of the Senate, Lyndon Johnson, and asked that the bill be scheduled promptly. I worked closely with the committee, our counterparts in the House, and the then Chief of the Forest Service, Dr. Richard McArdle, to secure enactment of that bill.

My genuine concerns of the period are a matter of public record. In supplemental views on the bill, I agreed with Secretary of Agriculture Benson on the importance of the bill on its own merits, and it is a matter of record that Secretary Benson and I differed strongly in numerous other areas.

I noted that the multiple-use concept would be meaningless unless programs to implement it were adequately funded, and I stressed the need for a full review of long-term budgetary requirements. Those supplemental views closed with the observation that "the multiple-use policy will be successful only if the budgetary policy is improved."

That is what today's bill is all about. It seeks to improve the budgetary policy. We considered the various proposals which had been submitted to the Congress, and we reviewed the record since the 1960 act was passed. The result was to bring out a bill that ties in with the Multiple-Use Act, and is applicable to all Forest Service renewable resource programs.

As I explored whether I ought to lend my support to some of the existing bills, one of the important determinants in deciding on the approach in S. 2296 was the excellent counsel I received from Dr. Richard McArdle. This man, who had 40 distinguished years of public service and 10 years as Chief of the Forest Service, combined that special knack of defining issues with a selfless dedication to the public interest.

Dr. McArdle pointed out that the 1960 act was a clear success as a basic policy tool, but a major omission was the lack of a procedure to assure that the President and Congress could secure the timely enactment of program goals.

Also missing was a vehicle for keeping before policymakers an agenda to realize the program goals.

This is the bill's purpose, and it does it in a manner consistent with the fundamental reforms enacted under the Budget and Impoundment Control Act of 1974.

The bill before us is a blend of the best ideas from conservation and user groups, the executive agencies, and our colleagues in the House and Senate.

These are the major highlights of the conference bill:

First. The term "forest and range and associated lands" is intended to cover these two major land classes, totaling 1.4 billion acres, and those naturally associated with them as distinct from the classes of agricultural land known as croplands, orchards, and improved pastures.

Second. The term "renewable resources" refers to the categories of resources used in the 1960 Multiple-Use and Sustained Yield Act.

Third. The renewable resource assessment is to provide an integrated national assessment decade after decade, and it is to be presented in a manner that enables those concerned with public policy to focus on the individual resources and their relation to each other in the short and long term.

One initial benefit will be that basic data, which has heretofore been accumulated and analyzed separately, will be developed on a coordinated basis to form the foundation for the decadal assessments. I would note, however, that the initial assessment will rest largely on presently available information and may be somewhat less detailed than will be expected in 1979. What we express in this bill is a sense of urgency that the Executive get started.

Fourth. Another basic concept in this legislation is that policy for renewable resources will be subject to revision as new facts become available. We sought not to cast either the assessment or the program into a right mold. Both the Executive and the Congress must proceed in a flexible manner to adjust sights, redefine goals, and provide the financing as the facts warrant.

One of the major pleas made by spokesmen from the administration was that we not build a rigid program. The first version of this bill provided for considerable flexibility, and yet, as we proceeded, we kept hearing administration concerns of too rigid a program. I believe that this legislation will provide the needed flexibility to develop a sound program.

I cannot stress too strongly the long timeframe involved with renewable resources of the type this bill addresses. Crash programs that seek to change the level of forest growth, range plant growth, wildlife populations, water conditions or outdoor recreation will bring little immediate response. We must think of these resources in the long term and plan for the future accordingly so that change is orderly.

Thus the bill expects the President to set forth a program recommending a course of action while leaving him free to set forth other alternatives. We agreed that there could be two ways of objecting to a recommended program which would consist of either a resolution of disapproval or a revised statement of policy emanating from the Congress.

It seemed to us that the resolution of disapproval would have merit only where there were wild and irreconcilable differences with the proposed program of the Executive. Generally speaking, we thought it better to provide that Congress, working with the Executive, could develop a revised statement of policy.

Fifth. Section 4, 5, and 6 of the bill are essentially the same as they were in both bills with only minor perfecting word changes. The House accepted the Senate language in section 5 requiring coordination with State and local governments and other Federal agencies in National Forest System land and resource management plans, rather than consultation as included in the House bill.

It is the intent of the bill that the Secretary will be free to proceed in developing management plans, but a duty is imposed on him to consult and give careful consideration to the impact of these plans on State and local jurisdictions.

Sixth. The Senate yielded on section 8(a) of its bill, which would have called on the Secretary to issue regulations relating to public participation. After serious reflection, it appeared that sufficient authority was already lodged in the Secretary to obtain an input from the public.

Recognizing that the Secretary will proceed at his own peril if he does not listen to public advice, the conferees agreed that there was no need to reemphasize the fact that the Secretary now has all the authority he needs to improve the regulations which spell out the opportunities for public suggestions.

Seventh. Section 7(b) provides that the President, when his budget recommends a course that fails to meet the policies established, shall specifically set forth his reasons for requesting that Congress approve the lesser programs or policies presented. If later budgets do not reflect the agreed-upon policy, the Congress and the public need to know the reasons for the changes.

The Congress may agree with the changes proposed, but to suggest that the President can change policy without advising the Congress flies in the face of sound policy direction. It also is completely at odds with the reforms written into the Budget and Impoundment Control Act of 1974.

Section 7(b) also requires that amounts appropriated to carry out the policies approved in accordance with subsection (a) shall be expended in accordance with the newly enacted Congressional Budget and Impoundment Control Act. The House bill did not contain this language, and the conferees felt that it was desirable to leave no doubt as to the applicability of the new Budget Act.

Eighth. Section 7(c) through (f) provide for reporting and oversight by the Congress and the executive. It is now July 1974, and we are already into the 1975 fiscal year. Yet the most recent annual report of the Chief of the Forest Service, covers 1970 and 1971 combined, and it was issued over 2 years ago on April 3, 1972. This is a deplorable situation and especially in this age of automated information systems. The bill requires, commencing with the third fiscal year after enactment of this act, that the annual report shall be submitted to the Congress at the time the annual budget is submitted.

The current situation is entirely unsatisfactory and hardly equates with businesslike operations. The evaluation report requirements that are set forth in section 7(d) will provide the Executive and Congress with factual supporting evidence on accomplishments.

We have provided in section 7(e) that the Executive will indicate his plans to overcome demonstrated shortcomings as well as any recommendations for new legislation.

Ninth. The conferees adopted the Senate language setting the year 2000 as the target year when the renewable resource programs of the National Forest System shall be operating on a current basis.

A number of groups suggested that we select an earlier date, especially for forest land restoration and wildlife habitat restoration. In contrast, the spokesmen for the Department of Agriculture suggested no date at all. Dr. Richard McArdle, former Chief of the Forest Service, pointed out the vital importance of having an initial planning target date but being equally amenable to revising the date and even using different dates for different resources as more facts became available.

The target year issue must be carefully considered when the 1979 assessment is presented. For every one of the renewable resources, the backlog of work is so large that any added effort which might realistically be undertaken in these next few years would not make much of a dent on the work backlogs.

There are critical problems in the work backlogs for fish and wildlife habitat, range cover, watersheds, recreational needs and forest cover. A February 14, 1974, GAO report, "More Intensive Reforestation and Timber Stand Improvement Could Help Meet Timber Demands," details the forest situation mainly in terms of the economic opportunity in wood production. The Comptroller General found that 18 million acres of the 92 million acres of National Forest System timber land was in need of improvement. The data demonstrated that efforts in this direction would also benefit recreation, watershed, and wildlife.

He cited the fact that revenue collections on areas being cutover under existing timber contracts as provided for by the Knutsen-Vandenberg Act have been insufficient, and as a result the backlog is not being reduced. Budget requests for the 5 years ending with fiscal year 1973 were about $52 million below the estimated need. Part of the $7.4 million that the Congress added during those years was impounded.

The Forest Service estimated that there were 4.8 million acres in need of reforestation and 13.4 million acres in need of stand improvement, and that half of this total backlog needed to be reviewed to determine whether it should be reforested or improved in order to secure timber production from it.

In any event the cost to reforest and improve the other half over the next 10 years, commencing with fiscal year 1974 and based on current estimates, was projected to be $724 million.

On the income side, it was estimated that the timber harvest on the National Forests could rise to 20 billion board feet from the current level of 12.4 billion board feet. The major portion of this increase would stem from treatment of the 18-million acre backlog. While the Comptroller General's report did not contain a schedule of the increased revenue, it did indicate that the higher cut level could be attained by the year 2000.

Based on estimates made in consideration of this legislation, it would be reasonable to expect that the added 7.6 billion board feet in harvest would provide an increase in annual income from the national forests well in excess of $20 million per year and thus more than offset the investment cost, environmental and other multiple use benefits aside.

It is not my purpose to jump to the conclusion that a specific increase in Federal reforestation effort is needed to increase timber harvesting. In fact, the OMB cited their agreement with the observations of the Comptroller General on the need for an operational system to identify priority timber investment opportunities. This legislation is designed to bridge this gap for all renewable resource programs for forest and rangelands.

Ninth. Section 9 of the bill deals with the need to improve the transportation system in the national forests. The conferees settled on modified Senate language rather than the Senate or the

House language. The original Senate language met the problem less squarely than the revised language, and it was concluded that a 2-year study as envisioned in the House bill was not really the answer in view of the extensive studies previously made.

The Forest Service has been carrying out a study to develop a more analytical and comprehensive planning system for selection of priorities, to develop improved data on roads and trails, and to improve the programing and funding of construction projects. The target date for completion of the entire study was 1975, and interim reports were called for that would aid the Service in immediately effecting improvements.

Our review of the situation, including the views from commodity and noncommodity users of the resources of the national forests and county officials, who share in 25 percent of the receipts that the national forests generate in their counties, is that the road and trail program was out of hand in a number of important ways.

The road program consists of two parts. One is visible to the Congress through the level of money provided by the authorization and appropriation process. The invisible segment—provided by revenue foregone through reduced timber prices under which timber purchasers build the roads—is authorized under clause 2 of section 4 of the act of October 13, 1964.

Since 1964 there has been an increased reliance on back-door spending with the revenue foregone in fiscal year 1972 amounting to $100 million, and the level is expected to increase to $190 million by 1975. The appropriated funds allocated to multipurpose roads will decline over the same time frame from $111 million to a mere $8 million.

The budgetary ramifications are significant. Authorizations of half a billion dollars remain unused, and revenue to the Treasury is reduced on timber sales. The hard-pressed rural counties, which receive 25 percent of such sales, are also hurt in reduced revenue.

In addition, long-term timber management planning must proceed from sale to sale with roads going in barely ahead of the power saws. The conferees noted that there were numerous concerns expressed by those from forest districts about all of these matters as well as whether the roads were properly designed and located.

As the initiator of this renewable resource reform legislation, one of my goals was to assist in strengthening the linkage of goal setting and budget performance. The basic reform that we have included here was one that could not be shaped until the Congress had decided on the thrust of its overall budget reforms. However, at my direction the staff had consulted regularly with people working on the Budget and Impoundment Control Act as we proceeded.

I would like to express appreciation to Mr. Eugene Wilhelm, acting staff director of the Joint Committee on Federal Expenditures, for his able assistance. Mr. Wilhelm served for years on the staff of the House Committee on Appropriations, including several years working on the budget of the Forest Service and the Department of the Interior. Also deserving recognition are Bruce Meredith and David Willson of the Committee on Appropriations. Mr. Willson ably staffs the subcommittee which currently handles the Forest Service budget in the House. These experts, along with Larry Filson, who is deputy counsel of the Office of Legislative Counsel of the House, were all closely associated in developing the new Budget Act, and they assisted us in developing sound language for this section.

The language developed meets certain tests:

It encourages comprehensive development of the entire Forest Service road and trail program.

It displays the fiscal ramifications of the entire Forest Service road and trail program so that the Congress and the Executive can effectively deal with needs as they see them.

It provides flexibility while improving the discipline of the appropriation process.

It encourages the agency to reform and sharpen procedures.

It better enables the public and the counties, directly affected by funding decisions, to advise on proposed programs during the appropriations process.

It recognizes the principle that all authority to spend should be within the control of the budget process.

Currently, there are about 200,000 miles of roads and 100,000 miles of trails in the national forest system with an estimated need for an additional 140,000 miles of road and 20,000 miles of trails. It is estimated that additional construction plus reconstruction could cost over $10 billion. Certainly, this is a program that needs to be carefully organized, planned, and executed.

This section represents an important modernization of the fiscal management tools needed to effect an important underlying component of wise natural resource management.

The overall result will be better formulation of a multiple-use road and trail program in a manner that assures timely development of all of the resources in the national forest system.

Tenth. The bill in section 10 provides for the first time a definition of the national forest system. This definition neither adds nor subtracts from the present types of land that are managed by the Forest Service but, heretofore, the system has not been defined by law.

In addition, guidance for the location of Forest Service officers is set forth in order to assure that these largely rural areas will be served by offices which are efficiently located. Reviews by our committee indicate that the Forest Service offices are now satisfactorily located.

Eleventh. Section 11 of the bill was included at the suggestion of the House and readily agreed to by the Senate. The thrust of this bill is to increase the efficiency of existing agencies and not to create a new bureaucracy; to expand the cooperation of existing agencies rather than fostering destructive competition and compartmentalization of effort; and to build on proven performance instead of embarking on a series of experiments.

The Secretary is expected to cooperate to the fullest extent, drawing on all of the assistance that he can secure in order to achieve the purposes of this legislation and to meet his obligations under the laws he is charged with faithfully administering.

The term "renewable resources" is the term that is used in the Multiple-Use and Sustained Yield Act of 1960, and the conferees agreed on its application to all activities of the Forest Service.

This, then, is what the bill is about in some detail.

One of the principal aims of this legislation was to set into motion a comprehensive, integrated factfinding system for renewable resources on forest and rangeland which will provide the base for program design and subsequent implementation.

Another major objective was to develop a tool which will enhance the general public knowledge and thus improve the ability of all public groups to sense their opportunities to function in the national interest and to address their opportunities more effectively.

We resisted the inclination to write prescriptions before the complete diagnosis was made. There are real problems affecting our renewable resources on forest, range, and associated lands that must be addressed. The goal of this bill is to enable them to be sensibly addressed.

The best measure of whether we have charted a reasonable course is to be found in the degree of public support that this legislation has secured. When we started work on this bill 15 months ago, a number of the groups concerned over these renewable forest and range resources were literally at each other's throats. As this bill was being developed, meetings were held with a wide range of groups and individuals representing the entire spectrum of interests.

These are the organizations that support this legislation: the Citizens Committee on Natural Resources, the National Wildlife Federation, the Wildlife Management Institute, the American Forestry Association, the National Association of Counties, the National Parks and Conservation Association, the Association of State Foresters, the Industrial Forestry Association, the Northwest Timber Association, the National Forest Products Association, the American Pulpwood Association, the Western Timber Association, the American Plywood Association, the Sierra Club, the Friends of the Earth, the Wilderness Society, and the National Association of Soil Conservation Districts.

The fact that they could come together and join in support of this legislation, despite the fact that they have other areas of disagreement, speaks well, not for them as organizations, but also demonstrates the substantial merit of the legislation. Earlier bills which sought to treat the subject were the object of wide and deep division.

I would like to compliment the staff of the House committee who worked on this bill, John O'Neal, John Rainbolt, and Nick Ashmore. They made many useful and constructive contributions and were of great assistance to the conferees. On the Senate committee, we had Harker Stanton, who has now retired, Michael McLeod, Carl Rose, Jim Giltmeir, Sam Thompson, and Jim Thornton. Mr. Carl Rose, who recently joined our staff, is to be particularly commended for his contribution in perfecting the conference language.

I have already mentioned the several people associated with the new Congressional Budget and Impoundment Control Act of 1974 who were of particular assistance. In the private sector, Dr. Richard McArdle was a constant source of wise counsel and objective analysis on key issues.

Finally, Mr. Robert Wolf, Assistant Chief of the Environmental Policy Division of the Congressional Research Service, did yeoman work on all phases and facets of this legislation starting with its conception. He examined past policy development, legislative efforts, analyzed problems, defined the present structure on which policy is formed and the renewable resource situation. As we drafted the legislation, in the various meetings he played a key role in helping us to formulate the concepts that became the language of the bill. On each and every issue he helped us to examine the proposals, test alternatives, and see that we had viable choices which would produce a bill that tied essential elements together.

Chairman TALMADGE, Senator AIKEN, Senator EASTLAND, and Senator HUDDLESTON, Congressman POAGE and Congressman RARICK each made major contributions in giving this legislation prompt and careful attention.

In addition, I would also like to point out the many cosponsors who joined me in supporting S. 2296. They are Senators AIKEN, ALLEN, ABOUREZK, BELLMON, CLARK, DOMENICI, EASTLAND, GRAVEL, HATFIELD, HATHAWAY, HOLLINGS, HUDDLESTON, JACKSON, MAGNUSON, MANSFIELD, MCGEE, MCGOVERN, MCINTYRE, METCALF, MONDALE, MOSS, NELSON, PACKWOOD, STENNIS, STEVENSON, and TALMADGE.

If the cooperation that has been exhibited in formulating and enacting this legislation is continued as we proceed to implement it, I am confident that it will be highly useful and beneficial to achieving better management of the renewable resources on the 1.4 billion acres of natural forest land and natural rangeland that are such an important part of this great 2.3-billion-acre Nation.

The water, soil, plants, and animals on this land, and the air that they influence are the great interrelated processors of our environment. They combine and they interact to maintain life by sustaining each other in a total environment. This legislation, as agreed to by the conferees, strengthens our capacity as a people to promote our well-being and the well-being of future generations.

Mr. President, we have here a good bill which is constructive in purpose and reasonable in approach. I move the adoption of the conference report.

Mr. TALMADGE. Mr. President, it has been an American trait throughout our history—until the very recent past—to utilize our resources and our land recklessly. This has been true of both our renewable and nonrenewable resources. Now in a time of scarcity we must make up for our past negligence. We need to face the facts of the present and also plan for the future.

Planning for wise use of the land and its renewable resources is at the heart of the Forest and Rangeland Renewable Resources Planning Act of 1974 which we consider today. Sound planning over prolonged periods will make it possible for the American taxpayer and his children and grandchildren to realize the full production of all forest benefits within the limits of legal and environmental considerations. It is recognized by all that forest management in this century has trended toward achievement of full production with the aid of research and applied technology. The results are evident on our better managed lands. But we have not done enough by far and we must make substantial improvements in both direction and magnitude of our efforts if we are to make our national forests fully productive for domestic needs and world trade opportunities.

The bill before us, affords all of these opportunities in abundance. When this legislation becomes law the Nation will be able to take giant strides in applying advanced management practices which will enable the forests of the United States to return maximum sustained production to the economy while contributing even more to the welfare and enjoyment of its citizens who value the out-of-doors.

We must face our economic, social, and cultural future squarely and do now what tomorrow it may be too late to do. For the first time we recognize in law that the financial aspects of making forests fully productive requires planning over decades instead of 12 months. In this context we should agree that any forest which is managed in a way which reduces its ability to return the benefits sought by the owner, whether public or private, is a debit rather than a credit to our husbandry of our resources. I subscribe wholeheartedly to statutes which require us as a Nation to do those things which, in our hearts, we know we should do in our enlightened self-interest. This is such a bill.

Mr. METCALF. Mr. President, I want to congratulate the Senate conferees and the House conferees on bringing before us an excellent bill designed to reform and improve the processes used to plan and manage the renewable resources associated with forest and rangeland. I was one of the early sponsors of this legislation. As many of you know I had, before that, a bill of my own that I had been pressing. However, it seemed to me that this bill deals more effectively with the underlying issues that need to be addressed. So I was delighted to cosponsor it and actively support it.

The conferees have combined the best features of both the House and Senate versions.

Enactment of this legislation will set into motion a number of important procedural reforms.

Under this law, using the resources set forth in the 1960 Multiple Use and Sustained Yield Act, the Secretary of Agriculture will prepare, at various intervals, assessments and programs that are national in scope. The assessments and programs will show the total picture and the relationships so that there will be an integrated approach to addressing resource issues rather than one that treats each resource and use independently.

The approaches outlined in this law will create an effective tie with the new Congressional Budget and Impoundment Control Act procedure, thus promoting improved consideration by the Executive and the Congress of annual budget needs with a focus on longer term impacts and effects.

The law will encourage both Executive and congressional responsibility for charting effective courses for renewable resource programs—not only those that deal with Federal lands, but also the cooperative programs that aid State and private efforts on State and private lands.

One of the most important aspects of the legislation is the methodology adopted for getting goals defined in a way that promotes public understanding while at the same time requiring the Executive to regularly advise the Congress on whether they are reasonable and proper goals and, if not, how they should be adjusted.

I am delighted that the conferees adopted the target year concept for the elimination of backlogs of needed conservation work on the national forests as a planning tool. It is my understanding that it is a planning tool and as the new integrated assessments called for come forward there will be a further opportunity to determine whether this date needs to be revised for any particular resource against the array of facts that become available.

The conferees are especially to be commended for the way they resolved the question of how to handle congressional action on the statement of policy that will be used as a guide in framing budget requests. The President and the Congress thus both retain essential flexibility which carries over to the annual budget process.

Finally on the knotty question of how to deal with the concerns over whether the best approach has been used in securing an adequate transportation system on national forest lands, the conferees reached a most useful agreement. As chairman on the Subcommittee on Budgeting, Management and Expenditures of the Committee on Government Operations, and as one who served on the Public Works Committee, I am keenly aware of the need for improved planning and program operation.

In 1964 the Public Works Committee authorized the Forest Service to secure needed roads by reducing the revenue received from the sale of national forest timber, in order that the timber purchasers might build roads. We granted this authority to appropriate revenue without requiring congressional approval, with the distinct understanding that the major expenditures for forest roads would be under the regular budget process. Recently, the reverse has been true. Almost the total construction program has been financed outside the appropriation process.

In this current year about $190 million in revenue will be foregone to secure needed roads. Less than $10 million will be used in appropriated funds for road construction. The conference language in section 9 will not only bring this activity within the budget process—and this is a significant budget reform—but also it should provide a better way to secure needed roads over the long term, by providing proper authorization and funding levels for the total program.

The side of the program that brought this matter to a head was the impact of foregone revenues on the counties. They get as payments in lieu of taxes 25 percent of the revenues realized from the sale of timber and other renewable resources on the national forests. In fiscal year 1965 their loss of revenue was about $14 million, based on total revenue foregone for timber purchaser roads that were added to the National Forest System of about $56 million. On the other hand the appropriated funds expended were double this amount. In 1975 the counties will experience a loss of about $45 million, while the Federal effort is less than one-tenth what it was in 1965.

Leaving aside the direct concerns of the counties, and they are real and important, the conferees have taken positive and reasonable action to bring a significant item of backdoor spending under the discipline of the appropriations process where it properly belongs. I am confident that we in the Congress will be able to assist in developing a sound approach in the authorization and budget process in order that the result will be to secure better roads on a more timely basis, using all of the authorities provided in the 1964 act in their most efficient way.

I want to express my warm approval of the fact that the Committee on Agriculture worked cooperatively with other congressional committees to develop this budget improvement and thus demonstrated that it shares fully the interest we in Congress have in improved Federal fiscal management. I think this augurs well for the future of the new Congressional Budget and Impoundment Control Act and the cooperation that will occur in effectively carrying out its goals.

This Forest and Rangeland Renewable Resources Planning Act represents a large and useful step toward improved delivery of Federal services and programs to the people in a most important area. This bill has the support of every major conservation and user group concerned with renewable resources. I think they sense that it gives them a way to come together and resolve their differences in order that the needs of all can be properly recognized. On the Federal lands, I am most hopeful, the authority in this law will make multiple-use management under sound sustained yield concepts more effective. On the State and private lands, I am equally hopeful, this law will help achieve more effective commitments and efforts based on individual efforts focused on national goals and interests.

We face serious problems that remain to be solved. The controversies, for example, over cutting methods are not settled. There are genuine concerns about whether the public forests can sustain their present level of harvesting, a higher level or must be managed at a lower harvest level. There are wide differences over management intensity and the ratio of uses.

On rangelands the same sorts of concern exist. Can the number of livestock be managed, and if so at what level, with the browsing game species? How can the land manager more effectively manage game species given the relative uncontrollability of wild game versus livestock? There are fundamental concerns over levels of multiple-use management because intensity of use causes frictions to rise geometrically when levels of use go up arithmetically. The assessments and programs this law will produce will provide a meeting ground to reach sensible decisions, and the evaluation procedures the law includes in section 7 will permit both the Executive and Congress to have a good body of facts upon which to act.

I regret that the conferees struck the language dealing with public participation. It is my understanding that it was done because in their view adequate machinery exists already, and the processes in this new law will be effectively without stating the obvious over and over. I hope the citizens of both rural and urban America will rise to meet their opportunities to participate in the evaluation and decisionmaking process for our renewable resources under this law.

Over these past several years citizens have turned more and more to the courts to seek redress when they thought conservation programs were not in accord with the law. This is entirely proper. However, I cannot help but believe a large part of the problem is that programs are short-circuited by a lack of an effective long-range policy and program, and this legislation will assist in reducing the amount of litigation.

I want to compliment the members of the Committee on Agriculture and especially Senator HUMPHREY, the chief sponsor of the bill, and Senator TALMADGE, Senator AIKEN, Senator EASTLAND, and Senator HUDDLESTON for the attention they gave this bill and the way in which they moved it forward.

Mr. President, I ask unanimous consent to insert at this point in the RECORD my recent exchange of correspondence regarding this legislation with the distinguished chairman of the Committee on Agriculture, Mr. TALMADGE.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

COMMITTEE ON AGRICULTURE
AND FORESTRY,
Washington, D.C., July 23, 1974.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR LEE: I appreciate receiving your letter of July 12 and your views of S. 2296 as passed by the House.

You will be happy to know that the House and Senate conferees were able to reach agreement on a substitute bill that retains many of the basic features of the Senate bill.

The conferees adopted the term "renewable resources" and defined it as encompassing matters within the jurisdiction of the Forest Service on the date of enactment of the bill.

Although retaining the House provision that the President—and not the Congress—formulate the Statement of Policy to be used in framing budget requests, the conferees agreed to include language providing specifically that Congress may revise or modify the Statement of Policy, and the revised or modified Statement of Policy shall be used in framing budget requests.

In lieu of the Senate provisions on impoundment of funds, the conferees agreed to include language making reference to the Congressional Budget and Impoundment Control Act of 1974. Amounts appropriated to carry out the bill would be required to be expended in accordance with such Act. In addition, the financing of forest development roads by forest product purchasers would be deemed "budget authority" and "budget outlays" as those terms are defined in such Act.

With every good wish, I am
Sincerely,

HERMAN E. TALMADGE,
Chairman.

JULY 12, 1974.

Hon. HERMAN E. TALMADGE,
Chairman, Agriculture and Forestry Committee, Washington, D.C.

DEAR CHAIRMAN TALMADGE: I have just had a chance to review the House version of S. 2296, the Forest and Range Land Environmental Management Act of 1974 and wanted you to have the benefit of my thinking as one of the original sponsors of the Senate bill. You are fully aware of the growing concerns in rural areas where the National Forests abound as to whether their level and style of management meet the needs that exist. I am afraid that H.R. 15283 will be less satisfactory than the Senate bill in coming to grips with issues.

These are the features of S. 2296 which I hope will be retained:

1. The term "renewable resources" expresses the coverage of the bill in the same terms as the 1960 Multiple Use Act whereas the House term "forest and related resources" does not. In Montana we have a significant acreage of the National Forests that are range lands and we also have substantial National Grasslands administered by the Forest Service. I cannot too strongly emphasize the importance of range in the multiple use picture. One of the most attractive features of S. 2296 is that it recognized the fact that the National Forest System is made up of forest and range land in almost equal proportions and that the concepts of multiple use and sustained yield are equally applicable to both.

2. Sec. 8(a) of S. 2296 provides for better public participation. It was strong support from the various segments of the public that are concerned with these resources.

3. Sec. 8(b) of S. 2296 dealing with how Congress will make policy is far preferable to the House approach which would place the Congress in a passive and negative role. Under the House language all we could do is disagree with the Executive while under your language Congress would set the policy after consideration of the Executive recommendations.

4. The proviso in Sec. 8(e) (page 10 line 9–17) and Sec. 9(b) (starting on page 13 line 8) deals with the question of impoundment. The House has removed this language but I think that it would be useful to tie this to the Congressional Budget and Im-

poundment Control Act of 1974 which we just enacted. It seems to me to be especially necessary to retain the controls proposed for Forest Roads in Sec. 9(b).

I served on the Public Works Committee in 1964 and was active in the enactment of Public Law 88–657 (16 U.S.C. 532–538). This codified the Forest Service practice of reducing the price of timber in order that timber purchasers could build roads under timber sale contracts. When we considered that legislation, the Congress was advised that the authority would be used carefully, that it would be applied to those situations where it was the most efficient, that preference was to be given to constructing multipurpose roads with the Road and Trail funds that were authorized, and all in all the authority would be used so that it would not reduce revenues to the counties or place large road construction burdens on timber purchasers.

The situation that has developed these past few years has been quite the opposite. No multi-purpose roads are being constructed with appropriated funds. All road construction is via timber revenue reductions. Authorizations are going unrequested or impounded with authority lapsing. No trails are being constructed. County payments in lieu of taxes are being drained. And most importantly, good standard advance roads for sound multiple use management are not being designed and constructed.

I hope that the Senate will correct this deplorable situation. As for the USDA position that it wants to make a study I can only say that if the hearing record of the Public Works Committee for the last 16 years is examined, it will be evident that the issue has already been studied and restudied.

The fact is that, since securing these roads by revenue reductions does not show up in the budget, OMB has enforced a policy for fiscal "benefit" that hurts sound resource administration, local governments and all who use the National Forests.

5. Sec. 9(a) of S. 2296 sets the year 2000 as the target year when the backlog of needed conservation work will be reduced to a current basis. This is a most important concept and one which drew to the bill the unified support of all shades of conservation groups. It is the yardstick which can be used to measure how well we are going to meet likely future demands. If there is no commitment to get the backlog of work cleaned up then there will not be any commitment to do the minimum that is required. Dropping this provision will badly vitiate the bill.

In my view S. 2296 has the potential to raise the tone of the management of not only National Forest resources, but also to help promote individual and corporate efforts to secure better management of the renewable resources under their management. I hope the Senate conferees will retain its salient features.

Very truly yours,

LEE METCALF.

Mr. HUMPHREY. Mr. President, I move the adoption of the conference report.

The motion was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the conference report and the joint statement of the Committee of Conference on S. 2296 be printed as a Senate report in accordance with the provisions of the Legislative Reorganization Act of 1946, as amended.

The PRESIDING OFFICER (Mr. STEVENSON). Without objection it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the Committee on Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

The message also announced that the House agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2296) to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes.

The message further announced that the House has passed, without amendment, the bill (S. 3669) to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 15544) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STEED, Mr. ADDABBO, Mr. ROYBAL, Mr. STOKES, Mr. BEVILL, Mr. SHIPLEY, Mr. SLACK, Mr. MAHON, Mr. ROBISON of New York, Mr. MILLER, Mr. VESEY, Mr. YOUNG of Florida, and Mr. CEDERBERG were appointed managers of the conference on the part of the House.

ENROLLED BILL SIGNED

The message also announced that the Speaker has affixed his signature to the enrolled bill (H.R. 11873) to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. METCALF).

ORDER FOR ADJOURNMENT UNTIL 12 NOON, MONDAY, AUGUST 5, 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon on Monday next.

THE PRESIDENT OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise to ask the distinguished majority leader whether we will expect any more votes today and also what the program will be next week. I raise the question with special reference to order No. 975, the so-called Amtrak bill, and order No. 987, the Price-Anderson atomic energy bill.

Mr. MANSFIELD. Calendar No. 975, the Amtrak bill, will be taken up on Thursday next.

Calendar No. 987, the Atomic Energy Act, as amended, will be taken up on Wednesday next.

On Tuesday, it is anticipated that we will take up the Interior Department appropriation bill.

An agreement has already been reached to take up the District of Columbia appropriation bill on Thursday.

We are trying to work out a time now for the Housing and Urban Development appropriation bill early next week.

So we have three other appropriation bills on tap, which will be taken up and disposed of next week.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

Mr. MANSFIELD subsequently said: Mr. President, it is the intention of the leadership to take up the Housing and Urban Development appropriation on Monday.

On Wednesday, we will take up the Atomic Energy legislation having to do with the Price-Anderson Act. That is Calendar No. 987, H.R. 15329.

Also on Wednesday, it is anticipated that we will take up the Interior appropriation bill, which was reported out by the full Appropriations Committee today.

On Thursday, we will take up the District of Columbia appropriation bill, and also Calendar No. 975, S. 3569, a bill to amend the Rail Passenger Service Act of 1970.

That would indicate that in addition to passing three appropriation bills this week, the Senate will consider and hopefully pass three additional appropriation bills next week. It looks like a pretty heavy schedule. There will be votes, I am sure, beginning on Monday.

I would anticipate that this would put the Senate on notice.

I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I wonder if the distinguished majority leader discussed this with the Republican leadership, and if there is any problem.

Mr. MANSFIELD. Senator SCOTT asked me earlier, and I told him at that time that Interior was coming up on Monday. Since that time I have talked with the chairman of the subcommittee, the Senator from Nevada, and he indicated that a problem had arisen and he would like it to come up on Monday. So this, in effect, is to coincide with the wishes of the Subcommittee on Interior Appropriations.

RURAL DEVELOPMENT REPORTING REQUIREMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 1000, H.R. 14723.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 14723) to amend the Agricultural Act of 1970 to change the date on which the President must report to Congress concerning Government assisted services to rural areas.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CLARK. Mr. President, this bill involves a technicality, but nevertheless is very important. It has passed the House of Representatives.

Simply stated, Mr. President, it would change the date of the reporting requirement by 5 months.

H.R. 14723 would amend section 901(e) of the Agricultural Act of 1970, as amended, to change the date on which the President is to report to the Congress on the availability of Government-assisted services to rural areas. Under existing law, the President is to make the report not later than September 1 of each fiscal year. H.R. 14723 would change the date to May 1.

Mr. CURTIS. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS' amendment is as follows:

> On page 1, after line 5 add the following new section:
>
> "SEC. 2. That section 901(f) of title IX of the Agriculture Act of 1970 is hereby repealed and the following is added:
>
> "FINANCIAL ASSISTANCE
>
> "(f) Any security based on or backed by a trust or pool of loans or loan participations guaranteed or insured under the Rural Electrification Act of 1936, as amended, or the Consolidated Farm and Rural Development Act may be guaranteed as to timely payment of principal and interest by the Government National Mortgage Association and the provisions of section 306(g) of the National Housing Act (12 U.S.C. 1721(g)) shall apply to such security: *Provided*, That the Administrator shall utilize the fund created in section 301 of the Rural Electrification Act of 1936, as amended, and the Secretary shall utilize the fund created in section 309A of the Consolidated Farm and Rural Development Act to reimburse the Government National Mortgage Association for any disbursements it may be required to make as a result of the guarantee authorized herein."

Mr. CURTIS. Mr. President, last year the Senate adopted S. 2470 to provide a secondary market for guaranteed rural development loans. The bill was cosponsored by the entire membership of the Committee on Agriculture and Forestry. The other body has failed to take action on that legislation.

Subsequently, the Senator from Oklahoma (Mr. BELLMON) introduced S. 3252 which would, among other things, authorize the Government National Mortgage Association to guarantee securities backed by pools of federally guaranteed rural development loans.

During the hearing on S. 3252 the Georgia banker who made the first guaranteed loan under authority of the Rural Development Act of 1972 was asked about the need for a secondary market for guaranteed rural development loans. He stated:

> We need someplace to be able to go and say, we've got *x* number of loans here, we want to sell those so that we can make some more. The estimate is somewhere between $6 and $8 million in loans we could make if we had the money.

Mr. President, the Government National Mortgage Association was created to increase the flow of capital to the housing industry and thereby provide for construction of more decent housing for all Americans.

By authorizing GNMA to guarantee timely payment of principal and interest on securities backed by federally guaranteed rural development loans as proposed in the amendment I am now offering on behalf of the Senator from Oklahoma (Mr. BELLMON) and myself, we will be affording the same opportunity to increase the flow of capital to rural America where it is badly needed.

Mr. President, that is what the amendment would do, and I urge its adoption.

Mr. CLARK. Mr. President, we feel that certainly the amendment is an excellent amendment, and the members of the committee are in favor of it. So we find it acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nebraska.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed for a third reading and the bill to be read a third time.

The bill (H.R. 14723) was read the third time, and passed.

The PRESIDING OFFICER. What is the will of the Senate?

MORE ON THE WAR POWERS LAW AND THE CYPRUS EVACUATION

Mr. EAGLETON. Mr. President, the Defense Department has responded to my remarks of July 31 regarding the failure of the administration to report the introduction of armed forces into Cyprus for the purpose of evacuating Americans. Such a report is, in my opinion, required under section 4(a)(1) of the war powers resolution.

The administration's explanation for failing to report includes the following three points.

First. That the area where American helicopters landed was not part of a hostile zone.

Second. That the mission—namely evacuating Americans and foreign nationals—was "humanitarian."

And third. That our forces were unarmed.

Mr. President, it is not my purpose to question the administration's motive or even its modus operandi in evacuating the innocent victims of a war. Rather, it is to insure that a precedent is not established in the Cyprus case whereby the executive branch assesses a particular situation which may come under the war powers resolution and, on the basis of information available only to the Executive, decides that no report is required under the law.

Let us first ask what we are arguing about. What is so contentious and so provocative about submitting a report to Congress? We are not talking about a struggle over the President's authority. Questions of prior authority were, to my regret, written out of the final version of the war powers bill. All that is required now is an ex post facto report.

Then why all the fuss? Why not err on the side of sending the report instead of arguing over whether the circumstances of the case are within the intent of the legislation?

Section 4(a)(1) is clearly written and, in my opinion, there is no question that it would encompass the landing of forces in Dhekelia, Cyprus, to say nothing of the reported landing of American helicopters at Kyrenia.

That section—that is, section 4(a)(1)—states:

> In any case in the absence of a declaration of war in which the United States Armed Forces are introduced . . . into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances. . .

Section 4(a)(1) says nothing about excluding humanitarian missions. Nor does it state that unarmed forces need not be reported.

We come down then to the central issue: was it a hostile area? If the administration argues that hostilities were not in evidence in Dhekelia and in Kyrenia, there is little that Congress can do to confirm that assertion, at least within 48 hours. But we do not need access to classified reports to know that the circumstances on Cyprus on July 22 clearly indicated the possibility of "an imminent involvement in hostilities," as the law states.

Any reasonable person—any person not attempting to split hairs in the style of a corporate lawyer on a tax case—would have to agree with that assessment.

Mr. President, the discussion that has

ensued in the past few days gives me great concern. It seems that instead of insisting on an automatic, routine response by the Executive under section 4, we may now be willing to listen to the Executive's explanation of the event and decide on the basis of that explanation whether the law should be obeyed. Whether or not there is cause for some to accept in good faith the administration's explanation, past experience shows that we cannot depend upon the personal trust which may exist between some Members of Congress and some representatives of the executive branch.

The alleged Gulf of Tonkin attack and the secret bombing of Cambodia are two well-known examples of the overdependence on special relationships and the advantage that accrues to the Executive when he, the Executive, can choose who in Congress he would like to take into his confidence.

The administration's explanation in the Cyprus case, both their public explanation and their private explanation, should be considered moot. The language of section 4(a) (1) is clear enough.

Mr. President, we must take the subjectivity out of the war powers reporting requirement and insist on automatic responses from the executive branch whenever our forces enter a country where there are ongoing hostilities or where there is an imminent threat of such hostilities. That is what the law requires.

If there is doubt whether a report should be sent then the report should be sent. This is the only way that a 535-Member body can protect its statutory prerogative.

May I say, in conclusion, Mr. President, that through the years we labored to get a war powers bill passed by Congress which would try to redress the imbalance that had grown up through the years through many Presidencies. The Chief Executive of the country had taken over more and more authority in the warmaking area. The more the Executive took, the less Congress had, and Congress did not resist. Benignly we stood aside and let the power flow away.

Thus what we tried to do with the war powers bill was to try to redress that drift and to restore the decisionmaking process where Madison and Hamilton said it belonged; namely, in the Congress of the United States. It is for us to determine when and where we go to war. We have the unique authority to declare war.

I opposed the final bill. But by an overwhelming vote the Senate and the House adopted the final conference report. The President of the United States vetoed it and agin, by overwhelming votes, both the Senate and the House overrode his veto.

That is history, Mr. President, and the war powers resolution, be it good or bad, is the law of the land. It is now on the books, and the President of the United States, the Secretary of State, and every citizen of the United States is subject to the law of the land. Were there any doubt about that, that was resolved irrevocably but a few days ago across the street in an eight-to-nothing Supreme Court decision.

Section 4(a) (1) of the war powers resolution is part of the law, and it says in very plain language that when American forces are introduced into an area where there is an imminent threat of hostilities, the President pro tempore of the Senate and the Speaker of the House of Representatives are to be notified. It says nothing about it being humanitarian. It says nothing about whether they are carrying a rifle or bayonet, whether they have boots and helmets on. It says "armed forces."

And armed forces were introduced in Cyprus, albeit for humanitarian purposes, albeit the mission was accomplished successfuly and efficiently.

But that is not the point. The point is if we permit this to go unanswered, if we permit the President to say, "I shall decide when I shall notify Congress under section 4(a) (1) of the war powers resolution," then we shall have started once again, Mr. President, down that endless road of losing our authority.

If we let this go by and say, "OK, Mr. President, I know you are a busy man these days and your Secretary of State is even busier going all over the world and trying to solve some of the most difficult problems of modern diplomacy, so we shall forget about it."

But what happens, Mr. President, the next time there is a Dominican Republic?

What happens under section 4(a) (1) when some future President sends troops somewhere else out into the world and does not notify Congress under section 4(a) (1)? Then we start raising a little cain about it, and he says, "Well, you know, you have established a precedent. You did not ask any notification on the Cyprus situation, so we did not think you really much cared about that; ergo, we just thought you boys were not very serious."

Mr. President, I think the law means what it says, and if it is the law, it is everybody's law and it ought to be enforced.

Those in the Senate, such as the distinguished Senator from New York (Mr. Javits), who is now in the Chamber, and who devoted literally years of his life to see that this became law, and those on the Committee on Foreign Relations, who really have primary supervision over matters such as this, and those on the Committee on Armed Services, who have an obvious interest in those matters, should insist that the law be lived up to.

Mr. President, I am not satisfied with the response from the executive branch and their rationale for not reporting to Congress.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, just by way of final note on the speech by the Senator from Missouri (Mr. Eagleton), which I just heard, it is a fact that I spent years on the war powers resolution.

Obviously, he has had an exchange with the executive branch on this subject. We have been working for some months now on the staff level on the question of implementing the war powers resolution in detail.

I promise the Senator from Missouri that I will carefully examine his views and the exchange he has had with the Executive, and then react appropriately, first to him and then to the Senate.

Mr. EAGLETON. Mr. President, will the Senator yield 1 minute so I might respond?

Mr. JAVITS. I yield.

Mr. EAGLETON. I very much appreciate the Senator's observations. I do not think any other Member of this body has devoted more of his time and his considerable talent to this issue than the distinguished Senator from New York, and in his position as author of the war powers resolution and by his assignment to the Committee on Foreign Relations he is in a particularly advantageous situation, both intellectually and assignmentwise to examine closely what I think to be a very important issue.

Mr. JAVITS. I thank the Senator.

LEGISLATIVE BRANCH APPROPRIATION ACT, 1975—CONFERENCE REPORT

Mr. HOLLINGS. Mr. President, I submit a report of the committee of conference on H.R. 14012, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Abourezk). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14012) making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of July 22 at pages 24434–24435.)

Mr. HOLLINGS. Mr. President, I just want to acknowledge the fact that on this afternoon we are missing the presence of the distinguished Senator from New Hampshire (Mr. Cotton). Due to family illness he had to return to New Hampshire. It goes without saying that we could never have obtained the fine result we did in this conference report and throughout all the treatment of the legislative appropriations matters had we not had the wise counsel, guidance and support of Senator Cotton. He has literally been, as the junior Senator that I am and the senior Senator that he is, an inspiration to me to work with over the past several years. We will miss him greatly next year when we once again are working on this matter.

I want to make some comments with relation to what has been going on today and yesterday, regarding the percentage cuts exacted on the various appropriation bills. As we all know, we instituted a budget committee. I am a member of that budget committee, and we have had an informal caucus because the Republicans have yet to be appointed. I presented a proposal for across-the-board treatment for all appropriations bills in order to bring them into line with the projected $11.4 billion deficit.

In other words, I wanted to cut some $10 billion and have a balanced budget this year in the face of raging inflation.

We have to be realistic. Many Senators as chairmen of subcommittees have worked long and hard. I happen to know the task. As a member of the Subcommittee on Health, Education, and Welfare, I listened to, literally, some 447 witnesses, plus we have received many, many submissions of prepared statements.

I am also on the State, Justice, and Commerce Subcommittee and, of course, I heard all the witnesses with respect to this report.

I only make this comment now: That we are trying to take action on each of these particular appropriations bills as they reach the floor, because we could not obtain action within that budget committee this year. I am going to try to effect some reductions.

Obviously, this comes in midstream. The legislative appropriations bill has already been passed by this body, agreed to in the House, gone to conference and the final amounts have been worked out. The House of Representatives worked its will yesterday rejecting a particular Senate amendment. I am going to move to concur in that particular House action later after we hear our friend from North Dakota.

But the question would be legitimately asked: "Senator, you are so assiduous and intense upon a percentage cut in all of these other appropriations. What about your own legislative appropriation?"

With a percentage cut of some 3 percent in mind, I contacted the House leadership in the persons of the distinguished chairman of the House Appropriations Committee, Mr. MAHON, of Texas, and also the subcommittee chairman, Mr. CASEY, of Texas, with whom I have worked intimately on these measures.

They both told me in no uncertain terms that it could not be taken back to the floor of the House, that they both would strongly oppose such a move.

I do not intend to stand in the well and make some futile motion. I can also acknowledge, almost in the same breath, that by the House action they saved some $21 million yesterday with respect to the west front. They have delayed it.

They have made some progress, as I have already noted. In other words, we got a vote of 192 to 203, losing by 11 votes. That is the third time on the House side we have almost had half of the House go along on the particular proposal, with the unanimous vote of the Senate to go ahead and restore the west central front and have it ready for the Bicentennial. I hope we can still do that. I doubt if we can make it ready for the Bicentennial, since it will not be in this particular appropriations bill.

I think we should be aware and acknowledge affirmatively that an attempt was made—and I will be perfectly willing—to try to make a 3-percent cut. But this was treated by both bodies, and there is no chance of going back on that particular score.

I might emphasize that we ought to look at what are the major items of increase over last year, before some editorialist writes only part of a story.

The House figure, which would not be subjected to any reduction if we went back to conference is $10.7 million; the annualization of the general pay raises the Senate salary items by $5.6 million; the new GSA rental amount for the Senate—we are now going to pay rent for our State offices to GSA—$1.2 million; under joint items there is in an increase for official mail of $8.3 million; the Library of Congress rent to GSA is some $2 million; the GPO, printing and binding, $16 million; and for GAO, the rent and annualization of the general pay raises amounts to about $6.6 million.

This totals a little more than the $46.9 million that we are over the 1974 appropriation, because we did not have one particular payment in here. This is almost $50 million. We are under the budget estimate in this bill, trying to lead the way, some $14 million.

Mr. President, I yield to the Senator from North Dakota, who has attended all our hearings and has given us great leadership throughout on legislative appropriations. He is the senior member of our Appropriations Committee, and he has all 14 appropriation bills under his jurisdiction. One would think that with all the time it takes for the work and everything else, he would not have enough time for the witnesses; but he has attended our hearings and has given us wise counsel.

Mr. YOUNG. Mr. President, I thank the Senator from South Carolina for his generous comments.

The conference report should be adopted. It was approved by all the conferees, and is the best possible bill. As the distinguished chairman of the subcommittee has pointed out, it is considerably below the budget.

I would like to say a word about the across-the-board percentage cuts which are now being applied to appropriations bills. I look with disfavor on that type of procedure. I would rather have an item-by-item approach. This morning, I voted for a 3½-percent cut in the Transportation bill, but this was a case in which both the chairman and the ranking minority member of that subcommittee were unhappy with their own bill; so I felt I should at least consider giving support to the cut proposed by them.

Mr. President, I would like to add a few remarks to the comments of our distinguished chairman of the subcommittee for this legislative bill, Senator HOLLINGS.

This bill as we all know, provides the funds to pay the salaries of all employees of the legislative branch of Government, including the Library of Congress. In addition, it provides the funds to pay the bills for necessary activities that the Congress contracts out with other agencies, such as the Government Printing Office, the General Services Administration, the telephone company, and so on.

The conference agreement results in an increase of $46,969,982 more than was provided for fiscal year 1974. Most of this increase is the result of inflation factors, pay raises, and some additional new positions. The pay raise increase results from the cost-of-living increases that have been applied to all Government agencies and to a lesser degree the raising of the ceiling on certain positions in the Senate which was covered when we passed the Senate version of the bill last month. Overall, the conference agreement is $14,196,735 below the budget estimate for fiscal 1975. This compares very favorably with the Senate bill which was $10,163,861 below the budget estimate.

I think this is a good bill that provides for the necessary functions of both Houses of Congress and I urge my colleagues to support it.

Mr. HOLLINGS. Mr. President, this conference report provides funding for the U.S. Senate, House of Representatives, joint items of the Senate and House, Office of Technology Assessment, Architect of the Capitol, Botanic Garden, Library of Congress, Government Printing Office, General Accounting Office, and Cost Accounting Standards Board for fiscal year 1975. The budget estimates considered in connection with this bill total $722,472,385 and the amount finally approved by the conferees is $708,275,650 and is $14,196,735 under the budget estimates.

Yesterday the House of Representatives by the margin of 11 votes rejected Senate amendment No. 51 that provided $20,900,000 for the restoration of the west central front of the Capitol. In considering the vote of the House of Representatives, I see no reason to continue what seems to be an impasse, and will recommend that the Senate recede from amendment No. 51.

In brief, the west front remains in a status quo situation; namely, there will be neither restoration nor extension of the west front. It is my belief, and this belief has been supported by votes in my favor in the Senate for the last 3 consecutive years, that the last remaining wall of the original Capitol should be restored to its original condition. The question of extension has been put to rest and the House of Representatives is coming toward restoration. The debate yesterday centered on whether restoration should begin before the Bicentennial. I am saddened by the action of the House as I had hoped the Capitol would be ready for the multitudes of visitors that will be coming here in connection with the Bicentennial. We have lost that opportunity as a result of the action of the other body.

As the Senate will recall, the first 34 amendments cover items exclusively for operations and activities of the Senate and, in accordance with custom, are not considered by the House. Also in this regard, the House receded from our amendments to the Capitol buildings appropriation and the inclusion of the appropriations Senate Office Buildings and Senate Garage under jurisdiction of the Architect of the Capitol. In the first instance, an additional $84,000 was provided to paint the Senate Chamber and adjoining areas as part of the readiness for the Bicentennial celebration, and the latter two accounts are for the maintenance and operation of the Senate Office Buildings and Garage.

In the conference, we agreed to a slight change in amendment No. 31 that will exclude joint committee employees funded by the Senate from the increase in the maximum annual rate of compensation proposed by the Senate.

Also included in amendments 1 through 34 are increased personnel for the Senate computer center, equipment section, and microfilm center, the post office, cabinet shop, and 55 additional positions for the Senate detail of the Capitol police force.

Provision was also made to meet the expanding workload of Senators and maintain their responsiveness to constituents by funding an additional WATS line for each Senator's Washington office, and four WATS lines for each of the two cloakrooms.

For the Joint Economic Committee, the conference report recommends a final appropriation of $950,000. During consideration of this bill by the Senate, it became evident that there were competing interests within the Joint Economic Committee for additional staff. The conferees agreed that the distribution of additional staff and funds is to be determined by the Joint Economic Committee.

With respect to amendments relating to requests for additional personnel for the Library of Congress, the Conferees agreed as follows:

First. Salaries and expenses: a total of 66 additional positions. The Library requested 124 additional positions; the House approved 53 and the Senate approved 80.

Second. Copyright Office: a total of five additional positions. The Library requested 18 new positions; the House denied all new positions and the Senate approved 11.

Third. Congressional Research Service: a total of 85 additional positions. The Library requested 96 additional positions; the House approved 72 positions and the Senate approved the full 96 requested.

For the Government Printing Office, the conferees agreed to $80 million for the printing and binding. In the lone instance at the conference of the Senate receding from an amendment, we agreed to the House amount of $12 million for additional capital for the GPO Revolving Fund.

The House receded on the Senate reductions totaling $480 million for the General Accounting Office and the Cost Accounting Standards Board. These reductions totaling $480 million for the 10-percent reduction in the new payments to the General Services Administration for rental of space in compliance with the general policy adopted by the Senate and House Appropriations Committees.

Finally, Mr. President, I want to note that we retained our amendment dealing with an accounting of appropriated funds and excess foreign currency used as expense money by Members of Congress and staff traveling abroad on official business. A slight modification was made that the reports will be filed with the Secretary of the Senate and Clerk of the House instead of publication in the Congressional Record. This is similar to the practice in reporting campaign expenditures and I believe it is a good and workable compromise on behalf of open Government.

Mr. President, I also want to thank the distinguished Senator from Pennsylvania (Mr. Schweiker). He has worked intimately on each of these measures and has given us very strong support in putting through this measure.

I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

4. The Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $38,760. The Secretary for the Majority (other than the incumbent holding office on June 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of $38,190. The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed $38,190. The four Senior Counsels in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $37,620. The Assistant Secretary of the Senate, the Parliamentarian, and the Financial Clerk may each be paid at a maximum annual rate of compensation not to exceed $37,620. The Administrative Assistant in the Office of the Majority Leader, the Assistant Secretary for the Majority, the Administrative Assistant in the Office of the Minority Leader, and the Assistant Secretary for the Minority may each be paid at a maximum annual rate of compensation not to exceed $36,765. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate of compensation not to exceed $35,625. The two committee employees other than joint committee employees referred to in clause (A), and the three committee employees referred to in clause (B), of section 105(e)(3) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may each be paid at a maximum annual rate of compensation not to exceed $37,050. The four employees other than joint committee employees referred to in such clause (A) and the sixteen committee employees referred to in such clause (B) may each be paid at a maximum annual rate of compensation not to exceed $35,625. The one employee in a Senator's office referred to in section 105(d)(2)(ii) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. Any officer or employee whose pay is subject to the maximum limitation referred to in section 105(f) of such Act may be paid at a maximum annual rate of compensation not to exceed $37,050. This paragraph does not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation or limitations referred to in this paragraph under section 4 of the Federal Pay Comparability Act of 1970. This paragraph is effective July 1, 1974.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert: $950,000

Resolved, That the House recede from its disagreeemnt to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

Sec. 107. Section 502(b) of the Mutual Security Act of 1954 (22 USC 1754(b)), relating to the use of foreign currency, is amended by striking out the last two sentences and inserting in lieu thereof the following: "Each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member or employee of such committee or subcommittee, and shall forward such consolidated report to the Clerk of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Secretary of the Senate (if the committee be a Senate committee or joint committee whose funds are disbursed by the Secretary of the Senate).".

Resolved, That the House further insist on its disagreeemnt to the amendment of the Senate numbered 51 to the aforesaid bill.

Mr. HOLLINGS. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 31, 37, and 69 en bloc.

The motion was agreed to.

Mr. HOLLINGS. Mr. President, I move that the Senate recede on amendment No. 51.

The motion was agreed to.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the Record a table comparing the conference agreements with the amounts for fiscal year 1974, the budget estimates for fiscal year 1975, and the amounts recommended in the House and Senate versions of the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1975 (H.R. 14012)

(1)	New budget (obligational) authority, fiscal year 1974[1] (2)	Budget estimate of new (obligational) authority, fiscal year 1975[2] (3)	House Bill (4)	Senate Bill (5)	Conference action (6)
SENATE					
COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF THE SENATE					
Compensation and mileage of the Vice President and Senators	$4,781,505	$4,790,695		$4,790,695	$4,790,695
Expense allowances of the Vice President and majority and minority leaders:					
Vice President	10,000	10,000		10,000	10,000
Majority leader of the Senate	3,000	3,000		3,000	3,000
Minority leader of the Senate	3,000	3,000		3,000	3,000
Total	4,797,505	4,806,695		4,806,695	4,800,695
SALARIES, OFFICERS AND EMPLOYEES					
Office of the Vice President	430,200	548,625		552,045	552,045
Offices of the majority and minority leaders	206,165	213,750		215,460	215,460
Offices of the majority and minority whips	104,640	108,870		110,580	110,580
Office of the Chaplain	23,818	28,500		28,500	28,500
Office of the Secretary	2,425,375	2,683,725		2,691,345	2,691,345
Committee employees	7,745,665	7,955,490		8,069,490	8,069,490
Conference committees:					
Majority	153,070	168,435		174,135	174,135
Minority	153,070	168,435		174,135	174,135
Administrative and clerical assistants to Senators	39,210,700	42,886,800		42,477,540	42,477,540
Office of Sergeant at Arms and Doorkeeper	9,629,930	11,995,740		11,998,500	11,998,500
Offices of secretaries to the majority and minority	248,120	258,960		265,050	265,050
Agency contributions and longevity compensation	4,000,000	4,000,000		4,000,000	4,000,000
Total, Salaries, officers and employees	64,330,753	71,017,330		70,756,780	70,756,780
OFFICE OF THE LEGISLATIVE COUNSEL					
Salaries and expenses	495,740	510,220		521,740	521,740
SENATE PROCEDURE					
Senate procedure (payment to Floyd M. Riddick for compiling precedents)				(5,000)	5,000
CONTINGENT EXPENSES OF THE SENATE					
Senate policy committees	665,760	674,160		685,560	685,560
Automobiles and maintenance	36,000	40,000		40,000	40,000
Inquiries and investigations	16,511,205	16,224,675		16,253,175	16,253,175
Folding documents	81,110	82,045		82,045	82,045
Miscellaneous items	9,632,395	12,959,635		12,921,450	12,921,450
Postage	2,485	2,485		2,485	2,485
Stationery (revolving fund)	25,640	25,450		25,450	25,450
Total, contingent expenses of the Senate	26,954,595	30,008,450		30,010,165	30,010,165
Total, U.S. Senate	96,578,593	106,342,695		106,100,380	106,100,380
HOUSE OF REPRESENTATIVES					
PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS					
Gratuities, deceased members	127,500				
COMPENSATION AND MILEAGE FOR THE MEMBERS					
Compensation of Members	20,365,720	20,373,580	$20,373,580	20,373,580	20,373,580
Mileage of Members	210,000	210,000	210,000	210,000	210,000
Total, Members compensation and mileage	20,575,720	20,583,580	20,583,580	20,583,580	20,583,580
HOUSE LEADERSHIP OFFICES					
Salaries and expenses:					
Office of the Speaker	272,065	316,090	316,090	316,090	316,090
Office of the majority floor leader	160,030	228,490	228,490	228,490	228,490
Office of the minority floor leader	141,930	174,185	174,185	174,185	174,185
Office of the majority whip	115,040	188,445	188,445	188,445	188,445
Office of the minority whip	115,040	188,445	188,445	188,445	188,445
Total, House leadership offices	804,105	1,095,655	1,095,655	1,095,655	1,095,655
SALARIES. OFFICERS AND EMPLOYEES					
Compensation and expenses:					
Office of the Clerk	3,539,640	3,726,145	3,726,145	3,726,145	3,726,145
Office of the Sergeant at Arms	6,554,900	6,771,610	6,771,610	6,771,610	6,771,610
Office of the Doorkeeper	2,858,495	3,166,205	3,166,205	3,166,205	3,166,205
Office of the Postmaster	910,895	924,645	924,645	924,645	924,645
Office of the Chaplain	19,770	19,770	19,770	19,770	19,770
Office of the Parliamentarian	194,295	196,020	196,020	196,040	196,020
Compilation of precedents of the House of Representatives	26,680	[3] 195,000	195,000	195,000	195,000
Official reporters of debates	465,550	467,685	467,685	467,685	467,685
Official reporters to committees	518,180	520,395	520,395	520,395	520,392
2 printing clerks for majority and minority caucus rooms	26,630	26,935	26,935	26,935	26,935
Technical assistant, Office of the Attending Physician	23,935	24,205	24,205	24,205	24,205
House Democratic Steering Committee	136,515	148,710	148,710	148,710	148,710
House Republican Conference	136,515	148,710	148,710	148,710	148,710
6 minority employees	211,345	212,115	212,115	212,115	212,115
Total, salaries, officers and employees	15,623,345	16,548,150	16,548,150	16,548,150	16,548,150
COMMITTEE EMPLOYEES					
Professional and clerical employees (standing committees)	8,225,000	8,624,000	8,624,000	8,624,000	8,624,000

Footnotes at end of table.

	New budget (obligational) authority, fiscal year 1974[1]	Budget estimate of new (obligational) authority, fiscal year 1975[2]	House Bill	Senate Bill	Conference action
(1)	(2)	(3)	(4)	(5)	(6)
COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS)					
Salaries and expenses	$1,624,865	$1,875,000	$1,875,000	$1,875,000	$1,875,000
OFFICE OF THE LEGISLATIVE COUNSEL					
Salaries and expenses	995,825	1,067,000	1,067,000	1,067,000	1,067,000
MEMBERS' CLERK HIRE					
Clerk hire	74,777,500	80,000,000	80,000,000	80,000,000	80,000,000
CONTINGENT EXPENSES OF THE HOUSE					
Miscellaneous items	8,500,000	13,125,000	12,375,000	12,059,700	12,059,700
Telegraph and telephone	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Stationery (revolving fund)	2,304,750	2,304,750	2,304,750	2,304,750	2,304,750
Postage stamp allowances	419,330	419,530	419,530	419,530	419,530
Government contributions	6,257,460	6,668,900	6,668,900	6,668,900	6,668,900
Special and select committees	14,919,990	14,618,000	14,618,000	14,618,000	14,618,000
Reporting hearings	422,500	422,500	422,500	422,500	422,500
Furniture	733,000	996,000	996,000	996,000	996,000
Leadership automobiles	60,525	61,095	61,095	61,095	61,095
Revision of laws	39,980	39,980	39,980	39,980	39,980
New edition of the United States Code	100,000				
New edition of the District of Columbia Code		100,000	100,000	100,000	100,000
Total, Contingent expenses of the House	39,757,535	44,755,755	44,005,755	43,690,455	43,690,455
Total, House of Representatives	162,511,395	174,549,140	173,799,140	173,483,840	173,483,840
JOINT ITEMS					
Joint Committee on Reduction of Federal Expenditure	79,120	80,400	80,045	86,100	80,400
CONTINGENT EXPENSES OF THE SENATE					
Joint Economic Committee	891,310	836,070	939,805	894,176	950,000
(Subcommittee on Fiscal Policy)	(135,000)			(135,000)	135,000
Subtotal	1,026,310	836,070	939,805	1,029,176	1,085,000
Joint Committee on Atomic Energy	499,410	531,345	609,855	617,045	611,345
Joint Committee on Printing	319,700	323,190	348,315	354,800	349,100
Joint Committee on Inaugural Ceremonies, 1973	10,000				
Total, contingent expenses of the Senate	1,855,420	1,690,605	1,897,975	2,001,021	2,045,445
CONTINGENT EXPENSES OF THE HOUSE					
Joint Committee on Internal Revenue Taxation	1,021,180	1,106,165	1,106,165	1,106,165	1,106,165
Joint Committee on Defense Production	152,105	154,050	154,050	154,050	154,050
Joint Committee on Congressional Operations	573,290	665,120	600,000	600,000	600,000
Total, contingent expenses of the House	1,746,575	1,925,335	1,860,215	1,860,215	1,860,215
OFFICE OF THE ATTENDING PHYSICIAN					
Medical supplies, equipment, expenses, and allowances	97,700	103,600	103,600	103,600	103,600
CAPITOL POLICE					
General expenses	304,295	474,900	474,900	513,360	513,360
Capitol Police Board	1,214,255	1,214,255	1,214,225	1,214,255	1,214,255
Total, Capitol Police	1,518,550	1,689,155	1,689,155	1,727,615	1,727,615
EDUCATION OF PAGES					
Education of congressional pages and pages of the Supreme Court	161,100	142,780	142,780	142,780	142,780
OFFICIAL MAIL COSTS					
Expenses	30,500,000	38,756,015	38,756,015	38,756,015	38,756,015
CAPITOL GUIDE SERVICE					
Salaries and expenses	343,765	348,760	347,055	348,760	348,760
STATEMENTS OF APPROPRIATIONS					
Preparation	13,000	13,000	13,000	13,000	13,000
Total, Joint Items	36,351,230	44,749,650	44,889,840	45,039,106	45,077,830
OFFICE OF TECHNOLOGY ASSESSMENT					
Salaries and expenses	2,000,000	5,000,000	3,500,000	4,000,000	4,000,000
ARCHITECT OF THE CAPITOL					
OFFICE OF THE ARCHITECT OF THE CAPITOL					
Salaries	1,312,000	1,433,000	1,395,600	1,395,600	1,395,600
Contingent expenses	75,000	410,000	140,000	140,000	140,000
Total, Office of the Architect of the Capitol	1,387,000	1,573,000	1,535,600	1,535,600	1,535,600
CAPITOL BUILDINGS AND GROUND					
Capitol buildings	4,645,000	4,440,000	4,344,500	4,428,500	4,428,500
Reappropriation	115,000		1,127,000	1,127,000	1,127,000
Restoration of west central front of the Capitol ($20,600,000) and master plan for future development of the Capitol grounds and related areas ($300,000)		(300,000)		(20,900,000)	( )
Capitol grounds	1,361,000	1,176,400	1,176,400	1,176,400	1,176,400
Reappropriation of traffic light funds				(250,000)	(250,000)
Additional parking facilities for congressional employees	153,000				
Senate office buildings	7,058,700	6,620,800		6,620,800	6,620,800
Construction of an extension to New Senate Office Building	20,900,000				
Extension of additional Senate Office Building site:					
Reappropriation	174,000				
Senate garage	99,800	103,300		103,300	103,300
House office buildings	9,252,300	8,671,000	8,671,700	8,671,700	8,671,700
Reappropriation	100,000		9,700	9,700	9,700

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1975 (H.R. 14012)—Continued

(1)	New budget (obligational) authority, fiscal year 1974[1] (2)	Budget estimate of new (obligational) authority, fiscal year 1975[2] (3)	House Bill (4)	Senate Bill (5)	Conference action (6)
Acquisition of property, construction, and equipment, additional House Office Building (liquidation of contract authority)		($175,000)	($145,000)	($145,000)	($145,000)
Capitol powerplant: operation	$5,221,700	5,443,000	5,443,000	5,443,000	5,443,000
Reappropriation	[4] 80,000				
Total, Capitol buildings and grounds	49,160,500	26,755,200	20,772,300	48,730,400	27,830,400
LIBRARY BUILDINGS AND GROUNDS					
Structural and mechanical care	1,630,800	1,631,000	1,631,000	1,631,000	1,631,000
Reappropriation	[5] 196,000				
Total, Library buildings and grounds	1,826,800	1,631,000	1,631,000	1,631,000	1,631,000
Total, Architect of the Capitol: New budget (obligational) authority	52,374,300	29,959,200	23,938,900	51,897,000	30,997,000
Appropriations	51,709,300	29,959,200	22,802,200	50,510,300	29,610,300
Reappropriations	665,000		1,136,700	1,386,700	1,386,700
Appropriation to liquidate contract authority		(175,000)	(145,000)	(145,000)	(145,000)
BOTANIC GARDEN					
Salaries and expenses	884,700	916,600	916,600	916,600	916,600
LIBRARY OF CONGRESS					
Salaries and expenses	42,302,800	49,778,000	48,432,500	48,572,500	48,460,000
Copyright Office, salaries and expenses	5,432,700	5,962,000	5,798,600	5,879,985	5,839,000
Congressional Research Service, salaries and expenses	11,391,000	13,871,000	13,202,400	13,488,100	13,345,000
Distribution of catalog cards, salaries and expenses	11,085,900	11,215,000	10,581,000	10,581,000	10,581,000
Books for the general collections	1,194,650	1,458,000	1,458,000	1,458,000	1,458,000
Books for the law library	208,500	229,000	229,000	229,000	229,000
Books for the blind and physically handicapped, salaries and expenses	9,894,600	11,490,000	11,416,900	11,416,900	11,416,900
Collection and distribution of library materials (special foreign currency program):					
Payments in Treasury-owned foreign currencies	1,971,400	1,718,500	1,718,500	1,718,500	1,718,500
U.S. dollars	295,600	295,600	295,600	295,600	295,600
Furniture and furnishings	2,868,000	3,340,000	3,312,300	3,325,000	3,319,000
Revision of Annotated Consitution	31,900	34,000	34,000	34,000	34,000
Revision of Hinds' and Cannon's precedents, salaries and expenses	143,400	(6)			
Administrative provisions (attendance of meetings)	(50,000)	(65,000)	(57,500)	(57,000)	(57,500)
Total, Library of Congress	86,820,450	99,391,100	96,478,800	96,998,585	96,696,000
GOVERNMENT PRINTING OFFICE					
Printing and binding	64,000,000	88,136,000	88,136,000	75,000,000	80,000,000
Office of Superintendent of Documents, salaries and expenses	36,871,000	36,078,000	36,078,000	36,000,000	36,000,000
Acquisition of site and general plans and designs of buildings	4,600,000				
Government Printing Office revolving fund	7,400,000	12,000,000	12,000,000	6,000,000	12,000,000
Total, Government Printing Office	112,871,000	136,214,000	136,214,000	117,000,000	128,000,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	109,450,000	123,700,000	121,834,000	121,376,000	121,376,000
COST ACCOUNTING STANDARDS BOARD					
Salaries and expenses	1,500,000	1,650,000	1,650,000	1,628,000	1,628,000
Grand total, new budget (obligational) authority	661,305,668	722,472,385	603,221,280	718,439,511	708,275,650
Consisting of—					
1. Appropriations	660,505,668	722,472,385	602,084,580	717,052,811	706,888,950
2. Reappropriations	800,000		1,136,700	1,386,700	1,386,700
Appropriations to liquidate contract authorizations		(175,000)	(145,000)	(145,000)	(145,000)
Memorandum—Appropriations and reappropriations including appropriations for liquidation of contract authorizations	661,305,668	722,647,385	603,366,280	718,584,511	708,420,650

[1] Includes amounts in Second Supplemental Appropriations Act, 1974 (P.L. 93-305).

[2] Includes amendments totaling $10,319,910 in S. Docs. Nos. 93-66, 93-80, and 93-91.

[3] Includes item previously carried under "Revision of Hinds' and Cannon's Precedents, Library of Congress."

[4] $80,000 reappropriation; $62,413 actual unobligated balance.

[5] $196,000 reappropriation, $150,000 actual unobligated balance.

[6] Estimate transferred to "Compilation of Precedents, House of Representetives."

QUORUM CALL

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY, AUGUST 5, 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes after the joint leaders have been recognized under the precedents on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no votes next Monday before the hour of 3:30 in the afternoon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 821.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 821) to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes, which were to strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Juvenile Delinquency Prevention Act of 1974".

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) juveniles account for almost half the arrests for serious crimes in the United States today;

(2) understaffed, overcrowded juvenile courts, probation services, and correctional facilities are not able to provide individualized justice or effective help;

(3) present juvenile courts, foster and protective care programs, and shelter facilities are inadequate to meet the needs of the countless neglected, abandoned, and dependent children, who, because of this failure to provide effective services, may become delinquents;

(4) existing programs have not adequately responded to the particular problems of the increasing numbers of young people who are addicted to or who abuse drugs, particularly nonopiate or polydrug abusers;

(5) juvenile delinquency can be prevented through programs designed to keep students in elementary and secondary schools through the prevention of unwarranted and arbitrary suspensions and expulsions;

(6) States and local communities which experience directly the devastating failures of the juvenile justice system do not presently have sufficient technical expertise or adequate resources to deal comprehensively with the problems of juvenile delinquency;

(7) the adverse impact of juvenile delinquency results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources;

(8) existing Federal programs have not provided the direction, coordination, resources, and leadership required to meet the crisis of delinquency; and

(9) juvenile delinquency constitutes a growing threat to the national welfare requiring immediate, comprehensive, and effective action by the Federal Government.

PURPOSE

SEC. 3. It is the purpose of this Act—

(1) to provide the necessary resources, leadership, and coordination to develop and implement effective methods of preventing and treating juvenile delinquency;

(2) to increase the capacity of State and local governments and public and private agencies, institutions, and organizations to conduct innovative, effective delinquency prevention and treatment programs and to provide useful research, evaluation, and training services in the area of juvenile delinquency;

(3) to develop and implement effective programs and services to divert juveniles from the traditional juvenile justice system and to increase the capacity of State and local governments to provide critically needed alternatives to institutionalization;

(4) to develop and encourage the implementation of national standards for the administration of juvenile justice, including recommendations for administrative, budgetary, and legislative action at the Federal, State, and local level to facilitate the adoption of such standards;

(5) to establish a centralized research effort on the problems of juvenile delinquency, including an information clearinghouse to disseminate the findings of such research and all data related to juvenile delinquency;

(6) to provide for the thorough and prompt evaluation of all federally assisted juvenile delinquency programs;

(7) to provide technical assistance to public and private agencies, institutions, and individuals in developing and implementing juvenile delinquency programs;

(8) to assist States and local communities with resources to develop and implement programs to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspension and expulsions:

(9) to establish training programs for persons, including professionals, paraprofessionals, and volunteers, who work with delinquents or potential delinquents for whose work or activities relate to juvenile delinquency programs;

(10) to establish a new Juvenile Delinquency Prevention Administration in the Department of Health, Education, and Welfare;

(11) to establish an Institute for Continuing Studies of the Prevention of Juvenile Delinquency, to further the purposes of this Act; and

(12) to establish a Federal assistance program to deal with the problems of runaway youth.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) the term "community-based" means a small, open group home or other suitable place located near the juvenile's home or family and programs of community supervision and service which maintain community and consumer participation in the planning, operation, and evaluation of their programs which may include medical, educational, vocational, social, and psychological guidance, training, counseling, drug treatment, alcoholism treatment, and other rehabilitative services;

(2) the term "construction" means acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees but not the cost of acquisition of land for buildings);

(3) the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house such machinery, utilities, or equipment:

(4) the term "juvenile delinquency program" means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug abuse programs, alcohol abuse programs, the improvement of the juvenile justice system, and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent:

(5) the term "local government" means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, and an Indian tribe and any combination of two or more such units acting jointly;

(6) the term "public agency" means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing;

(7) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(8) the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(9) the term "Federal agency" means any agency in the executive branch of the Federal Government;

(10) the term "drug dependent" has the meaning given it by section 2(g) of the Public Health Service Act (42 U.S.C. 201(g));

(11) the term "Administration" means the Juvenile Delinquency Prevention Administration established by section 101(a);

(12) the term "Director" means the Director of the Administration;

(13) the term "State agency" means an agency designated under section 214(a)(1);

(14) the term "local agency" means any local agency which is assigned responsibility under section 214(a)(6);

(15) the term "Institute" means the Institute for Continuing Studies of the Prevention of Juvenile Delinquency established by section 301(a);

(16) the term "Administrator" means the Administrator of the Institute; and

(17) the term "Council" means the Coordinating Council on Juvenile Delinquency Prevention established by section 501.

TITLE I—JUVENILE DELINQUENCY PREVENTION ADMINISTRATION

ESTABLISHMENT OF ADMINISTRATION

SEC. 101. (a) There hereby is established within the Department of Health, Education, and Welfare the Juvenile Delinquency Prevention Administration.

(b) There shall be at the head of the Administration a Director who shall be appointed by the Secretary. The salary of the Director shall be fixed by the Secretary.

(c) The Director shall be the chief executive of the Administration and shall exercise all necessary powers.

(d) There shall be in the Administration a Deputy Director who shall be appointed by the Secretary. The salary of the Deputy Director shall be fixed by the Secretary. The Deputy Director shall perform such functions as the Director from time to time assigns or delegates, and shall act as Director during the absence or disability of the Director or in the event of a vacancy in the office of the Director.

OFFICERS AND EMPLOYEES

SEC. 102. The Secretary may select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

VOLUNTARY SERVICES

SEC. 103. Notwithstanding the provisions of section 3679 (b) of the Revised Statutes (31 U.S.C. 665(b)), the Secretary may accept and employ voluntary and uncompensated services in carrying out the provisions of this Act.

CONCENTRATION OF FEDERAL EFFORTS

SEC. 104. (a) The Secretary shall establish overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Secretary shall consult with the Coordinating Council on Juvenile Delinquency Prevention.

(b) In carrying out the purposes of this Act, the Secretary shall—

(1) advise the President as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

(2) assist operating agencies which have direct responsibilities for the prevention and treatment of juvenile delinquency in the development and promulgation of rules, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objectives he establishes;

(3) conduct and support, in cooperation with the Institute for Continuing Studies of the Prevention of Juvenile Delinquency, evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

(4) coordinate Federal juvenile programs and activities among Federal agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

(5) develop annually, submit to the Council for review, and thereafter submit to the President and the Congress, no later than September 30, a report which shall include an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs, and recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectivenes of such programs;

(6) develop annually, submit to the Council for review, and thereafter submit to the President and the Congress, no later than March 1, a comprehensive plan for juvenile delinquency programs administered by any Federal agency, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

(c) The President shall, no later than 90 days after receiving each annual report under subsection (b)(5), submit a report to the Congress and to the Council containing a detailed statement of any action taken or anticipated with respect to recommendations made by each such annual report.

(d)(1) The first report submitted to the President and the Congress by the Secretary under subsection (b)(5) shall contain, in addition to information required by subsection (b)(5), a detailed statement of criteria developed by the Secretary for identifying the characteristics of juvenile delinquency juvenile delinquency prevention, diversion of youths from the juvenile justice system, and the training, treatment, and rehabilitation of juvenile delinquents.

(2) The second such report shall contain, in addition to information required by subsection (b)(5), an identification of Federal programs which are related to juvenile delinquency prevention or treatment, together with a statement of the moneys expended for each such program during the most recent complete fiscal year. Such identification shall be made by the Secretary through the use of criteria developed under paragraph (1).

(e) The third report submitted to the President and the Congress by the Secretary under subsection (b)(6) shall contain, in addition to the comprehensive plan required by subsection (b)(6), a detailed statement of procedures to be used with respect to the submission of juvenile delinquency development statements to the Secretary by Federal agencies under section 105. Such statement submitted by the Secretary shall include a description of information, data, and analyses which shall be contained in each such development statement.

(f) The Secretary may require Federal agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this Act.

(g) The Secretary may delegate any of his functions under this title, except the making of rules, to any officer or employee of the Administration.

(h) The Secretary may utilize the services and facilities of any Federal agency and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

(i) The Secretary may transfer funds appropriated under this Act to any Federal agency to develop or demonstrate new methods in juvenile delinquency prevention and treatment and to supplement existing delinquency prevention and treatment programs which the Director finds to be exceptionally effective or for which he finds there exists exceptional need.

(j) The Secretary may make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this Act.

(k) All functions of the Secretary under this Act shall be administered through the Administration.

JUVENILE DELINQUENCY DEVELOPMENT STATEMENTS

SEC. 105. (a) The Secretary shall require each Federal agency which administers a Federal juvenile delinquency program which meets any criterion developed by the Secretary under section 104(d)(1) to submit to the Secretary a juvenile delinquency development statement. Such statement shall be in addition to any information, report, study, or survey which the Secretary may require under section 104(f).

(b) Each juvenile delinquency development statement submitted to the Secretary under subsection (a) shall be submitted in accordance with procedures established by the Secretary under section 104(e) and shall contain such information, data, and analyses as the Secretary may require under section 104(e). Such analyses shall include an analysis of the extent to which the juvenile delinquency program of the Federal agency submitting such development statement conforms with and furthers Federal juvenile delinquency prevention and treatment goals and policies.

(c) The Secretary shall review and comment upon each juvenile delinquency development statement transmitted to him under subsection (a). Such development statement, together with the comments of the Secretary, shall be included by the Federal agency involved in every recommendation or request made by such agency for Federal legislation which significantly affects juvenile delinquency prevention and treatment.

JOINT FUNDING

SEC. 106. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be designated by the Secretary to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Secretary may order any such agency to waive any technical grant or contract requirement (as defined in rules prescribed by the Secretary) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

TITLE II—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

PART A—GRANT PROGRAMS

AUTHORIZATION

SEC. 211. The Secretary may make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

ALLOCATION

SEC. 212. (a) In accordance with rules prescribed under this title, funds shall be allocated annually among the States on the basis of relative population of people under 18 years of age. No such allotment to any State shall be less than $150,000, except that for the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, no allotment shall be less than $50,000.

(b) Except for funds appropriated for fiscal year 1975, if any amount so allotted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purposes of this title. Funds appropriated for fiscal year 1975 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be reallocated. Any amount so reallocated shall be in addition to the amounts already allotted and available to the States, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for the same period.

(c) In accordance with rules prescribed under this title, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 percent of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

(d) Financial assistance extended under the provisions of this section shall not exceed 90 percent of the approved costs of any assisted programs or activities. The non-Federal share shall be made only through the use of cash or other monetary instruments.

SPECIAL EMPHASIS PREVENTION AND TREATMENT PROGRAMS; AUTHORIZATION

SEC. 213. (a) Not less than 25 percent of the funds appropriated for each fiscal year pursuant to this title shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section and section 215.

(b) Among applicants for grants and contracts under this section, priority shall be given to public and private nonprofit organizations or institutions which have had experience in dealing with youth. Not less than 20 percent of the funds available for grants and contracts made pursuant to this section shall be available for grants and contracts to such private nonprofit agencies, organizations, or institutions.

(c) The Secretary may make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

(3) develop and implement programs to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspensions and expulsions;

(4) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

(5) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent; and

(6) facilitate the adoption of the recommendations of the Institute as set forth pursuant to section 309.

STATE PLANS

SEC. 214. (a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes. In accordance with rules prescribed under this title, such plan shall—

(1) establish or designate a single State agency, or designate any other agency, as the sole agency responsible for the preparation and administration of the plan;

(2) contain satisfactory evidence that the State agency has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

(3) provide for supervision of the programs funded under this Act by the State agency by a State supervisory board appointed by the chief executive officer of the State (A) which shall consist of not less than 15 persons who have training, experience, or special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice; (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education, youth service departments, or alternative youth systems; (C) which shall include representatives of private organizations concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act; (D) a majority of whose members (including the Chairman) shall not be full-time employees of the Federal Government, the State, or any local government; (E) at least one-third of whose members shall be under the age of 26 at the time of appointment and of whom at least two shall have been under the jurisdiction of the justice system; and (F) which shall have the authority to approve, after consultation with private agencies and alternative youth systems, any proposed modification of a State plan before such proposed modification is submitted to the Secretary;

(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

(5) provide that at least 75 percent of the funds received by the State under section 212 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Secretary for any State if the services for delinquent or potentially delinquent youth are organized primarily on a statewide basis;

(6) provide that the chief executive officer of the local government shall assign responsibility for the preparation and administration of the local government's part of the State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure which can most effectively carry out the purposes of this Act and shall provide for supervision of the programs funded under this Act by the local agency by a board which meets the appropriate requirements of paragraph (3);

(7) provide, to the maximum extent feasible, for an equitable distribution of the assistance received under section 212 within the State;

(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency prevention and treatment and the improvement of the juvenile justice system, including an itemized estimated cost of the development and implementation of such programs;

(9) provide that not less than 75 percent of the funds available to such State or to any local government of such State under this part, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in conjunction with the development, maintenance, and expansion of programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to juvenile detention and correctional facilities; such advanced techniques shall include community-based programs and services relating to various aspects of juvenile delinquency, youth service bureaus to assist delinquent and other youth, drug abuse education and prevention programs, alcohol abuse education and prevention programs, programs to encourage youth to remain in school, improvement of probation programs and services, statewide programs designed to increase the use of nonsecure community-based facilities for the commitment of juveniles, and youth-initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

(10) encourage the development of an adequate research, training, and evaluation capacity within the State;

(11) encourage the placement of juveniles in shelter facilities, rather than juvenile detention or correctional facilities, if such juveniles are charged with or have committed offenses which would not be criminal if committed by an adult; discourage the incarceration of juveniles with adults; and encourage the establishment of monitoring systems designed to augment the commitment policies described in this paragraph;

(12) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth, including females, minority youth, and mentally, emotionally, or physically handicapped youth;

(13) provide for procedures which will be established for protecting under Federal, State, and local law the rights of recipients of services and which will assure appropriate privacy with regards to records relating to such services provided to any individual under the State plan;

(14) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

(15) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase (but not supplant), to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event replace such State, local, and other non-Federal funds;

(16) provide that the State agency will from time to time, but not less often than annually, review its plan and submit to the Secretary an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary;

(17) contain such other terms and conditions as the Secretary may reasonably prescribe to assure the effectiveness of the programs assisted under this title; and

(18) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this Act.

(b) The Secretary shall approve any State plan and any modification thereof that meets the requirements of subsection (a).

(c) In the event that any State fails to submit a plan, or submits a plan, or any modification thereof which the Secretary, after reasonable notice and opportunity for hearing, determines does not meet the requirements of subsection (a), the Secretary shall make the allotment of such State under the provisions of section 212 available to the public and private agencies in such State for programs under sections 213 and 215.

APPLICATIONS

SEC. 215. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under this section or section 213, shall submit an application at such time, in such manner, and containing or accompanied by such information, as the Secretary may prescribe.

(b) In accordance with guidelines established by the Secretary, each such application shall—

(1) provide that the program for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out one or more of the purposes set forth in section 214;

(3) provide for the proper and efficient administration of such program;

(4) provide for regular evaluation of the program;

(5) indicate that the applicant has requested the review of the application from the State agency or local agency designated under section 214, when appropriate;

(6) indicate the response of the State agency or the local agency to the request for review and comment on the application;

(7) provide that regular reports on the program shall be sent to the Secretary and to the State agency and local agency, when appropriate; and

(8) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title.

(c) In determining whether or not to approve applications for grants under this title, the Secretary shall consider—

(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this Act;

(2) the extent to which the proposed program will incorporate new or innovative techniques;

(3) the extent to which the proposed program meets the objectives and priorities of the State plan, when a State plan has been approved by the Secretary under section 214 (b) and when the location and scope of the program make such consideration appropriate;

(4) the increases in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquent.

(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

(6) the extent to which the proposed programs facilitate the implementation of the recommendations of the Institute as set forth pursuant to section 309.

PART B—GENERAL PROVISIONS

WITHHOLDING

SEC. 221. Whenever the Secretary, after giving reasonable notice and opportunity for hearing to a recipient of a grant under this title, finds—

(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title, or

(2) that in the operation of the program or activity there is failure to comply substantially with any such provision,

the secretary shall notify such recipient of his findings and no further payments may be made to such recipient under this title (or in his discretion that the State agency shall not make further payments to specified programs affected by the failure) by the Secretary until he is satisfied that such noncompliance has been, or will promptly be, corrected.

USE OF FUNDS

Sec. 222. (a) Funds paid to any State public or private agency, institution, or individual (whether directly or through a State agency or local agency) may be used for—

(1) securing, developing, or operating the program designed to carry out the purposes of this Act; and

(2) not more than 50 percent of the cost of the construction of innovative community-based facilities for less than 20 persons which, in the judgment of the Secretary, are necessary for carrying out the purposes of this Act.

(b) Except as provided by subsection (a), no funds paid to any public or private agency, institution, or individual under this title (whether directly or through a State agency or local agency) may be used for construction.

PAYMENTS

Sec. 223. (a) In accordance with criteria established by the Secretary, it is the policy of the Congress that programs funded under this title shall continue to receive financial assistance, except that such assistance shall not continue if the yearly evaluation of such programs is not satisfactory.

(b) At the discretion of the Secretary, when there is no other way to fund an essential juvenile delinquency program, the State may utilize 25 percent of the funds available to it under this Act to meet the non-Federal matching share requirement for any other Federal juvenile delinquency program grant.

(c) Whenever the Secretary determines that it will contribute to the purposes of this Act, he may require the recipient of any grant or contract to contribute money, facilities, or services up to 25 percent of the cost of the project involved.

(d) Payments under this title, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Secretary may determine.

TITLE III—INSTITUTE FOR CONTINUING STUDIES OF THE PREVENTION OF JUVENILE DELINQUENCY

ESTABLISHMENT AND PURPOSE

Sec. 301 (a) There is hereby established an institute to be known as the Institute for Continuing Studies of the Prevention of Juvenile Delinquency. The Institute shall be administered by the Secretary through the Administration.

(b) It shall be the purpose of the Institute to provide a coordinating center for the collection, preparation, and dissemination of useful data regarding the treatment and control of juvenile offenders, and it shall also be the purpose of the Institute to provide training for representatives of Federal, State, and local law enforcement officers, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel, and other persons, including lay personnel, connected with the treatment and control of juvenile offenders.

FUNCTIONS

Sec. 302. The Institute shall—

(1) serve as an information bank by collecting systematically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juvenile delinquency, including the prevention and treatment of juvenile delinquency;

(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency, including State and local juvenile delinquency prevention and treatment programs and plans, availability of resources, training and educational programs, statistics, and other pertinent data and information;

(3) disseminate pertinent data and studies (including a periodic journal) to individuals, agencies, and organizations concerned with the prevention and treatment of juvenile delinquency;

(4) prepare, in cooperation with educational institutions, Federal, State, and local agencies, and appropriate individuals and private agencies, such studies as it considers to be necessary with respect to the prevention and treatment of juvenile delinquency and related matters, including recommendations designed to promote effective prevention and treatment;

(5) devise and conduct in various geographical locations, seminars and workshops providing continuing studies for persons engaged in working directly with juveniles and juvenile offenders;

(6) devise and conduct a training program, in accordance with the provisions of sections 305, 306, and 307, of short-term instruction in the latest proven-effective methods of prevention, control, and treatment of juvenile delinquency for correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency.

(7) develop technical training teams to aid in the development of training programs in the States and to assist State and local agencies which work directly with juveniles and juvenile offenders;

(8) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with respect to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

(9) encourage the development of demonstration projects in new and innovative techniques and methods to prevent and treat juvenile delinquency;

(10) provide for the evaluation of all programs assisted under this Act in order to determine the results and the effectivenes of such programs;

(11) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, as deemed necessary by the Secretary; and

(12) disseminate the results of such evaluations and research and demonstration activities, particularly to persons actively working in the field of juvenile delinquency.

POWERS

Sec. 303. (a) The functions, powers, and duties specified in this Act to be carried out by the Institute shall not be transferred elsewhere or within any Federal agency unless specifically hereafter authorized by the Congress. In addition to the other powers, express and implied, the Institute may—

(1) request any Federal agency to supply such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions;

(2) arrange with and reimburse the heads of Federal agencies for the use of personnel or facilities or equipment of such agencies;

(3) confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other public or private local agencies;

(4) enter into contracts with public or private agencies, organizations, or individuals, for the partial performance of any of the functions of the Institute; and

(5) compensate consultants and members of technical advisory councils who are not in the regular fulltime employ of the United States, at a rate to be fixed by the Administrator of the Institute but not exceeding $75 per diem and while away from home, or regular place of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code for persons in the Government service employed intermittently.

(b) Any Federal agency which receives a request from the Institute under subsection (a) (1) may cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information and advice to the Institute.

ADMINISTRATOR AND STAFF

Sec. 304. (a) The Institute shall have an Administrator who shall be appointed by the Secretary and who shall serve at the pleasure of the Secretary.

(b) The Administrator shall have responsibility for the administration of the organization, employees, enrollees, financial affairs, and other operations of the Institute. He may employ such staff, faculty and administrative personnel as are necessary for the functioning of the Institute.

(c) The Administrator shall have the power to—

(1) acquire and hold real and personal property for the Institute;

(2) receive gifts, donations, and trusts on behalf of the Institute; and

(3) appoint such technical or other advisory councils comprised of consultants to guide and advise the Secretary.

(d) The Administrator may delegate his powers under the Act to such employees of the Institute as he deems appropriate.

ESTABLISHMENT OF TRAINING PROGRAM

Sec. 305. (a) The Secretary shall establish within the Institute a training program designed to train enrollees with respect to methods and techniques for the prevention and treatment of juvenile delinquency.

(b) Enrollees in the training program established under this section shall be drawn from correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency.

CURRICULUM FOR TRAINING PROBLEM

Sec. 306. The Secretary shall design and supervise a curriculum for the training program established by section 305 which shall utilize an interdisciplinary approach with respect to the prevention of juvenile delinquency, the treatment of juvenile delinquents, and the diversion of youths from the juvenile justice system. Such curriculum shall be appropriate to the needs of the enrollees of the training program.

ENROLLMENT FOR TRAINING PROGRAM

Sec. 307. (a) Any person seeking to enroll in the training program established under section 305 shall transmit an application to the Administrator, in such form and according to such procedures as the Administrator may prescribe.

(b) The Administrator shall make the final determination with respect to the admittance of any person to the training program. The Administrator, in making such determination, shall seek to assure that persons admitted to the training program are broadly representative of the categories described in section 305(b).

(c) While studying at the Institute and while traveling in connection with his study (including authorized field trips), each person enrolled in the Institute shall be allowed travel expenses and a per diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code.

ANNUAL REPORT

SEC. 308. The Administrator shall develop annually and submit to the President and each House of the Congress, prior to June 30, a report on the activities of the Institute and on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessement of the application of such results to existing and new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs.

DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

SEC. 309. The Institute, under the supervision of the Secretary, shall conduct a study for the development of standards for juvenile justice. The Institute shall, no later than one year after the date of the enactment of this Act, submit to the President and to each House of the Congress a report based upon such study. Such report shall contain a detailed statement of recommended standards for the administration of juvenile justice at the Federal, State, and local level, and shall recommend—

(1) Federal action, including administrative budgetary, and legislative action, required to facilitate the adoption of such standards throughout the United States; and

(2) State and local action to facilitate the adoption of such standards for juvenile justice at the State and local level.

INFORMATION FROM FEDERAL AGENCIES

SEC. 310. Each Federal agency shall furnish to the Secretary such information as the Secretary deems necessary to carry out his functions under this title.

RECORDS

SEC. 311. Records containing the identity of any juvenile gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

TITLE IV—RUNAWAY YOUTH ACT

SHORT TITLE

SEC. 401. This title may be cited as the "Runaway Youth Act".

FINDINGS

SEC. 402. The Congress hereby finds that—

(1) the number of juveniles who leave and remain away from home without parental permission has increased to alarming proportions, creating a substantial law enforcement problem for the communities inundated, and significantly endangering the young people who are without resources and live on the street;

(2) the exact nature of the problem is not well defined because national statistics on the size and profile of the runaway youth population are not tabulated;

(3) many such young people, because of their age and situation, are urgently in need of temporary shelter and counseling services;

(4) the problem of locating, detaining, and returning runaway children should not be the responsibility of already overburdened police departments and juvenile justice authorities; and

(5) in view of the interstate nature of the problem, it is the responsibility of the Federal Government to develop accurate reporting of the problem nationally and to develop an effective system of temporary care outside the law enforcement structure.

RULES

SEC. 403. The Secretary may prescribe such rules as he considers necessary or appropriate to carry out the purposes of this title.

PART A—GRANT PROGRAM

PURPOSES OF GRANT PROGRAM

SEC. 411. The Secretary is authorized to make grants and to provide technical assistance to localities and nonprofit private agencies in accordance with the provisions of this part. Grants under this part shall be made for the purpose of developing local facilities to deal primarily with the immediate needs of runaway youth in a manner which is outside the law enforcement structure and juvenile justice system. The size of such grant shall be determined by the number of runaway youth in the community and the existing availability of services. Among applicants priority shall be given to private organizations or institutions which have had past experience in dealing with runaway youth.

ELIGIBILITY

SEC. 412. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund an existing or proposed runaway house, a locally controlled facility providing temporary shelter, and counseling services to juveniles who have left home without the permission of their parents or guardians.

(b) In order to qualify for assistance under this part, an applicant shall submit a plan to the Secretary meeting the following requirements and including the following information. Each house—

(1) shall be located in an area which is demonstrably frequented by or easily reachable by runaway youth;

(2) shall have a maximum capacity of no more than 20 children, with a ratio of staff to children of sufficient proportion to assure adequate supervision and treatment;

(3) shall develop adequate plans for contacting the child's parents or relatives (if such action is required by State law) and assuring the safe return of the child according to the best interests of the child, for contacting local government officials pursuant to informal arrangements established with such officials by the runaway house, and for providing for other appropriate alternative living arrangements;

(4) shall develop an adequate plan for assuring proper relations with law enforcement personnel, and the return of runaway youths from correctional institutions;

(5) shall develop an adequate plan for aftercare counseling involving runaway youth and their parents within the State in which the runaway house is located and for assuring, as possible, that aftercare services will be provided to those children who are returned beyond the State in which the runaway house is located;

(6) shall keep adequate statistical records profiling the children and parents which it serves, except that records maintained on individual runaway youths shall not be disclosed without parental consent to anyone other than another agency compiling statistical records or a government agency involved in the disposition of criminal charges against an individual runaway youth, and reports or other documents based on such statistical records shall not disclose the identity of individual runaway youths;

(7) shall submit annual reports to the Secretary detailing how the house has been able to meet the goals of its plans and reporting the statistical summaries required by paragraph (6);

(8) shall demonstrate its ability to operate under accounting procedures and fiscal control devices as required by the Secretary;

(9) shall submit a budget estimate with respect to the plan submitted by such house under this subsection; and

(10) shall supply such other information as the Secretary reasonably deems necessary.

APPROVAL BY SECRETARY

SEC. 413. An application by a State, locality, or nonprofit private agency for a grant under this part may be approved by the Secretary only if it is consistent with the applicable provisions of this part and meets the requirements set forth in section 412. Priority shall be given to grants smaller than $75,000. In considering grant applications under this part, priority shall be given to any applicant whose program budget is smaller than $100,000.

GRANTS TO PRIVATE AGENCIES; STAFFING

SEC. 414. Nothing in this part shall be construed to deny grants to nonprofit private agencies which are fully controlled by private boards or persons but which in other respects meet the requirements of this part and agree to be legally responsible for the operation of the runaway house. Nothing in this part shall give the Federal Government control over the staffing and personnel decisions of facilities receiving Federal funds.

REPORTS

SEC. 415. The Secretary shall annually report to the Congress on the status and accomplishments of the runaway houses which are funded under this part, with particular attention to—

(1) their effectiveness in alleviating the problems of runaway youth;

(2) their ability to reunite children with their families and to encourage the resolution of intrafamily problems through counseling and other services;

(3) their effectiveness in strengthening family relationships and encouraging stable living conditions for children; and

(4) their effectiveness in helping youth decide upon a future course of action.

FEDERAL SHARE

SEC. 416. (a) The Federal share for the acquisition and renovation of existing structures, the provision of counseling services, staff training, and the general costs of operations of such facility's budget for any fiscal year shall be 90 percent. The non-Federal share may be in cash or in kind, fairly evaluated by the Secretary, including plant, equipment, or services.

(b) Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

PART B—STATISTICAL SURVEY

SURVEY; REPORT

SEC. 421. The Secretary shall gather information and carry out a comprehensive statistical survey defining the major characteristics of the runaway youth population and determining the areas of the Nation most affected. Such survey shall include the age, sex, and socioeconomic background of runaway youth, the places from which and to which children run, and the relationship between running away and other illegal behavior. The Secretary shall report the results of such information gathering and survey to the Congress not later than June 30, 1975.

RECORDS

SEC. 422. Records containing the identity of individual runaway youths gathered for statistical purposes pursuant to section 421 may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

TITLE V—COORDINATING COUNCIL ON JUVENILE DELINQUENCY PREVENTION

ESTABLISHMENT

SEC. 501. There is hereby established, as an independent organization in the executive branch of the Federal Government, a council to be known as the Coordinating Council on Juvenile Delinquency Prevention.

MEMBERSHIP

SEC. 502. (a) The Council shall consist of six regular members appointed under subsection (c) and an additional number of ex officio members designated by subsection (b).

(b) (1) The following individuals shall be ex officio members of the Council:

(A) the Secretary (or the Under Secretary of the Department of Health, Education, and Welfare, if so designated by the Secretary);

(B) the Director of the Administration;

(C) the Attorney General or his designee;

(D) the Secretary of Labor (or the Under Secretary of Labor, if so designated by such Secretary);

(E) the Director of the Special Action Office for Drug Abuse Prevention or his designee;

(F) the Secretary of Housing and Urban Development (or the Under Secretary of Housing and Urban Development, if so designated by such Secretary); and

(G) the Administrator of the Institute.

(2) Any individual designated under paragraph (1) (C) or paragraph (1) (E) shall be selected from individuals who exercise significant decisionmaking authority in the Federal agency involved.

(c) The regular members of the Council shall be appointed by the President from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice. At least three members shall not have attained 26 years of age on the date of their appointment.

(d) (1) Except as provided by paragraphs (2) and (3), members of the Council appointed by the President under subsection (c) shall be appointed for terms of four years.

(2) Of the members first appointed to the Council under subsection (c)—

(A) two shall be appointed for terms of one year,

(B) two shall be appointed for terms of two years, and

(C) two shall be appointed for terms of three years, as designated by the President at the time of appointment. Such members shall be appointed within ninety days after the date of the enactment of this title.

(3) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until a successor has taken office.

(e) Members of the Council shall be eligible for reappointment to the Council.

(f) The Secretary shall serve as Chairman of the Council. The Director shall serve as Vice Chairman of the Council. The Vice Chairman shall act as Chairman in the absence of the Chairman.

(g) The Council shall meet at least six times per year to receive reports and recommendations and to take such actions as may be considered appropriate by members of the Council. A description of the activities of the Council shall be included in the annual report required by section 104(b) (5).

FUNCTIONS

SEC. 503. (a) The Council shall make recommendations to the Secretary at least annually with respect to coordination of the planning, policy, priorities, operations, and management of all Federal juvenile delinquency programs.

(b) The Council shall, through a subcommittee designated by the Chairman, review the activities and administration of the Institute and shall make recommendations with respect to such activities and administration.

EXECUTIVE SECRETARY; STAFF

SEC. 504. (a) The Chairman shall, with the approval of the Council, appoint an Executive Secretary of the Council.

(b) The Executive Secretary shall be responsible for the day-to-day administration of the Council.

(c) The Executive Secretary may, with the approval of the Council, appoint and fix the salary of such personnel as he considers necessary to carry out the purposes of this title.

COMPENSATION AND EXPENSES

SEC. 505. (a) Members of the Council who are full-time employees of the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

(b) Members of the Council who are not full-time employees of the Federal Government shall receive compensation at a rate not to exceed $100 per day, including traveltime for each day they are engaged in the performance of their duties as members of the Council. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Council.

TITLE VI—GENERAL PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 601. (a) To carry out the purposes of titles I, II, and III there is authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, $125,000,000 for the fiscal year ending June 30, 1977, and $175,000,000 for the fiscal year ending June 30, 1978.

(b) Not more than 5 percent of the funds authorized to be appropriated for any fiscal year to carry out the purposes of this Act may be used for the purposes authorized under title I.

(c) Not more than 10 percent of the funds authorized to be appropriated for any fiscal year to carry out the purposes of this Act may be used for purposes authorized under title III.

(d) (1) To carry out the purposes of part A of title IV there is authorized to be appropriated for each of the fiscal years ending June 30, 1975, 1976, and 1977, the sum of $10,000,000.

(2) To carry out the purposes of part B of title IV there is authorized to be appropriated the sum of $500,000.

(e) There is authorized to be appropriated such sums as may be necessary to carry out the purposes of Title V.

NONDISCRIMINATION PROVISIONS

SEC. 602. (a) No financial assistance for any program under this Act shall be provided unless the grant, contract, or agreement with respect to such program specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this Act. The provisions of the preceding sentence shall be enforced in accordance with section 603 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

EFFECTIVE DATES

SEC. 603. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall take effect on the date of enactment of this Act.

(b) Section 104(b) (5), section 104(b) (6), and section 310 shall take effect at the close of December 31, 1974. Section 105 shall take effect at the close of August 31, 1977.

And to amend the title so as to read: "An Act to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes."

Mr. MANSFIELD. Mr. President, I move that the Senate disagree with the amendments of the House, agree to the conference requested by the House, and that the Chair appoint conferees on behalf of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BAYH, Mr. EASTLAND, Mr. MCCLELLAN, Mr. HART, Mr. BURDICK, Mr. HRUSKA, Mr. HUGH SCOTT, Mr. COOK, and Mr. MATHIAS conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, I ask that Calendar 952, H.R. 15276, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, August 2, 1974, he presented to the President of the United States the following enrolled bills:

S. 2665. An act to provide for increased participation by the United States in the International Development Association and to permit U.S. citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad; and

S. 3477. An act to amend the act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EAGLETON, from the Committee on Labor and Public Welfare, with an amendment:

S. 3548. A bill to establish the Harry S. Truman memorial scholarships, and for other purposes (Rept. No. 93–1068).

Mr. EAGLETON. Mr. President, I am pleased, on behalf of the Committee on Labor and Public Welfare, to report to the Senate a bill from that committee that pertains to the Harry S. Truman Memorial Scholarship Act.

Mr. President, I started to count the list of cosponsors of this measure, and I just could not complete the addition. I cannot add that fast, and the figures get too high. But it appears, by rough calculation, that better than two-thirds of the U.S. Senate has seen fit to join Senator SYMINGTON, who is the principal sponsor of this measure, and myself in cosponsoring this bill. I think that is an outstanding tribute to the late President of the United States, Harry S. Truman.

Since the Chair is now occupied by a distinguished former Vice President of the United States and former nominee of the Democratic Party for the Presidency (Mr. HUMPHREY), I am pleased to say that the name of HUBERT HUMPHREY appears as one of the very distinguished cosponsors of this measure.

I know of the enormous high regard that HUBERT HUMPHREY and Mrs. Humphrey had for the late President Harry S. Truman and have for his widow, Mrs. Bess Truman. In fact, I think it was one of the greatest days in the life of HUBERT HUMPHREY when, in the 1948 Democratic Convention, as President Truman was renominated at a time when few thought he could win, a relatively obscure Mayor from Minneapolis, Minn., took the floor of the Convention and fought for a cause which then was considered to be unpopular, contentious, and abrasive. That relatively unknown Mayor from Minneapolis, Minn., electrified that Convention and the Nation, and gave impetus and encouragement to the Democratic nominee.

So I think there is an inextricable linkage between the name of HUBERT HUMPHREY and the name of Harry S. Truman, and I am pleased to report this very important bill to the Senate.

The PRESIDING OFFICER (Mr. HUMPHREY). The Chair welcomes the action of the Senator from Missouri. The report will be received and printed.

By Mr. BIBLE, from the Committee on Appropriations, with amendments:

H.R. 16027. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes (Rept. No. 93-1069).

SUBMISSION OF A CONFERENCE REPORT ON H.R. 14715

Mr. McGEE submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes, which was ordered to be printed (Rept. No. 93-1066).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS (for himself, Mr. HUMPHREY, Mr. MUSKIE, Mr. PERCY, Mr. PROXMIRE, Mr. MOSS, Mr. METZENBAUM, and Mr. TUNNEY):

S. 3877. A bill to promote accountability in the executive branch of Government, to require the disclosure of the financial status of public officials, to establish an Office of Legal Counsel to the Congress, and for other purposes. Referred to the Committee on Government Operations.

By Mr. EAGLETON:

S.J. Res. 231. A joint resolution establishing an Emergency Task force on the Economy. Referred to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. HUMPHREY, Mr. MUSKIE, Mr. PERCY, Mr. PROXMIRE, Mr. MOSS, Mr. METZENBAUM, and Mr. TUNNEY):

S. 3877. A bill to promote accountability in the executive branch of the Government, to require the disclosure of the financial status of public officials, to establish an Office of Legal Counsel to the Congress, and for other purposes. Referred to the Committee on Government Operations.

NATIONAL INSTITUTIONS REFORM ACT

Mr. JAVITS. Mr. President, I send to the desk for appropriate reference on behalf of myself and Senators HUMPHREY, MUSKIE, and PERCY as the principal sponsors, and with Senators PROXMIRE, MOSS, METZENBAUM, and TUNNEY, the National Institutions Reform Act.

I ask unanimous consent that the bill be received and appropriately referred.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred.

Mr. JAVITS. Mr. President, this measure provides for the institutionalization of authority in Congress of such a character as to enable it more equally to perform its responsibilities under the Constitution, my view being and the reason for the measure being there has been an enormous shift of power to the executive in the last three decades, much of which we surrendered voluntarily, and then the executive branch has usurped a good deal more power than we handed over.

The National Institutions Reform Act will, I believe, help effectively in the effort to prevent the kind of abuses of power that led to Watergate and the crisis we have been living through. I believe that even as the impeachment inquiry draws to its conclusion, we must take the first steps to prevent the recurrence of similar tragedies in the future. With my colleagues I am seeking to restore the balance of power which shifted so far in favor of the executive branch as to have helped to bring us to this precipice.

I say shift of power because I believe that—partly through circumstance and partly through acquiescence—we in Congress have, during the past three decades, been too ready, even too willing to delegate the people's representation—that which could not be delegated—too ready to surrender that which we had no right to surrender.

For its part, the executive branch has been willing to participate in this process by usurping even more power than we have handed over. It is the personal abuse of this accumulated power that led us to Watergate, and it is this imbalance we must rectify if we are to restore the moral authority of the Federal Government and rebuild our people's faith in their national institutions and in our ability to govern.

One of the great virtues of our system of government lies in the fact that it enables us to examine and correct such past errors without destroying the political process or bringing down the system of government.

What we are seeing in these impeachment proceedings is the reaffirmation that every U.S. citizen—be he President or common man—is subject to the process of law, whatever the cost in personal embarrassment and discomfort.

The process we are now witnessing is, in itself, one reaffirmation of the balance of power between the executive and legislative branches implicit in article I and article II of the Constitution.

My own War Powers Act, passed over Presidential veto last year, was the first step in restoring to Congress some of the power arrogated to the executive in the past. A valuable second step, the Budget Control bill—now law—assures us of a mechanism to allow Congress adequately to determine spending priorities and coordinate spending with revenue raising. This, too, will restore some of our legislative power by enabling Congress to go about the business of budgeting, appropriating and taxing more efficiently.

There are other measures before Congress aimed at equalizing the power of the executive and the legislative branches, but much more is needed. Accordingly, together with my colleagues, I will introduce on Friday the National Institutions Act to assure that Congress takes the initiative in establishing the legislative needs of the country; that the President and his agents are encouraged to see to their constitutional obligations "that the laws be faithfully executed," and that executive accountability for that execution of the laws is rendered into reality.

The provisions of the National Institutions Reform Act, call, specifically, for the following reforms:

First, the President of the United States shall report annually to Congress on the steps he has taken to implement laws and resolutions passed by Congress during its last session. The President in his report to the Congress shall respond to questions from the standing committees of each House to be transmitted by the respective Rules Committees.

After the receipt of the President's report a joint resolution of Congress will be enacted approving or disapproving the actions of the Executive contained in the report, and any disapproval is to specify what steps should be taken by the President to execute the laws in accordance with congressional intent.

Additionally, officials requiring Senate confirmation, the heads of executive departments and agencies and the Domestic Council and the Council on International Economic Policy are required to appear before each House to answer questions at regular intervals.

Finally, Congress will establish a legislative liaison oversight office within each legislative committee to serve on a continuing basis with that executive department or office over which the committee has legislative oversight—analogous to the liaison offices of the respective Government departments now in Congress. These new personnel will serve as the relevant legislative committee's arm in its continuing effort to see that such legislation is faithfully executed into functioning law and regulation.

Second, the Speaker of the House of Representatives is to reply on behalf of the Congress, in an equivalent joint session, with a congressional state of the Union message to the President's state of the Union message; such reply to be based on recommendations of the joint leadership in both Houses and to include a congressional assessment of legislative priorities and a statement of intent as to the manner in which Congress will deal with those priorities; such reply is to include congressional recommendations to the President as to action which he should take to deal with the specific national agenda recommended by the Congress.

Third, a requirement of complete disclosure of the financial assets and liabilities of each Member and candidate for a seat in the House or Senate, the President and Vice President and other official employees of the U.S. Government earning in excess of $20,000, as well as income tax information relevant to the public business. It is very important all appropriate information bearing on a public official's possible conflict of interest be open to the public scrutiny.

Fourth, the establishment of the Office of Legal Counsel to the Congress to provide legal advice and legal opinions to Members and committees, to review executive actions as prescribed by the Congress and to intervene in court actions on behalf of the Congress when there is an issue involving the laws of the United States or the actions of the Congress.

In addition, the Legal Counsel is to represent either House of Congress, any Member or committee of Congress in any legal action in any court, Federal or State, where the validity of U.S. laws, or congressional actions of any kind are at issue in the proceeding. It is important the Congress have an ongoing office to handle the legal problems that have arisen with greater frequency in recent years.

In my speech before the Ripon Society on April 27, 1974, I also discussed several other reforms which were necessary, but these have been incorporated in several bills which have been or are being considered by the Senate.

First, Congress should strengthen the Freedom of Information Act to encourage more complete disclosure and dissemination of all information relating to Government activity that is not circumscribed by new guidelines embracing precisely defined considerations of national security. The Senate has passed the Freedom of Information Act Amendments which are supposed to do just that.

Second, Congress should prohibit the use of electronic surveillance, such as wiretaps without court order; and protect the right of privacy, so cherished by Americans, which has recently been threatened by increased use of computers, data banks, and the exchange of confidential information within the Government. We will be considering in the Government Operations Committee a bill on privacy and I have joined in a bill prohibiting electronic surveillance without court order.

I am fully aware that these proposals are far-reaching and controversial, but they go to the very essentials of the way we govern ourselves.

Mr. President, some of these reforms have been suggested by other bills, including that of the distinguished occupant of the Chair (Mr. HUMPHREY).

They have been suggested by the findings of the Watergate Committee, under Senator ERVIN and Senator BAKER. It is simply an effort to group them together and present them to the Congress as a way to implement its determination, which seems now clear, to establish its authority as the proper check and balance under the Constitution to what has been the runaway power resulting in so many of these excesses which the executive has been given by our inaction, and which the executive has then derogated to itself.

I consider it one of the great reforms of the American system. I know that my colleagues and I who have joined in it will pursue it with the greatest diligence.

Mr. President, I ask unanimous consent that an article appearing in Newsweek magazine, dated May 6, 1974, and a second article appearing in Time magazine, dated May 6, 1974, be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Newsweek, May 6, 1974]

CHECKS AND BALANCES

Some political thinkers already are looking beyond impeachment to a more fundamental task: restoring the balance of power between Congress and the executive branch. In a speech to the Ripon Society in New York last weekend, Republican Sen. Jacob Javits put forth an ambitious set of proposals to recapture some Congressional powers and initiatives that have been surrendered to the Presidency in recent decades.

The main thrust of Javits' plan—which he said would be submitted for legislation—is to force an increased accountability on the executive branch. It would require the President to satisfy Congress yearly that he has implemented its laws (a sideswipe at Presidential impounding of funds). It would establish formal liaison between Congressional committees and executive agencies and limit the scope of executive secrecy and domestic intelligence-gathering. And it calls for a yearly Congressional State of the Union Message by the Speaker of the House, based on a "Congressional assessment of legislative priorities."

The Javits plan is one of many proposed reforms. Historian Arthur Schlesinger wants to eliminate the Vice Presidency; a President who dies in office, he suggests, could be replaced by an Acting Chief Executive pending a special election. Former LBJ aide Jack Valenti, among others, proposes that Presidents be limited to a single six-year term. And Sen. Sam Ervin wants to take the Attorney General out of the Cabinet; the nation's chief law-enforcement officer would be nominated by the President and confirmed by the Senate for a six-year term. Such plans might indeed give Congress more formal authority. But the Constitution already provides the legislative branch with considerable powers, such as the right to declare war. What Congress lacks is not so much authority as the will to assert itself—and that quality is hard to legislate.

[From Time, May 6, 1974]

RESTORING THE FEDERAL BALANCE

One heathy result of the Watergate scandal has been a reappraisal of what the proper constitutional balance between the Executive and Legislative branches of Government should be. Part of the Ervin Committee's report, which is due to be released soon, will concern redressing the current balance, which has shifted too far in favor of the presidency. Moving ahead of the committee, New York Republican Senator Jacob K. Javits, in a speech last week before the liberal Republican Ripon Society, recommended seven measures that would permit Congress to "re-establish itself as a truly coordinate branch of the United States Government." Javits' proposals:

(1) The President should report annually to the Congress on steps he has taken to implement laws and resolutions passed by Congress during its previous session. The President and his Cabinet officers would then submit to questions put by a joint select committee of both houses of Congress.

(2) The Speaker of the House should reply to the President's State of the Union message with a congressional State of the Union message. In an address to a joint session of Congress, he would assess legislative priorities and make recommendations to the President on how he should deal with the proposed congressional agenda.

(3) Congress should cast a vote declaring itself "satisfied" or "unsatisfied" with Executive action taken on measures that it had proposed. A vote of "unsatisfied" would be accompanied by a resolution outlining ways to comply with the congressional design.

(4) Every congressional committee should set up an Executive liaison office to maintain communication with the Executive department that the committee oversees, and guide the Executive in transforming specific pieces of legislation into action.

(5) Congress should require complete disclosure of the financial assets and liabilities of every member and every candidate for the House and Senate. The same disclosure requirement would apply to the President and Vice President and candidates for those offices.

(6) Congress should clarify the term national security and make its application more precise. That done, Congress should encourage more disclosure and dissemination of information relating to Government activity that is not circumscribed by the new national security guidelines.

Concluded Javits: "I am fully aware that these proposals are far-reaching and controversial. They go to the very essentials of the way we govern ourselves. [But] I believe that these measures only restore the constitutional process to that state in which they were intended to function, and that if we are to survive and prosper as a Republic, Congress must resume its role as a coequal branch of Government."

Mr. JAVITS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3877

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Institutions Act".

TITLE I—EXECUTIVE ACCOUNTABILITY

Sec. 101. (a) The President shall, at the beginning of each regular session of the Congress (beginning with the session immediately following his assumption of office), report to the Congress on the steps taken to faithfully execute the laws passed by Congress and enacted into law during its preceding session in accordance with the provisions of this section.

(b) Each standing committee of the House of Representatives and the Senate shall, by a majority vote of the members of each such committee, not later than thirty days immediately following the beginning of each regular session of the Congress, report to the Committee on Rules and Administration of its respective House on the specific provisions of law enacted during the previous session and within the subject matter jurisdiction of each such committee which it desires to be included in the report required under subsection (a). Each such committee may propound specific questions relating to the execution of such laws by the President as it desires the President to answer. The Committee on Rules and Administration of each House shall transmit to the President the matter submitted under this subsection.

(c) The report required under subsection (a), including replies to the questions propounded by any such committee, shall be transmitted in writing to the Congress within 30 days after the receipt of the matter transmitted under subsection (b).

(d) (1) Not later than 30 days after the report of the President is received by the Congress, the Committee on Rules and Administration of each House, after consultation with the appropriate standing committee, shall report to its House a joint resolution on the report of the President which approves or disapproves such report. Any joint resolution of disapproval shall also specify in detail the steps to be taken by the President in order to execute any such laws in accordance with the intent of the Congress.

(2) Congress shall complete action on any joint resolution reported under paragraph (1) not later than 60 days after the date on which the report of the President is received by the Congress using the expedited procedures provided for in consideration of reorganization plans under chapter 9 of title 5. U.S.C.

Sec. 102. (a) The head of any executive department or agency, the Director of the Office of Management and Budget, the Director of the Domestic Council, and the Director of the Council of International Economic Policy shall appear in the Senate or the House of Representatives at such time or times as either such House may require for purposes of responding orally to questions propounded by members designated by either such House in accordance with subsection (b).

(b) (1) The questions referred to in subsection (a) may be submitted in writing in advance by any member of the Senate or House of Representatives to the appropriate committee which has jurisdiction of the subject matter of such question. Any such committee shall, in its discretion by majority vote of its members, approve and transmit such question to the head of the appropriate department, agency, Office, or council.

Copies of all questions and invitations shall be submitted to the Committee on Rules and Administration of the Senate or House of Representatives, as appropriate, which shall coordinate the administrative arrangements relating to the appearance of the respondents. Any question to be propounded shall be published in the Congressional Record not less than ten days in advance of the appearance of the respondent.

(2) Whenever any individual appears before the Senate or House of Representatives under the provisions of this section, an additional period of time shall be reserved for oral questions, germane to the subject matter of the written questions submitted under paragraph (1), by any member of the House before which such individual is appearing. Such additional period of time shall be controlled equally by the majority and minority leaders of that House.

Sec. 103. (a) The Standing Rules of the Senate are amended by adding at the end thereof the following new Rule:

"Rule XLV

"Legislative Liaison with executive branch

"1. Each standing committee shall review and study, on a continuing basis, the application, administration, and executive of the laws within its jurisdiction.

"2. Each standing committee shall assign employees to carry out the requirements of paragraph 1. Any such employee may be designated to serve as liaison between the members of the committee and the departments and agencies having executive responsibility for such laws.

"3. Each standing committee shall report, not less often than annually, on its studies and reviews including such comments and recommendations as may be appropriate."

(b) Each executive department and agency for which a congressional liaison is assigned by any committee of the Senate or House of Representatives shall provide such space within its main office building as may be necessary to enable such liaison to carry out his duties. Each congressional liaison for an executive department or agency is authorized to request and obtain such information, with respect to such agency, from any executive agency as may be necessary to carry out his duties. Any such information so requested shall be provided by any such department or agency.

TITLE II—CONGRESSIONAL STATE OF THE UNION

Sec. 204. (a) The Speaker of the House of Representatives shall report to the Congress at the beginning of each regular session of the Congress on the state of the Union (hereinafter in this section referred as the "Congressional state of the union message"). Such report shall include a statement of congressional legislative priorities and recommendations to the executive branch for action which may be required to implement those priorities.

(b) A committee composed of the majority leader and majority whip of the Senate, the Speaker and majority leader of the House of Representatives, the minority leader and minority whip of the Senate, and the minority leader and minority whip of the House shall meet and make recommendations concerning items to be included in the report required under subsection (a).

(c) The Congress shall assemble in joint session to receive the report on the state of the Union from the Speaker of the House of Representatives and the report shall be delivered not later than 30 days after the date on which each such session commences.

(d) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended by adding at the end thereof the following new subsection:

"(d) Licensees shall provide public service time to the Speaker of the House of Representatives of the United States to present the congressional state of the Union message.".

TITLE III—FINANCIAL DISCLOSURE

Sec. 301. (a) Each individual referred to in subsection (b) of this section shall file annually, with the Comptroller General, a report containing a full and complete statement of—

(1) the amount of gross and taxable income, total deductions and tax liabilities, as well as tax paid as reflected on his Federal income tax return for the preceding calendar year, and for purposes of this paragraph;

(2) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistance, entertainment, travel, and other facilities received by him in kind;

(3) the value of each asset held by him, or by him and his spouse jointly, which has a value in excess of $1,000, and the amount of each liability owed by him or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(4) any transactions in securities of any business entity by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(5) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(6) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) The provisions of subsection (a) of this section apply to the President, Vice President, each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $20,000 per annum, each officer or employee occupying a position in schedule C of the expected service, and each officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS–16 of the General Schedule or any higher position (as determined by the Comptroller General regardless of the rate of compensation of such individual), and any individual who is a candidate of a political party in a general election for the office of a Member of Congress but who, at the time he becomes a candidate, does not occupy such office, shall file within one month after he becomes a candidate for such office.

(c) Reports required by this section shall be in such form and contain such information as the Comptroller General may prescribe. The Comptroller General may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) All reports filed under this section shall be maintained by the Comptroller General as public records, which, under such reasonable rules as he shall prescribe, shall be available for inspection by members of the public.

(e) For the purposes of any report required by this section, an individual is considered to be President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he serves in any such position for more than six months during such calendar year.

(f) As used in this section the term—

(1) "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954;

(2) "security" means security as defined in section 2 of the Securities Act of 1933 (15 U.S.C. 77b);

(3) "commodity" means commodity as defined in section 2 of the Commodity Exchange Act (7 U.S.C. 2);

(4) "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity;

(5) "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate;

(6) "officer" has the same meaning as in section 2104 of title 5, United States Code;

(7) "employee" has the same meaning as in section 2105 of such title;

(8) "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the commissioned corps of the National Oceanic and Atmospheric Administration;

(9) "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons; and

(10) "tax" means any Federal, State, or local income tax and any Federal, State, or local property tax.

SEC. 302. Any person who willfully fails to file a report required to be filed under this title, or who knowingly and willfully files a false report required to be filed under this title, shall be fined $2,000, or imprisoned for not more than five years, or both.

SEC. 303. Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memoranda stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any case which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

SEC. 304. The first report required under this title shall be filed with the Comptroller General not later than May 15 or the calendar year in which this Act is enacted or 30 days following the date of enactment of this Act, whichever is later. Each succeeding report required under this title shall be filed not later than May 15 of each calendar year following the calendar year in which the first report required to be filed under this title is filed.

TITLE IV—OFFICE OF LEGAL COUNSEL TO THE CONGRESS

SEC. 401. (a) There is established in the legislative branch of the Government the Office of Legal Counsel to the Congress (hereinafter referred to as the "Office"), which shall be under the direction and control of the Legal Counsel. The Legal Counsel shall be appointed by a committee consisting of the Speaker of the House of Representatives, the President pro tempore of the Senate, the Minority Leader of the House, and the Minority Leader of the Senate (hereinafter referred to as the "Joint Leadership Committee"). Any appointment as Legal Counsel shall be with the approval of the House of Representatives and the Senate, without regard to political affiliation and solely on the basis of fitness to perform the duties of the office. The Legal Counsel shall be appointed for a term which shall expire at the end of the Congress following the Congress during which he is appointed; except that the Legal Counsel shall be subject to removal at any time by the Joint Leadership Committee or either House of Congress for misconduct or incapacity. The Legal Counsel shall receive compensation at a rate equivalent to level V of the Executive Schedule.

(b) Subject to the availability of appropriation, the Legal Counsel may appoint and fix the compensation of such assistant legal counsels and other personnel as may be necessary to carry on the work of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of fitness to perform the duties of their offices.

(c) The Legal Counsel shall promulgate for the Office such rules and regulations as may be necessary to carry out the duties imposed upon him by this title. He may delegate authority for the performance of any such duty to an officer or employee of the Office. No person serving as an officer or employee of such office may engage in any other business, vocation, or employment while so serving.

SEC. 402. (a) It shall be the duty of the Legal Counsel, subject to professional standards—

(1) to render to committees, Members, and other officers of the Congress, legal opinions upon questions arising under the Constitution and laws of the United States;

(2) to render, upon request, to committees and Members of Congress, advice with respect to the purpose and effect of provisions contained in existing or proposed laws;

(3) to perform such other duties with respect to legislative review of executive actions as shall be prescribed by the Congress;

(4)(A) upon the request of any Member and subject to the direction and control of that Member's House, to intervene or appear as amicus curiae in any action pending in any court of the United States, or of a State or political subdivision thereof, in which there is placed in issue the contsitutional validity or interpretation of any law or regulation of the United States, or the validity of any official proceeding of, or official action taken by either House of Congress, any committee of either House of the Congress, any joint committee, Member, officer, employee, office, or agency of the Congress; and

(B) to represent—

(i) upon request of either House of Congress, that House of Congress;

(ii) upon request of any committee of either House of Congress or any joint committee of the Congress, that committee;

(iii) upon request of any Member of Congress, that Member of Congress;

(iv) upon request of any officer, employee, office. or agency of the Congress, that officer, employee, office, or agency of the Congress in any legal action pending in any court of the United States, or of a State or political subdivision thereof, to which such House of Congress, or that committee, joint committee, Member, officer, employee, office, or agency of the Congress is a party and in which there is placed in issue the validity of any official proceeding of, or official action taken by, that House of Congress, or that committee, joint committee, Member, officer, employee, office, or agency of the Congress.

(b) Upon receipt of written notice from the Legal Counsel that he has undertaken pursuant to subsection (a)(4) of this section to perform any representational service with respect to any designated action or proceeding pending or to be instituted, the Attorney General shall be relieved of responsibility and shall have no authority to perform such service in such action or proceeding except at the request or with the approval of the Legal Counsel or the respecttive House.

SEC. 403. (a) Subject to applicable rules of practice and procedure, the Legal Counsel shall be entitled as of right to intervene as a party, appear as amicus curiae, or bring a civil action as a party in any action described in section 302(a)(4).

(b) The Legal Counsel, or any attorney in the Office designated by him for that purpose, shall be entitled for the purpose of performing duties imposed upon him pursuant to this title to enter an appearance in any such proceeding before any court of the United States without compliance with any requirement for admission to practice before such court, except that the authorization conferred by this subsection shall not apply with respect to the admission of any person to practice before the Supreme Court of the United States.

SEC. 404. (a) Section 3210 of title 39, United States Code, is amended—

(1) by striking out in subsection (b)(1) "and the Legislative Counsels of the House of Representatives and the Senate" and inserting in lieu thereof the following: "the Legislative Counsels of the House of Representatives and the Senate, and the Legal Counsel of the Congress"; and

(2) by striking out in subsection (b)(2) "or the Legislative Counsel of the House of Representatives or the Senate" and inserting in lieu thereof the following: "the Legislative Counsel of the House of Representatives or the Senate, or the Legal Counsel of the Congress."

(b) Section 3216(a)(1)(A) of such title is amended by striking out "and the Legislative Counsels of the House of Representatives and the Senate" and inserting in lieu thereof the following: "the Legislative Counsels of the House of Representatives and the Senate, and the Legal Counsel of the Congress".

(c) Section 3219 of such title is amended by striking out "or the Legislative Counsels of the House of Representatives or the Senate" and inserting in lieu thereof the following: "the Legislative Counsels of the House of Representatives or the Senate, or the Legal Counsel of the Congress".

TITLE V—MISCELLANEOUS

SEC. 501. Sections 101(d), 103(a), and 104 (a), (b), and (c) of this Act are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the contitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

SEC. 502. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. EAGLETON:

S.J. Res. 231. A joint resolution establishing an Emergency Task Force on the Economy. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. EAGLETON. Mr. President, yesterday I announced my intention to introduce a joint resolution establishing an Emergency Task Force on the Economy. I now send to the desk a copy of the joint resolution, ask that it be printed, and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. My resolution calls upon the President to appoint four former members of the Council of Economic Advisers, two from Democratic administrations and two from Republican administrations, to serve as the nucleus of an action group that will develop a program over the next 30 days to deal with the current economic crisis. This may sound like an unreasonably short period of time, but I might point out that these are unusually able people and most of them already confront these economic issues on a day-to-day basis. As professors, businessmen, and consultants, they possess a storehouse of knowledge and competence that can be brought to bear in the proper forum. I have included a list of the former members of the Council of Economic Advisers who would be eligible for appointment to the task force. These are clearly economic policymakers of the highest caliber.

This group would be unlike any existing body for several reasons. First, they are charged with developing a plan for action, not just a review of the problem.

Second, they will make recommendations covering the entire scope of economic activity in this country—fiscal, monetary, and regulatory policies of the Federal Government; the role of the banking and investment community, and the needs and activities of small businesses, large corporations, farmers and workers. It would be my hope that Congress would unite in support of a nonpartisan effort to carry out such measures as the task force may propose, and that the President and his advisors would direct their own activities in support of such an action program. I am confident that the public would see such an effort as the best answer to a difficult problem, and would contribute the necessary broad base of support that has been lacking in our economic programs. The third major difference is that this resolution will remove the economic issue from the realm of political dispute and provide for the Nation the best bipartisan professional counsel available.

My distinguished colleague, Mr. BARTLETT, introduced a resolution, Senate Resolution 363, which I cosponsored a few weeks ago. That resolution called for an economic summit meeting among the leaders of government, industry, and labor to deal with the economy. My proposal differs in that it provides a nonpartisan professional approach which, in fact, could develop an agenda which this summit might use.

I would also direct the attention of my colleagues to a story which appeared in this morning's newspapers regarding a meeting between a group of investment bankers and the Secretary of the Treasury. They—that is, the investment bankers—called for a central authority to be established which would coordinate a plan for restoring our capital markets. The high interest rates and lack of investment funds are probably one of the most serious aspects of the current problem. Under the terms of my resolution, the task force would be sensitive to the grave situation in the bond market, just as they would take account of the valid requirements of the other sectors.

Our current focus is on consumer prices, but we should not lose sight of the very real problems elsewhere. I understand that the U.S. Treasury is now paying almost 9 percent interest on hundreds of millions of dollars in 25-year obligations. If the Federal Government is willing to pay that much, where does that leave the homebuyers or, for that matter, even the large corporations that are seeking funds? A coordinated task force effort could develop a consistent economywide plan that would seek to resolve the bond market situation at the same time as it attends to the plight of the consumer.

A task force effort would take into account the needs for redress of the worker whose income has been shaved by inflation. It can look at the needs of the farmer, the small businessman, and the consumer. Many of these groups tend to be left out in the jockeying for the shares of a dwindling economic pie. We must show the American people that the needed economic leadership is going to assert itself and we must set an example of nonpartisan teamwork that the Nation can follow.

Mr. President, I ask unanimous consent that the following list of eligible former members of the Council of Economic Advisers be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Former members of the Council of Economic Advisors eligible to serve on the proposed Emergency Task Force on the Economy, and the party of the administration under which they served:

Gardner Ackley, (Democratic), Roy Blough, (Democratic), Karl Brandt, (Republican), Joseph S. Davis, (Republican), James S. Duesenberry, (Democratic), Otto Eckstein, (Democratic), Kermit Gordon, (Democratic), Walter W. Heller, (Democratic), Hendrik S. Houthakker, (Republican), and Neil H. Jacoby, (Republican).

Leon H. Keyserling, (Democratic), John P. Lewis, (Democratic), Paul W. McCracken, (Republican), Arthur M. Okun, (Democratic), Merton J. Pack, (Democratic), Raymond J. Saulnier, (Republican), Ezra Solomon, (Republican), Herbert Stein, (Republican), James Tobin, (Democratic), Robert C. Turner, (Democratic), Henry C. Wallich, (Republican), and Marina von N. Whitman, (Republican).

EXHIBIT 1

S.J. RES. 231

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established an Emergency Task Force on the Economy which shall consist of 2 individuals who were members of the Council of Economic Advisors during a Republican administration and 2 individuals who were members of the Council of Economic Advisors during a Democratic administration, who shall be appointed by the President, and not to exceed 4 additional members to be designated by the members who are appointed by the President, except that no individual shall be appointed who is currently holding a position with the federal government full time.

SEC. 2. It shall be the function of the Emergency Task Force on the Economy to carry out a thorough study of the state of the economy and to report, not later than 30 days after the appointments under the first section of this joint resolution are made, to the President and the Congress on its findings together with a comprehensive plan for dealing with the economic problems identified.

SEC. 3. The members of the Emergency Task Force on the Economy shall elect a chairman and a vice chairman from among the members of the Task Force. The Task Force shall meet at the call of the chairman.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3357

At the request of Mr. MANSFIELD, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 3357, to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation.

S. 3383

At the request of Mr. MCGOVERN, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 3383, to amend title 38 of the United States Code to provide for World War I veterans' pensions.

S. 3548

At the request of Mr. MANSFIELD, the Senator from Colorado (Mr. DOMINICK), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. GRAVEL) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 3548, to establish the Harry S. Truman Memorial Scholarships and for other purposes.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 347

At the request of Mr. MANSFIELD, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Resolution 347, authorizing an investigation on the policy and role of the Federal Government on tourism in the United States.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1097

At the request of Mr. DOLE, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of amendment No. 1097, intended to be proposed to the bill (S. 1539) to amend and extend certain acts relating to elementary and secondary education programs, and for other purposes.

AMENDMENT NO. 1549

At the request of Mr. DOMENICI, the Senator from Alaska (Mr. GRAVEL), and the Senator from Minnesota (Mr. MON-

DALE) were added as cosponsors of amendment No. 1549, to extend appropriate health care facilities in all BIA schools, intended to be proposed to the bill (S. 2938) the Indian Health Care Improvement Act.

AMENDMENT NO. 1760

At the request of Mr. SCHWEIKER, the Senator from Wisconsin (Mr. PROXMIRE) was added as a cosponsor of amendment No. 1760, intended to be proposed to the bill (H.R. 15323) to provide for public remuneration in the event of nuclear incident.

NOTICE OF HEARING ON NOMINATIONS

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, August 13, 1974, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

Antonin Scalia, of Virginia, to be an Assistant Attorney General, vice Robert G. Dixon, Jr., resigning. (Office of Legal Counsel.)

Richard W. Velde, of Virginia, to be Administrator of Law Enforcement Assistance, vice Donald E. Santarelli, resigned.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

This hearing will be before the full Judiciary Committee, Senator EASTLAND of Mississippi, chairman.

NOTICE CONCERNING A NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Joseph W. Keene, of Louisiana, to be U.S. marshal for the Western District of Louisiana for the term of 4 years (reappointment.)

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Thursday, August 8, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING A NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Wilfred J. Smith, of Virginia, to be a member of the Foreign Claims Settlement Commission of the United States for a term of 3 years from October 22, 1973, vice Kieran O'Doherty, term expired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, August 9, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

THE CRISIS CONFRONTING THE CATTLE INDUSTRY

Mr. BARTLETT. Mr. President, S. 3679 was an emergency measure to provide Government guarantees for loans to livestock producers. Although the measure is now operative, there are still some people who feel that this was special interest legislation and that it will not in any way benefit the American consumer.

A few weeks ago an excellent article appeared in the Waurika News-Democrat, published in Jefferson County, Okla., which vividly describes the impact that the consumer will feel if our cattlemen and beef producers are forced out of business because of interference by the Federal Government in the free market. As a result of the crisis confronting the cattle industry, the American consumer is faced with the prospect of a severe shortage of beef, resulting in much higher prices to the consumer, and the beef which will be available will likely be of much lower quality than most Americans are accustomed to eating.

Mr. President, I ask unanimous consent that this very informative article be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JEFFCO CATTLEMEN HAVE REAL "BEEF" ON PRICES

"It's playing havoc with the cattle industry," says Paul Hammons of the Waurika Livestock Market.

He's referring to the tumbling price of beef on the hoof, and for Jefferson county, the effects may just be beginning.

Some have called it another crisis, but others in Oklahoma are terming the current slump a disaster.

"It's certainly the worst since 1953 or 1956," Hammons said, "and in many ways it is the worst since the prices have fallen so far."

What the cattlemen are concerned about, making a living, goes deeper this time than just a gripe about prices. They're facing a problem that could have bad effects across the nation: higher prices, beef shortages, lower quality.

Most cattlemen are afraid it's going to get worse before it gets better unless action is taken now by the government to alleviate the effects of the last time it tampered with the law of supply and demand.

What makes the price drop worse and even more confusing for cattlemen are other factors.

"It just doesn't make sense," Johnny Hafner, county extension director said. "Everything else is going up, "Feed, seed, fertilizer, interest, you name it. Prices for other things have doubled and tripled but the cattlemen are watching a year of work go down the drain. There is no way they can make any money this year."

Hammons agreed. "It wouldn't be so bad if other prices were also dropping, but they're not, and on top of that, prices in the grocery stores aren't reflecting the huge cut on cattle prices."

Hammonds' Tuesday auction here reflects it, however.

He used to average about 1200 head a week. Now it is roughly half that, and the prices are almost in half too.

"Steers may bring from 28 to 33 cents and yearling heifers from 25 to 32 cents," he said. "That's bad when you consider the time, effort and prices the cattlemen have put in them. Some are losing thousands of dollars a day."

"What worries me," Hammons said, "is that you can't hurt the food growers without hurting others. Sooner or later the smaller fellows are going to quit and the bigger boys are going to cut back.

"That plus the liquidation of some herds translates into a real beef shortage and much higher prices sometime in the future."

Both Hammons and Hafner say the situation may produce some changes too.

"Consumers may just have to settle for a lower grade of beef," they say.

"The way things are, there will probably be more and more slaughtering right off the grass. No more of this feeding out that costs the profit," Hafner said. Hammons thinks in a year or two consumers will be eating stringier beef as the result.

Jefferson county, as primarily a cow-calf county with over 50,000 calves a year produced, has been the last in the beef production chain to be hit, but the damage here will affect the entire industry.

First hurt were the feed lots, some closing down, others absorbing the costs as best as possible. Then the stocker-feeder operations, some of which are in the county, lost their markets and couldn't get rid of the cattle they'd paid the higher prices for. As the market dried up, the cow-calf operators found all their hard work without a market either.

"A fellow brings in a calf here that he has about $125 in and there's no way it'll bring that at the sale," Hammons said. "They're just not going to pay for it. He has worked a year for nothing."

Hafner said he has heard of very little calf contracting this year as in the past. "I know of one individual who contracted for a herd at 40 cents and put down a $15-a-head deposit. He backed out and figured the $15-a-head deposit loss was less than he'd take on the market. That's tough."

What caused the situation?

Most people point the finger at the freeze on beef prices a year ago which was ordered by President Nixon.

"The industry was singled out and then people started holding back until the freeze was over. That created a shortage and then prices skyrocketed," Hammons explained. By late summer last year consumer demand for beef waned and the backlog of cattle held off the market began to go to slaughter. The glut of over-finished beef sent cattle prices tumbling from August peaks.

Supplies have leveled out since then, but not the prices.

Farm prices are plunging this month, led by beef. The Oklahoma Crop and Livestock Reporting Service said that the livestock index plunged 50 points, eight percent last month to the lowest since December 1972 and 16 percent below a year ago.

Cattle were off $3.20 per hundredweight, averaging $36, and they're already lower. At the same time the index of prices paid by farmers and ranchers was up 16 percent over a year ago.

Hammons and Hafner said it would be a year to 18 months before the market leveled out from the Nixon economists' tampering last year. By that time the small fellows will be gone.

"Most of the drug store cowboys that got into the business during high prices have gone home now. The first round gave them their tax break and the second round got into their hip pocket," Hammons said.

The other thing that upsets the Jefferson county cattlemen is that no one seems concerned. Nixon has told them they never had it so good. Cattlemen groups are organizing to recommend action and just this week Speaker Carl Albert sent Nixon a letter requesting imports on be beef be reestablished.

That would help, Hammons said, and Hafner said he felt a change in the USDA beef grading process was needed.

"The penalty for not having choice beef can hurt when you can't afford to feed the steer to that point. I think we need quality but we need to be realistic too," he said.

Others are afraid of runs at the market with cattlemen giving up and selling the beef cows. "When that happens the source of supply is going to dry up and we'll really be in trouble," Hammons said.

Most people expect the bigger operators to withstand the current problem by relying on long-term operation and other interests. But Hafner and Hammons agree that Jefferson county residents, and America, may not only be in for stringier beef, but higher beef, and a real shortage.

The effect on the local economy is being felt, too. In a county that used to produce 50,000 calves a year, selling them at 40 cents a pound at an average of 500 pounds, the input into the economy is easy to calculate. The absence of that source of income will also be a disaster to agricultural communities like Waurika, Ryan and Ringling.

CONSUMER PROTECTION AGENCY

Mr. EAGLETON. Mr. President, we have been debating the Consumer Protection Agency proposal for 3 weeks. We have heard the pros and cons—some of my colleagues have alluded to absurdities that would abound if this new agency were established. I, on the other hand, would like to point up a number of cases which highlight the need for such an agency.

Every day the Federal regulatory agencies make decisions which profoundly affect the health and safety of consumers. Routinely only the business interests are represented and virtually all decisions are made without consumer representation.

My work on the cosmetic safety amendments, which I introduced in February, has brought to my attention a number of cases, two of which I would like to share with my colleagues.

The first instance pointing up business' exclusive representation to the detriment of the consuming public involved a deodorant, Mennen E.

In June 1972, Mennen E hit the market. A new underarm aerosol deodorant, the product sought to capitalize on the contemporary fad for vitamin E. The Mennen Co. budgeted some $12 million for initial advertising and sales promotion. a substantial sum even for a cosmetic.

The promotional campaign was very effective, and sales were high. As sales rose, so did consumer complaints. On December 21, 1972, Mennen reported to FDA that it had received 487 adverse-reaction complaints; by March 5, 1973, the figure had reached 704. With an estimated 10 million cans of the product in use, this meant a complaint rate of more than 70 per million units. The normal adverse-reaction rate for an underarm deodorant ranges from 2 to 8 per million units sold.

During this time of soaring complaints, the FDA was holding a series of private meetings with Mennen to try to figure out what action should be taken by the regulatory agency. In the meantime, Mennen E was still on the shelves of grocery stores and drug stores with its label claiming that the product "is made with vitamin E instead of a harsh chemical."

Finally, in April 1973, the FDA negotiations with the Mennen Co. resulted in an agreement whereby the company agreed to discontinue manufacturing the product and the FDA agreed not to initiate enforcement proceedings or to request a voluntary recall. This quiet arrangement between a business and the regulatory agency did little to protect the consumer. The millions of cans of Mennen E on the retail shelves remained there—and I might add were still on the shelves of drug stores in this area as late as February 1974, some 10 months later—and consumers were not informed about the hazards associated with the product.

Another case which I would like to discuss involves the FDA's negotiations with industry regarding the so-called feminine sprays. Since introduced to the market in 1966, sales on this category of products has risen to an estimated $40 million annually. Again, complaints rose with sales, and consumer reports of adverse reaction began to reach the FDA.

In October 1971, FDA scientists reported that four manufacturers admitted receiving 383 complaints of adverse reaction; physicians reported approximately 30 injuries, and the FDA received 18 direct complaints from consumers. Based on this information, the complaint rate for feminine sprays was ten times the "acceptable rate."

Mr. President, I ask unanimous consent that an article entitled "What the FDA Won't Tell You About FDS," by Prof. Joseph A. Page, be printed in the RECORD. Professor Page details the long negotiations of the FDA with industry, and the apparent reluctance of the agency to protect the consumer even in the face of substantial scientific and medical evidence. I should also note that the FDA has yet to publish the often-promised regulations mandating cautionary labeling of these products.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT THE FDA WON'T TELL YOU ABOUT FDS

(By Joseph A. Page)

When feminists are looking for a good illustration of what's wrong with American business, they often point to feminine hygiene sprays. Denounced as both useless and hazardous by doctors and promoted through advertising demeaning to women, the sprays are a classic case of adding injury to insult.

One part of the feminine hygiene deodorant story that has not been explained is the federal government's role. For nearly two years, a combination of weak laws and timid administrators has kept the government from taking the steps necessary to protect the public. The latest installment in this continuing story came in February, 1973, when the Food and Drug Administration (FDA) failed to issue long-expected regulations for the sprays and gave no clue to its next step.

Feminine hygiene sprays are not, as their name might imply, related in any way to health; their only function is to guard against "vaginal odor." That such an odor exists has long been known, but that it is anything but normal was hardly suspected before 1966, when the first of these deodorants hit the U.S. market. The sprays usually contain alcohol, scent, an antibacterial (until recently, the now-banned hexachlorophene), and an aerosol propellant.

The medical world is generally skeptical of the sprays. Doctors stress that routine cleanliness is the best protection against odor; as *The Medical Letter* advised its physician-readers recently, "It is unlikely that commercial deodorant feminine hygiene sprays are as effective as soap and water in promotion of a hygienic and odor-free genital surface." For those who have an odor problem soap can't solve, the sprays may actually be a danger. Physicians point out that odors can be a sign of disease, and that by blocking normal warning signs, a too-assiduous use of deodorant could delay needed treatment.

Deodorant sprays left the pages of *Mademoiselle* and attracted government attention because of their enormous commercial success and the numbers of consumer and doctor complaints that followed. The boom began when Alberto-Culver beat its competitors to the market and introduced FDS in 1966. In short order other sprays joined it, but the real expansion did not come until 1969. Then, in a decision that was to vaginal sprays what the 21st Amendment was to brewers, the National Association of Broadcasters decided to reverse its long-standing rule against televised advertisement for "intimate products." At least 30 different brands appeared, some seeking distinction by offering "flavors." (Cupid's Quiver, for example, features raspberry, champagne, jasmine, and orange.) Sales jumped from $20 million in 1969 to $67 million in 1971. To convince women of the need for a product which didn't exist before 1966, the four leading manufacturers spent over $8 million on advertising in 1971. A prime target is the youth market. Last spring, one manufacturer offered spray samples for 25 cents to more than a million women in college. Some 209,000 of them responded.

The market fell off in 1972, mainly because hexachlorophene, an ingredient in some of the sprays, received widespread publicity as being responsible for the deaths of more than 30 babies in France. Vaginal deodorant manufacturers have now removed this toxic chemical from their formulas. (A current TV commercial actually seeks to capitalize on this turn of events by advertising that Warner-Lambert's Pristeen is now free of hexachlorophene—although the company had previously done virtually no labeling or advertising to inform the consumer that Pristeen *did* contain the chemical.) *F-D-C Reports*, a trade publication, has quoted an Alberto-Culver official as insisting that the corner has already been turned and that sales of market leader FDS will soon return to 1971 levels.

MEDICAL PROBLEMS

If this were merely a tale about the wilder fringes of the beauty industry, we might dismiss the story as one more example of how the American economy keeps people in jobs. But evidence is accumulating that vaginal sprays pose serious hazards.

The risks arise from what the sprays do to the sensitive pubic region. In the few years the products have been on the market, there has not been time to determine whether there are any long-term risks. Experts feel the most serious problems may not be apparent until the sprays have been tested over time. In any event, the short-term medical record is alarming enough. The most common reactions are itching, burning, and rashes, often leading to conditions technically known as cervicitis, cystitis, urethritis, vulvitis, and vaginitis. Once the inflammation sets in, it can be persistent; in 18 cases investigated by the government, patients required an average of 30 days to recover.

The government has a responsibility to protect the consumer from hazards like these. The agency responsible, the Food and Drug Administration, has floundered, and the story of its hesitation tells a lot about how government can fail.

Some critics point to sexism as an explanation for the government's failure to take the problem seriously. When Congress, the FDA, and the spray industry are all run by men, they ask, how can women get a fair shake? As one woman commented after a frustrating round with the FDA, the sprays won't be regulated until they are found to cause cancer of the mouth.

GYNECOLOGICAL GRUMBLINGS

The Food, Drug, and Cosmetic Act of 1938 provides the legal framework for FDA authority over the sprays. When the first vaginal deodorants reached the market in October, 1966, there was no regulation requiring that the companies notify the government of his historic event. In fact, the law does not even oblige cosmetics manufacturers to tell the FDA that they are in business, let alone what products they peddle or what ingredients the products contain. There was (and still is) no requirement that companies test cosmetics for safety before marketing them. Only if a cosmetic is adulterated or misbranded can the agency invoke legal sanctions, the most drastic being seizure of the product. But a company can challenge these sanctions in court, and the burden is on the agency to prove that the law has been violated.

From the manufacturer's point of view, there is only one complication in this permissive arrangement. Sometimes, under FDA rules, a cosmetic is not just a cosmetic, but a drug as well. If it is, then the FDA can require the product to meet the same standards as other drugs, most crucial of which are pre-marketing safety tests. The line between "cosmetics" and "drugs" is therefore important, but it is also exceedingly fine. The main test seems to be intent: the law states that a cosmetic may be a drug if it is "intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease," or "is intended to affect the structure or any function of the body."

Until the summer of 1971, the FDA called the sprays cosmetics and let it go at that. Then disturbing signs appeared. Complaints from consumers claiming injury from the sprays were arriving at a rate higher than usual for a cosmetic, and there were sustained grumblings from the medical profession. Several letters from gynecologists describing adverse reactions their patients had suffered after using the sprays appeared in medical journals. Fifteen doctors from the student health service at the University of California at Santa Barbara wrote to Virginia Knauer, President Nixon's Adviser on Consumer Affairs, urging that the sprays be withdrawn from the market.

There was also a prod from elsewhere in the government. The Federal Trade Commission (FTC), responsible for scrutinizing the product's advertisements, formally asked manufacturers to back up their advertising claims with facts. Under the FTC's admittedly cumbersome procedure, this could be a first step toward issuing complaints about deceptive advertising.

The FDA's response was to meet with industry representatives and ask them to cooperate by voluntarily furnishing the agency with information, including safety-test data. The weakness in the Food, Drug, and Cosmetic Act forced the agency to take this approach. Unlike the FTC, which has legal authority to subpoena information from industry, the FDA must rely on the manufacturer's good will.

On August 12, 1971, Gus S. Kass, vice president of Alberto-Culver, complied with the FDA's request, and several other companies sent information on consumer complaints, ingredients and testing. Warner-Lambert, however, chose not to let the agency see any data, despite ads claiming that Pristeen "has been developed out of intensive research and tested in leading hospitals under the supervision of gynecologists."

The Alberto-Culver material described tests performed on animals and humans to determine irritancy, rate of hexachlorophene absorption, and levels of hexachlorophene in the blood (as well as odor evaluations made by trained "sniffers"). But the company omitted information on how much of the spray normally penetrates to internal areas, which is surprising since millions of women had been using the product for several years.

THE RACE TO THE MARKET SHELF

The reason for this less-than-thorough testing was Alberto-Culver's determination to beat the competition to the market shelf. Warner-Lambert was actually the first company to test-market a vaginal deodorant, but Alberto-Culver won the race to national distribution, advertised heavily, and established FDS as the market leader. The competition has yet to recover.

The commercial success entailed certain sacrifices, one of which was adequate safety testing. When FDA's medical officials looked over the Alberto-Culver test data, they were not pleased. "The information contained in these studies does not contribute anything to our understanding of the injuries reported to us," wrote Dr. John Gowdy of the FDA's Bureau of Foods, in a memorandum dated November 24, 1971. Dr. Benson C. Schwartz of the agency's Bureau of Drugs concurred, reporting, "The clinical studies submitted are inadequate and not controlled."

Alberto-Culver put forward the best face it could, especially when FDS was challenged in court. When one woman sued for injuries she attributed to FDS, Alberto-Culver's Gus Kass said in a sworn answer to an interrogatory:

"To determine whether FDS was irritating under use conditions: 31 women *completed* the test over a period of five weeks. The study was conducted under the supervision of a gynecologist. The product was applied to the pubic-vaginal area either two or four times daily. Conclusion: *No* irritation or other abnormality which could be attributed to the use of FDS was observed." [Emphasis added.]

This account makes for an interesting comparison with Dr. Schwartz's description of the same study:

"*Thirty-two* human subjects were started on an uncontrolled study in which each patient was examined by a physician and then given a can of FDS to use either two times a day or four times a day depending on her preference. Each patient was then examined at intervals for signs of irritation or erythema. No smears or cultures were made. Patients were not restricted as to other medications and douches. *One patient dropped out,* leaving 31 subjects. The patient that dropped out did so *because of irritation on the right inner thigh which became progressively worse,* forcing her to drop out of the study after two weeks.

"Comment: The company states they found no irritation or other abnormalities which could be attributed to the use of their product. Upon a careful review of each clinical report form is read, the bias of the showed signs of symptoms of irritation or erythema. *This would give a reaction rate of just under 25 per cent.* Furthermore, if each clinical report form is read, the bias of the examining nurse becomes very obvious as she belittles every possible finding—attempting to blame it on anything but the feminine hygiene deodorant spray." [Emphasis added.]

Recent attempts by public interest advocates to investigate test data sent in by Alberto-Culver and the other companies provoked a flurry of evasive, often contradictory responses at FDA and one unusual result. Shortly after the first request for disclosure, the Alberto-Culver test data was mysteriously and "inadvertently" sent back to the company.

LET THE SPRAYER BEWARE

Between these less-than-reassuring tests and the growing pile of complaints, the FDA was being pushed to act. Internal FDA memoranda prepared by scientists in the Bureau of Foods and the Bureau of Drugs during October, 1971, spelled out the dimensions of the safety problem: four manufacturers admitted receiving 383 complaints, physicians reported approximately 30 injuries, and the FDA received 18 complaints directly from consumers.

The usual reported adverse-reaction rate for cosmetics is one per million units sold. On the basis of the above figures, the rate for vaginal deodorants was running about 10 times higher.

With these facts in hand, the FDA had to confront the problem of what action to take. In typical bureaucratic fashion, its response was to hedge.

What happened within the Bureau of Foods illustrates how promptly regulatory proposals can be watered down as they pass through the pipeline. In an "action memorandum" dated October 19, 1971, a medical official in the Bureau argued for a ban on the sprays:

"I would suggest that products intended to prevent the development of skin odor in the external perineal [genital] area and dispensed from pressurized containers be considered hazardous per se and may not be offered for sale in interstate commerce unless adequate evidence is presented to the FDA that the are safe under reasonable conditions of use. Since no product presently on the market meets these conditions, they should all be recalled and it would be incumbent on those who propose to market such products to determine the offending ingredient or ingredients and take such corrective measures as might be indicated to make the product safe."

This drastic proposal must have horrified his superiors, for on the same day, the office of the acting director issued an action memorandum repeating the earlier memo verbatim, but deleting the recall provision and changing the conclusion to find that the sprays "may be hazardous." This left the Bureau of Foods committed to the requirement of warning labels which the first October 19 memo had proposed as "a less Draconian approach."

Meanwhile, the Bureau of Drugs was also studying the problem and suggesting regulatory approaches. An August 4, 1971, memorandum argued that vaginal deodorants were mislabeled and hence subject to recall:

"The claims made for the product are misleading in that: they imply that one spray will prevent odor all day; they state that the product(s) have been tested by gynecologist(s)—an implied claim of medical efficacy; they state that the product "stops" odor before it starts," implying prophylactic benefit; they state that the product "keeps you fresh all day every day," implying a change in body function or condition; they imply medical benefit in pathologic vaginal problems which are odiferous and should be treated by a physician . . . Moreover, in permitting these products to masquerade as cosmetics, we presently allow them to be sold with labeling that is false and misleading, lacking adequate precautionary statements and instructions for use."

SIMMONS ON SENSITIVITY

A subsequent Bureau of Drugs memo added the point that the terms "hygiene" and "deodorant" are misleading "as they [the sprays] in no way promote hygiene (either cleanliness or health) nor are these products proven or accepted deodorants in this area." But, instead of pursuing this line (which would have acknowledged the Bureau of Foods' jurisdiction over the sprays as cosmetics), the Bureau of Drugs pressed for an agency finding that sprays containing hexachlorophene were drugs. The memo of October 4 spelled out the reasons:

"1. *The nature of the use* . . . They are intended to be sprayed on and around the perineal area . . . and quite likely in the vaginal area . . .

"2. *The nature of hexachlorophene* . . . It kills bacteria [whose] . . . balance is in fact important to body function . . . Products which alter bodily function are considered to be drugs.

"3. *Recent serious challenges to the safety of hexachlorophene* . . .

"4. *The possibility of masking the need for medical treatment* . . ."

Dr. Henry E. Simmons, director of the Bureau of Drugs, spelled this out in more elegant form in an action memorandum dated October 29, 1971:

"The vulva and vagina represent areas of the body that are in a constant state of change. Marked variation occur daily, hourly, and even momentarily under the influence of hormonal stimulation, sexual stimulation, pregnancy, and normal aging.

"From a psychological standpoint, a physical standpoint, a cultural standpoint, and a sexual standpoint it would be an understatement to call this a sensitive area."

This was sound medical judgment and plain common sense. Moreover, it led to the inescapable conclusion that vaginal deodorants ought to remain out of the hands of consumers until the manufacturers proved their safety with valid data obtained through sound testing procedures. In other words, the products *should* be regulated as drugs. Whether they *could* be classified as drugs under existing law and its interpretation by the FDA and courts was another matter.

In a September 29, 1971 memo to a medical officer in the Bureau of Drugs, the FDA's newly appointed legal counsel Peter Barton Hutt gave his opinion of how the law had been construed: "Antibacterial agents [such as hexachlorophene] in deordorants are not intended to affect a bodily function or prevent disease, but only to promote attractiveness." He added that "a representation that a product contains hexachlorophene may well be sufficient to classify it as a drug claim," but warned that the threat of such a classification would merely induce manufacturers to stop making the claim.

A paper Hutt delivered while a partner in a Washington law firm and general counsel to the cosmetics industry's trade association spelled out the fine distinction the FDA had drawn between a "product that absorbs perspiration or masks its odor, or prevents odor by germicidal or bacteriostatic agents that act upon odor-producing bacteria" (a cosmetic) and a "product designed to reduce perspiration odor by reducing the perspiration itself, through a change in the sweat glands" (a drug).

SLOW DOWN, DON'T MOVE TOO FAST

So near the end of 1971 the FDA was stewing busily, but a firm policy decision on the sprays was never reached. Instead, the agency began to move against hexachlorophene because of increasing evidence that the chemical was unsafe. Since most of the sprays contained hexachlorophene, some officials felt that reducing the amount of the chemical might solve the spray problem. This was at best a partial solution, since neither the FDA nor the companies had yet discovered which ingredient actually caused the irritation. In fact, some of the sprays without hexachlorophene caused as many complaints as the rest.

One approach the FDA took was to urge manufacturers to remove hexachlorophene from the sprays voluntarily. On November 10, 1971, FDA press officer John T. Walden said the agency acted because the chemical was not only potentially harmful but unnecessary. "There is no medical justification for [hexachlorophene] in feminine hygiene deodorant sprays," Walden said. Every ready to pick up the gauntlet, Alberto-Culver President Leonard Lavin immediately sent an angry telegram to HEW Secretary Elliot Richardson and FDA Commissioner Dr. Charles C. Edwards demanding that Walden be fired and claiming that Alberto-Culver had "voluntarily submitted to the FDA scientific findings which completely refute Walden's irresponsible statements." The next day Lavin flew to Washington to meet with Dr. Edwards and repeat his demand. The Commissioner didn't sack Walden, but that wasn't Lavin's real objective. He was out to silence the FDA, and he seemed to succeed, for at the conclusion of the meeting, Dr. Edwards promised he would have no comments for reporters concerning the status of the sprays.

On January 7, 1972, the FDA made its first move, publishing a proposed regulation which, if adopted, would have limited the amount of hexachlorophene in drugs and cosmetics. The use of the chemical in cosmetics could continue only if it served as a "preservative" rather than an active ingredient, at a concentration no higher than 0.1 per cent—and only if manufacturers could not find an alternative preservative. Interested parties were given 60 days to comment.

The FDA never explained the basis for its "preservative" loophole. There was no doubt that the companies were using hexachlorophene as an active ingredient in vaginal deodorants; under this ruling, they could keep on using the toxic chemical in the same amounts as before, calling it a "preservative."

The period for comment expired on March 8, and the usual bureaucratic delay settled over the issue. It took the deaths of 30 babies in France from talcum powder containing hexachlorophene to jar the agency into decisive action. On September 27 the FDA promulgated its final restrictions on the use of hexachlorophene in drugs. The new order retained the preservative loophole and the 0.1-percent limit, but, in response to a written comment submitted by the author and one of his students, it also incorporated a requirement that calculations of the hexachlorophene content in aerosol products be made exclusive of the propellant. A letter from an FDA medical officer in *The New England Journal of Medicine* said "evaporation of the propellant may raise the concentration of hexachlorophene to as high as 95 per cent on the skin immediately after application."

The morning the order was published, industry representatives rushed to the agency and met with FDA compliance officers to argue that the propellant should be included in the hexachlorophene level measurement. The industry, which had already planned to remove hexachlorophene from its sprays, was concerned because the ban would prevent it from selling existing stock. The encounter lasted all of 10 minutes. No FDA scientific personnel attended. That afternoon, following a conference with Peter Hutt, a decision was made to accept the industry position—demonstrating that the agency doesn't always act slowly.

Representatives of women's, labor, and consumer groups met with Dr. Edwards to protest the FDA's decision. Though Dr. Edwards refused to budge on the measurement issue, the FDA did modify its final regulation to ban the use of any hexachlorophene in cosmetics which might come in contact with mucous membranes.

A GAME OF CHARADES

At the same time, an article in the October, 1972, issue of *Ms.* told readers that Bureau of Foods chief Robert M. Shaffner had predicted that by the time the article was published, the FDA would have issued a regulation requiring warning labels for the sprays.

On October 20, an advisory committee of obstetricians and gynecologists set up to counsel the FDA voted its opinion that the sprays should be considered drugs and that there is inadequate evidence of their safety and some presumptive evidence that they are unsafe.

The agency seemed to be regaining momentum. In late January, 1973, word leaked out that the FDA was on the verge of requiring warnings on spray labels, so that an intelligent consumer would think twice about using a vaginal deodorant.

But in less than two weeks the regulations had once again been delayed indefinitely. Despite all the internal memos and valiant efforts of medical officers within the agency, the FDA persisted in being soft on the manufacturers. The companies can continue to use the word "hygiene" on labels, misleading though it may be; they do not have to warn users to seek medical help if certain symptoms appear; they do not have to give directions that would insure that the sprays are not applied with excessive force (or at too close a range) and in such a way that the ingredients will not reach the vaginal orifice.

While failing to come to grips with the problem of vaginal deodorants, the FDA adopted an elaborate scheme of "voluntary regulations" drawn up by the cosmetics industry to create the impression of adequate self-regulation in order to obscure the need for new legislation. Instead of asking for legislation to strengthen its inadequate laws, or using what powers it could to regulate the hazardous, poorly tested sprays, the FDA has continued to cooperate with the industry in delaying reform.

When reluctant regulators administer toothless laws, the result is a charade at the public's expense. It may be a while before a better illustration of this truism comes along. Congress, by failing even to hold hearings on the subject, has long demonstrated its indifference to cosmetics regulation. Whether the saga of the sprays will ruffle this blanket of neglect remains to be seen.

Meanwhile, the FDA has begun to receive complaints of adverse reactions to a deodorant tampon, and has met with the manufacturer to ask politely for a list of ingredients and safety-test data. And so it goes.

Mr. EAGLETON. Mr. President, in my judgment, these two examples of the lack of adequate consumer protection afforded by just this one Federal agency point to the crying need for a Consumer Protection Agency.

A Consumer Protection Agency should redress the balance between industry and consumers, making the decisionmaking process in regulatory agencies a truly adversarial one. The CPA would have the staff to fully participate in proceedings affecting consumers. It would have the right to be notified that these proceedings are taking place. It would have the right to information relating to these proceedings, whether the information was in the hands of other federal agencies or industry. It would have the authority to conduct its own investigations of issues of substantial importance to consumers, and it could use this information as the basis for requests that regulatory agencies take corrective action.

Unless this bill is approved by the Senate and a Consumer Protection Agency established, we can only look forward to longer lists of Mennen E and feminine sprays situations, and the health and safety of consumers will still remain largely a hit and miss game.

LARGE NUMBER OF MIA'S STILL TO BE ACCOUNTED FOR

Mr. PACKWOOD. Mr. President, earlier this year I spoke of Lt. Robert Brett, Jr., an Oregonian who was lost over Laos in late 1972. He is listed by the U.S. Air Force as missing in action in Indochina. Over a year and a half after the signing of the Paris Peace Agreement, Lieutenant Brett is one of the large number of MIA's still to be accounted for.

During the July congressional recess, Congressman MONTGOMERY of Mississippi went to Southeast Asia specifically to make inquiries concerning the efforts to account for the MIA's. Upon his return, he very generously made his findings available to all Congressmen and Senators. One portion of his remarks particularly struck me and I would like to quote it here. He stated that—

> Any mention of Southeast Asia in the Congressional Record is read by the Communists. They were quite disturbed by the Huber-Zablocki resolution (H. Con. Res. 271), which passed 374-0. The North Vietnamese and Viet Cong sometimes receive information from the Record before our own members of the Four Party Joint Military Team in Saigon.

Mr. President, for the benefit of those North Vietnamese and Vietcong who are reading this RECORD, I would like to restate the resolve of the American people and this Senator that there must be a full accounting for the missing in action.

For too long, for too many years, this Nation was at war in Southeast Asia. We paid an enormous price, as did all peoples, all nations involved in that terrible conflict. And, while the war may have at last ended, and while thousands of our troops have been withdrawn, there is still no peace. And there will be no peace until all of our men have been accounted for.

We ask for nothing more than common decency, Mr. President. We do not wish to intrude, we do not wish to linger any longer than we must. All we want is what is ours. All we require is knowledge—information which will finally provide relief to the thousands of families that have worried for too long. Their lives must not be consumed by anguish any longer. The real tragedy is that the answer could be provided so simply. In search of our lost sons, husbands, and brothers, again and again we ask why can not the Communists find the decency to end this needless sorrow?

Mr. President, this question should be on the lips of every legislator, every decisionmaker in this country. It should weigh heavily on the conscience of the world, just as it does on the hearts of so many Oregonians. This concern is particularly evidenced in the articles that I ask unanimous consent to have printed in the RECORD. They are poignant examples of why we must redouble our efforts in accounting for our MIA's, for Lieutenant Brett, and our lost legion of men.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Klamath Falls (Oreg.) Herald and News, June 30, 1974]

MIA: A BITTER PILL TO SWALLOW

(By Lee Juillerat)

Some days are OK, others rougher.

Nothing's been the same for Bob and Florence Brett the past 21 months. Not since their son, Robert Jr., "Lefty," disappeared over hostile Laos skies on Sept. 28, 1972, while flying a secret mission in a controversial F-111 fighter-bomber.

Since being informed Lefty was missing in action, the Bretts have been waging a continuous battle for information on their son.

The fight has taken the senior Brett away from Klamath Falls and across country to many countless meetings, spinning into an endless spiral of frustration.

The latest effort started Friday and continues through Monday afternoon as the Bretts joined hundreds of others with similar frustrations at the annual meeting of the National League of Families of American Prisoners and Missing in Southeast Asia in Omaha, Neb.

"It's one of the few organizations that was formed to go out of business, but we're still in it," frowned Brett. He's a league director.

Purpose of the meeting will be to devise ways and means to get the American public concerned enough about the 1,100 men who are still prisoners of war or missing in action.

"If the American public allows the administration to write these men off, and as each day passes it becomes more and more evident this is the administration's policy, then I feel it is a national tragedy, a national shame, that each citizen will have to bear the responsibility for," believes Brett.

BITTER PILL

A man of opinions, the retired Air Force colonel's feelings and thoughts have hardened since his son's disappearance. It's been a bitter pill to swallow.

"I fully realize the country would like to forget the Vietnam war. But these are troubled times and some days in the future our young men will again be called upon to make sacrifices in the national interest.

"But, despite my 31 years of active military service through three wars, including a tour of Vietnam, the United States will never get another son of ours if this nation can so shamefully abandon our son."

Speaking slowly, carefully, the 52-year-old Brett is pessimistic about the future.

"Any thinking parent may well question sacrificing a son for a political decision while knowing full well he may also be abandoned by the very men who should be most concerned about their ultimate fate.

"I feel very strongly there is a lack of moral, courageous leadership in both the administration and Congress. It becomes more evident to we POW-MIA families from the tragedy of Korea, when the United States of America shamefully abandoned 389 known prisoners of war through an administrative decision of issuing presumptive findings of death which wrote these men off.

"If America allows this tragedy to be repeated in Southeast Asia, then fathers and mothers who take time to read this may very well feel the same frustration and agonies being faced by my wife, myself, our daughter-in-law, Patrice, and their daughter, Camille."

The hurt bites hard and in strange ways.

20 YEARS OF HOPE

Brett still recalls with wonder a telephone call from a mother of another POW-MIA. Her son is one of those 389 nonaccounted for Korean war veterans. It's been about 20 years, but she still clings to fragile hope.

"Our family knows there is a very good possibility that Lefty may be dead. But there is also the very strong possibility that he is still alive," Brett noted, remembering a British Broadcasting Corp. (BBC) monitored report from Laos in which Communists announced the capture of two American pilots in late September, 1972.

"Since we as a nation pride ourselves in the dignity of man and the rights of the individual, we feel very deeply we have a right to know what has happened to our son, Patrice's husband and Cami's father."

Since withdrawal of American troops and return of 591 Vietnam POWs, the effort to erase the memory of the bitter war has helped keep the plight of those still missing out of the national news media, believes Brett.

"I'm still frustrated, bitterly disappointed in the national news media that is more interested in getting rid of Nixon than they are in the plight of the families and the men. And I am appalled at the lack of moral courage on the part of Congress to come to grips with the issue."

One of Brett's sourest disappointments stems from congressional concern over Russian Jews. A bill by Washington Sen. Henry Jackson, which Brett views as a political attempt "making a pitch for the ethnic vote," has drawn 70 Senate co-sponsors.

WHERE ARE VALUES?

"On the other hand, you have Sen. Gurney from Florida who has proposed an amendment to the trade reform bill which would ban favored trade status for Russia and deny economic aid to Communist bloc countries until such time as any remaining POWs are released and the MIA's accounted for. Sen. Gurney's bill has 11 cosponsors. As a father of an MIA, I wonder where senses of values are at."

What's needed, according to Brett, is enough public pressure through letters to legislators that the 1,100 men become a national issue.

"There have been thousands of words entered in the Congressional Record pertaining to the POW-MIA issue. Unfortunately, Hanoi does not read the Congressional Record," Brett frowned.

Congressional leaders once so vocal about ending the Vietnam war have been silent about the unaccounted-for victims. Letters may promise assurances but the spoken word does not.

In his director's post, Brett helps keep the league moving. Trips to Washington, a visit with Dr. Henry Kissinger, endless telephone calls and letters haven't produced much. And nothing's really accomplished until the fate—one way or another—of Lefty and the others is known.

"It's not just a father and mother wanting to know about a son, but a wife and a daughter, too."

Looking at a picture of Lefty's 2-year-old daughter Camille, a girl Lefty hasn't known, Brett knows there's another reason, too.

"Look at that little girl and say she doesn't have a right to know what's happened to her father."

[From the Oregon Journal, June 3, 1974]

Time Stands Still for Waiting Wives Like Patrice Brett

(By Norm Maves, Jr.)

Yes, only we who wait can ever know
What it must mean to send the one most dear
Aloft; and then through endless hours to pray,
"God, bring him safely home again today."
—We Who Wait (Author Unknown)

CORVALLIS.—"Today" hasn't come yet for Patrice Brett. It has been cruelly suspended in a time bubble for nearly 20 months.

Only when Robert Arthur Brett Jr. comes home from Vietnam, or, as the possibility remains, is accounted for in another way, will time begin to run again as it did on Sept. 29, 1972.

That was the day, at Nellis Air Force Base near Las Vegas, that Patrice found out her husband was reported missing in action in Vietnam.

"I remember it all so well," says Patrice who lives now in Corvallis with her 2-year-old daughter, Camille. "It's not something I like to talk about, but sometimes I have to.

"Lefty had left the previous Sunday ahead of the rest of his squadron for some special reason, and I was getting Cami ready to go see the rest of the squadron off. It was 8:45 in the morning on a Friday.

"I stooped down to pick her up, and the window shade was up just enough to see a staff car pull up with three men in it. That's when the first gut feeling hit me, and my first thought was that I hoped that they had the wrong house.

"Of course, they didn't. There was a priest, a doctor, and a colonel, and they looked nervous. When I opened the door and saw them, my first words were, 'Oh, no.'

"I thought he was dead; it didn't occur to me that they were there to tell me that he was missing in action—I didn't even know what it was at the time. I was actually a little relieved at first when they told me that he was 'just' missing. I didn't break down until much later, when the initial shock wore off."

The night before at 9:05 p.m. (Vietnam time runs some 12 hours ahead of Las Vegas time), Lt. Lefty Brett, 26, a likeable kid from Corvallis, took off as the copilot of an F-111 with Lt. Col. William C. Coltman for a night mission into North Vietnam from their Thailand base.

At 9:47 p.m., the two checked in and indicated that they were initiating TFR (terrain-following radar) flight status prior to their strike. No one has since heard either man's voice.

A BBC monitoring station reported shortly thereafter that a North Vietnamese radio station indicated that two American planes, one an F-111, had been shot down and the crews captured. There was no identification of the crews.

That was one year and eight months ago. Since then, several things have happened that weigh heavily on the fate of Lefty Brett—the American military involvement in Southeast Asia has terminated, most of the prisoners of war are accounted for, and the United States has turned its focus inward, to Watergate.

What, then, remains of the MIAs? Why are they not yet accounted for? The situation is complex, and according to Lefty's father, retired Lt. Col. Bob Brett of Klamath Falls, it involves some harsh realities of American politics.

"All of these 'great humanitarians,'" he said in his home recently, "who were so anti-Vietnam when it was going on are strangely silent today, yet they were in the forefront of the prisoner exchange issue in this recent Middle East incident.

"The only conclusion that I can draw is that since the MIA issue is so thorny, and since the MIA families don't have the ethnic vote bloc or are major contributors to the party, these 'great humanitarians' have not had the moral courage to face the issue. The same Congress that sent the men off to fight the war has turned its back on these men and their families."

Patrice Brett, however, is not the inveterate fighter Bob Brett is. She is quiet and likes her privacy; it is with much discomfort, but also with singular devotion, that she seeks the publicity for her husband's plight.

"I manage to keep active," she says. "I take some classes at Oregon State (she was graduated in English in 1969), see a lot of friends, work on my garden and do a million other things besides what I do for the National League of Families."

So day after day Patrice and Cami Brett try to live as normal an existence as is possible under the circumstances. Money is no problem: They draw all of Lefty's pay allowances, which includes his flight, combat and hazardous duty pay.

Cami Brett turned 2 in January and is a blonde likeness of her father. "She's growing up to be pretty independent," says her mother with a smile. "She is aware that other children have fathers, but has no concept of her own.

"Already we're pretty close. She identifies the two of us as a unit—it's always 'Mommy-Cami this' and 'Mommy-Cami that.'

"I know that she needs her father, though, and it hurts that she can't have him right now. It hurts each day at 5:30 when my friends' husbands come home to their wives and children. I still have a hard time realizing that mine won't be coming home each night like the others."

The situation has created a whole new life for her, one that includes fear, depression and confusion. But she does find comfort in knowing that there are others like her.

"I have gone through several different stages since the initial shock wore off," she admits candidly. "First, I couldn't accept the reality of the situation. Then it was 'why me?' and for a fleeting instant there was the suicide notion, if you can believe that. It's not new.

"I found that out last July, when I went to a retreat for wives at Snow Mountain Ranch just outside of Denver. It was sponsored by a Christian group called High Flight—a great group of people, by the way—and it was 'good therapy' just to get together with the others and discuss our experiences.

"Surprisingly, they were all similar. Most of the others had the same suicide moment that I had—it was quick, but it was there. Of course, I'd never do it—my hope is still too strong—but I read somewhere about the wife of a POW who did kill herself. And her husband came back."

Patrice is perceptive enough to pinpoint the things that keep her hopes up and keep her calm despite the anguish. It is a simple formula, and she doesn't make any pretense of being the courageous martyr who has sacrificed to the limit.

"I'm not as strong and brave as a lot of people would like to think that I am. It's a stereotype that sometimes develops, but it doesn't apply to me.

"I look at it, basically, as something that you can live with or flick in. That, then, is a choice that really leaves no other choice. I can't look at Cami and feel sorry for myself.

"I have to think of her, and it brings to mind things that scare me. If I am to make the best possible home for her, it means that sometime in the vague, vague future I might have to consider remarrying.

"But when? I can't possibly picture myself with any other man but Lefty because I love him so much. I can't foresee my feelings on that issue changing, not ever. But when I think of Cami like I should, it starts pulling on both sides. It's something that I may have to face sooner or later, but it mixes me up right now."

It is one of many things that confuse Patrice right now. She is neither a wife nor a widow because her husband is neither dead nor alive; she is trapped in a time skip that leaves her wondering when she should face an unreal reality, pick up the pieces and start over again.

Patrice Brett is just as fragile as her father-in-law is forceful. Her way of contributing to the campaign is to correspond, to attend meetings and to spread the word about things like Amendment 1194 to the Trade Reform Act, one clause of which dictates that no country can receive American aid until it has expressed "official indignation" about the lack of compliance with the prisoner clauses of the cease-fire agreement.

"Most Americans remain ignorant of what's going on in respect to the MIAs," she says with a hint of frustration. "The war is over, and most of them want to forget it, so there are a lot of times when I just want to throw my hands in the air and say:

"Doesn't anybody out there care any more?"

[From the Eugene (Oreg.) Register-Guard, June 16, 1974]

MIA Family Waits, Hopes

(By Joanne York)

CORVALLIS.—For most of us, the Vietnam war, like some lousy summer job, is over. We've put it out of our minds.

But for Patrice Brett the war drags on and on.

It's there 24 hours a day. From the time the alarm goes off, throughout the day as she watches her 2½-year-old daughter Camille and into the night when the lights are out and she's in bed alone.

Capt. Robert Arthur Brett, Jr., is missing in action. "Lefty" vanished over Laos and is one of about 1,000—29 of whom are Oregonians—who are not accounted for by the military. The Vietnam war officially ended a little more than a year ago.

According to Mrs. Brett, it's difficult not to feel bitter or depressed or confused sometimes—especially she says, since the public acts like it doesn't care whether the fate of the MIAs is ever known.

Mrs. Brett, a delicate blonde with high cheek bones and quiet mannerisms, clings to a fragile (or is it strong?) strand of hope that her husband is alive.

As she tells it:

Brett, then a lieutenant, simply "disappeared" on a flight 20 months ago.

"It's something I don't like to talk about, but sometimes I have to," said Mrs. Brett as she settled into the sofa in her comfortable living room.

As an MIA wife, Mrs. Brett feels committed to speak out about the men who are missing. Yet, as a very private person she recoils at the thought of putting herself before the public.

Nevertheless, she is active on a statewide level as a speaker for MIA causes and once appeared before Gov. Tom McCall to bring him up to date on the MIA situation.

Lefty Brett took off about a week ahead of the rest of his squadron from Nellis Air Force Base near Las Vegas. His destination, Indochina. He was five days out and on his first mission when he vanished.

"I hadn't even made the psychological separation in my mind," Mrs. Brett said calmly. "In my own mind, he wasn't even gone yet."

Brett took off as co-pilot on an F–111 (the controversial Air Force fighter plane that was temporarily grounded) with Lt. Col. William C. Coltman for a night mission into North Vietnam on Sept. 29, 1972. The two checked in at 9:47 p.m. and indicated they were initiating "terrain-following radar" flight status prior to their strike.

What happened next is anyone's guess. No one—at least on the American side of the war effort—has heard from either man since.

Coltman was one of the original test pilots for the F–111s and Lefty was the top flight pilot in his class.

He and Patrice were Air Force brats and they are both one of five children. They are steeped in military tradition and yet as Patrice tells it none of that made it easier for her to accept the fact that Lefty was gone.

"But, I have to give him every chance," she said. "I don't know that he's alive, but there's no confirmation from Hanoi that he's dead either. . . ." Her voice trailed off.

What makes Mrs. Brett cling to that strand of hope is a BBC monitoring station report that came shortly after Lefty's disappearance. The station reported that a North Vietnamese radio station indicated two American planes, one an F–111, had been shot down and their crews captured. None of the men was identified.

According to a March-April issue of Veteran's News, some 300 Americans are missing over Laos. None has been accounted for by Hanoi, the paper said.

While Mrs. Brett has had to struggle daily with the question is her husband alive or dead, she has tried to create a stable and secure life for Cami.

They moved away from Nellis, "because I couldn't stand the thought of seeing all those men he knew come back without Lefty" and returned to Corvallis.

After living in a duplex for a while, Mrs. Brett decided to buy a house and took out a Veteran's Administration loan to do it.

"I sure hope Lefty likes this place because it's the only VA loan we can get," she said, looking around the comfortable three-bedroom home on a quiet, secluded street in northwest Corvallis.

She was able to make the decision because her husband left her power of attorney. Right now, money is no problem. She draws Lefty's pay allowance, which includes flight pay, combat pay and hazardous duty pay.

Mrs. Brett, a former elementary school teacher has spent the last year being mother and father to Cami. She has also spent time furnishing her home, gardening, taking pottery classes, learning macrame, bowling and being involved in county extension. "Anything to keep busy," she explained.

Her relationship with Cami is close. "She knows that other children have fathers, but she doesn't have a concept of her own," Mrs. Brett admitted.

Although Mrs. Brett said she'd rather be living in Corvallis "than anywhere else," staying in the suburbs isn't all it could be. The neighborhood is geared to young marrieds and the 27-year-old Mrs. Brett is neither widowed nor single.

"I sometimes hurt inside when I see the husbands coming home at dinnertime," she admitted. "But, I'd rather be here than back at Nellis or somewhere else. I like Corvallis. And I want Cami to have every opportunity to live like other children."

For the passerby there are visible signs that Mrs. Brett isn't quite like the neighbors. They are the two red, white and blue MIA stickers on the garage door which read: "MIA: Missing or captured. Only Hanoi knows."

Lefty's father, Ret. Lt. Col. Robert Brett of Klamath Falls also is active in MIA affairs and serves on the national board of the League of Families, working to find out what happened to the MIAs.

For Patrice, being an MIA wife has meant having to live with fear, depression and confusion. It has meant being once tempted to commit suicide.

"I have gone through several different stages since the initial shock wore off," she said candidly. "First, I couldn't accept the reality of the situation. Then it was 'why me?' And for a fleeting instant there was the suicide notion, if you can believe that."

Mrs. Brett said she later learned when she went to a retreat for MIA wives that most of the other wives had the same thought of suicide.

"It was quick, but it was there. Of course, I'd never do it—my hope is still too strong—but I read about the wife of a POW who did kill herself. And her husband came back."

Mrs. Brett doesn't consider herself brave or a martyr. She appears to be a stable person who is attempting to make the best of an agonizing situation. "Unfortunately, there are times when I wish I could flip out," she said.

"But, then I get these visions that Lefty's going to walk through that door . . ."

Her father-in-law has a similar reaction. "I just keep thinking that he's going to walk in here with that silly little grin of his and wonder what all the hassle is about," he said.

Mrs. Brett consented to an interview for one very strong reason. "What we need and what the League of Families is doing is trying to get public support for putting pressure on Hanoi to cooperate in the search for our missing men," she said.

"We want the public to know that there is still a problem. One thousand men haven't been accounted for."

There is one thing Patrice Brett is thankful for.

"Ever since he was old enough to set goals, Lefty wanted to fly and fight. That's all there was, flying and fighting," she said. "He did what he wanted to do and I have to be happy for that."

That consolation may make things somewhat more tolerable for Mrs. Brett. But, in the meantime, she also sits and wonders why Americans seemingly, don't care what happened to Lefty Brett and the rest of the MIAs.

INFLATION AND THE PLIGHT OF OLDER AMERICANS

Mr. MONTOYA. Mr. President, today inflation is injuring many Americans. However, no single group in America is more in danger from the assault of inflation than those older Americans who must live on fixed incomes, on pensions, and on social security payments. Only 1 in 5 persons age 65 and older in 1973 recorded sufficient taxable income to have paid income tax. Almost 25 percent of all Americans over 65 years of age live in poverty. The median income for a two-person aged household is $5,487 a year, a very small figure when one thinks about the cost of food and shelter in America today.

The Congress has and is continuing to address this problem through legislative action. But today I would like to inform my colleagues about an effort being made in Albuquerque, N. Mex., by senior citizens themselves. The most recent News Bulletin of the American Association of Retired Persons has reported on a job-placement project started by chapter 1364 of their organization in Albuquerque-Duke City.

I wish to commend these experienced adults for their innovative and courageous effort to help themselves and to help others and at the same time to provide valuable service to their community.

Mr. President, I ask unanimous consent that the article from AARP News Bulletin be printed in the Record following my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From AARP News Bulletin,
July–August 1974]

Albuquerque Elderly Find Jobs as "Rent-a-Granny"—or "Grandpa"

Albuquerque, N. Mex.—Employers seeking mature temporary or part-time workers here can "Rent-A-Granny" or "Rent-A-Grandpa" through a unique job placement project launched by Albuquerque-Duke City AARP Chapter 1364.

With funding provided in 1973 by the U.S. Department of Labor, the City of Albuquerque and Bernalillo County, the chapter project offers a wide variety of employment opportunities for men and women 55 and older. Full-time, part-time and temporary jobs are available to those who qualify, said Mrs. Anne Beckman, director of the project. Mrs. Beckman interviews prospective job candidates, who fill out applications to help the agency determine a match for their qualifications and background.

According to Mrs. Beckman, the program has met enthusiastic response from the area's employers. In one recent month, the service placed 226 candidates, who handled such chores as child care, housekeeping, painting, home repairs, nursing, sewing, accounting, bookkeeping, sales, data processing, switchboards, chauffering and general store work.

"Rent-a-Granny" and "Rent-a-Grandpa" have produced more than $80,000 in earnings for part-time employees, and about $50,000 for those holding down full-time jobs. The amount of wages is determined by employers. "We just try to match the right person with the right job," Mrs. Beckman explained.

Mrs. Beckman also pointed out that training is provided to those who need to develop a skill—such as a person who wants to do accounting, but does not have the required skills to perform this assignment. Retired persons with expertise in the required fields offer free training and counseling to job candidates.

The program has a long list of successful full-time employees, who obtained positions through the employment service. Some examples: Helen Canfield, nurse; Mary Lunsford, live-in companion; Robert Rimbert, live-in orderly; Ethel Anderson, nurse; Charles Robinson, home maintenance and repair service; and Charles Schwab, information clerk.

Since June of 1973, more than 2,500 persons have found some type of employment through the agency, Mrs. Beckman said.

"The No. 1 objective of the Duke City Chapter is being fulfilled by offering community services to all people over 55," she added.

RESOLUTIONS BY THE MIDWEST GOVERNORS' CONFERENCE

Mr. HUMPHREY. Mr. President, I bring to the attention of the Senate a resolution adopted at the Midwest Governors' Conference held in Minneapolis, Minn., from July 28 through 31. The resolution was offered by Gov. James Exon of the State of Nebraska. It was unanimously approved by the Governors in attendance: Governors Exon of Nebraska, Gilligan of Ohio, Walker of Illinois, Milliken of Michigan, Link of North Dakota, Anderson of Minnesota, Lucey of Wisconsin, Kneip of South Dakota, Ray of Iowa, Bond of Missouri, Bowen of Indiana, and Docking of Kansas.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON DISASTER PAYMENTS

Whereas food production and the need for adequate food reserves are not only an opportunity but an obligation of the midwest states, and

Whereas the interest of all the people are best served by sound agricultural policies which will guarantee adequate food supplies at reasonable prices, and

Whereas present drought conditions prevailing in many of our states are threatening the stability of our food producing plant, and

Whereas we find that certain parts of the present Farm Act wanting in some areas,

Therefore, be it resolved by the members of the Midwestern Governors' Conference:

1. That the target prices for wheat and feed grains for the 1974 crop be increased by incorporating the escalator provisions in the Act immediately to meet the increased cost of farm operations and to provide a more realistic disaster payment to our farmers threatened with disaster.

2. That action be taken now by Congress to re-establish the forgiveness provision, long a part of the emergency disaster loan of the Farmers Home Administration, to provide meaningful assistance to farmers and ranchers threatened with economic ruin as the result of natural disaster.

THE PETROLEUM SITUATION

Mr. BARTLETT. Mr. President, I would like to call to the attention of my colleagues a recent release by the Chase Manhattan Bank entitled, "The Petroleum Situation."

Briefly, the energy economics division of the Chase Manhattan Bank points out that some abnormal factors influenced the group's earnings in the first quarter of this year. For instance, the accounting procedures requiring that inventories be treated on a first-in, first-out basis has accounted for well over half of the worldwide increase in profits.

The Chase Manhattan Bank goes on to say that—

> A conservative estimate indicates that the entire increase in profits reported by the group of companies in the first quarter will not be sufficient to offset the additional cost of replacing the inventories.

Even though the devaluation of the dollar influenced the growth of profits in 1973 more than any other factor, the effect of devaluation on the first quarter profits contributed no more than 10 percent of the growth in profits.

And because devaluation occurred during the first quarter of last year, it will no longer have an impact on the growth of earnings.

Another point raised is that—

> Although the group's total capital expenditures were nearly twice as large as a year earlier, most of the increased spending was concentrated in the United States. In the first quarter of last year, the group invested 1.3 billion dollars in the United States and 1.4 billion in the rest of the world. But this year it spent 3.2 billion dollars in the United States and 1.6 billion elsewhere.

Capital expenditures in the United States were were than twice as large as profits. There has been a 146-percent increase in capital spending in the United States.

It is also significant to note that the group's direct taxes in the first quarter increased 109 percent to $10.5 billion. In addition, the group paid $7.5 billion in the form of sales taxes, excise taxes, and lease bonus payments. Therefore, the total receipts of governments amounted to $18 billion—nearly four times the $4.6 billion the group retained in net earnings.

The Chase Manhattan Bank made a most basic observation when it said—

> All the costs of doing business must be paid, of course. And, because taxes and other payments to government are among the various costs of doing business, they naturally must be reflected in the price consumers pay for all goods and services. To some degree, the net earnings of the group of petroleum companies contribute to the price consumers must pay for petroleum. But the contribution of taxes and other payments to government in the first quarter was nearly four times as great. Consumers don't know that, of course, because they're rarely told. Why they are not is a curious matter, because if they were they obviously would have a better and healthier perspective. And surely, that would be in the national interest.

Mr. President, I ask unanimous consent that a portion of the pamphlet by the Chase Manhattan Bank entitled "The Petroleum Situation" be printed in the RECORD.

There being no objection, the portion of the pamphlet was ordered to be printed in the RECORD, as follows:

PROFITS, TAXES, AND CAPITAL EXPENDITURES

Most of the petroleum companies comprising this Bank's large study group have now reported the results of their financial performance in the first quarter of this year. As expected, the group as a whole recorded large year-to-year increases in net earnings, new capital investment, and taxes paid.

Compared with a year ago, the combined profits of the group on a worldwide basis were up 111 percent. Within the United States alone the group achieved a gain of 43 percent. And in the rest of the world the increase amounted to 167 percent.

Some of the abnormal factors that influenced the group's earnings so much in 1973 continued to play a major role in the first quarter of this year. For instance, well over half of the worldwide increase in profits can be traced to accounting procedures involving inventories. Petroleum companies are required by the governments of many importing nations to carry very large inventories as a safety measure. These governments also insist that inventories be treated on a first-in, first-out basis for taxing purposes. In other words, the petroleum companies are required to apply the cost of inventories acquired months earlier to their current revenue. Under this system, radical changes in the cost of inventories—either up or down—will have a major impact upon profits.

And that is exactly what happened in the first quarter of this year. At the beginning of the year the governments of most of the world's leading petroleum producing nations dictated very large increases in the price of crude oil. As a result, the average price of crude oil in the first quarter was more than twice as high as in late 1973. And, the true market value of all oil held in storage increased as a direct consequence. Therefore, the difference between the value and the cost of the oil was much larger than usual. And, because of the accounting system the companies were required to use, that abnormally large difference caused profits to be much larger than usual too. Had the governments reduced the price of crude oil instead of raising it, the value of inventories would have declined and profits would have been depressed as a consequence.

The abnormal gain in profits is likely to be of short duration. As the lowest cost inventories are depleted they will have to be replaced with oil of much higher cost. In fact, a conservative estimate indicates that the entire increase in profits reported by the group of companies in the first quarter will not be sufficient to offset the additional cost of replacing the inventories. And it is conceivable that the group may experience a decline in profits in the near future. If that happens, it will be most interesting to see if the decline is accorded the same degree of attention as the gain in the first quarter.

In the United States the tax authorities permit the last-in, first-out method of inventory accounting. And, for the most part, the companies in the group use that procedure. If they had been allowed to utilize it outside the United States as well, the growth of their worldwide profits in the first quarter would have been less than half as large.

In 1973, the growth of profits was influenced by devaluation of the dollar more than by any other factor. But, in the first quarter of this year the effect of devaluation was much diminished. No more than 10 percent of the growth in profits can be attributed to it. Because the devaluation occurred during the first quarter last year, it will no longer have an impact on the growth of earnings for the remainder of this year.

For many years, including 1973, the group's earnings in the United States have been much too small relative to its needs for capital investment. Profits in the first quarter of this year, however, were more realistic. The 43 percent gain over a year earlier reflected for the most part changes in the price of crude oil. In August of last year the United States government imposed a so-called two tiered price system. The price of old oil was controlled but the price of newly found oil was permitted to respond to competitive market forces. Then in December of last year the government raised the controlled price of old oil by one dollar per barrel to bring it somewhat more in line with the realities of the market place. As a result of these actions, the average price of crude oil in the United States was nearly twice as high as a year earlier, although still substantially below the price of foreign oil.

Historically, there has been a consistent relationship between the group's profits and its capital expenditures—they rise and fall together. That relationship was continued in the first quarter when the rise in profits was closely matched by an increase in capital spending. But, the relationship was by no means uniform on a worldwide basis. Although, the group's total capital expenditures were nearly twice as large as a year earlier, most of the increased spending was concentrated in the United States. In the first quarter of last year, the group invested 1.3 billion dollars in the United States and 1.4 billion in the rest of the world. But this year it spent 3.2 billion dollars in the United States and 1.6 billion elsewhere.

Although the group earned only 31 percent of its worldwide profits in the United States, it nevertheless allocated as much as 66 percent of its over-all capital spending to that Nation. As as a result, its capital expenditures in the United States were fully two and a quarter times as large as its profits. That notable action by the companies clearly reflects the more realistic level of petroleum prices and also the hope that earnings will be allowed to continue to improve enough to support an adequate level of capital spending.

The 146 percent increase in capital spending in the United States was the most significant development thus far of all the efforts to increase the nation's energy supply. And, if new investment can continue to increase, the prospects for a growing supply of energy will become much brighter. Unfortunately, however, the general public is not likely to become aware of the significance of the increased capital spending simply because it lacks the shock effect to be considered newsworthy.

Another significant development likely to go virtually unnoticed is the huge increase in the amount for taxes paid by the group even though many governments—and the people they represent in theory—benefited handsomely as a result.

The group's direct taxes on the first quarter amounted to 10.5 billion dollars—109 percent more than a year earlier. In addition, governments received 7.5 billion dollars from the group in the form of sales taxes, excise taxes, and lease bonus payments. The total receipts of governments, therefore, amounted to 18 billion dollars—nearly four times the 4.5 billion dollars the group retained as net earnings in the United States alone government took in 5.9 billion dollars—more than four times the 1.4 billion dollars the group of companies earned in the United States.

All the costs of doing business must be paid, of course. And, because taxes and other payments to government are among the various costs of doing business, they naturally must be reflected in the price consumers pay for all goods and services. To some degree, the net earnings of the group of petroleum companies contribute to the price consumers must pay for petroleum. But the contribution of taxes and other payments to government in the first quarter was nearly four times as great. Consumers don't know that, of course, because they're rarely told. Why they are not is a curious matter, because if they were they obviously would have a better and healthier perspective. And, surely, that would be in the national interest.

JOHN G. WINGER.
RICHARD C. SPARLING.
RICHARD S. DOBIAS.
NORMA J. ANDERSON.

NATIONAL HOSIERY WEEK

Mr. ERVIN. Mr. President, the fourth annual National Hosiery Week will be held September 8–14, 1974, and is expected to be by far the largest such celebration to date.

National Hosiery Week is a project of the National Association of Hosiery Manufacturers and its member companies, which includes the producers of 90 percent of the Nation's hosiery and major industry suppliers.

National Hosiery Week will be celebrated by these companies as well as by thousands of retailers across the country. The retailers, including some of the Nation's largest chains, will participate with special displays and promotions of hosiery products.

The aim of National Hosiery Week is to educate the consumer to the wide variety of hosiery available to meet his or her special needs. Whether these focus on the latest fashion or are primarily functional, today's hosiery counter contains something to suit almost every situation.

To help in this educational and promotional endeavor, the National Association of Hosiery Manufacturers has provided retailers with an idea kit, including a colorful display poster, lapel badges for employees and theme ideas. The association will also be highlighting National Hosiery Week through its media contacts.

The hosiery industry is a valuable contributor to the Nation's economy. In 1973, it employed 89,800 persons in 390 companies operating 521 plants. Many of these are small businesses.

During the year, these mills produced more than 2.7 billion pairs of hosiery, including socks of all sizes and women's pantyhose and stockings. Of this total, 93.2 percent was produced in the South. North Carolina alone accounted for 46.9 percent of the total production. Other major hosiery producing States include Tennessee, South Carolina, Georgia, Pennsylvania, Alabama, and Virginia. Hosiery mills also are located in 20 other States and Puerto Rico.

A RESPONSE TO AMBASSADOR MARTIN

Mr. McGOVERN. Mr. President, there are many disturbing signs that the Nixon administration is not withdrawing from Indochina, but is instead reverting to the kind of hidden intervention which got us involved there in the first place.

The fact that the administration has proposed $3.7 billion in fiscal year 1975 Indochina foreign aid, more than it has asked for the rest of the world combined, is in and of itself a cause for alarm.

But beyond that, there have been more and more news reports indicating that U.S. personnel are playing a direct role in internal Indochinese affairs. And I think the time has come for Congress to act as decisively as possible to insure that we are not being dragged back into Indochina without our knowledge.

One of the most comprehensive surveys of American involvement in South Vietnam appeared in the New York Times of February 25, 1974, in an article authored by David Shipler. Mr. Shipler reported that U.S. personnel continue to advise Thieu's army and air force, and that without these U.S. advisers Thieu's military forces could not function; that U.S. CIA personnel were continuing to work with the South Vietnamese national police, in violation of both the Paris agreement and congressional directives; and that the U.S. Embassy in Saigon was attempting to keep the Western press from having free access to Americans working under Government contract or direct hire in South Vietnam.

Our Ambassador to South Vietnam, Mr. Graham Martin, responded to Shipler's piece with a strongly worded attack questioning Shipler's motives, as well as his facts. Mr. Martin attempted to picture Shipler as being part of some sort of a Hanoi-directed conspiracy, and I am sure that approach struck many commentators as unbalanced at the time. His refutation of Shipler's charges without supporting evidence did little to demonstrate that Shipler was wrong.

Mr. Shipler's detailed article and Mr. Martin's attack further raised my concern at the time about our continuing involvement in South Vietnam.

Recently, however, I received some further comments on this controversy from Mr. Shipler. Reading through Mr. Shipler's answer to Ambassador Martin, I find myself more than concerned. I am now more convinced than ever that urgent congressional action is called for to stop our head-long rush to reinvolvement in South Vietnam.

Mr. Shipler begins by pointing out that a close reading of Mr. Martin's response reveals fairly close agreement on a number of major points in Shipler's piece, namely that:

U.S. military aid and advisors are indispensable to Thieu's fighting forces and military logistics system;

Americans often continue to give advice to South Vietnamese military personnel; and

Our Central Intelligence Agency continues to maintain close relations with South Vietnam's national police, who often refer to American personnel in the field as "police advisers."

Mr. Shipler then goes on to set out the major points of disagreement with Mr. Martin, making clear that Mr. Martin was more inclined to play with words than to offer substantive refutation of Mr. Shipler's points.

In my opinion, however, Mr. Shipler's most serious point is that Ambassador Martin has systematically attempted to prevent the New York Times from freely interviewing American officials in South Vietnam, and has himself categorically refused to talk with New York Times reporters.

Mr. Shipler is not the only journalist to report on this attempt to keep the American people from learning what is happening in South Vietnam. On January 30, 1974, for example, the Christian Science Monitor reported that Ambassador Martin—

> is trying to discourage any publicity concerning the American presence here . . . Major General John E. Murray, the chief of the Defense Attache Office . . . was recently told to stop giving interviews.

More recently the Chicago Tribune, hardly a critic of U.S. involvement in Indochina, reported on June 9, 1974, that:

> An integral aspect of Martin's unremitting support of the government here is his continuing effort to restrict the flow of information from official American sources to the press. Reporters now must channel all their requests for briefings . . . for the Ambassador's approval. The Ambassador rarely approves meetings between reporters and officials in the office of the defense attache.

There are indications, moreover, that Ambassador Martin has also hampered attempts by duly constituted General Accounting Office investigators to find out what is happening in Saigon. In March 1974, for example, Senator KENNEDY revealed that Ambassador Martin was trying to restrict GAO access to Embassy files and even going so far as to censor its communications with its home office.

Mr. President, we learn daily of hidden activities undertaken in Indochina during the past 5 years. Senator HUGHES, for example, has revealed the administration's deliberate falsification of records presented the U.S. Congress to cover up its secret bombing in Cambodia.

that the administration was sending U.S. Forces on cross-border operations into Laos and Cambodia in 1971 and 1972 in direct violation of congressional laws, and that the administration also falsified bombing records on B–52 raids in northern Laos.

Given this record, any further attempts to restrict the flow of information reaching the American press and Congress cannot be tolerated. It is clear that unless Congress takes the most strenuous actions to find out just what the administration and Mr. Martin are up to in Indochina, we may never know—or at least not know until it is too late.

I urge all Members of Congress to read Mr. Shipler's response to Ambassador Martin with care. For if even some of Mr. Shipler's reports are true, we may once again find ourselves directly involved in Vietnam, just as our failure to stop such hidden intervention between 1954 and 1960 led to the Vietnam tragedy we have already suffered.

I ask unanimous consent that Mr. Shipler's response to Ambassador Martin be printed in the Record.

There being no objection, the response was ordered to be printed in the Record, as follows:

Response to Ambassador Graham A. Martin's Cable

Most of the central facts and major points contained in my article describing U.S. military aid to South Vietnam are left entirely intact—and in some cases, even confirmed—by Ambassador Martin's cable. Before responding in detail to the issues of disagreement, therefore, I should like to underline the points on which we are apparently agreed.

1. United States military aid is indispensable to South Vietnam's capacity to wage war, either offensively or defensively. American contract personnel are involved not only in training, but also in performing highly-skilled jobs that are essential to the maintenance of complex weaponry.

In paragraph 12 of his cable, Mr. Martin writes of the General Electric technicians, "This is normal practice. GE provides the same service to the USAF. Some jet components are of such complexity that only the manufacturer has the expertise to repair them." He acknowledges that the GE contract is "mainly an American work situation with less emphasis on Vietnamese training". The same is true with the Lycoming, Cessna, Northrop and part of the Lear-Siegler contracts, among others, but he does not deal with those. He takes no issue at all with a most telling piece of testimony to the importance of these American employees: the fact that their work hours had to be altered to respond to a military situation. My report that the Americans were placed on 12-hour shifts, at high overtime rates, to get the maximum number of aircraft ready to fly in case of an attack over Tet, is left untouched by Mr. Martin. Furthermore, his assertion in paragraph 14 that "within a very short time frame American instructors can and will be wholly withdrawn," does nothing to outweigh his earlier acknowledgement that "only the manufacturer has the expertise to repair" complex equipment. Perhaps instructors will be withdrawn (although he does not deny my report that the reduction of contractors has ceased and the number has remained steady in recent months) but the most important American personnel with the longest-term duties are not instructors. They are engineers and technicians, many of them known in the trade as "tech reps," who, by the Ambassador's own account, are essential even to the United States Air Force and can be expected to be around South Vietnam as long as the complicated weaponry is.

2. American aid and personnel are essential components of the South Vietnamese military logistics system. Americans assist the Vietnamese in selecting military equipment to be supplied. In paragraph 16, Mr. Martin concedes that the Defense Department official who was quoted as saying, "We Vietnamized the fighting, but we never Vietnamized logistics," made, as the Ambassador puts it, "a correct statement." In paragraph 18, commenting on my report that American personnel "not only see that the South Vietnamese get the equipment and ammunition they ask for but also advise them on what to ask for." Mr. Martin tries to effect a contradiction, but it ends up as a bureaucratic sounding euphemism meaning essentially the same thing—"The DAO (Defense Attaché's Office) assists the Vietnamese to relate their needs to U.S. supply sources."

3. Reports on the efficiency of South Vietnamese military units, written after joint inspections by U.S. and South Vietnamese personnel, are conveyed to the South Vietnamese. That is, American assessments of South Vietnamese military performance are given to the South Vietnamese military commanders, perhaps providing some sort of indirect advice.

While reacting strongly to the word "advice," Ambassador Martin nevertheless lets the basic facts stand. In paragraph 19 he writes, "It should be noted that in some cases, U.S. law requires that audits and end-use inspections be conducted by joint U.S./Vietnamese teams. It is not uncommon for an American and South Vietnamese to make an inspection or auditing tour of a military unit together. It is often required procedure." He does not argue with my finding that copies of these efficiency reports are given to Lieut. Gen. Dong Van Khuyen, head of the Logistics Command for the South Vietnamese Joint General Staff.

4. The Central Intelligence Agency maintains close relations with the South Vietnamese National Police, routinely asking the police to gather certain intelligence, then advising them on how to analyze the raw data.

In paragraph 22, Mr. Martin writes, "Certainly, it is true that C.I.A. officers connected with the Embassy meet routinely with police officials. It is hoped that this practice is followed at every Embassy in the world in a continuing effort to keep senior officials of the U.S. as well informed and as currently informed as possible." Mr. Martin does not deny my report, based on conversations with two very high-ranking police officials, that the C.I.A. asks the police to gather intelligence, then helps the police make the analysis. He argues that the C.I.A. men do not give advice, but it seems clear that to suggest areas of police inquiry and to suggest ways of interpreting the data constitutes advice of an important kind.

5. Certain American officials in the provinces are referred to as "police advisers" by police officers themselves. Mr. Martin writes in paragraph 22, "That Americans in the provinces maintaining contact with local police officials may, out of habit, still be called 'advisers' does not in any way change the fact that there are no American advisers, formal or informal, or under any device or cover." But Mr. Martin offers no counter-evidence of just what those Americans do when they are "maintaining contact" with the police officials The police say they give advice.

6. Zealous Americans in the field may occasionally give military advice.

Mr. Martin objects to the suggestion that such advice is ever given, but he does not address himself to the specific incident I reported, in which a well-placed Embassy official told me of a boastful American official in one province describing how he had suggested a military sweep through a communist-held area. This official, who is extremely well-informed, said such incidents are not uncommon, adding that given old habits, they are to be expected. Mr. Martin acknowledges the habitual use of the term "co van," meaning "adviser," but he declines to deal with the issue of the habitual relationships that sometimes persist as surely in fact as in language.

The fundamental points of disagreement, then, are less on the facts than on the meaning of the facts. Had Ambassador Martin responded to my repeated requests during a period of six weeks that he allow his views to be reflected in this article, then the report would have dealt thoroughly with his interpretations of the facts, of the military situation, of the meaning of the Paris accords and of the continuing American responsibility in Vietnam. Mr. Martin's steadfast determination to see that no United States official offered his views for inclusion in a major article on such an important subject accomplished nothing except to deny the Nixon Administration the opportunity to explain its policies and to provide information to justify its policies. Such views, as expressed in Mr. Martin's cable, would have been most welcome, for they would have enriched the article by giving the American public further insights into the Administration's posture in South Vietnam.

It is disingenuous for the Ambassador to say that he perceived some bias in my questioning as I went about researching this article, and therefore decided not to allow any officials to talk to me. I never had the opportunity to ask any substantive questions at all of any official. We never got pass the point of asking for interviews of requesting some statistics. The Embassy's Press Attache, John F. Hogan, Jr., either rejected my requests for interviews or failed to reply to them, and this was the case from the outset. At one point, at the very beginning of my work on this project, I asked for interviews with Defense contractors. The request went unanswered for several days, then was passed to Robert Mueller, who was filling in for Mr. Hogan, who was out of the country. After several more days of delay, I asked Mr. Mueller about the request, and he replied, "They don't want you to interview contractors." (I ultimately saw contractors just by going onto airbases myself and meeting them on the job). This rebuff came without my having asked a single substantive question.

Ambassador Martin attempts to discredit in advance any questioning of the United States role in South Vietnam, whether in the press or in Congress, by implying that such discussion is merely the fruit of a Hanoi propaganda campaign aimed at reducing American aid. It is difficult to know what to add to all that has been said about McCarthyism and Stalinism since the 1950's, except that efforts to blot out dissent and debate by linking it to the enemy are no more attractive now than they were then. It is hard to see which Americans Mr. Martin thinks will find his method of attack convincing in 1974.

I do not care what Hanoi wants. I do not care what Saigon wants. I do not care what Washington wants. I care only what the reader wants. He wants the truth. And insofar as I am able to see and hear and perceive the truth, that is what I will give him. I am the reader's advocate, nobody else's. I do not write for effect or impact. I write to catch a bit of reality and pass it on. Then the reader must take the truth into his own hands and do with it what he may.

I am not as certain as Mr. Martin about the effects of my article on Congress. I am not at all convinced that documenting the essential nature of American aid to South Vietnam will persuade members of Congress to reduce the aid. The article cuts both ways; in detailing the importance of the military assistance it also gives strong arguments to those who want to see the aid continued to maintain the strength and viability of the South Vietnamese Government. In any case, I have no interest in seeing Congress do one thing or another.

It is worth noting that one of the Embassy's top Hanoi-watchers, a well-informed man who reads North Vietnamese newspapers, analyzes North Vietnamese and Vietcong radio broadcasts, examines prisoner and defector interrogations and keeps abreast of intelligence reports, told me several days after Ambassador Martin's cable had been made public that he had never heard of this alleged plan of propaganda by Hanoi.

Ambassador Martin's other arguments fall into several major categories.

THE EXTENT AND IMPORTANCE OF AMERICAN AID

Although, as noted previously, Mr. Martin confirms or leaves unchallenged many of the most important findings of the article—those that document the crucial nature of American military aid to South Vietnam, he simultaneously tries to portray the assistance as somehow less essential, less important, less a part of the South Vietnamese military effort than I describe it. This is the fundamental self-contradiction that marks the Ambassador's entire cable. He denies in his paragraph 6 that Americans are integral to the South Vietnamese logistics system, then in paragraph 16 acknowledges the accuracy of the Defense Department official's statement, "We Vietnamized the fighting, but we never Vietnamized logistics." He denies, in paragraph 14, my finding that a long-term American presence will be necessary if the South Vietnamese are to have continued use of their complex weapons, but in paragraph 12 confirms that only the manufacturers can repair complex components, adding that they do the same for the United States Air Force. He insists, in effect, that the South Vietnamese will be able to take care of their own equipment themselves "within a very short time frame," which he does not specify. And yet he contends, in the next sentence, that Hanoi is campaigning for Congress to cut off this aid to facilitate a Communist victory. The Ambassador cannot have it both ways. Either the American military aid is vital to the South Vietnamese Government or it is not.

A great gap between official labels and hard reality runs through Mr. Martin's discussion of the American civilian contract employes. In his paragraph 4, for example, he describes Ray Harris as a "cleaner of parts," part of a group whose job is "to teach the South Vietnamese." His title is a misnomer. He prepares parts for welding by manipulating a tiny grinder with the dexterity of a surgeon. When I saw him he was sitting in a row of men along a workbench, simply working on a part. He was not teaching anyone, and he told me that although instruction is part of his job, he spends a great deal of his time in "production," a standard term among contractors that means "doing the job yourself," as opposed to "training."

What Ambassador Martin has evidently been told about the degree of training vs. American maintenance, the proficiency of the trainees, the role of the American contractors and other aspects of the work situation is at great variance with what one sees with his own eyes and what he is told by the men on the flight lines and in the repair shops of the South Vietnamese military bases. Those who actually do the work—both Americans and South Vietnamese—are considerably less optimistic than Mr. Martin's experts about the length of time needed for self-sufficiency. Nevertheless, had Mr. Martin made his own assessments or those of his experts available, they would have been reported thoroughly in the article.

In paragraph 13, Mr. Martin states that since the date of my visit to the Bien Hoa engine shop was Jan. 21, the day before Tet, and a payday, "it is likely that many Vietnamese had taken time off." First, all South Vietnamese armed forces were placed on full alert during that period in anticipation of a possible North Vietnamese attack. So if any Vietnamese air force men had taken time off, they were AWOL. Secondly, one might legitimately ask about the propriety of placing highly-paid Americans on 12-hour-a-day shifts with overtime while the air force men they are supposed to be training are not there. The Ambassador's assertion here simply falls of its own weight. At the end of this paragraph, he misquotes my article, stating, "According to the shop manager, it is preposterous to state that not a Vietnamese was in sight." Quite right, and I made no such statement. I wrote the final assembly line had only Americans working, with no Vietnamese. And that is the case. Our photographs show it. I gave no such description that applied to the rest of the shop.

In paragraph 6, Mr. Martin says that "none of the RLOs [Regional Liaison Officers] is qualified" to give military advice. And yet in paragraph 19, he says they "report on RVNAV efficiency." If they are qualified to report on military efficiency, then they are certainly qualified to give advice. Contrary to Mr. Martin's description of these men as having little or no combat experience, Gerald E. Kosh, a Regional Liaison Officer taken prisoner by the Chinese during the Paracels battle, won a bronze star and a purple heart when he was a U.S. Army captain in Vietnam. The Ambassador's suggestion that South Vietnam officers would probably not heed American advice coincides with my findings, discussed in my 49th paragraph.

In paragraph 7, Mr. Martin calculates the dollar value of military aid differently from the way the Pentagon does. The Embassy told me that it did not know how much military aid was being provided to South Vietnam, so The Times Washington Bureau obtained the figures from the Pentagon, where officials also suggested that most of the increase would be going for ammunition since the expenditure had been higher than anticipated. Mr. Martin's imprecise figure of 20 to 50 per cent less expenditure than during "the last year of the war" contrasts with information provided to me in January by John F. Hogan Jr., the Ambassador's press officer, who quoted General John E. Murray, Defense Attache in Saigon, as saying that the level of resupply in 1973 was only 25 per cent below that of 1972. If the United States is observing the Paris Agreement and is replacing only ammunition that has been used or destroyed, then the rate of resupply should roughly equal the rate of expenditure. Is Ambassador Martin saying that the expenditure may be considerably lower than the resupply? If so, that raises additional questions about the adherence of the United States to the one-for-one replacement rule.

In paragraph 27, the Ambassador responds to an ICCS official's conclusion that the United States has not been observing the one-for-one rule. Mr. Martin tries to avoid a direct disagreement with the official, writing instead, "The ICCS official was quite right, but not in the way Shipler implies." Of course it is not my implication that is the issue, but that of the ICCS official, who was saying clearly that he believed the United States was giving the South Vietnamese more than they were entitled to. Mr. Martin contends that the opposite is true. The United States, he writes, "unfortunately has not been able in one single category to provide one-for-one replacements of all the material lost by the GVN while defending itself from continuing NVA/VC aggression since the cease-fire." This is brand new information, and would have been included in the original article had Mr. Martin given it out beforehand. In January, the Embassy refused to respond to a series of questions about resupply, one of which asked whether the Government had asked for anything that had then not been provided.

In October, the Embassy did respond to the same questions, but listed only 9 tanks as having not been replaced. Now Mr. Martin's new information adds another tangle to the issue. If, as he says, ammunition expenditure was possibly as much as 50 per cent less than the previous year, and if as Gen. Murray says, resupply was only 25 per cent less, how then could the United States be falling short of one-for-one replacement, at least of ammunition?

In paragraph 26, Mr. Martin does not explain how an airplane that is considerably more maneuverable and that flies at the speed of mach 1.6 can be—under the Paris Agreement—"of the same characteristics and properties" as a plane that flies at mach 1.4 with less maneuverability. Nowhere does the Paris Agreement say that the "same characteristics and properties" criterion is waived if the lost weapon "is no longer available."

In any event, the United States supplies every rifle, airplane, jeep, truck, mortar, bullet, bomb and artillery shell used by the South Vietnamese armed forces. It pays for every gallon of fuel, every spare part, every uniform, canteen and two-way radio. Mr. Martin's denial notwithstanding, it provides two forms of economic aid that do pour money into the Government's defense budget, which pays troops' salaries. One is the Commercial Import Program, budgeted at $275-million during 1973. Under the program, a Vietnamese importer orders some goods, such as steel, through the United States Government, which then buys the commodities with dollars, sells them to the importer for Vietnamese piasters and turns the piasters over to the South Vietnamese Government for use throughout its budget. Fifty-three per cent of the Government's 1973 budget went for defense. The second program is Public Law 480, or "Food for Peace," in which the United States provides food by means of a similar mechanism as 80 per cent of the piasters are placed directly into the South Vietnamese defense budget. The remaining 20 per cent are used to pay the Commercial Import Program, except that U.S. mission expenses in Vietnam. PL–480 totaled $143-million in 1973.

CEASE-FIRE VIOLATIONS

Ever since the cease-fire went into effect on Jan. 28, 1973, American newspapers, news magazines and radio and television newscasts have been full of eyewitness accounts by American correspondents of specific cease-fire violations initiated by both the Communists and the South Vietnamese. Newsmen have reported on interviews with villagers who have been the victims of some of these attacks, and on detailed descriptions by Government soldiers, who never seem to hesitate to tell about their offensive against Communist-held areas. Scarcely a day goes by without the wire services reporting Government announcements of military action, either by the Communists of by itself. At least several times each week, those of us in the Saigon Bureau of The Times recommend to our editors in New York that they run such stories, and the most important ones are carried routinely in the paper.

On the anniversary of the signing of the Paris Agreement, just one month before my article on American military aid, The Times ran a front-page story by the Saigon Bureau Chief, James M. Markham, reporting on the continuing war, detailing the military actions by both sides. Just a week before my story, Mr. Markham's series on his visit to a Vietcong area was published in which he described being on the receiving end of Government shelling of the Communist-held civilian village where he was staying. Not long before, a CBS television crew filmed such shelling of Vietcong villages. Virtually every correspondent who has been in Vietcong areas has witnessed incoming Government artillery fire. The American civilian Homer Elm, an employe of Pacific Architects and Engineers who was captured by the Vietcong, described in a news conference after his release the Government shelling and bombing that hit Vietcong territory day and night. Last fall, Tom Lippman of The Washington Post witnessed napalm strikes by Government aircraft against North Vietnamese troops in Binh Dinh Province. Mr. Markham saw napalm used in Tayninh Province about the same time. I watched Government shelling just west of Cai Lay in the Mekong Delta. The artillery was directed against some Vietcong flags tied to some trees; there was no return fire from the Communists.

Government Regional Force troops, including a battalion commander, described to me how Government air strikes and artillery barrages culminating in ground assaults drove ill-prepared Vietcong troops from a coastal area including the village of Hoai My, which the Communists had held since the 1972 offensive. The villagers confirmed that the Government attack had taken place, and told of spending much of their lives in bunkers to avoid the frequent bombing and shelling that preceded the assault. James F. Clarity of The New York Times interviewed Government fighter pilots who told him of their bombing missions. All these incidents were reported in the press. Front-page treatment in The Times was given to the North Vietnamese attack against two Government outposts in Quang Duc Province. The Communist shelling of Bien Hoa airbase and the sabotage of the Nha Be fuel depot were all reported fully. The Government itself announced that its planes had bombed Loc Ninh, a town about 75 miles north of Saigon that serves as a Vietcong administrative headquarters. The bombers so damaged the airstrip that during the last prisoner exchange, the Government could no longer fly released prisoners in by cargo plane, as they had done last July; they had to use helicopters.

The examples go on and on. It is hard to imagine that any reasonably diligent newspaper reader or television news watcher can fail to be aware of the large number of specific cease-fire violations by both sides. An article dealing in depth with a complex subject such as United States Military aid ought not devote itself to a lengthy reiteration of previously-reported incidents, but rather summarize the general situation that the incidents reflect, placing those summaries in the context of the subject at hand. I realize that in so doing, the correspondent writes on the assumption that the reader brings to the article a certain level of knowledge and sophistication, but I think that is a safe assumption for most New York Times readers.

In this context, one of Mr. Martin's main arguments—that my article fails to document specific South Vietnamese violations—loses all significance. I summarized both Communist and South Vietnamese violations, noting that the Government would "take the offensive at times, launching intensive attacks with artillery and jet fighters against Vietcong-held territory," and observing that "Government troops . . . have been seen recently by Western correspondents spraying artillery across wide areas under Vietcong control. . . ."

As for the Communists, I wrote that they "have maintained military pressure throughout the country, mostly with artillery and rocket attacks on Government outposts and, from time to time, with devastating ground assaults against Government-held positions."

Given these sentences, high in the story, it is impossible to understand how Ambassador Martin can write, in his paragraph 8, "Since there is no mention of the thousands of NVA/VC violations of the cease-fire, the only logical assumption is that Shipler considers it a violation of the Paris Agreement only when the GVN responds to these attacks." His entire analysis in this area is based on a serious misreading and, in one instance, a misquotation that forms the basis of a long line of argument.

That occurs first in his paragraph 10, where he misquotes my sentence that reads as follows:

"United States intelligence officials contend that continuing American aerial reconnaissance, as well as prisoner interrogation and radio monitoring, shows that the North Vietnamese have sent thousands of troops and hundreds of tanks and artillery pieces south in violation of the Paris agreements." When Mr. Martin quotes that sentence in his cable, he omits the words "troops and hundreds of," twisting the sentence so it appears to have read, "Thousands of tanks and artillery pieces." Then he makes a convoluted analysis based on the misquote, arguing that "Shipler's use of the word 'thousands' gives the intended impression that the U.S. has exaggerated the infiltration of NVA weaponry." He comes back to capitalize on his own error later, in his paragraph 27, stating incorrectly, "Nor does he mention anywhere in his article the infiltration of combat troops from North Vietnam since the cease-fire, a fact well known to him." Actually the infiltration of troops was mentioned twice in my article, once in the high paragraph previously quoted, and later in a paragraph toward the end: "He [the Ambassador] is reported to have pressed Washington to provide new weapons for Saigon to counteract the infiltration of troops, tanks and artillery from North Vietnam since the cease-fire."

Far from attempting to convey skepticism about the U.S. intelligence reports, I tried merely to describe the manner in which they have been issued—as contentions. Simultaneously, I sought to give the reader some hard indication of the various sources of these reports—"aerial reconnaissance . . . prisoner interrogation and radio monitoring," so that he could make up his own mind about them.

Mr. Martin's description of the military situation can be found in his paragraphs 4 and 8. "The course [of the war] is set by the continuous and continuing Communist buildup and efforts of the RVNAF to protect the population, land and resources under GVN control at time of the cease-fire from actual military attacks mounted by the other side." Then he says that South Vietnam's offensive actions were "retaliatory strikes such as the ones made after the Communists shelled the Bien Hoa air base and later destroyed the Nha Be petroleum storage tanks . . . the GVN has a publicly announced policy of taking retaliatory action whenever the NVA/VC forces so attack GVN installations." These statements, of course, duplicate those of the Government and parallel those of the Communists, whose propaganda since the cease-fire has harped on the theme that their military strikes are merely "punishments" for the "Saigon administration's land-grabbing operations." Neither side's propaganda is at all convincing, for if we were to accept both versions, it would mean that nobody is really violating the cease-fire at all. Obviously, both sides are.

THE SPIRIT OF THE PARIS AGREEMENT

Mr. Martin writes that Hanoi's sense of the accord's spirit was "that the Americans would deliver South Vietnam bound hand and foot into their hands." That may have been Hanoi's idea, but, curiously, the Ambassador gives us no indication of Washington's view of the spirit of the agreement. Instead, he simply sets up a straw man and knocks it down. The best sense of the agreement's spirit, as it relates to the United States, is probably found in Chapter VIII of the accord itself, part of which reads as follows:

"The United States anticipates that this Agreement will usher in an era of reconciliation with the Democratic Republic of Vietnam as with all the peoples of Indochina. In pursuance of its traditional policy, the United States will contribute to healing the wounds of war and to postwar reconstruction of the Democratic Republic of Vietnam and throughout Indochina . . . this will ensure stable peace in Vietnam and contribute to the preservation of lasting peace in Indochina and Southeast Asia."

The United States might argue that the Paris Agreement was too visionary, that its goals were elusive from the start, that its language was falsely optimistic as a description of U.S. expectations. It is clear from Ambassador Martin's cable that the United States does not anticipate "an era of reconciliation." But certainly as long as the document exists, a correspondent cannot be blamed for using it as a benchmark against which to measure the behavior of the signatories.

Since the cease-fire, the course of the war has been set less by the use of infantrymen on ground sweeps than by the use of relatively long-range weapons. At dusk, firebases routinely begin shelling communist areas, whether or not an attack has been launched. Communists send rockets or artillery into Government areas. Government planes fly scores of bombing missions a day. Lately the Government has been on a series of "mini-offensives" that attempt to clear areas of Communist troops, and these offensives depend entirely on heavy bombing and artillery attacks, followed by sweeps of troops. This kind of war could not be carried on without enormous supplies of ammunition and highly-skilled technicians to maintain the machines. For this, the United States support is essential. The Pentagon released figures recently that show that under the one-for-one replacement in the first year after the cease-fire, the United States provided 54,291 five-hundred-pound bombs, for example, and 25,172 two-hundred-fifty-pound bombs. That is a lot of bombing. There were also 5,810 napalm bombs, 111,786 aerial rockets, 26,792,100 rounds of 7.62 mm machine-gun ammunition, 689,464 rounds of 20mm ammunition, and 180,412 tons of ground ammuniiton, which includes artillery shells and small arms. This gives some idea of the extent of the fighting, especially if, as Mr. Martin asserts, the expenditure has exceeded the one-for-one replacement capability of the United States.

POLITICAL RECONCILIATION

Again, Ambassador Martin could have had his analysis of the political situation in South Vietnam made part of my article had he chosen to do so. In the absence of his views, I relied on those of other diplomats in Saigon who have watched events closely; many of their versions differs from Mr. Martin's. Again, too, the Ambassador's argument is more with the provisions of the Paris Agreement than with me. It is the Paris Agreement that provides for all the freedoms necessary to genuinely democratic elections. If the Communists are using the tactic, as Mr. Martin puts it, "to insist on the items enumerated by Shipler—particularly access to the press," then they are merely invoking the Paris Agreement. If the Ambassador disagrees with the provisions of the Paris Agreement then he should say so. Chapter IV, Article 11 reads as follows:

"Immediately after the cease-fire, the two South Vietnamese parties will:

Achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side of the other;

Ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press, freedom of meeting, freedom of organization, freedom of political activities, freedom of belief, freedom of movement, freedom of residence, freedom of work, right to property ownership and right to free enterprise."

The events in the political sphere since the cease-fire are precisely as I described them in my story. Mr. Thieu has offered elections, but without the freedom to meet, organize, have views disseminated in the press, etc. If Ambassador Martin is correct that the Communists would get only 10 percent of the vote, why is Mr. Thieu hesitating to allow them to campaign in an election? It is as if the Republicans told the Democrats that they could run, but that no newspaper or radio or television station could report their views or even carry the names of their candidates, that no candidate could pass out leaflets, buy advertising or hold rallies without being arrested or subjecting his followers to arrest, that nobody in Democratic strongholds could vote and that the Republicans would supervise the polling places, count the ballots and announce the results. At the present time, Communists and suspected Communists are still being arrested and imprisoned in South Vietnam—anyone can walk into the Military Field Court in Saigon and watch their trials. Meetings of opposition Deputies are routinely broken up by the police. The Vietcong are no more tolerant of dissent, and one might argue that truly free elections just cannot happen in this country. But it is just wrong to say that the Government is proceeding in accord with the Paris Agreement, and I doubt that Mr. Martin really believes that.

MISCELLANEOUS POINTS OF DISAGREEMENT

These are brief responses to the additional points of Mr. Martin's following paragraphs:

Para. 13—Within 10 days after writing this cable, Mr. Martin apparently changed his mind about the importance of Russian and Chinese resupply limits. In an on-the-record interview with Philip A. McCombs of The Washington Post, he said that the Soviet Union and China "are not resupplying with massive weapons of war as they have continuously over the past years." His other point about less ammunition needed for fixed targets is well taken, and would have been mentioned in the story if he had allowed me to interview him or his subordinates.

Para. 15—The main point of including contractors' political observations was not to report on Vietnamese attitudes, but on the views of the Americans, and to give the reader some insight into the relationships that exist among the Americans and the Vietnamese whom they are supposed to be teaching and helping. That must have been clear to most intelligent readers.

Para. 17—The fact that DAO had planned to dismantle itself came from Mrs. Ann Bottorff, public affairs spokeswoman for DAO. Mr. Martin's figure of 1,015 DAO employes conflicts with the figure provided by John F. Hogan, Jr., the Ambassador's Press Attaché. He gave me a Xeroxed, typed sheet of paper listing the number of Americans in each department. The figure for DAO was 1,147, which we rounded off to 1,150. His paper also listed 4,000 contract employes as of July 1, 1973. I wrote originally that the current figure of 2,800 was "down from 4,000 last July." This was changed on the copy desk to "down 2,200 since July." Obviously the figure should have been 1,200—the difference between 2,800 and 4,000. Apparently there was a subtraction error or a typographical error on the desk. In any case, Mr. Hogan's figures still contradict Mr. Martin's

Para. 24—Torture by police and arrest of political dissidents have been documented frequently in the past, and will be so again in the near future. Two non-communist dissidents in particular have been written about by the press recently—Tran Ngoc Chau and Huynh Tan Mam.

Para. 25—After I telephoned Ernie Bush, director of Computer Science Corporation, to ask for an interview (which he said he was willing to give) he informed me that he had been told by John W. Holmes, United States Agency for International Development official in charge of the Information System Center, that he (Bush) could not speak with me until he obtained approval from John F. Hogan. I spoke with Mr. Holmes on the phone, and he confirmed that his superior, whom he did not name, had ordered Mr. Bush to deny me an interview unless approved by Mr. Hogan. I spoke to Mr. Hogan, and Mr. Holmes said he would also speak to Mr. Hogan, but Mr. Hogan never gave his permission. Apparently the Ambassador was never informed of this, for he denies in his cable that the Embassy ordered any contractor to refuse to see me. The Lear-Siegler incident took place in Danang, where Virgil L. Nordin, Lear-Siegler's manager on Danang airbase, told me regretfully that his company had been ordered by DAO not to give the press any information, and that such a stipulation was even written into the company's contract with the Defense Department.

Para. 27—Mr. Martin's lengthy recitation of the Government position here does nothing to change the fact that neither side has been willing to let the ICCS function, either in inspections or in auditing incoming war materiel.

Para. 28—Ambassador Dubrow was answering my specific question about whether Mr. Martin or General Murray had indicated that they were pressing Saigon to observe the cease-fire. His answer is reported in full, and I don't think it conflicts with Mr. Martin's version of his answer.

David K. Shipler.

Saigon, *March 22, 1974.*

NEW AMTRAK SERVICE: A TRIBUTE TO SENATOR TAFT

Mr. HUGH SCOTT. Mr. President, I would like to take this opportunity to express my sincere gratitude to my distinguished colleague and friend, Senator Robert Taft, for the leadership he provided in the effort to initiate Amtrak rail passenger service between Boston and Chicago via Erie, Pa., and Cleveland and Toledo, Ohio.

The proposal for this train was Senator Taft's and since last October he has worked hard to demonstrate the economic and technical feasibility of the water level route. I am pleased to say that he had the support of myself, Senator Richard Schweiker, other members of the Pennsylvania congressional delegation and the Pennsylvania Department of Transportation.

Senator Taft was in the forefront of this movement from the beginning. He called and chaired the meeting on March 20 of this year, where the supporters of this service, myself included, presented our views to the Secretary of Transportation, Claude S. Brinegar. Senator Taft also did extensive research to prove that the necessary passenger equipment was available to run the train.

The June 27 announcement that the U.S. Department of Transportation had designated Boston-to-Chicago as the experimental Amtrak route for this year was a well deserved triumph for Senator Taft, and for all of those Members of Congress who worked with him for this designation. We owe him our sincere thanks for his leadership.

ADDRESS BY SENATOR JOHN SHERMAN COOPER AT COMMENCEMENT EXERCISES, GEORGETOWN UNIVERSITY LAW CENTER

Mr. ALLEN. Mr. President, one of the ablest and most distinguished Senators ever to serve in the U.S. Senate was the Honorable John Sherman Cooper of Kentucky, who retired from the Senate in January 1973, greatly admired and revered by his colleagues, and by the people of his State and Nation whom he had served so well.

The Senate has missed Senator Cooper, his towering intellect, his noble character, his lofty ideals, and his wise counsel.

Recently, Senator Cooper was honored by Georgetown University which conferred on him its honorary doctor of laws degree. On this occasion Senator Cooper delivered the commencement address on a subject that is most timely in the light of the tremendous problems facing the Congress and the Nation.

Since Senator Cooper cannot now give us the benefit of his views in a speech delivered in this forum, the next best thing would be to have a speech by him printed in the Record where all Senators may see it and read it, and where it can be read by historians, political scientists, and other interested citizens. I ask, therefore, unanimous consent that Senator Cooper's speech together with a copy of the honorary degree conferred on Senator Cooper by Georgetown University Law Center be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Honorable John Sherman Cooper

THE PRESIDENT AND DIRECTORS OF GEORGETOWN COLLEGE, TO ALL WHO SHALL VIEW THIS DOCUMENT: GREETINGS AND PEACE IN THE LORD

We honor a man today whose career has shown that the opportunity for public service is a privilege to be cherished, not a chore to be avoided. A skilled lawyer, he has served in all branches of our government as a member of the legislature and judge in his native Commonwealth, as a member of our armed forces in the fight against Nazi aggression, as an Ambassador as well as a trusted advisor to both parties in the field of foreign affairs and finally as a senior and respected member of the Senate of the United States. All of these duties he carried out with courage and with a dignity that has been enhanced, not diinmished, by a good sense of humor and a deep sense of personal humility.

Most importantly he has carried out these duties with a deep-grained sense of personal integrity which has been a source of inspiration to all who have worked with him. His life has made it clear that he is "one who is above doing a mean, cowardly or dishonest action, whatever might be the temptation; one who forms his own standard of right and will not swerve from it; one who regards the opinions of the world much, but his own self respect more."

We are now living in a time when the atmosphere is such that many young people are shunning public service. If the republic is to survive, this must not continue to be the case. Georgetown University honors itself by honoring one who has shown that this need not be the case, one who has spent most of a lifetime in public service "without one blot or stain upon the fair fame which has so long been his rightful portion."

For these outstanding, continuing contributions towards the goals of forming a more perfect union, establishing justice, ensuring domestic tranquility and working towards a more peaceful and rational world order, the President and Board of Directors of Georgetown University, by virtue of their charter from the Congress of the United States, proudly and respectfully proclaim The Honorable John Sherman Cooper, Doctor of Laws, honoris causa.

In testimony whereof they have issued these their formal letters patent, under their hand and the Great Seal of the University, at Georgetown in the District of Columbia, this twenty-sixth day of May, nineteen hundred and seventy-four.

R. J. HENLE, S.J.,
President,
JOSEPH F. SWEENEY, S.J.,
Chairman, Board of Director.
DANIEL J. ALTOBELLO,
Secretary.

COMMENCEMENT ADDRESS

(By John Sherman Cooper)

The Very Reverend Henle, President of Georgetown University, Dean Adrian Fisher of the Law Center, members of the graduating class, the faculty, the alumni, and your guests:

I feel deeply honored by the invitation of this great University, respected for its scholarship and contributions to the nation, to speak at the commencement exercises of the Law Center. I am glad also because of my respect and friendship for Dean Adrian Fisher. It has been my opportunity to know him for over twenty years, and to value his contributions to our government in many fields, and—I may say to the world—for his work through many years of negotiations to limit and abolish nuclear weapons, and now for Georgetown University.

I am surprised, yet grateful, to receive the honorary degree of Doctor of Laws from Georgetown University, ancient in our country in years, and outstanding for its constant insistence on scholarship and its search for truth. I only wish that I could start again, and fulfill your generous citation.

This is a day of great achievement for you who graduate. It marks a major stage in your life, as you now move on to new endeavors and responsibilities. It is a day of pride and joy for the Law Center, and for your families and friends.

While it is an honor to speak on this Commencement Day, I must say that I have always found commencement speeches difficult—for the speaker and the audience. It is particularly true today. I had thought that in this time, perhaps it would be better to have two speakers, to express different points of view, but I can only express my own convictions.

You who graduate are entering a profession which bears heavy responsibilities for leadership and high ethical standards at a controversial time in our country's history. Recalling my experience in the Congress, I can think of no period—with the exception of the optimistic days immediately following World War II—when it did not seem that we faced some overwhelming issue or crisis. Among these we may remember the post-World War II threats to our security; the supposed missile crisis; the struggle against discrimination; the divisive influence of the war in Vietnam; and now preoccupation with the Watergate series of events.

The problems of today, including Watergate, will not be solved easily, quickly, and to everyone's satisfaction. We must give our best thought and action to them, but it is likely that in all our work, we will find the worlds of Malebranche, the 17th century French philosopher, correct: "Lord, the truth is for thee alone, Give us the pursuit."

The legal profession does not bear the full burden of the search for truth, but it bears a substantial burden. Much is expected of you, for you have been taught to be disciplined, rational, objective, ethical, and to apply the principles of justice and fairness in your profession and to the country's problems.

Today, in a time of national and personal questioning, there are those who say that the events of Watergate portend disaster for our institutions. I do not believe this to be true at all. I believe our people will hold fast to the principles of fairness and justice upon which our institutions rest—fairness to Constitutional processes, to the Nation, and to the President.

I do not attempt to review today, if I could, the details of Watergate, or predict its outcome. It is before the people, and their opinion is of utmost importance. But it must be remembered that in a legal and Constitutional sense, its determination and decision, rest now with the Congress and the courts.

The press of all human elements—emotion, bias, political considerations—may bear down upon those who must make these decisions. But I believe that their decisions must be, and will be made upon the principles of justice and fairness.

Justice and fairness are not generalities. They are imbedded in many provisions of the original Constitution, in its Bill of Rights, and its later amendments.

The prescriptions of "due process," "the equal protection of the law," are familiar phrases. They are more—they are substantial and fair—for their purpose is to protect the right of every individual against arbitrary or unequal action by the government, or by the people—majorities or minorities—in judicial, legislative or administrative proceedings.

It is fortunate and timely that the decision of Brown v. Board of Education, of twenty years ago, is now being restudied and evaluated as one which applies clearly the principle of "the equal protection of the law," so long denied, to black citizens of our country and thus to all the people.

One of its companion cases, Bolling v. Sharpe, decided the same day, stated the concept from which these Constitutional protections of the individual arise. Chief Justice Warren, speaking for the Court, said:

"The concepts of equal protection and due process, both stemming from our American ideal of fairness, are not mutually exclusive . . ."

The words—"the American ideal of fairness—while eloquent, were not new. In a long line of cases, the Courts have said that "the law of the land," "due process," and "the equal protection of the law," are generally interchangeable, and that they "stem from the American ideal of fairness." One case, Burns v. Lovell, states simply—"A human being has an inherent right to due process of law."

Philosophers and jurists have attempted to define justice and fairness, drawing from the writings, among others, of Kant, Locke, Burke, and The Federalist Papers. It has been said that while these terms are difficult of definition, they represent an inherent belief of individuals that in a free and democratic government, they can rely upon rules and standards—not dictatorial—which assure that they will be accorded equal treatment in their relationships with the government and each other.

At this point, I know that I could make the theme of my talk clear, by simply reading the May 14th article of Mr. James Reston of the New York Times, on Senator Mike Mansfield's views on justice in the Watergate proceedings. Senator Mansfield's words were, as usual, sparse and pure, and they reflect, not alone his faith, but I believe that of the people, in the necessity and fairness of Constitutional processes.

I agree with Senator Mansfield and his colleagues, Senators Robert Byrd, Curtis, Allen, among others, who spoke with similar views in the Senate on the same day. I would be untrue to my view of justice and the American ideal of fairness, if I did not say there have been aspects of the consideration of Watergate, that trouble me greatly.

One proposal, with which I disagree, has been the insistent call for the resignation of the President.

I do not impugn the motivations or deep convictions of anyone, but I consider the proposal to be extra-constitutional, and harmful. Ours is not a parliamentary system. It could establish a precedent which would plague our country in future times of crisis or division, encouraging majorities or minorities—whether right or wrong in their judgments—to press for the ousting of a President with whom they do not agree.

But most important and unfair, in my view, are the implications of the proposal upon the rights of the individual. It would deny the President, as it would have denied others in times past, the Constitutional rights of "due process," "the equal protection of the law," and "the presumption of innocence," which are the rights of every individual, even accorded to non-citizens in our country.

The proper ground of impeachment is an open question. Whatever my opinion may be worth as one citizen, and it is instinctive—it is that all of the phrases and wording of the Constitution, and its Bill of Rights, lead me to the belief that it must be connected with proof of criminality. The oath which members of the Senate would take in any impeachment proceeding—leaving out the names—is:

"I solemnly swear (or affirm, as the case may be) that in all things appertaining to the trial of the impeachment, now pending, I will do impartial justice according to the Constitution and laws: So help me God."

It implies to me every protection of the Bill of Rights.

One can understand the human desire to settle the issue of Watergate quickly, and to get it behind us, and credit is due the responsible actions of the Courts and the Congress.

Events, decisions, pursue us, and last Friday's development—the appeal to the Supreme Court upon the issue of Executive Privilege—has caught up with my talk. I think I would be remiss if I did not refer to it, and I might say I consider such an appeal and its determination by the Supreme Court consistent with the theme of my talk.

The claim of this right of a President, based on the separation of powers, has been made many times in our history by many Presidents, and until recently, without substantial opposition or question. It has been discussed by members of the Supreme Court as recently as in the Pentagon Papers case. But if my studies are correct, there is no Supreme Court decision on this issue except in Reynolds v. United States, in which the claim of privileges was upheld on the ground of security.

In the much quoted case of United States v. Burr, a criminal case not before the Supreme Court, Chief Justice Marshall, who was presiding, did discuss the substance and merits of the claim, saying it might be necessary to reject the claim of privilege, to protect the life and liberty of Burr. But as far as I have been able to determine, the letter sent by President Johnson, with excisions made by him, was never submitted to the jury.

While I think it preferable that the courts should not be required to bear the full burden of the dispute between the branches of our government, the Supreme Court may be required to do so on the issue of privilege. It is consistent with my theme that the appeal and its determination by the Court, are in the framework of our constitutional processes, and would do justice to all the parties, and the nation.

I am aware also of the argument that, in times of crisis and emergency, the interests of the nation may be superior to the rights of the individual, and thus today the interests of our country, domestic and foreign, require that the President resign or be impeached.

I do not agree, and this argument must be examined closely. Our system of governments is not inflexible. The courts and the Congress have the means. Constitutional and legal, to establish the pre-eminent interests of the nation over individual rights, which they have exercised at times. It is recognized that there are many gray areas, such as war powers, where the powers of the President are great, unless specifically and constitutionally denied by the Congress. As we learned in the debate over the war in Vietnam, the power to withhold money is the ultimate and only sure power of the Congress in the gray area of war powers.

Constitutional principles and the ideal of fairness toward individual rights have been breached in our history upon the basis of superior national interest. Two well-known examples are the decisions of two great Presidents. During the Civil War, President Lincoln, torn by the danger to the preservation of the Union, suspended the writ of habeas corpus, but his order was overturned by the Supreme Court. President Franklin D. Roosevelt, on the basis of national security, ordered fellow citizens of Japanese ancestry removed from their homes and businesses on the West Coast. The order was upheld by the Supreme Court, but it remains a shameful blot in our history.

In all that I have said, I do not suggest any diminution of the First Amendment rights—freedom of speech, of the press, of petition, of worship. They are essential to the maintenance of free government, of democratic government, of incorruptible government, and faith in our institutions. There are no prohibitions against these rights, except the very limited boundaries which have been determined by the courts. I do suggest, nevertheless, that if the ideal of American fairness is to live and to have the respect and support of the people, which is essential, a moral responsibility of fairness rests with the legal profession, and certainly with the media, which has the task and opportunity to investigate, to inform and educate, and upon all of us. I have believed that this essential fairness has not been observed by all elments of the media.

As I said at the outset, I cannot think of any period during my experience in the Congress and public life when some crisis did not seem at the time to imperil the nation's institutions, and which brought often into issue the powers of the President and the Congress. The McCarthy period, the proposals to seize the steel mills, and to impress striking railroad employees into the military service, and the violence of the late Sixties are examples. Yet, and this is my essential theme today, our country has survived and it will continue to survive, because of the common sense and good judgment of the people, and their reliance on law and fairness, rather than on expedients.

Justice Hughes wrote in his work, "The Supreme Court of the United States":

"In our system, the individual finds security in his rights because he is entitled to the protection of tribunals that represent the capacity of the community for impartial judgment as free as possible from the passions of the moment and the demands of interest and prejudice. The ends of social justice are achieved through a process by which every step is examined in the light of the principles which are our inheritance as a free people."

Ours is a tenuous system of government, depending in the greatest measure upon the trust and respect of the three branches in each other, and the trust of the people. I am optimistic about its future, for ours is a system of law and essential fairness—"the Amercan ideal of fairness."

Our country requires the continuing, searching examination of its institutions, and an insistence by the people that its promise and highest values be realized.

Many, and particularly the young, are making this examination. Some, mindlessly or purposely, are destructive of society. It is understandable that others are cynical, believing it an illusion that they can order their lives, or have any real effect on our political or social order. Faith and belief may seem empty dogma when not supported by the decency and dignity of life.

I do not minimize our country's problems, but I know of no other country which has made such an effort to correct them—whether discrimination, poverty, the environment, education, or social justice—and fairness requires the truth that during the administration of President Nixon, great initiatives in foreign affairs—unthought of a few years ago—have been taken to establish common understandings with other countries upon which peace can be built, and to avoid the danger of nuclear catastrophe.

I do not want to quote former Chief Justice Warren out of context, but the timeliness and simplicity of his remarks at the commencement exercises at Morehouse College in Atlanta, Georgia on May 21 are compelling. Among other things, he said, and I quote:

The great virtue of our Government is that people can do something about it. They elect our representatives on all levels of Government, our Mayors, our Legislators, our Governors, and our President. Where they have made a mistake, they can rectify it in a subsequent election.

"I know that because of the complexity of our governmental affairs many people believe that any effort they might make would be inconsequential, but such is not the case. Everyone, no matter how humble, can have some influence on American life, and one never knows when his acts as an individual might have profound effects."

You who graduate into the legal profession have this opportunity, perhaps in a larger sense than many others of your age. The profession of the law is unique in many ways. It is based upon discipline and reason, but it is also a very human profession. It provides actual experience and insights into the weakness, the strength, the meanness, and the nobility of human beings. It provides the opportunity to sustain and yet advance the progress of the law, to attack the causes of injustice, and to protect the individual. It opens large opportunities to participate in political processes—as candidates, members of the branches of government, and above all, in the fulfillment of your duty as citizens.

There is a great deal of bitterness and hatred in life, and it is difficult to see how these unhappy characteristics can be changed without reason, simple respect—and love for others.

Justice Holmes said, "No man has earned the right to intellectual ambition until he has learned to lay his course by a star which he has never seen—to dig by the dividing rod for springs which he may never reach."

It is possible that one may never see the star or reach the springs of which Justice Holmes spoke. But in this great and ancient university, you have been taught to respect all that is best in citizenship, scholarship, and character, and to be faithful to that trust.

We salute you, and wish you success and good fortune in the years that lie ahead.

AMBASSADOR MARTIN ON POLITICAL PRISONERS

Mr. McGOVERN. Mr. President, some weeks ago I wrote to our Ambassador to South Vietnam, Graham Martin, inquiring specifically about two individuals held in that country's prison system. He provided a very comprehensive response, not only on the situation of these two prisoners but on his overall view of the political prisoner issue.

I am left with some strong doubts on this question, particularly on the resistance of the Thieu government to permit visits by independent, international groups. If the information supplied to Ambassador Martin is correct, then I should think all parties would be welcoming any and all groups who want to inspect the prisons.

In any event, I think my colleagues will want to read Ambassador Martin's response, and I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Embassy of the
United States of America,
Saigon, Vietnam, June 12, 1974.

Hon. George McGovern,
U.S. Senate,
Washington, D.C.

Dear Senator McGovern: Thank you for your letter of April 17, 1974, requesting information on Mr. Van Day and Mr. Doan Hoa Dinh. I regret the delay in answering, but I wanted to be absolutely certain of my information before I sent it on to you.

I might add that the Embassy had nothing whatever to do with the trip of the fact finding mission to Viet-Nam conducted under the auspices of the American Security Council, I did see the group while they were here just as I saw a group headed by the Reverend George Webber which was here at the same time. I have not seen the "request" attributed to me by Mr. John M. Fisher and I am not familiar, therefore, with the context in which it was used. It is certainly true that I have asked all visitors to make known to me the names of political prisoners in order that I may continue to assist in bringing the whole truth to the attention of the Congress and the American people. I am, therefore, very grateful for your letter.

I have learned that Mr. Van Day is presently serving a three-year sentence for conspiracy, the use of forged official documents, and draft evasion. In the Republic of Viet-Nam as in the United States these offenses are regarded as crimes for which penalties are provided in public statute. Mr. Day was arrested on May 24, 1972, and sentenced by the Military Field Court of the Third Military Region—the court of competent jurisdiction in such cases—on September 4, 1973. Mr. Day's sentence will expire on May 24, 1975, i.e., three years from the date of his arrest.

Mr. Day's case is not one which calls for his exchange to the communist side under the Paris Agreement. Article 7 of the Protocol concerning the return of captured military personnel, foreign civilians and detained Vietnamese civilians defined "civilian internees" as persons who had contributed to the political and armed struggle between the two parties and had been arrested and detained for that reason during the hostilities. Persons accused or convicted of a breach of law like the military service law—just as persons accused or convicted of a common crime or violation of a civil statute—are not included in these categories. The Agreement leaves unaffected the jurisdiction of the Government of Viet-Nam in cases involving law-breakers.

With respect to Mr. Doan Hoa Dinh, I have learned that he was arrested on April 30, 1972 for desertion, participation in unlawful demonstration, and arson in a police station. Subsequently tried by the Military Field Court of the Third Military Region, he was released on October 3, 1973.

In neither of these two cases have we been able to establish any denial of the normal rights of an individual so accused and tried. If you do have such evidence I will be very glad to go back with it in hand and give give you a further report of our attempts to establish its validity.

With respect to the general question of the release of prisoners as provided in the Paris Agreement, it is our firm belief that the Republic of Viet-Nam has now completed its obligation. The exchanges of February and early March of this year returned to the communist side all detainees in Government of Viet-Nam custody who were covered by the Agreement. We are certain that with those exchanges and the recent amnesty of 420 persons on Farmers' Day, the anniversary of the strikingly successful Land Reform Program, the present total of all prisoners in all detention facilities in Viet-Nam is not more than 33,000.

This figure of 33,000 leads me to make another comment. You may recall that President Kennedy brought me back from Geneva to be the Deputy U.S. Coordinator of the Alliance for Progress. I used to enjoy so very much the conversations we had as common tenants of the center table of the eighth floor dining room where you were directing the Food for Peace program with such distinction. I found that our backgrounds were similar and that our goals and aspirations for the American people were also quite similar. I also recall your revulsion when I told you of the savage harassment I had undergone in the previous Administration because I had been so outspoken against the abuses of the McCarthy period.

If you recall those conversations perhaps you may accept the fact that there is simply no way that I could ever be pressured to say anything I did not believe to be the truth and that I usually say nothing until I have patiently established the facts.

It would be a very great help to clear up the debate which has occurred over South Viet-Nam's prison system. Therefore, perhaps you could use your great prestige to call attention to this number of 33,000, of which I am absolutely certain, the next time the figure of "200,000 political prisoners" is presented to you.

I cannot, of course, say with equal certainty that within this number of 33,000 there are no prisoners we both might agree were "political prisoners". I can say that, despite the most meticulous checking, we have yet to establish that within this number of 33,000, there exists a prisoner who has been imprisoned solely because of his opposition to the present Government, or who would not have been imprisoned for the same offenses in our own country, or in Sweden, Great Britain or Canada, for example. That is a fact. I could have ignored it, but I believe the Congress and the American people do deserve to have the whole truth. And if the McCarthy crowd could not silence me in the fifties, I don't think our friends in the "new left" will be able to do so now.

During the spring I worked very hard to secure the completion of the prisoner exchange called for by the Paris Agreements. The remaining 3,500 held by the Republic of Viet-Nam have all been returned.

The Government and people of Viet-Nam hope the communist side will now comply with its obligation and release the civilian and military personnel still detained by that side. The numbers, I should add, are considerable: The Government of Viet-Nam has stated that 70,225 civilians and 26,645 members of the armed forces remain in communist hands or unaccounted for from the period prior to the January 1973 cease-fire.

The Government of Viet-Nam has also stated that as of last March 1,084 of its civilian officials and People's Self-Defense Force members have been abducted by the communists *since* the cease-fire and remain unaccounted for. A summary of the numbers of people abducted and the names of officials and Self-Defense Force members abducted is recorded in the enclosed booklet. The accounting of officials and Self-Defense Force members lists the places and in most cases the dates of abduction.

As I stated in an interview in the U.S. News and World Report, my goal is the completion of the American departure from Viet-Nam with all possible speed leaving the Republic of Viet-Nam economically viable, militarily capable of defending itself with its own manpower, and free to choose its own leaders and Government as its own citizens themselves may freely determine. I have studied this intensively since my arrival last July. I believe it can be done quickly if we provide sufficient economic aid over the next two or three years. And I would like very much to have your support because, in a very real way, it would be a validation of the principles which you have always espoused.

As ever,

Sincerely,

GRAHAM MARTIN.

COMMUNITY PRIDE

Mr. BARTLETT. Mr. President, I believe my colleagues will benefit from reading an article by Milo Watson published in the Perry, Okla., Daily Journal, of July 19, 1974.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EL TORO

(By M. W. W.)

A few years ago, Perry high students put on a campaign of "Pride in Perry", urging local citizens to boost our community and to promote pride in everything we say and do. No doubt the campaign had a good effect by alerting Perryans about the need for thinking and acting positively.

The way things are going, it wouldn't be a bad idea to have a similar project nationwide. What do you suppose other nations think of the habit of self-condemnation and criticism of our own U.S. political, economic and social institutions? Lack of pride has become a universal failing in the U.S. for the past decade or two.

If we do not value our own institutions, how can we expect others to? For years most of our major industries have been castigated in public for just about every economic and moral crime in the book.

Business, in particular, has felt the blasts of critics who, in self-proclaimed indigation, seek to run down those who maintain payrolls and provide the life blood of our economic system.

Perhaps in second place among targets of the critics are the government institutions. Public confidence has reached a new low in the agonizing year of Watergate. Unfortunately, the furor over the Watergate scandal has touched almost every public official, regardless of guilt or innocence.

The school board members, city and county officials, state and federal officers in every capacity are often lumped together in a general feeling that government is made up of those who are inefficient and dishonest.

Congress has perpetuated the trying times by making a TV spectacular out of endless investigations. No amount of pressure from the people has been able to halt the preoccupation of Congress with Watergate while important problems—such as inflation and crime—go untouched by the lawmakers.

A lot of the negativism would be eliminated and we could begin putting it all back together if Washington faced up to responsibilities of leadership. It is time to start trying to put it all back together. American institutions are not that bad. In fact they are pretty good compared with those of other nations.

Pride in things American on the part of the people of the U.S. is becoming one of the scarcest and most badly-needed commodities in the land today. It would be ghastly if the people of other nations started believing U.S. is really as bad as its own people claim.

IMPLICATIONS OF THE TORNILLO DECISION: FREEDOM OR FAIRNESS

Mr. ERVIN. Mr. President, much has already been written about the Supreme Court's recent unanimous decision in the so-called newspaper "right-to-reply" case, and deservedly so.

Its decision in the case of Miami Herald Publishing Company against Tornillo is a landmark. The Court suggests emphatically that the first amendment means what it says. Neither Congress nor any State legislature shall make a law abridging freedom of the press. A law, such as that in the Tornillo case, which makes it a crime for a newspaper to refuse to provide editorial space for a candidate to reply to a critical editorial, seems to me a rather egregious violation of this principle, and the Supreme Court has agreed.

The Court took this strict view of the first amendment despite the surface appeal of Mr. Tornillo's case. He had declared himself for a local office in Miami and had the political and personal misfortune of becoming the subject of the Miami Herald's not so tender mercies. He was attacked in the paper's editorials and sought what we all would concede would be simple fair play—he asked the paper to grant him space to defend himself.

Now, perhaps out of fairness, the Herald should have granted him the newspaper equivalent of "equal time" to respond to a personal attack. But it did not. Even in the face of a threat to invoke an ancient Florida law with criminal penalties, it chose to defend its editorial control over the contents of the paper.

The Herald preferred to rely on the "arbitrary" power guaranteed by the first amendment, rather than the fairness demanded by the statute. This case, therefore, teaches us that there are some things more important than ordinary fairness. It should remind us that freedom of speech and press is not a "mere factor" to be balanced against other seemingly desirable social or political needs. Rather, the first amendment guarantee stands supreme.

The Court's decision, apart from its obvious constitutional merits, has other important implications, particularly for the broadcast media. The Court long ago made it clear in the case of *United States* v. *Paramount Pictures, Inc.* 334 U.S. 131 (1948) that the first amendment's "free press" umbrella covered the broadcast media as well as the print media. But as yet, totally divergent results have flowed from this original principle.

In the Tornillo case, the Court struck down a State statute requiring any newspaper which "assails the personal character of a candidate," or which charges a candidate with "malfeasance or misfeasance in office," or "attacks his public record," or "gives to another free space for such purposes," to furnish the same space for the abused candidate to reply.

In an earlier case involving the rights of broadcasters, the Court had placed its imprimatur on a Federal statute with somewhat comparable provisions. In the 1969 case of *Red Lion Broadcasting Co.* v. *FCC* 395 U.S. 367, the Court approved section 315(a) of the Communications Act of 1934 which requires that broadcasters, on pain of losing their licenses, "afford equal opportunities to all candidates" once they allow any one candidate an opportunity to use their broadcast facilities. The Court stated:

> There is nothing in the First Amendment which prevents the Government from requiring a [broadcast] licensee to share his frequency with others and to conduct himself as a proxy or fiduciary with obligations to present those views and voices which are representative of his community and which would otherwise, by necessity, be barred from the airwaves.

Contrast this language with the language in the Tornillo decision applying to newspapers:

> A newspaper is more than a passive receptacle or conduit for news, comment, and advertising. The choice of material to go into a newspaper, and the decisions made as to limitations on the size of the paper, and content, and treatment of public issues and public officials—whether fair or unfair—constitutes the exercise of editorial control and judgment. It has yet to be demonstrated how government regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time.

In the Red Lion case, the Court had no problem with the Federal Communications Commission deciding whether the editorial policies of a radio station violated section 315(a), or whether they had violated the FCC's "fairness doctrine" which requires that licensees provide reasonable opportunity for the presentation of both sides of controversial issues of public importance. But in the Tornillo case, cited here, the Court says it has "yet to be demonstrated" how such governmental regulation of the editorial process can be consistent with the first amendment.

The Court goes even further in its Tornillo opinion to state that newspaper editors who must function under the threat of a criminal prosecution if a jury decides they have not met the requirements of the statute, would be inhibited in their presentation of opinion. The Court said:

> Faced with the penalties that would accrue to any newspaper that published news or commentary arguably within the reach of the right of access statute editors might well conclude that the safe course is to avoid controversy and that, under the operation of the [state] statute, political and electoral coverage would be blunted or reduced. Government enforced right of access inescapably dampens the vigor and limits the variety of public debate.

But this concern for governmental intimidation of editors did not particularly trouble the Court when it came to broadcasters. Justice White, writing for the majority in Red Lion, stated:

> It is strenuously argued that if political editorials or personal attacks will trigger an obligation in broadcasters to afford the opportunity for expression to speakers who need not pay for time and whose views are unpalatable to the licensees, then broadcasters will be irresistably forced to self-censorship and their coverage of controversial public issues will be eliminated or at least rendered wholly ineffective. . . .
>
> That this will occur now seems unlikely, however, since if present licensees should suddenly prove timorous, the Commission is not powerless to insist that they give adequate and fair attention to public issues. It does not violate the First Amendment to treat licensees given the privilege of using scarce radio frequencies as proxies for the entire community, obligated to give suitable time and attention to matters of great public concern. . . .

I think it is clear from these opinions that broadcasters have not been accorded the same advantages of the first amendment that have been accorded to newspapers. The reason continually cited for this constitutional differentiation between types of media, as Justice White and many others have noted, is the assertion that broadcast frequencies are scarce and not available to all persons, while the print media is theoretically available to all.

I find this proposition questionable in view of the recent expansion of the broadcast industry and the concurrent consolidation of the printed media, but it is not my intent to discuss this point here. I considered the matter in some detail in my remarks to the Senate on November 14, 1973.

I simply want to call to the attention of the Senate some of the implications I see in the Tornillo decision. Some may see it as a retreat from the position taken in Red Lion, and feel that it holds out hope for the future of broadcasting. In my estimation, this may be expecting too much. The Court has given no indication that it will reconsider its underlying assumption of scarcity as a grounds for limiting the first amendment rights of broadcasters.

It is, however, appropriate to note that with the Tornillo decision, the Court has enunciated a first amendment theory which, if its scarcity rationale were dropped, may spell the end of any governmental intimidation of broadcasters. Consider, in conclusion, these words of Justice White:

> Regardless of how beneficient-sounding the purposes of controlling the press might be, we prefer "the power of reason as applied through public discussion," and remain intensely skeptical about those measures that would allow government to insinuate itself into the editorial rooms of this Nation's press. . . .
>
> Of course, the press is not always accurate, or even responsible, and may not present full and fair debate on important public issues. But the balance struck by the First Amendment with respect to the press is that society must take the risk that occasionally debate on vital matters will not be comprehensive and that all viewpoints may not be expressed. The press would be unlicensed because, in Jefferson's words, "Where the press is free, and every man able to read, all is safe." Any other accommodation—any other system that would supplant private control of the press with the heavy hand of government intrusion—would make the government the censor of what the people may read and know.

Mr. President, I commend those words to the Senate and to the Court.

AID FOR SNOW DROUGHT

Mr. McINTYRE. Mr. President, I am pleased to be among the supporters of this bill, S. 3641, to extend the Economic Development Act. This bill, with its new section providing special adjustment assistance to communities hit with major economic problems, can help provide needed relief for areas of my State, New Hampshire, and the rest of the eastern seaboard States where our local ski industries have been hit with some of the wettest winters ever.

Snow drought has brought economic hardship to many communities. This act should help them.

I have long supported the idea of loans and assistance to businesses caught in economic adversity. Now, I hope, this legislation can provide help for problems that come from the weather, bringing relief to communities that are in winter one-industry towns where the one-industry can be a snowless ski resort.

I am particularly pleased at the efforts of my distinguished colleague, the Senator from New Mexico (Mr. MONTOYA) to increase the funding available for this kind of special assistance to $100 million. I hope that some of these funds will be available quickly for our hard-pressed communities and that my colleagues will convince members of the other house of the wisdom of our decision.

SENATOR WAYNE MORSE: "PRINCIPLE ABOVE POLITICS"

Mr. PACKWOOD. Mr. President, in less than a month this Nation has lost three men of high caliber and great conscience. One, a great jurist and the other two, remarkable legislators. Similarities can be drawn between all three—Earl Warren, Ernest Gruening, and Wayne Morse—for if any belief linked their souls, it was an adamant faith in our country's Constitution. That most, if not all, of our pressing problems could be traced to a disturbing disregard for principles contained in that great document.

It was this message that was the great labor of Wayne Morse's life, and truly it was this effort that should rule our memory of his career. The touchstone of Wayne Morse's 24 years in the U.S. Senate, and throughout his splendid service as labor arbitrator and dean of the University of Oregon law school, was the U.S. Constitution. Wayne Morse took instruction from no one except the Founding

Fathers. It was this abiding faith which gave life to his own philosophy of constitutional liberalism.

No President from Roosevelt to Johnson, neither political party nor partisan persuasion, could sway Wayne Morse from his complete devotion to principle. Any attempt would always bring the wrath of the Senator from Oregon to full bear. "Principle above politics" was his cry in every campaign. And to Wayne Morse his principles always stood for truth.

Despite the 17th century warning of John Milton, that "truth never comes into the world but like a bastard, to the ignominy of him that brought her forth," Senator Morse would speak without hesitation and at times would blister this body with his rhetorical rhapsodies. He would rant:

> If I say that the United States is the greatest threat to world peace, I say so simply because it is true. If the truth is intemperate, then I will continue to be intemperate.

Exposition of the truth, then, for Wayne Morse was never an ignominous task, for often he pointed vociferously to the facts and was not hoodwinked by imitation. There is no greater illustration of Senator Morse's vision than his now legendary opposition to the Tonkin Gulf resolution. Joined only by the late Senator from Alaska, the "indomitable Morse and Gruening," as Arthur Schlesinger called them, cast their conscience in an otherwise unanimous sea of votes blinded to their vision.

Eventually the tide was reversed, and time did offer vindication. But before this plodding reversal finally occurred, Wayne Morse was subject to vituperation, and it takes a man of undaunted courage, convinced of his cause, to weather such a storm. Largely, though, it was a case of an immovable object meeting an only temporary force, for when Senator Morse was not the force behind controversial winds, he always mustered a more than countervailing fury.

The force and fury of Wayne Morse knew no bounds. With cantankerous outrage fueling an already raspy voice, he would deplore a stance taken by a President 1 day, only to enthusiastically support an education program, favored by the White House, almost in the same breath. Always the measure for support was the principle behind the argument and not past disagreement. At times the Morse verbal blade struck with such speed that cuts were perhaps deeper than intended but it was a sword thrust only by conviction and lacked the twists and supturns of spite.

Few men were as controversial during their life as Wayne Morse. Men who search out the truth do not often travel en masse, since the controversy which often swirls around the discovery of truth breeds hard contests which only the strongest may survive. Ashamedly, truth is consequently avoided, and yet while those who do have the courage to search and proclaim are often alone they are never lonely; for a man of strong and true principle is the greatest friend a people can have. Thus, as Shakespeare wrote, Wayne Morse lived:

This above all: to thine own self be true,
And it must follow, as the night the day,
Thou canst not then be false to any man.

And so too, our memory shall never be false if we always recall that it was Wayne Morse's unswerving principles which shall forever be the great heir to fame and a lesson for our time.

CYPRUS AND THE WAR POWERS RESOLUTION

Mr. EAGLETON. Mr. President, the Defense Department has responded publicly to my remarks of July 31, regarding the failure of the administration to report the introduction of Armed Forces into Cyprus for the purpose of evacuating Americans. Such a report is, in my opinion, required under section 4(a)(1) of the war powers resolution

The administration's explanation for failing to report includes the following points: First, that the areas where American helicopters landed was not part of the hostile zone; second, that the mission—evacuating Americans and foreign nations—was "humanitarian"; and third, that our forces were unarmed.

It is not my purpose to question the administration's motive or even its modus operandi in evacuating the innocent victims of a war. It is instead to assure that a precedent is not established in the Cyprus case whereby the executive branch assesses a particular situation which may come under the war powers resolution and, on the basis of information available only to the executive, decides that no report is required under the law.

Let us ask first what we are arguing about. What is so contentious and so provocative about submitting a report to Congress?

We are not talking here about a struggle over the President's authority. Questions of prior authority were, to my regret, written out of the final version of the war powers bill. All that is required now is an ex post facto report. Why then all the fuss? Why not err on the side of sending the report instead of arguing over whether the circumstances of the case are within the intent of the legislation?

Section 4(A)(1) is clearly written and, in my opinion, it would definitely encompass the landing of forces in Dhekelia, Cyprus, to say nothing of the reported landing of American helicopters at Kyrenia. That section states that—

> In the absence of a declaration of war, in any case in which United States Armed Forces are introduced . . . into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances.

Section 4(A)(1) says nothing about excluding "humanitarian" missions. Nor does it state that unarmed forces need not be reported. We come down then to the central issue—was it a hostile area?

If the administration argues that hostilities were not in evidence in Dhekelia and Kyrenia, there is little Congress can do to confirm that assertion, at least within 48 hours. But we do not need access to classified reports to know at least that the circumstances on Cyprus on July 22 clearly indicated the possibility of an "imminent involvement in hostilities." Any reasonable person—any person not attempting to split hairs in the style of a corporate lawyer on a tax case—would have to agree with that assessment.

Mr. President, the discussion that has ensued in the past few days gives me great concern. It seems that instead of insisting on an automatic, routine response by the Executive under section 4, we may now be willing to listen to the Executive's explanation of the event and decide on the basis of that explanation whether the law should be obeyed.

Whether or not there is cause for some to accept in good faith the administration's explanation, past experience shows that we cannot depend upon the personal trust which may exist between some Members of Congress and some representatives of the executive branch. The alleged Gulf of Tonkin attack and the secret bombing of Cambodia are two well-known examples of the overdependence of special relationships and the advantage that accrues to the Executive when he can choose who in Congress he would like to take into his confidence. The administration's explanation in the Cyprus case—both public and private—should be considered moot. The language of section 4(A)(1) is clear enough.

Mr. President, we must take the subjectivity our of the war powers reporting requirement and insist on automatic responses from the Executive whenever our forces enter a country where there are ongoing hostilities or where there is an imminent threat of such hostilities. If there is doubt over whether a report should be sent, then the report should be sent. This is the only way that a 535-Member body can protect its statutory prerogative.

COMPETITION IN THE OIL INDUSTRY

Mr. STEVENSON. Mr. President, the Senate Interior and Insular Affairs Committee has held hearings on S. 3717, introduced by our colleague Senator HUMPHREY. As a cosponsor of this legislation to extend the Emergency Petroleum Allocation Act of 1973, I agree that such action must be taken by Congress. A clear sign of congressional intent to maintain competition in the oil industry and to protect the consumer from the impact of inflation that surely will follow if oil prices are decontrolled, must be made now. The opposition of the administration to an extension of the allocation act is just another manifestatoin of its belief that "What is good for Exxon is good for the country."

Given the present state of our economy, if all price controls for petroleum products are allowed to expire, the impact will be devastating. Immediate action to extend this legislaiton is required.

Mr. President, I request unanimous

consent that this statement made by Senator Humphrey before the Interior Committee be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Hubert H. Humphrey Before the Senate Committee on Interior and Insular Affairs, July 31, 1974

Mr. Chairman, I have come this morning to urge the Committee to recommend that the Senate extend the Emergency Petroleum Allocation Act, as proposed in legislation I have introduced, S. 3717. The Emergency Act has served the Nation well. It has permitted the Federal Energy Administration and its State counterparts to step into situations where fuel supplies were inadequate to make sure that essential activities, such as food production and essential public services, were not disrupted. It has permitted the FEA to moderate greatly the inflationary impact of higher world oil prices on the U.S. economy by preventing the price of some already flowing domestic crude oil from adjusting upward to the world level. It also permits the FEA to direct the major oil companies to continue supplying the independent oil refiners and distributors. Although the administration of this part of the Act up to now has not been adequate to save the independent sector from being severely squeezed, it has saved the independents from complete extinction.

MAINTAINING ESSENTIAL ACTIVITIES

No one needs to be reminded of the dire fears and forecasts that existed last fall concerning the adequacy of heating fuel in certain parts of the country. Some disruption of transportation and production did occur, but a great deal was avoided through the efforts of the FEA and collaborating State officials. No one needs to be reminded of the drastic shortage of gasoline that prevailed intermittently from last Thanksgiving through the beginning of April. Bad as it was, it was greatly mitigated by the FEA acting under the authority of the Emergency Petroleum Allocation Act.

Mr. Chairman, supplies since that time have been adequate in the main largely because of our good fortune with last winter's very mild weather. Meanwhile we have foolishly returned to business as usual. Our consumption is growing again but increases in domestic crude production and refinery capacity are sitil some years away. No one guarantees that shortages will not return if, for instance, next winter is not so merciful as last.

They could well be worse than anything we have seen yet. The allocation machinery is just getting oiled up. The first break in the storm clouds is no time to throw away our authority for dealing with a problem that all agree is a long-term matter.

CONTROLLING INFLATION AND OIL PROFITS

As for oil prices, Mr. Chairman, I think we do not realize how much the Emergency Petroleum Allocation Act has permitted FEA to soften the blow to the U.S. economy. Despite the fact that crude price increases were granted which profited domestic producers about $10 billion, the price controls have held the price of 60 to 70 percent of U.S. domestic crude production at about one-half of the level to which it would have gone without controls. As a result, the increases in oil prices were shaved by about one-third.

If the Emergency Act is allowed to expire, the prices of all crude oil and oil products will "even up" to a level commensurate with OPEC prices. This will mean that all regular gasoline will go up another 10 cents a gallon to about 65 cents per gallon from today's average of about 55 cents. Fuel oil will rise sharply again. And these increases will be reflected in the prices of freight rates, air fares, electricity, and all the goods that contain some fuel component.

It is estimated that last year's big jump in crude oil prices contributed about 3 percent on top of other factors to this year's alarming rate of inflation. If we decontrol oil prices next February, we can expect similar shock waves to roll through the economy again.

Mr. Chairman, I believe that the public just will not condone Congressional inaction that will result in another huge windfall for the oil industry at the expense of consumers. I can think of almost nothing that would make people madder.

There is no economic reason for permitting it to happen. Higher prices are not resulting in increases in new oil production or drilling activity. In fact higher prices and new oil corporation profits would most likely result in the feverish scramble for scarce resources in the industry and bidding up prices of rigs, piping and labor even more.

Let me remind you that absolutely no action has been taken by the Senate up to now to recover any of the oil profits bonanza in taxes, either for this year or in the future.

SAVING COMPETITION IN THE OIL INDUSTRY

If it weren't for the Emergency Petroleum Allocation Act, Mr. Chairman, there would be virtually no independent refiners or marketers left in the oil industry today. They would have been rubbed out clean in the short period of two years. As it is, they have suffered great attrition, and their share of the retail market, for instance, has slumped, according to a recent FEA consultant's report, from about 28 percent in 1972 to about 17 percent at present.

Various observers of the oil industry have testified—several of them before the Subcommittee on Consumer Economics, which I chair—that the major oil companies in the past have taken most of their profits at the crude-oil level and have kept the profitability of refining and marketing artificially low as a means of curtailing competition there. However, now that overseas producing countries have seized control of much of the crude production and the associated profits, the major companies are turning increasing attention to tightening their grip on the downstream sectors and to increasing profits there.

Some major companies are taking over previously franchised stations for their own use, and all of them continue to build new stations, often to represent their so-called "fighting brands;" that is "gas-and-go stations" set up to compete directly with the independent gasoline marketers. This is why the independent firms, already weakened financially by two years of supply starvation, are convinced that they will not be able to obtain adequate supplies from their major-company competitors now that the latter are moving in to take over the action. And we need the competitive influence of the independents more than ever.

As I indicated, Mr. Chairman, while the Emergency Petroleum Allocation Act has provided vital authority to regulate oil supplies and prices, it has not succeeded as it is administered in assuring fair pricing to the independent sector of the industry. Although the law provides for fair distribution to all segments of the industry at fair prices, the FEA refused for a long time to take any action to assure fair pricing.

So the major companies could fulfill their supply commitments to independents largely with crude oil at the high uncontrolled price and with products based on such crude, while underselling their competitors with oil at the lower controlled price. This has meant that supply commitments to independents, in many cases, were meaningless, because at the prices offered the supplies could not be resold.

For example, Exxon is selling regular gasoline in Washington, D.C. for about 55 cents a gallon under price control, but independent stations receiving only uncontrolled oil must charge well over 60 cents. With this disparity in costs, the independents cannot sell any gas and are rapidly going out of business. I attach for the record three tables provided by the Independent Gasoline Marketers' Council, showing their increase in wholesale prices compared to that of the integrated companies and their resulting loss of market share of price.

FEA's response to this problem has been very halting and incomplete. Recently, after much footdragging, they ordered the majors to supply certain quantities of lower-priced oil to a small selection of independent refiners whose costs were farthest out of line. FEA contended that this correction at the refinery level would take care of the desperate plight of independent marketers as the savings in cost were passed through. But this is a totally inadequate response to the problem and leaves many independent refiners and marketers in an untenable competitive position.

THE NEED FOR PROMPT ACTION

In closing, Mr. Chairman, I urge the Committee and the Congress to act quickly on this matter. The need to expedite the renewal legislation stems from the fact that the Administration is proceeding with its decontrol plans for this Fall and Winter. The result of this is that producers and distributors all along the line will begin to hold back production as decontrol approaches in hopes of realizing a sizeable increase in price and in the value of their inventories, including inventories in the ground. Therefore, we cannot act too soon to remove this uncertainty from the market and to convince the industry that it will profit them nothing to hold back production in anticipation of new shortages.

Independent Gasoline Marketers Council Sales Volumes Analysis, June 28, 1974

Comparison of sales of motor gasoline by sample of nonbranded independent marketers, representing more than 2,700 retail outlets from coast to coast and, sales of motor gasoline by total industry, as reported by the Federal Energy Administration;

Time period	Base period, 1972	Current, 1974	Percent of base period
Sample of nonbranded sales:			
January	156, 385, 023	133, 457, 685	85. 3
February	149, 150, 279	129, 918, 573	87. 1
March	176, 010, 430	136, 085, 432	77. 3
1st quarter	481, 545, 732	399, 461, 690	82. 9
April	174, 699, 612	138, 014, 540	79. 0
Total industry sales:			
January	7, 226, 016, 000	7, 563, 150, 000	104. 7
February	6, 955, 998, 000	6, 835, 584, 000	98. 3
March	8, 348, 760, 000	8, 190, 294, 000	98. 1
1st quarter	22, 530, 774, 000	22, 589, 028, 000	100. 3
April	7, 905, 870, 000	8, 058, 582, 000	101. 9

Independent Gasoline Marketers Council Wholesale Price Movement Analysis, June 28, 1974

Comparison of the average cost of regular gasoline, excluding taxes, to nonbranded independent marketers, representing more than 2,700 retail outlets from coast to coast, and the average cost of regular gasoline, excluding taxes, to all marketers, as reported by Platt's Oilgram for 1972 (average of 55 markets) and by the Federal Energy Administration for 1974:

Time period	Base period 1972, cents per gallon	Current 1974, cents per gallon	Percent of base period
Nonbranded average costs per gallon:[1]			
January	12.7	23.3	183
February	12.7	26.9	212
March	12.7	29.7	234
1st quarter	12.7	26.6	209
April	12.8	30.2	236
All marketers average costs per gallon:[2]			
January	13.0	20.2	155
February	12.9	22.5	174
March	12.0	24.2	201
1st quarter	12.6	22.3	183
April	12.2	25.5	209

[1] Nonbranded costs do not include national brand name advertising and refiner credit card services as do branded jobber costs.

[2] Cost figures are based on dealer tankwagon prices, less 5 cents to reflect jobber margins, but without adjustment for refiner advertising and credit card services.

INDEPENDENT GASOLINE MARKETERS COUNCIL MARKET SHARE ANALYSIS, JUNE 28, 1974

The market share of nonbranded independent marketers during current periods of 1974, measured in each period as a percentage of the comparable period of 1972. The sample consists of sales of motor gasoline by more than 2,700 retail outlets from coast to coast.

Percent of base period market share

[In percent]

1974:	
January	81.5
February	88.8
March	78.7
1st quarter	82.2
April	77.7

TWENTY-FIFTH ANNIVERSARY OF GSA

Mr. HUGH SCOTT. Mr. President, this month marks the 25th anniversary of the General Services Administration. Many of us here have watched GSA grow and mature during these 25 years until it has become the efficient business manager of the Federal Government.

Earlier this month the President wrote to express his appreciation to GSA Administrator, Arthur F. Sampson, for the service the agency has rendered during its first 25 years. I would like to share with my colleagues President Nixon's letter, and suggest to my colleagues that the employees of GSA, typical of our many thousands of civil servants, deserve acclaim for their dedication and hard work.

Mr. President, I ask unanimous consent that the letter from the President be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, July 12, 1974.

On July 1, 1949, the Eighty-First Congress of the United States enacted the Federal Property and Administrative Services Act which combined several existing agencies to create the General Services Administration.

Today, after a quarter century of distinguished service, GSA and its dedicated employees deserve the gratitude and respect of their fellow citizens.

Originally charged with developing and administering an efficient property management program for the Federal Government, GSA has expanded its efforts far beyond the basic administrative duties contained in its charter. During its first twenty-five years it has performed a range of duties broad enough to earn it the title of "business manager" of the Federal Government.

Through its leadership in the formulation of governmentwide management policy and its innovations in the areas of consumer information and the problems of energy and our environment, it has developed into a major Federal agency whose many programs benefit all Americans.

This month, as GSA celebrates its twenty-fifth anniversary, the devoted men and women who have carried out its duties can share a deep pride in their agency's outstanding record of achievement. It is a pleasure for me to recognize on behalf of a well-served nation the excellent manner in which GSA continues to meet its responsibilities and the manner in which it consistently lives up to its anniversary motto: "Progress Through Excellence—Service Through People."

RICHARD NIXON.

MIDWEST GOVERNORS' CONFERENCE

Mr. HUMPHREY. Mr. President, the Midwest Governors' Conference was held in Minneapolis, Minn., from July 28 through 31. A number of resolutions were adopted, two of which I bring to the attention of the Senate.

The first is a resolution sponsored by Gov. Patrick J. Lucey of Wisconsin and unanimously supported by the Midwest Governors' Conference, urging the Congress to continue the mandatory fuel allocation program and, secondly, calling upon the Congress and the executive branch to establish a national grain reserve.

Another resolution related to the situation facing the dairy industry. This resolution was likewise given unanimous support by the Midwest Governors.

I ask unanimous consent that the text of the two resolutions be printed at this point in the RECORD.

I also ask unanimous consent that the remarks of Mr. Tony Dechant, national president of the Farmers Union, be printed in the RECORD. Mr. Dechant made a strong presentation to the Midwest Governors' Conference, urging the establishment of a national grain reserve program and reminding the Governors of the incredible rise in the cost of production of agricultural products.

These resolutions and the address of Mr. Dechant deserve the thoughtful attention of every Member of Congress.

There being no objection, the resolutions and remarks were ordered to be printed in the RECORD, as follows:

PROPOSED RESOLUTION BY GOV. PATRICK J. LUCEY, WISCONSIN

Whereas, In the next few years the well-being of the American people and millions of our fellow men and women throughout the world will depend heavily on the agricultural production of the American farmer; and

Whereas, In times of escalating resource demand and global concern about food, fuel and mineral shortages we must take extreme care to protect and strengthen our renewable agricultural resource base; and

Whereas, There are indications on a national and international level of continuing fuel and food shortages of severe magnitude over the next decade; now therefore be it

Resolved, By the Midwest Governors' Conference:

1. That strong and forceful action, including the continuation of our nation's mandatory fuel allocation program, be taken to assure that every necessary resource (e.g. fuel and fertilizer) will be available to our nation's agricultural producers to insure peak production in the coming months;

2. That Congress and the federal executive establish a national grain reserve, and develop other new programs to insure that America will have the potential to actively assist other nations in meeting the threat of severe food shortage or starvation over the next decade.

PROPOSED RESOLUTION ON DAIRY IMPORTS SUBMITTED BY GOV. PATRICK J. LUCEY, WISCONSIN

Whereas, American dairy products and the American dairy industry are vital to the continued health, nutrition and well-being of this nation; and

Whereas, Dairy production and dairy products are of specific importance to the economy of the Midwest and to a balanced national agricultural effort; and

Whereas, The dairy import policies of the federal government are creating extensive hardships for American dairy producers, hardships which penalize the farmer in the short run, but whose long-term victim will be the American consumer, no longer assured of adequate supplies of high quality domestically produced dairy products; and

Whereas, There is an urgent need to place the full weight of federal agricultural policy behind assuring a continued steady supply of American dairy products and the continued successful operation of America's dairy industry: now therefore be it

Resolved, By the Midwest Governors' Conference:

1. That immediate action should be taken by the federal government to insure that imported dairy products and producers meet the same high standards as are required of American producers, and that American consumers are guaranteed a uniformly high quality and healthful dairy product;

2. That federal farm and dairy import policies should have as their primary concern the welfare of the dairy farmer and maintenance of the viability of the American dairy industry;

3. That the dairy farmers of the Midwest, and the dairy product consumers of America should not be made the pawns in a misguided attempt to improve America's balance of trade by bartering away our dairy production capacity for imagined economic advantages in other spheres.

REMARKS BY TONY T. DECHANT, NATIONAL PRESIDENT, FARMERS UNION

I will not discuss the food crisis that hangs like a dark cloud over the world today, threatening to blot out peace and progress, and life itself for untold millions. Others have, and will, do that more eloquently than I could. Neither will I attempt to discuss the need for mankind to limit population of our planet. If we do not do that, then, at best, we are only racing against time as we pit our ability to produce food against the glandular propensities of mankind—and the glands will win.

Instead, I want to talk about the here and now, and the only commodity that can head off mankind's most dreaded disaster—hunger and starvation.

Food is the product of solar energy transformed to biological energy in a delicate combination of air, soil, and water. Topsoil is a fragile membrane around the earth, comparable to a thin sheet of cellophane around a bowling ball. The impurities of air and water are measured in parts per million. Yet every effort to plan for permanence and purity of these resources meets opposition. In recent months, for example, major land use legislation was defeated in the Congress of the United States.

But food production is not all earth and air and water. Nor is it just seed and fertilizer and chemicals and machinery. It is *people*. It is men and women and children with minds and bodies and souls. They work and play. The meet and *vote*. They buy and sell. They seek personal perfection in churches and in prayer and meditation. They seek social perfection in the causes of peace and prosperity in their political and economic institutions—in political parties, governments, partnerships, and cooperatives.

All of these pursuits are carried out to fill the special needs of rural people whose lives are spent in a singular pursuit—the production of food and fiber, mankind's most urgent necessities. They are bound together in rural cultures, set in rural communities.

Where are the planners for rural cultures? All our planners are city planners. Our children are told in their schools and in the movies and on television that beauty and adventure and fulfillment can only be found in the cities of the world.

Are we determined to destroy the basis of our food production system at the very time when famine threatens such vast areas of the world?

It is quite natural that in the face of this impending disaster, we should hear a great hue and cry over food. "Let agriculture make its full contribution to the American economy," says Secretary Butz. By that he means that farmers must produce from fence to fence and border to border. Government officials assure consumers that fence-to-fence record production and the consequent larger supplies will "ease pressure" on farm prices. "Ease pressure" is a euphemism. That's a term that sounds nicer than its real meaning. "Ease pressure" means *lower prices* for farm commodities. It tells us that record production always brings. Can you recall a single instance in American history when record production did not bring low prices?

Record production "eases prices," all right. It has *eased* them so much and so often that 20 million people *eased* out of rural America during the record produtcion years from 1950 to 1970.

The farmer must look to the market for guidance, says our government. That means when prices are high, farmers will strive for "record production." Record production always brings low prices. The logic of low prices when we are being guided by the market is to produce more because the high cycle is just around the corner. So we've still got "record production." And—you guessed it—we've still got low prices.

Thus does the "boom" turn to "bust." We simply must recognize that the instability of 'boom and bust" will not bring us the *stability* of plentiful food production..

When we talk of food, we are talking of a physical commodity—measured in pounds and tons, occupying space that is measured in cubic inches and feet. If the container is empty, lacking the dimensions of weight and volume, then we are talking about the absence of food.

Food is not produced by some miraculous, continuous process. It is produced seasonally and the seasons are uncertain. They are marked by drouth and flood and the invasion of pestilence. Yet there is a remedy for the uncertainty of the seasons, and the shortages that may result. It is a remedy universally agreed upon, not only for shortages, but for surpluses which work much havoc in the farm economy. *The remedy is reserves.*

Reserves are the second innovation of the age of agriculture, the logical follow-up to production itself. Nor are reserves limited to agriculture. They are used in every essential pursuit—ranging from metals to money—to fill needs in times of shortage, to change surpluses from curse to salvation. Reserves are available in times of short production. The empty spaces are filled during times of plenty.

We are told that reserves are too costly. But we can accumulate reserves only when we have surpluses. What is the cost? The cost of reserves is only this—the cost of not having a farm depression.

In this period when the world faces hunger and starvation for millions, the planners play out a black comedy in opposition to reserves. When surpluses come again—to bring low prices and destitution to producers—have no doubt the comedy will grow darker and more absurd as opposition to reserves continues.

Another aspect of the food problem is that food is not produced evenly over the surface of the earth. It cannot be, for the basic resources to produce—topsoil and water—are unevenly available. Beyond this, man's ability to bring these resources together in harmonious combination to assure bountiful production varies widely. Food cannot be produced in the asphalt jungles of our cities. Food cannot be produced in abundance in most of the nations of the world—for lack of moisture, humus, or knowledge.

Thus, a third requirement to assure food for all is trade. Trade—another word for it is "distribution"—can occur under many conditions. Theft and burglary are kinds of distribution. They are regarded as unacceptable in an orderly and peaceful world. Charity is another form of distribution. It is more widely approved, but it is far from universally accepted. Trade for credit and currency is the modern world's answer to the need to make food available to all the urban and rural peoples of the world.

Yet, our planners would deny those who produce the food and those who need it most a role in determining the terms of trade—either in the supermarkets or in the seaports of the world. Trade, they say, should be the province of giant corporations. These corporations are accountable only to their managers and their owners, barricaded in air-conditioned offices and walled estates, inaccessible to those whom they exploit—producers and consumers alike.

Their rationale is "free trade." Yet nowhere is clear evidence of its existence to be found. It is the business of corporations to *control* the the exchange of commodities, to assure "freedom" of prices to *rise*, but not to *fall* in response to supply and demand. And in every other country of the world, governments themselves are a significant factor in the food marketplace, even through farmer-controlled marketing boards.

Practically all of the farm commodities that are bought in the world market are either bought directly by governments—as in the Soviet Union and China and Japan—or under strict government control of prices, as in Europe. It is foolishly unrealistic for American farmers to imagine for a minute that they can compete effectively with other sellers, or bargain effectively with the buyers of farm commodities, in this kind of world market. Even with much stronger marketing cooperatives than farmers have today, American farmers on their own would be as helpless as babes in the woods against this kind of market reality.

There is no "free market." The corporate rationale for denying producers and consumers a role in determining the terms of trade is phony. Worse, it is *fraudulent*. The politicians and propagandists of the big food trading companies who use the term *know it is false*.

But that is not the end of their fraud They tell us another falsehood about ourselves. Sometimes with a phony sympathy they tell us that, well, perhaps supply management and price protection is necessary and the real world in which we live, but such a program will never get approval.

The reason, they say, is that such farm programs are "Democratic" proposals, and the Republicans won't have anything to do with them. This logic has made it possible for some conservative Democrats to compromise downward, or get off the hook entirely. *But it simply is not true that these are Democratic concepts.*

Have they lost their memories? Do they not recall Clifford Hope of Kansas, chairman of the House Agriculture Committee, for many years the senior Republican on that Committee, and known for decades as "Mr. Wheat" in Washington?

Don't they remember Charles McNary, a distinguished Republican who once carried his party's banner as its candidate for Vice President, the author of the pioneering McNary-Haugen farm program bill of the 1920s?

Are their memories so short that they have so soon forgotten George Aiken of Vermont, now preparing to retire from his position as senior Republican for nearly a generation on the Senate Agriculture Committee?

The farm program that provided the mechanisms for supply management and price support was a bi-partisan program. To ignore that is to revise history.

In closing, let me make one final point. It concerns the real world in which we live, not the vanished world of Adam Smith. It is not the world in which outraged colonists dumped tea in Boston Harbor in protest over taxation, but the real world of today when French farmers dump American meat overboard at LeHavre. In this *real* world, the United States is the greatest food producing nation on earth, a fact acknowledged by all. We are a peace-loving nation. I look with pride on our leadership in the cause of peace in the Middle East and Cyprus, and I commend Secretary of State Kissinger for his skill and dedication.

Where is our leadership in world agriculture? At this time when crisis looms, our agricultural leadership drags its feet, calling for business as usual, refusing the kind of compromises that must occur between nations in order to achieve agreements, whether for *peace*—or *plenty*.

THE EDUCATION AMENDMENTS OF 1974

Mr. DOMINICK. Mr. President, on July 31 the House passed H.R. 69, the Education Amendments of 1974, and sent the bill to the White House to be signed into law by the President. The Senate had passed the bill on July 24.

As the ranking Republican on the Education Subcommittee, I have been working on this bill in committee, on the Senate floor, and in conference for many months. I sincerely believe it to be possibly the most comprehensive and innonative piece of education legislation ever considered by the Congress.

The bill authorizes some $25 billion in Federal aid to education from fiscal years 1975 through 1978, roughly $6 billion per year. I might say that I hope my colleagues on the Appropriations Committee will see fit to appropriate amounts at or near the levels we have authorized, because I believe the continued greatness of our country rests on our educational system. Federal education programs are one of the best values we can get from our tax dollars.

Mr. President, everyone is aware that the heart of H.R. 69 is the title I program, which provides some $2 billion for aid—including $17 million for Colorado—to school districts, for the education of children from families with poverty level income. I believe most people are also aware of the Impact Aid Funds provided to school districts to alleviate the tax losses suffered by those districts due to the presence of military or other Government employees.

What many people do not know is that there are many other programs authorized in this bill which will be having dramatic impact on our Nation's education programs for years to come. In my opinion, information about these programs is of great interest to our Nation's teachers, including the 31,000 elementary and secondary teachers in my State of Colorado.

Mr. President, I have carefully analyzed H.R. 69 and synopsized what I consider to be 12 of the less publicized programs, studies, and requirements which should be of interest to all of our Nation's teachers as they prepare for this fall's classes. These include—

First. Parents rights to inspect their childrens' school records;

Second. Program for gifted and talented children;

Third. Education for metric conversion;

Fourth. Studies on crime in the schools and athletic injuries;

Fifth. The national reading improvement program;

Sixth. The "community schools" concept;

Seventh. New bilingual education programs;

Eighth. Educational equity for women;

Ninth. Education of the handicapped;

Tenth. Career education;

Eleventh. Consolidation of certain education programs; and

Twelfth. Busing.

Mr. President, I ask unanimous consent that my analysis of these provisions be printed in the Record for the benefit of my colleagues in the Senate, who have not had the time to study H.R. 69 as I have, and for the benefit of our Nation's teachers who, incidentally, have done another outstanding job this year under difficult circumstances.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

ANALYSIS OF SELECTED PROVISIONS OF H.R. 69—THE EDUCATION AMENDMENTS OF 1974

1. Parents will have the right to inspect their children's files, and the right to a hearing to contest their children's school records. Institutions denying parents this right will lose their federal educational aid.

Schools may not release children's records, other than to educational officials, without written parental consent.

All instructional materials used in school research or experimentation programs shall be made available for inspection by parents or guardians.

The parental rights transfer to the child at age eighteen. In legislating these rights, it was the Congress' belief that the privacy of students should not be invaded, nor should there be any threat of psychological damage to students from undue disclosure of school records.

2. The need to develop gifted and talented children has finally been recognized through the authorization of a $50 million program, to be spread over the next four years, to plan, develop, operate and improve programs and projects designed to meet the special educational needs of such children.

3. Education for the use of the metric system of measurement will be encouraged through grants for programs which hold promise of making a substantial contribution toward the purpose of metric education.

With the metric system of measurement in general use in industrially developed nations, increased use of this system in the United States is inevitable. Since there heretofore has been no existing federal program designed to teach children to use the metric system, the Congress believed such a program should be immediately established.

4. Studies on crime in the schools and on athletic injuries will be undertaken.

The "Safe Schools Study" will be made by the Secretary of Health, Education and Welfare to determine the incidence of crime and violence in elementary schools. The study will include the frequency, seriousness and number and locations of schools affected throughout the United States. More importantly, it will state the means by which such crimes are currently attempted to be prevented, and how they may be more effectively prevented in the future.

The "Study of Athletic Injuries" will be made to determine the number of injuries occurring in connection with athletic competition in secondary schools and in colleges, and the relationship of such casualties to the presence or absence of athletic trainers, both certified and non-certified.

5. A national reading improvement program will be established with the majority of the $293 million authorized over the next four years to be used for projects in schools with large numbers or high percentages of children with reading deficiencies.

Special emphasis projects will be undertaken to determine the effectiveness of intensive instructions by reading specialists and reading teachers.

Public television will be used to train elementary teachers who wish to become reading teachers or specialists under a one-year experimental program.

6. A community school program to provide educational, recreational, cultural, and other related community services has been established. These services will be provided in accordance with the needs, interests, and concerns of the community in cooperation with other community groups.

As the prime educational institution of the community, the school is most effective when its use involves the people of the community in a program designed to fulfill their needs.

7. Great concern with the need for bilingual education prompted the Congress to authorize a $580 million program over the next four years.

Bilingual education was defined as a program in which there is instruction in and study of English, and to the extent necessary to allow a child to progress effectively through the education system, in the native language of the children of limited English-speaking ability.

All courses or subjects, to the extent necessary, shall be included in the bilingual program, including art, music, and physical education.

Children whose language is English may enroll in bilingual programs, but in no event shall the purpose of the program be designed to teach a foreign language to English-speaking children.

Areas of greatest need will receive priority in the distribution of grants for bilingual programs by the Commissioner of Education. This means that Colorado, which is among the top five states in numbers of children of limited English-speaking ability, will receive strong emphasis under this program.

8. Educational equity for women in schools will be pursued. The Congress found that educational programs in the United States are frequently inequitable as they relate to women, and often limit their full participation.

The expansion and improvement of educational programs and activities for women has been mandated, and will be carried out through grants made to advance educational equity in many areas, including vocational education, career education, physical education, and educational administration.

A national comprehensive review of sex discrimination in education will be made, and the results will be reported to the newly created Advisory Council on Women's Educational Programs, to be located in the Office of Education in the Department of Health, Education and Welfare.

9. Full educational opportunity for the handicapped is the goal established by Congress, and some $630 million has been authorized for fiscal year 1975 for grants to states for education of the handicapped at preschool, elementary and secondary school levels.

Colorado will receive almost $7 million for the provision of full educational opportunities to its handicapped children. Grants will be distributed on the basis of $8.75 for each child in the state aged three to twenty-one inclusive.

10. Career education, with the goal of preparing every child for gainful employment and full participation in our society by the time he or she has completed secondary school, is a future educational goal. Some $60 million has been authorized over the next four years to meet this goal.

An office of career education will be established in the Department of Health, Education and Welfare, and grants will be made for the development of exemplary career education models, including models where handicapped children may receive appropriate career education.

Grants for demonstration projects to determine the most effective methods and techniques in career education will also be made to state educational agencies.

11. State and local educational agencies will have more to say about how Federal funds are to be spent under a provision in the bill providing for the consolidation of certain educational programs. In my opinion, this is a very important provision because it puts the decision-making power in the hands of state and local educators, who are the ones most aware of the particular educational needs of their state and school districts.

12. Changes in Federal law regarding busing were enacted by the Congress.

In the future, no child should be bused beyond the school next closest to his home, unless the court believes more extensive busing is needed to ensure constitutionally guaranteed civil rights.

Parents or school districts may seek to reopen busing orders, such as the one Denver is under, if the time or distance traveled is so great as to endanger the health of the children or impinge on the educational process.

Federal funds may not be spent for busing to achieve racial balance, except for so-called impact aid funds.

These provisions complemented the recent Supreme Court decision which reversed a lower court order calling for busing of children across school district lines in Detroit, Michigan, and 53 surrounding communities. The Supreme Court's decision will at least serve to keep the busing of children confined within each child's school district, and some believe this may be the first step to the eventual end of all busing to achieve racial balance.

RESOLUTIONS ADOPTED BY THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

Mr. ERVIN. Mr. President, at its 84th annual congress in Baltimore, Md., during the month of June 1974, the National Society of the Sons of the American Revolution adopted a number of resolutions which are of interest to many Americans. As a consequence, I ask unanimous consent that a copy of such resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION

RESOLUTION NO. 1

Whereas, under the 1903 Treaty with Panama, the United States obtained the grant in perpetuity of the use, occupation and control of the Canal Zone territory with all sovereign rights, power and authority to the entire exclusion of the exercise by Panama of any such sovereign rights, power, or authority as well as the ownership of all privately held land and property in the Zone by purchase from individual owners; and

Whereas, the United States has an overriding national security interest in maintaining undiluted control over the Canal Zone and Panama Canal and solemn obligations under its treaties with Great Britain and Colombia for the efficient operation of the Canal; and

Whereas, the United States Government is currently engaged in negotiations with the Government of Panama to surrender United States sovereign rights to Panama both in the Canal Zone and with respect to the Canal itself without authorization of the Congress, which will diminish, if not absolutely abrogate, the present U.S. treaty-based sovereignty and ownership of the Zone; and

Whereas, these negotiations are being utilized by the United States Government in an effort to get Panama to grant an option for the construction of a "sea-level" canal eventually to replace the present canal, and to authorize the major modernization of the existing canal, which project is already authorized under existing treaty provisions; and by the Panamanian government in an attempt to gain sovereign control and jurisdiction over the Canal Zone and effective control over the operation of the Canal itself; and

Whereas, similar concessional negotiations by the United States in 1967 resulted in three draft treaties that were frustrated by the will of the Congress of the United States because they would have gravely weakened United States control over the Canal and the Canal Zone; and by the people of Panama because that country did not obtain full control; and

Whereas, the American people have consistently opposed further concessions to any Panamanian government that would further weaken United States control of either the Canal Zone or Canal; and

Whereas, many scientists have demonstrated the probability that the removal of natural ecological barriers between the Pacific and Atlantic oceans entailed in the opening of a sea-level canal could lead to ecological hazards which the advocates of the sea-level canal have ignored in their plans; and

Whereas, the Sons of the American Revolution believes that treaties are solemn obligations binding on the parties and has consistently opposed the abrogation, modification or weakening of the Treaty of 1903; Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, opposes the construction of a new sea-level canal and approves Senate Resolution 301 introduced by Senator Strom Thurmond and 34 additional Senators, to maintain and preserve the sovereign control of the United States over the Canal Zone.

RESOLUTION NO. 2

Whereas, the strength and stability of the economic and monetary system of the United States is vital to the defense of the country, and

Whereas, the fiscal and monetary policies of the Congress and Administration, present and past, have led to the devaluation of the dollar, double digit inflation, and the current economic crisis in the United States, and

Whereas, double digit inflation within is as great a threat, if not a greater threat, to the liberty and freedom and well-being of this country as the threat from our enemies without, and

Whereas, the basic cause of the rampant inflation is the deficit spending of the United States Congress, and

Whereas, under the Constitution of the United States, Congress is charged with the responsibility for all federal appropriations, and

Whereas, it is the urgent duty of the United States Congress to limit federal spending to the revenue of the Federal Government, Now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, urges the Congress to balance the federal budget.

RESOLUTION NO. 3

Whereas, it was the national policy of the United States of America to intervene in Vietnam and prevent a Communist takeover of that country, and

Whereas, it is the duty of every American citizen to bear arms in support of the national policies of the United States, and

Whereas, a citizen of the United States is called upon to share the burdens of citizenship in order to insure its benefits for all citizens, and

Whereas, 40,000 young Americans fled to foreign countries to evade the military obligations of United States citizenship, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, is opposed to any granting of amnesty to those who refused to bear arms for their country and instead, fled to foreign countries to evade their military obligations.

RESOLUTION NO. 4

Whereas, this country was founded by God-fearing men and women and conceived in liberty, and

Whereas, men of all countries have been moved by the eloquence and high spiritual qualities of the Declaration of Independence, and

Whereas, the Bicentennial will be a focal point for a nationwide review, and reaffirmation of the values upon which this Nation was founded, and

Whereas, all businesses and private citizens should display the United States Flag daily during daylight hours except during inclement weather, and

Whereas, it is fitting for patriots to celebrate each Fourth fo July with prayer, music, fireworks and other expressions of joy and cheer, and

Whereas, it is the duty of every citizen and local community to take the initiative in planning a suitable commemoration of the Bicentennial, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, urges its members and all citizens to fly flags daily, to ring bells and blow automobile horns on the Fourth of July at a time to be set by each community as a suitable prelude to the Bicentennial.

RESOLUTION NO. 5

Whereas, we believe the Federal Government has entered upon a movement to eliminate basic rights and powers guaranteed to the states by the 10th Amendment to the Constitution, in particular the control of education and public schools, the control of land, the extension of jurisdiction of the federal judiciary, the weakening of state criminal law enforcement by the imposition of untenable federal standards that result in interminable trials and sheer technicalities that often show more concern for the criminal than for the innocent victim and the long-suffering public, to name a few, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, recommends that our state governors and legislators resist these federal encroachments upon state sovereignty and oppose the extension of federal grants and Supreme Court decisions.

RESOLUTION NO. 6

Whereas, hostile foreign nations desire to obtain advanced American technology during a period of our history entitled "detente," and

Whereas, the sharing of our technology with unfriendly foreign powers will weaken this country's power and protection of the free world, and

Whereas, the joint exploration of space with any foreign nation will result in the release of technical information vital to the defense of this nation, and

Whereas no foreign power has been successful in its man-in-space program, now, therefore, be it

Resolved, That the National Society, Sons of the American Revolution, in its 84th Annual Congress assembled, opposes in general the sharing of any of our technology with unfriendly foreign nations and in particular the sharing of our man-in-space capability with any foreign power, and recommends that all federal agencies should intensify efforts to prevent the dissemination of critical technology to any foreign power.

RESOLUTION NO. 7

Whereas, the National Society, Sons of the American Revolution supports proper commemoration and celebration of the American War of Independence which gained the 13 Original Colonies their freedom; and

Whereas, the Battle of Cowpens, fought in South Carolina near the present village of Cowpens was a major victory for loyal Americans in their fight for liberty; and

Whereas, the Federal Government has appropriated certain funds for the improvement and enhancement of the Cowpens Battleground site; and

Whereas, the effect of monies spent will be much more effective and widespread, and of longer duration, if a permanent annual celebration is held at the Battleground; now, therefore, be it

Resolved, that the National Society, Sons of the American Revolution in its 84th Annual Congress assembled, favors allocation of an adequate portion of available funds for the construction of a suitable amphitheater which will be made available for the production of an annual outdoor drama based upon the Battle of Cowpens and surrounding events, so that the people of America will have a better opportunity to become more conversant with the great deeds of our illustrious ancestors.

RESOLUTION NO. 8

Whereas, Professional Standards Review Organization (PSRO) was established as a rider attached to the Social Security Law of 1972 without public hearings or proper consideration; and

Whereas, confidential medical records of every patient under any of the numerous government-sponsored health care programs will be open to PSRO inspectors; and

Whereas, "norms" set by the Department of Health, Education and Welfare, after examination of all patient records, will change the concept of health care, nullifying doctor-patient privacy preventing full use of the doctor's knowledge, experience and training; and

Whereas, PSRO can overrule a doctor's decision in prescribing, hospitalization, or operating under penalty of fine and suspension from medical practice; now, therefore, be it

Resolved, that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, supports the adoption of H.R. 9375, or similar resolutions, which would repeal the provisions of the Social Security Act which violate the confidentiality of the doctor-patient relationship which would be contrary ot numerous state statutes, contrary to professional ethics, and which would lead to federal control of medicine.

RESOLUTION 9

Whereas, there is pending in the United States Congress a resolution sponsored by Senator Harry Flood Byrd, Jr., of Virginia in which Senator William Scott of Virginia has also joined as a co-sponsor, to restore the citizenship of General Robert E. Lee, Now, therefore, be it

Resolved, that the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, joins in with the purpose and spirit of this pending Congressional resolution.

RESOLUTION NO. 10

Now, therefore, be it *resolved*, That the National Society, Sons of the American Revolution at its 84th Annual Congress assembled, reiterates and reaffirms that all previous resolutions adopted at prior Congresses be reaffirmed.

RESOLUTION NO. 11

Whereas, the 84th Annual Congress of the National Society, Sons of the American Revolution has been successful in every respect, and

Whereas, that success has been due to the efforts of those who planned and took part in the program, now, therefore, be it

Resolved by the National Society, Sons of the American Revolution, That it hereby expresses its gratitude and deep appreciation:

1. to the President General for his able leadership,
2. to the officers, chairmen and members of their committees
3. to the loyal headquarters staff for their constant effort in providing an efficient operation,
4. to the speakers, Compatriot (Dr.) Norman Vincent Peale and the Honorable J. William Middendorf, II, Secretary of the Navy, for their inspiring addresses,
5. to the United States Navy; Joint Armed Forces (Pentagon); Colonial Guard, 175th Infantry; United States Marine Corps and the Commander-in-Chief's Guard Colors, U.S. Army, for furnishing color guards.
6. to the United States Marine Band, the United States Army Soldiers' Chorus, the Chorus of the Chesapeake, and the U.S. Navy Sea Chanters for furnishing music and entertainment,
7. to the press, radio and television for their coverage of the Congress,
8. to the Maryland Society for its contribution to a successful 84th Annual Congress,
9. to all individuals who contributed to the success of this Congress.

WILLIAM M. HOUCK, FORMER MARYLAND LEGISLATOR

Mr. MATHIAS. Mr. President, when I entered the General Assembly of Maryland in 1959 one of my colleagues in the delegation from Frederick County was William M. Houck. In the days that followed, as Bill Houck and I learned the legislative process, we became close friends. Although we have always sat on the opposite side of the political aisle, we have continued our friendship without interruption.

It is with great sorrow and regret that I have learned of his death. He will be very much missed by a wide circle of friends and by his family.

I want to extend my sympathies particularly to his wife Ruth and to his children.

I ask unanimous consent that an article from the Sun today reporting his death and outlining some aspects of his public service be printed in today's RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

W. M. HOUCK, EX-OFFICIAL OF STATE, DIES

MYERSVILLE, MD.—Funeral services for William M. Houck, a longtime state Democratic leader and recently retired state deputy secretary of budget and fiscal planning, will be held at 2 P.M. tomorrow at the Bittle funeral establishment here.

Mr. Houck died Wednesday at University Hospital after a long illness. He was 54.

Governor Mandel yesterday called the death of Mr. Houck "not only a personal loss to me but also a loss to the state of Maryland."

"Bill Houck was one of my closest and dearest friends throughout many years of public service—both in the General Assembly and in my administration," Mr. Mandel added.

SERVED AS STATE TROOPER

He was born in Keyser, W. Va., and attended public schools in Garrett county. Mr. Houck also attended what was then the Frostburg (Md.) State Teachers College.

In 1941, he became a state trooper and served in the State Police force for six years.

Mr. Houck then worked as a life insurance salesman for the Lincoln National Life Insurance Company, while he became increasingly involved in civic affairs.

For a while, Mr. Houck was also in the security and intelligence division of the Army.

In 1949 and 1950, he served as a trial magistrate in Thurmont, Md., and from 1953 to 1954 as a member of the town council.

Mr. Houck was a member of the House of Delegates, representing Frederick county, from 1959 to 1970, when he decided not to seek reelection.

While in Annapolis, he served as majority floor leader for three years and as chairman of the House Ways and Means Committee for four years.

LOST SPEAKER BID

In 1969, when the General Assembly elected Marvin Mandel to succeed Spiro T. Agnew as governor, Mr. Houck lost a bid to become speaker to Delegate Thomas H. Lowe (D., Talbot).

Mr. Houck left the Legislature in 1970 to become chief of the Bureau of Fiscal Planning in the newly established state Department of Budget and Fiscal Planning.

In that capacity, Mr. Houck was responsible for charting future state revenues and expenditures, assessing the state's ability to handle long-term debt, and reviewing its tax structure.

Governor Mandel appointed him deputy secretary of the department in January, 1973, replacing Dr. R. Kenneth Barnes, who became the department's secretary.

He retired in April, 1974.

Mr. Houck was a member of the St. Martin's Lutheran Church, in Annapolis, and had been a member of the Lions Club, the American Legion and the Benevolent and Protective Order of Elks.

He is survived by his wife of 31 years, the former Ruth Wachtel; two sons, William W. Houck, of Laurel, and John M. Houck, of Gaithersburg, Md.; a daughter, Jean Houck, of Annapolis; a brother, Robert L. Houck, of Swickley, Pa., and four sisters, Elizabeth Houck, of New Brunswick, N.J., Mrs. Helen R. Stone, of Annapolis, Mrs. Mary A. Hoffelt, of Columbus, Ohio, and Mrs. Ruth R. Rephan, of Frostburg.

BINARY NERVE GAS WEAPONS

Mr. KENNEDY. Mr. President, the issue of chemical weapons in the American defense arsenal has never been fully aired by the Congress. Although the use of poison gas in warfare has been outlawed by international agreement since World War I, we have built up enormous stocks of all kinds of chemical weapons, from the most lethal nerve agents, to incapacitating ones, to tear gas used in riot control.

Various international agreements have been proposed to limit chemical warfare. Although the executive branch has agreed to sign an international ban on the production, stockpiling, and use of offensive biological, or bacteriological, weapons, it has not yet agreed to sign a similar ban on chemical weapons, even though it has expressed this country's intent not to be the first to use lethal chemical weapons.

Our current offensive chemical stocks are more than adequate to kill potential enemy populations many times over, and there is no need to add to these stocks. It would make much more sense for the United States to concentrate on defensive tactics against such weapons, as the Soviet Union does and as even the biological weapons ban permits, rather than to continue an offensive strategy based upon a threat of futile retaliation.

Mr. President, a unique opportunity for Congress to make a contribution to the beginnings of an international agreement on chemical weapons presents itself in the Department of Defense fiscal year 1975 appropriations bill now before it. Some $5.8 million has been requested for preproduction facilities to procure additional lethal nerve gas weapons, a program which could cost as much as $2 billion.

The House Foreign Affairs Committee has held extensive hearings on the entire chemical warfare issue and produced considerable testimony arguing against a congressional authorization for the Department of Defense to go into a new phase of chemical warfare weaponry at this time. The House Appropriations Committee is debating the issue today. And at least 55 Representatives have announced their intent to carry the issue on the House floor when the Defense appropriations bill is considered next Tuesday.

Here in the Senate 13 Senators, including myself, recently urged our Appropriations Committee to delete the requested funding for the new lethal nerve gas weapons. We have been particularly encouraged by the facts that: First, the administration has not decided whether it would use such funds this fiscal year;

second, Dr. Fred C. Ikle, Director of the U.S. Arms Control and Disarmament Agency, has stated that such congressional funding at this time would undermine current efforts in Geneva to negotiate an international chemical weapons treaty; third, the United States has just proposed a draft agreement in Geneva whereby a ban on lethal chemical weapons—which is what the Congress is now being asked to consider—would be the first phase of an eventual more comprehensive international chemical weapons agreement.

Mr. President, I urgently hope that our Appropriations Committee, and the entire Congress, will postpone funding of the new family of lethal nerve gas weapons.

The fact that the new family of lethal nerve gas weapons will be packaged in a "binary" mode should not distract us from the primary strategic and moral considerations inherent in any decision to continue, and now increase, our national stockpile of such weapons.

The United States should be taking the lead in world arms control agreements, not encouraging a dangerous proliferation of indiscriminate weapons, as it would be doing in this case if Congress appropriated the funds for additional lethal nerve gas weapons now.

Perhaps the most disturbing element of all is the potential proliferation of this cheap but deadly chemical weapon. The Washington Post aptly warned that binary chemical weapons "possess an all too scary potential for getting into the hands of terrorists or of countries looking for a hot weapon on the cheap."

Mr. President, I ask unanimous consent to have printed in the RECORD a letter to the chairman of the Appropriations Committee, and an editorial in this morning's Washington Post.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., June 21, 1974.

Hon. JOHN L. MCCLELLAN,
Chairman, Appropriations Committee,
Washington, D.C.

DEAR MR. CHAIRMAN: We are deeply concerned over the implications of the Department of Defense's appropriations request for production of binary nerve gas weapons. The House of Representatives and the Senate both have passed legislation reinforcing the Armed Services Committees' decision to cut $1.9 million from advanced research for the binary program. Also, the House Committee on Foreign Affairs recently completed extensive hearings which raised a number of serious concerns about the binary program. Therefore, appropriating funds to begin actual production of binary munitions deserves all the more scrutiny.

It is our belief that such appropriations should not be approved for the following basic reasons: First, this country already has enormous quantities of nerve gas. The U.S. Army stockpiles now contain an estimated 400 million pounds of nerve gas, amounting to 25 trillion doses—enough to kill the entire world population 300 times over, according to expert testimony. Second, nerve gas weapons are of doubtful value as a deterrent to attack.

The primary argument supporting the use of lethal chemical weapons is that other nations will be deterred from initiating a nerve gas attack against the U.S. because of our ability to retaliate. However, this argument was developed and nerve gas stockpiles begun, before this nation, and other nations, had developed the enormous nuclear capability which now exists in the world. Furthermore, serious questions were raised in recent House hearings—as to whether the threat of retaliation with nerve gas weapons constitutes a valid deterrent.

During those public hearings, the representatives of the Department of Defense stated that the Soviet Union is believed to have a nerve gas defensive capability superior to that of the United States. It appears doubtful that the United States has the defensive capability to fight and operate in a nerve gas environment. Therefore, it appears that we essentially rely on our nuclear capability as a response to a massive nerve gas surprise attack and as a deterrent against such an attack.

We make this point not because we desire to support a policy of immediate escalation to nuclear warfare but because these facts reveal an inherent fallacy in national security policy which procurement of binary nerve gas weapons will not alleviate. If the Congress grants the funds to build binary munitions, it would be advancing nerve gas weapons which have already cost this nation several hundreds of millions of dollars without any evidence that they contribute anything to the security of the United States. Authorizing their transference into a "binary" mode would likely delay the destruction of nerve gas stocks.

The only justification for this proposal is that the binary munition will be safer to manufacture and handle in storage and transportation. In the absence of any real evidence of the value of any nerve gas weapon to the security of this nation and our historic abhorrence of such weapons, this argument for safety in handling seems to us to be a poor justification for production.

Third, we are concerned about the possible effect of such weapons on treaty negotiations in Geneva and the risk of international proliferation of nerve gas warfare capabilities.

The relatively great reduction in the hazard of manufacturing a nerve agent munition provided by the binary concept may be the very incentive to encourage smaller nations to add this weapon to their arsenal. We would seek instead to take every measure to prevent the proliferation of nerve gas weapons and not encourage such developments by our example.

We do not believe that the Department of Defense has examined thoroughly the total impact on current international negotiations of the proposed production of the binary nerve gas weapon. Moreover, the public record suggests that a serious disagreement exists between the Department of Defense and the Department of State with regard to the binary nerve gas weapon proposal. Indeed, the Administration has not decided to use the production funds this year, so there is no sense in authorizing those funds until that decision has been thoroughly reviewed.

Certainly, we are convinced this nation needs to maintain and improve its chemical warfare defensive capability. A strong and effective defense has more immediate and obvious advantages than developing an ability to respond in kind to a surprise nerve gas attack. However, the vast stockpiles of lethal nerve gas weapons we now possess, their doubtful military effectiveness, the possibility of encouraging proliferation, and the threat to international arms control agreements are sufficient reasons, we believe, to withhold the production of new binary nerve gas weapons.

Accordingly, we recommend strongly against the approval of the $5.8 million requested by the Department of the Army for the initiation of procurement of the binary nerve gas weapon, as well as disapproval of any other funding which may have been requested for the support of this production.

Sincerely,

Edward M. Kennedy, Adlai E. Stevenson, III, Edmund S. Muskie, Walter F. Mondale, Hubert H. Humphrey, William Proxmire, Gaylord Nelson, James Abourezk, Thomas F. Eagleton, Lowell P. Weicker, Jr., Mike Mansfield, Floyd K. Haskell, Lee Metcalf.

[From the Washington Post, Aug. 1, 1974]

MUST WE WAGE CHEMICAL WAR?

In votes today and next Tuesday, the House must decide whether to plunge ahead with a program that may keep the United States ready to wage chemical warfare for years to come, or whether to pause and study this especially dread form of warfare more thoroughly and explore new opportunities to limit or even ban it on an international basis. Specifically, the program at issue involves $5.8 million this year (as much as $2 billion later) to start producing a "binary" chemical weapon, a new safer-to-handle method for delivering nerve gas. Generally, the program poses to Congress perhaps its first good opportunity—and if missed, its last opportunity for a long time—to break the monopoly which special interests in the Pentagon have maintained for a full generation over the nation's policies on CW.

The key facts on binaries were brought out last spring in hearings of the House Foreign Affairs Committee. The United States has huge stockpiles of deadly nerve gas so, as Rep. Donald Fraser (D-Minn.) recently put it, "we are not examining this problem from a position of weakness." The small CW lobby within the Pentagon professes to see a looming offensive CW threat. But, in fact, American military commanders apparently disagreeeing with this estimate have chosen not to prepare to defend against it. And administration officials, while asking for funds to start procuring binaries, concede that full preliminary open-air testing has not been conducted. That is, the United States has on hand enough nerve gas to kill every person in the world several times over. Its military posture reflects a judgment that the Soviet Union does not intend a CW attack. And it has not completed tests on the new binaries it wishes now to procure.

If the military reasons for delay on binaries are strong, the diplomatic reasons are more so. Discussions on controlling chemical weapons—production, stockpiling, use—have been chugging along at Geneva for years. They were given a healthy push at the Moscow summit just a month ago when Mr. Nixon and Mr. Brezhnev agreed to seek "early progress" on an agreement "dealing with the most dangerous, lethal means of chemical warfare." This means nerve gas if it means anything. The administration's arms control director Fred C. Ikle has repeatedly warned Congress that production of binaries would undermine efforts to negotiate international CW controls. Indeed, to launch a massive new CW program now is to make a mockery of Mr. Nixon's summit pledge, itself specifically reaffirmed since then by his ambassador at Geneva. That binary funds should be sought at all, after that summit pledge, is a perverse tribute to the way bureaucratic momentum can substitute for policy at the Pentagon. Careful students of arms control make the further point that binaries, being relatively inexpensive and simple to make, possess an all too scary potential for getting into the hands of terrorists or of countries looking for a hot weapon on the cheap.

The House Appropriations Committee is to vote today on the binary money. Since Rep. George H. Mahon (D-Tex.), the committee chairman, also chairs its defense subcommittee, which has already approved the money, perhaps the best that can be hoped for in the committee is for it to add language somehow hinging the appropriation to CW negotiations at Geneva. Certainly there is no justification for spoiling those negotiations, even before the promised Nixon-Brezhnev initiative is taken, by charging ahead on binaries. At any rate, the full House is due to address the question next Tuesday. Some 50 or more legislators have already approved a useful resolution by Rep. Wayne Owens (D-Utah) urging movement on both the biological warfare and chemical warfare fronts. So there is a better chance to gain control of binaries on the House floor. It is a fight well worth making.

WATER POLLUTION CONTROL ACT

Mr. HUGH SCOTT. Mr. President, I am delighted that the Committee on Appropriations, in a report submitted by Senator Byrd of West Virginia, has recommended an appropriation of $10 million for the continuation of a water pollution fund.

This fund, established in 1971 by the Federal Water Pollution Control Act, provides Federal money for the immediate cleanup of oil and other hazardous materials spilled into the waters of the United States, adjoining shorelines, on waters of the continguous zone. The balance of the fund has decreased sharply since its inception, particularly in 1973, when Hurricane Agnes caused severe damages resulting in approximately $3 million in unrecoverable expenses.

I commend the committee for their recommendation of allocations, for this important fund which provides vital protection for the waters of the United States.

BECKLEY, W. VA., COAL FESTIVAL

Mr. ROBERT C. BYRD. Mr. President, on Monday, September 5, through Thursday, September 8, the first official State coal festival in West Virginia's history will be held in Beckley, W. Va., in my home county of Raleigh. In view of my State's preeminence in the production of bituminous coal, it seems to me altogether fitting that this enterprise is being undertaken. It is especially significant at this time, I think, because of the resurgence of coal's importance in our Nation's overall energy picture.

This, of course, is not the first time that exhibits and shows based upon bituminous coal have been put on in West Virginia. There have been many such events, among them the well-known Bluefield Coal Show, which was widely attended by equipment manufacturers and dealers, and other leaders of the coal industry. That event, however, has not been held since 1962. But there have been other displays and activities related to coal in such places as Charleston, the State's capital, and in Beckley in the 1930's.

The significance of the new festival is that the State itself has designated it as the official State event publicizing the industry that is the backbone of West Virginia's economy. Its sponsors have incorporated as U.S. Coal Festivals, Inc., and elaborate plans are now going forward to make this an outstanding public event.

For that reason, I wish to call the Beckley Coal Festival to the attention of my colleagues in the Senate and the House of Representatives, and to assure them that any who attend will receive a Federal Water Pollution Control Act, warm welcome indeed. Moreover, I am confident that all who visit this exhibit and its attendant functions will be impressed by the technological progress that is being made by the bituminous coal industry in its role as our Nation's most basic and most abundant supplier of energy.

Beckley is the center of one of the oldest coal fields in my State as well as one of the newest and most modern. New multimillion dollar coal operations are being opened in the Beckley area; the new U.S. Mine Health and Safety Academy, which will train personnel for work in the mines, is under construction; and other coal-related activities—such as an exhibition mine for tourists—make Beckley truly a bituminous coal capital.

Of interest to the general public in the forthcoming festival will be a coal parade, motor car racing, high school football, open house at equipment manufacturers, and the dedication of the new Maple Meadow Mine of Cannelton Industries at Fairdale. Additionally, there will be street entertainment, a tennis tournament, coal-oriented exhibits, a retired persons reunion, a coal-loading contest, and art displays.

The welcome mat and the latch string will be out, and I believe that all who visit Beckley for these events will be well rewarded. I want to take this occasion, before I conclude these brief remarks, to commend and compliment all who have worked to make this first official State coal festival a reality. Coal is making a well-deserved comeback for the simple reason that it is basic and essential to the American economy, and the sponsors of the Beckley Coal Festival are doing their part in that vital rejuvenation.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, may I ask the Chair, has an order been entered for the recognition of Mr. Proxmire on Monday next?

The PRESIDING OFFICER. It has.

Mr. ROBERT C. BYRD. Have orders been entered for the recognition of any other Senators on Monday?

The PRESIDING OFFICER. Only the majority and minority leaders.

Mr. ROBERT C. BYRD. That is under the standing order?

The PRESIDING OFFICER. Yes.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the Senator from Wisconsin (Mr. Proxmire) has been recognized under the order previously entered, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF HUD APPROPRIATIONS, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business on Monday next, the Senate proceed to the consideration of H.R. 15572, the bill making appropriations for the Department of Housing and Urban Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER RESTRICTING ROLLCALL VOTES ON MONDAY TO NOT EARLIER THAN 3:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes on Monday next prior to the hour of 3:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Monday next.

The motion was agreed to; and at 1:23 p.m. the Senate adjourned until Monday, August 5, 1974, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate August 2, 1974:

Department of State

Philip C. Habib, of California, a Foreign Service officer of the class of Career Minister, to be an Assistant Secretary of State.

U.S. Court of Military Appeals

William Holmes Cook, of Illinois, to be a judge of the U.S. Court of Military Appeals for the remainder of the term expiring May 1, 1976, vice William H. Darden, resigned.

Administrative Conference of the United States

Robert Armstrong Anthony, of New York, to be Chairman of the Administrative Conference of the United States for a term of 5 years, vice Antonin Scalia.

In the Air Force

The following-named officers for promotion as a Reserve of the Air Force, under the appropriate provisions of chapters 35 and 837, title 10, United States Code.

LINE OF THE AIR FORCE

Major to lieutenant colonel

Joyner, Jere P., xxx-xx-xxxx.

CHAPLAIN CORPS

Marshall, Gerald W. xxx-xx-xxxx

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captain (Medical)

Dumas, Paul A., xxx-xx-xxxx.

To be first lieutenant (Dental)

Engelmeier, Robert L., xxx-xx-xxxx
Hill Robert L. xxx-xx-xxxx
Rome, William J., xxx-xx-xxxx

To be first lieutenant (Dental)

Benenati, Fred W., xxx-xx-xxxx
Waldrop, Thomas C., xxx-xx-xxxx

The following-named Air Force officers for reappointment to the active list of the Regular Air Force, in the grade indicated, under the provisions of section 1210 and 1211, title 10, United States Code:

LINE OF AIR FORCE

To be colonel

De Sandros, Louis J. xxx-xx-xxxx

To be lieutenant colonel

Lakeman, Lyndon F., xxx-xx-xxxx
Robertson, Howard N., xxx-xx-xxxx

To be captain

Hokins, Albert H., xxx-xx-xxxx

The following-named Air Force officer for reappointment to the active list of Regular Air Force, in the grade of colonel, Regular Air Force, under the provisions of sections 1210 and 1211, title 10, United States Code with active duty grade of temporary brigadier general, in accordance with sections 8442 and 8447, title 10, United States Code:

To be colonel

Segura, Wiltz P., xxx-xx-xxxx

The following-named Air Force officer for reappointment to the active list of the Regular Air Force, in the grade of major, Regular Air Force, under the provisions of sections 1210 and 1211, title 10, United States Code with active duty grade of temporary lieutenant colonel, in accordance with sections 8442 and 8447, title 10, United States Code:

LINE OF THE AIR FORCE

Welch, William J., Jr., xxx-xx-xxxx

The following-named persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Bacon, Glenn A., xxx-xx-xxxx.
Conley, Charles C., xxx-xx-xxxx
Malone, Franklin J., Jr., xxx-xx-xxxx
Manley, Charles G., xxx-xx-xxxx
Metcalf, John S., Jr., xxx-xx-xxxx
Orr, Samuel R., xxx-xx-xxxx.
Sachs, David (NMN), xxx-xx-xxxx
Snedeker, James R., xxx-xx-xxxx
Waldmann, Robert P., xxx-xx-xxxx

To be lieutenant colonel

Almand, James R., Jr., xxx-xx-xxxx
Statti, Thomas F., xxx-xx-xxxx
Suarez, Pura N., xxx-xx-xxxx

The following-named officer for promotion in the Regular Air Force under appropriate provisions of chapter 835, title 10, United States Code, as amended. Officer is subject to physical examination required by law:

LINE OF THE AIR FORCE

First lieutenant to captain

Graser, John C., xxx-xx-xxxx.

The following-named persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as medical officers, under the provisions of section 8067, title 10, United States Code.

MEDICAL CORPS

To be lieutenant colonel

Anderson, Duane D., xxx-xx-xxxx
Brichta, Edgar S., xxx-xx-xxxx
Dear, Steven R., xxx-xx-xxxx
Del Priore, Joseph A., xxx-xx-xxxx
Huitt, Carlton D., xxx-xx-xxxx
Rollyson, John D., xxx-xx-xxxx
Statti, Thomas F., xxx-xx-xxxx
Suarez, Pura N., xxx-xx-xxxx
Uhrman, Richard A., xxx-xx-xxxx

The following-named officer for appointment as a Reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Shea, Jerrold J., xxx-xx-xxxx.

IN THE NAVY

Vice Adm. Vincent P. de Poix, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE MARINE CORPS

I nominate Lt. Gens. Foster C. LaHue, George C. Axtell, and Robert P. Keller, U.S. Marine Corps, when retired, to be placed on the retired list in the grade of lieutenant general in accordance with the provisions of title 10, U.S. Code, section 5233.

Having been designated, in accordance with the provisions of title 10, U.S. Code, section 5232, Maj. Gens. John N. McLaughlin, Edward S. Fris, and Robert L. Nichols, U.S. Marine Corps, for commands and other duties determined by the President to be within the contemplation of said section, for appointment to the grade of lieutenant general while so serving.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 2, 1974:

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Winton W. Marshall, xxx-xx-... [redacted]FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named Army Medical Department officer for temporary appointment in the Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier general, Medical Corps

Col. John W. White, xxx-xx-xxxx Army of the United States (colonel, Medical Corps, U.S. Army).

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Howard Wilson Penney, xxx-xx-... [redacted], Army of the United States (major general, U.S. Army).

IN THE NAVY

Vice Adm. Frank W. Vannoy, U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. Kenneth R. Wheeler, Supply Corps, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. William W. Behrens, Jr., U.S. Navy, for appointment to the grade of vice admiral on the retired list pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. John P. Weinel, U.S. Navy, having been designated for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of admiral while so serving.

EXTENSIONS OF REMARKS

AMERICAN LEGISLATIVE EXCHANGE COUNCIL TO MEET IN CHICAGO THIS MONTH

HON. JESSE A. HELMS

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Friday, August 2, 1974

Mr. HELMS. Mr. President, later this month a bipartisan group of conservative State legislators from across the country will meet in Chicago at a conference of the newly formed American Legislative Exchange Council. These legislators are uniting to try to reverse the trend toward greater and greater centralization of power in Washington. They will try to revitalize our Federal system by strengthening State government.

The Federal Government, in their view, and mine, is not only too far removed from—and insensitive to—the problems of education, taxation, welfare reform, crime, et al.; these legislators are convinced, and I agree, that the Federal Government is the cause, all too often, of the very problems which the States are called upon to solve. Worse, Federal bureaucracy too often discourages action by the States and local governments.

But reversing the present flow of authority and power toward Washington, D.C., will not likely be accomplished by action at the Federal level. It is the exception, rather than the rule, when any level of government readily relinquishes even a part of its authority. It is demonstrable that governmental powers have a momentum all their own.

Thomas Jefferson is credited with the precept that the government is best which governs least. I wholeheartedly concur. I do not believe that the cradle-to-grave paternalism of the modern welfare state was in the minds of our Founding Fathers when they conceived the American Republic. It is not from lack of compassion that conservatives favor limited government, but from the deep-seated fear of the abuse of power. Surely, in this century, that fear has been borne out. It it no cliche to say that a government big enough to give us anything we want is big enough to take away everything we have.

Therefore, it seems obvious that decentralization of government is the most fundamental and urgent task before us today. If ever reform was needed in our public institutions, it is now; and the way to achieve it is by the reversal of the trend toward big brother government.

Through a conservative legislative initiative, the American Legislative Exchange Council hopes to galvanize our State governments into reclaiming for themselves the prerogatives and responsibilities that were once theirs. This type of initiative and enthusiasm is sorely needed at the State and local level to keep our Republic from sinking into the swamps of economic and moral stagnation. I wish these fine State legislators every success.

Mr. President, I ask unanimous consent that the "Statement of Purpose" of the American Legislative Exchange Council be presented in the Extensions of Remarks.

There being no objection, the Statement of Purpose was ordered to be printed in the RECORD, as follows:

American Legislative Exchange Council Statement of Purpose

We, as conservative legislators, believe that the unique American Federal system requires close cooperation and consultation among Members of Legislatures in the several States, and Members of Congress.

That belief springs from a conservative philosophical premise that nothing should be undertaken by a higher echelon of government which can be accomplished by a lower echelon and that individual freedom demands strict limitations on the power of all levels of government.

We further believe that State governments are vital to the continued success of our Federal Union and that the genius of our Constitution is summed up in the primary clause which delegates residual powers to the States and to the people in those spheres not specifically delegated to the national government.

We therefore establish the American Legislative Exchange Council:

1. To assist conservative legislators in the States and in the Congress by sharing research information and staff support facilities.
2. To establish a clearinghouse for conservative bills at the State legislature level and to provide for a bill exchange program.
3. To disseminate model conservative legislation in all fifty State legislatures and among several thousand legislators. Also, to promote the introduction of companion bills in Congress and in the States, including resolutions on amendments to the Constitution and State resolutions which memorialize the Congress to act in specific areas.
4. To improve communication between conservative State legislators and Members of Congress.
5. To formulate conservative action programs and legislative initiatives which will help to promote federalism by strengthening the position of State governments and to define conservative positions on intergovernmental relations.

AMERICA CANNOT ABANDON THE CAPTIVE NATIONS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. ANNUNZIO. Mr. Speaker, I rise to call the attention of my colleagues to an article in today's Washington Post which clarifies the unfortunate effects on the Captive Nations of the current "détente" policy of the U.S. Government.

I believe it is most important that Members of Congress remember that policies made here in Washington can directly affect the lives, the hopes, and the dreams of millions of captive peoples—human beings who must daily endure the oppression and humiliation of Communist totalitarianism. We cannot ignore the just aspirations of these peoples to be free and to determine for themselves the type of government they wish to have.

The article follows:

[From the Washington Post, Aug. 2, 1974]

"Captive Nations" and Détente

(By Stephen S. Rosenfeld)

"Captive Nations Week" came and went without much fuss last week. The particular kind of ethnic anti-Communism which the "captive nations" concept represents—the "captives" being the nations and nationality groups incorporated within the Soviet Union plus the East European States dominated by Moscow—has been pretty much eclipsed by detente.

Mr. Nixon has indicated firmly that it is not possible to try to improve relations with the Soviet government while at the same time trying openly to cultivate the nationalistic and even secessionist impulses of Moscow's constituent parts and allies.

Typically, the United States' annual ritual appeals for the "self determination" of the Baltic States, incorporated by Moscow as World War II began, ended as soon as President Nixon became a regular summiteer. At the last summit, Mr. Nixon agreed to establish a U.S. consulate in Kiev—a step regarded by the Kremlin and by Ukrainian Nationalists alike as a symbolic denial of Ukrainian nationhood. The two American radio stations broadcasting specifically to the "captive nations," Radio Liberty and Radio Free Europe, constantly wonder if they will survive the next summit.

Mr. Nixon's own "Captive Nation Proclamation" has become the faintest shadow of the original growling, anti-Russian, anticommunist resolution passed by Congress in 1959.

Yet the underlying issues do not easily go away. The "nations" themselves—some more, some less—remain undigested parts of the Soviet polity and the Soviet block. No sober analysis of the Soviet scene can ignore the tugs and pulls of, say, the Ukrainians and the Poles. Certainly the Kremlin takes these into the closest account in developing its own basic policies, from where it invests its money to where it stations its troops.

On the face of it, there is no apparent reason—except politics—why, say, Palestinians deserve a state of their own, as Moscow asserts, while a number of Soviet nationality groups, larger and with equal national credentials, are denied even the lesser goal of a genuine nationality group existence.

The connection of "human rights" to detente has been widely accepted in recent years, mostly in respect to Jews, intellectuals and dissenters inside the Soviet Union. And they pose no *territorial* challenge to the Kremlin. Their causes are certainly legitimate. But it is plain that at least part of the reason why their plight has become politicized is that each of these groups (they overlap) has a recognizable constituency within the United States.

In abstract terms, the cultural or national aspirations of the "captive nations" are hardly less legitimate. Yet their American spokesmen do not have the same political leverage.

The realities of American politics, then, have an effect on which people or peoples controlled by Moscow win active American concern. The realities of geopolitics also have an effect. Successive American Presidents have cultivated local nationalism in, first, Yugoslavia and, then Romania—Communist states which for their own reasons have chosen to assert a measure of independence from the Kremlin. The White House has done this for the purpose of strengthening the American hand in dealing with the Russians.

Like Yugoslavia, however Romania, which sits off in the southwest corner of the Soviet Union, has by virtue of geography a degree of political maneuverability which is simply unavailable to a country like Czechoslovakia which directly connects the Soviet Union with Germany. This in turn affects the degree of encouragement which any responsible American President can proffer.

The fact remains that the United States has no comprehensive strategy to free "captive nations." On the contrary, detente and the discipline necessarily imposed by the nuclear responsibility of a great power rule out much more than tentative efforts to remove certain symptoms of their plight. This is painful; some small part of the pain could perhaps be relieved if the rest of us looked with more sympathy at the very human emotions which touch many Americans whose kinsmen lived hard lives under Communist rule, but it is unavoidable.

Here it is useful to recall the time when the U.S. did have such a comprehensive strategy. According to a credible, though officially denied account in "Operation Splinter Factor," a new book by British journalist Stewart Steven, Allen Dulles set out to liberate East Europe by destroying liberal nationalistic Communists in those countries, thus provoking a Stalinist repression that would ignite a successful popular revolt. This fantastic operation called "Splinter Factor," may indeed have contributed to Stalinist repression. It certainly did not free East Europe. A more cynical and disastrous policy is hard to imagine. Its lessons linger.

POSSIBLE REVISION OF SENATE IMPEACHMENT TRIAL RULES

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, August 2, 1974

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent to print in Extensions of Remarks a copy of my letter to the chairman of the Rules Committee regarding possible revision of Senate impeachment trial rules.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., August 2, 1974.

HON. HOWARD W. CANNON,
Chairman, Committee on Rules and Administration, Senate Office Building.

MY DEAR HOWARD: I received your notice that your Committee will hold a hearing Monday on possible revision of the Senate impeachment trial rules.

Briefly, my view is this:

1. If and when the impeachment trial begins, the Senate should continue on this to the exclusion of all other business (excepting emergency matters) and should meet six days a week, and probably eight hours a day.

2. The present rules should be changed to the minimum extent possible and any changes should be as simple and concise as possible.

With best wishes, I am

Sincerely,

HARRY F. BYRD, JR.

RETAIN THE GI BILL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. EDWARDS of California. Mr. Speaker, there has recently been much discussion about whether the educational benefits conferred by the GI bill of rights should be terminated. I, for one, feel that this would be a serious and harmful mistake. Many young people would never have become the educated and productive citizens that they now are if they would have been deprived of their educational benefits. It is especially cruel to cut back the scholarships of young men and women who have served their country nobly and well.

On July 16, 1974, an editorial appeared in the San Jose Mercury concerning this issue. This editorial characterizes well the results that would occur if these educational benefits were to be discontinued. Mr. Speaker, I insert this piece into the RECORD.

The editorial follows:

RETAIN THE GI BILL

Congress and the Nixon administration should find other ways to balance the federal budget than by ending the educational benefits conferred by the GI Bill of Rights.

Both administration and congressional sources reported last week that termination of the GI Bill is under active consideration primarily for three reasons:

1. Wartime service is no longer involved.

2. The services are now all-volunteer; there are no more involuntary draftees in uniform.

3. Pay and allowances are now high enough to attract career military personnel; consequently, "fringe benefits," such as the GI Bill, are no longer needed or justified.

Granting the validity of all three assertions, they do not, nonetheless, add up to an adequate reason for terminating the GI Bill.

Education in and of itself is a positive benefit, both to the individual who absorbs it and to the society of which he becomes a more productive member because of his education.

Literally millions of young men and women who served in the armed services during World War II were educated under the GI Bill, and it is not overstating the point to insist that they would not have gone to college, or university or trade and professional schools had it not been for the financial help they received from Uncle Sam. Today those individuals are for the most part the taxpaying backbone of the nation's citizenry. The government's investment in their education has been repaid many-fold.

The same reasons that made the GI Bill a good investment for America in the 1940's make it a good investment today. The more broadly educated a nation's citizenry the more that nation's freedoms and prosperity are assured.

Self-government presupposes an educated, actively participating citizenry. In school or out Americans must continue to learn if they are to meet the mounting challenges of self-government in a complex, technological age.

Further, the so-called "civilian" aids to education, student loans and the like, are pitifully inadequate to the task. The GI Bill is needed to bolster and augment these efforts.

Finally, it is at least arguable that a great many of today's military volunteers might not have signed on at all if there had been no prospect of educational assistance after their time in uniform had elapsed.

No, Congress should not abandon the GI Bill of Rights. Other budget cuts are far more defensible.

MIA'S AND POW'S: A REAFFIRMATION

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. SCHERLE. Mr. Speaker, I noted with interest the July 23 remarks in the CONGRESSIONAL RECORD applauding the Iowa Republican State Convention for including a proamnesty plank in its platform. I am asking that the following article from my weekly newsletter be printed in the RECORD. Hopefully the content will reflect the views of millions of Americans who feel that our missing heroes should not be forgotten or ignored.

The newsletter follows:

MIA'S AND POW'S: A REAFFIRMATION

It was with utter and stunned disbelief that I read the platforms of both political parties in Iowa for 1974. In totally incomprehensible moves, both parties now cry for amnesty. The Democratic platform shamefully seeks to erase all vestiges of the Vietnam War by proffering *immediate, unconditional* amnesty to those who deserted this country by choice. The Republican statement was nearly as offensive.

Incredibly, neither party made any mention of the 1,200 valiant servicemen missing in action and the prisoners of war still unaccounted for in Southeast Asia. *These* were the noble soldiers who, as Lincoln once said, gave their last full measure of devotion that the nation might survive.

Both parties should hang their heads in shame to espouse such intolerable policies of amnesty, for in so doing they *honor* the *dishonored*. But more deplorable by far is the position of obscurity to which they would relegate those who demonstrated their courage. Is *this* the way we would repay the valor of men who made the supreme sacrifice? Is this how we pay tribute to the unwavering defenders of our nation by voiding their devotion and mettle? Have political futures become so dear that we would callously spurn the courage of men who perhaps did not agree with the war, but met their obligations nevertheless. Is *this* the new America? If it is, then heaven help the republic.

We are asked to forgive and forget. Does this mean we forgive those who selfishly valued personal safety over moral obligations of duty and honor? With faint hearts, the Vietnam deserters and draft dodgers willingly chose the protection and security of Sweden and Canada, a comfortable choice compared to the squalid cells our MIA's and POW's endured. We must not forsake the young men who made the difficult decision to answer the call of duty. The odious suggestion of amnesty has *no defense* in its sheer lack of accountability to the dauntless American heroes and the families who agonized in their continuing absence. Because of these selfless sacrifices, we can pursue our way of life and continue a democratic form of government. Yet, how easily we forget the sacrifices of so many. Until all MIA's and POW's are returned home or fully accounted for, I cannot forgive, nor will I forget.

Forgive and forget . . . the words smack of sentiment that is yet too early. For how can we forget the Gold Star mother with tears breaking over her cheeks, or the young wife who waits in anguished limbo for a husband who may never return, or the reoccurring sadness of children with no one to call father? It is for them that our compassion and sympathy is reserved, not for those who turned their backs on this country and fled. Until our lasting obligation to the MIA's, POW's and their families is fulfilled, we cannot forgive.

Perhaps the best answer to amnesty can be found at Arlington National Cemetery on any Memorial Day. As young children play in the grass, their mothers kneel by gravesides and remember the father these children will never know. For them, the question of amnesty has only one answer. If we truly cherish the men who paid the ultimate price for their country, we cannot now welcome with open arms those who gave nothing.

My flag hangs at half mast!

THE COSTLY GRAIN TRANSACTION

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. WOLFF. Mr. Speaker, the Senate Permanent Investigations Subcommittee, chaired by Senator JACKSON, has just concluded its study and issued its report on United States-Russian grain transactions. The subcommittee's findings corroborate the GAO study done last year which labeled the Russian wheat deal the most irresponsible, mismanaged, and costly grain transaction in our history.

The subcommittee's findings also back up my belief that we must establish a mechanism to prevent in the future the kind of economic disaster that accompanied the Soviet wheat deal. Any massive or mismanaged export agreement can be catastrophic, both in terms of our own economy, and our ability to respond to hardship in other areas of the world. This is why I introduced H.R. 10844, the Export Priorities Act, to establish an orderly procedure for the allocation of our food supplies and to prevent future massive giveaways like the Russian wheat agreement. If Congress fails to mandate by law a monitoring and restraining of our food export program, we will continue to lack the assurance that another Soviet wheat deal cannot take place.

I would like to bring to the attention of my colleagues a recent article that appeared in the Long Island Press which discusses the Soviet grain transaction and cites the subcommittee's report. I would also urge my colleagues to take a good look at the Permanent Investigations Subcommittee report.

The article follows:

[From the Long Island Press]

THE BITTER CHAFF OF THE WHEAT DEAL

Most Americans would agree that it is far better to do business with the Soviet Union than engage in economic, let alone military, brinkmanship.

However, that doesn't excuse the deal the White House engineered two years ago, in which we sold Russia 700 million bushels of wheat—25 per cent of that year's crop.

The Russians and large American grain companies reaped a rich harvest in grain and profits, respectively, but the market price of grain skyrocketed here. Thanks to the resultant shortage. Moreover, the price the Soviets paid was so low that the transaction wound up on the red side of the U.S. taxpayers' ledger.

A Senate subcommittee concludes that the deal was ineptly managed from the start. The subcommittee chairman, Sen. Henry M. Jackson, D-Wash., charged that the sale was born, nurtured, and consummated in a climate of secrecy and bureaucratic negligence.

The subcommittee calls this a sad illustration of how "in pursuit of a worthwhile goal, government programs and officials can go astray." It also shows that doing business with other countries is another function that has been usurped by the White House instead of being shared with a fully informed Congress. That, too, must stop.

WISCONSIN STATE JOURNAL CALLS FOR NIXON IMPEACHMENT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. KASTENMEIER. Mr. Speaker, the Madison Wisconsin State Journal, which is the largest daily newspaper published in my congressional district and which traditionally represents the viewpoint of the Republican Party, has editorially recommended, on August 2, 1974, the impeachment of Mr. Nixon. The editorial follows:

IMPEACH NIXON

The House of Representatives has no reasonable choice than to impeach President Nixon.

His guilt or innocence of the articles of impeachment alleging the obstruction of justice, abuse of power and spurning House committee subpenas, will be decided by the Senate.

In the Upper House the trial of the President would follow many of the procedures of a court trial for a criminal offense. Both the House, acting as the prosecutor, and the President, would be allowed to present witnesses and evidence. The President would be allowed counsel and the right to cross examine. The trial would be presided over by the Chief Justice of the United States.

Although many Americans have already declared the President guilty as charged, the presumption of innocence has the same weight when the President is involved as when any other citizen is involved.

The immediate question, however, is impeachment, whether the President should be put to trial.

The alternatives are unthinkable.

If the President is not impeached, future presidents would, in effect, be given blanket immunity to use the same methods to punish political enemies and impede justice that Nixon is accused of using.

The renowned historian, Arthur Schlesinger Jr. wrote recently:

"If it declines to impeach Mr. Nixon, Congress will instruct all his successors that nothing he has done constitutes an impeachable offense and that, if future presidents are prepared to run the political risk, they are constitutionally entitled to do the same things themselves.

"They will be free not to execute the laws faithfully; not to be responsible for the criminal acts of their closest associates; not to be limited in any deed they wish to commit in the name of national security; not to be restrained in any order, however improper they wish to issue to government agencies; and not to be worried hereafter by any prospect of impeachment.

"What is at stake, in short, is the theory in Senator Ervin's phrase of 'the constitutional omnipotence of the President.' 'There is no worse heresy,' wrote the great historian Lord Acton, 'than that the office sanctifies the holder of it.' Congress has it within its power in the next three months to vote that heresy down or to vote it up."

It is not just President Nixon and the current generation of Americans who are involved, but the future course of this republic for generations to come.

MOCK CONGRESSIONAL HEARINGS ON ISSUES IN GUIDANCE AND COUNSELING

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. ESCH. Mr. Speaker, on April 11, 1974, I was privileged to be present as a theme session panelist at the annual convention of the American Personnel & Guidance Association in New Orleans. This program offered an unusual, and I believe innovative educational experience, to the 9,000 guidance, Counseling Education, State University counseling, and student personnel workers assembled for this convention—a mock congressional hearing. Sharing the panel with me was my distinguished colleague, Mr. WILLIAM LEHMAN, of Florida, and the panel's chairman, the distinguished senior Senator from West Virginia, Mr. JENNINGS RANDOLPH.

In a 3-hour format, five witnesses from APGA—Mrs. Thelma T. Daley, chairman, guidance department, Overlea Senior High School, Baltimore, Md.; Dr. Norman C. Gysbers, associate professor of education, University of Missouri, Columbia; Dr. Marceline E. Jaques, professor and director, rehabilitation counseling program, Department of New York at Buffalo; Mr. Charles E. Odell, consultant on manpower services, Bureau of Employment Security, Department of Labor and Industry, Harrisburg, Pa.; and Dr. Allan W. Purdy, director, student financial aid services, University of Missouri—presented testimony before our panel. They outlined the major legislative concerns of their profession within the guidance and counseling subdisciplines of elementary and secondary guidance, career guidance, rehabilitation counseling, employment counseling, and higher education and financial aid. The panelists questioned each witness about their testimony and the program concluded with audience participation from the 2,000 assembled conventioneers in attendance.

I particularly commend to your attention, Mr. Speaker, the full statements of each witness, contained in the document "Issues in Guidance and Counseling," available from the American Personnel & Guidance Association. From the positive feedback I have received, I unhesitatingly recommend this type program as an example of an outstanding means of educating the citizenry in the intricacies of the hearing and legislative processes. APGA members, their headquarters staff, board of directors, and government relations committee should be proud of their fine efforts in this endeavor.

CIA INTERFERENCE IN THE FORMATION OF FOREIGN POLICY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HARRINGTON. Mr. Speaker, it was reported in the New York Times, Friday that the CIA has been instructed by top officials of the Nixon administration not to interfere in the internal affairs of Greece nor to play favorites among Greek politicians.

While I applaud the decision to stop CIA intervention into Greek internal affairs, this disclosure is one more piece of evidence that keeps mounting and mounting that the CIA has been and is unlawfully intervening in the internal affairs of countries around the world. Hopefully, it will not be necessary to wait for any more disclosures of CIA indiscretions before Congress will act to limit CIA intervention in the formation of this country's foreign policy.

The text of the New York Times article follows:

UNITED STATES SAID TO ORDER CIA TO CURTAIL ROLE IN GREECE

(By David Binder)

WASHINGTON, August 1.—The Central Intelligence Agency has reportedly been instructed by top officials of the Nixon Administration not to interfere in the internal affairs of Greece nor to play favorites among Greek politicians.

These orders, according to well-placed officials, reflect the current thinking of Secretary of State Kissinger and of the Director of Central Intelligence, William E. Colby—that Americans should keep out of the politics of other countries as much as possible. The C.I.A. is said to have been deeply involved in Greek politics for 25 years.

Until the last few weeks of the Athens military junta, according to high American officials and to Greek sources, American operatives remained quite close to the men in power in Greece.

A United States specialist on Greece said that the C.I.A. continued to maintain about 60 full-time operatives in Greece and that some had been there 15 years or longer.

The agency, the specialist said, had close contact not only with George Papadopoulos, the Greek colonel who led the 1967 coup, but also with his successor, Brig. Gen. Demetrios Ioannides.

Mr. Papadopoulos, who was deposed last November, was among many Greek political and military figures who received personal subsidies over many years from the intelligence agency, two United States officials said. Another source said Mr. Papadopoulos had received money from the agency since 1952.

The C.I.A. stopped its subsidies for Greek political figures about two years ago, a high American official said.

The operative closest to General Ioannides was said to have been Peter Koromilas, a Greek-American who also went by the name of Korom. An American official said Mr. Koromilas had been sent to Athens to confer with General Ioannides shortly before the July 15 coup in Cyprus, which was headed by Greek officers.

"PAPADOPOULOS IS MY BOY"

James M. Potts, the agency's station chief in Athens from 1968 to 1972, was described as having been on close terms throughout his stay there with Mr. Papadopoulos.

Mr. Potts was listed as a political officer in the American Embassy. He served earlier in Athens from 1960 to 1964 as deputy station chief of the intelligence agency.

A State Department official said that when Mr. Potts left Athens in August, 1972, his farewell party was attended by virtually every member of the military junta. The American Ambassador, Henry J. Tasca seeing who was present, turned and walked out, the source said, after which he sent a cablegram to Washington protesting Mr. Potts's action.

Mr. Tasca had adopted a chilly attitude toward the Athens junta and was appalled that the C.I.A. station chief would give a party that contradicted the position the American Ambassador had taken.

State Department officials who have served in Greece commented in background interviews on what they described as a negative role played in the past by the Central Intelligence Agency in Greek affairs.

One of them mentioned John M. Maury, the agency's station chief in Athens from 1962 to 1968.

"Maury worked on behalf of the palace in 1965," the official said.

"He helped King Constantine buy Center Union Deputies so that the George Papandreou Government was toppled."

Mr. Maury, 61, left the agency somewhat more than a year ago and is now Assistant Secretary of Defense for Congressional Relations.

Although generally leaning to Greek conservative politicians, the agency flirted briefly with the variant in Greek politics offered by George Papandreou and his Harvard-educated son, Andreas, in the early nineteen-sixties, a former Greek official said.

"In the beginning, say about 1962 or '63, the C.I.A. used Andreas as an agent, as a resource and supported him," the Greek said. "His buddy was Campbell," he added, referring to Laughlin A. Campbell, the C.I.A. station chief from 1959 to 1962.

AGENT REASSIGNED AFTER PROTEST

In his 1970 book, "Democracy at Gunpoint," Andreas Papandreou describes a scene in 1961 in which he had an altercation with Mr. Campbell.

Now retired and living in Washington, Mr. Campbell declined to talk with a reporter about his Greek service.

A knowledgeable Greek said that Stavis Milton, an operative who objected to the "cozy" relationship between the agency and the junta leaders over the last seven years, was moved out of Greece and sent to Iran and later to the Far East.

Mr. Milton was described as one of numerous Greek-Americans recruited by the agency in the early days of its operations in Greece. Another was said to be Thomas H. Karamessines, a 57-year-old New Yorker who served in Athens from 1947 to 1948, during the Greek struggle against Communist insurgents, then again as station chief from 1951 to 1953.

Mr. Karamessines rose to be head of the agency's clandestine services before his retirement, recently.

The Central Intelligence Agency also used enterprises of Thomas A. Pappas, the 75-year-old Greek-American industrialist, as a cover for its operations in Greece, according to the Greek source.

A spokesman at the headquarters of the agency, in Langley, Va., said he had no general comment on the allegations. He did say, however, that C.I.A. agents follow orders approved at the highest level in Washington.

IN MEMORY OF JACKSON B. CHASE

HON. JOHN Y. McCOLLISTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. McCOLLISTER. Mr. Speaker, I would like to take this opportunity to remember, along with other Members of the House of Representatives, one of our former colleagues, Jackson B. Chase. A Nebraska Congressman from 1955 to 1957, Mr. Chase exemplified the dedicated leadership we all strive to achieve in public office.

Although born in Nebraska, he spent his early life in California and Illinois. He attended the University of Nebraska and graduated from the University of Michigan Law School in 1913. He began practicing law in Chicago, joined the Army during World War I, and then returned to Nebraska.

Public service started there when he became assistant attorney general for 2 years, 1921–22. Mr. Chase practiced law in Omaha from 1923 to 1942, when he once again interrupted his career to serve as a major in the Judge Advocate General's Department during World War II.

He was legal adviser to the Omaha Welfare Board in 1930–31 and a member of the State legislature in 1933–34. Mr. Chase served as chairman of the Nebraska Liquor Control Commission in 1945–46. In 1946 he was appointed judge of the Fourth Judicial District Court of Nebraska, was elected to the post in 1948 and again in 1952 and served until his resignation in 1954 to run for Congress. He was not a candidate for renomination in 1956, but did run again for the judicial post and held the position until 1960.

Throughout his career, Mr. Chase demonstrated a true concern, not only for the function of government, but for the people it represents. I know my colleagues join me in honoring the memory of this hard-working man, who served his State so well.

LAUDS SBA FOR OPENING DISASTER ASSISTANCE OFFICES

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. YOUNG of Florida. Mr. Speaker, during the week of June 24, Pinellas County, Fla., most of which comprises my congressional district, received more than 20 inches of rain. This one week's total exceeded the total rainfall for the first 6 months of 1974. As a result, extensive flooding was caused throughout the county, not only in the flood-prone areas, and thousands of persons suffered excessive damage to their homes and property.

The State of Florida was rather slow in submitting the data required for a disaster declaration—removing the air of urgency of this situation. As a result, the Federal Disaster Assistance Administration and the President did not believe the damage was sufficient enough to warrant a major disaster declaration for the area. Both, however, recommend that the Small Business Administration's disaster relief program should be implemented. This would give the same assistance to the private property owner which would have been available had a disaster declaration by the President been issued. The Small Business Administration concurred, and it is now accepting applications for relief from private property owners in its Tampa and Miami field offices.

Mr. Speaker, the Small Business Administration did not initially plan to staff an office in Pinellas County—the county which was most severely struck by the torrential rains. Having brought this fact to the attention of SBA officials, I was pleased when they agreed to open two temporary disaster assistance offices in Pinellas County on Monday morning. One will be in St. Petersburg, the other in Largo.

This action by the Small Business Administration reaffirms my belief that it willingly and without delay makes itself accessible to people in need of emergency assistance, and I commend Mr. Kleppe and his staff for opening disaster relief offices in Pinellas County, so that the

Small Business Administration can meet its responsibilities to the people in greatest need without any unnecessary delay or inconvenience to them.

OMB PUSHES TRADE WITH REDS

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HUBER. Mr. Speaker, I feel it is indeed shameful to relate that the Office of Management and Budget has decided to end export promotion subsidies during fiscal year 1975. Here we are with more trade deficits looming ahead and OMB sees fit to reduce our efforts to expand trade. And—if this were not bad enough, there is going to be an exception to this policy. Promotion activities for trade with the Communist nations will continue. More wheat deals anyone? The story from the American Metal Market & Metalworking News of July 29, 1974, follows:

OMB HITS FED AGENCIES WITH MEMO CUTTING TRADE PROMOTION ACTIVITIES

(By Rick Belous)

WASHINGTON.—The White House' Office of Management and Budget (OMB) has issued an intragovernment memo telling federal agencies to end export promotion subsidies during fiscal year 1975, it was learned last week.

The OMB memo states that federal export promotion activities, except to communist countries, must operate "on a full cost recovery basis" during fiscal 1975.

Industry and government trade experts said this order will force the Commerce Department to reduce, and in many cases eliminate, most of its trade promotion activities.

Currently the Commerce Department sponsors numerous trade missions and operates trade centers in foreign countries.

According to these sources the OMB order will have the net effect on forcing the Commerce Department out of the trade mission business, except for communist countries.

The order will also force the Commerce Department to close most of its trade centers, except those in communist countries.

As reported in these columns, OMB seven weeks ago started an intense cost-benefit analysis of the federal government's trade promotion activities. One industry source, who was angered by the OMB move, claimed that the White House group had made up its mind to "use the knife" before the study was even started. A second industry source claimed "this cost-benefit analysis was just a sham."

Also, the OMB wants the Commerce Department to start billing firms for all trade services performed by American embassies. Currently United States embassies, as a matter of course, provide numerous free services and aid American firms doing business overseas.

OMB spokesmen have confirmed that a study is underway, but they have denied any firm decision has been made about trade missions and trade centers.

According to government sources, this OMB move will save the U.S. Treasury about $30-million a year, and the OMB decision is part federal budget cost cutting.

Metalworking and metal firms have increasingly used federal government trade promotion services. Many foreign trade deals have been the direct result of such services.

As one official put it, "the U.S. Treasury gets back more than this $30-million a year in added tax revenue created by expanded export sales.

Others point out that many foreign governments pay the entire cost of their trade missions. For example, one trade expert claimed that English Government "is picking up the entire tab for one of their trade missions coming there this year."

A second trade executive noted that the OMB move "will hurt the medium to small companies. The giant firms will be able to continue trade promotion. But what about the small company. Even if it has the $15,000 to shell out for homework and exploration of export sales, they still won't be able to get similar services."

OMB is also reportedly studying the Export-Import Bank and Domestic International Sales Corporations (DISC). Under the latter program, a firm is allowed to defer paying taxes on export sales.

The general thrust of "full cost recovery" so far is fait accompli, according to industry and government executives, but the OMB move can still be partially blocked, they insist.

Besides subsidies to Communist trade missions, the Federal Government may still subsidize trade promotion services for some "first place" deals. This would mean a firm, which has never traded in a specific area, could receive some subsidies on the first deal. But after this, "full cost recovery would be in effect.

THE DEATH OF WAYNE MORSE: A LOSS FOR RESPONSIBILITY IN POLITICS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. CONYERS. Mr. Speaker, few public officials manage to retain their independence of mind and action in the face of intense pressures to compromise and conform. Wayne Morse was such a man. He personified a spirit of individual commitment and social responsibility throughout his 30 years of public service. He legislated and debated with great honesty and with greater vision than many of his contemporaries appreciated.

During his first term in the Senate, he demonstrated that his concern for the best interests of the people took priority over the constraints of party dogma. As a Republican, he aroused the ire of his fellow partisans by vigorously supporting President Truman's veto of the Taft-Hartley Labor Act. Senator Morse could not support the Presidential candidate and platform of his party in 1952, and he had the courage to act on his beliefs, returning to the Senate in 1953 as an Independent and then joining the Democratic Party in 1955.

In addition to his lasting interests in civil rights, education, and foreign policy, Senator Morse was among the earliest proponents of home rule for the District of Columbia, a goal we are only now beginning to achieve. But of all the independent positions which he took during his distinguished career, perhaps the most courageous was his opposition to the Gulf of Tonkin resolution in 1964. It is particularly tragic that, within 2 months, we have lost the two Senators, Senator Morse and Senator Ernest Gruening of Alaska, who correctly anticipated the tragic consequences of American intervention in Vietnam.

Although Wayne Morse lost his bid for reelection to the Senate in 1964, he continued his active efforts against the Vietnam war and in support of human rights and the protection of the environment. It is fitting that this great man died doing what he loved most—speaking with the people of America, and telling them the truth.

TRIBUTE TO WAYNE MORSE

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. ROYBAL. Mr. Speaker, it is with deep regret that I mark the passing of Wayne Morse, former Senator from Oregon, and wish to pay final tribute to this truly dedicated and moral man.

A strong and early critic of the Vietnam war, Morse will be remembered as one of the only two Senators who, on August 7, 1964, voted against the original Gulf of Tonkin resolution. It was on this day that Morse said:

> I believe that history will record that we have made a great mistake in subverting and circumventing the Constitution of the United States . . . by means of this resolution. As I argued earlier today at great length, we are in effect giving the President . . . warmaking powers in the absence of a declaration of war. I believe that to be a historic mistake.

He was, of course, right.

It was this, against the Gulf of Tonkin resolution, which contributed to Morse's defeat in 1968, as it also was a factor in the defeat of Ernest Gruening, the other dissenting Senator.

Morse's unflinching opposition to military involvement in Vietnam from the very start, is just one example of his strong convictions, which often placed him on the side of unpopular causes. In the early 1950's he fought for civil rights legislation and was also a strong supporter of trade unions.

For 24 years Wayne Morse served in the Senate—first as a Republican, then as an Independent, and finally as a Democrat. He was above all else a man of conviction who dealt with each issue on its own merit and would not compromise his stand to conform with party lines.

As a young man he studied at the University of Wisconsin and then went on to receive degrees of law from both the University of Minnesota and Columbia University. He became dean of the law school at the University of Oregon and subsequently achieved recognition as an outstanding labor arbitrator. His brilliance and dedication was reflected in his outstanding work in Congress.

Defeat in 1968 did not cause Morse to give up his political aspirations. In fact, he was actively campaigning for a seat in the Senate only a few days before his death and had recently won the Democratic nomination.

Wayne Morse's passing was indeed untimely. His fortitude and foresight, combined with a patriotism dedicated to peace, will be greatly missed.

1974 SURVEY RESULTS

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. REGULA. Mr. Speaker, this past May, I mailed a questionnaire to each household in the 16th Congressional District. A large number have been returned to my office. To date, about 25,000 people have responded. This is an increase of nearly 8,000 respondents over 1973.

A special effort was made to insure that the questions were fair and impartial. The experience and results of my 1973 questionnaire made this, in my opinion, a better questionnaire.

Printed below are the results of this survey and my comments.

The first section of the questionnaire asked respondents to list three problems Congress should act upon this year. There were many opinions. The three most frequent 'answers were inflation, health care, and impeachment. Each of these issues was covered by a separate question in the second part of the survey.

The inflation question was the one most frequently answered. The majority responding—58.4 percent—wanted less Government spending either by reducing taxes and spending or by balancing the budget. A sizable number—33.1 percent—wanted relief from rising prices by means of wage and price controls. A tax increase was the least popular way to deal with inflation—only 1.2 percent favored a tax hike. As to what course to take, 7.1 percent were undecided.

Federal financing of election campaigns was the second most answered question. The same question was asked in the 1973 questionnaire. In May, 1973, 71.4 percent were against federally funded elections. This year the number favoring Federal financing increased from 25.6 to 30.8 percent, while those opposed to Federal funding dropped from 71.4 to 63.1 percent; 5.9 percent were undecided. While there has been some change toward Federal financing of elections, the strong majority is opposed to the idea.

The last four questions, health care, Watergate and impeachment, off-shore drilling, and strip mine reclamation drew an approximately equal number of responses.

Concerning health care, 68.2 percent now feel that some form of Government health assistance is needed, be it complete coverage, 24.2 percent; major illness coverage, 23.5 percent; or Government coverage of low-income persons, 20.5 percent. The remainder thought business should provide health protection, 13.8 percent, or that no new programs should be started, 17.8 percent. More people now favor a national system of health insurance than when I asked a similar question last year. In 1973, 54.6 favored national health insurance versus 40.9 against.

Opinion about Watergate and impeachment was more evenly distributed than any other question. If A and C are combined, they show that 38.4 percent of those responding want the investigations to stop. Many fear that the effects of the investigations would be more harmful than helpful.

On the other hand, if B and E are combined, they show that 48.4 percent of those responding wish to see the investigations continue. Of those, 17.4 percent want the House of Representatives to continue its investigation to determine if there is enough evidence to support articles of impeachment; 31.4 percent believe the House of Representatives should vote articles of impeachment and the Senate should conduct a formal trial to establish the guilt or innocence of President Nixon.

Finally, 13.0 percent believe Mr. Nixon should resign for the good of the country. These answers show strong and divided feelings about the issue.

The last two questions concerning energy and conservation were approved by large majorities. On the continental shelf, 71.3 percent want drilling. An overwhelming majority desire a Federal strip mine law; 80.5 percent want a Federal law requiring strip-mined land to be reclaimed.

Because of space limitations, only a limited number of questions could be asked. Many people, however, took advantage of the space for additional comments. Impeachment, inflation, foreign aid, Government spending, aid-to-the-aged, requests and comments about my job as Congressman were most frequently mentioned. I appreciate these helpful thoughts.

I would like to publicly thank all those who took time to respond to the questionnaire.

The questionnaire follows:

1974 SURVEY RESULTS

1. Events surrounding the Watergate incident have caused public concern about honesty in government and the activities of the Nixon Administration. Which of the following is closest to your opinion?

a. President Nixon is innocent—it's time to stop all investigations and get on to other things, 22.2 percent.

b. The House of Representatives should continue its investigation to determine if there is enough evidence to support Articles of Impeachment, 17.4 percent.

c. President Nixon may be guilty of wrongdoing but he has been punished enough. Allow him to continue in office, 16.2 percent.

d. President Nixon has lost his effectiveness and should resign for the good of the country, 13.0 percent.

e. The House of Representatives should vote Articles of Impeachment and the Senate should conduct a formal trial to establish the guilt or innocence of President Nixon, 31.0 percent.

2. What action should Congress take to curb inflation without recession?

a. Authorize standby wage and price controls, 33.1 percent.

b. Reduce Federal taxes and spending, 31.8 percent.

c. Increase Federal taxes, 1.2 percent.

d. Balance the Federal budget, 26.6 percent.

e. Undecided, 7.1 percent.

3. Congress is working on health care legislation this year. Which would you prefer?

a. A government plan covering basic medical care for everyone, 24.2 percent.

b. A government plan covering major illnesses, 23.5 percent.

c. Continued reliance on private plans but the government would pay for low income persons, 20.5 percent.

d. Require that employers provide health insurance, 13.8 percent.

e. No new programs, 17.8 percent.

The next three questions were answered either by a Yes, No, or Undecided.

4. Should Federal tax dollars be used to finance election campaigns?

a. Yes, 30.8 percent.

b. No, 63.1 percent.

c. Undecided, 5.9 percent.

5. Would you favor a Federal law requiring that lands used for coal strip mining be reclaimed even if it will raise the average electric bill by a small amount?

a. Yes, 80.5 percent.

b. No, 14.1 percent.

c. Undecided, 5.3 percent.

6. Should the government allow drilling for oil on the outer continental shelf (in the Gulf of Mexico and the Atlantic and Pacifiic Oceans)?

a. Yes, 71.3 percent.

b. No, 16.6 percent.

c. Undecided, 12.0 percent.

The distribution by age group of those who responded to the questionnaire is indicated below.

a. 18–25 years, 12.7 percent.

b. 26–34 years, 21.5 percent.

c. 35–54 years, 35.4 percent.

d. 55–64 years, 16.8 percent.

e. 65-over, 13.4 percent.

Questionnaire results are rounded to the nearest tenth. Where the totals do not add to 100 percent the difference is due to rounding.

ANN DULYE CHOSEN PRESIDENT OF NEW YORK PRESS ASSOCIATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. GILMAN. Mr. Speaker, one of my distinguished constituents, Mrs. Raymond Dulye of Walden, N.Y., has been accorded the honor of being chosen as the first woman president in the history of the New York Press Association.

Ann Dulye is vice president of the Walden Printing Co., and along with her husband, Ray, publishes the award-winning Walden Citizen Herald and the Stewart Citizen in Newburgh, N.Y.

Raymond Dulye served as president of the State association in 1963, and together they are the first husband-and-wife team to hold this office.

The Dulyes, who have been active in their community affairs, have been prominently active in the affairs of the New York State Press Association for many years.

Mrs. Dulye began her newspaper career on the editorial staff of the Middletown Times Herald, in my hometown, Middletown, N.Y. In 1952, the Dulyes acquired the Walden Citizen Herald, and in the years since they have seen this fine weekly newspaper grow, under their guiding hands, into one of the best in our State.

The presentation of the press association president's gavel to Mrs. Dulye took place at the first truly international press convention, which was held last week in Toronto, Canada. This conclave brought together representatives from the New York Press Association, the National Newspaper Association of the United States, and the Canadian Community Newspaper Association.

Since this is the first time this honor has been accorded a woman, I wanted to share this honor with my colleagues.

THADDEUS DULSKI RETIRES

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2. 1974

Mr. HELSTOSKI. Mr. Speaker, as we all know, Congressman THADDEUS DULSKI has announced that he will retire from the House of Representatives at the end of this session. Though a significantly large number of Members have already announced their intention to retire at the end of this Congress, Mr. DULSKI will be among those most sorely missed.

As Representative from New York's 37th Congressional District, Congressman DULSKI brought an inspiring sense of decency and diligence to his work in the Congress. Furthermore, as chairman of the House Post Office and Civil Service Committee, he consistently displayed compassion, perseverance, and a great deal of legislative skill in dealing with the matters that came before his committee.

In addition, as a Member of the House Veterans' Affairs Committee, I had the privilege of working on this committee with Congressman DULSKI. Again, his performance has been characterized by dedication and a willingness to work to do whatever is necessary to make life better for our veterans.

Mr. Speaker, I would like to take this opportunity to extend my best wishes to Congressman DULSKI on the occasion of his retirement, and to thank him not only for the many contributions he made to the people of his district, but for the contributions he made to America as well.

LET'S HOLD HANDS FOR BICENTENNIAL

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. O'BRIEN. Mr. Speaker, "Wouldn't it be wonderful," asks Elizabeth Cleland in the July 14 issue of the Washington Star-News, "if on the Fourth of July, 1976, we held hands from coast to coast?" She goes on:

> Wouldn't it be wonderful if we could do something to reassure ourselves and each other and the rest of the world that this is a great country and that we love it very much.

It would, indeed, and that is just what my constituent, Mrs. Marietta B. Lazzo of Park Forest, Ill., had in mind when she suggested that Americans celebrate the 200th anniversary of our Nation's birth by joining hands to form a human chain from coast to coast. I put Mrs. Lazzo's letter in the RECORD on July 22, and have sent her idea to Administrator John W. Warner of the American Revolution Bicentennial Administration for his consideration.

In the following article Miss Cleland supports Mrs. Lazzo's proposal and tells how she came to have the same thought:

[From the Washington Star-News, July 24, 1974]

LET'S HOLD HANDS—FROM SEA TO SHINING SEA

(By Elizabeth Cleland)

Wouldn't it be wonderful if, on the Fourth of July, 1976, we held hands from coast to coast?

Wouldn't it be wonderful if we could do something to reassure ourselves and each other and the rest of the world that this is a great country and that we love it very, very much?

Wouldn't it be wonderful?

And why couldn't we do it? There are roads across every inch of the three-thousand-odd miles. And there are enough of us.

This delirious scheme came to me while watching a political telethon on television. We were being treated to bits and pieces of patriotic speech and song when the program was interrupted with the shocking news of the shooting in Atlanta of Martin Luther King's mother. Poor Atlanta, I thought I wish I could hold their hand. (I have visited Atlanta only once, but I have a feeling for it. I'm rather soft about American cities, to tell the truth. I'm forever holding up soft-drink bottles and sending greetings to the city named on the bottom. "Hello, all you folks in Akron, Ohio," I say, or "How's it going, Nashville?"

And from there it was an easy leap. Let's hold hands from "California to the New York island." Let's hold hands because we care about each other and because we've been through a lot lately. And, I, for one, want to do something special on our 200th anniversary—something more than a picnic or fireworks or watching a televised speech. I want to put myself on the line.

Is it possible? Anything is possible, is my attitude. We had men playing golf on the moon a couple of years ago. We can do it.

I mulled this idea around for a few days and then threw it out. I didn't throw it very far at first, just to the next room, where Friend Husband was playing cards. He stared at me for a long minute and then whispered one word, "Tremendous."

The next day I threw it a little further. I presented it with a bit of a build-up at a largish lunch of colleagues. I feared hoots and jeers from this sophisticated, news-hardened group, and instead I got cheers and yes, tears. (These from a particularly delightful co-worker, young and cute and bright as two buttons. She dabbed at her eyes, smearing her eye-liner, and said in her impeccable Upper Case British accent, "And it's not even my country.")

One more test. A triple-birthday party in my home town of Falls Church brought together a good-sized crowd of people who care for each other and who care for the country. We all feel beaten up by the events of the past year, beaten up and beaten down at the same time. Hurrah, hurrah, they said, let's do it. Vince, one of the celebrants, started to sing "America I Love You And There's a Hundred Million Others Like Me."

As is my wont, and a wretched wont it is, I kept on talking about it. At least three people said "Write it and get it in print before the hucksters grab it. I feel that it is very important that this idea remain strictly out of the hands of any one group. Somebody has to sponsor it, I suppose, but I wanted the idea to be put forth as a non-political, non-commercial, non-anything-but-people idea.

But still I talked about it. I made figures. How many miles? How many feet in a mile? How many feet from coast to coast. How many people? I made figures and I talked and I talked and I figured, and guess what happened?

I sat down at my typewriter on Tuesday, July 23, with a "now or never" determination and the phone rang. It was a neighbor, one of the many who had heard my idea. "Get a copy of the Congressional Record for yesterday—Monday—and turn to page 24493."

And there it was. Mrs. Marietta R. Lazzo of Park Forest, Ill., wrote her Congressman, Rep. George M. O'Brien. She said: "Wouldn't it be wonderful if enough people wanted to, and would, on July 4, 1976, join hands along some of our nation's highways to make one great human, handclasped chain from shore to shore across our country?"

I not only couldn't have said it better myself—I didn't. Mrs. Lazzo had the idea last winter, she said, she went on in her letter with all the feet and miles and people figures that I had. Clearly, we are two minds with but a single thought . . . and I bet there are "a hundred million others" like us.

If you are one of them, and would like to see the figures, or add to this scheme, write me here. I'll tell Marietta. We're holding hands already.

SAMSO'S 20TH ANNIVERSARY NOTED BY SPECIAL EDITION OF SOUTH BAY DAILY BREEZE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. BELL. Mr. Speaker, the South Bay Daily Breeze, an outstanding newspaper in my congressional district, recently published a special edition commemorating the 20th anniversary of the Space and Missile Systems Organization of the U.S. Air Force.

This very impressive special edition

traces the history, development, and leadership of SAMSO since its establishment in 1954.

I would like to commend SAMSO for its fine contributions in the fields of both peacetime technology and military strategy and also the Daily Breeze whose excellent reporting is exemplified by this most interesting publication. A copy of the special edition is being delivered to the offices of each of my colleagues.

THE REAL ISSUE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. MICHEL. Mr. Speaker, I fully realize that all of us serving in this House have more material to read than is humanly possible to digest, especially with all of the material from the House Judiciary Committee's impeachment hearings added to our normal reading pile. In spite of that, I am placing in the Record an editorial from the July 29, 1974, edition of the Peoria Journal Star entitled "The Real Issue," and I urge all of my colleagues to include this editorial in their homework as they prepare themselves for the upcoming debate in the House.

I place the editorial in the Record at this point:

The Real Issue

When the impeachment process in the House began, the Republican members of the committee were often more aggressive than the Democrats.

They expected the evidence to be damning, apparently, and they were eager to disassociate themselves from the Republican President and prove themselves thus pure of heart. Their need was greater than that of Democrats.

The Democrats, themselves, except for the wilder characters like Drinan, were very cautious then. They apparently figured that they had *him* anyway, and as the known opposition, they didn't want too look over-eager and thus unfair.

Such were the reactions when about all they really knew was what they'd been reading in the papers and from listening to Walter Cronkite—before they had seen the actual evidence, raw, for what it really was.

When that actual evidence was collected and studied instead of the piecemeal "leaks" fed the rest of us dressed up in its reportorial interpretations, the role of the party members turned upside down.

The Republicans got cautious, by and large, and the Democrats began to hammer away with every possible device. How come?

Well, apparently, the original asumptions didn't hold up very well. The Republicans discovered the evidence was not as damning as they thought from their former press exposure, and the Democrats discovered they really didn't "have him" after all.

The hard evidence simply isn't there that actually links the President as a participant in illegal acts. You have to juggle it around in a pretty complicated manner to weave him into something in some way *connected* to some illegal act. What *evidence* does exist offers clues, only, that have to be interpreted and manipulated and which can be interpreted, therefore, in different ways.

The Democrats, almost to a man, now, choose to manipulate and interpret such to the maximum disadvantage of the Republican President—not altogether unnaturally.

Some Republicans, who for their own political reasons once reacted in much the same way, now look at the full findings and shake their heads, recognizing that it is just as easy to make an innocent interpretation of what these things really meant in context.

What it comes down to is that the real issue, in the absence of the hard expected evidence, is whether there is to be any significant defference in the standards we apply in a national election and in those they apply to an impeachment vote in the House of Representatives.

We mean that literally.

In an election, there is no doubt that we feel free to guess, to manipulate shadowy evidence, to interpret and to reach conclusions and thus decide who we disqualify on grounds of suspicion.

That's as it must be.

But if impeachment is to play a role in presidential selection between elections, is it to operate on that same basis? If so, fine and dandy. Impeach him!

But if impeachment is to be significantly different than the election process, and the sovereignty of the people as expressed in their national election of a President a shade more potent than a vote in the Congress, it would require different standards for impeachment—standards such as are applied in a judicial process not in an election process.

And the judicial process simply does not accept these forward leaps in the interpretation of evidence with conclusions treated the same as facts. The evidence has to be there and it has to take you all the way home. You can't move mentally from the actual evidence forward to a conclusion of guilt two steps beyond the physical proof!

So which way shall we do it?

Shall we have a serious trial that incorporates the highest principles and practices of American justice? Shall we have a serious trial that meets the demands of any normal trial procedure? Or shall we have a "special" trial with extra latitudes for political decision? And give Congress the right to remove presidents by merely voting on the basis of the kind of charges and counter-charges that are so often used in an election campaign?

The House can decide that they are the people, that real sovereignty rests with them as the "people's representatives" to a degree superior to the sovereignty of the people, themselves, voting in national presidential elections. They can make themselves a substitute for direct sovereignty.

Should they?

The answer may be a more fateful decision than the Watergate furore, itself. And on it hangs the impeachment.

C. L. Dancey.

ALABAMA STUDENT PRACTICE RULE

HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. EDWARDS of Alabama. Mr. Speaker, on July 2 the Alabama Supreme Court adopted a student practice rule for Alabama. Under this rule, qualified law students will be able for the first time to actually participate in court proceedings and perform many functions previously restricted to members of the Alabama State Bar Association.

This rule will perform two vital functions. It will encourage law schools to provide senior law students with practical training during the period of their formal legal education. It will also open up a new source of legal assistance for people who can not afford to engage an attorney.

The law students will be working under the direct supervision of a licensed attorney who will assume personal professional responsibility for the student's work.

Mr. Speaker, I commend the Supreme Court of Alabama, which approved the rule in a unanimous 9 to 0 decision, for its action. The leadership which the Cumberland School of Law faculty and students exercised in an effort which was pursued for over 4 years is also to be noted. The University of Alabama Law School and the Alabama State Bar should also be commended for their support.

I trust the law schools in Alabama will fully utilize this new opportunity. I am convinced that the student practice rule will result in better qualified young lawyers in Alabama.

TAX EXEMPTION ON INTEREST

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. WOLFF. Mr. Speaker, on May 16 I introduced H.R. 14859, which would allow a tax exemption on interest—up to $400 for an individual and $800 for a couple filing jointly—on deposits in savings institutions. This legislation is designed both to provide a tax break for the small depositor and to encourage savings in order to stimulate mortgage capital. Thus, this measure would help the average American hard hit by inflation, the banks, and the building industry.

The Savings Association League of New York State, whose president is Mr. Paul A. Schosberg, has launched a drive to gather signatures on a petition in support of H.R. 14859, and I am pleased to report that the number has now topped 200,000 names. I am, indeed, grateful for the support of the Savings Association League and the hundreds of thousands of people who have endorsed this legislation.

I have written to Chairman Wilbur Mills urging that the Ways and Means Committee seriously consider the need for this legislation and include it in their comprehensive tax reform proposal. The bill has been cosponsored by 25 Members and I hope to gather additional support in the future.

I would like to include in the Record a letter I have received from Mr. Schosberg regarding the petition drive and Mr. Herbert Stein's recent comment that the administration would like to see an increase in savings by the public. In view of this statement, I will look forward to the administration's support for H.R. 14859 as well.

Mr. Schosberg's letter and a list of those Members who have cosponsored H.R. 14859 follow:

Savings Association League
of New York State,
Scarsdale, N.Y., July 31, 1974.

Hon. Lester L. Wolff,
House of Representatives, Rayburn House Office Building, Washington, D.C.

Dear Les: I'm pleased to report that as of this morning the number of signatures on our petitions in support of H.R. 14859 topped 200,000. I fully expect we will exceed our goal of 250,000 by the end of the week and with the savings banks commencing their own petition drive within the next few days, the momentum will continue to build.

I know you share our hope that this petition drive will be a major factor in developing even greater support for your bill within the New York Congressional delegation and throughout the House of Representatives in general.

In this connection, I want to call to your attention a comment made by Herbert Stein, Chairman of the Council of Economic Advisors, at yesterday's joint Economic Committee hearing. Mr. Stein was reported in today's New York Times as saying that the administration would like to see an increase in savings by the public. This might be the first hard indicator that the administration might support legislation such as H.R. 14859.

Warmest regards,

Sincerely,

Paul A. Schosberg.

Cosponsors of H.R. 14859

1. Wolff.
2. Addabbo.
3. Badillo.
4. Brinkley of Ga.
5. Chisholm.
6. Mrs. Collins of Ill.
7. Mr. Collins of Texas.
8. Conte of Mass.
9. Derwinski of Ill.
10. Edwards of Calif.
11. Kemp.
12. Lehman of Fla.
13. Luken of Ohio.
14. Murtha of Pa.
15. Podell.
16. Roe of N.J.
17. Won Pat.
18. Yatron of Pa.
19. Lent.
20. Stokes of Ohio.
21. Harrington of Mass.
22. Roncallo of N.Y.
23. Brasco.
24. Abzug.

THE RETURN OF DEMOCRACY TO GREECE

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Ms. ABZUG. Mr. Speaker, I am heartened by reports of a return to civilian rule and democracy in Greece. The fall of the military junta of General Phaedron Gizikis and the creation of the transitional government of former premier Constantine Caramanlis give hope that democratic rights can once again be established in the birthplace of democracy.

Since I have come to Congress, I have repeatedly spoken out against the suppression of human rights by the junta in Greece, and against the U.S. Government's close link with the oppressive militaristic government. However, I am now encouraged by this dramatic turn of events—by the indications of a coalition cabinet, creating the broadest based government in modern Greek history; by the Government's release of all political prisoners held by the Greek military junta; by the reported closing down of the camp for political prisoners on the Aegean island of Yaros; by the reinstatement of the Constitution of 1952; and by the decision to grant amnesty for all political crimes since the 1967 coup and the restoration of citizenship to all Greeks deprived of their nationality since then.

If, indeed, these reports hold true, and elections are held to determine the succeeding government, we may once again see freedom and democracy return to Greece.

LETTER TO SOVIET AMBASSADOR ANATOLY F. DOBRYNIN, JULY 29, 1974

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HANRAHAN. Mr. Speaker, today I introduced another concurrent resolution on behalf of the Lithuanian seaman, Simas Kudirka. I am very concerned about the well-being of this Lithuanian. I have also written a letter to the Soviet Ambassador, Anatoly Dobrynin, which has been signed by several Members of Congress. I wish to insert this letter for the benefit of my colleagues:

Washington, D.C., *July 29, 1974.*

His Excellency Anatoly F. Dobrynin,
Union of the Soviet Socialist Republics, Washington, D.C.

Dear Mr. Ambassador: Our purpose in writing to you is to request the immediate release from prison of the Lithuanian-American seaman, Simas Kudirka. As you will remember, Simas Kudirka was a crew member of the Soviet trawler fleet which was operating off the New England coast of the United States in 1970.

On November 23, 1970, Kudirka climbed aboard the U.S. Coast Guard cutter, Vigilant, which was tied up to a vessel of the Soviet trawler fleet. He attempted to obtain political asylum in the United States. However, crew members of the Soviet ship were later allowed to board the Vigilant, where they seized Kudirka and forcibly removed him to the Soviet ship. It was later learned that Kudirka was sentenced to a term in Soviet prison.

As a result of the tremendous protest which arose in this country, and as a result of recent information brought to the attention of the United States government, Simas Kudirka has now been declared to be an American citizen, and has been registered as such in our Embassy in Moscow.

The mother of Simas Kudirka, who was born in Brooklyn, New York, in 1906, has also been registered as a United States citizen, and has been issued an American passport.

At the present time, when our governments are cooperating to bring peace and understanding to our troubled world, it would be my hope that you would use your influence to inform your government of the views of the Members of Congress who have signed their name to this letter.

We petition the Soviet Government to grant exit visas to Simas Kudirka, his mother, Mrs. Marija Kudirka Sulskiene, and Kudirka's wife and two children. The mother and son are United States citizens, and certainly his immediate family would have a right to United States citizenship through the father and husband. Your government's assistance in this noble quest by demonstrating basic human compassion for Simas Kudirka, and his family would be taken as a gesture of good will.

I look forward to hearing from you soon on this important matter. Thank you again for your consideration.

With warmest regards,

Robert P. Hanrahan, John W. Wydler, J. Hastings, George E. Brown, Jr., Alphonzo Bell, Robert H. Michel, John D. Dingell, G. William Whitehurst, Ella Grasso, Thomas Ludlow Ashely.

Robert N. Steele, Parren J. Mitchell, Robert J. Lagomarsino, Joshua Eilberg, Edward Derwinski, Frank Thompson, Jr., John J. Rhodes, Victor N. Veysey, Samuel Stratton, Edward P. Boland.

Peter Rodino, Jack F. Kemp, Morgan F. Murphy, David C. Treen, Lou Frey, Jr., Howard W. Robison, R. Lawrence Coughlin, Frank Annunzio, Bill Archer, Gerry Studds, Samuel H. Young, Harold R. Collier, George M. O'Brien, Edward Madigan, John C. Kluczynski, Frank Horton.

Michael Harrington, John Buchanan, Edward I. Koch, James J. Delaney, J. Herbert Burke, William F. Walsh, Angelo D. Roncallo, John Dellenback, Mario Biaggi, Joe Moakley, Ronald A. Sarasin, Lamar Baker, Lester L. Wolff, Dominick V. Daniels, Robert J. Huber.

INDEXING

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. SYMMS. Mr. Speaker, there is considerable discussion underway about the proposals for "indexing" as a method of living with inflation. The "indexing" concept has been promoted by economist Milton Friedman and his followers; consequently, it has received considerable attention from leading political conservatives. However, Mr. Speaker, I think that there are many pitfalls to this proposal. For example, Brazil—who adopted indexing some years ago—has suddenly had a serious surge of inflation this year. Actually, "indexing" is simply a method of treating the symptoms rather than the disease itself. I have run across two very good statements on "indexing" that I fully recommend to my colleagues in the Congress. The first is a commentary by economist Hans Sennholz; the second statement is from the July 29 edition of the Wall Street Journal:

The material follows:

Indexing: A New Version of an Old Myth

(By Hans F. Sennholz)

For more than one hundred years industrialists and economists from all over the world came to the United States in order to learn the secrets of American productivity and wealth. Thousands of foreign students attended our universities to observe the United States and study the principles of economics that guided our economic lives. But all this is about to change if Professor Milton Friedman and his followers have their way. Our better economics students may soon attend the universities of Port Alegre and Rio Grande do Sul in order to study the art of "indexation." After all, Brazil has an "indexed economy" where every aspect of economic life is subject to some sort of adjustment mechanism for inflation.

The Brazilians have a long history of galloping inflation and have learned to live with rising prices as almost a way of life. But in 1964, a new military government imposed a system of "monetary correction," known as "indexing," in which wages, rents, interest rates, and many other payments and prices are adjusted frequently to offset the harmful effects of price increases. The ecomonic motto of the junta: "We no longer fight inflation—we live with it."

In reality, "indexation" is another version of the old myth that you can eat the cake and have it too. If a government resorts to inflation, that is, creates money in order to cover its budget deficits or expands credit in order to stimulate business, then no power on earth, no gimmick, device, trick, or even indexation can prevent the economic consequences. If by way of inflation government spends $10 billion in real goods, capital or labor, someone somewhere must forego $10 billion in real resources. It is a fundamental principle of inflation, that there must be victims. Indexation may shift the victimization; it cannot prevent it.

In Brazil the indexation shifted the economic burden of the budgetary deficits to the working people. Wages are indexed to an unrealistically low "expected" inflation rate, which resulted in a significant drop of labor's share of income. According to Paulo Singer of the independent Brazilian Research Center in São Paulo, the country's military rulers managed to reduce the real wages of unskilled workers by 30 per cent during the 1970's. Now, any economic policy that reduces the costs of labor and thereby transfers real income from wage earners to businessmen tends to create capital and thereby sets the stage for economic expansion. The Brazilian boom which so many American Economists now admire was built on this shift of government burden and flow of real income.

It should be obvious that this route to economic expansion is not open to the United States. American labor, through its spokesmen and Congressional representatives, is calling the shots. While protest is virtually impossible in Brazil because labor unions are weak and the press is censored, organized labor in the U.S. would play a crucial role in any indexation. In fact, their political muscle could dictate an index that raises labor's share of income and depresses business returns. At this very moment labor is resisting a minor revision of the Consumer Price Index, and Social Security pensioners are calling for a special index for the cost-of-living adjustments. This is why any attempt at indexation would generate bitter quarrels between interest groups over the appropriateness of an index.

Indexing wages, rents, interest rates, and prices means government control over wages, rents, interest rates, and prices. Of course, these controls designed to preserve yesterday's conditions may range from "voluntary" guide lines to mandatory restraints. Surely, there must be some penalty for those who do not comply.

But how about the labor unions who will try to stay ahead of the game? If George Meany and other labor leaders should ignore the index, what will be the reaction of the Federal Index Council? We probably know its reaction to rising prices and soaring profits no matter what the economic causes should be. But to bind organized labor to the index necessitates a Brazilian type of government.

This indexation of our economic lives differs fundamentally from that proposed by Senator James Buckley of New York. In a bill recently introduced the Senator suggests that both the federal tax system and government borrowing be indexed. The measure would tie personal income tax rates, exemptions, capital gains, depreciation deductions, and interest rates on government bonds to the Consumer Price Index. He argues that such indexation would take the profit away from the federal government, and would index the government, rather than the government indexing the people.

Most economists are aware that inflation produces inequities in taxation. It lifts us to higher income tax brackets although our purchasing power may remain the same or even fall. Investors are taxed on fictitious profits that merely reflect declines in the dollar's purchasing power. And business is forced to overstate its earnings as it can depreciate plant and equipment costs only on the basis of original rather than replacement cost. In each case the federal government reaps many billions of dollars of windfall taxes that were not imposed by the Congress. In addition, the federal government as the country's largest debtor reaps huge gains from the depreciation of its debt. At a 10 per cent rate of inflation, 10 per cent of its $470 billion debt, or some $47 billion, are repudiated each year.

The Buckley bill would deny government this huge profit from inflation, which is most laudable indeed. But would it really reduce government spending and the incentive for government to inflate in order to finance new spending programs? Would his colleagues in the Senate be resigned to spending less just because government revenues are reduced by the inflationary take? The Senator seems to cling to the old-fashioned notion that government spending is related to income. In reality, spending and income are rather independent magnitudes. Spending is determined by the "social needs" as envisaged by his colleagues in the House and Senate. Income, or the lack of it, tends to determined the size of the budget deficits, to which the huge deficits of the Nixon Administration clearly attest. Any reduction in federal revenue, either by tax reform or some indexation device, would probably boost the deficit and thereby fuel the inflation. "Nice try, Senator Buckley, but any political machination without the ideological support of the American people for an open reduction of the government role in our lives is bound to be disappointing."

We must expect the debate over indexation to heat up in the coming years as inflation continues to erode the economic substance of the middle class. To millions of Americans indexation is another straw to which they may cling. To bureaucrats and politicians the prospect for new powers and controls is tantalizing.

Indexing "Cure" for Inflation Analyzed

(By Lindley H. Clark, Jr.)

"Several years ago . . . Chicago economist [Milton Friedman] began talking of something called indexing and hardly anyone listened. Now many people are listening, although the idea still has a long way to go before it achieves anything like broad acceptance.

"Indexing already exists in the U.S. in a haphazard way. The best-known form is the cost-of-living escalator clause that is showing up in more labor contracts. Under such a clause a rise in the cost-of-living index automatically gives workers a wage increase.

"The federal government now adjusts Social Security benefits and some employe wages to reflect the rising cost of living. Even without labor contracts, some private employers adjust pay to meet rising prices.

"In the credit markets, too, interest rates represent a crude form of indexing . . .

". . . this and more, much more, was debated earlier this month at the American Enterprise Institute in Washington. Speaking for indexing were Prof. Friedman and Prof. Robert J. Gordon of Northwestern. Their opponents were William Fellner, a member of the President's Council of Economic Advisers, and Charls E. Walker, former Deputy Treasury Secretary who now is a private economic consultant.

"One aspect of indexing that obviously attracts Prof. Friedman is the impact on federal finances. The tax system—individual exemptions, the standard deduction, rate tables—would be changed to reflect rising prices. Capital gains would be exempted if they reflect only inflation. Corporate depreciation allowances would also change in line with rising prices.

"A much more simple change would be to require the Treasury to issue purchasing power securities, on which interest rates would rise in line with inflation. Prof. Friedman would exclude short-term Treasury notes, which are close to cash. (Prof. Gordon suggested that we might want to consider indexing cash, too, but the notion seemed to appeal to no one.)

"The arguments in favor of the idea are strong, and some of them appeal even to Mr. Fellner, who was supposed to be in opposition. If the tax system were indexed, the government could no longer count on an increased inflow of revenue as inflation pushed taxpayers into higher brackets. Government, if it wanted more money for more spending, would simply have to bite the bullet and raise tax rates.

"The strongest overall argument for the idea, though, is simple fairness. Why should the public suffer for the inflation inflicted on them by the government's monetary and fiscal policies? (Prof. Friedman stresses that indexing is not an inflation cure, only a painkiller.)

". . . there are reasons to wonder whether broad indexing is the right approach. As Prof. Fellner points out, indexing can make the first flare-up of inflation worse. Wages will rise and government will almost certainly accommodate the rise by speeding the growth of the money supply.

"There is a danger, too, that an indexing system would lessen the governmental will to end the inflation."

GILMAN RECALLS WARSAW UPRISING

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. GILMAN. Mr. Speaker, August 1, 1974, marked the 30th anniversary of the Warsaw uprising. I welcome this opportunity of recalling the heroic deeds of that historic day when the citizens of Warsaw, desiring the freedom which is a basic right to mankind, rose up against their German oppressors who had occupied the Polish city for a period of 5 years.

The spirit of those brave Poles who were willing to make the supreme sacrifice of their lives for their freedom is an inspiration to us today and reminds our free Nation that there still remain, throughout the world, individuals who suffer from oppression and terrorism alien to our own dedication to the principles of freedom.

The descendents of those courageous Polish patriots can be justly proud of the impressive actions of their ancestors. August 1, 1944, is a proud day to recall with an important lesson for all mankind—that the principles of freedom and justice will in the end prevail over the forces of tyranny and aggression.

On this day, I invite my colleagues to join with me in honoring the remembrance of the Warsaw uprising as a symbol of the fight for freedom which continues from generation to generation throughout the world.

MANY HELPED IN SUCCESSFUL TELEVISED JUDICIARY COMMITTEE MEETINGS

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. McCLORY. Mr. Speaker, the great public interest in the recent televised meetings of the House Judiciary Committee—a first in congressional history—drew huge crowds and representatives of the media from throughout the world to view this most dramatic and challenging action.

Mr. Speaker, sufficient laurels have been heaped upon the members of our committee, all of whom performed their jobs with dignity. However, there are many others who contributed to make these public meetings successful and effective vehicles for communicating the committee's deliberative proceedings.

Mr. Speaker, the unsung heroes and heroines of this final phase of the House Judiciary Committee's impeachment inquiry were our capable Sergeant at Arms Ken Harding and the various staff personnel who manned room 2141 in the Rayburn Building, particularly during the recent televised debates.

Mr. Speaker, first, of course, are the impeachment inquiry staff members—ably headed by Chief Counsel John Doar, Chief Minority Counsel Sam Garrison, and Associate Committee Counsel Albert E. Jenner, Jr. Those who served with them, including both majority and minority counsel—are entitled to equal praise. Of equal importance were the committee's own Chief Counsel Jerome Zeifman, and Chief Minority Counsel Franklin G. Polk, who with their assistants backed up the chairman and all the members of the committee throughout this prolonged period.

Mr. Speaker, the media contacts and facilities were responsibly handled under the direction of our radio and TV director Mike Michaelson, and assisted by Tina Tate and Larry May. The writing press was served ably by our Press Gallery Superintendent Ben West and his assistant Jerry Gallegos. David Holmes, superintendent of the periodical gallery, provided other support to the media interests. The limited seating for members of the press and the restricted guest accommodations were allocated equitably and smoothly by Helen Starr. The majority staff facilities were under the capable supervision of Theresa Gallo. The minority staff room served the demands and needs of the Republican members and their staffs with the assistance of Nancy Parke.

Mr. Speaker, with the large number of media representatives and public visitors, throughout the meetings the Capitol Police under Captain Price maintained tight security and good order.

Mr. Speaker, Louis Vance handled the public address system as the skilled technician that he is—with the result that the more bombastic remarks were modulated and the quiet voices were adequately amplified so that every word of the weeklong meetings was capable of being heard.

Mr. Speaker, while many hearings of Senate committees and some House committee hearings have been televised in the past, this was our first experience with televised committee meetings. From the remarks that I have heard from our colleagues we can all feel proud of this example of a House committee at work. Assuming to speak on behalf of the committee, I am confident that I voice the appreciation of all committee members—for the supporting and sustaining roles which all of those whom I have mentioned and many others provided during these trying and historic days.

CONCERN EXPRESSED FOR CERTAIN ENDANGERED SPECIES UNLESS NEW RIVER IS SAVED

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. MIZELL. Mr. Speaker, as my colleagues are aware, there is strong opposition to the proposed Blue Ridge power project in Virginia and North Carolina. One reason that many oppose this project is the significant adverse environmental effects which will result from this needless impoundment of the New River.

At my request, the Fish and Wildlife Service of the Department of Interior studied the effects of the proposed Blue Ridge project on the unique fauna of the area. At this time I would like to share with my colleagues their disturbing report on the destruction of certain endangered species which will result if the New River is not saved.

FISH AND WILDLIFE SERVICE,
Washington, D.C.

Congressman WILMER D. MIZELL,
Cannon Building,
Washington, D.C.

DEAR MR. MIZELL: This is in reply to a telephone request requesting names of fish, molluscs or crustaceans in the New River in North Carolina, Virginia, or West Virginia that are considered candidates for the official list of endangered species. In particular, you inquired about the status of the New River snail. You wished to know which species would benefit if the New River was included in the National Wild and Scenic River System. Finally, you asked us to review the final environmental impact statement, June 1973, of the Modified Blue Ridge Project Number 2317, North Carolina and Virginia.

The following five fish, one snail, three crustaceans, and two pearly mussels are found in or near the area you outlined and are considered candidates for the official list of endangered species, or in the case of two of the crustaceans, are considered candidates for the official list of threatened species likely to become endangered:

The Kanawha minnow, *Phenacobius teretulus*, a large stream fish; the flat-head chub, *Nocomis platyrhynchus;* the New River shiner, *Notropis scabriceps;* the Kanawha darter, *Etheostoma kanawhae;* and probably the fine-scale saddled darter, *Etheostoma osburni*. These species are restricted to the New River system in North Carolina, Virginia, and possibly West Virginia.

The New River snail, *Polygyriscus virginianus*, particularly merits preservation because it is the only species in the genus. Thus the genus appears to be endangered and preservation of this animal would be an important contribution toward maintaining a diversity of animal life in the country. It is known only from a small area of a single river bluff opposite Radford in Pulaski County, Virginia. There are only a few hundred individuals at most in existence. The ephemeral cave scud, *Apocrangonyx ephemerus*, a blind white cave crustacean, found in small mud-bottomed cave pools, is known only from Tawney's Cave and Canoe Cave in Giles County, Virginia. These two caves occur in Sinking Creek valley, a small tributary of the New River, and the inclusion of a small section of this creek adjoining the New River, in a legislated wild and scenic area, would greatly benefit the continued existence of this species.

Mackin's cave scud, *Stygobromus mackinii*, is found in caves in Giles County, Virginia, and several other counties and is considered a candidate for the list of threatened species. The spiny cave scud, *Stygonectes spinatus*, is known only from the Greenbriar valley, a tributary of the New River in West Virginia. One unique subspecies of the spiny cave scud is found only in central Monroe County and would logically justify inclusion of a short section of the Greenbriar River adjoining the New River in the designated natural area.

It is estimated that West Virginia has lost about 90 percent of her fresh water mussels because of pollution from strip mining and other factors. Best remaining populations are in the Greenbrier River, the New River Gorge below Hinton, the Elk River tributary of the Kanawha River, and in the six-mile stretch of the Kanawha River immediately below Kanawha Falls. In this stretch of river are found the tuberculed-blossom pearly mussel, *Epioblasma torulosa torulosa*, and the pink mucket, *Lampsilis orbiculata orbiculata*. These two mussels appear to be on the verge of extinction. International concern has been expressed over the plight of these species. They appear in Appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Please find enclosed a copy of this convention which was signed on March 3, 1973, ratified by the United States Senate, and implemented in the Endangered Species Act of 1973.

The New River is a misonomer. This river is believed to be the oldest river in North America. It crosses the continental divide because it existed prior to the existence of the Appalachian Mountains. This may be one reason so many unusual species exist in the New River.

Available habitat for these eleven species has already been lost including the Kanawha River below Charleston, which is severely polluted, the impounded sections of the New River above Hinton and Radford, and impounded sections of the Elk and Gauley tributaries. Each of these eleven species is jeopardized by one or more of the following factors: acid mine wastes, municipal waste, proposed impoundments, over collecting, quarrying, road construction, ground water pollution, channelization, and the downstream effects of channelization of small tributaries, such as Cherry River and Paint Creek.

The impact statement for Project Number 2317, impoundments at Galax and Independence, Virginia, states on page 26 that, ". . . no rare or endangered species have been reported or are known to exist in the project area." Reference is made to the Big-mouth chub, the New River shiner, the Kanawha darter, and the Kanawha minnow. Entirely omitted is any consideration that the creation of the two impoundments might make them endangered.

Sincerely,

JOHN PARADISO,
Chief, Branch of Biological Support Office of Endangered Species and International Activity.

A LONG STAY IN POWER FOR MILITARY JUNTA IN CHILE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HARRINGTON. Mr. Speaker, in the same week in which a Chilean military court sentenced four persons to death by firing squad for essentially political offenses, we learn in a comprehensive report from Santiago, by Joseph Novitski of the Washington Post, that plans for continued military rule in Chile are "for the long term and on a large scale." The article once again makes the obvious point that the military junta will remain a near-permanent fixture on the Chilean political scene unless the United States joins other Western nations in taking firm steps to withdraw our support for the junta.

In the pending foreign military aid request for Chile, the Congress has an opportunity to assert our influence against continued military rule and political trials in Chile. By unconditionally terminating all military assistance to the junta, the United States will put those rulers on notice that their policies no longer meet with our support. It is inconsistent with our asserted interest in human rights to ignore the existing situation in Chile by continuing our military aid program. I urge my colleagues to read the Washington Post article describing the prospects for continued military rule in Chile, and to consider taking a stand in favor of a termination of all U.S. military aid to Chile so that the unfortunate predictions coming out of Santiago may be proven untrue.

The text of the article follows:

CHILE JUNTA DEALS DEMOCRACY OUT OF LONG-TERM PLANS

(By Joseph Novitski)

SANTIAGO.—The Chilean military junta, after governing for 10 months with improvised policies and structures, has settled down for a long stay in power.

The junta, which replaced President Salvador Allende after the coup in which he died last September, began its tenth month by reordering the country's government, burning the national voter registry and breaking off relations with Chile's largest political party, the Christian Democrats. It all added up to a declaration that the military plans to govern for an indefinite span, without elections or organized civilian political support.

Government spokesmen, when asked how long military rule may last, answer, "We have plans, not deadlines."

The plans are for the long term and on a large scale.

"If we don't do big, lasting things, we might as well go home now," an adviser to the junta said recently.

Thus far, in what it calls "the second stage," the junta has made known its intention to rebuild the economy, to make it grow with the help of foreign investment, to reduce and reorganize the government bureaucracy and to enforce a total ban on civilian political activity by continuing the detentions and military-court trials that have been the rule since last September.

The first step of government reorganization came late in June, when the armed forces agreed to shift from a four-man junta to a one-man presidency. Since the military overthrew Allende and uprooted his Marxist-oriented government, the commanders of the army, the navy, the air force and the *carabineros*, Chile's national police force, had exercised the powers of the presidency. They also took over the law-making power of the Congress, which was closed last year.

Now, Gen. Augusto Pinochet, commander-in-chief of the army and leader of the junta has been named president for an indefinite term with the formal title of "supreme chief of the nation."

The point of the change, government sources said, was efficiency. The four-man junta had been slower in reaching decisions than one man would be, they said. The commanders of the army, navy, air force and police have retained the role of drawing up laws for promulgation by decree.

Pinochet's rise also represents an ascendancy of the Chilean army over the navy, air force and police. Some civilian observers, believing that the army officers in government had shown more moderation than air force and navy officers, thought this might mean an easing of repression. This has not yet been the case.

Chilean families report that men and women are still disappearing for days and sometimes weeks. A businessman told friends recently he had been arrested, held for four days alone in a tiny cell and then released without charges.

While Gen. Pinochet was forming a new Cabinet of 14 military men and 3 civilians, two of them technocrats with international reputations, the government burned the national voter registration records. A government spokesman explained that the lists of 4 million voters were "notoriously fraudulent." No plans were announced for making new lists or reregistering voters.

The remote expectation that the junta might call elections to carry out its announced aim of restoring Chilean democracy disappeared with the electoral records. There remained another possibility, suggested to the junta by leaders of the Christian Democratic Party. The party leadership, who opposed Allende and publicly accepted the coup as a necessary evil, had hoped for a return to civilian government within three to five years.

That hope, according to Christian Democrats familiar with party affairs, disappeared when the junta publicly broke off its semi-public relations with the party last week. Formally, there has been no political party activity in Chile since the junta outlawed the country's Marxist parties and declared the others, including the Christian Democrats, in recess.

During the recess, Christian Democratic leaders continued to meet privately. Last January they presented a memorandum to the government that criticized the military's treatment of prisoners and its disregard for legal and human rights. Also in January, former Sen. Patricio Aylwin, recognized by the junta as the party's president, suggested privately to a military minister that Christian Democats saw no need for more than five years of military dictatorship in Chile.

It was not Christian Democratic political opinions, but censorship imposed on a Santiago radio station owned by the party that caused the party's complete break with the junta.

After an exchange of letters, the government called the party an "instrument of international Marxism" and told Aylwin bluntly to keep a respectful tongue in his head when he spoke to the military government.

Christian Democrats said the government's move looked like a signal from the army that its contacts with Christian Democrats were at an end.

Some party leaders said the break helped the party overcome the reputation of having helped in the coup. Even former President Eduardo Frei, the grand old man of Chilean Christian Democracy who had gone, with other former presidents, to a thanksgiving Mass with the junta last year, was reliably reported to be critical of the military government now.

"In the end it's probably better this way," said a Christian Democratic lawyer. "They tell us to shut up and we stop arguing. It shows everyone that this is a dictatorship and that's that."

SEVENTY-THREE SOCIALISTS ON TRIAL IN SOUTHERN CHILE

SANTIAGO, August 1.—Seventy-three members of the outlawed Socialist Party are being tried on charges ranging from the illegal possession of arms to treason by a court martial in the town of Linares, about 172 miles south of Santiago, lawyers for the accused said today.

The lawyers said the prosecutor had demanded death penalties for four of the defendants charged with assisting the enemy during a state of internal war.

WILDERNESS WEST—WILDERNESS EAST

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. GUDE. Mr. Speaker, a most interesting and thoughtful article appeared in the June 1974 edition of Conservation News, written by Mr. Charles L. Cadieux, and entitled "Wilderness West—Wilderness East." Some may find themselves in partial disagreement with several of the possibilities suggested by the article. I believe that Mr. Cadieux expresses some extremely thought provoking concepts, worthy of consideration.

Mr. Cadieux proposes the establishment of wilderness areas in the East, where the need for such areas is the most acute, and where the passage of time only serves to exacerbate the situation. However, Mr. Cadieux proposes more than the simply setting aside of existing wilderness areas, but imaginatively suggests that we create wilderness in places where none exists, and that we manage that wilderness for everyone's benefit. The proposal is particularly intriguing when one considers the lack of any substantial natural wilderness in the East.

The Interior Committee's Subcommittee on Public Lands has under consideration legislation which I am cosponsoring to establish various eastern wilderness areas, and to study other areas for possible future inclusion in the wilderness system. I wish to applaud the committee's action and trust that we shall be able to move on this much needed legislation.

I now include in the RECORD for the consideration of my colleagues, the text of Mr. Cadieux's article:

WILDERNESS WEST—WILDERNESS EAST

(By Charles L. Cadieux)

The Wilderness Act completed ten years of life on September 3, 1973.

The question "Has it worked? would bring different answers from east and west.

The Wilderness System began in 1964 with 54 areas created from the United States Forest Service's Primitive Areas and from parts of the Boundary Waters Canoe Area in northern Minnesota. Today, in the Wilderness System, there are 95 units totaling more than 11 million acres. Some 62 more areas totaling 7.5 million acres are being considered by Congress. And 95 more are to be reviewed and reported on to the Congress. These 95 areas comprise almost 46 million additional acres!

The great bulk of the lands already included in the Wilderness System lie in the west. Bob Rowen of the United States Forest Service told me that the Forest Service areas under current consideration include only three areas in the eastern half of the United States—Bradwell Bay in Florida, Joyce Kilmer-Slick Rock in North Carolina, and El Cacique in Puerto Rico.

How have the big three land-managing federal agencies rated in their cooperation with the terms of the Wilderness Act? Their accomplishment depends entirely upon how they see the Wilderness Act in reference to their primary purpose.

The Bureau of Sport Fisheries and Wildlife has responded quite enthusiastically. It feels that wilderness area status is in agreement with its primary purpose of protecting and managing the wildlife on that property.

The National Park Service, which manages just a little less acreage than does the Bureau of Sport Fisheries and Wildlife, gets only so-so ratings from the superficial observer. In some areas, the Park Service sees wilderness status as being in agreement with its purpose of preserving the out-of-doors. In other areas, the Park Service sees the wilderness concept as a handicap to its purpose of showing the out-of-doors to as many people as possible.

The greatest portion of both BSF&W and NPS lands is the western half of the United States.

The United States Forest Service manages far more land than both the Department of the Interior agencies. How has it done? Again, we get two answers. West of the Mississippi, the Forest Service has designated huge acreages as wilderness. But it has failed miserably in the eastern half of the nation. Asked why this should be, the Forest Service people remind you that the Wilderness Act said that there could not be a wilderness where the signs of man's habitation—or use—of the land for a home was visible. The joke has it: "Where the hand of man has never set foot."

The Forest Service has argued that an area must be primitive—virgin timber, where man is but a visitor—or else it cannot qualify as part of the Wilderness System. That is—east of the Mississippi they argue this way.

The first wilderness proposed in our nation was the Gila Wilderness area, carved out of the Gila National Forest in New Mexico at Forest Service recommendation. This was in 1924, about 40 years before the environmentalists sponsored legislation which led to the Wilderness Act. The Gila boasts cliff dwellings—signs of man's habitation from pre-Columbian times.

This very first of all wilderness areas is not an area where "the hand of man has never set foot." It is a beautiful wilderness area. So is the Pecos Wilderness of the Santa Fe National Forest to the north, which boasts of "Beatty's Cabin" and other signs of former habitation.

If you look hard, you can find signs of man's former use in every single one of the country's wilderness areas. This has not diminished their value as wilderness one iota.

Professional foresters, men who look at the problem without emotion, tell me that we can *produce* wilderness almost anywhere we want to—anywhere plants will grow—if we are willing to invest the time and the money to do it.

Produce wilderness? Why not? It should be obvious that the healing hand of nature can reclaim all but the most sacrilegious treatment of the land. Even strip mines, ghastly crimes against the earth, can be made to produce a wilderness area, if the American public is willing to pay the bill. In addition to money, it will take time. But even the longest restoration job only needs to be started sooner, not surrendered without an attempt.

Congress never intended that the strict construction of the Act's wording should prevent inclusion of worthy areas into the system. Senator Church was floor manager of the bill when it passed the Senate in 1963. He said then, "It is one of the great promises of the Wilderness Act that we can dedicate formerly abused areas where the primitive scene can be restored by natural forces."

Congress in 1963 had no delusions that an area had to be pristine, never timbered, never plowed, never broken by the homesteader's cabin. It is much more likely that Congress envisioned the restoration of land to wilderness quality by proper management, rather than the preservation of a pitiful remnant of "virgin" wilderness with a tall fence around it.

Wondering whether it was possible to produce wilderness, we asked 15 people, all lovers of the outdoors, for their description of a wilderness. From this tiny sample we learned some interesting things. Most defined a wilderness as any area with mature trees, water, cleanliness, solitude, and beauty. We were not very surprised that so many people included beauty as a requisite for wilderness. But we were surprised that so many appended the remarks, "and it ought to have good roads to let us in and see it."

This was a shocker, because the original Wilderness Act called for roadlessness as a requirement for consideration of an area.

The solitude and unspoiled grandeur of the Bob Marshall Wilderness in Montana is very beautiful. But the trails of Shenandoah National Park in Virginia are also beautiful. It would be difficult to find 5000 acres without a road in the Shenandoah, and it would be difficult to pretend that the signs of man's former habitation have all disappeared from the Shenandoah. But why search for the signs of man's former use? The desired wilderness experience is available there now.

Deep in the Bob Marshall Wilderness it is easy to believe that you are the only human who ever set foot there. But 80,000 acres of the Bob Marshall have been logged over since 1900. Would you therefore rule out the Bob Marshall? If you found the cliff dwellings of the pre-Columbian Indians, would you rule out the Gila Wilderness?

If some signs of man are still to be found in a new wilderness area, in a generation or two they'll be obscured by the actions of nature. Can't we afford to put up with that process meanwhile? Isn't that better than having no wilderness in this generation?

If you'll agree that wilderness can be "restored," then you will agree that it is ridiculous to have ten million acres of wilderness in the West, where one-quarter of our population lives, and almost no wilderness in the East, where the other three-fourths of us live.

Stripping away the rhetoric, what are the real reasons for the failure of the eastern half to get its share of Forest Service wilderness? Remember that the Forest Service had a big head start in the West—they originated the whole idea of wilderness. The western National Forests were so huge that they could easily spare the acreage for wilderness.

The national forests of Wyoming alone are bigger than all of New Hampshire, nearly as big as Maryland. The national forests of California are just a bit bigger than the whole state of Maine. New Mexico's national forests are bigger than all of Massachusetts. You could put four Connecticuts and two Rhode Islands into the national forests of Montana and have room left over for Delaware to slip in on edge. With this tremendous area in national forest, it was easy to designate wilderness areas—almost unnoticed at first.

National forests in the East are comparatively small. Most of the forested lands in the East are privately owned. The Wilderness Act ruled out acquisition of privately owned land by condemnation. The government which cannot condemn land for purchase cannot provide wilderness.

Western-oriented, the Sierra Club deserves much of the credit for supplying the push in the West. The Sierra Club didn't push for wilderness areas in the East. No one did. So the East was left out in the first ten years of the Wilderness System program.

It's time for a new look at the ten-year old, it must be thinking about growing up, about maturing to fit the needs of 1974 and 1994 and 2204. The youngster succeeded in the West, where its aims were in harmony with the other purposes for which the candidate lands were managed, and where the acreage could be "spared" from a tremendous area of national forest lands. I think it is time that the maturing wilderness program starts to think about the needs of the three-quarters of our people who live in the eastern half of the nation.

Evidently Congress also notes a lack of progress by the Forest Service in the East. The tenth birthday of the Act saw a spate of Congressional legislation setting up wilderness areas in particular national forests regardless of Forest Services wishes or recommendations. An example is H.R. 4380, introduced by Congressman Gude of Maryland. Gude's bill called for the designation of 28 separate parcels of land in Alabama, Missouri, Florida, Arkansas, New Hampshire, South Carolina, and Wisconsin. A dozen companion bills testify to the congressional impatience with a system that has not produced the desired wilderness results in the East.

But it will require more than congressional designation to provide instant wilderness. It will require lots of money to buy privately owned lands. Congressmen who enthusiastically introduce authorizing legislation are much less enthusiastic about legislating the needed funds.

To be successful, legislation for eastern wilderness must specifically authorize condemnation as a means of acquiring title to eastern lands.

Without condemnation, there will be no Wilderness East.

A misreading of size regulations represents another obstacle. Contrary to popular opinion, the present act does not insist on a minimum of 5000 acres. But the wording of the law gave many the impression that it "ought to be" 5000 acres. This impression is a crippling requirement in the East. Proper management can restore lands once abused and create wilderness, regardless of the size of the area.

Uncle Sam doesn't own enough land in the East to solve our problem under the present rules. Private land and clear redrafting of the requirements must be the source of future eastern wilderness.

Conservation-minded agencies are fond of saying "What we save today is all we will ever have." This is definitely not true of the wilderness. The true situation is that what we plan and construct today is all the eastern wilderness we will have until we plan and construct some more.

Regional planning is the only sensible method of selecting the sites for future eastern wilderness. We must identify the need for wilderness, assign it its rightful place in our priorities, and locate the wilderness near the need it will satisfy. Then we must buy the land and go out and construct wilderness.

One result of sound regional planning might well be "rotating wilderness"—areas designed to serve our wilderness needs while their growing and mature trees provide the peace, solitude, and majestic seclusion which many of us have in mind when we visualize wilderness.

This rotating wilderness might well be harvested to build America's homes when its trees are mature and moving into old age. At that time another area would come into use, and the logged area would be intensively reforested to start the whole cycle over again. Wildlife managers are enthusiastic over this rotating concept because of the great wildlife value—abundant food and shelter—providing by the young forest growing in the timbered areas.

Undoubtedly the concept of rotating wilderness is anathema to many readers. But is this feeling the result of logical thinking, or merely an aversion to change?

To many, it is paradoxical to suggest managed wilderness. But we are already managing humanity within the wilderness areas to avoid damage caused by intensive use. We disperse visitors over large areas, and still we are forced to provide sanitary facilities or risk turning our paradise into a sewage disposal area. We have learned that we must limit access to wilderness, lest we destroy the thing we admire by the sheer weight of our admiring numbers.

We have wilderness west. We can have wilderness east. We will have to pay for it, plan for it, and manage for it. There's no other way.

GREEK INDEPENDENCE: OPINIONS OF PROF. GEORGE ANASTAPLO ON CYPRUS SITUATION

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. MADDEN. Mr. Speaker, John Anastaplos, for many years one of the outstanding radio commentators with station WJOB in Hammond, Ind., has forwarded to me exerpts from a transcript of a radio interview with his brother, George Anastaplo, an eminent lecturer and professor of political science and philosophy at the University of Chicago and Rosary College. Professor Anastaplo has been a recognized international authority on Greek history and government for many years.

I am submitting this interesting and revealing interview of July 20, 1974, on WJOB radio, Hammond, Ind., for the enlightenment of the membership:

CYPRUS COUNTDOWN AND THE FOLLY OF THE GREEK COLONELS

JOHN ANASTAPLO. How does it look on Cyrus, George? On the basis of the little news we've been getting out of there, can you give us some thoughts?

GEORGE ANASTAPLO. My first thought is that something has gone wrong with American policy when two NATO allies such as Turkey and Greece fight each other. I suppose one can also say these hostilities show us that the government in Athens is well on the way to the final bankruptcy of its policies. I know the Greek military government to be desperate. I expected them to do something simply because they have been losing their standing at home. What is now happening is partly the result of a miscalculation on the part of the colonels: They may have figured that the Turks wouldn't do anything if the Makarios government should be overthrown. The action of the Greek army against Archbishop Makarios gave the Turks the opportunity and pretext to do it. Well, the chickens have come home to roost for the Greek colonels. That is, it does seem that the government in Athens, which was evidently behind the coup earlier this week against Makarios, is in some way responsible for what has happened.

JOHN. What do you know about this fellow Sampson, who is now the self-styled President of Cyprus? Do you know anything about him?

GEORGE. Not very much. I gather he's not a nice man.

JOHN. When he took over last Monday, he said that the government of Archbishop Makarios had tortured political opponents and had to be toppled to avoid civil war. That's a throwback to what the colonels were saying in April 1967, isn't it?

GEORGE. The colonels weren't claiming torture then. *That* has been what the colonels' opponents have claimed since then, and with considerable justification.

JOHN. But they were claiming in 1967 the thwarting of civil war.

GEORGE. There is, I should notice first of all, some question in the press about the torture claims now being made against the Makarios government. The people who have been said to have been tortured on Cyprus are also said by others to be quite jolly and untortured looking when not in front of cameras. Whatever threat of civil war there was this past week on Cyprus came because of the conduct of the contingent of Greek officials stationed on Cyprus pursuant to the treaty which established the independence of Cyprus. Those officers are under the control of the government in Athens. Makarios has been trying to get them out of there, or to rotate them more frequently, for he saw them as a threat to his security. Whether he went about getting them out of there in the best possible way remains to be seen. It's also evident that Makarios has been, for some years now, the overwhelming favorite of the Greek Cypriots.

JOHN. Does Turkey feel that the new rulers will not be as amicable as was Archbishop Makarios when it comes to getting the two ethnic groups together?

GEORGE. They know that Makarios has enough sense to realize that union with Greece at this time is an explosive issue. There are two reasons for this. One, the mainland Turks don't want it and will resist it; second, the Cypriot people don't want to become united with what would be a dictatorship. It is evident to the Cypriot people that to join Greece at this time would mean to move right into a jail.

JOHN. Obviously, Turkey has the concern of those 110,000 Turkish Cypriots in mind.

GEORGE. They may have other concerns, too. They may want to have some control over Cyprus, independent of any genuine concern about the people there. The foolishness of the government in Athens is that it is only a few minutes flying time from the Turkish mainland air bases to Cyprus, with fighters and bombers, while the Greeks have to come a very long way for such flights from secure bases. This means that Greek fighter planes can barely make the round trip: their air time over Cyprus is very, very short.

JOHN. What is the United States going to do, if anything?

GEORGE. What this country, which has armed both sides, will try to do is get the fighting stopped and try to restore the status quo ante.

JOHN. I was surprised, after Archbishop Makarios was ousted on Monday—he got out while his palace was burning, went to London, and then came to the U.N. Security Council—I was surprised that this country has been so silent about his ouster.

GEORGE. That's because our government is afraid of antagonizing the colonels in Athens. What is obviously the case is that the people who are running the government in Athens don't really know what they are doing. I think we are seeing that now, unless I am very much mistaken, in their ability to deal with the Turks. Even with respect to the things you might expect they would know how to handle—that is to say, military matters—I believe we are going to see they are not as competent as would be a decent civilian government which has some respect for political realities.

JOHN. Why was Joseph Sisco, the Undersecretary of State, sent to do the troubleshooting over there? He went to London, Ankara, and Athens. Why was not Kissinger sent?

GEORGE. Perhaps because Sisco has been involved in this before and may have been thought to be "up" on it. Besides, Kissinger may simply be running out of steam. The one good thing which could come out of this miserable situation is that if the Greek government is obliged to mobilize fully its army in order to stay in power——

JOHN. The story I have this morning is that the Greek army *is* being mobilized.

GEORGE. Then there may be one ray of light on this dark horizon. If it should get back to its full strength, it may take away from the colonels the power which they usurped seven years ago. One can at least hope that the Greek army may restore the government in Athens to civilians who know what they are doing. Thus, there is the possibility the Greek people just might recover control of their own country as a result of this crisis, a crisis which has been brewing for a year now. Even so, a very high price is being paid to put the colonels in their place, ranging from the slaughter of dozens of students in Athens last November to the deaths of hundreds of people in Cyprus already this week.

JOHN. You are aware that the capital of Cyprus was bombed this morning by the Turks?

GEORGE. Yes. As I have been saying, this killing and destruction are a dreadful price to pay in order to show everybody what has long been evident, that the colonels literally don't know what they are doing.

JOHN. When was the last time you were in Greece, George?

GEORGE. It must be four years now.

JOHN. Do you have reason to feel that even today you couldn't get back in. Are you still persona no grata there?

GEORGE. There is no question about that. But that's obviously not important. What is important is whether or not the government of Greece can be put back into the hands of people who can negotiate a just and proper settlement with the Turks, with the aid of the United States if need be and with the aid of the United Nations, and thereby restore things in Greece and in that part of the Mediterranean to normalcy.

JOHN. But there always has been bitterness between Greeks and Turks. We grew up as children with that drummed into our heads, even in this country.

GEORGE. The point is that people, no matter how bitter they are, should keep in mind what the facts are. The decisive advantage Archbishop Makarios had as President of Cyprus was that he could count: he could measure miles and he could weigh military forces. This is something that the colonels in Greece cannot do. They need an education, but the Greek people are paying the price for the colonels' education. I can sum up what I have just been saying by observing that one has to look at the numbers which are available on both sides of a conflict, and the distances involved, and conduct oneself accordingly.

JOHN. But, George, hasn't there been for years, even before the 1967 military coup on the island of Cyprus, a strong movement among the population (which is about 80% Greek and about 20% Turkish)—the Greek population there and in Greece for a union between Cyprus and Greece?

GEORGE. Yes, John, but what can be done about it? If Turkey, sitting there with its arms, with its superior numbers and with its superior strategic position, simply won't tolerate it, whatever the equities of the case may be, what can be done about it?

JOHN. The last time the Greeks and Turks fought—when was it, in 1921?

GEORGE. They have been fighting for four hundred years and more.

JOHN. But the most recent fighting was in 1921?

GEORGE. They have had other skirmishes since then as well. Such longstanding animosity should make statesmen even more cautious, lest passions get out of hand. Archbishop Makarios seems to have been trying to act as a responsible statesman. He couldn't have the luxury enjoyed by Greeks in Athens or in this country—the luxury of posturing for union. He realizes that it makes no sense—no military sense, no strategic sense. And right now, considering the character of the regime back in Athens, it doesn't make political sense either.

JOHN. Is the Archbishop in this country going to involve itself in this?

GEORGE. I have no idea, except that *this* archbishop has to be careful too—for different reasons.

JOHN. What do you think will come of all this in the Greek-American community?

GEORGE. One good thing which might happen in this country is that influential Greek-Americans——

JOHN. Who have been strangely silent, or rather who have been most favorable to the colonels' government in Athens?

GEORGE. That's right. Now Greek-Americans will have to consider whether the dictators in Athens really know what they are doing, something which should have been faced up to long ago by the Greek-American community. When the roof begins to fall in, as my wife reminds me from time to time, one is obliged to consider whether one's methods have been proper.

JOHN. Has your roof begun falling in?

GEORGE. It's leaking.

GILMAN URGES ACTION ON EDUCATION BENEFITS FOR VETERANS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. GILMAN. Mr. Speaker, today I am joining with Congressman WOLFF and some of my colleagues from the Veterans' Affairs Committee in urging your assistance in bringing the Senate version of the proposed education benefits bill for Vietnam era veterans to the full House for consideration. With the approach of a new school year, our hesitation in passing this legislation is perpetrating a cruel hoax on those individuals who deserve our best efforts.

Mr. Speaker, the process of providing suitable educational benefits for Vietnam era veterans has been a long, drawn-out process. For the benefit of my colleagues, permit me to recount the events which have led to the uncertain position we now find ourselves in.

On July 10, 1973, I joined in introducing legislation removing the time limitation in which a veteran might avail himself of educational benefits as provided under the GI bill.

On November 15, 1973, I joined in sponsoring legislation which would provide increased tuition assistance to Vietnam era veterans. At about the same time, the House Committee on Veterans' Affairs began their hearings on this issue and began to formulate a plan for providing additional assistance to our veterans.

On February 19, 1974, the Veterans' Affairs Committee brought H.R. 12628, the Veterans Education and Rehabilitation Amendments of 1974, to the House floor for consideration. This measure extended the time limitation for using veterans education benefits to 10 years and provided for a 13.6-percent increase in financial assistance to those veterans using the benefits. At that time I spoke in support of the measure which passed the House by a vote of 382 to 0.

Subsequent to the passage of this measure, the Senate began its efforts in developing an education benefits bill. While the House was pressing for prompt action, the Senate hearings and committee markup were delayed and by the time the 8-year limitation for education benefits of some Vietnam era veterans was due to expire, the Senate had not taken any final action on any bill. Accordingly, I wrote to Senator HARTKE, chairman of the Senate Veterans' Affairs Committee, urging his committee to take action on a veterans benefits bill so that our veterans might begin to make plans for their future study.

Since it was evident that the Senate committee intended to come forward with legislation substantially different from the House passed measure, on May 16, 1974, I joined in introducing legislation providing for a 2-year extension of benefits without any provision for increased benefits so that, at least, our veterans could begin to plan for utilizing this privilege.

On May 23 we passed an emergency 30-day extension of benefits and following that, on May 31, 1974, the President signed a measure providing for a full 2-year extension of benefits.

Subsequent to that action, on June 19, the Senate passed their version of the full benefit plan which differed from the House version in several respects. While the House authorized a 13.6 percent increase in financial assistance, the Senate bill called for an 18.6 percent increase. The Senate measure also included a tuition supplement program and called for the maximum entitlement of educational benefits for veterans to be extended from 36 to 45 months. The House bill did not include either of these provisions.

On June 26, 1974, I urged the House committee to adopt the provisions of the Senate bill. While these provisions differ substantially from the House bill, they are more responsive to our commitment to those veterans who fought bravely in an unpopular war. With the bill presently in conference and the House conferees reluctant to recede to the more inclusive Senate version, it seems doubtful that we will provide our veterans with the helping hand that they deserve.

Mr. Speaker, the Senate proposal has never even come to the House floor for a vote. It is my opinion from discussing this issue with my colleagues, that if the Senate version were put to a vote, that version might prevail. However, with the pending stalemate in the conference committee, where neither side is willing to reach any viable compromise, we request your good assistance in intervening on behalf of our veterans so that we might assure these defenders of our country that Congress has not turned a deaf ear to their needs.

Mr. Speaker, the timing of this measure is critical. With the House scheduled to indefinitely postpone legislative business for several weeks in order to take up the Judiciary Committee's report on the impeachment of the President, we must assure the passage of a bill prior to our August 19 deadline. Inaction by the Congress in this important area would be inexcusable.

Accordingly, Mr. Speaker, I am joining several of my colleagues today in petitioning you to intervene with the House conferees and urge them to recede from their disagreement with the Senate amendments and adopt the provisions of the Senate bill. Anything less on our part would be an affront to those who gave so much for their country.

AMENDMENT TO H.R. 16090

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. FRENZEL. Mr. Speaker, when the election reform bill H.R. 16090, is before the House, the gentleman from Florida (Mr. FASCELL) and I, and others will offer the following amendment:

AMENDMENT TO H.R. 16090, AS REPORTED OFFERED BY MR. FRENZEL AND MR. FASCELL

Page 25, strike out line 14 and all that follows down through page 27, line 24, and insert in lieu thereof the following:

(b) Section 308(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the duty of the Board to prescribe rules and regulations, is amended to read as follows:

"(10) to prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Board;

"(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Board; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Board, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of this subsection, and preserve such reports and statements in accordance with paragraph (5) of this subsection.".

(c) It shall be the duty of the Clerk of the House of Represenatives and the Secretary of the Senate to cooperate with the Board of Supervisory Officers in carrying out its duties under the Federal Election Campaign Act of 1971 and to furnish such services and facilities as may be required in accordance with the amendment made by subsection (b) of this section.

Page 32, strike out lines 13 through 21, and insert in lieu thereof the following:

"(g) 'supervisory officer' means the Board of Supervisory Officers established by section 308(a)(1).".

Page 33, strike out lines 20 through 23 and insert in lieu thereof the following:

4 members as follows:

Page 33, line 24, strike out "(D)" and insert in lieu thereof "(A)".

Page 34, line 3, strike out "(E)" and insert in lieu thereof "(B)".

Page 34, line 8, strike out "(D) and (E)" and insert in lieu thereof "(A) and (B)".

Page 34, line 15, strike out "(D) and (E)" and insert in lieu thereof "(A) and (B)".

Page 34, line 24, strike out "(D)" and insert in lieu thereof "(A)".

Page 35, line 2, strike out "(E)" and insert in lieu thereof "(B)".

Page 35, beginning in line 6, strike out ", prorated on a daily basis" and all that follows down through line 11 and insert in lieu thereof a period.

Page 37, beginning in line 9, strike out "and to review actions of the supervisory officers".

Page 38, strike out line 25 and all that follows down through page 39, line 6.

Page 39, line 7, strike out "(2)" and insert in lieu thereof "(b)(1)", and renumber the following paragraphs accordingly.

Page 39, line 15, strike out "Any supervisory officer" and insert in lieu thereof the following:

The Clerk of the House of Representatives, the Secretary of the Senate, or any other person receiving reports and statements as custodian for the Board,

Page 43, beginning in line 16, strike out "each of the" and all that follows down through line 19, and insert in lieu thereof the following:

the Board such sums as may be necessary to enable it to carry out its duties under this Act.".

RACIAL INJUSTICE IN SOUTHERN RHODESIA

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. MITCHELL of Maryland. Mr. Speaker, in the many hours of debate spent in this forum on Rhodesian sanctions, perhaps too much attention has been paid to the economic and strategic aspects and too little to basic human rights.

I am sure my colleagues are familiar with the history of this unfortunate colony—of how a minority, bent on perpetuating the political subjugation of the majority, illegally seized power, and then proceeded to "enact laws specifically designed to uproot and disperse African people from their ancestral homes; deny them of free movement, free speech, and free association; subject them to arbitrary arrests, restrictions, and detentions; deny them every chance to become masters in the country of their own birth and forced thousands into refugee camps and exile around the world."

The Smith regime's doctrine of white supremacy has resulted in the virtual enslavement of Rhodesia's black majority.

Under the Registration and Identification Amendment Act—1972, it is a crime for an African to be found without a valid identity document. In addition, it makes it a crime for an African to leave Rhodesia without first getting a permit from a registration officer.

In the Land Tenure Act of 1969, blacks were prohibited from occupying land in European areas. This abominable legislation caused the forced movement of thousands of black Africans; to make matters worse, the Rhodesian Constitution gives 50 percent of the best land in Rhodesia to the 5 percent who are white.

These, however, are mild when compared to the countless instances of torture and injustice which have occurred since this illegal regime came to power. The Gestapo-like tactics of the Rhodesian police are exemplified in the following article: I encourage all of my colleagues to read this description by a Catholic bishop of life in Rhodesia.

RHODESIAN GOVERNMENT TERRORISTS LIKE NAZIS, BISHOP SAYS

(By John Maher)

WASHINGTON.—The process of terror and intimidation carried out by the white minority government in Rhodesia against black Rhodesians "differs, not in essence, but only in degree, from the persecution of the Jews by the Nazis," a Rhodesian Catholic bishop said here.

Bishop Donal Lamont of Umtali, chairman of the Justice and Peace Commission of the Rhodesian Bishops' Conference and former president of the conference, presented evidence of brutality by Rhodesian security forces that had led the Justice and Peace Commission to call for a government inquiry into allegations of such brutality.

The evidence included a statement by a 29-year-old African who is a music director at a Catholic mission. He told of being arrested by the police and accused of attending a meeting with black terrorists and of being a terrorist. To make him confess, the police held him down and beat him with sticks on the soles of his bare feet for three and a half hours until he could no longer walk, he said.

Two days later, after spending the intervening day in a cell, he was beaten with belts and fists by five policemen until he lost consciousness, he said. After reviving, he was picked up, dropped on the floor, jumped on and beaten until he again blacked out.

He was released nearly two weeks after his arrest, he said, adding "At no time did I have anything to do with terrorists."

On the basis of this and other evidence, the Justice and Peace Commission took an advertisement in The Rhodesian Herald, the country's leading daily newspaper, calling on the government to institute "a full and impartial inquiry" into "widespread accusations of brutality by members of the police and army against African civilians."

Acknowledging that witnesses of such brutality have been reluctant to testify for fear of reprisal, the commission said: "Where specific evidence has been available this has been communicated by this commission to the Minister of Justice."

Two days after the appeal appeared, Minister of Justice, Law and Order Desmond Lardner-Burke, speaking in parliament, rejected a commission of inquiry as unnecessary and possibly harmful to the morale of the security forces.

He accused the Catholic bishops of seeking "to provoke a state versus Church confrontation." The advertisement, he said, "is the latest in their persistent attempts to undermine lawful authority and the forces of law and order, which has emerged as their true policy in this country, as it is in Mozambique where the Church's involvement in the terrorist cause has been amply demonstrated."

In a statement issued before he left Rhodesia, Bishop Lamont had said that evidence presented to Lardner-Burke by the Justice and Peace Commission was "not based on rumor" and, calling the justice minister's accusations against the Church "a most serious calumny," he had demanded an apology.

The 62-year-old Bishop Lamont, a native of Northern Ireland, said in an interview here that the terrorism by black Africans that the government is trying to suppress by counterterrorism is a response to the institutionalized violence of the Rhodesian situation. "Under the terms of the Rhodesian constitution," he said, "Africans are second-class citizens and are imprisoned behind its bars."

Now, he said, there is hope for blacks to advance politically, socially and economically only "very, very slowly and a very, very few of them."

Giving instances of the blacks' plight, the bishop said:

"Because elementary education is compulsory for white children but not for blacks, the government is required to support education for whites, but not for blacks. Two percent of the gross national product, the total value of goods and services produced by the national economy, goes into the education of Africans, who are 22 times more numerous than whites;

"Wages are 10 times higher for whites than for blacks and in many trades there are no apprenticeships for blacks;

"The per capita income of those living on the peasant economy, 60 percent of the population, is $29 a year;

"The Tribal Trust land assigned to Africans comprises 47 percent of the land area, but only 18 percent is suitable for cash cropping. Africans are 94 percent of the population;

"Of African children in school in 1972, 105,000 were not in school in 1973 because of the percentage control exercised by the government on those who can proceed further."

"To me," Bishop Lamont said, "everything is calculated to bring about an explosion of the most horrible magnitude." He said a "hurricane of hatred" is building up.

"White lay people of all denominations," he said, "will vote at least 95 percent solidly with the government. They are not cruel people, but selfish, insensitive, unwilling to share."

Rhodesia was formerly a British colony. The present government declared the country independent in 1965 after failing to agree with Great Britain about giving blacks a greater voice in government.

Britain imposed a trade blockade and the United Nations voted to impose economic sanctions, barring its members from trading with Rhodesia.

A proposed agreement between Great Britain and Rhodesia that would have recognized Rhodesia's independence and ended the sanctions was dropped in 1972 after a British commission reported that a majority of black Rhodesians rejected the agreement.

In 1971 Congress authorized the United States to make an exception from the sanctions for Rhodesian chrome ore. In testimony before a Senate subcommittee, the U.S. Catholic Conference last year urged a halt to the chrome imports. The Senate voted to end them and the matter has not yet come before the House.

"Sanctions are the alternative to physical force," Bishop Lamont said. "They are a civilized manner of imposing a penalty on those who violate the human condition. They are not a punishment for Rhodesia's declaration of independence but for Rhodesia's violation of the most fundamental human rights."

He said the declaration of rights in the Rhodesian constitution has been "emasculated by provisos which leave all decisions as to its validity in the hands of the appropriate minister of government."

"We are told," he said, "that sanctions hurt Africans more than Europeans (Rhodesian whites). That's rubbish. They do reduce the possibilities of employment for the small number of blacks in industry but even those in industry, who are paid slave wages, want the sanctions in the hope of getting rid of the government."

Bishop Lamont met with Congressmen here to present his view of the Rhodesian situation.

Catholic education, the bishop said, can have little effect on changing the minds of the younger white population, because there are fewer than 10 private Catholic secondary schools for whites in the country.

"The young people would get out of Rhodesia if they could," the bishop said, pointing out that the main resistance to change is from those who now hold power. "They're providing all the ammunition for the communists."

The Catholic Church, Bishop Lamont said, has continued to accept blacks in predominantly white schools "in defiance of the law" which forbids persons of one race from occupying land assigned to another race.

Because Catholic schools receive "minimal" government support, however, he said, they have to charge tuition and for economic reasons there are few blacks in white Catholic schools.

It is perhaps evidence of the blacks' recognition of the Church's defence of their rights that the national seminary is full. "We have had to add to it in the past five years," Bishop Lamont said. But, he added, there are hardly any vocations among white Catholics.

Mr. Speaker, the price we paid to rid this country of slavery was a long and bloody civil war. We now have the opportunity to bring about the peaceful transition to majority rule in Rhodesia through U.N. sanctions. It would be wrong, indeed criminal, to not meet this obligation. I therefore ask my colleagues to support S. 1868—a bill to restore the United States to full compliance with U.N. sanctions against Southern Rhodesia.

NEW HOPE TOWERS

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1974

Mr. McKINNEY. Mr. Speaker, there is not one Member of Congress who comes to Washington without a great deal of idealism. Every Congressman has a vision, a hope, a dream—for his Congress, for his constituents, for his country. As you and I are well aware, a tremendous amount of personal energy is expended working to realize the ideals of our time. So much of what we do advances us frustratingly little toward this goal. Democracy is a slow and lumbering means to our ends. But you and our colleagues must know as I do, those rare moments of reward—those moments when dedicated individuals working together for a common cause meet with their due success—and really is that not what government is all about? And that success fills you with such pride—pride in the process and pride in the people involved. I have recently known such a moment. I am sure you will share in my overwhelming sense of satisfaction and join me in congratulating those involved when I tell you about a truly historic instance of community cooperation.

Some of you may not know a great deal about Stamford, Conn. It is a city in which I have always taken a great deal of pride and you are about to hear one of the reasons why I continue to do so. Stamford has, for years, been engaged in a massive urban renewal program. The innovations in the downtown area to date are extremely impressive. The tired cityscape has been miraculously renewed already and I marvel every time I drive down the Connecticut Turnpike, for it seems Stamford's got another landmark building up. It is utterly fantastic.

The incident I am relating today began almost 8 years ago, when a black church in Stamford—Faith Tabernacle Baptist—formed the New Hope Corp., and petitioned the local authorities to be allowed to sponsor a nonprofit housing development on 2 acres of the city's central city redevelopment project.

Over the years, the project encountered the usual number of frustrating delays, and the start of New Hope Towers was set back. Determined to press forward with its black self-help program, the church went out and acquired another site, with the help of a grant from Clairol, Inc., a nationally known firm based in Stamford, and proceeded to build another, more modest, nonprofit housing development—Coleman Towers.

Eventually, the site for New Hope Towers was turned over to the church and construction began on a 200-unit apartment complex. Again the church was faced with the usual run of problems, necessitating costly change orders which were approved by the U.S. Department of Housing and Urban Development.

However, while HUD approved the change orders, no change was made in the FHA permanent mortgage commitment. When the project was nearing completion last fall, and the term of the construction mortgage was about run out, the church was faced with a dilemma.

The construction mortgageholder was naturally skeptical about the prospects for approval of an increase in the permanent mortgage, in view of the President's "freeze" on housing funds, and was unwilling to extend the construction mortgage unless he had some guarantees assuring payment of the additional interest and penalties. The church had no funds to meet these additional carrying charges. Foreclosure seemed imminent.

At this point the contractor for New Hope Towers—Frank Mercede & Sons of Stamford—stepped forward. The Mercedes—Frank and his son Nick—had already put up escrow money to cover the change orders, as required by HUD, and had not been paid for much of their work.

To their credit, they volunteered to guarantee the additional interest and penalty payments to the construction mortgagee for a period sufficient to arrange refinancing. It seemed obvious, however, that an application for an increase in the permanent mortgage would have rough going in view of the freeze, and that even if such an application were approved it would in all likelihood not be sufficient to cover the construction over-runs and the additional carrying charges.

The Mercedes engaged a Stamford consulting and housing management firm—Cooke, Haynes and Co.—which has done outstanding work on nonprofit housing ventures in the Stamford area, and on the advice of Cooke, Haynes decided that the only viable solution to the church's problem was to convert New Hope Towers to a limited dividend venture.

This would provide some of the additional capital necessary to avert foreclosure, would allow the Mercedes to convert the balance owed to them into an equity interest, and would assure that New Hope Towers was preserved for its originally intended use—housing for low-moderate income families.

All parties agreed to this procedure and application was made to HUD to approve the conversion. In this instance, I was pleased to be able to join with other members of the Connecticut delegation to help expedite HUD's approval.

During the months when the conversion application was being processed, the Mercedes sought limited partners to provide the additional financing. Efforts to place the limited shares through the market were unsuccessful, and with the help of the mayor of Stamford—the Honorable Frederick P. Lenz, Jr.—an approach was made to a number of Stamford-based corporations.

Under the leadership of Clairol and with the specific guidance of one of its employees, Wayne Tyson, and with a strong commitment by another Stamford-based firm, General Telephone & Electronics, a consortium of six companies was created to form the limited partnership. With GTE putting up 50 percent and Clairol, Continental Oil, Olin, Pitney Bowes, and Xerox sharing the other 50 percent, the consortium invested $850,000 in New Hope Towers. The Mercedes agreed to leave approximately $200,000 in the project and to form, with the church, the general partnership.

Mr. Speaker, Mr. Tyson's role in this effort should be especially noted for it was he who provided the necessary glue and is credited by most as the one who stayed with the project through it all; his dedication should serve as an inspiration to all of us.

As for the six corporations—and the Mercedes—none of them viewed this as what could be called a financially attractive investment; they saw it as a socially responsible investment in their community.

On June 4, 1974, a final closing was held in the Hartford office of Lawrence Thompson, area director of HUD, and on June 10, 1974 it was my pleasure to participate in ceremonies at New Hope Towers in which keys to their apartments were presented to the first three families.

This was, indeed, a day of "New Hope" for the Stamford community. It marked the coming together of the entire community, black and white, rich and poor, a church, the private sector, and local and Federal Government. It brought to fruition the housing self-help efforts of a black church; it saved for the entire community 200 units of desperately needed low-moderate income housing; and it contributed significantly to the eventual success of what I believe to be one of the truly outstanding urban redevelopment projects in the Nation.

The Rev. Dr. Samuel L. White, and his predecessor as pastor of Faith Tabernacle Baptist Church and founder of New Hope—the Rev. Rafe M. Taylor—and their parishioners, deserve great credit for their vision, their perseverance and dedication. They carried this project, and Coleman Towers, on their own for many years, coming up with funds out of their own pockets—$5, $10 and a $100 at a time dipping into savings and cutting corners at home.

The Mercedes—father and son—are owed a tremendous debt of thanks by all concerned. They committed themselves to saving New Hope, and carried it alone for many months at great cost when everyone said there was "little hope" of saving New Hope.

The six corporations demonstrated corporate social responsibility at its best, and great credit must go to those executive officers who promptly made commitments on behalf of their companies—Bruce S. Gelb, president of Clairol; C. Howard Hardesty, Jr., executive vice president of Continental Oil; Leslie H. Warner, chairman of the board of General Telephone and Electronics; John Henske, president of Olin; Fred T. Allen, chairman of the board of Pitney Bowes; and C. Peter McColough, chairman of the board of Xerox.

Many others deserve credit—Terrence M. Cooke of Cooke, Haynes and Co., HUD Area Director Thompson and his staff, and the many lawyers and accountants who worked late hours to put the pieces together.

Finally, after standing completed but unoccupied for more than 6 months, New Hope is a reality, and it is a special testament to the black members of Faith Tabernacle Baptist Church that New Hope Towers will be fully integrated, with a majority of apartments occupied by whites.

In closing I would like to quote from a resolution by the board of directors of the Stamford Area Commerce & Industry Association:

> The Board of Directors of the Stamford Area Commerce and Industry Association, Inc. recognizes fully that the New Hope Towers moderate income housing project is critical to providing the Stamford Community with housing in this price range, also to the success of the Stamford urban renewal project, whose expeditious completion continues to be a major goal of SACIA and the business community whose interests it serves.
>
> Accordingly, the Board of Directors commends the consortium of community minded Stamford corporations and the project's contractor, Frank Mercede and Sons, for making possible the additional permanent financing of $850,000 needed to save the 200 units of moderate income housing for Stamford. Without this commitment, Stamford could have lost this important housing project. In turn, it would have affected the entire urban renewal effort, making it more difficult, if not impossible, to realize needed retail and commercial development within the urban renewal area.
>
> The Board of Directors expresses its full appreciation to Leslie Warner, Chairman of the Board of General Telephone and Electronics; Fred T. Allen, Chairman of the Board and President of Pitney Bowes; Bruce Gelb, President of Clairol; John Henske, President of Olin Corporation; John Kircher, President of Continental Oil; and, Archie McCardell, President of Xerox Corporation for the corporate financial commitment made to the New Hope Towers project which will now serve as a major source of relocation housing for families from the urban renewal area and other community citizens who need safe, sanitary, decent housing for themselves and their families.
>
> The Board of Directors believes that this corporate commitment reflects positively on the entire business community and stands as an example of the effective role that business can play in advancing sound private sector solutions to the urban problems of American cities.

Mr. Speaker, none of these individuals working alone could have saved New Hope. The financial complications of the project were too serious. A cooperative effort was needed—a cooperative effort born out of the good will and sense of community responsibility exhibited by each and every individual who believed strongly enough in the Tower's project to invest hundreds of hours and hundreds of thousands of dollars for the good of all. Thanks to the contributions of these outstanding community members a dream has come true and Stamford's housing problem is that much closer to being solved. The New Hope story should be just that—a story of new hope. From this lesson of dedication and cooperation we can indeed derive new hope for our future ability to solve the problems of this Nation.

COASTAL ZONE AND ENERGY PRODUCTION COORDINATION ACT OF 1974

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HARRINGTON. Mr. Speaker. Yesterday, I introduced the Coastal Zone and Energy Production Coordination Act of 1974, H.R. 16228. The purpose of this bill is to insure that those States with coastal area have adequate financial and technical capacity to perform the planning and management functions required to coordinate energy-related development in their coastal areas. My statement explaining the bill and the text of the proposed legislation can be found on pages 7552, 7553, and 7554 of yesterday's CONGRESSIONAL RECORD.

In April of this year, the Council on Environmental Quality issued its preliminary assessment of the environmental implications of drilling for oil and natural gas on the Atlantic Outer Continental Shelf and in the Gulf of Alaska. Its conclusions made provocative reading and I would like to insert them for the information of my colleagues and in support of my legislation:

SUMMARY AND CONCLUSIONS OF THE COUNCIL ON ENVIRONMENTAL QUALITY

> Outer continental shelf oil and gas production will result in onshore development of huge refineries, petrochemical complexes, gas processing facilities, construction industries, and other service operations. This development will create jobs, increase income, shift populations, change residential and commercial development and land use extensively, and degrade the environment. These impacts are at least partially controllable by siting and development policies that encourage environmental protection and good design.

ECONOMIC IMPACTS

> Economic impacts, including employment and output, vary from region to region. By the year 2000, as many as 75,000 additional jobs would be created in one sample area (Charleston) and as many as 120,000 in one sample region (South Carolina and Georgia) under high OCS production assumptions. These figures represent 40 and 25 percent increases over expected conditions without offshore drilling in the area and region, respectively.
>
> Not all regions would experience such growth. In New England, less than 20,000 new jobs would be created in the local area (9 percent over the base case) and about 80,000 jobs in the region (3 percent). The west coast growth is somewhat smaller—about 20,000 new local jobs and 40,000 or fewer for each region.

Impacts in Alaska would be smaller in terms of the absolute number of jobs but much more significant in terms of percentage increases. Under low OCS production assumptions, new employment would be roughly one-third to one-half of the high development case.

Of the five industrial sectors analysed—oil and gas recovery, gas processing, refining, petrochemicals, and construction—construction in 1985 and petrochemicals in 2000 tend to be the largest employers. The assumed development timeables result in maximum construction employment in the 1980's to support the rapid refining and petrochemical development that occurs as OCS production builds to its 1990's peak. The demand for construction workers in 1985 would lead to shortages of skilled personnel in some areas. Overall, the largest employer will be the service sector that supports these industries and the larger population.

The significant demands for labor could lower local and regional unemployment rates relative to other areas of the Nation. But low unemployment will not always result because publicity often attracts more workers than are needed and unemployment remains high. The increased demand for labor may also raise average wages in an area and therefore the average per capita income of each area. However, income benefits may not always accrue to current residents of the area but may instead go to imported labor.

Specific industrial sectors within each area will be especially affected. Less land will be farmed, for example, due to the demand for large land parcels for indutrial development and to increasing land values and taxes. Commercial fishing may be seriously damaged by both water pollution and mechanical interference from increasing marine activity. Experience in Alaska indicates that per capita income of fishermen may decrease. Consideration must be given to the fact that fisheries are renewable resources and are continuing sources of income, whereas minerals may be depleted in our lifetime.

The demand for hotels, motels, restaurants, and temporary housing for construction workers could be stimulated. On the other hand, recreational industries could be hurt, especially where the character of the communities is one of isolation, historic preservation, or natural beauty. Resort and recreational patterns could be radically altered by offshore drilling and production. A major oil spill along the beaches of Cape Cod, Long Island, or the Middle or South Atlantic states could devastate the area affected.

Assuming that the goal toward U.S. energy self-sufficiency is vigorously pursued, aggregate domestic oil, gas, and coal production will rise correspondingly. Any employment, investment, income, or population shifts to regions or localities resulting from Atlantic or Alaska oil and gas development will probably represent shifts away from other areas. For OCS development the shift will be to coastal areas, thus reinforcing what some consider an undesirable trend of population movement.

SOCIAL INFRASTRUCTURE IMPACTS

OCS-related development onshore will create new markets and new demands on land and services to support the industries and employees who locate in an area. Although land use planning and controls can reduce the damage of such development to the environment and to the fiscal capacity of a community, the pace at which development occurs and the tremendous changes that it will bring in some communities make careful analysis of the effects of the development an essential part of any community's decision to allow the refineries and other facilities to come in.

Population increase figures are one measure of the kinds of impacts that can be anticipated. Increases of between 20,000 and 145,000 over base case projections may be expected in sample areas (excluding Alaska). Low OCS development could require one-third to one-half of this growth. Impacts appear greatest in the Charleston area, where the added population could almost double the current population and would be the equivalent of building a new city in little over a decade. Increases in Alaska, though smaller in absolute numbers, would be greater in degree because of the impacts on lifestyles and on pristine, fragile ecosystems. Table 7–22 shows the impacts on employment and population in several Alaskan communities. In all other regions except Florida and Alaska, increases would be less than 5 percent, although local areas in New Jersey, Jacksonville, and Puget Sound could experience significant growth.

The concomitant demand for services—schools, hospitals, transportation, housing, commercial facilities, sewers, office space, and public utilities—may be difficult for some communities to meet. Water demand is approximately 65 percent by the direct industries, 22 percent indirect, and 13 percent for residential and commercial use.

Industry's major water use is for cooling, a need that can be satisfied at coastal locations. The sample areas with the greatest water supply problems are San Francisco and southern New Jersey, although the Charleston area would have some supply problems. Planning for these public services and facilities would require large increases in local government overhead. Furthermore, the service infrastructure and the needed new housing and commercial facilities would require major capital expenditures; in the Charleston area alone, needed mortgage financing is estimated at about $1 billion.

In all areas infrastructure impacts could strain individual communities. The ability of a given community to cope with this growth depends largely on its size, its existing capacity to plan and control growth, and its financial structure. A city like Jacksonville, where rapid growth has already occurred and planning agencies exist, should be able to respond to OCS-related growth if it desires. But small areas and those without much experience handling growth may be unable to meet demands.

There may also be great changes in the social and psychological fabric of communities. The transition from rural life to an industrial economy involves many social, institutional, economic, and psychic changes. Many communities may resist the promise of economic gains in order to preserve their traditional lifestyles and the character of their towns and villages.

The case studies point out a number of these important community impact issues. The New England case study shows how development, if not controlled regionally, will gravitate to a number of smaller towns where residential and commercial activity could threaten the architectural and historic resources that have been protected for generations. Development might better be directed to the declining areas of the larger cities, where the infusion of economic activity is needed. The New Jersey analysis shows greatly reduced community impacts by expanding existing sites and locating new facilities in the already industrialized Delaware Valley. The Charleston case study points out the need for locales to anticipate and plan for large population influxes and to protect their most valuable natural and manmade resources from destruction by the new economic forces at work. Good planning and regulatory programs can channel those forces into desirable development that will enhance the environmental quality and life in an area.

LAND SUPPLY

Even under the high development cases, each sample region has sufficient undeveloped land to meet the requirements for OCS-induced development if environmental and locational values were ignored. As much as 75,000 acres of previously undeveloped land would be required in the South Carolina/Georgia region. However, large amounts of undeveloped acreage are really unavailable due to environmental values (e.g., wetlands, ecological sanctuaries, national parks and seashores, and coastal recreation areas), locational constraints (e.g., excessive slopes, inadequate water, and distance from major population centers), and such factors as local preference for agricultural preservation and low-density single-family housing.

Excluding land for these reasons causes a shortage for OCS-related development in some regions. It may be extremely difficult, for example, to find enough land in the San Francisco Bay and Puget Sound regions for base case and OCS-induced growth. In fact, environmental and locational constraints remove about 90 percent of the undeveloped land in the San Francisco Bay region. Land in some of the potential Alaska staging areas is scarce due to land configuration, native claims, and location of natural areas.

It must be emphasized that primary industry need not develop adjacent to offshore production areas. Onshore development sites may be determined more by what land is available when needed than by location alone. If a company has refining capacity in particular locations, it may elect to expand capacity, but if it has no refineries in reasonable proximity or desires to establish capacity in a new area, new sites may be needed.

Although land appears available in most regions, inland locations are often preferable to the environmentally fragile coastal areas. Transporting crude oil inland may not cost as much as the benefits.

WILDLIFE AND VEGETATION

The habitat most in danger from OCS-related development is the estuarine wetlands. It can be a land fill site, a source for dredge and fill operations, a solid waste disposal site, agricultural land, and once dried, a site for industrial or residential development. Over time these uses have resulted in loss of a significant percentage of U.S. wetlands, and most states have not taken steps to protect further encroachment. Inland forest, woodland, and wetland habitat can also be harmed by poorly regulated development. Population increases create demands for more highways, houses, shopping centers, etc., which in turn increase the vulnerability of natural areas and other wildlife habitat.

In a relatively undeveloped area like Cumberland and Cape May Counties, N.J., the population growth and related industrial development could adversely affect one of the Nation's most productive and ideally located coastal wetland areas and its productive estuarine zone. With good planning and effective protective measures, however, there is an opportunity to accommodate most development anticipated by OCS activities, especially if upriver sites are used as often as possible. In contrast, in Solano/Contra Costa Counties, Calif., an area that is already relatively developed, even the small population increase and related development expected with OCS production could significantly increase the pressures on the limited remaining wildlife habitat.

In all the localities and regions the impact will be determined by the way that development is handled. Design and siting decisions and good wildlife management practices can help prevent or mitigate damage. In the case of OCS-related development, this may mean narrow pipeline or tanker corridors, restoration of any disturbed areas, and inland siting.

AIR AND WATER POLLUTION IMPACTS

Air and water pollution are not generally expected to be significant with use of emission and effluent control technologies. In selected locations, hydrocarbon emissions and BOD levels may rise due to concentration of refineries and petrochemical industries. In these areas, decreased hydrocarbon emissions as a result of auto emission controls would be offset by new sources of hydrocarbons. Where significant increases in population are anticipated, as in Charleston, auto emissions may also be a factor.

Before any definitive conclusion can be reached about air and water quality levels in a particular area, diffusion modeling is necessary. Ambient levels do not always relate directly to emissions, and health standards could be exceeded, depending upon exact location, terrain, and meteorological conditions. Other pollutants, such as sydrogen sulfide, oils and grease, phenols, and ammonia should be carefully controlled.

Gas recovery and processing would seem to have significantly less environmental, economic, and social impacts than oil recovery and processing. assuming oil as a feedstock for petrochemical plants. For example, a typical refinery of 200,000 barrels per day employs 500 people, contributes $330 million to economic output, and requires 1,200 acres of land. A typical gas processing plant of 500 million cubic feet per day employs 50 people, contributes $11.8 million to output, and requires about 20 acres of land. Oil-induced development is considerably more vast than gas-induced development and also produces more pollution emissions.

Barring major changes in the U.S. import policy in the next few years, refinery and petrochemical industry growth may be expected prior to OCS development in conjunction with possible dispersed deepwater terminals to receive oil imports. The impacts of this growth should be similar in each local area and region to the onshore impacts of high OCS development. How the areas respond to import-induced growth should set the stage for understanding possible response to OCS-induced development.

STATUS OF VETERANS' EDUCATION BILL

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. WOLFF. Mr. Speaker, I, along with five of my colleagues, four of whom are members of the Veterans' Affairs Committee, have written to the Speaker urging him to intervene with the House conferees on the Veterans' Education and Rehabilitation Amendments Act. I was joined in this effort by Representatives Benjamin Gilman, William Walsh, Don Edwards, Joseph Maraziti, and Ella Grasso. A copy of our letter will follow my remarks.

The veterans' education bill has been in conference for over a month now. If it does not come out of conference before August 19, when we are scheduled to begin impeachment debate, the Vietnam veteran will more than likely not have the adequate assistance he needs to start school in September.

The Speaker has already indicated his support for the Senate version, which contains far more equitable and needed improvements in the GI bill than does the House measure. We are asking the Speaker to translate that support into positive action to insure that the House has an opportunity to act on the Senate bill and give the Vietnam vet the assistance he needs and deserves.

The major obstacle to House-Senate agreement on the veterans' education bill remains the Senate provision to provide tuition payments to offset high tuition costs. This provision could possibly do more than any other to equalize the GI bill, to give vets in high-cost tuition States the chance to use their GI benefits.

This week the President issued a strong statement opposing the improvements contained in the Senate bill. I, for one, was dismayed that the same President who said:

> As a matter of equity, today's veteran should receive benefits in inflated adjusted dollars that are no less than the maximum amount that was available to me and other veterans following World War II.

And should so utterly denounce improvements which are specifically intended to bring the present GI bill up to a par with its WW II predecessor. The President also said,

> Just as we have kept faith with our allies abroad, let us now keep faith with our returning veterans at home.

What kind of faith are we keeping when we can provide $350 million to the Government of South Vietnam and yet will not spend $250 million on the young men and women who served in Vietnam, to give them their chance at tomorrow? It is simply unacceptable that $350 million can be requested by the administration for South Vietnam, while $250 million in educational benefits for those who served in Vietnam is denounced as "too inflationary and unnecessary."

Mr. Speaker, Congress has a responsibility to effect a reordering of our priorities. The improvements contained in the Senate bill were adopted by the Senate by a vote of 91 to 0. The House should do no less to repay the debt of gratitude we owe to those who served.

I would like to include in the Record the text of our letter to the Speaker, as well as a list of the more than 70 House Members who have endorsed tuition payments for Vietnam veterans.

House of Representatives,
Washington, D.C., August 2, 1974.

Hon. Carl Albert,
The Speaker, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Speaker: We are writing to request your intervention with the House conferees on the Veterans Education and Rehabilitation Amendments Act.

The major stumbling block to House-Senate agreement on this vital legislation remains the Senate provision to provide tuition payments to Vietnam veterans. On July 10, in response to a New York Delegation letter, you wrote to Congressmen Jim Delaney and Congressman Howard Robison indicating your concurrence that the House should recede from its disagreement to the Senate amendments and adopt the provisions of the Senate bill.

At each day passes, it becomes more imperative that the House agree to the Senate version. If this matter is not resolved prior to August 19, when the House is scheduled to begin the impeachment debate, it is more than likely that Vietnam veterans will not have adequate assistance when they register in September for the fall term.

We reiterate our belief that the Senate version would receive majority support were it brought to the House floor for a vote. We thus respectfully urge you to intervene with the House conferees to insure that the House has this opportunity and the Vietnam veteran the assistance he needs to pursue his educational goals.

Sincerely,

Lester L. Wolff,
Benjamin A. Gilman,
Joseph J. Maraziti,
William F. Walsh,
Don Edwards,
Ella T. Grasso,
Members of Congress.

Bills Considered, Subcommittee on Education & Training—H.R. 11134 and Identical Bills by Number

H.R. 11134—Mr. Walsh.

H.R. 11545—Mr. Walsh (for himself, Mr. Helstoski, Ms. Heckler of Massachusetts, Mr. Gilman, Mr. Edwards of California, Mr. Marazati, and Mr. Charles Wilson of Texas).

H.R. 11681—Mr. Walsh (for himself, Mr. Danielson, Mr. Peyser, Mr. Fish, Mr. Rangel, Mr. Biaggi, Mr. Horton, Mr. Gilman, Mrs. Chisholm, and Mr. Mitchell of New York).

H.R. 13183—Mr. Wolff (for himself, Mr. Walsh, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Carney of Ohio, Mr. Roe, Mr. Roncalio of Wyoming, Mr. Rose, Mr. Rosenthal, Mrs. Schroeder, Mr. Studds, Mr. Tiernan, Mr. Winn, Mr. Mitchell of New York, and Mrs. Chisholm).

H.R. 13184—Mr. Wolff (for himself, Mr. Walsh, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Carney of Ohio, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Bergland, Mr. Boland, Mr. Brown of California, Mr. Clay, Mr. Cleveland, Mr. Cohen, Mrs. Collins of Illinois, Mr. Conte, Mr. Conyers, Mr. Cronin, Mr. Danielson, Mr. Drinan, Mr. Edwards of California, Mr. Eilberg, Mr. Esch, Mr. Morgan, and Mr. Murtha).

H.R. 13185—Mr. Wolff (for himself, Mr. Walsh, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Carney of Ohio, Mr. Fish, Mr. Fraser, Mr. Gilman, Mr. Crover, Mr. Harrington, Ms. Holtzman, Mr. Horton, Mr. Kazan, Mr. Koch, Mr. Kyros, Mr. Maraziti, Mr. Minish, Mr. Mitchell of Maryland, Mr. Nix, Mr. Owens, Mr. Pepper, Mr. Peyser, Mr. Podell, Mr. Rangel, and Mr. Regula).

H.R. 13433—Mr. Wolff (for himself, Mr. Walsh, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Carney of Ohio, Mr. Ford, Mr. Gunter, Mr. Mallary, Mr. Moorhead of Pennsylvania, Mr. Sandman, Mr. Sarasin, Mr. Seiberling, and Mr. Thompson of New Jersey).

H.R. 15977, EXIMBANK ACT AMENDMENTS

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. ROUSSELOT. Mr. Speaker, last Wednesday, July 31, 1974, the Committee on Banking and Currency reported H.R. 15977, amendments to the Export-Import Bank Act of 1945. I was prepared during the markup session to offer amendments to the bill but withheld them because the committee was proceeding under a temporary "2-minute" rule, and it was obvious that my amendments would not receive the careful and deliberate consideration which is required when dealing with a subject as complex as international trade. It is my intention to offer these amendments when the bill comes before the House next week.

The first amendment would transfer from the President to the Congress the authority to approve transactions with Commmunist countries, including the Soviet Union, upon a finding, on a case-by-case basis, that such transactions are in the national interest. This would be consistent with the constitutional responsibility given to Congress under article I, section 8, "To regulate commerce with foreign nations." The second amendment would attach to the Export-Import Bank Act the "freedom of emigration" amendment to H.R. 10710 which the House adopted last December by the overwhelming vote of 319 to 80.

Both of these amendments are essential, in my judgment, in order to establish a sound basis for the conduct of East-West trade where government-sponsored credits, loans, guarantees, and insurance are involved. I strongly urge my colleagues to review the amendments, which are inserted in the RECORD immediately following this statement, and to support them strongly on the floor.

The amendments follow:

AMENDMENT OFFERED BY MR. ROUSSELOT TO H.R. 15977

Section 2(b)(2) of the Export-Import Bank Act of 1945 is amended by striking out "President determines would be in the national interest if he reports that determination to the Senate and House of Representatives within thirty days after making the same." and inserting in lieu thereof the following: "Congress determines would be in the national interest. Such determination shall be made with respect to each such transaction through the adoption of a concurrent resolution during the first period of continuous session of Congress after the date on which the Bank requests, in writing, that Congress consider adoption of such a resolution. For the purpose of this paragraph, continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period."

EXPLANATION

This amends section 2(b)(2) to prohibit the Bank from participating in any extension of credit to a Communist country unless Congress determines, by concurrent resolution, that each transaction is in the national interest.

AMENDMENT OFFERED BY MR. ROUSSELOT TO H.R. 15977

Section 2(b) of the Export-Import Bank Act of 1945 is amended by redesignating paragraph (5) as paragraph (6) and inserting immediately after paragraph (4) the following new paragraph:

"(5) The Bank shall not guarantee, insure, or extend credit, or participate in any extension of credit with respect to any nonmarket economy country which—

"(A) denies its citizens the right or opportunity to emigrate;

"(B) imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever; or

"(C) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice;

until such time as the country is no longer in violation of this paragraph."

EXPLANATION

This prohibits the Bank from participating in the extension of credit to any nonmarket economy country which denies its citizens the right of emigration.

SOUTH KOREA

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. MOAKLEY. Mr. Speaker, the House Foreign Affairs Committee is currently meeting on a markup session to prepare the new foreign aid bill. Included in this massive new bill is $300 million to the Government of South Korea. We are being asked to spend this money in the interest of world peace. But at what price?

Reports coming out of South Korea require, even demand, that we take a long, hard look at what kind of peace we are purchasing there. During the past several months, hundreds of persons protesting what has become the totalitarian regime of President Park Chung Hee have been arrested; 91 have been convicted and others are awaiting trial. Some of these have even been condemned to death. Among those imprisoned is a professor of history who earned his Ph. D. at Boston University and whose thesis discussed the impact of Lincoln's democratic ideals on the peoples of Asia—hardly the type whom the South Korean Government is claiming to be a Communist threat. Perhaps the best example of how extreme have become the Government measures is one of the latest decrees which states that "a student absent from class without a good excuse is subject to a penalty of death." These are measures which, if they were not so deadly serious, would be laughable.

Peace at any price is not now, nor ever has been, the aim of the U.S. Government. If innocent people are being harassed, imprisoned, and tortured for voicing their dissent with the policies of their own government, we are not fulfilling our commitment to peace or justice by continuing to support such a government. It is not so very long ago that the blood of 50,000 American soldiers was spilled on Korean soil to help the liberty-loving people of South Korea fight off the threat of repression from the Communists in the North. The people of South Korea had not intended to exchange one yoke of repression for another and we must not abandon them in their quest for freedom now.

The whole idea of foreign aid is to help other countries develop their own democratic institutions and, as we have often been warned even by some of our own citizens, to allow them to do so without any interference. While it is true that we have no right to intervene in the internal affairs of other countries, neither are we required to continue to support those governments when those democratic institutions disappear. Continuing to disburse financial and military assistance while actions repugnant to the whole concept of justice are freely carried on is nothing less than condoning those actions. Granted, we cannot insist that the Government of South Korea comply with our requests; however, I would recommend that unless the government of President Park restores free speech and open trials of political prisoners to all members of the press and not only those approved by the Government, the Congress should begin to reduce our assistance. This would be done so that the people whom we have pledged to protect do not end up as the victims of our own support. To those who claim that withdrawing our aid is tantamount to delivering these people into the hands of the enemy, may I point out that we are in the process of losing them already! Under the currently prevailing conditions, were a war with the North to break out, we might find ourselves fighting for a people who are not interested in sustaining their tormentors. We have been there before!

It is time to take a stand on the question of justice and to take whatever affirmative action is necessary to insure that stand so that we not condone actions which are contrary to the cause of real peace. Peace at any price is too expensive and it is a price which we must no longer be willing to pay.

COMMUNIST CHINA AND THE HEROIN TRADE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. CRANE. Mr. Speaker, for some time there has been significant evidence of participation by the Government of Communist China in the production and distribution of narcotic drugs, particularly in the production and distribution of heroin.

A recent report issued by the Ministry of Justice's Bureau of Investigation in Taiwan—BOI—reveals that a total of 9,530,000 mou of land, or approximately 1,600,000 acres, on the Chinese mainland is being used to cultivate poppies.

In a recent statement M. Stanton Evans, chairman of the American Conservative Union and editor of the Indianapolis News, contended that in the international crackdown on the heroin trade, we have concentrated only on the activities of our allies such as Turkey, Thailand, and South Vietnam. According to official policy, he claims, "Communists just don't push drugs."

Yet, in the past, U.S. authorities have acknowledged that Communist China has been involved in the heroin traffic. U.S. Narcotics Commissioner Harry Anslinger made this clear in public testimony and our Government has, in the past, made formal protests to the United Nations about the Communist role in this field. Now, in the era of détente, we seem willing to overlook these activities. Such governmental blindness serves neither a real détente nor our interest in stemming the tide of narcotics addiction.

Much of this material is highlighted in a recently published book "Psycho-Chemical Warfare: Chinese Communist Drug Offensive Against the West," by A. H. Stanton Candlin, a former member of the British Foreign Service with extensive experience in Asia. Mr. Candlin expresses the view that the Chinese Communists were largely responsible for the drug offensive carried out against American servicemen in Vietnam. The sale of heroin at one-tenth of its actual value, he states, points to the Chinese Communist objective of weakening their intended victims in Southeast Asia, particularly South Vietnam and Cambodia.

In an editorial entitled "China and the Heroin Trade," the Norwich Conn., Bulletin states, in its issue of April 29, 1974, that:

> If, in fact, the State Department knows this to be true, and if the practice goes unchallenged in the name of pragmatic diplomacy, it is still another example of our retreat from morality in foreign policy. Simply on the strength of present allegations, a Congressional investigation would seem fully justified. . . ."

In an editorial entitled "Peiping's Narcotics Trade," the English language Taiwan daily newspaper, the China Post, in its issue of June 8, 1974, declares that—

> U.S. officials should heed the recent warning by Minister of Interior Lin Chin-sheng for "freedom loving people to raise their standard against the Chinese Communist drive to poison the universe. . . ."

The Post notes that the latest figures released in Taiwan have been confirmed by Prof. James Turnbull of the British Royal Military Colleges of Science who noted that the Chinese Communists export illicitly 2,000 tons of opium a year with 800,000 acres under cultivation.

I wish to share these two important editorials, from the Norwich Bulletin and the China Post with my colleagues and insert them into the RECORD at this time.

[From the Norwich (Conn.) Bulletin, April 29, 1974]

CHINA AND THE HEROIN TRADE

The pragmatism of American foreign policy is troubling to citizens who believe that, above all, we should lend aid and comfort only to those who uphold the highest humanitarian ideals. We have often been accused, rightfully, of surrendering principle to temporary and insubstantial political advantage.

The American Conservative Union president, M. Stanton Evans, has called attention to the operation of such foreign policy with respect to Red China's involvement in the heroin trade. There are other illustrations. Perhaps the most noteworthy has been the insistence of the State Department that we should grant trade concessions and credits to the Soviet Union, despite its continued violation of international standards of human freedom. We have been accused, correctly, of looking the other way at the political imprisonment of thousands of dissenters in South Vietnam, and at the South Vietnamese policies that hold others prisoner in refugee compounds in the name of internal security.

Evans contends that, in the international crackdown on the heroin trade, we have concentrated only on the activities of our allies—Turkey, Thailand, and South Vietnam. According to official policy, he claims, Communists just don't push drugs.

Yet Evans points to testimony that Red China is not only engaged in the heroin trade, but that it is probably the largest source in the world for the illicit narcotics supply. He quotes a study published by a British official Far East specialist, whose duties included liaison with military intelligence, which cites testimony to the United Nations that there is a continuing heroin trade between Red China and the United States.

Particularly cited is the testimony of former U.S. Narcotics Commissioner Harry Anslinger who claims that "Emissaries have been sent to the United States to arrange for details of smuggling transactions. One of the principals in the case in which 300 ounces of heroin were smuggled in from Communist China is now serving a ten year imprisonment."

The study notes that U.S. authorities acknowledge the so-called Gold Triangle in Burma, Thailand and Laos as a major source of heroin. But, it claims, the authorities neglect to mention that all of these areas adjoin China's Yunnan province.

Before we became international buddies with Red China, Yunnan was officially identified as a major growing area for opium. Since that time, however, our foreign policy has changed, and with the change, apparently, the opium crop in Yunnan has ceased to exist.

It must be granted, at the outset, that the American Conservative Union speaks with a biased tongue. It has, without deviation, opposed the detente that will, in the future, lead to formal recognition of Communist China at the expense of Taiwan. ACU cannot be expected to offer pro and con arguments in any controversy that involves the Communist Chinese.

Nonetheless, as Evans notes, the estimates of our own officials show that the amount of heroin entering the free world cannot be accounted for by the other known producing nations. That seems, on circumstantial evidence, to leave Red China as the prime suspect.

If, in fact, the state department knows this to be true, and if the practice goes unchallenged in the name of pragmatic diplomacy, it is still another example of our retreat from morality in foreign policy.

Simply on the strength of present allegations, a Congressional investigation would seem fully justified before there is any further action on the Trade Reform Act of 1974.

[From the Taipei (Taiwan) China Post, June 8, 1974]

PEIPING'S NARCOTICS TRADE

A recent report by the Ministry of Justice's Bureau of Investigation (BOI) has thrown more light on the latest development in Red China's flourishing narcotics trade around the world.

The BOI report of June 1 revealed that a total of 9,530,000 mou of land, or approximately 1,600,000 acres, on the Chinese mainland is being used to cultivate poppies. According to a survey made at the end of 1973, there were 76 plants on the mainland devoted to processing opium and other opium derivatives with an annual production amounting to more than 10,000 tons.

BOI said that those processing plants are called "special products factories" or "pharmaceutical plants." Their products are marketed under 47 brand names by the "Special Products Trading Company" set up in Peiping after the United Nations had served a warning against Peiping's narcotics sales.

The BOI report brought up to date the big "leap forward" of the systematic Chinese Communist planting, production and sales of narcotics to poison the people of the world. In 1952, Peiping's annual sales amounted only to some 2,000 tons. This figure was confirmed by Professor James Turnbull of the British Royal Military College of Science who noted in his report that the Chinese Communists export illicitly 2,000 tons of opium a year with 800,000 acres under cultivation.

Thus the BOI report revealed a fivefold increase of the annual production and twice the acreage of poppy cultivation. The Chinese Communist role in the world narcotics traffic is not only confirmed by the U.S. Narcotics Commissioners at various periods but is also confirmed by the Soviets. In 1964 a Soviet correspondent based in Tokyo charged that Communist China was the biggest opium, morphine and heroin producer in the world. The illicit narcotics traffic, he noted, yielded some US$500 million in annual revenue for the Chinese Communists.

A recent book by a British author A. H. Stanton Candlin, former member of the British foreign service, expressed the view that the Chinese Communists were largely responsible for the drug offensive carried out against American servicemen in Vietnam. The sale of heroin at one-tenth of its actual value pointed to the Chinese Communist objective of weakening their intended victims in Southeast Asia, especially South Vietnam and Cambodia.

Candlin's book entitled "Psycho-Chemical Warfare Chinese Communist Drug Offensive Against the West," was reviewed by Allan C. Brownfeld in the May 18 issue of Human Events magazine. While government officials were at one time concerned about the narcotics offensive being launched by the Chinese Communists, the book review noted, today there is an attempt to ignore and cover up the available material. Thus Candlin observed that "The threat has apparently been concealed from the public by persons who evidently had the desire to cultivate better relations with the Red Chinese."

The people of the free world should not permit this wool-over-the-eyes attitude of those eager to appease the Chinese Communists. Brownfeld writes that "the official U.S. position is that we have no evidence that opium and opiates are coming out of Communist China into world markets." They should heed the recent warning by Minister of Interior Lin Chin-sheng for "freedom-loving people to raise their standard against the Chinese Communist drive to poison the universe and destroy the existing anti-Communist will."

IMPEACHMENT AND THE FUTURE OF THE CONGRESS AND THE PRESIDENCY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. HARRINGTON. Mr. Speaker, an article by Arthur Schlesinger, Jr., "What's at Stake: An Historian's View," appeared in the July 31 issue of the Wall Street Journal. Professor Schlesinger, the Albert Schweitzer professor of the humanities at the City University of New York and winner of Pulitzer Prizes in history and biography, writes that—

> We must, as I say, widen the perspective in which we see the events of 1974. Congress is not just meeting a particular and transient problem. It is defining or redefining the Presidency for the rest of American history.

I would argue that Professor Schlesinger's article deserves the attention of every Member of Congress not only for the wisdom a skilled and professional historian lends to the debate we are about to undertake; but more than that, we had better, as an institution, realize the profound nature of impeaching a President of the United States and begin now to plan for the challenge and redefinition of our basic institutions of government.

The text of Professor Schlesinger's article follows:

[From the Wall Street Journal, July 31, 1974]

WHAT'S AT STAKE: AN HISTORIAN'S VIEW

(By Arthur Schlesinger, Jr.)

The high drama at last is under way. It is an exciting time for an American historian—for, one hopes, every American—to watch the resources of the Constitution and the wisdom of the Founding Fathers under test in a moment of exceptional national perplexity.

We must not, however, let the drama of the occasion beguile us into seeing it all in too narrow, personal and immediate a context, too much in relationship to a particular President, a particular Congress, a particular political confrontation. The question is too grave for that, and its gravity enjoins us to widen our perspective. We must try and see the events of 1974 in the light of two centuries of American history and of the nature of American institutions.

For Congress is not acting merely to dispose of a passing and forgettable problem. What Congress does about the deeds and misdeeds of Mr. Nixon will reverberate through the chambers of the future. Action, or refusal to act, will define the powers and the obligations, not just of this President but of the presidency itself for our children and our grandchildren. The decision Congress takes in the weeks ahead will set forth to Mr. Nixon's successors what our legislators consider it constitutionally proper for Presidents to do and what they regard as constitutionally forbidden in the exercise of presidential power. Their decision will establish the standards that determine the balance of the Constitution and govern the behavior of Presidents for a long time to come.

If Congress should decide not to impeach and remove Mr. Nixon, it can only mean that, after due and reverent consideration, Congress has concluded that Mr. Nixon has done nothing to justify impeachment. Such a decision will mean that Congress finds no serious constitutional objection to any of Mr. Nixon's acts—which means that all future Presidents will be licensed to behave as Mr. Nixon has behaved. A future President modeling himself too closely on Mr. Nixon may well run political risks. But constitutionally he will be in the clear. This will be the message that a decision against impeachment will send to the generations to come.

Specifically what will Congress have legitimized in the way of presidential behavior? First of all, it will dilute for all time the constitutional command that the President "shall take Care that the Laws be faithfully executed." If Congress judges Mr. Nixon's execution of the criminal laws to be quite acceptable, this will open up a great vista of permissible action to future Presidents, such as, for example, suppression of evidence, obstruction of justice, subordination of perjury and misprison of felony. The 93rd Congress will have solidly created the precedent that such presidential conduct, however hazardous it may be politically, is not beyond the constitutional pale. Future Presidents will have the assurance that unless one of them commits some monstrous and highly visible outrage, like shooting his wife in the presence of the Cabinet, they need worry no more than Mr. Nixon has done about their constitutional obligation to take care that the laws be faithfully executed.

PRESIDENTIAL IRRESPONSIBILITY

Secondly, Congress by this decision will liberate the presidency from any accountability for the pattern of behavior of the top officials in his White House and his Cabinet. Mr. Nixon's defenders claim that he was not "directly" involved in the crimes committed by those closest to him—crimes that have already resulted in the confession or conviction of 16 members of his administration—and contend that this relieves him of all responsibility for their misconduct. There would seem abundant evidence that Mr. Nixon was indeed directly involved; but suppose he was not. Would this really exonerate him? What kind of sense does this doctrine of presidential irresponsibiilty make? Would any reader of The Wall Street Journal apply it to his own business? Yet this absurd doctrine is the fulcrum of the pro-Nixon case. Without the doctrine the case would collapse.

It is a novel idea. None of Mr. Nixon's predecessors ever advanced it. Madison pointed out in the First Congress that the President's power to remove government officials would make him "responsible for their conduct, and *subject him to impeachment himself*, if he suffers them to perpetrate with impunity high crimes or misdemeanors against the United States, or neglects to superintend their conduct so as to check their excesses. The 93rd Congress, if it repudiates the Father of the Constitution, will free all future Presidents from responsibility for skulduggery committed on their behalf by the White House staff or by the Cabinet so long as nothing can be traced back to a written directive from the Oval Office. Congressional endorsement of the doctrine of presidential irresponsibility, in short, will consolidate Mr. Nixon's effort to break the presidency out of the constitutional system of accountability.

Third, Congress will have placed the seal of constitutional sanction on Mr. Nixon's extraordinary theory of national security. Of course there may well be moments of desperate national emergency in which Presidents are compelled to take action beyond the Constitution. But such action must conform to standards that have evolved in the course of the national experience. There must be a clear, present and uncontestable danger to the life of the nation; the President must define and explain to Congress and the people the nature of this threat; waiting for normal legislation action must constitute an unacceptable risk; the problem must be one that can be met in no other way; and none of the presidential acts may be directed against the political process itself. Lincoln's decisions after the attack on Sumter, Roosevelt's North Atlantic policy in the months before Pearl Harbor met these tests. Jefferson's reaction to the Burr conspiracy, Truman's seizure of the steel plants met some tests but failed others, and therefore suffered judicial and political repudiation. Mr. Nixon's actions in setting up his secret White House posse fails every one of these tests. There was no threat to the life of the nation, no explanation of an alleged emergency to Congress or the people, no risk in delay, no lack of alternatives; and there was, on top of the rest, a shocking attempt to subvert the political process.

Mr. Nixon's claim is that the power to invoke national security is an inherent and absolute presidential right, whatever the surrounding circumstances, a right to be exercised in secret at presidential pleasure without accountability to Congress and the people. This theory is unknown to the history of the Republic. If this Nixon doctrine is not expressly rejected and condemned, Congress will signal future Presidents that they can define "national security" as their spirit moves them, check their findings with no one else and do whatever they pretend national security requires. Should our present Congress conclude that it does not regard the Nixon theory of "national security" as an appalling abuse of presidential power, it will be hard for future Congresses to object when future Presidents act upon the powerful precedent Mr. Nixon will thus have established.

PERSONAL VENGEANCE

Fourth, by declining to act against Mr. Nixon, Congress will say that it is not especially bothered by his effort to convert government agencies—the Internal Revenue Service, the Federal Bureau of Investigation, the Central Intelligence Agency, the Secret Service—into instruments of party advantage and personal vengeance. Future Presidents will feel justified in doing with impunity what Mr. Nixon had done with impunity. Future civil servants will feel much less confidence about resisting or rejecting presidential orders that their agencies do improper things.

Fifth, Congress will destroy forever the ultimate remedy provided by the Founding Fathers to protect the Republic from the abuse of presidential power. The impeachment provision may not have been much of a deterrent in the century since Andrew Johnson. Yet it has remained on the books, a remote threat perhaps but still a threat. If Congress acquiesces in Mr. Nixon's refusal to comply with subpoenas from the House Judiciary Committee, it will give all future Presidents the power to pick and choose the evidence in their own cases and thereby render impeachment ever after a charade. And if Congress acquiesces in Mr. Nixon's other actions, it will surely mean that no President will ever again be impeached; for if there were ever a time in the life of the Republic requiring impeachment in order to defend the community, as Madison recommended, against "the incapacity, negligence or perfidy of the Chief Magistrate" through the impeachment process, it is today. If the man who has run the most lawless administration in American history, a man not much liked even in his own party, cannot be impeached and removed even in a Congress controlled by the opposition, then we can kiss impeachment goodbye as a restraint on Presidents for the duration of the Republic.

If it declines to impeach Mr. Nixon, Congress will instruct all his successors that nothing he has done constitutes an impeachable offense and that, if future Presidents are prepared to run the political risk, they are constitutionally entitled to do the same things themselves. They will be free *not* to execute the laws faithfully; *not* to be responsible for the criminal acts of their closest associates; *not* be limited in any deed they wish to commit in the name of national security; *not* to be restrained in any order, however improper, they wish to issue to government agencies; and *not* be worried hereafter by any prospect of impeachment. What is at stake, in short, is the theory, in Senator Ervin's phrase, of "the constitutional omnipotence of the President." "There is no worse heresy," wrote the great historian Lord Acton, "than that the office sanctifies the holder of it." Congress has it within its power in the next three months to vote that heresy down—or to vote it up.

"REVENGES OF THE FUTURE"

We must, as I say, widen the perspective in which we see the events of 1974. Congress is not just meeting a particular and transient problem. It is defining or redefining the presidency for the rest of American history. Henry James once wrote in a striking phrase about "the revenges of the future." Congress can act now to enforce the constitutional system of accountability and to reinstate the relatively high standards that have characterized the American presidency. Or it can abandon the system of accountability and endorse the debasement and betrayal of those standards. If it follows the second course, let us have no doubt that the future will indeed exact its revenges.

I have never thought Congress would take the second course. For the impeachment of Presidents is one of the sacred rites in our constitutional process. Those who participate in the rite know that this will be the most solemn decision of their public lives, the occasion for which they will be longest remembered. They know that the eyes of history are upon them. Now, if ever, they will vote their consciences. This is what happened during the impeachment of Andrew Johnson. It is beginning to happen today. Our legislators are about to decide the shape of the American government for generations to come—whether it will be the balanced government envisaged by the Constitution or an imperial presidency raised above the Constitution. Let none of them forget General de Gaulle's memorable injunction: "One should not insult the future."

FEDERATION OF AMERICAN SCIENTISTS OPPOSES BINARY NERVE GAS MUNITIONS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. ASPIN. Mr. Speaker, one of the most disturbing items in the defense appropriations bill, which will come before the House this Tuesday, is a provision for $5.8 million to build a production line for the new binary nerve gas. As many of my colleagues have pointed out, this appropriation must be seen as the first step in a program to replace our present nerve gas stocks, which will eventually cost us $1.5 to $2 billion. The best that can be said about this program is that it is worthless. More likely, however, it will provoke a new spiral in the chemical arms race and actually decrease our national security.

It is important to realize that the distinguished Federation of American Scientists has strongly denounced this measure. According to a statement released today by the FAS—

> Appropriations ought to be withheld on the general ground that nerve gas weapons are not necessary.

But, in any case, says the FAS, this is a particularly unfortunate time to begin production of a new nerve gas because of recent administration commitments to negotiate for a limitation on chemical weapons.

I believe this is a significant statement, and am taking this opportunity to bring it to the attention of my colleagues.

The statement follows:

FAS OPPOSES BINARY NERVE GAS MUNITIONS

SUMMARY

The Department of Defense is seeking appropriations this year to build production facilities for binary nerve-gas munitions. U.S. armed forces already have enormous numbers of nerve-gas weapons at their disposal which are more than enough to satisfy any real need. Thus we see no advantage in replacing them with—or supplementing them with—binaries. It is particularly unfortunate that this request comes just after a summit reaffirmation by the Administration of its commitment to the negotiation of limitations on chemical weapons.

The appropriations ought to be withheld on the general ground that nerve-gas weapons are not necessary, or at least on the narrower grounds that such funding ought to await the outcome of negotiations to limit chemical weapons.

BACKGROUND

Binaries have been in research and development since 1954. They provide a new way for using lethal chemical agents on the battlefield. Instead of a nerve-gas payload, a binary munition contains two chemical fillings of relatively low toxicity that can be kept apart from one another until the "delivery" of the munition to its target has commenced. A mixing process is then activated in which the chemicals react together to form nerve gas. Although certain of the binary chemicals are themselves hazardous materials, they are much safer to handle than actual nerve gas.

The initial binary procurement funding that is being sought, for provision of production facilities, amounts to $5.8m. Like so many other DoD programs that have burgeoned from modest beginnings, this item is likely to prove the thin end of a substantial, and possibly intractable, wedge. The Secretary of the Army has already spoken to Congress about plans for eventually replacing the entire nerve-gas stockpile with binaries. The cost of this may be estimated from DoD data to be on the order of $2000m, at current prices.

Because strong interests are likely to become vested in a program of this magnitude, it is essental that the program receive close scrutiny before its momentum becomes irresistible. The basic questions to consider are these: does the United States still need to maintain a nerve-gas capability? If so, does the capability need upgrading, and would binaries present the best means for effecting this?

Current U.S. chemical weapons policy is to maintain a nerve-gas stockpile as a like-with-like deterrent, and as a retaliatory option in the event of deterrence failing. The principal threat is considered to reside in the possibility of Warsaw Pact forces using chemical weapons against NATO troops in Europe. The most recent additions to the nerve-gas stockpile were made in 1969, and although there seems to be no evidence of any increase in the threat since then, DoD now wishes to make further additions. It is claiming that its stock of immediately-usable nerve-gas weapons is inadequate, quantitatively and qualitatively, to meet all the contingencies for which it believes it should prepare.

The Army has an unbroken 56-year-old tradition of maintaining a capability in lethal chemical weapons, and it seems that this has now become a custom too hallowed by time, and too institutionalized, to be internally questioned. Yet it is not at all clear that deterrence is the best of the various policy alternatives for meeting the threat that nerve gas presents today. Indeed, as with nuclear weapons, there is some likelihood of the nerve-gas stockpile aggravating the threat which it is supposed to be deterring. Even if a case can be made for some nerve-gas capability, it is hard to understand why our existing stockpiles need to be expanded. An alternative policy is to devote resources, not to the weapons, but to the defenses against them. Under circumstances where chemical warfare is both illegal and unlikely, there is a strong case for believing that the existing conventional and nuclear posture, plus an improvement in the CW protective stance, makes possession of nerve gas unnecessary.

But even for those who believe that the nerve-gas stockpile should be retained, the central question is whether binaries make better sense than regular nerve-gas weapons. Considered from a purely military viewpoint, they do not. The munition that is now coming up for procurement, a 155mm howitzer shell, disseminates less toxic agent than does its nonbinary equivalent, and has a smaller fragmentation effect. Moreover, the fact that the disseminated agent is adulterated with other binary reaction products acts, for several reasons, to reduce the dependability of the munition.

The impulse behind the binary program has been a search, not for greater munitions effectiveness, but for the solution to a problem that is essentially political. The Army is unable to increase its immediately-usable retaliatory capability without transporting nerve gas from bulk-storage to munitions-filling locations, and then into Europe. But this it cannot do without risking yet another of the domestic outcries about transportation hazards that have beset it since 1969. Because of their safety features, binaries are seen as a possible means for removing this constraint, thereby restoring the Army's freedom of action.

However, in testimony to a House Foreign Affairs Subcommittee recently, the State Department noted that any attempt to increase the size or numbers of U.S. chemical-weapons depots in Europe was "likely to run into very serious difficulties." It seems that the European governments concerned are displaying considerable, and understandable, reluctance about accommodating any more American nerve gas, whether binary or not. Unless and until they are willing, therefore, the binary program will remain, for the most part, an essentially futile one.

It is in Europe that the nerve-gas threat, such as it is, has its immediacy. If, as appears to be the case, the people on the spot do not see over-riding merit in an upgrading of the NATO nerve-gas deterrent, why should anybody else?

Another disturbing feature of the binary program is that DoD is seeking initial procurement funding without the Administration yet having reached a final decision about binary production. The weapons have not even been field-tested yet. Requesting money because it *may* be needed is the type of foot-in-the-door fiscal planning that bloats appropriations. It is a practice which is normally reserved only for strategic weapon systems that involve long lead-time components.

In an artillery shell, the fuzing is the only long lead item; but it so happens that the binary rounds are to employ fuzes that are already in mass-production for other munitions. It therefore seems that DoD is acting with capricious and undue haste. It has certainly not demonstrated any need for urgency. Moreover, in view of the United States commitment to the international chemical disarmament negotiations that are now under way in Geneva, the present moment is a singularly inopportune one for precipitate nerve-gas procurement. It is particularly inappropriate when President Nixon and Secretary Brezhnev have just agreed to seek early progress in dealing with the most dangerous lethal means of chemical warfare.

Provided the verification problem can be resolved, participation in international chemical disarmament is potentially the most attractive of all the policy alternatives for chemical weapons. As a means for preserving the national security against the dangers of nerve gas, it would place reliance neither on a counter threat that could prove ineffectual, nor on a defensive posture that could prove inadequate. And it would serve to control what could ultimately prove a far graver danger than the nerve gas threat in Europe, namely the possibility of nerve-gas proliferation. This is a danger which binary technology is likely to increase, not only at the international level, but also as regards terrorist organizations. But the negotiation of an adequate chemical disarmament treaty will require a good deal of time; and despite its public protestations of commitment, the United States has yet to convince its negotiating partners at Geneva of its good faith. The DoD binary program is incompatible with both these requirements, and if it is allowed to go forward, it may well kill the negotiations completely. With them will be lost a prospect for improving United States security to a far greater extent than binaries ever could.

CHILD HEALTH SCREENING SERVICES UNDER MEDICAID

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. OBEY. Mr. Speaker, the Social and Rehabilitation Service today published final regulations covering imposition of a financial penalty upon States for failure to provide child health screening services under medicaid.

I should like to insert the text of the regulation, along with a summary of the major comments the agency received after it published a proposed regulation last December 19, as they appeared in today's Federal Register.

Please note that a line of type appears to have been dropped from point No. 5 of the summary (after the line ending ". . . period nor-") which appears in the Register, and that the same paragraph contains a typographical error ("as" instead of "a"). The material follows:

TITLE 45—PUBLIC WELFARE

CHAPTER II—SOCIAL AND REHABILITATION SERVICE (ASSISTANCE PROGRAMS), DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Part 205—General Administration—Public Assistance Programs

Part 249—Services and payments in medical assistance programs

Medicaid; Financial Penalty for Failure to Provide Child Health Screening Services

Notice of proposed rule making was published December 19, 1973 at 38 FR 34821, implenting section 299F of Pub. L. 92–603, Social Security Amendments of 1972. Requirements were specified for the application of a financial penalty against States which fail to inform AFDC families of the availability of screening, diagnosis and treatment services under the title XIX program of medical assistance, or to provide or arrange for such services.

Five State agencies, eight organizations and one Congressional delegation responded. Two respondents concurred in the regulation as proposed. Several suggested changes which could be made only by statute, such as application of the penalty against title XIX rather than AFDC funds or postponement of effective date. The remaining major comments and the Department's responses are summarized below:

1. *Minimum screening services.* A respondent stated that the minimum components of a State screening program should be expanded by incorporating the recommended services listed in the screening guideline, MSA–PRG–21. This would be inappropriate at this time, because States need flexibility to meet their own particular health needs, and, in fact, most States have incorporated the recommended services.

2. *Annual written notification of AFDC families.* Suggestions were that written notice be optional; that States set their own notification schedules; and that in addition to written notice, other more aggressive techniques including personal contact be required. A written notice is the most practical method of complying with the requisites of Congressional intent. Given the limited capability of States to relate notification schedules to screening schedules on an individual basis, and the flow of recipients in and out of the assistance payments system, notification no less often than annually is a reasonable compromise. With respect to the third comment, the purpose of the regulation is only to prescribe the requirements representing the legal minimum necessary to avoid a penalty. In implementing the program, States are free to use additional means to inform recipients, including mass media, educational programs, and caseworker contacts.

3. *Informing the medically needy.* The suggestion was made that Congress intended the informing process be extended to the medically needy. However, by statute, the penalty can apply only to the failure to inform, provide or arrange for EPSDT services to those on cash assistance.

4. *Providing necessary transportation.* The requirement was interpreted to mean provision routinely of transportation for all Medicaid eligibles. This is not intended; the regulation has been clarified to indicate that the reference is simply to the existing requirement in effect under State plans.

5. *Provision of screening within 60 days of request, and of diagnosis and treatment within 60 days of screening.* Objections to the time requirements cited the possible difficulty of scheduling appointment to read "a reasonable period norrecipients or scarcity of providers. To allow for extenuating circumstances, the Department has changed the requirement to read "as reasonable period normally not to exceed 60 days" from the date of request or screening.

6. *Arrangement for treatment not available under State plans.* It was suggested that the State should refer eligible children to other sources for uncovered services. States have been encouraged to make such referrals (MSA–PRG–21) and this is also included in the guide issued with this regulation.

7. *Informing recipients of provider names and locations.* One respondent interpreted the requirement to mean that recipients were to be given a list of all providers, regardless of the particular type of service needed. This is not intended. States may furnish lists geared to service needs. It was also suggested that the lists be provided only on request; this is not acceptable since such provision is part of the State's responsibility for arranging for services.

8. *Reports and other means for determining application of penalty, and documentation by States.* Respondents suggested both more and fewer reporting and documentation requirements. The Department does not believe it practical to impose additional requirements at this time, since many States do not have the necessary capability. The requirements as stated are the minimum necessary to assure proper application of the penalty, which relates to all aspects of informing families and providing and arranging for services. In administering any statistical reporting system, the Department will allow reasonable time periods for collecting and reporting data. One respondent suggested the reporting system be able to demonstrate that States will develop and maintain standards for quality of care. The statutory provisions relating to the penalty do no provide authority to establish standards for quality of care. However, existing title XIX regulations require States to assure quality of all services (45 CFR 249.10 (a) (8)).

9. *Existing enforcement procedures.* The question was raised whether existing administrative compliance procedures are replaced by the penalty provision. Congress has provided, with the one percent penalty, an additional penalty for nonimplementation. Existing enforcement authorities also remain in effect.

Accordingly, the regulation as proposed with changes noted above in items 4 and 5 has been adopted. A technical change has also been made to clarify that the provision for reconsideration of imposition of a penalty, under section 1116(d) of the Social Security Act, applies to the WIN and family planning sanctions specified in § 205.146 (a) and (b) as well as to the early screening penalty (new § 205.146(d)).

Chapter II, Title 45 of the Code of Federal Regulations is amended as follows:

1. Section 205.146 of Part 205 is amended by adding new paragraphs (c) and (d) to read as set forth below:

§ 205.146 Specific limitations on Federal financial participation under title IV–A.

* * * * *

(c) *Penalty for failure to provide early and periodic screening, diagnosis and treatment of children under Title XIX of the Act*—(1) *General.* Pursuant to section 403(g) of the Act, notwithstanding any other provision of this chapter, total payments to a State under title IV–A of the Act for any quarter of any fiscal year beginning on or after July 1, 1974, shall be reduced by 1 percentage point (calculated without regard to any other reduction under this section), if the State fails to:

(i) Inform all families in the State receiving Aid to Families with Dependent Children under the State's title IV–A plan of the availability of child health screening services under the State's title XIX plan. For purposes of this provision, to "inform" means to notify all AFDC families in writing no less often than annually of the availability of the early and periodic screening, diagnosis and treatment (EPSDT) program under the State title XIX plan by providing pamphlets, brochures, or other written materials, which clearly and specifically describe (A) what EPSDT services are available and (B) where and how they may be obtained. States must also have arrangements to inform those individuals for whom printed material is inappropriate.

(ii) Provide or arrange for the provision of such screening services in all cases where they are requested. This means that a State must:

(A) Inform recipients requesting screening services of the names and locations of providers offering such services, and of the transportation services available under the State plan as required under § 249.10(a) (5) of this chapter; and

(B) Take steps to assist recipients requesting screening services so that such recipients are able to receive them within a reasonable period normally not to exceed 60 days from the date of request.

(iii) Arrange for (directly or through referral to appropriate agencies, organizations, or individuals) corrective treatment the need for which is indicated by such screening services and which is available under the State plan in accordance with § 249.10(a) (3) of this chapter. This means that the State must:

(A) Inform recipients in need of diagnostic and treatment services of the names and locations of health providers offering such services, and of the transportation services available under the State plan as required under § 249.10(a) (5) of this chapter; and

(B) Take steps to assist recipients needing diagnostic and treatment services so that such recipients are able to receive them within a reasonable time period. Initial diagnosis and treatment must be available normally within 60 days of the screening.

(2) *Application of penalty.* (i) The penalty will be applied on a quarterly basis, beginning with the quarter starting July 1, 1974.

(ii) Determination of whether the penalty is applicable will be based on:

(A) Reports from States on actual compliance in practice with the conditions specified in paragraph (c) (1) of this section; and

(B) Such other surveys or reviews as may be deemed necessary by SRS.

(3) *Documentation.* States must be able to document that they have met each condition of paragraph (c) (1) of this section

and shall provide reports thereon as prescribed in this regulation and in Program Regulation Guides and Program Instructions issued by SRS.

(d) *Reconsideration of penalty imposition.* Whenever a penalty is imposed under the provisions of this section, the State shall be entitled to and upon request shall receive a reconsideration of the imposition of the penalty in accordance with section 1116(d) of the Social Security Act and regulations issued thereunder.

2. Section 249.10(a)(3) is revised as set forth below:

§ 249.10 Amount, duration, and scope of medical assistance.

(a) *State plan requirements.* * * *

(3) In carrying out the requirements in paragraph (a) (1) and (2) of this paragraph with respect to the item of care set forth in paragraph (b)(4)(ii) of this section, provide:

(i) For establishment of administrative mechanisms to identify available screening and diagnostic facilities, to assure that individuals under 21 years of age who are eligible for medical assistance may receive the services of such facilities, and to make available such services as may be included under the State plan;

(ii) For identification of all eligible individuals, including those who are in need of medical or remedial care and services furnished through title V grantees, and for assuring that individuals eligible for title V services are informed of such services and are referred to title V grantees for care and services, as appropriate;

(iii) For agreements to assure maximum utilization of existing screening, diagnostic, and treatment services provided by other public and voluntary agencies such as child health clinics, OEO Neighborhood Health Centers, day care centers, nursery schools, school health programs, family planning clinics, maternity clinics, and similar facilities;

(iv) That early and periodic screening and diagnosis to ascertain physical and mental defects, and treatment of conditions discovered within the limits of the State plan on the amount, duration, and scope of care and services, will be available to all eligible individuals under 21 years of age; and that, in addition, eyeglasses, hearing aids, and other kinds of treatment for visual and hearing defects, and at least such dental care as is necessary for relief of pain and infection and for restoration of teeth and maintenance of dental health, will be available, whether or not otherwise included under the State plan, subject, however, to such utilization controls as may be imposed by the State agency. See § 205.146(c) of this chapter relating to reduction in Federal financial participation under title IV–A of the Act for failure to provide early and periodic screening, diagnosis, and treatment of children.

* * * * *

(Sec. 1102, 49 Stat. 647 (42 U.S.C. 1302))

Effective date. These regulations shall be effective July 1, 1974

(Catalog of Federal Domestic Assistance Program No. 13.714, Medical Assistance Program and 13.761, Public Assistance—Maintenance Assistance (State Aid)).

Dated: May 30, 1974.

JAMES S. DWIGHT, Jr.,
Administrator, Social and Rehabilitation Service.

Approved: July 18, 1974.

CASPAR W. WEINBERGER,
Secretary.

[FR Doc. 74–16945 Filed 7–23–74; 8:45 am]

THE HOUSE AND IMPEACHMENT

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1974

Mr. O'BRIEN. Mr. Speaker, the Wall Street Journal has offered us some good advice on impeachment. In an August 2 editorial entitled "The House and Impeachment," the Journal said:

> At this state of the proceedings, every one of the 435 members of the House has a constitutional obligation to face the issue squarely, hear the issues debated and render his own judgment, putting aside bandwagon psychology, preconceptions and fears of political consequences.

The Journal has defined our duty in terms everyone should understand and respect. Its complete editorial follows:

THE HOUSE AND IMPEACHMENT

Broadcast projections that the House of Representatives will impeach the President by a landslide vote, 300 or more in favor, have been creating a bandwagon atmosphere in the capital, with a mass psychology developing not exactly appropriate to a grand inquest. Among the most serious offenders in contributing to this atmosphere are elements of the right wing of the GOP.

The concern in that quarter has little or nothing to do with the pros and cons of the three articles of impeachment reported by the House Judiciary Committee. Rather it is purely and unabashedly political. The assumption is that in his presumed impeachment and disgrace, Richard Nixon will bring down the Republican Party in the November elections, especially decimating the ranks of the House Republicans.

This will occur, so it is reasoned, because there is no way Republican incumbents can vote, aye or nay, without embittering one faction or the other within their core of support at home. A vote to impeach will lose Nixon supporters in the GOP; a vote to not impeach will lose Nixon critics both in the GOP and among the swing voters. The solution, propounded most persistently by William Buckley of The National Review, is for Mr. Nixon to stipulate House impeachment and invite one and all to vote the articles, without prejudice, in order to expedite a Senate trial.

Presidential aide Patrick Buchanan has now floated the idea that this is a possibility. That Mr. Nixon would even consider this option, if he has, would further damage him. It could only be viewed by the public as a sign of panic and an outbreak of political frivolity. If it were done, those House Republicans who attempted to lean on this rationale to explain their abdication of constitutional obligations would deserve the response they would surely get at the polls.

At the same time we find this idea of a harmonized congressional cop-out despicable, we are no less disheartened by the other side of the coin—the bandwagon notion that an avalanche of impeachment votes is already in the bag. If there are now 250 or 300 votes in the bag, the House is dealing in hypocrisy if it does *not* suspend the rules and vote without debate.

For more than a year, the nation has been pulled one way and another by blocs either favoring or opposing the President's impeachment, with charges, evidence and inferences changing from one day to the next. For the very first time, the people can now focus—through their representatives—on genuine articles, on specific charges, and on the evidence in support of same.

By a wide margin, the Judiciary Committee believes it can prove its case to the satisfaction of the House, the Senate and the American people. But there are those on the committee who obviously were not overwhelmed. We cannot discount one iota the intellectual honesty of men like Wiggins of California or Sandman of New Jersey, both of whom were among the minority of Republicans who voted against the unseating of Adam Clayton Powell. There are still two sides to the impeachment argument, and before judging a matter of this overwhelming importance the House has a duty to allow those arguments to be developed to the fullest.

At this stage of the proceedings, every one of the 435 members of the House has a constitutional obligation to face the issue squarely, hear the issues debated and render his own judgment, putting aside bandwagon psychology, preconceptions and fears of political consequences. The process is spelled out in the Constitution and should be allowed to run its due course.

Public reaction to Judiciary Committee members on both sides of the argument has been uniformly favorable. Similarly, those Representatives who have the intellectual honesty to follow the high course and vote their consciences will be able, however they vote, to defend themselves at home.

SENATE—*Monday, August 5, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. J. BENNETT JOHNSTON, JR., a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, whose glory is in all the world; we commend this Nation to Thy merciful care, that being guided by Thy providence, we may dwell secure in Thy peace under Thy higher rulership. Grant to the President, the Congress and all in authority, wisdom and strength to know and to do Thy will. Fill them with the love of truth and righteousness; and make them ever mindful of their calling to serve this people in Thy fear. In these fateful days keep us "one Nation under God," mindful that as we are under Thy guidance, so also we are under Thy judgment and that "the judgments of the Lord are true and righteous altogether." Redeem us by Thy grace for the making of Thy coming kingdom.

We pray in the name of Him who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 5, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. J. BENNETT JOHNSTON, JR., a Senator from the State of Louisiana, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. JOHNSTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, August 2, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. JOHNSTON) laid before the Senate sundry messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills and agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H.R. 15046. An act to authorize appropriations for the U.S. Information Agency, and for other purposes;

H.R. 15736. An act to authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes; and

H. Con. Res. 574. A concurrent resolution authorizing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 15074.

The message also announced that the House had passed the following Senate bills, with amendments, in which it requests the concurrence of the Senate:

S. 3190. An act to authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973;

S. 3270. An act to amend the Defense Production Act of 1950, as amended; and

S. 3331. An act to clarify the authority of the Small Business Administration, to increase the authority of the Small Business Administration, and for other purposes;

HOUSE BILLS REFERRED

The following House bills were read twice by their titles and referred as indicated:

H.R. 15046. An act to authorize appropriations for the U.S. Information Agency, and for other purposes; to the Committee on Foreign Relations; and

H.R. 15736. An act to authorize, change, and repair various Federal reclamation projects and programs, and for other purposes; to the Committee on Interior and Insular Affairs.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXCHANGE OF LANDS ADJACENT TO TETON NATIONAL FOREST IN WYOMING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1013, S. 3489.

The ACTING PRESIDENT pro tempore. It will be stated by title.

The legislative clerk read as follows:

A bill (S. 3489) to authorize exchange of lands adjacent to the Teton National Forest in Wyoming, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported in the Committee on Agriculture and Forestry with an amendment on page 2, line 3, strike out "quarter," and insert in lieu thereof "quarter", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of the Act of March 20, 1922 (42 Stat. 465), as amended and supplemented by the Act of February 28, 1925 (43 Stat. 1090), and the Act of June 11, 1960 (74 Stat. 205), are hereby extended to the following described lands:

TOWNSHIP 41 NORTH, RANGE 116 WEST, SIXTH PRINCIPAL MERIDIAN

Section 34, northwest quarter southwest quarter.

SEC. 2. Lands conveyed to the United States under this Act shall, upon acceptance of title, become parts of the Teton National Forest and shall be subject to the laws, rules, and regulations applicable thereto.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate the following letters, which were referred as indicated:

COMPREHENSIVE STUDY OF CHILD NUTRITION PROGRAMS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, the Comprehensive Study of Child Nutrition Programs (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

FINAL DETERMINATION OF THE INDIAN CLAIMS COMMISSION

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a report on the final determination of the claims of the Potawatomi Indians, et al. v. United States (with accompanying reports). Referred to the Committee on Appropriations.

PROPOSED DISPOSAL OF DETERRENT STOCKS

A letter from the Secretary of the Army advising of the determination made on the disposal of certain deterrent stocks. Referred to the Committee on Armed Services.

REPORTS OF THE DEPARTMENT OF THE ARMY

A letter from the Secretary of the Army transmitting, pursuant to law, reports of the number of officers on duty with Headquarters and detailed to the Army General Staff (with accompanying reports). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION BY THE DEPARTMENT OF THE ARMY

A letter from the Secretary of the Army transmitting a draft of proposed legislation to remove the limitation on the number of cadets or midshipmen who may be appointed from the two-year Senior Reserve Officers' Training Corps Course (with accompanying papers). Referred to the Committee on Armed Services.

PROPOSED FACILITIES PROJECTS BY THE AIR NATIONAL GUARD

A letter from the Acting Deputy Assistant Secretary of Defense notifying, pursuant to law, the Congress of certain proposed facilities projects to be undertaken for the Air National Guard. Referred to the Committee on Armed Services.

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of Department of Defense procurement from small and other business firms for July 1973–May 1974 (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE DEPARTMENT OF STATE

A letter from the Assistant Secretary of State for Congressional Relations transmitting, pursuant to law, a report on deliveries of excess defense articles during the third quarter of fiscal year 1974 (with accompanying papers). Referred to the Committee on Foreign Relations.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into during the past 60 days (with accompanying papers). Referred to the Committee on Foreign Relations.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Actions Recommended To Alleviate Serious Financial Problems Facing United Nations" (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON FEDERAL PRODUCTIVITY

A letter from the Executive Director of the Joint Financial Management Improvement Program transmitting Volume II, Productivity Case Studies (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED PLAN FOR DISTRIBUTION OF PONCA JUDGMENT FUNDS

A letter from the Acting Secretary of the Interior transmitting, pursuant to law, a proposed plan for the use or distribution of Ponca judgment funds awarded in dockets 322, 323, and 324 before the Indian Claims Commission (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

REPORTS OF THE IMMIGRATION AND NATURALIZATION SERVICE

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, reports concerning visa petitions which the Service has approved (with accompanying papers). Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. Res. 329. A resolution relating to the participation of the United States in an international effort to reduce the risk of famine and lessen human suffering (Rept. No. 93-1070).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 1694. A bill to amend the Federal Trade Commission Act to regulate commerce and to assure adequate and stable supplies of petroleum products at the lowest cost to the consumer, and for other purposes (Rept. No. 93-1071).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

S. 3879. An original bill to amend the Mineral Leasing Act of 1920, and for other purposes (Rept. No. 93-1072).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

H. Con. Res. 566. A concurrent resolution to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry (Rept. No. 93-1073).

ORDER FOR STAR PRINT OF COMMITTEE REPORT ACCOMPANYING H.R. 16027

Mr. ROBERT C. BYRD. Mr. President, at the request of the distinguished senior Senator from Nevada (Mr. BIBLE) I ask unanimous consent that there be printed a star print of the committee report accompanying H.R. 16027, the Department of Interior and Related Agencies Appropriation bill for 1975.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bill and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. DOLE:

S. 3878. A bill to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973. Referred to the Committee on Commerce.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

S. 3879. An original bill to amend the Mineral Leasing Act of 1920, and for other purposes. Placed on calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE:

S. 3878. A bill to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973. Referred to the Committee on Commerce.

DAYLIGHT SAVING TIME

Mr. DOLE. Mr. President, I have introduced a bill to exempt the months of November, December, January, and February from the Emergency Daylight Saving Time Energy Conservation Act. In view of the failure of the act to meet the goals initially intended and because of the difficulties the act has caused for many Americans, this bill is necessary to better meet the needs of our society.

In the State of Kansas, we have a large number of farmers and rural residents who have special problems with daylight saving time during any months except the summer months. However, in view of the need to conserve energy and the preferences of urban populations, this bill represents a compromise which hopefully will be an improvement over the existing situation.

ENERGY GOALS NOT MET

The initial goal of year-round daylight saving time—YRDST—was to conserve energy. It has become apparent from the interim report recently published by the Department of Transportation that any energy saved under this measure is highly questionable. The details of this study have been well published and I will not go into them further here. However, it should be noted that the Department of Transportation has recommended that standard time should be used for the period from the last Sunday in October through the last Sunday in February, as provided in my bill.

Contrary to the objective of saving energy, year-round daylight saving time has actually resulted in additional expenditure of energy in some cases. For example, in schools the heat and lights must be turned on at an earlier time under daylight saving time. In addition, many parents find it preferable to drive their children to school rather than have them walk in darkness. Both of these consequences of YRDST result in additional expenditures of fuel and point to the need for modifying the Emergency Daylight Saving Time Act, as I have proposed.

DANGER TO SCHOOLCHILDREN

The most terrible impact of the year-round daylight saving time bill has been in the numerous deaths of schoolchildren in the early morning hours when it is still dark under daylight saving time. The tragic instances which occurred last winter have been well publicized in the press. In addition, numerous parents have contacted me protesting the increased danger daylight saving time has meant for their children, and I am sure every other Member of Congress is well aware of this problem. For this reason alone, daylight saving time should be stopped for the 4 months that I have proposed.

In spite of the fact that the casualties among schoolchildren declined last winter under daylight saving time, it appears that moving the clock backward has a detrimental effect on safety of students going to school in the morning. The decline in student fatalities undoubtedly was at least partially a result of the lower speed limits and the lighter volume of traffic during the energy shortage last winter. The increased danger from daylight saving time is indicated by the increase of fatalities among schoolchildren during the early hours of the day.

Numerous people from the State of Kansas have contacted me here to emphasize this fact and I have personally spoken to many more people of the same opinion in my trips to the State in recent months. I ask unanimous consent that a representative letter from Mr. Norman E. Linton, superintendent of Unified School District No. 328, be entered in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIFIED SCHOOL DISTRICT NO. 328,
Lorraine, Kans., February 13, 1974.

Senator BOB DOLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DOLE: I wish to voice our opposition to Daylight Savings Time for Kansas during the school-term months.

We are not saving energy. In fact, our schools are using more energy in the form of heat and lights since we are commencing the school day one-hour earlier. The after-school activities remain the same and expend as much energy as under Central Standard Time.

The added danger and the nuisance of having students on the roads and streets to school in darkness is ridiculous. The need for daylight to do some types of farm chores often makes a number of our students tardy for school. During the cold months, families are not outside to enjoy any outside or leisure activities after school or work. They are in-doors consuming more energy, of course.

While the question will become moot for this term of school within a few weeks, I do hope that you will seek a re-evaluation of the subject and seek provisions by which Kansas will return to Central Standard Time during September through May, the school-term months.

Sincerely yours,
Norman E. Linton, *Superintendent.*

IMPACT ON BUSINESSES AND AGRICULTURE

Mr. DOLE. Mr. President in addition, daylight saving time has been detrimental to many businesses and to farmers. The measure I have introduced would hopefully permit a more rational time system to be enacted.

The impact of daylight saving time is especially severe for farmers. Farmers, by the nature of their activities, must do most of their work during daylight hours. Those working with dairy herds and other livestock find it especially unnatural to use the daylight saving time schedule. My bill would help reduce this hardship, although the total repeal of daylight saving time during winter months would be much more desirable for the farm population.

In addition, many other businesses have found daylight saving time to be objectionable. Many workers are not as productive during the early hours when it is still dark. Many businesses have found that their sales have declined because of daylight saving time.

The interim study submitted by the Department of Transportation provides inconclusive data on these issues. In order to give the Department adequate time to produce sound conclusions, my bill extends the date for which the final DOT report is due from June 30 to September 30, 1975. Hopefully, that report will give us more precise indications of what actions should be taken on year-round daylight saving time. However, it is clear to me that the modification I have proposed is greatly needed at this time.

Mr. President, a large number of Kansans have clearly stated their position on year-round daylight saving time to me, and it is obvious that a reduction in the period for daylight saving time is necessary. My bill provides that daylight saving time shall exist for a shorter period and I urge every Senator to support this measure.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1975".

Sec. 2. Section 7 of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended by deleting the period at the end thereof and adding ", except that section 3(a) shall not be in effect from 2 o'clock antemeridian on the last Sunday of October 1974 until 2 o'clock antemeridian on the last Sunday of February 1975.".

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

At the request of Mr. Mansfield, the Senator from Washington (Mr. Magnuson) was added as a cosponsor of S. 1694, a bill to amend the Federal Trade Commission Act to regulate commerce and to assure adequate and stable supplies of petroleum products at the lowest cost to the consumer, and for other purposes.

S. 3098

At the request of Mr. Dole, the Senator from New York (Mr. Javits) was added as a cosponsor of S. 3098, a bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the mandatory allocation of plastic feedstocks.

S. 3686

Mr. BEALL. Mr. President, on June 20, 1974 I introduced S. 3686, to reverse a recent Internal Revenue ruling that portions of students loans which were canceled as a result of service in certain professions or service in certain areas, is taxable income.

Cosponsoring this legislation with me were Senators Domenici, Bayh, Young, McGee, Inouye, Pell, Mathias, Dole, and Dominick.

I am pleased that Senators Hollings, Tower, Brock, and Buckley have also agreed to cosponsor this measure and I ask unanimous consent that their names be added at the next printing of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, this measure has also been endorsed by the Association of American Universities. In addition, the American Hospital Association has endorsed the legislation and I ask unanimous consent that their letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

American Hospital Association,
Washington, D.C., July 22, 1974.

Senator J. Glenn Beall, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator Beall: On behalf of the American Hospital Association I am writing to express our appreciation to you for your leadership in introducing in the Senate S. 3686 to render nontaxable any portion of educational loans cancelled or forgiven for service in certain professions or geographical areas where a shortage of health personnel exists.

The purpose of the forgiveness features of the educational loans covered by Revenue Ruling 73–256 is, of course, to encourage students to prepare themselves for certain professions and then to work where their services are urgently needed. By declaring the forgiven portion of such loans taxable income, this Revenue Ruling would have the government take back part of the incentive it provided such students. We think this is wrong and that applying the ruling retroactively would be especially unfair to those who have fulfilled their obligations in accordance with the loan forgiveness provisions in effect at the time they participated in the program.

We hope the Congress will act promptly to nullify Revenue Ruling 73–256 in both its retroactive and prospective aspects by enactment of legislation along the lines of your bill S. 3686, and assure you of our full support in this regard.

Sincerely,

Leo J. Gehrig, M.D.,
Vice President.

S. 3784

At the request of Mr. Stennis, the Senator from Ohio (Mr. Taft), the Senator from South Dakota (Mr. McGovern), the Senator from North Carolina (Mr. Helms), the Senator from Idaho (Mr. Church), and the Senator from Wyoming (Mr. Hansen) were added as cosponsors of S. 3784, a bill to terminate the Emergency Daylight Saving Time Energy Conservation Act of 1973 on the last Sunday of October 1974.

SENATE JOINT RESOLUTION 224

At the request of Mr. Montoya, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of Senate Joint Resolution 224, to authorize and request the President to issue annually a proclamation designating January of each year as "March of Dimes Birth Defects Prevention Month."

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 347

At the request of Mr. Mansfield (for Mr. Inouye), the Senator from Tennessee (Mr. Brock), the Senator from New Jersey (Mr. Williams), the Senator from North Dakota (Mr. Burdick), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Montoya), the Senator from Iowa (Mr. Hughes), the Senator from Texas (Mr. Tower), the Senator from Maine (Mr. Muskie), the Senator from Kentucky (Mr. Huddleston), the Senator from Nebraska (Mr. Hruska), the Senator from Ohio (Mr. Metzenbaum), the Senator from Missouri (Mr. Symington), the Senator from Washington (Mr. Jackson), the Senator from New Mexico (Mr. Domenici), the Senator from Minnesota (Mr. Mondale), and the Senator from California (Mr. Cranston), were added as cosponsors of Senate Resolution 347, authorizing an investigation on the policy and role of the Federal Government on tourism in the United States.

SENATE RESOLUTION 352

At the request of Mr. Moss, the Senator from Maine (Mr. Muskie), was added as a cosponsor of Senate Resolution 352, to amend rules XXV and XVI of the standing rules of the Senate with respect to jurisdiction of energy research and development matters, and for other purposes.

AMENDMENT OF FOREIGN ASSISTANCE ACT—AMENDMENTS

AMENDMENT NO. 1767

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. McGEE. Mr. President, today I am submitting an amendment to S. 3394, the foreign assistance authorization bill for fiscal year 1975, which would provide an additional authorization for the Gorgas Memorial Institute of Tropical and Preventive Medicine located in the Republic of Panama.

Financial assistance for the Gorgas Institute was pledged by the 70th Congress of the United States when Public Law 350 was enacted in 1928. That law committed the United States to permanent annual contributions to the institute for the operation of a Gorgas Memorial Laboratory.

Gorgas Memorial Institute has operated since its inception as a technical institution committed to conduct research in the biomedical sciences on diseases of the tropics. Its objectives are to help prevent disability, defect, and death from exotic diseases.

The U.S. contribution was originally made to the Gorgas Memorial Institute through the Department of State. In 1954, this responsibility was transferred to the Public Health Service, specifically, the National Institute of Allergy and Infectious Diseases—MIAID.

The laboratory, strategically located in Panama where the natural biocommunication route between North and South America forms, has been likened to a southern disease early warning system for the United States.

Under the present contractual agreement with NIAID, which expires in December of this year, Gorgas has operated, since 1972, the Middle America Research Unit—MARU—1-mile distant in the Canal Zone. The operation of this unit has increased Gorgas' research capabilities, especially in the arbovirus and viral diseases.

Throughout the years, the Congress has reaffirmed its support of the Gorgas operation by increasing the U.S. contributions and providing funds for the construction of one of the research facilities now in use. This has been accomplished through five amendments to the original act, the most recent in 1965, setting a ceiling of "not to exceed $500,000" as the permanent annual congressional authorization. The basic U.S. contribution has thus remained at the same level for the past 8 years. Clearly, there is an urgent need for a substantial increase to this basic contribution, if Gorgas is to maintain its professional competence and its consolidated current programs, which include vitally important viral disease and ecological studies.

As indicated earlier in my statement, the Gorgas Memorial Institute assumed operation of the MARU laboratory in 1972, with one-time funds of $1,676,786 allotted until December of this year. In addition to the annual permanent congressional contribution of $500,000 provided for through the Fogarty International Center of the National Institutes of Health, Gorgas also received research grants and contracts through the National Institutes of Health, the Departments of the Army and Navy, and from other sources, totaling $1,198,470 in fiscal year 1974. Budget projections at the same operational level during fiscal year 1975 reflect an overexpenditure of $615,000 of which $400,000 is the result of the termination on December 23, 1974, of the contract for the operation of the MARU unit.

On March 13, 1974, the Subcommitte on Inter-American Affairs of the House Committee on Foreign Affairs, held hearings in support of an increase to the current Gorgas annual authorization. As a result of the hearings, the Hon. DANTE B. FASCELL, subcommittee chairman, introduced H.R. 15887 providing for an increased authorization for Gorgas.

At present, there is pending before the Senate Labor; Health, Education and Welfare Appropriations Subcommittee an add-on request for $500,000 in funding for Gorgas to permit the uninterrupted operation of the vitally important program conducted at the MARU laboratory. The purpose of my amendment is to authorize the appropriation of these funds.

The Gorgas' MARU laboratory is the only laboratory in Central America where yellow fever isolations can be ascertained. There is a current wave of jungle yellow fever moving toward the Canal Zone. It has been reported by the MARU laboratory that there were two isolations of yellow fever, collected from mosquito pools on June 11, 14, and 15, in an area 9 kilometers closer to the Canal Zone than the area in which three deaths occured this last February. The obvious fact that jungle yellow fever in Panama is moving west toward the Canal Zone is a very serious development of which only the MARU laboratory is capable of handling.

Therefore, it is my hope that the committee would approve my amendement which would authorize such sums as may be necessary to continue the present level of operation of the Gorgas Institute's MARU laboratory. If the committee fails to approve the authorization, it will result in the need to fire several highly skilled scientists and researchers who can never be replaced.

I ask unanimous consent that the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1767

At the end of the bill add the following new title:

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 11. The first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, as amended (22 U.S.C. 278), is amended—

(1) by striking out "the sum of not to exceed $500,000, to be paid"; and

(2) by inserting immediately after "(hereinafter referred to as the Gorgas Memorial Institute)," the following: "such sums as may be necessary".

AMENDMENT NO. 1769

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. JAVITS submitted an amendment intended to be proposed by him to the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 1779

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. KENNEDY. Mr. President, I am submitting an amendment today to the Foreign Assistance Act of 1974, S. 3394, to terminate all military assistance to Chile.

Since the overthrow of the Allende government last September 11, reports from Chile consistently have reflected widespread violation of human rights by the authoritarian military junta now in power.

Shortly after the coup, the Senate Subcommittee on Refugees held a public hearing into the condition of refugees and of human rights in Chile. Testimony at that hearing and subsequent reports of respected international groups disclosed the existence in Chile of summary executions, of torture, of mass arrests, of the deaths of two American citizens, and of continued threats to foreign nationals. Those reports prompted me to introduce an amendment to halt all military aid to Chile. That amendment to the fiscal year 1974 foreign aid appropriations bill was adopted by the Senate on December 17, 1973. However, it was deleted in conference.

Unfortunately, in the months since that action, the situation in Chile has not seen a return to the traditional Chilean respect for and protection of human rights. In fact, a series of reports from respected international organizations such as the International Commission of Jurists and Amnesty International as well as private contacts that I have had with both Chilean and third country individuals and agencies convince me that a systematic disregard for human rights continues today in Chile.

Amnesty International, in a letter to General Pinochet, stated:

> Contrary to some statements issued by Chilean Governmental officials abroad, there is substantial evidence of a persistent and gross violation of the most fundamental human rights.

The report went on to charge continuation of summary executions and torture, not only during their November visit, but up to the time of their letter of December 31, 1973.

In February, an ad hoc group of U.S. union officials, professors, lawyers, and church officials traveled to Chile. Their report was presented on February 28 at a congressional conference on the situation in Chile. It, too, disclosed thousands of "politically motivated detentions," the absence of effective legal process, the continued use of torture, the use of economic sanctions against those suspected of being in sympathy with the previous government and other violations of human rights.

In March, following a lengthy debate by the Commission on Human Rights of the United Nations, a telegram was isued by the United Nations. It stated:

> The Commission on Human Rights, while considering the obligation of all states under the charter of the United Nations to promote universal respect and observance of human rights and fundamental freedoms, has considered with deep concern numerous reports from a wide variety of sources relating to gross and massive violations of human rights in Chile in contradiction with the Universal Declaration of Human Rights and other relevant international instruments ratified by a great number of countries including Chile.
>
> The Commission on Human Rights, which has consistently deplored all violations of human rights, calls upon your Government for the immediate cessation of any kind of violations of human rights committed contrary to the principles of the United Nations Charter and other international instruments including the International Covenants on Human Rights.

In April, the International Commission of Jurists sent a delegation to Chile to inquire into the legal situation with regard to human rights. Its three-man delegation included Covey T. Oliver, former U.S. Ambassador to Colombia and former U.S. Assistant Secretary of State for Inter-American Affairs.

In May, the preliminary report of the delegation was released, expressing the "view that present judicial procedures and safeguards do not meet the minimum standards which Chile is bound to observe under article 3 of the Geneva Conventions, 1949." The report also stated:

> We received most convincing evidence to support the declaration of the Catholic Bishops on April 24, 1974, that there are "interrogations with physical and moral pressure." We believe that the various forms of ill-treatment, sometimes amounting to severe torture, are carried out systematically by some of those responsible for interrogation and not, as many people sought to persuade us, in isolated instances at the time of arrest.

A study mission of the Senate Refugee Subcommittee traveled in Chile in April as well. It included former U.S. Ambassador to Chile Ralph A. Dungan, former State Department Latin American expert John N. Plank, and Mark L. Schneider of my staff.

Their report, after its conclusions and recommendations previously had been communicated to the junta, was given to the Senate Subcommittee on Refugees at a public hearing on July 23, a summary of which appears in the RECORD of July 23 at S13243.

That testimony once again disclosed—contrary to the continued assurances of the Chilean Government and its representatives—the existence of a systematic, flagrant and continuing disregard for human rights in Chile. They found arbitrary arrest and indeterminate detention without charge. Some 6,000 persons, according to junta statistics, were under detention at the time of their trip. Other sources cited additional persons under detention at less permanent detention sites throughout the country. Last week, the State Department reported that Chilean officials still acknowledge that some 6,000 persons are detained.

The study mission also noted that the Chilean habeas corpus protection had been suspended. Torture and mistreatment of prisoners continued. Some prisoners were held incommunicado for months. Others were permitted to see their families on a somewhat regular basis, but briefly. Most never had a chance to see lawyer. Due process appeared limited in all instances; totally absent in some. Schools and colleges were under military control. Freedom of the press did not exist. Many thousands of individuals were fired arbitrarily for their political beliefs from public and private employment. Labor unions were barred from striking and restricted in their normal activities.

The study mission also noted that the Congress had been closed; the Constitution abridged; political parties abolished or suspended; and the number of Chilean refugees in neighboring countries was rising.

In May, the Inter-American Commission on Human Rights of the Organization of American States sent a telegram to the junta in which it stated:

> During this session, the study of the present situation of human rights in Chile has taken a great part of our time. On the one hand, we have examined those individual cases, clearly determinable, in which the violation of certain fundamental rights of one or several specified persons has been denounced. But, in addition, it has been necessary to analyze separately that which we might call a "general case," that is, the aggregation of charges from different sources according to which there is a policy in Chile which would imply, according to the claimants, the systematic disregard of fundamental human rights.

After some delay, the Commission was granted permission to visit Chile. Its recommendations were made public on Friday in Santiago. According to news reports, they indicated the Commission "had found evidence that torture is used in interrogations of political prisoners, that people detained without charges are required to do hard labor, that Chileans sometimes disappear for days or weeks after being seized by police or military intelligence services and that military courts have limited lawyers' access to their clients and tried people under wartime rules, for acts committed before the September 11 coup."

In June, other observers, including the former Attorney General of the United States, Ramsey Clark and New York City Criminal Court Judge William Booth, traveled to Chile. They visited the trials, now concluded, of former air force officers and several civilians who had held posts in the previous government of Salvadore Allende. Recently, the sentences were announced. They included four death sentences. Hopefully, those sentences will be commuted particularly since the former Attorney General and Judge Booth described the proceedings as "show trials." They cited, along with other observers the lack of due process in the military court martial proceedings which operate for military and civilian alike.

One attorney was thrown out of court for speaking "too warmly" of Allende. Another was reprimanded for reporting that his clients had been tortured. Virtually all defendants were prosecuted on the basis of "statements" given by others who were themselves under indictment or under detention. And many of these defendants had told their families and their visitors of the systematic torture used during interrogations to obtain those "statements." The full texts of former Attorney General Clark and Judge Booth's opening testimony to the Refugee Subcommittee are reprinted on pages 25962–64 of the CONGRESSIONAL RECORD of July 31, 1974.

Despite this unrefuted testimony from numerous respected international organizations and knowledgeable individuals, the attitude of the U.S. Government has been one of "business as usual." Despite the passage last fall of my amendment and its signature into law, stating the sense of Congress that—

> The President should request the Government of Chile to protect the human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, the Convention and Protocol Relating to the Status of Refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners.

There is little evidence of forceful U.S. Government action.

The most obvious, and to me, the most unacceptable evidence of our policy has been the military aid program.

The administration has requested a near doubling of its fiscal year 1974 budget proposal for military assistance to Chile. Originally, a $10 million military credit sales program for fiscal year 1974 was recommended. Following the coup, that figure was increased to $15 million, a 50 percent hike. In its budget request for fiscal year 1975, the administration recommended another substantial increase, to $20.5 million, for credit sales and another $800,000 to support the training of Chilean military officers.

With a virtually unchallenged verdict of respected international organizations and respected jurists and scholars of a continuing pattern of gross violations of human rights in Chile, I believe the proposal for additional military aid to Chile to be unjustifiable and unacceptable. It contrasts with the announcements of Britain and France to withhold military equipment and it signifies a disturbing lack of commitment to basic human rights on the part of the administration.

For these reasons, I am submitting this amendment, which I ask unanimous consent to be printed in the RECORD, along with several articles, to halt all military aid to Chile.

There being no objection, the amendment and articles were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1779

On page 6, between lines 23 and 24, insert the following:

(4) At the end thereof add the following new section:

"SEC. 514. Termination of Assistance to Chile.—No funds made available under this chapter or the Foreign Military Sales Act may be obligated to furnish assistance to Chile on or after the date of enactment of this section.".

[From the Washington Post, Aug. 3, 1974]

"JUSTICE" IN CHILE

The "Justice" of the victors is being relentlessly administered in Chile by the officers who overthrew the Allende government last fall. Given the chaos of his last days, it is conceivable that some of Allende's supporters sensed that a coup was coming and hoped to forestall it by creating a power center of their own within the Chilean armed forces. At any rate, the coup came, destroying any such hopes, and the would-be hunters became the prey. The officers who had seized power looked about them for a dramatic way to legitimize their authority, to convince others inside and outside Chile that they had indeed saved the country by their own intervention. For Chileans are, despite their recent trauma, a law-minded people, and even the new leaders appreciate the benefits of winning their countrymen's respect. To fulfill this vital legitimizing purpose, they decided on a mass trial of Allende supporters, who were accused of trying to take over a substantial part of the Chilean air force. Sentences were handed down in that trial the other day.

Now, only in a country as politically riven as Salvador Allende's Chile could a group of 54 air force men (and 10 civilians) have contemplated a kind of coup within one branch of the armed forces in order to assure military support to keep the elected government in power. That is a fair measure of how things were in Santiago at that time. But only in a country as politically restrictive as General Pinochet's Chile would these defendants have been tried with so little a sense on the government's part of its own basic illogic.

Note that, despite government promises of a prompt public trial, a considerable number of Allende's civilian officials have remained in prison or otherwise under detention for almost a year, untried and uncharged. But apparently the military was offended by the thought that some of its own—air force men—supported Allende. The military perhaps also wanted to intimidate would-be dissenters still within its ranks. These seem to be the particular reasons why the 60-odd defendants were brought to trial before an air force court martial. That court sentenced four of them—a former Socialist Party leader, and a colonel, captain and sergeant—to be shot, while 56 others received prison terms. Carrying out those sentences is a virtually certain way to build more hate and bitterness into Chilean society, which is desperately in need of a turn toward domestic peace.

In a trial where the crime charged is essentially loyalty to the previous government, there can be no question whether the trial is political: It is. Nonetheless, the Pinochet leadership permitted foreign observers to attend the sessions that were open—presumably to bear witness to the correctness of the proceedings or, at the least, to attest to the good faith of the Santiago junta. Whether the observers, simply by going, sanctioned the purpose of the trial would seem to be a fair question. Anyway, the reports of the several American observers, made to the Kennedy and Fraser congressional subcommittees, hardly gave the junta the clean bill of health it desired. The torture of political prisoners still goes on, the observers reported. Due process is an occasional thing. The exodus of political refugees runs high.

Official American interest in how the Chilean government lives up to international standards of human rights is hard to perceive. American military aid is high and getting higher. And in respect to Chile there is not even the excuse, offered most recently for instance, in respect to police excesses in South Korea, that the United States has strategic interests requiring it to look the other way.

[From the Washington Post, Aug. 4, 1974]

OAS GROUP URGES CHILE STOP TORTURE

(By Joseph Novitski)

SANTIAGO, CHILE.—The Human Rights Commission of the Organization of American States has recommended to the Chilean military junta that it stop physical and psychological torture, punishment without trial and pretrial detentions that amount to prison terms.

The recommendations, made privately to the government on Monday and given to the press last night, were the result of the first on-the-spot investigation of human rights violations in Chle by an international organization. Members of the Human Rights Commission spent two weeks in Chile talking to government officials and detainees and visiting prison camps, detention centers and military courts. They were not permitted to visit three military installations identified by detainees as torture centers.

The eight members of the commission did not make public the findings of their investigation. However, the 11 recommendations they made to the government clearly implied that they had gotten behind the increasingly easy-going normality of daily life in Chile and looked at the continuing repression of known or suspected Marxists since President Salvador Allende was overthrown last year.

The commission's recommendations indicate that it had found evidence that torture is used in interrogations of political prisoners, that people detained without charges are required to do hard labor, that Chileans sometimes disappear for days or weeks after being seized by police or military intelligence services and that military courts have limited lawyers' access to their clients and tried people under wartime rules, for acts committed before the Sept. 11 coup.

The Human Rights Commission, a permanent body of the OAS, is limited in its ability to investigate charges of human rights violations by requirements that it work with the government that has been accused. The governments of Cuba, Guatemala and Brazil, for example, have refused to allow commission representatives to visit their countries.

The OAS as a whole has never taken action on allegations of human rights violations by a member country, and in June tabled a commission report on torture in Brazil.

The government's decision to permit the commission to visit Chile appeared to be part of an effort by the junta to improve its international image. The jurists from the United States, Argentina, Brazil, Bolivia, Chile, Mexico, Venezuela and Uruguay said the government had cooperated with their mission.

Carlos Dunshee de Abranches of Brazil, vice president of the commission, called the Chilean foreign minister's response to their recommendations "positive." That response was not made public immediately, but Santiago's pro-government newspapers published, the commission's recommendations prominently today without comment.

In the military view, Chile's image has been hurt over the last 7 months by the very reports that the OAS commission came to investigate. Government officials and individual officers have dismissed the reports of violations of human rights as Communist propaganda. They have termed the individual Chileans, foreign journalists and church groups that have reported on the details and dimensions of repression here Communists, bad Chileans or Marxist dupes.

"They told me that they're always being lied about," U.S. Secretary of the Army Howard Callaway said last month at the end of a courtesy visit to Chilean army officials. "They categorically and adamantly denied that this (torture) was happening and showed me orders that had gone out. They said some soldiers had disobeyed these orders and had been punished."

There is no doubt that Communist and Socialist parties outside Chile particularly in Western Europe, have organized a continuing campaign to denounce repression of leftists and others in Chile.

However, no communist or socialist countries belong to the OAS, a regional diplomatic grouping of the United States and 22 Latin American and Caribbean countries.

While the commission was here, according to an official estimate, 5,800 people were being held for political offenses in Chile, a country of 10 million.

About one-third of those held have had no charges lodged against them.

Hundreds of people most of them women, went to the offices set up by the commission to add to the list of complaints before it. According to members of the commission, many came to report that relatives had disappeared after being detained.

While the commission was here, Jorge Montes, a Communist senator during Allende's government, was arrested with his wife and daughter. Relatives could not find out from junta officials where they were being held for more than a week.

Also during the commission visit, an air force court martial condemned a Socialist lawyer and three air force men to death for treason, for their role in supporting the Allende government.

The sentences, junta spokesmen emphasized are subject to review by the commander of the Santiago air force garrison and by Gen. Augusto Pinochet, the leader of the junta. While the OAS commission was here, officials hinted that one or both of the officers would probably be moved to commute the sentences.

[From the Washington Post, Aug. 2, 1974]

CHILE JUNTA DEALS DEMOCRACY OUT OF LONG-TERM PLANS

(By Joseph Novitski)

SANTIAGO.—The Chilean military junta, after governing for 10 months with improvised policies and structures, has settled down for a long stay in power.

The junta, which replaced President Salvador Allende after the coup in which he died last September, began its tenth month by reordering the country's government, burning the national voter registry and breaking off relations with Chile's largest political party, the Christian Democrats. It all added up to a declaration that the military plans to govern for an indefinite span, without elections or organized civilian political support.

Government spokesmen, when asked how long military rule may last, answer, "We have plans, not deadlines."

The plans are for the long term and on a large scale.

"If we don't do big, lasting things, we might as well go home now," an adviser to the junta said recently.

Thus far, in what it calls "the second stage," the junta has made known its intention to rebuild the economy, to make it grow with the help of foreign investment, to reduce and reorganize the government bureaucracy and to enforce a total ban on civilian political activity by continuing the detentions and military-court trials that have been the rule since last September.

The first step of government reorganization came late in June, when the armed forces agreed to shift from a four-man junta to a one-man presidency. Since the military overthrew Allende and uprooted his Marxist-oriented government, the commanders of the army, the navy, the air force and the *carabineros,* Chile's national police force, had exercised the powers of the presidency. They also took over the law-making power of the Congress, which was closed last year.

Now, Gen. Augusto Pinochet, commander-in-chief of the army and leader of the junta, has been named president for an indefinite term with the formal title of "supreme chief of the nation."

The point of the change, government sources said, was efficiency. The four-man junta had been slower in reaching decisions than one would be, they said. The commanders of the army, navy, air force and police have retained the role of drawing up laws for promulgation by decree.

Pinochet's rise also represents the ascendancy of the Chilean army over the navy, air force and police. Some civilian observers, believing that the army officers in government had shown more moderation than air force and navy officers, thought this might mean an easing of repression. This has not yet been the case.

Chilean families report that men and women are still disappearing for days and sometimes weeks. A businessman told friends recently he had been arrested, held for four days alone in a tiny cell and then released without charges.

While Gen. Pinochet was forming a new Cabinet of 14 military men and 3 civilians, two of them technocrats with international reputations the government burned the national voter registration records. A government spokesman explained that the lists of a 4 million voters were "notoriously fraudulent." No plans were announced for making new lists or reregistering voters.

The remote expectation that the junta might call elections to carry out its announced aim of restoring Chilean democracy disappeared with the electoral records. There remained another possibility, suggested to the junta by leaders of the Christian Democratic Party. The party leadership, who opposed Allende and publicly accepted the coup as a necessary evil, had hoped for a return to civilian government within three to five years.

That hope, according to Christian Democrats familiar with party affairs, disappeared when the junta publicly broke off its semipublic relations with the party in July. Formally, there has been no political party activity in Chile since the junta outlawed the country's Marxist parties and declared the others, including the Christian Democrats, in recess.

During the recess, Christian Democratic leaders continued to meet privately. Last January they presented a memorandum to the government that criticized the military's treatment of prisoners and its disregard for legal and human rights. Also in January, former Sen. Patricio Aylwin, recognized by the junta as the party's president, suggested privately to a military minister that Christian Democrats saw no need for more than five years of military dictatorship in Chile.

It was not Christian Democratic political opinions, but censorship imposed on a Santiago radio station owned by the party that caused the party's complete break with the junta.

After an exchange of letters, the government called the party an "instrument of international Marxism" and told Aylwin bluntly to keep a respectful tongue in his head when he spoke to the military government.

Christian Democrats said the government's move looked like a signal from the army that its contacts with Christian Democrats were at an end.

Some party leaders said the break helped the party overcome the reputation of having helped in the coup. Even former President Eduardo Frei, the grand old man of Chilean Christian Democracy who had gone, with other former presidents, to a thanksgiving Mass with the junta last year, was reliably reported to be critical of the military government now.

"In the end it's probably better this way," said a Christian Democratic lawyer. "They tell us to shut up and we stop arguing. It shows everyone that this is a dictatorship and that's that."

---

73 Socialists on Trial in Southern Chile

Santiago, August 1.—Seventy-three members of the outlawed Socialist Party are being tried on charges ranging from the illegal possession of arms to treason by a court martial in the town of Linares, about 172 miles south of Santiago, lawyers for the accused said today.

The lawyers said the prosecutor had demanded death penalties for four of the defendants charged with assisting the enemy during a state of internal war.

[From the New York Times, Aug. 4, 1974]

Chile Gets Suggestions

Since the overthrow in Chile of the government of Dr. Salvador Allende Gossens, there have been repeated charges of torture and other abuse by the military regime of its political prisoners. Last week a human rights committee from the Organization of American States implicitly confirmed those charges, calling on the regime to ban the application of physical and psychological pressure on detainees.

The six-nation group, after 15 days of inquiry into allegations that human rights were being violated by the junta, did not in its statement explicitly accuse the regime. It confined itself instead to suggestions that human rights should be honored. Among its "suggestions" was a proposal that the Government inform families of detainees that their relatives were being held, and the reasons.

ENERGY REORGANIZATION ACT OF 1974—AMENDMENT

AMENDMENT NO. 1768

(Ordered to be printed and to lie on the table.)

Mr. TAFT. Mr. President, today I am submitting an amendment to S. 2744 the Energy Reorganization Act of 1974, to repeal daylight saving time from the last Sunday in October through the last Sunday in April.

As I have said previously on a number of occasions in the Senate Chamber, I do not believe year-round daylight saving time has saved a material amount of energy, and I know it has proved to be a major inconvenience and hardship to many Americans. The Department of Transportation has issued its report on the effects of the daylight saving time experiment, and the report recommends that DST be continued for only 8 months, rather than 12.

The report states that the effects were so small after the January 6, 1974 transition, that they could not be reliably separated from effects of other changes occurring at the same time. These other changes included fuel availability constraints, speed limit reductions, Sunday gasoline station closings, and voluntary reductions in the use of lighting, hearing, and unnecessary travel.

Year-round daylight saving time may have resulted in a flattening of the daily peakloads and a decrease on the order of 0.75 percent of our daily consumption of electricity for January and February. Savings of approximately 1 percent for March and April in fuel consumption for electricity production are inferred only from the experience of transitions to DST in previous years. The savings of 1 percent of our electricity consumption translates into six-tenths of 1 percent of our daily consumption of 17 million barrels of oil per day. The predominant fuel saved is coal, but we are not short of coal. The estimated savings of oil, the commodity in shortest supply, is minuscule, 14,500 barrels a day.

No significant effects on traffic safety can be attributed to winter daylight saving time, according to the report.

In my State of Ohio, the Columbus Board of Education noted fears of parents whose children had to go to school in the darkness last winter. The board sent questionnaires to the parents, asking if a later school opening would be beneficial and helpful; 66.4 percent of the schools indicated they would prefer a later starting time. However, the school board, anticipating congressional action on this matter, has delayed any change.

Elementary schools many times begin the school year in August, this month. The Congress must take action swiftly, if it is to help school districts across the country avoid another year of inconvenience for many families, who must drive their children to school, if they do not want them to walk in the dark. If we act now, we can insure that chaos will be avoided, and school officials will not have to change their opening hours in the middle of the school year.

The Commerce Committee has indicated to my staff that hearings are not expected to be held on this matter before the end of this session; therefore, I feel it is imperative that the Senate take action on the floor to rectify this situation.

I ask that the amendment be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1768

On page 91, after line 15, insert the following:

TITLE V—TERMINATION OF EMERGENCY DAYLIGHT SAVING TIME

OCTOBER 1974 TERMINATION

SEC. 501. Section 7 of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended by striking out "April 1975" and inserting in lieu thereof "October 1974".

AMENDMENT NO. 1776

(Ordered to be printed and to lie on the table.)

Mr. PERCY. Mr. President, I am today introducing, with my colleagues Senators DOMENICI and MONTOYA, an amendment to S. 2744, the Energy Reorganization Act. The purpose of our amendment is to assure that the Administrator of the new Energy Research and Development Administration—ERDA—will devote particular attention to preventing a shortage of manpower to accomplish the energy R. & D. mission.

With the rapid expansion in energy R. & D. programs projected over the next 10 years, and the long-term decline in college trained engineers over the last 7 years, the United States faces the possibility of a severe manpower shortage in the technical and scientific fields. Such a shortage would be a serious blow to our Nation's efforts to develop economically viable alternatives to fossil fuel energy sources in the years ahead.

Surveys on the need for engineering manpower and nuclear manpower were reported in the June 1974 issue of Nuclear News. One independent study concluded that "the nuclear industry is facing a nuclear manpower shortage that will severely limit the country's nuclear power program unless steps are taken immediately to correct the situation." The same could be said of other energy industries and energy research and development endeavors.

In order to insure that the manpower situation is monitored closely and that training efforts are supported adequately, our amendment would add two important responsibilities to those of the ERDA Administrator:

First. He would be charged with assuring the collection, analysis, and dissemination of manpower supply and demand data relating to energy R. & D.

Second. He would be responsible for recommending educational programs in universities, colleges, and vocational schools, and for carrying out such programs when authorized by the President and the Congress. Through these educational programs, the Administrator would help assure that a shortage of manpower would not become a deterrent in the accomplishment of the energy R. & D. programs.

The function of recommending appropriate education support programs to assure an adequate supply of technical manpower would be specifically assigned to an officer of ERDA compensated at Level V of the Executive Schedule.

In the development of this amendment, we are indebted to the Education Division of the American Nuclear Society and particularly to its chairman, Dr. Robert L. Long, professor of nuclear engineering at the University of New Mexico. The tireless efforts of Dr. Long and his colleague, Dr. Jack Ohanian of the University of New Mexico, have brought the issue of a potential shortage of scientific and technical manpower to the attention of educators throughout the country, as well as the Federal agencies concerned with technical manpower training.

Mr. President, I ask unanimous consent that our amendment be printed in the RECORD, along with the supporting material from Nuclear News and the Education Division of the American Nuclear Society.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1776

On page 32, line 15, after the period, add the following:

"One of these officers shall be assigned the responsibility for recommending appropriate educational support programs to assure an adequate supply of technical manpower."

On page 35, strike out line 16.

On page 35, line 19, strike out the period and insert in lieu thereof a semicolon.

On page 35, between lines 19 and 20, insert the following:

"(9) assuring the collection, analysis, and dissemination of manpower supply and demand data relating to energy research and development; and

"(10) helping to assure that at no time shall a shortage of manpower be a deterrent in the accomplishment of energy research and development programs by recommending, and carrying out when authorized by the President and the Congress, educational programs in universities, colleges, and vocational schools."

EDUCATION DIVISION,
AMERICAN NUCLEAR SOCIETY,
Hinsdale, Ill., June 20, 1974.

To: Nuclear Engineering Department Heads, Committee and Education Division. Executive Committee

From: R. L. Long and M. J. Ohanian.

Subject: AEC and GOCO Professional level manpower requirements—Report of meeting with AEC personnel—June 13, 1974.

I. INTRODUCTION

At the invitation of Mr. Harold Young, USAEC Division of Biomedical and Environmental Research (DBER), Professors Long and Ohanian participated in a half-day meeting at AEC Headquarters on AEC and GOCO professional level manpower requirements.

The following AEC Headquarters personnel participated in the meeting chaired by Mr. Young: L. Bogart, CTR; Betty Lockridge, DBER; W. Bixby, RSR; R. Davis, REG; June Chewning, LABR; A. Katz, RRD; W. Burr, Deputy Director, DBER.

The main objectives of the meeting were to discuss and review:

1. Manpower needs over the next 2–5 years in the areas of engineering, health physics, and environmental protection by degree level and extent of specialization.
2. Evaluate means by which AEC training programs can help meet these needs.
3. Flexibility of university programs to meet the identified requirements.
4. Level of AEC support necessary at the various degree levels to produce the current and projected manpower requirements.

II. MANPOWER REQUIREMENTS

Each division representative present at the meeting reviewed the manpower requirements for his division and its associated GOCO organizations. These presentations are summarized below:

Reactor Safety Research (RSR): The needs of this division are reflected primarily in the needs of its primary contractor Aerojet Nuclear/Allied Chemical. Dr. Bixby stressed that the mission of the division is to upgrade and advance the present safety technology, i.e., development rather than research emphasis. RSR's manpower needs can be summarized as follows:

Total engineering/science registration		Bachelor of science	Master of science	Doctor of philosophy
Fiscal year 1975	226	105	90	31
Percent		(46)	(40)	(14)
Fiscal year 1976	185	76	67	22
Percent		(46)	(41)	(13)

For both fiscal years the breakdown among the various disciplines is approximately: 40% mechanical engineers, 20% nuclear engineers, 28% other engineering (i.e. chemical, civil, electrical and materials), 12% physics and mathematics. The breakdown between BS/MS/PhD requirements in each discipline very closely follows the breakdown between degrees shown above.

Mr. Bixby noted that RSR preferred experienced people, but because of the ever increasing competition for such people the Division is increasing its participation in the AEC intern program. It was noted by AEC personnel that recruitment for this program during FY '74 did not go well. Although the quality of applicants was very high, the acceptance rate was running well below 50% due to the severe competition from all sectors of the nuclear industry.

Reactor Research and Development (RRD): Dr. Katz briefly reviewed RRD's requirements at headquarters; he had not been able to obtain all the necessary information from their GOCO's and agreed to provide this information within the next 2–3 weeks.

RRD's FY '75 requirements closely parallel their FY '74 needs which are summarized below:

In FY '74 48 college graduates were hired: Of these 28 were at the MS/PhD level. At the BS level hirees are primarily recruited into the intern program (first year at Headquarters, second year at school full-time for Master's degree, third year at an AEC lab).

The present technical staff breakdown at RRD is approximately as follows: ME–52, ChE–30, Materials–20, Physics–23.

Regulatory (REG): This division continues to experience very significant growth, reflecting the demands being placed on regulatory activities due to the major expansion in the nuclear industry (e.g. regulatory has 156 licensing cases to review at present). In FY '68 this division had 250 personnel at headquarters and its regional offices; in FY '74 it has 1218 personnel.

For FY '75 OMB authorization calls for no less than 345 (and possibly as many as 571) additional personnel of which 280 (460) will be technical people. This figure does not include an additional 100 technical personnel for a safeguards division proposed under the new Nuclear Safety and Licensing Commission (NSLC) nor an additional 400 management and support personnel which will be required when the NSLC is established as a separate agency.

Mr. Davis presented the following projections for technical manpower requirements to satisfy the needs at Headquarters, regional offices and laboratory support functions: (these figures are projected total *employment* levels)

B.S./M.S.	Fiscal year— 1974	1975	1976	1977
Chemical engineering	14	31	35	41
Electrical engineering	8	19	21	25
Nuclear engineering[1]	350	900	955	1, 100
Civil	13	30	33	39
Materials	6	13	44	16
Mechanical engineering	105	127	192	258
Health physics	114	258	289	339

[1] That is all personnel involved directly in nuclear activities (for example, some may be M.E. degree holders doing nuclear work).

From the above, it is clear that this demand, especially in the nuclear engineering area, cannot be met (estimated NE BS/MS degree production for FY '74 is 551/442). Mr. Davis indicated that they expect to establish on-the-job training programs for non-N.E.'s. He also noted that the acceptance rate on the intern program had dropped below 50% (three years ago the typical rate was 80%) and ascribed this directly to the major growth in the private sector (he mentioned that at the ANS San Francisco Meeting, Nov., 1973 an all time high of 27 organizations were in a "high recruitment profile".)

Controlled Thermonuclear Research (CTR): No data on manpower needs was presented by this Division; the division representative Mr. Bogart referred us to our discussions with Dr. Bussard during our April visit. At that time, Dr. Bussard had noted the need in FY '75 for 500-600 additional technical personnel about half of whom are to be nuclear engineers.

Labor Relations (LABR): Ms. Chewning presented some data showing the significant reduction in engineering enrollments which will make the engineering manpower supply situation rather acute during the next few years. (Appendix I). She also provided data for R & D employment in AEC laboratories by degree level and compared this to the breakdown for non-AEC laboratories (Appendix 2).

III. EXPANSION OF AEC TRAINING PROGRAMS TO MEET THESE NEEDS

Considerable discussion followed regarding the ways that these manpower demands can be met. Clearly the present traineeship program is very inadequate to meet the very significant demands described by the AEC personnel (see Appendix 3). The first step will be to ask for an increase in FY '75 funds for traineeships. As was noted by all present this will have no effect on the FY '75 situation since these funds—if they become available—can only be used beginning in September 1975. For the longer term everyone agreed that a much expanded traineeship program will be required. The expansion must be two-fold—at the undergraduate and graduate levels.

At the undergraduate level it may be possible to establish traineeships which would support tuition. These would be for those majoring in nuclear engineering as well as for others majoring in non-nuclear disciplines who would take a strong minor in nuclear engineering.

At the graduate level Professors Long & Ohanian emphasized the need for Master's level support and recommended significant expansion of the traineeship program for Master's student. With the, hopefully, changing attitudes in the various Divisions regarding University research support it would then be possible to support Ph.D. students on research projects. AEC personnel also recommended a coordinated and expanded summer employment program for students at AEC laboratories.

IV. CURRICULUM NEEDS

It was repeatedly emphasized by AEC personnel that nuclear engineering graduates—particularly at the BS or MS levels—need additional systems type courses which emphasize safety systems, thermal-hydraulics systems, over-all plant design, balance-of-plant systems and similar considerations. They still perceive too much emphasis on core physics among nuclear engineering graduates, and believe this emphasis to be wrong.

Clearly, a review of nuclear engineering curriculum would be helpful in this regard.

APPENDIX 1

FALL ENROLLMENTS, SELECTED ENGINEERING FIELDS, 1967–73

	1967	1968	1969	1970	1971	1972	1973
Total engineering:							
Fresh	77, 551	77, 484	74, 113	71, 661	58, 566	52, 100	51, 925
Masters	34, 231	24, 469	20, 014	23, 216	22, 405	22, 877	22, 588
Ph. D	15, 376	15, 768	14, 298	14, 802	14, 100	13, 460	11, 904
Electrical engineering:							
Fresh	11, 815	11, 790	11, 512	12, 085	9, 958	8, 027	9, 011
Masters	10, 025	6, 191	4, 951	5, 516	5, 249	5, 319	5, 163
Ph. D	3, 891	4, 056	3, 539	3, 643	3, 390	2, 928	2, 817
Mechanical engineering:							
Fresh	8, 224	7, 402	6, 961	6, 718	5, 507	4, 735	5, 403
Masters	5, 341	3, 681	2, 718	2, 972	2, 793	2, 760	2, 608
Ph. D	1, 934	1, 978	1, 637	1, 735	1, 618	1, 537	1, 218

Source: Engineering Manpower Commission, New York.

APPENDIX 2

R. & D. PERSONNEL BY DEGREE LEVEL

	AEC laboratories 1970	1973	Non-AEC Federal laboratories—1973
English/science	13, 000	12, 648	13, 500
Nondegree (percent)	5. 1	5. 2	2
Bachelor of science	38. 5	37. 5	60
Master of science	25. 4	24. 9	25
Doctor of philosophy	31	32. 4	13

Note: A survey of 82,000 R. &. D. personnel gives the following breakdown: 8.5 percent nondegreed, 51.6 percent bachelor of science, 24.6 percent master of science, 15.3 percent doctor of philosophy.

APPENDIX 3

AEC TRAINEESHIPS

	Number of trainees	Cost
Fiscal year:		
1966	120	600, 000
1967	151	831, 698
1968	148	832, 050
1969	150	810, 300
1970	149	800, 000
1971	122	663, 000
1972	136	677, 680
1973	117	529, 480
1974	89	499, 986
1975 (budgetal)	93	551, 000

NUCLEAR MANPOWER CRISIS AHEAD

(By R. W. Deutsch and J. W. Whitney)

Currently, utilities are committed to schedules that call for placing new nuclear power plants into commercial operation at an average rate of one new plant a month during the 1970's and two to three new plants a month during the 1980's. Sen. Hugh Scott recently estimated that for the United States to cope effectively with the current energy crisis, it may be necessary to place nuclear power plants into operation at a rate of one new plant every five days during the 1980's. Although the rate of growth of nuclear generating capacity will probably be slower than needed, without question the demand for nuclear power plants over the next decade will be unprecedented. Therefore, it is vital that the nuclear industry anticipate and resolve problem areas that could curtail the nuclear power program.

At the present time, utilities throughout the country are experiencing increasing difficulties manning the engineering and production staffs of their nuclear power plants, a situation that will get worse in the years ahead because of the increased number of nuclear power plants that will be built and operated. In fact, the time is fast approaching when nuclear power plants may be kept from going into operation because of inadequate manpower. This country's nuclear power program may well be limited by our ability to provide the nuclear-trained personnel needed.

In spite of widespread indication of an impending nuclear manpower crisis, the Atomic Energy Commission recently assured the nuclear industry that there is no serious problem. In its report entitled "Utility Staffing and Training for Nuclear Power," WASH 1130 Revised (1973), the AEC published a manpower study that concludes that "nearly 15,500 additional nuclear-oriented plant and headquarters staff will be required for nuclear power plants expected to be placed in operation during the period 1973–1982." Although the AEC report states that "the expected rapid expansion of nuclear power from 1973 to 1982 will create demands for nuclear-trained personnel of a magnitude that could cause a stress on the supply," it concludes that "with the possible exception of quality assurance and short-term radiation protection training, the overall national training and education resources are considered adequate." Nothing in the AEC report suggests a nuclear manpower shortage of catastrophic proportions.

The major deficiency of the AEC manpower study is that it considered the manpower requirements of utilities alone and did not include those of all the other organizations involved in the design, licensing, construction, and operation of nuclear power plants. Also, the AEC study assumed an unrealistically short schedule of five years between site selection and commercial operation. In an attempt to make a more realistic assessment of the problem, an independent study was undertaken using data provided by several nuclear utilities and architect-engineer organizations.

OVERALL MANPOWER STRUCTURE

Before assessing the manpower requirements to support the design, licensing, construction, and operation of nuclear power plants during the next decade, it is important to define the overall manpower structure that provides this support. This structure includes not only utilities but such other groups as architect-engineers, nuclear steam supply system (NSSS) vendors, technical consultants, construction organizations, nuclear suppliers, and government regulatory groups. The manpower requirements of all of these organizations must be considered since all of them must grow simultaneously in the next decade while they will be competing for the same personnel and using the same nuclear training resources.

This study considered the following components of the over-all manpower structure that supports the design, licensing, construction, and operation of nuclear power plants:

Utilities. Nuclear utilities are organized in a variety of ways; however, for the purposes of this manpower study, their organizations were functionally subdivided into three groups: (1) the senior management and administrative support staff, which performs functions having cross-company applicability, such as over-all management, employee relations, public relations, industrial security, purchasing, and accounting, (2) the engineering and technical-support staff, which performs those functions within the utility necessary to directly support the design, licensing, construction, and operation of the utility's nuclear power plants, and (3) the operations staff, which performs those functions at the nuclear power plant site necessary to operate the plant.

Architect-engineers. Architect-engineers are responsible for the over-all design of a nuclear power plant except for the nuclear steam supply system and all of its components and auxiliaries. Some utilities have their own architect-engineering organizations; most contract for this service. For the purposes of this manpower study, architect-engineer organizations were functionally subdivided into three groups: (1) those that perform senior management and administrative support functions, (2) those that perform the engineering and design functions necessary to design a nuclear power plant and prepare the detailed plans and specifications, and (3) those that assist the utility in the licensing process, preoperational testing, and operation of a nuclear power plant.

Nuclear steam supply system vendors. This group is responsible for the design of the NSSS and all of its components and auxiliaries. In addition to research, development, and design functions, these vendors provide direct support to specific utility customers. For the purposes of this manpower study, these organizations were functionally subdivided into three groups: (1) those that perform senior management and administrative support functions, (2) those that perform research, development, and design functions not directly related to providing a specific NSSS to a specific utility, and (3) those that perform engineering and design functions that directly assist the utility in the licensing process, pre-operational testing, and operation of a nuclear power plant.

Technical consultants. Utilities normally require the services of several technical consultants to assist in the design, licensing, construction, and operation of a nuclear power plant. These personnel supplement the engineering and technical support staff and the operations staff of the utility. They perform those functions not designated for the architect-engineer or the NSSS vendor, including licensing and environmental report preparation, personnel training, startup assistance, preoperational and operational test procedure preparation, quality assurance program development, audit and review, and surveillance testing and audit.

Construction organizations. The construction of a nuclear power plant is directed by an organization that specializes in construction management of such plants. The actual construction is performed by various subcontractors having the craft manpower required. Some utilities have their own construction management organizations; most contract for this service.

Nuclear suppliers. Numerous organizations supply equipment and components for installation in nuclear power plants. First-line suppliers are those organizations that manufacture the end products, such as fuel elements, turbine-generators, condensers and pumps, that are installed in these plants. Numerous other suppliers provide the materials and sub-components from which these end products are manufactured. First-line suppliers provide considerable direct support to specific utility customers.

Other organizations. Numerous other organizations, both public and private, are part of the over-all manpower structure for nuclear power plants. The federal and state governments are involved in the regulation and licensing of these plants. The federal government and its laboratories and other organizations such as the Electric Power Research Institute are involved in the research, development, and design of nuclear power systems.

Since the objective of this study was to identify the manpower requirements of the next decade for personnel who will require specialized nuclear training, the study focused on those components of the over-all manpower structure that are directly involved in the design, licensing, construction, and operation of nuclear power plants. The manpower requirements for the other components were also estimated, and their impact assessed.

SCHEDULE FOR A NUCLEAR POWER PLANT

The over-all schedule for design, licensing, construction, and operation of a nuclear power plant has a critical effect on manpower requirements because this schedule determines when personnel must be assigned to a particular nuclear power plant project. Figure 1 shows the over-all schedule typical for a single-unit 1,100-MWe plant based on current experience, a schedule indicating almost 10 years from site selection to commercial operation. The AEC manpower study (WASH–1130 Revised) shows an overall schedule of about five years, a goal wholly inconsistent with current experience. There is a good chance of shortening the schedule to less than 10 years through standardizing plant design and streamlining licensing procedures, such as those recently proposed to Congress by the AEC. However, over the next 10 years shortening the schedule will further add to the manpower requirements.

The staffing schedules for the design, licensing, construction, and operation of a nuclear power plant were defined in this study using the results of a questionnaire sent to several utilities with nuclear power plant experience. Utilities responding to the questionnaire were Carolina Power and Light Company, Detroit Edison Company, Northeast Utilities Service Company, and Yankee Atomic Power Company.

In addition, discussions were conducted with several other utilities and with several architect-engineers to compile additional data on staffing schedules. In all cases the reference was a single-unit 1,100-MWe nuclear power plant. Staffing schedules were defined for both the nuclear utility, including its operations staff and its engineering and technical-support staff, and for the direct-support organizations, including the architect-engineer, the NSSS vendor, technical consultants, and the construction management organization.

Nuclear utility staffing schedules. Although the size of nuclear utility operations staffs varies somewhat, a typical single-unit 1,100-MWe nuclear power plant staff is shown in Table I. The AEC requires that each shift have five operators, including one shift supervisor with a senior reactor operator's license, two control operators with reactor operator's licenses, and two unlicensed auxiliary operators. Normally, plants operate with five full shifts and a small number of additional operators. The technical and maintenance groups of plant staffs also vary; however, the numbers shown in Table I are typical of several plant staffs reviewed. The over-all composition of a typical plant staff of 75 is 15 engineers and 60 non-engineers, where an engineer is defined as an individual with a four-year engineering degree or experience equivalent to such a degree. In addition, about 25 utility personnel—15 engineers and 10 non-engineers—are required to provide support services after the plant goes into operation.

Defining the size of nuclear utility engineering and technical support staffs is more difficult than defining the size of their operations staffs. There are no formal AEC requirements as there are for the operations staffs. Further, many of the functions of the engineering and technical-support staffs can be performed in-house by the utility or under contract by the architect-engineer, the NSSS vendor, or technical consultants. Although some utilities retain a rather large in-house staff and obtain less contract support while others retain a rather small in-house staff and obtain more contract support, the over-all manpower requirements are generally consistent. The recommended baseline in-house engineering and technical-support staff for a single-unit 1,100-MWe nuclear power plant consists of 10 engineers at the initiation of the project, increasing to about 35—25 engineers and 10 non-engineers—during the six years prior to commercial operation, and decreasing to about 25—15 engineers and 10 non-engineers—after commercial operation. This in-house staff can be much larger if the utility elects to obtain less contract support.

TABLE I.—Typical nuclear utility operations staff

[Single-unit 1,100-MWe nuclear power plant]

Plant superintendent	1
Assistant plant superintendent	1
Operations supervisor	1
Training coordinator	1
Shift supervisors (SRO licenses)	6
Control operators (RD licenses)	12
Auxiliary operators	12
Technical supervisor	1
Technical staff	3
Technicians	12
Maintenance supervisor	1
Electrical and mechanical maintenance personnel	19
Total	75

Table II includes the typical staffing schedule for the utility's operations staff and its engineering and technical-support staff for a single-unit 1,100-MWe nuclear power plant. The number of engineers and non-engineers required on each staff is given by year. The table indicates that a total of 285 man-years from the operations staff and 275 man-years from the engineering and technical-support staff are required prior to commercial operation. A total of 75 man-years per year and 25 man-years per year, respectively, are required from these two staffs after commercial operation.

The utility staffing schedule shown in Table II is based on a single-unit plant. From a manning standpoint, there should be significant savings for multiple units on the same site. For example, the operations staff for a two-unit station is typically about 125 compared to 75 for a single-unit station, representing a potential savings of about 15 percent. However, at the present time, many multiple-unit stations are not identical, and the expected manpower savings cannot be realized. Often the first unit is staffed with additional personnel for subsequent units. Further, when personnel turnover is considered, the manpower requirements for all units treated as single units are likely to be a more accurate prediction of manpower requirements for the next decade. For this reason, single-unit staffing was used for all units in this study.

TABLE II.—COMBINED NUCLEAR UTILITY AND DIRECT-SUPPORT STAFFING SCHEDULES

[Single-unit, 1,100-MWe nuclear powerplant]

Year	Utility		Direct-support organizations				
	Operations staff (engineers/non-engineers)	Engineering and technical support staff (engineers/non-engineers)	Architect engineer (engineers/non-engineers)	Nuclear steam supply system vendor (engineers/non-engineers)	Technical consultants (engineers/non-engineers)	Construction management organization (engineers/non-engineers)	Total (engineers/non-engineers)
1	0/0	10/0	10/5	5/0	10/0	0/0	35/5
2	0/0	10/0	10/10	10/0	10/0	0/0	140/115
3	0/0	15/5	25/25	15/5	15/0	0/0	40/10
4	0/0	20/5	50/50	15/5	15/0	10/0	70/35
5	0/0	25/10	70/70	15/5	20/0	10/30	110/60
6	5/0	25/10	75/70	15/5	20/0	20/60	160/145
7	15/40	25/10	55/55	15/5	20/0	20/60	150/170
8	15/60	25/10	50/50	15/5	20/0	20/60	145/185
9	15/60	25/10	25/25	10/0	10/0	10/30	95/125
10	15/60	25/10	15/5	5/0	5/0	10/0	75/75
Total man-years prior to commercial operation	65/220	205/70	385/365	120/30	145/0	100/240	1, 020/925
Man-years per year after commercial operation	15/60	15/10	([1])	([1])	([1])	([1])	30/70

[1] Not estimated.

Direct-support organizations staffing schedules. It is obvious from the over-all manpower structure that supports the design, licensing, construction, and operation of nuclear power plants that the manpower requirements of nuclear utilities alone are but a small part of the total problem. The manpower requirements of other organizations, such as architect-engineers, NSSS vendors, technical consultants, construction management organizations, and suppliers, must be estimated since they compete for the same manpower and training resources as the utilities. If the only requirements that had to be filled were those of the utility staffs, the problem would be serious but manageable.

The architect-engineer typically provides about 750 man-years of direct engineering and design support for a single-unit 1,100-MWe nuclear power plant. The NSSS vendor typically provides about 150 man-years of design and licensing support to the utility for such a plant. In addition to this basic support, the utility normally contracts with technical consultants for about 145 man-years of additional direct engineering and technical support. Finally, the construction management organization typically provides about 340 man-years of management and monitoring support for the construction of a single-unit 1,100-MWe nuclear power plant. Table II includes the typical staffing schedules for each of these direct-support organizations. The number of engineers and non-engineers required by each organization is given by year.

Combined nuclear utility and direct-support staffing schedule. In order to determine the total staffing requirement for a nuclear power plant, the staffing schedules for the utility must be combined with the staffing schedules for the direct-support organizations. Table II shows this combination. The total staffing requirements each year are the significant numbers. Depending upon the approach used by the utility, functions can shift from one organization to another, but the total staffing requirements remain constant. Table II shows a total of 1,945 man-years prior to commercial operation and a total of 100 man-years per year after commercial operation. This study indicates that the utility staff typically provides less than one-third of the effort prior to commercial operation, but it assumes that the utility staff provides all of the effort after commercial operation. The assumption that additional support from other organizations is not required after commercial operation makes the results of this study all the more conservative. Undoubtedly, support from the architect-engineer, the NSSS vendor, and technical consultants will be required as changes are made in operating plants to comply with new licensing requirements and to correct operating problems.

UTILITY AND DIRECT-SUPPORT MANPOWER NEEDS

Nuclear utility and direct-support manpower requirements for the next decade were determined in this study by defining the planned commercial operation schedule for nuclear power plants through 1991 and applying the staffing schedules shown in Table II to this schedule.

The commercial operation schedules for nuclear power plants in the United States have been subject to substantial changes because of delays. As a basis for estimating nationwide manpower requirements, public announcements and other information on scheduled commercial operation of these plants as of the end of 1973 were used. Table III shows the estimated number of new units to be placed in commercial operation and the estimated total number of units in commercial operation by year through 1991. This schedule shows an estimated total of 180 units in commercial operation through 1982, a conclusion in agreement with the estimate used in the AEC manpower study (WASH–1130 Revised). After 1982, the estimated number of new units to be placed in commercial operation is about four per year less than that used in the AEC study. Many authorities consider that a rate of growth such as shown in Table III is far slower than what is needed. However, the manpower requirements to sustain the rate of growth shown in Table III are so substantial, that consideration of an even faster rate of growth is not realistic.

Manpower requirements by year were determined both for nuclear utilities and for direct-support organizations.

Nuclear utility manpower requirements. Table IV summarizes the manpower requirements for the operations staffs and the engineering and technical-support staffs of nuclear utilities during the next decade based upon the commercial operation schedule shown in Table III. The number of additional engineers and non-engineers required each year is listed. Table IV shows that nuclear utilities currently have about 1,300 engineers and about 4,700 non-engineers on their operations staffs and about 3,300 engineers and about 1,200 non-engineers on their engineering and technical-support staffs. As shown in Table IV, about 2,600 additional engineers and 10,000 additional non-engineers must be recruited and trained by nuclear utilities in the next decade for their operations staffs, and about 4,400 additional engineers and 2,100 additional non-engineers must be recruited and trained in this same decade for their engineering and technical-support staffs. In each case, the number of personnel to be recruited and trained is about twice the number currently trained or in training.

TABLE III.—COMMERCIAL OPERATION SCHEDULE FOR NUCLEAR POWERPLANTS THROUGH 1991

Year	Estimated new units placed in commercial operation	Estimated total units in commercial operation
Through 1973		41
1974	16	57
1975	14	71
1976	10	81
1977	10	91
1978	10	101
1979	16	117
1980	20	137
1981	21	158
1982	22	180
1983	23	203
1984	24	227
1985	25	252
1986	26	278
1987	27	305
1988	28	333
1989	29	362
1990	30	392
1991	31	423

The manpower requirements for AEC-licensed operators were also estimated in this study. Although a utility can satisfy AEC requirements with a minimum of one licensed senior reactor operator and two licensed reactor operators per shift for a single-unit plant, the operations staffs of such plants normally contain about 22 licensed operators, typically 10 senior reactor operators and 12 reactor operators. At the end of 1973, there were about 1,300 AEC-licensed operators on the operations staffs of nuclear utilities, including about 600 licensed senior reactor operators and 700 licensed reactor operators. Between 1973 and 1982, nuclear utilities will have to license about 3,500 additional operators—about 1,600 senior reactor operators and 1,900 reactor operators.

The manpower requirements for additional senior management and administrative support personnel within nuclear utilities were not quantified in this study and are not shown in Table IV. From the standpoint of total manpower requirements, it is important to realize that positions within senior management and administrative support groups are often filled by promoting personnel from engineering and technical-support staffs or operations staffs. For this reason alone, the total nuclear utility manpower requirements for the next decade will be greater than shown in Table IV. In addition, it is important to realize that the nuclear utility manpower requirements shown there are for near minimum engineering and technical-support staffs and do not include the manpower requirements for the functions assigned to architect-engineers, NSSS vendors, technical consultants, and construction management organizations. Some utilities will undertake these functions, and the total nuclear utility manpower requirements will be correspondingly larger.

Direct-support manpower requirements. Table IV summarizes the manpower requirements for the organizations that provide direct support in the design, licensing, construction, and operation of nuclear power plants—namely, architect-engineers, NSSS vendors, technical consultants, and construction management organizations. Although the manpower requirements for each type were developed in the study, only the total direct-support manpower requirements are shown in Table IV. That table shows that these organizations currently have about 10,000 engineers and 8,000 non-engineers involved in providing direct support for the design, licensing, construction, and operation of nuclear power plants. As shown in the table, about 9,500 additional engineers and 8,400 additional non-engineers must be recruited and trained by these organizations to perform direct-support functions in the next decade. As with the nuclear utilities, the number of personnel to be recruited and trained is about twice the number currently trained or in training. Again, the manpower requirements of these organizations for additional senior management and administrative support personnel and for personnel who do not provide direct support for nuclear power plants are not shown in Table IV.

Combined nuclear utility and direct-support manpower requirements. Because they will be competing for the same personnel and using the same training resources, the combined nuclear utility and direct-support manpower requirements for the next decade—shown in Table IV—are of the most concern. The table indicates that a total of almost 17,000 engineers and 21,00 non-engineers must be recruited and trained in the next decade by nuclear utilities, architect-engineers, NSSS vendors, technical consultants, and construction management organizations. The most serious years will be 1976 through 1978 in which more than 2,000 additional engineers and more than 2,500 additional non-engineers must be recruited each year. These personnel are needed to support firm near-term commitments in commercial operation schedules.

The AEC has sent to Congress proposed legislation that, if enacted, would have as a goal shortening the total time to review and license a nuclear power plant from ten to six years. However, the total nuclear utility and direct-support manpower requirements would not be affected to any great extent. If a shortening of the licensing schedule results in a corresponding increase in the rate at which plants are placed in commercial operation, the manpower requirements would increase. A shortening from ten to six years nearly doubles the combined requirement prior to commercial operation shown in Table II remains unchanged, or possibly increases.

TABLE IV.—COMBINED NUCLEAR UTILITY AND DIRECT-SUPPORT MANPOWER REQUIREMENTS (1973-82)

	Nuclear utilities				
	Operations staffs (engineers/nonengineers)	Engineering and technical-support staffs (engineers/nonengineers)	Nuclear utilities total (engineers/nonengineers)	Direct-support organizations total (engineers/nonengineers)	Total (engineers/nonengineers)
Total thru 1973	1, 265/4, 660	3, 285/1, 190	4, 550/5, 850	10, 040/7, 950	14, 590/13, 800
Additional for:					
1974	150/600	395/185	545/785	770/345	1, 315/1, 130
1975	180/600	395/210	575/810	1, 040/1, 100	1, 615/1, 910
1976	260/840	440/220	700/1, 060	1, 465/1, 445	2, 165/2, 505
1977	305/1, 120	505/230	810/1, 350	1, 515/1, 590	2, 325/2, 940
1978	320/1, 240	530/240	850/1, 480	1, 305/1, 170	2, 155/2, 650
1979	325/1, 300	565/250	890/1, 550	1, 090/825	1, 980/2, 375
1980	360/1, 360	510/260	870/1, 620	855/650	1, 725/2, 270
1981	365/1, 420	305/276	870/1, 690	750/635	1, 620/2, 325
1982	380/1, 480	520/280	900/1, 760	750/635	1, 650/2, 395
Total through 1982	3, 910/14, 620	7, 650/3, 335	11, 560/17, 955	19, 580/16, 345	31, 140/34, 300
Additional through 1982	2, 645/9, 960	4, 365/2, 145	7, 010/12, 105	9, 540/8, 395	16, 550/20, 500

ADDITIONAL MANPOWER REQUIREMENTS

In addition to the direct-support organizations, the government in its regulatory role must provide several other key functions. Currently, an estimated 1,000 engineers perform government regulatory functions that directly involve the design, licensing, construction, and operation of nuclear power plants. This number will increase, it is estimated, to more than 3,000 by 1982.

Many other organizations in the nuclear industry will be expanding in the next decade and also competing for the same personnel as nuclear utilities and direct-support organizations. For example, the organizations associated with nuclear research and development, including the AEC, the fast breeder reactor program, and the NSSS vendors, will all expand and add personnel whose functions are not directly involved in the design, licensing, construction, and operation of the nuclear power plants. Conservatively, these manpower requirements are estimated to be about 5,000 over the next decade.

Finally, this study does not attempt to estimate the number of personnel required to replace trained personnel who are promoted to senior management and administrative support positions, accept positions outside the nuclear power field, or retire over the next decade. Estimating a 2½ percent-per-year loss would mean that more than 10,000 trained replacements are required. Additional manpower requirements over the next decade for nuclear-trained personnel indirectly or directly associated with the nuclear power plants would thus be more than 15,000.

The manpower requirements of nuclear power plant construction contractors and nuclear suppliers are undoubtedly much larger than those of all the organizations so far discussed because a large number of these personnel are required for each nuclear power plant. During 1973, an estimated 60,000 man-years of construction craft labor were required on nuclear power plants; in 1982, about 130,000 man-years will be required to support the current commercial operation schedule. The manpower requirements of nuclear suppliers are estimated to be comparable. Although most of these personnel do not require extensive nuclear training, they do represent a major simultaneous manpower requirement that contributes to the impending nuclear manpower crisis.

COMPARISON WITH AEC STUDY

The conclusions of this manpower requirements study do not agree with those of the AEC study (WASH-1130 Revised) in several important aspects. The two studies show resonably close agreement on the manpower requirements for nuclear utility operations staffs. The AEC study used a single-unit plant staff of 77, including 11 security personnel. This study used a single-unit plant staff of 75, but security personnel are not included because they do not require significant special nuclear training and are readily available for employment at the time they are needed. Thus, this study used a plant staff of 75 compared to 66 for the AEC study. The AEC study took credit for a plant staff savings of about 20 percent for multiple units at the same site. No savings for multiple units was taken in this study because the amount of savings being achieved in practice is much less than 20 percent and, with increased requirements for quality control and surveillance, the plant staff may be closer to 90 than 75 in the near future.

The two studies show a wide discrepancy in the manpower requirements for nuclear utility engineering and technical-support staffs, explainable in terms of the difficulty in defining a typical size for such staffs. The AEC study used 120 man-years of headquarters management and technical support for a single-unit plant prior to commercial operation and 27 man-years per year after commercial operation and included the functions of five defined groups: power generation, environmental protection, engineering and construction, quality assurance, and security. This study used 275 man-years prior to commercial operation and 25 man-years per year after commercial operation. The differences are due to the variation in the overall schedules for design, licensing, construction, and operation used in the two studies. The AEC study used an over-all schedule showing about five years between site selection and commercial operation; this study used a schedule showing about ten years. Table V compares the results of the two studies regarding nuclear utility manpower requirements.

The AEC study states that utilities will face sharp competition from other organizations within the nuclear industry without estimating the requirements of those other organizations. This study shows that manpower requirements of these other organizations are as great as those of the utilities.

SOURCES OF TRAINED MANPOWER

Nuclear utilities and the other direct-support organizations have replied upon three main sources of manpower to support the design, licensing, construction, and operation of nuclear power plants: (1) conventional power plant personnel, (2) military (mainly Navy) nuclear-trained personnel, and (3) direct inputs from universities and community colleges. The largest portion of the current engineering and technical-support staffs and operations staffs of nuclear power plants were recruited from similar positions on conventional power plants. However, substantial numbers of personnel who occupy key positions of on these staffs received their nuclear training in the military, particularly in the Navy. An estimated 30 percent of AEC-licensed operators at nuclear utilities are experienced Navy nuclear plant operators, and this percentage appears to be increasing. A relatively small portion of current engineering and technical-support staffs and operations staffs of nuclear power plants were direct inputs from universities and community colleges.

TABLE V.—COMPARISON OF NUCLEAR UTILITY, MANPOWER REQUIREMENTS

	Operations staffs		Engineering and technical support staffs	
	AEC study	Deutsch/Whitney study	AEC study	Deutsch/Whitney study
1973	5,496	5,925	1,956	4,475
1982	16,311	18,530	4,726	10,985
Additional through 1982	10,815	12,605	3,770	6,510

What makes the impending manpower crisis all the more serious is that these three main sources of manpower that have been relied on in the past are likely to provide fewer inputs in the years ahead. First, the number of conventional power plant personnel available for assignment to nuclear power plants is likely to decline in the next 10 years. In many utilities, the best of the conventional power plant personnel have already been reassigned and, with the increased requirements for conventional power plants in the next 10 years, this source will be harder to tap. Secondly, the number of experienced Navy nuclear-trained personnel available to the nuclear industry is likely to decline over the next decade. The military is facing severe budgetary restrictions and is placing much more emphasis on the retention of trained personnel. In the past, nuclear utilities have been able to minimize their staffing problems by recruiting a large number of experienced Navy nuclear-trained personnel. These personnel will not be available in sufficient numbers over the next 10 years to meet projected needs. Finally, the direct-input source is not encouraging. The annual survey of the Engineering Manpower Commission of the Engineers Joint Council[1] showed that the number of four-year engineering degrees granted in the United States in the year ending June 30, 1973, declined to 43,429 bachelor's degrees, 17,152 master's degrees, and 3,587 doctor's degrees, down from 44,190, 17,356, and 3,774, respectively, for 1972. Based on current enrollments, these will decline further in the next four years. The number of two-year associate degrees in engineering technology also declined for the year ending June 30, 1973, to 9,040, down from 9,084 in 1972. The number of engineers that received BS and MS degrees in nuclear engineering in the year ending June 30, 1973, was only 324 and 387, respectively, for the entire country. Mechanical engineers and electrical engineers who have taken nuclear engineering options or courses are also well qualified for positions with nuclear utilities; unfortunately, their numbers are relatively small.

CONCLUSIONS

The major conclusion of this study is that the nuclear industry is facing a nuclear manpower shortage that will severely limit the country's nuclear power program unless steps are taken immediately to correct the situation. The bases for this conclusion are:

Nuclear utilities must recruit and train at least 19,000 technical personnel—7,000 engineers and 12,000 nonengineers—in the next 10 years for the engineering and production staffs of nuclear power plants currently scheduled.

Organizations that provide direct support to nuclear utilities for the design, licensing, construction, and operation of nuclear power plants, including architect-engineers, NSSS vendors, technical consultants, and construction management organizations, must recruit and train about 18,000 technical personnel—10,000 engineers and 8,000 non-engineers—in the next 10 years to support the plants currently scheduled.

The total additional manpower requirement of 37,000 will result in severe competition for technical personnel among utilities and the other organizations in the nuclear industry. In fact, utilities will be recruiting from each other.

Additional nuclear-trained personnel are needed to replace personnel within utilities and organizations furnishing direct support to utilities. Also regulatory agencies and research organizations will be expanding during the next 10 years. The number of trained personnel required to meet these requirements is estimated at more than 15,000.

The three main sources of manpower that have been relied upon in the past—namely, conventional power plant personnel, Navy nuclear-trained personnel, and direct inputs from universities and community colleges, will all provide fewer, not more, inputs in the next 10 years, and will not be able to satisfy the nuclear industry requirements.

Any shortening of the licensing process for nuclear plants can only serve to aggravate further the manpower situation in the short term. The proposed shortening from ten years to six years would nearly double the number of nuclear-trained personnel required.

SOLUTION TO THE MANPOWER CRISIS

Is there a solution to this problem? Increasing the output of engineers and technical graduates from universities and community colleges would provide a larger manpower source for the nuclear industry. However, it will be very difficult to expand enrollments significantly in a short period of time. Most of the public, including the universities and colleges themselves, still believe there is a large excess of engineers and scientists because of the high rate of unemployment of aerospace engineers and high-energy physicists. It will take time to erase this adverse publicity and interest young people in the nuclear industry.

Providing a larger source of manpower does not guarantee that the utilities would get an adequate number because of the competition of other organizations in the industry.

One way for the utilities to guarantee themselves qualified manpower is to introduce their own training programs for engineers and non-engineers. A recent article[2] suggested that nuclear utilities develop broad education and training programs designed to attract graduates of local high schools. Also, a considerable number of engineers and scientists can be retrained for positions with the utilities by means of these in-house training programs. An added benefit to this approach is that by training personnel living in the area served by the utility, the utility can develop a more stable work force less likely to be attracted by opportunities in other parts of the country.

Another related approach now being actively pursued by a few utilities is to work with area colleges, universities, and technical schools to provide special academic training programs for current and future employees. These utilities then provide in-house training programs in specialty areas such as nuclear power plant systems and operations. This approach also has the advantage of attracting personnel who live in the area served by the utility.

---

[1] John D. Alden, "Engineering and Technology Degrees, 1972–73," *Engineering Education*, January, 1974.

[2] R. W. Deutsch, "Staffing Nuclear Plants," *Power Engineering*, September, 1973.

The Navy has had to develop a full range of education and training programs to provide the necessary qualified personnel to operate and maintain nuclear propulsion plants. The utilities should take a lesson from the Navy and initiate similar programs to provide for their manpower. While the introduction of such programs is very expensive, the ability to assemble and retain a sufficient number of qualified personnel within the utility salary structure will more than make up for the cost of training.

At the present time, nuclear utilities spend about 1 percent of the capital cost of a nuclear power plant, or about $4 million per plant, on training. Most of this training is devoted to plant operators because of the necessity of obtaining AEC operator licenses. If nuclear utilities expanded their training budgets to about 2 percent of the capital cost of a plant and managed their training programs properly, they could have in-house programs and/or programs with outside educational organizations that would satisfy their manpower requirements both in the near term and for the future.

Engineering Manpower Needs: A Survey

(By William E. Wilson)

In 1969 the American Nuclear Society conducted a survey for the Division of Nuclear Education and Training (DNET) of the U.S. Atomic Energy Commission on the technical manpower needs of the atomic field.[1] This study indicated an adequate supply of nuclear scientists and engineers to meet the demand at that time. However, in 1969 the supply of nuclear engineers at the MS level was below the projected demand while the supply of nuclear engineers at the PhD level exceeded the demand. By 1972 the situation had changed somewhat according to the best available data.

The most recent data compiled by the U.S. Bureau of Labor and Statistics[2] indicates that in 1971 the private sector of the nuclear industry employed about 27,600 engineers. The BL&S data also projects that 1,700 new engineers will be needed per year in the nuclear field for the next several years, about half of this requirement due to growth and half for replacement of loss due to attrition.

A recent survey by DNET [WASH-1228 (72)][3] indicates that in 1972 there were 1,235 full-time third-, fourth-, and fifth-year undergraduates enrolled in nuclear-oriented education programs in the United States. In addition, 912 Master's degree candidates and 70 doctoral candidates were enrolled in nuclear engineering. In 1970–71, the 65 institutions having nuclear programs graduated 956 nuclear-oriented engineers (399 BS, 387 MS, and 170 PhD). According to the Engineering Manpower Commission, approximately 18 percent of all students receiving a BS degree in engineering enter full-time graduate study. Applying this and other correction factors, such as the education of foreign nationals, to the enrollment data yields approximately 800 nuclear-oriented engineering graduates per year to meet the BL&S projected demand of 1,700 per year.[2]

In order to establish more firmly the actual current manpower needs of the nuclear power field, I decided in November 1972 to conduct a nuclear-oriented engineering manpower survey of the nuclear power industry. The prime motive for conducting the survey was simply to assist in defining the direction that the nuclear engineering education program at Washington State University should take. I fully realized that it would not be possible or practical to attempt to duplicate the in-depth survey performed by the ANS–AEC. I also knew that I could not expect to obtain more than about a 25 percent response and that many of the replies would be somewhat incomplete. However, I felt that I could at least obtain a sufficient number of responses to indicate the current need and attitude of the nuclear power industry.

About 100 "Nuclear-Oriented Engineering Manpower Survey" forms were mailed to employers in the nuclear power field. Thirty-one establishments employing 5,821 engineers and thus representing approximately 20 percent* of the nuclear power industry, responded. The responses indicate a total annual requirement of 1,140 nuclear-oriented engineers per year for at least the next three years, representing an employment expansion rate of 19.6 percent for the responding segments of the nuclear power industry. It is not possible to accurately scale up my results to include the entire nuclear industry; however, the data does indicate that the need is probably larger than the BL&S projection. Summaries of the employment data obtained from the respondents are shown in Tables I through V.

TABLE I.—SUMMARY OF NUCLEAR POWER INDUSTRY EMPLOYMENT DATA

Discipline and degree	Current employment	Annual employment increase*	
		Number	Percent
N.E.:			
B.S	455	102.3	22.5
M.S	406	91.5	22.5
Total	861	193.8	22.5
Ch.E.:			
B.S	554	79.0	14.3
M.S	140	45.0	32.1
Total	694	124.0	17.9
M.E.:			
B.S	1,647	267.9	16.3
M.S	422	82.3	19.5
Total	2,069	350.2	16.9
E.E.:			
B.S	1,094	136.7	12.5
M.S	164	28.9	17.6
Total	1,258	165.6	13.2
C.E.:			
B.S	422	73.4	17.4
M.S	104	28.1	27.0
Total	526	101.5	19.3
Q.C.E.:*			
B.S	185	47.1	25.4
M.S	50	23.0	46.1
Total	235	70.1	29.8
R.L.E.:*			
B.S	62	32.9	53.1
M.S	34	12.1	35.6
Total	96	45.0	46.9
E.S.:*			
B.S	53	45.6	86.0
M.S	29	16.3	56.2
Total	82	61.9	75.5
Totals:			
H.S	4,472	813.0	18.2
M.S	1,349	327.0	24.2
Grand	5,821	1,140.0	19.6

*Reference 2 indicates that in 1971, 27,600 engineers were employed in the atomic energy field.

TABLE II.—SUMMARY OF NUCLEAR UTILITY GROUP EMPLOYMENT DATA[1]

Discipline and degree	Current employment	Annual employment increase[2]	
		Number	Percent
N. E.:			
BS	56	21.3	38.1
MS	83	34.0	41.0
Total	139	55.3	39.8
Ch.E.:			
BS	42	9.7	23.1
MS	4	0	0
Total	46	9.7	21.1
M.E.:			
BS	388	43.0	11.1
MS	54	8.0	6.7
Total	442	51.0	11.5
E.E.:			
BS	525	49.7	9.5
MS	51	3.3	6.5
Total	576	53.0	9.2
C.E.:			
BS	219	15.7	7.2
MS	26	3.0	11.5
Total	245	18.7	7.6
Q.C.E.:			
BS	23	18.7	81.3
MS	2	0	0
Total	25	18.7	74.8
R.L.E.:			
BS	5	5.3	107.0
MS	4	3.7	92.5
Total	9	9.0	100.0
E.S.:			
BS	29	8.3	28.6
MS	16	3.3	20.6
Total	45	11.6	25.8
Total:			
BS	1,287	172.0	13.4
MS	240	55.0	22.9
Grand	1,527	227.0	14.9

[1] 16 utilities responding, whose numbers of engineers employed (see totals above) represent approximately 80 percent of the nuclear utility group (based on reference 2 statistics).

[2] Average over the period from 1973 to 1975.

TABLE III.—SUMMARY OF NUCLEAR STEAM SUPPLY SYSTEM MANUFACTURING GROUP EMPLOYMENT DATA[1]

Discipline and degree	Current employment	Annual employment increase[2]	
		Number	Percent
N.E.:			
BS	186	24.0	12.9
MS	251	21.8	8.7
Total	437	45.8	10.5
Ch. E.:			
BS	263	26.7	10.2
MS	82	14.0	17.1
Total	345	40.7	11.8
M.E.:			
BS	794	77.3	9.7
MS	278	33.0	11.9
Total	1,072	110.3	10.3
E.E.:			
BS	315	31.3	10.3
MS	82	10.3	12.6
Total	397	41.6	10.5
C.E.:			
BS	94	12.7	13.5
MS	28	7.0	25.0
Total	122	91.7	16.1
Q.C.E.:			
BS	123	14.7	12.0
MS	25	5.7	22.8
Total	148	20.4	13.8
R.L.E.:			
BS	51	7.3	14.3
MS	28	5.7	20.4
Total	79	13.0	16.5
E.S.:			
BS	0	0	0
MS	0	0	0
Total	0	0	0
Total:			
BS	1,826	194.0	10.6

Footnotes at end of article.

Discipline and degree	Current employment	Annual employment increase[2] Number	Percent
MS	774	97.5	12.6
Grand	2,600	291.5	11.2

[1] 3 companies responding, whose numbers of engineers employed (see totals above) represent approximately 65 percent of the NSSS manufacturing group (based on reference 2 statistics).
[2] Average over period from 1973 to 1975.

TABLE IV.—SUMMARY OF NUCLEAR ARCHITECT-ENGINEER GROUP EMPLOYMENT DATA[1]

Discipline and degree	Current employment	Annual employment increase[2] Number	Percent
N.E.:			
BS	34	27.0	79.4
MS	30	16.0	53.3
Total	64	43.0	67.2
Ch.E.:			
BS	13	16.0	123.0
MS	10	5.0	50.0
Total	23	21.0	91.3
M.E.:			
BS	41	32.0	78.0
MS	30	15.0	50.0
Total	71	47.0	66.2
E.E.:			
BS	11	19.0	172.7
MS	5	5.0	100.0
Total	16	24.0	150.0
C.E.:			
BS	33	29.0	87.9
MS	34	16.3	48.0
Total	67	45.3	67.7
Q.C.E.:			
BS	22	27.7	125.8
MS	20	15.0	75.0
Total	42	42.7	101.6
R.L.E.:			
BS	1	12.0	1,200.9
MS	0	0	0
Total	1	12.0	1,200.0
E.S.:			
BS	10	22.0	220.0
MS	10	10.0	100.0
Total	20	32.0	160.0
Total:			
BS	165	184.7	111.9
MS	139	82.3	59.2
Grand	304	267.0	87.8

[1] 3 firms responding, whose numbers of engineers employed (see totals above) represent approximately 12 percent of this group (based on reference 2 statistics).
[2] Average over the period from 1973 to 1975.

TABLE V.—SUMMARY OF FUEL PROCESSING, AEC, AND SMALL REACTOR COMPONENT MANUFACTURING GROUPS EMPLOYMENT DATA[1]

Discipline and degree	Current employment	Annual employment increase[2] Number	Percent
N.E.:			
BS	179	29.97	16.7
MS	42	19.67	46.8
Total	221	49.64	22.5
Ch.E.:			
BS	236	26.63	11.3
MS	44	26.0	59.1
Total	280	54.63	19.5
M.E.:			
BS	424	115.64	27.3
MS	60	26.33	43.9
Total	484	141.97	29.3
E.E.:			
BS	243	36.67	15.1
MS	26	10.34	39.8
Total	269	47.01	17.5
C.E.:			
BS	76	16.0	21.1
MS	16	1.84	11.5
Total	92	17.84	19.4
Q.C.E.:			
BS	17	13.67	80.4
MS	3	2.33	77.7
Total	20	16.0	80.0
R.I.E.:			
BS	5	8.33	166.7
MS	2	2.67	133.5
Total	7	11.0	157.1
E.S.:			
BS	14	15.33	109.5
MS	3	3.0	100.0
Total	17	18.33	107.8
Total:			
BS	1,194(85.9)	262.24	22.0
MS	196(14.1)	92.18	47.0
Grand	1.390	354.42	25.5

[1] 9 companies responding, whose numbers of engineers employed (see totals above) represent approximately 10 percent of this group (based on reference 2 statistics).
[2] Average over period from 1973 to 1975.

In addition to the information on the manpower needs of the nuclear power industry, the survey also provided information on the areas of academic training that industry desires engineers to receive. A summary of the degree of desirability of the various areas of training specified by the survey respondents is shown in Table VI. The tabulated results were arrived at by weighing each respondent's specifications by that respondent's employment needs. Thus, Table VI would in effect be the specifications for the nuclear-oriented education of the average nuclear engineer desired by the segment of the nuclear power industry that responded to the survey.

The implications of Table VI for the field of engineering education may come as a surprise to some people; however, the more informed educators are well aware of the current needs.[4] [5] Comments from many of the respondents to the survey indicate that industry has very definite ideas on the required content of the education of an engineer for the nuclear power field. If one stops long enough to consider the current state of the nuclear power industry, Table VI makes good sense. There are four basic segments of the nuclear power industry, each with a somewhat different viewpoint and set of needs; the nuclear fuel processing group, the nuclear steam supply system (NSSS) design and fabrication group, the architect-engineer group, and the nuclear utility group. The responses received from the first two groups more or less indicate that their needs have in the past been adequately met by traditional nuclear engineering education programs. On the other hand, the needs of the remaining two groups apparently are not being met to their satisfaction.

TABLE VI.—*Academic training for nuclear-oriented engineers in order of importance as desired by the nuclear power industry*

Desirability	*Subjects*
Required	Nuclear power system safety analysis.
Highly desirable	Heat transfer. Fluid flow. Systems engineering. Radiation control. Radiation shielding. Reactor licensing. Fuel technology. Quality assurance.
Desirable	Fuel cycle analysis. Environmental science. Power system analysis. Radiochemistry. Reactor materials. Control theory. Equipment selection. Nuclear instrumentation Radiation effects. Reactor core design. Quality control.

Heretofore, the nuclear power industry has been to a certain extent in a long research and development phase. As such, the industry required engineers who were R&D-oriented and experts in reactor core design and analysis. However, the nuclear industry is now coming of age, and the primary need is for engineers to design and build nuclear power plants. The respondents in the nuclear power plant design and operations segment of the nuclear industry indicate that the engineers they wish to employ should have training in such areas as reactor power plant safety analysis, systems engineering, reactor licensing, quality assurance, etc. Because traditional nuclear engineering education programs of the past were geared to turn out reactor core design and analysis experts, this type of program will not meet this need. New programs geared to the current needs of the nuclear power industry are needed. To sum up, I feel that the nuclear industry today is saying that what it needs are engineers who are trained to cope with the real world of nuclear power plant design and operation, engineers who have a basic understanding of the ground rules of the game as established by the AEC and who have sufficient relevant technical education to dig in and actively participate.

REFERENCES

*Average over period from 1973 to 1975.
[a] Quality control engineer.
[b] Reactor licensing engineer.
c. Environmental specialist.
† Thirty-one companies responding, whose numbers of engineers employed (see totals above) represent approximately 20 percent of the entire nuclear industry (based on Reference 2 statistics).
[1] *Scientific and Technical Manpower Requirements of Selected Segments of the Atomic Field,* K. L. Voigt (ANS) and E. S. Pierce (AEC) USAEC, Aug. 19, 1970.
[2] *Nuclear Engineering and Radiation Protection Supply/Demand: Analysis for CONE Planning,* USAEC, Nov. 20, 1972.
[3] *Nuclear Engineering Enrollment and Degree Survey: Fall 1971,* WASH-1228 (72), USAEC, November 1972.
[4] *Proceedings of the Workshop on Nuclear Energy, the Environment and Engineering Education,* Ed., R. L. Murray, CONF-720975,
[5] *Nuclear News,* May 1973, Vol. 16, No. 7, p. 68.

EXEMPTION OF CERTAIN FORMS OF ZINC FROM DUTY—AMENDMENT

AMENDMENT NO. 1770

Mr. BENNETT. Mr. President, I submit an amendment for printing to H.R. 6191.

I ask unanimous consent to have printed in the RECORD information which has previously been made available in connection with the substance of my proposed amendment. The information with respect to the first part of my amendment involves the tax treatment of tuition and educational expenses paid on behalf of members of the uniformed services which is contained in Senate Report 93–987, filed July 8, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TAX TREATMENT OF TUITION AND EDUCATIONAL EXPENSES PAID ON BEHALF OF MEMBERS OF THE UNIFORMED SERVICES

Present law (sec. 117 of the code) provides, subject to certain limitations and qualifications, that gross income of an individual does not include amounts received as a scholarship at an educational institution or as a fellowship grant. This provision, however, does not apply with respect to any amount paid or allowed on behalf of an individual if the amount represents compensation for past, present, or future employment services, or in certain other cases, such as where the studies or research are primarily for the benefit of the grantor. In these types of cases, the amounts are considered as compensation designed for services or designed to accomplish an objective of the grantor and are not excludable from gross income; and consequently, these amounts are subject to tax to the individual.

The Internal Revenue Service notified the Department of Defense in response to its request for a ruling that the tuition and other educational expenses paid to or on behalf of participants in the recently instituted Armed Forces Health Professions Scholarship Program are not excludable from the individual's gross income, and, therefore, are subject to tax and withholding. It was noted that under this scholarship program the student was required to serve a prescribed period of active duty with the Armed Forces in return for payment by the Government of certain educational expenses, such as tuition and fees, books, and other related expenses.

The Department of Defense has raised a question about the effect of this ruling on the students under the Armed Forces Health Professions Scholarship Program. In addition, although the ruling only specifically applies to this program, the Department of Defense has expressed a concern with respect to its other educational programs where there are requirements of a prescribed period of active military duty or some other service or obligation in return for the payments. The Department of Defense has submitted a legislative proposal dealing with the application of the "scholarship" exclusion provision with respect to the payments by the Government for the tuition and other educational expenses of a member of the uniformed services attending an educational institution.

The Committee believes that the Defense Department's proposal deserves detailed consideration. To permit the time for this consideration, the committee has decided to postpone the application of the effect of the ruling until January 1, 1975, not only with respect to the Armed Forces Health Professions Scholarship Program but also of other substantially similar educational programs of the uniformed services (as determined by the Secretary of the Treasury), pending a study by the staff of the effect of the application of the proposal to members of the uniformed services. Accordingly, the committee has provided that a member of a uniformed service who is receiving training under the Armed Forces Health Professions Scholarship Program (or any other program which is determined by the Secretary of the Treasury to have substantially similar objectives) from an education institution will not be subject to tax on any payment from the Government with respect to his tuition and certain other educational expenses, including contributed services, accommodations and books. (The committee intends that the phrase "substantially similar objectives" is to include any undergraduate or graduate programs paid for by appropriated funds.) This is applicable to whether the member is receiving the educational training while on active duty or in an off-duty or inactive status, and without regard to whether a period of active duty is required as a condition of receiving the educational payments.

The provision applies with respect to amounts received in calendar years 1973 and 1974.

It is estimated that this provision will reduce annual Federal individual income tax liability by less than $10 million at 1973 levels.

Mr. BENNETT. Mr. President, the second part of my amendment involves the taxation of forgiveness of indebtedness income with respect to educational loans/scholarship programs operated by Federal, State, and local governments. This provision would treat forgiven student loans, conditioned upon future employment, as scholarships excludable from gross income. I have added this proposal at the urging of Senator JOHN V. TUNNEY and others and I ask unanimous consent to have printed in the RECORD a statement prepared by him in support of this section of the proposed amendment, together with a copy of the views of the Treasury Department concerning this proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT OF SENATOR JOHN V. TUNNEY ON POSTPONING THE TAXATION OF THE FORGIVEN PORTION OF EDUCATIONAL LOANS

Mr. President: In a little-noticed action of June, 1973, the Internal Revenue Service decided that the cancelled portion of educational loans would henceforth and retroactively be considered taxable income. abruptly and without warning, the IRS has begun dispatching tax-due notices that have ranged as high as $1000 per year for up to a maximum of three years, payable within 30 days.

Of course, the thousands of students who contracted for national defense student loans, national direct student loans, Armed Forces Health Professions loans, state teaching and medical education loans and law enforcement educational loans with forgiveness provisions had no idea they might be hit with retroactive tax-due notices dating back 3 years.

Mr. President, I believe this IRS ruling is contrary to Congressional intent and subversive of the purpose of these loan programs. In no other instance does the Federal Government give with one hand, take away with the other. Even worse than the ruling itself is the application of the ruling retroactively and without notice.

To this very day, students and loan officials at thousands of colleges and universities are unaware of the tax liability the IRS has decided will be associated with the forgiven portion of educational loans. Since the IRS has made no effort to inform colleges and universities of the tax time bomb contained in these loans, the first a recent college graduate learns of this situation is the day the postman arrives with a bill for several year's back taxes. Adding insult to injury is the fact that the graduate is charged interest on the back taxes he or she did not even know was owed.

This is an example of Government at its absolute worst.

Thus far, the IRS has decided to enforce Revenue Ruling 73–256 in only a handful of jurisdictions. Congressman Ike Andrews has introduced legislation in the House to deny retroactivity to this ruling. As of today, Congressman Andrews' bill has 143 cosponsors.

The amendment that Senator Bennett has graciously sponsored at my request would prevent the enforcement of this Revenue Ruling until December 31, 1975. In the meantime, Congress will have a chance to develop and enact a permanent solution to the problem caused by this ruling.

In a letter to Chairman Long, the Treasury Department acknowledged that a substantial problem exists and Treasury endorsed the amendment being offered today by the Senator from Utah.

In light of the obvious need and support for action, I hope the Senate will adopt this amendment to H.R. 6191.

THE DEPARTMENT OF THE TREASURY,
Washington, D.C., July 31, 1974.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The problem of the taxation of educational loan scholarship and of similar work-related training and education programs operated by Federal, State and local governments, has long been of concern to the Treasury Department. We are presently preparing for submission to the Congress a proposal to amend the Internal Revenue Code which would in large part, we believe, resolve the present law statutory obstacles to resolution of the problem. We hope to submit this proposal in the near future.

However, until such a proposal is submitted and acted upon, we would support the enactment of legislation similar to that Senator Tunney intends to propose as an amendment to H.R. 8214, and which you forwarded to us by letter of July 17, 1974. The amendment, which is effective through December 31, 1975, would treat forgiven students loans, which are conditioned upon future employment, as scholarships excludable from gross income under section 117. Senator Tunney's amendment would provide time for Congress to give full and adequate consideration to the complex area of the tax treatment of scholarships and fellowships and provide clear guidelines for determining under what circumstances such payments are excludable from the gross income of recipients.

Sincerely yours,
FREDERIC W. HICKMAN.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY—AMENDMENTS

AMENDMENTS NOS. 1771, 1772, 1773, AND 1774

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted four amendments intended to be proposed by him to the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

AMENDMENT NO. 1777

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (S. 707), supra.

AMENDMENT OF THE RAIL PASSENGER SERVICE ACT OF 1970—AMENDMENT

AMENDMENT NO. 1775

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK submitted an amendment intended to be proposed by him to the bill (S. 3569) to amend the Rail Passenger Service Act of 1970, and for other purposes.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1975—AMENDMENT

AMENDMENT NO. 1778

(Ordered to be printed and referred to the Committee on Appropriations, by order of the Senate of July 5, 1974.)

Mr. PROXMIRE (for himself, Mr. CHILES, Mr. HUDDLESTON, Mr. HOLLINGS, Mr. DOLE, Mr. BARTLETT, Mr. NUNN, and Mr. HANSEN), submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 15572) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1749

At the request of Mr. WILLIAMS, the Senator from California (Mr. CRANSTON) was added as a cosponsor of amendment No. 1749, intended to be proposed to the bill (S. 3394), the Foreign Assistance Act of 1974.

NOTICE OF HEARINGS ON THE AMENDMENTS TO THE RAILROAD RETIREMENT ACT OF 1937

Mr. HATHAWAY. Mr. President, on Thursday, September 5 and again on Tuesday, September 10 and Wednesday, September 11, the Labor and Public Welfare Subcommittee on Railroad Retirement will hold hearings on S. 3612, S. 2450, and S. 3522 to amend the Railroad Retirement Act of 1937. The hearings will begin at 9:30 a.m. in room 4230, Dirksen Office Building.

Persons interested in testifying or submitting statements should notify the subcommittee at 248 Russell Senate Office Building, telephone 225-2028.

ADDITIONAL STATEMENTS

THE SHAMEFUL EARNINGS LIMITATION ON SOCIAL SECURITY BENEFITS

Mr. GOLDWATER. Mr. President, for some time now I have been speaking out on the injustice of the earnings limitation of the Social Security Act which deprives older workers of their benefits if they continue working upon reaching the age of 65. I have introduced a bill, S. 3065, which would completely repeal this provision of the law for all persons aged 65 and older.

Yesterday, I read an article in the Sunday magazine of the New York Times which contains a penetrating analysis of how this restriction of the law, and other equally discriminatory technicalities, penalize older Americans in a way that no other group of citizens must suffer.

The article is appropriately headed:

> If you're counting on Social Security for your retirement income one day, count again—Catch 65.

Mr. President, so that those of my colleagues and persons among the general public who may have missed this exposé of the shameful treatment of older citizens by the law may see it, I ask unanimous consent that the entire article, "Catch 65" by Mr. Robert C. Alberts, which appeared in the New York Times Magazine of August 4, 1974, shall be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CATCH 65

(By Robert C. Alberts)

This is the story of one imaginary man—one who could represent a few million of us—who found that, contrary to tradition, America is not a land that always rewards the ambitious and industrious. Not after a certain age, anyway.

When Jonas Joanes retired, 30 members of the department turned out for a luncheon in his honor. (Dinners were reserved for vice presidents and those with 40 years' service.) His wife, Ellen, wearing a new blue dress and a corsage, sat at the head table. They gave Joanes a set of golf clubs and a broken-down ladderback chair. (Refinishing furniture was his hobby, and it is common knowledge that the aging jobless need hobbies.) A large cartoon bore the signatures of everybody in Purchasing except a junior clerk; Joanes would never know whether the man was absent or hostile.

He made a short speech that began with a line handed down from the last two retirement parties he had attended: "Reaching the age of 65" (pause) "is not so bad" (pause) "when you consider the alternative" (laughter). In a conversation afterwards, one of the men gave him some advice: "Don't tell people you're busier than you ever were. They'll think you weren't worth a damn when you were working." The head of Purchasing shot his cuffs and looked at his watch. It was 2:15. The signal was understood. Everyone returned to the office. Everyone but Joanes and his wife.

Joanes was not exactly planning to retire. Weeks before, he had lined up another job; respectable part-time work for the county hospital, 6 to 11 P.M., with responsibility for a bit of bookkeeping. It was not that he wanted to keep busy; he would have been quite happy not to be busy. But he was taking a sharp drop in income and he needed the money. He had come late to the company and his pension was not large. Payments on the mortgage would run another six years. The house needed a new roof. Its tax assessment had doubled in 1972. The loan for putting his youngest child through college was paid off, but the car had seven more payments and the cost of everything had gone up, including his share for keeping his mother-in-law in Whitehall Manor. With the company pension, about $40 a month from investments, and his Social Security, he and Ellen had figured they could get by without selling the house. Barely. All it would take was the part-time job and a cutback in personal luxuries, such as the weekly dinner at the neighborhood restaurant and the weekly calls to an out-of-state daughter and her children.

From the local Social Security people had come a letter inviting Joanes to call at the regional office. The letter was friendly. It began: "The information you gave us when you applied for a Social Security number shows that you will soon be 65 years of age." He was pleased that his Government had made the first move and had remembered something recorded 37 years earlier. In the past, others had written to congratulate him on his birthdays, but never two months in advance. As the letter suggested, he took with him Proof of Age (birth certificate), Proof of Military Service after September 7, 1939 (discharge as a staff sergeant in 1945), Proof of Earnings (latest forms W-2 and 1040), and Proof of Marriage (marriage license and an even more indisputable piece of evidence—Mrs. Joanes).

They were interviewed by a Mr. Smith, claims representative. Mr. Smith was young, perhaps 30, relaxed and obviously competent. For him, retirement was something one knew about, but did not take into daily reckoning. He flipped through documents and cards, quickly accepting proofs of age, military service, earnings and marriage. He explained Medicare protection and its cost, $20.10 every three months. He told Joanes his monthly cash benefit under Social Security would be $230. He explained that Joanes would get a Certificate of Social Insurance attesting to that amount. When Mrs. Joanes turned 65, he said, she would also have rights and responsibilities under Old Age and Survivors Insurance.

"Couldn't we call it something more cheerful?" Mrs. Joanes said. Mr. Smith smiled. She came straight to the point: How much would she get at 65? Mr. Smith explained: Her Medicare payments would be $20.10, the same as her husband's, and she would receive the same benefits. When she reached 65, she would get a Social Security check one-half the dollar amount of her husband's. On the other hand, she could elect to take her Social Security benefits at age 62 (Mrs. Joanes brightened), in which case she would receive only 80 per cent of the benefit she would have received at 65 (Mrs. Joanes frowned).

She said she had worked in a real-estate office for six years and so would naturally be entitled to benefits on her own right. She thought she would put in for her pension next year, when she would be 62. She produced her records.

"You would do better," Mr. Smith said after examining them, "to take your cash benefit on your husband's account, whether you do it at 62 or 65. It will be considerably larger, since you contributed to the program for only six years, and you are entitled to the highest benefit."

"Don't I get both?"

Mr. Smith smiled again. "No, Mrs. Joanes, that's not the way it works."

"Why doesn't it?"

Mr. Smith reached for a loose-leaf notebook labeled "SSA Program Circular, Public Information," turned to "Response to Program Criticism," and tapped it with his fingers. "There are many answers to your questions," he said, "but the main reason is that Congress didn't write the law that way."

"But I had money deducted from my pay check every month for Social Security, and I qualified."

"Yes, and you will be entitled to benefits under your husband's award."

"Wouldn't I have received that, the same amount, in any case? I mean, even if I hadn't worked and had those deductions?"

"Yes, that is true. It's rather complicated, Mrs. Joanes, but you must realize that benefits reflect the family situation. The amount of cash benefits is paid in terms of a family."

"But we were taxed as individuals, not as a family. My husband and I were each paying a Social Security tax for six years. Now we are to get one benefit as a family. It looks to me like individual when you pay, family when you collect."

Mr. Joanes touched his wife's hand.

She said: "I don't see why I can't get reduced benefits at 62 on my own account, and then transfer when I'm 65 to my husband's account and get my full share of his benefit. We both paid for it."

"You would be transferred to your husband's account, because it is larger, but you will always get a benefit that is actuarially reduced. The rule is, when a woman under 65 is eligible for cash benefits both in her own right and in her husband's, she cannot apply for just one of those benefits; when she has applied for one benefit—either one—she is deemed to have applied for both. This means that if a wife elects to take an old-age—excuse me—a Social Security cash benefit of 80 per cent in her own right before age 65, then she cannot get a full benefit when she becomes eligible for her wife's benefit at age 65. Is that clear?"

"It's clear, and I consider it discrimination against women." She took a deep breath. "I must insist on having my money back. I am willing to forget about the interest it might have earned."

"I'm afraid the Social Security Act does not provide for that." Mr. Smith was patient; he had clearly been over this ground before.

"Well, I think the Government should be ashamed of itself to take money for something, and not deliver it, and then refuse to give back the money. It appears to me that millions of women in this country are working and having billions of dollars deducted from their wages for Social Security, and they will never get anything for their money."

"The family in which both the husband and wife work may indeed pay more in Social Security contributions than the family in which only one works, but it also has important advantages over the family with one earner."

"Such as?"

"If both the husband and wife work, both have retirement, disability and survivor's benefit protection based on their own earnings. That is not the case where only one spouse works."

"But both families do get the same amount, don't they?" she said. "The wife who works all her life and has to pay a Social Security tax really is no better off than the wife who has never worked outside the home and has never paid one cent towards Social Security. Does Gloria Steinem know about this?"

Mr. Smith sighed. "I imagine she does, Mrs. Joanes." He paused a moment to reflect, then continued in a somewhat lower voice. "Look. I have a sister. She's a Certified Public Accountant, self-employed, running her own business. Her husband is an architect, also self-employed. Each of them is paying 7.9 per cent self-employed contribution on earnings up to $13,200. That's $1,042 a year for her and it's $1,042 a year for him. It's $2,084 for both. You say 'Social Security' to my sister, and she climbs right up the wall. So I know how you feel."

He turned to Joanes. "I should have explained earlier that you don't need to retire completely to get your cash benefits."

Joanes looked puzzled. His confusion might have been explained by the fact that Mrs. Joanes was muttering, "Individual when you pay, family when you collect." "Is that good?" he asked.

"If you intend to supplement your cash benefit by earned income on a continuing basis, you may do so up to a certain amount without any reduction in your monthly checks."

"How much?"

"You may earn up to $200 a month, or $2,400 a year."

Joanes's puzzlement had turned to alarm. "Would you go over that again please, slowly? My wife is going to hold me personally responsible for whatever the law says, so I better get it right." When he saw that Mrs. Joanes laughed, Mr. Smith smiled.

"To put it another way, no cash benefits are payable if you continue to work and your earnings . . ."

"Well, I certainly do intend to continue to work. I'm not delighted at the idea, but Mrs. Joanes and I, we've both grown fond of eating."

". . . if your earnings exceed a certain amount. You may earn up to $2,400 a year, as I said, without being deprived of any cash benefits."

"I may earn up to $2,400 a year."

"That's gross earnings, before taxes. Now, for each dollar you earn above $2,400, your cash benefit will be reduced by 50 cents."

"By 50 cents."

"But if there are any months in which you do not earn $200, or do not perform substantial services as a self-employed person, you are entitled to the full cash benefit for that month, regardless of your total earnings for the year."

"Full cash benefits for that month." There was a pause. Joanes shook himself. "In other words, what you're telling me is, if I work at what you call substantial wages, I will lose my Social Security pension."

"I'm afraid to ask this," Mrs. Joanes said, "but if my husband loses his pension because he works, what happens to my pension?"

"Payment of the spouse's cash benefit is dependent on payment of a cash benefit to the wage earner."

"Does that mean I don't get my pension either?"

"If your husband earned more money than is permitted under the retirement earnings limitation, your cash benefit would be reduced or stopped."

"Next Monday morning at 9 o'clock," Mrs. Joanes said, "I am going to chain myself to the iron fence in front of the White House and hold up a sign exposing this injustice to women."

"I think this is outrageous," Joanes said. "I want to work. I need to work. I have a job that needs to be done and not everybody can do. What this does, it discourages me from working. It's a violation of something . . . of the . . ."

"Of the Puritan work ethic?" Mr. Smith suggested.

"Yes, that. And of ordinary common sense. Suppose I take this job. I can earn $200 a month, but after that, I begin to lose $230; as soon as I have earned $460 I lose it all. On top of that the Social Security $230 was tax-free, and I have to pay income tax on the money I earn."

"I don't know how much you expect to earn," said Mr. Smith, "but let me point out to you that in order to lose all of your Social Security cash benefit you would have to make more than $660 per month. That's a substantial income."

"Not so substantial anymore," said Joanes. "But that's not the point. I am expected to work at the going market wage for the first $200 each month. Then I'm supposed to take a big cut and continue to work at less than the going wage."

"Your wage remains the same in any case, Mr. Joanes. You have simply not retired. Social Security is not designed or financed as a pension system. It never was. It is insurance against a substantial loss of income due to retirement, death of spouse or disability."

"But I've just had a substantial loss of earnings due to retirement. I can't live on Social Security."

"Nevertheless, you must meet the retirement earnings test. You should notify us promptly if you go to work for wages of more than $200 a month and if you expect your yearly earnings to exceed $2,400. If you do not notify us, you are subject to a possible penalty of at least one month's benefit. You will be required to make a declaration of estimated earned income each year until you are 72. When you reach 72, there is no longer any restriction on the amount you may earn."

"I can hardly wait," Mrs. Joanes said.

"Why 72?" Joanes asked. "Why not 82, or 97, or 65? And why, if it's wrong for me to earn money and get my Social Security pension when I'm 65, why does it become all right when I'm 72?"

"That's the way the act was written," Mr. Smith said. "At first, the earning restrictions did not end at all, not at any age. Then the age was set at 75, and later it was lowered to 72. Some people believe the age will be lowered again some day."

"When was it lowered to 72?"

"In 1955, I believe it was."

Mrs. Joanes looked at her husband. "They'll lower it again the week you turn 72."

"So, for the next six years, if I work at this job," Joanes said, "I get no Social Security pension. Is the amount I receive at 72 larger because of the six years when I don't get anything?"

"If, after 65, you receive no cash benefits, then the benefit you will receive at 72 will be increased by one-twelfth of 1 per cent per month, for a possible increase of 1 per cent for each year you worked after 65."

"So I will get," (Joanes scratched some figures), $13.80 a month more in return for losing my pension for six years. $166 a year for whatever years are left. Not enough."

"That increase may also be considered a partial compensation for the continued payment of the Social Security contribution."

"Did I hear you say . . . I thought I heard you say 'continued payment of the Social Security contribution.' "

"The contribution on earnings after 65 does continue at the usual rate."

"Do you mean to tell me I have to keep on paying the Social Security tax for six more years, until I'm 72, for a pension I'm not getting? You've got to be kidding."

"The contribution on earnings does not end at 72. It continues as long as there is an earned income, regardless of age."

Joanes made some more calculations. "I go to work and earn $2,400. I pay a Social Security tax of, say, $140 on it. I earn another $2,400. I pay another $140 in tax, and my Social Security pension is reduced by $1,200. So the additional $2,400 in income brings me only $1,060. That's a tax rate of nearly 60 per cent. And on top of that I have to pay a Federal income tax and a State income tax on what I earn."

"Your figures are approximately correct, Mr. Smith said. "The tax rate on your example is 55.8 per cent. I should point out that the earnings limitation applies only to earned income—wages, salary and net income from self-employment. If you have a private pension or other nonearned income, they do not count as earnings for Social Security purposes."

"What other kind of income?"

"Interest on savings accounts. Income from annuities. Gain from sale of capital assets, gifts or inheritances. Rental income from property you own. Investment income in the form of dividends on stocks, bonds, and so forth."

"Those don't count."

"Not unless you happen to be a real-estate dealer or a dealer in securities, in which case special rules apply."

"I could receive $1,000 a month and dividends and interest and still get my Social Security pension?"

"Yes."

"Could I get $5,000 a month?"

"There is no limitation on the amount of unearned income in calculating Social Security cash benefits."

"Only on wages."

Mr. Smith leafed through "SSA Program, Public Information." "Some people favor a retirement income test, as well as an earnings test, under which a beneficiary would lose all or part of his cash benefit if he receives substantial payment from his savings, investments, pension and so forth."

"I'm not in favor of either. I don't think it should be any business of the Social Security office how much I earn or how much I get from investments, any more than it is of the insurance company that pays my company pension. But if you're going to have any limitation at all, why should it be on wages alone? Why do you penalize people who work for wages and favor the well-to-do or the wealthy, or the children of the wealthy, who are in free with their rents and interest, dividends and capital gains and oil royalties?"

Mr. Smith read aloud from his notebook. " 'If the benefits were cued to the total amount of income a person has, it would no longer be a retirement program; it would be a welfare program. Changing the retirement test to an income test could seriously discourage individual thrift.' "

Mrs. Joanes snorted. Mr. Smith continued: " 'Why should the Social Security contributions paid by workers and employers be increased, in order to pay benefits to people not retired and who in many cases are earning as much as they ever did?' " He turned a page. " 'Many elderly people do, in fact, face financial difficulty. However, elimination of the retirement earnings test is not the way to deal with the financial problems faced by the elderly. This would result in paying benefits to a small minority of beneficiaries who are already working and earning substantial amounts. The vast majority of aged beneficiaries do not work. Almost all of them either do not work or cannot work or cannot find jobs. The way to help these people is through general Social Security program improvements which are applicable to all Social Security beneficiaries.' "

"I think somebody up there doesn't like those bad citizens who are working hard and earning substantial amounts," Mrs. Joanes murmured to her husband. Mr. Smith turned several pages and read another passage. "Criticism of the test is generated mainly by a relatively small minority of beneficiaries who are affected by the test—many of whom are earning as much as they ever did.' "

"How small is a 'small minority'?" Joanes asked.

"The Commissioner estimates that about 1.5 million elderly persons are affected by the retirement earnings test. Senator Goldwater, who opposes the test, believes it is as many as 2.5 million."

"This is a small minority?" Joanes said.

"I told you we should have voted for Goldwater," Mrs. Jones said.

"Frankly, I don't think anyone knows how many people are adversely affected, in the sense that they are actually losing benefits because they work, or are not doing work they otherwise would be doing, or how many are doing how much work they're not reporting.

"It's important to understand, however, that the great majority of people get more out of Social Security than they put in."

"Except those who stay healthy after age 65, continue to work at substantial wages, keep on paying the Social Security tax, and don't reach the age of 106."

"Possibly. Those who benefit most are the special groups that need it most, such as disabled workers and their dependents, the handicapped, those brought into the program under a minimum benefit or a weighted benefit formula and widows with children under 18—under 22 if they're in college.

"There has been a continuing effort to give the program social adequacy and to have it make a meaningful contribution to the support of those in need. For example, the Supplementary Security Income program—S.S.I.—that went into effect this year. It has replaced old-age assistance—O.A.A.—the welfare program for older persons formerly administered by the states. It guarantees a minimum level of income, $146 a month for an individual, or $219 for a couple, for all elderly people who pass income and resource tests."

"Whether or not they have made contributions and qualified for Social Security benefits?" Joanes asked.

"Yes."

" 'Social adequacy' is fine," he said, 'but I wish you wouldn't do it with the money I paid in for my Social Security pension. If Congress wants to make this a public assistance program and relieve the states of their welfare burden, shouldn't they do it with tax money appropriated for that purpose, instead of money deducted from payrolls for Social Security benefits?"

At this point, Mr. Smith glanced at his watch. "I'm afraid we've been taking a lot of your time," Joanes said.

"Not at all. It's important that you both understand the rights and responsibilities of the Social Security program. And as the Commissioner often says, we are always interested to hear the views of the public and the people we serve."

Joanes stood up. He cocked his chin. He spoke not so much to Mr. Smith as to the world. "Well, tell the Commissioner, if he's interested, that I think the Government is singling out people between 65 and 72 to impose on them the heaviest tax rate in the nation—to penalize them with a tax that no other group of citizens pays. I think those people should be encouraged to work and generate taxable income instead of rigging the system to keep them from working.

"I think it's impossible for you to justify double taxation on a working husband and wife, when they generally get no more for their extra burden than families with one earner. I think the discrimination against women in this matter is shameful, and I'm amazed that they submit to it.

"I think it's atrocious to make workers over 65 continue to pay a Social Security 'contribution' so as to provide them later with a pension they've already paid for and aren't getting. If a private company tried a rip-off like that, Congress and three department of the Federal Government would be screaming bloody murder and they would have it in court on Monday morning."

"You've been very obliging," Mrs. Joanes said. "Thank you." They shook hands and left.

After some deep thought and much writing of figures, Joanes decided to give up his job at the county hospital and accept his Social Security payments. He expanded his cellar workshop and began a modest part-time business in repairing, refinishing and occasionally selling antique and semi-antique furniture. He did not advertise, he wrote no bills or receipts, and he conducted his dealings in cash.

CARL VINSON'S OBSERVATIONS ON NATIONAL SECURITY

Mr. TALMADGE. Mr. President, the Honorable Carl Vinson, former chairman of the Armed Services Committee of the House of Representatives, was recently interviewed by Air Force Magazine, and the interview was published in the magazine's August issue.

Mr. Vinson served in the House of Representatives 50 years, and was chairman of the House Armed Services Committee 14 years, and chairman of the old Naval Affairs Committee for 16 years. As chairman of these two very important standing committees of Congress, Mr. Vinson played a leading role in developing a defense system that has insured our Nation's security and well-being in times of war and peace.

Although Mr. Vinson has retired from Congress and makes his home at Milledgeville, Ga., we value very highly his observation and counsel on matters of national security. I read his interview with a great deal of interest, and bring it to the attention of the Senate.

I ask unanimous consent that the interview, along with a personal profile of Mr. Vinson by Mr. Stockstill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Air Force magazine, August 1974]

THE VIEW FROM MILLEDGEVILL, GA.

(By Louis R. Stockstill)

"Intelligence, and reflection, and judgment rest in old men, and if there had been none of them, no states could exist at all."

The words are those of Cicero, and we find them marvelously appropriate to introduce the following interview with Carl Vinson, the eldest elder statesman extant in the field of national security. Readers of this magazine will remember the interviewer, Lou Stockstill, best for his article "The Forgotten Americans of the Vietnam War," in our October 1969 issue, which told for the first time of the shameful treatment of American POWs in Southeast Asia and set off a series of reverberations that eventually resulted in the return of those who survived. In his former capacity as editor and congressional correspondent of the Armed Forces Journal. *Stockstill came to know Carl Vinson well, as a news source and as a friend.*

We thought it appropriate that Stockstill go to Milledgeville, Ga., to see how the first and longtime Chairman of the House Armed Services Committee now views the kinds of problems he had been so adept at solving in past years.—The Editors

Q. Mr. Chairman, after more than fifty years in the House of Representatives, you have now been in retirement for ten years. Still, I imagine that in your leisure time, you continue to reflect on many of the current issues of national defense.

A. Now, Lou, you know that an old man, out of public office for ten years, should be seen very little, if at all, and heard even less.

Q. In your case, Mr. Vinson, I doubt that ever will be true. Many of our present leaders and members of our armed forces would consider themselves fortunate if they could benefit from your wisdom and know some of your thoughts about the trends and issues that affect our military posture.

A. Well, naturally, I continue to be very interested in matters affecting our armed forces and the security of the United States. But you have to remember that I no longer have any close, personal knowledge of most of these matters. I try to keep informed about what's going on. I read four daily newspapers, I read the New York Times' weekly news round-up, and I watch the major national news programs on TV every night. But that's about the extent of my knowledge. If you keep that in mind, I'll try to answer your questions. Now, what is your first question?

Q. One of the big questions remaining from the Vietnam War has to do with men who evaded the draft and refused to serve, or who deserted military service and fled to another country. How do you feel about amnesty for these men?

A. I strongly oppose any general amnesty. We should never encourage the idea that military service is something that can be shunned at the whim of the individual. When a man evades the draft or deserts his uniform, it means another young man has to take his place and perhaps fight, or be wounded, or even killed. And it would be unfair to these other young men to allow those who shirked their responsibility to go scot free.

Q. Do you favor some provisional amnesty that would give them, so to speak, a second chance? Recently a former Secretary of the Army told a congressional committee that these men all had one thing in common—they were all young and they all made a mistake.

A. I heard that testimony, too. Perhaps they were young and made a mistake, but from what I've seen of those being interviewed on TV, few acknowledge or even know they made a mistake. Their attitude is not one to encourage widespread support for amnesty.

I think every case will have to be considered on its merits, and if the man owes a debt to society, he must pay it. Unless we deal firmly with this problem, we will only encourage disrespect for our armed forces and for the millions of young men who have served their country honorably.

Q. This might be an appropriate place to discuss the efforts that are being made to man the services with an all-volunteer force. Do you believe this program will be successful?

A. No, I do not. From what I gather to be the case even if we get all of the men we need, they won't all be of the caliber we need.

The profession of arms is an honorable profession, and money alone won't fill the ranks. You can't buy patriotism, and you can't buy loyalty. And from what I've been reading lately about the thousands of dollars in bonuses that are being offered for reenlistment and to keep medical officers and other specialists, it seems to me that the costs are getting entirely out of hand.

But even if we can afford the dollar costs, we can't afford the risk of filling the ranks of the armed forces with men who are not fully qualified, men who are not high school graduates, or who are below average in intelligence.

Sooner or later I think we'll have to go back to the draft. And I hope we don't wait until its too late. I think Congress should reinstate the draft right now.

Q. The Secretary of Defense has stated that the maximum attributable cost of the volunteer force during Fiscal Year 1975 will be about $3.7 billion; the total military manpower price tag is almost $32 billion, however—or more than one-third of the entire Defense Department budget for the coming fiscal year. What effect do you think these growing manpower costs are having on other Defense Department programs?

A. They are bound to have a profound effect. Weapons costs never stop going up, and if you have to set aside billions of dollars for your payroll, then obviously, in a tight-money situation, you'll have less to spend on weapons and other programs.

And, of course, we are facing another tight-money situation. After every war, our defense expenditures have always been tightened up. The same pattern is shaping up again. The actual dollar outlays may be greater, but what we can buy with the money is a lot less.

Q. Do you find this alarming?

A Yes, I do. Russia is our major potential adversary, and the Soviet Union's weapons have become more and more sophisticated and she is constantly improving her arsenal. We cannot afford to let Russia overtake us. We have to improve our bomber force, and we must keep our missile superiority, and we must improve our submarine force and constantly modernize and strengthen our Navy so that we'll continue to be second to none.

Q. Do you think the Strategic Arms Limitation effort and the present policy of détente will enable us to reduce our Defense expenditures?

A. Well, let me say this. We must strive to use every means at our command to create a more peaceful world. But our leaders can only go to the conference table with confidence as long as we are as strong as or stronger than any potential adversary. Any reductions we might make must be made only when we are absolutely sure that we are not lessening our safeguards.

Q. Mr. Chairman, there has been some recent talk in Washington about a possible move within the Defense Department to reorganize the armed forces and perhaps change some of the present roles and missions, would you encourage a new look at the present structure of the services?

A. I don't know of any particular need to look at it, but I don't know all of the background. I do know that the present organization and present roles and missions were hammered out in the Eisenhower Administration, and they are well defined and well understood. There's no harm in reviewing the structure from time to time, of course, but changes should not be made unless they offer strong, justifiable improvements.

If anything needs to be reviewed today, I think it might be the ratio of fighting men to the ratio of support forces. If we need to revitalize the services, we should probably tighten up the support structure.

When we created the Air Force, for example, we created it so we would have a superior force of pilots capable of performing all essential air missions. I think we may have gotten too far away from that concept, and that the Air Force could possibly strengthen its rated-officer structure and pare back in some of the areas that are not directly related to its primary combat missions.

And the same thing holds true for the other services, as well.

Q. With respect to Air Force pilots, you probably are aware there have been some drastic changes in the methods of determining eligibility for flight pay, and that this matter is still under study and revision in the Congress. What is your reaction to this? [*The new flight pay bill was signed into law on May 31 and became effective June 1.* —The Editors]

A. Unquestionably, we have to pay pilots a premium. It costs millions to train them, and once they're trained, we have to make every effort to keep them in uniform. I'm not familiar with the changes or proposed changes in flight pay, but I would say this:

If changes are made, they must be designed to increase the attractions of a military career in flying and to improve the pilot retention rate. Any change that won't enhance these two goals won't be worth making.

And, from my experience, I would say that that principle applies across the board to most armed forces manpower needs. It applies particularly in areas of highly specialized training where the government foots the training costs.

Q. Mr. Chairman, I know you have been concerned about the effect of the recent energy crisis on our military preparedness, specifically as it related to the petroleum reserves set aside for defense use. Could you comment on this and on any related concerns you have about future energy needs as they apply to the armed forces?

A. This is a subject I'm glad to talk about. The fate of these special petroleum reserves has worried me a great deal the last few months.

The Administration wanted to start pumping this oil. They wanted to pump out more than we took out during all of WW II—as much as 200,000 barrels a day, compared with 64,000 barrels a day that we used during the war.

Of course, it's up to Congress to decide this issue. But, personally, I opposed it and will continue to oppose it. And I hope and trust that the Congress will insist on keeping this oil right where it is—in the ground.

These reserves were set aside for defense needs in wartime. If we allow this oil to be used for every kind of emergency, we run a grave risk of eventually having no backup supply in some future time of national danger.

Petroleum shortages, in a situation like the crisis we just weathered, may hamper us and hold us back and cut out Sunday driving, but unless they threaten our national survival, we must hold onto our defense reserves.

It's an old saying, but I'll repeat it, anyway. You can't eat your cake and have it. If we draw on these reserves now, they won't be there when we really need them.

Q. Do you foresee any steps we should be taking to improve the long-range energy requirements of the armed forces?

A. Well, one thing everyone learned from the recent crisis is that we can no longer afford to depend on foreign nations to fulfill our energy needs. We have to move ahead rapidly in achieving maximum independence. We must make every effort to increase all of our energy resources and output.

Personally, I think we should launch a new, all-out effort to capitalize on the pioneering success we had in harnessing the atom. We all know what the Manhattan Project achieved. And I think that a similar effort could produce atomic power for all of our naval vessels and that we could still produce an atomic-powered aircraft engine.

The nation that put the first man on the moon certainly has the ability to solve the problem of repackaging the atom.

One way that we could go about it would be to set up a program that would assure the utilization of all of the magnificent brainpower that is now being drained out of the space program. These scientists and engineers already have demonstrated that they can do the impossible. If we gave them whatever additional experts they might require and reorganized them into a task force charged with finding new answers to our energy needs, I believe they might amaze us, all over again.

But no matter what form the effort takes, we shouldn't delay a minute in getting on top of this problem. Every potential means of improving our energy resources must be thoroughly explored and exploited, not only for the benefit of the military but for the benefit of every citizen of the nation.

Q. Two final questions, Mr. Chairman: First, how do you view the performance of the House Committee on Armed Services since your retirement?

A. The Committee has done an outstanding job. The membership has changed substantially since I left, but I think that the late Mendel Rivers made a great record as Chairman, and I think Eddie Hébert has demonstrated that he may be the finest Chairman the Committee has ever had.

You know, Eddie was always one of the hardest working, most knowledgeable, and most thorough Chairmen who ever served under me. He proved himself long ago when he first headed the Investigating Subcommittee, and he continues to demonstrate superior qualities of leadership.

It has pleased me to see the Committee continue its long-standing policy of nonpartisanship. When it comes to the defense of our country, no issue must ever be decided in a partisan atmosphere.

The ranking Republicans on the Committee, Bill Bray and Les Arends, and the senior Democrats, Mel Price and O. C. Fisher have always been stalwart believers in this philosophy, and I know they have given Chairman Hébert strong support in maintaining this essential method of examining our defense requirements.

Some of the other members who started out as freshmen congressmen when I was Chairman, who impressed me at the time, and who continue to impress me with the caliber of their endeavors, are still there—Charley Bennett, Sam Stratton, Otis Pike, Bob Wilson, and Dick Ichord. They are all strong men, and as long as the Committee has leaders like them, it will continue to make a fine record.

Some of the outstanding members, like Les Arends, O. C. Fisher and Charley Gubser are retiring at the end of this Congress, but I have faith that their replacements will try to serve the interests of their country, with the same honesty and integrity that these men and the long line of their predecessors have always exhibited.

The Committee has a proud heritage. It is respected and admired. If those who now serve on the Committee, or who join it in the future, want to take pride in their service, they will continue to uphold and build on the Committee's reputation for hard work and no nonsense.

Q. Do you have any advice for the newer members of the Committee?

A. If I were in a position to advise them, the most important message I could pass along would be this: Never allow geographic concerns, or narrow constituent concerns, or private or political or vested interests, or any such interests to influence your vote on issues of national security. Your main concern, always, must be the welfare of the United States of America.

Ten minutes later the phone rang. It was Mr. Vinson with a terse command for me...

"GET ON OUT HERE"

(By Lou Stockstill)

The 300-acre Vinson home, River Ridge Farm, sits astride an unnumbered state highway four miles south of Milledgeville, the old, pre-Civil War capital of Georgia.

The rolling, well-maintained road is bordered with a heavy carpet of red clover, towering pines, and green pastures. As you leave the outskirts of Milledgeville, a signpost identifies the road as Vinson Highway.

But when you reach the farm, there's nothing to indicate that it belongs to one of Georgia's most illustrious sons. A thick privet hedge marches along the road in front of the half-moon driveway curving up to the house. Tall magnolia, nandina, dogwood, and other trees and shrubs enfold and dwarf the spacious white frame residence so that it appears deceptively small and inconspicuous. Most travelers would pass it by without paying it much attention—a fact that suits the man who lives there.

He has always walked apart from the common herd, and guarded his privacy with zeal. Retirement has not changed him. Unlike many former colleagues who have retired or been defeated but continue to haunt the halls of Congress, Carl Vinson has never been back inside the US Capitol since he stepped down as Chairman of the House Committee on Armed Services ten years ago.

Of course, friends from "Washington City" come to Milledgeville. Recent visitors have included Mel Laird and Bryce Harlow, before they left the White House as senior advisers to the President; House Armed Services Committee Chairman F. Edward Hébert; the Secretary of the Navy; the Chief of Naval Operations; former Sen. Margaret Chase Smith; and Rep. and Mrs. Bob Sikes.

He welcomes these visitors and the chance to hear first-hand news about the Congress and official Washington. But in the quiet days when there are no visitors, he keeps busy on the farm and with his office in town and his correspondence, and he is content.

For my first interview with Mr. Vinson, I was late—not by the clock, but by his own personal timetable, which has built-in pitfalls even for the wary.

Before I left Washington, I had talked with him on the telephone. He had reserved a room for me at the Holiday Inn, about two miles on the other side of Milledgeville from the farm. And he had told me to telephone him when I arrived.

From previous experience, I knew this did not mean thirty minutes or an hour after my arrival, but the instant I checked in. So I quickly placed the call.

"All right, Lou," he said, "now you go through town and stop and see Till and then come on out to the farm."

"Till" is a former assistant of Mr. Vinson's who also is retired. He and his family live in Mr. Vinson's former townhouse on Montgomery Street, where Mr. Vinson grew up, just around the corner from Georgia College. It's about a ten-minute drive from the Holiday Inn, and I was there in less than fifteen minutes.

Till and I chatted for another ten minutes, and then the telephone rang. We both smiled in the knowledge of what it foreboded. And we were not wrong. It was Mr. Vinson.

"Where is Lou?" he wanted to know. "Right here," Till said. "Well, tell him to get on out here," Mr. Vinson commanded, "I'm waiting for him."

Those who know Mr. Vinson best are familiar with his idiosyncracies and find them amusingly endearing. I would be treated to others over the next three days. When a man has served in the House of Representatives for more than half a century (longer than anyone in our history) and chaired a major congressional committee for thirty years (also a record), it is difficult not to become a little imperious.

I got on out.

We spent the afternoon reminiscing and talking about current activities of old friends, what they're up to and what the government is up to. And then we drove back into Milledgeville for an early dinner.

Mr. Vinson has never driven a car, has never learned to drive. And he tends to be suspicious of the competence of those who do sit behind the wheel.

As we headed back into Milledgeville, I waited for my first instructions. They were not long in coming.

"Now, Lou," he said, "you're driving too fast. You'd better slow down or you'll get a citation."

I was doing thirty-five in a forty-mph zone, so I slowed down.

During dinner I had no need to outline my planned schedule for the interview that had brought me to Milledgeville. Mr. Vinson, as I had anticipated, already had thought out an agenda:

"Now, we'll go back to the farm after dinner, and watch the evening newscasts, and then we can talk until time to go to bed. And in the morning you can come back out and I'll try to answer some of your questions. And that's the routine we'll follow."

And so it was. We spent mornings on the interview. But in the evening, we watched the TV news programs. And then, until 10:00 or 10:30 each night, we discussed the people and events in the news and then rambled through a great many other topics.

The conversation frequently ranged back in time. Mr. Vinson talked about his family. His grandfather helped survey the state in its infancy. An uncle served in the Georgia legislature before the Civil War. He is particularly proud of two present-day members of the family: a nephew, Army Maj. Gen. Wilbur Vinson, who commands the Southern European Task Force, headquartered in Italy; and a great nephew, Sam Nunn, who represents Georgia in the United States Senate.

Mr. Vinson talked about some of his own campaigns for the Congress.

He recalled the events involved in his first race for the U.S. House of Representatives, sixty years ago. His memory at any age would be remarkable, but at ninety years and six months, it is little short of phenomenal.

Remembering that first campaign in 1914, he talked about a speech he made in August "at noon" on a "wet, gray day." He recalled the first words he spoke and the effect they had on his audience. And he recited the names of all of the counties he carried to win the race, as well as those he lost.

As he talked about his early days in Washington City, he remembered vivid and specific details about the numerous rooming houses, boarding houses, and hotels where he lived as a bachelor (their names, locations, the amount of his rent, and the names of others who lived there). He still remembers the exact price he paid for the modest frame house he bought in Chevy Chase after his marriage in the depression years.

He recalled the automobile trips he and Mrs. Vinson made to Georgia in those years (with "Mary" at the wheel). "There were only two small paved stretches of road the entire distance, and one of them was paved with brick. The trip took four days each way."

Sometimes the memories crowded in thick and fast. They were well larded with humorous anecdotes.

On his first visit to the White House after John F. Kennedy became President: "He told me to sit down and motioned to a rocker. I said, 'Mr. President, I know the Executive and the Legislative are coequal branches of government, but in the old days when I came to see the President. I always stood in front of the desk. It's easier to end an interview if only one person is seated.' And President Kennedy laughed and told me, 'Well, in that case you sit and I'll stand.'"

In another discussion, I mentioned to Mr. Vinson that I had never seen him angry. "Well," he said, "anger is an emotion no man can afford."

He remembered a House colleague who had been elevated to the chairmanship of another committee and who came to ask advice about how to keep the committee members in line. "I told him to get a copy of the House Armed Services Committee rules and just follow them to a 'T', and he wouldn't have any trouble."

But before long, Mr. Vinson said, the colleague was back, bemoaning the fact that his committee members had all but wrested his powers right out of his hands. "Your rules didn't help a bit," he complained.

Mr. Vinson told him, "It wasn't my rules that did it. The trouble is, you got all of your members mad at you. I never let more than four or five members get mad at me at any one time."

During the evenings I spent with Mr. Vinson, we both laughed a great deal. He has always had a marvelous sense of humor.

Sometimes as we talked and laughed, from the comfort of the two big, overstuffed rocking chairs on his enclosed back porch, it was difficult for me to remember that I was sitting with a man who was a powerful influence in the nation when I was still a schoolboy; a man who has personally known nine Presidents of the United States; who is the only living member of the historic Aircraft Board, appointed by President Calvin Coolidge, that blueprinted the future of American commercial and military aviation.

I have known Carl Vinson for twenty-four years. Most of the time, I would find myself thinking of him as a contemporary. And I would momentarily forget that this is a man who also knew Billy Mitchell, who argued with Herbert Hoover, who battled with Dwight Eisenhower, and who served as mentor to such fledging congressmen as Lyndon Johnson and "Scoop" Jackson—a man who was the architect of the two-ocean navy and who played a major role in the development of almost every aspect of America's present-day military might.

But then I would remember. And I would be grateful that AIR FORCE Magazine had given me this opportunity to once again spend some time with a great American who, only incidentally, is an old friend.

STATEMENT OF SENATOR JESSE HELMS BEFORE SENATE RULES COMMITTEE

Mr. HELMS. Mr. President, today I appeared before the Rules Committee to comment on the adequacy of the present Senate rules on impeachment trials. Inasmuch as I am not a lawyer I confess that I was somewhat hesitant in making the decision to offer those comments. On the other hand, there was the reality that the proposals of some to amend the rules anticipate the possibility that the Senate may shortly be faced with the necessity of conducting a trial in which I, as a nonlawyer, would appear in the role of a judge.

I am not alone, of course, in being a nonlawyer in the Senate; in fact, not even all of the distinguished members of the Rules Committee, which will report any changes to the floor, are members of the legal profession. Needless to say, I hope that my comments are relevant.

Each one of us will take an oath that in all things pertaining to such a trial we will do impartial justice, faithful to both the Constitution and the law. If we depart from the high standards of the present rules, history is bound to question whether impartial justice was done in this awesome responsibility which may confront us.

I hope that the rejection of the en bloc changes will foreclose any further consideration of the proposals contained in that draft. Those proposals represented a dangerous politicalization of the trial procedure, opening the door to the manipulation of evidence, and the alteration of the charges against the respondent while the trial is in progress. It would be foolish to ignore the probability that a significant segment of the American people would feel justified in concluding that such a trial was a mere political show trial conducted for the purpose of a purge. Such a trauma would be extremely divisive and threaten the fabric of the body politic.

Indeed, the proposed changes would fly in the face of our oath to do impartial justice, according to law. Mr. President, the Senator from North Carolina has deep feelings that the Senate should not violate that oath, and I, for one, shall not consent to its doing so.

The changes which were proposed would have made it impossible to conduct fair trials in the future. You will note that I said "trials" in the plural, even though the general assumption is that we are preparing for a single trial. But surely the rules are not to be changed ad hoc, to suit the particular case at hand. That would be a very negation of impartial justice. And yet, if we change the rules now in the midst of an emotional confrontation, it will be very clear that politics is ruling, instead of justice.

The point is this: Any amendment in an impeachment proceeding should be able to get a fair trial in the U.S. Senate. It is almost equally important that it should appear to the public to be a fair trial. The Senate must be particularly scrupulous about removing all political considerations from its judgment.

I wish to say at this point that I intend to remove all political considerations from my mind if the President is impeached by the House of Representatives. From a purely political and philosophical standpoint, Mr. President, I am frank to say that the President has often failed to provide a quality of political leadership to match his undeserved image as a political conservative, moreover, a distressing number of his promises have fallen unfilled into a chasm of default.

It is a matter of record that I have been critical of the President's performance in both foreign and domestic affairs. I do not wish to catalog here the concessions by his administration to nations avowedly hostile to the principles and best interests of the United States, resulting in the alienation of our allies and friends. Frankly, Mr. President, I have been dismayed that the United States has not regained a position of strength and influence in this world.

Nor has there been consistent leadership, in my judgment, in bringing our fiscal policies under control, in reducing Federal spending; or in minimizing Federal control over the policies of the States and the lives of our citizens. In all candor, I have been discouraged, as have many others in the Senate, by the President's failure—indeed, his refusal—to appoint people to countless positions in the Federal bureaucracy who would have executed the policies promised to the American people.

The record will show that I have not shrunk from voting against the nominations of some of the President's highest officers, including Secretaries of State and Labor. I have seen him, or certainly his agents, default on what I considered to be clear and important assurances to members of this body and the House of Representatives.

In short, if impeachment and trial were intended to be conducted on the basis of disappointment with political or philosophical grounds, the President would have little to expect from this Senator from North Carolina. But I reiterate, Mr. President, that this is the very point: I reject the argument of political necessity. I have known the President personally for over 20 years. I like him personally, I am devoted to his family. Yet he seems to be, in many ways, a tragic figure who has allowed himself to be buffeted by hostile winds. But the point remains, Mr. President, the President deserves a fair trial—on the evidence, evidence without any political consideration at all. He deserves no more and no less than any other citizen of the United States under our laws.

That is why I am deeply disturbed by the trend of thinking which was exhibited in the draft rule changes which were circulated to the Senators. And even though the draft resolution has apparently been rejected by this subcommittee, I hope that Senators will further resist any changes whatsoever which adopt in whole or in part the direction of that rejected proposal. Accordingly, I will address myself to some of those key points at this time.

I might say that the current Senate rules of procedure for impeachment trials have been in effect for 106 years. They were adopted by the Senate in preparation for the impeachment trial of President Andrew Johnson in 1868. These rules of procedure, when adopted, reflected previously existing precedents. They have been only slightly modified since their adoption. Six impeachment trials have been conducted under them, and numerous historical precedents have developed during such trials to supplemented them.

I. ORDINARY RULES SET ASIDE FOR A LESSER STANDARD

The changes which were proposed would have substantially altered historical precedent in favor of the prosecution. For example, in the impeachment trial of President Andrew Johnson, it was held that ordinary rules of evidence apply and their strictness should not be relaxed. This holding serves as a reaffirmation of the American principle that a person, any person, should be tried only on relevant, competent fact, and not on innuendo, hearsay, and implication. Under the proposals which were offered there would have been a substantial relaxation in the evidence rules. I urge that the Senate not consider any changes which would relax the ordinary rules of evidence.

But the concepts put forth in the draft resolution adopted an equity court standard, or an administrative law standard, as the basis for the admission of evidence. Under this standard, the Senate can allow virtually anything into evidence; in essence, the Senate need only decide that such evidence will further what the proponents of this change view to be the "interests of justice." In other words, the admissibility of evidence would be determined by each Senator based upon his personal determination of what constitutes the "interests of justice," rather than by the standards which have governed the admissibility of evidence in trials at law throughout our history.

II. SENATE AMENDMENT OF ARTICLES OF IMPEACHMENT

Mr. President, I would also like to point out that other changes which were proposed adopted the loose standards of procedure that are allowed in purely civil proceedings. Let me quote from one rule which was proposed, relating to the amendment of pleadings and the admission of evidence on issues not raised in the pleadings, as well as subsequent alteration of the pleadings to conform to the evidence. The proposal was this:

> If evidence is objected to at the trial on the grounds that it is not within the issues made by the pleadings, the Court (Senate) may allow the pleadings to be amended, and shall do so freely when the presentation of the merits of the action will be served thereby.

The proposed rule change I have just quoted is based on concepts and language to be found in the Federal Rules of Civil Procedure. In plain language it would allow the articles of impeachment drawn by the House to be amended by 51 Senators in the midst of the trial. Thus, if evidence is not admissible, it is only necessary to change the indictment so that the said evidence will be admissible. This is not only a travesty on impartial justice; it is probably unconstitutional.

III. ROLE OF CHIEF JUSTICE CURTAILED AND POLITICAL LEADERSHIP SUBSTITUTED

Mr. President, let us look at another one of the proposals. Under the changes, the traditional role of the Chief Justice of the United States will be substantially curtailed. He will be denied the right to vote in order to break a tie vote of the Senators on procedural or evidentiary matters. Historically, the Chief Justice has been allowed to vote in such cases. Furthermore, the Chief Justice may make rulings from the chair regarding these questions. His decisions carry moral weight, but they can be overridden by the majority of the Senate.

Two times in 1868, attempts were made

by Senator Sumner of Massachusetts to prohibit the Chief Justice from voting on any question during the impeachment trial. In both cases, Sumner's motions to this effect were rejected. On at least two occasions, therefore, Chief Justice Case cast votes to break ties. At the conclusion of the trial, the Chief Justice was called upon to perform the most critical task of all, the phrasing of the final question.

But what is important is that the Chief Justice is a nonpolitical figure. The proposed rules would have made another significant change which must be taken together with the stripping of the Chief Justice's functions. Under this proposal, the Senate majority and minority leaders would be designated as chief judges, with the assistant majority and minority leaders designated as deputy judges. The establishment of such positions is unprecedented. Under the proposed rule changes, these newly created chief judges and their deputies would have functions that are many and varied, including the determination of the "order of trial, and other relevant matters." In my view, this is an improper usurpation of the role and functions of the Chief Justice of the United States as contained in the present rules of procedure.

Surely it is no derogation of the character and ability of the majority and minority leadership to point out that by the very nature of their offices, they are political leaders. Indeed, they hold their offices by virtue of the political judgment of their peers. The distinctions between majority and minority are on the basis of party distinctions. Thus no matter how scrupulous and how fair their decisions, their acts would carry the coloration of political decisions. The powers proposed are based upon the analogy of legislative activity not upon judicial impartiality. It is in fact the very essence of partisanship, in the very best sense, that these men embody. Therefore, instead of having a nonpolitical figure, the Chief Justice of the United States, chosen ex officio because he is the highest symbol of impartial justice in the land, we would have the political leadership of the Senate in the decisionmaking role. And the results would be very unfortunate in winning acceptance from the American people.

IV. FISHING EXPEDITIONS AND AMENDMENT OF PLEADINGS

Let me give an example of what might happen, since the designation of chief judges and deputy chief judges ties right in with another proposed change, a change also lifted from the Federal Rules of Civil Procedure. I will quote what was proposed:

> With the approval of the Court upon recommendation of the Chief Judges and the Deputy Chief Judges, either of the parties (the managers, or prosecutors, from the House of Representatives and the President) may obtain discovery (of information) by any method that is authorized by the rules governing the procedure in suits of a civil nature in courts of the United States . . .

Furthermore, it is provided in these proposals that—

> It is not grounds for objection that the information sought may not be admitted at trial, if the discovery sought appears reasonably calculated to lead to the discovery of admissible evidence.

The breadth of this provision is such that it will allow vast fishing expeditions by the prosecution in order to find evidence that they hope will benefit their case.

Under these loose provisions, taken right from the Federal Rules of Civil Procedure, the prosecution may discover irrelevant information, put this irrelevant information into evidence at the trial, and then amend the articles of impeachment to conform to the otherwise irrelevant evidence.

Mr. President, where will it end? How can the President be expected to prepare a defense when he has no way of knowing what the charges against him will be from one day to the next? This is contrary to historical precedent, which requires that the evidence be limited to specific issues raised by the pleadings, that is, the articles of impeachment, and the respondent's answer.

Such proceedings, under political auspices, even though of the highest character and austerity, will never bring about the reconciliation that our Nation needs today. No matter which way the decision goes, the bitter feeling will remain that politics, not justice, decided the result.

V. LESSER BURDEN OF PROOF BASED UPON CIVIL PROCEEDINGS

In the proposed rule changes, the definitions of "conviction" would have been strikingly different. The proposal reads as follows:

> Conviction means a finding by two-thirds of the judges present that any article is sustained by clear and convincing evidence.

Now the present rules do not contain any standard regarding the burden of proof that must be carried by the managers or prosecutors from the House of Representatives in order to justify a conviction. Each Senator will have to set up his own standard. But I believe that every Senator has the moral obligation to use the highest standard in a case which involves the highest office in the land. As I indicated before, I am not a lawyer. Most Americans are not lawyers either, and they may not understand the distinctions which constitute a kindergarten primer to such distinguished members of the bar as we have in the Senate.

But my understanding is as follows: Burden of proof is, in essence, the standard by which a person who alleges a proposition must establish its truth. If that person fails to establish the truth of his proposition in accordance with the requirements of the applicable standard, his case fails.

In American law there are three different types of burdens of proof. In other words, there are three different standards of proof. They are entirely separate and unrelated to one another. Each standard is applied in a particular type of trial, and no other.

The first and most lenient standard is known as "preponderance of the evidence." Under this standard, the party asserting allegations need only tip the mythical scales of justice slightly in his favor in order to prevail in the trial. This standard applies in most civil law suits.

The second, and somewhat more strict standard is known as "clear and convincing proof." Under this standard the party making allegations must tip the scales substantially in his favor in order to prevail in the trial. This standard applies only in a very limited range of civil cases. Examples include an action to set aside a deceased person's will, or to modify a written transaction.

The third standard is known as "'beyond a reasonable doubt." Under this standard the party making the allegations must tip the scales so completely to one side, in his favor, that the triers of fact—the jury—can determine to a moral certainty that the matters alleged are true, or the party cannot prevail. This standard applies in all criminal trials.

Our precedents have always treated an impeachment trial as though it were a criminal proceeding. Jefferson, in his manual, considers it as such, and cites many precedents in Anglo-Saxon law. For example, Jefferson cites the following:

> This trial, though it varies in external ceremony, yet differs not in essentials from criminal prosecutions before inferior courts. The same rules of evidence, the same legal notions of crimes and punishments prevailed; for impeachments are not framed to alter the law, but to carry it into more effectual execution against two powerful delinquents.

Let us look at that proposal carefully, Mr. President. First of all we are dealing with a proceeding which by precedent, is analogous to a criminal proceeding. For the respondent, the issue is one of transcending value. In such a case, the consequences of the decision are so grave that the prosecutor must be held to the highest burden of proof in establishing the truth of the matters alleged. If a mistake is made, it should be made on the side of the defendant. Society has long ago agreed that it is far better for a guilty man to go free than for an innocent man to be judged guilty.

Yet the standard of "clear and convincing proof" is far less strict. In civil cases, a lawsuit is essentially a search for probabilities. In the view of society, a mistaken judgment for the plaintiff in a civil case is no worse than a mistaken judgment for the defendant. In a criminal proceeding—and an impeachment trial is analogous to a criminal proceeding—the consequences of a mistake would be so grave that we cannot in all conscience adopt a lesser standard than "beyond a reasonable doubt."

Mr. President, I seek for the President of the United States that which I would, with equal persistence, solicit for every American—a fair trial, a trial as fair as human frailties will permit. I hope—indeed, I pray—that my colleagues in the Senate will unite in setting for themselves the higher standard. I shall urge them to use as their guideline the standard of proof of beyond a reasonable doubt.

The Constitution, article III, section 2, recognizes that an impeachment trial is a criminal trial when it states that—

The trial of crimes, except in cases of impeachment, shall be by jury.

As such, the burden of proof used in a criminal trial is the standard that must be used. Thus, the standard "beyond a reasonable doubt" is the proper standard.

VI. MAXIMUM SUMMARY JUDGMENT WITHOUT MITIGATING CIRCUMSTANCES

Finally, Mr. President, let me point to just one more proposal, which was made in the draft resolution. The Secretary of the Senate would be required to "forthwith prepare, sign, and enter the maximum judgment authorized by the Constitution of the United States, without awaiting any direction by the Senate, upon conviction of the respondent on any count."

Only when the Senate otherwise orders it will this procedure be abated pending the Senate's final determination of the judgment.

In other words, the Senate does not, by the very judgment procedures it sets up, give the respondent the presumption of a judgment which may be less than the maximum required by the Constitution. In essence, this raises the presumption of removal from office in the very procedures themselves, without giving the Senate the opportunity to make this decision itself. Mitigating circumstances cannot be taken into account. Rather, the Senate by its vote for conviction automatically requires the strongest penalty the Constitution allows.

Under procedures now in use, "if the person accused in such articles of impeachment shall be convicted upon any of said articles by the votes of two-thirds of the Members present, the Senate shall proceed to pronounce judgment." Here the Senate must determine what judgment it shall pronounce. It must determine whether its judgment will be "removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States," or whether it will be a lesser judgment, which the Senate, in its discretion, may decide upon.

Mr. President, what we have here is a prejudgment, in part, of the outcome, before the trial has even begun. It is a judgment that there can be no mitigating circumstances. It is also a circumstance that will be taken into account by many Senators, and it will doubtless affect the outcome of their decisions. For many of them will never vote to convict, if such a conviction means a maximum summary judgment.

Mr. President, if we are going to have a political trial, then so be it: let it be a blot upon American justice. It should be sobering that the only precedent we have for the impeachment of the President is a trial which, by the standards of universal contemporary judgment, was a politically motivated power struggle of the most sordid kind.

PRESENT RULES SHOULD NOT BE CHANGED

The present rules were devised by the enemies of President Andrew Johnson as the minimum required by both precedent and a decent facade of justice. They represented the outer limits beyond which even those men felt they could not go. But today we are being asked to go further, a circumstance which greatly beclouds the prospects of a fair trial. And in the end, they were fair enough to prevent the conviction of Andrew Johnson by one vote.

Any other President deserves the same. Let any conviction that may be forthcoming be based upon the traditional American standards of criminal justice. Those standards are presently embodied in the Senate rules and precedents for an impeachment trial. Let us not subvert those rules one by one, and distort the outcome of history. If justice is to be impartial, and the Constitution and the laws upheld, the rules must not be changed.

IT IS FEASIBLE TO CONVERT WASTE MATERIALS INTO FUEL AND FOOD SOURCES

Mr. PROXMIRE. Mr. President, on May 22, 1974, a representative of Mobil Oil Corp. testified at hearings before the Subcommittee on Priorities and Economy in Government, which I chair. The hearings were called to investigate the process that the Army Natick Laboratory has developed for converting waste materials into glucose. Glucose is a basic substance that can be used to produce ethanol, a potential energy source, other chemicals and protein which can be fed to animals.

After Mobil received my invitation to testify before the subcommittee, it sent a team of four researchers to observe the work underway at Natick. The research team collected information that was used in Mobil's prepared statement.

MOBIL FINDS NATICK PROCESS PROMISING

In his statement, D.C. Clewell, senior vice president of Mobil Oil Corp., after thanking the subcommittee for calling his firm's attention to the work being done at Natick Laboratory, said that the work seemed promising and he strongly recommended that it be continued.

Although Mobil believes that this kind of research should be sponsored by the Government until the commercial application is well established, the Mobil spokesman endorsed the efforts now underway and encouraged the Federal Government to continue them.

MOBIL AD PRAISES THE NATICK PROCESS

In the past week, Mobil has been running advertisements in the Washington Post, the Washington Star-News, and other newspapers across the Nation. The ad is entitled, "Garbage Is Not a Smelly Word" and it tells the story of the Natick Laboratory's important discovery and the process that they are developing.

Mobil points out in their ad that the products that result from the Natick process can be used as an industrial solvent, as a chemical "building block" for making many useful products, and as an additive to gasoline in blends of from 5 to 10 percent ethanol which could stretch future gasoline supplies.

In fact, several countries are already using ethanol as automobile gasoline additives, notably Brazil.

NATICK PROCESS MERITS GREATER GOVERNMENT SUPPORT

I am delighted that the Mobil Oil Corp. has come forward to publicly support the efforts at the Army's Natick laboratory. I wish I could say the same thing about the Federal Government.

It is true that the Army has been supporting the work at the Natick Lab up to now. But its support has been only minimal, paying mainly for the salaries of the few Government employees working on the conversion process. Recently, some equipment was purchased for a prepilot plant.

Much more is needed if the full potential of this important process to be realized.

The National Science Foundation has informed me that the Natick process is feasible and that more research is necessary to refine the economic estimates and to improve the process.

I am now awaiting the results of feasibility studies by the Federal Energy Office and the Environmental Protection Agency, whom I also invited to testify at the May hearings.

I ask unanimous consent to print in the Record the Mobil Oil Corp. ad from the Washington Post, July 25, 1974.

There being no objection, the ad was ordered to be printed in the Record, as follows:

Garbage Is Not a Smelly Word

Today's tale begins with a rotted cartridge belt in New Guinea. A team of U.S. Army Scientists scraped a sample of fungus off the belt and sent it back to the Army Laboratory in Natick, Mass.

The object: to learn more about how jungle rot attacks equipment and clothing.

The research people at Natick were fascinated by the fungus. It was a greedy strain that rapidly reduced large amounts of cotton to small amounts of glucose. A thought came: Would this be a way to get rid of old rags, waste paper, garbage, and other kinds of solid organic waste?

They nurtured the fungus. Greedier mutants were produced and studied. One mutant is a real glutton; it may be the key to a new process that will help dispose of municipal trash by converting a large part of it into glucose.

Glucose is a form of sugar. It can be made into molasses to feed farm animals. It can be consumed by other micro-organisms to make protein for animal or human consumption. It also can be fermented into ethyl alcohol.

You can do lots of things with alcohol. It's an industrial solvent. It's a chemical "building block" for making many useful products.

You also might run an automobile on a blend of gasoline and 5 to 10% alcohol. That could stretch our future gasoline supplies.

Which is why a Mobil research team, including a microbiologist, visited the Natick lab. The team reported: "It's long-range. They need time to develop a commercial process. But it's promising."

Meanwhile, another government research group—at a Bureau of Mines lab near Pittsburgh—has developed a way to change garbage directly into oil, without going through the glucose stage. They plan to build a pilot plant this year to test their new process.

Other developments are even more advanced. In St. Louis, the Union Electric Company consumes 300 tons of trash a day. First it separates the tin cans, bottles, and other materials that can be recycled. Then it burns the high-energy trash (garbage, plastics, paper, wood) to generate electricity.

Connecticut plans to build ten regional plants to do the same on a statewide basis.

Trash has some advantages over oil, natural gas, and coal. It's renewable. We don't have to buy it from foreign countries. And we have to dispose of it anyway.

All of a sudden, garbage is beginning to look more like a national resource than a public nuisance. It's no longer a smelly word.

SERMON ON FAITH, MORALITY, AND POLITICS BY SENATOR McGOVERN

Mr. HATFIELD. Mr. President, the senior Senator from South Dakota (Mr. McGOVERN) recently delivered a sermon concerning faith, morality, and politics. The Senator stated:

> Our deepest problems are within us—not as an entire people—but as individual persons.

Further, regarding our present national difficulties, he made this observation about Watergate:

> We must learn from it the larger lessons of moral life—that government, too, must be guided by faith—that we must have a fundamental stirring of our moral and spiritual values.

The Senator's sermon is an illuminating analysis of how Christian faith is related to political action, and is a timely comment on the events of our day. I ask unanimous consent that his sermon, delivered at the First Methodist Church of Wagner, S. Dak., on July 28, 1974, be printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

This is a comfortable setting for me. As most of you know, I have been a seminarian and student pastor, and I have also been a teacher. And both of those callings have stayed with me. Some observers think my speeches sound too much like lectures, and others think they sound like sermons.

Whether those qualities are a strength or a weakness, they are personal traditions we have in common. I hope we also share the conviction that such traditions have an important place in our public life—that a public servant must teach and learn from the people in constant dialogue—and that a public official must witness to moral principle as he works for particular policies.

A few years ago I read a radio sermon delivered by the Reverend Joel Nederhood of "The Back to God Hour," broadcast from Chicago. The sermon was about the faith of our politicians. Dr. Nederhood contended that Americans have adopted the dangerous custom of separating their morality from their evaluation of their leaders.

He said:

"To suggest that one's faith might influence a person in his discharge of public office, apparently, is akin to suggesting that the man is guilty of dishonorable conflict of interest. Thus, while candidates for public office often claim some kind of membership in a religious body, they ordinarily disavow any connection between their faith and their views of public policy."

I believe this is wrong for a Nation whose Founders were so deeply motivated by religious conviction.

We all stand for the constitutional principle of separation of church and state. But we should all stand against the distortion of this principle into the practice of separating faith from politics.

For the bible teaches that government is to serve man, not that men are the servants of government.

When the new testament speaks of "honoring those in authority," for instance, it points out that power is ordained by God for the purpose of doing good for the people.

In this light, I have come to understand the responsibility of political office, and the opportunities for service which it holds.

But we must also recognize a central fact: All that we seek in our society will not come solely from government.

The greatest challenges of our age defy purely political answers.

I remember the civil rights march of 1963, which was followed by the historic passage of the Civil Rights Act a year later. Many Americans hope that this single act would set us on a rapid course toward the extinction of racial prejudice. But the real crisis was still ahead of us—and it is still unresolved. In the last decade, we have learned that discrimination is rooted in attitudes, and frustrations, and fears that cannot be dispelled by law, but in our hearts. There is much that can and must be done by government; but much more must be done by each of us in our own lives.

Our deepest problems are within us—not as an entire people—but as individual persons. So Christians have a responsibility to speak to the questions of the spirit which ultimately determine the state of the material world. Most Americans yearn for meaning and value in life. This is a pre-eminent task for those who are in the church—but it cannot be separated from what happens outside the church.

Some Christians believe that we are condemned to live with man's inhumanity to man—with poverty, war, and injustice—and that we cannot end these evils because they are inevitable.

But I have not found that view in the Bible.

Changed men can change society, and the words of scripture clearly assign to us the ministry and the mission of change.

While we know that the Kingdom of God will not come from a politicians' platform, we also know if someone is hungry, we should give him food; if he is thirsty, we should give him drink; if he is a stranger, we should take him in; if he is naked, we should clothe him; if he is sick, we should care for him; and if he is in prison, we should visit him. "For inasmuch as you have done it unto the least of these my brethren, you have done it unto me."

That is what Scripture says. None of us can be content until all of us are made whole.

This is also the lesson in the lives of the great evangelists.

Jonathan Edwards is remembered for his role in the "Great Awakening" that swept colonial America. But few realize that he was so dedicated to the struggle against suffering and disease that he offered himself to test a smallpox vaccine. And in this act of charity and love and sacrifice, he died.

John Wesley set up clinics to bring medical care to the deprived citizens of London.

In the 1800's, one of the great evangelists, William Wilberforce, was a leader in the abolitionist movement, fighting for human freedom.

The most notable advances of the 18th and 19th centuries—the fight for decent labor conditions and against slavery, and the efforts for prison reform—seemed to flow from the evangelical tides in society which preceeded and accompanied them. Breakthroughs occurred in overcoming inhumanity and injustice because individuals had become infused with a compassion for others—and, even more than that, because the conscience of the nation had been touched and enlivened.

Today, the conscience of our nation must be touched anew.

Arnold Toynbee has written that all the great civilizations of history have fallen, not to conquering armies from without, but to a deterioration of spirit from within.

Toynbee asserts that America "now stands for what Rome stood for." I believe that is so in many ways. America, too, is a country of enormous wealth. Our people, like the ancient Romans, seem to live more and more for materialistic satisfaction. Standards of morality and precious values are in disarray as they were then.

This is the real meaning of the Watergate scandal. It is a lie that our politics is as bad as some men made it in 1972. It is a libel that all our leaders have been lawbreakers. Yet the moral blindness which brought us Watergate has also brought a host of other evils, the common works of a callous neglect.

Therefore, as we sit in judgment now upon others attempting to fairly decide the truth about individual innocence or guilt, in crime and coverup, we must also sit in judgment upon ourselves, attempting to truly see our country as it is. In this sense, Watergate is not just the tragedy of some men, but the trial of a whole society. We must learn from it the larger lessons of moral life—that Government, too, must be guided by faith—that we must have a fundamental stirring of our moral and spiritual values.

Such an awakening can free us from a relentless devotion to material affluences with too much for some citizens and too little for others. It can free us from a blind trust in armed might. It can free us from a dogmatic faith in salvation through technology.

Such an awakening can stir our compassion for others, restore the commitment of our hearts to right what is wrong among us, and revive the values that alone can guide our lives and give us happiness.

We must look into our souls to find the way out of the crisis of our society. As was so often true for the people of God in Biblical days, we must heed the words of the prophets.

The New Testament tells us, "Be not conformed to the world, but be you transformed by the renewing of your minds."

Some Christians have misused this passage as a pretext for isolation from the existence around us.

But the point is that our thinking, our perspectives, and our actions should not be molded by the world's view, and its tides of opinion; rather, they are to be rooted in God's vision. And we must carry the good news of that vision into the world.

The political process tends to reflect and channel spiritual trends. There are encouraging signs in our land that we are undergoing a new "awakening." The sophisticated "God is dead" talk now seems as irrelevant as a passing fad—which it what it was. Instead, the "Jesus movement" and other manifestations of spiritual hunger summon millions back to belief.

Within the institutional church and outside of any traditional religious framework, we witness a spiritual quest of increasing intensity. Even those who are uncertain about where this search should end are certain of the need to seek the deeper truth. Others wander through an inner wilderness to find their faith.

This is the meaning of true leadership. It is not expresed in power, fame, and honor, but in the washing of dusty feet.

We know that "he who saves his life shall lose it."

America was founded as part of a spiritual pilgrimage. It was born in a noble vision of human existence. The first settlers named their land New England because they hoped to found a new order. Our forebearers inscribed the great seal of the United States with the words, "a new order for the ages." And on that seal, a pyramid, which stands for material wealth, supports a symbol which stands for spiritual strength.

In 1630, John Winthrop preached a sermon on the deck of the *Arabella* to the first puritans. He said:

"We shall be as a city upon a hill, the eyes of all people upon us; so that if we shall deal falsely with our God in this work we have undertaken and so cause him to withdraw his present help from us; we shall be made a story and a by-word through the world."

I believe we can still deal truly, and righteously, with the great gifts that have been ours since the time the puritans reached these shores. But this will come only after a struggle that touches all our hearts, and is resolved there.

The prophet gives us God's promise:

"If my people which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways, then will I hear from heaven, and will forgive their sins, and will heal their land."

So what then do we do? What is your responsibility, and what is mine? Micah asked and answered the same question in a verse I have remembered since my childhood, and turned back to ever since:

"What doth the Lord require of Thee, but to do justly, and to love mercy and to walk humbly with thy God."

THE NATURE OF INFLATION

Mr. TALMADGE. Mr. President, I think all of us here in the Senate and in the Congress realize that the state of the economy is much more than a political issue. It has degenerated to the point that it is a very real threat to the happiness and prosperity of the overwhelming majority of Americans. The present ravages of inflation portend ills for the future of the country.

Much has been made in the past year and a half over the nature of national security. As a matter of fact, this phrase has been used so much as to become a household word. I submit that our economic problems are threatening this national security as never before and as few other problems can.

Many voices have risen to explain the causes and effects of inflation. Many more have risen to fix the blame. Not so many have risen with solutions.

One of the first steps to solving any problem is to acquire an understanding of it, and I recently read the text of an address by Sidney Homer, of Salomon Brothers in New York, which explains the nature of inflation in America in very clear and insightful terms. Mr. Homer has had a wealth of experience in finance and economics, and he presents his points from a solid historical perspective. I ask unanimous consent that his remarks of June 10, 1974, be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Myths and Facts About Inflation

(By Sidney Homer)

When I was a student in college, we were all taught that peacetime inflation was unthinkable in our great United States, or for that matter in any other first class enlightened industrial state except perhaps France. Peacetime inflation was then to be found chiefly in banana republics with their pesos, escudos and other queer sounding currencies and all they needed to save them from the disgrace of inflation, we were told, was to obtain the monetary advice of any one of our distinguished economists and follow it. We thought of ourselves as exporters of economic wisdom.

The fact is, in 1923, when I started, in Wall Street there had been no peacetime inflations in the United States since the days of George Washington. This shows up on a chart which traces an index of American wholesale commodity prices over a long stretch of history—from 1800 to 1973. This is a good history of inflation if we consider inflation to be a decline in the purchasing power of the dollar—a reduction of the quantity of things a dollar will buy. An index of the cost of living would follow a very similar pattern but with a small additional annual upward bias.

The chart shows that before 1950 the purchasing power of our dollar fluctuated widely both up and down in a sort of wide bank without any pronounced long-term trend. Each war brought a great inflation, the War of 1812, the Civil War, World War I and World War II stand out unmistakably on the chart, but after each war except World War II prices declined again. The chart shows that our price level in 1929 was no higher than it had been in 1815.

We were proud of our currency in the 1920s and we had every right to be proud. Soon, in the Great Depression, prices plunged to distressingly low levels and our government devoted itself to bringing them back up. The tools employed in the 1930s for this ostensibly worthy purposes were, however, dangerous tools that set dangerous precedents from which we are now suffering.

The inflation of World War II (together with the immediate postwar years of decontrol) was not excessive, considering the vast scope of the war. It was no longer than the earlier wartime inflations. However, from 1950 on, the chart shows an entirely new configuration—dangerous and ominous. The usual postwar retreat of commodity prices just did not take place—instead they edged up further, were flat for a time, then in 1965 they accelerated and after the end of the Vietnam War they soared. Thus, our inflation is unprecedented in our economic history for times of peace. Much the same can be said today of the present British peacetime inflation and the German peacetime inflation. What has happened to our stockpile of astute economists that used to lecture small South American countries on how to behave themselves fiscally? Indeed, a few of them are now telling us to emulate South American methods even though these often require a military dictatorship.

Today I should like to attempt to challenge four myths about inflation that tend to obscure the basic problem and mislead our leaders and our people. There is no more valuable weapon in the political battle against such a problem as inflation than an informed electorate.

INFLATION IS ALWAYS WITH US

The first myth is that inflation has always been with us. Ever since the early 1920s, when I entered the business world. I have heard constant alarming references to inflation. There was none then. In the 1920s, commodity prices were flat or declining most of the time, but politicians of both parties hurled accusations of inflationary policy at each other and financial journalists joined in. The word inflation was used in many ambiguous and contradictory ways. Unfortunately it has several different definitions; I use it here only to mean a decrease in the purchasing power of our money regardless of the causes. Throughout the 1930s when prices plunged the same talk of inflation went on. There probably hasn't been a week without inflationary alarms or warnings in the papers at least since 1923.

It was a classic case of Wolf-Wolf. The public had so often been told that inflation was a permanent way of life with us—as in our history it often was not—that they became bored with the subject, took it for granted, assumed that inflation had always occurred and probably always would be with us. In those long years of price stability in the 1950s and early 1960s inflation was in the newspapers almost daily although the rate at the time was often zero to 1%.

Inflation is too big a word to be used so lightly. We are now suffering the consequences. The real wolf is with us and we don't always grasp the difference between the sham and the real. Therefore, our political stamina to deal with the present real emergency is dissipated.

Once more, has inflation always been with us? Here are some figures: in the 72 years of this century so far, the price average has not risen at all during 29 years, has risen only nominally during 11 years, and has risen significantly during only 32 years or less than half. During the twenty-eight years since World War II, prices have risen significantly during only fourteen years or just half. My point is not that inflation has not been severe—alas it surely has—but that it has not been continuous—far from it. It was not a year in, year out, shopworn old problem. Our present inflation is the first big inflation in peacetime in our long history and could be a national disaster. Now for the first time the real wolf is here and we are disarmed by years and years of false alarms.

THE MONEY MANAGERS

My second myth is that inflation is a mysterious mathematical technical function of money and banking which economists know all about and which can be controlled by the money managers if they only try. This optical illusion is the fault of the economists and money managers who often talk as though they or one of their fellows could in fact control the whole economy if they were at the monetary helm.

Since competent and knowledgable money managers have in fact been usually at the helm steering our monetary policy, why this inflation? I will suggest an answer: because the pilot or pilots at the helm were not and are not allowed to steer clear of danger. Standing behind these pilots, these money managers and these fiscal officials, is an all powerful captain and in a democracy that all powerful captain is public opinion. Public opinion years ago used to insist on a hard stable currency. As a result of the depression and of the new affluence following World War II, public priorities have shifted. First priority today is "no recession," "no unemployment." Only second comes the call for less inflation. So our skillful pilots have not been allowed to steer clear of the rocks that they have clearly seen ahead. Their master, and rightly so, is public opinion. Their deficiency, if any, is a failure to educate and lead public opinion. Instead many learned economists have told the public either that inflation is inevitable or that a little inflation can do no harm. They forget that tolerating a little inflation guarantees a bigger and bigger inflation and so on until public opinion changes.

As we know, this inflation is worldwide. The public everywhere demands more from their governments than it is willing to pay for. We cannot blame our politicians or English politicians or even French politicians for an imbalance demanded by public opinion throughout the world. We can only try to change public opinion, or wait until events reverse popular priorities.

There is much talk in economic and political circles of regulating not only the inflation rate but indeed the overall performance of the entire economy by the judicious use of a nice combination of monetary and fiscal policy. And indeed these tools exist if only public opinion would permit their effective use. Back in 1920, after the great inflation of World War I, when prices were rising even faster than today, the Fed virtually shut off all new money for over a year. This forced a gigantic liquidation of our banking system, brought prices and wages down by a third in a short time, created a tough, brief but sharp depression and stopped the inflation dead. And it stayed dead for twenty years. Thus, it can be done. But, of course, the side effects of the policy of restraint in 1920 were unemployment and bankruptcies which are now unacceptable. In two years after 1920 economic recovery was underway leading into the boom of the 1920s; a period when there were many financial abuses but no inflation in the sense of a rise in commodity prices.

Similarly fiscal policy could be used to maintain purchasing power and control inflation by raising taxes or cutting expenses. Both of these tools and others are available to end this period of runaway inflation. But they cannot be used effectively, public opinion will not permit deflationary policies. One can ask how severe will the pain of inflation have to become to persuade public opinion that inflation fighting deserves top priority. It is futile to blame our money manager pilots if they are not allowed to steer in the only safe direction. So much for my second myth, that inflation is the fault of and controlled by our bureaucrats.

Even today politicians of both parties, with their ears to the ground, are suggesting tax cuts and enlarged expenditures. Hardly any political group is calling for strong measures against inflation.

INFLATION IS GOOD FOR STOCKS

My third myth is that inflation is automatically food for common stocks, that somehow a cross section of equities automatically serves as a hedge against inflation. Of course, today it is easy for me to dispute this correlation; bitter experience in recent years has proved that this great inflation of 1965–74 has simply not been good for stocks but very bad. Indeed ten years ago I published a systematic comparison year by year since 1900 of inflation and stock prices. It proved conclusively that both deflation and inflation had almost always been bad for stocks. Almost all good stock markets in this century have occurred in years of relative stability in commodity prices. There was almost no such thing as a good stock year with a high rate of inflation. When I first made this analysis, it was greeted with some surprise and disbelief but not today.

How then did this myth gain such credence that it was almost automatically assumed by journalists, stockbrokers, bankers, economists and just about everybody. At first blush the proposition looks logical. If the purchasing power of money declines, the nominal price of property should rise and since stocks represent ownership of property it was argued they, too, should rise. This may well be true over a long period of time, but on a year to year basis or over periods as long as five years, stock prices in general simply have not responded favorably to inflation. Specific classes of stocks have indeed been helped by inflation and will be, but the greater number have been hurt.

I can speculate on a few reasons why the stock averages have often declined and rarely advanced with a high level of peacetime inflation. In the first place, the high corporate earnings that often come with inflation are in large part the result of misleading accounting; inventory profits are often enormous but inventories must be replaced by high cost inventories. If I buy at a dollar, sell at $1.50 and buy back at $2, my books show a profit of 50¢, but I have in fact lost 50¢. Again depreciation is based on old low cost plant and, therefore, is nowhere nearly enough in times of inflation to replace obsolete plants with new. Again, inflation invites governmental interference in the economy in unwelcome ways and raises the specter of controls. taxes or a money crunch ahead. Again inflation forces a huge credit expansion just to keep the level of production even and this invites bankruptcies. Finally, the inflation forces bond yields up so high as to make it difficult or impossible for equities to compete.

Nevertheless, for almost three decades now tens of thousands of mutual fund salesmen have been warning the public of inflation and telling them that equities are an effective hedge. And many economists and bankers have joined the chorus. I am optimistic enough to think that someday somehow we will solve our inflation problem because we must to survive as a free country. If so, well selected equities will pay off very well indeed at today's depressed prices. But as anatomic, year in and year out, hedges against inflation, equities have been less than effective ever since this inflation started in 1966. So much for recent history I do not mean to imply that stock prices must always decline with inflation; indeed after years of falling share prices and rising earnings, there must be many excellent values in today's market.

INFLATION ONLY HURTS ANNUITANTS

Finally there is the myth that inflation only hurts annuitants or bondholders. It does indeed erode the income of annuitants and bondholders and if this were all the evil it did to the rest of us, we might be content to weep for our annuitant friends in much the same way that the walrus in the poem wept for the oysters (while he was devouring them). But inflation does damage or potential damage in a score of other ways and hurts almost everybody. Let me give you a sad catalogue of hardships that threaten if any inflation is allowed to go on unchecked.

In the first place and obviously it erodes the value of all dollar payments that are not automatically indexed to inflation—earnings, dividends, rents, capital gains, cash, stock prices, bond prices, etc. etc.,—not only bonds and annuities.

Second. Inflation brings sky high interest rates which often make it impossible to finance valuable public or private capital projects. As a result, credit is diverted to outright speculation or to high profit speculative projects which offer hope of very large rewards. Home ownership and legitimate enterprise are discouraged.

Third. Inflation breeds scarcities. We have seen the start of this process already. Most scarcities around the world this year were the result not of a failure of supplies to rise normally—they did—but the result of a sudden burst of inflation bred demand. Everybody almost everywhere has more money to spend, but production cannot keep up with the inflation induced extra demand.

Fourth. Inflation brought price and wage controls here and abroad and threatend rationing. If inflation continues or accelerates, it is apt in time to bring new controls coupled with some form of rationing, in spite of our bad recent experience. Controls without some form of allocation or rationing cannot possibly work and the allocation process is a frightful hardship but usually goes with scarcities.

Fifth. Next, if inflation continues, and brings scarcities and talk of many more scarcities, we can expect consumer hoarding and hoarding by business which, of course, will compound the scarcities. This is already occurring.

Sixth. In such an environment producers of many sorts will hold the whip hand over the consuming community as a whole. Just as the Arabs were able in a few days to double or triple the price of their oil by a form of economic blackmail, so a host of other producers groups can and will extort blood money from the community. We can only heard the beginning of this sort of economic aggression which of course, is possible only in a period of inflation.

Seventh. The next step would be acute scarcities and quantum price increases—the threat of hyper-inflation.

Eighth. The inflation has already strained our credit structure. Inflation must be financed and requires spiraling amounts of credit. As our inflationary boom goes on and on, it is requiring a huge volume of new credit just to finance increased costs even though there is no real growth in our physical production. This means widespread liquidity problems for our businessmen and our institutions with the danger of important bankruptcies; the old pattern of boom and bust.

Ninth. With scarcities, hoarding and speculation there would be a decline in real production which would mean a big drop in the standard of living in this country in spite of rising nominal incomes. This has already begun.

Tenth. All of this, if continued unabated, would lead to internal unrest, strikes against the public interest, power showdowns by economic groups and defiance of government.

Eleventh. If this dismal succession of events goes on unchecked, it is only a matter of time before there are real attacks on our democratic process itself.

I have great confidence that in the United States we will never suffer through the length and breath of this evil schedule. It is well, however, to look these possibilities in the face before we talk, as many are today, about trying to live with inflation.

In sum then I have attempted to refute four popular myths about inflation which have misled not only the general public but many economists, businessmen and politicians as well. These myths are:

1. We have always had inflation.
2. Inflation can readily be controlled by monetary and fiscal policy.
3. Inflation is good for stocks.
4. Inflation hurts only annuitants and bondholders.

Years ago a number of economists in the United States and elsewhere suggested that a little inflation would be a good thing—we could live they said with a 3 percent inflation. I don't doubt it, provided the inflation rate could be held there. How do we do that? The rate of inflation is either rising or falling, rarely stable, as the chart shows. In an inflationary era, any rate that is tolerated by our economic managers will soon be exceeded. As soon as we accepted 3 percent, we got 5 percent. As soon as we tolerated 5 percent, we got 8 percent. As soon as we tolerated 8 percent, we got 12 percent. Of course, the line up is not straight; there have been and will be temporary declines in the rate of inflation, and there always have been and will be official assurances that the new high rates are temporary. Perhaps, as predicted, our present peak rate will come down later this year, but if so that will be no excuse for complacency. If 12 percent is tolerated now, in a year or two, perhaps it will rise again, say to 20 percent and so on. At some point common sense or natural cyclical forces will intervene and collapse the boom but much damage will have been done.

Finally I should mention one other big brake on earlier booms and inflations which has recently been eliminated. I refer to the floating of the United States dollar and the collapse of the Bretton Woods monetary system. My comments on the subject will be limited to pointing out that in the past the old gold standard, and to a considerable extent the subsequent dollar-exchange standard, did exert discipline on member nations—not always but often—did frequently put brakes on booms and inflations, did at times override proud sovereignties and force member governments, including our own, to adopt restrictive economic policies and raise taxes. This is a key reason why we had no large peacetime inflations. The urgent need to maintain the parity and convertibility of one's own currency virtually forebade large spiraling inflations.

This very discipline was the reason why these old international payments systems deserved the name of system. Alas, I fear that this discipline itself became anathema to a number of growth minded officials in Washington and elsewhere. In time, they found ways to circumvent the discipline so that our dollar became overvalued and the entire system, based as it was on a reliably stable dollar, collapsed. Now we hear sighs of relief—this negative discipline is gone. We float freely and some are clearly glad of it. But with this old system of defended fixed rates went one of the great traditional brakes on inflation.

It will I fear be exceedingly hard, in this dynamic and disorganized world, for the experts to devise a new monetary system with effective sanctions which can exert force over sovereign boundaries. And yet a system without effective sanctions will be worse than no system at all because it will create complacency. When the day ever comes when worldwide spiraling inflation is no longer acceptable politically (and it will come), a major step to end it will be the creation of a new effective international monetary system with sanctions: carrots and sticks.

IS THE COUNTRY GOING TO POT?

At this point some of you, I fear, will classify me with that old troglodyte of Galsworthy's "Forsyte Saga," Soames Forsyte, whose opinion of current events in his 19th Century was: "The Country's Going to Pot." This is an over-simplified extrapolation which I am not prepared to accept. Certainly, if we assume that the people of the United States can learn no lessons from bitter experience and that the political priorities and economic policies which have led us to our present troubles will be continued unchanged over the years ahead, then we can expect more of my schedule of calamities.

Those who believe in democracy must believe that hard lessons are learned, albeit belatedly. Another year or two of continued spiraling inflation with its side effects will certainly bring more hard lessons similar to or worse than the energy shortage. These hardships will in time create an effective popular demand to end the inflation. With popular backing, the task should not be too difficult. I must assume that at some point either our political priorities will in this way turn against inflation or natural forces will bring deflation.

The answer is to be found, not in standard economic analysis, but in a study of political and social trends.

JUDGE ALEXANDER SIMPSON, JR., ON CONSTITUTIONAL PRINCIPLES OF FAIRNESS IN IMPEACHMENT TRIALS

Mr. GOLDWATER. Mr. President, the Senate Subcommittee on Standing Rules of the Senate and the full Commitee on Rules and Administration are currently undertaking a review of the important question of rules which should be applicable in the case of a possible impeachment trial in the Senate. In connection with this inquiry, those committees and indeed all of my colleagues might find it interesting to consider some conclusions bearing on this subject which are reached in the first book-length exploration of Federal impeachments.

The author of this short book is Alexander Simpson, Jr., a justice of the Supreme Court of Pennsylvania, whose book was published in 1916. It is well researched, documented with considerable footnotes, and generally free of any blatant advocacy.

Without meaning to register my agreement with each and every conclusion of Judge Simpson's treatise, I do believe his book is marked by a sufficiently high characteristic of scholarship so that his findings bear study by the Senate. For example, Dr. Simpson states that on the basis of the resolutions and debates of the Constitutional Convention, the English practice of impeachment, and the precedents in the Senate, the Senate, when sitting for the trial of an impeachment, "has the attributes of and proceeds like a court." From this fact that an impeachment trial "is in its nature a judicial one," Dr. Simpson concludes that it necessarily follows that the constitutional rights and privileges of the defendant are protected in impeachment trials to the same extent that those rights or privileges are guaranteed at the trial of ordinary offenses.

Judge Simpson finds support for his view in the writings of Supreme Court Justice Story, who in his famous "Commentaries on the Constitution of the United States," asserts:

> The doctrine, indeed, would be truly alarming that the common law did not regulate, interpret, and control the powers and duties of the court of impeachment. What, otherwise, would become of the rules of evidence, the legal notions of crimes, and the application of principles of public or municipal jurisprudence to the charges against the accused? It would be a most extraordinary anomaly, that while every citizen of every state, originally composing the Union, would be entitled to the common law, as his birthright, and at once his protector and guide; as a citizen of the Union, or an officer of the Union, he would be subjected to no law, to no principles, to no rules of evidence. . . . If the common law has no existence, as to the Union, as a rule or guide, the whole proceedings are completely at the arbitrary pleasure of the government and its functionaries in all its departments.

Also, Dr. Simpson turns for support to the constitutional provisions which again and again refer to impeachment in terms of criminal law: "to try," "convicted," "pardons for offenses * * * except impeachment," "conviction of treason," "the trial of all crimes, except * * * impeachment," "the party convicted." Quoting U.S. Constitution, article I, section 3, clauses 6–7; article II, section 2, clause 1; article II, section 4; article III, section 2, clause 3.

Mr. President, in order that I may share the pertinent portions of this interesting book with those of my colleagues who may not already have seen it. I ask unanimous consent that pages 665 to 676 of "Federal Impeachments," by Alexander Simpson, Jr., as reprinted in 64 University of Pennsylvania Law Review, be printed in the Record.

There being no objection, the portions of the book were ordered to be printed in the Record, as follows:

Excerpts From Federal Impeachments

The Committee of Style and Arrangement made its report on September 12, 1787, which, so far as the present matter is concerned, provided as follows:

"Art. I, Sec. 2. (d) The House of Representatives shall choose their speaker and other officers; and they shall have the sole power of impeachment.[66]

* * * * *

"Art. I, Sec. 3. (e) The Senate shall have the sole power to try all impeachments. When sitting for that purpose, they shall be on oath. When the President of the United States is tried, the Chief Justice shall preside: And no person shall be convicted without the concurrence of two-thirds of the members present.

"(f) Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust or profit under the United States; But the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment, according to law."[67]

* * * * *

"Art. II, Sec. 2. The President . . . shall **have power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment.[68]**

* * * * *

"Art. II, Sec. 4. The President, Vice-President, and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of treason, bribery, or other high crimes and misdemeanors.[69]

"Art. III, Sec. 1. The Judicial power of the United States . . . shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. The judges both of the supreme and inferior courts, shall hold their offices during good behavior. . . .[70]

"Art. III, Sec. 2. . . . The trial of all crimes except in cases of impeachment, shall be by jury; and such trial shall be held in the state where said crimes shall have been committed.[71]

"Art. III, Sec. 3. Treason against the United States, shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort."[72]

On September 14, 1787, when that report was under consideration Mr. Rutledge and Mr. Gouveneur Morris moved "that persons impeached be suspended from their office until they be tried and acquitted." Mr. Madison said the President was made too dependent already on the Legislature, by power of one branch to try him in consequence of an impeachment by the other. "This intermediate suspension," he said, will put him in the power of one branch only. They can at any moment, in order to make way for the functions of another who will be more favorable to their views, vote a temporary removal of the existing magistrate." Mr. King concurred in the opposition to the amendment and the question to agree was lost."[73]

On the next day, September 15, 1787, the Constitution as amended was agreed to by the Convention, and ordered to be engrossed, all the states voting in favor thereof,[74] and in its engrossed form it was approved two days later.[75] The only changes from the foregoing were the addition of the words "or affirmation", after the word "oath" in Art. I, Sec. 3, and the exclusion of the word "only" from Art. III, Sec. 3.

The foregoing extracts from the resolutions and debates of the Federal Convention cover, it is believed, all that is reported therein relating strictly to impeachments, and all that have any bearing on the subject in the Constitution as originally adopted. The following, from among the amendments to the Constitution, have, however, a bearing upon the matters hereinafter to be considered:

5th Amendment. ". . . nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb, nor shall he be compelled in any criminal case to be a witness against himself."

6th Amendment. "In all criminal prosecutions the accused shall enjoy the right . . . to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor; and to have the assistance of counsel for his defence."

10th Amendment. "The powers not delegated to the United States by the Constitu-

---

Footnotes at end of article.

tion, nor prohibited by it to the States are reserved to the States respectively, or to the people."

Under those constitutional provisions we come to the first great question which faces us.

IN WHAT CAPACITY DOES THE SENATE SIT UPON THE TRIAL OF AN IMPEACHMENT?

It would hardly seem that this could be an open question, or worthy of much debate if it were, yet it has been considered and acted upon in two of the impeachments in this country.

When Judge Chase was impeached the Senate appointed a committee to propose and report rules for the conduct of the trial. In the Memoirs of John Quincy Adams, it is said.[1]

"But the words in open Court, and this Court were in the reported rules, and Mr. Giles moved to strike them out on the ground that the Senate, sitting for the trial of an impeachment is not a Court. . . . His motive for this antipathy to the term Court is, that the Senate . . . may be absolved from all the rules and principles which restrain and bind down courts of justice to the practice of justice."

That motion was adopted. The motive thus attributed to Senator Giles is not that given by himself. His averred reason was this:

"Impeachment is nothing more than an enquiry, by the two Houses of Congress, whether the office of any public man might not be better filled by another.[2] . . . Impeachment was not a criminal prosecution; it was no prosecution at all. . . . A trial and removal of a judge upon impeachment need not imply any criminality or corruption in him."[3]

The matter again came up during the impeachment of President Johnson. It is said in Hinds' Precedents of the House of Representatives:[4]

"In 1868, after mature consideration, the Senate decided that it sat for impeachment trials as the Senate and not as a court. . . . An anxiety lest the Chief Justice might have a vote seems to have led the Senate to drop the words 'High Court of Impeachment' from its rules."

The rules as originally drafted for that trial were entitled, "Rules of Procedure and Practice in the Senate when Sitting as a Hight Court of Impeachment," and in several places in the body thereof the Senate is called a court. Senator Conkling, though he had in fact helped draft those rules, moved to amend by striking out the word "court," saying, inter alia:

"Why leave it there? If it is a court we do not destroy that character by omitting these superfluities from our rules. If it is not a court we do not clothe it with the ermine or the attributes of a court by putting in the rules that it is so."[5]

And recognizing the fact that, in all prior impeachment trials, it had been called the "high court of impeachment" he argued that those words "had been used rather by the Secretary in recording the proceedings than by the Senate itself."[6] Senator Edmunds dissented from this view, and called attention to the fact that on one occasion in the Blount Impeachment, the Senate by formal resolution had called itself a "court of impeachment."[7]

Senator Conkling's motion was adopted by a vote of sixteen to thirteen,[8] but it is not possible to state how many of the sixteen so voted because they thought the words were superfluous, as Senator Conkling argued, how many so voted because they agreed with Senator Morton, also a member of the committee which adopted and reported the rules with those words omitted, because their retention might "lead to consequences that we do not desire, and to difficulties",[9] or how many so voted because they did not consider that the Senate would be sitting as a court.

Notwithstanding the foregoing, when the committee, of which Senators Edmunds, Conkling, and Morton were members, came to amend the rules, they left in Rule XXIV the words "all process shall be served by the Sergeant-at-arms of the Senate, unless otherwise ordered by the *court*,[10] and these words appear in that rule to this day, as a mute admission that, call it what you will, the Senate is a "court" when sitting for the trial of an impeachment.

Senator Edmunds might have gone much further than he did, and probably would have done so had he had time to look into the matter, for while it is true as stated by Senator Conkling that the words "High Court of Impeachment" were frequently the act of the secretary in recording the proceedings, yet those words, or the word "court" appeal constantly elsewhere in the proceedings. Even in so condensed a report as the "Extracts from the Journal of the United States Senate in All Cases of Impeachment Presented by the House of Representatives, 1798–1906,"[11] similar words quite constantly appear.

Thus we find that Senator Tracy for the Senate Committee on the Impeachment of Judge Pickering, twice called it a "court of Impeachment,"[12] and in the summons to the respondent, approved and issued by the Senate, it is four times called.[13] So too in the impeachment of Judge Peck, Senator Tazewell called the Senate a "Court of Impeachment" once and a "court" twice.[14] Senator Webster called it a "court"[15] and Senator Foot called it a "High Court of Impeachment."[16] So too in the impeachment of Judge Humphreys, Manager Bingham called the Senate a "court,"[17] and Senator Foster twice called it "this high court of impeachment."[18]

So, too, the name would not down even in the arguments made during the impeachment of President Johnson, any more than it would in the rules, for we find Senator Howard, for the Special Committee of the Senate calling it a "High Court of Impeachment"[19], Senator Davis,[20] and Senator Cameron[21] calling it a Court of Impeachment"; Senator Sumner, notwithstanding his argument to the contrary, calling it a court"[22]; and Senator Stewart calling it a "court for the trial of the impeachment."[23]

In the impeachment of William W. Belknap, when party feeling was not running high, the Senate is ten times called a court or high court of impeachment,[24] including therein the formal replication filed by the House,[25] and the formal rejoinder filed by it,[26] and in a resolution of Manager Lord,[26a] and in another offered by Senator Edmunds.[27]

So also from "Proceedings in the Senate of the United States in the Matter of the Impeachment of Charles Swayne,"[28] we find that the Senate is called a "court" or a "high court of impeachment" twenty-one times[29] and a "court" sixty-four times.[30] Included among those who so spoke of it are Senators Bacon,[31] Bailey,[32] Fairbanks,[33] Foraker,[34] Hopkins,[35] Pettus,[36] and Spooner[37]; and Managers Clayton,[38] DeArmand,[39] Olmsted,[40] Palmer,[41] Perkins,[42] and Powers.[43]

And finally in the report of "The proceedings of the Senate and the House of Representatives on the Trial of the Impeachment of Robert W. Archbald" we find that the Senate is called a "court," or "high court of impeachment," at least one hundred and six times. Among those who so designated it are Senators Bacon,[44], Bailey,[45] Clark of Wyoming,[46] Cummins,[47] Gallinger,[48] Lodge,[49] Poindexter,[50] Smith of Georgia,[51] Smoot,[52] Sutherland,[53] and Works,[54] and Managers Clayton,[55] Sterling,[56] and Webb.[57]

It thus seems clear that neither the attempted formal exclusion from the rules, nor a fear of "consequences," can remove from the legal mind the legal concept that the Senate is sitting as a court, whether or not it is called by that name. That concept is the necessary consequence of our inheritance of impeachments from England, and of the constitutional provisions above quoted. In England the House of Lords in trying impeachment cases has always been called the "High Court of Impeachment,"[58] and it is difficult to understand why, when we were inheriting the system, we did not inherit in its essence the thing for which that title stood.[59]

If we turn to the constitutional provisions we find that they all bear out the idea that the proceeding is in its nature a judicial one:

"The Senate shall have the sole power to *try* all impeachments.

"When the President of the United States is *tried* the Chief Justice shall preside, and no person shall be *convicted* without the concurrence of two-thirds of the members present.

"Judgment in cases of impeachment shall not extend further than to removal from office. . . .

"The President shall have power to grant reprieves and pardons for *offenses* against the United States, except in cases of impeachment.

"The President . . . shall be removed from office on impeachment for, the *conviction* of, treason. . . .

"The *trial* of all crimes, except in cases of impeachment, shall be by jury. . . ."

"Trial," "conviction," "judgment," and their kindred terms, are all appropriate to judicial proceedings, and are not appropriate to anything else.

In this same connection much has been made at times of the constitutional requirement of a new oath to be taken by the Senators prior to an impeachment trial. Exactly what weight should be given to that requirement is not clear; but it may safely be concluded therefrom and from analogy to other judicial proceedings, that it was intended thereby to give greater solemnity to the trial, to impress upon the Senators their duty in the particular case, to show that the Senate is then sitting in a different capacity than ordinary, and that it occupies an entirely different situation than the House, which is prosecuting. It has been claimed by some that this requirement shows that the Senate is then sitting as a court, but it does not seem necessary to enter further into that controversy.

So, too, the precedents in the Senate are all in accord with the conclusion now asserted. In the Blount Impeachment the respondent was arrested and required to give bond,[60] a course constantly pursued under the English practice,[61] a practice with which the King's Bench, in Lord Danby's case, decided they could not interfere, so long as the parliament which impeached the respondent had not been dissolved.[62]

In the Swayne Impeachment the Senate by a vote of forty-five to twenty-eight decided that the respondent's voluntary statements, made before a Committee of the House of Representatives, could not be used against him on the trial of the impeachment because of the Fifth Amendment above quoted, and of Section 859 of the Revised Statutes, which provides:

"No testimony given by a witness before either House, or before a committee of either House of Congress, shall be used in evidence in any *criminal proceeding against him in any court,* except in a prosecution for perjury in giving such testimony."[63]

So, also, the House of Representatives in the proceedings against George F. Seward, looking to his impeachment, ruled that he could not be attached for contempt in declining to be sworn, and to produce documentary evidence, because only of the above quoted provision of the Fifth Amendment to the Constitution that no person "shall be

---

Footnotes at end of article.

compelled in any criminal case to be a witness against himself."[64]

So, too, all the commentators on the Constitution, when speaking of the Senate in trying impeachments, speak of it as a "court." The references quoted in this article show that to be so, as to the writers quoted, and as to the others an examination of the citations will prove it.

In antagonism to the views above expressed it has sometimes been argued that inasmuch as Art. III, Sec. 1 says that "The judicial powers of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish" that that is a constitutional assertion that the Senate in trying impeachments does not sit as a court. Perhaps it would be better to say that it shows that the Senate, when trying impeachments, is not part of the general "judicial powers of the United States," but is rather part of the political powers thereof, and in that aspect it bears upon the question, hereinafter to be considered, of the character of the offences cognizable in impeachments. But whether or not that be so, it is clear from the location of the section quoted, as well as from its context, that it refers to the ordinary or usual "judicial powers of the United States," and does not refer to impeachment trials, any more than it does to courts-martial, though both were and are well-known methods for the trial of certain offences.

It may be said that the similarity of the proceedings to those in a court, may account for the frequent use of that word in the various impeachment trials; but if that be so it concedes all that is valuable in the claim now made, for it is of no moment whether the body which tries the impeachment is called a senate or a court, if it has the attributes of and proceeds like a court. In the one event, as in the other, the constitutional rights and privileges of the respondent are protected, and that is all he has any right to ask. Happily in this country, though it was not infrequently otherwise before the House of Lords, no respondent has even been openly deprived of any of those rights or privileges, not even President Johnson, though partisan feeling reached its highest point at that time.

The Senate, then, being a court, or proceeding as if it were, certain necessary consequences follow, which usually have been recognized and accorded:

1st. The respondent is entitled "to be informed of the nature and cause of the accusation" against him.[65]

2nd. He is entitled "to have the assistance of counsel for his defence."[66]

3rd. He is entitled "to be confronted with the witnesses against him."[67]

4th. He is entitled "to have compulsory process for obtaining witnesses in his favor."[68]

5th. He cannot "be compelled . . . to be a witness against himself."[69]

And to those constitutional privileges are to be added the following which experience has demonstrated to be necessary for the just trial of causes.

6th. The rules of evidence applicable to courts are adhered to in these trials. It has been many times so held.[70]

7th. A reasonable doubt of the respondent's guilt must result in his acquittal. This also has been many times decided, in addition to that which is herein elsewhere said upon this point.[71]

8th. The Senate must find an intent to do wrong. It is, of course, admitted that a party will be presumed to intend the natural and necessary results of his voluntary acts, but that is a presumption only, and is not always inferable from the act done.[72] So ancient is this principle, and so universal is its application, that it has long since ripened into the maxim, *Actus non facit reum mens sit rea,* and has come to be regarded as one of the "fundamental legal principles" of our system of jurisprudence.[73] True, in many cases, the circumstances surrounding the performance of an act may be sufficient from which to infer the intent; but, nevertheless, in every criminal proceeding, the intent must be averred and proved to the satisfaction of both the trier of the law and the trier of the facts.

9th. And finally, recurring again to the Constitution, if once acquitted in impeachment proceedings he cannot "be subject for the same offence to be twice put in jeopardy."[74]

FOOTNOTES

---

[66] 2 Farrand, 501.

[67] 2 Farrand, 592.

[68] *Ibid* 599.

[69] *Ibid* 600.

[70] *Ibid.*

[71] *Ibid* 601.

[72] *Ibid.*

[73] *Ibid* 612–613.

[74] 2 Farrand 633.

[75] *Ibid* 643–644–647.

[1] Vol. 1, p. 324.

[2] Vol. 1, 321.

[3] *Ibid.* 322.

[4] Vol. 3, par. 2057 (1907).

[5] 3 Hinds' Precedents 381.

[6] 3 Hinds' Precedents 379.

[7] *Ibid.* 381.

[8] *Ibid.* 379.

[9] *Ibid.* 379.

[10] *Ibid* 440.

[11] 62nd Congress, 2nd Session, Document No. 876.

[12] Journal, *etc.*, 19, 25.

[13] *Ibid*, 23, 24.

[14] *Ibid* 62, 134, 141.

[15] *Ibid* 129.

[16] *Ibid* 132.

[17] *Ibid* 153.

[18] *Ibid* 151.

[19] *Ibid* 162.

[20] *Ibid* 195.

[21] *Ibid* 300.

[22] *Ibid* 236.

[23] *Ibid* 288.

[24] *Ibid* 340, 342, 344, 347, 379, 380, 385.

[25] *Ibid* 342.

[26] *Ibid* 347.

[26a] *Ibid* 379.

[27] *Ibid* 380.

[28] 58th Congress, 3rd Session, Document No. 694.

[29] Proceedings, *etc.*, 54, 55, 56, 126, 151, 193, 236, 281, 289, 322, 323, 334, 371, 477, 607.

[30] *Ibid* 11, 16, 17, 18, 19, 21, 24, 25, 51, 57, 60, 66, 67, 82, 91, 106, 114, 128, 178, 180, 188, 189, 192, 193, 195, 197, 200, 266, 281, 334, 442, 482, 640.

[31] *Ibid*, 16, 17, 151, 322.

[32] *Ibid* 24, 51, 91, 188, 192, 193, 195, 197

[33] *Ibid* 54, 236, 289, 323, 477.

[34] *Ibid* 114, 334.

[35] *Ibid* 197.

[36] *Ibid* 188.

[37] *Ibid* 128, 193, 482.

[38] *Ibid* 281.

[39] *Ibid* 266.

[40] *Ibid* 180.

[41] *Ibid* 62, 66, 67, 82.

[42] *Ibid* 106.

[43] *Ibid* 300, 442, 640.

[44] Proceedings on the Impeachment of Judge Archbald, 20, 42, 60, 72, 73, 94, 95, 128, 175, 249, 291, 324, 388, 875, 1105, 1220.

[45] *Ibid* 17, 19.

[46] *Ibid* 18, 27, 38, 94, 95, 96, 128, 175, 231, 1048.

[47] *Ibid* 33.

[48] *Ibid* 34, 290, 291, 807, 1048, 1146, 1219.

[49] *Ibid* 30, 31, 60, 72.

[50] *Ibid* 157.

[51] *Ibid* 291.

[52] *Ibid* 874.

[53] *Ibid* 15.

[54] *Ibid* 15, 16, 17, 20.

[55] *Ibid* 37, 60, 63, 64, 65, 68, 72, 85, 88, 93, 94, 96, 100, 110, 129, 130, 153, 154, 272, 291.

[56] *Ibid* 150, 263, 722. 1386.

[57] *Ibid* 135.

[58] 4 Blackstone's Commentaries 258.

[59] See 6 Am. Law. Reg. (n. s.) 258–259.

[60] 3 Hinds' Precedents, Sec. 2296.

[61] 6 Howell's State Trials 871.

[62] Woodeson's Lectures 616, 617.

[63] Swane Impeachment Proceedings, 187–199.

[64] Hinds' Precedents, Sec. 1699.

[65] Sixth Amendment to the Constitution.

[66] *Ibid.*

[67] *Ibid.*

[68] *Ibid.*

[69] Fifth Amendment to the Constitution.

[70] 3 Hinds' Precedents 537–643; Woodeson's Lectures, 611, 612.

[71] Nebraska v. Hastings, 37 Neb. 96 (1893); Alabama v. Tally 102 Ala. 25 (1893); Alabama v. Robinson, 111 Ala. 482 (1895); 15 Am. & Eng. Ency. of Law (2nd Ed.) 1070; Watson on the Constitution (1910) Vol. 1, p. 214; Impeachment of Judge Barnard, pp. 2070, 2071.

[72] Bishop's Criminal Law, Sec. 252.

[73] Brown's Legal Maxims (8th American Ed.) 306–326.

[74] Fifth Amendment to the Constitution.

CONGRESSMAN GLENN ANDERSON AND THE FUTURE OF MASS TRANSIT

Mr. BENTSEN. Mr. President, I am very pleased to place in the RECORD today the text of remarks by Congressman GLENN ANDERSON of California on the subject of mass transit legislation. Congressman ANDERSON has been one of the most effective spokesmen for transit in the House, and I believe his views merit the attention of all legislators.

Just a few days ago, the House of Representatives rejected the Williams-Minish bill to provide operating subsidies for mass transit. Although I believe that measure was far from ideal in its distribution of funds, it did provide interim, emergency funds for transit at a time of great national need.

Now, as Congressman ANDERSON suggests, we need a transit development program, a long-range program that will meet, not just the needs of a few major cities which do not now have a major transit program in operation. That was the thrust of my bill, S. 3601, which Congressman ANDERSON mentions in his remarks to the Institute for Rapid Transit. My bill was carefully drawn so that major cities such as Los Angeles and Houston, which are only beginning to develop major transit plans, can have a piece of the action, at the same time we protect those cities which have made major investments in transit on their own.

The defeat of the Williams-Minish bill lends new urgency to the search for comprehensive transit legislation this year. Although Congress will be busy on the very solemn work of impeachment in the coming weeks, I do not believe we should shirk our responsibility to working toward major transit legislation.

I ask unanimous consent to print the text of Congressman ANDERSON's remarks in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF CONGRESSMAN GLENN M. ANDERSON

It's great to have you here in Los Angeles—an area characterized by some of our detractors as 77 suburbs in search of a city. And because of our sprawl, we are famous for our great number of automobiles, and for our freeway system. As a result, Los Angeles is known throughout the world as an automobile-oriented society.

Just as other cities are famous for certain things, we, too, are characterized.

Take Texas; everybody knows that oil flows from the ground virtually everywhere.

Chicago; the "windy city."

Think of Atlanta, and beautiful southern belles and white-columned mansions spring to mind.

New York, and you think of the skyscrapers needed to accomodate the millions of people squeezed into such a tiny area.

THE KINGS OF THE ROAD

But, here, in Los Angeles—we are the freeway society—the "kings of the road."

And, as a result, people have said for years that Mass Transit will "never work," and they list the reasons:

First, we are too big an area—too spread out;

Second, not enough people in any one place—no density;

Third, anyway, everybody practically lives in their cars—you can't get them out of their cars to go next door, much less to go to work.

And for years this belief has held sway, and even the Federal Department of Transportation has been caught up in part of that thinking. Secretary Brinegar, a local follow, a good friend, and a constituent, epitomizes the thinking that buses alone can solve our transportation problems, discounting the feasibility of a mix, including a fixed-guideway system.

I continue to have hope. I hope that the Department of Transportation will, sooner or later, help us in the development of not only an expanded bus system and innovative methods—such as jitney service—but also involving a fixed-guideway system. I believe that day-by-day they are becoming more aware of our situation, and the very pressing need to provide an attractive, efficient, and pleasant alternative to the automobile.

THE REAL FACTS ABOUT LOS ANGELES

In case any of you might still harbor some doubts about our ability to sustain a rapid transit system, allow me a moment or two to give you some facts about Los Angeles . . . facts, that are relevant to rapid transit:

First, contrary to popular belief, everyone does not own a car. Not everyone is capable of using our system of highways. In fact, over 17 percent of the households in Los Angeles County do not own a car. To repeat, 17 out of 100 households in our area do not have a car.

How does this compare with other cities?

According to a study published by the respected research team of Barton-Aschman Associates of Chicago, automobile ownership is lower in Los Angeles than in Chicago, Detroit, St. Louis, Dallas, Cleveland, Baltimore, etc. and etc. In Detroit, for example, about 15 percent of the households are carless;

Houston, about 12 percent;

Dallas, 11 percent;

In the highly urbanized Northeast New Jersey area, about 14 percent of the households are without a car.

Of the largest 33 metropolitan areas in the country, 26 have a higher percentage of the population which own cars than Los Angeles.

Certainly, the number of those who must depend on rapid transit for mobility should be considered when talking about an area's need for public transportation. So, when we consider the number of people and the percentage who do not own cars as a factor in determining the feasibility of rapid transit, Los Angeles must rate at the top.

THE DENSITY FACTOR

Secondly, the Department of Transportation seems to give a great deal of credence to the "density factor" when considering mass transit. Within the last several weeks, a high official with D.O.T. was out here stating that Los Angeles should not consider a fixed-guideway system because, when it comes to density—people per square mile—we are too sparsely populated. In fact, he says we are 21st in the nation in population per square mile.

I do not know where he got that figure, but it certainly is not accurate, at least as far as the U.S. Census Bureau is concerned. Because, according to the Census Bureau, only New York and Philadelphia are more heavily populated in their relatively compact urban areas.

The Assistant Secretary, who says our density is too low, must have been considering the uninhabited Los Angeles National Forest, and the almost barren Antelope Valley areas, when he threw out that ridiculous figure.

But, as far as the Census Bureau is concerned, we rate third in the nation in population density—an important factor in the consideration of the feasibility of mass transit in an area.

So, hopefully, these two factors—lack of mobility for a large portion of the people, and population per square mile—lay to rest any doubts that Los Angeles needs a greatly improved and expanded transit network, including a fixed-guideway system, and Los Angeles could sustain one—especially when you couple these factors with our air pollution problem and our energy crisis.

But, what about the people? Will those auto-loving Angelenos give up their cars for rapid transit?

On June 4th, the people of California and the people of Los Angeles gave a resounding "yes" to that question when they adopted the proposals to permit the use of state gasoline taxes for public transit. For the first time, Californians backed away from the concept of more and more highways—and only highways—and said "yes" to diverting a part of these funds to the construction of fixed-guideway systems.

And so, I think the groundwork has been laid—the need is there—the justification is clear that Los Angeles wants and needs a rapid transit system involving a combination of improved and expanded bus service, and a fixed-guideway network.

THE ROLE OF THE FEDERAL GOVERNMENT

Now, what role will the Federal government play in helping cities such as Los Angeles—and certainly Detroit, Denver, Buffalo and Atlanta—in developing a rapid transit system?

And, secondly, what role will the Federal government play in helping those cities which have an established system—such as New York, Chicago, Boston, San Francisco, and others—continue to operate and improve their existing systems?

Money is certainly primary, and the Congress is placing a very high priority on mass transportation when it comes to funding levels. Instead of a 1 billion dollar a year program—as in the past—we are talking about tripling, or even better, the funds available for rapid transit. As you probably know, Senator Lloyd Bentsen of Texas—the Chairman of the Senate Transportation Subcommittee—has introduced a bill to provide 17.5 billion dollars over a 5-year period for mass transit, and 70 percent of that money—12 and one-quarter billion dollars—would be funneled into the nation's 32 largest cities—cities where the problems are most critical.

THE PUBLIC WORKS COMMITTEE PROPOSAL

And in the House of Representatives, in the Public Works Committee, of which I am a member, we are discussing a proposal, which, I believe—as do many of my colleagues—should be funded at a 21 billion dollar to 25 billion dollar level, spread over a 6-year period. And, under that measure, perhaps as much as 60 percent of the money would be allocated to the 9 cities which either have a rail system, or have UMTA grants for a rail system. The vast majority of the remainder of the funds would be channeled into the cities with a population of 50,000 or more—allocated on a population basis.

After you get the money, for what purposes could you use the funds? Most everyone is in agreement that helping to fund operating costs is a legitimate function of the Federal government. And both the Bentsen proposal, and the Public Works bill, would permit the use of these Federal dollars for operating transit systems—with a 50–50 match on the state and local level. And, of course, construction and purchase grants would be continued . . . with the Federal government contributing up to 80 percent of those costs under the Bentsen proposal, and 75 percent under the Public Works measure.

Finally, after funding levels are decided, and after the purposes to be funded are worked out, we must decide on who gets what. We must balance the needs of those who need money to continue operating and those who need the money to construct a system. Obviously, we must have both, and we must assure that both are properly funded.

And, to me—and permit me a provincial view—the bill that comes before the House of Representatives must encourage the development of new systems; it must be geared toward helping those cities, which do not have viable, effective transit networks, to construct those networks.

WE NEED A TRANSIT DEVELOPMENT PROGRAM

Both politically and philosophically, that bill must be a Transit Development bill, rather than a Transit Bailout bill.

I'm certainly not saying that the 6 cities which presently have rail networks should be neglected; far from it—since 1964, when UMTA was created, they have received over 70 percent of the grants because they had systems—and were working to upgrade and improve those systems.

And our future transit policy should continue to properly fund those going concerns, those systems which have a proven record of performance.

But, we must, also allow other cities to construct transit systems where they can be justified and where the people have made commitments of local funding.

PARTNERSHIPS AND CO-OPERATION

Certainly, this is the key: partnership and cooperation among the cities in seeking proper funding for both construction and operation. While operating funds are desperately needed in the established systems, construction grants are equally needed in the other large metropolitan areas. And, those of us from Los Angeles should recognize the New York situation—just as New York must recognize our problems.

We must work together to insure that both are properly funded. The officials and operators in Boston, Chicago, New York and Cleveland must work with the transit operators and public officials of Los Angeles, Denver, Miami, and Detroit to insure that both—and all—are accorded equity in the allocation of Federal dollars.

We need each other, and we must work for our own benefit as well as for each other's benefit. Otherwise, we may get bogged down and fail to get a law—a law desperately needed in mass transit financing.

I firmly believe that the transit policy which we are currently considering must recognize that sustaining a system and creating a system are equally important, and should be equally funded.

The future of our cities depends on the imagination and the creativity of the transit manufacturers, the efficiency and the service of the operators, and the funding and allocation of dollars by the Federal government.

I am confident that—with your help and support—all of us can solve our transit problems and thereby help curb our appetite for energy, and reduce pollution.

These are our goals, and this is my commitment.

EDITORIAL ON SEA POWER

Mr. THURMOND. Mr. President, an editorial entitled, "Superior Sea Power Essential" appeared in the July 25 issue of the Aiken Standard newspaper, Aiken, S.C. In this article Editor Samuel A. Cothran has correctly assessed the dangers inherent in a decline in U.S. Naval strength. He has noted the Soviet challenge to the role of the U.S. Navy and urges our Nation to meet this development.

Mr. President, I ask unanimous consent this editorial be printed in the Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Superior Sea Power Essential

The U.S. missile cruiser Chicago and two destroyers recently cleared the Malacca Strait for a show-the-flag cruise in the Indian Ocean. They were accompanied by an oiler because the U.S. Navy has no fuel stations in that part of the world. This tiny task force, sailing through an ocean where the Soviet navy at any time is deploying a dozen or more ships, could well symbolize the thinly stretched resources of the U.S. Navy.

So it is that Adm. R. Zumwalt Jr., stepping down as chief of naval operations at the end of last month, declared that the United States has surrendered its once-undisputed supremacy at sea to the Soviet Union. "The consequences of conceding the world ocean to others are simply too serious to be allowed to continue," he said. "Our countrymen have never before turned away from their responsibilities, nor do I expect them to do so now."

Adm. Zumwalt's countrymen on the whole are probably as alarmed as he is about the growing imbalance between our naval strength and that of the Russians, but their voice is not being heard by the architects of defense budgets. The spirit of detente and wishful thinking has led many members of Congress to dismiss as irrelevant the indisputable evidence that the Soviet Union has decided to challenge the role which the U.S. Navy has filled since World War II as the guarantor of freedom of the seas.

We have taken comfort in the fact that our attack carriers and their jet squadrons represent mobility and firepower that the Soviet navy cannot match. We have been told that the 911 naval vessels built by the Russians in the last decade—while our own Navy shipbuilding program produced only 163—including mostly minor combatants. However, Navy Secretary J. William Middendorf recently pointed out that these "minor" vessels include patrol craft equipped with missiles that can sink ships many times their size. In fact, the Russians now can deploy twice as many anti-ship missile launchers as there are ships in the U.S. Navy.

The Soviet shipbuilding program which became visible in the 1960s has produced a naval force in the 1970s which eliminates any guesswork about Kremlin intentions. Sea power clearly is a basic element of Soviet foreign policy. The size and capability of the U.S. Navy will be of paramount importance in what could develop as a contest for control of the seas.

Adm. Zumwalt has warned that the Soviet navy already has the capability to deter or even thwart U.S. movements in some sea areas. Its power is still growing, as our own Navy faces manpower reductions curtailed operating schedules and inadequately funded programs for new ships and weapons. The Cruiser Chicago will indeed be showing the U.S. flag this summer in the Indian Ocean, but the country that flag represents is doing an inadequate job of backing it up.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, for centuries the foreign policies of the nations of the world have been characterized by a narrow Machievellian amoralism. Self-interest has been pursued incessently, with only a few scattered attempts toward higher ethical standards in world relations. This strict adherance to national interests—at all moral costs—has been responsible for much of the conflict and destruction that has stained the history of mankind.

This amoralism reached its gruesome peak in World War II, when the Nazis attempted to "purify" their own population and thrust their dominance across Europe. Millions of helpless civilians were packed into gas chambers and ovens, and hundreds of thousands of soldiers died to halt the slaughter. We paid a very high price to reassert the right of every man to his existence.

The International Convention on the Prevention and Punishment of the Crime of Genocide, a product of world-wide revulsion against the Nazi horrors, is a landmark attempt to develop an ethical basis for relations between nations regarding their respect for the fundamental rights of all men. U.S. ratification of the convention, as Arthur J. Goldberg told a Senate Foreign Relations subcommittee in 1971, "can make a practical contribution to the long and difficult process of buliding a structure of international law based on principles of human dignity." For too many years we have neglected to make this contribution; the genocide convention demands prompt reconsideration and ratification.

NO-KNOCK REPEAL

Mr. PERCY. Mr. President, on July 11, 1974, the Senate adopted by a 64 to 31 vote an amendment to the Drug Enforcement Administration Authorization Act which would repeal the Federal and District of Columbia no-knock statutes. This amendment received wide bipartisan support and its advocates ranged all across the ideological spectrum.

The action taken by the Senate has prompted some members of the House of Representatives to move in a similar direction. The House version of the Drug Enforcement Administration Authorization Act, H.R. 14213, has been amended in the House Interstate and Foreign Commerce Committee to repeal the Federal no-knock statute.

But the House bill, as amended, does not contain a repeal of the District of Columbia no-knock statute, which in many ways is more dangerous than the Federal law. No-knock entries by District of Columbia police officers need not be supported by a special no-knock search warrant as under the Federal law. Furthermore, the District of Columbia no-knock provisions apply to all searches by District of Columbia law enforcement officials and are not limited, as in the Federal statute, to violations of narcotics laws, the penalty for which is more than 1 year.

Mr. President, I commend my colleagues in the House for their prompt action in adding language to H.R. 14213 repealing the Federal no-knock law. At the same time I urge them to further amend this bill so as to repeal the District of Columbia statute. The announced, regretful but imminent, resignation of Police Commissioner Wilson makes this matter all the more urgent. He has wisely, on the basis of his own judgment, not seen fit to use this authority for several years.

Senators Ervin and Nelson have placed a number of editorials commenting favorably on the Senate's action in repealing the no-knock statutes in the Congressional Record. In order to complete the record, I now ask unanimous consent that certain other editorials on this question be printed at the conclusion of these remarks.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[Worcester, Mass. Telegram]

Knocking Out No-Knock

In 1970, Congress granted "no-knock" authority to District of Columbia policemen, allowing them to enter dwellings, with a special warrant, without knocking and identifying themselves. Later that year, as part of the Drug Abuse Prevention Act, the same right was extended to federal narcotics agents across the country.

The legislation was intended to give additional impetus to law enforcement in an era of sky-rocketing crime. It brought the element of surprise into the arrest process by giving suspects no chance to escape or destroy evidence.

At the time the proposal was debated, its opponents argued that Americans should be secure in their home and that no-knock would open the door to abuses. An amendment by Sen. Sam Ervin to delete the provision from the anti-drug act was defeated by the Senate.

Four years have passed since, and the impact of no-knock has proven questionable at best. While some police authorities argue that the surprise entry helped arrest and conviction, the police chief of the District of Columbia said his department could live without no-knock. And the lawyer for the district police stated that no-knock investigation increases the possibilities of injury both for law enforcement officers and occupants of homes entered.

Moreover, several unfortunate incidents have occurred where teams of narcotics agents descended upon private homes by mistake, ransacked apartments and mistreated innocent people. The Gigotto case in Collinsville, Ill. was one outstanding example.

Because the risk to individual rights seems to outweight the potential benefit law enforcement may gain from no-knock, the Senate reversed itself on the issue the other day, voting 63 to 31 to end it. If we still accept that old American idiom that "a man's home is his castle," the House should do likewise.

[From the Chicago Daily News, July 13, 1974]

Time To Knock Out "No-Knock"

The U.S. Senate has voted 64 to 31 to repeal the "no-knock" provision of the federal drug laws. This was a statesmanlike step to right an old wrong, and we urge the House to follow suit.

To an otherwise important and constructive measure aimed at coping with the nations drug-control problem, Congress in 1970 appended a section that raised an ominous threat to a constitutional liberty. It provided that federal agents could break into a building on a narcotics raid without warning if they believed a knock on the door might result in destruction of the narcotics or injury to the raiders.

The peril was spotted at the time by many skeptical congressmen—as it had been spotted by the founding fathers in their concern over "unreasonable search and seizure." Sen. Sam Ervin said that the no-knock permission would "make it possible for law enforcement officers to break into a home like burglars."

And as Illinois Sen. Charles Percy remarked, that is how it turned out. Percy cited the break-in last year by agents in Collinsville, who ransacked two homes only to discover later that they had the wrong addresses and had terrorized innocent families.

Even the requirement that such a knockless raid must be made on the authority of a court warrant has failed to prevent numerous Gestapo-like incidents of the Collinsville type. Meanwhile, the nation has had Watergate, with its own demonstrations of the always latent instinct toward police state tactics.

It is gratifying that more than two-thirds of the senators present for the roll call saw the logic of repealing the no-knock privilege. We hope the House will be equally emphatic in removing this threat to the sanctity and privacy of the home.

[From the Chicago Sun-Times,
July 17, 1974]

Repeal No-Knock

By a gratifying and compelling vote of 64 to 31, the Senate last week approved a measure to repeal the "no-knock" provision of the Comprehensive Drug Abuse and Prevention Act of 1970. Given the demonstrated and potential abuses of no-knock, the need for similar action in the House is clear.

The 1970 law permits federal drug agents to break into a home without warning if they believe a knock on the door might result in a destruction of evidence or injury to raiders. The law has been repeatedly abused, most spectacularly perhaps in the 1973 raid in Downstate Collinsville, where officers broke into the homes of two innocent families in a search for drugs.

The constitutionality of no-knock has been challenged by at least three former Supreme Court justices, and its effectiveness has been questioned by several law-enforcement officials, including State's Atty. Bernard Carey. Police officials in the District of Columbia, who have not used no-knock since 1971, have pointed out the danger to policemen of sudden, unannounced raids.

People like Sen. Charles H. Percy (R-Ill.), who originally supported no-knock, have now perceived its faults. We trust the House will perceive them, also.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY

Mr. ALLEN. Mr. President, I ask unanimous consent that there be printed in the Record an exchange of correspondence between me and the U.S. Department of Agriculture with reference to S. 707 setting forth the views of the Department of Agriculture and citing the hundreds of proceedings of the Department in 1972 which were subject to court review.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

January 14, 1974

Hon. Earl Butz,
Secretary, Department of Agriculture, Washtington, D.C.

Dear Mr. Secretary: I serve on a subcommittee of the Government Operations Committee which is considering bills to create an independent Consumer Protection Agency, and am a sponsor of one of these bills. Most observers are of the opinion that such a bill will come up for a vote in both Chambers of Congress early this year.

The principal purpose of a CPA would be to advocate the interests of consumers before other administrative agencies, including the Department of Agriculture, and before the courts.

In letters to Senator Ribicoff, dated July 20, 1973, Mr. J. Phil Campbell, the Under Secretary of Agriculture, indicated his view that, as I understand it, the CPA would be redundant insofar as consumer interests in areas under USDA authority are concerned.

I have been concerned about the effect a CPA, as proposed in the more far-reaching proposals such as S. 707, would have on the ability of the existing administrative agencies to carry out their statutory duties. I have been particularly concerned over provisions such as those in S. 707 to grant the nonregulatory CPA the right to challenge in court the final decisions of regulatory agencies—including their decisions not to act when the CPA requests them to do so. My bill, S. 1160, prohibits the CPA from attempting to "unfinalize" such final decisions in the courts.

My attention has now been called to the enclosed letter from the Secretary of the Treasury concerning the adverse effect such CPA appeal powers would have on the Treasury Department's programs. It seems to me such concerns are even more applicable to the more extensive programs of your Department.

I wonder, Mr. Secretary, if you would share your views with me on what effect, if any, a CPA with such court appeal rights as contained in S. 707 would have on the ability of the USDA to carry out the various programs for which your Department has responsibility, and which, if any, USDA responsibilities should be exempted from such a power.

Would you please supply me with your views at your earliest convenience, as I expect this matter to come before the subcommittee and committee soon after the reconvening of the Congress next week. A copy of S. 707 and S. 1160 are also enclosed for your review.

Sincerely,

James B. Allen.

Department of Agriculture,
Washington, D.C., July 29, 1974.

Hon. James B. Allen,
U.S. Senate,
Washington, D.C.

Dear Senator Allen: This is in reply to your letter of January 14, 1974, requesting our views on certain aspects of S. 707, a bill to establish independent Consumer Protection Agency to protect and serve the interests of consumers, and for other purposes. Specifically, you asked for our comments regarding the effect on this Department's ability to carry out its programs of granting the proposed Consumer Protection Agency (CPA) if one is created, a right to seek court review of our final decisions.

Section 8 of S. 707, as reported by both the Senate Committee on Commerce and the Senate Committee on Government Operations, would grant the Administrator of the CPA the right to appear in Federal courts to secure judicial review of, or to intervene as of right or otherwise participate in civil proceedings involving the review or enforcement of, a Federal agency action which he determines substantially affects the interests of consumers, wherever he intervened or participated in the administrative activity out of which the court proceeding has arisen. Where he did not so intervene or participate in the agency activity, the Administrator could still initiate or participate in judicial proceedings involving review of such activity unless the court determines that his participation would adversely affect the interests of justice. Also, where the Administrator did not intervene or participate at the agency level, he would be required to file a petition with the agency for rehearing or reconsideration before seeking judicial review.

At this time it is difficult to predict what effect establishment of a CPA with authority (as described above) to appeal our final decisions will have on our ability to carry out our programs. Of course, a great deal depends on the extent to which the Administrator of the CPA determines that our decisions and actions substantially affect consumer interests, intervenes in such actions, and appeals determinations with which he disagrees. In view of the number and scope of our activities, it is fair to say that the impact of a CPA could be substantial. Obviously, whenever the number of persons who may appeal our final decisions is expanded, there could be an increase in the number of appeals with a concomitant increase in the time before implementation of those decisions. There is a delay inherent in any appeal of an agency decision, including appeals which might be sought by the CPA. That delay could be increased if the CPA did not intervene or participate at the agency level, since S. 707 requires that the CPA seek agency reconsideration in such instances before taking an appeal.

Many of the actions taken by this Department, must, of necessity, be implemented within a short period of time and many are of an emergency nature. Under our marketing agreements and orders relating to milk and fruits and vegetables frequent changes in the rules and regulations must be made to accommodate changes in the marketing situation. Emergency action is often necessary under our plant and animal quarantine laws to prevent the spread of a dangerous plant or animal disease. Two examples are the outbreaks of Venezuelan equine encephalomyelitis (VEE) and exotic Newcastle disease, both of which necessitated quarantines of certain areas of the country under emergency conditions. Under our meat and poultry products inspection programs, detention and condemnation of products which are unfit for human consumption or otherwise adulterated are necessary to protect consumers of meat and poultry products.

Many final agency actions taken by this Department can be appealed to a court or subjected to judicial review by one means or another. Because of the scope of the activities of a Department this size, such actions would run into the thousands each year. For example, the Forest Service, which is just one of many agencies of the Department, relies heavily on professionals in the field to administer the National Forest System. The Rangers and Forest Supervisors make thousands of land use decisions and rulings each year, ranging from granting permits to occupy and use National Forest lands to awards of timber sales and road construction contracts. Any such action can be considered a final agency action, and could thus be subject to judicial review. Our experience in the past has shown that a wide range of agency decisions has been subjected to judicial review.

To give you some idea of the final actions of this Department which could be appealed to the courts for review, we have listed in the enclosure hereto those final agency actions in calendar year 1972 which were taken in formalized proceedings or which were subject to court review by specific statutory provision or both. This listing is not meant to be exhaustive since it does not include some actions taken in informal proceedings or activities or the many final rulemaking actions of this Department, most of which would be subject to judicial review.

The Director of the Office of Management and Budget has written to Senator Sam Ervin, Chairman of the Senate Committee on Government Operations, requesting two strengthening amendments to the judicial review provisions of S. 707. One would require that in those instances where the Administrator of the CPA did not intervene or participate in the Federal agency proceeding or activity, the Administrator would have an affirmative duty to show that permitting him to obtain judicial review would further the interests of justice. The other would provide that, when the CPA petitions a Federal agency for rehearing, the Federal agency would be given "a reasonable time" to respond instead of the 60-day limit provided in the bill. We urge your support of these amendments.

Sincerely,

J. Phil Campbell,
Under Secretary.

Enclosures.

Enclosure

Final actions of the Department of Agriculture in 1972 which were taken in formalized proceedings or which were subject to court review by specific statutory provision or both:

1. Sixty-five (65) marketing quota review determinations under the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1361–1368), as follows: 1 with regard to rice, 10 peanuts, and 54 tobacco.
2. Fourteen (14) decisions by the Judicial Officer on petitions of handlers alleging illegality of provisions or obligations of Federal milk marketing orders pursuant to section 8c(15)(A) of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 608c(15)(A)).
3. 119 cease-and-desist orders under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 *et seq.*).
4. Thirty (30) reparation orders under the Packers and Stockyards Act.
5. Twenty-three (23) orders in disciplinary proceedings under the Perishable Agricultural Commodities Act, as amended (7 U.S.C. 499a *et seq.*).
6. 313 reparation orders under the Perishable Agricultural Commodities Act.
7. Thirteen (13) orders in disciplinary proceedings under the Commodity Exchange Act, as amended (7 U.S.C. 1 *et seq.*).
8. Fifteen (15) decisions of the USDA Board of Contract Appeals with regard to disputes under contracts relating to boiler, road, fire tower and dam construction, tree planting, purchase of equipment, river drainage, and Commodity Credit Corporation price support purchases.
9. Twenty (20) decisions of the USDA Board of Forest Appeals and the Secretary of Agriculture pursuant to Appeal Regulations concerning Forest Service contracts or activities.
10. 267 denials of claims for indemnity under the Federal Crop Insurance Act (7 U.S.C. 1501 *et seq.*).
11. Five (5) denials of requests for information under the Freedom of Information Act.
12. One (1) revocation of a license to inspect grain under the United States Grain Standards Act (7 U.S.C. 71 *et seq.*).
13. Four (4) denials of inspection service under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621 *et seq.*).
14. Ten (10) final actions in proceedings for suspension or revocation of accreditation of veterinarians under various Animal Quarantine laws and regulations and rules of practice (9 CFR Parts 161 and 162).
15. 444 disqualifications of retail stores under the Food Stamp Act of 1964, as amended (7 U.S.C. 2011 *et seq.*).

CONTINUED SOVIET OCCUPATION OF CZECHOSLOVAKIA

Mr. THURMOND. Mr. President, August 21 of this year will mark the sixth anniversary of the notorious Soviet invasion of Czechoslovakia. The free world has come to remember this date as the "Soviet Day of Shame." It was on August 21, 1968, that a vast array of Soviet-led armies invaded and occupied the small homeland of freedom-loving Czechs and Slovaks.

It is appropriate at this time to point out that these armies still occupy Czechoslovakia, and the Soviets are continuing with their imposition of a repressive, dictatorial regime on the people of this land.

On August 19, 1970, Senate Resolution 450 was introduced to emphasize congressional condemnation of the continued occupation of Czechoslovakia by the armies of the Soviet Union and its satellites. This resolution stated explicitly that—

> The continued occupation of Czechoslovakia by the Soviet Union is another crime against the rights of the free people of a small country to determine their own destiny and aspirations.

Today this situation still exists. Freedoms of opinion, expression, religion, and assembly, revived during the Prague Spring of 1968, were abolished following the Soviet-led invasion of August 1968. Arbitrary arrests and detentions are practiced throughout Czechoslovakia, and some of those arrested have been handed over to the Soviet NKVD and exiled to Siberia.

Mr. President, it is incumbent upon every citizen of our own great land to remember this state of affairs in Czechoslovakia and to recognize the significance of August 21.

Mr. President, I ask unanimous consent that the text of a recent statement of the Czechoslovak National Council of America be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Freedom Is Indivisible

On this sad occasion of the sixth anniversary of the brutal Soviet-led invasion and occupation of peaceful and freedom-loving Czechoslovakia, we American citizens of Czech, Slovak and Subcarpatho-Ruthenian descent, again remind the entire world of this Soviet violation of key principles of international law incorporated into the Charter of the United Nations:

The brutal Soviet aggression and occupation:

(1) violated the sovereignty of a member state of the United Nations (Article 2, Section 1);

(2) was carried out in violation of Article 2, Section 4, which prohibits the use of military force in the relations between individual members of the United Nations;

(3) violated the principle of self-determination of people (Article 1, Section 2);

(4) was in conflict with Article 2, Section 7, which prohibits outside intervention in matters essentially within the domestic jurisdiction of any state;

(5) was in conflict with a number of resolutions of the General Assembly of the United Nations, particularly with Resolution 2131 (XXI) adopted at the meeting of December 21, 1965, upon the Soviet Union's own motion, prohibiting any intervention in the domestic affairs of any state and guaranteeing its independence and sovereignty.

The continued Soviet occupation of Czechoslovakia is another crime against the right of a small country to determine its own destiny and aspirations. The invasion was an intervention by the forces of reactionary communism to prevent the Czechs and Slovaks from establishing their own social order that did not endanger anyone and sought to contribute to the building of bridges across the discords of a divided world and to lend aid to a better understanding and cooperation among all nations on the basis of true progress and humanity.

The people of Czechoslovakia have not resigned themselves to these aggressive plans of Moscow. The day of August 21, is being commemorated in Czechoslovakia as a *Day of Soviet Shame* in a mighty and disciplined resistance against Soviet pressure. We are joining our friends in Czechoslovakia in asking the entire civilized world to support the people of Czechoslovakia in their effort to achieve "the withdrawal of Soviet troops from Czechoslovakia."

August 21, 1974

Czechoslovak National Council
of America,
Chicago, Ill.

THE MILLION DOLLAR PAYOFF—LIBELOUS BOOK BY DOUGLAS CADDY

Mr. MONTOYA. Mr. President, the recent publication of "The Million Dollar Payoff," by Douglas Caddy has aroused my deep concern.

In the preface to his book Mr. Caddy stated that—

> Justice demands that corrective action also be taken to curtail illegal contributions given the Democratic Party from tax-exempt union treasuries, whose revenues are derived from the union dues of its members.

This statement is libelous and I am sure that Mr. Caddy knows that it is libelous. It is an outrageous accusation, made with no basis in fact. Mr. Caddy knows, as Members of this body know, that money used by the political action organizations of labor unions is money collected from individuals on a voluntary basis, is a result of perfectly normal and legal fundraising efforts, and is money kept in separate and clearly identified records. It is never money taken from union dues, as Mr. Caddy states.

Mr. President, we have all seen, in our lifetimes, the danger of allowing "the big lie" to be repeated and repeated until it becomes accepted as truth. I refuse to let that happen in this case, and I hope I have the support of every Member of this body.

Working men and women have the legal right, as do all Americans, to voluntarily contribute to political organizations and political campaigns. In many cases workers have chosen to make their contributions through an organization operating as an arm of their unions, and have used that political arm to support candidates who have a record of working for legislation to solve the working person's problems or to support programs to benefit all Americans.

Mr. Caddy, in his libelous book, has attempted to tar such innocent men and women with the ugly brush of illegal and unethical action. He implies that the illegal contributions of corporations—contributions taken from profits and given in a hidden and clandestine way—are similiar to the contributions of working people given in an open and recorded way.

Illegal contributions, from whatever source, are never to be condoned. The key to understanding the difference is that those whose money is used in an illegal contribution from corporate funds do not know their money has been given away. Those who voluntarily give their money openly to help in a political organization—whether it is through a labor union or a professional association like AMA—do know where their money is going.

Mr. Caddy's book is using the big-lie technique to attack the right of workingmen and women to participate freely and openly in the American political system. I am shocked and dismayed that this kind of book has ever been put into print.

In this year of aroused public interest in the propriety of all political funding and campaign contributions, this scurrilous book attempts to mislead readers in a manner which must bring shame even to Mr. Caddy. He is a lawyer who should know the dangers of making false accusations and should understand the divisive and ugly results of confusing legal and voluntary political gifts with illegal and involuntary political payoffs.

Any threat to truth becomes a threat to the body politic. This book is such a threat, and I do not hesitate to denounce it.

The New Mexican, published in Santa Fe, N. Mex., has recently published a response to Mr. Caddy's cruel attack, in a guest column written by Mary Sue Buchly, New Mexico State AFL–CIO COPE director.

Mr. President, I ask unanimous consent that Miss Buchly's article be published in the RECORD following my remarks. I strongly urge my colleagues to read this statement and to take this opportunity to be alerted to the danger of placing any credence in Mr. Caddy's effort.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Santa Fe New Mexican]

OFFICIAL OF AFL–CIO DEFENDS POLITICAL CONTRIBUTIONS

(A response to a charge that the AFL–CIO's COPE (Committee on Political Education) flagrantly violates the law is presented in this guest column for vacationing Fred Buckles by Mary Sue Buchly, New Mexico State AFL–CIO COPE director.)

(By Mary Sue Buchly)

ALBUQUERQUE.—Political contributions and their effects have been high priority among the general public and media for two years.

A recent publication authorized by Douglas Caddy, who also doubled in brass as defense counsel for the Watergate Seven, has made broad statements relative to political contribtuions by COPE.

There is basically no argument with Caddy's arithmetic; however, a serious error emerges in his book, "The Million Dollar Payoff."

Caddy erroneously states COPE "flagrantly violates the law." He says union members' dues are used to further and advance the AFL–CIO position in the political arena.

All funds used by COPE, which are used for political contributions, are voluntary and furthermore are never withheld from wages in any form.

All COPE's funds can be legally identified. COPE's source is always from fund-raising programs and voluntary contributions on a local, state and national level contributed by working people.

The reader should evaluate and make a comparison of COPE contributions versus corporate industrial contributions. It is a matter of public record that the milk industries' contributions to President Nixon caused an increase in the cost of milk and dairy products to every citizen with the only consideration being greater unfair profits for a chosen few.

The petroleum industry, whose multi-million dollar political war chest was used in behalf of President Nixon, produced a questionable gasoline shortage but unquestionably high increase in corporate profits at the expense of every car owner for the benefit of a "few corporate heads."

The American Medical Association for decades has totaled multi-million dollar political contributions to kill legislation that would improve the general public's health care.

They opposed Medicare for 20 years and today are opposing a fair and equitable health plan that would benefit the entire American population to maintain high profits.

The list is long of vested interests who have used the political contribution route to create anti-public consumer legislation and to kill any legislative efforts that would protect and improve the American's lot in life.

COPE, through its voluntary contributions from 16 million American wage earners and consumers, is one of the few national organizations structured to support people-oriented laws.

COPE does not limit itself in supporting "labor laws nationally or statewide." We have an honorable record in supporting such legislation as minimum wage which is a fair day's pay for a fair day of work for all Americans.

Labor has supported job safety to protect workers so that unnecessary permanent injury would not put them on the disabled welfare rolls. A good and comprehensive health care plan that could bring decent and basic health care to the public is always adamantly supported in Congress by the AFL–CIO. This labor concern is not restrictive but general.

Labor champions workmen's compensation legislation that will assist a family wage earner when he is injured on the job which allows his family to maintain some semblance of a decent living during his recuperative period.

The political contributions by selfish, vested interests come from profits created by the public and used directly against their best interests. COPE funds are not derived from corporate profits. They are derived from the working man who cares about his fellow American.

Therefore, it can be easily identified that big business funds which are used for political contributions are surplus-profits that are paid for by the average citizen. Their own money is used to create legislation that is negative to the public's best interest.

It is not to say that labor does not believe in profit motivation. It is not to say that labor is opposed to the free enterprise system.

But we feel it should be universally objectionable to use excess profits to the detriment of the general public in the form of public contributions that will foster price gouging and enabling legislation that will minimize public services which could be beneficial for all.

ADMINISTRATION PROPOSALS FOR AID TO INDOCHINA

Mr. HATFIELD. Mr. President, on July 24, 1974, Mr. Fred Branfman, co-director of the Indochina Resource Center, testified before the Senate Foreign Relations Committee concerning the fiscal year 1975 administration proposals for aid to Indochina. His statement contains a wealth of penetrating insights and revealing statistical data about our continuing involvement in Indochina, including the covert ways in which our aid still serves to fuel the unended war there. Because of the relevance of this material to the Congress consideration of the administration's fiscal year 1975 request for aid to Indochina, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF FREDRIC R. BRANFMAN, CO-DIRECTOR, THE INDOCHINA RESOURCE CENTER BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE

PRESIDENTIAL COVERT WAR AND U.S. AID TO INDOCHINA, JULY 24, 1974

An update and introduction to the Indochina Resource Center/Narmic analyses of the FY 1975 administration aid proposals for Indochina.

Fredric Branfman is co-director of the Indochina Resource Center, located at 1322 18th St. N.W., Washington, D.C. 20036. Its telephone number is (202) 785–3111.

The Indochina Resource Center is a church-sponsored private research group which regularly monitors dozens of official documents, newspapers and magazines, and receives personal correspondence from individuals on the scene in Indochina.

Mr. Branfman's testimony is based on this ongoing research, as well as 4½ years experience in Indochina over the past 7 years. His most recent visit was a post-ceasefire trip to South Vietnam, Cambodia, and Thailand from April through August, 1973. He also visited North Vietnam in November, 1972, and spent four years based in Laos as an educational adviser and writer from 1967–1971.

Mr. Branfman has written widely on Indochina. *Voices From the Plain of Jars*, published by Harper and Row, is a moving description of American bombing in Laos; "The Presidential War in Laos: 1964–1970", in *Laos: War and Revolution*, a Harper and Row publication, describes U.S. involvement in Laos during that period; his articles have also appeared in *Harper's*, the *New York Times*, *Washington Post*, *Washington Monthly*, *Newsday*, the *Progressive*, *Ramparts*, and dozens of other newspapers and magazines around the country. He has also frequently given testimony to Congressional committees, including the U.S. Senate Refugee and Government Operations Subcommittees, and the House Foreign Affairs Committee.

Presidential covert war and U.S. aid to Indochina

Contents

Introduction: A solution to our Indochina involvement exists

I. Covert war: A challenge to Congress for the 1970's, p. 1.

II. Congress is being asked to fund war in Indochina, p. 2.

III. Covert war: The administration methodology, p. 4.

IV. Covert war: Background, p. 6.

V. Covert war: Basic strategic goals, p. 8.

VI. Covert war: Manipulating domestic opinion to obtain funding, p. 10.

(a) Executive deception on military matters.

(b) Executive deception on political matters.

VII. Covert war: A commitment to narrow-based local administrations, p. 13.

(a) Saigon Zones.

(b) Lon Nol Zones.

(c) Laos.

VIII. Covert war: The necessity of U.S. military personnel and technology, p. 20.

(a) U.S. military personnel.

(b) U.S. war material.

IX. Covert war: Police and refugee programs for population control, p. 25.

(a) Police programs.

(b) Refugee programs.

X. Covert war: A tone to speak for the living, p. 29.

INTRODUCTION: A SOLUTION TO OUR INDOCHINA INVOLVEMENT EXISTS

The pages which follow document our belief that present Administration policy in Indochina is leading to major new military confrontations there. We demonstrate that present U.S. policy is bringing untold misery to the people of Vietnam, unacceptable costs to the people of this country, and cannot lead to peace.

Before turning to this analysis of present policy, however, we wish to stress that there *is* an alternative that would be acceptable to most Americans: observation of the Paris Agreement.

It is often said that the Paris Agreement is a mere scrap of paper, since both sides are violating it.

To call it a mere scrap of paper, however, is to deny that our involvement in Indochina can ever be ended. The great importance of the Paris Agreement is that it does provide an honorable way, indeed the only way, that the war in Indochina can be ended.

For 10 long years the US fought in Vietnam with no real public hope that the war would stop. The battles went on and on, with no political solution in sight.

Now finally, after a million deaths, there is finally a *political solution* to a war which cannot be won on the battlefield, a formal peace agreement signed by all parties directly concerned.

This Agreement, moreover, offers a way that we can end our involvement without it being said that we reneged on our "commitments", were defeated, or "bugged out". It provides for a relatively orderly political process by which the Vietnamese people will be free to choose their own leaders, free of outside political interference. It is clear, moreover, that such a political process will see the emergence for the foreseeable future of some kind of coalition mechanism that will prevent any side from claiming absolute victory or defeat.

To downgrade the importance of the Paris Agreement, this political solution, is to say that there can be no political solution to the fighting. It is to accept the notion that the war will continue indefinitely. To minimize the Paris Agreement in any way, therefore, is in effect to encourage war.

To stress the importance of the Paris Agreement, however, is to be for peace. By insisting that both sides adhere to it, by ensuring that our side is doing everything possible to at least test the other side's offer to negotiate, is not only desirable. It is absolutely necessary if our Indochina involvement is ever to end.

Such a policy, as we can see in Laos so far, can work. There is no reason why there cannot be a Laos-like solution to the Indochina war, if Congress ensures that our aid is not being used in a way that blocks implementation of the Paris Agreement.

The Paris Agreement is, quite simply, a realistic hope for peace in Vietnam—the only one that now exists. And it is a hope for peace which can be realized, if we want it to.

I. COVERT WAR: A CHALLENGE TO CONGRESS FOR THE 1970'S

One of the dominant, if least understood facts of this latter half of the 20th century is that we have entered an era characterized by a new form of war-making, a phenomenon we shall call *Presidential covert war*.

By this we mean that the Executive officials of today's superpowers have opted away from conventional or nuclear war and *for* war by proxy—"low-profile" war in which they rely on intensive use of technology and relatively few American personnel to wage clandestine war abroad.

One of the basic facts of our lives as Americans is that our Executive branch today can and does wage war abroad without the knowledge or consent of the American people.

There are many examples of such Presidential covert war in recent times, from U.S. Executive intervention in Ethiopia to the Congo to the Philippines to Iran. The most dramatic example of such covert war-making today, however, is Indochina.

During the 1960's, Indochina became the symbol of *direct* U.S. Military involvement in the Third World. Responding to a clear mandate from the American people, Congress has moved to end our *direct* combat involvement in Indochina. By doing so, it has clearly signaled the end of an era, bringing hope to most Americans that Congress will never allow massive U.S. combat involvement in another Third World country.

Today, in the mid-1970's, however, Indochina has now become the symbol of *indirect,* covert U.S. involvement in the Third World. Such covert war, we believe, is objectionable both for moral and practical reasons, and leads to increasing pressures for *direct* U.S. intervention.

The time when this country could afford the luxury of supporting "low-profile" wars abroad has clearly passed. Such factors as the coming crunch on energy and other key resources, the exponential increase in the costs of both modern weaponry and a volunteer army, rampant inflation and rising labor costs, have reduced American options.

Last year, for example, we could not both wage covert war in Indochina and feed the most needy in other parts of the world. The Administration wound up sending increased "Food For Peace" shipments to fund war in Indochina, up from $208.8 to $502.6 million; but only $77 million was made available to the Sahel, where tens of thousands of human beings literally starved to death.

We would suggest, therefore, that Congress terminating the Executive's unilateral ability to wage covert war is as urgent a task for the 70's, as was Congress finally coming to grips with U.S. direct combat abroad during the 60's.

Congressional suspension or reduction of proposed Administration expenditures in Indochina, then, will do far more than simply signal an end to our otherwise unending involvement there. It will also mean that the people of the United States will finally be freed of the burden of supporting worldwide covert war, the people of the Third World finally free to pursue their own destinies.

II. CONGRESS IS BEING ASKED TO FUND WAR IN INDOCHINA

Indochina remains the largest war in the world today.

The latest reports, for example, indicate that 350,000 soldiers on both sides in Vietnam have been killed or wounded since the ceasefire. (UPI dispatch, June 11, 1974). This is more than ten times the official casualities reported during and after the October Mid-East War. In addition there were 85,000 *civilians* killed and wounded, and 818,000 new refugees in the first post-ceasefire year, according to the U.S. Senate Subcommittee on Refugees; and hundreds of thousands more have been killed, wounded or made homeless in Cambodia since the ceasefire.

In all, Indochina may well have had more war victims created in the last 18 months than the rest of the world combined.

Given this raging war, Administration aid requests for Indochina are clearly intended to fund war, not produce peace. This fact is made clear by the tremendous priority the Administration puts on Indochina compared to other countries, as well as a close analysis of its actual requested expenditures.

The Indochina Resource Center and NARMIC, a project of the American Friends Service Committee, have recently submitted Administration requests to the first such close analysis in the history of the war. Two studies we have produced, which we would like to submit for the record, emphasize the following points:

(1) The Administration is proposing to spend $3.7 billion for Indochina, more than for the rest of the world combined (see Table 1). This will provide Thieu and Lon Nol governments with 90% of their total resources, including all of their war material.

(2) Food For Peace to Indochina in FY 74 totalled 49% of worldwide shipments, meaning that 0.8% of the world's population received nearly half the world's U.S. supplied food (see Table 2). Although some 100,000 persons are estimated to have starved to death in Sahel, for example, Sahel received only 15% or 1/7 of what Indochina received—because Food For Peace was indirectly used to finance war last year.

(3) U.S. aid in Indochina is not leading to stability, but only demands for more money. In FY 74, for example, the Administration began with a request for $827.8 million to South Vietnam and Cambodia in economic aid (IPR[1] plus Food For Peace). By the end of FY 74 it had allocated $1.52 billion, an *increase* of 27%. This year it is demanding $1.181 billion, an increase of 40% over last year's request (see Tables 3 & 4).

(4) An admitted 88% of this year's aid proposal is non-humanitarian, non-developmental in nature: i.e., 88% is for war. In reality, moreover, only 2% is truly humanitarian. Requested *military* aid to the three Administration-supported governments is also *up* this year, moreover. In Fiscal Year 1974, $1.468 billion was allocated; the Administration is now requesting $2.05 billion, an increase of 40%. Most significantly, the Administration is requesting $852 million for "procurement" for South Vietnam, a sum more than *double* the $359 million programmed for Fiscal Year 1974. This makes it clear that the Administration is vastly increasing Thieu's material, in violation of the "one for one" clause of the Paris Agreement and a congressional mandate to reduce our military spending in Indochina. (See Tables 4 & 5).

(5) The Administration has blatantly violated a congressional mandate to reduce aid to Indochina in Fiscal Year 1975. Any Congressional attempts to cut aid in FY 75, therefore, must be massive. Last year, "Indochina Postwar Reconstruction" aid was cut

---

[1] IPR—"Indochina Postwar Reconstruction", formerly known as "economic aid".

from a requested $632 million to an allocation of $450 million. By unilaterally increasing Food For Peace shipments from a requested $208 million to an estimated allocation of $502.6 million, however, the Administration has not only restored cuts in economic aid, it has exceeded its original FY 74 request in a blatant violation of congressional will. (See Table 3).

Indeed, Food For Peace to Indochina last year ($502.6 million) turned out to be more than normal economic aid (IPR funds totalling $450 million). In addition, the Executive possesses a wide variety of other loophopes—including the Food and Forage Act, huge amounts of War Reserve material built up especially for Indochina and over which Congress has little control, ceilingless "excess defense article" and "purchase of local currency" categories and an uncontrolled CIA budget.[3]

(6) The Administration's proposed aid to Indochina can only lead to an escalated war, while preventing a political settlement.

By channeling lavish military aid to the GVN and Lon Nol, the Administration is not leaving the other side any *political* incentives to negotiate. The U.S. supported GVN has outlawed the PRG for example, thus leaving it no choice but surrender or pushing back militarily in order to force the GVN to seek a political settlement. If Administration FY 75 aid requests are passed, the only result will be an escalating war which is directly leading to major new military confrontations in Indochina. Such confrontations, moreover, could see the Administration attempt to renew American bombing and/or send in U.S. ground troops.

Only Congress can bring about a very real potential solution: by reducing or suspending aid to Thieu and Lon Nol, Congress could make it in the Administration's interest to bring about a negotiated settlement in South Vietnam and Cambodia, as it has done in Laos.

III. COVERT WAR: THE ADMINISTRATION METHODOLOGY

The fact that the Administration is requesting such massive funding for war in Indochina is not the essence of its covert warring in Indochina, however. On the contrary. It is the Administration's direct involvement in the internal affairs of Indochina—through control of billions in aid and thousands of U.S. personnel—that characterizes Presidential war.

This direct U.S. involvement is of necessity disguised or "covert". Congress and the American people have made it clear they no longer wish the U.S. to be involved; such direct American involvement is precluded by the Paris Agreement; and world opinion has turned against further American intervention.

As a result, the Administration goes out of its way to hide its involvement. All documents indicating Presidential branch involvement are classified. American military personnel are disguised as civilians, and are instructed to avoid non-U.S. mission contact as much as possible. Administration spokesmen are instructed to emphatically deny all reports of U.S. involvement. Leaks are greatly reduced due to the few reporters and smaller numbers of American personnel involved in such a covert war.

Deliberate attempts are made to deceive Congress.

At its simplest level, this attempt involves an Orwellian change in nomenclature. A war budget is presented as "Indochina Postwar Reconstruction"; this year's fiscal year 1975 budget now calls the former "Commodity Import Program," widely known as a short-term, war-related, budgetary device to keep the GVN alive, "Food and Nutrition" and "Industrial Production"; food commodities designed to free funds for local war budgets are called "Food For Peace"; money designed to resettle refugees in unfarmable land to expand territorial control of the GVN is called "humanitarian" aid.

Numerous direct attempts are made, moreover, deliberately to deprive Congress of requested information. On April 2, 1974, for example, Senator Kennedy revealed that the U.S. Ambassador in Saigon, Mr. Graham Martin, had interfered with attempts by the Congressional investigatory service, the General Accounting Office. Kennedy reported that:

"The Senate should also be aware of Ambassador Martin's unwarranted interference in field investigation of U.S. foreign aid expenditures by investigators of the GAO. Not only has the Ambassador intervened at the highest levels of the GAO to curb their inquiries, but he has repeatedly made every effort to restrict the investigators' access and use of information in the Embassy files. And he has even attempted to censor the transfer of GAO information from Saigon to Washington."

On the same day, of course, Kennedy also revealed the well-known cable of Ambassador Martin counselling that "it would be the height of folly to permit Kennedy . . . an honest and detailed answer" to questions presented to the State Department.

A GAO request to investigate U.S. funding of political prisoners in South Vietnam met with similar treatment by the State Department. "The State Department has told the General Accounting Office that it will not be possible for the GAO to make a proposed investigation of political prisoners in South Vietnam and other nations . . ." the Washington Star-News reported on February 9, 1974.

Major attempts are also made to hide Executive involvement from the American press.

American installations are declared off-limits to American reporters. American personnel are instructed to either avoid or lie to American journalists about their real functions. American reporters are not given transportation to "sensitive" areas where American military or paramilitary advisers are operating.

In South Vietnam, for example, Ambassador Graham Martin has restricted press access to American officials. On January 30, 1974, for example, The Christian Science Monitor reported that:

"By itself, the official U.S. mission in South Vietnam . . . is still the largest American mission in the world. No major reductions are expected in the forseeable future . . . (Ambassador Martin) is trying to discourage any publicity concerning the American presence here . . . Major General John E. Murray, the chief of the Defense Attaché Office . . . was recently told to stop giving interviews. . . ."

Such reports have been echoed by the Chicago Tribune, which referred on June 9, 1974, to Martin's "continuing effort to restrict the flow of information from official American sources to the press." On February 25, 1974, moreover, The New York Times reported that "the Embassy told at least two private companies—Lear-Siegler, which employs a large force of aircraft mechanics here and Computer Science Corporation, which works on military and police computer systems—to say nothing publicly about their work, according to company executives."

Attempts to keep journalists away from Indochina news extends to places like Thailand, moreover. On January 11, 1974, the Los Angeles Times reported on an infrequent trip to Udorn Airforce Base in Thailand that:

"When American reporters asked to talk with members of this American unit (working with Lao and Cambodian pilots) they were told this could not be done without the consent of the Thai government."

Given such restrictions on the press, it is remarkable how many reports have leaked out in the past year and a half indicating a pattern of covert American involvement in Indochina reminiscent of, *but far greater than*, the kind of disguised Presidential intervention in Indochina between 1954 and 1962 which led to direct involvement later.

The pages which follow present many of these newspaper reports indicating the well-known pattern of Presidential covert involvement in Indochina, as well as other reports from direct participants in Indochina after the ceasefire.

No one of these reports in and of itself is proof positive of continuing U.S. covert war.

When considered as a whole, however, these reports are clearly a major cause for alarm.

The publication of the Pentagon Papers revealed that newspaper reports about U.S. involvement in Indochina between 1954 and 1962 were surprisingly accurate, despite the fact that they were hotly denied by Executive branch officials at the time.

Given this history, it would be the height of folly for Congress to ignore the numerous press and first-person reports which have come out of Indochina since the ceasefire. We had to wait nearly 20 years for the Pentagon Papers, during which time a small covert war grew into a massive overt one.

It has become more than clear that unless Congress acts to reduce our funding of Presidential covert war in Indochina this year, history may well repeat itself.

IV. COVERT WAR: BACKGROUND

Historically, the American people and Congress have taken the Executive's word on matters of public policy. The burden of proof has laid upon critics to disprove Administration claims, rather than on the Administration to provide evidence that it is living up to its word.

In the case of Presidential war-making abroad, however, the U.S. Executive branch has clearly forfeited public or congressional trust. For since World War II, it has been revealed countless times that the Executive has been intervening abroad while covering it up at home.

In Indochina alone, for example, Executive activities that have now been revealed after being hidden from the American people and Congress for years include:

Installing Ngo Dinh Diem in power in 1954, acknowledged within the American Mission as an unpopular dictator who unilaterally cancelled elections in 1956 in violation of the Geneva Accords, while publicly praised as a popular, democratic, sovereign leader (Pentagon Papers); withholding information from Congress and the American people about U.S.-directed commando raids against North Vietnam, thus making the Gulf of Tonkin incident appear unprovoked (Pentagon Papers); funding and directing Thai and other foreign troops in Laos, in direct violation of Congressional law; secretly bombing Cambodia for 14 months, and falsifying records so that the U.S. Congress and people would not know; publicly denying the bombing of northern Laos from May 1964 until September 1969 when Congress was first told, and March 1970, when the American people first heard; U.S. cross-border operations into Laos and Cambodia in 1971 and 1972, thus expressly violating Congressional law against sending U.S. ground forces into these countries; carrying out rain-making missions over Indochina while publicly denying that they were being carried out; attempting to cause fire storms, also not acknowledged until years later.[3]

---

[3] There are also signs that the Administration may try backdoor funding of Thieu through the World Bank and Overseas Private Investment Corporation (OPIC) guarantees of private American investment in South Vietnam.

And, in addition to these now officially-confirmed covert activities, there are a wide variety of other clandestine activities which have been revealed by numerous persons with first-person experience, but are still officially denied by the Executive branch. These include the sending of military personnel into Laos and instructing them to wear civilian clothes and carry cards identifying them as working for the Agency for International Development; the dispatch of U.S.-directed intelligence-gathering teams into China and North Vietnam from northern Laos, thus jeopardizing the shaky neutrality of Laos; the use of CIA-trained Vietnamese to dress like the NLF and carry out atrocities, in the hope of having these blamed on the NLF; the falsification of documents given to the American and Vietnamese press; U.S. established quotas which led to the deliberate assassination of tens of thousands of Vietnamese under the U.S.-sponsored Phoenix program.

This record of Executive deceit alone suggests that the U.S. Presidential branch may be reasonably required to advance evidence that it is *not* engaged in similar activities today, rather than requiring critics to advance documentary proof.

The case for requiring the Executive to prove its non-involvement, however, is immeasurably strengthened by a little-noticed but tremendously important story, reported in the Los Angeles Times on May 16, 1974. This report states that:

"The Air Force law office says it is legal, for military or foreign policy reasons, to disguise military operations through inaccurate or untrue official reports. The conclusion was stated in a memorandum to the Senate Armed Services Committee in connection with the Committee's investigation last year of the secret bombing of Cambodia for 14 months before May, 1970."

This shocking contention makes it clear that neither the Congress nor the American people can any longer be content with mere denials of Executive covert war in Indochina.

Indeed, logic would demand that the dozens of newspaper and first-person reports which follow, indicating Presidential covert war in Indochina, should be taken as true—with the burden for disproving them lying upon the Presidential branch.

This point, moreover, is strengthened by a consideration of four major strategic goals of Presidential covert war.

V. COVERT WAR: BASIC STRATEGIC GOALS

The purpose of continued U.S. Executive intervention in Indochina is to keep the Provisional Revolutionary Government (PRG), Khmer Rouge, and Pathet Lao from power in Indochina.

Obtaining funding to pay the salaries of local military forces, their arms, and providing support for the general economy, is key of course. But U.S. personnel—advising the military forces and police, holding the economy together, repairing the aircraft—are no less important. For there would be no need for American intervention in the first place if a GVN or Lon Nol government was able to stand on its own.

It is no coincidence, for example, that as the Khmer Rouge have continued to gain territory and support in Cambodia, the Washington Post reported on June 6, 1974, that:

"The new U.S. Ambassador in Phnom Phenh, John Gunther Dean, has in two months made it absolutely clear to Cambodians and foreigners alike in Phnom Penh that he is, in effect, running the country."

Nor is it surprising that after the Administration had for years attempted to avoid an open American build-up in Cambodia, the Washington Post reported on June 9, 1974, that:

"The Cambodian government and the U.S. Embassy are engaged in a costly program of aid to win the support of civilian populations in insurgent areas . . . The mission now is the second largest AID unit in the world."

For the fact is that Presidential covert war is characterized by the disguised attempt to use American technology and personnel to compensate for the political deficiencies of local regimes in Indochina. Its main strategic goals—and failings—can be described thusly:

(1) Obtaining funding through manipulation of domestic public opinion—The principal requirement of Presidential covert war is funding. Neither Congress nor the American people would approve funding of Executive war-making in Indochina in violation of Article 4 of the Paris Agreement, which reads "The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam." As a result, the Administration has consistently tried to deceive public opinion about its real involvement in Indochina. Such manipulation of public opinion may enjoy some short-term successes, as when the Administration managed to spend more than $3 billion on war in Indochina in Fiscal Year 1974. Long-term results, however, are counter-productive. It leads to the wasting of billions of dollars our economy can no longer afford; it poisons the political atmosphere, as the American people gradually learn they've been deceived. Most importantly, it continues the excessive concentration of power in the Executive which has already proved so disastrous to this country. An informed public and Congress would have kept us out of Indochina in the first place, and would today see us using our resources for healing at home and abroad.

(2) Maintaining narrow-based, military-oriented local administrations in power—The Administration has chosen to continue trying to keep in power those who represent a tiny minority of the people: the civilian rich, the top-ranking military officers and, to some extent, the western-educated. The result is either that the Administration fears political competition and opts instead for war, as in South Vietnam; the U.S.-supported side becomes so weak that the other side refuses to negotiate with it, as in Cambodia; or the U.S. is forced to accept political compromise, see the other side gain in power, and pressures grow for re-intervention, as in Laos. And the result is also increased corruption and war, leading to declining local economies and armed forces, leading to increased demands for aid from the U.S. Presidential branch.

(3) Using U.S. technology and advisers to control local military operations—Given the Administration's narrow political base in Indochina, it is formed to try and compensate by extremely heavy inputs of U.S. military advisers, war material and funding to develop and field local military forces. This makes such local forces entirely dependent on American logistics and personnel, and invariably inferior to their guerrilla adversaries. This leads to growing pressures for *direct* American intervention—e.g., through covert or overt bombing by American pilots or U.S. Marine landings—ever-increasing costs, and increased deception at home.

(4) Practising population control through police and refugee programs—Since U.S. Executive-backed local administrations cannot win popular support, the emphasis instead has been on physical control of the population. Executive policy has since the 1960s resettled nearly 14 million refugees in areas closer to U.S. Executive control in South Vietnam, Cambodia and Laos. Under the Nixon Doctrine, however, there has been a noticeably increased emphasis on police operations, ranging from greatly increased surveillance and national I.D. card programs, to constant arrests, to the physical liquidation of opponents. This practice, however, has also proved counter-productive since it violates the most basic tenets of humanity, leading to world-wide protest, increased lying by American leaders, and the further alienation of a local population constantly subject to mass surveillance, round-ups, summary sentencing, and inhuman torture and prison mistreatment.

VI. COVERT WAR: MANIPULATING DOMESTIC OPINION TO OBTAIN FUNDING

The key to the Presidential branch's ability to wage covert war is its ability to obtain funding from the Congress and American people. Such funding in turn, derives from the Executive's control over *information* about its activities.

We have already described (see Section III above) the methods used by the Presidential branch to keep information about its activities from Congress and the American people. This attempt, however, is only partially successful, and information frequently leaks out contradicting the Administration's public position.

A few examples of how the Administration has tried to deceive Congress and the American people about the military and political situation in Indochina in order to obtain funding follow:

(a) Executive deception on military matters.

1. Ceasefire Violations—American officials constantly claim that the communists have taken the initiative in violating the ceasefire militarily. Yet Representative Peter Frelinghuysen, a major spokesman favoring continued aid to the Thieu government, recently stated on p. 4 of his May 1974 report, "Vietnam—A Changing Crucible" that:

"The GVN has fared well during post-cease-fire maneuvering: Since January 1973 it has added 770 hamlets to the list of those over which it has dominant control, and it has reportedly reduced the number of disrupted hamlets by well over a third. The Communists meanwhile have lost over 90 hamlets that were under their firm control at the time of the ceasefire . . ."

2. Violation of U.S. Pledge to Withdraw Advisers—The Administration has never revealed its secret "assurance" when signing the Paris Agreement that it would withdraw all military or civilian advisers to the Vietnamese armed forces within 12 months. This pledge, revealed in a secret memo prepared by George Aldrich, State Department deputy legal adviser, states in part that:

"Secret—The United States has assured the DRV that we shall withdraw from South Vietnam within 12 months from the signature of the agreement all our civilian personnel working in the armed forces of the Republic of Vietnam." (Wash. Post, June 4, 1974)

When this pledge was revealed by author Tad Szulc, the State Department denied that this "assurance" constituted a firm promise to do so. Today, over 17 months after the signing of that Agreement, some 3,800 American civilians continue to work with the South Vietnamese Armed Services.

On June 3, 1974, the St. Louis Post-

---

[3] Secret bombing of Cambodia and cross-border operations into Laos and Cambodia are described in "The White Paper on Secret Operations in Laos and Cambodia", Senator Hughes, CONGRESSIONAL RECORD, vol. 119, pt. 22, p. 29047. Rain-making missions were recently revealed, see *Washington Post*, May 19, 1974. The bombing of Northern Laos is described in testimony before the Senate Refugee Subcommittee.

Funding of Thai mercenaries in Laos was first revealed before the Senate Foreign Relations Committee, firestorm attempts in Science.

Dispatch reported that at the end of March 1974, 2,643 U.S. employees contracted to the Pentagon were working with the South Vietnamese military, 936 were employed directly by the Defense Attache Office in Saigon, and 225 made up the official DAO military contingent.

3. Exaggerating PRG Military Pressure—U.S. and GVN officials have blatantly attempted to deceive the American people and Congress about the Thieu government's need for economic and military aid. During March and October, 1973, for example, Administration spokesmen trumpeted the idea that a "North Vietnamese offensive" was imminent. To this day, of course, none has materialized.

Even more serious was the transparently false attempt to wangle an extra $474 million supplemental military appropriation for the GVN during the spring of 1974. The U.S. Congress was flatly told that if Thieu did not have this money, his army might collapse. On March 12, 1974, for example, Assistant Secretary of Defense William Clements testified before the Senate Armed Services Committee:

"Without additional funds the South Vietnamese forces are going to be in extremely dire straits here in April, May and June. There is just no doubt about it. . . . We are going to run out of funds here in the latter part of this fiscal year unless we are given additional funds."

In the event, of course, the funding request was denied. Theoretically, the ARVN should thus have been near collapse. In fact, however, the Washington Post reported on May 9, 1974, after the request had been denied, that:

"(Pentagon spokesman) Friedheim also appeared to take a less dire view . . . than have some other White House and Defense officials. Friedheim noted that . . . only two months remain in the current fiscal year." . . .

4. Exaggerating Nature of Soviet and Chinese Aid—Ambassador Graham Martin has stated that "our intention all along was to balance the aid given by the Soviet Union and the People's Republic of China to North Vietnam."

According to the estimates of the U.S. Defense Intelligence Agency itself, however, Soviet and Chinese aid to North Vietnam in 1973 was only $290 million. U.S. military aid to the GVN alone in calendar year 1973, however, was $2.271 billion, or eight times as much. When one remembers that the United States alone spent hundreds of millions in direct expenditures for U.S. military forces, as well as hundreds of millions of dollars more in Cambodia and Laos, the United States actually wound up outspending the Soviet Union and China by far more in the first year since the ceasefire.

Even more importantly, Soviet and Chinese aid to North Vietnam decreased by 47% from 1972 to 1973, from $605 million down to $290 million. U.S. aid to Thieu decreased by only 5% from 1972 to 1973, however, from $2.383 billion to $2.271 billion. (See Tables 6 and 7.)

(B) Executive Deception on Political Matter.

1. Administration Humanitarian Concern—The Administration continues to stress its humanitarian concern for affairs in South Vietnam, while castigating the other side for its lack of humanitarian concern. On June 26, 1974, however, Senator Kennedy revealed confidential cables from U.S. Ambassador Graham Martin in Saigon advocating that the U.S. hold up its contribution to the International Red Cross in an attempt to pressure them not to invite the Provisional Revolutionary Government (PRG) to an international conference to be held in Geneva in September to discuss limiting weapons which are either indiscriminate or cause unnecessary suffering; on June 23, 1974, the N.Y. Times reported that the U.S. was opposing UNICEF aid to children in North Vietnam and PRG zones.

And, most seriously, the Administration has still not even begun to remove the many mines still maiming and killing numerous Vietnamese peasants in Saigon zones.

2. Political Prisoners in South Vietnam—On May 28, Secretary Kissinger supported Graham Martin's charge that there is no evidence that Saigon is holding large numbers of political prisoners, and added that "the extensive evidence available to us simply does not sustain the highly publicized charges that civilian prisoners are subjected to widespread, systematic mistreatment . . ." (Senator Kennedy insert, C.R., May 28, 1974)

On June 7, 1974, however, Representative Abzug inserted into the Congressional Record (p. E3657) a listing of over 100 articles which emanted from Saigon, from western journalists or residents, indicating widespread mistreatment of large numbers of political prisoners; since the Saigon government has not allowed even the International Red Cross to talk freely with civilian detainees, and since it has also turned down requests for visits by Bishop Thomas Gumbleton of Detroit and other groups and individuals, the closing off of the prisons to the outside world (with the exception of a few guided tours) is cause for alarm, in and of itself. The assertion that the U.S. Embassy has "extensive evidence" on the treatment of prisoners is curious, since an earlier U.S. Embassy study stated that U.S. advisers had been withdrawn from the prisons since the ceasefire, and that Embassy information was based on "internal" GVN records.

3. Administration Policy in Laos—U.S. officials constantly maintain that they support the coalition government in Laos. Testifying before the House Foreign Affairs Committee on June 13, 1974, for example, Mr. Robert Nooter stated that "the formation of a Provisional Government of National Union (PGNU) this past April represents a bona fide political resolution of Laos internal differences. The U.S. supports this effort . . ."

On June 23, 1974, however, Senator Edward Kennedy issued a press release, based on a still secret General Accounting Office report, which revealed in fact the Administration has not been supporting the PGNU at all. On the contrary. To date, all funds had been going to the right wing Royal Lao faction directly, an ominous throw-back recalling the pattern of past coup-making which has upset political settlements before in Laos.

Kennedy's charges appeared to gain some substance, moreover, by a N.Y. Times report the next day which indicated that a Vice-Admiral Ray Peet had told a House committee that U.S. objectives in Laos were "to maintain the survival of the politically neutral Royal Laotian Government . . . and to encourage pursuit by Laos of objectives compatible with the United States."

4. Administration "Food For Peace" Politics—And there is fresh indication that while pretending to obey a new Congressional prohibition against using Food For Peace monies for war, the Administration is continuing to use local currencies generated by the sale of Food For Peace commodities for military purposes in South Vietnam and Cambodia, as it has in the past.

On June 30, 1974, for example, The Washington Post reported from Phnom Penh that:

"Congressional efforts to prevent military use of funds generated by the Food For Peace program apparently are being frustrated by some ingenious bookkeeping to circumvent the intent of Congress by simply allowing the funds to pile up unused in a bank account and then printing an equal amount of new money to pay soldiers. In Saigon, it also appears possible that funds generated by the program could be channeled into other non-military areas of the economy, freeing up equal amounts of money for military use and thus again frustrating Congress' efforts at control".

This tiny sample of Administration untruths make it clear that manipulation of domestic public opinion lies at the heart of Presidential covert war.

For the American people and Congress would clearly not support any further expenditures in Indochina were the Administration to admit the truth of the examples above, i.e., that the Administration was violating the Agreement by not withdrawing its advisers and supporting Thieu's violations of the Agreement, which were not, in turn, occasioned by either communist pressure or Soviet or Chinese aid; and that Administration policy was non-humanitarian, covering up for Thieu's political prisoners, threatening the Laotian peace agreement, and violating a congressional ban on using Food For Peace for military purposes.

VII: COVERT WAR; A COMMITMENT TO NARROW-BASED LOCAL ADMINISTRATIONS

The Administration's decision to attempt to keep administrations like those of Thieu and Lon Nol in power inevitably lead it to practice covert war.

For the basic fact is that the narrow-based GVN and Lon Nol administrations cannot reach political accommodations with their adversaries. As a result, continued aid to such administrations simply encourages the perpetuation of war, leading to increased political and economic deterioration, leading to pressures for *increased* American involvement.

In fact, it is only when American aid is conditional upon U.S.-backed local administrations reaching a political compromise—even to their relative disadvantage—that the chances for American disengagement increase. The most dramatic example of this is Laos.

(a) Saigon zones.

The major problem facing the GVN today is political and moral in nature, not economic. AID officials try to explain the very serious problems in GVN zones as due to rising world commodity prices, the withdrawal of the American presence, and other factors out of anyone's control. In fact, as a comparison with the frugal, well-balanced economy in PRG zones reveals, the heart of the GVN's economic problem is not financial, and these problems cannot be solved by American aid. In a word, there is enough to go around in GVN zones. The problem is that the rich and the military elite are taking far more than their proper share, leaving the majority—the poor—to go hungry.

The root cause of GVN problems is the Administration's refusal to chance political competition with the PRG.

The primary responsibility for this, of course, lies with the U.S. Executive branch. The U.S., after all, supplies 86.3% of the GVN's income, including all of its ammo, guns and tanks and planes and bombs. (See insert by Senator McGovern, C.R., May 6, 1974). It is fundamentally inane to suggest that despite this preponderant role played by the U.S., it does not have the leverage to ensure that the GVN at least test the PRG's offer to compete politically.

Such political competition would appear to be in the PRG's interests. The first step toward forming the National Council of National Reconciliation and Concord, for example, would logically be enforcing Article 11 which gives basic democratic freedoms to all Vietnamese. Under Article 11 all Vietnamese would be given freedom of political activity (presumably freeing many political prisoners from GVN's prisons), freedom of residence (which would allow the refugees to return home), and freedom to organize (which would allow the Third Force and PRG to organize in the cities.) At the same time, the

PRG would be expected to allow the GVN similarly to organize in PRG zones.

Perhaps because it fears that the GVN could not stand up to political competition with the PRG, the U.S. Executive has taken no known steps to push for such a political compromise. Instead, it has given uncompromising support to Thieu, whose position includes the following points:

The PRG must set a date for elections before the people can have their democratic rights as outlined in Article 11. (This position violates the Paris Agreement, which sets no conditions on the enforcement of Article 11. It could also only be viewed as an attempt to obstruct any kind of settlement by the PRG, which could hardly be expected to surface its cadre and start campaigning solely on the promise that Thieu will allow Article 11 to be enforced.)

There is no "Third Force," one of "three equal segments" recognized in article 12. (On March 25, for example, GVN spokesman Bui Bao Truc declared that "the third force is merely an imaginary segment,"—which means among other things that the National Council of Reconciliation could not come into being, since it is to be composed of the three parts.)

The North Vietnamese must withdraw from South Vietnam before the GVN will agree to elections. (Again, this position is a major violation of the Parish Agreement. The withdrawal of such a condition by the United States was clearly one of the major factors which led to the signing of the Agreement, which nowhere mentions the presence of the North Vietnamese. In Article 1 of the Agreement explicitly states that Vietnam is one country.)

The Administration, by requesting aid to the GVN despite its stated attitude toward the Paris Agreement—an attitude of setting impossible conditions which it knows in advance the other side will not meet—gives the impression that it is not seriously interested in promoting a political settlement in South Vietnam. Instead, it has clearly opted for covert war to keep the PRG from power.

This war, in turn, is the basic reason for South Vietnam's economic problems—which are enormous. As a result of the war, the U.S. supports a GVN which refuses to allow refugees to return to their native homes in or near PRG areas. This creates a great unproductive mass of millions of people either clustered near cities or resettled in arid, landless sites, millions of people who must be fed from the outside.

As a result of the war, the U.S. supports a GVN which refuses to demobilize significant portions of its 1.1 million man army, 350,000 civil servants, or 120,000 police. All 1.57 million of them do not produce and must also be paid, as well as fed.

As a result of the war, South Vietnam has seen a 75% increase in prices last year, a 25% rise this year (Baltimore Sun, May 8, 1974); cash reserves have fallen dangerously low, under $100 million (L. A. Times, May 16); South Vietnam had to bring in imports totalling $795 million in 1973, while exporting only $56 million—producing a trade deficit of $739 million.

And such economic problems, in turn, have helped increase South Vietnam's corruption problems to epidemic proportions.

In recent months, Saigon newspapers have reported a major rice smuggling operation out of Vietnam to other Asian countries where prices are higher (Dai Dan Toc, 5/11, 5/13 Dien Tin, 5/12); a timber smuggling scandal, which has seen high government officials seize 450,000 acres in the last six months, depriving the government of $150–190 million in revenues (Dai Dan Toc, 3/15, 5/18); a scrap metal scandal, which the State Department says involves $20–$40 million, Saigon newspapers say is more like $1–2 billion (Ta Sang, 4/10; Dai Dan Toc, 4/15; Chicago Tribune, 6/5); a fertilizer scandal, by which 100–150 high-ranking officials have gotten rich through speculation, hoarding, and price manipulation (NY Post, 5/20; Song Than, 5/30; Hoa Dinh, 5/13); 50–150,000 non-existent soldiers drawing salaries (Chicago Daily News, 6/4); grass-roots corruption going to the very lowest of officials, for example a refugee official who stole money that was supposed to go to refugees to build new homes (UPI, St. Louis Post-Dispatch, May 12, 1974); Six ARVN Generals named as war-profiteers, by a Vietnamese Senator enjoying immunity from arrest. (L.A. Times, 6/17).

The combination of this war economy coupled with thoroughgoing official corruption has produced increasing economic hardship for South Vietnam's people. The Baltimore Sun reported on May 8, for example, that:

"In the northern part of South Vietnam, people are dying of starvation because speculative rice handling has made this basic food too expensive to buy."

Reports of suicides due to economic pressures are becoming increasingly frequent (e.g., NY Times, 5/1; Dien Tin, 5/23). There are increasing reports of crumbling morale, shortages of basic commodities, massive unemployment.

The situation has become so serious, indeed, that it is unlikely that even if the Administration's full request was passed this year that it would serve as more than a mere stop-gap measure. No evidence whatsoever has been introduced to support the claim that granting $750 million in Indochina Postwar Reconstruction aid would start South Vietnam on the road to self-sufficiency; there is a general consensus, however, that such a sum would be a mere temporary measure designed to allow the GVN to hold its own for another year—unless it is willing to work towards a political compromise.

The solution to South Vietnam's quite serious economic problems, therefore, is not simply to give a substantial amount of Food For Peace and/or Indochina Postwar Reconstruction aid. For people are not hungry for lack of food. In FY 74 for example, the GVN received more Food For Peace ($304.8 million) than all of Africa ($122 million), Latin America ($67.6 million), Bangladesh ($41.4 million) and Pakistan ($38.1 million) combined.

The problem is that the Food For Peace South Vietnam received costs too much—due to war and corruption—for those who need it most to purchase it. Lavish American aid can only encourage war and corruption, and therefore hunger. A massive reduction in American aid will force the GVN to think about finding a political solution, thereby structurally increasing the chances that South Vietnam can become self-sufficient.

As we look towards the political arena, however, we find that once again U.S. aid is not "stabilizing" the situation, but rather leading to a deterioration in the political climate in GVN zones.

The U.S. permitting Thieu to push through an amendment for him to run for a third term as President caused Senator Nguyen Van Huyen, a leading anti-communist Catholic, to resign as head of the Senate on January 19; Senator Vu Van Mau, head of the Buddhist Lotus group, shaved his head in protest, calling Thieu a "dictator" and "incompetent"; on January 10, the NY Times reported that politics in GVN zones had been reduced to competition between two palace cliques, one headed by Thieu's cousin, Hoang Duc Nha—the other by a man named Nguyen Van Ngan; Nguyen Van Ngan was then reported arrested five months later because, at least according to one commentator, Thieu feared Ngan's rising power (LA Times, 5/31).

Meanwhile, protests—small, but visible, by the few who dare speak publicly—have continued: a hunger strike by hundreds of Buddhist monks, Cao Daiists, and other third force political prisoners was reported in Chi Hoa prison in March (NY Times, 3/7, 3/12); 20 Hoa Hao Buddhists cut off the little fingers of their left hands in protest against restrictions on them (UPI, 6/7); 300 monks were reported demonstrating in the Delta to protest arrest of six monks (Philadelphia Inquirer, 6/13); 19 Buddhists and Madame Ngo Ba Thanh led a march through Saigon calling for the release of Thieu's political prisoners (Christian Science Monitor, 5/7); a Buddhist reception for the families of political prisoners was held, though surrounded by police (Agence France Presse, 5/1).

(b) Lon Nol zones—

As bad as the political and economic situation in GVN zones is, however, the situation in Cambodia for the Lon Nol government is even more hopeless.

Once again, the responsibility for the rapidly deteriorating situation lies with a U.S. Executive branch which has preferred to wage covert war in Cambodia rather than attempt to reach a political solution, no matter how distasteful it might find such a political compromise.

As the Washington Post reported on June 30, the Lon Nol government is entirely dependent on U.S. funds to continue its day-to-day functioning: "Cambodia's domestically generated government revenues from taxes in fiscal year 1974 amounted to $54 million—not nearly enough to cover its $109 million military and $60 million civilian budgets." And, of course, the U.S. is supplying all transport, arms, ammunition, and other basic commodities.

The basic fact is that Lon Nol controls little more than a few major towns, which can only be supplied by an American airlift or occasional boat; as a result prices are reported to have risen more than 300%, with foodstuffs up 400% in the past year. Speculation and corruption are also reported to have risen tremendously (Chicago Daily News, 6/12). In a separate report, the Chicago Tribune reported that millions of dollars of U.S. arms aid has been disappearing into Cambodia, much of it turning up with the Khmer Rouge (June 26).

The basic military and economic weakness is reflected above all in Lon Nol's political problems. His only real base of popular support when he took power was the teachers and students. By now, however, he was long since broken with both. In January 22,000 teachers went on strike, later supported by students. Students continued demonstrating regularly, culminating in a May 31st march of some 1,500 through the center of town; the killing of the Cambodian Minister of Education, after being held by demonstrating students, (the identity of the assassin is not yet known) symbolizes the major and perhaps irrevocable break between the Lon Nol government and students and teachers.

Lon Nol, however, has become increasingly isolated, even within the small coterie of politicians with which he surrounds himself. Forced through American pressure to join a coalition with Cheng Heng, Sirik Matak and In Tam about a year ago, Lon Nol has progressively gotten rid of each. This split was finally consummated recently when Long Boret formed a new cabinet in the aftermath of the Minister of Education's death. Six top cabinet officials quit; Sirik Matak was excluded from the new cabinet, along with all members of his Republican party. The final cabinet consisted of 7 members of Boret's Socio-Republican party, which supports Lon Nol; 6 independents; and two army men. Since In Tam had long since left, this newest cabinet reshuffle left Lon Nol with his narrowest political base since the U.S. forced him to take in the others a year earlier.

Under the circumstances then, it is hard to think of a single coherent reason why the Congress should give any aid to Lon Nol at all, let alone the astronomical sum of $550 million being asked for by the Administration for Fiscal Year 1975.

The major justification for our involvement in Cambodia originally was that it was necessary to protect U.S. ground troops fighting in South Vietnam.

As American troops were progressively withdrawn from South Vietnam, the Administration changed its rationale to protecting the Cambodians from a North Vietnamese invasion. During the past few years, however, the North Vietnamese have not been involved in the fighting between Lon Nol and Khmer Rouge troops. As the N.Y. Times reported on November 25, 1973:

"The Government tells them that they are fighting Vietnamese invaders and the soldiers are beginning to discover that that is not true . . . Nobody sees North Vietnamese troops in battle any more. The voices that call to Government soldiers from across the battlefields are Khmer voices, the soldiers say; the bodies are Khmer bodies."

—The new Administration position that lavish American aid to Lon Nol will show the other sides that it cannot win a military victory, thus pushing it towards negotiations. There is no evidence to support this point of view, however, and even less justification for why the United States should be involved in what is now admitted to be a civil war among Cambodians.

In fact, as in Laos, continued U.S. support to Lon Nol will simply lead to more fighting, less likelihood for a political settlement, and increased costs for the United States. Thus, it is that Lon Nol has lost territory and people in the past year, despite a giant U.S. military and air package totaling $631.5 million, more than we gave to all of Latin America last year.

And thus it is that this staggering amount of money not only accomplished very little last year, but has seen the Administration ask for almost twice as much for FY 1975 in Cambodia ($550.8 million) as it did in FY 74 ($287.3 million).

Cambodia where the U.S. Executive today spends vast sums to keep a half-mad dictator in power despite his lack of any other observable support, either externally or internally, is the greatest example of our time of what is wrong about Presidential covert warfare.

As I have suggested, the time has come for Congress to move to terminate such war around the globe. I can think of no more appropriate place to begin than Cambodia.

(c) Laos—

The one example of how Congress can terminate Presidential covert war in Indochina arises from Laos.

Since 1962 Laos has been the very model of the futility of Presidential covert war. Successive American administrations poured in billions of dollars, built up a Meo and then Thai "Secret Army," and dropped nearly 2 million tons of bombs on Laos, in an attempt to keep a small group of rightwing generals under the titular leadership of Souvanna Phouma in power.

The result? A steady increase in territory and population by the Pathet Lao; the decimation of the Meo people and heavy losses by Thai troops; the destruction of much of what was one of the most beautiful societies on the face of the earth; and the waste of perhaps more than $10 billion and hundreds of American lives.

Throughout all those long years of Presidential covert war in Laos, moreover, the main obstacle to a political solution was clearly not the Laotians but rather a U.S. Executive which wished to bomb the Ho Chi Minh trail in southern Laos to aid its war effort in South Vietnam, use northern Laos as a base for intelligence-gathering missions into China and North Vietnam and, it was suggested in a Washington Star-News article dated May 21, 1974, "to suck the North Vietnamese' 'into Laos so as to tie up some of their troops which, it was felt might otherwise be used in South Vietnam.

In 1973 however, due to increasing military gains by the Pathet Lao and the switch to covert U.S. involvement in South Vietnam, it was the U.S. which changed and decided to push the Lao right wing to accept a political settlement in Laos.

The result of this, of course, has been increased stability, a potential savings of hundreds of millions of dollars, and a potential end to American involvement in a war that few Americans ever know about, let alone desire.

Of course, the U.S. decision to push for a political settlement has also meant that the Pathet Lao have made considerable gains politically, and are in a much better position to one day govern Laos. But this is a lesson the American people must learn. I do not sense that it has been overly painful for them.

How long this situation will last, however, is anyone's guess. The U.S. Executive branch ultimately intervened both in 1958 and 1962 to prevent the Pathet Lao from taking power, and the danger exists that it will do so this time as well.

The clearest warning sign yet of this is the GAO report that the Administration has continued funneling aid to the Laotian right wing, in violation of the Laotian Peace Agreement.

It is clearly up to Congress to make the lesson of Laos stick by stipulating that no aid go to any projects in Laos unless approved unanimously by all factions in the Provisional Government of National Union (PGNU).

VIII. COVERT WAR: THE NECESSITY OF U.S. MILITARY PERSONNEL AND TECHNOLOGY

It must be remembered that an Administration like that of the GVN or Lon Nol is not even remotely capable of maintaining their present military force levels.

In part, this is a simple matter of economics. The GVN is not capable of raising more than 15% of its annual income, with 85% coming from the United States. As a result, American funds and materiel are necessary to provide all the wherewithal to keep the GVN's 1.1 million-man army and 2,000-plane air force from collapsing. And, of course, the Lon Nol government is even more penniless, making it even more dependent on American aid.

American personnel, however, are as important as U.S. materiel. If American personnel were not available to repair aircraft, handle logistics, plan operations, American equipment would either lie unused or unrepaired, appear on the black market of major cities, or be sold to the highest bidder (usually the PRG of Khmer Rouge)—in even greater quantities than now is the case.

During my trip to South Vietnam last year, for example, I was constantly told by American technicians that Thieu's air force and army would collapse in a matter of weeks without American technicians.

(a) U.S. Military personnel.

Thailand today serves as both the personnel and logistics base of the covert U.S. military presense in Indochina. Virtually all rice, ammunition and bombs used in Cambodia move from Sattahip port in southern Thailand (LA Times, May 8, 1974). U.S. personnel are training in Lao and Cambodian pilots in Udorn and other U.S. air bases in Thailand (June 13, 1974). Brigadier General James Hildreth, the U.S. officer in charge of Udorn Air Force Base, has admitted to reporters that the U.S. is still flying reconnaissance missions from Thailand over South Vietnam, Cambodia and Laos (LA Times, January 11, 1974); and U.S. officials have admitted flying reconnaissance flights over North Vietnam as well from Thailand. (See NY Times, April 21, 1973).

Thailand has also served as a major base for Air America, Air America, the CIA-owned airline, has greatly increased its role in Indochina since the Ceasefire. Providing a civilian "cover," it performs many of the functions carried out by the U.S. Air Force before the Ceasefire: deploying local troops, transporting U.S. military and CIA personnel, dropping arms and supplies to local garrisons. It is no surprise than Congressman Aspin reported on January 9, 1974, that Air America in 1973 had doubled its contracts over 1972, from $17.7 million up to $41.4 million. The recent announcement that Air America has been purchased by Thai-American, Inc., was described as a response to public pressure in Thailand against the CIA. It remains to be seen if the functions being carried out by Air America will also be terminated, or whether instead they will now simply be carried out by Thai-American and/or other such companies. (Washington Post, June 4, 1974)

On March 28, 1974, Senator Harold Hughes revealed that an average of over 5,000 "hostile fire payments" had been made monthly to U.S. military personnel for activities in Indochina: 6,263 in October, 1973, 5,669 in November, 4,700 in December and 4,015 in January 1974. The Defense Department at the time explained that such payments were for "American servicemen who are performing non-combat activities in Vietnam, Laos and Cambodia and whose presence . . . makes them vulnerable . . . to hostile fire." This revelation made it clear that U.S. military personnel, as well as U.S. civilians, were engaged in combat-related activities, although the Defense Department did not make it clear what these payments were being given for.

On June 5 Defense Secretary Schlesinger revealed what at least some of these payments were for. Testifying before the House Armed Services Committee, Schlesinger stated that the U.S. Air Force was flying some 690 missions monthly out of Thailand into Cambodia, dropping supplies and ammunition to Lon Nol troops stationed in outlying outposts. The Defense Department later stated that the 690 figure was high for the month of August, 1973, and that the average was on the order of 425 missions a month throughout 1973. (UPI, June 6, 1974.)

U.S. fighter pilots flying protection for these supply missions into Cambodia are also drawing hostile fire pay, sources have reported to the Indochina Resource Center. Other activities for which U.S. military personnel could be drawing combat pay vary from similar supply and reconnaissance missions into Vietnam and Laos, to clandestine services as military advisors to local armed forces.

Within Indochina itself, U.S. personnel play an indispensable role in holding the local air forces and armies together. The logistics and technical requirements of keeping together South Vietnam's giant 1.1 million-man army and 2,000-plane air force, for example, make American technicians and logistics experts indispensable. As I stated previously, I was told repeatedly on my post-ceasefire visit to South Vietnam that neither Lon Non's nor Thieu's armed forces could function without these men.

American personnel are necessary to repair the sophisticated aircraft, tanks and other machines of war which are the mainstay of the Thieu and Lon Nol armies; to manage the gigantic logistics flow of billions of dollars worth of arms, ammunition, clothing, food and the thousands of other items necessary to keep the Lon Nol and Thieu military forces in the field; to carry out the overall direction and planning necessary to coordinate ground and air operations, plan out overall strategic operations, and carry out other tasks beyond the capacities of the Thieu or Lon Nol governments.

For example, American technicians have historically done the detailed and complicated work necessary to analyze recon photos to select bombing targets for the Thieu and

Lon Nol air forces. While it has not yet been revealed that this has continued since the Ceasefire, there is every reason to believe that the reconnaissance missions currently being carried out by American aircraft today over Indochina, in violation of the Paris Agreement, are being used for such targeting.

There are increasing indications, moreover, that American personnel are serving in advisory capacities in combat situations, in violation of Congressional law, as well as the Paris Agreement.

There are numerous reports, most notably by the General Accounting Office, that U.S. military and civilian personnel under the control fo the CIA have been violating a Congressional ban against advising Cambodian troops on the ground. The most recent such reports were filed by the Washington Post on March 13, 1974, reporting the activities of a Major Ondecker who was directing Cambodian troops at Kampot; and by writer Richard Boyle, who recently returned from Cambodia with photographs and names of persons he claimed were advising Cambodian troops in combat.

There have also been periodic reports within South Vietnam of Americans involved in combat-related roles with the South Vietnamese armed forces.

The Boston Globe, for example, reported on January 27, 1974, that IBM executive Robert Ransom stated that on a recent trip to South Vietnam that he was told by a former American military advisor that "Americans are still flying gunships from Da Nang airbase . . . often camouflaged under a Red Cross emblem." David Shipler of the NY Times reported on 2/25/74 that: "American civilians . . . not only see that the South Vietnamese get the equipment they ask for, but also advise them on what to ask for . . . More direct, overt advice is sometimes given by zealous Americans who are still stationed in every province . . ."

There are also indications of an ongoing CIA role in Indochina separate from that of disguised U.S. military personnel since the ceasefire. On July 24, 1973, for example, Tammy Arbuckle of the Washington Star-News reported that the CIA has been setting up Cambodian paramilitary units in several provinces in Cambodia, separate and distinct from the regular Cambodian army.

And in South Vietnam, U.S. Ambassador Martin was reported in a May 3, 1974, AP dispatch to have admitted that an Air America plane had been used to transport North Vietnamese POWs. Martin only made this admission after an AP photograph had been taken of seven North Vietnamese POWs being led onto the plane. Martin claimed that he had authorized the flight for "humanitarian" reasons to help one wounded prisoner, and did not know about the other six. It is well-known within South Vietnam that the CIA has been directly involved in the interrogation and torture of prisoners since the beginning of the war.

Similarly in Laos, although all Americans involved in the war have been reportedly withdrawn, 500 "civilians" remain behind, and the recent GAO revelation that the Administration has been directly funneling money to the Laotian right wing in violation of the Laotian Peace Agreement suggests that the Administration has no more intention of withdrawing its covert personnel from Laos today than it did in 1962. One's fears are not quieted by reports such as the March 14, 1974, letter in Rolling Stone from a U.S. airman stating that "(I am) stationed in a remote U.S. Air Force base in Thailand . . . Recently U.S. military forces are being introduced into this area, covertly, and especially into Vientiane and other Laotian areas."

The most complete report yet to emerge since the Ceasefire about American military activities in Indochina since the Ceasefire is that given by Steven M. Davis, who worked for the Federal Electric Corporation in South Vietnam from January through June, 1973. Mr. Davis worked in the top-secret Saigon Telecommunications Center of the American Embassy. Colonel A. C. Berger of the Defense Intelligence Agency (DIA) in a letter dated November 7, 1973, to Senator George McGovern confirmed that Steven Davis did indeed work at the Telecommunications Facility during January–June, 1973, and also confirmed one of Mr. Davis's charges: that improper security procedures were being used.

Mr. Davis, as reported by Pacific News Service reporter Joan Holden, has reported the following based on his work at the Telecommunications Facility:

More than 100 U.S. military advisors are operating in Cambodia in violation of the Congressional ban on such activity.

More than 100 more Americans were serving as mercenaries with the Cambodian armed forces, under the control of the CIA.

U.S. teams designated as search groups for U.S. Missing in Action have included personnel whose task is military spying.

General Kosh, an American captured by the Chinese during the Paracel Islands fighting, was actually an Army Captain advising Thieu army units under the guise of a civilian employee in charge of monitoring logistics flow to Da Nang.

The U.S. was not only flying regular reconnaissance missions in violation of the Paris Agreement, but U.S. aircraft were bombing in South Vietnam on occasion.

U.S. Air Force personnel were manning beacons within South Vietnam to guide aerial bombardment of Cambodia and South Vietnam.

(b) U.S. War Materiel.

The obvious importance of U.S. materiel and technology in keeping the Thieu and Lon Nol governments alive need not be stressed here.

It is useful to note, however, that the covert practice of attempting to use improved technology to compensate for low morale is so engrained that the Administration has been attempting to modernize equipment, blatantly violating Article 7 of the Paris Agreement, which holds that equipment can only be replaced on a "one-for-one" basis.

Congressman Aspin recently revealed, in the Congressional Record of June 13, 1974, that the Administration has requested funds violating the "one-for-one" clause of the Paris Agreement in four separate categories, namely:

Funds to modernize the South Vietnamese Air Force by replacing the F–5A with the technically superior F–5F.

Funds to send in C–130s to replace the far smaller C–7 transport aircraft presently in use.

Funds for 29 A–37B fighters to replace, in part, the old propeller-driven, single-engine A–1s.

Funds to modernize 4 transport aircraft by turning them into gunships.

And these examples, of course, are merely in addition to many other reported violations of the "one-for-one" clause, most notably the Administration plan to send in 60 F–5Es to replace the older F–5As. The F–5E is an entirely different plane than the F–5A, having twice the combat radius, nearly twice the acceleration rate, and carrying nearly a half-ton greater bomb load capacity. On April 7, 1974, moreover, the Saigon newspaper Dien Tin reported that 80 American specialists would arrive at Bien Hoa airbase to assemble the new F–5Es, within South Vietnam.

The most useful measure of the central role played by American materiel in supporting U.S. Presidential covert war in Indochina, however, is simply the sheer quantity of arms and ammunition being shipped into Indochina. As we have pointed out this quantity is far in excess of what even the Defense Intelligence Agency claims is being shipped into Indochina by the Soviet Union and the People's Republic of China. (See Table 6.)

Even more to the point, however, is that the Administration is clearly attempting to give Thieu far more materiel than he needs to defend himself.

In Fiscal Year 1974 the Administration allocated $359 million in funding for the "procurement" section of its military aid to Thieu. In Fiscal Year 1975, however, the Administration is requesting more than twice as much, or $852 million.

It should be noted that Administration officials unanimously state that they do not expect a major offensive in the coming year.

These vast inputs of covert American personnel and materiel, however, simply do not suffice to strengthen Thieu or Lon Nol. On the contrary—by keeping them dependent on American personnel and resources, there is no chance for the kind of structural changes necessary to fight their opponents. The result is simply increasing corruption, sloth and lack of morale—and increasing gains by their opposition, thus leading to increasing pressures for direct American intervention.

The Indochina Resource Center has received a number of reports, one of which is included here as Appendix Two, indicating that U.S. Marines are standing by to invade Cambodia should Phnom Penh be threatened.

As Executive officials grow more worried, moreover, they state quite openly their intention to resume American bombing should Saigon or Phnom Penh be seriously threatened.

On November 1, 1973, for example, U.S. Air Force Commander Vogt was quoted in the LA Times as saying, "Now that we're not actually dropping bombs, we must maintain our capability to resume such action if we have to . . . The whole idea of retaining those units in Thailand . . . is to be ready in case the enemy miscalculates and decides he wants to resume on a massive scale."

On December 3rd Defense Secretary Schlesinger was reported as saying that "If Hanoi . . . were to launch an all-out assault . . . I believe the President would be prepared to come back to Congress and ask for support of (U.S.) military activities in support of South Vietnam." And on January 7, 1974, Schlesinger repeated the threat, adding that he thought that Congress would agree.

The Administration is not simply threatening to resume the bombing by words, however. This year it has requested the giant sum of $463 million—more than it is spending on all of Africa—to maintain American air units in Thailand prepared to resume the bombing.

IX. COVERT WAR; POLICE AND REFUGEE PROGRAMS FOR POPULATION CONTROL

The hallmark of Presidential covert war is its emphasis on controlling the local population. During the 1950s and 1960s, this emphasis saw the creation of nearly 14 million refugees, according to the U.S. Senate Subcommittee on Refugees, as much of rural Indochina was moved away from areas near rural guerrillas towards provincial capitals and cities where they could be more easily controlled. Also, during the 1960s the local police forces in Indochina were vastly expanded through American aid and advisors in an attempt to physically prevent the people from aiding the guerrilla forces once they were in areas of government control.

Once again, American personnel and funding have the key elements in both police and refugee programs for the last decade, due to the lack of technical expertise and economic base of the local administrations. There are numerous indications that this American role is continuing up to the present day.

(a) Police Programs.

The GVN's reliance on police programs to control the population since the Ceasefire has been well-documented. On June 7, 1974, for example, Rep. Bella Abzug inserted in the Congressional Record a listing of more than 100 articles appearing in the western press since the Ceasefire, most emanating directly from Saigon, which detail the continuing operations of the GVN's police and prison system.

A wide variety of western sources have documented that Saigon's 120,000-man police force has continued constant sweeps, post-curfew round-ups of men, women and children, constant checks on ID cards and frequent arrests and torture of individuals on political charges since the Ceasefire.

In testimony before the House Pacific Affairs Subcommittee on September 13, 1973, for example, I described the police system in South Vietnam as I saw it upon my visit there in June and July, 1973:

Constant surveillance of the population as a whole;

Random arrests carried out during systematic sweeps throughout GVN towns and villages;

Detention and torture of numerous individuals without benefit of counsel;

Summary sentencing either by a military court or, in most cases, by "administrative detention" in which the arrestee has no counsel or trial;

Imprisonment for years characterized by lack of proper food, water, and medical care; and

Increased surveillance and harassment upon release from prison.

Extensive documentation has emerged also of the continued detention of tens of thousands of political prisoners since the Ceasefire, as well as a continuing policy of new arrests since the Ceasefire.

On September 13, 1973, for example, Representative Abzug entered into the record of the House Pacific Affairs Subcommittee hearing an official telegram from the national Phoenix Directorate ordering all local Phoenix offices to continue operations. This telegram, printed in Le Monde on May 17, 1973, clearly indicated that the GVN was continuing to "neutralize," i.e., arrest or assassinate, individuals.

The Administration openly intended to keep funding the GVN's police and prison system after the Ceasefire. On June 4, 1973, for example, Senator Kennedy revealed that the U.S. Agency for International Development was requesting $15.2 million for continued funding of the GVN's police and prison system for the Fiscal Year beginning July 1, 1973, i.e., six months after the Paris Agreement had been signed. (See the Congressional Record, June 4, 1973, p. 17839.)

Subsequent Congressional action forced the Administration to stop such direct funding of the police and prison system. Despite this, however, the fact that U.S. funds supply at least 85% of the GVN's income means, of course, that the lion's share of maintaining the GVN's police system still comes from the U.S., however indirectly.

The complexities of the GVN's police apparatus, moreover, necessitate American advice and support. During the past decade, for example, the U.S. Office of Public Safety planned and implemented a National ID Card Program which saw the issuance of over 10 million ID cards to all Vietnamese over the age of 15. All Vietnamese are required to carry these ID cards, on pain of arrest. The cards are linked to giant computers, in which fingerprints and bio-dossiers are stored, located at the Telecommunications Directorate.

Under the Paris Agreement, the Administration was required to withdraw *all* advisors to Saigon's police force. In February, 1974, however, one year after the signing of the Paris Agreement, a team of Americans sent to Saigon by the right-wing American Security Council reported that:

"A handful of U.S. civilian technicians continue to provide advice in the operation of a newly-installed computer system which keeps tabs on more than 10 million South Vietnamese." (From Vietnam Report: "Not in Vain", American Security Council, page 8)

The NY Times, in its February 25, 1974, survey of continuing American involvement in South Vietnam after the Ceasefire, reported that:

"The South Vietnamese National Police continue to receive regular advice from Americans . . . to high-ranking (Vietnamese police) officers said they and their staffs met frequently with the Saigon station chief of the CIA and his staff. . . Police officials confirmed that in some provinces American 'liaison' men who work with the police remain on the job. . . . Local policemen still refer to 'American police advisors'. . . Police here have military functions, and engage in infiltration, arrest, interrogation and torture of Communists and political dissidents."

Steven Davis, the Federal Electric Corporation employee who worked at the Saigon Telecommunications Directorate, has reported that on May 14, 1973, he saw a message to local CIA offices in South Vietnam directing that the Phoenix program in South Vietnam was to be transferred to the South Vietnamese National Police, thus freeing local agents under the control of the CIA to start new Phoenix programs in South Vietnam in areas where Phoenix had not yet operated.

(b) Refugee Programs.

Since the Ceasefire, the GVN has openly continued its policy of concentrating refugees in camps and refusing to allow them to return to their original villages.

On January 25, 1973, for example, two days before the Paris Agreement was signed, the Washington Post reported that:

"The South Vietnamese government will not permit hundreds of thousands of refugees from Communist-held areas to return to their homes after the cease-fire takes effect and will punish them if they try, according to U.S. officials here."

In addition to keeping refugees in their camps, moreover, GVN policy has also aimed at enlarging its claimed territorial control by forcibly removing refugees to areas uninhabited by either side. On March 22, 1973, and July 5, 1973, for example, the NY Times reported "resettlement" of several hundred thousand people in an effort "to get broader control."

The result has been unending misery for millions of refugees who have been forced to live on arid, unproductive soil, in areas where farming is almost impossible. On November 23, 1973, for example, the Washington Post reported:

"As if on cue, the inhabitants of Thanthuy's moldering shanties come out to plead with their unexpected visitors: we are hungry. This land is poor. We want to go back to our village. Please ask the government to let us go home."

Police controls in such refugee camps are tight.

On March 28, 1974, for example, Diane Jones of the American Friends Service Committee testified before the Senate Appropriations Committee on conditions in refugee camps she had visited in South Vietnam between October, 1973, and February, 1974. She reported that:

"These camps looked nothing like villages, but like concentration camps, some of them totally surrounded by barbed wire or bamboo stake fences, with tall military watchtowers on the perimeters . . . people were not allowed beyond the camp boundaries except during certain hours of the day. . . . The inhabitants of these camps had to register with camp officials when they left and when they returned. In Xuyen Phuoc camp in Quang Nam province, I talked extensively with a government official who told me his job was political control of the population . . . he showed me stacks of pictures, one picture of each family in the camp . . . he said that he had to check *daily* each family against their family report. . . . If anyone disappeared without asking permission, he said the person's family could be arrested."

American policy is directly responsible for such refugee control programs.

In Fiscal Year 1974 the Administration expended over $70 million on such refugee programs. In Fiscal Year 1975, it is requesting $116.5 million to continue them, an increase of more than 50%.

There are convincing indications, moreover, that American officials are aware of the true nature of this refugee program. Indeed, the evidence indicates that this policy of controlling refugees may be as much a result of deliberate American policy as GVN's desires.

A U.S. Senate Refugee Subcommittee study published one year after the signing of the Paris Agreement, for example, reprints several *internal* U.S. documents. One, an official description of refugee resettlement sites in Military Region II, dated October 17, 1973, characterizes 30 resettlement sites as being economically unviable.

A letter from the U.S. Consul General in Bien Hoa, Mr. Robert Walkinshaw, dated April 3, 1973, states that:

"The people will move into areas that were previously considered marginal, thus secure the area, improve movement and security along major routes of communication, develop the agriculture . . . and bring economic viability to the country as a whole."

And the most thorough and convincing picture yet to emerge of the U.S. role in refugee control was presented to the House Foreign Affairs Committee on July 2, 1974, by Mr. Edward Block, an A.I.D. refugee official in South Vietnam from April, 1972, until December, 1973.

"The real objectives of the U.S. mission (include) to encourage the GVN to hold hundreds of thousands, perhaps millions, of refugees as dependents of the government rather than allowing them to return freely and peacefully to their original villages . . . to help the Saigon government to occupy additional territory presently contested or claimed by the PRG. . ."

"(This) objective is evidenced by the fact that the GVN continued to keep more than a half million refugees in camps long after the Ceasefire agreement had been signed. . ."

"Hundreds of thousands of refugees from the 1972 April offensive are currently being poorly resettled under the same conditions that exist for the 1968–1971 refuees. . ."

"Little or no assistance is provided for land clearing; refugees are often placed in resettlement where no land is available; little or no farmland is ever distributed where it is available . . . in many cases, food allowances are arbitrarily cut off, causing widespread hunger and malnutrition."

"The Stieng Montagnards of Binh Long province (were) concentrated for a year and a half in the squalid An Loi refugee camp where they watched more than 300 of their children die like flies."

"A.I.D. officials argue that no refugees have come forth to request their return to home in PRG-controlled areas. This argument might as well be no refugees have come forth to commit suicide, because the GVN still maintains a policy of shooting or jailing anyone caught moving about in areas outside of its immediate control."

"Once the GVN occupies . . . new areas, it wastes little time in seizing this opportunity to utilize refugees for their own counterinsurgency purposes, despite possible hazards to the people involved. For example, I know first-hand that in resettlement in

Quang Nam province, the GVN has been busy recruiting children between the ages of 7 and 14 to perform intelligence and detection work within their villages and the surrounding areas."

X. PRESIDENTIAL COVERT WAR: A TIME TO SPEAK FOR THE LIVING

There is no more ominous sign for the future health of this nation than our present tendency to speak of our Indochina involvement as if it has ended.

We rarely speak of it at all. The media rarely carries the many stories filed from Indochina,—Walter Cronkite is reported as saying that we know we lost the war, and therefore want to forget it. Time and again, traveling about the country, one is told that "people just don't want to hear about Vietnam any more."

To the extent that Vietnam is still an issue, it is as if it were a long-distant tragedy, one that laid its heaviest burdens on Americans. "Vietnam" today means primarily veterans' problems, amnesty, POWs, the accounting for U.S. Missing-in-Action.

These concerns are understandably real to most Americans. Our Vietnam past haunts us, and will for many years to come.

The time, however, has clearly come to speak of the present as well, to remember not only the dead but the living.

It is time to speak of tens of thousands of political prisoners in South Vietnam, subjected to torture, hunger, thirst and beatings at this very moment, people who have been imprisoned without trial or hope or relief.

It is time to speak of millions of refugees in Cambodia and South Vietnam whom we helped bomb and force out of their ancestral homes, people who sit landless and jobless in arid camps today because we still help prevent their return to the villages of their birth.

It is time to speak of the millions more in South Vietnam now being watched, subjected to mass round-ups, harassed by a nightmarish police system that we created.

And,—most of all—it is time today to speak of the hundreds of thousands of Vietnamese and Cambodian and Laotians who are alive and whole, but will be dead or maimed a year from today if Administration aid requests are granted.

It is time to speak of these living,—not only for their sakes, but for ours.

I will never forget the words of a Laotian refugee whom I interviewed after he had survived 5 years of our bombing in northeastern Laos:

"In the region of the Plain of Jars, there came to be a lake of blood and destruction. For there were airplanes and the sound of bombs throughout the skies and the hills. All we had were the holes."

This nation as a whole learned during the 1960s that we could not ignore this lake of blood. We learned that, for example:

To let our Executive leaders destroy abroad meant that they would not construct a Great or New Society at home;

To tolerate Presidential lawlessness in Indochina would lead to Presidential lawlessness in Watergate; and

To ignore the CIA's police mentality in Vietnam would see this mentality blossom here through data banks, electronic surveillance, and countless other invasions of privacy.

Much progress has been made, finally. At long last, the principle is finally taking hold that we have no right to intervene in other nations' internal affairs. We can now dream of the day when our leaders will turn away from interference abroad to meeting the needs of their own people at home.

But for this progress to continue, today's ongoing Presidential covert war in Indochina can no longer be ignored.

There is almost unanimous agreement today that we were "wrong" to get involved in Indochina. Some say this from a legal point of view, others from a moral one, and still others from a practical perspective. But virtually all Americans say it today.

What we must also say, however, is that if this Presidential covert involvement was "wrong" in 1954, it is also "wrong" in 1974.

For if we are to learn one single lesson from the past 25 years of U.S. intervention in Indochina, let it be this:

We must confront the lake of blood our leaders are still creating in Indochina,—no matter how unpleasant, difficult or painful. For it has already begun to wash across this land, leaving spiritual and physical gashes that will be felt for generations.

And, in the end, this lake of blood will either engulf us,—or purify us and set us free.

RESOLUTIONS ADOPTED BY ROA NATIONAL CONVENTION ON JULY 6, 1974

Mr. THURMOND. Mr. President, 30 resolutions were adopted by the Reserve Officers Association at their national convention at Atlanta, Ga., July 6, 1974. These resolutions represent the best thinking of the leaders in this outstanding organization dedicated to preserving a strong national defense posture.

Mr. President, I ask unanimous consent these resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY THE NATIONAL CONVENTION OF THE RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES, JULY 6, 1974

RESOLUTION NO. 1: U.S. RIGHTS IN THE PANAMA CANAL

Whereas, a recent agreement has been signed by the United States Secretary of State and the Panamanian Foreign Minister to draft a new treaty, terminating the Panama Treaty of 1903, and

Whereas, the new treaty will eventually transfer and surrender title, control, operation and defense of the Canal and Canal Zone to Panama together with other concessions, and

Whereas, the Reserve Officers Association of the United States has previously resolved that it supports the retention of the United States' rights to utilization, control and protection of the Panama Canal, and

Whereas, the Constitution of the Reserve Officers Association of the United States (Article A–2) states that "the object of the Association shall be to support a military policy for the United States that will provide adequate National Security and to promote the development and execution thereof," and

Whereas, House Resolution 63, 93rd Congress, gives the United States full sovereign rights, power and authority in perpetuity over the Canal Zone,

Now therefore be it resolved that in the best interests of the national security of the United States, the Reserve Officers Association of the United States affirms its previous action and supports a national policy which gives the United States full sovereign rights, authority, control, operation and defense of the Panama Canal and Canal Zone in perpetuity, and

Be it further resolved that no Executive action be taken respecting the foregoing without the approval of the Congress of the United States.

RESOLUTION NO. 2: ARMY AND AIR FORCE RESERVE TECHNICIAN CAREER PROGRAM

Whereas, the current Army and Air Force Reserve Technician Programs have been in effect for some years without specific statutory basis, based only on administrative agreements between the Army, Air Force and the Civil Service Commission, and

Whereas, the legal restrictions on these agreements have led to a situation in which career management of Army and Air Force Technicians is becoming increasingly difficult, and

Whereas, it is necessary to reconcile the personnel management and career patterns of technicians as Reserves and Civil Service employees, and

Whereas, it is also necessary and desirable that the military career patterns of technicians and other Reserves be one and the same, and

Whereas, the Air Force, serving as the Department of Defense executive agent, has prepared a legislative proposal (DOD Program No. 93–21) to provide a statutory basis for the technician program which will require technicians to be fully qualified under military standards for the Reserve position to which assigned and giving due consideration to the protection of those individuals concerned and to a balanced career program,

Now therefore be it resolved that the Reserve Officers Association of the United States supports the legislative proposals concerning the Army and Air Force Technician Career Program.

RESOLUTION NO. 3: RESERVE RETIRED BENEFITS, TOTAL DISABILITY

Whereas, Chapter 67, Title 10, U.S. Code (formerly Title III, Public Law 80–810) provides for retired pay to members of the Reserve components after completing 20 or more years of satisfactory federal service and upon attaining statutory age (currently age 60) but provides neither retired pay nor other benefits prior to attaining such age, and

Whereas, members of the Reserve components transferred to the Retired Reserve pending attainment of statutory age are, in effect, "in limbo" as to receipt of retired benefits, though otherwise qualified for and certified for such benefits at statutory age 60, and

Whereas, Chapter 67, Title 10, U.S. Code has no provisions for those members of the Reserve components transferred to the Retired Reserve awaiting attainment of statutory age who have subsequently become totally disabled, and

Whereas, current members of the Reserve components transferred to the Retired Reserve after completing 20 or more years of satisfactory federal service have reached the normal peak of their earning capacity and likewise their financial needs, but will normally be in dire financial straits because of total disability and inability to work, and

Whereas, it is both just and right to provide more liberal benefits to the totally disabled, and

Whereas, the totally disabled are more likely to forfeit their earned benefits through death, and

Whereas, it is deemed that the foregoing would be strong incentive for attaining and retaining Reserve component personnel strength in an all-volunteer force or a zero-draft environment,

Now therefore be it resolved that the Reserve Officers Association of the United States seek and support appropriate legislation which would provide for all retired benefits for current members of the Reserve components who suffer total disability not resulting from intentional misconduct or willful neglect and are otherwise qualified for retired pay except for not having reached the statutory age.

RESOLUTION NO. 4: LEGAL DEFENSE FOR RESERVISTS

Whereas, the Attorney General of Ohio refused to provide legal defense for the Ohio

National Guardsmen on active duty during the Kent State University riots until directed to do so by the governor, and

Whereas, the U.S. Supreme Court recently ruled that Ohio National Guardsmen on active duty may be held liable as individuals in damage suits for alleged criminal acts even though acting under legal orders from proper authorities, and

Whereas, members of the Reserve components are volunteers who knowingly and willingly assume the incidental and inherent risks in their military calling when on active duty during and following natural disasters, riot, insurrection or other domestic emergencies, and

Whereas, such members, when they were asked to volunteer, were not informed of that additional risk now ordered imposed on them by the recent decision of the U.S. Supreme Court compelling them to assume their own legal expenses when sued civilly, and

Whereas, other civilian and military personnel are now represented by the Justice Department when sued for action taken in the course of discharging their delegated duties, and

Whereas, it is the sense of the Reserve Officers Association of the United States that our nation should provide the same protection for members of its Reserve components,

Now therefore be it resolved by the Reserve Officers Association of the United States that the Congress and President of the United States be urged to act with dispatch to provide by law and/or regulation that members of the Reserve components be informed, at the time of enlistment or commissioning, of this lack of legal representation, and

Be it further resolved that legislation be enacted to provide that the government assume the obligation of legal defense and indemnification for members of the Reserve components in both civil and criminal prosecutions arising out of the performance of their military duties.

RESOLUTION NO. 5: RESTORE THE U.S. CITIZENSHIP OF ROBERT E. LEE

Whereas, Robert E. Lee, the Confederacy's greatest general and one of Virginia's most distinguished sons, whom the entire nation has long recognized because of his outstanding virtues of courage, patriotism and selfless devotion to duty, and his contribution in healing the wounds of the War Between the States, did not have his United States citizenship restored after the War Between the States, and

Whereas, previous attempts have failed to restore this citizenship primarily because there had been no proof that he had ever complied with the requirements of amnesty by swearing "to support, protect, and defend the Constitution of the United States," and

Whereas, archivists in the National Archives in 1970 discovered his amnesty oath taken at Washington College in Lexington, Virginia, on October 2, 1865, and his application for reinstatement of citizenship submitted to President Andrew Johnson after being favorably endorsed by General Ulysses S. Grant on June 16, 1865, and

Whereas, the Robert E. Lee Chapter of ROA was named after this distinguished citizen-soldier who resided in Arlington, Virginia, and

Whereas, Senator Harry F. Byrd, Jr., and Representative Thomas N. Downing introduced Joint Resolutions on February 21, 1974, and March 6, 1974, respectively, to restore General Lee's citizenship,

Now therefore be it resolved that the Reserve Officers Association of the United States endorses the resolutions made by Senator Byrd and Representative Downing to restore posthumously United States citizenship to Robert E. Lee.

RESOLUTION NO. 6: VOLUNTARY ASSIGNMENT OF RETIRED PERSONNEL TO READY RESERVE IN CRITICAL SKILLS

Whereas, current statutes and regulations involve considerable "red tape" including Secretarial approval to allow retired personnel to be assigned to the Ready Reserve, and

Whereas, retired personnel are required to waive a portion of their retirement pay when serving in the Reserves, and

Whereas, it is becoming more difficult to recruit Reservists in an all-volunteer environment, and

Whereas, the retired rolls are the best source of highly qualified personnel in critically needed specialties, and

Whereas, the Department of Defense has submitted a bill, H.R. 10367, 93rd Congress, which would allow the voluntary assignment of Retired Reservists of the Army and Air Force, members of the Fleet Reserve and Fleet Marine Corps Reserve, and members of the Retired List of the Coast Guard qualified in critical skills to the Ready Reserve, without loss of retired pay, and

Whereas, H.R. 10367 has passed the House of Reprsentatives,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Congress of the United States to enact legislation which would provide the selective assignment of retired personnel to the Ready Reserve without loss of retired pay.

RESOLUTION NO. 7: TIMELY PROVISION OF DOD PLANNING DATA PRIOR TO REORGANIZATION AND REDUCTIONS

Whereas, the Deputy Assistant Secretary of Defense (Reserve Affairs), in an Armed Forces Day statement published in the *Commanders Digest* said "Changing perceptions of military threats and of strategies to meet such threats also require a re-evaluation of the missions assigned to Guard and Reserve units to identify those which have marginal value under current military concepts. . . . Decisions resulting from this study may result in a force which is larger and more ready or one which is smaller and more ready," and

Whereas, for example, it is obvious from recent congressional testimony of the Chief of Naval Reserve that Navy planners have submitted to pressures for cuts to favor a number which can be suitably supported within a future resource allocation for the Reserve and which makes a hardware versus personnel trade-off rather than providing for a number of drilling Reservists that is fully justified by defense requirements,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the President and the Congress to insist upon adequate planning data being made available to the Congress in a manner which will insure adequate discussion of the projected role of the Reserve components as well as support an adequate national defense in advance of large scale reductions as currently reflected in the Department of Defense budget request.

RESOLUTION NO. 8: SPACE AVAILABLE TRAVEL ON MILITARY AIRCRAFT

Whereas, Reserve personnel of the armed services serve faithfully, often at great personal sacrifice to themselves and their families, and

Whereas, travel by air on a space available basis is one of the several benefits derived from service and benefits both active and retired personnel, and

Whereas, it is generally accepted that increased benefits, incentives and privileges are essential to attract and retain qualified personnel for active Reserve service, and that these benefits and incentives must include elements for both active and retired personnel, and

Whereas, many aircraft flights have vacant space aboard, and

Whereas, the space available benefit is one which can be provided at negligible cost to the government, and

Whereas, there are apparent efforts to erode this privilege for all military personnel, active, Reserve and retired,

Now therefore be it resolved that the Reserve Officers Association of the United States expresses its strongest objections to any attempt to eliminate or erode the right of Reservists to space available travel on military aircraft.

RESOLUTION NO. 9: AUTHORIZATION FOR DRILL PAY TO RESERVISTS FOR DUTY PERFORMED PRIOR TO INITIAL ACTIVE DUTY

Whereas, current Defense policy restricts drill pay of non-prior service personnel prior to completion of initial active duty.

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Secretary of Defense to provide for immediate entry on active duty, where feasible and practicable, for non-prior service personnel as is presently available to Regular enlistees, and

Be it further resolved that drill pay be authorized for attendance at scheduled drills from date of enlistment until entry on period of initial active duty.

RESOLUTION NO. 10: DISTRIBUTION OF MILITARY PAY INCREASES

Whereas, the Department of Defense is sponsoring legislation whereby pay raises for military personnel will be divided equally between basic pay, quarters allowance and subsistence pay, and

Whereas, the original legislation was limited to basic pay by the Congress implying an intent to keep basic pay at proper levels, and

Whereas, the proposal will result in a diminished retirement pay base, and

Whereas, this will harm the retiree, Reserve and Regular,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Congress to reject said proposal to distribute increases in military compensation between basic pay, quarters allowance and subsistence allowance.

RESOLUTION NO. 11: COST OF LIVING INDEX

Whereas, the Consumer Price Index (CPI) as now calculated is based primarily upon rent, transportation, food and medical costs, which are most important to those retired persons drawing retirement monies, and

Whereas, there are now being advocated changes in this formula which would be inimical to these persons,

Now therefore be it resolved that the Reserve Officers Association of the United States strongly urges the calculation of the cost of living on the retired person's essential life maintenance items.

RESOLUTION NO. 12: DOD TO REASSUME THE FUNDING OF THE SELECTIVE SERVICE SYSTEM'S RESERVE AND NATIONAL GUARD TRAINING PROGRAM

Whereas, the Department of Defense relies upon the Selective Service System to meet its manpower mobilization requirements in a national emergency, and

Whereas, the DOD has utilized the services of Selective Service Reserve and National Guard officers in national emergencies from 1940 to the present date, and

Whereas, the DOD now exercises full control over these comparatively few designated Selective Service Reserve and National Guard officers earmarked for duty with the Selective Service System in a national emergency, including most all aspects of their Reserve service, including retention, promotion, conduct, wearing of the uniform and educational requirements, and

Whereas, the reason for existence of these designated Reserve and National Guard officers is derived entirely from the prospective mobilization requirements of the armed services, and

Whereas, the DOD has funded the cost incident to the maintenance of this Selective Service Reserve and National Guard force from 1936 to June 1972 and even now has never publicly stated this funding should not be continued as a proper DOD budget item, and

Whereas, until June of 1972, when directed to do so by the Office of Management and Budget, the Selective Service System was not required to fund this Reserve and National Guard program from funds appropriated to it, and

Whereas, requiring the Selective Service System to fund this Reserve and National Guard program for the DOD has no more basis or validity than requiring the DOD to reimburse the Selective Service System for costs it incurs incident to the delivery of registrants to the Armed Forces Examining and Entrance Stations for physical examination and induction,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Office of Management and Budget to direct the armed services to resume the funding of the Selective Service Reserve and National Guard Officer Training Program, and that it rescind its requirement that the Selective Service System fund this joint Armed Services Reserve Program.

RESOLUTION NO. 13: DEACTION OF USAR CIVIL AFFAIRS UNITS

Whereas, the Secretary of Defense has ordered a reduction of 48,000 Category A personnel of the Army Reserve, and

Whereas, at the same time the Secretary directed the Department of the Army to begin preparations to change Civil Affairs (CA) units from Category A to Category D, and

Whereas, testimony before the House and Senate Armed Services Committees showed these Secretary of Defense orders were issued without an adequate study of the need for such a drastic reduction or identification of other units to be cut from the force structure, both actions apparently in violation of previous congressional mandates, and

Whereas, both the Senate and the House in subsequent actions voted to increase the size of the active Category A Army Reserve force and not decrease it, and

Whereas, by international law and treaty the Department of the Army has a requirement to discharge obligations and functions of Civil Affairs, the elimination of which in no way would relieve the Army from its increasing responsibilities in this sensitive area, and

Whereas, the total elimination of CA USAR troop units from the Army Reserve force structure would make it virtually impossible for the Army to carry out its CA mission in event of contingencies abroad or at home, there being no alternative Active Army resource available for such missions,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Secretary of Defense to authorize an increase, not a decrease, in the Category A strength of the Army Reserve, and

Be it further resolved that the Secretary of Defense not implement his plan to eliminate Civil Affairs from the Army Reserve without prior approval of the Congress of the United States and a thorough study of the implications of Army Reserve strength levels.

RESOLUTION NO. 14: COMMAND/MANAGEMENT OF ARMY RESERVE BY ARMY RESERVISTS

Whereas, the Total Force Policy now places increased reliance on the Reserve components, and

Whereas, the Reserve command of the USAR now stops at the Army Readiness Regions or U.S. Force Command (FORSCOM) level, and

Whereas, the Chief, Army Reserve, should control and be accountable for all aspects relating to development of readiness of the USAR,

Now therefore be it resolved by the Reserve Officers Association of the United States that the Department of the Army vest command and management of the USAR in Reserve officers, and

Be it further resolved that this U.S. Army Reserve chain of command and management be established with a position reporting to Chief of Staff and extending down through all levels of command.

RESOLUTION NO. 15: NAVAL RESERVE COMPONENT TOTAL FORCE POLICY

Whereas, the implementation of the Total Force Policy of the Active and Reserve components of the U.S. Navy has heretofore evolved without integration of Naval Reserve Personnel considerations based upon the Program Planning Guidance Memorandum (Warplan), and

Whereas, the lact of such integration causes severe difficulties in translation of the policy into meaningful programming and planning of mixed forces, and

Whereas, the lack of such integration fails to exploit economic advantages inherent in the Naval Reserve program through inclusion of Naval Reserve considerations based upon the scenarios established by the Programming Planning and Guidance Memorandum promulgated by the Secretary of Defense,

Now, therefore be it resolved that the Reserve Officers Association of the United States urges the Secretary of Navy to act with all possible dispatch in implementing the Total Force Policy through integration of Naval Reserve Component Personnel into the Program Planning Guidance Memorandum (War-plan) promulgated by the Secretary of Defense.

RESOLUTION NO. 16: NAVAL RESERVE OPERATING TEMPO

Whereas, the United States Naval Reserve has been subjected to a reduction in operating tempo, which is disproportionate to that of the other Reserve forces, to the detriment of readiness training, and

Whereas, the policy of the President of the United States for greater reliance on Reserve forces dictates a need for a higher state of readiness,

Now therefore be it resolved that the Reserve Officers Association of the United States urges the Congress to authorize the fuel and appropriate the funds required to support not less than twenty-one steaming days per quarter for each Naval Reserve ship for Naval Reserve training and not less than 248,000 flying hours to support the Naval Air Reserve (during Fiscal Year 1975) so that the readiness of those forces can be maintained at a state which will allow the Naval Reserve to fulfill its responsibilities to the defense of the United States.

RESOLUTION NO. 17: CIVIL SERVICE REPLACING TRAINING AND ADMINISTRATION OF RESERVES (TAR)

Whereas, enlisted Naval Reserve TAR billets are being deleted, and civilian billets are being designated in lieu thereof, and

Whereas, in a number of instances these newly designated civilian billets are not being properly funded, and

Whereas, if civilians are utilized in these billets, they are either unable or unwilling to work the necessary extra hours to support the requirements of the Naval Reserve without overtime pay, and

Whereas, if civilians fill these billets, they cannot be expected to perform the additional military duties that Navy personnel must perform, and

Whereas, it is extremely desirous to rotate enlisted TAR personnel between shore and sea billets, thus enhancing their training and operational expertise on both ends of the assignments,

Now therefore be it resolved that the Reserve Officers Association of the United States requests the Secretary of the Navy that enlisted TAR billets previously civilianized be restored and filled by TARs and that no further civilianization of enlisted TAR billets be effected, and

Be it further resolved that the Reserve Officers Association of the United States deplores the civilianization of military Reserve slots as a deterioration in the mobilization readiness of our armed forces in time of emergency.

RESOLUTION NO. 18: NATIONAL NAVAL MUSEUM IN CHARLESTON, SOUTH CAROLINA

Whereas, the General Assembly of South Carolina has created the Patriot's Point Development Authority for the purpose of establishing a national naval museum, and

Whereas, this national naval museum will comprise a carrier as well as many other types of ships, and

Whereas, there is no museum of the size and composition being planned that is capable of preserving and sustaining the naval and maritime heritage of our country, and

Whereas, this museum will permit young Americans to become better acquainted with the achievements and sacrifices of their forefathers and thus help to rekindle in them pride and patriotism, thus supporting the aims and objectives of the Navy and the Naval Reserve, and

Whereas, this museum will be in operation by our nation's two hundredth anniversary,

Now, therefore be it resolved by the Reserve Officers Association of the United States that it supports the concept of the Patriot's Point National Naval Museum in Charleston, South Carolina.

RESOLUTION NO. 19: SUPPORT OF MILITARY AIRLIFT COMMAND RESERVE ASSOCIATES UNITS

Whereas, the Air Force Reserve entered into the Military Airlift Command (MAC) Associate Unit Program upon its inception in 1967 and has worked diligently and with ingenuity to prove the merit of the concept, and

Whereas, a Reserve Associate Unit has been designated, collocated, manned and trained to augment each of MAC's C–141, C–5, and C–9 Active Force Units, and

Whereas, these Reserve Associate Units provide aircrew, support and maintenance augmentation equal to 38 percent of the MAC world-wide capability, and

Whereas, MAC considers this concept to be the most effective means of providing for expanded aircraft utilitization requirements for strategic airlift during peak demands of situations involving activation of forces or reacting to contingency operations, and

Whereas, collocation of Associate Units with Active Force Units provides MAC the operational control of the strategic airlift fleet and the centralized crew scheduling and maintenance effort which is deemed essential for enhancing aircraft utilization during such emergencies, and

Whereas, such collocation provides for cost-effective utilization of sophisticated and expensive facilities, tools and supply stocks.

Now therefore be it resolved that the Reserve Officers Association of the United States currently supports the Military Airlift Command (MAC)/Air Force Reserve Associate concept and recommends continuation of this program, and

Be it further resolved that if any of the MAC fleet is reallocated to another component, immediate action be initiated to provide comparable unit equipment for all presently formed MAC-gained Air Force Reserve Units.

RESOLUTION NO. 20: AIRCREW STATUS AND FLIGHT PAY, AF FLIGHT NURSES

Whereas, the Air Force flight nurse as a non-rated officer crewmember has sole medical responsibility during flight of as many as eighty patients, and in most instances has the full responsibility for making crucial decisions regarding changes in patients' conditions, including diagnosis and treatment of changes in health status, and works closely with the aircraft commander in formulation of decisions affecting patient safety and welfare, and

Whereas, the Aviation Career Incentive Act of 1974 indicate that aviation career incentive pay is not authorized for non-rated officer crewmembers, and

Whereas, non-rated officers (flight nurses) presently on orders as crewmembers have been changed to non-crew status (this has resulted in these personnel being paid hazardous duty incentive pay instead of flight pay effective 1 June 1974, a reduction for the same duty to roughly 50 percent), and

Whereas, flight surgeons continue as designated crewmembers, receiving flight pay for their medical responsibilities, and

Whereas, the identfication of flight nurses as noncrewmembers will result in:

a. a significant pay reduction to these highly trained and vitally needed personnel,

b. exclusion of the flight nurse from consideration for quarters, crew rest and crew transportation on aeromedical evacuation missions,

c. serious problems in retention and recruiting in the tactical and strategic aeromedical units, and

d. innumerable problems in standardization, training and qualification of nurses as flight nurses; Now, therefore, be it

Resolved, That the Reserve Officers Association of the United States seek an immediate change to AFM 35–13 to identify flight nurses as crewmembers; and Be it further

Resolved, That appropriate steps be taken to secure an interpretation of the intent of, or a legislative amendment to, the Aviation Career Incentive Act to provide that flight nurses shall be entitled to aviation incentive pay (flight pay) while engaged in flight duties.

RESOLUTION NO. 21: AUTHORIZE PROFESSIONALLY QUALIFIED OFFICERS TO SERVE AS COMMANDERS OF AF FLYING UNITS

Whereas, Section 8577 of Title 10, U.S. Code, reads, "Flying units shall be commanded by commissioned officers of the Air Force who have received aeronautical ratings as pilots of service types of aircraft," and

Whereas, the Title 10, U.S. Code, prescribes the maximum utilization of human resources of the United States Air Force, and

Whereas, the policy of the Air Force is to offer equal opportunity for all members of the Armed Forces, and

Whereas, under Section 8577, Title 10, U.S. Code, the Air Force is not able to take advantage of its full officer management and executive potential,

Now therefore be it resolved that the Reserve Officers Association of the United States endorses the current DOD Legislative Program No. 93–91 and encourages congressional action to amend Section 8577 of Title 10 of the U.S. Code to provide that flying units be commanded by appropriate rated personnel.

RESOLUTION NO. 22: NON-RATED AIR-CREW MEMBERS

Whereas, non-rated officer crewmembers work closely with the aircraft commander in formulation of decisions affecting aerial operations, and

Whereas, the Aviation Career Incentive Act of 1974 indicates that aviation career incentive pay is not authorized for non-rated officer crewmembers, and

Whereas, certain non-rated officers presently on orders as crewmembers have been changed to non-crewmember status (this has resulted in these personnel being paid hazardous duty incentive pay instead of flight pay effective 1 June 1974, a reduction for the same duty of roughly 50 percent),

Now therefore be it resolved that the Reserve Officers Association of the United States seeks an immediate change to AFM 35–13 to identify non-rated aircrew officer members so they can be paid as a fully qualified officer crewmember.

RESOLUTION NO. 23: BETTER UTILIZATION OF LOWER ELEMENT AIR FORCE RESERVE OFFICERS

Whereas, the nonaffiliated (NARS) and Category D officers desire to participate more effectively,

Whereas, the Category A Ready Reserve units require a potential pool of trained officers as replacements,

Whereas, the attachment for points only of these officers to Category A units will be in the best interests of the Air Force and without any additional cost to the Air Force,

Now therefore be it resolved that the Reserve Officers Association of the United States coordinate with AFRES/AFRE to implement the necessary authority to authorize and encourage Category D and nonaffiliated Reserve officers to be attached for points only to Category A units.

RESOLUTION NO. 24: JUNIOR OFFICERS WORKSHOP

Whereas, it is to the benefit of the Armed Forces and the Reserve Officers Association of the United States to encourage junior officers to participate in department and national level ROA activities in order to promote a continuing program to develop the necessary leadership potentials and more complete understanding of the ROA program, and

Whereas, historically, junior officer attendance and involvement has been limited due to various factors such as economic and geographic,

Now therefore be it resolved by the Reserve Officers Association of the United States that each department be strongly urged to select, from among those nominated by its chapters, outstanding officers below grade 0–4 to be sent to each national meeting and that the registration and other expenses of these officers be subsidized by the sponsoring department, and

Be it further resolved that the Junior Officer Affairs Committee at each national meeting, through senior advisors and a scheduled workshop program, inform these junior officers of the purposes, advantages and mechanisms of ROA membership and participation.

RESOLUTION NO. 25: ARMY RESERVE RECRUITING

Whereas, the Congress has authorized the Army Reserve to attain a strength of 260,000 in its Troop Program Units, and

Whereas, the Total Force Policy, as enunciated by the Secretary of Defense, decrees that the military establishment of our nation now places increased reliance on the Reserve components, and

Whereas, the Reserve Officers Association of the United States has placed "National Security" as its principal credo and motivation, and

Whereas, the Chief, Army Reserve, has asked for the active support of the Army members of ROA in a meaningful recruiting effort to enlist new Army Reservists in order to help bring the Troop Program Units up to authorized strength,

Now therefore be it resolved by the Reserve Officers Association of the United States that each Army member of the ROA will fully support a meaningful recruiting program by ROA to enlist new Army Reservists by contacting one prospective recruit and explaining the benefits of participation in the Reserve program.

RESOLUTION NO. 26: REGIONAL ROA CONFERENCES

Whereas, a large number of officers of the Reserve forces cannot attend National ROA Conferences, and

Whereas, the Reserve forces have increased in importance in national contingency planning, and

Whereas, a great need exists for younger officers to meet in their areas with ROA and Reserve officials to raise questions, express ideas and receive information and guidance, and

Whereas, ROA has the expertise and capability to sponsor regional meetings,

Now therefore be it resolved by the Reserve Officers Association of the United States that a feasibility study be instituted by National Headquarters, ROA, to determine whether or not it is logistically possible to undertake Regional Annual ROA Informational Conferences throughout the country, and to report its findings in this regard to the next Annual Mid-Winter Conference at Washington, D.C.

RESOLUTION NO. 27: SURVEY OF STATE BENEFITS FOR RESERVISTS

Whereas, there are numerous statutes in the various states that provide certain benefits to members of the Reserve forces, and

Whereas, it is very difficult for each ROA department to research these various benefits, and

Whereas, comparability of these benefits between the states is desirable for the Reserve forces,

Now therefore be it resolved that the National Headquarters of ROA make inquiry as to the current availability of information in regard to benefits offered by the various states to active and retired Reservists and, if feasible to do so, that this information be disseminated to the various ROA departments.

RESOLUTION NO. 28: ELECTION OF HONORARY LIFE MEMBERS

Whereas, the following citizens have shown extraordinary interest in matters of national security, and

Whereas, they have made meaningful and effective contributions toward insuring the safety of this country,

Now therefore be it resolved that Dr. Dan Callahan, Rear Admiral Jeremiah Denton, Lieutenant General Ira Eaker, Marjorie Holt, M.C., Mike Mansfield, U.S.S., be elected Honorary Life Members of the Reserve Officers Association of the United States in accordance with Article A–3, Section 1(e), of the ROA Constitution.

RESOLUTION NO. 29: IN EULOGY OF JOHN LANG

Whereas, on the 27th of June 1974 the Lord chose to terminate the career of Major General John A. Lang, Jr., USAFR, and

Whereas, thus ended a lifetime of devotion to God and country, and

Whereas, John Lang distinguished himself in both his civilian and his military career, and

Whereas, John Lang's selflessness, generosity and love of fellow man gained him a host of friends and admirers beyond number, and

Whereas, John Lang leaves behind his beloved wife Catherine and four children, John, Richard, Laura and Martha,

Now therefore be it resolved that the Reserve Officers Association of the United States eulogizes the life, work and character of Major General John A Lang, Jr., USAFR,

Be it further resolved that on behalf of all its members, this Association extends the deepest sympathy to John Lang's widow and children on the loss of their beloved husband and father.

RESOLUTION NO. 30: EXPRESSION OF APPRECIATION TO BRIG. GEN. THOMAS H. KING

Whereas, Brig. Gen. Thomas H. King has given of himself unstintingly for many years for the betterment and good of ROA, and

Whereas, such giving has at times approached being his principal occupation, and

Whereas, General King has been considered the unofficial "pro bono" house counsel for Headquarters, and

Whereas, most recently he undertook the representation of the Reserve Officers Association of the United States in the preparation of an amicus curiae (friend of the court) brief on behalf of all congressmen holding Reserve commissions, and

Whereas, in the current court term the Supreme Court has determined that the parties seeking to deny to congressmen the right to continue their Reserve affiliation have no standing to assert such a claim, thereby preserving this right in congressmen,

Now therefore be it resolved that the Reserve Officers Association of the United States publicly recognizes Brig. Gen. Thomas H. King's devotion to the cause of his country's military Reserves.

MATERNITY BENEFITS

Mr. BEALL. Mr. President, on July 18, 1974, I introduced S. 3781, to provide maternity benefits to wives of certain former members of the uniformed services and to certain former female members.

I have received from Mr. Francis W. Stover of the Veterans of Foreign Wars an endorsement of this measure.

I certainly hope that the Armed Services Committee will take early and favorable action.

I ask unanimous consent that the VFW letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS,
Washington, D.C., July 23, 1974.

Hon. J. GLENN BEALL, JR.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BEALL: It was with extreme gratification we noted your introduction of S. 3781—to amend Chapter 55 of Title 10, United States Code, to provide maternity benefits to wives of certain former members of the Uniformed Services and to certain former female members.

Inasmuch as your Bill fulfills a mandate from our last National Convention in the form of Resolution No. 741 (copy enclosed), rest assured, you have the full support of the 1.8 million members of the Veterans of Foreign Wars of the United States and the more than 500,000 members of our Ladies Auxiliary in this legislation.

In view of the foregoing, we will be working with the Committee on Armed Services for early consideration and passage of this much needed remedial legislation.

With best wishes and kind personal regards, I am

Sincerely,

FRANCIS W. STOVER,
Director,
National Legislative Service.

THE FCC'S FAIRNESS REPORT

Mr. PROXMIRE. Mr. President, the Federal Communications Commission on June 27 adopted and on July 12 released a "fairness report" reaffirming its fairness doctrine that controls broadcast news programing.

Three years ago, in June 1971, the FCC began a re-examination of the fairness doctrine. The commission had not looked at it comprehensively since its principles were set forth in 1949.

A press release from the FCC issued July 3 began this way:

> In an action stressing the need for the fairness doctrine, the Commission has reaffirmed its position that "strict adherence" to the doctrine is the "single most important requirement of operation in the public interest" and an absolute necessity "for grant of a renewal of license."

There is no doubt in my mind, as I continue a series of speeches against the fairness doctrine begun on July 15, that the so-called fairness doctrine violates the spirit and letter of the first amendment. I say that knowing full well that the Supreme Court has on several occasions upheld the constitutionality of the doctrine.

Any restriction on the news function of broadcasting is an abridgment of the free press. And, as we all know, the first amendment prohibits Congress from abridging—that is, diminishing—the freedom of speech and the freedom of the press.

The licensing of broadcasting is an abridgment. When licensing is predicated on that which is broadcast, that, I believe, is manifestly a diminuation of those freedoms.

Mr. President, today I intend to begin a page-by-page examination of the FCC's new fairness report to show rationally how it abrogates the intent of the first amendment.

But first, I want to cite a quotation from a 1919 opinion by Oliver Wendell Holmes, a quotation that was used on this floor against my position the other day:

> When men have realized that time has upset many fighting faiths, they may come to believe even more than they believe the very foundations of their own conduct that the ultimate good desired is better reached by free trade in ideas—that the best test of truth is the power of thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes safely can be carried out. That at any rate is the theory of our Constitution. It is an experiment, as all life is an experiment.

On the face of it, that quotation from the great American jurist stands on its own. It cries out for support of the free exchange of ideas. It is an eloquent and cogent defense of the first amendment.

But can it truly stand alone? What is its context?

The quotation can be found in the Supreme Court proceedings in Abrams against United States in which the Court upheld a conviction under the Espionage Act. The defendant was charged with distributing circulars promoting resistance to U.S. participation in World War I and with advocating strikes in munitions factories. The majority decision did not consider the constitutionality of the Espionage Act.

And Mr. Justice Holmes?

He dissented. The quotation is from his dissent in that case. He was not afraid of freedom of speech and of the press.

Mr. Justice Holmes knew how truth evolves in a democracy. He knew it was not produced by government fiat. He knew that truth was not a commodity stored in governmental agencies and handed down like wisdom from Olympus.

I do not believe Mr. Justice Holmes, if he lived now, would be afraid of free broadcasting.

The FCC views it differently. To be honest, one does have to admit that the FCC is doing only what the Congress told it to do. And—although I have changed my position—I did indeed have a part in doing that.

Yet, it seems that the FCC goes overboard in its ardor.

Mr. President, I will refer from time to time to numbered paragraphs in the FCC's new fairness report, which was inserted in the RECORD July 15 beginning on page 23209. I point this out so as to avoid lengthy quotations in this speech.

In paragraph 1 of its latest fairness report, the Commission says it had two fundamental considerations in reexamining the fairness doctrine. One consideration is maintenance and growth of a broadcast system compatible with the public interest. That is based on the other consideration, which the FCC phrases this way:

> First, in view of the profound, unquestioned national commitment embodied in the First Amendment, our goal in this area must be to foster "uninhibited, robust, wide-open" debate on public issues." (The commission is quoting the 1964 case of New York Times Co. v. Sullivan, the famous decision that says, in effect, it is pretty hard to libel a politician.)

Ironic, is it not, that the "unquestioned national commitment" to uninhibited, robust and wide-open debate when it comes to radio and television is limited by the fairness doctrine?

Does the fairness doctrine limit broadcasters?

I received a letter the other day from a broadcaster in Oregon which shows the problem. Here is what he had to say. I will quote all but the last sentence—a personal reference—of his letter, because he ties in the lack of freedom of broadcast journalists to newspapers and economic factors.

> We were pleased to read of your comments on the Senate Floor regarding First Amendment protection for broadcasting.
>
> Fact: During the past few years, the number of print media has been greatly reduced and increasing paper costs will reduce the number even more. When print is gone, who will carry the word?
>
> In our market there are six broadcast properties and one print. Only the print can operate in an uninhibited fashion and we must shy from many gut issues because we have no desire to rock-the-boat with the agency who controls our life's breath.
>
> We have been forced to temper our comments in the face of threatened hearings which, even if we had won, would have broken us through our bank account.
>
> We have no "Ford Foundation" to underwrite our defense to meet the underwritten challenges of our antagonists. To set aside sufficient capital to meet these challenges would seriously debilitate our service to our community. We must always restrain our actions to stay within the safety of a no-hearing format. That is program control.
>
> We cannot investigate . . . and although encouraged to editorialize, we will always antagonize one side or the other, and the offended party immediately threatens action. We have been repeatedly threatened in this

> manner, even to the extent of "boycotting" that cost us thousands of dollars. We have learned our lessons of moderation the hard way.
>
> Everytime a print media goes out of business, the First Amendment dies a little, and will continue to die until broadcasting is allowed to replace them in the Fourth Estate.
>
> If not available elsewhere, we have ample documentation of these statements available here.

I cite this letter to show that the fairness doctrine presents real problems to the broadcasters. But my interest in repealing the fairness doctrine is not to carry water for broadcasters, many of whom have very profitable businesses. My interest is in seeing that the citizens of our country have the full protection of the first amendment.

Television and radio are the popular media. According to Elmer W. Lower, president of ABC News, 78 million people watch evening TV news in a week. Put another way, he said:

> Nearly seventy percent of the total public will look first to television for most of the news about what's going on in the world.

Whether newspapers will be able to solve their technological and economic problems I cannot say, although it does seem likely American ingenuity will do so. Nevertheless, the American public needs truly free broadcasting for its own search for the truth through the competition of the market, as Mr. Justice Holmes said.

In paragraph 3 of its fairness report, the FCC quotes the basic premises of the fairness doctrine as enunciated by the Commission in 1949 in its Report on Editorializing. The 1949 report says:

> It is axiomatic that one of the most vital questions of mass communication in a democracy is the development of an informed public opinion through the public dissemination of news and ideas concerning the vital public issues of the day.

The section quoted by the FCC goes on to say that the commission has "recognized the necessity for licensees to devote a reasonable percentage of their broadcast time" to those purposes.

In paragraph 4 the FCC notes the very problem I am talking about when it says:

> At first appearance, this affirmative use of government power to expand broadcast debate would seem to raise a striking paradox, for freedom of speech has traditionally implied an absence of governmental supervision or control. Throughout most of our history, the principal function of the First Amendment has been to protect the free marketplace of ideas by precluding governmental intrusion.

The FCC goes on to say that evolution of the mass media technologically and in "concentration of control" has led to a different approach to the first amendment. The FCC report continues:

> This approach—an affirmative one—recognizes the responsibility of government in maintaining and enhancing a system of freedom of expression.

The FCC itself sees the paradox—freedom without freedom. But then it just lets the paradox lie there. It presents no really hard, reasoned point to back its self-contradictory argument.

I maintain this:

The first amendment logically is negative, a prohibition. It says Congress shall pass no laws prohibiting the free exercise of religion—it shall not abridge or diminish free speech or a free press.

The first amendment tells Congress to keep its hands off of these freedoms. To do nothing.

Now how can that mandate be made into a "system of free expression"? How can something prohibited be systematized, be arranged methodically?

How can there be a "different approach" to No?

How can one enhance "no law"?

One cannot take nothing and make more nothing.

How can freedom be maintained by putting conditions on freedom?

I am aware, of course, of the famous dictum about shouting "fire!" in a crowded theater; and of the necessity of libel and slander laws.

But the FCC does not really back up its argument. It states it almost baldly.

It does give a citation in paragraph 4 of one T. Emerson and his chapter XVII of "The System of Freedom of Expression." And in paragraph 5 it cites a 1945 Supreme Court decision in Associated Press against United States. That decision said:

> It would be strange indeed however if the grave concern for freedom of the press which prompted adoption of the First Amendment should be read as a command that the government was without power to protect that freedom.

But then the court in that case went immediately to the point of the case, the Sherman Antitrust Act. It argues

> Surely a command that the government itself shall not impede the free flow of ideas does not afford non-governmental combinations a refuge if they impose restraints upon that constitutionally guaranteed freedom.

The FCC cites a case, regardless of its own merits, that does not deal directly with a defense of the "paradox" it raises in the preceding paragraph.

The citation is a nonsequitur. It just does not follow.

In paragraph 6, the FCC goes into the problem in early broadcasting of radio stations operating on any frequency without regard to other stations.

It is absolutely clear that there must be regulations to keep one broadcaster from interferring with the signal of another. And that is a proper role of government. But that is a technical, an engineering problem, which has nothing to do whatsoever with programing. And the fairness doctrine is about programing, not engineering.

I shall have more to say on this subject in a later speech.

Paragraph 7 notes the establishment of an effective system of governmental licensing of broadcasters in 1927.

And, again, the FCC alludes to the paradox. It says:

> It would have been unthinkable, of course, for the government to have been in the business of deciding who could publish newspapers and magazines and who could not.

To back itself up, it quotes Justice Felix Frankfurter in a 1943 case, National Broadcasting Co. against United States. The Communications Act, the Court held, "does not restrict the Commission merely to supervision of the traffic. It puts upon the Commission the burden of determining the composition of that traffic."

The FCC report notes that the NBC case left "a great many first amendment questions unanswered."

The FCC attempts to answer these questions in paragraphs 8 through 13. It relies to a great extent on the often quoted Red Lion case in its defense.

Central to the arguments presented by the FCC in these paragraphs is the scarcity of broadcasting facilities.

In paragraph 13 the FCC tries to argue with one of the legal voices raised against the fairness doctrine. It was a dissent of Chief Judge Bazelon of the District of Columbia Circuit in Brandywine-Main Line Radio, Inc. against FCC. That is the case in which WXUR, a Media, Pa., station lost its license.

In his dissent, Judge Bazelon points out:

> This will be the first time that the FCC has denied a license renewal because of fairness doctrine obligations.

Others will dispute that, because the majority held that WXUR was taken off the air because it did not live up to its programing promises made to the FCC.

To me, that is just a different way of slicing the same sausage.

The FCC fairness report quotes Judge Bazelon as suggesting that the time has come for "the Commission to draw back and consider whether time and technology have so eroded the necessity for governmental imposition of fairness obligations that the doctrine has come to defeat its purposes in a variety of circumstances."

In that same paragraph from Judge Bazelon's dissent, which the FCC did not choose to quote, the chief judge noted that the FCC was restudying the fairness doctrine—which it now has completed—to see whether fairness policies truly promote a marketplace of uninhibited, wide, and robust debate. Then follows the full sentence from which the FCC quoted Bazelon:

> It is proper that this court urge the Commission to reconsider this case in light of its fairness hearings; that we encourage the Commission to draw back and consider whether time and technology have so eroded the necessity for governmental imposition of fairness obligations that the doctrine has come to defeat its purposes in a variety of circumstances; that we ask whether an alternative does not suggest itself—whether, as will printed press, more freedom for the individual broadcaster would enhance, rather than retard, the public's right to a marketplace of ideas.
>
> The FCC's fairness report glossed over the pertinent questions by the judge.

Immediately after quoting Chief Judge Bazelon in an incomplete fashion, the FCC quotes Red Lion on the scarcity of frequencies. Then the FCC says:

> The effective development of an electronic medium with an abundance of channels (through the use of cable, or otherwise) is still very much a thing of the future.

But Judge Bazelon hit that point head on earlier in his dissent. He said:

> But Red Lion cannot be read as the final word on scarcity: the cable of technology of the future was not even mentioned in the Court's decision.

Judge Bazelon's next paragraph follows with this information, quoting a 1972 book called "The Wired Nation." Bazelon said:

> It is a fact, that with *existing equipment and technology* (his emphasis) "a single coaxial [tv] cable can carry between 28 and 36 channels of television, plus the entire AM and FM radio bands and a quantity of other non-visual electronic signals." It is predicted that in perhaps 10 years it will be possible to provide to the television viewer 400 channels; that by 1980 half the nation will be on cable television; and that a host of educational and public services will accompany the cable revolution which are simple mind-boggling.

Mr. President, I ask unanimous consent that Chief Judge Bazelon's entire dissent in the Brandywine case be printed in the RECORD at the end of this speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. Mr. President, the FCC, after saying that the effective development of cable is in the future, gets right back into the paradox it faces in trying to square regulation and the first amendment. It does that in back-to-back sentences:

> For the present, do not believe that it would be appropriate—or even permissible—for a government agency charged with the allocation of the channels now available to ignore the legitimate First Amendment interests of the general public. We recognize, however, that there exists within the framework of fairness doctrine administration and enforcement the potential for undue governmental interference in the processes of broadcast journalism, and the concomitant diminution of the broadcaster's and the public's legitimate First Amendment interests.

Mr. President, the next section of the FCC fairness report gives the Commission's position on why it believes the fairness doctrine does not inhibit broadcast journalism. I will deal with that in my next speech.

But in summary, so far, it can be seen that in dealing with the so-called scarcity of broadcast facilities—the actual basis for the regulation of programing—the FCC ignores one important point and brushes off another.

The FCC ignores the fact that radio and television stations are more numerous than daily newspapers. As of the end of June 1974 there were nearly five times more radio and TV stations than daily newspapers. If one wants to count only commercial radio and TV broadcasting stations, daily newspapers are less than 23 percent as numerous.

But a more telling point: in 92 of the top 100 TV markets in the land, you will find three or more TV stations with network affiliations. In seven you will find only two stations, and in only one of those markets is there but a single station with a network affiliation.

Compare that with what Chief Judge Bazelon said in his Brandywine dissent, after noting that nearly every American city receives a number of radio and TV signals:

> But out of 1,400 newspaper cities, there are only fifteen left with face-to-face competition.

Even a more striking argument may be made against the scarcity of broadcast spectrum space.

Consider only television channels. As of September 1971, there were still available around the country 462 commercial channels—67 VHF and 395 UHF channels. In addition, there were 434 noncommercial channels available. From a different source, it can be determined that those figures have not changed substantially in the last 3 years. As of June 30, only three VHF and six UHF commercial channels have been added to those on the air. And, another 32 noncommercial TV stations of both types have gone on the air.

The number of daily newspapers has remained virtually unchanged.

I must admit, the question of ownership is a little more complex. There are 73 communities in the United States in which one firm owns all the local broadcast and newspaper properties.

Despite that fact, however, listeners and viewers have access to more competitive voices than do readers of daily newspapers.

And, no one is seriously challenging the first amendment rights of newspapers.

That brings me to the point the FCC brushes off in its fairness report: cable TV.

Its potential is in the future. No doubt about it. But if even only a quarter of its potential is met by 1980, cable can bring scores of channels into most American homes.

But right now, in 1974, it can be seen that the FCC has refused to look at the facts. There is no scarcity of broadcast facilities. It bases its principal argument for continuance of the fairness doctrine on a false premise.

It need not have done that. The law authorizing the fairness doctrine is broad enough that the FCC could have taken the real world into consideration.

But it is too much to expect a government bureaucracy to overcome its own inertia.

That is why, the fairness doctrine must go. It continues to mock the first amendment.

Herbert W. Hobler, a New Jersey broadcaster, has made that point well. He says:

> Americans . . . one of your freedoms is missing!

Chief Judge Bazelon's entire dissent follows:

EXHIBIT 1

BRANDYWINE-MAIN LINE RADIO, INC., APPELLANT, v. FEDERAL COMMUNICATIONS COMMISSION, GREATER PHILADELPHIA COUNCIL OF CHURCHES ET AL., INTERVENORS. No. 71-1181.

United States Court of Appeals, District of Columbia Circuit. Argued April 10, 1972. Decided Sept. 25, 1972.

Dissenting Opinion Nov. 4, 1972.

Rehearing Denied Dec. 4, 1972.

Cert. denied 412 U.S. 922 (1973).

Appeal by broadcast licensee from decision of the Federal Communications Commission which denied renewal of AM-FM broadcast license. The Court of Appeals, Tamm, Circuit Judge, held that in view of FCC's findings that AM-FM broadcast licensee failed to observe the fairness doctrine, that it violated the "personal attack" principle and misrepresented to the Commission its programming plans, Federal Communications Commission was justified in refusing to renew broadcast license on consideration of the licensee's total performance.

Affirmed.

J. Skelly Wright, Circuit Judge, concurred and filed opinion.

Bazelon, Chief Judge, dissented and filed opinion. Wright, Circuit Judge, filed a response in which Tamm, Circuit Judge, concurred.

1. Telecommunications—435

The "fairness doctrine" applies to all broadcast licensees. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

2. Telecommunications—435

Areawide programming is not valid consideration in determining whether broadcast licensee has complied with the requirement of the "fairness doctrine." Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

3. Telecommunications—432

The "personal attack" principle was not intended to protect persons from personal abuse, but rather was adopted so as to enable the listening public to hear expositions of the various positions taken by responsible individuals and groups on important disputed issues and fact that those attacked often showed no concern did not excuse broadcast licensee from violations of the doctrine. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

4. Telecommunications—435

Purpose of the "fairness doctrine" is to assure that when controversial issues of public importance are aired on radio and television frequencies, fair coverage is given to both sides of issues presented. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

5. Telecommunications—435

The "fairness doctrine" is distinct from the statutory requirement that equal time be allotted all qualified candidates for public office. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

6. Telecommunications—435

The "fairness doctrine" is not subject to formulistic application and meeting of the obligations can only be achieved by seeking out balance in broadcast coverage. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

7. Telecommunications—435

The cornerstone of the "fairness doctrine" is good faith and licensee discretion. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

8. Telecommunications—435

Under the "fairness doctrine," all that is required is balance; equal opportunities, except as specifically provided for by statute, are not required. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

9. Telecommunications—435

The "equal opportunities" requirement of statute pertaining to equal time for political candidates is applicable only to uses of station facilities by candidates for public office and calls for equal treatment as to the amount of time to be afforded, the nature of the time slot, etc., and thus works with virtually mathematical precision. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

10. Telecommunications—435

The ultimate test of the "fairness doctrine" is reasonableness of the broadcast licensee's efforts to provide reasonable opportunity to inform the public on the contrasting viewpoint. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

11. Telecommunications—435

The first consideration in determining whether broadcast licensee has observed the "fairness doctrine" is the good faith of the broadcast licensee. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

12. Telecommunications—437

Finding of Federal Communications Commission that AM-FM broadcast licensee, which had been fully informed by the FCC at the time it acquired its license by transfer of the obligations under both the "fairness doctrine" and the "personal attack" principle, failed to observe the "fairness doctrine" by presenting only one side on issues of controversial importance to the public was supported by substantial evidence in broadcast license renewal proceeding. Communications Act of 1934, §§ 301 et seq., 315, 47 U.S.C.A. §§ 301 et seq., 315.

13. Telecommunications—432

Whenever there is an attack made on a person or group during a broadcast in the context of a controversial issue of public importance, the individual attacked has a right to respond. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

14. Telecommunications—388

The demands of public interest are prime considerations for the Federal Communications Commission in granting broadcasting licenses, renewing licenses and modifying them. Communications Act of 1934, §§ 303, 303(r), 307, 307(a, d), 309(a), 47 U.S.C.A. §§ 303, 303(r), 307, 307(a, d), 309(a).

15. Telecommunications—388

Radio and television station operation must be carried out in the public interest. Communications Act of 1934, §§ 303, 303(r), 307, 307(a, d), 309(a), 41 U.S.C.A. §§ 303, 303 (r), 307, 307(a, d), 309(a).

16. Telecommunications—432

The Federal Communication regulations concerning personal attack are not beyond the scope of the congressionally conferred power to assure that stations are operated by those whose possession of licenses serves the public interest. Communications Act of 1934, §§ 303, 303(r), 307, 307(a, d), 309(a), 47 U.S.C.A. §§ 303, 303(r), 307, 307(a, d), 309 (a).

17. Telecommunications—437

Substantial evidence supported findings of Federal Communications Commission in broadcast license renewal proceeding that AM-FM licensee demonstrated complete disregard for the FCC rules and regulations pertaining to personal attacks. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

18. Telecommunications—432

The obligation rests squarely on the shoulders of the licensee to adhere to the regulations pertaining to personal attacks and the licensee may not pass its obligations in the area to those who purchase time from the licensee. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

19. Telecommunications—432

Small staffs in no way exculpate broadcast licensees from their affirmative duties under regulations pertaining to personal attack. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

20. Telecommunications—437

Substantial evidence in broadcast license renewal proceedings supported finding of Federal Communication Commission that licensee did not act in good faith at time it obtained its broadcast license by transfer in its representations of the types of programs to be broadcast over its AM-FM station. Communications Act of 1934, § 315, 47 U.S.C.A. § 315.

21. Telecommunications—397

Misrepresentations by broadcast licensee at time it acquired its license by transfer concerning the nature of the programs it proposed to broadcast provided ample justification for the Federal Communications Commission to refuse to renew broadcast license. Communications Act of 1934, § 315, U.S.C.A. § 315.

22. Constitutional Law—90

Broadcast licensee's rights under the First Amendment were not violated by the refusal of the Federal Communications Commission to renew the broadcast license where the sanction was based on continuous refusals by the licensee to meet its obligations under the "fairness doctrine" and under the "personal attack" principle. U.S.C.A. Const. Amend. 1; Communications Act of 1934, § 315, 47 U.S.C.A. § 307(a, d).

23. Telecommunications—388

Question of whether broadcast licensee is operating in the public interest, the established standard for license renewal, is determined at the time of renewal and at this time the Federal Communications Commission must take the licensee's total performance into account, including its adherence to the fairness doctrine. Communications Act of 1934, § 307 (a, d), 47 U.S.C.A. § 307(a, d).

24. Telecommunications—388

In determining whether to renew broadcast license, Federal Communications Commission must give prime consideration to the effectiveness of broadcast licensee in his role as trustee for the public. Communications Act of 1934, § 307(a, d), 47 U.S.C.A. § 307(a, d).

25. Telecommunications—388

The policy of the Communications Act is clear that no person is to have anything in the nature of property right as a result of granting of broadcast license and the channels presently occupied remain free for new assignment to another licensee in the interest of the listening public; it is not the purpose of the Act to protect a licensee against competition but to protect the public. Communications Act of 1934, § 307(a, d), 47 U.S.C.A. § 307(a, d).

26. Telecommunications—397, 432, 435

In view of Federal Communications Commission's findings that AM-FM broadcast licensee failed to observe the "fairness doctrine", that it violated the "personal attack" principle and misrepresented to the Commission its programming plans, FCC was justified in refusing to renew broadcast license on consideration of the licensee's total performance. U.S.C.A. Const. Amend. 1; Communications Act of 1934, §§ 303, 303(r), 307, 309, 315, 47 U.S.C.A. §§ 303, 303(r), 307, 309, 315.

27. Telecommunication—383

The Federal Communications Commission can only inform and advise broadcast licensee as to the law; it cannot coerce a licensee to comply. Communications Act of 1934, § 301 et seq., 47 U.S.C.A. § 301 et seq.

Messrs. Benedict P. Cottone and Eugene F. Mullin, Washington, D.C., with whom Mr. John C. Eldridge, Washington, D.C., was on the brief, for appellant.

Mr. Joseph A. Marino Associate Gen. Counsel, F.C.C., for appellee. Messrs. Richard E. Wiley, Gen. Counsel at the time the brief was filed, John H. Conlin, Associate Gen. Counsel at the time the brief was filed, and Miss Katrina Renouf, Counsel, F.C.C., at the time the brief was filed, were on the brief for appellee.

Messrs. Thomas Schattenfield, Michael Valder and David Tillotson, Washington, D.C., were on the brief for intervenors.

Before BAZELON, Chief Judge, and WRIGHT and TAMM, Circuit Judges.

TAMM, Circuit Judge:

We hold no freedom more inviolable than our precious first amendment right to freedom of speech. Free and unfettered debate has been a cornerstone of our Republic for almost two hundred years. Any attempt to silence those who would speak, no matter how unpopular their opinions, no matter how controversial their views, must be met with immovable opposition by those who cherish our basic freedoms and hold them dear.

> [T]he peculiar evil of silencing the expression of opinion is that it is robbing the human race; posterity as well as the existing generation; those who dissent from the opinion still more than those who hold it. If the opinion is right, they are deprived of the opportunity of exchanging error for truth: if wrong, they lose what is almost as great a benefit, the clearer perception and livelier impression of truth, produced by its collision with error.[1]

This is the setting in which we must consider the dispute arising from the refusal of the Federal Communications Commission (hereinafter "the Commission") to renew the broadcast license of Brandywine-Main Line Radio, Inc. (hereinafter either "Brandywine" or "WXUR") as licensee of radio stations WXUR and WXUR-TV, located in Media, Pennsylvania.[2] Yet, even in light of the extremely high standard which we have set in this case, we must affirm the opinion of the Commission.

I. FACTUAL BACKGROUND

A. Early Operations of WXUR

Brandywine was licensed to operate WXUR in 1962 by the Commission after a determination that such license would be beneficial in serving the public interest. WXUR-AM is a daytime standard broadcast station while WXUR-FM is a full-time station. The two stations are the sole stations in Media, Pennsylvania. As has been known to happen, Brandywine suffered financial reverses and the stockholders expressed an interest in selling the company in 1964. Contemporaneously, Station WVCH, located in Chester, Pennsylvania (a town which neighbors Media) elected to terminate broadcasting *20th Century Reformation Hour*, the program produced by Dr. Carl McIntire.[3] This event left Rev. McIntire with no outlet for his program in the Philadelphia broadcast market. It is understandable, therefore, that when Dr. McIntire learned that WXUR might be available, the Faith Theological Seminary[4] (hereinafter "the Seminary") entered into an agreement to purchase Brandywine's stockholders' interest in October, 1964. The Seminary filed an application with the Commission seeking approval for the proposed purchase of Brandywine's stock and for Commission approval for the Seminary's proposed operation of WXUR.

B. The Transfer Application

In its proposal to the Commission the Seminary stated that it would continue the station's general format of broadcasting entertainment, talk shows and short newscasts, and in addition, two one-hour religious programs would be broadcast each weekday;[5] the station would also broadcast religious programs until noon on Sunday.[6] The terms of the Seminary application sought Commission permission to operate "for the principal purpose of broadcasting the Gospel of our Lord and Saviour Jesus Christ, for the defense of the Gospel, and for the purposes set forth in the Charter of Incorporation." This application was not without opposition, however, as some fifteen community groups and a number of individuals and churches within the community made their opposition known to the Commission.[7] The Commission noted that it also received communications from many individuals and churches who were proponents of the transfer. As the Commission noted "[t]he complaints [opposing the

---

Footnotes at end of article.

transfer application] are based on the relationship to the transferee of the Reverend Carl McIntire, President of the Board of Directors of Faith Theological Seminary, Inc." [8]

The major concern of the opponents to the transfer was that the station would be incapable of providing for a balanced presentation of opposing views in light of McIntire's connection with the Seminary and in view of his radio programs and publications.

The main thrust of the complaints concerning Rev. McIntire, is that, in his radio programs and publications, he has made false and misleading statements and deliberate distortions of the facts relating to various public issues such as race relations, religious unity, foreign aid, etc.; that he has made "intemperate" attacks on other religious denominations and leaders, various organizations, governmental agencies, political figures and international organizations; and that such expressions are irresponsible and a divisive force in the community and help create a climate of fear, prejudice and distrust of democratic institutions. It is also alleged that, in light of his record of "partisan and extremist" views on various public issues, he lacks the degree of social and public responsibility demanded of broadcast licensees and that these views will carry over into the operation of the stations in view of his connection with the transferee. It is alleged, finally, that a serious question is thus raised, in light of his views, whether he is or will be able to bring about a balanced presentation of opposing views or whether he will place his personal views above the station's public interest obligations.[9]

While the applications for transfer were still pending, the Commission communicated with the Seminary with regard to various aspects of the application and with particular interest as to whether station "facilities would be available to other faiths for the presentation of religious programs, and, if so, under what conditions or circumstances." The Seminary responded by filing an amendment to the original application which included an exhibit which stated the Seminary's intent to "make time available on an equal and non-discriminatory basis to all religious faiths requesting time for the presentation of religious programs." [10] To further insure balance in the area of religious broadcasting the Seminary's amendment provided for a half-hour program on Sunday to be known as *Interfaith Forum.*[11]

C. Commission Approval of Transfer

The Commission's Memorandum Opinion and Order [12] granting the transfer application was forthcoming on March 19, 1965.[13] This opinion, known as the *Borst Decision,* summarizes the nature of the complaints received [14] opposing the Seminary's application. The Commission continued by expressing that, as a matter of policy:

> [t]he Commission is wisely forbidden from choosing "among applicants upon the basis of their political, economic or social views . . ." As Mr. Justice Douglas stated:
>
> "The strength of our [broadcasting] system is in the dignity, resourcefulness and the intelligence of our people. Our confidence is in their ability to make the wisest choice. That system cannot flourish if regimentation takes hold.[15]

The Decision noted that Dr. McIntire represented that his relationship with WXUR would be as that of a broadcaster and that management decisions would be left to three other members of the Seminary's Board who would constitute the Board of Brandywine.[16] Despite all of this the Commission did consider the basic fear of the application's opponents that the station would be under Dr. McIntire's influence and that it would not give full and fair treatment to divergent views on controversial issues as required by both standards of public interest and the Commission's fairness doctrine.[17] The Commission's ultimate conclusion was that a hearing on the transfer application was unnecessary because of the in-depth representations, contained in the application, to fully comply with the station's acknowledged obligations in the fairness arena.[18]

The *Borst Decision* went to great lengths to reinforce and reiterate the transferee's duties and obligations under both the fairness doctrine and the personal attack corollary. The Commission took notice of Brandywine's written submission that equal opportunity would be afforded to opposing viewpoints on controversial public issues [19] but nonetheless felt constrained to

> [s]pecifically direct attention to our ruling in Cullman Broadcasting Co., FCC 63–849 [requiring presentation of conflicting views at licensee expense if advocates willing to pay for broadcast time cannot be found] and to our personal attack principles (see *Public Notice of July 1, 1974, Applicability of the Fairness Doctrine, Part E*) the licensee is required to operate in accordance with these requirements, and unless immediately informed to the contrary, we take the licensee's representation to encompass these requirements.[20]

The Commission expressed the view that Dr. McIntire's record of offering free response time for either an opportunity to debate some issue or respond to some attack "[would] not suffice to discharge the fairness responsibilities of a licensee carrying the broadcasts in question." [21]

The Commission made every effort to assuage the fears of Brandywine's opponents that WXUR would become a medium over which McIntire could express his personal views to the exclusion of the views of the listening public. The Commission reprinted the following detailed programming promise from the Brandywine application:

"It will be the policy of the transferee to make time available on an equal and nondiscriminatory basis to all religious faiths. . . . In other words, the same terms and conditions will be applicable to all faiths . . . as will be applicable to the religious faith . . . [of] the transferee. . . . It will be the policy to make time available to religious faiths equally. . . . However, . . . a half hour will be available and utilized on Sundays . . . for an Interfaith Forum program, in which ministers or representatives of different faiths will be invited to participate in round-table discussions of religious principles and tenets as related to current social problems.

"Every effort will be made to obtain varied participation from week to week to assure the greatest possible balance of views on the subjects of discussion. The transferee will invite the cooperation of recognized ministerial associations in the Greater Philadelphia area to present their recommendations as to participants and subjects of discussion on this program and in the event of failure to obtain such cooperation, the transferee will extend invitations to, and make sincere efforts to obtain participation by, individual churches and faiths in a manner which will assure, to the fullest extent possible, fair and equal representation of varying views.[22]"

The Commission granted Brandywine's application for transfer with one final warning to the Seminary broadcast group.

"In reaching this determination, we have relied upon the specific representations by the transferee indicating awareness of a licensee's responsibilities. In any event, this grant is subject to the same conditions applicable to all broadcast grants . . . [including, among itemized conditions] . . . that [Brandywine] will abide by the requirements of the fairness doctrine (see [Fairness Primer]).[23] "

The new management began broadcast operations on April 29, 1965.

D. The License Period

Brandywine's initial license period ran from April 29, 1965, through April 1, 1966.[24] It is important for this court to examine WXUR's operations during this period as these operations are the actual predicate of the action before us.

When the new management group assumed broadcast control on April 29, 1965, they began making substantial changes in the station's program format, despite the fact that these changes were not indicated in the proposed program format as presented by the Seminary in the transfer application. In addition, one of the programs on which the Commission placed the greatest reliance in granting the application, *Interfaith Dialogue,* did not first appear on WXUR until November 28, 1965, some seven months after the Seminary assumed control of the station.[25] The Commission enumerated a partial listing of programs which did appear in the early license period although not included in the Seminary's amended "Typical Program Schedule." On May 3, 1965, WXUR broadcast *Lifeline* and *Manion Forum; Behind the Headlines* on May 4, 1965; *Howard Kershner's Commentary* on May 5, 1965; *Independent Americans* on May 6, 1965; *The Dan Smoot Report* on May 7, 1965; *Church League of America* on May 8, 1965; and *Christian Crusade* on June 14, 1965.[26] In this regard, it is interesting to note the admission by John H. Norris, the station's manager, that "as soon as the F.C.C. said that . . . [the Seminary] could take the Station over," he commenced making arrangements for broadcast of the above programs.[27] All of these programs shared one common charactertistic: they were devoted almost solely to coverage and discussion of viewpoints on controversial issues of public importance. Personal attacks on the honesty, integrity and character of both groups and individuals were, unfortunately, not infrequent.[28]

Seven months after the Seminary commenced operation of WXUR, the station was the subject of public condemnation by the Media Borough Council [29] and the House of Representatives of the Pennsylvania General Assembly.[30] The Seminary's Broadcast Board attempted to soothe some of the ruffled nerves created by the *Freedom of Speech* program,[31] and continued its attempts at rehabilitating the station's image by introducing *Inter-Faith Dialogue,* promised in the January 1965 amendment to Brandywine's transfer application, on November 28, 1965.[32]

WXUR was required to file its renewal application by early May, 1966. They were sent the necessary "renewal packet" early in 1966 by the Commission. At this time WXUR was also continuing to receive more specific communications from the Commission relating to complaints it had received from individuals, community groups and local governmental bodies. The record discloses that WXUR made attempts at this time to once again enhance its public image by attempting to produce several programs containing contrasting viewpoints on controversial issues of public importance. Each of these programs were carefully detailed in Brandywine's renewal application filed May 3, 1966.[33] That application would have, if granted, provided Brandywine a license for a three-year period from August 1, 1966, through July 31, 1969. Based on Brandywine's operating record from March 17, 1965, through the May 3, 1966, filing date, nineteen parties opposed the renewal application and urged the Commission to deny Brandywine's application.[34] This opposition was in the form of a joint pleading filed with the Commission on July 19, 1966.

After considering the submissions of the

Footnotes at end of article.

parties the Commission found that substantial questions did exist as to

> whether the applicant has met the conditions set forth in the Commission's . . . [Transfer Order] . . . during its license period from April 29, 1965 to August 1, 1966; . . . whether the applicant fully and candidly advised the Commission of its program plans in connection with its [transfer] application . . .; the applicant's efforts to comply with the Commission's Fairness Doctrine, including the personal attack principle; and . . . whether the applicant has used the facilities of its stations to serve the sectarian and political views of its principals and to raise funds for their support rather than to serve the community generally, and whether this was misrepresented to the Commission in its application for acquisition of control of these stations. In the latter connection, the Commission notes the charges that the applicant has operated stations WXUR and WXUR–FM, as a divisive force in the community by disparaging racial and religious groups and by castigating and vilifying persons and groups espousing views on public controversial issues different from those of the applicant.[35]

The Commission adopted a number of issues for the hearing of which four remain pertinent to these proceedings:

> To determine whether the applicant failed to inform the Commission fully of its program plans in connection with its application for acquisition of control of Stations;
>
> To determine whether the applicant has complied with the Fairness Doctrine and Section 315 of the Act by affording a reasonable opportunity for the discussion of conflicting views on issues of public importance during its license period;
>
> To determine whether during its license period the applicant has complied with the personal attack principle of the Fairness Doctrine by furnishing copies of pertinent tapes, continuities or summaries to persons or groups attacked, with specific offers of the stations' facilities for responses, where discussions of controversial public issues have involved personal attacks;
>
> To determine whether the applicant in connection with its application for transfer of control of Stations WXUR and WXUR–FM misrepresented to the Commission its program plans.[36]

The Commission designated the WXUR renewal application for hearing stating that it was

> unable to determine that a grant of these renewal applications would serve the public interest, convenience, and necessity. In order to insure that a full record is made detailing all pertinent and relevant facts concerning the applicant's operations of stations WXUR and WXUR–FM and its representations concerning such application, an evidentiary hearing is required.[37]

E. The Hearing

Hearing Examiner H. Gifford Irion called the evidentiary hearing to order on October 2, 1967, in Media, Pennsylvania.[38] The hearings recessed for over three months on December 15, 1967, after the bulk of the Intervenor's and Broadcast Bureau's evidence had been submitted, to allow Brandywine to prepare its case. The Brandywine presentation began on March 20, 1968.[39]

The record of the hearings closed on June 26, 1968, after a compilation of a nearly 8,000 page record and several hundred exhibits.

F. The Initial Decision

Hearing Examiner Irion released his Initial Decision on December 13, 1968. This very lengthy examination of the case [40] was most thorough with regard to findings of fact, however, the high quality of fact finding led the examiner to only irrational conclusions and findings of law. Intervenors have termed this decision "a whitewash of Brandywine's performance as a licensee" [41]—this court must concur in that assessment. Several examples will make this clear.

[1, 2] 1. *Presentation of Contrasting Viewpoints on Controversial Issues.* Hearing Examiner Irion found that WXUR should be excused from complying with the fairness doctrine because of the small staff retained by the station. Secondly, he found that programming on WXUR was balanced by the programming of other licensees in the Philadelphia market. Both of these conclusions are clearly erroneous. The fairness doctrine applies to *all* licensees, while area wide programming is not a valid consideration in determining whether a licensee has complied with the fairness requirements. *See* Green v. F. C. C.[42]

2. *Personal Attack Violations.* The Examiner made numerous findings against WXUR for failure to comply with the personal attack principle of the fairness doctrine. However, his conclusions fail to recommend any sanctions for these numerous violations. It is not necessary for this court to prepare a line-by-line analysis and refutation of the Examiner's decision; nor would it be prudent for us to do so as the Commission has issued its own detailed opinion reversing the Examiner. Nonetheless we are sufficiently disturbed by the Examiner's final conclusion to pause for a moment to reflect and comment. Examiner Irion concluded by saying:

> Thus the decision must be shaped by ultimate objectives rather than by isolated instances of error. This will not be an invitation to carelessness or disregard of the ethical principles involved in the personal attack rules since punishment by forfeiture will always await the transgressor but, in the unusual circumstances of this case, Draconian justice is inadvisable.[43]

It is clear to this court, as it was to the Commission, that the Examiner began his herculean opinion by determining both his conclusion and ultimate disposition of this case. Rather than suiting his conclusions to "let the punishment fit the crime", he chose to adopt a benevolent stance ill-suited to the facts in this case. The *Initial Decision* allows appearance to tyrannize over truth. The facts surrounding Brandywine's operation of WXUR are neither so pliant nor sufficiently malleable to allow for the conclusions of the Examiner.

The opinion did contain a number of findings adverse to Brandywine; however, the licensee failed to file exceptions as to any of these matters.[44] Both intervenors and the Broadcast Bureau of the Commission filed extensive exceptions.

G. The Commission's Decision

The Commission refused to adopt the Hearing Examiner's *Initial Opinion* and adopted its own opinion on July 7, 1970 in which it denied the licensee's application for renewal after an independent review of the record. In its review the Commission drew adverse conclusions with reference to Brandywine's compliance with the fairness doctrine [45] compliance wit hthe personal attack principle,[46] and also with reference to the manner in which Brandywine misrepresented its program plans to the Commission.[47] Let us examine the Commission's reasoning in each area separately.

1. The Fairness Doctrine

The fairness doctrine was, in the Commission's view, the central aspect of the litigation. The reason for this is axiomatic—prior to issuing Brandywine's initial license a tremendous amount of concern was expressed to the Commission by numerous parties, each fearing that WXUR would fail to comply with the doctrine. Brandywine's response to these fears was clear and apparently forthright—it had promised at the time of the transfer application to fully comply with the doctrine.[48] In point of fact, the decision of the Commission had "reiterated the necessity that a licensee serve the public interest by adherence to the Fairness Doctrine, including the personal attack principle." [49]

The Commission proceeded to review the record, including fifteen days of monitored broadcasts,[50] and concluded "that Brandywine under its new ownership did not make reasonable efforts to comply with the Fairness Doctrine during the license period." [51] The Commission discovered, as a result of studying the submissions based on the monitored periods, that WXUR had failed to comply in a number of instances in which one side of an issue was broadcast

> during these periods without presenting any opposing viewpoints on any but one of these issues, and with an insignificant presentation on that issue, despite the fact that such controversial issue programming was a substantial part of WXUR's total programming.[52]

Additionally, the Commission found that WXUR had failed to affirmatively come forth with the requisite responsive evidence necessary to illustrate Brandywine's efforts to assure compliance with both the fairness doctrine and the personal attack principles, as promised in the initial transfer application. The Commission found that:

"Brandywine failed to establish any regular procedure for previewing, monitoring or reviewing its broadcasts, and thus did not regularly know what views were being presented on controversial issues of public importance. Despite the *prima facie* evidence presented by the other parties on this issue, Brandywine did not respond with any further review of its treatment of such controversial issues, either for the full license period or any smaller reasonable segment of time. Furthermore it made no showing of public announcements inviting the presentation of contrasting views at the times the issues in Appendix A (or others) were discussed, nor of any other adequate action to encourage the presentation of contrasting viewpoints on these issues.[53] Brandywine relies upon certain call-in and interview programs as meeting its fairness obligations. However, our review of the record shows that these programs were inadequate to this purpose because they either were not directed at obtaining opposing views on the issues (*i.e.*, speakers were not secured or presented in connection with these issues), or were so conducted as to discourage the presentation of views not shared by their moderators." [54]

WXUR contended that Rev. McIntire had undertaken substantive efforts to assure compliance with the fairness doctrine. This submission took the form of letters which evidenced unaccepted invitations to appear on the *20th Century Reformation Hour*. The Commission rejected this would-be indicia of compliance since "these were not invitations by the licensee and, more important, they do not constitute adequate invitations to present contrasting views on the issues set forth in Appendix A." [55] Similarly, the Commission rejected the suggestion that the licensee's fairness obligations could be met by the existence of a daily one-hour call-in program, entitled *Freedom of Speech*, on which a listener could comment briefly on any topic he wished.[56] "On the contrary," the Commission stated, "its operation demonstrates a failure to provide a fair forum by a licensee specifically on notice of its responsibilities in the fairness area." [57] This was especially true since, from the inception of the program until the replacement of Thomas Livezey as moderator, after the adverse resolution of the Media Borough Council,[58] the program

> was conducted so as to discourage viewpoints with which [the moderator] disagreed. From the outset he both cut off and insulted callers who did not share his views. This conduct, for which Brandywine is of course responsible, is patently inconsistent with the requirement of fairness.[59]

Footnotes at end of article.

Likewise, the Commission rejected two other daily programs as examples of efforts to provide the required balance. The first of these was *Delaware County Today* [60] on which the moderator dealt with those opposed to his views by "rough[ing them] up" and by "forc[ing them] to give their views in an antagonistic setting." [61] The second program on which WXUR sought to rely was *Radio Free Philadelphia.*[62] The commencement of this program was shortly after Brandywine filed its renewal application with the Commission and shortly prior to the filing of the petition to deny. Therefore, the program had a very brief period of relevance to this proceeding.[63]

The Commission indicated that a detailed discussion of these programs and issues was necessary

> both because they are critical to resolution of the fairness issue in this case and because the Examiner neither tied his view that WXUR had put on all shades of the political spectrum to the station's treatment of particular controversial issues nor made a distinction between the pre- and post-renewal date programming. *We are not concerned with the social, political, or religious philosophy of the licensee or any person using its facilities.* Our interest is i nthe right of the public to a reasonable opportunity to hear contrasting views on controversial issues; whether this right has been accorded by the licensee can be determined only in the context of issues, not by generalized political labels. In the face of particular attention being drawn to the necessity for fairness at the time control of the station was transferred, the record shows no reasonable attempt to meet the station's obligations in this area. See Editorializing by Broadcast Licensees, 13 FCC 1246 (1949).[64]

The Commission refused to give weight to the Examiner's conclusion that WXUR's small staff in some way exculpated the station for its failure to achieve balance in fairness.

"The objective of the Fairness Doctrine is to protect the listeners' right of access to information about all sides of controversial issues of public importance. No showing has been made of inability to comply with fairness requirements because of financial limitations." [65]

The Commission was also unmoved by Brandywine's "alleged delegation of Fairness Doctrine responsibilities to the sponsors or producers of the programs it broadcast. (Tr. 7874–75)." [66]

> Fairness Doctrine responsibilities may not be delegated. Editorializing by Broadcast Licensees, 13 F.C.C. at 1248; see also "Living Should Be Fun," 33 F.C.C. 101, 107 (1962) . . . . [T]he ultimate responsibility for compliance with the Fairness Doctrine rests with the licensee. Norris [the General Manager] must have known this if he understood the Doctrine as thoroughly as he claimed. (See Tr. 1664–65 and 1880–82.) In any event, we have not found that any delegee adequately performed these functions.[67]

The Commission concluded its consideration of this topic by finding that Brandywine "was indifferent to its affirmative obligation 'to encourage and implement the broadcast of all sides of controversial public issues' (paragraph 9, Editorializing by Broadcast Licensees, 13 F.C.C. at 1251), and indeed it was hostile to such broadcasts." [68]

2. Personal Attack Principle

It was clear to the Commission, as it was to Examiner Irion, that WXUR "repeatedly violated the personal attack principle." [69] This was in spite of specific instructions from the Commission to Brandywine at the time that the initial transfer application was approved. This court need not recount these violations seriatim as the Commission has already done so for us.[70] The Commission continued by noting that the Examiner had found additional attacks, as to which no exceptions were taken by Brandywine; however, the Commission found it unnecessary to "adopt all of the Examiner's findings in this respect," because recitation of "indisputable examples is sufficient," [71]

Subsequent to the attacks in issue in the case at bar the personal attack principle was codified into a formal rule.[72] Under the terms of the rule the Commission exempted bona-fide newscasts, bona-fide interviews, and on-the-spot coverage of bona-fide news events from the earlier reply requirements of the principle. Examination discloses that none of these exemptions prove applicable to the attacks broadcast by Brandywine and hence, "Brandywine was . . . obligated to comply with the personal attack principle in regard to each one of the personal attacks.[73] In each case the Commission found that Brandywine failed to give notice to the party attacked as required; they failed to send the required copies of transcripts, tapes or summaries; and similarly, they failed to offer an opportunity to reply to the aggrieved party as required. More dispositive, however, was the fact that:

> Brandywine had not established any procedures to insure compliance. (Tr. 1662–1670). For example, Brandywine did not arrange to know either before or at the time of broadcast whether a given broadcast contained any personal attacks. (*Ibid.*) Brandywine was therefore incapable of sending transcripts, tapes or summaries of the broadcasts to those attacked either prior to or at the time of the broadcast.[74]

[3] Again, the station's argument to the effect that its small staff excused it from performing in this area was unpersuasive. The Examiner was willing to excuse WXUR since those attacked often showed no concern; however, the principle was never geared at protecting persons from personal abuse, but rather "to enable the listening public to hear expositions of the various positions taken by responsible individuals and groups on important disputed issues." [75]

The Commission concluded that "Brandywine simply ignored its plain duty to the public" and that this conduct was "particularly reprehensible in light of the fact the licensee had been cautioned at the outset concerning its duties in this area." [76]

3. Representations as to Programming

The Commission noted that an independent basis for denying the Brandywine renewal application was WXUR's utter failure to live up to its original representations concerning its program plans. The much-touted *Interfaith Forum,*[77] which was designed to promote open discussion concerning matters of modern-day religion, did not appear until November 28, 1965, ten days after the Media Borough Council's resolution, despite the fact that the program was promised specifically in Brandywine's January 25, 1965 transfer application amendment.[78] When *Interfaith Forum* did finally make its belated delut it did not fufill its advertised purpose to "'make every effort' to get a varied participation." The show never took the form of the promised round-table discussion but, was an interview show on which students or faculty of the Faith Theological Seminary simply interviewed fellow seminarians. Brandywine sought to explain this away by claiming that the Greater Philadelphia Council of Churches had deliberately boycotted the program; yet, there is no support for this proposition in the record.[79]

Brandywine's actual programming practices were far more objectionable than the singular failure of *Interfaith Forum* to appear. From the very inception of Brandywine's control of WXUR there was a marked deviation from the original programming representations made to the Commission. Between April 29, 1965 and May 8, 1965 WXUR replaced a number of promised programs, mostly classified as "entertainment," with seven new programs.[80] The Commission found, and logic dictates that this court agree, that the plans for each of these programs predated the actual transfer. These changes must be viewed as substantial inasmuch as they differed significantly from those programs which they were replacing and were a departure from the general format promised in the Brandywine transfer application: *i. e.,* programming designed "for the purpose of broadcasting the Gospel of Our Lord and Savior Jesus Christ, for the defense of the Gospel and for the purposes set forth in the Seminary's Charter of Incorporation." [81]

The Commission refused to accept station manager Norris' representation that these new programs, for which sponsors allegedly purchased time from WXUR, were born of economic necessity in response to an alleged boycott on the part of commercial advertisers. Despite Brandywine's assertion that this action was in anticipation of the boycott, seven of the eight programs listed in footnote 80 were on the air between four and nine days after Brandywine's assumption of control.[82] Three of these programs were sponsored by an organization called the "American Patriotic News", which never paid any sponsorship fees to WXUR. As Norris was a trustee of the "American Patriotic News" and station manager of WXUR, it is safe to assume that he was aware that these three programs were generating no income. The Commission concluded that the Faith Theological Seminary

> [failed to apprise us] fully concerning program plans, and also a significant departure from an express representation concerning the fair treatment of all religious faiths [sic]. In view of the circumstances, these failures can not be laid to inadvertence. They must be considered a conscious course of conduct.[83]

The Commission closed its 23-page opinion by stating:

"We conclude upon an evaluation of all the relevant and material evidence contained in the hearing record, that renewals of the WXUR and WXUR-FM licenses should not be granted. The record demonstrates that Brandywine failed to provide reasonable opportunities for the presentation of contrasting views on controversial issues of public importance, that it ignored the personal attack principle of the Fairness Doctrine, that the applicant's representations as to the manner in which the station would be operated were not adhered to, that no adequate efforts were made to keep the station attuned to the community's or area's needs and interests, and that no showing has been made that it was in fact, so attuned. *Any one of these violations would alone be sufficient to require denying the renewals here, and the violations are rendered even more serious by the fact that we carefully drew the Seminary's attention to a licensee's responsibilities before we approved transfer of the stations to its ownership and control.*" [84]

On August 6, 1970 Brandywine filed a motion to reconsider with the Commission.

H. Commission's opinion on reconsideration

The Commission released its memorandum Opinion and Order [85] denying Brandywine's request for reconsideration on February 11, 1971. The central theme raised by Brandywine constituted an assertion that the Commission's July Decision extended the concept of the fairness doctrine to an unconstitutional brink in that the July Decision was predicated upon "a disapproval of the content of the programs on WXUR." The Commission commented:

"Our decision was based solely upon fairness concepts whose constitutional validity has been sustained by the Supreme Court in Red Lion Broadcasting Co., Inc. v. F. C. C.,

---

Footnotes at end of article.

395 U.S. 367 [89 S.Ct. 1794, 23 L.Ed.2d 371] (1969) and in no sense upon any Commission attitude toward the content of any view expressed over Brandywine's facilities.[86]

The Commission expressed the view that Brandywine's failure to meet the affirmative duty set forth in Red Lion Broadcasting Co., Inc. v. F. C. C.[87] to "offer to make available a reasonable amount of broadcast time to those who have a view different from that which has already been expressed on his station",[88] was not beyond the pale of constitutional reach by the Commission, merely by demonstrating the existence of offers of time during which the proponents of contrasting views were harassed. The Commission stressed that this was a matter of presentation and not one of content.

[W]e did not hold that . . . there was anything wrong *per se* in harassing conduct by a moderator, but only that Brandywine could not rely for its achievement of fairness upon a program where one side was singled out for harassment.[89]

The Commission proceeded to consider each of the issues which Brandywine raised and concluded by reaffirming the majority of its earlier views. Let us consider each issue separately as we did with regard to the *July Decision*.

1. The Fairness Issue

In its petition for reconsideration Brandywine in no way challenged the Commission's earlier finding that despite Brandywine's initial representation and despite the Commission's strong warning in the transfer decision, "Brandywine had taken no steps to encourage the presentation of contrasting views on several issues of public importance where it had presented one side on each of these issues." [90] Brandywine contended that it had broadcast material on certain news, interview, and call-in shows which, although never considered by the Commission, did satisfy the fairness doctrine requirements as to these issues. The Commission began by reminding the licensee that its affirmative duties in the fairness arena would not be satisfied

> by leaving the expression of contrasting views to such happenstance as the remarks of an unknown person on a call-in program, or to the possibility that a pertinent question will be asked on a general interview program unannounced as dealing with any particular issue and not presenting a guest selected as a responsible spokesman of a contrasting view.[91]

The Commission did not stop at this juncture but rather continued on to reexamine the material cited by petitioners and determined that this material was not "an expression of conflicting viewpoints in a reasonable ratio which might make a denial of renewal inappropriate." [92] The Commission commenced with an evidentiary point—the affirmative cases presented by the intervenors and the Broadcast Bureau, based on the two weeks of monitored programming, placed an evidentiary burden on Brandywine which could not be satisfied merely by demonstrating "some instances of the expression of opposing views in other time periods without also taking account of any further expression of the original views in such other time periods." [93] Brandywine failed to produce any evidence concerning what was broadcast during the periods they cited to the Commission except for those specific matters on which Brandywine relied. The Commission went on to say:

"In the face of the *prima facie* showing that its treatment of certain issues was unfair, Brandywine clearly was required to show how it encouraged the presentation of opposing views, or at least that the presentation of such views constituted a reasonable proportion to the time devoted to the issues, either throughout the license period or, at the minimum, during some other representative period of time. . . . Therefore, we adhere to our conclusion that Brandywine failed not only to seek some balance of opposing views but to carry opposing views in any fair ratio." [94]

Brandywine attempted to have the Commission exclude certain broadcast statements by Dr. McIntire since they were "religious." [95] The decision on which this attempt was founded was without relevance. The *Murray Letter*, on which Brandywine sought to rely, only held that devotional services were not a controversial issue within the scope and meaning of the fairness doctrine; but "[t]he fairness doctrine extends to all expressions of views on controversial issues of public importance, whether or not they may be deemed religious views by some persons." [96] This holding, the Commission stated, "is no more an abridgement of freedom of religion than of freedom of speech, an issue already decided by the Supreme Court in *Red Lion Broadcasting Co., supra.*" [97]

Brandywine charged that the Commission had neglected to consider various invitations to certain spokesmen. The Commission replied by commenting that "Brandywine mistakes our disagreement with its arguments for failure to consider them."[98] The Commission once again detailed its reasons for finding the Brandywine invitations inadequate. It also discounted McIntire's sundry invitations since they did not emanate from the licensee as the law requires. The Commission noted that its action was based primarily on the inadequacy of the various offers and once again spoke to Brandywine's practice of delegating its responsibilities under the fairness doctrine:

"Certainly if Dr. McIntire had made adequate invitations corresponding to the issues and had succeeded in getting spokesmen with opposing viewpoints to speak on his program, Brandywine would have been able to rely upon this success in complying with the fairness doctrine. However, the converse does not obtain. Brandywine can not absolve itself from failure to comply by merely pointing to Dr. McIntire's abortive efforts. Mr. McIntire's inadequate invitations and failure to get acceptances do not discharge Brandywine from its fairness duties. As we stated in the decision, "the ultimate responsibility of compliance with the fairness doctrine rests with the licensee.[99]"

On the positive side of the scale, the Commission decided that based on materials broadcast outside of the monitored weeks that WXUR "should be given the benefit of the doubt" [100] with regard to its coverage of the Vietnam War issue. However, the Commission found that with reference to issues relating to federal administration policy and activities, civil rights and liberties, United States foreign relations, the proposed New Jersey group defamation law, major news media, and loyalty of federal officials, that the citations submitted by Brandywine were either inadequate, inaccurate, lacking or insufficient in light of the balance of one-sided broadcast presentation.[101]

2. Personal Attack Principle

Brandywine attempted to escape the evidentiary burden placed on it by the Commission by claiming that the standards imposed by the Commission were too vague. The Commission dealt with this allegation by stating:

Brandywine contends that our judgment that it carried personal attacks without notifying the persons attacked of their right to respond is without evidentiary support and that we have no clear definition of "honesty, character, integrity or like personal qualities" against which to measure Brandywine's actions. However, the Supreme Court has sustained the rules against the charge of vagueness in **Red Lion Broadcasting Co.,** supra, and we think that the attacks made over WXUR (see Appendix B of our decision) were such that no reasonable doubt exists as to their proper characterization. Brandywine further charges that we have not explained why the attacks were not made aside the fact that Brandywine does not in fact assert that the attacks were made during bona fide news programs—something it should do if it believes we were in error—we think it plain that they were not. Brandywine did not introduce these programs when they were broadcast as newscasts and they consisted entirely of comments not commonly considered to be news reporting.[102]

In addition, the Commission rejected Brandywine's argument that an adverse finding with respect to the personal attack principle was inconsistent with other Commission rulings in this area.[103]

The Commission also ruled that a 1969 finding by its Broadcast Bureau was not inconsistent with its ruling concerning certain remarks, not at issue in the case, broadcast by Brandywine. The Commission held the 1969 staff decision to be correct.

"In any event, what is important here is not whether there may be a reasonable doubt as to the correctness of the staff ruling in another situation, but rather whether there was such a doubt about the comment . . . in this case. We do not believe that Brandywine could have had such a doubt; nevertheless, it failed to follow the requirements of the rules." [104]

The final contention in this area, which the Commission also rejected, was that the Commission's decision constituted an unconstitutional *ex post facto* approach to the July, 1967 personal attack rules. The reason that the Commission rejected this contention was that the rules codified precepts which were already in effect and which Brandywine had specifically been made aware of by the Commission's transfer order.[105]

3. Representatives Concerning Program Plans

Once again, the Commission stressed that its concern was not with title changes being made to the program schedule but to Brandywine's "willingness to withhold [its] intentions with respect to a substantial amount of programming." [106] The action taken against Brandywine had nothing to do with program content; it was aimed against WXUR solely because of its failure to "candidly advise us and the public of its intentions." [107] The Commission determined that its concern was not based on WXUR's motive but rather its conduct.

"The fact of concealment may be more significant than the facts concealed. The willingness to deceive a regulatory body may be disclosed by immaterial and useless deceptions as well as by material and persuasive ones." F. C. C. v. WOKO, Inc., 329 U.S. 223, 227, 67 S.Ct. 213 216, 91 L.Ed. 204 (1946).[108]

The Commission concluded the *February Decision* by deleting its adverse findings in the *July Decision* as to the issue of ascertainment of community needs [109] and found, still again, "that Brandywine is not entitled to renewal of licenses of WXUR and WXUR-FM." [110]

Brandywine has taken the instant appeal from these findings.

II. THE FAIRNESS DOCTRINE

[4, 5] The requirements of the fairness doctrine are by no means regulations of recent advent. Not only is the concept of the doctrine an established historical fact in the broadcast industry but the doctrine itself has been little changed over the years. The purpose of the doctrine is to assure that when controversial issues of public importance are aired on radio and television frequencies that fair coverage be given to both sides of issues presented. The doctrine is a "common law development" which has evolved from a long line of rulings by the

---

Footnotes at end of article.

Commission on a case by case basis. As Justice White pointed out in *Red Lion*, the doctrine "is distinct from the statutory requirement of § 315 of the Communications Act [111] that equal time be allotted all qualified candidates for public office." [112] In 1967 the Commission codified two corollaries of the doctrine—the personal attack doctrine and the rules relating to political editorializing.[113]

The Supreme Court's opinion in *Red Lion* went to great lengths at setting out the history of the birth of the fairness doctrine and its related regulations. We shall review that material here because of its critical importance to the case at bar.

The government was not always engaged in the regulation of broadcast frequencies. In fact, it was only out of dire necessity and sheer confusion, accompanied by utter chaos, that the government entered into a role of broadcast regulations.[114] Indeed, it was not until 1927 that responsibility for the assignment and allocation of radio frequencies was assumed by the government.

It quickly became apparent that broadcast frequencies constituted a scarce resource whose use could be regulated and rationalized only by the Government. Without government control, the medium would be of little use because of the cacophony of competing voices, none of which could be clearly and predictably heard.[115] Consequently, the Federal Radio Commission was established to allocate frequencies among competing applicants in a manner responsive to the public "convenience, interest, or necessity." [116] The Court continued:

Very shortly thereafter the Commission expressed its view that the "public interest requires ample play for the free and fair competition of opposing views, and the commission believes that the principle applies . . . to all discussions of issues of importance to the public." Great Lakes Broadcasting Co., 3 F.R.C.Ann. Rep. 32, 33 (1929), rev'd on other grounds, 59 App.D.C. 197, 37 F.2d 993, cert, dismissed, 281 U.S. 706, 50 S.Ct. 467, 74 L.Ed. 1129 (1930). This doctrine was applied through denial of license renewals or construction permits both by the FRC, Trinity Methodist Church, South v. FRC, 61 App. D.C. 311, 62 F.2d 850 (1932), cert. denied, 288 U.S. 599, 53 S.Ct. 317, 77 L. Ed. 975 (1933), and its successor FCC, Young People's Association for the Propagation of the Gospel, 6 F.C.C. 178 (1938). After an extended period during which the licensee was obliged not only to cover and to cover fairly the views of others, but also to refrain from expressing his own personal views, Mayflower Broadcasting Corp., 8 F.C.C. 333 (1940), the latter limitation on the licensee was abandoned and the doctrine developed into its present form.

There is a two fold duty laid down by the FCC's decisions and described by the 1949 Report on Editorializing by Broadcast Licensees, 13 F.C.C. 1246 (1949). The broadcaster must give adequate coverage to public issues, United Broadcasting Co., 10 F.C.C. 515 (1945), and coverage must be fair in that it accurately reflects the opposing views. New Broadcasting Co., 6 P & F Radio Reg. 258 (1950). This must be done at the broadcaster's own expense if sponsorship is unavailable. Cullman Broadcasting Co., 25 P & F Radio Reg. 895 (1963). Moreover, the duty must be met by programming obtained at the licensee's own initiative if available from no other source. John J. Dempsey, 6 P & F Radio Reg. 615 (1950); see Metropolitan Broadcasting Corp., 19 P & F Radio Reg. 602 (1960); The Evening News Assn, 6 P & F Radio Reg. 283 (1950). The Federal Radio Commission had imposed these two basic duties on broadcasters since the outset. Great Lakes Broadcasting Co., 3 F.R.C.Ann.Rep. 32 (1929), rev'd on other grounds, 59 App.D.C. 197, 37 F.2d 993, cert. dismissed, 281 U.S. 706, 50 S.Ct. 467, 74 L.Ed. 1129 (1930); Chicago Federation of Labor v. FRC, 3 F.R.C.Ann.Rep. 36 (1929), aff'd, 59 App.D.C. 333, 41 F.2d 422 (1930); KFKB Broadcasting Assn. v. FRC, 60 App. D.C. 79, 47 F.2d 670 (1931), and in particular respects the personal attack rules and regulations at issue here have spelled them out in greater detail.[117]

Having laid the necessary historical predicate we can turn our attention to the law of the fairness doctrine.

The need for radio regulation has not seriously been questioned in over fifty years. As much as our historical study shows a need for this regulation, there has been a concomitant need for a fairness doctrine. America has turned away from its town meeting and processes of rural decision making. This is the electronic age—an age in which communications systems relay information to an eager public in fractions of milliseconds. Information has become the stock and trade of our informed public. So too has our method of getting information changed in the last half century. We are shifting our emphasis from the printed media to the electronic media. Radio and television consume massive portions of America's time. Because of this we must assume that the public be given access to varied information so that they may remain an intelligent and viable group—free to choose from the options available to them—free to make a choice. In a recent appearance before the Senate Subcommittee on Communications. Nicholas Johnson, a Commissioner of the F.C.C., expressed the need of the American people for which the Commission has undertaken to provide. This parable states the problems involved so succinctly that we reprint it in full:

Once upon a time there was a nation great in ideals and industrialization. It had businesses everywhere—and unsurpassed military might. Yet its greatest strength lay in its ideological foundation. This nation professed to be governed by the consent of its citizens. To ensure the successful functioning of this unique experiment in government, free education, libraries and full information were provided to all, so that this nation's two-hundred million governors, through wide-open debate, might govern themselves wisely. But as the years slipped by, the people spent more and more of their time in their air conditioned homes watching television, and less and less time listening to speakers in the public parks, attending town meetings, and reading handbills on the streets. Meanwhile, the number and importance of cruel issues were growing, and the need for well informed governors became paramount. Thus it was the great debate about the great debate began.

Everyone had his own theory of how to reverse this trend and return the democratic dialogue to the people, who were all at home watching their television sets. Some advocated letters, petitions, press conferences and picketing, but they had little success. Attention shifted to those who advocated bombing, burning, shooting and looting, because before and after the televising of such activities it was usually possible to present a short message, however distorted, concerning the merits of the controversy that generated such outrageous conduct. Then a third group came along. It said, "Let us simply go to the broadcasters peacefully, ask them for the time to present our concerns—we will even pay them." But the broadcasters politely explained that there was no time available for the discussion of public issues—such as war, life and politics—because the time all had to be used for programs and announcements necessary to the very difficult but essential task of inducing consumers to buy useless, joyless, and sometimes harmful products. Yet these patient and patriotic students, businessmen, and Senators were not deterred. They continued to preach the doctrine of "working within the system." "The Government," they said, "will treat us fairly. There is reason and justice in our land. Surely a democratic people need not be violent to be heard." And so it was that they came to the Federal Communications Commission . . . .[118]

In the past months this court, and several other circuit courts, have examined the fairness doctrine on several occasions, sometimes at great lengths.[119] It is clear to this court, therefore, that what we are about to state, with reference to the law in this area, is merely repetitive of our prior efforts. Nothing which we state here is new; however, it is our hope that through our efforts we will be able to instruct appellants as to the proper standard of the law and that we will allay any lingering doubts that appellants may have as to our consideration of the pertinent authorities.

The Commission's most recent elaboration on the fairness doctrine came following the *Red Lion* decision. In the Matter of Obligations of Broadcast Licensees Under the Fairness Doctrine [120] the Commission posited:

"The fairness doctrine was evolved as a policy under the public interest standard in a series of cases, given its definitive policy statement in the Commission's 1949 Editorializing Report (13 F.C.C. 1246), and codified into the Communications Act of 1959. See section 315(a), 47 U.S.C. 315(a); Red Lion Broadcasting Company, Inc. v. Federal Communications Commission, *supra*. It requires the broadcast licensee to afford reasonable opportunity for the discussion of conflicting viewpoints on controversial issues of public importance. The Commission early determined that if the fairness doctrine were to achieve its most salutary purpose, an affirmative obligation in this respect must be imposed upon the licensee. . . ."

* * * * *

The Commission's general approach to this facet of the fairness doctrine is set forth in a 1964 ruling, Letter to Mid-Florida Television Corporation, 40 F.C.C. 620, 621 (1964):

". . . The Commission does not seek to establish a rigid formula for compliance with the fairness doctrine. The mechanics of achieving fairness will necessarily vary with the circumstances, and it is within the discretion of each licensee, acting in good faith, to choose an appropriate method of implementing the policy to aid and encourage expression of contrasting viewpoints. Our experience indicates that licensees have chosen a variety of methods, and often combinations of various methods. . . .[121]

This court made it clear in Democratic National Committee v. F.C.C. that "[t]he importance of the fairness doctrine is neither academic nor is it an administrative nicety. As the Commission stated: "The keystone of the fairness doctrine and of the public interest is the right of the public to be informed—to have presented to it the "conflicting views of issues of public importance".' " [122] The proposition of the fairness doctrine is easy to understand, and to accept, when one considers that because of the finite number of broadcast frequencies available "they have been necessarily considered a public trust. Every licensee who is fortunate in obtaining a license is mandated to operate in the public interest and has assumed the obligation of presenting important public questions fairly and without bias." [123] Because of the evident importance of the doctrine "it is the manifest intention of the Commission to maintain it as a viable instrument in protecting the right of the public to be fully informed on controversial issues." [124]

[6, 7] The fairenss doctrine is not subject to a formulistic application. Meeting the obligations can only be achieved by seeking out balance in broadcast coverage. Precise mathematic equality is neither required nor desirable. The cornerstone of the doctrine is good faith and licensee discretion.

Footnotes at end of article.

"[T]he licensee, in applying the fairness doctrine, is called upon to make reasonable judgments in good faith on the facts of each situation—as to whether a controversial issue of public importance is involved, as to what viewpoints have been or should be presented, as to the format and spokesmen to present the viewpoints, and all the other facets of such programming." [125]

This is an area in which the Commission has exercised a substantial degree of restraint.

"In passing on any complaint in this area, the Commission's role is not to substitute its judgment for that of the licensee as to any of the above programming decisions, but rather to determine whether the licensee can be said to have acted reasonably and in good faith. There is thus room for considerably more discretion on the part of the licensee under the fairness doctrine than under the "equal opportunities" requirement." [126]

Licensees seeking to meet the requirements imposed by the doctrine must be mindful of Congressional intent. It was never intended by either Congress, or the Commission, that the doctrine work toward suppression of the discussion of controversial issues. To the contrary the intent of the drafters was to "[require] the discussion of conflicting views on issues of public importance." [127]

The Supreme Court spelled out the duties of the licensee in the clearest possible terms in *Red Lion*.

"The broadcaster must give adequate coverage to public issues, ... and coverage must be fair in that it accurately reflects the opposing views. ... This must be done at the broadcaster's own expense if sponsorship is unavailable. ... Moreover, the duty must be met by programming obtained at the licensee's own initiative if available from no other source." [128]

Let us pause for a moment to reflect on the *Red Lion* litigation. The case arose out of an alleged breach of the personal attack doctrine. The attack came in the form of an opinionated broadcast by Rev. Billy Hargis, who also frequently broadcast on WXUR. Red Lion, which was managed by John H. Norris, the station manager of WXUR, failed to meet the requirements of the Commission which a licensee must follow in the event of a personal attack. These requirements, which are set out in *Times-Mirror Broadcasting Co.*,[129] call upon the licensee to send a tape, transcript or summary of the broadcast containing the attack to the wronged party. The licensee is required to offer the aggrieved party an opportunity to respond and must see that this opportunity be made without regard as to whether the response time will be paid for. In the opinion of this court in *Red Lion*[130] we went to great lengths to set out all of the correspondence between the Commission and Norris. Our account runs on for pages. Yet despite all of the instruction received by Norris he remained incapable of, or unwilling to, comply with the requirements in either *Red Lion* or the case currently under consideration.

The recent cases in our jurisdiction are more than adequate in setting out the current state of the law. In Green v. F.C.C.,[131] a case involving requests for time to oppose military enlistment on the air waves,

Judge Wilkey wrote that the doctrine did not require identical treatment for differing viewpoints of controversial issues, "as this would place an onerous and impractical burden on the licensees." Green v. F. C. C., *supra*, 144 U.S.App.D.C. at 358, 447 F.2d at 328. In addition we made it clear that unlike those corollaries to the doctrine that create equal-opportunities situations the doctrine itself does not create a right for any person or group to be granted time. "[T]he licensees may exercise their judgment as to what material is presented and by whom . . . The fairness doctrine is issue-oriented, and it would be sufficient if each licensee could show that the point of view advocated by petitioner . . . had been or was being presented on its station by others." *Id.* In our opinion in Business Executives' Move for Vietnam Peace v. F. C. C., *supra* [146 U.S.App. D.C. 181, 450 F.2d 642], we held that "[u]nder the permissive 'reasonableness' standard of particular format is by no means compulsory." *Id.*, at 187 of 146 U.S.App.D.C., at 648 of 450 F.2d. Thus, in opinion after opinion the Commission and the courts have stressed the wide degree of discretion available under the fairness doctrine and we have clearly stated time after time, *ad infinitum ad nauseam*, that the key to the doctrine is no mystical formula but rather the exercise of reasonable standards by the licensee. *See also* Neckritz v. F. C. C., 446 F.2d 501, 502 (9th Cir. 1971). [132]

[8–10] We reiterate—all that is required is balance; equal opportunities, except as specifically provided in § 315, are not required. We believe that imposing an absolute equal time standard for controversial issues would work to the detriment of the established intent of Congress and the Commission. As the Commission has previously noted:

"We have long stressed the different manner in which the "equal opportunities' and fairness requirements of Section 315 operate. The former is applicable only to uses of station facilities by candidates for public office and calls for *equal* treatment—as to the amount of time to be afforded, the nature of the time slot, etc. It thus works with virtually mathematical precision." [133] The Commission continued:

"In 1959 Congress codified the fairness doctrine, by inserting the provision in Section 315(a) that broadcast licensees "must operate in the public interest and . . . afford reasonable opportunity for the discussion of conflicting views on controversial issues of public importance." The conference report makes clear that this was a Congressional "restatement of the basic policy of the 'standard of fairness' which is imposed on broadcasters under the Communications Act of 1934" (H.Rep.No.1069, 86th Cong., 1st Sess., p. 5(1959)) . . . . And finally, the Supreme Court's opinion in *Red Lion* significantly recognizes the *Editorializing Report* as the statement of the basic principles embodied in the fairness doctrine," *See Red Lion supra* [395 U.S.] at pp. 384–386 [89 S.Ct. 1794]. [134] The ultimate test in this area is reasonableness. "The critical issue is whether the sum total of the licensee's efforts, taking into account his plans when the issue is a continuing one can be said to constitute a reasonable opportunity to inform the public on the contrasting viewpoint—one that is fair in the circumstances." [135]

[11] As the Fourth Circuit pointed out recently, the first line for deciding fairness cases is the good faith of the licensee. [136] It is, therefore, here that we must begin our analysis.

[12] The record of Brandywine-Main Line Radio is bleak in the area of good faith. At best, Brandywine's record is indicative of a lack of regard for fairness principles; at worst, it shows an utter disdain for Commission rulings and ignores its own responsibilities as a broadcaster and its representations to the Commission. At the very outset Brandywine was informed by the Commission, in the *Borst decision*, of the obligations of the licensee under both the fairness doctrine and the personal attack principle. This action was made necessary in the first instance because of the fear of so many in the community. It is apparent now that this fear was warranted and well founded. During the entire license period Brandywine willfully chose to disregard Commission mandate. With more brazen bravado than brains, Brandywine went on an independent frolic broadcasting what it chose, in any terms it chose, abusing those who dared differ with its viewpoints. This record is replete with example after example of one sided presentation on issues of controversial importance to the public. It is not necessary for this court to recount these matters again here. The Commission has amply done so and the record supports their contentions to the penultimate degree.

Rev. McIntire's attitude toward the fairness doctrine and the rights of the public in general is made clear by considering the following excerpts from an exchange of correspondence between McIntire and Albert J. Zack, Director of Public Relations for the AFL–CIO. Let us first consider this excerpt in a letter from Zack to McIntire, sent on November 5, 1965, in response to McIntire's invitation for Zack to appear on *20th Century Reformation Hour*:

"Day after day, program after program, you expound a point of view which is not only contrary to mine, and that of most Americans, but which grossly offends the concepts of Christian ethics. You now propose to set everything right by asking me to come to Collingswood and speak in reply to anything you may say concerning me.

"It simply will not do, Dr. McIntire. This not only does not meet the legal definition of "fairness"; but it does not meet the far more significant standards set by the conscience of men.

"No, I will not come to Collingswood though it is otherwise a pleasant town. I will not give credence to your argument that one appearance by an opponent answering anything you may say is adequate to balance your incessant drumfire of disunion and hate.

"If you wish, we will supply you with a tape or tapes of full program length telling the truth about the trade union movement and its policies, which you can alternate with your own daily commentaries, on your time—which, let us remember, is my time, too, since [the] air belongs to us all." [137]

Dr. McIntire replied on November 13, 1965 in these terms:

"You have completely misrepresented and misunderstood my invitation, as I did not imply even that your appearance in response to your attack upon me would 'set everything right.' As to the FCC's 'fairness doctrine' and its legal definition, *the FCC has made it plain that this so-called fairness doctrine comes into play on a specific broadcast only when an individual's character and integrity are attacked, but a discussion of one's views and the position which he holds in our national life is a proper and legitimate subject for debate* under the protections of the guarantees of freedom of speech and the free exercise of religion in the First Amendment. My offer to you actually went beyond any 'legal' definition of fairness.

* * * * *

"Radio stations are privately owned and it is possible in the dissemination of radio for private interests to contract for the time—which the 20th Century Reformation Hour has done. This time, for which we pay, is ours and not yours; nor does it belong to both of us with an obligation upon me to share it equally with you. It would appear to me that you have what I would call a rather socialistic view in this regard." [138]

We could give many more examples from the weighty record in this case, however, we fail to see what purpose that would serve. The exchange cited above makes it clear that McIntire either did not understand the fairness doctrine or chose to merely ignore it by twisting the law to meet his own requirements. McIntire attributes the requirements of the doctrine to the personal attack rules. Certainly, the doctrine is not so limited as this would imply. The doctrine requires balance when dealing with controversial issues of public importance. This is the extent of fairness.

Footnotes at end of article.

Throughout the pendency of these proceedings appellants have attempted to obfuscate the actual issues in this case by injecting a smoke-screen issue relating to McIntire and his *20th Century Reformation Hour*. Throughout the record we find references to stations cancelling the McIntire program because of the requirements of the fairness doctrine and, indeed, the suggestion is infused more than once that the Commission was "out to get" the Reverend. Certainly, none of this is central to the case at bar and little of it is relevant. These incantations amount to childish prattle. By cloaking these charges in the clothing of the first amendment[139] McIntire attempts to conjure right which the Constitution simply does not provide. As Alexander Hamilton said in another setting:

"To judge from the conduct of the opposite parties, we shall be led to conclude that they will mutually hope to evince the justness of their opinions, and to increase the number of their converts by the loudness of their declarations and the bitterness of their invectives.[140]

This is what we have here. At the risk of assisting Rev. McIntire in his bid for self-martyrdom, we note that his behavior is reminiscent of that of a not so legendary knight-errant named Quixote—who engaged himself by riding against otherwise harmless wind-mills. The actions taken by the Commission with reference to both Rev. McIntire and WXUR are more than supported by the record. Attempting to place the blame on the Commission for the shortcomings of the broadcaster and/or the licensee will not do. It would do the parties well to remember that:

> "The fault, dear Brutus, is not in our stars,
> "But in ourselves, that we are underlings." [141]

Left to their own wiles, Brandywine and Dr. McIntire would set the fairness doctrine to rest in a not so solemn sepulchre without regard for the right of the community to be fully informed. This record could not support the Commission's findings in this area more strongly.

III. PERSONAL ATTACK DOCTRINE

[13] The law in this area is well settled. Whenever there is an attack made on a person or group in the context of a controversial issue of public importance the individual attacked has a right to respond. The right is extended on the basis of two separate lines of authority—the holdings in *Red Lion* and *Times-Mirror Broadcasting Co.*, and on the basis of the Commission's regulations.[142]

"These obligations differ from the general fairness requirement that issues be presented, with coverage of competing views in that the broadcaster does not have the option of presenting the attacked party's side himself or choosing a third party to represent that side. But insofar as there is an obligation of the broadcaster to see that both sides are presented, and insofar as that is an affirmative obligation, the personal attack doctrine and regulations do not differ from the preceding fairness doctrine. The simple fact that the attacked men or unendorsed candidates may respond themselves or through agents is not a critical distinction, and indeed, it is not unreasonable for the FCC to conclude that the objective of adequate presentation of all sides may best be served by allowing those most closely affected to make the response, rather than leaving the response in the hands of the station which has attacked their candidacies, endorsed their opponents, or carried a personal attack upon them." [143]

[14–16] The Supreme Court laid to rest any existing challenges as to the Commission's authority in enacting regulations under the personal attack doctrine in *Red Lion*.[144] Congress has given a mandate to the "Commission from time to time, as public convenience, interest, or necessity requires" to enact "such rules and regulations and prescribe such restrictions and conditions . . . as may be necessary to carry out the provisions of this chapter. . . ." [145] The demands of public interest are prime considerations for the Commission in granting licenses,[146] renewing licenses,[147] and modifying them.[148] Additionally, station operation must be carried out in the public interest.[149]

This mandate to the FCC to assure that broadcasters operate in the public interest is a broad one, a power "not niggardly but expansive," National Broadcasting Co. v. United States, 319 U.S. 190, 219, 63 S.Ct. 997 87 L.Ed. 1344 (1943), whose validity we have long upheld. FCC v. Pottsville Broadcasting Co., 309 U.S. 134, 138, 60 S.Ct. 437, 84 L.Ed. 656 (1940); FCC v. RCA Communications, Inc., 346 U.S. 86, 90, 73 S.Ct. 998, 97 L.Ed. 1470 (1953); FRC v. Nelson Bros. Bond & Mortgage Co., 289 U.S. 266, 285, 53 S.Ct. 627, 77 L.Ed. 1166 (1933).] It is broad enough to encompass these regulations.[150]

As the Supreme Court has held specifically that the personal attack "regulations . . . are [not] beyond the scope of the congressionally conferred power to assure that stations are operated by those whose possession of a license serves 'the public interest' " [151] this leaves us only to examine the adequacy of the Commission's holding in the instant case.[152]

[17] The facts in this case indicate, as the Commission found, that the licensee demonstrated complete disregard for the rules in this area. There are instances on the record where the licensee totally failed to give any notification to persons attacked,[153] in other cases there were failures to send tapes, transcripts, or summaries.[154] The Commission found, adopting the Examiner's decision, that

> [m]anagement did very little to comply with the mandate of the rules in supplying tapes or summaries. Usually the individual was obliged to request a tape and, even then, he had difficulty.[155]

This is a demonstration of Brandywine's degree of compliance in regard to personal attacks. We have reviewed the alleged attacks in this case and find many instances of attacks upon honesty character, integrity and other personal qualities of given persons or groups in the course of discussion of controversial issues of public importance. Yet we find that the licensee did not send tapes, that it did not send transcripts, that it did not send summaries. Is this the responsible behavior of an earnest licensee?

As was the case with regard to the fairness doctrine, Brandywine was informed of its responsibilities in personal attack situations by the Commission at the time of approving the initial transfer. Brandywine represented to the Commission that they understood and would abide by the responsibilities placed on them. As the Commission stated:

"The unavoidable conclusion is that Brandywine simply ignored its plain duty to the public. . . ." We note here again that these violations, although they would warrant the same conclusion in any event, are particularly reprehensible in light of the fact that the licensee had been cautioned at the outset concerning its duties in this area." [156]

[18, 19] Brandywine has attempted to pass its obligations in this area to those who purchase time from the licensee. The law is clear in this regard. The obligation rests squarely on the shoulders of the licensee. The fact that the licensee decided to act in avoidance of this obligation by seeking to delegate a non-delegable duty is another indicia of Brandywine's failings under the law. We fully understand Brandywine's two proned defense in this area. Firstly, Brandywine claims it is incapable of screening tapes prior to broadcast because of the small size of its staff. We note that small staffs in no way exculpate licensees from their affirmative duties. Brandywine would be incapable of operating without an engineer; similarly, a person suitable to protect the rights of the listening public is a necessity for a licensee. This is part of the expense of operating a radio station. Any economic argument to the contrary loses sight of the purposes of Commission regulation.

Brandywine's second assertion is even less valid. John Norris testified that the station did not have anyone listen to program tapes prior to broadcast as this act would constitute censorship.[157] This argument offends the sensibilities of the court for various reasons. This is *prima facie* evidence that despite the numerous and lengthy assertions of the licensee to the Commission, Brandywine never intended to comply with the personal attack rules. Any representation to the contrary on the part of the licensees can only be said to constitute a gratuitous design intended to lull the Commission into a feeling of security. Brandywine has dealt with the Commission in a setting which not only lacked good faith but was also meant to defraud the Commission with regard to the licensee's actual intentions in this area. Brandywine was aware of the personal attack rules, is acknowledged responsibility under them and then chose to disregard them under a guise claiming that the rules constituted licensee censorship. Such maneuvering has proven to be not so wise gamesmanship on the part of licensee. Brandywine's abuses in this area are so blatant as to be sufficient to shock the conscience of the court. The Commission had every justification for its findings in regard to the personal attack rules.

IV. BRANDYWINE'S PROGRAM REPRESENTATIONS

[20] This aspect of the case, while not the most troublesome, is clearly the most disturbing to the court. The facts in this area, as with the other areas of this case, were clearly set out by the Commission.[158] Brandywine made extensive representations to the Commission about the types of programs to be broadcast, as well as providing specific titles. Variation from the typical program schedule presented would not have been fatal if the changes had proven relatively minor or had they been implemented in good faith. Unfortunately, but not surprisingly, neither was the case.

The changes which took place on WXUR within the very first days following the transfer show a common design on the part of the licensee to engage in deceit and trickery in obtaining a broadcast license. Within nine days a totally unexpected group of seven programs, each of a nature different than those on the typical program schedule, were on the air. These programs, which Norris characterized as the "Hate Clubs of the Air," replaced programs which were predominantly entertainment oriented. The speed with which these changes took place can lead the court to one conclusion and one conclusion only—Brandywine intended to place these controversial programs on the air from the first but feared to so inform the Commission lest the transfer application be denied. This approach was foolish. As the Commission stated in the *Borst Decision* and as we stated earlier in this opinion,

> [t]he Commission is wisely forbidden from choosing "among applicants on the basis of their political, economic or social views." [159]

The initial representation to the Commission was obviously "a best foot forward" effort by the licensee. The licensee feared that the truth would keep the license from being granted to it. Therefore, Brandywine sought through subterfuge to gain its license and then proceed to broadcast the type of material it believed to be most suitable—the type of material which would forward the ends of the fundamentalist movement—in

---

Footnotes at end of article.

utter disregard for either the public or their earlier representations to the Commission.

The second misrepresentation concerns *Interfaith Forum*. We have previously described the show at length [160] and need not reiterate here. The facts are simple—when it appeared from Commission inquiry that a more balanced approach to the question of religion was necessary the principal parties at Brandywine devised this program. The record shows that only after being censured by the local government did the licensee make any effort for this program to be broadcast, and even when it finally found its way to the airwaves its content was without resemblance to those representations made to the Commission. This was never an interfaith dialogue but rather an interview program of students and faculty at the Faith Theological Seminary. We find no fault with such a program but we fail to see how it complies with Brandywine's representations for dialogue between the faiths.

The applicable legal standard here was laid down by the Supreme Court over twenty-five years ago. In another communications case the Court said:

"The fact of concealment may be more significant than the facts concealed. The willingness to deceive a regulatory body may be disclosed by immaterial and useless deceptions as well as by material and persuasive ones." [162]

This is dispositive of this issue.

[21] This is a case in which the blind need for a radio outlet in the Philadelphia market has led men experienced in the broadcast industry to misrepresent the facts and to attempt to deceive a regulatory body all to a single end—propagation on the media of their philosophic dogma. These men may have possessed the highest aims for their cause but these aims were blind to the needs of the general public. Misrepresentations conceived to win a soap-box from which to shout one's views are the basest over-exaggeration of the liberties guaranteed in the first amendment. Since the airways are a scarce commodity and have been deemed a public trust it is easy for us to see that Dr. McIntire and his followers have every right for their views to be broadcast. Their right to operate a radio station is no different than the rights of any other group in America. Their rights are neither superior nor inferior. In seeking a broadcast station they had to meet the same requirements as anyone else seeking a license. The first of these requirements is candor and honesty in representations to the Commission. Their dismal failure in this regard is evidenced by this 8,000 page record. These men, with their hearts bent toward deliberate and premeditated deception, cannot be said to have dealt fairly with the Commission or the people in the Philadelphia area. Their statements constitute a series of heinous misrepresentations which, even without the other factors in this case, would be ample justification for the Commission to refuse to renew the broadcast license.

V. FIRST AMENDMENT CONSIDERATIONS

The most serious aspect of this case relates to the basic freedoms of speech and press which are essential guarantees of the first amendment. This is the area of greatest concern to the court. Any shortcomings in this area would necessitate our reversing the decision of the Commission. Not only must the Commission take a hard look at the case in this light but so must this court.

A. Historical Perspective

1. Freedoms of Speech and Free Press

The original draft of the federal Constitution was, curiously enough, silent on the question of freedom of the press. We say "curiously" because among the burning issues of the revolution and the colonial quest for freedom were the plight of Peter Zenger, who had been denied this right, and the issue of taxation of the press. So great was the concern of America that Alexander Hamilton was prompted to write the following:

"On the subject of the liberty of the press, as much as has been said, I cannot forbear adding a remark or two: in the first place, I observe, that there is not a syllable concerning it in the constitution of this State; in the next, I contend, that whatever has been said about it in that or any other State amounts to nothing. What signifies a declaration, that 'the liberty of the press shall be inviolably preserved'? What is the liberty of the press?" [162]

The response to Hamilton's complaint was not long in coming. This wrong was remedied almost immediately by the first amendment to the Constitution.

AMENDMENT 1

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

The following passage from Blackstone's Commentaries is most instructive:

"The liberty of the press is, indeed, essential to the nature of a free state; but this consists in laying no *previous* restraints upon publication, and not in freedom from censure for criminal matter when published. Every free-man has an undoubted right to lay what sentiments he pleases before the public; to forbid this, is to destroy the freedom of the press; but if he publishes what is improper, mischievous, or illegal, he must take the consequence of his own temerity. To subject the press to the restrictive power of a licenser, as was formely done, both before and since the revolution, is to subject all freedom of sentiment to the prejudices of one man, and make him the arbitrary and infallible judge in all controverted points in learning, religion and government. But to punish (as the law does at present) any dangerous or offensive writings, which, when published, shall on a fair and impartial trial be adjudged of a pernicious tendency, is necessary for the preservation of peace and good order, of government and religion, the only solid foundation of civil liberty. Thus the will of the individuals is still left free; the abuse only of the free will is the object of legal punishment. Neither is any restraint hereby laid upon freedom of thought or inquiry; liberty of private sentiment is still left; the disseminating, or making public, of bad sentiments, destructive to the ends of society, is the crime which society corrects." [136]

This was the common law in Blackstone's time. The framers of the first amendment were devoid of any intent to change the common law in this respect. Mr. Justice Frankfurter provides an excellent lesson in his opinion in *Dennis*.[164]

"The historic antecedents of the First Amendment preclude the notion that its purpose was to give unqualified immunity to every expression that touched on matters within the range of political interest. The Massachusetts Constitution of 1780 guaranteed free speech; yet there are records of at least three convictions for political libels obtained between 1799 and 1803. The Pennsylvania Constitution of 1790 and the Delaware Constitution of 1792 expressly imposed liability for abuse of the right of free speech. Madison's own State put on its books in 1792 a statute confining the abusive exercise of the right of utterance. And it deserves to be noted that in writing to John Adams's wife, Jefferson did not rest his condemnation of the Sedition Act of 1798 on his belief on unrestrained utterance as to political matter. The First Amendment, he argued, reflected a limitation upon Federal power, leaving the right to enforce restrictions on speech to the States. * * * [165] 'The law is perfectly well settled,' this Court said over fifty years ago, 'that the first ten amendments to the Constitution, commonly known as the Bill of Rights, were not intended to lay down any novel principles of government, but simply to embody certain guarantees and immunities which we had inherited from our English ancestors, and which had from time immemorial, been subject to certain well-recognized exceptions, arising from the necessities of teh case. In incorporating these principles into the fundamental law, there was no intention of disregarding the exceptions, which continued to be recognized as if they had been formally expressed.' [166] That this represents the authentic view of the Bill of Rights and the spirit in which it must be construed has been recognized again and again in cases that have come here within the last fifty years." [167]

This situation was not even thought to have been altered by the fourteenth amendment until relatively recently. Speaking for the Court in 1907, Mr. Justice Holmes stated:

"We leave undecided the question whether there is to be found in the Fourteenth Amendment a prohibition similar to that in the 1st. But even if we were to assume that freedom of speech and freedom of the press were protected from abridgment on the part not only of the United States but also of the states, still we should be far from the conclusion that the plaintiff in error would have us reach. In the first place, the main purpose of such constitutional provisions is "to prevent all such *previous restraints* upon publications as had been practiced by other governments," and they do not prevent the subsequent punishment of such as may be deemed contrary to the public welfare. Commonwealth v. Blanding, 3 Pick, 304, 313, 314; Republica v. Oswald, 1 Dall. 319, 325, 1 L.Ed. 155. The preliminary freedom extends as well to the false as to the true; the subsequent punishment may extend as well to the true as to the false. This was the law of criminal libel apart from statute in most cases, if not in all. Commonwealth v. Blanding, *ubi supra;* 4 Bl. Com. 150." [168]

This would appear to be an unqualified endorsement of the views espoused by Blackstone. However, Justice Homes remarked in the same opinion, "There is no constitutional right to have all general propositions of law once adopted remain unchanged." [169] As late as 1922, the Court, speaking through Mr. Justice Pitney, stated: "[N]either the Fourteenth Amendment nor any other provision of the Constitution of the United States imposes upon the States any restriction about 'freedom of speech' or the 'liberty of silence'. . . " [170]

Eventually the citizens of this country were given those long sought protections for substantive personal rights. This was achieved by identifying these rights with "liberty" which States were without power to abridge without due process of law. This disclosure was made quite casually by the Supreme Court in the landmark decision of Gitlow v. New York.[171] "For present purposes we may and do assume that freedom of speech and of the press—which are protected by the First Amendment from abridgment by Congress—are among the fundamental principle rights and "liberties" protected by the due process clause of the Fourteenth Amendment from impairment by the States." [172] Within two years this *dictum* became accepted doctrine as to freedom of speech. [173] Four years later freedom of the press was incorporated.[174]

2. Censorship

Let us also consider the first amendment and the concept of censorship—an implicit issue in this case.

Footnotes at end of article.

Mr. Justice Murphy asserted in Chaplinsky v. New Hampshire: [175]

"There are certain well-defined and narrowly limited classes of speech, the prevention and punishment of which have never been thought to raise any Constitutional problem. These include the lewd and obscense, the profane, the libelous, and the insulting or "fighting" words—those which by their very utterance inflict injury or tend to incite an immediate breach of the peace. It has been well observed that such utterances are no essential part of any exposition of ideas, and are of such slight social value as a step to truth that any benefit that may by the social interest in order and morality.[176]

Similarly, in West Virginia State Board of Education v. Barnette [177] Mr. Justice Jackson established it as "a commonplace that censorship or suppression of expression of opinion is tolerated by our Constitution only when the expression presents a clear and present danger of action of a kind the State is empowered to prevent and punish." [178]

Significantly, those cases which have sanctioned previous restraints of the utterances of specific individuals have not involved restraints by administrative action, but rather judicial restraints. It was a prime objective of those seeking to ban previous restraints to outlaw censorship which could be accomplished through licensing. It was in this setting that John Milton directed his offensive in his *Appeal for the Liberty of Unlicensed Printing*. Freedom of the press was, in the beginning, a right to publish "'*without* a license what formerly could be published only with one.'" [179] Today, as well, nothing is more likely to give rise to judicial condemnation than a licensing requirement. Only in those cases in which the licensing officer's authority is so limited as to make discrimination against utterances which he disapproves of impossible [180] will the court refrain from interfering. The Supreme Court has even gone so far as to strike down licensing ordinance with respect to forms of communications which are totally forbidden.[181] More pertinently to the case at bar, in the area of radio broadcasting, where the very physical limitations of the medium make this form of communication unavailable to all who would utilize it, the Court has sanctioned the Commission's power of selective licensing.[182] On the other hand, it had been the Court's position until recently, with regard to motion pictures, that the state's power to license, and therefore, to censor, films to be shown locally was unrestricted as "a business pure and simple, originated and conducted for profit," and "not to be regarded, . . . as part of the press of the country, or as organs of public opinion." [183] This doctrine, established in 1915, was altered by the Court in 1948. Mr. Justice Douglas stated that the Court's position had become a very different one. "We have no doubt that moving pictures, like newspapers and radio, are included in the press whose freedom is guaranteed by the First Amendment." [184]

It would be remiss for us to move on without noting that there are areas where the Federal government has, at one time or another, placed restraints on both freedoms of speech and press. These areas include, or have included, censorship of the mails, *e.g.*, fraud orders and obscenity; regulation of business and labor activities; regulation of political activities by federal employees; legislation to protect the armed forces and the war power; loyalty regulations; the Smith Act; and the regulation of subversive organizations.

B. The First Amendment and Red Lion

The rights of free speech and free press coupled with the fairness doctrine and the Supreme Court's *Red Lion* decision, is one of the most written-about areas in the law today.[185] The first amendment issue was dealt with by the Supreme Court in part three of the *Red Lion* decision.[186] The Court explained the broadcaster's contentions as follows:

"Their contention is that the First Amendment protects their desire to use their allotted frequencies continuously to broadcast whatever they choose, and to exclude whomever they choose from ever using that frequency. No man may be prevented from saying or publishing what he thinks, or from refusing in his speech or other utterances to give equal weight to the views of his opponents. This right, they say, applies equally to broadcasters." [187]

These first amendment challenges were rejected by the Court unanimously.[188] In fact, Mr. Justice White found that the Commission's application of the fairness doctrine enhances rather than abridges the freedoms of speech and press.[189] As we noted previously, one of these points emphasized by the Court was "the scarcity of broadcast frequencies, the Government's role in allocating those frequencies, and the legitimate claims of those unable without governmental assistance to gain access to those frequencies for expression of their views. . . ." [190]

In direct response to the first amendment claims raised by the broadcasters the Court stated:

"Where there are substantially more individuals who want to broadcast than there are frequencies to allocate, it is idle to posit an unabridgeable First Amendment right to broadcast comparable to the right of every individual to speak, write, or publish. . . . It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market, whether it be by the Government itself or a private licensee. . . . It is the right of the public to receive suitable access to social, political, esthetic, moral, and other ideas and experiences which is crucial here." [191]

The Court found, and of course we agree, that it would be "a serious matter" if the requirements imposed by the Commission would in effect induce the licensee to censor themselves thereby making their coverage of controversial public issues "ineffective." However, the Court deemed this to be merely a speculative possibility. In fact the Court determined that if licensees should suddenly prove timorous, the Commission is not powerless to insist that they give adequate and fair attention to public issues. It does not violate the First Amendment to treat licensees given the privilege of using scarce radio frequencies as proxies for the entire community, obligated to give suitable time and attention to matters of great public concern.[192]

The Court was careful to point out that its rejection of the broadcaster's claim was not an absolute one. The Court found that there could be instances in which more substantial first amendment questions were raised than in *Red Lion*. For example, the Court found no evidence of Commission "refusal to permit the broadcaster to carry a particular program," or "of the official government view dominating public broadcasting." [193]

C. The Post Red Lion Era

In the short time that has passed since the *Red Lion* case, there has been an ever growing number of cases decided concerning the fairness doctrine, broadcasting, and the first amendment. We have already considered many of these cases during the course of our discussion of the fairness doctrine. Thus, a lengthy exposition here is unwarranted and unnecessary. For the most part these cases have relied primarily, as they must, on *Red Lion* and have added little to the shape of the law.

One opinion which did provide instructional enlightenment in the first amendment area is Judge Wright's scholarly opinion in Business Executives' Move for Vietnam Peace v. F. C. C.[194] Judge Wright addressed the issue of the uncertainty of the scope of the first amendment's impact on the broadcast media:

It has always been clear that the broadcast media—so vital to communication in our society—are affected by strong First Amendment interests.[195] Yet the nature of those interests has not been so clear; and evolution of constitutional principles in this area is still very much in progress. . . . [*Red Lion*] justified the Commission's interference with broadcaster's free speech by invoking specifically constitutional rights of the general public which, it said, underlie and support the fairness doctrine rules at issue. Issuing what must become a clarion call for a new public concern and activism regarding the broadcast media, the Court stated that "the people as a whole retain their . . . collective right to have the medium function consistently with the ends and purposes of the First Amendment." [196] It went on to say:

". . . The right of free speech of a broadcaster . . . does not embrace a right to snuff out the free speech of others. . . .

* * * * *

. . . [A] licensee has no constitutional right . . . to monopolize a radio frequency to the exclusion of his fellow citizens. . . .

* * * * *

. . . It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount." [197]

Even in light of the later cases *Red Lion* remains the definitive opinion in the area. Therefore, we can only stress, once again, the Court's language in that case. As we said in Democratic National Committee v. F.C.C..: [198]

According to the Court in [*Red Lion*], the primary concern in the broadcast industry is "the First Amendment goal of producing an informed public capable of conducting its own affairs." [199]

We expressed this same view in the following terms:

"In our view, the essential basis for any fairness doctrine, no matter with what specificity the standards are defined, is that *the American public must not be left uninformed*." [200]

Anything else on this point would be superfluous.

D. The Prohibition Against Censorship

It was John Stuart Mill who wrote:

"[Censorship] is as noxious, or more noxious, when exerted in accordance with public opinion, than when in opposition to it. If all mankind minus one were of one opinion, and only one person were of a contrary opinion, mankind would be no more justified in silencing that one person, than he, if he had the power, would be justified in silencing mankind." [201]

These views are central to the thoughts of all who hold dear our fundamental liberties. Wisely, therefore, Congress has specifically forbidden the Commission from engaging in any actions which would constitute censorship.

§ *326. Censorship.*

Nothing in this chapter shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.[202]

It has been held that this section denied the power to censor to the states in the same terms as it denied the power to censor to the federal government,[203] and similarly

---

Footnotes at end of article.

that the licensee shall have the sole power in choosing programs.[204] However, this court has held that the Commission's public interest rulings, with reference to specific program content, do not invariably constitute "censorship" within the confines of § 326.[205] We have also held that not every condition imposed by the Commission on a licensee constitutes interference with free speech.[206]

The deep seated commitment which the courts and commission share for this concept can hardly be classified as ephemeral. The prohibition from censorship has been and will continue to be carefully guarded by those charged with the responsibility of protecting our basic freedoms. Yet, despite the guarantees there are those who fear government licensing of broadcasting and believe that it constitutes a threat to freedom of information. One such person is media commentator Walter Cronkite:

"That brings me to what I consider the greatest threat to freedom of information: the Government licensing of broadcasting. Broadcast news today is not free. Because it is operated by an industry that is beholden to the Government for its right to exist, its freedom has been curtailed by fiat, by assumption, and by intimidation and harassment.

"Broadcasting's freedom has been curtailed by fiat through rulings of the Supreme Court. The Court has stated that as long as we are licensed by the Government we are not as free as the printed press and therefore not eligible in the same manner for the first amendment guarantees. The father of all such restrictive rulings is the decision in National Broadcasting Co. v. United States where the Court found that freedom of utterance was abridged to anyone who wanted to use the limited facilities of radio. The Court went on to find that radio was unlike other modes of expression in that it was not available to all. It was this unique characteristic that distinguished the radio from other forms of expression and made it a subject of government regulation. More recently, the Supreme Court's ruling in Red Lion Broadcasting Co. v. FCC upheld the "personal attack rule" and found that where substantially more individuals wish to broadcast than there are frequencies available to allocate, it is idle to attempt to establish an unabridgeable first amendment right to broadcast comparable to the right of each individual to speak, write, or publish.

"Stripped of this constitutional protection, broadcast news stands naked before those in power, now or in the future, who, for whatever motive, would like to see its freedom restrained." [207]

While we do not agree with Mr. Cronkite's conclusions, we do share his concern. Journalists and broadcasters have no monopoly over concern with censorship. The courts, and indeed the American public as a whole, have a tremendous stake in a free press and an informed citizenry. Yet, how can the citizenry remain informed if broadcasters are permitted to espouse their own views only without attempting to fully inform the public? This is the issue of good faith which, unfortunately, a small number of broadcasters refuse to exercise.

E. Brandywine and the First Amendment

[22] Under the state of the law as it exists today, we can find no infirmity with the Commission's findings or conclusions in light of the first amendment. Commission findings in this area are in a relatively narrow sphere. The alleged violations of fairness and personal attack rules are fully documented. The abuses are flagrant. The sanctions borne of the litigation were based on continuous refusals by the licensee to meet its obligations. This is not a case in which the Commission is acting on an isolated mistake, or two, in the course of a three year license period. This is a case of deliberate and continuing disregard in a short time period spanning only several months. The Commission has made no attempt to influence WXUR's programming or censor its programming in general or specifically. Had the licensee met the obligations required of it we have no reason to believe that Brandywine would have met with any difficulty. The law places requirements on licensees as fiduciaries. Failure to live up to the trust placed in the hands of fiduciary requires that a more responsible trustee be found. This is not the public's attempt to silence the trustee—it is the trustee's attempt to silence the public. This is not the public censoring the trustee—it is the trustee censoring the public. Attempting to impose the blame on the Commission for its own shortcomings can only be likened to the spoiled child's tantrum at being refused a reqeust by an otherwise overly-benevolent parent.

As in the *Red Lion* case, we note that other questions in this area could pose more serious first amendment problems. Since such questions are not at issue here there is no need to hypothecate upon them.

VI. SANCTIONS

In light of the extensive violations found by the Commission in the areas of the fairness doctrine, the personal attack rules, and misrepresentation of program plans, the Commission refused to renew Brandywine's license. The Commission, while finding that its action would have been justified when based on any of these areas, chose to base its opinion on a consideration of Brandywine's total performance.

[23, 24] As the Commission stated in Letter to Honorable Oren Harris,[208] the question of whether the licensee is operating in the public interest, the established standard for license renewal,[209] is determined at the time of renewal. At this time the Commission must take the licensee's total performance into account, including its adherence to the fairness doctrine. Of course, the prime consideration must come back to the effectiveness of the licensee in his role as trustee for the public.

[25] As Judge Wright points out in Citizens Communications Center v. F.C.C.: [210]

"The policy of the Act is clear that no person is to have anything in the nature of a property right as a result of the granting of a license. Licenses are limited to a maximum of three years' duration, may be revoked, and need not be renewed. Thus the channels presently occupied remain free for a new assignment to another licensee in the interest of the listening public.

"Plainly it is not the purpose of the Act to protect a licensee against competition but to protect the public."

Cf. Greater Boston Television Corp. v. F.C.C.,[211] "[The Federal Communications Act] does not reflect the same concern for 'security of certificate' that appears in other laws." [212] Both *Greater Boston* and *Citizens Communications* make it clear that the Commission can act to provide assurances of better broadcasting by taking licenses from those who fail to provide for the public interest.

"The Commission need not be confined to the technique of exercising regulatory surveillance to assure that licensees will discharge duties imposed on them, perhaps grudgingly and perhaps to the minimum required. It may also seek in the public interest to certify as licensees those who would speak out with fresh voice, would most naturally initiate, encourage and expand diversity of approach and viewpoint.[213]

Judge Leventhal recently enunciated the standard for reviewing decisions of regulatory agencies in these terms:

"We recognized the tension between the doctrine of judicial restraint, which requires of us considerable deference to agency decisions, and the practical necessities of judicial review, which require a minimum standard of articulation, so that we may discern the path which the Commission took on the way to its result. We acknowledged the impossibility of framing a universally applicable formula 'for deciding when an agency . . . has crossed the line from the tolerably terse to the intolerably mute. . . .' " [214]

[26] The Commission's opinion in this case exemplifies the type of findings which this court would like to see in all its cases. The opinion is complete, thorough and carefully based on the law. The sanction imposed by the Commission is fully supported by the record. We can find no justification for upsetting a sanction so well substantiated by the record and the findings of the Commission.

[27] Of course, as we have previously pointed out, these sanctions did not befall Brandywine by surprise. The *Borst Decision* contained a warning to the licensee designed to alert him to the Commission's expectations; this warning was acknowledged by the licensee. The Commission can only inform and advise as to the law; it cannot coerce a licensee to comply.

VII. CONCLUSION

Finally, we come to the end of our long journey. Yet, we take a brief moment to comment on the path we have travelled. Appellants requested at oral argument that the court not rely alone on the cold submissions in the pleadings, but that we carefully review the entire record in this case. We have left no corner unturned; no fact has gone unconsidered. What we found teaches many lessons.

Appellants have blazed a trail marked by empty promises and valueless verbiage. They have attempted to prevail by wearing down both Commission and court. However, those charged with protecting the precious rights of the public will not, and cannot, be exhausted by a group of recalcitrants who attempt to cajole and bully. Freedom of speech is not an empty slogan or a rallying cry—nor can it be snatched from the hands of the American people by an outpouring of emotional indignation. Freedom of speech is a truth that we have long held to be self-evident; we refuse to sit by idly and watch that truth snuffed out by a group of overly-zealous men whose sole interest is filling the airwaves with their own views to the exclusion of the views of all others. Dr. McIntire and his followers have every right to air their views; but so do the balance of our two-hundred-and-ten-million people.

Brandywine was given every opportunity to succeed in the broadcast endeavor on which it set out. The Commission fulfilled its duty in granting the initial license although it may have proven more popular and expedient to bow to the protestations of Brandywine's detractors. The Commission forewarned Brandywine about its fairness doctrine and its personal attack rules and made every effort to explain them. Despite the Commission's sanguine outlook it was soon evident that Brandywine refused to comply with those requirements, which are designed to serve the public interest and the broadcast audience. Commission good faith was interpreted as an act of weakness.

The first amendment was never intended to protect the few while providing them with a sacrosanct sword and shield with which they could injure the many. Censorship and press inhibition do not sit well with this court when engaged in by either the Commission or by a defiiant licensee. The most serious wrong in this case was the denial of an open and free airwave to the people of Philadelphia and its environs.

Consequently, the opinion of the Federal Communications Commission is

Affirmed.

Footnotes at end of article.

FOOTNOTES

[1] J. Mill, on Liberty, *quoted in* Buckley v. Meng, 35 Misc. 2d 467, 474, 230 N.Y.S. 2d 924, 932 (Sup. Ct. 1962).

[2] Despite the fact that two stations WXUR and WXUR–FM, are involved in this suit, any reference to "WXUR" will be employed to designate both the AM and FM frequencies, unless otherwise indicated.

[3] Dr. McIntire testified at the hearing for license renewal that:

"I received notice [from WVCH] informing me the program would be terminated and we made a very great issue of it publicly here and committees were organized to see if it couldn't be continued. The reason given for [cancellation], as given to us, was that it was the advice of the attorneys in Washington in connection with their FCC problems that led them to put me off." When asked how he had obtained this information, McIntire continued:

"It was obtained by a committee that went by the pressure [*sic*] that were built up as to just what was the reason Dr. McIntire was being removed and when we found this difficulty with the FCC or with its attorneys in connection with the FCC, the same problem confronted me as I sought to get on the other stations in the community. When we found that we were virtually blacked out and that our views, our opinions were not going to be aired in the community, we became interested in purchasing a station or being a part of a purchase in some way so that a program such as mine could be aired in the community."

J.A. Vol. V, 4236–37.

[4] Faith Theological Seminary is located in Elkins Park, Pennsylvania, near Philadelphia. Reverend McIntire presided over the Seminary's Board of Directors at the time the offer to purchase Brandywine was tendered.

[5] These two programs were *Missionary Hour* and *Gospel Hour*.

[6] The Sunday morning programs were entitled: *It's Sunday Morning, Dedication, The Church at Work, Men's Hour, Church Service* and *Sunday U.S.A.*

[7] The following groups and individuals were among those opposed to the transfer application: the Greater Philadelphia Area Committee for UNICEF, the National Association for the Advancement of Colored People, the Anti-Defamation League of B'nai B'rith, the Pennsylvania Southeast Conference of the United Church of Christ, the Presbytery of Philadelphia, the National Urban League, the Greater Philadelphia Council of Churches, the Jewish Community Relations Council, the New Jersey Council of Churches, the Philadelphia Council of the AFL–CIO, the American Baptist Convention, the Eastern Pennsylvania Synod of the Lutheran Church in America, the Philadelphia Baptist Association, and the Executive Committee of the Catholic Interracial Council of New York.

[8] In re Application of George E. Borst, et al., 4 P & F Radio Reg. 2d 697, 698 (March 19, 1965) (hereinafter "Borst Decision").

[9] *Id.* at ¶ 2.

[10] J.A. Vol. II. 120–27.

[11] The amendment described *Interfaith Forum* as a program in which ministers or representatives of different faiths will be invited to participate in roundtable discussions of religious principles and tenets as related to current social problems. Every effort will be made to obtain varied participation from week to week to assure the greatest possible balance of views on the subjects of discussion.

J.A. Vol. II, 127.

[12] *Supra*, note 8.

[13] The Commission was not unanimous in its action. Commissioner Hyde concurred in the result only. Commissioner Cox dissented in the belief that the application should have been designated for a hearing. Commissioner Loevinger concurred, especially expressing his displeasure with the Commission's action in concerning itself with McIntire's views.

[14] *See* text at note 9, *supra*.

[15] Borst Decision, *supra*, at ¶ 3. Citations omitted.

[16] *See* letter of Carl McIntire to E. William Henry, Chairman of the Federal Communications Commission. In this letter Rev. McIntire stated:

"It is constantly being alleged that I am buying the station. You know, of course, that it is the corporation of the Seminary of which I am a member and am presently the president of the corporation. . . . I want you to know that I have no financial interest in any way in this sale. Moreover, I own no radio station and have no financial interest in any radio station in the country or anywhere else."

J.A. Vol. II, 140. While Rev. McIntire was not the president of the Seminary he did list a large number of other associations on the transfer application. He is listed as Pastor of the Bible Presbyterian Church of Collingswood, New Jersey; President of the Board of Trustees of Shelton College, Cape May, New Jersey; Vice-President of Independent Board of Presbyterian Foreign Missions; President, Christian Beacon Press, Inc., Collingswood, New Jersey; President and editor of the Christian Beacon; and member of the Board of Directors of Highland College, Pasadena, Calif.

Borst Decision, *supra*, at fn. 2.

[17] The fairness doctrine has been codified at 47 U.S.C. § 315 (1970).

[18] Question 7 of the Broadcast Application (Statement of Program Service of Broadcast Applicant) requires the applicant to make

". . . a narrative statement on the policy to be pursued with respect to making time available for the discussion of public issues, including illustrations of the types of programs to be broadcast and the methods of selection of subjects and participants."

Faith Theological Seminary responded in the following terms: "Equal opportunity will be afforded to opposing viewpoints on controversial public issues." J.A. Vol. II, 111.

In the Commission Statement of AM or FM Program Service question 16 inquires:

"In connection with the applicant's proposed public affairs programming describe its policy with respect to making time available for the discussion of public issues and the method of selecting subjects and participants."

The Seminary replied by stating:

"Opportunity on equal terms to opposing viewpoints on controversial public issues. Subjects will not be selected by station but will be those either presented by sponsors or by members of listening audience calling in on "Freedom of Speech" program. Replies to controversial views expressed on sponsored programs will be by spokesmen equally qualified as spokesmen on sponsored program.

J.A. Vol. II, 138.

Finally, consider the following from the above form:

"29. State the methods by which applicant undertakes to keep informed of the requirements of the Communications Act and the Commission's Rules and Regulations, and a description of the procedures established to acquaint applicant's employees and agents with such requirements and to ensure their compliance.

"Employees are required to be familiar with FCC rules applicable to their duties. Copies of FCC rules are kept at station. FCC notices are posted on bulletin board. Washington counsel is consulted on doubtful questions."

J.A. Vol. II, 139a.

[19] *Id.* at 138.

[20] Borst Decision, *supra*, at ¶ 8, fn. 2a.

[21] *Id.* at ¶ 8, fn. 3, *citing* Report on "Living Should Be Fun" Inquiry, 33 F.C.C. 101, 107 (1962).

[22] *Id.* at ¶ 9.

[23] *Id.* at ¶ 10.

[24] In re Applications of Brandywine-Main Line Radio, Inc. for renewal of licenses of Stations WXUR and WXUR–FM, Media, Pennsylvania, 9 P & F Radio Reg.2d 126 (1967) (hereinafter "Designation Order").

[25] With reference to *Interfaith Dialogue* the Commission made the following observation:

"Not only was the program not put on at all for almost seven months, but when it was, Brandywine patently failed to carry out the important promise to 'make every effort' to get a varied participation. The moderator of the first broadcast was Norris himself. His guests were his pastor from New York, Pennsylvania, the Reverend Albany, and George McDonald, a fellow trustee of the American Patriotic News organization. (Tr. 3635–3636.) From the second broadcast on December 5, 1965, through April 1966, the moderator was Seminary faculty member Dr. Gary Cohen. (Tr. 5480–5596.) On the second (December 5, 1965) broadcast of Inter-faith Dialogue, Dr. Cohen interviewed William Broadwick, an engineer at WXUR and a Seminary student. (WXUR Exh. 49A, Tr. 5514–5519.) Cohen interviewed Broadwick again on the third (December 12, 1965) broadcast. (*Ibid.*) On the fourth (December 19, 1965) broadcast, Cohen interviewed Donald Carpenter, another Seminary student (*Ibid.*), and on the fifth broadcast Cohen interviewed the Reverend A. Franklin Faucett, the Seminary's Registrar. (*Ibid.*) None of these broadcasts complied with the Seminary transfer application representation that the program would consist of 'roundtable' discussions by representatives of 'different faith.' (Appendix D; Bur.Exh. 5.) From that time on, although not as completely taken up by Seminary people, the program clearly did not live up to its promise. The Examiner found it woefully inadequate, and we agree."

In Re Applications of Brandywine-Main Line Radio, Inc. for Renewal of Licenses of Stations WXUR and WXUR–FM, Media, Pennsylvania, 24 F.C.C.2d 18, 29 (1970) (hereinafter "July Decision").

[26] *Id.* at ¶ 30. The Commission continued by stating:

"These programs, covering controversial issues as they do, are not merely changes in title from the programs deleted from the schedule, which mainly included programs classified as of the 'entertainment' type. We may assume that the applicant failed to include these programs because of the opposition to its application, erroneously believing that the inclusions would have affected our action. *What is important to us is the willingness to withhold from us the Seminary's intentions with respect to a substantial amount of programming, for it is clear that the intention to carry the programs predated the acquisition of control and we were never informed of it.*"

Id. (emphasis added, footnote omitted).

[27] Tr. 3727–28. This is despite the directly contradictory evidence offered by Norris some five weeks earlier to the effect that the new programs, which he termed the "Nine Hate Clubs" of the air, were added by him *in anticipation* of a sponsors' boycott. This was not the only inconsistency of the record and is, in fact, one of the less serious discrepancies before us. July Decision, *supra*, at 31.

[28] *See generally* Initial Decision of Hearing Examiner, 24 F.C.C. 2d 42, 106 (1970) (hereinafter "Initial Decision").

[29] The Minutes of a meeting held on November 18, 1965, of the Media Borough Council, reflect the following:

"Mrs. Austin protested to Council about a program on WXUR, which she feels promotes hate and dissension by attacking minority groups. This program is called 'Freedom of Speech.'

"She considers this a malicious act and a disgrace to the citizens of Media."

Mr. Reed stated that a letter should be written to the Federal Communications Commission.

"On motion of Mr. Baker, seconded by Mr. Loughran, a letter be written to the F.C.C. about this allegedly biased program of radio station WXUR. So ordered."

J.A. Vol. II, 145e.

The program which caused this furor was entitled *Freedom of Speech*, moderated by Thomas Livezey. *Freedom of Speech* was a telephone call-in show where Livezey would begin the program by reading a newspaper article or an editorial or by making a short statement and then opening the microphones to people calling in. Livezey frequently made "race baiting" comments on the air and was particularly livid in his comments regarding minority groups. Livezey often cut callers off abruptly when they opposed a position which he espoused. On November 24, 1965, Howard F. Reed, Jr., Solicitor, Borough of Media, sent a communique to Commission Chairman Henry on behalf of the Borough Council. In this letter he expressed the concern of the Council with regard to *Freedom of Speech* and commended:

"Within the context of free speech, we do, . . . believe that any radio program inviting the general public to respond by telephone should receive *with equal treatment* all calls placed. We do believe that without some regulation by the Commission, this type of radio program, which is somewhat widespread in its use, can become deceptive, in fact tend to invite controversy unnecessarily, and derogate free speech; most of all, because any program of this type must necessarily involve controls and limitations not inherent in other media of communications, nor so open to public hearing."

J.A. Vol. II, 145f.

On November 19, 1965, one day after the Media Borough Council resolution was passed. Livezey was removed from his position as moderator of *Freedom of Speech*. At a meeting of the Council held on January 20, 1966, a motion was made, following a presentation by representatives of WXUR, stating that "a letter be sent to the F.C.C. stating that the objectionable features of [*Freedom of Speech*] have been largely eliminated." J.A. Vol. II, 145g. A letter to that effect was sent to the F.C.C. by Solicitor Reed on February 2, 1966.

J.A. Vol. II, 145h.

[30] The matter of WXUR's broadcasting policy was brought before the House of Representatives of the Pennsylvania General Assembly in the form of House Resolution 160 on December 14, 1965. In pertinent part the Resolution stated that—

"[t]he only issue is whether the Reverend McIntire exercises the degree of social and public responsibility which the law demands of a broadcast licensee. There is a serious question whether Radio Station WXUR, under the operational control of Reverend McIntire, is giving the balanced presentation of opposing viewpoints required of broadcast licensees: therefore be it

"Resolved, That the House of Representatives of the Commonwealth of Pennsylvania requests the Federal Communications Commission to investigate Radio Station WXUR, in Media, Pennsylvania to determine whether or not it is complying with the requirements of a broadcast licensee: and be it further

"Resolved, That a copy of this resolution be sent to the Federal Communications Commission."

J.A. Vol. II, 145a & b.

[31] *See* note 29, *supra*.

[32] J.A. Vol. II, 209.

[33] J.A. Vol. II, 207–33.

[34] The challengers were the AFL–CIO of Pennsylvania, the American Baptist Convention Division of Evangelism, the Delaware Valley Council of the American Jewish Congress, the Anti-Defamation League of B'nai B'rith, the Board of Social Ministry of the Lutheran Symbol of Eastern Pennsylvania, B'rith Sholom, the Catholic Community Relations Council, the Catholic Star Herald, the Fellowship Commission, the Greater Philadelphia Council of Churches, the Jewish Community Relations Council of Greater Philadelphia, the Jewish Labor Committee, the Media Fellowship House, the Media Chapter of the NAACP, the New Jersey Council of Churches, the Philadelphia Urban League, the U.S. Section of the Women's International League for Peace and Freedom, the American Jewish Committee, and the Rev. Donald G. Huston, Pastor, First Presbyterian Church of Lower Marion.

In addition, various persons and organizations, *viz.*, the Greater Philadelphia Branch of the American Civil Liberties Union, the House of Representatives of the General Assembly of Pennsylvania, the Unitarian Church of Delaware County, the Pennsylvania Council of Churches and the Media Borough Council, wrote the Commission "requesting an investigation of, or hearing on Brandywine's programming," July Decision, *supra* at ¶ 1, fn. 3.

[35] Designation Order, *supra*, at ¶ 4.

[36] *Id*

[37] *Id*.

[38] The transcript reveals that WXUR undertook additional palliative measures on this date by introducing a new program entitled *Right, Left and Center* on its FM frequency. The program, which was designed to show left, right and middle-of-the-road philosophies, lasted only a short time. The Commission did not consider the program, nor will this court, since it did not commence for more than a year after the license renewal issue arose and was thus *totally* outside the license period. *See* J.A. Vol. V. 2529–32.

[39] The court must comment on the conduct of Brandywine's counsel, Mr. Cottone, during the course of the hearing. We comment because his behavior, on more than one occasion during the course of the hearing, was injudicious, rude, impudent and directly obstructive to the proceedings before the examiner. The record before the court is replete with one instance after another of obstreperous behavior on Mr. Cottone's part. A few examples from the record will suffice.

"By Mr. Schattenfield.

"Q: I will show you what has been marked for identification as Intervenor's Exhibits 77 and 78 and ask you if they embody the positions you have taken with respect to UNICEF.

"Mr. Cottone. Object. Let him identify them first. I object to the question.

"Mr. Schattenfeild. Can I finish the question?

"Presiding Examiner. Mr. Cottone, let him finish. We can move along faster if you stop the useless interruptions.

"Mr. Cottone. I resent you stating "useless interruptions"; I have a right to raise evidentiary objections as I see fit. If you do not understand the objections, that is another point.

"Presiding Examiner. I can't rule on them unless I know what the question is."

J.A. Vol. V, tr. 4383–84.

"Mr. Cottone. Let the record show when that remark was made by the Hearing Examiner, there was a moan from the audience.

"Presiding Examiner. I am trying to get along without these perpetual interruptions. The witness has been handling himself well in giving a lucid account of everything and a forthright account. Could we go forward with the questions and answers. I sustain the objection. Let us not go over the pamphlets again.

Mr. Cottone. Now may I look at them?

"Mr. Schattenfield. What?

"Mr. Cottone. May I look at them now?

"Mr. Schattenfield. Are you implying I didn't give them to you before?

"Mr. Cottone. No; I said, before, I didn't want to look at them, but now may I look at them?"

J.A. Vol. V. tr. 4387–88.

Mr. Schattenfield. Did you ever take any position with respect to the Panamanian Treaty?

"Mr. Cottone. Pandemonium treaty?

"Mr. Schattenfield. I was not referring to you, Mr. Cottone.

"Mr. Cottone. That is clever, but please tell me what you said."

J.A. Vol. V, tr. 4396.

Perhaps Mr. Cottone's actions can be explained as "performing" for the hometown crowd. However, the court will not mute itself to such popcorn and peanuts antics, designed to create a circus-like atmosphere, which would permeate the proceedings. The attitude displayed by counsel borders on the contemptuous and we therefore refuse to let it go unnoticed.

[40] The *Initial Decision* was 97 pages long. It contained 275 paragraphs of findings and 54 paragraphs of conclusions.

[41] Brief for Intervenors at 12.

[42] Green v. F.C.C., 144 U.S.App.D.C. 353, 447 F.2d 323 (1971), wherein this court stated: "that a licensee charged with violation of the Fairness Doctrine may [not] seek absolution by reference to compliance with it by other licensees." Through some stroke of the imagination Brandywine cites the *Green* decision to the court for exactly the opposite proposition.

[43] Initial Decision, *supra*, 24 F.C.C.2d at 139.

[44] Section 1.277 of the Commission's Rules and Regulations requires that exceptions be taken from adverse findings to preserve any objections on appeal.

"(a) Each exception to an initial decision or to any part of the record or proceeding in any case, including rulings upon motions or objections, shall point out with particularity alleged errors in the decision or ruling and shall contain specific references to the page or pages . . . on which the exception is based. *Any objection not saved by exception pursuant to this section is waived. . . .*" 47 C.F.R. § 1.277(a) (1972) (emphasis supplied).

[45] July Decision, supra, at ¶¶ 8–14.

[46] *Id.* at ¶¶ 18–22.

[47] *Id.* at ¶¶ 23–32.

[48] *See* pp. 22–23, *supra*.

[49] July Decision, *supra*, at ¶ 8.

[50] After receiving a large number of complaints from listeners about alleged programming abuses, the Broadcast Bureau monitored broadcasts on WXUR for eight consecutive days in the middle of the license period. The intervenors taped seven other consecutive days, also during the license period.

[51] July Decision, *supra* at ¶ 9.

[52] *Id. See also* Appendix A to the July Decision, *supra*.

[53] We believe that remedial action subsequent to the time when Brandywine's renewal was put in doubt is not entitled to weight. See Immaculate Conception Church of Los Angeles v. Federal Communications Commission, 116 U.S. App. D.C. 73, 320 F.2d 795, cert. denied, 375 U.S. 904, 84 S.Ct. 196, 11 L.Ed.2d 145. Footnote renumbered).

[54] July Decision, *supra*, at ¶ 10.

[55] July Decision, *supra*, at ¶ 11. *See* particularly fn. 9 for the reasons that these invitations were viewed as being inadequate.

[56] *Id*.

[57] *Id*.

[58] See p. 24, *supra*.

[59] July Decision, *supra*, at ¶ 11.

[60] A daily interview program which lasted from 30 to 45 minutes a day.

[61] July Decision, *supra*, at ¶ 12. The Commission specifically rejected the Examiner's contention that WXUR should be given credit toward balance for invitations ex-

tended on this program, but refused, by those fearing to be "roughed up." *Id.*

[62] This program commenced in May 1966 and appeared twice each week. Brandywine has failed, however, to indicate when relevant views were broadcast.

[63] The moderator of this program was of no significant assistance at the hearing. He was uncertain as to what matters were discussed. There was no identification by any other party as to the content, time, or relevance of material broadcast on this program. July Decision, *supra,* at ¶ 13.

[64] We also note that brief references to what someone had said (usually based upon a press report), used as the basis of an attack upon the statement (see, *e.g.,* Bureau Exh. 1–B, pp. 23–25), do not constitute a fair opportunity for the presentation of an opposing view.

Id. at ¶ 15 (footnote renumbered).

[65] *Id.* at ¶ 16.

[66] *Id.*

[67] *Id.*

[68] *Id.* at ¶ 17.

[69] *Id.* at ¶ 18.

[70] *See* Appendix B to the July Decision wherein the Commission enumerates the personal attacks made while discussing controversial public issues, *viz.,* the Vietnam War, issues relating to civil liberties, and issues relating to the loyalty of federal officials.

[71] July Decision, *supra,* at ¶ 19.

[72] Procedures in the Event of a Personal Attack, 12 F.C.C. 2d 250 (1968).

[73] July Decision, *supra,* at ¶ 20.

[74] *Id.*

This leads to one of the fundamental difficulties with this case, *i.e.,* Brandywine's apparent refusal to undertake the necessary steps to insure compliance in the personal attack area. We reprint the following transcript excerpt to exemplify this point. Mr. Schattenfield is examining Mr. Norris, the station manager.

"Q. Do you have someone listen to the tape prior to its being run?

"A. I mentioned previously that we don't censor the broadcast.

"Q. I didn't say censor. I said listen.

"A. That would be censoring.

* * * * *

"Q. You don't listen to each tape before it is broadcast as a standard, do you?

"A. No, that is impossible. I am only one individual.

"Q. Do you have procedures at the station so that somebody listens to the tapes?

"A. On Pastor Bob and some of the local ones. I believe Pastor Bob is on only one station, WXUR. There are other broadcasters that are on just this station.

"Q. But he doesn't have a tape?

"A. He doesn't have a tape. It is done live.

"Q. On those programs you receive on tape, is it a standard operating procedure for you or someone under your direction to listen to them?

"A. Not standard, we take it like we would on a network.

"Q. Is it standard procedure for you to have someone monitor it while they are on the air?

"Mr. COTTONE. That question has been asked and answered.

"PRESIDING EXAMINER. I don't believe that precise question was asked. If it was I don't remember.

"The WITNESS. While it is on the air we didn't say to the announcers or the person on the air, "You must listen to that." I believe most of our help do listen to the programs.

* * * * *

"Q. Is it standard operating procedure for the station to assign someone to listen to each program as it is broadcast, each taped program as it is broadcast over WXUR, to determine whether positions are taken with respect to controversial issues and/or whether statements have been made which may be construed as attacks on individuals or groups?

"A. Not in every case."

Tr. 1699–1701.

Thus the record is clear. Norris openly admitted that he either was physically incapable of personally dealing with personal attack problems or that the station was incapable of dealing with them. In addition, and of greater moment to this proceeding, was Norris' attitude that attempts at compliance would be tantamount to censorship. This obstinate and obdurate approach is indicative of a schematic design to frustrate compliance in this critical area.

[75] July Decision, *supra,* at ¶ 21; 13 F.C.C. at 1249 and Red Lion Broadcasting Co., Inc. v. F.C.C., 395 U.S. 367, 89 S.Ct. 1794, 23 L.Ed.2d 371 (1969).

[76] *Id.* at ¶ 22.

[77] For a description of this program see p. 21, *supra.*

[78] July Decision, *supra,* at ¶ 25.

[79] *Id.* at ¶¶ 26–28.

[80] In order of appearance the new programs were entitled: *Lifeline; Manion Forum; Behind the Headlines; Howard Kershner's Commentary; Independent Americans; The Dan Smoot Report;* and *Church League of America.*

[81] J.A. Vol. II, 99.

[82] July Decision, *supra,* at ¶ 31.

[83] *Id.* at ¶ 32. The Commission also considered the attention Brandywine had given to community needs and interests. However, since this ground for denial was deleted in the Commission's opinion on reconsideration, we do not discuss those findings here. Interested parties are directed to ¶¶ 33–38 of the July Decision, *supra.*

[84] *Id.* at ¶ 39 (emphasis supplied).

[85] In Re Applications of Brandywine-Main Line Radio, Inc. For Renewal of Licenses of Stations WXUR and WXUR–FM, Media, Pa., 27 F.C.C.2d 565 (1971) (hereinafter the "February Decision").

[86] *Id.* at ¶ 4.

[87] 395 U.S. 367, 89 S.Ct. 1794, 23 L.Ed. 2d 371 (1969).

[88] 395 U.S. at 391, 89 S.Ct. at 1807.

[89] February Decision, *supra,* at ¶ 4, fn. 1. The Commission continued by stating:

"We do not agree with Brandywine that our finding that fairness could not be achieved in a one-sidedly hostile setting was unfairly considered in the absence of a "warning" ruling. We have recently enunciated the same position in another case. Butte Broadcasting Co., 22 FCC2d 7 (1970), and we cannot accept the view that it is the sort of ruling which a licensee could not be expected to anticipate in the absence of a prior precedent."

Id.

[90] *Id.* at ¶ 5.

[91] *Id.* at ¶ 6.

[92] *Id.*

[93] *Id.* at ¶ 7.

[94] *Id.*

[95] Brandywine sought to base this argument, which the Commission rejected, on Madalyn Murray, 40 F.C.C. 647 (1965).

[96] February Decision, *supra,* at ¶ 11.

[97] *Id.*

[98] *Id.* at ¶ 12.

[99] *Id.* at ¶ 13. The Commission, in response to an allegation that the same reasoning applies to networks, stated:

"[I]f the network presents both sides of a controversial issue, the affiliates which carry these broadcasts are not obligated to do more; but if the network fails to present opposing views, the affiliate is not thereby excused from its obligation to do so."

Id.

[100] *Id.* at ¶ 7, fn. 6.

[101] *Id.*

[102] *Id.* at ¶ 14.

[103] Brandywine sought to draw an analogy to the case of In re Complaint by Mrs. Dorothy Healey, 24 F.C.C. 2d 487 (1970) which involved an exemption for a bona fide newscast or to the case of Station WAVA, 14 P & F Radio Reg. 2d 180 (1968) wherein the Commission held there was no attack upon "honesty, integrity, character, or like personal qualities" to say: "as the field is now drawn, only Hubert Humphrey, a product of New Deal thinking, and Richard Nixon, a product of the Eisenhower years, probably are incapable of establishing any meaningful liaison with this generation."

February Decision, *supra,* at ¶ 15.

[104] *Id.* at ¶ 16.

[105] *Id.* at ¶ 17.

[106] *Id.* at ¶ 18.

[107] *Id.* at ¶¶ 18–19.

[108] *Id.* at ¶ 18.

[109] *Id.* at ¶¶ 20–27. In his statement concurring in part and dissenting in part, Commissioner Nicholas Johnson dissented from this finding. He stated:

"There is little question in my mind that Brandywine has failed, and failed dismally, in its duty under the standards set out above to ascertain its community's needs for broadcast service."

He continued:

"In sum, I see no good reason in this case to suddenly retreat from our earlier more sensible analysis of the Fairness and Ascertainment issues—even given the fact that we could still revoke the WXUR licenses on other well-founded grounds."

February Decision, *supra,* 27 F.C.C. 2d at 579 (Johnson, concurring in part, dissenting in part).

[110] *Id.* at ¶27.

[111] Communications Act of 1934, Tit. III. 48 Stat. 1081, as amended, 47 U.S.C. § 301 et seq. Section 315 now reads:

"315. Candidate for public office; facilities; rules

"(a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided,* That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is imposed upon any licensee to allow the use of its station by any such candidate. Appearance by a legally qualified candidate on any—

"(1) bona fide newscast.

"(2) bona fide news interview.

"(3) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary), or

"(4) on-the-spot coverage of bona fide news events (including but not limited to political conventions and activities incidental thereto), shall not be deemed to be use of a broadcasting station within the meaning of this subsection. Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(b) The charges made for the use of any broadcasting station for any of the purposes set forth in this section shall not exceed the charges made for comparable use of such station for other purposes.

"(c) The Commission shall prescribe appropriate rules and regulations to carry out the provisions of this section."

Red Lion Broadcasting Co., Inc. v. F.C.C., *supra,* 395 U.S. at 370, 89 S. Ct. 1794, 23 L. Ed. 2d 371 (footnote renumbered).

[112] *Id.,* 395 U.S. at 369–370, 89 S.Ct. at 1796.

[113] Shortly after the original *Red Lion* litigation commenced the Commission published its Notice of Proposed Rule Making, 31 Fed.Reg. 5710, in which it sought to make

its personal attack doctrine more precise and more readily enforceable. In addition, the Commission sought to clarify the rules relating to political editorializing by licensees. These rules were adopted, 32 Fed.Reg. 10303, and have been amended several times. They currently read as follows:

"73.123 Personal attacks; political editorials.

"(a) When, during the presentation of views on a controversial issue of public importance, an attack is made upon the honesty, character, integrity or like personal qualities of an identified person or group, the licensee shall, within a reasonable time and in no event later than 1 week after the attack, transmit to the person or group attacked (1) notification of the broadcast; (2) a script or tape (or an accurate summary if a script or tape is not available) of the attack; and (3) an offer of a reasonable opportunity to respond over the licensee's facilities.

"(b) The provisions of paragraph (a) of this section shall not be applicable (1) to attacks on foreign groups or foreign public figures; (2) to personal attacks which are made by legally qualified candidates, their authorized spokesmen, or those associated with them in the campaign, on other such candidates, their authorized spokesmen, or persons associated with the candidates in the campaign; and (3) to bona fide newscasts, bona fide news interviews, and on-the-spot coverage of a bona fide news event (including commentary or analysis contained in the foregoing programs, but the provisions of paragraph (a) of this section shall be applicable to editorials of the licensee).

"Note: The fairness doctrine is applicable to situations coming within (b)(3), above, and, in a specific factual situation, may be applicable in the general area of political broadcasts (b)(2), above. See, section 315 (a) of the Act, 47 U.S.C. § 315(a); Public Notice: Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance. 29 F.R. 10415. The categories listed in (b)(3) are the same as those specified in section 315(a) of the Act.

"(c) Where a licensee, in an editorial, (i) endorses or (ii) opposes a legally qualified candidate or candidates, the licensee shall, within 24 hours after the editorial, transmit to respectively (i) the other qualified candidate or candidates for the same office or (ii) the candidate opposed in the editorial (1) notification of the date and the time of the editorial; (2) a script or tape of the editorial; and (3) an offer of a reasonable opportunity for a candidate or a spokesman of the candidate to respond over the licensee's facilities: *Provided, however*, That where such editorials are broadcast within 72 hours prior to the day of the election, the licensee shall comply with the provisions of this paragraph sufficiently far in advance of the broadcast to enable the candidate or candidates to have a reasonable opportunity to prepare a response and to present it in a timely fashion."

[32 F.R. 10305, July 13, 1967, as amended at 33 F.R. 5364, Apr. 4, 1968]

47 C.F.R. §§ 73.123, 73.300, 73.598, 73.679 (1972).

[114] Because of this chaos, a series of National Radio Conferences was held between 1922 and 1925, at which is was resolved that regulation of the radio spectrum by the Federal Government was essential and that regulatory power should be utilized to ensure that allocation of this limited resource would be made only to those who would serve the public interest. The 1923 Conference expressed the opinion that the Radio Communications Act of 1912, 37 Stat. 302, conferred upon the Secretary of Commerce the power to regulate frequencies and hours of operation, but when Secretary Hoover sought to implement this claimed power by penalizing the Zenith Radio Corporation for operating on an unauthorized frequency, the 1912 Act was held not to permit enforcement. United States v. Zenith Radio Corporation, 12 F.2d 614 (D.C. N.D. Ill. 1926). Cf. Hoover v. Intercity Radio Co., 52 App. D.C. 339, 286 F. 1003 (1923) (Secretary had no power to deny licenses, but was empowered to assign frequencies). An opinion issued by the Attorney General at Hoover's request confirmed the impotence of the Secretary under the 1912 Act. 35 Op. Atty. Gen. 126 (1926). Hoover thereafter appealed to the radio industry to regulate itself, but his appeal went largely unheeded. See generally L. Schmeckebier, The Federal Radio Commission 1-14 (1932). Red Lion Broadcasting Co. v. F.C.C., *supra*, 395 at 375-376, fn. 4, 89 S. Ct. at 1799.

[115] Congressman White, a sponsor of the bill enacted as the Radio Act of 1927, commented upon the need for new legislation:

"We have reached the definite conclusion that the right of all our people to enjoy this means of communication can be preserved only by the repudiation of the idea underlying the 1912 law that anyone who will may transmit and by the assertion in its stead of the doctrine that the right of the public to service is superior to the right of any individual. . . . The recent radio conference met this issue squarely. It recognized that in the present state of scientific development there must be a limitation upon the number of broadcasting stations and it recommended that licenses should be issued only to those stations whose operation would render a benefit to the public, are necessary in the public interest, or would contribute to the development of the art. This principle was approved by every witness before your committee. We have written it into the bill. If enacted into law, the broadcasting privilege will not be a right of selfishness. It will rest upon an assurance of public interest to be served." 67 Cong. Rec. 5479.

395 U.S. at 376, fn. 5, 89 S. Ct. at 1799.

[116] Radio Act of 1927, § 4, 44 Stat. 1163. See generally Davis, The Radio Act of 1927, 13 Va. L. Rev. 611 (1927).

395 U.S. at 377, fn. 6, 89 S. Ct. 1794 (footnote renumbered).

[117] 395 U.S. at 377-278, 89 S. Ct. at 1799, 23 L. Ed. 2d 371.

[118] Hearings on S.J.Res. 209 before the Subcom. on Communications of the Senate Committee on Commerce, 91st Cong., 2d Sess. 155 (1970) (Statement of Commissioner Nicholas Johnson).

[119] *See, e.g.*, M. Goldseker Real Estate Co. v. F.C.C., 456 F.2d 919 (4th Cir. 1972): Healey v. F.C.C., 148 U.S.App. D.C. 409, 460 F.2d 917 (1972); Democratic National Committee v. F.C.C., 148 U.S.App.D.C. 383, 460 F.2d 891 (1972); Columbia Broadcasting System, Inc. v. F.C.C., 147 U.S.App.D.C. 175, 454 F.2d 1018 (1971); Larus & Brother Company v. F.C.C., 447 F.2d 876 (4th Cir. 1971); Green v. F.C.C., 155 U.S.App.D.C. 353, 447 F.2d 323 (1971); Neckritz v. F.C.C., 446 F.2d 501 (9th Cir. 1971).

[120] 23 F.C.C.2d 27 (1970).

[121] *Id.*, 23 F.C.C.2d at 28.

[122] *Supra*, 148 U.S.App.D.C. at 392, 460 F.2d at 900, *citing* Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance, 29 Fed.Reg. 10416, 10418, 40 F.C.C. 598, 604 (1964). *See also* Letter to Cullman Broadcasting Co., 40 F.C.C. 576 (1963).

[123] S.Rep.No.562, 86th Cong. 1st Sess. 9 (1959), U.S.Code Cong. & Admin.News 1959, p. 2571.

[124] On June 9, 1971 the Commission adopted a Notice of Inquiry In the Matter of The Handling of Public Issues Under the Fairness Doctrine and the Public Interest Standards of the Communications Act, 30 F.C.C.2d 26 (1971). In the words of the Commission:

"The purpose of this Notice is to institute a broad-ranging inquiry into the efficacy of the fairness doctrine and other Commission public interest policies, in light of current demands for access to the broadcast media to consider issues of public concern. It is important to stress that we are not hereby disparaging any of the *ad hoc* rulings that we have made in these areas. Rather, we feel the time has come for an overview to determine whether the policies derived largely from these rulings should be retained intact or, in lesser or greater degree, modified . . . Interested parties may address [any aspect of the problem.]"

Thus, it is clear that the Commission is seeking to maintain the efficacy of the doctrine while guaranteeing adequate access to the public on controversial issues. It is encouraging to note that the Commission has sought widespread in-put in formulating its thinking in this crucially important areas.

Democratic National Committee v. F.C.C., *supra* at 392, 460 F.2d at 900 (footnote renumbered).

[125] Applicability of the Fairness Doctrine, *supra*, 29 Fed. Reg. at 10416, 40 F.C.C. at 599.

[126] *Id.* This same general theme was espoused by the Commission much earlier in Editorializing by Broadcast Licensee, 13 F.C.C. 1246 (1949):

"It should be recognized that there can be no one all embracing formula which licensees can hope to apply to insure the fair and balanced representation of all public issues. Different issues will inevitably require different techniques of presentation and production. The licensee will in each instance be called upon to exercise his best judgment and good sense in determining what subjects should be considered, the particular format of the programs to be devoted to each subject, the different shades of opinion to be presented, and the spokesman for each point of view."

Id. at 1251.

[127] Loevinger, Free Speech, Fairness and Fiduciary Duty in Broadcasting, 34 Law and Contemp. Prob. 278, 285 (1969).

[128] Red Lion, *supra*, 395 U.S. at 377-378, 89 St.Ct. at 1800, 23 L.Ed. 2d 371.

[129] 24 P & F Radio Reg. 404 (1962).

[130] 127 U.S. App. D.C. 129, 381 F. 2d 908 (1967).

[131] *Supra*, note 119.

[132] Democratic National Committee, *supra*, 395, 460 F. 2d at 903.

[133] Committee for the Fair Broadcasting of Controversial Issues, 25 F.C.C. 2d 283, 291 (1970) (emphasis in the original). In Committee for Fair Broadcasting, *supra*, 25 F.C.C. 2d at 292, the Commission explained its reasons for supporting the doctrine:

"We do not believe that any extended discussion is needed as to why the licensee is afforded so much discretion under the fairness doctrine. In our judgment, based on decades of experience in this field, this is the only sound way to proceed as a general policy. A contrary approach of equal opportunities, applying to controversial issues generally the specific equal opportunities requirements for political candidates would in practice not be workable. It would inhibit, rather than promote, the discussion and presentation of controversial issues in the various broadcast program formats (e.g., newscasts; interviews, documentaries). For it is just not practicable to require equality with respect to the large number of issues dealt with in a great variety of programs on a daily and continuing basis. Further, it would involve this Commission much too deeply in broadcast journalism; we would indeed become virtually a part of the broadcasting 'fourth estate,' overseeing thousands of complaints that some issue had not been given 'equal treatment.' We do not believe that the profound national commitment to the principle that debate on public issues should be 'uninhibited, robust, wide-open' (New York Times Co. v. Sullivan, 376 U.S. 254, 270 [84 St.Ct. 710, 11 L.Ed. 2d 686]) would be promoted by a general policy of requiring equal treatment on all such issues, with governmental intervention to insure such mathematical equality."

[134] *Id.* at 293 (emphasis in original). *See generally* 67 Cong. Rec. 12502–04.

[135] *Id.* at 295.

[136] Larus & Brother Company v. F.C.C., *supra,* 447 F. 2d at 879.

[137] J. A. Vol. IV, 812.

[138] J. A. Vol. IV, 813–14 (emphasis supplied).

[139] We consider appellant's first amendment contentions in Section V, *infra.*

[140] A. Hamilton, The Federalist Papers, No. 1.

[141] W. Shakespeare, Julius Caesar, Act 1, Sc. 2, line 134.

[142] 47 C.F.R. § 73.123 (1972).

[143] 395 U.S. at 378–379, 89 S. Ct. at 1800, 23 L. Ed. 2d 371.

[144] *Id.* at 379–386, 89 S. Ct. 1794.

[145] 47 U.S.C. §§ 303, 303(r) (1970).

[146] 47 U.S.C. §§ 307(a), 309(a) (1970).

[147] 47 U.S.C.A. § 307 (1970).

[148] *Id.*

[149] 47 U.S.C. § 307(d) (1970).

[150] 395 U.S. at 380, 89 S.Ct. at 1801.

[151] *Id.* at 386, 89 S.Ct. at 1804.

[152] For a description of the Commission's factual findings see pp. 37, 38, *supra.*

[153] See, *e. g.,* J.A. Vol. II, 236a.

[154] July Decision, *supra,* at 18.

[155] *Id.*

[156] *Id.* at 22.

[157] *See* footnote 74, *supra.*

[158] For a discussion of the pertinent facts *see* pp. 33, 34 and 38, *supra.*

[159] *See* note 15, *supra.*

[160] This program is described at p. 23, supra.

[161] F.C.C. v. WOKO, Inc., 329 U.S. 223, 227, 67 S.Ct. 213, 215, 91 L.Ed. 204 (1946).

[162] A Hamilton, Federalist Papers, No. 84.

[163] 4 W. Blackstone, Commentaries, *151–52 (emphasis in original) (footnote omitted.)

[164] Dennis v. United States, 341 U.S. 494, 71 S.Ct. 857, 95 L.Ed. 1137 (1951).

[165] *Id.* 341 U.S. at 521–522, 71 S.Ct. at 873 (footnotes omitted).

[166] *Id.*, 341 U.S. at 524, 71 S.Ct. at 874, *citing* Robertson v. Baldwin, 165 U.S. 275, 281, 17 S. Ct. 326, 41 L.Ed. 715 (1897).

[167] *Id., citing* Gompers v. United States, 233 U.S. 604, 610, 34 Ct. 693, 58 L.Ed. 1115 (1914).

"While the courts have from an early date taken a hand in crystallizing American conceptions of freedom of speech and press into law, it is scarcely in the manner or to the extent which they are frequently assumed to have done. The great initial problem in this realm of constitutional liberty was to get rid of the common law of "seditious libel" which operated to put persons in authority beyond the reach of public criticism. The first step in this direction was taken in the famous or infamous, **Sedition Act of** 1798, which admitted the defense of truth in prosecution brought under it, and submitted the general issue of defendant's guilt to the jury. But the substantive doctrine of "seditious libel" the Act of 1798 still retained, a circumstance which put several critics of President Adams in jail and thereby considerably aided Jefferson's election as President in 1800. Once in office, nevertheless, Jefferson himself appealed to the discredited principle against partisan critics. Writing his friend Governor McKean of Pennsylvania in 1803 [about] such critics, Jefferson said: "The federalists having failed in destroying freedom of the press by their gag-law, seem to have attacked it in an opposite direction; that is by pushing its licentiousness and its lying to such a degree of prostitution as to deprive it of all credit. * * * This is a dangerous state of things, and the press ought to be restored to its credibility if possible. The restraints provided by the laws of the States are sufficient for this, if applied. And I have therefore, long thought that a few prosecutions of the most prominent offenders would have a wholesome effect in restoring the integrity of the presses. Not a general prosecution, for that would look like persecution; but a selected one." Works (Ford ed., IX 451–52.

"In the *Memorial Edition* of Jefferson's works this letter is not included; nor apparently was it known to the Honorable Josephus Daniels, whose enthusiastic introduction to one of these volumes makes Jefferson out to have been the father of freedom of speech and press in this country, if not throughout the world. The sober truth is that it was that arch enemy of Jefferson and of democracy, Alexander Hamilton, who made the greatest single contribution toward rescuing this particular freedom as a political weapon from the coils and toils of the common law, and that in connection with one of Jefferson's "selected prosecutions." I refer to Hamilton's manytimes quoted formula in the Croswell case in 1804: "The liberty of the press is the right to publish with impunity, truth, with good motives, for justifiable ends though reflecting on government, magistracy, or individuals." People v. Crosswell [Croswell], 3 Johns. [Cas.] (N.Y.) 337. Equipped with this brocard our State courts working in co-operation with juries, whose attitude usually reflected the robustiousness of American political discussion before the Civil War, gradually wrote into the common law of the States the principles of "qualified privilege," which is a notification to plaintiffs in libel suits that if they are unlucky enough to be office-holders or office seekers, they must be prepared to shoulder the almost impossible burden of showing defendant's "special malice." Cooley, Constitutional Limitations, Chap. XII: Dawson, Freedom of the Press, A Study of the Doctrine of "Qualified Privilege" (1924)."

Corwin, Liberty Against Government, 157–59 n. 65 (1948).

[168] Patterson v. Colorado, 205 U.S. 454, 462, 27 S.Ct. 556, 557, 51 L.Ed. 879 (1907) (emphasis in the original).

[169] *Id.*, 205 U.S. at 461, 27 S.Ct. at 557.

[170] Prudential Insurance Co. of America v. Cheek, 259 U.S. 530, 543, 42 S. Ct. 516, 522, 66 L.Ed. 1044 (1922).

[171] 268 U.S. 652, 45 S.Ct. 625, 59 L.Ed. 1138 (1925). In this case the Court affirmed Gitlow's conviction for violating a New York statute which prohibited advocating criminal anarchy.

[172] *Id.*, 268 U.S. at 666, 45 S.Ct. at 630.

[173] Fiske v. Kansas, 274 U.S. 380, 47 S.Ct. 655, 71 L.Ed. 1108 (1927).

[174] Near v. Minnesota, 283 U.S. 697, 51 S.Ct. 625, 75 L.Ed 1357 (1931).

The fourteenth amendment has also been extended to the first amendment guarantees of freedom of religion, Cantwell v. Connecticut, 310 U.S. 296, 60 S.Ct. 900, 84 L.Ed. 1213 (1940), and the right of peaceable assembly, DeJonge v. Oregon, 299 U.S. 353, 57 S.Ct. 255, 81 L.Ed. 278 (1937).

[175] 315 U.S. 568, 62 S.Ct. 766, 86 L.Ed. 1031 (1942).

[176] *Id.*, 315 U.S. at 571–572, 62 S. Ct. at 769 (footnotes omitted).

[177] 319 U.S. 624, 63 S.Ct. 1178, 87 L.Ed. 1628 (1943).

[178] *Id.*, 319 U.S. at 633, 63 S.Ct. at 1183.

[179] Lovell v. Griffin, 303 U.S. 444, 451, 58 S.Ct. 666, 669, 82 L.Ed. 949 (1938) (emphasis in the original) (footnote omitted).

[180] Chaplinsky v. New Hampshire, *supra;* Cox v. New Hampshire, 312 U.S. 569, 61 S.Ct. 762, 85 L.Ed. 1049 (1941).

[181] Lovell v. Griffin *supra;* Hague v. C.I.O., 307 U.S. 496, 516, 59 S.Ct. 954, 83 L.Ed. 1423 (1939); Schneider v. State, 308 U.S. 147, 60 S.Ct. 146, 84 L.Ed. 155 (1939); Cantwell v. Connecticut, *supra;* Largent v. Texas, 318 U.S. 418, 63 S.Ct. 667, 87 L.Ed. 873 (1943); Thomas v. Collins, 323 U.S. 516, 538, 65 S.Ct. 315, 89 L.Ed. 430 (1945); Saia v. New York, 334 U.S. 558, 68 S.Ct. 1148, 92 L.Ed. 1574 (1948).

[182] Federal Radio Commission v. Nelson Bros. Bond & Mortgage Co., 289 U.S. 266, 53 S.Ct. 627, 77 L.Ed. 1166 (1933); Federal Communications Commission v. N.B.C., 319 U.S. 239, 63 S.Ct. 1035, 87 L.Ed 1374 (1943).

[183] Mutual Film Corp. v. Ohio Indus'l Comm., 236 U.S. 230, 244, 35 S.Ct. 387, 391, 59 L.Ed. 552 (1915).

[184] United States v. Paramount Pictures, 334 U.S. 131, 166, 68 S.Ct. 915, 92 L.Ed. 1260 (1948).

[185] It would be impossible to provide a complete bibliography of law review materials in the space available here. At the risk of omitting far more than we can include we call the reader's attention to the following: Symposium, Media and the First Amendment in a Free Society, 60 Geo.L.J. 871–1099, particularly, 1031–44 (1972); Johnson & Western, A Twentieth Century Soapbox: The Right to Purchase Radio and Television Time, 57 Va.L.Rev. 574 (1971); Note, Fairness Doctrine; Television as a Marketplace of Ideas, 45 N.Y.U.L.Rev. 1222 (1970); Cahill, "Fairness" and the FCC, 21 Fed.Comm.B.J. 17 (1967); Lynd, Banzhaf v. FCC: Public Interest and the Fairness Doctrine, 23 Fed. Comm.B.J. 39 (1969); Note, Concepts of the Broadcast Media Under the First Amendment: A Reevaluation and a Proposal, 47 N.Y.U.L. Rev. 83 (1972); Note, We Pick 'Em, You Watch 'Em: First Amendment Rights of Television Viewers, 43 S.Cal.L.Rev. 826 (1970); Note, Free Speech and the Mass Media, 57 Va.L.Rev. 636 (1971).

[186] 395 U.S. at 386–401, 89 S.Ct. 1794, 23 L.Ed.2d 371.

[187] *Id.*, at 386, 89 S.Ct. at 1804.

[188] Mr. Justice Douglas did not participate in the disposition of the case.

[189] 395 U.S. at 393–394, 89 S.Ct. 1794.

[190] *Id.*, 395 U.S. at 400, 89 S.Ct. at 1812.

[191] *Id.*, 395 U.S. at 388–390, 89 S.Ct. at 1806.

[192] *Id.*, 395 U.S. at 393–394, 89 S.Ct. at 1808.

[193] *Id.*, 395 U.S at 396, 89 S.Ct. at 1809.

[194] 146 U.S.App.D.C. 181, 450 F.2d 642 (1971).

[195] *See, e.g.,* United States v. Paramount Pictures, Inc., 334 U.S. 131, 166, 68 S.Ct. 915, 92 L.Ed. 1260 (1948). Congress itself has prohibited any interference by the Commission with "the right of free speech by means of radio communication." 47 U.S.C. § 326 (1964).

Id., 146 U.S.App.D.C. at 188, 450 F.2d at 649 (footnote renumbered).

[196] *Id.*, 146 U.S.App.D.C. at 188–189, 450 F.2d at 649–650, *citing* 395 U.S. at 390, 89 S.Ct. 1794 (footnote renumbered).

[197] *Id.*, 146 U.S.App.D.C. at 189, 450 F.2d F.2d at 650, *citing* 395 U.S. at 387, 390, 89 S.Ct. 1794.

[198] *Supra.*

[199] *Id.*, 148 U.S. App. D.C. at 401, 460 F. 2d at 909, *citing* 395 U.S. at 392, 89 S.Ct. 1794.

[200] Green v. F.C.C., *supra,* 144 U.S.App. D.C. at 359, 447 F.2d at 329 (emphasis in the original).

[201] J. Mill, On Liberty 274.

[202] 47 U.S.C. § 326 (1970).

[203] Allen B. Dumont Laboratories v. Carroll, 184 F.2d. 153 (3rd Cir. 1950), cert. denied; 340 U.S. 929, 71 S.Ct. 490, 95 L.Ed. 670 (1951).

[204] McIntire v. Wm. Penn Broadcasting Co. of Philadelphia, 151 F.2d 597 (3rd Cir. 1945), cert. denied, 327 U.S. 779, 66 S.Ct. 530, 90 L.Ed. 1007 (1946).

[205] Banzhaf v. F.C.C., 132 US.App.D.C. 14; 405 F.2d 1082 (1968), cert. denied, American Broadcasting Companies v. F.C.C., 396 U.S. 842, 90 S.Ct. 50, 24 L.Ed.2d 93 (1969); Carter Mountain Transmission Corp. v. F.C.C., 116 U.S. App.D.C. 93, 321 F.2d 359 (1963), cert. denied. 375 U.S. 951, 84 S.Ct. 442, 11 L.Ed.2d 312 (1964).

[206] Idaho Microwave, Inc. v. F.C.C., 122 U.S. App.D.C. 253, 352 F.2d 729 (1965).

[207] Cronkite, Introduction to Part III: Points of Conflict—Legal Issues Confronting Media Today, 60 Geo.L.J. 1001, 1003–04 (1972).

[208] 40 F.C.C. 582 (1963).

[209] 47 U.S.C. § 307(a), (d) (1970).

[210] 145 U.S.App.D.C. 32, 40 fn. 23, 447 F.2d 1201, 1209 fn. 23 (1971), *quoting* F.C.C. v. Sanders Bros. Radio Station, 309 U.S. 470, 475 (1940).

[211] 143 U.S.App.D.C. 383, 444 F.2d 841 (1970).

[212] *Id.*, 143 U.S.App.D.C. at 396, 444 F.2d at 854.

[213] *Id.*, 143 U.S.App.D.C. at 402, 444 F.2d at 860.

[214] WAIT Radio v. F.C.C., 148 U.S.App.D.C. 148, at 179, 459 F.2d 1203, at 1204 (1972).

J. SKELLY WRIGHT, Circuit Judge, concurring:

Judge Tamm's opinion contains a careful articulation of the facts of this case and an excellent exposition of the applicable law. While I am not necessarily in agreement with all his appraisals of the actions of the people concerned with this litigation, including counsel and the hearing examiner, I concur in his decision affirming the Commission on the ground that substantial evidence supports the Commission's finding that appellant misrepresented its program plans and thus consciously deceived the Commission. This finding was a separate ground for denial of renewal by the Commission.

If this case did not involve an unpopular fundamentalist preacher, for me it would be an easy one indeed. The application to transfer the WXUR license was granted on specific representations of appellant as to programming and with a special warning that appellant must comply with its responsibilities under the law as a public licensee. The Commission felt that a special warning was required because opponents of the transfer, representing a substantial segment of the public served by the license, strongly argued that appellant, if granted the license, would not comply with the law. In spite of the warning and the circumstances surrounding the transfer generally, appellant proceeded to treat its public license as though it were its private property unencumbered by public obligations. It not only deceived the Commission as to its programming, but it ignored the Commission's warning with respect to fairness in the operation of the station. In effect it simply defied the Commission. Under the circumstances the Commission's action unquestionably has substantial support in the record. Universal Camera Corp. v. N.L.R.B., 340 U.S. 474, 71 S.Ct. 456, 95 L.Ed. 456 (1951).

But because the Commission's ruling has the possible effect of suppressing the ventilation of views with which there might be substantial disagreement, its action in denying renewal of the license requires particularly careful scrutiny. As Judge Tamm's opinion makes clear, in such a case it is not enough simply to find that substantial evidence in the record taken as a whole supports the Commission and there was no abuse of discretion. In these circumstances the court itself should make its own evaluation of the evidence to insure that First Amendment freedoms of the licensee and the public are fully and fairly taken into account in the decision making process. *See* Jacobellis v. Ohio, 378 U.S. 184, 187–190, 84 S.Ct. 1676, 12 L. Ed.2d 793 (1964); New York Times Co. v. Sullivan, 376 U.S. 254, 285, 84 S.Ct. 710, 11 L.Ed.2d 686 (1964); Niemotko v. Maryland, 340 U.S. 268, 271, 71 S.Ct. 325, 328, 95 L.Ed. 267, 280 (1951); Bridges v. California, 314 U.S. 252, 271, 62 S.Ct. 190, 86 L.Ed. 192 (1941). So doing, I cannot say that the Commission erred in denying the renewal application in this case.

Chief Judge BAZELON concurs in affirming the decision of the FCC solely on the ground that the licensee deliberately withheld information about its programming plans. A full statement of his views will issue at a later date.

PER CURIAM:

On September 25, 1972, the judgment of this court was filed affirming the action of the Commission in this case on the ground of deception in the acquisition of a broadcasting license. Chief Judge Bazelon also concurred "in affirming the decision of the FCC solely on the ground that the licensee deliberately withheld information about its programming plans." He stated further that "[a] full statement of his views will issue at a later date."

Chief Judge Bazelon now files a dissenting opinion. That opinion follows immediately on p. 63. Circuit Judge J. SKELLY WRIGHT files a response, with the concurrence of Circuit Judge TAMM, which follows on p. 80.

BAZELON, Chief Judge, dissenting:

In this case I am faced with a *prima facie* violation of the First Amendment. The Federal Communications Commission has subjected Brandywine to the supreme penalty: it may no longer operate as a radio broadcast station. In silencing WXUR, the Commission has dealt a death blow to the licensee's freedoms of speech and press. Furthermore, it has denied the listening public access to the expression of many controversial views. Yet, the Commission would have us approve this action in the name of the fairness doctrine, the constitutional validity of which is premised on the argument that its enforcement will *enhance* public access to a marketplace of ideas without serious infringement of the First Amendment rights of individual broadcasters.

This paradoxical result is sustained only by a faith in the argument that, despite some short-term casualties along the way, long-term enforcement of the fairness doctrine's obligations is the only means to achieve the marketplace ideal. But if we are to go after gnats with a sledgehammer like the fairness doctrine, we ought at least to look at what else is smashed beneath our blow.

Our perception of the need for broadcasting regulations has not, in Judge Tamm's words, "seriously been questioned in over fifty years." A re-examination of the value, purposes and effects of the fairness doctrine raises for me such serious doubts about the constitutionality of its application here that I am compelled to withhold my affirmance.

Instead, I would remand to the FCC for a searching inquiry into the factual issues and alternative policies[1] raised within the constitutional framework outlined below, before we can even begin to answer the question: does silencing WXUR in the name of the fairness doctrine violate the First Amendment?

The entire field of governmental regulation of broadcast communication is so fraught with competing interests and uncertain results, and the shifting balance of First Amendment freedoms offers so few definite guidelines in this area, that there is no easy answer to this question. My Brother Tamm has written a lengthy, detailed opinion which carefully applies Commission regulations to the facts of this case; there was perhaps a time when I could concur fully with his conclusions. But I fear that ancient assumptions and crystallized rules have blinded all of us to the depth of the First Amendment issues involved here. In affirming the Commission, Judge Tamm relied on its application of the fairness doctrine and the Supreme Court's decision in *WOKO*. Judge Wright, on the other hand, relied only on *WOKO*. But I must dissent on both counts. My purpose in writing a separate opinion is to try to come to grips with the conceptual underpinnings which have led the Commission to such ironic consequences in the case before me.

I.

I begin with a discussion of the standards according to which regulation of broadcasting by the federal government must be judged. And I say "judged", because it is the particular duty and function of this court to test all federal regulation of speech and press against the mandates of our Constituition. The "public interest", the standard under which the FCC operates, cannot be divorced from our contemporary understanding and interpretation of the First Amendment.

The purpose of the First Amendment is to preserve an "uninhibited marketplace of ideas."[2] Its language presupposes the general concept that the marketplace is best preserved by protecting the right of each *individual* to speak freely; that "the fitting remedy for evil counsels is good ones",[3] rather than coerced silence, or governmentally directed discussion. Thus, "the First Amendment does not speak equivocally. It prohibits any law 'abridging the freedom of speech, or of the press.' "[4]

Such has always been the logic behind our strict protection of the freedom of the press to disseminate news and views on public issues from the imposition of governmental burdens or regulations.[5] The First Amendment's mandate that freedom for the individual is the only means to achieve the marketplace ideal of an informed American public "[t]o many . . . is, and always will be, folly; but we have staked upon it our all."[6]

Of course, there have been exceptions to this general proposition. There is a need to accommodate other societal interests: as Mr. Justice Holmes said in Schenck v. United States, "[t]he most stringent protection of free speech would not protect a man in falsely shouting fire in a theatre and causing a panic."[7] The government may also act affirmatively to regulate behavior which directly threatens the free speech of others.[8] New types of regulation which promote effective communication may be required: "the various forms of modern so-called 'mass communications' raise issues that were not implied in the meaning of communication known to Franklin and Jefferson and Madison."[9]

Regulations which are designed to make the system function effectively may have an adverse impact on a particular individual's rights. But abridgement of individual rights may be tolerated only when in the long run it enhances the right of the public to receive access to the marketplace of diverse views. Obviously this requires a delicate balancing: any harm to private rights must be outweighed by benefit to the public.[10]

This balancing process has been applied to regulation of the broadcast industry,[11] although in its infancy radio enjoyed the same freedom as the printed press: that is, "anyone who will may transmit."[12] The 1912 Radio Act gave no discretion to the Secretary of Commerce in the granting of broadcast licenses.[13] But by the 1920s the number of broadcasters had increased so dramatically that every "channel" was occupied by at least one station, some by several. The resulting chaos "shook the broadcasting world and left an indelible impression of the dangers of nonregulation."[14]

By 1927 it had become clear that private over-use of the airwaves threatened the public's right to listen to what was being said. "With everybody on the air, nobody could be heard."[15] Some conditions had to be set by Congress to restrict use of the broadcast medium—conditions which *created* the scarcity of the resource which has come to be the outstanding characteristic of the industry.[16]

Unlike other modes of expression, radio inherently is not available to all. That is its unique characteristic, and that is why, unlike other modes of expression, it is subject to governmental regulation. Because it cannot be used by all, some who wish to use it must be denied.[17]

Only because *private* rights of access to the air had to be limited, was it feared that

---

Footnotes at end of article.

the *public's* right of access to a robust marketplace of ideas would be endangered.[18] Congress authorized the newly-created Commission to insure that broadcasters operate "in the public interest"—a duty which had never been imposed on the printed media. But Congress did "not license the Commission to scan the airwaves for offensive material with no more discriminating a lens than the 'public interest'."[19] Each new form of regulation which departed from the strict "hands-off" policy ordered by the First Amendment required a careful balancing of private vs. public rights in light of the paramount goal of a marketplace of ideas.

Many reasons have been given for the regulation of broadcasting.[20] But behind all formulations lies the simple fact that a broadcast license is a scarce resource. Regulation by government cannot, under the First Amendment, be divorced from the threat to the marketplace posed by the *unique* characteristic of scarcity. The temptation is, however, to rely on familiar formulas to justify new regulations, even where they may not be justified by the First Amendment test.

For instance, it is often stated as a foregone conclusion that a "broadcast license is a public trust subject to termination for breach of duty",[21] and thus that the public may attach whatever conditions it believes necessary to protect its interest. Certainly government might claim ownership of the airwaves, just as it has claimed ownership of parks and streets and postal facilities, for the public good. But it cannot, unlike a private owner, place restraints upon the First Amendment rights of those who use this property simply by declaring "I own it." The very fact of public ownership or control brings into play the First Amendment, which requires that governmental authority may not be used in and of itself to justify deprivation of freedoms of speech and press.[22] Were it otherwise, these constitutional protections would fall to the caprice of governments.

There is some usefulness in the "public trust" terminology only if it is understood to be derived from technical scarcity in the broadcast industry. To the extent that government can and must impose restrictions upon licensees in order to deal with the problems posed by scarcity, a broadcast licensee is a trustee. But the scope of the trust duties cannot be extended beyond what is required to preserve the marketplace of ideas from the dangers which scarcity may threaten. Thus the term "public trust" expresses the result of a complicated process of constitutional reasoning by a deceptively simple formula. It is a conclusory label dangerously applied without reference to its history or derivation, and has no constitutional weight of its own.

As we have stated before:

> First Amendment complaints against FCC regulation of content are not adequately answered by mere recitation of the technically imposed necessity for some regulation of broadcasting and the conclusory propositions that "the public owns the airwaves" and the broadcast license is a "revocable privilege". It may well be that some venerable FCC policies cannot withstand constitutional scrutiny in the light of contemporary understanding of the First Amendment and the modern proliferation of broadcasting outlets.[23]

II.

Brandywine's First Amendment complaints require that the fairness doctrine be subjected to constitutional scrutiny far more searching than either the Commission or my Brother Tamm provides. The FCC, fresh from its vindication in *Red Lion*, focused only on whether WXUR had in fact violated certain fairness obligations.[24] Judge Tamm also relied on *Red Lion* to set the constitutional balance in favor of a fairness doctrine: if fairness obligations *could* constitutionally be imposed, the imposition *must* be constitutional in this case.[25]

But the facts cry out otherwise. WXUR was no doubt devoted to a particular religious and political philosophy; but it was also a radio station devoted to speaking out and stirring debate on controversial issues.[26] The station was purchased by Faith Theological Seminary to propagate a viewpoint which was not being heard in the greater Philadelphia area. The record is clear that through its interview and call-in shows it *did* offer a variety of opinions on a broad range of public issues; and that it never refused to lend its broadcast facilities to spokesmen of conflicting viewpoints.[27]

The Commission's strict rendering of fairness requirements, as developed in its decision,[28] has removed WXUR from the air. This has deprived the listening public not only of a viewpoint but also of robust debate on innumberable controversial issues. It is beyond dispute that the public has lost access to information and ideas. This is not a loss to be taken lightly, however unpopular or disruptive we might judge those ideas to be.

Furthermore, even if WXUR had not been removed from the air but simply ordered to comply with the FCC's ruling, the effect would have been strangulation. There was testimony that the monitoring procedures which the FCC required for identification of controversial issues are beyond the capacity of a small staff, or a shoestring operation.[29] The ratio of "reply time" required for every issue discussed would have forced WXUR to censor its views—to decrease the number of issues it discussed, or to decrease the intensity of its presentation. The ramifications of this chilling effect will be felt by every broadcaster who simply has a lot to say.[30] Thus the result in this case, and the rules it establishes, seem to move us a step backwards, away from the First Amendment's marketplace ideal, in the name of the fairness doctrine.

When we see what is being lost as the result of a single blow of this doctrinal sledgehammer, I can only assume that the FCC must be relying on the assumption that the public interest will be served in the *long run* through strict enforcement of the doctrine.

What troubles me most is that the FCC and Judge Tamm apparently see no need to question this underlying assumption. The FCC is perhaps too busy applying and enforcing what it sees to be the necessities of the fairness doctrine theory. But I think the time is overripe to take our blinders off and look further toward First Amendment goals than the next regulatory step which the FCC urges us to take in the name of fairness. Ease of administration is of no weight in this field where precious constitutional freedoms hang in the balance.

Nor can we simply hang our hats on *Red Lion* and relax. The Supreme Court deliberately withheld its approval of all other aspects of the fairness doctrine, and even of further applications of the very rules it was in general approving.[31] The constitutional validity of each and every application of the doctrine must be tested on its own, on a case-by-case basis.[32] We must not be guilty of pouring concrete around foundation of a doctrine which enhances the public's right of access in some circumstances but abridges that right in others.

The theory of the fairness doctrine—that the paramount right of the public under the First Amendment can only be achieved by limiting the rights of individuals so that everybody talks about everything from every point of view—has rested for so long on so many assumptions that any alternative is now hard to imagine.[33] But the logic which alone can justify silencing WXUR requires that this theory be re-examined in light of the narrow constitutional test outlined in Part I above.

III.

The fairness doctrine is a venerable FCC policy which originated in an era when our fears about the effects of scarcity on the public's right of access far outweighed what we understood would be the doctrine's *minimal* encroachment on private First Amendment freedoms. In fact, our belief that government could beneficently regulate a communications medium within the confines of the First Amendment can only be understood in its historical context.

At the turn of the century, there were doubts about whether the First Amendment even applied to radio. After all, radio came into the world as a magic box analogized to the telegraph.[34] In 1912, broadcasting was an "undisclosed art."[35] By 1927 the magic box was a household word, but it still held no legitimacy as press. Rather, radio was entertainment, and it was then perhaps justifiable to ask what entertainment had to do with the First Amendment. In 1928 the Radio Commission had this to say:

> . . . The Commission is unable to see that the guaranty of freedom of speech has anything to do with entertainment programs as such. Since there are only a limited number of channels and since an excessive number of stations desire to broadcast over these channels, the commission believes it is entitled to consider the program service of the various applicants, to compare them and to favor those which render the best service. Second Annual Report of F.R.C. 160 (1928).

The Commission's notion that entertainment was divorced from the First Amendment was not inaccurate in 1928. The Supreme Court had in 1915 upheld a state statute establishing censorship of motion picture films.[36] Not until 1952 did the Court establish that movies were within the protection of the First Amendment.[37] Early court decisions affirming the power of the Commission to regulate on the basis of programming were grounded on the established power of Congress to regulate commerce and gave short shrift to the First Amendment by today's standards.[38]

Broadcasters themselves were viewed as entertainers rather than responsible journalists; certainly they were not "newsmen". The Commission felt justified in imposing upon these neophytes a series of obligations to insure that they would act "responsibly" in the public interest. In 1941 the Federal Communications Commission determined that broadcasters could not editorialize.[39] In 1949 the Commission reversed itself and required that broadcasters *must* editorialize.[40] In each case, of course, the Commission was motivated by a peculiar distrust of broadcast journalists as opposed to those who reported in print. "News" was still the business of newspapers.

Today we have arrived at different constitutional definitions as to what is protected speech.[41] Certainly, broadcasting is included,[42] but perhaps more significant is the fact that most Americans now consider television and radio to be their most important news source.[43] Broadcast journalists have grown up. They see it as in their interest to be guided by the same professional standards of "fairness" as the printed press.[44] There is no factual basis for continuing to distinguish the printed from the electronic press as the true news media.

Our fears of an unregulated broadcast industry in 1927 did focus on the scarcity of the resource. It was argued that the limited facilities would make it a natural monopoly, in distinct contrast with the flourishing competition among printed media.[45] It was feared that the effects of this monopoly would be to silence a diversity of opinion, so the Commission determined that diversity would be enforced by governmental regula-

---

Footnotes at end of article.

tions. Some of these took the form of ownership and network restrictions, but these efforts remained largely incomplete.[46] So the fairness doctrine focused on the responsibility of each "monopolist" to present views in contrast with his own so that the public would not be misled.[47]

Today, our fears of a broadcasting monopoly seem dated. The number of commercial broadcasting stations on the air as of September, 1972, was 7,458. As of January 1, 1971, daily newspapers totaled only 1,749.[48] Nearly every American city receives a number of different television and radio signals. Radio licensees represent diverse ownership; UHF, local and public broadcasting offer contrast to the three competing networks; neither broadcasting spectrum is completely filled. But out of 1,400 newspaper cities, there are only fifteen left with face-to-face competition.[49]

This is not to say that scarcity is only a problem of the past. In *Red Lion*, the Supreme Court premised its analysis on the reality of the existing limitations of the resource.[50] There are also a variety of new arguments being raised about the lack of access for minority groups which have not yet been dealt with by the Court.[51] But *Red Lion* cannot be read as the final word on scarcity: the cable technology of the future was not even mentioned in the Court's decision.

It is a fact that with *existing equipment and technology* "a single coaxial [tv] cable can carry between 28 and 36 channels of television, plus the entire AM and FM radio bands and a quantity of other non-visual electronic signals." [52] It is predicted that in perhaps 10 years it will be possible to provide to the television viewer 400 channels; [53] that by 1980 half the nation will be on cable television; and that a host of educational and public services will accompany the cable revolution which are simply mindboggling.[54]

Thus, even now we possess the know-how to do away with technical scarcity through CATV.[55] The costs of laying cable may at *some point* be prohibitive, but this is to say no more than that there may be severe economic limitations to obtaining a cable station—economic limitations which affect the printed media equally severely.[56] Is it not a little ironic that we still adhere to our fears of monopoly and limited access? Ought we not instead focus our attention on how we can make the cable medium economically accessible to those who assert a right to use it? [57]

Scarcity raised still another fear in the early days of broadcasting—that of broadcasters, licensed by a Commission of political appointees, who would propogandize political viewpoints and privately censor all opposition.[58] The spur of the fairness doctrine was thus justified as encouraging "fair" discussion of public issues, and the Commission was seen as the even-handed arbiter of "fairness."

Yet we are told today, by highly respected members of the newspaper and broadcasting corps, that governmental regulation of broadcasting has been more pernicious than any group of private censors.[59] Some of the "chilling" effects of the threat of FCC intervention, which the broadcasters say have operated to suppress discussion of controversial views and ambitious journalism, remain hidden from the public eye.[60] *Red Lion* dismissed this issue as speculative,[61] but this cannot be the final word. Facts can change, and so can our perception of them.

Some chilling effects have become quite obvious. In the past years, networks have come under repeated attacks from government spokesmen who did not like the way television reported a variety of hot public issues.[62] These attacks did not focus on inaccuracies, but on the "bias" or lack of "fairness" in the presentation. The history of the FCC is itself replete with examples, including Brandywine itself, of the controversial viewpoint being screened out in favor of the dreary blandness of a more acceptable opinion.[63] In the context of broadcasting today, our democratic reliance on a truly informed American public is threatened if the overall effect of the fairness doctrine is the very censorship of controversy which it was promulgated to overcome.

A final word on the crucial impact of the broadcasting media. Early in the history of regulation the fear was expressed that broadcasting might be dangerous because of its unique potential for influence and control.[64] And Judge Tamm seems to warn that because we are "shifting our emphasis from the printed media to the electronic media" the need for governmental regulation has grown greater. Often it is difficult to unravel this argument from fear of monopoly control. But we must be careful to meet it head on, for rightly or wrongly it has become an unexamined prescription for all sorts of government regulation.

There is no doubt about the unique impact of radio and television.[65] But this fact alone does not justify governmental regulation. In fact, quite the contrary. We should recall that the printed press was the *only* medium of mass communication in the early days of the Republic—and yet this did not deter our predecessors from passing the First Amendment to prohibit abridgment of its freedoms. If, as has been suggested, we are to focus on the newly acquired role of broadcasting as the 20th century version of the 18th century town meeting or political pamphlet, we must be all the more careful to preserve a "free press" in the broadcast media. To argue that a more effective press requires a more regulated press flies in the face of what history has taught us about the values and purposes of protecting the individual's freedom of speech.

IV.

We once stated that "[i]f the fairness doctrine cannot withstand First Amendment scrutiny, the reason is that to insure a *balanced* presentation of controversial issues may be to insure no presentation, or no vigorous presentation, at all." [66] An examination of the facts of this case and the history of regulation which has brought us here raise for me serious doubts about the correctness of continuing to rely primarily on the fairness doctrine as the proper means of insuring First Amendment goals. The plain truth is that to uphold the Commission's fairness ruling, not only must we bless again the road we have travelled in the past, we must go farther; for this will be the first time that the FCC has denied a license renewal because of fairness doctrine obligations.[67]

Whether in this case the Commission has simply taken the doctrine too far or applied it too rigidly, or whether the trouble lies deeper, cannot be determined without a remand. Even now the FCC has begun a long inquiry into a question we face here: Do fairness policies truly promote a marketplace of uninhibited, wide and robust debate? [68] It is proper that this court urge the Commission to reconsider this case in light of its fairness hearings; that we encourage the Commission to draw back and consider whether time and technology have so eroded the necessity for governmental imposition of fairness obligations that the doctrine has come to defeat its purposes in a variety of circumstances; that we ask whether an alternative does not suggest itself—whether, as with printed press, more freedom for the individual broadcaster would enhance, rather than retard, the public's right to a marketplace of ideas.

I originally authorized issuance of the opinions of the court with my concurrence resting on the narrow ledge of Brandywine's misrepresentations under the supreme Court's ruling in F.C.C. v. WOKO, Inc.[69] But it is abundantly clear that the fairness doctrine is the "central aspect" of this case which even touches the core of the applicability of *WOKO*. I have therefore concluded that the great weight of First Amendment considerations cannot rest on so narrow a ledge.

The point to be made is simply that I had originally thought that the alleged misrepresentation could be considered separately from the other issues in the case. But upon closer consideration, it became clear to me that the subject matter of the so-called "deception" [70] is inextricably bound up in the considerations underlying the fairness doctrine. The Commission found one misrepresentation explicitly concerned Brandywine's efforts to comply with the fairness doctrine. The Commission also found that Brandywine "failed to adhere to its program proposals in other respects which are relevant to the fairness questions in this case." 24 F.C.C.2d at 30. Furthermore, in light of my discussion of the changing relationship between the First Amendment and broadcasting, there is some question as to what the FCC may constitutionally ask of applicants with respect to programming plans and adherence to fairness obligations. Thus the application of *WOKO* raises constitutional questions which cannot be neatly separated, as I had originally thought.

Fortunately, Justice Jackson provided some precedent for a change of mind when he quoted Baron Bramwell as saying, " 'The matter does not appear to me now as it appears to have appeared to me then.' " McGrath v. Kristensen, 340 U.S. 162, 178, 71 S.Ct. 224, 233, 95 L.Ed. 173 (1950).

I would remand the entire case to be reviewed in light of the matters discussed in this opinion.

J. SKELLY WRIGHT, Circuit Judge, with whom Circuit Judge TAMM concurs, responding:

Since Judge Bazelon's dissent seems to be an attack on the fairness doctrine, in fairness to the reader he should make clear at the outset of his opinion that the court's judgment in this case is not based on the fairness doctrine.

When this court's judgment affirming the Commission in this case came down September 25, 1972, Judge Bazelon joined in that judgment. Now he would dissent from that judgment, apparently because he questions the Commission's reliance on the fairness doctrine in reaching its decision. But the Commission's decision was based on two grounds: (1) alleged violations of the fairness doctrine by the licensee, and (2) deception and misrepresentations made to the Commission by the licensee in obtaining the license. Judge Bazelon states in his dissent that he originally concurred in affirming the Commission because of appellant's deception and misrepresentations in obtaining the license in the first place. Now he dismisses that ground as too "narrow a ledge" to rest affirmance of the Commission's action.

As shown in my separate opinion, I rested my concurrence in the court's judgment *solely* on the deception ground. Since Judge Tamm would affirm the Commission on that ground also, that ground, and that ground alone, forms the basis of our judgment. I do not agree that it is too "narrow a ledge." Elementary contract principles teach that when a licensee obtains his license by fraud and deception, that license may be voided by the grantor like any other contract may be set at naught for the same reason. I do not believe that a contract is less voidable for deception in its inception simply because the Government is the party deceived. Indeed, since the public is the loser when the Government is deceived, courts should be more, not less, alert in enforcing primary

---

Footnotes at end of article.

contracting concepts, particularly those based on simple honesty.

By resting the court's judgment in this case on the narrow contract ground, we avoid plunging into the constitutional "thicket" that is the fairness doctrine. The fairness doctrine is a tortured constitutional area of the law that, as Judge Bazelon recognizes, is under comprehensive study in rulemaking proceedings now being conducted by the Commission. Because of the pendency of this study and because courts should not reach out to decide difficult constitutional issues when a narrow nonconstitutional ground is available for decision, I voted to affirm the Commission's action in this case without reaching the constitutional issues involved in an application of the fairness doctrine. I do not think that deception in obtaining a Government license is too narrow a ledge for voiding that license. The Supreme Court flatly so held in F.C.C. v. WOKO, Inc., 329 U.S. 223, 67 S.Ct. 213, 91 L.Ed. 204 (1946), and there are no cases holding otherwise.

FOOTNOTES

[1] For a discussion of these policies, *see* notes 46, 51, 57 *infra.*

[2] Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 397, 390, 89 S.Ct. 1794, 23 L. Ed. 2d 371 1969). *See also* Emerson, The System of Freedom of Expression (1970) [hereinafter cited at Emerson].

[3] Whitney v. California, 274 U.S. 357, 375–376, 47 S.Ct. 641, 648, 71 L.Ed. 1095 (1927). In the words of Judge Learned Hand, the First Amendment "presupposes that right conclusions are more likely to be gathered out of a multitude of tongues, than through any kind of authoritative selection." United States v. Associated Press, 52 F.Supp. 362, 372 (S.D. N.Y. 1943).

[4] Bridges v. California, 314 U.S. 252, 263, 62 S.Ct. 190, 194, 86 L.Ed. 192 (1941).

[5] *See* New York Times Co. v. Sullivan, 376 U.S. 254, 270, 84 S.Ct. 710, 11 L.Ed. 2d 686 (1964); N.A.A.C.P. v. Button, 371 U.S. 415, 429, 83 S.Ct. 328, 9 L.Ed.2d 405 (1963); Roth v. United States, 354 U.S. 476, 484, 77 S.Ct. 1304, 1 L.Ed. 2d 1498 (1957).

[6] United States v. Associated Press, *supra,* note 3, 52 F.Supp. at 372.

[7] 249 U.S. 47, 52, 39 S. Ct. 247, 249, 63 L. Ed. 470 (1919). The variety of aspects of American life which are touched by the First Amendment, and the constitutional tests which have evolved, are discussed at length in Emerson. *See also* Hudon, Freedom of Speech and Press in America (1963). There is disagreement over whether a balancing test should apply at all where First Amendment rights are involved. The late Justice Black described this test as having "a freedom-destroying nature," Scales v. United States, 367 U.S. 203, 261, 81 S.Ct. 1469, 6 L.Ed.2d 782 (1961). "Since that 'test' denies that any speech, publication or petition has an 'absolute' right to protection under the First Amendment, strict adherence to it would . . . mean that there would be only a conditional right, not a complete right, for any American to express his views to his neighbors—or for his neighbors to hear those views." Konigsberg v. State Bar of California, 366 U.S. 36, 68, 81 S.Ct. 997, 1016, 6 L.Ed.2d 105 (1961).

But even Justice Black recognized *some* limits to free speech, *e.g.,* Giboney v. Empire Storage & Ice Co., 336 U.S. 490, 69 S.Ct. 684, 93, L.Ed. 834 (1949), which may, in itself, suggest that some balancing is required. *See* Nutting, Is the First Amendment Obsolete?, 30 Geo Wash. L.Rev. 167, 171 (1961). The primary danger of broadly asserting the need to balance interests is that there is a great temptation to reduce a constitutional right to the same weight as every other interest; "moreover, it has a tendency to tip the scales against the individual," particularly where the balance sets the individual against the needs of the nation. Hudon, *supra* at 174.

Regulation of the broadcast industry is designed exclusively to promote *First Amendment goals* rather than any other national need. The public's rights are weighed against the individual's. *See* note 10, *infra.* Justice Black's admonition must be kept in mind, however, when government begins to justify the regulation of broadcast licensees on other than First Amendment grounds. *See* the discussion with regard to the "public trust" theory at pp. 67–68 *infra.*

[8] *See e.g.* Associated Press v. United States, 326 U.S. 1, 65 S.Ct. 1416, 89 L.Ed. 2013 (1945).

[9] Kovacs v. Cooper, 336 U.S. 77, 96, 69 S.Ct. 448, 458, 93 L.Ed. 513 (Frankfurter, concurring) (1949).

[10] The Supreme Court in *Red Lion* stated that while neither interest cancelled out the other, the public's must be paramount. 395 U.S. at 389–390, 89 S.Ct. 1794. Professor Emerson states that in this area of regulation the test "must be framed in terms of accommodation of interests *within* the system . . ." (emphasis added) Emerson at 629.

[11] Red Lion Broadcasting Co. v. F.C.C. 395 U.S. at 375, 386–390, 89 S.Ct. 1794. Congress specifically provided in § 326 that the FCC could not "interfere with the right of free speech by means of radio communication."

"§ 326. Censorship.

"Nothing in this chapter shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication."

The Commission recognized this balancing in its 1949 Report on Editorializing by Broadcast Licensees, 13 F.C.C. 1246, 1257:

"Any regulation of radio, especially a system of limited licensees, is in a real sense an abridgement of the inherent freedom of persons to express themselves by means of radio communication. It is, however, a necessary and constitutional abridgement in order to prevent chaotic interference from destroying the great potential of this medium for public enlightenment and entertainment."

[12] Remarks of Congressman White during debates on the Radio Act of 1927. 67 Cong. Rec. 5479 (1926). For the early history of radio regulation, *see* 1 A. Socolow, The Law of Radio Broadcasting 38–61 (1939); H. Warner, Radio & Television Law 757 et seq. (1948); National Broadcasting Co. v. United States, 319 U.S. 190, 210–213, 63 S.Ct. 997, 87 L.Ed. 1344 (1943).

[13] *See* Socolow, *supra* note 12 at 38; Warner, *supra* note 12, at 757 et seq.

[14] Kalven, Broadcasting, Public Policy & The First Amendment, 10 Journal Law & Economics 15, 25 (1967).

[15] National Broadcasting Co. v. F.C.C., 319 U.S. 190, 212, 63 S.Ct. 997, 1008, 87 L.Ed. 1344 (1943).

[16] *Accord,* Red Lion Broadcasting Co. v. F.C.C., 395 U.S. at 388, 89 S.Ct. at 1805:

". . . the chaos which ensued from permitting anyone to use any frequency at whatever power level he wished, . . . made necessary the enactment of the Radio Act of 1927 and the Communications Act of 1934, as the Court has noted at length before. . . . It was this reality which at the very least necessitated first the division of the radio spectrum into portions reserved respectively for public broadcasting and for other important radio uses such as amateur operation, aircraft, police, defense, and navigation; and then the subdivision of each portion, and assignment of specific frequencies to individual users or groups of users. Beyond this, however, because the frequencies reserved for public broadcasting were limited in number, it was essential for the Government to tell some applicants that they could not broadcast at all because there was room for only a few."

[17] National Broadcasting Co. v. F.C.C., 319 U.S. 190, 226, 63 S.Ct. 997, 1014 (1943).

[18] National Broadcasting Co. v. F.C.C., 319 U.S. at 213, 63 S.Ct. at 1008:

"The plight into which radio fell prior to 1927 was attributable to certain basic facts about radio as a means of communication—its facilities are limited: they are not available to all who may wish to use them; the radio spectrum simply is not large enough to accommodate everybody. There is a fixed natural limitation upon the number of stations that can operate without interfering with one another. Regulation of radio was therefore as vital to its development as traffic control was to the development of the automobile."

[19] Banzhaf v. F.C.C., 132 U.S.AppD.C. 14, 31, 405 F.2d 1082, 1099 (1968), cert. denied, American Broadcasting Companies v. F.C.C., 396 U.S. 842, 90 S.Ct. 50, 24 L.Ed.2d 93 (1969).

[20] For a critical discussion of the justifications for regulation of the broadcast industry *see* Robinson, Observations on 40 years of Radio and Television Regulation, 52 Minn. L.Rev. 67 (1967); Note, Concepts of the Broadcast Media Under the First Amendment: A Reevaluation of a Proposal, 47 N.Y. U.L.Rev. 83 (1972); for a contrasting view see Barrow, The Equal Opportunities and Fairness Doctrines: Pillars in the Forum of Democracy, 37 Cin.L.Rev. 447 (1968).

[21] Office of Communication of United Church of Christ v. F.C.C., 123 U.S. App. D.C. 328, 337, 359 F.2d 994; 1003 (1966). *See* The Fairness Doctrine and Other Issues, Report of the Special Subcommittee on Interstate and Foreign Commerce, House of Representatives, p. 1, May 9, 1969:

"Broadcast regulation has, from its inception, been based on the premise that the airwaves belong to the people, licensed to be used in the public interest, convenience and necessity."

Robinson, *supra* note 20, comments at p. 152:

"Little effort has ever been made to look beneath the superficiality of the concept of public ownership of the broadcast spectrum to determine whether it has any practical logic or meaning. Logically the concept is meaningless. To say that the airways or spectrum can be owned by anyone is simply to indulge in fantasy. Surely no one seriously supposes that the airways are a thing of nature which can be possessed, occupied, or used in any normal sense of the words. In actuality, "airways" is merely convenient shorthand, an abstraction for a phenomenon created as a result of the use of privately owned transmission facilities. The "spectrum" is a purely artificial construct of the Commission itself. To give this construct an independent nature and then attempt to justify the regulation itself in those terms is entirely circular. It is like saying that the Commission owns the frequencies because it has the power to regulate their use, and that it has the power to regulate their use because it owns them."

[22] Banzhaf v. F.C.C., *supra note* 19, 132. U.S. App. D.C. at 42, 405 F.2d at 1100.

It has often been argued that the government *could have* assumed total control of the broadcasting medium, but this theory "fails to come to grips with the real issues. It could equally be said that the public "owns" the streets and parks, and that consequently individuals have no right to use them for purposes of expression except on the government's own terms. Moreover, the problem is not solved simply by bringing into the picture the doctrine of unconstitutional conditions—that if the government extends the privilege of using the airways to private individuals or groups it cannot attach conditions that violate the First Amendment. Surely the affirmative power of the First

Amendment demands that the government make available for general use, as a constitutional right, the most significant medium in our whole system of freedom of expression. The government cannot maintain a monopoly of the airways any more than it can maintain a monopoly of the streets, or of printing presses. Starting from this point, then, the First Amendment issues begin to grow far more complex than the 'public ownership' theory envisages." Emerson at 660–61.

[23] Banzhaf v. F.C.C., *supra* note 19, 132 U.S. App. D.C. at 32, 402, F.2d at 1100.

[24] In its July Decision the Commission noted: "At the heart of this proceeding is the question of compliance with the Fairness Doctrine." 24 F.C.C.2d 18, 21 (1970). In the February Decision, the Commission carried its analysis of Brandywine's constitutional claims no further than *Red Lion*. The FCC sidestepped the issue of whether its action carried an adverse First Amendment impact by stating that since its "decision was based solely upon fairness concepts whose constitutional validity has been sustained by the Supreme Court . . . [t]here is no constitutional infirmity." 27 F.C.C.2d 565, 566 (1971).

[25] Judge Tamm noted, of course, that the Supreme Court "found that the Commission's application of the fairness doctrine" was constitutional because it "enhances rather than abridges the freedoms of speech and press." 153 U.S.App.D.C. at —, 473 F.2d at 57. But this conclusion was not supported by an analysis of whether the result in this case actually enhanced these freedoms. There was only a bare assertion that WXUR was guilty of attempting to silence and censor the public—a verdict which did not originate with the FCC.

[26] The Hearing Examiner in this case concluded that WXUR "has presented such discussion in about the same degree as most stations offer entertainment." 24 F.C.C.2d 42, 131 (1970) (Issued Dec. 10, 1968).

[27] As the Hearing Examiner noted, "[t]here was an attempt, however inept, to allow wide-swinging utterance of all shades of thought. This met the first mandate of the Fairness Doctrine calling for broadcast of divergent viewpoints but it ran head-on into the second commandment of protecting persons and groups against attacks." 24 F.C.C.2d at 135. He also concluded:

"With so many viewpoints having been expressed over WXUR on so many different issues, it would be futile to attempt any conclusion in terms of equating the time given to each. Fortunately the Fairness Doctrine does not demand this kind of approach. What it does demand is an honest and good faith effort by the licensee to air contrasting, conflicting and varying attitudes towards subjects of important controversy. In the broad perspective of this record, it is almost inconceivable that any station could have broadcast more variegated opinions upon so many issues than WXUR." 24 F.C.C.2d at 130.

[28] The FCC re-examined tapes of two weeks of Brandywine's programming and found that these established a *prima facie* violation of the fairness doctrine, since while Brandywine presented one side of numerous issues, it presented opposing views on only one issue. To override this *prima facie* showing, Brandywine was required to prove that it had established an acceptable procedure for complying with the doctrine. *See* Office of Communication of United Church of Christ v. F.C.C. 138 U.S. App. D.C. 112, 425 F. 2d 543 (1969). The Commission narrowly defined what would be acceptable—a regular procedure for previewing, monitoring or reviewing its broadcasts; a showing of public announcements inviting the presentation of contrasting views; or other adequate action to encourage response to specific broadcasts.

Brandywine's methods of compliance—call-in and interview shows—were unacceptable to the Commission by their very nature, since callers or speakers were not pre-selected or requested to speak on specific and isolated issues.

Brandywine did show in its petition for rehearing that conflicting and contrasting views had been aired, albeit fortuitously, on its programs outside of the two-week taped period. But the FCC countered this showing with the argument that since the Commissioners had no way of knowing how *often* Brandywine's own views were expressed outside the two-week period, they could not determine whether a "reasonable ratio" of Brandywine's time had been devoted to opposing views. The Commission concluded that the station must have failed to "carry opposing views in any fair ratio" on the basis of the two weeks of tapes.

It may well be that Brandywine did not meet the stringent standards set by the Commission for this case. But whether these standards find any support in judicial discussion of justifications for the fairness doctrine is entirely another matter.

[29] If shoestring operations cannot afford to operate under FCC rules, we face very critical First Amendment questions indeed.

[30] The FCC expects each licensee to catalogue each issue it discusses, and requires that it offer a "fair" ratio of opposing views on every issue. 24 F.C.C. 2d at 567–69. *See* note 28, *supra*. Silencing WXUR because of infractions of these requirements could, in the words of the Hearing Examiner, "result in silencing all controversial discussion on American radio and television . . . or . . . that discussion would henceforth be a diluted parlor chat in which such restraint was exercised that the outcome would be insufferably dull and totally unenlightening." Hearing Examiner Opinion, 24 F.C.C. 2d at 134.

The broadcaster who makes the greater effort to serve the public interest by stimulating robust discussion incurs the further burden of presenting the countering views of his fellow broadcasters who have refused to speak out. All of this places an inordinate burden on the small off-beat broadcaster whose every opinion requires contrasting viewponts from all quarters.

[31] 395 U.S. at 396, 89 S.Ct. 1794, 1810. The precise holding of *Red Lion* is as follows: "The Congress and the Commission do not violate the First Amendment when they require a radio or television station to give reply time to answer personal attacks and political editorials." *Ibid.* What seems to be forgotten is that both the *Red Lion* and *RTNDA* litigations involved application of principles by the Commission; that in neither case were sanctions imposed or even threatened. *In neither case was there an evidentiary hearing.* As the Hearing Examiner recognized, "[t]here is a valid distinction between a broad statement of principle and its specific application to a factual situation. To apply the principle in such a way as to defeat its very purpose would manifestly be an injustice. . . ." at F.C.C.2d at 133–34.

[32] As we said in Banzhaf v. F.C.C., *supra* note 19, 132 U.S.App.D.C. at 43, 405 F.2d at 1101:

"[W]e are not obliged to "invalidate the entire course of broadcasting development" with no inquiry into the particulars of the ruling before us. Rather, we think the proper approach to the difficult First Amendment issues petitioners raise is to consider them in the context of individual regulatory policies and practices on a case-by-case basis."

For examle, in Green v. F.C.C. 144 U.S.App. D.C. 353, 359, 447 F.2d 323, 329 (1971), we found that strict adherence to fairness obligations might not be necessary if the issue involved was one over which there was already intense debate in all forms of media:

"In our view, the essential basis for any fairness doctrine, no matter with what specificity the standards are defined, is that the *American public must not be left uninformed*. On the record of this case, no matter how the issue is taken, we cannot conceive that any live American has been left uninformed about the desirability of undesirability of military service, the draft, or the Vietnam war."

[33] That alternatives to fairness obligations may once have enjoyed a fierce vitality is discussed in note 46, *infra*. That alternatives may be open for current exploration is discussed *infra*.

[34] *See* Warner, *supra* note 12, at 757. Remarks of Senator Dill during debates on Radio Act of 1927. 67 Cong.Rec. 12502 (1926):

"Mr. Dill. I will say to the Senator that I think Congress has a right to act and control these stations, even though the broadcasting of entertainment programs is not in itself interstate commerce, for the reason that undoubtedly wireless telegraph messages are interstate commerce, and in order to protect the broadcasting of the point-to-point telegrams, of the shore stations to the ships, and other uses, such as transoceanic, the Government must also control the broadcasting of matter that might not per se be interstate commerce."

[35] Warner, *supra* note 12, at 758. Davis, Law of Radio Communication 33–34 (1927):

"Something of the opinion as to the value of radio at that time may be gathered from the testimony of a high naval officer before the House Committee who said: "Generally speaking, however, the department believes that wireless communication should be limited as far as possible to its legitimate field: that is, communication between the shore and vessels at sea.' "

[36] Mutual Film Corp. v. Industrial Commission of Ohio, 236 U.S. 230, 35 S.Ct. 387, 59 L.Ed. 552 (1915).

[37] Burstyn, Inc. v. Wilson, 343 U.S. 495, 72 S.Ct. 777, 96 L.Ed. 1098 (1958).

[38] *See, e.g.,* Trinity Methodist Church v. F.R.C., 61 App.D.C. 311, 62 F.2d 850.

"If it be considered that one in possession of a permit to broadcast in interstate commerce may, without let or hindrance from any source, use these facilities, reaching out, as they do, from one corner of the country to the other, to obstruct the administration of justice, offend the religious susceptibilities of thousands, inspire political distrust and civic discord, or offend youth and innocence by the free use of words suggestive of sexual immorality, and be answerable for slander only at the instance of the one offended, then this great science, instead of a boon, will become a scourge, and the nation a theater for the display of individnal passions and the collision of personal interests. This is neither censorship nor previous restraint, nor is it a whittling away of the rights guaranteed by the First Amendment, or an impairment of their free exercise!"

[39] Mayflower Broadcasting Corp., 8 F.C.C. 333, 339–340 (1941):

". . . under the American system of broadcasting it is clear that responsibility for the conduct of a broadcast station must rest initially with the broadcaster. It is equally clear that with the limitations in frequencies inherent in the nature of radio, the public interest can never be served by a dedication of any broadcast facility to the support of his own partisan ends. Radio can serve as an instrument of democracy only when devoted to the communication of information and exchange of ideas fairly and objectively presented. A truly free radio cannot be used to advocate the causes of the licensee. It cannot be used to support the candidacies of his friends. It cannot be devoted to the support of principles he happens to regard most favorably. In brief, the broadcaster cannot be an advocate."

[40] *See* In Re Matter of Editorializing by Broadcast Licensees, 13 F.C.C. 1246 (1949),

where the Commission set forth dual obligations for broadcast licensees; to speak out on controversial issues while giving the opportunity for contrasting views. "There is a twofold duty laid down by the FCC's decisions and described by the 1949 Report on Editorializing by Broadcast Licensees, . . . The broadcaster must give adequate coverage to public issues, United Broadcasting Co. . . . and coverage must be fair in that it accurately reflects the opposing views." Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 367, 377, 89 S.Ct. 1794, 1800, 23 LEd.2d 371 (1969).

[41] *See, e.g.*, New York Times Co. v. Sullivan, 376 U.S. 254, 84 S.Ct. 710, 11 L.Ed.2d. 686 (1964).

[42] Red Lion Broadcasting Co. v. F.C.C., 395 U.S. at 386, 89 S.Ct. 1794; United States v. Paramount Pictures, Inc., 334 U.S. 131, 166, 66 S.Ct. 915, 92 L.Ed. 1260 (1948).

[43] An Extended View of Public Attitudes Toward Television and Other Mass Media, 1959–1971, Report by the Roper Organization, Inc., p. 2, June, 1971.

[44] Testimony of Bill Monroe, Correspondent, NBC News, Feb. 2, 1972, before the Subcommittee on Constitutional Rights of the Committee on the Judiciary of the United States Senate:

"The fantastic new technology and sudden impact of television may have misled us about its most vital function. Seeking to fit it into familiar categories, some of us have been impressed with the size and wealth of television, and have put it down simply as big business. Some of us have been impressed with its evening parades of singers, dancers, actors, and comedians, and have put it down as the new vaudeville. But those nervous pictures that bring the White House, Capitol Hill, Vietnam and London into our living rooms don't strike us immediately as the new front page. So we have missed the main fact about television: it *is* press. And if television and radio spend more time on entertainment and commercials than on news, so, in fact, do many newspapers with their acres of advertising, their sports pages, gossips, astrologists, advice to the loveless and fat Sunday editions with the news tucked inside the colors of Dick Tracy and Peanuts. Radio and television are, at bottom, instantaneous, warm-blooded press. Like the printed press, they carry the flesh of commerce and entertainment on a hard skeleton of news. And, like the printed press, they are massively engaged in exactly that kind of communications which the First Amendment was written to protect."

Address by Julian Goodman, President, National Broadcasting Company at "Great Issues Forum, "University of Southern California, Oct. 11, 1972:

"For fairness is a proper journalistic standard, and responsible journalists—in broadcasting and in print—follow it. But when it becomes a government standard, it moves government officials into newsrooms and seats them as judges of how broadcast news and information should be presented."

[45] *See, e. g.*, Remarks of Senator Howell, during debates on Radio Act of 1927. 67 Cong.Rec. at 12503 (1926):

"Are we to consent to the building up of a great publicity vehicle and allow it to be controlled by a few men, and empower those men to determine what the public shall hear. . . .

It may be urged that we do that with the newspapers. Yes, but anyone is at liberty to start a newspaper and reply. Not so with a broadcasting station. However, there are only about 500 who are allowed the privilege of conducting broadcasting stations, and there are not as many broadcasting stations as there are fingers on one of my hands—not more than that—that have the privilege of covering the entire United States."

[46] *E. g.*, the Commission's Chain Broadcasting Regulations which undertook to regulate the relations of individual broadcasting stations to the networks. *See* National Broadcasting Co. v. F.C.C., 319 U.S. 190, 63 S.Ct. 997, 87 L.Ed. 1344 (1943). Other FCC rules limit the number of stations one enterprise may own under common ownership or under common control. *See, e. g.*, 47 C.F.R. § 73.35 (AM), .240 (FM), .638 (TV) (1967). Clarksburg Pub. Co. v. F.C.C., 96 U.S.App.D.C. 211, 225 F.2d 511 (1955). For a brief discussion of some of these rules *see* Robinson, *supra* note 20, at 73 et seq.

These and other policies such as the antitrust laws sought to promote a diversity in broadcasting by preventing monopoly control. But economic concentration has always remained a problem in the radio and television industries. See Barrow Report, House Comm. on Interstate and Foreign Commerce, Report on Network Broadcasting, H.R.Rep. No.1297, 85 Cong., 1st Sess. (1958).

The Commission's acquiescence in trafficking in licenses reveals the extent to which the private marketplace prevailed over the terminology of "public trust" or concern for the public interest. We did not follow the logic of this economic theory of regulation to its limits. We allowed newspapers to acquire broadcast stations; we allowed networks to expand as much as they have. Whether or not serious pursuit of an open economic marketplace would have enhanced sufficiently the marketplace of ideas cannot today be resolved; certainly it would have been a step in the right direction. And it may yet be an option we should consider for the future. It suggests, as well, that, unless checked, cable T.V. will suffer the same consequences. "Newspapers and other communications media also began to buy in so that half of the cable systems in the United States are now owned by other media and communications interests." Smith, The Wired Nation 22 (1972).

[47] This, according to *Red Lion*, is the primary purpose of the fairness doctrine. 395 U.S. at 377, 89 S.Ct. 1794. The FCC's Editorializing Report of 1949, 13 F.C.C. 1246, 1249, expressed the same point:

"It is axiomatic that one of the most vital questions of mass communication in a democracy is the development of an informed public opinion through the public dissemination of news and ideas concerning the vital public issues of the day. Basically, it is in recognition of the great contribution which radio can make in the advancement of this purpose that portions of the radio spectrum are allocated to that form of radio communications known as radiobroadcasting. Unquestionably, then, the standard of public interest, convenience and necessity as applied to radiobroadcasting must be interpreted in the light of this basic purpose. The Commission has consequently recognized the necessity for licensees to devote a reasonable percentage of their broadcast time to the presentation of news and programs devoted to the consideration and discussion of public issues of interest in the community served by the particular station. And we have recognized, with respect to such programs, the paramount right of the public in a free society to be informed and to have presented to it for acceptance or rejection the different attitudes and viewpoints concerning these vital and often controversial issues which are held by the various groups which make up the community. It is this right of the public to be informed, rather than any right on the part of the Government, any broadcast licensee or any individual member of the public to broadcast his own particular views on any matter, which is the foundation stone of the American system of broadcasting."

[48] Office of Information, Federal Communications Commission, News Release, Oct. 10, 1972; Editor and Publisher Year Book-1972.

[49] B. Bagdikian, The Effete Conspiracy and Other Crimes of the Press 11 (1972).

[50] Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 397, 396–401, 89 S. Ct. 1794, 23 L. Ed. 2d 371 (1969).

[51] Access of minority groups to the microphones of mass communication is indeed a serious problem; it is one which exists with respect to newspapers as well as the broadcast media. But the right to hear a countering view does not solve the problem of control of stations or newspapers. In upholding the promulgation of fairness rules in *Red Lion*, "Justice White found the forces of the First Amendment to lie in the right of the public to learn, and he ignored the right of the ordinary citizen to use broadcasting facilities to speak." Emerson at 664. The fairness doctrine does not *necessarily* speak to minority rights of access.

Recently, this court determined that broadcast licensees may not, as a general policy, refuse to sell any of its advertising time to groups or individuals wishing to speak out on controversial public issues. Business Executives' Move For Vietnam Peace v. F.C.C., 146 U.S. App. D.C. 181, 450 F. 2d 642 (1971), cer. granted Columbia Broadcasting System, Inc. v. Democratic Nat. Committee, 405 U.S. 953, 92. S. Ct. 1174, 31 L. Ed. 2d 230 (1972). This case is now before the Supreme Court. While my opinion today might raise some First Amendment questions with respect to *Business Executives' Move For Vietnam Peace*, it may be well to note Judge Wright's statement for this court:

"It is particularly important that these cases deal only with the public's First Amendment interests in broadcasters' allocation of advertising time. They deal only with time relinquished by broadcasters to others; petitioners argue only that, in relinquishing that time, broadcasters must not discriminate against protected expression. In normal programming time, closely controlled and edited by broadcasters, the constellation or constitutional interests would be substantially different. In news and documentary presentations, for example, the broadcasters' own interests in free speech are very, very strong. . . . The Commission's fairness doctrine properly leaves licensees broad leeway for professional judgment in that area. But in the allocation of advertising time, the broadcasters have no such strong First Amendment interests. *Their* speech is not at issue; rather, all that is at issue is their decision as to which other parties will be given an opportunity to speak."

Supra, 146 U.S. App. D.C. at 198, 450 F. 2d at 654.

It also might well be argued that the economic status of the owners of broadcast stations, or the influence of advertisers, make it unlikely that certain opinions will ever be aired. The fairness doctrine approaches this problem from the perspective of regulating how and what the licensee broadcasts. An alternative approach would be the allocation of access time. *See* Red Lion Broadcasting Co. v. F.C.C., 395 U.S. at 390–391, 89 S. Ct. 1794; Emerson at 663.

[52] Smith, The Wired Nation 7 (1972).

[53] *Id.*

[54] *Id.* at 5. *See also* Industrial Electronics Division of the Electronics Industries Association. The Future of Broadband Communications, Oct. 28, 1969. Some of the public services—beyond traditional television—which are predicted include data services, mail delivery, two-way television communication, and a home library service:

"This may be called the *electronic home library service* (designated BCNL). With such a service available a reader can request a book or periodical from a large central library, using a narrow-band channel to the library (a phone circuit or the BCN network itself.) The desired book is then "transmitted" from microfiche, microfilm, or video tape, page by page, and received via the BCN network on a dedicated wide-band channel.

"Several modes of operation are possible.

In one, the entire book or selected article is transmitted at the maximum reception speed of the user's facsimile recorder. Several hundred simultaneous transmissions in time-division multiplex are possible with 6-MHz BCN channels and reasonable recorder speed.

"As an alternative, a soft-copy display can be used. Each page is transmitted and stored at the receiver for reading. When the reader has finished one page, he signals for the next page, and this is transmitted in a small fraction of a second with no perceptible delay. This is another form of time sharing of the broad-band channel.

"To get a feeling for the capacity of a broad-band channel, it is of interest to note that in the demonstration described in Reference 5, the entire text of "Gone With the Wind" was transmitted in facsimile over a television microwave circuit in slightly over two minutes."

[55] "If more channels are wanted, a second cable can be laid, and a third, and a fourth . . ." Smith, The Wired Nation 7 (1972). *See also* Botein, Access to Cable Television, 57 Corn.L.Rev. 419, 424 (1972); 22 P. & F. Radio Reg.2d 1759, 1961–65 (1971), (Letter from Dean Burch, Chairman, F.C.C., to Subcomm. on Communication of the Senate Comm. on Commerce, p. 1771, August 5, 1971).

[56] It appears today that *economic*, not technical, limitations in reality restrict entry into the broadcast market. And as to these, "the economic barriers to entry into radio broadcasting are . . . far less restrictive than in the case of media such as newspapers." Robinson, *supra* note 20, at 88. But of course, the economic basis of scarcity does not yet justify regulation of the content of printed press although anti-trust regulation is accepted, Associated Press v. United States, 326 U.S. 1, 65 S.Ct. 1416, 89 L.Ed. 2013 (1945).

[57] In light of the tremendous potential of cable television as a source of information concerning controversial public issues, and in view of its potential for so increasing access to the broadcast media, it is ironic to note that the FCC activity in this area has been characterized as focused, until recently, on protecting the commercial broadcast systems. *See* Robinson, *supra* note 20, at 78–83; Smith, The Wired Nation 45 et seq., (1972). *See generally* Botein, Access to Cable Television, 57 Corn.L.Rev. 419 (1972). Botein, CATV Regulation: A Jumble of Jurisdictions, 45 N.Y.U.L.Rev. 816 (1970); 79 Harv.L.Rev. 366 (1965). There are a wide variety of economic measures which might be taken to promote the ability of groups and individuals to gain assess to both wired and printed media. *See, e. g., Emerson* at 669; Note, Concepts of the Broadcast Media Under the First Amendment: A Reevaluation and a Proposal, *supra* note 20.

[58] Senator Howell stated during the Congressional debates on the Radio Act of 1927:

"Mr. President, to perpetuate in the hands of a comparatively few interests the opportunity of reaching the public by radio and allowing them alone to determine what the public shall and shall not hear is a tremendously dangerous course for Congress to pursue. . . . Are we to consent to the building up of a great publicity vehicle and allow it to be controlled by a few men, and empower those few men to determine what the public shall hear? . . .

"Facts were brought out before the committee to show that already plans were on foot to buy up and monopolize stations in various areas of the country, and that as high as $100,000 had been paid for the transfer of a broadcasting license; in fact, if I remember correctly, it was intimated that $250,000 was paid in one case. If any public question is to be discussed over the radio, if the affirmative is to be offered, the negative should be allowed upon request also, or neither the affirmative nor the negative should be presented." 67 Cong.Rec. 12503–12504 (1926).

The Congress did not accept proposed provisions regarding the presentation of public issues. Apparently it was thought that the words "public questions" were so vague as to raise more difficulties than the regulation could solve. *Id.*

[59] Cronkite, Introduction to Part III: Points of Conflict—Legal Issues Confronting Media Today, 60 Geo.L.J. 1001, 1003–04 (1972); Statement of Bill Monroe, Correspondent, NBC News, Before the Subcommittee on Constitutional Rights of the Committee on the Judiciary of the United States Senate, February 2, 1972; Address by Julian Goodman, President, National Broadcasting Company at "Great Issues Forum", University of Southern California, October 11, 1972.

[60] The effect of government's "lifted eyebrow" is discussed by both Goodman and Monroe, *supra* note 59. The problem was noted 15 years ago by Mr. Richard Salant in a speech before the National Association of Broadcasters. Salant explained that following CBS's interview in 1957 with Premier Khrushchev, the station was deluged with government criticisms and inquiry.

"This puts us on the spot before we even get started. No matter what the laws may say about immunity from censorship and about our entitlement to the guarantees of the First Amendment there is always the brooding omnipresence that a broadcaster is a licensee and if he is not a licensee, he cannot be a broadcaster.

"We are reminded of this basic dilemma with rather frightening regularity. Time and time again we are called to account by those who have, directly or indirectly, power of life and death over us. Every time we deal in our news or public affairs broadcasts with a public controversy concerning which there are strongly contending views, we can at least expect letters from legislators, public officials and private citizens representing important organizations who accuse us of partiality and call on us for an accounting—line by line and second by second."

Speech by Richard Salant, Broadcast Licensees and the Freedom of the Press, before National Association of Broadcasters, 1957.

Professor Harry Kalven, after studying CBS's complete file of FCC complaints covering the period from 1960 to 1964, has said about "regulation by dossier":

"Think of the outcry if some great daily newspaper were requested by government, and so peremptorily requested, to furnish a justification for printing the views of Walter Lippmann! To answer a letter is, to be sure, no great burden. But freedom has in no small part depended on awareness of the difference between doing something as a matter of grace and doing it as a matter of obligation. In the end there are two important aspects of the FCC dossier technique. First, it serves to extend the appearance of control far beyond what rulemaking or formal decisions would suggest, and it does so by a process which is really not public and which is awkward to challenge. Second, as Mr. Salant has pointed up, it serves to create psychologically an atmosphere of surveillance which is destructive of the morale of a free press."

Comments Goodman,

"A timid broadcaster who has gone through one or two of these experiences may think twice before he tackles a subject of strong controversy—the kind that the public needs most to know about. It is not that he wants to avoid the obligation to be fair. But he knows that where there is controversy, there are advocates who will turn to the FCC, under the umbrella of the Fairness Doctrine, to obtain a broadcasting voice that may bear no relationship to the interest or newsworthiness of their cause. And once they invoke the government process, the broadcaster knows that he must defend himself from second-guessing that will come not from a specialist in journalism, but by a generalist in the government bureaucracy."

Goodman, *supra* note 59.

[61] Red Lion Broadcasting Co. v. F.C.C. 395 U.S. at 392–394, S.Ct. 1794.

[62] *See* Press Freedoms Under Pressure, Report of the Twentieth Century Fund Task Force on the Government and the Press (1972). The experience of CBS News and its documentary, "The Selling of the Pentagon", is a case in point. The Chairman of the House Committee on Interstate and Foreign Commerce subpoenaed the president of CBS, directing him to submit "all film, work prints, outtakes, and sound tape recordings, written scripts and/or transcripts utilized in whole or part by CBS in connection with" the documentary. *See also* Address by Vice President Agnew, Midwest Regional Republican Committee Meeting, Des Moines, Iowa, Nov. 13, 1969.

Such criticism and inquiries are not limited to one party or one political philosophy. During the 1972 Presidential campaign, charges of political bias have come from all sides. Goodman, *supra* note 59. What this suggests is that the potential to subject the "fairness" theory to political abuse is inherent in the operation of the doctrine.

Professor Emerson clearly expresses the potentially harmful effects of trying to solve the problems of scarcity and access through government policies like the fairness doctrine:

[A]ny effort to solve the broader problems of a monopoly press by forcing newspapers to cover all "newsworthy" events and print all viewpoints, under the watchful eyes of petty public officials, is likely to undermine such independence as the press now shows without achieving any real diversity." Emerson at 671.

His conclusion that such efforts will or *can* work vis a vis radio and television is based solely on the argument of tradition—that government is involved with radio and TV so it must be all right. *Id.* at 665, 668. With all respect to Professor Emerson, this is a distinction without a difference.

[63] *See, e.g.,* Lamar Life Broadcasting Co., 38 F.C.C. 143 (1965), reversed for hearing, United Church of Christ v. F.C.C. 123 U.S. App.D.C. 328, 359 F.2d 994 (1966); Palmetto Broadcasting Co., 23 P. & F. Radio Reg. 483 (1962), aff'd sub nom. Robinson v. F.C.C., 118 U.S.App.D.C. 144, 334 F.2d 534 (1964); Trinity Methodist Church v. F. R. C., 61 App.D.C. 311, 62 F.2d 850 (1932).

[64] *See, e.g.,* comment of Senator Howell, *supra* note 58.

[65] It has been said that the average family has its television turned on for nearly six hours out of every day. National Association of Broadcasters, Television and the Wired City, A Study of the Implications of a Change in the Mode of Transmission 113 (1968). Clearly the impact, and audience, of the nightly news is far greater than any one paper or magazine. Furthermore, most Americans are apt to believe a story they get from television or radio over magazines or newspapers. An Extended View of Public Attitudes Toward Television and Other Mass Media 1959–1971, A Report by The Roper Organization, Inc. 1971.

[66] Banzhaf v. F.C.C., *supra* note 19, 132 U.S.App.D.C. at 34–35, 405 F.2d at 1102–1103.

[67] Cox, Does the FCC Really Do Anything? 11 J. Broadcasting 97, 104 (1967); Note, The Fairness Doctrine and Broadcast License Renewals: Brandywine-Main Line Radio, Inc., 71 Col.L.Rev. 452, 458 (1971).

[68] In re The Handling of Public Issues Under the Fairness Doctrine and the Public Interest Standards of the Communications Act, 30 F.C.C.2d 26 (1971).

[69] 329 U.S. 223, 227, 67 S.Ct. 213, 91 L.Ed. 204 (1946).

[70] Unlike my Brothers, the FCC *never* characterizes Brandywine's actions as "fraud and deception." Instead the Commission found "there was a substantial failure to inform the Commission fully concerning program

plans, and also a significant departure from an express representation concerning the fair treatment of all religious faiths." 24 F.C.C.2d at 32. The Commission drew the *inference* that these failures were a "conscious course of conduct", in distinct contrast to the explicitly and continuously fraudulent action at issue in *WOKO*.

United States of America v. Thomas E. McClure, Appellant. No. 71-1048

United States Court of Appeals, District of Columbia Circuit.

Argued Sept. 25, 1972.

Decided Nov. 16, 1972.

By a judgment of the United States District Court for the District of Columbia, William B. Bryant, J., the defendant was convicted of crimes of embezzlement of funds and collateral belonging to a federal credit union and with participation in a fraudulent loan scheme and he appealed. The Court of Appeals held there was no actual prejudice resulting from long delay in prosecution where Government evidence was largely documentary, defendant was furnished in advance of trial with copies of documents and was not surprised by the prosecution since he knew when he was separated from his job with credit union that his actions were under criminal investigation.

Affirmed.

1. Criminal Law—573

Speedy trial clause of Sixth Amendment is activated only when criminal prosecution has begun and extends only to those persons who have been accused in the course of that prosecution. U.S. C.A.Const. Amend. 6.

OUR "WATCHDOG" AGENCIES: THE NEED FOR OVERSIGHT

Mr. PERCY. Mr. President, Thomas Jefferson wrote that "the God who gave us life gave us liberty," but today we find our liberties as Americans eroded by an excessively large Government that seems increasingly insensitive to our basic freedoms.

On June 20 the Government Operations Committee completed hearings on a bill I introduced with Senator Ervin to establish every American's right to keep personal information private and to safeguard that right with criminal and civil protections.

As we draft this vital legislation, we should also begin the long overdue examination of a problem which, though separate, is equally vital to the security of our personal freedoms. We must act now to gain control over the Government's dangerously proliferating police, investigative, and intelligence activities.

In September 1972, Attorney General Kleindienst submitted the First Annual Report to Congress on Federal Law Enforcement and Criminal Justice Activities. The report undertook the massive task of analyzing the crime reducing programs of 37 different departments and agencies within the Federal Government. The report was instrumental in describing many of our Federal law enforcement and criminal justice assistance programs, with an emphasis on crime control activities. However the report did not include any of the programs of the Defense Department that relate to intelligence activity, nor did it include the Central Intelligence Agency. It also includes many programs related to crime prevention—for example VISTA programs to assist ex-offenders—which would not properly be included in a study of Federal police, investigative, or intelligence activities. In addition, the method of presentation of the material, and the fact that it contains incomplete and now dated budget data, make it unwieldly and inappropriate as the basis of congressional overview and oversight activity, though it will be very valuable in providing descriptive background on a great many of the Federal Government's varied law enforcement activities.

A list compiled by the Library of Congress in 1973 showed that over 60 units within the Federal Government are involved in police, investigative, or intelligence work. Information about many of these units remains secret.

On April 9 of this year I requested a further report on Federal Law Enforcement Forces from the Congressional Research Service. The report found that the collective cost of 14 law enforcement groups was over $1 billion annually. However, the library was not able to include those departments and Federal agencies whose records are not available, even to an agent of Congress.

Though we know the FBI spent $357 million last year, we do not know the exact expenditures of other massive agencies—the CIA, Army Intelligence, Air Force Intelligence, and the National Security Agency—whose records are cloaked in secrecy. One estimate places the cost of all U.S. police, investigative, and intelligence units at over $6.2 billion annually.* The exact number of personnel employed remains unknown.

The massive size of our intelligence community, and its duplicative, overlapping nature is exemplified by the membership of the U.S. Intelligence Board, an interdepartmental body representing the major U.S. agencies having information gathering responsibilities. The Board includes members of the CIA, the State Department's division of Intelligence and Research, the Defense Intelligence Agency, the National Security Agency, the Atomic Energy Commission, the FBI, and the intelligence organizations of the Army, Navy, and Air Force.

In addition, divisions of domestic agencies such as the Treasury, Agriculture, the Interior, and the Civil Service Commission gather information relating to their employees, and to cases involving criminal violations.

The Government also supports police units such as the Border Patrol, the U.S. Customs Service, and the U.S. Marshals Service, which enforce Federal laws on the domestic and foreign level.

Much of the work carried out by these units is necessary, to be sure. For example, the Bureau of Narcotics and Dangerous Drugs plays a key role in stopping domestic and international drug trafiking. The Customs Service combats smuggling and frauds. Even the Postal Service does investigative work—conducting internal audits and postal inspections. The bulk of this work is legitimate and necessary to the national interest. But we have no comprehensive overview of the relationship of these agencies to each other. Moreover, we have shocking examples of abuse.

Information gathering on the domestic level has been coupled with improper intrusions by agencies normally involved in foreign intelligence. The case of the Army's investigation of the political activities of American civilians in Western Europe has been well documented.

The Federal Government units that do police, investigative, and intelligence work are proliferating. We find ourselves threatened by the specter of a "watchdog" Government, breeding a Nation of snoopers.

We are threatened because we do not know the facts about our intelligence community. Billions are appropriated each year, but we do not know enough about which agencies spend this money and what they spend it for.

There is an immediate, urgent need for a comprehensive accounting of the U.S. funds and Federal Government personnel devoted to police, investigative, and intelligence work. Congress is simply not performing the oversight functions our citizens expect of us.

As ranking minority member of the Senate Government Operations Committee, I am requesting the General Accounting Office to conduct a thorough investigation into the capabilities and demands of all units, departments, and agencies in the Federal Government charged with police, investigative and/or intelligence responsibilities. This comprehensive inquiry will attempt objectively to identify those units which receive Federal funds, and it will attempt to break down the annual budgetary requirements of all divisions and subdivisions within them. If the GAO is able to do its job, we will know for the first time the functions of these units, as well as the number of personnel employed or assigned to them.

In implementing this request the GAO will use the reports of the Attorney General and the Library of Congress to which I have referred above. These, in particular the report of the Attorney General, will be an extremely valuable basis from which the GAO can work in gathering, updating, and further quantifying the activities of all the Federal agencies in these fields.

When this basic compilation is completed, our committee can begin the necessary hearings and oversight activity. Our purpose should be to determine what Federal police and related activity is duplicative, what is excessive and unnecessary, what should be abandoned, and to recommend procedures for more adequate congressional control of these units. Particularly, costs can be cut substantially and efficiently greatly increased.

---

* The figure is excerpted from *The CIA and the Cult of Intelligence* by Victor Marchetti and John D. Marks, (New York, A. Knopf, 1974), p. 80. On appeal, this information, which is an estimate of the authors, was reinstated in the book, after it had been deleted by Federal District Judge Albert Bryan in May, 1972.

There is a reasonable concern that the disclosure of such organizational information might threaten the national security of the United States. But we cannot allow the cloak of national security to cover up practices abusive to the civil rights of our citizens, as well as expenditures which are fiscally irresponsible.

A careful, tight definition of national security is needed, but I do not believe that disclosure of certain organizational information about our intelligence community would be harmful to our interests. Rather, such a disclosure would, for the first time, subject that community to comprehensive oversight which is the constitutional mandate of Congress.

Mr. President, I ask unanimous consent that the report of the Library of Congress and my letter to the GAO be printed in the RECORD at this point.

FEDERAL POLICE, INVESTIGATIVE, AND INTELLIGENCE AGENCIES

I. Federal Investigative Agencies; Compiled September, 1973, by the Library of Congress:

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service (Marketing Services, Perishable Agricultural Commodities Act Fund)

Animal and Plant Health Inspection Service.

Commodity Exchange Authority

Inspector General.

Packers and Stockyards Administration.

DEPARTMENT OF DEFENSE

Defense Intelligence Agency.

Defense Investigative Service.

National Security Agency.

DEPARTMENT OF THE AIR FORCE

Inspection and Safety Center.

Inspector General.

Office of Special Investigations.

Security Service.

DEPARTMENT OF THE ARMY

Criminal Investigation Command

Inspector General.

Military Policy Corps.

DEPARTMENT OF THE NAVY

Inspector General.

U.S. Marine Corps, Inspector General.

Naval Intelligence Command.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration.

Office of Civil Rights.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Assistant Secretary for Equal Opportunity.

Inspector General.

DEPARTMENT OF THE INTERIOR

Bureau of Mines.

DEPARTMENT OF JUSTICE

Antitrust Division.

Bureau of Narcotics and Dangerous Drugs.

Federal Bureau of Investigation.

Immigration and Naturalization Service.

DEPARTMENT OF LABOR

Labor-Management Services Administration.

Occupational Safety and Health Administration.

Office of Federal Contract Compliance.

Employment Standards Administration.

DEPARTMENT OF STATE

Bureau of Intelligence and Research.

DEPARTMENT OF TRANSPORTATION

Coast Guard.

Federal Highway Administration.

Federal Railroad Administration.

National Transportation Safety Board.

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms.

Bureau of Customs.

Bureau of Accounts.

Internal Revenue Service.

Office of the Comptroller of the Currency.

Secret Service.

ATOMIC ENERGY COMMISSION (REGULATION ACTIVITIES, SECURITY INVESTIGATIONS)

CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH SPEAKING PEOPLE

CIVIL AERONAUTICS BOARD

CIVIL SERVICE COMMISSION

Appeals Examining Office.

Bureau of Personnel Investigations.

COMMISSION ON CIVIL RIGHTS

ENVIRONMENTAL PROTECTION AGENCY

Assistant Administrator for Enforcement and General Counsel.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Consumer Affairs.

Office of Economic Opportunity.

FEDERAL COMMUNICATIONS COMMISSION

Field Engineering Bureau.

FEDERAL MARITIME COMMISSION

FEDERAL POWER COMMISSION

FEDERAL RESERVE BOARD

FEDERAL TRADE COMMISSION

GENERAL ACCOUNTING OFFICE

GENERAL SERVICES ADMINISTRATION

Public Buildings Service.

INTERSTATE COMMERCE COMMISSION

NATIONAL LABOR RELATIONS BOARD

NATIONAL SECURITY COUNCIL

Central Intelligence Agency.

U.S. POSTAL SERVICE

Inspection Service.

PRICE COMMISSION

Now defunct.

SECURITIES AND EXCHANGE COMMISSION

U.S. TARIFF COMMISSION

II. Federal Law Enforcement Forces Compiled April, 1974 by the Library of Congress.

"Because of the varied nature of Federal activities it has been necessary over time to establish a number of organizations with protective and law enforcement responsibilities. The following is a brief survey of Federal law enforcement groups currently operating under statute or administrative order. A description of each group's responsibilities and, when possible information on size and budget is included."

FEDERAL BUREAU OF INVESTIGATION—DEPARTMENT OF JUSTICE

Budget

1973 actual, $357,516,000; 1974 estimate, $391,724,000; 1975 estimate, $435,600,000.

THE DRUG ENFORCEMENT ADMINISTRATION—DEPARTMENT OF JUSTICE

Budget

Law Enforcement Activity—Criminal Enforcement.

1973 actual, $59,787,000; 1974 estimate, $80,383,000; 1975 estimate, $104,109,000.

BORDER PATROL—IMMIGRATION AND NATURALIZATION SERVICE—DEPARTMENT OF JUSTICE

Budget

1973 actual, $39,336,000; 1974 estimate, $42,765,000; 1975 estimate, $50,908,000.

U.S. MARSHALS SERVICE—DEPARTMENT OF JUSTICE

Budget

1973 actual, $38,112,000; 1974 estimate, $45,244,000; 1975 estimate, $52,588,000.

U.S. SECRET SERVICE—DEPARTMENT OF THE TREASURY

Budget

1973 actual, $64,573,000; 1974 estimate, $66,588,000; 1975 estimate, $79,500,000.

U.S. CUSTOMS SERVICE—DEPARTMENT OF THE TREASURY

Budget

Investigations and Law Enforcement program.

1973 actual, $53,904,000; 1974 estimate, $54,343,000; 1975 estimate, $57,530,000.

NATIONAL PARK SERVICE—DEPARTMENT OF THE INTERIOR

Budget

Park Management Program.

1973 actual, $150,676,000; 1974 estimate, $187,493,000; 1975 estimate, $203,976,000.

FEDERAL PROTECTIVE SERVICE—GENERAL SERVICE ADMINISTRATION

Budget

Public Buildings Service.

Buildings Management—Operations and Protection of Government-Owned Spaced.

1973 actual, $247,655,000; 1974 estimate, $266,663,000.

Buildings Management—Rental, Operation and Protection of Leased Space.

1973 actual, $313,089,000; 1974 estimate, $362,656,000.

Security and Special Guarding.

1973 actual, $15,052,000; 1974 estimate, $15,900,000.

Federal Buildings Fund—Real Property Management and Operations.

1975 estimate, $417,651,000.

(Protection: 1975 estimate, $38,000,000).

SMITHSONIAN INSTITUTION

Budget

Science Information Exchange—Protection, general Administration, and Support (Salaries and Expenses).

1973 actual, $7,330,000; 1974 estimate, $8,240,000; 1975 estimate, $10,523,000.

National Gallery of Art—Management and Operation (Salaries and Expenses).

1973 actual, $5,545,000; 1974 estimate, $6,140,000; 1975 estimate, $6,631,000.

U.S. POSTAL SERVICE

Budget

Law Enforcement.

1973 actual, $80,703,000; 1974 estimate, $94,129,000; 1975 estimate, $111,129,000.

U.S. CAPITOL POLICE

Budget

Capitol Police General Expenses (Budget Request).

1973, $236,450; 1974, $394,295; 1975, $474,900.

Capitol Police Board (Budget Request).

1973, $1,009,865; 1974, $1,214,255; 1975, $1,214,255.

SUPREME COURT

SKY MARSHALS

OTHER

United States Coast Guard—Department of Transportation.

Federal Aviation Administration—Department of Transportation.

Metropolitan Police Department of the District of Columbia.

Military Police within the Armed Servies.

U.S. SENATE,
Washington, D.C.

Hon. ELMER B. STAATS,
Comptroller General of the United States,
GAO Building, Washington, D.C.

DEAR MR. STAATS: As Ranking Minority Member of the Government Operations Committee, I am concerned with the apparent proliferation of policing, investigative, and intelligence units within the United States

Government. This situation, more than ever before, threatens the basic liberties of Americans.

On April 9 of this year I requested a report on Federal Law Enforcement Forces from the Congressional Research Service. The report found that the collective cost of 14 law enforcement groups was over $1 billion annually. However, the report did not include those investigative departments and Federal agencies whose records are not available to the Library of Congress. Though we know that the FBI spent $357 million last year, we do not know the exact expenditures of such massive agencies as the CIA, NSA, DIA, Air Force Intelligence, and Army Intelligence, whose records are cloaked in secrecy. I am alarmed to learn that the cost of all U.S. intelligence units is estimated to be over $6.2 billion annually.

Another list compiled by the Library of Congress showed that over 60 units in the Federal Government are involved in investigative work. The spectre of proliferating government "watchdog" agencies is a concern for every American citizen.

The facts about our intelligence community have been hidden too long from comprehensive oversight, which is a mandate of the Government Operations Committee. I am therefore requesting that the GAO conduct a thorough investigation into the capabilities and the demands of all units, departments, and agencies in the Federal Government charged with police, investigative, and/or intelligence responsibilities. This comprehensive objective overview is necessary so that the relevant Congressional committees can begin effective oversight work on this critically important, sadly neglected area of government operations.

Your investigation should attempt to identify the following:

(1) All Federal police, investigative and intelligence units, departments and agencies.

(2) The annual budgets of such units, departments, and agencies, and a breakdown of the budgetary requirements of all divisions and subdivisions within them.

(3) Number of personnel employed or assigned to such units, departments, and agencies, and all divisions and subdivisions.

(4) The functions of all units, departments, and agencies and of their divisions and subdivisions, with particular reference to the covert capabitities of each.

I would appreciate your prompt action on this request.

Sincerely,

Charles H. Percy,
U.S. Senator.

THE TRANSPORTATION BUDGET AND THE COAST GUARD

Mr. HATFIELD. Mr. President, last Friday, during the debate on the appropriations bill for the Department of Transportation, the Coast Guard, the FAA, and other related agencies, the Senate debated and passed an across-the-board cut in the bill by 3½ percent. The amendment passed by a vote of 58 to 15.

During the debate on the floor, I was involved in an Appropriations Committee markup of their Interior Appropriations bill. As a result, I was not able to speak about the effect of this kind of a cut on programs such as the Coast Guard. On Thursday, during debate on the Public Works Appropriations bill, where I serve as the ranking Republican, I had made quite clear my opposition to these broad across-the-board cuts, using the meat ax instead of the scalpel.

A cut of 3½ percent may not appear large until an examination is made of the Coast Guard budget. As a resident of the Oregon coastal town of Newport, I have a firsthand opportunity to view the Coast Guard at work every time I return home. Anyone who has seen a search and rescue operation knows the kind of unglamorous work that the Coast Guard does every day in saving lives and property along the Oregon Coast. I recall from earlier hearings about how the Coast Guard personnel in Oregon and Washington was working overtime—some very high weekly and monthly totals—because of manpower shortages. To think about cutting funds for this critical phase of Coast Guard operations is to ignore the lifesaving aspect of their work.

Foreign fishing surveillance along our coast by the Coast Guard has not been as effective as some of us would like, and has been hindered by lack of funding. Foreign fleets operate close to Oregon shores, and vacuum up every available fish, ruining the basic fish resource, and threatening the extinction of the Northwest fishery resource. If we cut Coast Guard funding, we risk curtailing this important task even more.

Along with this aspect of Coast Guard activities is the proposed extension of our coast limits to the 200-mile limit. As my colleagues are aware, the United States recently expressed its support for a 200-mile economic zone. If the Coast Guard undertakes to patrol this extended area, its funding would be strained even more. While I would hope that, if this were undertaken, the Coast Guard would seek added funds, it provides an idea of the dimensions of what the Coast Guard is trying to do.

I found out that the Coast Guard plans to spend about $11.7 million on its activities in Oregon under the 1975 budget. Some $9.1 million of this is for operating expenses. These funds are critical for the needs of the Coast Guard in Oregon. For example, about $1.5 million will be for the new Coast Guard Air Station at North Bend. Having sponsored the amendment while a member of the Commerce Committee, and then working on the appropriations for the funds for construction of this new station, I know that this $1.5 million is needed along our southern Oregon coast.

For these reasons, Mr. President, I opposed this cut, and I hope the Coast Guard funds are restored in conference.

"LEGEND OF SLEEPY HOLLOW" POSTAGE STAMP

Mr. JAVITS. Mr. President, on October 10, 1974, at Tarrytown, N.Y., the U.S. Postal Service will issue the "Legend of Sleepy Hollow" postage stamp. Washington Irving, the author of this legend, was born in New York City. I am very proud that the stamp will be issued at North Tarrytown, N.Y., the setting of the Sleepy Hollow story, and near Irving's home, "Sunnyside" at Irvington-on-the-Hudson. This is truly timely, in that the village of North Tarrytown is celebrating its centennial this year.

New Yorkers are proud that this stamp will be issued in our State, and I want to share with my colleagues in the Senate the announcement of this issue by the postal authorities.

I ask unanimous consent to have the announcement printed in the Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

Legend of Sleepy Hollow Stamp To Be Issued in October

A colorful new 10-cent U. S. postage stamp based upon one of America's best-known folk tales, Washington Irving's "Legend of Sleepy Hollow," will be issued on October 10, the U. S. Postal Service announced today.

The Sleepy Hollow stamp shows the "Headless Horseman" in pursuit of the timid schoolmaster, Ichabod Crane, with both figures silhouetted against a full moon.

Nationwide distribution will be made in time for the stamps to be used with Halloween cards. Letter carriers deliver large numbers of Halloween cards each year.

The stamp will be issued at North Tarrytown, New York, the setting of the Sleepy Hollow story and near Irving's home, "Sunnyside," at Irvington-on-the-Hudson. The village of North Tarrytown is celebrating its centennial this year.

In the opening paragraph of the story, Irving says "Tarry Town," was so called "we are told, in former days by the good housewives of the adjacent country from the inveterate propensity of their husbands to linger about the village tavern on market days."

The stamp is the sixth in the American Folklore Series, which began with the issuance of the Johnny Appleseed stamp in 1966. Other Folklore Series subjects were Davy Crockett in 1967, Daniel Boone in 1968, Grandma Moses in 1969 and Tom Sawyer in 1972.

Leonard Everett Fisher of Westport, Connecticut, designed the Sleepy Hollow stamp. Mr. Fisher also designed the 1972 Bicentennial block of four Colonial Craftsmen stamps. He is well known for illustrating books on colonial crafts and craftsmen.

The two riders on the stamp are shown passing under the menacing tulip tree which figured in ghost stories Ichabod Crane had heard in Tarrytown.

The tree and the figures are in black accented with blue. The moon is bright orange. At the lower left in yellow appear "10c" over "US" and, across the bottom in orange is "Legend of Sleepy Hollow."

Washington Irving, who was born 1783 at New York City, was an essayist, historian and writer of short stories. He was the representative of the polite and imitative tradition in American letters rather than the vigorous pioneer spirit which typified the writings of other American authors like James Fenimore Cooper.

At 17, Irving voyaged up the Hudson River, and the new and wild country had a witching effect upon his young imagination which was to bear fruit in later years as the charming stories he wrote of the region.

"The Legend of Sleepy Hollow" appeared in The Sketch Book, a collection of tales which Irving wrote under the pseudonym Geoffrey Crayon, Gent. His deft and whimsical humor and polished style made the work immediately popular on both sides of the Atlantic. The Sketch Book also contained "Rip Van Winkle," probably Irving's best known story.

The Sleepy Hollow stamps will be printed by offset and Giori presses. The offset colors are yellow, orange, blue, and black. Another black will be added by the Giori press.

The modeler was Peter Cocci and the engravers were John Wallace (vignette) and Robert G. Culin (lettering). All three are with the Bureau of Engraving and Printing. There are 50 stamps to a pane, and there will be one plate number.

The image size is 1.44 x 0.84 inches (39.878 x 25.146 mm).

Requests for first day cancellations should contain the proper remittance and be addressed to "Sleepy Hollow Stamp, Postmaster, North Tarrytown, NY 10591." Requests must be postmarked no later than October 10, 1974.

TRIBUTE TO COL. RICHARD L. HUNT

Mr. JOHNSTON. Mr. President, on Wednesday, May 22, the residents of St. Mary Parish in Louisiana paid tribute to Col. Richard L. Hunt, New Orleans district engineer for the U.S. Army Corps of Engineers, for his tireless efforts in organizing and controlling the flood fight of 1973. I would like to take this opportunity to join in honoring Colonel Hunt without whose aid the record flood levels in the Atchafalaya Basin would have spelled certain disaster. Throughout the crisis period, Colonel Hunt remained easily accessible by all, helped in every way possible to avert the loss of life and property, and demonstrated the concern which did much to reassure the anxious residents of Morgan City, Berwick, and Patterson.

During the appreciation luncheon given by the people of St. Mary Parish, Colonel Hunt was presented a plaque with the following inscription:

> Presented to Colonel Richard L. Hunt with sincere appreciation for consistent and successful efforts on behalf of the people of St. Mary Parish.
>
> Signed: C. R. Brownell, Mayor of Morgan City; Ralph Guidry, Mayor of Berwick; Fred Allen Mensman, Mayor of Patterson; and Lee Champagne, President of the St. Mary Parish Police Jury.

Recently Colonel Hunt was named Lieutenant Governor of the Panama Canal Zone. His transfer marks the end of almost 3 distinguished years during which time he was responsible for flood protection in the State of Louisiana and parts of Mississippi, Arkansas, and Texas. Although his leaving will be the loss of everyone in Louisiana, we congratulate him on his new assignment.

IMPEACHMENT

Mr. TAFT. Mr. President, for the first time in over a century, impeachment articles have been voted by the House Judiciary Committee against a President of the United States.

It is now quite possible that we in the Senate may be called upon to sit in judgment of the articles.

It is somewhat difficult, when faced with a highly emotional issue such as this, to explain to constituents, pollsters, and newsmen that in keeping with the guidelines of our Constitution, I can not comment, express an opinion, nor react to every new allegation or comment arising out of the impeachment question.

To some this may seem to be shirking of responsibility to lead, or even hiding from the issue to avoid a confrontation. Nothing is farther from the point. To the contrary, those who would demand my answer now are asking me to abandon my duties and obligations as a U.S. Senator.

I would like to state for the record, for newsmen and constituents alike, that I will continue to adhere closely to a policy of judicial restraint in carrying out the grave responsibilities imposed upon me by the Constitution in judging the question of impeachment.

The Constitution is clear in stating the duties and obligations of a Senator are to maintain strict impartiality as to the merits of any allegations relating to claimed impeachable conduct by the President of the United States. A Senator sits as a judge and as a juror, in the literal sense of those words, if articles of impeachment are proferred by the House of Representatives, and, therefore, it is absolutely necessary that Senators withhold judgment on this issue and on the facts until the entire case is presented.

Therefore, I intend to take no position on impeachment unless and until charges are properly referred to the Senate and litigation of all the issues is completed.

Why should this case be an exception to our constitutional guarantees of due process of law? I wonder if any constituent or newsman would or has ever written to a judge, sitting in a trial, asking him before he has heard any evidence, how he will decide the case. It is somewhat frustrating to explain this analogy to those who "want to know now—definitively." The situation is almost exactly the same. I and my 99 colleagues in the Senate are going to be called upon to act as judges. It would be a dire violation of our responsibilities outlined by the Constitution, and to our whole system of law, to take any other position at this time.

ENERGY PRODUCTION AND ENVIRONMENTAL PROTECTION ARE COMPATIBLE—SENATOR RANDOLPH EXPLAINS NEW COAL CONVERSION AUTHORITY

Mr. RANDOLPH. Mr. President, one of the prominent facts of life of which we have become conscious this year is the permanent nature of the energy shortage. Since 1959, I have stressed that we need to look at our energy production and consumption patterns in a realistic manner. It took last winter's oil shortage, however, to awaken our country to the fact of our escalating dependence on foreign supplies of oil.

If we learned nothing else from that jolt it was that it is essential to develop energy self-sufficiency in the United States. Achieving this goal obviously will mean an increased reliance on coal, for it is by far our most abundant domestic energy source.

The burning of coal raises environmental questions with which we have been concerned for many years. The increased use of oil and natural gas, in fact, is partially attributed to environmental controls to reduce emissions from the combustion of coal. It was easier and, prior to last winter, cheaper to burn oil and natural gas than to invest in pollution control equipment that would allow the use of coal in an environmentally acceptable way. The higher prices for gas and oil plus the prospect of unreliable supplies make it essential that we take advantage of our Nation's vast supplies of coal.

Mr. President, the production of energy in sufficient amounts and the protection of the environment are not conflicting goals. We have the technological capability to burn coal cleanly and we have the financial resources to apply it.

This philosophy guided members of the Senate Committee on Public Works as we developed the Energy Supply and Environmental Coordination Act of 1974 earlier this year. A major feature of this legislation is authority for electric powerplants that have used oil and natural gas as fuel to convert to coal. These provisions were not arrived at hurriedly or in a panic induced by last winter's Arab oil embargo. Rather, they were written carefully with full consideration of all ramifications in our committee and in extensive conference with Members of the House of Representatives. We recognized the need for and included in this act strict safeguards to prohibit the widespread indiscriminate burning of coal without full protection of public health.

I regret that the legislation and its implications have been misunderstood in some instances. An article in the New York Times on July 11 left the impression that the Energy Supply and Environmental Coordination Act was, in effect, an abandonment of our commitment to environmental protection. I subsequently wrote to John R. Quarles, Deputy Administrator of the Environmental Protection Agency, seeking explanation of statements attributed to him in the article. I also asked for information on the agency's plans for implementing the act. Mr. Quarles' reply was fully responsive to my questions. I then wrote to the Times to clarify points made in the July 11 article, so that its readers would not be misled as to the act's intentions or the impact of this legislation.

Mr. President, I ask unanimous consent that the Times article and the letters to which I have referred be printed in the Record.

There being no objection, the article and letters were ordered to be printed in the Record, as follows:

[From the New York Times, July 11, 1974]

Limited Coal Use Is Seen for Utilities—U.S. Aide Says Few Plants Meet Rules

(By Edward Cowan)

Washington, July 10.—The second-ranking official of the Environmental Protection Agency says that "only a few" East Coast electric utilities will qualify, under new statutory standards to fuel their boilers with coal rather than oil.

John R. Quarles, the Deputy Administrator, acknowledged in an interview last week that one recent analysis by the agency put the number of eligible power stations at two. Mr. Quarles did not endorse that number, saying the question was still under study.

Unler the Energy Supply and Environmental Coordination Act of 1974, signed by President Nixon on June 22, the Environmental Protection Administrator has wide latitude to restrict utility conversions to coal from oil. The bill was a result of the recent oil shortage.

Within the agency, sentiments is against such conversions because the available coal will be relatively high in sulphur content and few utilities have ordered or installed chemical "scrubbers" to keep sulphur oxides from escaping into the air.

In response to what the agency regards as an intensifying campaign by utilities for the installation of tall chimneys as an alternative to "scrubbers," E.P.A. physicians and scientists have made a new study. It tentatively concludes that "failure to control sulphur oxides emissions will result in thousands of excess deaths and millions of excess illnesses" during the period 1970–80.

"Excess" means deaths in addition to those that would occur if the emission and ambient air standards of the Clean Air Act are met.

However, the study itself acknowledged several "important caveats" and said the findings were "clouded by significant scientific uncertainties involving many key aspects of the sulphur oxides problem."

A copy of the study, labeled "preliminary draft," was made available to The New York Times.

Among the tentative findings were that failure to meet air standards would lead to 6,000 "excess or premature deaths" a year, aggravated heart and lung disorders in elderly persons, more frequent attacks of asthma among persons afflicted with that ailment and 400,000 to 900,000 attacks a year of "acute respiratory disorders like croup, acute bronchitis and pneumonia" among otherwise healthy children.

STANCE OF UTILITIES

The document was made available to rebut arguments by some electric utilities, most notably the American Electric Power Company, that the Clean Air Act should be amended to sanction "tall stacks, monitoring" and "so-called intermittent controls" of sulphur emissions as an alternative to strict emission limitations.

"Intermittent controls" would be a temporary shutdown of a generator or temporary use of stand-by stocks of low-sulphur coal.

A. Joseph Dowd, a vice president and general counsel of American Electric Power, which generates 93 per cent of its electricity from coal, told the Senate Public Works Committee on May 13 that under normal atmospheric conditions "tall stacks disperse emissions so widely in the atmosphere that their ground level concentrations are innocuous to human health."

The E.P.A. view is that such "dispersion" merely shifts the problem because eventually the sulphur oxides are changed into sulphuric acid, which falls as "acid rain."

Mr. Quarles recalled in the interview that during last winter's oil shortage "conversion captured a lot of publicity." In fact, he noted, a number of obstacles have become clear, including the unavailability of reliable supplies of coal, the growing fear of a coal shortage next winter and technical problems of converting to coal.

Federal Energy Administration officials said an initial December estimate that 48 East Coast oil-burning utilities could convert to coal within a year had been scaled back to 14 utilities having 22 generating units. Of the 14, five or six could convert within a few weeks if they could find coal, one expert said.

"The industry hasn't responded with the alacrity expected," Mr. Quarles commented. He acknowledged that his own agency as well as state and local environmental regulators had figured in the hesitation.

BALKING ON CONTRACTS

The utilities, he said, do not want to sign long-term contracts to buy coal until they are sure what air standards are going to be. Without such contracts, the coal companies will not open the new mines necessary to provide additional large volumes of coal.

Mr. Quarles said that "the country does need to use its coal" and that "from my viewpoint, giving heavy emphasis to environmental concerns, it probably would be desirable to have more conversions."

In most cases, that means installation of scrubbers to trap sulphur oxides, Mr. Quarles said. The largest coal-burning utilities, American Electric Power and the Tennessee Valley Authority, oppose scrubbers, he noted.

"Many in the industry believe they should not be required to install continuous reduction technology," Mr. Quarles commented. "There is a widespread belief that this is an unsound thing to do." The opponents have said that the scrubbers are not reliable and that installation costs would be high.

"There is some merit to their position as to the degree of development of the technology," Mr. Quarles said. Consequently, he went on, the E.P.A. would not insist on having scrubbers installed by every plant that failed to meet the Clean Air Act's July 1, 1975, "deadline" for satisfying air standards.

"I hope to avoid a knockdown, drag-out confrontation," Mr. Quarles said. "There has been some tendency within the industry to dig in their heels." He cited newspaper advertisements by American Electric Power saying that scrubbers created great volumes of sludge and that tall stacks would be cheaper and just as good.

"Many power plants can dispose of sludge," Mr. Quarles said. "They might have to buy some land or build some dikes. We already dispose of a lot of sludge in this country."

U.S. Senate,
Washington, D.C., July 18, 1974.

Hon. John R. Quarles,
Deputy Administrator, Environmental Protection Agency, Washington, D.C.

Dear Mr. Quarles: On June 26, 1974, the President signed the Energy Supply and Environmental Coordination Act of 1974. This measure represented a wholesome reconciliation by the Congress between national energy and environmental policies. Its successful implementation will represent a first step towards energy self-sufficiency through the increased use of domestic coal supplies consistent with the protection of public health and long-term environmental goals.

The success of this undertaking depends on the adoption of an affirmative stance towards the realistic implementation of this statute. I have discussed with John Sawhill, the Administrator of the Federal Energy Administration, the need to expeditiously designate those electric power plants that will be considered as potential candidates for conversion from oil and natural gas to coal. I was assured by Administrator Sawhill that his Agency would adopt a positive approach because of the significant contribution that this statute can supply in achieving the goals of Project Independence.

I am concerned by the recent article in the New York Times by Edward Cowan entitled, "Limited Coal Use is Seen for Utilities " (a copy is attached) which reports you as saying "only a few" East Coast electric utilities will qualify for conversion from oil to coal under the criteria contained in the Energy Supply and Environmental Coordination Act. This information does not coincide with the preliminary data furnished to the Committee on Public Works by Roger Strelow, Acting Assistant Administrator for Air and Waste Management, by letter of May 31, 1974. The letter indicated that some twenty-three electric power plants involving forty-two boilers conceivably might be converted provided, in some instances, additional particulate and/or sulfur oxide control systems are installed. It must be noted that a requirement for additional controls can be required by the Administrator of the Environmental Protection Agency as a condition of any conversions ordered by the Administrator of the Federal Energy Administration. This authority was intended to insure the protection of public health.

Thus, I am equally concerned by the statement in the New York Times article alluding to a draft EPA study that tentatively concluded that "failure to control sulfur oxide emissions will result in thousands of excess deaths and thousands of excess illnesses" during the period 1975–80." Even if this is theoretically possible, it cannot occur under the provisions of the Energy Supply and Environmental Coordination Act.

I would appreciate an indication of the plans of the Environmental Protection Agency for the implementation of this Act and whether the Times' article accurately indicates your position or that of your agency.

With best wishes I am,
Truly,

Jennings Randolph,
Chairman.

U.S. Environmental Protection Agency,
Washington, D.C., July 30, 1974.

Hon. Jennings Randolph,
Chairman, Committee on Public Works, U.S. Senate Washington, D.C.

Dear Mr. Chairman: Thank you for your letter of July 18 concerning the response of the Environmental Protection Agency to the Energy Supply and Environmental Coordination Act of 1974. We heartily agree with your assessment that this Act provides sound legal guidelines both for increasing the use of coal and for protecting public health and long-term environmental goals. Our plan for implementing this Act is based on a firm intent to comply with both the spirit and letter of its provisions.

An important part of our plan is to continue our close working relationship with those in the Federal Energy Administration responsible for oil-to-coal conversions. Recently, our Assistant Administrator for Air and Waste Management and FEA's Assistant Administrator for Energy Resource Development met to develop procedures that will assure a combined effort to respond promptly and accurately to the Act's requirements.

The twenty-three electric power plants referred to in your letter represent those which EPA and FEA agreed were the most likely candidates for conversion from among some sixty plants jointly considered. As you pointed out, additional particulate and/or sulfur dioxide control must be installed in some instances. Our Agency has given top priority to defining the environmental requirements which the most likely candidates must meet should they convert to coal. Specifically, we are determining which plants fall under the "regional limitations" provision in Section 3 of the Act. As you know, a plant to which this limitation applies cannot convert until it can meet the applicable State emission limit. Our preliminary analysis indicates that only four of the most likely candidates may escape a regional limitation requirement. This may be the basis for the "only a few" comment referred to in the New York Times article. My reference was to the few plants which might be able to convert before complying with State emission limits rather than to the totality of plants which can qualify for conversion. We are determining, consistent with the provisions of Section 4 of the Act, which State plans might be revised to impose less stringent emission limits on power plants and other major fuel burners. First priority for study is being given to convertible plants to which a "regional limitation" applies. High priority is also being given to preparing guidelines for arriving at the "primary standard conditions" applicable to convertible plants under Section 3 of the Act.

The reference in the New York Times article to increased illness and mortality relates to a preliminary study of measured sulfate concentrations and their relation to health. This study was given to the committee of conference which prepared the Energy

Supply and Environmental Coordination Act. We agree that the Act provides our Agency with adequate authority to prevent significant risk to health if conversions should result in unacceptable increases in sulfate concentrations. We are currently preparing guidelines for using this authority.

We believe that our actions described above are fully responsive to the Act and that our priorities are appropriate for the most rapid increase in the use of coal consistent with the required environmental considerations. Thank you for your interest in our program and the opportunity to define our position. I will be pleased to provide any further information which you may require.

Sincerely yours,

JOHN R. QUARLES, Jr.,
Deputy Administrator.

U.S. SENATE,
Washington, D.C. July 31, 1974.

EDITOR,
The New York Times,
New York, N.Y.

DEAR SIR: An article in the *New York Times* on July 11 has presented a distorted view of the contents and potential impact of the Energy Supply and Environmental Coordination Act, which became law on June 26. This legislation was developed by the Congress as a carefully balanced accommodation between energy and environmental realities. Its provisions are intended to ease the pressures of growing reliance on foreign fuel sources but in a manner that does not compromise our commitment to programs of environmental improvement.

A key feature of this measure permits some electric power plants to convert from oil and natural gas to coal as their fuel. This authority can be implemented, however, only under specified conditions.

First, as to energy effects, the Environmental Protection Agency and Federal Energy Administration agree that there are 23 power plants with 42 boilers which are the most likely candidates for conversion to coal. The *Times* story quoted EPA deputy Administrator John R. Quarles, Jr. as saying "only a few" plants would be converted. Mr. Quarles has informed me that this reference was just to the plants capable of conversion to coal without modification to comply with State emission limitations.

The Environmental Protection Agency is now evaluating the plants with potential for conversion and the environmental requirements they must meet under the provisions of the Act. There are numerous safeguards to assure that increased use of coal does not result in excessive environmental degradation.

As to the possibility of increased illness and death because of coal conversion, the preliminary study mentioned in the *Times* story was available to the conference which developed the final version of the legislation. I cannot agree that the Energy Supply and Environmental Coordination Act will bring about such conditions. The increased illness and death may be theoretically possible, but it cannot occur under the provisions which are clear in stating that the protection of public health has the highest priority.

Energy self-sufficiency and environmental protection are not conflicting ambitions. Both can be properly achieved and the new law provides the mechanics for adjusting to changing conditions without abandoning either goal.

Truly,

JENNINGS RANDOLPH,
Chairman,.

PHYSICIAN-EXPANDER PROGRAM

Mr. HUGH SCOTT. Mr. President, in view of the growing concern about the need for qualified medical help in rural areas, I want to bring to the attention of my colleagues an excellent program recently started in western Pennsylvania by Dr. Jan R. J. deVries. Called the physician-expander program, it is designed to maximize the skills and experience of trained physicians by allowing them to carefully train and supervise nurses and physician-assistants to gradually assume some of the doctor's duties.

It is similar to a paramedic program, and while it presents only one solution to this growing problem, I believe it deserves further study. I ask unanimous consent that a brief explanation of how this program works, as described by Dr. deVries in Pennsylvania Medicine, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHYSICIAN EXPANDER CONCEPT PASSES TEST

(By Jan R. J. deVries, M.D.)

The Medical Associates of Boswell, a rural, two-physician practice, now serves about 12,000 patients in the Laurel Highlads of Western Pennsylvania. The circumstance of a neighboring physician's decision to leave the area precipitated the inclusion of his office as a second office by the associates and the hiring of a physician expander.

The physician expander had been employed as an R.N. at our local hospital for about twelve years; the last ten years she was in charge of the medical floor. She was chosen because of qualities of personality: warmth of human concern, eagerness to learn, and a healthy knowledge of her own capabilities and limitations.

During November 1971, the physician expander accompanied the physician who was making hospital rounds in the morning and received bedside instruction, much as an intern or a preceptee would. Later each day she came to the medical office and was shown practices and routines of work and was introduced to our patients. Figure 1 shows the text, displayed in our office, explaining this idea to our patients.

During this month a protocol of "standing orders" was developed, so that by December she could start seeing her own patients by appointments. In December, when the other office was incorporated into the practice, she stopped going to the hospital and saw office patients only. Starting in February, she no longer was guided "step by step," although she continues to work under supervision. She seeks consultation in all cases not specifically covered by her standing orders. In July 1972 a second physician expander was added who is a graduate of a Physician Assistant Program. She has seen patients in a similar fashion since September. Since then, the two physician expanders spend a few hours each day in the hospital; each of them is now assigned to one of the two offices.

DATA COLLECTION

Data were collected from our books to evaluate the effect of the addition of the physician expander on the total amount of services rendered as well as on the cost of these services. In analyzing the total services rendered, we used the number of patients seen in the office and hospital only, excluding housecalls as well as visits for scheduled treatment by office nurses (injections and physical therapy) or special tests (GTT, BSP, Pro-time). In the cost analysis, we used recorded charges for services performed, with an adjustment to account for a change in prices which became effective during the fiscal year July 1971–June 1972.

This fiscal year is divided into three groups of months because of the changing activity of the physician expander as her role in the practice increased. In July, August, September, and October, the physician expander had no function in the delivery of health care by the associates. The physicians were themselves working at what they perceived as the peak of their capacities. In November, December, and January, the physician expander was gradually "eased" into service, with the physicians doing some overtime duty because of the new office and because of the season of the year. The months of February, March, April, May, and June developed a "steady state" of service by two physicians and one physician expander.

THE PRICE OF LIBERTY

Mr. McGOVERN. Mr. President, the August 2, 1974, issue of the Washington Post contains a letter to the editor written by my 19-year-old daughter, Mary.

She wrote this letter of her own volition and without assistance. With due allowance for paternal prejudice, I think it is worth reprinting in the CONGRESSIONAL RECORD. I therefore ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PRICE OF LIBERTY

Inadvertently, President Nixon has done a good thing for the people of this country. Through his overly-ambitious, power consuming White House policies he has brought on Watergate. And it is because of Watergate that the American people woke up and realized the dangerous direction we were headed. Only by having our liberty assaulted by the Nixon administration were we able to see how precious our Constitution really is—and how vulnerable. Like it says on the statue outside the Archives, home of our Constitution and Bill of Rights, "The price of liberty is eternal vigilance."

I think because of these horrifying revelations the American people are truly learning the real meaning and importance behind these words.

Our nation has a long and difficult road ahead—it won't be easy or pleasant. But, just as George McGovern wished, America is at last coming home.

MARY MCGOVERN.

WASHINGTON.

(Mary McGovern is the daughter of Sen. George McGovern, D.-S. Dakota.)

TELEPHONE STRIKE AVERTED

Mr. PERCY. Mr. President, I am gratified that the potentially imminent strike by members of the Communications Workers of America against the Bell Telephone System was averted by a tentative agreement on a new 3-year contract, signed last night.

The tentative contract will cover up to 750,000 telephone workers. Had agreement not been reached, it would have affected operator, repair and installation service and resulted in great inconvenience and some possible hardship to the millions of Americans who depend on quick and efficient telephone service, particularly those who would need a new installation. A strike could have also caused substantial financial loss to both the company and the striking workers.

I commend Mr. Glen Watts, the new president of CWA and Mr. John DeButts, chairman, American Telephone and Telegraph, for their statesmanship in the national interest as well as in the interest of all AT&T customers and employees.

In addition to all union and management representatives, I believe that special thanks and commendation should go to William Usery, head of the Federal Mediation and Conciliation Service, for his assistance in hammering out an agreement and averting a nationwide strike.

Idle work days caused by strikes ran at the rate of 7,345,000 this June, as compared with 2,173,000 days in June of 1973. The materials and other shortages now plaguing our economy require that industry operate at full capacity. I am hopeful that the settlement between the CWA and the Bell System represents a new spirit of understanding and conciliation between labor and management, and that the recent increase in work days lost will subside substantially.

Let us hope also that wage increases can be offset by productivity increases as has been accomplished so successfully in the past by this great industry.

FAMILY REUNION DAY

Mr. HARRY F. BYRD, JR. Mr. President, I would like to bring to the attention of my colleagues that Sunday, August 11, families in the United States and Canada will again celebrate Family Reunion Day.

The observance was first held 7 years ago following a Family Reunion Day Proclamation by President Johnson. Kiwanis International and Freedoms Foundation at Valley Forge sponsored the observance with the help of many other organizations.

I am proud of the fact that a distinguished Virginian, Dr. William M. Eagles, of Richmond, Va., is serving as president of Kiwanis International.

Family Reunion Day was originated by Kiwanis International and Freedoms Foundation at Valley Forge.

Kiwanis International President William M. Eagles, M.D. said in a recent statement:

> No institution is as old or has made such important contributions to the evolution of society as the family. We can be proud of the fact that Kiwanians have been the leaders in initiating the Family Reunion Day idea and all that it stands for—the affirmation of the family as the ultimate influence in teaching good citizenship, morality and personal integrity to our children and to succeeding generations.

Freedoms Foundation president, General Harold K. Johnson, USA Retired, emphasized the importance of the family, saying:

> Families are the basic unit of society. They are the wellspring of the nation's values and its moral strength. Our capacity to love our fellowman, our sense of integrity, our regard for the dignity of the other person, and our responsibility for authority are learned first in the family circle.

General Johnson continued:

> The emphasis each of us can give to the family on this day is a constructive action. Strong families are our most valuable asset as we work to improve the quality of life in every community.

Strong families are the keystone of a healthy nation. They determine the moral level for the conduct of life for both private and public action. Strong families hold the key for reduced crime, lower divorce rates, control of drug abuse and violence and many of our other serious social ills.

I commend Kiwanis International and Freedoms Foundation for their continuing sponsorship of Family Reunion Day—a worthwhile observance indeed.

CONGRESSIONAL MEDAL OF HONOR PRESENTATIONS

Mr. TOWER. Mr. President, on July 17, at Blair House the Vice President of the United States, the Under Secretary of the Navy and the Under Secretary of the Army participated in a ceremony during which seven American fighting men—who made the ultimate sacrifice—received posthumous Medals of Honor.

I think it appropriate that the remarks made at the ceremony and the citations for each of the men be made available to all of my colleagues. I ask unanimous consent that they be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Remarks by Vice President Gerald R. Ford

As you travel the circle around the Lincoln Memorial to cross Memorial Bridge, there stand two handsome monuments at the portals of the Bridge. Carved in the stone at the base of one reads the word "Valor" and at the base of the other—the word "Sacrifice."

These magnificent pieces of statuary were presented to the people of the United States by the people of Italy in grateful appreciation of the valor and sacrifice of those Americans who served—and many of whom died—in Italy during World War II.

We assemble here at this historic place, rich with reminders of our Nation's past, to honor and pay tribute to the valor and sacrifice of seven Americans who, in acts of courage and selfless dedication, gave their lives in the service of this country and the people of another nation nearly half a world away.

We also meet here to give our thanks to the families of these men. For we also know they have shared the brunt of battle.

Lincoln, in his simple but eloquent way, would express—in words that have never been surpassed—the tribute of a Nation to its sons who fell in battle. Despite his modest prediction in the Gettysburg Address, the world has surely noted and long remembered what he said there.

Today we assemble here for another historic tribute in our Nation's history. Nor can we further consecrate or dedicate a ceremony that is both solemn and significant.

Solemn through the respect we hold for those we honor here; significant in the meaning this moment has for each of us.

These seven Americans showed not only sacrifice, but valor, to their countrymen. For such conspicuous bravery and selfless devotion there is presented posthumously, on behalf of the Congress of the United States, the Medal of Honor.

A medal whose award was first authorized in 1862 by the Congress. A medal to be given on behalf of the people of this country as their highest award for "Courage above and beyond the call of duty."

Writing to a mother during the Civil War who had lost two sons in the Union Army, Lincoln closed his letter by noting the "solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom."

It is in this spirit—on behalf of the President and the Congress of the United States—that I present these Medals of Honor.

[Reader, Under Secretary of the Army
Herman R. Straudt]

Citation

The President of the United States of America, authorized by Act of Congress, has posthumously awarded in the name of Congress the Medal of Honor to the following members of the United States Army for conspicuous gallantry and intrepidity in action at the cost of their lives above and beyond the call of duty.

LIEUTENANT COLONEL ANDRE C. LUCAS

While serving as the commanding officer of the 2nd Battalion, 506th Infantry, 101st Airborne Division, at fire support base Ripcord in the Republic of Vietnam during the period 1 to 23 July 1970.

STAFF SERGEANT HAMMETT L. BOWEN, JR.

While serving as a platoon sergeant in Company C, 2nd Battalion, 14th Infantry, 25th Infantry Division, in Binh Duong Province, Republic of Vietnam on 27 June 1969.

STAFF SERGEANT JOHN G. GERTSCH

While serving as a platoon sergeant and platoon leader in Company 1, 1st Battalion, 327th Infantry, 101st Airborne Division, in A Shau Valley, Republic of Vietnam during the period 15 to 19 June 1969.

SERGEANT MITCHELL W. STOUT

While serving as a member of Battery C, 1st Battalion, 44th Artillery of Khe G Bridge, Republic of Vietnam on 12 March 1970.

SPECIALIST FOUR DANNY J. PETERSEN

While serving as an armored personnel carrier commander in Company B, 4th Battalion, 23rd Infantry, 25th Infantry Division in Tay Ninh Province, Republic of Vietnam on 9 January 1970.

PRIVATE FIRST CLASS DAVID F. WINDER

While serving as senior medical aidman with Company A, 3rd Battalion, 1st Infantry, American Division, in the Republic of Vietnam on 13 May 1970.

[Reader, Under Secretary of the Navy
David S. Potter]

From the United States Marine Corps:

PRIVATE FIRST CLASS RALPH E. DIAS

While serving as a rifleman with Company D, First Battalion, Seventh Marines, First Marine Division in the Republic of Vietnam on 12 November 1969.

Their conspicuous gallantry, undaunted concern for their comrades, and intrepidity at the risk of their lives above and beyond the call of duty, are in keeping with the highest traditions of the military service, and reflect great credit on themselves, their units, and the Armed Forces of the United States.

Private First Class David F. Winder

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has posthumously awarded in the name of The Congress the Medal of Honor to Private First Class David F. Winder, United States Army, for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty.

Private First Class David F. Winder, Headquarters and Headquarters Company, 3d Battalion, 1st Infantry, 11th Infantry Brigade, Americal Division, distinguished himself on May 13, 1970 while serving in the Republic of Vietnam as a senior medical aidman with Company A, 3d Battalion, 1st Infantry, Americal Division. After moving through freshly cut rice paddies in search of a suspected company-sized enemy force, the unit started a thorough search of the area. Suddenly they were engaged with intense automatic weapons and rocket propelled grenade fire by a well entrenched enemy force. Several friendly soldiers fell wounded in the initial contact and the unit was pinned down. Responding instantly to the cries of his wounded comrades, Private Winder began maneuvering across approximately 100 meters of open, bullet-swept terrain toward the nearest casualty. Unarmed and crawling most of the distance, he was wounded by enemy fire before reaching his comrades. Despite his wounds and with great effort, Private Winder reached the first casualty and administered medical aid. As he continued to crawl across the open terrain toward a second wounded soldier he was forced to stop when wounded a second time. Aroused by the cries of an injured comrade for aid, Private Winder's great determination and sense of duty impelled him to move forward once again, despite his wounds, in a courageous attempt to reach and assist the injured man. After struggling to within ten meters of the man, Private Winder was mortally wounded. His dedication and sacrifice inspired his unit to initiate an aggressive counterassault which led to the defeat of the enemy. Private First Class Winder's conspicuous gallantry and intrepidity in action at the cost of his life were in keeping with the highest traditions of the military service and reflect great credit on him, his unit and the United States Army.

Sergeant Mitchell W. Stout

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has posthumously awarded in the name of The Congress the Medal of Honor to Sergeant Mitchell W. Stout, United States Army, for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty.

Sergeant Mitchell W. Stout, Battery C, 1st Battalion, 44th Artillery, distinguished himself on March 12, 1970 during an attack by a North Vietnamese Army Sapper company on his unit's firing position at Khe Gio Bridge, Republic of Vietnam. Sergeant Stout was in a bunker with members of a searchlight crew when the position came under heavy enemy mortar fire and ground attack. When the intensity of the mortar attack subsided, an enemy grenade was thrown into the bunker. Displaying great courage, Sergeant Stout ran to the grenade, picked it up, and started out of the bunker. As he reached the door, the grenade exploded. By holding the grenade close to his body and shielding its blast, he protected his fellow soldiers in the bunker from further injury or death. Sergeant Stout's conspicuous gallantry and intrepidity in action, at the cost of his own life, are in keeping with the highest traditions of the military service and reflect great credit upon him, his unit and the United States Army.

Staff Sergeant John G. Gertsch

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has posthumously awarded in the name of The Congress the Medal of Honor to Staff Sergeant John G. Gertsch, United States Army, for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty.

Staff Sergeant John G. Gertsch, Company E, 1st Battalion, 327th Infantry, 101st Airborne Division, distinguished himself during the period 15 to 19 July 1969 while serving as a platoon sergeant and platoon leader during combat operations in the A Shau Valley, Republic of Vietnam. During the initial phase of an operation to seize a strongly defended enemy position, Sergeant Gertsch's platoon leader was seriously wounded and lay exposed to intense enemy fire. Forsaking his own safety, without hesitation Sergeant Gertsch rushed to aid his fallen leader and dragged him to a sheltered position. He then assumed command of the heavily engaged platoon and led his men in a fierce counterattack that forced the enemy to withdraw. Later, a small element of Sergeant Gertsch's unit was reconnoitering when attacked again by the enemy. Sergeant Gertsch moved forward to his besieged element and immediately charged, firing as he advanced. His determined assault forced the enemy troops to withdraw in confusion and made possible the recovery of two wounded men who had been exposed to heavy enemy fire. Sometime later his platoon came under attack by an enemy force employing automatic weapons, grenade, and rocket fire. Sergeant Gertsch was severely wounded during the onslaught but continued to command his platoon despite his painful wound. While moving under fire and encouraging his men he sighted an aidman treating a wounded officer from an adjacent unit. Realizing that both men were in imminent danger of being killed, he rushed forward and positioned himself between them and the enemy nearby. While the wounded officer was being moved to safety Sergeant Gertsch was mortally wounded by enemy fire. Without Sergeant Gertsch's courage, ability to inspire others, and profound concern for the welfare of his men, the loss of life among his fellow soldiers would have been significantly greater. His conspicuous gallantry, extraordinary heroism, and interpidity at the cost of his life, above and beyond the call of duty, are in the highest traditions of the United States Army and reflect great credit on him and the Armed Forces of his Country.

Staff Sergeant Hammett L. Bowen, Jr.

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has posthumously awarded in the name of The Congress the Medal of Honor to Staff Sergeant Hammett L. Bowen, Jr., United States Army, for conspicuous gallantry and interpidity in action at the risk of his life above and beyond the call of duty.

Staff Sergeant Hammett L. Bowen, Jr., distinguished himself on 27 June 1969 while serving as a platoon sergeant in Company C, 2d Battalion, 14th Infantry, 25th Infantry Division, during combat operations in Binh Duong Province, Republic of Vietnam. Sergeant Bowen's platoon was advancing on a reconnaissance mission into enemy controlled terrain when it came under the withering cross fire of small arms and grenades from an enemy ambush force. Sergeant Bowen placed heavy suppressive fire on the enemy positions and ordered his men to fall back. As the platoon was moving back, an enemy grenade was thrown amid Sergeant Bowen and three of his men. Sensing the danger to his comrades, Sergeant Bowen shouted a warning to his men and hurled himself on the grenade, absorbing the explosion with his body while saving the lives of his fellow soldiers. Sergeant Bowen's extraordinary courage and concern for his men at the cost of his own life served as an inspiration to his comrades and are in the highest traditions of the military service and the United States Army.

Lt. Col. Andre C. Lucas

The President of the United States of America, authorized by Act of Congress, March 3, 1863, has posthumously awarded in the name of Congress the Medal of Honor to Lieutenant Colonel Andre C. Lucas, United States Army, for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty:

Lieutenant Colonel Andre C. Lucas, Infantry, distinguished himself by extraordinary heroism during the period July 1 to 23, 1970, while serving as the Commanding Officer, 2nd Battalion, 506th Infantry, 101st Airborne Division, at Fire Support Base Ripcord in the Republic of Vietnam. Although the fire base was constantly subjected to heavy attacks by a numerically superior enemy force throughout this period, Lieutenant Colonel Lucas, forsaking his own safety, performed numerous acts of extraordinary valor in directing the defense of the allied position. On one occasion, he flew in a helicopter at treetop level above an entrenched enemy directing the fire of one of his companies for over three hours. Even though his helicopter was heavily damaged by enemy fire, he remained in an exposed position until the company expended its supply of grenades. He then transferred to another helicopter, dropped critically needed grenades to the troops, and resumed his perilous mission of directing fire on the enemy. These courageous actions by Lieutenant Colonel Lucas prevented the company from being encircled and destroyed by a larger enemy force. On another occasion, Lieutenant Colonel Lucas attempted to rescue a crewman trapped in a burning helicopter. As the flames in the aircraft spread, and enemy fire became intense, Lieutenant Colonel Lucas ordered all members of the rescue party to safety. Then, at great personal risk, he continued the rescue effort amid concentrated enemy mortar fire, intense heat, and exploding ammunition until the aircraft was completely engulfed in flames. Lieutenant Colonel Lucas was mortally wounded while directing the successful withdrawal of his battalion from the fire base. His actions throughout this extended period inspired his men to heroic efforts, and were instrumental in saving the lives of many of his fellow soldiers while inflicting heavy casualties on the enemy. Lieutenant Colonel Lucas' conspicuous gallantry and intrepidity in action, at the cost of his own life, were in keeping with the highest traditions of the military service and reflect great credit on him, his unit and the United States Army.

Pfc. Ralph E. Dias

The President of the United States in the name of The Congress takes pride in presenting the MEDAL OF HONOR posthumously to Private First Class Ralph E. Dias, United States Marine Corps, for service as set forth in the following citation:

For conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty, while serving as a Rifleman with Company D, First Battalion, Seventh Marines, First Marine Division in the Republic of Vietnam on 12 November 1969. As a member of a reaction force which was pinned down by enemy fire while assisting a platoon in the same circumstance, Private First Class Dias, observing that both units were sustaining casualties, initiated an aggressive assault against an enemy machine gun bunker which was the principal source of hostile fire. Severely wounded by enemy snipers while charging across the open area, he pulled himself to the shelter of a nearby rock. Braving enemy fire for a second time, Private First Class Dias was again wounded. Unable to walk, he crawled fifteen meters to the protection of a rock located near his objective and, repeatedly exposing himself to intense hostile fire, unsuccessfully threw several hand grenades at the machine gun emplacement. Still determined to destroy the emplacement, Private First Class Dias again moved into the open and was wounded a third time by sniper fire. As he threw a last grenade which destroyed the enemy position, he was mortally wounded by another enemy round. Private First Class Dias' indomitable courage, dynamic initiative, and selfless devotion to duty upheld the highest traditions of the Marine Corps and the United States Naval Service. He gallantly gave his life in service to his country.

CIVIL SERVICE RETIREES

Mr. GURNEY. Mr. President, for some time now, I have been interested in legislation affecting Federal retirees. It seems to me that in our zeal to do what is fair for the largest segment of our retired population—those receiving social security benefits—we forget those smaller retiree groups like our civil service retirees.

A case in point is S. 628. This bill, the Senate version of which would simply eliminate the survivorship reduction in the retiree's benefits during periods of nonmarriage, was introduced on January 31, 1973. We passed it in the Senate on July 31, 1973. It passed the House, amended, in April. The question I keep getting from Federal retirees in Florida and across the Nation is why is it taking so long? If the Senate cannot agree to the more generous House amendment, which appears to be the case, then let us admit it.

Personally, I like the House version of the bill. Under the social security system, a retiree need not take a reduction in the retirement benefit to set aside a widow's benefit for the surviving spouse. Under civil service, he does. If the House version passes, this survivorship benefit would be automatic.

To carry the comparison between civil service and social security a little further, Federal retirees' widows receive an amount equal to 55 percent of the retirees' entitlement. Under social security the wife receives an amount equal to 50 percent of the husband's entitlement when he is still living. No such thing under civil service.

We may not be able to rectify all the inequities, and surely not in this Congress. It does seem to me, however, that S. 628 could correct one of the problems, and I hope we can move on it quickly.

I have a letter here from Mr. Herb Folken, legislative chairman of the Florida Federation of Chapters, National Association of Retired Federal Employees. Mr. Folken sets out what I think are probably the feelings of a large number of Federal retirees, on the question of S. 628. I ask unanimous consent that his letter be printed at the close of my remarks.

There being no objection, the letter was order to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
RETIRED FEDERAL EMPLOYEES,
Longwood, Fla., June 26, 1974.

Hon. EDWARD J. GURNEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GURNEY: This morning I asked Mrs. Taylor to relay a message to you via the telephone and Ruby Simpson concerning the hiatus in which we find S. 628. This bill, as you will recall, passed both Houses by lopsided margins but in vastly differing versions. On May 28 or 29 Senator McGee got the Senate, "in a minute" to revert the bill to the House. We understand that the House has now appointed conferees but that the Senate has taken no similar action. To kill the bill now by indefinite delay would seem to thwart the will of the Senate favoring the simpler bill as well as the House in their greater generosity. Surely there must be a suitable point of compromise and we urge your good offices to assure that a conference proceeds without further delay.

The House version cannot be all bad when so staunch a conservative as Mr. Gross voted for it in committee and spoke for it "sometime"—as a bill that was needed for comparable treatment of retirees but "we can't afford it now." Further, we have seen repeated reference to the House bill as twice as expensive as the Senate version. In view of the good each would do, if that estimate is correct, the House version is far the better bargain. Nonetheless, far better the Senate version out of this session than deferral of the whole package.

Sincerely,

HERBERT G. FOLKEN,
Chairman, Federal Legislation.

PSRO TROUBLES IN VIRGINIA

Mr. HARRY F. BYRD, JR. Mr. President, in recent weeks I have received a growing flow of mail from physicians and others in the medical profession concerning professional standards review organizations—PSRO's. None of it is complimentary to the program.

In the Monday, July 29, edition of the Harrisonburg, Va. Daily News-Record, an article on PSRO's was printed. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPOSED REVIEW DISTURBS DOCTORS

(By Steve Beckner)

"Another example of increased bureaucratic control."

"It takes away individual choice."

"It makes us follow a cookbook type of medicine."

"It's going to increase the costs and make it more difficult to treat a patient."

"It will require a lot of time and effort."

"They're not interested in patient care, they're interested in saving costs."

"It" is the Professional Standards Review Organization (PSRO). "They" are officials of the Department of Health, Education and Welfare (HEW) which administers PSRO.

And the above reactions to the program are those of local physicians.

The PSRO idea was presented to Congress "to promote effective, efficient and economical delivery of health care" and enacted as an amendment to the 1972 Social Security Act. Since then, over 100 bills have been introduced to repeal or modify PSRO.

A PSRO is to specify the type, amount and cost of treatment for every patient admitted to hospitals under Medicare or Medicaid. Eventually it will apply to all patients in or out of hospitals and doctors are expected to conform to these norms of treatment.

As described by a Harrisonburg gynecologist, "They have the crazy idea that you can't admit a patient without him going through a screening committee."

He joined many of his colleagues in charging that HEW is interested in cost control, not quality patient care.

Last January, county medical societies were to form PSROs throughout the nation in areas designated by HEW.

On July 11, physicians from an area extending from Winchester to Lexington and from Charlottesville to Covington gathered in Harrisonburg to take the initial steps in forming a PSRO for Area 1, one of five areas in Virginia.

After the group receives a non-profit corporation charter and elects officers, it will receive a grant from HEW to study medical procedures. After demonstrating its competence, it will become a PSRO in good standing—a procedure that may take two or more years.

The action came on the heels of the American Medical Association's national convention in June, where a large block of doctors fought to pass a resolution of noncooperation with the program.

A majority of the AMA decided that it would be better to cooperate and guide the program's direction than to have the HEW enforce its own standards.

"The usual kind of government expertise was used to divide the state," said Dr. George Nipe of Harrisonburg, district counselor in the Virginia Medical Society who led the organization of the Area 1 PSRO. Its boundary "goes down the middle of counties and cities" and some doctors are assigned to areas where they reside, even though they work in another area.

Dr. Donald Callahan noted that the state society's request for one state-wide PSRO was turned down "for no good reason."

"The bad thing is, it tries to make us conform with the standards at the University of Virginia Medical Center and this is not always good," said another local doctor who is a member of a Rockingham Memorial Hospital committee now drawing up the criteria.

"Their situation and ours are two different things," he explained. "We're a community-oriented hospital and they're a teaching institution.

"When you're talking about this large an area, the type of medical practice acceptable in Covington is not the same as at U.Va.," he continued.

Traditionally, he said, malpractice has been defined as practicing sub-par medicine for the area in which you are practicing," but under PSRO differences in available facilities and medical talent are not taken into account.

Because the "criteria" for each illness are set up by each PSRO, they may vary from area to area, he added.

"There is no geographical, cultural, social or any other sort of relationship among these people (in Area 1)," said Dr. Frank Gearing, a radiologist who heads the local committee. "It's really ridiculous."

The criteria for treatment will act as a "two-edged sword," another committee member explained. Doing either more or less than the criteria specify can get a physician into difficulty.

"If you came to me with a bellyache and I put you in the hospital for possible stomach cancer, PSRO says you should have a certain white and red cell count and a certain number of blood tests. If I didn't do this, even though in my opinion it wasn't necessary to stick you that many times, I'd be in trouble," he explained.

On the other hand, "If I put you in with a diagnosis of possible appendicitis and also decide to test for peptic ulcer and run X-rays and they come up negative, PSRO might say, 'Why did you do this? You ran his medical bill up $50.' "

He predicted that the effect of the criteria will be to take away individual choice and professional judgment. "From now on, I'm going to look at the criteria and make sure I follow every one of them so I'm not considered negligent, rather than doing what I feel is needed."

He said that violators will be subject to possible malpractice suits and revocation of licenses.

The system "will work sort of like a computer," he explained. "A secretary will check to see if all the criteria are met. If not, they (the physician's charts on each patient) will be knocked out."

Physicians said another factor against PSROs is that medicine is not an exact science due to lack of complete knowledge and disparities among individual patients.

"There's so many sides to every question and so many considerations in the treatment of a patient that you can't put on paper or describe," said Dr. Henry Deyerle.

Noting that 4,500 students, each with undergraduate grade averages above 3.0, are competing for 144 places, in the University of Virginia Medical College, one committee member called PSRO "an insult to their intelligence," adding that physicians regulate themselves as a matter of professional pride.

This theme was echoed by J. Nelson Liskey, administrator of Rockingham Memorial Hospital, who noted, "We're doing utilization review now." The hospital's medical audit committee already monitors diagnoses and length of stay in the hospital, he said.

"We police ourselves," a gynecologist said. "We're up to our necks in (review) committees, and we're going to keep them." He cited the Rockingham County Medical Society's tissue committee, which reviews physicians' treatment of body tissues, as one example.

"The safeguards are there. It's just that the government wants to mess with them," he charged.

Another major complaint cited by doctors is the paperwork they expect PSRO to involve.

Mr. Liskey said the hospital already has one secretary working on PSRO and at least one more will have to be hired because the hospital will have to do much of the paperwork for area doctors. "If the hospital doesn't help them on this paperwork, they won't be serving patients, they'll be doing paperwork."

"Any new system has to have people to help run it, and they have to be paid," said Dr. Deyerle. "So instead of cutting down on the cost, it's going to increase it."

He noted that 10 years ago, when he was just as busy as now, he had no secretaries. He now has two to handle paperwork imposed by Medicare, Medicaid and other requirements.

"Who's going to administer it?" asked Dr. Gearing. "If we administer it, we can't treat. We've got to say, "The hell with patients. We've got to do this paperwork.' "

"It's another big mess," another doctor declared. "It will mean more paperwork, more confusion, more expense."

"If I were a young man now, I don't think I'd go into medicine when you've got this much control," said the gynecologist. "I'm taking a lot of time (administering Medicare and Medicaid and explaining those programs to patients) that I could be spending on my patients or keeping up with medical literature."

Physicians unanimously predicted PSRO would raise medical costs.

"Now they have to pay not only the doctor, but the bureaucrats," said the gynecologist. "I wonder how I can make the bureaucrats happy and still give my patients half-way care."

Uncertainty about the program abounds. Even Dr. Nipe said, "Nobody knows what it means."

"We asked HEW what it is and they don't know either," he added.

HEW has written only seven of 15 proposed PSRO regulations, a source of concern to Dr. Nipe, who said, "We sign a contract and we're bound by regulations we don't know anything about."

Even the regulations that have been written, which fill a large volume, lend little clarity to the program.

Dr. Nipe explained, "They're enough to put you to sleep or make you sick to your stomach. Nobody seems to know what they mean. They contradict themselves from chapter to chapter."

TACKLING THE POPULATION BOMB

Mr. PERCY. Mr. President, Richard N. Gardner is currently a professor of law and international organization at Columbia University. While he was Deputy Assistant Secretary of State for International Organization Affairs under President Kennedy, Mr. Gardner made the first U.S. proposal for international action to curb population growth.

Because of Mr. Gardner's distinguished record in the population field, I was most pleased to see his recent article on population and the World Population Conference, which I will be attending. I hope my colleagues will read Mr. Gardner's remarks in their entirety, but I do wish to point out what I believe to be his most important point: there is excellent reason to believe that the conference will yield real results. This is the first time that political leaders from virtually every nation will attempt to come to grips with the fact that the world population, which already places great strain on the Earth's environment and resources, will nearly quadruple in the next 100 years if population planning is not undertaken on a world scale.

I share Mr. Gardner's hope that a workable world plan of action will be agreed upon by the nations participating in the World Population Conference, and I ask that his Washington Star-News article, which previously appeared in Saturday Review/World, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star News,
July 28, 1974]

TACKLING THE POPULATION BOMB

(By Richard N. Gardner)

There are two important things to note about this meeting, a U.N. diplomat was saying recently. "First, it's being held in a Communist country. Second, it's being run by a Catholic."

The diplomat was talking about the World Population Conference that the United Nations is holding next month. Its site is Bucharest. Its secretary-general is a Mexican Catholic, Antonio Carrillo-Flores, a large, affable, and politically astute man who was formerly foreign minister of his country.

To grasp the significance of these details, one has only to recall that for the first 17 years of the United Nations' existence, an alliance between Catholic and Communist nations kept the population question off the U.N. agenda. They were aided, of course, by the timidity of the United States and other Western countries that feared to face the subject for political reasons. It was not until 1962 that the world organization was able to discuss the population question, and so the opposition from Catholic and Communist countries was violent.

There were some vivid clashes of personality during that memorable General Assembly debate. After a particularly strong statement by a Scandinavian lady about the necessity for birth control, a Latin American was heard to remark: "If all women were like that one, there would be no population problem!"

The fact that the United Nations is holding its population conference this year with the tolerance of Catholic and Communist nations reflects the vast changes in attitudes of the last dozen years. The world's most populous Communist nation, China, is carrying out a massive family-planning effort. The world's most powerful Communist nation, the Soviet Union, now acknowledges that population trends can threaten economic and social progress sufficiently to require remedial action—at least in less-developed areas.

Here, as on other subjects, the interests of the Soviet leaders finally proved stronger than Marxist dogma. Marx and Lenin never mentioned population as a special problem in economic development—once Marxist society was achieved, demographic factors were supposed to take care of themselves. By the sixties, however, Soviet leaders were coming to see that the rate of population growth in some developing countries would make progress impossible under any form of government. Moreover, they were concerned that the growth rate in the USSR's Asian republics was outpacing that of European Russia.

The Vatican, while continuing to maintain its doctrinal opposition to "artificial" methods of birth control, is now striving ing to integrate its population policy with its recent emphasis on human dignity and development. And despite the Vatican's position, one Catholic country after another—first Chile, then the Philippines, now Mexico—has moved from opposition to support of family-planning measures.

So population is now a sufficiently "legitimate" subject that the United Nations can finally hold a "political" conference about it: The United Nations' two previous conferences were academic exercises run by demographers. This time political leaders will gathers to make policy decisions.

But what practical results can such a U.N. conference achieve? To begin with, to paraphrase Samuel Johnson's famous witticism about a hanging, such a meeting can "concentrate the mind wonderfully." As the Stockholm Conference on the Human Environment demonstrated, the very process of preparing for such a global meeting can help mobilize public opinion, focus the attention of political leaders on hitherto-neglected problems, and significantly influence national policies.

Unfortunately, few political leaders appreciate the urgency of the population problem, because they are not aware of the enormous momentum built into current population growth rates. This momentum is particularly ominous in developing countries as a result of the tremendous increases in the numbers of people entering the childbearing years. For example, a developing country that has a 3 percent population growth rate and wishes to have its population level off at *double* its present numbers must reduce its average family size from over four children per family to slightly over two children per family in steady stages *within the next 10 years*. If it waits 20 years before starting such a ten-year program to reduce family size, its population will grow to nearly *four times* its present numbers.

What this may mean in global terms was brought out recently at a "mini-Bucharest" meeting of experts held in Rensselaerville, N.Y., under the sponsorship of the Aspen Institute for Humanistic Studies and The Institute on Man and Science. The experts noted that world population, which stood at only 1.5 billion at the beginning of this century, is now close to 4 billion. The forecast for the year 2000 is between 6 and 7 billion. Assuming that the level of world fertility continues to decline only at the rate foreseen in current U.N. projections, the experts pointed out, world population growth will not level off until the last quarter of the next century, by which time it will have reached 15 billion. On the other hand, if the world could achieve replacement-rate fertility by the year 2000 (an average of slightly more than two children per couple), world population could be stabilized at about 8 billion by the middle of the next century. Whether world population growth is stabilized at the lower or upper reaches of the 8–15 billion range, the experts concluded, will fundamentally determine the prospects of the human race for peace, welfare, and human dignity.

Beyond hammering these hard facts into the heads of the men who make national decisions, the World Population Conference will have the opportunity of promulgating a "World Population Plan of Action." Some population activists would like the plan to lay down internationally-agreed-upon population targets for every nation. This will certainly not happen, given strong feelings of national sovereignty. But experts at the Rensselaerville meeting suggested that a plan of action could usefully call on countries to set their own population targets, something only a small minority of countries have yet done.

After having chaired the Rensselaerville meeting, I conclude that there are at least ten specific things an action plan on population could ask every country to do:

(1) Take a census at least every ten years.

(2) Institute an effective system for the registration of births, deaths, and other vital statistics.

(3) Assess the implications of its population growth rate for its economic and social goals—especially for nutrition, health, education, housing, and employment. Every nation can develop a population policy as an integral part of its national-development plan, including a target figure at which population should be stabilized and the specific date by which replacement-rate fertility must be realized in order to meet that target.

(4) Review its national legislation in the light of its population policy, including its laws on minimum age of marriage, abortion, taxation, the provision of housing and other benefits, and women's and children's rights, with a view to influencing child-bearing decisions in the desired direction.

(5) Establish a central administrative unit for implementing population policy and programs and give this unit outstanding people and strong political support.

6) Include material on family life and population problems in all levels of its educational system, including adult education.

(7) Make information on, and means of, family planning available to all members of its population in the chilbearing years through a network of maternal- and child-health services and through other means just as soon as possible, and in any case. no later than 1980.

(8) Support such national research and training programs (in medicine, communications, administration, and so on) as may be necessary for implementing the above-mentioned measures.

(9) In the case of free-market or mixed economies, facilitate activities by private family-planning agencies and the commercial distribution of contraceptives.

(10) Cooperate with other countries—bilaterally, regionally, and through the United Nations and other international agencies—in supplying information, personnel, and financial support, with particular attention to the contributions that developed countries can make to assist the population policies of the less developed.

Clearly, acquiescence in such a program must be evoked, not forced from the outside. At this stage, we must put our faith in the ability of governments to respond to the facts—that is, to the insoluble problems created by population growth at present rates. We must try to demonstrate that population control is a matter of national self-interest, not a matter of obeying the wishes of foreigners. In this respect, the very process by which governments prepare for the conference—doing the numbers on their neglected demographic homework—may be more important than any formal resolutions adopted at the conference itself.

The Rensselaerville meeting brought out one final point which should be front and center at this summer's Bucharest meeting—that development can do as much for family planning as family planning can do for development. This is particularly true of development that stresses not only increases in GNP but also such fertility-reducing elements as better income distribution, the reduction of unemployment, women's rights, and broad access to basic education, health, and social services. It is therefore not a question of development or family planning—what we need is *both*.

The negotiations in 1974 on energy, trade, monetary reform, and the law of the sea are thus integrally related to the population question. Unless the rich countries make more resources available to the poor through enlightened policies in these and other areas—and unless the poor greatly improve the quality of their own development efforts—the economic and political basis for effective measures to reduce fertility will simply not exist.

This is yet another reason why world-order politics should now replace balance-of-power politics as the first priority on the diplomatic agenda.

AUTHORIZATION TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 15074—REGULATION OF CERTAIN POLITICAL CAMPAIGN FINANCE CHARGES

Mr. MANSFIELD. Mr. President, am I correct in my understanding that a message has been received from the House covering House Concurrent Resolution 574?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution No. 574, which was just received from the House of Representatives.

The ACTING PRESIDENT pro temport. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution authorizing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 15074.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 574) was agreed to.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 15572, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 15572) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, the pending measure is one of the largest appropriation bills before the Senate, and it contains new budget—obligational—authority of $21,296,885,000 for the Department of Housing and Urban Development, the National Aeronautical and Space Administration, the National Science Foundation, the Veterans' Administration and eight other independent agencies.

What the Appropriations Committee has done is to reduce the amount requested by the administration by $139,928,000 and it is $450,533,000 over the sum recommended in the House bill.

However, I hasten to point out that the committee considered amended estimates aggregating $618,962,000 for the Veterans' Administration, which were not considered by the House. Consequently the sum recommended by the committee is $168,409,000 less than the House allowance for those items which were considered by both bodies.

Mr. President, the recommendations of the committee are $483,849,000 above the sum that was appropriated in fiscal year 1975. However, that figure is more or less meaningless, for comparative purposes, and in order to make a true comparison of the recommendations with fiscal year 1974, it is essential that we look at the component parts of the bill.

For the Department of Housing and Urban Development, the committee recommendation of $3,035,002,000 is $60,722,000 less than the sum that was made available in fiscal year 1974.

For Disaster Relief, the committee's recommendation of $200,000,000 is $232,600,000 less than last year.

For the space agency, NASA, the committee's recommendation is $207,687,000 more than was appropriated last year.

For the NSF, the committee's recommendation of $675,000,000 is $127,340,000 greater than the sum appropriated in the previous fiscal year.

And finally, Mr. President, the committee's recommendation for the VA is $14,000,772,000, which is $461,852,000 greater than the sum appropriated last year, which is primarily due to the fact that Congress has passed legislation increasing the compensation and pensions of veterans.

Concurring with the action of the House, Mr. President, the committee has deferred consideration of an additional $2,175,000,000 requested for a community development grant program, pending final congressional action on the Housing and the Urban Development Act of 1974.

In title I of the bill, which covers the items for the Department of Housing and Urban Development, Mr. President, the committee recommends an appropriation of $3,035,002,000, which sum is $131,951,000 less than the budget estimate and $175,420,000 under the House allowance. Included in the sum made available for the Department is $325,000,000 for the urban renewal programs and Model Cities. Under pending legislation, these aforementioned categorical grant programs will be replaced by some type of community development block grant program, presently being considered by a conference committee of the Banking and Urban Affairs Committee of the Senate and the Banking and Currency Committee of the House of Representatives.

Incidentally, I happen to be a member of the Banking, Housing and Urban Affairs Committee of the Senate, and I am a member of the conference. We were in conference this morning, and we have been for 3 weeks on the housing bill.

In this connection, the committee was informed that if this legislation is enacted, the Department of Housing and Urban Development would be prepared to put into effect a community development block grant program by January 1, 1975.

For the space programs, the committee recommends an appropriation of $3,242,694,000 which is the same as the budget estimate and $39,644,000 over the House allowance.

For the National Science Foundation, the committee recommends an appropriation of $675,000,000 which is $8,200,000 over the sum recommended by the House, but $6,400,000 below the budget estimate.

Mr. President, more than 65 percent of the sum recommended by the committee of new budget obligational authority is for the budget of the Veterans' Administration which, as I say is two-thirds, totals $14,000,772,000. Of this amount, $7,283,000,000 or more than 50 percent is for compensation and pensions for veterans and widows and their survivors; $2,676,000,000 is for readjustment benefits and $3,187,644,000 is for the medical care of our Nation's veterans.

The committee has concurred with the House and has recommended an increase above the budget for the Federal Communciations and the Securities and Exchange Commissions, in order to insure that these very important watchdogs of the public welfare will be able to more effectively meet their very demanding and expanding workloads.

Incidentally, in both cases, both of these agencies derive almost all of their funds from fees, so the actual cost to the general taxpayer is very small indeed. In fact, it is relatively insignificant.

For the Selective Service System, Mr. President, the committee recommends an appropriation of $38,500,000, which is $8,663,000 less than the budget estimate and $7,963,000 under the amount contained in the House bill. Once again, the committee considered providing a minimal amount of funds in order to terminate the Selective Service System. However, this action would amount to an effective repeal of the Selective Service System statute and in the opinion of the Committee, Mr. President, it was felt that if the act is to be repealed, it should be accomplished through the legislative process.

As we all know, the Selective Service System has not had to function in the last 2 years because there have not been any inductions, any physicals, which is the real reason for the committee to continue. We would like to terminate it, but that is a legislative prerogative.

The committee has also concurred with the House by incorporating a flat 10 percent reduction from the sum requested by the Department and agencies for the payment of space rental provisions levied by the General Services Administration, in accordance with the Public Buildings Amendments of 1972, Public Law 92-313, approved June 16, 1972. In concurring with the House action, the committee also felt that the 10 percent reduction will have the effect of bringing the charges imposed by the General Services Administration in consonance with the costs of services provided.

Mr. President, the committee has added a provision to the bill which in effect restates existing law and restricts the usage of Government vehicles. Section 638a of title 31 of the United States Code prohibits the use of Government vehicles for other than "official purposes." It also states that "official purposes" shall not include the transportation of Government officers and employees between their domiciles and their places of employment.

The exceptions to this prohibition are extremely limited and include the President and his Cabinet, medical doctors on out-patient duty, and those employees engaged in field work who live far from their headquarters.

The hearings of this committee over a 2-year period indicate that this prohibition is violated by almost every agency under its jurisdiction, for which various excuses are given.

It was claimed by one non-Cabinet official that he was justified in being driven to and from his home in McLean, Va., because he was on "field work." Others stated that since Congress in the past had provided funds for cars and drivers we have acquiesced in the practice and the clear and obvious prohibition found in the law does not apply.

Mr. President, in order that there may be no doubt as to the position of this committee that existing law must be observed, language was added to the bill stating that none of the funds in the act may be expended in violation of section 638a of title 31 and section 101 of title 5, U.S.C. While it may seem to be unnecessary to state that the existing law must be carried out, it is vitally necessary because of the excuses and legerdemain of the officials involved.

The only officer to whom such limitation would not apply in this bill would be the Secretary of Housing and Urban Development who is specifically excluded by the provisions of title 5, section 101 of the United States Code, as a Cabinet officer. No other official is excluded from the provisions of the law.

The committee also directs the Comptroller General of the United States to determine that the provisions of the law and of this act are scrupulously adhered to and to exercise such authority as he has to see that the provisions of section 638a are carried out.

Section 638a provides for the suspension or removal of any officer or employee who willfully uses or authorizes the use of any vehicle to transport officials between their domiciles and places of employment.

As a result of the activities of this committee and its members, considerable progress has been made in reducing the number of limousines—class VI, V, and IV cars—in Washington. We have been less successful in preventing the abuse of section 638a. What we are too often seeing now is chauffeur-driven Pintos instead of chauffeur-driven Cadillacs.

In addition to the fundamental proposition that the law should be obeyed there are two additional and compelling reasons why driving officials to and from their homes is wrong. First, during this period of high fuel prices and shortages, it means a doubling of the mileage. The car goes both ways twice in a single day. Second, our hearings established that the average annual earnings, including overtime of the chauffeurs is about $15,000. In one case it was $20,000 a year. This is absolutely unnecessary expense at a time of rampaging and double-digit inflation.

Mr. President, that concludes my remarks on the bill.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill, as thus amended, be regarded, for purposes of amendment, as an original text; provided, that no point of order shall be considered to have been waived by reason of agreement to this order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, in line 9, strike out "$14,340,000" and insert in lieu thereof "$12,500,000".

On page 3, in line 8, strike out "$2,425,000,000" and insert "$2,300,000,000, of which not less than $500,000,000 shall be used only for the payment of operating subsidies to local housing authorities".

On page 3, at the end of line 14, strike out "$23,400,000" and insert in lieu thereof "$22,500,000".

On page 4, in line 14, after "1976" strike out the comma and the following:
of which $1,000,000 shall be available only for rehabilitation and redevelopment of the DeKalb County, Tennessee, model cities area devastated by recent tornado damage.

REHABILITATION LOAN FUND

For the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), $70,000,000, to remain available until expended.

On page 4, in line 24, strike out "$100,000,000" and insert in lieu thereof "$110,000,000".

On page 5, in line 20, strike out "$60,000,000" and insert in lieu thereof "$70,000,000".

On page 5, in line 26, strike out $5,000,000" and insert in lieu thereof "$6,320,000".

On page 6, in line 7, strike out "$10,900,000" and insert in lieu thereof "$11,900,000".

On page 10, in line 9, strike out "$2,327,380,000" and insert in lieu thereof "$2,349,080,000".

On page 10, at the end of line 15, strike out "$135,670,000" and insert in lieu thereof "$144,490,000".

On page 11, in line 13, strike out "$75,080,000" and insert in lieu thereof "$79,020,000".

On page 12, in line 2, after the comma, insert "(1) $3,940,000 for construction of an Orbiter Horizontal Flight Test Facility, Flight Research Center".

On page 12, in line 7, strike out "and".

On page 12, in line 8, at the end of the line after the semicolon, insert "and (19) $4,880,000 for an addition to the Systems Development Laboratory (SDL) at the Jet Propulsion Laboratory (JPL);".

On page 13, in line 8, strike out "$740,000,000" and insert in lieu thereof "$749,124,000".

On page 14, in line 1, after the semicolon, insert "not to exceed $5,000 for official reception and representation expenses;".

On page 14, in line 3, strike out "$35,900,000" and insert in lieu thereof "$36,500,000".

On page 14, in line 8, strike out "$666,800,000" and insert $675,000,000, to remain available until expended".,

On page 14, in line 10, strike out "less" and insert in lieu thereof "more".

On page 14, in line 10, strike out "$13,200,000" and insert in lieu thereof "$12,700,000".

On page 14, at the end of line 10, strike out "only".

On page 14, in line 11, strike out "less" and insert in lieu thereof "more".

On page 14, at the end of line 11, strike out "$68,900,000" and insert in lieu thereof "$61,400,000".

On page 14, in line 12, strike out "only".

On page 14, in line 13, strike out "less" and insert in lieu thereof "more".

On page 14, at the end of line 13, strike out "$8,000,000" and insert in lieu thereof "$3,000,000".

On page 14, in line 14, strike out "only".

On page 14, in line 15, strike out "$40,000,000" and insert in lieu thereof "$5,000,000".

On page 15, in line 22, after "and," insert "not to exceed $1,200,000 for travel expenses and,".

On page 16, at the end of line 9, strike out "$46,463,000" and insert in lieu thereof "$38,500,000".

On page 17, in line 2, strike out "$6,716,200,000" and insert in lieu thereof "$7,283,000,000".

On page 17, beginning with line 9, insert

"VETERANS INSURANCE AND INDEMNITIES

"For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and soldiers' and sailors' civil relief, $8,750,000, to remain available until expended."

On page 18, at the end of line 5, strike out "$3,190,044,000" and insert in lieu thereof "$3,187,644,000".

On page 18, in line 19, strike out "$86,770,000" and insert in lieu thereof "$69,000,000".

On page 18, beginning with line 20, strike out

"ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

"For pilot programs for assistance in the establishment of new State medical schools, grants to affiliated medical schools, assistance to public and nonprofit institutions of higher learning, hospitals and other health manpower institutions affiliated with the Veterans' Administration to increase the production of professional and other health personnel, and for expansion of Veterans' Administration hospital education and training capacity as authorized by 38 U.S.C. Chapter 82, $30,000,000, to remain available until June 30, 1981."

On page 19, at the end of line 19, insert "not to exceed $2,500 for official reception and representation expenses;".

On page 19, at the end of line 25, strike out "$388,130,000" and insert in lieu thereof "$428,842,000".

On page 27, after the colon, insert "Provided further, That not to exceed $1,000 shall be available for official reception and representation expenses:".

On page 27, at the end of line 14, after the colon, insert:

Provided further, That the dollar limitation of section 18(c) of the Federal Home Loan Bank Act is further increased by the cumulative assessments and interest-bearing or other advances for purposes thereof, which shall include related commercial facilities, hereby authorized to be required by the Board as nonadministrative expenditures of agencies under administration or supervision of the Board or of a body composed of its members, all of which are hereby included in the references therein to agencies under the Board's supervision, and the Board is hereby authorized to adjust as it deems equitable the interest on advances now or hereafter outstanding thereunder or hereunder:

On page 31, beginning with line 3, insert:

SEC. 406. No funds appropriated by this Act may be transferred to or expended by or on behalf of the Central Intelligence Agency.

SEC. 407. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment in violation of section 5(c)(2) of the Act of July 16, 1914, as amended (31 U.S.C. 638a).

On page 12, in line 12, strike out "406" and insert in lieu thereof "408".

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Secretary of the Senate in the engrossment of the Senate amendments be authorized to make any technical and clerical corrections.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Howard E. Shuman, my administrative assistant; Mr. Maurice Pujol, and Mr. Tom Vander Voort of my staff be permitted to remain on the floor during the debate on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask unanimous consent that Mr. Michael Smith of my staff be permitted to be on the floor during the consideration of the pending business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. There is no time limit on the bill.

Mr. MATHIAS. Mr. President, I wish to make some remarks about various parts of the appropriation bill we are now considering, which involves the Department of Housing and Urban Development, and covers NASA and the space program, the National Science Foundation and the Veterans' Administration.

All of these Departments are extremely important and essential agencies of Government; many of them deal importantly with the lives of people, not just as Government agencies functioning somewhere off in the wild blue yonder, but actually impacting on the lives of the people.

Therefore, this is a bill which I think is of unusual importance to the American people.

Before I comment broadly on the portions of the bill that I think deserve some further clarification, I do want to extend my compliments and my thanks to the chairman of the subcommittee, the Senator from Wisconsin (Mr. PROXMIRE) because he has worked extremely hard; he has put in many hours in both listening to the witnesses and assessing the testimony, and in presiding over the markup of this bill. He has conducted hearings for many months.

I would like to say to him now and to the Senate that I appreciate very much the cooperation and the courtesies he has extended to us on this side of the aisle as we have gone through the process which has led us to completed committee action on this bill.

Mr. PROXMIRE. Will the Senator yield?

Mr. MATHIAS. I am happy to yield to the Senator from Wisconsin.

Mr. PROXMIRE. I want to take this occasion to repay the compliment.

There is no Senator on either side of the aisle that I would rather work with than the distinguished Senator from Maryland. He is most considerate and thoughtful. He has a remarkable grasp of this very complicated measure.

I suppose there are few Senators, if any, who are more available to their constituents than "MAC" MATHIAS because he is from Maryland, and his constituents, of course, are here.

Therefore, probably his time is taken

up more with attention to constituents than almost any other Senator, and yet he has been extraordinarily diligent in attending the hearings, and his questioning has been most helpful in developing the record, which I think is a good and thorough record on this complicated and extensive bill.

Mr. MATHIAS. Well, I appreciate the very kind remarks of the Senator from Wisconsin.

I would note that as a result of the work of the subcommittee and finally the full committee under the chairmanship of the Senator from Arkansas, that we have succeeded in bringing to the floor a bill which is $139,928,000 below the budget estimates that were submitted.

When you consider that over half of the 21-plus billions of dollars in this bill is for the Veterans' Administration and that about $10 billion of this is for compensation, pensions and readjustment benefits for veterans which are not only uncontrollable expenditures, but which also are moral commitments on the part of the Government, then you get a better understanding of how difficult it is to limit the expenditures in the bill in any kind of substantial way.

So it is a circumstance worthy of some notice that in spite of these uncontrollable elements of the bill, it is nearly $140 million below the budget estimates.

Mr. President, there are some important points that concern the Veterans' Administration that I think should be noted, although they are set forth in the report that accompanied the bill. The committee did not vote any new funds for assistance for health manpower training institutions for which there was, of course, no budget estimate.

The House had included $30 million in their bill in the other body, but the committee ascertained that there were available funds from prior years' appropriations and, therefore, the committee is of the opinion that there are adequate funds for obligation during the present fiscal year to carry out these programs.

Language explaining the status of these unexpended funds from prior years is in the committee report on page 35, which also makes it clear the committee will give full consideration to a supplemental appropriation, if that is needed.

The lack of appropriation of funds here does not in any way represent a lack of interest or a lack of support on the part of the committee for this program, but simply that the funds were already in hand and unexpended to carry out the program during the year.

The committee has recommended approval of the full $24,400,000 requested by the Veterans' Administration for funding of the new Veterans Representative-on-Campus program. I, for one, heartily support this appropriation for a program which should be extremely valuable because it is designed to speed up the delivery of checks to veterans on campuses throughout the country.

This is a problem area that does need attention. At various times I have had as many as 100 veterans appealing to my office at a given time, seeking help in getting checks and other educational benefits which have been delayed and which are therefore prejudicing their opportunity to continue their education.

Also in the report we have pointed to $4 million which we believe the Veterans' Administration should earmark to commence hiring personnel for preplanning and training to implement new legislation which is now pending and which would provide direct tuition payments to Vietnam-era veterans attending educational institutions.

We have suggested this earmarking because of the importance of the new GI Bill of Rights to the Vietnam veterans. It is extremely important that they get this new benefit if they are, in fact, to get any benefit at all out of the educational features in the GI Bill.

All too often in recent years the veterans have not been able to afford to take advantage of the benefits of the GI bill because they are so meager that without outside income they cannot take advantage of what is supposed to be the educational opportunities provided by the bill.

Once again I return to the committee report, which cites the fact that for several years there have been funds available to commence planning and site acquisition for a very much-needed veterans' hospital in Baltimore, Md. Funds for this hospital were originally requested by the Veterans' Administration with the approval of the Office of Management and Budget, and were voted by the Congress. But to date, final planning, let alone site acquisition, has not been undertaken. I am pleased to note that the State of Maryland and the University of Maryland have offered to donate suitable land for the construction of the hospital, and that representatives of the Veterans' Administration are now consulting with Maryland officials on this proposal.

I would like here and now to put the Veterans' Administration on notice that foot dragging has gone on far too long and that we ought to get on with the necessary preparation leading to construction of the hospital, which will serve so many veterans in a wide area surrounding Baltimore. It will be important in a far larger sense. It will be closely related to the teaching hospital of the University of Maryland. I think it will vastly increase the great work which is already being done there.

Title I of the bill dealing with appropriations for the Department of Housing and Urban Development includes a number of provisions of great importance to the health and development of cities and suburban areas. I think we have succeeded in achieving the very difficult balance between the urgent needs which HUD's range of programs seek to address and our own commitment to cut all the fat that we can from the budget.

One major program for which the committee has not included funds is the community development program for HUD. The reason this is not included is, of course, because the authorization legislation is still pending. A budget estimate of $2.5 billion has been considered by both the House and the Senate, but because at this time this bill is still deadlocked in conference, these funds have not been provided. Instead, the committee has agreed with the House in providing $200 million in new obligational authority for urban renewal programs, and $125 million for model cities programs.

So while we await implementation of the new legislation, these existing categorical programs will continue. I understand there may be an effort today to provide funds in the bill for the proposed community development grant program.

This may very well be necessary to avoid having some sort of interregnum, some sort of hiatus, in all of our urban programs. I do not think we can now predict when the Congress will pass a supplemental appropriations bill. Timing is of the essence in getting started on this very crucial new development. Perhaps those Senators who are on the authorizing committee can enlighten the Senate as to the possible timing of the enactment into law of the community development grant program.

Mr. PROXMIRE. Will the Senator yield on that point?

Mr. MATHIAS. I yield.

Mr. PROXMIRE. I am on that authorizing committee and I just came from a conference this morning. We had a conference of about 2 hours with the House on the bill. I think there is a likelihood of a further deadlock for a considerable period of time. I cannot see our going ahead and appropriating $2,175,000,000 of funds for community development when we may not have a bill at all. I think the Appropriations Committee, the Senate, and the Congress would be put in an unfortunate position if we appropriate that enormous sum and then have no authorization. Once the authorizing committees have acted, if the administration then agrees to send up a request, first we will know how much and, second, we will know the degree of support from the administration on it.

So pending that request, I would hope that no one would offer an amendment providing for the community development money, and, if they do, as chairman of the subcommittee I would have to oppose it.

Mr. MATHIAS. I think the chairman would agree with me that whatever the circumstances, appropriating funds without an authorization is a very dubious practice. It can get us into trouble. Occasionally it is done under pressure of some circumstances that are deemed urgent.

I know as far as I am concerned, and I am sure as far as the chairman is concerned, we will be available at very short notice to consider any supplemental request which might be made necessary by the enactment into law of the community development program.

I might inquire of the chairman at this point, however, whether he feels there has to be a new request on behalf of the President for these funds, or whether the original budget message, which contemplated the establishment of the new program, would be an adequate point from which to move.

Mr. PROXMIRE. I did not mean to imply that there needed to be a formal action sent down by the administration and approved by the Budget Bureau. But we would like to get a view of the administration, of Mr. Lynn, of what he thinks would be necessary once we do act. After all, we are moving along now. We are already more than a full month into the 1975 fiscal year. We should be prudent on this. It may be 2 months or more before we can get this reconciled. I just would like to get some notion on their part as to how much would be desirable and necessary so that we will have the facts before the Congress before we act.

Mr. MATHIAS. In other words what the Chair would say is that as soon as the new program is enacted into law and signed by the President, that will be the signal for us then to consider what funds are necessary to implement that legislation.

Mr. PROXMIRE. That is correct.

Mr. MATHIAS. At that point, we can call the Secretary of Housing and Urban Development before the committee and explore with him exactly what he needs for the rest of the year.

Mr. PROXMIRE. That is right.

Mr. MOSS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. MATHIAS. I will be happy to yield.

Mr. MOSS. Mr. President, I ask unanimous consent that Mr. Robert Allnutt be permitted the privilege of the floor during the debate and any votes that occur on the bill now before the Senate.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, would the Senator yield for a unanimous-consent request?

Mr. MATHIAS. I yield.

Mr. GOLDWATER. I ask unanimous consent that a member of my staff, Mr. Charles Lombard, be permitted the privilege of the floor during the period of debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Ron Tammen, a member of my staff, may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

TELEGRAPH AND TELEPHONE REGULATIONS—REMOVAL OF INJUNCTION OF SECRECY

Mr. PROXMIRE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Telegraph Regulations and the Telephone Regulations along with the appendixes thereto and a final protocol to those regulations, done at Geneva, April 11, 1973 (Executive E, 93d Cong., 2d sess.), transmitted to the Senate today by the President of the United States, and that the treaty with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Telegraph Regulations and the Telephone Regulations along with the appendices thereto and a Final Protocol to those Regulations, done at Geneva, April 11, 1973. Also transmitted for the information of the Senate is the report of the Department of State with respect to the Regulations.

These Regulations are simplified, completely revised versions of the 1958 Regulations and will make it easier for the international business system guided by the Regulations to keep apace with rapidly advancing telecommunications technology.

I recommend that the Senate give early and favorable consideration to both the Telegraph Regulations and the Telephone Regulations and give its advice and consent to their ratification with the declarations proposed in the report of the Department of State.

RICHARD NIXON.

THE WHITE HOUSE, *August 5, 1974.*

VISIT TO THE SENATE BY MEMBERS OF THE JAPANESE DIET

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senate stand in recess for 2 minutes for the purpose of meeting distinguished guests, a very important gathering of members of the Japanese Diet, from the House of Counselors and the House of Representatives, including members of three of the major parties of Japan. The names of our distinguished guests are as follows:

JAPANESE DELEGATION LIST

LIBERAL DEMOCRATIC PARTY (DIET MEMBERS)

Mizuno, Kiyoshi—House of Representatives, [Secretary of Japanese Delegation].

Oishi, Senpachi—House of Representatives.

Takatori, Osamu—House of Representatives.

Yamasaki, Taku—House of Representatives.

JAPAN SOCIALIST PARTY (DIET MEMBERS)

Den, Hideo—House of Councillors.

Doi, Takako (Miss)—House of Representatives.

Kawakami, Tamio—House of Representatives.

KOMEITO (LEAN GOVERNMENT) (DIET MEMBERS)

Arai, Yoshiyuki—House of Representatives.
Sakai, Hiroichi—House of Representatives.
Shiode, Keisuke—House of Councillors.

(Applause, Senators rising.)

RECESS

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, the Senate will stand in recess.

Thereupon the Senate took a recess for 2 minutes.

During the recess, the members of the Japanese delegation were greeted by Members of the Senate.

On expiration of the recess, the Senate reassembled and was called to order by the Senator from Oklahoma (Mr. BARTLETT).

ESTABLISHMENT OF A COST OF LIVING TASK FORCE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. JOHNSTON) laid before the Senate a message from the President of the United States submitting proposed legislation to establish a Cost of Living Task Force, which was referred to the Committee on Banking, Housing and Urban Affairs. The message is as follows:

To the Congress of the United States:

Earlier this year, before the expiration of the legislation authorizing the Cost of Living Council, I proposed to the Congress that a residual group within the Executive Office of the President be authorized to monitor wages and prices, as an on-going part of our fight against inflation. The Congress did not act on this proposal.

In my economic address on May 25 of this year, I called for the establishment of a Cost of Living Task Force to monitor wages and prices, Again, no congressional authorization was forthcoming. While I continue to oppose mandatory wage and price controls, it is essential that wages and prices be carefully watched, that labor and management be constantly aware of public concern in this area, and that Government have the information it needs to persuade labor and management to do their duty in the effort to reduce inflation. We have carried out this monitoring function as best we can with our existing resources, under the leadership of my Counsellor for Economic Policy, Kenneth Rush. The need for a properly authorized group continues, however, and it now appears that many Members of the Congress are prepared to reconsider their earlier opposition to my proposal for such a group. A senate spokesman for the majority party of the Congress is now advocating such a proposal.

Therefore, I am today transmitting a legislative proposal to establish a Cost of Living Task Force. I invite all those who have come to see the need for this proposal to join as bipartisan co-sponsors in this vital step in our fight against inflation.

RICHARD NIXON.

THE WHITE HOUSE, *August 2, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 15155) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration, and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes; that the House agrees to the conference requested by the

Senate on the disagreeing votes of the two Houses thereon; and that Mr. Evins of Tennessee, Mr. Boland, Mr. Whitten, Mr. Slack, Mr. Passman, Mr. Mahon, Mr. Davis of Wisconsin, Mr. Robison of New York, Mr. Myers, and Mr. Cederberg were appointed managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. McFall, Mr. Yates, Mr. Steed, Mrs. Hansen of Washington, Mr. Boland, Mr. Mahon, Mr. Conte, Mr. Minshall, Mr. Edwards of Alabama, and Mr. Cederberg were appointed managers of the conference on the part of the House.

The message further announced that the House has passed without amendment the joint resolution (S.J. Res. 228) to extend the expiration date of the Defense Production Act of 1950.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has affixed his signature to the following enrolled bills:

S. 3669. An act to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes; and

H.R. 14012. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. Johnston).

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS, 1975

The Senate continued with the consideration of the bill (H.R. 15572) making appropriations for the Department of Housing and Urban Development, for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Has the Senator from Maryland relinquished the floor?

Mr. MATHIAS. Yes. I am yielding the floor now.

Mr. GOLDWATER. Mr. President, I should like to ask a question of the Senator from Wisconsin.

Is it true that he proposes to offer an amendment that would cut this overall budget item by 3 percent?

Mr. PROXMIRE. The Senator is correct. My amendment would make an across-the-board cut on all the controllable items. Obviously, we cannot cut veterans' pensions or benefits, which are fixed by law and are in a contractual and legal position. It would be futile to try to make a reduction, and we should not. Everything to be reduced would be reduced by 3 percent below what the Appropriations Committee submitted to the Senate.

Mr. GOLDWATER. Would the Senator be favorable to eliminating that cut from NASA, which is a part of this grouping of budgets?

Mr. PROXMIRE. No. I would be opposed to that, for several reasons. No. 1, the NASA request is either at or above the budget, and the others, in some cases, are far below the budget. We have one agency, for example, which is about 20 percent below the budget, and we are making a further cut of 3 percent.

I recognize that there is great merit in the NASA position, and I also recognize that the Office of Management and Budget has reduced it far below what many people feel is desirable and necessary. We have to do this on an equal basis, or we have great difficulty justifying this kind of reduction.

Mr. GOLDWATER. I ask that because I think the Senator might agree that including NASA in this group is illogical. It is probably the only scientific appropriation we have. Well, the National Science Foundation is in it. But the rest do not apply to science. I thought that the Senator might be agreeable to skipping NASA, so that we could get at the rest of it.

Mr. PROXMIRE. I am afraid not. I would have to resist that. I do not see how we could do that. One could make a very strong appeal to skip the National Science Foundation and to skip some of the other very worthy agencies here.

As the Senator from Maryland has said, these are people-oriented programs, all deserving programs, and good programs. I do not see how we can make an exception.

The purpose of this reduction would be to ease the inflationary pressure. As the Senator from Arizona knows far better than I, NASA does use goods and materials that are in short supply—steel, chemicals, highly trained and highly skilled people. For us to exempt NASA under these circumstances will be extremely difficult to justify.

Mr. GOLDWATER. The Senator from Wisconsin puts this particular Senator in a bad spot, because I have voted consistently for cuts and will continue to vote for cuts. I have argued for years, as the Senator knows, that spending money we do not have has caused our inflation. As to whether I vote for this 3 percent or not, I will have to go out and wrestle with my conscience. Right now, that is not being done, but I might try.

Mr. PROXMIRE. If anybody can wrestle with the conscience of a conservative, it is the distinguished Senator from Arizona.

I might point out that NASA represents only part of this overall cut. The cuts would be made equitably under the other agencies, too.

Mr. GOLDWATER. I realize that.

I thank the Senator from Wisconsin.

Mr. ERVIN. Mr. President, will the Senator yield for an observation, with the understanding that he will not lose his right to the floor?

Mr. GOLDWATER. I am glad to yield.

Mr. ERVIN. I would like to pay this tribute to the Senator from Arizona, as a result of my long service with him in the Senate. If he wrestles with his conscience, his conscience will win. (Laughter)

Mr. GOLDWATER. I think it usually does, much to my disappointment.

Mr. President, at long last, the Senate appears to be making a determined effort to do its part in bringing inflation under control. I applaud that effort.

There is no question in my mind that there is plenty of fat in the Federal budget—fat that has contributed to the inflationary spiral.

I certainly intend to support any and all efforts to get the fat out. At the same time, I want to make sure we cut the fat and not the bone.

Last week we had amendments offered cutting appropriations for Public Works and the Department of Transportation. On Public Works the cuts failed, although I supported them. Friday, by a vote of 58 to 15, the Senate approved a 3.5 percent reduction for the Department of Transportation, which I also supported. In both instances, the Senate had an opportunity to work its will on one Department and one set of programs.

I submit the case is very different in H.R. 15572, because we have a kind of omnibus appropriations bill covering 11 Departments, Agencies, Commissions, and a Foundation. They are:

Housing and Urban Development;

Funds Appropriated to the President: Disaster Relief;

American Battle Monuments Commission;

Cemeterial Expenses, Army;

Federal Communications Commission;

National Aeronautics and Space Administration;

National Science Foundation;

Renegotiation Board;

Securities and Exchange Commission;

Selective Service System; and

Veterans' Administration.

As I noted earlier, there is quite a grouping of unrelated items. As one Senator has alluded, most are people agencies. But it is hard to see NASA right now as a people agency, although I think it is going to become one.

The funding histories of this group differ, and therefore a straight across the board 3½-percent cut will fall unequally on them.

In 1972, the Congress and executive approved a constant level budget of $3.4 billion for NASA. The purpose of this budget was to stabilize NASA's expenditures over the ensuing 5 to 7 years. A mix of new starts were combined with existing programs.

No sooner was the ink dry on this agreement, then NASA took further cuts. If the constant level budget that was approved in the Congress had been carried out, the NASA budget this year would be $3.750 billion. In other words, the NASA budget that we are approving today is one-half of a billion dollars below what the Congress and the executive agreed was a sound budget back in 1972.

Now, the 3-percent cut that is being proposed is, in my opinion, a meat-ax approach. It does not take into account the funding history of the agencies involved. NASA, for example, has had to absorb most of the inflationary increases without relief.

There are three multibillion-dollar agencies provided for in H.R. 15572. They are: the Veterans' Administration at $14 billion; the National Aeronautics and Space Administration at $3.2 billion; and the Department of Housing and Urban Development at slightly over $3 billion.

A look at the employment records of the three agencies involved tells part of the story. In 1966, NASA had 35,494 employees. The Veterans' Administration had 154,823 and Housing and Urban Development had 14,329. In 1973, NASA had 27,540; VA had 168,129, and HUD had 17,780. Working the percentages since 1966, HUD has increased 124.1 percent, VA increased 108.6 percent and NASA has decreased 77.6 percent.

Mr. President, I have a table comparing NASA, the Veterans' Administration, and the Department of Housing and Urban Development employment, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PAID CIVILIAN FULL-TIME EMPLOYEES WITH PERCENT DEVIATIONS FROM 1966 EMPLOYMENT

	NASA	VA	HUD
1966	35,494	154,823	14,329
Percent	100.00	100.00	100.00
1967	35,703	157,576	14,618
Percent	100.59	101.76	102.02
1968	34,378	155,174	15,574
Percent	96.86	100.23	108.69
1969	33,707	152,230	14,713
Percent	94.97	98.33	102.68
1970	33,062	153,913	15,422
Percent	93.15	99.41	107.63
1971	31,135	163,668	17,102
Percent	87.72	105.71	119.35
1972	28,665	163,988	16,462
Percent	80.76	105.92	114.89
1973	27,540	168,129	17,780
Percent	77.59	108.59	124.08

Source: Pay Structure of the Federal Civil Service, table I.

Mr. GOLDWATER. Mr. President, in the fiscal year 1965 the NASA budget was 3.79 percent of the total Federal budget. Since then it has gradually decreased to a point where the estimate for 1974 is 0.98 percent. This is less than 1 percent of all Federal expenditures.

For this dollar investment, the Nation gets untold benefits covering electronics, medicine, computer technology, and a variety of other areas too numerous to mention. The NASA programs are an investment in the future. They will produce taxable dollars. They will increase the wealth of the Nation by providing better ways of doing things.

Mr. President, one of the better ways of doing things is the Earth resources and technology satellites. They can detect crop disease, monitor pollution, and provide flood control information. They can also tell the farmers who live in the arid Southwest, which is my home, whether they are getting enough Reclamation water, or whether they are not. A number of my colleagues would like to see the Earth resources technology satellites continue under development.

If this 3.4-percent cut stands, I am afraid that ERTS–C, which is the next one that we shall have to put in orbit—and ERTS–B has already outlived its useful life, although it is producing remarkably well; we do not expect it to be in an operable stage much past October. So we have to get ERTS–C up, if this valuable service provided to all the States and to foreign countries is to be continued and improved on.

Mr. President, in testimony received before the Committee on Aeronautical and Space Sciences last fall, markets for space processing and manufacturing in the amount of $2 billion per year were identified. Among those space processing items already identified are vaccines, livestock sperm, DC rectification and regulation crystals, tungsten carbide components for oil pumps and valves, aircraft turbine blades, acoustic wave devices, X-ray targets, scientific and optical glasses, computer memory devices, and the development of small electric motors. And this is only the beginning.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. MATHIAS. Will the Senator agree that the items he has just mentioned really go a long way toward, as he said, bringing NASA into the future as a people-oriented agency?

Mr. GOLDWATER. There is no question. When I made the comment I made prior to this point, I recognized that NASA probably would not fall under the people agencies at this time. But when we start improving the transmission of electricity, when we start improving the development of other crystals, the development of space-produced vaccines and sperm, when we really feel that it might be possible some day to take very critically ill people—say very critical heart cases—into space, believe it or not, and cure that person, I think the day is very close at hand when we shall have to call it a people agency.

Mr. MATHIAS. I might share with the Senator an experience I had last week. I went to Cumberland, Md., where there was in session a class in which the pupils were sitting in Cumberland, but the teacher was at the University of Kentucky. This was a class taught by satellite. It is an experiment to demonstrate the feasibility of the practices where education would be broadcast from one central classroom and then beamed down in directional beams from the educational satellite.

This is the same equipment which, under international agreement, will be loaned to India next year and which I think can have a revolutionary effect on people and on the educational process in areas where education has been very limited in all the years up to this time.

Mr. GOLDWATER. I say to my good friend from Maryland that on the vast Indian reservations in my State, which comprise 113,000 square miles, we are using this same program. For the first time in the history of many of these children, they are being allowed to be educated by people who are, in some cases, thousands of miles away.

Another important thing that I am afraid we overlook is that in many of the Western States such as Arizona, where 84 percent of the population is confined in two cities, we have great, great areas where there is no medical attention; where we have no hospitals; where it is impossible to get a doctor to go and live because there are just not enough people to take care of. We are now beginning to use satellites to transmit medical information. This information will be fed to a computer and the answer to the symptoms will be fed back to the parties involved.

Already we are involved in a great humanitarian project and, as time goes on, it will be greatly increased. But it is not going to be increased if we have stops and starts in vital technological programs. This cut will mean about $97 million—most from new starts.

While that is not an astronomical amount as we talk about budgets in this body, it will have a serious effect on these items that are of humanitarian concern around the world.

Mr. MATHIAS. Of course, I share the Senator's concern. It seems to me that when we talk about an across-the-board cut in an appropriations bill, where half of the items in the bill are uncontrollable, fixed items, it really has the effect of doubling the cut on the balance of the items. So if we talk about a 3-percent across-the-board cut in this bill, I think the Senator would readily agree that this really means we are making a 6-percent cut in the parts that are adjustable, because half of the bill is fixed, is frozen. We cannot do anything about it.

So it becomes a very dangerous kind of thing to do.

Mr. GOLDWATER. The effect will be that if we apply this 3-percent cut, it will mean no new starts in anything in space. It will mean cutting again—not big cuts, because $97 million, compared to the over $3 billion budget, is not necessarily earth shaking. But it is when we consider the fact that we shall have practically no new starts.

I think it might be interesting for the Senators to know that during hearings last Fall before the Space Committee, we had testimony from Mr. David Keller, who is manager of Advanced Programs of the Space Division of General Electric.

He testified that space processing made possible by the space shuttle would have an annual value of $2 billion. I have often prophesied that it will annually exceed the $40 billion that we have now invested in space. Some of the items listed by Dr. Keller are: in 10 typical vaccines, there would be over $1 billion; in livestock sperm $422 million; direct current rectification and regulation crystals, $100 million.

One of the reasons that we do not have adequate electricity, particularly in our large Eastern cities, is that our transmission losses run as high as 20 percent. In other words, if we are generating a million kilowatts a generator, we lose 20 percent of that by the time it gets to New

York City, or Washington, or Philadelphia, or Chicago.

The development of these crystals which will convert alternating current to direct current will mean that those losses can be cut to less than 1 percent. It can also mean a modification of the transmission lines, which is already long overdue.

Nothing makes me more angry than to see our countryside covered with big transmission lines, when they can go underground—a little more money, yes, but more efficiently, and almost 100 percent more efficiently with the $100 million of DC crystals that we can produce in space a year.

Now, this 20 percent, if applied to New York City, would mean no brown outs and probably enough excess energy for 10 to 15 years. If one wants to extend it out over the period of the life of the shuttle and the life of the communities, I think we are looking at savings on the order of $500 billion to $700 billion.

Mr. MATHIAS. Mr. President, will the Senator yield for just one comment at this point?

Mr. GOLDWATER. Yes.

Mr. MATHIAS. This really becomes a conservation matter. When we talk about saving 20 percent of the electricity which is carried on long-distance transmission lines, we are talking about conservation of coal and we are talking about conservation of oil, a major conservation effort, an of course one of enormous economic consequences. And while this is something in the future, it is pretty well tested out. The limiting factor on the use of this technology now is the limit on the size of the crystals that can be made on the surface of the Earth; but much larger crystals can be made beyond the pull of gravity in space. This is one of the returns on the NASA investment which is now virtually in hand.

Mr. GOLDWATER. The Senator is absolutely correct. The absence of gravitation, by the way, is also the reason why they cannot only develop perfect crystals in space, which we could never do on Earth, but they can also do the same thing with aircraft turbine blades. If we can create turbine blades that can take more heat, we can cut down the noise of engines, and eventually I think we will all see the day when the turbine engine has little or no noise at all.

This applies also to scientific and optical glasses, computer memories, and so forth.

I mention those things, Mr. President, merely because we are just beginning to understand what the spinoff or fallout from space exploration amounts to.

The total value of space processing and manufacturing already identified amounts to about $10 to $12 billions over the life cycle of the Space Shuttle. However, the benefits to the Nation are many times that number. I have gone through this, but it bears repetition: Installing new transmission lines using DC current, made possible by space-manufactured crystals, would save the Nation hundreds of billions of dollars.

It is hard to understand the concept of saving a billion dollars, but anything that would save hundreds of billions, I think, should arouse a great deal of interest among us and among our constituents.

Mr. MATHIAS. The implications of all this are tremendous; because, for instance, if we have to burn North African or Middle Eastern oil to generate the electricity we are going to waste by the present long-distance transmission lines, we are sending dollars out of the United States simply to be burned up and do no one any good, because of this 20 percent loss we are now suffering. Thus we have a worsening of our international currency position; so this is a further remote byproduct. I agree it is a remote byproduct, but a very important one.

Mr. GOLDWATER. Not only that, but, as long as the Senator has brought it up, about the only thing we have going in the black for us in international trade is our aircraft industry. The only way the aircraft industry of the United States is going to stay ahead of the rest of the world is contained in the moneys that this 3 percent would cut out; namely, further experimentation in supersonic flight.

I can see immediately that it raises the hair on the head of my friend from Wisconsin when this is brought up, but we do not stop developing airplane just because we can now fly near the speed of sound with transports. We have to continue the investigation and experimentation.

If we fail to pursue aeronautics, although I do not see it right now, we can begin to see ourselves slipping in international trade in the aircraft business.

The NASA portion of the Federal budget is productive. It can provide a better and fuller life for all Americans. If we cut our investment in future technology, then in the future we will have fewer and fewer dollars to tax.

As I indicated at the outset in my questioning of my friend from Wisconsin, I am perfectly in accord with any effort to cut the Federal budget. While one does not like to step on one's own toes, one might be forced to do it. Because NASA has taken such large cuts, and because it has actually served as an example to every other Federal agency, we might be able to, in some way, keep this outside the tent while we are working on the rest of it inside.

Mr. President, I merely wanted to express my views. I commend any Member of this body who wants to reduce Federal spending. Sometimes it is not easy; other times it is. Most of the times it is very simple. Today it is going to be harder.

Mr. President, I yield the floor.

SECTION 312 REHABILITATION LOANS

Mr. TAFT. Mr. President, I am concerned about the committee's action to delete the House request of $70 million in new appropriations for the section 312 housing rehabilitation loan program.

Both the Congress in the housing bill now in conference and the administration in its policy pronouncements have recognized that housing and neighborhood preservation strategy deserves much more of our attention than it has had in the past. Efforts to preserve declining neighborhoods before they deteriorate to the point where comprehensive renewal is necessary can be worthwhile both in terms of cost-effectiveness and of the livability of our urban areas. Section 312 is almost universally recognized as a successful effort to provide just this type of Federal assistance.

I understand that the new appropriation was deleted "without prejudice," based upon the belief that approximately $70 million in funding already will be available. However, I have been informed that of the $70 million, only about $30 million is pure '"carryover" money. Of the rest of the funding, $22.8 million would come from estimated loan repayments, while the remainder would result from the reallocation of funds allocated but not used in fiscal 1974.

My concern is that not as much of this money may become available as anticipated. HUD spokesmen acknowledge that since the $22.8 million would be repaid throughout the year, there would certainly be some of that money which could not be reloaned in fiscal 1975. Furthermore, the portion of funds assumed to be available for reallocation is a rough estimate, as I understand it. This estimate, it seems to me, is much more likely to be high than low.

Because the matter will be in conference in any event, I will not contest formally the committee's decision. However, I urge the committee to explore this matter thoroughly and to consider the House provision in conference with an open mind, because I believe that more funding may be necessary for this very important program.

Along the same lines, I must take this opportunity to encourage the Senate conferees to stick with a separate section 312 program. It is a sound program which has basically been subjected to criticism only on the grounds of its disproportionately large budget impact, which occurs not because of large Federal costs, but because the budget treats loans as if they were grants. It is in keeping with the administration's emphasis of fuller utilization of existing housing. Furthermore, in several States, including my own, constitutional restrictions cast legal question upon the ability of localities to use community development funds for rehabilitation in the same manner as section 312 could be used. Despite these points, section 312 is the only housing loan program which the House housing bill proposes to consolidate. While I realize that the community development provisions are now part of difficult negotiations, I hope that the Senate conferees on the housing bill will continue to give these points the fullest consideration.

Mr. BIDEN. Mr. President, included in the National Aeronautics and Space Administration funding under H.R. 15572, the HUD-Space Appropriations bill, is $886 million for the space shuttle—$800 million for research and development and $86 million for facility construction. I believe that spending such an enormous sum of money this year, for a project of such questionable worth, is a classic example of misplaced priorities. And, if this were not bad enough, we should realize that spending this sum of money this year will almost invitably commit us to still larger expenditures for each of the next 3 fiscal years, by NASA's own admission. It will also commit us to a space program during the 1980's which is almost certainly overly ambitious, since the space shuttle, once built, will require that a vast number of missions be flown in order to justify its existence. Mr. President, the time to stop this juggernaut from coming into being is now, when the funds which have been spent on the shuttle are still much smaller than the vast sums yet to be spent. I believe that we should take the opportunity to stop and rethink the feasibility of this program in view of its gigantic economic consequences. With each succeeding year the shuttle will become more difficult to stop, as the total funds already obligated will continue to grow and will become an argument for continuing the program, in order that the funds already spent shall not be "wasted." Better to stop the waste now than later, when it will have increased to monumental proportions.

Mr. President, I do not doubt the claims of NASA and its supporters that the space shuttle would produce significant advances in science and technology. If our national economic circumstances were different, if we had money to spare for such an overwhelming adventure, I might look differently on the matter. But we all know that we are in a difficult time, when we must make choices among many programs and claims on the national treasury, all of which have some justification when viewed alone. What we in the Congress must do is to choose among these conflicting demands, to set national priorities. We must weigh one program against another, and we must weigh all proposed Federal spending programs against the need to hold down spending and curb inflation. When weighed in this balance, I am afraid the space shuttle is found wanting.

We are now in a period of rampant inflation. Most people around the country consider this to be the Nation's No. 1 problem.

Congress has for too long abdicated its role in the budgetary process to the executive. With the passage of the budget reform bill, Congress will hopefully begin to take its rightful place as the "keeper of the purse strings."

We cannot wait until next year, however, when the Budget Committee formally begins its duties. We must look immediately for places where money can be judiciously withheld in order to stem the already too high level of Federal expenditures which are a major ingredient in the current 12 percent rate of inflation.

Let us take a look at a few figures. As I said, the committee recommendations for this year for the shuttle is $800 million for research and development, plus approximately $86 million for shuttle-related facilities costs. Up to now, that is through fiscal year 1974, the amount spent on the shuttle has been on the order of a billion dollars. But this is only the beginning. The total cost for developing the space shuttle, by NASA's own estimates, will be $5½ billion—which means the billion we have spent thus far is less than 20 percent of the total development cost. And that $5½ billion figure does not take inflation into account; nor does it include any room for possible overruns. Even this sum does not buy a completed, operational space shuttle system. The procurement of additional orbiters, ground support facilities, and the so-called "space tug"—all necessary in order to make the system operational—may add another $3 billion to the bill. Under current planning, the first version of the "space tug" may be built by the Defense Department, so funds for it may not come out of the NASA budget. Nevertheless, development of the tug is a cost of the space shuttle system which must eventually be borne by the U.S. taxplayers, whether it comes out of DOD funds or NASA funds.

So now we are up to $8½ billion—but wait, there is more to come. According to NASA estimate, the total money that the U.S. Government, and the U.S. taxpayer, will spend during the life of the space shuttle, including development costs, launch costs, and the costs of the payloads to be orbited by the shuttle, amounts to $45 billion. That is $45 billion. Granted, some of the experiments may be very worthwhile and useful, and some of them probably would be conducted using expendable rockets even if the shuttle were not built. Still the question remains: Do we really want and need a space program of the magnitude that would be necessary in order to justify the shuttle?

Let me turn now to some of the specific uses which, it is claimed, justify development of the shuttle. There are three arguments in particular which I should like to discuss. First, with the shuttle it will be possible to retrieve and repair or replace malfunctioning satellites in orbit. This sounds like an excellent capability to have. But there are qualified scientists in this area who claim that this capability will not be worth much as a practical advantage. As technology develops, satellites are becoming more reliable and less susceptible to failure. Also, the satellite to be repaired may well be obsolete when the time comes to repair it. So this capability becomes of doubtful value. Second, it is claimed that there will be military benefits—mainly unspecified—derived from the shuttle. In fact, the design characteristics of the space shuttle have been strongly influenced by military considerations. Very well, then—why does the Defense Department not share in the cost of developing the shuttle? Why does it not even specify how the shuttle would be useful to the military? This whole area of DOD involvement in the shuttle raises far more questions than it answers.

Finally, all sides seem to agree that the shuttle is necessary if there is to be continuation of a manned space program. Now, I was as thrilled as any other American citizen when our astronauts went into space, and when they planted the American flag on the Moon. We can all be proud of the heroic exploits of our astronauts. But it may well be that, in the future, we will be able to obtain as much useful scientific information from unmanned probes as we could from live astronauts—and at a much lower cost, and without need of the space shuttle. Once again, I point to the remarkable improvements in the instrumentation in recent years—in computers, in electronics, in remote sensors. Unmanned probes have sent back photographs and other information in amazing detail from Mars, from Venus, from Mercury, and Jupiter. Is it not possible that the development of these devices, which do not need the life support equipment required by live astronauts, is really making manned space flight an unnecessary luxury? Again, there are many qualified space scientists who believe this to be the case.

Speaking of these space scientists reminds me that there is a serious "priorities" argument raging within the scientific community with regard to the space shuttle. A number of scientists believe that the space research and applications programs, which are of real benefit to mankind and have brought us such undoubted benefits as communications satellites and earth resources satellites, are suffering from an acute shortage of funds as NASA pours money into the shuttle program. So, even within the confines of the space program, the shuttle has its serious critics.

To sum up, we are in a time of great social needs, not all of which can be met without an unacceptable increase in the Federal budget, an increase which would be paid for by the American people either in higher taxes or in the "hidden tax" of inflation. Within the context of these unmet needs, the space program must find its proper place. I submit that the space program should be continued, but not at the swollen level which will be mandated by the continuation of the space shuttle program at its current rate.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, line 9, after "$12,500,000" strike the period and insert the following:

"*: Provided,* That none of these administrative funds may be used for the administration of the Section 23 leasing program, or any replacement program, unless the available, unused balance of contract authority under the Section 235 and Section 236 programs, or any replacement programs, is made available for commitment, and committed, concurrent with the commitment of any contract authority under the Section 23 program, or any replacement program, in amounts proportionate to the amounts committed under said Section 23 program, or any replacement program."

Mr. JAVITS. Mr. President, the purpose of this amendment is to zero in on the fact that what there is still contract authority available under sections 235 and 236 which should be used before the section 23 leasing program designed to replace both of those other programs is fully utilized.

The amendment does allow for a ratable utilization of section 23 in proportion to what is used of the contract authority under sections 235 and 236.

This goes along, it seems to me, with the general concept of the committee as reported on page 7 of the Senate report.

Our feeling is that these programs, especially section 236, are critically important particularly to the big cities. In view of the fact that the Department wishes to rely entirely on section 23, it runs too much of a risk if it takes a long time, for example, to install that particular program. Then you end up with a lapse in the existing programs, which are extremely beneficial, especially to us in the cities, and the figures I have show approximately $237 million left in section 235, and $167 million left in section 236. So this amendment takes an elementary precaution to see that we are not completely out of any program for a certain period of time which can really stimulate housing until such time as the expended section 23 program may be installed, financed, and administered.

It is just more of a lapse than we have any right to invite, especially with a tremendously falling number of housing starts today.

I notice the committee at page 7 says:

> The Department now wishes to rely entirely on what is called the new Section 23 program, a program of leased housing to replace the conventional public housing program, and Sections 235 and 236.
>
> The Committee feels that it would be a tragic error to take this course. First, Section 23 may not work. Second, if it does work, it could take a very long time to go into effect. Third, even if it works, it may not do two important things, namely, service the kind of low income families that public housing helped, and build in the regions of areas where housing is most needed.

So, it seems to me, Mr. President, for these reasons that this would be a desirable amendment to take to conference.

Mr. PROXMIRE. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. I congratulate the Senator from New York on the amendment. The Senator is an amazing Senator. He served years ago on the Banking, Housing, and Urban Affairs Committee, but he has not served for some time on it, and yet he is extraordinarily alert.

I have been on the Banking, Housing, and Urban Affairs Committee ever since I have been in the Senate. We have just been in conference this morning on something very close to this issue, section 235 and section 236 of the authorization bill. The amendment of the Senator recognizes there are now some $240 million in appropriated but unspent section 235 funds, and about $170 million, I believe, in section 236 funds. These are funds which have been impounded and which, under the Budget Reform Act, must now be used.

I favor this action for several reasons. The administration and HUD are now, as the Senator from New York has said, putting all their eggs in the section 23 basket. It is a new program.

Now, section 23 may not work at all. It is an untried program.

Second, if it does work, it may take a very long time to get going. HUD claims they will commit $1.2 billion in a year. I do not think that is at all possible. They have had this section 23 on the books now for many, many months, and they have yet to have one single start. There were no starts at all.

When we approved public housing under the 1949 act we said that 810,000 units should be built in 6 years. It took 20 years to do that.

When we passed section 221(d)(3) for moderate-income housing in 1962, we said we should build 45,000 units in a year. It was not until the sixth year that the total of 45,000 units were built. So section 23 may take a long time to work, if it works at all.

Third, even if it works, it may not even reach the income groups now covered by public housing or by section 235 or section 236. It may not build in the suburbs or in the central city or it may work in one place but not in another. It may work in the South but not in New England; it may work in the West but not the Midwest.

For all these reasons, it is wrong to put all our eggs in the section 23 basket.

Section 235 was not a failure. Where it failed, as in Detroit, almost all the other programs failed because of corruption. In Wisconsin, less than 3 percent have failed in a program where we expected initially as high as 15 percent failures.

One measure of its success is that the funds for section 235 are actuarially sound. That means that it has worked as Congress intended.

People have gotten off subsidy. The Government pays less than it did before in subsidies to those in section 235. This program has worked and should not be the victim of HUD's mismanagement and HUD's propaganda.

I, for one, am happy to accept the amendment with a proviso as a part of the legislative or appropriation record for, I believe, sections 235 and 236 and section 23 units should march together, as the amendment provides. I do not think the total funds for all of them should exceed the total originally proposed by HUD for section 23. We are not expanding funds; we are changing the mix.

With that proviso, I am happy to accept the amendment.

I ask my distinguished colleague from Maryland (Mr. MATHIAS), the ranking Republican on the committee, for his views.

Mr. MATHIAS. I would concur with the chairman's views.

I also thank the distinguished Senator from New York (Mr. JAVITS) for making this valuable suggestion which, as I would interpret it, really seeks to mandate a balance of section 235, 236——

Mr. JAVITS. And section 23.

Mr. MATHIAS. And section 23. And, in so mandating the balance, I think it expresses on the part of Congress a sense of what the policy should be and its importance. It is important but substantively and I think it is important procedurally, so I think it is a good amendment, and I have no doubt that it will meet with considerable support in the other body.

They have mentioned this area in the House report on page 7 in which they use committee language which tends to support the thesis that the Senator from New York has spoken on today. So, on behalf of the minority, I am happy to accept it.

Mr. JAVITS. I thank my colleague very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment. (Putting the question.)

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I am happy to yield to the distinguished Senator from California (Mr. CRANSTON).

Mr. CRANSTON. I thank the Senator very much.

I have several questions of the Senator from Wisconsin, and I would like to discuss with the distinguished chairman of the HUD, Space Science, Veterans' Subcommittee of the Appropriations Committee (Mr. PROXMIRE), and its distinguished ranking minority member (Mr. MATHIAS) a number of issues pertaining to VA medical appropriations as contained in the Appropriations bill reported from committee. At the outset, I would especially like to thank both of them and the other members of the committee for their continuing cooperation in working together on VA Appropriations and other matters of such great concern to all of us. Particularly, I am most grateful for the opportunity they have provided to me to suggest certain matters which might be discussed in the committee report and for their sympathetic treatment for those items in the pending committee report.

First, I would like to call attention to the language included in the report at my suggestion stating the strong view of the committee that VA medical and hospital personnel must not be included in any government-wide freeze which may be imposed by the President. The report clearly points out the disastrous impact this would have on the functioning of the VA medical and hospital program.

Specifically, the report states:

> The Committee is aware that the President recently announced plans to make substantial cutbacks in total Federal employment throughout the Government. The Committee wishes to express its very strong view that any personnel freeze or other personnel limitations resulting from such a Government-wide policy should not be applied to the medical and hospital employment within the Veterans Administration. In 1972 the VA hospital and medical program suffered from the effects of a Government-wide freeze on

> hiring which had an absolutely disastrous impact on the capacity of the VA system to provide quality patient care. Based on that experience, it is projected that over a full year the VA medical program could be expected to lose over 11,000 employees—based upon an attrition rate of between 10% and 33%—especially in the fields of pathology, radiology, nursing, and medical administration. Of these, the vast majority would be in the nursing service (over 8,000), the most critical direct patient care category, where normal VA attrition runs from 15% to 20%.

I would like to ask the distinguished floor managers whether they will do their best to see that this same language is included in the joint explanatory statement to accompany the conference report on this bill?

Mr. PROXMIRE. May I say to the distinguished Senator from California that I agree wholeheartedly. In an amendment which I expect to offer shortly, which was discussed in part by the Senator from Arizona, one of the areas I feel we could not, should not, and must not reduce is the very area the Senator has referred to. These are strong, absolute commitments we have to meet, and I would agree wholeheartedly.

Of course, I speak only for myself, and the Senator from Maryland speaks for himself, but we would do our best to prevail on our colleagues on the Senate side, and hope that the House would see clear to be with us; but I think the Senator from California is correct.

Mr. MATHIAS. As one who is unhappily all too well aware of the inadequacy of existing VA medical services in many regions, I could not in conscience sit still for any chance that they would be further decreased, so I am happy to give that assurance.

Mr. CRANSTON. It would be very useful if the joint explanatory statement to accompany the conference report would contain language similar to the report, and I was asking whether that would be the endeavor of each of you; is that correct?

Mr. MATHIAS. Yes.

Mr. CRANSTON. You will both seek to have similar language in the amendment?

Mr. PROXMIRE. That is my position, yes.

Mr. MATHIAS. It certainly is mine.

Mr. CRANSTON. Thank you very much.

Second, Mr. President, I would like to point out for the information of my colleagues what the distinguished subcommittee chairman and I have previously discussed with regard to the adequacy of the amount included in the reported bill for VA medical care. The committee has sustained the House increase of approximately $16 million for 1,000 new nursing personnel. I believe, however, that an additional appropriation of at least $150 million more is needed to improve the quality of VA medical care. I have discussed this matter with high officials at the White House and the Office of Management and Budget and have good reason to believe that a supplemental budget request will be forthcoming from the administration this month. Frankly, Mr. President, I believe that the White House has already had ample time to submit such a supplemental request since it has had—for over 2 months—the report and findings on the VA hospital system which were submitted by the VA Chief Medical Director, Dr. John D. Chase, on May 31, 1974.

I have discussed the recommendations in this report with Dr. Chase and strongly believe that the $150 million figure I have cited as necessary in supplemental appropriations for the VA medical program is fully in line with his findings. These funds are most urgently needed to increase core VA hospital staffing by at least 8,000 personnel, to activate certain projects to provide more ambulatory care space and facilities and for certain crucial specialized units, such as intensive care units, and to provide for certain maintenance and repair of urgent electrical and other structural deficiencies, as well as to expedite certain air-conditioning projects.

I wish to emphasize that this $150 million figure is actually a conservative one—amounting to less than one-half the amount which VA hospital directors reported to the House Committee on Veterans' Affairs, in response to its survey just completed, as representing additional dollars which they need now and which were not provided in the target allowance based on the budget request. The total amount of that deficiency, on the basis of the House survey, is $305,282,000.

So, Mr. President, I am not satisfied with the medical care or construction amounts in the pending measure. But I recognize the great desirability of proceeding to consider additional appropriations in committee, rather than on the floor, and in connection with a supplemental budget request if one can be forthcoming. Thus, I have agreed to the request of the distinguished subcommittee chairman not to press a floor amendment at this time. It is my intention to proceed, however, with a supplemental appropriation amendment at the next available opportunity whether or not the administration comes forward with a supplemental request.

My question for the distinguished floor managers is this: Can I have your assurances that you will proceed to investigate the report and findings of Dr. Chase's survey and that you will give sympathetic consideration to any supplemental request that may be forthcoming based on that survey for more VA medical care funds?

Mr. PROXMIRE. May I say to the Senator from California that we will certainly investigate the report and findings of Dr. Chase's survey. If they send up a supplemental request, we will have hearings, call witnesses, give it consideration.

I do not think the Senator from California would expect us to make a commitment until we know what is requested and consider it.

I would give it high priority, but will not make any commitment that we would go ahead with any particular amount until we know what it is, and with the inflation situation with what we can do.

Mr. CRANSTON. I did not expect a commitment today. I am perfectly satisfied with a commitment for high priority and sympathetic consideration.

Would the Senator from Maryland comment, also, on that point?

Mr. MATHIAS. Well, I would certainly feel that the report which attempted to give the Congress some sort of objective view of the quality of veterans' medical care would be one of the most important items of business Congress could have.

I would cooperate in every way with the chairman of the subcommittee in calling Dr. Chase before the committee, calling witnesses we might need to supplement his testimony, calling witnesses who might even criticize his report, so that we can get a thorough view of just what the levels of quality of care is.

That ought to be done, I think, without any delay whatever, as soon as the report is available, I think we ought to look at it.

Mr. CRANSTON. I thank the Senator.

Mr. President, we all want to proceed in a bipartisan and a consensual manner in respect to this appropriation for VA medical care.

Because of the Vietnam war, Mr. President, the problems of running the vast VA medical system are more staggering and complex than most Americans realize. The Veterans' Affairs Subcommittee on Health and Hospitals, which I am privileged to chair, has compiled data showing the Vietnam war has resulted in an increase of seriously disabled veterans—more quadriplegic veterans, more veterans with multiple injuries—requiring intensive care and rehabilitation. A survey of Army personnel released from the service demonstrates the severity of the disabilities the VA medical program must cope with. Amputation, paralysis of extremities and nervous disorders comprise nearly 60 percent of the 12,466 servicemen separated for combat wounds and injuries from 1964 through 1972.

Of 18,556 Army personnel separated during the same period for both combat wounds and diseases suffered in Vietnam, 58 percent were caused by crippling injuries to the bones, especially of the feet and legs. This compares with 21 percent in World War II and 24 percent in the Korean conflict. Another 13 percent of these Army medical retirees suffer from mental disorders.

The number of Vietnam veterans receiving medical care in VA facilities represents a substantial proportion of the patients. Of those veterans receiving outpatient care in fiscal year 1973, 2.2 million were Vietnam veterans, or over 20 percent of the total 10.8 million who visited outpatient facilities. In the first 6 months of fiscal year 1974, 1.2 million were Vietnam veterans or 20.7 percent of the total 5.8 million veterans who visited VA outpatient clinics.

Admissions to VA hospitals of Vietnam veterans for both years ran at about 13 percent of all admissions—in fiscal year 1973, 123,000 Vietnam veterans out of the 905,000 total veterans admitted, and in the first 9 months of fiscal year 1974, 97,000 Vietnam veterans out of the 713,000 total veterans admitted.

These statistics clearly indicate that

the VA medical system must have an adequate number of neurosurgeons, plastic surgeons, psychiatrists and other highly skilled specialists, and nursing and technical personnel support them.

As I have said, I believe we need at least $150 million more for medical care than the administration requested in its fiscal year 1975 budget. We have an obligation to pay in full the human costs of this war by providing a truly first-class VA medical system for our disabled veterans.

But, at the same time I am sure that the distinguished floor managers would agree with me that we cannot defer this matter much further to accommodate a forthcoming supplemental budget request at the expense of the seriously disabled veterans of the Indochina war and all our prior wars who must rely upon the VA to tend to their wounds, treat their illnesses, and provide for their rapid recovery and rehabilitation. Would you agree?

Mr. PROXMIRE. I would agree.

Mr. CRANSTON. Mr. President, the Senator from Wisconsin referred to the amendment that he intends to offer shortly.

I would like to ask if I am correct in my understanding that the amendment to be offered by the distinguished subcommittee chairman (Mr. PROXMIRE) to make across-the-board cuts—of 3 percent throughout the bill—in new obligational authorities will exempt from those cuts the VA medical care, medical and prosthetic research, medical administration and miscellaneous operating expenses, readjustment benefits, general operating expenses, and compensation and pension items, and thus the only major item to which it would apply would be to amounts appropriated for construction within the overall VA budget? Am I correct?

Mr. PROXMIRE. The Senator is correct for several reasons. One, of course, is the overwhelming moral reason, we have an obligation to our veterans and will fulfill that completely.

The second reason is that we consider virtually all of this uncontrollable, a matter of law, a matter of absolute obligation by the Appropriations Committee.

We have no alternative on it, so the Senator's description is correct.

Mr. CRANSTON. I thank the Senator very much.

Mr. MATHIAS. Since the Senator from Wisconsin is the author of that amendment, I think his statement is the best evidence on it.

Mr. CRANSTON. Yes, that is why I did not press for an analysis from the Senator from Maryland.

Mr. MATHIAS. Let me say that I am not one who is very enthusiastic about this kind of amendment, to start with, but that I would have to oppose it extremely vigorously if it were to cut into these items. But the Senator from Wisconsin with his usual good judgment, I think, has made it clear that it will not.

Mr. CRANSTON. I thank the Senator.

Mr. President, finally, I want to express my disappointment that the committee has eliminated totally the $30 million added by the House for assistance for health manpower training institutions as authorized by chapter 82, title 38. I believe that at least $20 million of this amount is fully justified and can be and will be obligated during this fiscal year, if appropriated, for grants to medical schools and other health manpower institutions as well as to VA hospitals pursuant to subchapters II, III, and IV of that chapter. This program has been traditionally a zero budget request by the Office of Management and Budget since the enabling legislation was enacted in October 1972, in Public Law 92-541.

I consider this program vital to the health care mission of the Veterans' Administration Department of Medicine and Surgery on the basis that health education and health research programs are an indispensable part of modern hospital-based medical programs and that these grants serve to strengthen greatly the capacity of VA hospitals and their staffs to provide quality care to disabled veterans.

I would like to urge the distinguished floor managers to study this matter carefully during the conference with the House committee and to be sympathetic in their evaluation of the $30 million which the House has added for the purposes I have just described. Would the distinguished floor managers agree that this matter should be carefully studied and agree to work with the House conferees to provide those funds which can be effectively used under this important program?

Mr. PROXMIRE. Mr. President, we will have to do that, because of course it is in conference, but I would like to call the attention of the Senator from California to page 35 of the report, two short paragraphs at the top of the page:

> The Committee has not recommended an appropriation for Assistance for Health Manpower Training Institutions, for fiscal year 1975. On July 23, 1974 the Committee was informed by the Veterans' Administration that a total of 77 grants had been tentatively approved with a first year funding requirement of $25,738,000. These tentatively approved grants were chosen from 190 that had been submitted with a first year cost of $71,466,000.
>
> To date only $930,000 has been obligated for grants for new State Medical Schools, leaving $24,070,000 available for obligation from the prior appropriation of $25 million. For grants to existing affiliated medical schools $4,311,000 has been obligated and for grants to other Health Manpower Institutions a total of $3,242,000 has been obligated, leaving $12,447,000 available for obligation from the prior appropriation of $20 million.

This is why we felt that there were funds here for this program. I am sure the Senator recognizes this is a new program, highly controversial program, and we should proceed with dispatch to the extent we can be satisfied it is workable. But also in view of the fact that it is new, we felt there ought to be some caution. That is why we cut it out.

Mr. CRANSTON. I thank the Senator for that comment. It is my information that there now exists, in the pipeline, grant applications that can take a total justified expenditure of an additional $20 million to cover these grants. I would like to simply read one more paragraph which immediately follows those paragraphs from the report which the Senator read:

> The committee is aware that a zero appropriation for fiscal year 1975 will limit the ability of the Veterans Administration to make new grants under subchapters II, III, and IV of chapter 82, which was added to title 38 by that Public Law. Nonetheless, the committee will certainly be following the application process in connection with such new first-year grants, and will give consideration to providing funds in a supplemental appropriations act, if the need can be justified by those applications.

I am grateful that that language was included.

Mr. MATHIAS. If the Senator will yield, I believe we have given full assurance of the committee's interest in this field. It seemed to be redundant to appropriate when the funds were already on hand, unexpended and unobligated at this time. If there is real need, a pressing need, for further funds other than those which have not been expended in the past, and which have carried over, we could give very prompt and, I think, very sympathetic consideration.

Mr. CRANSTON. I thank the Senator very much. We will do our best to document that need. I understand there are applications for grants that would justify an additional $20 million. I thank both Senators very much.

Mr. PROXMIRE. Mr. President, I send to the desk my amendments and ask the clerk that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

> Senators PROXMIRE, CHILES, HOLLINGS, and NUNN propose the following amendments to the bill H.R. 15572, a bill making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975:
>
> On page 2 line 9, strike out $12,500,000 and insert in lieu thereof $12,125,000.
>
> On page 3 line 15, strike out $22,500,000 and insert in lieu thereof $21,825,000.
>
> On page 3 line 26, strike out $200,000,000 and insert in lieu thereof $194,000,000.
>
> On page 4 line 13, strike out $125,000,000 and insert in lieu thereof $121,250,000.
>
> On page 4 line 24, strike out $110,000,000 and insert in lieu thereof $106,700,000.
>
> On page 5 line 5, strike out $39,000,000 and insert in lieu thereof $37,830,000.
>
> On page 5, line 11, strike out $50,000,000 and insert in lieu thereof $48,500,000.
>
> On page 5, line 20, strike out $70,000,000 and insert in lieu thereof $67,900,000.
>
> On page 5, line 26, strike out $6,320,000 and insert in lieu thereof $6,130,400.
>
> On page 6, line 7, strike out $11,900,000 and insert in lieu thereof $11,543,000.
>
> On page 6, line 14, strike out $5,580,000 and insert in lieu thereof $5,412,000.

On page 6, line 17, strike out $3,530,000 and insert in lieu thereof $3,424,000.

On page 6, line 20, strike out $6,830,000 and insert in lieu thereof $6,625,000.

On page 6, line 24, strike out $19,513,000 and insert in lieu thereof $18,927,000.

On page 7, line 4, strike out $29,446,000 and insert in lieu thereof $28,562,000.

On page 8 line 6, strike out $4,512,000 and insert in lieu thereof $4,376,640.

On page 9 line 2, strike out $265,000 and insert in lieu thereof $257,050.

On page 9, line 18, strike out $46,900,000 and insert in lieu thereof $46,759,000.

On page 10, line 9, strike out $2,349,080,000 and insert in lieu thereof $2,278,607,000.

On page 10, line 16, strike out $144,490,000 and insert in lieu thereof $140,155,000.

On page 13, line 8, strike out $749,124,000 and insert in lieu thereof $726,650,000.

On page 14, line 8, strike out $675,000,000 and insert in lieu thereof $660,958,000.

On page 15, line 9, strike out $5,000,000 and insert in lieu thereof $4,850,000.

On page 15, line 17, strike out $5,163,000 and insert in lieu thereof $5,008,000.

On page 15, line 24, strike out $43,077,000 and insert in lieu thereof $42,947,000.

On page 16, lines 9 and 10, strike out $38,500,000 and insert in lieu thereof $37,345,000.

On page 20, line 8, strike out $230,850,000 and insert in lieu thereof $223,924,000.

On page 20, line 20, strike out $45,150,000 and insert in lieu thereof $43,795,000.

On page 21, line 2, strike out $10,000,000 and insert in lieu thereof $9,700,000.

On page 21, line 7, strike out $2,100,000 and insert in lieu thereof $2,037,000.

On page 22, line 14, strike out $100,000 and insert in lieu thereof $97,000.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I am proposing an amendment to cut 3 percent essentially from the controllable items in this bill. The cut would not affect three major categories of items: First, HUD's contractual housing payments which have been reduced by $125 million by the committee; second, the $200 million disaster relief funds given to the President; third, those fixed items in the Veterans' Administration budget such as pension, veterans' benefits, and so forth, which are fixed items and which are paid as a right. What this means is that only about one-fourth of the total funds in this appropriation bill can be subject to this further 3-percent cut across the board. But they should be cut.

In the subcommittee and full committee of the Appropriations Committee we worked our will and increased a few programs, cut others, and essentially granted the funds requested to still others.

What I am proposing now is that we cut a further 3 percent across the board in the controllable items.

Inflation is the country's number one problem. If we are to meet inflation, we need to cut the Federal budget.

Twice the Senate has voted to cut the budget or place a ceiling on the budget of $295 billion, once by a vote of 74 to 12. That is a $10 billion cut in a $305 billion budget, or about 3 percent.

By vote of 74 to 12, as I say, the Senate voted to do that on June 13. Prior to that, on May 9, we passed a similar amendment by about a 2-to-1 vote. Those are two very strong Senate votes for a $10 billion cut. If we mean business, we should carry out that general intention in the bills before us.

I am therefore proposing that we cut 3 percent from those controllable items in the bill. The amount of the controllable items is $5,337,474,000, and 3 percent of that amount is $160,124,000.

Let me say that I am not proposing to cut veterans' benefits, pensions for veterans, their widows, or children, would, along with other uncontrollable items, make up well over two-thirds of the funds in the bill. I am proposing we cut those items which are not controllable. We should make no distinction between and among programs. Every agency should have to take its fair share, namely, a 3-percent cut.

The distinguished Senator from Arizona (Mr. GOLDWATER) made a very eloquent appeal as only he can—because he is so familiar with the space program—for the space program to be exempted.

Mr. President, I just cannot see any ground for picking them out any more than I can the National Science Foundation, the Securities and Exchange Commission, or any other number of agencies which are absolutely essential for the operation of our Government in a fair and equitable way, but which in my view can absorb a 3-percent cut.

It is not as if we are cutting 50 percent. We are cutting 3 percent. I think all of us have had enough experience in Government to know that it is possible, or in business to know that it is possible, to cut 3 percent without cutting the real muscle or bone of any operation.

These agencies are not necessarily fat and lazy, but a 3-percent cut is something they can do in this period of very serious inflation without great sacrifice.

Inflation is now running at double digit numbers. Unquestionably, it is the No. 1 issue, the No. 1 problem, for 210 million Americans. I think they feel overwhelmingly this is something they would like to have faced.

In my State of Wisconsin I recently sent out a questionnaire to over 100,000 people. I asked them whether they would favor a $10 billion cut in the Federal budget. As part of the answer, because it was part of the same questionnaire, I indicated what they had to cut. I pointed to the military budget, the Space budget, and the various other budgets.

I was astonished by the response. By a 10 to 1 margin, 89 percent to nine percent supported a Federal budget cut of $10 billion. I think if you can get almost 90 percent of the people in my State to approve anything it is astonishing. We have a State that disagrees on almost any issue you can find. I am sure if you asked 100 people whether they loved their mother you would not get that kind of response.

So I think it should be clear to the Senate of the United States that this is something that the people want, something that they recognize very wisely. If we are going to do anything concrete and specific, except talk about inflation, it is something we should do. So for that reason I would hope this is adopted.

One other point is that just a few days ago, I believe on Thursday or Friday, the Senate voted on the transportation appropriation bill. Senator BYRD the manager of the bill brought in a measure that was under the budget, under the House, and then in addition to that he proposed a 3-percent floor cut, or approximately a 3-percent cut, on all the controllable items in that measure. That passed by a 4 to 1 vote. I think the Senate made it very clear that even though there were programs they wanted and supported, we must recognize that inflation has now reached a stage in our society where we have to act on it.

Mr. President, I do hope that the Senate will give these amendments favorable consideration.

Mr. DOLE. Will the Senator yield?

Mr. PROXMIRE. I yield to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I ask unanimous consent that I be joined as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I have listened very carefully to the Senator. It has been indicated in the past few days on the Senate floor there is nothing troubling the American people more than inflation.

According to a recent poll, 48 percent of the American people feel that the Government is responsible for inflation and it is clear that Federal spending is one of the primary contributing factors.

In this morning's Washington Post, I noticed an article, which was greatly heartening to me, entitled "Public Gives Better Mark to Congress." This heading is especially heartening to me this year, as I am sure it is to other Senators.

However, upon reading further into the article, I was dismayed to see that the improvement in public attitude toward Congress only reflects that of 29 percent of the population. At the same time, 64 percent feels that the Congress is only doing a fair to poor job.

One reason for the low public regard for Congress is undoubtedly inflation, which has become the biggest economic issue in the country today. The people are looking to us for action on this matter and we should not fail them.

The time to act is now. Today we are considering the HUD appropriation bill and this measure presents an opportunity to reduce inflationary Federal spending.

FEDERAL SPENDING RESPONSIBLE FOR INFLATION

High Federal spending has been identified as one of the primary causes of inflation. The President has stated that a $5 billion cut in the budget is necessary. Others, both in the administration and the Congress, have advocated cuts of $5 to $10 billion. The best economists in the Nation have stated that a reduction in Federal spending is absolutely essential to prevent inflation from getting out of hand.

As I have said many times in the past week, the reduction of Federal spending is one area where we could demonstrate our commitment to doing something about it.

There has been a bipartisan effort in the Senate to reduce the budget in the past few days. Cuts were nearly achieved in the Treasury and Public Works appropriation bills last Wednesday and Thursday. Finally on Friday, we were able to cut the transportation appropriation bill by 3.5 percent.

VA BUDGET EXEMPTED

It should be emphasized that this amendment specifically exempts the funds for the most vital veterans' programs. Most veterans and their survivors are having a difficult time as it is living on the meager pension and compensation they receive.

Veterans have already made a sacrifice for the country which we can never totally repay. Most of the funds in the VA budget are obligational expenditures. These funds cannot be reduced and I do not support cutting them.

Hopefully, the Senator's effort today to cut 3 percent of the controllable items, not touching the contractual or fixed items, will be successful.

Mr. PROXMIRE. I thank the Senator from Kansas.

I would like to say one more thing before I yield to the Senator from Maryland, Mr. President.

As chairman of this subcommittee I had a chance to sit in on every single minute of the hearings on this bill. The hearings are very substantial. I am convinced, on the basis of the record, that we can make this kind of reduction without any serious damage to the agencies. In fact, I think their performance might very well be improved. As the performance of business is improved, the performance of even a family may be improved, if they are careful and more prudent about their spending.

So for that reason, too, because I think I understand these agencies—they all had an opportunity to appear—under these circumstances this cut is a responsible cut and a reasonable cut. It should not cause any serious curtailment of services to the American people.

I am happy to yield the floor.

Mr. MATHIAS. Mr. President, our subcommittee operates, in general, in such harmony and operates on the basis of consensus so often that I am very reluctant to oppose the suggestion that has been made by our chairman. But I do feel that it is necessary to oppose this amendment, and I think it has to be opposed on both practical grounds and grounds of principle.

The practical grounds are very real. When we consider the facts that have already been given to the Senate by the Senator from Arizona (Mr. GOLDWATER) about the reductions in force and the reductions in level of expenditure that have been made in NASA, and then when we consider that by this amendment we will require, we will mandate, the riffing of approximately 3,000 more employees at NASA alone, we question whether that agency will really continue to have an independent existence, whether it really is worth it.

Let us consider the impact of this amendment on the NASA program. I inquired about that over the weekend, and I was advised that the Space Shuttle, which is already well beyond its projected schedule, would be delayed by an additional 18 months.

The Senator from Kansas says that he is concerned about inflation. I am concerned about inflation, and I think we all ought to save all the money we can. But if the Senator from Kansas wants to worry about inflation, he ought to consider the ultimate impact of this cut on inflation.

As the Senator from Arizona has laid it out very clearly, we have ahead of us the prospect of saving 20 percent of the electricity which is transmitted by long-distance lines. If we can save 20 percent of the electricity on long-distance lines, we are going to do more for inflation, more for the international currency position of this country, because of the saving in the oil that would have to be bought overseas, than we possibly could by this amendment, which would cut very vital Government agencies and expenditures.

I think the practical factor here is that this cut is too deep. I have joined the chairman time and again in any reductions that I thought were necessary, but I believe that this one does go too far. I have said that I thought it was bad not only in practice but also in principle, and I think the form of the amendment demonstrates that point. It is not an across-the-board cut. The chairman—I salute him for that and support him in it—has exempted certain elements in this bill from the cut. He has exempted the so-called uncontrollable items. We cannot have an across-the-board cut, by definition, and I think it indicates that we cannot have an across-the-board cut. There are some uncontrollable items, and this is not really an across-the-board cut. It is a cut which is directed at certain programs. It hits them so hard that it really raises serious questions about the viability of those programs at the levels at which they would be left if this amendment were adopted.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. PASTORE. I thought I heard the manager of the bill say that none of the veterans' pensions or payments to orphans and widows would be cut. My question is this: Will the people who will have to administer these programs be cut?

Mr. MATHIAS. It is my understanding that the general administrative expenses of the Veterans' Administration will be cut.

Mr. PROXMIRE. No, that is not the case. The cut would be in construction. It would be confined to construction, so far as the Veterans' Administration is concerned.

These are the amendments: page 20, line 8, VA construction, major projects; page 20, line 20, VA construction minor projects; page 21, line 2, VA grants for construction of State extended care facilities; page 21, line 7, VA grants to the Republic of the Philippines; page 22, line 14, vocational rehabilitation revolving fund.

There would be no reductions anywhere else. We would not cut the people who would administer these programs, because we felt that these were obligations of right, obligations under law, and we are not in a position to have the authority to make that reduction.

Mr. PASTORE. I have another question for the manager of the bill or his counterpart on the Republican side of the aisle. We had a very scandalous revelation not too long ago with respect to some of our Vietnam veterans who had returned. Some of them were paraplegics; some were quadriplegic. Some could not even light their cigarettes. They did not have the facilities. Many of these hospitals are very old—from World War I and World War II. They have not been modernized. They do not have the equipment to take care of some of the very peculiar injuries that have been caused by the kind of war that was conducted in Southeast Asia.

Many of these hospitals are not air-conditioned, and some of these young people cannot even move, cannot even use a fan in order to give themselves a little fresh air. They have to just sit in the sweltering heat.

Does this proposal mean that we cut this out, too?

Mr. PROXMIRE. In the first place, it is a reduction of 3 percent below what the Appropriations Committee appropriated.

Furthermore, last year $68 million was appropriated. This year, $223 million would be appropriated after the cut. So we increased this by more than threefold over last year.

Mr. PASTORE. I realize that as to the space program, that may be necessary. I am not going to defend that on the floor of the Senate this afternoon. I think that possibly we ought to take care of the people on Earth before we begin to explore any more out in the blue yonder. Why can we not exempt completely the Veterans' Administration?

We have these boys who, against their will, have served their country. They have returned maimed—some without arms, some without legs. If there is any money here to put a little air-conditioning in a hospital where they are stretched out on a bed, why do we take that out this afternoon? Why do we not exempt the Veterans' Administration completely?

Mr. PROXMIRE. We have exempted about 90 percent of it. The only part we have included is the construction of facilities, and this construction is a matter of timing. This is something that does go right to the heart of inflation. Steel is in short supply; many other elements that go into construction of these facilities are in short supply. It is enormously increased over last last year.

If it were a bigger cut than it is, I would agree with the Senator. But we do not cut any of the treatment for the veterans, any of the direct services for veterans, any of the pensions for veterans, or anything of that kind.

Mr. PASTORE. I realize that. I am not saying it does. I handled this budget in the past, and the plan was to do it in a very gradual way, to modernize some of these veterans hospitals. Some of them are in very bad shape.

We are saying to these veterans, "As far as you are concerned, you suffer a little more, because we have a little inflation in this country." I think we should take it out of where we can and not put it on the backs of these veterans who were badly wounded.

Mr. PROXMIRE. I say to the Senator from Rhode Island that we have given, by far, the greatest consideration to the veterans. Of the total amount in the bill, $21 billion, as the Senator from Rhode Island knows, about two-thirds, $14 billion, is for the veterans. We exempted virtually all of that.

I appreciate the remarks of the Senator from Rhode Island.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. CHILES. Mr. President, I want to compliment the Senator from Wisconsin. I serve on this subcommittee. He has worked long and hard on the appropriations.

It seems to me that the design of this amendment, which exempts completely those items having to do with veterans benefits and the hospital care, recognizes what we are trying to do for the veteran. At the same time, it recognizes that the veteran is suffering from inflation as much as or more than anyone else, especially the Vietnam veteran. He is the victim of inflation, because he is in the highest category of the unemployed today. He is the individual who is having the toughest time in the economy today. This is also true with respect to many of our other veterans who are drawing pensions and are trying to live on the pittance we are giving them—fixed funds—and at the same time we see the cost of living escalating.

So anything we can do to try to stop inflation is going to be of more benefit to the people who are in this category than anyone else.

I applaud the Senator, because I think that he—together with other Senators—is attempting to get a grip on inflation, and that is the most important thing that one can do for the veteran today.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

I should like to reinforce what I said to the Senator from Rhode Island and what the Senator from Florida is saying: Whereas we are cutting substantially in the other areas, we are cutting less than one-tenth of 1 percent of the veterans budget—one-tenth of 1 percent.

We are cutting far more, in proportion 30 times more in these other budgets. And I think that is right, because I think the veterans deserve everything we can possibly provide them. Therefore, to slow down a little bit, slow down the facility construction by 3 percent this year, it seems to me, is just a modest step.

Mr. CHILES. If the Senator would yield further, in the area of HUD, and I know it is very tough for those of us who are concerned with adequate housing, and with trying to house people in America and provide adequate housing for them, to consider any cuts in this area. But I find the prime reason that we cannot have any more housing in this country is that the interest rates are so high, there is no construction money and the people cannot get funds to build houses.

The reason for that, again, is inflation. If we want to get something started in housing in this country, if we want to start people being able to own a house again, we are going to have to do something.

Mr. President, the observation that the junior Senator from Florida is making is that, I think, the amendment of the Senator from Wisconsin might help in the movement that some of us are trying to make to reduce the deficit we are laboring under this year. If we can cut the spending back to $295 billion and get back to the place where we are in a balanced budget situation, then perhaps we will be in a position to get something done about the interest rates.

I think the interest rates are of more serious concern to housing starts, which are really affecting my State tremendously. I can tell the Senator that unemployment is growing every day in my State because there is no construction money available. There are no funds for housing available, and people have stopped trying to buy a house or build a house because of the tremendous interest rates. So only if we can do something about that matter can we turn this situation around in that regard.

Mr. MATHIAS. Mr. President, will the Senator yield for a question at this point?

Mr. CHILES. I yield.

Mr. MATHIAS. I certainly agree with him that we have to seize every available chance to economize. I think that Government spending does play a major role in inflation. I think the subcommittee, under the leadership of the Senator from Wisconsin, has already demonstrated its awareness of that in bringing the bill to the floor in its present form.

But what about problems such as that presented by the National Science Foundation's budget? In that budget, although we have already enacted a big energy bill with separate funding for the year that just ended, we have $98 million in indirect energy programs, and we are projecting for fiscal year 1975, $149 million in indirect energy programs. That is $66 million higher.

These are programs that are directed at one of the major causes of inflation, which is a shortage of energy. If we cut back the National Science Foundation—and in this bill we have already cut back the budget estimate by $6.4 million, and we shall cut it back under this amendment roughly another $20 million; that is $26 million or a little more—are we not in the shape of the dog that finds itself chasing its tail? We are making what we hope is going to be an anti-inflationary move at the same time that we are taking this step which may have proven, itself, to be inflationary.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. CHILES. As I recall, we are talking about, before the cut, an increase of $174 million above last year. As I look at the programs of the National Science Foundation—and I support their programs—I think it is important that we continue basic research and that we continue some specific research. But we all know that there are many programs that are now being performed by the National Science Foundation that are certainly not productive for next year or for 5 years or 20 years from now, for instance, if they are studying the eating habits of the African ant and some of the other studies that we see are undertaken.

I think what we are saying to them is that they have to look at their priorities and, hopefully, they are not going to cut anything as important as research technology, of immediate application in the energy field. Perhaps they will not go out and get some of these programs that are of such an exotic nature that we have tremendous complaints from our people as to why we do not control some of that research in a better way.

So I think what we are talking about cutting here in no way will handicap them, and again it gets down to this thing that if we talk about cutting public works, someone says, "Don't cut here, cut everywhere else," and if we talk about cutting space, I usually feel I am for cutting everything else, but I hate to think about cutting space because that is getting into the interests of the area where I live. We all have to consider the special interests of our constituents.

But if we are going to do something about spending overall, we have to do something about cutting overall.

Mr. PROXMIRE. Mr. President, I just want to reinforce what the Senator from Florida has said so wisely.

The National Science Foundation does not have to take a penny for any of this out of space research.

The basic research budget for this year is well above last year's budget, in fact, far above it—by some 20 percent or more. So I think the Agency can achieve a modest cut by reducing increases in such areas as materials research and biological sciences, and eliminating the increase in funding for social sciences. Social science research is particularly suspect, with projects ranging from Interpersonal Relations Within the Family" to "Ethnographic Atlas of Quadros," and "Conflict, Justice, and Cooperation"—a study of traffic challenges at intersections.

There are many other projects, as we pointed out, costing a quarter of a million dollars in some cases, several hundred thousand dollars in others, many of which projects are simply not within the expertise of the National Science Foundation. They have one project, for example, which studies hog farming, which certainly ought to be a project within the jurisdiction of the Department of Agriculture. Others are clearly within the Law Enforcement Assistance Administration. There are many cuts that could be made without cutting the research which the National Science Foundation should be making in the energy area.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. CHILES. I yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, as to the National Science Foundation, for the information of my colleague from Maryland, about 5 weeks ago we passed a special research and development appropriations bill, and within that bill, the very point the Senator from Maryland speaks to, was an appropriation which amounted, overall, to $2.3 billion. We are not being puny or backward or unrealistic toward the energy problem. On the contrary, we have boosted it all up. We said, "We have got a crisis, and we have got to apply the funds to it, particularly in the field of research and development, and particularly with respect to the National Science Foundation."

Under that bill, we provided $101 million to the National Science Foundation. So we are not, all of a sudden, coming here and, like the Senator says, saying we have an energy crisis but then exacerbating the crisis by not providing the funds necessary to solve it.

Mr. MATHIAS. But the Senator from South Carolina would agree that those appropriations were for areas not covered by programs in this bill, would he not? These are energy research programs which are independent of the major bill, which, as the Senator very properly says, the Senate has already passed and funded.

Mr. HOLLINGS. Mr. President, I would like to agree with that, but, serving as a member of the Technology Assessment Board, I have to demur from that judgment. They keep telling us, on the one hand, that this covers a particular item exclusively, and then we go through it on another particular program, and we now have, at the request of both the House and the Senate, within the Technology Assessment Board, a coordinated effort to try to cut out exactly this duplication.

It is fine to put the money to it, but it is very wasteful and contributory toward the inflation itself, if we are going to continue to duplicate.

If I may say another word, I want to commend the distinguished Senator from Wisconsin on his leadership on this particular score. Every time we turn around, we are asked, "What in the world are you meat axes trying to do here on the floor of the Senate?"

Well, in the first instance, we are trying to be a meat ax, and yet, at the same time we are trying to keep faith with respect to actually doing something on inflation.

This body, in great sobriety and solemnity, met on May 9, when inflation was crashing about us, and we voted some 56 to 33 in favor of the amendment of the Senator from Wisconsin (Mr. PROXMIRE) to cut back the total of the budget from $305 billion to $295 billion. That was some 3 months before the President of the United States finally recognized the problem on August 1. Again, even before the President gave his economic message, we cut back some $5 billion; we had, on June 13, another vote on Mr. PROXMIRE's amendment, and this one was 74 to 12.

I will never forget trying to listen to the President's economic message. I said—

> That gentleman is going to cut us off at the pass; he is going to call our hand. He is going to say, "All right, you are over there, now, asking for a $10 billion cut; sort of place your money where your mouth is, or rather take your money away from where your mouth is, and cut it back $10 billion."

But the President asked for only a $5 billion cut.

We also have been trying to bring out the flaw in comparisons between the bill as reported and the budget request. Because we must get $10 million below these requests, it is not enough for a bill to be "below the budget." We in Congress, particularly we in the Senate—the distinguished Presiding Officer, the Senator from Oklahoma (Mr. BARTLETT) has been a leader in this particular drive, with myself and others, including the Senator from Florida and the Senator from Virginia—are trying our best, in a logical, realistic way, to come down to this $295 billion level.

We knew of no way other than across-the-board cuts after the bills get to the floor—not, of course, affecting the uncontrollables.

So, as these budgets came rolling forward, $500 million over last year, $620 million more than last year—you could just see that rather than cutting back to the $295 billion level, that we were really going to be $5 billion to $10 billion above what the President requested. We got the leadership and cooperation of the Senator from West Virginia on his bill, and it is, indeed, a better situation with respect to these appropriations bills, to have the manager of the bill suggest the method of reduction, instead of those of us, who do not have expertise, trying to do the job. Instead of saying, "Do not cut off veterans, do not cut off uncontrollables" or trying to make disabling economies, the Senator from Wisconsin has gone down line for line to see where he can effectuate the so-called 3 percent economy and make a saving where it can be taken.

Whether that will completely balance us, and mean a $10 billion cut at the end of the line, we do not know, but if we start now—as on this bill today, and on the Interior bill on Wednesday, as we did on Transportation last week—we will be able to reconcile, at the end of this year, as we did back in 1967, when we put in a joint resolution at the end of the year on the continuing resolution. At the end we can see where we did not make cuts and where we did, and we can put it all in order so we can come back out of chaos, say that the Senate is running the budget once again, with only 14 dissenters in the entire body: on a $295 billion budget.

That is what the Senator from Wisconsin is leading toward, and that is what we, as a small group from both sides of the aisle, are trying to apply here today and again on Wednesday.

I think that the other leaders in the Senate with respect to the chairmen of the several committees should realize our dilemma when we get to the Budget Committee. I was not going to interject the Budget Committee because we had not met, but the distinguished Senator from Mississippi, on his bill, with a grand gesture to get authoritativeness, authenticity, credibility for what he was doing with the "pork barrel," said, "We will hear from the chairman of the Budget Committee." And, of course, the Budget Committee chairman arose and said, "We are going to staff, we are going to consult, we are going to get room, we do not have all the wisdom, we are going to study."

Absolutely, I do not denigrate that. I am on that Budget Committee and I know we are not ready yet to act—the Republican members, for example, have not yet been appointed. But who in this body is going to stand in the well and say, "No, not this year, not at this time." It is at this time, in the month of August, that we are in this terrible dilemma of raging inflation—look, yesterday David Rockefeller said that we could have a panic—can we not have, as the Senator from Wisconsin on his bill, that posture of saying, "We do mean business. We will cut back now. This year."

On that score I commend the Senator from Wisconsin for his leadership.

Mr. NUNN. Will the Senator from Florida yield.

Mr. CHILES. I am delighted to yield.

Mr. NUNN. I would like to commend the Senator from Wisconsin also, and I would like to join the Senator from Florida and the Senator from South Carolina in expressing my sincere hope that the amendment of the Senator from Wisconsin will be agreed to.

The Senator from South Carolina, I think, went through the history of this movement by a bipartisan group of Senators consisting of the Senator from Oklahoma, who is now presiding; the Senator from New Mexico, who is not on the floor at the moment, the Senator from Kentucky, and the Senator from Florida, I would say the group started off as a very small group, but it has now grown, it is now growing, thanks in large measure to the leadership of the Senator from Wisconsin who earlier proposed and had passed the overall amendment of trying to hold down Federal expenditures to $295 billion this fiscal year.

One of the regrets the Senator from Georgia has now is that we have already disposed of six appropriation measures in this body totaling $30 billion, and the momentum was not strong enough to carry out significant cuts as those appropriation bills rolled through, even though we made every effort to do so.

So we have already reached a total of $30 billion in appropriations, which, according to my calculations, is more than 15 percent of all the appropriations requested.

According to my further calculations, the net effect of efforts to cut the budget estimates so far has been minor. The net reduction I come up with is $16.6 million out of a total of $29.9 billion. This is a good deal less than one-half of 1 percent in reductions so far.

Everyone has his own estimates of controllable expenditures. One can get any kind of definition, and I understand that the current OMB definition is that we can control only about $13 or $14 billion of the entire budget.

Well, if that is the case, I think we might as well throw in the towel if we have a $305 billion budget and we can control only about $13.5 billion of it. I believe, as do many others, that we have a good deal more control than this. A reasonable measure of our control is the total of the appropriations we must consider. I know the veterans appropriation is not in this case because most of that program is in fulfillment of a solemn obligation. We all want to do what we can for those young men who are veterans and who have given their best for this country, as did their fathers and grandfathers.

Mr. HOLLINGS. Mr. President, will the Senator yield right at that point?

Mr. NUNN. I am glad to yield to the Senator from South Carolina.

Mr. HOLLINGS. The distinguished Senator is aware, after working on this veterans' problem, that of the entire $14 billion involved in this appropriation bill, the amount involved in this amendment is $8.8 million. I think the exact dollar amounts in there are very appropriate in this part of the remarks of the Senator from Georgia, because what we are doing is just—in that $8.8 million—really not effectuating a large economy, but letting the veterans themselves share in this drive which, I am convinced, he will support.

Mr. NUNN. I am glad the Senator from South Carolina has pointed out that it is an important part of the amendment. But of the total appropriating authority we have about $195.9 billion out of a total of $322 billion of new budget authority estimated, and if we had been able to get the momentum, which I believe is underway now, if we had been able to get it going from the very outset of this process, instead of scoring the first success on Friday, thanks largely to the Senator from South Carolina, the Senator from Florida, the Senator from Kansas, and the Senator from West Virginia, on his initiative, we would have saved a considerable amount of money already.

In order to come up with $10 billion in cuts, as so many of us have urged, if we go back to the very beginning of the appropriation crisis, we would have to impose a 5 percent cut on all the appropriation measures. But now that we have passed approximately $30 billion of those appropriation measures with little net reduction, that percentage has already moved past 6 percent. So we are losing ground every day that we do not make these cuts, and this failure is imposing more and more of a burden on the remaining appropriation bills.

I have further remarks I would like to make at an appropriate point later, Mr. President. But, at this point, I would like just to express my congratulations to the Senator from Wisconsin. He has been a real leader in this regard. It is not easy to cut the HUD budget; it is not easy to cut the space effort; it is not easy to cut the Department of Defense budget; but I think it is necessary.

I would like to point to one argument that has been made here, not today, but previously which I think represents the seriousness of the present situation. I hope that argument has faded away into the wind and we will not hear it any more because, to me, it is absolutely fallacious. The argument is, and it has been made very simply that if we do not spend this money now on construction, if we do not spend this money now on other Government programs, that, my goodness, we are going to have to spend more next year because inflation is going up so high.

To me this is a laughable proposition. This is something that Art Buchwald ought to write an article about, that we better go ahead and spend it now because we have got such an inflationary rate that if we do not spend it now, next year it is going to cost more. What the argument overlooks is that we are the ones who are causing that inflation, in large part by the expenditures. I would like the people in HUD and the people in the Space Agency and the people in the Department of Defense to understand what we are doing to them every year when we see 10 and 12 percent inflation. This is the equivalent not of a 3 percent budget cut, if you have 10 or 12 percent inflation: This is the equivalent of a 10 or 12 percent budget cut. So if we can get a grip on excessive Federal spending, if we can indeed cut $10 billion out of the budget this year on an equitable basis, we will not really be cutting the budget of anybody. We will be cutting inflation, and by cutting inflation we will be restoring the budgets that inflation has been eroding away.

So I might just summarize by saying to the Senator from Florida, who has been so kind to yield—I will state this in the form of a question for the purpose of discussion—if we are able to cut the inflation rate down from 10 percent, 11 percent, to 6 to 7 percent, will not the agencies that we are talking about now, and the recipients of Federal funds be better off even with a 3 or 4 percent budget cut?

Mr. CHILES. The Senator is absolutely correct. We are seeing now every day when we start working with the appropriation figures we have to add the factor in for inflation. It is an automatic thing, and we know it is different for different areas. If it is the military we know that we have got to add the salary factor for inflation, the weapons cost factor for inflation, the installation cost factor for inflation; and that is different depending upon whether you are talking about construction or you are talking about wages.

So if we reduce that automatically, the Senator is right. The same with a cut of dollars, they would be getting the same thing they are paying for. I think the Senator is so right, it is kind of like Pogo, who said, "We have discovered the enemy and they are us." That is kind of where we are now.

Thank goodness we are at that stage, or I hope we are, and I want to associate myself with the Senator's remarks. I think he has given us a very good scorecard of where we are today, and how many budgets we passed, and certainly we cannot really pat ourselves on the back and say we have done anything with, hopefully, the success of this amendment, and the success of the amendment the other day by the distinguished Senator from West Virginia who moved to cut his own appropriation, but at least we are starting a pattern.

At least we are getting a habit what may be a habit, to be able to vote on this floor once to cut something. How many years it been since that habit has prevailed? The Senator from South Carolina gives us something about 1967. I was not here then, but maybe it has been that long since the Senate ever did anything, and Congress ever did anything to decide they could cut something.

The habit has been over all these years that on the floor you only add and, of course, many times we know—and I applaud the Committee on Appropriations—many times for saying, "We had better add something in this committee because if we turn it loose on the floor we know that that addition will be much higher."

So the Committee on Appropriations has only sort of reflected what has been the will of the Senate, and I think if they think the will of the Senate—I know the distinguished chairman of that committee, the Senator from Arkansas, if he knows the will of the Senate is to hold down, you watch and see what he will do with that committee. He will be a cutter as fast as anyone. He has been trying to fight a battle of delay in that committee because really it was trying to come out with a bill that would not get fattened up on the floor.

But maybe we are establishing some kind of a pattern with that last amendment we had on transportation, and with this one, and as we go forth until tomorrow, and the other bills that will come up, we are establishing a pattern where some of us can get into a habit of voting no, and get into a habit of getting to cut something.

When we can establish that pattern then we have got an ability to go back and look at this $30 billion we have already passed, and see what we should do there.

Then I think we also have the ability of having the real experts, and the junior Senator from Georgia and the junior Senator from Florida readily acknowledge, I think, we are not experts. We do not know much about fiscal matters. We have got a gut reaction that we think is coming from our people that we ought to do something about this spending.

We do not know the best way to do it, so we come up here and stumble and blunder with a meat ax or whatever else you want to call it, just crying out to get the experts' attention so that they will do it in the proper way.

But I think if there has to be a pattern, and if the Senate does in a couple of these amendments, then the experts will be patterned to see what we need to do and what the will of the Senate is. I think they will come up with a better way of doing it than we are doing at present.

Mr. NUNN. I would agree with the Senator from Florida, if the Senator will yield for a minute. Talking about this pattern, I think it is interesting to note what happened last week when we started off on agriculture, environment, and consumer protection. Only 16 Senators voted against that measure even though it was 29 percent higher than last year and exceeded the President's estimate for this year. But I recall that in the next few days the vote swelled to 26 who voted against the bill when it came back from conference.

I know the Senator from Florida, the Senator from South Carolina, and I, could not be more involved in any bill than with agriculture.

Mr. CHILES. It was not easy to vote against that measure.

Mr. NUNN. No; although I would say the farmers are getting a good deal less money out of that bill now—I think they get about $2 out of every $10 spent in that appropriations package—but I could not look my farmers in the eye in Georgia and say that I have done anything for them by increasing this bill if at the same time we are taking 10, 12, and 13 percent, out of their pockets with inflation.

Nobody, except possibly the consumer, has been hurt more than the agricultural community by inflation because fertilizer prices have gone up 100 percent and the gasoline prices and the propane prices that they have to pay for have gone up at a staggering amount.

Tracing this history again, as I said as we voted on the agriculture and environment and consumer protection appropriation, there were 26 negative votes.

We next had the Treasury and postal appropriations, and 42 Senators voted unsuccessfully to cut the amount of the bill. Then, on the next vote, 41 Senators voted for a 5-percent cut in the public works appropriation knowing it would affect all of us. It affects Georgia; it affects me. I have been to the chairman of the Committee on Public Works and other people and asked for projects in Georgia and I intend to go back, but I do not think there is anything in Georgia in that bill that would survive the 5-percent cut.

Nevertheless, 41 Senators voted against that, knowing it would affect us.

And our ranks rose to 44 on the next vote to cut that measure by 3 percent. So the handwriting was on the wall at point.

I think the Senator from West Virginia made a very notable achievement in leadership here on the floor of the Senate by next offering to cut his own bill, the transportation appropriation, by 3½ percent.

At that stage, 58 Senators joined in. I believe this demonstrates the buildup of a significant momentum. I believe the Senator from Wisconsin today is going to add to that.

I commend the Senator from Florida and the Senator from South Carolina as members of the Committee on Appropriations and, I believe, the Budget Committee, for the leadership they have displayed in this regard.

Mr. MOSS. Will the Senator yield?

Mr. NUNN. The Senator from Florida has the floor.

Mr. CHILES. I promised to yield to the Senator from Wyoming, and then I would be delighted to yield to the Senator from Utah.

Mr. HANSEN. I thank my colleague for his courtesy.

Mr. President, I ask unanimous consent that the name of the junior Senator from Wyoming (Mr. HANSEN), the Senator from Kentucky (Mr. HUDDLESTON) and the junior Senator from Oklahoma (Mr. BARTLETT) may be added as cosponsors to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, I am the ranking Republican on the Committee on Veterans' Affairs and I am certain many veterans will be wanting to know why it is I shall be supporting an amendment which, among other things, cuts certain items in this budget by 3½ percent.

It has already been pointed out that there is appropriated by the committee, of recommendations reported, in excess of $14 billion to the Veterans' Administration. I call attention to the fact that only $8.4 million is being cut by this amendment which means that the cut will be about one-twentieth of 1 percent.

I say that because we are all concerned about the veterans, for those young men and women who have served our country gallantly and who deserve the very best we can give them.

But I think the fact remains that by taking the action which I hope the Senate will take here today in approving this 3-percent cut it will not hurt the veteran or any other person in America, but rather will be of help to him.

I say that because I am convinced that if there is one thing that concerns the typical American today, it is runaway inflation. The only way, Mr. President, that we can get a handle on that is to do precisely what we propose here this afternoon to do, and that is, to take each and every one of these budgets and to cut them back so as to bring down the excess of expenditures over receipts to a reasonable, workable amount.

Unless we do that, despite the fact that we may propose to pay more to everyone in true purchasing power, they know as most Americans already know that it is a sham and a charade and money does not buy as much as it did last year.

The concern of Americans today is that we stop this erosion of their purchasing power. Unless we do that, there is serious concern in the minds of many leaders in America today, including those in the Finance Committee as well as in government and in business, that there is grave danger for this Republic.

The alternatives that we have to examine as we reflect upon ways of doing otherwise, or what would the effects be if we do not make the cut that has been proposed now, are frightening indeed.

I am very proud that there is the support that is evident here today to take this step. I wish that it might have started sooner. It has been recounted on the floor earlier that efforts were made, at first unsuccessful efforts, but I think that instead of people trying to impute any other one motive to what manifests itself here today, I must say in all candor that I believe that a majority of the Senate of the United States has become aware of the fact that this in the No. 1 problem, and unless we meet this problem, unless we overcome this deficit spending, then every other problem cannot be handled.

I thank my distinguished colleague from Florida for giving me the opportunity to express these remarks.

Mr. CHILES. I thank the distinguished Senator from Wyoming. I would like to associate myself with his remarks and I think he has always been one who has tried to practice what he preaches and not only vote for a cut in spending and a ceiling of $295 billion, the bill that was first introduced by the distinguished Senator from Wisconsin who is now the proposer of this amendment, but has also been willing to back up that vote with voting for specific cuts.

I think for too long too many of us, including the junior Senator from Florida, sometimes voted against the debt ceiling or voted for some kind of spending ceiling as a public relations gesture, but never really seriously thinking that we had to come up and pay off that vote by voting to cut some kind of project that might influence or affect us at all, like a vote on an agricultural appropriations bill, or a public works bill, or even this bill, because certainly this affects us all. We are all concerned with housing. Many of us are specifically concerned with space and the National Science Foundation and other portions of this bill.

But if we are going to talk about coming down to a balanced budget, if we are willing to vote and be one of those that voted $295 billion, then that takes more than that vote.

It takes being willing to, in some way, scale that down.

As the distinguished junior Senator from Georgia has recited, regardless of whose kind of figure of controllables you come up with, that means that you have to make some serious cuts in a number of places if you are going to be able to get down to that figure.

Mr. HANSEN. If the Senator from Florida will yield for a further observation—and I know the Senator from Utah is anxious to speak—let me say this: There is not a single item in this whole budget that does not have a constituency. By that I mean there is not any place you can cut where a cut would be popular.

Mr. CHILES. It is over here because it had a constituency that put it here to start with.

Mr. HANSEN. Precisely. Every dollar in here had someone interested in that dollar. I know of no fairer way to try to reduce total expenditures than to proceed in the fashion indicated here this afternoon.

I thank my colleague.

Mr. CHILES. I yield to the Senator from Utah.

Mr. MOSS. I thank the Senator.

I commend him and the others who have spoken on this floor about fiscal restraint and the attempt to cut the budget. I, too, would like to be in that group. I voted to cut the Transportation budget. I was one who voted to have a ceiling on expenditures when that came up. But I am a little fearful of the way in which we are going about it.

In the first place, in listening to the debate, the ideas conveyed to me were that cutting the budget just automatically cuts out inflation, that that is the solution; that if we should cut the budget, if we bring it into balance, there would be no more inflation.

I wish that were so. If so, I would be glad to cut very deeply into all of the budgets across the board. But as a practical matter, it will not cut inflation any appreciable amount. It will cut it some; it will have some effect on it. But there are so many other factors which enter into our inflation now that the size of the Federal Budget is only one small factor.

In fact, in a meeting which we held with some of the top economists during the latter part of last week, their estimate was that if we cut $10 billion from the budget, it would only affect the inflation rate by about one-half of 1 percent. At the rate it is galloping along now in two digit figures, that is not a very deep cut in the inflation. There are many, many other things that have to be done.

The other thing that concerned me a little is that the Senator from Florida was saying, in effect, that the Congress or the Senate always added on to the budget, that we always loaded it on, that we never did cut.

As a practical matter, Congress has cut the President's budget request every single year during the term of this President, and every year since I have been in the Congress, save possibly one.

I give great credit to the Appropriations Committee, on which the Senator serves, for doing that. As a matter of fact, this budget we are considering today is $139.9 million below the budget request, if we should pass this without any change at all.

Mr. CHILES. I think the Senator is correct. If I gave him some false feeling of my attitude on that in my statement, I want to correct that. What I was saying is generally the Appropriations Committee was fighting a holding battle because any cuts that they were trying to make in the budget they had to be careful about because it was on the floor that we added to their budget. What I was saying was in my experience, in just the few years that I have been here, it is that I have never seen, before this year, any cut on the floor, on the floor of the Senate, that was successful. It was always an addition on the floor of the Senate to the appropriations bill.

The Appropriations Committee has, I think, cut the budget request.

There is one other thing that I want to add because I think it is something that Congress really fails to talk about. We like to talk about how we cut the President's budget request, and how we have done that over all these years. And I think we have. But it is really not fair for us to say that and not take any kind of a responsibility for the authorization bills that we pass, which are the bases in most instances for the budget request.

So where we continue to pass higher and higher authorization bills, whether it is this President, the past one, or the President before that, the President must submit a budget message to us based on the authorization bills, in most instances, that we pass.

Then if we say we cut that back, we cannot exactly automatically pat ourselves on the back, because it is our authorization bills and the increase that we pass in those over the years which have added to these budget requests.

Mr. MOSS. I agree that any appropriation that is made is made in response to an authorization bill that is passed. The bill has to be passed in Congress, but it also has to be signed into law by the President. He has to ask for the size budget that he needs in order to carry out the terms of that legislation, or what he thinks he needs.

I do not want the impression to be given that the Congress never cuts. I appreciate the explanation of the Senator from Florida.

Most amendments that come on the floor are budget increasing amendments. It is the Appropriations Committee that has had the brunt of holding the budget down, which they have done in this instance. In this particular bill, which is rather a conglomerate of several agencies, the big increase comes in the veterans section of the bill. That is because of changing the formula as to what a veteran is entitled to by reason of his military service.

Judgments have been made that that is what is needed and that is what is fair.

Mr. PROXMIRE. If the Senator will yield, the biggest percentage increase in the bill is in NASA, not veterans. It is a $207 million increase for NASA.

Mr. MOSS. No, that is not correct.

Mr. PROXMIRE. I am talking about the $207 million increase over last year.

Mr. MOSS. That is right. It is an increase over last year of about 3.1 percent, which is less than the inflationary factor that has been plowed in this year over last year.

Mr. PROXMIRE. It is an increase of about 6 percent over last year, an increase of $200 million over $3 billion last year.

Mr. MOSS. No, it was $96.7 million over last year.

Mr. PROXMIRE. I refer the Senator to page 50 of the report. The first column shows the obligational authority for 1974. The fifth column shows the appropriations increase, and is $207 million on a $3 billion base. That calculates out to more than 6 percent.

Mr. MOSS. But the Senator has ignored entirely that $111 million of that is carryover from last year, which reduces the increase to $97.7 million, which is 3.1 percent.

Mr. PROXMIRE. I am informed by the staff that there is no carryover here.

Mr. MOSS. It is $111 million.

Mr. PROXMIRE. That is not included in the figures I gave. It was $3 billion last year, and $207 million more than that.

Mr. MOSS. But the Appropriations Committee had to add $96.7 million or 3.1 percent, which is not even the inflationary figure. Therefore, it is less in real purchasing power.

The point I was going to make, is that this particular budget has been increased largely by the veterans amount, which is $586 million over last year. This is about 70 percent of the amount it has been increased over last year's budget.

Mr. PROXMIRE. The veterans increase is about 3 percent, and the NASA increase is 6 percent. It is true that the veterans budget is so much larger that it is a very, very large sum. When you are dealing with $14 billion, of course, an increase of $400 million is relatively a modest amount.

Mr. MOSS. Whether you put it in percentages or in dollars, over fiscal 1974 it is a $662.8 million increase, and $461.8 million of that is for veterans. Of course, in dealing with the total figure to be paid out to veterans, I am not arguing that right at the present time.

What I would like to return to is the discussion of NASA. NASA has been cut well below half of its peak period. There is no program in the Federal Government that has been cut more in the last few years than has NASA.

Two years ago, as the Senator will recall, we passed the constant level budget for NASA, and we have not lived up to that in one year since. We are far below that now. Consequently, we have abandoned that position already.

Mr. PROXMIRE. The Senator knows why the NASA program has been reduced. We were spending an overwhelming amount of the NASA budget on the Moon shots. We were going to the Moon, in a project that President Kennedy set for this country many years ago. It was given top priority. This encompassed a very large proportion of the NASA budget. That is over now. To say that the NASA budget has been cut is to say that we are no longer trying to go to the Moon.

Mr. MOSS. We are no longer going to the Moon, but we are doing a number of things that are carrying it on. After the Apollo project was out of the way, we set this constant level budget as to what we would do in NASA. We went from 35,000 to 25,000 employees in NASA. This cut would probably result in 2,500 more being dropped.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. GOLDWATER. To keep the record straight, the hardware and the material for the Moon shots have been bought and paid for many budgets ago. We still have vehicles that can go to the Moon, and the costs are not reflected in this budget.

I still maintain along with the chairman, under whom I serve, that NASA has taken as big cuts as any agency in this Government. When we cut an organization such as this, which is not only on the verge but also in the process of making greater material advances for our population than any other agency, we are making a mistake.

Before the Senator came into the Chamber, I implored the chairman of the committee, the Senator from Wisconsin, to vote on each one of these items. For example, I could cut the daylights out of HUD, not just by 3 percent; and there are others in which we really could make cuts. Instead of taking 3 percent from an agency that has been doing an exceptionally fine job, I suggest that we take these one at a time, and I will have a shotgun out for HUD. Three percent off that is sort of laughable.

Mr. CHILES. Mr. President, I would like to comment on that. Therein is the problem, the pattern that seems to have developed, since we started with Agriculture and went to Treasury and Public Works and Transportation, and now this. There is some constituency for each project, and each one feels as the distinguished Senator from Arizona does: I will cut the daylights out of everything, but do not cut mine.

The only problem with that is that so long as everyone is honored in that request, that is how we got to $311 billion. That is how we get to the $10 billion to $12 billion over the amount of money we have. Each one of us is willing to do everything—except. The junior Senator from Florida has been one of the exceptions in that.

I think the only way we are going to get to this thing now is that there cannot be any exceptions. We will have to face up to the fact that if we are going to do something about it, we have to do it now.

I want to comment on the distinguished Senator from Utah's observations that many of the economists now say that when we make a $10 billion cut, we are not going to affect inflation too much. I believe that we can get all kinds of experts to give us all kinds of answers on that. I do not know what it will do with respect to the percentage of inflation.

We are dealing with two things: We are dealing with inflation on one hand and with a recession that possibly can be the start of a depression on the other hand.

I have a strong feeling that whether that happens or not, in large part, is going to depend upon the people panic. Right now, I think there is sort of a near panic occurring, and part of the reason for it is the feeling people have as to how in the world we can be running this kind of deficit budget. They see that over the years it has affected inflation. All the experts will agree to that, regardless of how they say a cut will affect inflation now. Congress is continuing to allow that to happen, and the Executive is continuing to allow that to happen. With interest rates what they are, with the recession gaining, with productivity coming down, still no one is doing anything about it.

I think the feeling people have that no one is minding the store is leading to the near panic. My feeling is that if we could show that we are going to do something about the one thing we can do something about, Government spending, it would help. We cannot pass a bill that will stop inflation. We cannot stop inflation throughout the world. We cannot do something immediately about the food shortages or the energy crisis and the like. But we can do something about Government spending.

I feel that if we were to give evidence to the people that we were going to do something about that, then we could do something psychologically for the people that would stop this near panic and perhaps reverse the whole situation. That could be more important than any two-tenths of 1 percent or any other figure in regard to the stopping of inflation. It could be the stimulus that could lead to increased productivity and to increased spending, and that would stop inflation.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MOSS. Mr. President, I share the concern of the Senator from Florida about whether there may be a feeling approaching panic in the country. I do not think we are that close yet, but we may be. I ask the Senator if he does not think we are more likely to get that kind of panic out of a spurt in our unemployment rolls than from continuing inflation. They are both bad, but if we are going to have a panic, I think it is going to come when unemployment goes over 6 percent and keeps climbing.

Mr. CHILES. Unemployment is very bad, and I am not one of those who want to ring out inflation by just letting unemployment skyrocket. I think unemployment is skyrocketing now and is going up now, while inflation is continuing. It is doing so in my State, because much of my State is geared to construction, and that has come to a halt.

I had 20 or 30 calls last week from contractors or building suppliers or people in the building business who told me they are stopping, that they have to lay off people. They said, "You are going to see the largest form of unemployment in your State." That is occurring today, and I think that kind of employment is going to continue.

Perhaps there would be some kind of employment with what we are talking about in this cut, but I think it is small compared to what it is going to be in the present path we are traveling.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. NUNN. I say to the Senator from Utah that one thing that appears to be happening—although I am not an economic expert—is that the liquidity problem we have in this country has perhaps become even more severe than either the inflation problem or unemployment, although they are all interrelated and are all part of the same vicious circle.

What is happening with respect to the liquidity problem? One thing is that every day people—those who still have money—are refusing to put their money in higher yield securities, because they are beginning to feel that these securities are not safe. Banks are having difficulty in issuing certificates of deposit. Bond issues are not being funded. Each day, they have to come off the bond market. What is the reason? People are putting their money in Government bonds. Where do those bonds come from? They come from the necessity of having to finance the deficits that we pass here, that the President proposes each year. Does it mean that we should not issue Government bonds? I do not think it means that. But its does mean that if we can get the Government's $7 billion, $8 billion, or $10 billion deficit out of the market, there will be that much more money to go into savings and loan associations, banks, commercial issues, and we will reduce that much competition for the American dollar. Liquidity will be up and the cost of credit will be down.

Much of the reduction in the civilian budget, in DOD, or space, can be handled by attrition. That cannot be done with small businesses, homebuilders, contractors going broke each day, because they simply cannot get the money they need to carry on.

I do not think we ought to forget when we are talking about which is the greater problem, unemployment or inflation, that the two go hand in hand. If we do not do something about inflation, we are going to have massive and growing unemployment. By the same token, if we do not do something about the liquidity crisis that is perhaps our most immediate problem—and I do not know any way of measuring the seriousness of these two things, as they are all serious. If we do not do something about it, we are not going to be able to come to grips with inflation or unemployment.

Mr. CHILES. Mr. President, the distinguished Senator from New Mexico had requested that I yield to him.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MOSS. Mr. President, just by way of comment, it is very unusual to have unemployment and inflation going up at the same time. That does not fit the classic pattern. But I think that if we cut back too hard and too quickly on Federal expenditures, we will find unemployment spurting.

Mr. CHILES. I yield to the distinguished Senator from New Mexico (Mr. DOMENICI).

Mr. DOMENICI. I thank my distinguished friend from Florida.

At the outset I wish to state that it is with reluctance that I support this amendment. My reluctance is not based upon my firm commitment to cut the budget this year, but, rather, stems from the only way that I see that I can have any impact. That is to do precisely what we have been doing for the last 10 days to 2 weeks; that is, come to the floor of the Senate with as many people as we can gather around us, either in support of our own motion to recommit, or to cut, or to support amendments proposed by others.

As my distinguished friend from Florida said, and as my distinguished friend who is presiding, the Senator from Oklahoma (Mr. BARTLETT), has said a number of times, if we do not do it this way, what we have is just more and more of what we have had for the last 10 or 15 years. Everybody votes against programs that he does not want, and there are only a few programs that 15 or 20 Senators do not want. Then everybody votes for those that he wants. As a result, we have 20 Senators on every side of every issue, and the American people sit back there confused, because they think their Senator has voted the right way. But all of a sudden, as we add it up, nobody has voted for a budget cut because never are there enough Senators all on one side.

Therefore, I have no alternative, despite the fact that I agree with many of the statements that the distinguished Senator from Arizona (Mr. GOLDWATER) made this morning about the tremendous relevancy of the space program, about its tremendous technological advances, about what it offers for the future of Americans in education, in health, in energy. Because I have been part of the space program, I am aware that in the last few years they have been the victim of cuts.

In another way, because their budget is almost always an annual budget, they suffer each year a cut and this year they have suffered another.

I submit to those who want to listen that one can get up and talk about all kinds of economic aspects of the inflationary period that we are in. They can hear the pros and cons of high interest; they can talk about unemployment and underemployment and all the others. But almost all economists now agree that an excessive Federal budget, excessive Federal deficit spending is the one ingredient that is common to all of their thinking. For that reason, today I am going to be consistent.

I want everyone to know that I am not picking on the Shuttle. I support it. I am not picking on NASA. I support it.

On the other hand, I started, 2 weeks ago, voting with 17 other Senators against the budget for agriculture and environmental protection. Those are important matters to me, to my State, and to my committee. But it was $2.9 billion more than last year, and I wondered, when we add them all up, where will we be this year?

So that those who wonder why I voted against NASA will know that I am not picking on it, I voted for a 5-percent and then for a 3.5-percent cut in Public Works and AEC. To those who wonder whether I have some special interest that I pick on, I would like them to know that no budget that we vote for in the Senate has more impact on my State than the AEC. Indeed, the AEC budget had $42 million for my State. I nevertheless voted to cut it 5 percent; that failed. I voted to cut it 3.5 percent, and it failed.

I supported the cut in the transportation budget. Yes, I know that it was rather meager when compared to others. And yes, I know that the budget committees are now trying to shave them down before they come to the floor.

Yes, I also know that the chairman of the Committee on Appropriations has a valid argument when he says we will not cut them down, in fact, we shall add to them and let the Senators take them off on the floor. I respect his advice, and I understand the problem that he has, but as I said the other day, it appears to me that the American people are looking for a signal, a signal that we are committed to the proposition of coming up with a budget that is as close to being balanced as possible.

I have just a few more comments. As a number of us—Senator BARTLETT, Senator CHILES, Senator NUNN, Senator DOLE, and myself—as we get together and try to talk about how we can cut the budget, we are told by experts that we might be at a point in history where we cannot control the budget. I do not know if that is true or not. We are being told by some experts that the uncontrollables are in such preponderance that we could only cut a few million dollars, realistically, out of a budget.

I say, here and now, that if that is where we are, then we ought to tell the American people that. If, in fact, this whole process we are going through is meaningless because we are going to spend $30 billion because we cannot control the budget, then I think we ought to say, all in unison, we deplore it, we are going to change it, but it is a fact of life. I am not yet convinced that it is.

I am not yet convinced that we cannot cut 2.5 percent, 3 percent or 3.5 percent on every budget that hits the floor, let the conference iron out the inconsistencies, and give a clear, resounding signal to the American people that we are willing to bite the bullet on special projects for our States, for our constituents, for our kind of thinking about the country's future, so long as everyone is willing to bite the bullet to some extent, across the board, in an equitable manner.

I know none of us is expert enough to have the capacity that the Office of Management and Budget has and that other entities have that can be very precise on what we can and cannot do, on what would be prudent under these circumstances or under that. I am left in the posture that I am convinced that inflation is the most serious problem facing our land. It is creating anger, frustration; people are now giving up in small businesses. We wonder why productivity is down. It is because there is a fear about the future.

I want to do my share as a Senator to let the signal out that that aspect of this inflationary spiral is out for the budget of the United States, that I am willing, to the extent possible, to do what I can.

I am also aware, with regard to this budget, that perhaps HUD is not getting the benefit of the act, that they have been cut back for a few years, that their impoundments have been held legal, that they are now expected to use any initiatives and thus need new personnel. I am aware of that problem with reference to this budget. But I ask what budget is going to come before us—military, HEW, and the rest—that does not have that kind of situation where, if we look at it minutely, we can justify everything in it?

I have items in this budget that I have asked for that have been put in by the committee. Yes, indeed, I expect them to be cut 3 percent or 3.5 percent. And I do not say that I relish that. But I say I relish the opportunity to say, loud and clear, that we must get this budget somewhere between $295 and $300 billion, and if it cannot be done because of the past 20 years of backdoor and uncontrollable budget items, then I think we ought to call it what it is. We ought to commit to the American people that we are going to take it back within our control.

For those in this Congress who speak of giving away our authority to Presidents—there has been much talk about that in the past. I do not think there is any question that we have given away our authority to handle the fiscal affairs of this Government through the processes I have described and which Senators far more eloquent and experienced than I, have described in the past 2 weeks.

To repeat, it is with reluctance that I vote for a cut in the space program and for some of HUD's programs, but I can commit that I will consistently do it in programs even more firmly tied to my State, to its economy, to its scientific community. I have done that. I do hope that in the long run, the message will get across that we want, in a bipartisan manner, once again to take control of this monstrous process which few of us can understand but which the American people, in their own way, understand tremendously today.

In fact, I am convinced that they blame Congress more for inflation than they blame business or labor, and I say they are right. I say that we ought to do something about it, even if it is only to speak up loud and clear for some kind of congressional control.

So I state with reluctance once again that I will support the reduction on this measure.

Mr. DOLE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Kansas?

Mr. CHILES. Mr. President, I yield to the Senator from Kansas, and then yield the floor.

Mr. DOLE. Mr. President, there are a number of approaches to cutting the budget, as I pointed out the other day. I commend, as previously, the Appropriations Committee and its leadership for their efforts to hold down spending. There is probably no other group of more fiscally responsible men in this Congress than the Appropriations Committee.

But it must be recognized that since the Appropriations Committee hearings started in January, there has been a significant change in the rate of inflation. Therefore a great number of us, Democrats and Republicans, are involved in trying to catch up with the American people. We feel it is necessary to provide leadership in the Senate to make a moderate cutback in each appropriation bill.

I believe that in this case 3 percent is a responsible cut and that it is responsive to holding down inflation. Certainly there may be other ways to approach it. Cutting the Federal budget is not the only cure for inflation, but it is one thing we can do. It is about the best thing we can do as Members of Congress, and it is something that can be done on a day-by-day basis.

So, as I indicated earlier, if the 3 percent cut offered by the distinguished Senator from Wisconsin is not acceptable, maybe there is some other way to give us a total spending cut. We have passed some bills without cuts. But there is a strong momentum now in the Senate, which started a little over a week ago. I believe there is a majority now in the Senate, of Democrats and Republicans, all concerned about inflation and fiscal responsibility, so that these cuts will be sustained in this appropriation bill and any future appropriation bills.

To the junior Senator from Kansas, that indicates a responsible attitude on the part of the Senate.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I wish to join with others in support of the amendment by the Senator from Wisconsin. It has been brought out in the debate that certain problems exist with this amendment, and certainly cutting back expenditures is not without problems. But if the basic problem were underspending, we have solved that problem many, many times down through the years, because we have been overspending for a long time.

Nonetheless, there is a problem, and we realize that we are on the horns of a dilemma; that we have, on the one hand, rising unemployment, and on the other runaway inflation. But certainly the economists, almost unanimously, are agreeing that inflation must be brought under control if we are going to have a strong, reasonable economy and one which will provide for the needs of the people of this Nation.

The momentum on the floor of the Senate has been mentioned as growing in favor of fiscal restraint, in favor of balancing the budget and cutting back the deficit spending. I believe that this momentum cannot help taking the momentum out of inflation. In fact, I cannot think of anything that would have greater psychological impact, because I do not believe that the people of this country believe that the U.S. Senate will vote for reductions in the budget, or vote for significant cutbacks. But I think this apparently is being done, and there is a growing number of Senators who are expressing themselves with votes to cut back on spending.

So I think this can have a tremendous psychological impact, and the American people are going to be saying, "If the Members of the Senate can do this, then certainly the bankers, the businessmen, and the union leaders can take the steps that they must take in order to strengthen the economy and bring it under control that will provide opportunities for the citizens of our country."

We are all concerned about the high interest rates. Certainly I do not think we can expect, on any kind of quid pro quo basis, that if we reduce expenditures there automatically will be a reduction of interest rates; but I do believe there is ample evidence from economists to indicate that control by the Senate would be a big step toward the possibility of an easing of interest rates. Certainly at this time the chairman of the Federal Reserve Board is pretty much fighting the battle singlehandedly. He has been getting little support from Congress and little support from the administration; and I think that this support that is growing in the Senate today is support that will help bring about fiscal restraint and help bring about a reduction in the rate of inflation.

Also, I think that here today we are also actually helping bring about control of spending on various budget items. Certainly this can improve efficiency as well as show the American people that there are a number of Senators who are willing to cut back. I might stress, as I look across the Chamber at my friend from Georgia, my friend from Florida, and my friend from New Mexico now in the chair, that they have expressed willingness to cut back programs that benefited their States, and programs of which they have a particular knowledge and interest, programs which they know are good programs and sound programs.

I am a member of the Committee on Aeronautics and Space Sciences, and am a strong supporter of the space effort and the various programs that have heretofore been financed. I am aware that NASA has been reduced rather sharply in the appropriations coming its way, and it has been stretching the dollar for several years. But nonetheless, I think it is only proper that if we make adjustments in spending downward, that they be made on a basis that covers as many of the various areas of spending as is possible.

To do this, and do it by just tightening someone else's belt, I found a long time ago, is impossible. We must agree that we are going to tighten our own belts. In voting to cut the budget of the Department of Agriculture, for example, it was a vote in my case and I know in the case of many other Senators against programs that are strongly desired and popular in our States. But if we are going to get the job done, we are going to have to be willing to tighten our belts as well as see them tightened on the other 49 States.

When I was Governor I had the constitutional duty to present a budget, and it was sort of an interesting exercise in dividing up a piece of pie and, as this was finally divided, presenting that to the members of the legislature for their consideration and their approval. I was required to divide up the pie.

Unfortunately, the Members of Congress in the past have not been required to divide up the pie but merely to create the pieces, and then look around for a pie pan big enough to put it all in, and then raise the debt ceiling limit, exercising little restraint and exercising poor economic judgment in many years. But with people today who know banking, who are familiar with economic trends, international and national, saying that we may be looking toward a panic, this could have the consequences that we could be in real trouble, that we may not be able to control the economy and then, I think, it is time for us to take steps to put the brakes on and look around for many other areas that can be improved.

Certainly as we have looked at the budgets recently, I, as a neophyte, as an economist—I am not one at all—but I have learned a lot, and I have learned a lot about the difficulties of reducing the expenditures of the Federal Government.

Nonetheless, it occurs to me there is all the more reason why we should look forward to adopting some changes in the future that would make it easier to adjust the outflow of money to the inflow, and we have passed a very important bill earlier this year toward that end.

Nonetheless, there are other changes that need to be made, changes in the structure of our bills and in the manner in which we approach spending in Congress.

It was my pleasure several weeks ago to join with the Senators from Georgia, Florida, Kentucky, and New Mexico, and Senators from South Carolina, Nebraska, Kansas, and many others, on a bipartisan basis echoing the feeling of the Senator from Virginia, the Senator from Wisconsin, and their concern about spending.

I am glad that there has been a momentum created, a real concern. I compliment the Senator from Wisconsin for his leadership not only today, but particularly today, when he is the floor manager of the bill and sponsoring an amendment to not make an across-the-board cut but to make a specific cut of the various items. Certainly this is a preferable way of operating.

I know that in the steps that have been taken they have not always been the prudent manner in which to operate, sometimes because of time, sometimes because of lack of ability and knowledge on my part, perhaps that of others, but certainly there has been a desire to accomplish a goal and, I believe, that it is possible today to see that we are making some progress, and I am hoping that this momentum will increase, and more and more people will join, particularly those who have the ability to really do the job properly, so that in our eagerness to accomplish a goal we will do it in the proper way, in the best way, in a responsible way.

On many occasions this year the members of this body have expressed their concern about spending, concern about inflation, and concern about the economy.

Today they have an opportunity of expressing themselves again on an appropriation bill, a very important one and, as I said, one which I strongly support.

So, in my vote I will be voting to reduce expenditures in areas that I strongly believe in, in areas that I know are deserving of an ample appropriation. But I believe that if we are to accomplish the purpose of reducing the deficit, we must be willing to cut out a number of areas, a number of programs that are valid, a number of programs that are desired by the American people, a number of programs that are good but to do this in the overall interest of ridding ourselves of runaway inflation that could just eat up this country, doing it with a recognition that inflation hits hardest at those of modest means, those of fixed incomes, the poor, and that it destroys the real strength and fabric of a nation.

We seem to have gotten away from a saving economy to one of a borrowing or spending economy, and I cannot help but believe—not that I am opposed to borrowing, which I have done on many occasions—that savings should be accentuated, and that the old idea that a penny saved is a penny earned is still a good thing and something we should support.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield to the distinguished Senator from Florida.

Mr. CHILES. I want to compliment the Senator from Oklahoma on his remarks and also on his actions which, I think, indicate our desire to try to do something about the fiscal situation of the country.

I had the pleasure of being a cosponsor, along with the Presiding Officer, the junior Senator from Georgia, and the junior Senator from Kentucky, of a resolution that was trying to call attention to the plight, trying to get a domestic summit meeting which would bring together all the parties as sort of parts to this puzzle, labor, management, the President, the Chairman of the Federal Reserve Board, together with a bipartisan membership of the leadership of Congress from both sides of the aisle and both ends of the capitol, and to try to get something working toward a plan of doing something about the economy.

I am delighted with the response that we received in this body by the overwhelming passage of that resolution, and I know that it is working in the House, and it has a number of different resolutions, similar or identical, which have been introduced in the House, but to date it has not come up for a vote there, and I know the Senator from Oklahoma wishes that we could initiate that kind of meeting.

But I agree with him that, barring that, we have got to try to do something here to signal to the American people that we are going to be willing to do our part and that that cannot happen by just voting for a spending cut or even the provision of $295 billion unless we are willing to make cuts that hurt and, of course, across all of the areas.

We are not going to be successful—and I want to associate myself with his remarks and his leadership which he has displayed in this regard.

Mr. BARTLETT. I thank the junior Senator from Florida. I am very happy to work with him and the junior Senator from Georgia and the Senator from New Mexico and the Senator from Kentucky in trying to expand this nonofficial group.

Mr. NUNN. Will the Senator yield?

Mr. BARTLETT: Yes.

Mr. NUNN. I know the Senator from Oklahoma has done a great deal of work on the overall problem of the economy today. I know he has had a lot of discussions on the problem—I have had a lot with him. I know he is concerned with the overall situation. I also heard him mention that he serves on the Aeronautics and Space Committee. The junior Senator from Georgia serves on the Armed Services Committee. One of the things that has happened here in the past, I think, is that when it gets around to the Space budget and when it gets around to the Armed Services budget, nearly everybody wants to get the bulk of the savings out of those two budgets because they involve more of a long-range projection, because the question of national security is an intangible question, and we cannot clearly say what good the military budget has done, as long as we prevent war, except it is a deterrent and it is essential.

I would just like to ask the Senator if he does not think the way we are going about this now in terms of trying to take something out of every budget, will mean that when we get to the later budgets, and when we get to the Department of Defense budget, that we will have set a standard that we can apply equitably across the board, and we will not be jeopardizing the national security, by placing the burden of a balanced budget solely on our defense effort. Instead we will be in a consistent posture of trying to save across the board so that everybody who is a beneficiary of Federal programs sacrifices to some extent, but equitably, with the exception, of course, of completely uncontrollable items. I believe this is a lot more sensible than getting down to the DOD budget and Space budget and saying, "Look, here is a great big hunk, let us take it all out of that."

I would just like to ask the Senator's reaction to that proposition.

Mr. BARTLETT. Yet, I concur with the Senator.

Mr. NUNN. I know the Senator who is Chairman of the Armed Services Committee would be interested in this as he faces this situation every year, I would suggest that the Senator from Mississippi listen to the colloquy here, and give the Senator's response.

Mr. BARTLETT. I agree with the Senator from Georgia.

I know there are those who would look to the defense and space budgets, and others, for cuts, also those who look to the social programs for cuts and retain the items in the President's budget on the military, but it is obviously going to affect us and it must be done on a very broad-based method as much as possible, cutting everywhere we possibly can, recognizing, unfortunately, that there are many uncontrollables that cannot be cut.

So I think the proposed cuts which have been advanced by the floor manager and the chairman of the Appropriations Subcommittee are cuts that make sense, that are spread around, and as I said earlier, are cutting out good items. But the more we can cut the spending which leads to more and greater deficits, if we can reduce that spending a little here and there, then it is better than when the deficit is financed by new money, when there is a rapid growth in the money supply, as there has been, which produces serious inflation.

So if we can reduce that need for rapid growth in new money supply by the actions taken here, this will certainly be a big step in the right direction.

I heartily concur with the Senator from Georgia that the more it can be spread around, the smaller the decrease will have to be, but I do believe that there is the opportunity of bringing about some restraint in spending, bringing about some reduction in deficits and bringing about some stability in our economy.

Mr. President, I yield the floor.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. McCLELLAN. I would ask unanimous consent that I may request and suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARTLETT). Without objection, it is so ordered.

Mr. PERCY. Mr. President——

Mr. McCLELLAN. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Arkansas is correct.

Mr. McCLELLAN. How much time does the Senator want?

Mr. PERCY. Five minutes.

Mr. McCLELLAN. I yield 5 minutes to the Senator from Illinois.

Mr. PERCY. I thank my distinguished colleague.

Mr. President, I would like to express my deep appreciation for the work of the Appropriations Committee, particularly as it has dealt with a very difficult bill before us. I speak with particular reference to the Housing and Urban Development appropriations.

Mr. President, on pages 6, 7, and 8 of the report that is before us, the committee deals with title I, the Department of Housing and Urban Development appropriations. Particular reference is made to sections 235 and 236, programs which were enacted in the Housing Act of 1968. At that time we set out a housing goal of 2.6 million housing units a year for 10 years, of which 600,000 were to be for low- and moderate-income families.

A portion of that program addressed itself to offering housing opportunities to families who, instead of moving into public housing or rental housing, would be given the opportunity to own their own home. This is an opportunity that the Federal Government has offered to GI's and has offered to families of middle income America for many, many years through VA-guaranteed and FHA-insured mortgages.

The program that was developed in the Housing Act of 1968 was a direct result of a bill entitled "The National Homeownership Foundation Act" that I introduced on April 20, 1967.

That bill was sponsored by the following Senators:

Mr. Aiken, Mr. Allott, Mr. Baker, Mr. Bennett, Mr. Boggs, Mr. Brooke, Mr. Carlson, Mr. Case, Mr. Cooper, Mr. Cotton, Mr. Curtis, Mr. Dirksen, Mr. Dominick, Mr. Fannin, Mr. Fong, Mr. Griffin, Mr. Hansen, Mr. Hatfield, Mr. Hickenlooper, Mr. Hruska, Mr. Javits, Mr. Jordan of Idaho, Mr. Kuchel, Mr. Magnuson, Mr. Miller, Mr. Morton, Mr. Mundt, Mr. Murphy, Mr. Pearson, Mr. Prouty, Mr. Scott of Pennsylvania, Mrs. Smith, Mr. Thurmond, Mr. Tower, Mr. Williams of Delaware, and Mr. Young of North Dakota.

Identical legislation was introduced in the House of Representatives by Congressman WILLIAM B. WIDNALL, the ranking minority member of the Banking and Currency Committee, and was cosponsored by 111 Members of that body, 66 of whom are still in the House.

I ask unanimous consent that the names of the 66 House Members who are in the House of Representatives today, and who introduced legislation to provide homeownership opportunities for low-income people, be inserted in the RECORD at this point.

There being no objection, the listing of Members was ordered to be printed in the RECORD, as follows:

*H.R. 8822. Mr. Anderson; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8823. Mr. Arends; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8824. Mr. Bell; April 30, 1967 (Banking and Currency).
See Digest of H.R. 8820.

**H.R. 8825. Mr. Betts; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8826. Mr. Biester; April 20, 1967, (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8829. Mr. Broomfield; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8830. Mr. Brotzman; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8831. Mr. Brown of Michigan; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8832. Mr. Brown of Ohio; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8833. Mr. Broyhill of North Carolina; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8838. Mr. Carter; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8839. Mr. Cederberg; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8840. Mr. Chamberlain; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8841. Mr. Don H. Clausen; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8842. Mr. Conable; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8443. Mr. Conte; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8847. Mr. Dellenback; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8848. Mr. Derwinski; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8849. Mr. Duncan; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8851. Mr. Erlenborn; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8852. Mr. Esch; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8853. Mr. Eshleman; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8854. Mr. Findley; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8855. Mr. Frelinghuysen; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8859. Mr. Hammerschmidt; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8860. Mr. Hansen of Idaho; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8862. Mrs. Heckler of Massachusetts; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8863. Mr. Horton; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8864. Mr. Hunt; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8866. Mr. King of New York; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8868. Mr. Laird; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8869. Mr. Latta; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8871. Mr. McClory; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8873. Mr. McDade; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8876. Mr. Mathias of California; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8878. Mr. Mayne; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8880. Mr. Michel; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8881. Mr. Minshall; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8884. Mr. Nelsen; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8885. Mr. Pelly; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8888. Mr. Quie; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8889. Mr. Quillen; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 8890. Mr. Railsback; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8891. Mr. Reid of New York; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8893. Mr. Riegle; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8895. Mr. Rhodes of Arizona; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8896. Mr. Robison; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8897. Mr. Ruppe; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8898. Mr. Sandman; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8900. Mr. Smith of New York; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8901. Mr. Snyder; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8904. Mr. Steiger of Wisconsin; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8906. Mr. Vander Jagt; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8907. Mr. Wampler; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8908. Mr. Whalen; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8909. Mr. Williams of Pennsylvania; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8910. Mr. Wyatt; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 8911. Mr. Wydler; April 20, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 9134. Mr. Andrews of North Dakota; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 9135. Mr. Blackburn; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

* H.R. 9136. Mr. Cleveland; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9139. Mr. Gude; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9140. Mr. Johnson of Pennsylvania; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9124, Mr. Mosher; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9144. Mr. Schneebeli; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9145. Mr. Stanton; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

*H.R. 9147. Mr. Wylie; April 25, 1967 (Banking and Currency).
See Digest of H.R. 8820.

Mr. PERCY. As I have noted with regret on previous occasions, section 107 of the Housing and Urban Development Act of 1968, authorizing a National Homeownership Foundation, was never implemented. In retrospect I think it can be said that a great deal of the mismanagement which has plagued the 235 program could have been avoided if the Board of the Foundation had been appointed in timely fashion and if the Foundation's oversight function, as specified in the law, had been fully implemented.

I think it would not be inappropriate at this point, Mr. President, to indicate that the Senator from Illinois inquired of the White House a few years back why this particular portion of the law had not been implemented, why the board had not been appointed after a number of calls had been made by the then Vice President of the United States to people to get them to accept membership and after the Senator from Illinois had been asked to approach certain people who had indicated a reluctance to take on added responsibilities, and was urged to get them to accept membership on the board. Mr. Ehrlichman advised me, first through my own staff and then directly notified me, that the reason this board was not being appointed and that that particular provision of law was not being implemented was because of the vote of the Senator from Illinois on the ABM.

The Senator from Illinois was stunned at this kind of a response, so much so that I not only wrote a letter confirming this action to Mr. Ehrlichman, but also asked for an immediate meeting with him.

I went to the White House and asked why any appointee of the President would fail to implement a law of Congress and act to appoint a board for oversight of homeownership opportunities for low-income people because of a totally unrelated vote on an ABM system that the Senator from Illinois felt ill-advised, and which subsequent events have certainly indicated to be ill-advised.

It was said to the Senator from Illinois that this was the way the ballgame was played. I was left with only one conclusion: that no matter how you phrased it, that it was the vote on an ABM system that was being taken out of the hide of the poor.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. May I have 2 additional minutes?

The PRESIDING OFFICER. The Senator is recognized for 2 more minutes.

Mr. PERCY. As we know, there have been scores and scores of indictments growing out of grand jury investigations of FHA programs.

As the Appropriations Committee aptly points out in its report, a great deal of the fraud that was involved in this program was not as a result of the type of program that was designed by Congress, but by the mismanagement of the program, the lack of oversight, the lack of responsibility, and the lack of administrative care taken in implementing a program which has otherwise proven highly successful.

Mr. President, my further remarks will support fully the success the program has had despite the fact that its implementation has been dreadful and its management has been chaotic in many respects. Despite those facts, the program and the quality of the program was such that, as is pointed out on pages 6, 7, and 8 in the report before us, better than 350,000 families, incorporating well over 1 million people, are today regularly paying monthly payments to own their own home.

Some 50,000 families originally subsidized under section 235 so that they could become homeowners, have actually gone off the subsidy altogether.

That was the intent and purpose of it, to give people incentive to say that, "Here is a start in life so that you can own something, be a somebody and have something. But our whole purpose is to use this as a carrot so that you can be weaned away from the subsidies, so that you can upgrade yourself, and have the incentive to do so."

Even in the face of this conspicuous failure in implementing the law, the 235 program has been highly successful. Because the future of this program now is a matter for decision in a conference between the Senate and the House on the terms of the Housing and Community Development Act of 1974, I think it would be helpful to my colleagues—especially to the 27 present Members of the Senate and the 66 present Members of the House who cosponsored the National Homeownership Foundation Act—to provide them at this time with an up-to-date report on the benefits of this program.

The program provided homeownership opportunities to 434,000 families to June 1973 since its inception in 1968. With a median income of about $6,500, few of these families could otherwise have enjoyed the benefits of homeownership.

According to HUD's statistics for 1971, the average monthly income of 235 families was $432; the family's share of the monthly mortgage payment was $95 while the average monthly subsidy was $79.

Initial experience with the program indicates, as I noted a moment ago, that a significant percentage of households which start receiving these subsidies earn their way out of them through higher incomes. In one recertification of income for 235 families, 8 percent stopped receiving any subsidy, 65.8 percent received a reduced subsidy, 13.4 percent had no change, and 20.8 percent received a larger subsidy.

"Housing in the Seventies," the comprehensive study commissioned by the Department of Housing and Urban Development attempting to justify the suspension of several housing programs, including section 235, reached the following conclusions about that program:

First. The program enabled a number of low-to-moderate income families who desired to own homes to achieve that objective;

Second. Only a third of all homeowners nationally have incomes below $7,000, but close to two-thirds of all 235 beneficiaries had incomes below that level;

Third. The 235 program provided substantial benefits to recipients. Housing quality, the study estimated, improved by 35 percent and nonhousing expenditures increased by 8 percent.

Fourth. The study did not demonstrate that section 235 housing cost more than comparable privately built units.

The 235 program has also received high marks in other studies. Dr. Anthony Downs, vice-president of the real Estate Research Corp., came to the following conclusion:

> On balance, we believe that both the Section 235 and Section 236 programs are effective instruments for meeting the key objectives of housing subsidies. . . . We believe their basic designs are sound, although some modifications can improve them. The major inadequacies so far encountered in the execution of these programs stemmed mainly from either poor administration by HUD or the inherently higher risks of investing capital in housing for relatively low-income households in relatively deteriorating areas.

During the last 2 or 3 years newspapers and magazines have from time to time given prominent coverage to the real but nonetheless limited cases of fraud and other abuses which have been associated with the 235 program. Seldom did stories of the program's successes find their way into print.

I want to tell you about one successful effort from the city of Chicago.

The Bickerdike Redevelopment Corp. is a nonprofit community housing corporation on the near-northwest side of the city. The corporation was responsible for the building of new single family homes and their sale to the community. These were the first new single family homes built in the community in over 50 years. Most homes were sold to families who qualified for interest subsidies under the 235 program.

From 1970 to 1973, Bickerdike, along with two general contractors, built 65 single family homes. Sixty-three of these were sold under section 235 and two were sold under the 203(b) program.

Seventy percent of the buyers were Latin American. The majority of the families were in the $7,000 to $9,000 income range and most of them had two, three, or four children. Three families have now lived in their homes for over 3 years; 24 families 2 to 3 years, 32 families 1 to 2 years, and 5 families for about a year.

As of February 1974, two of the homes had been turned back to HUD. One was owned by a single woman with adopted children who simply walked away from the property. The other was turned back because the divorced mother of five children died. Two families in danger of foreclosure survived the crisis because of counseling from Bickerdike.

Beside coordinating the development of the homes, arranging financing, and selling them, Bickerdike worked with the buyers so as to help them become knowledgeable homeowners. Meetings were held on insurance, maintenance, and budgeting for home improvements. A homeowners' association was formed to work on common problems, such as high taxes.

I submit, Mr. President, that success stories like this one exist in every part of the Nation. We should not allow ourselves to be swept away by a few reports of failures. I believe the bill we passed here in the Senate in March, S. 3066, amended the program so that we can be confident of even more and greater successes in the future.

I believe the homeownership program for low- and moderate-income families must be retained in the bill currently being worked out in conference.

Mr. President, I ask unanimous consent that a table indicating the distribution of 235 units by States be included in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

State and number insured:	
Alabama	12,994
Alaska	688
Arizona	7,521
Arkansas	6,398
California	31,439
Colorado	6,719
Connecticut	1,019
Delaware	434
District of Columbia	759
Florida	31,361
Georgia	20,397
Hawaii	1,746
Idaho	2,210
Illinois	16,911
Indiana	9,340
Iowa	7,232
Kansas	3,309
Kentucky	9,258
Louisiana	23,010
Maine	927
Maryland	1,655
Massachusetts	4,360
Michigan	20,082
Minnesota	3,220

Mississippi	11, 026
Missouri	6, 096
Montana	1, 652
Nebraska	4, 543
Nevada	5, 980
New Hampshire	1, 098
New Jersey	3, 293
New Mexico	5, 176
New York	4, 364
North Carolina	7, 244
North Dakota	811
Ohio	16, 676
Oklahoma	11, 455
Oregon	6, 326
Pennsylvania	5, 880
Rhode Island	744
South Carolina	16, 571
South Dakota	1, 498
Tennessee	17, 227
Texas	37, 755
Utah	6, 689
Vermont	340
Virginia	3, 777
Washington	13, 751
West Virginia	711
Wisconsin	10, 440
Wyoming	921
Puerto Rico	9, 661
Virgin Islands	0
Guam	129
U.S. Total	434, 814

Mr. PERCY. Mr. President, I ask unanimous consent to have printed in the RECORD the section of the Appropriations Committee's report to which I have referred. because I concur with every statement made in that section.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

TITLE I. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Committee is distressed and deeply concerned by the Administration's action to abandon our nation's historic housing program. In 1949, the Congress declared our policy to provide a decent home in a suitable living environment for every American family.

In 1968, Congress set a housing goal of 2.6 million housing units a year for 10 years of which 600,000 were to be for low and moderate income families.

In January 1973, the Administration froze virtually all new starts for low and moderate income families. Some 17 housing programs or programs closely associated with housing were stopped. Except for units already in the pipelines, programs for low income housing were abandoned, and programs for moderate income housing were abandoned as well. This has resulted in additional families in the lower 40 to 50 percent of American income groups being denied access to public housing or the ability to buy a new home.

Exacerbating this situation, due to exceedingly high interest rates, approximately 70 percent of the American people under private enterprise and conventional housing programs have been unable to purchase new homes.

Instead of a total of 2.6 million housing units a year, the annual rate for the first half of 1974 was about 1.5 million units, or over a million units below the national housing goals promulgated by the Congress.

Homebuyers, builders, thrift institutions, and those associated with the housing industry—furniture, durable goods, heating and cooling, among others—have felt the housing moratorium pinch.

The Committee feels that the Administration has justified its actions for a variety of unsupported reasons. Among other things, it has claimed that the programs were not achieving the goals set by the Congress, but by no stretch of the imagination is that correct.

Public housing, for all its particular difficulties, is highly popular and a badly needed program. The waiting lists are exceedingly long. The vacancy rates are exceedingly low. Thus, it may be concluded that public housing provides better housing to millions of Americans, than they could otherwise afford or are now getting.

The Sections 235 and 236 programs suffered from both HUD management, and actual corruption, rather than from any inherent defects in the programs. In cities with good HUD management, and actual corruption, rather than inherent defects in the programs. In cities with good HUD management, such as Milwaukee, the program was a great success. In cities with rampant corruption among housing officials, it, along with other HUD programs, failed. But the failures in certain cities were not peculiar to Section 235 and 236 and, in fact, these programs were not the main ones affected or which failed, contrary to the opinion of the Department and some judicial mistakes of fact. The Department blamed the programs instead of its own mismanagement. As a consequence of this mismanagement, over 400 indictments have been handed down in housing fraud cases

Over 10 percent of the total defaults in the Section 235 program were in two cities, Seattle and Dallas where there was serious unemployment stemming from cutbacks in the air and space industries. In the State of Wisconsin, 97 percent of those assisted have been successful.

In the country as a whole, HUD studies show that the Section 235 program is actuarially sound. There are now 350,000 Section 235 homeowners making their monthly payments. The actual number of defaults has not exceeded the number anticipated and the insurance reserves have covered anticipated claims. By any measurement, the program has been a major success in attaining the objective of assisting those with incomes well below the national median.

More than two-thirds of those receiving assistance receive lower subsidies each year because their incomes are rising, which was a major aim of the program. Some 50,000 Section 235 homebuyers have gone off subsidy altogether and, in the Committee's opinion, these are distinct measures of program success.

The Department has argued that if not everyone could be subsidized under the program, no one should be subsidized. Evidently, they halted the program out of policy distaste rather than from factual evidence.

We are now awaiting action for new and substitute programs. These were delayed by HUD's failure to finish its studies in a timely fashion and to recommend any program at all until September, 1973.

The Department now wishes to rely entirely on what is called the new Section 23 program, a program of leased housing to replace the conventional public housing program, and Sections 235 and 236.

The Committee feels that it would be a tragic error to take this course. First, Section 23 may not work. Second, if it does work, it could take a very long time to go into effect. Third, even if it works, it may not do two important things, namely, service the kind of low income families that public housing helped, and build in the regions or areas where housing is most needed.

Under Section 23, the builders become the housing managers. It would seem that since they must rent out the units, they will seek the elderly, those without children, and the upper reaches of low and moderate income families.

The large poor families and the very poor families, for whom public housing was such a great program, may well be left out in the cold.

For all these reasons, we should not accept the abandonment of the traditional programs as the price for Section 23. The traditional programs and Section 23 should be implemented concurrently.

Hopefully this will be the result of the legislative conference now taking place between the House and the Senate concerning future housing policy and programs. When the pending legislation is finally agreed to, this Committee will examine the Administration's funding request to carry out the will of the Congress.

Mr. McCLELLAN. Mr. President, I rise to discuss briefly the pending amendment, which I understand is the amendment of the distinguished Senator from Wisconsin. Is my understanding correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. It is an amendment that contains, I believe, some 23 separate and distinct proposals with respect to cuts in the pending bill.

Mr. President, I may state at the beginning of my remarks that I am not primarily concerned about the amount of the cuts that would result, the amount of reduction that would occur, if this amendment were adopted. I think I have been fairly consistent throughout the years in advocating economy in Government. I have repeatedly stood on the floor of the Senate and pointed out that one of the causes—the prime cause, really—for deficit budgets and for increased spending originates and stems from authorization legislation. Appropriations cannot be made unless Congress has authorized the expenditure.

One of our problems—it is a problem to all of us—in trying to meet our responsibilities here is that once a program is authorized, once Congress says this is something that should be done and we authorize it to be done and we authorize the expenditure of such moneys as may be necessary to carry out the program, or we authorize so many million dollars or billion dollars to get the program carried out, then Congress, itself, has put in motion the expenditure when it makes the appropriation.

The issue that comes before the Appropriations Committee, notwithstanding that Congress has directed that this be done, is, shall we refuse to make the appropriation? That is what it often amounts to. Especially is that true if a budget request comes down for it.

I know that we are all concerned, and rightly so. The country is concerned. We are distressed about the fiscal situation that pertains in our Government. We agonize about the economic situation that prevails in this country. Therefore, it does behoove this Congress, as it did the last and the one before, to try to bring down expenditures, certainly within the amount of revenue our Government will take in. In other words, it is our duty to try to achieve a balanced budget; and as to that objective and on that score, I yield to no Senator and to no Representative. I will continue to strive to do that.

As chairman of the Appropriations Committee, I have set in motion and have made an effort to bring about a reduction in expenditures, last year and this year.

Last year, particularly—we can speak

about that, because we got a response—I suggested that each subcommittee weigh the budget, analyze it, particularly the part that that subcommittee had jurisdiction over, and suggest a target, a ceiling, within which it would submit its appropriation request or make approval of the appropriations. In other words, we undertook to set a target in the beginning, each subcommittee, and then we tried to meet that target. We did that, with some measure of success.

The greatest success achieved in that effort was by the defense appropriation subcommittee. The greatest cuts were made there. Some of those savings were lost because other functions of government were appropriated far in excess of the budget, and thus we lost that advantage to some extent. We were not able to reduce as much as we targeted because some appropriations exceeded the budget.

In a way, we are trying again this year, Mr. President. Just what measure of success we will have ultimately, I do not know.

We have a committee system in Congress. Perhaps it is failing. Perhaps the committee system should be abolished. Perhaps we do not need it any more. Perhaps the way to handle these matters is just on the floor of the Senate.

I want to say for the record that I regard myself as a servant, an agent of the Senate, as I serve on the Appropriations Committee, particularly because I serve as chairman of that committee. If I can ascertain what the policy of the Senate is, how it wants to proceed on these appropriation bills, if I can get instruction along that line, I will try to conform. If it were the policy of the Senate to proceed in a way that I simply could not follow, then I would yield my position on that matter—at least temporarily—to someone else, who could defend and undertake to sustain whatever the policy is.

Mr. President, the Appropriations Committee this year, as in the past, has functioned in good faith. The subcommittees have held long hearings. They have marked up the bills and have brought them to the full committee.

Almost without exception, I have deferred to the judgment and recommendations of the subcommittees. Perhaps there have been one or two exceptions, but I do not recall one at the moment. I have generally supported the Appropriations Committee on the floor of the Senate. Perhaps in one or two exceptions I did not.

I do that not because necessarily I always fully agree with what the Appropriations Committee has recommended. But again I point out that unless it is so adverse and so greatly violates my conviction that I simply cannot compromise, I still try to go along, in the interest of orderly procedure, because we do have the committee system, and I do it in an effort to make this system work.

We have a bill before us today. We went through the due process, the procedures that are established by the rules of the Senate, which were followed and adhered to. This bill came before the full committee on recommendation of the subcommittee.

I supported the recommendations of the committee. In fact, there is one item in the bill that I would not have supported that has been called to my attention. But again, I as chairman of the full committee, and the members of that committee are undertaking to cooperate with our leadership to the end that we may, if we can—and we are making every effort to do it—get these appropriations bills finished before the Senate becomes preoccupied with another problem, another issue that will command its continuing attention and occupy its full time until that matter shall have been disposed of.

When we do these things hastily, we do not do as efficient a job as we would like to, with the Government as big as it is and these appropriations as large as they are, with as many items in them as there are. In fact, as I recall, there are some 16 or 18 thousand items in research and development alone—each one of them could stand some examination. All of the items for which we make appropriations run into the hundreds of thousands. It is absolutely impossible to give attention to each one of them.

In the limited time that we have, and in an effort to expedite this matter, one section of the bill was overlooked. It did not come to our attention and was not called to our attention when the matter came to the full committee. Notice only came that morning, when the committee met that afternoon. That is the item to prohibit funds for the CIA.

I mention at this time, Mr. President, that there are no funds in the appropriation bill for the CIA. Only one bill has funds for the CIA. That is the defense appropriations bill.

I do not know if people want to discontinue the CIA. If we want to cast aspersions on it, we can do it in a bill like this. That is our right, if that is the way we want to do it. But I do not think that is necessarily to our credit.

Mr. PROXMIRE. Mr. President, will the Senator yield at that point?

Mr. McCLELLAN. I am glad to yield.

Mr. PROXMIRE. This was put into the committee report, on page 6, and, of course, it is included in the bill. The reason why it was included is that there was information which this Senator received that a number of appropriations bills might have funds for the CIA.

As chairman of the subcommittee, I thought I had a duty to make sure of what was in the appropriations bill on which I was acting. Furthermore, I asked the agency heads under HUD, Space, and Science, when they appeared before the subcommittee, whether they would mind if I put in this provision, and they said they would not.

I have a letter from Mr. Ash of the Office of Management and Budget, in which he states that there are no CIA funds in the bill. It was my very strong feeling that I had a responsibility to the Senate and to the full committee to find out what was in the bill and to make sure that if there were funds for the CIA, those funds would be identified. I felt that the only way I could be certain of that was to make provision in the bill, which the subcommittee approved, and which I regret was not called to the specific attention of the chairman. But, as I say, it appears at two different places in the report, and appears also in the bill itself.

Mr. McCLELLAN. It is not just the chairman; it is the committee. I just represent a committee as its chairman and its agent. It is nothing personal with me and it is nothing personal against me.

Mr. PROXMIRE. I realize that.

Mr. McCLELLAN. I am talking about proper procedures in the Senate, the integrity of the committee system. If there is no money in the bill and the Senator feels that, notwithstanding that fact, provision ought to be made, I am perfectly willing for the committee to pass on it, to decide whether it should be in or not. I am not arguing about that. Had I known that it was in the bill I would certainly have sought to have it discussed and considered—and I apologize for not knowing, but I make no explanation further than the fact that we are so busy and so occupied with these bills—trying to process them, trying to get them out. I would assume that when a chairman of a subcommittee presents his bill, if there is anything in there that he can conceive might be controversial, we would take it up in the full committee and discuss it.

Maybe that is my responsibility, to have these bills checked and scrutinized most carefully before we ever bring them to the full committee for consideration: If that is correct, I must do that. I shall do my best to do it. But I do feel that in a circumstance where we are operating under such stress of pressure and haste to try to meet the conditions that we have daily here, it would have been well for the Senator to mention this to the full committee so that we might consider it.

At any rate, those things happen, and I am not trying to cast any aspersion on the Senator. I am talking now about the integrity of the committee system and what we need to do. That is the purpose, primarily, of my concern at the moment, although I thought I would mention it, Mr. President, before we went into this other aspect.

Mr. President, I wish to talk now about the pending amendment. There is an amendment pending that has been offered by the distinguished Senator from Wisconsin, who is chairman of the subcommittee which handles the bill, and who is also the manager of the bill on the floor. I have a copy of this amendment. I believe this is a correct copy. It contains some 23 separate amendments to items in the bill, striking the items and reducing the amount.

I am advised by the distinguished Senator from Wisconsin that the total, the aggregate of these amounts is about $160 million in round numbers.

Mr. President, I do not quarrel with a further reduction in this bill of that amount, if we are given the opportunity in committee to examine these proposed cuts and take committee action on them. If the committee then does not recommend the cuts, when the bill comes to the floor, of course, the Senate can work its will. But if there are amendments that the committee feels are meritorious, the committee should not be bypassed. It should have an opportunity to consider them.

Mr. President, I ask the distinguished Senator from Wisconsin if these amendments which are offered here today were presented by him to his subcommittee.

Mr. PROXMIRE. I say to the chairman that the amendments I offered to the subcommittee were far deeper than the amendments here. I offered amendments in total of $1.4 billion.

I offered a number of other amendments. We had considerable discussion in the subcommittee meeting.

Mr. McCLELLAN. Were they accepted?

Mr. PROXMIRE. Some of the recommendations of the chairman and the ranking member were accepted and some were rejected. Some of these amendments were offered in the subcommittee. Many of them were not offered in the subcommittee.

Mr. McCLELLAN. If they were accepted in the subcommittee, why did they not appear in the Senator's report on the bill?

Mr. PROXMIRE. I say to the Senator that some of the amendments that I brought up in the subcommittee were rejected, and those amendments that were rejected, in some cases, are offered here. I am not saying that any of the amendments that were accepted are here.

Mr. McCLELLAN. Will the Senator identify them for the record when he has the floor directly? I would like to know which ones were considered there.

I ask the Senator, were any of these particular amendments presented to the full committee?

Mr. PROXMIRE. The NSF, HUD, NASA—we are going to identify the ones that were presented to the subcommittee.

In the full committee, we had some eight or nine specific amendments that were offered. I think the Senator will remember that. They were voted on en bloc. We had two or three series of two or three amendments each referring to NASA voted en bloc; some of them are included here. We had one referring to the National Science Foundation, and then three, I think, referring to HUD. We will be happy to identify those at a later time.

Mr. McCLELLAN. Were they presented just as they are presented here?

Mr. PROXMIRE. No, they were presented in somewhat different form.

Mr. McCLELLAN. They were presented in different form.

Mr. President, this is the point I want to make, and I do not want to belabor it. If the committee system is to function with integrity and efficiency, it must have the opportunity—and the Senate, I think, should want it to have the opportunity—to screen proposed cuts or proposed amendments—not only cuts, but amendments that offer to increase the amount of the bill. We have that experience, too, Mr. President; we come to the floor sometimes, without the evidence having been presented to the Appropriations Committee for consideration, and often without having any evidence presented, with offers to increase by a large amount.

Every Senator has the right, on this floor, to offer any amendment he wants to. I concede that right. I defend that right. I would do it myself if I felt a strong enough conviction. But I think I would undertake, especially before the Appropriations Committee—and I am the chairman of that committee—to have the issue clearly presented to the committee, and give them an opportunity to reject it on its merits, or for some other reason, if there was reason for rejecting it, or to approve it, as the case may be.

Mr. President, I compliment the Senator to this extent: This amendment is a marked improvement, in my judgment, over the one offered, I believe last Friday, to the Department of Transportation bill, with a 3.5 percent cut across the board. This, in my judgment, is the way to do it.

And I might say, Mr. President, that I have no doubt that upon these amendments being presented and discussed, I will find some of them that I shall want to support; because I want to cut, if we can, this budget and appropriation in every way we can do so consistently and where it represents the best interests of our country.

I do not like, as I said the other day, the meat-ax approach which is presented across the board. Someone suggested a while ago that maybe we ought to establish that precedent here, so we will all know that we are going to cut them percentagewise across the board.

But what would that do to the committee system, Mr. President? If that is what we are establishing here, we need to know it; but what does it do to the committee system?

If I were handling a committee and I did not want my projects cut much, I would not do any cutting on them in the committee; I would wait and let them get their 3-percent cut up here, if they were going to get it. And some could well increase their amounts, Mr. President, anticipating that they would get a 3-percent cut.

I do not think a 3-percent cut, as such, as a firm and fixed formula, is necessarily the best way to do it. But if we are going to do that, let us take, for example, the Defense bill. It is yet to come up. My distinguished friend here is a member of the Armed Services Committee.

We hear demands here on the floor sometimes, "Cut it $10 billion." Maybe it can stand that; maybe it cannot. But whatever percentage it would be—8½ percent would cut it $10 billion, or 12 percent, or whatever it is that would make a cut of $10 billion—I think it ought to be considered before we slash that way. I do not know what it would come out of.

I do not think that is the way to do it. Let me point this out: I think I can say without any qualification—though I cannot absolutely guarantee it, as everyone knows—speaking of what I think the attitude and disposition of the subcommittee handling the defense bill is, I think it will be cut, if we are left to the selective cutting process, by more than 3½ percent. We did a pretty good job last year of cutting beyond that. I think we can do it again. We are going to try, and I think we will succeed.

But I might say, if this practice is going to be established, to do away with the committee consideration of these things on their merits and let the bill come to the floor, as they work it, and take items that seem to be too much and reduce them, or items that seem to be not enough and increase them, I hope we do not establish a precedent where every time a bill comes up here, we are going to cut it 3½ percent, because anyone who wanted to be sure he got about what he wanted could increase his appropriation, and then come to the floor, receive the cut, and he would have lost practically nothing; whereas another subcommittee, working faithfully and diligently, and examining the items and making reductions on the basis of merit and on the basis of priorities as they see them, would be terribly penalized. So would the function of the department or agency, and so would the service to be performed, and those who benefit from it, if we are to follow that procedure.

I do not think the emergency is such today that we cannot make reductions to bring these appropriations within the revenues, and thus avoid a deficit. I do not believe there is a situation where we cannot function responsibly in that fashion. Maybe we have lost that ability. Maybe we will not face our responsibilities, but I believe we will. I do not believe the process of a 3-percent cut, as such, is really facing up to the issue.

I hope that we will get some order and some orderly process established here, or reestablished, so that we will know what to do when we try to work on appropriation bills, and we will be able to feel that the efforts of the subcommittees and the full committees are going to be respected, and then weighed and examined, rather than just, in effect, discarding the committee's work and saying, "We are going to cut across the board."

Mr. President, in view of the situation, I want to find out, and I think this will give us a pretty good idea, about how the Senate wants to proceed. I intend to move—others may have discussed it—to recommit the bill to the Appropriations Committee so that we will have the opportunity to discuss these proposed amendments, weigh them, and again report the bill out with the recommendations of the committee.

I yield to the distinguished Senator.

Mr. PROXMIRE. The Senator from Nevada.

Mr. BIBLE. I want to make a brief statement.

Mr. McCLELLAN. I yield.

Mr. BIBLE. I just wanted to make a brief observation. I want to associate myself with what the distinguished chairman of our committee is saying, and I shall support him right down the line.

I hope the motion to recommit it to the committee is agreed to so that we can study these new amendments. They are new to me, and they may be well taken. I have not had the opportunity of looking at them.

I am privileged to handle the Interior Appropriation bill, and that is supposed to be calendared for action on the floor on Wednesday afternoon.

We heard from I do not know how many Senators, but they had 182 amendments. Every one of them was an amendment to add dollars. There was not a single amendment to take any dollars away.

I hope the proponents and leaders in this effort to cut back—and I am sure they are going to make an attack on the Interior bill as well, I do not know why but I think they might do it—will be specific and designate whose projects we take the money out of. That is what I would like to have them do, whether they come from Florida or Georgia or wherever, Wisconsin or Kansas, wherever they might come from, and I would hope they would specify which projects we should take it out of, whichever State they want to take it out of, and I will be happy to oblige. But I hope they are specific when we come to consider this problem on Wednesday, I believe. I think that is the day the leader is attempting to calendar it.

I thank the Senator for yielding. I have a very important appointment this afternoon and I must keep it.

Mr. McCLELLAN. I wish to observe, as chairman of the Appropriations Committee, nearly all of the letters—it is unusual when we get one wanting us to cut one, although we do get some of them—most of them are to increase, and the Senators who write and ask us to increase sometimes are the ones who are voting for these across-the-board cuts and so forth. It is difficult for us to operate, as I say, intelligently, efficiently, and conscientiously where we do not know and we are not privileged to know what the rules are going to be and how, when, they are going to change and be changed.

I want to say this before I conclude: I said in the beginning this is not personal, and it is not, that every Senator is entitled to vote his conscience and his conviction, and I am not pleading today for myself as chairman of the Appropriations Committee; I am pleading for each Senator here, for the people he represents, to maintain and to make operate a system that has been tried and tested and proven over 190 years that we have had this Government. Sure, it is not perfect. But amend the rules if changes must be made.

I hope we will understand that it makes no personal difference to me if we cut this bill 3 percent or 30 percent except insofar as what is best for our country. I will feel the same way when we have the defense appropriation bill up here. Do what is best for the country, and if it takes a 3-percent cut or a 5-percent cut, if the Senators will single out the items where they ought to be cut, keep those that have a priority, that deserve the full financing and reduce the others, I will be satisfied.

I am not insisting on budget appropriations. I am not only willing to cut, but I am cutting. But we need cooperation, we need the Senate's understanding, and if we are not going to recognize the work of our committees then, of course, the only alternative is to do it here on the floor. I know that the great masses of the American people want this budget cut, and they want a balanced budget, and I am willing to work with my colleagues to that end, and if we do not get it the first round—that is where we have this Budget Committee, and I hope it works; I have some doubt about it—we will make some further cuts until we do get it. We can pass a resolution after these bills are all in, weigh it, and make certain then that we treat everything alike, treat them all fairly, and let them take their reductions where they may, if we do not achieve it by the due process long established and long practiced and now followed, undertaken to be followed by those to whom we have entrusted the responsibility as our representatives and as our agents.

I yield to the distinguished Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG. I am in favor of this new economy move in the Senate. For years now for every amendment offered to cut an appropriation bill on the Senate floor that have been 10 offered to increase it. This is with the exception of Defense appropriation bills. I have seen amendment after amendment offered on the Labor HEW bill that raised the bill by as much as one-half billion dollars. This increasing appropriation bill has been going on for years, so I welcome this new economy move.

I am willing to cut $160 million or more if the subcommittee chairman recommends it. In fact, I voted in the committee to—there was only one motion offered, as I recall to cut $43.3 million.

I would like to have this inserted in the RECORD, Mr. President.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RECOMMENDED CUTS BY SENATOR PROXMIRE IN SUBCOMMITTEE

NASA	
(In millions)	
Research and Development	$12.8
Construction of Facilities	5.0
Research and Program Management	1.0
Total	18.8
NSF	8.2
HUD	
Comprehensive Planning Grants	10.0
Research and Technology	5.0
Salaries—Research and Technology	1.320
Total	16.320
Grand total	43.3

Mr. YOUNG. Mr. President, I am for this bigger cut. I am willing to make a bigger cut, $200 million, if necessary. But I believe it should be on an item-by-item basis.

This business of going to conference with the House with a "meat-ax" cut of 3 percent or 5 percent causes the Senate to lose all of its bargaining power with the House. The Senate usually accepts most of the House add-ons, particularly on projects, if they are meritorious, and we add on some of our own and make other sizable cuts.

On a "meat-ax" approach, a percentage cut, we lose practically all bargaining power with the House because, first, either we have to persuade them to accept our percentage cut or else subject ourselves to other cuts, mostly imposed by the House.

It is difficult to explain this conference procedure unless a Senator has served on a conference committee with the House at one time or another.

I know there are many of these programs that can be cut, but it would be a serious mistake if we followed this percentage cut route. On Defense Appropriations we will probably cut over $4 billion this year. If another 5 or 10 percent were made on the floor of the Senate it would cripple the Defense Department. For those who have not listened to the hearings—and most of the Senators have not listened to the hearings, we could do serious harm not only to the Defense Department but most other departments of Government.

The committee chairman and the ranking member, oftentimes many of the other committee members, sit for months listening to the testimony of the various departments.

We know better where cuts can be made and where they cannot be made. If more amendments had been offered in the full committee to cut this budget or this bill further I would have voted for it. As I said before, I am willing to cut $160 million or more, but it should be by the Appropriations Committee item by item, or if there are those who want to do it item by item on the Senate floor there is nothing wrong about that. But this percentage cut business is just not the right way of doing things.

It reduces respectability, and even the effectiveness, of the Senate Appropriations Committee to handle bills in this way. At least Members supporting this kind of move ought to tell the Senate Appropriations Committee how much they want to cut, and offer some suggestion as to where to cut.

Mr. McCLELLAN. Will the Senator yield at that point?

Mr. YOUNG. Yes.

Mr. McCLELLAN. Every Senator was invited to come before the Appropriations Committee and make suggestions where he thought it could be cut, every one. This was done twice, once before the Defense Appropriations Subcommittee and once before the full committee, and we set aside days for it, so no one can say he was denied an opportunity to present his views.

Mr. YOUNG. May I say, in closing, I will support the motion by the distinguished chairman of the committee. I would say once again I welcome the economy move. I wish it had happened several years ago because we, in the Senate Appropriations Committee, have been defeated on the floor year after year in almost every appropriation bill except defense. But they always bring them up, and I do not know of a single bill—very few, at least—that were not raised by the Senate itself.

I yield the floor.

Mr. STENNIS. Mr. President, I will be quite brief in what I have to say.

I think we have reached a point already, Mr. President, where our committee system is being seriously jeopardized.

Now I think every major appropriation bill should be examined by those who are familiar with the staff and the Members of this body, that are familiar with the subject matter, and then a bill brought back to the membership with definite recommendations. That is a part of the Senate committee system.

As a whole, it has worked most admirably. The committee must have a chairman, we will not have any effective commitee unless we have a chairman that is effective and really works on it and comes here prepared; also a minority member, so-called ranking minority member, who has the same qualifications and the willingness to work; then come here and every member of that full committee, especially if he had a chance to get into the bill, generally ought to back that committee or get off it.

If he cannot take the heat, just get out of the kitchen on that particular assignment, because to be effective, and as a whole the appropriations committees have been effective in holding things down, they have to work together, and then they have to stand together.

There are exceptions to that from time to time, legitimate, but as a whole if we do not have a system that is positive and definite and willing to fight and the membership filled in, we are not going to be very effective here.

I remember in my very earliest days here, these two men that are now our senior members of this committee, both of them, spent long hours of hard work. Some of my earliest recollections of the Senate when I was just an ex officio member of one subcommittee was the Senator from Arkansas bearing down and talking about a dollar in value for every dollar spent. He did not say some dollars, every dollar. He was very effective in committeeing on this floor, as has been the Senator from North Dakota.

Now, let us not let this matter fall apart.

I am not making an odious comparison. The Senator from Wisconsin is one of the most working men we have in this body and he is effective, too. He knows that I believe that about him, I have told him many times. We are often on opposite sides, but we can do business with each other and have done it many times over, so I am not trying to give him any lecture, nothing except compliments. I think there are some errors in judgment here, but in good faith about this great number of amendments.

I have the privilege of being on this subcommittee. My plea here is if the chairman makes this motion to send this bill back to the committee, I hope the body will just rise up and say, we welcome this, we welcome the disposition of that kind, and I hope the chairman of the subcommittee would agree to it and let us see if we cannot get together, a little better understanding, much better understanding. We are wandering off, splitting up, and we are going to hurt the Senate and hurt the questions we represent as a whole.

I welcome a fight over these bills. I have been in trouble ever since I became chairman of the Armed Services Committee. It is hard, long work to get a bill through here with reference to the authorization. I do not run from it, but I try to be patient and then come back with appropriations. Tackle them, tackle them again. That is what I call a sound legislative process.

I hope we will not have to pass on amendments here that we have not had a chance to really weigh the impact of, some 32 different items in one amendment here.

The Senator from Wisconsin knows all about what it means. I know some of them because I was in part of the markup, but my plea here is for the committee system and the committee work that has been done this year.

All this work now has been going on since January and if we are going to drop the idea of having the committee, there is no end to it. To just come up and vote for a figure or a percentage reduction, that is another way, but let us utilize the work that has been done on these bills this year and further let the committee have a chance to take a look at this bill.

I have taken too much time already, Mr. President. I yield the floor.

The PRESIDING OFFICER. The question is on the amendment.

Mr. McCLELLAN. Mr. President, if the Senator suggests it, would like to have me submit the motion to recommit before he speaks, I send the motion to the desk and ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

I move to recommit H.R. 15572, together with the pending amendment thereto and any proposed amendments thereto at the desk, for further consideration by the committee.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Will this motion to recommit permit the committee in reconsidering the bill to consider all aspects of it, including amendments that were reported out in the bill by the subcommittee and by the full committee, together with all amendments now pending at the desk?

The PRESIDING OFFICER. That would all be before the committee.

Mr. McCLELLAN. Then what I am asking is just to send it all to the committee and let us try to work it out.

Mr. PROXMIRE. Mr. President, I think we have had a very useful debate here, and I think, as the Senator from Arkansas, the distinguished chairman of the Appropriations Committee, pointed out, all of us are anxious to reduce this burden on the taxpayer, this inflationary Federal spending.

There is very little difference in the attitude of the people in the country or in the Senate on this. It is simply a matter of how we proceed.

I think the Senator from Mississippi, as well as the Senator from Arkansas, made some very proper and appropriate points about how the committees are to function.

I realize how disappointed they are when the subcommittee chairman comes to the floor and proposes an amendment affecting his own appropriation.

Mr. President, this is not the first time this has been done. I recall a very fine Senator from Louisiana (Mr. ELLENDER) who used to do that frequently on foreign aid, and I would support him.

I do not know what a Senator is supposed to do when he, as a subcommittee chairman, is likely to be well informed on what is in the bill. I was the only Senator who sat through every single minute of the hearings, I heard the entire record, and I think I am in a strong position to suggest changes that should be made. I made a fight in the subcommittee, and I lost. I wanted to cut $1.4 billion of the relatively small amount here, $1.4 billion out, and I missed. I was defeated. A fight was made by Senator HOLLINGS in the full committee. I cosponsored his amendments.

I send to the desk a copy of the various amendments. There were three motions made by Senator HOLLINGS affecting seven items.

It is true all these amendments were not offered. Every one of them was defeated. Under those circumstances, I felt it was futile to suggest further cuts in the full committee.

Mr. President, I think that we have a situation in the subcommittee, let us face it, and in the full committee, in which members, for example, of NASA of the Space Committee, are ex officio members of the subcommittee and the full committee for the purposes of voting on this.

Under those circumstances, it is just impossible to cut the space budget in the committee. You cannot do it. I think you might be able to do it on the floor, to a very limited or modest extent, and that is what I am trying to do. What I have done, as the Senator from Arkansas has conceded, is not to make an across-the-board cut in every single item. We have exempted a number of items. We have exempted veterans' benefits; we have exempted the medical care for veterans; we have exempted all the uncontrollable and fixed expenses that we obviously cannot cut and in most cases should not try to cut.

What we have done is, we have specified a series, as the Senator from Mississippi said, of 31 separate amendments. Now the full committee has indicated that they want to consider these amendments, and I believe they are right. I believe this bill should be recommitted, and I will support its recommittal.

Mr. President, I send to the desk an amendment which modifies the motion of the Senator from Arkansas, and ask the clerk that it be stated.

The PRESIDING OFFICER. The amendment modifying the motion of the Senator from Arkansas will be stated.

The legislative clerk read as follows:

At the end of the motion of Mr. McCLELLAN, insert the following: "and to make reductions in the amount of at least $3,000,000,000."

Mr. PROXMIRE. Mr. President, the reason I make that $300 million is I think there has been a great deal of sentiment expressed by Senators on the floor on both sides of the aisle that there should be a cut of $160 million below the Appropriations Committee figure. There is already a reduction below the House bill of $140 million. This additional $160 million, which many Senators support, with a large number of cosponsors on it, would make it a $300 million reduction below the House. This would leave the Appropriations Committee free to make those reductions wherever they choose to make them. I think the sentiment of the Senate is to make a cut.

I think also the sentiment of the Senate may very well be to leave where that cut is made to the Appropriations Committee. It seems to me that this should be an amendment which the Senate would support. I would hope that the distinguished chairman of the Appropriations Committee, who has made the motion to recommit, can find his way clear to support this amendment.

Mr. McCLELLAN. Will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. McCLELLAN. The $300 million reduction that the Senator's amendment proposes, is that in addition to the bill as it was reported out?

Mr. PROXMIRE. No. There is a $140 million reduction in the bill as reported out. This would add $160 million to that. So it would be in accordance with the amount suggested by the Senator from Wisconsin, but the committee would be free to make those cuts anywhere they wish to and further cuts if they wanted to do so.

Mr. McCLELLAN. Mr. President I have no serious objection to it, if it is the will of the Senate that they want the bill cut this much. I think there may be some items that may get cut that Senators will have to make some adjustments about when the bill gets back up here.

I may say to the Senator that he may recall one of these amendments. There were three amendments offered in the full committee. One of them totaled $18.8 million. I voted against that one.

Another one was for $8.2 million. I voted against that one.

Another one was for $16,320,000, and I voted for that one.

I am willing to vote for some of these amendments. All I am fighting for here today is the opportunity for the committee established by this Congress to look at these things, weigh them, evaluate them, and make its recommendations. Then you may take it or leave it, according to your judgment and discretion. That is all we are asking for.

If the Senate wants to put a limit of $300 million, or make that the minimum, that it has to be reduced that much, that is your privilege. I am not here making a fight against it, if that is what you want to do.

I have fought for the principle of letting the committee look at these proposed amendments so that we can keep an orderly system of procedure and observe rules that make for an orderly procedure in the handling of these bills.

I am not going to argue one way or the other about the $300 million if the Senate wants to do it. I may vote against it, but I am not voting against it on the basis of making it a vital issue.

I think the committee may very well weight them. I do not know whether the committee will come up with that much or not. That is how much of the Senator's amendment that he has offered here today?

Mr. PROXMIRE. That would be precisely the amount.

Mr. McCLELLAN. Precisely the amount?

Mr. PROXMIRE. Yes, that is right. The committee can go higher than that if it wishes to do so, of course.

Mr. McCLELLAN. I think there ought to be some discretion left. I do not think we have gotten to the point yet where we have to put a limit on this. If we are going to put a limit on this, we ought to put one on every bill.

Mr. PROXMIRE. May I explain to the Senator why I wanted to do that? Otherwise, we come back to the floor and we go through the same problem again. The Senator from Wisconsin will feel once again, and I feel very strongly, that we should recommend a bill that is in accordance with the actions taken by the Senate to make a $10 billion reduction in the overall budget. I think this kind of a cut would be consistent with that. Otherwise we come back to the floor.

Say the Appropriations Committee, instead of cutting $160 million, cuts $100 million. I would be constrained to support, perhaps to offer, an amendment to cut another $60 million. We would be right back saying that on the floor the Senators do not have the information, the Senators are not well informed. So this tells the committee that the feeling of the Senate is that we should make this kind of reduction, and then leave it to the committee to be specific as to where it should be done.

Mr. McCLELLAN. I may say this: I am not going to make a committal here to bind the committee. I cannot speak for the committee on that. I will vote against the Senator's amendment. I will do everything in my power, and I think in this way I can speak for the committee, to see that every member of the committee gives every consideration to each proposal and weighs it and, consistent with its purpose, to try to reach a balanced budget and will then vote accordingly. I think it will do that. I have confidence in the committee. I do not believe just arbitrarily it will disregard its responsibility.

But are you going to put a ceiling on here and make this committee proceed? I have the Defense Appropriations, and you might want to do the same thing there; you may want to do the same thing on the bill coming up Wednesday, the Interior Department appropriations, and others. Let us get a system here and follow it. Do not just single out one bill and do something to it that you do not do to all of them.

Mr. PROXMIRE. May I say what I am proposing is that the committee has to cut at least $160 million. It can be higher than that.

Mr. STENNIS. Will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. STENNIS. What was the total amount of all the different clauses and page changes in the Senator's amendment which he has already offered?

Mr. PROXMIRE. $160 million.

Mr. STENNIS. In the two sheets of paper?

Mr. PROXMIRE. That is right. The 31 items add up to $160 million.

Mr. STENNIS. The 31 items add up to $160 million?

Mr. PROXMIRE. That is correct.

Mr. STENNIS. And if this bill is referred back to the committee, of course, the Senator from Wisconsin will be chairman of the subcommittee that will continue to represent the bill before the full committee.

To that extent he will be the No. 1 man and have charge of it.

That is the way we want it to be, and that will be true, of course.

Does the Senator not think that with that position of advantage and, in part, control, and in view of the debate that we have had here if we could have a unanimous action in the Senate to send it back, that that will give the Senator from Wisconsin a chance, and every other member of the committee a chance, to handle the situation in such a way that they can come back here and represent a good, hard judgment of that committee? That is what the committee is for.

This is just another way of making an across-the-board cut, before we have looked into it further. It seems to me, with all due deference, to mandate this amount as a minimum.

Give the committee a little more respect for discretion and consideration, particularly when you are going to be the No. 1 man of action when the bill comes up again. Then if you feel like you should move further in this direction, for one I will have nothing to say.

In mandating this matter at this point, can you not see a disposition in the committee to reconsider the bill?

I respectfully urge that it would be a sound move for the Senate to reconsider and not put a mandate on it. We will all go down together, lock-step here, trying to work out something that is nearer your ideas.

Mr. PROXMIRE. The Senator from Mississippi has always presented a very thoughtful and reasonable position. I think the committee would be guided, and should be guided, by the view of the whole Senate.

We are just an agent of the Senate. That is what the committee is. Otherwise, we are going to come back, it seems to me, if we come back with less than a $160 million cut, and there will be efforts on the floor to make that cut.

I think the committee is in a better position to inform the full Senate as to how we can cut that much. If the Senate decides that it does not want to cut $160 million, that it wants to leave it open to the committee to cut more or less and leave that discretion, it is free to do it.

Under the circumstances, Mr. President, I ask for the yeas and nays on my motion to instruct.

The yeas and nays were ordered.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. McCLELLAN. Mr. President, I ask for the yeas and nays on my motion to recommit.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. What is the first vote?

The PRESIDING OFFICER. On the amendment of the Senator from Wisconsin to the motion of the Senator from Arkansas.

Mr. DOMENICI. I thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE), and the Senator from Rhode Island (Mr. PELL) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. HUDDLESTON) would vote "yea."

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PELL), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. FANNIN), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I also announce that the Senator from Alaska (Mr. STEVENS) is absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK) would vote "yea."

The result was announced—yeas 27, nays 49, as follows:

[No. 351 Leg.]

YEAS—27

Bartlett
Bentsen
Biden
Brock
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Clark
Dole
Fulbright
Goldwater
Hollings
Hughes
Johnston
Kennedy
McClure
McGovern
McIntyre
Metzenbaum
Nelson
Nunn
Proxmire
Randolph
Schweiker
Scott,
William L.
Symington

NAYS—49

Abourezk
Allen
Beall
Bennett
Bible
Brooke
Buckley
Burdick
Case
Cotton
Cranston
Curtis
Domenici
Dominick
Eastland
Ervin
Fong
Griffin
Gurney
Hansen
Hatfield
Hathaway
Helms
Hruska
Inouye
Jackson
Magnuson
Mansfield
McClellan
McGee
Montoya
Moss
Pastore
Pearson
Percy
Ribicoff
Roth
Scott, Hugh
Sparkman
Stafford
Stennis
Stevenson
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NOT VOTING—24

Aiken
Baker
Bayh
Bellmon
Church
Cook
Eagleton
Fannin
Gravel
Hart
Hartke
Haskell
Huddleston
Humphrey
Javits
Long
Mathias
Metcalf
Mondale
Muskie
Packwood
Pell
Stevens
Tunney

So Mr. PROXMIRE's amendment was rejected.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, the Senate has made it clear that it does not want to instruct the Committee on Appropriations. I have served in the Appropriations Committee now for 10 years. I shall be very, very surprised if the Committee on Appropirations, under these circumstances, comes back with anything like the 3-percent cut which I think is the sentiment of the Senate.

I want to make it absolutely clear that when the appropriations bill comes back with a lesser cut than that, I intend to fight and fight to the very best of my ability for at least a $160 million deduction.

Mr. PASTORE. Will the Senator yield?

Mr. PROXMIRE. I will not yield for a minute.

I wish to make it clear that under those circumstances, Mr. President, I shall be willing to step aside and let the Senator from Rhode Island (Mr. PASTORE) or any other member of the committee handle the bill if he wishes to do it, or if that is the way the committee wants to do it.

But I will not do it simply because the Senator from Rhode Island alone asks me to do it, but if a majority of the Committee on Appropriations votes to require me to step aside I would do so. I sat in on every minute of hearings before this subcommittee. The Senator from Rhode Island has not heard any of the record at all. I know he can read fast; perhaps he will read it.

But I think I am in the best position, Mr. President, to discuss this particular bill. I have heard the hearings in detail. I hope the Committee on Appropriations will give me an opportunity to handle the bill when it comes back.

If they do not I will assume they do not want me to handle the bill because they are not interested in cutting it deeply.

Mr. PASTORE. Mr. President, I want the Senate to understand that I am as much of a budget-cutter as anybody else, but I am not a headline-grabber and I do not want to be a tinhorn hero, either.

We stayed on that committee and we marked up this bill. The fact of the matter is that, after the committee had made a decision, we came out on the floor and the manager of the bill has his own idea about where he is going to cut some more money. All we are asking is that we go back to the committee. That is the purpose of the motion to recommit. And we will study these cuts as they should be studied, by the full committee and not by one man, who is going to dictate what the Committee on Appropriations is going to do.

I am ready to vote.

The PRESIDING OFFICER (Mr. HATHAWAY). The question is on agreeing to the motion to recommit of the Senator from Arkansas (Mr. McCLELLAN). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Maine (Mr. MUSKIE) and the Senator from Rhode Island (Mr. PELL) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Rhode Island (Mr. PELL), and the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. FANNIN), the Senator from New York (Mr. JAVITS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I also announce that the Senator from Alaska (Mr. STEVENS) is absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. COOK) would vote "yea."

The result was announced—yeas 74, nays 2, as follows:

[No. 352 Leg.]

YEAS—74

Allen
Bartlett
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Hathaway
Helms
Hollings
Hruska
Hughes
Inouye
Jackson
Johnston
Kennedy
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metzenbaum
Montoya
Moss
Nelson
Nunn
Pastore
Pearson
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—2

Abourezk
Fulbright

NOT VOTING—24

Aiken
Baker
Bayh
Bellmon
Church
Cook
Eagleton
Fannin
Gravel
Hart
Hartke
Haskell
Huddleston
Humphrey
Javits
Long
Mathias
Metcalf
Mondale
Muskie
Packwood
Pell
Stevens
Tunney

So the motion to recommit was agreed to.

The PRESIDING OFFICER. The Senate will be in order.

ADJOURNMENT TO 11:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS McGOVERN, BENTSEN, MANSFIELD, AND ROBERT C. BYRD

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, the following Senators be recognized for not to exceed 15 minutes, and in the order stated: Mr. McGovern, Mr. Bentsen, Mr. Mansfield, and Mr. Robert C. Byrd.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Senators on tomorrow, under the order previously entered, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO CALL UP H.R. 14715—WHITE HOUSE EMPLOYMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on tomorrow, after the conclusion of routine morning business, the conference report on H.R. 14715, White House employment, be called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I understand following the consent order previously entered concerning the conference report which was to be taken up tomorrow, that the papers accompanying the conference report are not in the Senate, and that there is a question as to whether or not the House will have acted first by the time tomorrow that the Senate was to have proceeded to the consideration of that conference report.

I therefore ask unanimous consent that following the routine morning business on tomorrow, the Senator from Wyoming (Mr. McGee) be recognized to call up that conference report, and that in the event he is not prepared to do so at that time, the Senate resume consideration of the unfinished business, S. 707, the consumer protection bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with statements limited to 15 minutes therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

INFLATION: THE BURDEN AND THE CHALLENGE

Mr. HARRY F. BYRD, Jr. Mr. President, the United States has had its first year of double-digit inflation, and no relief is in sight.

Consumer prices are rising at an annual rate of 10 percent.

Personal income rose $97 billion in paper dollars during the year ending April 30, but in real income, the American worker is 4.6 percent worse off than a year ago.

These are staggering figures, but inflation is not a new concern for the Senator from Virginia.

On January 8, 1970, in a speech before the Richmond Chamber of Commerce, I said:

My concern with government fiscal affairs is dictated not so much by a bookkeeper's wish for a neat set of figures as by a concern about what Government spending means to the average American citizen.

Vast, unchecked spending programs feed the inflation that deducts from the paycheck of every American worker.

Today, 4½ years later, my concern about inflation has turned to alarm.

In recent weeks I have had the opportunity to discuss the inflation problem with a number of distinguished economists, and I have made it a point to study the observations of other experts.

While of course several points of view have been expressed, I find that a number of the economists are coming to agree with me on at least a few key points:

First, massive deficits in the Federal budget are the chief cause of inflation.

Second, pious rhetoric will not shave a single point from the Consumer Price Index.

Third, given the key role of the Federal budget, and the urgent need for action, it is imperative that Congress and the President work together to cut Government spending.

I have long been convinced that we will make no significant progress in conquering inflation in the economy as a whole until we get Government spending under control.

Not only does Government spending play a major part in the strictly economic side of inflation, but it also has a tremendous impact on the thinking of the people—what has been called "inflationary psychology."

Put it this way:

It is not realistic to ask the people to pinch pennies while the Government plays Diamond Jim Brady.

And the Government must act soon. The principal reason why this is so essential is that inflation has rooted itself so deeply.

Inflation has come to feed on itself: the expectation that prices will continue to rise artificially spurs demand, strains capacity and forces prices still higher.

Every American knows prices are soaring. But not everyone understands how widespread are the ravages of inflation.

Let us look at what is happening in the money market. To do that, we have to look first at the national debt.

The huge deficits which the Government has been running have pushed the national debt up to $475 billion. It will pass the half-trillion-dollar mark in less than a year.

The interest on the debt during the fiscal year that ended June 30 was $29 billion. It took 17 cents of every individual and corporate income tax dollar just to pay the interest on the public debt.

In this situation, the Government must go into the money market—massively and frequently. In fact, 62 percent of all funds available for lending is borrowed by the Federal Government.

During the 8-month period from November 1, 1973, to June 30, 1974, for example, the Treasury issued securities totaling $42 billion. Government agencies and Government-sponsored agencies borrowed another $29 billion, for a total of $71 billion.

The impact of this kind of borrowing is enormous. Certainly it made $71 billion unavailable to most of the private sector, and it played a major role in forcing the prime interest rate up to 12 percent.

The scarcity of money and the high prevailing interest rates are serious matters for each citizen when he tries to get funds to buy a house or make any other major purchases involving borrowing.

Government borrowing also intensifies the competitive scramble for funds by corporations seeking to meet soaring demand with increased capacity. Business finds capital expensive and hard to get.

One result of this scramble for money is that some planned expansions of capacity are postponed or abandoned. And naturally that means that an inflationary excess of demand over supply is continued and exacerbated.

The result is the classic result. Prices go up. And up. And up.

Never before in the history of the United States have we had such deficits in peacetime. The only deficits comparable to those we have been running since 1970 are those of World War II, when we had 12 million men under arms and were fighting in both Europe and the Pacific.

This kind of deficit spending cannot be sustained. If continued, it will destroy the economy of this Nation.

Now let us ask, "What is the Government doing to curb inflation?"

A short answer is: Very little.

The Congress is not being helpful. In its first action on a major regular appropriation bill this year, the Senate has just raised spending for agriculture, consumer protection and the environment by 29 percent over last year.

That bill included an increase of $1 billion from $3 billion to $4 billion—for food stamps, a program which has increased a hundredfold in cost since its inception in 1966.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing annual food stamp expenditures for fiscal years 1965 through 1975, inclusive.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ANNUAL FOOD STAMP EXPENDITURES FOR FISCAL YEARS 1965 THROUGH 1975, INCLUSIVE (PREPARED FOR U.S. SENATOR HARRY F. BYRD, JR., OF VIRGINIA)

Year and actual expenditures:

1965	34.4
1966	69.5
1967	114.1
1968	184.7
1969	247.8
1970	576.8
1971	1,567.8
1972	1,909.2
1973	2,207.5
1974 (estimate)	2,992.4
1975 (estimate)	3,926.5
Total figures	13,830.7

It will now cost more just to run the program ($34.5 million), than the whole program cost when it began ($34.4 million.)

Mr. HARRY F. BYRD, JR. Mr. President, the agriculture bill included many worthwhile programs, programs which I have supported in the past. But I could not vote in favor of a 29-percent increase in spending over last year. I voted "No" on the bill, but it was passed by 71 to 15.

What about the administration?

President Nixon made some good points in his address of July 25 on the economy.

I approve of his expressed determination to veto spending bills which "bust the budget."

I think he is correct in opposing tax reductions or further deficit spending as remedies for the effects of inflation.

But the President, so far, has not taken a sufficiently hard line against inflation. He either does not feel, or has not communicated to the public, the sense of urgency which I believe is essential if we are to get inflation under control.

The projected spending in the budget which the President submitted to the Congress in January, covering the year which began July 1, was $305 billion—an increase of $35 billion over last year. The President himself requested this increase, the largest in any single year except World War II.

In his speech the President said he would endeavor to lower that spending figure "toward a goal of $300 billion." But that still would leave an increase in outlays of at least $30 billion over last year.

I do not think this is adequate—nor do I think, given the attitude of the President and the sentiment in the Congress, that even the modest goal of a $5 billion cutback will be attained.

The President also said in his speech that he has ordered a reduction of 40,000 in the total of 2.8 million civilian Federal employees provided for in the budget for the current year. But, in the month of May, the total civilian employment in the executive branch was 46,270 higher than 1 year earlier. Therefore, the President's reduction—which is to be accomplished by attrition—will not even bring Federal civilian employment down to the level of 1973.

Moreover, it was the Congress and not the President that required the largest cutback in civilian Government employment this year. This came in a provision of the military procurement bill requiring a decrease of 32,327 in civilian employment at the Defense Department.

Personally, it is my conviction that major reductions—well beyond those so far instituted—can be achieved in both civilian and military personnel without sacrificing either Government efficiency or national security.

The truth is that neither the Congress nor the President so far has shown the will to get spending under control.

This will must be found—and soon.

The job of cutting the budget to fight inflation is not a pleasant one. But as Alan Greenspan has observed, the Nation has run out of easy and simple solutions to the problem of inflation. Painful decisions lie ahead.

Every program in the Federal budget has its constituency, and the politicians in the administration and the Congress naturally dread the job of making major spending reductions. Every cutback will raise an outcry.

Yet we must not shrink from this task. The reductions are necessary for the good of all the people, because all the people are taking a beating from inflation.

Indeed, in the latest Gallup poll released today, more than 50 percent of the people blame Government for the inflation; they are wise and right.

One prime area for reduction in the budget is foreign aid.

Spending for foreign aid totals about $10 billion a year. The foreign assistance appropriations bill never is that large, but aid programs are buried in many other money bills.

At a time of rampant inflation and massive deficits, I cannot see the justification for sending billions of dollars a year overseas.

So far this year we have moved in exactly the wrong direction on foreign aid. The administration proposed, and the Congress approved, a new contribution of $1.5 billion by the United States to the Internatinoal Development Association. This was in addition to previous contributions of $2 billion. The United States has contributed 40 percent of the total financing of IDA, which makes long-term loans at virtually no interest to developing countries.

To get the $1.5 billion to be paid to IDA, the U.S. Government will have to go into the money market and borrow at about 8 percent—yet the loans disbursed by IDA carry less than 1 percent interest. The countries to which IDA makes loans then loan the funds to their own citizens, at rates of from 12 to 20 percent.

In addition to the cost of the IDA contribution—$1.5 billion—the taxpayer is stuck with the bill for the interest on the borrowed money.

The Government simply must stop saddling the taxpayers with this kind of expenditures.

Besides foreign aid, there are other areas which must be investigated closely for possible reductions in spending.

In the budget of the Department of Defense, we should take a hard look at manpower costs. Two-thirds of the military budget goes for personnel and personnel-related expenditures.

The concept of the All-Volunteer Armed Forces is that a hard core of skilled men and women, dedicated professionals, should be attracted to the services.

By upgrading the quality of personnel in the services, it should be possible to make a reduction in the total number of those in uniform.

So far, it has not worked that way. Secretary of the Army Callaway said last week that the Army, in order to meet its quota, did most of its recruiting in the ghettos. The result of that policy was that while the numerical quota was met, the caliber of incoming personnel declined.

I think the Congress should put pressure on the military to adopt policies that will raise the quality of the Armed

Forces, and at the same time reduce the sheer size of the Military Establishment.

The taxpayers will be better off, and our defense posture will be enhanced, if we have fewer personnel in the armed services than if we continue to fill large recruiting quotas with unqualified persons.

In the budget of every department, Congress must look carefully for major program increases like the billion dollar boost in food stamp funds, a 33-percent increase in 1 year. This is just not the time for major spending increases.

Moreover, we must stop initiating new programs. The few that may appear to have justification should be tried out on a small-scale pilot basis before major commitments of funds are approved.

In these ways, Congress can make a contribution to reducing Federal spending and getting inflation under control. Ultimately, however, it is not possible for the 435 Members of the Congress to take the lead in budget reduction without a firm commitment to cuts in spending from the President.

The President must take a hard line. He must propose budgets that are in balance or in surplus. He must veto spending measures which are clearly out of line.

I derive a measure of encouragement from the recent statements of some of the President's economic advisers.

I already have quoted Alan Greenspan, incoming Chairman of the Council of Economic Advisers, who seems to me to be dedicated to major budget reductions.

I also am pleased at the attitude of Secretary Simon, who has taken a similar stand.

And at the Federal Reserve Board, Chairman Arthur Burns has made clear his warnings against continued deficit spending.

Speaking of the Federal Reserve Board, I think that Chairman Burns and his fellow members are making a genuine effort to combat inflation with their monetary policies. It is a difficult job: too liberal a policy would worsen inflation, while too tight a policy could choke of all growth. I think the Board is doing its best.

So there are some grounds for hope.

The hope will not be realized, however, until Congress and the President, working together, dedicate themselves to cutting Government spending.

The President, as I have said, must take the lead by enunciating a firm policy.

The Congress must have the will to hold the line.

If we are going to get the cost of living under control we must first get the cost of Government under control.

I ask unanimous consent to insert at this point in the Record three financial statements.

There being no objection, the statements were ordered to be printed in the Record, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT 1956–75 INCLUSIVE

[In billions of dollars]

Year	Receipts	Outlays	Surplus (+) or Deficit (−)	Debt Interest
1956	65.4	63.8	+1.6	6.8
1957	68.8	67.1	−1.7	7.3
1958	66.6	69.7	−3.1	7.8
1959	65.8	77.0	−11.2	7.8
1960	75.7	74.9	+.8	9.5
1961	75.2	79.3	−4.1	9.3
1962	79.7	86.6	−6.9	9.5
1963	83.6	90.1	−6.5	10.3
1964	87.2	95.8	−8.6	11.0
1965	90.9	94.8	−3.9	11.8
1966	101.4	106.5	−5.1	12.6
1967	111.8	126.8	−15.0	14.2
1968	114.7	143.1	−28.4	15.6
1969	143.3	148.8	−5.5	17.7
1970	143.2	156.3	−13.1	20.0
1971	133.7	163.7	−30.0	21.6
1972	148.8	178.0	−29.2	22.5
1973	161.4	186.4	−25.0	24.2
1974[1]	181.8	199.5	−17.7	29.4
1975[1]	201.4	221.3	−19.9	31.5
20-yr. total	2,200.4	2,429.5	−229.1	300.4

[1] Estimated figures.

Note: Prepared by Senator Harry F. Byrd, Jr., of Virginia.

Source: Office of Management and Budget and Department of he Treasury, June 1974

ANALYSIS OF FEDERAL RECEIPTS AND EXPENDITURES, FISCAL YEARS 1968–75

(Prepared by Senator Harry F. Byrd, Jr., of Virginia, June 1974)

	Receipts in billions							
	1968	1969	1970	1971	1972	1973	1974[1]	1975
Individual income taxes	$69	$87	$90	$86	$95	$103	$118	$131
Corporate income taxes	29	37	33	27	32	36	40	44
Subtotal income taxes	(98)	(124)	(123)	(113)	(126)	(139)	(158)	(175)
Excise taxes (excluding highway)	10	11	11	10	11	10	10	11
Estate and gift	3	3	4	4	5	5	5	6
Customs	2	2	2	3	3	3	4	4
Miscellaneous	3	3	3	4	4	4	5	5
Total Federal fund receipts	116	143	143	134	149	161	182	201
Trust funds (Social Security and Highway, less interfund transactions)	38	44	51	54	60	71	84	93
Total	154	188	194	188	209	232	266	294
	Expenditures in billions							
Federal funds	$143	$149	$156	$164	$178	$186	$200	$221
Trust funds (less interfund transactions)	36	36	40	48	54	61	70	84
Total	179	185	196	212	232	247	270	305
Unified budget surplus (+) or deficit (−)	−25	+3	−2	−24	−23	−15	−4	−11
Federal funds deficit	−27	−6	−13	−30	−29	−25	−18	−20

[1] Estimated figures.

GOVERNMENT BORROWING

	Treasury securities issued	Government agency and government-sponsored agency borrowings	Total
November 1973 to February 1974 (4 mo)	22.7	13.5	36.2
March 1974 to May 1974 (3 mo)	19.3	15.7	35.0

Note: Prepared by Harry F. Byrd, Jr., of Virginia.

Source: U.S. Treasury Department.

U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS, AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods; in billions of dollars]

	Gold holdings	Total assets	Liquid liabilities
End of World War II	20.1	20.1	6.9
Dec. 31, 1957	22.8	24.8	15.8
Dec. 31, 1970	10.7	14.5	47.0
Dec. 31, 1973	11.7	14.4	92.6
Apr. 30, 1974	11.7	14.9	97.5

ORDER FOR RECOGNITION OF SENATOR BENTSEN TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the Senator from South Dakota (Mr. McGovern) has been recognized and prior to the recognition of Mr. Mansfield under the order entered, the distinguished Senator from Texas (Mr. Bentsen) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I state the program for tomorrow.

The Senate will convene at 11:30 a.m. The two leaders will be recognized under the standing order, after which the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. McGOVERN, Mr. BENTSEN, Mr. MANSFIELD, and Mr. ROBERT C. BYRD.

There will then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited to 5 minutes each, at the conclusion of which the Senate may take up the conference report on H.R. 14715, White House employment. Presumably there will be a rollcall vote on the adoption of that conference report.

At some point during the session tomorrow Mr. RIBICOFF, I am advised, will offer a motion to invoke cloture on the consumer protection bill, S. 707. The vote on that motion to occur on Thursday next.

ADJOURNMENT TO 11:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 11:30 a.m. tomorrow.

The motion was agreed to; and at 5:57 p.m. the Senate adjourned until tomorrow, Tuesday, August 6, 1974, at 11:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 5, 1974:

NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

Henry F. Trione, of California, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1977. (Reappointment)

IN THE AIR FORCE

The following officer under the provisions of Title 10, United States Code, Section 8066 to be assigned to a position of importance and responsibility designated by the President under Subsection (a) of Section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Richard F. Shaefer, [redacted]FR (major general, Regular Air Force), U.S. Air Force.

HOUSE OF REPRESENTATIVES—*Monday, August 5, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Fear the Lord and serve Him in truth with all your heart; for consider what great things He has done for you.—I Samuel 12: 24.

Almighty and eternal God, our refuge and strength in times of trouble, look with Thy favor upon all who serve in the Congress of our United States of America. Grant unto them wisdom to walk worthily in Thy wonderful ways and so direct their decisions and elevate their endeavors that justice may be done at home and abroad, that peace may come to our world, and that good will may be established among the nations.

Make us strong in spirit as a republic, great in goodness as a people, and firm in our faith in Thee as Thy children.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 12884. An act to designate certain lands as wilderness;

H.R. 14723. An act to amend the Agricultural Act of 1970 to change the date on which the President must report to Congress concerning Government assisted services to rural areas;

H.R. 14883. An act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes;

H.R. 15155. An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 15405. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15155) entitled "An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes" disagreed to the House; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. McCLELLAN, Mr. MAGNUSON, Mr. BIBLE, Mr. ROBERT C. BYRD, Mr. PASTORE, Mr. HATFIELD, Mr. YOUNG, Mr. HRUSKA, Mr. CASE, and Mr. RANDOLPH to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 15405) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes," disagreed to by the House; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROBERT C. BYRD, Mr. McCLELLAN, Mr. MAGNUSON, Mr. PASTORE, Mr. BIBLE, Mr. MANSFIELD, Mr. EAGLETON, Mr. CASE, Mr. YOUNG, Mr. COTTON, Mr. STEVENS, Mr. MATHIAS, and Mr. SCHWEIKER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 821) entitled "An act to improve the quality of juvenile justice in the United States and to provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes" agrees to a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BAYH, Mr. EASTLAND, Mr. McCLELLAN, Mr. HART, Mr. BURDICK, Mr. HRUSKA, Mr. HUGH SCOTT, Mr. COOK, and Mr. MATHIAS to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2296) entitled "An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the environment of certain of the Nation's lands and resources, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14012) entitled "An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes" and that the Senate agreed to the amendments of the House to the amendments of the Senate numbered 31, 37, 69 and that it receded from its amendment numbered 51, to the foregoing bill.

The message also announced that the Senate had passed bills, joint and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 857. An act to authorize the Smithsonian Institution to plan museum support facilities;

S. 2189. An act to amend section 602 of the Agricultural Act of 1954;

S. 3537. An act to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085);

S. 3578. An act for the relief of Anita Tomasi;

S.J. Res. 230. Joint resolution to salute Chautauqua Institution on the occasion of its one hundredth anniversary; and

S. Con. Res. 106. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Public Finnacing of Federal Elections."

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING FEDERAL AGRICULTURAL ASSISTANCE TO GUAM

The Clerk called the bill (H.R. 13267) to authorize Federal agricultural assistance to Guam for certain purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I find in the report accompanying this bill, submitted by the Committee on Agriculture, that the cost of this bill is not at all clear. As a matter of fact, the bill is open ended.

Therefore, Mr. Speaker, unless further information is provided, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING SECTION 2634 OF TITLE X, UNITED STATES CODE, RELATING TO SHIPMENT AT GOVERNMENT EXPENSE OF MOTOR VEHICLES OWNED BY MEMBERS OF THE ARMED FORCES

The Clerk called the bill (H.R. 16006) to amend section 2634 of title 10, United States Code, relating to the shipment at Government expense of motor vehicles owned by members of the Armed Forces, and to amend chapter 10 of title 37, United States Code, to authorize certain travel and transportation allowances to members of the uniformed services incapacitated by illness.

There being no objection, the Clerk read the bill, as follows:

H.R. 16006

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2634(a) of title 10, United States Code, is amended by—

(1) striking out the word "or" at the end of clause (2);

(2) striking out the period at the end of clause (3) and inserting in lieu thereof a semicolon and the word "or"; and

(3) adding at the end thereof a new clause as follows:

"(4) in the case of movement, the major portion of which is by shipping services described in clause (1) or (2), by other surface transportation between customary ports of embarkation and debarkation if such means of transport does not exceed the cost to the United States of other authorized means.".

SEC. 2. Section 2634 of title 10, United States Code, is further amended by adding at the end thereof the following new subsection:

"(c) When there has been a shipping error, or when orders directing a change of permanent station have been canceled, revoked, or modified after receipt by the member, a motor vehicle transported pursuant to this section may also be reshipped or transshipped in accordance with this section.".

SEC. 3. (1) Subsection (b) of section 554, title 37, United States Code, is amended by—

(A) inserting "ill," before "or absent for a period of more than 29 days in a missing status—"; and

(B) striking out "(if injured)" in paragraph (3) and inserting in lieu thereof "(if injured or ill)".

(2) Subsection (c) of section 554, title 37, United States Code, is amended by inserting "or ill" before "status,".

SEC. 4. The amendments made by section 3 of this Act shall apply with respect to members of the uniformed services incapacitated by illness on or after January 1, 1974.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING THE VETERANS' ADMINISTRATION HOSPITAL IN COLUMBIA, MO., AS THE "HARRY S. TRUMAN MEMORIAL VETERANS' HOSPITAL"

The Clerk called the bill (H.R. 10212) to designate the Veterans' Administration hospital in Columbia, Mo., as the "Harry S. Truman Memorial Veterans' Hospital," and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 10212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital at Columbia, Missouri, shall hereafter be known and designated as the "Harry S. Truman Memorial Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the Harry S. Truman Memorial Veterans' Hospital.

SEC. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late Harry S. Truman.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TITLE 38 OF THE UNITED STATES CODE TO CORRECT AN INEQUITY IN THE LAW RELATING TO ADAPTIVE EQUIPMENT FOR AUTOMOBILES USED BY DISABLED VETERANS AND SERVICEMEN

The Clerk called the bill (H.R. 12367) to amend title 38 of the United States Code to correct an inequity in the law relating to the provisions of adaptive equipment for automobiles used by disabled veterans and servicemen.

There being no objection, the Clerk read the bill as follows:

H.R. 12367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1902(c) of title 38, United States Code, is amended by inserting "previously or" immediately before "subsequently".

SEC. 2. The amendment made by the first section of this Act shall take effect January 11, 1971.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISCONTINUING OR MODIFYING CERTAIN REPORTING REQUIREMENTS OF LAW

The Clerk read the bill (H.R. 14718) to discontinue or modify certain reporting requirements of law.

There being no objection, the Clerk read the bill as follows:

H.R. 14718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following reporting requirements, which relate to the submission of certain reports to Congress or other Government authority, are hereby repealed, as follows:

"REPORTS UNDER MORE THAN ONE AGENCY

"(1) The annual report to the appropriate committees of both Houses of Congress concerning grants for basic scientific research (72 Stat. 1793; 42 U.S.C. 1893).

"(2) The report from time to time to the Congress, by the Attorney General, the Secretary of the Interior, and the Secretary of the Navy, concerning the conditions specified in section 1 of Public Law 83–547 involving facilities to provide water for irrigation, etc., from the San Margarita River, California (68 Stat. 578).

"REPORTS UNDER THE DEPARTMENT OF COMMERCE

"(3) The annual report to Congress showing total expenditures for food and other subsistence supplies, for resale to employees of the Department of Commerce and other Federal agencies, and their dependents in Alaska and other points outside of the continental United States, and the proceeds from such resales (63 Stat. 908; 15 U.S.C. 1514(b)).

"(4) The annual report to Congress, through the Treasury Department, of claims not to exceed $500 settled under the Act of June 5, 1920, and the amounts so ascertained and determined to be due the claimants (41 Stat. 1504; 33 U.S.C. 853).

"REPORTS UNDER THE DEPARTMENT OF DEFENSE

"(5) The annual report to the Congress by the Secretary of the Air Force on the number of officers in the executive part of the Department of the Air Force and the justification therefor (10 U.S.C. 8031(c)).

"(6) The quarterly report by the Secretary of the Army to the Congress on the number of officers in the executive part of the Department of the Army, the number of commissioned officers on or with the Army General Staff, and the justification therefor (10 U.S.C. 3031(c)).

"(7) The quarterly reports by the Secretary of Defense to the Committees on Appropriations of the Senate and House of Representatives concerning items ordered, but yet to be delivered, against reserves of unobligated amounts of allocations for military assistance and, those reports required not less often than each quarter containing a detailed breakdown, on a delivery or service rendered basis, on all military assistance funds allocated and available to the Department of Defense as of the end of the preceeding quarter (69 Stat. 439; 70 Stat. 735).

"REPORTS UNDER THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"(8) The annual report of the National Center for Deaf Blind Youths and Adults, through the Secretary of the Department of Health, Education, and Welfare, to the Congress with comments and recommendations as the Secretary deems appropriate (81 Stat. 251; 29 U.S.C. 42a(c)(2)).

"REPORTS UNDER THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

"(9) The annual report by the Secretary to the Committee on Banking and Currency of the House of Representatives and the Committee on Banking, Housing and Urban Affairs, of the Senate identifying specific areas of program administration and management which require improvement, describing actions taken and proposed for the purpose of making such improvements, and recommending such legislation as may be necessary to accomplish such improvements (82 Stat. 477; 84 Stat. 1816; 12 U.S.C. 1701c note).

"REPORTS UNDER THE DEPARTMENT OF THE INTERIOR

"(10) The annual report by the Secretary to the President, and transmitted by the President to the Congress, relating to a program to develop, preserve, and restore the resources of the Hudson River as required by section 3 of Public Law 89–605, as amended (80 Stat. 848; 84 Stat. 203).

"(11) The annual report to the Congress by the Secretary on acquisitions of land and interests in land, or agreements entered into with respect to land, necessary to preserve, protect, and improve Antietam Battlefield, Maryland (74 Stat. 80; 10 U.S.C. 43000).

"(12) The annual report to the Congress by the Secretary on actions taken under the program for sealing of abandoned coal mines or the filling of voids in abandoned coal mines (69 Stat. 353; 76 Stat. 935; 30 U.S.C. 575).

"(13) The annual report to the Congress by the Secretary, acting through the Bureau of Mines, on the activities of, expenditures by, and donations to, the research laboratory in the lignite consuming region of North Dakota (62 Stat. 85; 30 U.S.C. 403).

"(14) The annual report to the Congress by the Secretary on the operations of programs to stimulate exploration for minerals within the United States, its territories and possessions together with his recommendations regarding the need for such programs (72 Stat. 701; 79 Stat. 1312; 30 U.S.C. 645).

"(15) The reports to the Congress by the Secretary of all laws passed by the Legislature of Guam as reported to the Secretary by the Governor of Guam (64 Stat. 389; 48 U.S.C. 1423i).

"(16) The annual progress report, through the Secretary, by the tribal business committee representing the full-blood group of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah, of its activities and the expenditures authorized under Public Law 83–671 (68 Stat. 877; 25 U.S.C. 677w).

"(17) The report to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, on every loan made under the Act of November 4, 1963, Public Law 88–168 (77 Stat. 301; 25 U.S.C. 70n–3).

"(18) The semiannual report to the Congress of negotiated contracts for the disposition of materials or products on public lands (76 Stat. 588; 30 U.S.C. 602(b)).

"(19) The annual report to the Congress by the Secretary on all agreements whereby the United States or its lessees shall be compensated for drainage of oil or gas from United States owned land resulting from wells drilled on adjacent lands (74 Stat. 783; 30 U.S.C. 226(g)).

"(20) The submission to the President of the Senate and the Speaker of the House of Representatives of copies of grants, contracts, and other matching arrangements, sixty days prior to award of same, under section 200(a) of the Water Resources Research Act of 1964 (80 Stat. 130; 42 U.S.C. 1961b(b)).

"(21) The report to Congress by the Secretary, from time to time, on classifications and reclassifications of reclamation project lands (53 Stat. 1193; 43 U.S.C. 458g(f)).

"(22) The report to the Congress by the Secretary, at the end of each five-year period after incorporation of Boulder City concerning the need for assistance to the municipality for its water supply (72 Stat. 1374).

"REPORTS UNDER THE DEPARTMENT OF TRANSPORTATION

"(23) The semiannual report to appropriate committees of the Congress by the Secretary on agreements providing for the detail of members of the armed services to the Federal Aviation Administration (72 Stat. 745; 49 U.S.C. 1343(a)(3)).

"(24) The biennial authorization requests to the Congress by the Secretary together with his recommendations regarding adjustments in the schedule for liquidation of obligations pursuant to section 4(d) of the Urban Mass Transportation Act of 1964 (84 Stat. 965; 49 U.S.C. 1603(d)).

"REPORTS UNDER THE ATOMIC ENERGY COMMISSION

"(25) The triennial report to the Joint Committee on Atomic Energy by the Commission on a full review of its activities under the Atomic Energy Community Act of 1955 (69 Stat. 483; 42 U.S.C. 2314).

"REPORTS UNDER THE OFFICE OF ECONOMIC OPPORTUNITY

"(26) The annual report to the Congress submitted by the Director through the President concerning officers or employees whose compensation is subject to the limitation set forth in section 610–1(a) of the Economic Opportunity Act of 1964 and who were receiving at the end of the fiscal year a salary of $10,000 or more per year (80 Stat. 1470; 42 U.S.C. 2951(b))."

Sec. 2. The frequencies of submission of the following reports to the Congress or other Government authority are hereby modified as follows:

"(1) From quarterly to semiannual submission to the President and to the Congress by the Secretary of Commerce of a report on his operations under the Export Administration Act of 1969 (83 Stat. 846; 50 U.S.C. App. 2409).

"(2) From semiannual to annual submission to the Committee on Armed Services of the Senate and the House of Representatives by the Secretary of Defense of a progress report on the cataloging program and a report on the progress of the standardization program (10 U.S.C. 2455).

"(3) From not less often than quarterly to annual submission to the Congress by the Federal Civil Defense Administrator of a report on contributions to the States for civil defense purposes (report now required from the Secretary of Defense pursuant to Reorganization Plan Numbered 1 of 1958, 72 Stat. 1799, as implemented by Executive Order Numbered 10952, 26 F.R. 6577) (64 Stat. 1251; 50 U.S.C. App. 2281(i)).

"(4) From semiannual to annual submission to the Congress, by the Secretary of Defense, of reports concerning lethal and nonlethal chemical and biological agents (83 Stat. 209; 50 U.S.C. 1511).

"(5) From semiannual to annual submission to the Committee on Armed Services of the Senate and House of Representatives, by the Secretary of each military department, on the administration of (10 U.S.C. 1674(f)).

"(6) From as soon as possible after the approval of any project to annual submission to the Congress of a report by the Secretary of the Department of Health, Education, and Welfare on projects approved under section 1120(a) of the Social Security Act (81 Stat. 920; 42 U.S.C. 1320(b)).

"(7) From semiannual to annual submission to the Speaker of the House of Representatives and the President of the Senate, by the Secretary of the Interior, of a report on all actions taken pursuant to Public Law 87–626 (76 Stat. 427; 43 U.S.C. 31(c))."

Sec. 3. To modify substantive aspects of certain requirements to report to Congress or other Government authority; the following provisions of law are hereby amended as follows:

(1) Section 410(d) of Public Law 91–121, approved November 19, 1969 (83 Stat. 212; 50 U.S.C. 1436(d)), is hereby amended to read as follows:

"(d) The Secretary of Defense shall, not later than December 31 of each year, file with the President of the Senate and the Speaker of the House of Representatives a report on persons who have filed reports with him for the preceding fiscal year pursuant to subsections (b)(1) and (b)(2) of this section. The Secretary shall include in the report such information as he deems appropriate and shall list the defense contractors for whom these persons worked or for whom they performed services."

(2) Section 1308(b) of title 5 of the United States Code is hereby amended to read as follows:

"(b) The Commission shall report annually to the President for transmittal to Congress on the administration of chapter 41 of this title, including the information received by the Commission from the agencies under section 4113(b)(3) of this title."

(3) Section 705(d) of the Civil Rights Act of 1964 (78 Stat. 258; 42 U.S.C. 2000e 4(d)) is hereby amended to read as follows:

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken and the moneys it has disbursed. It shall make such further reports on the cause of and means of eliminating discrimination and such recommendations for further legislation as may appear desirable."

(4) Section 4(d) of the Federal Water Power Act, as amended (49 Stat. 840; 16 U.S.C. 797(d)), is hereby amended to read as follows:

"(d) To make public from time to time the information secured hereunder and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use. The Commission shall submit, as part of its annual report to the Congress for the fiscal year preceding, a classified report showing the permits and licenses issued under this part, and in each case the parties thereto, the term prescribed, and the money received if any, or account thereof."

(5) Section 8 of the Fair Packaging and Labeling Act (80 Stat. 1300; 15 U.S.C. 1457) is hereby amended to read as follows:

"Sec. 8. Each officer or agency required or authorized by this Act to promulgate regulations for the packaging or labeling of any consumer commodity, or to participate in the development of voluntary product standards with respect to any consumer commodity under procedures referred to in section 5(d) of the Act, shall transmit to the Congress each year a report containing a full and complete description of the activities of that officer or agency for the administration and enforcement of this Act during the preceding fiscal year. All agencies except the Federal Trade Commission shall submit their report in January of each year. The Federal Trade Commission shall include this report in the Commission's annual report to Congress."

(6) Section 2304(c) of title 10 of the United States Code is hereby amended to read as follows:

"(c) A report shall be made to Congress, on May 19 and November 19 of each year, by each agency subject to this chapter, except the National Aeronautics and Space Administration, of the purchases and contracts made under clauses (11) and (16) of subsection (a) during the period since the date of the last reports. The report shall—

"(1) name each contractor;

"(2) state the amount of each contract; and

"(3) describe, with consideration of the national security, the property and services covered by each contract."

(7) Section 3(c) of the National Labor Relations Act (49 Stat. 451; 29 U.S.C. 153(c)) is hereby amended to read as follows:

"(c) The Board shall at the close of each fiscal year make a report in writing to Congress and to the President stating in detail the cases it has heard, the decisions it has rendered, and an account of all moneys it has disbursed."

(8) Section 10(a) of the Small Business Act, as amended (75 Stat. 666; 15 U.S.C. 639 (a)) is hereby amended to read as follows:

"(a) The Administration shall make a report on December 31 of each year of operations under this Act to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall provide summary information on business concerns for whom financing is arranged by the Administration, together with the amounts involved."

With the following committee amendment:

That certain provisions of law, which relate to the submission of reports to Congress or other Government authorities, are repealed as follows:

REPORTS UNDER MORE THAN ONE AGENCY

(1) Section 3 of the Act entitled "An Act to authorize the expenditure of funds through grants for support of scientific research, and for other purposes", approved September 6, 1958 (72 Stat. 1793; 42 U.S.C. 1893), is repealed thereby eliminating the annual report under such Act to the appropriate committees of both Houses of Congress concerning grants for basic scientific research.

(2) Section 7 of the Act entitled "An Act to authorize the Secretary of the Interior to construct facilities to provide water for irrigation, municipal, domestic, military, and other uses from the Santa Margarita River, California, and for other purposes", approved July 28, 1954 (68 Stat. 578), is repealed, thereby eliminating the report from time to time to the Congress, by the Attorney General, the Secretary of the Interior, and the Secretary of the Navy, concerning the conditions specified in section 1 of such Act involving facilities to provide water for irrigation and other uses from the Santa Margarita River, California.

REPORTS UNDER THE DEPARTMENT OF COMMERCE

(3) Subsection (b) of the first section of the Act entitled "An Act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes", approved October 26, 1949 (63 Stat. 908; 15 U.S.C. 1514 (b)), is amended by striking out ": *Provided*" and all that follows thereafter to the end of such subsection and inserting in lieu thereof a semicolon, thereby eliminating the annual report to Congress showing total expenditures under such Act for food and other subsistence supplies for resale to employees of the Department of Commerce and other Federal agencies, and their dependents, in Alaska and other points outside of the continental United States, and the proceeds from such resales.

(4) Chapter 256 of the Act entitled "An Act authorizing the Superintendent of the Coast and Geodetic Survey, subject to the approval of the Secretary of Commerce, to consider, ascertain, adjust, and determine claims for damage occasioned by acts for which said survey is responsible in certain cases", approved June 5, 1920 (41 Stat. 1054; 33 U.S.C. 853), is amended by striking out ", and report the amounts so ascertained and determined to be due the claimants to Congress at each session thereof through the Treasury Department for payment as legal claims out of appropriations that may be made by Congress therefor." and inserting in lieu thereof a period, thereby eliminating the annual report to Congress, through the Treasury Department, of claims not to exceed $500 settled under such Act, and the amounts so ascertained and determined to be due the claimants.

REPORTS UNDER THE DEPARTMENT OF DEFENSE

(5) Section 8031(c) of title 10, United States Code, is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary of the Air Force on the number of officers in the executive part of the Department of the Air Force and the justification therefor.

(6) Section 3031(c) of title 10, United States Code, is amended by striking out the last sentence thereof, thereby eliminating the quarterly report by the Secretary of the Army to the Congress on the number of officers in the executive part of the Department of the Army, the number of commissioned officers on or with the Army General Staff and the justification therefor.

(7) Section 108 of the Mutual Security Appropriations Act, 1956 (69 Stat. 439), is amended by striking out *"Provided,"*, where it first appears, and all that follows thereafter down to and including *"Provided further,"*, where it first appears, and inserting in lieu thereof *"Provided,"*, and section 102 of the Mutual Security Appropriations Act, 1957 (70 Stat. 734), is repealed, thereby eliminating the quarterly reports by the Secretary of Defense to the Committees on Appropriations of the Senate and House of Representatives concerning items ordered, but yet to be delivered, against reserves of unobligated amounts of allocations for military assistance and those reports required not less often than each quarter containing a detailed breakdown, on a delivery or service-rendered basis, on all military assistance funds allocated and available to the Department of Defense as of the end of the preceding quarter.

REPORTS UNDER THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

(8) Section 16(c) of the Vocational Rehabilitation Act (81 Stat. 251; 20 U.S.C. 42a (c)), is amended by striking out paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, thereby eliminating the annual report of the National Center for Deaf-Blind Youths and Adults, through the Secretary of the Department of Health, Education, and Welfare, to the Congress with comments and recommendations as the Secretary deems appropriate.

REPORTS UNDER THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(9) Section 5 of the Housing and Urban Development Act of 1968 (82 Stat. 477; 12 U.S.C. 1701c note) is repealed, thereby eliminating the annual report by the Secretary to the Committee on Banking and Currency of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate, identifying specific areas of program administration and management which require improvement, describing actions taken and proposed for the purpose of making such improvements, and recommending such legislation as may be necessary to accomplish such improvements.

REPORTS UNDER THE DEPARTMENT OF THE INTERIOR

(10) Section 3 of the Act entitled "An Act to direct the Secretary of Interior to cooperate with the States of New York and New Jersey on a program to develop, preserve, and restore the resources of the Hudson River and its shores and to authorize certain necessary steps to be taken to protect those resources from adverse Federal actions until the States and Congress shall have had an opportunity to act on that program", approved September 26, 1966 (80 Stat. 848), is amended by striking out the second, third, and fourth sentences and inserting in lieu thereof "The Secretary of the Interior shall serve as the representative of the United States in such negotiations and shall consult with the heads of other Federal agencies concerned.", thereby eliminating the annual report by the Secretary to the President, and transmitted by the President to the Congress, relating to a program to develop, preserve, and restore the resources of the Hudson River, as required by such section.

(11) The Act entitled "An Act to provide for the protection and preservation of the Antietam Battlefield in the State of Maryland", approved April 22, 1960 (74 Stat. 80; 16 U.S.C. 430oo), is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary on acquisitions of land and interests in land, or agreements entered into with respect to land, necessary to preserve, protect, and improve Antietam Battlefield, Maryland.

(12) Section 5 of the Act entitled "An Act to provide for the conservation of anthracite coal resources through measures of flood control and anthracite mine drainage, and for other purposes", approved July 15, 1955 (69 Stat. 353; 76 Stat. 935; 30 U.S.C. 575), is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary on actions taken under the program for sealing of abandoned coal mines or the filling of voids in abandoned coal mines.

(13) Section 3 of the Act entitled "An Act to provide for the establishment and operation of a research laboratory in the North Dakota lignite-consuming region for investigation of the mining, preparation, and utilization of lignite, for the development of new uses and markets, for improvement of health and safety in mining; and for a comprehensive study of the possibilities for increased utilization of the lignite resources of the region to aid in the solution of its economic problems and to make its natural and human resources of maximum usefulness in the reconversion period and time of peace", approved March 25, 1948 (62 Stat. 85; 30 U.S.C. 403), is repealed, thereby eliminating the annual report to the Congress by the Secretary, acting through the Bureau of Mines, on the activities of, expenditures by, and donations to, the research laboratory in the lignite-consuming region of North Dakota.

(14) Section 5 of the Act entitled "An Act to provide a program for the discovery of the mineral reserves of the United States, its territories, and possessions by encouraging exploration for minerals, and for other purposes", approved August 21, 1958 (72 Stat. 701; 79 Stat. 1312; 30 U.S.C. 645), is repealed, thereby eliminating the annual report to the Congress by the Secretary on the operations of programs to stimulate exploration for minerals within the United States, its territories and possessions together with his recommendations regarding the need for such programs.

(15) Section 19 of the Organic Act of Guam (64 Stat. 389; 82 Stat. 847; 48 U.S.C. 1423i) is amended in the last sentence thereof by striking out "Act, and by him to the Congress of the United States, which" and inserting in lieu thereof "Act. The Congress of the United States", thereby eliminating the reports to the Congress by the Secretary of all laws passed by the Legislature of Guam as reported to the Secretary by the Governor of Guam.

(16) Section 24 of the Act entitled "An Act to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; and for the termination of Federal supervision over the property of the mixed-blood members of said tribe; to provide a development program for the full-blood members of said tribe; and for other purposes", approved August 27, 1954 (68 Stat. 877; 25 U.S.C. 677w), is amended by striking out the last sentence thereof, thereby eliminating the annual progress report, through the Secretary, by the tribal business committee representing the full-blood group of the Ute Indian Tribe of the Uintah and

Ouray Reservation in Utah, of its activities and the expenditures authorized under such Act.

(17) Section 3 of the Act entitled "An Act to establish a revolving fund from which the Secretary of the Interior may make loans to finance the procurement of expert assistance by Indian tribes in cases before the Indian Claims Commission", approved November 4, 1963 (77 Stat. 301; 25 U.S.C. 70n–3), is repealed, thereby eliminating the report to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, on every loan made under such Act.

(18) Section 2 of the Act entitled "An Act to provide for the disposal of materials on the public lands of the United States", approved July 31, 1947 (61 Stat. 681; 76 Stat. 588, 30 U.S.C. 602) is amended by striking out "(a)" immediately after "Sec. 2." and by striking out subsection (b) thereof, thereby eliminating the semiannual report to the Congress of negotiated contracts for the disposition of materials or products on public lands.

(19) Section 17(g) of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (41 Stat. 443; 74 Stat. 783; 30 U.S.C. 226(g)), is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary on all agreements whereby the United States or its lessees, shall be compensated for drainage of oil or gas from United States-owned land resulting from wells drilled on adjacent lands.

(20) Section 200 of the Water Resources Research Act of 1964 (80 Stat. 130; 42 U.S.C. 1961b) is amended by striking out "(a)" immediately after "Sec. 200." and by striking out subsection (b) thereof, thereby eliminating the requirement of the submission to the President of the Senate and the Speaker of the House of Representatives of a copy of each grant, contract, and matching or other arrangement, sixty days prior to the award of any such grant, contract, or other arrangement under subsection (a) of such section.

(21) Section 8 of the Reclamation Project Act of 1939 (53 Stat. 1193; 43 U.S.C. 485g) is amended by striking out subsection (f) and redesignating subsections (g), (h), and (i) as subsections (f), (g), and (h), respectively, thereby eliminating the report to Congress by the Secretary, from time to time, on classifications and reclassifications of reclamation project lands.

(22) Section 9(e) of the Boulder City Act of 1958 (72 Stat. 1734) is amended by striking out "and shall report his findings and recommendations to the Congress as soon thereafter as practicable." and inserting in lieu thereof a period, thereby eliminating the report to the Congress by the Secretary, at the end of each five-year period after incorporation of Boulder City concerning the need for assistance to the municipality for its water supply.

REPORTS UNDER THE DEPARTMENT OF TRANSPORTATION

(23) Section 302(c) of the Federal Aviation Act of 1958 (72 Stat. 745; 49 U.S.C. 1343(a)) is amended by striking out paragraph (3) thereof, thereby eliminating the semiannual report to appropriate committees of the Congress by the Secretary on agreements providing for the detail of members of the armed services to the Federal Aviation Administration.

(24) Section 4(d) of the Urban Mass Transportation Act of 1964 (84 Stat. 965; U.S.C. 1603(d)) is amended by striking out the second sentence and all that follows to the end of the subsection, thereby eliminating the biennial authorization requests under such section to the Congress by the Secretary together with his recommendations regarding adjustments in the schedule for liquidation of obligations.

REPORTS UNDER THE ATOMIC ENERGY COMMISSION

(25) Section 102 of the Atomic Energy Community Act of 1955 (69 Stat. 483; 42 U.S.C. 2314) is repealed, thereby eliminating the triennial report to the Joint Committee on Atomic Energy by the Commission on a full review of its activities under such Act.

REPORTS UNDER THE OFFICE OF ECONOMIC OPPORTUNITY

(26) Section 610–1 of the Economic Opportunity Act of 1964 (80 Stat. 1470; 42 U.S.C. 2951) is amended by striking out subsection (b), and by redesignating subsection (c) as subsection (b), thereby eliminating the annual report to the Congress submitted by the Director through the President concerning officers or employees whose compensation is subject to the limitation set forth in subsection (a) of such Act and who were receiving at the end of the fiscal year a salary of $10,000 or more per year.

Sec. 2. The frequency of submission of certain reports to the Congress or other Government authorities is modified as follows:

(1) Section 10 of the Export Administration Act of 1969 (83 Stat. 846; 50 U.S.C. App. 2409) is amended by striking out "quarterly report, within 45 days after each quarter," and inserting in lieu thereof "semiannual report", thereby changing the frequency of submission of the report to the President and Congress by the Secretary of Commerce of his operations under such Act.

(2) Section 2455 of title 10, United States Code, is amended in subsections (a) and (b) thereof by striking out "and July 31" by striking out "six-month period", and inserting in lieu thereof "yearly period", by striking out "June 30 or", and by striking out ", whichever was later." and inserting in lieu thereof a period, thereby changing the requirements under such section of a semiannual to an annual submission to the Committees on Armed Services of the Senate and the House of Representatives by the Secretary of Defense of a progress report on the cataloging program and a report on the progress of the standardization program.

(3) The report on contributions to the States for civil defense purposes required of the Secretary of Defense as a result of section 1 of the Reorganization Plan Numbered 1 of 1958 (72 Stat. 1799) and section 1 of Executive Order Number 10952 (26 F.R. 6577), pursuant to section 201(i) of the Federal Civil Defense Act of 1950 (64 Stat. 1251), shall be submitted to Congress annually, in lieu of quarterly as previously required by such section 201(i).

(4) Section 409 of the Act entitled "An Act to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes", approved November 19, 1969 (83 Stat. 209; 50 U.S.C. 1511) is amended by striking out the first sentence thereof and inserting in lieu thereof "The Secretary of Defense shall submit an annual report to Congress on or before January 31 setting forth the amounts spent during the preceding year for research, development, test, and evaluation of all lethal and nonlethal chemical and biological agents.", thereby changing the requirement for submission of the report under such section from semiannual to annual.

(5) Section 1120(b) of the Social Security Act (81 Stat. 920; 42 U.S.C. 1320(b)) is amended by striking out all that follows "(b)" and inserting in lieu thereof "The Secretary shall submit an annual report to Congress setting forth a description of each project approved under subsection (a) during the year preceding such report, including a statement of the purpose, probable cost, and expected duration of each such project.", thereby changing the requirement of submission of such report from as soon as possible after the approval of any project to an annual submission to the Congress by the Secretary of the Department of Health, Education, and Welfare on each project approved under subsection (a) of such section.

(6) Section 2 of the Act entitled "An Act to extend certain authority of the Secretary of the Interior exercised through the Geological Survey of the Department of the Interior, to areas outside the national domain", approved September 5, 1962 (76 Stat. 427; 43 U.S.C. 31(c)), is amended by striking out "and July 31", by striking out "six months" and inserting in lieu thereof "year", and by striking out "and June 30", thereby changing the requirement under such section from a semiannual to an annual submission to the Speaker of the House of Representatives and the President of the Senate, by the Secretary of the Interior, of a report on all actions taken pursuant to such Act.

Sec. 3. To modify substantive aspects of certain requirements to report to Congress or other Government authority, the following provisions of law are hereby amended as follows:

(1) Section 410(d) of the Act entitled "An Act to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes", approved November 19, 1969 (83 Stat. 212; 50 U.S.C. 1436(d)), is hereby amended to read as follows:

"(d) The Secretary of Defense shall, not later than December 31 of each year, file with the President of the Senate and the Speaker of the House of Representatives a report on persons who have filed reports with him for the preceding fiscal year pursuant to subsections (b)(1) and (b)(2) of this section. The Secretary shall include in the report such information as he deems appropriate and shall list the defense contractors for whom these persons worked or for whom they performed services.".

(2) Section 705(e) of the Civil Rights Act of 1964 (78 Stat. 258; 42 U.S.C. 2000e–4(d)) is hereby amended to read as follows:

"(e) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken and the moneys it has disbursed. It shall make such further reports on the cause of and means of eliminating discrimination and such recommendations for further legislation as may appear desirable."

(3) Section 4(d) of the Federal Water Power Act, as amended (49 Stat. 840; 16 U.S.C. 797(d)), is hereby amended to read as follows:

"(d) To make public from time to time the information secured hereunder and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use. The Commission shall submit, as part of its annual report to the Congress for the fiscal year preceding, a classified report showing the permits and licenses issued under this part, and in each case the parties thereto, the terms prescribed, and the moneys received if any, or account thereof.".

(4) Section 8 of the Fair Packaging and Labeling Act (80 Stat. 1300; 15 U.S.C. 1457) is hereby amended to read as follows:

"SEC. 8. Each officer or agency required or authorized by this Act to promulgate regulations for the packaging or labeling of any consumer commodity, or to participate in the development of voluntary product standards with respect to any consumer commodity under procedures referred to in section 5(d) of this Act, shall transmit to the Congress each year a report containing a full and complete description of the activities of that officer or agency for the administration and enforcement of this Act during the preceding fiscal year. All agencies except the Federal Trade Commission shall submit their report in January of each year. The Federal Trade Commission shall include this report in the Commission's annual report to Congress.".

(5) Section 3(c) of the National Labor Relations Act (49 Stat. 451; 29 U.S.C. 153(c)) is hereby amended to read as follows:

"(c) The Board shall at the close of each fiscal year make a report in writing to Congress and to the President stating in detail the cases it has heard, the decisions it has rendered, and an account of all moneys it has disbursed."

(6) Subsection (a) of section 10 of the Small Business Act (75 Stat. 666; 15 U.S.C. 639(a)) is amended by striking out "calendar" in the first and second sentences and inserting in lieu thereof "fiscal", and by striking out the comma after "involved" in the fourth sentence and all that follows to the end of the subsection and inserting in lieu thereof a period.

(7) Subsection (b) of section 10 of the Small Business Act (75 Stat. 666; 15 U.S.C. 639(b)) is amended by striking out "on December 31 of each year" and inserting in lieu thereof "as soon as practicable each fiscal year".

Mr. HORTON. Mr. Speaker, I rise in support of the bill, H.R. 14718, as reported by the Committee on Government Operations. This bill is one of those housekeeping measures necessary every few years to remove from the statute books outdated requirements for reports to the Congress.

My committee has periodically ordered reviews of required reports to the Congress and submitted legislation to the House to implement appropriate changes. This bill reflects the work of a 1½-year GAO study ordered by my committee, which has been published under the title, "Usefulness to the Congress of Reports Submitted by the Executive Branch." The GAO surveyed all reporting requirements and asked each committee receiving a report whether it could be eliminated or modified. The bill reflects the wishes of each committee receiving a report. If there was any disagreement among committees receiving a report, no change was recommended or included in this bill. The GAO submitted draft legislation reflecting these noncontroversial changes. The committee then sent around copies of the legislation to each committee asking them to confirm their willingness to make the changes reflected in the bill. In a couple of instances, changes were recommended and the bill was modified accordingly by the committee amendments.

This bill will remove a great deal of unnecessary paperwork and save an estimated $173,000 a year. Each item in this bill has been confirmed as noncontroversial. I urge acceptance of H.R. 14718.

Mr. FUQUA. Mr. Speaker, H.R. 14718 will modify statutory requirements to eliminate certain reports no longer needed by committees of the Congress and to make other reports more useful. In all, 39 reports are affected: 26 would be eliminated, 6 would be reduced in frequency, and 7 would be modified for greater usefulness. Detail concerning individual reports is set forth in the committee's report on the bill (H. Rept. 93-1214).

The original bill was circulated to the chairmen of all House committees. No objections have been raised by any of these committees. In a few cases, suggestions were received which have been taken into account in the bill as reported.

The bill results from a study by the General Accounting Office pursuant to a request from the House Committee on Government Operations. The GAO conducted careful investigations within the agency making each report and obtained the views of the committees of Congress that received the report.

The Comptroller General testified before the Committee that the GAO had compiled an inventory of 544 reports to Congress required by statute. The GAO then reported on October 26, 1973, its recommendation that 51 statutory reporting requirements be eliminated or altered. The bulk of the GAO's recomendations are incorporated in the bill now before us.

This bill is not, in any way, intended to lessen the obligation of an agency to provide to the Congress specific information covered by any of the affected reports, as the need may arise.

This bill is one of a series of measures which the Congress has enacted over the years. Comparable bills were approved in 1954, 1960, and 1965. So far as we can determine, the House Committee on Government Operations has never received a complaint that curtailment of any report through the earlier acts has resulted in inconvenience to anyone.

This is a measure to promote economy and efficiency in the operations of Government. We conservatively estimate that the changes through this bill will lead to an annual saving of $173,000. It makes good sense not only to save these dollars but to lighten the paperwork burden, as H.R. 14718 would do without adverse effect on the present information needs of the Congress. I urge the bill's adoption.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY INCREASES IN THE SUPPORT LEVEL FOR 1974 CROP OF FLUE-CURED TOBACCO

The Clerk read the bill (H.R. 16056) to provide for emergency increases in the support level for the 1974 crop of Flue-cured tobacco.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PEYSER. Mr. Speaker, reserving the right to object, the cost of this bill involves potentially, according to the Department of Agriculture, anywhere from $25 million to $125 million.

I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SMOKEY BEAR DISPOSITION AND MEMORIAL

The Clerk called the concurrent resolution (H. Con. Res. 564) to declare the sense of Congress that Smokey Bear shall be returned on his death to his place of birth, Capitan, N. Mex.

There being no objection, the Clerk read the concurrent resolution as follows:

H. Con. Res. 564

Whereas a black bear cub was found by forest fire fighters nearly twenty-four years ago in the Capitan Mountains of New Mexico and this cub was placed in the National Zoo in Washington, District of Columbia, and named Smokey Bear and became world famous as the living symbol of forest fire prevention; and

Whereas the people of Capitan, New Mexico, have expressed a strong desire for the return of the body of Smokey to Capitan upon his death: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that upon his death the body of Smokey Bear may be returned to Capitan, New Mexico, for proper disposition and a permanent memorial in or near Capitan.

The concurrent resolution was agreed to.

The SPEAKER. This ends the call of the Consent Calendar.

APPOINTMENT OF CONFEREES ON H.R. 15155, PUBLIC WORKS FOR WATER AND POWER DEVELOPMENTS APPROPRIATIONS, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15155) making appropriations for public works for water and power developments, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? The Chair hears none, and appoints the following conferees: Messrs. EVINS of Tennessee, BOLAND, WHITTEN, SLACK, PASSMAN, MAHON, DAVIS of Wisconsin, ROBISON of New York, MYERS, and CEDERBERG.

REGULAR INTELLIGENCE BRIEFINGS FOR THE SPEAKER AND THE SENATE MAJORITY LEADER CAN FORESTALL ANY FOREIGN ATTEMPT TO SQUEEZE THE UNITED STATES DURING THE IMPEACHMENT PROCEEDINGS

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STRATTON. Mr. Speaker, the record of the past quarter century shows very clearly that on many occasions when the Soviet Union felt that the United States was weakened by domestic problems and differences they sought to "test" us—as in Korea, Berlin, and the Cuban missile crisis of 1962.

Two weeks from today the House is expected to begin its deliberations on the whole impeachment matter. During this period there is bound to be a measure of turmoil in the U.S. Government. In these circumstances we must recognize the possibility that the Soviet Union or one of its satellites may be tempted to take advantage of this turmoil by putting a military or diplomatic "squeeze" on the United States at some world trouble spot like Berlin or the Middle East.

Mr. Speaker, however, we in this House may individually feel about impeachment. I feel sure that all Americans would nevertheless unite against any such challenge to our fundamental interests.

Therefore, to enable the U.S. Government to deal swiftly and effectively with any foreign military or diplomatic crisis, I urge strongly that top foreign intelligence briefings be given daily to the Speaker and also to the Senate majority leader, beginning August 19 when the impeachment debate opens in the House.

These briefings would help to insure a united as well as a prompt and informed response to any possible "test" of this kind. Also, with the top Democratic leadership in Congress being kept fully informed of all foreign developments there could be no possible risk of our mistaking genuine threatening moves with "impeachment diversions" something that did become a problem during last fall's October war in the Middle East.

HISTORIC ROLLCALL

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, when the House votes on impeachment, we probably will be casting the most significant votes of our tenure in Congress. Because of the importance and solemnity of the occasion, I suggest that the rollcall on each of the articles of impeachment and any amendments offered be called by individual, voice rollcall, rather than electronically recorded. I have mentioned this to a number of our colleagues and all agreed that the momentous nature of these votes merit the calling of the roll and requiring that each Member stand up and answer individually "yes" or nay."

I urge your consideration of this since it is within your power to decide on the manner of the vote.

SHIPMENT OF MOTOR VEHICLES OWNED BY MEMBERS OF THE ARMED FORCES

(Mr. HICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HICKS. Mr. Speaker, H.R. 16006 comes to the floor today by way of the Consent Calendar.

I was an original author of the portion of this legislation which is now contained in section 1. This section will simply provide authority for the services to utilize some land transportation, which they now cannot, in combination with the sea transportation they now use in shipping servicemen's vehicles. The effect of this authority will benefit military personnel because they will get better service from the increased competition, the Department of Defense can save money for the same reason, and the U.S. merchant marine industry will be strengthened because this use of overland transport can only be used in conjunction with American-flag shipping services.

Moreover, I have heard that because of a strike in Alaska now in progress, the vehicles in this area are not being moved. The authority in this legislation will provide an alternative means of transportation for these vehicles and alleviate the serious inconvenience our military personnel are experiencing as a result of the strike.

This aspect of the bill, as well as the entire bill, is good legislation and deserves favorable consideration by the House.

MAKING A VOTE TO CENSURE IN ORDER

(Mr. SHUSTER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous material.)

Mr. SHUSTER. Mr. Speaker, I too rise to urge the Speaker and the leaders of the majority party to exercise their offices so as to permit a vote of censure before the House of Representatives on the impeachment issue. I do not know yet how I am going to vote, but I think the Members deserve the widest latitude in expressing their approval or disapproval of the President's performance in office.

I think when this issue goes before the Committee on Rules it is going to be a test of the partisan motives of the majority because if the majority attempts to gag this issue by not even permitting a censure motion to be brought to the floor, I think the American people will recognize that the majority is acting in a partisan fashion.

Mr. Speaker, the actual impeachment resolution passed by this House on February 6, 1974, says in the last sentence:

> The Committee shall report to the House of Representatives such resolutions, articles of impeachment, or other recommendations as it deems proper.

Mr. Speaker, I repeat, "or other recommendations" explicitly in the impeachment resolution is language which would permit this House to go beyond voting up or down on impeachment, and I urge the Members to support this proposition.

APPOINTMENT OF CONFEREES ON H.R. 15405, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15405) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. McFALL, YATES, STEED, Mrs. HANSEN of Washington, Messrs. BOLAND, MAHON, CONTE, MINSHALL of Ohio, EDWARDS of Alabama, and CEDERBERG.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
August 2, 1974.

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:50 P.M. on Friday, August 2, 1974, and said to contain a message from the President concerning a legislative proposal to establish a Cost of Living Task Force.

With kind regards, I am,
Sincerely,
W. PAT JENNINGS,
Clerk, U.S. House of Representatives.
By W. RAYMOND COLLEY.

TO ESTABLISH A COST OF LIVING TASK FORCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–329)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanyin papers, referred ot the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

Earlier this year, before the expiration of the legislation authorizing the Cost of Living Council, I proposed to the Congress that a residual group within the Executive Office of the President be authorized to monitor wages and prices, as an on-going part of our fight against inflation. The Congress did not act on this proposal.

In my economic address on May 25 of this year, I called for the establishment of a Cost of Living Task Force to monitor wages and prices. Again, no Congressional authorization was forthcoming. While I continue to oppose mandatory wage and price controls, it is essential that wages and prices be carefully watched, that labor and management be constantly aware of public concern in this area, and that Government have the information it needs to persuade labor and management to do their duty in the effort to reduce inflation. We have carried out this monitoring function as best we can with our existing resources, under the leadership of my Counsellor for Economic Policy, Kenneth Rush. The need for a properly authorized group continues, however, and it now appears that many Members of the Congress are prepared to reconsider their earlier opposition to my proposal for such a group. A Senate spokesman for the majority party of the Congress is now advocating such a proposal.

Therefore, I am today transmitting a legislative proposal to establish a Cost of Living Task Force. I invite all those who have come to see the need for this proposal to join as bipartisan co-sponsors in this vital step in our fight against inflation.

RICHARD NIXON.

THE WHITE HOUSE, *August 2, 1974.*

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports in two instances.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALL OF THE HOUSE

Mr. HANNA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 438]

Andrews, N.C.
Badillo
Beard
Biaggi
Biester
Blatnik
Boggs
Boland
Bolling
Brasco
Breaux
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Fla.
Burlison, Mo.
Butler
Carey, N.Y.
Chisholm
Clancy
Clark
Clay
Conte
Conyers
Culver
Davis, Ga.
de la Garza
Diggs
Dorn
Downing
Eckhardt
Edwards, Ala.
Eshleman
Evans, Colo.
Fish
Flowers
Flynt
Ford
Frelinghuysen
Frey
Gibbons
Grasso
Gray
Green, Pa.
Grover
Gubser
Gunter
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hogan
Holifield
Hosmer
Howard
Ichord
Jones, Okla.
Kluczynski
Kuykendall
Lehman
Lent
Lott
Lujan
McDade
McSpadden
Macdonald
Madigan
Maraziti
Mathias, Calif.
Mills
Mink
Moakley
Murphy, Ill.
Murphy, N.Y.
Nedzi
O'Hara
Owens
Podell
Powell, Ohio
Pritchard
Railsback
Randall
Rangel
Rarick
Reid
Reuss
Rhodes
Robinson, Va.
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Ruppe
Scherle
Sebelius
Stanton, James V.
Stark
Steele
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Teague
Tiernan
Treen
Udall
Vander Jagt
Veysey
Waldie
Wampler
Ware
Wydler
Young, Alaska

The SPEAKER. On this rollcall 321 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement. Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

ENDORSING LAKE PLACID, N.Y., AS THE SITE OF THE 1980 WINTER OLYMPIC GAMES

Mr. FRASER. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 72) extending an invitation to the International Olympic Committee to hold the 1980 winter Olympic games at Lake Placid, N.Y., in the United States, and pledging the cooperation and support of the Congress of the United States, as amended.

The Clerk read as follows:

S. CON. RES. 72

Whereas the International Olympic Committee will meet in October 1974, at Vienna, Austria, to consider the selection of a site for the 1980 winter Olympic games, and

Whereas Lake Placid in the town of North Elba, County of Essex, and State of New York, has been designated by the United States Olympic Committee as the United States site for the 1980 winter Olympic games, and

Whereas the residents of Lake Placid and the town of North Elba in Essex County, New York, have long been recognized throughout the world for their expertise in organizing, sponsoring, and promoting major national and international winter sports competitions in all of the events which are a part of the winter Olympic games, and

Whereas, it is the consensus of the Members of the Congress of the United States that the designation by the International Olympic Committee of Lake Placid in the town of North Elba, Essex County, New York, as the site of the 1980 winter Olympic games would be a great honor for all of the people of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the International Olympic Committee be advised that the Congress of the United States would welcome the holding of the 1980 winter Olympic games at Lake Placid in the town of North Elba, county of Essex, and State of New York, the site so designated by the United States Olympic Committee; and be it further

Resolved, That the Congress of the United States expresses the sincere hope that the United States will be selected as the site for the 1980 winter Olympic games, and pledges its cooperation and support in their successful fulfillment in the highest sense of the Olympic tradition: *Provided,* That Olympic activities and plans in all respects fit within the present laws and adopted State plans, rules, and regulations respecting the entirety of the Adirondack Park; and be it further

Resolved, That Congress shall not support, financially or otherwise, any activities or plans which are in conflict with the letter or spirit of those laws, plans, rules and regulations, or which would require any modification of them.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Minnesota (Mr. FRASER) is recognized.

Mr. FRASER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution expresses the sense of the Congress in support of the application of Lake Placid, N.Y., as the site of the 1980 winter Olympic games, providing that Olympic plans and activities do not conflict with the environmental laws and regulations concerning the Adirondack Park, in which Lake Placid is situated.

The U.S. Olympic Committee has chosen Lake Placid as the official American candidate for the site of the 1980 winter Olympic games. President Nixon personally endorsed Lake Placid's bid, on February 13, 1974, in a letter to the International Olympic Committee. Support for the Lake Placid application has also been expressed by the Governor and the Legislature of the State of New York.

Mr. Speaker, the subcommittee held a hearing on this matter in which the proponents of the resolution appeared along with representatives of several environmental groups. The environmental organizations indicated that given proper control, this was a suitable site, in their opinion, for the holding of the winter Olympic games. Partly because of their concern, the subcommittee added an amendment which can be found at the end of the resolution, stating that the plans and activities of the Olympics will conform to existing State plans, rules, and regulations regarding the Adirondack Park. With the adoption of that amendment, the matter was considered in the full committee and reported, without objection, to the floor.

I will be glad to respond to any questions.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRASER. Mr. Speaker, I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I am interested in the "resolved" clause in this resolution which says:

> That Congress shall not support, financially or otherwise, any activities or plans which are in conflict with the letter or spirit of those laws, plans, rules, and regulations, or which would require any modification of them.

It seems to me that this is unusual language. Could the gentleman state briefly why this is included?

Mr. FRASER. Yes. There was concern at the committee hearing over the possibility that holding the Olympic games might cause environmental damage; there might be damage to the park and to the park setting, which, in the judgment of some of the environmental groups, would be an unfortunate consequence and something they hoped could be avoided. Therefore, the committee adopted this language in order to make clear that our support, in effect, is conditioned upon compliance with the existing laws and regulations, which everyone agreed are adequate to protect against injury to the environment if the rules and regulations are followed.

In effect, therefore, what we are saying is that we approve of the games being held here, provided that there are no transgressions of existing laws, rules, and regulations.

Mr. GROSS. And would financial support be withdrawn in the event that there were transgressions?

Mr. FRASER. Yes. We would not be favorably disposed toward supporting these games if they were going to violate the rules and regulations.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. McEwen).

Mr. McEWEN. Mr. Speaker, I want to express my appreciation to the gentleman from Minnesota and the members of his committee for their favorable consideration of this resolution.

I would say, Mr. Speaker, that the gentleman has covered very well in his remarks the thrust of this resolution. The protection of the environment, by the language of the resolution, is insured.

May I say, Mr. Speaker, that one of the great advantages of Lake Placid as a site for the world Olympics is the fact that many of the facilities that would be needed for these Olympics are already in place. On White Face Mountain are the ski trails for the Alpine events that meet FIS standards. At Intervale there is the 70-meter jump that still meets Olympic standards. It is the jump that has been used since Lake Placid hosted the 1932 Olympics.

At the same location there would be required a new 90-meter jump. Also in this area is located the only bobsled course in North America. There is an Olympic standard biathlon course and a cross-country course all in place.

From the standpoint of cost for the facilities that would be needed—and there are less needed here than in any other location in this country and possibly in this hemisphere—and from the standpoint of the absence of damage that would be done to the environment, I think all of this commends, from the standpoint of economics and the ecology, the site of Lake Placid

This community has been designated by the U.S. Olympic Committee as the site for these Olympics. It has been endorsed, as the gentleman from Minnesota pointed out, by our President in a letter which he addressed to Lord Killanin, the president of the International Olympic Committee

Mr. Speaker, I would like, if I may, to quote from that letter of February 13, 1974, which the President wrote to Lord Michael Killanin. The quotation is as follows:

> As a small, mountainous, winter sports community, and as the site of the 1932 Winter Games and numerous world championships, Lake Placid has both the rich tradition and demonstrated ability to conduct the 1980 Winter Games with quality and distinction. Its invitation is extended with full awareness of the heavy responsiblities involved in an international event of this stature.

Mr. Speaker, I hope that this Senate concurrent resolution may be concurred in.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of Senate Concurrent Resolution 72 which will endorse the bid of Lake Placid, N.Y., to be the official site of the 1980 winter Olympic games.

Earlier this year, I joined with the entire New York congressional delegation in cosponsoring a similar resolution. I am pleased to see that this resolution has one important addition—namely, if this site is selected, the further support of Congress will be contingent on the plans and activities of the International Olympic Committee adhering to the environmental laws which govern the Adirondack Park region which includes Lake Placid.

Lake Placid has the proven distinction of having hosted the famous 1932 winter Olympics. Only two other American communities, Los Angeles in 1932, and Squaw Valley, Calif., in 1960, have hosted Olympic games. Lake Placid is seeking to become the only American community to host two Olympic games, and I feel its credentials to achieve this international milestone are meritorious and worthy of favorable congressional approval.

Lake Placid has the important advantage of already having most of the facilities necessary to successfully conduct winter Olympics. Included among their many existing facilities are alpine and cross country ski trails, excellent bobsled runs, as well as excellent figure skating and ice hockey facilities. As a result of their wealth of winter sport facilities, Lake Placid has in recent years had the distinction of being the host site for more national and international winter championship events than any other place in the world.

Of course there is a vestige of American pride involved here as well. Traditionally the host country of the Olympics fares somewhat better in the overall international competition. Lake Placid has produced many individuals who have already competed in international competition. It stands to reason that by holding the games at Lake Placid these Americans would stand a much better chance of winning the highly coveted gold medals which signify the epitome of international sports excellence.

I am pleased to see that adequate provisions have been included to insure that environmental safety of this region in the event that the 1980 games are indeed held at Lake Placid. The Adirondack Park region of upstate New York is one of the most beautiful areas in all of the United States, and her beauty is partially due to her successful resistance of the commercialism which has destroyed so many other winter resort areas in this Nation. During the consideration of this resolution, assurances were received from a number of environmental groups familiar with this region, that if the environmental laws were followed they would have no adverse effects either on the conduct of the games, or the environmental future of the area.

The support for Lake Placid's bid has been quite impressive. Supporters include the President, the Governor of New York, the U.S. Olympic Committee, the New York congressional delegation, as well as the Senate which has already passed this resolution.

I therefore wish to add my personal support of this bid by Lake Placid. I feel the area has both the high tradition and proven excellence to conduct the 1980 games with true distinction. I hope this resolution meets with the swift approval of my colleagues today, so that all necessary plans can begin to bring the Olympics successfully back to America.

GENERAL LEAVE

Mr. FRASER. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on Senate Concurrent Resolution 72 presently under consideration.

The SPEAKER pro tempore (Mr. Sisk). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRASER. Mr. Speaker, I have no further requests for time.

Mr. GROSS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. Fraser) that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 72, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, the Chair announces that further proceedings on this vote will be postponed.

PARLIAMENTARY INQUIRY

Mr. ASHBROOK. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. ASHBROOK. Mr. Speaker, the Chair indicated the vote will be postponed. Does that mean a rollcall vote will be automatically instituted at the proper time?

The SPEAKER pro tempore. The Chair will state that the yeas and nays have been ordered, and the vote will be taken by electronic device at the appropriate time.

CONTINUATION PAY FOR PHYSICIANS OF THE UNIFORMED SERVICES IN INITIAL RESIDENCY

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15936) to amend chapter 5, title 37, United States Code, to provide for continuation pay for physicians of the uniformed services in initial residency, as amended.

The Clerk read as follows:

H.R. 15936

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of the first sentence of section 311 (a), chapter 5 of title 37, United States Code, preceding clause (1), is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O–6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O–6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, a medical officer of the Public Health Service above the pay grade of O–6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service who—".

SEC. 2. The amendment made by the Act shall be effective June 1, 1974.

The SPEAKER pro tempore. Is a second demanded?

Mr. HUNT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 15936 would allow the payment of continuation pay to medical officers who are in initial residency and are otherwise eligible for such pay. It is necessary to approve the bill in order to prevent a loss of pay of as much as $5,000 per year by some career medical officers.

It will be recalled that Congress recently approved Public Law 93–274 which established a new incentive bonus for medical officers. That law terminated continuation pay for those below the grade of O–7 (brigadier general and rear admiral). Continuation pay was authorized for those senior grades because they were ineligible for the bonus and continution pay was necessary to prevent any pay inversions where someone would lose pay by going to a higher rank.

Public Law No. 93–274 excluded officers in initial residency training from receiving bonuses. Officers in initial residency were normally not eligible for continuation pay in the past because the regulations under which the pay was administered required 5 years of service for eligibility.

Subsequent to the passage of Public Law 93–274 it came to the attention of the subcommittee that there were several hundred medical officers who had an abnormal delay in the commencement of their initial residency training. The majority of these are those who have served as general medical officers for several years on active duty, many of them in Vietnam, and were therefore delayed in entering residency training because of the services' urgent need for general medical officers during the Vietnam war.

In 1975 the Armed Forces will have approximately 345 medical officers who would be affected by this bill. One hundred and eighty-four of these are officers who have already had 5 years of service, and who were receiving continuation pay when Public Law 93–274 was enacted. They would lose this pay unless the present bill is passed. The other 161 are officers who are soon to complete their 5 years of service, and thus would have been eligible to receive continuation pay if Public Law 93–274 had not been enacted. They have anticipated getting continuation pay and have made their financial plans accordingly.

If H.R. 15936 is enacted, the medical officers who would benefit from it would receive an average of $5,044 a year of continuation pay. The total cost to the Department of Defense for fiscal year 1975 would be $1.7 million. The Department indicates that that cost can be absorbed administratively, and would result in no increase in budgetary requirements. The Department of Defense strongly supports the bill.

The subcommittee amended the bill to limit eligibility to medical officers who were on active duty on June 1, 1974. The amendments are designed to assure that the bill is a saved-pay measure for those officers who were on active duty at the time Public Law 93–274 became effective, so that officers on active duty at that time will not receive less than they were led to expect in additional pay.

I urge the passage of this legislation.

Mr. Speaker, while I am on my feet, let me also comment on the fact that this bill corrects an inequity and an oversight in the original doctors' bonus bill, Public Law 93–274, which was enacted May 6 with an effective date of June 1. That law provides substantial, additional bonus payments to keep in the service the medical officers we need.

Our committee is very disturbed by the fact that, although the Department of Defense told us that it urgently needed the bill back before the first of the year, and needed a $15,000 bonus desperately, and we passed a $13,500 bonus in anticipation of the tremendous shortage of doctors on the first of June, the Department of Defense 2 months after that date has still not implemented the legislation.

I think it is an insult to the House of Representatives, to the Congress, and to the committee to come up here and demand legislation as an urgent requirement, and then not implement it.

I would advise the House that we in our committee are going to find out who is responsible for the failure to implement this legislation. We will pin that responsibility on the proper person or persons and we are going to demand the Defense Department clean house if they do not get this legislation underway.

Just the other day, Mr. Speaker, in the Washington Post was an Associated Press article that said that the Pentagon says there is such a critical shortage of trained doctors that they are going to bring back retired medical doctors and pay them $44,000 a year plus their service pension to try to fill the need. And while they are doing this sort of thing they are failing to implement the legislation to meet the same need.

So we are going to make sure that this error is corrected and we may have to reverse our way of writing legislation to make sure this kind of disgraceful situation does not happen again.

But, in the meantime, H.R. 15936 is needed to fill a gap that the Department of Defense did not advise the committee of when the original bill was passed.

I reserve the balance of my time.

Mr. HUNT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is necessary to pass this bill, as my colleague, the gentleman from New York, has just stated, to prevent an injustice to the young physicians in the service. I was instrumental in bringing this problem to the attention of the committee because of two young physicians at the Philadelphia Naval Hospital who contacted me on behalf of their fellow medical officers. They are outstanding young doctors, desperately needed by the armed services. They have delayed their residency because of their requirements of service. Many of them have served as general medical officers in Vietnam and have likewise given extended time prior to seeking their residency in hospitals where their expertise was required.

Normally a doctor is eligible for continuation pay up to 5 years, and some of those young doctors are already receiving that continuation pay and will lose it if this bill does not pass. Others who have been planning for their future, based upon the continuation of the pay, would lose it likewise. It would mean an unexpected pay loss, Mr. Speaker, of about $5,000 a year for a 3-year period if the bill does not pass this House.

Mr. Speaker, I urge the Members today to promptly pass this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STRATTON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 15936, as amended.

Mr. HUNT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

AIR FORCE LIEUTENANT COLONELS AND COLONELS

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14402) to amend the Act of September 26, 1966 (Public Law 89-606), as amended to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased.

The Clerk read as follows:

H.R. 14402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of September 26, 1966 (Public Law 89-606), as amended (86 Stat. 1175), is amended by striking out "September 30, 1974" and inserting in place thereof "September 30, 1976".

The SPEAKER pro tempore. Is a second demanded?

Mr. PIKE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 14402 would provide a 2-year extension of the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased. This is continued relief for the Air Force from the limitations in the Officer Grade Limitation Act of 1954. Since 1959 Congress has provided, on a nonpermanent basis, for an increase in field-grade authorizations for the Air Force to allow it to have roughly the same numbers of officers in these grades as do the Army and the Navy. The latest extension of this relief was granted in 1972 and expires on September 30 of this year.

If the bill is not passed, the Air Force will be required to demote or eliminate from active duty some 6,000 field-grade officers. There would also have to be a complete moratorium on promotion to the grades of major, lieutenant colonel and colonel for at least a year. In addition, the promotion point for officers in the Air Force would slip as much as 3 years behind those in the Army and Navy. Members can imagine the effect on the morale of the officer corps.

This bill merely continues for the Air Force the percentage of field-grade officers that it now has. The Officer Grade Limitation Act of 1935 provided a substantially lower number of field-grade positions for the Air Force than for the other services simply because it was at that time a relatively new force with a much younger officer corps. By 1959 the Congress determined that the limitations on the Air Force were unrealistic and since that time has provided them with relief from those limitations. This bill simply continues that more realistic approach.

At the time of the last extension of the law in 1972, the Department of Defense was charged with coming up with recommendations for permanent revision of the officer grade structure.

The Department of Defense has submitted, and our committee has commenced hearings on, the Defense Officer Personnel Management Act (DOPMA), H.R. 12405, which would revise the field-grade officer structure for all the Armed Forces on a permanent basis. This is extremely detailed and complex legislation. It is apparent that we cannot expect Congress to complete action on this bill before the present Air Force grade relief expires on September 30. Therefore, your committee recommends extension of the Air Force grade relief for an additional 2 years while we continue to work on H.R. 12405.

I stated at the commencement of the hearings on H.R. 12405 that even if we did not finish that bill this year, if I returned next year, I would consider it as a top-priority item on the agenda of the Military Compensation Subcommittee and that I would agree to any temporary changes affecting officers only in the context of the understanding that we would continue to work on the problem next year. I want the Department of Defense to clearly understand that a permanent revision of the officer grade structure for all services must be pursued. I am by no means persuaded that the Air Force should have, on a permanent basis, the numbers of field-grade officers provided in this bill. But I do not think we should apply restrictions to one service without considering what changes are needed in the others. And I do not believe we should punish the officers of one service. Revisions have to be made with due regard for equity to individuals. Having promoted officers to the grade of lieutenant colonel, for example, we cannot just demote them willy-nilly when they have been performing well.

This bill will not result in any additional budgetary requirements for the Department of Defense. The Air Force stated to our committee that failure to pass the bill would result in increased costs since the savings by having fewer colonels and lieutenant colonels would be more than offset by the cost of separation pay, increased retirement cost, and possible increased cost of training replacements. The additional cost in fiscal year 1975 would range from $9.5 to $42.2 million, depending on assumptions with regard to replacement training. But costs cannot be projected with precision.

Cost is not the most important consideration. What is important is equity to the individual.

Mr. Speaker, let me point out finally that this bill does not prevent us from making reductions in senior officer grades in the interim before action is completed on DOPMA. The Defense Department has asked for authority to noncontinue a number of O-6 (colonel) and O-5 (lieutenant colonel) officers in each service short of the normal tenure expectation of such officers. Our military Compensation Subcommittee has had some testimony on the bill to provide this authority (H.R. 11113) and will complete consideration and make a decision on the measure following the impeachment business.

What we are doing here today is assuring that the Air Force does not have to make wholesale reductions according to some obsolete grade table and does not have to demote capable officers. Equally important, we are attempting to assure officers in the Air Force that their careers will not be one big guessing game, that they will be treated equitably with officers in the other services, and that changes in career opportunity will be made only after thorough study by the Congress.

We do have to consider reducing the number of senior officers in the Armed Forces. But we have to do it in a manner that is not unjust to individuals and that does not damage military morale or weaken our ability to retain highly trained officer personnel.

I urge passage of the bill.

Mr. PIKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think that the opening statement of the gentleman from New York concedes what I have been arguing for as long as I have been here; that is, there is too much top brass in the military. We all know that there is too much top brass and yet every chance we get to do something about it, we never do anything about it. This is not the first time or the second time or the third time or the fourth time that we have allowed the Air Force to have more brass than it needs. This is the seventh time that we have been requested to do this.

We did pass a law once which limited the number of generals and colonels and lieutenant colonels and majors that all the services could have. All the services have said they could live with this, except the Air Force. The Air Force says, "No, we can't live with it."

What has happened to the Air Force since we have been granting these continual "temporary" extensions of their grade structure? In 1966 when we "temporarily" allowed them to have more colonels and lieutenant colonels for the fifth time, the Air Force had 12,259 planes. Today that 12,259 planes is down to 8,096 planes. They have lost 4,163 planes, but they have made up for this loss by adding 3 four-star generals and 1 three-star general.

To run an Air Force 34 percent smaller in planes than it was 8 years ago, we have an officer force only 13 percent smaller. In the total number of generals, it is only 9 percent smaller.

In 1966 we had 10½ officers for every plane in the Air Force. At the end of 1974 we had 13.7 officers for every plane.

Overall to run the Air Force of 8,069 planes, we have 14 four-star generals, 39 three-star generals, 146 two-star generals, and exactly 200 little old one-star generals. We have 6,095 colonels. We have 13,979 lieutenant colonels, 21.339

majors, 40,404 captains, 14,147 first lieutenants, and 14,740 second lieutenants.

Oh, yes, we also have 534,000 enlisted men; but this bill does nothing for them.

At the height of World War II when there were 2,282,000 people in the Air Force—it was then called the Air Corps—there were 322 generals. Today the Air Force has 1,638,000 fewer people in it, but it has 77 more generals than it had at the height of World War II.

Now, obviously, the generals all have aides, and they all have transportation. They have cars and they have lovely offices or quarters, and almost none of them fly planes.

This particular bill is a bill for the colonels and lieutenant colonels. Under the basic law, the Air Force is, at its current strength, entitled to 4,442 colonels. Today it has 5,558, not counting the physicians or dentists because we let them stop counting the 4,500 Air Force physicians and dentists back in the 89th Congress. The overall bill recommended by the Department of Defense, by the way, would only allow them 5,503. So there are 55 more colonels in this bill than the Department of Defense recommends. Under the basic law, the Air Force is entitled to 8,809 lieutenant colonels. Today it has 13,269, again not counting the physicians and dentists.

The Members have heard all of the terrible things that would happen if this bill were not passed. Well, let us consider, first of all, what might happen. The gentleman from New York (Mr. Stratton) said the cost, if this bill does not pass, is somewhere between $9.5 million and $42 million. Well, that is a pretty big spread, actually, for just the colonels and lieutenant colonels. I do not think they really know what the cost would be. I do know that the figures they came up with assumed that we have to replace all of these nonflying colonels and lieutenant colonels, that we have to have 733 more pilots and 311 more navigators, and so forth.

The fact of the matter is, if this law were allowed to expire absolutely nothing would happen until the end of this fiscal year, which is next June 30. By that time they would have to have done something. They would either have had to trim some of the fat out of their grade structure or we would have had to pass the basic legislation, and the basic legislation, I might remind the Members, was introduced back in January of this year, and we have not passed it yet. I think as long as we keep "temporarily" extending for the Air Force the right to have more colonels and lieutenant colonels than they need, we never will get it passed.

Mr. STRATTON. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. Hunt).

Mr. HUNT. Mr. Speaker, this is a simple bill to continue the present authorizations for field-grade officers of the Air Force. Although these have been extended on a temporary basis every few years, the truth of the matter is that we are extending the authorizations that have been in effect for 15 years. The original authorizations in the 1954 Officer Grade Limitation Act were only in effect for 5 years.

Failure to enact this legislation would result in 870 fewer colonel spaces and 4,041 lieutenant colonel spaces in the Air Force. The waterfall effect of such reductions would mean reduction in grade or elimination from active duty of approximately 6,000 officers in the grades of colonel, lieutenant colonel, and major. In addition, it would require a halt of promotions for 1 year and a delay in promotion points of as much as 3 years behind what is experienced by the other services.

Reference is sometimes made to the fact that we have more officers proportionately to the size of our forces than we have had in the past. But it should be remembered that field-grade authorizations do not increase as rapidly as commissioned officer strength during periods of force buildup nor do they decrease as rapidly during periods of force reduction. For example, if the Tactical Air Command were to add a fighter wing or two to its structure, there would be a large increase in captains and lieutenants to meet the operation's requirements but minor increases to the numbered Air Force and major command staffs.

Conversely, if a fighter wing or two were to be deactivated, the captain and lieutenant positions in the operations area would be abolished; but the workload at higher command levels would not proportionately diminish. This is referred to as the sliding scale feature of the law.

The bill has been criticized on the basis that the number of airplanes in the Air Force has decreased but the number of senior officers has stayed the same or increased. It will be pointed out that airplanes are flown by lieutenants and captains more than by colonels and lieutenant colonels. This is true. But the research and development, procurement, planning and budgeting—the whole complex management process which brings systems and weapons into being—must be run by experienced, trained officers. The tactical and strategic decisions on deployment of systems and weapons and people must be made by experienced, mature officers. To attract quality officers, we must be able to offer lietutenants and captains a reasonable, reliable career progression.

It must also be remembered that the grade tables provided in 1954 are simply inappropriate for today's Air Force. In 1954 only 18 percent of our Air Force officers had over 12 years of service; today over 38 percent have more than 12 years.

Mr. Speaker, it will be pointed out that the ratio of officers to enlisted personnel is higher in the Air Force than other services. This is true. The Air Force has one officer to every 4.8 enlisted men. The ratio in the other services is as follows: Army, 1 to 6.7, Navy and Marine Corps, 1 to 7.6. In the first place, however, this bill has nothing to do with officer and enlisted ratios. This bill concerns only the number of lieutenant colonels and colonels in the Air Force, which, under our system, is determined as a factor of total officer strength. If Congress wishes to change the officer/enlisted ratio, the time to do it is when it sets the total strength figures each year in authorization and appropriation legislation.

In the second place, however, it should be remembered that the Air Force is an officer-intensive service; the Air Force is unique because the officer rather than the enlisted man performs the primary combat jobs in most cases. Tactical fighter and interceptor aircraft as manned by officers; strategic bombers are crewed by five officers and one enlisted man. Missiles are controlled by officers. Combat casualties in Vietnam reflect this fact. Eighty percent of Air Force casualties were officers, compared to 11 percent of the Army's and 31 percent of the Navy's.

In regard to the charge that we have far more senior officers than we ever intended, it is interesting to note that the Officer Personnel Act of 1947, which set the grade distribution percentages and which was drafted following the World War II experience, provided more senior officers than the Air Force now has.

The Officer Personnel Act authorizations are not reflected by number, but as a percentage of the Regular officers in the Air Force. If Officer Personnel Act percentages were applied to today's 110,000 officer force, the Air Force would be authorized 825 generals rather than 399; 8,800 colonels instead of 6,095; and 15,400 lieutenants rather than 14,000.

As part of my remarks, I would like to include a table which compares the Officer Personnel Act percentages at the 110,000 officer force level with the number of officers actually on duty in the Air Force today:

	General	Colonel	Lieutenant colonel	Major	Captain	1st lieutenant	2d lieutenant
OPA percentage	0.75	8	14	19	23	18	18
At 110,000 force	825	8,800	15,400	20,900	25,300	19,800	19,800
USAF, June 1974	399	6,095	13,979	21,339	40,404	14,147	14,740
Percent of officer force	0.35	5.5	12.6	19.2	36.4	12.7	13.3

In summary, Mr. Speaker, this is a bill which simply continues the promotions and grade distribution system now operating in the Air Force. It treats the Air Force on a par with the Army and Navy, and it is necessary to avoid wholly unjust actions directed at individuals who have been performing in an outstanding manner in our senior officer grades. I hope the Members will support the bill overwhelmingly to let the members of the Armed Forces know that Congress appreciates their services and their sacrifices.

Mr. STRATTON. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. Aspin).

Mr. ASPIN. Mr. Speaker, the gentleman from New York (Mr. Pike) said that the gentleman from New York (Mr. STRATTON) had conceded that the Air Force was top-heavy with brass. Let me also concede that point to the gentleman from New York (Mr. PIKE) because I believe he is absolutely correct. I believe that the points he is making in his statement are absolutely right. The questions are, Does that apply to just the Air Force, or does it apply to the other services? Is the voting down of the legislation which is before us the best way to deal with it?

The answer to the first question is, of course, that it does not just apply to the Air Force. It applies to the Navy and it applies to the Army, but the legislation that is before us applies just to the Air Force. Because the Air Force was a new service at the time the original OGLA ceilings were drawn up, the number of senior officers given to the Air Force was lower than the number given to the other services. So the Air Force has to come in every 2 years for relief allowing higher levels of senior officers. It is the Air Force which we have over the barrel every 2 years looking for this relief. It is the Air Force, and the Air Force alone, which will be hurt if we vote down this legislation.

Mr. Speaker, the fact which the gentleman from New York (Mr. PIKE) points out about topheavy brass is absolutely correct, but the way to deal with it is not to pick on just the Air Force. The way to deal with it is in a comprehensive fashion.

In previous years, when we have been asked for an extension for the Air Force, we have always asked the Department of Defense to propose legislation dealing with the brass problem for all of the services. It ought to deal with the Navy and the Army as well as the Air Force, but we just have the Air Force over a barrel.

We ought to have legislation covering all of them.

The Department of Defense has now come up with that legislation. It was introduced in January. Subcommittee No. 4 of the Committee on Armed Services has been holding hearings on it. They are looking into the matter. We are going to have legislation. The fact is that we cannot have it very soon. We have impeachment. We have an election. Next year we are going to have the authorization bill before us.

It will be at least this time next year before the DOPMA bill is reported to the full House. However, that is the way to deal with the problem, and that is the way to deal with this legislation.

It seems to me that what we ought to do is to report out this piece of legislation, this temporary relief, with the understanding that it is a short extension and that this time we will get a permanent bill, DOPMA, before the extension runs out.

The gentleman from New York (Mr. PIKE) says that the cost of this bill is outrageous and that the estimates of the Department of Defense are wrong. He is probably right. He says that the cost estimates are no good. He is probably right. I do not know what the ultimate cost of this legislation is going to be, but it is true that it is going to put a bind on the Air Force if we do not pass it. True, it does not take effect until nearly the end of September.

I want to say any changes that will have to be made in officer promotions or in the officer grade structure by next June would have to start now. Officers to be forced out have to be notified. They are entitled to notification by law. They are entitled to certain procedures.

Officers who would be demoted would have to be identified, and there would have to be training programs to replace officers. The question of career opportunities would have to be cleared up. All of these things would have to be done immediately. Therefore, even if DOPMA were to pass by next year—and it is not going to pass by next year—it is important that this legislation that we have before us be passed. If it is not, the Air Force would have to institute those changes right now.

Mr. Speaker, Congress does have an obligation to overhaul the officer promotion system. It does have an obligation to review the grade structure and to make basic reforms.

However, Mr. Speaker, killing this bill will not accomplish any of the secondary reforms.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman's yielding. I want to associate myself with his remarks.

Mr. Speaker, I rise in support of this bill to extend the temporary Air Force grade relief until September 30, 1976. Last October, during the debate on the fiscal year 1974 defense authorization bill, I expressed concern over whether delay in consideration of the proposed Defense Officer Personnel Management Act would necessitate another extension for the Air Force. It now appears that that concern has become this morning's reality.

The primary point I want to make today in supporting this extension is that this is one occasion when we cannot point the finger at the Pentagon and accuse them of causing the delay. In fact I would say that no one is at fault. The Pentagon did what was asked of them and submitted the required report and the proposed legislation. That bill was introduced in January of this year as H.R. 12405 and, despite a very busy schedule of legislative hearings, the Stratton Subcommittee of the Armed Services Committee has begun indepth hearings on the DOD-wide proposal. The simple fact is—this is complex legislation that in the best of all worlds is going to take a long time to get through the House, through the Senate and through a conference on the inevitable disagreements.

As others have pointed out, the consequences to the Air Force would be drastic if we fail to pass this bill. In his minority views, the gentleman from New York makes light of the consequences, suggesting that it would be "healthier" if the Air Force lost some lieutenant colonels and colonels. But the fact is that the impact also falls directly on majors and captains and on the career plans of the bright young officers who will surely be influenced in their decision on a career if they see senior officers demoted and RIF's and see a moratorium on all field grade promotions.

I have considerable doubts and questions about the wisdom of the present system, but H.R. 12405 is the place to raise them. That bill deals with the officer structure on a DOD-wide basis. The concern about "grade creep"—as I have pointed out before—should be addressed in the context of all the services. It would be not only unfair, but also unwise and illogical to take an arbitrary, partial stab at the problem by failing to pass this bill and causing absolutely unjustifiable turmoil in the Air Force. I urge that we exercise responsible judgment and pass this bill.

The SPEAKER pro tempore. The gentleman from New York (Mr. PIKE) is recognized.

Mr. PIKE. Mr. Speaker, I find this debate getting more and more interesting because now we have everybody conceding that there is too much brass in the military. We have everybody conceding that we ought to do something about it, and we have had opportunity after opportunity after opportunity over the years to do something about it, but we never do anything about it.

We have had, as I say, seven different opportunities to do it in connection with this legislation.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. PIKE. Mr. Speaker, of course I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, I thank the gentleman for yielding. Is it not true, I ask the gentleman from New York, that there will be permanent legislation coming out after this stopgap measure and that the new legislation will vastly reduce the number of officers in all the services?

Mr. PIKE. I do not know what the legislation is going to say. I know what the Defense Department proposal is. The Defense Department proposal is that there be less colonels and less lieutenant colonels than there are in this legislation right now.

Mr. ASPIN. That is right.

Mr. PIKE. But nobody says, "Let us cut this bill down to the Defense Department proposal."

I do not know what the Committee on Armed Services is going to do on this. I do not know what the subcommittee is going to do. I know this: I know that we have never shown any great intestinal fortitude as far as cutting down the brass in the military is concerned.

Mr. HUNT. Mr. Speaker, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Speaker, I think this is the opportunity for us to discuss this matter. I am quite sure no Member is in disagreement with the gentleman's argument that we need to reduce slots in some spots.

It is my finding from discussions with other members of the committee—and I am quite sure the gentleman was present when that debate took place—that there was no opposition to taking on the recommendations that they will bring to us a little later. However, in the interim period we cannot drop 6,000 officers, light colonels and colonels, in the Air Force by the wayside and let them sit in limbo until the new bill comes up for consideration.

Mr. PIKE. Mr. Speaker, let us get around to the business of these officers "sitting there in limbo."

The gentleman from Wisconsin has had some experience over there in the "funny factory," and the gentleman knows very well that it need not be this time next year before this legislation, the permanent legislation, is passed. It may be this time next year, but it need not be this time next year.

When they really want some legislation over there, man, the Committee on Armed Services gets it fast, and the Committee on Armed Services in the Senate gets it fast, and the Congress gets it fast.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, I think the gentleman is absolutely correct. The problem is that if we do what the gentleman is suggesting, I am afraid that the legislation would come out in a form which the gentleman would not like.

The gentleman is both asking us on one hand to review this legislation and go over it carefully and to cut down the number of officers and, on the other hand, telling us we have to pass it right away so we do not have this extension.

Mr. PIKE. No, I am not telling the Members we have to pass it right away. What I am saying is that we have until next July 1.

Mr. ASPIN. Mr. Speaker, if the gentleman will yield further, we do not have until next July 1, because if the Air Force does not get this extension, they are going to have to make some adjustments in their personnel policy starting right away.

Mr. PIKE. Mr. Speaker, the gentleman said they would have to make some adjustments in their personnel policy starting right away.

Have they notified any officers in the Air Force that their personnel policies are going to be changed right away?

Mr. ASPIN. No, they have not.

Mr. PIKE. Of course, they have not.

Mr. ASPIN. But if this legislation is passed——

Mr. PIKE. Wait. Mr. Speaker, I have not yielded to the gentleman.

Of course, they have not notified anybody, because they know that they can lead the Congress around with a ring in its nose. They know the Congress is going to pass this if they ask us to do it.

They have not done one darned thing about reducing the brass because they know they do not have to do anything.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. PIKE. Of course, I will yield to the gentleman.

Mr. ASPIN. Mr. Speaker, let me make a suggestion to the gentleman from New York.

Rather than venting his anger and his wrath on this temporary extension, how about focusing on the permanent legislation which is now before the Committee on Armed Services? The gentleman can come over and testify, come over and appear before our subcommittee. The gentleman can come over and tell us what his views are and introduce some legislation which he thinks is appropriate. And fight for them on the floor.

Mr. PIKE. Mr. Speaker, I have yielded long enough.

I have had as much experience, I suspect, as the gentleman from Wisconsin has in trying to get the Committee on Armed Services to do anything whatsoever that the Pentagon does not want, and the fact of life is that it is absolutely impossible to get the Committee on Armed Services to do anything that the Pentagon does not want.

Now, the Congress will do what the Committee on Armed Services does. The Committee on Armed Services will do what the Pentagon wants. And what the gentleman is inviting me to do is to participate in a never-ending tail chase whereby we give the illusion of considering basic problems without ever coming up with any substantive results.

We are always considering, we are always shaking our heads and saying, "Tsk, tsk, isn't it awful that there are so many generals and so many colonels and lieutenant colonels?" But we never do anything about it.

Mr. STRATTON. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The gentleman from New York has 8 minutes remaining, and the other gentleman from New York (Mr. Pike) has 7 minutes remaining.

Mr. STRATTON. Mr. Speaker, if the gentleman from Wisconsin (Mr. Steiger) desires to have additional time I will be glad to yield the gentleman that time.

Mr. STEIGER of Wisconsin. Mr. Speaker, I thank the gentleman, but I believe that the remarks I made immediately following those of the gentleman from Wisconsin (Mr. Aspin) will suffice.

Mr. STRATTON. Mr. Speaker, I reserve the balance of my time.

Mr. HUNT. Mr. Speaker, would the gentleman yield?

Mr. STRATTON. I will be glad to yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Speaker, I thank the gentleman for yielding me this time.

I have requested the time because I think it is well that we aired this particular piece of legislation. When everybody starts talking about cutting off the "brass" they should know that this bill does not deal with anyone except colonels and light colonels in the Air Force today.

My friend, the gentleman from Wisconsin (Mr. Aspin), is entirely right—and I do not use that term loosely, I will say to the gentleman from Wisconsin. May I also say to my friend, the gentleman from Wisconsin (Mr. Aspin) that I am very happy for the gentleman having this chance to be on our side of the fence. I am also delighted that the gentleman had such a nice weekend that he became enlightened with all the good prospects of this bill. It is important to point out also that it is only a temporary situation, as has been described, and when the main bill comes out this matter will be gone over carefully. I know that it will be decided as to the numerical numbers for all of the top slots, not only the Air Force, but in the other branches of service as well. We have reduced the number of our enlisted personnel in different units, and I am certain we will be able to make some good progress with officer personnel—many are entitled to retirement.

But, in the meantime what we will do if we listen to what the gentleman from New York (Mr. Pike) says today. We will have 6,000 officers sitting out in limbo, and someone will ask what will we do with them after the first of September. Then somebody will say we will get out a piece of legislation, and we will hold them over until we get out the main bill from the Department of Defense, and then put them back in again.

I do not want to do that. I want the Members to support this legislation. These colonels and light colonels in the Air Force should not be penalized. They have come up from the ranks in a number of instances, the hard way, and the majority of them are well-seasoned veterans. They are well versed in their jobs. I think we should for once in our lives do something sensible, and pass this legislation as a stopgap until the permanent grade structure bill is presented.

Mr. STRATTON. Mr. Speaker, I reserve the balance of my time.

Mr. PIKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from New Jersey has referred to this as just "temporary" legislation. Since 1959—we passed the Officer Grade Limitation Act—not we, but our predecessors in the Congress—back in 1954. Then "temporarily" in 1959 we decided to grant an exception and we granted an exception in 1959, and we have granted exceptions six times since. This "temporary" exception is temporary in the same sense that the national debt is temporary. it is just there forever unless we do something about it.

We have had all of this business about why just pick on the Air Force. And the answer is: I do not want to just pick on the Air Force, but I do want to get something done. The gentleman from Wisconsin admitted that if the Pentagon really wants to get something done, by golly, we get it done.

They wanted the flight pay bill so badly this year that the Committee on Armed Services dropped everything else it was doing, it dropped the procurement bill, and we got that flight pay bill to the floor. We got it to the floor because the Pentagon really wanted it.

Well, here is our opportunity to put some pressure on the Pentagon to get something done on overall legislation.

Mr. STRATTON. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. Aspin).

Mr. ASPIN. Mr. Speaker, I would just like to point out to the gentleman from New York (Mr. PIKE) that we did not abandon the procurement bill in considering the flight pay legislation. Flight pay was considered for 7 months by subcommittee No. 4. We worked at it very hard, and we did not abandon the procurement legislation.

The problem with the position taken by the gentleman from New York (Mr. PIKE) is he says he wants to pass other legislation so we do not need an extension, but on the other hand he does not want to rubberstamp the recommendations of the Pentagon.

I do not see how we can do that. The gentleman from New York (Mr. PIKE) is making the right fight on the wrong bill. He is fighting the temporary extension when he should be fighting the total legislation.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York.

Mr. KING. I thank the gentleman for yielding.

Mr. Speaker, in the minority views put forward in the Armed Services Committee report, Mr. PIKE suggests that for the Air Force to go back to the permanent limits in the 1954 law "very little" would happen. He states this because the Air Force would have until July 1 of next year to adjust its strength and because, in the meantime, Congress could pass the uniform officer legislation contained in H.R. 12405. He summarizes the impact as follows:

> At worst, we would lose some colonels and lieutenant colonels. The nation would survive. The Air Force would be healthier.

That is simply not the case. The impacts on officers in the Air Force would be severe—not just on colonels and lieutenant colonels, but on the majors, captains and lieutenants who make up the main fighting and technical forces of the Air Force. Specifically, the Air Force would have to demote 100 colonels, 3,200 lieutenant colonels, and 1,900 majors, involuntarily separate 800 majors and stop promotions for at least 1 year. The junior officer would see that, at the whim of Congress, his chances for a full career can be snuffed out.

Mr. PIKE further talks of the decrease in the number of Air Force planes being greater than the decrease in the Air Force officers. I would point out to the gentleman from New York that today's aircraft requires two to five aircrew members as opposed to one required in the older aircraft, such as the F-100, F-102, and F-106.

The views of the gentleman from New York suggested that the Air Force "provided some wholly phony figures on the cost of not passing this legislation," and that the figures presuppose passage of legislation to increase retirement benefits. This is not correct. The Air Force simply stated that with those retiring early because of the disruptions caused by the loss of this grade relief, the retirement costs this year, at the current retirement rates, would increase.

The gentleman also suggests the Air Force will continue to insist on replacing every man who leaves. In fact, the Air Force would lose about 1,400 pilots, replacing them with around 700, and it would lose around 600 navigators, replacing them with about 300, again about half.

I support passage of H.R. 14402.

Mr. STRATTON. Mr. Speaker, I am sorry that there are not more Members on the floor so that the wisdom of some of the remarks that we are making might be reflected in the votes that will be cast at a later time.

Let me just make a couple of points in reply.

The point that Mr. PIKE has made is a good one, and that is that there ought to be a very careful overhaul of the grade structure in the armed services. He keeps complaining that we have not been doing anything about it. I cannot speak for other chairmen, but as chairman of the Military Compensation Subcommittee, I can say that as soon as we could our subcommittee got to work on the permanent revision of the grade structure for field grade officers and for other officers, H.R. 12405. I do not think anybody can challenge our subcommittee because we have already turned out more legislation on other important matters—flight pay, doctors' bonus, enlistment, and reenlistment bonuses. We are now working on this. To say that nothing is being done when the basic legislation is now under consideration in the committee is, as the gentleman from Wisconsin, (Mr. ASPIN), has already indicated, to make the wrong argument and to attack the wrong bill.

This legislation did not get to us until January. We have been busy constantly since then. We are working on the grade structure now, and if it were not for the impeachment matter that lies ahead, we very likely would get it out this year, at least in the House. But nobody can predict exactly when it is going to get through the Senate too. I do not think it is fair to 6,000 Air Force officers to take out the failures of the Department of Defense or the failures of the Congress on them and their families. They deserve, certainly, an opportunity to remain in a stable position until the committee has made its decision on the overhaul structure. That is all that is involved here..

The gentleman from New York has said that there are more lieutenant colonels and colonels than the Air Force needs. As a matter of fact, that is not the case. The number of colonels was determined originally in 1954 by the number of officers that was on duty at that time. It was a young service and they did not have many senior officers, but when Congress realized they did not have what they needed, Congress upped the number in 1959, and that increased number has been continued since. Now we are in the process of overhauling the entire structure.

Give the committee time to work on this basic legislation, and let us not take it out on the families of 6,000 officers that are trying to do a good job.

Mr. Speaker, I yield back the balance of my time.

Mr. Speaker, I have no further requests for time, and I move the previous question on the motion.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 14402.

Mr. PIKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

MEDICAL CARE FOR CERTAIN MEMBERS OF ALLIED WARTIME FORCES

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13377) to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I and World War II.

The Clerk read as follows:

H. R. 13377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c)(1) Any person who served during World War I or World War II as a member of any armed force of the Governments of Czechoslovakia or Poland and participated while so serving in armed conflict with an enemy of the United States and has been a citizen of the United States for at least ten years shall, by virtue of such service, and upon satisfactory evidence thereof, be entitled to hospital and domiciliary care and medical services within the United States under chapter 17 of this title to the same extent as if such service had been performed in the Armed Forces of the United States unless such person is entitled to, or would, upon application thereof, be entitled to, payment for equivalent care and services under a program established by the foreign government concerned for persons who served in its armed forces in World War I or World War II.

"(2) In order to assist the Administrator in making a determination of proper service eligibility under this subsection, each applicant for the benefits thereof shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either such Office which clearly indicated military service of the applicant in the Czechoslovakian or Polish armed forces and subsequent services in or with the armed force of France or Great Britain during the period of World War I or World War II.".

The SPEAKER. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ROBERTS. Mr. Speaker, H.R. 13377 proposes to extend a limited veterans' benefit—namely, medical and hospital care—to certain members of the Armed Forces of nations allied or associated with the United States in World War I or World War II.

For many years we have been aware of a number of veterans, now U.S. citizens, who served with allied armies in the common cause and yet after the close of the particular war found that in view of the change in government they were deprived of all veterans' benefits. This bill is designed to afford a very modest amount of relief to Polish and Czech veterans who under its provisions must show that they have been U.S. citizens for at least 10 years and as a prerequisite to entitlement to medical care must produce a certification from either the British War Office or the French Ministry of Defense as evidence of subsequent service in the French or British armed forces during the war concerned.

This proposal has the cosponsorship of a number of our colleagues who represent loyal American citizens who fall within the categories described, but I must emphasize that the chief and longstanding proponent of a proposal of this nature is our distinguished colleague from Illinois (Mr. ANNUNZIO). Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois to give us a further explanation of the background and need for this legislation.

Mr. ANNUNZIO. Mr. Speaker, I want to commend the distinguished gentleman from Texas, Hon. RAY ROBERTS, who chaired the hearings and who is now managing the bill on the floor of the House, for his cooperation. I rise in support of H.R. 13377. I want to express my appreciation also to Chairman DORN, Congressman TEAGUE, and Congressman DULSKI for their strong support of this legislation. I want also to extend my deep appreciation to Congressman HAMMERSCHMIDT from Arkansas for his support, and to my departed colleague, Congressman John Saylor, for his support in committee prior to his passing. I would like to call to the attention of the Members that I have received invaluable assistance, counsel, and guidance in the preparation of this legislation from the members of the staff of the Veterans' Affairs Committee as well as from officials of the Veterans' Administration, and I thank all of the members of the Veterans' Affairs Committee for their patient understanding and the courtesy they extended last year to all of the witnesses who testified before the Veterans' Affairs Committee and outlined the need and importance of this bill. Let me also thank all of the members of the Veterans' Affairs Committee for their unanimous affirmation in committee of this bill's merits.

Mr. Speaker, I also wish to point out that in addition to unanimous committee approval of this bill, 46 Members of the House, including many committee members, have joined me in sponsoring this crucial legislation. They include: WILLIAM JENNINGS BRYAN DORN, of South Carolina; MARIO BIAGGI, of New York; JONATHAN BINGHAM, of New York; FRANK BRASCO, of New York; GEORGE E. BROWN, JR., of California: SHIRLEY CHISHOLM, of New York; WILLIAM COHEN, of Maine; DOMINICK DANIELS, of New Jersey; JOHN DENT, of Pennsylvania; ED DERWINSKI, of Illinois; JOHN DINGELL, of Michigan; THADDEUS J. DULSKI, of New York; JOSHUA EILBERG, of Pennsylvania; JOSEPH GAYDOS, of Pennsylvania; BENJAMIN GILMAN, of New York; ELLA GRASSO, of Connecticut; EDITH GREEN, of Oregon; ROBERT HANRAHAN, of Illinois; AUGUSTUS HAWKINS, of California; HENRY HELSTOSKI, of New Jersey; JOHN KEMP, of New York; JOHN KLUCZYNSKI, of Illinois; RAY MADDEN, of Indiana; JOSEPH MARAZITI, of New Jersey; RALPH METCALFE, of Illinois; JOHN MOAKLEY, of Massachuetts; THOMAS MORGAN, of Illinois; MORGAN MURPHY, of Illinois; JOHN MURTHA, of Pennsylvania; LUCIEN NEDZI, of Michigan; GEORGE O'BRIEN, of Illinois; STANFORD PARRIS, of Virginia; BERTRAM PODELL, of New York; MELVIN PRICE, of Illinois; ROBERT ROE, of New Jersey; ANGELO RONCALLO, of New York; DANIEL ROSTENKOWSKI, of Illinois; PAUL SARBANES, of Maryland; JAMES V. STANTON, of Ohio; SAMUEL STRATTON, of New York; RICHARD VANDER VEEN, of Michigan; JEROME WALDIE, of California; WILLIAM WALSH, of New York; ANDREW YOUNG, of Georgia; SAMUEL YOUNG, of Illinois; CLEMENT ZABLOCKI, of Wisconsin.

This legislation is limited to providing only hospital, domiciliary care, and medical services by the Veterans' Administration to those who served in combat during World War I or World War II, as a member of any armed force of the Governments of Czechoslovakia or Poland, against enemies of the United States. They must have been American citizens for at least 10 years to qualify and they must not be entitled to equivalent care or services provided by a foreign government or ally of the United States.

In our original bill we proposed to include similarly situated soldiers who fought on behalf of the allied causes of the Governments of Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania, and Yugoslavia. However, with research and historical inquiry, it developed that at this it would be impossible to document adequately the necessary proof of service from the Communists with respect to men who served in the armed forces of these countries.

As my colleagues are fully aware, we require strict evidentiary proof of service of our own armed services. Accordingly, it appeared that only service of veterans of Poland and Czechoslovakia, who are able to secure appropriate service certifications from either the British War Office or the French Ministry of Defense, could reasonably be equated with the service requirements for our own veterans.

It is for this reason that the bill in its present form is now limited to veterans of Poland and Czechoslovakia who, we have been assured, can secure the appropriate service certification from either Britain or France.

Passage of these limited benefits is supported by the Illinois Division of the American Legion, the National Council of the Veterans of Foreign Wars, the 82d Airborne Division Association, Inc., the 101st Airborne Division Association, and also by the Combined Veterans Associations of Illinois, which embraces the following organizations: AMVETS, the Catholic War Veterans, the Italian-American War Veterans, the Jewish War Veterans, the Marine Corps League, the Navy Club, the Military Order of the Purple Heart, the Paralyzed Veterans of America, the Polish Legion of American Veterans, the United Spanish-American War Veterans, the Veterans of Foreign Wars of the United States, and the Veterans of World War I. It is also supported by the Service Employees International Union, and many other groups and individuals.

There are various estimates as to how many persons would be covered by this bill—and it appears that, at the most, about 35,000 would be entitled to benefits. However, it has also been estimated by our Veterans' Administration that usually less than 11 percent of those entitled to benefits actually apply for them. Keeping these estimates in mind, and also taking into account the fact that each year more and more of these freedom fighters pass away due to the infirmities of advancing age, the cost for providing medical benefits to the 4,000 or 5,000 who may apply would be relatively small.

Mr. Speaker, I want to emphasize that these freedom fighters, unlike others who fought with great courage against the enemies of the United States, were not able to return to their homelands after the war was over because their homelands remained under Communist control. For many years, our veterans laws—title 38, United States Code—have permitted certain veterans benefits to those who were not actually in the U.S. Armed Forces on the basis of "reciprocal services" upon request by the government allied with our country during World War I or World War II. However, because the homelands of the freedom fighters are still under Communist control, recourse to the "reciprocal services" authority is unavailable. Thus, the freedom fighters are denied benefits and recognition not only in our country but in their native lands as well.

Several Allied countries, including Canada, Britain, Australia, and New Zealand, have granted full veteran privileges to the Polish veterans who settled in their lands. However, the United States has not, despite the fact that we already provide medical and hospital benefits to World War II veterans of the Philippine Armed Forces, even if they are not U.S. citizens. Yet, the heroic sacrifices that were made by the Poles and Czechs were the same as Philippine nationals—why, then, should not the recognition be the same?

Two years ago, while in Italy, I visited the cemetery in Monte Cassino dedicated to the Polish war dead. Close to 2,000 members of the Polish Army-in-exile were killed in the Italian campaigns of World War II and are buried at Monte Cassino and other cemeteries in Italy. These freedom fighters were committed to the cause of liberty. They fought for democracy. They fought for self-determination. They fought for freedom, and their devotion to this sacred cause never wavered. They gave willingly of their blood and their lives as they fought shoulder to shoulder with the Americans and the Allied Forces in Europe.

We hear so much about the millions of people who died in World War II, but how many of us are aware of the fact that more than 5 million Poles were killed in World War II. This is a figure that is rarely mentioned, but it must be mentioned today, because these men fought on the Allied side against the common enemy. They sacrificed their lives and gave their all—willingly—with no hope of reward, other than to be free.

Many of the freedom fighters who survived came to America, because their native lands, Poland and Czechoslovakia, remained under Communist control. They became citizens, raised families, and became productive and exemplary members of our communities. Many of these freedom fighters who established themselves in our country have been able to provide well for themselves and their families. They are in no need of the medical benefits that would be provided by H.R. 13377, and undoubtedly will never apply for these benefits.

Yet there is one overwhelming cloud in their lives, and that is the knowledge that official recognition for their great contribution in the cause of freedom during World War II has been denied, despite the fact that the same recognition has been given to others. This is an unconscionable oversight on our part, and gives a hollow ring to our words of gratitude. Those 2,000 Polish graves in Italy are mute evidence of the courage and dedication of the freedom fighters. It is, therefore, our solemn obligation to give tangible recognition to their unforgettable sacrifices.

We have more to consider here than providing medical benefits for a few remaining freedom fighters who have not yet succumbed to the infirmities of old age. We must keep in mind the moral aspect and the spirit of the law—a spirit which for Americans always has meant recognition for sacrifices made in behalf of the American cause. This is part of the American heritage—an integral part of the thinking of every American from the earliest days of the founding of our Republic. Let us for a brief moment recall the magnificent contributions made during our Revolutionary War by Pulaski and Kosciuszko, two noble sons of Poland, without whose help the birth of our great country might not have been possible. Pulaski died in battle before our own country was established, but in the case of Kosciuszko, who returned to Europe once our Revolutionary War was won, our grateful Nation bestowed on him land grants in Ohio as recognition for his indispensable assistance in our War of Independence.

It is this same spirit that is reflected in the provisions of H.R. 13377.

Mr. Speaker, at this point I would like to quote from the testimony given by Dr. Jan Karski, now a professor of government at Georgetown University, who was a spy during World War II for the allies and personally reported to President Roosevelt in 1943. In committee testimony, this courageous man said:

> We are war veterans. We did fight in the Allied ranks. We are American citizens. We do serve these United States which we learned to love and respect with undivided loyalty. We would defend this country, if need be, giving our lives. Could this Nation which extended its generosity to others on a scale unparalleled in all human history deny us, its citizens, a status of war veterans.

Mr. Speaker, in summary let me say that these valiant Americans are not asking for a memorial of granite and marble, they are not asking for special privileges. What they are asking for is the official recognition of the U.S. Government of their status as war veterans. They love this Nation and the principles it stands for and it is a high honor for them to be accorded the title "American War Veteran." Passage of this bill would be a living memorial to them in the name of the American people to commemorate their sacrifices for the ideals of freedom. Their native country was taken away from them and they have never received even this symbolic recognition from their adopted land. I strongly urge my colleagues to grant these fine Americans this justly deserved recognition and honor.

Mr. STEIGER of Wisconsin. Mr. Speaker, would the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Does this bill enable an allied veteran from Great Britain or one who fought with the De Gaulle Free French forces to also qualify under the Veterans' Administration?

Mr. ANNUNZIO. We have reciprocal agreements under the Veterans' Administration, they are able to get benefits under the reciprocal agreements we have with other allied nations who fought side by side against our common enemy.

Mr. STEIGER of Wisconsin. So they are covered on an equal basis?

Mr. ANNUNZIO. They are covered under Public Law, title 38, United States Code.

Mr. STEIGER of Wisconsin. I thank the gentleman for his response.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in support of H.R. 13377 and associate myself with the explanation and concur with the remarks of our distinguished senior member of the Veterans' Affairs Committee, the gentleman from Texas (Mr. ROBERTS).

Mr. Speaker, this measure will authorize hospital and domiciliary care and medical services to certain members of the Armed Forces of Poland or Czechoslovakia who served during World War I and World War II.

To be eligible for these benefits, such veterans must have participated in armed conflict with an enemy of the United States and have been a citizen of the United States for at least 10 years. Additionally, an authenticated certification from the French Ministry of Defense or the British War Office clearly indicating such service as well as subsequent service in or with the Armed Forces of France or Great Britain during World War I or II is required.

Under existing law, Mr. Speaker, the Veterans' Administration is authorized to grant such benefits to discharged members of the Armed Forces of nations allied with the United States during World War I or World War II, but only in consideration of reciprocal services extended to U.S. veterans. Because of the change in government in these nations, recourse to the reciprocal services authority is not available. The change in government also makes it impossible for these allied ex-servicemen, in most instances, to prove their military service. Fortunately, through the French and British Governments, the military service of veterans of the Polish and Czechoslovakian can be confirmed. The Veterans' Administration indicated that such confirmation will make the bill more "administratively feasible."

Mr. Speaker, these valiant patriots who fought side by side with our own servicemen in the interests of a free world, though in the uniform of an allied nation, are now citizens of the United States. They have earned these benefits and I urge that the bill be passed.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from New York (Mr. KEMP) who has taken a great interest in this bill and who is one of the cosponsors and yield him such time as he may consume.

Mr. KEMP. Mr. Speaker, I rise in strong support of this legislation, H.R. 13377 and congratulate my colleagues Mr. ANNUNZIO, Mr. DULSKI, and Mr. ROBERTS for their leadership.

This important bill assures that courageous veterans from Poland and Czechoslovakia who served as allies with American Armed Forces during World Wars I and II will be eligible for medical and hospital care from the Veterans' Administration.

In order to qualify for the benefits which will be extended by this bill, applicants will have to meet three requirements. First, they must now have been a U.S. citizen for at least 10 years. Second, they may not have received or be entitled to payment for equivalent medical care from their former home countries. And, third, they must submit to the Administrator of the Veterans' Administration a verification of their military service in the Polish or Czechoslovakian Armed Forces and subsequent participation in or with the Armed Forces of France or Great Britain.

The people of western New York State have a particular interest in this legislation because of the presence and contributions to our communities and country of former Polish and Czechoslovakian veterans now living there. The Buffalo Post of Polish Veterans of the World War II Association, commanded by Waldemar Czyc, and Karal Tomagwski and the Buffalo Wing of the Polish Air Forces Veterans' Association, commanded by John Libront, have helped to preserve the heritage which is rightly theirs—a heritage borne from valor and courage in defense of freedom. Both organizations are commemorating their 20th anniversaries this year.

These veterans served the cause of freedom against common foes of the

United States and their homelands. They fought with Great Britain's Royal Air Force and other branches of the British armed services. They fought with the Free French in World War II and the French in World War I.

They chose, freely, to come to the United States and to live here after the wars were over, and in the case of the Second World War, they came to our shores to avoid life under communism after the Soviet Union enclosed those lands behind the Iron Curtain of the mid-forties.

They are deserving of our Nation's gratitude, and the bill before us is a means of expressing that sentiment to them.

I cosponsored the legislation to provide these benefits. I am pleased to see the House approving them.

I call upon the Senate to act as soon as possible with their consideration, and I call upon the administration to approve this legislation when it comes to the President's desk for his action.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman from Arkansas yield?

Mr. HAMMERSCHMIDT. I am glad to yield to the gentleman.

Mr. STEIGER of Wisconsin. I asked, as the gentleman from Arkansas knows, the question of the gentleman from Illinois as to whether or not the French and the British were also covered. What concerns me with this legislation as I have read it is, No. 1, why is it necessary for the Veterans' Administration to go to the French and British War Offices to ascertain whether or not a Polish or Czech individual served and fought in the Allied Forces against the enemies of the United States?

Mr. HAMMERSCHMIDT. This is a procedural safeguard to ascertain whether they did, in fact, serve. Until this particular language was in the bill, I opposed the bill. This certification will establish the fact that they actually fought in the Free Polish and Czech Forces over there under the overall command of the British and French.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, they were under the administrative command and control of the British and French Armies. They were regiments and groups assigned and fighting directly under the French and British. All they are getting is part of the same reciprocity we give to the French and British. This is mostly an honor and is not going to be a big, expensive thing.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield further?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, is the report of the committee in terms of the letter which is quoted in the committee report from the Administrator of the Veterans' Administration accurate, that the Veterans' Administration is opposed to the bill; and also that the Veterans' Administration says this "would be an unwise departure from well-established policy that veterans' benefits should be granted only to those who serve in our Armed Forces."

Why is it a departure if, in fact, we are doing this in response to the question I asked of the gentleman from Illinois, for British and French allied soldiers?

Mr. HAMMERSCHMIDT. Of course, the report stands on its own and the language is as the gentleman has before him. As it states, the certification provision makes the bill more administratively feasible but then they continue to oppose it, as is stated in the report.

Since we have existing authority to provide benefits on a reciprocal basis to veterans of the armed forces of certain nations allied with the United States, I do not believe it is a departure. British and French and other nations which served together with the United States in the Armed Forces have entered into such reciprocal agreements with us.

Mr. STEIGER of Wisconsin. Mr. Speaker, one more point. What we are talking about, as I understand it—and Good Lord, I am as sympathetic as anybody could be to both Poles and Czechs who have fought—what we are talking about in this bill is a situation in which we are seeking to have those who did not fight in the forces of the United States be eligible for service, given the limitations that they had to be a citizen and so forth, while at the same time we have some very serious problems within the Veterans' Administration hospitals. Why are we taking a step at this very point to seek to bring more people into VA hospitals when, in fact, they are already overcrowded and I get complaints, as I am sure other Members do, that service in the VA hospitals is not as good as it should be?

Mr. HAMMERSCHMIDT. I would respond to the gentleman this way: These people, of course, are taxpaying U.S. citizens and have been for at least 10 years paying their part of the burden. We are creating equity for people who fought in the same cause in the allied forces.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, does the gentleman think this is equity, for us to give these benefits to veterans from Poland and from Czechoslovakia? Is that correct?

Mr. HAMMERSCHMIDT. That was my feeling and the feeling was expressed unanimously in the committee, that it did bring equity to a man who did fight side by side with our own forces and is a U.S. citizen. I understand that the number that will be certified is relatively minimal.

Mr. CARTER. Does that make it right and just and fair to our American citizens, that we should do this, because it is a small amount?

Mr. HAMMERSCHMIDT. It is my feeling that we would take nothing away from the services that are provided to our own U.S. veterans.

Mr. CARTER. What about those who served during World War I?

Mr. HAMMERSCHMIDT. They are covered by this legislation. The same provision applies to the Polish and Czechoslovakian veterans who fought in World War I or in World War II.

Mr. CARTER. My goodness, it seems to me that we are departing from our traditional paths, and we are going to place a great bill upon our taxpayers and the smallness of this just does not justify it. I am as much a veteran as anyone—I fought in World War II—and I have great deal of respect for these people, but I feel we are overburdening the taxpayer of our country, and I do not believe it should be done.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, there are very limited numbers, of these people and we are losing sight of one thing. These men are from countries which were destroyed. These men came to America and have no veterans benefits at home. They are now American citizens and have been American citizens for over 10 years. They fought with our people just like the British and French; fought for the same things we did, and their losses were terrific. Very few of them will ever qualify, but certainly they are entitled to something.

Mr. CARTER. If the gentleman will yield further, there are millions of Russians who also fought with us in World War II. They came to America and have been naturalized. Do we want to give the benefits to them also?

Mr. ROBERTS. The Russians were not under our command.

Mr. CARTER. There were millions of Italians. These were not in our command, but were under the unified command, that is, the whole group of nations fighting.

Mr. ROBERTS. Mr. Speaker, I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I have no other questions except to state that I think this is an unnecessary burden upon the taxpayers of this country.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. Yes, I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I would like to answer my good friend, the gentleman from Kentucky (Mr. CARTER) by pointing out to him that when we are talking about Russian soldiers and Italian soldiers, we are not talking about people who fought in the Russian Army or in the Italian Army. We are talking about freedom fighters. Historically and spiritually, America has always recognized those people who have fought for freedom. We are talking about people who are American citizens.

Mr. CARTER. Mr. Speaker, since the gentleman mentioned my name, I believe, according to the rules of the House, that he has to yield to me. Is that not correct?

Mr. ANNUNZIO. I will yield to the gentleman. I am trying to answer your question.

Mr. CARTER. Mr. Speaker, I want to tell the gentleman that I yield to no one in my love for America. In fact, I fought for America in Southeast Asia, and I want to preserve and protect and defend this country.

However, I do not believe that we owe this to these other people. I do not think the taxpayer should pay it.

Mr. ANNUNZIO. Mr. Speaker, that is a matter of the gentleman's opinion. I am merely trying to clarify the situation so that the gentleman might understand that these are American taxpayers, who do pay taxes.

Mr. CARTER. But they did not fight in the American Army.

Mr. ANNUNZIO. They did fight alongside the Americans.

Mr. CARTER. So did the Russians.

Mr. ANNUNZIO. They fought alongside the French, and they did not return to their country behind the Iron Curtain. The Russians returned to their country.

Mr. ROBERTS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut (Mrs. GRASSO).

Mrs. GRASSO. Mr. Speaker, I thank the gentleman for yielding, and I rise in support of this bill.

Mr. Speaker, 30 years ago this month, during the final Allied assault against the Third Reich, the Polish Home Army began its uprising against the Nazi oppressors of Warsaw. Today, the House is considering H.R. 13377, a bill which would provide certain benefits to the comrades-in-arms of these brave soldiers.

I became acquainted with the forerunner of this bill shortly after entering the Congress in 1971. Since that time, I have supported efforts to bring this legislation to the floor of the House. As a member of the Veterans' Affairs Committee and cosponsor of this revised bill, I am pleased to play a role in its presentation today.

Specifically, H.R. 13377 would provide certain hospital and domiciliary care and medical services to persons who served as members of the Polish or Czech Armed Forces during either World War and who have been citizens of the United States for at least 10 years.

I would like to address my remarks today to the importance of H.R. 13377 to many of the 35,000 Polish Army veterans in the United States, 3,000 of whom live in Connecticut. These men have willingly fought for the ideals of liberty so deeply cherished by all free men and women. Now, we have an opportunity to express our thanks to them through the passage of this legislation.

During World War I, Poles who had been deprived of their nation joined the fighting forces of other lands. Americans of Polish ancestry along with recent Polish emigres formed a Polish Army in France under Gen. Joseph Haller and participated in the final Allied victory.

While some of their comrades returned to this country, others pledged themselves to the service of the newly revived Polish state. Their fighting had not ended, however, because they soon found themselves the only force standing between the Bolshviks and a Germany in revolutionary upheaval. Rallied by the leadership of Jozef Pilsudski, the veteran troops halted the Red Army in 1920 and Europe heaved a sigh of relief.

During World War II, the Polish Armed Forces again fought in the struggle against tyranny. Despite the Nazi blitzkrieg victory, a contingent of Poles reached France where they regrouped and fought at Narvik and Champagne and in Lorraine. Also, the Polish Air Force supplied desperately needed pilots who fought bravely with the RAF during the crucial Battle of Britain.

Throughout the remainder of the war, the Polish Armed Forces were a credit to their homeland and the cause of freedom. They helped defend Tobruk, braved the bloody storming of Monte Cassino, and joined in the final Allied assault against Hitler. For their efforts and sacrifice, they received the praise and gratitude of President Roosevelt, General Eisenhower, and other Allied leaders.

But, what occurred off the battlefield and after the war necessitates the passage of this bill. Rather than return to a Communist Poland, thousands of these gallant veterans emigrated to various countries in the West. Unlike their comrades who settled in Canada, Britain, New Zealand, or Australia, however, these veterans have not received veterans benefits in their adopted land.

The United States partially opened the doors to benefits for Allied veterans, but stipulated that these rights would be granted following an agreement between the United States and the respective Allied Governments. While arrangements were made with Canada, Britain and other countries, this agreement was never concluded with the Communist Government of Poland. For this reason, former members of the Polish Army who are citizens of the United States have never had the opportunity to receive these benefits.

Mr. Speaker, for the past generation, these veterans have enriched our Nation with their talents and their devotion to the ideals of liberty which we all cherish. Passage of H.R. 13377 would in a small way make amends for the oversight of the past and show our appreciation to these Poles, and also to their Czech counterparts, who have become citizens of their adopted home.

Years ago, in speaking of the Polish Army, General Eisenhower said:

> The Free World will always remember their sacrifice.

For the sake of history and the benefit of these men, it is time we act upon these words and pass H.R. 13377.

Mr. ROBERTS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I rise in support of this legislation as one of the cosponsors, and I want to commend the committee for their action in bringing this bill out to the House floor. I believe it is a measure which is much needed and one whose time has come.

As the gentlewoman from Connecticut (Mrs. GRASSO) has just indicated, the people who will be affected by this bill have fought bravely on our side in two different wars. They have been staunch allies. They are today American citizens, but they have unfortunately not received the same kind of veterans benefits extended to them as others who fought alongside them have received.

Certainly we would be paying proper honor to their service and extending to them our appreciation for their contribution to the common cause through providing these normal veteran benefits to them.

Mr. Speaker, I urge approval of this legislation.

Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 13377 legislation which will provide medical care for those citizens of Czechoslovakia and Poland, who fought for the Allies in World Wars I and II, and who have since become American citizens. I consider passage of this legislation to be imperative if we are to begin to repay the huge debt of gratitude which these men are owed for their efforts at preserving democracy and the ideals of freedom for millions of people in the world.

During World Wars I and II many citizens of countries in Central Europe fought side by side with American troops against our common enemies. These men who fought so gallantly and courageously for the cause of freedom returned to their homelands only to find abrupt changes in their government, and their hopes for a life of freedom reduced to mere dreams.

As a result, many of these individuals immigrated from Czechoslovakia and Poland to the United States to pursue those freedoms which had been denied them in their homelands. While in America, these men have contributed much to both the economic and moral well-being of our Nation. Yet, due to serious gaps in our laws they have been denied the right to important medical benefits which are otherwise available to other veterans of the U.S. Armed Forces, and are even available to those persons who served in the Armed Forces of the Philippines even though they may not be American citizens.

What this legislation will do is correct years of injustice to these brave men by providing them with hospital, domiciliary, and medical programs provided by the Veterans' Administration.

This legislation includes the administrative provisions which were missing from similar legislation introduced in recent years. In order to be eligible all a person has to do is obtain proof of military service to the Governments of Poland and Czechoslovakia from either the French Ministry of Defense of the British War Office, as well as show proof of American citizenship for a period of at least 10 years.

The important provision here that by obtaining these military records from friendly governments, this will preclude these veterans from the arduous task of having to obtain these records from their home governments. It is expected that many of the records of these men can be obtained from the French and British Governments, and thus the program then becomes more administratively feasible for the VA to handle.

I was pleased to be one of 46 cosponsors to this bill which was introduced by my distinguished colleague from Illinois, Mr. ANNUNZIO. He is to be commended for the introduction of this legislation, and I am sure that these men who will finally become eligible for medical benefits will be grateful for Mr. ANNUNZIO's efforts on their behalf.

In this century the cause of freedom has been subjected to numerous threats which resulted in the fighting of two global wars. We owe much of our successes in these encounters to the Allied forces of Poland and Czechoslovakia. We must now seek to provide assistance to these men in their hours of need just as they responded to us in ours. I urge swift approval of this legislation.

Mr. GAYDOS. Mr. Speaker, I rise in support of this bill.

Let me say at the outset, that it is not the intent of this legislation to reward anyone. Instead, its purpose is to provide benefits to those individuals who fought for Czechoslovakia and Poland in World Wars I and II, but who are not eligible to receive normal veterans benefits because they chose to become citizens of the United States. Accordingly, this bill would provide certain benefits; namely, hospital, domiciliary care, and medical services, which are provided to members of the U.S. Armed Forces, as well as members of the Philippine Army.

To many of these Czechoslovakian and Polish veterans, the reward for their valiant efforts in the defense of freedom was their admission to the United States. Since their entrance into this country, they have become an integral part of our society and contributed fully.

The purpose of this bill is to provide the necessary benefits that all veterans of allied forces in both wars receive from their respective governments. With respect to the group which is referred to in this bill, however, such benefits are not forthcoming as the freedom for which they fought has ceased to exist in their native homelands, despite their valiant efforts.

The cause for which they fought, however, has prevailed primarily because of the participation of the United States in both of these conflicts. When the battle for freedom was lost in Poland and Czechoslovakia, many of the veterans of those countries refused to compromise their principles and return to exist under a totalitarian regime. Instead, they chose to emmigrate to the United States and contribute to the preservation of freedom. Yet, the principles for which they fought were the same as the principles for which American veterans fought. In many instances, these Polish and Czechoslovakian veterans fought alongside the American veterans.

In one sense, the current status whereby these veterans are ineligible for the benefits provided in the legislation before us, acts as a penalty for their desire to refuse to return to the totalitarian regimes of their homelands.

Interestingly, our allies in both wars, specifically, Canada, England, Australia, and New Zealand, have granted full veterans privileges to Polish veterans who settled in their lands.

This bill will have more restricted benefits in that it will only provide hospitalization, domiciliary care, and medical services to those veterans, members of the armed forces of Czechoslovakia and Poland, who participated in armed conflicts with an enemy of the United States and, most importantly, who have been citizens of the United States for at least 10 years.

I strongly urge my colleagues to give full support to this legislation.

Mr. DERWINSKI. Mr. Speaker, as a cosponsor of H.R. 13377, I am pleased to join other Members of the House this afternoon in expressing my views as to why this legislation should be approved by the Congress.

I am sure the Members have not forgotten that during World War I and II many citizens of countries in central Europe fought with great courage in alliance with and against the foes of the United States and its allies. After the war there was a change of government in these countries, particularly Poland and Czechoslovakia, which deprived many of these Eastern Europeans the freedom for which they so valiantly had struggled.

Rather than accept the restrictions imposed on them by their governments, many emigrated to the United States where they could live with full and rightful dignity.

These Americans have given much to our Nation—they have contributed to our economic life, and they are a spirited example of individuals determined that freedom is the most precious possession of any people.

Because of a gap in our laws these individuals are ineligible to receive any of the benefits available to veterans of the Armed Forces. It is time for us to right this injustice. H.R. 13377 provides that former servicemen of Poland and Czechoslovakia, who have been citizens of the United States for 10 years, shall be entitled to hospital and domiciliary care and medical services from the Veterans' Administration to the same extent as if their service had been performed in the Armed Forces of the United States.

Mr. Speaker and Members of the House, this bill, H.R. 13377, certainly deserves our support.

Mr. BOLAND. Mr. Speaker, I rise in support of H.R. 13377, a bill to provide medical care to certain members of allied wartime forces. This legislation would extend to veterans of the Polish and Czecholsovakian Armed Forces who fought with American and Allied forces during World War I and II the same hospital and medical services now available to veterans of our armed services. To be eligible, each foreign veteran must have been a citizen of this country for at least 10 years and be able to furnish authenticated certification of service from either the French or British Governments.

The men and women who would be assisted by H.R. 13377 are all Americans. They are Americans who have a very deep appreciation of their citizenship because they one and all have survived great wars in defense of their former homelands only to return and find them in the hands of another set of oppressors. They have come to this country, as have millions before and after, for the promise of freedom and peace. They deserved their new citizenship as much as any of us who fought during World War I or II, because they risked their lives and shed their blood for the same cause. They and their fellow countrymen who did not leave the battlefields deserve the thought and the gratitude that we have given to our own soldiers. Providing medical care for those survivors who have immigrated to our shores in search of the ideals for which they fought in two world wars is therefore an act of gratitude for this Congress and for the country.

I ask my colleagues to consider these men whom we propose to reward in the same light as our own World War I and II veterans. Both groups served and did not count the cost. We too must not count the additional cost that this bill will bring.

Mr. ROBERTS. Mr. Speaker, I would like to make one other point.

The hospital beds and treatment are available to these people only on a space-available basis. They have no priority and no other rights.

Mr. Speaker, I hope that my colleagues will vote for this bill and we pass it unanimously.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 13377, the bill before us providing medical and hospital care for members of the armed forces of Poland and Czechoslovakia who served with the allies in World War I and II and who have been citizens of the United States for at least 10 years.

As a cosponsor of this legislation, I feel strongly that the passage of this measure will correct a loophole in our veterans' benefits laws which prevent some of our most patriotic citizens from receiving the medical assistance they need and deserve.

During World War I and II, many citizens of allied countries joined with our Armed Forces in defending and preserving the world from tyranny and oppression. But the peoples of Poland and Czechoslovakia were denied the freedom for which they fought so bravely. Accordingly, many of these men and their families emigrated to the United States where they have made significant contributions to the development of our great Nation.

However, since these men were not technically members of our Armed Forces, they were not eligible for any veterans' benefits. Moreover, because their former fatherlands are under Communist control, many of them have nowhere to turn for medical attention they need and deserve.

Accordingly, I am pleased to join in urging the passage of this worthy legislation to assist these deserving patriots and urge my colleagues to vote in support of this measure.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspended the rules and pass the bill H.R. 13377.

The question was taken.

Mr. STEIGER of Wisconsin. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3(b) rule XXVII, the Chair will state that, pursuant to the prior announcement, further proceedings on this motion will be postponed.

THE VETERANS' HOUSING ACT OF 1974

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15912) to amend chapter 37 of title 3, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 15912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Housing Act of 1974".

SEC. 2. (a) Subsection 1802(b) is amended by deleting the subsection and inserting in lieu thereof the following:

"(b) In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this chapter the Administrator may exclude the amount of guaranty or insurance entitlement used for any guaranteed, insured, or direct loan, provided—

"(1) the property which served as security for the loan has been disposed of by the veteran, or has been destroyed by fire or other natural hazard, and

"(2) the loan has been repaid in full, or the Administrator has been released from liability as to the loan, or if the Administrator has suffered a loss on said loan, such loss has been paid in full.

Notwithstanding the foregoing, the Administrator may, in any case involving circumstances he deems appropriate, waive either or both of the above-named requirements.".

(b) Subsection 1802(d) of such title is amended by deleting in the first sentence the clause "(3) by a mortgagee approved by the Secretary of Housing and Urban Development and designated by him as a certified agent and which is acceptable to the Administrator." and inserting in lieu thereof the following: "(3) by any lender approved by the Administrator pursuant to standards established by him."

SEC. 3. (a) Subsection 1810(c) of title 38, United States Code, is amended by deleting "$12,500" and inserting in lieu thereof "$15,000".

(b) Subsection 1810(d) of such title is amended by deleting the clause "as to which the Secretary of Housing and Urban Development has issued, under section 234 of the National Housing Act, as amended (12 U.S.C. 1715y), evidence of insurance on at least one loan for the purchase of a one-family unit." and inserting a period after the word "project".

SEC. 4. Subsection 1811(d)(2)(A) of title 38, United States Code, is amended by deleting "$12,500" each place where it appears and inserting in lieu thereof "$15,000".

SEC. 5. Section 1819 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended by inserting "or the mobile home lot guaranty benefit, or both," immediately after "loan guaranty benefit" each time it appears in such subsection, and by striking out "mobile home" immediately before "loan guaranteed" in the second sentence of such subsection.

(2) Subsection (b) is amended—

(A) by inserting "(1)" immediately after "(b)";

(B) by redesignating clauses "(1)" and "(2)" as clauses "(A)" and "(B)"; and

(C) by adding at the end thereof a new paragraph as follows:

"(2) Subject to the limitations in subsection (d) of this section, a loan may be made to purchase a lot on which to place a mobile home if the veteran already has such a home. Such a loan may include an amount sufficient to pay expenses reasonably necessary for the appropriate preparation of such a lot, including, but not limited to, the installation of utility connections, sanitary facilities, and paving, and the construction of a suitable pad.".

(3) Paragraph (1) of subsection (c) is amended by striking out the word "and" at the end of clause (1) and inserting in lieu thereof the following: "or the loan is for the purpose of purchasing a lot on which to place a mobile home previously purchased by the veteran, whether or not such mobile home was purchased with a loan guaranteed or made under this section or purchased with a loan guaranteed, insured, or made by another Federal agency, and".

(4) Paragraph (3) of subsection (c) is amended by striking out "30 per centum" and inserting in lieu thereof "50 per centum".

(5) The last sentence of paragraph (1) of subsection (d) is amended to read as follows: "In the case of any lot on which to place a mobile home, whether or not the mobile home was financed with assistance under this section, and in the case of necessary site preparation, the loan amount for such purposes may not exceed the reasonable value of such lot or an amount appropriate to cover the cost of necessary site preparation or both, as determined by the Administrator.".

(6) Paragraph (2) of subsection (d) is amended by deleting all of the paragraph after "exceed—" and inserting in lieu thereof the following:

"(A) $12,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(B) $15,000 for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(C) $20,000 (but not to exceed $12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(D) $22,500 (but not to exceed $15,000 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(E) $20,000 (but not to exceed $12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home and a suitably developed lot on which to place such home, or

"(F) $22,500 (but not to exceed $15,000 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home and a suitably developed lot on which to place such home, or

"(G) $7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of an undeveloped lot on which to place a mobile home owned by the veteran, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation; or

"(H) $7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a suitably developed lot on which to place a mobile home owned by the veteran.".

(7) Paragraph (3) of subsection (c) is amended to read as follows:

"(3) the loan is secured by a first lien on the mobile home purchased with the proceeds of the loan and on any lot acquired or improved with the proceeds of the loan;".

(8) Subsection (f) is amended by inserting "and mobile home lot loans" immediately after "loans".

(9) The first sentence of subsection (i) is amended by striking out the period at the end of such sentence and inserting in lieu thereof the following: "; and no loan for the purchase of a lot on which to place a mobile home owned by a veteran shall be guaranteed under this section unless the lot meets such standards."

(10) Subsection (n) is amended by inserting "and mobile home lot loans" immediately after "mobile home loans".

(11) Subsection (o) is deleted in its entirety.

(12) Paragraph (1) of subsection (c) is amended by deleting in the first sentence the clause "or for the purchase of a used mobile home which is the security for a prior loan guaranteed or made under this section or for a loan guaranteed, insured or made by another Federal agency," and inserting in lieu thereof the following: "or for the purchase of a used mobile home which meets or exceeds minimum requirements for construction, design, and general acceptability prescribed by the Administrator,".

SEC. 6. Chapter 37 of title 38, United States Code, is amended by deleting sections 1812, 1813, 1814, and 1822.

SEC. 7. Chapter 37 of title 38, United States Code, is amended as follows:

(a) by deleting from subsection 1803(a)(1) "and not more than 50 per centum of the loan if the loan is for any of the purposes specified in sections 1812, 1813, or 1814 of this title." and inserting a period after the phrase "section 1810 of this title".

(b) by deleting the first sentence in subsection 1803(b).

(c) by deleting paragraph (1) of subsection 1803(d) and inserting in lieu thereof "The maturity of any loan shall not be more than thirty years.".

(d) by deleting the last sentence in paragraph (3) of subsection 1803(d).

(e) by deleting the last sentence in subsection 1815(b).

(f) by deleting in subsection 1818(a) "(except sections 1813 and 1815, and business loans under section 1814, of this title)".

(g) by deleting subsection 1818(c) and renumbering subsection (d) as subsection (c).

SEC. 8. Section 802 of title 38, United States Code, is amended by striking out "$17,500" and inserting in lieu thereof "$20,000".

SEC. 9. The table of sections at the beginning of chapter 37 of title 38, United States Code, is amended by deleting the following:

"1812. Purchase of farms and farm equipment.
"1813. Purchase of business property.
"1814. Loans to refinance delinquent indebtedness."

and

"1822. Recovery of damages.".

SEC. 10. The provisions of this Act shall become effective the first day of the first calendar month following the date of enactment, except that sections 2(b) and 3(b) shall become effective ninety days after the date of enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ROBERTS. Mr. Speaker, the bill before us, known as the Veterans' Housing Act of 1974, is the result of hearings on the GI housing program held by our Housing Subcommittee chaired by the distinguished gentleman from Ohio (Mr. CARNEY). His able associates on the subcommittee are the gentleman from Texas (Mr. ROBERTS), the gentleman from Virginia (Mr. SATTERFIELD), the gentleman from New Jersey (Mr. HELSTOSKI), the gentleman from California (Mr. EDWARDS), the gentleman from Texas (Mr. WILSON), the gentleman from Indiana (Mr. HILLIS), the gentlewoman from Massachusetts (Mrs. HECKLER), the gentleman from Michigan (Mr. HUBER), the gentleman from New York (Mr. WALSH), and the gentleman from California (Mr. MOORHEAD).

H.R. 15912 contains a number of provisions which are designed to improve the veterans' home and mobile home loan programs and to liberalize the grant for the so-called paraplegic housing program.

I now yield such time as he may consume to our subcommittee chairman, the gentleman from Ohio, who will explain in greater detail the provisions of this legislation.

Mr. CARNEY of Ohio. Mr. Speaker, as indicated by our acting chairman, the Housing Subcommittee of the Committee on Veterans' Affairs, held hearings on a predecessor bill at which time testimony was received from representatives of the Veterans' Administration, all of the major veterans' organizations, and a number of representatives from associations representing the housing and the mobile home industries. Subsequently, the subcommittee recommended a clean bill to the full committee which was introduced as H.R. 15912. I am pleased to note that our bill now carries the sponsorship of 21 members of the committee and was favorably reported by unanimous vote on July 29.

H.R. 15912 is designed to accomplish the following major objectives:

First. It would permit the Administrator to restore a veteran's entitlement to a guaranteed, insured, or direct loan provided a prior GI loan has been paid in full and the property has been disposed of by the veteran. The law presently provides that the VA may restore entitlement previously used if the property is taken, through condemnation or otherwise, by a governmental body, or is lost or destroyed through a natural hazard, or is disposed of for some compelling reason devoid of fault on the part of the veteran. That portion of the amendment regarding restoration only upon payment in full in effect codifies the regulatory practice. The removal of "compelling reasons devoid of fault" would eliminate a statutory requirement that is susceptibile to varying interpretations and hence, uneven application throughout the system of VA field stations. Furthermore, determinations of the validity of the reasons for the disposal of properties by veterans entail a substantial expenditure of resources on the part of VA staff.

This provision would tend to increase the availability of loan benefits to veterans rather than servicemen. The impact would be largely confined to those who have used substantially all of their $12,500 entitlement for the purchase of a home and who did not have a "compelling reason" for disposing of their homes.

The amendment will continue the discretionary authority in the Administrator to waive either or both of the mandatory conditions prerequisite to such restoration in certain deserving situations.

Second. It would authorize the Administrator to permit any lender to process GI conventional home or mobile home loans on an automatic guaranty basis pursuant to standards established by the Administrator. At the present time, only supervised lenders; for example, banks, savings and loan associations and insurance companies are authorized to automatically guarantee VA loans. Because of this limitation, consumer credit and finance companies which are nonsupervised, have been precluded from such automatic guarantee status. The bill would permit the Administrator to establish standards which, if met by any lender, would enable that lender to process loans to be automatically guaranteed by the VA without the necessity of obtaining prior approval. This will greatly speed the loan obtaining process for veterans. The committee also believes this provision will serve to stimulate greater participation in the mobile home loan program.

Third. It increases the maximum loan guarantee from $12,500 to $15,000. From June 22, 1944, to September 1, 1951, the maximum loan guarantee was $4,000. From September 1, 1951, to May 7, 1968, it was $7,500. On May 7, 1968, the maximum guarantee was raised to $12,500. With rapid increases that have occurred in the prices of homes since 1968, the present guarantee does not afford a reasonable opportunity for the veteran and his family to purchase a home unless he is able to make a substantial downpayment. If the veteran is to continue to obtain loans with no downpayment or very low downpayment in today's housing market, the maximum guarantee must be increased.

According to the Veterans' Administration an increase in the maximum guarantee will not significantly increase the expenses and losses in the home loan program.

Fourth. It would authorize the making of loans to acquire individual condominium units without the present prerequisite that the Department of Housing and Urban Development has issued insurance on at least one loan in the project. Due to the limited number of condominiums processed under section 234 of the National Housing Act, veteran purchasers have been limited to a relatively narrow selection of units and have been precluded from using their loan benefits to finance condominium units from the total available market. This has severely limited the availability of VA financing for veterans badly in need of shelter. The committee recognizes that living styles have changed considerably during the past few years and one of the outgrowths of these changes has been the use of condominiums as well as mobile homes. Housing experts have cited a number of reasons for the rapid growth of condominiums and it would appear that the trend is not a temporary one.

Fifth. The bill would increase the maximum loan guarantee for mobile homes from 30 to 50 percent, bringing it more in line with the guarantee for conventional home loans. Separate provisions are made in the bill for maximum loan limitation for double-wide mobile homes, as contrasted with single-wide mobile homes. The maximum loan for single-wide mobile home loans would be increased from $10,000 to $12,500 and establish a new loan maximum of $15,000 for double-wide mobile home units. The present statutory maximum of $10,000 for mobile homes largely relegates the VA program to a level serving only the most modestly priced segment of the market. At present, any veteran who desires to buy a large single-wide or a double-wide mobile home would find it necessary to put up so much downpayment under the GI loan program that he is, in effect, deprived of the benefits of a VA guaranteed loan.

Sixth. The bill would also provide authority, for the first time, to guarantee a loan for the purpose of acquiring a lot and making necessary site preparations upon which to place a mobile home unit already owned by a veteran.

Seventh. Under present law, no loans may be made for the purchase of mobile homes after July 1, 1975. The bill would delete section 1819(o) of chapter 37, title 38, that prohibits the Administrator from making loans to purchase mobile homes and mobile home lots on and after July 1, 1975. When the Veterans' Housing Act of 1970 was under consideration, the Congress recognized that many young veterans do not have the resources with which to pay rapidly escalating prices for conventionally built homes. The act, therefore, authorized VA to guarantee loans on mobile homes in order "to make available lower cost housing to low and lower income veterans, especially those who have been recently discharged." According to the Veterans' Administration, the total number of mobile homes guaranteed to date number 14,624. This represents only a small proportion of the total loans guaranteed; however, it appears that veterans obtaining VA mobile home loans are, for the most part, those for whom the program was intended. The VA reports that the average veteran obtaining a mobile home loan in calendar year 1973 had a monthly income of $523 and assets of $580, compared to $739 average monthly income and $2,375 average assets for veterans receiving VA loans for conventionally built homes. In addition, mobile home buyers were younger, as demonstrated by the fact that 40 percent were 26 years old or less, compared to 20 percent of conventional home purchasers in the same age group. More than three-fourths of the veterans obtaining mobile home loans were Vietnam-era veterans.

With a view toward developing a larger volume of mobile home loans and encouraging more widespread participation of dealers and lenders, the Veterans' Administration has instituted several programs that are discussed later on in this report. Experience by VA in the mobile home loan program shows that the program is meeting the needs of those for whom it was intended and the committee is now recommending that the program be extended on a permanent basis.

Eighth. The bill would increase the maximum amount of the grant payable for specially adapted housing for disabled veterans from $17,500 to $20,000. The grant was set at $10,000 by Public Law 702 (80th Congress) in 1948. It was increased to $12,500 in 1969 (Public Law 91–22), and again increased to the present maximum of $17,500 in 1972 (Public Law 92–341). According to the Veterans' Administration, in fiscal year 1971 the average total cost to a veteran for a new, specially adapted house was $35,990. This cost rose to $38,744 for fiscal year 1972 and to $45,155 for fiscal year 1973. It is anticipated that the average cost for fiscal year 1974 will be even higher—$48,107 is a tentative estimate.

Mr. Speaker, I include at this point in my remarks a section-by-section analysis of the bill together with a detailed estimate of the costs involved:

Section 1. This captions the Act as the Veterans' Housing Act of 1974."

Section 2. Amends section 1802(b) to permit the Administrator to restore a veteran's entitlement to a guaranteed, insured or direct loan provided a prior GI loan has been paid in full and the property has been disposed of by the veteran. The Administrator will continue to have authority to restore a veteran's entitlement when circumstances warrant even though these conditions can not be met. Also amended is section 1802(d) to authorize automatic guaranty of loans made by a lender other than a supervised lender provided such lender has prior approval by the Administrator. The provision for automatic guaranty of loans by mortgagees designated by the Secretary of Housing and Urban Development as certified agents is deleted as that program is no longer in effect.

Section 3. Amends section 1810(c) to increase the maximum dollar amount of guaranty from $12,500 to $15,000. It also amends section 1810(d) to delete the requirement that the Secretary of Housing and Urban Development must have issued evidence of insurance on at least one loan for the purchase of a one-family unit in a condominium project before the Administrator may make a loan to a veteran to purchase a unit in the project.

Section 4. Is a technical amendment to further implement the increase in the guaranty from $12,500 to $15,000. This is accomplished by amending section 1811(d)(2)(A) to delete $12,500 each place where it appears and insert $15,000 to correspond to the amendment to section 1810(c).

Section 5. Amends section 1819 to provide for loans to purchase lots on which to place mobile home units already owned by veterans. It also amends the section to increase the maximum permissible loan amount for a single wide mobile home to $12,500 and to provide a separate maximum of $15,000 for double wide units. The present 12 year loan maturity is retained but the loan maturity for double wide units is established at 15 years. Further, the guaranty on mobile homes is increased from 30 percent to 50 percent. It also deletes section 1819(o) that prohibits the Administrator from making loans to purchase mobile homes and mobile home lots on and after July 1, 1975. Finally, the provision for guaranteeing a loan on the purchase of a used mobile home is liberalized in that it will no longer be required that such a used mobile home must have been the security for a prior guaranteed loan. In administering this provision it is the intention of the Committee that the Administrator provide adequate safeguards and criteria with respect to the value, quality and condition of used mobile homes on which loan applications are made.

Section 6. Amends chapter 37 by deleting sections 1812, "Purchase of farms and farm equipment", 1813, "Purchase of business property", 1814, "Loans to refinance delinquent indebtedness", and 1822, "Recovery of damages".

Section 7. Contains technical amendments to sections 1803(a)(1), 1803(b), 1803(d), 1815(b), 1818(a), and 1818(c) required by the deletion of sections 1812, 1813, 1814, and 1822. The deletion of the reference to section 1815 in section 1818(a) and 1818(c) will give veterans who served after January 31, 1955, benefit rights under the "insured loan program" comparable to those enjoyed by veterans of prior conflicts so that all veterans would enjoy like benefits under the "guaranteed loan program", the "direct loan program", and the "insured loan program".

Section 8. Amends chapter 21, section 802, to increase the maximum amount of the grant payable for specially adapted housing for certain severely disabled veterans from $17,500 to $20,000.

Section 9. Amends the table of sections at the beginning of chapter 37 to reflect the decision of sections 1812, 1813, 1814, and 1822.

Section 10. This section represents a Committee amendment dealing with effective dates for the various provisions of the bill. The bill generally would be effective the first day of the first month following the date of enactment, it was recently brought to the attention of the Committee that two of the provisions should have a reasonable deferred effective date in order to afford the VA adequate time to appropriately implement the provisions. These provisions deal with the extension of the automatic loan provision to non-supervised lenders and, secondly, the provision that would shift the burden of initial review of condominium projects upon the VA. Implementation of this provision will entail the preparation of detailed plans, procedures and forms for reviews of not only the physical plan or structure, but also the legal documents relating to the condominium project, cost of maintaining the common property, and assuring that any management agreements to be entered into are fair to all concerned. Accordingly, with regard to these two provisions the Committee concluded that a 90 day deferred effective date would not be unreasonable.

ESTIMATES OF COST

The Committee has determined that the estimated total first year cost of the bill, if enacted would be $2,467,800 and the total first five year cost would be $20,235,000. A detailed breakdown of these costs follows:

ESTIMATED COSTS OF H.R. 15912 FOR FISCAL YEARS 1975 THROUGH 1979

	General operating expenses	Expenses and losses	Total
A. Reinstatement:			
Fiscal year—			
1975	−$280,000	$47,000	−$233,000
1976	−301,000	179,000	−122,000
1977	−308,000	348,000	+40,000
1978	−315,000	515,000	+200,000
1979	−322,000	702,000	+380,000
Total	−1,526,000	1,791,000	+265,00
B. Automatic processing:			
Fiscal year—			
1975	−305,000	270,000	−35,400
1976	−326,000	270,000	−56,700
1977	−332,800	270,000	−62,800
1978	−339,800	270,000	−69,800
1979	−345,700	270,000	−75,700
Total	−1,650,400	1,350,000	−300,400
C. $15,000 guaranty:			
Fiscal year—			
1975	0	-----------	0
1976	0	5,000	5,000
1977	0	25,000	25,000
1978	0	62,500	62,500
1979	0	90,000	90,000
Total	0	182,500	182,500
D. Condominiums:			
Fiscal year—			
1975	544,200	0	544,200
1976	549,600	0	549,600
1977	555,100	0	555,100
1978	560,700	0	560,700
1979	566,300	0	566,300
Total	2,775,900	0	2,775,900
E. Mobile home loans (increases in loan amounts, increase in percent of guaranty and elimination of 1975 termination date):			
Fiscal year—			
1975	100,000	467,000	567,000
1976	535,000	696,000	1,231,000
1977	581,000	1,001,000	1,582,000
1978	642,000	1,994,000	2,636,000
1979	698,000	2,817,000	3,515,000
Total	2,556,000	6,975,000	9,531,000
F. Increase SAH grants to $20,000:			
Fiscal year—			
1975	0	1,625,000	1,625,000
1976	0	1,625,000	1,625,000
1977	0	1,563,000	1,563,000
1978	0	1,530,000	1,530,000
1979	0	1,438,000	1,438,000
Total	0	7,781,000	7,781,000
Total estimated cost:			
1st year			2,467,800
2d year			3,321,900
3d year			3,702,300
4th year			4,919,400
5th year			5,913,600
5-year total			20,235,000

Mr. Speaker, I believe this is an excellent bill which will materially improve the GI housing program and effectively aid veterans in securing homes.

With a very minor exception, the Veterans' Administration has indicated that it favors the enactment of this legislation and I strongly recommend its approval by the House.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 15912. This measure will liberalize the provisions of the Veterans' Administration loan guaranty program, thereby making it possible for eligible veterans to more readily obtain housing.

This bill is the end product of hearings by our Subcommittee on Housing under the able leadership of the gentleman from Ohio (Mr. CARNEY). During the course of these hearings, Mr. Speaker, the subcommittee received testimony from the Veterans' Administration, the major veterans' organizations, housing industry spokesmen, and mortgage bankers. Witnesses were unanimous in their opinion that current conditions were making it virtually impossible for young veterans and their families to purchase adequate housing. One witness summarized the problem thusly, "A serious drought in available mortgage money, soaring interest rates, and skyrocketing costs of material, labor, and land have combined to push housing out of the reach of many American families, and have resulted in a dramatic fall off in housing starts."

Now, I recognize, of course, that many of these problems cannot be corrected by this bill or any other legislation. We can, however, alleviate the problem for veterans by making the so-called GI home loan program more attractive to investors with mortgage capital and by making it easier for the veterans to obtain economical housing. This, we have attempted to do in H.R. 15912.

The bill, Mr. Speaker will increase the maximum amount of the loan guaranty from $12,500 to $15,000. It is common practice in mortgage banking, we are told, for lenders to limit the maximum amount of the loan they are willing to purchase to a multiple of the amount of the guaranty. Thus, the modest increase in the guaranty authorized by this measure would have a shotgun effect with respect to the amount of the loan.

The bill also contains a provision that will permit the Administrator to grant authority to process loans on a so-called automatic basis to certain lenders other than banks, savings and loan associations and insurance companies. Under existing law, mortgage companies, or in the case of mobile homes, consumer credit and finance companies are termed "nonsupervised lenders" and must obtain prior approval from the Veterans' Administration before making a GI loan. This provision will expedite the flow of paper and loan closing. We are hopeful that the simplified procedures authorized will encourage greater participation by lenders in the veterans housing program.

Another significant provision of the bill, Mr. Speaker, will permit the Veterans' Administration to approve loans on one-family residential condominium properties without the current requirement that at least one loan in the project be insured by FHA under section 234 of the National Housing Act. The increased popularity of condominum housing makes it necessary that such housing be made more readily available to veterans.

One of the most economical types of housing is, of course, the mobile home. Since this type of home became available for GI bill financing, there has been a slow but steady increase in the number of such homes on which a VA guaranty has been issued. A number of provisions contained in this bill should stimulate much greater activity in this type of low-cost housing.

For example, the bill will increase the maximum guaranty on mobile homes from 30 to 50 percent, thus increasing the value of the security on the loan and encouraging more lender participation.

It would increase the inadequate $10,000 maximum guarantee on single-wide mobile home units to $12,500. It would also authorize a new maximum of $15,000 for double-wide units with a 15-year loan maturity.

Additionally, the bill will provide authority to guarantee a loan to acquire a lot and make necessary site preparations upon which to place a mobile home unit already owned by a veteran.

These improvements in the Veterans' Administration mobile home loan program will, I am convinced, Mr. Speaker, stimulate greater interest by lenders and veterans in this activity.

Finally, Mr. Speaker, the bill contains two very important provisions that will be welcome news to the relatively small numbers they will affect.

One of the provisions will increase the maximum amount of the grant payable for specially adapted housing to certain veterans with serious service-connected disabilities. The existing grant of $17,500 for the construction of homes with special features such as ramps for wheelchairs and handrails in strategic locations will be increased to $20,000.

Another provision will authorize the restoration of a veteran's entitlement to a GI home loan provided the previous GI loan had been paid in full and the property disposed of.

Mr. Speaker, this bill was reported unanimously from the committee. Its major provisions have been endorsed by the Veterans' Administration, veterans organizations, lenders, and housing industry leaders. It is a good bill and I urge that it be passed.

Mr. Speaker, I yield such time as he may consume to the ranking member of the subcommittee, the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, I rise in support of H.R. 15912, a bill designed to improve the veterans home loan programs.

Of overall interest and value to all veterans is the increase in the maximum loan guaranty from $12,500 to $15,000 for conventional type housing. This should tend to enhance the lender's interest in making GI loans. More lenders also should become available, because this bill will permit the VA to automatically guaranty loans made by unsupervised lenders such as finance and mortgage companies. Under present law automatic guarantees are permitted only to supervised lenders, such as banks, savings and loan associations, and insurance companies.

For the veteran who can afford only low-cost housing, this bill provides for an increase in the maximum loan guaranty from 30 to 50 percent on mobile homes; increases the maximum loan for single-wide mobile homes from $10,000 to $12,500; creates a new loan maximum in the amount of $15,000 for the purchase of a double-wide mobile home, and grants authority to guaranty a loan for the purchase of a lot to include site preparation for the placement of a mobile home already owned by the veteran.

Another source of housing for our veterans will be expanded, by eliminating a restriction in the present law which stipulates that the Department of Housing and Urban Development must insure at least one unit in a condominium project before a veteran may obtain financing through the Veterans' Administration.

Veterans who may have used their GI loan entitlement will be eligible for a restoration of full entitlement if the previous loan has been paid in full and the home disposed of.

The maximum grant for specially adapted housing for which certain veterans with serious service-connected disabilities are eligible will be increased from $17,500 to $20,000.

This is a very meritorious bill and I intend to vote for it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. ZWACH), a member of the committee.

Mr. ZWACH. Mr. Speaker, I rise in strong support of H.R. 15912, the Veterans' Housing Act of 1974.

As a cosponsor of this bill, I wish to note the key features; namely the extension and expansion of home loan programs. I am especially pleased with the mobile home provision on which the guarantee will be increased from 30 to 50 percent. Also the maximum loan for a single-wide mobile home is increased from $10,000 to $12,500. In addition, double-wide units will also be covered at a $15,000 maximum.

Due to the fact that mobile homes constitute 80 percent of all new home sales under $20,000 and more than 75 percent of all mobile home loans were obtained by Vietnam-era veterans these changes in the 1970 act are indeed worthy.

High housing mortgage and interest costs have hit and hurt us all, but no one is hit and hurt harder than the Vietnam veteran. If the veteran is to continue to obtain loans with little or no downpayment, the maximum guarantee must be increased.

This bill recognizes the changes in living styles by including condominiums in its coverage. Attention is given to special adaptive housing grants for service-connected disabled veterans.

H.R. 15912 is a major improvement of the 1970 Veterans' Housing Act. I urge passage of this bill.

Mr. ROBERTS. Mr. Speaker, this is a bill that will help not only the veterans, but the housing situation.

Mr. Speaker, I have no further requests for time.

Mr. DORN. Mr. Speaker, I strongly support H.R. 15912, a bill that would provide better opportunities for veterans to purchase homes under the VA loan guaranty program. The bill is supported by almost everyone engaged in the homebuilding business and will provide a much-needed boost to that industry. The bill would increase the number of VA mobile home guaranteed loans for veterans.

At a time of tight money and high interest rates, this legislation is absolutely essential for our veterans and their dependents.

This legislation would allow a veteran to have continuous entitlement for VA home loan purposes. This means that even though a veteran has already used his full entitlement, he will now be eligible for additional home loans so long as his previous loans are paid in full and the property has been disposed of by the veteran.

I commend the action of my good friend from Ohio (Mr. CARNEY) chairman of the Housing Subcommittee, and other members of his subcommittee, and the unanimous vote of the full committee in reporting this bill to the House. It is a bill that deserves immediate attention. As the Members know, the maximum loan guaranty limit was $4,000 from June 22, 1944, to September 1, 1951. The limit was increased to $7,500 in 1951 and remained at that figure until May 8, 1968, when it was again raised to the present $12,500 limit. I need not remind this body of what has happened to the housing market during the past 6 years. In many areas of the country it is impossible for a veteran to purchase a home even with a substantial downpayment. This situation will be corrected to some degree by raising the limit to $15,000 as proposed by this bill.

Mr. Speaker, Mr. CARNEY has already discussed the major provisions of this legislation and I shall not dwell on them. There is no doubt that this bill will bring about increased activity for VA-guaranteed home loans for the purchase of both conventional and mobile homes. There are approximately 309,000 veterans residing in South Carolina, and for many of them this bill will provide much-needed benefits.

I hope the Senate will give early consideration to this bill and send it to the President without delay.

Mrs. GRASSO. Mr. Speaker, the American veteran who has served his country valiantly during times of war cherishes the dream of owning a home of his own where he and his family can settle down and grow together. Today, thousands of Vietnam-era and their brother veterans are finding it difficult to purchase homes for their families. In these times of spiraling inflation and tight money, veterans need more help in obtaining financing for houses and mobile homes.

The bill before us—H.R. 15912, the Veterans' Housing Act of 1974—represents a significant step toward extending to American veterans the aid which they so richly deserve. It is a comprehensive piece of legislation which would amend various provisions in the current veterans home loan program.

The bill deals with three major sections of the program.

With regard to the general loan program, H.R. 15912 would increase the maximum home loan available for a veteran from $12,500 to $15,000. Also, it would make it easier for a veteran to obtain a second guaranteed loan if he has disposed of a home bought with an earlier veterans home loan. In light of the increasing popularity of condominium living, the bill would also authorize loans for the purchase of individual condominium units.

In recent years, more and more people have purchased mobile homes, and veterans have also turned to these units as an alternative to owning or renting a home. To improve existing provisions for mobile home purchases, the bill would increase the maximum guarantee for mobile homes from 30 to 50 percent. In addition, the maximum permissible loan would increase to $12,500 for single-wide homes and to $15,000 for double-wide homes. Authority is also granted to guarantee loans to purchase a lot for mobile homes and to continue existing authority to making loans for mobile homes and lots.

Disabled veterans have specific housing needs which often require special facilities and architecture. Therefore, H.R. 15912 would increase the maximum grant for specially adapted housing for disabled veterans from $17,500 to $20,000.

Mr. Speaker, this is a vital piece of legislation for the many thousands of veterans who helped defend our Nation and must now readjust to a job-scarce, inflation-ridden economy. We must show our continued commitment to the well-being of our veterans and H.R. 15912 offers us such an opportunity.

I strongly urge passage of this important bill.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in strong support of the veterans' housing bill. It is essential that we act promptly on this measure to update the veterans' home loan program. Dramatic changes in our economy and the housing market have resulted in this program becoming seriously inadequate.

The bill permits the Administrator of Veterans' Affairs to restore a veteran's entitlement to a guaranteed, insured or direct loan provided a prior GI loan has been paid in full and the property has been disposed of by the veteran.

Under the present law, restoration of entitlement is only possible if the property is taken, through condemnation or otherwise, by a governmental body or is lost or destroyed through a natural hazard or is disposed of for some compelling reason devoid of fault. By removing the need for a compelling reason, a condition which has proved to be subject to varying interpretations and applications, veterans will be able to replace their present home for personal reasons. For example, a veteran may desire to purchase a different or larger home. If his prior loan has been paid off he will be granted new entitlement in full for the purchase of the new home.

The maximum guarantee was last raised in 1968 to $12,500. With the rapid increases that have occurred in the prices of homes since that time, this amount has become too low and does not afford the veteran and his family the opportunity to purchase a home unless he is able to make a substantial downpayment. The bill raises the maximum guarantee to $15,000.

This legislation also updates the loan program for mobile homes and condominiums. Living styles have changed considerably during the past few years and one of the results has been the increased attraction and use of mobile homes and condominiums. The bill increases the guaranteed loan on mobile homes from 30 to 50 percent and provides that a guaranteed loan may be made for the acquisition of an individual condominium unit without the prerequisite that HUD must have issued insurance on at least one loan in the project.

Lastly, the bill increases the maximum grant payable to certain service-connected disabled veterans from $17,500 to $20,000. Again, this is in recognition of rising costs and will assure our disabled veterans the ability to purchase ramps, lifts and other equipment for their homes.

Each of these provisions has my full support and, therefore, I urge prompt favorable action.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS), that the House suspend the rules and pass the bill H.R. 15912, as amended.

The question was taken.

Mr. HILLIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the two veterans' bills just considered by the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF CERTAIN AGRICULTURAL PROGRAMS TO GUAM

Mr. MATSUNAGA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13267) to authorize Federal agricultural assistance to Guam for certain purposes, as amended.

The Clerk read as follows:

H.R. 13267

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to provide financial and technical assistance to Guam for improving fire control, watershed protection and reforestation, consistent with existing laws, administered by the Secretary of Agriculture, which are applicable to the continental United States. The program authorized by this section shall be developed in cooperation with the territorial government of Guam and shall be covered by a memorandum of understanding agreed to by the territorial government and the Department. The Secretary may also utilize the agencies, facilities, and employees of the Department, and may cooperate with other public agencies and with private organizations and individuals in Guam and elsewhere.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act. Sums appropriated in pursuance of this Act may be allocated to such agencies of the Department as are concerned with the administration of the program in Guam.

The SPEAKER. Is a second demanded?

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, I rise in strong support of the motion to suspend the rules and pass H.R. 13267, the bill I am sponsoring with the distinguished Delegate from Guam (Mr. WON PAT).

For as long as I have been in Congress, the provision of adequate agricultural services to Guam has been an important matter to me. When I first came to the House in 1963, I served on the Agriculture Committee, and I sponsored a bill which eventually became Public Law 88–548. That law authorized a USDA program on Guam for a period of 5 years—a period which, unfortunately, expired in 1969. In each Congress since then I have sponsored legislation to reinstate that program.

In this Congress, I am pleased to say, I was able to turn over prime responsibility for this bill to the distinguished Delegate from Guam, my good friend TONY WON PAT, who now has the right to introduce legislation himself, commencing with the 93d Congress. But I remain intensely interested in seeing this program reinstated. Because of its insularity Guam needs to move in the direction of greater self-sufficiency in agriculture. These USDA services could contribute substantially toward that goal, and that is why I am pleased to be sponsoring H.R. 13267 with the distinguished Delegate from Guam.

The bill is a modest one, and would give the Secretary of Agriculture discretionary authority to extend three specific agricultural programs to Guam. The three—fire control, watershed protection, and reforestation—are all forestry-related, and all will help Guam control the substantial danger to crops and people now posed by fires each year.

There is nothing controversial in the bill, Mr. Speaker. It was reported in the Agricultural Committee by unanimous voice vote. It has the support of the administration. The cost is minimal. I urge the House to extend these limited agricultural services which are now available to all States, to the only group of Americans who do not now enjoy them, the American citizens of Guam, by approving the motion to suspend the rules and pass H.R. 13267.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

The bill is open-ended, as stated in the language on page 2 of the bill.

Mr. MATSUNAGA. Yes.

Mr. GROSS. I should like to ask the gentleman a question. We are given cost estimate figures on page 4 of the report.

Mr. MATSUNAGA. That is correct.

Mr. GROSS. Those total, I believe, somewhere around 400-and-some-odd thousand dollars over a period of 5 years?

Mr. MATASUNAGA. Yes; for a 5-year period.

Mr. GROSS. To establish some kind of a record here with respect to expenditure—and I do not like open-end authorizations—may we assume that the figures to be found on page 4 and in the amounts that are listed for the 5-year period will be the governing authorization for this bill?

Mr. MATSUNAGA. I would say to the gentleman from Iowa that the estimates would be the maximum amount which would be spent. I would be happy to make a statement here and now for the record that these will be the maximum amounts spent for the years designated.

Mr. GROSS. Not to exceed these amounts each year for the 5-year period?

Mr. MATSUNAGA. That is correct.

Mr. GROSS. I thank the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I yield such time as he may consume to the gentleman from Guam (Mr. WON PAT).

Mr. WON PAT. I thank the gentleman from Hawaii.

Mr. WON PAT. Mr. Speaker, on behalf of American citizens of Guam, I urge my colleagues in the House to vote in support of H.R. 13267, a bill to authorize certain Federal agriculture programs for Guam.

This measure has the unanimous support of the House Agriculture Committee and the U.S. Department of Agriculture, and is cosponsored by my esteemed friend and colleague, Congressman SPARK MATSUNAGA, and myself.

The main thrust of H.R. 13267 is to provide the territory of Guam with access to several Federal agricultural assistance programs which will provide invaluable aid in controlling our island's ever-present threat of devastating fires in our mountainous areas. Like many areas in the Pacific, Guam is covered with wild growth which is extremely vulnerable to fire due to the lack of ground moisture.

If enacted into law, H.R. 13267 will provide the government of Guam with access to the expertise of professionals from the U.S. Department of Agriculture in our efforts to reforest the island's mountains with growth less susceptible to fire. Additionally, USDA experts will also assist in helping Guam develop watershed areas.

With the exception of school lunch programs and the Federal food stamp program, Guam is not presently eligible for any of the major programs operated and administered by the U.S. Department of Agriculture. I believe that Guam's need, as stated in the records of committee hearings on H.R. 13267, is adequate justification of our request for the additional assistance which this measure authorizes. For this reason, I again urge my colleagues in the House to support H.R. 13267.

Mr. GOODLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. ZWACH).

Mr. ZWACH. Mr. Speaker, I rise in full support of H.R. 13267 and associate myself with the remarks of the gentleman from Hawaii and the gentleman from Guam who have spoken in support of this bill.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do this in order that I may ask the sponsor of the bill a few questions.

Mr. MATSUNAGA. I will be happy to answer the gentleman.

Mr. GOODLING. Mr. Speaker, I should like to know why this bill was not reenacted when it expired in 1969.

Mr. MATSUNAGA. Mr. Speaker, at that time the Guamanian government was not prepared to carry on the program. And because of the situation with the Guamanian government, there was no request for an extension of the program. But now the Guamanian government is ready and willing to undertake the program by Federal funding and the gentleman from Guam and I have cosponsored this measure.

Mr. GOODLING. Can the gentleman give the Members of this House any specific instances where good has resulted from the original bill?

Mr. MATSUNAGA. I would like to refer that question to the Delegate from Guam.

Mr. WON PAT. Mr. Speaker, let me give a little bit of background on this. When the bill was enacted into law in 1965, it provided that agricultural assistance might be provided to the territory of Guam through a memorandum of understanding between the Secretary of Agriculture and the government of Guam. It took a few years before a memorandum of understanding was reached.

The only program that was extended to Guam was the extension program, in which a representative was sent from the Department of Agriculture to Guam for a couple of years.

Mr. MATSUNAGA. And this program, as I understand it, was very successful.

Mr. WON PAT. Yes, indeed.

Mr. GOODLING. Several years ago we included Guam in our land grant college program.

Mr. MATSUNAGA. That is correct.

Mr. GOODLING. Is not the College of Agriculture doing similar work to that provided in this bill?

Mr. MATSUNAGA. This bill deals with an entirely different matter, as the gentleman well knows. It merely extends those programs, other than the land grant program, to Guam, at the discretion of the Secretary of Agriculture whatever he deems appropriate.

We are not asking for anything over and above what the States are now enjoying. These are Americans in Guam we are now speaking of, as the gentleman knows.

Mr. GOODLING. I would like to bring out just one more matter. This was alluded to by the gentleman from Iowa (Mr. GROSS).

Why did we not specify $427,000 in the authorization bill, rather than making it an open-end appropriation?

Mr. MATSUNAGA. For the reason that in all the programs which pertain to the States, we have an open-end program; but the programs are carried on an annual basis by submission of a budget by the Department of Agriculture and also controlled by appropriations made by the Appropriations Committee of the House in their behalf.

Mr. GOODLING. One further question I would like to have clarified. On page 4 of the report, in a letter written to Chairman POAGE by Philip L. Thornton—for John R. McGuire, Chief of the Forest Service—I read this statement.

> This new authorization will not require any additional Federal employees or Appropriations.

Can the gentleman elaborate on that? To me it is confusing.

Mr. MATSUNAGA. Well, the statement merely reinforces the earlier statement which I made that we are merely extending to Guam programs which are now applicable to all the States. I suppose the Department of Agriculture believes that this can be done without any additional employees. I am sure that is what Mr. Thornton meant.

Mr. GOODLING. I cannot understand how we will give aid to Guam without additional Federal employees. That is a question I would like to have answered.

Mr. MATSUNAGA. I suppose they would send employees now on the payroll from other areas. For example, when the Agricultural extension program was in effect under the 1964 act, which expired in 1969, the Department of Agriculture merely sent someone from Washington for a limited time. I believe this is what is going to happen. We have agents over in the military sector of Guam now. These agents, perhaps, will be sent to the civilian sector to carry on the programs provided in the pending bill.

Mr. GOODLING. If that is the case, it would appear to me we may be overstaffed here. Would the gentleman agree with that?

Mr. MATSUNAGA. No. I do not believe so. It may mean that perhaps the employees would have to work a little harder, just as the gentleman from Pennsylvania himself may feel that he ought to have two Congressmen for the amount of work he does; it just means that one employee will have to extend himself a little more.

Mr. GOODLING. I wish I could agree. If the gentleman could assure me that we have some employees willing to work longer hours, I would welcome them into the service.

Mr. MATSUNAGA. I would think there are as many dedicated civil service employees as there are Members of Congress.

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, I yield such time as he may consume to the Delegate from Guam (Mr. WON PAT).

Mr. WON PAT. Mr. Speaker, may I say to the gentleman from Pennsylvania that presently the Military Establishment on Guam controls 34 percent of the total land area, and that area contains some vegetation. However, Guam, from the central portion to the south, is purely volcanic and its vegetation is largely sword grass.

Presently, the military has an agricultural expert on Guam who they are now paying to carry out this very program which this bill intends to do for the civilian area. Although the military has that expert in Guam, his services do not extend to the civilian area. For that reason, this bill, I think, is fully justified in order not only to help the civilian area, but also to help the military area.

Mr. MATSUNAGA. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Hawaii (Mr. MATSUNAGA) that the House suspend the rules and pass the bill (H.R. 13267), as amended.

The question was taken.

Mr. GOODLING. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. Pursuant to clause 3 (b) of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the bill (H.R. 13267).

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

SOLID WASTE DISPOSAL ACT EXTENSION

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 16045) to amend the Solid Waste Disposal Act to authorize appropriations for fiscal years 1975 and 1976, and to make certain technical and conforming changes, as amended.

The Clerk read as follows:

H.R. 16045

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 216(a)(2) of the Solid Waste Disposal Act (42 U.S.C. 3259(a)(2) is amended—

(1) by striking out "and" after "June 30, 1973,"; and

(2) by inserting before the period at the end of such paragraph ", not to exceed $76,000,000 for the fiscal year ending June 30, 1975, and not to exceed $76,000,000 for the fiscal year ending June 30, 1976".

(b) Section 216(a)(3) of such Act (42 U.S.C. 3259(a)(3)) is amended—

(1) by striking out "and" after "June 30, 1973,"; and

(2) by inserting before the period at the end of such paragraph ", not to exceed $140,000,000 for the fiscal year ending June 30, 1975, and not to exceed $140,000,000 for the fiscal year ending June 30, 1976".

(c) Section 216(b) of such Act (42 U.S.C. 3259(b)) is amended—

(1) by striking out "and" after "June 30, 1973,"; and

(2) by inserting before the period at the end of the first sentence of such paragraph ", not to exceed $22,500,000 for the fiscal year ending June 30, 1975, and not to exceed $22,500,000 for the fiscal year ending June 30, 1976".

SEC. 2. (a) Section 203(1) of the Solid Waste Disposal Act (42 U.S.C. 3252(1)) is amended by striking out "'Secretary' means the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "'Administrator' means the Administrator of the Environmental Protection Agency".

(b) The Solid Waste Disposal Act (42 U.S.C. 3251–3259) is amended—

(1) by striking out "Secretary of Health, Education, and Welfare" whenever it appears and inserting in lieu thereof "Administrator"; and

(2) by striking out "Secretary" whenever it appears, except—

(A) in section 213 of such Act where "Secretary" is followed by "of Labor"; and

(B) in sections 203(1), 214, and 216(b) where "Secretary" is followed by "of the Interior";

and inserting in lieu thereof "Administrator".

The SPEAKER. Is a second demanded?

Mr. NELSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 16045 is a bill to extend the authorizations under the Solid Waste Disposal Act for fiscal years 1975 and 1976. These authorizations will remain at the levels provided for fiscal years 1973 and 1974.

This bill is necessary because the authorizations under the existing act expired June 30, 1974. Although the program may continue to operate through

September 30, 1974, under the terms of the joint resolution, passage of this bill is essential to permit it to continue thereafter.

The Subcommittee on Public Health and Environment has unanimously sponsored this legislation. The full Interstate and Foreign Commerce Committee ordered it reported by unanimous voice vote.

This is not just another measure to keep an unnecessary bureaucracy in operation. On the contrary, a recent survey by the National League of Cities and U.S. Conference of Mayors showed refuse and solid waste disposal to be the most commonly mentioned problem facing local municipal leaders. The Nation's cities and towns now spend $6.4 billion for refuse disposal. This amount will rise to $10 billion by 1980.

While solid waste management consumes 47 percent of the municipalities' environmental budget, the Federal Government spends only 1 percent of its environmental dollars to help with planning, research, demonstration, and technical assistance in the solid waste area. The towns and States have sought more aid from Congress and EPA to help meet these needs.

The committee believes that more money must be spent to assist in reducing municipal expenses, to increase resource recovery, and to improve solid waste practices. The Congress has agreed by appropriating $26.5 million on this program in fiscal year 1975. In addition, new provisions of law will be necessary. The committee intends to use these 2 years to develop and adopt comprehensive revisions of this act.

In the meantime, we are hopeful that the current levels of appropriations and manpower can be increased to deal with this important problem.

Mr. NELSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join with the chairman in support of this bill. I would like to mention something for the record relative to the questions I asked the experts in this field dealing with solid waste. They indicated that sometimes the solid waste disposal sites would bring some infiltration into the water supply, the underground water supply.

At the same time we have the Environmental Protection Agency demanding of our powerplants that they put scrubbers in their stacks throughout the country, and this solid waste or slurry is deposited on land sites all over the country.

In my judgment, the time will come when they themselves will be demanding that this practice cease. It is very expensive, and I think it is also a danger to the underground water supply. However, this point was brought out in our hearings.

I want to say that this bill, I believe, must be extended, and I hope the House will pass this bill.

Mr. Speaker, I understand that the gentleman from Iowa (Mr. GROSS) wanted to ask the chairman some questions. I will yield to the gentleman from Iowa at this time.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. I am puzzled by the cost of this bill.

On page 3 of the report the cost estimates are listed as totaling $176 million over a 5-year period.

Then I turn to the bill and find a variety of figures used.

Can the gentleman state what the total cost of this bill may be?

Mr. STAGGERS. This is just simply an authorization, and the authorization in it is $225 million. This money is for demonstration projects. There is $140 million provided and $76 million for the disposal of waste and then there is another provision for $22.5 million.

Mr. GROSS. On page 3 of the bill there is a $276 million authorization over a period of 2 years, and on page 4 there is $140 million for each of 2 years. I just do not understand what the cost of this bill is supposed to be.

Mr. STAGGERS. I can explain to the gentleman the reason that this was put in. As I understand it, clause 7, rule 13, of the House rules requires a 5-year cost estimate, but the bill is only for a 2-year extension, as we say in the bill itself.

Mr. GROSS. Then are we supposed to disregard the figures on page 3 of the report?

Mr. STAGGERS. Yes. I would do that, right.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I will be glad to yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I thank the gentleman for yielding. If I could have the attention of the chairman, I would like to ask a question. In my State, which is a public-land State, if I understand correctly, under the authorization of this act, dumping of garbage on public land has been barred.

We have places, such as in Valley Country, where the small communities, the very rural, forest-type community, has people who now have to haul the garbage down to the city, to an approved dump site.

I am wondering if this is the result of this authorization. In other words, we are hauling garbage from the rural areas to the city so they can legally dump it.

Is this coming under this act or is it a result of it?

Mr. STAGGERS. No, it is not.

Mr. SYMMS. Is this an Executive order or where does it come from? Will the chairman be able to enlighten me on that?

We are hauling garbage in Idaho in some places as far as 100 miles to a city dump, to dump the garbage.

It seems to me that the cities have too much garbage. We are hauling it in from out in the country to the city to dump it.

Mr. STAGGERS. That is an Executive order. I would say that many communities throughout America have the same problem. Most of the areas are doing it in their own way, but this is the most convenient thing for them to do. However, many of them have the solid waste disposal facilities, and use bulldozers to cover the waste up.

Mr. SYMMS. Of course, the problem is that the small communities do not have the means to buy bulldozers.

Mr. STAGGERS. That is true. One small community may have a problem in disposing of it.

So we are trying to make this program operate in an equal way.

Mr. Speaker, I can give the gentleman an example of this. In my own county, there is a community that has a disposal system, and they have no public water supply. The disposal is contaminating the water supply, so they are going to have to put in a better disposal system for their solid wastes. I think that this ought to be done all across the land.

Mr. SYMMS. Mr. Speaker, I thank the chairman of the committee for his answer. I just hope that we are not getting the cart ahead of the horse. That is what is bothering me.

Mr. Speaker, I have one other question to ask the gentleman.

To what extent does this interfere with some private entrepreneur who might want to go into the garbage disposal business for a profit? Are there any instances here where the Government is interfering with that?

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield further, not in the world. Not a bit.

If these private people show they can do the job, they will be allowed to do the job.

Mr. SYMMS. If they cannot do the job, what happens then?

Mr. STAGGERS. If they cannot do the job, they should not be allowed to try to do it. They must be able to do it or they should not be allowed to try it.

That condition has arisen in my own community. Some of them were able to do it; some wanted to do the job, but they could not do the job. Others showed they could do the job, so they have been allowed the opportunity. This is the way we have handled it. We must utilize the proper people to do the job.

Mr. SYMMS. Mr. Speaker, when we prescribe that this is to be done on public land, perhaps we have outlawed it for private participation. If the land is owned by the Federal Government in these instances, we also say that we cannot sell the land to private enterprise. So we are getting this back to the point where the garbage disposal business is becoming more and more a problem, from my viewpoint, where the Government interferes with the private enterprise sector, and the Government interference is a hindrance, not a help.

Mr. STAGGERS. No, I would not say that.

Mr. Speaker, if the gentleman will yield further, we do not have any public lands in our part of the country, but it seems to me that if one takes solid wastes and dumps that on his neighbor's place, we must say, "You take care of it or somebody has to take care of it."

I do not care what happens, they cannot do that on public land. Somebody has to be accountable for it. We have to take it to a place where it is taken care of.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, this is really for demonstration grants and for technical assistance. It does not go as far as the gentleman might think it does, and I want to allay his fears if that is possible.

Mr. Speaker, the bill under consideration (H.R. 16045) will extend for a period of 2 years the Solid Waste Disposal Act of 1967. This simple extension does not necessarily mean that certain changes and improvements are not needed in this program, but I want to point out that the existing program is an important one in our efforts to provide for effective solid waste management. Our committee does expect to review this program further for appropriate revision.

It is clear that increasing attention must be paid to the need for resource recovery and more rational solid waste management practices in our Nation. Our committee held hearings in March on this important matter, and we agreed, after several executive sessions, to extend the existing authorities at this time rather than to substantially change them.

I urge my colleagues to support this bill and to recognize the need for an effective solid waste management program.

Mr. NELSEN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. HUDNUT).

Mr. HUDNUT. Mr. Speaker, as a member of the Subcommittee on Public Health and Environment, I rise in support of H.R. 16045, to extend the Solid Waste Disposal Act of 1965, as amended.

Since the authorization under the Solid Waste Disposal Act expired June 30, the Office of Solid Waste Management is currently operating under a continuing resolution passed July 30 which will also expire on September 30 or whenever the President signs the appropriation for EPA. In view of this time constraint and the fact that the committee has other pressing legislative business, the committee has proposed a straight 2-year extension of the Solid Waste Disposal Act at the current funding level of $140 million annually for demonstration grants and $76 million annually for technical assistance, research, planning, and other Office of Solid Waste Management programs. While I support H.R. 16045 and urge the House to approve it, I would have preferred to see an expanded Office of Solid Waste Management program especially in research, technical assistance, and demonstrations projects. As we find ourselves in the mid 1970's in a situation where we are falling behind in our capacity to dispose of our solid waste thus posing a significant threat to our environment, we need to provide greater incentives to urge the construction and use of resource recovery systems—also we need to do more research in the concept of turning trash into energy resources, which has been suggested. It is my hope that our subcommittee will consider this matter again in the very near future.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. HUDNUT. I yield to the gentleman from West Virginia.

Mr. STAGGERS. Mr. Speaker, I thank the gentleman for his observation, because this brings up the reason why it was extended for just 2 years. The reason is that there is considerable work that needs to be done, as the gentleman says.

This is what is going to happen in the future. We are trying to help in different ways in different communities, and we realize it is going to be by 1981 a big burden. We are aware that there are certain ways waste materials can be used gainfully to make energy.

Therefore, in the next 2 years the committee wants to take a real deep look at this and make several new changes in the bill.

Mr. HUDNUT. Mr. Speaker, I thank the gentleman for his response.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I rise in support of H.R. 16045. This is a simple, 2-year extension of authorizations of appropriations of the Solid Waste Disposal Act. As the full committee chairman has stated, the authorization expired at the end of fiscal year 1974.

Mr. Speaker, the Subcommittee on Public Health and Environment conducted hearings on a number of bills that would revise Federal law relating to solid waste disposal on March 27 and 28, 1974. We conducted several executive sessions on proposed revisions and concluded that the provisions of existing law are sufficient to provide Federal guidance and support to this Nation's need for effective resource and energy recovery and rational solid waste practices. Although I certainly am not satisfied with the level of funding and the number of personnel positions the Environmental Protection Agency has received to implement the act, I believe that 4 years' experience with the act has produced positive results.

Mr. Speaker, during our hearings the wisdom of the provisions of section 204, which authorizes research and experiments in the development of new methods of processing and recovering materials and energy from solid waste, was demonstrated. Under this provision, EPA has funded a project called the CPU–400 in Menlo Park, Calif. Representatives of this project testified during the March hearings, and I had occasion to visit the project 2 years ago. This project is used to demonstrate the effectiveness of a gas turbine system for material recycling and utilization of municipal wastes as nonpolluting fuel for the generation of electricity. The demonstration plant will be the end product of 7 years' research and development effort in new combustion technology financed by the government at cost of nearly $8 million. It will be an environmentally safeguarded unit serving a population of 250,000. The electric power return will meet the total requirements of up to 10 percent of the population served. I would hope that if the project demonstrates success, it will receive Federal support under section 208, which authorizes sufficient funds to place it into operation in a municipality, so that its potential can be fully realized. I understand that a full-scale demonstration would involve costs of approximately $12 million.

Mr. Speaker, another bright spot in this Nation's solid waste disposal effort came to our attention during the hearings. Representatives of the National Center for Resource Recovery testified as to the success of their nonprofit center, funded almost entirely by industry and labor over the past 4 years.

The National Center, during this relatively short period of time, has established that the so-called front-end systems approach to municipal solid waste management is a fruitful approach to pursue. While most of the research and development funding by the Federal Government over the past few years has been expended on what "back-end" system uses to use the organic fraction of solid waste in such efforts as composting, pyrolysis and other methods to extract energy or byproducts from the organic or light fraction of solid waste, the National Center has concentrated its efforts on "front-end" systems extracting from the total solid waste system those products which ordinarily would be lost. These are glass, ferrous and non-ferrous metals.

Serving as a research and development group, the National Center has become a catalyst in bringing together communities with problems using engineering feasibility studies and marketing arrangements, along with private capital both in its own funding and in the infusion of private capital to finance a pilot project in New Orleans.

It is apparent that additional funding is now needed to keep this kind of effort ongoing, to provide for a meaningful and quite interesting industry-labor-government partnership to solve a national problem. The New Orleans project may likely serve as a symbol of what can be done by other cities since it is a cooperative effort involving local government, the private sector, and the Federal Government.

Therefore, I would hope that, in addition to the funding industry and labor have pledged to the work of the National Center for Resource Recovery, the Environmental Protection Agency would consider very carefully the need for funding of the National Center to encourage the replication of approaches pursued by the Center in communities, and allow the Center to provide technical assistance to states and cities, conduct engineering and economic feasibility studies and carry out other research or information programs which push the state-of-the-practice of solid waste management forward in this country.

Mr. Speaker, I urge the adoption of this bill.

Mr. GROSS. Mr. Speaker, will the gentleman from West Virginia yield?

Mr. STAGGERS. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I would say

to the gentleman from West Virginia that as I figure this, it involves $478 million, almost half a billion authorized to be spent over a 2-year period.

Mr. STAGGERS. It is $225 million.

Mr. GROSS. But I am talking about 2 years. The price tag for 2 years is a total of $478 million.

Mr. STAGGERS. Let me say to the gentleman from Iowa that we authorize that, but the Committee on Appropriations only appropriated $13 million last year. We are hoping they will do better this time, and come up with sufficient money to meet the problem.

Mr. GROSS. Surely the gentleman from West Virginia would not be asking us to authorize $478 million and then suggest he would not expect that the Committee on Appropriations will provide only $13 million?

Mr. STAGGERS. We recognize the problem as it is, and as we had it last year. I think we will have to meet our obligations because this is one of the greatest problems in America, I would say to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. I have no doubt it is one of the serious problems, but why do not the cities take care of their own waste disposal problems? Why come to the Federal Government?

Mr. STAGGERS. We are not taking care of their disposal problems for them, we are only helping them in demonstration projects, experimentation and other things; also planning. We are trying to be helpful.

For instance, we need safe drinking water, and so that we can go to any nation in the world, and we ought to be able to expect we will have uniform treatment wherever we go, of drinking water. But if we do not take care of the solid waste disposals we will have contaminated water, and we will have different kinds of health problems.

Mr. GROSS. What is the matter with the States and municipalities, the counties and the townships doing this for themselves?

Mr. STAGGERS. They do not have the money or the time, the talent or the skill or the manpower necessary to do the actual experimenting and to do the other things.

Mr. GROSS. I will say to my friend from West Virginia, that we do not have any money left in the Federal Treasury, either.

Mr. STAGGERS. That is true.

Mr. GROSS. If the Committee on Appropriations takes you up on this authorization, and appropriates the $478 million as this bill provides, Congress will be adding nearly a half billion to the debt and deficit of the Federal Government.

Mr. STAGGERS. I would agree with the gentleman from Iowa—

Mr. GROSS. The Federal Government has no money to spend in amounts of this kind, and for this purpose, except what it borrows.

Mr. STAGGERS. I would agree with the gentleman from Iowa, but I would like to say just this, that if we spend any money in any way it ought to be helping America first. That is the first problem we should be looking into.

Mr. CARTER. Mr. Speaker, will the distinguished gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, the purpose of this bill is to provide demonstration projects for solid waste disposal, and also for recovery of solid wastes, to recycle them.

For instance, one of the plants that I looked at in St. Louis in company with the distinguished gentleman from Missouri (Mr. SYMINGTON) is a very complex plant, and was contributed to by this agency of the Federal Government, and it does great work. It separates the solid wastes to their different component parts, so that they can be recovered and recycled. It is very helpful.

Then there is one down in Miami, Fla., which is a very necessary plant, and which was contributed to by the Federal Government, and it is helping. If we do not take care of the solid wastes within a few years they will be up to our hips.

So the Federal Government is actually providing leadership in this area.

I thank the gentleman for yielding.

Mr. TIERNAN. Mr. Speaker, the United States is faced with the problem of disposing of 500 billion pounds of solid waste annually at a cost of $15 billion, a domestic expenditure second only to education and welfare. Every day we generate six pounds of garbage for every man, woman, and child in the country. There are indications that the amount of solid waste, and the cost in money, manpower, materials, and energy will double by 1980. The constant increase in per capita generation of solid waste, stimulated by production growth and coupled with a rapidly increasing population concentrated in urban areas has created a serious disposal problem.

What happens to all this waste? Unfortunately, about 75 percent of the Nation's solid waste is still being disposed of by primitive open dumping. To compound the problem, a national survey has shown that of our 14,000 land disposal sites, less than 6 percent were being operated within recognized sanitary landfill standards. And the National League of Cities and the U.S. Council of Mayors, in a joint report, ominously warns that for 47 percent of our cities, only 5 years remain on the capacity of their disposal facilities.

From an environmental standpoint, therefore, solid waste disposal presents itself as an obvious problem. Improper disposal and treatment results in the pollution of our land, air, and water, and contributes to the endangerment of public health and safety. The situation has already passed the critical stage. What many people do not realize is that we can turn solid waste, which has been in the past at least a nuisance and at worst a hazard, into a continuing resource for the future. Through proper management and planning the problem may in fact become an asset. This would do much to alleviate our environmental problems while simultaneously providing our Nation with a wealth of secondary materials and substantially decreasing our energy expenditures.

Proper management is an ambiguous term. In this context it means a combination recycling-energy generation program as an alternative to our present wholesale disposal system. The case for such a program is strong, even when the environmental implications are not discussed. Annually discarded in municipal dumps are 12 million tons of ferrous metals and over 1 million tons of nonferrous metals including copper, aluminum, tin, lead, and zinc. An estimated 12 million junk cars still remain to be reclaimed from auto graveyards across the Nation. Every year cities dispose of an estimated $5 billion worth of metals. It is time the United States realize the enormity of these resources, long ignored, and the need for exploiting them.

Recycling, the first step in our program promises a significant virgin resource savings in the areas of mineral ores, forest sources, and fossil fuels. According to production estimates, over 50 percent of the lead, 40 percent of the copper, 45 percent of the iron and steel, and 25 percent of the aluminum and zinc made available for new products last year were derived from secondary sources; and the percentage could and should be greatly increased. The United States continues to import enormous quantities of bauxite, iron ore, and newsprint, while discarding like amounts of aluminum, steel, and old newspapers. This policy cannot continue for long. Besides materials savings, recycling has other advantages. It also saves energy indirectly. When all stages of material acquisition, transportation, and processing are considered, material recycling requires less energy than virgin material production. Recycled aluminum takes 95 percent less energy to prepare for production than bauxite, steel requires 25 percent less energy than iron ore. Full recycling of our material wastes could result in a 2-percent reduction in our energy demand.

Energy can also be derived directly from the postrecycled solid waste materials. By any one of at least three processes—hydrogenation, pyrolisis, and bioconversion, potentially 10 to the 15th power Btu's could be generated annually. This is enough energy to meet the entire energy consumption needs for residential and commercial lighting, or up to one-third to one-half of the energy that is projected to be delivered by the Alaskan pipeline. In light of today's serious energy crisis, can we afford to ignore this resource? What we need is a system with high material recovery which will generate electric energy to be used in centers where the solid waste and waste stream is generated. A recycling-energy generation program is simply the most intelligent and beneficial program in all areas.

The measure before us today, H.R. 16045, provides a 2-year extension of the Solid Waste Disposal Act of 1967, as amended, by extending for 2 years at constant dollar amounts the authorizations of appropriations in the act, which expired June 30, 1974. I feel that the Solid Waste Disposal Act was a significant first step—7 years ago. Today, we must recognize all that still needs to be done.

I testified before the Interstate and Foreign Commerce Subcommittee on Public Health and the Environments several months ago and outlined a plan for further efforts in this area. Unfortunately the subcommittee was unable to agree on the precise nature of the comprehensive revision of the act, and they have simply asked for an extension of the original legislation. Although I do not think this is sufficient, and I intend to reintroduce my recommendations for amendments during the next Congress, I support this bill, H.R. 16045, because it is the only legislation we have that intelligently deals with this Nation's solid waste resource problem.

Mr. STAGGERS. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 16045, as amended.

The question was taken.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Pursuant to clauce 3(b) of rule XXVII, and the prior announcement made by the Chair, further proceedings on this motion will be postponed.

Does the gentleman from Iowa withdraw his point of order that a quorum is not present?

Mr. GROSS. Mr. Speaker, I do.

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 16077) to amend the Public Health Service Act to extend through fiscal year 1975 the scholarship program for the National Health Service Corps and the loan program for health professions students.

The Clerk read as follows:

H.R. 16077

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 225 (i) of the Public Health Service Act is amended by inserting before the period ", and $40,000,000 for the fiscal year ending June 30, 1975".

SEC. 2. (a) Section 742(a) of the Public Health Service Act is amended by striking out "and" after "1973," and by inserting after "1974" the following: ", and $60,000,000 for the fiscal year ending June 30, 1975".

(b) Section 740(b)(4) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975".

SEC. 3. (a) Section 824 of the Public Health Service Act is amended—

(1) by striking out "and" after "1973,"; and

(2) by inserting after "1974," the first time it appears the following: "and $35,000,000 for the fiscal year ending June 30, 1975,".

(b) Section 822(b)(4) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975".

The SPEAKER. Is a second demanded?

Mr. NELSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STAGGERS. Mr. Speaker, I rise in support of H.R. 16077, a bill to extend through fiscal year 1975 the scholarship program for the National Health Service Corps and the loan programs for health professional students. These programs, along with other health manpower authorities, expired June 30, 1974, and are presently being continued under the continuing resolution pending completion of the revisions in progress of all the expired authorities. However, the continuing resolution does not authorize new scholarships and loans for freshmen students entering school in September and for this purpose the 1-year authorization is necessary.

H.R. 16077 authorizes a total of $135 million for fiscal year 1975: $40 million for National Health Service Corps scholarships, $60 million for health professional student loans, and $35 million for nursing student loans.

This is a bill similar to one which we enacted in 1970 for similar purposes. It is necessary because under the continuing resolution new scholarships and loans for freshmen students entering professional schools in September cannot be made, and without such new scholarships and loans both the schools and the students would be severely penalized. The bill is cosponsored by all of our members of the Subcommittee on Public Health and Environment and was reported from both the subcommittee and full committee by unanimous voice vote.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is the cost of this bill?

Mr. STAGGERS. $135 million.

Mr. GROSS. $135 million?

Mr. STAGGERS. This is the authorization, but this is for doctors and nurses across America who might be helping you some time, or my family, or somebody else's family. We need doctors so badly. It is a little program. Most of this will be paid because the recipients serve in different communities where they are needed. It is one of the best programs we have for America.

Mr. GROSS. If the gentleman will yield further, What is the administration position on this bill? One would not know from looking at the report whether it is for or against it.

Mr. STAGGERS. They certainly have been for the full program, but I cannot speak for the administration. I will say to the gentleman that they are officially against the bill. We disagree with their position, which you will find on page 4 of the committee report. It came out of the subcommittee unanimously. It came out of the full committee unanimously. We felt it was one that is necessary to America, and it was passed, as I said. The Senate has already passed a similar bill unanimously on July 24 of this year, knowing that something had to be done in order to get these loans to these boys and girls in school by September of this year.

Mr. GROSS. Will the gentleman yield further?

Mr. STAGGERS. I yield to the gentleman.

Mr. GROSS. I am not impressed by the unanimity with which many bills come to the House floor. There is much howling and yowling by some Members of Congress with respect to inflation, how it is tearing this country apart, and the sad state of the economy of the country. But there are apparently all too few committees that want to cut down or even make an effort to ascertain where the money is to come from to pay bills of this nature. Surely, there is some good in almost every bill.

The point is we cannot afford all of these expenditures. A day of reckoning is at hand and make no mistake about it.

Mr. NELSEN. Mr. Speaker, this bill would expand the National Health Services Corps. Had our manpower bill been passed, which is still in committee, this clause cited here would be in the manpower bill. Under an appropriation as provided in the past year, the amount was $98 million, and this is $135 million.

This bill would authorize funds for the National Health Service Corps scholarship program and other programs for health professional students.

The amounts authorized are identical to the amounts in current law with one exception. We are asking for additional funding for the NHSC scholarship program so that this effort can be expanded and more slots made available to qualifying students.

While I strongly support this bill, we must understand that it is only an emergency, stopgap measure. The funding provided for in H.R. 16077 would enable entering students to receive assistance for the school year beginning in September. All other aspects of the health manpower program have been taken care of by the recent continuing resolution or by HEW forward funding.

This combination of legislative and administrative patchwork cannot displace the need for a new and comprehensive manpower bill this year.

I urge support for H.R. 16077 and trust we will have a complete manpower program before this body in a few weeks.

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, I would like to say that $95 million of this is for loans and the other portion of it goes to students who will repay the loan by going to different localities where they are needed, so I think all of it will be accounted for in a way which will contribute to our land.

Mr. SMITH of New York. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from New York.

Mr. SMITH of New York. Mr. Speaker, am I correct in understanding that the fiscal year 1974 amount appropriated for the National Health Service Corps was $3 million and the fiscal year 1975 budget is $22.5 million, but this bill is for $40 million?

Mr. NELSEN. That is correct.

Mr. SMITH of New York. I thank the gentleman very much.

Mr. NELSEN. Mr. Speaker, the need for this bill immediately is the fact that with the school year starting and the manpower bill not yet acted upon and not yet out of conference, it seems obvious that this part of it would have to be enacted so this part of the program could go forward.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I thank the gentleman for yielding.

This is an excellent bill. It does provide increased funds to provide physicians for the ghetto and rural areas. The original authorization was $225 million. It was increased through my amendment to $40 million so we could have more people in deprived areas. I think it is a good bill and I strongly support it.

Mr. Speaker, I fully support the bill, H.R. 16077, to extend the scholarship program for the National Health Service Corps and the loan program for health professions students through fiscal year 1975.

I wish to emphasize that the significantly increased authorization level under section 1 will provide an important step toward increasing the health care resources of the many deprived areas in our Nation, especially those where the physician-population ratio is inadequate.

Although this measure does not deal directly with the matter of revising the existing health manpower programs, our committee is presently working on a new health manpower proposal which I hope will be an effective measure.

I want to point out that the loans and scholarships provided for in this extension are not gifts to students. They must be repaid in cash or by serving in a shortage area. Hopefully, this will help to alleviate the problem of physician maldistribution.

This measure is important in our long-range effort to provide substantially improved health care resources for our citizens, and I urge the Members of this House to support it.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. ROGERS), the chairman of the subcommittee.

Mr. ROGERS. Mr. Speaker, I rise in support of H.R. 16077 which would extend the National Health Service Corps scholarship program and loans for health professions students. As the chairman of the full committee has stated, this is emergency legislation which received the support of all of the members of the Subcommittee on Public Health and Environment and was reported unanimously by the full committee.

Mr. Speaker, on June 30, 1974, the Congress enacted a continuing resolution which provided appropriations for those programs which had been funded in fiscal year 1974 through September 30, 1974. While many of the programs received support at the fiscal year 1974 funding levels, because the authorities for the Health Manpower and Nurse Training Acts expired on June 30, 1974, these programs were funded at the levels requested by the administration. The budget request under these acts would provide no moneys for new loans or scholarships to health professions students.

Mr. Speaker, the Subcommittee on Public Health and Environment is currently considering several lengthy and complicated measures which would revise and extend the Health Manpower and Nurse Training Acts. The other body is presently engaged in the same activities, and it appears to be quite likely that a conference committee will be confronted with two very different bills, thus, delaying enactment of authorizations for these programs.

Mr. Speaker, H.R. 16077 would simply extend the authorizations for loans under both the Health Manpower Act and the Nurse Training Act. It would enable students entering health professions schools for the first time to apply for and obtain loans before the school year begins, rather than looking to other sources for financial support which, as I am sure my colleagues would agree, during this inflationary period would be difficult to say the least.

H.R. 16077 would also raise the level of support for the National Health Service Corps scholarship program from the current level of $3 million to $40 million through adoption of an amendment in subcommittee offered by Mr. CARTER of Kentucky. The members of the Subcommittee on Public Health and Environment feel very strongly that the Corps represents the best way at the present time to meet the geographic maldistribution problem currently facing health care in the United States today. Under this program, students in health professions schools receive scholarships in exchange for an agreement to serve as members of the National Health Service Corps in areas designated by the Secretary of Health, Education, and Welfare as medically underserved. HEW has requested $22.5 million for NHSC scholarships, but the effect of the continuing resolution is to appropriate only $3 million.

Mr. Speaker, the present legislation, when enacted, will not mean that the task of revising all of our health manpower authorities can be put off or dropped. The subcommittee intends to move as rapidly as possible to report out responsible legislation. In the meantime, it is essential that this measure be favorably considered by the House. I urge its adoption.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 16077.

The question was taken.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXTENSION OF CONTROLLED SUBSTANCES ACT

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14213) to amend the Controlled Substances Act to extend for 3 fiscal years the authorizations of appropriations for the administration and enforcement of that act, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective July 1, 1974, section 709 of the Controlled Substances Act (21 U.S.C. 904) is amended to read as follows:

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 709. (a) There are authorized to be appropriated $105,000,000 for the fiscal year ending June 30, 1975, $175,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for the fiscal year ending June 30, 1977, for the expenses of the Department of Justice (other than its expenses incurred in connection with carrying out section 103(a)) in carrying out its functions under this title.

"(b) No funds appropriated under any other provision of this Act may be used for the expenses of the Department of Justice for which funds are authorized to be appropriated by subsection (a) of this section.".

SEC. 2. Section 509 of the Controlled Substances Act (21 U.S.C. 879) is amended by striking out "(a)" and subsection (b).

SEC. 3. Section 702 of the Controlled Substances Act is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding subsection (a) of this section or section 1103, section 4202 of title 18, United States Code, shall apply to any individual convicted under any of the laws repealed by this title or title III without regard to the terms of any sentence imposed on such individual under such law."

The SPEAKER. Is a second demanded?

Mr. NELSEN. Mr. Speaker, I demand a second.

Mr. STAGGERS. Mr. Speaker, I rise in support of H.R. 14213, the Controlled Substances Act of 1974. This bill would extend the authorizations of appropriations for the administration and enforcement of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 for 3 years through 1977. The total authorization is $480 million, a figure based on estimated needs provided to us by the Department of Justice. These authorizations generally pay for the activities of the Drug Enforcement Administration. The Drug Enforcement Administration, previously known as the Bureau of Narcotics and Dangerous Drugs, is responsible for the prevention and control of drug abuse in our country, and in the judgment of our committee has generally done a laudatory job.

The bill also makes two substantive amendments to the Controlled Substances Act. First it extends normal Federal parole provisions to prisoners convicted and sentenced prior to May 1971 under drug abuse control laws repealed by the 1970 act. Some of these prisoners are not presently eligible for parole despite the fact that people sentenced for the same offenses since 1971 are. This is a situation which the committee feels represents unequal treatment under the law, and the amendments in question are designed to correct it.

Second, the bill would repeal existing, so-called no-knock provisions of the act.

This provision authorizes search warrants which allow narcotics agents to break into premises which are to be searched without advance warning if the judge issuing the search warrant is satisfied that the property sought might be quickly destroyed or that the agents would otherwise be in danger. The committee feels that experience with this and other no-knock provisions mandates its repeal. Evidence which has come to the committee's attention suggests that the provision has been used with a lack of discretion, is of questionable constitutional validity, has not proved necessary to the enforcement of drug abuse laws, and has by its improper use resulted in serious injury and death to law enforcement officers and civilians. The best known of the abuses of this provision occurred in April 1974 in Collinsville, Ill., when Federal narcotics agents mistakenly broke into the homes of two families, destroyed family property, and terrorized the members of the families. I should note that our bill repeals the no-knock provisions in the Controlled Substances Act but does not affect the similar provision in the District of Columbia Code, since it is not in our jurisdiction.

This legislation was reported from both the Subcommittee on Public Health and Environment and our own full committee by unanimous voice votes. It is a good and necessary bill, extending authorizations for drug abuse control activities which have already expired, and I urge your support for its passage.

Mr. NELSEN. Mr. Speaker, I would like to make a couple of observations relative to this bill. As the chairman of our committee pointed out when we passed this control substances bill, the most recent measure in the field, we forgot to take a look at the penalty provisions that had been in the previous law. So we found we had certain persons in the penitentiaries or in prisons under the old law and were held there under mandatory sentence. When we amended it, some of them became eligible for parole, but those convicted under prior law were not made so eligible—the provisions of this bill correct that situation.

I would like to make some comments about the no-knock provisions repealed under the passage of this bill; we can recall we had no-knock provisions on the floor when we dealt with District of Columbia laws. This bill repeals the no-knock provisions of the Federal law.

I am not so sure it is a wise move, for the reason that under the common law they can break and enter if a police officer so desires, if he feels sure some violation of Federal law is going on within a certain residence. Under the no-knock legislation it was our intent to protect the public by requiring that law enforcement people get a warrant to enter and, therefore, would have to prove their case before entry was made. However, it must be said that many States have passed laws that have thrown out the common law entry and it has not been extensively used in the District of Columbia.

So I have reconsidered the more rigid position I took earlier. I am advised that this does not affect the recodification of any of the laws and penalties provided in the laws of the District of Columbia.

I am sure the chairman would agree with me, that was not our intent.

So I support the bill. I hope it is passed. I believe it is good legislation.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Kentucky.

Mr. CARTER. I thank my distinguished colleague for yielding. I want to say I support this legislation. I recall I was one of two members of the subcommittee who opposed the no-knock law. We also opposed it in the full committee and on the floor of the House. I thought it was not good then. I think it is not good now. I think it is good that the House has seen fit to bring it before us for repeal.

In the area which I come from, if a man knocks the door down and goes in, he usually comes out feet first and the undertaker takes care of him. A man's house is his castle.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Iowa.

Mr. GROSS. What is the total authorization of this bill, some $480 million?

Mr. NELSEN. Four hundred and eighty million dollars. The administration recommended an open-ended bill, as I understand it, without the identifiable figures, but this is the figure that we agreed upon in our committee.

Mr. GROSS. This does not deal with alcoholism, does it?

Mr. NELSEN. No, it does not.

Mr. GROSS. Is there a report on this bill? Apparently there is. I did not get one when the bill was made available.

Mr. NELSEN. I will speak to the majority side and see that they get one to the gentleman. They should have had one to the gentleman before.

Mr. SYMMS. Will the gentleman from Minnesota yield?

Mr. NELSEN. Yes, I yield to the gentleman from Idaho.

Mr. SYMMS. Could it possibly be that with all of the inflation that is going on being caused right here by the Congress printing press, that we are driving these people to drugs to escape the politicians?

Mr. NELSEN. That may be, sir.

Mr. SYMMS. I have always said the liberals pass so many laws it drives a man to drink, and the conservatives try to pass laws against drinking.

Mr. NELSEN. I thank the gentleman for his observation.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I rise in support of this measure. H.R. 14213, as reported, would extend the authorization of appropriations for the administration and enforcement of title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (the Controlled Substances Act) for fiscal years 1975, 1976, and 1977, with a total authorization of $480 million. The legislation would also make the following substantive modifications to the act: First, repeal existing section 509(b) of the act, the so-called no-knock provision; and second, make 18 U.S.C. 4202—which authorizes Federal prisoners serving terms of over 180 days to be eligible for release on parole after serving one-third of their terms—applicable to those prisoners sentenced prior to May 1, 1971, under drug abuse control laws repealed by the Comprehensive Drug Abuse Prevention and Control Act of 1970. Prisoners sentenced under the act after its effective date presently are eligible for parole consideration under such section.

Mr. Speaker, the Controlled Substances Act, enacted in 1970, was designed primarily to improve Federal efforts to eliminate diversion of drugs from legitimate channels through adoption of new control and enforcement provisions. The act is now administered by the Drug Enforcement Administration, following a series of executive branch reorganizations designed to provide a single focus on Federal drug enforcement activities. I believe the DEA and its predecessors have performed a credible job in limiting the availability of legitimate dangerous drugs within this country under the regulatory provisions of the act. Funding to pursue these activities for an additional 3 years is clearly justified.

Mr. Speaker, as the report points out, the committee adopted by voice vote, two amendments to existing law. The first would repeal the controversial no-knock provision that applied to Federal drug enforcement agents. This provision has been rarely used since the formation of DEA and does not appear to be necessary to the effective enforcement of drug abuse laws. Because of its potential for abuse as well as potential for unnecessary injury to police officers and civilians, the committee has concluded it to be best to remove the no-knock as it applies to Federal drug abuse enforcement from the books.

A second amendment would correct an anomalous situation that has arisen with regard to eligibility for parole of persons convicted under past and existing criminal statutes. One of the statutes repealed by the 1970 act provided that certain narcotics offenders sentence to mandatory minimum prison terms would be ineligible for parole under the general parole statute which authorizes Federal prisoners serving terms of over 180 days to be eligible for parole after serving one-third of their terms or after serving 15 years of a life sentence or of a sentence of over 45 years. The 1970 act removed this prohibition, but the Supreme Court has ruled that the prohibition did not render offenders sentenced prior to the effective date of the 1970 act eligible for parole consideration under the general parole statute. The second amendment simply makes the general parole statute available to persons sentenced under applicable provisions of law repealed by the 1970 act.

Mr. Speaker, this legislation is vital to the continued effectiveness of drug abuse law enforcement. I urge its adoption.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. PREYER).

Mr. PREYER. Mr. Speaker, the House is today voting on the extension of the Controlled Substances Act and I would like to speak on behalf of a provision in the bill to repeal the no-knock section of this act whereby Federal narcotics agents were authorized to obtain a warrant to enter a dwelling without knocking and identifying themselves.

I introduced this amendment to repeal the no-knock law in Committee and am firmly convinced that it should be supported. The no-knock provision was enacted 4 years ago and during that time it has seldom been used by either the Federal agents or the D.C. police.

Such action on the part of law enforcement drug agents is extremely dangerous to the agents as well as to the occupants of the dwelling which they are entering. Everyone in the country is aware of the raid which took place in Collinsville, Ill., in April of 1973 when agents raided two homes and absolutely terrorized the occupants and then finally discovered that they were in the wrong house.

Under the no-knock provision, law enforcement officers are effectively entering a dwelling like any burglar and the occupants of the home have the right to use force to prevent such entry. Citizens have a right to protect themselves and can use a gun to shoot the agents and are perfectly within the law in doing so.

I believe it is significant that Chief Jerry Wilson has stated that he has no objection to the repeal of this provision. His department has not used it since October of 1971. Also, in 1972 there were 100 no-knock warrants issued nationwide and in 1973, there was only one such warrant.

In short, the no-knock law simply does not work, and its elimination will in no way bring the drug program to a standstill. This country has always upheld the traditional right of personal privacy and the idea that a man's home is his castle. The provision should never have been enacted and the Congress in its wisdom should repeal it.

Mr. CARTER. Mr. Speaker, I support the bill H.R. 14213, to authorize a 3-year extension of the Controlled Substances Act. This measure authorizes $105 million for fiscal year 1975, $175 million for fiscal year 1976, and $200 million for fiscal year 1977, to carry out the provisions of the act.

It is very important that we extend the control and enforcement provisions contained in this legislation in order to check the diversion of drugs from legitimate channels. We have made much progress in the area of drug abuse control in recent years, and I submit that we must continue our efforts.

I want to point out that this measure repeals the no-knock authority, which has enabled the Justice Department to enter premises for the purposes of a search without prior indication of this intention. A number of incidents involving this provision and its doubtful constitutionality have led us to repeal this authority.

All of us clearly realize the importance of our drug abuse programs, and I urge my colleagues to consider the measure pending before us today.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 14213, as amended.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the bill (S. 3355) to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide appropriations to the Drug Enforcement Administration on a continuing basis, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 709 of the Controlled Substances Act of 1970 (Public Law 91–513; 84 Stat. 1284; 21 U.S.C. 904) is amended by inserting immediately before the period at the end thereof the following: ", $125,000,000 for the fiscal year ending June 30, 1975, $150,000,000 for the fiscal year ending June 30, 1976, $175,000,000 for the fiscal year ending June 30, 1977, $200,000,000 for the fiscal year ending June 30, 1978, and $225,000,000 for the fiscal year ending June 30, 1979".

INTERNATIONAL NARCOTICS CONTROL

SEC. 2. Section 481 of the Foreign Assistance Act of 1961, as amended, is amended by adding at the end thereof the following new subsections:

"(c)(1) Any Government, which permits the production of opium poppies, shall not be the recipient of economic and military assistance furnished under this or any other Act, and all sales, credit sales and guarantees made with respect to such country under the Foreign Military Sales Act and under title I of the Agricultural Trade Development and Assistance Act of 1954 shall be suspended, beginning January 1, 1975, unless the President determines that a ban on the growing of opium poppies is in effect or certifies to the Congress that safeguards adopted by the Government concerned effectively prevent the diversion of opium and its derivatives into illicit markets. Such certification shall be accompanied by a detailed description of such safeguards. In the latter event, economic and military assistance and sales, credit sales and guarantees shall continue only so long as the President continues to be satisfied as to the effectiveness of such safeguards.

"(2) The Director of the Drug Enforcement Administration shall report immediately to the President and the Congress any evidence that opium and its derivatives are being diverted from permitted production into illicit markets and shall also make a detailed report on or before June 30 of each year to the President and the Congress, reporting on the worldwide production of opium and its derivatives, the effectiveness of controls in each producing country, and the extent to which opium and its derivatives are being diverted into illicit markets.

"(3) If, within sixty days of continuous session of the Congress after a report is submitted under paragraph (2), the Congress adopts a concurrent resolution finding that any country has not effectively banned the growing of opium poppies or that such country is not effectively preventing opium, or its derivatives, produced in such country from being diverted into illicit markets, then the President shall immediately suspend economic and military assistance to such country under this or any other Act and shall suspend all sales, credit sales and guarantees to such country under the Foreign Military Sales Act and title I of the Agricultural Trade Development and Assistance Act of 1954."

"(d) Subsections (e)–(g) of this section are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this paragraph; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(e) For purposes of the section, the term 'concurrent resolution' means only a concurrent resolution of the Senate or the House of Representatives the matter after the resolving clause of which is substantially as follows: 'The Congress finds that ——— has not effectively banned the production of opium and has not effectively prevented the diversion of opium, or its derivatives, produced therein from being diverted into illicit markets.' (the blank space being filled with the name of the country involved.)

"(f)(1) A concurrent resolution shall be referred to the appropriate committee of the Senate or the House as the case may be. When the committee of the House has reported a concurrent resolution, it is in order at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution has been available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) General debate on any concurrent resolution in the House of Representatives shall be limited to not more than ten hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to. No amendment to the concurrent resolution is in order.

"(3) Motions to postpone, made with respect to the consideration of any concurrent resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

"(4) Appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution shall be decided without debate.

"(g) (1) Debate in the Senate on any concurrent resolution and debatable motions and appeals in connection therewith, shall be limited to not more than ten hours. The time shall be equally divided between and controlled by the majority leader and the minority leader or their designees.

"(2) No amendment to the concurrent resolution is in order. A motion to further limit debate is not debatable. Debate on any such motion to recommit shall be limited to one hour, to be equally divided between and controlled by, the mover and the manager of the concurrent resolution."

SEC. 3. Subsection (b) of section 509 of the Controlled Substances Act (21 U.S.C. 879) is hereby repealed.

SEC. 4. (a) Section 23–522(c)(2) of the District of Columbia Code is hereby repealed.

(b) Section 23–521(f)(6) of the District of Columbia Code is hereby repealed.

(c) Section 23–524(a) is amended to read as follows:

"(a) An officer executing a warrant directing a search of a dwelling house or other building or a vehicle shall execute such warrant in accordance with section 3109, title 18, United States Code.".

(d) The last sentence of section 23–561(b)(1) of the District of Columbia Code is hereby repealed.

(e) Section 23–591 of the District of Columbia Code is hereby repealed.

SEC. 5. Section 1114, title 18, United States Code, is amended by deleting "Bureau of Narcotics and Dangerous Drugs" and inserting "Drug Enforcement Administration" in lieu thereof.

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS move to strike out all after the enacting clause of S. 3355 and insert in lieu thereof the provisions of H.R. 14213, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read, "To amend the Controlled Substances Act to extend for three fiscal years the authorizations of appropriations for the administration and enforcement of that Act."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 14213) was laid on the table.

PASSPORT APPLICATION FEES

Mr. MORGAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15172) to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service.

The Clerk read as follows:

H.R. 15172

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of June 4, 1920 (22 U.S.C. 214), is amended to read as follows:

"SECTION 1. There shall be collected and paid into the Treasury of the United States quarterly a fee of $10 for each passport issued and a fee in an amount prescribed by the Secretary of State by regulation for executing each application for a passport. Nothing contained in this section shall be construed to limit the right of the Secretary of State by regulation (1) to authorize State officials to collect and retain the execution fee, or (2) to transfer to the United States Postal Service the execution fee for each application accepted by that Service. No passport fee shall be collected from an officer or employee of the United States proceeding abroad in the discharge of official duties, or from members of his immediate family; from an American seaman who requires a passport in connection with his duties aboard an American flag-vessel; or from a widow, child, parent, brother, or sister of a deceased member of the Armed Forces proceeding abroad to visit the grave of such member. No execution fee shall be collected for an application made before a Federal official by a person excused from payment of the passport fee under this section.".

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. MORGAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, under existing law an individual who wishes to apply for a passport may do so at one of the 10 passport agencies of the Government or at Federal courts and some State courts. The applicant pays $2 for the application and $10 for the passport.

This arrangement was generally satisfactory until the latter part of the 1960's when international travel really boomed and the demand for passports mounted. At the same time a number of State courts found their workload so heavy that they ceased to handle passport applications.

In 1970 a number of Members of this body introduced bills intended to provide better service to their constituents who applied for a passport. My subcommittee held hearings on these measures. Some of the areas suffering the most congestion were Texas, Michigan, and Connecticut. I remember the impressive testimony of the gentleman from Texas (Mr. CASEY) and of our former colleague (Mr. MONAGAN) from Connecticut.

It was clear to the subcommittee that the creation of more passport agencies funded by the Federal Government was not the answer. This proposed remedy would be very costly and in the judgment of the subcommittee inefficient. Passport applications are seasonal—heaviest in the spring and summer. There would be many months when additional passport agencies would be underutilized.

The executive meanwhile had started a test program using the postal facilities in a few cities such as Houston, Tex.; Detroit, Mich.: and several in Connecticut. It proved to be popular, efficient, and far less costly than any other proposal. The Congress for 2 years gave this plan its approval on an interim basis and allowed the Postal Service to retain the $2 application fee as the State courts do. Today almost one-third of all passport applications are handled through 878 post offices in 626 cities in all 50 States.

Let me say a word about the application fee of $2. This is a statutory fee set in 1958. Studies have shown that that sum is inadequate not only for the Postal Service but for the passport agencies and for the State courts. In fact, that is one of the reasons some of the State courts have refused to handle applications. Unless Congress is prepared to make an annual study of costs, the most sensible approach is to allow the Secretary of State to determine what the fee should be. No one expects this to be a profit-making operation. Neither should it be run at a loss. The Secretary's ability to adjust the fee in line with the actual cost will remove a major argument made against the use of postal facilities, namely, that they are performing a public service at a loss.

The interim authority to use the postal facilities expired on July 1 this year. This bill, H.R. 15172, has two simple purposes: First, it gives permanent authority to the Secretary of State to transfer to the Postal Service the execution fee for each passport application accepted by the Service; and second, it authorizes the Secretary of State to prescribe the fee to be collected for the execution of the application, whether made to the Postal Service, a clerk of court, or a passport agency.

This is a bill that authorizes a much-needed service to the public without cost to those taxpayers who may not have occasion to use it. I urge the passage of H.R. 15172.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I should like to ask the distinguished chairman of the House Committee on Foreign Affairs a question concerning the bill.

Is there any indication of the extent to which the State Department will increase the $2 application fee, which I note in the report is said to be inadequate?

Mr. MORGAN. To answer the gentleman, during the hearings it was brought out, and the State Department assured the subcommittee that it is going to make a study of the cost. It is possible that the increase in the application fee will go from $2 to about $2.50.

Mr. GROSS. From $2 to $2.50?

Mr. MORGAN. That is correct.

Mr. GROSS. That would be in addition to the $10?

Mr. MORGAN. That would be in addition to the $10; the gentleman is absolutely correct.

Mr. GROSS. Has the passport application fee been increased recently, other than the $10 charged for the passport for some time past?

Mr. MORGAN. The last increase in the application fee was in 1958. It was increased to $2.

Mr. GROSS. And it is not proposed to increase the passport fee?

Mr. MORGAN. It is not proposed to increase the passport fee.

Mr. GROSS. The usual exception is made for Members of Congress, is that not correct, with respect to passport fees?

Mr. MORGAN. Mr. Speaker, if I remember correctly, with relation to the fees, they do not pay for the passport but they pay the fee.

Mr. GROSS. They pay a fee, but they do not pay for the passport?

Mr. MORGAN. The gentleman is correct.

Mr. GROSS. That is saving the big end of the cost of the papers required if one wants to go gallivanting abroad, is it not?

Mr. MORGAN. Mr. Speaker, if the gentleman will yield further, that is correct.

I know the gentleman does not have a passport, and I assure the gentleman that the committee is aware that the gentleman does little traveling.

Mr. GROSS. A passport is issued for what period of time?

Mr. MORGAN. Mr. Speaker, it covers a period of 5 years. It is good for 5 years.

Mr. GROSS. They must pay $10 to renew it every quarter?

Mr. MORGAN. They pay $10 to renew a passport once every 5 years.

Mr. GROSS. Once every 5 years?

Mr. MORGAN. The gentleman is correct.

Mr. GROSS. That is cheap at half the price. Will the gentleman agree with that?

Mr. MORGAN. It certainly is.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Morgan), that the House suspend the rules and pass the bill H.R. 15172.

The question was taken.

Mr. HUNT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3, Rule XXVII, and the prior announcement by the Chair, further proceedings on this motion will be postponed.

AMENDING THE EXPORT-IMPORT BANK ACT OF 1945

Mr. ASHLEY. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 229) to amend the Export-Import Bank Act of 1945, as amended.

The Clerk read as follows:

S.J. Res. 229

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Export-Import Bank Act of 1945 is amended by striking out "July 30" and inserting in lieu thereof "September 30".

The SPEAKER. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ASHLEY. Mr. Speaker, H.R. 15977, a bill to amend the Export-Import Bank Act of 1945 was ordered reported by the Committee on Banking and Currency last Wednesday, July 31. It is designed to facilitate the continuance of the programs of the Export-Import Bank at current levels of growth for a period of 2 years, with appropriate new policy directives.

The objectives and purposes of the legislation are to enable the bank to aid in financing exports between the United States and foreign countries, and to continue the policy of fostering expansion of exports which contribute to the promotion and maintenance of employment, income, and development of our productive resources. Such authority is essential if American exporters are to be able to meet foreign competition which is assisted by the government support offered to exporters in the other principal trading nations.

The Export-Import Bank Act expired on July 30. In the absence of such authority, countless transactions calling for guarantees and insurance against foreign and commercial political risks and in other instances requiring direct loan support from our Export-Import Bank must be held in abeyance. Thousands of American jobs which are reliant on exports which require financing are threatened.

Many colleagues are aware of the substantive reasons which prevented the Committee on Banking and Currency from bringing legislation forward prior to July 2, when the act was extended through July 30. The Subcommittee on International Trade met in executive session on three occasions following the July 4 recess and made final recommendations on July 17. H.R. 15977 was introduced on July 18. The Committee on Banking and Currency scheduled four sessions for consideration of the subcommittee bill. The full committee ordered H.R. 15977 reported on July 31 with amendments.

The report of the committee is about to be filed, awaiting the inclusion of dissenting views of the gentleman from California (Mr. Rousselot).

Other legislation pending before the Committee on Banking and Currency which has precluded bringing forward an Export-Import Bank bill at an earlier date includes the following: The Small Business Act amendments, the real estate settlement cost procedures, the conference report on urban mass transportation, and Bank Holding Company Act amendments designed to help assure a continuing supply of funds for the home mortgage market. Several members of the Subcommittee on International Trade also serve on the committee of conference of which has been meeting almost daily on the housing legislation which has cleared the House and Senate.

Although action is expected soon on H.R. 15977, the Senate has yet to consider a bill to amend the Export-Import Bank Act. Therefore, it is imperative that legislation to enable the Bank to continue its functions for a temporary period to September 30 be adopted.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, the gentleman said they were awaiting the inclusion of dissenting views.

I wish to say that they are supplemental views, not dissenting views. I favor the continuation of the Export-Import Bank. We just want to make sure that the amendments are offered.

Mr. ASHLEY. Mr. Speaker, I am pleased that the record will show that. I offer my apologies to the gentleman.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as my colleague, the gentleman from Ohio (Mr. Ashley) has already indicated, the legislation which would deal with the extension of the Export-Import Bank has been voted out of committee. There is absolutely no reason why we could not have that bill before us this week, even prior to any potential legislation, because it moved very swiftly through our Committee on Banking and Currency, the Members realizing that there was a 30-day extension already granted.

My reason for believing that we should vote down this suspension is because the Export-Import Bank bill will be before the Committee on Rules very soon, and there are some substantial amendments that we made to this legislation in committee that many of us think are very important to the continuation of the Export-Import Bank. I do favor a continuation of the bank under some more reasonable restrictions than those we have had in the past. Many of us have felt that it is improper to be granting interest rates at 6 or 7 percent to manufacturers trading overseas, and yet in the domestic market our own people are not able to obtain these kinds of favorable interest rate conditions.

Mr. ASHLEY. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will yield to the gentleman in just a moment, as soon as I conclude my brief remarks.

Mr. Speaker, we felt that there should be some kind of consideration in that the Export-Import Bank would have to take another look at the regular banking transactions in this country and what our local commercial manufacturers have to pay in this country. It is important to be competitive overseas, and I am very friendly with that position—we should not make interest charges so unusually low that there is no risk at all to the financial institutions to which we are guaranteeing these loans.

This was an appropriate amendment that was made in the committee bill now before Rules.

There are additional amendments.

Further than that, the bill that was passed out of the Committee on Banking and Currency included a Reuss amendment which will require that the Export-Import Bank be included in the budgetary process. I think that this is an important consideration.

I realize that Mr. Casey has said that he will again guarantee that he will not engage in any unusual transactions as long as Congress is working its will on this subject. At least that is what his office has transmitted to me. And I would ask the gentleman from Ohio if that is not what Mr. Casey has transmitted to the gentleman; is that correct?

Mr. ASHLEY. Yes, the gentleman is absolutely right.

Mr. ROUSSELOT. I appreciate the gentleman's confirmation.

Now, Mr. Speaker, I will be glad to yield to my colleague, the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. I appreciate the gentleman's yielding.

I just want to make clear that there has been no effort to obviate consideration of the substantive issues that relate to the Eximbank amendments. We have addressed ourselves to the rising interest costs in our domestic economy and internationally. We have shown concern, as the gentleman knows, for the various aspects of East-West trade. We have certainly directed attention to the matter of including the transactions of the Eximbank in the unified budget. There is no effort—and this is my point—whatever to cause there to be any less consideration of these issues. On the contrary, what we are trying to do is to make certain that the full House will have appropriate opportunity, as the gentleman has, to address itself to these issues.

The gentleman from California, I am sure, understands my concern as chairman of the Subcommittee on International Trade with regard to the fact that the Senate has not yet acted on this legislation, and for this reason, while we have addressed ourselves to it, while we have acted, while we expect the rule and perhaps consideration on this matter on the floor of the House within a matter of days, the Senate is not in this posture. For that reason, the authority of the Bank having expired, it does seem to me that, from any realistic appraisal of the time factors involved, the prudent and wise course is to adopt the joint resolution.

Mr. ROUSSELOT. I am sure the gentleman will acknowledge with me that there is really going to be quicker action if we do not just keep adding these 30-day extensions. I am sure the gentleman does not want to go more than 30 days; does he?

Mr. ASHLEY. I would, frankly, be in favor of the amendment to extend it to 60 days.

Mr. ROUSSELOT. So that if the rules are suspended, the gentleman is going to ask for an amendment to extend it 60 days; is that correct?

Mr. ASHLEY. That is correct.

Mr. ROUSSELOT. Then, I think my other colleagues should understand this is not just a 30-day extension; we are now talking about a 60-day extension. My concern is that there is far more reason to believe that this House will act and will act promptly with the regular legislation (H.R. 15977) if we do not just keep extending it indefinitely. If we do not extend the Bank for another 30 days, we will do what we should have done 90 days ago. I am sure the gentleman from Ohio agrees with that.

Mr. ASHLEY. I am fully aware of the logic of the gentleman's position. My concern is that we are further advanced than is the other body with respect to this.

Mr. ROUSSELOT. I am aware of that.

Mr. ASHLEY. My second concern, of course, is that the attention of this body is going to be focused on another matter of substantial interest and concern to the country within a relatively short time. I am simply trying to provide an extension interval that will be realistic in terms of all of these considerations.

Mr. ROUSSELOT. I know the gentleman and I both wish to have some kind of action on this legislation. My belief is, as is the belief of a number of members of the Committee on Banking and Currency whom I know, that we would be better served as a House if we turn down the extension for 30 or 60 days and to get at the regular legislation (H.R. 15977). I think this is the more responsible way to legislate.

I know my good colleague, the gentleman from Pennsylvania (Mr. DENT) has several amendments he wishes to offer. I know there are a great number of Members on the gentleman's side of the aisle who are very concerned about jobs in this country and who are very concerned that we take this legislation up in some substance before we just keep extending it for 30 or 60 days. Therefore, I am going to try to urge my colleagues to vote down the motion to suspend the rules that is before us because it does not give us adequate time to add amendments and provide the kind of credit conditions that we think are needed.

By the way, the committee report on this legislation will be out in another couple of days so that we can really study more carefully what the details of this legislation are. It is not available for us today. I know the gentleman from Ohio made some additional amendments to the legislation, and we need to review those considerable amendments, which we cannot do under this procedure.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield briefly to my colleague, the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I intend to support this extension for 60 days.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield at that point, it is now 30 days. The gentleman from Ohio has said if the suspension passes he will be able to amend it. That shows we have had a change of mind since we originally came to the floor.

Mr. WYLIE. Mr. Speaker, in his initial comment the gentleman from Ohio (Mr. ASHLEY) indicated he was going to offer an amendment to extend the time for 60 days. I am speaking to that.

I say I will support this resolution which is before us and the amendment which would extend its effect for 60 days. I do not believe we can just pull the rug out from under the Export-Import Bank at this time and permit its authority to expire longer.

Mr. ROUSSELOT. The act has already expired, it expired last week.

Mr. WYLIE. I know Ex-Im's authority expired on the first day of August. But, the Export-Import Bank has been in existence by act of Congress since 1935. It has a good track record. It is true there is a bill just reported from the Banking and Currency Committee to which amendments have been added which I think improves existing legislation, but I would say to the gentleman the main source of difficulty as far as the Export-Import Bank is concerned at the present time stems from a purported loan to the Soviet Union for $180 million for 6-percent interest. I will say it is my understanding that when the loan is finalized, if it is, the Soviet Union as a part of the arrangement has agreed to purchase over $400 million worth of technology and equipment from American businessmen. I think over the years the Export-Import Bank has had a good record as far as aiding and supporting American businessmen is concerned. Since the Soviet fertilizer loan the Export-Import Bank has been negotiating at interest rates between 7 and 8.5 percent.

Mr. ROUSSELOT. If the gentleman will yield at that point, and since this is my time, and the gentleman is speaking basically in support of the gentleman from Ohio's position, I would like to ask my colleague about the fertilizer deal that was arranged for $180 million at 6 percent.

Mr. WYLIE. I mentioned the fertilizer loan and said it was negotiated at 6-percent interest.

Mr. ROUSSELOT. I do not yield any further to my good colleague, the gentleman from Ohio who I know was in the committee the other day when we passed the bill. He also offered some amendments.

Mr. WYLIE. Mr. Speaker, will the gentleman yield further?

Mr. ROUSSELOT. Very briefly.

Mr. WYLIE. The fertilizer loan has not been finalized I believe but the Export-Import Bank is now negotiating loans at 7 percent and 8.5 percent. Exim is in the process of moving with other nations to renegotiate interest rates. I would say to the gentleman from California that during the course of the discussion on the fertilizer loan it was agreed the Soviet Union would purchase some $400 million in machinery and technology from U.S. companies. I am not necessarily defending the 6-percent interest rate, I cannot.

Mr. ROUSSELOT. I hope not.

Mr. WYLIE. But there are two sides to the question. In any event I would suggest it makes sense to extend Exim's life for 60 days.

Mr. ROUSSELOT. I appreciate the gentleman's comments. Though I strongly question the logic of a temporary increase in authority without basic legislation coming to the floor for full and complete debate. This is not the right way.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the principle behind the thing is one we have been overlooking. One of the reasons this Congress is always in bad trouble is because we always operate on the most important issues in this Congress with a gun at our head. We have already reached a deadline and we are going to pull the rug out from under somebody. We are always getting into the position where we cannot stop and think and we have to legislate on the basis of what is already happening.

So this is just another extension. So what? What did the last 30-day extension do? It did exactly what I said it would do. I said it would give us 30 days in which to work out another 30-day extension. And if we get into the impeachment process it will give them time to work out another 30-day extension. And without the amendment to the interest rate, do the Members think we would have had an increase in the interest rates from 4 percent to what might be 8 percent unless we had this amendment?

But we won that fight. We put this House on the alert.

Let me tell the Members something. I do not know this person too well. I have met him on a few occasions and sat on the committee with him in conference; but I was very happy and very proud to hear a Member of the Senate stand up and say that the time had come to eliminate the Eximbank on a very important principle.

We talk about 7½ or 8 percent. Do we know what the cost of borrowing money is right now? Eleven and a half and 12¼ percent, in order to expand their facilities to produce in the United States the very things we are giving money away to produce in foreign countries.

We have just blown $17 million to Dow Chemical. Their last quarter profits went up 120 percent. Why did we give them Exim money? We gave it to them to expand their fertilizer plant in Brazil. Why did not they do it in the United States? Because they would not go into their capital. They have to borrow money. That is the method of doing business in this country, so borrowing money at 11½ or 12 percent is a lot more than borrowing at 4 percent in Brazil. The only way they are going to get paid is if that Brazilian plant will export its products from Brazil to Dow Chemical and reverse the flow and send the chemicals back to the United States to pay off the loan. This has gone on all over the world.

When we come to the bill itself, I promise to show the House that if there is anybody in the world that was left out of the Eximbank loan, that was left out that asked for it, any production facility competing with the United States all over the world has received low interest money from all the lending agencies of this country.

My time has expired, Mr. Speaker, and I extend my remarks at this point to include certain important statements by the Senator from Texas (Mr. Bentsen).

Mr. ASHLEY. Mr. Speaker, I have no further requests for time.

Mr. ROUSSELOT. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I would like to ask a question or two. It is my understanding that the gentleman's committee has a bill before it, not this particular piece of legislation, but a bill relative to the Eximbank.

Mr. ROUSSELOT. Yes, we voted that Eximbank bill last week. It will go to the Committee on Rules sometime this week.

Mr. KETCHUM. That bill, as I understand it, has been amended by the gentleman from New Jersey (Mr. Rinaldo) to preclude any Export-Import loans to Turkey until the opium growth there has ceased; is that correct?

Mr. ROUSSELOT. Yes, and even further than that, until Turkey abides by its agreement to discontinue the heavy exports of heroin. The gentleman from New Jersey (Mr. Rinaldo) did an excellent job in making his case before the committee. The amendment of the gentleman from New Jersey carried in the committee. It is in the bill before rules. It is an additional aspect of the guarantee that I think is important; and it is in compliance with the agreement that Turkey signed 3 years ago.

I think that the gentleman makes an excellent point. I supported Mr. Rinaldo's amendment in committee. That is one more aspect.

Now if this motion to recommit passes today, that particular amendment will not be included in this resolution.

Mr. KETCHUM. That, of course, is the question I was going to next ask. Under this extension, the approximately $146 million plus that Turkey would like to borrow from the Export-Import Bank could perhaps be extended under the provisions of this extension; thereby negating what we are trying to do in the bill; is that essentially correct?

Mr. ROUSSELOT. That is correct, and our efforts to try to stop the importation into this country of substantial amounts of heroin will be thwarted. I appreciate the gentleman bringing out that point.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. Ashley) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 229), as amended.

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. The gentleman from California makes a point of order that a quorum is not present.

Pursuant to the provisions of clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

Does the gentleman from California withdraw his point of order at this time?

Mr. ROUSSELOT. Yes, Mr. Speaker.

The SPEAKER. The gentleman from California withdraws his point of order.

EXTENDING EXPIRATION DATE OF EXPORT ADMINISTRATION ACT OF 1969

Mr. ASHLEY. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 1104) to extend by 62 days the expiration date of the Export Administration Act of 1969.

The Clerk read as follows:

H.J. Res. 1104

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of the Export Administration Act of 1969 is amended by striking out "July 30" and inserting in lieu thereof "September 30".

The SPEAKER. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ASHLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Export Administration Act of 1969 provides the authority to prohibit or curtail exports for three purposes—national security, foreign policy, and short supply. This authority, as my colleagues are aware, I am sure, expired on July 30 and the purposes for which it had been designed are now being met on a tenuous basis by Executive order under the Trading With the Enemy Act of 1917.

The Trading With the Enemy Act simply does not provide the array of sanctions afforded under the Export Administration Act. That array has proven its effectiveness over a period of some 25 years, following the passage of the Export Control Act of 1949, the violations provisions of which are incorporated in the 1969 act. Furthermore, there remains the question of whether the act of 1917 may be of doubtful validity for the purposes of carrying out the foreign policy and short supply provisions for which the Export Administration Act was designed. This leaves the Department of Commerce possibly open to suit in the course of administering its controls over such items in short supply as ferrous scrap and crime detection equipment and petroleum products.

The Committee on Banking and Currency requested a rule on H.R. 15264, a bill to amend and extend the authority for regulation of exports, some 6 weeks ago. A rule was granted on July 16. Floor action has been subsequently scheduled for four different dates since that time, and is now again on the calendar and expected to be brought to the floor later this week.

The Senate passed legislation to amend and extend the Export Administration Act on July 31. The Senate bill contains a number of provisions which are substantially at variance with the committee reported bill to be considered by the House in the coming days.

It is, therefore, essential that the adequate authority contained in the Export Administration Act be continued on a temporary basis to September 30, in order that the executive branch may administer programs in accord with the policy directives of the Congress while the House works its will with respect to amendments and time as afforded for coming to an agreement on the differences which may arise between House and Senate versions of this vital legislation.

Mr. ROUSSELOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my good colleague from Georgia (Mr. Blackburn) had intended to be here to discuss this. I know he is in a housing conference so he is unable to be here at this immediate moment. His main concern was that this legislation also is scheduled for this week, subject to a rule. Some changes were made in the committee again, and before we extend this even for a temporary time I know it is my colleague's feeling we should consider this in the regular legislative process. I also believe that that is a more correct procedure rather than living from 30-day extension to 30-day extension. I think that is a more appropriate way to legislate.

Mr. ASHLEY. Will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. ASHLEY. Of course, I agree with the gentleman. I am persuaded, after discussion with the Secretary of Commerce, that there is questionable legal authority, that there are legal questions that are raised with respect to reversion to the Trading With the Enemy Act as authority for their present responsibilities. It is really on that basis, in particular, that I would urge adoption of this resolution.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman's remarks.

I now yield to my colleague, the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Speaker, it seems to me that the gentleman from California is being inconsistent. On the one hand the gentleman protests the loan of $180 million to the Soviet Union under the Export-Import Bank Act.

Mr. ROUSSELOT. At the 6-percent rate.

Mr. WYLIE. I understand, but the real purpose of this bill, I would say to the gentleman, is that without extension of the Export Administration Act, unrestricted exports to the Communist bloc nations of computers and sophisticated technology could take place. With this act, in effect, there is a control over the Nation's outflow of critical materials in short supply, such as ferrous scrap and petroleum.

Therefore, I would respectfully suggest to the gentleman that it seems to me as though it is very important that we pass this temporary extension until we can bring the export administration bill to the floor which the gentleman mentioned, has been reported from the Committee on Banking and Currency.

Mr. ROUSSELOT. Is the gentleman willing to guarantee that we will not have any more 30-day extensions once we vote for this legislation and get it done?

Mr. WYLIE. I appreciate the compliment of the gentleman but I have no such authority.

Mr. ROUSSELOT. That is my point. I think we should have encouraged the Congress to move legislatively and do what it should have done 90 to 100 days ago, and that was to get to this legislation. In fact, we knew it was going to expire. We were busy with some other legislation, but I believe by not passing this extension, we put a mandate on the House to move.

The bill is scheduled for a rule this week. It has been out of committee for some time.

I think that if the House will move the regular legislation, there will be more persuasion on the part of the Senate to move this bill than there is now with respect to the Export-Import Bank.

Mr. Speaker, I now yield to my colleague, the gentleman from Georgia (Mr. Blackburn), who has been waiting breathlessly to comment on this legislation.

Mr. BLACKBURN. Mr. Speaker, I thank the gentleman for yielding.

I have no objection to this 60-day extension. I will have amendments when the final bill is presented to the House.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield briefly to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I agree with the comment of the gentleman from Ohio that the Senate bill leaves a lot to be desired. In fact, it leaves about as much to be desired as the House bill.

What I am wondering is this: It seems to me that in both there is an attempt to control prices in this country with an export control act, I do not think it will work. In fact, it will be harmful.

If this bill passes and we have a 60-day extension, it will provide the time needed so that we could take this bill back to the committee and come back with a better bill.

Mr. ROUSSELOT. If the gentleman will yield to me, the point is that the regular bill has already come out of the committee. It is subject to a rule this week. We have an excellent chance to get it here on the floor. The leadership is basically committed to getting it to the floor, by an announcement included in the weekly whip agenda.

My point is that by giving it another extension, we take the pressure off this Congress to act. I think that is a mistake.

My colleague, the gentleman from Ohio, agrees that we need to keep that pressure on, though we disagreed a minute ago on the final method.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. Ashley) that the House suspend the rules and pass the joint resolution (H.J. Res. 1104).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

EXTENDING THE EXPIRATION DATE OF THE DEFENSE PRODUCTION ACT OF 1950

Mr. ASHLEY. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 228) to extend the expiration date of the Defense Production Act of 1950.

The Clerk read as follows:

S.J. Res. 228

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717(a) of the Defense Production Act of 1950 is amended by striking out "July 30" and inserting in lieu thereof "September 30".

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ASHLEY. Mr. Speaker, H.R. 13044, a bill to amend and extend the Defense Production Act of 1950, passed the House last Thursday, August 1. It is designed to improve and continue programs which are needed to assure that our industrial capacity and resource inventory remain at levels necessary to adequately safeguard national security.

H.R. 13044 would extend the authority of the Defense Production Act another year, until June 30, 1975. In addition, the bill amends the act to change the method by which Defense Production Act stockpile materials are purchased for use in order to guarantee uninterrupted defense production when necessary. It also calls for a 9-month administration study of the management of all our stockpiles in light of new worldwide economic developments.

Under the act as it is presently written, such stockpiles are maintained through the purchase of materials with loans from the Treasury. The cost of loan funds, especially in view of the soaring interest rates in today's economy, has constituted a serious financial drain on the stockpile program. H.R. 13044 would eliminate this problem by providing funds needed for stockpile purposes through congressional appropriations. In addition to improving the financial condition of the program, such a change would also improve congressional surveillance and control over stockpiling efforts.

The United States is greatly reliant on foreign sources for many of its vital resource needs. We face intensified competition among the countries of the world for those resources. Also, countries dominating resource markets have the potential to organize market control mechanisms and arbitrarily increase prices. The effect of those price increases on the economy may be quite severe. Hence, the wisdom of the administration's plan to severely reduce the national stockpiles and inventories is particularly suspect. H.R. 13044, therefore, includes provisions calling for a study to reappraise the current plans for reduction of the stockpiles and inventories, and coordinate more effectively our overall resources management.

The Senate has passed one version of the Defense Production Act extension with the new financing arrangements for the stockpile. The House, on last Thursday, August 1, passed similar legislation, with the addition of the stockpile study. The Senate version calls for a 2-year extension of the act. The House version calls for a 1-year extension. Therefore, there are certain minor differences in the two bills. This should not delay final action for more than a few days.

However, because of these differences, it is necessary to pass the resolution before us for a 60-day extension of the original act, which expired on June 30, and received by way of an earlier resolution, a previous 30-day extension. I urge support of this resolution.

Mr. GROSS. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding this time to me.

I will just make the observation that the House did pass by voice vote, just last Thursday, a bill which would extend the Defense Production Act for an additional year, as the gentleman from Ohio (Mr. ASHLEY) has already said, and the resolution before us would simply give the House and the Senate the time to work out their differences so that an extension, for an additional year or two years, as the case may be, may be agreed upon.

Of course, all this resolution would do is to extend the Defense Production Act until September 30, 1974.

So I would urge passage of Senate Joint Resolution 228 which is before us now.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. ASHLEY), that the House suspend the rules and pass the Senate Joint Resolution 228.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

ESTABLISHING CASCADE HEAD SCENIC RESEARCH AREA IN OREGON

Mr. MELCHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8352) to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes, as amended.

The Clerk read as follows:

H.R. 8352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide present and future generations with the use and enjoyment of certain ocean headlands, rivers, streams, estuaries, and forested areas, and to promote the protection and study of significant areas for research and scientific purposes, and to promote a more sensitive relationship between man and his adjacent environment, there is hereby established, subject to valid existing rights, the Cascade Head Scenic-Research Area (hereinafter referred to as "the area").

SEC. 2. The administration, protection, development, and regulation of use of the area shall be by the Secretary of Agriculture (hereinafter called the "Secretary") in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best contribute to attainment of the purposes set forth in this Act.

SEC. 3. (a) The boundaries of the area, and the boundaries of the subareas included therein, shall be those shown on the map entitled "Proposed Cascade Head Scenic-Research Area" dated June 1974, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture: *Provided*, That, from time to time, the Secretary may, after public hearing or other appropriate means for public participation, make adjustments in the boundaries of subareas to reflect changing natural conditions or to provide for more effective management for the purposes of this Act.

(b) As soon as practicable after the enactment of this Act, the Secretary shall, with provisions for appropriate public participation in the planning process, develop a comprehensive management plan for the area. Said plan shall prescribe specific management objectives and management controls necessary for the protection, management, and development of the area and each of the subareas: *Provided*, That within the area, the following subareas shall be established and shall be managed in accord with the following primary management objectives which shall be supplemental to the general management objectives applicable to the entire area:

(1) Estuary and Associated Wetlands Subarea: An area managed to protect and perpetuate the fish and wildlife, scenic, and research-education values, while allowing dispersed recreation use, such as sport fishing, nonmotorized pleasure boating, waterfowl hunting, and othor uses which the Secretary determines are compatible with the protection and perpetuation of the unique natural values of the subarea. After appropriate study, breaching of existing dikes may be permitted within the area.

(2) Lower Slope-Dispersed Residential Subarea: An area managed to maintain the scenic, soil and watershed, and fish and wildlife values, while allowing dispersed residential occupancy, intensive recreation use, and agricultural use.

(3) and (4) Upper Timbered Slope, and Headlands Subareas: Areas managed to protect the scenic, soil and watershed, and fish and wildlife values while allowing extensive recreation and research-educational activities and timber harvesting activity and associated road development which does not significantly interfere with the purposes of the area.

(5) and (6) Coastline, and Sand Dune-Spit Subareas: Areas managed to protect and maintain the scenic and wildlife values while allowing extensive recreation and research-educational activities.

SEC. 4. The boundaries of the Siuslaw National Forest are hereby extended to include all of the lands not presently within the national forest boundaries lying within the area as described in accordance with section 3 of this Act.

Notwithstanding any other provision of law, any Federal property located within the area added to the Siuslaw National Forest by this Act may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary of Agriculture. Any lands so transferred shall become part of the Siuslaw National Forest.

SEC. 5. (a) Subject to the provisions of subsection (b) of this section, the Secretary is authorized to acquire lands, water, or interests therein within the area by donation, purchase, exchange, or otherwise.

(b) Within all subareas of the area except the estuary and associated wetlands subarea, the Secretary may acquire lands and interests only with the consent of the owner so long as the owner uses the land for substantially the same purposes and in the same manner as the lands were used and maintained on June 1, 1974: *Provided, however*, That the Secretary may acquire lands or interests in lands without the consent of the owner when such lands are in imminent danger of being used for different purposes or in a different manner from the uses existing on June 1, 1974. The Secretary shall publish within one hundred and eighty days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in land use or maintenance for the nonfederally owned lands within the area. Within the estuary and associated wetlands subarea the Secretary may acquire lands and interests without the consent of the owner at any time, after public hearing.

(c) At least thirty days prior to any substantial change in the use of nonfederally owned lands within the area, the owner or owners of such lands shall provide notice of such proposed change in use to the Secretary or his designee, in accordance with such guidelines as the Secretary may establish.

SEC. 6. Notwithstanding the provisions of subsection 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903, as amended, 16 U.S.C. 4601–9(a)(1)) moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of any lands, waters, or interests therein within the area added to the Siuslaw National Forest by this Act.

SEC. 7. The lands within the area, subject to valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

SEC. 8. (a) The Secretary shall establish an advisory council for the area, and shall consult on a periodic and regular basis with such council with respect to matters relating to management of the area. The members of the advisory council, who shall not exceed eleven in number, shall serve for the individual staggered terms of three years each and shall be appointed by the Secretary as follows—

(i) a member to represent each county in which a portion of the area is located, each such appointee to be designated by the respective governing body of the county involved;

(ii) a member appointed to represent the State of Oregon, who shall be designated by the Governor of Oregon;

(iii) not to exceed eight members appointed by the Secretary from among persons who, individually or through association with national or local organizations, have an interest in the administration of the area; and

(iv) the Secretary shall designate one member to be chairman and shall fill vacancies in the same manner as the original appointment.

(b) The members shall not receive any compensation for their services as members of the council, but they shall be reimbursed for travel expenses and shall be allowed, as appropriate, per diem or actual subsistence expenses.

(c) The Secretary shall, in addition to his consultation with the advisory councli, seek the views of other private groups, individuals, and the public, and shall seek the views and assistance of, and cooperate with all other Federal, State, and local agencies, with responsibilities for zoning, planning, migratory fish, waterfowl, and marine animals, water and natural resources, and all nonprofit agencies and organizations which may contribute information or expertise about the resources or management of the area or its resources, in order that the knowledge, expertise and views of all agencies and groups may contribute affirmatively to the most sensitive utilization of the area and its various subareas, for the benefit of the public, now and in the future.

SEC. 9. The Secretary shall cooperate with the State of Oregon and political subdivisions thereof in the administration of the area and in the administration and protection of lands within or adjacent to the recreation area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Oregon or any political subdivision thereof of its right to exercise civil and criminal jurisdiction within the area consistent with the provisions of this Act, or of its right to tax persons, corporations, franchises or other non-Federal property, in or on the lands or waters within the area.

The SPEAKER. Is a second demanded?

Mr. DELLENBACK. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Montana (Mr. MELCHER) and the gentleman from Oregon (Mr. DELLENBACK) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 8352, as amended by the Interior Committee, establishes the Cascade Head Scenic-Research Area in Oregon surrounding the Cascade estuary. It will provide enjoyment and study of the ocean headlands, rivers, streams, estuaries, and forested lands contained within the area. The boundaries of the Siuslaw National Forest are extended to include all of the lands in the Cascade Head Scenic-Research Area not presently within the national forest boundaries. The area which would be affected by H.R. 8352, as amended, involves approximately 8,910 acres consisting of a mixture of public and private lands.

The Cascade Head-Salmon River area is known for the spectacular beauty of its estuary, coastal beaches, headlands, and the surrounding forested lands. Portions of the national forest lands included are presently administered under regulations of the Secretary of Agriculture as a research natural area, a scenic area, and an experimental forest. Major public concern has been concentrated on the future management of the estuary, associated wetlands, and immediately adjacent forest lands.

H.R. 8352, as amended, specifies management direction for six separate subareas within the area. The Interior Committee accepted this provision because of the special and unique nature of each subarea and a specific desire to have each subarea managed individually so that its distinctiveness could be retained and maintained. These subareas evolved from the Forest Service study of the area.

The entire area is withdrawn from mineral entry and leasing.

To help achieve the broad and specific objectives of H.R. 8352 the Secretary would be authorized to acquire lands and interests in lands, though this authority is specifically acquisition. Acquisition, except in the estuary and associated wetlands subarea, could only be done with the consent of the owner so long as the owner uses the land for substantially the same purposes, and in the same manner, as the lands were used on June 1, 1974. On the other hand, when such lands are in imminent danger of being used for different purposes or in a different manner from the uses existing on June 1, 1974, the Secretary may acquire lands or interests in the lands without the consent of the owner. This authorization is to protect the area from substantial changes in use that would irreparably damage the natural qualities of the area. A further protection for both the area and the landowners within the area is that at least 30 days prior to any substantial change in the use of nonfederally owned lands, the owner or owners of such lands would have to provide notice of such proposed change in use to the Secretary. This would be done in accordance with such with such guidelines as the Secretary may establish. This provision allows the Secretary to determine whether a proposed change in use is incompatible with proper management of the area in advance of the change and to take the appropriate steps which could include acquisition of the lands when necessary. Clearly, the private landowners would benefit from such a provision by their knowing whether any land use change was compatible with the area. With the extension of the boundaries of the Siuslaw National Forest to encompass the entire scenic-research area, moneys from the Land and Water Conservation Fund, can be used as needed for the acquisition of any lands, waters, or interests therein.

An 11 member advisory council is established for the area to consult on a regular basis with the Secretary on matters relating to management of the area.

The Department of Agriculture agreed that additional lands in the Cascade Head-Salmon River area should be included within the boundaries of the Siuslaw National Forest and that the area should be managed to provide for the protection and use of its unique values. However, the Department wanted to designate the Cascade Head-Salmon River area as a scenic research area rather than have it done legislatively. The committee believes the legislative designation of the area will afford a much firmer protection for this unique area on the Oregon coast from encroaching urbanization in the adjacent areas.

COST

A land acquisition plan has not been developed for the area; however, the Department of Agriculture estimates a possible 5 year land acquisition program of $1.5 million which would be funded through the Land and Water Conservation Fund. The estimated increased annual cost for administration of the area as part of the national forest is $80,000.

Mr. DELLENBACK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to express my strong support for H.R. 8352, a bill introduced by our colleague, Mr. WYATT, which would establish the Cascade Head Scenic-Research Area in the State of Oregon. The Cascade Head-Salmon River area is not in my district, but I am quite familiar with this unique and very beautiful area on Oregon's coast. It is in this Nation's interest to hold areas such as this aside from the encroaching urbanization that will otherwise surely engulf this last remaining untouched estuary on our west coast. We have seen too many of our wetlands drained and filled, adjoining hillsides scarred and leveled, nature's remaining wonders destroyed forever.

The mouth of the Salmon River and its associated wetlands have so far remained unchanged by commercial and industrial development. The thrust of this legislation is to preserve this biologically unique and scientifically valuable area. Together with the Cascade Head headlands and the upper slopes timbered by rain forest, the entire region is truly a "scenic-research" area. This bill proposes to establish six subarea management units with specific management objectives which would insure that each subpart is managed for its own unique contribution to the natural harmony and balance of the entire proposed 8,900 acre area.

An alternative proposal by the Forest Service, Mr. Speaker, was to merely enlarge the area of the Siuslaw National Forest and then allow the rest of the objectives to be accomplished by regulations under existing authorities of the Forest Service. The view of the committee, and my personal view, is that this administrative designation route is much less satisfactory than establishing the objectives and guidelines through legislative action.

Who can tell what changes might be made in a set of administrative regulations to accommodate whatever pressures there might be in the future from some group or interest to provide a commercial recreation site or summer homesites? Of course, the Congress can change whatever legislation it might write here today; but we all know that such a course is much, much less likely to be taken by a future Congress than would be the case with mere administrative designation of the area.

Another objective that administrative designation does not accomplish is meaningful local input and participation in overseeing and managing the area. This is specifically spelled out in the bill because it is a very important need.

There is another important matter covered in the language of the legislation. This is the problem of dealing with nonconforming development or use of the lands within the proposed scenic-research area. The committee has included language to make mandatory a 30-day notice to the Secretary of any proposed change in land use by a landowner. This gives the leadtime to the Secretary so he can head off any proposed land use that would cause irreparable damage to the area which the legislation is trying to preserve.

It is my feeling that such an "advance notice" provision works to the advantage of both the public interest and of the private property owner. The private property owner can now know what is or is not acceptable and can avoid having his property condemned if a proposed change in land use is cleared before it is started. The condemnation procedures of the Forest Service are not materially broadened in this bill. What has been done is to permit the Forest Service to condemn both in cases where a land use is materially changed and in the case where lands are in imminent danger of having their use changed. In other words, the language is intended to stop threatened damage which, once it is done, may be irreparable to the area.

This is an area which could never be reclaimed if once it were lost. We have time to move now and we should move now. Mr. Speaker, I urge support for this bill.

Mr. Speaker, I yield such time as he may desire to my colleague, the gentleman from Oregon (Mr. WYATT).

Mr. WYATT. Mr. Speaker, I want particularly to thank the members of the subcommittee and the committee for promptly handling this legislation and bringing it to the floor of the House today.

Mr. Speaker, H.R. 8352, as amended by the Interior Committee, would preserve and protect the Cascade Head-Salmon River Estuary area in the State of Oregon for the enjoyment and scientific benefit of present and future generations.

This unique coastal area is distinctive in a variety of ways.

Of particular scenic value is Cascade Head itself, a sweeping mountainous ridge covered by rain forest that ends abruptly in a series of waterfalls—dropping hundreds of feet off a sheer precipice to the ocean's floor. These cliffs, in turn, form an impressive backdrop for the entry of the Salmon River into the Pacific.

The river, aside from its natural beauty, is a rare microcosm of what the Oregon coast was like prior to the settlement of man. It is virtually the last estuary on the west coast which has remained unchanged by industrial or commercial use, and because of this it is of immense scientific value. The overriding purpose of the Cascade Head bill is to insure that the area around the Salmon River remains sparsely populated and unspoiled, thus guaranteeing and preserving its biological uniqueness.

The bill would extend the boundaries of the Siuslaw National Forest to include all of the lands now presently within the national forest boundaries. The area which would be affected involves approximately 8,910 acres consisting of a mixture of public and private lands. Approximately one-half of the area is outside the existing national forest boundary; and approximately 50 percent of the land covered by this legislation is in private ownership. Portions of the national forest lands included are presently administered under regulations of the Secretary of Agriculture as a research natural area, a scenic area, and an experimental forest.

Major public concern has been concentrated on the future management of the estuary, associated wetlands, and immediately adjacent forest lands. These lands are predominantly outside the national forest boundary and are presently used for recreational and agricultural purposes.

Mindful of public concern, the Forest Service and others after extensive studies of the area, indicated the desirability of including the entire region within the Siuslaw National Forest. Management plans for the public and private lands, therefore, were jointly developed by the Forest Service and local authorities and are contained in the basic proposal of H.R. 8352, as amended.

These management plans developed would designate the lands added to the national forest as a scenic-research area. It was specifically included in order to halt future development, thus maintaining the delicate biological balance of the area. This particular designation is important because it will enable management to be specifically tailored to the various biological units or natural subareas within the Cascade Head—Salmon River estuary region. Moreover, it will set up legislative guidelines which will help insure that the natural balance, scenic beauty, and scientific value of this magnificent portion of the Oregon coast will never be threatened.

Under this legislation, the Secretary would be authorized to acquire lands and interests in lands, though this authority is specifically limited. Acquisition, except in the estuary and associated wetlands subarea, could only be done with the consent of the owner so long as the owner uses the land for substantially the same purposes, and in the same manner, as the lands were used on June 1, 1974.

Because of these limits on acquisition, although a land acquisition plan has not been developed, the Department of Agriculture estimates a possible 5-year land acquisition program of only $1.5 million which would be funded through the land and water conservation fund. The estimated increased annual cost for administration of the area as part of the national forest is $80,000. Same amount as under Forest Service substitute proposal.

The Cascade Head bill can be a beginning. Through this bill we hope to preserve the unique qualities of the Cascade Head area without the wholesale condemnation of land, but rather through Government cooperation with private landowners.

If passed, it will guarantee that the land will be left as it is now, thereby allowing man and nature a valid chance to coexist in harmony. I hope it will further provide us with the impetus and direction to guide the future of conservation away from absolute protectionism and toward a reconciliation of man and his environment.

Mr. DELLENBACK. Mr. Speaker, I have no further requests for time.

Mr. MELCHER. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from Montana (Mr. MELCHER) that the House suspend the rules and pass the bill H.R. 8352, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

BOSTON NATIONAL HISTORICAL PARK, MASSACHUSETTS

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7486) to authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts, as amended.

The Clerk read as follows:

H.R. 7486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Boston National Historical Park Act of 1974".

SEC. 2. (a) In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain historic structures and properties of outstanding national significance located in Boston, Massachusetts, and associated with the American Revolution and the founding and growth of the United States, the Secretary of the Interior (hereinafter referred to as the "Secetary") may, in accordance with the provisions of this Act, acquire by donation or by purchase with donated funds, all lands and improvements thereon or interests therein comprising the following described areas:

(1) Faneuil Hall, located at Dock Square, Boston;

(2) Paul Revere House, 19 North Square, Boston;

(3) The area identified as the Old North Church area, 193 Salem Street, Boston;

(4) The Old State House, Washington and State Streets, Boston;

(5) Bunker Hill, Breeds Hill, Boston;

(6) Old South Meeting House, Milk and Washington Streets, Boston; and

(7) Charleston Navy Yard.

(b) In the event that the properties described in this section are not donated to the United States or purchased with donated funds, they may be acquired by the Secretary with appropriated funds: *Provided,* That, except for privately held lands within the Charlestown Navy Yard as described in subsection (d) of this section, the Secretary shall not acquire any such properties by eminent domain so long as he determines that a binding, written cooperative agreement, assuring the preservation and historical integrity of such properties remains in force and effect. Lands owned by the Commonwealth of Massachusetts, or any of its political subdivisions, may be acquired only by donation.

(c) At such time as the Secretary determines that sufficient lands, improvements, and interests therein have been acquired or that cooperative agreements satisfying the preservation and historical objective of this Act have been executed, he may establish the Boston National Historical Park by publication of notice to that effect in the Federal Register, together with a detailed description or map setting forth the properties included therein.

(d) As used in this section, the Charlestown Navy Yard shall include the United States Ship Constitution and the lands generally depicted on the map entitled "Boundary Map: Charlestown Naval Shipyard—U.S.S. Constitution, Boston National Historical Park", numbered BONA 20,000 and dated March 1974 which shall be on file and available in the offices of the Director of the National Park Service, Department of the Interior, Washington, D.C. All right, title, and interest in the Federal properties and improvements included therein shall be transferred to the Secretary of the Interior: *Provided,* That he may, by written agreement with the Secretary of the Navy, permit the continued use of any such buildings and facilities as the Secretary of the Interior determines to be necessary for the preservation and maintenance of the Constitution, which agreement shall provide that the Department of the Navy shall transfer to the Department of the Interior funds sufficient to cover the costs attributable to the functions and services which are provided by the Department of the Interior. The Secretary shall consult with representatives of the city of Boston and the Commonwealth of Massachusetts concerning the development of suitable transportation plans consistent with the purposes for which the Navy Yard was included in the historical park.

SEC. 3. (a) In addition to the properties described in section 2 of this Act, the Secretary shall study the properties described in this Act, the Secretary shall study the properties described in this section to determine the feasibility and suitability of including them within the Boston National Historical Park. In making such studies, he may enter into tentative agreements with any owners thereof for their inclusion in said park and he may enter into options, for a nominal consideration, for the purchase of such properties, but no additional properties may be added to the park except by an act of the Congress. Studies shall be made of the following properties:

(1) Boston Common;

(2) Dillaway-Thomas House;

(3) Thomas Crease House (old Corner Book Store);

(4) Dorchester Heights; and

(5) the following burying grounds: King's Chapel, Granary, and Copp's Hill.

(b) In furtherance of the general purposes of this Act as prescribed in section 2, the Secretary is authorized to enter into cooperative agreements with the city of Boston, the Commonwealth of Massachusetts, or any private organization to mark, interpret, restore, and/or provide technical assistance for the preservation and interpretation of any properties listed in section 2, or portions thereof, which, in his opinion, would best be preserved in private, municipal, or State ownership, in connection with the Boston National Historical Park. Such agreements shall contain, but shall not be limited to, provisions that the Secretary, through the National Park Service, shall have right of access at all reasonable times to all public portions of the property covered by such agreement for the purpose of conducting visitors through such properties and interpreting them to the public, that no changes or alterations shall be made in such properties except by mutual agreement between the Secretary and the other parties to such agreements, except that no limitation or control of any kind over the use of any such properties customarily used for church purposes shall be imposed by any agreement. The agreements may contain specific provisions which outline in detail the extent of the participation by the Secretary in the restoration, preservation, and maintenance of such historic properties.

(c) The Secretary may identify other significant sites of the colonial and Revolutionary periods of American history in the city of Boston, Massachusetts, and its environs, which are related to the historical park created by this Act, and, with the consent of the owner or owners thereof, may mark them appropriately and make reference to them in any interpretive literature.

SEC. 4. (a) There is established a Boston National Historical Park Advisory Commission (hereinafter referred to as the "Commission") which shall be composed of members appointed by the Secretary as follows:

(1) Three members appointed from recommendations submitted by the Governor of Massachusetts;

(2) Three members appointed from recommendations submitted by the mayor of the city of Boston; and

(3) One member to represent each owner with which the Secretary has concluded a cooperative agreement pursuant to section 3 of this Act, to be appointed from recommendations submitted by each such owner.

(b) The Commission shall terminate ten years from the date of establishment of the Boston National Historical Park.

(c) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment (and for the balance of the unexpired term). The Chairman of the Commission shall be designated by the Secretary.

(d) The Commission shall act and advise by affirmative vote of a majority of its members.

(e) The Secretary or his designee shall from time to time, but at least semiannually, consult with the Commission with respect to matters relating to the development of the Boston National Historical Park.

(f) Members of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon presentation of vouchers signed by the Chairman.

SEC. 5. The Secretary may acquire property or any interest therein by donation, purchase, or exchange for the visitor center, and notwithstanding any other provision of law, funds appropriated for the development and operation of the visitor center may be expended on property in which the Secretary has acquired less than the fee simple interest therein, including a leasehold interest.

SEC. 6. When established as provided in section 2 of this Act, the Boston National Historical Park shall be administered by the Secretary in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented (16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467).

SEC. 7. For the acquisition of lands or interests in lands designated by section 2 of this Act as components of the Boston National Historical Park, there is authorized to be appropriated not to exceed $2,740,000. For development of the components designated as paragraphs 1 through 6 in section 2, there is authorized to be appropirated not more than $12,818,000. For the development of the component designated as paragraph 7 in section 2, there is authorized to be appropriated not more than $11,500,000.

The SPEAKER. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, H.R. 7486, as amended, provides for the establishment of the Boston National Historical Park. The park would consist of seven areas of national historic significance plus a separate visitor center to be located in downtown Boston. These several units are now owned by different units of government or by nonprofit corporations and are now open to the public. The bill would authorize the Secretary of the Interior to enter into cooperative agreements for the protection, preservation, and operation of the properties and would provide the right of acquisition of the properties by eminent domain if such agreements should fail.

Perhaps no other part of our country can match the claim of Boston as "the Cradle of the American Revolution." Any schoolchild knows of the Boston Tea Party or Paul Revere's ride, the Old North Church, and the Battle of Bunker Hill.

Let me describe the remarkable areas to be included in this unit of the National Park System.

Faneuil Hall, known as the "Cradle of Liberty," typifies the vital, active spirit of this area. There are still active markets in and near the structure, much as there were when patriots such as Samuel Adams used the meeting hall, making the radical assertion that free men might govern themselves better than a king 3,000 miles away.

The Old State House, just a short walk away, served to house both the Colonial Government before the Revolution, and the fledgling government of the Commonwealth of Massachusetts, once our independence had been declared.

The Old South Meeting House, also located in downtown Boston, has been restored and is owned and operated by a nonprofit association. Aroused citizens left a meeting in this building and went to the waterfront to stage the Boston Tea Party.

To dramatize the birth of that revolution itself, what more fitting symbol than the Old North Church, where the lanterns signaled the maneuvering of British troops that would lead to the "shots heard round the world."

The Paul Revere House pays tribute to the man who rode into American history and legend as he gave warning of the approach of enemy troops. Remarkably, the house itself was a hundred years old and more while Revere lived there.

The flow of events swept in a few short months from the opening skirmishes to the Battle of Bunker Hill. The monument and its surroundings on the site of the actual battle on the crest of Breed's Hill pay homage to the rebel militia that fought the first pitched battle of the Revolution.

Finally, to carry the history of the area beyond the immediate events of the Revolution, we have the Charlestown Navy Yard and the U.S.S. *Constitution*. Founded in 1800, the Charlestown Yard began to contribute to the naval presence that the *Constitution* best exemplified. The ship not only won her battles on the high seas. She also won the lasting affection of the American people, as evidenced by the heavy visitation she now receives each year.

Mr. Speaker, this describes the properties to be protected should we pass H.R. 7486. I should now like to describe several features of the bill as our committee reported it.

H.R. 7486 suspends the usual powers of eminent domain for the historic properties listed in the bill. Instead, the National Park Service will enter into cooperative agreements with the owners of several of the structures. Only if an agreement breaks down at some time date, thus threatening the integrity of one of the sites, would the Federal Government be able to initiate condemnation proceedings.

One reason for adopting this procedure was to keep the continued involvement of the citizens of Boston who have assured the preservation of these buildings over the past 200 years. By retaining the specified condemnation authority, we insure not only protection of the Federal investment, but also that of the buildings themselves. In addition, the bill would establish an Advisory Commission which would further insure the continued participation of Bostonians in this National Historical Park.

The cost of this proposal received the detailed attention of the committee. Development costs were included for long-term restoration of the historic buildings. As most of the structures are in a good state of preservation, these funds will be expended over a number of years, rather than having to be committed almost immediately. In the case of the Charlestown Navy Yard, the committee cut nearly $8,000,000 from the initial proposed costs. The preliminary figures for this area included highly developed exhibits proposed for future development, as well as extensive restoration of many elements of the navy yard. The reduced figure adopted by the committee will still allow for the U.S.S. *Constitution* to be properly displayed, and for the essential restoration in the navy yard unit to be accomplished.

I might say that I do not anticipate that the National Park Service will immediately be spending large sums of money in this area. However, enactment of this legislation will permit the Park Service to establish a presence in this area before the Bicentennial celebrations. The ability of the Service to assist in establishing coordinated interpretation and display of the properties will be of great immediate benefit to those Americans who will visit the Boston area during our Bicentennial celebrations.

Finally Mr. Speaker, H.R. 7486 directs the Secretary of the Interior to study certain additional areas which he may recommend to Congress for inclusion in the park at a later date. The Park Service may also engage in marking and interpreting other sites in the greater Boston area to further the visitor's appreciation of the people and events that helped make of us a new nation.

I urge my colleagues to join me in voting to protect and make available to all Americans the national treasures included in this bill.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the national park system was designed by the Congress to be the Federal repository for the superlative natural and nationally historic heritage of our Nation.

If there is any place where nationally significant historical events occurred, it is in Boston in association with the American Revolution. Some of the most important events that shaped the beginning of our Nation happened here. A number of the buildings and structures where many of these events took place are still here, and are unquestionably worthy of saving for the benefit and enjoyment of present and future generations.

The only reason these structures still exist, and principally in much of their original historic condition, is due to the great attachment given them by the people of Boston. They have been reasonably well preserved to date through the strong devotion and dedication of local people and organizations.

Mr. Speaker, with the Bicentennial year and associated events approaching us, the impact of increased visitation will be very noticeable. These structures will need increased restoration, strengthening for increased traffic, and added interpretation and protection. The people of Boston, recognizing this need, coupled with the unquestioned national significance of these historic places, have sought the technical and financial assistance of the National Park Service.

These areas will be operated under cooperative agreements between the National Park Service and the various owners as components of the Boston National Historical Park. This arrangement will greatly assist a coordinated approach to management, and will result in a much improved program of interpretation. The total story for all these sites can be better woven together into a meaningful whole.

I would hope that the cooperative agreements will be formulated in such a way as to assure that the local people will be able to continue to exhibit their local pride and involvement in the operation of these areas. The ideal situation would be for the National Park Service to provide initial assistance, and then permit the local people to operate and maintain these areas from that point onward.

Mr. Speaker, I support this bill, and I urge my colleagues to vote for its passage.

Mr. GROSS. Mr. Speaker, will the gentleman yield me 4 minutes?

Mr. SKUBITZ. I yield 4 minutes to my colleague, the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, do I understand there is a price tag on this bill to the Federal Government of some $27 million?

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield to me?

Mr. GROSS. Of course.

Mr. TAYLOR of North Carolina. The gentleman is approximately correct. As I pointed out in my initial statement, the developments called for are long-range expenditures. These historic buildings are in a good state of preservation. They can be shown to the public in their present condition; but in the long-range future a good deal of renovation and restoration of the buildings will be necessary.

Mr. GROSS. But then I read in the report that apparently after the Federal Government puts that much money into the various projects that the Federal Government is not going to have much, if anything, to say about the property it has purchased or renovated, or whatever the purpose; am I correct in that assumption?

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. Yes, of course.

Mr. TAYLOR of North Carolina. I am saying the Federal Government would not have anything much to say in regard to the operation of the properties. The bill does authorize entering into long-range agreements with the owners of the property. By "long range" we contemplate 40 or 50 years, probably with the right of the Park Service to extend for another period of time. Such an arrangement would give the Park Service possession of the properties, would give the Park Service the right to maintain, preserve and restore the properties, would give the Park Service the right to show the properties, to advertise them and display them to the public.

Mr. GROSS. I am now quoting from the report, and alluding to $5,037,000 of this money. The Department of Interior says: (it) "would not in our judgment be warranted without assurances that the properties to be interpreted would be available and maintained at National Park Service standards at such time as the visitor center was completed. These assurances are not provided in the bill. . ."

Mr. TAYLOR of North Carolina. If the gentleman will yield further, I state the legislation gives the Department full authority to make certain that in the cooperative agreement they do have that power.

Mr. GROSS. If the Federal Government is taken in as a partner, has some control over the properties, how the money is spent, has something to say about its operation in the interests of the public—if the gentleman can give us the assurance we are not putting $27 million into this situation in Massachusetts, without having something to say about what transpires, I will have no objection to the bill.

Mr. TAYLOR of North Carolina. If the gentleman will yield further, the entire purpose of the legislation is to see that the Federal Government has the power to enter into long-range agreements, which give the Secretary possession of the property, the right to maintain it, to operate it, to interpret it, to show it to the public, and almost all of the authority which he would have if he had ownership.

Mr. GROSS. Then we have that assurance from the gentleman?

Mr. TAYLOR of North Carolina. The additional purpose of this arrangement is to maintain that interest on the part of the people of Boston who have preserved these buildings so effectively during the last 200 years. We have a program of volunteers in the parks. I know of no better opportunity for us to use volunteer labor in interpreting the background and meaning of historical buildings than here in Boston.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, it is with great pride that I speak on behalf of my bill, H.R. 7486, to authorize the establishment of the Boston National Historic Park, which has been reported favorably by the Committee on Interior and Insular Affairs.

Mr. Speaker, from the earliest days of the Republic, Americans have exhibited a desire to protect and maintain the buildings, battlefields, and sites which comprise the most physical and ostensible evidence of our Nation's rich and varied history. The bill authorizes for inclusion within a national park the following described areas:

First, Faneuil Hall;

Second, Paul Revere House;

Third, Old North Church;

Fourth, Old State House;

Fifth, Bunker Hill, Breeds Hill;

Sixth, Old South Meeting House; and

Seventh, Charlestown Navy Yard.

The bill also authorizes the Department of the Interior to study the following areas for future inclusion into the park, such inclusion coming only by a specific act of Congress:

First, Boston Common;
Second, Dillaway-Thomas House;
Third, Thomas Crease House;
Fourth, Dorchester Heights; and
Fifth, King's Chapel Granary and Copp's Hill.

Finally, the bill provides for the construction of historical markers and maintenance of a visitors' center which will aid in the understanding and interpretation of the sites for the thousands of Americans who will journey to the park each year.

As we all know from our American history the above-mentioned sites figured heavily in the first days of our Nation's existence. It was in Boston that the first shots of the Revolutionary War were fired, and it is where the fervor of freedom and liberty generated by men like Samuel Adams and James Otis first took firm hold. Throughout the Revolution Boston continued to serve as a stronghold of American resistence. I am, therefore, in complete agreement with the committee report (Rept. No. 93-1246) when it states—

> Perhaps no other part of the country can match the claim of Boston, Mass., as the Cradle of the American Revolution.

Thus located within Boston, in close proximity, are a series of sites which are almost unequaled in historic and symbolic significance. H.R. 7486 represents a unique opportunity to bring within one park, under the supervision and auspices of the Federal Government many historic sites integrally related to the founding of this Nation as well as the early years of our growth.

One important aspect of this legislation is that acquisition of any of these proposed sites is only with the consent of the owners. As noted in the report—

> Donation, or purchase with donated funds, is specified as the preferred means of acquisition.

The only money authorized for land acquisition is for property for a downtown visitor's center and for several plots of land surrounding the entrance to the Charlestown Navy Yard. The Park Service is presently engaged in finalizing cooperative agreements between themselves and the present owners of the sites. The cooperative agreements concept is presently being utilized by the National Park Service in Philadelphia in maintaining Independence Hall.

There are compelling reasons for enactment of H.R. 7486. While these sites are located within the Commonwealth of Massachusetts they belong to the entire Nation. And the revolutionary spirit which these sites embody belongs not only to the State of Massachusetts, but to the Nation as well. The story of struggle and independence represented in these sites does not belong only to the Commonwealth, but should be a vital and continuing landmark to which any American may look for inspiration. This bill then, will provide more Americans than ever an opportunity to visit and appreciate these monuments to our glorious beginnings as a nation, which are not only testaments to the vitality of America's past, but are a source of purpose and resolve for the future. In time of domestic turmoil and foreign strife, our historical monuments can provide a kind of stability and security offered by no other medium. If Americans can look to their past with dignity and pride, they are more likely to endure the travails of the future. This can best be accomplished under the auspices of the Federal Government.

Second, there is an overwhelming practical consideration which dictates that these sites be placed under Federal supervision. Only the Federal Government can provide the degree of care necessary to retain these buildings and prevent their deterioration. And only the Department of the Interior and the National Park Service have the resources to transform the proposed park into a genuinely national shrine. Recently, I was shocked to learn that several of these sites did not even have American flags for display. While this situation was easily remedied, it points to the clear need for Federal assistance and supervision. Only several months ago, the famous "grasshopper" which flys atop Fanueil Hall as a weathervane, and which served as signal to the Colonials, was stolen, although finally retrieved by the Boston Police Department. It is imperative that deterioration and disrepair, which has tragically afflicted many other significant historic sites, be prevented from ravaging the historic sites of Boston which played such an important role in the birth of the United States.

Lastly, a similar bill, S. 210, passed the Senate December 7, 1973.

I urge the House to act favorably on this measure for the reasons I have presented.

Thank you again Mr. Speaker.

Mr. SKUBITZ. Mr. Speaker, I yield 5 minutes to my colleague, the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Speaker, I have had the privilege of serving on this committee and also of having lived in the Greater Boston Area most of my life.

I think that it is significant that the buildings we are talking about today are structures that belong to all America.

When people think of Faneuil Hall, they do not think of a building that belongs to the city of Boston. Yet the city of Boston has maintained it for 200 years.

When they think of the Old North Church and the Paul Revere House, they think of national treasures. Still, for over 200 years it has been the people of the Boston area, the people of Massachusetts, who one way or another have found ways to keep these buildings together and still keep them as viable entities for historic preservation.

There has been some concern expressed about the question of the cooperative arrangements. I think that this arrangement is a positive, new departure by our Committee of the Interior that will allow the Park Service to create this national park without the tremendous additional acquisition costs by just assuring the people who presently have control of these properties that they will be cared for at least as well as they have been over the last 200 years and that they will be preserved for the next 200 years and ad infinitum for future generations of Americans.

I think it is significant, on the question of additional staffing, that in a neighboring national park in Lexington and Concord, Minuteman National Park where the shots heard around the world were first fired, we have the largest number of volunteers in the park—VIP—of any park in the United States of America. Yet, Minuteman National Park is one of the smallest national parks in the country.

I think that Boston being so close and Massachusetts people being so concerned about their history and being so concerned about the Bicentennial, it is inevitable that once this park opens, the volunteers in the park for the Boston area will not only be some of the best but also one of the largest groups in the country.

Mr. Speaker, I would like to say that especially the majority leader and all of the members of the Massachusettes delegation have fought long and hard for this park, long before I was ever a Member of this House. As a member of the National Parks Subcommittee I owe each and every one of them my thanks for their help, advice and information they provided through hearings, on site inspections and with the full committee. Today is the end result of the entire Massachusetts delegation working together for the citizens of Massachusetts and the Nation.

I think it is significant that as we approach the Bicentennial, we will see the area of the country that gave birth to our revolution finally receive the assistance that it deserves, so that all Americans and people throughout the world who see these sites during 1975 and 1976 will leave with a new inspiration and dedication to the principles that caused our country to be born.

Thank you, Mr. Speaker.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. MOAKLEY).

Mr. MOAKLEY. Mr. Speaker, I rise in support of H.R. 7486, to establish a national historic park in Boston, Mass.

Perhaps no city in America is so intimately linked with the Revolutionary War than is Boston. And certainly no city faces a more monumental task in preparing for the Bicentennial celebrations. Prompt action on this bill will greatly help us with this work.

This bill will enable the National Park Service to acquire many of the most historic sites in the Nation, all with the consent of the owners. A visitors center would be built, so that tourists can fully appreciate Fanueil Hall, the cradle of liberty, where the Boston Tea Party was partially planned; Bunker Hill, where Revolutionary soldiers fired on the British only when seeing "the whites of their eyes"; the Old North Church, which was the signal for Paul Revere's famous ride; and the Old South Meeting

House, where Boston patriots did their planning.

Further, this visitors center will put the Park Service in a position to develop programs for the maintenance and exhibition of these sites.

The bill also provides that the Park Service can undertake a study of other sites in Boston, for their possible inclusion in the park at a later date. Of particular importance in this study, and I would urge the Park Service to act soon and favorable on this proposal, is the inclusion of Dorchester Heights and the Dilloway Thomas House.

Dorchester Heights was fortified in March of 1776, and was the site of the first real Revolutionary War victory. Under the threat of the guns on these heights, the British evacuated Boston, never to set foot in the Commonwealth of Massachusetts again. So it is important to note that the war not only began in Boston, but actually ended as far as Massachusetts was concerned 3 months before the signing of the Declaration of Independence.

I would like at this time also, to thank and commend the distinguished chairman of the subcommittee, Mr. TAYLOR, and other members of the committee who visited Boston to study the sites scheduled for inclusion. Congressman CRONIN of Massachusetts deserves some particular thanks also for his diligence on behalf of the people of the Commonwealth so interested in the Bicentennial.

Thus, appropriately, it is in Boston that the Bicentennial will begin. This bill will allow the people of Boston, and indeed the Nation, to be faithful to their past.

Mr. BURKE of Massachusetts. Mr. Speaker, only foolish men pay no heed to history. Time and again the wisest of our leaders have warned that we can never be sure of where we are going unless we truly know from where we have come. The Nation now stands on the threshold of its third century and more than ever needs the leadership and direction that in earlier days made it great. I have chosen to preface my remarks with these thoughts because today the House takes up legislation that would create a national historic park in Boston. The historic structures that this bill proposes to preserve and protect are lasting symbols of where our country has been. The roots of our greatest American tradition, freedom and individual liberty, are embedded in the soil on which these structures stand.

I stand in support of this legislation Mr. Speaker, because I believe it is essential that we as a nation act to preserve those invaluable sites where our American heritage was born. Places such as Faneuil Hall, The Old North Church, the home of Paul Revere, and the Charleston Navy Yard, where the U.S.S. *Constitution* is berthed, are continuing sources of inspiration for American citizens. No one who visits these historic places can escape the sense of greatness and the magnitude of the moment that imbued our patriotic forefathers with such a passion for liberty.

Up until this very day, however, these hallowed places have had to rely for the most part on the charity and good will of the private citizens of Boston and the Commonwealth of Massachusetts for their upkeep. These historic structures and grounds are more than sites of incidental local history. Rather they are beyond a doubt the surviving symbols of our struggle for independence. They are of national concern because they are a source of national pride. Development and long range restoration plans for these historic properties are urgently needed and can best be administered through the management of the National Park Service. At Independence Hall in Philadelphia such a plan has been a success for a number of years. The influx of tourists expected in 1976 in Boston for the Bicentennial celebration will surely be more than the nonprofit associations that operate several of these sites could handle.

This legislation, however, does not amount to a total Federal takeover. The Boston National Historical Park Act of 1974 makes a point of setting up a cooperative arrangement with the local associations and citizens of the area who in the past have been the benefactors of the national treasures.

Mr. Speaker, I would also like to take a moment to commend the Committee on Interior and Insular Affairs for their hard work on this legislation. This plan is the result of many hours of study and research, including field visits to these historic landmarks by the Subcommittee on National Parks. By sounding out the views of the local populace and providing an important participative role for them in the administration of the properties, the committee has combined the best of both worlds—the insurance of adequate Federal funding for future preservation costs and the retention of local community involvement. As cosponsor of this bill I believe that it puts our national landmarks in the proper perspective for yet unborn generations of Americans by showing that a central government that sits many miles away is not unrepresentative of the public which it serves. After all, this is what the colonial protestations that led to the American Revolution were all about, and why today we seek to preserve and protect these historic sites.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 7486, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 210) to authorize the establishment of the Boston National Historic Park in the Commonwealth of Massachusetts, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 210

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Boston National Historic Sites Act of 1972".

BOSTON NATIONAL HISTORICAL PARK

SEC. 2. (a) In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain historical structures and properties of outstanding national significance located in Boston, Massachusetts, and associated with the American Revolution and the founding and growth of the United States, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized, in accordance with the provisions of this Act, to acquire only with the consent of the current owner by donation or by purchase with donated or appropriated funds and all lands and improvements thereon or interests therein comprising the following described areas:

(1) Faneuil Hall, located at Dock Square, Boston;

(2) Paul Revere House, 19 North Square, Boston;

(3) The Old State House, Washington and State Street, Boston;

(4) Bunker Hill, Breeds Hill, Boston; and

(5) Old South Meeting House, Milk and Washington Streets, Boston.

(b) At any such time as the Secretary determines that he has acquired sufficient lands, improvements, and interests therein or entered into cooperative agreements with sufficient numbers of private, municipal, or State owners as provided in section 3 of this Act, to provide an efficient administrative unit, he is authorized to establish such lands, improvements, and interests as the Boston National Historical Park by the publication of that fact in the Federal Register, together with a detailed map setting forth the boundaries thereof.

(c) In addition to the above described areas, the Secretary is authorized to study the following locations, and any others he deems appropriate for inclusion in the park, either by donation or by purchase with the consent of the owner with donated or appropriated funds, or by entering into cooperative agreements:

(1) Boston Common;

(2) Charlestown Navy Yard;

(3) Thomas Crease House (old Corner Book Store);

(4) Dorchester Heights;

(5) following burying grounds: King's Chapel, Granary, and Copp's Hill;

(6) Thomas Dillaway House;

(7) The area identified as the Old North Church area, 193 Salem Street, Boston.

(d) No site will be included in the park which has not been either acquired with the consent of the owner or the subject of a cooperative agreement as outlined in section 3.

COOPERATIVE AGREEMENTS

SEC. 3. In furtherance of the general purposes of this Act as prescribed in section 2 thereof, the Secretary is authorized to enter into cooperative agreements with the city of Boston, the Commonwealth of Massachusetts, and private organizations to assist in the preservation and interpretation of such of the properties listed in section 2, or portions thereof, which, in his opinion, would best be preserved in private, municipal, or State ownership, in connection with the Boston National Historical Park. Such agreements shall contain, but shall not be limited to, provisions that the Secretary, through the National Park Service, shall have right of access at all reasonable times to all public portions of the property covered by such agreement for the purpose of conducting visitors through such properties and interpreting them to the public, that no changes or alterations shall be made in such properties except by mutual agreement between the Secretary and the other parties to such agreements, except that no limitation or control of any kind over the use of any such properties customarily used for church purposes shall be imposed by any agreement. The agreements may contain specific provisions which outline in detail the extent of the participation by the Secretary in the restoration, preservation, and maintenance of the historic site. Any historical properties not acquired by negotiated purchase, donation, or not the subject of a cooperative agreement may be excluded from the Boston National Historical Park.

ADDITIONAL AREAS

SEC. 4. The Secretary is authorized to accept donations of property of national historical interest and significance located in the city of Boston which he may deem proper for administration as part of the Boston National Historical Park. Upon such acceptance, such property shall be deemed part of such park. The Secretary may purchase with the consent of the owner or enter into a cooperative agreement with the owner of any additional historic sites which he deems appropriate for inclusion in the Boston National Historical Park.

ADVISORY COMMISSION

SEC. 5. The Secretary is authorized to establish a suitable advisory commission. The members of the advisory commission shall be appointed by the Secretary, with three members to be recommended by the Governor of Massachusetts, three by the mayor of the city of Boston, Massachusetts, and one each by the organizations with which the Secretary has concluded cooperative agreements pursuant to section 3 of this Act. The advisory commission shall render advice to the Secretary, from time to time, upon matters which he may refer to them for consideration.

HISTORICAL MARKERS

SEC. 6. The Secretary is hereby authorized to carry out a program of historical marking in the city of Boston, Massachusetts, and other municipalities within the Commonwealth of Massachusetts, to cover nationally significant sites of the colonial and Revolutionary periods of American history, and such sites as are related to any unit of the national park system within the Commonwealth of Massachusetts, through agreements with the owners of such sites.

VISITOR CENTER

SEC. 7. The Secretary with the consent of the advisory commission is authorized to construct on lands acquired by him in accordance with this Act or upon other lands that may be donated to him for such purpose, or make use of existing facilities with proper restoration, a suitable visitor center for the interpretation of the historical features of the Boston National Historical Park.

ADMINISTRATION

SEC. 8. The Boston National Historical Park shall be administered by the Secretary in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented (16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461–467).

AUTHORIZATION

SEC. 9. There are hereby authorized to be appropriated not to exceed $360,000 for land acquisition and $8,067,000 for development of the historic site; except that no such sums shall be used for the purchase of property owned by the Commonwealth of Massachusetts, or the city of Boston, Massachusetts.

AMENDMENT OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of North Carolina: Strike out all after the enacting clause of S. 210 and insert in lieu thereof the provisions of H.R. 7486, as amended, as passed, with the correction of a printing error on page 9, lines 14 and 15.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7486) was laid on the table.

AMENDING THE ACT OF OCTOBER 27, 1972 (PUBLIC LAW 92–578)

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14167) to amend the act of October 27, 1972 (Public Law 92–578), as amended.

The Clerk read as follows:

H.R. 14167

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 27, 1972 (86 Stat. 1266), is hereby amended as follows:

1. By designating subsection 4(b) to be subsection 4(c), and by adding a new subsection 4(b) to read as follows:

"(b) The Board of Directors is authorized to procure the temporary (not in excess of one year) or intermittent services of city planners, architects, engineers, appraisers, and other experts or consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, but at rates for individuals not in excess of the rate in effect for grade GS–18 of the General Schedule.".

2. In subsection 7(b),

(i) delete "this Act," and insert "the Act to amend the Act of October 27, 1972 (86 Stat. 1266),";

(ii) delete "within twelve months of the date of enactment of this Act," and insert "by June 30, 1975,".

3. In section 17, delete "$1,000,000" and insert "$1,750,000 for the operating and administrative expenses of the Corporation and".

The SPEAKER. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 14167 would amend Public Law 92–578 which established the Pennsylvania Avenue Development Corporation.

This Corporation, established by Congress in 1972, was charged with development of a plan to restore and appropriately develop the great ceremonial Avenue of our Nation, Pennsylvania Avenue, as it runs from the Capitol to the White House.

The Corporation now has a completed plan in the final stages of revision before its submission for congressional review. Should Congress not raise objection to this plan, the Corporation will proceed with the implementation of the needed work to restore this great Avenue to the position it merits as part of our Nation's Capital.

H.R. 14167 will further the purposes of the original Act by accomplishing three objectives:

First, it will permit the Corporation to hire temporary technical and professional assistance directly, rather than on a contract basis only. This will provide more flexibility and permit additional support studies without resorting to full-scale contracting procedures for every needed service;

Second, a moratorium on nonconforming construction in the area covered by the plan is reinstituted until June 30, 1975, unless the approved plan is in effect by that date. The moratorium included in the original act to prevent inappropriate construction within the area until the plan could begin functioning has expired. The cutoff date is included so that if there is no final agreement on the plan by June 30 of next year, private enterprise will no longer be restrained from operating in the area; and

Finally, the authorization ceiling for the Corporation is increased by $750,000. Of the original $1 million authorization, $850,000 has been obligated. The additional $750,000 authorization is needed so that the Corporation can make final preparation of the plan, participate in the congressional review process, and take the needed preliminary steps for the implementation of this means to revitalize Pennsylvania Avenue.

Mr. Speaker, I believe that this legislation is needed if we are to continue and finish the work begun in the last Congress to restore and revitalize this Main Street of America.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is not much that I can add to the statement which has just been made by the gentleman from North Carolina (Mr. TAYLOR). H.R. 14167 is a bill to authorize the continuation and funding of the Pennsylvania Avenue Development Corporation Act. This bill would increase the present authorization from $1 million to $1,750,000.

The Corporation has now obligated $850,000 and needs the additional money to carry out its work.

Mr. Speaker, I lend my support to the bill before us, H.R. 14167, which embodies several simple amendments to the Pennsylvania Avenue Development Corporation Act enacted by the last Congress. The Pennsylvania Avenue Development Corporation is charged with the preparation of a plan to revitalize the generally blighted but historic and ceremonially important stretch of the avenue between the Capitol and the White House.

This plan is now under review and will soon be submitted to the Congress for its final scrutiny and decision as to the disposition of the plan. The bill before us is merely an interim measure to authorize continued funding of this effort, extend an expired construction moratorium, and amend certain methods of procuring services for the Corporation.

I know of no controversy regarding this bill, which is designed to assist the final production of the plan and the continued functioning of the Corporation during the plan's congressional review period.

I urge my colleagues to vote favorably for this legislation.

Mr. GROSS. Mr. Speaker, would the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Iowa.

Mr. GROSS. What has been accomplished with the $1 million already spent on Pennsylvania Avenue?

Mr. SKUBITZ. Mr. Speaker, I would reply to the gentleman from Iowa that this has been used to produce the plan and to fabricate a formula so as to carry out the program, and these have not as yet been completed and submitted. There is in addition a great deal of work to be done, and these funds are needed to complete that work.

Mr. GROSS. This means that the plans are going to cost at least $2,750,000?

Mr. SKUBITZ. No, $1,750,000.

Mr. GROSS. I beg the gentleman's pardon?

Mr. SKUBITZ. One million seven hundred fifty thousand.

Mr. GROSS. I thought the gentleman said $1 million had already been expended.

Mr. SKUBITZ. One million has already been authorized, and we are authorizing an additional $750,000.

Mr. GROSS. An additional $750,000?

Mr. SKUBITZ. That is right.

Mr. GROSS. And not another $1,750,000?

Mr. SKUBITZ. That is right.

Mr. GROSS. I see.

Well, what has transpired with regard to the deal that was concocted some time ago to trade some Wyoming or Montana land for the old Willard Hotel?

Mr. SKUBITZ. That, Mr. Speaker, I do not know, and I will have to yield to the chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR) for an answer to that.

Mr. GROSS. Has anything developed in that respect?

Mr. SKUBITZ. I do not know. I yield to the chairman of the subcommittee.

Mr. GROSS. I am trying to find out about some horse trading that has been going on between the owners of the Willard Hotel and the Interior Department for some public lands in the State of Wyoming or Montana.

Mr. TAYLOR of North Carolina. I do not know of any horse trading or any other proposal to exchange the Willard Hotel for land in Montana or Wyoming. I did read in the paper several months ago that a proposal was made that some land in or near New York City be exchanged for the Willard Hotel, but I think public opposition was so strong that no action was taken.

Mr. GROSS. I suspect that public opposition to both projects was strong enough to stop both deals.

I cannot help but wonder how much we are going to spend to develop a plan. Is this going to be another one of those interminable expenditures on behalf of Pennsylvania Avenue?

Mr. SKUBITZ. I am hoping not. I am just as much interested in saving every dollar that we can save. I do think it is necessary to complete the present work that has been set into motion.

Mr. GROSS. I suppose we will spend $2 million or $3 million on it and wind up giving that block occupied by the Willard and Washington hotels across from the Treasury, to the District of Columbia.

I thank the gentleman for yielding.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 14167, as amended.

The question was taken; and (two-third having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 3301) to amend the act of October 27, 1972 (Public Law 92-578), and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 27, 1972 (86 Stat. 1266), is hereby amended as follows:

(1) By designating subsection 4(b) to be subsection 4(c), and by adding a new subsection 4(b) to read as follows:

"SEC. 4. (b) The Board of Directors is authorized to procure the temporary (not in excess of one year) or intermittent services of city planners, architects, engineers, appraisers, and other experts or consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, but at rates for individuals not in excess of the rate in effect for grade GS-18 of the General Schedule.".

(2) By deleting subsection 7(b) and inserting in lieu thereof the following:

"SEC. 7. (b) After the date of the enactment of the Act to amend the Act of October 27, 1972 (Public Law 92-578), no new construction (including substantial remodeling, conversion, rebuilding, enlargement, extension, or major structural improvement of existing building, but not including ordinary maintenance or remodeling or changes necessary to continue occupancy) shall be authorized or conducted within the development area except upon prior certification by the Corporation that the construction is, or may reasonably be expected to be, consistent with the carrying out of the development plan for the area: *Provided,* That if the development plan for the area does not become effective under the provisions of section 5 by December 31, 1974, this subsection shall be of not further force and effect until such time as the development plan does become effective under that section.".

(3) By deleting section 17 and inserting in lieu thereof the following:

"SEC. 17. There are hereby authorized to be appropriated not to exceed $1,750,000 for the preparation and presentation of the development plan pursuant to section 5 of this Act and for operating and administrative expenses of the Corporation for the fiscal year ending June 30, 1975; and for operating and administrative expenses of the Corporation for succeeding fiscal years such sums as may be necessary.".

MOTION OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. TAYLOR of North Carolina moves to strike out all after the enacting clause of S. 3301 and to insert in lieu thereof the provisions of H.R. 14167, as amended, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 14167) was laid on the table.

AUTHORIZING THE CLERK OF THE HOUSE TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 69

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 583) authorizing the Clerk of the House to make corrections in the enrollment of H.R. 69.

The Clerk read as follows:

H. CON. RES. 583

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, is authorized and directed to make the correction described in the following sentence. Immediately after subsection (b) of section 121 of title I of the Elementary and Secondary Education Act of 1965, which is added by section 101(a)(2)(E) of the bill, insert the following:

"(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c)."

SEC. 2. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence. In section 252 of the bill, strike "Title IV" and insert in lieu thereof "Title V".

SEC. 3. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence In the title of section 612 of the bill, strike out "Office" and insert in lieu thereof "Bureau".

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, the concurrent resolution which is at the desk corrects certain clerical errors made in the conference report on H.R. 69. I would now like to take a minute to describe those corrections.

The first correction will be to add two subsections to the State program for the handicapped under title I of the Elementary and Secondary Education Act. Those subsections were adopted in an identical form by both the House and the Senate but through error were deleted from the conference report as it was filed.

The second correction will be to insert the correct references to a title of the bill which is being amended by section 252 of the bill. This correction has no substantive effect.

The third correction will be to strike "Office" from a section dealing with the Bureau for the Education of the Handicapped in the U.S. Office of Education. This correction also has no substantive effect.

Mr. Speaker, I have deleted from the concurrent resolution which is at the desk two sections which appear in the House Concurrent Resolution 570, which I tried to bring up last Wednesday after the adoption of the conference report on H.R. 69. One of those corrections dealt with the impact aid program, and the other correction dealt with the Equal Educational Opportunities Act. After checking the enrolled bill, we discovered that those two errors did not appear in the enrolled bill although they did appear as printing errors in the conference report as it was printed and distributed. Since they did not appear in the enrolled bill as errors, they are not necessary to correct.

Mr. QUIE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I rise in support of the concurrent resolution offered by the gentleman from Kentucky.

As he has stated, this resolution does nothing more than order the Clerk of the House to make certain corrections in the enrollment of H.R. 69 before it sent to the President.

The most major correction involves the insertion of two paragraphs which I prepared and which were identical in both the House and Senate bills. The language appears in the House-passed bill on page 15 as section 121(c) and 121(d). The identical language appears on page 160 of H.R. 69 in the Senate and bears the same section designation. This language, even though identical in both bills and hence not an item in conference, simply dropped into the oblivion of some wastebasket along the way in the preparation of the conference report.

The missing two paragraphs do two things: First, they say that a State agency receiving funds for handicapped children under title I of ESEA must use these funds only for special education programs and that each child counted will be provided with a program to meet his or her needs. Secondly, the language says that in the event a child is moved by a State agency into a local school district the State may continue to count that child only if the funds are passed through the State and go to the LEA which is actually providing the services to that handicapped child. Here is the missing language:

(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (e).

The second change is a simple error in the cross-reference language which precedes the Ashbrook amendment. Although the legislative intent is crystal clear without the change, we thought it best to make the change. Specifically, the language appears on page 39 of the conference report. In section 252 the sentence should read, "Part B of the General Education Provisions Act as amended by title V of this act, is amended by adding at the end thereof the following new section:".

The final change is another very minor correction, and it deals with the handicapped section. On page 104 of the conference report, the heading to section 612 should read Bureau for the Education and Training of the Handicapped. That title currently reads Office for the Education and Training of the Handicapped. Since the substance of section 612 makes clear that this unit is a Bureau, we are merely conforming the heading with the substance.

As I have tried to explain, these are all minor corrections but ones which should be made before the bill goes forward. I urge the support of my colleagues.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding because I was one of those who was concerned about the omission of these sections and the procedure of not informing the House ahead of time that these were absent from the conference bill that was presented to us last week.

I would like to ask my good colleague, the chairman of the committee, if in the future we can be assured, when this kind of thing has occurred, that we will be notified in advance of the time of the vote, assuring that the gentleman knows.

Mr. PERKINS. Mr. Speaker, if the gentleman will yield, I will assure my colleague, the gentleman from California, that when we discover an error of this type in the future the gentleman will be immediately notified.

Mr. ROUSSELOT. And the whole House will be assured ahead of time prior to the vote if something as substantive as these two sections relating to the handicapped are missing and the committee knows it, so the House is not presented with a total concept, portions of which, and important portions of which, are not present in the conference report.

Mr. PERKINS. The truth about the whole matter is I did not know about it myself until we were in the process of debating the conference report.

Mr. ROUSSELOT. I appreciate that.

I thank my colleague for yielding.

I wish to make the point again that I hope when we have conference reports of this significance and importance, when there are these kind of mistakes in the printing, that the House is made aware of that problem and that it is presented with the facts relating to the conference report so that we do not have this kind of slippage in the future.

Mr. QUIE. Mr. Speaker, I think it also behooves conferees to be extremely careful when a large piece of legislation such as this comes from conference, to be sure the conference report includes all parts that were agreed to, and in the language they were agreed to. There is the dilemma we are faced with on the floor after a conference report is already adopted in the other body, that it is impossible to offer an amendment to put those sections back in where a clerical error had been made.

As the gentleman knows, the enrolling does come from a different piece of paper than the conference report which we see.

Mr. ROUSSELOT. I know the gentleman is speaking directly to the impact aid section and I know the gentleman from Minnesota was very quick to point out these shortcomings to me. I appreciate it and I appreciate very much the chairman suggesting very strongly that this kind of thing will not occur again.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 583).

The question was taken.

Mr. DINGELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from Michigan withdraw his point of order that there is no quorum, since the vote has to be put over?

Mr. DINGELL. Mr. Speaker, I do withdraw my point of order with that understanding.

RATIFICATION OF THE GENEVA PROTOCOL OF 1925

Mr. ZABLOCKI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1258) concerning ratification of the Geneva Protocol of 1925 and a comprehensive review of this Nation's national security and international policies regarding chemical warfare.

The Clerk read as follows:

H. RES. 1258

Resolved, That it is the sense of the House of Representatives that the Geneva Protocol of 1925, banning the first use of gas and bacteriological warfare, should be ratified; and be it further

Resolved, That it is the sense of the House of Representatives that both the President and the Congress should resolve the position of the United States on the future status of herbicides and tear gas so that the Senate may move forward toward ratification of the Geneva Protocol of 1925; and be it further

Resolved, That it is the sense of the House of Representatives that reconsideration of the protocol would provide an opportunity for a comprehensive review of United States policies in the field of chemical warfare.

The SPEAKER. Is a second demanded?

Mr. FRELINGHUYSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I rise in support of House Resolution 1258, a sense of the House resolution concerning ratification of the 1925 Geneva protocol and a comprehensive review of this Nation's national security and international policies regarding chemical warfare.

As you know, the 1925 Geneva protocol has failed to receive Senate ratification since it was first submitted in 1927. A variety of complex historical reasons account for this failure to ratify. Nevertheless, it has been a source of deep concern to many, particularly in recent years.

Thus, several resolutions were introduced in the 93d Congress aimed at solving the problem of the Geneva protocol and other related matters. The first of these, House Resolution 679, was introduced by Representative WAYNE OWENS of Utah on November 1, 1973. It and four subsequent resolutions—sponsored or cosponsored by 46 Members of Congress—were referred to the House Foreign Affairs Committee and subsequently to the Subcommittee on National Security Policy and Scientific Developments.

These resolutions became the subject of 5 days of hearings held during May by the subcommittee. Testimony was heard from four Members of Congress, spokesmen for the Departments of Defense and State and the Arms Control and Disarmament Agency and five private witnesses. The hearings were published under the title, "U.S. Chemical Warfare Policy."

By unanimous vote, the subcommittee favorably reported House Resolution 679 with amendments on July 18, 1974. A resolution embodying the subcommittee's amendments, House Resolution 1258, was introduced on July 24 by Representative OWENS with six members of the subcommittee and Mr. DELLENBACK as cosponsors. The Committee on Foreign Affairs considered House Resolution 1258 in open session on July 31 and unanimously ordered it favorably reported without amendments.

The primary objective of House Resolution 1258 is to urge a solution to delayed ratification of the 1925 Geneva protocol. Briefly, that impasse centers on differences between the executive branch and the Senate Foreign Relations Committee over the question of whether herbicides and tear gas should be included within the meaning of the protocol.

President Nixon resubmitted the protocol to the Senate in August 1970. Accompanying the resubmission at that time was an executive branch understanding, in the form of a letter from then Secretary of State William Rogers, to exclude herbicides and tear gas from the provisions of the protocol. Because of the Senate Foreign Relations Committee's disagreement with that understanding, the issue has been stalemated.

This failure to ratify the protocol is unfortunate for a number of reasons.

First, formal ratification of the protocol would help to reaffirm this Nation's moral leadership in banning this most dread form of chemical warfare.

By eliminating this source of embarrassment to the United States embodied in the failure to ratify, this Nation would close the gap between its often repeated policy objectives and the reality of its practices on chemical warfare.

Further, ratification of the protocol would help to create a more conducive atmosphere for reaching even more comprehensive chemical warfare agreements at the Conference Committee on Disarmament in Geneva. At the moment, those negotiations are in a sad state of limbo. As a result, the chance to seek a treaty banning or limiting chemical warfare may be irretrievably lost.

Lastly, ratification of the protocol would clear the way for ratification of a second treaty also before the Senate Foreign Relations Committee pending resolution of the protocol question. This second treaty is the 1972 Convention on Biological Weapons, an agreement which will not go into effect until ratified by the major powers, including the United States.

One reason for the executive branch's desire to exclude herbicides and tear gas apparently related to the fact that we were using those agents in Vietnam at the time the protocol was resubmitted. Now that our military role in that conflict has passed and related emotional overtones have lessened, the time for reconsideration of the exclusions is optimum.

In addition to the question of the 1925 Geneva protocol, however, the subcommittee also reviewed two related issues:

First. The status of the current negotiations at the Conference Committee on Disarmament in Geneva on achieving a comprehensive chemical warfare agreement, particularly as those talks relate to the verification problem; and

Second. A comprehensive review of current U.S. chemical warfare policy, including the need to retain a retaliatory chemical warfare capability and the issue of the new binary nerve gas weapons.

These latter two issues corresponded to the provisions of the various resolutions considered by the subcommittee.

Thus, the Foreign Affairs Committee report accompanying House Resolution 1258 includes a number of findings and recommendations on these two matters which I recommend to the full and careful reading of my colleagues.

Mr. FRELINGHUYSEN. Mr. Speaker, I yield myself 5 minutes and ask permission to revise and extend my remarks.

Mr. Speaker, the gentleman from Wisconsin just said that the Foreign Affairs Committee had unanimously approved this resolution. That is true. I was present when the resolution was adopted. However, I have strong reservations as to whether or not we should approve this resolution, primarily because I have not seen, up until this afternoon, the committee report on the resolution itself. Certainly the language of the resolution appears innocuous, but the same cannot be said of the committee report.

The gentleman from Wisconsin has indicated that all we are trying to do is to secure ratification of the Geneva protocol of 1925. I doubt if many would argue with that goal. I wish to say that I personally would like to see this country ratify that protocol. However, if we look at the legislative history as written in the committee report, we will find we are urging the other body to take action with respect to ratification under certain conditions.

Let me quote some language on page 4 of the report as an example. I refer to the third paragraph from the bottom entitled "Recommendations." I might say that this whole report is written in terms of the subcommittee's recommendations. There was no thorough discussion in the full committee of the nature of the report that was to be filed or what the recommendations of the full committee would be. In fact there was no discussion on mose topics in the full committee at all.

The sentence I would like to quote begins:

> Thus, in exercising its right and responsibility to advise, the Senate would appear to have the prerogative of ratifying the 1925 Geneva Protocol without the exceptions on herbicides and tear gas as interpreted by the administration.

At the top of page 4 the subcommittee seems to be putting itself in the position of suggesting that a careful examination of the drafting of the protocol and the ordinary meaning of the instrument and subsequent practice suggests that both herbicides and tear gas should be included in any prohibition that might result from ratification.

Mr. Speaker, I might say that I do not know enough, as a member of the Committee on Foreign Affairs, to say whether tear gas and herbicides should be prohibited. However, we are urging the other body to take a position and act as if there were not reservations that the administration had with respect to this topic.

Let me say that a representative of the administration appeared before the subcommittee headed by the gentleman from Wisconsin. The representative was Leon Sloss, Deputy Director, Politico-Military Affairs, Department of State. He said that there were three points of view which underlined the administration's view. This is on page 174 of the hearing:

> First, the protocol is in our view ambiguous as to the coverage of riot control agents and herbicides.

Unquestionably, Mr. Speaker, that is true; but the position of the committee seems to be that we would try to make it unambiguous by putting herbicides and riot control agents in the prohibition.

Mr. Sloss continues:

> Secondly, I would note that these agents are not lethal weapons, although their use certainly can have some undesirable effects. They have demonstrated some military utility. Their use has saved the lives of our troops and of noncombatants; thus giving up the right to use them in war has both pros and cons. In our view the best way that Congress can reinforce past U.S. policy initiatives in this area is by prompt ratification of the protocol.

Mr. Speaker, this brings up what has caused the delaying action by the other body. I refer to the reservations that the administration has with respect to the significance of ratification. The House is jumping in with both feet into a matter which is not its primary concern—in fact, is of no concern to us at all—and saying to the other body, "We think you should ratify, and we think that if you did, it would have certain consequences."

In my opinion, this would be a mischievous move. I do not think that it should be considered a very simple, noncontroversial matter.

I hope that there are others who would agree that we do not need to have this resolution brought up on a consent basis, so that we can have a real, ongoing debate on the merits of the proposition.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I wish to commend the gentleman for his position and say that I support the arguments he has made against adoption of the amendment.

I see no reason for supporting the outlawing of tear gas, and I am afraid that is what we would be doing.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. FRELINGHUYSEN. I yield myself 5 additional minutes.

I thank the gentleman for his comments. I would like also to mention, Mr. Speaker, language on page 9 of the committee report. The gentleman from Wisconsin discussed very briefly the so-called binary proposal.

Let me say that in full committee the word "binary" was never even mentioned. I would have thought, on reading the language of the resolution, that we would not be involving ourselves with the question of whether or not we should be engaged in the financing of a so-called binary weapons program. It may well be that it will cost a lot of money. It may well be that there are two sides to the argument about whether we should engage in this kind of program or not.

All I am saying or suggesting is that the Committee on Foreign Affairs, in its entirety, never discussed this question. Yet here we are, on paper at least, seeming to pass judgment and to cast aspersions about the wisdom of going ahead with this program.

Let me read the final paragraph on page 10 of the committee report to indicate the need for debate on what we are doing.

This, I might say, is listed as a subcommittee recommendation. Since the full committee is taking responsibility for this resolution and supposedly for the report, I assume the full committee is now endorsing the subcommittee's recommendations, too.

Point 4: "Because of the obvious dangers to America's strategic position in the proliferation of chemical weapons, it may be in the national security of the United States to postpone the $5.8 billion binary procurement request. This postponement should be accompanied by an intensive effort to negotiations within the CCD to seek a comprehensive international agreement to ban the production and stockpiling of chemical warfare weapons."

Of course, it may be that there are dangers to our strategic position if there is a proliferation, but we do not really know on the basis of information that I have seen submitted to me, and surely the full committee has not had the benefit of a meaningful discussion of the significance of the so-called binary program.

Mr. Speaker, I think we would be very unwise to follow the leadership of a committee that has not taken a look at a subject which is really on the periphery of its interests simply because a subcommittee has come up with a certain recommendation.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Speaker, I fully understand the gentleman from New Jersey would not have had time to be present at all these hearings, but certainly the gentleman had time enough to read them. Unquestionably he will agree that we should have a careful consideration of this question.

Mr. Speaker, regarding the ratification of the Protocol of 1925, as well as the Biological Weapons Treaties, I would refer the gentleman to the testimony of Dr. Ikle, Director of the Arms Control and Disarmament Agency, on page 172 of the hearings. He says that U.S. ratification is critical, that ratification should be accomplished in the near future.

Mr. FRELINGHUYSEN. Mr. Speaker, I might say to my friend, the gentleman from Wisconsin, that I understand his point about ratification. I am not arguing against ratification of both the biological weapons treaty and the protocol. I am not arguing that at all.

What I am arguing is the point as to the wisdom of passing judgment as to whether we should engage in the production of materials for the binary program, whether it is expensive or not. This recommendation would seem to be irrelevant to the language of the resolution. I believe we are treading on very awkward ground if we pass, on the committee's recommendation, on something that is not included in the language of the resolution. I think that is unwise policy.

If the gentleman in the full committee had mentioned that the committee report would discuss a lot of subjects not included in the language of the resolution, I might have thought differently about it, and I certainly regret the fact that I did not vote against this resolution.

Mr. ZABLOCKI. Mr. Speaker, if the gentleman will yield further, the binary proposal the gentleman refers to is not in the resolution. But the resolution contains a provision calling for a comprehensive review of U.S. chemical warfare policy. In that context the binary is an integral part of the entire question as to whether we are going to have peace in this world.

Mr. FRELINGHUYSEN. Mr. Speaker, I will say to the gentleman that he should have made such a request in the full committee. He should have asked that the committee report include topics that were not included in the resolution which we are considering, and we could have at least discussed the wisdom of including his recommendations.

My point is that on the face of it we are accepting the legislative history regarding what seems to be an innocuous resolution in its language and judgment, language in the committee report concerning matters which were not even discussed in the committee.

I think that is unwise. I hope this resolution is defeated until we have another discussion in the committee.

Mr. ZABLOCKI. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I have great respect for the distinguished gentleman from Wisconsin (Mr. ZABLOCKI) who is presenting this resolution, but I have serious reservations about the resolution.

It is a very innocent-sounding measure. It is one that would appear on its face to be acceptable. I hope it does not become a mischief-making resolution, but it may, and that is the reason for my reservations about it.

I know the committee wants it to be something that is useful. But I question the need for it.

The first paragraph involves ratification. The matter of ratification of the Geneva protocol has been around for nearly half a century and, hopefully, all nations will ratify a ban on gas and bacteriological warfare. The question is whether those ratifying it will live up to it. There could be one notable exception, Russia. I do not know any way a ban could be enforced against Russia. Russia has the most advanced and most effective chemical warfare capability in the world.

It may be, Mr. Speaker, that we are getting into the business of the U.S. Senate, for they are the treaty ratifiers of the Congress, and not the House. This could be interpreted as an attempt to bypass the Senate, or to instruct the Senate.

The third paragraph is one which I do not find objectionable, although it may not have much value. It has to do with a comprehensive review of U.S. policies in the field of chemical warfare. I presume it is safe to say that have been many comprehensive reviews of U.S. policy in the field of chemical warfare. They are all neatly stacked on the shelves gathering dust, and serving no useful purpose.

The opportunity for another review would delight the bureaucrats who must justify their expensive existence. I hope it will accomplish something worth while, but I doubt that it will.

It is the second section of the measure which disturbs me most. It calls on the President and the Congress to resolve the position of our country on the future status of herbicides and tear gas. Herbicides and tear gas have a place in war, and a place in domestic application entirely apart from their use in war.

Are we proposing that the House of Representatives so express itself today that some future court or conference can decide that we have also said herbicides can no longer be used for removing obnoxious weeds or brush for peaceful purposes, or use tear gas for the control of criminals or mobs, or using either to save American lives in warfare? The executive branch has generally objected to the inclusion of herbicides and tear gas in the ratification of the Geneva protocol.

It is what the resolution does not say which may be most dangerous.

I question that we should get ourselves involved this deeply in a subject that has not been more widely discussed and debated. The printed hearings that I have seen generally appear to exclude the concern of those who want to face up to the actuality of a tremendous Russian capability in the field of chemical warfare and the Communist goal to control the world by whatever means may be utilized.

For that reason, Mr. Speaker, I am disappointed that this measure has come before the House I do not propose to ask for a rollcall, but if it is ordered I intend as a safeguard to vote against the resolution.

Mr. FRELINGHUYSEN. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I appreciate the gentleman from New Jersey yielding me time.

I want to say the very sensible and sound remarks of the gentleman from New Jersey underscore my regret, and I am sure the regret of many Members in this Chamber, that the good sense, good wisdom and penetrating judgment of the gentleman from New Jersey (Mr. FRELINGHUYSEN) will be missing from this Chamber next year.

I want to express my very severe reservations about this resolution. In fact, I want to express my opposition to it.

I share the view of the gentleman from Florida (Mr. SIKES), and the gentleman from New Jersey (Mr. FRELINGHUYSEN) that this is a very plausible sounding resolution, very innocuous appearing but what we are really doing, in my judgment, is beginning, in this resolution, and I think it is clear, from the wording of the committee report which the gentleman from New Jersey (Mr. FRELINGHUYSEN) referred to, we are beginning an effort which will be continued tomorrow in this Chamber, to undercut a major part of our defensive arsenal.

And we are doing it without any real understanding of what it involves, and without any participation of the Committees on the Armed Services, which are supposedly the experts in this field, and without any recognition of the military realities in the world with which we are actually confronted.

This calls on the Senate to "resolve" some particular question, and yet it does not even debate that question. Obviously, if we are going to resolve this argument, it ought to come from people who are best qualified in this field.

Mr. Speaker, there is a lot of misinformation; there is a lot of misrepresentation; there is a lot of confusion when it comes to the subject of chemical warfare. We are told that this is a terible form of warfare, a very inhumane form of warfare; something that no civilized country ought even to consider. Yet it seems to me that these terms really lost their meaning once we got into the present nuclear age.

Once we got into the business of dropping the atom bomb, I do not see how we can possibly compare various kinds of inhumanity or "Schrecklichkeit" when it comes to warfare. One of them is as bad as another. The really important consideration is not whether chemical warfare is bad, but whether we are equipped to protect ourselves against a chemical capability in the hands of a potential enemy, indeed to deter an enemy from employing such a capability against us.

I had the unique opportunity last fall to head a committee that went to the Middle East immediately following the October war. We had an opportunity to look at vast quantities of captured Soviet equipment in the hands of the Israelis. The thing that amazed me was the fact that every piece of Soviet equipment was fully outfitted with defensive measures against chemical, radiological, and biological warfare. That means at the very least that they are well aware that this is an important instrument of warfare. But more than that: no country would embark on a chemical warfare offensive without first equipping itself defensively to protect its own troops.

I think the demonstration that we got there in Israel surprised the U.S. Army forces. It also surprised the representatives of the Joint Chiefs of Staff who went to Israel, too. So what we saw is a very good indication that the Soviets have an offensive chemical capability.

So are we now going to eliminate our own capability in this field? I can remember 4 years ago, when we had the distinguished gentleman from New York, Mr. Max McCarthy, on the floor. At that time, we were being told about all the frightening aspects of chemical warfare. It turned out that we had supplies of all of these gases stored around the country, but we were told they could explode at any minute, and so it developed that we were, as a practical matter, prevented from moving these supplies from one part of the country to another.

The gentlewoman from Colorado (Mrs. SCHROEDER) does not want the chemical warfare stocks now located at Stapleton Airport in Denver, and the gentleman from Utah (Mr. OWENS) does not want them moved up into Utah. So if, God forbid, we ever had another war, under these arrangements we could never get our chemical warfare supplies moved to the front. In other words, they are now useless.

In response to that hysteria, the Army has now developed a new kind of chemical weapon that is safe and can be moved around safely if we need it, because it will only be effective when one fires it and the two different parts come together.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Certainly the gentleman is aware that the report does not say that there should not be any defensive programs in chemicals.

But certainly the gentleman has to agree that the binary program is not against this program.

Mr. STRATTON. The point is, that without an offensive program of our own we cannot really hope to deter an offensive program developed by a potential enemy. This is also the case with our basic nuclear strategy. We have developed nuclear weapons primarily to deter the enemy from using his nuclear weapons against us. We have virtually abandoned the defensive ABM program. And so far, for the past 30 years, this strategy has worked and prevented nuclear warfare. I believe we can do the same with chemical warfare. But we must act logically and not on the basis of emotion and factual inaccuracy.

Mr. ZABLOCKI. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. Moss).

(By unanimous consent, Mr. Moss was allowed to proceed out of order.)

THE LATE MRS. WILLA MAE DOUGLAS, DAUGHTER OF CHET HOLIFIELD

Mr. MOSS. Mr. Speaker, Willa Mae Douglas, wife of Donald Douglas, and daughter of Congressman and Mrs. CHET HOLIFIELD, passed away on August 3 in Montebello, Calif.

Willa Mae was born in Montebello on February 15, 1931, attended local schools, and except for her high school years, lived most of her life in the Montebello area.

Also surviving Mrs. Douglas are four sons, Michael, 20; Scott, 17; Jon, 15; and Lang, 12; and three sisters, Lois Mulholland of Whittier; Betty Feldmann, now living in Costa Rica; and Jo Ann Ward of Balboa; and their respective families.

Memorial services will be held at the Montebello First Baptist Church at 7:30 p.m. on Tuesday, August 6.

The family would like to share with Willa's friends one of the poems which she authored:

THE CLIMBER

As you wander through the valleys and over mountains climb—
Will you see the sun at twilight and hear the church bells chime?
Will you stop to smell the flowers and watch the birds on high?
Or will you be so busy that you let things pass you by?
The journey through a lifetime is to climb and sometimes fall.
It's how you get back up that is the measure after all.
The climb is often steep between the shadows and the light.
So enjoy the sounds of morning and the quiet of the night.

Mr. ZABLOCKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. FISHER).

Mr. FISHER. Mr. Speaker, I would like to comment on Report No. 93–1257 dated August 2, 1974, which accompanies House Resolution 1258. House Resolution 1258 ratifies the Geneva Protocol of 1925.

The Geneva Protocol of 1925 was, indeed, one of the most promising attempts to outlaw chemical warfare. It prohibits the use in war of asphyxiating, poisonous, or other gases and all analogous liquids, materials and devices, and bacteriological methods of warfare.

While I have no great quarrel with the objectives of the resolution, I must take exception to portions of the report that contain data which, on the basis of the committee staff review, I believe to be misleading.

The major obstacle, for example, in achieving an effective agreement regarding chemical warfare policy is that of verification. On page 6 of the report, various means of verification are suggested. Photographic reconnaissance, including the use of satellites, is mentioned. I contend that it would be nearly impossible to ascertain whether a country in question was producing fertilizer or nerve gas since the raw materials—such as trisodium phosphate—that are used in nerve gas are used in fertilizer as well. I do concur, however, with the later statement in the report that suggests that it is unlikely that any of the known methods of verification short of onsight inspection will provide the currently required high degree of confidence of compliance with any proposed chemical warfare treaty.

Turning to page 8, the report states that research and development of chemical weapons must be based on how such weapons fit into a broad national security framework, not merely within the context of an isolated tatctical problem.

The Mideast conflict was certainly not an isolated tactical problem and the chemical warfare equipment that was in the possession of the Arab State indicated their capacity to affectively engage in such warfare.

The report further contends—on page 9—that an adequate and defensive posture against chemical warfare attack is a primary factor in deterrence. Again, this is not true.

Experts relate that there is a minimum reduction of 20 percent in the performance of personnel dressed in chemical warfare defensive gear. Further, personnel can operate in such equipment for only a few hours.

Department of Defense representatives state that it would require a minimum of 12 years to establish an effective defensive capability against a chemical warfare attack.

Similarly, on page 9, the report states that there is ample evidence that the United States is carrying out an adequate program of research in chemical warfare defense.

The total tri-Service chemical warfare research and development defense program is $25 million. This is an insignificant percentage of the $9.3 billion R.D.T. & E. request for authorization—two-thousandths of 1 percent.

The report states that the estimated $5.8 million is for procurement of the binary weapons in fiscal year 1975. This is not true.

There is a $5.8 million item in the 1975 budget included in activity 2, procurement of ammunition, Army. This amount will provide for the procurement and installation of equipment in a facility at Pine Bluff, Ark., to produce, load, assemble and pack the 155-millimeter binary projectile XM687. It will not provide authority for production of the 155-millimeter binary munition; his will be requested of the Congress only when a production decision is made, now anticipated in fiscal year 1976. The facility is being requested at this time since long-leadtime items of equipment must be placed on order to prevent undue delays once a production decision is made.

The report further contends that the program in reality will total $2.0 billion. Again, this is not true.

The procurement estimate provided by the Department of Defense is closer to $100 million rather than the $1.0 billion specified in the report. I have not been able to verify through the Department of Defense the estimate of the additional $1.0 billion required for disposal of the existing stockpile. I would not attribute this cost, however, to the binary weapons program insofar as our present stockpile is deteriorating and would require replenishment with or without the binary weapon program.

Page 9 further contends that there is no firm position within the executive branch regarding the desirability or need for the binary system.

The report fails to mention that this very consideration is under intensive review by the National Security Council with input being provided by the State Department, the Joint Chiefs of Staff, the Director of Defense Research and Engineering, the Arms Control Disarmament Agency and others.

The report questions the effectiveness of the binary system and contends that the binary weapon will not be as effective a chemical weapon as the current system. It is anticipated that the binary weapon will be at least as effective and in fact, depending on meteorological data, more effective than the current chemical weapons. It is facetious to think that the new binary weapon will be fielded if it were less effective than present chemical weapons.

Page 10 of the report contends that implementation of the binary weapon will probably prove highly destabilizing to negotiations at the Conference of the Committee on Disarmament in Geneva.

Following is the statement of Mr. Leon Sloss, Deputy Director, Politico-Military Affairs, Department of State, before the Committee on Foreign Affairs on May 14, 1974:

> Mr. FRASER. All right. Now finally, if we go ahead with this new system and with a statement that on the face of it looks like we are going to enlarge our munitions stockpile—at least this is testimony from the Department of Defense—in your view is

this conducive to either promotion of renegotiation at Geneva or what effect would it have?

Mr. Sloss. Well, let me say first of all that as far as we are concerned in the State Department no decision has been made to expand the chemical stockpile, and we are not considering expansion of the chemical stockpile as a bargaining chip, if that is the import of your question.

I think that were we to make this decision to replace some existing stocks—and incidentally all that the Pentagon is talking about now is a portion of the existing inventory, the binaries—it would be my judgment that this would have relatively little impact.

The report states that the binary would ultimately make verification more difficult for a variety of reasons.

All known procedures for verification to date are geared to the utilization of raw materials. No changes in the complexity of the verification procedures are anticipated.

The report states that there is doubt regarding the willingness of our NATO allies to accept the binary as a replacement for current U.S. talks in Europe.

This is speculation and it is anticipated that our NATO allies would not balk at a replacement on a 1-to-1 basis.

The first three recommendations listed in the report—on page 10—are in my view acceptable provided that the words "if verifiable" follow recommendation No. 1.

I believe that the fourth recommendation would seriously jeopardize our military posture and should not be accepted.

Mr. ZABLOCKI. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. Bingham).

Mr. BINGHAM. Mr. Speaker, I thank the gentleman for yielding.

I find it a little difficult to understand the basis for the opposition to the resolution before us. There may be statements in the committee report that not everyone could agree with, but I find it difficult to see how anyone can quarrel with this simple resolution.

The first paragraph says:

> That it is the sense of the House of Representatives that the Geneva Protocol of 1925, banning the first use of gas and bacteriological warfare, should be ratified.

Mr. Speaker, I do not know of anyone here who is going to argue against that principle. Certainly we are not in favor of the first use of these weapons.

The second paragraph says that the position of the United States on the status of herbicides and tear gas should be resolved. How can anyone quarrel with that?

Finally, and this coincides precisely with what my friend and colleague, the gentleman from New York (Mr. Stratton), was saying, we say the whole matter should receive the most intense study. That is what the third paragraph calls for, a comprehensive review of United States policies in the field of chemical warfare.

We are not here to debate the pros and cons of the binary system. Obviously there are differing views on that, but here is a very simple resolution and it is difficult for me to see how anyone can quarrel with it.

Mr. FRELINGHUYSEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. Biester).

Mr. BIESTER. Mr. Speaker, I want to speak in favor of the resolution and to point out and particularly stress on the issue of herbicides and tear gas and other such devices, that the language of the protocol, specifies the conduct between and among the signing parties and refers solely to the matters between those parties themselves. There is nothing expressed in this protocol which would in any way jeopardize the use of tear gas and other kinds of devices in terms of riot control within anyone of the countries which have signed and adhered to this protocol. In fact, those countries which have signed include a great number of countries which currently have some domestic unrest and who approach that domestic unrest in part with tear gas. There is no question involving that here.

The only question is are we disposed here to urge the other body to adhere to something which is so profoundly consistent with what a civilized society is all about and which represents the prudent will of the American people.

I therefore urge adoption of the resolution.

Mr. FRELINGUYSEN. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. Dellenback).

Mr. DELLENBACK. Mr. Speaker, as one of the cosponsors of this legislation, I rise in support of House Resolution 1258. The resolution does three basic things: First, it expresses the sense of the House that the Geneva protocol of 1925, banning the first use of gas and bacteriological warfare, should be ratified; second, it states the sense of the House that the position of the United States on the future status of herbicides and tear gas should be resolved; and third, it calls for a comprehensive review of U.S. policies in the field of chemical warfare. These are simple, direct, and overdue.

I first became involved with this whole question of CB weaponry in 1969 when I joined 15 other Republican colleagues in sponsoring a study entitled "CBW and National Security," a paper dealing with the tactical and strategic implications of chemical and biological weapons. As many of you will recall, shortly after our study, on November 25, 1969, President Nixon announced a series of decisions based on a National Security Council review of our policies. All biological weapons were renounced and the United States indicated that it would never be the first to use lethal or incapacitating chemical weapons. Irritant gases and herbicides, which the United States was using in Vietnam, were not included in the ban on first use. The President also indicated he would submit the 1925 Geneva protocol prohibiting the first use of chemical and biological weapons to the Senate for ratification and he did so in August 1970.

Some further progress was also made in disarmament talks on this type of weaponry at the conference on the Committee on Disarmament talks at Geneva. The session in 1972 came forth with a convention proposing to bar the development, production, and stockpiling of biological and toxic weapons—something the 1925 Protocol failed to do—and the convention was submitted to the Senate for ratification in August 1972. Unfortunately, however, the Senate has not acted on the convention—apparently because it has locked horns with the administration over the 1925 Geneva protocol.

The issue of contention between the administration and the Senate committee is whether or not tear gas and herbicides are included in the provisions of the 1925 protocol. I have my own opinions on this matter, but the important thing is that the Senate and administration resolve the question—then we can move forward with ratification of the protocol. And this is just what is asked by the resolution before us today.

I am personally convinced that American ratification of this treaty is very important for three reasons. First, the United States was one of the major proponents of the protocol in 1925 and our failure to ratify it has been a constant source of embarrassment to our diplomats. Second, ratification, representing action by the Congress, would be binding on future Presidents, while our present stance could change with a new administration. Third, the overall strength of the protocol would be reinforced and our efforts at Geneva now to eliminate stockpiling of chemical weapons would be enhanced by our ratification. It should be noted that with Japan's ratification in 1970, the United States became the sole major power to fail to bind itself to the protocol's provisions.

In comment on the last paragraph of the resolution before us, I believe the time has come for a thorough review of American policies regarding chemical weapons. A clearcut decision on the necessity of chemical weapons as part of our defense arsenal would strengthen our negotiating hand at Geneva and possibly break the present stalemate in the chemical warfare control talks there. Furthermore, we are now at a point of decision on whether to proceed with a proposed Army program to switch to binary chemical munitions as we destroy our current stockpile of mustard gas and nerve gas. The House will be voting tomorrow on the Department of Defense appropriations for 1975 and that bill includes $5.8 million to begin production of these binary munitions this year at Pine Bluff, Ark. I will support an amendment to be offered by my colleague, the gentleman from Washington (Mr. Hicks), tomorrow to strike these funds from the appropriations—largely because I believe it is very important that this program be delayed until the kind of comprehensive review of our policies which we are talking about in this resolution is undertaken.

The whole issue of chemical weaponry and its place in our defense program must be faced squarely and postponed no longer. I strongly urge my colleagues in the House to vote in favor of House Resolution 1258 today.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. Of course.

Mr. FRELINGHUYSEN. In view of the language in the committee report, does the gentleman feel that approval of this resolution would mean that insofar as the House is concerned that we feel that both herbicides and tear gas should be included within the terms of the Geneva Protocol or should not?

Mr. DELLENBACK. In response to the gentleman, I was not a part of drawing up the report, so that I think so far as what it is that the report is meant to say in this particular regard is a question better directed to the chairman of the subcommittee. I would call upon the gentleman from Wisconsin (Mr. ZABLOCKI) to respond to the gentleman.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. Of course.

Mr. ZABLOCKI. The text of the entire Protocol appears on page 364 of the hearings. What we say in the report is this, that a careful reading of the Protocol would suggest that for military purposes it includes herbicides and tear gas.

I might say that 80 nations of the United Nations have agreed with this interpretation in a resolution of that body.

Mr. DELLENBACK. Mr. Speaker, I close by urging support of the resolution.

The SPEAKER. The question is on the motion of the gentleman from Wisconsin (Mr. ZABLOCKI) that the House suspend the rules and agree to the resolution [H. Res. 1258.]

The question was taken.

Mr. FRELINGHUYSEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from New Jersey withdraw his point of order that there is no quorum?

Mr. FRELINGHUYSEN. Mr. Speaker, on that understanding, I withdraw the point of order.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FOR NEGOTIATIONS ON THE TURKISH OPIUM BAN

Mr. WOLFF. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 507) for negotiations on the Turkish opium ban, as amended.

The Clerk read as follows:

H. CON. RES 507

Whereas the President of the United States in 1971 declared that the drug problem in our Nation had "assumed the dimensions of a national emergency," and that "heroin addiction was the most difficult to control and the most socially destructive form of addiction"; and

Whereas the Foreign Assistance Act authorizes the President of the United States to suspend aid to any nation that he determines had not taken adequate measures to prevent illegal drugs from entering the United States; and

Whereas the revocation of the opium ban in Turkey is counterproductive to measures precluding illegal heroin from entering the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should—

(1) immediately initiate negotiations at the highest level of the Turkish Government to (a) prevent the resumption of opium production; or (b) assure that adequate control measures have been developed and implemented which would effectively safeguard the United States from a renewed flow of illicit opium and its derivatives originating in Turkey; and

(2) if such negotiations prove unfruitful, exercise the authority provided by the Congress under the Foreign Assistance Act to suspend all assistance to the Government of Turkey.

The SPEAKER. Is a second demanded?

Mr. DERWINSKI. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from New York (Mr. WOLFF) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. DERWINSKI) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation we are considering today is significant in several respects. First, it is an entirely appropriate response to a policy by a foreign government that has acted in a way hostile to the interests of the United States and the world community. Second, it will require the President of the United States to act within his statutory powers enumerated in the Foreign Assistance Act to protect the United States from the return of a massive influx of heroin. Finally, it will set the important precedent that foreign assistance given by this country is not a "dole" to be handed out without any regard to the consequences of our actions. We must establish once and for all that the United States will not stand for other nations profiting from our generosity, and then turning around and inflicting immeasurable human misery on our people, the dollar cost of which alone runs into the billions annually.

Perhaps an appropriate starting point for consideration of congressional action is the firm and sensible policy enunciated by President Nixon in September 1972. Before a conference of senior American narcotics officials, the President said:

> Winning the battle against drug abuse is one of the most important, the most urgent national priorities confronting the United States today . . .
>
> In working on narcotics control around the world, I want you to convey this personal message from me to the foreign officials . . . Any government whose leaders participate in or protect the activities of those who contribute to our drug problem would know that the President of the United States is required by statute to suspend all American economic and military assistance to such a regime and I shall not hesitate to comply with that law where there are any violations.
>
> I consider keeping dangerous drugs out of the United States just as important as keeping armed enemy forces from landing in the United States . . .

These remarks were not made lightly, and they should not be taken lightly, either by foreign nations who encourage narcotics trafficking, or, indeed, by the U.S. Congress, which initially gave the President the authority to cut off assistance. Nor do I believe that the action by the Turkish Government can be interpreted in any way other than as an action falling within the prohibitions of the statute, for reasons which will be enumerated in my discussion.

An examination of the situation within the Turkish economy will give some indication of the motivations of the Turkish Government in lifting the ban, and will strengthen the argument of those of us who argue for a firm U.S. response. The 1972 "World Opium Survey" put out by the Cabinet Committee on International Narcotics Control, indicated that:

> Poppy growing is an insignificant part of total Turkish agricultural production (which reached about $3 billion in 1970). It also constitutes a minor factor in Turkish export earnings as exports of opium gum, seeds, and pods have constituted less than 1 percent of total export earnings in recent years . . . In 1971, 89,283 farmers cultivated poppies. For the economy as a whole, income from opium growing amounted to an estimated $5 million to $6 million.

The 1971 agreement between the United States and Turkey in which Turkey banned the cultivation of opium poppies, was achieved by an American promise to pay Turkey $35.7 million, significantly higher than any reasonable offset of losses from legitimate income from poppy production for several years. Of course there is no question that the illicit underground market for Turkish opium to be refined into heroin for peddling by organized crime elements added income to the Turkish farmers' pocket, and the loss of this blood money was felt by them. But the critical question remains, of course, should the United States acknowledge the legitimacy of this extra income, by its docile acquiescence in the resumption of poppy cultivation? I think that question answers itself.

Turkish Government has stated in its communique of July 1 that it chose to permit recultivation of opium of the Turkish farmers and the needs of the legitimate opium market for medicinal uses. I would even question that apparently forthright statement. We know that some farmers have been hurt—but why—and that our Government has been more than lethargic in instituting effective development and crop substitution projects. We also know that there is a great deal of confusion as to how much of the compensation has actually reached the farmers, very little I am told.

Nonetheless, the Turkish Government never made any efforts to remove these stumbling blocks and clarify any ambiguities in the bilateral understandings. Nor did it even seek to renegotiate the agreement with the United States. The only conclusion that can be drawn from these actions is that the Government was not interested in actually helping the Turkish farmers, for it cannot be denied that the potential benefits available under the agreement might well have left the Turkish farmers in a vastly improved position. Rather, some demagogic Turkish politicians chose to use this issue as a symbol of Turkish nationalism, as a means of using a convenient target to forward their own aims, trying to show this new coalition government was better than the one that negotiated the U.S. agreement.

I do not wish to belittle the propriety of developing nationalistic appeals, in underdeveloped areas, but at the same time I must point out that this particular issue was built upon deception and in fact undermined pressing humanitarian concerns of the Turks, the Americans and in fact the entire world community. The success of the appeal cannot be doubted—all Turkish political parties adopted the cry, which was framed as a reaction to the former government. But once again I ask, is this sufficient reason for the United States to forgo its obligation to protect its own young people, and continue to subsidize the illicit activity which wreaks devastation wherever its effects are felt?

The other reason put forth by the Turkish Government is the legitimate medicinal needs of the pharmaceutical concerns. Here again, the Turkish Government position is less than selfless. We have been bombarded with propaganda over the last several years from the pharmaceuticals companies informing us of a licit opium shortage throughout the world. Yet the facts belie this contention, at least insofar as we are talking about the availability of opium to the pharmaceutical companies. Indeed, the interests of the large multinationals have been contrary to this agreement or in fact any agreement that would reduce the legitimate market—note that I say market, not supply—for many years.

In May of 1973, Walter Minnick, who at that time was the Chief of the Division of Federal Drug Management for the Office of Management and Budget, testified before the Government Operations Committee that:

> The drug companies were opposed to our getting the Turks out of the business, because that eliminated their osurce of supply.

In the same testimony, Minnick further said, however, that according to the World Opium Survey, only 5 percent of the licit world supply came from Turkey, with about half coming from India.

Nonetheless, a bad growing season and extraordinary purchases by the Soviet Union were said to have caused a shortage for the current fiscal year, and based on that assumption, we acted in Congress. According to a letter I received recently from Linwood Holton in the State Department:

> The President and the Congress have acted to avert a temporary shortage of medicinal opiates in the United States by providing for the release of up to 45% of the strategic opium stockpile. Periodic releases will be made to the extent needed to enable U.S. manufacturers to maintain minimum, yet safe inventory levels. We assume we shall continue to receive our proportionate share of opium imports from India. The U.S. stockpile released should not, therefore, affect the marketing of world production of opium for medical and scientific requirements.

In addition, to the availability of the American stockpile, it is expected that improved climatic conditions, and the absence of abnormal purchases by the Soviet Union which were witnessed last year, coupled with improved procedures which will lead to a higher yield to morphine base, from existing acreage will combine to significantly raise the amount of licit medicinal product available from India in the coming year.

In light of these considerations, it becomes increasingly clear that Turkish politicians have been using the rallying mechanism of the opium ban and its anti-American slogans to make the more fundamental and serious problems faced by that government, such as the tremendous increase in the numbers of Turkish laborers returning after working in other European nations.

In viewing the Turkish announcement, we must consider the situation that will evolve concerning the enforcement efforts that will be made to prohibit the massive new quantities of opium from being diverted into illicit channels.

That a massive new enforcement mechanism would be essential is beyond doubt; we are all familiar with many of the facts and figures concerning the heroin epidemic which swept our Nation in the late 1960's, due largely to the illegal entry of Turkish derived heroin. To briefly highlight some of the critical problems that will surely arise, however, I would like to offer a few quotations:

> "As commissioner of (New York City's) Addiction Services Agency, which cares for over 40,000 addicts in 400 treatment facilities of every modality at a cost of about $90 million annually, I can state with some degree of authority that the lifting of the opium ban by Turkey will have serious consequences for all New Yorkers.
>
> "If the United States Government, bowing to pressure from Turkish poppy growers, agrees to a lifting of the ban, it will be a backward step that is almost guaranteed to lead to an upsurge in heroin addiction nationally, with a consequent rise in addict-related crime. . . . I therefore urge all Americans to support resolutions that give the President authority to withhold military and economic aid to Turkey unless that nation agrees to cooperation with us in the war against heroin."—Jerome Hornblass, Commissioner, New York City Addiction Service Agency.
>
> "Lifting the ban on growing the opium poppy by the Turkish government would definitely have a severe impact on the already overburdened law enforcement efforts to the New York City Police Department. Any addition to the necessary and legitimate supply of opium for medical use on the world market will correspondingly increase the supply in the illicit market. Police Commissioner Michael Codd has stated that any overproduction in excess of world market needs can only exacerbate the conditions and situations with the result that the excess would find its way to the underworld.
>
> "Since the Turkish ban went into effect, a definite downtrend was noticed in the heroin availability in New York.
>
> "The crimes of robbery and burglary are often associated with the heroin addiction problem of a city. These crimes become the source of money for the purchase of narcotics to maintain the addict. The crime analysis section of the New York City Police Department reported an 18% decrease in burglaries and a 12% decrease in robberies in the year 1972 against the same period in 1971. The 1973 figures for the same crimes were practically the same as the year 1972. This is but one indication of what can be accomplished when drugs are in short supply. The increased supply of heroin as a result of the Turkish government's lifting the ban on poppy growing will reverse the downward trends still prevelant in 1974 in these two key drug related crimes.
>
> "It is my belief and the belief of my staff of investigators that should the Turkish government resume production of opium, the results will be measured in New York City in the number of human casualties; first, in the form of an increased number of heroin addicts and second, in the form of the victims of violent street crime. There is no worthwhile benefits to be gained from the removal of the ban in Turkey."—Daniel Courtenay, Community Officer, Narcotic Division, N.Y. City Police Department.

Every empirical study indicates that the Turkish poppy growing ban has dramatically diminished heroin supply on the east coast of the United States. Dr. Robert DuPont, Director of the Special Action Office for Drug Abuse Prevention, cites statistics concerning the decrease of drug availability since the ban went into effect.

> From the peak of over ½ million heroin addicts, 1973 saw for the first time rates of overdose deaths, drug related hepatitis, and drug related property crimes (all indicators of heroin dependency) decline throughout the United States. The quality and quantity of heroin have decreased, while the price has increased. One milligram of heroin in New York City cost 44 cents in 1972; by mid 1973 it had risen to $1.52. Street level purity of heroin sold to addicts decreased 52% during the same period, from 7.7% to 3.7%. A heroin shortage has existed for almost 24 months.

It is common knowledge that Turkey was unable or unwilling to control the diversion of opium in the past, and actions taken to date offer no hope of any change in that situation when the farmers again enter cultivation in seven provinces instead of the four where they hitherto cultivated opium control, who is kidding whom? The profits from illegal sales are simply too great, the incentives too high, to assure a sufficient control situation. As John Cusack, Chief of the International Operations Division of the Drug Enforcement Administration testified to an ad hoc hearing I sponsored in New York last week:

> While we are inclined to accept the good intentions of the Turkish government in its promise to adopt a fool proof system of control, should it reestablish opium production, we must be guided by past experience where the most conservative observers estimate that at least half of the opium produced in Turkey entered the illicit traffic. The conditions responsible for this situation have not changed. To a great extent, they are beyond Turkish control and involve narcotic traffickers in the United States, Western Europe, as well as those in Turkey. There are numerous unscrupulous individuals who,

> through their interaction, have been in the past and would be again responsible for penetrating the Turkish system of opium control and diverting vast quantities to the illicit traffic for heroin manufacture and to again infect western Europe and North America.
>
> It is simply impossible to control the production of opium by 100,000 farmers on half-acre plots in Turkey. This production is simply too vulnerable to criminal elements in Turkey and abroad, and there is no system that can prevent substantial diversion. The cost of attempting to develop and implement such a system would be economically prohibitive.

Following his statement, I further questioned Mr. Cusack on control possibilities I would like now to play a tape of that portion of the questioning.

This attitude was reflected at the Third Special Session of the U.N. Commission on Narcotic Drugs at Geneva last February, and has been echoed virtually every time a narcotics enforcement official discusses the Turkish opium ban. I would further cite a General Accounting Office Report, which discussed the possibility of customs agents and border patrols reducing the smuggling of heroin. The GAO said:

> Although these efforts may deter amateurs and small scale smugglers, they have not had and probably cannot have any real impact on the organized groups engaged in large-scale heroin smuggling.

And it must be noted that the Turkish Government, despite its promises for tough controls, has already taken the first step to flood the illicit market by permitting cultivation in seven provinces, which is an increase from the four provinces that were permitted to grow opium immediately prior to the ban.

So once again the choice for the Members of Congress becomes stark and clear. If we do not act to cut off assistance, it cannot be on the premise that this time opium production will be controlled—no one seriously believes that. Heroin will flow into this country once again virtually unchecked, for once it is in the traffic channels, large-scale control is impossible. The French connection now broken stands ready to resume traffic. The problem is either eliminated at the source, or it is permitted to turn to crisis levels.

Another aspect of the proposition we consider today must be dealt with—we must review the likely consequences of U.S. action to cut off assistance to Turkey in light of our own military defense requirements. There has been a fear expressed that if we cut off assistance—if we deny the President's request for over $200 million in military and economic assistance for fiscal year 1975—Turkey will retaliate against our NATO commitment. We have, since World War II, given the Turks almost $6 billion. To first dispose of this apparent threat. I cite the statement by Turkish Foreign Minister Turan Gunes in the New York Times last Thursday, July 11. Gunes said that even if Washington cut off aid to Turkey, as some Congressmen had threatened, Ankara would not "change the status" of about 2 dozen vital military bases maintained there under the joint command of the two North Atlantic Treaty Organization allies. I think this position is understandable, in light of the real defense requirement of Turkey. The likelihood of such a response from Turkey—particularly if all other assistance is cut off—is from a strategic standpoint very small. Even if we take the military possibilties on a "worst case basis," General Goodpaster assured this committee only 3 weeks ago that we would still maintain the capability of knocking out the Dardanelles and bases available in the Mediterranean, should that unlikely necessity occur, denying to the Soviets their use and bottling up the entire Soviet Mediterranean Fleet.

Let us turn, however, to the scenario which would unfold when the heroin market is back in action. It is appropriate to recall America's experience in Indochina, when, according to Marine Gen. Lew Walt testifying in Senate testimony:

> Our forces were caught up in a massive heroin epidemic when, overnight, high grade heroin became available everywhere at $1 a vial.

Only recently, Adm. Noel Gayler told this committee that during the Vietnam conflict difficulties faced by our Pacific forces from drug abuse resulted in the impairment of the effectiveness of our fighting forces.

As late as February 1974, UPI carried a story quoting Gen. Michael S. Davison, the American Army commander in Germany, as saying that:

> Drug abuse was the "single greatest threat to the discipline and professionalism of the Army in Europe."

Since our NATO troops will soon be availed of large quantities of low priced heroin, the meaningfulness and security of NATO forces may hinge on the Turkish action, and this situation ultimately puts in jeopardy the security of the United States itself for what we face is a repeat of the Indochina drug epidemic that has produced 350,000 Indochina addicted veterans.

Mr. Speaker, the legislation we are considering today will put our Nation firmly on record, not only in words, but in definitive action, against the tolerance by foreign nations of the trafficking in death which the opium trade represents. This approach will send more than a message—it will send an unmistakable warning—that U.S. generosity will no longer be extended to nations which spit in the face of mankind. If the Turks say that the drug problem is ours, not theirs, let us say to them that economic development and military supply is their problem, not ours. What is actually involved here is that the Turks do not believe we will take meaningful action—that we are in reality a paper tiger. Let them know that we place a nonnegotiable price on the lives of the kids of this Nation.

We cannot afford $27 billion in drug-related crime in this country. Our constituents want to walk our streets in safety without fear of some junkie beating them over the head for money to buy the next fix.

This approach, which was taken before by the House and Senate in relation to Thailand at the height of the Indochina conflict, was dramatically successful in winning the cooperation of the Thai Government without any serious long-term rupture in Thai-American relationships. It will be successful in this case.

When efforts to halt heroin traffic are characterized as a "war," that characterization is carefully chosen. Indeed, the Washington Post, in a recent editorial, pinpointed the accuracy of the analogy. The editorial reads:

> Indeed, if the Turkish Government had announced that it intended to land secret agents at night on American shores to poison and kill thousands of Americans and to subvert the foundations of American society—which, of course, is exactly what heroin does—then that would be regarded as an act of war and handled accordingly.

The condemnation which the outrageous act by the Turkish Government merits in the civilized world cannot be mistaken. Perhaps the most eloquent statement of the interests of mankind in stopping drug traffic was made by President Nixon, who said in 1972:

> The men and women who operate the global heroin trade are a menace not to Americans alone, but to all mankind. These people are literally the slave traders of our time. They are traffickers in living death. They must be hunted to the end of the earth. They must be left no base in any nation for their operation. They must be permitted not a single hiding place or refuge from justice anywhere in the world and that is why we have established an aggressive international narcotics control program in cooperation with the governments in more than 50 countries around the world.

Mr. Speaker, this legislation should be reported out promptly, so that the Government of Turkey, and our own foreign policy officials, understand that the American people cannot and will not tolerate a reestablishment of the heroin trail. The Senate acted last week on a similar measure, by an 81 to 8 margin. If it is to be argued that this move will strain relations with Turkey, it is even more important that our closest relations are our children.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, I rise in strong support of this resolution. I want to commend the gentlemen from New York (Mr. WOLFF) and Mr. RANGEL, and the gentleman from New Jersey (Mr. RODINO) for offering this resolution, which provides a rational response to the problem of Turkish opium again flowing into this country, and into the veins of thousands of Americans. These gentlemen have done much to bring this matter to the attention of the American people, and to this Congress. We owe them our deep gratitude.

This legislation is entirely reasonable. It does not legislate a direct cutoff of aid to Turkey. It does not say that the United States will immediately abandon any commitments. What it does say is that this Congress, and this Nation, will do everything within its power to halt the flow of Turkish heroin into this country.

Last month, the Government of Turkey announced its decision to lift the ban on production of opium. That ban had been in effect since 1972. Previous to the imposition of that ban, 80 percent of the heroin that was consumed in this country had come from Turkey. Since the ban was imposed, the addict population in the United States has decreased from a staggering 600,000 to about 200,000. Clearly, the ban was effective in reducing the addict population. An equally important fact is that, as a congressional study group has reported, drug-related property crimes have declined throughout most areas in the United States for the first time in 6 years.

That noteworthy statistic should make clear that heroin addiction is not just a problem for the addict. It is a serious problem for all of society as well. Statistics show that the average cost of maintaining an addict's habit is over $50 a day. Obviously, that kind of money does not come easily to heroin addicts, for $50 is a lot of money for anybody to spend each day. Where does that money come from? It comes from crime. And crime is not just the individual's problem. It is society's problem. We all must do the best we can to reduce crime in this country. This resolution is another step in the direction of reducing crime in the United States.

Now, that might not seem apparent, but it is obvious if we stop to consider the success we have had in reducing drug-related crime in the past 2 years. This resolution calls upon the President to initiate high-level negotiations with Turkish officials to reinstitute the ban. If that can be achieved, the results will be most beneficial to all sides, and perhaps drug-related crime will continue to decrease. If, however, these negotiations fail, then this resolution urges the President to exercise his legal authority under section 109 of Public Law 92-226 to suspend economic and military assistance to any country which has failed to take adequate steps to prevent narcotic drugs from entering the United States unlawfully. This authority already exists, and the President should use it if it becomes apparent that Turkey refuses to cooperate.

It is incumbent upon this Congress to insure the American people that we will not tolerate the abuse of our citizens by some other country for economic profit. Likewise, we will surely not help to finance such a country.

This resolution is a proper response to recent actions. If we cannot agree with the Turks to a resumption of the ban, then we urge the President to exercise his prerogative to suspend aid. If it comes to that, then we will all have to make the best of the situation. Any other response to this callous act of the Turkish Government would not demonstrate the magnitude of our concern. We cannot continue to aid a country which pays no respect to our citizens. I urge support of the resolution.

Section 109 of Public Law 92-226 follows:

SECTION 109, PUBLIC LAW 92-226

The President shall suspend economic and military assistance furnished under this or any other Act, and shall suspend sales under the Foreign Military Sales Act and under Title I of the Agricultural Trade Development and Assistance Act of 1954, with respect to any country when the President determines that the government of such country has failed to take adequate steps to prevent narcotic drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States personnel or their dependents, or from entering the United States unlawfully. Such suspension shall continue until the President determines that the government of such country has taken adequate steps to carry out the purposes of this chapter.

Mr. DERWINSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 507.

The threat to the well-being of the United States posed by a renewed influx of heroin originating in the poppy fields of Turkey is grave. Every effort must be taken by the United States to prevent this from happening.

If poppy cultivation is resumed in Turkey, and if Turkish opium again finds its way into the illegal narcotics market, heroin abuse in the United States could become more acute than it already is.

In the decree announcing the lifting of the ban on opium cultivation, the Turkish Government indicated that it would take strong measures to control opium production to insure that there would be no diversion to the illegal market.

Several experts in the United States are of the opinion that the control of opium production is difficult, if not impossible, prudence would dictate an alternative to an immediate termination of assistance for U.S. policymakers.

In its consideration of the resolution the committee was faced with a choice of calling for an immediate termination of assistance to Turkey or to report out a resolution which would give the President time to work out an agreement with Turkey which would stop, if possible, the flow of heroin to the United States in the vent that the decision to resume poppy cultivation was not revoked.

As the committee report states on page 4:

> The Committee is of the opinion that action to immediately terminate all assistance to Turkey, our NATO ally, could be counterproductive in terms of the objectives being sought by the sponsors of the resolution, the Congress and the Government of the United States.
>
> For this reason, the resolution, as reported, gives the President an opportunity to try to work out suitable arrangements with the Government of Turkey, including effective control procedures, to preclude a new supply of opium reaching illegal narcotics markets.

The resolution being considered is a wise one. It gives the President time to negotiate with the Turks. It gives him the flexibility he needs in those negotiations by not requiring an immediate cutoff of aid. At the same time, it demonstrates to the Turks the concern of the Congress. Finally, it provides that if effective action is not taken to control opium production, the President must suspend all assistance to Turkey.

Mr. GILMAN. Mr. Speaker, will the gentleman yield.

Mr. DERWINSKI. Yes, I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Illinois for yielding.

Mr. Speaker, I rise in support of House Concurrent Resolution 507, a measure I have been pleased to cosponsor with my colleagues from New York, Mr. WOLFF and Mr. RANGEL.

The resolution calls for our Government to initiate high level negotiations with the Turkish Government to prevent the resumption of opium production or assure that adequate control measures will be developed and implemented to effectively safeguard the United States from a renewed flow of illicit opium. In the event that these negotiations are unsuccessful, the resolution further provides that our Nation terminate all assistance to the Government of Turkey.

Mr. Speaker, Turkey's tragic decision to lift its ban on poppy production shocked and outraged many of our American citizens, particularly those who work diligently in drug enforcement and rehabilitation. Turkey's blatant disregard for the welfare of America's youth cannot be tolerated.

In February 1974, at a meeting of the U.N. Commission on Narcotic Drugs, the U.S. Representative, Robert Dupont, reported that the heroin epidemic of the mid-sixties, which had fostered a 6-year pattern of increased drug addiction, had been reversed, noting that both the quantity and quality of heroin available in the United States had substantially decreased. Mr. Dupont indicated that a major factor in this decrease was the Turkish ban on opium growing which had been agreed to in 1971.

Substantiating this report are statistics from the New York City Department of Health Narcotics Register indicating a 46-percent decrease in heroin addiction between January and June 1972, during the period of time in which Turkey refrained from poppy production.

Now that Turkey has rescinded that agreement, the progress we have made in controlling this dread drug will be quickly reversed and we will once again be plagued by devasting drug addiction.

Immediately following Turkey's announcement lifting the poppy ban, a majority of the Members of this House joined in sponsoring this resolution. The Foreign Affairs Committee, of which I am a member, duly recognizing the urgency of a pending debacle, promptly commenced hearings and markup on the bill now before us.

It is my firm opinion that passage of the measure now before us is the only appropriate response we can make to Turkey's unfortunate decision. If our negotiations with the Turkish Government fail to insure the necessary safeguards against furthering drug addiction, we must suspend all current and pending economic and military aid to Turkey until such time as the Turkish Government revokes its unilateral decision to allow opium cultivation.

Mr. Speaker, there are two salient points which should be underscored in regard to the reasons for supporting this resolution:

First. Turkey, which agreed to article 22 of the UN Convention, outlining that nation's responsibility in complying with a worldwide effort at discouraging drug trafficking, fully recognizes their commitment.

Second. Our Nation has compensated the Turkish Government to the extent of $35.7 million in return for Turkey's agreement to refrain from poppy growing.

These two significant factors clearly point out the path we must follow.

Accordingly, I urge my colleagues to support House Concurrent Resolution 507. Let us caution Turkey lest those humanitarian concerns so important to world protection are tossed away by the self-serving interests of a handful of men. Punching a hole in the dam of drug containment will only serve to reopen the floodgates of an epidemic.

Mr. WOLFF. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to compliment the gentleman from New York (Mr. GILMAN), who just spoke for his active participation in the passage of this legislation, as well I would like to compliment the gentleman from Illinois (Mr. DERWINSKI) on the other side who has led the effort to stem the flow of narcotics to our shores.

Mr. Speaker, I wish to yield such time as he may consume to the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO), who pioneered in the efforts he has made toward stamping out drug addiction in this country. It was this gentleman who was responsible for the very first amendment that directed the President to cut off aid to any country that did not cooperate with our Nation in controlling this menace.

Mr. RODINO. Mr. Speaker, I rise in strong support of House Concurrent Resolution 507 and I particularly want to commend the Foreign Affairs Committee for bringing this resolution to the floor in such an expeditious manner.

In this regard I would also like to commend the gentleman from New York (Mr. WOLFF) for his leadership and diligence in this matter as well as the other gentleman from New York (Mr. RANGEL) for his untiring efforts to combat the drug problem.

I am very gratified that this resolution calls upon the President to effectuate my international narcotics control provision which was incorporated into the foreign assistance a few years ago.

While I fully believe that Turkey's decision to resume the growing of opium poppies warrants an immediate suspension of foreign assistance, this resolution will encourage additional negotiations with the Government of Turkey. We are hopeful that such negotiations will convince Turkey as to the need for reevaluating its decision; or in the alternative will enable that Government to convince us as to their capacity to control opium production.

The Government of Turkey has indicated it will take strong measures to prevent opinum from being diverted into illegal channels, but I remain unconvinced as to the capacity of the Turkish Government to accomplish that objective. My conclusion is supported by a variety of international drug experts and I would remind my colleagues that former Prime Minister Erim stated in 1971 that—

> Smuggling cannot be prevented in Turkey . . . in spite of all the efforts which were made.

When this statement was made, opium was being grown in only four provinces whereas the recent Turkish decree rescinding the opium ban, will permit the growing of opium poppies in seven provinces.

However, since my 1971 provision allows the President wide discretion in determining whether a particular country is not cooperating with our efforts to stem international trafficking in hard drugs, I believe that the President and Secretary Kissinger should be provided with additional negotiating time in order to ascertain whether Turkey's decision will result in a resumption of the flow of heroin to this country.

It is questionable whether these negotiations—even at the highest level—will produce positive results. However, it will provide an opportunity for our officials to convey to the Turkish Government the deep concern of the American people over Turkey's indifference to this very serious problem.

In adopting the international narcotics control provision, Congress did not intend it to be used solely as a diplomatic weapon. When diplomatic negotiations proved unsuccessful Congress intended that the ultimate sanction of a foreign aid cutoff would be utilized. This two-fold purpose is now restated in House Concurrent Resolution 507 and consequently I wholeheartedly support the resolution.

Subsequent to its adoption, the President indicated he would "not hestitate to comply with the law where there are any violations"; and he added:

> I consider keeping dangerous drugs out of the United States just as important as keeping armed enemy forces from landing in the U.S.

It is therefore appropriate for the Congress to call upon the President to live up to his words by immediately initiating high-level negotiations with Turkey and to stand ready to suspend foreign aid to that country if these international discussions are unsuccessful.

I am somewhat disturbed that intensive, high-level negotiations have not already commenced especially when we consider the tremendous concern of the American people regarding the problem of drug abuse.

We are all very aware, particularly those who represent major urban areas, of the destructive impact of heroin on our communities and on the lives of our people who have become addicted to heroin. Turkey's decision in 1972 to ban opium production has substantially alleviated the drug epidemic in this country and we do not wish to return to the tragic situation that existed prior to the ban.

As representatives of people who have been directly and indirectly affected by the drug menace we cannot be satisfied with mere promises by Turkey that opium will not find its way into illicit channels. Likewise we must recall the opinions of drug experts everywhere that Turkey will confront serious difficulties in controlling opium production. Finally we must also remember that Turkey has already breached its agreement with the United States, in which we provided $35 million in return for Turkey's prohibition on opium poppy cultivation.

Approval of this resolution today will not only call upon the President to take a hard line with Turkey, but will also convince other opium producing countries and those countries which have failed to cooperate with our efforts to combat the drug problem, that we will no longer tolerate their inaction.

It is evident that international cooperation is needed if we are to attack this problem in an effective manner; and in the absence of such cooperation the United States must be willing to take the bold action of suspending foreign assistance to any country which fails to meet its international responsibilities.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. FREY).

Mr. FREY. Mr. Speaker, I would like to take this time to compliment the committee on the resolution they have presented. I think they have done a very fine job on a most difficult subject.

Just before the Turks announced the ban following the trip by the gentlemen from New York (Mr. RANGEL and Mr. WOLFF), my colleague, Mr. HASTINGS and I went over to Turkey to try to negotiate the problem with the Turks regarding the growing of poppy.

Congressman HASTINGS and I came back with the feeling that the Turks did not think this country cared enough about its young people or cared enough about the drugs coming into this country to really do anything. And the attitude of the Turks about us withholding aid was that we would never do it when the chips were down. We tried to convince them otherwise, that this was not so, and that this Nation did care and would indeed act. But apparently, along with others, we were unsuccessful in this.

I personally hoped the committee would have suspended aid until the Turks took certain steps. However, I do not think this a significant step in the right direction. I hope that we will keep a close watch upon it.

Of course, my personal feeling is they are not going to be able to provide the security that must be performed in watching the drugs. We know that up to 80 percent of the heroin in the past has originated in Turkey. I think within a year or so, the young people in this country may be paying for this situation in Turkey.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. FREY. I will be delighted to yield to the gentleman from New York.

Mr. WOLFF. Mr. Speaker, I wanted to thank the gentleman in the well for his efforts, and the work the gentleman has done on this problem.

I might say to the gentleman from Florida that the resolution is so worded that after negotiations have been completed, in other words, before the seed goes into the ground, that we are assured that adequate control measures have been developed. In other words, this is not after the fact, after we have seen the drug coming into this country, but we have to have assurances before it comes into this country and before aid is given.

Mr. FREY. I certainly agree with those remarks. I will say that I have been in India and there they grow some 900 tons of poppy, and they claim that they have adequate control, but this I do not agree with. I have been out into the farm areas, and it appears to me that up to about 10 percent of the crop in diverted. The difference between India and Turkey is simply that in Turkey there is no user problem.

I question whether they will be able to put in adequate controls. It is just like the situation here during prohibition, there is too much money involved. As an example, when we were traveling in Northern Ireland, we found that for an expenditure of about $400 we could have purchased enough poppy to sell on the streets of New York City for about $500,000. There are too many people making money in this cruel business.

Mr. Speaker, I strongly urge support of this resolution.

Mr. DERWINSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. GUYER), a member of the subcommittee.

Mr. GUYER. Mr. Speaker, as a new member of the Special Subcommittee on International Narcotic Control, it was my good pleasure to be with Messrs. ADDABBO, GILMAN, and WOLFF at the special hearing held in New York City. We had seven very outstanding witnesses which I thought added a great deal to the storehouse of information on this subject. We did discover there is a "preventive medicine" approach to this problem and that it can be contained. Demonstrably, it was pointed out.

The gentleman from New York (Mr. GILMAN) indicated that the number of narcotic addicts was reduced from 500,000 to 200,000 just since the ban by Turkey in 1971.

We also found there was a better way to help Turkey and to deal with this devastation. Several of the programs suggested were agricultural diversity technology. Canning factories for food and other produce was far better than the continued granting of a subsidy which was getting nowhere.

I just want to say that narcotics in any illicit form is a down payment on misery and the promulgation of human devastation.

I want to commend the gentleman from New York (Mr. WOLFF) for an almost one-man crusade. I think we are on the right track. We have a better way to deal with this. The heroin trail ended when the spigot was turned off and it lead to an empty bin. There was a definite drought of heroin on the streets of New York City. There was a turning of thousands of people to methadone and other substitutes, and there was a new brightness on the faces of people who found that there was a better way, and another day.

Mr. Speaker, I join with my colleagues, and I think this is a great day for us to do something bold and effective, that has for far too long been neglected, millions of people will voice their gratitude for our passage of this sensible resolution for humanity.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, it is my pleasure to join with the gentleman from New York (Mr. WOLFF) and the many other coauthors of this legislation. I think it is nigh time that the House take this proposed action.

When I was first elected to the California State Senate some 13 years ago, my first legislative act was to introduce a resolution asking Congress to take all necessary steps, including the withdrawal of foreign aid, to prevent the exportation from foreign countries of illegal narcotics.

I would urge my colleagues to make this a unanimous vote. I think it will have a great effect on the Government of Turkey and perhaps persuade the government to continue its previous ban on opium growing.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Speaker, I rise in support of this resolution.

The resumption of opium poppy production in Turkey is a serious threat to the quality of life in America today. In the last decades, we have become a country burdened with increasing drug abuse.

Until 1972, the major source of illicit heroin in the United States was Turkey. That same year, in exchange for financial assistance which Turkish farmers then desperately needed, the Government of Turkey agreed to place a ban on the production and trade of opium. In the period since that agreement we have seen a radical decrease in the amounts of heroin available in American cities as well as a drastic reduction in the number of heroin addicts.

On July 1 of this year, however, the Government of Turkey lifted that ban on opium poppy production, an action which seriously endangers our efforts to control drug addiction by again providing a dependable heroin source.

Thus, I cosponsored the resolution now being considered, which urges the President to initiate negotiations with Turkey to prevent this resumption of opium poppy production.

I would suggest that, if our statement of disapproval should prove ineffective, the President use the authority provided to him by law, in the Foreign Assistance Act, to withhold economic and military assistance from the Government of Turkey until a ban on opium production is restored.

This resolution would serve as a powerful tool in negotiations with Turkey and would clearly answer the decree by which Turkish authorities lifted the ban in July.

If the United States expects to continue the remarkable progress which we have begun to make toward the problem of drug addiction, then we must take this necessary action to prevent the flow of heroin into our country and into the streets of our cities.

I, therefore, give House Concurrent Resolution 507 my full support, and for the sake of our fellowmen, urge my distinguished colleagues to do likewise.

Mr. DERWINSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Speaker, this bill represents a positive step by the U.S. Congress to stop the flow of heroin into the streets of the United States. Friends help each other in time of need and we have always stood ready to aid Turkey. The friendship, however, is not being returned. The United States has offered substantial foreign aid to Turkey to halt the production of opium and now Turkey has turned its back and announced renewed production of what will only add to the problems of America. This stand is in direct contrast to that of traditional friends like Greece.

I think the time has come to completely eliminate any foreign assistance to Turkey—not only because of its actions in growing poppies but also due to its aggressive actions in Cyprus. Turkey is now using past American aid against one of our oldest allies—Greece. The United States should stop subsidizing efforts that work to our detriment and start maximizing the expenditures of Government funds to help all of our citizens.

Mr. Speaker, I urge passage of this resolution.

Mr. DERWINSKI. Mr. Speaker, I have no further requests for time.

Mr. RANGEL. Mr. Speaker, I welcome this opportunity to speak on Concurrent Resolution 507 which urges the President to immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production. The resolution further states that if the negotiations prove unsuccessful, then the President should exercise his authority provided by the Foreign Assistance Act, to terminate all economic assistance to the Government of Turkey.

Mr. Speaker, July 1, 1974, represented a sad day in our efforts to eradicate the insidious heroin menace which plagues our Nation. For on that day, the Government of Turkey announced its decision to resume cultivation of the opium poppy, the same opium poppy that once fed the infamous and now dormant French connection, which in turn supplied 80 percent of the heroin which reached this country prior to the imposition of the Turkish ban on opium production; the same opium poppy that feeds the captured veins of thousands of our citizens and has led to human misery and suffering, destruction of families, and slavery to the criminal elements of our society.

In my home city of New York, we have over half of the Nation's heroin addicts. My own community is estimated to contain more than half the addicts in the city; we have been called the drug capital of the Nation. It has been estimated that over 60 percent of all crime in my city is drug related. In my home community of Harlem, the junkies line the street, occupy abandoned buildings, lurk in doorways, and literally hold the community in fear. Consequently, Mr. Speaker, I know firsthand the destructive impact of heroin on a community, and the detrimental effects it has on the quality of life for our citizens.

I have devoted a significant portion of my energies as a legislator toward the elimination of this cancerous sore from my community as well from the other infected communities throughout the country, urging the establishment and implementation of more effective law enforcement measures. No law enforcement measure has proven as successful as the agreement reached between the United States and Turkish Governments to eradicate the source by placing a ban on the cultivation of the opium poppy in Turkey. Turkey, which was the primary source before the ban, is now gearing up to reclaim its place of prominence in this insidious market.

Mr. Speaker, I believe there is little doubt that the ban has made a positive and substantial contribution toward eliminating the heroin menace. There has been a dramatic decrease in both the quantity and quality of heroin on the streets of America, and a corresponding decrease in the number of heroin addicts. The Drug Enforcement Administration reports a reduction in the estimated number of heroin addicts by more than 60 percent over the past 2 years. Correspondingly, the number of heroin overdose deaths and drug-related criminal activity has shown a marked decrease. In New York City, the purity of a "bag" of heroin has declined from 7.7 percent to 3.7 percent. The number of addicts admitted to New York correctional institutions has decreased by 36 percent. The New York City Police Department reports that drug-related robberies have decreased by 19 percent and the number of drug-related burglaries has decreased by 17 percent.

All of this progress Mr. Speaker, can be directly related to the cessation of opium production in Turkey. Therefore, the announced resumption of opium poppy production in seven Turkish provinces poses a serious threat to the health and safety of our communities. The Congress of the United States, which is charged with the responsibility of the public welfare, must now determine a proper response to this action by the Government of Turkey.

Last spring, rumors from Ankara of Turkey's plans to lift the ban prompted me to join my distinguished colleague, the Honorable LESTER WOLFF, in a fact-finding visit to that country. During that visit we became convinced that the rumors were, indeed, fact. Seed for fall planting were being germinated. Turkish Parliamentarians, Government officials, and the Turkish press were taking a very hard line equating Turkish nationalism with the growing of the poppy. We left convinced that the decision to resume cultivation was inevitable unless the U.S. Government took direct and immediate action to assure the Turkish Government that such a decision would be looked upon as an extremely unfriendly act that could result in a worsening of United States-Turkey relations. Upon our return, we expressed our concern to the White House and the State Department, but received no indication of a sense of priority or urgency on the matter. I have since written to the President; conferred with the Vice Chairman of the National Security Council; conferred with our Ambassador to Turkey; and discussed the matter with officials of the State Department and other cognizant Federal agencies. Apparently my warning fell on deaf ears. I am afraid, Mr. Speaker, that the administration's Watergate preoccupation, our celebration for success in the negotiations for a settlement in the Mideast, and grandstand summitry has blinded the administration to this crucial matter.

On May 9, when I introduced the resolution that is now being considered, I believed this to be the proper congressional response to this issue and I maintain that position for the following reasons:

First, it recognizes section 109 of Public Law 92-226, which authorizes the President to suspend economic and military assistance to those countries which have failed to take adequate steps to prevent narcotic drugs from entering the United States unlawfully;

Second, it does not mandate a cut off of funds but urges the President to exercise the authority already provided by law;

Third, it provides him leverage in his negotiations with Turkey and time to develop and recommend alternatives measures as he sees fit; and finally

Fourth, it will send a message to Turkey and to the American people, that the Congress is deeply concerned over this matter and is willing to act to stop the resumption of the flow of Turkish heroin into our community.

Mr. Speaker, some may challenge this resolution on the grounds that urging the President to exercise this authority assumes that Turkey cannot prevent opium from being smuggled out of the country. In response to this, we need only look at the history of the last year of cultivation before the ban. At that time poppies were grown in only four provinces yet it was estimated that over half the opium produced was diverted to the illicit market. The institution of the ban was an admission by Turkey that they were unable to control diversion. Turkey has time and time again stated that the decision to ban the cultivation was based on article 22 of the United Nations Single Convention on Narcotics Drugs of 1961. That article provides that when a country considers the prohibition of the cultivation of the opium poppy the most suitable measure for preventing the diversion of opium into the illicit international narcotics market, it shall do so.

Today, Mr. Speaker, the Turkish Government proposes to increase the cultivation to seven Provinces under the same controls that were exercised before the ban. In addition, the government recently released from jail all charged narcotic traffickers. This can only exacerbate the control problem. The U.S. law enforcement officials have no faith in the ability of the Turkish Government to control illicit diversion, and I question their desire to control it. Just as the cultivation of poppies has been a long tradition in Turkey, so has the illicit opium market, a market which has not only provided under the table cash to the farmers, but has traditionally bribed high government officials. I can only believe that Turkey's promise of strict control is diplomatic subterfuge in an attempt to pacify the U.S. outrage.

I also believe, Mr. Speaker, that the reasons given publicly for lifting the ban, that is internal poverty and shortages of legitimate opium, were subterfuges. It was an attempt to legitimize a decision made solely for political purposes. It was a decision desperately made in an attempt to shore up the crumbling government of the prime minister by appealing to the nationalistic mood of the conservative factions of the government.

Let me briefly review some of the facts concerning the so called plight of the Turkish farmer as a result of the ban. The farmer in Turkey who grew opium poppies is a general farmer, growing wheat, barley, other grains, sugar beet, vegetables, and seed oil crops. Poppy was an extra cash crop which, because of its high risk of failure due to weather conditions, no farmer ever grew exclusively. The average grower earned from $10 to $60 annually on his poppy crop in an economic environment where he earned from $700 to $1,000 total income annually. The cultivation of opium poppy was one-tenth of 1 percent of the overall agricultural production of the regions in which it was grown. Opium poppy and its products amounted to three-fourths of 1 percent of Turkey's total exports. Annually, Turkey cultivates about 30 million acres. Yet, at the height of production, only 112,000 acres of poppy were cultivated; and in 1972, the last year of production, only 18,000 acres of poppy were cultivated by farmers, amounting to less than one-tenth of 1 percent of Turkey's cultivation area.

Because poppy was such a soil-depleting crop, farmers always rotated it with wheat, barley, other grains, and melon. The transition to substitute crops was, therefore, quite easy and normal, and most of the substitutes earn as much for the grower as poppy, provided he did not sell to the illicit market. Given the profits that are available to the farmer if he decides to supply the illicit market, however, there is no crop that can compete with the poppy. Many farmers have indicated that they were glad to have ended poppy production, that the crop was no longer worthwhile because of the choice land, hand labor, fertilizer, and water resources it required. Those who complain the most and advocate a return to production may well have supplied the huge illicit traffic.

There were no real economic or social hardships caused by ending poppy cultivation. Crop substitution is a viable alternative and the $36 million we offered was more than enough to carry the farmers through the transition. If such hardships really exist, then why has not Turkey requested the remaining $20 million of the $35 million U.S. commitment, and why has not most of the $16 million they have received reached the farmer? Turkey would do well to keep this primitive crop in its past and concentrate on developing its splendid agricultural resources to help supply the world with food crops, particularly grain, which is badly needed.

With respect to the question of whether there presently exists a critical shortage of opium for legitimate medical purposes, I have initiated a GAO investigation that will provide some answers. I became deeply concerned when I discovered that the supply and demand situation is determined by our Government based solely upon information provided by the pharmaceutical industry. We have a few major companies in the industry who could conceivably manipulate data in such a way as to force self-serving public policy decisions. John Bartels, the Administrator of the Drug Enforcement Administration, has recently been quoted as saying that he fears that the extent of the claimed opium shortage has been greatly exaggerated by the pharmaceutical companies. While the GAO report has not been completed, preliminary indications suggest that present demand for opium-based medicines is increasing faster than the supply. However, the degree to which there is a pending crisis is questionable. The shortfall of 1973 was directly attributed to a drought in India.

As you know, India produces essentially all of the opium exported to nonproducing countries for legitimate medical purposes. This shortfall of about 200 tons was primarily responsible for the claimed present shortage. In this regard, the International Narcotics Control Board, in its report for 1973, which was issued on February 25, 1974, stated that:

> It appears that whereas the 1973 production schedule will not in itself suffice to meet demand, the 1974 schedule can be expected to lead to a possible equilibrium.

So there are indications, Mr. Speaker, that if the demand continues to grow at the present rate, and if the supply continues to lag, then eventually there will be a shortage. However, the extent of any present shortage is negligible, and surely does not justify resumption of cultivation in Turkey. In fact, the recent third special session of the United Nations Narcotic Commission cautioned against hasty decisions by governments to begin or to reestablish any opium production based on the shortfall of 1973.

Research is being performed toward synthetic substitutes for codeine. A small amount of this research is being performed by NIH, but most is being conducted by private industry. Technology may be able to provide alternatives to the increasing of opium poppy cultivation before we are faced with a long-term shortage. Increasing the world production now by initiating opium cultivation in Turkey for the purpose of averting a shortfall will only lead to a windfall for the illicit market. So it appears, Mr. Speaker, that based on the evidence presently available, opium shortages cannot be accepted as justification for removing the ban.

I cannot complete this testimony without addressing what will surely be a major concern of many of my colleagues; that is, the argument that the national security considerations impel a continuation of our economic and military assistance agreements with Turkey despite the decision to resume poppy cultivation. There are those of us who will contend that we should not do anything to jeopardize our strategic position in Turkey, our military bases locate there. I, for one, believe it is time to reassess the strategic value of these installations, and more importantly to reassess them in the context of the price we may be paying for them not only in foreign aid, but more importantly, in human misery in the streets of our communities.

It should be recognized that under the existing treaty with Turkey we cannot use our bases except when Turkey is at war with the Soviet Union. During the recent Arab-Israel war we were not able to use our bases to refuel our reconnaissance aircraft. Obviously Mr. Speaker, these bases contribute nothing to our strategic nuclear deterrence. Their real value is to deter local aggression against Turkey. We are doing them a favor by being there. The strategic value of Turkey to the United States is a myth. We should not continue to use this as a justification for pouring hundreds of millions of dollars into a country who reciprocates with human suffering and misery upon the American people.

Finally, Mr. Speaker, there has been a close relationship between America and Turkey over the past quarter century. We have a friendship founded in the Truman doctrine and formalized in the North Atlantic Treaty Organization; a friendship nurtured by a steady supply of over $3 billions in military and economic aid. This year we are asked to provide $232 million. This represents one-half of the total amount budgeted for all our drug abuse prevention programs; it equals the amount budgeted for rehabilitation and treatment of the drug addicted and equals our budgeted drug enforcement effort. It is 5 times the amount budgeted for drug abuse research.

During these troubled economic times, when inflation and unemployment has reached critical proportions, affecting the pocketbook of literally every American, we are asked to hand a quarter of a billion dollars of taxpayers dollars to a government that hands in return the shackles of heroin. Shackles that capture the minds and bodies of hundreds of thousands of Americans. Shackles that lead to black, white, and brown slavery in the Harlems of America as well as the affluent suburbs of our cities. We are being asked to subsidize a government which apparently disregards the welfare of the American people, disregards the agreement negotiated in 1971, and disregards the wisdom of the international community. A government that is willing to risk the health and safety of a friendly country solely for internal political expediency.

Mr. Speaker, this Congress must not let this action go unanswered. We cannot continue to financially buttress such a government. We must not let our responsibility for the welfare of our society be overshadowed by the current issues of Presidential survival. We must closely scrutinize the national security argument. Threats to our security may manifest themselves in many forms. Let us not be so concerned over a base in Turkey that we lose a community, a city here at home. In 1973, there were 3,586 drug-related deaths in this country. That was over 10 times the number of hostile deaths in Southeast Asia during the last year of the war. In New York City alone, there were 942 drug-related deaths in 1972, while 300 U.S. soldiers died in hostile action in Vietnam.

Mr. Speaker, this country's war with drugs can be just as deadly as wars fought with bullets. Resuming cultivation of opium in Turkey represents a real threat to the security of this Nation. This Congress must act now to pass this resolution voicing its sense of outrage over this clear violation of humanitarian principles—this unilateral decision to resume the growing of opium poppies that become the heroin which eventually enters the veins of our children.

Mr. STEELE. Mr. Speaker, I rise in support of House Concurrent Resolution 507, of which I am a cosponsor, and which urges the President to immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production. The resolution further states that if such negotiations are not successful, then the President should exercise his authority and terminate all U.S. assistance to that Nation.

In my view the decision by the Turkish Government to allow the resumption of poppy cultivation presents our country with the most serious single problem in narcotics control we have had to confront since 1971. And I believe that the seriousness of this situation necessitates an immediate and strong response by Congress. I personally feel that there is only one practical step remaining to the United States which stands a chance of heading off a new deluge of Turkey-originated heroin in the United States, and that step is to suspend all U.S. assistance to the Turkish Government unless there is a reinstitution of the ban on the growing of opium poppies.

As my colleagues are aware, in April 1971, I was selected by the House Foreign Affairs Committee along with my distinguished colleague from Illinois, Mr. MORGAN MURPHY, to probe firsthand the international trafficking in narcotics. And I am very proud of the role that that mission played in helping to obtain Turkey's agreement to halt the production of opium. This ban has been a key to our success in decreasing the availability of heroin, and in turn, stemming the tide of heroin addiction in the United

States. Prior to the Turkish ban, well over 50 percent, and some estimate up to 80 percent, of all the heroin that reached our shores was produced in Turkey.

As a result of the cessation of poppy cultivation in that country—together with the sharply increased law enforcement efforts both at home and abroad and vastly improved treatment and rehabilitation programs, we have cut the number of heroin addicts in the United States by an estimated 50 percent since 1971, from more than 500,000 to 250,000.

This progress is now severely threatened, for the Turkish Government has not only announced that it will drop the ban and will resume poppy cultivation, but that it intends to allow poppy production in seven Provinces—a dramatic increase from the four Provinces in which cultivation was to be allowed in 1972 before the ban went into effect. Thus, this is not a minor return to opium production on a small scale; this is a return with a vengeance for full-scale production of opium. And its results will be seen, as one drug director told me, not only in the streets of our cities but in our morgues as well.

There are those who believe that the Turkish Government was forced to make this decision because of the severe economic situation in that country. I do not believe that this is the case.

Despite the recent assertions by the Turkish Government, poppy cultivation simply no longer was a significant factor in the Turkish economy at the time that the ban went into effect. According to the official Turkish Government statistics furnished to the study mission the gentleman from Illinois (Mr. MURPHY), and I undertook for the Foreign Affairs Committee in 1971, Turkey's total export earnings in 1969 were approximately 534 million U.S. dollars.

Legal exports of opium products in that year were valued at only $2.6 million. Moreover, while illegal sales do not show up in these figures, it appears clear that even these financial gains for Turkish farmers selling into the illicit market are very small when compared to the nation's total export earnings. It is estimated that illegal sales net approximately three times the legal price in Turkey. That means that illicit opium trading nets less than $8 million annually in U.S. dollars.

In order to offset any economic impact on the Turkish farmer, our Government agreed to provide some $35 million in compensation and to assist in the development of alternative crops and industries. I think it is clear that the economic gain of renewing poppy cultivation, particularly in light of the amount of money this Nation was willing to furnish to the Government of Turkey, was extremely small, if at all existant. There is only one place where it is financially beneficial and that is on the illegal market. And there is only one significant group that will benefit and that is organized crime in Turkey. The resumption of opium production will provide a crooks' bonanza in Turkey. I think it is time we look at this problem in this light and not as a situation where we are depriving Turkey of a major part of her legitimate economy.

In sum, Mr. Speaker, I say this: It seems to me that over the years Turkey has not had a greater friend than the United States. Ever since President Truman sent the *Missouri* to the straits we have asked Turkey's help in essentially three things. One was to support us in Korea which Turkey did with enormous heroism and effectiveness. We have asked that they cooperate with us in a mutual defense effort which they have done to the benefit of the United States and the benefit of Turkey. Finally, we have asked that instead of taking the very, very small economic benefit that opium production might provide them that they recognize our friendship, that they acknowledge that friendship, as well as a moral obligation to the world to keep opium production under control.

It is my firm belief that the Congress must now take an active role in attempting to get the Turkish Government to ban the cultivation of the opium poppy. It is essential that our Government show that it is deadly serious about the necessity to control the international traffic in narcotics. After consultation with a wide variety of experts in this field and after great personal deliberation I conclude that there is only one practical step for the Congress to now take: to urge that the President immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production and if these negotiations fail, then the President should exercise his authority provided by the Foreign Assistance Act to suspend all U.S. economic and military assistance to the Government of Turkey.

Mr. MINISH. Mr. Speaker, I rise in support of House Concurrent Resolution 507 which urges the President to immediately initiate negotiations at the highest level with the Turkish Government to prevent the resumption of opium production.

As I say, I support and shall vote for the resolution. However, I wish to make clear my feeling that this resolution does not go nearly far enough and that the House should be considering much more stringent sanctions against the Turks.

For example, H.R. 15048, which I introduced on July 16, would stop all forms of U.S. aid to Turkey. Passage of the legislation or a unilateral invocation by the President of his power under Public Law 92-226 to cut off such assistance would be a much more fitting response to the irresponsible action by the Turkish Government.

Nevertheless, House Resolution 507 does urge the President to halt aid to Turkey if the negotiations fail and it does provide a vehicle whereby the House may express its displeasure at the Turkish decision which, if allowed to stand, will have untold tragic consequences for many Americans.

Turkish poppies, before production was halted in 1971, constituted the source of a proportion of the heroin which reached the United States. In fact, many experts estimate that 80 percent of the illegal heroin in our country prior to 1971 came from Turkey.

The Turkish decision to again grow poppies is a clear breach of a 1971 agreement between the United States and Turkey which provided for a phaseout of poppy growing in exchange for compensation from the United States. Our Government pledged $35.7 million in compensation to Turkey to stop opium production. An estimated $15 million of that has already been spent.

Mr. Speaker, the Turkish Government's decision is an outrageous act, one that is totally unjustifiable, and one which the United States cannot, and must not, tolerate.

Mrs. GRASSO. Mr. Speaker, Turkey's decision to lift its ban on opium production represents a direct blow to our young people and to the overall fabric of life in our Nation. No strategic considerations with Turkey can be worth the pain and human sufferings, the crime and social disruption that will result fro and social disruption that will result from the increased flow of heroin into American veins.

Mr. Speaker, we must lend our strongest support to House Concurrent Resolution 507 if we value the quality of American life. The resolution expresses the sense of the Congress that the President immediately initiate negotiations at the highest level of the Turkish Government to prevent the resumption of opium production. If these negotiations fail, the resolution continues, then the President should terminate all further military and economic assistance to the Turkish Government under the authority provided by the Foreign Assistance Act.

Since 1971, when the flow of cheap Turkish opiates into our Nation subsided, the number of heroin addicts in the United States had decreased by a remarkable 60 percent. But the enormous progress we have made in the war against drug addiction will erode drastically if we do not take action to negate the Turkish decision, a decision which will surely have an insidious, corruptive influence on large segments of our population, particularly our young people.

The passage of House Concurrent Resolution 507 would transmit an urgent message to the Turkish Government from the American people. It is a message filled with alarm and concern for our young people. We must not hesitate to withhold aid to Turkey if such action is necessary to convince Turkey that it must lift its ban on opium production.

Mr. Speaker, we must make a stand against the dangerous corruption of our young, the inevitable increase in the crime rate, and most important, against the intense tragedy of human suffering brought on by heroin addiction. We must express to Turkey and to the American people our determination to continue the battle against drug abuse by passing this resolution.

Mr. BIAGGI. Mr. Speaker, I rise in support of House Concurrent Resolution 507 expressing the concern of Congress over the recent decision of the Turkish Government to resume the production of the deadly opium poppy. I view this legislation as a vehicle which hopefully will lead to a reversal of this ill conceived and dangerous action by the Government of Turkey.

Turkey's decision represents a major blow to our Nation's efforts at combating the evil scourge of heroin abuse. In

1971, I introduced legislation to cut off all economic and military aid to nations who were not cooperating with the United States in curbing the flow of illegal drugs. As a result of this and other efforts, the U.S. Government was able to secure an agreement with Turkey which placed a ban on their poppy production in return for some $35.7 million in American compensatory aid.

This agreement was hailed by many in this Nation, for with it we had put a stop to the poppy production of a nation which had been supplying over 80 percent of the illegal heroin of this Nation. The results from this ban were astounding. Since 1971, the numbers of heroin addicts has decreased by over 60 percent, and other important strides were being made in the fight against drug abuse.

Yet all of these accomplishments stand to be wiped our as a result of the decision to resume poppy production. What this legislation seeks to do is to call upon the President to initiate high-level negotiations with the Turkish Government designed to either prevent the resumption of opium production or assure that adequate measures are obtained to safeguard against a renewed flow of illicit heroin onto our shores. This resolution further provides that if negotiations fail, the President should exercise his authority under the Foreign Assistance Act to suspend all assistance to the Government of Turkey.

This to me represents but a small step in what should be a nationwide effort led by concerned Americans speaking through their elected officials, to get the Government of Turkey to reverse this decision. If we fail to act, we will once again be faced with the prospect of poisonous needles filled with heroin entering the veins of thousands of young Americans, thus reducing them in the prime of life to worthless members of society, slaves to the drug habit and those who can maintain it.

We need to do more than merely express our concern in this matter. We should also begin to demonstrate to all nations, not only Turkey, that we will not tolerate the flow of illegal drugs into our country. A better approach in the Turkish question might come from our refusing her request for some $230 million in aid during the consideration of the Foreign Assistance Act. Providing aid to Turkey while she is engaged in renewed opium production is akin to supporting the killing of thousands of Americans who will likely die at the hands of heroin. This reckless and hostile act by Turkey cannot and should not be tolerated.

I applaud the initiative taken today by my colleagues, Mr. RODINO, Mr. RANGEL, and Mr. WOLFF. Their work in this area is to be commended, but by no means should it be terminated with the passage of this resolution. This is a serious problem which requires strong action by the U.S. Government. We should not fear to act in the wake of Turkey's decision. If we do not we should and can expect to be held accountable by the American public.

Mr. WOLFF. Mr. Speaker, I want to conclude debate on this bill by thanking the chairman for his comments and support in not only this legislation but all legislation relating to the question of stamping out drug addiction in this country.

Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. WOLFF) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 507), as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF COMMITTEE ON ARRANGEMENTS TO COMMEMORATE 200TH ANNIVERSARY OF MEETING OF FIRST CONTINENTAL CONGRESS

The SPEAKER. Pursuant to the provisions of House Resolution 1255, the Chair appoints as members of the Committee on Arrangements To Commemorate the 200th Anniversary of the Meeting and Accomplishment of the First Continental Congress the following Members of the House: Messrs. MCCORMACK, HANLEY, MCDADE, and KEMP.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Pursuant to the provisions of clause 3 (b) (3), rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rule on which the Chair has postponed further proceedings.

Mr. ROUSSELOT. Mr. Speaker, did I understand the Chair to announce that on Senate Joint Resolution 229 there will be a vote?

The SPEAKER. There will be a vote but there was no quorum. There is no record vote ordered. We have not reached that yet.

ENDORSING LAKE PLACID, N.Y., AS THE SITE OF THE 1980 WINTER OLYMPIC GAMES

The SPEAKER. The unfinished business is the question of suspending the rules and concurring in the Senate concurrent resolution (S. Con. Res. 72) as amended.

The Clerk read the title of the Senate concurrent resolution.

The question is on the motion offered by the gentleman from Minnesota (Mr. FRASER) that the House suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 72) as amended.

The question was taken; and there were—yeas 382, nays 4, not voting 48, as follows:

[Roll No. 439]

YEAS—382

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts

Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—4

Conyers
McKay
Miller
Schroeder

NOT VOTING—48

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Fraser
Goldwater
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Hosmer
Ichord
Lott
McSpadden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Owens
Podell
Railsback
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Stuckey
Symington
Teague
Thompson, N.J.
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution as amended was concurred in.

The Clerk announced the following pairs:

Mr. Murphy of New York with Mr. Dorn.

Mr. Thompson of New Jersey with Mr. Brasco.

Mr. Rooney of New York with Mr. Fraser.

Mr. Teague with Mrs. Hansen of Washington.

Mr. Symington with Mr. McSpadden.

Mr. Podell with Mr. Mills.

Mr. Waldie with Mr. Scherle.

Mr. Nedzi with Mr. Sandman.

Mr. Rangel with Mr. Ichord.

Mr. Holifield with Mr. Clancy.

Mr. Carey of New York with Mr. Goldwater.

Mr. Davis of Georgia with Mr. Hosmer.

Mr. Diggs with Mr. Eckhardt.

Mr. Gunter with Mr. Lott.

Mr. Gray with Mr. Mathias of California.

Mr. Clay with Mr. Reid.

Mr. Breaux with Mr. Railsback.

Mr. Burlison of Missouri with Mr. Treen.

Mrs. Chisholm with Mr. Culver.

Mr. Downing with Mr. Owens.

Mr. Ford with Mr. Stuckey.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. Pursuant to the provisions of clause 3(b)(3) of rule XXVII, the chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all of the additional motions to suspend the rules on which the Chair has postponed further proceedings.

CONTINUATION PAY FOR PHYSICIANS OF THE UNIFORMED SERVICES IN INITIAL RESIDENCY

The **SPEAKER**. The unfinished business is the question of suspending the rules and passing the bill H.R. 15936, as amended.

The Clerk read the title of the bill.

The **SPEAKER**. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill, as amended, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas—375, nays 3, not voting 56, as follows:

[Roll No. 440]

YEAS—375

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hanley
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—3

Carney, Ohio
Conyers
Foley

NOT VOTING—56

Anderson, Ill.
Brademas
Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Froehlich
Gilman
Gray
Gunter
Hammerschmidt
Hanna
Hansen, Idaho
Hansen, Wash.
Holifield
Horton
Hosmer
Ichord
Long, La.
Lott
McSpadden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Owens
Podell
Pritchard
Railsback
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Ruth
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Wiggins
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. McSpadden.

Mr. Rooney of New York with Mr. Dorn.

Mr. Murphy of New York with Mr. Gunter.

Mr. Breaux with Mr. Brasco.

Mr. Carey of New York with Mrs. Hansen of Washington.

Mr. Burlison of Missouri with Mr. Mills.

Mr. Davis of Georgia with Mr. Owens.

Mr. Flowers with Mr. Anderson of Illinois.

Mr. Downing with Mr. Treen.

Mr. Holifield with Mr. Sandman.

Mr. Nedzi with Mr. Hosmer.
Mr. Podell with Mr. Rarick.
Mr. Rangel with Mr. Culver.
Mr. Symington with Mr. Lott.
Mrs. Chisholm with Mr. Gray.
Mr. Diggs with Mr. Reid.
Mr. Clay with Mr. Eckhardt.
Mr. Ichord with Mr. Mathias of California.
Mr. Stuckey with Mr. Scherle.
Mr. Waldie with Mr. Young of Alaska.
Mr. Ford with Mr. Brademas.
Mr. Clancy with Mr. Froehlich.
Mr. Gilman with Mr. Hammerschmidt.
Mr. Hanna with Mr. Horton.
Mr. Long of Louisiana with Mr. Ruth.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AIR FORCE LIEUTENANT COLONELS AND COLONELS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 14402).

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill (H.R. 14402 on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 271, nays 108, not voting 55, as follows:

[Roll No. 441]

YEAS—271

Abdnor
Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Biaggi
Blackburn
Boggs
Boland
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dulski
Duncan
du Pont
Eilberg
Evans, Colo.
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Guyer
Haley
Hamilton
Hanley
Hanrahan
Harsha
Hays
Hébert
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Huber
Hudnut
Hunt
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Murtha
Myers
Natcher
Nichols
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Regula
Rinaldo
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Runnels
Ruth
Sarasin
Satterfield
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Traxler
Udall
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wylie
Yatron
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—108

Abzug
Addabbo
Anderson, Calif.
Ashley
Badillo
Barrett
Bergland
Biester
Bingham
Blatnik
Bolling
Brown, Ohio
Burke, Calif.
Burton, John
Burton, Phillip
Carney, Ohio
Carter
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Daniels, Dominick V.
Davis, Wis.
Dellums
Drinan
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Findley
Fraser
Gibbons
Grasso
Griffiths
Gude
Hanna
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Howard
Hungate
Hutchinson
Kastenmeier
Koch
Luken
McKay
Martin, Nebr.
Mayne
Mazzoli
Michel
Miller
Minish
Moakley
Moorhead, Pa.
Moss
Nix
Obey
Patten
Pike
Quie
Randall
Rees
Reuss
Riegle
Robison, N.Y.
Roe
Rosenthal
Roy
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shuster
Skubitz
Stanton, James V.
Stark
Stokes
Studds
Symms
Thompson, N.J.
Tiernan
Van Deerlin
Vander Veen
Vanik
Whitten
Wyatt
Wydler
Wyman
Yates
Young, Fla.
Zwach

NOT VOTING—55

Brasco
Breaux
Burleson, Tex.
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Dennis
Diggs
Dorn
Downing
Eckhardt
Evins, Tenn.
Fascell
Flowers
Ford
Gray
Gunter
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Holifield
Hosmer
Ichord
Latta
Lent
Lott
McSpadden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Nelsen
Owens
Podell
Railsback
Rangel
Rarick
Reid
Rhodes
Rodino
Rooney, N.Y.
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Wiggins
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Brasco.
Mr. Carey of New York with Mr. Davis of Georgia.
Mr. Rodino with Mr. Dorn.
Mr. Murphy of New York with Mrs. Hansen of Washington.
Mrs. Chisholm with Mr. Gray.
Mr. Burleson of Texas with Mr. McSpadden.
Mr. Rangel with Mr. Culver.
Mr. Nedzi with Mr. Clay.
Mr. Holifield with Mr. Mills.
Mr. Symington with Mr. Nelsen.
Mr. Rooney of New York with Mr. Clancy.
Mr. Reid with Mr. Mathias of California.
Mr. Burlison of Missouri with Mr. Hosmer.
Mr. Diggs with Mr. Eckhardt.
Mr. Evins of Tennessee with Mr. Hammerschmidt.
Mr. Fascell with Mr. Latta.
Mr. Flowers with Mr. Lent.
Mr. Ichord with Mr. Sandman.
Mr. Owens with Mr. Lott.
Mr. Ford with Mr. Scherle.
Mr. Downing with Mr. Railsback.
Mr. Breaux with Mr. Wiggins.
Mr. Gunter with Mr. Treen.
Mr. Waldie with Mr. Stuckey.
Mr. Rarick with Mr. Podell.
Mr. Young of Alaska with Mr. Dennis.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MEDICAL CARE FOR CERTAIN MEMBERS OF ALLIED WARTIME FORCES

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 13377.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 13377. on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 341, nays 40, not voting 53, as follows:

[Roll No. 442]

YEAS—341

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood

Foley
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Hamilton
Hammerschmidt
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Latta
Leggett
Lehman
Lent
Long, La.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madigan
Mahon
Mann
Maraziti
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Taylor, Mo.
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—40

Archer
Ashbrook
Burleson, Tex.
Carter
Collins, Tex.
Davis, Wis.
Devine
Flynt
Forsythe
Ginn
Goodling
Gross
Haley
Hechler, W. Va.
Hutchinson
Johnson, Colo.
Landrum
Litton
McKay
Mallary
Martin, Nebr.
Mathis, Ga.
Michel
Milford
Pickle
Robison, N.Y.
Runnels
Ruppe
Ruth
Sebelius
Shriver
Skubitz
Smith, N.Y.
Steiger, Wis.
Symms
Talcott
Taylor, N.C.
Thomson, Wis.
Wyatt
Young, S.C.

NOT VOTING—53

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Coughlin
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Gray
Gunter
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Long, Md.
Lott
McSpadden
Madden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Owens
Podell
Pritchard
Railsback
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Rousselot
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. McSpadden.

Mr. Rooney of New York with Mr. Dorn.

Mr. Murphy of New York with Mr. Gunter.

Mr. Breaux with Mr. Brasco.

Mr. Carey of New York with Mrs. Hansen of Washington.

Mr. Burlison of Missouri with Mr. Mills.

Mr. Davis of Georgia with Mr. Owens.

Mr. Flowers with Mr. Clancy.

Mr. Downing with Mr. Treen.

Mr. Holifield with Mr. Sandman.

Mr. Nedzi with Mr. Hosmer.

Mr. Podell with Mr. Rarick.

Mr. Rangel with Mr. Culver.

Mr. Symington with Mr. Lott.

Mrs. Chisholm with Mr. Gray.

Mr. Diggs with Mr. Reid.

Mr. Clay with Mr. Eckhardt.

Mr. Ichord with Mr. Mathias of California.

Mr. Stuckey with Mr. Scherle.

Mr. Waldie with Mr. Young of Alaska.

Mr. Ford with Mr. Coughlin.

Mr. Hanley with Mr. Hogan.

Mr. Hanna with Mr. Long of Maryland.

Mr. Madden with Mr. Rousselot.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE VETERANS' HOUSING ACT OF 1974

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 15912), as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill (H.R. 15912), as amended, on which the yeas and nays have been ordered.

The vote was taken by electronic device, and there were—yeas 384, nays 0, not voting 50, as follows:

[Roll No. 443]

YEAS—384

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.

Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—50

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Findley
Flowers
Ford
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hays
Henderson
Hogan
Holifield
Hosmer
Ichord
Lott
McSpadden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Owens
Podell
Pritchard
Rangel
Rarick
Reid
Rhodes
Robison, N.Y.
Rooney, N.Y.
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. McSpadden.
Mr. Rooney of New York with Mr. Dorn.
Mr. Murphy of New York with Mr. Gunter.
Mr. Breaux with Mr. Brasco.
Mr. Carey of New York with Mrs. Hansen of Washington.
Mr. Burlison of Missouri with Mr. Mills.
Mr. Davis of Georgia with Mr. Owens.
Mr. Flowers with Mr. Findley.
Mr. Downing with Mr. Treen.
Mr. Holifield with Mr. Sandman.
Mr. Nedzi with Mr. Hosmer.
Mr. Podell with Mr. Rarick.
Mr. Rangel with Mr. Culver.
Mr. Symington with Mr. Lott.
Mrs. Chisholm with Mr. Gray.
Mr. Diggs with Mr. Reid.
Mr. Clay with Mr. Eckhardt.
Mr. Ichord with Mr. Mathias of California.
Mr. Stuckey with Mr. Scherle.
Mr. Waldie with Mr. Young of Alaska.
Mr. Ford with Mr. Hogan.
Mr. Hays with Mr. Henderson.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF CERTAIN AGRICULTURAL PROGRAMS TO GUAM

The SPEAKER. The unfinished business is the vote on the motion of the gentleman from Hawaii (Mr. MATSUNAGA) to suspend the rules and pass the bill H.R. 13267, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Hawaii (Mr. MATSUNAGA) that the House suspend the rules and pass the bill, as amended, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 360, nays 27, not voting—47 as follows:

[Roll No. 444]

YEAS—360

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashley
Aspin
Badillo
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carter
Casey, Texas
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del.
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniel, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—27

Andrews, N.C.
Archer
Ashbrook
Bafalis
Baker
Beard
Carney, Ohio
Collins, Tex.
Conable
Conlan
Crane
Gaydos
Gross
Hanrahan
Hungate
Kemp
King
Landgrebe
Miller
O'Brien
Randall
Rousselot
Schneebeli
Shuster
Snyder
Symms
Young, Fla.

NOT VOTING—47

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Long, Md.
Lott
McSpadden
Mathias, Calif.
Mills
Murphy, N.Y.
Nedzi
Owens
Podell
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Smith, N.Y.
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Culver.
Mr. Murphy of New York with Mr. Dorn.
Mr. Burlison of Missouri with Mr. Eckhardt.
Mr. Podell with Mrs. Hansen of Washington.
Mr. Flowers with Mr. Mills.
Mr. Nedzi with Mr. Long of Maryland.
Mr. Rangel with Mr. Holifield.
Mrs. Chisholm with Mr. Waldie.
Mr. Davis of Georgia with Mr. Hogan.
Mr. Diggs with Mr. Owens.
Mr. Stuckey with Mr. Hosmer.
Mr. Symington with Mr. Lott.
Mr. Clay with Mr. Brasco.
Mr. Breaux with Mr. Mathias of California.
Mr. Gunter with Mr. Scherle.
Mr. Downing with Mr. Sandman.
Mr. Ford with Mr. Treen.
Mr. Gray with Mr. Young of Alaska.
Mr. Rooney of New York with Mr. Smith of New York.
Mr. Reid with Mr. Rarick.
Mr. Carey of New York with Mr. Ichord.
Mr. Nedzi with Mr. McSpadden.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SOLID WASTE DISPOSAL ACT EXTENSION

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 16045) as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill (H.R. 16045) as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 16077.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 16077, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 371, nays 9, not voting 54, as follows:

[Roll No. 445]

YEAS—371

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Ashbrook
Camp
Casey, Tex.
Collins, Tex.
Crane
Gross
Landgrebe
Rousselot
Symms

NOT VOTING—54

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Dennis
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Frelinghuysen
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Lott
McSpadden
Maraziti
Mathias, Calif.
Mills
Mosher
Murphy, N.Y.
Nedzi
Owens
Podell
Price, Tex.
Pritchard
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Smith, N.Y.
Spence
Stuckey
Symington
Teague
Treen
Ullman
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Rarick.
Mr. Rooney of New York with Mr. Culver.
Mr. Carey of New York with Mr. Dorn.
Mr. Burlison of Missouri with Mr. Symington.
Mr. Murphy of New York with Mr. Spence.
Mr. Nedzi with Mr. Smith of New York.
Mr. Flowers with Mr. Scherle.
Mr. Podell with Mr. Sandman.
Mr. Reid with Mr. Mosher.
Mr. Rangel with Mrs. Hansen of Washington.
Mr. Davis of Georgia with Mr. Mathias of California.
Mr. Diggs with Mr. Eckhardt.
Mr. Ichord with Mr. Frelinghuysen.
Mr. Owens with Mr. Hogan.
Mr. Ullman with Mr. Dennis.
Mr. Clay with Mr. Brasco.
Mr. Holifield with Mr. Lott.
Mr. Gunter with Mr. Clancy.
Mr. Gray with Mr. Hosmer.
Mr. Ford with Mr. Maraziti.
Mrs. Chisholm with Mr. Waldie.
Mr. Breaux with Mr. Price of Texas.
Mr. Downing with Mr. Mills.
Mr. McSpadden with Mr. Stuckey.
Mr. Young of Alaska with Mr. Treen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the Senate bill (S. 3782) to amend the Public Health Service Act to extend for 1 year the authorization of appropriations for Federal capital contributions into the student loan funds of health professions education schools, a similar bill to the bill just passed by the House, and ask for its immediate consideration.

Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 3782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Health Professions Educational Assistance Act".

AMENDMENTS TO PUBLIC HEALTH SERVICE ACT

SEC. 2. (a) Section 742(a)(3) of the Public Health Service Act is amended by deleting the period after "1974" the first time it appears and inserting in lieu thereof a comma and "and a like amount for the fiscal year ending June 30, 1975.".

(b) Section 824 of the Public Health Service Act is amended by inserting after "June 30, 1974," the following: "and a like amount for the fiscal year ending June 30, 1975,".

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of S. 3782 and insert in lieu thereof the provisions of H.R. 16077, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "To amend the Public Health Service Act to extend through fiscal year 1975 the scholarship program for the National Health Service Corps and the loan program for health professions students."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 16077) was laid on the table.

PASSPORT APPLICATION FEES

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 15172.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN) that the House suspend the rules and pass the bill

H.R. 15172, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 381, nays 7, not voting 46, as follows:

[Roll No. 446]

YEAS—381

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burton, Phillip
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—7

Burton, John
Carney, Ohio
Gross
Landgrebe
Moakley
Schroeder
Symms

NOT VOTING—46

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Lott
McSpadden
Mathias, Calif.
Mills
Mosher
Murphy, N.Y.
Nedzi
Owens
Podell
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Teague with Mr. Culver.

Mr. Murphy of New York with Mr. Dorn.

Mr. Burlison of Missouri with Mr. Eckhardt.

Mr. Podell with Mrs. Hansen of Washington.

Mr. Flowers with Mr. Mills.

Mr. Nedzi with Mr. Long of Maryland.

Mr. Rangel with Mr. Holifield.

Mrs. Chisholm with Mr. Waldie.

Mr. Davis of Georgia with Mr. Hogan.

Mr. Diggs with Mr. Owens.

Mr. Stuckey with Mr. Hosmer.

Mr. Symington with Mr. Lott.

Mr. Clay with Mr. Brasco.

Mr. Breaux with Mr. Mathias of California.

Mr. Gunter with Mr. Scherle.

Mr. Downing with Mr. Sandman.

Mr. Ford with Mr. Treen.

Mr. Gray with Mr. Young of Alaska.

Mr. Rooney of New York with Mr. Smith of New York.

Mr. Reid with Mr. Rarick.

Mr. Carey of New York with Mr. Ichord.

Mr. Nedzi with Mr. McSpadden.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING THE EXPORT-IMPORT BANK ACT OF 1945

The SPEAKER. The unfinished business is the question of suspending the rules and passing the Senate joint resolution (S.J. Res. 229), as amended.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. ASHLEY) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 229), as amended.

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 271, nays 113, not voting 50, as follows:

[Roll No. 447]

YEAS—271

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Armstrong
Ashley
Badillo
Barrett
Bell
Bergland
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Derwinski
Devine
Dingell
Donohue
Drinan
Dulski
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Hamilton
Hanley
Hanna
Harrington
Hastings
Hawkins
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Horton
Howard
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
King
Kluczynski
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Rees
Reuss
Riegle
Roberts
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Roy
Roybal

Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Sebelius
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, James V.
Stark
Steed
Steele
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Talcott
Taylor, N.C.
Thomson, Wis.
Thone
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Waggonner
Walsh
Ware
Whalen
White
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zwach

NAYS—113

Alexander
Archer
Ashbrook
Aspin
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Bray
Burgener
Burke, Fla.
Byron
Camp
Carney, Ohio
Carter
Chappell
Clawson, Del
Cleveland
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Denholm
Dennis
Dent
Dickinson
Duncan
Fish
Flynt
Fountain
Froehlich
Gaydos
Gilman
Ginn
Goldwater
Gross
Haley
Hammerschmidt
Hanrahan
Harsha
Hays
Hébert
Hechler, W. Va.
Holt
Holtzman
Huber
Hudnut
Hungate
Hunt
Hutchinson
Jarman
Jones, Okla.
Kemp
Ketchum
Lagomarsino
Landgrebe
Landrum
Latta
Long, Md.
Luken
Maraziti
Mathis, Ga.
Miller
Minish
Mizell
Montgomery
Moss
Murtha
Myers
Natcher
Nichols
Perkins
Powell, Ohio
Price, Tex.
Quillen
Randall
Regula
Rinaldo
Robinson, Va.
Rogers
Rosenthal
Rousselot
Runnels
Ruth
Satterfield
Schroeder
Seiberling
Shipley
Shuster
Snyder
Stanton, J. William
Steelman
Steiger, Ariz.
Stubblefield
Symms
Taylor, Mo.
Thornton
Towell, Nev.
Vanik
Wampler
Whitehurst
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Yates
Yatron
Young, Fla.
Zion

NOT VOTING—50

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Kuykendall
Lott
McKay
McSpadden
Mathias, Calif.
Mills
Mosher
Murphy, N.Y.
Nedzi
Owens
Podell
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Shoup
Stuckey
Symington
Teague
Thompson, N.J.
Treen
Veysey
Waldie
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended, and the Senate joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Thompson of New Jersey and Mr. Mosher for, with Mr. Burlison of Missouri against.

Mr. Breaux and Mrs. Chisholm for, with Mr. Ichord against.

Mr. Diggs and Mr. Sandman for, with Mr. Rarick against.

Mr. Murphy of New York and Mr. Rhodes for, with Mr. Stuckey against.

Mr. Podell and Mr. Nedzi for, with Mr. Teague against.

Mr. Carey of New York and Mr. Treen for, with Mr. Kuykendall against.

Mr. Rangel and Mr. Symington for, with Mr. Scherle against.

Mr. Reid and Mr. Ford for, with Mr. Young of Alaska against.

Mr. Owens and Mr. Hosmer for, with Mr. Clancy against.

Until further notice:

Mr. Clay with Mr. Gray.

Mr. Dorn with Holifield.

Mr. Gunter with Mr. Waldie.

Mr. Culver with Mr. McKay.

Mr. Flowers with Mr. Brasco.

Mr. Rooney of New York with Mr. Mathias of California.

Mr. Davis of Georgia with Mr. Downing.

Mr. Eckhardt with Mr. Hogan.

Mr. Lott with Mr. Mills.

Mr. McSpadden with Mr. Shoup.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK OF THE HOUSE TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 69

The SPEAKER. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution (H. Con. Res. 583).

The Clerk read the title of the concurrent resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 583).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

RATIFICATION OF THE GENEVA PROTOCOL OF 1925

The SPEAKER. The unfinished business is the question of suspending the rules and agreeing to the resolution (H. Res. 1258).

The Clerk read the title of the resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Wisconsin (Mr. ZABLOCKI) that the House suspend the rules and agree to House Resolution 1258.

Mr. FRELINGHUYSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 315, nays 70, not voting 49, as follows:

[Roll No. 448]

YEAS—315

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Dickinson
Dingell
Donohue
Drinan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Foley
Forsythe
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Hamilton
Hanley
Hanna
Hanrahan
Harrington
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Holt
Holtzman
Horton
Howard
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Preyer
Price, Ill.
Price, Tex.
Quie
Railsback
Randall
Rees
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stubblefield
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—70

Archer
Arends
Ashbrook
Bauman
Beard
Bevill
Blackburn
Breckinridge
Brown, Ohio
Burleson, Tex.
Carter
Chappell
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.

Davis, Wis.
Dennis
Derwinski
Devine
Dulski
Duncan
Flynt
Fountain
Frelinghuysen
Goldwater
Goodling
Gross
Haley
Hammerschmidt
Harsha
Hillis
Huber
Hudnut
Jones, N.C.
Ketchum
King
Lagomarsino
Landgrebe
McEwen
Madigan
Mathis, Ga.
Michel
Montgomery
O'Brien
Passman
Poage
Powell, Ohio
Quillen
Roberts
Robinson, Va.
Rousselot
Ruth
Satterfield
Shuster
Sikes
Snyder
Spence
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Taylor, Mo.
Waggonner
Whitten
Wilson, Bob

NOT VOTING—49

Brasco
Breaux
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clay
Culver
Davis, Ga.
Diggs
Dorn
Downing
Eckhardt
Flowers
Ford
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hogan
Holifield
Hosmer
Ichord
Johnson, Pa.
Lott
McSpadden
Mathias, Calif.
Mills
Mosher
Murphy, N.Y.
Nedzi
Owens
Podell
Pritchard
Rangel
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Scherle
Stuckey
Symington
Teague
Treen
Veysey
Waldie
Wiggins
Young, Alaska

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Teague with Mr. Brasco.
Mr. Rooney of New York with Mr. Clay.
Mr. Burlison of Missouri with Mr. Dorn.
Mr. Owens with Mrs. Hansen of Washington.
Mr. Rangel with Mr. Eckhardt.
Mr. Davis of Georgia with Mr. Mills.
Mr. Holifield with Mr. Stuckey.
Mr. Carey of New York with Mr. Wiggins.
Mr. Diggs with Mr. Waldie.
Mr. Downing with Mr. Sandman.
Mr. Murphy of New York with Mr. Clancy.
Mr. Flowers with Mr. Mathias of California.
Mr. Podell with Mr. Johnson of Pennsylvania.
Mr. Gunter with Mr. Hogan.
Mr. Ford with Mr. Mosher.
Mrs. Chisholm with Mr. Culver.
Mr. Gray with Mr. Lott.
Mr. Ichord with Mr. Hosmer.
Mr. McSpadden with Mr. Scherle.
Mr. Nedzi with Mr. Treen.
Mr. Reid with Mr. Young of Alaska.
Mr. Rarick with Mr. Pritchard.
Mr. Symington with Mr. Breaux.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESOLUTION OF CENSURE OF THE PRESIDENT

(Mr. FINDLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, last Friday I introduced a resolution of censure of the President. Since then I have made no effort to get cosponsors or support, but I am glad to report that our distinguished colleague, the gentleman from Florida (Mr. SIKES), is today introducing the identical resolution of censure.

This resolution was conceived as a bipartisan effort, one that will make it possible for Members to have a choice between censure and impeachment when the time comes to vote. The choice must be established before debate of impeachment begins.

It is my position that the Committee on Rules ought to make a resolution of censure in order in the rule that brings articles of impeachment to the floor.

There are two precedents for Presidential censure, and I include with my remarks a summary of each, together with the text of the resolution.

My purpose today is to appeal to the leadership of the House and especially to Speaker ALBERT, as Speaker of all the Members of this Chamber, to use the influence of his office with the Committee on Rules to make this resolution of censure in order.

The material I referred to is as follows:

BUCHANAN CENSURE

In 1859, President Buchanan and his Secretary of the Navy were accused of misusing public funds by awarding government jobs and contracts to favored contractors who were not the lowest bidders as the law required, but who had contributed money to the election of President Buchanan in 1856. Extensive hearings were held by the House over a period of months.

In one case, three friends of President Buchanan applied for the position of government coal agent. Since only one could be appointed, he agreed to split the $15,000 salary with the other two, all with Buchanan's approval. He then gave an open contract for coal to a relative of the Secretary of the Navy at a price considerably higher than the market price.

In another instance, a friend of the President promised to help a businessman obtain a $239,000 government contract to supply live oak logs in exchange for a 10 per cent kickback and a $16,000 contribution to Buchanan's campaign.

In a third instance, the Secretary of the Navy awarded a government contract for the construction of a marine engine to a firm which had supported Buchanan's presidential bid at a price substantially higher than the lowest bid. President Buchanan personally interceded on behalf of the firm awarded the contract.

Many of these acts are similar to those violations of "his constitutional oath faithfully to execute the office of the President, . . . to take care that the laws be faithfully executed," and in contravention of "the laws governing agencies of the executive branch," which have been made against President Nixon in the Articles of Impeachment.

However, for his violations of the law, President Buchanan was censured by the House. On June 13, 1860, the House passed the following resolution of censure by a vote of 106 to 61:

"*Resolved*, That the President and the Secretary of the Navy, by receiving and considering the party relations of bidders for contracts and the effect of awarding contracts upon pending elecitons, have set an example dangerous to the public and deserving the reproof of this House."

JACKSON CENSURE

In the fall of 1833, President Jackson fired Secretary of the Treasury Duane who refused his request that he remove all government funds from the Bank of the United States. In his place he appointed Roger B. Taney, who, unconfirmed by the Senate, carried out the President's order.

On December 11, 1833, the Senate by resolution requested the President to communicate to the Senate a copy of the paper "which purports to have been read by him to the heads of the Executive Departments" listing his reasons for removing the deposits from the U.S. Bank. The next day, on December 12, President Jackson asserted his executive privilege and refused to surrender the document, stating:

"The Executive is a co-ordinate and independent branch of the government equally with the Senate, and I have yet to learn under what constitutional authority that branch of the Legislature has the right to require of me an account of any communication, either verbally or in writing, made to the heads of departments acting as a Cabinet council."

Whereupon, on December 26, Senator Henry Clay introduced a resolution censuring the President for his conduct, stating:

"*Resolved*, That the President, in the late executive proceedings in relation to the public revenue, has assumed upon himself authority and power not conferred by the constitution and laws, but in derogation of both."

This resolution was passed by the Senate on a vote of 26 to 20.

Thus, President Jackson, who had acted in an unconstitutional manner and in violation of the laws, as the Senate thought, and in addition had refused to supply the Senate with records of Presidential conversations, was censured for his conduct by the Senate.

H. RES 1288

Whereas the people have the right to expect from the President of the United States high moral standards and personal example, as well as great diligence in the exercise of official responsibilities and obligations;

And whereas, Richard M. Nixon, in his conduct of the office of President—despite great achievements in foreign policy which are highly beneficial to every citizen and indeed to all people in the world—(1) has shown insensitivity to the moral demands, lofty purpose and ideals of the high office he holds in trust, and (2) has, through negligence and maladministration, failed to prevent his close subordinates and agents from committing acts of grave misconduct obstruction and impairment of justice, abuse and undue concentration of power, and contravention of the laws governing agencies of the Executive Branch;

Now, therefore, be it resolved by the House of Representatives that Richard M. Nixon should be and he is hereby censured for said moral insensitivity, negligence and maladministration.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I am glad to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding to me, and I support what the gentleman from Illinois is doing. It seems to me Members should have an option to vote for or against some type of censorship. I felt the Judiciary Committee should have considered a censure resolution first before impeachment.

I have a letter requesting the Rules Committee permit the offering and consideration of a motion to recommit with instructions to censure.

I hope my colleagues on this side of the aisle consider signing this letter of request.

Mr. FINDLEY. Mr. Speaker, I thank the gentleman.

RESOLUTION EXPRESSING THE SENSE OF CONGRESS REGARDING WITHDRAWING FOREIGN TROOPS FROM CYPRUS

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I take this time to announce that on Friday last, I introduced on behalf of myself and the gentleman from Maine (Mr. Kyros), the gentleman from Pennsylvania (Mr. Yatron), the gentleman from Maryland (Mr. Sarbanes), and the gentleman from Florida (Mr. Bafalis), and for 78 other Members of the House of Representatives House Concurrent Resolutions No. 577, 578, 579, and 580, which resolutions express the sense of Congress regarding the withdrawal of foreign troops from the Republic of Cyprus.

On behalf of Messrs. Kyros, Yatron, Sarbanes, Befalis, and myself, I wish to invite other Members of the House of Representatives who may wish to join in cosponsoring this resolution to advise the offices of any of the five original cosponsors of their desire to do so before 12 p.m., Thursday, August 8, when another identical resolution will be introduced.

Mr. Speaker, the text of House Concurrent Resolutions 577, 578, 579, and 580 follows:

H. Con. Res. 577

Whereas a settlement of the present conflict in the Republic of Cyprus is vital to the peace and security of the Eastern Mediterranean and is in the best interests of world peace and stability; and

Whereas a settlement depends upon the right of the Cypriot people to determine their own destiny and the efforts of the United Nations to act as a negotiating body; and

Whereas Resolution 2077 (xx) adopted by the General Assembly on December 18, 1965, "calls upon all states . . . to respect the sovereignty, unity, independence and territorial integrity of the Republic of Cyprus and to refrain from any intervention directed against it"; and

Whereas the continued presence of foreign troops in Cyprus undermines the ability of the Cypriot people to resolve their own crisis and the efforts of the United Nations to restore peace; and

Whereas Resolution 353 adopted by the Security Council on July 20, 1974, "demands an immediate end to foreign military intervention in the Republic of Cyprus" and "requests the withdrawal without delay from the Republic of Cyprus of foreign military personnel present otherwise than under the authority of international agreements. . . ."; and

Whereas the declaration of Cyprus signed by the foreign ministers of Britain, Turkey and Greece in Geneva on July 30, 1974, calls for a "timely and phased reduction of the number of armed forces" from Cypriot soil; and

Whereas the continued presence of foreign troops in Cyprus violates international agreements and U.N. resolutions, threatens the independence and territorial integrity of the island, jeopardizes peace and stability in the Eastern Mediterranean, and imperils the very existence of NATO: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That all foreign troops currently involved in Cyprus be withdrawn immediately so that the United Nations may be permitted to restore peace to the island and the Cypriot people guaranteed the right to determine their own destiny.

Lester Wolff, Frank Annunzio, Lionel Van Deerlin, John J. McFall, James A. Burke, Joe D. Waggonner, Jr., Edward I. Koch, John Breaux, Trent Lott, Bo Ginn, Frank M. Clark, Lindy Boggs, Don Edwards, Harold T. Johnson, Neal Smith, Thomas S. Foley, Barbara Jordan, Chas. H. Wilson, Melvin Price, Thaddeus J. Dulski, Robert O. Tiernan, Charles Wilson.

COMMITTEE ON BANKING AND CURRENCY ABORTED WATERGATE INVESTIGATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Frenzel) is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, the Judiciary Committee articles of impeachment included reference to the House Banking and Currency Committee's aborted Watergate investigation of the fall of 1972. Reference to that investigation is contained in Judiciary Committee book VIII, particularly in the transcript of September 15, 1972.

In October of 1972 the House Banking and Currency Committee voted not to give its chairman blanket subpena power to call before the committee any persons associated with the Watergate matter. The bipartisan vote in the committee basically reflected the Membership's reluctance to let our Banking and Currency Committee investigate a problem which obviously extended beyond our jurisdictional powers.

There were other reasons for voting against the chairman.

First, the committee's jurisdiction is broad, but the only Watergate items included are those of the foreign bank transfers—Mexican money—and the unproved allegation that bank charters had something to do with contributions to the Committee to Re-Elect the President. Most of the Members who voted against the issuance of subpena powers indicated that they wanted to investigate the matters under the committee's jurisdiction and indeed urged the chairman to do so.

A substitute motion favored by most of the committee was ruled out of order by the chairman. It would have provided for a full investigation of matters within our jurisdiction.

I supported that motion and repeatedly asked for an investigation. One of my pleas was made in committee and shown on national television. Unfortunately, the chairman did not seem very interested in actually working on the banking matters. In the past 2 years I have written and spoken to him several times urging his attention to this matter without success. The material which follows documents some of my efforts.

The charter allegation, again made by Chairman Patman, referred to the Ridgedale National Bank in the city of Minnetonka. The Comptroller of the Currency testified in writing to the chairman that there was nothing unusual about the granting of that charter and offered to come before the committee and answer any questions. The chairman did not ask him to appear. In the absence of other proof or other investigation, the Comptroller's statement must stand.

Second, the criminal process was already in operation with respect to Watergate burglars. Members of the committee felt that the civil rights of the defendants, and the rights of the prosecution, might have been jeopardized by a congressional investigation at that time. This was the principal point made by Senator Kennedy when he declined to investigate these matters at exactly the same time Chairman Patman wanted to begin his investigation. Senator Kennedy's subcommittee had broader jurisdiction and would have been a more appropriate investigation vehicle.

As a matter of fact, the trial that ensued, with which we did not want to interfere was the very trial through which Judge Sirica was able to get the defendants to make the statements that eventually led to the breaking of the Watergate case. It is impossible to tell what would have happened had Chairman Patman's Banking Committee gone through its investigation, but there is widespread speculation that the committee could well have messed up the trial.

Third, the House adjourned several days after the Banking and Currency Committee voted not to issue blanket subpena power. Quite obviously, if there were an investigation, it would have been conducted by staff members rather than Members of Congress.

For the reasons stated, I supported the majority of the committee which voted against giving blanket subpena powers to its chairman. I do not believe that any of the Watergate matters would have been completed any sooner had the committee gone ahead.

During the time this matter was under consideration, I did not hear from the White House or any of its employees. I did receive one telephone call from Clark MacGregor, the chairman of the Committee to Re-Elect the President, who called as a matter of courtesy—he was my predecessor—to notify me that he would not be appearing at the invitation of Chairman Patman at one of our meetings.

As one who has supported the Watergate investigation, voted for funding of that investigation, for committee powers, for printing requests, and as one who supported a reasonable investigation, I do not believe that a quick and sweeping investigation by the committee would have been helpful.

I am including in the Record the following material relative to this matter:

Frenzel statement from the Congressional Record of October 3, 1972, page 33529 asking the Banking and Currency Committee to carry out oversight on transfers of election funds through foreign banks.

Frenzel statement and letter urging investigation of foreign bank transfers and bank charters—CONGRESSIONAL RECORD of October 6, 1972, pages 34175 and 34176.

Frenzel statement on committee rejection of blanket subpena; Chairman PATMAN's unwillingness to conduct investigations as requested by subcommittee chairman; statement in committee on October 12, CONGRESSIONAL RECORD of October 13, 1972, 36127 to 36128.

Frenzel letter of May 10, 1973, asking investigation of foreign bank transactions.

Gonzalez response of May 14, 1973, to Mr. FRENZEL.

Frenzel response of May 16, 1973, to Mr. GONZALEZ.

Patman response of May 29, 1973, to Mr. GONZALEZ.

Gonzalez response of June 1, 1973, to Mr. FRENZEL.

Frenzel response of June 5, 1973, to Mr. PATMAN.

Patman response of June 28, 1973, to Mr. FRENZEL.

Patman letter of December 15. 1972, to Mr. Kleindienst.

Petersen response of January 11, 1973, to Mr. PATMAN.

Frenzel letter of October 19, 1973, asking inquiry on bank charters.

Patman memo of October 16, 1973.

Frenzel letter of December 20, 1973, to Mr. HUTCHINSON.

Frenzel letter of December 20, 1973, to Mr. FRASER.

All of these statements and correspondence provide a pretty clear picture of the committee chairman's unwillingness to study those matters under the committee's jurisdiction. As a matter of fact, the question of contributions made to political campaigns through instruments drawn on foreign banks is still a matter of importance which has not been resolved. It is my hope that students of this matter will find the following information helpful.

The materials mentioned above follow:

[From the CONGRESSIONAL RECORD, Oct. 3, 1972]

REPORT ON BANKING AND CURRENCY COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 10 minutes.

Mr. FRENZEL. Mr. Speaker, today the press and public witnessed a performance by the Banking and Currency Committee that was unusual even in a committee famed for unusual procedures. Rules of the House and rules of the committee were not only ignored or broken, they were stomped on.

This committee has, during he past congressional session, been chaired under personal, frequently good-humored, rules of whimsey and caprice, but in today's meeting the personal rules could only be described as autocratic.

Committee members were not recognized; motions were not recognized; points of order were ignored; parliamentary inquiries were unanswered; and preferential motions were not put to vote.

Since an extension of the chairman's one-ring circus was not granted by the committee, many committee members will be content simply to wait for next year and a new deal. However, Mr. Speaker, I cannot do that.

One of the items under consideration related to a bank charter issued within my district. The chairman's original staff study—released to columnist Jack Anderson more than 12 hours before it was released to me and other committee members—had raised questions of irregularity about the issuance of that charter.

I have mentioned my interest in the matter to the chairman twice. On one occasion during the consideration of the housing bill I asked for recognition on a point of personal privilege, and explained my interest to the chairman and the committee. Nevertheless, I was not recognized by the chairman today.

In addition, I had questioned the staff about its report incidentally, I was amazed to find that the staff, which accused others of being evasive in answering questions, was itself remarkably uncommunicative.

Mr. Speaker, since the issuance of that charter has been called into question, there certainly ought to be an investigation by our committee. If there are irregularities, changes in the law, or perhaps indictments, should follow. If the issuance of the charter was within the rules, each one of the people who have been tried in the press because of the staff report should be cleared.

Mr. Speaker, it is also reasonable for our committee to assume oversight obligations concerning the Bank Secrecy Act and transfers of foreign funds, or other funds through foreign banks, into the election processes of this country. Apparently the chairman did not want to conduct this kind of investigation. He apparently wanted to witch hunt against a single candidate. Therefore, a resolution was proposed to subpena everybody in sight, including all of the telephone companies in the country and a half-dozen buildings.

Mr. Speaker, it seems to me that it is a matter of concern to the whole House when any Members are ignored when they wish to speak in committee on matters that pertain to their own districts. This kind of absolute authoritarianism exercised by the chairman is exactly the reason that the seniority system has come into such disrepute in the minds of the public.

Mr. Speaker, I do not expect to get the time or consideration that is provided to senior, experienced, and wiser Members of this body. However, I believe I should be allowed, as a matter of common courtesy, to make comments on events and conditions that are being referred to within my own district.

Mr. Speaker, these are strong words, but my feelings are strong. The conduct of the committee today is sowing seeds that will be reaped by future Congresses. If we do not change, we will be changed. The primary change required here is a rule to allow a majority of the committee to control the committee's actions, rather than continuing the current practice—autocratic and arbitrary one-man rule.

[From the CONGRESSIONAL RECORD, Oct. 6, 1972]

CONGRESS SHOULD INVESTIGATE

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 10 minutes.

Mr. FRENZEL. Mr. Speaker, on the day before yesterday the House Banking and Currency Committee defeated an investigation resolution containing subpena powers considered by most members of the committee as being far too broad in extent, too political in nature, and too prejudicial to the personal rights of accused persons.

In the CONGRESSIONAL RECORD of October 3 the distinguished gentleman from Texas (Mr. GONZALEZ) indicated that he would like to begin an investigation with his subcommittee just as soon as possible. As a member of that subcommittee, I would second the gentleman from Texas' request and have written to him with a copy of my letter to the chairman, suggesting that at least two subcommittees be activated to continue the investigations which the chairman thought were so important the day before yesterday.

Today the chairman has written to Judge Sirica in an apparent effort to legitimize his enthusiasm for unrestricted investigation. Meanwhile time which could be used for investigation of the alleged irregularities is wasting. We do not need subpena powers or statements from judges to investigate bank charters. We should be investigating now.

Without the ability to concentrate the investigation on a single candidate, the chairman seems unwilling to exercise the oversight obligations of the committee with respect to questions raised in his staff report. The attitude now seems to be if it cannot be done in an unfair and unreasonable way, it would not be done at all.

My letter to Mr. GONZALEZ and the chairman's letter to Judge Sirica follow:

OCTOBER 4, 1972.

Hon. HENRY GONZALEZ,
Chairman, Subcommittee on International Finance.

DEAR HENRY: I noticed your remarks in the Congressional Record of October 3 relative to the vote in the Banking and Currency Committee regarding investigation of possible violations of various banking laws and irregularities in the granting of bank charters.

While I do not subscribe to all of your statements, I do very strongly endorse your desire to have our Subcommittee proceed with an investigation which would include all possible violations rather than center on one particular campaign. I will be pleased to work with you in any way on whatever investigation you are able to initiate, and I feel that we could have a couple of meetings to provide at least a basis for further work without a need to issue subpoenas, etc. I call your attention to my remarks on page 33529 in the Record of October 3, and feel strongly that we should proceed with the investigation just as soon as possible.

By copy of this letter I am requesting the Chairman to activate not only your Committee to look into the possible use of foreign banks and contributions but also that he activate the appropriate subcommittee to look into the questions which he and his staff have raised about possible irregularities in the granting of a charter to the Ridgedale National Bank in the City of Minnetonka, Minnesota, in my district.

My statement in the Record was subjected to much editing from its original version. I haven't been quite so upset about a procedure in a long time. This Committee and its Chairman can very well conduct an investigation on the issuance of that bank charter without subpoena power. I expect to continue to bring this matter to the attention of the public at every possible opportunity.

Thanks for your interest in these important matters.

Best regards,

BILL FRENZEL,
Member of Congress.

WASHINGTON, D.C.,
October 5, 1972.

Hon. JOHN J. SIRICA,
Chief Judge, U.S. District Court,
Washington, D.C.

DEAR JUDGE SIRICA: As a Member of Congress and as Chairman of a standing Committee of the House of Representatives, I am deeply concerned about press reports which indicate that you have issued an order prohibiting anyone connected in any way with the Watergate case from making statements to anyone outside of your court. I am further disturbed by a quotation which is attributed to you in this morning's *Washington Post:*

"I tried to make it (the order) as broad as I could."

It is my understanding that the seven defendants before you are charged with conspiracy; interception of oral and written communications; second degree burglary; and unlawful possession of intercepting devices.

As I am sure you are aware, there are many aspects of the incidents which relate to what has become popularly known as the "Watergate Caper" which do not involve the relatively narrow set of charges brought against these seven defendants. A great number of these aspects touch on matters which are * * * Banking and Currency Committee of the House of Representatives.

I trust that it was not the intent of your order to in any way, hinder the Congress, its duly designated Committees, or any of its Members from pursuing proper legislative functions. If your order is broadly interpreted, it appears likely that persons who have information essential to these legislative functions will be inhibited from discussing issues wth Members of Congress, their staffs, and investigating arms of the Legislative Branch.

While there is no desire to interfere with your Court or to impair the rights of any defendants before your Court, the Constitution requires the Congress to carry out its responsibilities. I do not feel it would be proper, under the Constitution, for the Congress to abandon these responsibilities simply because indictments have been brought in one narrow area of the complex and far-ranging incidents that have been lumped under the phrase, "Watergate Caper."

Unless I am misreading the indictment, the extensive banking issues are not mentioned and comments emanating from the Justice Department indicate that there is no immediate prospect that any of these issues will be raised before a grand jury.

Again let me emphasize that I have no question about the rights and responsibilities of the Congress to proceed on its separate course. But what I am concerned about is the interpretation which prospective Congressional witnesses might place on your order and for this reason, I feel that it is very important—important to the proper carrying out of the Congressional function—for you to make it clear that your order extends only to the charges which are raised in the indictments and not to other issues.

Unless this is done, I am convinced that irreparable damage may well occur to the integrity of the banking system, the integrity of the political process, and the very integrity of our Federal Government.

For example, Judge Sirica, one of the issues about which I am deeply concerned relates to the granting of a bank charter at Minnetonka, Minnesota. There have been public inferences that a $25,000 political contribution may have contributed to a decision to grant this charter. It is fact that this $25,000 was later found in the bank account of one of the suspects in the Watergate case.

This charter must still obtain approval from another Governmental agency—the Federal Reserve Board—and the facts surrounding this political contribution and other elements in the granting of this bank charter should be known before any final steps are taken and the bank is allowed to open under the auspices of the current applicants. If these facts cannot be determined and final approval to the application is granted, it is conceivable that irreparable harm will occur to competing banking interests in Minnesota and to the integrity of the banking system and the bank regulatory agencies.

If your order is broadly interpreted, it may well be that the witnesses who hopefully will come forward with the details of this bank charter will be inhibited and will decline to provide the Congress and the appropriate regulatory agencies with essential information. I feel confident that you do not want your order to be interpreted by anyone as interfering with the investigation of this bank charter or any of the witness who might come forward and present information to the Congress on this issue.

Also, this Committee, and the Congress, are deeply concerned with questions involving the transfer of money across international borders, particularly as these transactions affect the domestic banking system and contribute to the furtherance of criminal activities. This is an ongoing concern and, once again, I trust that your order was not intended to interfere with the right of the Congress to investigate such matters and to determine whether laws and regulations are being properly followed by commercial banks and the appropriate Federal agencies.

The movement of campaign contributions in this country and in foreign countries affects many areas of the Banking and Currency Committee's jurisdiction and specifically its oversight functions, as assigned it by the House of Representatives, and once again I trust that your order is not intended to interfere with these responsibilities of this Legislative Branch.

It is common knowledge that newspapers have carried extensive reports of the destruction of certain records which might bear on these jurisdictions of this Committee and the Congress and it is reasonable to assume that there are dangers that other documents will be destroyed, damaging the ability of the Congress to carry out its legislative function in these areas. It is also common knowledge that political committees dissolve immediately after an election and that the personnel who would have pertinent information will scatter after the campaign making it difficult, if not impossible, for the necessary information to be gathered for the Congress to perform its proper functions. Thus, it is important that the Congress and its various investigating arms, be able to move forward immediately and not await the outcome of other developments at some unspecified time in the future, particularly when these developments are essentially unrelated to the issues before the Congress.

In discussing this case, we might as well face the practical situation as it actually exists. It is a fact that the Justice Department is an arm of the Administration about which most of this investigation centers. It is a fact that the futures of the high officials of the Justice Department are dependent upon political events and there is nothing to be gained by pretending that this situation does not exist. The Justice Department has, in recent days, attempted to intervene in matters before the Banking and Currency Committee and has attempted to use issues which are before your Court as an excuse to block and to encourage others to block proper legislative investigations. This heightens the probable damage from a broad interpretation of your order and it heightens the need for you to limit your order to those very specific charges in the indictments and not allow your order to be used for broader political purposes.

I have looked at this entire situation very carefully and I am firmly convinced that there is no reason why the Congress and the Judicial Branch cannot carry out their functions and responsibilities concurrently without damage to anyone in this case.

It is anticipated that voluntary witnesses will be appearing in public sessions of the Committee in the immediate future and, therefore, it is of the utmost importance that we have your reply to the questions I raise in this letter at the earliest possible moment. I hope you will find it convenient to supply this answer.

With best regards, I am.

Sincerely,

WRIGHT PATMAN.

[From the CONGRESSIONAL RECORD, Oct. 13, 1972]

INVESTIGATIONS BY COMMITTEE ON BANKING AND CURRENCY

The SPEAKER. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, during the last 8 weeks, the Banking and Currency Committee has been conducting an interesting series of investigations, meetings, and press conferences occasionally concerning its own oversight jurisdiction in the field of banking, but always directed at the political impact of the Watergate incident.

These adventures may, or may not, have culminated yesterday in two sessions, both lacking a quorum of Congressmen, but with nearly perfect attendance by the press. Since the afternoon session took place during debate on the revenue sharing bill, I did not attend.

On October 3 the committee defeated 20 to 15 a motion by Congressman REUSS to grant to the committee extensive subpena powers, which, in the judgment of most committee members, could have prejudiced the rights of those persons under criminal indictment in connection with the Watergate affair.

No one condones the incident. It is a scandalous affair, and another symptom of the sickness of our society, which now seems to place high monetary value, or other high values, on information gained by illegal means. Those responsible, at any and all levels, should be indicted, and if guilty, convicted. The criminal investigation should be thorough and wide ranging—but the criminal aspects of the case should be left to the Justice system until the guilt or innocence of the accused parties has been proved.

There are two edges to the sword. Undue publicity can free those already convicted and proved guilty, as demonstrated by the Delaney case; or, worse, it can imply guilt for those who may be innocent.

The worst aspect of the Banking Committee caper—a 2-month caper by now—is that during this extensive period the committee could have carried out its jurisdictional responsibilities by conducting hearings on the bank charter in question and on the transfers from foreign banks.

In a short phrase, the committee blew it. It allowed itself to be seduced from its responsibilities by the sweet smell of political gain. The chairman's political circus had to take priority over solid committee work. And so the Congress failed in its responsibilities.

There is an especially interesting contrast in the other body. There, Senator KENNEDY, who according to the New York Times article on page 18, October 13, is "under pressure" from GEORGE MCGOVERN and Larry O'Brien "to conduct an inquiry into the Watergate affair," said, as reported on an AP wire of September 30, that he does not plan to hold hearings on the Watergate affair. The same wire quotes him as saying:

"This is a criminal indictment, and we must be sensitive to the fact that any adverse publicity might impinge on a fair trial."

I am particular concerned because a bank charter, issued for the Ridgedale National Bank in Minnetonka, Minn., within my district, was questioned by the chairman of the committee. His statements and reports said the charter was issued "in an unusually rapid time" and that there was a deviation from normal practices. Yesterday he referred to it as a "quickie bank charter."

I take no position on the issuance of that charter, except that for 2 months the per-

son to whom it was granted has been tried in the press by the chairman's allegations, which, up until now, have been unbacked by evidence. I have begged the chairman to hold a hearing to determine whether he can prove his allegations.

The Comptroller of the Currency, a Johnson appointee, takes the opposite point of view. He says the charter was normal and not unusual, and he offered to present additional information to the committee. Apparently the chairman thought the facts might interfere with the politics of the situation, because the Comptroller was never asked for more information, nor was he asked to appear before the committee.

The Comptroller's letter to Chairman PATMAN follows:

THE ADMINISTRATOR OF
NATIONAL BANKS,
Washington, D.C., September 28, 1972.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. PATMAN: This is in further reference to your letter of September 5, 1972, wherein you requested information concerning applications for new national banks within the past five years.

There is enclosed a tabulation showing all bank applications since January 1, 1967, which contains the date each application was accepted, the decision rendered with respect to such application, whether or not a hearing was conducted, the date the charter was issued, the location of the proposed new bank and the names of the applicants appearing on the application.

The attached tabulation does not include applications for new national banks which were organized in connection with corporate reorganizations as they relate to holding company banks. There have been 244 corporate reorganization applications during the past five years.

The attached list of all applications processed by this office during the past five years reflects 424 cases. The tabulation shows that the processing period on new bank applications varies substantially from case to case. This is due to many factors. For instance, applicants are normally given 30 days after the application is accepted for filing to prepare supportive material to present to the investigating examiner. The examiner must work out a mutually agreeable time to meet with the applicants and proposed directors for the purpose of reviewing all banking, economic, personal and other data in connection with the application. On occasion the applicants file additional data to the application which must be evaluated. In many instances additional individuals are added as organizers and proposed directors. Evaluating new information, of course, lengthens the processing period. The investigating examiner is then required to interview a good cross-section of people representing the business, civic and consumer life of the community in order to determine their views as to the need for a bank. It should be noted that the examiners who conduct the regular examinations of banks also conduct the field investigations. The scheduling of these field investigations are therefore sometimes delayed in view of the work loads in the respective regions. As a matter of procedure we do not disrupt the examiner's schedule to conduct field investigations for new bank applications. All of these features present many variables as to the time taken in processing new bank applications.

In addition, the processing time is sometimes substantially affected if a request is received for a public hearing. If a request is received from any party in interest, this office grants a public hearing on new bank applications.

You will note that there were 50 applications on which decisions were rendered in a period of less than 100 days. The processing time on these applications ranged from 49 days to 99 days. There follows a list of days required to date of decision:

	Days
Heflin, Alabama	90
Chatom, Alabama	71
Selma, Alabama	99
Ventura, California	99
Arcadia, California	65
Santa Rosa, California	84
Gilroy, California	94
Longmont, Colorado	84
Winter Park, Florida	86
Dade County, Florida	71
Deerfield Beach, Florida	82
Sarasota, Florida	87
Palm Spring, Florida	74
Dade County, Florida	89
North Miami Beach, Florida	89
Plantation, Florida	69
Orlando, Florida	95
Fort Myers, Florida	98
Brandon, Florida	98
Miami, Florida	84
Pinellas Park, Florida	72
Hillsboro Co., Florida	97
Loves Park, Illinois	78
Oak Brook, Illinois	98
Mandeville Parish, Louisiana	61
Kentwood, Louisiana	77
Wellesley, Massachusetts	98
Portage, Michigan	49
Oak Park, Minnesota	92
Olivia, Minnesota	90
Minneapolis, Minnesota	93
Minnetonka, Minnesota	86
Corinth, Mississippi	84
Mt. Laurel, New Jersey	85
Pennsville, New Jersey	91
Melville, New York	49
York, Pennsylvania	60
Pasadena, Texas	78
Tomball, Texas	78
Pharr, Texas	84
Austin, Texas	57
Ft. Worth, Texas	71
Richfield, Utah	99
Kennewick, Washington	97
Chester, West Virginia	67
Huntington, West Virginia	94
New Berlin, Wisconsin	69
Hales Corner, Wisconsin	74
Monona, Wisconsin	97
Sheridan, Wyoming	89

There were 79 applications processed in 100 days to 130 days. In summary, 30.3% of all applications handled by this office were processed within a period of 130 days.

All of this means that the processing time on new bank applications will vary widely from case to case and from region to region throughout the country.

Formal hearings were held on 152 cases representing 35.9% of all cases processed. These formal hearings are conducted whenever requested and a transcript is made by a court reporter.

The above data shows clearly that there was absolutely nothing unusual about the processing of the Minnetonka application. Far from being hasty or unusual, as apparently characterized by your well-publicized staff report, of which we have not been furnished a copy, the record shows the usual routine of filing, investigation and office processing. We cannot understand how any fair-minded person could conclude that the subject applicant got a federal bank charter faster than most people do. The fact that the location of the proposed bank was in a large shopping center complex to occupy approximately 1,100,000 square feet of retail space, was not a reason to delay processing. Quite the contrary, normal business and lease requirements demand that final commitments must be made well in advance of construction and completion of such a large project.

As you will know, there is nothing secret about the filing or processing of new bank applications. This office publishes a complete summary of actions each month. In addition, all applications for national bank charters are required to be published in a paper of general circulation in the area where the bank would be located. This publication includes the names of applicants, the proposed location and the proposed capital structure. Specific notice is also sent to the State Banking Supervisor and to competitor banks.

Over the years all of us have heard criticism of Government agencies, for failure to respond timely to requests from citizens generally. It seems strange to me that the Comptroller's office now would be criticized for endeavoring to process an application before this office on a timely basis.

If there is any further information you require on this matter, we shall be glad to cooperate.

Sincerely,

WILLIAM B. CAMP,
Comptroller of the Currency.

The other banking aspect of the case, foreign bank transactions, could also have been investigated by the Committee. The chairman of our International Finance Subcommittee said yesterday that he has tried to get the committee to investigate this aspect since 1966. On October 3 he reported in the RECORD that he had asked the chairman that his subcommittee be allowed to investigate this aspect of the Watergate incident or of other campaigns. I joined in his request. Yesterday, I challenged the chairman on this authority, got no response, and I believe that the authority has not yet, nor will be, granted.

Many Members will be queried on this subject during the campaign. Therefore, Mr. Speaker, I am inserting now my remarks made yesterday during the quorumless morning meeting of the Banking and Currency Committee.

STATEMENT BY MR. FRENZEL ON OCTOBER 12, 1972, BEFORE THE COMMITTEE ON BANKING AND CURRENCY

Mr. Chairman, because you refused to recognize me during the Committee hearing of October 3, I have prepared a lengthy statement, for which I request time now. I request unanimous consent that this statement be put in the record.

During the last week in August I received several phone calls from local bankers that the staff of this Committee was making phone calls and asking for information relating to the charter recently granted to the Ridgedale National Bank in Minnetonka. As the questions were explained to me, they were couched in such a way as to encourage the local bankers, most of whom had protested the issuance of that charter within their trade area, to indicate that the charter had been issued hastily.

Bankers also asked me what kind of investigation our Committee was carrying on. Since there had been no information from you or the staff that an investigation was in process, I could only advise them that I was unaware of such activities. When I returned after Labor Day to the Congress, I saw in the newspapers that you were investigating the Watergate incident. During the hearings on the Housing Bill, one of our Committee's notable failures, I talked to the staff member who had been identified to me as one of the callers into my district. He admitted to making the telephone calls and indicated that he was not looking for anything special except some comment from the local bankers.

During that week, following a point of personal privileges requested by Congressman Brown on the same subject, I asked for the same privilege. I asked you during one of our housing meetings what the scope of the investigation was, why the Committee could not be involved and why I could not be involved as to the nature of the investigation. You benignly smiled my request into oblivion and made no reply.

After that meeting I talked to you briefly and explained the local nature of the problem. The location of the charter is within my district, but I did not know of the application, nor of the granting of the charter until I read it in the newspapers. The individuals who were granted the charter, or at least some of them, are constituents; and some have been contributors to various of my political campaigns. At that time you gave me no further explanation of the investigation but told me that you would release a confidential report to committee members when it was completed.

Your next action was to release a confidential memo dated September 12 which I heard read on television by Jack Anderson the evening before it was delivered to my office. I note that across the face of the report was written the word "confidential".

In that "confidential" report, on Page 5, you, or your staff, wrote:

"In the midst of the investigations of the Watergate incident, at least two major newspapers reported that the contributor of one of the sums in question—the $25,000—had received a bank charter on August 22—just 88 days after the application was filed with the Comptroller of the Currency. The $25,000 is now an integral part of the campaign law violations reported by the GAO to the Justice Department and this is a portion of the money which went into the bank account of Bernard Barker, a suspect in the Watergate case.

"A preliminary investigation indicates that the bank charter was granted in an unusually rapid time—88 days—particularly considering the fact that the shopping center in which the bank is to be located has not been constructed and apparently the bank could not be ready for banking operations until 1974 or 1975. In addition, a preliminary investigation has indicated that the Comptroller of the Currency may have deviated from the normal practices in the procedures leading up to the granting of the charter. There seems no question of the Committee's jurisdiction over the activities of the Comptroller and the granting of national bank charters."

After the release of the confidential memo, both to the press and to the Committee, I again spoke to you indicating that an investigation was in order since the bank charter issued in my district had been questioned in your report. Your report indicated that the charter was received "in an unusually rapid time" and that there was a deviation from normal practices.

In your later press release of October 3, which is headed "Opening Statement of Chairman Wright Patman", you also refer to the phrase "unusual practices" in connection with this bank charter and of the men in the group to whom the charter was issued, Dwayne Andreas and Kenneth Dahlberg.

On September 5 you had written to the Comptroller of the Currency requesting information concerning applications for new national banks. On September 28 Mr. Camp, who I understand is an LBJ appointee, responded to you. On Page 3 of his letter to you was the following paragraph;

"The above data shows clearly that there was absolutely nothing unusual about the processing of the Minnetonka application. Far from being hasty or unusual, as apparently characterized by your well-publicized staff report, of which we have not been furnished a copy, the record shows the usual routine of filing, investigation and office processing. We cannot understand how any fair-minded person could conclude that the subject applicant got a federal bank charter faster than most people do. The fact that the location of the proposed bank was in a large shopping center complex to occupy approximately 1,100,000 square feet of retail space, was not a reason to delay processing. Quite the contrary, normal business and lease requirements demand that final commitments must be made well in advance of construction and completion of such a large project."

Perhaps of greater importance than the Comptroller's statement that there were no irregularities in connection with the charter was his offer to volunteer further information. It is of special interest to me that you were not interested in further information on this matter at all. I have asked the question a number of times in the pages of the Congressional Record why this Committee and its Chairman have not been willing to investigate those materials which lie within its jurisdiction. A simple calling of the Comptroller of the Currency before this Committee would, I believe, go a long way toward clearing up questions raised on the bank charter. Somehow since the 28th of September you haven't been able to squeeze enough time in to ask the Comptroller to come here and make his explanation.

I don't know whether there were "unusual procedures" in connection with the Minnetonka charter or not. At this time it seems to be your allegation against a letter from the Comptroller of the Currency. Based on the record to date, that makes it an easy choice. However, I believe that further investigation is warranted. I believe that the persons who were granted the charter have stood accused by you in the press. Whether their charter had any irregularities deserves a hearing. We should get the Comptroller in here to see if your staff or you can prove that his statements are wrong. If you can't, there should be a public apology by you and your staff. If you can, then there ought to be legislation, or indictments.

I only ask that your allegations stand or fall on their own merits. No subpoenas are needed. The Comptroller's letter indicates his willingness to appear here. If you need his secretary or his file cabinets, I am sure that their appearances can be arranged as well. Because of your failure to ask for such testimony, I am led to the conclusion that you are afraid to ask him to come in because it would spoil the political nature of these hearings.

On October 3 you called this Committee into session for a meeting on the Watergate incident. The meeting was open to the public, a procedure I applaud.

Although you had indicated that there was to be a Committee meeting, the procedure was run as a press conference for yourself. You ignored points of order. You refused to answer parliamentary inquires. You refused to accept preferential motions, especially made by the Ranking Minority Member. The "gag-rule" procedures of that meeting again led me to the conclusion that whatever it is you do want to do, there is no intention to hold an investigation of matters within the jurisdiction of our banking duties.

In the Congressional Record of October 10 on page 9385, you are quoted as making the following statement:

"Another reason why I resent the bill is that it comes to the floor under a double gag rule. One gag rule is bad enough, but here in this rule no Member has permission to strike out the last word and speak for 5 minutes. There are only four amendments, and the rule provides 5 minutes to the side on each amendment. With these four amendments then the show is over and the gag rule prevails. I do not believe that is right. I think that is taking advantage of the Members."

In addition to this statement, I have heard you previously on the floor accuse the Chairman of the Ways and Means Committee of denying Members a chance to amend bills or to speak on bills, indicating that it was an important point of principle to you. If there ever was a case of the pot calling the kettle black, your statement in the Record must be such a case. This Committee's performance on October 3 was the worst case of gag rule that I have witnessed in my short time in Congress.

On October 3, the same day, Mr. Gonzalez wrote in the Record that he had requested authority to investigate certain foreign banking transactions through his subcommittee. On the following day I wrote him indicating my endorsement of your suggestion, with a copy to you, also asking that another subcommittee be authorized to investigate the Minnetonka charter. Mr. Gonzalez responded on the 6th that you had given him no authority for such an investigation as yet. I'll bet that today, 6 days later, he still does not have the authority.

On my return to Washington on October 10, after a weekend of campaigning, I find that you had held another press conference and announced that you were calling another Committee meeting with witnesses from the Committee to Re-elect the President. If such a meeting were to take place today, it would, of course, be out of order under the rules because of insufficient notice. You invited people to testify today who undoubtedly cannot appear. Unfortunately, Mr. Chairman, some of us, namely a few Members of this Committee, feel an obligation to be here, but I do not want the public to think that by my presence here I am condoning any of your personal political press conferences carried on under the guise of Committee meetings.

This whole series of episodes began on August 17, according to your "confidential" staff report. It is now October 12 and nothing has happened except that you have regularly appeared on TV, and on the front pages of some of the printed media, notably the local ones. Other than information already revealed in the Watergate cases pending in the courts, you and your staff in all of your press releases and interviews and conferences have brought forth little but allegations. On my calendar, that's almost two months. Seldom during that period have you discussed the banking problems. You have always centered your attention on the political figures. While you could settle the bank charter question with calling of voluntary witnesses, and at least begin to build a basis for the investigation of foreign bank transactions, not only in this election but in many elections, as has been suggested by Mr. Gonzalez, there has been no real effort to investigate these banking matters.

The whole attention of your series of press conferences and the direction of this Committee (because you have not allowed other Members to be recognized) has been politically aimed at the criminal aspects of the Watergate affair, which are pending in a court of justice.

With respect to this question, I think that the statements of the Gentleman from New York, Mr. Brasco, at our meeting of October 3 are well taken. They coincide very closely with the remarks of Senator Edward Kennedy, reported in the Associated Press wire of September 30 of this year. On that wire Kennedy is identified as one of the few Senators in a position to hold hearings on the Watergate affair. He is quoted as follows: "This is a criminal indictment, and we must be sensitive to the fact that any adverse publicity might impinge on a fair trial. So far as I am aware, the Senate has not felt a need to get into the criminal aspects of this case with the same enthusiasm as the Chairman of this Committee has.

Although I have restated this proposition many times, I do so again. This Committee has an obligation to investigate banking matters. It has miserably failed in that obligation. It has no obligation, and, in fact, no authority, to investigate the criminal aspects of the break-in.

We could have made an investigation. We could have identified irregularities or exonerated the people who stand accused in the public press by you. Instead we have had only bright lights and front page stories.

Mr. Chairman, this Committee has had a wonderful record during the last two years. During 1971 we spent more time on your Bank Reform Act than on any other single piece of legislation, but after a couple of months and some nice TV coverage, we never brought it to a vote. This year we hurriedly called up a redundant sewer and water bill which was decisively rejected on the House floor. Recently we put in about three months struggling with a Housing Bill which passed this Committee by a significant majority but which perished in the Rules Committee. I am informed that you exerted no influence to pass it.

With a record like that, it seems highly unlikely that this Committee is going to be able to conduct any significant business between now and Saturday, when the Congress adjourns. Our own record, coupled with your obvious lack of enthusiasm to conduct fair and reasonable investigations, is extremely disappointing.

Mr. Chairman, the way this Committee has been run, as a private vehicle for your own publicity, with little regard for the public interest, with no regard for other Members or for House and Committee rules and with little record of effectiveness (except some bills which were proposed by the Administration), I personally would not vote to give you any kind of powers whatsoever. I hope that the criminal cases pending on the Watergate will bring forth the information that is needed and that this Committee next year will show the courage that is necessary to conduct the real investigations which we should have done this fall.

MAY 10, 1973.

Hon. HENRY GONZALEZ,
Chairman, Subcommittee on International Finance, Committee on Banking and Currency, Rayburn Building.

DEAR HENRY: Last year when our Committee was involved in Watergate activities, you and I discussed the subject of your Subcommittee looking into the foreign bank transactions of the suspect political contribution.

My notes indicate that on October 3 of 1972, you put some material in the Record that you had requested authority to investigate foreign banking transactions in your Subcommittee. I believe I wrote you on the following day, with a copy to Chairman Patman, endorsing your suggestion. I believe you responded on October 5 indicating that the Chairman had not given you authority for such an investigation.

I think that now is an excellent time for our Subcommittee to look into the role of foreign banks as "laundries" for political contributions. Perhaps you would want to expand the investigation, and I have no particular objection, although my principal interest is in political contributions made through foreign banks.

I hope you will again ask our Chairman for authority to go ahead with this kind of investigation. In my opinion there is a lot of talk on Watergate but not near enough action. Let's let our Committee be one of the first with positive actions and legislative recommendations that might prevent in the future some of those actions which have shocked us in the past.

Thanks for your consideration of this request.

Best regards,

BILL FRENZEL,
Member of Congress.

WASHINGTON, D.C.,
May 14, 1973.

Hon. BILL FRENZEL,
Longworth House Office Building,
Washington, D.C.

DEAR BILL: I am delighted to know of your interest in having the Subcommittee on International Finance look into foreign bank transactions involved in last year's political campaign.

I believe that for such an investigation to be effective, we would have to have subpoena powers. Last year, when the full Committee sought such powers, the majority opposed the necessary resolution. In light of that, I can only wonder what sort of support the Subcommittee would have if it were to seek authority to carry out the investigation you and I both would like to see.

I feel that we could not be effective without full Committee support, which I would be glad to ask for and will do so after I have an opportunity to discuss this with the Chairman.

With best wishes.

Sincerely,

HENRY B. GONZALEZ, M.C.

MAY 16, 1973.

Hon. HENRY B. GONZALEZ,
Chairman, Subcommittee on International Finance, Committee on Banking and Currency, Rayburn Building.

DEAR HENRY: Thank you for your letter of May 14. As you know, I am not thrilled about giving broad subpoena powers to congressional committees. If the Subcommittee is activated for the purpose of making this investigation, and if the Subcommittee establishes some reasonable list of people who might be invited and eventually subpoenaed, I don't mind voting for specific subpoena powers.

I think this is something that we might discuss informally in the Subcommittee to see if we can reach agreement on which parties you might want to subpoena. My position is that I am happy to let Senator Ervin make the headlines as long as our Committee can find out something about money movements during elections through foreign banks.

Best regards,

BILL FRENZEL,
Member of Congress.

WASHINGTON, D.C.,
May 29, 1973.

Hon. HENRY B. GONZALEZ,
U.S. House of Representatives,
Washington, D.C.

DEAR HENRY: Thank you very much for sending me copies of your recent correspondence with our Colleague, Bill Frenzel of Minnesota, in reference to the Watergate case which this Committee considered last Fall.

As you know from our discussions of last year, it is necessary for the full Committee to vote an investigation and to authorize subpoena powers. Recent court decisions have made it clear that the subpoena power must rest with the full Committee and not with individual Members or Subcommittees. Therefore, to have a full-scale investigation of the use of foreign bank accounts or any other aspects of the Watergate case would require a vote of the full Committee.

You were a strong supporter of this subpoena power last October and as you recall, Mr. Frenzel and the other Republicans voted as a solid block against such an investigation. The subpoena list submitted to the Committee at this time covered persons involved in the transfer of funds in Mexico and it is highly regrettable that we did not pursue this case at that time when witnesses were readily available and when the trails were particularly fresh. Such an investigation at that time would, in my opinion, have saved this nation much grief and would have developed the facts fully and would have undoubtedly prevented many of the sordid events which have occurred since our investigation was blocked.

As you know, both Senator Sam Ervin and Senator Stuart Symington are working on various aspects of this case and have developed information relating to the money transferred in Mexico. In addition, a grand jury has been convened in Houston to look into the transaction and it is presumed that this panel will be reporting soon. Also, Judge Sirica, here in the District of Columbia, is apparently in possession of certain documents relating to these matters and the grand jury in this jurisdiction may also be dealing with some aspects of this transfer of funds.

Despite all of these ongoing investigations and prosecutions, the fact remains that this Committee does have important jurisdiction over various aspects of the Watergate case, particularly where it involves the utilization of foreign and domestic banking institutions to facilitate and conceal the transfer of campaign monies. There remain other parts of the case which also bear on the jurisdiction of the Committee. These various aspects appear to cross a variety of Subcommittee lines and because of the extreme importance of the case and its delicate nature in relation to other investigations, we must proceed carefully.

Despite the fact that the formal investigation and subpoena power were blocked by the unfortunate vote in the Committee last October, the staff did gather a great deal of pertinent information on several areas of the Watergate case. This material has stood up well under the test of time and appears to be corroborated by the various revelations which have come to light since.

With your correspondence in mind and the interest which has been indicated by a number of Members of the Committee, I have instructed the staff to closely monitor the various investigations being carried out in the Congress and the Judicial Branch. At the appropriate time, I have asked the staff to be prepared to submit a memorandum on any areas which may not have been covered by these other investigations and which appear to be likely areas for this Committee to pursue in more detail. At this time, I would hesitate to duplicate the work of other Committees or grand jury investigations, but it is only proper that we remain prepared to pick up whatever areas could be beneficially explored.

If and when it does become apparent that the public interest would be served by a separate inquiry by the Banking and Currency Committee, I would like to sit down and discuss this matter with you and the other Subcommittee Chairmen and other Members of the Committee who have indicated a special interest in the Watergate affair.

I hope you will keep me informed of any information which comes to your attention on these cases and I hope you will forward any suggestions you may have for possible future steps by the Committee. Your assistance and support were extremely important to the limited efforts which we were able to make last Fall and I would certainly want your cooperation, ideas, and help in any future steps we might undertake on Watergate.

With best regards, I am

Sincerely,

WRIGHT PATMAN,
Chairman.

WASHINGTON, D.C.,
June 1, 1973.

Hon. BILL FRENZEL,
Longworth House Office Building,
Washington, D.C.

DEAR BILL: This refers to our correspondence on the possibility of a Subcommittee investigation into the foreign bank operations as related to the election scandals of 1972. I enclose herewith for your information, a copy of a letter from Chairman Patman on the subject.

I have not heard anything further from you with respect to your interest in the Peruvian expropriation of fishmeal industries, some of which are headquartered in your District.

I hope that the Administration is pursuing this matter vigorously and trust you will let me know if I can be of any assistance in this matter.

With best wishes.

Sincerely,

HENRY B. GONZALEZ, M.C.

JUNE 5, 1973.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, Rayburn Building.

DEAR CHAIRMAN PATMAN: Chairman Gonzalez of the International Finance Subcommittee has sent me a copy of your letter to him of May 29 referring, among other things, to the staff work done last fall on the Watergate matter and your instructions to the staff "to closely monitor the various investigations being carried out . . .".

I am glad that the Committee staff has been directed to monitor the case, but I don't see why Chairman Gonzalez' Subcommittee might not go ahead to look into the foreign banking matter. Nor do I see why another subcommittee or the full Committee could not have investigated the bank charter situation.

One of the aspects of our Committee's investigation last year that was a matter of concern to me was the fact that all of the Members of the Committee were not appraised of the staff investigations at the time. You will recall that I was particularly concerned about staff investigations within my district about which I had neither prior nor subsequent information.

Might I respectfully request a peak at staff files on Watergate at this time? As a Member of the Committee I would find it instructive to see what our staff has done on this matter.

Thank you for your consideration.

Yours very truly,

BILL FRENZEL,
Member of Congress.

WASHINGTON, D.C., *June 28, 1973.*

Hon. BILL FRENZEL,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. FRENZEL: Thank you very much for your letter concerning the foreign banking matters involved in the financing of the President's re-election campaign and I am happy that Mr. Gonzalez furnished you with a copy of my letter on this subject.

In regard to the staff work, I know you have received the two reports which were issued on September 12, 1972 and October 31, 1972 which go into these matters in some detail. Since that time, I have also written the Attorney General and on January 11 of this year, Assistant Attorney General Henry Petersen replied with comments on various aspects of the two reports issued in the Committee. I am enclosing a copy of my original letter to the Attorney General and Mr. Petersen's reply.

As I noted in the letter to Mr. Gonzalez, the staff is watching the hearings and other developments in the case. They are doing this through the public media which is covering the case in great detail as you are aware. In addition, we are requesting copies of transcripts in areas which touch directly on financial matters such as the testimony of Mr. Stans and Mr. Sloan. Also, you are aware that the grand jury is still in session in Houston on the question of the money which traveled to Mexico and was returned to the United States. I assume that the grand jury investigation will give us a good indication of what might remain for the Committee to consider in this area.

While I deeply regret that we did not pursue all of these issues in a more timely fashion last Fall, I do not feel that we should do anything at this moment which might interfere or appear to interfere with the Ervin Committee and/or other ongoing investigations. With all of the difficulties which have been faced in reaching the facts, I would hate for this Committee to be in the position of creating new problems for other investigative efforts. The situation we face today is much different than that of last August, September and October, when we sought to open a full-scale investigation. Now we have a full-scale Congressional investigation underway and an independent prosecutor on the scene and grand juries looking at the issue in the broadest possible terms in contrast to the very narrow approach which was followed by the Justice Department last Fall. However, I am of the very strong belief that all of these facts must be uncovered, and should the Ervin Committee and the grand jury investigation fail to develop the information I would want to present the issue to this Committee again in hopes that many of you would reverse your earlier vote and support the inquiry.

With very best regards, I am

Sincerely,

WRIGHT PATMAN, *Chairman.*

WASHINGTON, D.C., *December 15, 1972.*

Hon. RICHARD G. KLEINDIENST,
The Attorney General, The Justice Department, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: As you know, a multitude of issues have been raised concerning the Watergate bugging incident and various campaign fundraising activities over the past months. Only part of these issues are included in an indictment returned against seven persons in the District of Columbia on September 15.

You are aware that this Committee has conducted some preliminary inquiries into the financial aspects and related matters involving the Watergate incident and fundraising activities of the Finance Committee to Re-Elect the President. Two staff studies based on these investigations were released on September 12 and October 31 and I am enclosing copies of these documents. Other serious issues, of course, have been raised by respected newsmen, writing for various publications.

As I mentioned on several occasions during the fall, I feel that these allegations touch the very heart of our system of government and I feel strongly that there is a need to clear up the situation fully so that public confidence may be maintained in our political process. It would seem appropriate for you, as the chief law enforcement officer, to see that all of these allegations are fully investigated and prosecutions initiated where required.

At this point, both the Congress and the public are largely in the dark about what your department has and has not done in the case, and this continuing secrecy and the appearance of inaction can only lead to a severe deterioration of confidence in law enforcement.

It is obvious from the indictment that has been returned and the comments of the Assistant United States Attorney, Earl Silbert, that many of these questions will be left unanswered in the coming criminal trial of the Watergate Seven. For example, I note that Mr. Silbert stated in court that he would trace only partially the campaign funds which travelled in Mexico and back into the United States and into the Finance Committee to Re-Elect the President and the account of Bernard Barker, one of the defendants in the watergate case. From press accounts of his statements, Mr. Silbert indicated that he would "not necessarily" trace the money from its source.

While I am in no position to question the manner in which Mr. Silbert is handling the case, it is obvious this would leave unanswered whether or not the contribution was legal under the various statutes affecting campaign financing.

This Committee is vitally concerned with the manner in which both the international and domestic banking systems were utilized to conceal campaign funds or to facilitate the commission of illegal acts. It is my hope that your investigators will be able to furnish a full report on all the questions raised in this area and, once again, I refer you back to the reports issued by the Banking and Currency Committee in September and October.

It is important, Mr. Kleindienst, that we have some early knowledge of what your Department plans to do on these issues. We are now trying to map out an agenda for what appears to be a very busy first session of the 93rd Congress. Faced with this busy schedule, and the need to renew a number of basic legislative authorities during the first half of 1973, it is not my desire to duplicate any inquiries which your Department or other Committees of Congress might be undertaking. So it is important that you give me some kind of idea of the scope of your immediate investigative efforts in order that our Committee will be in a position to judge what, if any, further action it should take in this case.

Recently, some Members of the Committee, including those on the minority side, have indicated that they feel the Committee should make a new effort in the Watergate case in the next Congress. However, I feel that these Members may be willing to forgo such a time-consuming effort if they were assured that the Justice Department was undertaking an aggressive "no holds barred" investigation and that the Department was willing to make its reports public.

At one time, there had been an indication that at least one other Committee of Congress would be conducting public hearings on these matters, but some time has passed and there has been no further announcements from that quarter. So, it is all the more imperative that we know what the Justice Department will be doing on this investigation.

Without rancor, let me state that it is a fact that many persons sincerely questioned the objectivity of the Justice Department's investigative efforts earlier this year because of the impending elections. Now that the election is behind us, I hope that these real, or imagined, constraints are removed. However, we have to face the fact that you are an appointee emanating from the political party under investigation and this is why any statement you make about a full-scale investigation must be unequivocal and must contain assurances that your investigators will be given a free hand in all respects. This, as I am sure you recognize, would be necessary for the public to have confidence in the investigation.

In fact, I would like to urge you to give thought to naming an independent Task Force—clearly outside of the political arena—to carry out the investigation. I am sure that a group of public-spirited lawyers and investigators could be assembled to carry out such a job. In view of the importance of this case, it might be well to consider having the President himself name a high-level investigative task force composed of persons with no particular political bias.

Mr. Attorney General, I hope you will give this your careful consideration and that you will be able to let me know as soon as possible so that I can make a report to the Full Committee.

With regards, I am

Sincerely,

WRIGHT PATMAN,
Chairman.

WASHINGTON, D.C.,
January 11, 1973.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your correspondence dated December 15, 1972, enclosing copies of two reports prepared by the staff of the House Committee on Banking and Currency dealing with the "Watergate Incident" and related matters, and requesting to be advised as to the status of several matters referred to in those reports which might involve violations of Federal law. In our view, the following matters were touched upon in the Committee's reports:

1. The Mexican Checks: The Committee's staff suggests that the involvement of a Mexican national, Manuel Ogarrio, in making a sizable contribution to the re-election campaign of President Nixon shortly before April 7, 1972, could involve violations of 18 U.S.C. 613. We have discussed this matter with the Internal Security Division, which has primary enforcement jurisdiction over Section 613, and they have advised that violations of that Section are unlikely here. In their view Section 613 does not prohibit all contributions involving foreign nationals, but only those in which the actual contributor falls within the narrow and technical definition of "foreign principal" or "agent of a foreign principal" contained in the Foreign Agents Registration Act. From the facts presented in the Committee's reports and those developed through investigation conducted by this Department, it does not appear that Manuel Ogarrio fits within either of these definitions. Moreover, as indicated in the Committee's October 31 report, there is evidence that American national(s), and not Ogarrio, were responsible for the subject contribution. We are, however, presently conducting criminal investigations into several other aspects of this contribution, and its movement to Washington.

2. Texas Fund Raising Activities: The Committee's report of September 12 reported that an aircraft owned by the Pennzoil Corporation had been used to convey political contributions raised in Texas from Houston to Washington. We have conducted an appropriate investigation to determine whether the use of this plane involved a violation of 18 U.S.C. 610, which, as you know, prohibits corporations from contributing their assets to candidates for Federal office. This investigation determined that, although a Pennzoil plane was used to bring political contributions to Washington on April 5, 1972, each of the Pennzoil officials who transported the money, had company business in Washington on April 6. In our view, the presence of legitimate business purposes for the trip makes the fact that political contributions were also carried to Washington at the same time an insufficient basis to support a criminal charge.

3. The $25,000 Andreas Contribution: An extensive investigation was conducted last fall to determine whether the failure of the Finance Committee to Re-Elect the President to report the $25,000 cash contribution which was delivered to Kenneth Dahlberg in Miami could involve violations of the reporting and disclosure provisions of the 1971 Federal Election Campaign Act. The issue to be resolved was when the gift became effective as a matter of law. From the evidence developed, we were forced to conclude that, for criminal purposes at least, we could not prove that this contribution had been made after the April 7 effective date of the Act, and accordingly we have closed this matter.

4. The $114,000 Deposit to Bernard Barker's Account: This matter, too, was extensively investigated to determine whether the deposit of five checks to the checking account of Bernard Barker Associates at the Republic National Bank of Miami on or about April 19, 1972, constituted an "expenditure" that should have been reported pursuant to the Federal Election Campaign Act. The investigation disclosed that the deposit of these checks was insisted upon by the bank as a necessary prerequisite to their conversion into cash, and that the cash proceeds were subsequently returned to the Committee to Re-Elect in Washington. In view of these circumstances, we have concluded that their deposit did not constitute an "expenditure" reportable under the Act.

5. The Ridgedale National Bank Charter: After an examination of the reports submitted by your Committee and by the General Accounting Office concerning the award of a national bank charter to a group of businessmen headed by Dwayne Andreas and Kenneth Dahlberg, we have concluded that there is insufficient evidence of a connection between the award of this charter and the aforementioned political contribution made by Andreas to warrant the initiation of a criminal investigation by this Department either under the bribery statutes or under 18 U.S.C. 600 (promise of benefit for political activity).

6. Inaccurate Reports: Several instances where transactions reported by the Finance Committee to Re-Elect the President on reports filed with the Office of Federal Elections, General Accounting Office, did not conform to bank records are indicated in your Committee's report of October 31. While such errors could constitute technical violations of the reporting provisions of the Federal Election Campaign Act, the Office of Federal Elections has taken the position that such errors should not be referred to this Department as "apparent violations" of the Act until the offending committee has been advised of them and given an opportunity to rectify them. None of the matters referred to in your report have been referred for criminal action at this time. Should such a referral be made, we would, of course, make an appropriate review thereof.

7. Bank Account Monitoring: The October 31 report alleges that agents of the Committee for the Re-Election of the President monitored the personal bank accounts of promient Democrats, including some members of Congress, to insure that those accounts were not being used to conduct illegal campaign financing. However, these allegations do not indicate the violation of any Federal law.

8. Pre-April 7 Contributions: The Committee's report of October 31 speculated that $1 million in contributions made prior to April 7 may have been funneled into the cash fund that was alleged to have been kept in a safe at the offices of the Finance Committee to Re-Elect the President in Washington. We are presently conducting appropriate inquiry to determine whether there have been any disbursements from this fund after April 7, 1972, that were not reported by the Finance Committee on reports filed with the Office of Federal Elections.

9. Possible Gift Tax Evasion by Walter T. Duncan: In its report of October 31, the Committee's staff suggests that Texas businessman Walter T. Duncan may have violated Federal gift tax laws by failing to expressly direct that a $305,000 contribution to the Nixon campaign, which he and his wife made in the fall of 1972, be broken up and treated as several $6,000 contributions to various separate political committees. The report also reflects that at the time Duncan surrendered the personal note which represented the subject contribution to an agent of the Nixon campaign, that campaign agent furnished him with a list of several Republican committees to which the contribution was to be treated as having been made. Whatever merit there may be to the position of the Committee's staff in this regard is for the Internal Revenue Service to determine.

10. Possible Violations of 18 U.S.C. 1014: Finally, the report of October 31 sets forth facts indicating possible violations of 18 U.S.C. 1014 in connection with the alleged presentation of fradulent financial statements to several banking institutions. Appropriate investigation is presently being conducted into these matters by this Department.

In conclusion, I would like to assure you and your Committee that this Department has, and will continue, to vigorously pursue all evidentiary leads reflecting possible violations of Federal law. Should you receive any additional information on the matters we have closed which you feel should be considered by us, I would appreciate your bringing it to my attention.

I hope that the information provided herein will be helpful to you, and I will be glad to discuss these matters further with you at your convenience.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

OCTOBER 19, 1973.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, Rayburn Building.

DEAR MR. CHAIRMAN: Thank you for your memo of October 16 which included a copy of your letter to the Comptroller of the Currency inquiring about the charter application for a bank at Key Biscayne, Florida. You may recall that just over a year ago we had a little excitement about a bank charter within my district. You made an allegation to the press that the charter was issued in shorter than normal time, and the Comptroller, in response to written inquiry, indicated that the issuance of that charter was standard in all respects.

I asked you then to have the Comptroller testify before our Committee on this subject so we might query him regarding your allegations. I certainly hope you will call the Comptroller before the Committee to give all Committee Members an opportunity to address their own questions on these bank charters. I have the feeling that my constituents were pretty much found guilty by your statements to the press, and I am hoping that when the Comptroller comes up, those statements can be proved or disproved.

Yours very truly,

BILL FRENZEL,
Member of Congress.

WASHINGTON, D.C.,
October 16, 1973.

To: All Members of the Banking and Currency Committee.

From: Wright Patman, Chairman.

Numerous questions have been raised in the news media concerning the manner in which an application for a national bank charter at Key Biscayne, Florida, has been handled in the Comptroller of the Currency's Office. As has been our practice when such questions have been raised in the past, I have written the Comptroller asking for a report on this application and the files relating to it.

Attached is a copy of my letter.

WASHINGTON, D.C., *October 16, 1973.*

Hon. JAMES E. SMITH,
Office of the Comptroller of the Currency, Washington, D.C.

DEAR JIM: As you are aware, the news media has reported major questions about a charter application for a national bank to compete with the Key Biscayne Bank and Trust Company headed by C. G. Rebozo.

If the news reports are correct, the application of the rival group has been faced with several conflicting decisions at various levels within the Comptroller's office. The end result has been the rejection of the application leaving the Rebozo bank as the sole commercial bank in the immediate area.

The news reports, which emanate from various media, raise very serious questions which I feel must be answered both in the interests of the public and the integrity of the Comptroller's office. At this point, I do not have any data which would either refute or support the position taken by your office and I am in no way prejudging the case.

In the past, when these questions have been raised about charters, this Committee has taken the position that it should review the pertinent facts and I feel that it is important that we do so in this instance. Therefore, I am requesting that your office furnish me with the entire file on this application and the letters and records of telephone calls which bear on the case in any way and which would indicate what outside contracts, if any, were made with the Comptroller's office, at any level, concerning this application.

You are acquainted with the news stories and the television broadcasts in the past few days and I would hope, in addition to the raw file, you would respond to the questions raised in these news articles in the fullest manner possible. I am enclosing a copy of a story which appears in the *Wall Street Journal* and I also call your attention to the *C.B.S Evening News* program of October 15.

In conclusion, I am requesting that you produce for the Committee the fullest report possible on the reasons why this application for a rival bank was turned down by you and your predecessor and why the earlier decisions at lower levels in the Comptroller's office were reversed and what economic data is available to support the decisions.

Sincerely,

WRIGHT PATMAN,
Chairman.

[From the Wall Street Journal, Oct. 15, 1973]

PLAYING FAVORITES?—A PLAN FOR A BANK TO COMPETE WITH BEBE REBOZO'S IS BARRED BY UNITED STATES; "IT BOILS DOWN TO CLOUT"

(By Stanley Penn)

NEW YORK.—The Nixon administration has done a good turn for one of President Nixon's closest friends, Charles (Bebe) Rebozo.

Mr. Rebozo runs the only commercial bank in the affluent community of Key Biscayne, Fla. A rival group, consisting of lawyers and business people, tried to start a bank in competition with Mr. Rebozo's. But the Treasury Department, through the Comptroller of the Currency in Washington, last month rejected the group's application for a bank charter.

The rejection came despite a recommendation by a hearing examiner last year that the new group be given a charter to compete against Mr. Rebozo.

The rival group is bitter. "It boils down to who's got the clout," charges Mortimer Fried, a Key Biscayne lawyer and a member of the group.

"The Rebozo bank doesn't meet the community's needs, and it enjoys a monopoly position," argues B. Mark Fried, a Springfield, Va., lawyer, who's another member of the investing group. (The Frieds aren't related).

Joseph M. Ream, a spokesman for the comptroller, denies the favoritism charge. He says the application was turned down for strictly economic reasons. The Key Biscayne population is too small to justify another commercial bank, says Mr. Ream, who's the comptroller's Atlanta-based, regional administrator of national banks.

Mr. Rebozo, for his part, made it quite clear to federal banking officials that he didn't want a competing bank in his own backyard. To dramatize his opposition, he showed up at public hearings on the matter in Atlanta last June.

"Bebe was sitting there right in the front row," Mortimer Fried recalls.

Also attending the hearings in full view of banking officials was another of Mr. Nixon's close friends, Robert Abplanalp, the wealthy industrialist. Mr. Abplanalp is a director of Mr. Rebozo's bank, according to the comptroller's office.

Key Biscayne is a six-mile-long island connected to Miami by a causeway. It has an estimated 8,000 to 9,000 population. Among the prominent property owners is Mr. Nixon, who maintains a vacation residence there.

Mr. Rebozo, a companion of the President when Mr. Nixon is in Key Biscayne, formed Key Biscayne Bank & Trust Co. in 1964. It has had a rapid growth, with total assets now of about $20 million.

The rival group that got turned down largely based its argument on the contention that Key Biscayne's growth warrants a second commercial bank. "By the end of the '70s, we're projecting a population of about 20,000," says Mortimer Fried.

Don MacFarland, a Key Largo, Fla., investor in the unsuccessful group, says federal officials were asserting that Key Biscayne wouldn't grow much above 10,000 people. "That's ridiculous," Mr. MacFarland says.

Mortimer Fried, who patronizes Mr. Rebozo's bank, claims the service leaves a lot to be desired. "You go in there on a Friday around lunch time, there could be 40 to 50 people there, and you find just one teller," he says.

The rival group also made the point to federal officials that Mr. Rebozo's bank is allegedly stingy in handing out loans to the needy, including small business loans.

Thomas Wakefield, vice chairman of Mr. Rebozo's bank, denies it. "We make 95% of all loans requested," he says. "We advertise heavily in Key Biscayne. The whole area is statistically proven to be high income, and the end result is you don't have a high loan demand for our area."

If another commercial bank came in, Mr. Wakefield charges, neither bank would make any money.

Mr. Ream, the regional administrator for the comptroller, concedes that a local examiner found in favor of the rival group when it first applied for a charter. "But a charter application goes through five levels"—two in Atlanta, including the local examiner, and three levels in Washington before a decision is made by the comptroller.

Mr. Ream says that William Camp, then the comptroller, rejected the first application. The rival group sought—and was granted—a reconsideration.

During the second go-around, a different local examiner looked into the matter. He recommended against the group. Mr. Ream, who opposed the application the first time, says he was against it when the group reapplied. James Smith, the current comptroller, then rejected the second application.

Mr. Ream is quick to admit that this was a hot potato. "We pored over this. We knew we'd be damned if we do, and damned if we don't," he says. Mr. Ream adds the comptroller's office has been sued "innumerable times" over the granting and nongranting of charters. "We've never lost a case," he says.

DECEMBER 20, 1973.

Hon. EDWARD HUTCHINSON,
Rayburn Building.

DEAR ED: Attached is a copy of my letter to Don Fraser referring to the ADA 1973 allegations of Presidential wrong doing. I am not sure how your Committee intends to proceed, but I certainly hope you will look into the Andreas bank charter question—ADA Item 11. On this matter, I have no idea whether there was any wrong doing. What I do know is that the allegations were allowed to stand and have received great publicity in the press. Despite the fact that the Comptroller of the Currency indicated that nothing unusual was found on the issuance of the charter, the ADA and others are still talking about it and have indicated that it was issued in record time, which is contrary to the statement of the Comptroler.

At the time of the Patman mini investigation, a majority of Committee Members were reluctant to give Chairman Patman subpoena powers. Apparently he was angered by the Committee action and was not willing to carry out the investigations of the two items listed in my letter to Don Fraser which clearly were in the jurisdiction of the Banking and Currency Committee.

In any case, I think Congress should complete its investigation of these items even if the Judiciary Committee has to do it. In the case of the bank charter, those who received the charter ought to be cleared or indicted. In the case of the Mexican bank operations, the Congress should know whether we need new laws to prevent this.

Two weeks ago in the House Administration Committee I endeavored to persuade the Committee to write into the campaign reform legislation a prohibition on any contributions made through foreign banks. I still think it is a good suggestion and intend to offer it on the floor. If your Committee in its investigation can provide any good evidence, pro or con, I would be happy to receive it.

Best regards,

BILL FRENZEL,
Member of Congress.

DECEMBER 20, 1973.

Hon. DON FRASER,
Longworth Building.

DEAR DON: In your Congressional Record statement of December 18, 1973, Pages E8154–57, you included a list of 73 allegations compiled by the Americans for Democratic Action and indicate that these allegations should be investigated by the Judiciary Committee.

Allegation No. 11 relates to a bank charter granted in my district in August of 1972. During the fall of 1972, Chairman Patman of the Banking and Currency Committee made allegations similar to those made by you. I tried to get him and the appropriate Subcommittee Chairman, Mr. Gonzalez, to follow up the Committee's investigation as to whether a quick charter was issued. Mr. Patman wanted to interview other more important people in the Committee to Re-elect the President and never did summon the Comptroller of the Currency in this matter. However, the Comptroller did write to the Committee indicating that the charter was not granted quickly and was, in his opinion, a routine sort of thing.

I think it is just dreadful that this kind of allegation hangs around and gets repeated over and over again to the detriment of at least two of the incorporators, Mr. Andreas and Mr. Dahlberg.

Since Mr. Patman was never willing to carry this investigation to a conclusion, I surely hope that the Judiciary Committee will do so, so either the allegations can be proved or disproved.

A number of bankers within my district indicated that they had been queried by staff members of the Banking and Currency Committee. I was never furnished the results of such an investigation or survey conducted by that Committee, but again, the Judiciary Committee may want to ask the Banking Committee for its records in this case.

In addition, I had asked the Banking and Currency Committee to investigate the use of funds in campaigns which were channeled to various committees through foreign banks. This was another area of investigation the Banking Committee did not complete which should have been completed. This is Item 16 on your list, and perhaps the Banking Committee could furnish information on this subject too.

Mr. Gonzalez has indicated to me on several occasions an interest in looking into this matter. I had encouraged him to do so on a couple of occasions, but apparently the Committee Chairman felt it was not worth looking into.

Yours very truly,

Bill Frenzel,
Member of Congress.

CAMPAIGN REFORM AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Young) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Speaker when H.R. 16090, the Federal Election Campaign Act Amendments, comes before the House on Wednesday, I intend to offer a series of amendments. Taken as a whole, these amendments constitute the text of my own campaign reform bill, H.R. 11735, which is the toughest bill before the House. A full discussion of my bill and explanation of its provisions may be found on page 38871, in the Congressional Record of November 30, 1973.

Mr. Speaker, my proposed amendments are as follows:

Amendment to H.R. 16090, as Reported, Offered by Mr. Young of Florida

Page 2, strike out line 9 and all that follows down through page 4, line 8, and insert in lieu thereof the following:

"(b) (1) No individual or political committee (other than a candidate on his own behalf or a principal campaign committee or the treasurer or any deputy treasurer of such committee) may, directly or indirectly, make contributions or expenditures (or both) for the purpose of influencing the election (including the nomination of such election) of any person for Federal office, in an aggregate amount in excess of—

"(A) $1,000 in the case of an election for the office of President, or

"(B) $500 in the case of an election for any other Federal office.

"(2) No individual or political committee (other than a candidate on his own behalf of a principal campaign committee or the treasurer or any deputy treasurer of such committee) may, directly or indirectly, make cash contributions for the purpose of influencing the election (including the nomination of such election) of any person for Federal office, in an aggregate amount in excess of $100.

"(3) A contribution of money may be only in cash (subject to paragraph (2)) or made by means of a check issued by or drawn on a bank which is organized under the laws of the United States or a State.

"(4) (A) No political committee may make a contribution to a political committee which is not a principal campaign committee.

"(B) No political committee, other than a principal campaign committee, may accept contributions from individual contributors unless such contributors designate in writing the name of the candidate or principal campaign committee to which the contribution should be given.

"(C) No principal campaign committee may make any contribution or expenditure except for the purpose of influencing the nomination for election or election of the candidate designating the committee, or for the purpose of communication between the candidate and his constituency, including but not limited to travel by the candidate between the particular district and the Capital, and the production and distribution of newsletters and radio and television tapes.

Page 4, line 11, strike out "$10,000,000" and insert in lieu thereof "$25,000 multiplied by the total number of congressional districts in the several States".

Page 4, line 14, strike out "$20,000,000" and insert in lieu thereof "$25,000 multiplied by the total number of congressional districts in the several States".

Page 4, line 18, strike out "greater" and insert in lieu thereof "lesser".

Page 4, strike out line 19 and all that follows down through line 21 and insert in lieu thereof the following:

"(i) $25,000 multiplied by the number of congressional districts in the State in which the election is held; or".

Page 4, line 22, strike out "$75,000" and insert in lieu thereof "$500,000".

Page 4, line 22, insert "or" immediately after the semicolon.

Page 4, strike out line 23 and all that follows down through page 5, line 6, and insert in lieu thereof the following:

"(D) $25,000, in the case of a candidate for the office of Representative, Delegate, or Resident Commissioner.".

Page 6, immediately after line 2, insert the following:

"(4) An expenditure may be made (A) by or on behalf of a candidate (other than a candidate to which paragraph (5) applies) only if approved in writing by the candidate, and (B) on behalf of a candidate only by the committee designated by the candidate under section 302(f) (1).

"(5) (A) No expenditure in excess of $100 shall be made by or on behalf of any candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(B) Each national committee approving expenditures under subparagraph (A) shall register under section 303 of the Federal Election Campaign Act of 1971 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the name and address of the person seeking approval and making the expenditure.

"(C) No political party shall have more than one national committee.

Page 6, line 20, insert ""." immediately after "1973.".

Page 6, strike out line 21 and all that follows down through page 7, line 10.

Page 11, immediately after line 3, insert the following:

"(b) No person shall make a contribution on the condition, or with an express or implied agreement, that the recipient of the contribution will make a contribution to any other candidate or his authorized committee unless the original contributor is identified pursuant to the reporting requirements of section 304 of the Federal Election Campaign Act of 1971.

Page 11, line 4, strike out "(b)" and insert in lieu thereof "(c)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Young of Florida

Page 12, strike out line 20 and all that follows down through page 13, line 5, and insert in lieu thereof the following:

Sec. 102. (a) Section 591(d) of title 18, United States Code, relating to the definition of political committee, is amended by striking out "means any" and all that follows through "$1,000" and inserting in lieu thereof the following: "means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal office".

Amendment to H.R. 16090, as Reported, Offered by Mr. Young of Florida

Page 19, line 4, insert "(a)" immediately after "Sec. 201.".

Page 20, immediately after line 17, insert the following new subsection:

(b) Section 302 of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by adding at the end thereof the following new subsection:

"(g) No principal campaign committee may accept contributions from other than individuals or political party organizations.".

Amendment to H.R. 16090, as Reported, Offered by Mr. Young of Florida

Page 20, line 19, insert "(a)" immediately after "Sec. 202.".

Page 21, immediately after line 3, insert the following new subsection:

(b) Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended—

(1) in subsections (a) and (d) thereof, by striking out "in an aggregate amount exceeding $1,000"; and

(2) in subsection (a) thereof, by striking out "in excess of $1,000".

Amendment to H.R. 16090, as Reported, Offered by Mr. Young of Florida

Page 21, strike out line 5 and all that follows down through page 23, line 8, and insert in lieu thereof the following:

Sec. 203 (a) (1) The second sentence of section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "Such reports" and inserting in lieu thereof "With respect to candidates for the office of President or Vice President, such reports".

(2) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately after the second sentence the following: "With respect to candidates other than candidates for the office of President or Vice President, such reports shall be filed not later than the first Monday of each month during the period beginning on the date on which such candidate designates a principal campaign committee under section 302(f) (1) and ending on the date of the election involved, and not later than 15 days next preceding the date on which an election is held.".

(3) Section 304 of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by adding at the end thereof the following new subsections:

"(d) Each treasurer of a political committee who is required to file any report under subsection (a) shall file a final report with respect to any election not later than 90 days after the date on which such election is held.

"(e) Any contributions received by a candidate which are listed as unexpended or unobligated in the final report filed by such candidate under subsection (d) shall be forfeited to the treasury of the State in which the election is held (or, in the case of an election for the office of President or Vice President, to the Treasury of the United States) not later than 10 days (other than

Saturday, Sunday, or any legal public holiday listed in section 6103 of title 5, United States Code) after the filing of such final report."

Page 23, immediately after line 22, insert the following new paragraph:

(3) Section 304(b)(2) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "in an aggregate amount or value in excess of $100".

AMENDMENT TO H.R. 10690, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 23, immediately after line 22, insert the following new paragraph:

(3) Section 304(b) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out paragraph (12), by inserting "and" immediately after the semicolon in paragraph (11), and by redesignating paragraph (13) as paragraph (12).

AMENDMENT TO H.R. 10690, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 28, strike out line 18 and all that follows down through page 29, line 2, and insert in lieu thereof the following new subsection:

(b) Section 301(d) of the Federal Election Campaign Act of 1971, relating to the definition of political committee, is amended by striking out "means any" and all that follows through "$1,000" and inserting in lieu thereof the following: "means any individual, committee, association, or organization (whether or not incorporated) which (A) accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal office, or (B) makes evaluations and recommendations with respect to candidates in elections held in more than one State".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 44, immediately after line 23, insert the following new section:

CAMPAIGN INDEBTEDNESS; CAMPAIGN ACCOUNTS

SEC. 209. Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by adding at the end thereof the following new sections:

"CAMPAIGN INDEBTEDNESS

"SEC. 317. No person, other than a candidate for Federal office, may make any expenditure on behalf of such candidate if such expenditure involves the incurring of a debt or other obligation by such person.

"CAMPAIGN ACCOUNTS

"SEC. 318. (a) Every candidate for Federal office shall, within a reasonable time after becoming a candidate, establish a campaign account at not more than one national or State bank.

"(b) The political committee which a candidate designates as his principal campaign committee under section 302(f)(1) shall make expenditures only from the campaign account established by such candidate under subsection (a). No expenditure may be made by any such committee on behalf of such candidate except by check drawn from such account.

"(c) Any contribution received by or on behalf of a candidate shall be deposited in the campaign account established by such candidate under subsection (a) on the first day (other than Saturday, Sunday, or any legal public holiday listed in section 6103 of title 5, United States Code) following the date upon which such contribution is received.".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 44, immediately after line 23, insert the following new section:

PENALTIES

SEC. 209. (a) Section 314(a) of the Federal Election Campaign Act of 1971 (as so redesignated by section 207(a) of this Act), relating to penalty for violations, is amended by inserting ", and shall be ineligible to hold any Federal office" immediately after "both".

(b) Section 105 of the Federal Election Campaign Act of 1971 (as so redesignated by section 402(a)(1) of this Act), relating to penalties, is amended by inserting ", and shall be ineligible to hold any Federal office" immediately after "both".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 45, strike out line 7 and all that follows down through line 9, and insert in lieu thereof the following:

"SEC. 403. The provisions of this Act, and of regulations promulgated under this Act, supersede any provision of State law with which they conflict with respect to campaigns for nomination for election, or for election, to Federal office, unless any such provision of State law imposes a standard or duty which is more strict than the standard or duty imposed under this Act.".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 47, immediately after line 6, insert the following new section:

CANDIDACIES OF MEMBERS OF THE SENATE OR HOUSE OF REPRESENTATIVES

SEC. 303. (a) Any Member of the Senate or the House of Representatives who is a candidate for any office other than the office he holds shall, upon becoming such a candidate, resign his office as a Member of the Senate or the House of Representatives. Such resignation shall be effective on the date upon which the oath of office is administered with respect to such office for which such Member is a candidate.

(b) For purposes of this section, the term "candidate" means any individual who has qualified to have his name on the election ballot in the geographical area in which the election involved is to be held, or, in the case of an election for the office of President or Vice President, any individual who has qualified to have his name on the election ballot (or to have electors pledged to him on the election ballot) as the candidate of a political party for election to the office of President or Vice President in one or more States.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 53, strike out line 17 and all that follows down through page 61, line 4.

And redesignate the following sections accordingly.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 79, line 15, strike out "406,".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 79, line 15, strike out "408,".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. YOUNG OF FLORIDA

Page 61, strike out line 14 and all that follows down through page 78, line 3.

And redesignate the following sections accordingly.

THE FORTHCOMING CONFERENCE ON FOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, I rise this evening to focus on some conflicts that are present this evening in our Government, to point out a distinction between articulated policy and political influence, between promise and performance, between words and deeds.

First, I would point out excerpts from A Declaration on Food and Population, which is addressed to the Government's organizations and men and women everywhere:

No link unites the family of man more than the need for food. For food is an essential condition of life, common to all people; wherever they are, whatever they do, they share alike in this need.

The stark truth is that man's ability to produce food is not keeping pace with his need. Despite efforts by governments and the international community to solve world food problems, more people are hungry today than ever before.

Hundreds of millions of the world's people are undernourished. Population growth is adding 75 to 80 million more people each year, 200,000 each day.

Within the next 25 years or so our present numbers of nearly 4 billion will be nearly 7 billion. They must all be fed.

The world food situation took a sharp turn for the worse in 1972 and 1973:

1. Stocks of grain have hit an all-time low since the end of World War II. Surplus stocks formerly held in reserve have nearly been exhausted and no longer offer security against widespread hunger and starvation.

2. Food prices have reached new highs. Last year, despite a record world harvest, escalating demand nearly doubled grain prices. The increasing cost of food threatens to cause serious hardship for many people already spending most of what they have on food.

3. Less of the cheaper protein foods, which normally supplement grain diets, is available. The world's fish catch and per capita production of protein-rich legumes, the staple diet in many countries, have declined.

4. Food shortages have created serious social unrest in many parts of the world and are particularly severe in countries where hunger and the diseases that thrive on undernourished bodies are prevalent. This scarcity has been aggravated by the consumption of more and more grain to produce meat, eggs and milk.

5. Mounting fertilizer and energy shortages are reducing food production in certain areas and increasing food prices.

In this new and threatening situation, a bad monsoon in Asia (which could occur in any year), or a drought in North America (like those in the 1930's and 1950's), could mean severe malnutrition for hundreds of millions and death for many millions.

This dangerously unstable world food picture, when seen against an unprecedented population increase, has created an immediate sense of urgency. The dangers of food shortages could remain a threat for the rest of this century—even if, hopefully, bumper crops in some years create temporary surpluses and even if the trend toward reduced birth rates becomes general throughout the world.

World food production in the years ahead must rise at least 2 percent a year to keep

> pace with the present rate of population growth. But it must rise a good deal more if the world's people are to be provided with an adequate diet. This required annual increase in food production is considerably greater than that which occurred during recent decades—and seems to be increasingly harder to achieve each year. But unless there is this necessary and continuous increase in food production, there will be even more hunger and malnutrition and soaring food prices.
>
> The need to seek solutions is pressing. The nature of the problem, the precarious state of world food production made critical by predicted expectations of continued population growth, calls for concerted action by the world community. There is only one cure for hunger and that is food. No palliatives or panaceas in the form of reports or resolutions can alleviate the pain of empty stomachs that must be filled. International resolutions, however high-minded, are a mockery if they do not have a tangible impact on the human condition.
>
> The United Nations is now providing leadership on both these problems. In August the United Nations will convene the World Population Conference in Bucharest. In November it will convene the World Food Conference in Rome. These are the first occasions when governments have agreed to meet to consider these crucial questions and to consider taking action on them.
>
> With these two conferences only a few months away, we urge governments, acting before, at and after these two global conferences, to consider realistic and purposeful measures such as the following:
>
> Give high priority to programs in each country which will increase the production of grains, legumes and other staple food crops, insure the availability of protein-rich foods, particularly to the more vulnerable population groups; expand the production of fertilizer; and improve the opportunities for small farmers to make a reasonable living. Develop a comprehensive and constructive World Food Plan for adoption at the World Food Conference.
>
> A solution to the present world food crisis must be found within the next few years. The social transformation which can lead to a reduction in the world rate of fertility, along with lowering the rate of mortality, will take decades to accomplish. But a start must be made now because the millions of people being born each year place a heavy burden on the resources available to many nations for education, health, employment and the maintenance of environment quality. A reduction in population growth could help alleviate this burden. Effective measures toward resolving both the world food and population problems must come within a total strategy of development. Not only is social and economic development desirable in itself, but also it contributes to moderating population growth. All these measures are designed to improve the quality of life.
>
> In this declaration, we focus on food because it is the most critical of the pressures on the world today. It is the greatest manifestation of world poverty, which has many aspects. The absolute number of desperately poor are far greater today than ever before in history. The need to eradicate acute poverty is being recognized more than ever as a collective responsibility. It is a task which global partnership and the demands of social justice make imperative.
>
> We repeat, food is crucial because literally tens of millions of lives are suspended in the delicate balance between world population and world food supplies. Growing populations, denied sufficient food needed for survival, resist all efforts to secure a peaceful world. With increased production and more equitable distribution of food, the future could provide a prospect of less misery and more hope for countless people now deprived of the basic necessities that are their right.
>
> The World Food Conference represents a unique opportunity. This opportunity must not be missed. Comprehensive international agreements must be reached to assure at least minimal food supplies, with sufficient annual carry-over stocks. Disastrous breakdowns in the world food supply can thus be avoided. All nations may then rest secure in the knowledge that this, the most critical of their immediate problems, is being attacked with wisdom, vigor and unity of purpose.

The resolution, Mr. Speaker, goes on to read:

> In the name of humanity we call upon all governments and peoples everywhere, rich and poor, regardless of political and social systems, to act—to act together—and to act in time.

Mr. Speaker, I have here a statement by the United Nations Secretary General Kurt Waldheim on receipt of the Declaration on Food and Population, and before I insert this as a part of my remarks I would like to refer to and quote the second paragraph in Secretary General Waldheim's statement.

He says:

> I have recently described the times we are living in as being characterized by mass poverty, food shortages, an energy crisis, a continuing oppressive burden of military expenditure, inflation exacerbated by world monetary instability, and the prospect before us of a doubling of human numbers by the turn of the century.

In addition, Mr. Speaker, I have a letter from you, our leader in the House, which is joined with and by the minority leader, Mr. RHODES, a letter of July 9, 1974, to the colleagues of the House pleading the adoption of this resolution in preparation of the World Food Conference.

I would highlight this letter by referring to three of the paragraphs contained in it. As I quote:

> The crises resulting from tremendous population pressures and widespread famine already afflicting a considerable number of countries, and the potentially much more serious situation which would result from possible crop failures, impel us to call your attention to these vital and threatened problems.

Continuing to quote from the body of the letter, Mr. Speaker:

> We believe that the extent of death by famine and disease in the developing countries over the next few years will depend primarily on the actions taken by their own governments, but it will also depend to a large extent on the leadership and assistance of the United States and the other industrialized countries in alleviating the crises caused by rapid population increases and tragic food shortages.

It goes on to conclude, Mr. Speaker, and I quote:

> The long-range effects of food shortages and rapid growth of population on the quality of life are problems which also must be faced. We suggest that as discussions on the various aspects of food and population problems come before the Congress, you give them your careful consideration.

I say to my colleagues that I have given the food and population problems my careful consideration, and I endorse this effort as I have introduced legislation before the House which I believe to be a step in that direction. That legislation is entitled H.R. 15263, the Rice Act of 1974.

Mr. Speaker, I go on to refer to a letter from the U.S. Secretary of State, Dr. Kissinger, who refers to the urgent need to increase domestic food production and to remove domestic restrictions on food production. Before introducing this letter for the record, I quote from the body of the letter wherein, Mr. Speaker, he says:

> We strongly support a global cooperative effort to increase food production and have removed all domestic restrictions on our output. We will endeavor to increase the quantity of our food aid to needy countries, give technology and material help to efforts of developing countries to expand their food output, assist in the production of more fertilizer and in more effective use, and join other governments in a world-wide effort to rebuild food reserves.

Mr. Speaker, I do now to refer to the Secretary of Commerce, Mr. Dent, who states that food shortages in the United States have produced a trade deficit. In June the Secretary of Commerce, Mr. Dent, reported a trade deficit for May 1974, at $776.9 million, a swing deeply into the red as import costs remained high and farm exports fell dramatically. Imports outran exports by $776.9 million, the second largest monthly deficit on record surpassed only in October 1971, when the trade was stilled in America by a dock strike.

Mr. Speaker, for the first time this century the United States has had its first full year trade deficit in 1971–72. It is true that devaluations of the dollar helped to win back a surplus in 1973, but this year the increased costs of importing oil has produced a deficit again. One solution to reestablishing a favorable balance of trade is to produce and export more food products from America.

Mr. Speaker, H.R. 15263, the 1974 Rice Act, is a step in that direction. Increased production as a direct result of this act, would increase U.S. commerce from exports by $350 million to $400 million annually.

Mr. Speaker, the Secretary of the Treasury Mr. Simon is reported to have said that America actually paid for its high-priced oil imports in 1973 with agricultural exports that extracted $7 billion from foreign food sales.

If we realistically examine our international fiscal potential as it relates to the balance of payments, the one single resource that is in abundance that we have more of than anyone else is food.

Mr. Speaker, I would like to insert at this time table No. 804 from the agricultural statistics of 1973, showing the U.S. positive balance of payments in agricultural trade and its substantial contribution to our total value of international trade.

Mr. Speaker, table 804 follows:

TABLE 804.—FOREIGN TRADE: VALUE OF TOTAL AGRICULTURAL EXPORTS AND IMPORTS, UNITED STATES, 1959–72

[Dollar amounts in millions]

Year ending June 30	Total domestic exports	Agricultural exports [1]			Total import for consumption	Agricultural imports (for consumption)					Excess of domestic agricultural exports over supplementary import
		Domestic	Percentage (domestic) of total exports	Foreign (re-exports)		Total	Supplementary [2]	Complementary [2]	Supplementary		
									Percentage of total agricultural exports	Percentage of total agricultural imports	
1959	$17,357	$3,719	21	$83	$13,857	$4,004	$2,029	$1,975	55	51	$1,690
1960	19,110	4,519	24	73	15,496	4,010	1,979	2,031	44	49	2,540
1961	20,507	4,946	24	67	14,161	3,645	1,814	1,831	37	50	3,132
1962	21,447	5,142	24	63	15,687	3,762	2,049	1,713	40	54	3,093
1963	21,638	5,078	23	62	16,398	3,907	2,208	1,699	43	57	2,870
1964	24,718	6,068	25	84	17,776	4,096	2,225	1,871	37	54	3,843
1965	26,331	6,097	23		19,731	3,986	2,127	1,859	35	53	3,970
1966	28,886	6,676	23		23,295	4,454	2,472	1,982	37	56	4,204
1967	30,819	6,711	22		26,427	4,453	2,657	1,786	39	60	4,104
1968	32,195	6,311	20		29,613	4,656	2,845	1,811	45	61	3,468
1969	35,221	5,741	16		34,175	4,931	3,072	1,859	54	62	2,669
1970	41,059	6,721	16		38,219	5,592	3,451	2,141	51	62	3,270
1971	43,663	7,758	18		42,724	5,828	3,684	2,144	47	63	4,074
1972 [3]	44,864	8,051	18		50,055	6,041	3,949	2,092	49	65	4,102

[1] Includes food exported for relief or charity by individuals and private agencies. These figures include a small amount of certain foodstuffs other than agricultural.

[2] Supplemental agricultural imports consist of all imports similar to agricultural commodities produced commercially in the United States, together with all other agricultural imports interchangeable to any significant extent with such U.S. commodities. Complementary agricultural imports include all others, about 98 percent of which consist of rubber, coffee, raw silk, cacao beans, wool for carpets, bananas, tea, and vegetable fibers.

[3] Preliminary.

Source: Economic Research Service. Compiled from reports of the U.S. Department of Commerce. Data for 1924–58 in "Agricultural Statistics, 1972" table 817.

In addition, Mr. Speaker, I also include at this point in the RECORD a photocopy of a letter from Secretary of Agriculture Earl L. Butz dated July 22, 1974, in which he endorses H.R. 15263, the Rice Act of 1974:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 22, 1974.

Hon. WILLIAM ALEXANDER,
House of Representatives.

DEAR MR. ALEXANDER: This is in response to your July 18 query relative to our position on H.R. 15263, the Rice Bill.

This will assure you that the Department strongly supports H.R. 15263 and will continue to push for its prompt enactment in the 93rd Congress.

Sincerely,

EARL L. BUTZ,
Secretary.

Mr. Speaker, the political leaders to which I have referred support increased food production. To this end I have introduced H.R. 15263, the Rice Act of 1974 which frees the American farmer to maximize rice production. The passage of this bill would increase rice output by approximately 500,000 acres in America, which would provide about 1 million more metric tons of rice distribution for commercial trade. But the support of the Secretary General of the United Nations, the support of the Speaker of the House, the support of the minority leader, the support of the Secretary of Agriculture, the Secretary of State, the Secretary of Commerce, and the Secretary of the Treasury is not enough, Mr. Speaker, because certain powerful special interests having great influence in the U.S. Congress oppose this legislation causing its future to be uncertain.

Why have they turned a deaf ear to the hunger cries of the people of the world? Why have they ignored the request of world leaders? Why have they turned away from the trade advantages to our great Nation?

I will tell the House why, Mr. Speaker. It is because this bill, the Rice Act of 1974, presents a classic example of special interest versus public need, a clash of two forces, of public policy the way it ought to be and of power politics the way it is, the difference between promise and performance.

Mr. Speaker, I as one American am growing weary of political double talk. I am tired of deception. Let us talk straight to the people of the world by passing legislation designed to expand food production and improve the opportunities of small farmers. The existing rice program has served us well in the past but it was designed to prevent overproduction, to build in protectionism and to attack a problem which existed in the past but which does not exist in the present.

What we need is to unshackle the American farmer from the bonds of the past and encourage full production. We must maximize food production in the rice industry, reduce Government interference, and permit the American farmer to respond to the world market forces and the needs of men. I submit, Mr. Speaker, only then can we as Americans rightfully maintain our position as leaders of a free world and take a seat in good faith at the World Food Conference to be held in Rome next December.

Mr. Speaker, I include for the further information of the Members, the article which I have referred to.

STATEMENT BY UNITED NATIONS SECRETARY-GENERAL KURT WALDHEIM ON RECEIVING THE DECLARATION ON FOOD AND POPULATION

(Following is the text of the statement made by Secretary-General Kurt Waldheim on receiving the Declaration on Food and Population presented by a group of eminent intellectuals and scientists at a ceremony at United Nations Headquarters, April 25, 1974.)

I am grateful to be given this Declaration. It is marked by a profound concern for the improvement of the human condition. The Declaration is important of itself by virtue of the authority of the signers whose standing in all walks of life is reflected by the stature of those who have come to the United Nations today to bear witness to it.

I have recently described the times we are living in as being characterized by mass poverty, food shortages, an energy crisis, a continuing oppressive burden of military expenditure, inflation exacerbated by world monetary instability, and the prospect before us of a doubling of human numbers by the turn of the century.

The Declaration addresses itself primarily to the dramatic depletion of available food reserves and the shortfall in world food production. There is no more immediate task than that of rescuing the world from a situation which, for many, has always been precarious and is now even more hazardous. Short-term measures, while essential, must not be allowed to become palliatives, for the coming years will increase our vulnerability.

Virtually in no other area is it more pressing than in the one to which your Declaration addresses itself: the need to assure that the men, women, and children of Africa, Asia, Europe and the Americas, whatever their origin, their religion, their political philosophy, their age, their social condition have the basic foods which are the one essential and undebatable pre-condition of a life of dignity and decency. Without an assured supply, all our other aspirations for peace, for social justice, for growth and creativity, both as individuals and as nations, lose their meaning and take on a hollow ring.

I cannot but be sharply and painfully conscious of the dangers posed by the Declaration, having recently returned from the Sahel. There, the suffering provoked by a six-year drought is resulting in premature death, disease and a dreadful sense of helplessness. The tragic spectacle of dying cattle and their owners fleeing the encroaching desert induces a sense of desperation into what should be the objective analysis of the world's food situation and prospects.

It is no accident that this Declaration is presented at the United Nations. This body was established in the final phase of the most devastating war in history not merely to embody the highest aspirations of mankind, but to provide an operational vehicle for global action. The present crisis and those that we can see looming ahead can be overcome. They are indeed a serious challenge to use all our forces, our determination and ingenuity to provide a better life for future generations.

This is a year in which the international community, with some brutally abrupt reminders of what the future may hold, is facing up to the situation. At its present special session, the General Assembly is devoting its attention to finding the basis of a more equitable and workable economic system—a system which takes into account not only the needs of all nations, but also the imperative interrelationships of the several parts of the problem: poverty, the conservation and just apportionment of natural resources, the preservation of the environment, and the problems of trade and monetary system. Food and population, the two urgent issues to which your Declaration addresses itself, form an integral part of this whole.

In August, in Bucharest, for the first time Governments will hold a world population conference. Shortly afterwards, in Rome, the World Food Conference will offer Governments the opportunity to tackle the world food problem. Your call therefore for international co-operation to ensure supplies of food comes at an opportune moment. The World Food Conference will present the Member States of the United Nations with the unique opportunity to take immediate practical and urgently needed steps to redress a tragic situation which we can no longer afford to ignore.

The unprecedented growth of the world's population is compounding man's difficulties in feeding himself. The time at our disposal is very short. You point out that the world's food production has barely kept pace with population increases. Our goal is not mere survival but a life of dignity and peace with hope for each new generation to improve the condition of life for the billion of men, women and children who will inhabit the earth in the coming decades.

Whether or not we can increase food production depends, as the Declaration states, not on a torrent of words and resolutions, but on adopting new and tangible objectives, hammering out the global strategies needed and revitalizing the machinery to achieve them. In spite of its ideological complexity and the political and other constraints that must exist in any global body, the United Nations can and will respond.

It is in this same spirit of commitment and determination that I receive this Declaration. I am confident that the international community can and will find humane solutions to the serious problems of food and population which confront mankind.

Messages to the Secretary-General in Support of the Declaration on Food and Population

MESSAGE FROM HIS IMPERIAL MAJESTY, THE SHAHANSHAH ARYAMEHR OF IRAN, TO HIS EXCELLENCY KURT WALDHEIM, THE SECRETARY-GENERAL OF THE UNITED NATIONS

I have learned with pleasure of the Declaration on Food and Population signed by a group of distinguished people which will be submitted to the Secretary General of the United Nations Organization on the 25th of April, 1974.

It is my sincere hope that this Declaration will create a sense of urgency and contribute to a greater awareness among nations of the grave problems facing mankind in view of the rapid population growth on the one hand and the precarious state of the world food production on the other.

Priority must be given by governments to implementing sound population control and environmental protection policies, to devising methods of increasing food production especially that of grains, to encourage increased cooperation between developing and developed countries in order to provide aid for population control and food production programs and to making provisions for sufficient food reserves to guard against famine.

I earnestly hope that the World Population Conference and the World Food Conference organized by the United Nations and to be held in August and November, respectively, will help to promote a concerted effort on behalf of all the nations of the globe to seek wise solutions to these crucial issues which will have a vital bearing on the future of mankind.

THE SPEAKER'S ROOMS,
Washington, D.C., July 9, 1974.

DEAR COLLEAGUE: On April 25, 1974, 40 distinguished signers of the Declaration on Food and Population from 25 countries officially delivered the Declaration on behalf of more than 1,500 signers from over 100 countries to Secretary-General Kurt Waldheim at United Nations Headquarters in New York City.

More than 50 Members of Congress were among those who signed the Declaration. We, who are among those who signed it, are greatly concerned by the increasing shortages of food in many countries and the related problems having to do with too rapidly growing population in the developing countries.

The crises resulting from tremendous population pressures and widespread famine already afflicting a considerable number of countries, and the potentially much more serious situation which would result from possible crop failures, impel us to call your attention to these vital and threatening problems.

If you also are concerned about the threat that these problems present in many parts of the world, we hope that you will sign the Declaration.

We believe that the extent of death by famine and disease in the developing countries over the next few years will depend primarily on the actions taken by their own governments, but it will also depend to a large extent on the leadership and assistance of the United States and the other industrialized countries in alleviating the crises caused by rapid population increases and tragic food shortages.

We are enclosing a pamphlet which includes, in addition to the Declaration itself, an eloquent response by Secretary-General Waldheim in which he expresses his gratitude to the signers from around the world, his concern for the related problems of food shortages and too rapid population growth and his hope that the international community will find humane solutions to these serious problems.

The pamphlet also includes copies of the messages addressed to Secretary-General Waldheim by the Shah of Iran, the Preident of Senegal, the Prime Ministers of India and Sri Lanka, the Foreign Minister of Korea and the United States Secretary of State.

Secretary Kissinger in his message assures the Secretary-General that the United States will do its part and will strongly support a global cooperative effort to increase food production. He expresses the hope that other countries also will help and that all countries will take active measures to bring population growth and food production into better balance.

Undoubtedly, the present Congress will be considering measures to alleviate the famine from the Sahelian countries in Africa and from India and other countries. These are immediate problems which need emergency action.

The long-range effects of food shortages and rapid growth of population on the quality of life are problems which also must be faced. We suggest that as discussions on the various aspects of food and population problems come before the Congress you give them your careful consideration.

We hope that you will join in signing the Declaration; please notify the Population Crisis Commitee, Suite 200, 1835 K Street, N. W., Washington, D.C. 20006, of your intention.

Sincerely,

CARL ALBERT,
The Speaker.
JOHN RHODES,
Minority Leader.

APRIL 25, 1974.

His Excellency Dr. KURT WALDHEIM,
Secretary-General of the United Nations, New York

DEAR MR. SECRETARY-GENERAL: The Declaration on Food and Population presented to you today vividly portrays the connected global problems of food supply and rapid population growth.

It is a timely call by distinguished citizens of many countries for urgent attention to two central problems of human welfare. It recognizes that in this increasingly interdependent world there is no acceptable alternative to nations working together to solve global problems, of which food and population are among the most pressing. It reminds us that the individual nations and the United Nations must approach the World Population Conference and the World Food Conference with the determination to seek and agree on common approaches.

As I stated in my address to the Special Session of the General Assembly, the United States will do its part. We strongly support a global cooperative effort to increase food production and have removed all domestic restrictions on our output. We will endeavor to increase the quantity of our food aid to needy countries, give technological and material help to efforts of developing countries to expand their food output, assist in the production of more fertilizer and in its more effective use, and join other governments in a worldwide effort to rebuild food reserves.

We hope that other countries able to do so will make similar contributions and that all countries will take active measures to bring population growth and food production into better balance.

The food and population crises threaten the welfare and stability of peoples and nations. We must act together with the purpose, the mutual confidence and the determination to overcome them.

Best regards,

HENRY A. KISSINGER,
Secretary of State,
United States of America.

A Message From His Excellency, Leopold Senghor, to United Nations Secretary-General Kurt Waldheim on the Occasion of the Declaration on Food and Population, Delivered by Ambassador Médoune Fall, Permanent Representative to the United Nations From Senegal, on April 25, 1974

Mr. Secretary-General, Ladies and Gentlemen. On behalf of the President of the Republic of Senegal, His Excellency Leopold Senghor, I come to bring you the support of my country and of my government for this Declaration on Food and Population, and also on my President's behalf to extend congratulations to those who undertook this generous and opportune initiative. I thank you.

Ambassador Samar Sen of India

Ambassador Samar Sen, Permanent Representative to the United Nations from India, at the ceremony on April 25 when the Declaration on Food and Population was officially presented to Secretary-General Waldheim, speaking on behalf of the Prime Minister, Indira Gandhi, expressed her support of the Declaration on Food and Population and her hope that this worldwide initiative dealing with the two important and related problems of food shortages and too rapid population growth would be successful. The Ambassador concluded by stating that in India, as the Prime Minister herself has stated publicly that family planning is at the base of our whole endeavor of national development.

Prime Minister Sirima Bandaranaike of Sri Lanka Cabled Her Support of the Declaration on Food and Population to William H. Draper, Jr., Wednesday, April 24, 1974

I thank you for inviting me to join a group of leaders to present a Declaration on Food and Population to the Secretary-General of the United Nations. I regret my inability to accept the invitation due to other commitments.

I have noted with great satisfaction the initiatives taken by you and other distinguished world citizens to focus attention through this Declaration on one of the most crucial probdems facing mankind today.

We of the developing world are particularly conscious of the gravity of this problem.

I am happy to associate myself with the Declaration.

My government will support all international action to avert a world food and population crisis.

THE AMERICAN ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the American economy is in serious trouble, in spite of the administration's attempts to cover up the problems. And the situation will get worse before it gets better. I do not need to elaborate to my colleagues or the American people on the inflation and other obvious ills facing the economy. But I want to urge that we begin to consider fresh new ideas for restructuring our economic policies.

This is a strange economic period: we have rampant inflation and recession at the same time. The administration will not call this a recession, but that does not really matter. What does matter is that nothing is being done about our economic situation. The palace guard in the White House dissipate all of their energy fighting among themselves over economic policy, and the President has to hire an "economic czar" to cover up this bickering. It has reached the point where press reports on the administration's economic policies discuss who is winning this battle, not what is being done for the American people.

The only worthwhile anti-inflation policy being used now is the Federal Reserve's interest rate and monetary policy. Hobar Rowen in the Washington Post calls this a "devastating tool, a blunderbuss of a weapon." While I have the highest respect for Chairman Burns and the purposes of his policies, I am not sure that I like the cure any better than the disease. But the Federal Reserve's policies are concerned with short-term inflation problems; that institution is not chartered to deal with broad-based national economic problems.

In evaluating our economic situation, we naturally look for the villains. Unlike Herbert Stein, I do not think that the American citizens are the villains. A recent nationwide poll found that the American people blame inflation on the Government. We in the Congress are part of the U.S. Government, and if we do not come up with fresh, new ideas for economic policy, we would also deserve the criticism of the people.

It appears that not only is no one directing the American economy today, but that we are at a standstill in terms of developing economic policy. There are many reasons for the paralysis in the Federal Government's economic policy, most of them traceable to the President.

After we have finished naming the villains and bemoaning our situation, what do we do? The Congress must take the lead and seek fresh, new, workable economic policies.

I can assure my colleagues that developing innovative economics is not easy. The expert economists express dismay, and many frankly admit that they do not know what to do about our economic situation. So I am not impressed with the simplistic solutions we hear so much of these days. It is unlikely that we can do anything in the short run; in Congress, we seem to get bogged down in arguing discredited or presently unworkable economic theories. We have yet to begin a constructive debate on new economic policies.

Over the years I have tried to promote a more progressive stance on economic policy and have introduced legislation and promoted policies which would either try a totally new, but workable, idea or set up machinery for more innovative economics. I recall in 1967 when the 10 percent surtax was proposed, I suggested that the surtax be put aside in a trust fund so that the tax could be returned to the taxpayers when the inflation danger had passed. While my efforts were unsuccessful—to the detriment of the taxpayer—I feel that this is the type of innovative thinking we need today.

In fact, I heard that the administration is considering asking for a new surtax to help dampen inflation and curb the Federal deficit. If we are to consider such a surtax it should be in the form I originally suggested in 1967.

Rather than having a straight surcharge we should have a surcharge which takes the form of a deferred credit repayable to the taxpayer over a period of several years. It would be distiguished from a surtax in that the amount involved is borrowed from the taxpayer, not taken away from him forever. The deferred credit could even carry interest to compensate the taxpayer-lender for the involuntary nature of the loan.

The funds received through the surcharge could be held in a trust fund as a Treasury asset to offset the future liability. This would tend to "safeguard" the funds until repaid and discourage increased Government outlays that might otherwise be prompted by the inflow of funds.

I am not pleased to hear talk of tax increases. But if we must talk of tax increases, we must do it the right way. It would be unfair to the taxpayer not to consider this alternative plan. I urge that any proposals for tax increases or surtaxes incorporate my deferred credit plan, which is not only innovative but workable.

A TRUSTEESHIP IN BANKRUPTCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, there follows my remarks to the National Press Club today:

Remarks by Representative Henry S. Reuss

In two weeks, the House starts impeachment proceedings. In four or five months (unless altered by special events) we'll know the results. But whatever the outcome, for the next couple of years, under either Mr. Nixon or Mr. Ford, assuming we continue as we are, this country will live on the brink of economic disaster.

Inflation, 4.7 percent in 1968, is now over 12 percent, the worst peace-time inflation in our history. Unemployment has risen from 3.6 percent in 1968 to 5.3 percent today, with worse predicted to come. The prime lending rate, 6.75 percent in 1968, is now 12 percent. The growth rate in GNP and productivity are now negative. And the distribution of income among American families, steadily improving until 1968, is now shifting some $10 billion a year from low- and moderate-income families to the rich.

More serious than the statistics is the growing loss of confidence among citizens in the capacity of the government to order the economy. Like any other Congressman who has been back with his constituents over the weekend, I can tell you what the polls tell you: for every citizen outraged by Watergate there are two dismayed by the Administration's economic performance.

Their perception is accurate. The Administration, too close to the oil industry, too close to the dairy lobby, too close to ITT, has repeatedly neglected the interests of average Americans. The Nixon-Ford "old-time religion" of nothing but tight money, tight fiscal policy, "trickle-down" incentives to big business is aimed to "wring out inflation", sure enough. But it wrings out inflation from the hides of the poor and the middle income family.

Mr. Nixon's economic advisers are constantly at loggerheads over the seriousness of the economic situation, over what is to be done, over who is to blame. Herbert ("I've never met a statistic I didn't like") Stein looks at the data and sees nothing but milk and honey. Federal Reserve Chairman Arthur Burns looks at the same data and finds the most critical economic crisis in our history. Treasury Secretary William Simon pulls out of his briefcase a $10 billion budget cut (or was it $25 billion?), while OMB head Roy Ash can only find $2 billion slack at most. Mr. Nixon's latest addition, Ayn Rand disciple Alan Greenspan, thinks it is immoral for the government to help the poor; he surveys the Administration's current economic policy—13 percent inflation, 5 million unemployed, and the second recession in 5 years—and is quoted as saying he "likes what he sees".

Without an economic philosophy, his advisers in disarray, wrapped up in his own defense, at hopeless odds with the Democratic Congress now considering his impeachment, seen as a lame duck President by the bureaucracy, Mr. Nixon no longer controls his own agencies and departments. There is, in short, no one running the store.

The worst of it is that even Mr. Nixon's departure from office, should that occur, would not necessarily make things better. His successor will be his appointee and apologist, a Vice President with no mandate from the electors, whose economic thinking, insofar as it has been revealed to us, is much the same as Mr. Nixon's. The Congress will be overwhelmingly Democratic, and overwhelmingly at odds with the Administration.

Are we then condemned for the next 2½ years to the tempests of raging inflation, quickening unemployment, speeding bankruptcies, recurrent financial crises, with the ship of state now drifting helplessly, now jibing wildly while the boom sweeps the hapless crew into the sea, now speeding toward the rocks?

When a business finds itself in economic difficulties that the existing management is unable to solve, the traditional solution is to have the courts appoint a trustee to get the organization back on its feet. A competent trustee, in whom customers, creditors, employees, and shareholders have confidence, attempts to breathe new life into a sick organization.

Our economy is in a similar position. The current economic management is: incompetent. Its ideas are: bankrupt.

Once before within memory, when the United States was exposed to great danger in World War II, FDR summoned to Washington such leading and responsible Republicans as Henry L. Stimson, Frank Knox, and Robert Patterson. Their business acumen and managerial experience qualified them for the top Cabinet positions. Including them in the Democratic Administration broadened the base of popular support for the government and the war effort. Victory was due in no small part to this bipartisan war directorate.

Today, confronted with the challenge not of war but of equally dangerous economic perils, we need again the statesmanlike behavior of President Roosevelt.

There is a better alternative than for this country to watch our economy go down the drain through the paralysis of partisan polarization. I call upon Mr. Nixon and Mr. Ford to ask Speaker Albert and Majority Leader Mansfield to appoint an Economic Trusteeship for the current crisis, charged with the task of getting prices and unemployment and interest rates down, and getting confidence in our government and in our financial institutions up.

The Economic Trusteeship would consist of a small cadre—perhaps 4 or 5—of the best public leaders available. Since Senate Majority Leader Mansfield and House Speaker Albert would select them, it is highly likely that they would be Democrats. The posts they would fill (at Treasury, at OMB, at CEA, for example) would be equivalent in the War against Inflation to those which FDR gave to Republicans in the War against Hitler.

The Trusteeship would both formulate economic policy and administer it. It would work closely with Congress, now a partner, rather than a competitor, with the Administration.

Both Republicans and Democrats would sacrifice something, from a purely partisan point of view. Republicans would relinquish their undiluted control over economic policy. Democrats in Congress would have to stop sniping at Administration failures and shoulder some of the responsibility for making economic policy and making it work. But both parties would have the satisfaction of knowing that the quality of those appointed to the Trusteeship would be far higher than a Republican Administration could otherwise hope to attract, and their effectiveness far greater than if the Democrats were content to remain the not-so-loyal opposition.

The mere act of appointing an Economic Trusteeship could help restore confidence in the American economy at home and abroad. The stock market, the bond market, the interest rate structure, the international money exchanges—they'd all start feeling better. Above all, we would look like a nation that wanted to live to celebrate its Bicentennial!

What kind of policy could we expect the Economic Trusteeship to carry out? Two weeks ago, House Democrats adopted an economic program based on a time-honored concept strangely lacking in present day public affairs; a social contract between the government and the average citizen, in which the government pledges to concern itself with the economic problems of Americans—the cost of living, jobs, and taxes. If the government can demonstrate its sincerity, workers would have a valid reason for moderating their wage demands.

Such a social contract is essential if we are to forestall a new round of cost-push inflation as wage-earners, left far behind by exploding prices last year, try to catch up and protect their incomes this year.

All the signs point to increased labor militancy in the days ahead.

Strikes and work stoppages by public and private employees are rising dramatically.

Wage settlements have gone up sharply. During 1973 wage increases were held below six percent. But during the first six months of this year new contracts have been providing for first-year wage increases of almost 9 percent.

And we're not out of the woods by any means. In the next six months, a number of major labor contracts, negotiated before the recent spate of inflation, are due to expire. Unless something is done soon, traditionally militant longshoremen, aerospace workers, public employees, and coal miners will be looking for massive wage increases. As steelworker I. W. Abel said, unless labor moderates its demands, "the economy could go to hell".

To give workers an incentive to moderate their wage demands in the coming months, here is a 3-point social contract the Economic Trusteeship could pursue:

(1) Reduced Inflation. To make life more bearable for the average worker whose income is eaten away by rising prices, the Economic Trusteeship could reduce inflation by two main methods:

a. Expand Supplies to Reduce Prices. Even with high rates of inflation, the current Administration has, incredibly enough, often restricted supplies of food and basic commodities.

In 1973, Secretary Butz urged turkey growers to restrict production to force the price up. The program, unfortunately for the consumer, worked. Earlier Mr. Butz refused to let cattlemen graze their livestock on the 60 million acres of land set aside from production under the farm price-support program, until it was too late to ameliorate the beef shortage. Today, just when needed imports of Australian beef are beginning to get the price of hamburger under control, the Administration's agents are in Australia trying to get the Australians to send their beef elsewhere. And another branch of the Department of Agriculture is busy trying to raise the price of American beef by buying it for storage.

Mr. Nixon's refusal to eliminate the oil import quota program until the energy crisis, and his scandalous exchange of gifts with the dairymen, are other ways the Administration has consistently ripped off the American consumer.

To top it off, the Administration is still actively subsidizing exports of basic commodities—often, like scrap, lumber, fertilizer, and oil drilling equipment, in short supply at home—through the Export-Import Bank, the Commodity Credit Corporation, and the Domestic International Sales Corporation tax loophole.

The Economic Trusteeship would challenge policies of government agencies when they restrict supply and raise prices; recommend anti-trust action against industries when it would reduce prices; monitor excessive price increases; and generally act as the consumer's representative.

b. Restrain Credit, But Allocate It. A major cause of our inflation has been too rapid expansion of the money supply. During the last two years, the Fed jumped the money supply growth to more than 8 percent, and inflation followed suit.

The Trusteeship should willingly accept a Federal Reserve policy of keeping money supply growth within a non-inflationary band—say 4–6 percent for the period immediately ahead.

But keeping the total money supply within bounds makes no sense if in the process too little credit gets directed to interest-sensitive essential needs such as productive capital investment, low-moderate income housing, state-local government, small businesses and farms, and too much credit gets diverted to inflationary uses where the opportunity for high profits makes high interest rates irrelevant—speculative real estate loans, loans for building up supplies in anticipation of future price rises, loans for conglomerate takeovers.

This is precisely what is happening in America today. Home-building is strangled by tight money. Innovative small and medium-size business, the backbone of the economy, is unable to innovate for lack of credit. State and local governments are priced out of the bond market. Meanwhile, business loans, largely by big banks and largely to big borrowers and largely with inflationary results, are up some 23 percent since the beginning of 1974.

The Trusteeship would work with the Congress and with the financial authorities to assure that scarce credit gets nudged in the right direction, not in the wrong direction.

(2) Bring Down Unemployment. The Nixon Administration should have convinced us by now that massive budget deficits by themselves are no longer effective against unemployment. During the last five years, the real deficit has totaled more than $100 billion, and unemployment has risen from 3.8 percent to 5.3 percent.

We must shake off the almost religious attachment to deficit budgets demonstrated by Democratic and Republican administrations alike. During the next fiscal year, we should aim for a balanced budget.

And starting now, we must fight unemployment directly through a substantial program of public service jobs.

Useful work needs to be done—in education, health, public safety, mass transportation, pollution control, day care, building bicycle trails, rebuilding Amtrak's tracks. What on earth are we waiting for?

Public service employment would be the least costly, least inflationary, and least energy-consuming way to assure jobs. Creating 500,000 such jobs would cost approximately $3.5 billion per year, to be recouped through cutting an equivalent amount of fat from the Nixon budget. There is enough adipose tissue in the military budget alone for this purpose.

(3) Taxes. Wage-earners making $13,000 a year or less are the victims of the only recent general tax increase—the rise in social security taxes. Meanwhile, wealthy taxpayers pay less than their fair share. Recent tax cuts for business proposed by the Nixon Administration would only increase the disparity of the tax burden.

To correct this imbalance, without adding to inflation, the Economic Trusteeship would provide coordinated leadership for the Democratic Congress to pass a program of tax relief matched by revenue-raising tax reform.

Tax relief, aimed specifically at low- and middle-income families, would grant a cost-of-living adjustment to those who need it most. Coupled with thorough-going welfare reform for those too poor to be on the tax rolls, such relief could take several forms, such as (a) reducing the payroll tax through a low-income deduction; (b) increasing the income tax low-income allowance; or (c) changing the personal income tax deduction to a credit.

Such tax relief could have beneficial economic effects beyond the increased equity of the tax system. Reduced real family incomes for 1974, almost five percent lower than they were in 1973, have caused retail sales and industrial production to fall in recent months, despite capacity increases. Adequately-maintained consumer purchasing power, through tax relief rather than through the massive wage increases now demanded by workers, would prevent recessionary forces from accelerating without building new cost-push inflation into the structure.

To recoup the lost revenues from this equity-improving tax relief, we must have thorough-going reform of the tax system at the top. Tax loopholes must be closed, especially those which not only lose revenues but have harmful side effects—for example, DISC, which squanders scarce goods abroad; the foreign oil depletion allowances; the hobby farm provision, which results largely in the bidding up of the price of farmland.

Thus the social contract: let the government deal fairly with working people on prices, jobs, and taxes, and the chances are that they'll deal fairly with their government.

* * * * *

But how, you ask, could a Trusteeship, largely manned by Democrats, though lodged within the Nixon-Ford Administration, ever engraft *its* economic program on the Nixon-Ford "old-time religion"—nothing but tight money, balanced budgets, no tax increase or decrease, and the usual special favors for special friends.

I'll tell you how.

We would leaven the lump of tight money by allocating it—away from inflationary lending, and toward productive lending.

We would buffer the harshness of a balanced budget in the upcoming fiscal year by changing the budget's composition—substituting public service employment, for example, for an equivalent amount of unnecessary military expenditure.

We would accept the gospel of no net tax change, but we would humanize matters by balancing tax cuts for the lower-income wage-earner with plugged loophole for the wealthy.

You ask, but who are these philosopher kings the Democrats would send into an economic coalition, the latter day equivalents of World War II's Stimsons and Knoxes? Here we get ahead of ourselves, and besides that's a question for the Democratic leadership. But if you pressed me, I would—at the risk of being thought parochial—call your attention to some of the talent right in the House of Representatives. Congressman Paul Sarbanes of Maryland, a former staff member of the CEA, who is needed on the CEA now. Congressman John Seiberling of Ohio with a background in law and economics, who could make sense at the OMB. Congressman Pete Stark of California, the only American so far to outwit the Arabs (he sold them his bank at a stunning price) to allocate credit away from inflationary lending. Or to run a massive new public service jobs program, a Congresswoman who knows firsthand about the problems of the three groups hardest hit by unemployment young, blacks and women—Congresswoman Barbara Jordan of Texas.

As the television lens on the Judiciary Committee hearings has recently taught America of the House of Representatives: full many a flower is born to blush unseen and waste its sweetness on the desert air.

Yes, our economy does need a return to the "old-time religion". But the "old-time region" I'm talking about is one of which it can be said:

It was good for Andy Jackson,
It was good for Franklin Roosevelt,
And it's good for you and me!

TURKISH TROOPS MUST WITHDRAW FROM CYPRUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio), is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, reports continue to come in regarding atrocities on Cyprus and the expanding Turkish military occupation of that nation. Hospitals and civilian centers have been reported bombed by the Turkish Air Force, resulting in the deaths of innocent persons. The Soviet Union has mobilized forces in support of the Turkish position, making the situation worse and endangering world peace.

Turkey has forced the withdrawal of United Nation's peace-keeping forces, has forced its way into Greek Cypriot communities, and has begun to forcibly remove and uproot entire populations—all this after signing a cease-fire accord in Geneva.

Continued hostilities in Cyprus, along with persistent cease-fire violations and further threats by Turkey, increase the chances of open war with Greece. Only the Soviet Union would benefit from such tragedy and bloodshed because both Greece and Turkey are NATO allies of the United States.

The Turkish Government must immediately withdraw its troops from Cyprus and cease its threats of further military incursions or partition of that island nation.

The Greeks have long been loyal and effective allies of the United States and have been strong supporters of NATO from the very beginning. Our Mediterranean fleet is based in Greece and the hospitality shown to us has always been notable.

Regrettably, Mr. Speaker, the U.S. Government has not yet officially spoken out in support of the lawful government of Cyprus, that of Archbishop Makarios, nor has any stand been taken in opposition to the brutal military occupation of that independent nation by Turkey. I have written Secretary of State Kissinger to urge him to take such action because it is essential that the United States stand firm in defense of Cypriot independence, free from outside interference. My letter is written in the hope that the United States will use its prestige and influence to bring about a just settlement for the people of Cyprus and a strengthening of our NATO alliance in the eastern Mediterranean.

I have also cosponsored House Concurrent Resolution 577, expressing the sense of Congress regarding the withdrawal of foreign troops from the Republic of Cyprus, and I urge my colleagues on the Foreign Affairs Committee to take the swiftest possible action on this crucial international issue. My letter to Secretary of State Kissinger and my resolution follow:

Washington, D.C., *July 30, 1974.*

Dr. Henry A. Kissinger,
Secretary of State,
Department of State,
Washington, D.C.

Dear Mr. Secretary: In view of the current military occupation by Cyprus by Turkey and the most recent news of the stringent and unreasonable demands to Greece made by Turkey's Premier for the continued presence of Turkish troops on the island, I urgently request that you make a clear and unequivocal statement in support of the lawful government of Cyprus, that of Archbishop Markarios, and call for complete withdrawal of all Turkish troops from Cyprus.

Reports of atrocities are beginning to come in as well as reports of continuing Turkish cease-fire violations, and as we all know so well, continued hostilities on Cyprus could well lead to general war between Greece and Turkey—a war between two NATO allies from which no one would benefit except the Soviets.

The United States Government, Mr. Secretary, must clearly go on record in strong support of free and democratic government in Cyprus without outside interference. The Greeks have always been staunch allies of the United States and the new Greek government must be encouraged and supported in its efforts to correct the excesses of the former dictatorship. Above all, the United States must firmly oppose any increase in Turkish troop strength on Cyprus and demand the complete and total withdrawal of troops already there.

Sincerely,

Frank Annunzio,
Member of Congress.

House Concurrent Resolution 577

Resolved, that Whereas an independent Republic of Cyprus is vital to the peace and security of the Eastern Mediterranean; and

Whereas Resolution 2077 (xx) adopted by the General Assembly on December 18, 1965 "Calls upon all States . . . To respect the sovereignty, unity, independence and territorial integrity of the Republic of Cyprus and to refrain from any intervention directed against it;" and

Whereas Resolution 353, adopted by the Security Council on July 20, 1974, "Demands an immediate end to foreign military intervention in the Republic of Cyprus" and "Requests the withdrawal without delay from the Republic of Cyprus of foreign military personnel present otherwise than under the authority of international agreements. . . ."; and

Whereas the declaration on Cyprus signed by the Foreign Ministers of Britain, Turkey and Greece, in Geneva on July 30 calls for "A timely and phased reduction of the number of armed forces" from Cypriot Soil; and

Whereas the continued presence of foreign troops on Cyprus violates international agreements and U.N. resolutions, threatens the independence and territorial integrity of the island, jeopardizes peace and stability in the Eastern Mediterranean, and imperils the very existence of NATO: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that all foreign troops currently involved in Cyprus be withdrawn and that the United Nations be permitted to restore peace to this troubled area so that the territorial integrity and independence of Cyprus can be maintained.

PERSONAL ANNOUNCEMENT

(Mr. FUQUA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FUQUA. Mr. Speaker, I was unavoidably detained in my congressional district on July 25, 1974, and was unable to vote on rollcalls Nos. 409 and 410. I was granted a general pair and if I had been present I would have voted "nay" on rollcall No. 409, motion to recommit H.R. 11500, and "aye" on rollcall No. 410 final passage of H.R. 11500. I support H.R. 11500, the Surface Mining Control and Reclamation Act and would have voted accordingly.

QUOTAS, PREFERENTIAL TREATMENT AND REVERSE DISCRIMINATION DENIGRATE THE CAUSE OF RACIAL INTEGRATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in May of this year, I addressed the New York City Human Rights Commission on the subject of reverse discrimination and racial quotas. At that time I expressed my belief that the policy of reverse discrimination contradicts the vision of society set forth by the human rights movement. Today I would like to reiterate to my colleagues some of the remarks I made before the Human Rights Commission. More importantly, I would like to bring to my colleagues' attention the recent statements of several distinguished civil rights leaders on this sensitive and emotional issue.

The advocates of civil rights seek a society in which each man or woman is judged according to his or her talent and character. In pursuit of this vision, the civil rights movement struggled until the 1960's to overcome legal barriers to racial discrimination. But the culminating victory of the battle against legal discrimination, the passage of the Civil Rights Act of 1964, did not call into being the integrated society envisioned by civil rights advocates. Instead, Americans learned that 200 years of oppression cannot be overcome simply by making discrimination illegal.

The concept of affirmative action arose in response to this realization. The need to go beyond the destruction of barriers to minority participation by reaching out and actively encouraging that participation was recognized. But this well-intentioned effort to accelerate the progress of integration in the United States has on too many occasions been altered to include quotas and reverse discrimination.

Quotas assume a system of preferential treatment based on racial factors. Proportional representation of all minorities in all professions is not one of the necessary requisites of the society to which the advocates of human rights aspire. In a just society competition in all professions would be based only upon considerations relevant to the performance of the job in question, and race does not qualify as such a consideration. The way to achieve an integrated society is not to perform cosmetic operations upon the symptoms of racial inequity—not to rectify inadequate representation by granting preferential treatment to minorities—but to attack the causes that produce unequal representation, by providing adequate opportunities for minorities to become competitive with other groups in our society. In practice this means that we must discard reverse discrimination policies in favor of intensified efforts to enlarge minority opportunities through educational and training programs and the more vigorous enforcement of antidiscrimination laws.

I believe that my views in opposition to quotas, reverse discrimination and preferential treatment are in the true spirit of the human rights movement. I would like now to bring to the attention of the House two recent statements by outstanding civil rights leaders with which I am in accord.

The first statement is a resolution adopted by the Social Democrats, U.S.A. National Committee Meeting on May 11–12, 1974. Social Democrats, U.S.A. is devoted to the achievement of democracy in every sphere of public life—political, social and economic. The organization is chaired by the distinguished civil rights leaders A. Philip Randolph and Bayard Rustin.

The Social Democrats' resolution concerns quotas, racial progress and democracy. The resolution acknowledges that despite the progress of the past decade toward breaking down patterns of discrimination and segregation, racial inequality is a persistent phenomenon of American life. Contrary to the hopes of the proponents of preferential treatment, however, racial inequality will not be eliminated through the acceptance of the quota principle. The resolution predicts that—

> A society which apportions jobs and college admissions on the basis of race and sex will inevitably confront demands for even further compartmentalization.

Thus the Social Democrats' resolution affirms the view presented earlier that the quota principle stands in contradiction to the civil rights movement's values. Moreover, the resolution makes two insightful points regarding the implications of the preferential treatment concept. The first is that quotas have a profoundly destructive psychological impact on those who benefit from them. The existence of a quota system implies that minority groups must be given something in order to have something. Ultimately the institutionalization of the quota doctrine may mean that the majority will never accept the minority as having achieved something through its own worth, while the minority will doubt whether it really made it on its own. Second, quotas are both undemocratic and antidemocratic, for the demand for ratio political representation implies that the natural democratic process is inherently and unalterably biased.

I hope that my colleagues will find the time to read the full text of the Social Democrats' resolution, which I am appending to this statement.

I also wish to call to my colleagues' attention the remarks of the Reverend Jesse L. Jackson before the 64th annual convention of the National Urban League. Reverend Jackson, president of PUSH—People United to Save Humanity—appealed for the reestablishment of the alliance between blacks and Jews. Reverend Jackson's call is significant because the quota controversey is not only a theoretical debate about the ultimate vision of the civil rights movement. Unfortunately, the controversy has created a bitter rift between elements of the black and Jewish communities in this country.

Although quotas are currently employed to benefit some minority groups, for many decades quotas were used to bar blacks and other minority groups, including Jews, from important economic, social, and cultural opportunities. Jews remember the many inequities perpetrated against them through the use of quotas, and reject quota's reinstitution for fear that quotas may once again be employed to unfairly limit opportunities.

Many have interpreted Jewish opposition to quota systems as indicative of a division in the traditional black-Jewish alliance for civil rights. The threat that the reverse discrimination controversy poses to black-Jewish relations gained symbolic significance when the Supreme Court heard DeFunis against Odegaard. In that case, DeFunis, a Jewish law student, challenged the University of Washington Law School's employment of a double standard according to race.

In his speech before the National Urban League, Reverend Jackson noted that the "people who marched with us and demonstrated with us 10 years ago are now meeting us in the Supreme Court as adversaries over the quota issue." In response to this unfortunate situation, Reverend Jackson urged the black leaders present at the convention to meet with the leaders of the American Jewish Committee and B'nai Brith to assess the black-Jewish relationship. Reverend Jackson asserted that "there is much to be gained together, and too much to lose by being apart."

I agree with Reverend Jackson. Those who interpret the quota controversy as indicative of a black-Jewish rift have relinquished the vision of the civil rights movement. They do not realize that human dignity is compromised whenever men are judged by the irrationalities of racial or religious considerations. The Reverend Jackson's pleas and the resolution of the Social Democrats demonstrate the fallacies of preferential treatment and reverse discriminatory policies as they are pursued today. I hope that my colleagues will recognize the validity of the Social Democrats' resolution and Reverend Jackson's remarks. We must achieve the establishment of a just society through means which are in accord with our end. If we do otherwise, we will pervert and destroy our ultimate vision.

The Social Democrats' statement follows:

Resolution on Quotas, Racial Progress, and Democracy, Adopted by Social Democrats, U.S.A. National Committee Meeting, May 11–12, 1974

Lying at the heart of the controversy over quotas and preferential treatment for racial minorities are two phenomena. The first is the persistence of racial inequality in American life, despite the significant progress made during the past decade toward breaking down patterns of discrimination and segregation.

The second is the disastrous consequences of the economic policies of the Nixon Administration. There would obviously be no seriously considered demands for affirmative action formulas which extend preference to blacks and Spanish-speaking workers had the Administration committed itself to a policy of full employment. Between 1969 and 1972, black unemployment rose by some 400,000 workers; during the same period the trend of a decreasing black-white earnings gap was actually reversed, so that today black income is a smaller percentage of white income than it was in 1965. The consequences of the failure of the Administration's fiscal policies, moreover, were exacerbated by the Administration's refusal to implement a manpower strategy, and its resistance to public employment legislation.

The result has been a natural disillusionment for black people for whom the promises of the civil rights revolution have been deferred as prejudice is compounded by policies of economic neglect. The most cynical aspect of this situation is that the concept of affirmative action, originally developed as a means of combatting bias and helping minorities assume a normal role in society, is now propounded as a major strategy for eliminating unemployment. This, it does not do; black joblessness is on the increase.

Prejudice and the shortcomings of Nixonian economics do not fully resolve the question of why the quota principle is rapidly becoming embedded in American society. Another consideration is the attitude of some liberals, much of the news media, and a large segment of the business community towards white working people. The outright snobbery prevalent during the 1960's has been replaced by a more subtle elitism which rejects the validity of the jobs of working people, the aspirations of their children, and the legitimacy of their labor leadership and political representatives. Although 70 per cent of the poor are white, public attitudes and government policy implies that only some groups—minorities and women—merit the help of government.

The dangers of these attitudes and the policies they generate are obvious: an exacerbation of the divisions between blacks and white working people, the perpetuation of an unhealthy, tribalistic form of ethnic consciousness, and a tendency to define social injustices as a function of racial, rather than class differences. A society which apportions jobs and college admissions on the basis of race and sex will inevitably confront demand for even further compartmentalization. We are already told that only black policemen should patrol the ghetto, that only Puerto Rican teachers can relate to Puerto Rican children, that only women can effectively serve as the political representatives of women.

Quotas also have a profoundly destructive psychological impact on those who benefit from them. Quotas infer that minority groups must be given something in order to have something. We reject such a condescendingly racist notion as demonstrably absurd. Society, however, may reach a different conclusion if the quota doctrine becomes institutionalized. The majority will never accept the minority as having achieved something through their own worth; the minority will be plagued by self-doubts as to whether they have really made it on their own.

We also reject quotas as both undemocratic and anti-democratic. The demand for ratio political representation implies that the natural democratic process is inherently and unalterably biased, a suggestion effectively refuted by the substantial political progress blacks have made, including the election of congressional and mayoral candidates in communities with white majorities, and to suggest, as some have, that quotas do not represent reverse discrimination, that quotas are simply "preferential inclusion" is simply semantic evasion. To include members of one group in order to fill a numerical goal is to exclude others. Quotas are quotas, whether they are called goals, preferential inclusion, affirmative action, or whatever.

In pointing out the fallacies and dangers inherent in the quota principle we recognize an obligation to offer workable alternatives. The proposals that follow are laid down not simply as alternatives to quotas, but as an effective strategy for dealing with the persistence of racial bias and the inequitable functioning of the economic order.

1. There must be a commitment by the federal government to a full employment economy. We cannot talk reasonably about abolishing discrimination until government is determined to provide a job for all. We advocate a federal economic and educational program that would provide expansion of opportunities in all areas of American life.

2. Manpower programs and compensatory education efforts which have proven successful must be expanded. The function of these programs is to provide training and education for those who have suffered because of poor educational opportunities. The consequences of downgrading manpower and compensatory education strategies are quotas and the failure of programs—such as open admissions—which initially offered considerable promise. We point to the Recruitment and Training Program, which has already enabled some 12,000 minority youths obtain journeymen's status in the building trades, and the para-professional program of the United Federation of Teachers, which is enabling hundreds of minority men and women to become teachers, as successful models of programs which help minorities achieve meaningful careers.

3. Artificial and meaningless job standards must be abolished. We oppose, however, the broad assault on valid qualifications in which many, including the federal government, are engaged. To weaken the legitimate standards of an institution will ultimately weaken the institution itself; those who will suffer the most severe consequences, moreover, will be the minorities who are beginning to enter society as regular participants. In this regard, we are critical of those liberals who reject the validity of apprenticeship and job standards in the skilled trades, while decrying the erosion of merit in the universities and other professions. Quotas and all they imply are as wrong in the workplace as they are in the college classroom or corporate board room.

4. There must be strong enforcement policies to deal with cases of blatant widespread discrimination. Such solutions, however, do not require the imposition of quotas. Heavy fines should be levied on corporations or government agencies which practice discrimination. Another alternative is the employment of a racially blind lottery system to select job applicants from a pool of qualified candidates.

5. Vigorous affirmative action programs must be continued. However we oppose the use of goals and timetables since as part of these programs, as now interpreted, they are simply a euphemism for quota systems.

Finally, we reject the proposition that quotas are the legacy of the civil rights movement. The leaders of the struggle for racial equality sought to expand opportunity for all who were oppressed by an unjust social and economic order. They were opposed to reverse discrimination for both practical and principled reasons. The quota principle does not reflect the civil rights movement's values, but rather signifies their abandonment.

CORRECTING AN INEQUITY IN THE SOCIAL SECURITY LAW

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, a recent letter from a constituent brought to my attention a minor defect in the supplemental security income program which I am today introducing legislation to correct.

Let me describe the case very briefly:

A woman in my district applied for SSI benefits in January 1974. She died on May 22, 1974—never having received a penny in SSI benefits. Ironically, the day after her death two checks covering the period prior to her death arrived.

This woman had been living with and substantially supported by her daughter. After her mother's death, the daughter tried to cash the two SSI checks, but was told that under the law only an eligible spouse can receive this money. She felt, quite rightfully, I think, that she had a legitimate claim to the money, given the fact that she was supporting her mother and that these moneys would have been received by her mother a long time before her death if SSI had acted promptly on her application.

The law, however, is quite clear on this point. In the legislative history of the act, there is the following statement:

> If the individual dies before the amount due has been paid to him, or before he negotiates the check representing the correct payment, the amount due would be paid to his eligible spouse, if there is one, and the payment would not be taken into account in determining the spouse's need under this program. Underpayments, however, would not be paid to the estate of a deceased individual since that would not further the objective of meeting the current needs of individuals. (H. Rept. 92–231).

In general, I agree with the committee's thinking in denying underpayments to the estate of the deceased. However, I think that provision overlooks one very important situation which should be exempt from the prohibition: namely, the kind of situation I have described above in which the SSI recipient is being substantially supported by another person.

I think everyone familiar with the problems of the elderly agrees that public policy should be directed toward permitting senior citizens to remain in a home environment as long as they so desire. For many living on SSI benefits, the only way to make ends meet is to share the home of a son or daughter, a relative or friend. For others, there is the strong desire to remain a part of a family environment. Whatever the reason, the option should be theirs.

Obviously, anyone taking on responsibility for support of another individual will incur substantial additional costs. I think it is doubtful, practically speaking, that the SSI prohibition on transferring underpayments to anyone other than an eligible spouse makes any difference in the decision of those who do take on this added responsibility. However, I do think it is important—as a matter of public policy—to make it clear that we support rather than discourage the generosity of these people.

The cost to the Federal Government of lifting this prohibition would, I think, be negligible if and when social security is able to speed up the process of approving applications and making payments.

Therefore, I am today introducing a bill to permit payment of an SSI recipient's rightful benefits after his or her death to any person—if there is no eligible spouse—who was contributing over one-half of the person's support at the time of death. I hope the Congress will act quickly on it.

OTHER NATIONS ENFORCE SANCTIONS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, in the many hours of debate spent on the issue of U.N. sanctions against Southern Rhodesia, one of the most frequently heard arguments against U.S. compliance is the allegation that we are the only country taking enforcement seriously. This is simply not true and to lay this argument to rest once and for all I submit for the record the following exerpts from reports issued by the U.N. Sanctions Committee:

1. "By a note dated 16 July 1969, the Permanent Mission of Italy informed the Committee of the seizure by the Italian customs authorities of 250 tons of Southern Rhodesian tobacco."

2. ". . . by a note dated 22 November 1969, the Permanent Representative of the United Kingdom informed the Committee of a judicial action taken against a group of United Kingdom companies which had been found guilty on five counts of dealing in goods with intent to evade prohibition on exports. Fines totalling £ Stg. 100,020 (were) imposed."

3. "By a note of 23 April 1970, the Acting Permanent Representative of Denmark informed the Committee that a judgment had been pronounced by the Copenhagen City Court against a Danish company and its managing director for business transactions with a Southern Rhodesian firm in violation of Danish legislation pertaining to resolution 253 (1968). The consignment of 10,170 kilos of mica powder was confiscated and fines were imposed which together with the judicial costs reached a total of 165,839 kroner.

By a subsequent note of 20 May 1970, the Permanent Representative of Denmark informed the Committee of another judicial case in which a fine of 5,000 kroner had been imposed on a fraudulent importer."

4. ". . . the Yugoslav government informed the committee that all necessary measures had been taken to insure that the unloading of a suspected shipment of chrome ores did not take place . . ."

5. "On January 13, 1971, the Government of the United Kingdom informed also the committee of action against a firm which was fined £ 22,000 and £ 500 costs for exporting carpeting yarn to Southern Rhodesia. A joint managing director of this firm was fined £ 1000.

6. "A United Kingdom company was fined $46,250 on 10 May 1971 for exporting goods to Rhodesia. Another firm, incorporated in the Republic of Panama with headquarters in Bermuda, had been fined Bermudan $15,000 on 16 September 1971 for contravening Southern Rhodesia United Nations Sanctions Dependent Territories Order No. 2 of 1968, which extended to the dependent territory of Bermuda. The firms former sales manager had been fined Bermudian $10,000. Two other United Kingdom companies together with their managing director and chairman were fined a total of £ 6,100 and assessed £ 2,500 in costs for infringing UK sanctions legislation.

Mr. Speaker, in light of the above facts, it is false to argue that the United States would be alone in the enforcement to UN Sanctions against Southern Rhodesia. I would therefore ask my colleagues to vote in favor of S. 1868—a bill to return the United States to compliance with UN Sanctions.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RANDALL (at his own request) for Tuesday, August 6, 1974, on account of official business, primary election in Missouri.

Mr. TREEN (at the request of Mr. ARENDS), on account of official business.

Mrs. HANSEN of Washington (at the request of Mr. O'NEILL), for this week, on on account of official business.

Mr. RHODES (at the request of Mr. ARENDS), on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HILLIS), to revise and extend their remarks and include extraneous material:)

Mr. STEELMAN, for 5 minutes, today.

Mr. KEMP, for 15 minutes, today.

Mr. FRENZEL, for 60 minutes, today.

Mr. YOUNG of Florida, for 15 minutes, today.

(The following Members (at the request of Mr. VANDER VEEN), and to revise and extend their remarks and include extraneous matter:)

Mr. ALEXANDER, for 60 minutes, today.

Mr. BROWN of California, for 10 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. REUSS, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FUQUA, to extend his remarks prior to the passage of H.R. 14718 on Consent Calendar in the House today.

(The following Members (at the request of Mr. HILLIS) and to include extraneous matter:)

Mr. ROBISON of New York.

Mr. ARENDS.

Mr. WYMAN in two instances.

Mr. ASHBROOK in four instances.

Mr. MCCLOSKEY.

Mr. BROYHILL of Virginia in two instances.

Mr. STEIGER of Wisconsin.

Mr. SHUSTER.

Mr. ERLENBORN.

Mr. RONCALLO of New York.

Mr. SYMMS.

Mr. GUBSER.

Mr. BIESTER.

Mr. MICHEL in five instances.

Mr. KEMP in three instances.

Mr. HUBER.

Mr. CONTE.

Mr. MCCLORY.

Mr. BUTLER.

Mr. FRENZEL in two instances.

Mr. BROWN of Michigan.

Mr. BROWN of Ohio.

Mr. GILMAN.

Mr. MIZELL in five instances.

(The following Members (at the request of Mr. VANDER VEEN) and to include extraneous material:)

Mr. MCFALL.

Mr. BADILLO in three instances.

Mr. KASTENMEIER.

Mr. PHILLIP BURTON.

Mr. DIGGS.

Mr. ANNUNZIO in six instances.

Mr. WON PAT in two instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. MATSUNAGA in two instances.

Mrs. GRASSO in 10 instances.

Mr. HICKS.

Ms. SCHROEDER in two instances.

Mr. ALEXANDER in 10 instances.

Mr. ANDERSON of California in two instances.

Mr. LEHMAN.

Mr. ROE in three instances.

Mr. HARRINGTON in two instances.

Mr. DENT.

Mr. TIERNAN in 10 instances.

SENATE BILLS, JOINT AND CONCURRENT RESOLUTION, REFERRED

Bills, joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 857. An act to authorize the Smithsonian Institution to plan museum support facilities; to the Committee on House Administration.

S. 2189. An act to amend section 602 of the Agricultural Act of 1954; to the Committee on Agriculture.

S. 3537. An act to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085); to the Committee on Public Works.

S. 3578. An act for the relief of Anita Tomasi; to the Committee on the Judiciary.

S.J. Res. 230. Joint Resolution to salute Chautauqua Institution on the occasion of its 100th anniversary; to the Committee on the Judiciary.

S. Con. Res. 106. Concurrent resolution authorizing the printing of additional copies of Senate hearings entitled "Public Financing of Federal Elections"; to the Committee on House Administration.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 14012. An act making appropriations for the Legislative Branch for the fiscal year ending June 30, 1975, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3669. An act to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on August 2, 1974, present to the President, for his approval, a bill of the House of the following title:

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 6, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2623. A letter from the Assistant Secretary of Agriculture, transmitting a report on a comprehensive study of programs carried out under the National School Lunch Act and the Child Nutrition Act, pursuant to section 10 of Public Law 93-150; to the Committee on Education and Labor.

2624. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

2625. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254(c)(1)]; to the Committee on the Judiciary.

2626. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254(c)(1)]; to the Committee on the Judiciary.

2627. A letter from the Assistant Administrator of General Services, transmitting a draft of proposed legislation transferring to the State of Alaska certain archives and records in the custody of the National Archives of the United States; to the Committee on Post Office and Civil Service.

Received From the Comptroller General

2628. A letter from the Comptroller General of the United States, transmitting a report on actions recommended to the Secretary of State to alleviate serious financial problems facing the United Nations; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 15928. A bill to amend the Federal Reserve Act, the Federal Deposit Insurance Act, and the Federal Home Loan Bank Act to provide for the regulation of the issuance and sale of debt obligations by parents of member banks, nonmember insured banks (including insured mutual savings banks), and savings and loan associations, and for other purposes; with amendment Rept. No. 93-1259). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 1292. Resolution providing for the consideration of H.R. 16090. A bill to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes (Rept. No. 93-1260). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 16253. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 16254. A bill to amend the Internal Revenue Code of 1954 (as amended) to permit charitable contributions to the United Nations to be deductible for income tax purposes; to the Committee on Ways and Means.

By Mr. GREEN of Pennsylvania:

H.R. 16255. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON:

H.R. 16256. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. KUYKENDALL:

H.R. 16257. A bill to provide for the protection of franchised dealers of petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS:

H.R. 16258. A bill to amend the Internal Revenue Code of 1954 to treat the noncash remuneration paid to certain workers on fishing boats as self-employment income; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 16259. A bill to amend title XVI of the Social Security Act to provide that any payments of supplemental security income benefits which are due an individual at his or her death may, if such individual does not leave a qualified surviving spouse, be made to any person who was contributing over half of such individual's support at the time of such death; to the Committee on Ways and Means.

By Mr. VANDER VEEN:

H.R. 16260. A bill to strengthen and expand the Head Start program, with priority to the economically disadvantaged, to amend the Economic Opportunity Act of 1964, and for other puropses; to the Committee on Education and Labor.

H.R. 16261. A bill to amend title VII of the Elementary and Secondary Education Act of 1965 to extend, improve, and expand programs of bilingual education, teacher training, and child development; to the Committee on Education and Labor.

H.R. 16262. A bill to amend section 428 of the Higher Education Act of 1965 to better assure that students will have reasonable access to loans to meet their postsecondary education costs; to the Committee on Education and Labor.

H.R. 16263. A bill to provide that local educational agencies shall not receive Federal financial assistance unless they provide educational services to all handicapped children at levels of expenditure at least equal to expenditures for other children; to the Committee on Education and Labor.

H.R. 16264. A bill to amend title VII of the Civil Rights Act of 1964 to protect the employment rights of the elderly; to the Committee on Education and Labor.

H.R. 16265. A bill to amend the Higher Education Act of 1965 in order to provide authority to assist training of disadvantaged students for the legal profession; to the Committee on Education and Labor.

H.R. 16266. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Interstate and Foreign Commerce.

H.R. 16267. A bill to amend the Public Health Service Act, to revise the programs of student assistance, to revise the National Health Service Corps program, to establish a system for the regulation of postgraduate training programs for physicians, to provide assistance for the development and expansion of training programs for nurse clinicians, pharmacist clinicians, community and public health personnel, and health administrators, to provide assistance for projects to improve the training provided by undergraduate schools of nursing, pharmacy, and allied health to provide assistance for the development and operation of area health education systems, to establish a loan guarantee and interest subsidy program for undergraduate students of nursing, pharmacy, and the allied health professions, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 16268. A bill to amend the Community Mental Health Centers Act to revise the various programs of assistance authorized by that act and to extend it to the fiscal year 1976; to the Committee on Interstate and Foreign Commerce.

H.R. 16269. A bill to amend title 38, United States Code, to provide a 10-year delimiting period for the pursuit of educational programs by veterans, wives, and widows; to the Committee on Veterans' Affairs.

H.R. 16270. A bill to amend the Internal Revenue Code of 1954 and the Social Security Act to provide income and payroll tax relief to low-income and moderate-income taxpayers; to the Committee on Ways and Means.

By Mr. WHITE (for himself, Mr. Vander Veen, Mr. Wolff, Mr. Charles H. Wilson of California, Mr. Ford, Mr. Steelman, Ms. Abzug, Mr. Murtha, Mr. Hicks, Mr. Harrington, Mrs. Collins of Illinois, Mr. Buchanan, Mr. Riegle, Mr. Drinan, Mr. Sarbanes, Mr. Gilman, Mr. Hogan, Mr. Cohen, and Mrs. Schroeder):

H.R. 16271. A bill to amend title XVIII of the Social Security Act to provide payment under part A (the hospital insurance program) for care and treatment furnished at a central radiation therapy treatment facility, and to provide full payment under part B (the supplementary medical insurance program) for radiation therapy services furnished by physicians to inpatients or outpatients of any hospital or any such facility; and for other purposes; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H.R. 16272. A bill to exclude from gross income the first $500 of interest received on deposits in thrift institutions; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 16273. A bill to amend title 5, United States Code, to provide for grade retention benefits for certain Federal employees whose positions are reduced in grade, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BAFALIS (for himself, Mr. Sikes, Mr. Gibbons, Mr. Addabbo, Mr. Bell, Mrs. Boggs, Mr. Chappell, Mr. Davis of South Carolina, Mr. Derwinski, Mr. Drinan, Mr. Eilberg, Mr. Fascell, Mr. Flood, Mr. Fuqua, Mr. Haley, Mrs. Heckler of Massachusetts, Mr. Hudnut, Mr. Johnson of Pennsylvania, Mr. Lehman, Mr. Lagomarsino, Mr. Luken, Mr. McSpadden, Mr. Mitchell of New York, Mr. Murtha, and Mr. Nix):

H. Con. Res. 584. Concurrent resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. BAFALIS (for himself, Mr. Sikes, Mr. Gibbons, Mr. Rosenthal, Mr. Runnels, Mr. Shriver, Mr. Seiberling, Mr. Stark, Mr. Steelman, Mr. Symington, Mr. Walsh, Mr. Whitehurst, Mr. Won Pat, Mr. Yatron, and Mrs. Holt):

H. Con. Res. 585. Concurrent resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. BINGHAM (for himself, Mr. Biester, and Mr. Phillip Burton):

H. Res. 1290. Resolution to establish a John W. McCormack senior citizen intern program; to the Committee on House Administration.

By Mr. YATES (for himself, Mr. Whalen, Mr. Hicks, Mr. Andrews of North Dakota, Mr. Fauntroy, and Mr. Vander Veen):

H. Res. 1291. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. DE LA GARZA introduced a bill (H.R. 16274) for the relief of Guadalupe Villegas-Cantu, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

MARGARET ZABRISKIE DESERVES HONORS FOR DISTINGUISHED SOCIAL WORK CAREER

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. MATSUNAGA. Mr. Speaker, Mrs. Margaret Zabriskie deserves recognition and honors for her devotion to humanity during her long career in the field of social work. Mrs. Zabriskie, who retired on July 31, 1974, devoted 39 years of her life to lending assistance to those in need and making life a little more meaningful to them.

Mrs. Zabriskie, a third generation Hawaiian Islander, started her career as a volunteer, and hopes to resume volunteer work during retirement. Her philosophy that every human being must be respected as an individual has been the keystone of her successful career, and has earned her the respect and admiration of her colleagues and the thousands of people she has helped during the past 39 years.

As a means of recognizing the concerned, life-affirming efforts of Margaret Zabriskie and congratulating her upon her retirement, I submit the following article written by Dianne Coughlin in the July 27, 1974, Honolulu Star-Bulletin for inclusion in the Congressional Record:

THIRTY-NINE-YEAR CAREER ENDS FOR RETIRING COUNSELOR

People in trouble have been calling Margaret Zabriskie for 39 years and she loves it.

Mrs. Zabriskie retires at the end of this month from Child and Family Service where she has been the first point of contact for thousands of people seeking help from this United Way agency.

Mrs. Zabriskie handles phone calls from persons and either makes appointments for them with one of the agency's 25 workers or refers them to another agency more appropriate to their needs.

On the day of this interview a young Filipino mother, barely able to speak English, called Mrs. Zabriskie and said her husband was beating her and she wanted a divorce.

"I told her that we would help her before she went to an attorney," said Mrs. Zabriskie.

The woman was to have a friend who spoke better English call back later in the day and set up an appointment for her that week.

"In an emergency we can always take someone right away," Mrs. Zabriskie said.

Most of the calls for help are from parents having problems with their children. The second largest number of calls is for marriage counseling.

"More people are interested in marriage counseling than ever before," said Mrs. Zabriskie. "Dear Abby and Ann Landers give marriage counseling a plug every now and then and that helps us."

When people come in for their first appointment with the agency, Mrs. Zabriskie assists them in filling out their application and explains the agency's sliding fee scale which is based on ability to pay.

"Often there's no fee at all because people are paying such high rents. Housing is the severest problem in the State," she said.

Mrs. Zabriskie, whose maiden name was Fleming, is a member of a kamaaina family. She is a third generation Islander and started her social work career with the old Social Service Bureau as a volunteer.

The bureau was eventually split to form the State Department of Social Services plus two private agencies, Children's Service Association and Family Consultation Service.

Mrs. Zabriskie went with Family Consultation Service which merged in 1941 with the Children's Association to form Child and Family Service.

In the beginning of her career, Mrs. Zabriskie went out to see her clients, rather than them coming to her.

"Most didn't have telephones or cars. I'd drop them a note saying 'Thursday I'll be coming to see you.' "

In the early days, she also handled quite a few problems from distraught airplane passengers.

"We'd be asked to take care of children all day while they waited for a flight to Guam. Once I met a plane coming in from the Philippines. A boy was being sent to his natural father in Pittsburgh. He didn't speak a word of English and was so frightened," she said.

Despite all the troubles she has listened to, Mrs. Zabriskie says she never finds her work depressing.

"It's not like treating people who are ill with a terminal disease. Chances are that their situation is going to be made much better with help. I have really, really enjoyed my work."

The biggest lesson her work has taught her, she said is that "every human being, just everyone, is an individual to be respected."

Mrs. Zabriskie plans to do some traveling after she retires, "to visit relatives, nothing exciting."

Then she might take up volunteer work again—which is where it all started for her 39 years ago.

MRS. BUTLER DIES; NEWS PUBLISHER

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DULSKI. Mr. Speaker, I was saddened to learn of the death August 3, 1974, of Kate Robinson Butler, president and publisher of the Buffalo Evening News and president of WBEN radio and television.

I was privileged to know her personally through my years in the Buffalo city government and in Congress. She had succeeded her husband, Edward H. Butler as president of the News by the time I was elected to my first term in Congress. Throughout that 1958 campaign, the News demonstrated great professional journalism in its fairness of the political coverage, and it was my pleasure to arrange for my first flag to be flown over the U.S. Capitol, on January 3, 1959, to be presented to the News and accepted by Mrs. Butler.

Mrs. Butler's generosity of time, effort, and financial backing of charitable, civic, and humanitarian causes are well known in western New York. She was a gracious lady who will be greatly missed by all.

As part of my remarks, I am inserting an article which appeared in the August 4, 1974, Buffalo Courier-Express:

[From the Buffalo Courier-Express, Aug. 4, 1974]

Mrs. Edward H. Butler, president and publisher of the Buffalo Evening News, died at 8:30 p.m. Saturday (Aug. 3, 1974) in her home at 762 Delaware Ave. She had been in failing health for four years.

Mrs. Butler, who also was president of WBEN Inc., was widely known for her civic, cultural, educational and philanthropic endeavors.

Memorial services for Mrs. Butler will be held Tuesday at Westminster Presbyterian Church, 724 Delaware Ave., at a time to be announced. Contributions in her memory may be made to the Buffalo Evening News-Rotary Crippled Children's Camp, Angola-on-the-Lake, Town of Evans, or to the Roswell Memorial Institute.

Kate Robinson Butler was born in Atlanta, Ga., the daughter of Augustus M. and Jennie M. Robinson, Her father was founder of a leading drygoods firm and later became chairman of the board of the First National Bank of Atlanta, the largest bank in the Southeast.

She was educated at Wesleyan Female College and Gunston Hall, Washington.

MARRIED IN 1909

In February, 1909, she was married to Edward H. Butler, son of the founder of the News. Mr. Butler became publisher of the News in 1912, and became both editor and publisher two years later on the death of his father.

They had two children, a son, Edward H. III, who died at the age of three, and a daughter, Kate R., now Mrs. Bruce E. Wallis.

Mrs. Butler was active during World War I in a variety of activities. She was treasurer of the fourth and fifth Liberty Loan drives in Buffalo in 1919. Also in 1919 she was treasurer of the drive which raised an initial $5 million for the University of Buffalo's endowment fund.

40-YEAR ASSOCIATION

Thus began an association which was to last for the next four decades. In 1920 Mrs. Butler was elected to the University Council, the governing body of UB, and continued as a member until her resignation in 1960. She then was elected an honorary member.

During her tenure, she was the only woman to serve on the General Administration Committee. She also was on the council's Special Committee on Access to Securities, the Chancellor's Medal Committee and the Nomination Committee.

Other UB committees and organizations also drew her support through the years. She also was a member of the Faculty Club.

MADE SUBSTANTIAL GIFTS

Mr. and Mrs. Butler made substantial gifts to the school, including Butler Auditorium in Capen Hall and the Edward H. Butler Chair of English Literature, commemorating the memory of the founder of the News.

Mrs. Butler headed the Women's General Committee and the Women's General Subscriptions Committee for another $5 million UB endowment drive in 1929, and the Butlers established a fund which bears their name.

She was an accomplished amateur musician. And she was one of the foremost friends of the Buffalo Philharmonic Orchestra and a member of its Women's Committee. She was named "Woman of the Year" by the Philharmonic Society in 1958, being honored for "notable contributions to this community and particularly in the Philharmonic and to music."

FONDNESS FOR FRANCE

Mrs. Butler traveled widely, particularly in Europe. But she developed a special fondness for France. She demonstrated this friendship many times during the years, and especially during France's greatest time of need.

During World War II she contributed toward the well-being of French soldiers at an American hospital in France; to the French ambulance service; and to the French Red Cross. Another gift helped rehabilitate a war-torn village, and she sent hundreds of food packages.

On the home front she organized a group called Au Bonheur du Soldat. More than 1,000 Buffalo area women knitted sweaters and socks to help French soldiers. Her interest in the work of the American Hospital of Paris led to a life membership.

BECAME PRESIDENT IN 1956

Always a business confidant of her husband, Mrs. Butler assumed the presidency of the Buffalo Evening News Inc. in April, 1956, after his death. She also became vice-president of the WBEN and WBEN–TV.

She assumed the title of publisher as well as president of the News on Sept. 18, 1971.

She also assumed the title of president of WBEN Inc. in September 1967.

The Niagara Frontier-Graphic Arts Council named her "Graphic Arts Personality of the Year" in January 1960, declaring:

"Mrs. Edward H. Butler has not only maintained the high standards of journalism established by her late husband, one of the nation's best-known newspaper publishers, but has expanded its influence in the community."

She was a life member of the Buffalo Fine Arts Academy and was a past president of the 20th Century Club.

CITED BY ERIE CLUB

She was cited in 1965 by the Erie Club, a policemen's organization, for editorial support of greater professionalization in the Buffalo department.

She served on the Hospitality Committee of the New York World's Fair Commission in 1964.

Other memberships included the Adirondack League Club; the Association for the Protection of the Adirondacks; the Buffalo Club; Garret Club; Buffalo Country Club; Frontier Club of Republican Women, and the Colonial Dames of America. She held an honorary membership in the Saturn Club.

CHIEF JUSTICE EARL WARREN

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. EILBERG. Mr. Speaker, it was with deep sadness that I learned of the passing of former Chief Justice Earl Warren. His firm dedication to the unalienable dignity of each individual in a complex and impersonal society served as the foundation of his many contributions to his fellow man. Under his guidance, the Supreme Court made giant strides toward the reality of "equal justice under the law" for all Americans. That reaffirmation of the spirit of our Constitution, in which he played an influential role, will stand as Earl Warren's living legacy to the future of the United States.

Earl Warren lived through World War I and its aftermath, when the traditional confidence of Americans in their Nation's well-being was profoundly shaken. Out of this uncertainty emerged a pervasive mood of fear and reaction. The rights of minorities, dissenters, and the criminally accused were often ignored as a blind hunt for scapegoats swept aside the rule of constitutional law in our judicial system. In their haste to return to a state of normalcy many Americans condoned the denial of civil liberties guaranteed by the Constitution, thereby undermining their country's true source of strength.

Although Franklin D. Roosevelt and the New Deal made some progress in reversing this trend, the direct confrontation of these problems and the clear expression of fundamental human rights, according to the standards of equal justice and due process, would not be made for a generation after World War I—until the advent of the Warren court.

Overcoming poverty to secure an education, Earl Warren worked his way through law school at the University of California. While he was still in the process of opening a private practice, World War I intervened, drawing him into service in the Army as a second lieutenant. After the armistice, he returned to Oakland to enter public service. He worked as a deputy in the Alameda County District Attorney's office, and in 1925 became district attorney himself. For the next 15 years, he served in that position, earning a reputation as a crusading prosecutor, vigorous and tough, yet compassionate and fair.

Politically, Earl Warren started as a strict proponent of law and order, and alined himself with the conservative States' rights wing of the California Republican Party. On that basis, he was nominated and elected attorney general of California with a plurality of 350,000 votes

As Governor, he emerged as a strong supporter of reform in the areas of State health insurance and health care, political lobby regulation, highway building, and the public development of hydroelectric energy. He won two successive gubernatorial reelection campaigns. In 1948, he was the Republican Vice Presidential nominee, and in 1952 was a serious contender for the Republican Presidential nomination. In 1953, upon the death of Chief Justice Vinson, President Eisenhower named Earl Warren to be his successor.

Under Earl Warren's leadership, the Supreme Court made a remarkable number of courageous decisions, resolving issues unprecedented in their scope, divisiveness, and difficulty. In Brown against Board of Education, the Court struck down the long-standing "separate but equal" doctrine, which had been the legal foundation for racial segregation in American public schools for a century. In Baker against Carr, the Court applied the "one man, one vote" doctrine to our political geography, outlawing unequal electoral apportionment in our country. Reflecting back on his career, Earl Warren stated that he was proudest of the Baker decision, since his early political observations in California taught him the pervasiveness of antidemocratic legislative representation.

In other matters, the Warren Court established precedents reforming the criminal justice system, prohibiting racial discrimination, upholding freedom of expression and other first amendment rights, guaranteeing counsel to the accused regardless of income, and restricting the Government's power to penalize individuals for their beliefs and associations. Although these decisions were the product of a cooperative effort between nine men, Earl Warren's leadership ability, character, and indomitable sense of right and wrong focused the Court's determination, and contributed a tremendous moral will to their actions.

The Constitution of the United States, the Bill of Rights, and the philosophical assumptions upon which both are predicated, embody a spirit of justice in our national direction which is all too vulnerable to the dangers of general apathy and official expediency. Patriotism should not be so narrowly construed that it is only applicable in practice to paying tribute to the Founding Fathers on our national holidays. Ideally, each American should make a personal commitment to carrying forward in some way the principles which those great men expressed. That Earl Warren as Chief Justice should be compared in greatness to John Marshall is especially fitting. Earl Warren recognized the delicate quality of freedom in the country that he loved, and dedicated his life so that all Americans might share in its promise.

STATEMENT ON BANK LOAN AMENDMENT TO H.R. 16090

HON. M. CALDWELL BUTLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BUTLER. Mr. Speaker, in reference to H.R. 16090, the Federal Election Campaign Reform Act Amendments of 1974. I am hereby submitting for the RECORD an amendment I propose to offer to the definition of "contribution" contained in the present law.

The amendment relates only to endorsements of bank loans, and is offered for the purpose of bringing such endorsements within the limitations on contributions which this legislation proposes to establish. Under existing law, loans are considered contributions when made to political candidates or committees. There is an exception for loans made by banks, in order that such loans not be considered a corporate contribution.

My amendment provides that, for the purposes of defining a political contribution only, endorsers of bank loans will be considered lenders in the amount of the unpaid balance of the loan. If there is more than one endorser, the balance will be divided equally among them.

This will not require any additional reporting efforts by candidates as the supervisory officers now require all bank loans and their endorsers to be reported, as well as their repayment.

My purpose is to insure that no one is able to use endorsements of bank loans as a means of making money available to campaigns in excess of the amount they can contribute outright, and so evade the contributions limitations.

The need for this amendment is discussed at some length in my additional views to the committee report, and in Mr. FRENZEL's supplementary views, so I will not belabor the issue here. The amendment closes a definite loophole, and I urge its adoption.

Page 13, after line 5, insert the following:

(b) Section 591(e)(1) of Title 18, United States Code, relating to the definition of a contribution, is amended by inserting after the word "business" the following ", which shall be considered a loan by each endorser, in that proportion of the unpaid balance thereof that each endorser bears to the total number of endorsers)".

And renumber the following sections accordingly.

LIONEL HAMPTON HONORED

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mrs. BURKE of California. Mr. Speaker, I rise to request recognition for one of the world's great jazz musicians, Mr. Lionel Hampton, who was honored August 2, 1974, by Pepperdine University in Los Angeles with an honorary doctorate of fine arts degree.

Mr. Hampton has not only been a professional musician for more than 45 years, but he has traveled all over the world, entertaining music lovers everywhere. The State Department has sponsored many of his tours as an "Ambassador of Good Will," and he has been called upon to play at four Presidential inaugurations.

I am proud to say that Mr. Hampton began his career in Los Angeles by attending the University of Southern California and, in the summer of 1936, formed his own small orchestra that played in a Los Angeles nightclub, the Paradise. Many fine musicians played with that group and subsequent Hampton orchestras and accompanied him on his play dates throughout the United States and Europe.

Well known as "King of the Vibes" Mr. Hampton has won virtually every music poll and has been nominated twice for the Jazz Hall of Fame.

To show his virtuosity, Mr. Hampton has also composed dozens of popular songs, from "Flying Home" to the beautiful "Midnight Sun." And, in 1959, a major symphonic work which he composed, "King David Suite" was performed by a 110-piece symphony orchestra in New York's Town Hall, with Mr. Hampton as soloist.

Despite his success as a musician, Mr. Hampton has found time to help innumerable institutions and organizations, from a Catholic boys' home in Indianapolis to a Red Cross hospital in Israel, playing concerts as frequently as two and three a day. He is also the founder and impetus for low-cost housing and the first university in Harlem for low-income families. The housing is named to honor his late wife and constant companion, Gladys.

Mr. Hampton remains an intimate of many world leaders, entertainment figures, and persons in all walks of life who love his music and his endless vitality and warmth.

I am happy to join with Pepperdine University and Mr. Hampton's friends on this occasion in honoring him and wishing him many more musical years.

WHAT ARE WE AFRAID OF?

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. LANDGREBE. Mr. Speaker, amid today's negative attitudes when American minds are being browbeaten and bullied by the prophets of doom I would like to point out to my colleagues some statements made by Preston G. Woolf in his column which recently appeared in the Indianapolis Star. Woolf stated that today more people are employed in our Nation than ever before. Currently our workers are being paid the highest wages in history. Consumer goods are in great abundance and the construction of extensive new production facilities to create even more goods in the fairly near future is going on right now.

American exports are now at high levels and no other of the world's nations can match our great agricultural production capacity. America's energy reserves in the form of coal will outlast the Middle East petroleum reserves, and the United States is even blessed with sizable gas and oil reserves within its own boundaries. U.S. technical "know-how" is probably the world's best.

America is on friendly terms with both its southern and northern neighbors. There are no restrictions on free movement and travel in our Nation. We are not at war and have no draft. Americans are envied by many other nations' citizens and are sought desperately by those who are oppressed and downtrodden.

American citizens remain free to criticize the head of state in a world where such freedom of speech in most countries could result in the interrogation and disappearance of the speaker.

No other country in history has risen to the heights of glory and power that the United States has. A vote for America is a vote for the free enterprise system, which remains as strong and vigorous as ever.

During these current so-called "dark days" of America vast opportunities are offered for the courageous and brave.

In view of these statements about

America today, Mr. Woolf answers the question "What are we afraid of?" by echoing the still true words of President Franklin Roosevelt when he said:

> All we have to fear is fear itself.

AMENDMENTS TO H.R. 16090 OFFERED BY MR. FRENZEL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. FRENZEL. Mr. Speaker, when H.R. 16090 is debated under the rule granted today, I intend to offer the following amendments:

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 25, strike out line 14 and all that follows down through page 27, line 24, and insert in lieu thereof the following:

(b) Section 308(a) (10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the duty of the Board to prescribe rules and regulations, is amended to read as follows:

"(10) to prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Board;

"(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Board; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Board, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of this subsection, and preserve such reports and statements in accordance with paragraph (5) of this subsection.".

(c) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Board of Supervisory Officers in carrying out its duties under the Federal Campaign Act of 1971 and to furnish such services and facilities as may be required in accordance with the amendment made by subsection (b) of this section.

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 32, strike out lines 13 through 21, and insert in lieu thereof the following:

"(b) 'supervisory officer' means the Board of Supervisory Officers established by section 308(a) (1).".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 33, strike out lines 20 through 23 and insert in lieu thereof the following: "four members as follows:".

Page 33, line 24, strike out "(D)" and insert in lieu thereof "(A)".

Page 34, line 3, strike out "(E)" and insert in lieu thereof "(B)".

Page 34, line 8, strike out "(D)" and "(E)" and insert in lieu thereof "(A)" and "(B)".

Page 34, line 15, strike out "(D)" and "(E)" and insert in lieu thereof "(A)" and "(B)".

Page 34, line 24, strike out "(D)" and insert in lieu thereof "(A)".

Page 35, line 2, strike out "(E)" and insert in lieu thereof "(B)".

Page 35, beginning in line 6, strike out ", prorated on a daily basis" and all that follows down through line 11 and insert in lieu thereof a period.

Page 37, beginning in line 9, strike out "and to review actions of the supervisory officers".

Page 38, strike out line 25 and all that follows down through page 39, line 6.

Page 39, line 7, strike out "(2)" and insert in lieu thereof "(b) (1)", and renumber the following paragraphs accordingly.

Page 39, line 15, strike out "Any supervisory officer" and insert in lieu thereof the following: "The Clerk of the House of Representatives, the Secretary of the Senate, or any other person receiving reports and statements as custodian for the Board,".

Page 43, beginning in line 16, strike out "each of the" and all that follows down through line 19, and insert in lieu thereof the following: "the Board such sums as may be necessary to enable it to carry out its duties under this Act.".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 72, line 23, strike out "in accordance with the provisions of subsection (c)".

Page 73, strike out line 6 and all that follows down through page 74, line 3.

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 78, strike out line 4 and all that follows down through page 79, line 9.

Page 79, line 11, strike out "410" and insert in lieu thereof "411".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 45, line 10, strike out "; ENFORCEMENT".

Page 45, line 13, strike out "408" and insert in lieu thereof "407".

Page 45, line 14, strike out "sections" and insert in lieu thereof "section".

Page 46, strike out line 16 and all that follows down through page 47, line 6.

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 28, line 1, strike out "contribution,".

Page 29, strike out line 3 and all that follows down through page 30, line 9.

Page 30, line 10, strike out "(d)" and insert in lieu thereof "(c)".

Page 31, line 7, strike out "(D)" and all that follows down through page 32, line 9, and insert in lieu thereof the following: "or (D) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee;".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 29, line 7, strike out "(B)" and all that follows down through "(E)" in line 20, and insert in lieu thereof the following:

"(B) the use of real or personal property and the cost of invitations, food and beverages voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities, or (C)".

Page 30, line 4, insert immediately after "magazines" ", newspapers".

Page 30, line 5, strike out "(other than newspapers)".

Page 30, line 8, strike out "each of clauses (B) or (D)" and insert in lieu thereof "clause (B)".

Page 31, line 2, strike out "(C)" and all that follows down through "(F)" in line 16, and insert in lieu thereof the following:

"(C) the use of real or personal property and the cost of invitations, food and beverages voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's premises for candidate-related activities, (D)".

Page 31, line 19, strike out "(G)" and insert in lieu thereof "(E)".

Page 32, line 4, insert immediately after "magazines" ", newspapers".

Page 32, line 8, strike out "(other than newspapers)".

Page 32, line 8, strike out "each of clauses (D) and (E)" and insert in lieu thereof "clause (C)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 29, line 7, strike out "the use of" and all that follows down through "activities" in line 12, and insert in lieu thereof the following: "the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities".

Page 30, line 4, insert immediately after "magazines" ", newspapers".

Page 30, line 5, strike out "other than newspapers)".

Page 29, line 16, strike out "any unreimbursed purchase" and all that follows down through "political committee" in line 20, and insert in lieu thereof the following: "any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate".

Page 31, line 7, strike out "the use of" and all that follows down through "activities" in line 12, and insert in lieu thereof the following: "the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities".

Page 31, line 12, strike out "any unreimbursed purchase" and all that follows down through "political committee" in line 16, and insert in lieu thereof the following: "any unreimbursed payment for travel expenses made by any individual who on his own behalf volunteers his personal services to a candidate".

Page 32, line 4, insert immediately after "magazines" ", newspapers".

Page 32, line 5, strike out "(other than newspapers)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 29, line 12, strike out "(C)" and all that follows down through "(D)" in line 16, and insert in lieu thereof "(C)".

Page 29, line 20, strike out "(E)" and insert in lieu thereof "(D)".

Page 30, line 8, strike out "(D)" and insert in lieu thereof "(C)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 24, line 15, section 205(a) is amended to read as follows:

"Sec. 205. (a) (1) Section 308(a) (6) of the Federal Election Campaign Act of 1971, relating to duties of the supervisory officer, is amended to read as follows:

"(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;".

(2) Section 308(a) of the Federal Election Campaign Act on 1971, relating to duties of the supervisory officer, is amended by redesignating paragraphs (9) through (13) as paragraphs (10) through (14), respectively; and by inserting immediately after paragraph (8) the following:

"(9) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidate for whom such reports were not filed as so required;".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 43, immediately after line 13, insert the following: "Approval of Presidential Campaign Expenditures by National Committee".

"Sec. 316. (a) No expenditure in excess of $1,000 shall be made by or on behalf of a candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approve by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the identification of the person seeking approval and making the expenditure, except that for the purposes of section 608(b) of chapter 29 of title 18, United States Code, any such expenditure shall not be considered a contribution by the national committee.

"(c) No political party shall have more than one national committee."

Page 43, line 15, strike out "316" and insert in lieu thereof "317".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 23, line 24, strike out "306" and insert in lieu thereof "306(a)".

Page 24, line 2, strike out "by adding at the end thereof the following new subsection" and insert in lieu thereof "to read as follows".

Page 24, line 3, strike out "(e)" and insert in lieu thereof "(a)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 4, line 22, strike out "$75,000" and insert in lieu thereof "$90,000".

Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$90,000".

Amendment to H.R. 16090, as Reported Offered by Mr. Frenzel

Page 4, line 22, strike out "$75,000" and insert in lieu thereof "$125,000".

Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$90,000".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 12, strike out line 18 and line 19, and insert in lieu thereof the following: "DEFINITION OF EXPENDITURE AND PRINCIPAL CAMPAIGN COMMITTEE"

Page 12, strike out line 20 and all that follows down through page 14, line 12.

Page 14, line 13, strike out "(c)" and insert in lieu thereof "Sec. 102.".

Page 15, line 10, strike out "(D)" and all that follows down through page 17, line 11, and insert in lieu thereof the following:

"(D) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee; or (E) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title;".

Amendment to H.R. 16090, as Reported Offered by Mr. Frenzel

Page 12, line 19, strike out "contribution,".

Page 13, strike out line 6 and all that follows down through page 14, line 12.

Page 14, line 13, strike out "(c)" and insert in lieu thereof "(b)".

Page 14, line 22, strike out "(A)" and all that follows down through page 17, line 11, and insert in lieu thereof the following: "(4) notwithstanding the foregoing meanings of 'expenditure', the term does not include any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title;".

Page 17, line 12, strike out "(d)" and insert in lieu thereof "(c)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 2, line 6, strike out "(g)" and insert in lieu thereof "(i)".

Page 13, line 6, strike out "Section 591" and all that follows down through "(C)" in line 15, and insert in lieu thereof the following:

Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by adding immediately after subsection (f) the following:

"(g) For the purposes of this section the term 'contribution' does not include (1) the use of real or personal property and the cost of invitations, food and beverages voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's premises for candidate-related activities, (2)".

Page 13, line 19, strike out "(D)" and all that follows down through "(E)" in line 23 and insert in lieu thereof "(3)".

Page 14, line 4, strike out "clause" and insert in lieu thereof "paragraph".

Page 14, line 7, insert immediately after "magazines" ", newspapers".

Page 14, line 8, strike out "(other than newspapers)".

Page 14, line 10, strike out "each of clauses (B) or (D)' and insert in lieu thereof "paragraph (1)".

Page 14, strike out lines 13 through 22, and insert in lieu thereof the following:

(c) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by adding immediately after subsection (g) the following:

"(h) For the purposes of this section the term 'expenditure' does not include (1)".

Page 15, line 3, strike out "(B)" and insert in lieu thereof "(2)".

Page 15, line 5, strike out "(C)" and all that follows down through "(F)" in line 20, and insert in lieu thereof the following:

"(3) the use of real or personal property and the cost of invitations, food and beverages voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's premises for candidate-related activities, (4)".

Page 15, line 23, strike out "(G)" and insert in lieu thereof "(5)".

Page 16, line 6, strike out "clause" and insert in lieu thereof "paragraph".

Page 16, line 9, insert immediately after "magazines", "newspapers".

Page 16, line 10, strike out "(other than newspapers), (H)" and insert in lieu thereof "(6)".

Page 16, line 14, strike out "clause" and insert in lieu thereof "paragraph".

Page 16, line 19, strike out "section 608" and all that follows down through "political advertising" on page 17, line 7, and insert in lieu thereof "this section".

Page 17, line 9, strike out "each of clauses (D) and (E)" and insert in lieu thereof "paragraph (3)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 7, immediately after line 3, add the following:

"(2) No person shall make expenditures (other than expenditures made by or on behalf of a candidate under the provisions of subsection (c)) aggregating more than $5,000 in any calendar year.

"(3) No person shall make expenditures to promote or publicize an issue or cause which may incidentally benefit the campaign of any candidate for nomination for, or election to, Federal office, either by advocacy of positions taken by such candidate or by opposition to positions taken by any opponent of such candidate, unless there is no tangible connection between such person and the campaign of the benefiting candidate and there is no intent to aid, assist, or otherwise promote such campaign or candidacy."

Page 7, line 4, strike "(2)" and insert in lieu thereof "(4)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 3, line 8, strike out ", in writing,".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 6, immediately after line 2, add the following:

"(4)(A) Notwithstanding any other provisions of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committees of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in subparagraphs (B) and (C) hereof.

"(B) The national committee of a political party may not make any expenditures in connection with the general election campaign of any candidate for President who is affiliated with that party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States.

"(C) The national committee of a political party, or a State committee of a political party, including any subordinate committees of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with that party which exceeds—

"(i) in the case of a candidate for election to the office of Senator, the greater of $20,000 or 2 cents multiplied by the voting age population of that State; and

"(ii) in the case of a candidate for election to the office of Representative, $10,000."

Page 17, line 17, strike out "; and ;" and insert in lieu thereof a semi-colon.

Page 17, line 19, strike out "paragraph" and insert in lieu thereof "paragraphs".

Page 17, line 23, strike out "."." and insert in lieu thereof a semi-colon.

Page 27, immediately after line 23, insert the following:

"(j) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidates of that association, committee, or organization; and

"(k) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Board of Supervisory Officers; and

"(1) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Board of Supervisory Officers.".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 61, strike line 14 and all that follows down through page 78, line 3.

Page 78, line 5, strike "409" and insert in lieu thereof "408".

Page 79, line 11, strike "410" and insert in lieu thereof "409".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 53, strike line 17, and all that follows down through page 61, line 4.

Page 61, line 6, strike out "407" and insert in lieu thereof "406".

Page 61, line 15, strike out "408" and insert in lieu thereof "407".

Page 78, line 5, strike out "409" and insert in lieu thereof "408".

Page 79, line 11, strike out "410" and insert in lieu thereof "409".

Page 79, line 15, strike out "408, and 409" and insert in lieu thereof "and 408".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 49, imediately after line 16, insert the following:

(d)(1) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than Federal elective office, or nomination thereto.".

(2) The second sentence of such section 315(a) is amended by striking out "such candidate" and inserting in lieu thereof "legally qualified candidate for public office".

Amendment to H.R. 16090, as Reported, Offered by Mr. Frenzel

Page 25, line 22, strike out "and (c)".

Page 25, immediately after line 22, insert the following: "(B) by redesignating subsection (c) as subsection (d);".

Page 25, line 24, strike out "and".

Page 25, line 23, strike out "(B)" and insert in lieu thereof "(C)".

Page 26, line 1, strike out "(C)" and insert in lieu thereof "(D)".

Page 27, line 24, strike out the period after the quotation mark and insert in lieu thereof a semi-colon.

Page 27, immediately after line 24 insert the following:

(E) striking out "Comptroller General" each place it occurs in subsection (d) (as redesignated by section 205(b)(2)(B) of this Act) and inserting "Board", and striking out "his" in the second sentence of such subsection and inserting "its"; and

(F) striking out the last sentence thereof.

CAMPAIGN REFORM

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ERLENBORN. Mr. Speaker, when H.R. 16090, the Federal Election Campaign Act amendments, comes to the floor, I will offer an amendment to outlaw contributions by special interest groups—business, labor, or whatever.

My amendment will allow a candidate to accept campaign contributions only from individuals or regularly constituted political parties.

The public, not unreasonably, worries about the political influence that is implied by large political contributions. By limiting individual contributions. By limiting individual contributions to $1,000 and political committee donations to $5,000, the bill as reported takes one small step to alleviate these worries. So long as groups with special interests are allowed to contribute, however, we cannot eliminate the possibility of abuse and, therefore, we cannot expect to achieve any measure of real campaign reform.

Political action groups have multiplied like rabbits in recent years. According to Common Cause, such committees donated $9.7 million to 1972 congressional campaigns. They have almost twice that much ready for this year's elections—an unprecedented $17 million-plus—again, according to Common Cause.

My amendment would stop business associations, labor political action groups, and others with axes to grind from funneling large sums of money into campaigns of friendly candidates. Then we, as candidates, will have to seek more donations from more people. This, I believe, is the way election campaigns ought to be financed, that is, by the people—by the people voluntarily.

Californians decided that's the way campaigns should be funded when they voted 2½ to 1 for proposition 9, which included a similar ban on special interest money. In doing so, they echoed the results of national surveys which have shown that the American people believe campaign donations by special interest are not in the people's interest.

My amendment, together with a technical amendment, follows:

Amendment to H.R. 16090, as Reported

Page 2, line 10, strike out "contributions to any" and all that follows down through page 2, line 12, and insert in lieu thereof the following:

any contribution to or for the benefit of any candidate for Federal office.

Page 3, strike out line 4 through line 5, and insert in lieu thereof the following:

"(3)(A) No individual may make contributions to any candidate in any election which, in the aggregate, exceed—

"(i) $2,500, in the case of a candidate for the office of President; or

"(ii) $1,000, in the case of a candidate for the office of Senator, Representative, Resident Commissioner, or Delegate.

"(B) No individual shall make contributions aggregating more than $25,000 in any calendar year.".

Page 3, strike out line 24 down through page 4, line 8.

Page 11, immediately after line 3, insert the following:

"(b) No person shall make a contribution on the condition, or with an express or implied agreement, that the recipient of the contribution will make a contribution to any other candidate or his authorized committee unless the original contributor is identified pursuant to the reporting requirements of section 304 of the Federal Election Campaign Act of 1971.".

Page 11, line 4, strike out "(b)" and insert in lieu thereof "(c)".

Amendment to H.R. 16090, as Reported

Page 18, strike out line 1 and all that follows down through line 16, and insert in lieu thereof the following new section:

PROHIBITION OF THE MAINTENANCE OF CERTAIN POLITICAL FUNDS

Sec. 103. The last paragraph of section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, is amended by striking out "; the establishment, administration" and all that follows down through "any commercial transaction".

AMENDMENTS TO BE OFFERED TO H.R. 16090

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. KOCH. Mr. Speaker, I intend to offer two amendments to H.R. 16090, the campaign reform bill. I wish to make certain that I am allocated 5 minutes to explain each one at the appropriate times during the amending process.

The amendments are the following:

Amendment to H.R. 16090, as Reported Offered by Mr. Koch

Page 48, line 13, insert "; Exemption From Equal Time Requirements" immediately after "Limitations".

Page 49, immediately after line 16, insert the following new subsection:

(d) The first sentence of section 315(a) of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) is amended by inserting immediately after "public office" the following: ", other than the office of President of the United States or Vice President of the United States,".

Amendment to H.R. 16090, As Reported, Offered by Mr. Koch

Page 47, immediately after line 6, insert the following new section:

CAMPAIGN MAIL

Sec. 303. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—CAMPAIGN MAIL

"DEFINITIONS

"Sec. 501. For purposes of this title—

"(1) the term 'campaign mail' means any piece of mail which does not exceed the maximum weight per piece of mail allowable if mailed at the lowest rate per piece established by the Board of Governors; of the Postal Service for bulk rate mailings of circulars by qualified nonprofit organizations, and which is mailed by any candidate for the purpose of influencing the election of such candidate;

"(2) the term 'candidate' has the meaning given it by section 301(b), except that such term does not include a candidate for the office of President or Vice President of the United States;

"(3) 'the term eligible candidate' means any candidate who is eligible under section 503 to receive campaign mail allotments;

"(4) the term 'supervisory officer' means the Secretary of the Senate with respect to candidates for the office of Senator, and the Clerk of the House of Representatives with respect to candidates for the office of Representatives, Delegate, or Resident Commissioner; and

"(5) the term 'State' has the meaning given it by section 301(i).

"CAMPAIGN MAIL ENTITLEMENT

"SEC. 502. Any candidate who establishes his eligibility under section 503 shall be entitled to receive campaign mail allotments under section 504.

"ELIGIBILITY

"SEC. 503. (a) In any general election, any candidate who—

"(1) has met the qualifications prescribed by the applicable laws to hold the Federal office for which he is a candidate, and is the candidate of a political party whose candidate in the most recent general election for the office involved received at least 15 percent of the popular votes received by all candidates in such general election; or

"(2) transmits to the Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, to the equivalent State officer), no later than 45 days before the date of the general election, a petition containing the signatures of at least 5,000 individuals registered to vote in the geographical area in which such general election is held,

shall be entitled to receive campaign mail allotments under section 504.

"(b) The Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, the equivalent State officer) shall take appropriate steps to certify signatures contained in petitions transmitted by any candidate under subsection (a)(2). Upon completion of certification, the Secretary of State shall transmit such petitions to the appropriate supervisory officer. The supervisory officer shall not declare any candidate to be eligible to receive allotments until the supervisory officer receives such petitions from the Secretary of State. Each such certification shall be completed no later than 30 days before the date of the election involved.

"ALLOTMENTS

"SEC. 504. (a) Every eligible candidate shall be entitled to mail a number of pieces of campaign mail equal to the number of individuals registered to vote in the geographical area in which the general election is held.

"(b) Campaign mail allotments mailed under this part may be mailed free of postage by the candidate involved. Each piece of campaign mail which is mailed under this part shall bear the words 'Campaign Mail', or words to such effect prescribed by the United States Postal Service, in the upper right-hand corner of the address area.

"REIMBURSEMENT

"SEC. 505. (a) The Secretary of the Treasury shall make payments to the United States Postal Service as postal revenues for campaign mail which is mailed under this part. For purposes of this section, campaign mail shall be considered matter mailed by a qualified nonprofit organization under former section 4452(b) of title 39, United States Code, and the rate of reimbursement for campaign mail shall be the same as the rate of postage which any such organization may mail matter under section 3626 of such title.

"(b) Whenever a payment is made by the Secretary of the Treasury under this section with respect to campaign mail of any eligible candidate, an amount equal to the amount of such payment shall be attributed toward the expenditure limitation of such candidate under section 608(c) of title 18, United States Code.

"RULES

"SEC. 506. The appropriate supervisory officers shall prescribe such rules as they consider necessary to carry out this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 507. There are authorized to be appropriated sums as may be necessary to carry out this title.".

POLITICAL TRIALS IN CHILE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BADILLO. Mr. Speaker, for some 3½ months the military junta controlling Chile carefully orchestrated the trials of some 65 persons alleged to be political enemies. Although the defendants were allowed to have counsel, they were tried under martial rule and there were a number of serious irregularities throughout the trials. The manner in which the trials were conducted evoked the very apt description of "lawless charades" by one of the foreign observers. The severity of the sentences handed down—including four death sentences—is an affront to the world community and to men of good will who respect and defend basic human rights and dignity.

After more than a year an estimated 6,000 political prisoners are still being held by the junta, officially condoned torture continues, respect for fundamental civil liberties is generally ignored and the prospects for a return to democratic institutions and procedures grow dimmer with each passing day.

Yesterday's Washington Post carried a very timely and perceptive editorial on the recent political trials in Chile. I insert this editorial herewith, for inclusion in the RECORD, and commend it to our colleagues' attention, particularly as we will soon be considering the extension of aid to Chile and the support for a regime which perpetuates policies contrary to the basic traditions of democratic government:

"JUSTICE" IN CHILE

The "justice" of the victors is being relentlessly administered in Chile by the officers who overthrew the Allende government last fall. Given the chaos of his last days, it is conceivable that some of Allende's supporters sensed that a coup was coming and hoped to forestall it by creating a power center of their own within the Chilean armed forces. At any rate, the coup came, destroying any such hopes, and the would-be hunters became the prey. The officers who had seized power looked about them for a dramatic way to legitimize their authority, to convince others inside and outside Chile that they had indeed saved the country by their own intervention. For Chileans are, despite their recent trauma, a law-minded people, and even the new leaders appreciate the benefits of winning their countrymen's respect. To fulfill this vital legitimizing purpose, they decided on a mass trial of Allende supporters, who were accused of trying to take over a substantial part of the Chilean air force. Sentences were handed down in that trial the other day.

Now, only in a country as politically riven as Salvador Allende's Chile could a group of 54 air force men (and 10 civilians) have contemplated a kind of coup within one branch of the armed forces in order to assure military support to keep the elected government in power. That is a fair measure of how things were in Santiago at that time. But only in a country as politically restrictive as General Augusto Pinochet's Chile would these defendants have been tried with so little a sense on the government's part of its own basic illogic.

Note that, despite government promises of a prompt public trial, a considerable number of Allende's civilian officials have remained in prison or otherwise under detention for almost a year, untried and uncharged. But apparently the military was offended by the thought that some of its own—air force men—supported Allende. The military perhaps also wanted to intimidate would-be dissenters still within its ranks. These seem to be the particular reasons why the 60-odd defendants were brought to trial before an air force court martial. That court sentenced four of them—a former Socialist Party leader, and a colonel, captain and sergeant—to be shot, while 56 others received prison terms. Carrying out those sentences is a virtually certain way to build more hate and bitterness into Chilean society, which is desperately in need of a turn toward domestic peace.

In a trial where the crime charged is essentially loyalty to the previous government, there can be no question whether the trial is political: It is. Nonetheless, the Pinochet leadership permitted foreign observers to attend the sessions that were open—presumably to bear witness to the correctness of the proceedings or, at the least, to attest to the good faith of the Santiago junta. Whether the observers, simply by going, sanctioned the purpose of the trial would seem to be a fair question. Anyway, the reports of the several American observers, made to the Kennedy and Fraser congressional subcommittees, hardly gave the junta the clean bill of health it desired. The torture of political prisoners still goes on, the observers reported. Due process is an occasional thing. The exodus of political refugees runs high.

Official American interest in how the Chilean government lives up to international standards of human rights is hard to perceive. American military aid is high and getting higher. And in respect to Chile there is not even the excuse, offered most recently, for instance, in respect to police excesses in South Korea, that the United States has strategic interests requiring it to look the other way.

RHODESIAN TRADE AT STANDSTILL

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DIGGS. Mr. Speaker, I would like to insert the following article concerning Rhodesia's possible loss of trade routes through Mozambique, for the thoughtful consideration of my colleagues:

[From the Johannesburg Star, July 27, 1974]

RHODESIAN TRADE AT STANDSTILL

SALISBURY—Rhodesian exports through Beira and Lourenco Marques have screeched to a virtual standstill following embargoes on all rail goods traffic through the two ports.

Industry here is understood to be suffering badly and it is estimated about 3,000 goods trucks are stranded on the line between Bulawayo and the Mozambique capital.

And in an election campaign speech in Salisbury this week the Prime Minister, Mr. Smith, confirmed his Government was worried about losing vital trade routes through the Portuguese territory.

"We hope commonsense will prevail but we are planning for the worst," he told a crowd of about 900.

Mr. Smith's anxiety came after Rhodesia Railways headquarters in Bulawayo yesterday confirmed the pile-up of crucial exports on their way out of the country.

Rebel landmines blasted the Salisbury to Beira rail link twice in the past two weeks and Rhodesia railways have announced that goods traffic on the line has been suspended.

The Prime Minister, turning the election spotlight to Mozambique and the possible effects on the Rhodesian economy, made it clear his government was worried about what might happen. The Mozambique trade routes are a vitally important part of the country's means to survive economically.

He said: "The danger of losing these routes through Mozambique is a very real problem. We hope that it will not happen."

He drew attention again to the rush building of the Rutenga rail link which will join Rhodesia with the Republic by rail directly for the first time.

He also pointed out that 98 percent of traffic through Lourenco Marques and 80 percent through Beira came from Rhodesia and South Africa.

"So, as you can see, if they cut these lines they are cutting their own throats," he said.

AN ACT OF COURAGE

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ROGERS. Mr. Speaker, last week I read an inspirational story about a man from my district, Frank Williams, who saved two people from a burning room. Undoubtedly, those two people would have been killed or seriously injured had not Mr. Williams acted when he did. It is not every day that one hears of such an act of courage; indeed, such instances are rare.

Yet the circumstances behind this story, according to the newspaper article, demonstrate an even greater act of courage, for Mr. Williams is blind.

The story told how Mr. Williams was getting ready for bed when he heard someone crying for help. Almost immediately, he smelled smoke. Determined to help, he dressed quickly and made his way down the smoke-filled hallway.

Finally reaching the door behind which the fire had started and the calls for help had come, he broke it down and burst inside. Without being able to see anyone or anything, he shepherded Ernest Burnett and Thelma Bryant out of the room to safety. The fire department then arrived to calm the blaze.

The courage that Mr. Williams displayed should be an example to us all. Too often we shrug off our responsibilities with the feeling, "someone else can handle it." Who could have better reason for wishing someone else would handle it than Mr. Williams? Blind for nearly 35 years, Frank Williams took it upon himself, despite his disability, to help those in need.

Mr. Williams' heroism should show us all that when someone calls for aid, there is no excuse for ignoring that call.

THE PRESIDENT'S LEGAL COSTS

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. PHILLIP BURTON. Mr. Speaker, I am submitting for the benefit of my colleagues the following editorial from the Washington Star-News of August 2, 1974.

I fully support—as I hope my colleagues will—the position that President Nixon must have the same access to public funds that the prosecution will have.

The article follows:

THE PRESIDENT'S LEGAL COSTS

Some members of Congress intend not only on removing President Nixon from office but on reducing him to penury in the process. There is a move afoot to require the President, if he is impeached by the House, to bear personally the legal expenses of his defense in the Senate trial.

If he is impeached, in the House, Nixon still will be President of the United States until the moment of his conviction and removal by the Senate. He will continue to have all the appurtenances and responsibilities of his office unless and until the Senate decides against him. It would be absurdly unfair for the nation's chief executive to have to depend on his own checkbook for the means to defend himself in the sort of trial that would follow impeachment.

The impeachment process is a constitutional proceeding under which both sides—the prosecution and the defense—are part of the government up to the moment of final disposition. There is nothing in the Constitution that says the President must start picking up the costs himself in the middle of the process.

The government is going to pay whatever legal costs are necessary for the prosecution. It must also pay the President's. He is entitled to an equal break, which means the best representation available.

In the only other impeachment trial in American history, the attorney general, Henry Stanbery, resigned from the cabinet to head the defense team representing President Andrew Johnson. After the trial, which resulted in Johnson's acquittal, Stanbery helped raise money privately to pay the legal costs. In today's situation—at today's prices—that simply does not set a practical precedent.

It would be improper, of course, for a sitting attorney general to defend the President, and the present occupant of that position, William Saxbe, has properly made plain that he has no intention of doing so. Additionally, however—and quite improperly in our book—Saxbe has said that if Nixon were to be impeached, he would have to employ private attorneys to defend himself and pay them from private funds. There are indications that the Justice Department is rethinking that proposition, as well it should.

President Nixon is not a wealthy man; he clearly is in a financial bind trying to pay the increased federal income taxes assessed against him and to meet the mortgage payments on his real estate. If convicted by the Senate, he will lose presidential pension benefits, and might face disbarment from legal practice as well as criminal proceedings in which he would have to pay large legal costs.

The President has said that if he is impeached and the attorney general rules he must pay for his defense, he will do so, even if he has to "find somebody to loan me the money." It seems to us the American people will not, and should not, be content with such a mean footnote to this sad, momentous story. Whatever else happens, it is essential that the nation be satisfied that what has been done is fair. We must be assured that our President has had every proper opportunity to defend himself. That means the defense, in any proceedings in the Senate, must have the same access to public funds that the prosecution has.

CAMPAIGN SPENDING REPORTS TOO COMPLICATED

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. GUBSER. Mr. Speaker, Harry Farrell of the San Jose Mercury-News in California is a distinguished political reporter. Recently he wrote a column about his difficulties in interpreting campaign spending reports required by State and Federal laws.

As Mr. Farrell points out, the reporting requirements run the risk of defeating their own purposes. The general public is simply not in a position to interpret accurately the complicated forms and sometimes overlapping reports of spending filed by candidates and their committees.

One solution to this problem would be to require that all citizens become certified public accountants. An alternative is to simplify the reporting requirements so that they are readily understandable to the average individual. The latter course of action makes sense to me, and Harry Farrell has set forth some useful suggestions. I commend his article to the attention of readers of the CONGRESSIONAL RECORD:

[From the San Jose Mercury-News, July 22, 1974]

SIMPLIFY THOSE REPORTS ON CAMPAIGN SPENDING

(By Harry Farrell)

Last week both major candidates for governor, Houston Flournoy and Jerry Brown, said they didn't really spend as much on their primary campaigns as their official reports seemed to show.

Brown's reports appeared to indicate expenditure of $2.2 million, but a spokesman for him said about $1.5 million is right. In Flournoy's case, the reports seemed to show $1.4 million in spending though the "real" figure was just over $1 million.

We believe every word of it.

We are spending a lot of time these days in the office of registrar of voters, poring over the comparable reports filed by local candidates.

Because of the new Waxman-Dymally Act, a forerunner of Prop. 9, and because of new federal legislation, as well, the forms for the reports are new and different this year. And it almost takes a CPA to figure them out. (In fact, literally, we've noted that at least three local candidates did retain CPAs to prepare them.)

Presumably, the reporting in future elections will be equally complex, because Prop. 9 replaced the Waxman-Dymally law with a similar but even more demanding one.

The intent of tighter campaign reporting requirements is admirable. The law in effect in past years was so loose as to cover a multitude of sins. But at least the forms were easy to understand.

With the new set-up, when we finally do wade through the voluminous papers on file, we confess we'll have grave doubts about the accuracy of our info.

There are good things and bad about the new reporting laws. On the asset side, we acknowledge:

The new forms require precise itemization of contributions of $100 or more, and Prop. 9 will lower the figure to $50. In the old days, all a candidate had to do was list his contributors' names, and no one could tell whether a person gave $5 or $500.

The new reports require the addresses and employers of campaign contributors. This is important, because it makes spotting special interest contributions easier. In the past, with names only required, race track lobbyist Jim Garibaldi habitually contributed to legislators in the name of his secretary, who was in Los Angeles. Hardly anyone in Sacramento knew who she was.

The new law seeks to compel some disclosure of campaign financing before the election, not merely afterward.

It is the last that makes the reports nearly unintelligible to the casual examiner, however. Each state candidate and his campaign committee must file a whole series of reports (three in state races, four in federal) at stated intervals. For example, a congressional aspirant must file a report on March 10, another 15 days before the election, another five days before, and another afterward.

To get a general overview of how much a candidate is spending, and who he's getting it from, it's necessary therefore to study six separate reports for each state contender (three for the candidate and three for his committee), and eight reports for each congressional aspirant.

With 75 or 100 candidates running just in local races, this means scanning 600 to 800 separate reports, each running up to 25 or 50 pages.

The sheer volume of work is compounded by certain quirks in the way the reports are set up. For instance, many candidates interpreted them to require the reporting of "contributions" they personally made to their own campaigns. With these contributions included in overall totals, it is nigh impossible to tell whether a candidate went in the hole or came out with a surplus.

It is also hard to trace money which is transferred from a campaign committee to a candidate. The committee reports it as an expenditure. The candidate reports it as a receipt.

We would suggest three reforms that could make sense out of the new reporting laws.

1. Cut the number of required reports to one before the election and one after.

2. Figure out a way to combine the reports of candidates and their committees to avoid overlap.

3. Redesign the forms and simplify, simplify, simplify.

CITIZENS CHOICE THIS FALL

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. HUBER. Mr. Speaker, a 14-line editorial in the August 1974 issue of Nation's Business says it all: in the election this fall the citizens have a choice between a veto-proof Congress or an inflation-proof Congress.

That is almost like saying the voter has a choice between Socialism and our free enterprise system.

I strongly recommend the following editorial for reading for my colleagues concerned about the strength and welfare of our Nation:

THE CHOICE IS YOURS

What with many of the primary elections over, you may feel that it's too late to get involved in politics this year.

It isn't.

There are still important contributions you can make.

This fall's Congressional elections will decide the course our government will take for the next two years, at least. And two years can be a mighty long time.

The choice is becoming clearer and clearer. Will we have a veto-proof Congress or an inflation-proof Congress?

You will make the choice.

AMTRAK HORROR STORY

HON. E. G. SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. SHUSTER. Mr. Speaker, with the advent of Amtrak, millions of Americans anticipated a bright new era in rail passenger service. While few expected that Amtrak's lofty goals would be instantly achieved, most looked forward to a reasonable period of transition during which Americans could turn to the railroads as an alternative to air, sea, or other forms of land travel.

I regret to observe, Mr. Speaker, that for many Americans, Amtrak has been a continuing saga of horror stories.

While displaying buttons that read "Amtrak people care," many Amtrak employees fail to do even that and lack the most elementary of common courtesies. And the equipment, advertised as new, modern, and streamlined, in many cases lacks the barest of essentials necessary to make rail travel endurable, if not comfortable.

Mr. Speaker, this is not intended as a protestation of the Amtrak program. Indeed, I believe our vast network of railroads offers a real hope for future travel needs. But I do believe that in order to "get on the right track," we must recognize the deficiencies in the system and strive for improvement.

To demonstrate the hardships and frustrations that many Amtrak customers endure, I am inserting in the RECORD a "letter to the editor" which appeared in the July 26, 1974, Lewiston, Pa., Sentinel. This letter, which bears the title "Amtrack Horror Story," speaks for itself.

AMTRAK HORROR STORY

DEAR MR. LINDSEY: Fantastic article on Amtrak, but how did you get off so easily?

Listen to this one. On April 28 I called Amtrak to make reservations for 2 adults and 3 children from Minneapolis, Minn. to Harrisburg. I am told I cannot pick the tickets up but that they would be mailed 2–3 weeks before our July 13 departure.

Beginning June 20 we made daily phone calls inquiring about our tickets. We never got the same story twice. Finally on July 8 we are told the tickets are in the mail, when they haven't arrived July 10 we call back to hear our reservations are only from Chicago to Harrisburg, but "they'll take care of it." July 11 Amtrak calls, there's no time to mail tickets could I pick them up—which I wanted to do in the first place.

July 13 we're all set to go, and told our luggage would be 24 hrs. behind us out of Chicago. So we carried the children's luggage in addition to train cases and the "fun and games" began. All this made going through a porterless Chicago terminal quite interesting.

But I'm getting ahead of myself.

The train from Minneapolis to Chicago was pure filth. We weren't able to sit in our reserved seats, they were occupied. So we sat in the Vista dome where the windows were so dirty they were opaque. Even the straw wrappers in the club car were dirty. And ice cubes were dropped into our drinks by the attendants bare hands. I nearly gagged.

The Chicago to Harrisburg train appeared to be an improvement. It was clean at least. However, there was no air conditioning or electricity in the club car the entire trip. The trains man showed the way by flashlight.

We left Altoona shortly after sunrise expecting to be about 3 hours late getting to Harrisburg. When we saw signs for State College, we knew we'd been rerouted, but in the nearly 8 hours from Altoona to Harrisburg, the passengers were told nothing.

We soon ran out of everything even water to drink or flush toilets. On one occasion I told a conductor the large garbage bag in our car had upset spilling garbage in the aisle. When he made no move, I asked for a bag and along with my 2½ yr. old daughter cleaned it up.

Overall it was a disaster. Everything was dirty, everyone was rude despite their "Amtrak people care" buttons. I don't know the answers but I feel something should be done. I personally mailed a complaint to the ICC and encourage others to do the same.

ELAINE NULF.

GENE FARRELL RETIRES

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. HELSTOSKI. Mr. Speaker, Watergate and its related scandals, among many other things, have forced us to focus our attention on the role of the news media in America. As a result, more and more people have begun to criticize the media and our newspeople are finding themselves both criticized and lionized.

Today, however, I would like to pay tribute to one of New Jersey's finest newsmen and a man who has been a fixture in journalism circles for nearly half a century. Mr. Speaker, I am talking about Gene Farrell, executive editor of the Jersey Journal, who has announced his retirement after 46 years in the news business.

Throughout his career as editor of this Jersey City-based paper, Gene Farrell understood the special relationship which exists between a newspaper and the people it serves. Accuracy and imagination were the hallmarks of his writing, and he campaigned tirelessly to make Jersey City and the State of New Jersey a better place for people to live.

Mr. Speaker, I would like to take this opportunity to extend my best wishes to Mr. Farrell on the occasion of his retirement and to thank him for the many fine contributions he made to the profession of journalism and to the people of New Jersey.

INFLATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. SYMMS. Mr. Speaker, one would imagine that the American people are getting very weary of all the political rhetoric that consistently bombards them concerning inflation. It seems as though everyone in government is against inflation but nobody is doing anything about it.

This past week, the taxpayer was forced to foot the bill for $100,000 worth of additional inflation rhetoric, when the House passed a resolution authorizing a 6-month "emergency study" of the causes and effects of inflation. The measures had previously passed the U.S. Senate on July 9.

Mr. Speaker, one would think that there must be something very mystical and elusive about inflation, the way these politicians keep carrying on. In reality, it is one of the most simple and basic of all economic phenomena. The literal meaning of "inflate" is "to increase the volume from within." When we speak of monetary inflation—the erosion of the buying power of our money—we are referring to the process of increasing the volume of currency—and credit—in circulation. The Federal Government does this by spending in excess of that which it takes in from direct taxation. The deficit is made up for by printing additional new dollars, thus decreasing the value of each dollar we hold. Inflation is, in reality, nothing more than a very clever, hidden form of government taxation.

So does Congress need to spend $100,000 to further explore the nature of inflation? Hardly. Congress knows of inflation as a mother knows of her child. This so-called "inflation study" is nothing more than naked political rhetoric. It was conceived as a way in which Members of Congress could show their "deep concern" over inflation for the benefit of their constituents.

If these Congressmen were really concerned about inflation, they would stop the rhetoric and begin to demonstrate some fiscal responsibility for a change. They would stop paying only lipservice to the need for a balanced budget and instead begin to work toward that end. Everyone you talk to in Washington, D.C., says that deficit spending is bad, yet precious few will specify how and where they will cut back on Federal spending. Instead, Congress votes to spend even more inflationary dollars. Measures such as I have introduced, calling for a constitutional amendment to stop deficit spending and balance the budget, are hopelessly bottled up in committees chaired and controlled by the majority party. Meanwhile, measures like last week's, which only serve to turn up the volume on the rhetoric, breeze through both Chambers of Congress.

Mr. Speaker, there is, I suppose, a good side to all of this. By authorizing the $100,000 venture, Congress did an excellent job of identifying the cause of inflation right there on the floor of the House. It did not need the services of a single bureaucrat or Government economist either. The point was made better than any "study group" could make it, that the cause of inflation lies with Congress itself, which continues to spend money it does not have on programs it does not need. One doubts, however, that Members of Congress got the message.

VETERANS' PENSION PROTECTION A LEGISLATIVE MUST

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. YOUNG of Florida. Mr. Speaker, I have today submitted testimony to the Subcommittee on Compensation and Pension of the House Veterans' Affairs Committee urging immediate action on legislation to protect veterans' pensions against cuts caused by social security benefits increases, and to aid World War I veterans by providing a general service pension and additional medical benefits. More than a year has passed since I last testified on this subject, and the situation has become increasingly urgent as this Congress draws to a close.

I urge my colleagues to consider my testimony, as follows, and add their voices to mine in urging the Veterans' Affairs Committee to immediate action on these important bills.

The testimony follows:

TESTIMONY OF THE HONORABLE C. W. BILL YOUNG OF FLORIDA

Mr. Chairman, I appreciate being given the opportunity to testify once again on the urgent need to protect veterans' pensions against cuts caused by increases in Social Security benefits, and the need for special financial protection for our World War I veterans.

As you may recall, I offered last year before your Subcommittee, on H.R. 1305, H.R. 1306, and H.R. 2686, which are also the subjects of today's hearing. At the time I testified last year, I was deeply concerned over the plight of those veterans who were stricken from the rolls, or had their pensions reduced as a result of the 1972 Social Security increases. Since that time, of course, Congress has enacted another Social Security benefits increase of 11 percent, so that we face the spector of additional millions of veterans and their dependents being penalized at the end of this year. When this Social Security increase was approved, the ranking Members of both House and Senate Veterans Affairs Committees rose to give solemn assurance to the members that pension reform hearings would be held and legislative protection of veterans' pensions would be developed.

I am therefore especially pleased that this able Subcommittee has come to grips with the problem, because we are rapidly drawing to the close of the legislative year and it is absolutely imperative that the Congress take action in this area. We cannot allow our veterans to face yet another New Year darkened by the prospect of lost or reduced pensions. Inflation eats up both veterans' pensions and Social Security increases as fast as we enact them. We keep providing "catch-up" increases which barely keep pace with inflation. Unless we provide legislative protection as a result of these hearings, we will be denying our veterans even the limited degree of protection against inflation which we have heretofore approved. The New Year income recomputation will deal a body blow to efforts to keep pace with inflation. We have all read the tragic stories of older Americans reduced to eating pet food; I am afraid that these stories will become even more common if we deny our veterans benefits that are rightfully theirs, and cause their already limited incomes to shrink further.

When I introduced H.R. 1306 and H.R. 2686 in January of 1973, I was seeking to strike a moderate balance between the needs of our veterans and legislative reality—what could be approved by the Congress and the Administration. H.R. 1306 offered one option—the disregarding of one-half of any Social Security increases authorized in 1972 in the computation of a veterans' income. H.R. 2686 provided another alternative form of relief—raising the allowable income ceiling by $600. [This approach has been approved by the Senate as recently as December 1973, but has been rejected by the House leadership in favor of "pension reform."]

Since I introduced these measures, the price of food has risen an unbelievable 22 percent, and continues to escalate. The cost of living also has continued to soar. The increases in Social Security and veterans pensions, as I mentioned before, have barely kept pace with the rate of inflation. Because of these inflationary developments, I feel strongly that those living on fixed incomes are in an increasingly precarious financial situation, and stronger legislative remedies are in order. Therefore, I have sponsored H.R. 13718, providing that all of this year's, and any future increases in Social Security will be disregarded in computing veterans' incomes. Unless this or similar legislation is enacted soon, one and one-third million current VA recipients will find their benefits cut and in most cases they will wind up with less money than before Social Security benefits were raised.

World War I veterans are, as I testified last year, in especially dire need of assistance, for with more advanced age and often deteriorating health, these individuals face special expenses and problems. As one who has long been concerned over the plight of World War I veterans, I was pleased to note the recent resurgence of interest in a general service pension for them, when my distinguished colleague from Florida (Mr. Frey) and the distinguished chairman of the House Banking and Currency Committee (Mr. Patman) introduced bills patterned after my own H.R. 1306. In order to express my desire for action and support of any approach to assist World War I veterans, I cosponsored H.R. 14783, introduced by Mr. Patman as the World War I General Service Pension Bill. H.R. 14783 and H.R. 1306, my own bill, are virtually identical in terms of aid to World War I veterans, and I will happily support the recommendation of the Committee on either side—just so long as the veteran is helped.

In conclusion, Mr. Chairman, I think the facts before us are crystal-clear. Reform is long overdue, and the time remaining is exceedingly short. We need to develop legislation to protect veterans pensions, and we need to approve a general service pension for World War I veterans in recognition of their service and thier advanced age. More than a year has passed since hearings on similar bills, and the situation has gone from urgent to critical. I don't think any of us wish to contemplate what will happen next January if we do not approve reforms. I urge speedy committee action, and offer my assistance to do whatever is necessary to get this legislation passed.

LESTER PRATER HONORED NATIONALLY FOR DISTINGUISHED SERVICE TO ESCALON, CALIF.

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. McFALL. Mr. Speaker, I rise today in recognition of the outstanding professional and civic contributions of a man who has established an example of professional excellence, devotion to duty, and regard for his community.

I am speaking of Mr. Lester Prater of Escalon, Calif., who holds the position of San Joaquin-Calaveras County executive director of the Department of Agriculture's Agricultural Stabilization and Conservation Service.

On August 17, Mr. Prater will be awarded the national Distinguished Service-Community Service Award of the National Association of County Employees of the U.S. Department of Agriculture, when it meets in convention in Omaha, Nebr.

A private organization, Nascoe was organized in 1959 and affiliate associations are established in each State.

Nascoe has established a program for including the Distinguished Service-Community Service Award to the employee who has established:

> A record of service which has established the nominee as a recognized leader in the community of the county or beyond.

In receiving his award, Mr. Prater was chosen from among 10,000 eligible employees of the ASCS in the Nation.

Prior to receiving the national award, Mr. Prater won the California-Hawaii Office of County Employees annual award for community service. He later received the Southwestern Area award.

When Mr. Prater accepts the National award, it will make him the first Californian to be so honored.

Mr. Prater began his career with the ASCS as a field reporter in 1957. He was promoted to county office manager of the Calaveras, San Joaquin and Tuolumne area in 1968. Currently the area includes San Joaquin and Calaveras Counties.

Mr. Prater has provided outstanding service as county executive director, and I will discuss this in more detail further in my remarks.

His most rewarding accomplishments, however, are in his home community of Escalon, a city which it has been my privilege to represent in the House of Representatives for 18 years.

Mr. Prater has been a member of the Escalon Police Reserves for more than 25 years and has held the post of captain during the last 4 years.

His work is that of a volunteer and his commitment has included successful completion of a 41-hour course of special instruction on "Laws of Arrest, Search, and Seizure."

In 1961, when Mr. Prater's mother died, he established a memorial fund to purchase an ambulance, which was desperately needed in the community.

Approximately a year later, through memorials, donations, and a membership drive, the ambulance service became a reality.

Mr. Prater was elected president of the Ambulance Board of Directors and has been reelected every year since.

The service now operates its third ambulance, which is modern and fully equipped, and Mr. Prater has participated in more than 800 ambulance runs.

The hours Mr. Prater has worked to start and continue the ambulance service on a 24-hour basis are so numerous, they cannot be calculated fully.

Because of Mr. Prater's working relationship with the medical community, he often is called upon to transfer blood and other biological samples to hospitals. He does this service in his own automobile.

To increase his knowledge, Mr. Prater has completed advanced first aid and rescue courses provided by the police and fire departments. He is a registered "emergency medical technician—ambulance" and has enrolled in an advanced paramedics course. Upon completion of this instruction, Mr. Prater will be licensed to administer shots, transfusions, and other emergency treatment at the scene of emergencies.

In 1972, the Escalon Chapter of the Future Farmers of America acknowledged his continued work with the organization by designating him as the recipient of the Honorary Farmer Award.

His service to the Escalon FFA has included providing transportation for FFA members or their animals, and providing temporary pasture and feed for animals if necessary.

A member of the Masonic Order, Mr. Prater is Past Master of the Escalon Masonic Lodge, Associate Patron of Eastern Star, and Past Master Councilor of the Order of DeMolay.

Mr. Prater also is an active member of the Escalon Lions Club, Chamber of Commerce, and a member of the Escalon Grange, and frequently is called upon to speak to students of San Joaquin Delta College in Stockton, Calif.

In February, the people of Escalon expressed their deep appreciation for Mr. Prater's contributions to the community and he was named man of the year by the Escalon Chamber of Commerce.

Not only is Mr. Prater involved in his community, but his hobby is agriculturally oriented. He raises a small herd of polled Herefords on his 35-acre farm, where he resides with his wife, Rose Lee, and family. The couple have four children. Mrs. Tim Dahlin, Mrs. Karen Hagerdorn, Keith, and Kendra Prater.

In addition to his contributions to his community as a result of his deep commitment to the people who are his neighbors, Mr. Prater met the challenges of his office with superior skill. He has a deep appreciation of the vital role the Agricultural Stabilization and Conservation Service plays in serving agriculture and, in turn, the Nation.

During the confusing early days of the energy crisis when this Nation was hard pressed to meet the short-term problems of fuel distribution, Mr. Prater worked consistently and untiringly to help the farmers in his area receive the fuel they needed to harvest their crops and plan for the next planting season.

Scores of farmers came to me for assistance. These were people who stood to lose much—in fact many stood to lose their means of income—if they did not receive needed gasoline and diesel fuel.

These were the days when the administration was still relying upon a voluntary fuel allocation program—a program that did not work satisfactorily, primarily because major oil companies would not cooperate fully with the Federal Government.

The voluntary program was followed by the congressionally initiated mandatory fuel allocation program which provided for the establishment of the Federal Energy Office—later to become the Federal Energy Administration.

Requests for fuel came in by the scores in every area and by the thousands throughout the Nation. The county Directors of the ASCS were given the job of providing initial contact with farmers, providing them with necessary forms, and working to see that these forms were expeditiously considered.

In this effort, Les Prater did an outstanding job to see that the aims of the program worked in our area. Mr. Prater worked with my staff, with farmers, and with local distributors to assure that available fuel was properly and fairly allocated.

Because of the joint work, the farmers of our area were sustained through that ordeal and the economy was not damaged to the extent that it might have been.

It is with appreciation that I take this opportunity to recognize the work and community service of Lester Prater—certainly a man who takes his work and citizenship seriously.

WILLIAM M. HOUCK

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BYRON. Mr. Speaker, I would be remiss if I did not remark on the passing of an extraordinary individual, William M. Houck, of Thurmont, Md.

With the passing of Bill Houck, Frederick County and the State of Maryland has lost one of its most distinguished and able citizens. Bill Houck served in many capacities during his lifetime including 11 years in the Maryland General Assembly. His interests were wide, and his knowledge of the problems facing his local community and the State was well known and respected. He contributed his untiring efforts in the fields of recreation, State fiscal policy, tax credits for the elderly, health care, and other areas. As a colleague of Bill's in the general assembly, I respected and admired his capacity for leading and his ability to work with his colleagues.

Bill Houck was a man of vision who

will be sorely missed by all those who knew him and his dedication to good government, family, and friends.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. DENT

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DENT. Mr. Speaker, when the House considers H.R. 16090, the Federal Election Campaign Act Amendments of 1974, I will be prepared to offer the following two amendments. Both amendments deal with the same provision of the bill which concern expenditure limitations. The second amendment will only be offered in the event that the first one fails.

The amendments follow:

Page 8, immediately after line 10, insert the following:

(d)(1) Notwithstanding any other provision of this or any other Act, no candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States shall make expenditures, during the two-year period beginning with the first day of any odd-numbered year (beginning January 1, 1975) and ending as of the close of the last day of the succeeding even-numbered year, in excess of $42,500 with respect to his nomination for, and election to, such office.

(2) During such two-year period, no eligible candidate shall solicit or accept contributions aggregating more than $42,500, and no other candidate shall solicit or accept contributions in any amount.

(3) As used in paragraph (1) and (2)—

(A) "candidate" means an individual who is a candidate (as defined in section 591(b) of title 18, United States Code) for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and "eligible candidate" means an individual who is a candidate for such office and who does not hold such office at the time he is such a candidate;

(B) "contribution" has the meaning given it by section 591(e) of title 18, United States Code; and

(C) "expenditure" has the meaning given it by section 591(f) of title 18, United States Code.

(4) Whoever violates paragraph (1) or (2) of this subsection shall be fined not more than $25,000 or imprisoned not more than one year, or both.

(5)(A) Section 162(a) of the Internal Revenue Code of 1954, relating to deductions for trade or business expenses, is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting immediately after paragraph (1) the following new paragraph:

"(2) expenditures (as defined in section 591(f) of title 18, United States Code) made during the taxable year by a candidate (as defined in section 591(b) of title 18, United States Code) for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States during the two-year period beginning January 1, 1975, and ending as of the close of the last day of the succeeding even-numbered year, but only to the extent that the aggregate of such expenditures during such two-year period does not exceed $42,500; except that (beginning with the two-year period commencing with the calendar year 1977) this paragraph shall not apply with respect to such expenditures made by any such candidate who was also such a candidate in any election during the immediately preceding two-year period, unless such candidate received not less than one-third of the total vote cast for such office in the election in which he was such a candidate during such preceding two-year period;".

(B) The amendments made by subparagraph (A) of this paragraph shall apply with respect to taxable years ending after December 31, 1974.

(6)(A) Section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31), relating to compensation of Members of Congress, is amended to read as follows:

"(a)(1) The compensation of Senators shall be at the rate of $42,500 per annum each. The compensation of the President pro tempore of the Senate, and of the majority leader and minority leader of the Senate, shall be at the rate of $49,500 per annum each.

"(2) The compensation of Representatives in, and Delegates and Resident Commissioners to, the Congress of the United States shall be at the rate of $63,750 per annum each. The Compensation of the Speaker of the House of Representatives shall be at the rate of $83,750 per annum, and the compensation of the majority leader and the minority leader of the House of Representatives shall be at the rate of $70,750 per annum each.".

(B) The amendment made by subparagraph (A) of this paragraph shall become effective at noon on January 3, 1975.

And redesignate the following subsections accordingly.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. DENT

Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$42,500".

BESSIE M. ORCUTT

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ARENDS. Mr. Speaker, I am sure that many of our colleagues were deeply saddened to learn of the recent death of a faithful House employee for many years, Miss Bessie M. Orcutt.

While Miss Orcutt had countless friends among Members and staffs alike, we in the Illinois delegation knew her particularly well and held her in especially high esteem. She came to Washington in 1936 as secretary to our late colleague, the Honorable Chauncey Reed and became chief clerk of the House Judiciary Committee in 1953.

Following her service with the committee, she served as secretary to Representatives Keeney and Hoffman, of Illinois.

Miss Orcutt was an extremely able and dedicated employee who set high standards of performance both for herself and her offices. She will be missed not only by many on Capitol Hill and throughout the Government, but also by numerous constituents of her former employers.

Miss Orcutt leaves a sister, Mrs. Clark Strayer, of Kokomo, Ind., and two brothers, John, and Eddie Orcutt, of Milford, Ill., as well as nieces and nephews. A memorial service was held at Georgetown University, where Miss Orcutt was interested in medical research.

BEN COLE AND PERCEPTIVE REPORTING

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. LANDGREBE. Mr. Speaker, one of the most respected and well-known journalists in Washington is Mr. Ben Cole of the Indianapolis Star and Arizona Republic. Not only is Ben well-known among my colleagues as a fair and honest reporter, but he is recognized for his perceptive insight into life on Capitol Hill. This includes a tremendous ability to recognize the strengths and weaknesses of our political system and those who are part of that system. It also includes his ability to be objective about others in his own profession who may not live up to the great demands and responsibilities of those in the media.

I present for the RECORD an article which appeared in the August 3, 1974, edition of the Star in which Mr. Cole points out the fine line between investigative reporting and individual rights of public officials:

BEN COLE

Back in 1952 the New Yorker published a sketch by the late, wonderful John McNulty called, "He Should Have Let Him Have It Anyway."

Only McNulty could tell it so well. The story was about two truck drivers delivering doughnuts at 3 a.m. who stopped at an all-night beanery for a cup of coffee.

The little radio on the back bar was tuned to the good music station and was playing the "William Tell Overture."

One burly truck driver was stirring his coffee as he mused, "He should let him have it anyway."

His companion asked him for an explanation. The truck driver in Brooklynese thereupon told the story of William Tell, the wicked Gesler, the apple and all. When he reached the part where William Tell told the tyrant the second arrow was for him, the trucker expostulated, "He should have let him have it anyway."

That's the way you feel when you read how Senator Robert P. Griffin of Michigan surrendered his personal financial statement to a cheeky newspaper reported. "Under other circumstances," Griffin told him, "frankly, I would have been inclined to respond by telling you to go to hell."

The senator should have followed his inclination.

The latest fad here is for reporters to write pompous letters to public officials demanding that they turn over their personal financial data. As Senator Griffin observed, in the Watergate climate "a public official these days can claim very little privacy for family and himself."

It is naive to think that exposing a man's financial affairs will make him honest, keep him that way or even prove that he's a crook.

The same thing goes for the ritual of making a businessman sell all his securities—often at a sacrifice—to accept a position in the government. Exactly how that is going to strengthen his character is an elusive question.

Of course, in the case of Senator Griffin, the eager-beaver reporter was simply looking for an easy story. He would win either way: If Griffin surrendered, he had a financial report; if he stuck up for his rights, that made another story.

There's a whole fad of things going on these days, inspired by the Ralph Nader congressional project and a few others. Letters demanding financial statements are not quite as infuriating as those which call on a congress member for copies of his last several Federal income tax returns. Several lawmakers, fortunately, have had the gumption to say what Senator Griffin was inclined to.

The whole business is founded on a childish theory that all politicians are ipso facto crooks and the way to keep them honest is to force them to tell all. The truth of it is that a crook won't let his financial statement incriminate him and an honest man has no reason to violate his own dignity.

Men who betray the public trust should have full publicity so that the nation may be warned aaginst them. An honest public servant deserves the same respect for his civil rights as any of the rest of us demand.

As the late John McNulty might have said, Senator Griffin should have told him where to go anyway.

THE NATION'S ECONOMIC WOE CONTINUES UNCHECKED

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BADILLO. Mr. Speaker, as a result of the lack of any real leadership by the President or his advisers and the pursuit to ineffective remedies, the economic crisis engulfing the Nation worsens daily. The Nixon regime has failed to respond to this crisis with any new or imaginative programs for dealing with an increasingly serious inflation and a generally stagnant economy. The only thing we get is a lot of hollow rhetoric and vague descriptions of efforts to come to grips with the many and varied problems besetting the economy.

Last month the rate of unemployment rose by another tenth of a percent. Also, we received a number of disastrous reports last week, such as Ford's announcement that there will be a 5 to 8 percent cutback in its capital expenditures and the revelation that there was a 12-percent reduction in building contracts awards in June.

It seems to me that this situation is seriously exacerbated by the Fed's insistence on maintaining a tight grip on the rate of growth of the money supply. Some very respected economists, such as Walter Heller, have indicated that the rate of unemployment could soar as high as 7 percent if this monetary policy being pursued by the Fed is not relaxed shortly.

Yesterday's New York Times carried two very pertinent editorials on the state of the economy which I am anxious to share with our colleagues and which I insert herewith for inclusion in the RECORD:

[From the New York Times, Aug. 4, 1974]

WORSENING INFLATION

The outlook for the American economy in 1974 has worsened, as both Administration spokesmen and critics now agree. Earlier, the Administration had expected inflation to slow down in the second half of the year, reaching an annual rate of 7 per cent by the end of 1974. Now the prospects of reducing inflation even to that level have dimmed.

With wage controls gone, pay per manhour has been shooting up at an annual rate of nearly 14 per cent. By contrast, in the April-June quarter, productivity in manufacturing rose at a rate of 4.6 per cent (after half a year of decline) and for the nonfarm sector as a whole, productivity has continued to fall, putting intense cost pressures on prices.

In addition, farm prices, after declining for four months, leaped upward by 6 per cent in June. Rising production costs, the continuing climb in world demand for food, too wet weather in the planting season and too dry weather in the growing season have put pressure on the prices of corn, soybeans, wheat and other crops.

Fuel prices, which many economists expected would drop, are still going up. Gasoline and other oil products in the United States are expected to rise as more domestically produced oil is freed from the $5.25-per-barrel price limit. Internationally, the oil-producing countries are moving to take over wells from the big oil companies; the cartel may be intending to jack up prices still further. Even the Saudi Arabians, whom the United States Government was counting on to bring down prices, now seem headed higher. The world appears to be bent on inflating up to the level of oil prices, as hopes of bringing down oil prices begin to fade.

. . . NO SINGLE REMEDY

Can this kind of inflation, stemming from escalating wage and commodity costs, be cured by keeping a tight grip on the rate of growth of the money supply? Chairman Burns of the Federal Reserve Board appears heroically determined to prove it can. Last week Dr. Burns told the Congressional Joint Economic Committee that he regards the current 6 percent rate of growth in the nation's money supply as still too high and would depress it further.

But so slow a rate of monetary growth as we have already seen has pushed interest rates to historically high levels, inflicting severe damage in the housing industry, thrift institutions, real-estate trusts and the securities markets, and threatening the over-all economy with more serious troubles.

Capital spending has begun to slip. Business corporations, unable to float equity issues or to borrow long-term money on bonds at superhigh rates, have been turning to the commercial banks for working capital. To finance their customers' needs, the banks have been borrowing heavily themselves at very high rates, jeopardizing their own liquidity.

The risks to the economy and the financial system of trying to stop inflation by relying solely on slowing the monetary growth rate to about half the rate of inflation (allowing nothing for any growth in real output) are monumental. The danger is growing that the economy's real output will continue to fall in the second half of this year instead of recovering as the Administration and many private economists had predicted. But that slump may have very little impact on an inflation based heavily on wage-escalation, lagging productivity and the worldwide squeeze on farm products, oil and other commodities.

Rather than run the risk of overshooting into a depression and then having to do a 180-degree turn to rescue a collapsing economy, the Federal Reserve should ease up, still "leaning against the wind" of inflation but sustaining real output and employment. Sooner or later, the Administration and Congress are going to have to tackle cost-push inflation by developing a more effective incomes policy than the President's new excursion into toothless "jawboning" or the earlier, endlessly variable phases of his price-wage controls—a program Mr. Nixon despised and finally dumped with exquisitely wrong timing.

MR. BROWN OF MICHIGAN OFFERS AMENDMENTS

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BROWN of Michigan. Mr. Speaker, it is my understanding that H.R. 16090 will be considered by the House under a rule requiring amendments to be printed in the RECORD in order to qualify for consideration by the House when the bill is considered.

Accordingly, on behalf of Congressman VANDER JAGT and myself, I submit several such amendments for review and consideration prior to their formal offering:

AMENDMENT TO H.R. 16090, AS REPORTED OFFERED BY MR. BROWN OF MICHIGAN

Page 47, immediately after line 6, insert the following new title:

TITLE IV—REGULATION OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Part A—General Provisions

SHORT TITLE

SEC. 411. This title may be cited as the "Federal Campaign Contributions and Expenditures Act of 1974".

STATEMENT OF PURPOSE

SEC. 412. It is the purpose of this title to establish an independent agency whose function it shall be to receive, hold on deposit for, and, upon proper authorization, disburse moneys contributed to candidates for Federal elective office.

FINDINGS AND POLICY

SEC. 413. The Congress finds that existing Federal campaign contribution reporting and disclosure requirements, as contained in existing law, are inadequate, ineffective, and easily circumvented, and that, as a result, the electorate is denied information relating to the financing of campaigns of candidates for Federal office which the Congress has already determined it is entitled to know. The Congress further finds that the traditional method of campaign financing through contributions by the citizenry at large is best suited to American custom and history and should be retained. Therefore, this title establishes an Office of Federal Campaign Contributions and Expenditures, hereinafter referred to as the "Office", whose responsibility it shall be to—

(1) act as a depository for all contributions to candidates for Federal office;

(2) make disbursements on behalf of such candidates, upon proper authorization for expenses incurred in a campaign for Federal office; and

(3) maintain accurate and detailed records of all contributions, account balances, and expenditures for each candidate which shall be kept in such a manner as to be readily available for public inspection.

The Congress intends that the Office shall be provided with the authority to (A) make all necessary rules and regulations so as to insure that complete, accurate, and timely information relating to any and all aspects of Federal campaign financing is available to the public, and (B) to hire sufficient staff and maintain appropriate offices so as to adequately meet its responsibilities.

DEFINITIONS

SEC. 414. When used in this title—

(1) "authorization of expenditures" means notification, by means to be prescribed by

the Administrator, of proposed expenditures, including payee and amount, by either the candidate himself or a designated assistant;

(2) "approval of the Commission" shall mean a favorable vote of at least three members of the Commission; and

(3) the terms "election", "candidate", "Federal office", "contribution", "expenditure", "person", and "State" have the meanings given them by section 301 of the Federal Election Campaign Act of 1971.

PART B—CREATION AND ORGANIZATION

CREATION

SEC. 421. There is hereby created as an agency of the United States an Office of Federal Campaign Contributions and Expenditures.

ORGANIZATION AND OPERATION

SEC. 422. The Office shall be under the superintending control of the Federal Elections Commission, hereinafter referred to as the "Commission", and its operations shall be conducted by an Administrator, a Deputy Administrator, and sufficient staff and clerical personnel as are necessary to carry out the responsibilities of the Office, in accordance with the rules, regulations, and policy adopted by the Commission.

THE COMMISSION

SEC. 423. (a) The Commission shall be composed of five members, to be appointed as follows:

(1) one by the minority leader of the Senate;

(2) one by the majority leader of the Senate;

(3) one by the minority leader of the House;

(4) one by the Speaker of the House; and

(5) one by the President.

The Commissioners shall select one of their number to serve as Chairman of the Commission, which office he shall hold during his tenure on the Commission.

(b) Each member of the Commission shall be a citizen of the United States and no member may hold Federal office during his term on the Commission.

(c) The Commissioners first appointed under this title shall remain in office for terms of one, two, three, four, and five years, in the respective order of appointment prescribed in subsection (b) above, from the date of the taking effect of this title. However, their successors shall be appointed for terms of five years or until their respective successors have been appointed, whichever is longer. Vacancies are to be filled by appointment by the appropriate official described in subsection (b) above, and only for the unexpired term of the commissioner whom he succeeds. No vacancy in the Commission shall impair the right of the remaining commissioners to exercise all the powers of the Commission.

ADMINISTRATOR AND DEPUTY ADMINISTRATOR

SEC. 424. (a) The Administrator and Deputy Administrator shall be selected by the Commission, with due regard for the efficient dispatch of the powers and duties vested in their offices pursuant to procedures duly prescribed by the Commission.

(b) The Administrator and Deputy Administrator shall be appointed to terms of seven years. If for any reason the Administrator should not serve his full term, the Deputy shall act as Administrator during the remainder of his term, and a new Deputy Administrator shall be appointed by the Commission for the unexpired term of the Deputy who he succeeds. If the Deputy Administrator should fail to serve his full term, a successor shall be appointed by the Commission for the unexpired remainder of the term.

OFFICERS AND EMPLOYEES

SEC. 425. The Administrator and Deputy Administrator shall have authority, subject to the approval of the Commission and to provisions of the civil service laws, to employ such other officers and employees as they shall deem necessary in exercising and performing the powers and duties of the Office.

PART C—POWERS AND RESPONSIBILITIES

RECEIPT OF CONTRIBUTIONS

SEC. 431. It shall be the duty of the Administrator to receive all contributions made to candidates for Federal office and to hold such contributions on deposit for the respective candidates. All contributions shall be timely forwarded to the Office under rules and regulations adopted by the Commission which may allow for temporary accumulation of small contributions.

DISBURSEMENTS

SEC. 432. (a) It shall be the duty of the Administrator upon proper authorization, to disburse moneys held on deposit by him on behalf of candidates for Federal office, but in no event may the Administrator make a disbursement which would result in an overdraft of a candidate's account.

(b) Disbursement of funds by the Office, properly authorized, shall in no way subject the Office, or any agent thereof, to liability that might arise by reason of such payment; nor shall the Office in performing its functions under this title incur any liability with respect to the nonpayment of any campaign obligation of a candidate.

RECORDS; PUBLIC INSPECTION

SEC. 433. It shall be the duty of the Administrator to maintain in an accurate and accessible manner, complete and current records of all contributions, including amount, source, and current account balances, and expenditures, including amount, payee, and purpose. Such records shall be available for public inspection, and copies shall be furnished at a reasonable cost to anyone who so requests.

REPORT TO CONGRESS

SEC. 434. Within thirty days following every Federal election, the Administrator shall prepare and submit to the Congress, a comprehensive report of campaign financial matters for that election.

RULES AND REGULATIONS

SEC. 435. The Administrator, with the prior approval of the Commission, may make such rules and regulations, and issue such orders not inconsistent with this title, as may be necessary in the execution of his functions.

OVERSIGHT; RECOMMENDATIONS

SEC. 436. The Commission shall have general oversight authority over the Office and the Administrator, and may recommend to the Congress, whenever appropriate, legislation which would further effectuate the purposes of this title.

PART D—PROHIBITIONS AND PENALTIES

UNLAWFUL EXPENDITURE OF CAMPAIGN FUNDS

SEC. 441. No candidate for Federal office may make any expenditure, nor may any expenditure be made on his behalf by any individual, group, or organization, directly or indirectly, for purposes related to his or her campaign, except as the same may be specifically authorized in writing by the Office.

UNLAWFUL RECEIPT OF CAMPAIGN FUNDS

SEC. 442. It shall be unlawful for any person, firm, or coporation to receive, directly or indirectly, payments of any kind or nature for any goods, services, or activity in the nature of a campaign expenditure in behalf of any candidate for Federal office, except from the Office, unless receipt is specifically authorized in writing by the Office.

CIVIL PENALTIES

SEC. 443. Any person who violates any provision of this title or any rule or regulation issued by the Administrator under this title, shall be subject to a civil penalty of not to exceed $1,000 for each violation.

CRIMINAL PENALTIES

SEC. 444. Any person who knowingly and willfully violates any provision of this title, or any rule or regulation issued under authority conferred by this title shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject for the first offense to a fine of not less than $5,000 nor more than $10,000, and for any subsequent offense, to a fine of not less than $10,000 and no more than $25,000.

PART E—MISCELLANEOUS AUTHORIZATION

SEC. 451. There is hereby authorized to be appropriated such sums as shall be necessary to establish and operate the Office.

COMPTROLLER GENERAL; DUTIES, POWERS AND FUNCTIONS RETAINED

SEC. 452. All duties, powers, and functions of the Comptroller General with respect to Federal elections and the Federal Election Campaign Act of 1971, including the power to serve as a national clearinghouse for Federal campaign information, are hereby retained.

EFFECTIVE DATE

SEC. 453. This title shall take effect upon the organization of the Commission, but in no event later than one year after its enactment into law.

And redesignate the following title and sections accordingly.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. BROWN OF MICHIGAN

Page 17 immediately after line 23, insert the following new subsection:

(e) Section 591(b) of title 18, United States Code, relating to the definition of candidate, is amended by striking out "or made expenitures, or has given his consent for any other person to receive contributions or make expenditures,".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. BROWN OF MICHIGAN

Page 19, line 4, insert "(a)" immediately after "Sec. 201.".

Page 20, immediately after line 17, insert the following new subsection:

(b) Section 302(c)(4) of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by striking out "on whose behalf such expenditure was made" and inserting in lieu thereof "to whom a contribution is made".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. BROWN OF MICHIGAN

Page 21, strike out line 5 and all that follows down through page 23, line 22, and insert in lieu thereof the following:

SEC. 203. Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 304, relating to reports by political committees and candidates.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. BROWN OF MICHIGAN

Page 24, line 3, strike out "report or" and strike out the comma after "303".

Page 24, strike out line 4.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. BROWN OF MICHIGAN

Page 25, strike out line 22 and all that follows down through line 24, and insert in lieu thereof the following:

(A) by striking out subsection (b); and

Page 26, line 1, strike out "(C)" and insert in lieu thereof "(B)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Brown of Michigan

Page 33, immediately after line 9, insert the following new subsection:

(g) Section 301(b) of the Federal Election Campaign Act of 1971, relating to the definition of candidate, is amended by striking out "or made expenditures, or has given his consent for any other person to receive contributions or make expenditures,".

Amendment to H.R. 16090, as Reported, Offered by Mr. Brown of Michigan

Page 69, line 18, immediately after "to the candidate." insert the following: "Such transfer shall be made to the Office of Federal Campaign Contributions and Expenditures, for subsequent disbursement to the candidate as authorized by such Office."

Amendment to H.R. 16090, as Reported, Offered by Mr. Brown of Michigan

Page 79, line 11, insert "and by section 453" immediately after "subsection (b)".

Page 79, line 14, strike out "403, 404, 405, 406, 407, 408, and 409" and insert in lieu thereof "503, 504, 505, 506, 507, 508, and 509".

DO-NOTHING NIXONOMICS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. REUSS. Mr. Speaker, the Elizabeth, N.J., Daily Journal has called for congressional economic leadership in the battle against inflation and recession in a recent editorial entitled "Do-Nothing Nixonomics: Worsening U.S. Economic Ills Need Congressional Cures:"

[From the Elizabeth (N.J.) Daily Journal]

Do-Nothing Nixonomics: Worsening U.S. Economic Ills Need Congressional Cures

Warnings keep coming in that the U.S. is sliding into deeper economic troubles than President Nixon and his advisers seem to realize.

The highly respected Organization for Economic Cooperation and Development, for example, issued a special report last week predicting that unemployment, presently above 5 per cent, could rise to 6.25 per cent next year, accomplished by a trade deficit that could amount to between $5-7 billion in 1975.

With the administration apparently incapable of adopting a more action-oriented program, the time is fast approaching for the Congress to take the initiative.

Rep. Richard Vander Veen, who recently won a stunning electoral victory as a Democrat in Gerald Ford's old, traditionally Republican seat, has wasted little time in advancing a proposal to combat inflation and unemployment that stands out as an alternative to the economic policy paralysis of the White House.

Vander Veen would provide 900,000 public service jobs through a bill he calls the Public Service Employment Act.

The measure, introduced yesterday, would directly benefit areas in New Jersey by concentrating federal funds in 973 places where unemployment is already over 7 per cent, and providing enough funds to force unemployment under the 7 per cent mark.

The plan is co-sponsored by House Public Works Committee Chairman John Blatnik, D-Minn., New Jersey Democrats Peter Rodino and Henry Helstocki, and Rep. Henry Reuss, D-Wisc., one of the most highly respected economic policy specialists in Congress.

Reuss himself has authored an important economic program that combines public service employment with inflation-fighting and tax reform measures aimed at benefiting the lower and middle income taxpayers most victimized by the nation's worsening economic crisis which deserves serious study.

While President Nixon has dismissed the public service employment proposals as useless "leaf raking projects," Reuss and Vander Veen counter that there are constructive jobs available in the public sector.

Among these are jobs in auxiliary police protection for schools with security problems, guards for inner city museums frequently closed for extensive periods during the week for lack of funds to pay security personnel, medical assistants for hospitals financially unable to hire needed personnel, junior foresters who may help manage untended state and federal parks, staff for day care and mental health care centers, and so on.

Combined with public service jobs would be skills training and centralized job information programs to guide people to available jobs.

The 3.5 billion price tag may be inflationary, but, many economists say, preoccupation with inflation alone does not restrain it without healthier economic growth and employment powers. And public service employment is said to combine the virtues of being the least inflationary employment, while stimulating private sector employment through a multiplier effect.

Reuss's inflation-fighting plan would revise the Federal Reserve Board's present high interest policies where the present scarce money finds its way to such high-profit investments as speculative real estate or conglomerate take overs. Instead, he says, provide financial incentives for banks to make investment loans in low and moderate income housing, industrial plant modernization providing long term employment opportunities, and small business and farm development projects.

The Wisconsin Democrat also proposes reducing consumer prices by reversing government price subsidies for basic commodities like beef and milk, and ending indiscriminate subsidies for export sales of scarce commodities like wheat and lumber.

Finally, Reuss proposes combining a tax cut for low and middle income people with some long overdue plugging of tax loopholes. He would include measures to revise capital gains untaxed at death, change laws which discourage domestic oil exploration, end tax shelter farming and re-examine tax deferments that induce companies to expand exports of scarce commodities.

These may not be the best possible plans to cure the nation's worsening economic woes, but they are plans for action. They stand out in the starkest contrast to the Nixon Administration's impeachment-induced inaction.

WE'LL ALL MISS JACK REYNOLDS

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. RONCALLO of New York. Mr. Speaker, my home town of Massapequa has recently lost one of our finest citizens, Mr. Jack Reynolds. I would like to share with my colleagues a letter found in this week's Massapequa Post, which so eloquently illustrates the fine example of living that Mr. Reynolds set for all of us, and expresses the love and value in which he was held by our community.

We'll All Miss Jack Reynolds

Dear Editor:

Last Saturday, Massapequa lost one of its best people, Jack Reynolds. Any parent or child that has been involved in baseball, basketball or football for the past 10 years, knew Jack. He was always at a school or park ballfield where there were kids playing ball.

He loved kids and when you see the four he raised with his wife, Dee, you know why. The ironic part is he died playing ball at a Mustang picnic at Brady Park. He was 6 ft. 4 in. tall and his heart was bigger.

Our family met Jack and Dee Mustang. We spent many a cold day watching 12 year olds drop a ball. One 15 degree day in Plainview Jack said, "We're crazy to be here, but if they played in Butte, Montana, we would go."

Massapequa is made up of a lot of people like Jack and Dee Reynolds. They love their family, home, church and town. We in return love them and we speak for so many of their friends.

It's just a shame God had to take him so young. Burns Park will miss him and so will many, many people.

Edna and Joe Gerardi.

A PERILOUS TERRAIN

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ROBISON of New York. Mr. Speaker, weekend before last I drove with my wife to Maine to visit our son, who is working there for the summer. Our trip—a long one from here—required us to listen to much of the Judiciary Committee meetings, the afternoon ones anyway, over the car radio, with access to televised sessions only in the evening hours.

Nevertheless, I was proud—as I believe all of us are proud, regardless of our inclinations toward the forthcoming impeachment vote—of the high standard set by the committee members as they undertook and carried out their preliminary portion of the difficult and historic task now set before us. By their attitudes and conduct they did much, I believe, to restore both dignity and respect to this House, heretofore much battered as it has been in the eyes of a skeptical public.

Whether for or against impeachment, they all "did us proud" and in the process opened the eyes of many of us, probably, as to the talents and capacities of these, our colleagues. Among those who particularly so shone, I felt, was the youthful gentleman from Maine (Mr. Cohen), who along with his fellows—as the following editorial suggests—"planted a new seed in our perspective of impeachment and all its thorny implications."

Curious, as always when in someone else's congressional district, I picked up the July 29 edition of the Bangor Daily News in an effort to find out what Mr. Cohen's hometown folks were thinking about his important role in these proceedings. The following is that newspaper's lead editorial—and it is as thoughtful and as provocative in its own fashion as were Mr. COHEN's contributions during difficult sessions. I commend its reading to my colleagues:

[From the Bangor (Maine) Daily News, July 29, 1974]

SEARCHLIGHT OF PROBABILITY

Yesterday, Maine's 2nd District Congressman William Cohen came to Bangor to talk with us about his part in the historic impeachment process now under way with hard inevitability.

Miles from the artificial light and gnawing tension of Washington, amid the relative Sunday solitude of his home town, Bill Cohen's sudden notoriety was apparent. It followed closely on his heels in the shape of television network film cameras, and lots of bright lights.

But here in Bangor the big league news people were unexpectedly passive; they listened with an obvious curiosity as to what this young congressman's home town press would want to know. Or, more specifically, what possible questions could we have for him that have not been asked time and time again by the national news media.

By and large, there were no questions which evoked a new slant, or provoked fresh comment on a yet unscrutinized area. But if the network crews flew back to New York feeling that they were on the final leg of a wild goose chase, they missed something.

They missed a fathoming of feeling—an inescapable truth—that we derived from talking about impeachment with a man who is directly and importantly involved. For us, a new seed was planted in our perspective of impeachment and all its thorny implications.

While we have all read and seen that impeachment is, indeed, an awesome thing—and believed it—the massive proportions have somehow been diminished in the translation.

Why, we asked? Was it because of our remoteness from the hub of our political center? Or has the barrage of Watergate information simply acted as a pain killer, numbing us from the hard, cold reality of it all?

And what of the truth?

It is, we are convinced, that the impeachment of President Nixon is a thunderbolt, and even more awesome, perhaps, than those closest to it could possibly articulate.

Rep. Cohen's "searchlight of probability", as he calls it, sweeps a perilous terrain that seems destined to ruin the Nixon Presidency one way or the other. While some may emphatically deny the foregone conclusiveness of this, the odds counter with staggering enormity.

More bothersome to us, now, than the President's fate, is our own. And Rep. Cohon's searchlight spills over into the days ahead with new considerations that should move us all to much personal inquiry.

As if the Watergate spectre of yesterday, and today, was not enough, we have much uncertainty ahead.

These days may have been overlooked in the heat of impeachment, but consider: After the House Judiciary Committee sends its articles to the full House of Representatives there will be more hours and hours of debate. Then, two to three months more in the Senate during the impeachment trial, possibly longer.

It is Rep. Cohen's stated belief that America's other ills, of which inflation remains foremost, can not be even dealt with until there is a recovery of confidence throughout the land.

Historians caution us not to lose heart. There is, they say, ample precedent in our history to guarantee that the fabric of our Constitution will endure the stress. That is good.

But what of us? Will the Constitution provide the staple to sustain us through these confusing, troubled days ahead? And will the recovery of confidence come in time to rescue us from our foundering economy?

We want to be brave. We would prefer that history record that we held our heads high in the face of grave Constitutional travail. But our sense of national valor may have yet to be subjected to the real test.

And despite Congress' compelling need to be strong and assertive, circumstances may mandate a final Presidential initiative long before the storm has passed.

HASTINGS SKEPTICAL TURKEY CAN PUT LIMIT ON OPIUM

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DULSKI. Mr. Speaker, our distinguished colleague, Representative JAMES F. HASTINGS, is most knowledgeable about the problems and need for solutions in the area of drug abuse.

As chairman of the House Republican Task Force on Drug Abuse, he has recently been conducting a personal, in depth study of the effects of the resumption of poppy growing in Turkey, and I commend the following newspaper interview to the attention of the House:

HASTINGS SKEPTICAL TURKEY CAN PUT LIMIT ON OPIUM

DUNKIRK.—The chairman of the House Republican Task Force on Drug Abuse said he is "extremely skeptical" about assurances from Turkey that it intends to impose strong surveillance measures to insure that its poppy production is used strictly for legal medical purposes.

In a telephone interview from his Washington office, Rep. James F. Hastings (R-Rushford Lake) and the U.S., with a large interdiction force, has been unable to halt satisfactorily the inflow of drugs from foreign nations.

"How will Turkey, with a great deal less in physical and financial resources, be able to insure that only legal opium leaves the country?" he asked.

Hastings said he visited Turkey in June and the government there released from prison "most of the drug dealers who will be champing at the bit to get back in action again."

The congressman called again for a halt in U.S. economic and military aid to Turkey "until the Turkish government reverses its stand and reimposes the ban on poppy production."

Hastings said he has much respect for Turkey as a long-time ally and friend of the U.S. "I am afraid I must consider this lifting of the ban a deliberate and offensive act agains the well-being of our country," he added.

The ban on poppy-growing was imposed by Turkey at the request of the U.S. in 1971 with the promise that $35.7 million be offered to Turkish farmers for their losses and to set up a crop substitution plan."

Hastings said at that time 80 per cent of the heroin flowing into the U.S. came from Turkey. He said the ban resulted in a "dramatic turnabout in heroin addiction" here. The rate, Hastings continued, dropped nearly 60 per cent from a peak of some 600,000 persons.

POPPY BAN IMPORTANT

"Government forces played a major role in this decrease, but the poppy ban in Turkey, drying up heroin supplies in America, cannot be discounted as a primary factor in turning the tide," the congressman declared.

"Now these successes in the fight against hard drugs are to be placed in jeopardy."

Hastings charged that, with the resumption of poppy growing in Turkey, heroin supplies "will again be easily available in the United States."

Aides to the congressman said Hastings felt the $1,400 cost of his trip to Turkey to meet with governmental leaders was well spent, compared to what heroin addiction costs the U.S.

The Drug Enforcement Administration estimates that a drug addict needs about $18,000 annually to support his habit.

"Based on the addiction growth rate in America before the ban, this would mean about $200 million a year going into the pockets of pushers and dealers and most of that money will be coming from crimes committed by addicts," Hastings charged.

TURKEY ACCUSED

He accused the Turkish government of offering "a deceptive argument" when it claimed that the resumption of poppy growing was needed economically.

"When the ban was imposed, poppy production accounted for less than one per cent of the nation's gross national product," the congressman added.

Now seeking his fourth term the 39th Dist., Hastings said that at stake in Turkey's decision "are the lives of thousands of Americans, many of them youngsters in their early teens, who will now find themselves exposed to the threat of heroin addiction."

He said the only way to convince Turkey "of the seriousness of our position" is to cut off U.S. aid. "It will also send out a clear signal to other governments throughout the world that we do not intend to retreat in our battle to combat heroin addiction," he said.

The congressman, father of five children, called it "unconscionable" to continue to support a government that has just made a decision which it knows will mean wasted lives and the death of thousands of young Americans."

ANOTHER GENERATION OF NERVE GAS WEAPONS

HON. FLOYD V. HICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. HICKS. Mr. Speaker, in my attempts to become familiar with our country's chemical warfare program, I have received briefings from the Army and the Arms Control and Disarmament Agency. But I have also looked to knowledgeable people outside of the Government to advise me on the various programs underway—and particularly the binary nerve gas program. Funds for setting up a production line for this new generation of nerve gas munitions are included in the fiscal year 1975 DOD appropriations bill, which we will vote on Tuesday. Most of the negative comments concerning binaries have been made on grounds that they would undermine the negotiations at Geneva to prevent chemical warfare, and on grounds that they would be expensive.

There is another aspect of chemical warfare that I have tried to become familiar with—the military utility of such weapons. Testimony presented at hearings before the House Armed Services Special Subcommittee on Arms Control and Disarmament and the House Foreign Affairs Subcommittee on National Security Policy have touched on this question, but never in a systematic fashion.

In my efforts to learn more about this subject, I have spoken to Carl L. Cunningham, a 24-year veteran of the Army Chemical Corps. I value Mr. Cunningham's opinions because he has had Chemical Corps staff assignments in Germany and in Vietnam. His Vietnam service, as staff chemical officer, was with the U.S. II Field Forces. Mr. Cunningham retired from the Army at his own request in 1969, with the grade of lieutenant colonel. He retired to pursue an offer from a private research institute as their principal social scientist.

I asked Colonel Cunningham to send me his observations on the advisability of developing binary nerve gas weapons. His response, which I will insert at the close of my remarks, troubles me for two main reasons. First, it raises many questions about the military utility of the binary program that need to be answered. Second, it makes very clear to me just how little we in the Congress really know about the subject matter.

One of the major rationales behind the procurement of another generation of nerve gas munitions is that chemicals allow a threshhold below nuclear warfare. Colonel Cunningham offers a different perception:

> The Department of Defense position in this regard ignores the possibility that the public may in fact fear chemical weapons more than nuclear ones. . . . The fact to be dealt with is the widespread perception of those weapons as having potential to introduce a special element of horror into war. Review, for example, the international outcry against the use by the United States of riot control agents in a tactical role in Vietnam. If chemical weapons were employed by any nation in a future conventional war, we must assume that there would be great waves of international concern far out of proportion to the weapons' tactical effect on the battlefields or their threat to civilian populations. Therefore, instead of being an alternative to nuclear weapons, might chemical weapons not constitute a veritable short circuit to nuclear war?

What are the potential impacts of binary nerve gas on peace and wartime logistics and distribution? Colonel Cunningham states:

> Chemical filled shells cannot be safely distributed and carried by units with the same degree of safety and convenience as conventional ammunition.

In a fast moving battlefield situation, it would be exceptionally difficult to make the necessary technical preparations and to distribute our current chemical munitions. Will binaries lessen any of these problems? If so, would we be paying for tactical mobility in other ways? Colonel Cunningham states:

> It may be technically feasible for binary munitions to be stored well forward in the combat zone, if not actually integrated in units' basic loads. . . . If that type of storage and integration were to occur, it would greatly increase the possibility of inadvertent use—or perhaps deliberate misuse by an overzealous commander—of munitions that have the same degree of control as nuclear weapons.

Another question that disturbs me relates to military airlift. No matter what chemical munitions we are talkng about—binary or otherwise—only a small amount will be prepositioned. When the tension builds, will we be filling our precious cargo space with chemicals, or with tracked vehicles and other types of ammunition?

Another assertion by supporters of the binary nerve gas program is that our ability to retaliate in kind has prevented the use of chemicals against us during the last three wars. In my view, the reason why chemicals were not used against us in Vietnam or Korea was not that the other side faced retaliation in kind, but that they faced unacceptable retaliation by means of our own choosing. World War II presents a different case, because we know that the Germans possessed nerve gas at the time of the invasion at Normandy. Colonel Cunningham believes lethal chemicals were not used then or since because:

> Chemical agents may introduce so much uncertainty and complication in tactical situations as to be perceived as offering no great advantage to either side * * *. Smoke rising from a leaf pile behaves in unexpected ways. Generally, one can test the wind, and if it is blowing toward a neighbor's open window, prudently wait awhile to burn the leaves. But the most steady wind has a tendency to take unexpected local shifts in direction and speed, and therefore a downwind hazard always exists of annoying the neighbor. Substitute a lethal chemical aerosol for the smoke, and friendly troops for the neighbor and you pose the fundamental problem that will always be associated with close support use of toxic chemical agents.

The use of nerve gas assumes our ability to protect our own troops in a lethal chemical environment. Are our troops prepared for this task? Colonel Cunningham asserts:

> I can say that most American tactical commanders know far less about the capabilities and employment of chemical weapons and the safety precautions that would be attendant to them than they know about doctoring mules.

This statement reinforces my view that we would be far better off spending funds for defensive purposes than to prepare for another generation of offensive nerve gas weapons. Colonel Cunningham states:

> The complicating factor in defense against chemical agents is continuity. Protective masks are only good so long as beard doesn't break the air seal around the face. A man must eat or eventually remove it to rest. Men are very unlikely to be able to sleep for any appreciable period in a mask—or be willing to try, because during sleep the individual could easily dislodge it. . . . How have these matters been dealt with in our Army in training? Have realistic tests of large numbers of troops over at least 3 to 4 day periods simulating a toxic environment been conducted? . . . If the Army has conducted such tests, it would be of interest to me, were I a policy maker, what conclusions they drew from them.

Colonel Cunningham raises other questions that need to be answered. We do not know the anticipated storage life of binaries. We do not know how much surveillance is required of agent components, or filled munitions. Nor do we know what intermediate field preparations would be required for binaries.

I realize that this is a highly technical area, and that my colleagues and I simply do not have the time to go into details on every aspect of a complex bill like the Defense appropriations bill. I have had the opportunity to review this particular aspect of the bill in some depth—and this is why I have shared my views for whatever they are worth with my colleagues.

After reviewing our chemical warfare programs, I see no compelling reason why we should embark on a production line for binary nerve gas munitions at this time. I hope my colleagues will support action to delete funds tomorrow. If no other Members offer an amendment to this effect, I intend to do so.

For the edification of my colleagues, I include the entire statement of Colonel Cunningham:

OBSERVATIONS ON THE ADVISABILITY OF DEVELOPING A BINARY SYSTEM FOR NERVE AGENTS

(By Carl L. Cunningham)

I will be raising some specific questions concerning the Army's concept for the binary weapons which I think should be answered. However, I don't believe there is anything more important than reexamination of the fundamental assertions and rationale of the Department of Defense concerning the maintenance of a chemical weapons stockpile, and the deterrent effects they claim for it. Although these matters have been extensively debated over the past few years, I feel compelled to go over some of the ground again.

Let's start with the assertion that chemical weapons—and particularly the nerve agents—offer a "viable"alternative to the use of nuclear weapons. Do they?

CHEMICAL AGENTS AS AN ALTERNATIVE TO NUCLEAR WEAPONS

That assertion seems to have been accepted without much question by members of Congress and, indeed, by strategic planners in the Pentagon. The Army now claims that chemical weapons are conventional; that their use would not invoke a special form of warfare. They are simply another item in the arsenal of the tactical commander. Public expressions of rationale concerning chemical weapons, such as that made by Mr. Amos Jordan, Acting Assistant Secretary of Defense, on May 9, 1974, usually take pains to refer to the employment of chemical weapons in context of a "conventional war." The Department of Defense position in this regard ignores the possibility that the public may, in fact, fear chemical weapons more than nuclear ones. I personally believe that certain chemical agents could offer alternatives to the conventional weapons of destruction by explosive means. However, the fact to be dealt with is that widespread *perception* of those weapons as having potential to introduce a special element of horror into war. Review, for example, the international outcry against the use by the United States of riot control agents in a tactical role in Vietnam.

If chemical weapons were employed by any nation in a future conventional war, we must assume that there would be great waves of international concern far out of proportion to the weapons' tactical effect on the battlefields or their threat to civilian populations. Therefore, instead of being an alternative to nuclear weapons, might chemical weapons not constitute a veritable short circuit to nuclear war? Of course, we don't know. But the question itself seems to have been buried under the assertion of our military planners that chemical weapons, which are unique in the manner in which they kill or disable; are unusual in the lingering hazards they present; which are so highly unpredictable in behavior and effect both to the side employing them and to those they are employed against; which require greatly different means of defense than other type weapons; and which have so much greater potential for harm to noncombatants than virtually any other weapons system—that all these characteristics still leave them just another item in the conventional stockpile. They are, in fact, highly unconventional in nature. But this characteristic does not justify the hysteria that is sometimes generated over them in the public sector. Some of the chemical agents, particularly the incapacitants, could provide a truly humane alternative to the high explosive and missile type weapons. However, the fact is that public opinion, and we must assume political reaction in wartime, would not be likely to make a rational differentiation between chemical weapons.

The Army for years (1919-circa 1954) propounded a doctrine of "chemical warfare." The terms used and the tactical doctrine taught recognized that, from the moment toxic chemical agents were employed the game changed. The current assertion about their conventionality is, in my opinion, an attempt by the military, particularly the chemical warfare specialists, to depoliticize the weapons; and also to make them more acceptable to the tactical commanders and planners. Most of the latter I had contact with were generally unfamiliar with the capabilities and hazards of such weapons, and usually deeply suspicious of them.

OSTENSIBLE ADVANTAGES OF THE BINARY SYSTEM ARE QUESTIONABLE

I have read, in the recent statements of Defense Department officials concerning the proposed binary program, that it is needed in order to "modernize" the present chemical stockpile. Again, there seems to be an attempt to couple the safe storage and handling aspects of the binary weapons with some suggestion of an improved capability. I am sure that this matter has not escaped attention of most members of Congress. However, it should be stressed in any serious consideration of the proposed binary system that *at best*, we will be left with the capability of the present nerve agents and delivery systems. I can only speculate, of course, concerning the outcome of any binary program that is undertaken but the history of weapons systems that have undergone some sophistication has been to add to their cost and often to decrease some aspect of their basic capability.

I certainly do not argue against making the storage and handling of nerve agents safer. But the essential questions seem to be whether such modifications are necessary now, when we are claiming the desire to see such weapons eliminated from international arsenals? It cannot be said that the hazards the weapons pose in their present form have kept them from being strategically deployed. They have been abroad for years in some quantity. If we have an avowed intention to use them only as a retaliatory role, will we not continue to hold even the relatively safe binary weapons in rear area storage, keeping them under tight surveillance and control.

Or, Will Binary Chemical Weapons Allow Tactical Forces to Carry Filled or Semi-Filled Munitions as Part of the Basic Load?

If NATO forces are attacked in Europe, the conditions likely to attend the initial situation would make it exceptionally difficult to complete all the necessary technical preparations and distribute chemical filled artillery munitions to combat forces in quantities that would make any difference. Chemical filled shells cannot be safely distributed and carried by units with the same degree of safety and convenience as conventional ammunition.

However, it may be technically feasible for binary munitions to be stored well forward in the combat zone, if not actually integrated in units' basic loads. This would afford significant logistical advantage. However, if that type of storage or integration were to occur, it would greatly increase the possibility of inadvertent use—or perhaps deliberate misuse by an overzealous commander—of munitions that have the same degree of control as nuclear weapons. Thus consideration of added safety and convenience of the binary weapons, assuming all these materialize, appears to be overshadowed by the very restricted role assigned toxic chemical agents in our national defense strategy in the first place.

What is the Army's concept here? What, specifically is intended to exploit the obvious advantage of safe handling of the binaries over conventional chemical filled munitions? Then, proceeding from what is planned, we should analyze what additional political hazards may be incurred. I believe that no Pollyanna statements about safety and ease of handling should be accepted. A complete statement of potential impacts of binary weapons on peace and wartime logistics and distribution should be demanded before anything is approved by Congress.

RETALIATION IN KIND DOCTRINE SHOULD BE REASSESSED

Mr. Jordan's statement to the Subcommittee on National Security Policy and Scientific Development on May 9, includes the remark that toxic chemical agents have not been used against nations that possessed a capability to retaliate in kind and which had adequate defensive equipment and training. And he notes that "U.S. capability to retaliate in kind and in full measure" was a principal reason why we were not attacked with chemical weapons in World War II.

It is, of course, the nature of a proponent for a system or doctrine to draw conclusions from history that favor him. However, I believe that the Congress, in its deliberations on any issue bearing on the national chemical stockpile, should require that the military planners furnish an in-depth analysis of all feasible reasons why toxic chemical agents have not been employed in the three major wars since World War I. We know that the Germans possessed nerve agents at the critical time when they were most threatened—the Normandy invasion—and yet did not use them. Hitler showed little hesitancy to aggravate world public opinion, if by doing so he obtained what he perceived as an advantage. Thus, the classic political-psychological restraint argument seems very weak applied to his regime. He was desperately attempting to perfect nuclear weapons for strategic use, Why did not he employ the nerve agents, at least in some limited way such as a beach defense? Was it alone because he feared retaliation, even assuming he believed us to have nerve agents also? The answer may lie in a sector that the chemical warfare specialists in our army have never seen fit to address.

Chemical agents may introduce so much uncertainty and complication in tactical situations as to be perceived as offering no great advantage to either side. Smoke rising from a leaf pile behaves in unexpected ways. Generally, one can test the wind, and if it is blowing toward a neighbor's open window, prudently wait awhile to burn the leaves. But the most steady wind has a tendency to take unexpected local shifts in direction and speed, and therefore a downwind hazard always exists of annoying the neighbor. Substitute a lethal chemical aerosol for the smoke, and friendly troops for the neighbor and you pose the fundamental problem that will always be associated with close support use of toxic chemical agents. Friendly troops can first button up in masks and protective clothing, of course. But there is always the danger of fatal error. And it is certain that the decision to have friendly troops come out from the protection, once assumed, will be made with great reluctance. While troops are under protective gear, their combat power, mobility, and communications are drastically degraded.

Now, combining the great persistency of some agents, VX, as well as mustard, there is created contamination of terrain and equipment that is not only long lasting but difficult to impossible to detect by individuals alone. Vehicles, by simply driving through a shell impact area, may be contaminated sufficiently to kill an unwary, unprotected soldier who later brushes up against one. The foot soldier would soon become suspicious of depressions, and of the ground that he would normally use for cover from enemy fire. The persistent toxic chemical—and here it would make very little difference whether it is nerve agent or mustard—would be a deterrent to the movement and free access to terrain, not only of the side receiving the chemical attack but almost certainly on the other side as well. Whether such disadvantages would be outweighed by the chemical weapons' capabilities can be called seriously into question.

The historical reference to the use of chemical agents in World War I quickly breaks down in the modern context. The battlefield of World War I was antithetical to most modern tactical anticipations, particularly for a war in Europe. The land war of the future will almost certainly involve a great deal more mobility and dispersion of troops than ever before. Foot troops will often be air lifted, or lifted in armored vehicles to the immediate battle area. Occupation of terrain will be less important than controlling it by fire and maneuver. There will probably be a very poorly defined delineation of terrain between the contending sides. Deep penetration by attacking troops, and often quick and deep withdrawals will not be uncommon. Units of battalion size may often circle one another like fighting dogs, as opposed to the more orderly advance and retreat by line of trenches as occurred in World War I. Even the mustard used on trench fortifications in that war tended to complicate greatly the attack and occupation by the other side. However, agents such as VX, spread over a much wider and far less identifiable area of battlefields could have basically the same deterrent effect on operations as unmarked minefields.

There are, of course, pretty good short-term defenses against toxic chemical agents. Troops that are well trained and well equipped should be able to cut their losses from chemical agents to a level that would perhaps be below that caused by conventional weaponry. The complicating factor in defense against chemical agents is continuity. Protective masks are only good as long as beard doesn't break the air seal around the face. A man must eat or eventually remove it to rest. Men are very unlikely to be able to sleep for any appreciable period in a mask—or be willing to try, because during sleep the individual could easily dislodge it. Persons whose duties require close intellectual or visual concentration or unimpeded voice communications would be greatly hampered while wearing a protective mask. Many would require collective protective shelters, a type protection that would be exceptionally difficult to provide in a fast moving combat situation.

How have these matters been dealt with in our Army in training? Have realistic tests of large numbers of troops over at least 3 to 4 day periods simulating a toxic environment been conducted? I know of none that would qualify on even one of those points. But I make no claim to inclusive knowledge. If the Army has conducted such tests, it would be of interest to me, were I a policy maker, what conclusions they drew from them.

But there is an even more important aspect of defense than the ones I have discussed above. That is the question of threat to civilian populations. No country in the world, including the United States, has sufficient protective gear for the civilian population. A war in Europe would drastically affect the civilian population as it has throughout history. A war that introduced chemical agents would add enormously to civilian casualties, even though military losses were not greatly affected.

Although there is virtually no defense against nuclear weapons within a certain parameter from ground zero, it is conceivable that shielding from blast and heat could be found that will protect life relatively close to the burst area. Thus, the requirements to protect against nuclear weapons are fundamentally the same as for conventional munitions or missiles. Get physical cover in line of sight from the blast point. (I am not ignoring radiation dangers, but these will not be as severe as popularly believed.)

However, the chemical weapons of the nature of VX or mustard could go around through the skin the protection of the mask, of even those lucky enough to have them, and would tend to concentrate in the basements, depressions and wooded areas where civilians would naturally congregate for shelter from blast and fragments.

If chemical weapons were used against NATO forces in Europe, it does not seem at all certain to me that we would automatically retaliate in kind, if we thereby increased the danger of the civilian refugee population. I see, as a distinct possibility, the energy use of chemical weapons on the civilian population in or contiguous to a battle area as a tactic for preoccupying the tactical commander, tying up the road net with refugee flow and creating havoc.

How will the Binary Program Affect our Negotiating Position for Chemical Weapon Disarmament?

I raise this question with only a conviction that it is politically a weak move to develop binary systems without any pressing need. Would it not be more effective to point out that we have this technology in the offing, but are holding its development in abeyance in hope that we may reach agreement on disarmament?

What lead times for Production of Binaries Would Be Required, Assuming the Technology and Basic Plant Equipment is Available?

Our national policy is now geared, it seems to me, to give us a little of the worst of both worlds. We declare against the first strike option, and hold the authority for use of the weapons at a very high level (a policy I thoroughly agree with). But the fact is we claim a necessity to retaliate in kind, but don't have a commitment to a state of training in our own forces that would even approach a minimum standard of safety and technical knowledge to follow up the weapons' advantage. Army position is, of course, that we have highly trained troops. However, I can only say that most American tactical commanders know far less about the capabilities and employment of chemical weapons, and the safety precautions that would be attendant to them than they know about doctoring mules. While piously proclaiming our intent to strike back, we have deployed the weapons in such half-hearted ways, and have prepared our forces in such haphazard fashion as to virtually belie the strategy from the outset. That being the case, why not consider striving for a capability to strike back, but offset it to the limit of crash production lead time for nerve agents, in the meantime, retaining mustard in our stockpile, a very potent agent with all the capabilites of complicating terrain spoken of earlier. We could then retaliate in any case, not necessarily immediately in kind.

WHAT'S THE REAL STATE OF VIETNAMESE ORPHANS?

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, the many children in Vietnam who have been orphaned by the war have not been forgotten. I have been pleased both by the expressions of concern for these children by those who have written and talked with me and by the action of Congress in earmarking funds to assist them.

I have recently reported on my visit to Saigon and on the progress of our child welfare program there. This program provides a balance between meeting the children's needs there and finding adoptive parents for those for whom that is the best alternative.

Some good insights into the state of these children and the ways in which their needs can best be met have been provided by former Vietnam prisoner of war Stephen Leopold, who has returned to Vietnam and shared some of his impressions with the Milwaukee Journal. I commend to your attention Captain Leopold's article from the July 29, 1974 Milwaukee Journal.

The article follows:

WHAT'S THE REAL STATE OF VIETNAMESE ORPHANS?

(By Stephen R. Leopold)

SAIGON, VIETNAM.—In the endless Vietnam conflict, perhaps no appeal has galvanized as much consensus among Americans of all political persuasions as the proposition that "something must be done to help the orphaned children."

Unfortunately, there has been more impassioned rhetoric about the orphan problem than calm assessment of facts and figures, particularly in regard to the emotionally charged issues of orphanage management and adoption of racially mixed children.

Claims have been made that there are large numbers of racially mixed children penned up in orphanages or living in the streets, shunned by the race conscious Vietnamese;

That the government of South Vietnam has derailed or obstructed efforts of foreign families to adopt orphans;

And that some private orphanages are loath to put thier children up for adoption lest they lose a valuable "fund-raising attraction."

LOOKING FOR ANSWERS

During a recent 19 day stay in Vietnam I questioned several Americans involved with the orphan problem.

My sources included officials of private agencies and of the U.S. Agency for International Development (AID), which, among other things, handles child care programs.

This is what they reported:

There are a great many orphans to be cared for, but the rumored "estimates" of the number of racially mixed orphans are grossly exaggerated;

The adoption process has improved markedly in the last year;

Some groups are definitely using orphans for personal, or institutional, gain.

The major problem, they said, was to effectively help the Vietnamese extend child care benefits, establish a foster home program and place as many orphans as possible in "extended families."

In the areas of the country under control of the South Vietnamese government, there are eight million children under 16. Of these, an estimated 10% are without one or both parents.

Not surprisingly, the overwhelming majority of orphans are military dependents. Thus, about 600,000 now receive benefits from the ministeries of social welfare and of war veterans.

About 20,000 other children are registered in 119 orphanages.

Finally, there are about 180,000 orphans still "out there," and these are the target of a new two year program launched jointly by the government, AID and several private agencies.

Funds for this program will come from the new $2.5 million AID child care budget, a modest sum in relation to the scope of the problem, but a dramatic increase compared to prior efforts.

"Previously, our budget was only $200,000," said Hugh O'Neill, the AID official in Saigon responsible for child care funding.

That he added, "was just enough money to ship rice to some orphanages."

The thrust of the new program will be to improve child care benefits by opening more day care centers, foster homes and rehabilitation facilities for physically and mentally retarded children.

The program also will attempt to locate at least 80,000 of the unregistered orphans, abandoned children and other wards of the nation to provide them with needed benefits and aid their reintegration into Vietnamese society.

As with most orphans now being cared for by the Vietnamese, emphasis is to be placed on the extended family system: situating orphans with a parent, relative or neighbor.

"Our hope," O'Neill said, "is to provide the means for increased family solidarity and, above all, not to force single parents or foster parents into abandoning their children due to increased economic pressure" caused by spiraling inflation.

Americans in Vietnam concerned with the orphans see two major difficulties. One is economic, the other social.

Economically, the problem is defined in one word: inflation.

Market goods, even those offered from US surpluses, "have at least doubled in price during the last year," said Robert Trott, CARE's director in Vietnam.

PRICED OFF MARKET

Some items such as milk have been simply priced off the market as both the needs of American consumers and the proliferation of US trade agreements with communist countries combined to drastically reduce the amount of surplus commodities available.

A final, somewhat ironic twist is that funds raised by private agencies for use in Vietnam have shrunk. As Trott wryly observed, "We have less money now than we did before the war 'ended.'"

The social problem facing the planned child care program is more complex and controversial.

Several Americans, Vietnamese and third country personnel with long experience in the field question the wisdom of "searching" for more orphans.

In the words of one long time Vietnamese observer, "Some Vietnamese will know a good deal when they see it, and we're likely to acquire more bogus orphans than the genuine article."

Emphasis should first be placed on establishing more and better child care services, these critics warn.

BAD SYSTEM?

Unless the day care center, foster home and adoption programs are improved, many of the newly discovered orphans will be relegated to orphanages, they say.

And it is the orphanage system that worries many of the informed people in Vietnam, be they natives or foreigners.

An official AID memo states that 50% of the 20,000 children in orphanages have one living parent or other close relative. But the orphanages were by no means a form of foster home.

Many required that the parent or relative sign over custody of the child, and fully 70% did not permit adoptions.

Thus, given the scarcity of adequate public child care centers, some working widowed mothers—and even South Vietnamese soldiers—were forced by economic necessity to renounce the right to their children.

WAR BY-PRODUCT?

This situation might be dismissed as an unfortunate by-product of the war if it were not for the callousness of certain "humanitarian" institutions.

Several private orphanages use their children as fund raising attractions. Certain religious orders among Catholics, Buddhists and Protestants have turned their orphanages into involuntary draft pools for increasing the number of nuns, novices, monks and lay preachers as well as for cheap labor on church owned land.

Critics grant that this is better than leaving children to an uncertain fate on the street. They insist, however, that the best answer is to provide orphans with family living, not institutional care.

Apparently, many Vietnamese agree.

Robert Chamness, head of Holt Children's Service, a foreign adoption agency, said:

"When the (Vietnamese) parent or relatives of a child sign over custody to us, they demand a guarantee that their child will be adopted, not placed in an orphanage."

DREAM NEARS REALITY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. CONTE. Mr. Speaker. The problems of our Nation's aged are some of the most pressing before us today.

The aged have spent their entire lives contributing to the welfare of the country; we have a responsibility to see that they do not spend their later years in isolation. The Holyoke Geriatric Authority under the able leadership of Mrs. Maria B. Dwight has set an example that other cities across the Nation should take note of. This autonomous city agency has been able to plan and obtain funds for a multimillion-dollar geriatric care center. The center itself will be rather unique; it will combine hospital-type care and ambulatory units with private small apartments that offer the chance for the aged to live independently, but with the nutritional and medical guidance and attention that they need.

It is with great pride that I submit to the CONGRESSIONAL RECORD the following excellent article by Robert Perkins which appeared in the Springfield Union and which describes the progress of Mrs. Dwight's and the Holyoke Geriatric Authority's dream:

MRS. DWIGHT'S DREAM NEARS REALITY

(By Robert Perkins)

HOLYOKE.—"The system has been created in such a way that elderly people fall through all the cracks."

Acting on this deeply felt belief, Mrs. Maria B. Dwight has spent tremendous time and energy over the past half dozen years trying to make a dent in that system.

And for the first time in those long years, even the most pessimistic of observers is willing to admit it looks as if Mrs. Dwight's dream of a multimillion-dollar geriartic care center in this city is going to be achieved.

Actually, Mrs. Dwight is only one of a number of persons who have worked hard to develop the geriatric care center through a first-in-the-nation autonomous city agency, the Geriatric Authority of Holyoke.

However, Mrs. Dwight has been the most important figure in this possible prototype for elderly care which, if successful, may be adopted by other cities around the country.

Mrs. Dwight, wife of Holyoke Transcript-Telegram Editor William Dwight Jr., is a very strong-willed and compassionate person. These traits have served her both well and ill as the GAH, which officially came into being Jan. 1, 1971, struggled without benefit of prior examples to find a way to build the geriatric care complex.

With her deeply held beliefs in the rightness of her cause, she has been slow to make those compromises absolutely necessary to build the center.

"We were naive at the start," she admitted in a recent interview. It took a long time before she and the GAH realized that the dream of a building they had in mind would have to be toned down considerably in order to be financially possible.

Mrs. Dwight's zeal led to another problem—the sensitive egos of politicians, specifically those on the Board of Aldermen. Time and time again, the GAH brought a major item to the Board of Aldermen only at the last minute for its approval.

The aldermen, a basically conservative body, were not happy about giving up control of the Municipal Nursing Home, a source of patronage, to the GAH and they were even less happy about what they felt was the GAH's constant infringement on aldermanic protocol.

But Mrs. Dwight never gave up on the project, even as she learned. A project that is fiscally possible has been designed and the last shreds of aldermanic opposition have finally crumbled.

Unless a new major disappointment comes along, the current 130-bed municipal nursing home will be renovated and an additional 120-bed unit will be added. Construction on that is scheduled to begin in December.

When that unit is completed, an additional 100 sheltered nursing home units is planned to round out the project.

One of the major achievements of the GAH is that the project will not cost the city of Holyoke much money—a total of $250,000 to defray operating expenses while the construction project is under way.

Holyoke, with its serious fiscal problems, could not afford even the minimum care and housing its elderly are entitled to. The GAH, utilizing available federal and state monies and construction financing which will allow deferment of payments until revenue is coming in, has managed to circumvent that seemingly insurmountable obstacle.

In a recent interview, Mrs. Dwight said she thinks the GAH center along with elderly housing presently being built in Holyoke will make a dent in the problems of the poor elderly in Holyoke.

And in doing so, it may serve as a guide for other communities. As Gerald W. Hayes, an advisor to the GAH, pointed out recently, "Holyoke is not a lot different from other old industrial communities."

If an autonomous city agency proves successful in meeting the housing and health needs of elderly poor which proliferate in such cities, it may well serve as a model for efforts in other communities, he said.

If such a result does come about, much of the credit must go to Mrs. Dwight.

"TOWBOAT U" GRADUATES ITS FIRST CLASS

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ALEXANDER. Mr. Speaker, the National River Academy is so new that it can be said to have been born with the 1970's. I am indeed proud to have been a part of the effort to secure this educational institution for the training of our modern day Mark Twain.

Today's modern instruction leading to a river pilot's license begins 502 miles south of Twain's Hannibal, Mo. Those are the twisting turning river miles from Hannibal to Helena, Ark., where this month the first class of the National River Academy of the United States will graduate.

The graduating cadets will have completed 22 months of training. They will have received sound instruction in every phase of today's life on the Mississippi.

I would like to commend to my colleagues a series of articles published in the New Orleans Times-Picayune which highlight the first edition of National River Academy graduates. The first of this series exalts the beginnings of "Towboat U":

The article follows:

FIRST CLASS TO GRADUATE: MARK TWAIN WOULD FIND HIMSELF VERY MUCH AT HOME AT NATIONAL RIVER ACADEMY

(By Clint Bolton)

When I was a boy, there was but one permanent ambition among my comrades in our village on the west bank of the Mississippi River. That was to be a steamboatman.—From Mark Twain's "Life on the Mississippi."

The boy's real name was, of course, Samuel Langhorne Clemens. The "village on the west bank of the Mississippi River" was Hannibal, Mo., and that "one permanent ambition" was the bright dream of boys and young men in all the countless towns along "The River" well over a century ago.

Young Sam Clemens was to accomplish many things before his death in 1910. He was to become a newspaperman, one of the most distinguished American authors of his time, a lecturer on his travels to many parts of the world.

He was to walk and talk with kings, queens, presidents and other notables. But the first ambition was to be achieved and to so completely affect his entire life that he was, forever after, to be known as Mark Twain, the name he adopted from the old leadsman's call on the river boats of his youth.

For the century and more since Mark Twain began "learning the river" under the redoubtable and always able "Mr. Bixby" there has been but one way to become a pilot on the rivers of this nation. That is: exactly as Mark Twain did, under the personal guidance and tutelage of a qualified pilot. The form of apprenticeship was known as "cubbing" and it is an ancient and very honorable way to learn any craft, profession, trade.

It was 1857 when Sam Clemens went to piloting on the Mississippi. His "tuition" fee to Mr. Bixby, a master pilot of the period, was $500 which was to be paid from piloting fees Mark Twain would earn after he had been accepted into that very exclusive fraternity.

Considering just how much 500 pre-Civil War dollars were worth against 1947's money, a young man with the Mark Twain ambition can do it all a lot quicker and a lot less expensively. A young man with a high school diploma, sound physically and with good vision can become a licensed pilot on Inland Waters and Western Rivers. Twain's handsome apprentice fee of $500 is now a tuition fee of $1,000 per year for a two-year course.

This includes room and board. There are no "extras" except a suitable number of sets of khaki shirts and pants, some "fatigue" or working clothes, gloves and safety shoes.

WHERE IT BEGINS

Today's modern instruction leading to a river pilot license begins 502 miles south of Twain's Hannibal. Those are the twisting, turning river miles from Hannibal to Helena, Ark., where, in August, the first class of the National River Academy of the United States will graduate.

The graduating cadets will have completed 22 months of training. They will have received sound instruction in every phase of today's life on the Mississippi. They will have spent classroom hours learning such important things as the Rules of the Road, that fundamental knowledge of conduct and operation on which all water borne traffic inland or international is based.

They will have learned some engineering, how to read the complex charts which trace every tortuous mile of the Mississippi and the navigable rivers which feed it on its way to the Gulf of Mexico.

They will know about the various buoys, beacons and other aids to navigation on traffic laden rivers such as the Ohio, the Missouri, the Illinois and other waterways. They will have spent months "deck handing" on towboats, putting into practice the things taught by instructors ashore.

All of this will be part of the complete course they will be given at the world's first and only academy for towboat pilots.

In the 22 months they will attend the National River Academy they will have spent two months at "school" for each two months in the "field." In this case the "field" is the mighty Mississippi and beyond that it becomes the entire 25,000 miles of the nation's inland waterways which is not only this country's but the world's greatest freight-traffic highway.

On the eve of this nation's 200th anniversary, we are not too far removed from the yesteryears of the flatboats and the broadhorns which carried adventurers, pioneer settlers and questing merchants to new landfalls on the great rivers of our then infant republic.

THE OLD DAYS

To be sure, the old days, the glory days, are gone. Only our own familiar Delta Queen still plies the ancient rivers in the great tradition of the floating mansions Mark Twain knew so well.

Steering sweeps, pushing poles, even steam have vanished from the rivers. Today there are things Twain's Master Pilot Bixby never dreamed of, ranging from diesel power to the newer-than-new world of electronics. They use radar and radio on the rivers now . . . and computers and loading-unloading devices that to Twain would have been the fantasy writing of his contemporary, Jules Verne.

But Twain, Pittsburgh stogie cocked up to a quizzical eyebrow, would find himself very much at home at the National River Academy of the United States, on those rich 90 acres of what was once good yield and cotton land just 10 miles south of the Holiday Inn at Helena.

A good many other young men are finding themselves at home at what they have affectionately nicknamed "Towboat U." Currently a baker's dozen of young men from the New Orleans area is enrolled at the River Academy.

Three of them are first classmen now in their final months of training.

They will soon sit for the Coast Guard examinations for that coveted "piloting ticket" and, in due course, their ability, eyes, hands and river savvy will be applied to what is now and always will be our city's greatest source of revenue, cargoes in and out of the Port of New Orleans.

Young as it is, almost as raw as the cub pilots of the Twain era, "Towboat U" is impressive now and in the years to come will be to the nation's vast complex of inland waterways what King's Point is to our international maritime industry.

In the not too distant future, as it grows and expands, it will become a place of specialized expertise.

It will never have the military mystique of West Point, the naval traditions of Annapolis. The young cadets at the National River Academy will not have memories of tall ship sailing aboard the Coast Guard Academy's square rigged barque "Eagle," nor will they sing of the Air Force's "wild blue yonder."

Right now they do not have these things. But as the years, like the Big River, keep on rollin' along, they will have their own traditions, their own memories.

They will remember hell and highwater at Island 63, the sleet-swept night when "the set damn near grabbed the whole tow at the ridge at Thebes," the big wind and rain roaring out of the Ozarks across the Arkansas Plateau to catch 'em "in a bind at Possum Point."

But for right now they are very young men learning a very ancient profession.

ACADEMY ORIGINS

The National River Academy of the United States is so new that it can be said to have been born with the '70s. The actual start, the basic planning began earlier.

But the first step to making the NRA a reality was the formation of a corporation to establish such a school. That was in January, 1970, when prominent members of the river industry set the wheels in motion.

On April 22, 1970, there was held the first meeting of the board of directors. Of the 21 members then convened 13 were from towboat companies and the remainder from river-related industry.

The composition of that board is of immediate and historical interest. It is as traditional as the river itself and, as yet, a little-acknowledged example of our national belief in free enterprise.

That belief, as strong and as sturdy as in the early days of the Republic, is still a major factor in the academy's function. While the academy is recognized as a public function, it is supported wholly by the industry it serves.

The principal support comes from "member companies" and in the school structure there are three categories of membership. They are:

Regular Members. This category includes owners or operators of inland river vessels.

Associate Members. Firms, corporations or persons connected with the industry.

Affiliate Members. Invidiuals or non-profit organizations interested in the industry.

The scope of the various categories is broad. Many of the waterways companies which support the academy have sent their house flags, which are hung on the walls of the cadet's mess hall.

These have already come to have symbolic meaning for the cadets because many of them are "sponsored" by operator-companies. Sponsorship in this instance means that cadets have been recommended for admission by member firms and in most instances when they "go on the river" for their two-month work training periods they will be on sponsoring company vessels.

In this manner most of the New Crleans cadet delegation from the recent entrants of last April 29 to those who will graduate in August will have put their river time in on vessels of New Orleans-based companies.

The cadets earn while they learn afloat. In actual practice 50 of the river days are working days. The remaining 10 are vacation days but cadets can stay aboard those extra 10 days at regular wages.

Academy Supt. Pierre Becker grinned at this point.

"Most of the cadets take their 10 days leave. In fact, we don't pressure them to remain aboard. The river training is a lot more than just learning how to handle lines, tie up a tow and all of that.

"Very basic is their ability to live in relatively close quarters with their shipmates. There are the pressures of differing backgrounds, education and let's face it . . . our cadets take a good deal of kidding, you could even call it hazing.

"This whole idea of a River Academy is revolutionary, even radical in terms of the old-timers with all of those working years on the rivers. Our cadets are pretty much like the Navy's 90-day wonders back in World War II. They have to be able to take it. Not only on the job but just living aboard.

"There's a big factor here in just that old, old business of the boot, the rookie. Each of our cadets while he is aboard is rated not only for aptitude as a potential pilot but on his ability to get along with the rest of the crew. In fact we place great stress on each captain's written evaluation of the cadets assigned to him not only in performance of duties but in general compatibility with others."

NEW ORLEANS BOYS

"How do the New Orleans boys do?"

"Overall, very well. Some of them come from families with some association with the river or shipping in some form. Some have worked on offshore rigs on vacations, others have done some deckhanding. We have our own little school paper here. From time to time we run quotes from the Captain's reports. Take a look."

I ran my eye down the column "Captains Speak" in the school mimeographed newsletter. Of the list of New Orleans area cadets which I had been furnished, two names jumped up. Capt. Gary Langley of the Canal Barge Co. had written:

"Cadet Richard has done very good on my boat. Hope to see him very soon again as a pilot on one of Canal's boats.

And Capt. John Everett of Ingram Barge Co. had written:

"Cadet Peralta can be counted on to do whatever instructed to do without being watched over and always finds something that needs to be done."

Melvin P. Richard Jr. is the son of Mr. and Mrs. Melvin Richard of Marrero. He will graduate in August. Alfred "Pepe" Peralta is the son of Mr. and Mrs. A. C. Peralta of 5966 Memphis St., New Orleans. He is a second classman.

"When can I meet these youngsters?"

"Right after chow. Except the first classman, Richard, LaGarde and young Jim Carlin. They are on the river right now. When they come back here they'll be jamming to sit for the Coast Guard exams. But I've passed the word for the others."

Capt. Becker had indeed passed the word. As we walked from his office to the mess hall the old scuttlebutt was working. . . . "Yeah, some writer from New Orleans. Gonna write about the academy."

Later a voice that had the ring of a senior non-com in any outfit sang out:

"Right after chow all you New Orleans Specials report to the Rec Room."

"New Orleans Specials?" That's what they were tagged one bright afternoon in May at the National River Academy at Helena, Ark. Forever, after, that New Orleans delegation will be known up and down The River as the "New Orleans Specials."

Which is how at the world's first and only river piloting academy a small piece of tradition was born.

AN END TO TORTURE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BADILLO. Mr. Speaker, one of the greatest and most glaring deficiencies in our foreign assistance and military aid programs has been the use of millions of dollars to support the imprisonment and torture of political prisoners in South Vietnam, Brazil, Chile, and Greece under the recently deposed regime and certain other nations. There is simply no possible justification for this situation and positive initiatives must be taken to insure that this Nation does not directly or indirectly assist any country in capriciously denying its citizens of basic rights or in otherwise suppressing basic civil liberties and human dignity guaranteed by international conventions. It is reported, for example, that the Thieu regime in Saigon continues to hold political prisoners and subjects many of them to inhumane treatment. What assurances do we have that funds to be appropriated under the DOD appropriations bill for military assistance to South Vietnam will not be used to perpetuate such intolerable policies?

The use or possible use of American aid to undertake programs of torture and the denial of human rights is an issue of deep continuing concern, particularly when one reads that—

> Torture has now become a state institution in more than 30 countries.

It is an issue to which we should give careful and sober thought and reflections, particularly as we consider legislation extending aid to other nations.

A very penetrating but disturbing article on this general issue appeared in yesterday's New York Times and I insert it herewith for inclusion in the Record:

Torture, an Official Way of Life in 30 Countries

(By Jean-Pierre Clavel)

Torture has now become a state institution in more than 30 countries, a rule of pain carried out by technicians, scientists, paramilitary officials, judges and cabinet ministers.

Documentation comes from the respected human rights agency Amnesty International, a private London-based group that seeks freedom for political prisoners and has offices in 32 nations. As the 25th anniversary of the United Nations' Universal Declaration of Human Rights approaches, Amnesty's London headquarters described in a 224-page report allegations and evidence of torture in 64 countries in the last 10 years.

Most of what the agency calls a "cancerous" growth of torture has occurred in Latin America, spreading to 22 nations there in the 10-year period. Portugal and Northern Ireland are among the 10 European countries named, as are 14 nations in Africa, 7 in Asia and 8 in the Middle East.

The vast number of victims in urban areas are members of legitimate political organizations, trade unions and youth movements, professors, women's leaders, religious figures, lawyers and journalists. In rural situations, it is unarmed peasants, villagers and even children who are caught in the torture net. Contends Amnesty International, "it is apparent today that much of state torture is carried out by the military forces, usually elite or special units, who displace the civil police in matters of political security. Their military training and their exposure to post-World War II theories about 'unconventional war' make them particularly apt for the practice and enable them to apply the concept of 'war' to any situation of civil conflict no matter how mild."

In Latin America, it is possible to pinpoint the arrival of torture in nations such as Uruguay, Bolivia and Chile and to demonstrate the pattern in which torture has spread across the continent. Niall MacDermot, Secretary-General of the International Commission of Jurists, reported at the United Nations this June after a fact-finding mission that between 3,500 and 4,000 persons had been interrogated in Uruguay alone since July 1972, in an effort to stamp out the Tupamaros. Of these, at least 50 percent are believed to have been tortured.

Secret steps were taken in Brazil in the early nineteen-sixties by a group of senior military and police officials to create a coordinated, autonomous torture and "death squad" network to crush political opposition. To train personnel, illustrated lectures and live demonstrations of torture were conducted, using political prisoners as guinea pigs, by *Operacao Bandeirantes*, once described as "a type of advanced school of torture." Subsequently, trained Brazilian torturers traveled to military academies in neighboring nations to conduct courses in what is euphemistically called "interrogation."

"Refinements" have resulted from technical and medical research designed to develop techniques of intensifying pain without causing death or irreversible damage. In Northern Ireland in 1971, security forces put "sensory deprivation" into action against Irish Republican Army suspects, using white noise, tactile obliteration, fatigue and starvation to force nervous systems to "torture themselves." Dr. Timothy Shallice of London's National Hospital has traced these methods to a clear line of private and government-sponsored research that began in the nineteen-fifties and intensified after the Korean War. "Torture which was once a craft," says Dr. Shallice, "has become a technology."

Further evidence of this trend was unearthed after the "liberation" of the DGS (political police) headquarters in Lisbon following the May coup in Portugal. Inside were found anatomy charts and films used to instruct novices in torture and detailed medical reports indicating that torture had become a medical science conducted under the supervision of doctors.

In the Soviet Union the abuse of psychiatry has led to the long-term incarceration of dissidents such as Grigorenko and Plyusch in execrable conditions inside special psychiatric hospitals on the ground that they had committed political offenses "while of unsound mind."

Amnesty has produced a unique portrait of a world which, like a Bosch phantasm, is panoramic, almost aloof, chronicling the ordeals and wasted lives of men and women trapped in the breakdown of the rule of law. It speaks for the countless victims sent to labor camps in the barren regions of the Soviet Union, for the fate of the 55,000 political detainees still held without charge or trial in the camps of Indonesia, for defendants sent to the torture cells beneath the courtrooms in central Lisbon, for the crippled Vietnamese inmates of the Tiger Cages of Con Son and their dead countrymen thrown from United States helicopters during the years of overt American military involvement in Indochina, for the unknown individuals who faced certain of the Red Guard factions in the violent street trials of the Cultural Revolution and for the personal victims of South Africa's Brigadier Swanepoel, Brazil's Sergio Fleury and Greece' Colonel Theophyloyannakos.

What distinguishes the present wave of torture from others is that where formerly it presented itself as a series of national crises (such as the unleashing of torture during the Algerian War beginning on Algerian patriots and eventually spreading to metropolitan France), today we confront an international network of Torture States exchanging expertise and equipment.

A PLAN TO MAKE THE SAHARA BLOOM

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BIESTER. Mr. Speaker, those of us who have been particularly concerned about the tragic drought and famine in the Sahel—and some of us have had an opportunity to visit this region within the past year—cannot help but share in the frustration over the seeming powerlessness to devise a lasting solution to the basic problems of the lower Saharan grasslands.

The 6-year drought in the Sahel has contributed to the increasing spread of the desert into what was once fairly productive grazing and crop lands. Reversing this "desertification" has confounded the experts, and the prospects for renewing the land have not been very promising.

It is encouraging to note, therefore, that some ambitious individuals see a hopeful future for the region providing that the water under the desert can be tapped for irrigation purposes. A little water from the vast underground sources can go a long way in supplementing what rainfall does occur and help promote a stability to the land which has been sorely lacking. A proposal to develop this idea has been set forth in yesterday's Washington Post, and I would like to submit the article for the benefit of those who may be intrigued by the perspective and prospects this idea presents.

The pressing need for more food production throughout the world is a strong argument for doing what can be realistically and practically done to regain the productive value of the Sahel. Making these central and west African nations self-sufficient for their fundamental food requirements would help relieve the growing pressures on major agricultural producing countries, such as the United States, to supply their food needs. The abruptness with which recent surpluses of grain have been depleted and the disastrous drought in the Midwest point to the need to accelerate the development of potential agricultural lands in all parts of the world. With unpredictable weather and expanding populations, it is becoming increasingly obvious that we cannot depend on only a few nations to carry all others through critical periods. The worldwide food problem is now making a more perceptible impact here in the United States as food prices continue to fluctuate and inch upward and certain products become more scarce on the market shelves. "Making the Sahara Bloom," as Messrs. Lowther, and Lucas suggest is possible, would be an important step not only for the people of the Sahel but for all people everywhere.

The article follows:

A PLAN TO MAKE THE SAHARA BLOOM

(By Kevin Lowther and C. Payne Lucas)

Lowther is a member of the national advisory board of Africare and Lucas is executive director of the African development group.

Much of what is the Sahara today was once verdant, productive and populated. There were numerous bodies of water. Rainfall was plentiful. Civilization flourished. Animals grazed in abundance.

It can be so again. The Sahara and its semi-arid periphery may one day again bear fruit and sustain life. It is a possibility ripe for the taking by a world desperately in search of dependable sources of food.

No single generation noticed the Sahara's transformation from bounty to barrenness, but over several thousand years the upper third of Africa was overwhelmed by the "brown revolution." Shifting weather patterns gradually reduced the nourishing rains. And as the soil dried, the cattle and goats of the region's nomads overgrazed and trampled the stubborn grasses which served as a barrier reef to creeping "desertification."

Extended droughts periodically hastened the process. Crops would fail. Herds would be decimated. People would starve and die. But then more or less dependable rains would reappear to rejuvenate the Sahara's southern fringe of grassland—called the Sahel—and the desert would be held at bay.

Then came the much publicized drought now in its sixth year. It is different from previous droughts, not because it is the worst in living memory, but because it is coincident with a general worldwide scarcity of food. Although the six African nations most affected and Western donors in concert have managed to deliver enough food to avert mass starvation, they have heard their shovels scraping the bottom of the world's collective grain bin.

This sound should be heard as clearly in this country, where we are concerned now only with the price of food, as it is in the Sahel, where people obtain their food from relief centers in metal tins or cupped hands. There are no shopping carts, much less supermarkets, in the Sahel.

But concerned Americans have read all the accounts necessary to grasp the human suffering that lack of rain has meant to several million people in the African interior. The tragedy will be compounded and perpetuated, however, if we merely regard these sorrowful events as just another inevitable natural disaster that must be borne and forgotten.

GETTING THE LEFTOVERS

The Sahara is not a permanent scar on the African landscape. Its expansion is not an irreversible phenomenon. Africans in the Sahel are acutely aware now that they must turn the Sahara back unless they wish to be crowded inexorably toward the forests and sea to the south. And given the right tools, they will do it.

This prospect of halting the Sahara in its tracks and ultimately reclaiming portions of it for grazing and cultivation has serious practical ramifications for us as well.

Six years ago the U.S. government decided to channel most of its foreign aid in Africa to so-called "major emphasis" countries—such as Nigeria and Ethiopia—because they were thought to have the greatest potential for sustained economic development. The smaller and poorer states were not deemed economically "viable" and were either written off the U.S. aid rolls entirely or given the few crumbs that remained after the main feast. These last included the six Sahelian nations—Chad, Niger, Upper Volta, Mali, Mauritania and Senegal—nations that have had to shelve development of their economies while they tried to keep their people alive.

If the drought accomplishes nothing else, it can encourage us to redefine what constitutes a "viable" national economy. Now that the word "surplus"—in a world context that the word "surplus"—in a world context—has vanished from the vernacular of agricultural planners, a nation's ability to produce food becomes something more than a footnote to its mineral reserves and industrial potential. In a food-tight world, the capacity to feed one's own people becomes of critical importance as an economic bedrock and as a political stabilizer. To be able to grow more than you need—and thus to feed those who physically cannot meet their own requirements—will mean even greater economic vitality.

Ironically, the drought-wizened nations of the Sahel fit this new definition of economic "viability." They have the capacity not only to feed their relatively small populations but to help feed their more numerous neighbors along the West African coast, as well perhaps as people on other continents.

THE DESERT SEA

Nature may have been unkind when it allowed the Sahara to begin erasing the rich ecosystem which once covered most of African's northern bulk. But it left behind the source with which to undo much of the damage—water. A vast "sea" of water—largely remnant from that prehistoric time of plenty—lies beneath much of the Sahara.

This is no revelation. The nomads have always known that water was there in the desert for those willing to dig deep enough. But by and large they relied on the artesian wells that sprung to the surface at widely scattered oases. The sedentary peasant societies also knew the desert was hiding water, but so long as there remained relatively open and fertile land behind them, they accepted Allah's will or animistic fate and gave ground to the oncoming Sahara. They had neither the need nor the technology to tap the subterranean water, irrigate the sand and expand their croplands. Now, however, the means and the need are at hand.

At Kufra, an oasis in southeastern Libya, Occidental Petroleum Co. and the government have converted large acreage of sandy desolation into a lush agricultural region producing three annual harvests. Well pipes that elsewhere in Libya raise oil are now raising water that Occidental experts believe is sufficient under Kufra to irrigate one million acres for eight centuries.

Similar possibilities abound in the Sahara—if a food conscious world is prepared to fertilize the region with large amounts of capital. How much?

Some measure is available in a study conducted in Niger earlier this year by Texas Tech University and Africare on the feasibility of establishing a large, controlled ranching and mixed agricultural project on the southern rim of the Sahara. The aim is to demonstrate that by exploiting underground water, land in danger of becoming, or already claimed by, desert can be restored.

Even in an area of fluctuating but always sparse rainfall, it is surprising how quickly the sturdy range grasses will return on the strength of just a few annual showers. That is, if these grasses—which hold the soil and resist desertification—are allowed periodically to lie ungrazed and untrampled by wandering, oversized herds of cattle, sheep and goats, which have done much to worsen the effects of the present drought.

The Texas Tech-Africare team estimates that slightly more than $12 million in capital investment can convert nearly 700,000 acres of abandoned wasteland into a stable ranch and farming community producing improved strains of beef cattle for export and food far in excess of local needs. The sizes of herds and grazing patterns would be managed to preserve the carrying capacity of the land and therefore arrest expansion of the desert. The food supply would be dependable even in years of drought, assuring the people settled there of a home anchored against the elements.

A TOUGH TEST

To insure a true test in a hard environment, a site has been selected in eastern Niger where soil conditions, annual rainfall and groundwater reserves are somewhat below par for the Sahelian belt.

To balance people and animals against the available land, no more than 500 families would be allowed to participate. About 300 of these would be traditional herdspeople. Each would purchase, on loan against future sales, a small "seed" herd of cattle, sheep and goats. from which they would gradually build larger herds up to the ceiling determined by the grazing capacity and by the demand for beef. A small breeding station would develop improved stock and a resident animal sciences expert would provide professional assistance.

The remaining 200 families, meanwhile, would raise crops such as corn, sorghum, wheat and vegetables—to feed themselves and their cattle-herding colleagues, to fatten the animals, and to sell on the open market.

The most important and costly factor is water development. Wells will have to be sunk for each 800 acres of grazing land, as well as for irrigating crops.

Where windmills or hand-operated pumps do not suffice, precious gasoline will have to be trucked in more than 1,000 miles from the coast to fuel the watering operation.

The capital cost, though significant, is less imposing when viewed within the broader context of regional development. Much that is learned in this pilot project could modify the cost of applying the concept across many of the continent's dry areas, including such inhospitable regions as the Sudan, northern Kenya, Somalia and parts of Ethiopia.

Present cost estimates are predicated on the worst of circumstances. The return of normal seasonal rainfall, for instance, would greatly reduce the need and expense of pumping water to the surface.

The ranch would not be economically self-sustaining during the initial years. In fact, an annual subsidy of about $2 million would be required during the development period. This could be reduced to less than $800,000 annually within five years, as local professional staff are trained to replace their foreign tutors, and should current oil exploration in the area prove successful. Moreover, the sale of livestock and crops would generate more than $650,000 (again, a conservative estimate) in the first full year of operation. It is expected that the project would operate at a small profit beginning in the sixth year. Finally, within three years after the start of the ranch, the per capita income would be $190, more than twice Niger's 1970 national average of $88.

What does not show in this balance, of course, is the inherent value of the land saved and reclaimed from desert encroachment. And there are compelling, if less tangible, social advantages to weigh.

If reproduced along the entire length of the Sahel—2,000 miles from Senegal to Chad—such projects not only would halt the Sahara's onslaught but would eliminate the need for huge, festering refugee camps and restore hope and dignity to people unaccustomed to living on the dole, who have in the past been proudly self-reliant under some of the harshest conditions known to man.

More important, this chain of mixed ranch and farm settlements, eventually embracing millions of acres, would become a major link in a world food system that must be developed and coordinated internationally to assure that all people have enough to eat.

Such a goal may seem attractive only in the abstract to most Americans. Yet in view of inflated food prices, which are tied to general supplies of grain in the word, we ought to realize by now that we have a stake in promoting food production wherever we can, even on the edge of the Sahara and within the desert itself.

We can pretend to be an oasis in a world of want, far beyond the reach of hunger. But as a land of relative plenty, we shall continue to bear the humanitarian burden of helping to feed millions who, through no fault of their own, cannot feed themselves. The more intelligent and, in the long run, the less costly course is to develop the full agricultural capacity of regions like the Sahel.

As the Israelis, Occidental Petroleum and California growers have demonstrated, there is no trick to making the desert flower. The technology exists. What is required is water and will. We know the water is there beneath the Sahara. But do we and others have the will to do it?

Foreign assistance may pall with many Americans who feel they have done enough for the world. But we have the financial resources to spare for a project of this magnitude. If necessary, we can divert some of the multi-millions we expend on military aid programs to the resurrection of the Sahel and the Sahara.

This should be a cooperative venture, however. The Arab oil interests, for instance, could well afford to invest a small fraction of their revenues in helping their fellow Muslims and their fellow desert dwellers in Africa, especially by offsetting the high cost of oil needed to fuel the water pumps, not to mentation the cost of petroleum-based fertilizers.

The West African coastal nations also have a major interest in regenerating the productive vitality of the interior states. Nigera, Ivory Coast, Ghana, Gabon, Zaire, Liberia and others have already contributed heavily to drought relief among their landlocked neighbors. This generosity is pragmatic as well as humanitarian. The more densely populated nations along the sea are properly concerned that continued expansion of the Sahara will drive millions of Sahelian people southward, over-taxing public services, crowding available farm and grazing lands in the more settled regions, perhaps causing violent conflict and increasing the jobless and potentially volatile masses in the towns and cities.

Moreover, the thickly populated coastal nations must consider their own somewhat limited food producing capacity. They can appreciate having to their North a vital bread basket providing an assured supply of grain and meat in exchange for the manufactured products of the developing industrial complex on the coast.

U.S. policy planners cannot ignore the importance of strengthening stability in this section of the world. Africa is rich in mineral resources critical to the world economy. Encouraging political stability by helping to develop the economic foundation throughout West Africa and the Sahel is a course of common sense and common interest.

AMENDMENTS TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. FRENZEL. Mr. Speaker, when H.R. 16090 is before the House, I intend to offer the following amendments:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 2, line 10, strike out "(2) and (3)" and insert in lieu thereof "(2), (3), and (4)".

Page 2, line 14, immediately after "committee" and before the parenthesis insert the following:

or a local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971

Page 2, line 22, immediately after "organization" insert the following: (other than a local, State, or national political party organization)

Page 3, immediately after line 3, insert the following:

"(3) Any local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971 shall be exempt from the limitations on contributions to candidates contained in paragraphs (1) and (2) of this subsection.

"(4) No local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971 may knowingly accept a contribution from any person, which, when added to the sum of all other contributions received from that person during that calendar year, exceeds $5,000.

Page 3, line 4, strike out "(3)" and insert in lieu thereof "(5)".

Page 3, line 6, strike out "(4)" and insert in lieu thereof "(6)".

Page 3, line 18, strike out "(5)" and insert in lieu thereof "(7)".

Page 3, line 24, strike out "(6)" and insert in lieu thereof "(8)".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 2, line 10, strike out "(2) and (3)" and insert in lieu thereof "(2), (3), and (4)".

Page 2, line 14, immediately after "committee" and before the parenthesis insert the following:

or an official national committee registered under section 303(e) of the Federal Election Campaign Act of 1971

Page 2, line 23, strike out "section 303" and insert in lieu thereof "section 303(a)".

Page 3, immediately after line 3, insert the following:

"(3) Any official national committee registered under section 303(e) of the Federal Election Campaign Act of 1971 shall be exempt from the limitations contained in paragraphs (1) and (2) of this subsection.

Page 3, line 4, strike out "(3)" and insert in lieu thereof "(4)".

Page 3, line 6, strike out "(4)" and insert in lieu thereof "(5)".

Page 3, line 18, strike out "(5)" and insert in lieu thereof "(6)".

Page 3, line 24, strike out "(6)" and insert in lieu thereof "(7)".

Page 20, line 22, strike out "subsection" and insert in lieu thereof "subsections" and immediately after line 22 insert the following:

"(e)(1) Any political party which had candidates for Federal office on the ballot in ten or more States on the Tuesday next after the first Monday in November in the last preceding even numbered year may file a statement with the Board of Supervisory Officers in such form and manner and at such times as the Board may require, designating the official national committee of such political party. Such statement shall include the information required by subsection (b) of this section, together with such additional information as the Board may require.

"(2) Upon receipt of a statement filed under paragraph (1) of this subsection, the Board promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify as registered under this subsection not more than one official national committee for each political party meeting the requirements of this subsection.

Page 20, line 23, strike out "(e)" and insert in lieu thereof "(f)".

RECENT EVENTS IN SOUTH KOREA

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. GUDE. Mr. Speaker, as the time for House consideration of the foreign aid bill draws close, I want to bring to my colleagues' attention recent events in South Korea. Over the years the United States has given assistance to a wide variety of nations and governments all over the world, and I do not propose that we begin to provide assistance only to those nations which have governments like our own or only to those governments which agree with our policies. However, I do believe that there are certain fundamental human rights common to all peoples and that we have an obligation to be sensitive to the denial of those rights and reflect our concern in our aid policies. Countries which resort to terror and torture to suppress freedom of expression should certainly not be allowed to do so with our money.

I have just met with a constituent recently returned from an extended stay in the Republic of Korea, and she brought with her considerable information relating to conditions there and the concern of Americans living in Korea over the direction of the Korean Government. I want to share some of this information with my colleagues because of my concern over violations of human rights and because the level of our military assistance to the Republic of Korea will be the subject of some debate when the foreign aid bill comes before the House. The following are excerpts from various publications relating to recent events in Korea, and a petition intended to be presented to Congress by Americans living in Korea, but which was not signed because of the possible consequences.

[From Christianity and Crisis, April 1, 1974]

Early in the afternoon of January 8, 1974 South Korean President Park Chung Hee issued an emergency decree designed to crush a burgeoning protest movement. The decree made it illegal for anyone to "propose or petition for revision or repeal of the Constitution" or to report such activity "through broadcasting, reporting or publishing or by any other means." Anyone accused of violating this edict was subject to "arrest, detention, search and seizure without warrant," trial by a special military tribunal and imprisonment up to 15 years. The Republic of Korea (ROK) Central Intelligence Agency (KCIA) was empowered to conduct special investigations of violations. President Park immediately issued a second decree establishing an emergency court-martial and named General Lee Se-ho, former commander of the US-paid ROK expeditionary force in Viet Nam, as president of the tribunal. These extraordinary decrees provide a bench mark for future historians of authoritanial rule and church-state confrontation in South Korea.

[From Stars and Stripes, April 5, 1974]

PARK EDICT THREATENS DEATH AS SEOUL STUDENTS PROTEST

SEOUL.—President Park Chung Hee, reacting to a series of anti-government demonstrations, issued a special decree Wednesday making it punishable by death to belong to an organization called the National Democratic Student-Youth League.

Park's decree was quickly approved by the cabinet in a special night session.

The decree said youths who violate the decrees face prison terms of 15 years to life, or can be sentenced to death. The schools which violators attend may be closed.

Authorities said the organization listed in the decree is apparently a newly formed group but it is believed to be Communist-backed.

Park earlier issued a special order prohibiting attempts to amend the South Korean constitution.

A number of intellectuals and students were arrested following the earlier order and have been sentenced to lengthy jail terms.

One of the student protests Wednesday preceding Park's newest order demanded the release of youths now being held on charges of seeking constitutional reform.

At the College of Arts and Sciences at Seoul National University, about 100 students clashed briefly with riot police, sources said. It was the only violence reported during the day.

Park's latest order also prohibited the news media from reporting student anti-government activity.

It also said members of the outlawed student organization had until Monday to surrender to authorities without coming under the provisions of the order.

[From Japan Christian Activity News, Apr. 19, 1974]

Responding to a new wave of student demonstrations, the first since campuses were closed by government decree in December, the government has escalated the already severe repression by authorizing death sentences for student activists. The students, demanding the restoration of democracy and civil liberties, began small, scattered demonstrations on March 21, two weeks after the schools reopened. By March 29 the demonstrations began to gather a little steam.

Five days later, at 10:30 p.m. on April 3, presidential aide Kim Sung Jim went on national television and radio to promulgate "Emergency Measure 4". The gist of the measure is that anyone associated with anti-government activities in any way would face firing squads or up to life imprisonment. The immediate effect of the 12-point decree was to further increase tensions on campuses and in churches, already under a state of siege since the second week in January when the first three emergency measures went into effect.

The January decrees promised up to 15 years in prison for anyone (1) criticizing the personal dictatorship that President Park has established over the executive, legislative and judicial branches of the government since October 1972; or (2) criticizing the police-state methods of arrests and torture which the government has employed with increasing vengeance since massive student protest in November gave way to a December petition campaign to revert to pre-martial law Constitutional democracy.

AN APPEAL TO CONGRESS

American soldiers fought and died in the Korean War to preserve Democracy in the Republic of Korea, and for the past twenty-five years have remained in Korea as a front line of defense against aggression from the North. As American citizens residing in the Republic of Korea, we appeal to our representatives in Congress to initiate a thorough study into all forms of American aid to Korea to the end that our past and present sacrifices in that nation shall not have been in vain. *Why do we ask this?*

In its present form of cooperation with the Republic of Korea, the United States is helping to perpetuate the anti-democratic forces ruling this country despite the fact that America often states that it does not interfere in the internal affairs of other sovereign states. We wish to ask you, our Congressmen, why this kind of active support should be necessary, and we respectfully request that you respond in writing to our question.

Why do we call the present rulers of Korea anti-democratic? For several years now they have sought to hide from the world a growing dissatisfaction with their leadership by increasing legal restrictions on civil liberties basic to any democracy. Since January 8, 1974, President Park Chung-hee has issued four decrees, three of which threaten the rights of citizens of Korea.*

The Korean Central Intelligence Agency (K.C.I.A.) is thorough in enforcing these decrees. The government controls all the media. Universities and student groups have been infiltrated by K.C.I.A. agents. The K.C.I.A. and other agencies may arrest or detain for questioning any citizen without official charges. People are seized in their houses or interrogated and searched in night raids. K.C.I.A. interrogators make use of beatings and torture to obtain the "truth" they wish to hear. Furthermore, U.S. military weapons and anti-riot equipment are used in stopping public demonstrations.

All of this is done in the name of "national security." Any who oppose, in any way, are labeled communists who are threatening to overthrow the government. Korean Christians, who are the most adamant of anti-communists, have been harassed and arrested for ministering to the needs of slum dwellers and factory workers.

Why do we say that the United States Government is interfering in Republic of Korea internal affairs? On April 28, 1974, Korean newspapers quoted Secretary of State Henry Kissinger as saying that the foreign aid request for Korea for the fiscal year 1975 ($213.5 million) "is not related in any sense to the domestic conditions that have developed there." A few days earlier Secretary of Agriculture Earl Butz visited Korea and promised to resume the P.L. 480 aid program for Korea. The two statements by high American officials came *immediately after* President Park Chunghee had decreed the harshest of his emergency measures and therefore appears to endorse Park's anti-democratic policies. Such acts by the United States Government appear to make it a partner to the internal policies of repression and constitute interference in Korea's internal affairs.

Like the many imprisoned citizens of the Republic of Korea, we fear that the current oppressiveness of the Korean Government will have the effect of pushing the Korean people closer to communism. As American citizens and as residents in the *Republic of Korea*, we abhor this possibility. And yet, by increasing foreign aid to government which has turned oppressive (like the communists) while at the same time disclaiming any responsibility for that country's internal policies, we are convinced that the United States is thereby, in effect, aiding this push toward communism.

For the future welfare of the United States and the Republic of Korea, we believe the United States Government should desist from aiding these anti-democratic forces. We appeal for your immediate consideration of the following proposals:

(1) All future discussions of foreign aid between the governments of the United States and the Republic of Korea be conditional upon the guarantee of an immediate return to constitutional government. That, as an act of good faith the Korean Government be requested to immediately release all political prisoners unjustly accused and confined. If these guarantees are not forthcoming, all ongoing programs of foreign aid be suspended, including delivery of P.L. 480 grains.

(2) Guarantees be given by the Korean Government that weapons supplied under military assistance programs by the United States not be used against the citizens of the Republic of Korea. That the United States Congress retain the right to immediately cease such aid if these guarantees are violated.

(3) Strict regulations be set up for sales of anti-riot equipment, particularly tear gas, by private United States firms to the Government of the Republic of Korea or any agency thereof.

We await your early written response to this appeal. Please send it to the enclosed address.

Respectfully,

THE UNDERSIGNED.

A SUMMARY OF EMERGENCY MEASURES 1, 2, AND 4

Emergency Measure No. 1: Prohibits any person from defaming the present ("Revitalized") Constitution (ratified in December, 1972) or from petitioning for a revision or repeal thereof, or from communicating such acts in any way—under the possible penalties of arrest, detention, search and seizure without warrant; trial by Court Martial (military instead of civil court), imprisonment up to 15 years. The same penalty is extended to anyone within the Republic of Korea who speaks against the Emergency Measure itself. (Summarized from *The Korea Times*, January 9, 1974.)

Emergency Measure No. 2: Establishes special national military courts, appoints military generals as presiding judges who, in addition to matters included under Emergency Measure No. 1, preside over "matters which are not provided in the Emergency Measures. Gives the director of the Korean Central Intelligence Agency powers to coordinate and supervise all activities concerning the investigations and security protection relating to these Emergency Measures. Provides for unlimited periods of detention and possible confinement in prisons, in hospitals, or in houses with "appropriate restriction and supervision." (Summarized from *The Korea Herald*, January 9, 1974.)

---

*See final page for summary of these "Emergency Measures".

Emergency Measure No. 4: Prohibits organizing or joining the "National Democratic Youth and Students League" or participating directly or indirectly in underground activities. Bans the following: class boycotts, demonstrations, rallies, sit-in strikes and "all other individual or collective activities in and outside campus except for normal classes." Prohibits any kind of communication about any of the above acts. Provides for arrest, detention, search and seizure without warrant, trial and sentencing *up to death* by Emergency Courts Martial. Provides for the possible closing and/or dissolution of any school where students commit any of the above acts. Provides for mobilization of troops for maintaining security and order. (Summarized from *The Korea Herald*, April 4, 1974.)

MORE BAD NEWS FROM CHILE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. HARRINGTON. Mr. Speaker, the seemingly endless stream of reports from Chile detailing the repressive policies of the military junta continues, should make clear once again the urgent need for a withdrawal of American military support for that region. An article by Joseph Novitski, of the Washington Post, appeared yesterday, detailing the recommendations of the Human Rights Commission, of the Organization of American States, that the junta stop its policies of torture, punishment without trial, and pretrial detentions.

The connection between these policies and a continuation of American military aid to the junta should not remain unaddressed. For so long as we supply arms to the junta, the United States bears a share of the responsibility for internal events in Chile. It is important to sever this concrete link between the United States and the junta, to demonstrate that our influence abroad will not be directed in support of repressive regimes which we helped to create.

The text of the article follows:

[From the Washington Post, Aug. 4, 1974]

OAS GROUP URGES CHILE STOP TORTURE

(By Joseph Novitski)

SANTIAGO, CHILE, August 3.—The Human Rights Commission of the Organization of American States has recommended to the Chilean military junta that it stop physical and psychological torture, punishment without trial and pretrial detentions that amount to prison terms.

The recommendations, made privately to the government on Monday and given to the press last night, were the result of the first on-the-spot investigation of human rights violations in Chile by an international organization. Members of the Human Rights Commission spent two weeks in Chile talking to government officials and detainees and visiting prison camps, detention centers and military courts. They were not permitted to visit three military installations identified by detainees as torture centers.

The eight members of the commission did not make public the findings of their investigation. However, the 11 recommendations they made to the government clearly implied that they had gotten behind the increasingly easy-going normality of daily life in Chile and looked at the continuing repression of known or suspected Marxists since President Salvador Allende was overthrown last year.

The commission's recommendations indicated that it had found evidence that torture is used in interrogations of political prisoners, that people detained without charges are required to do hard labor, that Chileans sometimes disappear for days or weeks after being seized by police or military intelligence services and that military courts have limited lawyers' access to their clients and tried people under wartime rules, for acts committed before the Sept. 11 coup.

The Human Rights Commission, a permanent body of the OAS, is limited in its ability to investigate charges of human rights violations by requirements that it work with the government that has been accused. The government of Cuba, Guatemala and Brazil, for example, have refused to allow commission representatives to visit their countries.

The OAS as a whole has never taken action on allegations of human rights violations by a member country and in June tabled a commission report on torture in Brazil.

The government's decision to permit the commission to visit Chile appeared to be part of an effort by the junta to improve its international image. The jurists from the United States, Argentina, Brazil, Bolivia, Chile, Mexico, Venezuela and Uruguay said the government had cooperated with their mission.

Carlos Dunshee de Abranches of Brazil, vice president of the commission, called the Chilean foreign minister's response to their recommendations "positive." That response was not made public immediately, but Santiago's pro-government newspaper published the commission's recommendations prominently today without comment.

In the military view, Chile's image has been hurt over the last 7 months by the very reports that the OAS commission came to investigate. Government officials and individual officers have dismissed the reports of violations of human rights as Communist propaganda. They have termed the individual Chileans, foreign journalists, and church groups that have reported on the details and dimensions of repression here Communists, bad Chileans or Marxist dupes.

"They told me that they're always being lied about," U.S. Secretary of the Army Howard Callaway said last month at the end of a courtesy visit to Chilean army officials. "They categorically and adamantly denied that this (torture) was happening and showed me orders that had gone out. They said some soldiers had disobeyed these orders and had been punished."

There is no doubt that Communist and Socialist parties outside Chile, particularly in Western Europe, have organized a continuing campaign to denounce repression of leftists and others in Chile.

However, no communist or socialist countries belong to the OAS, a regional diplomatic grouping of the United States and 22 Latin American and Caribbean countries.

While the commission was here, according to an official estimate, 5,800 people were being held for political offenses in Chile, a country of 10 million.

About one-third of those held have had no charges lodged against them.

Hundreds of people, most of them women, went to the offices set up by the commission to add to the list of complaints before it. According to members of the commission, many came to report that relatives had disappeared after being detained.

While the commission was here, Jorge Montes, a Communist senator during Allende's government, was arrested with his wife and daughter. Relatives could not find out from junta officials where they were being held for more than a week.

Also during the commission visit, an air force court martial condemned a Socialist lawyer and three air force men to death for treason, for their role in supporting the Allende government.

The sentences, junta spokesmen emphasized, are subject to review by the commander of the Santiago air force garrison and by Gen. Augusto Pinochet, the leader of the junta. While the OAS commission was here, officials hinted that one or both of the officers would probably be moved to commute the sentences.

VALOR OF GUAM SOLDIERS MEMORIALIZED

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. WON PAT. Mr. Speaker, in one of the most unsung, yet courageous battles of World War II, members of the Guam Combat Patrol repeatedly risked their lives to root out the survivors of the Japanese Imperial Army who had occupied our island.

Although little has ever been said in official U.S. military records about this period of Guam's fight against our oppressors, the facts are there.

Last July 21, the Pacific Daily News, in a special edition commemorating the liberation of Guam in 1944, published an excellent story about the many brave exploits of the Guam Combat Patrol. Many of these events had been published in Guam before and I know that many of our colleagues in Congress, and especially the young of Guam, were in all likelihood surprised to hear for the first time just how much the Guam Combat Patrol contributed to the defeat of the enemy.

Despite their loyalty and bravery under fire, and despite the fact that members of the Guam Combat Patrol fought in American uniforms and were decorated for their efforts by the U.S. Navy, it is a sad tale that the Veterans' Administration has repeatedly refused to provide the survivors of the patrol with minimal veterans' benefits.

In an effort to counteract the VA's reluctance to provide the patrol members with the benefits they so richly deserve, last year I introduced a bill, H.R. 6083, which would rectify the present inequitable situation.

I do not believe that our argument for fairness to the Guam Combat Patrol is excessive. After all, the Department of Defense did provide members of the Philippine forces with certain benefits. And, while I would not argue with that decision as I also believe it was only a just reward, I must point out that the heroes of the Guam Combat Patrol certainly deserve at least the same treatment if, in fact, not the same full benefits provided other American veterans of World War II.

In a report issued on October 1, 1973, the then Administrator of the Veterans' Administration, Donald E. Johnson, refused to support H.R. 6083. I, for one, cannot accept the rationale of the Administration that, as auxiliary troops, the Guam Combat Patrol is not eligible for full benefits as they were not members of the regularly constituted Armed Forces of this country. Such rationale denies the unusual circumstances surrounding Guam in the latter days of the war and is an insult to the dedication of those who served in the Guam Combat Patrol.

I intend to pursue this matter more fully with the House Veterans' Affairs Committee. In the thought that my colleagues in Congress would be interested in reading an excellent account of action taken under fire by the patrol, I hereby ask permission to insert the text of the Pacific Daily News story in the RECORD at this time.

JAPANESE ABANDONED, HUNTED, SHOT

They were the hunted.

They had been written off by their own army and left in the jungles of a tropical island thousands of miles from their home land to be slain piecemeal by the enemy.

Since they had been told that the enemy would kill rather than capture them, and that surrender would dishonor both them and the emperor, they ran from their would-be captors when possible, but fought when cornered.

The caves, jungles and swamps of Guam became their homes, streams and pools their water supply, military garbage dumps their feeding grounds.

The war on Guam ended in 1944 and peace with Japan was signed in 1945, but for these Japanese stragglers—and for the 17 men of the Guam Combat Patrol whose job it was to hunt them down—the sniping, killing and dying did not cease until December 1948.

Between November 1944, when the patrol first was organized, and December 1948, when it was disbanded, the patrolmen and the stragglers shot, stabbed and grenaded each other in a hundred bloody battles around the island.

They fought in the darkness of the island's caves, along its murky jungle paths and in the muddy waters of its swamps.

As described by J. S. Tenorio—formerly a member of the patrol and now warden of Guam's penitentiary—the patrol's tactics were violently effective.

Tenorio said the unit was divided into two platoons, each composed of seven Guam policemen and a police sergeant. The unit's first platoon, he said, was led by Sgt. George Flores. The second was led by Sgt. Felix Wusstig. While on patrol, the platoons moved in single file, Tenorio recalled, each led by its sergeant.

A point man walked well in advance of the platoons, scouting the terrain and looking for footprints or broken brush left by Japanese. The patrol's commander—M. Sgt. Juan Aguon (later promoted to lieutenant)—walked behind the point man and in front of the platoons. A rear guard followed the platoons, watching for signs of ambush.

When the point man would report traces of Japanese, Tenorio recalled, the two platoons would swing around and form a single line facing the enemy.

When Japanese were sighted, he said, Aguon would signal to his platoon leaders the direction of the enemy and the volume of fire he desired.

After a withering volley of rifle and submachine gun rounds, shotgun slugs and grenades had cut the Japanese down, he said, the patrol would bury the bloody corpses and move on, looking for more stragglers.

According to John Wusstig, brother of platoon leader Felix and now captain of the Department of Public Safety's Fire Division, patrol members invented a novel method of disposing of Japanese bodies.

"One time," he said, "the patrol killed this guy in a rocky cliff area. There's no way we can bury him: the ground's too hard."

And, he said, the patrol could not cover him over with rocks, because "The only rocks around were small, what you call finger rocks."

So, he said, they stuck the body in a crevice, laid dynamite over the corpse, covered the mouth of the crevice with small rocks and ignited the dynamite.

As described by Tenorio, Wusstig, and other members of the patrol, the stragglers seemed, in a way, pitiable.

As the months grew into years, their rifles and ammunition corroded and their uniforms mildewed. The Japanese hunted with clips of U.S. issue .30 caliber ammunition, which they picked up in military dumps, and flapped through the jungle in baggy GI fatigues, which they stole from military clotheslines.

They looked and behaved more like beggars than soldiers of the emperor, the patrol recalled. Time and again, the patrol was able to destroy entire groups of Japanese because they slept or foraged without posting sentries.

The Japanese usually saw nothing more of their destroyers than muzzle bursts in the jungle murk and the sudden thrust of bayonets.

"Most of the time," Tenorio said, "The stragglers' grenades didn't work." And, he added, their four-shot rifles often would jam on the second round.

However, although the stragglers were poorly equipped and disorganized, they were quite capable of striking back at their pursuers, and sometimes Guamanians as well as Japanese died.

John Wusstig described one such incident:

"Before Christmas of 1947, a farmer heard someone walking around his ranch at night and saw a Japanese with a big machete.

"He abandoned his ranch and the next morning came into the Yigo police substation."

The Yigo police notified Aguon, according to Wusstig, and Aguon sent patrol members to investigate.

That evening the patrolmen tracked the Japanese to a rocky area in the cliffs on the coastline and saw a tin shack in which the stragglers lived.

The next morning, Wusstig said, eight patrolmen approached the shack around a high rock. But, he added, since the shack was high in the cliffs and commanded a view of the beach below, the Japanese had seen the patrolmen approach and had laid an ambush for them.

Since Antonio Manibusan was the point man that day, Wusstig said, he was the first one around the rock.

And he was killed instantly by a furious fusillade of Japanese rifle fire.

The fire was so hot, according to Tenorio, that the patrolmen had to leave Manibusan's body where it had fallen and slowly work their way back down the cliffs.

The next morning, after they had been reinforced by other members of the patrol Tenorio said they returned for the body and saw that the Japanese had smashed Manibusan's face with their rifle butts.

The patrolmen then made a sweep through the stragglers' campsite but, according to Wusstig, saw no Japanese. They destroyed the stragglers' tin shack, pounded holes in their cooking utensils and put up notices around the area, telling the Japanese in their own language that the war was over and that no harm would come to them if they surrendered.

Three to four weeks later, Wusstig recalled, members of the patrol—who camped out about a mile from the shack—saw three stragglers approach, waving white flags.

"I wanted to fire on them," Tenorio said, "but our officers were always very strict about observing the rules of war."

Armed or unarmed, according to Tenorio, the Japanese usually were very hard to capture.

"We catch this one (unarmed) straggler sleeping under a tree, up on Agana Heights. Ben Borja grabs him by the leg, but the straggler tries to get away. Borja has the guy by both legs, but the straggler tries to get away towards the river bank. Borja has him by one leg, and is hanging onto a tree branch, but the guy is still kicking, biting, spitting . . ."

After Borja pulled the straggler from the river bank, according to Tenorio, Felix Wusstig "takes the guy out on his (Wusstig's) back. The straggler bites Felix on his neck.

"After we get him out of the bush, we tie him up with rope."

The stragglers were hard to capture, Tenorio said, "because they just won't give up. They spit on you and kick you, but they won't surrender."

The straggler caught on Agana Heights, he said, was small and skinny. Yet, "He struggled against Ben Borja, who is a real big, stocky guy," Tenorio said as he spread his arms to show how broad Borja's shoulders were.

Tenorio recalled an incident in Barrigada-Mangilao in which 18 Japanese committed suicide rather than surrender.

The incident began, he said, with a farmer's report of a stolen bull.

Patrol members, according to Tenorio, were able to follow the stragglers' trail because of the "very terrible" body odor of the Japanese. They caught the stragglers in the boonies behind a log, butchering the carcass of the bull, he said. When Felix Wusstig shot their lookout man (posted in a tall tangantangan tree nearby) with a Thompson submachine gun, the rest of the Japanese fled, Tenorio said, and threw themselves from the top of a cliff.

All of these incidents—the murder of Manibusan, the capture of the unarmed straggler on Agana Heights and the attack on the 18 Japanese—happened during daytime, patrol members recalled.

However, according to George Flores, formerly a combat patrol platoon sergeant and now a fireman, since the Japanese often operated at night, so did the patrol.

"The Japanese ambush us during the day, when they can see us coming," he said, "but we set up ambushes for them at night."

In 1946, Tenorio recalled, the patrol received reports of stragglers in the Harmon area.

One bright, moonlit night, he said, he and other patrol members set up an ambush on the outskirts of the Harmon camp.

At about 9 p.m. they saw five Japanese come down the face of the hill and sneak into the dump from the side opposite the patrol, he said. They held their fire for about 10 minutes, he said, because the stragglers were wandering all over the dump.

However, he said as the Japanese grouped around a particular big pile of refuse about 75 feet away, the patrolmen cut them down with a withering volley of rifle fire.

Four of the Japanese were killed on the spot, Tenorio said, and one—badly wounded—ran toward the patrolmen, through them and collapsed on the ground behind them.

"It was a nice ambush," Tenorio said with a smile.

According to Mariano Cruz, now a police lieutenant, reports of stragglers and the number of kills tapered off as the years wore on, until 1947–48 they were few and far between.

Cruz said he participated in one historic event—the patrol's last kill, Christmas Day, 1948.

A straggler was sighted in Talofofo and the patrol was on the scene about 10 a.m.

Two stragglers were butchering a cow at their campsite while one stood beside a 52-gallon drum a few yards away getting water, Cruz recalled.

The patrol opened fire and killed the straggler who was drawing water, Cruz said. The other one escaped.

Ten young men—now middle-aged or deceased—squatted around the bullet-riddled body of the soldier they just killed.

If they felt any fear in pursuing the stragglers or disgust at the shattered body in front of them, it did not show in their faces. They were tired, but exhilarated.

"It was fun," Cruz said. "When I couldn't go out and hunt the stragglers, but had to remain behind a desk, tears dropped from my eyes."

Said Flores: "It was like hunting deer. Guamanians are good deer hunters."

"It was like a game of hide-and-go-seek," he said.

And, he said, the work was necessary if the island were to be returned to law and order. "If they (the stragglers) find you alone on your ranch, they kill you and steal your cattle and chickens."

Although some members of the patrol were mistreated by the Japanese during the occupation, they said pride in themselves and a desire to help their fellow islanders were more important motivations for their patrol work than hatred of the Japanese.

"Sure," Flores said, "they treated us like animals. They beat you if you didn't follow their orders." But, he said, he joined the patrol not because he hated the Japanese, but because he "wanted to work with the Marines and help them defend our land and lives."

MINIMUM WAGE LAW THREATENS FEMALE WORKING FORCE

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ALEXANDER. Mr. Speaker, after 3 months under the new minimum wage legislation, it appears that the domestic workers section is forcing many of those women who make up our Nation's female working force to abandon their jobs.

On May 14 I requested that the Department of Labor make a speedy assessment of the impact of this particular section of the law. I did receive assurance of such an assessment. However, it will not be published until 1976.

I hope that my colleagues will join me in urging Secretary Brennan to expedite the Department's analysis of the impact of the legislation that went into effect May 1.

I wish to share with my colleagues a letter from a working mother in Arkansas which probably best sums up the predicament of many of our working women:

JULY 21, 1974.

DEAR SIR: As a working middle-class mother of two, I have a complaint to register about the law passed in May allowing babysitters and domestic help to receive a $1.90 an hour. Do you know that this law is causing the majority of us to have to quit work?

Who can afford to give up all you make but $10 each month to your babysitter-housekeeper. Would you work for $10 a month? Besides this there are some of us only making $1.85 an hour as a receptionist (high school graduate) and you want us to give 5c more an hour to someone who never got further than the 3rd or 4th grade or age 16 anyway—some can't even read or write. This is ridiculous!

Take the children out you say? Well in the first place there aren't that many keeping children in their homes and they have only one to three capacity, they say. Further, with that little of an education what kind of housekeepers do you suppose they are? You know from all these government housing projects being ruined right and left that without training they will always live in filth, regardless of their wages. That's just more booze or boyfriend money—you haven't solve the problem. Would you subject your children to daily filth? Last, you might say how about nursery school? Well fine, except they don't take them until they are walking, pottie-trained, off the bottle, talking, etc. (age 3). Is my family supposed to starve until my youngest is age three so I can work again? Or should I have saved up until I could have afforded children and could stay home with them? (age 45 or more or never) How about these high standards nursery schools have to have before keeping children? I haven't heard anyone imposing these standards on these uneducated people you want us to take our children to each day. Why doesn't my husband make enough so I can stay home? Ever hear of a school teacher who did in Arkansas? He has all sorts of extra odd jobs, but he sure can't make the above dream possible and besides I like my work. (I also teach school) So you think I should have refrained from having children? Do you want all middle class to do this so all you have is these 14 and 15 year old reproducers having welfare children right and left for we teachers to try and educate. Pretty soon we'll have no middle class!

May I suggest that this bill be amended to read that domestic help but not babysitters get $1.90 an hour or limit the $1.90 an hour to people who hire and make above $21,000 a year themselves. This bill isn't helping the poor! The rich are just cutting down their hours and the middle class are having to quit work. Also may I suggest that an illegitimate child from a girl 16 or under be put in an orphanage? How can that girl support that child except on welfare? She isn't even out of school yet, and never will be with a child tied to her. All welfare babies mothers ought to be over 16 and one mistake for welfare compensation is enough! This is the only way to educate their morals; we aren't allowed to do that in school and they certainly don't get it at home.

"Equality in pay, jobs, sex, opportunities," they cry; "Equality in moral training, too," I answer. This makes me want to join women's lib. This bill is discrimination against the middle class working mother!

Thank you for letting me air my views. Please consider this letter and bring it up before the leaders of Arkansas.

Sincerely,

MRS. PHYLLIS A. STALLINGS.

SALVADOR HINOJOSA: OUTSTANDING SOUTH TEXAN

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DE LA GARZA. Mr. Speaker, the Brownsville Times, a sparkling and highly readable newspaper published in the 15th Congressional District of Texas, published in a recent issue an inspiring success story by Sam Huddleston.

The story relates in detail the rise of Salvador Hinojosa from a poor boy in Reynosa, Mexico, to the head of a thriving business concern in South Texas. Salvador Hinojosa, in the words of the talented Mr. Huddleston, "has tasted the full flavor of life, poverty, tears, hunger, love, prosperity and the pleasures derived from a devoted family."

I salute this living example of the fact that the Horatio Alger legend still lives in America. I am proud to insert in the RECORD for the benefit of my colleagues the Brownsville Times account of the life of a truly remarkable South Texas citizen:

THE SALVADOR HINOJOSA STORY: BAREFOOT PEDDLER FROM REYNOSA

(By Sam Huddleston)

Salvador Hinojosa was born real sudden-like in the village of Reynosa, Mexico where he learned to read, write and tie his shoelaces; the year was 1901. At six years of age he was out on the streets selling meat cuts from door to door. In the afternoons he took out a line of candies which were sold wherever crowds gathered; mostly at fiestas. Back in those long lost years this was known as a hard way to easy money. Salvador learned quickly how to translate a peso into how many tortillas and beans it would buy. The Hinojosas wore their barebound poverty like a badge of honor.

When Salvador was only nine his father died. As the oldest of five children he became head of the family. Three years of schooling was to become his formal education.

The Mexican Revolution forced the Hinojosas over to the safety of La Joya, Texas. Here Salvador got work in the cornfields for the staggering sum of $6.00 a month, which he promptly took home to Mama. There never seemed to be enough, the family at times was barely above the level of gnawing hunger. Since honesty was a family creed Salvador, who was a husky lad, gave his employer his best efforts. As a matter of fact he outhoed all the grown men who were getting three times his salary.

One day when temperatures were about the same as oven pre-heat for cornbread, the sun beat down on Salvador's neck like a branding iron. Sweat stung his eyes like acid. As usual he was ahead of all other field hands. When he reached the end of his row a boy had grown into a man. Salvador Hinojosa bared his soul and head to God and prayed that he might someday have his own business in great big wide and wonderful America. It wasn't going to be easy, not with a boy having only three years of schooling and no knowledge of English.

Any ordinary boy in similar circumstances would have resigned himself to the career of a field hand, but then Salvador wasn't an ordinary boy. Mama Hinojosa didn't raise any lazy children. Salvador never did give the word failure too much room in his thoughts. Mama Hinojosa met and married a La Joya farmer who made a good husband and father. He taught Salvador how to farm.

At 17 Salvador went to work in the gravel pits for $1.25 a day and saved his money. Next came a career as a section hand on the railroad which wasn't exactly like a yacht cruise on the murmurous blue gulf. He was still a day laborer, but Salvador hadn't given up on being his own boss. He kept haranguing the good Lord with his hopes. Eventually the Lord gave in . . . Salvador M. Hinojosa bought his first farm and made a bale to the acre. Chihuahua!!! A bale to the acre! The little barefooted meat peddler from Reynosa owned a farm . . . a piece of America. Pride oozed from his every pore.

In 1926 while Salvador was visiting in Kingsville fate guided his vision to a lovely senorita from Chihuahua. Her name was Marina and she had all the clean-cut loveliness of a cameo. She was as pretty as a trellis of red roses. All the steel-hard muscles and sinew in Salvador Hinojosa's anatomy went as soft as wet Kleenexes. He was in love.

According to Salvador the English language is wonderful when conducting business, but when one is in love he needs the Spanish language to express himself. The three simple words "I love you" just aren't enough. It's different in Spanish, the process of making love is long and beautiful with many words and poetry, plus music and the fragrance of flowers. He talked to the Lord about Marina and again the Lord gave in.

Salvador's next job was with Mission Oil Co. where he learned the value of speaking English. Eventually he picked up enough to call on the company's English-speaking trade. His English was pretty bad, in fact it was so bad it was comical. Customers laughed at his English. Salvador has a sense of humor and so he laughed with them. They liked him and his colorful language and so they bought his merchandise. In 1929 Salvador went into the grocery business in Donna and made a success of it. Later he opened a second store in Edcouch; this venture was also profitable.

In the meantime this couple was blessed with little ones. Life was good to the Hinojosas. They worked hard and their small business prospered. Then one day they were to know tragedy. Soprano angels sang their little four year old daughter to sleep. Through the years the household was blessed with ten more children whom Salvador probably valued at ten million dollars. Marina Hinojosa's family was a cohesive one dominated by church, motherly love, clean linens and wholesome fun. She and Salvador insisted the children come home immediately after school for snacks and hot chocolate. The older boys went on to help Salvador.

Salvador Junior, or Hector, as the family called him, reached maturity and fell in with Papa's business enterprises. They made a beautiful team, a father who had every confidence in his son and a son who had respect and admiration for his father. One day Hector told his father, "Daddy, remember you have a lot of boys. You need to expand so you can keep your boys together." In 1947 Salvador bought a small Mercedes packing house with a cousin, Ata Hinojosa. In 1950 he sold the Edcouch grocery operation and bought his cousin out. Later a second meat plant in Mercedes, which was floundering in the rough seas of bankruptcy, was added.

In February of 1955 Salvador Hinojosa lost his beloved Hector in a tragic plant accident. His grief was monumental; he was a broken man with a lot of broken dreams. The ensuing years were hard ones and sometimes debts were formidable. Perhaps Salvador dwelled too much on the memory of his lost son. Finally he realized it was time to stand tall and face the future. After all, there were nine other children to raise and educate.

Out of these two meat plants emerged the dynamic corporation known today as H&H Meat Products Co., Inc. All the dreams a father and his oldest son once had began to mature. Today the H&H Meat Products Co., Inc. occupies several acres on the freeway near Mercedes. There are over a hundred and thirty employees in an immaculately clean plant. Their territory runs from Brownsville to Laredo and north to Houston and their customers, including hotels, restaurants, schools, hospitals and supermarkets, are numbered into the hundreds. On any given day at H&H one may see trucks from Omaha, Kansas City, Dallas and other places. This is occasioned by the fact that the company has to buy raw materials from other packers due to the happy situation of sales running far above production.

One of the firm's most popular items is ground meat and hamburger patties. Other products are carcass cuts for the supermarket trade, smoked German-style sausage and numerous other items. H&H Chorizos, those spicy Mexican-style sauages, are an old standby with the family. When frying the aroma from these delectable little goodies will make saliva drip even from one's ears. The formula is a closely guarded family secret.

Still another product which has international acceptance in France, Belgium, The Netherlands, Japan and Mexico is H&H steaks. Bravisimo. They have the tenderness of a maiden's first kiss. One could cut them with a dull feather.

There is a plaque in the company's reception room which reads: "This building is dedicated by the sons to the original founder and developer of H&H Meat Products Co., Inc., Salvador H. Hinojosa. The strength of its steel and concrete is symbolic of our pledge to continue to serve our customers with quality and honesty, our community with devotion, and God with reverence. "Salvador, Hector, Liborio,' Jaime, Oscar, Rene, Ruben, Carlos."

Today five luminously likeable sons are associated with Salvador, each a department head who knows the business from cattle pens to the front office. It is said that some were tying chorizo sausages before they got off Pablum. Salvador Hinojosa has tasted the full flavor of life, poverty, tears, hunger, love, prosperity and the pleasures derived from a devoted family.

Some summer-soft day when crickets gently invade twilight's quietness, Salvador Hinojosa might stroll in the shadows. Perhaps his beloved Hector would walk slowly beside him in barefooted silence. On the sweet winds of memory these words might come back in whispered echoes: "Daddy, remember you have a lot of boys and you need to expand so you can keep your boys together."

DEAN JERROLD MICHAEL SEES HEALTH CRISIS AS OPPORTUNITY IN DISGUISE

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. MATSUNAGA. Mr. Speaker, there is absolutely no question but that America's health-care system is in a mess. We are constantly being reminded by prophets of doom who predict disastrous failures of our health-care system to measure up to its task.

Jerrold Michael, dean of the School of Public Health at the University of Hawaii, and a former Assistant Surgeon General of the United States, also sees the problems. In a commencement address which he recently delivered at Tulane University, he even listed them as five major issues which demand resolution in our health system. But Dean Michael is not a prophet of doom: on the contrary, he is a visionary who offers specific prescriptions for curing our illnesses.

I am convinced that Dean Michael's prescription for the health-care system—to restore a humanist approach—provides a solution which we as legislators need to consider seriously. I therefore submit his comments—which have been illuminated by his deeds—for insertion in the RECORD:

AMERICA'S CRISIS IN HEALTH—AN OPPORTUNITY DISGUISED AS A PROBLEM

(By Jerrold M. Michael)

Commencement speakers customarily tell the graduates that they stand on the threshold. The statement is as true as it is bromidic. In your case, there is a great deal more beyond that threshold than you may imagine. As health professionals you are in for a lifetime of delightful trouble—trouble which is in fact, opportunity disguised as problems, and you can settle for one of two things.

You can, if you wish, settle down to carry out the specialized work for which you have been trained. This in itself will be stimulating and rewarding, but if you have the stomach for it, there is a great deal more to do. You can also become heavily engaged in a great, difficult and vital reform—long overdue in America's health system. I urge you not simply to be specialists but also to become advocates and architects of a major overhaul of American health care; what you can achieve in this effort could well be of far more lasting value than your work in the narrower confines of your chosen specialties, rewarding and important as that may be.

What is involved may be summarized in this anecdote:

It is said that a woman approached a physician, saying, "Doctor, I hope you treat what I've got." To which the physician replied, "Madam, I hope you've got what I treat."

Although it overstates the situation, nothing could more brightly illuminate the extreme and undesirable fragmentation existing in America's health system today, whether it be in medicine, nursing, public health, health insurance or hospitals and other institutions. All the ingredients for a superb health system are in existence but at present they resemble a gigantic jig-saw puzzle that no one has yet put together properly.

A main observation that as an educator I can safely make is that for quite some years now, many of our health training institutions have been engaged in a vast and costly program of miseducation. This is because the rapid and continuing discoveries of health research, dating from about the 1920's, led our schools of health science to base education almost exclusively on the biological sciences—to the extensive exclusion of the human element. In medicine, sick persons become scientific problems to be solved through medical technology. In Public Health, populations became statistics in community epidemiology. In neither case did the health specialists necessarily see individuals or groups as humans with problems.

Further, the scientific emphasis of health education has encouraged an increasing majority of graduates to rush into specialities where they further lost sight of the human factor and concurrently were able to see and grasp only a fragment of a much broader problem. This applies with equal force to the surgeon in medicine as to the environmental health specialist in Public Health. These are just two of many possible illustrations, but the condition runs the gamut through nursing and medical technology, hospitals and insurance programs.

In the meantime, public awareness of the amazing discoveries of health research has heightened public expectations. The American people are fully aware of the billions of dollars in public funds that have been expended on successful health research; public expectations have been heightened and the public knows that it is not receiving the full quota of benefits of modern health knowledge. What we professionals know and can do is not being distributed either adequately or equitably. This state of affairs simply cannot be permitted to endure—first because the public will not tolerate it and, second, because we, as professionals, cannot live and work with this failure on our consciences.

So a health revolution is on the way—is, in fact, already begun. Like your chancellor, as a scarred veteran of 20 years in the U.S.

Public Health Service and now as professor and dean of the School of Public Health at the University of Hawaii, I believe there are five issues we must face to bring about a necessary and drastic change in our health system.

First and foremost, we must evolve a coherent and agreed on national health policy. This will require study, discussion, consensus— and some beating over the head— among the various constituencies which make up our health system: the private sector of medicine, the public health workers, the schools of medicine, public health and nursing, the professional associations, the hospitals and their administrators, the health insurance underwriters and officials at the local, state and national levels of government.

Aside from the fragmentation already mentioned, and largely due to it, one reason we do not have a coherent national health policy is that we do not have the data, the statistics, on which such a policy must be based. That particular lack was well expressed in 1972 at the Second Sun Valley Symposium on Medical Care and Medical Cure by Dr. Kerr L. White, professor of medical care and hospitals at the Johns Hopkins School of Hygiene and Public Health.

Dr. White's remarks were directed primarily at the financing problem but they are equally true for the total problem of assembling a basic data bank on which to base sound decisions governing the extensive restructuring of our entire health system.

Let me say that any genuine start on this basic requirement will be extremely more difficult than need be so long as the present national leadership continues to demonstrate a determination to repeat the 20th Century insofar as health, education and other social needs are concerned.

To date, just for a few examples, the incumbent administration has:

Impounded funds appropriated by Congress for health services, research and education

Virtually emasculated the U.S. Public Health Service

Sought to do away with Federal assistance to education in the health sciences

Added forms to be filled out by physicians and hospitals in place of action to improve the quality of health services

The expressed philosophy is that these matters can be tended to at the state level, financed in part presumably by a vague concept called "revenue sharing".

It won't work. For one thing, you don't have to be a political scientist to figure out what will happen at the state and local level to any federal revenues turned back to the states. The likelihood of such funds reaching health training programs is extremely remote.

More insidious, this approach could lead to a major fragmentation. I ask you to contemplate the chaos that would flow from having 50 separate health policies at the state level.

The present system is, I acknowledge, imperfect; but we cannot escape the fact that we must have national financing, national leadership and national coordination—with appropriate state input, of course—to evolve an effective, workable national policy.

The administration prides itself—and I think justly—on its achievements in foreign affairs. These accomplishments must receive their due recognition by all citizens. But when it comes to domestic concerns, although the President may have chatted with Chou En-lai in China, in the field of health at home he has not only failed, he has inflicted positive damage. This damage must be repaired and then as a nation we must move forward in unison on health policy.

A second major issue we must face is extensive reform in our institutions for training physicians, nurses, public health workers and other health professionals. We must, of course, continue to use the science and technology we have developed and through research continue to push back the frontiers.

But at the same time we must put the humanity back into health care, and the place to start is in the educational institutions. As David Rogers, former dean of medicine at Johns Hopkins and president of the Johnson Foundation, has put it, we must in training encourage our health professionals to consider their Good Samaritan role equally as much as their scientific role in the care of our people.

Simultaneously, and also starting in the schools, we must stress that our health system is, or should be, composed of two major elements—care and cure. All too often the emphasis is on cure of disease already contracted. But equally important is care, or prevention, which involves the full array of all components of the health field and which means frequent and relatively inexpensive access to health care for all our people.

As the Kaiser Foundation hospitals on the West Coast and in Hawaii have discovered—and as they practice—in the long run it is far less costly to head off or minimize disease and trauma in the first place than it is to treat the patient after he has fallen victim to serious illness or trauma.

A third issue to face is that those health professionals already in the field must change their thinking. I suggest, again, that the David Rogers "Good Samaritan" is a model on which far too many practicing professionals have not recently reflected. The brusque physician, the no-nonsense nurse, the statistics-distracted epidemiologist are figures all too familiar. They seem to have forgotten about humans.

In this connection, it has been pointed out quite correctly that a great deal of sickness is rooted in an individual's anxieties, frustrations and personal problems. If they have done nothing else, the psychiatrists have shown us that a good deal of illness is not bacterial or viral but psychosomatic. That an individual's physical illness may be mental in origin makes him no less sick than if the condition is the result of some molecular happening.

The meaning is clear. We must treat sick persons as individual humans and be concerned with the total person, not just the disease and its symptoms and the statistics of its occurrence.

Physicians, for one example, ought to be shocked speechless at their low standing in the public opinion polls. Where once the doctor enjoyed enormously high opinion among laymen, he is now seen as more concerned with Cadillacs than with cardiac arrest. The image is obviously not completely fair but that does not change the fact that it exists. I would be the last to deny the highly-skilled medical specialist his just material reward; I am simply saying that the negative image is largely of his own creation based on an assumed lack of genuine concern for the individual as a person rather than as a technical challenge.

A fourth issue of reform we must deal with is for the health professional to abandon his resistance to change. As mentioned, inevitably some form of compulsory national health insurance is on the way.

It has been brewing for years and its time has almost arrived. But the positive contribution of the health professions to shaping such a program has been almost minuscule. Instead, we hear endless arguments for the status quo and, from the doctors, scare stories about "socialized medicine" that will destroy the "sacred doctor-patient relationship."

I do not for one moment believe this country is headed toward an assembly-line, socialized medicine. Indeed, everything I have been saying argues to the contrary—an argument to put the individual back into the center of the health picture.

I do believe it is possible to provide a pluralistic approach to health coverage that will guarantee every citizen of this country proper care—preventive services when he is well and cure when he is ill. To achieve this will require the cooperative efforts of insurance carriers, economists, hospitals, physicians, public health officials, employers and employee groups and government. Surely, if we enlist our best minds to working for such a system we are creative enough to achieve it.

But if we, as health professionals, do not help, if we fail to act as advocates and architects, then the decision will be imposed without us by an aroused public acting through the national and state legislative bodies. If such a system is to be the best possible, then the input of health professionals must be a major ingredient—and that input cannot be based on outmoded, status quo thinking.

Meantime, as for the so-called "sacred doctor-patient relationship", I say that in all too many instances it has ceased to exist. It is a fiction too often resurrected by conservative practitioners—who know better—as a device to head off any change whatsoever. And again, as I hope I have made clear, one of my major concerns as a health professional is to strengthen that doctor-patient relationship, before the health field becomes exclusively science-oriented and impersonal. If the doom-sayers really believe in the doctor-patient relationship, then it is incumbent upon them to quit fulminating against progress and take affirmative action.

A fifth issue we must confront is the maldistribution of health professionals and the increasing trend to specialization. Throughout the U.S., the professionals have largely fled to the suburbs or to the more desirable portions of the metropolitan areas, leaving both the countryside and the core ghetto areas of the cities vastly under-served.

Insofar as specialization among physicians alone is concerned, here are some revealing—and discouraging—facts: in 1931 an estimated 75 per cent of all physicians in the U.S. were providers of primary care; family doctors, if you will, and although medicine was not as advanced then as it is now, far more people had direct access to it. But if present trends continue it is estimated that by 1980 only one-third of all physicians will fall within this category. To cap it, a recent survey of the graduating class of a major medical college showed that 38 percent of the graduates were planning highly specialized careers in academic medicine.

Although here I have focused on physicians, the trend is common throughout the health industry and a major mission for all of us is to attempt to reverse it.

As you may know, the School of Medicine at the University of Hawaii only recently expanded from a two-year school of basic medical sciences to a full, four-year M.D.-degree granting institution. I am happy to be able to say that the Univerity's School of Public Health and its School of Medicine work closely together and that Dean Terence A. Rogers and myself see eye-to-eye on the points I have been discussing. Dean Rogers, I might add, is a hard-nosed basic scientist but his discipline is liberally laced with humanitarian concern.

As a consequence, a major emphasis of our new medical school is to encourage graduates to enter the practice of family medicine and to disperse to the under-served rural areas of our state. One cannot, of course, dictate to a graduate of any health institution that he pursue a specific career, but we are making the effort to persuade the graduates of both our schools in the desirable direction so that health professionals will become increasingly closer to the people and so that they will see the problems in human as much as in scientific and statistical terms.

I might add also, that largely through extensive unionization of our work force plus the activities of the Kaiser Foundation and the Hawaii Medical Service Association, our equivalent of Blue Cross, the people of our state are one of the most thoroughly health-insured populations in the nation. Also, the recent session of the legislature wisely adopted a compulsory health insurance law providing coverage for members of the work force not previously covered.

I touch on these matters lightly to suggest that in the health field, as in other areas of social welfare, the state and local entities can provide the initiative without waiting on the federal government. But I must emphasize as I said earlier, the federal government nevertheless must play a major role of leadership and in financing health research and education.

Let me now conclude by borrowing once again from the thoughts of Dr. Kerr White:

"The health care industry today," he said, "is about at the same state of development as the railroad industry was after World War II. With the physicians and hospitals in control, it is a near-industrial monopoly. It has a complacent administrative style and a large, cumbersome and self-serving mechanism that does not encourage or even accommodate change."

"By contrast, what we need now is rapid re-development of the health care industry so that it can enjoy capital intensive economies of scale, exploit the great potential in technological advance and use the managerial skills and incentives that have brought progress to the United States . . ."

"The issue . . . . is now to establish rapidly in federal, state and local governments, universities and industry, institutions that will bring together first-class educated minds to conduct health care research and carry out analysis of the options before us and the implication of possible courses of action."

We know what has happened to the railroad industry since. The federal government through AMTRAK is making an underfinanced, half-hearted effort to restore good passenger rail service to the United States. The point is, we cannot afford to allow health care delivery to deteriorate further as the railroad did.

I am not at all certain that the changes we need can be made to occur all that rapidly. I think rather that it is a long-haul. Institutions and attitudes and the habits of men and women are not easily changed. So I leave you with that challenge and opportunity. You and others like you can, if you will, working from within, in time dramatically change the face of the health care system of the United States. The task is as noble as it is difficult—and what more could an individual ask in the way of an exciting and worthwhile career of service to humanity?

Aloha a me na' ho'o mai ka'i mai ke kula ola o ka lehulehu—Mahalo.

SOVIET DAY OF SHAME, SIXTH ANNIVERSARY: INDIGNITY TO ALL CAPTIVE NATIONS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ASHBROOK. Mr. Speaker, on August 21, 1968, the Soviet regime once again showed its disregard for the independent national existence of another country. On that date Soviet-led armies invaded Czechoslovakia, even though Czechoslovakia was under Communist leadership. Both the House and Senate condemned these actions.

This year will be the sixth anniversary of that day of shame. Unfortunately, it seems that many in the United States have learned little since those days. Under the rhetoric of détente, there has been little criticism by many in the executive branch of the barbaric practices of the Soviets.

It is only fitting that we recognize once again with sorrow and dismay the Soviet Day of Shame. The Czechoslovakia National Council of America has taken a firm stand in condemning these brutal Soviet actions. At this point I wish to include in the Record copies of several documents discussing this important issue. Their texts follow:

Czechoslovakia National
Council of America,
Chicago, Ill., August 21, 1974.

(A Non-Profit Organization Founded In 1918—Devoted to Promote Co-Operation of All Peoples for the Preservation of Democratic Freedom.)

Freedom Is Indivisible

On this sad occasion of the sixth anniversary of the brutal Soviet-led invasion and occupation of peaceful and freedom-loving Czechoslovakia, we American citizens of Czech, Slovak and Subcarpatho-Ruthenian descent, again remind the entire world of this Soviet violation of key principles of international law incorporated into the Charter of the United Nations:

The brutal Soviet aggression and occupation:

(1) Violated the sovereignty of a member state of the United Nations (Article 2, Section 1);

(2) Was carried out in violation of Article 2, Section 4, which prohibits the use of military force in the relations between individual members of the United Nations;

(3) Violated the principle of self-determination of peoples (Article 1, Section 2);

(4) Was in conflict with Article 2, Section 7, which prohibits outside intervention in matters essentially within the domestic jurisdiction of any state;

(5) Was in conflict with a number of resolutions of the General Assembly of the United Nations, particularly with Resolution 2131 (XXI) adopted at the meeting of December 21, 1965, upon the Soviet Union's own motion, prohibiting any intervention in the domestic affairs of any state and guaranteeing its independence and sovereignty.

The continued Soviet occupation of Czechoslovakia is another crime against the right of a small country to determine its own destiny and aspirations. The invasion was an intervention by the forces of reactionary communism to prevent the Czechs and Slovaks from establishing their own social order that did not endanger anyone and sought to contribute to the building of bridges across the discords of a divided world and to lend aid to a better understanding and cooperation among all nations on the basis of true progress and humanity.

The people of Czechoslovakia have not resigned themselves to these aggressive plans of Moscow. The day of August 21, is being commemorated in Czechoslovakia as a *Day of Soviet Shame* in a mighty and disciplined resistance against Soviet pressure. We are joining our friends in Czechoslovakia in asking the entire civilized world to support the people of Czechoslovakia in their effort to achieve "the withdrawal of Soviet troops from Czechoslovakia."

H. Con. Res. 718

Whereas the intervention in Czechoslovakia by the military forces of the Soviet Union, in 1968, contravened the independence of sovereign states and the Wilsonian doctrine of self-determination; and

Whereas such intervention is in violation of the United Nations Charter which states that "All Members shall refrain in their international relations from the threat or use of force against the territorial sovereignty or political independence of any state"; and

Whereas such intervention is further evidence of the perpetuation of colonialism as practiced by the Soviet Union; and

Whereas the agreement in Moscow between representatives of Czechoslovakia and the Soviet Union was reached under duress; and

Whereas the continued occupation of Czechoslovakia by the Soviet Union is another crime against the rights of the free people of a small country to determine their own destiny and aspirations; and

Whereas the people of Czechoslovakia are not resigned to the oppressive plans of the Soviet Union, and continue to resist and reject Soviet domination: Now, therefore, be it

Resolved by the House of Representatives (*the Senate concurring*), That it is the sense of the Congress that, with respect to the Soviet Union and those states which participated in the intervention in Czechoslovakia, the President should take such steps as may be necessary—

(1) to prohibit the extension of any Government trade credits or guaranties to any of the intervening states;

(2) to prohibit sales, either for dollars or local currency, and grants under any title of the Agricultural Trade Development and Assistance Act of 1954, to any of the intervening states;

(3) to suspend all commercial air traffic between the United States and the Soviet Union; and

(4) to express support for the people of Czechoslovakia (as they commemorate August 21, 1970, as the "Soviet Day of Shame") in their efforts to achieve the withdrawal of the troops of the Soviet Union from Czechoslovakia.

Sec. 2. It is further the sense of the Congress that the President, acting through the United Nations and other international organizations, should take such additional steps as may be necessary to end as quickly as possible the continuing intervention in Czechoslovakia by the Soviet Union.

Czechoslovak National
Council of America,
Cicero, Ill., August 30, 1973.

Secretary of State,
Department of State,
Washington, D.C.

Dear Mr. Secretary: Bearing in mind President Nixon's sentiments expressed in his inaugural address, in which he spoke of "an open world—open to ideas, open to exchanges of goods and people, a world in which no people, great or small, will live in angry isolation," the Czechoslovak National Council of America is taking the liberty of submitting documentation on human rights violations in Czechoslovakia.

The enclosed documents and supporting articles present only a few examples of the true situation in Czechoslovakia, where all the rights enumerated in the Universal Declaration of Human Rights are guaranteed by the Czechoslovak constitution. However, the facts speak for themselves: human rights are being violated in Czechoslovakia; political arrests, prosecution, interrogation, imprisonment, persecution, cruel and inhuman treatment are a daily occurrence. There is no freedom of thought, religion, assembly, information, association, education or emigration. The enclosed documentation bears out these facts.

Very respectfully yours,

Czechoslovak National Council of America,
Dr. V. Chalupa,
Secretary.
Professor F. Schwarzenberg,
Vice-President.
Dr. M. Ferjencik,
Acting Vice-President

Czechoslovak National Council of America.

Human Rights—Theory and Practice in Czechoslovakia

(Comments on the violations in Czechoslovakia of the "Universal Declaration of Human Rights" as proclaimed by the United Nations on December 10, 1948, solemnly accepted by the Communist regime of Czechoslovakia and "guaranteed" in its Constitution.)

Article 1 All human beings are born free and equal in dignity.

In Czechoslovakia this humanistic principle exists only on paper. In practice, the future of children is governed by a pure apartheid. Children of ordinary citizens are not equal to those born to members of the Communist Party.

Article 2 Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Freedoms of opinion, expression, religion and assembly, revived during the Prague Spring 1968, were abolished following the Soviet-led invasion of August 1968.

Exhibits: 1, 2a, 2b, 2c, 2d, 3, 3a, 3b, 4

Article 3 Everyone has the right to life, liberty and security of person.

There are no exact figures available to us of political arrests made after the invasion of Czechoslovakia; however, according to underground sources about 10,000 persons were arrested for political reasons in violation of article 3.

Exhibits: 2, 2a, 2b, 2c, 2d, 3, 3a, 3b, 5, 6, 7, 8

Article 4 No one shall be held in slavery or servitude; slavery is prohibited in all its forms.

In Czechoslovakia even a mild criticism of the Party regime may result in the loss of employment or relocation to a menial job. This places the great majority of the population in a condition of servitude to the regime. The whole country is held in slavery by the occupation forces of the Soviet Union.

Exhibits: 8, 11, 11a, 30, 30a, 30b, 30c

Article 5 No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

The cruel and inhuman treatment of those opposing communism has been well documented in many books and articles. We are enclosing documentation on the treatment of Ludek Pachman (Exhibit 8) as told by himself as well as other supporting evidence.

Exhibits: 2, 2a, 2b, 2c, 2d, 5, 6, 6a, 7, 3, 9, 10, 11, 11a, 12, 13

Article 6 Everyone has the right to recognition everywhere as a person before the law.

True but in Czechoslovakia the Communist Party is the accuser, the judge and the jury.

Exhibits: 2, 2a, 2b, 2c, 2d, 8, 9, 12

Articles 7 & 8 All are equal before the law and are entitled without any discrimination to equal protection of the law.

Refer to comment under article 6.

Exhibits: 2, 2a, 2b, 2c, 2d, 8, 9, 12

Article 9 No one shall be subjected to arbitrary arrest, detention or exile.

In violation of this article arbitrary arrests and detentions are practiced throughout Czechoslovakia. Some of those arrested have been handed over to the Soviet NKVD and exiled to Siberia. However, as far as exile to a Western country is concerned, the regime strictly complies with Article 9. Too many citizens would volunteer for such "punishment."

Exhibits: 3, 3a, 3b, 7, 8, 9, 10, 14, 15

Articles 10 & 11 Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal and everyone charged with a penal offence has the right to be presumed innocent until proved guilty.

In Czechoslovakia the political doctrine and instructions of the Communist Party are above the law. Judges must interpret the law to suit the purposes of the Party.

Exhibits: 3, 3a, 3b, 8, 9, 10, 12, 14, 15

Article 12 No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence and reputation.

Censorship of mail to and from foreign countries, mainly western democracies, and the tapping of telephones has been reintroduced in Czechoslovakia after the Soviet-led invasion and occupation of the country. A full confession must be submitted by all applicants for employment, higher education, passports, etc. The questionnaire must list all activities, details on family life, friendships, any contacts with foreigners, religious and political opinions, etc.

Exhibits: 5, 7, 10, 12, 14, 15, 16, 16a, 16b

Article 13 Everyone has the right to freedom of movement and residence within the borders of each state; everyone has the right to leave any country, including his own, and to return to his country.

In Czechoslovakia the right to freedom of movement within the country is restricted. The right to emigrate is denied to those of "working age" and to those subject to military duty. Permission to emigrate was granted in some instances to pensioners who were forced to forfeit their pension as a price for emigration. The right to visit friends or relatives in a western country is strictly limited, mostly to older persons. Visits of relatives who fled Czechoslovakia after the Soviet-led invasion of 1968 are now forbidden. By this decision the regime wants to force a greater number of exiles to return to Czechoslovakia under the 1973 amnesty law. The Czechoslovak government thus arbitrarily decides for the people concerned where they should live. It made no provisions for the reunification of families in the country of their choice.

Exhibits: 5, 6, 9, 10, 11, 11a, 12, 14, 15, 17, 17a 18, 18a, 19, 19a, 19b, 19c, 20

Article 14 Everyone has the right to seek and enjoy in other countries asylum from persecution.

The right to seek asylum in another country is denied to Czechoslovak citizens. Many of those who managed to leave Czechoslovakia after the Soviet-led invasion or those who decided not to return to Czechoslovakia from their assignment or vacation abroad—have been blackmailed by the regime. And when the regime cannot get satisfaction from the refugee, it often persecutes his closest relatives in Czechoslovakia.

Exhibits: 5, 6, 9, 10, 11, 11a, 12, 14, 15, 18, 18a, 19, 19a, 19b, 19c, 20

Article 15 Everyone has the right to a nationality. No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Everything has its price in today's materialistic Czechoslovakia, even nationality. Some refugees were given to understand that they could "legalize" their stay abroad by paying the regime up to $5,000 as "reimbursement for educational costs." Such payment theoretically entitles them to have their status changed from "non-persons" to "persons," with the right to visit Czechoslovakia or having relatives to visit them.

Exhibits: 18, 18a, 18b, 23

Article 16 Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and found a family.

Marriages to foreigners are subject to limitations. A permit issued by the Ministry of Interior is required and granted only when special conditions are met.

Article 17 Everyone has the right to own property alone as well as in association with others. No one shall be arbitrarily deprived of his property.

Following the Communist takeover in 1948 the Czechoslovak government nationalized, without compensation, ownership of land and of all means of production and distribution. Private ownership of property is limited to a two-family house. One family unit may consist only of two rooms and a bathroom. Building of private homes has been severely restricted. There is no private enterprise and opposition to the regime may result in the loss of any remaining private property.

Exhibits: 8, 9, 11, 11a, 12, 14, 19, 19a, 19b, 19c

Article 18 Everyone has the right to freedom of thought, conscience and religion.

The "Prague Spring" (1968) released the people of Czechoslovakia from the rigid Stalinist rule and gave everybody a chance to express his thoughts freely and practice his religion without fear. The Soviet-led invasion of August 1968 stopped this return to basic freedoms.

Exhibits: 1, 4, 19, 19a, 19b, 19c, 24

Article 19 Everyone has the freedom of opinion and expression; this right includes freedom to hold opinions without interference to seek, receive, and impart information and ideas through any media and regardless of frontiers.

This right is being violated by the regime through censorship of mail, books, magazines, newspapers and films. Only Party approved publications are sold to the general public. Radio programs of foreign stations are jammed, the public is restricted to controlled TV and radio programs, and receives information only to the extent permitted by the regime.

Exhibits: 13, 20, 22, 24, 25, 25a, 25b, 25c, 26

Article 20 Everyone has the right to freedom of assembly and association. No one may be compelled to belong to an association.

The right to freedom of assembly and association does not exist in Czechoslovakia. Everything is dictated by the Party, even membership in various professional, trade or youth organizations. There is only one Labor Union and its leaders are not elected but nominated by the Party. Attendance at meetings is obligatory. Nonmembership or nonattendance may result in the loss of employment or of the opportunity to pursue higher education.

Exhibits: 13, 21, 26, 27, 27a

Article 21 Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.

There are no free elections in Czechoslovakia. The electorate is presented with only one slate of candidates. There is no freedom of choice and very often not even freedom of privacy in a voting booth.

Exhibits: 26, 27, 27a, 28, 28a

Article 23 Everyone has the right to work, to free choice of employment, to just and favorable conditions of work and to protection against unemployment.

As has been stated in summary under Article 4—the Party controls the employment of the Czechoslovak people. Qualifications are recognized only when and if they are to the advantage of the Party. The economic life of the country is subject to Party's direction.

Exhibits: 8, 11, 30, 30a, 30b, 30c

Article 25 Everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing and medical care and necessary social services and the right to security in the event of unemployment, sickness, disability, widowhood, old age . . .

This article guarantees also provisions for old age, provisions to which the person, while employed, has been contributing his proper share. The Czechoslovak law does not provide for social security payments to persons who decided to emigrate. However, the regime insists on pension payments to persons who, after having lived abroad, decided to spend their old age in Czechoslovakia.

Exhibits: 20, 29

Articles 26 & 27 Everyone has the right to education and to participate in the cultural life of the community.

While basic education is provided, the right to higher education is denied. The applicant is not judged on merit but on the political standing of his parents, who are forced to approve of the Soviet occupation of Czechoslovakia. Views opposing the Party line deprive the applicant of higher education and participation in the cultural life of his community.

Exhibits: 8, 30, 30a, 30b, 30c

Article 28 Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

The Czechoslovak Communist regime does not recognize any social or international order that would benefit the individual. It accepts those orders only in such situations and instances where they benefit its own aspirations.

Based on the above analysis of the violations in Czechoslovakia of the Universal Declaration of Human Rights, it is recommended that, among others, the following postulates be included on the agenda of the Conference on European Security and Cooperation:

1. Relaxation of travel restrictions, free movement and contacts with persons and organizations of participating states.
2. Across-the-board meetings among young people, exchange of experiences gained at work and leisure.
3. Reunification of families.
4. Regular meetings for scattered family members.
5. Improved circulation of information (publications, radio, TV, films).
6. Improved access for students, teachers and scholars, from participating states to each other's educational, cultural and scientific institutions.
7. Encouragement of the study of languages and traditions of participating states.
8. Free exchange of experiences in teaching methods; support of adult education programs.
9. Encouragement of cultural cooperation in the fields of art, films, theater, music, exhibits, etc.
10. Full and true reciprocity in dealings among participating states.

Compiled and translated (as applicable) by: Mrs. Anna Faltus.

Comments: For the Foreign Affairs Research Committee of the CNCA: Mrs. Anna Faltus, Dr. Joseph Hasek.

REPEAL NO-KNOCK

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. KASTENMEIER. Mr. Speaker, the fourth amendment constitutional protection of all citizens against unreasonable searches and excessive police power has been seriously threatened by the lawlessness too frequently perpetrated by local, State, and Federal agents operating under the two no-knock statutes passed by the Congress in 1970, the Comprehensive Drug Abuse Prevention and Control Act and the District of Columbia Court Reform and Criminal Procedure Act.

Too often, the no-knock authority has increased the potential for violence and bloodshed, rather than decreased them. The chances of injury and death are quite real to both the law enforcement officer and the citizen involved in the no-knock situation. This is true particularly in cases of mistaken identity and addresses when the violence through terror raids done to citizens is outrageously unjustified.

We in the Congress have a duty to scrutinize the no-knock statutes and reexamine what has become the singularly most questionable police tactic this Nation has ever seen. The Senate, last month, voted by more than a 2-to-1 margin, to repeal the no-knock provisions. I hope the House will have the opportunity to express its will on no-knock and that it will concur with the Senate action.

Mr. Speaker, I would like to call to the attention of my colleagues an August 1, 1974, Wall Street Journal editorial which recommends the repeal of the no-knock authority:

[From the Wall Street Journal, August 1, 1974]

"NO-KNOCK" AS A SYMBOL

In voting to repeal the "no-knock" provision in the federal drug laws, allowing narcotics agents to forcibly enter homes or offices without identifying themselves, the Senate was responding to the reality of the no-knock situation. The reality is that the provision was little used, and when it was, it was sometimes used against innocent people. But there was more to the Senate vote than that. Several of the symbols no-knock was supposed to stand for are perceived quite differently now than they were when the measure was adopted in 1970.

No-knock was sold to Congress and the American people as a law-and-order administration's no-nonsense response to drug pushers, those whom President Nixon described as "traffickers in living death . . . literally the slave traders of our time." Allowing agents to barge right in, without having to identify themselves or cool their heels outside while suspects disposed of incriminating evidence, would drive another nail in the drug pusher's coffin. Or so it was promised.

But it never quite worked out that way. And as a Journal news story recently noted, the administration finds it hard to defend its early law-and-order measures in part because of the unusually large number of first-term officials in jail or under indictment. Moreover, the nation has become somewhat more sophisticated about the drug menace during the intervening four years.

Drugs remain a source of concern and they still destroy body and soul. But most adult Americans are now able to make distinctions between heroin and marijuana, and few younger Americans any longer glorify drugs as merely pleasant diversions—not after a good many counterculture kids and their idols destroyed themselves trying to prove otherwise. Pushers still ply their deadly merchandise, but their clientele is now largely social misfits rather than naive thrill-seekers.

The Senate vote was not intended to make it easier for pushers but to still the growing concern over invasion of privacy. Federal and state governments have increasingly engaged in electronic surveillance and are busy amassing data banks to store personal information about millions of individuals. Even bank accounts are no longer off-limits to the privacy invaders.

Needless to say, every such encroachment is explained on grounds of national security—an explanation that has subtle appeal, since almost everyone can think of conditions of national security which might justify extra-legal measures. But it's well to remember that national security is often invoked merely to justify taking shortcuts with the law. Several prominent Watergate conspirators have reminded us anew how easy it is, when blinded by worries about national security, to lose sight of those individual rights that national security is meant to protect.

The Senate vote seems to be aimed at slowing down these abuses, at least to the extent of repealing one of the most viable symbols of abuse. The House is said to be undecided about repeal, but there's no reason to suppose its members are any less concerned about the steady encroachment upon individual privacy. While it isn't usually the nature of government to repeal ineffective or unworkable laws, no-knock would seem to be a good place to make an exception.

AMENDMENT TO H.R. 16090

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. BROWN of Ohio. Mr. Speaker, today the House Rules Committee adopted a modified closed rule providing for the consideration of H.R. 16090, the Federal Election Campaign Act Amendments of 1974. The effect of this rule is to exclude an amendment which I hope to offer to that bill. When the rule is considered on the floor, I will support a move to defeat the previous question on the rule, so that an amended version of the rule can be adopted. I would support a rule which would allow me to offer my amendment. In anticipation of this occurrence, Mr. Speaker, I am putting in the RECORD the text of my amendment, so that Members may have a chance to read it thoroughly and so that I will be assured 5 minutes to present my case to the House as provided under rule XXIII, clause 6, if the amended rule should be adopted.

My amendment would require that candidates for Federal office, or any political committee acting on behalf of the candidate, could accept campaign contributions only from individual contributors or political party organizations.

The amendment would still allow political committees for organizations such as labor union members, business or professional groups, to collect voluntary political contributions from their members, but would require that in order for a candidate or committee designated by the candidate to accept such contributions that they be designated for his campaign by the original individual donor. Such member contributions not so designated could not be given to any political candidate for Federal office or any committee acting on behalf of such candidate.

The amendment follows:

Amendment to H.R. 16090, as Reported, Offered by Mr. Brown of Ohio

Page 4, immediately after line 8, insert the following:

"(7) No candidate or any political committee acting on behalf of such candidate may knowingly accept any contribution from any political committee, other than from an individual or from a local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971, unless (A) such political committee making such contribution is acting as the agent of an individual contributor, (B) the individual contributor designates such candidate or any political committee acting on behalf of such candidate as the recipient of such contribution, and (C) the identity of the individual contributor is furnished by the political committee making such contribution to such candidate or the political committee acting on his behalf which receives such contribution. No undesignated contribution which a political committee receives from an individual contributor may be made by such political committee to a candidate or any political committee acting on behalf of such candidate."

LOCAL CITIZEN TESTIFIES ON HIS DEEP LOVE OF NEW RIVER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. MIZELL. Mr. Speaker, from 1911 to 1953 North Carolina was ably represented in the U.S. Congress by Representative Robert Lee Doughton. For some time Mr. Sidney Gambill served as his Administrative Assistant. Mr Gambill has now retired and lives on a farm near the New River in North Carolina.

He has a deep abiding love for this area and I would like to insert the text of his remarks before the House Interior and Insular Affairs Subcommittee on National Parks and Recreation on the legislation which will provide that a section of the New River in North Carolina and Virginia be studied for possible inclusion in the National Wild and Scenic Rivers System:

Statement of Sidney Gambill

Mr. Chairman and other distinguished members of this Subcommittee:

My name is Sidney Gambill. I am a retired tax attorney.

I was born and raised on a farm less than two miles from the South Fork of New River, less than two miles from the North Fork of New River, and less than two miles from the point where these two rivers join to form the New River. The land on which I was born and raised was granted to my great-great grandfather, Captain Martin Gambill, for his services in the American Revolution and for the wounds he suffered at Kings Mountain.

After studying law I came to Washington to serve as Administrative Assistant to the late Congressman, Robert L. Doughton, who represented our district—now Congressman Mizell's district—for 42 years and who was Chairman of the House Ways and Means Committee for many years. I left his office to go to the Internal Revenue Service where I tried tax cases for eight years. I then joined the law firm of Reed, Smith, Shaw & McClay in Pittsburgh to handle tax cases for that firm where I spent 25 years. Although everyone, everywhere, was more kind and generous than I deserved, I was, all the time, homesick for New River. At the first possible date for retirement permitted under our firm's partnership agreement, I gave notice of my retirement and returned to the place of my birth, to me the finest place on earth.

When Senator Ervin described the river and its valleys on the floor of the Senate last week as "one of the most beautiful pieces of Almighty God's handiwork on Earth", I completely agreed. I don't want to see it mutilated by any two-dam pump-back hydroelectric system with its more than 200 miles of insect-infested and stinking mud flats. I don't want to see 3,000 of my people living up and down the river and its valleys uprooted and pushed out of their homes. We in our wasteful nation are leaving a lot of heavy burdens for future generations to bear. Let's leave one wonderful thing for them to enjoy—New River in its natural and unpolluted state.

When President Eisenhower acquired his Gettysburg farm he said his greatest ambition in life was to own some land and leave it better than he found it. Congressman Doughton was known as "Farmer Bob". He loved the good earth and left his portion better than he found it. He loved New River and was heard to say he must have forded it a thousand times on horseback before he was elected to Congress.

I, too, want to leave my acres better than I found them. As a heritage for my two children I have planted more than 500,000 white pine trees. I hope none of them are submerged by the upper reservoir proposed by Appalachian. I also hope my children will remember the national award I received for my forestry practices.

Most of the people up and down New River and its valleys are descendants of pioneers who settled there around the time my great-great grandfather settled there. They, too, love the land and have been good it it. These people are clear-eyed, patriotic, brave and law-abiding. They suffer in silence, but are really suffering down deep inside because of the prospect of having to leave their home and start life all over again in strange places. They pay their taxes, trust their government, and believe that right will prevail and that somewhere, somehow, the merits of their case will get to the right place for the right action. Naturally their ears are tuned to these hearings today.

Appalachian Power Company has been very busy in attempting to confuse the people concerning the legislation we are here discussing. Appalachian has solicited the assistance of real estate agents, house movers, bulldozer owners, and any other who might temporarily benefit from the forced relocation of our people and the construction of the dams. Petitions they have sponsored may show up here today.

Appalachian says it has already spent a lot of money for engineering and the purchase of land.

It is true that, beginning with the filing of its application for a license in 1965, it has purchased the properties of several property owners along the river. Appalachian has acted as if it had a license in its vest pocket and at times, we of the opposition, suspected that it might be true. But we have little sypmpathy with the company's complaint. Land prices have more than doubled in the last three years alone and Appalachian could sell its real estate for a handsome profit. Besides, it is obvious that all real estate purchased by Appalichian would be in its investment account and a fair return would be in its billings to its customers.

In any event, experts now say the pump-back system will soon be outmoded. There is some extravagance somewhere when the Blue Ridge Project would use three kilowatts of electricity from other plants for each two it would produce.

The principal farm income of the three counties affected by the proposed Blue Ridge Project is from beef and dairy cattle and burley tobacco. Winter feed for the livestock is grown in the fertile river and creek valleys and the uplands are used for grazing. The reservoirs would cover the bottom lands and it would be practically impossible to fence into and around the mud flats surrounding the main reservoirs and the fingers surrounding those reservoirs. Burley tobacco is air-cured in barns. When November and December have a lot of rain and fog, tobacco now rots in the barns which are near the river. Tobacco-growing experts say that fog and dampness from 38,000 acres of water could cause much of the tobacco raised in the three counties to rot in the barns.

Senators Ervin and Helms stated in the Senate debate on this legislation last week that the Scenic River Bill had the unanimous support of North Carolina's elected officials at all levels of government. The Blue Ridge Project has been opposed by all the leading newspapers in North Carolina and not a single newspaper has favored it. It has been opposed by the Upper New River Valley Association, the Northwest Development Association, the Woman's Clubs of North Carolina, the Izaak Walton League, the Conservation Council of Virginia, the Friends of the Earth organization, Daughters of the American Revolution, and other groups. The *Winston-Salem Journal* was awarded the Pulitzer Prize for it writings in opposition to this and other projects unfavorable to the ecology. Both houses of the North Carolina Legislature, during two different sessions, passed resolutions condemning the Blue Ridge Project. The opposition to it has been completely non-partisan.

Thus it seems that just about everybody agrees with us that New River should be saved for future generations—just about everyone except a few petition-carrying people who want some temporary gain from its destruction.

If only one river east of the Mississippi should be included in the scenic river category, it definitely should be the New River. It is historic, it is clean, it is scenic, and it is *irreplaceable*—and flows by the homes of some of the finest people to be found anywhere.

CAMPAIGN REFORM AMENDMENTS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. MICHEL. Mr. Speaker, I have several amendments which I may offer to H.R. 16090 when it is considered by the House on Wednesday, and as required, I am bringing them to the attention of my colleagues at this time:

Amendment to H.R. 16090, as Reported, Offered by Mr. Michel

Page 12, line 4, strike out the quotation marks and the period following the quotation marks, and immediately insert the following:

"§ 617. Limitation on in-kind contributions.

"(a) No person (other than a political party committee) may make a contribution to or for the benefit of any candidate in excess of $100 except in the form of a check or other written instrument identifying the person making the contribution.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.".

Page 12, line 11, strike out "and 615", and insert in lieu thereof "615, and 617".

Page 12, strike out the quotation marks and the period following the quotation marks at the end of the matter following line 14 and, immediately before line 15, insert the following:

"617. Limitation on in-kind contributions.".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. MICHEL

Page 30, line 8, after the phrase "each of clauses (B) or (D)" insert the following: "shall be considered to be a contribution for the purposes of the reporting provisions of section 305 of this Act and"

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. MICHEL

Page 32, line 8, after the phrase "each of clauses (D) or (E)" insert the following: "Shall be considered to be an expenditure for the purposes of the reporting provisions of section 305 of this Act and".

TRIBUTE TO SAMUEL NEMZOFF

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. DRINAN. Mr. Speaker, on June 9, 1974, Samuel A. Nemzoff retired after being principal of Temple Israel religious school in Boston for 32 years. Known for his kindness and ability as both a teacher and principal, Samuel Nemzoff will be sorely missed at Temple Israel and the Jewish community. According to Jonathan Ramin, a student at the temple, Mr. Nemzoff has "been a symbol of goodness and diligence in many of his students' lives."

Well-known for many years for his educational activities in the Boston area, Si Nemzoff has received many awards and much recognition, including most recently the Jewish Advocate's "Carnation." I commend to my colleagues the following testimonial to the life and achievements of Mr. Nemzoff which appeared in the May 30, 1974, Jewish Advocate.

The article follows:

SAMUEL A. NEMZOFF

Every temple seeks to plant the seeds of scholarship within its Religious School. Out of this fertile soil come the young men and women who nourish Judaism with continuing commitment. The person who creates the Religious School curriculum, chooses the teaching staff, guides, directs and inspires is the vital link in the chain of continuity. At Temple Israel, Boston this person is Samuel (Si) A. Nemzoff, who has been the principal of the Religious School for 32 years. He will be honored with a special program, reception and party on Sunday, June 9, from two to five, on the occasion of his retirement. The entire Temple Family and all of his friends are invited to the party.

Under Si Nemzoff's leadership, the Temple Israel Religious School has not only kept pace with the latest advances in the field of Jewish Education but has often pioneered in new directions. Mr. Nemzoff established the Temple Israel Hebrew School; the Post-Confirmation Program; the Youth Program; the Student Council; the integration of an art program with congnitive subjects and, most recently, an audio-visual program.

His contributions to the field of Jewish Education were recognized by the Central Conference of American Rabbis, the Union of American Hebrew Congregations and the National Association of Temple Educators when he was awarded the degree of Honorary Fellow in the field of Jewish Education.

A graduate of Harvard College and its Graduate School of Education as well as the Graduate School of the University of Southern California, Mr. Nemzoff was Master of History at Boston Latin when he was appointed principal of Temple Israel Religious School in 1942 during the rabbinate of the late Joshua Loth Liebman.

He has been lecturer in history and pedagogy at the Adult Extension Classes of Hebrew College; director of Camps Chebacco and Tel Noar, Zionist Adult Camp; president of Camp Yavneh; chairman of the Camp Education Committees of the New England Zionist Youth Commission.

He has been president of the National Association of Temple Educators; a member of the Commission on Jewish Education of the UAHC; a member of the board of trustees of Hebrew College in Brookline. He has written many articles, published Teacher's Syllabus for Grade 8, "Confirmation Sampler," and "Guide to Personnel Practices for Temple Educators." He has also lectured at Brandeis, Tufts and Harvard Divinity School.

The walls of Mr. Nemzoff's study at Temple Israel are lined with confirmation class pictures attesting to the passage of time and the years of dedication. Looking across his desk and at these pictures, he proudly recalls that three ordained rabbis and four student rabbis came out of his classrooms; and that several of his present undergraduates are now planning to enter the rabbinate. He remembers the five Religious School principals who used to run through his halls and two former teachers who are now consultants in Jewish education.

At home, Si is husband to wife, Frieda, and father of two daughters; Mrs. Alan I. Josephson of Providence and Mrs. Harris A. Berman of Nashua, both in the field of education and both married to physicians.

ACTION NEEDED TO STEM INFLATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mrs. SCHROEDER. Mr. Speaker, last week I received a petition signed by hundreds of Colorado citizens demanding that Congress take some action regarding the state of economy. I would like to share with my colleagues the text of this petition:

We, the undersigned, as American Citizens, as voters and residents of the State of Colorado urge you to act immediately on the problems that face this country. The drastic high cost of living that is affecting the economy of our Country is tremendous, to say the least. The American people are feeling the pressure of the steadily high rising prices that are hitting this country, in food, clothing, rent, utilities, etc. The present administration's economic advisors call this inflation, but we the people call it highway robbery. It is ridiculous to go to the grocery store and see the price of each item increase between 15¢ and 20¢ per week. Not even our dogs and cats can eat because the food for them has been getting very expensive. The working man is working only to eat and the poor old age pensioners if they eat cannot pay their rent, if they pay their rent, they can't eat on $167.00 per month. We would like to have you people in Washington live on $167.00 a month. We believe you people in Congress and the Senate can quit patting Nixon on the back and start doing something about the economy. You come back many times to your states and tell us all how horrible Nixon is, but do nothing about it, and we think it's time you members of Congress and Senate stop talking so much and start doing something about all these problems. You owe it to the people of this great country of ours.

Mr. Speaker, the signers of this petition are right. They realize that the present administration is not about to do anything about the economy, except make occasional empty speeches, and they have turned to us, as their closest representatives, for help. As I have stated several times over the past 2 weeks, the blueprint for action is before us. The recommendations made by the Democratic Steering and Policy Committee need to be enacted. I join my constituents in urging action on this most pressing matter.

LITTON INDUSTRIES PERFORMS POORLY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ASPIN. Mr. Speaker, an internal Navy investigation charges that Litton Industries landing helicopter program will be delayed at least 44 months—a year longer than previously estimated.

In addition, Navy officials have told my office that the last ship of Litton's other big shipbuilding program, the 30-ship DD-963 destroyer program will be held up at least 18 months.

Mr. Speaker, this disclosure is new and convincing evidence that Litton's performance in these contracts has been downright pathetic. I thought the original 32-month delay was the longest possible scheduled slip. Now we learn that Litton's problems are worse than I imagined—so bad that the program has slipped another year.

The delays are caused by an inadequate and inefficient labor force at Litton's so-called shipyard of the future in Pascagoula, Miss. The labor problems have been compounded by difficulties in operating a new shipyard using entirely new methods.

The cost of each LHA has increased from $153.4 million per ship to $228.2 million per vessel. Similarly the cost of each DD-963 has increased from $86 million per ship to $107.6 million for a total of $3.2 billion. At present Litton is attempting to obtain an extra $400 million in the LHA program and $350 million on the DD-963 program. These new delays will ultimately increase the cost of the ship above these current estimates.

Any further delays will increase labor costs since men will have to work many more years than originally planned on these ships.

And of course, material cost increases and inflation will boost the price tag even higher.

Mr. Speaker, I am asking the General Accounting Office to attempt to find out exactly what impact these delays will have on the final cost of the ships. It will be very useful both for the Navy and the Congress if GAO independently investigates the cost of Litton's contract. With the program in such deep trouble there is a real temptation on the part of the Navy to fool and delude itself and the Congress into believing that the cost will not increase by much.

I am also calling upon the Navy today to drastically cut the DD-963 program to avoid another procurement disaster rivaling the C-5A. Canceling some of the ships will avoid lengthy delay and huge cost overruns. Cancellation of some of the ships will be one way to show defense contractors that this kind of performance will not be tolerated. If more and more defense contractors get away with this kind of thing, eventually every defense contractor will line up for bailouts or rewards for poor performance and cost overruns.

SENATE—*Tuesday, August 6, 1974*

The Senate met at 11:30 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God our Father, eternal and unchangeable, in whom alone we can find help for each new day and hope for every tomorrow, help us now that we may comfort ourselves as Thy true servants, ever faithful to our high calling. In troublous times when painful decisions are required, grant that we and all the people of this good land may be conscious of the enduring moral and spiritual laws which Thou hast ordained, obedience of which leads to light and life, disobedience of which leads to darkness and death. Impart to us a measure of the spirit of the Master, that we may possess compassion and strength, kindness and firmness, hate of sin but love of sinners, faithfully doing Thy will even to the pain of the cross. Since we know not what a day or a moment may bring, grant us grace to be true to truth and true to Thee, for Thy kingdom's sake. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 6, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, August 5, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1021 and 1030.

The ACTING PRESIDENT pro tempore. The clerk will state the first measure.

SUSPENSION OF DUTIES ON CERTAIN FORMS OF COPPER

The Senate proceeded to consider the bill (H.R. 12281) to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper, which had been reported from the Committee on Finance with an amendment, on page 2, beginning with line 4, insert:

SEC. 3. (a) Notwithstanding the provisions of section 334 of the Internal Revenue Code of 1954 (relating to basis of property received in liquidations), no adjustment to the basis of any property distributed in complete liquidation of a corporation prior to July 1, 1957, shall be made for any liability if—

(1) the distributor and distributee did not consider the liability relevant to the value of the stock with respect to which the distribution was made,

(2) the distributor and distributee reasonably relied upon a decision of a United States district court specifically adjudicating the amount of the liability and its affirmance by the appropriate United States court of appeals, and

(3) the amount of the liability so adjudicated was no greater than would be compensated for by insurance.

The provisions of this section apply without regard to whether such decision was subsequently reversed or modified by that United States courts of appeals following distribution of such property in complete liquidation.

(b) To the extent that the liability described in subsection (a) is not compensated for by insurance or otherwise, the amount thereof shall be allowed as a deduction under the appropriate provision of the Internal Revenue Code of 1954 for the taxable year in which payment thereof was made and shall be effective in determining income tax liabilities of all taxable years prior thereto.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper, and for other purposes."

ADDITIONAL COPIES OF HEARINGS AND FINAL REPORT OF THE HOUSE COMMITTEE ON THE JUDICIARY

The concurrent resolution (H. Con. Res. 566) to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry, was considered and agreed to.

"GIANT PATRIOT"—MINUTEMAN II AT-SITE-TESTING PROGRAM

Mr. MANSFIELD. Mr. President, as my colleagues in the Senate know, I am very much opposed to the "Giant Patriot"—the Minuteman II at-site-testing program, and I was delighted the Senate-House conference has deleted this item from the military procurement bill.

In recent months there has been considerable information coming to my attention about the inconsistencies in the information being released and being circulated by the representatives of the Department of Defense. Questions about the public relations effort underway have been raised from time to time by the Missoulian, published in Missoula, Mont. The Tuesday, June 18, issue contains an excellent summation of the conflicting material being circulated about the purposes and need for the Minuteman II tests.

I ask unanimous consent that this editorial from the Missoulian be incorporated at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Missoulian, June 18, 1974]

MISSILE TEST STATEMENT MADE BY FORKED TONGUES

This week in Washington, House and Senate conferees are expected to decide whether the Giant Patriot Minuteman II missile tests at Malmstrom Air Force Base near Great Falls will be funded or not.

The House has approved spending money for the tests. The Senate has denied funds. The conference committee, composed of defense appropriations committee members of both houses, will compromise differences in the bills each house has approved. If the conference committee decides to fund the missile tests, both houses normally would go along. The tests then would take place, starting this winter.

And if the tests take place it will be a triumph for lying, double-talk, wastefulness, confusion and silo-rattling. Here are some of the things supposedly informed officials have said about the testing program:

1. "Both men and equipment will be tested in circumstances that approach as closely as possible a wartime situation. The Department of Defense believes that tests under these conditions will greatly enhance the level of confidence we may have in the men and the equipment involved."—Stan D. Anderson, acting assistant secretary of state for congressional relations, in a letter to Rep. Dick Shoup Feb. 26.

"It should first be emphasized that the tests are not designed as training missions nor are they planned to check out or validate maintenance or combat crew procedures."—Maj. Gen. M. L. Boswell, USAF, director, legislative liaison, Department of the Air Force, in a letter to Sen. Mike Mansfield, Feb. 7.

2. "Our Minuteman missile, the mainstay of our ICBM force, has never been flown from an operational base to target impact. For these reasons, we feel it is time to conduct such a launch to demonstrate to our friends and potential adversaries that the Minuteman II system has the deterrent capability we seek."—Air Force Capt. Olson of the Strategic Air Command, at a public hearing on the missile tests in Helena, March 14.

"The purpose of these tests is to demonstrate unmistakably the deterrent capability of the Minuteman force."—Air Force draft environmental impact statement on Operation Giant Patriot, February, 1974.

". . . but we did not purposely associate it (the missile testing program) with the SALT talks and we would rather, I think, keep it disassociated in the sense that we are after certain technical assurances here rather than making a strong demonstration to someone else."—Dr. John L. McLucas, secretary of the Air Force, Department of Defense Appropriations for 1975, hearing before the House Appropriations subcommittee on the Department of Defense, Jan. 28.

3. "From 1965 through 1968, four limited range test launches were conducted with modified missiles containing only seven seconds of propellant and capable of a mile of flight. That program proved unquestionably that tests of actual missiles could be conducted safely in the operation base environment."—Capt. Olson at the public hearing in Helena, March 14.

"There were four attempted launches in the seven-second launch program. One was completely successful. Three were unsuccessful."—Capt. Kenneth A. Kissel, missile operations staff officer, Space and Missile Systems Branch, Strategic Division, Deputy Chief of Staff, Plans and Operations, at the House defense subcommittee hearing cited above.

4. "The Giant Patriot concept purposes a series of eight Minuteman II launches, four in the winter of 1974–75 and four the following winter." Capt. Olson at the public hearing in Helena, March 14.

Mr. Mahon (Rep. George H. Mahon, D-Tex., subcommittee chairman)—"The Air Force testified that this program will be a continuing one and will eventually include Minuteman III launches."

Secretary Schlesinger (Secretary of Defense James R. Schlesinger)—"Yes, sir."

Mr. Mahon—"In other words, this is a program we have postponed over the years and now want to begin and continue?"

Secretary Schlesinger—"That would be my recommendation, Mr. Chairman."—Exchange at the House subcommittee hearing cited above.

"I now make the assumption that we would probably be over here (before Congress) on a more or less continuous basis to have some number of launches, either four or something approximating that, year after year to assure that we are maintaining a high state of readiness."—Secretary of the Air Force McLucas at House subcommittee hearing cited above.

5. "Our first action is to do detailed site surveys not only of the area where the launches are, but down in the areas where the first stages and the interstage panels are going to land in northern Idaho. What we will do then is, we plan to take the areas where these pieces will land and back up and make a selection of launch facilities from those in the safest possible areas we can. Once we have done that, we will be able to say exactly what areas these pieces (of missile) are going to land in and exactly what is the terrain." Capt. Kissell at the House subcommittee hearing cited above.

"We want to be able to discover to what degree the operational accuracies that we have inferred from launches on the western test range will be reproduced from operational silos. We are hopeful that the results will be very close. But until we have actually done that, we will not know. We have to live on the basis of hope."—Defense Secretary Schlesinger at the House subcommittee hearing cited above.

6. "The officers said they could not comment on the success of the previous tests since that data is classified information, but they did say the tests have shown the missiles are 'very accurate.' "—Missoulian story Jan. 17 of Air Force officers briefing the Missoula Rotary Club on the Minuteman II tests.

"My determination to jolt my leaders into constructive action was strengthened when I found that reports on the Minuteman II accuracy had been misleading. To me, this was the last straw in irresponsible behavior. As in the past, reports and briefings on the missile's accuracy emphasized that outlook, was for 'outstanding' Minuteman II accuracy. The primary indicator of accuracy was CEP or Circular Error Probability. The primary CEP was demonstrated graphically by plotting test war head impact points on a target of concentric circles about the central aim point. The graphic displays looks just like rifle targets used in shooting matches, and a tight grouping of shots near the bullseye was the objective. In one of the briefings I received in the Minuteman control room at Norton Air Force Base, I noticed that the Minuteman II test shots showed a tight grouping all right, but that all missed the bullseye by a startling margin. The test results depicted precision but not accuracy, just like a rifle which shot consistently high and to the right. Furthermore, the number of impacts plotted was far less than the total number of test shots. The Minuteman management people were counting only the relatively good shots, omitting entirely the worst misses."—A. Ernest Fitzgerald, former deputy for management systems in the Air Force in his book about Defense Department lying and profligacy, "The High Priests of Waste."

7. "Secretary McLucas has said several times the Air Force has been open and aboveboard on this program."—Brig. Gen. David B. Easson, deputy director of legislative liaison for the office of the secretary of the Air Force, at the House subcommittee hearing cited above.

Well somebody's not being "open and aboveboard." There is conflicting material about the purposes of the Minuteman II tests, the number of tests to be conducted, the results of previous testing, and the missile's accuracy. There is doubt whether the Air Force can pinpoint where first stage debris will fall.

It is not too late to write or wire the House and Senate defense appropriation conference committee and urge it to reject the misnamed Giant Patriot testing program.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, Senator McGOVERN is recognized for not to exceed 15 minutes.

JUSTICE FOR THE VIETNAM VETERAN

Mr. McGOVERN. Mr. President, I hope very much that the Congress will not be swayed, either by the myopia of a few or by criticism from the White House, into rejecting the one hope Vietnam veterans have of receiving the same kind of help so many of us had after World War II.

I think Members of the Senate know that the House and Senate conferees are meeting this week on a very important measure affecting the response that we make to these young men who participated in the Vietnam conflict. I was one of many who took issue with our involvement in that war, but I have always felt that we had an obligation to do justice to the young men who participated. After all, they were not the architects of the policy; they were simply participants.

In particular, I hope the House conferees will pay close heed to Veterans' Affairs Committee Chairman VANCE HARTKE and other members of the conference in the case they have been making on behalf of the Senate-passed tuition proposal for Vietnam veterans.

We hear the phrase "peace with honor" used to describe the outcome of the Vietnam war.

I think most reasonable people will agree now that is a dubious claim in view of the continued slaughter in Vietnam.

But regardless of how we see that particular question, I submit that no war can be called honorable if society does not honor its debt to the young men who did the fighting and participated in this conflict. And in this case that must certainly mean extending the same kind of educational opportunities that were available after World War II. As a combat pilot in World War II, I was the beneficiary of the GI bill of rights that made it possible for me to support my family while completing work at Northwestern University for a doctoral degree in history and government, which is not an inexpensive school. I want the veterans of the Vietnam era to have the same opportunity that was given to me, and given to millions of others who participated in the Second World War.

I think it is fair to say that no public investment has ever returned greater dividends to the American Nation than the World War II GI bill of rights, and a number of Members of the Senate are here partly because of the benefits we received from that legislation.

So let us understand very clearly what is at stake in the argument that is now going on between House and Senate conferees on this matter.

After World War II, veterans who wanted to pursue a secondary education received two kinds of assistance. We received, first of all, a basic living allowance, and then we received a separate allowance for tuition, depending on the cost of the school that we attended.

The second figure varied, depending on what the tuition and fees were at a given institution. So a veteran's educational opportunity was not limited by the cost of the school that he selected. It was limited only by his ability to gain admission and make the grade.

As it stands now, however, a veteran receives one flat figure which must cover both living costs and tuition. It does not vary with educational costs or with different factors in various parts of the country; and it means, in effect, that veterans in parts of the country where school costs are high are simply denied the same educational opportunities the country was offering nearly 30 years ago.

In recent weeks I have examined very carefully the objections that have been raised to the tuition proposal as passed by the Senate, and I must say that that process has meant getting past a certain amount of verbal excess which has no bearing at all on this issue. But even putting the objections in their best light, I suggest, they have little merit.

I regret that in recent weeks Congressman TEAGUE, a former chairman of the House Veterans' Affairs Committee, has let his resistance to any form of tuition aid boil over into a personal attack upon me. Not long ago he challenged both my motives and my credentials for supporting the tuition language in the Senate bill. He even claimed I am trying to intimidate him. I understand that that statement which was released to the press some days ago is now being circulated to Members of the House.

But Mr. TEAGUE must know that the original tuition proposal had strong bipartisan sponsorship and support in both Houses. This is not my proposal alone. The Senate language was worked out with painstaking care in the Senate Committee on Veterans' Affairs. It was finally approved by a 91-to-0 vote. And if there is any question of intimidation involved, it is whether the entire Senate, the House conferees, and I suspect a majority in the House who support this concept, are going to let it be defeated because a single Member is opposed.

I also regret that President Nixon is now opposed to more equal educational opportunities for Vietnam veterans. In a letter last week he called the tuition proposal both "inflationary and unnecessary." The Washington Post has reported that the President's letter was actually solicited by Mr. TEAGUE. But regardless of how he reached that position, the President's arguments are plainly faulty and his conclusion is plainly wrong.

One objection is to cost. Certainly a bill with a tuition proposal will cost more than one without it, that is self-evident, although the figure President Nixon used last week—$1.3 billion—is grossly inflated. The committee report on S. 2784 sets the cost of partial tuition at $589.9 million, dropping down to $430.8 million by 1979, and then gradually phasing out completely.

In a time of persistent and ruinous inflation, we must obviously be concerned about the costs of every program that comes up for evaluation here in the Senate. But I ask my colleagues this: Is this the area where we want to go out of our way to cut public investment?

Is it, after all, real economy to deny these young men a chance not only for additional education, but a chance to become better income earners and, therefore, better taxpayers to our Government? Is this real economy? Is our answer to inflation going to be to take it out on the Vietnam veteran?

The administration has asked that we spend three or four times as much as this tuition proposal will cost to continue underwriting General Thieu's government in Saigon. Should we be so much less concerned about the young men that were sent over there to support that government over the last 10 years? I cannot believe that Mr. Thieu's welfare deserves a higher priority than the American veterans of his war.

The other major argument that has been raised is that the tuition proposal is somehow discriminatory. Both President Nixon and Representative TEAGUE seem to be especially concerned about this point.

But reaching that conclusion requires that we abandon simple logic. In fact, it is the tuition proposal that can make the Vietnam veterans bill less discriminatory than it would otherwise be.

The present GI bill may be adequate for some veterans who are attending low-cost public schools which are available in some areas of the country.

We know that there are States that provide very economical public education, at least at the junior college level, but not most of our States. But I disagree strongly with those who would restrict GI bill improvements to veterans who are fortunate enough to live in such parts of the country. The net result would be to deny hundreds of thousands of veterans a chance to use their entitlements for education and training.

I know the VA contends that the World War II veterans and the Vietnam veterans receive comparable benefits. But they make that case by pitting 1946 dollars against a 1974 problem. Every Member of this Congress knows that the dollar we got in 1946 does not buy anywhere near as much today.

We must compare opportunities that were available under the World War II GI bill with opportunities offered for veterans of the Vietnam era, not simply count the number of dollars that were given in each case.

According to the Department of Veterans' Benefits of the Veterans' Administration, the $500 paid for tuition, books, and fees under the World War II GI bill is equivalent to $2,517 in today's buying power—$500 more than a single Vietnam veteran's current total yearly benefits. The current dollar value of the World War II subsistence allowance for a single veteran is $1,278. By adding the World War II veterans' subsistence allowance and the buying power of his tuition allowance that we got some 30 years ago, the educational opportunities available to the World War II veteran total nearly $1,800 more annually than those currently available to the veteran of the Vietnam conflict.

Mr. President, I see statistics indicating that educational costs have increased roughly three times as fast as we have increased the educational allowances in the current GI bill.

By paying educational expenses, the World War II GI bill provided equal opportunities to all veterans to enter education and training institutions of their choice. All World War II veterans were assured of paid educational expenses, and an equal subsistence allowance to meet living expenses. Vietnam veterans must pay the tuition from their monthly subsistence allowance. The amount of his GI bill a Vietnam veteran can devote to his living expenses depends directly upon the amount he must pay for tuition.

I know for a fact, Mr. President, from numerous letters received from my constituents, that many of these young men simply cannot make it to higher education under the present program.

What is the result? The April 1973 Veterans' Administration DVB bulletin noted:

> There is a marked difference in participation rates between States in the Eastern section of the Nation and the Western section of the Nation. This may be due in part to low costs, and greater access to public institutions (particularly junior colleges) in the West.

The Veterans' Administration's finding was confirmed by the congressionally commissioned Educational Testing Service report. It found that:

> The accessibility of postsecondary education for the Vietnam conflict veteran is a function not only of his military service but also his particular State of residence. The effectiveness of the benefits is directly related to the availability of low-cost readily accessible public institutions. The current veteran seeking to use his educational benefits finds that equal military service does not

provide equal readjustment opportunities with respect to attendance at postsecondary schools.

So the tuition assistance provision is designed precisely to remove the inequity of opportunities for veterans in States with high cost public schools across this land.

Vienam veterans served their country, not their various States. They should be entitled to equal opportunities for their service.

Some States, including Texas and California are fortunate to have an excellent and well-developed system of low cost community and junior colleges through which veterans can take full advantage of their GI benefits. They receive GI bill dollars greatly disproportionate to their veterans population when compared to States that do not have access to a similar system of low cost community and junior colleges.

For many years the GI bill dollars that have been supporting veterans attending colleges in disproportionate numbers in some States have been generated from the taxes of citizens nationwide. Indeed, Vietnam era veterans in States with high-cost education are working, and paying taxes, because they cannot afford to go to school. Instead of sharing in the benefits, they are forced to help pay the cost. And if that is not discriminatory, I do not know what is.

So the claim that this tuition proposal discriminates is simply preposterous.

The same label applies to the argument that some veterans might actually lose benefits under the tuition plan.

In fact, under the tuition assistance provision veterans in States with low-cost education will still be slightly better off than veterans in States with high-cost education. They must still contribute 20 percent of their tuition expense up to $1,000.

The maximum amount available under the tuition assistance provision is $720, about one-third of the tuition at the average private school. So it would simply give the Vietnam veteran little more than parity with the tuition assistance at the time he would have entered a private institution had he not served his country instead.

I hope the House and Senate conferees will report out the tuition assistance provision, as it stands in the Senate bill. And I hope they will act swiftly so veterans can make plans for this September. If need be, the appropriate administrative procedures may be developed over the next few months so long as the veterans and the school are assured of the amount of tuition that will be eventually provided for this coming school year.

Mr. President, I have some charts which demonstrate in more precise detail the comparison between present benefits and those available after World War II. I ask unanimous consent that they be inserted in the RECORD at this point. I also ask that articles from the Washington Post and the Washington Star-News on Mr. Nixon's position be included in the RECORD.

There being no objection, the charts and articles were ordered to be printed in the RECORD, as follows:

ESTIMATE OF CURRENT DOLLAR VALUE OF THE WORLD WAR II FINANCIAL ASSISTANCE FOR TRAINEES UNDER THE GI BILL

I. SUBSISTENCE ALLOWANCE (FULL-TIME SCHOOL TRAINEE)

[Consumer Price Index for 1967 equals 100; 1948 average, 72.1; 137.6 divided by 72.1 equals 1.9085]

	Monthly rates		
		World War II	
	Current GI bill	Actual	Current dollar value (November 1973)
No dependents	$220	$75	$143
1 dependent	261	105	200
2 dependents	298	120	229
More than 2 dependents (each)	18	None	None

II. CURRENT EQUIVALENT OF THE $500 LIMIT ON PAYMENT OF TUITION, FEES, BOOKS, SUPPLIES AND EQUIPMENT (MORE COULD BE PAID BUT THIS WOULD EXHAUST ENTITLEMENT AT A GREATER RATE)

	School year	
	1948–49 (World War II)	1973–74 (current GI bill)
Estimate cost of private college (tuition and fees)	$396	$2,095
Estimated cost of books and supplies	$50	$150
Total	$446	$2,245
Ratio of current World War II ($2,245 divided by $446)		5.0336
Estimated current equivalent ($500 times 5.0336)		$2,715

Source: Veterans' Administration Statistics, Department of Veterans' Benefits, Jan. 11, 1974.

CURRENT BUYING POWER[1] OF THE VIETNAM ERA GI BILL COMPARED TO THE WORLD WAR II GI BILL

	World War II GI bill (1948)				Vietnam Era GI bill (1974)			
	Monthly SA[2]	Period of entitlement (months)	Tuition	Yearly buying power	Monthly SA[2]	Period of entitlement (months)	Tuition	Yearly buying power
No dependents	$143	9	$2,517	$3,804	$220	9	0	$1,980
1 dependent	200	9	2,517	4,317	261	9	0	2,349
2 dependents	229	9	2,517	4,578	298	9	0	2,682

DIFFERENCE IN BUYING POWER

	World War II GI bill	Vietnam GI bill	Yearly difference	Monthly difference (months)
No dependents	$3,804	$1,980	$1,824	$203
1 dependent	4,317	2,349	1,968	219
2 dependents	4,578	2,682	1,896	211

Conclusion: The Vietnam Era veteran actually has $1,896 a year, or $210 a month, less than did his World War II veteran counterpart.

[1] Per 9-month school year.
Subsistence allowance.

Note: Figures taken from Veterans Administration statistics, Department of Veterans Benefits, Jan. 11, 1974.

PRESIDENT SUGGESTS VETERANS BENEFIT VETO

(By Tim O'Brien)

President Nixon has announced strong objection to a Senate-passed measure that would substantially increase educational benefits for veterans.

In a July 30 letter to Vance Hartke (D-Ind.), chairman of the Senate Veterans Committee, Mr. Nixon blasted the Senate's proposal as "clearly inflationary and unnecessary for our nation's veterans."

A Senate committee staffer said the letter "amounts to a preliminary veto message."

The President's letter came at a bad time for the Senate committee as it prepared to take its bill to conference with a House-passed measure that would cost about a billion dollars less a year.

The Senate bill, approved June 19 by a 91-to-0 vote, would increase basic GI educational benefits by 18 per cent, establish a new loan program, extend benefit entitlement by a full academic year, and establish a new tuition assitance program to pay up to $720 of a veteran's tuition costs.

The House measure, passed 328 to 0 on Feb. 19, would increase basic benefits by 13.6 per cent. The President, in a message earlier this year, called for an 8 per cent increase.

The President said the Senate version would "increase current GI Bill costs by $1.3 billion annually—without even considering the 'suction' effects of converting the GI Bill from an educational cost-sharing to an income-attractive program."

Mr. Nixon was particularly critical of the Senate's controversial tuition assistance proposal, which the House Veterans Committee leadership also opposes.

Mr. Nixon said the tuition plan "subverts" the purpose of the GI Bill, discriminating against those veterans who attend low-cost public schools and favoring those who attend high-cost, private colleges. He said "congressional and GAO studies" suggest that such a tuition assistance plan would be abused by schools.

The Senate committee believes the tuition plan is essential to help equalize the often significant tuition cost differences between private and public schools and even between public schools in different states. The Senate plan would have the veteran pay the first $100 of his tuition, the federal government would pay 80 per cent of the next $1,000, then the veteran would pay the remainder.

Reliable sources said the President's letter was actually solicited by Rep. Olin E. Teague (D-Tex.), former chairman of the House committee and still its most powerful member. Teague has been under increasing pressure from senators, veterans' lobbyists and some of his fellow House members—including Speaker Carl Albert and the entire New York delegation—to agree to the Senate tuition plan.

The letter amounts to White House backing for the less-costly House-passed version of the GI Bill.

Forrest Lindley of the Vietnam Veterans Center, a proponent of the Senate version, said the letter "shows that Nixon really doesn't want veterans to use their benefits." He cited a passage that said: if "as few as 10 per cent of the eligibles (500,000 veterans) who have not used their benefits were to enter the program, costs would rise by an additional $1.3 billion annually."

NIXON BLASTS GI BILL EXPANSION

(By Ned Scharff)

President Nixon has issued a strong denunciation of proposed changes in the GI Bill of Rights for Vietnam veterans, saying that measures to broaden educational assistance programs "inflationary and unnecessary."

In a letter released today by Sen. Vance Hartke, D-Ind., author of the revised GI Bill, Nixon said the 7 million war-era veterans did not need the proposed improvements in student loans, tuition and subsistence grants to "prepare themselves for productive lives."

The bill, which passed the Senate by a 91–0 vote in June would provide 18 percent increases in monthly living allowances for GIs attending college, and also would provide tuition grants up to $720 a year.

In the letter, mailed July 30, Nixon complained that the improvements in the bill would add at least $1.3 billion to the cost of educating veterans because it would induce many more veterans to take advantage of the program.

The President told Hartke he should rewrite the bill to limit any extension of benefits to cost-of-living increases.

Nixon's opposition to Hartke's bill was no secret when the Senate passed it two months ago. Representatives of the Veterans Administration and the Office of Management and Budget had stated the White House position in testimony before Hartke's Veterans Affairs Committee.

But the letter received by Hartke today is by far the strongest expression of disapproval to date.

Hartke's aides believe that the letter could herald a presidential veto unless Hartke agrees to modify the bill when it goes to conference with House members.

In addition to re-instituting the tuition assistance payment, which was discontinued after World War II veterans finished college, Hartke's bill would make veterans eligible for low-cost education loans up to $2,000 per school year and would extend the period of eligibility from 36 months to 45 months—for veterans who cannot attend school full-time.

So far, 51 percent of the Vietnam veterans have applied for grants under the GI Bill, about the same as the percentage of applicants after World War II.

But Hartke has argued that the percentage of applicants now should be much higher because education has become more necessary and because the Vietnam war drew a far higher percentage of the poor and undereducated into the armed service than World War II did.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, the Senator from Texas is next, but I ask if he would yield 2 minutes on my time. I would like to make some comments on the remarks just made by the distinguished Senator from South Dakota.

Mr. BENTSEN. I yield.

Mr. MANSFIELD. First, Mr. President, I would like to commend the distinguished Senator from South Dakota for what he had to say relative to veterans benefits which the Congress is trying to increase for these veterans who served in a most unpopular war, a tragic war, a war which never should have taken place; these veterans who did not come home as heroes. They ought to be given the same consideration that the veterans of the Second War received, the war in which the distinguished Senator from South Dakota served as a fighting combat pilot.

Why take it out on the Vietnam veterans? After all, what is in large responsible for inflation which now afflicts this country today? The Vietnamese war. It has cost about $130 billion, and before all the payments are through will cost somewhere in the vicinity of $350 billion, extending into the midhalf of the next century.

So why blame them for the inflation caused by the war in which they assumed their responsibilities as citizens and served to the best of their ability? Why is it unnecessary—to use the words which were quoted by the distinguished Senator from South Dakota in relation to someone else—to take care of these people who have given so much, who have received so little? They are entitled to every benefit which a grateful nation can give, regardless of the type of war in which we were engaged. They did their best. It is up to us to do our best. I am wholeheartedly in support of the proposal made by the distinguished Senator from South Dakota (Mr. McGovern) who was primarily responsible for getting this increase in benefits, an increase which, I think, the Vietnam veterans are entitled to.

So I commend the distinguished Senator, and I am with him all the way.

Mr. McGCVERN. I thank the Senator for his eloquent remarks. I am sure they will be very helpful in winning support for this proposal.

Mr. President, I yield the floor.

Mr. HATHAWAY. Mr. President, I wish to commend the Senator from South Dakota (Mr. McGovern) for his excellent statement with respect to educational benefits for veterans returning from the war in Vietnam.

I wish to add to the remarks he made that history has shown us that an investment of this sort in educational benefits has inured very greatly to the benefit of the country. Not only do we have better trained people occupying the many jobs we have throughout the country, and not only do we have a better informed citizenry, but, also, looking at it from a practical, business point of view it has turned out to be an excellent investment.

I recall in hearings before the House Education Labor Committee back in 1970, testimony was given that we spent approximately $12 billion on educational benefits for veterans returning from World War II, and that since that time we have received back into the Federal Treasury approximately $100 billion. This amount represents simply the increase in taxes that returning veterans have been able to pay as a result of furthering their education and getting better paying jobs. I merely wish to call this fact to the attention of the Members of this body.

In closing, I again commend the Senator from South Dakota (Mr. McGovern) for his excellent statement in this regard. I wish to say to him that I am with him 100 percent and I will do whatever I can to make sure that the veterans of this country receive at least as much as we received. The Senator from South Dakota and I were in the same theater of operations in World War II and we benefited from the GI bill thereafter. I am certainly in wholehearted agreement with him that veterans of every war should receive at least the amount of benefits we received and from which we and the Nation benefited so much.

Mr. MATHIAS. Mr. President, I would like to join my colleagues in urging strong support for all the Senate-passed provisions in H.R. 12628, which is currently still pending in conference. I am particularly concerned that the provision for direct tuition assistance for Vietnam-era veterans be included in any bill on which the conferees finally agree. This is a provision for which I have personally been fighting for more than 3 years, and which I know enjoys broad bipartisan support in this Chamber and in the Nation as a whole.

I recognize that in recent days and weeks, the concept of direct tuition assistance for veterans has come under attack by some members of the other body and even by the President. Their arguments, however, appear to be both shortsighted and, I regret to say, uninformed.

For my own part, Mr. President, I hope our Nation will honor its commitments to Vietnam veterans rather than offer a program which is so inadequate that it frustrates veterans from trying to use it—especially since studies have conclusively shown that the GI bill is one of the best investments we can make in the economic future of our country.

The men and women who fought an unpopular war in Vietnam should not be shunted aside at home, when they seek no more than the same chance to finish their education that veterans of my generation were given after World War II.

The tuition payment plan which was included in the bill passed by the Senate by a vote of 91 to 0 is the most significant step we can take toward readjusting the levels of educational benefits to match the rapid growth in tuition costs at colleges nationwide. If benefits remain so low that a veteran must have outside income to supplement them, he may be forced to pass them up altogether.

In his letter to Chairman HARTKE, President Nixon argued that this tuition provision was "unnecessary." Yet at the same time, he argued that these added benefits would present an excessive burden on the Federal budget precisely because they would allow hundreds of thousands of veterans who now cannot take advantage of the GI bill to do so. It seems to me that this merely proves how necessary these added benefits are, if so many veterans can not now afford to go to school at the existing level of benefits.

The President has also contended that the tuition provision would unfairly discriminate against veterans attending public institutions while favoring those attending more high-cost private institutions. Quite the contrary. The Senate-passed measure is necessary precisely because the tuitions at public institutions in many States—such as Maryland—are rising so rapidly that veterans often can no longer afford to attend even their State schools.

For these reasons, Mr. President, I am confident that support for the tuition provision will remain strong in this Chamber and among members of the conference committee. The Senate has won the full support of such broad-based veterans groups as the American Legion, the National Association of Concerned Veterans and Jewish War Veterans on this issue, and I trust we will not let them down. And I have been particularly heartened by the dedicated work on this issue of American Legion National Commander Robert Eaton, a Marylander whose outstanding work at the grassroots level has immeasurably increased support for this legislation across the land.

Mr. HUGH SCOTT. Mr. President, I want to take this opportunity to join my colleagues in urging the conferees on the Vietnam era veterans bill to quickly adopt the strong Senate tuition assistance language. This is the very heart of the Vietnam veterans education package. By striking this section, we would, in effect, be denying hundreds of thousands of veterans the opportunity to get an education under the GI bill.

This would have a particularly deleterious effect in Pennsylvania where extremely high tuition costs have already placed an undue burden on thousands. Pennsylvania ranks third in the Nation in the number of Vietnam-era veteran-residents, but ranks 48th in the percentage of Vietnam veterans attending either a 2-year or 4-year college under the GI bill. The reason for this? Costs are high and the amount currently covered under the GI bill is not enough to make a dent. This is a situation which simply must not be allowed to continue.

I reiterate my urging to the House-Senate conferees on the Vietnam veterans education bill: the needs of the Vietnam veteran are great. Let us assist them in their education by adopting the very best, most equitable provisions in the bill currently in conference.

PAYMENT FOR POSSIBLE PRESIDENT'S SPECIAL IMPEACHMENT COUNSEL

Mr. BENTSEN. Mr. President, in view of the President's disclosures of new evidence in the tape recordings just released the President has conceded it appears probable that the House of Representatives will send Articles of Impeachment to the Senate for trial. I believe we must proceed as though a Senate trial will come before us later this fall. Indeed, we must continue our efforts to resolve the procedural questions involved in the conduct of that trial, for the Senate, no less than the President, will be judged, and the American people must be assured that we will be acting fairly and judiciously.

One of the central issues which confronts us and must be resolved as we develop the ground rules for our actions and the President's defense is the question of whether the President will be compelled by Congress to bear the legal expenses of his defense.

I believe very deeply that Congress should not place the financial burden of a legal defense on the President's shoulders. No President should have to seek charity or call on his wealthy friends to raise his defense funds.

A great deal more is at stake than the fate of a single man. At issue is the ability of our democratic system to preserve our constitutional ideals and to make a reality of our expressed belief in fairness and impartiality in determining guilt or innocence.

Mr. President, the amount of money we are talking about is small when compared to the magnitude of the issue and the constitutional principles we are charged with protecting.

Let us consider whether there should be any limitations on the ability of this President or any President to defend the conduct of his office with the best available counsel.

Quite apart from the question of President Nixon's financial circumstances, let us consider for a moment the prospect of a future President, of modest means, who could not afford to present a thorough and complete defense. Can a Congress, in good conscience, assert that such a President would receive a fair trial? I think not.

We should expect that the prosecutors appointed by the House of Representatives and paid from public funds will be fully competent to present the most forceful case for Senate conviction. We should allow the President no less in presenting his case for acquittal.

The resources of the Congress to present the prosecution's case are virtually limitless; the personal resources of any President are finite and limited.

Charles Black, professor of law at Yale University and an acknowledged expert on the question of impeachment, asks the question, "Do we want the outcome of this most important proceeding ever to be affected by the President's lack of adequate legal help?" Our answer must be in the negative.

The resolution of this matter is independent of one's position on the ultimate question of guilt or innocence. It goes to something fundamental, the right of any defendant to have his best case presented.

I recognize that the impeachment process is not a criminal trial in the strict sense, but it is patterned after a judicial proceeding which depends upon advocacy to develop fully the evidence for those who must sit in judgment—in this instance, the Members of the U.S. Senate. In matters of such grave importance to all of the American people, we cannot depend on anything less than the best possible counsel for the presentation of that evidence.

The guarantee of fairness must be established before the trial begins. That fairness must be reflected in the headlines as well as in history.

Whatever their views on the ultimate disposition of the President's case, I believe the American people want to be assured that he has a defense adequate to the gravity of the issues involved in this matter. Indeed, those now predisposed to a position against the President should be the first to rise and demand that the President have every opportunity to present his most vigorous and thoughtful case. That will be a measure of how resilient is our system of government and how our system of government is able to meet this test.

As final arbiters judging the President's conduct, Members of the Senate should seek the fullest and most competent exposition of the facts, on both sides of this momentous question. We must not be deterred from that goal by vindictiveness or the passions of the moment. We must be thorough and fair.

The General Accounting Office is presently considering the question of whether public funds can be used to provide for the President's defense in the event of an impeachment trial. If it is determined that under present law these funds are not available, I will introduce legislation to make them available.

I remind my colleagues that, in the final analysis, the American people will suffer. Our constitutional processes will suffer. Respect for our system will suffer, if Congress diminishes the President's ability to present his case.

Mr. President, I yield back the remainder of my time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 10212. An act to designate the Veterans' Administration hospital in Columbia, Missouri, as the "Harry S. Truman Memorial Veterans' Hospital", and for other purposes.

H.R. 12367. An act to amend title 38 of the United States Code to correct an inequity in the law relating to the provision of adaptive equipment for automobiles used by disabled veterans and servicemen.

H.R. 13267. An act to authorize Federal agricultural assistance to Guam for certain purposes.

H.R. 13377. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II.

H.R. 15936. An act to amend chapter 5, title 37, United States Code, to provide for continuation pay for physicians of the uniformed services in initial residency.

H.R. 16006. An act to amend section 2634 of title 10, United States Code, relating to the shipment at Government expense of motor vehicles owned by members of the armed forces, and to amend chapter 10 of title 37, United States Code, to authorize certain travel and transportation allowances to members of the uniformed services incapacitated by illness.

The message also announced that the House agrees to the following House concurrent resolutions, in which it asks the concurrence of the Senate:

H. Con. Res. 507. A concurrent resolution for negotiations on the Turkish opium ban.

H. Con. Res. 564. A concurrent resolution to declare the sense of Congress that Smokey Bear shall be returned on his death to his place of birth, Capitan, New Mexico.

The message further announced that the House agrees to Senate Concurrent Resolution 79, without amendment, expressing the sense of the Congress with respect to the celebration of the 100th anniversary of the birth of Herbert Hoover.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker has affixed his signature to the following enrolled bills and joint resolution:

S. 2296. An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the productivity and other values of certain of the Nation's lands and resources, and for other purposes;

H.R. 15074. An act to regulate certain political campaign finance practices in the District of Columbia, and for other purposes; and

S.J. Res. 228. A joint resolution to extend the expiration date of the Defense Production Act of 1950.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) subsequently signed the enrolled bills and joint resolution.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, if I have any time, I yield it back.

The PRESIDING OFFICER. The Senator from Montana has used his time.

Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, with the approval of the Senator from West Virginia, I yield back his time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes each.

HOUSE BILLS REFERRED

The following House bills were each read twice by their titles and referred as indicated:

H.R. 10212. An act to designate the Veterans' Administration hospital in Columbia, Mo., as the "Harry S. Truman Memorial Veterans' Hospital", and for other purposes;

H.R. 12367. An act to amend title 38 of the United States Code to correct an inequity in the law relating to the provision of adaptive equipment for automobiles used by disabled veterans and servicemen; and

H.R. 13377. An act to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II, to the Committee on Veterans' Affairs.

H.R. 13267. An act to authorize Federal agricultural assistance to Guam for certain purposes, to the Committee on Agriculture and Forestry.

H.R. 15936. An act to amend chapter 5, title 37, United States Code, to provide for continuation pay for physicians of the uniformed services in initial residency; and

H.R. 16006. An act to amend section 2634 of title 10, United States Code, relating to the shipment at Government expense of motor vehicles owned by members of the Armed Forces, and to amend chapter 10 of title 37, United States Code, to authorize certain travel and transportation allowances to members of the uniformed services incapacitated by illness, to the Committee on Armed Services.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following House concurrent resolutions were referred as indicated:

H. Con. Res. 507. A concurrent resolution for negotiations on the Turkish opium ban, to the Committee on Foreign Relations.

H. Con. Res. 564. A concurrent resolution to declare the sense of Congress that Smokey Bear shall be returned on his death to his place of birth, Capitan, N. Mex., to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TUNNEY, from the Committee on the District of Columbia, without amendment:

H.R. 11108. An act to extend for three years the District of Columbia Medical and Dental Manpower Act of 1970 (Rept. No. 93–1074).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Richard W. Murphy, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RANDOLPH, from the Committee on Public Works:

James L. Agee, of Washington, to be an Assistant Administrator of the Environmental Protection Agency, and

Roger Strelow, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. FULBRIGHT:

S. 3880. A bill to repeal certain provisions of law relating to Cuba. Referred to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 3881. A bill to amend the Public Health Service Act to provide for the development of demonstration and evaluation programs to insure the delivery of adequate health services for persons who have recently migrated to the United States. Referred to the Committee on Labor and Public Welfare.

By Mr. HUMPHREY:

S. 3882. A bill for the relief of Miss Thilani Duwearatchi. Referred to the Committee on the Judiciary.

By Mr. HARTKE (for himself and Mr. THURMOND):

S. 3883. A bill to amend chapter 37 of title 38, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. ROTH (for himself and Mr. HUMPHREY):

S.J. Res. 232. A Joint Resolution to establish the National Commission on Inflation. Referred to the Committee on Banking, Housing and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FULBRIGHT:

S. 3880. A bill to repeal certain provisions of law relating to Cuba. Referred to the Committee on Foreign Relations.

Mr. FULBRIGHT. Mr. President, I introduce for appropriate reference a bill which would take a few modest steps toward clearing away some of the legislative barnacles that have grown up over the last 12 years on U.S. policy toward Cuba.

I do so, not only because I think the statutes which this bill would repeal are obsolete, but also because this is one way to focus attention on the larger question of United States-Cuban relations.

What I am proposing, Mr. President, is to repeal three pieces of legislation—the so-called Cuban Resolution of 1962; the section of the Foreign Assistance Act relating to assistance to Cuba and to countries trading with Cuba; and the provision of Public Law 480 relating to sales of agricultural commodities to countries trading with Cuba.

Section 1 of the bill would repeal Public Law 87–733. This is the so-called Cuban resolution which in its operative part provides:

> The United States is determined—
>
> (a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere;
>
> (b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and
>
> (c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.

The Department of State long ago—1970, reaffirmed in 1971—informed the Committee on Foreign Relations that it "neither advocates nor opposes repeal of the resolution." I ask unanimous consent that the Department's letter be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, the resolution generally reflects the rhetorical bombast of another era.

The reference in clause (a) to "the use of arms" could possibly be construed as advance authorization for military intervention—though it was not relied on by President Johnson in the Dominican Republic case.

With respect to the reference in clause (c) to the "aspirations of the Cuban people for self-determination," it could be argued that the Cuban people have indeed exercised their right of self-determination and have determined that they want something very much like the government they have got. Although this government lacks constitutional legitimacy, most observers agree that it enjoys solid public support.

Section 2 of the bill would repeal section 620(a) of the Foreign Assistance Act of 1961, as amended.

Section 620(a) deals with prohibitions on assistance to Cuba and to third countries trading with Cuba. It contains the following elements:

First, no assistance shall be furnished to the present government of Cuba. Although the amendment would repeal this prohibition, it would not open the way for assistance to Cuba. Section 620(f) names Cuba among a number of countries to which assistance is prohibited.

Second, no assistance shall be furnished to any country which furnishes assistance to the present government of Cuba unless the President determines such assistance to be in the national interest of the United States. This is a dead letter. It has neither applied nor waived.

Third, the President is authorized to establish and maintain a total embargo on all trade between the United States and Cuba. Repeal of this provision would not in itself affect restrictions on U.S. trade with Cuba. These restrictions are based on the President's authority under the Trading With the Enemy Act.

Fourth, "except as may be deemed necessary by the President in the interest of the United States," no assistance shall be furnished to any government of Cuba until compensation is paid for expropriated American property. In the unlikely event that Castro were overthrown, this would have the peculiar effect of denying help to his successor.

Fifth, with the same provision for a Presidential exception, Cuba is not to receive any sugar quota "or any other benefit under any law of the United States" until compensation is paid for expropriated American property. With the demise of the Sugar Act at the end of this year, the reference to a sugar quota becomes obsolete. The reference is "any other benefit under any law" is scarcely broader than the prohibition in the Hickenlooper amendment—"assistance . . . under this or any other act"—which would continue in force.

Sixth, no assistance—except for American schools and hospitals abroad—shall be furnished to any country whose ships or aircraft transport anything to or from Cuba. This provision represented an unsuccessful attempt to use the presumed leverage of foreign aid to apply the American economic boycott to third countries.

Section 3 of the bill would delete references to Cuba in section 103(d) of the Agricultural Trade Development and Assistance Act of 1954, as amended, Public Law 480.

Section 103(d) provides that title I sales agreements are to be made only with those countries which the President determines to be "friendly to the United States." "Friendly country" is then defined as not including various categories of countries, one of which is countries trading with Cuba or North Vietnam. A proviso exempts medical supplies and nonstrategic agricultural goods.

This amendment would simply delete the specific references to Cuba.

All other provisions of section 103(d) would remain intact including the prohibition of title I sales for foreign currencies to "any country or area dominated by a Communist government."

The amendment would not apply directly to Cuba, but rather to third countries trading with Cuba.

EXHIBIT 1

DEPARTMENT OF STATE,
Washington, D.C., September 16, 1971.

HON. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with your letter of August 3, 1971, the Department of State has carefully reviewed Senate Joint Resolution 146 and is pleased to comment upon it. Senate Joint Resolution 146 would repeal the so-called Cuban Resolution (Public Law 87–733, approved October 3, 1962).

You will recall that repeal of the Cuban Resolution was proposed along with other measures affecting other areas in Senate Joint Resolution 166 of December 8, 1969. The Department's views on this proposal were set forth in a letter to you of March 12, 1970 by Acting Assistant Secretary for Congressional Relations Torbert, and in my letter to you of June 3, 1970. I wish to reaffirm the views expressed in those messages.

Since the Executive Branch is not depending on the Cuban Resolution as legal or constitutional authority for its present policies or contingency plans, the Department neither advocates nor opposes repeal of the Resolution. However, the Department would not wish this position to be misinterpreted. The Cuban Resolution was expressive of a common understanding of the Legislative and Executive Branches at that time of the threat to the peace and security of the Western Hemisphere nations caused by the Castro regime's policy of interference in the internal affairs of these nations through support of subversive activities and by its military ties with the Soviet Union. The history of the actions undertaken by the Organization of American States in response to the threat posed by the Castro regime is well known to the Committee.

In the Department's view, there has been no change in the basic conditions upon which United States Cuban policy has been based in the years since 1962. Therefore, the Cuban Resolution still reflects United States policy toward Cuba.

The Department of State is prepared to cooperate fully with the Committee on Foreign Relations in examining the questions raised by Senate Joint Resolution 146.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely yours,

DAVID M. ABSHIRE,
Assistant Secretary for Congressional Relations.

By Mr. INOUYE:

S. 3881. A bill to amend the Public Health Service Act to provide for the development of demonstration and evaluation programs to insure the delivery of adequate health services for persons who have recently migrated to the United States. Referred to the Committee on Labor and Public Welfare.

Mr. INOUYE. Mr. President, the lack of adequate public health care for the approximately 4 million aliens residing in the United States concerns all Americans.

Immigrants often come from regions where exposure to communicable diseases—some of them rare in this country—is universal. For them, life in the United States, a new country, is made up of emotional and economical stress that complicates their health problems.

Unaccustomed to preventive health services, and painfully aware of the high costs of medical care, many immigrants do not seek aid until health problems have reached crisis proportions. This situation is not only a threat to the immigrants, but also inflicts harm on uncounted thousands of Americans.

I am well aware of the problems arising from inadequate health care for these people. Resident aliens account for well over 6 percent of the population in my State of Hawaii. The rate of immigration in Hawaii as a percent of the population is more than twice as high as any other State.

Moreover, the immigrants and American Samoans represent the highest percentage of residents in Hawaii treated for leprosy, tuberculosis, pediculosis, underweight children, mental health, and congenital malformation.

Mr. President, the bill I am proposing is long overdue. It will bridge the gap that has arisen between the awesome health problems of recent immigrants, and the insufficient health care provided. It will provide health services, and links to those services, for people who desperately need them. And, by helping them, we help those who are more fortunate to have been here since birth, by maintaining a more healthy general environment.

It is our national policy to allow immigrants into this country. We should not desert them. I hope my colleagues will join me in recognizing the importance of this bill and will act to secure its early consideration and passage.

By Mr. HARTKE (for himself and Mr. THURMOND):

S. 3883. A bill to amend chapter 37 of title 38, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes. Referred to the Committee on Veterans' Affairs.

VETERANS HOUSING ACT OF 1974

Mr. HARTKE. Mr. President, today I introduce S. 3883, the Veterans Housing Act of 1974. This bill is designed to improve the attractiveness of the GI housing loan program, including the mobile home lending program, to lenders and at the same time to make both programs more responsive to the needs of eligible veterans in the light of prevailing economic conditions in the housing market of this country. The Veterans Housing Act is also designed to further aid paraplegic veterans in acquiring suitable housing especially adapted to their needs. Finally the bill adds several provisions which will facilitate the administration of the housing programs by the Veterans' Administration, as well as eliminating various obsolete programs which still remain on the books in title 38.

I intend to schedule hearings shortly on this bill and other aspects of the Veterans' Administration housing programs which deserve review.

Mr. President, the bill before you will increase the maximum amount of the Government guarantee from $12,500 to $17,500. The last increase in the maximum guarantee under the program was over 6 years ago. The increases in the cost of housing over this period are common knowledge. The increase in guarantee amount will be added protection to the lender's investment and should increase participation in the program by the lending institutions.

A number of amendments are made to the mobile home program. In these days of higher costs one of the most attractive means for younger veterans to house their families is by purchasing a mobile home and placing it on a developed lot in an attractive mobile home park. This bill increases the loan amount which the Veterans' Administration may guarantee in such purchases from $10,000 to $12,500 for a single-wide home and provides for the purchase of double-wide homes at a cost not to exceed $15,000. The bill also adds a provision that a loan may be guaranteed by the Veterans' Administration for the purchase of a developed lot on which to place a mobile home owned by him even though the mobile home was not purchased under one of the Government loan programs. Finally, the bill would make permanent the mobile home loan program and remove the present limiting date of July 1, 1975, as the life of the program. The program has been meeting the needs of younger veterans who need reasonably priced housing. The removal of a limiting date should induce more lenders into participation in this program, thus making more credit available to veterans for the purchase of this type of housing. Lenders are reluctant to enter a program in which they have no previous experience when they note the program will expire in 1 year. Hopefully, the removal of a limiting date will end this reluctance.

Mr. President, except for certain refinancing loans, the present statute precluded the payment by a veteran borrower of any discount or "points" required by a lender to adjust his yield on the lower interest rate loan to be guaranteed under the GI loan program. This is a good provision in the usual purchase transaction because the builder or other seller is in a position to absorb this expense from the profit on the transaction. However, in some unusual cases where refinancing is not involved, the veteran buyer finds that the only way a guaranteed loan can be obtained is by the payment of "points" and he is the only party available to pay them. This bill provides that in certain stated circumstances the veteran may pay a reasonable discount approved by the Veterans' Administration although refinancing is not involved. For example, should a veteran buy an existing house from a trustee and the Veterans' Administration finds that the trustee may not properly pay the discount, the veteran could pay it if the discount was approved as reasonable by the Veterans' Administration.

Many GI loans are made by lenders without the submission of an application to the Veterans' Administration for approval. These so-called automatic loans are guaranteed when made and the lender reports the closed transaction to the Veterans' Administration. Under the law, loans made by any State, or by lending institutions whose operations are subject to examination and supervision by an agency of the United States or of any State can be made on the automatic guaranty basis. This bill would extend the automatic guaranty to other lenders who qualify under standards to be established by the Administrator. What those standards should be will be a subject of our forthcoming hearings. Thus reputable and established lending institutions whose activities are not subject to examination and supervision by any Federal or State agencies could be extended the benefits of this automatic processing if appropriate standards are met. In addition the bill would provide that a veteran need only certify his intention to occupy a property as his home at the time of closing any loan which is automatically guaranteed.

The Veteran's Housing Act would also enlarge the opportunity of veterans to buy in the expanding condominium market. Present law restricts this market to condominiums approved by the Secretary of Housing and Urban Development in which at least one unit has been purchased by a loan insured by the Federal Housing Administration. This provision unduly restricts the veteran in the purchase of a condominium and the bill accordingly eliminates that restriction and permits loans on any condominium unit subject to approval of the unit by the Veterans' Administration.

Many veterans who used their entitlement to buy homes now desire to upgrade their housing. Under present law their entitlement cannot be restored to their use unless the sale can be established as being made "under compelling reasons devoid of fault on the part of the veteran." This bill would remove that restriction and permit the restoration of entitlement if the property has been disposed of and the guaranteed loan has been repaid in full or the Administrator has been otherwise released from liability on the loan, or if the Administrator has suffered a loss on the loan such loss has been paid in full. This will afford many veterans the opportunity to utilize the GI loan benefit in buying a different residence. In addition, in deserving cases the Administration may continue to waive the foregoing requirements and restore the guaranty benefit to the veteran's use.

Under present law some builders and lenders who have been found derelict in meeting their responsibilities in connection with housing programs administered by the Department of Housing and Urban Development and who have been suspended from those programs can still operate in the housing programs of the Veterans' Administration.

This is so because the law now permits the Veterans' Administration to recognize only suspensions made by the Secretary of HUD under section 512 of the National Housing Act. This section is now little used in making suspensions of this type. Consequently, this bill corrects that situation by deleting the specific section 512 requirement and permits the Veterans' Administration to recognize any suspension authorized by the Secretary of Housing and Urban Development.

Mr. President, another provision of the bill is directed to the problem faced by certain veterans who are eligible for grants for housing specially adapted for their needs. These are seriously disabled veterans who are eligible for a grant not to exceed 50 percent of the cost of their special home. In 1948 this grant was limited to the amount of $10,000. In 1969 the grant limit was raised to $12,500. Again in 1972 the grant amount available was increased to the existing limit of $17,500. Bear in mind the grant was from the beginning designed to assist the veteran by giving him not more than 50 percent of the cost of housing specially adapted to his disabilities. The average cost of such housing in fiscal year 1972 was $38,744; in fiscal year 1973 it was $45,155. With the trend of increased construction costs it is inevitable that the average cost of such a house in fiscal year 1974 was at least $50,000, and certainly will be more in the next fiscal year. Consequently to keep pace with the original concept of this legislation and to provide adequate assistance to these particular veterans whose compensation will generally enable them to qualify for a $25,000 loan we have raised the grant limit in this bill to $25,000.

The remaining provisions of the bill simply eliminate certain parts of the bill which are inoperative such as loans for the purchase of business property, farms and farm equipment, or to refinance delinquent indebtedness.

Mr. President, I ask unanimous consent that the text of the bill be inserted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3883

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Housing Act of 1974".

SEC. 2. (a) Section 1802(b) of title 38, United States Code, is amended to read as follows:

"(b) In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this chapter the Administrator may exclude the amount of guaranty or insurance entitlement used for any guaranteed, insured, or direct loan, if—

"(1) the property which secured the loan has been disposed of by the veteran or has been destroyed by fire or other natural hazard; and

"(2) the loan has been repaid in full, or the Administrator has been released from liability as to the loan, or if the Administrator has suffered a loss on such loan, the loss has been paid in full.

in clauses (1) and (2) above.

(b) Clause (3) of section 1802(d) of title 38, United States Code, is amended to read as follows: "(3) by any lender approved by the Administrator pursuant to standards established by him.".

(c) Section 1803(c) of title 38, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(3) This section shall not be construed to prohibit a veteran from paying to a lender any reasonable discount required by such lender, when the proceeds from the loan are to be used:

"(A) to refinance indebtedness pursuant to section 1810(a)(5);

"(B) to repair, alter, or improve a farm residence or other dwelling pursuant to section 1810(a)(4);

"(C) to construct a dwelling or farm residence on land already owned or to be acquired by the veteran except where the land is directly or indirectly acquired from a builder or developer who has contracted to construct such dwelling for the veteran; or

"(D) to purchase a dwelling from a party which is determined by the Administrator to be unable to pay such discount.".

(d) Section 1804(c) of title 38, United States Code, is amended by inserting immediately after the second sentence a new sentence as follows: "Notwithstanding the foregoing provisions of this subsection, in the case of a loan automatically guaranteed under this chapter, the veteran shall be required to make the certification only at the time the loan is closed.".

(e) Section 1804 of title 33, United States Code, is amended by striking out in subsections (b) and (d) "under section 512 of that Act".

SEC. 3. Section 1810 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) (5) the second sentence;

(2) by striking out in subsection (c) "$12,500" and inserting in lieu thereof "$17,500" and

(3) by striking out in subsection (d) "as to which the Secretary of Housing and Urban Development has issued, under section 234 of the National Housing Act, as amended (12 U.S.C. 1715y), evidence of insurance on at least one loan for the purchase of a one-family unit".

SEC. 4. Section 1811 (d) (2) (A) of title 38, United States Code, is amended by striking out "$12,500" wherever it appears and inserting in lieu thereof "$17,500".

SEC. 5. Section 1819 of title 38, United States Code, is amended as follows:

(1) by inserting in subsection (a) "or the mobile home lot guaranty benefit, or both," immediately after "loan guaranty benefit" each time it appears therein and by striking out "mobile home" immediately before "loan guaranteed" in the second sentence of such subsection;

(2) by amending subsection (b) as follows:

(A) by inserting "(1)" immediately after "(b)";

(B) by redesignating clauses "(1)" and "(2)" as clauses "(A)" and "(B)", respectively; and

(C) by adding at the end thereof a new paragraph as follows:

"(2) Subject to the limitations in subsection (d) of this section, a loan may be made to purchase a lot on which to place a mobile home if the veteran already has such a home. Such a loan may include an amount sufficient to pay expenses reasonably necessary for the appropriate preparation of such a lot, including, but not limited to, the installation of utility connections, sanitary facilities, and paving, and the construction of a suitable pad.";

(3) by redesignating clauses (1) and (2) of the first sentence of subsection (c) (1) as clauses (A) and (B), respectively, and by striking out the word "and" at the end of clause (A), as redesignated, and inserting in lieu thereof "or the loan is for the purpose of purchasing a lot on which to place a mobile home previously purchased by the veteran, whether or not such mobile home was purchased with a loan guaranteed, insured, or made by another Federal agency, and";

(4) by amending the last sentence of paragraph (1) of subsection (d) to read as follows: "In the case of any lot on which to place a mobile home, whether or not the mobile home was financed with assistance under this section, and in the case of necessary site preparation, the loan amount for such purposes may not exceed the reasonable value of such lot or an amount appropriate to cover the cost of necessary site preparation or both, as determined by the Administrator.";

(5) by striking out in subsection (d) (2) all of the paragraph after "exceed—" and inserting in lieu thereof the following:

"(A) $12,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(B) $15,000 for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(C) $20,000 (but not to exceed $12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(D) $22,500 (but not to exceed $15,000 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparations, or

"(E) $20,000 (but not to exceed $12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single wide mobile home and a suitably developed lot on which to place such home, or

"(F) $22,500 (but not to exceed $15,000 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a double wide mobile home and a suitably developed lot on which to place such home, or

"(G) $7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of only an undeveloped lot on which to place a mobile home owned by the veteran, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation; or

"(H) $7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a suitably developed lot on which to place a mobile home owned by the veteran.";

(6) by amending clause (3) of subsection (e) to read as follows:

"(3) the loan is secured by a first lien on the mobile home purchased with the proceeds of the loan and on any lot acquired or improved with the proceeds of the loan;";

(7) by inserting in subsection (f) "and mobile home lot loans" after "loans";

(8) by inserting in the first sentence of subsection (i) "and no loan for the purchase of a lot on which to place a mobile home owned by a veteran shall be guaranteed under this section unless the lot meets such standards prescribed for mobile home lots" after "Administrator";

(9) by inserting in subsection (n) "and mobile home lot loans" immediately after "mobile home loans"; and

(10) by striking out subsection (o) in its entirety.

SEC. 6. (a) Chapter 37 of title 38, United States Code, is amended by deleting sections 1812, 1813, 1814, and 1822.

(b) The table of sections at the beginning of chapter 37 of title 38, United States Code, is amended by striking out the following:

"1812. Purchase of farms and farm equipment.

"1813. Purchase of business property.

"1814. Loans to refinance delinquent indebtedness."

SEC. 7. Chapter 37 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1803(a)(1) "and not more than 50 per centum of the loan if the loan is for any of the purposes specified in section 1812, 1813, or 1814 of this title";

(2) by striking out the first sentence in section 1803(b);

(3) by amending paragraph (1) of section 1803(d) to read as follows:

"(1) The maturity of any loan shall not be more than thirty years.";

(4) by striking out the last sentence in paragraph (3) of section 1803(d):

(5) by striking out the last sentence in subsection 1815(b);

(6) by striking out in section 1818(a) "(except sections 1813 and 1815, and business loans under section 1814, of this title)"; and

(7) by striking out section 1818(c) in its entirety and redesignating subsection (d) as subsection (c).

SEC. 8. Section 802 of title 38, United States Code, is amended by striking out "$17,500" and inserting in lieu thereof "$25,000".

SEC. 9. The provisions of this Act should become effective on the date of enactment except that the amendments made by section 2(b) and section 3(3) shall become effective 90 days after such date of enactment.

By Mr. ROTH (for himself and Mr. HUMPHREY):

S.J. Res. 232. A joint resolution to establish the National Commission on Inflation. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. ROTH. Mr. President, I am today reintroducing along with my distinguished colleague from Minnesota (Mr. HUMPHREY) a revised joint resolution to establish a National Commission on Inflation. The National Commission on Inflation would be composed of all segments of the economy, and would work to formulate a national policy to fight inflation.

The continuing rate of inflation has created an intolerable situation in this country today and a total lack of confidence in the Federal Government. The American people's faith in their Federal Government has deteriorated primarily because of the failure on the part of the administration and the Congress to develop a sound anti-inflation policy.

Two weeks ago, I wrote a letter to President Nixon urging him to establish a high-level commission devoted solely to the problem of inflation. I told the President that a proposal to establish such a commission, coupled with a strong congressional endorsement, would promote the Nation's confidence in the Federal Government's ability to control inflation.

For the past 4½ months I have been fighting for the creation of such a commission to fight inflation. This proposal is long overdue and should have been adopted when the mandatory wage-price control authority expired. Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve System, endorsed my proposal 4 months ago. Dr. John Dunlop, former Director of the Cost of Living Council, was the only administration official to actively support my proposal.

Now it appears that the White House is finally supporting a similar proposal to establish a Cost of Living Task Force. The task force proposal is similar to our proposal to establish a National Commission on Inflation in many respects. Both would review industrial supply and demand, encourage price and wage restraint, encourage increased productivity, and monitor the economy as a whole.

But the one very important distinction between the two proposals is that the National Commission on Inflation would be composed of representatives of all segments of the economy and would work for a national policy to restrain inflation.

The Commission would be composed not only of members of the administration, but of Members of Congress and representatives of business, labor, agriculture, State, and local governments, and consumer interests.

Senator HUMPHREY and I believe that it is vitally important for all segments of America to be united in this national effort to reach a common ground on policies to fight inflation.

The Commission will recommend to the President, the Congress, and the American people specific anti-inflation policies and programs it believes to be needed. It would conduct public hearings on the inflation problem, and spotlight any price and wage increases which it determines would substantially contribute to inflationary pressures in the economy.

Our past experience with mandatory wage and price controls has shown us that freezes and phases will not control inflation. But I am fearful that the continuing high inflation, coupled with the upcoming congressional elections, could lead to intense pressures to reimpose strict wage and price controls.

The National Commission on Inflation would not have mandatory control authority, but it would serve to dampen the economy's inflationary expectations and create a climate of joint cooperation between the Government, business, and labor. It would provide an ongoing center of vigilance to promote voluntary restraint, guard against abuses of economic power, and promote the level of confidence in our ability to solve inflation.

The fight against inflation will not be an easy one, especially if we do not all work together. The National Commission on Inflation will enable all segments of the economy to come together and hammer out a unified response to inflation. Inflation is one of the most serious economic problems this country has ever faced, and we cannot afford to overlook the possible benefits of a National Commission on Inflation.

NATIONAL COMMISSION ON INFLATION

Mr. HUMPHREY. Mr. President, consumer prices have exploded 11.1 percent since last June. This is the largest 12-month price surge in 27 years, since 1947.

Alarming as this figure is, it actually understates the real impact of inflation on the income of most Americans. Food, fuel, housing, transportation, and medical care costs, those basics which consume most of the budget of the vast majority of low- and middle-income families, have jumped ahead at extraordinary rates.

Food prices are up 14.7 percent, fuel oil and coal costs are up 62.8 percent, housing costs are up 11.4 percent, gasoline and motor oil costs are up 38.9 percent, medical care costs are up 10 percent, and transportation costs are up 12.9 percent.

But even more discouraging is the fact that wholesale prices rose in the past year by 14.5 percent. These price increases, in many cases, have yet to exact their tribute from the pocketbooks of American consumers.

Uncontrolled inflation is devastating to all our people, but the elderly, the poor, and the young families of our Nation, suffer most in this conflagration.

Uncontrolled inflation eats away at the foundations of our institutions. It makes rational public and private decisionmaking virtually impossible.

Recognizing the dire consequences of unchecked inflation, and the complete failure of the Nixon administration to mount a policy that might deal effectively with it, Senator ROTH and I have today introduced a resolution to establish a National Commission on Inflation.

STRUCTURE AND FUNCTIONS OF NATIONAL COMMISSION

The National Commission on Inflation would be composed of 17 members. The Secretary of the Treasury, the chairman of the Council of Economic Advisers, and the chairman of the Federal Reserve Board, would represent the executive branch. Four Members of Congress, appointed by the bipartisan leadership of both Houses, would represent the legislative branch.

Ten members from the private sector and State and local government would be appointed by the President, in consultation with congressional leaders. No more than five of these members could belong to the same political party. Two members would be appointed to represent each of the following groups—labor, business, agriculture, consumers, and State and local government. Labor representation is critical to the development of a successful anti-inflation policy. Labor has been conspicuous by its absence from recent White House meetings on the economy.

The most urgent function given the Commission is the difficult task of hammering out an anti-inflation policy and program. Their recommendations would be made to the President and the Congress within 90 days of passage of this resolution.

The congressional members of the Commission would introduce its recommendations as a concurrent resolution with prompt action of both Houses agreed to in advance by the leadership.

I believe that this may well be the most critical function of the Commission, that is, to get before the Congress, for its consideration and adoption, a comprehensive anti-inflation policy. In the absence of strong and consistent economic policy leadership from the White House, I believe this exertion of congressional authority is absolutely imperative.

Within 12 months, the Commission would develop and recommend to the President and the Congress policies, programs, procedures, and institutional arrangements to achieve and maintain stability of prices and costs in a growing economy with expanding production and increasing job opportunities.

The Commission would be dissolved within 60 days from the date it issues its fiscal report. In carrying out its mandate, the Commission should draw on the intensive inflation study to be carried out by the Joint Economic Committee under provisions of Senate Concurrent Resolution 93.

ADMINISTRATION'S ECONOMIC POLICY FAILURES

Mr. President, I call for this unusual action because of the increasing evidence that the American economy is in a recession and that the current administration so far has failed to do anything about it. With perfect 19th century logic, the

President and his economic advisers have decided that the way to stop inflation is to decrease economic production and jobs.

But the trouble is that this 19th century economic theory is simply not working. It is driving the economy into crisis and has evoked a sharp alarm among our people. There is a general feeling among business, labor, farmers, and our consumers that things are finally about to become unglued. Yet, all we get from the administration is an exhortation to "tighten our belts"—to "grin and bear it."

The complete collapse of the credibility of the administration on economic matters as to the urgency I would emphasize with my colleagues today. For several years now Dr. Stein and other administration economic spokesmen have concentrated their energies on misleading the American people and Congress about the seriousness of our economic problems—particularly the problem of inflation. First, we were told that inflation was just temporary. Then we were told that, although inflation was significant, Americans were really better off economically than they themselves realized. Most recently we have been told that inflation is serious, and will persist for a long time, but it is the public that is to blame for the inflation.

This last statement indicates that administration spokesmen will go to almost any lengths to avoid responsibility for the disastrous economic situation we face. Harry Truman used to say: "The buck stops here." I think that under President Nixon the buck of responsibility has eroded as fast as the value of the dollar.

This indicates to me that Congress must assume more of the responsibility for managing the Nation's economy. The economic bad news at the end of the second quarter makes my point painfully clear. As the headlines of many papers indicated—including the Washington Star News—"GNP Drop Indicates Recession."

The story that lies behind that headline is one of an economy that simultaneously suffers from soaring prices and a recession in which every major sector is weaker than previously expected and where no signs of healthy economic recovery can be discovered.

Further developments sharply illustrate this harsh reality:

First, the real quantity of goods and services produced in the economy declined at a seasonally adjusted annual rate of 1.2 percent in the April-June quarter, following a 7-percent decline in the first 3 months of this year. In other words, in the first 6 months of 1974, the economy suffered a recession that robbed the American people of about $40 billion in normal economic growth.

Second, consumers spent $10 billion more in the second quarter than the first in a futile attempt to maintain their eroding living standards. In fact, consumers were forced to spend $11 billion more than they received in income in the second quarter, causing their savings rate to decline from 8.9 percent in the first quarter to 7.6 percent in the second quarter. Real per capita income in the same period fell at a 4 percent annual rate.

Third, housing construction expenditures continued to be depressed at a $48 billion level in the second quarter, $9 billion less than the 1973 level.

Fourth, business investment, always touted as the backbone of an economic recovery, only increased by $4 billion in the second quarter, or what amounts to an 8 percent annual rate of increase. This is about half the rate of increase in capital spending that has been forecasted for this year. The bang has gone out of the business boom.

Fifth, and reflecting a serious deterioration in the international sector, net exports fell by about $11 billion in the second quarter.

But this profile of the recession is only part of the tragic story—the figures released on July 18 also indicated that inflation continued to increase at a 9 percent annual rate. Although somewhat less than the 12-percent rise in the preceding quarter—which was the biggest jump in 23 years—the second quarter rate of inflation reflects an economy out of control.

PROGRAM TO RESTORE ECONOMIC STABILITY AND GROWTH

No one has all the answers to our current dilemma—certainly I do not—but we can do much better than the current administration's policy of creating a recession to deal with inflation. I believe that a National Commission on Inflation, under pressure from Congress and the administration to hammer out a compromise set of policies that all would live with, can make workable policy proposals to restore stability and growth to America and eliminate the economic confusion that the Nation finds itself in today.

Such a national anti-inflation policy can provide the stable framework within which sound economic decisions can be made by all of the participants in the economy.

As a member of the Joint Economic Committee, and chairman of its Consumer Economics Subcommittee, I have followed economic matters very closely for the last several years. I have discussed our current economic disarray with administration spokesmen, expert supporters of their policies, and expert critics.

Based on this experience and analysis, I have developed several proposals to counter inflation and recession, that need careful consideration.

I believe that these are a series of policies that, if adopted, would substantially reduce inflation without retarding employment and income growth. I would hope that a National Commission on Inflation would give these suggestions careful consideration in framing its recommendations.

1. TAX REFORM AND TAX RELIEF

The oil depletion allowance, DISC, and ADR should be repealed and the minimum tax strengthened. The $6 billion revenue gain from this tax reform package should be transferred, as a tax cut, to low and moderate income consumers—those hurt most by inflation. This action would not be inflationary. However, it would restore some balance in the distribution of our Nation's economic growth.

2. FEDERAL BUDGET PRIORITIES

Federal spending should be reapportioned through a $6 billion cut in the defense, foreign military assistance, and low priority programs. These savings would be used for public service jobs, housing, energy research, and food production—programs which would both stimulate the economy and promote the general welfare.

3. INFLATION REVIEW BOARD

A permanent Inflation Review Board, responsible directly to the Congress, should be established. It would monitor inflation in the economy, establish guidelines for seasonable wage and price behavior, hold public hearings and make investigations into wage or price increases that appear excessive, and thoroughly review Government actions that increase inflation.

4. NATIONAL INCOMES POLICY

A comprehensive National Incomes Policy should be developed and implemented. Such a policy is essential in assuring that we make steady progress in reducing disparities in income that exist in our society. It is also needed to promote the noninflationary growth of real income in America. We must set National Income goals and develop the machinery to see to it that these objectives are achieved.

5. NATIONAL FOOD POLICY

A National Food Policy should be developed that provides a stable and fair income to farmers, manages food exports so that domestic supplies are not threatened, insures competition in the food distribution and marketing system, and protects consumers from low-quality products and excessive price increases. Such a policy would include a system of strategic reserves of the major grains.

6. LONG-RANGE PLANNING

Long-range planning mechanisms should be developed to assist Congress and the executive branch. They would look at requirements for the balanced growth and development of the American economy, at least 5 years into the future, and make proposals for meeting these needs. Special attention would be given to foreign developments that could seriously affect the U.S. economy. We need to plan today to avoid the repetition of the crises in fuels and food which we have recently experienced.

7. CREDIT ALLOCATION PLAN

We should establish a Credit Allocation Plan to assure the availability of reasonably priced capital for priority uses—housing, small business, municipal finance, productivity enhancing investment, and the like.

Ability to pay high interest rates cannot continue to be the sole means of determining where capital will be used. Capital allocation is too fundamental to the achievement of basic social policy objectives to be left to the bankers to decide.

8. CONSUMER SAVINGS POLICY

Equity requires that our small consumer savers be provided a fair return on savings; they are not getting it today. We should consider raising interest rates payable to small consumers, establishing "inflation-proof" savings accounts and financial instruments for small savers, increasing interest rates on series E bonds, and other measures to promote savings and provide fair treatment to small savers.

9. ANTI-TRUST POLICY

A reinvigorated antitrust enforcement program should be mounted by the Justice Department, and by Congress if new legislation is needed. Economic policies to stem inflation have failed, in large part, because they were designed to operate in a "free market" that today is largely a myth in America.

In the long-run we must break down the "administered price system" that operates in our economy, or face a continued high rate of inflation.

10. "EARLY WARNING SYSTEM" FOR EXPORTS

We should develop an export reporting system. Such a system would serve as an "early warning system," when world demand for American commodities and products threatens the adequacy of these supplies for our own use at home. Agricultural exports and scrap iron are only the most obvious examples of where such a system was sorely missed in the past year. While a free trade policy is in the best interest of all nations, they must anticipate and respond to abrupt changes in supply and demand as responsible members of the world economic community.

11. ENERGY PRICING POLICY

The response of energy production to increased profits and prices warrants a careful review. There is a serious question of whether or not the extraordinary price increases of the past year on domestic energy supplies have resulted in substantial new production.

The price-supply performance of this highly inflationary segment of the economy should be carefully analyzed and pricing recommendations made to Congress and the President.

Mr. President, these are just a few of the major actions that I feel should be incorporated into a comprehensive anti-inflation policy. We need such a policy because the country is in a major economic crisis and the Nixon administration has no program to meet the crisis.

I urge my colleagues to join Senator Roth and me in supporting the creation of a National Commission on Inflation to present to the Nation a workable proposal for national economic growth and stability.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed at this point in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 232

Whereas it is the policy of the United States to reduce the rate of inflation, improve the Nation's competitive position in world trade, promote full employment, protect the purchasing power of the dollar, and encourage expansion of the Nation's industrial capacity;

Whereas the persistence of inflationary pressures has not been effectively moderated by the Government's current economic policies and programs;

Whereas there is a national need to promote voluntary wage and price restraints and to promote confidence in the Nation's ability to moderate the rate of inflation; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

ESTABLISHMENT

Section 1. There is hereby established the National Commission on Inflation (hereinafter referred to as the "Commission").

MEMBERSHIP

Sec. 2(a) The Commission shall be comprised of 17 members selected as follows:

(1) The President shall designate the Secretary of the Treasury, who shall be the Chairman of the Commission, the Chairman of the Council of Economic Advisers, and the Chairman of the Board of Governors of the Federal Reserve System as members of the Commission.

(2) The President of the Senate, after consultation with the majority and minority leaders of the Senate, shall appoint two Senators to be members of the commission and the Speaker of the House of Representatives, after consultation with the majority and minority leaders of the House of Representatives, shall appoint two Representatives to be members of the Commission.

(3) The President, in consultation with the majority and minority leaders of the Senate and the majority and minority leaders of the House of Representatives, shall appoint 10 private members not more than five of which shall be from the same political party as follows:

(a) two from among persons who represent labor;

(b) two from among persons who represent business and industry;

(c) two from among persons who represent agriculture;

(d) two from among persons who represent State and local governments;

(e) two from among persons who represent consumer interests.

(4) Any vacancy in the commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

DUTIES

Sec. 3. (a) The Commission shall—

(1) develop and recommend to the President and the Congress policies, mechanisms and procedures to achieve and maintain stability of prices and costs in a growing economy;

(2) promote the consistency of price and wage policies with fiscal, monetary, international and other economic policies of the United States;

(3) provide information to the public, agriculture, industry, labor, and State and local governments concerning the need for controlling inflation and encourage and promote voluntary action to that end;

(4) review the programs and activities of Federal departments and agencies and the private sector which may have adverse effects on supply and cause increases in prices and make recommendations for changes to increase supply and restrain prices;

(5) review industrial capacity, demand, and supply in various sectors of the economy, working with the industrial groups concerned and appropriate governmental agencies to encourage price restraints;

(6) work with labor and management in the various sectors of the economy having special economic problems, as well as with appropriate Government agencies, to improve the structure of collective bargaining and the performance of those sectors in restraining wages and prices;

(7) improve wage and price data bases for the various sectors of the economy to improve collective bargaining and encourage wage and price restraint;

(8) focus attention on the need to increase productivity, savings, and investments in both the public and private sectors of the economy; and

(9) monitor the economy as a whole, by requiring, as appropriate, reports on wages, productivity, prices, sales, profits, imports, and exports.

(b) To further promote voluntary wage and price restraints and to promote the level of consumer and international confidence in the Nation's ability to moderate the rate of inflation, the Commission shall—

(1) conduct public hearings when appropriate to provide for public scrutiny of inflationary problems in various sectors of the economy;

(2) report to the President, the Congress, and the public, when appropriate, on any decisions, actions, or price and wage increases which the Commission determines would substantially contribute to inflationary pressures in the economy; and

(3) within 90 days from the date of passage of the Resolution, report to the Congress and to the President specific anti-inflation policies and programs it believes to be needed. These recommendations shall be offered as a Concurrent Resolution by the Congressional members of the Commission for consideration by Congress. The leaderships of both Houses shall require that this Resolution be reported to the floor by the committee to which it is referred within 30 days of such referral.

(4) transmit to the President and the Congress within twelve months of the date of enactment of this resolution a final report on its findings and recommendations. Sixty days after the submission of its final report, the Commission will cease to exist.

POWERS

Sec. 4. (a) Subject to such rules and regulations as may be adopted by the Commission, the Commission shall have the power to—

(1) hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records and other documents as the Commission may deem advisable;

(2) appoint and fix the compensation of an executive director and such additional staff personnel as the Commission may deem necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(3) procure temporary and intermittent services to the same extent as is authorized by 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(b) In the case of contumacy or refusal to obey a subpoena issued under subsection (a)(1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, the district court, at the request of the Commission, shall have jurisdiction to issue such a person an order requiring such person to appear before the Commission or a Committee or member thereof, there to produce evidence if so ordered, or then to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

(c) In exercising its duties, the Commission—

(1) may consult with such representatives of industry, labor, agriculture, consumer, State and local governments, and other groups, organizations, and individuals as it deems advisable to insure the participation of such interested parties;

(2) shall to the extent possible, use the services, facilities, and information (including statistical information) of such other Government agencies as the President may direct as well as of private agencies and professional experts in order that duplication of effort and expense may be avoided;

(3) shall hold regional and industry-wide conferences to formulate ideas and programs for the fulfillment of the objectives set forth in section 3; and

(4) may establish subcommittees to provide advice concerning special considerations that tend to contribute to inflation in any particular sector or industry in the economy.

COMPENSATION

SEC. 5. A member of the Commission who is not otherwise an officer or employee of the United States shall be entitled to receive $125 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are authorized to be appropriated such sums, not to exceed $1,500,000 as are necessary to carry out the provisions of this joint resolution.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3305

At the request of Mr. CLARK, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 3305, the National Huntington's Disease Control Act.

S. 3383

At the request of Mr. MCGOVERN, the Senator from South Dakota (Mr. ABOUREZK), the Senator from North Dakota (Mr. BURDICK), the Senator from New Jersey (Mr. CASE), and the Senator from Kentucky (Mr. COOK) were added as cosponsors of S. 3383 to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans.

S. 3775

At the request of Mr. BUCKLEY, the Senator from New Mexico (Mr. DOMENICI) and the Senator from Kansas (Mr. DOLE) were added as cosponsors of S. 3775 to provide for the monthly publication of a Consumer Price Index for the Aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act.

S. 3807

At the request of Mr. TUNNEY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 3807, the Student Loan Protection Act of 1974.

S. 3840

At the request of Mr. BUCKLEY, the Senator from Idaho (Mr. CHURCH), the Senator from Illinois (Mr. STEVENSON), the Senator from Utah (Mr. BENNETT), the Senator from Missouri (Mr. SYMINGTON), the Senator from Virginia (Mr. WILLIAM L. SCOTT), the Senator from Nebraska (Mr. HRUSKA), the Senator from Wyoming (Mr. HANSEN), and the Senator from Tennessee (Mr. BROCK) were added as cosponsors of S. 3840, to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain seatbelt standards under such act.

ADDITIONAL COSPONSORS OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 104

At the request of Mr. BIBLE, the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Utah (Mr. BENNETT), the Senator from Utah (Mr. MOSS), the Senator from Idaho (Mr. CHURCH), the Senator from Wyoming (Mr. MCGEE), the Senator from Wyoming (Mr. HANSEN), and the Senator from Georgia (Mr. NUNN) were added as cosponsors of Senate Concurrent Resolution 104, relating to the availability of unleaded gasoline and related equipment.

FEDERAL EMPLOYEES' POLITICAL ACTIVITIES ACT OF 1974—AMENDMENT

AMENDMENT NO. 1780

(Ordered to be printed and referred to the Committee on Post Office and Civil Service.)

Mr. CLARK submitted an amendment, intended to be proposed by him, to the bill (S. 3357) to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, and for other purposes.

HATCH ACT REFORM

Mr. CLARK. Mr. President, I am joining Senator BURDICK today as a cosponsor of legislation (S. 3357) to restore to Federal civilian employees their right to take part in the political life of the Nation.

The bill will permit Federal employees a greater level of participation in the democratic process—a long overdue step to correct the inequities of the Hatch Act.

It has been estimated that some 11 million Americans are affected, directly or indirectly, by the strict prohibitions of the Hatch Act. Three million of these men and women are employees of the Federal Government; 8 million are State, county, or municipal employees dependent upon Federal funds.

Under the Hatch Act, none of these 11 million citizens can contribute to the party or candidate of his choice; none can volunteer to work in a political campaign; none can run for public office; many are so intimidated by the sanctions of the Hatch Act that they do not vote at all. It is ironic that the very group of citizens who execute our country's laws and administer its programs are discouraged by law from helping to choose its leadership.

There have been enough speeches made in Congress in recent months on the need to restore faith in our institutions of government by ridding them of corruption. That need is overwhelming and obvious. But it is not enough for us to clean up the political process; we must open it up as well. The deterrents against "politicizing" the civil service provided in S. 3357 are as great as those in the Hatch Act. But the opportunities provided civil servants to participate in legitimate political activity are immeasurably improved.

While it is only right to open up the political process to Federal employees, it must be done carefully.

We must take care not to destroy the essential characteristics of a system in which employment is based on merit alone, or else we will threaten the quality and integrity of government service. But this bill contains nothing that would threaten the civil service system.

Permitting civil servants and postal workers to participate in politics does inevitably expose them to the possibility of political pressures from their employers or colleagues. S. 3357 provides strong sanctions against improper solicitations of contributions and misuse of official positions, but in my judgment, it does not go far enough in protecting the Federal employee from discrimination in hiring, promotion, firing, or in the performance of his or her official duties as a result of political activities.

We must safeguard the status of Federal employees as nonpartisan civil servants as we protect their political rights.

That is why, while joining as a cosponsor of S. 3357, I am also introducing an amendment to the bill designed to prevent on-the-job partisan discrimination. With this amendment, S. 3357 will go a long way toward opening up the political process to millions of partially disenfranchised Government workers, while preserving the integrity of Federal service.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1780

On page 4, strike out lines 6 and 7 and insert in lieu thereof the following:

SEC. 3. (a) Section 7326 of title 5, United States Code, is amended to read as follows:

"7326. Prohibiting discrimination against individuals in the competitive service and the Postal Service engaged in authorized political activities.

"(a) Discrimination against an individual is prohibited with respect to any personnel action including his appointment or promotion in, or removal from, the competitive service or the Postal Service, or his official duties while in the competitive service or Postal Service, as a result of that individual (1) freely and voluntarily making a contribution of money, services, or materials to any candidate for public office or to support or further those activities, as authorized by section 7323 of this title, or (2) voting as he chooses, expressing his opinion on political subjects and candidates or taking an active part in political management or political campaigns, as authorized by section 7324 of this title.

"(b) The Civil Service Commission shall prescribe regulations necessary for the administration of this section, including the Postal Service, and such regulations shall authorize the use of equal employment act appeal procedures or negotiated grievance procedures where available to the employee concerned.

(b) The analysis of chapter 73 of such title

5 is amended by striking out items 7326 and 7327 and inserting in lieu thereof the following:

"7326. Prohibiting discrimination against individuals in the competitive service and the Postal Service, engaged in authorized political activities."

RAIL PASSENGER SERVICES ACT—AMENDMENT

AMENDMENT NO. 1781

(Ordered to be printed and to lie on the table.)

Mr. STEVENSON (for himself and Mr. TAFT) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3569) to amend the Rail Passenger Service Act of 1970, and for other purposes.

INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1975—AMENDMENT

AMENDMENT NO. 1782

Mr. NELSON. Mr. President, tomorrow I intend to call up an amendment to the Interior appropriations bill which would prohibit the use of herbicides 2,4,5–T on any lands within the U.S. National Forest System. Should this bill pass without this restriction, the U.S. Forest Service will be using 2,4,5–T on 61 national forests in 23 States in this country. This activity has come under question by scientific experts and concerned citizens throughout the Nation.

As you may recall, 2,4,5–T was used in the U.S. military defoliant, Agent Orange, in Vietnam until scientific evidence about its harmful effects was discovered in 1969. In 1970, EPA cancelled all uses of 2,4,5–T around the home and garden, in recreational areas, and where water contamination could occur. EPA has further announced its intentions to reexamine the registration of 2,4,5–T for forest, pastureland, and rights of way use.

Scientists have continued to raise questions about the harmful effects of 2,4,5–T and its deadly contaminant, TCDD, dioxin. Dioxin is the world's most lethal synthetic substance—so lethal that only 6 parts of dioxin per 10 billion parts—bodyweight—was lethal in laboratory tests on guinea pigs. There is significant evidence indicating that the TCDD dioxin contaminant in 2,4,5–T bio-magnifies. If so it could become a serious contaminant in the food chain.

The question remains how serious is the health hazard and environmental damage that may be caused in areas—like our national forests—where 2,4,5-T is used. The evidence is not yet conclusive and requires further research. But no one can state with any degree of certainty that using 2,4,5-T is safe. And until we are sure it is safe, we should not be releasing this substance into the environment.

The Environmental Protection Agency has pledged to conduct a full monitoring program and exhaustive scientific tests to ascertain what the dangers of 2,4,5-T are. Until the Environmental Protection Agency can develop adequate tests, then it seems to me the height of folly to have another arm of the Government, the Forest Service, routinely spraying the national forests.

The idea of using 2,4,5-T in the national forests, which are a multiple use natural resource, is particularly questionable since there is a 4-year-old ban on 2,4,5-T in recreation areas and hundreds of thousands of people enter the forests for purposes of recreation.

Sound public policy dictates restraining all use of potent and toxic agents such as 2,4,5-T until adequate safety tests are conducted. This policy should particularly apply to agencies of the U.S. Government.

In this regard, it should be noted that the national forests' planned use of 2,4,5-T in two national forests in Wisconsin has been halted by the Federal court of the eastern district of Wisconsin. The Wisconsin State Department of Natural Resources claimed in court that the U.S. Forest Service had not prepared an adequate environmental impact statement; this claim may well have validity in the cases of 59 other operations planned in the 23 States where the U.S. Forest Service is requesting appropriations in this bill to spray 2,4,5-T.

Mr. President, I ask unanimous consent to have the list of national forests in the 23 States concerned entered in the RECORD at this time; and I further ask unanimous consent to have the amendment printed in the RECORD.

There being no objection, the list and amendment were ordered to be printed in the RECORD, as follows:

LIST OF NATIONAL FORESTS IN THE 23 STATES CONCERNED

The forests by state are:

Arkansas: Ozark.

California: El Dorado, Klamath, Lassen, Mendocino, Modoc, Plumas, San Bernardino, Sequoia, Shasta-Trinity, Sierra, Six Rivers, Tahoe.

Idaho: Boise, Salmon, Sawtooth, Targhee.

Illinois: Shawnee.

Indiana: Wayne-Hoosier.

Kentucky: Daniel Boone.

Louisiana: Kisatchie.

Michigan: Huron-Manistee, Ottowa.

Minnesota: Chippewa, Superior.

Mississippi: All national forests.

Missouri: Clark, Mark Twain.

New Hampshire: White Mountain.

Ohio: Wayne-Hoosier.

Oregon: Mt. Hood, Rogue River, Willamette, Winema, Siuslaw, Umpqua.

Pennsylvania: Allegheny.

Tennessee: Cherokee.

Texas: All national forests.

Utah: Fishlake, Manti-LaSal, Uinta, Wasatch.

Virginia: Jefferson, Geo. Washington.

Washington: Mt. Baker, Olympic, Snoqualmie, Gifford Pinchot, Wallowa-Whitman.

W. Virginia: Monongahela.

Wisconsin: Chequamegon, Nicolet.

Wyoming: Medicine Bow*. (*2,4,5–TP [Silvex]).

AMENDMENT NO. 1782

On page 47, between lines 3 and 4, insert a new section as follows:

SEC. 303. None of the funds appropriated by this act may be used for the purpose of applying the herbicide 2,4,5–T to any lands within the United States National Forest System.

One page 47, line 4, strike out "sec 303" and insert in lieu thereof "sec. 304".

ADDITIONAL STATEMENTS

WYOMING PARTNERS PROGRAM

Mr. McGEE. Mr. President, as a longtime advocate of the Partners of the Americas program, it is with a deep sense of pride that I note how active this program is in my State of Wyoming.

Recently, it was announced that Ken Rochlitz, basketball coach at Western Wyoming Community College at Rock Springs, will conduct a series of basketball clinics for players and coaches in the state of Goias, Brazil. Goias has a partnership with Wyoming, and Ken is traveling to Brazil as part of the Inter-American Sports Exchange program of the Partners.

I take this opportunity to commend the Wyoming Partners program for the invaluable contribution it continues to make to its sister state of Goias in Brazil. I wish Ken the best and I know that he will benefit from his experience this summer as much as the players and coaches in Goias will benefit from having him conduct the clinic.

Mr. President, I ask unanimous consent that the article appearing in the July 23 Rock Springs Daily Rocket-Miner announcing the selection of Ken Rochlitz to conduct the clinic be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROCHLITZ TO CONDUCT CLINICS IN BRAZIL

Ken Rochlitz, basketball coach at Western Wyoming Community College, has been selected to conduct basketball clinics to players and coaches in the state of Goias, Brazil, as part of the Inter-American Sports Exchange program of Partners of the Americas.

Partners of the Americas is an organization committed to fostering a closer relationship and understanding between the people of the United States and the people of Latin America through involvement in self-help projects.

A Partner's committee is formed which links a state in the United States to one in Latin America like Wyoming and Goias. Created in 1964, 84 Partner committees are active today—41 in the United States and 43 in 18 Latin American countries.

Coach Rochlitz will leave for Brazil on July 31 and return around August 27.

A VISIT WITH HENRY KISSINGER

Mr. YOUNG. Mr. President, not long ago I accompanied Secretary of State Henry Kissinger and Foreign Minister Hans-Dietrich Genscher of West Germany on a trip to North Dakota at which time they visited the big Grand Forks SAC Air Force Base and Minuteman wing, and the Safeguard antiballistic missile site in North Dakota.

Secretary Kissinger was exceptionally well received. I have never known of anyone who got such a warm and enthusiastic reception.

Blanche Denison, editor of the Towner County Record-Herald, a weekly newspaper in Cando, N. Dak., wrote a very interesting editorial concerning this visit. I thought her observations would be of interest to everyone. I request that this editorial be printed as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A VISIT WITH HENRY KISSINGER

Ordinarily being "star-struck" about famous people is not an ailment we are afflicted with, but the fascinating saga of Henry Kissinger has been a drama from the time of his early childhood when he fled Hitler's Germany with his Jewish parents. Only because they chose America as a refuge have we been able to watch his astounding success as this nation's representative in the worldwide quest for peace.

Uniquely fitted for his mission, he had been making preparations for his entire professional life. As a college professor he organized a 40-student summer seminar for eight years where young people considered by their own nations to be possible future leaders, were invited to the campus to study together for better understanding. Above all, he made friends with them and now they often greet him, as a friend, in their own nations in positions of power.

His understanding that each nation must be allowed to save face and "yield as well as demand", is considered to be the key to his success. So far nothing has been hopeless in overcoming prejudice even with the Jews and Arabs.

Therefore, last Thursday morning when we were informed of our clearance by security to meet Secretary of State Kissinger at Concrete when he was escorted through the installation by Senator Milton Young, the temptation was too great. The editor was tied up with a meeting but we enjoyed the trip with Gene and Connie Nicholas and it was an exciting experience.

As ranking member of the Appropriation Committee, Senator Young was probably the best informed government official possible to show the Secretary the ABM site, he had been negotiating over in Russia last week. As they stepped from the helicopter, though on a very tight schedule, they shook hands and spoke to each of us. Showing deference to the weekly press, Senator Young invited Howard Doherty, Cavalier County Republican editor and I to have our pictures taken with them and we needed no coaxing.

Secretary Kissinger was charming and interested in the fields of grain to feed the world—which surrounded him. It brought home to us quite forcibly that though we expect our leaders to be miracle men, somehow greater than life, they are no different than the folks we visit with on Main Street everyday. Gifted—dedicated—talented, all those things, but a friendly "good Joe" with a keen sense of humor, too.

One thing we have noticed for some time is that the only place the uniform blue or gray suit with the stripe tie and white shirt is seen daily in mens attire, is on those engaded in world wide diplomatic travels or on high government officials. All the folks on the Kissinger tour including the German prime minister and the diplomatic corp accompanying them from Germany were wearing the "uniform" though it was a blistering hot day.

Even the smaller helicopter which carried Senator Young, Secretary Kissinger and the German dignitaries was without air conditioning and furnished only with the customary benches along the side, so a light summer sports coat would most certainly have been more comfortable.

We decided that men in top government posts dressed this way because wherever they go in the world, they need have no concern that their clothing is too plain or too fancy. One has to wonder though when these well groomed men, hair always neatly cut and in place, have time to be prepared for the public eye even on the North Dakota prairies.

The only group that seems to have a "uniform" look anymore is the 15–21 year olds where the boys look like the girls and girls look like boys and they all don a pair of jeans and seem determined not to look different. Their reason may be the same as the diplomats and politicians, that they never need to worry if their peers will be wearing something different to make them feel out of place.

In our everyday world men are proud as peacocks to be sporting bright coats, plaid slacks, pretty shirts, turtle necks, anything to make them comfortable and attractive. Gone is the concern that they must look "masculine" and fabrics are soft and eye-catching. It's a morale builder for the older man who feels younger in sharp outfits and the young man feels more interesting. In these times attaining this is cheap at any price.

SENATOR ABE RIBICOFF

Mr. JACKSON. Mr. President, for more than a decade it has been my privilege to serve in the Senate and the House with Abe Ribicoff of Connecticut. As a former Governor and Cabinet officer, Senator Ribicoff has been able to bring an unusual range of understanding and experience to the work of the Senate. He continues to be an important leader on major foreign and domestic problems.

I would like to call the attention of my colleagues to an article about Senator Ribicoff which appeared in a recent edition of the New York Times. I ask unanimous consent that the article, by Martin Tolchin, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Ribicoff's Charmed Life From Poverty to Power

(By Martin Tolchin)

Washington.—From the very beginning, he was something special.

Abraham A. Ribicoff was born with a caul, which his poverty-ridden Orthodox Jewish family considered a sign of great fortune. Although the family lived in a New Britain, Conn., tenement, his parents believed the child would lead a charmed life and reach great heights. From earliest childhood this belief was instilled in the boy, along with the necessity to preserve the caul, a membrane which is now protected in tissue paper in Senator Ribicoff's Watergate apartment.

The caul, apparently has continued to work. At Hartford's Bushwell Memorial Hall, Mr. Ribicoff was nominated July 20 for a third term in the United States Senate, and became an almost prohibitive favorite for re-election. In January, he is widely expected to become a major power in the Senate by gaining the chairmanship of the Government Operations Committee.

Last weekend, the Connecticut Republicans selected James H. Brannen, a black state legislator, to oppose Mr. Ribicoff in November. A Republican poll two weeks ago found that Connecticut voters gave Mr. Ribicoff a 77.9 per cent favorability rating. The Senator expects to spend most of the fall attending President Nixon's trial in the Senate should the House vote impeachment.

Mr. Ribicoff, over the years, has led a charmed life politically, one marked by an almost uncanny ability to anticipate issues, from safety to consumer protection, and to forge strategic alliances—with John M. Bailey, Connecticut Democratic chairman; the Kennedys; the late Senator Richard B. Russell and Senator John C. Stennis of the Senate's power structure.

Mr. Ribicoff's career also owes much to an instinct for the dramatic gesture—a tour of flood-stricken cities while Governor, a confrontation with Chicago's Mayor Richard J. Daley at the Democratic National Convention in 1968, a Congressional hearing on the plight of the cities, and another hearing during the energy crisis when he questioned oil company executives.

This talent seems almost out of character for Mr. Ribicoff, an intensely private man, a humorless, distant man who carries himself with the patrician bearing of one who never seriously doubted his success. He is a man of handsome elegance, always meticulously dressed, given to smoothing his wavy graying hair, his lips downturned in an expression of perpetual, vague distaste.

"I'm not a backslapper," Senator Ribicoff concedes. "I'm not gregarious. I'm not hail-fellow-well-met. But everyone calls me Abe."

"Abe is the most instinctive politician I have ever seen in my life," says Wilbur J. Cohen, whose basis of comparison includes having worked for Presidents Kennedy and Johnson. Mr. Cohen, a former Secretary of Health, Education and Welfare, served as assistant secretary in 1961, when Mr. Ribicoff headed the agency.

"Abe is the kind of man who feels in his guts almost instantaneously, and then gives you the intellectual and political justification," Mr. Cohen said.

"I once asked Abe why he became the first prominent political figure to support John Kennedy for President," Mr. Cohen continued, "Abe said, 'I had the reaction that every woman would like him to be her husband, and every mother would like him to be her son.' There were no political reasons, no ideology, no other justifications."

THE RIBICOFF ISSUES

A Senate colleague called Mr. Ribicoff "a very calculating politician" who had an instinct for creating with the waves of popular issue. Through the years, Mr. Ribicoff has championed auto safety, pollution control, health care, aid for the aged, help for the plight of the cities and now, consumer protection. In fairness, however, it must be said that Mr. Ribicoff also identified and dramatized those issues.

In evaluating fellow politicians, Senator Ribicoff divides them into two groups: wholesalers, whom he admires, and reailers, whom he disdains.

"Wholesalers undertake the big issues, the big picture and the big problems, while retailers devote their lives to all the petty things—door-to-door salesmen who cultivate the political vineyards, back-slapping, greeting, doing minor retailing."

The 64-year-old Senator, who acquired a fortune in real estate during his 35 years in public life, worked his way through public schools and the University of Chicago Law School in an assortment of jobs that included paper boy, caddy, milkman's helper, gasoline pumper, construction worker, and Midwest sales representative of a zipper company. He remains counsel to his brother's law firm, Ribicoff and Kotkin, which paid the Senator $15,000 last year. The Senator and his wife reported a total joint personal income of $125,443 last year.

SCOPE OF CAREER

Mr. Ribicoff's public career, always abetted by Hartford's Jewish community, began with two terms in the Legislature and included six years as Hartford municipal judge, six years as New England's first Jewish Governor, two years as Secretary of Health, Education, and Welfare and twelve as United States Senator.

The cornerstone has been a relationship with John Bailey, with whom Mr. Ribicoff's fortunes have been entwined.

"We were two young lawyers with offices on the same floor," Mr. Bailey recalled. "I helped elect him to the Legislature in 1938. I gave him the nomination for United States Senate in 1952, which he lost, and I supported him for the Governorship in 1954 which he won."

"I thought he would be the strongest candidate," Mr. Bailey continued. "I feel that Connecticut is a very sophisticated state, and you aren't going to win unless you have good candidates."

The two men spotted another comer, John F. Kennedy, who rewarded Mr. Ribicoff with the H.E.W. post, which he grew to hate because decisions he had to make were often politically unpopular. Mr. Bailey became Democratic National Chairman.

Mr. Bailey and Mr. Ribicoff insist that, from the outset, that they enjoyed a division of labor, with Mr. Ribicoff running the state and Mr. Bailey, running the politics.

"I never wanted to be a power broker," the Senator insists. "I never sought to build a political machine."

Some political observers believe, however, that it is impossible to separate from politics, the record suggests, moreover, that at various key junctures in their mutual careers, it was Mr. Ribicoff who wielded the power and Mr. Bailey who took the orders.

In 1958, for example, when he sought and won a second term as Governor, Mr. Ribicoff selected as his running mate his executive assistant, John N. Dempsey, over the objections of Mr. Bailey, who had supported Henry Altobello. Mr. Ribicoff had the political muscle, and Mr. Dempsey moved into the Governor's Mansion in 1961, when Mr. Ribicoff resigned to go to Washington. Mr. Dempsey was elected Governor in his own right in 1962.

In 1970, Mr. Ribicoff refused to accept the Democratic State Convention's selection of Alphonsus Donohue—a Bailey protege—as the party's nominee for United States Senate, and instead supported a primary race by Joseph Duffey, who won the nomination but lost the general election in a three-way race.

This year, although Mr. Ribicoff and Mr. Bailey had remained outwardly neutral in the contest for the Democratic nomination for Governor, many of Mr. Bailey's lieutenants supported the nomination of Robert Killian, the state's Attorney General, leading Connecticut Democrats to believe that Mr. Killian had Mr. Bailey's blessing.

Mr. Ribicoff, on the other hand, telephoned the state Democratic leaders and quoted the polls, which favored Ella T. Grasso, who won the nomination and is regarded as the front-runner in the general election.

"It was like the Lord quoting the facts," said Nicholas Carbone, Hartford's Democratic Chairman, who interpreted the Senator's telephone campaign as an indirect endorsement of Mrs. Grasso.

"DOESN'T MUSCLE"

"Abe works with the party in a quiet way," Mr. Carbone continued. "I've never known him to tell anybody to do anything. He very seldom asks, and never tells anyone, yet, in the final analysis he's very effective. He doesn't muscle anyone. It's not his style. He doesn't leave fingerprints."

The low-key style also characterizes Mr. Ribicoff's work in Washington, where he is regarded as impeccably liberal but occasional victim of "legislative fatigue," in the words of one close Ribicoff-watcher.

Ralph Nader, the consumer advocate whom Senator Ribicoff gave his first Congressional forum during the auto-safety hearings, said that when public-interest people think of starting an idea moving in the Senate, Mr. Ribicoff is "clearly one of the 10 Senators you'd go to."

"Unfortunately, he's not much of an advocate toward other Senators," Mr. Nader said. "He doesn't like to persuade other Senators to vote with him. . . . He seems chronically reluctant to use the power he has."

In the Senator's present campaign for a consumer protection agency, for example, "unlike Senator Allan Cranston, of California, he's tempermentally incapable of buttonholing Senators and saying, 'Vote for this bill,' " Mr. Nader said.

Mr. Ribicoff, aware of this criticism, replies that "I am reluctant to push people against the wall" and adds that "I'm not a wheeling-dealing Senator."

A METICULOUS MAN

From Mr. Ribicoff's earliest days in politics, several threads have run through his career. One is attention to details. "Nothing is sloppy," said Gloria Schaffer, Connecticut's Secretary of the State. "He's meticulous in the way he looks, and that's exactly what's going on inside."

It was this meticulousness, and a gift for political survival, that led Mr. Ribicoff to initiate a year-long series of Connecticut brunches in 1973 in all sections of the state, attended by all Democratic officeholders. "They led to the united Democratic party that you see today," Mr. Ribicoff said.

Mr. Ribicoff also has a well-defined public relations instinct, and enjoys excellent relations with the working press. As Governor, he held two press conferences daily.

During the 1954 campaign for Governor, Mr. Ribicoff dramatically confronted an anti-Semitic whispering campaign by going on television and declaring: "Any boy, regardless of race, creed or color has the right to aspire to public office. It is not important whether I win or lose. The important thing is, ladies and gentlemen, that Abe Ribicoff is not here to repudiate the American dream, and I know that the American dream can come true."

His most dramatic confrontation, however, came at the 1968 National Convention, when he threw away his prepared speech nominating Senator George McGovern of South Dakota and instead assailed Mayor Daley and "Gestapo tactics on the streets of Chicago." The Mayor replied with obscenities on live television.

ATTACK ON JAVITS

In 1971, in a dramatic Senate debate with Jacob K. Javits, New York Republican and the only other Jew in the Senate, Mr. Ribicoff supported an amendment sponsored by Senator Stennis, the Mississippi Democrat, to extend school desegregation legislation to the north.

DR. OLAF C. SOINE

Mr. HUMPHREY. Mr. President, after serving nearly 30 years as a soil surveyor in the Red River Valley, Dr. Olaf C. Soine has retired from the University of Minnesota and from the Soil Conservation Service.

Many people have and will continue to benefit from the work he has done developing and testing significant crop and soil practices in northwest Minnesota.

Dr. Soine has had a distinguished career as a scientist. He has taught soils and agronomy classes at the Northwest School of Agriculture, and has been head of applied research studies in soils and agronomy at the Northwest Experiment Station. He has also pioneered the Land Grant College sugarbeet research work in the Red River Basin.

Dr. Soine should also be recognized for his great contributions as an active citizen. He has served as mayor of the city of Crookston, and also as the president of the Red River Valley Development Association for 18 years.

In the Northwest Experiment Station News, Dr. Soine reflects over his past 29 years in soil research. This is an interesting and informative article about agricultural change.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFLECTIONS OVER THE PAST 29 YEARS

(By Olaf C. Soine)

This will be my last official article for the quarterly as I will retire on August 1, after a tenure of 32 years with the University of Minnesota—three years at St. Paul and 29 years at Crookston.

Many agricultural changes have taken place during this short period of time in the Red River Valley area.

The biggest change has been from horse power to the big air-conditioned, radio hookup, hydraulic-operated tractors of today. When I first came to this Experiment Station in 1945, two teams of horses were still used for farm operations. Tractors of that date were smaller, not well equipped, and farms were much smaller and required more manual labor.

Crop yields have almost doubled during this period, but are still dependent on weather conditions in this area. Spring wheat yield records for 1942 to 1945 for varieties like Thatcher and Pilot yielded 28 to 31 bushels per acre compared to present day varieties like Era which has a three-year average of 64 bushels per acre. Present day wheat varieties have higher yield potential and, with proper fertilization, can achieve greater yields.

Barley varieties have not increased in yield as much as wheat. For example, Mars and Kindred averaged 53 bushels for 1943 to 1945 compared to Cree and Larker which have averaged 79 to 81 bushels for the 1971 to 1973 period.

Oat yields have not increased as much when you consider that Mindo and Bonda yielded 70 to 75 bushels per acre during 1943 to 1945 while Otter and Lodi yielded 97 and 107 bushels per acre for the period 1971 through 1973.

Some of the early chemical weed control work was conducted here at this station in 1947. Experiments with three different formulations of the chemical 2,4-D were applied to barley plots infested with wild mustard, sow thistle, and wild buckwheat. The results were dramatic, and pictures show complete control of these weeds on the treated plots versus the untreated plots. This was the beginning of extensive research with chemical weed control, and today we can see the results of these early trials on all of our crops here in the Valley. In the near future you may see chemicals being used to thin and control weeds in sugarbeets. Weed control has been one of the obstacles for maximum crop yields in the past; but with our present day knowledge of chemical weed control, this problem is being solved.

Oil producing sunflowers were first introduced to the Red River Valley in 1947 when trials were conducted here at the station. These dwarf type sunflowers which were developed in Canada showed good yielding ability and produced high quality oil. Fertilizer trials conducted here in 1947 showed increases of 500 to 600 pounds per acre over untreated plots. Commercial sunflower production started in the spring of 1948 in the Red River Valley of Minnesota and North Dakota when approximately 8,000 acres were seeded. This crop has now emerged into a major farm enterprise.

The first sugarbeet research work at the station was started in 1956 when a rotation study was set up in cooperation with the Department of Soil Science, University of Minnesota, St. Paul. This early work led to some interesting results with crop rotations and their effect on sugarbeets. Since that time numerous studies have been conducted on various phases of sugarbeet production, including chemical weed control, simulated hail damage to sugarbeets, various fertilizer trials and using sugarbeet tops for silage. My work will be concluded this year with an eight-year study on the effect of six different rotations on the yields and quality of sugarbeets. Many of these experiments were carried out on farmers' fields throughout the Red River Valley area where actual field conditions were observed. Today there is a large group of researchers working on all aspects of sugarbeet production here in the Valley.

Last, but not least, is the wonderful cooperation that I have had with students, teachers, farmers, and many other groups of people here in the Red River Valley area. I will miss these wonderful associations but know that it is time to step aside and let others carry on the work here at the Northwest Experiment Station.

IMPEACHMENT—A FAIR TRIAL

Mr. GOLDWATER. Mr. President, in this time of preparation by the Senate for the eventuality of a possible impeachment trial, I believe it is more essential than ever for the Members of this body to hold fast to the principles of fairness and justice upon which our American institutions are based—fairness to the Senate, fairness to constitutional processes, and fairness to the President.

In this regard, I trust that any decisions which the Senate collectively will make as to the manner in which it shall conduct a trial will be made upon the highest principles of American justice and fairness. As one of our admired former colleagues, Senator John Sherman Cooper, stated recently in his commencement address at the Georgetown University Law Center:

> Justice and fairness are not generalities. They are embedded in many provisions of the original Constitution, in its Bill of Rights, and its later Amendments.
>
> The prescriptions of "due process," "the equal protection of the law," are familiar phrases. They are more—they are substantial and fair—for their purpose is to protect the right of every individual against arbitrary or unequal action by the government or by the people—majorities or minorities—in judicial, legislative or administrative proceedings.

Senator Cooper added:

> It has been said that while these terms are difficult of definition, they represent an inherent belief of individuals that in a free and democratic government, they can rely on rules and standards—not dictatorial—which assure that they will be accorded equal treatment in their relationships with the government and each other.

Mr. President, while he did not say so, I might observe that the words of Senator Cooper parallel the view of Supreme Court Justice Story, who in his scholarly work, "Commentaries on the Constitution of the United States," wrote:

> The doctrine, indeed, would be truly alarming that the common law did not regulate, interpret, and control the powers and duties of the court of impeachment. What, otherwise, would become of the rules of evidence, the legal notions of crimes, and the application of principles of public or municipal jurisprudence to the charges against the accused? It would be a most extraordinary anomaly, that while every citizen of every State, originally composing the Union, would be entitled to the common law, as his birthright, and at once his protector and guide; as a citizen of the Union, or an officer of the Union, he would be subjected to no law, to no principles, to no rules of evidence.

From his readings of the meaning of the American ideal of fairness, Senator Cooper advised the law graduates of his belief that—

> The President is entitled, in the full range of Watergate proceedings, to the Constitutional rights of "due process, the equal protection of the law, and the presumption of innocence" which are the rights of every individual, even accorded to noncitizens in our country.

The same conclusion was reached by Judge Alexander Simpson, Jr., who wrote the first book-length exploration of Federal impeachments in 1916. In a book marked by the quality of scholarship and historical research, Judge Simpson finds on the basis of the resolutions and debates of the Constitutional Convention of 1787, the English practice of impeachment, and the precedents in the Senate, that this body, when sitting for the trial of an impeachment, "has the attributes of and proceeds like a court." From this fact, Judge Simpson believes it necessarily follows that the defendant in impeachment trials is protected by the same constitutional rights and privileges as those which are guaranteed at the trial of ordinary offenses, excepting only the right of trial by jury, since the Senate itself sits as both judge and jury.

Also, Mr. President, we find evidence, that each impeachment tried by the Senate is in its nature a judicial one, in the provisions of the Constitution itself, which again and again refers to impeachment in the technical language of criminal law, such as: "To try," "convicted," "pardons for offenses except impeachment," "the party convicted," "conviction of treason," "the trial of all crimes, except impeachment." These terms appear at several places in the Constitution, including article I, section 3, clauses 6 and 7; article II, section 2, clause 1; article II, section 4; and article III, section 2, clause 3.

With this background, I wish to make some observations about suggestions for proposed revision of the Senate rules in impeachment trials which have been offered by various Senators. I make no final judgment on the matters which I am about to discuss, but I do wish to raise some serious questions which I believe it is incumbent upon each Senator to consider for himself during the course of our exploration of this subject.

Among those recommendations for revision which I believe to have inherent problems of a constitutional or fairness nature are the following:

First. The standard of evidence required to convict. It has been suggested that the Senate determine guilt or innocence on the basis of "clear and convincing evidence." This is offered as being a possibly higher standard than a mere "preponderance" of evidence, but I would note that it falls short of providing a defendant in an impeachment of proof of his guilt "beyond a reasonable doubt," which appears to be a mandate of "due process."

Second. Is a defendant entitled to "a presumption of innocence" Again, I would believe that fundamental American justice would argue so, but this principle is not included in any of the proposed rule revisions which I have seen.

Third. It is recommended that the power to vote on questions of evidence and other preliminary motions be denied to the Chief Justice, sitting as the Presiding Officer in the trial of a President. Yet, I submit that there are at least three sound constitutional reasons for upholding the right of the Chief Justice both to vote and to make initial rulings upon motions and questions during an impeachment trial.

First, in the trial of President Andrew Johnson, this very question was put to the Senate, which thereupon defeated a resolution that the Chief Justice had no right to vote, by a vote of 22 to 26. The Senate also defeated by a vote of 20 to 30 a resolution to the effect that the Chief Justice had no privilege of ruling on questions of law.

Second, one reason the framers of the Constitution provided that in the trial of a President the Chief Justice should preside is because the usual Presiding Officer, the Vice President, would have a direct, personal interest in the result. There is no implication in this that the Chief Justice should not retain the same privileges as the Vice President ordinarily has as the Presiding Officer. In fact, it would seem natural, since the Chief Justice succeeds to the position of the Vice President, that the Chief Justice also succeeds to all the rights and privileges that the Vice President has, which includes the right to vote and make rulings on initial questions of law.

Third, an important additional reason the Founding Fathers would have meant for the Chief Justice to have the power to vote on matters of law is so the President would not be exclusively dependent on the legislature. I would remind my colleagues that in the debates of the Federal Convention of 1787, when the subject of impeachment was discussed, many delegates on both sides of the issues expressed the fear that the President would be put too much in the power of the legisature.

For example, Mr. Gouveneur Morris declared—

> That he was against a dependence of the Executive on the legislature, considering the legislative tyranny to be apprehended. . . .

James Madison objected to a trial of the President by the Senate alone because he feared the President would be "made improperly dependent." Madison argued that he "would prefer the Supreme Court for the trial of impeachments, or rather a tribunal of which that should form a part."

Thus, Mr. President, it may be argued that the Founding Fathers assumed a power in the Chief Justice to cast votes on questions of law, at the trial of impeachments, as one additional safeguard, connected with the requirement of a two-thirds vote for conviction, which would protect against the President becoming what James Wilson called, "the minion of the Senate."

Fourth. The present rules allow appointment of a committee of 12 Senators to receive evidence and take testimony in the case of impeachment trials. It has been suggested that this rule be revised to allow the appointment of panels of Senators of any size and for any purpose. I would ask Senators to examine this suggested change most carefully. What else is it suggested that panels of Senators may do except take evidence and testimony? Why should not all Senators be able to be present at every stage of an impeachment trial?

Fifth. The new rules I have seen, like the old rules, restrict the right of individual Senators to ask a question or series of questions of a witness, to written questions only. But, I would ask whether this does not inhibit a Senator from propounding followup questions? By having to wait until he has time to write out each new question that a witness' testimony may lead into, time will be lost and a Senator may simply not attempt to go through the process of writing out question after question as the ideas may come to mind. I think a careful study of how this practice has worked in the past would prove a useful guide to the Senate.

Sixth. Among the revisions suggested is a rule that would specifically permit attorneys for the Senate to ask leading questions of witnesses. Once again, I would ask whether this runs counter to fundamental principles of American justice and fairness?

Seventh. The same question may be asked about another proposed revision of the rules which would allow hearsay to be used to convict. Is this the essence of a "trial," a word which the Supreme Court has ruled to have a meaning of its own?

Eighth. One set of proposed rules revisions would abolish the right of asserting a confidentiality for "state secrets." But in the historical, recent decision relative to the claim of executive privilege, Chief Justice Burger, writing for a unanimous court, expressly found that "the protection of the confidentiality of Presidential communications has constitutional underpinnings."

Speaking specifically of the three categories of "military, diplomatic or sensitive national security secrets," the Supreme Court quoted favorably from two of its earlier decisions which had held that the courts must show "the utmost deference" to a President's claim of privilege on the ground of military or diplomatic secrets.

One of the decisions quoted approvingly in Chief Justice Burger's opinion is United States against Reynolds, in which the Court said that—

> When there is a reasonable danger that compulsion of the evidence will expose national security secrets which should not be divulged, "the court should not jeopardize the security which the privilege is meant to protect by insisting upon an examination of the evidence, *even by the Judge alone, in chambers*." (Italics added.)

Accordingly, if there should be any information or materials of this nature among any of the documents which may be subpenaed by the Senate, the President's interest in preserving these "state secrets" would appear to be constitutionally based upon a unanimous holding of the Supreme Court, which would leave any assertion of a higher claim to such material by the Senate resting on dictatorial grounds.

Ninth. Included in the suggested rules changes is authority for the Senate to bar the presence of the defendant's lawyers at any stage of an impeachment trial, upon the vote of the Senate. I do not know if this purpose is intentional, or the result of clumsy drafting, but I would seriously suggest that it is in violation of "due process."

Tenth. It has been suggested that the Senate impeachment rules should be rewritten to permit the Senate to "impose reasonable limitations on opening and closing arguments." Now I wonder, if a majority of the Senate should vote that 5 minutes is a reasonable time for these major arguments, whether this would satisfy the essentials of a fair trial? If we are going to alter the Senate rules in this respect, it may be that we would wish to nail down a minimum time for the major arguments of at least half an hour.

Eleventh. Another proposed revision would provide for an automatic disqualification from any future office upon a vote of conviction, unless the Senate orders otherwise. Here again, I think there is much evidence to the effect that the Constitution anticipates, and a fair trial necessitates, a separate vote on the matter of barring from future office.

Twelfth. Several Senators have suggested that the rules should be altered so that the Senate may authorize the leadership to permit the televising of an impeachment trial. Yet, the Supreme Court has held that the televising of a criminal trial is inherently invalid under the due process clause of the Constitution, even without a showing of prejudice or a demonstration of the connection between an eventual conviction and the televising. I would remind my colleagues that in this case, overturning the conviction of Billie Sol Estes, Chief Justice Warren wrote that the televising of his trial was a return to "frontier justice."

Similarly, the American Bar Association's Canons of Judicial Ethics prohibits the televising of court trials, rule 53 of the Federal Rules of Criminal Procedure prohibits the "broadcasting" of trials, and the Judicial Conference of the United States has unanimously condemned televised trials.

Chief Justice Earl Warren based his conclusion that it violates due process for criminal trials to be televised, on the ground "that the televising of trials diverts the trial from its proper purpose in that it has an inevitable impact on all the trial participants."

> Whether they do so consciously or subconsciously, all trial participants—

And I would interject that this includes Senators—

> act differently in the presence of television cameras. And, even if all participants made a conscientious and studied effort to be unaffected by the presence of television, this effort in itself prevents them from giving their full attention to their proper functions at trials.

Justice Harlan, the swing judge in this case, concurred by saying:

> Courtroom television introduces into the conduct of a criminal trial the element of professional "showmanship" and extraneous influence whose subtle capacities for serious mischief in a case of this sort will not be underestimated by any lawyer experienced in the elusive imponderables of the trial arena.

As to the contention that there is discrimination as between the television and radio reporter, and the newspaper reporter, Chief Justice Warren answered:

> So long as the television industry, like the other communications media, is free to send representatives to trials and to report on those trials to its viewers, there is no abridgement of the freedom of press.

Mr. President, I am not announcing any final judgment on the matters which I have discussed, nor am I in the slightest sense indicating how I would view any of the facts and arguments that may be presented at a possible impeachment trial. The impeachment process necessarily involves an extraordinary degree of wisdom and care on our part if we are to keep faith with the best of American principles of fairness and justice, and I have merely undertaken in this statement to lay the basis for what I hope will be a thoughtful focusing of attention and consideration by all Senators on the way in which we can best serve the Senate, the Constitution and the American people.

AN ARTICULATE CASE FOR A GRAIN RESERVE

Mr. McGOVERN. Mr. President, drought-induced uncertainty about the adequacy of our grain supplies over the coming year will intensify the debate over the need for the United States to establish a rational grain stocks management policy.

As one who advocated creation of a grain reserve apart from the surplus-depressed grain market of the sixties, I find particularly appealing the arguments put forth by our distinguished colleague from Iowa (Mr. CLARK) in a recent article in the New York Times.

Senator CLARK has served ably and well on the Committee on Agriculture and Forestry these past 2 years. Without question, he is emerging as one of the most effective spokesmen for the family farmer to sit in the Congress.

I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times]

FOR A GRAIN RESERVE

(By Dick Clark)

WASHINGTON.—Advocates of a grain reserve have been around for a long time. Joseph had the first published proposal—in the Old Testament—and since then many people have talked of the importance of establishing an "ever-normal granary." A reserve of essential feed grains to protect people and nations against crop failure and famine always has been a sound idea, but the case for one is especially strong today.

The very real threat of a serious worldwide food shortage is the most important reason for a reserve, and it alone should be incentive enough for the United States and other major agricultural nations to take immediate action. A growing world population, combined with shortages of energy, water, fertilizer and land have convinced many experts on world food problems that widespread famine and starvation are possible in many parts of the world.

Other experts dispute these predictions, but the famine in sub-Sahara Africa is indisputable and so is the possibility of continued and increased world food shortages. Given all of this, it is difficult to understand objections to a grain reserve that would save and stockpile a small fraction of annual grain production to prevent starvation.

A world in which some nations are affluent while others starve is not likely to be a peaceful one. So, there are both humanitarian and political reasons to encourage the developed nations to commit themselves to a significant effort to fight hunger and starvation, and a grain reserve is an indispensable part of that commitment. As the major surplus grain producer in the world, the United States should take the first step by establishing its own grain reserve.

However compelling the reasons for a grain reserve, they probably will not be sufficient to push the necessary legislation through Congress. The Senate Agriculture and Forestry Committee recently held hearings on two grain reserve bills and there was little consideration of world food problems. Instead, the discussion centered on domestic food prices and domestic farm income .

The primary objection to a grain reserve is the fear that it will hurt farmers by keeping grain prices artifically low. In the past, Government-held supplies have been used to depress prices, but the current grain reserve proposals provide new protection for the farmer. They insure that grain can be sold from the reserve only when there is a shortage and only at a price that provides the farmer a profit.

Opponents of grain reserves frequently attempt to belittle the proposals, asserting that a Government grain reserve would lead to Governments reserves of other products such as cars and television sets. This is nonsense. There are significant differences. An inadequate automobile supply means inconvenience. But food is essential, and an inadequate food supply means starvation.

Agriculture is unique in other respects. It is characterized by instability that drives farm prices up one year and down the next, and hurts both farmers and consumers in the process. A grain reserve would establish a greater degree of price stability because the Government would purchase grain when the price is too low and sell from the reserve when the price is too high.

The experience of the last few years provides convincing evidence of the potential for a grain reserve. A worldwide grain shortage drove the price of grain up sharply. This led to higher prices for other farm products, and consumers suffered—while, in the short run, farmers benefited.

But soon, the inevitable happened. Livestock producers were hurt by high feed prices and consumer reaction to high meat prices. The high farm prices of 1973 encouraged farmers to purchase more land, equipment and supplies for the coming year. As they did, the prices paid by farmers escalated. In the past few months, grain prices have fallen in anticipation of record harvests this year, and many farmers face the possibility of selling their grain for prices below the cost of production. Everyone would have been much better off had there been a grain reserve to keep prices from rising so much last year and to prevent them from falling too low this year.

A good grain system will help combat inflation in this country by providing additional supplies when grain prices start rising rapidly. It will help farmers achieve a degree of stability they have never known and it will make a substantial contribution to preventing starvation in various parts of the world.

SENATOR B. EVERETT JORDAN

Mr. ERVIN. Mr. President, our former colleague and friend, B. Everett Jordan, passed into the great beyond on Friday, March 15, 1974.

A last tribute was paid to him by hundreds of his friends and neighbors in the little Methodist Church at Saxapahaw on Sunday, March 17, 1974, followed by interment in the cemetery at Burlington, the county seat of his home county of Alamance.

Everett Jordan had been my friend since the days when as teenage boys in my hometown of Morganton, we had played baseball and gone swimming together.

Everett was a successful businessman, a dedicated citizen, a loving husband and father, and possessed to a preeminent degree that characteristic which we call an understanding heart. As a consequence, he was loved by all who had the privilege of knowing him well.

I shared with Everett Jordan the privilege of representing North Carolina in the U.S. Senate from April 19, 1958 to January 2, 1973—a period of 14 years, 8 months and 14 days. I am sure that no Member of the U.S. Senate ever had a finer colleague than I had in Everett Jordan. During the period of our joint service in the Senate our friendship ripened and deepened. He and I never had a single disagreement during our long service together in respect to any matters which directly concerned North Carolina and North Carolinians, and mighty few disagreements in respect to nationwide programs which effected the entire United States.

Everett was survived by his devoted wife, Katherine McLean Jordan, his charming daughter, Rose Ann Gant, and two splendid sons, John and B. Everett Jordan.

During the years of our joint service in Washington, a friendship developed between Katherine McLean Jordan and my wife, Margaret Bell Ervin, similar to that which had existed throughout the years between Everett and me.

When I think of the happy and, I trust, useful years which Everett and I spent together in the Senate, I am reminded of these words of the poet:

Green be the grass above thee,
Friend of my better days,
None knew thee but to love thee,
Nor named thee but to praise.

Mr. President, I ask unanimous consent that the comments concerning Everett Jordan which appeared in various newspapers at the time of his passing be printed in the Record.

There being no objection, the comments were ordered to be printed in the Record, as follows:

[From the Asheville Citizen, March 16, 1974]

North Carolina, Nation Mourn the Passing of Ex-Sen. B. Everett Jordan

Saxapahaw, N.C.—Former North Carolina Sen. B. Everett Jordan, whose last campaign ended in defeat after he admittedly failed to take his opponent seriously, died Friday.

Jordan, 77 had waged a months-long battle against cancer that had sent him under the surgeon's scapel twice in the last three years.

Quiet-spoken and couretous in the manner of the traditional Southern gentleman, Jordan had spent his last two years in semi-retirement at his home in central North Carolina.

He was at home when death occurred Friday morning.

Jordan served in the Senate from 1953 until January 1973, when Republican Jesse Helms succeeded him. Helms, North Carolina's first Republican senator elected in this century, had defeated the man who ousted Jordan in the 1972 Democratic primaries—former Rep. Nick Galifianakis of Durham.

The 1972 campaign was disastrous for Jordan, who had announced for re-election after surviving the first of his two abdominal operations only a few months earlier. Running on his record, Jordan admitted later he did not consider Galifianakis a serious threat until the first primary ended with Jordan as a runnerup.

Galifianakis went on to win the nomination but lost to Helms in the general election.

Jordan, stepping up his campaign in the closing weeks of the primary, began an extensive public appearance schedule that took him to shopping centers and other business areas.

One handshaking tour of a Raleigh shopping center was shattered by the violence of a gunman who shot and killed four persons and wounded seven others before killing himself.

Jordan had barely cleared the doors of the shopping center mall when the gunman, Harvey Glenn McLeod, started firing at passersby in the parking lot. Jordan's executive secretary, Wes Hayden was at the door of the mall, talking with friends before following Jordan, when the bullet slammed into him.

Galifianakis, who is making another bid for the Senate, said he mourned Jordan's death. "I remember our close association in Congress and the deep affection which existed between us despite the campaign of 1972," he said.

Funeral services are scheduled for Sunday at 3 p.m. at Saxapahaw Methodist Church. Dr. Howard Wilkerson, president of Greensboro College, The Rev. Murray DeHart of Saxapahaw Methodist Church and Dr. Mike Jordan, the senator's brother, who is a retired Methodist minister, will officiate. Burial will follow in Pine Hill cemetery in Burlington.

Jordan is survived by his widow, Katherine McLean Jordan; and three children, Benjamin Everett Jordan and Mrs. Roger Gant of Burlington, N.C., and John Jordan of Saxapahaw. He is also survived by a brother and sister and two grandchildren.

Evangelist Billy Graham issued the following statement from his office in Montreat, N.C.

"Sen. Jordan was a long-time personal friend and neighbor. He had considerable influence as a Christian statesman among his fellow senators. He was also active in the various Christian movements in Washington. As a political leader, he had a combination of courage and compassion. North Carolina has lost a great citizen."

Rep. Roy A. Taylor, who was attending a Democratic function in Raleigh, referred to Jordan as a "lovable person with a rich, positive personality and a strong faith in his friends, his country and his church."

Jordan entered public office amid a storm of controversy. He was appointed by Gov. Luther Hodges to succeed Sen. W. Kerr Scott who had died in office. Jordan had held no major public offices and his appointment brought charges that Jordan was a seat-warmer who would step aside for Hodges in the coming election.

The Raleigh News and Observer ran a Page One editorial accusing Hodges of using the appointment "to serve his Senatorial ambitions." Hodges never sought the seat, but became Secretary of Commerce in the Kennedy Administration when his term as governor ended in 1961.

The soft-spoken Jordan's long career in the Senate was as mild as his manner and colleagues learning of his death praised him as a gentleman.

Sen. Ernest Hollings, D-S.C., said, "he was a fine United States Senator and a gentleman in every sense of the word. It was my pleasure to work with him in the Agriculture Committee, and in the Senate generally, on matters of common interest to the Carolinas."

Helms, the freshman who moved into the veteran's seat, said Sen. Jordan was first, last and always a gentleman. He was a beloved member of the Senate, always cheerful, always helpful, always ready with an anecdote.

Former Gov. Terry Sanford, who is now president of Duke University, said, "Sen. Jordan believed in North Carolina and its people and he had the rare ability to translate the belief into legislation and a way of life. He once said his greatest satisfaction was in 'doing the little things many wouldn't think about for people.'

"As a successful businessman and public servant, Sen. Jordan lived what he believed and added distinction to an already distinguished family. Duke University, particularly, is in his debt and is proud and grateful for the opportunity it had to be associated with him as trustee and benefactor."

Jordan was a member of the conservative wing of the Democratic Party, but left the fold of Southern Democrats to oppose the Vietnam War. In 1970 he voted in favor of the Cooper-Church amendment to the defense appropriations bill, which limited the President's power to extend U.S. participation in the war.

He came into the national spotlight in 1963 when, as chairman of the Rules Committee, he presided over the investigation of the Bobby Baker case.

Although a surprise appointment to the Senate in 1953, Jordan, a textile industrialist, was not a newcomer to politics. He had served as chairman of the state Democratic party and was a Democratic National Committeeman from North Carolina from 1954–1958.

Sen. Sam J. Ervin Jr., D-N.C., who served with Jordan during his entire tenure in the Senate, recalled Friday that he and Jordan had been friends since they were teenagers in Ervin's hometown of Morganton where Jordan's father was a Methodist minister.

"We played baseball together," Ervin recalled.

"I had the rare privilege of serving with him for 14 years in the Senate and we never had a disagreement of any kind in respect to matters relating to North Coralina.

"Everett rendered great service to North Carolina and the nation, especially in the fields of agriculture, industry and the development of rivers and harbors," Ervin said in a statement.

"Everett deserves the thanks of North Carolina and the nation for his public services, and I shall never cease to miss him," he added.

North Carolina Democratic Party Chairman James Sugg said Friday, "He made an outstanding contribution to North Carolina and the nation in political, civic and religious life. The Democratic party will always be grateful to him because when he was chairman, the first permanent party headquarters were opened."

North Carolina Secretary of State Thad Eure, a longtime close friend of Jordan's said, "His services as chairman of his political party and as U.S. Senator will be appreciated and remembered for a long time."

Gov. Jim Holshouser, the first Republican elected to the state's top executive post this century, sent a telegram to Mrs. Jordan. "We are deeply saddened by the loss of Sen. Jordan," it read. "He will be long remembered and appreciated by the people of North Carolina for his able and distinguished public service and for his many contributions to our state. Our thoughts are with you and your family in this time of sorrow."

[From the Burlington (N.C.) Times-News, March 16, 1974]

Jordan Made Place in Business, Politics . . . He Built Bridges for Those Who Follow

(By Bill McBride)

The life of Sen. B. Everett Jordan was an example of a long-cherished American ideal—the successful man who rose from humble beginnings.

The son of a Methodist circuit preacher, he was known for a mild manner, a keen business sense and an inordinate capacity for hard work. Those attributes combined to carry him to national prominence as a political, industrial, educational and civic leader.

B. (Ben) Everett Jordan was born Sept. 6, 1896, at Ramseur in Randolph County, the son of the late Rev. Henry Harry and Annie Elizabeth Sellers Jordan.

As a circuit preacher, the Rev. Jordan and his family lived in several communities around the state, including the Henrietta-Caroleen community in Rutherford County, Kernersville, Walkertown, Marion, Lenoir and Morganton.

Jordan left home when his family was living in Morganton and attended Trinity College, now Duke University. In 1915, he left the school to look for a job and ended up in Kansas working in an uncle's jewelry store.

When World War I broke out, he joined the tank corps of the U.S. Army and served with occupation forces in Germany. After the war, he returned to the Kansas jewelry store briefly before coming back to North Carolina.

START IN TEXTILES

The young Jordan rejoined the family in Gastonia. It was there that he got his start in textiles, a field in which he was destined to become enormously successful.

But the 22-year-old Jordan didn't start at the top. His first assignment was as a sweeper in the Flint Mill, one of the Graysepark Mill Group.

Several promotions followed. Three years later, he was superintendent of Myrtle Mills, and in three more years be came superintendent of Gray Mills in Gastonia.

In 1925, he married the former Katherine McLean, a Gastonia school teacher.

Meanwhile, Jordan's uncle, Charles V. Sellers, a Burlington merchant, and other members of the Sellers family bought an old Alamance County mill that had fallen into bankruptcy.

The mill, the old White-Williamson Company of Saxapahaw, was one of the pioneer operations in the South, having been founded in 1844 by John Newlin and his sons.

The original buildings were constructed with slave labor from bricks made of the orange-red clay in the area. The power supply had been an overshot water wheel supplied by a three-foot high dam across the Haw River.

The Newlins operated the mill until 1873, when they sold out to Edwin Holt. The company's name was changed to Holt, White and Williamson and Co., which was incorporated in 1906 as White-Williamson and Co.

The White-Williamson Co. built a new water turbine and generator power plant to replace the old overshot wheel and line shaft system. But after World War I, the market for the company's cheap cotton ginghams and tubing vanished, and, burdened with obsolete equipment, the company went bankrupt.

Charles Sellers picked Everett Jordan to revive the mill, and the newly-incorporated Sellers Manufacturing Co. elected him secretary-treasurer and general manager.

MOVE TO SAXAPAHAW

In 1927, Jordan and his wife and son, Ben E. Jr., moved to Saxapahaw.

The mill had been idle for three years when the Jordans arrived on the scene, and the village had the appearance of a ghost town.

Forty-five years later, the former U.S. senator recalled in a newspaper interview the condition of the village when he and his wife arrived.

"The village was in weeds, the lights were out in many of the houses, and in general it left a lot to be desired," he said.

"My wife said, 'You take the mill, and I'll take the village and we'll work on it.' "

The biggest problem the mill faced was the repair of the old wooden dam which was its power source. Jordan personally helped cut the timber and carry the logs to the dam where they were lashed into place.

Jordan and directors of the company decided that ginghams and tubing were no longer going to be in demand and, instead, initiated an ambitious expansion program.

They decided that a more profitable venture would be to supply the area's growing hosiery industry with fine combed cotton yarns.

In 1930, Sellers Manufacturing brought a new industry to Alamance County when it installed a warp mercerization process for producing combed yarns.

During the depression, several area textile firms folded or operated on a curtailed basis. But Sellers Manufacturing Co. ran full time.

In 1938, the company built a concrete dam across the Haw River and installed a new powerhouse system.

MILLS ACQUIRED

The company bought the Sapona Cotton Mills at Cedar Falls in 1939, which was renamed the Jordan Spinning Co. Sellers also took over Ideal Mercerizing Co. in Burlington and acquired in 1945 the Royal Cotton Mills Co. at Wake Forest.

The company later moved into synthetic fibers, including blended yarns. It now owns copyrights to a number of such specialty constructed yarns.

As the mill village prospered, Jordan took an active interest in local politics. The first statewide political race he became involved in was the gubernatorial campaign of the late Gov. and Sen. Clyde R. Hoey in 1936.

Later, Jordan also worked in the 1944 gubernatorial campaign of Gregg Cherry. When Cherry was elected, he named the Saxapahaw industrialist as a member of the Peace Officers Pension and Retirement Fund, the Medical Care Commission and as president of the North Carolina Railroad.

Jordan also helped raise funds in 1943 for the gubernatorial campaign of his neighbor from Hawfields, the late W. Kerr Scott.

A year later, he was selected for a six-year term as chairman of the N.C. Democratic Executive Committee. In 1954, he was named Democratic National Committee man from North Carolina.

ENTERS SENATE

Sen. Jordan's legislative career began on a note of shrill controversy. He was appointed in April of 1958 by former Gov. Luther Hodges to fill the unexpired term of the late Sen. Kerr Scott, who had died in office.

The appointment brought cries that Sen. Jordan was simply a "seat-warmer" for two years until Hodges himself could run for the Senate.

But Sen. Jordan disproved the critics by seeking and winning re-election late in 1958, and in 1960 and 1966. He led the state ballot in two of these elections.

During his 15 years in the Senate, Jordan earned a reputation as a behind-the-scenes worker who seldom sought publicity or indulged in oratory.

"Speeches don't win votes on the Senate floor," he maintained.

The former state party chairman left the flashier issues—like those concerning the Constitution—to his senior colleague, Sam J. Ervin. Instead, he concentrated on administrative matters and winning public works projects for his home state.

Some referred to Jordan as the "service senator" who quietly worked to see that his state got its share of federal programs and assistance and that its agricultural and commercial interests were protected.

That emphasis grew in part out of his committee assignments. He chaired the Senate Committee on Rules and Administration and alternated with his House counterpart as chairman of the Joint Committee on the Library of Congress and on Printing. In addition, he sat on the Agriculture and Forestry Committee and the Public Works Committee. He chaired the Public Works subcommittee on rivers and flood control.

His other duties included chairmanship of Lyndon Johnson's and Richard M. Nixon's (first term) inauguration committee, membership on the Senate Office Building Commission, and trustee of the U.S. Capitol Historical Society.

As chairman of the Rules Committee, he was in many respects the chief custodian of the Senate. His responsibilities included overseeing operation of the Senate restaurants, room assignments and parking spaces.

Through his seat on the Public Works Committee, Sen. Jordan was credited with winning approval for numerous federal projects in the state, including the New Hope Dam and Reservoir in Chatham County, the W. Kerr Scott Reservoir in Wilkes County, the falls of the Neuse Reservoir planned for Wake County, the Cape Lookout National Seashore Park, and harbor channel improvements at Wilmington and Morehead City.

DAM NAMED FOR HIM

The New Hope Dam was later re-named the B. Everett Jordan Dam in honor of the role the senator played in obtaining necessary funds for the project.

Sen. Jordan also played key roles in passage of such legislation as the tobacco acreage-poundage law, tough inspection laws for meat products, water and air pollution control, federal aid to education and libraries, rural development, elimination of the two-price cotton system, creation of the Office of Technology Assessment, extension of Hill-Burton funds for hospital construction, and in resolutions calling for an early end to American involvement in Vietnam.

Sen. Jordan first received significant national attention in 1963 when, as chairman of the Rules Committee, he led the investigation into the Bobby Baker case.

Baker, a legislative secretary to Senate majority leader, was accused and later convicted of contempt of Congress. The information brought out in the investigation was later used by the Justice Department to convict Baker of other criminal offenses for which he spent time in a federal penitentiary.

Sen. Jordan's voting record generally followed the moderately conservative pattern shared by most Southern senators. But on the issue of the Vietnam War, he abruptly broke ranks in 1970 with his colleague Sam Ervin and voted in favor of a resolution that imposed a time limit on getting troops out of Cambodia.

Vowing support for the resolution, Sen. Jordan was quoted as saying it was "certainly the hardest decision I have faced in my life."

BOLD MOVE

It was a bold move that shocked the rest of the state's delegation, which had followed Sen. Ervin's lead as a staunch supporter of Nixon on war policy.

But Sen. Jordan told friends that he was beginning to sense the tremendous surge of discontent with Vietnam.

"I just heard from thousands of people, substantial people whose judgment I respect," he later told reporters, "I got letters mailed to my apartment, big bundles sent from Saxapahaw."

"There just didn't seem to be any prospect of getting out. There was a coffin here, a coffin there, coming back from over there. Taxes were running high, and the problems at home were not settled," he said.

When Jordan said at the University of North Carolina at Chapel Hill in May of 1970 that he was prepared to back something similar to the Cooper-Church resolution, the students broke into loud and prolonged applause.

On other issues, Jordan joined other Southern senators in opposing the busing of school children to achieve racial balance, and he often expressed genuine concern about the racial isolation busing was designed to alleviate.

"People of the same race tend to gather together, and it's going to take a long time to disperse them," he said. "I don't think a black person ought to be denied the right to move where he wants to, and eventually that will break up the isolation.

"But busing just frustrates them (the children)," the senator said. "It's disrupting our school system and causing turmoil and strife."

Foreign trade and economic problems also received priority from Sen. Jordan. He made frequent trips to Europe as head of the American delegation to the Interparliamentary Union.

While in Europe, Sen. Jordan played the salesman for American products, especially tobacco and cotton. He also pushed for import quotas to protect American manufacturers from cheaply made foreign products.

Sen. Jordan supported some of President Johnson's Great Society programs, but he opposed President Nixon's revenue sharing plan and welfare reforms. He also consistently voted against foreign aid.

Jordan—as a self-made millionaire—was reputed to be one of the wealthier men in the Senate, an assertion he frequently brushed off. "I have plenty, but you've never seen me display a great amount of wealth." He attributed his business successes to the fact that he was "raised hard and a nickel was a nickel."

His industrial posts included top level positions in Sellers Manufacturing Co. in Saxapahaw, Sellers Dyeing Co., and Royal Cotton Mill Co., and Jordan Spinning Co.

HEALTH CONCERNS

The veteran legislator was plagued on two occasions with poor health while in the Senate. In 1967, he had his gall bladder removed. In February of 1971, he again entered Duke Hospital in Durham where doctors removed a section of his large intestine on which they found a malignant tumor.

Despite his age, he recovered rapidly from the cancer operation. But just as rapidly, rumors began to fly that he would retire in 1972 because of poor health.

That speculation proved to be without basis, however, when on March 5, 1971, the senator, wearing pajamas and a bathrobe, called reporters to the hospital to announce that he would run in 1972 despite the operation.

At the same time, his doctors said he had made "an excellent recovery" and was already on a normal diet. The doctors also pointed out that they had been able to find no other signs of malignancy.

The veteran senator had been away from Washington for three weeks for the operation. But he had not missed a roll call vote and had kept in touch with his office constantly.

ELECTION PRIMARY

It was inevitable, though, that the health and age issue would emerge in the primary election, since the senator's chief opposition came from the 43-year-old Nick Galifianakis. Also in the race were Dr. Eugene Grace, a Durham physician, and Joe Brown of Greensboro, head of a local anti-busing group there.

Galifianakis, a former Duke law professor, was in his third term as representative of the Fourth District. He had also served in the General Assembly.

There was little philosophical difference between the two men. Both had taken moderate anti-war stances, and their votes on other issues were not far apart.

Sen. Jordan was able to effectively dispel the rumors about his health by waging a vigorous campaign that relied on the numerous political contacts he had built up across the state in his more than two decades in North Carolina politics.

The senator emphasized his experience and his several committee assignments that grew out of his seniority.

Galifianakis also waged a fast-paced campaign, actively seeking to portray himself as youthful and energetic in contrast to the aging senator. The Durham legislator centered his person-to-person campaign in the populous Piedmont areas.

Few, if any, substantive issues developed in the campaign.

There was some indication that the Jordan organization never took the Galifianakis threat seriously, and the youthful-looking congressman was able to capture slightly less than 50 per cent of the vote.

The Jordan camp waited a few days before calling for a run-off primary election to be held June 3.

The campaigns in the runoff were generally simply extensions of the themes of age versus youth that were sounded in the final primary.

But the second primary was marked by a bizarre incident and a close brush with death for Sen. Jordan.

RALEIGH SHOOTING

On May 29, five days before the second primary election and two weeks after an assassination attempt on Alabama Gov. George Wallace, Sen. Jordan stepped from his car at North Hills Shopping Mall in Raleigh to shake a few hands.

The senator had planned to move immediately from his car into the shopping center but stopped to greet a few voters before entering.

He had just stepped inside when he saw a woman whose hand he had just shaken pitch forward. "I thought she had tripped," he said later.

The senator turned to get help but was held back by an aide who told him "they're shooting out there."

Outside, a sniper, armed with a .22-caliber rifle, was coolly firing at anything that moved. The sniper, 22-year-old Harvey Glen McLeod, killed three people and wounded eight before killing himself.

One of those wounded was Sen. Jordan's press secretary, Wes Hayden, who was shot in the back. He responded to treatment and was able to leave the hospital a week later.

Investigators were never able to find any connection between McLeod's shooting spree and the fact that Sen. Jordan was campaigning nearby.

DEFEATED

Sen. Jordan was defeated in the runoff election. Galifiananski went on to be defeated in the general election by Republican Jesse Helms.

Typically, the veteran public servant accepted the defeat gracefully and refused to be bitter. He also refused to give Helms a jump on seniority by resigning early, saying he still had much work to do on the Rules Committee. He worked up until the day he was officially to leave office.

Before resigning, Sen. Jordan was given one more assignment by his congressional colleagues. Majority Leader Mike Mansfield named the Saxapahaw legislator as the United States representative to a meeting of the North American Treaty Organization in Bonn in November of 1972.

Throughout his career, the senator had received numerous tributes and was called upon to serve in many public capacities. He was awarded an honorary LL. D. degree from Elon College and served as a trustee for Duke University, American University, and Elon College.

He was a Burlington Rotarian, a Shriner, and was awarded the Silver Beaver Boy Scout Award in 1966. He also was a Methodist Bible School teacher since 1927 and served as chairman of the Board of Trustees of the Alamance County Hospital from its beginning.

He was retired as a director on the general board of Wachovia Bank & Trust Co.

THE JORDAN FAMILY

Those interests were consistent with the tradition of the Jordan family. The senator had three brothers and two sisters, all recognized for significant contributions in a wide range of fields.

The late Dr. Henry Jordan was a dentist-turned-industrialist and politician. He was chairman of the State Highway Commission during the administration of Gov. W. Kerr Scott.

The late Dr. Charles Jordan was an educator and vice president of Duke University.

The Rev. Frank Jordan followed in his father's footsteps and became a prominent Methodist minister. He now is retired and is living in Lake Junaluska.

The senator's youngest sister, Margaret, married Dr. Henry C. Sprinkle. She worked with him for 15 years in New York City while he served as editor of the World Outlook, a Methodist missionary magazine. They now live in Mocksville.

His other sister, Lucy, was until her death the wife of the Rev. George Way, who was for many years the secretary of the South Carolina Methodist Conference.

AWARDS AND TRIBUTES

Sen. Jordan continued to receive awards and tributes even after he had retired from active involvement in public affairs.

He served as chairman of the North Carolina Cancer Fund Drive for 1972 to 1973.

In December of 1972, county school officials renamed the Saxapahaw Elementary School the B. Everett Jordan Elementary School.

On January 7, 1973, the Burlington-Alamance County Chamber of Commerce presented a plaque to the former senator for his outstanding statesmanship and leadership in the Senate.

Last month, the North Carolina Chapter, Cystic Fibrosis Foundation, named him the second recipient of the North Carolina Public Service Award in a Raleigh ceremony attended by some 400 people from across the state.

Just this month, Elon College trustees announced that they had named the gymnasium in the new physical education building the B. Everett Jordan Gymnasium.

In still other recognitions, several higher education institutions recently had announced sizable gifts from Sen. Jordan. These included the Cherokee Boy Scout Council, with a facility at the camp being named in his honor.

BUILDER OF BRIDGES

On July 21, 1973, the former senator again entered the hospital for what was diagnosed at the time as diverticulitis, an intestinal ailment. Instead, surgeons found an area of inflammation in the colon and a tumor. What doctors described as a "rather extensive section of his large and small intestine" was removed.

In discussing his guiding philosophy of life, Sen. Jordan has often referred to a comment made by his circuit-riding Methodist father, whose work resulted in his family moving from town to town.

"Son, I want to leave this town a better place than when I found it," the senator recalls his father saying when they arrived in a new town.

That remark had a profound effect on the young Jordan:

"I was taught all my life to try to do something that was worth something. If a man just lives, eats and dies, he's made the same contribution as a pig. He lives, eats and dies, but what good has he been to the world?

"But a man could make a contribution to one who follows after. He can build a bridge."

"If you build a bridge for somebody, he doesn't have to wade through the creek."

[From the Burlington (N.C.) Times-News, March 18, 1974]

The church is not a dormitory for sleepers, it is an institute for workers; it is not a rest camp, it is a front line trench.—Billy Sunday, American evangelist.

SENATOR B. EVERETT JORDAN

Former Sen. B. Everett Jordan of Saxapahaw, whose rites were held yesterday, established one of the more respected careers in private and public service identified with any North Carolinian in current history.

He primarily was appraised for his 15 years in the U.S. Senate and in his role as chairman of the Senate Rules Committee, as well as in the strong influences he had in shaping policies in agriculture, flood controls and education.

Yet, in the Senate he also was recognized as a sincere and dedicated gentleman who had an almost humble approach in his opportunity to serve his fellowman with understanding, encouragement and friendship. This, indeed, is the way he also was known in the village of Saxapahaw, in Alamance County, in our state and in the many contacts he made in and through government, at home and abroad. His colleagues saw him as a person of gentle nature, but they also saw that in gentleness he drew a strength which reflected on his superior ability to accomplish.

The story has been told often of how the senator and Mrs. Jordan decided to move to Saxapahaw from Gastonia in 1927 where he would continue the textile career which later was to have him strongly identified nationally for what his leadership meant to the industry. The dam serving Sellers Manufacturing Co. would break on occasions, and he would be with others in the river to make repairs. He would do any type of work, seek to understand every type of problem and learn to make his adjustments, and this meant that he, indeed, did succeed in his primary endeavor of that day. Sellers Manufacturing Co. began thriving, and many people began benefiting from its growth as new jobs and opportunities were created.

His efforts in textile, in turn, reflected in his many other interests throughout his life. He applied the same hard work in his lifetime associations with his church, in using his own resources to further the cause of public and higher education, and in the political career which began developing more prominently on a statewide and national level in the late 1940s.

Certainly he applied the principle of hard work and strong desire to serve during his years in the Senate. He and his staff long held the identity as one of the strongest and most dedicated organizations in Congress.

Through all his many interests, however, he never allowed himself to really leave his Saxapahaw home and the feeling for home which remained strongly with him while he was in Washington. He and Mrs. Jordan returned as often as his responsibilities would permit, and he would be refreshed by being reunited with family, neighbors and other friends, and by seeing the village of Saxapahaw itself and what it had meant to him through the years. Regardless of where the levels of his various responsibilities took him, their value and meaning seemed to be judged by him on what they meant to people—to the progress and the ambitions and the hopes of people—as he had matured himself in this philosophy in a community setting.

It is significant that in recent weeks the various announcements have been made of his generosity to several higher educational institutions, as well as to the Cherokee Boy Scout Council. Carrying out his lifetime interest, he was sharing his resources with these institutions which, to him, represented values. It also is proper that before his passing his name was being placed on buildings, as well as the B. Everett Jordan Dam which represents his longtime effort through the Senate in water resources. Only recently, also he was named North Carolina's top citizen of the year in public service by the Cystic Fibrosis Foundation.

Just as these physical plants hold to his name and serve under it, so will the many people hold onto the respect and admiration which he earned in tribute during his lifetime and now in memory.

He was defeated in his bid for reelection to the Senate in 1972 through a combination of circumstances which, to us, were not centered in any way as a reflection on his service.

Yet, one of the unchanged tributes to him was that he continued to be recognized, and greeted, as a senator. This was the work he loved and to which he had given of himself in his later years. It meant more to most people to call him senator than the mere formality it represented. This was a tribute which was placed upon the man himself and the highest prospect which it could reflect.

And, of course, he also carried in this identity the role of churchman, educator, gentleman, and a friend of mankind and of dedication to values. He was a part of a family which reflected these values from the beginnings in a Methodist minister's home.

We, in Alamance County, have known and will remember a good friend who served with much feeling and compassion. North Carolina and the nation will treat him well in its records of citizenship and public service.

And he, indeed, leaves much with us as his life and his effort will be held in our memory. His legacy of good work and good deeds will remain, by example, a foundation on which the causes to which he gave himself will continue to serve into our future.

[From the Daily Times-News, Burlington, (N.C.) March 18, 1974]

OVERFLOW CROWD HONORS SENATOR JORDAN

(By Don Bolden)

SAXAPAHAW.—B. Everett Jordan left this little Alamance County community for the last time yesterday.

In the past, he had left many times—off to Washington to serve his state as a United States senator, or off to the capitals of the world as a representative of his nation. But he always returned to the banks of Haw River to be a part of his community and to play a leading role in Sellers Manufacturing Co.

But yesterday, he left in death, the flag in front of the Saxapahaw Post Office hanging at half-staff in final tribute to Saxapahaw's leading citizen.

But he did not go alone.

The great and the not-so-great filled the little white Saxapahaw Methodist Church to overflowing, with the church yard holding the sizable overflow and many people remaining in their cars. There were senators and congressmen, along with workers from the mill just across the river. And they had one thing in common on this windy March afternoon—they had lost a friend.

Sen. Jordan died Friday morning at the age of 77, losing a long battle to cancer.

His funeral service yesterday was a simple one.

Following the 23rd Psalm, Dr. Howard Wilkerson, president of Greensboro College and former chaplain at Duke University, delivered the eulogy.

Standing behind the flag-draped coffin, he said "a great tree has fallen in God's forest".

He said that when a person dedicates himself to God, it is good, but when many band together, the impact is greater.

Such an impact was felt, he said, from the family of Annie and Henry Jordan, who had six children.

"Never has there been a family which had such an impact in religion, higher education, government and agriculture. No family has ever served the state and nation, with more impact than those children and their spouses."

Dr. Wilkerson noted several lessons to be learned from Everett Jordan's life.

"Everett Jordan was regarded as a friend all over. We think of the headlines and overlook the personal element. The lesson we can learn is that we too can be a friend.

"He trusted the Heavenly Father with an almost childlike faith, and don't knock that childlike faith," he added.

Another lesson comes from Everett Jordan's belief in young people, he said. He said Jordan had sought to influence the young through his support of the Boy Scouts and higher education.

"He listened to young people", Dr. Wilkerson said.

Four years ago, while he was a chaplain at Duke University, he said the young people there were ready "to write off the older generation". Concerned, Dr. Wilkerson sent some of those youngsters to Washington to see Sen. Jordan.

"He talked to them and listened to them.

"He turned them around in their thinking. He always listened, but he did not always agree".

The speaker noted an entry by one of the senator's colleagues in the Congressional Record—"Everett Jordan was always ready to listen to new ideas and to grow".

He concluded, "These lessons make us better citizens and friends. We can be glad we had such a teacher as Everett Jordan".

After the brief church service, in which the Rev. Murray L. DeHart, church pastor, participated, a funeral procession more than three miles long accompanied his body to Pine Hill Cemetery in Burlington.

There, again, simple rites were conducted, with his brother, Dr. Frank Jordan, participating. There was a scripture reading, followed by the Lord's Prayer. Four scouters from Troop 65, a troop the senator organized in Saxapahaw, folded the flag over the coffin. Members of the troop served as an honor guard.

Scoutmaster Ben Bulla of the troop then presented the flag to Mrs. Jordan, saying "On behalf of the President, this is a symbol of a grateful nation."

A floral tribute from President and Mrs. Nixon stood at one end of the grave. Nearby was a floral replica of the American flag, sent by employes of Sellers Manufacturing Co., the textile mill which Sen. Jordan reopened from bankruptcy in 1927 and saw it move to prosperity.

The senator was buried in a plot with his parents and brother, Dr. Henry Jordan.

Sen. Jesse Helms, who now holds the Senate seat once occupied by Sen. Jordan, was the official representative of the President.

Also present was Sen. Sam J. Ervin Jr. and Mrs. Ervin. Sen. Ervin was a boyhood friend of Sen. Jordan.

Former Gov. Luther Hodges and his wife also were present. It was Gov. Hodges who appointed Jordan a senator in 1958 at the death of Sen. W. Kerr Scott.

The list of dignitaries read like a "Who's Who" in North Carolina politics.

Gov. and Mrs. Hodges and Sen. and Mrs. Ervin were with the family at the funeral.

Among others attending were Supreme Court Justice Dan Moore, Lt. Gov. Jim Hunt, Rep. Richardson Preyer of the Sixth District, Rep. David Henderson of the Third District, State Treasurer Edwin Gill, Commissioner of Agriculture Jim Graham, Insurance Commissioner John Ingram, Labor Commissioner Billy Creel, Atty. Gen. Robert Morgan, SBI Director Charles Dunn, former Congressman Horace R. Kornegay of Washington, Consolidated University President William Friday, Federal Judge Eugene A. Gordon, and former Congressman Paul Kitchen.

Ten members of the former senator's Washington staff also attended, led by William Cochrane, Wes Hayden and Hugh Alexander.

Also attending were Nick Galifianakis, who defeated Sen. Jordan in the 1972 campaign, along with Sen. Ralph Scott, Rep. Jim Long and numerous Alamance County officials.

Assisting in the arrangements at the rites were members of the Sheriff's Department, the State Highway Patrol, and the Eli Whitney Fire Department.

But just as prominent in the crowd outside the church, braving a stiff March breeze which came off Haw River, were the plain people, the people who live in the little white houses of Saxapahaw, the people who work in the mill across the river. They, too, were friends of the senator.

[From the Burlington (N.C.) Daily Times-News, March 19, 1974]

FROM AN EARLIER DAY TO THE PRESENT: A SETTING DRAWS AN OBSERVATION

President William Friday of the Consolidated University of North Carolina, walking to his car after the funeral of former Sen. B. Everett Jordan in Saxapahaw Sunday, had made an observation.

He said, in effect, that there was a lesson to be remembered by the setting of the funeral itself.

There was a small church, something which is representative of the nation's foundations in its religious expression. There was the river, which was needed badly in the past and present for what water and water power meant in development of a community and an industry.

Then, across the river from Saxapahaw Methodist Church was the textile plant which Sen. Jordan had reopened from bankruptcy in 1927 to lead it in its growth to a highly successful operation.

Then, too, there was the smaller village, Saxapahaw itself, and the people who found much strength together as they related to the textile plant, to the churches, to one another.

It was a setting, and a meaning, that is not often found by many people as they must spend more time in larger settings and as a part of the growth experienced in passing years.

The countryside, the community, still holds its place, however, and that is what President Friday had seen and as he reflected upon it.

It was this type of setting which many others certainly could feel. There are several roads leading into the village, but they were not built to accommodate the flow of traffic which they had to handle Sunday.

The church itself seats approximately 150 people. Much of the sanctuary was reserved for the family, and the remaining portion could not accommodate the crowd. The available seats began filling shortly after 1:30 p.m. for the 3 p.m. service, and this meant that many people remained outside the church and followed the service on the speakers installed there. Among those seated there was Rep. Richardson Preyer, whose close friendship with the senator was highly noticeable through the years.

It was Rep. Preyer who expressed what many of the state's congressional delegation said was the feeling held by all. His comments, therefore, are added to those which we previously have presented:

Said the congressman:

"He did not seek the headlines, but he was very effective."

"Some people are boxers and some are sluggers. The sluggers get the headlines, but the boxers get more results.

"Sen. Jordan was a boxer. He got results by the force of his integrity and character and by the respect in which he was held by his fellow senators, rather than by the headlines he created."

He added that Sen. Jordan's contributions to the state in improvements to the rivers and harbors "will probably never be equalled."

At the funeral, Dr. James Davis of Burlington sang "Others," which had been requested. This was the theme which many felt most represented the senator.

The two hymns in the service also had been used in rites for other members of the Jordan family in the past. They were favorites of the family from earlier days, apparently inspired in the home of the Rev. and Mrs. Henry Jordan.

In the sanctuary, there was not enough room for all the family. As the seats became filled just as Sen. and Mrs. Ervin were approaching their pew, they returned to the back. It was then that Sen. Jesse Helms and former Congressman Horace Kornegay gave their seats to Sen. and Mrs. Ervin. Sen. Ervin then gave his seat to Mrs. Paul Kitchen of Wadesboro, wife of the former congressman.

At the cemetery, Sen. Jordan's grave plot was beside his parents and his brother, Dr. Henry Jordan. The parents, with the Rev. Jordan as a Methodist minister, never really had a home which they claimed above all others. Mrs. Jordan was a Sellers of the Alamance County family, so they had selected Burlington for their resting place.

Later, Lt. Gov. Jim Hunt was commenting on the role of the Methodist minister. He said that as his father, of Wilson. was with him at the rites, he had learned for the first time that his great grandfather is buried in Pine Hill. He also was a Methodist circuit rider.

Sen. Jordan had a long career, indeed, which was reviewed in the minds of many people, going back to those early days in Saxapahaw and leading to Sunday at the church, then to Burlington's Pine Hill Cemetery.

It was a career which had touched the lives of many people.

[From the Charlottte News, March 19, 1974]

B. EVERETT JORDAN

In his gracious personal manner and his avuncular appearance, former Sen. B. Everett Jordan looked like the people's senator he was. In his 14 years in Washington, he built a record as an able, effective senator, if not a dashing one. His death last week at age 77 closed a career of dedicated service.

B. Everett Jordan had the kind of background a politician might like to invent. The son of a Methodist (and therefore itinerant) minister, he grew up in modest circumstances; his business career began with a sweeper's job in a textile mill. By the time he was appointed in 1958 to the Senate seat vacated by Kerr Scott's death, he was a millionaire textile-mill owner and a Democratic Party patriarch.

It was a background that served him well. He knew his state, and its people. He knew something of the arts of persuasion, and used them to good advantage in securing for North Carolina the federal projects and federal policies he felt the state needed. His low-key approach did not make him one of the senators studied in political science courses, but it did win him respect at home and in the Senate.

He did move into the spotlight on occasion, principally as chairman of the Senate's investigation into the sordid and tangled affairs of Bobby Baker. It was an investigation surely tempered by partisan protectiveness, and obviously moderated by a widely felt desire in the Senate to do no damage to the "club." While the probe could have been both deeper and wider, one should remember that it did produce a condemnation of Baker, that it was followed by indictment and conviction and that Senator Jordan did stand up to tell his fellow senators to put their house in order.

He was a man who understood the central duties of a United States senator and who strove to perform them. He did his job conscientiously and—as when he spoke out after the Baker investigation, as when he turned around to question the Vietnam War—courageously. His death is a loss to the state he served faithfully and well.

[From the Charlotte Observer, March 16, 1974]

CANCER KILLS EX-SENATOR JORDAN, 77

SAXAPAHAW.—B. Everett Jordan, the former North Carolina senator who preferred tending the home fires for his constituents to the political spotlight of Washington, died at his home Friday. He was 77.

Jordan, a soft-spoken textile millionaire, died of the cancer that had plagued him for several years.

Jordan, a Democrat, was appointed to the Senate in 1958 at the death of Sen. W. Kerr Scott and served until 1973.

He lost his bid for a third term when he was defeated, in 1972 by former United States Rep. Nick Galifianakis in a hard-fought Democratic primary race.

The primary campaign was marred by a Raleigh shopping-center shooting which killed four persons. Jordan had been shaking hands in the shopping center and barely missed being shot.

Republican Jesse Helms later defeat Galifianakis in the general election.

Jordan underwent surgery for cancer of the colon three years ago and had been in declining health for the past nine months. His daughter, Mrs. Roger Gant Jr., said he "slipped quietly away" about 10:45 a.m. Friday. His wife, Katherine, was at his bedside.

The funeral will be at 3 p.m. Sunday in Saxapathaw Methodist Church, with burial in Pine Hills Cemetery in Burlington. The family has requested that memorials be given to the North Carolina Chapter of the American Cancer Society or to a charity of the donor's preference.

In his 15-year career as a senator, the only elective office he ever held, Jordan devoted most of his time to North Carolina needs rather than national issues. He quietly sought support for bills to aid the state's agriculture and textile industries, federal funds for dams throughout the state, and he once said, to "do the little things, many of them which people wouldn't think about, for people."

In 1954, however, he was thrust into the headlines when the Senate Rules Committee, of which he was chairman, was assigned to investigate the activities of former Senate Democratic secretary Bobby Baker.

Baker, the $19,600-a-year aide who had built a $2-million fortune, was found by the committee after 18 months of hearings to have committed "gross improprieties."

Republicans accused Jordan of staging a cover-up, claiming that the hearings did not go deeply enough into alleged sex scandals. But Baker was convicted in 1966 of income-tax evasion, larceny and fraud and sentenced to three years in prison. He was paroled in 1972.

Jordan's main strength on the Rules Committee, though, was his meticulous attention to the unspectacular, but very necessary housekeeping chores of the Senate.

He also worked hard for tobacco acreage and poundage controls, considered vital in North Carolina where tobacco is a $1-billion industry.

On the public works side, he was the principal sponsor of the act that created the Cape Lookout National Seashore. And he came across with funds for the W. Kerr Scott Reservoir in Wilkes County, the New Hope Dam and the Falls of the Neuse Reservoir.

An early backer of involvement in Vietnam, Jordan changed his mind in 1971 and criticized the American role in Southeast Asia.

"The longer the thing drew on, the more disillusioned I became with the handling of it," he once said. "All we were doing was bombing the hell out of everybody's rice paddies and killing people—Americans and thousands of natives."

Jordan, born at Ramseur, moved with his wife to Saxapahaw, near Burlington, in 1927 to become head of a textile mill that had been closed four years. The mill prospered and made him a millionaire.

He recalled that when he moved to Saxapahaw, "the village was in weeds, the lights were out in many of the houses and in general it left a lot to be desired.

"My wife said, 'You take the mill, I'll take the village and we'll work on it'."

Jordan built the mill into a modern plant with air-conditioning and his wife directed a cleanup campaign that produced flowers, shrubs and trees decorating what is now a small, attractive town.

Once the mill, organized as Sellers Manufacturing Co., became a thriving enterprise, Jordan turned his energies to Democratic Party affairs.

He worked tirelessly, serving as state chairman and as national committeeman from North Carolina, a post he was occupying when he was appointed to the Senate in 1958.

Jordan's appointment by then Gov. Luther Hodges, was widely criticized.

Critics said Jordan would be only a "seat-warmer," and that Hodges himself would seek election to the seat. But Hodges did not run and Jordan was elected later in 1958 to a two-year term.

He was reelected in 1960 and 1966 with only token opposition. He reported in 1966 that in October, the month before the election, his only campaign expense was $25.75 for rental of a typewriter.

But in 1972 he was challenged by Galifianakis, a 44-year-old Durham lawyer serving his third term in Congress. Galifianakis campaigned vigorously—pointing to Jordan's age of 75 and calling for a change—and defeated him in the primary.

Jordan had counted heavily on the seniority, that had made him the third ranking member of the Agriculture Committee and the second ranking member of the Public Works Committee. He was shaken by the defeat.

And he had been badly shaken during the runoff campaign when a man went berserk at a Raleigh shopping center where he was campaigning and shot four persons to death and wounded several others, including Jordan's press aide, Wes Hayden.

Jordan himself had walked out of the line of fire only seconds before the shooting started.

Sen. Sam Ervin, D-N.C., a boyhood friend of Jordan's and for 14 years his Senate colleague, said of his friend, "Everett rendered great service to North Carolina and to the nation, especially in the fields of agriculture, industry and the development of rivers and harbors. . . .

"Everett deserves the thanks of North Carolina and the nation for his public service and I shall never cease to miss him."

And. Sen. Ernest F. Hollings, D-S.C., called Jordan "a gentleman in every sense of the word. . . ."

His gentlemanly demeanor and his gracious personality will long be remembered in the halls of the Senate along with the many concrete legislative accomplishments of his career."

In addition to his wife and daughter, Jordan is survived by two sons, Ben and John.

[From the Charlotte Observer, March 16, 1974]

SENATOR DIDN'T DISPLAY HIS WEALTH—SENATOR DID MUCH FOR STATE

(By Paul Clancy)

WASHINGTON.—B. Everett Jordan, a sturdy man with craggy features and powerful hands appeared to be hewn out of rough hardwood.

Yet he had a gentle, almost grandfatherly disposition, a beaming smile that lit up his face and an easy, earthy sense of humor that made him quickly approachable.

In the Senate, where political clout and oratorical skill are considered essential, Jordan used his folksy ways to gain powerful friends and accomplish the countless favors and projects that meant little to the rest of the nation but much to North Carolina.

Jordan served in the Senate for 14 years and in his foxy, frequently plodding way, placed himself in a position where he could help individuals—the farmers with their tobacco and cotton, the textile-mill operators with their import problems, the cities and towns with their watersheds and the coastal and river-valley people with flood and erosion control.

He was not much of a speaker and frequently said, almost boasting, that he had rarely made a speech on the Senate floor.

But he worked quietly in his many committees—he was chairman of more than a dozen committees and subcommittees—to help both the little man and the state's powerful businesses.

It was this unusual ability to keep on the good side of the wealthy and the working people that made Jordan a unique political force in the state. He could not, until age and sickness overtook him, be beaten.

After major surgery in the spring of 1972, Jordan seriously considered stepping down from the Senate. But he thought—and his close aides did not discourage him from the idea—that he had almost God-given responsibility to stay in the Senate as long as he could.

Jordan did his best during the 1972 campaign to demonstrate that he had not only recovered from his bout with cancer but that he had never felt better or friskier.

But, unexpectedly, he lost the Democratic primary in a hard-fought and sometimes bitter campaign with young, aggressive Nick Galifianakis, who left his House seat to take on Jordan.

Although it must have been a blow to him, Jordan was never heard to express bitterness over the loss.

He and his wife, Katherine (he called her "Momma"), kept their apartment in Washington. But, because of his recent illnesses, they spent most of their two remaining years together in their Saxapahaw home.

The way he said that name was wonderful: "Saxapaw", the last syllable rolling out through the nasal fog in his voice.

He and his wife had a huge, but unpretentious home overlooking the Haw River in that Alabama County town which, with her money and his textile mill, they built up from the dark days of the depression.

In April of 1972, when the dogwoods and buttercups were blooming in his yard, he stood gazing at his home and told Marlyn Aycock, an aide in his campaign, "You can see why Momma doesn't like to sit up there in that apartment in Washington."

Jordan was born in the equally tiny town of Ramseur in 1896, the son of an itinerant Methodist minister. Because his father was always being sent to a new parish, Jordan literally grew up in dozens of North Carolina towns—and had friends and memories in each.

He got his first job pushing a broom in a Gaston County mill, became superintendent of another mill in Alamance County and, when it went broke, bought it and made it prosper.

He bought another failing business in Cedar Falls and turned it into a small fortune known as the Jordan Spinning Co.

He was—or at least the saying had it—one of the wealthiest men in the Senate, but he shunned the ways of the rich. "I have plenty," he said in an interview during that long campaign, sipping bourbon in a Shelby motel. "But you've never seen me display a great amount of wealth."

One of the reasons for his success: "I was raised hard and a nickel was a nickel."

One of the many small towns in which Jordan spent his boyhood was Morganton, home of Sam Ervin, his equally aged Senate colleague. Ervin and he held fond memories of the days spent playing sandlot baseball and swimming together.

But Ervin and Jordan couldn't have been further apart in their interests and ideas.

It was often said of the two that Jordan took care of the state's bread-and-butter needs while Ervin worried about the loftier stuff of the Constitution. And it was true.

While Ervin made his mark on the Senate Judiciary Committee and earned a reputation as a battler for constitutional rights, Jordan stuck with the Agriculture and Public Works committees. He was chairman of the Senate Rules Committee, which although important to other members of the Senate, had little to do with major legislation.

[From the Charlotte Observer, Mar. 17, 1974]

Everett Jordan—He Knew His State's Needs

When B. Everett Jordan was appointed to succeed the late Kerr Scott in the United States Senate in 1958, many North Carolina Democrats were outraged. They saw Mr. Jordan, a millionaire textile manufacturer, as a representative of the state's oligarchy, hardly the man to replace Sen. Scott as the "people's man" in the Senate.

Sen. Jordan, a kindly, avuncular man who, as the son of a circuit-riding Methodist preacher, had known sacrifice and hard times, never complained to those misjudgments, but he spent the rest of his life trying to live them down. He, too, had loved and followed Kerr Scott, and he wanted to do all that he could to carry out the Scott program: one that was grounded in a knowledge that this is a poor state in need of help from an activist federal government. That may seem elemental, but it has been forgotten by many who have represented North Carolina in Washington.

He appointed Sen. Scott's key aides, William Cochrane and the late William Whitley, to his own Senate staff, and depended upon their experience and counsel. He maintained close ties with Scott leaders throughout the state, including Kerr Scott's widow, "Miss Mary," his brother, Ralph Scott; and his son, Robert, who became governor. He also was close to Terry Sanford, the inheritor of the Scott political organization.

In the Senate, Mr. Jordan carried out the Scott program for aiding North Carolina farmers with roads, price supports and agricultural experiment stations. He also pressed on with the Scott plan for systematically harnessing the rivers through eastern North Carolina—the Cape Fear, the Neuse and the Tar—to provide water for irrigation, lakes for recreation, and attractions to industry.

A MODERATE PROGRESSIVE

Sen. Jordan tended to be more moderate and progressive in his views than most other members of the conservative North Carolina contingent in Washington. He voted for education and anti-poverty bills, as well as other major pieces of social legislation that many of Carolina's congressmen opposed. He worked for the small farmers of this small-farm state; he opposed, for instance, the nomination of Earl Butz to be secretary of agriculture, regarding him as a spokesman of big agribusiness interests. Ultimately he opposed the Vietnam war, not a small turnaround for a man of his age.

The fact that he was a member of the state's textile elite helped him accomplish his goals. He served the textile industry, sometimes in ways more advantageous to owners than to employes. But his connections with that industry helped him to become a bridge between the liberal and conservative wings of the state's Democratic Party, a man both factions depended upon to get things done for them in Washington.

HE WON TRUST

That Jordan role was all the more important because the state's other senator, Sam J. Ervin Jr., cared little about political fence-mending back home. Though the two men liked and admired each other, they often voted on opposite sides.

Sen. Jordan was neither a good speaker nor a backroom strategist. He was simply a man senators learned to trust, and he constantly put himself in positions to do favors and collect favors in return. In the Senate he was chairman of the Rules Committee, a housekeeping group that oversaw the budgets of all other offices He also served on the Agriculture and Public Works Committees, which handled "pork-barrel" legislation of interest to all senators.

His defeat in the Democratic primary two years ago came as a bitter blow. It must have seemed to him a rejection of all his efforts in behalf of both the big and the little people of the state. We did not see it that way. His age stood against him; he would have been 81 years old by the end of another term, and he already was suffering from an experience with cancer. He was not as alert as he had been in earlier times. Many of his friends of the past simply thought it was time for him to retire.

Sen. Jordan was never among the biggest men of the Senate, but he worked humbly and with dedication for the state. His death Friday left a great many North Carolinians sad and appreciative of his unstinting service.

[From the Charlotte Observer, Mar. 24, 1974]

Jordan Wanted to Stay in the Senate

(By Paul Clancy)

He had been told by his doctors at Duke University Hospital that the malignancy had been neatly removed and that he was, as far as a man of 74 could be, good as new. It was January, 1972, a year after his operation.

Benjamin Everett Jordan liked being in the U.S. Senate, more than he liked making money as owner of textile mills. Amidst the posturing and ego-tripping in that institution, there was room for a quiet man who cared about his friends and the little people who came to him for help. Whether it was the challenge to win one last election or the fear that, somehow, the physical end would follow the political finis, Jordan wanted eagerly to run again.

He had been through all the arguments: the operation would give him the image of a sick old man, especially in a race with a young, aggressive opponent, and he would have to go out of his way to show that he was still frisky and tough; yet he was at the height of his power and usefulness in the Senate and had recently begun to receive recognition as a leader, a man whose mind was alive to the possibilities of change. They even said he was with it.

It had been an important 14 years for North Carolina and the South, a time of change so revolutionary that the ones who closed their eyes in 1958 would not recognize their world if they happened to open them in 1972. The war, the civil rights movement, the birth and death of an era so assuredly benevolent it was called the Great Society. A man who thought in terms of people, who considered himself a practical idealist, had something to contribute.

Jordan's seemingly innocuous habit of supporting federal education bills, hospital construction aid, food stamps and other programs of broad social consequence was almost radical for a Southerner in those days. And he kept growing. When the Vietnam war at last seemed to him senseless and unconscionably brutal, he turned against it.

Bill Cochrane had agreed, after the death of Sen. Kerr Scott, to stay as administrative assistant to the new senator long enough to help him get started. Loving the man like his father, Cochrane wound up staying 15 years, and knew Jordan as well as anyone.

"His hallmark was his genuine interest in the other fellow and his problems," Cochrane said the other day in his new hideout in the Senate Rules Committee. "It sounds trite, I know, but not after seeing it day after day for 15 years. He liked people and he treated the lowliest person in as friendly a way and with as much dignity as anybody I ever saw in my life." That image of kindliness has rarely, if ever, been disputed.

Jordan gambled on his health, but the voters were not willing to gamble with him and he lost the Democratic primary. It was a harsh blow, but in his unruffled way he displayed little bitterness, supporting and even contributing later on to his former opponent.

Still feeling chipper and perhaps dreading the idea of breaking away from the power and privileges of the Senate, Jordan decided to stay in Washington, hoping to open an office near the Capital where he could offer his services as a consultant. But he never got around to it.

Jordan's last campaign was not for political office. He accepted the job as president of the North Carolina Cancer Society and spent much of 1973 touring the state, making speeches and raising money to fight the disease that was again creeping up on him.

He went back to Duke twice more for operations. While he had felt strong as an ox after the first, the second left him drained and weak. When Cochrane last saw him on Feb. 28, he knew it wouldn't be long, and yet—because the man had bounced back so often—thought there was always a chance.

Jordan spent his last weeks at home. Mercifully, he was not in a great deal of pain and did not require the kind of drugs that kill you before the disease does. He had a long quiet talk with his wife Thursday night and on Friday he died as he had lived—with patience and dignity.

[From the Durham (N.C.) Morning Herald, March 16, 1974]

B. Everett Jordan

In the death of B. Everett Jordan, North Carolina has suffered the loss of a leader who was known for many accomplishments in business and industry, in politics, in the civic and church life of his state.

But he will be remembered perhaps best as a man who worked his own way up and retained the common touch with his fellow man throughout his long and notable career. The doors to his office were never closed to those who brought problems and concerns—or who simply wanted to talk.

Long active in North Carolina politics, Mr. Jordan reached the peak of his political career when he was appointed by Gov. Luther Hodges to the U.S. Senate seat vacated by the death of W. Kerr Scott in 1958 and later won two full terms. Just as he was gracious in victory, he was uncomplaining in the 1972 loss of the Democratic nomination to Nick Galifianakis, who was subsequently defeated by Republican Jesse Helms.

In his Senate career, Mr. Jordan worked for numerous projects in the state, including the New Hope Dam and Reservoir project (which now appropriately bears his name), protection of coastal areas and waterways, and improvements to benefit farmers.

Although he was firm in his beliefs, he was amenable to change when convincing arguments were presented. The best example is his break with Southern hawks in 1970 over the conflict in Southeast Asia.

Mr. Jordan, the son of a Methodist minister, was a member of a distinguished family of brothers. One, Dr. Charles E. Jordan, who died last month, was a longtime vice president of Duke University before retirement. Another, Dr. Henry Jordan, was a former chairman of the State Highway Commission. A third brother, Frank Jordan, followed his father's footsteps and became a Methodist minister.

In his many activities, as U.S. Senator, as a textile manufacturer at Saxapahaw, as a champion of many North Carolina projects, as a good friend and neighbor, B. Everett Jordan served his state well. His death yesterday at age 77 is a loss to the state and the nation.

[From the Sun, Durham (N.C.), Mar. 16, 1974]

Left His Mark in State and Nation

Seldom, if ever, has North Carolina had a more respected and effective United States senator than B. Everett Jordan, who died at his home at Saxapahaw yesterday after long years of service to the state and its people.

Although active in Democratic party politics, he never had held an elective office until he was appointed to the Senate in 1958. But he moved up rapidly in seniority, prestige and influence. And when he left the Senate he was one of its most highly regarded members.

Amiable, easy-going, soft-spoken and mild, he rarely raised his voice; but he could get things done. He was a folksy and friendly man—a man who liked to be liked by everyone, and who usually was.

He started out in life by sweeping floors in textile mills and ended up by owning them. A friend of education, he gave away much of his money to schools; but almost never would talk about it. In whatever job he set out to do—in the Senate or out—he sought results, not recognition. He usually got them.

During his political career, he always kept foremost in his mind the needs of North Carolina, as well as those of the nation. His influence in Congress, the White House and various government agencies brought to his state many benefits, and his role in quietly obtaining them sometimes has gone unsung.

He was a diligent senator. He also, in his quiet way, was an effective politician—one who shook hands and kept up with his friends and acquaintances, not just as a means of getting votes but because he was a man of warmth and one who had a real interest in his fellow man.

A true statesman has passed. So also has a friend.

[From the Fayetteville Times, March 18, 1974]

Jordan—Living Up to the Motto of the State

The record of B. Everett Jordan was in the solid tradition of the better side of North Carolina politics. He was, to put it bluntly, a rather dull public servant. But as a longtime leader of public affairs in North Carolina—Democratic Party chairman, political fund-raiser, and U.S. senator—he brought three admirable qualities to his service.

One, rectitude, or moral integrity. Jordan had his political favorites and his views. He was business-oriented, cautious, and stolid. But he was honest and imbued with the Methodist moral backbone of his family. For instance, he took on the task of directing the Senate investigation of a former business associate—Bobby Baker of South Carolina—and set the stage for the criminal indictment and conviction of that inestimable South Carolina wheeler-dealer on charges of influence-peddling.

Two, he was loyal, to party, to state, to Nation, to friends. For instance, he stuck by the Democratic banner when others were scurrying for cover, and in that measure helped strengthen the two-party system.

Three, he was courageous in his attitudes toward significant public issues. He led the way among North Carolinians in Congress in asserting that it was time to get out of Vietnam. He parted ways with conservative southerners and with his senior colleague, Sam Ervin Jr., by backing a consular convention with the Soviet Union, indicating his understanding that a new day had dawned in international relations. He backed significant "Great Society" programs recognizing that the seething racial discontent of the 1960s reflected deficiencies of equal opportunity which those programs sought to correct.

Finally, he showed personal courage in his fight against the illness which finally brought on his death Friday. He was a gentle, avuncular man, whose kind is rare in the politics of any era. North Carolina was fortunate to have him and his contributions in the first half of the 20th Century. He lived her motto: "To be, rather than to seem."

[From the Greensboro (N.C.) Daily News, March 16, 1974]

Ex-Senator Jordan Dies at Home in Saxapahaw

SAXAPAHAW.—Former Sen. B. Everett Jordan died at his home here Friday morning at the age of 77, a victim of cancer. He had been seriously ill for several weeks.

Funeral services will be held at 3 p.m. Sunday in Saxapahaw Methodist Church. Burial will be in Pine Hill Cemetery.

Jordan served as the junior senator from North Carolina from 1958 to January, 1973.

He was appointed by Gov. Luther Hodges to complete the term of Sen. W. Kerr Scott who died in office.

As he sought successive terms in the Senate, he easily disposed of challengers in both the Democratic primaries and the general elections until the primary of 1972 when he was defeated.

He is survived by Mrs. Jordan, the former Katherine McLean of Gastonia; two sons, Ben E. Jordan Jr. of Burlington, and John M. Jordan of Saxapahaw; one daughter, Mrs. Roger Gant of Burlington; one sister, Mrs. Henry Sprinkle of Florida; one brother, Dr. Frank Jordan, a retired Methodist minister, also of Florida; and ten grandchildren.

Officiating at the services will be Dr. Howard Wilkerson, president of Greensboro College; The Rev. Murray DeHart of Saxapahaw Methodist Church, and the senator's brother.

The body will be at the Rich & Thompson Mortuary in Burlington from 12 noon today. The family will receive there from 7 to 9 p.m.

Memorial contributions may be made to the N.C. Chapter of the American Cancer Society, or to a charity of the donor's choice.

Until his appointment to the Senate, Jordan had never held a major public office.

A gentle, soft-spoken man, he came to national prominence in 1963 when, as chairman of the Senate Rules Committee, he presided over the investigation of the Bobby Baker case.

He was well known and beloved by fellow members of the Congress.

Sen. Margaret Chase Smith spoke for many of them when, in 1972, Jordan failed in an effort to gain re-election. She said:

"He was not only a fine Senator, but above all, he was a wonderful human being, and the kindest man I have ever known."

William M. Cochrane, administrative assistant to Sen. Jordan through his entire senatorial career, described him as "a warm and generous spirited man of deep compassion for his fellowmen. Their problems were of genuine personal interest to him.

"This was the key to his greatness as a man and as a U.S. Senator. He was an unusually effective senator, whose judgment and friendship were valued by his colleagues. He was equally at home with cabinet members and his Saxapahaw neighbors."

In North Carolina he was perhaps best known for his work in agriculture, and for the extensive water resources developments he sponsored over the state.

These included the New Hope Dam in Chatham County, part of a flood control and water recreation project on the upper reaches of the Cape Fear River Basin.

Last October, the Senate honored Jordan by changing the project name to B. Everett Jordan Dam and Lake. He was known to consider this one of his highest honors. It was his hope to attend dedication ceremonies for the dam this spring.

Jordan was less well-known as a philanthropist, but he gave generously to educational institutions all over the state. In recent weeks he donated sizeable amounts to Greensboro College, Elon College, Duke University. Methodist College, and Brevard College.

He also contributed $35,000 to the capital campaign of the Cherokee Council of the Boy Scouts of America, for use in building a dining hall at the Cherokee Scout Reservation in Caswell County.

Jordan was honored as North Carolina Distinguished Citizen of the Year at a testimonial dinner held Feb. 20 in Raleigh by the State Cystic Fibrosis Foundation. It was the foundation's second annual public service award.

More than 400 people paid a minimum of $25 each to the foundation to attend the banquet. Jordan, himself was too ill to be there, but through a special telephone hookup to his Saxapahaw home, he was able to hear many distinguished Tar Heels pay tribute to his lifelong dedication in service to fellowmen.

He was recognized as one of the first North Carolina members of Congress to espouse the cause of federal aid to education.

He helped to pass the Cancer Bill in 1971, the most far-reaching law on cancer research ever to come out of Congress.

He was a sponsor of the first sickle cell anemia bill in the Senate.

Last year, Sen. Jordan served as chairman of the Cancer Drive in North Carolina.

He served as a trustee of Duke University, Elon College and American University in Washington.

Jordan had a reputation as a hard worker. He once said work was his hobby, and that he had done "just about everything to make a nickle."

He was born Sept. 8, 1896, at Ramseur, the son of a Methodist minister. He worked his way from mill superintendent as a young man to become one of the wealthiest textile industrialists in the state. He owned mills at Cedar Falls and Wake Forest which grossed more than $15 million a year.

He was graduated from Trinity College, now Duke University, in 1916, and served in the U.S. Army from 1918 to 1919, spending the last year with the Army of Occupation in Germany.

During his Senate career, Jordan served as chairman of the powerful Rules Committee, vice chairman of the Joint Committee on the Library of Congress, chairman of the Joint Committee on Inaugural Ceremonies and as a member of the committees on agriculture, public works and printing.

Of the controversial Bobby Baker Case, Sen Jordan said, "We did a good, conscientious job. We turned all of our evidence over the grand jury which indicted him. I don't know what else any committee could have done."

The committee hearings were an inquiry into influence peddling charges against Robert G. Baker, one-time secretary to the Senate Democratic majority.

Sen. Jordan was considered a member of the conservative wing of the Democratic party, but he was also known as a dove on the issue of the Vietnam War.

In 1966 he was expressing deep regret that the United States had become involved in the conflict, and at one time said, "I am anxious for us to get out as quickly as possible on an honorable basis."

In 1970 he broke ranks with other Southern Democrats to vote in favor of the Cooper-Church Amendment to the defense appropriations bill. The amendment was passed, limiting the President's power to extend U.S. participation in the war.

When Gov. Hodges named Jordan to the Senate, it was widely speculated that the new Senator was serving only as a seat warmer for the governor. The Raleigh News and Observer said as much in a front page editorial.

But when Hodges' term as governor expired, he became Secretary of Commerce to President Kennedy.

Sen. Jordan lost his bid to remain in the Senate in 1972 when Nick Galifianakis defeated him in the Democratic primary, Republican Jesse Helms went on to win the seat in the general election.

Sen. Jordan left the Senate "with no regrets."

Of his position toward the Democratic party, which did not fair well in the 1972 general elections, he said, "I live in a small village (Saxapahaw). We've had a lot of preachers to come and go. I didn't like some of them, but I never thought once about leaving the church.

"That's the way I feel about the Democratic party."

[From the Greensboro (N.C.) Daily News, March 16, 1974]

DELEGATION MOURNS DEATH OF JORDAN

(By Jack Betts)

WASHINGTON.—The death of former U.S. Sen. B. Everett Jordan, D-N.C., Friday caught many of his old Capitol Hill colleagues en route to their home states, but North Carolina's congressional delegation paused to mourn the loss of the gentleman from Saxapahaw.

Sen. Sam J. Ervin, Jr., D-N.C., said, "I am distressed by the passing of my long time friend and former Senate colleague, B. Everett Jordan. We have been friends since we were teen-agers in my home town of Morganton, where his father was a Methodist minister. We played baseball and went swimming together.

"I had the rare privilege of serving with him for 14 years in the Senate and we never had a disagreement of any kind in respect to matters relating to North Carolina.

Ervin said Jordan had rendered "great service" to the state, especially in agriculture, industry and the development of rivers and harbors.

"Everett deserves the thanks of North Carolina and the nation for his public services and I shall never cease to miss him," the senior senator said.

Sen. Jesse Helms, Republican from Raleigh who claimed Jordan's seat after former Rep. Nick Galifianakis won the Democratic primary in 1972, said, "Senator Jordan was first, last and always a gentleman. He was a beloved member of the Senate, always cheerful, always helpful, always ready with an anecdote."

Recalling their friendship of more than three decades, Helms said. "He was a great American. He loved his country and he understood the principles that made America great.

"Mrs. Helms and I extend our deepest sympathy to his wonderful family and assure them that their loss is shared by countless thousands of their other friends everywhere," Helms said.

The dean of the delegation, Rep. L. H. Fountain, D-N.C., of Tarboro, said, "We in the North Carolina delegation have lost a close personal friend, and the state and the nation have lost an able, faithful and dedicated public servant and one of its finest citizens."

In North Carolina, Gov. James Holshouser, the first Republican elected to the state's top executive post this century sent a telegram to Mrs. Jordan. "We are deeply saddened by the loss of Sen. Jordan," it read. "He will be long remembered and appreciated by the people of North Carolina for his able and distinguished public service and his many contributions to our state. Our thoughts are with you and your family in this time of sorrow."

North Carolina Democratic Party Chairman James Sugg said Friday, "He made an outstanding contribution to North Carolina and the nation in political, civic and religious life. The Democratic party will always be grateful to him because when he was chairman, the first permanent party headquarters were opened."

North Carolina Secretary of State Thad Eure, a longtime close friend of Jordan's said, "His services as chairman of his political party and as U.S. Senator will be appreciated and remembered for a long time."

Former Gov. Teddy Sanford, who is now president of Duke University, said, "Sen. Jordan believed in North Carolina and its people and he had the rare ability to translate that belief into legislation and a way of life. He once said his greatest satisfaction was in "doing the little things many would think about for people.

"As a successful businessman and public servant, Sen. Jordan lived what he believed and added distinction to an already distinguished family. Duke University, particularly, is in his debt and is proud and grateful for the opportunity it had to be associated with him as trustee and benefactor."

North Carolina Att. Gen. Robert Morgan, now a senatorial candidate, said, "Sen. Jordan had a distinguished record of service to North Carolina as a business leader, Democratic party figure and United States Senator."

Jordan's career was distinguished by integrity and dedicated service to his constituents, Morgan continued. "He certainly left his mark on the state and his friends will miss him."

Lt. Gov. Jim Hunt said Jordan's personal character and long life as a public leader in the state "have been matched by few persons in our history.

"In the U.S. Senate he was an effective spokesman for North Carolina agriculture and industry. Our state is a better place because he was our Senator and worked so diligently for North Carolina," Hunt said.

Republican Rep. James T. Broyhill of Lenoir, reached at his offices there, remembered Jordan as "a good friend of mine. He was most helpful to me during our joint service in the Congress. He served his state in many ways, and though he was a loyal Democrat he always stood up in a bipartisan way in what he believed was right for North Carolina."

Sixth District Democrat Richardson Preyer of Greensboro recalled Jordan as "a great gentleman and a fine legislator."

Preyer said, "He did not seek the headlines but he was very effective. Some people are boxers and some are sluggers. The sluggers get the headlines but the boxers get more results.

"Senator Jordan was a boxer. He got results by the force of his integrity and character and by the respect in which he was held by his fellow senators, rather than by the headlines he created."

Preyer said his contributions to the state in improvements to the rivers and harbors "will probably never be equalled . . . we will all miss him very much."

Rep. Wilmer (Vinegar Bend) Mizell, Republican of Midway, said, "Mrs. Mizell and I deeply mourn the death of Sen. B. Everett Jordan. When I first came to Congress, the senator was one of the first to offer his assistance to me. He was a man who could be considered exemplary in the life he led of honesty, courage and integrity. These values, along with his strong Christian beliefs served him well, especially in the last period of his life."

First District Democrat Walter B. Jones of Farmville said, "I want to express my sorrow to Senator Jordan's family and to remember with deep appreciation his contributions to the state of North Carolina. His death is a tragic blow and he will be sorely missed by the people of North Carolina."

Rep. Charlie Rose, Fayetteville Democrat, said, "North Carolina has lost a great friend. Everett Jordan gave his life to trying to make our state and our country a better place to live. I think he did."

[From the Greensboro (N.C.) Daily News, March 18, 1974]

SENATOR JORDAN

Former Senator B. Everett Jordan, who died March 15, at the age of 77, was one of the few North Carolinians who have combined successful careers in business and national politics. He came to elective office relatively late in life. But he started at the top—through appointment to the U.S. Senate in 1958—and stayed there until 1972 when he lost his bid for renomination.

His rise in the business world was not as sudden, yet he had a long and profitable career in the textile industry before going to the Senate. There was nothing about him to suggest the hard-driving businessman and public official. In looks and manner he fitted more nearly the traditional American idea of the calm, patient and kindly small town minister. And in fact he was the son of a Methodist minister and grew up in various parsonages in the state.

He was, however, a highly effective senator for his constituents in North Carolina. He looked after the interests of the state's two biggest industries, tobacco and textiles, but he also found time to do small favors for the uninfluential, and he had few rivals in the Senate when it came to getting federal appropriations for his state. Among his successes were dozens of beach, harbor, river and watershed projects, and a huge environmental health center for the Research Triangle Park.

The senator's appointment to fill the unexpired term of the late Sen. Kerr Scott in 1958 stirred considerable controversy. Some critics of the appointment said Gov. Luther Hodges had only picked Sen. Jordan to warm the seat until the 1960 election. It turned out they were wrong. Sen. Jordan ran and won.

His years in the Senate were in general more peaceful than his entry had been. He was soon at home in the Senate's clubby atmosphere and eventually became chairman of the powerful Senate Rules Committee, where he soon found himself in the spotlight because it fell to him to head the Senate investigation of Bobby Baker. Although some Republicans accused the investigators of doing a whitewash job, the committee actually found that Mr. Baker had "committed gross improprieties." It recommended a number of reforms designed to prevent future irregularities by Senate employes. Largely as a result of the committee's findings, Mr. Baker was later indicted and then convicted of fraud and income tax evasion and sent to prison.

Sometimes Sen. Jordan disagreed with his party's policies, particularly some of its more liberal ones, but he never broke with it or attempted to disassociate himself from it. He once compared his feeling about the Democratic Party with his feeling for the church. "I live in a small village," he said. "We've had a lot of preachers come and go. I didn't like some of them, but I never thought once about leaving the church."

He was generally associated with the conservative wing of the party, but Sen. Jordan modified some of his views as time passed. He was capable of admitting he had been wrong when the evidence persuaded him that was the case. Originally he supported U.S. policy in Southeast Asia, but in 1971 he came out against the war in Vietnam. Further, he was a co-sponsor of the war powers bill which limited the President's power to extend American participation in the war. He also went in the opposite direction from most of his Southern Senate colleagues when he voted for gun control legislation and against U.S. development of a supersonic plane.

But although he could and did change with the times, Sen. Jordan remained to the end faithful to this state's perhaps fading traditions of government by "progressive plutocracy." His character and integrity are attested to by the fact that he also remained true in a rude and turbulent time to his own ideals of decency and civility in his private life and his public role.

[From the Greensboro (N.C.) Record, March 19, 1974]

SENATOR B. EVERETT JORDAN

Capably and quietly, B. Everett Jordan represented North Carolina in the United States Senate for 14 years. Ever alert to the needs of his constituents, attuned to the problems of tobacco and textiles, Senator Jordan, who died Friday, kept the common touch although he rose to a position of prominence in the clubby atmosphere of the Senate.

His brush with the national spotlight came with the Bobby Baker investigation conducted by the Senate Rules Committee. Chairman Jordan presided carefully and calmly. The committee's findings that the former Senate aide had been guilty of "gross improprieties" preceded his conviction for income tax evasion, larceny and fraud. For the most part, Senator Jordan's activities were aimed at service to his constituents, a task at which he became adept and which is appropriately honored in the renaming of the New Hope dam as the B. Everett Jordan Dam.

Assailed by cancer three years ago, Senator Jordan underwent major surgery and recovered enough to campaign in 1972 for re-election. His health and age—he was then 75—told against him, as did the flamboyant campaigning style of his opponent, Nick Galifianakis who refused to use the obvious issues of health and age against the senator. Senator Jordan lost, as did Galifianakis in that year of the Nixon landslider. Republican Sen. Jesse Helms succeeded Jordan, who was given just over a year of retirement before his death.

Senator Jordan's conservatism stemmed from his North Carolina background. In his case it was touched with humanity and sympathy for the unfortunate, as evidenced by the senator's lifelong interest in education and philanthropic projects. Senator Jordan had been active in the Democratic Party, chiefly as a fund-raiser and behind-the-scenes adviser, but never as an elected official when Gov. Luther Hodges named him to fill the unexpired term of former Gov. W. Kerr Scott. He proved adept as a vote-getter. He played a key role in passage of the acreage-poundage program for tobacco, and his skill at winning federal projects for the state was notable. His turn against the Vietnam War, clearly evident by 1971, showed his ability to change his mind and to respond to the views of his constituents.

North Carolina received devoted service from Senator Jordan. The sorrow by his graveside at Burlington, and the tributes paid him by a variety of public figures, were obviously both heartfelt and sincere.

[From the Greenville, (N.C.) Daily Reflector, March 19, 1974]

SAD OCCASION FOR ALL OF NORTH CAROLINA

The death of former Sen. B. Everett Jordan was a sad occasion for all North Carolina.

Jordan died at his home in Saxapahaw Friday. He had been appointed to the U.S. Senate by Gov. Luther Hodges in 1958 after the death of Sen. W. Kerr Scott.

Jordan served from the time of his appointment until the end of last term in 1973. He had sought reelection in 1972 but was defeated by Nick Galiafanakis in a campaign which centered on Jordan's age and general health.

Galiafanakis was subsequently defeated by Republican Jesse Helms and Helms succeeded the genial Sen. Jordan in 1973.

Sen. Jordan was known as a hard worker and in 1963 he presided over the Senate investigation of the Bobby Baker case.

Sen. Jordan visited Pitt County a number of times during his career in the U.S. Senate and he made many friends in this area. He will be missed.

[From the Hickory (N.C.) Daily Record, March 16, 1974]

B. EVERETT JORDAN

The advice and counsel of B. Everett Jordan will no longer be available to help guide North Carolina along a path of progress.

He died Friday in the Saxapahaw home he loved so much.

The name B. Everett Jordan became a household word in North Carolina during the more than 14 years this softspoken gentleman served as a U.S. Senator.

Jordan was an extremely successful businessman who had been active in the Democratic party for years but had held no major elective office prior to his appointment to the Senate in 1958. There was a good deal of controversy surrounding the appointment—many people claimed he had been named by Gov. Luther Hodges as a seat-warmer and would step aside for Hodges in the next election. This proved untrue and Jordan went on to be elected to fill out the unexpired term of W. Kerr Scott and to win election to two successive full terms in the Senate.

Jordan carried his traditional Tar Heel values and way of accomplishing things by effective but mild-manner leadership to the Senate with him. He worked hard and when he spoke his fellow senators knew that he had researched his position and wasn't just "shooting from the hip."

During his years in the Senate he served on or chaired several different committees, but he first came to national prominence when he presided over the Bobby Baker investigation in 1963. Several years later, his anti-Vietnam war stand again gained him a good deal of attention.

To understand B. Everett Jordan one had to realize that even though he was a U.S. senator, he was something that our nation needs more of in Congress—a person who was much more businessman than politician.

Further, Jordan was in the best sense of the word a true Tar Heel, a man close to the needs and dreams of the people of his state, a man who never turned his back on the people at home.

There are many things that could be said about B. Everett Jordan as an industrialist, as a senator, as a husband and father, as a leader in our state.

We feel, however, that the most befitting epitaph is that he was a man whose integrity could never fairly be questioned.

[From the Morganton (N.C.) News Herald, Tuesday, March 19, 1974]

EVERETT JORDAN HAD LOCAL TIES

The death of B. Everett Jordan at his home at Saxapahaw brought a keen sense of sorrow in Burke County, for he had ties here far deeper than that of a former United States Senator.

His was a unique link with Morganton, coming about as a result of the fact that four major years of his boyhood were spent here while his father, Rev. Henry Harrison Jordan, was minister of the First Methodist Church.

Rev. Mr. Jordan was appointed in 1910 to the Morganton charge by the Western North Carolina Conference and was reappointed by the next three consecutive sessions, for the maximum four-year tenure then allowed.

This meant that young Everett Jordan made his home here from about the age of 13 to 17, gaining some of life's most unforgettable impressions and experiences. On almost every visit here after manhood, he grew reminiscent, telling with considerable gusto of fights and other antics in which he engaged while in Morganton, some of which were not the sort of conduct that clergymen expect of their sons.

Sen. Jordan attended Rutherford College in 1912–1913 (while the family resided in Morganton) and entered Trinity College (now Duke) in 1914 after the family moved from Burke. As an alumnus he maintained a lively interest in Rutherford College as long as this institution was operated by WNC Methodists and continued sentimental ties after it was closed by merger in 1933 and continued his link with fellow alumni.

During his 14 years in the U.S. Senate, Morganton boasted of the distinction of having one Senator—Sam J. Ervin Jr.—and a proprietary stake in the junior Senator—Mr. Jordan—hailing from Morganton. The two senators had played sandlot baseball together and were lifelong friends.

He was North Carolina's junior senator while he served in Washington, but he was actually 19 days the senior of the senior senator and friend, Sam Ervin.

Mr. Jordan was born Sept. 8, 1896, and Sen. Ervin was born September 27.

Senator Jordan entered the textile business early and was often referred to as "a textile millionaire." He was interested in politics as a sideline diversion and had served as state Democratic chairman and later Democratic National committeeman for North Carolina before Governor Luther H. Hodges appointed him to the Senate in 1958 to fill a vacancy created by the death of Senator W. Kerr Scott. He served until 1973, having been defeated for renomination in 1972 by Congressman Nick Galifianakis.

Much could be said about his service in the Senate, including the chairmanship of the Senate Rules Committee which heard the case of Bobby Baker, Senate Democratic secretary whose activities came up for scrutiny. The quest for justice by the Senate group was slower than the grinding of the mills of the gods but in the course of time, steered by the Tar Heel, the committee found Baker guilty of "gross improprieties."

The Jordan Senate record has come in for extensive review since his death last Friday at the age of 77 and his accomplishments are a matter of common knowledge.

It was appropriate that Dr. Eugene Poston, president of Gardner-Webb College and Democratic national committeeman, delivered a eulogy on Senator Jordan before giving the invocation at the annual Jefferson-Jackson Day dinner in Raleigh Saturday night and the 900-plus Democrats stood a moment in silent prayer.

Before introducing Sen. Henry (Scoop) Jackson, Sen. Ervin praised Mr. Jordan and Sen. Jackson did likewise during his speech. Both said Jordan played an important role in the affairs of the nation although he chose not to be in the limelight.

The special concern here stems from his boyhood years in the Methodist manse at Morganton. He continued through the years to maintain communication with political friends here as well as friends in the textile industry with whom he had become acquainted as the head of his mill in Saxapahaw.

Stirred also are memories of the Jordan family whose stamp on the state has been indelible. Powerful genes from "Preacher Jordan" and Mrs. Annie Elizabeth Sellers Jordan showed themselves in their offspring, both male and female. Take the sons, for example. Dr. Charles E. Jordan became a high ranking administrator at Duke University at Durham. Dr. Henry Jordan received a dental education but withdrew from practice to enter industry, and he matched brother Everett's non-elected political record, sometimes seeming to surpass it as in the case of maintaining strong ties with Governor W. Kerr Scott when brother Everett lost his role as close advisor and confidant. Rev. Frank Jordan followed his father into the Methodist ministry and filled some of the largest and most influential charges in the Western North Carolina Conference. And these were in addition to Everett Jordan who became a wealthy textilist before serving with distinction in the U.S. Senate.

The people of Burke County have missed him as a Senator and they will now miss him as a friend of longstanding. Most especially they will miss his visits and his recollections of experiences here during his boyhood. They had enjoyed especially his tale, told with eyes sparkling, about a fist-fight he had with another youth of the town. With each telling, he seemed to make his boyhood foe larger in size and more bullying by nature until somebody once kiddingly told him that his story was taking on the tone of a David-and-Goliath encounter instead of a couple of rather awkward teenage lads.

There was a warmth about Everett Jordan that seemed to reach out and call everybody his friend and he turned on that warmth to a high level when he was visiting or speaking of Morganton. And this community reciprocated.

[From the Raleigh News & Observer, March 16, 1974]

FORMER SENATOR JORDAN DIES

SAXAPAHAW.—Former U.S. Sen. B. Everett Jordan of North Carolina died Friday morning at his home in Saxapahaw after a 37-month battle with cancer. He was 77.

Jordan, a Democrat, was appointed to the Senate in 1958 by then-Gov. Luther Hodges after the death of Sen. W. Kerr Scott. He held the seat until 1973.

His bid for a third term was turned back in 1972 in an upset by U.S. Rep. Nick Galifianakis in a runoff primary. Republican Jesse Helms won the seat in the general election.

A funeral service will be held at 3 p.m. Sunday at Saxapahaw Methodist Church. Burial will be in Pine Hill Cemetery in Burlington.

Jordan underwent an operation for cancer of the colon on Feb. 15, 1971. His health had deteriorated steadily since last summer.

He was unable to attend a recent Raleigh banquet in his honor and became critically ill a week ago. He died at 10:45 a.m. Friday with his wife, Katherine, at the bedside.

He "slipped quietly away," said a daughter, Mrs. Roger Gant Jr.

TRIBUTES POUR IN

Tributes from national and state figures, including some one-time political opponents, poured in Friday. Gov. James E. Holshouser Jr. ordered flags at state buildings flown at half-staff in mourning.

Aside from his chairmanship of an investigating committee in the early 1960s, Jordan's years in the Senate were generally as calm as his appointment was turbulent.

Jordan's appointment by Gov. Hodges was greeted with protests by associates of the late Sen. Scott. They charged that Jordan was a "temporary senator," who would be a seat-warmer for Hodges until the next election.

Hodges became secretary of commerce under President Kennedy in 1961 and Jordan went on to a long career in the Senate.

Jordan had been a Scott ally in his successful 1948 gubernatorial campaign when he upset Charles Johnson, the candidate of the party's conservative wing.

Scott rewarded him with the state party chairmanship but later they parted political ways over the 1952 gubernatorial primary. Jordan backed the winner, William B. Umstead, and was appointed Democratic national committeeman.

The Senate seat was the only elective office ever held by the textile millionaire, although he was a behind-the-scenes politico for years prior to his appointment.

BAKER INVESTIGATION

In 1964, the Senate Rules Committee which Jordan chaired investigated the activities for former Senate Democratic secretary Bobby Baker.

A main focus of Jordan's office was in backstage work to obtain federal appropriations for North Carolina projects.

His string of successes included a major environmental health center in the Research Triangle Park and a score of river, beach, harbor and watershed projects.

Jordan was a major influence behind the New Hope reservoir and dam project in Chatham County which now bears his name.

In addition, he faithfully looked after the interests of the state's huge tobacco and textile industries.

Jordan made no apologies for such legislative efforts:

"That is the kind of legislation that promotes the welfare of all the people," he said.

Jordan's strong conservative bent changed somewhat in his final Senate years when he voted to limit presidential warmaking powers, restrict firearms sales, and curtail federal subsidies for supersonic transport development.

He signaled his change of heart on the Vietnamese war from hawk to dove when he flashed the peace sign before thousands at the state Democratic convention in Raleigh in 1971.

Jordan's age and health, although not discussed, by Galifianakis, became an issue in the 1972 campaign.

Jordan campaigned in a leisurely fashion, much as he had in brushing aside earlier foes, while the exuberant Galifianakis, 30 years younger, crisscrossed the state at a frantic pace.

Jordan was shaken in the waning days of the campaign when a young Raleigh man shot and killed four persons at North Hills shopping center. Jordan was campaigning at the shopping center but stepped inside a store just before the gunfire erupted.

His close aide and friend, Wes Hayden, was seriously wounded before the gunman took his own life as police closed in.

Jordan, son of a Methodist clergyman, was a hard-driving businessman, a facet of his personality often obscured by a generally placid nature.

He worked his way from mill superintendent to become a wealthy textile industrialist. He owned mills that grossed more than $15 million a year. When he took over Sellers Manufacturing Co. here it had been closed for four years after going bankrupt.

He was born Sept. 8, 1896, at Ramseur, a small town in Randolph County. Jordan graduated from Trinity College, now Duke University, in 1915 and served in the U.S. Army in World War I.

Jordan married the former Katherine McLean of Gastonia on Nov. 29, 1924. They had three children, Benjamin Everett Jordan and Mrs. Gant of Burlington and John Jordan of Saxapahaw.

Sunday's funeral service will be conducted by Dr. Howard Wilkerson, president of Greensboro College; Dr. Edward Elson, chaplain of the U.S. Senate; the Rev. Murray DeHart, pastor of Saxapahaw Methodist Church, and the Rev. Michael Jordan, Jordan's brother, who is a retired Methodist minister.

Jordan's death brought expressions of sympathy from leading Tar Heels, who praised his dedication to the state and nation.

Hodges said his death is "a great loss for North Carolina. We will miss him greatly. He was a valued personal friend and I was proud of his record."

Sen. Sam J. Ervin, Jr., D-N.C., recalled that he and Jordan had been friends since they were teenagers in Ervin's hometown of Morganton.

"We played baseball and went swimming together.

"Everett deserves the thanks of North Carolina and the nation for his public service, and I shall never cease to miss him," Ervin said.

Former Gov. Terry Sanford, now president of Duke University, said Jordan "believed in North Carolina and its people, and he had the rare ability to translate that belief into legislation and a way of life."

Galifianakis, now running for the seat being vacated by Sen. Ervin, said, "I mourn his death with memory of an affectionate association which I enjoyed when I was in the Congress.

"I also salute and pay the highest tribute to his dedication to the state and country."

Gov. James E. Holshouser Jr., a Republican, said in a telegram to Mrs. Jordan:

"We are deeply saddened by the loss . . . He will be remembered and appreciated by the people of North Carolina for his distinguished public service and many contributions to our state."

Sen. Jesse Helms, R-N.C., said, "Sen Jordan was first, last and always a gentleman.

He was a beloved member of the Senate, always cheerful, always helpful."—Daniel C. Hoover.

[From the News and Observer,
March 19, 1974]

Everett Jordan Admirable Politician

B. Everett Jordan's political career sprang from the wealthy and conservative side of the North Carolina Democratic Party, but he became much more a people's man in the U.S. Senate than that origin would suggest. His death takes from this state a public servant who helped give politics a good name.

Jordan was a simple seeming man. He was only mediocre as an orator and not at all stylish or eccentric in the manner often admired in office holders. For those reasons he might never have gotten to the Senate, except by the appointment that propelled him there in 1958. But he won a full term on his own, and he won reelection on his record. His loss in the 1972 primary was to a more youthful and energetic campaigner.

He was comfortable in the Senate, and grew in the job. He was a low-keyed but effective representative of this state's textile and tobacco interests. Often he was just as attentive in clearing red tape or gaining entry and getting fair treatment for less powerful constituents.

A patient and open-minded lawmaker he became a Senate insider on the strength of personal honesty and an easy manner. His service on the Senate Public Works Committee gave him additional behind-the-scenes influence with his colleagues, and resulted in numerous beneficial public projects in North Carolina.

He rose to the chairmanship of the Senate Rules Committee, a housekeeping post not much sought so long as a trustworthy senator was on the job. It fell to him to underscore the importance of both the post and his own integrity when the Bobby Baker case broke over the Senate. That was a partisan controversy, but Baker went to a nonpartisan jail.

Jordan's personal wealth made him an independent man. Service in the Senate attracted him to a more democratic and national view. Though essentially conservative, he was drawn to support a limitation on the president's war-making powers, restriction on firearms sales and curtailment of federal support for a supersonic transport. And, most notably, he changed from hawk to dove on the Vietnam war—a pure act of conscience and objective judgment for a senator from this state.

Everett Jordan was a good man and an admirable politician.

[From the Shelby (N.C.) Daily Star,
March 18, 1974]

Former Senator Jordan Buried in Family Plot

Burlington, N.C.—Former U.S. Sen. B. Everett Jordan has been buried in a family plot in Burlington's Pinehill Cemetery.

Jordan died Friday at 77 after a three-year struggle with cancer.

He had a simple funeral service in the austere, white frame Methodist church in his home village of Saxapahaw before his remains were taken to Burlington for interment.

Several hundred people crowded into and around the church, on the banks of the Haw River.

Sen. Sam Ervin, D-N.C., a boyhood friend of Jordan, stood in the rear of the church. So did Sen. Jesse Helms, R-N.C., who replaced Jordan in the Senate after Jordan was beaten in the 1972 Democratic primary by Nick Galifianakis, who attended the graveside ceremony.

In the congregation was former Gov. Luther Hodges, who appointed Jordan to the Senate in 1958. So were a host of congressmen, legislators and state officials.

Across the river from the church could be seen the brick buildings of the Sellers Manufacturing Co., which dominates Saxapahaw.

Jordan, who was connected with the company through his mother's family, eventually became the owner of the mill and much of the village.

His wealth was his first entree into politics. He helped finance the successful campaigns of several Democratic governors and served as state Democratic chairman before his appointment to the Senate.

Jordan's eulogy was delivered by the Rev. Howard Wilkerson, president of Greensboro College and former chaplain at Duke University.

"A great tree in God's forest has fallen," Wilkerson said, standing behind the flag-draped coffin.

He praised Jordan for his "child-like" religious faith, his staunch friendship, and the services he and his family had rendered to the state and the nation.

Wilkerson recounted that while he was at Duke, he sent some anti-war students to Washington to see Jordan.

"He believed in youth, and while he wasn't ready to agree with some long-haired protester, his office was open to them and he was willing to listen," Wilkerson said.

Jordan, in the later years of the Vietnam war, and particularly in the year before his 1972 re-election bid, changed from a supporter of the war to a mild dove.

[From the Shelby (N.C.) Daily Star, Mar. 18,
1974]

Senator Jordan's Legacy

Sen. B. Everett Jordan was a man of advancing years, but his mind was as modern as that of an 18-year-old. This ability was perhaps the former senator's greatest advantage before his death on Friday, a victim of cancer.

A fiscal conservative who allowed his mind to be practicable, Mr. Jordan earned the respect of his colleagues because he could not be placed in a niche or taken for granted. Indeed, here was a senator who was given the thankless job of investigating Bobby Baker and whose committee turned up evidence of influence peddling that helped result in a conviction. At the same time, here was a senator who came to oppose the American role in Vietnam, surprising his young constituents who at one time had him erroneously pegged as a hawk.

Importantly, Sen. Jordan was always plumping for North Carolina, the state he loved so much, and for this state's economic and social welfare, even while taking such time-consuming and national tasks as chairmaning inaugural committees for a variety of presidents. All of this could have gone to Sen. Jordan's head, making him a political figure who never consulted with the masses, but that can never be said of the Senator. To talk with the senator was to talk with another human being without pretense, rather than to talk with a United States senator.

It was not a rejection of Sen. Jordan that caused his defeat in the 1972 primaries, but a concern by voters that his illness might not allow him to be as active as he had been in Congress. Indeed, there is every indication that had he won nomination, he would have won re-election to the Senate.

Sen. Jordan is gone from us now, but his legacy is instructive to politicians not to paint themselves in a corner, but to take a stand on each issue individually and to do their jobs with ability, not emotion.

[From the Waynesville, (N.C.) Mountaineer,
March 20, 1974]

Senator Jordan Loved Haywood

Sen. B. Everett Jordan was not a man who worked for headlines, nor popularity. He worked for what he felt was right and for the people he represented in Congress. After leaving Congress two years ago, he led a quiet life until death came late last week.

He understood the needs and wishes of the little man. He also understood the needs and wishes of industrialists, of which he was a successful member.

Needless to say, he worked humbly and with a dedication to his state and people.

Sen. Jordan once opened a regional office in Haywood and through it became very close to the people. He had many friends in this county and spent a lot of time at Lake Junaluska. No problem was ever too small for him to give an attentive ear. He never lost the common touch.

In the Senate he showed his concern for the farmers, roads, price supports and agricultural experiment stations. He also led in getting river basins harnessed to the advantage of man.

Sen. Jordan was a man you could not help but like, because you could sense he had an interest in everyone with whom he talked.

Sen. Jordan was distinctive in many ways, perhaps best known for being a man one could trust. He was sincere and genuine.

[From the Wilmington, (N.C.) Star-News,
Mar. 17, 1974]

A Public Servant

Funeral services are being conducted this afternoon in Saxapahaw for a man who played a truly major role in the growth and progress of North Carolina in the last decade.

The man—B. Everett Jordan—served in the United States Senate from 1958 until 1973. His service was marked by the fact that Mr. Jordan served as North Carolina's Spokesman and representative in the highest legislative body in the land, and not as the Senate's delegate to North Carolina.

Everett Jordan never forgot the reason he went to Washington and it marked his terms of office with milestones that will stand as silent memorials to him as tribute to his energy and perseverance.

It is all too easy for someone to go to the nation's capital and become completely involved in the national affairs circles there, usually to the detriment of interest in and concern for hometown problems and projects.

The Senate service of Mr. Jordan was just the opposite. There were scores of other senators willing to take the foremost positions in the political spotlight on Capitol Hill, but there were far fewer who were genuinely concerned with backhome issues like agriculture, or textiles or rivers and harbors and dams.

Mr. Jordan did not neglect his national responsibilities, he just placed the emphasis on North Carolina projects.

And you seldom heard about this or that fiery speech from the Senate floor by the Tar Heel solon, for he favored the quiet and more efficient path of public service: working on committees and subcommittees dealing with specifics.

This hard work earned him the respect and confidence of industry leaders and farmers, of working people and municipal officials.

In a way he exemplified the common touch, for he offered his concern, interest and attention to all facets of the nation and the state.

The Port of Wilmington, for example, never had a better friend. A lot of people have done a lot of things over the years to build, develop and promote the port. But the support of Mr. Jordan in rivers and harbors projects often was the determining factor in whether or not this or that work was done in the Cape Fear River.

In a tough primary campaign, Mr. Jordan lost out to Nick Galifianakis yet he was never bitter. He accepted the defeat with the same quiet courage with which he faced the illness that finally took his life.

North Carolina historically has been blessed with many fine citizens and statesman, with men who labored long and hard in her behalf. To that list of honor is now added another name—B. Everett Jordan; a man who will be long remembered by his fellow Tar Heels.

[From the Winston-Salem Journal, March 17, 1974]

FOR JORDAN, HOME WAS CONFINEMENT

(By Ray Rollins)

It was a late afternoon in May 1972, and the sleek black limousine cruised along Interstate 85 between High Point and Graham.

U.S. Sen. H. Everett Jordan was at the wheel, going home for the night to Saxapahaw—a rare treat on a statewide campaign trail, with election day barely more than a week away.

This was the prelude to the voting in a second primary. And the veteran congressman, unaccustomed to anything more than token opposition, was struggling to keep from being brushed aside by a formidable challenger, Nick Galifianakis of Durham.

Age? "Nobody has any guarantees," Jordan would say.

Jordan seemed a little awkward in the factory gate, shopping center handshaking style of campaigning.

PLUNGED AHEAD

But he plunged ahead, nonetheless, vigorously, always hale and hearty, determined he was not an ailing, tottering old man, despite his years and a cancer operation.

"I never felt better in my life," he would boom profusely—though it seemed, defensively. And he seemed ready to take on a footrace, if need be, to dispel any question of his stamina.

But it had been a long strenuous week. And there was the yearning for a touch with home base.

WINDING ROAD

Just past Whitsett, on the outskirts of Graham, Jordan swung the limousine onto a secondary road and, finally, into a narrow, winding road that leads to the little textile community of Saxapahaw.

On a week-long assignment as a wire service pool reporter, I tagged along behind.

Jordan stopped at a little country store for a short visit with homefolks, including an ailing woman next door. On toward home.

Jordan then offered a guided tour of Saxapahaw—down past the sprawling brick buildings that make up the textile plant that Jordan rescued from bankruptcy in 1927 and guided to prosperity and past the little Methodist church where he had kept an active membership.

This could have been called "Jordan Village"—such was the economic impact of the Jordan family here. Yet, Jordan pointed proudly to home after home, individually owned, that "the mill" had sold to the occupants.

And there were the minibiographies of residents, up and down the rolling hills.

The village streets are flanked by wide, grassed embankments. And there is the Haw River winding through the village, round out the picturesque setting.

FUNERAL TODAY

And on a hillside, in the heart of it all, is the Jordan home, tree-shrouded and cozy.

Jordan talked and looked "contentment" here. Home.

And there was the observer's feeling—reinforced by Jordan's danger in a shopping center shooting only hours after I had left him—that he would have a net loss if he won the election.

Jordan's funeral will be at 3 p.m. today at Saxapahaw Methodist Church.

The White House announced yesterday that Sen. Jesse Helms will represent President Nixon at the funeral.

[From the Winston-Salem Twin City Sentinel, March 18, 1974]

EVERETT JORDAN BURIED AFTER SIMPLE SERVICES

BURLINGTON.—Former Sen. B. Everett Jordan has been buried in a family plot in Burlington's Pinehill Cemetery.

Jordan died Fridey at 77 after a three-year struggle with cancer.

He had a simple funeral service in the austere, white frame Methodist church in his home village of Saxapahaw before his remains were taken to Burlington for interment.

Several hundred people crowded into and around the church, on the banks of the Haw River.

Sen. Sam Ervin, D–N.C., a boyhood friend of Jordan, stood in the rear of the church. So did Sen. Jesse Helms, R–N.C., who replaced Jordan in the Senate after Jordan was beaten in the 1972 Democratic primary by Nick Galifianakis, who attended the graveside ceremony.

In the congregation was former Gov. Luther Hodges, who appointed Jordan to the Senate in 1958. Se were many congressmen, legislators and state officials.

Across the river from the church could be seen the brick buildings of the Sellers Manufacturing Co., which dominates Saxapahaw.

Jordan, who was connected with the company through his mother's family, eventually became the owner of the mill and much of the village.

His wealth was his first entree into politics. He helped finance the successful campaigns of several Democratic governors and served as state Democratic chairman before his appointment to the Senate.

Jordan's eulogy was delivered by the Rev. Howard Wilkerson, president of Greensboro College and former chaplain at Duke University.

"A great tree in God's forest has fallen," Wilkerson said, standing behind the flag-draped coffin.

He praised Jordan for his "childlike" religious faith, his staunch friendship, and the services he and his family had rendered to the state and the nation.

[From the Henderson (N.C.) Times-News, March 18, 1974]

SENATOR JORDAN

North Carolina buried another distinguished son this weekend when funeral services were held for former U.S. Sen. B. Everett Jordan.

Sen. Jordan was a conservative who also understood the conscience of the young. This was evident in his 1970 break with other conservative senators over the Vietnam War. The young went to him, he understood; he championed their cause. Sen. Jordan also understood the needs of the tobacco farmer in North Carolina, and the textile industry. He was the son of a Methodist minister, graduate of Chapel Hill and businessman. All of these factors fashioned his viewpoint of the world; a world that should have been orderly but was not.

The man from Saxapahaw was quiet, but he knew his people and did well by them in Washington. He is another in a long line of distinguished senators from his state and people.

A GENTLEMAN PASSES

The word "gentleman" has suffered a rather sad decline in late years. The connotations of honor, straight-dealing, considerate behavior and gentle manner it carries do not appear to command the respect they did in times bound more firmly by tradition.

The state of a gentleman is not less worthy, however, but more so for falling into relative obscurity.

In the tributes to former Senator B. Everett Jordan of North Carolina, who died last Friday at 77, there is a strong thread of unity in the descriptions of Jordan as "a gentleman."

He was, to be sure, a gentleman true to an older conservative tradition in his state, and it was not the sort of persuasion that makes prominent news or earns national attention. But he minded the State's business assiduously, particularly its textile and tobacco interests, and he was not a hard man for the average citizen to reach.

He broke with a majority of conservative Southern senators when he voted for the Cooper-Church amendment to limit presidential powers in extending U.S. participation in the Vietnam War, and he deserted the conservative ranks to vote in favor of gun control legislation and when he sided with the majority to vote down the hotly-debated Supersonic Transport plane.

Rep. Roy A. Taylor said Jordan was "a lovable person with a rich, positive personality and a strong faith in his friends, his country and his church."

In fact, a gentleman of the old school.

B. EVERETT JORDAN

It was not the style of former Senator B. Everett Jordan to grandstand. He had no reason to impress others; he understood himself and his mission, which can be said of few persons, public or private.

Perhaps because of Senator Jordan's low key approach to politics, he never became, despite 14 years in the Senate, a recognized national figure. Instead he preferred to work quietly behind the scenes, leaving the headlines to the more egotistical.

Yet he demonstrated again and again his responsiveness to his North Carolina constituency. If a citizen had a problem and sought the assistance of Everett Jordan, the Senator would make every effort to respond. Even if he could not completely satisfy the constituent, he would explain directly why he could not do otherwise.

And his soft-spokenness was sometimes deceiving. In 1970 he startled many of his Southern Democratic colleagues by speaking out against the Vietnam War. He also voted for the Cooper-Church Amendment, which limited the President's war powers. A mild Southern dove, even in 1970, was unusual.

Mr. Jordan enjoyed and worked at being a good senator. But he had made his mark in life long before he came to the Senate in 1958. This son of a Methodist minister in many ways was a self-made man who worked himself from mill superintendent to textile magnate. Along the way he became a noted churchman and benefactor.

B. Everett Jordan, who died Friday at age 77 and was buried Sunday, will be remembered for a long and meritorious business and civic career but perhaps more so for the gracious and genial man he was.

[From the Washington Post, March 16, 1974]

EX-SENATOR B. EVERETT JORDAN DIES; LED BAKER PROBE

(By Megan Rosenfeld)

Former Sen. B. Everett Jordan, 77, who as chairman of the Senate Rules Committee headed the 1964 Senate investigation into the activities of former Senate Democratic secretary Robert G. (Bobby) Baker, died yesterday at his home in Saxapahaw, N.C.

Sen. Jordan had a malignant tumor removed from his colon three years ago, and had been in declining health since last summer, when he underwent additional surgery at Duke University Hospital.

A millionaire textile manufacturer from North Carolina, Sen. Jordan was appointed to the Senate in 1958 by Gov. Luther Hodges to fill the unexpired term of the late Sen. W. Kerr Scott. He was elected to the seat in 1960 and was re-elected in 1966.

A member of the committees on agriculture, public works and printing, Sen. Jordan was a quiet figure on Capitol Hill until the Baker investigation by the Rules Committee thrust him into the spotlight.

Baker, then a $19,600-a-year Senate aide and protege of President Lyndon B. Johnson, was accused of influence peddling. The Senate Rules Committee found that Baker had committed "gross improprieties." Baker was later indicted and convicted in 1967 of fraud, theft and tax evasion, and sentenced to three years in a federal penitentiary. He served 1½ years before being paroled.

The 18-month investigation of Baker was criticized for its length, and Republicans accused Sen. Jordan and the other members of the Committee of a whitewash.

Before releasing the Committee's final report, Sen. Jordan said the investigation was a "hard task and a disagreeable task . . . Maybe I'm not enough of a lawyer and prosecutor type to go ahead and do some of the things some people felt should have been done."

The Committee's recommendations included a rule that senators and Senate employees earning more than $10,000 a year supply a list of their financial holdings and business associations; a suggestion that "moonlighting" by Senate employees be limited, and the comptroller general should have authority to police congressional lobbying laws.

Originally a supporter of U.S. policy in Southeast Asia, Sen. Jordan came out against the war in Vietnam in 1971, and was a cosponsor of the war powers bill, which limited the President's power to extend American participation in the war. He was no longer in the Senate when the House overrode President Nixon's veto in November, 1973, and forced the war powers bill into law.

"The longer the thing (the war) drew on, the more I became disillusioned with the handling of it," he said. "All we were doing was bombing the hell out of everybody's rice paddies and killing people—Americans and thousands of natives."

During his 14 years in the Senate, Sen. Jordan also chaired the Agriculture, Public Works and Inaugural Ceremonies subcommittees.

Sen. Jordan was defeated by a 44-year-old Durham lawyer in the 1972 Democratic primary election, Nick Galifiankis. Galifiankis lost the senatorial election to Republican Jesse Helms.

While Sen. Jordan was campaigning during the 1972 primary, a 23-year-old high school janitor killed five persons and wounded six others outside a Raleigh, N.C. shopping mall where the senator was shaking hands with constituents. Sen. Jordan's executive secretary, Wesley Hayden, was shot in the chest and seriously injured. Sen. Jordan suspended his campaign until he was sure Hayden would survive.

Sen. Jordan has a long and profitable career in textile manufacturing before going to the Senate. Born in Ramseur, N.C., the son of a traveling Methodist minister, he organized his first company, the Sellers Manufacturing Co., in 1927. He eventually owned mills that grossed more than $15 million a year.

He attended Trinity College (which later became Duke University and which awarded him an honorary degree in 1940), and Elon College. He served with the Army Tank Corps from 1918 to 1919, and with U.S. occupation forces in Germany in 1919.

He was a recipient of the Silver Beaver award from the Boy Scouts of America in 1965. Sen. Jordan was a trustee of Duke University, American University and Elton College, and of the U.S. Capitol Historical Society.

Since 1972, Sen. Jordan had spent most of his time at the rambling white house in the village of Saxapahaw, his home for 46 years.

He is survived by his wife, the former Katherine McLean; two sons Ben E. Jr. of Burlington, N.C., and John M. of Saxapahaw, and a daughter, Rose Anne Gant of Burlington.

Statement of L. Quincy Mumford at the Cornerstone Laying of the Library of Congress James Madison Memorial Building, March 8, 1974

Senator Cannon, Mr. White, members of the Architect's staff, and Library of Congress employees:

It is an understatement to say that this is a real milestone for all of us. Much effort has gone into bringing this day to fruition and I want to thank each of you for your great contribution to the Library of Congress James Madison Memorial Building. As I said in a statement placed in the cornerstone, citizens too numerous to mention have made this building possible. Members of the Congress of the United States—the Joint Committee on the Library, the House and Senate Office Building Commissions, the House and Senate Public Works Committees—the James Madison Memorial Commission, the Architect of the Capitol and his staff, and the staff of the Library of Congress deserve posterity's special gratitude.

As we lay this cornerstone, I would like to pay special tribute to a man who worked selflessly and tirelessly to obtain this building for the Library of Congress. I am sorry he cannot be with us physically today but he is here in spirit and in our fond memories of his gallant efforts. I speak of former Senator B. Everett Jordan of North Carolina, the long time Chairman of the Coordinating Committee on the Madison Building and former Chairman and Vice Chairman of the Joint Committee on the Library.

THE STABILITY OF THE SOCIAL SECURITY SYSTEM

Mr. GURNEY. Mr. President, because of a rash of news articles which have appeared around the country recently on the subject of the stability of social security, I would like to bring to the attention of my colleagues a rebuttal to many of those newspaper articles.

The author of the paper, Dr. Richard E. Johnson, is a professor of insurance and risk management at the University of Georgia. He is also a certified life underwriter and a certified property and casualty underwriter. His rebuttal, I believe, helps to bring the charges into perspective.

I think it should be clear, however, that there are problems with our social security system. Dr. Johnson's comments dispel some of the myths, but even so, the Congress should be taking steps to insure the solvency of social security. Senate Resolution 350 provides for "* * * an expert, independent evaluation of the status of the social security system."

There is some truth to the articles which have appeared on the subject of social security's solvency, and one question the Congress must ask itself—and soon—is exactly what we want social security to be. Surely it cannot be all things to all people, or soon it will be nothing at all. The Congress should take a long, hard look at this entire question and I am glad to see we are doing just that.

I request unanimous consent, Mr. President, to have printed in the Record at this point both Dr. Johnson's comments and the text of the report on Senate Resolution 350.

There being no objection, the material was ordered to be printed in the Record, as follows:

Social Security: Still a Good Value

(By Richard E. Johnson)

Newspaper readers around the country have recently been exposed to a series of articles condemning the social security program. These articles, written by a Chicago newspaper reporter, Warren Shore, are not only inaccurate and misleading, but an element of viciousness can almost be detected in the manner in which the reader is given isolated half-truths to the exclusion of all other pertinent information. One is prompted to question what motivated this bias.

For example, Mr. Shore writes of Jeff Alfred, who, at the age of 23, contributed $676 (matched by an equal amount by his employer) to the Social Security Administration as a tax on his earnings this year. He then comments that should Jeff die, less than $300 would be paid to his wife as the total settlement of his account. This seems inequitable, but let us look at another possible example of a young married couple. Bob Miller (age 23) is a successful salesman and earns $13,200 both this year and next. At the end of that period he is killed in an auto accident and leaves behind his wife, Mary, and twin children, age one.

It is possible for Mary and the children to receive social security benefits in excess of $1,844,715. This total benefit would only be paid to the Millers if the children were disabled during childhood and continued so until age 65. (An even greater benefit would be paid if they lived longer.)

It is assumed in this calculation that a yearly increase of 3% in benefits is made to offset increased inflation. Thus, for a contribution of slightly over $1,500, Bob's family profited to the extent of $1.8 million. Even if neither child had been disabled, a benefit of $819 per month would have been paid immediately and this monthly benefit would have been increased as the cost of living increased. The mother would have received this until the children were 18 and they would have received almost this amount had they continued their education until age 22, the total benefit paid being about $280,000.

No one will defend the first part of this example as being reasonable or typical—twins being disabled for life. It is, however, just as typical as many of the examples used by Shore in his series. Jeff Alfred's widow would have had to have been childless to have received the benefit stated by Mr. Shore.

Although this is possible, it does not represent the average family being covered by the Social Security Act. Instead of looking at either the "less than $300 pay-off" or the $1,800,000 benefit," let us instead look at the total program and investigate its purpose and what it has done for our society.

In the early 1930s many schemes were developed to solve the crisis of the depression. One of the most popular movements was known as the Townsend Plan. This plan guaranteed $200 per month for all citizens 60 years of age or older. The only obligation on the part of the recipient was to promise not to work and also to spend his $200 within 30 days.

It was assumed that this great influx of dollars into our stagnant economy would lift us up by our bootstraps and solve our economic problems. The requirement that the retiree not work supposedly would guarantee work for many younger people who could not find employment.

Although the Townsend Plan never became law, the Social Security Act did become law and benefits were paid to retirees prior to World War II. Initially only retirement benefits were to be paid and those only if the insured individual did not work in employment covered by social security.

The same philosophy fostered by the Townsend Act permeated the Social Security Act—"Create Jobs for the Young." As the program expanded and started providing survivor benefits to widows with children, the same philosophy was continued. If a mother with small children was widowed, her right to full benefits depended upon her terminating "covered" employment.

Even at this time, however, the benefits paid on the children's behalf were still continued regardless of whether the mother worked or not.

Today, almost 40 years later, the Social Security Administration follows the same pattern laid out initially—"If a parent is lost to a family, the surviving children need a full-time survivor parent as a guardian." If this is no longer the belief or attitude of the population, then the approach can be modified, but not without cost.

The present cost projections of the social security program (OASDHI) consider the fact that some participants will not claim their benefits, preferring to work rather than to receive a social security benefit.

If the "retirement test" were eliminated for all groups, retirees and survivors, the estimated increased cost would be about $4 billion. The ultimate result would be an increase in the social security payroll tax.

Perhaps this is the proper time to look at the cost of the program. Mr. Shore, in his series, constantly compares the cost of commercial insurance with that provided under OASDHI. His major failing is that he constantly compares the cost or the tax for the whole social security program with the premium charged for isolated coverages by the commercial insurance industry.

Your author would be one of the last to criticize marketing methods used by the commercial insurance industry. Having been a part of it for 20 years and having made my living teaching the intricacies of the discipline for the last 10, I still find it a most viable and necessary component of our society. But, it cannot compete with a social insurance program. Social insurance is mandatory, there are no acquisition expenses in the form of sales commissions and underwriting expenses. Everyone must join the OASDHI system and their tax added to the employer's tax is automatically forwarded to the government.

Due to the great savings generated by the efficiencies mentioned above, social security cash benefits are administered for about 2 percent of the total tax income. Since the tax monies in the trust funds earn 5.6 percent interest per year, over 103 percent of all social security tax revenue is available for benefit payments.

An average of 98% of all social security tax revenue is actually paid out yearly in the form of benefits to its insureds or their dependents. The remaining 5 percent plus has been added to the trust fund in anticipation of further increases in the benefit formula.

For the individual to continue receiving these most favorable rates, the program must continue as a compulsory program. It cannot exist if voluntary choice of participation is extended the public. If free choice were implemented, two groups would discontinue the coverages—the wealthy and the very poor.

The wealthy would discontinue the coverage because they really do not need it and because of the slight redistribution effect of the program (slightly higher benefits per dollar of tax for the lower income). The poor would discontinue because they realize that our society will not let them starve and will take care of them via the welfare route.

Thus, the large group of middle income earners will not only pay for their own future security, but will also be obligated to pay most of the tab for the increased welfare costs.

How does the life insurance industry compare in terms of costs and benefits? On the average, about 85 percent of premium income is returned in the form of benefits. The balance is required for administration and acquisition costs. This is not a large charge in comparison with the rest of the insurance industry. For most segments of the industry, expenses vary between 25 and 45 percent of premium income. Thus, even though the life insurance industry is doing a great job in comparison to the rest of the insurance industry, the Social Security Administration is doing a phenomenal one, almost beyond belief for a governmental agency.

Perhaps one of the biggest problems confronting the individual is that of comparing costs and benefits of the social security program with those provided by the commercial insurance industry. The major benefits provided by the OASDHI program include:

Monthly retirement benefits to retired workers;

Monthly benefits to disabled workers;

Monthly benefits to husbands or wives of retired workers;

Monthly benefits to widows and widowers of covered workers;

Benefits to widowed mothers;

Benefits to disabled widows and widowers;

Benefits to children of retired workers;

Benefits to children of deceased workers;

Committees are constantly studying the program, its projections, and possible changes. Recently, James B. Cardwell, Commissioner of Social Security, issued the report of the trustees of social security. This 1974 Trustee's Report shows a longe-range actuarial deficit for the OASDI program of about 3% of taxable earnings over the next 75 years.

Much of this projected deficit is caused by a change in life style of many of our younger married couples, and the resulting decrease in birth rates for the Nation.

We are now approaching a "no-growth" birth rate and it is important to know what effect zero population growth might have on the future levels of social security income and outgo.

Although no major impact will be experienced until the 21st century, the entire area of financing will be the main subject of study by the new Advisory Council on Social Security. Their recommendations will be submitted to the Congress by the end of the year.

Therefore, by the end of 1975, in all probability, Congress will have enacted legislation to help solve this problem of the 21st century.

Over the history of the Social Security Act, many changes have been made, faults corrected, and more changes will undoubtedly be made in the future. The solution to the problems faced by the Social Security Administration cannot be solved by Mr. Shore's suggestions. Should the government ever make the decision to follow the recommendations of Mr. Shore—discard payroll tax for social security and buy government bonds—the most incredible fiscal confusion imaginable would result. All of the benefits of the social approach to insurance would be lost and all of the problems of Federal bureaucracy would remain.

Social security today is paying $4.6 billion a month in benefits to 30 million people.

Ninety-one percent of the people age 65 and over are receiving social security benefits or are eligible to receive them.

Ninety-five percent of all children under age 18 and their mothers will receive benefits if the family breadwinner dies.

Eighty percent of the population between the ages of 21 and 64 are eligible for disability benefits in case of a severe and prolonged disability.

Anything which can and does provide so much for so many cannot be bad. To the contrary, no better plan has yet been offered to us. Certainly, Mr. Shore's suggestion is not a better alternative.

[Report No. 93-976]

FINANCE COMMITTEE CONSULTANTS: REPORT

The Committee on Finance, reports favorably on original resolution and recommends that the resolution do pass.

GENERAL STATEMENT

On May 31, 1974, the Board of Trustees of the social security trust funds submitted to the Congress the report on the status of those funds which they are required by law to make each year. In preparing this year's report, the Trustees utilized a revised set of assumptions with respect to a number of the factors which affect the estimates of future income to and outgo from the funds. Even with the revised assumptions, the report indicates no cause for concern as to the immediate soundness of the social security system. On a long-range basis, however, the new assumptions used by the Trustees this year result in estimates of income and outgo which indicate a need for significant additional financing in order to maintain the future actuarial soundness of the program. In addition, the report indicates that even within the next 5 years certain adjustments may be required in order to maintain the relationship between the income, outgo, and balance of the funds which has traditionally been considered appropriate. It thus seems certain that within the next year or two Congress will have to carefully examine the status of the social security system and very possibly enact significant amendments with respect to the financing of that system.

The social security cash benefit programs represent a very substantial portion of the total Federal budget (amounting to $66 billion at present). The soundness of the trust funds involves the economic security of the 30 million current beneficiaries and the many millions of others who count on its benefits being available in the future. Financing social security is based on an earmarked payroll tax which directly affects the weekly or monthly paychecks of 90 percent of all workers in this country.

In view of this, it is imperative that there be available to the Congress, to guide it in whatever action it may find necessary to take, the best and most complete information which can be obtained concerning the actuarial status of the system. For this reason, the Committee on Finance has approved a resolution authorizing the committee to obtain an expert independent analysis of the actuarial status of the social security system.

The Committee on Finance has great confidence in the expertise and integrity of the actuarial office of the Social Security Administration whose findings formed the basis of the recent trustees' report. However, in view of the very substantial long-range deficit now projected and the importance of the social security program for the economic security of the country, the committee felt, as a matter of prudence, that it could not place its reliance upon only a single source of information. This is particularly true since the financial status of the program is greatly affected by future trends in inflation, wage levels, and birth rates. These are factors with respect to which differing methodologies can produce significant differences in estimates as is most dramatically illustrated by the significant change in the actuarial status of the trust funds reported in the current trustees' report. This change results not from any legislative change in the program but rather from a change in the estimates with respect to these factors and, in particular, with respect to birth rates.

Accordingly, the committee has approved a resolution which would authorize the Committee on Finance to expend up to $30,000 with the aim of obtaining an expert independent evaluation of the status of the social security system.

The evaluation will involve the various demographic, actuarial, and economic assumptions which underlie estimates of the financial status of the social security trust fund, with a view toward providing the committee the best possible estimate of that status together with information as to the extent to which variations from that estimate may be anticipated if actual experience does not completely bear out the various underlying assumptions. In addition to examining the current situation with respect to the social security trust funds, it is also anticipated that the evaluation will address itself to the somewhat broader question of what improvements, if any, should be made in the methodologies employed on a continuing basis for the examination and presentation of the actuarial status of the social security system.

PROTECTING THE ENVIRONMENT

Mr. McGOVERN. Mr. President, the Northern Great Plains is on the threshold of massive coal development. I am deeply concerned that, before the development is fully underway, all of the parties involved arrive at a solid understanding of the many factors that must be considered if we are to avoid damage to our economy or ruin of our land.

South Dakota is vitally concerned with a proposal by Energy Transportation Systems to construct a coal slurry pipeline between Wyoming and Arkansas. While the pipeline itself will not cross South Dakota, it will use water from the Madison formation which underlies the western part of our State. The use of that water raises some critical questions regarding the rights of States who share water from an interstate aquifer.

There are serious unanswered legal questions about interstate aquifers and I believe that it is essential that we begin a detailed discussion of the matter at once. M. W. Bittinger and Associates has prepared a legal analysis of the matter entitled, "Management and Administration of Ground Water in Interstate Aquifers." I believe that it is an important document because it summarizes the legal questions and provides a good basis for future discussion.

I ask unanimous consent that the analysis be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Part III—Legal Analysis: Introduction—Scope of Article

There is no paucity of articles and treatises on the law on underground waters. The various doctrines have been examined and reexamined. The myriad views of the courts in regard to the relative merits of the original and variously modified common-law rules and the appropriation doctrine have been vigorously applauded or vehemently condemned, depending upon the usually logical, but generally pre-conceived positions of the authors. Whether waters are tributary to natural streams or enclosed in impervious basins, and whether or not the water can correctly be classified as seepage waters or as waters of deep percolation, are similar problems with which courts and lawyers have wrestled. To engineers, this is all sound and fury, signifying nothing other than the inability of the legal profession to recognize that water is a manageable resource, that techniques of water management are more helpful than legal doctrines, and that water has the same physical characteristics and properties whether it is on the surface or underground and whether it is found to be deep or shallow.

In fairness, however, we must recognize that the courts have wavered between the various doctrines only in an attempt to find a fair and just solution to the problems created by too much demand and not enough supply. Further, they recognize, perhaps more clearly than do the engineers, that before any resource can be effectively managed the parties must agree upon a manager.

We will, therefore, in this discussion, avoid the temptation of adding to the already unnecessarily voluminous compendiums of legal analysis of the merits of the various doctrines. Instead, we will adopt the engineering view that the problems connected with ground-water supply and demand, including those of interstate waters, can be resolved through intelligent management; and we will inquire into the legal means by which interstate management may be brought into existence. In doing so, we will be both practical and legal in overruling the objections of the engineers and considering "judges" to be within our definition of "managers."

THE PROBLEM

The engineering portion of this report establishes the problem. In some cases, a limited supply of interstate ground water exists to supply a greater demand. Continued and unmanaged withdrawals have resulted or will result in depletion of the water resource (total or cyclical), in reduction of water quality, or both.

1. Depletion

a. Total: The depletion in certain arid regions may be total. If the stored underground waters cannot be expected to be replaced by precipitation or by man-induced recharge, then the resource, like minerals, can obviously be used only once. Management is limited to:

(1) Reasonably controlling the withdrawal to obtain the "best" social or economic use thereof, or

(2) Developing artificial means of recharge.

b. Cyclical: More often, the depletion is cyclical, varying from day to day, month to month, year to year, or decade to decade. The usual cycle is one of recharge in the spring, ample supply in early summer, and limited or depleted supply in late summer or fall. By definition, natural recharge ultimately completes the cycle; but man-induced recharge can make the underground supply more dependable. Management, therefore, may include:

(1) Inducing recharge in order to allow more complete cyclical withdrawal.

(2) Reasonably limiting and allocating withdrawals during or in anticipation of the time of shortage.

2. Quality

The tapping of the underground water resource may have the effect of reducing the quality of the water remaining. This can be the result of the use made of the withdrawn water as, for example, when the waters are applied to irrigation with resultant deep percolation of salts or other chemicals, or of its use to dilute and discharge human or animal waste back into the ground-water reservoir; or it may be the result of lowering the ground-water table or water pressures so as to allow adjoining, contaminated waters to flow into the reservoir.

We exclude any consideration of the legal-managerial rights between intrastate users, confining ourselves to the rights and remedies applicable to conflicts between interstate water users.

The basic question, then, is: How and to what extent may the hydrologically sound managerial and administrative system be imposed interstate? This, in turn, leads us to certain subquestions:

1. What are the relative rights between the users of one State and the users of another State?
2. What legal remedies are available to assert such rights?
3. What is the *best* legal-managerial solution in aid of these rights?
4. What is the *most likely* legal-managerial solution?

RIGHTS AND REMEDIES

If the users in one State withdraw underground waters to the detriment of users in an adjoining State, actual injury occurs. This is an engineering fact. Whether or not such actual injury also constitutes legal injury is another question, and, of course, the vital one.

While actual injury is a fact, legal injury is never a fact until a court or a legislature pronounces it to be. Until then, it is only an opinion. The likelihood of a lawyer's transforming his opinion into legal fact can be greatly influenced by the legal theory adopted and the forum chosen. The possible forums are the Federal and State courts and the Federal and State legislatures.

As has often been observed, ground-water law has developed more slowly than has surface-water law, primarily because surface waters are first developed for beneficial use and are accordingly the subject of the first conflicts between water users and because the injuries resulting from the excessive or improper use of surface waters are readily observable.

In the case of ground water we find, on the contrary, that the first withdrawals are generally minimal, and that the increased demands resulting in conflict are much more slowly satisfied, having an almost insidious effect on pre-existing rights.

The later developing ground-water laws sometimes pay heed to existing surface water law; but, more often, perhaps, the courts view ground waters as the proper subject of a different set of rules.[1] This latter inclination is one which, with some justification, has been, from time to time soundly condemned as based upon a lack of understanding of hydrology and founded upon inapplicable common-law concepts more properly applied to less elusive subjects.[2] But, again, in fairness, it must be admitted that waters underground, while chemically identical to surface waters, do occasionally have unique properties. For example, while surface flows can be cyclically depleted, they are invariably replenished; whereas, in some areas, ground waters, once removed, are, for practical purposes, gone forever. Similarly, ground-water pollution may occur by virtue of the mere fact of removal of the water itself, as where reduced water-table levels allow the inflow of sea or other contaminated waters, whereas surface flows are polluted only by the discharge of the pollutants into them.

In any event, we must take the law as we find it; and the varied laws are of importance in the consideration of certain of the means by which underground water users of one State may seek redress for injuries

---

Footnotes at end of article.

caused by the withdrawal of waters by users of adjoining States.

REMEDIES OF THE INDIVIDUAL

Let us first consider the legal rights and duties as between individual underground-water users in adjoining States. Let us assume that the aggrieved person with a well in State A is injured by withdrawals from a well located in State B. The aggrieved person, to obtain legal relief, is forced into the courts of State B, those courts being the ones with jurisdiction over the offender and the offender's property.[3] It follows that the legal "doctrine" recognized by this latter court will be crucial. The offender's right to withdraw, or his duty to refrain from withdrawing, is governed by the laws of State B.[4] If the laws of States A and B are in conflict, the laws of State A may likewise be important, as establishing the existence or nonexistence of a right to be protected.

Some definitions of the so-called "doctrines" are necessary. We emphasize, however, that the following are merely workable summaries of the existing doctrines and that it is not intended that this article should be interpreted as any attempt to redefine, classify, or analyze the relative merits of, or otherwise deal in, the rationale of the doctrines.

The common-law rule (also referred to as the "absolute-ownership doctrine")

The waters underlying the land are the property of the landowner who may withdraw them without reference to the effect upon others.

The modified common-law rules

Most States embracing the common-law concept have modified it to avoid the harshness of its strict application. In this article we refer to both of the common doctrines as variations of the "modified common-law rule," as the distinctions between the modified rules are more ones of emphasis than of clear legal distinction. The modified rules are as follows:

1. *The reasonable-use rule:* Although the landowner has a right to the use of the property's underground waters, he must nonetheless recognize that adjoining owners have similar rights which would necessarily be affected by his unreasonable withdrawal of ground water.
2. *The correlative-rights doctrine:* The landowner has the right to make use of the waters underlying his lands, but they are subject to the co-extensive and co-equal rights existing in adjoining landowners.

The prior-appropriation doctrine

As between conflicting claimants, he who has first put the water to beneficial use has the first right to continue such beneficial use, without waste, and to the extent of his former usage. By definition, such first use, being first in legal right, cannot cause legal injury by depriving a subsequent appropriator of water in times of shortage.

In each of the following hypothetical situations we will assume that an underground-water user in State A is harmed by water use in State B, that the State A user was the first water user, and that the use in State B is excessive as tested by one of the modified common-law doctrines. Suit is brought in the State courts of State B to enjoin the State B water user.

1. If State B follows the common-law rule:

No relief will be granted no matter what doctrine prevails in State A, the State A user having no property right recognized by State B, and the State B user being privileged in his use.[5]

2. If State A is a strict common-law State and State B follows the modified common law:

The State A user will argue that he is entitled to protection under the law of State B. The State B user will argue that the State A user has no rights because his land, and his underground-water rights, exist only by virtue of the laws of State A, and that under the strict common-law doctrine he cannot complain of withdrawals in State B any more than he could complain of similar withdrawals in State A.

Are the existence of the State A users rights in this situation to be governed by the laws of State B? The law of the place of wrong determines whether or not a person has sustained legal injury.[6] But where is the place of wrong? The restatement rule is that:

> The place of wrong is in the State where the last event necessary to make an actor liable for an alleged tort takes place.[7]

Is the last event the withdrawal of the water in State B or the resulting depletion of the water in State A? It is a good question, but it is unlikely that the injured person will want to spend the time or the money to obtain a judicial answer.[8]

3. If States A and B are both modified common-law States:

Here relief should be possible. State B will recognize the efficiency of the State A user's argument that he has at least co-equal status with the user within State B, and that he is entitled to appropriate relief. If the allegations of injury are proved, the courts of State B should grant relief. However, although relief is here possible in theory, as a practical matter it is not. Seldom, if ever, will the circumstances be such that the State A user can definitely prove that the particular user in State B is causing him injury. For the State A user to be successful, he would have to be blessed with a precisely provable geological condition which is easily demonstrable and understandable.

Further, a complete absence of other probable causes of the water shortage, particularly a complete absence of other well users in the adjoining area would be essential; and this factual situation is unlikely to occur, for the simple reason that, in the absence of the other wells, the injury would probably not be observable. The practical difficulty of showing the direction and rate of underground flows is also a problem. All of these difficulties combine to make it unlikely that the solution to underground water problems will be found in the development of a large body of common law resulting from private legal actions between individuals in circumstances such as those above.

4. If State A is an appropriation State and State B is a modified common-law State:

State B, while not recognizing any right based upon priority of use, will nonetheless grant that the State A user is at least a co-equal. The result should be, and the difficulties will be, the same as in example 3.

5. If States A and B are both adherents of the appropriation doctrine:

Relief should be granted, but the State C courts are apt to get sidetracked by jurisdictional concerns. The answer should be as expressed by the Supreme Court of Utah in a surface water case:

> It is a recognized rule of law that a person who has appropriated water at a certain point in a stream is entitled to have so much of the waters of said stream as he has appropriated flow down to him to the point of his diversion; and if the settlers higher up on the stream, in another State, whose appropriations are subsequent, divert any of the waters of the stream which have been so first appropriated, then the courts of the later State will protect the first settler in his rights.[9]

In keeping with this philosophy, the Wyoming Supreme Court has held that the Wyoming courts had both the jurisdiction and the duty to adjudicate rights for lands irrigated in another State ffrom an interstate stream.[10] The Idaho rule is the same.[11]

But in a Colorado case, the Supreme Court of Colorado held that its courts had no jurisdiction to award a priority to a ditch irrigating lands in New Mexico, even though the water was diverted in Colorado.[12] And the Utah Court, in spite of its broad language as to the propriety of affording protection to the out-of-State appropriator, nonetheless refused to recognize the validity of a water right decreed by the State of Idaho, even though the litigating parties were all properly before the latter court, on the grounds that Idaho had no jurisdiction over waters of interstate streams diverted or used in Utah.[13]

If these jurisdictional concerns are present in cases involving clearly observable and well understood surface waters, we can imagine the magnification of such concerns with the relatively invisible and mysterious underground flows.

6. If State A is a modified common-law State and State B is an appropriation State:

Under our assumed facts, the State A user is also the prior appropriator; and he will argue that he should therefore be protected. We can expect the State B user to advance the argument that the foreigner's use is not an appropriative right subject to protection under the common law of State B. It is the same question that we had in example 2.

In all of the foregoing examples, the aggrieved water user who seeks a Federal forum will obtain the same results, for the Federal District Courts enforce the real property laws (including the water laws) of the States in which they sit.[14] The exception will be that if both State A and State B are appropriation States, the Federal Court is much less constrained by the idea of State boundaries and has no difficulty in granting relief upon principles of law recognized by the laws of both States.

For instance, in 1905 the Federal Court, sitting in Colorado, decided that an appropriation of water in the State of Wyoming from a stream that rises in Colorado for irrigation of lands in Wyoming is valid as against a subsequent appropriator in Colorado from the same stream for irrigating lands in Colorado.[15] Subsequently, the United States Supreme Court held that a lower Federal Court could properly enjoin a Montana appropriator from interfering with the superior rights of a prior Wyoming appropriator.[16]

Nor need these results in the Federal forums be limited solely to those cases where the laws of the conflicting States are identical. Justice Holmes, in a case involving a conflict between water users of an interstate stream, observed:

> The alleged rights . . . involve a relation between parcels of land that cannot be brought within the same jurisdiction. This relation depends as well upon the permission of the laws of Nevada as upon the compulsion of the laws of California.[17]

And a respected writer on water rights has noted that:

> The general principle of substantive law deducible from the authorities is that priority governs between appropriators irrespective of State lines, the validity of each appropriation being governed, in testing its priority, by the law of the State in which the diversion is made, *so long as there remains an equitable enjoyment of benefits by both states.*[18]

It is not realistic to expect the State courts to have an overriding concern to assure the equitable rights of sister States; but, as we will later note, the Federal courts, or at least the Supreme Court, are quite enchanted with the concept. Hence, in summary, we can certainly conclude that, whatever the doctrine of the competing States, the aggrieved water user from a foreign jurisdiction will be well advised to seek a Federal, in preference to a State, forum. We may further conclude, in summary, that the difficulties attending proof of the movements of underground waters and the effects attending their withdrawal

---

Footnotes at end of article.

will make even the Federal judicial forum a rather impractical one. If we consider further the time, expense, and unpredictability associated with litigation, we can only conclude that an overall solution resulting from private litigation is unlikely.

STATE LEGISLATION

May we expect a resolution through legislative action by the affected States? The suggestions made have been primarily along two lines:

Uniform ground-water laws

It has been urged that the States adopt uniform underground-water laws. However, as we have seen, the existence of identical doctrines does not necessarily resolve the problem.

What would be required is a uniform system of *controls* of the underground withdrawals as among the affected States. Historically, States have been extremely reluctant to impose such controls, even intrastate. This has been true even in the West where the water demands far exceed the supply, and where regulation is most clearly required. Colorado, for instance, while the pace-setter in the development of the doctrine of appropriation for surface streams,[19] has only in recent years applied that doctrine to its underground water,[20] even though the Colorado Supreme Court ruled decades ago that underground waters were presumed in law (as they in fact turned out to be) to be tributary to natural streams and an esential part of their total water supply.[21] Similarly, Wyoming, which has rigorously asserted State control over its water resources, requiring permits to be obtained from the administrative authority before diversion of water is allowed,[22] has instituted no substantial controls over the withdrawal of ground waters until recent years.[23] The regulation and control of underground waters, according to the experience of these and other Western States, is dictated as much by political as by engineering factors. If history is any guide, the likelihood of each State's adopting uniform laws for administration and control is practically nonexistent.

Reciprocal laws

A more likely possibility hinges upon the ultimate realization by the various State legislatures that a problem is building. Since the legislators will not know how to cure it, they could probably be convinced that it would be proper to *allow* the formation of interstate underground districts, which districts would be given the power to regulate the underground waters within the boundaries of such districts. This has the political advantage of allowing the passage of a law which in its preamble, recites the solution of the problem, yet does not require the individual legislators to take any responsibility for the controls which must ultimately be imposed by such districts. However, since the conflicts sought to be resolved are not generally recognized, it is likely that the legislators of the various States can be expected to avoid involvement, that being the historic inclination of legislatures. We will probably find that before these bodies act, other managers will have imposed their own rules.

Further, there are practical limitations to the effectiveness of interstate districts:

1. The legislation may be in violation of State constitutional provisions, and will, to that extent, be unenforceable. The right to appropriate water, for instance, may be constitutionally protected, and the legislature could not properly adopt reciprocal legislation which would impair that right.

2. The statutes of each State, though identically worded, must be enforced through and interpreted by the courts of each State. Varied constructions of identical statutes must be anticipated.

FEDERAL LEGISLATION

The likelihood of the enactment of Federal statutes to resolve the disputes pertaining to quantity is not great. Our Federal Government is one of limited powers. Although the Congress has not hesitated to take action in certain matters involving navigable streams, which action may very much affect non-navigable tributaries, yet such actions are specifically justified under the general power of the Congress to control the navigability of streams.[24] Congress has never presumed to assert any authority in regard to the distribution of surface waters, wisely leaving that to State jurisdictions. There would be even less likelihood, and less legal basis, for Congress to prescribe distribution of the limited supply of underground waters. It is unlikely politically that Congress would attempt such interference; there would be grave doubts as to the Constitutional propriety of such a Congressional attempt; and there are sound practical reasons why Congress should avoid such an attempt.

A somewhat different situation exists with respect to water quality. Here politically, constitutionally, and practically, Congress is not met with the same objections as it would if it attempted "interference" in matters relating to distribution of quantities. Politically speaking, environmental and pollution controls are extremely popular with most of the constituents of most of the Congressmen, and that which would be politically unpopular in regard to the quantity of water is extremely popular in regard to its quality. It can be logically argued that the health and welfare of the people of the United States are well served by the prevention of water pollution, and many constitutionally accepted approaches to this problem can no doubt be found. Practically, too, good arguments can be made for Federal intervention, mainly because underground-water supplies do disregard State lines; and if the States where the water originates do not control and maintain the quality of water in those States, the ones who suffer from the upper State's lack of concern will be those in some lower State.

Congress has made some tentative explorations into the field of water quality. The Federal Water Pollution Control Act[25] proposes to be a means to "establish a national policy for the prevention, control, and abatement of water pollution,"[26] The Act requires that the Secretary of Health, Education, and Welfare, in cooperation with other Federal agencies, and with State, local and interstate agencies, "develop comprehensive programs for eliminating or reducing the pollution of interstate waters and tributaries thereof and improving the sanitary condition of surface and *underground waters*."[27] The Act contemplates that the Secretary will encourage the States to adopt uniform State laws to prevent and control water pollution; it further encourages interstate compacts for the prevention and control of water pollution.[28] The policy is one of encouraging State and interstate action, with Federal cooperation, rather than Federal enforcement.[29] However, after rather extensive steps have been taken to cause pollution to cease, the Secretary may request the Attorney General of the United States to secure abandonment of interstate pollution, without independent State action, if that pollution endangers the health or welfare of persons in a State other than that in which the discharge originates. Similar action may be taken to protect the health and welfare of persons within the same State where the pollution is occurring.[30] Probably, however, the most effective portion of the Act is the one that describes the provisions that authorize grants to States for the construction of physical facilities to reduce water pollution, and the withholding of grants for similar projects to States whose plans do not accomplish that result.[31]

INFORMAL AGREEMENTS

One suggestion, advanced with great sincerity by knowledgeable water users is the "informal agreement." These users who recognize the damage show foresight and intelligence, but, unfortunately, such informal agreements have practically no chance of success. While a few men of good will may sit down, reasonably discuss their differences, and resolve them, the likelihood of this happening decreases in proportion to the number of persons involved. The areas where problems have arisen or will arise in regard to interstate ground water are those areas in which there are many, not few, underground-water users. The greater the number of users, the less the likelihood of either conceiving the agreement or assuring compliance with it. The experience of the writer is that efforts directed along this line will be fruitless and time wasting, and ultimately will produce no real or practical solution.

THE INTERSTATE COMPACT

Interstate compacts have been found to be useful tools in dealing with interstate conflicts in regard to the flows of major streams. Their particular advantages are:

1. *Finality*. The interstate compact, when properly ratified, becomes fully the law of the land insofar as the contract provides. It will be recognized by the courts of all the affected States as well as by the Courts of the United States.[32]

2. *Flexibility*. A well-drawn compact, though final, is flexible. It may provide that particular rules and regulations may be modified, adjusted, or changed to meet changing circumstances, or to conform to new information concerning the ground-water resource.

3. *Expertise*. Customarily, compacts are negotiated by knowledgeable representatives of the compacting States, with the assistance of a knowledgeable representative of the United States Government. Persons knowledgeable and experienced in an area, with sufficient time and ability to investigate fully the probable results of a proposed course of action, are much more likely to develop a conclusion which is both workable and fair than is likely to be the result of less limited effort or less experienced consideration.

One of the basic decisions required in the development of any particular compact is the choice between allocation and management. Should the compact provide that each State is allocated a specific quantity of water? Or, on the other hand, should the States agree that the water resource is one that should be subject to year-to-year or decade-to-decade management, without allocation of specific quantities to the participating States? Allocation, either in absolute quantities or in percentages, is the simplest solution. Management is, no doubt, the best, since it allows for planned recharging of the underground-water resource for the ultimate greater benefit of all of the States involved in the compact.

The Upper Niobrara River Compact is, as mentioned in the engineering portion of this report,[33] at least a tentative step in the direction of an interstate compact relating to ground waters. Apparently it was recognized that ground-water withdrawals from the Niobrara River Basin were a factor in the depletion of the surface flows of the Niobrara River; and since the compact attempted to equitably apportion the surface waters, it was thought necessary to take into account such potential withdrawals and the resultant depletions. The compact did not attempt to apportion the underground waters, but did recognize the essential physical facts. In the future, consideration will have to be given to these ground-water withdrawals. It comforts us to know that while

---

Footnotes at end of article.

the effects of ground water withdrawals on surface streams may go largely unrecognized, such is not always the case; and recognition of a problem is the first step towards its solution.

We have stated that the formation of interstate districts by the affected States is subject to certain disadvantages, among them the impossibility of overriding State constitutional provisions and the likelihood that State court constructions of statutory provisions may vary.

Can these limitations be overcome by the interstate compact? An answer to that question requires some analysis and understanding of the rather unique constitutional status of the interstate compact. The United States Constitutional provision states: "No State shall, without the consent of Congress, . . . enter into any agreement or compact with another State. . . ." [34]

The original States, prior to the adoption of the Constitution, were considered individual sovereign States, and, under American constitutional theory,[35] they retain all attributes of sovereignty except those which they have specifically surrendered. States since added to the Union became likewise invested with similar sovereignty. One sovereign right which the States surrendered is the right to enter into compacts or agreements with either foreign powers or other States of the Union. But, conversely, if Congress consents to a compact between the States, the permitted compact, while having the attributes of a contract,[36] rises to a dignity greater than that of a mere agreement.

In the words of the United States Supreme Court:

> If Congress consented, then the states were in this respect restored to their original inherent sovereignty; such consent being the sole limitation imposed by the constitution, when given, left the states as they were before, . . . whereby their compacts because of binding force . . .; *operating with the same effect as a treaty between sovereign powers.*[37]

Recognizing, then, the substantial similarity between the treaties of sovereign nations and approved compacts between the States, we are led to an inquiry as to the effect of interstate "treaties" which are in conflict with the constitution of one of the signatory States.

Were the law of treaties between sovereign States to be applied to State compacts without modification, then the rule would be that the compact could not supersede constitutional provisions. The treaty-making power of the United States does not extend "so far as to authorize what the constitution forbids." [38] Logic would lead one to conclude therefore that the State of Colorado, for example, could not enter into a compact which would impair the right to appropriate the unappropriated waters of the State, a constitutionally guaranteed right. But, as we shall see, logic bows to necessity. We find that in one way or another the Supreme Court has given effect to the provisions of the pacts between the States in spite of allegedly conflicting State constitutional provisions. Three decisions of the United States Supreme Court will be sufficient illustration.

In *State* v. *Sims*, [39] the court considered a compact negotiated by eight States to control pollution in the Ohio River system. The State auditor of West Virginia refused to issue a warrant for the sum appropriated by the West Virginia Legislature. The auditor's position was upheld by the West Virginia Supreme Court, which held that the legislature's act approving the compact was contrary to the provisions of West Virginia's constitution, in that it bound future legislatures to make appropriations to fulfill the terms of the compact. Ordinarily, the decision of the highest court of a State as to the interpretation of the constitution of that State is the final word. The United States Supreme Court, however, reversed the decision. But rather than simply and forthrightly holding that a compact, having been approved by Congress, supersedes State laws or constitutional provisions, the Court elected to disregard the State Supreme Court's construction of that State's constitution and impose its own interpretation. The Court justified this by saying:

> Just as this court has power to settle disputes between states where there is no compact, it must have final power to pass upon the meaning and validity of compacts. It requires no elaborate argument to reject the suggestion that an agreement solemnly entered into between states by those who alone have political authority to speak for a state can be unilaterally nullified, or given final meaning by an organ of one of the contracting states. A state cannot be its own ultimate judge in a controversy with a sister state.[40]

This is good logic and good law, and the Court should have gone on to conclude that by entering into the compact, and approving congressional ratification, the State effectively imposed upon itself the obligations of a treaty which, if necessary, would take precedence over the constitutional provisions of the State. Instead, the Court disregarded the exceedingly well established principle that the highest court of a particular State is the final arbiter of that State's constitution, and giving its own interpretation to the West Virginia constitution, concluded that the compact did not violate its terms.

While *Petty* v. *Tennessee-Missouri Bridge Comm.*[41] did not violate a State constitutional provision, it is noteworthy for its extension and amplification of the doctrine announced in *Sims*, reserving to the United States Supreme Court all questions of interpretation of interstate compact provisions, including all laws or constitutional provisions of the various States which bear upon their rights and duties under the compact. In *Petty*, the compact created a bridge commission which built bridges and operated ferries across the Mississippi River. The question was whether this commission could be sued for damages resulting from the death of one of the employees killed in a boat collision. The lower court said "no," primarily for the reason that "The Court of Appeals laid emphasis on the law of Missouri, which, it said, construes a sue-and-be-sued provision as not authorizing a suit for negligence against a public corporation." [42] The high court, however, said: ". . . But we disagree with the construction given by the Court of Appeals to the sue-and-be-sued clause. For the resolution of that question we turn to federal not state law." [43]

The third, and for our purposes the most relevant of the cases is *Hinderlider* v. *LaPlata River & Cherry Creek Ditch Co.*[44] The right to the use of water, as evidenced by judicial decree, is recognized as a valuable property right in the State of Colorado.[45] It is given constitutional protection by a provision that "The right to divert the unappropriated waters of any natural stream to beneficial uses shall never be denied. . . ." [46]

In the LaPlata River compact, the States of Colorado and New Mexico, with the consent of the Congress, agreed that the waters of that river would be shared between the two States in accordance with certain formulas set forth in the compact. The ditch company, holder of a very early decree, insisted that it be allowed to divert the waters of the river in Colorado, which request was refused by the Colorado administrative authorities on the ground that the waters in the stream at that time were allocated by the compact to the water users of New Mexico. The Colorado Supreme Court, on the basis of that State's constitutional provision, and on the basis that the due process clauses of both the Colorado and United States Constitutions upheld the position of the ditch company.[47] It stated succinctly enough, ". . . If private rights may be stripped from the citizen by state 'compacts,' by legislative fiat, by commissioners, by the uncontrolled discretion of state engineers, then 'due process' is dead in Colorado." [48]

The United States Supreme Court, however, concluded otherwise; it found that there was no property to take, by due process or otherwise.[49] The Colorado constitutional right of appropriation, while mentioned, was thought not relevant on the grounds that it had effect only upon Colorado's share of the waters of an interstate stream, and that the waters reserved by the compact to New Mexico were therefore not subject to appropriation. In the words of the Court:

> . . . The compact—the legislative means—adapts to our union of sovereign states the age-old treaty making power of independent sovereign nations.
>
> . . . As Colorado possessed the right only to an equitable share of the water in the stream, the decree of January 12, 1898, in the Colorado water proceeding, did not award to the ditch company any right greater than the equitable share. Hence, the apportionment made by the Company cannot have taken from the Ditch Company any vested right, unless there was in the proceedings leading up to the Compact or in its application, some vitiating infirmity. No such infirmity or illegality has been shown.[50]

We must assume that, in the future, similar constitutional questions will continue to be finessed. But, the point is that the compact will be upheld and its provisions enforced whether they are in accord with or contrary to the provisions of the constitutions of the several signatory States.

These cases and cases similar to them also answer our inquiry as to a means by which final, nonconflicting judicial interpretations of compacts can be obtained. The United State Supreme Court will stand as the final arbiter and interpreter of the compact. This will be true whether or not the compact so provides. As the Court said in one case:

"We now conclude that the construction of such a compact sanctioned by Congress by virtue of Article I, Section 10, Clause 3 of the Constitution, involves a federal "title, right, privilege, or immunity" which when "specifically set up or claimed" in a state court may be reviewed here on certiorari. . . .[51]

Under this doctrine, the Court may, as in *Sims* and *Hinderlider*, elect to review the final decisions of State courts. Or, as in *Petty*, the compact may specifically grant jurisdiction to the inferior Federal courts. The writer would recommend that such a provision be inserted in any proposed interstate compact concerning interstate underground waters, that because the Federal courts would be more likely to uniformly construe and apply the compact provisions, and because, in many instances, a final judicial interpretation, binding all of the compacting States, could be imposed at the level of the Federal Court of Appeals, thus eliminating the delays, expense, and uncertainty of taking the case to the United States Supreme Court.

INTERSTATE COMPACTS AND THE RESERVED RIGHTS CLAIMS OF THE UNITED STATES

A final interstate water problem which should be resolved by the interstate compact is the problem of the claims of the United States itself. There are a number of cases giving rise to the government's present claim that it has certain "reserved rights" to certain waters in the Western United States. Preeminent among these cases are *Winters* v. *United States* [52] and *Arizona* v. *California*.[53]

In *Winters*, an Indian reservation was created by agreement between the United States Government and Indian tribes whereby the Indians deeded most of Montana in exchange for the right to live on the reservation. In a dispute between the Indians and the other appropriators, the appropriators

---

Footnotes at end of article.

were enjoined from interfering with the use of certain waters of the river by residents of the reservation. The court said: "The power of the government to reserve the waters and exempt them from appropriation under the state laws is not denied, and could not be. . . . That the government did reserve them, we have decided. . . ."[54]

In *Arizona* v. *California*, there was wording which would appear to broaden the *Winters* doctrine to apply to waters other than those of Indian reservations.

In these proceedings, the United States has asserted claims to waters in the main river and in some of the tributaries for use on Indian Reservations, National Forests, Recreational and Wildlife Areas, and other government lands and works. While the Master passed upon some of these claims, he declined to reach others, particularly those relating to tributaries. We approve his decision as to which claims required adjudication, and likewise we approve the decree he recommended for the government claims he did decide.[55]

And the court made the following broad statement "We have no doubt about the power of the United States under these clauses to reserve water rights for its reservations and its property."[56]

The exact nature, limitation, and extent of the Federal reserved rights is not known. The United States has, in Colorado, filed sweeping claims for waters arising on, or running through, all types of Federal reservations. If the reserved right doctrine is as broad as is thought by the Department of Justice, then it certainly extends to underground waters if they originate on, or lie under, a Federal reservation.

Take for example, the wording of one of the claims made by the United States in a pending water adjudication proceeding in Colorado:

> The United States of America hereby claims certain quantities of the surface, ground, and underground waters, both tributary and nontributary, which were unappropriated as of the reservation dates, and which are or will become reasonably necessary to fulfill the present and future purpose or purposes for which said reservations were created. . . .The United States claims direct water rights, storage water rights, transportation rights and well rights for purposes which include, but are not limited to, the following: growth, management and production of a continuous supply of timber; recreation; domestic uses; municipal and administrative-site uses; agriculture and irrigation; stock grazing and watering; the development, conservations and management of resident and migratory wildlife and wildlife resources, the terms wildlife and wildlife resources including birds, fishes, mammals, and all other classes of wild animals, and all types of aquatic and land vegetation upon which wildlife is dependent; fire fighting and prevention; forest improvement and protection; commercial, drinking and sanitary uses; road watering; watershed protection and management and the securing of favorable conditions of water flows; wilderness preservation, flood, soil and erosion control; preservation of scenic, aesthetic and other public values; and fish culture, conservation, habitat protection and management.[57]

The claims are exceedingly vague as to the extend of the alleged right, and purposely so, since it seeks to include not only present but future uses, whether or not now foreseen. As can be imagined, the United States' claims are being vigorously opposed by many individuals and entities, including the State of Colorado. These protestors have argued and will argue against any recognition of the reserved right doctrine, save perhaps as may pertain to Indian reservations,[58] Federal power projects,[59] and the waters of large navigable rivers,[60] all of which have, in one form or another, been recognized by the Supreme Court, and all of which are thought to be distinguishable from the present claims. Further, they will argue, even if some applicable reserved rights do exist, they must be quantified as to time and volume or face the peril of the absolute destruction of effective administration of appropriate water rights, and even of the rights themselves.

It will probably be two or more years before the referee assigned to the consolidated reserved rights case can make his report; and after court hearings are completed in Colorado the case will inevitably and necessarily wend its way to the United States Supreme Court for ultimate determination. The final outcome can only be surmised. It is clear that no definite answer will be forthcoming for the several years during which the litigation is pending. Thus, no particular service would be rendered by this report including a detailed discussion of all of the claims and defenses that will be urged, argued, and, hopefully, decided. Suffice it to say that if the aim of an interstate compact is to allow proper management and highest beneficial use of underground waters, this aim certainly cannot be accomplished in the Western States without some resolution of the rights or claims of the United States. If the United States does have the broad rights it claims to have, no management plan could possibly succeed without the government's acquiescence and participation. Such acquiescence can be obtained through Congressional approval of the negotiated interstate compact; Congress would, without doubt, be deemed to have agreed to the plan of management upon the passage of the approving act, unless the act is qualified. Unfortunately, probably because of the vagaries of the Federal claim, there has been an increasing tendency to insert in negotiated compacts a provision reading substantially as follows:

> Nothing in this compact shall be construed as effecting any rights or powers of the United States of America, its agencies or instrumentalities, in or to the waters of (named underground basin), or its capacity to acquire rights in and to the use of said waters.

It may be that in the absence of such a provision, Congressional approval may be politically impossible to obtain. Unfortunately, with such a provision, management of interstate underground aquifers will generally be imperiled, or impossible, if the United States Supreme Court should ultimately concur with the Justice Department as to the nature and extent of Federal claims to surface and underground waters. Whatever the politics of the situation, practical management dictates that the problem must be resolved, and that many compacts negotiated in the Western States in regard to interstate underground waters must, if the contract is to have efficacy, avoid the inclusion of such a provision.

The "reserved rights" of the United States, if any, exist, if at all, and by definition, only in connection with Federal "reservations." In the eastern riparian States they should pose no barrier to efficient groundwater management, for the reasons that (1) to the extent that Federal "rights" are riparian rights, they are an incident of land ownership, are already recognized, and create no area of confusion or uncertainty; (2) the Federal reservations are relatively small, and the effect of United States ownership is, accordingly, minor.

Even in the Western States, where vast Federal reserves are accompanied by gargantuan Federal water claims, there are undoubtedly many interstate water basins removed from and unaffected by any substantial Federal rights.

Compacts in the Eastern States and in unaffected areas of the Western States may therefore be consummated even though the extent of Federal rights remains judicially unresolved.

LITIGATION BETWEEN THE STATES

Interstate litigation is a very likely result of continued inaction by the States in regard to either the passage of appropriate legislation or the adoption of interstate compacts designed to impose or to allow the imposition of management controls on interstate underground aquifers. Whatever the perils and uncertainties of litigation, it at least affords a forum and a decision. The main advantages of the interstate compact, flexibility and expertise, are sacrificed for finality. Justice may be difficult to come by since the courts are not ideally designed to weigh the conflicting opinions of experts. Despite these hazards, the aggrieved State will find this option attractive because it does resolve the dispute.

Suits between States involve the original jurisdiction of the United States Supreme Court.[61] In other words, the Supreme Court acts as a trial court and determines not only the law, but the facts. Recognizing the complexities of the issues, the Court will be inclined to appoint a master to hold hearings, and to submit his findings and recommendations, supported by a record of the proceedings, to the Court.[62] The Court, however, makes the final decision.

Litigation between the States in regard to water disputes is not a new concept; however, it has thus far been confined to surface waters. Some reasons for this were discussed above. Suits have dealt with both the question of quality and the question of depletion. While the aggrieved State has not always been successful in proving its allegations of damage to its citizens, there has been no reluctance on the part of the Court to grant relief where it has felt it to be justified. Thus, in a pollution case, the Court observed:

> The health, comfort, and prosperity of the people of the State and the value of their property being gravely menaced . . . the State is the proper party to represent and defend such rights by resort to the remedy of an original suit in this Court under the provisions of the Constitution of the United States.[63]

In water-quality cases, the injured State generally seeks injunctive relief to compel the offending State to require its citizens to cease polluting the common waters. We have said that the request for injunction will be denied if proof fails; [64] but if the aggrieved State's case proves its allegations, the injunction will be granted. In a case involving the States of New York, New Jersey, and Pennsylvania, diversions in excess of a specific amount of water were prohibited, treatment facilities were ordered constructed, and compensating water releases were required; all of these remedies were designed to preserve the quality of the Delaware River.[65]

Similarly, in water-quantity cases, the Supreme Court is prepared to act. As always, a failure to prove injury will result in a denial of relief,[66] but the question of injury is not the only matter of inquiry. The Supreme Court has developed a concept pertaining to interstate streams, and the relative rights of the States to the water therefrom, which is known as the "doctrine of equitable apportionment." Its application is well illustrated by the cases of *Wyoming* v. *Colorado*,[67] and *Nebraska* v. *Wyoming*.[68]

In the first of these cases, Wyoming sought proposed diversions by Colorado from the Laramie River, an interstate stream having its headwaters in Colorado and flowing north from the State into the State of Wyoming. Wyoming alleged that her citizens were entitled to a large portion of the waters of that river and that the proposed Colorado diver-

---

Footnotes at end of article.

sions would work irreparable prejudice to Wyoming and her citizens. Colorado contended, among other things, that it could dispose of all of the waters within its borders regardless of such effects. The Court held:

> The contention of Colorado that she as a State rightfully may divert and use, as she may choose, the waters flowing within her boundaries in this interstate stream, regardless of any prejudice that this may work to others having rights in the stream below her boundary, cannot be maintained. The river throughout its course in both states is but a single stream, wherein each state has an interest which should be respected by the other.[69]

Further, the Court observed:

> . . . Each of these states applies and enforces this rule (appropriation) in her territory, and it is the one to which intending appropriators naturally would turn for guidance. The principle on which it proceeds is not less applicable to interstate streams and controversies than to others. . . .
>
> In suits between appropriators from the same stream, but in different states recognizes the doctrine of appropriation, the question whether rights under such appropriation should be judged by the rule of priority has been considered by several courts, State and Federal, and has been uniformly answered in the affirmative.[70]

The Court then concluded that the doctrine of appropriation would be recognized as applying between the States, and enjoined Colorado from diverting an amount of water which would make it unlikely that there would remain sufficient water in the Laramie River to satisfy prior appropriations in Wyoming. The substance of the holding is that States should equitably share the waters of interstate streams and that, where both States follow the apprcpriation doctrine, the doctrine can be applied interstate.

The second case involved the States of Nebraska, Wyoming, and Colorado, with the United States as an intervening party. It involved the waters of the North Platte River, which heads in Colorado and flows thence through Wyoming into Nebraska. Nebraska sought equitable apportionment on the principle of priority of appropriation, which doctrine was held by the Supreme Court to be applicable to all three States. At the time the action was brought, the dependable natural flow during the irrigation season had long been over-appropriated; moreover, claims by the various States were based not only upon present uses, but on projected additional uses as well.

While approving the language in the preceding case, the Court observed, "That does not mean that there must be a literal application of the priority rule."

Rather, the Court said:

> Apportionment calls for the exercise of an informed judgment on a consideration of many factors. Priority of appropriation is the guiding principle. But physical and climatic conditions, the consumptive use of water in the several sections of the river, the character and rate of return flows, the extent of established uses, the availability of storage water, the practical effect of wasteful uses on downstream areas, the damage to upstream areas as compared to the benefits to downstream areas if a limitation is imposed on the former—these are all relevant factors. They are merely an illustrative, not an exhaustive catalogue. They indicate the nature of the problem of apportionment and the delicate adjustment of interests which must be made.[71]

The delicacy of these matters did not prohibit the Court from equitably apportioning waters among the three States.

Although the foregoing two cases dealt with States in which each had observed the doctrine of appropriation, it should not be thought that the Court would have difficulty in apportioning the waters among States with different water "doctrines." Although Kansas (a riparian State) was unsuccessful in its suit against Colorado for equitable reapportionment of the Arkansas River,[72] the Court observed:

> One cardinal rule underlying all the relations of the States to each other is that of equality of right. . . . Yet, whenever . . . the action of one state reaches, through the agency of natural laws, into the territory of another state, the question of the extent and the limitations of the rights of the two states becomes a matter of justifiable dispute between them, and this court is called upon to settle that dispute in such a way as will recognize the equal rights of both and at the same time establish justice between them.

Further:

> . . . Reclamation is possible only by the application of water, and the extreme contention of Colorado is that it has a right to appropriate all the waters of this stream for the purpose of irrigating its soil and making more valuable its own territory. But the appropriation of the entire flow of the river would naturally tend to make the lands along the stream in Kansas less arable. It would be taking from the adjacent territory that which had been the customary, natural means of preserving its arable character. On the other hand, the possible contention of Kansas, that the flowing water in the Arkansas must, in accordance with the extreme doctrine of the common law of England, be left to flow as it was wont to flow, no portion of it being appropriate in Colorado for the purposes of irrigation, would have the effect to perpetuate a desert condition in portions of Colorado beyond the power of reclamation. Surely here is a dispute of a justiciable nature which might and ought to be tried and determined. If the two states were absolutely independent nations, it would be settled by treaty or by force. Neither of these ways being practicable, it must be setled by decision of this court.

In determining such a controversy, the Court said:

> . . . We must consider the effect of what has been done upon the conditions in the respective states, and so adjust the dispute upon the basis of equality of rights as to secure as far as possible to Colorado the benefits of irrigation without depriving Kansas of the like beneficial effects of a flowing stream.[73]

The original case dismissed the suit of Kansas "without prejudice to the right of the plaintiff to institute new proceedings whenever it shall appear that, through a material increase in the depletion of the waters of the Arkansas by Colorado, its corporations or citizens, the substantial interests of Kansas are being injured to the extent of destroying the equitable apportionment of benefits between the two states resulting flow of the river."[74]

Kansas accepted this invitiation, but could not show the circumstances required by the Supreme Court, and continued to be unsuccessful.[75] The matter was finally resolved by compact between the two States.

The doctrine of equitable apportionment should be equally as applicable to underground water as to surface waters. When the demands for the underground water source are such that the adjoining States become embroiled in a controversy which would, in independent States, require a treaty or settlement by force, the Supreme Court will take jurisdiction. If the lower State can show that under the particular physical and climatic conditions prevailing, and considering (1) the consumptive use of water by the various States, (2) the character and rate of return flows, (3) the extent of established uses, and (4) the availability of storage water (or water stored underground), damage to the respective areas can be expected to be produced by continued unregulated withdrawals, then the Supreme Court, upon the application of one of the States, can be expected to impose upon the States its own managerial concepts. Though this action may be called "equitable apportionment," it will in reality be a managerial act. It will solve the problem, albeit not to everyone's satisfaction. The Court will act, if necessary; however, it, too, prefers the compact. In a water-quality case it cautioned:

> We cannot withhold the suggestion . . . that the grave problem of sewage disposal . . . is one more likely to be wisely solved by cooperative study and by conference and mutual concession on the part of representatives of the states so vitally interested in it than by proceedings in any court however constituted.[76]

INTERNATIONAL CONSIDERATIONS

Ground water disregards both State lines and international boundaries with impunity. We have said that within the States, interest in insufficient water supply or deteriorating water quality is first observed in connection with surface flows, and the similar concerns regarding underground supplies are expressed much later. The same is true of international waters, and already disputes concerning surface flows are emerging.

For example, Mexico has long complained of alleged increasing salinity of the Colorado River, and the United States may feel compelled to take mild or perhaps drastic steps to improve the quality of that river's waters. This may include a prohibition against this country's citizens, prohibiing certain pumping and discharge of developed underground flows alleged to contain high concentration of salts, demonstrating again the interrelationship of surface and underground waters. In any event, we must expect that our international conflicts will not be limited to surface waters; sooner or later, we must grapple with the depletion and pollution of international underground waters. The choice of legal remedies, however, is narrowed to one: the treaty. No court's writ is effective beyond national boundaries, and World Court opinions are without enforcement power.

As an interstate compact is, in a sense, a treaty between sovereign States, so, conversely, a treaty between sovereign and independent nations is, in essence, a compact or agreement between those nations. It is made by the President, with the "advice and consent" of the Senate,[77] and, together with the Constitution and the laws of the United States, constitutes "the Supreme Law of the Land."[78] As such, it effectively supersedes conflicting State laws.

> It is the necessary result of the explicit declarations of the Federal Constitution . . . that where there is a conflict between a treaty and the provisions of a state constitution or of a state statute, . . . the treaty will control. Its provisions supersede and render nugatory all conflicting provisions in the laws or constitutions of any state.[79]

As Clausewitz would observe, the alternative to the treaty is war; we will take it as proved that the treaty is the better alternative.

CONCLUSION

We have attempted to examine the legal-managerial aspects of the depletion and pollution of interstate ground waters in an attempt to determine the managerial system that is best, as well as the one most likely to be adopted.

Litigation between private individuals will constitute extremely poor, sporadic endeavors, and will not be generally effective.

Footnotes at end of article.

Uniform ground-water laws to be adopted by adjoining States, or reciprocal State legislation allowing the formation of interstate ground-water districts, are politically unfeasible and subject to debilitating limitations. Federal legislation is neither likely nor desirable except in the area of pollution control. Informal agreements won't work. Two apparently viable alternatives remain: the interstate compact and litigation between the States.

Our conclusion must be that the interstate compact is by far the most effective, most sound, most flexible, and overall the most satisfactory approach that can be recommended. Regrettably, our conclusion must also be that, between these two alternatives (the interstate compact and litigation between the States), it is also the less likely, and that litigation between the States seeking equitable apportionment of available ground waters can be expected unless there is an unprecedented awakening to reality and to responsibility among the water users and water administrators of the affected States.

FOOTNOTES

[1] For a complete discussion of the rationale behind the various groundwater "doctrines" see Kinney, *Irrigation and Water Rights* (2nd Ed.), particularly Sections 1153–1165 concerning "subterranean water courses" and Sections 1185–1211 concerning "percolating waters."

[2] See, for example, analysis and criticisms discussed in Report No. NWC–L–72–026, "Ground Water Law, Management and Administration," prepared by Professor Charles E. Corker for the National Water Commission (October 1971).

[3] For jurisdiction over the person see *Restatement, Conflict of Laws,* Section 78; for jurisdiction over the subject (the well) see Section 98.

[4] *Restatement, supra,* Sec. 382.

[5] *Ibid.*

[6] *Restatement, supra,* Sec. 378.

[7] *Restatement, supra,* Sec. 377.

[8] The answer is clearer where surface water injuries are involved. *Restatement, Conflict of Laws,* in a comment on clause (c) of Section 379, gives an example:

> Thus, if an actor maintains an artificial reservoir filled with water in a state in which he is liable for harm caused by the escape of the water only if the reservoir was negligently built or maintained, and the water escapes therefrom and causes harm to another in a state in which the maintenance of such a reservoir is at the peril of the actor, the law of the latter state will determine the actor's liability for the harm thus caused.

[9] *Conant* v. *Deep Creek & Curlew Valley Irr. Co.,* 23 Utah 627, 66 Pac. 188 (1901).

[10] *Willey* v. *Decker,* 11 Wyo. 496, 73 Pac. 210 (1903).

[11] *Taylor* v. *Hulett,* 15 Idaho 265, 97 Pac. 37 (1908).

[12] *Lamson* v. *Vailes,* 27 Colo. 201, 61 Pac. 231 (1900).

[13] *Conant* v. *Deep Creek & Curlew Valley Irr. Co., supra,* 66 Pac. at 190.

[14] *Erie R. Co.* v. *Tompkins,* 304 U.S. 64, 82 L. Ed. 1188, 58 S. Ct. 817 (1938).

[15] *Hoge* v. *Eaton,* 135 Fed. 411 (Colo. 1905).

[16] *Bean* v. *Morris,* 221 U.S. 485, 55 L. Ed. 821, 31 S. Ct. 703 (1911).

[17] *Rickey Land & Catle Co.* v. *Miller & Lux,* 218 U.S. 258, 54 L. Ed. 1032, 31 S. Ct. 11 (1910).

[18] Vol. 1, Wiel—*Water Rights in the Western States* (3rd Ed.), Sec. 343. (Emphasis supplied.)

[19] *Coffn* v. *Left Hand Ditch Co.,* 6 Colo. 443 (1883).

[20] Water Right Determination and Administration Act of 1969, Art. 21, Chapter 148, CRS 1963, as amended.

[21] *La Jara Creamery & Livestock Assn.* v. *Hansen,* 35 Colo. 105, 83 Pac. 644 (1905).

[22] Wyoming Statutes, 1957, 41–201 to 216.

[23] Wyoming Statutes 1957, 41–121 to 147.

[24] *U.S.* v. *Rio Grande Dam & Irrigating Company,* 174 U.S. 690, 43 L. Ed. 1136, 19 S. Ct. 770 (1899).

[25] Act of June 30, 1948, Ch. 758, 62 Stat. 1155, 33 USC 46, *et. seq.*

[26] 33 USC 46(a).

[27] 33 USC 466a. (Emphasis supplied.)

[28] 33 USC 466b (a).

[29] 33 USC 466g (b).

[30] 83 USC 466(c)(1).

[31] 33 USC 466d.

[32] *Poole* v. *Fleeger,* 11 Pet. 185, 8 L. Ed. 680, *Wyoming* v. *Colorado,* 286 U.S. 494, 76 L. Ed. 1245, 52 S. Ct. 621 (1932).

[33] This study, page IID–15.

[34] Art. I, Section 10, Constitution of the United States of America.

[35] This is becoming more and more theoretical.

[36] As succinctly stated by Mr. Justice Frankfurter: "A compact, is after all, a contract." (Dissent, *Pette* v. *Tennessee-Missouri Bridge Comm.,* 359 U.S. 275, 3 L. Ed. (2d) 804, 79 S. Ct. 785, 792 (1959).

[37] *Rhode Island* v. *Mass.,* 12 Pet. 657, 725, 9 L. Ed. 1233 (1838).

[38] *Asakura* v. *Seattle,* 265 U.S. 332, 68 L. Ed. 1041, 44 S. Ct. 515 (1924).

[39] *State* v. *Sims,* 341 U.S. 22, 95 L. Ed. (2d) 713, 71 S. Ct. 557 (1951).

[40] *Ibid.,* 71 S. Ct. at 560.

[41] 359 U.S. 275, 3 L. Ed. (2d) 804, 79 S. Ct. 785 (1959).

[42] *Ibid.,* 79 S. Ct. at 789.

[43] *Ibid.,* at 789.

[44] 304 U.S. 92, 82 L. Ed. 1202, 58 S. Ct. 903 (1938).

[45] See, for example, *Strickler* v. *Colorado Springs,* 16 Colo. 61, 26 Pac. 313 (1891).

[46] Art. XVI, Section 5, Constitution of the State of Colorado.

[47] 93 Colo. 128, 25 P. (2d) 187 (1933); 101 Colo. 73, 70 P. (2d) 849 (1937).

[48] *Ibid.,* 93 Colo. at 132.

[49] 304 U.S. 92, 82 L. Ed., 1202, 58 S. Ct. 803 (1938).

[50] *Ibid.,* 58 S. Ct. at 808 and 810.

[51] *Delaware* v. *Colburn,* 310 U.S. 419, 84 L. Ed. 1287, 60 S. Ct. 1039 (1940).

[52] 207 U.S. 564, 52 L. Ed. 340, 28 S. Ct. 207 (1908).

[35] 373 U.S. 546, 10 L. Ed. (2d) 542, 83 S. Ct. 1468 (1963).

[54] 28 S. Ct. at 212.

[55] 83 S. Ct. at 1495.

[56] *Ibid.,* at 1496.

[57] Petition of the United States of America, Cases Nos. W–85 and W–86, in the District Court for Water Division No. 6 of the State of Colorado. (Emphasis supplied.)

[58] *Winters* v. *U.S., supra.*

[59] *Federal Power Commission* v. *Oregon,* 349 U.S. 435, 99 L. Ed. 1215, 75 S. Ct. 832 (1955).

[60] *Arizona* v. *California, supra; United States* v. *Rio Grande Dam & Irr. Co.,* 174 U.S. 690, 43 L. Ed. 1136, 19 S. Ct. 770 (1899); *First Iowa Hydro-Electric Cooperative* v. *Federal Power Commission,* 328 U.S. 152, 90 L. Ed. 1143, 66 S. Ct. 906 (1946).

[61] Art. III, Sec. 2, Constitution of the United States of America.

[62] See for example, *Arizona* v. *Calif.,* 373 U.S. 546, 10 L. Ed. 542, 83 S. Ct. 1468 (1963).

[63] *N.Y.* v. *N.J.,* 256 U.S. 296, 65 L. Ed., 937, 41 S. Ct. 492. (1921). New York lost the case because, on conflicting evidence, it failed to convince the court that the discharge of sewage by New Jersey into New York Harbor was going to cause harm. The court, while denying relief, invited New York to return if the circumstances changed.

[64] *N.Y.* v. *N.J., supra; Conn.* v. *Mass.,* 282 U.S. 660, 75 L. Ed. 602, 51 S. Ct. 286 (1931), *Mo.* v. *Illinois,* 180 U.S. 208, 45 L. Ed. 497, 21 S. Ct. 331 (1901); 200 U.S. 496, 50 L. Ed. 572, 26 S. Ct. 268 (1906).

[65] *N.J.* v. *N.Y.,* 283 U.S. 336, 75 L. Ed., 1104, 51 S. Ct. 478 (1931), 347 U.S. 995, 98 L. Ed. 1127, 74 S. Ct. 842 (1954).

[66] The State of Kansas was singularly unsuccessful in enjoining Colorado irrigators from diversions from the Arkansas River. *Kansas* v. *Colorado,* 206 U.S. 46, 51 L. Ed. 956, 27 S. Ct. 655 (1907); 316 U.S. 645, 86 L. Ed. 1729; 62 S. Ct. 1102 (1942); 319 U.S. 729, 87 L. Ed. 1692; 63 S. Ct. 1169 (1943). "All these considerations persuade us that Kansas has not sustained her allegations that Colorado's use has materially increased, and that the increase has worked a serious detriment to the substantial interests of Kansas." 320 U.S. 383, 88 L. Ed. 116, 64 S. Ct. 176, 184 (1943).

[67] *Wyo.* v. *Colo.,* 259 U.S. 419, 66 L. Ed. 999, 42 S. Ct. 552 (1922); 286 U.S. 494, 76 L. Ed. 1245, 52 S. Ct. 621 (1932).

[68] *Nebr.* v. *Wyo.,* 325 U.S. 589, 89 L. Ed. 1815, 65 S. Ct. 1332 (1945), 66 S. Ct. 1 (decree).

[69] *Wyo.* v. *Colo., supra,* 42 S. Ct. at 558.

[70] *Ibid.,* at 559.

[71] *Nebr.* v. *Wyo., supra,* 65 S. Ct. at 1350 and 1351.

[72] *Kansas* v. *Colo., supra.*

[73] *Ibid.,* at 667 and 668.

[74] *Ibid.,* at 676.

[75] *Kansas* v. *Colo.,* 320 U.S. 383, 88 L. Ed. 116, 64 S. Ct. 176.

[76] *N.Y.* v. *N.J.,* 256 U.S. 296, 65 L. Ed. 937, 41 S. Ct. 492 at page 498 (1921).

[77] Article II Section 2, Constitution of the United States of America.

[78] Article VI, Constitution of the United States of America.

[79] 52 Am. Jur. (Treaties) Section 18, page 816.

ECONOMISTS ADDRESS INFLATION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have the statement of Dr. Walter Heller, as delivered before the Joint Economic Committee, printed at this point in the RECORD. I strongly recommend its reading by every Member of the Congress. I also ask that the statement of Dr. James S. Duesenberry also be printed at this point in the RECORD. These two eminent economists have given us some valuable information and guidance in our efforts to curb the rising inflation.

There being no objection, the statement and testimony were ordered to be printed in the RECORD, as follows:

STATEMENT OF WALTER W. HELLER

In addition to the customary review of economic development and policy, Senator Proxmire has asked for suggestions on aspects of the inflation problem that the Joint Economic Committee should examine in response to the Senate resolution instructing it to undertake an emergency study of the state of the economy with special reference to inflation. I will open with a list of such suggestions and continue with a statement of my own conclusions and convictions concerning the handling of the inflation problem in the light of the steadily worsening outlook for economic recovery.

At the outset, let me say that, with or without a Senate (and House) resolution, it is high time for the kind of sober and balanced analysis that the Joint Economic Committee can bring to the inflation problem. We are currently in the grip of an inflation psychosis. In a recent survey, 87% of the public list inflation as their number one concern. In the face of our dangerous double-digit inflation and given our almost traumatic state of mind about it, we run substantial risks of over-reacting, of practicing one-dimensional economics that counts—or over-counts—the benefits of tight money and budget austerity without weighing the costs. A judicious inquiry by your Committee can help us maintain a balanced perspective on the problem. It can help us avoid that worst of all worlds: Selling our soul—

full employment and fair sharing of benefits and burdens—to that devil, inflation, and not getting deliverance in the bargain.

In the process of its investigation, the Committee will face an agenda of unrelentingly hard questions. Let me list some of the major ones, together with occasional suggestions as to where the answers seem to lie.

An obvious starting point of the inquiry would be to sort out the causes of our current inflation, attempting particularly to distinguish between the endemic and epidemic aspects of the problem. The particular causes of the 1973–74 inflation will tell us at least something about the appropriate cures. If inflation today is really in large part the lingering legacy of excess domestic demand, a policy of super-tight money and budget restraint is more appropriate than if, as I suspect, much of it has a one-shot character associated with food, fuel, and raw commodity price explosions. This is not to say that understanding how the inflation genie got out of the bottle will tell us how to put him back in. In particular, the Committee will want to determine how much of the one-shot inflation is being built into the fabric of the cost and price structure through the gathering momentum of a new price-wage spiral.

As already implied, a closely related question is whether inflation will succumb to the pressure of tight money and austere fiscal policy. Here, the spectre of 1969–71 haunts us. Tightening first the fiscal and then the monetary screws, thereby generating a recession and 6% unemployment, did not prevent inflation from steadily worsening until prices and wages were frozen. Careful econometric analyses by James Tobin (in the most Brookings *Papers On Economic Activity*) and by Otto Eckstein (in publication of Data Resources, Inc.) identify the heavy price we would have to pay for "staying the long course." Eckstein estimates that we would have to endure unemployment of 8% for at least two years to cut inflation back to a 4% rate if we rely solely on monetary and fiscal restraint. He rightly dubs this "overkill" and concludes that "the financial system would collapse before we cracked inflation."

Since a large part of the damage done by inflation is distributional—inequities between those on fixed and those on responsive incomes, between the poor who spend a high percentage of their income on food, fuel, and housing, and the well-to-do for whom such outlays are proportionately much smaller, and so on—an important part of the Committee's inquiry should focus on who gains and who loses from inflation (for which the study by G. L. Bach in the July/August 1974 *Challenge* is a good point of departure). But two caveats are in order:

The 1973–74 inflation *is* different. Where inflationary pressures are generated by vigorous monetary-fiscal expansion that tighten job markets, the poor tend to gain in increased jobs and income as much as, or even more than, they lose through higher prices. But this time around, runaway food and fuel prices eroded their real incomes without any compensating benefits in jobs and earnings.

The inquiry must extend beyond the costs inflicted by inflation itself to the costs implicit in a policy of fiscal-monetary austerity to combat it. The evidence may well show that certain groups—especially in the lower income and wage-earning categories—are hit by a double whammy in this process.

Accompanying the analysis of distributional questions should be a parallel appraisal of the damages and costs of inflation balanced against the damages and costs of a more and more openly avowed policy of induced economic slack and torpor to check inflation. The costs of this policy in terms of output, jobs, productivity, profits, and financial stability are potentially huge. No one in the Administration seems to doubt that the game is worth the gamble. But many critics, myself included, feel that in their efforts to throttle inflation, they will strangle recovery, endanger financial stability, and retard the capital spending and productivity advances that promise longer-run relief from intense price pressures and shortages. Who is right? The country will be looking to the Joint Economic Committee for the answer.

In seeking that answer, the Committee will also have to judge whether the Administration is right in dismissing the current slump as an "energy spasm" or shortage phenomenon rather than a reflection of inadequate demand. In my view, the combination of contractionary monetary and fiscal policy and the demand-deflating effect of skyrocketing oil prices supports the latter explanation—and this will be increasingly so as Federal Reserve policy squeezes demand even harder. Given the sharp upward revision in the statistics on inventory accumulation and, with a few notable exceptions, diminishing evidence of shortages, deficiencies of demand and growing excess capacity will become increasingly evident. Debate over the politics and semantics of "recession" merely divert attention from the real problem, namely, how far below our output and employment potential are we going to drive the economy in the course of our war on inflation?

This leads directly to a series of policy questions on which the Committee inquiry can shed important light:

Since policy for the "new inflation" cannot limit itself to the demand management, the Committee's study can make an important contribution by appraising the possibilities of supply management, ranging from better information devices to means of anticipating and averting supply shortages and production bottlenecks.

An objective evaluation of the possibilities of selective credit policies is also very much in order. Given the inequity of present credit restraints and their failure to distinguish between productive and speculative investment, one needs to take a hard look at policies that go beyond reliance on high prices to ration credit. Given the fungibility of money, what steps can the Federal Reserve Board take to help on this score?

On the wage-price front, any light the Committee could shed on two basic questions would be most helpful. The first is that hardy perennial: Where *is* competition a good policeman, and where is a government presence needed to counteract the excess market power of key unions and big business and make them behave in a more competitive way? Second, what *are* the possibilities of economic detente between business and labor? In the absence of any White House attempts (and liability) to bring about some kind of an economic disarmament agreement, Congress should develop an agenda that might lead to a mutual de-escalation of labor and management demands.

Various proposals for tax relief such as boosting income tax exemptions, converting such exemptions into tax credits, and exempting the working poor from payroll taxes would clearly serve the ends of equity, but are opposed on grounds that they would worsen inflation. An objective study matching the spending patterns of the beneficiaries of such tax relief with the patterns of supply—shortage versus excess capacity—in the areas where the money will be spent would substitute reason for emotion on this issue.

Let me turn now to some observations on anti-inflation policies and their costs in the light of current economic prospects.

There is no quick fix for inflation in 1974. We can look for some ebbing as the run-up in fuel, raw materials, and food prices tapers off and as the post-controls surge subsidies. But get-ahead price increases and catch-up wage increases are translating a lot of the one-shot food-fuel-commodity inflation into a new price-wage spiral.

The old-time religion of sky-high money costs and tight budgets will be relatively ineffectual in taming inflation, short of draconian budget slashes, tax boosts and dangerously tight money. Such measures would condemn us to deep and prolonged unemployment and losses of production, profits, and income—costs that a democratic society will not and should not tolerate.

Such costs will become more and more painfully evident this summer and fall. The economic slump will be clearly revealed for what it is: not an "energy spasm," not a pause that refreshes, not a reflection of supply shortages, but a corrosive stagnation born of a short-fall in demand.

In addition to the direct costs in jobs and output, sustained stringency in fiscal and monetary policy will undermine some of our natural defenses against inflation. First, it will deny us the short-run productivity offsets to rising costs that we normally reap from a rising volume of sales and output. The combination of accelerating wage boosts and lagging productivity will build more cost-push resistance to the downward pressures of lagging demand. The longer we stunt productivity growth by choking off recovery, the more likely it is that slower productivity growth and hence higher unit costs will be built into conventional price markups.

Second, unswerving devotion to "the old-time religion" will worsen the environment for the business capital spending and technological advance that boost productivity and capacity in the longer run. Investment, innovation, and risk-taking thrive in an atmosphere of expansion and wither in stagnation. Current policy—especially in the form of hard-as-nails credit restraint—undermines the health of equity markets, pushes money costs skyward, and threatens both profitability and financial stability. In the face of this policy of calculated stagnation, no program of tax gimmicks or special incentives will induce the high investment needed to boost productivity, expanded supplies, and ease price pressures.

What we need now is not a hell-for-leather program to put the country through the wringer in the misguided hope that we will squeeze the inflationary water rather than the economic lifeblood out of it. Instead of a one-dimensional policy of throttling inflation by choking off recovery, we need to take our blinders off and adopt a balanced and comprehensive approach to the inflation problem.

First, counting not just the benefits but the costs of sustained monetary-fiscal austerity, we need to move from excessive to moderate restraint.

Second, recognizing the limitations of the traditional monetary and fiscal instruments of demand management in the face of an inflation characterized by supply shortages and growing cost pressures, policy needs to respond accordingly:

Given the self-propelling nature of the renewed price-wage spiral, policy should seek to restore an atmosphere in which an economic detente between business and labor might be possible. This won't be easy after the botch the Administration made of its late lamented controls. But without some kind of a wage-price monitor and a new set of wage-price guides—backed by powers of inquiry, publicity, suspension, and (in outrageous cases) even rollback—the outlook for inserting a circuit-breaker in the new round of cost-push inflation will remain bleak.

In the light of our traumatic experience with shortages and bottlenecks in the past couple of years, we need to explore the potential of supply management ranging all the way from better information devices like shortage alerts and prompt export reports or licensing to the use of special financial aids (not in the form of new tax shelters) and the milder forms of credit rationing.

Rationing of credit by price alone is channeling too much of our limited financial resources in to speculation in inventories, land, precious metals, and foreign exchange to the detriment of investment in productive capital. And, as always, super-tight credit is squeezing small business, housing, and state and local borrowers. Both to curb inequities in the present allocation of credit and to curb speculative in favor of productive uses of credit, Federal Reserve policy should couple a gradual retreat from excessive tightness with the use of more selective methods of making credit available, together with a gradual phasing-out of the Regulation Q ceilings that short-change the smaller saver and distort the flow of financial resources.

A White House and Congress that are dead serious about fighting inflation ought at long last to take the political risk—in terms of stepping on the toes of articulate and well-heeled pressure groups—to put an end to the laws, regulations, and practices that make government an accomplice in many cost- and price-propping actions. Running from anti-competitive regulation of transportation rates and inadequate anti-trust enforcement to resale price maintenance and Davis-Bacon and Robinson-Patman Acts and embracing import quotas and many tariffs and the Buy America Act, to name but a few—these restrictions in the aggregate deny the American consumer substantial benefits in price and wage moderation.

Third, the fight against inflation has to be taken out of the narrow framework of stamping out inflation at all costs—and the devil take the hindmost—and put in a far broader perspective. What we need to recognize is that the major damage inflicted by inflation—and particularly an inflation arising in large part out of a food and fuel price explosion—is its distributional inequity. Coupled with this is a sense of grievance and alienation, an undermining of morale and social cohesion that may be inflation's greatest cost. One of the ironies of today's inflation is that both the nature of the price explosion and the nature of the weapons we are using to fight it tend to discriminate against the lower and middle income groups. Apart from the usual built-in biases of monetary policy, budget policy has been squeezing social programs while enlarging defense outlays. And tax policy—except for the minor relief to low income groups tentatively approved by the Ways and Means Committee—shows far too little concern about those who are being short-changed by inflation. A truly balanced attack on inflation would couple the restraints of fiscal and monetary policy with measures to redress the grievances of inflation:

More generous unemployment insurance and a greatly expanded public service jobs program are a vital necessity under a policy which is taking the "cure" of unemployment and economic slack for the disease of inflation.

The vicious inroads of food and fuel price run-ups on the real income of lower income groups and wage earners—the statistics on erosion of the real incomes of wage earners and the relative incomes of blacks serves as disheartening testimony on this score—call not only for more generous food stamp and housing allowances but relief from payroll taxes for the working poor and increases in personal income tax exemptions, standard deductions, and low income allowances.

It is particularly important to put the proposed tax relief program in proper perspective. First, it contemplates a reduction of $6 to $8 billion out of total personal income and payroll tax revenue of $215 billion. Second, for the longer pull, such revenues can readily be made up by a program of long overdue tax reform and will, in any event, be more than offset by inflation's impact on income tax revenues. Third, as liberal critics need to be reminded, this carefully targeted tax relief would in itself be part and parcel of a program of fiscal and social justice just as much as a program of positive government outlays to the same groups. Fourth, as conservatives need to be reminded, most of the tax benefit would not pour gasoline on the raging fires of inflation but rather be fed into a sagging economy characterized by increasing slack and widening areas of excess capacity.

REMARKS BY JAMES S. DUSENBERRY

I first testified before the Joint Economic Committee in February, 1958. At that tme we were all fearful that the recession could turn into a real depression. In the intervening years recessions have not been our problem. For a decade the rate of inflation has been accelerating in this country and in most industrial countries. The process cannot go on indefinitely. Accelerating inflation causes all sorts of social friction because some people gain and some people lose. The losers are justifiably angry and frustrated. It endangers the existence of firms and financial institutions, which cannot change prices readily or quickly adjust existing contracts. At the same time some firms and individuals are led to make commitments which can only be justified if inflation continues or continues to accelerate. If inflation continues to accelerate there will be increasing public demand for drastic action to bring it to a halt and the cost of disinfection will become progressively greater. To permit a further acceleration in the rate of inflation is to risk a major depression.

It is less important to bring the rate of inflation down rapidly. Even a very gradual deceleration would permit everyone to adjust and would take the profit out of gambling on rising rates of inflation. But we need to exert enough downward pressure on the rate of inflation to be sure that some miscalculation on pieces of bad luck does not cause a renewed acceleration.

I shall comment very briefly on the causes of the present inflation and on the short term outlook before turning to a discussion of fiscal and monetary strategy for containing inflation. I shall then raise some questions about other types of policy for dealing with inflation and unemployment. Finally, I have a few comments on the problems of credit allocation.

There is no quick safe cure for inflation. Some people feel that we should take drastic measures to end inflation quickly. They propose large reductions in Federal spending, tax increases, and severe restraint on the money supply. If the present inflation were the result of widespread excess demand, whether generated by private demand or public spending, those increases might be appropriate. But it is not. It is true that there are capacity shortages in some industries. It is true that demand grew too rapidly from mid-1971 to early 1973. But neither capacity shortages nor rapid demand growth played the dominant role in the most recent acceleration of inflation. The increases in the prices of food and fuel were not due to changes in aggregate demand. Much of the increase in raw material prices was due to the expansion of demand in other countries, though the U.S. certainly contributed. Devaluation was also a factor. In any case, whatever the cause, excess demand is not the problem at the moment. Most forecasters agree that the rate of growth of real output for the next twelve months will be very slow. Capacity utilization is likely to decline even in the materials processing industries where there are still shortages. Unemployment is expected to rise to the neighborhood of 6%. Nonetheless inflation is expected to continue at a rapid rate. Earlier increases in materials prices are still being passed through the system. Labor is demanding and obtaining large wage increases in an effort to make up for cost of living increases. A rise of 7½% in the GNP deflator and more in the CPI are expected for the next twelve months and that may be optimistic.

A rapid inflation without excess demand poses a policy dilemma. It will not be easy to find the right course of action. But certainly we ought to begin our search for wisdom by recognizing that this inflation is not primarily due to profligate spending or excessive money creation either now or in the past. If the budget had been a little smaller or the rate of monetary growth had been a little lower in 1972, the rate of growth of output would have been lower. That would have removed only one of the many causes of the step up in the rate of inflation. Given the rise in food and fuel prices the step up in inflation could only have been avoided by reducing other prices. To bring that about would have required a very substantial contraction in total demand and widespread unemployment.

Some people are prepared to argue that there is no other way to escape the cycle of price increases leading to wage increases, wage increases leading to price increases and so on. They are prepared to take strong measures to restrict demand in order to halt the spiral quickly. Unfortunately, the drastic measures proposed by some are likely either to fail or to produce a cure that is worse than the disease.

In the present circumstances budget cuts or tax increases would surely bring on a substantial recession which left to itself would last for a considerable time. A major recession would certainly tend to check inflation, but what next? Three outcomes are possible. The public in its zeal for inflation control might tolerate a major recession for a couple of years, and policy makers might engineer a gradual recovery with no renewal of inflationary pressures. That strikes me as the least likely possibility. Our experience suggests that recessions and high unemployment are no more popular than inflation. A few months of recession are likely to produce a shift toward expansionary policy and a new surge of demand which would cancel the anti-inflationary effects of the recession. A third possibility is that a severe recession would turn into a major depression. Many firms and financial institutions are now in much weaker positions than in 1958. They have far less liquidity and much more debt. A major recession could produce bankruptcies and financial panic which would lead to reductions in both investment and consumer expenditures. These could not quickly be offset by fiscal policy measures. The odds of success are too small, and the costs of failure too great to justify a drastic "cold turkey" approach to curing inflation.

There is no automatic monetary formula for insuring prosperity without inflation. Some monetary theorists argue that regardless of what happens to food prices, oil prices, or other specific prices, the underlying cause of inflation is monetary accommodation. If there is a surge of demand, originating in fiscal policy or in the private sector, the Fed lets interest rates go up a bit but also raised money growth to partially accommodate increased demand. If the rise in real demand leads to rising prices, the Fed accommodates that too. If Murphy's law works and supply changes lead to price increases, the Fed gives way again. On this view the only way to limit inflation is to limit the growth of the money supply. There will then be—in spite of some give in velocity—an upper limit to the growth of money demand. If there is a lot of inflation the rate of real growth will be low and that will check the inflation.

That is true, but there are a number of difficulties in the use of a monetary limit as the primary basis for inflation control. First, we don't really know what rate of growth of money supply will produce a specified rate of growth of money demand. Estimates of the response of GNP (other things equal) vary widely. Other factors besides monetary growth do affect GNP so other things aren't going to be equal. To put it another way, annual changes in velocity vary widely and we do not have fully satisfactory explanations of the change. Finally, there is uncertainty about the definition of money. Are NOW accounts money or not? In an era of high interest rates, substitutes for money may proliferate.

Second, even if we did have a more or less satisfactory estimate of the appropriate trend of growth in the money stock, sole reliance on adherence to that trend could produce very unsatisfactory results. Inflationary pressures from other sources working against a limited money supply might first drive up interest rates and velocity, permitting the inflation to continue for a considerable time and then, when velocity reached its limit, lead to a monetary crunch. Then we would either give up the monetary limit or face a financial panic.

Finally, a monetary limit low enough to choke off inflation when demand pressures are strong would starve the economy for money when demand pressures are weak.

I am driven to conclude that the gradualist approach to control of demand is the right one even though it doesn't promise quick or sure results. What I shall call the gradualist approach seeks to limit demand just enough to bring about a slow deceleration of inflation without a recession or a great rise in unemployment.

The gradualist approach calls for: (1) a period of slow growth with rising unemployment and declining capacity utilization during the next year; (2) a modulation toward a rate of growth somewhat higher than the rate of growth of potential output which would lead to a very gradual reduction of the unemployment rate. The theory is that in the first phase new capacity in the materials processing industries would get a chance to catch up with demand. Unemployment would rise as a by-product of the low rate of growth. Higher rates of unemployment would moderate the wage pressures generated by cost of living increases. Nonetheless, large wage increases would continue so that the rate of inflation would diminish very gradually. To be successful the gradualist program requires that fiscal and monetary policy be conducted in such a way to avoid any new surges of demand which could generate inflationary pressures.

More concretely, the gradualist approach implies that (1) the current administration budget proposals are about right, (2) new expenditure initiatives affecting future years be severely limited in view of the strong demand for capital, and (3) that budgetary restraint will permit a significant decline in short term interest rates to permit a recovery of housing production.

In addition it must be said that we must make a change in our philosophy of risk taking. For a good many years liberal economists have felt that recessions and high unemployment are costly in terms of our social problems as well as in terms of lost output. Our concern for those social problems has always led us to try if at all possible to find policies to insure against recession. Since forecasting remains an uncertain art we often find ourselves in a position in which policies required to insure against recession entail a substantial risk of too much demand. At the same time, policies required to insure that demand will not grow too fast entail a risk of recession. Many of us while fully recognizing the nature of the choice have preferred to take the risk of too much demand rather than the risk of recession. I believe that to insure against further acceleration of inflation we will have to shift the balance of risks the other way. Believe me, I don't like to say that, but I am afraid its true. That implies of course that in the next few years we will have higher average levels of unemployment than we have previously accepted.

I shall take a moment to amplify my observations on capital requirements. My colleague, Barry Bosworth, and I have nearly completed a study for the Brookings Institution in which we have estimated U.S. capital requirement to 1980. Taking account of our needs for plant and equipment, new energy sources, housing, pollution abatement and mass transit, we conclude that it will be necessary to maintain a substantial Full Employment Surplus for the next few years if these needs are to be met. Moreover, the existing commitments in the Federal Budget will absorb most of the revenues to be expected from economic growth. There is therefore little room for new expenditure initiatives or tax reductions in the next few years.

If the very severe fiscal restraint implied by those remarks is actually applied, there should be room for an early easing of current very high short rates and—depending on our progress in decelerating inflation—a gradual reduction in long term rates. As to the conduct of monetary policy, I have already indicated that I do not believe a predetermined rule will work. I do think, however, that a less accommodating policy than we have had in the past will be necessary. That means smaller swings in the rate of growth of reserves to money supply even though the direction of those adjustments is still based on economic analysis and forecasts.

OTHER ANTI-INFLATION MEASURES

A degree of fiscal and monetary restraint sufficient to prevent inflationary pressure from the demand side is a necessary condition for a deceleration of inflation. It is not a sufficient condition. Inflation has become a way of life, everyone is sensitive to it, everyone wants to beat it by getting there first with his wage or price increase. Angry workers whose real wages have fallen can create a wage explosion even when demand is weak and unemployment high. Bad crops and other random events can drive up the cost of living even when total demand is under firm control. Even if we have fairly good luck the task of turning the inflationary spiral around is a long and difficult one. Monetary and fiscal policy could use some help and there are some things that can be done.

Market power is a reality. Price and wage increases not required by supply and demand considerations can occur. In the present situation with so many capacity problems and so many distortions in the wage structure I cannot recommend a return to mandatory wage and price controls. Nonetheless, I think we ought to maintain some surveillance over market power. We should have a mechanism for monitoring wage and price changes by big firms and big unions. Controls pose all sorts of difficulties but it never does anybody any harm to have to account for his actions. Public review of major wage and price increases should be reinstituted. It won't be a major factor but it will cut off some certified outrages and will be well worth the cost.

Second, we should be looking at the cost and productivity problems of particular industries especially. The health and construction industries. The government pays for a lot of the output of those industries and should take some responsibility for them.

Third, the government should examine its own activities in the areas in which it regulates or directly influences prices.

Fourth, our labor markets could certainly be improved. There are many opportunities for improving the operation of the employment service in the simple task of matching workers with job opportunities to reduce vacancies, turnover and frictional unemployment. Beyond that there appears to be something fundamentally wrong with the transition between school and work for many of our young people, particularly those who do not go to college. I have no panacea to offer, but the Congress should be prepared to fund generously experimental programs for building bridges between school and work and for providing continuing educational opportunity for those who do not go to regular colleges.

Finally, if we accept the necessity for containing demand and for living with a relatively high unemployment rate for a time, we will need to expand training programs and some form of public employment.

CREDIT ALLOCATION

The committee has, very properly, been concerned with the allocation of credit among sectors of the economy. When monetary policy is used to restrain total demand, the allocation of expenditures as well as the total is affected. In particular, tight money has always affected housing more than any other type of expenditure. Housing has been sensitive to monetary conditions because mortgage financing depends heavily on thrift institutions which lend long and borrow short. They compete for deposits against short term credit market instruments whose rates are volatile. But the rates offered by thrift institutions are limited by their earnings which are based not on current market rates but on the average mortgage rate over a long period. When short rates move up deposit inflows to thrift institutions decline or become negative.

Rates have fluctuated on a rising trend in the last few years and the thrift institutions and mortgage market have been badly hit in 1966, 69, 73 and right now. The expansion of FNMA and GNMA activities and longer term advances by FHLB have helped to cushion the blow. Thrift institutions have been partially protected from bank competition by rate ceilings and from the credit market by the $10,000 minimum for treasury bills. It is difficult, however, to prevent competition indefinitely. Short term security offers by bank holding companies, and money market mutual funds are natural responses to limitations on competition for funds. Were these devices to be ruled out by legislation, others would be found.

While the immediate monetary prospect is poor, there is reason to hope that the situation of the thrift institutions will improve. With reasonably sensible fiscal policies, short term rates can be reduced from their current peaks. Thrift institution earnings will rise as the weight of high rate mortgages in their portfolios increases. Their competitive position should tend to improve. Nonetheless, they are likely to remain vulnerable to any episode of tight money and rising rates, even a temporary one.

In the long run the mortgage market should become less dependent on thrift institutions which lend long and borrow short. FNMA, GNMA guaranteed bond issues, and longer term security issues and advances by FHLB can be further developed, though this may require that mortgage yields rise above bond yields once again. Thrift institutions have already made considerable progress in lengthening their liabilities. They should continue to do so. They should also be given the right to issue NOW accounts in competition with commercial banks and to compete in the consumer credit market. In short, the thrift institutions should become a good deal more like commercial banks in the retail market. The mortgage market should become less dependent on short term deposit financing. Finally, the thrift institutions ought to develop larger liquid reserves to deal with short term rate fluctuations.

These moves, together with a fiscal policy that leaves room for adequate capital formation, should solve most of the mortgage and thrift institution problems. Nonetheless, there will be times when it is necessary to take action to restrain short run surges of demand. If we use monetary instruments for that purpose, housing and the thrift institutions will be in trouble. Can we do anything further?

We can take measures to relieve monetary policy of some of the short run stabilization burden. It is not a very good instrument for that purpose. Variable taxation of investment in consumer durable purchases would operate more quickly without the side effects of monetary restraint.

There are a variety of proposals for more direct measures. Differential reserves against bank assets, e.g., low reserves for mortgages, higher ones for commercial loans would work in essentially the same way as taxes on borrowing. However, they would apply only to banks. Moreover, if the differentials were significant they would encourage a shift of financing activity into unregulated organizations especially in the large bank holding companies.

Measures to require financial institutions to invest certain proportions of their assets in mortgages have worked in other countries. However, our financial markets are larger, more complex and more flexible than those in other countries. A positive requirement that certain types of financial institutions invest given percentages of their resources in (say) residential mortgages may be workable, but would have drawbacks. Such a requirement would, of course, tend to widen the gap between the returns from mortgage lending and other investments. Indeed, the shift (by comparison with the situation in the absence of the proposed control) of (say) insurance company funds out of other markets into mortgages would push up other rates relative to mortgage rates. The result would be to weaken the competitive position of specialized mortgage lenders vis-a-vis the open market, causing a decline in mortgage lending from that source. The situation would be analogous to FNMA operations. And as in the case of FNMA operations, the regulations probably would have a net favorable effect on the supply of mortgage credit though smaller than the gross effect. But it hardly seems desirable to get snarled up in a new set of regulations to create a set of unwilling mortgage lenders. If the quantities involved were significant, lenders would be encouraged to reorganize their activities so as to move them out of the regulated sector, and other sorts of evasion would appear.

CONCLUSION

If it is desired to channel credit directly into the mortgage market, it would be better to do it through further development of financing through Federal agencies, or if absolutely necessary through direct Treasury purchases of mortgage backed securities.

To sum up, further improvements in the competitive position of mortgages can and should be made. But no financial rearrangement can be successful unless fiscal policy leaves enough capital resources available to permit us to meet all our capital requirements at reasonable interest rates. In view of the strong demand for capital which we expect in the next few years, fiscal restraint is required to fight inflation and to solve our credit allocation problems.

SENATOR WAYNE MORSE

Mr. CRANSTON. Mr. President, Wayne Morse will be probably best remembered for his early and farsighted opposition to the Vietnam war. During one of the darkest periods in our history he let the world know that the conscience of America was not dead.

But I also will remember Wayne Morse as a man who believed in making people free; free from the bonds of prejudice, ignorance, and social disadvantage; free from any tyranny that holds men and women back from becoming all that their natural abilities will allow. As a self-proclaimed believer in "constitutional liberalism," he saw progressive government as an instrument of liberation.

He was one of the ablest labor negotiators this country has ever seen. And he never broke faith with the rights of working people seeking to improve their lot through democratic action.

Senator Morse was a fighter for better education. He knew that the truth will set us free. And he knew that there can never be equality of opportunity as long as boys and girls in different communities are burdened with unequal education. The first comprehensive Federal aid to education package—the Elementary and Secondary Education Act of 1965—will be one of his lasting monuments.

Wayne Morse belongs to a proud tradition of western lawmakers who instinctively move to the side of the underdog. I remember the water rights battles over the California water plan in the 1950's and 1960's. There were few in such high office to plead the case for the family farmer and small landowners. But Wayne Morse was there, with all the fire and eloquence of his 19th-cenutry Populist forebears, just as he had been during the tidelands oil dispute and the Hells Canyon controversy.

He was there in the cause of small businessmen, too. For 14 years on the Select Committee on Small Business he made sure business people of modest means got a fair shake from their government in procurement policies and the sale of Federal lands.

He recognized poor health as a barrier to full human development and worked tirelessly for medicare and veterans hospitals and the Hill-Burton Act for private hospitals.

When he became an independent in the early 1950's, Senator Morse lost his major committee assignments and was given the District of Columbia Committee; what was then considered a less prestigious assignment. He attacked his work on this committee as fiercely as he had on the major committees. He quickly seized the opportunity to champion a whole city of underdogs. He fought to eliminate racial segregation and to deliver home rule to the city. He sponsored the legislation creating Federal City College and Washington Technical Institute.

His philosophy of public service was simple and abiding. Those who knew him well say there was no private, behind-the-scenes Wayne Morse. Everything was on the record. He believed that people inevitably will come to the right conclusion if only given all the facts. When the people err, he reasoned, it is because they have not had the benefit of the full truth. To Wayne Morse, the U.S. Senate was a crucible of ideas where the truth is hammered out in debate and delivered to the people.

Many of my colleagues remember Senator Morse for his bristling independence and tenacity, often on the lonely side of principle on a given issue. Fewer know of the private anguish that led up to some of those decisions. But once his mind was set—and he knew he was right—nothing could stop him nor slow him, regardless of the consequences to his own career.

He was one of the most sterling legislators this body has ever known. He was dedicated to serving his constituents, his country and his conscience. And he knew just where loyalty to one left off and duty to the next began.

Wayne Morse fought for the full development of the individual. He struggled to remove the bonds which hold some back, and he pushed the absolute limits of his own native abilities. He used every gift he had—his intellect, his rhetorical skills and strength of personality—to pursue excellence and his sole standard of total commitment. It is characteristic that, at the end, he refused to accept a half life, tied to a kidney machine. He preferred to accept death as he faced life—without compromise.

The loss of Wayne Morse comes within weeks of the deaths of Earl Warren and Ernest Gruening. The loss of these genuine American heroes sadly depletes our national stock.

INFLATION

Mr. McGOVERN. Mr. President, two articles in the New York Times Sunday, August 4, 1974, deal with two important aspects of inflation. The articles point out the continuing and serious nature of inflation and the consequences we can expect if the economy proceeds on the present course.

Mr. President, I ask unanimous consent that these two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

CAN THE ADMINISTRATION SUSTAIN OLD-TIME RELIGION?

(By Edwin L. Dale, Jr.)

WASHINGTON.—A question that frequently comes up in discussions of the course of the economy is: Will they panic?

"They" means the Nixon Administration, particularly the President himself. The question arises from the all-but-inevitable creeping upward of the nation's unemployment rate in the months ahead.

There are forecasts within the Government itself that the jobless rate will cross the magic 6 per cent mark even before the end of this year, a result of the probability that the growth of output and employment will not be nearly fast enough to absorb the new entrants into the labor force.

If the words can be believed, the Administration's position is clear: no panic. The new game plan has been spelled out over and over again—a steady course of "moderate" restraint on demand and output through fiscal and monetary policy, for several years if necessary, to reduce inflation gradually.

In his televised address last month, the

President said: "We are not going to respond to the short-term slack in the economy by priming the pumps of inflation with new deficit spending or with a new easing of credit or with tax cuts that would only make inflation worse . . . [the key to success] lies in choosing a sensible, realistic course and sticking to it, whatever the pressures. . . . The key in fighting inflation is steadiness."

In his recent appearance before the Congressional Joint Economic Committee, Kenneth Rush, the White House economic counselor, put it all in one sentence: "We intend to pursue these policies until the desired results are obtained."

Needless to say, however, there are skeptics. In the first place, the President's words later in his televised address deploring "impatience" in economic policy described precisely the situation that existed three years ago when, in fact, he did panic.

His decisions of Aug. 15, 1971, included not only price and wage controls but also (less well remembered) new stimulus for the economy through tax reduction, including abolition of the automobile excise tax and reinstitution of the business investment tax credit. Unemployment that year had been hovering persistently at the 6 per cent level—not rising but not falling, either.

The skepticism has been perhaps best expressed by Gardner Ackley, former chairman of the Council of Economic Advisers.

In a recent address he described the Administration's planned course as "not so much wrong economics as silly politics." Arguing that "everyone knows we are not going to put down inflation at whatever cost," Mr. Ackley said that it is all the more difficult, because of this general conviction, to make a policy of sustained restraint work.

"Maybe it's too bad that we've lost our innocence" he said, "and thereby eroded the effectiveness of monetary and fiscal policies. But who was it that kept telling us—as late as last March—that the Government was fully prepared to 'bust the budget if rising unemployment became a problem? Who suddenly switched from despising any kind of intervention in wage and price decision to an across-the-board wage-price freeze?

"An already discredited political leadership does not create national determination in support of a masochistic policy simply by repeating, over and over again, that—this time—we are determined we are united, we will not flinch. The Administration's supporters in big business will be the first to cry uncle if the policy really begins to bite."

On one key point Mr. Ackley has support from within the Administration. William Fellner, a member of the Council of Economic Advisers and an architect of the present policy, has publicly conceded that it is far more difficult to make fiscal and monetary restraint succeed with a minimum of pain if the policy lacks credibility.

Mr. Ackley believes the policy has scarcely any credibility at all. But there is a school of thought that feels that this time, just possibly, the policy will be carried through even if unemployment rises above 6 per cent.

The keystone of this argument is one fact: Mr. Nixon is not running for anything.

A secondary fact is that the President's top advisers are uncommonly united on the policy course, and this will continue to be the case when Alan Greenspan joins the team as chairman of the Council of Economic Advisers.

It can be noted, too, that it is difficult for Congress to force a major change in policy over the objection of the Administration in power, no matter how large the liberal majority may be in the next Congress.

Of course, the President, may well be removed from office through the impeachment process. But the man who would be his successor, Gerald R. Ford, is an enthusiastic supporter of the basic economic policy of sustained, though moderate, restraint. And though many people are skeptical, Mr. Ford has gone on record repeatedly that he will not run for any office in 1976.

In any event, the question remains: Will they panic? The answer may not be obvious, as Mr. Ackley implies.

Wanted: New Inspiration

(By Thomas E. Mullaney)

After a meeting at the White House on July 11, at which President Nixon solicited the views of leading businessmen and economists on the state of the economy and their recommendations for dealing with inflation, one prominent executive who had not been a political supporter of the Administration emerged from the session impressed with the scope and breadth of the briefing. He proclaimed:

"I came away with the sense that there's still a Government."

In the same vein, several top Administration officials have stressed in recent months the claim that the business of Government is still being carried out in their departments and in relation to the executive branch, both energetically and without major impediments despite the President's political difficulties.

Kenneth Rush, the President's chief economic policy coordinator, joined in that chorus last week when he asserted that the impeachment proceedings against Mr. Nixon "have had nothing to do with the policies we are following," although he conceded that the threat of the President's removal from office had exerted a "disturbing influence" on the economy by creating uncertainty in the business community.

From the Administration's viewpoint, all of that may well seem to be valid, but the fact is that the trauma of Watergate and the deliberations of the House Judiciary Committee, which finished voting three articles of impeachment last week, have produced a partial paralysis in the Government that threatens further instability in domestic and international economic affairs as well as continued nervousness in the financial and foreign-exchange markets.

Is the store really being attended to effectively in Washington? Is the Administration providing the necessary attention and leadership to meet the twin problems of inflation and recession head-on? Is Congress responding responsibly to its own obligations in the economic realm in this era of mammoth problems?

Several recent developments suggest that the answers, unfortunately, are negative on all counts. The American economy is enmeshed in a web of economic enigmas that are not being addressed adequately simply because the nation is distracted so intensely by the Watergate drama, its various outcroppings and the laborious process of a Presidential impeachment. It is a situation fraught with potentially serious economic dangers. The quicker the uncertainty ends—one way or the other—the better.

The Administration, to this point, has come up with no new or imaginative prescription for dealing with an inflation and a stagnant economy that appear to be worsening almost without detection and sufficient concern.

And on its part, Congress can be faulted both for hasty action on some legislation and for dragging its feet on other important legislation, particularly in the tax and trade areas. There has been no clarion call for action and no compulsive push for it on those two important issues.

Meanwhile, as Senator Lloyd M. Bentsen Jr., Democrat of Texas, so aptly put it in his party's rejoinder to the recent economic address of President Nixon, the United States is being confronted with "steadily rising prices, steadily dwindling confidence, steadily cheerful assurances from the Administration followed by steadily worsening results."

The past week produced another batch of worsening results. The more disconcerting were these:

The decline of 0.4 per cent in the leading economic indicators in June, the first drop this year.

The 12 per cent reduction in building contract awards in June.

The continued slump in machine-tool orders this year, with the 16 per cent decline in June from May's total, although volume is still 15 per cent above the year-ago figure.

The 0.2 per cent dip in factory orders in June, the first downturn this year.

The three-year high in labor strikes in June.

The return of the nation's foreign trade to a deficit figure in June, fully erasing the earlier surpluses this year.

Meanwhile, the financial markets continued under severe pressure. The leading stock averages fell back to four-year lows, bond prices declined further and there were unrelenting strains on the thrift institutions because of record-high interest rates. More pressure on them will come this week when the Treasury itself sells $4-billion of notes with a record 9 per cent coupon.

But the worst news of all came from the farm front last week. The Agriculture Department said that prices paid farmers rose a hefty 6 per cent in June, reversing a four-month decline and posing the probability of greater inflationary pressure in the major price indexes in the months ahead.

The principal reason for the renewed upturn in food and livestock prices has been the severe drought in the farm belt, which has reduced expectations for this year's harvest and livestock production. There are estimates that the lack of rainfall has already cost almost $6-billion in crop losses, with more almost certainly ahead.

The corn crop, originally predicted to reach a historic level of 6.7 million bushels, is now forecast in a range of 5.9 billion to 6.2 billion bushels, while the wheat forecast has been cut from 2.2 billion bushels to 1.92 billion bushels. In addition to pushing prices higher, these lower estimates are bad news for a world so dependent on an abundant American harvest.

In anticipation of the less ample crops, prices in the commodity futures markets have been turning upward in recent weeks.

Those looking for a silver lining in current economic news had little to satisfy them in the most recent data. Only the business capital-spending area provides some encouragement, but even that may be slipping because of sky-high interest rates and the elevated cost of construction.

There have already been cutbacks in utility spending for those reasons as well as energy conservation steps by business and the public. And the Ford Motor Company indicated a 5 to 8 per cent cutback—more than $220-million—in its capital expenditures for the next year because it doesn't have the money for it.

Perhaps the most constructive recent development for the business optimists has been the undiminished strength of corporate profits, though that has been largely due to inventory profits resulting from inflation. In the second quarter, corporate profits showed a gain of about 27 per cent in the First National City Bank's survey. Aggregate after-tax earnings for 1,100 companies were placed at $11,376,500,000. But productivity has not been impressive, and unit labor costs have been jumping sharply, subjecting industry to serious pressures.

One possibly favorable straw in the wind for the general economy, however, was last month's slight upward move in the Conference Board's "help wanted" advertising index. This may indicate a decline, or at least steadiness, in the current 5.3 per cent unemployment rate for a while, though even the Administration is conceding the rate may reach the 6 per cent level by year-end. Some private economists (including Walter Heller, a former head of the Council of Economic Advisers) have been warning that joblessness may reach the 7 per cent level unless the fist-tight monetary policy is soon relaxed.

However, in his rebuttal to President Nixon last week, Senator Bentsen did not produce any startling new ideas for dealing with the nation's severe economic problems. He even endorsed one of the cardinal tenets of the Administration's program—reduced Federal spending.

His other points—worthy though hardly innovative—included an exhortation that banks curb their foreign lending and channel more funds toward production of materials in short supply, the establishment of a cost-of-living task force to identify and attempt to avoid and reduce inflationary price and wage increases, tax reforms to eliminate loopholes and efforts to increase industrial and agricultural productivity through research and job-training programs.

The Administration moved to set up the suggested cost-of-living task force through legislative action a few days after Senator Bentsen's speech, but it is questionable how effective such an organization can be without real teeth in it to dissuade business and labor from excessive actions. It has the ring of the "jawboning" programs of yore that were almost totally ineffective.

Thus, at the mid-point of summer, the general economic outlook continues rather unexciting. The economy does not seem to be heading for a great disaster, but it may well operate below its ceiling for some time, with prices still rising and unemployment gaining—unless something unexpected comes along on the economic or political scenes or some inspiration on a new idea develops in Washington.

GRAIN RESERVES

Mr. HUMPHREY. Mr. President, I call attention to a July 23 New York Times article, "For a Grain Reserve," by the Senator from Iowa (Mr. CLARK).

The Senator from Iowa has provided strong leadership in this area since coming to the Senate. He points out the instability of farm prices, and he suggests:

> A grain reserve would establish a greater degree of price stability because the Government would purchase grain when the price is too low and sell from the reserve when the price is too high.

Senator CLARK also points out the importance of adequate food supplies in combating inflation:

> A good grain system will help combat inflation in this country by providing additional supplies when grain prices start rising rapidly. It will help farmers achieve a degree of stability they have never known and it will make a substantial contribution to preventing starvation in various parts of the world.

Mr. President, I commend Senator CLARK's leadership in the reserves area, and I ask unanimous consent that the article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOR A GRAIN RESERVE

(By DICK CLARK)

WASHINGTON.—Advocates of a grain reserve have been around for a long time. Joseph had the first published proposal—in the Old Testament—and since then many people have talked of the importance of establishing an "ever-normal granary." A reserve of essential feed grains to protect people and nations against crop failure and famine always has been a sound idea, but the case for one is especially strong today.

The very real threat of a serious worldwide food shortage is the most important reason for a reserve, and it alone should be incentive enough for the United States and other major agricultural nations to take immediate action. A growing world population, combined with shortages of energy, water, fertilizer and land have convinced many experts on world food problems that widespread famine and starvation are possible in many parts of the world.

Other experts dispute these predictions, but the famine in sub-Sahara Africa is indisputable and so is the possibility of continued and increased world food shortages. Given all of this, it is difficult to understand objections to a grain reserve that would save and stockpile a small fraction of annual grain production to prevent starvation.

A world in which some nations are affluent while others starve is not likely to be a peaceful one. So, there are both humanitarian and political reasons to encourage the developed nations to commit themselves to a significant effort to fight hunger and starvation, and a grain reserve is an indispensable part of that commitment. As the major surplus grain producer in the world, the United States should take the first step by establishing its own grain reserve.

However compelling the reasons for a grain reserve, they probably will not be sufficient to push the necessary legislation through Congress. The Senate Agriculture and Forestry Committee recently held hearings on two grain reserve bills and there was little consideration of world food problems. Instead, the discussion centered on domestic food prices and domestic farm income.

The primary objection to a grain reserve is the fear that it will hurt farmers by keeping grain prices artificially low. In the past, Government-held supplies have been used to depress prices, but the current grain reserve proposals provide new protection for the farmer. They insure that grain can be sold from the reserve only when there is a shortage and only at a price that provides the farmer a profit.

Opponents of grain reserves frequently attempt to belittle the proposals, asserting that a Government grain reserve would lead to Government reserves of other products such as cars and television sets. This is nonsense. There are significant differences. An inadequate automobile supply means inconvenience. But food is essential, and an inadequate food supply means starvation.

Agriculture is unique in other respects. It is characterized by instability that drives farm prices up one year and down the next, and hurts both farmers and consumers in the process. A grain reserve would establish a greater degree of price stability because the Government would purchase grain when the price is too low and sell from the reserves when the price is too high.

The experience of the last few years provides convincing evidence of the potential for a grain reserve. A worldwide grain shortage drove the price of grain up sharply. This led to higher prices for other farm products, and consumers suffered—while, in the short run, farmers benefited.

But soon, the inevitable happened. Livestock producers were hurt by high feed prices and consumer reaction to high meat prices. The high farm prices of 1973 encouraged farmers to purchase more land, equipment and supplies for the coming year. As they did, the prices paid by farmers escalated. In the past few months, grain prices have fallen in anticipation of record harvests this year, and many farmers face the possibility of selling their grain for prices below the cost of production. Everyone would have been much better off had there been a grain reserve to keep prices from rising so much last year and to prevent them from falling too low this year.

A good grain system will help combat inflation in this country by providing additional supplies when grain prices start rising rapidly. It will help farmers achieve a degree of stability they have never known and it will make a substantial contribution to preventing starvation in various parts of the world.

A REPORT TO THE PEOPLE ON OVERSIGHT HEARINGS ON ADMINISTRATION OF THE INTERNAL REVENUE SERVICE

Mr. MONTOYA. Mr. President, today I wish to place before the Senate and the American people the first of several reports on the administration of the Internal Revenue Service as covered in hearings before my Subcommittee on the Treasury, Postal Service, and General Government, in April and May of this year.

Certainly, Mr. President, the allegation of misuse of the Internal Revenue system by Presidential aides has caused concern and anger for many citizens. Repeatedly over the past 2 years we have heard ugly reports of clandestine communications between the White House and IRS. Beginning with material presented to the Senate Select Committee on Presidential Campaign Activities, and continuing with testimony before the House Judiciary Committee, evidence of attempted abuse of the tax system for private or political gain has grown more and more disturbing. The tragic implications of an "enemies list," the questionable mention of the use of "confidential" tax materials in White House memoranda, and other indications of political harassment or invasion of privacy of individual citizens—the tragic implications of those revelations, Mr. President, have raised the specter of a police state in the minds of journalists and commentators as well as in the minds of taxpaying citizens everywhere in the Nation.

On December 20, 1973, the report of the Joint Committee on Internal Revenue Taxation substantially cleared the IRS of the charge that IRS had ever succumbed to White House pressure to harass "enemies" of the White House. However, the House Judiciary Committee has recently released a substantial amount of evidence which confirms data collected earlier by the select committee and indicating severe pressure from White House aides on the IRS. There is some indication that this pressure may have produced modest results. But even if no result was forthcoming, the attempt to use our tax system in this manner is most disturbing.

White House initiated audits of private citizens, financial exposure of individual taxpayers, and the embarrassing use of confidential information about income, health deductions, and charitable contributions are all actions that quite correctly anger and frighten taxpayers. The result of these allegations of misuse of power has been an increasing mistrust of the tax system by many American taxpayers. This new wariness offers nothing but tragedy to all of us. Without the trust of the taxpaying public in the correctness and honor of our tax collectors, our entire system of voluntary tax compliance will fall.

The charges I have mentioned have been widely publicized. They cannot be dismissed. They must be considered and addressed by the Congress, and a report must be made to the people on their truth or validity.

At this point, Mr. President, I ask unanimous consent to have printed in the Record an article by Smith Hempstone, published in the Washington Star-News of July 24, 1974, entitled "An Erosion of Faith."

There being no objection, the article was ordered to be printed in the Record, as follows:

AN EROSION OF FAITH

(By Smith Hempstone)

All that White House messing around with income tax returns is, of course, of interest to Watergate prosecutors and members of the House Judiciary Committee who are looking for potential criminal or impeachable behavior. But there is another aspect to this matter that deserves attention—that is the effect the disclosures might have on the faith of Americans in the tax system.

There was a time when taxpayers could assume that, except for examination by Internal Revenue Service agents, their federal returns were reasonably safe from the eyes of curiosity seekers or others with political motives or mischievous intent. But it is evident now that the confidentiality of tax returns has been violated on a large scale.

From the evidence at hand, the White House has been the worst offender, but it is not the only one. There was, for example, the peddling of the President's tax information, perhaps even a copy of the return itself, to a newspaper, which promptly reported that Nixon paid only a paltry tax for two years.

Whether the disclosure of his huge deductions and minuscule tax payments served a public good is not the point here. The point is that the confidentiality of his returns, a confidentiality he had a right to expect would be protected, was violated.

Confidentiality of returns frequently is violated, too, by congressional committees. They have little trouble getting returns for investigations of one kind or another, and the sieve-like quality that committee operations often have practically assures that any confidential material is soon going to show up in public print.

It seems that other units in the executive branch in addition to the White House have no particular compunction about ordering up tax returns for perusal. There was the instance in 1973 when the Department of Agriculture prevailed upon the President to authorize it to examine the returns of the nation's 3 million farmers.

There apparently was no evil intent; the department wanted to compile statistical information that it thought might be useful in making farm policy. Yet such a massive examination of returns by it, or any other governmental agency, would be a completely unjustified invasion of the rights of taxpayers to have their returns remain confidential.

Fortunately, the President rescinded the order after some congressmen found out about it and the press publicized it.

But the efforts of the Watergate White House to politicize the IRS have to be the ultimate in sheer gall and misuse of power.

The House Judiciary Committee has released a report detailing White House activities in this area that beggars the imagination. The President's men went after leaders of other parties, after financial contributors to political opponents, after tax-exempt organizations that they thought anti-Nixon, after unfriendly newsmen, after anyone who they thought impeded their politics or their policies.

It was so bad that one IRS commissioner charged in a sworn statement to Watergate investigators that the White House was trying to install a "personal police force" within the IRS hierarchy.

Probably other administrations have used IRS against political enemies, but surely not to the extent revealed in the House committee's report. And the argument that it has been done before doesn't make it any more palatable, and doesn't make it right.

Congress and the public ought to insist, through tighter laws or whatever else is needed, that this kind of political hardball with tax returns be stopped now before any other administrations are tempted to play it.

Disclosure of this abuse of power comes on top of the revelation a few months ago that the President himself used every loophole he and his tax advisers could find to lower his own tax bill, and that IRS let him get away with it until the pressure of Watergate and public opinion forced the agency to re-examine his returns and to assess an additional $465,000 in taxes and interest.

The American tax system depends on voluntary compliance by citizens.

The foundation of the system is the faith of taxpayers in its basic fairness and in the confidentiality of their returns. It would be unfortunate indeed if the disclosures of Watergate caused an erosion in that faith.

Mr. MONTOYA. Mr. President, I believe Mr. Hempstone's article describes very aptly one of the basic problems which we must solve. The loosely regulated passage of tax information from IRS to the FBI, the Executive, and the Congress itself must come under our consideration. We must be positive that sufficient protections are present and that citizen rights to privacy are preserved.

On July 18, 1974, the Senate passed legislation proposed by my distinguished colleague from Connecticut, Senator Lowell Weicker, to prevent anyone except the President or legally identified Justice and Treasury Department personnel from acquiring tax return information. Tax checks would continue to be made, but only in response to written Presidential requests. A record would then be kept.

I certainly supported that legislation, and am very disappointed that the amendment was eliminated in conference with the House. It is my understanding that the amendment was removed because the conferees did not feel the legislative vehicle was appropriate, not because they were in disagreement with the amendment. I am confident that the Senator from Connecticut will reintroduce his legislation and I will offer my support for that legislation when it is introduced.

I believe, however, that we must go even further by enacting legislation to tightly constrict the release of private and personal information found on a tax return. Within the next few weeks I plan to introduce legislation which would do the following things:

First. Prevent transmission of any tax return information to any person except those individuals appropriately designated by the Justice Department to receive tax return information for legitimate prosecutorial purposes, and make it a criminal offense for any such appropriately designated official to pass tax information to anyone else without prior written consent of the taxpayer involved.

Second. Prohibit the release of tax information to any part of the executive branch or to the Congress until receipt by the IRS of written consent from the taxpayer concerned. This means that prospective appointees or employees would have to agree to the release of tax information before a tax check could occur.

Third. Make it a criminal offense for any person in an unauthorized position to receive tax or other information taken from a tax return.

Mr. President, the new restrictions I am suggesting are badly needed ones. Establishing criminal liability for the transmission of tax information to those not authorized to receive it, coupled with criminal liability for the receipt of such information without authorization, puts definite and clear legal constraints on those who might be tempted, for whatever reasons, to seek loopholes in the law. The further requirement of written consent from the taxpayer provides a needed protection for individual privacy of tax information and projects against capricious misuse of the system by any official.

I have serious questions about the legitimacy of the tax check as a means of judging the fitness of a prospective employee or appointee, and I certainly feel that such a person should be entitled to knowledge that information about him is being released by the IRS. This goes to the very heart of the right of privacy which we seek to protect under our tax system.

In the course of the oversight hearing held by my subcommittee on June 12, 1974, I was able to discuss the matter of tax privacy with Commissioner Donald Alexander. Mr. Alexander is an excellent administrator and is widely acclaimed as an experienced tax lawyer. Beyond that, I am convinced that the Commissioner is an honorable man, and is deeply distressed by the current climate of mistrust surrounding the IRS.

In our dialog at the hearings we agreed that strong guidelines for and limitations on the release of sensitive tax information were essential steps in our effort to return trust in the system to the people. Existing restrictions are inadequate and even in some cases tie the hands of IRS officials. The present IRS administration has not been accused of wrongdoing, but they must struggle to overcome the cynicism which is prevalent as a result of the allegations of wrong doing by past IRS administrations. In addition, they are rightly concerned about the problems which will face future IRS personnel as a result of that growing mistrust.

Mr. President, there are several congressional committees which are concerned with IRS matters and tax problems. The work of each of those committees is important to our total tax system.

But unless we can stop the erosion of faith of the taxpayers of this Nation in the basic decency of the system, then no effort we make will really solve our tax problems. The voluntary taxpayer must have absolute belief that his privacy will not be invaded, that his rights will not be breached, and that his tax returns will be handled with scrupulous equity and fairness by the IRS personnel who receive them.

I believe that it would be helpful for all citizens to have the opportunity to read the testimony of Commissioner Alexander before my subcommittee concerning this serious problem. For that reason, Mr. President, I ask unanimous consent that portions of the testimony on political activities be inserted in the Record following my remarks.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Policy on Political Activities

Senator Montoya. I'm very concerned, Mr. Commissioner, about the complaints of harassment. I want to go into this further. You have read in the paper and heard on television, commentaries about the enemies' list and friends' list that have emanated from the White House to the Internal Revenue Service, and reports going back and forth with respect to enemies and certain concessions being made to friends of the White House. I'm concerned that the Internal Revenue Service has been used in the past. It has been used by the White House for political favoritism and political retribution. Can you tell this committee what your policy has been since you became Commissioner of Internal Revenue and what we can expect in the future to see that what has happened in the past does not reoccur?

Commissioner Alexander. My policy is, has been, and will be, that politics has no part in the Internal Revenue Service. Political views are irrelevant. Political activities will not be indulged in or permitted in any way.

No pressure has been brought upon me to start an audit, stop an audit, start any other enforcement process, or affect it in any way, since I have been in office, and none will be. If any were, I would not give in, in any way, to any such pressure. If I were ordered to, I would refuse to obey the order.

That's the policy of Internal Revenue and that will continue to be the policy of Internal Revenue. We have the largest and most difficult job in the world in law enforcement. The only way we can do this job correctly and well is to keep politics out.

Senator Montoya. May I say, Commissioner, that I commend you for the statement you have made. I know you mean it. I know you have the stamina and the will to carry it out. I know you are the kind of man who has the integrity and that you would rather resign than succumb to any such political pressure. That is what we have to assure the American people of. The Internal Revenue Service policy will be such that it will carry out the edict of Congress with respect to our tax laws and with justice for all. I am hopeful that those under you will do the same.

Commissioner Alexander. Mr. Chairman, I'm convinced that all of those in Internal Revenue share these views. I'm convinced that long after I'm gone, those having the responsibility for directing and managing will continue to share those views. We not only have to conduct our affairs properly and soundly for the present, but we have to do all we can to make sure we leave a proper legacy for the future. I'm doing my best to do just that. I will continue to do so as long as I am in office.

PROCEDURES TO DEFEAT POLITICAL ABUSE

Senator Montoya. What procedure have you set in motion to assure that this does not happen or that information can not be leaked to any other department of the executive branch, other than regular proceedings enunciated in the law?

Commissioner Alexander. There are several things. As to a possibility of abuse of our present procedures, what one does there is not only furnish leadership and example, but make it clear through constant reiteration in the field. We talk face to face with people in our field offices, as I have on numerous occasions. In no way can any of them permit our procedures to be abused. However sound a procedure is, if the people in charge of managing the enterprise want to abuse the procedure, it can be abused. That is not the history and attitude of this agency, and will not be its history and attitude in the future.

Since 1952, this agency has been managed by career executives. They are carefully trained and selected and men of complete integrity, like Bill Williams, on my left. There is no way, under management of people like that, that those seeking to abuse procedures could succeed, and our procedures, which involve frequent reviews and a diffusion of managerial authority, up to the commissioners' office, almost defy abuse.

Senator Montoya. But it has happened in the past.

Commissioner Alexander. In the past, efforts have been made to abuse these procedures, as I understand it.

Senator Montoya. Don't you think that there have been abuses in the past, as opposed to efforts to abuse?

Commissioner Alexander. You mentioned two things. One was the improper dissemination of information and the other, more general abuses—harassments, audits, and the like, sir.

As to the others, Mr. Chairman, I'm unprepared to say any such efforts were made as to harassment, audits, and this type. The Joint Committee report of December 20, 1973, found no evidence that the enemies were abused or treated any worse than taxpayers generally, or better, except for the fact they found certain prominent political people may have been treated better because Internal Revenue did not want to make an example of them.

DISSEMINATION OF INFORMATION/PROTECTING PRIVACY OF TAXPAYER INFORMATION

With regard to dissemination of information that should remain confidential, we have a continual problem. It is a continual managerial problem in enforcing the laws that now make it a crime for an Internal Revenue employee to disseminate taxpayer information improperly. We have a legislative proposal that Mr. Whitaker and I have been working on, which will further tighten up the laws with respect to confidentiality of taxpayer information. We need help from Congress.

I testified several times last year, and before the House Government Operations Committee, requesting just this. We need to perform our tasks wisely and well. We need, as we see it, to tighten up the law which now does not go as far as we think it should, in protecting the privacy of taxpayer information.

CASE OF LARRY O'BRIEN

Senator Montoya. I'm referring to the case of Larry O'Brien, where the White House was receiving information, and the conduit was the Assistant Counsel of Internal Revenue, Roger Barth. The information was going to the Secretary of the Treasury and in turn, to John Ehrlichman. You know about that, don't you?

Commissioner Alexander. Mr. Chairman, I'm aware of most of the facts involved in the friends and enemies list. I have some awareness of information being disseminated outside of normal Internal Revenue channels. This was discussed, to some extent, in the report I mentioned by the Joint Committee on Internal Revenue Taxation.

As to this, I think our procedures and our people are such that no such information is being disseminated outside normal and proper channels at this time. I have not received requests from the White House or anyone therein for tax information.

TAX CHECKS FOR PROSPECTIVE APPOINTEES

The White House asks us for tax checks on prospective appointees, which is proper. It has been done since 1961, or before. The White House has not asked me for tax information. If they did ask, in writing, under current law I would be required to respond.

Senator Montoya. Would you study the factuality to ascertain whether or not the White House was complying with the criteria set out in the law?

Commissioner Alexander. You can be sure, when a request for tax information comes into my office, or any other office in Internal Revenue, we review it very carefully. We review it in Mr. Hanlon's disclosure staff and in the Chief Counsel's office, before we respond, to make certain that that request is proper.

DOCUMENTATION OF TAX CHECK REQUESTS

Senator Montoya. Do you require a written memorandum be submitted?

Commissioner Alexander. We keep a record of each such request.

Mr. Hanlon. Yes, we document all requests for White House tax checks. These requests, numbering approximately 1,000 per year, are received from the FBI. While the vast majority are written requests some have been received by telephone. Our responses are directed to the FBI, which is our liaison on tax check matters.

Senator Montoya. Why not require a written request so the person requesting a check and the person for whom it is being requested for will have a memorandum and his signature on that memorandum so he will be chargeable with bad faith in case it does not prove out on subsequent analysis?

Commissioner Alexander. We will take that suggestion in mind to see whether present procedures with regard to tax checks are adequate.

Senator Montoya. This has been abused for many years. I'm concerned about what has been revealed in the Watergate hearings. Certain tax information was requested of Internal Revenue, and no memorandum has been produced, although it has been admitted that those requests were made by White House personnel.

Mr. Hanlon. When we talk about White House tax checks, we are discussing a pending Presidential appointment.

TAX CHECKS ON PERSONS ON ENEMIES LIST

Senator Montoya. I asked that same question in the Watergate hearings and received that same answer. Some of these people being inquired about for possible appointments appeared on the enemies list. That was the memorandum that the committee got hold of. You know what the enemies list was?

Mr. Hanlon. Yes, sir.

Senator Montoya. It was a list of people that should be checked for income tax violations.

Mr. Hanlon. Mr. Montoya, to explain the telephone requests, I would say most of these—the announcement was in the newspaper that Mr. So and So would be appointed to a position. We knew, within a few days, that this appointment was imminent. They were trying to expedite this request.

The 1,000 I mentioned directly relate to Presidential appointments.

EXPLANATION OF TAX CHECKS

Commissioner Alexander. Would you explain what is in a tax check?

Mr. HANLON. In a tax check, they want to find out if the taxpayer filed a tax return, if there is an outstanding tax liability on that taxpayer, if he's under audit examination, or criminal investigation. At no time do we transfer them the revenue agent's report of the examination or copies of tax returns. It is a matter of obtaining filing and payment information. This is all we transfer to the FBI.

Senator MONTOYA. I understand the normal tax check; I'm not referring to that. I'm referring to false requests made by the White House. They tried to justify the inclusion of those names on the enemies' list as an inquiry on these individuals to ascertain whether or not they should be invited to the White House. Some said the query was made for possible appointment. I cannot conceive that Daniel Shorr would be queried as to possible appointment when he was on the enemies list.

SEPARATION OF LEGITIMATE REQUESTS FROM POLITICAL REQUESTS

I'm making this point to make sure the Internal Revenue Service, in the future, separates the legitimate requests from political requests. What safeguards are you going to set in motion to make a judgment and separate the two?

Commissioner ALEXANDER. Safeguards would be hard to devise except in cases like those you described. This is where the person is clearly ineligible for the appointment. Even then, some appointments, I suppose, are surprising.

BUILT-IN SAFEGUARDS

One safeguard is built into what we transmit and what we do not transmit. Safeguards under a legislative change would be built in this way. No. 1, restrictions in the law on the information that can be supplied for a tax check. No. 2, who can request a tax check. No. 3, a written representation that a check is for its purpose. With safeguards like that, I think rights could be better protected in the event that anyone should try to abuse this particular procedure.

PROTECTION OF INFORMATION BEYOND THAT FURNISHED IN TAX CHECKS

More difficult to cope with is the information that goes beyond that furnished in a tax check. The Internal Revenue has a great deal of information about people, and because we have so much, we have great duty to preserve the privacy of that information and make sure that information does not fall into the hands of those who might misuse it. That information is given us for the purpose of administering the tax laws. Some statistical information must be supplied by the Internal Revenue to other agencies, such as the Census Bureau.

Senator MONTOYA. What's to stop the White House from going to another department and requesting the same information?

Commissioner ALEXANDER. The White House could go to another department. That department might inquire of us. In our proposed legislative change, we would put a burden on the other department to show why this information is necessary in the fulfillment of the responsibilities of that department or agency, and why it cannot be obtained elsewhere. We would also put a burden on them to safeguard the information. If we gave them a tax return, they would have to keep it under lock and key.

Senator MONTOYA. What about this situation? This information legitimately goes to a certain department or to the White House. What guarantee does that taxpayer have, once it gets there, that it will not be disseminated to other people in the White House, who should not have it, and then have them give it to outsiders?

Commissioner ALEXANDER. In that situation, I assume the information in question, as far as Internal Revenue was concerned, would be requested for an appropriate purpose, and properly requested in writing, by a duly authorized person. Under those circumstances, Internal Revenue would have an obligation to supply the information. Beyond that, it is possible someone outside Internal Revenue might abuse his or her office. Internal Revenue would be powerless to do anything.

Mr. MONTOYA. Mr. President, our hearings covered many other matters of taxpayer service and the general administration of IRS. I will make a further report to the Senate and the people on those other areas within a short period of time.

WEATHER RESEARCH

Mr. HUMPHREY. Mr. President, in a time when the world faces growing food shortages, there is an urgent need for long-range planning to alleviate these critical situations.

In the July–August issue of the Sciences, scientists attribute crop failure to climate change, and claim that the climate of our Earth is getting cooler. Unfortunately, "any climate change hurts most crops since they are tuned to the existing climate."

This article describes numerous advances which have been made in the field of climate research. With greater knowledge of future climatic events, as this article explains, "it is possible for Government decisionmakers to plan around future climate disasters, at least lessening their impact on mankind." Therefore, we must wholeheartedly support the continued study of the climate.

This is an interesting and informative article, and I commend it to the attention of this body.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE INTEMPERATE ZONE

(By George Haber)

Midway in his testimony to the Senate Subcommittee on Foreign Agricultural Policy, Reid Bryson was queried by Hubert Humphrey. "Have you any good news?" asked the Minnesota Senator, winning laughter from the gallery. Dr. Bryson had just made a prediction that was hardly optimistic: growing changes in the global climate will cause world-wide famine.

A meteorologist and Director of the Institute for Environmental Studies at the University of Wisconsin, Dr. Bryson believes that the Earth is moving toward an inevitable climate change; the consequences, he says, are already being felt—tragically—in the drought-plagued belt of West Africa called the Sahel. The global climate will become cooler, Bryson predicts, the pattern of rainfall will change, and a southward movement of the subtropical deserts will take place. Since rainfall and climate affect crop growth, since crop growth affects food supply, and since food supply affects life itself, Bryson's prediction may be of paramount importance to mankind.

The drought that has gripped West Africa since the late 1960s is just one reminder that climate cannot be taken for granted. There is little "green" on present-day Greenland but sedimentary remains, deep below the thick slab of ice that blankets four-fifths of the island, reveal the prehistoric existence of oak and chestnut trees and other forms of verdure. In northern Europe, deposits formed 40,000 years ago include fossils of palms and other plants associated with warmer climes.

Climate shifts have also moved in the opposite direction. Giant boulders indicate that perhaps 25,000 years ago, glaciers descending from the north covered much of the United States, burying what is now New York and San Francisco under thick sheets of ice.

With historical perspective, the nature of climate comes into clear focus. More difficult to determine, however, is whether shifts over recent decades, or even centuries, are harbingers of long-lasting change. Thus, few climatologists claim to be as certain of the future climate as Bryson. In a February *Fortune* article, he asserted that the era of benign climate (over the past few decades) was "the most abnormal period in at least a thousand years. Bryson maintained that the Earth is returning to the "Little Ice Age" of the sixteenth to the nineteenth centuries.

"Bryson wouldn't get a lot of agreement for his belief right now," Dr. Richard Somerville, research meteorologist with NASA's Goddard Institute for Space Studies, told me. "Then again," he added, "someone wouldn't have got a lot of agreement a few decades ago that atomic energy was possible, either." With the unprecedented drought in Africa and new temperature extremes and record floods in different parts of the globe, Somerville says, "We know the climate is changing." However, he maintains that forecasting is uncertain with the present state of climatological knowledge.

DUST IN THE GREENHOUSE

For years, laymen have been bombarded with contradictory visions of a future climate either warmer or cooler than the present one. Some prognosticators have cited the warming effect of increased carbon dioxide concentrations in the atmosphere. A product of the burning of such fossil fuels as oil, natural gas and coal, atmospheric carbon dioxide prevents the upward exit of thermal radiation from the Earth.

This so-called greenhouse effect, it is maintained, results in a warming of the planet's surface temperature. "The amount of carbon dioxide in the atmosphere continues rising by approximately 0.2 per cent a year," wrote M.I. Budyko, Director of the Voeikov Main Geophysical Observatory, Leningrad, in an October, 1972 issue of the American Geophysical Union's EOS magazine. "By the middle of the next century the growth of energy production could raise the mean air temperature by several degrees."

Others, like Bryson, see an inexorable cooling trend on the way. They point to the small airborne particles which reflect the Sun's rays as the source of the cooling. These particles are the product of volcanic action, dust storms and man's increasing technology and pollution.

The turbidity, or dustiness, of the air over Washington, D.C. increased 57 per cent in about 60 years, Dr. David M. Gates, Professor of Botany at the University of Michigan, Ann Arbor, told a 1968–9 environmental issues symposium at Yale University. And at a 1971 Stockholm symposium on man's impact on climate, Dr. Christian Junge of the Max Planck Institut fur Chemie, West Germany, declared that a 50 percent increase in turbidity from man-made sources would reduce the Earth's surface temperature by up to 1 degree C (2.5 degrees F).

If the aerosals presage cooler climate and the carbon dioxide warmer climate, won't the two trends simply cancel each other out? The problem, as Gates suggested, is that "it is extremely difficult to prove cause and effect with a giant hydrodynamic, thermodynamic machine as complex as the Earth's ecosystem of ground and atmosphere."

Many other variables must be taken into

account in considering the present and future global climate. These include clouds, oceans, surface moisture, and human alterations of the environment. The increased burning of fossil fuels and introduction of pollutants are only part of man's influence; wide-scale development or clearing of forests, building of reservoirs or drainage of marshlands may exert influences on global climate in ways that are not yet understood.

"The system that determines climate, whether on a regional or global scale, contains a variety of physical processes many of which are fairly well understood *individually,"* Drs. William W. Kellogg and Stephen H. Schneider, research meteorologists with the National Center for Atmospheric Research, Boulder, point out in a paper on "Climate Stabilization." "The biggest difficulties arise when we attempt to consider their interactions in nature, since these interactions create many feedback loops, some that would amplify a small disturbance and some that would damp it out. In consequence, our climatic system is a highly non-linear, interactive system that has defied a complete quantitative description."

CONSIDER THE VARIABLES

Some climatic variables—such as the aerosols—are harder to measure than others. As Joseph M. Prospero, a meteorologist at the University of Miami, told me, aerosols have such a variety of sizes, optical properties, and atmospheric residence times that their behavior defies analysis, let alone prediction. Like elementary particles, Dr. Prospero said, the aerosols seem to be governed by Heisenberg's Uncertainty Principle; the very act of placing them on a surface for measurement modifies their airborne, in-situ characteristics.

A recent study completed by Prospero and Dr. Toby N. Carlson of the National Oceanic and Atmospheric Administration's Environmental Research Laboratories found that dust from the African Sahel is traveling thousands of miles across the equatorial Atlantic Ocean and dramatically increasing the turbidity over Barbados, West Indies. The 1973 dust concentrations there were 60 per cent greater than in 1972 and 300 per cent greater than in 1968, the first year of the African drought. As a result, the marine atmosphere traditionally found over Barbados has been transformed into an urban-like haziness. In this case, the atmospheric "pollutants" are natural soil particles from a distant continent.

The researchers did not correlate the increased turbidity with temperature, but Carlson believes that the dusty layer, which has contributed to a 10 to 15 per cent reduction in the solar energy that reaches the sea surface, is altering the solar energy balance of the tropical Atlantic. Since this balance plays a crucial role in the world wind system and atmospheric circulation, a disturbance in it could wreak havoc on the global climate.

Atmospheric carbon dioxide concentration, another important variable, has received a great deal of publicity for its potential to cause a retreat of polar ice in the northern hemisphere. Evidence that the top of the world recently became warmer is not hard to find. "The recession of the northern glaciers is going on at such a rate that many smaller ones have already disappeared," observed Rachel Carson in *The Sea Around Us* (Oxford University Press, rev. 1961). The most rapid recession rate of all is that of Alaska's Muir Glacier, which receded more than 6 miles in 12 years.

In his *EOS* article, M. I. Budyko declared that the northern polar ice could "completely melt in the middle of the next century." He also believes that with the present rate of energy productive growth, a "substantial rise" in temperature will occur all over the Earth's surface by 2072, at the latest. Others are not so certain. NCAR's Stephen Schneider told me that he believes man "will produce a warming effect by the turn of the century," but maintained it is difficult to say right now how great that effect will be.

In 1971, Dr. Schneider and Dr. S. I. Rasool, then both with the Goddard Institute, found that after a certain increase in atmospheric carbon dioxide, temperature increases eventually level off. An eightfold increase in the carbon dioxide concentration—which is highly unlikely—would produce a surface temperature increase of less than only two degrees, the researchers found. Schneider emphasized that little is known of the precise relationship between the impact of carbon dioxide increases and that of the other variables—particularly clouds.

The extent to which clouds can modify climate was suggested by Syukuro Manabe and Richard T. Wetherald, research meteorologists with NOAA's Environmental Research Laboratories and National Weather Service, respectively, in an article in the *Journal of Atmospheric Sciences* in May, 1967. A doubling of the atmospheric carbon dioxide, they found, increased the surface mean temperature by 2.4 degrees C, but this increase could be canceled out by a 3 per cent increase in low clouds. The clouds could be formed by the ocean evaporation caused by humidity resulting from increased temperature. Thus, the cumulative impact of increases in atmospheric carbon dioxide on climate may be negligible.

Some researchers believe that other elements in climatic change have been neglected. One such element is the oceans. Water is a poor reflector, W. Lawrence Gates of the Rand Corporation, Santa Monica, points out in a paper in the company's twenty-fifth anniversary volume. Gates is leader of Rand's Climate Dynamics Project, a major goal of which is to learn whether the fluctuations of ocean temperature, among other factors, represent a basic climate control. The oceans may absorb from 90 to 92 per cent of solar radiation reaching the Earth, and thus act as "a vast thermal reservoir," Dr. Gates wrote.

Some climatologists regard the oceans as the key to climatic change. J. Murray Mitchell, Jr. of NOAA's Environmental Data Service told me that the thermal reservoir may return the heat it has absorbed decades or even centuries later. This potentiality makes the oceans a check on what such prognosticators as Bryson view as an inexorable cooling trend.

A GATHERING OF DATA

In the past, one of the major handicaps of researchers seeking to understand global climate has been a lack of highly sensitive measuring instruments—some atmospheric gases exist only in fractions of a part per million or even per billion. Not until the 1960s was suitable carbon dioxide monitoring equipment available. With the realization of the critical importance of empirical climate data, new equipment is being developed and new data-gathering programs initiated.

One such program is being conducted by the Environmental Research Laboratories Air Resources Laboratories. Called the Geophysical Monitoring for Climatic Change program, it is one of the first efforts to measure climate-related variables on a global, long-term basis. So far, four observatories have been established—in the Arctic Circle, the Antarctic, the South Pacific and Hawaii—and two others will be in operation by 1977.

Each observatory is measuring a wide array of environmental parameters: temperature, humidity, precipitation, pressure, surface winds, whole-sky and direct solar radiation, atmospheric carbon dioxide and ozone concentrations, turbidity, various types of aerosols, and carbon monoxide and Freon-11 concentrations. A minicomputer will be used in gathering and processing what may amount to some three million signals per observatory per day.

Thus far, Walter D. Komhyr, Chief of the program's Techniques and Standards Group at Boulder, told me, the Hawaii and South Pole observatories have found that over the past 17 years, the rate of carbon dioxide increase in the atmosphere averages out to under 1.2 parts per million per year; this rate of increase appears to fluctuate from time to time.

Another important climate monitoring program conducted by the Air Resources Laboratories concerns the ozone layer in the stratosphere, that region of the atmosphere about seven to fifty miles above the Earth. Ozone concentration has increased in the past decade, possibly a good sign because the ozone layer absorbs the Sun's harmful ultraviolet radiation. At a symposium in Stockholm three years ago, Dr. Lester Machta, Director of the Air Resources Laboratories, noted that a reduction of only one-tenth of one per cent in ozone would be significant in producing skin cancer.

Concern over the stability of the ozone layer stems from the fact that a fleet of high-altitude aircraft, projected for 1990, would emit increasing amounts of the pollutant nitric oxide, which could destroy part, if not all, of the ozone layer. These fears were allayed somewhat by recent unprecedented measurements of the amount of nitric oxide already in the air. In an article in NOAA this April, Machta reported that levels of the gas are lower than had been predicted.

So numerous are the individual variables of the climatic equation that existing mathematical models have been unable to handle them adequately. Rand's Climate Dynamics Project is centered on mathematical modelling. Dr. Gates told me that in the past, the volume of numerical experiments had been restricted by computer limitations. This year, the project will gain access to the high-speed, high-capacity Illiac IV computer at NASA's Ames Research Center near San Francisco.

The computer will allow researchers to calculate the effects of a wider range of variable climatic influences over longer time periods. Gates, however, is not overly optimistic: "A change of one or two degrees has an important effect on agriculture, but we're not sure we can predict with this accuracy."

Other climatologists are even less enthusiastic about just how much they expect any model to yield. Reid Bryson, for one, does not put much stock in model studies of climate. Instead, he told me, he bases his conclusions on "field evidence"—the character and consequences of climatic variations of the past and present. In an article in the May 17 Science, Bryson bemoaned "a dearth of discussion of climatic change from an historical perspective."

Dr. Mitchell of the Environmental Data Service also has reservations about the role of models in climate prediction. "Models can account for general patterns of world climate, given known conditions such as sea surface and the limit of ice cover in the oceans," he told me, "but they provide little insight into why climate fluctuates."

Mitchell believes that climate change is a random matter. Although "a large degree of randomness" may inhere in climate change, NASA's Richard Sommerville told me, this should not lead investigators to conclude that no aspect of the future climate is predictable. "Some large component of climate may be very predictable," he said, although climatologists don't yet know what that component is.

THE NEED FOR KNOWLEDGE

The study of climate is clearly a precarious enterprise at present. In light of this situation, does it help to be overly concerned with what will happen? Dr. Schneider believes it does. "You can't say that just because the models aren't certain and the theories aren't certain, there's no problem," he told me.

"Any climate change is bad in the short run since most crops are tuned precisely to the existing climate. The high-yield 'miracle crops' of the Green Revolution, used extensively in tropical and sub-tropical parts of the world, are very sensitive to an optimum set of environmental parameters. A small change in rainfall patterns could be a disaster for mankind if it reduced crop yield even one per cent, and adequate food reserves were not available."

How great the disaster could be was suggested by Reid Bryson in his testimony before the Senate Subcommittee. Around the turn of the century (the tail end of the Little Ice Age), he said, severe droughts affected India and other countries every two or three years. As warmer climate prevailed, "the deserts moved northward" and the monsoons failed "only about once every eighteen years."

But starting in 1940, said Bryson, the polar whirl of cool air called the circumpolar vortex began to expand. With expansion came cooler climate on a wider scale, and a southerly movement of subtropical high pressure, or desert, areas. For India, these trends have meant a greater frequency of severe droughts in the last thirty years. "But the critical fact," Bryson declared, "is that now they have four times as many people to feed as they had at the turn of the century."

Climatologists may be unsure of many of the causal factors in climatic change, but of several things they are certain: the climate is changing and the need to find out why and in what direction is growing more urgent. "Although our ignorance of the forces controlling climatic changes should make us cautious in projecting future climates," says Dr. Gates of Rand, "time may be short, and the stakes are certainly very high."

If scientists were able to predict future climate, it is doubtful that anything could be done to change the course of climatic events. "There is no way right now that we can control the climate to make it more benign." Reid Bryson told the Senate Subcommittee. "There is no way that technology at this point in time can change the climate and turn back what nature is doing."

However, it is definitely possible for governmental decision-makers to plan around future climate disasters, at least lessening their impact on mankind. Continued research, Rand's Dr. Gates believes, will lift the veil from the hidden aspects of what makes our climate go and will enable us to discern where it is going. With this insight, the international community may be able to marshal its resources for the colder—or warmer—future.

A VERY LONG RANGE FORECAST

Most climate forecasting at present is geared toward predicting the climate at the end of the twentieth century, using such variables as carbon dioxide or aerosol concentrations. Taking another tack, three investigators at the University of Chicago have used the sole factor of continental drift to account for what they predict the climate will be like 50 million years from now.

Greg Forbes, a graduate student in meteorology, working with meterorologist Dr. Theodore Fujita and geologist Dr. Alfred M. Ziegler, mapped out long-term global climate on the basis of where the continents may be in the distant future. Geologic evidence indicates that millions of years ago the vast land masses were in locations different from their present ones. Assuming the speed of movement and direction that have prevailed thus far, the researchers predicted the position of the continents in the year 50,001,974. Whether this forecast is more or less accurate than the climatological ones themselves, only time—and plenty of it—can tell.

The map they produced shows that the northward movement of the African continent will reduce the width of the Mediterranean Sea, eliminating its present role as a weather buffer against the cold Asian air mass; as a result, sunny Italy, among other southern European countries will be considerably colder. The shift of continents, Fujita predicts, will generate a new tornado corridor in the center of the Europe-Asia land mass.

There, tornado conditions will be similar to those now prevalent in the U.S. midwest. But the Pacific Ocean will have fewer typhoons because Australia will have moved northward into the ocean area where the storms now originate. Perhaps the most dramatic change the researchers predict is the widening of the Atlantic, which will extend the northern reaches of the Gulf Stream, melting the north polar ice cap and bringing warmer temperatures to eastern Greenland, Iceland and northern Europe.

Why was such a long-range date selected as target for the prediction? Forbes told me he believed it would take at least that long for the movement of the vast land masses to make their climatological mark. But a colleague gave another reason: "We wanted to make sure nobody'd be around to check up on us."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If there is not, morning business is now concluded.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the unfinished business, S. 707, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

The Senate resumed the consideration of the bill.

RECESS UNTIL 2 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:16 p.m. the Senate took a recess until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATHAWAY).

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the following bills:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky;

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez;

H.R. 5667. An act for the relief of Linda Julie Dickson (nee Waters); and

H.R. 7682. An act to confer citizenship posthumously upon Lance Cpl. Federico Silva.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY

The Senate continued with the consideration of the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Consumer Protection Agency, and to authorize a program of grants, in order to protect and serve the interests of consumers and for other purposes.

Mr. CLARK. Mr. President, over the past several years, the American consumers have become increasingly skeptical and concerned as a result of their inability to adequately express their views and air their grievances. Unanswered complaints, faceless computers, the shrinking dollar, and misleading advertising techniques continue to plague the consumer and make everyday life more difficult. The sad tale of the regulating agencies that become captives of the regulated has repeated itself all too often—and inevitably at the expense of the consumer.

It is becoming increasingly clear, then, that there is a compelling need to give the consumer a more equal voice in the work of regulatory agencies and other institutions which affect the consumer. While a number of consumer aid programs currently exist, they are often diffused, they lack adequate authority, and they do not effectively represent the consumer. In the name of economy and efficiency, then, the concept of the Consumer Protection Agency was born.

Many people have stated that the ACA—which in name has replaced the CPA—bill will establish a new, monstrous "umbrella" bureaucracy, unnecessary in light of the number of consumer aid programs which currently exist. Actually, the bill is a compromise which provides for an agency to gather information and represent legitimate consumer interests before the various Government regulatory agencies. It could obtain consumer information directly from businesses to publicize hazards and serve as a clearing house of consumer complaints and request enforcement actions by other agencies. The ACA itself would have no regulatory powers whatsoever, and it would be subject to the rules and regulations of the existing agencies. Its function is to represent arguments, not make decisions.

Mr. President, this approach offers the best opportunity to insure that legitimate consumer interests are aired along with other views so that the best decision can be reached fairly and efficiently. The agency would be beneficial to the legitimate businessman who provides quality merchandise to his customers because it would bring to task those few unscrupulous businessmen who profit at the expense of the consumer. No honest businessman who tries diligently to provide adequate products and services need fear this legislation.

That is why the bill commands such widespread support. In addition to the unanimous support of the various consumer groups and Virginia Knauer, Consumer Adviser to the President, the American Bar Association, the American Trial Lawyers Association, and business representatives ranging from Motorola, Montgomery Ward, and Business Week magazine support this bill. A New York Times editorial of July 16, 1974, cogently summarizes the basis for support, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. Mr. President, the ACA can have a significant impact on the fight against inflation, because the ACA administrator will have the authority to appear before the respective agencies on behalf of the consumer and argue the consumer's case for lower prices. The problem of the price spread in food prices is a good example of how that might work. The price spread, of course, is the difference between what the farmer is paid for his product and what the consumer pays for it. This spread has grown consistently larger over the last year, and there is no indication that the trend will be reversed.

The 46 cents the farmer was receiving out of the food dollar in 1973 had dropped to 42 cents earlier this year—and it is expected to drop even further. But the consumer would never know that according to an Agriculture Department study earlier this year, the retail price of bread increased by 2 cents over a 4-month period at the same time the farm value of the bread ingredients dropped by 2 cents. The difference went to the middlemen—there was no savings for the consumer.

The same phenomenon extended to other food prices as well. As John Hightower noted in an article earlier this year.

> The Federal Reserve Bank of Chicago said in its May 31 agricultural letter that "the available evidence suggests that higher profits have contributed to the widening farm-to-retail price spreads." That conclusion is supported by Business Week magazine figures showing that in the first three months of this year, the largest food retailers had profits that were 59% higher than a year ago, even though their sales were up just 14%.

When farm income drops month after month, but the consumer continues to pay higher and higher retail prices, something is wrong. When businesses are hurt, they appeal directly to the appropriate regulatory agency or the Congress for assistance. The consumer should also have the ability to hold the attention of the proper authorities, and the APA will give that ability to the consumer.

The Federal Trade Commission is investigating the price spread in food prices. We can be sure that the arguments and evidence most favorable to the Grocery Manufactures of America and the National Association of Food Chains will be more than adequately presented to the Commission. This ACA bill would merely guarantee that some adequate representation for the consumer would be provided for, so that the FTC has access to all the facts. To insure that the APA can effectively fulfill this function, it will have the authority to subpena information directly from the middlemen to pinpoint the impact of their economic decisions on the consumer and guarantee that such relevant information is bought within the scope of the Commission's inquiry. And, if policy decisions are ultimately made which unfairly ignore the consumer vantage point, the administrator can appeal those decisions in the courts in the same manner businesses can appeal them right now. It is only fair that both consumers and businesses have equal treatment, and these provisions of the APA bill will help correct these historical inequities. In this way, the consumer protection bill can be an effective tool in fighting inflation.

Even with the ACA the consumer will still be at a disadvantage. The petroleum institute, for example, has an annual budget of over $17 million at its disposal to present its case before a few select agencies; the ACA will have less money than that to represent the consumer on a wide range of issues at all levels of government. But at long last, the consumer argument can be made and the agencies can better analyze the merits of the issues. That is all this bill really attempts to do: present all the relevant facts before the proper authorities in the hopes that the traditional adversary system, which has served us so well in the judiciary, can be brought into play in the vital decisions made by the regulatory agencies.

Mr. President, the ACA is one of the most creative legislative proposals in years. It is not just another Government bureaucracy or Cabinet post created to solve an urgent problem; rather, it is a limited response devised to get the facts. But in my judgment, this limited vehicle will be the most effective vehicle yet to insure that consumer interests are aired. The Senate owes the American people a vote on the merits of this proposal, and I sincerely hope that my colleagues will not allow another filibuster to kill this vital legislation.

The issues on both sides have been raised. The arguments have been made. If the bill deserves to be defeated, it should be defeated on its substantive contents—not on obstructionist ploys. That is the democratic process. Let us stop debating and vote for this bill.

EXHIBIT 1

CONSUMERS' VOICE

For the third time in four years the Congress is attempting to create an institutional voice for consumer interests in Washington, to balance the well-organized activities of business lobbies and trade associations. Only the prospect of a filibuster, perhaps starting today, seems to stand between this much-needed legislation and Senate passage, following last April's overwhelming approval by the House of Representatives.

The bill would create a Consumer Protection Agency, a relatively small bureau whose function would be to present the consumer viewpoint in hearings and other proceedings before Federal regulatory agencies. It would have no regulatory power of its own.

In any administrative procedure, the presentation of adversary voices is the best guarantee against domination by one or another vested interest, "Consumers" are no monolithic or exclusive bloc of society, any more than is "business." Yet for too long an imbalance has existed in Washington that allowed the business-financed trade organizations to present their viewpoints on any issue pending in regulatory proceedings, without an equally coherent and informed presentation of how decisions might affect consumers. The Consumer Protection Agency is aimed at correcting this imbalance, not at imposing a veto power or superagency control.

In 1972 similar legislation passed the House, but was filibustered to death in the Senate. The leader of that filibuster, Senator James B. Allen of Alabama, has signaled his intention of trying to repeat his previously successful obstructionism. But this issue cannot be allowed to fail once again on a procedural ploy; the Senate owes the electorate a straightforward vote on its merits.

Mr. GOLDWATER. Mr. President, I listened with a great deal of interest to the comments that have just been made, because I want to address myself very briefly in opposition to the consumer bill.

I hear that another cloture motion will be filed this afternoon, and this seems rather unusual to me. I have checked up on what this so-called filibuster amounts to.

I might say that the term "filibuster," as I learned it here years ago, meant almost around-the-cleck sessions in an effort to wear out the opposition. We commenced consideration of the consumer bill on July 16. Since that time, the Senate has been in session 12 days—it will be 14 days—and a total of approximately 90 hours. The consumer bill has been before the Senate for varying periods of time for 9 of those days. Fourteen amendments to the bill have been considered in that time, and two cloture votes have been taken.

During the period of time the consumer bill was not before the Senate, 39 other bills, including 4 appropriations bills, have been acted on. Also, a number of conference reports were disposed of in that time.

The number of hours a consumer bill has been before the Senate since July 16 is not available from the Senate records.

I make those comments, Mr. President, to point out that we have not been engaged in a filibuster. We have actually gotten a lot more work done in this last 2 or 3 weeks than we have in comparable times before that. So, as one who learned what a filibuster was the hard way, I have to deny that we are engaged in a filibuster at the present time.

In fact, this is the first time that I have spoken against this proposal, and I had not intended to until we were forced to by these repeated cloture votes. I think it is becoming very obvious that as the American people get wise to the consumer bill they do not want it.

In fact, one of the surprising things to me is that, reading the records, I cannot find anyone who appears in favor of it from the business community.

The answer may be that, naturally, business does not want to be more encumbered by the Federal Government, and, Mr. President, I can tell you they do not. I have often told people that the reason I got into politics at the national level was precisely this reason. When I came back from World War II, I found people on my payroll who did not contribute 1 cent to the profit of the corporation. That is the whole name of the game in this country, to make money out of a business. These people were employed to keep my brother and me out of trouble because we might inadvertently violate a regulation or a rule set up by a Federal bureau.

This consumer bill has a lot of political sex appeal to it, but I can tell you, Mr. President, as a man who has engaged in business—although I am no longer in business or interested in the firm, although it does carry my name—that the more we encumber American business with Federal regulations, the less productive it becomes.

One of the major problems facing the American enterprise system today is that we are slowly but surely socializing the whole thing. Others may not like that term. Let me use "federalizing." It means the same thing.

There is talk about too big a spread between what the farmer gets and what the grocery man gets. We never hear about all the demands made by consumers for better packaging, for less fat here and there, for better marketing, for better pricing. Those things are part of the problem of doing business.

Mr. President, I have with me two volumes of a manual of Federal trade regulations affecting retailers. Mind you, this is for just the retailer. These affect the big merchant, the middle merchant, the small merchant, the family store on the corner, wherever it may be. I am going to ask to have these put in the RECORD, just the index, after I have finished.

Mr. President, I want to give Senators some idea of what every retailer in America today is faced with. There are 20 pages, just of a listing of the laws that I speak of. Of course, there are the antitrust laws, then the statutory provisions of the antitrust laws, the compliance with enforcement of antitrust laws, price discrimination and the Robinson-Patman Act, advertising, and promotional allowances under Federal Trade laws.

Here is an area that I feel can stand some cleaning up. But the law is already there. Not only the law, but the responsibility of a newspaper or a radio station or a television station to have some responsibility, some honor with respect to matters about which they advertise.

I sit here sometimes on a Sunday in the winter, and I watch land being advertised by prominent athletes, land in my State of Arizona, showing a picture of lakes, streams, trees on ground that is so dry and barren that the jack rabbits carry canteens.

Now, there is no reason that this television station has to do that. It is just the buck in it. We have tried to get laws to prevent that; we cannot.

I read in a newspaper yesterday that someone selling carpets has been called on the carpet—if Senators will pardon the pun—because they advertised one thing: "Come in and cover two rooms or three rooms of your house for, say, $189." When the customer walks out with the bill, it is $400 or $500.

Those things can be controlled under many local ordinances and communities under straight laws, and particularly can be controlled by the media, the TV, radio, and newspapers and magazines paying more attention to what they advertise.

I must admit, we see a lot of phony, crooked advertising today. I would call on the advertisers and the proprietors and the media displaying those ads to do something about it. We have many laws under the cover of advertising and promotional effects in retail. We have a retail pricing under the Federal Trade Commission Act.

We have exclusive franchises and refusals to deal; monopolies, price fixing, and other trade restraints under the antitrust laws; resale price maintenance, fair trade, deceptive advertising, and other mispresentations under the Federal Trade Commission Act; analysis of the Textile Fiber Products Identification Act.

I might explain that, Mr. President, in case you do not understand what it is. If your wife goes to a store looking for a coat and she finds two that she likes, but she is not sure you are going to like them—not that it makes any difference in the long run, I might say—she would take them out on approval. Both of those coats, if they happen to be wool, would have a tag explaining the content of wool in that coat, and many other tags by this time. She naturally would remove those tags, because they would not be attractive when she wore them before you.

Then, you did not like either one of them and she respected your judgment, so she took them both back. The storekeeper inadvertently, through no fault of his own, forgot to put the tag back on. The poor man could go to jail or be fined for $10,000 for a supposed mistake over which he had no control.

This is the kind of thing that the small businessmen of America really resent, the fact that they have to pay so much of their money, so much of their profits to the Federal Government in a roundabout way to enforce the rules and regulations that have been promulgated—not by the Congress, but by the bureaus set up by the Congress; and then, added to that, laws that the Congress has actually passed.

We have Federal Trade Commission guides for shoe labeling and advertising. That is the only thing I never sold in my life, a pair of shoes—a pair of shoes and a brassiere. Those are the only two things I never sold; not that I have any resistance to it; I just could not do it right.

To have laws covering how one is going to handle the sale of a pair of shoes, to me, is ridiculous. Yet we are going to go right into the same type of thing under the rather appealing title of consumer protection. I know the housewife says, "Oh, I am going to be protected. I can run down town to the local office of the Consumer Protection Agency, and I can go down to Jones' store, and I can get him in trouble." And Jones knows that.

It is just like malpractice among doctors; it has gotten to be a sort of racket. I do not mean malpractice as between doctors, but a doctor being able to be sued for malpractice, in many cases by patients who literally set themselves up for the purposes of making that suit.

It will be the same way if this consumer act is passed. We will have Government investigation and litigation under trade regulation laws, restrictions under the Flammable Fabrics Act, the Fair Packaging and Labeling Act—Mr. President, as I say, I could go on for 20 pages. I ask unanimous consent that this entire index, in its proper order because it is out of order now, be printed in the RECORD at this point.

There being no objection, the index was ordered to be printed in the RECORD, as follows:

CHAPTER I—THE AUTHORITY OF THE FEDERAL GOVERNMENT TO REGULATE THE RETAIL TRADE

Page
(100) Introduction to the antirust laws 1
(150) Statutory provisions of the antitrust laws 1
  (152) Introduction 1
  (155) The Sherman Act 1
    In general 1
    The provisions 2
    Retail application 2
  (158) The Clayton Act—Robinson-Patman Act 3
    In general 3
    The provisions 3
    Retail application 4
  (159) The Federal Trade Commission Act 4
    In general 4
    The provisions 4
    Retail application 5
(180) Compliance with and Enforcement of the Antitrust Laws 5
  (182) Introduction 5
  (184) Department of Justice 5
    In general 5
    The procedures 5
    Retail application 6
  (186) Federal Trade Commission 6
    In general 6
    The procedures 7
    Retail Application 7
  (188) Private persons 7
    In general 7
    The procedures 7
    Retail application 8
(190) Conclusion 8

CHAPTER II—PRICE DISCRIMINATION AND THE ROBINSON-PATMAN ACT

Page
- (200) Introduction 10
- (210) The Elements of a Seller's Violation 10
  - (214) The Statute 10
  - (216) Jurisdictional Requirements 10
    - Requirement of "Sales" 11
    - "In Commerce" 11
    - Commodities of "Like Grade and Quality" 11
    - Contemporaneous Sales 12
  - (218) The Prohibition Section 2(a) of the Robinson-Patman Act 13
    - Discrimination in Price 13
    - Different Purchasers 14
    - Effect on Competition 15
      - Competition on the Seller's Level 16
      - Injury to the Customer's Competition 16
      - Injury to the Competition of the Customers of the Buyer 17
- (250) Defenses to a Price Discrimination Charge 17
  - (252) Cost Justification 17
  - (255) Good Faith Meeting of Competition 19
  - (258) Availability of Discount 20
- (280) Section 2(f)—The Buyer's Liability for Receipt of Discriminatory Prices 21
  - (282) The Language of Section 2(f) 21
  - (285) Enforcement of Section 2(f) 21
    - General 21
    - The Automatic Canteen Case 21
    - The Trend of Decisions—Buying Cooperatives 22
- (288) Conclusion and summary 22

CHAPTER III—ADVERTISING AND PROMOTIONAL ALLOWANCES UNDER FEDERAL TRADE LAWS

Page
- (300) The Governing Provisions of Law 28
- (320) The kinds of business practices involved 29
  - Applicability of section 2(d) or 2(e) 29
  - "Tri-partite" arrangements 30
  - Applicability of section 2(a) or 2(d) 31
- (350) Elements of a Violation 32
  - (352) In general 32
  - (354) The interstate commerce element 32
  - (355) The element of competing customers 33
    - Geographical competition 33
    - Functional competition 34
    - Chronology as a factor 35
    - Summary 35
  - (358) The element of "like grade and quality" 36
  - (359) The element of availability on "proportionally equal terms 36
    - Availability 36
    - Proportionalization 38
- (380) Additional Elements Required to Hold the Buyer in Violation 39
- (390) Conclusion 41

CHAPTER IV—RETAIL PRICE ADVERTISING UNDER THE FEDERAL TRADE COMMISSION ACT

Page
- (400) Introduction 44
- (410) Historical Background 44
- (420) The Legal Rules: The FTC's Revised Guides Against Deceptive Pricing 45
  - (421) Guide I Comparisons with Own Former Price 46
  - (422) Guide II Comparisons with Prices Charged by Others 46
  - (423) Guide III Comparisons with Prices Established by Manufacturers 47
  - (424) Guide IV "Free" Goods 48
  - (425) Guide V Miscellaneous Practices 48
- (440) Effect of the Revised Guides on FTC Orders, Cases and Investigations 49
- (490) Compliance by the Retailer 51
  - (491) Responsibility 51
  - (492) Education 51
  - (493) Documentation 51
  - (494) Surveillance of Competitors 51
  - (495) Advisory Opinions 52

CHAPTER V—EXCLUSIVE FRANCHISES AND REFUSALS TO DEAL

Page
- (500) Introduction: Economics of an "Exclusive" Line 55
- (520) The Applicable Statutes 55
- (530) Enforcement of Statutes 56
- (550) The Legal Relationship Between the Buyer and Seller 56
  - (552) The "Single Trader" Doctrine 56
  - (555) "Requirements" Contracts 56
- (580) Legal Principles Applicable to Exclusive Dealings and Refusal to Deal 57
  - (582) Agreements Granting Exclusives to a Single Retailer 57
    - Economic justifications for "Confinements" 58
    - Dangers in confinements of numerous items 59
    - Dangers of shifts in distribution 59
    - Dangers of confining "Unique" Merchandise 60
  - (584) Express or implied agreements to refuse to deal with particular outlets 60
    - Individuals vs. group action 60
    - Dangers of confinement based on price maintenance or other antitrust violations 61
    - What "Combination" cases mean to retailers 62
    - Things to watch in confinements coupled with antitrust violations 63
    - Threat of Federal Trade Commission action against "combinations" 63
  - (586) Agreements to deal with a particular supplier 63
    - Types of agreements involved 64
    - Legal principles generally applicable to tying arrangements 64
    - Legal principles generally applicable to requirements contracts 64
    - Possible exceptions for franchise relationships 65
- (590) Conclusion 66

CHAPTER VI—MONOPOLIES, PRICE FIXING AND OTHER TRADE RESTRAINTS UNDER THE ANTITRUST LAWS

Page
- (600) Agreements and Understanding in Restraint of Trade 69
  - (605) Conduct Which is "Per Se:" Illegal 70
    - (605.1) Horizontal Price Fixing 70
    - (605.2) Vertical Price Fixing 70
    - (605.3) Allocation by Competition of Customers, Markets and Territories 71
    - (605.4) Group Boycotts 71
    - (605.5) Vertical Allocation of Customers, Markets and Territories 71
  - (606) Conduct Within the Rules of Reason 72
    - (606.1) Tying Agreements 72
    - (606.2) Requirements Contracts and Exclusive Dealing Agreements 72
    - (606.3) Reciprocity 72
  - (608) Monopolization 73
  - (609) Attempts and Conspiracies to Monopolize 73
  - (610) Retailer Liability for Restraints of Trade and Monopolizing 74
- (620) Application of Doctrine to Trade Association Activity 74
- (630) Mergers and Acquisitions 76
  - Purposes Sought to be Accomplished by Amended Section 7 76
  - Application of Section 7 76
  - Application of Section 7 to Retailing 77
- (650) Conclusion 79

CHAPTER VII—RESALE PRICE MAINTENANCE—FAIR TRADE

Page
- (700) Introduction 82
  - (702) "Resale Price Maintenance Defined 82
  - (705) "Fair Trade" Defined 82
  - (708) "Price Fixing" Defined 83
- (710) Fair Trade—Pro and Con 83
  - (712) Fair Trade: Pro 83
  - (715) Fair Trade: Con 83
- (740) Historical Background of Fair Trade 84
  - (742) Types of Legal Prohibitions on Establishing Prices At Retail 84
  - (744) Practical Use and Limitations of Resale Price Maintenance 84
  - (746) The Dr. Miles Case 84
  - 748) Early Forms of Fair Trade Legislation 85
- (760) Fair Trade Legislation 85
  - (761) California Enacts First Fair Trade Act 85
  - (763) The "Nonsigner" Clause in Fair Trade Contracts 85
  - 765) Fair Trade in the '30's and '40's 86
  - (766) "Fair Trade" Sustained by the U.S. Supreme Court 86
  - (767) Miller Tydings Act 87
  - (769) Price Fixing and Its Relation to Fair Trade 87
- (770) Fair Trade Tested in State Courts 88
  - (771) Fair Trade "Nonsigner" Clause Invalidated by Florida Courts 88
  - (772) Supreme Court Rules on "Nonsigner Clause: Refuses to Extend Fair Trade Contracts to Nonsigners 88
  - (774) The McGuire Act Enacted 88
  - (775) Effect of Discounting on Fair Trade Litigation 89
  - (776) Status of Fair Trade in the '60's 89
  - (777) Federal Government Acts to Limit Scope of Fair Trade 89
  - (779) Current Developments in Fair Trade 90
- (780) Requirements for Fair Trading 90
  - (781) The Types of Goods Eligible 90
  - (782) Applicable Prices Under Fair Trade 90
  - (783) Commodities Must Be in "Free and Open" Competition 90
  - 784) Requirement of a Contract 91
  - (785) How Fair Trade is Enforced 91
  - (786) Statutory Exemptions from Fair Trade 91
  - (787) Trading Stamps and Fair Trade 91
  - (788) Other Fair Trade Requirements 92

CHAPTER VIII—DECEPTIVE ADVERTISING AND OTHER MISREPRESENTATIONS UNDER THE FEDERAL TRADE COMMISSION ACT

Page
- (800) Introduction 97
  - (810) Boundaries of Federal Trade Commission Jurisdiction 97
- (820) False and Misleading Advertising 98
  - (821) Determining the Meaning and Truth of an Advertisement 98
  - (822) Business and Trade Status 99
  - (823) Product Claims 100
  - (824) Comparisons 101
  - (825) Bait Advertising 101
  - (826) Use of the Word "Free" 101
  - (827) Guarantees and Warranties 102
    - In General 102
    - Pro-Rata Adjustment Guarantees 102
    - "Satisfaction or Your Money Back" 102
    - "Lifetime Guaranty" 102
    - "Savings Guaranties" 102
  - (828) Origin of the Product 103
  - (829) Unsolicited Merchandise 104

CHAPTER VIII—DECEPTIVE ADVERTISING AND OTHER MISREPRESENTATIONS UNDER THE FEDERAL TRADE COMMISSION ACT—Continued

Page
(840) Lotteries 104
Key Plans 105
Drawings 105
(850) Trading Stamps 105
(860) Push Money 105
(870) Price Advertising 106
(880) Credit 106
(890) Conclusion 106

CHAPTER IX—FEDERAL LABELING LAWS AND REGULATIONS

Page
(900) Historical Background of Labeling Laws 108
(910) Legal Background of Labeling Laws 108
(920) Analysis of the Fur Products Labeling Act 110
(920.1) Scope of the act 110
(920.5) Intent of the act 110
(920.10) Labeling of Fur Products 110
(920.11) Required Information on Labels 110
(920.12) The Labels Themselves—Size and Type of Label 110
Manner of Disclosure 111
(920.15) Responsibility for Labeling 111
(920.20) Guaranties 111
(920.25) Guaranties and the Responsibility for Labeling by Retailers 111
(920.30) Substitution of Labels 112
(920.35) Exempted Fur Products 112
(920.40) Disclosure of Country of Origin—Imported Furs—Domestic Furs—Manner of Showing Country of Origin on Labels 112
(920.45) Special Rules Applicable to Labeling of Fur Products—Use of Terms in Conjunction with "Lamb"—Describing Furs by Breed Names Prohibited—Fur Products Composed of Pieces—Used or Damaged Furs—Second-Hand Fur Products—Repairing, Restyling and Remodeling Fur Products for Consumers—Labeling of Ensembles and Pairs—Fur Products Containing Non-Fur Materials—Samples—Sectional Fur Products 113
(920.50) Invoicing of Furs and Fur Products 114
(920.55) Advertising of Furs and Fur Products—In General—Advertising a Group of Furs—Institutional Advertising—Deceptive Pricing 114

(930) Analysis of the Textile Fiber Products Identification Act 115
(930.05) Scope of the Act 116
(930.10) Articles Covered Under the Textile Act and Regulations 116
(930.15) Articles Exempt Under the Textile Act and Regulations 117
(930.20) Responsibility for Labeling Under the Textile Act 118
(930.25) Guaranties 118
(930.30) Labeling Requirements—In General 118
(930.35) Manner of Showing Information on Labels 119
(930.40) Use of Non-Required Information on Labels 119
(930.45) The Labels Themselves 119
(930.50) Substitution of Labels 119
(930.55) Sectional Disclosure, Labeling of Pairs, Products In Packages—Sectional Disclosure—Labeling in Pairs—Products Contained in Packages 120
(930.60) Application of the Textile Wool Act to Wool and Fur Products—Wool Products or Fibers—Fur Products or Fibers 120
(930.65) Special Rules Applicable to Labeling of Textile Fiber Coverings — Trimmings—Superimposed Fibers—Ornamentation — Remnants — Unknown Fibers—Linings, Paddings, Fillings, Etc. — Samples, Swatches, Etc. and Custom Sales Made Therefrom — Custom - Made Draperies or Upholstery—Labeling of Products Composed of Pile Fabrics—Use of Terms: "All", "100%", "Virgin", "New"—Products Containing Reused Stuffing 121
(930.70) Advertising of Textile Fiber Products—In General—Use of Fiber Trademarks—Textile Products Containing Super-imposed or Added Fibers—Trimmings —Floor Coverings—Products Made of Blend—Products Containing Varieties of the Same Fibers—Advertising of Products Containing Varieties of Fibers in the Same Generic Class—Advertising Various Products—In-Store Advertising 123
(950) Analysis of the Wool Products Labeling Act 125
(950.05) Scope of the Act 125
(950.10) Intention of the Act 125
(950.15) Penalties for Violation of the Act 125
(950.20) Required Label Information 125
(950.21) Imported Wool Fabrics 125
(950.25) The Labels Themselves 126
(950.30) Arrangement of Label Information 126
(950.35) Responsibility for Labeling 127
(950.40) Substitution of Labels 127
(950.45) Guaranties 127
(950.50) Special Rules Applicable to the Labeling of Wool Products 127
Understated Wool Content—Unavoidable Variations in Manufacture—Labeling Fibers Other Than Wool—Use of Generic Names—Labeling Ensembles and Pairs—Labeling of Containers or Packaging of Wood Products—Ornamentation— Use of Name of Specialty Fiber—Use of Terms "Mohair" and "Cashmere"—Use of Terms "Virgin" or "New" Samples, Swatches, Etc.—Sectional Disclosure of Content—Labeling of Linings, Paddings, Stiffening, Trimmings, and Facings—Superimposed or Added Non-Woolen Fibers—Pile Fabrics and Products Composed Thereof — Undetermined Quantities of Man-Made and Other Fibers—Garments and Products Composed of or Containing Miscellaneous Cloth Scraps.
(960) Federal Trade Commission Guides for Shoe Labeling and advertising 130
(960.05) Introduction 130
(960.15) Definitions 131
Substantial Parts—Leather—Split Leather—Appearance of Leather or Split Leather—Outer-sole —Linings—Innersole.
(960.20) General Labeling Requirements 131
(960.25) Identification of Non-Leather Materials 131
Ground, Pulverized or Shredded Leather—Leather Simulants—Split Leather—Innersole or Midsoles — Outersoles — Non-Leather Material.
(960.30) Embossed or Processed Leather 132
(960.35) Method of Labeling 132
(960.40) Terms Suggestive of Leather 132
(960.45) Brushed or Sueded Split Leather 132
(960.50) Advertising 132
Requirements in Advertising—Disclosure in Advertising—Use of Misleading Terms—Catalogs.
(960.55) Guaranties 133
(970) Summary of Amendment of Federal Stamping Act 133
(971) Introduction 131
(972) Major Provisions 134
(973) Responsibility of Retailer 134
(974) Exempt Articles 134
(975) Foreign Made Articles 134
(976) Antiques 134
(978) Permissible Quality Mark 134
(980) Analysis of the Flammable Fabrics Act 135
(982) Scope of the Act 135
(986) Responsibility Under the Act 135
(990) Analysis of the Fair Packaging and Labeling Act 135
(990.05) Scope of the Act 135
(990.10) Responsibility for Labeling Under the Fair Packaging And Labeling Act 136
(990.20) Articles Covered and Exempt Under FTC Regulations 136
(990.30) Labeling Requirements 137

CHAPTER X—TRADE PRACTICE RULES AND THE RETAILER

Page
(1000) Industry Guidance 139
(1010) Trade Practice Rules—Application to Retailing 149
(1020) Types of Trade Practice Rules 140
(1030) List of Products Subject to Trade Practice Rules 140
(1040) "Basic" Rules and "Special" Trade Practice Rules 142
Basic Rules 142
Special Rules 142
(1050) "Basic" Trade Practice Rules Analyzed 142
(1052) Advertising and Promotion 142
Misrepresentation or Deception—In General—Deceptive Price Representations—Misuse of Terms "Custom-Made", "Custom-Built", etc. —. Bait Advertising—"Close-Outs", "Discontinued Lines", "Special Bargains", etc.—Use of the Word "Free"—Guarantees, Warranties — Lottery Schemes—Standards—Deceptive Testimonials or Depictions.
(1055) Unfair Trade Practices Generally 144
Substitution of Products—Deception as to Identity of Manufacturer or Seller—Unfair Threats of Infringement Suits—Unlawful Interference—Defamation of Competitors or False Disparagement of Their Products—Enticing Away Employees of Competitors—Deceptive Invoices—Deception as to Nature of Sales Transactions—Misrepresentation of Earnings of Salesmen or Agents—Use of Seals—Procurement of Competitors' Confidential In-

- formation — Consignment Distribution — Inducting Breach of Contract—Deceptive Use and Imitation of Trade or Corporate Names, Trademarks, etc.—Aiding or Abetting Use of Unfair Trade Practices—False and Misleading Price Quotations—Commercial Bribery—Character of Business—Push Money.
- (1058) Basic Violations of Sherman and Clayton Antitrust Laws 146
  - Exclusive Dealing—Unlawful Price Fixing—Robinson-Patman Act—Discriminatory Returns — Tie-In-Sales — Sales Below Cost.
- (1070) Trade Practice Rules That Provide Special Rules Affecting Retailers 147
  - (Alphabetical List of Trade Rules Containing Special Rules Applicable to Retailers.)

CHAPTER XI—GOVERNMENT INVESTIGATIONS AND LITIGATION UNDER TRADE REGULATION LAWS

Page

- (1100) Introduction 150
- (1120) Federal Trade Commission Investigations 150
  - (1121) Jurisdiction 150
  - (1122) Commencement of an FTC Investigation 150
    - Scope of Subpena Powers 151
    - Special Reports 152
    - Sanctions Available to Commission 152
  - (1125) Rights of Witnesses at Investigation Hearings 152
  - (1126) Industry-Wide Action 153
  - (1128) Informal Disposition of Investigation 153
- (1130) Federal Trade Commission Adjudication 154
  - Consent Order Procedure 154
  - Commission Litigation 155
  - Cease and Desist Orders 155
  - Compliance Procedure 156
- (1160) Department of Justice Investigations 156
  - (1162) Introduction 156
  - (1166) Civil Investigative Demands 156
  - (1168) Grand Jury 157
- (1170) Department of Justice Adjudications 157
- (1180) The Use of Government Decrees by Private Parties 157
- (1190) Conclusion 158

INDEX TO APPENDIX—VOLUME II

Page

- Basic Antitrust Statutes 160
  - (1300) Sherman Act (in Part) 160
  - (1310) Clayton Act (in Part) 160
  - (1320) Price Discrimination Act (Robinson-Patman Act) (in Part) 161
  - (1330) Federal Trade Commission Act (in Part) 162
- Federal Trade Commission "Guides" 164
  - (1400) Guides Against Deceptive Pricing 164
  - (1410) Guides Against Bait Advertising 167
  - (1420) Guides Against Deceptive Advertising of Guarantees 168
  - (1430) Tire Advertising and Labeling Guides 170
  - (1440) Guides for Advertising Fallout Shelters 179
  - (1450) Guides for Advertising Shell Homes 182
  - (1460) Guides for Advertising Allowances and Other Merchandising Payments and Services 184
  - (1470) Guides for Shoe Content Labeling and Advertising 188
  - (1480) Guides Against Deceptive Labeling and Advertising of Adhesive Composition 190
  - (1482) Guides for Advertising Radiation Monitoring Instruments 191
  - (1485) Guides for the Mail Order Insurance Industry 193
  - (1487) Guides for Avoiding Deceptive Use of the Word "Mill" in Textile Industry 197
  - (1489) Guides Against Debt Collection Deception 198
  - (1490) Guidelines for Audience Rating Claims 200
  - (1492) Guides Against Deception in the Use of the Word "Free" in Connection with the Sale of Photographic Film and Film Processing Service 201
- 1500 Rules and Regulations Under the Flammable Fabrics Act 203
  - (1510) Flammable Fabrics Act 210
- Fur Products Labeling Act 217
  - (1600) Rules and Regulations 217
  - (1610) Fur Products Name Guide 228
  - (1620) Fur Products Labeling Act 231
- Textile Fiber Products Identification Act 236
  - (1700) Rules and Regulations 236
  - (1710) Textile Products Identification Act 252
- Wool Products Labeling Act 257
  - (1800) Rules and Regulations 257
  - (1805) Laboratories Approved for Testing Imported Wool Products 268
  - (1810) Wool Products Labeling Act 269
  - (1820) Illustrations of Certain Forms of Acceptable Tags or Labels Under the Wool Products Labeling Act and the Rules and Regulations as Amended and Issued by the Commission Thereunder 273
- Fair Packing and Labeling Act 278
  - (1850) Federal Trade Commission Regulations Fair Packaging and Labeling Act 278
  - (1860) Fair Packaging and Labeling Act 285
  - (1880) Consumer Credit Protection Act 290
- Trade Regulation Rules 299
  - (1900) Advertising of Sleeping Bags 299
  - (1910) Deceptive Use of "Leakproof", "Guaranty Leakproof", etc., as descriptive of Dry Cell Batteries 299
  - (1920) Deception as to Non-Prismatic and Partially Prismatic Instruments Being Prismatic Binoculars 300
  - (1921) Misuse of "Automatic" or Similar Terms in Describing Household Electric Sewing Machines 300
  - (1922) Deceptive Advertising and Labeling of Previously Used Lubricating Oil 301
  - (1923) Deceptive Advertising and Labeling as to Size of Tablecloths and Related Products 301
  - (1924) Misbranding of Belts 301
  - (1925) Preventions of Unfair or Deceptive Advertising and Labeling of Cigarettes in Relation to the Health Hazards of Smoking 302
  - (1927) Deceptive Advertising as to Sizes of Viewable Pictures Shown by Television Receiving Sets 302
  - (1929) Failure to Disclose that Skin Irritation May Result from Washing or Handling Glass Fiber Curtains and Draperies and Glass Fiber Curtain and Drapery Fabrics 303
  - (1930) Deception as to Transistor Count of Radio Receiving Sets, Including Tranceivers 303

Mr. GOLDWATER. Mr. President, I just hope that we act wisely on this consumer protection bill. It is not needed. It is not called for. I am not standing here as a former merchant and former businessman, and saying that 100 percent of the business people of this country are honest. They are not. There is about as much dishonesty among that group as one will find in a political body, a church group, a YMCA, or anything else. But the way to solve that problem is not to penalize the small group that do wrong things in retailing and merchandising but to make it possible for the honest merchandiser to get rid of the dishonest merchandiser. The biggest thing would be to induce the newspapers, magazines, radio, and television to refuse to take advertising from people about whom they know there is something not quite right.

The enactment of this legislation would hurt small businesses all over the country; even though there is a provision that 25 people or more have to be involved, that can be gotten around, I am sure. The first time a labor union files a case before the National Labor Relations Board, we will find all kinds of things happening to this consumer bill.

I stand here, Mr. President, speaking from experience. I wish we had more businessmen in Congress. I can tell you, it is no longer easy to make money in the retailing, merchandising business in this country. It used to be, but no longer. In fact, if you make 2 percent today on your investment, you are doing pretty good. When we say to a retailer, "Here is one more Federal agency that is going to be hung around your neck," that is just a few more pennies which will be taken out of that man's profit, which means a few more will go out of business, and that much more shoddy merchandise will come into the market.

I hope we will defeat this measure. I hope we will be able to muster the few votes necessary to convince people that this bill should go down the drain, which is exactly where it should go.

Mr. President, that is all I am going to say about this measure. I yield the floor.

Mr. DOMINICK. Mr. President, will the Senator yield to me before he does that?

Mr. GOLDWATER. I yield to the Senator from Colorado.

Mr. DOMINICK. I want to ask the Senator one or two questions. I want to be sure I am correct, that the index the Senator put in the RECORD covered only regulations by the Federal Trade Commission. Is that correct?

Mr. GOLDWATER. It is the requirements of the Federal Trade regulations that affect just retailers.

Mr. DOMINICK. Just retailers?

Mr. GOLDWATER. Just retailers; not manufacturers, not wholesalers, not even druggists or any other specialties. This is just for a man in the retail business.

Mr. DOMINICK. So when we are talking about consumer "regulations," we have a lot more than just the index the Senator has put in the RECORD?

Mr. GOLDWATER. I tried to compile a total index, and I finally gave up. I do not think one issue of the CONGRESSIONAL RECORD would carry all the regulations and rules under which American business has to operate, all spelling "Government control."

Mr. DOMINICK. I thank the distinguished Senator from Arizona. I am reminded of a case that I once defended of a large grocery store, which was retailing food, but not other types of merchandise. A small independent mom-and-pop store brought the suit against two large chains, one of which I was representing, the theory being that they were selling too cheaply.

This is an interesting thought, in view of current inflation and everybody complaining about what his grocery bill is, including myself when I go shopping. But they were accused of selling too cheaply.

My client defended on the ground that it was lowering its price in order to offset stamps which were being given by the other chain store. The other chain store, by giving stamps, was doing something the consumer wanted. My client was also doing something the consumer wanted; namely, pricing more cheaply. This independent was caught right in the middle, and he got squeezed badly, there is no doubt about it.

We spent 4 months in the summer of 1955—before I was in politics—before the judge finally decided it was hopeless, and ruled that the law was unconstitutional, which was probably the only thing he could do.

The reason I bring that up is that my question is, what consumer are we protecting?

I had lunch the other day with a professor from the Yale Law School, to whom I was introduced by the junior Senator from New York.

He said, "Suppose we have a consumer protection agency. Let us take the case of the ICC. We will say that from Washington to Baltimore we had a train which was not making ends meet insofar as passenger traffic was concerned. But all the people in Baltimore and all the people in Washington would protest like crazy the minute that train was proposed to be abandoned."

He said, "That would go directly to the consumer protection agency, and they would leap in. But the fact of the matter is that by virtue of keeping that train running, the other consumers that are using the same line, say, from Washington to Philadelphia, are going to have to pay a higher price in order for the railroad to come out even on the segment from Washington to Baltimore."

So, as I say, what consumer are we talking about? Whom are we representing, and why?

I invite my distinguished colleague from Connecticut to express his thoughts on this matter, because I do not, frankly, know who is the consumer. How do we distinguish the consumer from anyone else? The largest consumer in the whole country is probably in the agricultural production area. They not only consume everything that everyone else produces, but they also consume all the agricultural equipment that is put out so that we can eat.

Mr. RIBICOFF. Mr. President, if the Senator will yield——

Mr. DOMINICK. I am happy to yield.

The PRESIDING OFFICER (Mr. DOMENICI). The Senator from Connecticut is recognized.

Mr. RIBICOFF. The consumer administrator would intervene on behalf of only one particular consumer interest where that interest is the only one present. Where there are conflicting consumer interests the administrator could intervene by giving both sides of the question where he finds a way to reconcile the interests he could say so. Where he is not able to do so, he could say so also. Where he believes one consumer interest is far more substantial than another, conflicting one, he could say so also.

Keep in mind that the consumer advocate will act only in an advisory capacity. He is an advocate. He does not make any regulations or any decisions. If there were conflicting consumer interests raised by a question before the ICC, the administrator could present a memorandum containing all of the facts to the ICC.

The ICC, for example, would have to make the decision whether to shut down the train between Washington and Baltimore or let it go. The administrator could present the arguments for keeping the train open between Washington and Baltimore; but also he could point out the additional cost this service would place upon the shoulders of the consumer between Baltimore and Philadelphia. These are factors that the ICC would take into account. On the other hand, if the facts indicate that keeping the service open would place only a minimal cost on other passengers, the Administrator could point this out and argue in favor of maintaining service between Washington and Baltimore.

Mr. DOMINICK. Right.

Mr. RIBICOFF. This is how I conceive of the advocate carrying out his job.

Mr. DOMINICK. All right. Does not the ICC get into that anyhow because they have to determine what the rate structure is and what the route structure is?

Mr. RIBICOFF. Well, the ICC could or would not. The ICC often finds itself, like any regulatory agency, overburdened with many cases where only one point of view is represented. The consumer interest is out-represented before Federal opinions on a ratio of about 100 to 1. As a result, the ICC might hear from the railroad many reasons for abandoning the service, but none of the arguments in favor of continued service.

This is because the consumer individual is part of a disorganized, unorganized, group of 210 million people. Very seldom does the consumer have the opportunity of going down and hiring a lawyer, an auditor, an accountant, or an engineer. The railroads, the truckers, everyone whose business is directly affected by ICC actions, are very well represented. The consumer advocate would right this balance where there was a clear and substantial consumer interest.

If there were not, he would not get involved. The agency will have too much work as it will only have 250 people to do anything else except intervene in those cases where there is a clear consumer interest affecting consumers on a nationwide basis.

But, in all truth, I would say that in the case that the Senator from Colorado brings up, the Administrator would have the ability to go in and present both sides of the picture if there really prove to be substantial, conflicting consumer interests. Frankly I think in most cases all the consumer interests will clearly fall on one side or the other, not both.

Mr. DOMINICK. I thank the Senator from Connecticut.

I am reminded of another thing. I think Mr. Ralph Nader is supposed to be the leading consumer advocate these days, and initially what he started in with was the automobile business by saying that the Volkswagen was too unsafe to be imported. I would presume in that situation he could have cut the Volkswagen out. That would have made a considerable number of consumers who now drive Volkswagens, which does not include me, rather annoyed. I drive a 1963 car that does not have flashing lights and buzzers and interlocks, and other blooming things that Nader got put on the car, presumably in the interest of safety.

What it really does is to increase the cost and the annoyance to an awful lot of drivers.

I was going to buy two cars this year. I hope to be able to because one is to replace my 1963 car, and the other is to get rid of that perfect marvel of engineering ingenuity, the Chevrolet Nova, which gets 8.4 miles to a gallon, which seems to me somewhat incomprehensible at a time of energy shortage.

But I would not do it because I had the interlock, I had to put the safety belt on, not only on myself but on the dog that I had to carry on my front seat or a bag of groceries, in order to get the blooming thing to start.

Mr. RIBICOFF. I just want to point out to the Senator that all those factors that he is complaining are already part of the automobile. The Government made these decisions without a consumer advocate agency telling it anything.

Mr. DOMINICK. That is right.

Mr. RIBICOFF. But from what the Senator is saying, I would assume that a consumer advocate, in order to carry out his function properly, would have the duty, in preparing his briefs, to point out to the safety administrator the factors that are involved. The ACA administrator would point out both the costs of the new devices and the extent they contribute to his safety. He would also be in a position, due to his familiarity with the consumer point of view, to warn the decision, making authority of consumer opposition to these new requirements.

Again we do not look at the consumer advocate as being an ax man, and I hope he would not be. I assume that the President, in appointing the consumer advocate, would take a man of commonsense and good judgment. We would assume that this man of commonsense and good judgment would take into account all these factors.

Mr. DOMINICK. I would hope so, but I would doubt it.

Mr. RIBICOFF. I would hope so or the agency is not going to last very long. We have written into this bill a 3-year authorization. The agency will have to come back to Congress after 3 years for a new authorization. At that time the Congress can assess how the advocate agency is doing. It can determine whether it is working, or not working.

The agency will be a very small agency. The act provides for a $15 million authorization. We contemplate this will permit the agency to hire about 250 people. With 250 people the administrator is not going to be able to get into every grocery store and department store in Hartford, Denver, or Phoenix.

Mr. DOMINICK. I would like to ask the Senator another question, if I may, because I think I still have the floor.

In Colorado, as the Senator probably knows, it snows. In Connecticut, where I was born, it also snows.

What happens when we have an interlock situation and our windshield ices over, and one gets out of his car and he cleans off the windshield. This happened to our colleague, the Senator from New Hampshire, incidentally, in New Hampshire, but I am using our States as an example.

Then, by the time he gets in and gets that interlock situation in again, he has cleaned the windshield off but, by the time he gets it going so that the car will turn on, the windshield is iced over again, and one can do it four or five times.

Mr. RIBICOFF. I would file a complaint with the consumer advocate that the safety administrator promulgated regulations that were nonsensical.

Mr. DOMINICK. I almost bought a car so that I could sue the manufacturer. I did not because I did not have that much money to waste.

Mr. RIBICOFF. I think that the Senator needs a consumer advocate to fight his battles for him.

Mr. DOMINICK. What we need then is a consumer advocate on regulatory boards, not to set up another regulatory agency, which is exactly like the ones we have, which the Senator now says do not represent the consumer.

Mr. RIBICOFF. But this man is not a regulator. The consumer advocate has no regulatory function at all.

Mr. DOMINICK. Except to come in and——

Mr. RIBICOFF. He is an advocate who comes in——

Mr. DOMINICK. To create more problems.

Mr. RIBICOFF. To represent the consumers' point of view to the regulatory agency. The regulatory agency is the one that makes the decision. The consumer advocate makes no decision.

Mr. DOMINICK. If my memory is correct, from 31 years in the State of Connecticut, it still has problems, if I may say so, on fence lines, and on the question of who has got what fence and who has to put it in.

Now, if two neighbors who know each other well and, presumably, have gotten along for a long time cannot agree on a simple thing like a fence line in the State of Connecticut—and we have this in Colorado, too, so it is nothing new—how in the world are we going to find 250 million consumers agreeing on anything? We are never going to be able to do it.

Mr. RIBICOFF. In the great majority of cases the consumer in trust will be clearcut. Let me list just as few examples: a steep rise in the price of telephone calls set by the FCC; the review by the Food and Drug Administrator of a new drug where the drug's effectiveness has not been proven; unsanitary conditions in a packing house inspected by the Agriculture Department; unsafe equipment in a new airplane regulated by the FAA; a failure of the Food and Drug Administrator to implement a new act regulating the safety of medical X-ray machines; false and misleading advertisements being reviewed by the Federal Trade Commission.

There is plenty of work to be done by a consumer advocate, involving important consumer interests that are clearcut. There will be other agency decisions where it is absolutely obvious there is no substantial consumer interest. There will be a few cases where there are legitimate and substantial arguments in favor of conflicting consumer interests. I would hope the consumer advocate would present arguments for both consumer interests if he is convinced both are substantial and that there is no way to reconcile them.

My feeling is that there are a sufficient number of problems, involving what are clear and substantial consumer problem, that the Administrator will have no opportunity or interest in getting into matters where the consumer interest is fuzzy or unclear.

Mr. DOMINICK. I could obviously give the Senator a lot more examples which, I am sure, the Senator from Connecticut is aware of, as I am, whether it is in the energy field or whether it is in the telephone field or whether it is anywhere else, the question of what they build up as energy sources for power, and a whole bunch of other things.

What I am concerned with is there is going to be a general feeling around the country that this consumer agency is designed for their benefit regardless of what their neighbors' benefit may be, and to such an extent we are going to get an agency which is at cross purposes with itself all the way through. We can do it for far less expense by saying that one of the people appointed to any of the regulatory agencies—which I am told now are not representing the consumers, although I doubt that, but nevertheless we are so told—by putting a member on that Commission or on that body who is consumer-oriented, as you are, as I am.

I had a big argument with my farmers at one point in Colorado. I do not think the same problem exists except maybe in the tobacco area of Connecticut, but not quite as much as we do in our State, as to the question of what is a consumer. They kept saying, "The consumers are putting us out of business." I said, "Farmers are the biggest consumer there is, so why not call yourself a consumer?"

Then you have a whole different image. The image now of a housewife is that anybody that produces anything is not a consumer. Well, that is not true. They consume as much or more than the average housewife does, and they are under usually a far harder economic stress than the ordinary housewife is.

I can say that because I know what has happened. We have lost one-third of our dairymen, for example, in the last 10 years out of the whole State of Colorado, one-third of them are gone.

I am told the milk fund came around, as I said many times, milk was already considered a health food, now it is considered something dirty and awful, but that is ridiculous. It is still fine.

What I am saying is that I think we have the beginning of a whole camel with just its little nose under the tent, and that is the thing that scares me.

I yield the floor.

EMPLOYMENT OF WHITE HOUSE OFFICE AND EXECUTIVE RESIDENCE PERSONNEL—CONFERENCE REPORT

Mr. McGEE. Mr. President, I submit a report of the committee of conference on H.R. 14715, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Domenici). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of August 1, 1974, at pages 26360–26363.

Mr. McGEE. Mr. President, in this conference report, we are referring to the measure that sought to address itself to the problem of supergrade and top-grade employees at the White House level; and likewise to point to the problem of the numbers of such White House staffers, their identification, and the like.

As a result of the conference, I think we arrived at a reasonable compromise that would allow the existing White House complement to be grandfathered into the situation, but that beginning at the end of this period of time we would begin to phase down the numbers of White House members of the staff at the topmost levels. We would, likewise, grade all those levels and define not only the holders of the jobs, but the duties and responsibilities of each position.

We believe that it is a responsible piece of legislation: that the compromise represents the basic judgment of the two Houses.

Also in the conference, as part of the Senate bill, was the amendment proposed from the floor by the distinguished Senator from Connecticut (Mr. WEICKER).

The measure that was very strongly endorsed by all of us in this body attached to the original legislation the proviso that no officer or employee of the executive branch, other than the President personally, upon written request, could use income tax returns for whatever discretionary purpose they had in mind.

The Senator from Hawaii (Mr. FONG), the ranking minority member of the Senate Post Office and Civil Service Committee, raised a point of order at that point in the colloquy on the floor on the grounds that this measure not only had not been heard in committee but also that it was not germane to the substance of the legislation.

However, the point of order was removed by unanimous consent between both the Senator from Hawaii and the Senator from Connecticut. The Senate agreed to take it to conference with the House.

Among the House conferees the position was unanimously expressed, minus one member who was unable to attend that day because of duties on the House floor, that it would run smack into the automatic point of order in the House procedure and that as a result the whole bill would go down the drain because of that procedure.

Mr. President, we have been advised by letters from the distinguished senior Senator from Utah (Mr. BENNETT) as well as from the House side by communications the House members of the conference had with Representative WILBUR MILLS of the Ways and Means Committee that both in the Treasury Department on this side and the Ways and Means Committee on the House side they were undertaking in-depth and extensive studies of the Weicker proposal.

In the light of that, the House felt it could not even call up a point of order for a test on the floor.

In the wake of that information, I wanted to be able to report to the distinguished Senator from Connecticut that it was the judgment of his colleagues among the Senate conferees that we had no other direction to go then to save as much as we could out of our legislative endeavors here.

For that reason, we bring back the conference report which I have submitted to the President of the Senate.

Mr. President, the conference substitute which emerged from the Senate-House conference on H.R. 14715 was the result of two meetings, the conferees failing to agree at the first meeting. We arrived at provisions agreeable to both sides only after extensive discussion and the weighing at both meetings of the various alternatives in an effort to arrive at a satisfactory compromise. The conferees brought views to the meetings which were substantially at odds, but they believe, that in substance their views were reflected in the conference substitute. The Senate did not get all the Senate conferees wanted, but negotiation was intense and neither side could have its way entirely.

Members will recall that H.R. 14715 resulted from an effort in both bodies to comply with rule XXI of the House which provides that no appropriation may be reported by the House Appropriations Committee in any general appropriation bill for expenditures not previously authorized by law. H.R. 14715 authorizes appropriations for the appointment of employees and the expenditure of funds for the White House office and the Executive residence at the White House.

The chief point at issue in the conference was the number of top-level employees who may be authorized for the President's staff in the White House and the Executive residence at the White House.

The Senate version authorized a total of 75 such employees: 15 at not to exceed the rate for executive level II; 25 at not to exceed the rate for executive level III; and 35 at not to exceed the rate for grade GS-18.

The House version did not use the not-to-exceed language. It authorized 65 employees at specific levels and grades: 5 employees at executive level II; 5 employees at executive level III; 10 employees at executive level IV; 15 employees at executive level V; and 30 employees at grades GS-16, GS-17, and GS-18.

Currently authorized for White House employment are 14 employees at level II, 21 employees at pay not to exceed the rate for level III, 27 ungraded employees whose rates of pay do not exceed GS-18, and 3 supergrades in GS-16 and GS-18. This makes a total of 65 employees above grade GS-15.

In the House bill, the number of top-level Presidential aides would have been reduced. In the Senate bill they would have been marginally increased and the total increased by 10 positions.

The conferees, unable to agree on compromise figures to become effective upon enactment, decided to authorize for the present essentially the same numbers of positions currently authorized—14 level II's and 21 ungraded positions not to exceed level III, for a total of 35 positions. Additionally, the conference substitute allows 35 positions in grades GS-16, GS-17, and GS-18 as provided in the Senate version.

In the conference substitute, these numbers of authorized positions will be diminished beginning January 1, 1976, and a new authorization will become effective on that date until January 20, 1977: 12 employees at executive level II; 10 employees at executive level III; 9 employees at executive level IV; and 9 employees at executive level V.

On and after January 20, 1977, the totals authorized will diminish further: 8 employees at executive level II, 10 employees at executive level III; 11 employees at executive level IV; and 11 employees at executive level V.

Through grandfather provisions, present incumbents will be allowed to remain in their positions, but for new hires the numerical provisions of the conference substitute will prevail.

The thrust of the conference committee's action is clear here, I believe. The President is allowed to continue his present staff with the addition of 5 supergrades, but beginning in January 1976, the numbers of top White House staff authorized will begin a phased reduction.

A compromise—not involving phasing—was agreed to in the case of the appointments allowed the Vice President. Under the conference substitute, he is allowed one employee at level II, three employees at level III, and three employees at levels IV and V.

Similarly, negotiations resulted in a settlement of the question of funds for the President for unanticipated personnel needs. The House bill was silent on this question, and the Senate bill authorized $1 million to meet unanticipated personnel needs and to pay administrative expenses incurred with respect to them. The conferees agreed to $500,000 for this purpose, adding the requirement that the President must report to the Congress in detail on the funds expended under this authorization.

When this measure was considered on the floor of the Senate, the Senator from Connecticut (Mr. WEICKER) introduced an amendment prohibiting the use of tax-return information by any officer or employee of the executive branch other than the President personally upon written request and, for certain purposes, officers and employees of the Justice and Treasury Departments.

The Senator from Hawaii (Mr. FONG) raised a point of order that the Weicker amendment ought not to be considered on the ground that it was not germane. The Chair sustained the point of order that the amendment was not germane and Senator WEICKER appealed the Chairs' ruling. Then Senator FONG withdrew his objection, and the Chair vitiated the point of order, and the appeal was withdrawn. The Weicker amendment was agreed to by the Senate.

Prior to the conference, I received a letter from the Senator from Utah (Mr. BENNETT) urging the conference committee to delete the Weicker provision from the measure approved by the conference. His letter states that the provision would preclude Treasury officials from analyzing tax returns and from furnishing congressional committees needed information to develop tax legislation. The Departments of Justice and Commerce would be deterred from the complete performance of some of their duties, his letter states.

The letter of the Senator from Utah states his understanding that the Treasury Department has developed a legislative proposal governing disclosure and inspection of tax returns to tighten safeguards of taxpayer privacy. This proposal is intended for congressional consideration.

Mr. President, I ask unanimous consent that the complete text of the letter from the Senator from Utah (Mr. BENNETT) be printed in the RECORD.

There being no objection, the letter

was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., July 31, 1974.
Hon. Gale W. McGee,
U.S. Senate,
Washington, D.C.

Dear Gale: It has come to our attention that H.R. 14715, the White House appropriations bill, was amended on the Senate floor by the addition of the Weicker amendment restricting access of executive branch employees to federal tax returns. Although we are very sympathetic with the objectives of Senator Weicker's proposal, it would severely limit a number of legitimate and important uses of tax return information, would significantly affect the operations of our committees, and for those reasons is of great concern to us.

The amendment would prohibit the use of tax return information by any officer or employee in the executive branch, other than the President personally upon written request and, for certain purposes, officers and employees of the Departments of Justice and the Treasury. The purposes for which tax returns could be used by officers and employees of the Justice Department and the Treasury Department would be limited to "filing and audit of such return, the payment, collection, or recovery of the tax with respect to which such return was made, or the prosecution of any offense arising out of that return."

Such a statute for example, would appear to preclude Treasury officials concerned with legislation from analyzing tax returns and from furnishing our committees with the kind of statistical information we need in developing tax legislation. Other agencies could be similarly precluded from carrying out legitimate functions. The Department of Justice would be precluded from access to tax returns in certain areas of its enforcement activities. The Department of Commerce would be affected in a major way, as it uses tax data in preparing the national income accounts, i.e., GNP and similar figures. Similar situations may exist in other agencies.

We are all concerned with strengthening statutory protections for taxpayer privacy, but we need to do so in a manner consistent with legitimate needs of a complex government. That is a difficult and intricate task.

We understand the Treasury Department has developed a lengthy legislative proposal for a comprehensive revision of the provisions governing disclosure and inspection of tax returns (mainly sections 6103 and 7213 of the Internal Revenue Code). This proposal, which we understand will tighten safeguards for taxpayer privacy, will be submitted to the Domestic Council Committee on the Right of Privacy and to other executive agencies for comment, and then to our committees for the close scrutiny and careful consideration that it requires and deserves.

Under these circumstances, we believe enactment of the Weicker amendment would now be premature and for the above reasons we urge the conferees on H.R. 14715 to delete that provision from the bill. It should also be noted that the amendment was ruled nongermane but that ruling was withdrawn by consent.

Sincerely,

Wallace F. Bennett.

Mr. McGEE. Mr. President, similarly, prior to the conference meeting, the Bureau of the Census issued a statement that passage of the Weicker amendment "would have a disastrous effect upon the basic statistical program of the Bureau of the Census." The Bureau states that tax records serve as important source data for numerous Bureau data-compiling programs.

The position of the House conferees was that the Weicker amendment was not germane to the bill and would be subject to a point of order in the House of Representatives. A letter to the House conferees from Representative Wilbur Mills advised that the Ways and Means Committee was studying the problem and cited the Treasury Department study mentioned in Senator Bennett's letter to me.

In view of the foregoing, especially the point-of-order problem in the House and the parliamentary situation it could create, the Senate conferees receded and the Weicker amendment was not included in the conference substitute, which I hope Members will confirm.

Mr. FONG. Mr. President, I strongly urge the Senate to approve the conference report, 93–1066, on H.R. 14715, a bill to authorize the appropriation of funds for staffing the White House Office and the executive residence at the White House, for official entertainment and reception expenses of the President, for staffing of the Vice President's office and for making available to the President a fund for unanticipated personnel needs.

This legislation is necessary to insure the appropriation of funds for the operation of the White House Office and the executive residence at the White House.

In previous years no authorization bill was sought nor acted upon by the Congress. However, under the Legislative Reorganization Act of 1970, a change in the House rules was made requiring that before any appropriation is acted upon, there be general authorization in law. Since there was no authorization in law for these White House appropriations, it was necessary to pass such a bill. H.R. 14715 is that bill.

In effect, this measure only authorizes what has already been done in appropriations bills for a number of years.

It authorizes specific staff allocations for the President and the Vice President as follows:

It specifically grandfathers every incumbent employee to retain his position to December 31, 1975, so that no one loses his position.

Beginning with January 1, 1976, the White House will be allowed 12 employees in level II, 10 employees in level III, 9 employees in level IV, 9 employees in level V, making a total of 40 employees in that category, whereas the White House now has 35.

The White House will also be allowed 35 employees in the GS–16, 17 and 18 grades, making a total of 75 employees in the level II to 16 grade.

Beginning with January 20, 1977, when a new President begins his term, the White House will be allowed 8 employees in level II, 10 in level III, 11 in level IV, and 11 in level V, or a total of 40, the same number as we have now, and 35 in GS–16, 17, and 18, making a total of the same 75.

For the Office of Vice President, employees allowed will be 1 at level II, 3 at level III, 3 at levels IV, V, and 7 supergrade 16, 17, and 18, making a total of 14 employees. The Vice President presently has six.

The conference bill also authorizes the appropriation of the necessary funds for official entertainment, reception and representation expenses for the President. It authorizes the appropriation of $500,000 to meet unanticipated personnel needs of the President. In the past, this fund has been used for startup money for the Federal Energy Office, the Drug Abuse Prevention Commission, and others.

It further authorizes and sets out the rules for detailing of employees from the various executive departments and agencies to the White House and provides for annual reports to the Congress on the detailing of such employees.

The authorizations provided for in H.R. 14715 would cease on October 1, 1978, at which time the Congress would again have a chance to review the staff operations and needs of the White House and act on another similar authorization bill.

The Senate conferees met with the House conferees on two separate occasions. No progress at all was made in reaching a compromise at the first meeting. However, after very hard bargaining and intense discussions at the second meeting, the conference report now before the Senate was agreed to.

It is a good compromise. The Senate prevailed in most instances. Unfortunately, the House was adamant in its position against the adoption of the Weicker amendment restricting the availability of Federal income tax returns.

The House conferees were in receipt of a letter from House Ways and Means Committee Chairman Wilbur Mills and the ranking minority member Herman T. Schneebeli, expressing their agreement with the intent of the Weicker amendment but expressing grave reservations about the amendment's wording. The letter pointed out that the House Ways and Means Committee had requested a report with recommendations from the Treasury Department to prevent abuses in the use of Federal income tax returns by Federal agencies.

Congressmen Mills and Schneebeli urged deletion of the Weicker amendment in the conference report and assured the conferees that the Ways and Means Committee would be acting on legislation restricting the use of such returns very shortly.

In view of the letter from Representatives Mills and Schneebeli and the attendant parliamentary problems presented by the nongermaneness of the Weicker amendment under the House rules, the Senate conferees receded and the amendment was not adopted.

Mr. President, I ask unanimous consent that the letter from Representatives Mills and Schneebeli to the House conferees be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

COMMITTEE ON WAYS AND MEANS,
Washington, D.C., July 30, 1974.
Hon. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service, U.S. House of Representatives.

DEAR MR. CHAIRMAN: It has been drawn to our attention that H.R. 14715, the White House appropriations bill, was amended on the Senate Floor by the addition of an amendment by Senator Weicker restricting access of Executive Branch employees to Federal tax returns.

We have not had an opportunity to study this amendment in detail, but as we understand it, the amendment would prohibit the use of tax return information by any officer or employee in the Executive Branch, other than the President personally upon written request and, for certain purposes, officers and employees of the Departments of Justice and the Treasury. The purposes for which tax returns could be used by officers and employees of the Justice Department and the Treasury Department would be limited to "filing and audit of such return, the payment, collection, or recovery of the tax with respect to which such return was made, or the prosecution of any offense arising out of that return."

We are not unsympathetic with the objective which Senator Weicker obviously has in mind with reference to his amendment. However, we have received a letter from Mr. Frederic W. Hickman, Assistant Secretary, Department of the Treasury, a copy of which is enclosed, which does raise some important issues in connection with this amendment, which issues do give us some considerable concern.

It appears that the amendment, for example, might very well preclude officials of the Treasury Department concerned with tax legislation from analyzing taxpayer returns for the purposes of furnishing statistical and other data to the Committee on Ways and Means which the Committee needs in the development of sound tax legislation. In our day-to-day activities, it is of course quite important that this Committee be able to obtain various types of analyses and statistical data from the Treasury Department and also from other Departments of the Government which are charged with keeping economic data which may be based upon broad categories of statistics derived from income tax returns.

I think we all would subscribe to the view that there does need to be a tightening of the statutes regarding disclosure of information from income tax returns. Indeed, this is an issue which has concerned the Committee on Ways and Means and some time ago we asked the Treasury Department to give us certain recommendations in this regard. We also have our own staff working on the matter with a view toward developing amendments to the Internal Revenue Code which would give taxpayers greater protection to privacy of their returns. The Treasury has advised that they are completing a comprehensive and lengthy legislative proposal dealing with the subject. We expect that the Committee on Ways and Means will give this expeditious consideration when it is sent to us.

Under these circumstances, we believe that by far the sounder approach would be to delete the subject provision from H.R. 14715 and permit the Committee on Ways and Means to develop comprehensive legislation on the subject.

Sincerely yours,
WILBUR D. MILLS,
Chairman.
HERMAN T. SCHNEEBELI,
Ranking Republican Member.

Mr. FONG. Mr. President, I believe the conference report is a fair one and meets the goals of the Senate bill in almost every respect.

I urge Senate approval of this report.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I rise to oppose the conference report. I do so reluctantly because certainly 90 percent of what was accomplished in conference is worthy of approval by the Senate. I do not oppose, in other words, those portions of the bill which deal with White House personnel limitations that I am sure have been well handled by experts in the field, such as the distinguished Senator from Hawaii and the distinguished Senator from Wyoming, and also my colleagues on the House side.

My purpose in speaking here today, and possibly throughout the rest of the week, is to focus attention on that portion of the bill commonly referred to as the Weicker amendment which concerns the availability of Internal Revenue Service information to the executive branch of Government.

Mr. President, before I proceed I ask unanimous consent that during the period of debate and the votes on this measure, Robert Dotchin, Geoffrey Baker, and Searle Field of my staff be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, the real test of Watergate is now clearly before this legislative body. The eyes of the Nation are upon us. They look to see whether their elected leaders will, by their actions, and not just their words, stand firmly against the recent abuses that have eroded the integrity of Government.

Insofar as the Senate is concerned, this can no longer be considered fingerpointing exercise. It is a matter for which we have to accept the responsibility to act affirmatively, and the American people have every right to assign us that responsibility.

The test at hand is simple but of great significance. Two weeks ago a White House and executive personnel authorization bill came to the Senate floor. At that time the Senate passed an amendment prohibiting those personnel from having access to private Internal Revenue Service information.

Mr. President, I now refer to page 11 of the conference report:

> ACCESS TO FEDERAL TAX RETURNS
>
> SENATE AMENDMENT
>
> Section 6 of the Senate amendment added a new section 113 to title 3 to provide that no Federal tax return shall be made available for inspection by, nor shall any copy be furnished to, any officer or employee of the executive branch, other than the President (upon his written request), or any officer or employee of the Department of the Treasury or the Department of Justice who is concerned with the filing and audit of such returns, the payment, collection, or recovery of the tax for which such return was made, or any offense arising out of that return.

Very simply put, in other words, this amendment declares that the tax return which each American citizen files is nobody's business but the business of that citizen, the Internal Revenue Service, the Treasury Department, and the Justice Department, as they have to pursue the proper filing of such returns, and the President of the United States upon his request, over his signature.

Otherwise, it is nobody else's business, period.

Last week in conference with the House that amendment was killed, as has been described by the distinguished Senator from Wyoming and the distinguished Senator from Hawaii.

I again refer to the conference report and the explanation of why it was killed:

> This provision of the Senate amendment is omitted from the conference substitute.
>
> The position of the House conferees was that this amendment was not germane to the bill and would be subject to a point of order in the House of Representatives. Further, a letter to the House conferees from Representative Wilbur D. Mills, Chairman of the House Ways and Means Committee, and Representative Herman T. Schneebeli, ranking minority member, expressed their deepest concern with the possible abuse of Federal tax returns. However, the letter also advised that the Ways and Means Committee was studying this matter and that the Department of the Treasury recommendations would be forthcoming very shortly. In view of the Committee's work, the letter recommended deletion of the amendment from H.R. 14715.
>
> Because of the very strong feeling on the part of the House conferees against including the amendment in the conference substitute, the parliamentary problems, the concern of the Ways and Means Committee, and the Treasury Department study, the Senate conferees receded to the House.

I think it would have been more satisfactory from the Senate's point of view if it had just ended at the sentence which read:

> The position of the House conferees was that this amendment was not germane to the bill and would be subject to a point of order in the House of Representatives.

But apparently we needed some reinforcing to justify the elimination of this most important amendment, to justify the ducking of this most important principle.

I cannot speak for my colleagues on the conference committee, but several incidents occurred simultaneously with the conference which I think are worthy of note. At the same time the Treasury Department was saying, "This is a good idea, and we have specific recommendations," their lobbyists were around here trying to get everybody to agree that this piece of legislation should not come up now, in other words, "it should be killed." At the same time this reform proposal was before the conference committee, all of a sudden, lo and behold, who steps out of the woodwork but various members of the administration, saying, "Don't worry; we're working on the problem." This was on the very day that Commissioner Alexander, of the Internal Revenue Service, was making his promise of future legislative proposals before the Committee on the Judiciary.

Again, we have other representations that Representative WILBUR MILLS and Representative HERMAN SCHNEEBELI expressed their deepest concern with the possible abuse of Federal tax returns. Expressed their concern. Where has that concern been over the years? Now, all of a sudden, the minute a reform proposal is presented, concern is expressed.

It seemed to me that their concern should have been aroused, at the very latest, when I testified before a combined Senate Judiciary-Foreign Relations Committee, where the abuses of the Internal Revenue Service were laid out in complete detail, and even, I might add, before these matters came to light as a matter of the various White House transcripts. Now they express their concern, when they have had months to do so and to take action. But this time the concern is expressed in order to delay and, in this instance, kill the first reform proposal to come along insofar as the abuse of the Internal Revenue Service is concerned.

I read from the report:

> Because of the very strong feeling on the part of the House conferees against including the amendment in the conference substitute, the parliamentary problems, the concern of the Ways and Means Committee, and the Treasury Department study, the Senate conferees receded to the House.

The Treasury Department study. The concern of the House Ways and Means Committee. The Senate conferees find that this is a reason to recede from this particular amendment.

The conference report has now been presented to the Senate for its approval. I am hereby putting my colleagues on notice that this Senator will oppose the adoption of that conference report by every means possible. I seek to have a full and complete debate of the issue, and I do not intend to see that debate ended until the report is rejected. The original bill must be returned to conference with a clear instruction of the U.S. Senate, to insist upon the Senate amendment restricting White House and executive branch tampering with confidential tax returns.

My position in this matter is not directed against a Republican administration or a Republican President. What I am trying to establish, once again, is that we are a Nation of laws and not of men.

It is the laws of this country which give us guidance, not the political philosophies of either party or the candidates of either party.

I have no doubt that the policies of the Internal Revenue Service have shifted over the years as between Democratic and Republican administrations, that access to Internal Revenue Service information may have increased or diminished, depending on the individual who occupied the White House, and that these variations will continue in the future, unless the laws of this country are clear as to these matters.

As long as there is a void, as long as we do not establish what the policy should be, then the door for abuse is wide open, and the matters that we have reviewed in the months past have absolutely no significance.

I have said many times, Mr. President, and I say especially now, at this moment of focus on the Office of the Presidency, that the real issue of Watergate is not the guilt or innocence of any individual but whether or not we are going to reestablish ourselves as a government of laws, and whether or not we are going to adhere to the Constitution of the United States—more particularly, that portion of it known as the Bill of Rights.

These are the matters that can survive no further delay, that are far more important than the fate which befalls any particular individual, either within or without the framework of government.

Why take such a firm stand? I think the answer can be found in the needs of all citizens and taxpayers in these times. They seek and deserve decisive leadership—men and women who will assert principles that are fundamental to a constitutional democracy.

How often do my colleagues in this Chamber and those in the other body stand up and berate the executive branch of Government or berate the judicial branch of Government or point a finger at the American people, all the while failing to exercise the enormous power that sits in this Chamber, and along with the exercise of that power fail to take upon their shoulders the responsibility of such decisions?

The fate of this amendment highlights the kind of con game that is going on in politics today. It aggravates a bad situation and makes it worse. I do not think cynicism of politics and politicians is well founded; but when we do the type of thing which is represented in the matter of this conference report, then obviously people wonder whether or not we are living up to the obligations and the trust placed upon us when we were elected.

Everybody goes on the public record as deploring the recent abuse of the IRS. Everybody calls for legislative reforms. Members of the administration, and Members of Congress, all are united in cries for good government, and protection of the individual against the power of the Government.

Then comes the actual legislation. Suddenly, the Halls of Congress are filled with the lobbyists of the same administration working to defeat the legislation, and quietly, behind the scenes, in the conference room, not on the open floor, in the light of public scrutiny. And rationalizations pour forth: new bills are on the way; better ideas can be found; this is not precisely the way the bill ought to be amended; all sorts of difficulties will arise if we protect our citizens and taxpayers.

It is the old business, always within this bureaucracy, of those who have been here too long trying to find out how to say no, instead of trying to find out how to say yes, and to bring our Government in tune with these times—and, more particularly, in tune with the intelligence of the people in these times.

This type of rationalization is all too familiar. Unfortunately, it is all too familiar on the Senate floor. There is no way we are going to reestablish the balance of power between the executive and the legislative branches of Government unless we are willing to take the responsibility upon our own shoulders to make the tough decisions. As long as we are unwilling to do that and to have the lollipops stuck in our mouths by the lobbyists because it is too tough a job to do, we do not stand a chance of gaining that respect so essential, not only in the eyes of the people but in the eyes of any administration, Republican or Democratic.

People today are no longer satisfied with being lulled by the rhetoric of promises. They can and they do look at the truth. What are the facts?

First, what does this amendment do? In the words of the amendment:

> No Federal tax return shall be made available for inspection by, nor shall any copy be furnished to, any officer or employee of the executive branch, other than the President (upon his written request), or any officer or employee of the Department of the Treasury or the Department of Justice who is concerned with the filing and audit of such returns, the payment, collection, or recovery of the tax for which such return was made, or any offense arising out of that return.

Perhaps it would be helpful to summarize the amendment. It would prohibit executive branch access to actual tax returns. This includes the White House, as well as such recent incidents as the request by Department of Agriculture for farmers' tax returns; except by the President for his personal use on written request, such requests to be routinely transmitted to the Joint Committee on Internal Revenue Taxation; except by the Justice Department or the Treasury Department with respect to official tax matters.

What does the amendment not do? It does not restrict the dissemination of generalized statistical data based on tax returns. Let us just examine that point for 1 minute.

Do I think the executive branch has a right to the generalized data that comes forth, or which can be put together by the Internal Revenue Service? Yes. But I say the Commerce Department does not have the right to go after any individual's tax return, even though it comes under the excepted reason of being for the purposes of a census, for example.

Furthermore, I do not think the Department of Agriculture has a right to the individual's tax return. Do I think they are entitled to the generalized information that is compiled by the Internal Revenue Service? The answer is yes.

If the Department of Agriculture or the Department of Commerce, of course, needs information for its census, let them get it themselves, but not by the means of the individual taxpayer who sits down voluntarily and bares his life to his Government, and does so with the expectation that that information will be held in confidence. That information does not belong to anyone in the Government except the Internal Revenue Service.

The amendment does not restrict the Internal Revenue Service from responding to inquiries which can be handled without furnishing an individual return, such as social security cross-references. And it does not prohibit the subpena of tax returns in a case at law.

Why is this the appropriate legislative vehicle? The amendment is indeed germane because, among other things, the bill authorizes additional executive employees who "shall perform such official duties as the President may prescribe."

That is the language of the bill. I repeat: "shall perform such official duties as the President may prescribe."

Do I think it is proper for us as a legislative body to indicate, then, what it is that the President cannot prescribe? The answer is clearly yes.

This amendment addresses a questionable practice which may presently be prescribed by the President and, in fact, as we know, was prescribed by the President—and, I might add, probably not only by this President, but other Presidents, also. It does not amend the IRS Code. It amends title III, United States Code, entitled, "The President," the very title amended by the bill itself.

Whereas additional areas for possible legislation may present themselves, the immediate issue that goes to the integrity of the IRS is precisely that of the White House and Executive-prescribed access to personal and corporate tax returns. In this regard, I should like to dwell for a few minutes on a conversation which I had yesterday with the Commissioner of the Internal Revenue Service.

I want to make it clear, in the course of my remarks, that I have the highest respect for Commissioner Alexander. I think he is as much concerned with reform as anyone in this country; certainly as much as this Senator. I have indicated to him my fullest cooperation in trying to achieve reform in the legislative sense and that, in order to bring that to pass, I would have my staff cooperate with his in order that legislation might be brought to the floor this year. But I did not see any conflict between that and pursuing this particular amendment which, in the broadest way, attacks the problem that now confronts us.

Mr. Alexander obviously has to deal with the executive branch of Government and with various demands for compromise that are placed upon him by those who would like to continue the present system. He has to deal with all the agencies which, in the past, have been able to run footloose and fancy free through everybody's tax returns. It is doubtful, I think, that he can achieve the rather simple and effective reform that is necessary. That is going to have to be done on this floor.

Oh, he will come forth with a good bill, and I think if he had his druthers, it would be along the lines of my amendment. But he does not have his druthers. He has to deal with the White House and the various departments and agencies. So what comes out in the way of an eventual recommendation will have exception after exception.

Bureaucracies never like to change. Power is something that I have yet to see anybody give away in this town. Everybody likes to hang on to what they have.

I am not satisfied with what they have. What they have is an enormous power relative to the privacy of the individual citizen, and that is power that should be taken away.

Mr. President, there is no way it can be taken away without a fight; no way. If it is acceptable to the bureaucracy, to the executive branch of the Government, believe me, it does not achieve the reform that all of us feel is necessary. There will be loads of rhetoric and nothing in the way of a practical effect.

Let us take a close look at the parliamentary issue. It was not the Senate that failed to avail itself of legislation to correct the abuses of Watergate. It was the House that apparently faced the choice between parliamentary niceties and the merits of this legislation. If that is indeed the issue, then let it be brought to a vote. Let every Member of the House have an opportunity to address the merits in the open forum in the full view of the people he or she represents.

I am well aware as to how the other body operates, having come from it and having been a very proud Member of it. Certainly the reforms they have effected in the past couple of years as to bringing important matters to a public vote, I think, have created a far better system. But there are still too many ways to decide these rather important issues without going on the record. That is what has been done here.

We have nothing to be ashamed of in the Senate. The Senate passed this amendment saying, "Enough to this type of abuse. Let us protect the privacy of each American citizen. Let us protect it specifically as far as his income tax is concerned."

This amendment was the first major piece of Watergate reform approved by the Senate. Now let the House get on the record. Let every Member of the House have that opportunity to address the merits of this legislation—not as to whether or not there is a parliamentary defect, or whether we have a letter from WILBUR MILLS, or the Treasury Department has something in the works.

This is going to come to pass only if the Senate stands fast and reasserts its original position. If the question belongs in the House, let it be sent to the House, and not decided behind the doors of a conference meeting. That is why I ask my colleagues, to join me in sending this measure back to conference, so that the procedure may begin.

To those who say that the parent legislation is too important, I reply that no bill authorizing a few additional employees in the executive branch is more important than a clear measure to the American taxpayer. Above all, that taxpayer must have full confidence that in fulfilling his duty as a citizen, he is not exposing himself to secret exploitation of private, personal information. And make no mistake, in the next several days, as we discuss this matter, I intend to cite examples. This is not some fear that I harbor as to an ill that might come to pass. The record is replete with violations by the executive branch of Government, by the Internal Revenue Service, where, indeed, the taxpayer has been severely harmed, and where his private life has been placed in the public record in a manner never intended by our internal revenue laws.

The taxpayer must have full confidence that he is not exposing himself to secret exploitation. I will tell the Senate a story on that.

During the course of the Watergate hearings, I had occasion to meet with some of our former Commissioners of Internal Revenue, and separately each one would state the same thing, which was that representatives of foreign countries would come here, to the United States, to find out why our Federal tax system worked so well. They could not understand it. They thought maybe we had a computerization process that gave us an edge over their nations, where they had difficulty in collecting taxes, or possibly some administrative setup in the way of personnel that gave us that edge.

After visiting our Nation and seeing the Internal Revenue Service in operation, and after delving into every aspect of its operation, they would return to their homes after coming to the conclusion that it was not computers, it was not the personnel within the Internal Revenue Service itself, but rather it was that every American took upon himself the job of self-policing, if you will, to assure that this piece of paper which he filled out adhered to the law, and that he did so voluntarily, without being held accountable by either the agency or the courts. It was a spirit, a frame of mind, not to be bought in the manner of a computer or hired in the manner of personnel, but rather that those who were taxed had such confidence in the system, such a belief in the system and in their Nation, and such a belief in the trust that was imposed upon them, that almost 99 percent of them did it the right way, and within the law.

That is an attitude which, as I say, is not for sale. It is probably impossible to attain insofar as any foreign nation is concerned.

The tragedy of some of the revelations made in the past several months is not that some of the people did not pay their taxes, but that they were people entrusted with executing the laws of this land and with setting the example insofar as obeying those laws is concerned.

This Nation, more than any other nation in the world, is founded on the voluntary payment of taxes. More than 98 percent of returns in this Nation are filed without any contact, ever, with a Government official. Ninety-eight percent of the people, with any contact whatsoever with a Government official. This is the system that has been exploited and this is the system which will collapse unless the American people have complete confidence in it.

What other nation in the world has achieved greatness in so many areas? Think of the excellence that has been created in housing, in transportation, in education and in health. These are fine achievements, but they cost money, and the American people have provided that money. The system through which it has been provided is the system of the Internal Revenue Service. That is the system which has been exploited, and this is the point we are at now, where people, losing their confidence in the system, will all of a sudden start to chisel a little here, cheat a little there, start to follow the examples of those in high office, and all of a sudden the receipt of money will start to dwindle and dwindle. The end result will be that which can be accomplished when the taxpayer funds will start to dwindle.

No greatness is possible out of a system that is rotten.

So many times I hear, "The Senator from Connecticut gets all upset about these philosophies, these ideals, these principles. Tell the Senator from Connecticut I am interested in my job, in my house, in my school, in my automobile, in my roads."

How is it, then, or could it ever be, that a system that is rotten can deliver excellence in meeting these vital necessities of life? Obviously it cannot.

As I have stated many times before, it is the state of our spirits that determines the state of this Union. You do not start off with the television set, with the house, with the automobile, or with the high salaried job. These things have come to each of us because of the principles that have guided the Nation to greatness.

So, yes, it is important, in this field of taxation and collection of revenue, that people have absolute confidence in the integrity of that system. And they do. They do as we meet here today, because over almost 200 years we have established that figure, that 98 percent of us could do the job by ourselves, without ever seeing anyone from the U.S. Government.

But now different examples have appeared, and not only have they appeared, but they have been defended as being of little consequence. That is the danger, is it not? That is the danger, to feel that everyone's eyes are focused on one individual on this day as to his particular guilt or innocence, everyone forgets the broader principles which are of even greater importance than any one of us.

These abuses have taken place. People say, "Forget about it; everybody does it."

Mr. President, everybody does not do it. I just gave the statistics: 98 percent do not do it.

But if we sit here and accept these examples without protest, then what we will have established is the fact that everyone is going to do it. And that is a little bit different. I might add, it would insure a guarantee of mediocrity to a nation that has never stood for mediocrity.

Hundreds of billions of dollars are at stake in this amendment. The very foundation of our Government's operating capacity is at stake.

That is the important issue, and it cannot be shunted aside to speed the way for a few more people in the executive office.

Which brings us to the merits.

First, we should examine some of the arguments thrown up by those who would prefer to wait for another day, keeping in mind that arrayed against these arguments is the very fate of our revenue system and confidence in our Government in general.

There are the procedural matters. IRS stores old tax returns at the Archives, possibly subjecting them to access by General Services personnel. This is one of the arguments thrown up against it.

The solution is simple. The returns can be placed in sealed boxes. Should access be required, an IRS official can be given that task. Alternatively, IRS could assume storage responsibility.

Then there is the argument that the IRS furnishes tax returns to Government attorneys involved in litigation. An appropriate answer is again available. Every other litigant in a civil or criminal case in this country has to subpena his evidence, including the private citizen defending himself against the Government.

Why a different standard for the Government? When we furnish information to the IRS, fulfilling our obligation to pay fair share for the services we enjoy, we do not by any means consent to furnishing evidence for an unrelated case at law.

What if we had a valid privilege or defense we wished to assert with respect to that evidence? Should that right be cut off because we did our duty and paid our taxes? Keep in mind that this amendment in no way restricts the ability of a Government attorney to subpena evidence from a taxpayer, which is the way it should be.

We hear that there is much valuable statistical information in those tax returns that is desired by other agencies. Two solutions come to mind. First, there is no restraint on the IRS compiling that data. Clearly that is where it should be done. The practice of distributing tax returns around the Government is wrong. The last people in Government who should see the tax returns of large agribusiness taxpayers are the officials in the Department of Agriculture.

The second solution would be for the agencies or departments themselves to collect the information they need. This insures that only relevant information will be available and it gives the person furnishing the information full notice. In the case of the Commerce Department or the Census Bureau, the process of collecting information is already in place and could be expanded to suit their reasonable needs.

The argument is raised that the Social Security Administration must coordinate its information with that filed with the Internal Revenue Service. This amendment would in no way restrict IRS in furnishing certain data, such as the use of multiple social security numbers, to Social Security. It likewise does not restrict IRS in coordinating and cross-referencing information furnished by the Social Security Administration to check for discrepancies. With that information, Social Security can proceed to take action, and failing voluntary compliance it can duly subpena the necessary records. It is a sound procedure, and once again guarantees that only relevant and necessary evidence is exposed.

So much for the merits of the objections.

The positive merits are legion. They are born in the abuses of Watergate, and are found in a wide range of recommendations . . . from Vice President FORD's Domestic Council Committee on the Right of Privacy to the Commissioner of the IRS.

Mr. President, I would now like to cite some of the findings as to IRS abuses, followed by statements recognizing the need for this legislation. First of all I will read my own individual views as contained in the final report of the Select Committee on Presidential Activities, starting on page 61.

> One of the significant patterns of evidence that emerged from this Committee's investigation relates to the operation of government.
>
> In the climate of Watergate there is a tendency to dismiss anything short of crimes. But there is great value to the facts that follow, not because they contain sensational crimes, but because they confirm a misuse of the intended functions of important institutions. It reflects a departure from legitimate government that if allowed to persist would be of far greater significance, over time, than any short-term criminal event.

I think it is important to point out here to my colleagues that we continually legislate for the moment, for ourselves. I think perhaps it is time we started to go ahead and legislate once again, to go ahead and draft the laws and make the interpretations for our children, our grandchildren, and those generations yet unborn rather than just to consider the expedient as to what will get the United States of America through today. Why not once again put it on the basis of what it is that we can do for the United States of America tomorrow.

At this point, let me refer back to the report.

> The attitudes and policies that led to Watergate had a profound impact on the intelligence community, from the FBI and the CIA to the lesser intelligence sections of other agencies.
>
> Soon after the new administration took office in 1968, there seems to have been a basic dissatisfaction within the White House as to our existing intelligence capabilities. They were variously considered too timid, too bound by tradition, and generally incapable of acting effectively with respect to what the White House perceived as necessary intelligence.
>
> One of the responses by the White House was to set up a plan, an intelligence plan, so that the objectives, methods, and results of the intelligence community would coincide with the White House. This plan was drafted by Tom Charles Huston in early 1970, and came to be known as the 1970 Domestic Intelligence Plan, or the Huston Plan.
>
> Much of the plan, which has been described previously, was illegal, either in its objectives or in the methods it proposed. Nevertheless, there are numerous indications, in evidence received by this Committee, that the types of activities recommended in the plan were carried out in the following years. The net effect was to subvert or distort the legitimate intelligence functions of the government.
>
> The plan recommended an expanded use of electronic surveillance. However, the expanded wiretapping that took place in succeeding years was done outside legitimate channels, such as the 17 so-called Kissinger taps, the tap on Joseph Kraft, the Watergate wiretaps, and even the wiretap on the President's brother.
>
> The second element of the plan called for surreptitious entries. Burglaries in fact took place at the office of Dr. Ellsberg's psychiatrist, at the Democratic National Committee, at the office of publisher Hank Greenspun, according to multiple evidence; and were

> suggested or planned for the offices of the Potomac Associates, The Brookings Institute, and Senator McGovern's campaign headquarters.
>
> Mail sent to an affiliate of the Democratic party was opened and photographed by the United States Army, in a well-documented and apparently massive operation, and military agents spied on the Concerned Americans in Berlin, a group of McGovern supporters who were officially recognized by the Democratic party.
>
> The specific actions proposed by Huston are only one aspect of the plan. Equally important are the policy recommendation. The heart of this new policy was better coordination and use of existing intelligence from all areas of the government. The means of carrying it out was to be a new intelligence "Committee" sitting above all the agencies. Again, the plan was carried out.
>
> On September 17, 1970, an Intelligence Evaluation Committee was set up in the White House. It was to receive information from the CIA, the FBI, the National Security Agency, and other intelligence sections. Notwithstanding the fact that the statutes prohibit the CIA from participating in any domestic intelligence function, it was called upon to evaluate domestic intelligence-gathering by the other agencies when the Intelligence Evaluation Committee was set up. This intelligence was to be digested by the CIA experts and then disseminated for use wherever useful, regardless of the statutory limits placed on the agency that collected the information.
>
> What was important about setting up that Committee was not the work it actually did, but rather the legitimization of a concept. That concept was that intelligence functions of the various agencies were there for whatever purpose the Executive decided it wanted, not for the purposes Congress decided by statute.

Mr. President, there you have it. We know Congress wishes to act as soon as possible—wants to make the law clear. If Congress wants to sit by and have some rather flexible wide open standards, then the abuses will occur.

> As an illustration, Mr. McCord testified that he eventually received information for use by CRP from the Internal Security Division of the Justice Department, on a daily basis. It included information from the FBI, pertained to individuals, and was of a political as well as non-political nature. This arrangement was made pursuant to a request sent to Mr. Mitchell from Mr. McCord, which led to a call from Assistant Attorney General Mardian in which he replayed the Attorney General's approval and told McCord to work through the Internal Security Division.
>
> The Internal Security Division of the Justice Department also provided political legal assistance to the White House. For example, it provided information regarding demonstrators, and information that would embarrass individuals in connection with their relationship with demonstrators and demonstration leaders.
>
> Another illustration of misuse of intelligence was the request made to the IRS, on July 1, 1969, by Mr. Huston, to set up a means of "reviewing the operations of Ideological Organizations."

I never dreamed of the fact that in this country of ours, the existence of an ideological organization or being a member of an ideological organization such as the Republican Party or the Democratic Party was a crime, or something to have the enforcement agencies set upon.

Soon the IRS had set up an "Activists Organizations Committee." Mr. President, this is your IRS, the one that has access to your returns, that is in the confidential position of the fiduciary position, taxpayer, and the receiving organization.

> Soon the IRS had set up an "Activists Organizations Committee," collecting intelligence to "find out generally about the funds of these organizations." An internal memo pointed out that "its activities should be disclosed generally only to those persons who need to know, because of its semi-secretive nature.

Now, listen to this if Senators really want to find out what was going on. If Senators really want to understand, listen to the next statement after this was recommended:

> We do not want the news media to be alerted to what we are attempting to do or how we are operating because the disclosure of such information might embarrass the Administration.

I would like to state, as an aside, it is just words like that that make each one of us realize the importance of the first amendment of the Constitution, a free press, always there to be able to give us the facts.

As a free people, I never have any doubt that America will make the right decisions, as long as America is in possession of the facts. Without those facts, indeed, we are blind, and indeed the incorrect posture will come to us with a greater frequency.

> The type of organization in which we are interested may be ideological . . . or other.

Now, that includes everybody. Everybody, in other words, to come under the purview of this intelligence operation, this enforcement operation.

> In effect, what we will attempt to do is to gather intelligence data on the organizations in which we are interested and to use a Strike Force concept. This was not tax collection; it was the IRS being converted into an intelligence agency; and it was stopped in the midst of this Committee's hearings in mid-1973.

For 3 years, this Nation had this type of operation going on.

Now, if anybody feels that they are immune from the impact of Watergate, they do not have to sit in the White House, or in the Senate or the House of Representatives. All they have to do is read that kind of language. As citizens of this Nation, we are all involved in that type of operation. And that it happened in this country for 3 years is a disgrace, not to the Senate or House of Representatives, but to every American, and far from something which is to be condemned as the product, if we will, of a biased news media or those that have partisan or personal differences with individuals.

Those are the facts. Those are the words of this administration, that is the organization that was in being for 3 years under the auspices of the IRS, that service which I am now asking the Senate of the United States to put under some sort of a system of accountability rather than just the good wishes and the good words of the distinguished chairman of the House Ways and Means Committee and the ranking Republican and the various members of the Treasury Department who, themselves, have had more than one experience with rather questionable retrieving of data from the IRS.

> The next step was when the IRS began gathering intelligence from other parts of the government, with no attempt made to restrict this to tax-related information. Arrangements were made with the military, the Internal Security Division of the Justice Department, and the Secret Service to turn over information on individuals or groups.

So long as the IRS had power to be a potential harassment for the average citizen, so long as audits were not conducted on an objective basis, this procedure of developing files on dissenting citizens must be questioned.

The more important point is that the duties and responsibilities of IRS are spelled out by Congress.

That is one aspect I think that needs clarification and debate.

The IRS is not a law enforcement agency; it is not an intelligence agency. It has one job and one job only, and that is to be the collector of revenues on behalf of the Government from each individual taxpayer. It is as simple as that. It is not a question of trying to weaken us in a law enforcement or an intelligence sense. We have the agencies that have been granted specific powers to do those types of jobs. Admittedly, they have not done their jobs too well either.

The CIA, the FBI, the Secret Service, military intelligence, State police, we can go down the entire list; these are the individuals and organizations entrusted with the duty of law enforcement and intelligence. That is not the job for the IRS.

That is not what it was set up for by Congress. There is nothing in the Constitution which says the Internal Revenue Service is out from under the scrutiny of Congress. Yet that is exactly what Congress has allowed to happen, as indeed it has also happened to the aforementioned intelligence agency.

> So long as the IRS has the power to be a potential harassment for the average citizen if audits are not conducted on an objective basis, this procedure of developing files on dissenting citizens must be questioned. The more important point is that IRS duties and responsibilities are spelled out by the Congress, and such an intelligence operation is not one of them.
>
> The IRS and the Justice Department were not the only agencies pressured into assisting White House intelligence demands. A Secret Service agent spied on Senator McGovern, when supposedly protecting him during the campaign. When the White House was informed of this, no objection was made.
>
> An FBI agent was used by a White House staff member to spy on a Long Island newspaper doing an article on one of the President's friends. The Commerce Department was called on to provide commercial information in a project that it was hoped would embarrass Senator Muskie. The Department of Defense was used to find out information as to Senator McGovern's war records, at a time when there were public charges that he may have acted with cowardice—

Which he did not.

> There was testimony to the effect that there was nothing short of a basic policy to use any governmental agencies to seek politically embarrassing information on individuals who were thought to be enemies of

the White House. The so-called "enemies list" was maintained in the White House for this purpose, and a memo was prepared to implement a means of attacking these enemies.

Apparently it was not enough to maneuver the intelligence community and related agency functions. Plans were made to take what is clearly a function of government outside the government, to set up an independent intelligence operation.

Let me depart from the text for a minute. These matters which I now recite are not new. No headline will be made out of what I read here this afternoon.

These are indisputable facts of Watergate. This is what happened. Now it is up to the American people to decide whether or not we are going to take the legislative remedies. Impeachment is not one of them. The legislative remedy, Mr. President, is for us to do our job in a positive sense to make certain that these abuses will not occur again. Here we have our first attempt at a legislative remedy to make sure that the Internal Revenue Service could not be used in a political way. We, the Senate, having been the first out of the gate to advocate bold reform, find ourselves now in headlong retreat before the vagaries of the House.

To continue reading the report:

The first plan was put forth by Mr. Caulfield, in proposals to Messrs. Dean, Mitchell and Ehrlichman. He suggested a private security entity that would be available for White House special projects, thereby insulating the White House from its deeds. It was called Operation Sandwedge.

Mr. Caulfield rejected the Sandwedge plan, and it was apparently replaced with an operation that came to be known as the "Plumbers." In the meantime, Caulfield began conducting intelligence functions from a position on the White House counsel's staff, functions that properly belonged in the agencies, if anywhere.

Caulfield was instructed, for example, to develop political intelligence on Senator Kennedy, including instructions from the Assistant Attorney General to obtain certain information about the travels of Mary Jo Kopechne. When he took the job, he told Mr. Ehrlichman that he would hire an ex-New York City policeman to do investigative work.

Mr. Ulasewicz was then used to collect information on various enemies, political, ideological, and personal. A sample of his activities reveals not only why intelligence should not be outside the checks of a professional organization, but also the rather broad scope of what the White House was in fact doing. His investigations included such things as Richard Nixon's old apartment in New York, a Kennedy official trip to Hawaii, name checks on White House visitors, the President's brother, political contributions to a dozen Senators who opposed the administration, Jefferson Hospital in Philadelphia, Louis Harris Polls, the Businessmen's Education Fund, the House of Mercy home for unwed mothers, the U.S. Conference of Mayors, a comedian named Dixon, Mrs. Rose Kennedy's secretary, and Birmingham, Alabama City Council, Mayor, and Executive Staff. And that is just a sample of the much larger number of its investigations. Many of them are clearly the responsibility of established agencies, if they are anybody's responsibility at all.

Eventually, a semi-official unit, the Plumbers, was established within the White House, with a combination of police and intelligence duties. It conducted what Mr. Mitchell referred to in his testimony as the "White House horrors". According to Mitchell, these operations were so wrong that if the President had heard about them he would have "lowered the boom", even though there is other evidence that the President did not know about them and didn't lower any boom.

The legitimate intelligence agencies were used to support this operation, specifically by providing materials for their operations. General Cushman of the CIA testified that after a personal request from Mr. Ehrlichman, CIA technical services people provided Mr. Hunt with a driver's license, social security card, wig, and speech altering device, which were delivered to a "safe house" off CIA premises per Hunt's instructions.

Around August, 1971, Hunt began to make additional demands on the CIA: first, for a stenographer to be brought in from Paris, which Cushman and Director Helms considered merely a face-saving move and rejected. Later demands were made for a tape recorder in a typewriter case, a camera in a tobacco pouch, for film development, and for an additional alias and false papers for another man ("probably Liddy"), which requests came to Cushman's attention after they had been granted by the technical services people.

After Hunt's additional demands and a subsequent request for a New York address and phone services, Cushman and Helms decided Hunt's requests had exceeded his original authority. On August 31, 1971, Hunt made a final request, for a credit card, which was denied.

Mr. Young of the Plumbers unit asked the CIA to do a psychological profile of Dr. Ellsberg. It was clearly a domestic project, the only one of its type ever requested, according to Gen. Cushman of the CIA, who also testified that such profiles are reserved for foreign leaders. Nevertheless, it was done, but Mr. Young considered it unsatisfactory, so another profile was prepared and sent. Other projects spanned a broad range, such as spiriting Dita Beard from the East Coast to a Denver hospital, and a subsequent trip to Denver by Hunt in disguise to question her about the ITT affair. To bring the full influence of the White House to bear on this extraordinary activity, Mr. Ehrlichman testified that he personally introduced Messrs. Krogh and Young who headed up the Plumbers to the heads of various agencies, such as the Secretary of Defense, the Attorney General, and the Director of the CIA.

Members of the Plumbers eventually went on to similar work for the Committee to Re-Elect. Although they were clearly outside the government, they again used the legitimate agencies. Ex-CIA employees were recruited on the basis of their loyalty to the CIA. National security responsibilities were misused. Mr. Barker was even told that the interests of national security he was serving were above the FBI and the CIA. To reinforce this position, classified and critical information about the mining of Haiphong harbor was relayed to Barker the day before the President's announcement.

That was even before Senators received it.

This was not only a misuse of secret Defense Department intelligence, but it also furthered a misuse of national security entrustment in the executive branch.

In a different type of situation, Mr. Haldeman was appointed "the Lord High Executioner of leaks." This technique of attacking and solving the leaks problem illustrates the contempt for normal government functions. It resulted in Mr. Caulfield, by his own testimony, being directed by Ehrlichman to wiretap a newsman's telephone (Joseph Kraft) in pursuit of a leak, outside the safeguards of government wiretap procedures and regulations. There are capabilities within the legitimate operations of our government for handling such a problem. The attitude that these problems had to be treated independently was the same attitude that led to the 17 Kissinger taps being installed outside normal FBI channels and Mardian's instructions from the President regarding the disposition of those wiretap logs "that related to newsmen and White House staff suspected of leaking," and that led to unusual and perhaps illegal White House involvement in the Ellsberg case itself.

There is a reason for demanding that government officials use only the tested and accountable facilities of government. It has been illustrated by the kind of projects undertaken independently by the White House.

The final contempt for the intelligence community can be seen in efforts to exploit them in the coverup. Mr. Ehrlichman said that he and Mr. Haldeman had spoken to General Walters and Mr. Helms of the CIA shortly after the Watergate break-in. Ehrlichman further said that Walters was a friend of the White House and was there to give the White House influence over the CIA. Dean testified that Ehrlichman asked him to explore the possible use of the CIA with regard to assisting the Watergate burglars.

On June 23, 1972, Mr. Haldeman and Mr. Ehrlichman met with Director Helms and General Cushman of the CIA. According to Director Helms, Haldeman said something to the effect that it had been decided that General Walters was to go talk to FBI Director Gray and inform him that "these investigations of the FBI might run into CIA operations in Mexico" and that it might be best if they were tapered off—or something like that.

According to General Walters, Haldeman directed Helms to inhibit the FBI investigation on grounds that it would uncover CIA assets in Mexico. Haldeman also indicated he had information the CIA did not have, and that five suspects were sufficient. When Director Helms and Director Gray of the FBI scheduled a meeting between themselves on June 28, 1972, Mr. Ehrlichman intervened and canceled the meeting, thus preventing any independent contacts.

At a later time, Mr. Dean discussed with General Walters the possibility of using covert CIA funds to pay the Watergate defendants. In February 1973, the CIA was asked by the White House to take custody of Justice Department files on Watergate, but the request was denied.

Mr. McCord testified that at the time of the Watergate trial, pressure was brought on himself and other defendants to claim for purposes of a defense that Watergate was a CIA operation.

The FBI was likewise abused in numerous ways. Some of these, such as turning over Hunt's files to Mr. Gray, have been well documented. But there were other examples. The FBI set up the so-called Kissinger wiretaps outside channels, effectively insulating them from routine discovery and accountability, and at the President's instructions, Mr. William Sullivan (who had supervised the wiretaps) turned over all evidence of them to the White House when it was reportedly related to the President that Hoover might use them to preserve his job. The FBI ran an investigation of CBS newsman Daniel Schorr, in what was a White House tactic to embarrass him, according to one witness.

Mr. Ehrlichman testified that he was instructed after the Watergate break-in to see to it that the FBI investigation did not uncover the Ellsberg break-in or get into the Pentagon Papers episode.

In the end, the wake of Watergate left a distorted intelligence community whose historic professionalism has been badly damaged.

B. LAW ENFORCEMENT AGENCIES

The primary responsibility for law enforcement falls to the Department of Justice. To the extent that White House or political considerations interfered with that responsibility, it interfered with a critical part of our government.

There was considerable evidence of White House contacts, including pressure and interference, with respect to the Watergate investigation. It began almost immediately after the break-in, with a request to the Attorney General that he try to obtain the release of Mr. McCord. In the following days, he was warned about a too aggressive investigation, he was warned in mid-1972 that Magruder might have to plead the Fifth Amendment, he was asked to provide raw FBI files on the case, and he was asked to be the White House secret contact with this Committee. As noted earlier, an agency of the Justice Department, the FBI, was consciously lied to, was asked for raw files, its Director was given potentially embarrassing evidence from the safe of one of the Watergate burglars, with instructions he interpreted as a request to destroy that evidence.

The White House counsel testified that he in fact received information from the Justice Department and the FBI on the Watergate case. Mr. Dean stated that he was asked by Mr. Mitchell, after Mitchell had left CRP, to get FBI 302 reports of interviews with witnesses, and that Mr. Haldeman and Mr. Ehrlichman also thought it would be a good idea to get those reports. Mr. Mardian, attorneys O'Brien and Parkinson, and Mr. Richard Moore all viewed those files after Dean obtained them. Dean pleaded guilty to an "information" charge in October 1973, which charge included a conspiracy based on White House access to those files.

There were similar pressures as to the whole Ellsberg matter. When Assistant Attorney General Petersen advised the President of the Ellsberg break-in, he was told, "I know about that," and "You stay out of that."

The Anti-trust Division of the Justice Department received requests, which have been reviewed earlier as to the media, to go after targets of White House dislike.

After the association of milk producers pledged $2 million to the President's campaign, a grand jury investigation of their association was halted by the Attorney General. Nevertheless, anti-trust violations were allowed to be pursued as a civil, as opposed to criminal, suit. The anti-trust suit was in fact brought in February, 1972, in spite of much White House concern by Messrs. Colson and Haldeman. The milk producers discussed their anti-trust suit with Treasury Secretary Connally in March, 1972, resulting in a call to the Attorney General. Other contacts with the Attorney General were made on behalf of the milk producers, and an attempt was made to give additional contributions in return for dropping the anti-trust suit.

A similar pattern of efforts to obtain favorable treatment from the Attorney General in an anti-trust matter followed the transfer of $100,000 by the Hughes Tool Co. to a friend of the President. The Hughes Corporation was involved in anti-trust problems related to pending purchases of a hotel in Las Vegas and an airline corporation. At the time the money was being transferred, a representative of the Corporation met with the Attorney General. The anti-trust problems were subsequently resolved.

The grand jury system, an essential element of the prosecution process, was subverted by members of the administration and CRP, even to the point of special favors for such officials when they were to be called before the grand jury. According to one witness, Mr. Ehrlichman attempted to prevent former Commerce Secretary Stans from appearing before the Watergate grand jury by directing Assistant Attorney General Petersen not to call Stans. Stans' testimony was eventually taken in private, as was the testimoney of Messrs. Colson, Kehrli, and Young.

It should be recalled that the Attorney General doubled as a campaign manager from July 1971, until he resigned in April 1972. When asked if it wasn't improper "for the chief law enforcement officer of the United States to be engaging in, directly or indirectly, managing political activities," the Attorney General responded, "I do, Senator." He held this dual role while a number of large campaign contributors, such as the association of milk producers, the Hughes Tool Co., and International Telephone and Telegraph had important cases under investigation by the Justice Department. The Attorney General who succeeded him pleaded guilty to a charge pertaining to the ITT matter.

The prestige of the Attorney General's office was misused. Mr. McCord testified that a very important reason for his participation in the Watergate operation was "the fact that the Attorney General himself, Mr. John Mitchell, at his office had considered and approved the plan, according to Mr. Liddy." Mr. Baldwin was told that if at any time he had trouble establishing his authority for being in a certain place or for having a weapon, he was to mention John Mitchell. In an outrageous insult to our law enforcement institutions, it was in the Attorney General's office on January 27, 1972, and on February 4, 1972, that Liddy's plan was presented, including expensive charts outlining mugging, bugging, burglary, kidnapping, and prostitution.

The Justice Department was not alone.

Some of the most blatant attempts to pressure an agency charged with enforcing laws were aimed at the IRS. The conversation between the President and Messrs Dean and Haldeman on September 15, 1972, states this clearly criticizing the IRS for not being sufficiently "responsive" to personal and political demands.

I shall give a footnote on that:

Mr. Dean testified that on September 15, 1972, he discussed with the President "using the Internal Revenue Service to audit the returns of people," and that this was in keeping with earlier discussions with Haldeman wherein Dean was requested that "certain individuals have audits commenced on them." Dean replied to the President that the IRS had not been happy with the prior requests and, according to Dean, the President told him to keep a good list, so that "we would take care of these people after the election." Haldeman added "that he had already commenced a project to determine which people in which agencies were responsive and were not responsive to the White House."

I might add, along the same line, that a good example of the way in which the White House approached confidential tax return information is contained in the talking paper prepared by Mr. Gordon Strachan, of the White House staff for Mr. Haldeman, the President's chief of staff. This is an internal White House memo. It should make everybody very happy:

(A) THE BUREAUCRACY

I.R.S. is a monstrous bureaucracy, which is dominated and controlled by Democrats. The I.R.S. bureaucracy has been unresponsive and insensitive to both the White House and Treasury in many areas.

In brief, the lack of key Republican bureaucrats at high levels precludes the initiation of policies which would be proper and politically advantageous. Practically every effort to proceed in sensitive areas is met with resistance, delay and the threat of derogatory exposure.

(B) ADMINISTRATION APPOINTEES

Randolph Thrower became a total captive of the Democratic assistant commissioners. In the end, he was actively fighting both Treasury and the White House.

Johnnie Walters has not yet exercised leadership. Unevaluated reports assert he has been either reluctant or unwilling to do so.

Walters has appointed as his deputy, William Loeb, career Democrat from Georgia. Loeb has asserted his Democratic credentials in staff meetings according to reliable sources.

Walters appears oversensitive in his concern that I.R.S. might be labelled "political" if he moves in sensitive areas (e.g. audits, tax exemptions).

During the Democrat Administrations, I.R.S. was used discreetly for political purposes, but this has been unavailable during this Administration.

SUGGESTIONS

Walters should be told to make the changes in personnel and policy which will give the Administration semblance of control over the hostile bureaucracy of I.R.S. Malek should supply recommendations.

Walters must be made to know that discreet political actions and investigations on behalf of the Administration are a firm requirement and responsibility on his part.

We should have direct access to Walters for action in the sensitive areas and should not have to clear them with Treasury.

Dean should have access and assurance that Walters will get the job done—properly!

(A) To accomplish: Make IRS politically responsive. Democrat Administrations have discreetly used IRS most effectively. We have been unable.

(B) The Problem: Lack of guts and effort. The Republican appointees appear afraid and unwilling to do anything with IRS that could be politically helpful. For example:

We have been unable to crack down on the multitude of tax exempt foundations that feed left wing political causes.

We have been unable to obtain information in the possession of IRS regarding our political enemies.

We have been unable to stimulate audits of persons who should be audited.

We have been unsuccessful in placing RN supporters in the IRS bureaucracy.

(C) HRH should tell the Sec.

Walters must be more responsive, in two key areas: personnel and political actions.

First, Walters should make personnel changes to make IRS responsive to the President. Walters should work with Fred Malek immediately to accomplish this goal. (NOTE: There will be an opening for a General Counsel of IRS in the near future—this should be a first test of Walters' cooperation).

Second, Walters should be told that discreet political action and investigations are a firm requirement and responsibility on his part. John Dean should have direct access to Walters, without Treasury clearance, for purposes of the White House. Walters should understand that when a request comes to him, it is his responsibility to accomplish it—without the White House having to tell him how to do it!

That type of memorandum, I think, highlights the problem to which I have asked the Senate to address itself. I do not think the American people care whether it has been a Republican administration or a Democratic administration that is messing around in this way. But I think the American people expect that, now that we know about it and it has been laid out in the RECORD, we do something about it.

I think it is an absolute disgrace that the Congress of the United States, given the opportunity to correct this very type of abuse, has chosen to duck the issue. We want to know why we get low marks from the people of this country. It is exactly because of that type of weaseling—and that is what it has been.

Who, when he files his tax return, expects that this is going on in the background? He probably thought all he had to do was sit up a few hours in the night and, according to the law, compute that which came in and that which came out.

The average citizen never suspected that not only were his calculations of concern but also his personal politics, what he believed in, his associations, all this was of concern to someone else in the background, and that this document, which we freely fill out, is going to be used as a basis for somebody else to use to evaluate us politically or ideologically, or whatever.

I have no desire to stay on the floor for the next several days. I hope that somewhere along the line I might pick up some support among my colleagues, but I am going to do it nevertheless, because to me, the principle involved here is far, far more important.

So far, the Senate has seen fit not to acknowledge that this type of activity goes on when, indeed, it is there, not as a matter of speculation or some newsman's column, but as a matter of black and white documentation coming out of the White House of the United States.

To return to the report,

> It is buttressed with evidence that the Internal Revenue Service was contacted in relation to cases involving friends of the White House.

The footnote states:

> Mr. Dean testified to several requests made to him to intervene on behalf of "friend" tax reports. One case involved the Justice Department, and two other cases resulted from complaints by John Wayne and Billy Graham, who felt they were being harassed by the IRS. Dean's assistant, Mr. Caulfield, contacted the IRS, which allowed him to see Graham's Sensitive Case Report out of Atlanta and which forced the local agent to justify his audit of Wayne. Testimony of John Dean, Vol. 4, pp. 1530, 1559; Executive Session of John Caulfield, March 23, 1974, pp. 47–48; interview with Mike Acre, September 27, 1973, p. 7.

Now we also know that in this relationship between the executive branch of the Government and the Internal Revenue Service, there not only exists a negative relationship, but, if one happens to be the right person, he does not need H & R Block, Inc.; all he needs is a friend at the White House.

> The tax data for a prominent Jewish leader in Rhode Island was given to Mr. Dean's office, along with confidential tax return information on a number of prominent entertainers. Tax audits of Democratic party Chairman Lawrence O'Brien were sought in an attempt to come up with damaging information. In contrast, IRS contacts were used to help in audits of the President's friends, including actor John Wayne, the Reverend Billy Graham, and Mr. Charles G. Rebozo.
>
> The confidential tax return information of Mr. Harold J. Gibbons, Vice President of the Teamsters, was turned over to Mr. Colson. It is significant that the memo discussing Gibbons' taxes points out that he supported Senator McGovern; in fact, he was the only major Teamster official to support McGovern, and the only one whose taxes were apparently sent to the White House.
>
> Mr. Colson's memo not only mentioned "that there are income tax discrepancies involving the returns of Harold J. Gibbons," but was also interested that "if there is an informer's fee, let me know." Vol. 4, Ex. 45, p. 1686. It is worth pointing out that none of the official duties of Mr. Colson at the White House would legally justify him having access to citizens' tax returns, except upon specific request of the President.

Here we see how the information that a citizen supplies can be used against him or her politically. So the next time he goes to the polls, he might give a second thought, either in his actual vote or in his campaign activity, as to whether or not he will vote that way or campaign that way, because in the back of his mind, he will know who has access to his tax returns and, invariably, it would be an incumbent administration.

> A close friend of the President's, according to Mr. Dean, "thought he was being harassed by the agents of the Internal Revenue Service". Dean raised this with Mr. Walters (Commissioner of the IRS) who said that could not be the case. Dean kept checking the status of the case, because he "got questions on it with considerable regularity." Dean stated that "it was Rosemary Woods who kept asking me the status of the case because this individual was seeing the President a good deal." The case was referred to the Criminal Division of the Justice Department. Dean was told he had to do something about it, so he eventually saw Mr. Ralph Erickson at the Justice Department, who said "there is one more thing we can do; there are some weaknesses in the investigation and we may send it back to the Internal Revenue Service for one last look to see if this follows, it really is a solid case," which to Dean's recollection was done.

In other words, the President was not satisfied and suggested that the changes be made in the Internal Revenue Service after the 1972 election.

> Nevertheless, the President was not satisfied and suggested that changes be made at the IRS after the 1972 election. In addition, Mr. Dean prepared a briefing paper for Mr. Haldeman with respect to a meeting with the head of the IRS, to make the IRS more responsive to the White House. Mr. Strachan testified that Mr. Haldeman discussed a more politically responsive commissioner of the IRS so that it could be used against political opponents such as Clark Clifford.
>
> The IRS was not only contacted with respect to individual cases, it was also the focal point of certain questionable policies. One of these policies was to "punish" groups, tax exempt groups in particular, who were thought to hold ideological views different from the White House. There was no evidence that these organizations advocated or did anything illegal or unconstitutional, or that they in any way violated the tax laws. Nevertheless, they were singled out for challenge as to the tax exempt benefits they enjoyed under the law. Groups enjoying the same benefits who were sympathetic to the administration did not received the same attack.

So there in the report we have a pretty thorough view of the actions of the Internal Revenue Service.

Let me repeat the amendment that has been thrown back by the House of Representatives:

> Notwithstanding any other provision of law or of any regulation made pursuant thereto, no return made with respect to any tax imposed by the Internal Revenue Code of 1954 shall be open for inspection by, nor shall any copy thereof be furnished to, any officer or employee of the executive branch other than the President personally upon written request, or an officer or employee of the Department of Justice concerned with the filing and audit of such returns, the payment, collection, or recovery of the tax with respect to which such return is made, or the prosecution of any offense arising out of that return.

It is so simple, merely saying that an individual's tax return is the proper business of that individual or employees of the Internal Revenue Service or of the Justice Department who might have to be involved were there any violation of the tax law, and the President, on his own written signature, in case any matter of supreme importance was raised.

That is it. Internal Revenue says nobody else has any business with that return. And I would like to see who, either in this body, in the House of Representatives, or among the American people, is going to justify that someone else has an interest in that tax return.

No such justification has been demanded. No one is willing to stand up, as an individual, and say we have got to have that kind of a system; but rather, behind the closed doors and with the wrappings of conference secrecy, the matter is just quietly eliminated, so that we can go back to business as usual.

Business as usual. I repeat, just to emphasize, what "business as usual" means:

> We have been unable to obtain information in the possession of IRS regarding our political enemies. We have been unable to stimulate audits of persons who should be audited.

That is "business as usual."

I have no doubt in my mind, Mr. President, that the present Commissioner of Internal Revenue will do everything within his power to see that the abuses that I have referred to are not repeated. And it could be that he is sincere in his efforts to bring about reform during his term in office. In fact, I believe that to be the case regarding Commissioner Alexander.

But this is not the point. Commissioner Alexander could very well be gone tomorrow. What, then, about the attitudes of his successor? What about the attitudes of the person who follows his successor? This is the difference in this Nation of ours as compared to other forms of government: a difference that relies on the fact that we are a nation of laws, not of men. This is our guarantee against the types of abuses to which I have made reference.

> The regulatory agencies, as much as any other area of government, fit the references in a White House memo which addressed the general problem of how to use the "incumbency" and power of the White House against opponents, or "how we can use the avail-

able federal machinery to screw our political enemies."

This power is available not only to Republican administrations but to Democratic administrations. When left unregulated and unattended, the power is there to go ahead and "screw your political enemies."

This is the problem that confronts the Senate, not only in the matter of the Internal Revenue Service, but the problem will repeat itself. It is my intention, in the weeks and the months ahead, to pursue legislation insofar as the FBI is concerned, the CIA, the Secret Service, the Justice Department, and so on down the list.

Whose fault is it that these agencies went far beyond the pale of anything contemplated within our Government? Whose fault? The executive branch of the Government, to some extent.

But nothing takes place in this country that is not passed upon by the executive branch of the Government, the legislative branch of the Government, and the judicial branch of the Government, and it is totally unfair for us to sit here in judgment on others and on other branches of the Government unless we are willing to point the finger of guilt at ourselves.

The reason why these agencies exceeded their powers was that there was no accountability. No one asked the Internal Revenue Service, when budget time came up and they requested their funds, "What have you people been doing? What are your policies?"

Nobody did the digging so necessary to achieve accountability as between this branch of the Government and that Federal agency.

Nobody, for 50 years, has questioned what it is the FBI is doing. Nobody has questioned what the CIA is doing. Oh, we have our oversight committees, but they are adjuncts; they are ancillary to the other duties of the particular committee. It is only when we go ahead and ask the hard questions and try to bring about a sense of accountability that we achieve the best in the way of results for this country.

What was it, 15, 20 years ago, all one needed was to put four stars on his shoulder and he could walk before any House or Senate committee and ask for whatever he wanted and walk out with it. All of a sudden, some of our bolder colleagues in this body—some still with us, I particularly think of the Senator from Wisconsin (Mr. PROXMIRE)—started to ask questions, and far from diminishing the military strength of this Nation we became stronger.

Accountability was established then between the Defense Department and Congress, and the beneficiary was the country and the people of this Nation who rely on a strong defense.

We departed, in other words, from the theory that more money meant better defense. More money did not mean better defense. It meant a lot of people were getting rich; and it meant a lot of money was wasted. It did not mean better defense.

So I would apply the same observations to the Internal Revenue Service and, as I stated earlier, to the Justice Department, the FBI, the CIA, to the Secret Service, and to military intelligence.

When Congress is willing to take the time to inquire and to supervise what goes on in these agencies, then these abuses will disappear. If we weakly come back into this body and claim that legislation is promised some time in the future—various individuals have said they are working on the problem—then, believe me, no respect will accrue to us and no reform will take place.

The Senate Watergate Committee was not established to get Richard Nixon. It was established as a legislative fact-finding body with the idea being that it would go ahead, dig up the facts as to various abuses which have taken place, and then come forth with legislative recommendations.

I do not know what anybody else is going to do with those facts. I would hope that this body would responsibly act and take those facts and make sure those abuses do not take place any more.

If we do not care about ourselves, for heaven's sake, let us go ahead and take care that our children and our grandchildren do not have to live under this type of a system.

It seems to me we owe them some foresight and some courage to go ahead and do what is necessary, and what is necessary clearly is to assure an accountability as between, in this instance, the Internal Revenue Service and Congress of the United States. Without it the abuses we have seen in Watergate will be minimal. Indeed, the privacy of every American will be nonexistent.

We have already reviewed numerous misuses of the IRS against political opponents. We have likewise reviewed evidence of plans to make the IRS more responsive to White House problems and demands.

A prime example of the distortion of regulatory power is contained in the record of the administration's plans to attack the media. The agency at the center of this plan was the FCC.

I think, again, it is important to go back to that piece of factual information which I gave to the Senate earlier on in this discourse where the plan to establish a special unit of the Internal Revenue Service was to be kept from the news media, that it would be potentially embarrassing, in other words, if these facts were made known.

Do not forget when we talk about the news media we do not talk about a particular profession; we talk about all. In other words, it would be embarrassing if all of us knew the facts and, indeed, I would say it would be clearly embarrassing now that we know all the facts, but what is going to be more embarrassing is after knowing the facts we do not do anything about it, and that is what is at issue on this floor today and in the days ahead:

The Federal Communications Commission licenses radio and television stations, and is thereby in a unique position to hurt the networks or any other organization such as a newspaper that owns a local station. The memos on this subject which have been reviewed previously, were frightening at best. They demonstrate clear contempt for statutory restraints on the power given to the FCC by Congress.

A good sample of the attitude toward agencies is a memo from Mr. Jeb Magruder to Mr. Ken Reitz which notes that ACTION, the agency that coordinates government volunteer programs, "is an agency that we should be able to use politically." The memo recommends a meeting with ACTION's director to discuss how "we used their recruiters (who talked to 450,000 young people last year), advertising program, public relations effort, and public contact people, to sell the President and the accomplishments of the Administration. We should be involved and aware of everything from the scheduled appearances of ACTION's recruiters to the format and content of its advertising."

I intend to return, Mr. President, to this report, but I would like to get into that portion of the report with comments on much of the facts which I have set forth here today and, in fact, I ask unanimous consent that excerpts of the report be included in the RECORD at this point.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

II. THE GOVERNMENT

One of the significant patterns of evidence that emerged from this Committee's investigation relates to the operation of government.

In the climate of Watergate there is a tendency to dismiss anything short of crimes. But there is great value to the facts that follow, not because they contain sensational crimes, but because they confirm a misuse of the intended functions of important institutions. It reflects a departure from legitimate government that if allowed to persist would be of far greater significance, over time, than any short-term criminal event.

A. The intelligence community

The attitudes and policies that led to Watergate had a profound impact on the intelligence community, from the FBI and the CIA to the lesser intelligence sections of other agencies.

Soon after the new administration took office in 1968, there seems to have been a basic dissatisfaction within the White House as to our existing intelligence capabilities. They were variously considered too timid, too bound by tradition, and generally incapable of acting effectively with respect to what the White House perceived as necessary intelligence.

One of the responses by the White House was to set up a plan, an intelligence plan, so that the objectives, methods, and results of the intelligence community would coincide with the White House. This plan was drafted by Tom Charles Huston in early 1970, and came to be known as the 1970 Domestic Intelligence Plan, or the Huston Plan.

Much of the plan, which has been described previously, was illegal, either in its objectives or in the methods it proposed.

Nevertheless, there are numerous indications, in evidence received by this Committee, that the types of activities recommended in the plan were carried out in the following years. The net effect was to subvert or distort the legitimate intelligence functions of the government.

The plan recommended an expanded use of electronic surveillance. However, the expanded wiretapping that took place in succeeding years was done outside legitimate channels, such as the 17 so-called Kissinger taps, the tap on Joseph Kraft, the Watergate wiretaps, and even the wiretap on the President's brother.

The second element of the plan called for surreptitious entries. Burglaries in fact took place at the office of Dr. Ellsberg's psychiatrist, at the Democratic National Committee, at the office of publisher Hank Greenspun, according to multiple evidence; and were suggested or planned for the offices of the Potomac Associates, The Brookings Institute, and Senator McGovern's campaign headquarters.

Mail sent to an affiliate of the Democratic party was opened and photographed by the United States Army, in a well-documented and apparently massive operation, and military agents spied on the Concerned Americans in Berlin, a group of McGovern supporters who were officially recognized by the Democratic party.

The specific actions proposed by Huston are only one aspect of the plan. Equally important are the policy recommendations. The heart of this new policy was better coordination and use of existing intelligence from all areas of the government. The means of carrying it out was to be a new intelligence "Committee" sitting above all the agencies. Again, the plan was carried out.

On September 17, 1970, an Intelligence Evaluation Committee was set up in the White House. It was to receive information from the CIA, the FBI, the National Security Agency, and other intelligence sections. Notwithstanding the fact that the statutes prohibit the CIA from participating in any domestic intelligence function, it was called upon to evaluate domestic intelligence-gathering by the other agencies when the Intelligence Evaluation Committee was set up. This intelligence was to be digested by the CIA experts and then disseminated for use where-ever useful, regardless of the statutory limits placed on the agency that collected the information.

What was important about setting up that Committee was not the work it actually did, but rather the legitimization of a concept. That concept was that intelligence functions of the various agencies were there for whatever purpose the Executive decided it wanted, not for the purposes Congress decided by statute.

As an illustration, Mr. McCord testified that he eventually received information for use by CRP from the Internal Security Division of the Justice Department, on a daily basis. It included information from the FBI, pertained to individuals, and was of a political as well as non-political nature. This arrangement was made pursuant to a request sent to Mr. Mitchell from Mr. McCord, which led to a call from Assistant Attorney General Mardian in which he relayed the Attorney General's approval and told McCord to work through the Internal Security Division.

The Internal Security Division of the Justice Department also provided political legal assistance to the White House. For example, it provided information regarding demonstrators, and information that would embarrass individuals in connection with their relationship with demonstrators and demonstration leaders.

Another illustration of misuse of intelligence was the request made to the IRS, on July 1, 1969, by Mr. Huston, to set up a means of "reviewing the operations of Ideological Organizations." Soon the IRS had set up an "Activists Organizations Committee," collecting intelligence to find out generally about the funds of these organizations." An internal memo pointed out that "it's activities should be disclosed generally only to those persons who need to know, because of its semi-secretive nature." "We do not want the news media to be alerted to what we are attempting to do or how we are operating because the disclosure of such information might embarrass the Administration." 'The type of organization in which we are interested may be ideological . . . or other." 'In effect, what we will attempt to do is to gather intelligence data on the organizations in which we are interested and to use a Strike Force concept." This was not tax collection; it was the IRS being converted into an intelligence agency; and it was stopped in the midst of this Committee's hearings in mid-1973.

The next step was when the IRS began gathering intelligence from other parts of the government, with no attempt made to restrict this to tax-related information. Arrangements were made with the military, the Internal Security Division of the Justice Department, and the Secret Service to turn over information on individuals or groups. So long as the IRS has the power to be a potential harassment for the average citizen if audits are not conducted on an objective basis, this procedure of developing files on dissenting citizens must be questioned. The more important point is that IRS duties and responsibilities are spelled out by the Congress, and such an intelligence operation is not one of them.

The IRS and the Justice Department were not the only agencies pressured into assisting White House intelligence demands. A Secret Service agent spied on Senator McGovern, when supposedly protecting him during the campaign. When the White House was informed of this, no objection was made.

An FBI agent was used by a White House staff member to spy on a Long Island newspaper doing an article on one of the President's friends. The Commerce Department was called on to provide commercial information in a project that it was hoped would embarrass Senator Muskie. The Department of Defense was used to find out information as to Senator McGovern's war records, at a time when there were public charges that he may have acted with cowardice.

There was testimony to the effect that there was nothing short of a basic policy to use any governmental agencies to seek politically embarrassing information on individuals who were thought to be enemies of the White House. The so-called "enemies list" was maintained in the White House for this purpose, and a memo was prepared to implement a means of attacking these enemies.

Apparently it was not enough to maneuver the intelligence community and related agency functions. Plans were made to take what is clearly a function of government outside the government, to set up an independent intelligence operation.

The first plan was put forth by Mr. Caulfield, in proposals to Messrs. Dean, Mitchell and Ehrlichman. He suggested a private security entity that would be available for White House special projects, thereby insulating the White House from its deeds. It was called Operation Sandwedge.

Mr. Caulfield rejected the Sandwedge plan, and it was apparently replaced with an operation that came to be known as the "Plumbers." In the meantime, Caulfield began conducting intelligence functions from a position on the White House counsel's staff, functions that properly belonged in the agencies, if anywhere.

Caulfield was instructed, for example, to develop political intelligence on Senator Kennedy, including instructions from the Assistant Attorney General to obtain certain information about the travels of Mary Jo Kopechne. When he took the job, he told Mr. Ehrlichman that he would hire an ex-New York City policeman to do investigative work.

Mr. Ulasewicz was then used to collect information on various enemies, political, ideological, and personal. A sample of his activities reveals not only why intelligence should not be outside the checks of a professional organization, but also the rather broad scope of what the White House was in fact doing. His investigations included such things as Richard Nixon's old apartment in New York, a Kennedy official trip to Hawaii, name checks on White House visitors, the President's brother, political contributors to a dozen Senators who opposed the administration, Jefferson Hospital in Philadelphia, Louis Harris Polls, the Businessmen's Education Fund, the House of Mercy home for unwed mothers, the U.S. Conference of Mayors, a comedian named Dixon, Mrs. Rose Kennedy's secretary, and Birmingham, Alabama City Council, Mayor, and Executive Staff. And that is just a sample of the much larger number of his investigations. Many of them are clearly the responsibility of established agencies, if they are anybody's responsibility at all.

Eventually, a semi-official unit, the Plumbers, was established within the White House, with a combination of police and intelligence duties. It conducted what Mr. Mitchell referred to in his testimony as the "White House horrors". According to Mitchell, these operations were so wrong that if the President had heard about them he would have "lowered the Boom", even though there is other evidence that the President did know about them and didn't lower any boom.

The legitimiate intelligence agencies were used to support this operation, specifically by providing materials for their operations. General Cushman of the CIA testified that after a personal request from Mr. Ehrlichman, CIA technical services people provided Mr. Hunt with a drivers license, social security card, wig, and speech altering device, which were delivered to a "safe house" off CIA premises per Hunt's instructions.

Around August, 1971, Hunt began to make additional demands on the CIA: first, for a stenographer to be brought in from Paris, which Cushman and Director Helms considered merely a face-saving move and rejected. Later demands were made for a tape recorder in a typewriter case, a camera in a tobacco pouch, for film development, and for an additional alias and false papers for another man ("probably Liddy"), which requests came to Cushman's attention after they had been granted by the technical services people.

After Hunt's additional demands and a subsequent request for a New York address and phone services, Cushman and Helms decided Hunt's requests had exceeded his original authority. On August 31, 1971, Hunt made a final request, for a credit card, which was denied.

Mr. Young of the Plumbers unit asked the CIA to do a psychological profile of Dr. Ellsberg. It was clearly a domestic project, the only one of its type ever requested, according to Gen. Cushman of the CIA, who also testified that such profiles are reserved for foreign leaders. Nevertheless, it was done, but Mr. Young considered it unsatisfactory, so another profile was prepared and sent. Other projects spanned a broad range, such as spiriting Dita Beard from the East Coast to a Denver hospital, and a subsequent trip to Denver by Hunt in disguise to question her about the ITT affair. To bring the full influence of the White House to bear on this extraordinary activity, Mr. Ehrlichman testified that he personally introduced Messrs. Krough and Young, who headed up the Plumbers to the heads of various agencies, such as the Secretary of Defense, the Attorney General, and the Director of the CIA.

Members of the Plumbers eventually went on to similar work for the Committee to Re-Elect. Although they were clearly outside the government, they again used the legitimate agencies. Ex-CIA employees were recruited on the basis of their loyalty to the CIA. National security responsibilities were misused. Mr. Barker was even told that the interests of national security he was serving were above the FBI and the CIA. To reinforce this position, classified and critical information about the mining of Haiphong harbor was relayed to Barker the day before the President's announcement. This was not only a misuse of secret Defense Department intelligence, but it also furthered a misuse of national security entrustment in the executive branch.

In a different type of situation, Mr. Haldeman was appointed "the Lord High Executioner of leaks". This technique of attacking and solving the leaks problem illustrates the contempt for normal government functions. It resulted in Mr. Caulfield, by his own testimony, being directed by Ehrlichman to wiretap a newsman's telephone (Joseph Kraft) in pursuit of a leak, outside the safeguards of government wiretap procedures and regulations. There are capabilities within the legitimate operations of our government for handling such a problem. The attitude that these problems had to be treated independently was the same attitude that led to the 17 Kissinger taps being installed outside normal FBI channels and Mardian's instructions from the President regarding the disposition of those wiretap logs "that related to newsmen and White House staff suspected of leaking", and that led to unusual and perhaps illegal White House involvement in the Ellsberg case itself.

There is a reason for demanding that government officials use only the tested and accountable facilities of government. It has been illustrated by the kind of projects undertaken independently by the White House.

The final contempt for the intelligence community can be seen in efforts to exploit them in the coverup. Mr. Ehrlichman said that he and Mr. Haldeman had spoken to General Walters and Mr. Helms of the CIA shortly after the Watergate break-in. Ehrlichman further said that Walters was a friend of the White House and was there to give the White House influence over the CIA. Dean testified that Ehrlichman asked him to explore the possible use of the CIA with regard to assisting the Watergate burglars.

On June 23, 1972, Mr. Haldeman and Mr. Ehrlichman met with Director Helms and General Cushman of the CIA. According to Director Helms, Haldeman said something to the effect that it had been decided that General Walters was to go talk to FBI Director Gray and inform him that "these investigations of the FBI might run into CIA operations in Mexico" and that it might be best if they were tapered off—or something like that. According to General Walters, Haldeman directed Helms to inhibit the FBI investigation on grounds that it would uncover CIA assets in Mexico. Haldeman also indicated he had information the CIA did not have, and that five suspects were sufficient.

When Director Helms and Director Gray of the FBI scheduled a meeting between themselves on June 28, 1972, Mr. Ehrlichman intervened and canceled the meeting, thus preventing any independent contacts.

At a later time, Mr. Dean discussed with General Walters the possibility of using covert CIA funds to pay the Watergate defendants. In February 1973, the CIA was asked by the White House to take custody of Justice Department files on Watergate, but the request was denied.

Mr. McCord testified that at the time of the Watergate trial, pressure was brought on himself and other defendants to claim for purposes of a defense that Watergate was a CIA operation.

The FBI was likewise abused in numerous ways. Some of these, such as turning over Hunt's files to Mr. Gray, have been well documented. But there were other examples. The FBI set up the so-called Kissinger wiretaps outside channels, effectively insulating them from routine discovery and accountability, and at the President's instructions, Mr. William Sullivan (who had supervised the wiretaps) turned over all evidence of them to the White House when it was reportedly related to the President that Hoover might use them to preserve his job. The FBI ran an investigation of CBS newsman Daniel Schorr, in what was a White House tactic to embarass him, according to one witness.

Mr. Ehrlichman testified that he was instructed after the Watergate break-in to see to it that the FBI investigation did not uncover the Ellsberg break-in or get into the Pentagon Papers episode.

In the end, the wake of Watergate left a distorted intelligence community whose historic professionalism had been badly damaged.

B. Law Enforcement Agencies

The primary responsibility for law enforcement falls to the Department of Justice. To the extent that White House or political considerations interfered with that responsibility, it interfered with a critical part of our government.

There was considerable evidence of White House contacts, including pressure and interference, with respect to the Watergate investigation. It began almost immediately after the break-in, with a request to the Attorney General that he try to obtain the release of Mr. McCord. In the following days, he was warned about a too aggressive investigation, he was warned in mid-1972 that Magruder might have to plead the Fifth Amendment, he was asked to provide raw FBI files on the case, and he was asked to be the White House secret contact with this Committee. As noted earlier, an agency of the Justice Department, the FBI, was consciously lied to, was asked for raw files, its Director was given potentially embarrassing evidence from the safe of one of the Watergate burglars, with instructions he interpreted as a request to destroy that evidence.

The White House counsel testified that he in fact received information from the Justice Department and the FBI on the Watergate case. Mr. Dean stated that he was asked by Mr. Mitchell, after Mitchell had left CRP, to get FBI 302 reports of interviews with witnesses, and that Mr. Haldeman and Mr. Ehrlichman also thought it would be a good idea to get those reports. Mr. Mardian, attorneys O'Brien and Parkinson, and Mr. Richard Moore all viewed those files after Dean obtained them. Dean pleaded guilty to an "information" charge in October 1973, which charge included a conspiracy based on White House access to those files.

There were similar pressures as to the whole Ellsberg matter. When Assistant Attorney General Petersen advised the President of the Ellsberg break-in, he was told, "I know about that," and "You stay out of that."

The Anti-trust Division of the Justice Department received requests, which have been reviewed earlier as to the media, to go after targets of White House dislike.

After the association of milk producers pledged $2 million to the President's campaign, a grand jury investigation of their association was halted by the Attorney General. Nevertheless, anti-trust violations were allowed to be pursued as a civil, as opposed to criminal, suit. The anti-trust suit was in fact brought in February, 1972, in spite of much White House concern by Messrs. Colson and Haldeman. The milk producers discussed their anti-trust suit with Treasury Secretary Connally in March, 1972, resulting in a call to the Attorney General. Other contacts with the Attorney General were made on behalf of the milk producers, and an attempt was made to give additional contributions in return for dropping the anti-trust suit.

A similar pattern of efforts to obtain favorable treatment from the Attorney General in an anti-trust matter followed the transfer of $100,000 by the Hughes Tool Co. to a friend of the President. The Hughes Corporation was involved in anti-trust problems related to pending purchases of a hotel in Las Vegas and an airline corporation. At the time the money was being transferred, a representative of the Corporation met with the Attorney General. The anti-trust problems were subsequently resolved.

The grand jury system, an essential element of the prosecution process, was subverted by members of the administration and CRP, even to the point of special favors for such officials when they were to be called before the grand jury. According to one witness, Mr. Ehrlichman attempted to prevent former Commerce Secretary Stans from appearing before the Watergate grand jury by directing Assistant Attorney General Petersen not to call Stans. Stans' testimony was eventually taken in private, as was the testimony of Messrs. Colson, Kehrli, and Young.

It should be recalled that the Attorney General doubled as a campaign manager from July 1971, until he resigned in April 1972. When asked if it wasn't improper "for the chief law enforcement officer of the United States to be engaging in, directly or indirectly, managing political activities," the Attorney General responded, "I do, Senator." He held this dual role while a number of large campaign contributors, such as the association of milk producers, the Hughes Tool Co., and International Telephone and Telegraph and important cases under investigation by the Justice Department. The Attorney General who succeeded him pleaded guilty to a charge pertaining to the ITT matter.

The prestige of the Attorney General's office was misused. Mr. McCord testified that a very important reason for his participation in the Watergate operation was "the fact that the Attorney General himself, Mr. John Mitchell, at his office had considered and approved the plan, according to Mr. Liddy." Mr. Baldwin was told that if at any time he had trouble establishing his authority for being in a certain place or for having a weapon, he was to mention John Mitchell. In an outrageous insult to our law enforcement institutions, it was in the Attorney General's office on January 27, 1972, and on February 4, 1972, that Liddy's plan was presented, including expensive charts outlining mugging, bugging, burglary, kidnapping, and prostitution.

The Justice Department was not alone.

Some of the most blatant attempts to pressure an agency charged with enforcing laws were aimed at the IRS. The conversation between the President and Messrs. Dean and Haldeman on September 15, 1972, states this clearly, criticizing the IRS for not being sufficiently "responsive" to personal and political demands. It is buttressed with evidence that the IRS was contacted in relation to cases involving friends of the White House.

The confidential tax return information of Mr. Harold J. Gibbons, Vice President of the Teamsters, was turned over to Mr. Colson. It is significant that the memo discussing Gibbons' taxes points out that he supported Senator McGovern; in fact, he was the only major Teamster official to support McGovern, and the only one whose taxes were apparently sent to the White House.

The tax data for a prominent Jewish leader in Rhode Island was given to Mr. Dean's office, along with confidential tax return information on a number of prominent entertainers. Tax audits of Democratic party Chairman Lawrence O'Brien were sought in an attempt to come up with damaging information. In contrast, IRS contacts were used to help in audits of the President's friends, including actor John Wayne, the Reverend Billy Graham, and Mr. Charles G. Rebozo.

A close friend of the President's, according to Mr. Dean, "thought he was being harassed by the agents of the Internal Revenue Service". Dean raised this with Mr. Walters (Commissioner of the IRS) who said that could not be the case. Dean kept checking the status of the case, because he "got questions on it with considerable regularity." Dean stated that "it was Rosemary Woods who kept asking me the status of the case because this individual was seeing the President a good deal." The case was referred to the Criminal Division of the Justice Department. Dean was told he had to do something about it, so he eventually saw Mr. Ralph Erickson at the Justice Department, who said "there is one more thing we can do; there are some weaknesses in the investigation and we may send it back to the Internal Revenue Service for one last look to see if this follows, it really is a solid case," which to Dean's recollection was done.

Nevertheless, the President was not satisfied and suggested that changes be made at the IRS after the 1972 election. In addition, Mr. Dean prepared a briefing paper for Mr. Haldeman with respect to a meeting with the head of the IRS, to make the IRS more responsive to the White House. Mr. Strachan testified that Mr. Haldeman discussed a more politically responsive commissioner of the IRS so that it could be used against political opponents such as Clark Clifford.

The IRS was not only contacted with respect to individual cases, it was also the focal point of certain questionable policies. One of these policies was to "punish" groups, tax exempt groups in particular, who were thought to hold ideological views different from the White House. There was no evidence that these organizations advocated or did anything illegal or unconstitutional, or that they in any way violated the tax laws. Nevertheless, they were singled out for challenge as to the tax exempt benefits they enjoyed under the law. Groups enjoying the same benefits who were sympathetic to the administration did not receive the same attack.

Use of the Secret Service to spy on Senator McGovern has already been reviewed.

The misuse of the CIA and the FBI have likewise been examined earlier.

It is quite a record for a "law and order" administration.

C. Regulatory Agencies

The regulatory agencies, as much as any other area of government, fit the references in a White House memo which addressed the general problem of how to use the "incumbency" and power of the White House against opponents, or "how we can use the available federal machinery to screw our political enemies."

We have already reviewed numerous misuses of the IRS against political opponents. We have likewise reviewed evidence of plans to make the IRS more responsive to White House problems and demands.

A prime example of the distortion of regulatory power is contained in the record of the administration's plans to attack the media. The agency at the center of this plan was the FCC.

The Federal Communications Commission licenses radio and television stations, and is thereby in a unique position to hurt the networks or any other organization such as a newspaper that owns a local station. The memoirs on this subject which have been reviewed previously, were frightening at best. They demonstrate clear contempt for statutory restraints on the power given to the FCC by Congress.

A good example of the attitude toward agencies is a memo from Mr. Jeb Magruder to Mr. Ken Reitz which notes that ACTION, the agency that coordinates government volunteer programs, "is an agency that we should be able to use politically." The memo recommends a meeting with ACTION's director to discuss how "we used their recruiters (who talked to 450,000 young people last year), advertising program, public relations effort, and public contact people, to sell the President and the accomplishments of the Administration. We should be involved and aware of everything from the scheduled appearances of ACTION's recruiters to the format and content of its advertising."

D. THE DEPARTMENTS

The variety and scope of evidence bearing on the functions of the Departments stretches all the way from fabricating a false historical record of the State Department in the Vietnam war to using the Department of Interior to punish a newscaster.

The State Department incident shows the extremes that were followed to achieve the political ends of the White House. In apparent anticipation that Senator Kennedy would be the opposing nominee for the presidency, an attempt was made to falsify President Kennedy's role in the assassination of President Diem early in the Vietnam war.

The strategy used to implicate President Kennedy in Diem's death was to make up phony telegrams between the White House and South Vietnam during that critical period. One particular telegram indicated that Kennedy did not offer safe refuge to Diem, thereby insuring his assassination. To be able to do this, the State Department was contacted by Mr. Young of the White House Plumbers, resulting in Hunt's authorization to go over and review the appropriate cables between the United States and Saigon. Arrangements were made to "leak" the story to appropriate news persons. When Hunt's safe was opened on June 30, 1972, the bulk of the papers, according to testimony, were classified cables from the State Department relating to the early years of the Vietnam war.

The Department of Commerce was more directly used. The Secretary of Commerce attended meetings on campaign matters and campaign contributions while still in office. In order to put out a story demonstrating that help provided to the Maine sugar beet industry by Senator Muskie was going to cost taxpayers $13 million in defaults by that industry, the Department of Commerce was requested to provide the research material for that story. The correspondence flowed between the White House and Commerce, until the White House feared that their respective roles might be discovered.

Because of a rather hostile comment former newscaster Chet Huntley once made regarding the President, there was an effort to make it as difficult as possible for him to get his Big Sky project in Montana moving. Apparently, Huntley needed assistance from the Interior Department, which was periodically contacted by the White House in this regard. For whatever reason Huntley eventually agreed to back the President in the 1972 campaign and the attack was called off.

The Department of Agriculture announced, on March 12, 1971, that price supports for milk would not be increased. Board members of the Commodity Credit Corporation, which has responsibility for clearing such a decision, was unanimous in its recommendation not to increase supports.

On March 25, 1971, the President reversed the decision of the Agriculture Department. There is much evidence of White House awareness and attention at that time to a $2 million campaign pledge by the milk producers.

Whether or not the President's decision was the result of a dairy industry bribe, it is important to note that the legitimate functions of the Agriculture Department were circumvented and interfered with. In the reversal process, none of the Assistant Secretaries at Agriculture or their staffs were consulted. These were the professionals who had the expertise, who knew the reasons for the initial decision, who would have to enforce and live with the new decision by the President. Their opinion or expertise as to the President's reversal was never given; it was never solicited, even indirectly.

Instead, at 10:30 a.m. on March 23, 1971, the President met with the milk producers, saying, "I know, too, that you are a group that are politically very conscious . . . And you are willing to do something about it." After a flurry of meetings between other administration officials and milk producers' representatives the President changed the Department of Agriculture's position on March 25, 1971. Thus, regardless of other issues involved, the acceptable processes of government were evaded for apparently personal and political interests.

A memo was presented which revealed a Cabinet session in which Mr. Fred Malek told the assembled Cabinet members of a plan to make the Departments more "responsive" to the political needs of the administration. It was this program that led to some of the more unique abuses of the Departments and agencies.

It was this program that led to evidence of quid-pro-quos for the contracts from the Department of Health, Education, and Welfare, the Department of Housing and Urban Development, the Department of Labor, the Department of Interior, the Office of Economic Opportunity, the Office of Minority Business Enterprise, the Federal Home Loan Mortgage Association, the General Services Administration, ACTION, and the Veteran's Administration.

For example, a June 3, 1971, White House memo noted that the head of the Federal Home Loan Bank Board "has given a great deal of thought to, and designed, a sound economical plan to use federal resources (projects, contracts, etc.) for advantage in 1972."

A June 23, 1971, White House memo recommended that "In addition to designating 'must' grants from pending applications there may be occasions in which political circumstances require a grant be generated for a locality." This, of course, is in direct contravention of equal treatment under the laws that control federal awards, which are supported by taxpayers funds and are to be distributed only on the basis of merit and need, by law.

By March 1972, this program, according to a memo to Mr. Haldeman citing success at the Commerce Department as an example, had "resulted in favorable grant decisions which otherwise would not have been made involving roughly $1 million." It was then recommended that someone was needed to take "the lead in the program to politicize the Departments and Agencies . . . and closely monitor the grantsmanship project to ensure maximum and unrelenting efforts."

A December 23, 1971, memo to Mr. Haldeman noted that "this program, even if done discreetly, will represent a substantial risk. Trying to pressure 'non-political' civil servants to partisanly support the President's re-election would become quickly publicized and undoubtedly backfire. Consequently the strategy should be to work through the top and medium-level political appointees who exercise control over most of the Departmental decisions and actions."

By June 1972, Mr. Malek reported he had "reviewed the program with each Cabinet Officer (except Rogers) and with the heads of the key Agencies," and "had them name a top official who would be the political contact for this program," as well as "educate loyal appointees . . . thus forming a political network in each Department." Aside from abuse of the laws which authorize federal grants, there are numerous indications that this program violated the Hatch Act. That Act specifically protects against politicizing the government, and makes such efforts criminally illegal. In addition, much of this conduct may have involved a conspiracy to defraud the United States, under the criminal laws of Title 18, United States Code, Section 371, as well as criminal violations of at least three sections of the campaign laws.

So much for our independent Departments and Agencies.

The executive department diverted a substantial portion of its payroll, privileges, and power into non-governmental activities. Mr. Frederick Malek, for example, held an official position at the Committee to Re-Elect the President as of June 1972, while on the White House payroll until September 1, 1972. Mr. Gordon Strachan likewise was employed as a liaison to CRP, while being paid as an assistant to the White House Chief of Staff. Political advertising was supervised from the office that was supposed to be White House Chief of Staff. Mr. McCord testified that he took part in Watergate partly because "the top legal officer in the White House" had participated in the decision to undertake the operation.

The prerogatives granted the executive were misused, as has been detailed earlier. The effect is well summed up by Mr. McCord's testimony that he was told the President of the United States was aware of meetings offering him payoffs and clemency, that the results of the meetings would be conveyed to the President, and that at a future meeting there would likely be a personal message from the President himself. This supplemented threats that "the President's ability to govern is at stake," and "the government may fall" if Mr. McCord did not follow the "game plan." Mr. Caulfield confirmed that when he met with Mr. Dean that Dean wanted to transmit the message to McCord that the offer of executive clemency was made with the proper authority, and that he made such representation to McCord.

Not only were the department functions abused, but the executive power of appointing department officials was likewise used. It was Herbert Porter who testified that he reminded the White House of the things he had done in the campaign when they dragged a bit in finding him a new job after the election. It was Jeb Magruder who was awarded with a high ranking job at the Commerce Department for his misdeeds in the re-election campaign.

These examples are minor compared to the general plans that were discussed to restaff the departments after the election to make them more subservient to the White House.

As a final, rather tragic note, this is the White House that used its power over department appointments to nominate Mr. Gray to the FBI Directorship, decided not to support him any longer, and rather than tell him of that fact, decided to let him "hang there, and twist slowly, slowly in the wind."

Understanding Watergate

Alright, what to do with the raw data of Watergate? Unless positive understandings and actions emanate from this negative sequence, then it seems to me nobody really was caught breaking into Watergate.

The gut question this summer is what do Americans now know and what are they going to do about it? By way of dramatizing the need for a proper answer to that question, let me cite the following example. I recently received a critical letter which read:

"Really, Senator, all is fair in 'love and war' ".

American elections—war?
Members of another party—enemies?
Politics—fear?

Is that the lesson America is taking home from the Watergate? Because if such is the case, then a whole new era in American politics will have dawned and Gordon Liddy will not be recognized as peculiar but as a visionary. Also at such time we of the Select Committee would have failed. Though a year has gone by between the time of the Senate Watergate hearings and this Senator's Watergate conclusions, it is a matter of Constitutional life and death that the American people make a connection between those two events.

What about the Constitution? Is it up to our times? Certainly it never before has obtained such visibility. But how about acceptance?

I. THE CONSTITUTION

Later in this section I intend to editorialize on the abuses to our governmental and political institutions. However the pivotal struggle of Watergate is one between men who play for the moment and look upon the Constitution as a 4th of July interruption to their own charter and men who play for tomorrow and understand it to be the force that has given America success beyond America's natural abilities for success.

Never first in population, land mass or natural resources, why have we attained a national greatness and personal affluence beyond that achieved by any country or people?

Because we perjured? Because dissent was disloyalty? Because justice was political? Because our concern was developing fear? Because we burgled? Because we thought the worst of each other?

Or, because

"All men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness . . ."

Or, because

"Congress shall make no law . . . abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Or, because

"The right of the people to secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated . . ."

Or, because

"No person shall be deprived of life, liberty or property without due process of law. . . ."

Or, because

"In all criminal prosecutions the accused shall enjoy the right . . . to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor. . . ."

Or, because

"The President . . . shall take the following Oath: 'I do solemnly swear that I will faithfully execute the office of President of the United States and will, to the best of my ability, preserve, protect and defend the Constitution of the United States."

I catch none of the "everybody's doing it" or "transcripts" spirit in any of those words.

The Constitutional history of Watergate to this date has been that of a President and his Ministers who de facto have tried to "yes—but" most sections of the Constitution.

I feel Article V to be preferable to Administration amending methods.

Several years ago many Americans were willing to silently tolerate illegal government activity against militants, terrorists or subversives as an expeditious way to circumvent the precise processes of our justice system. Though quick, it also proved to be only a short step to using such illegal tactics against any dissenting Americans. The result was we almost lost America. Not to subversives, terrorists or extremists of the streets but to subversives, terrorists and extremists of the White House.

That is why there can be no acquiescence, now, to a few "yes—buts" to the Constitution. To do so would be just as big a cop-out as those who espouse violence in the name of peace.

American Constitutional democracy is not the tidiest, most orderly, most efficient, most expeditious, quietest political system on earth. It is in fact raucous, off in a thousand directions of concern, involved with millions of individuals rather than a mass, revolutionary and querulous. But what some deem as flaws are precisely its genius. For those who have made it, it's a pain. For those who haven't, it rebuts predestination.

Our greatness will always be in direct proportion to our freedoms. Yes, that includes the freedom to be wrong.

Free spirits, not measured freedom, has been the promise of the Constitution. We can have peace in Vietnam, on campus and in the neighborhood without forfeiting that promise and no man or group of men deserve leadership if they would put the nation to such a choice.

II. GOVERNMENT

The offices of government in this nation are complex and awesomely powerful. Even if engaged on legal pursuits. It's not an exaggeration to state that a United States Senator needs every bit of his clout to move effectively within the bureaucratic maze. Insofar as the 99.9% of Americans who are not Presidents, Congressmen or Senators, if anything goes wrong with either end of the governed-government equation, the mismatch of the century ensues. And that's so even though the slip-up is innocently legal. Fully 50% of a Senator's time and staff are devoted to resolving the innocently legal slip-ups between his constituents and their government. And I'm sure those who speak up are no more than 5% of those being wronged.

What then if agencies and officers of the United States government become involved, not in innocently legal mistakes, but purposefully illegal vengeance? In light of the facts already presented, the greatest danger of this section is for me not to overeditorialize the case so as to engender disbelief. Of those who read this report, 99% of them know Senators, Congressmen, successful lawyers and other powerful persons. But America is not supposed to be about the powerful—rather the frail. And they're the ones who will eventually suffer the most if the White House record on using the government agencies politically to bring about conformity is allowed to go unchallenged.

The "enemies list", revealed in the dialogue I had with John Dean, has received much hoopla. But aside from the fact that today it has become a badge of honor, have you ever thought what it feels like to be an American and have the highest office in the land look upon you as an enemy? To be spied on, to be investigated, to be harrassed, to be reviled by your own country? It may be a badge of honor when revealed but it's frighteningly disheartening while it's going on and no one believes that these things are happening in America.

Oh, yes, I've heard the excuses for the illegal use of the federal law enforcement/intelligence community. National security, domestic security, terrorists, law and order, subversives, militants. But let me put the White House record in the proper factual context.

No administration within my lifetime has a worse record of convictions in relation to indictments than the Nixon Administration. Why? Because it tried to achieve law and order by lawlessness. It was the courts that said no, not the Justice Department.

In the matter of the Special Compliance Division of the IRS and their keeping tabs on "militants, subversives, terrorists, ideological and other organizations," it is fact that in all the IRS files that came into White House possession, there is not one militant, subversive, terrorist individual or organization. That is the lesson of a White House gone ape. Our lesson is that you can't protect the rights of anyone unless you protect the rights of everyone.

The differences between myself and this Administration on Watergate are not philosophical, political, historical, personal or regional. They are Constitutional, pure and simple. A better summation of our differences could not be found than the surreptitious entry language of the "1970 Spy/Huston/Sullivan Plan" and again in the words of the President on September 15, 1972:

"Use of this technique is clearly illegal: it amounts to burglary. It is also highly risky and could result in great embarrassment if exposed. However, it is also the most fruitful tool and can produce the type of intelligence which cannot be obtained in any other fashion."

You can't have that and democracy.

"I want the most comprehensive notes on all those who tried to do us in. They didn't have to do it. They are asking for it and they are going to get it. We have not used the power in this first four years as you know. We have not used the Bureau (FBI) and we have not used Justice. But things are going to change now. And they are either going to do it right or go."

You can't have that and democracy.

Remember what Pat Gray said?

"I said early in the game that I thought that Watergate would tarnish everyone with whom it came in contact and I am no exception. *I had a responsibility not to permit myself to be used, not to permit myself to be deceived* and I failed in that responsibility and I have never failed in anything that I have undertaken until this point in time. And it hurts."

The Congress and the American people, with more facts in hand than Pat Gray ever had, have an even greater responsibility not to be used or deceived in this matter of abuses to our governmental agencies and political processes.

Because most elected officials or citizens haven't had the FBI, IRS, CIA, MI, SS, Justice Department, Defense Department, Commerce Department, "Fat Jack" or Tony Ulasewicz on their tail does not mean the abuses of Watergate passed them by. It only means that if they don't speak out now, they've got no complaint later. A little less spectating Watergate and a little more speaking out is very much in order.

Admittedly to speak out is tough. Just as the Bill of Rights and democracy is tough.

But speaking out is a patriotism far better suited to 1974 than 1972's wearing of flag lapel pins by White House and CREP employees while they advocated burglary, wiretapping, committed perjury, politicized justice, impugned the patriotism of those who disagreed with them and threw due process in the shredder.

Americans of all generations have suffered and died at their best because they were uncompromising in the idealism they wished for their country. Who of this generation, then, wants to declare a lesser truth for America?

It is the answer we give to that question which matters. It will decide America.

III. POLITICS

In November, 1962 I was elected to my first public office—State Representative to the General Assembly in Hartford, Connecticut.

Now, some 12 years and 8 elections later, I am rounding out my first term in the United States Senate—a boyhood dream come true.

Yes, it's time consuming and rough on the family life. To that extent it's tough. But each dawn for 12 years has me looking forward to the day. Politics is a clean business with dedicated people. The terms "9–5" and "5-day week" are seldom heard. The winning politician is in the business of love and not hate. The average politician takes the cost of serving out of his pocket and not the public's taxes.

These things need saying to challenge the "end justifies the means" image, the "everybody's doing it" image that the White House knowingly and a few ignoramuses unwittingly would give politics.

We're replete with failings personally as I, my staff and my family know all too well. But with the public trust given us by our constituencies—we'd no more see that in the mud than the American flag.

Can I prove the above? Sure. Look at your America as I've asked the people of Connecticut to look at their State.

The truth of American politics is in the schools of this country, not a wiretrap; in the hospitals, not a burglary; in the housing projects, not a scurrilous letter; in the parks, not in hush money; in facilities for the retarded, not in spying; in people who volunteer in a thousand ways, not in dirty tricksters; in politicians who reach for the weak first, the strong second, not in hatchet men. In short, dirt does not conceive so much tangible excellence as we have in our country.

The truth of America is not in the deeds of men and women at their worst but rather at their best. Government with its politicians and the people are not apart in a democracy. They are one.

And so it is we will not get any better ethics or more idealism in the Oval Office or on the Senate floor than we do in the voting booths.

Watergate was conceived in an ignorant apathy of the electorate and was executed in semi-conscious apathy. Its greatest danger is that it will be forgotten in an apathy of total knowledge. That kind of voting booth acquittal means that American politics has officially joined the Administration on the dark side of the manhole.

Thank you, no!

People and Power

Watergate is not the story of one powerful man. It is a story of people. Though my efforts have been directed toward the principles and institutions of this nation, I am well aware that their existence or disappearance reflects human behavior.

It is no source of pride to me as an American that the coinage of responsibility has been in inverse measure to rank and power. I was taught early on, first by my Dad and then by the United States Army, that rank has its privileges because rank has its responsibilities.

Yet in the case of this President, I've heard the word "privilege" used over and over again as a dodge of responsibility.

The word "stonewall" has been used to describe the President's defense. Believe me, it has been and continues to be a "human wall."

REPUBLICANS

Obviously this has been rough duty in a Republican sense. However, from the outset I've operated on the basis that the best investigation was the best politics. I couldn't change the facts. I couldn't silence those who knew the facts. All I could do was to make sure that a Republican spoke the facts if not before, then simultaneously with a Democrat.

On page 103 of the "Transcripts", President Richard Nixon is talking to John Dean:

"I don't know what we can do. The people who are most disturbed about this (unintelligible) are the (adjective deleted) Republicans. A lot of these Congressmen, financial contributors, et cetera, are highly moral. The Democrats are just sort of saying, '(expletive deleted) fun and games.' "

Richard Nixon understood the strong base of integrity that is a Republican heritage. Because he rejected it then is no reason for any Republican to do so now.

Because the Republican National Committee and its Chairman, Senator Robert Dole of Kansas, were in the traditional Republican mold of decency and honesty is exactly the why of a Committee to Re-Elect the President. At an executive session of the Select Committee held on Wednesday, June 19, 1974, I inquired of the staff and the committee whether after one year of investigation there was evidence of wrongdoing by either the RNC or Senator Dole. The answer was a clear-cut "no" in both instances. Republicans who now state that "everybody does it" dishonor the men and women of their own official party organization and Bob Dole who didn't do it and wouldn't have done it.

One last comment.

The record establishes that:

1. The White House took a dive on the Congressional races of 1972 insofar as many Republican candidates were concerned.

2. Democratic candidates were actively assisted in some instances.

3. The White House expended considerable resources and energies zapping Republican Senators and Congressmen.

4. The Justice Department was consulted as to how to keep a Republican off the Florida primary ballot.

Along with a will to pursue the truth, I would hope the will to win for the Republican Party is slightly stronger and fairer in its next titular head.

TOMORROW

No, this won't be the Watergate to end all Watergates.

Other men will tape the doors of America in other times.

Whether they succeed will be a matter of spirit.

For then as now, the state of our spirit will determine the state of this Union.

Mr. WEICKER. Transition—from fact to opinion:

At the conclusion of the fact-gathering phase of the Committee's mandate, I met with legislative assistant, A. Searle Field, and assistant minority counsel, H. William Shure, to discuss what shape our report on Watergate should take. We settled upon the following "woulds" and wouldn'ts":

1. We would emphasize the known in order to impress upon the reader the importance of its implications rather than explode new facts of scandal. We were convinced White House strategy was (is) geared to numbing America past concern by inundating America with one White House horror after another.

2. We would report within a framework of principles and institutions rather than people.

3. We would opine and editorialize but separately from the factual presentation.

4. We would recommend remedial legislation.

1. We wouldn't try and resolve conflicting testimony.

2. We wouldn't make judgments on individual guilt or innocence.

3. We wouldn't cite "shaky" material as proof.

If what you've read up to now in these pages is not new, neither is it susceptible to argument.

The indisputable ugliness of Watergate is of such scope as to categorize it as a sheer insanity; either for those who participated in it or have since defended it.

I don't know, except as the courts have already passed judgment, who is guilty or who is innocent.

But I do know that to accept the *White House* version of your Constitution, your government and your politics is to counterfeit America.

Had I only known my colleagues in the Senate were going to submarine the first reform proposal, I probably would have underlined this section. This report was written on June 27.

UNDERSTANDING WATERGATE

Alright, what to do with the raw data of Watergate? Unless positive understandings and actions emanate from this negative sequence, then it seems to me nobody really was caught breaking into Watergate.

The gut question this summer is what do Americans now know and what are they going to do about it? By way of dramatizing the need for a proper answer to that question, let me cite the following example. I recently received a critical letter which read:

"Really, Senator, all is fair in 'love and war'."

American elections—war?

Members of another party—enemies?

Politics—fear?

Is that the lesson America is taking home from the Watergate? Because if such is the case, then a whole new era in American politics will have dawned and Gordon Liddy will be recognized not as peculiar but as a visionary.

Also at such time, we of the Select Committee would have failed as, indeed, I personally failed. I have failed in this first attempt to legislatively achieve a reform based on one of the uglinesses of Watergate.

Though a year has gone by between the time of the Senate Watergate hearings and this Senator's Watergate conclusions, it is a matter of Constitutional life and death that the American people make a connection between those two events.

What about the Constitution? Is it up to our times? Certainly it never before has obtained such visibility. But how about acceptance?

Later in this section I intend to editorialize on the abuses to our governmental and political institutions. However the pivotal struggle of Watergate is one between men who play for the moment and look upon the Constitution as a 4th of July interruption to their own charter and men who play for tomorrow and understand it to be the force that has given America success beyond America's natural abilities for success.

Never first in population, land mass or natural resources, why have we attained a national greatness and personal affluence beyond that achieved by any country or people?

Because we perjured? Because dissent was disloyalty? Because justice was political? Because our concern was developing fear? Because we burgled? Because we thought the worst of each other?

Or, because

"All men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. . . ."

Or, because

"Congress shall make no law . . . abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Or, because

"The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated. . . ."

Or, because

"No person shall be deprived of life, liberty or property without due process of law. . . ."

Or, because

"In all criminal prosecutions the accused shall enjoy the right . . . to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor. . . ."

Or, because

"The President . . . shall take the following Oath: 'I do solemnly swear that I will faithfully execute the office of President of the United States and will, to the best of my ability, preserve, protect and defend the Constitution of the United States."

I catch none of the "everybody's doing it" or "transcripts" spirit in any of those words.

The Constitutional history of Watergate to this date has been that of a President and his Ministers who de facto have tried to "yes—but" most sections of the Constitution.

I feel Article V to be preferable to Administration amending methods.

Just as, indeed, my faith in correcting the abuses of Watergate here this afternoon is placed in the passage of laws rather than relying on the good intention of those either in office or those who will succeed those in office.

Several years ago many Americans were willing to silently tolerate illegal government activity against militants, terrorists or subversives as an expeditious way to circumvent the precise processes of our justice system.

I suppose if there is a lesson to be gained from Watergate, it is that our Constitution, our system of government, is inefficient. It moves slowly, it does not have any instant solutions, but it has produced a magnificence beyond compare anywhere else in the world or at any time in the history of this world, because its entire emphasis is on the individual; not on society. Each individual. Each person, is the most important thing in this society, and that which they have to contribute artistically, by virtue of brains, athletically, or by whatever means, is going to be given the opportunity to come into fruition.

This is the lesson of Watergate, to preserve that individual, to preserve his and her freedoms, such as the right to privacy, such as the right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated.

Here is the first opportunity on the floor of the Senate to make sure insofar as that security is concerned.

A concern of society as a whole with efficiency, expediency, these do not equate with greatness, at least as achieved by this Nation, and the sooner we come to grips with that, the sooner we have associated our future greatness.

On the other hand, if there is some new system that is more responsive, more efficient, operates quickly, that is all right, we can choose that system. But before we do, I suggest we rely on the one we presently have.

Several years ago, many Americans were willing to silently tolerate illegal government activity against militants, terrorists or subversives as an expeditious way to circumvent the precise processes of our justice system. Though quick, it also proved to be only a short step to using such illegal tactics against any dissenting Americans. The result was we almost lost America. Not to subversives, terrorists or extremists of the streets but to subversives, terrorists and extremists of the White House.

It is a short step from using illegal tactics against those that broke the law to using those tactics against those who are living within the law.

When we, as a Congress, allowed the special tax unit to be set up, all we could conceive in our mind was the bomb thrower. That is not bad, let him go ahead and do it, I do not like those terrorists, I do not like those subversives, I do not like those militants, but what about the "others."

Only a short step then between militant, subversive, terrorist, to other, and other means every law-abiding, decent citizen in the country.

No such broad mandate is to be given to any agency or any individual, not and preserve the democracy that we have. This is what is at issue on the floor today, indeed we try to set forth what it is the Internal Revenue Service can or cannot do.

That is why there can be no acquiescence, now, to a few "yes—buts" to the Constitution. To do so would be just as big a cop-out as those who espouse violence in the name of peace.

American constitutional democracy is not the tidiest, most orderly, most efficient, most expeditious, quietest political system on earth. It is in fact raucous, off in a thousand directions of concern, involved with millions of individuals rather than a mass, revolutionary and querulous. But what some deem as flaws are precisely its genius. For those who have made it, it's a pain. For those who haven't, it rebuts predestination.

Our greatness will always be in direct proportion to our freedoms. Yes, that includes the freedom to be wrong.

Free spirits, not measured freedom, has been the promise of the Constitution. We can have peace in Vietnam, on campus and in the neighborhood without forfeiting that promise and no man or group of men deserve leadership if they would put the nation to such a choice.

On national security, we always think of that in terms of some foreign country. So we have little difficulty choosing as to the freedoms that belong to us and attainment of national security. But what about domestic security?

Mr. President, it is your child on that campus that is in a state of restlessness. Do you really want to go ahead and sacrifice portions of that Constitution to bring that campus into a quiet state, or to assure the fact that there is not going to be trouble in the inner city? That is the choice that is going to be offered. It has been offered in the months past and it will be in the months ahead. But I say to you that there can be quiet on that campus and on those city streets, and all that can be had with your Constitution intact.

All of a sudden what we have to do is to apply a certain logic to our actions—a certain logic—rather than to just impose the opinion of a few in Washington on the many. There is a certain logic when the Senator from Connecticut says, "Your tax return, the tax return of the average citizen, is no one's business, except the taxpayer, the Internal Revenue Service, the Justice Department, and the President, over his signature."

Otherwise, no one else is concerned. That is a logic which gives to the procedure a sense of fairness and integrity.

But, if we want to see the logic that would induce a taxpayers' revolt, then allow the Senate to do nothing at a time when we know of the abuses of the Internal Revenue Service, and when we know that those in high places are free from the consequences of its laws.

> The offices of government in this nation are complex and awesomely powerful. Even if engaged on legal pursuits. It's not an exaggeration to state that a United States Senator needs every bit of his clout to move effectively within the bureaucratic maze. Insofar as the 99.9% of Americans who are not Presidents, Congressmen or Senators, if anything goes wrong with either end of the governed-government equation, the mismatch of the century ensues. And that's so even though the slip-up is innocently legal. Fully 50% of a Senator's time and staff are devoted to resolving the innocently legal slip-ups between his constituents and their government. And I'm sure those who speak up are no more than 5% of those being wronged.
>
> What then if agencies and officers of the United States government become involved, not in innocently legal mistakes, but purposefully illegal vengeance? In light of the facts already presented, the greatest danger of this section is for me not to overeditorialize the case so as to engender disbelief. Of those who read this report, 99% of them know Senators, Congressmen, successful lawyers and other powerful persons. But America is not supposed to be about the powerful—rather the frail.
>
> And they're the ones who will eventually suffer the most if the White House record on using the government agencies politically to bring about conformity is allowed to go unchallenged.
>
> The "enemies list", revealed in the dialogue I had with John Dean has received much hoopla. But aside from the fact that today it has become a badge of honor, have you ever thought what it feels like to be an American and have the highest office in the land look upon you as an enemy?

Think. Never mind all the celebrities and the stars who comprise the enemies list. What does it feel to be an American, to live in this country, and to be looked upon by the highest office in the land as an enemy? How does it feel to be spied on by one's own country?

> To be spied on, to be investigated, to be harassed, to be reviled by your own country? It may be a badge of honor when revealed but it's frighteningly disheartening while it's going on and no one believes that these things are happening in America.
>
> Oh, yes, I've heard the excuses for the illegal use of the federal law enforcement/intelligence community. National security, domestic security, terrorists, law and order, subversives, militants. But let me put the White House record in the proper factual context.

The White House record—I might add our record. I should not refer to it as a White House record. It is a Senate record also, since we have the opportunity to bring about the reform. If we fail to do it, we are in the exact same category as the White House.

> No administration within my lifetime has a worse record of convictions in relation to indictments than the Nixon Administration. Why? Because it tried to achieve law and order by lawlessness. It was the courts that said no, not the Justice Department.

It was not the Justice Department and it was not the Senate or the House of Representatives. That is something to bear in mind, I might add, for those who in other areas tend to look down on the courts or feel that the courts exceed their power.

At one time or another I am sure all of our oxen are going to be gored by the courts. It is as it should be if truly they are an independent branch of Government. But the whistle was blown on behalf of all Americans in this area, not by the Congress, and God know not by the perpetrators—the executive department—but by the judicial system, by the judicial branch of Government.

Another lesson from Watergate: No matter though sometimes it hurts, let each of us fight for the independence of our judicial system, because some day it might be we who stand in the position of the accused; and I think we would want a judge and a jury that presides over our case free from interference either from the legislative or the executive branch of Government.

> In the matter of the Special Compliance Division of the IRS and their keeping tabs on "militants, subversives, terrorists, ideological and other organizations," it is fact that in all the IRS files that came into White House possession, there is not one militant, subversive, terrorist individual or organization.

There you go. There is the end of the line. You start it off and you say, "We are going to set up a special compliance division in the Internal Revenue Service and keep tabs on militants, subversives, terrorists, ideological, and other organizations." Tremendous enthusiasm. We are all going to be safe and protected. We tend to sort of gloss over it—the ideological and other, which is what affects and could affect each of us.

In this sudden outburst of emotionalism and concern with our safety from these groups, we say, "OK"; and then when the evidence comes to light and the files are revealed, not one terrorist, not one subversive, not one militant organization or individual out of 10,000 files in the White House.

We got what we deserved. We approved of something that was totally unconstitutional, so that we could play to the moment, a moment of fear. But we deserved the Constitution of the United States, and we are going to take it into our own hands. De facto, we set up this organization, and then we see the fruits of that organization, which have no relationship to the problems which engendered its beginning.

> That is the lesson of a White House gone ape. Our lesson is that you can't protect the rights of anyone unless you protect the rights of everyone.
>
> The differences between myself and this Administration on Watergate are not philosophical, political, historical, personal or regional. They are Constitutional, pure and simple. A better summation of our differences could not be found than the surreptitious entry language of the "1970 Spy/Huston/Sullivan Plan" and again in the words of the President on September 15, 1972.

First of all, the spy plan. Listen to this language. This is an official document of our Government.

> Use of this technique is clearly illegal: it amounts to burglary. It is also highly risky and could result in great embarrassment if exposed. However, it is also the most fruitful tool and can produce the type of intelligence which cannot be obtained in any other fashion.
>
> You can't have that and democracy.

The President, September 1972:

> I want the most comprehensive notes on all those who tried to do us in. They didn't have to do it. They are asking for it and they are going to get it. We have not used the power in this first four years as you know. We have not used the Bureau (FBI) and we have not used Justice. But things are going to change now. And they are either going to do it right or go.
>
> You can't have that and democracy.
>
> Remember what Pat Gray said?
>
> "I said early in the game that I thought that Watergate would tarnish everyone with whom it came in contact and I am no exception."

Now listen to the next words, because they apply not only to Pat Gray but also to every Member of the U.S. Senate, every American citizen:

> I had a responsibility not to permit myself to be used, not to permit myself to be deceived and I failed in that responsibility and I have never failed in anything that I have undertaken until this point in time. And it hurts.

Let me repeat that, because the words are our words as much as they are any man's:

> I had a responsibility not to permit myself to be used, not to permit myself to be deceived.

I say that that responsibility sits here in the U.S. Senate, as well as on Pennsylvania Avenue and on the Main Streets of America. It is not something that the Nation as a whole can put on the shoulders of any one man or any Senate committee or any House committee. It is something that each of us has to take on our own shoulders.

> The Congress and the American people, with more facts in hand than Pat Gray ever had, have an even greater responsibility not to be used or deceived in this matter of abuses to our governmental agencies and political processes.

With respect to this IRS amendment, that is exactly what is happening to the Senate of the United States. It is being used not to go ahead and pass the reform so well justified by the facts already in hand.

> Because most elected officials or citizens haven't had the FBI, IRS, CIA, MI, SS, Justice Department, Defense Department, Commerce Department, "Fat Jack" or Tony Ulasewicz on their tail does not mean the abuses of Watergate passed them by. It only means that if they don't speak out now, they've got no complaint later.

I am going to repeat that. There is no point in complaining 2 or 3 or 4 years hence, when the matters are accelerated both in quantity and magnitude. We used to be able to sit in the locker room and sort of give each other a nudge and a wink and say, "Everybody does it," even though we did not have facts in hand.

We did not know that everybody did it, but we assumed it. Now the facts are on the table, and we know that a few do it, but not everybody does it. So the decisions we make now and are going to make will affect the type of political processes and the type of governmental institutions we have in our children's and our grandchildren's time.

> A little less spectating Watergate and a little more speaking out is very much in order.
>
> Admittedly to speak out is tough. Just as the Bill of Rights and democracy is tough.

Read it sometime. It is tough to stand up for those that are not popular. To assure that every American gets his rights—that is tough. To stand in there for the minorities—that is tough. Spying is easy; burglary is easy; lying is easy. This Government of ours and what it seeks to obtain, this concept which we call America, is tough.

> But speaking out is a patriotism far better suited to 1974 than 1972's wearing of flag lapel pins by White House and CREP employees while they advocated burglarly, wiretapping, committed perjury, politicized justice, impugned the patriotism of those who disagreed with them and threw due process in the shredder.

Speaking out—that is patriotism for our times.

Dissent—that is a patriotism for our times. Later in this debate I expect, once again, to quote that magnificent passage from Mark Twain where he says that even if there is one individual who sees that something is wrong and he does not speak out, it is he who is the traitor.

How many of us have seen things around us go wrong and have not spoken out? That is a patriotism that I am supposed to live with in the name of the greater good and greater quiet? Not me. Not this American.

In the introduction of this report, I made the following observation. I called it "a stillness:"

> In the early 1970's, several independent events took place in the United States of America. On the surface they appeared to lack a common bond.
>
> In June of 1969, a Louis Harris poll found that 25% of all Americans felt they had a moral right to disregard a victim's cry for help. Over the next several years, this mood took the form of countless incidents of "looking the other way" when men and women were assaulted and murdered in full view of entire neighborhoods.
>
> On May 4, 1970 at Kent State University in Ohio, a group of students who refused an order to disperse were fired upon by the National Guard, killing William Schroeder, Sandy Scheuer, Jeffery Miller, and Allison Krause, and wounding nine others. Ten days later, at Jackson State University in Mississippi, police who had been called in to protect firemen from violence, opened up a 28-second fusillade into and around a dormitory killing Phillip Gibbs and James Earl Green, and wounding twelve others.

This was the mood of 1970–72. When asked by the same Louis Harris poll whether we thought these acts were necessary and justified, we responded "Yes." The killing of our children.

In 1974, the same people, asked the same question—the same question asked—said, "No, these things are not necessary and not justified." But this was a part of the stillness of 1970.

During 1971, a decision was reached by the administration to conduct the President's reelection campaign with a special committee totally separate and insulated from the political party which would renominate that President.

The Committee to Re-Elect the President was set up for the purpose of conducting the campaign of Richard Nixon to continue in operation because there were other Republican candidates, specifically Mr. McCloskey and Mr. Ashbrook. Yet when the reason for that committee disappeared after the convention, the committee continued to operate, and we did not conduct a campaign within the framework of the Republican National Committee.

In early 1972, a young radio reporter in Miami stood outside a supermarket trying to get people to sign a copy of the Bill of Rights. Seventy-five percent refused, many saying it was "Communist propaganda."

Mr. President, 75 percent refused. It could have been Hartford, it could have been San Francisco, it could have been any place else in the United States. Seventy-five percent refused to sign the Bill of Rights, the majority saying that it was a Communist document.

What kind of lifestyle, what kind of stillness had come over the people?

In February of 1972, it was revealed that International Telephone and Telegraph had allegedly offered a campaign contribution of $400,000 in return for the Justice Department dropping an antitrust suit against ITT. The suit was dropped on Presidential order, but when the Attorney General was questioned about the President's role by a Senate committee in March, he lied.

On June 17, 1972, burglars employed by the Committee to Re-Elect the President were arrested inside the headquarters of the Democratic National Committee with bugging equipment and large sums of cash.

When the burglarly took place, I received no mail from the State of Connecticut, not even from Democrats, saying, "What is wrong with you Republicans down there?" I received mail from nobody. One of the most flagrant abuses that could take place in society, which depends on free elections, is a burglarly of an opponent's headquarters, and nobody complained.

Have we come to accept that as part of American life? That was the stillness of 1970 and 1972.

In December of 1972, having failed to obtain congressional approval for a reorganization of the Cabinet, the administration moved autonomously to establish three or four "super secretaries" and to place various executive office employees in key sub-Cabinet posts. The obvious goal was to create a White House-directed network of decisionmaking and reporting quite apart from the formal Cabinet structure which remained subject to congressional scrutiny.

In February of 1973, the White House held a peace-with-honor reception to celebrate the end of the Vietnam war. I was invited to it. I supported the administration on Vietnam. Then I found out that only those Congressmen who had supported the President's Vietnam policies were invited, implying that those who had questioned our involvement in Vietnam were either against peace or were dishonorable men and women. I therefore declined the invitation.

There was a stillness in the early seventies.

Some of these incidents were matters of life and death and were well publicized. Others were matters of principle and were little noticed at the time.

In each instance a significant outrage had taken place.

What was common to all?

In each instance no one complained.

A constitutional stillness was over the land.

It is now 1974. The question is whether or not, once again, this Nation will return to those precepts that gave it greatness.

That American decency, idealism, honesty and reverence for the Constitution that some thought bought off has been stirring and reasserting itself for many months now.

Yes, there are a few who still shout treason when questions are asked.

A few still espouse the end as justifying the means.

A few still goggle at an American title rather than the title of "American."

But it was only yesterday, June 17, 1972, to be specific, that today's few—those few—were part of a large American majority.

The only reason that we have the turnaround is that we now have the truth. Because Frank Wills discovered taped doors at the Watergate, America's doors have not closed in all our faces.

That was the beginning of the report. I went to it because I thought it important in trying to explain what it is that will achieve a hero's honors, a hero's patriotism for us in this year of 1974. It is that we speak out and stand up and get counted.

Americans of all generations have suffered and died at their best because they were uncompromising in the idealism they wished for their country. Who of this generation, then, wants to declare a lesser truth for America?

It is the answer we give to that question which matters. It will decide America.

Embarrassingly for me, and I think for the entire U.S. Senate, we are not giving any leadership to provide the right answer to that question. All was fun when it was sensational to go through the fact-finding phase of Watergate. What about the rather dull but so necessary legislative phase of Watergate, to see that no longer will the kleig lights turn on in the Senate caucus room as when we exposed this country to a mirror and to a sight that was shocking to Democrat and Republican alike?

Everyone says that we all do it; the way we act, the way we speak is merely a grab for power or for advancement for ourselves.

Let me say something. In November 1962 I was elected to my first public office: State representative to the general assembly at Hartford, Conn. It is now some 12 years and 8 elections later, and I am rounding out my first term in the U.S. Senate—a boyhood dream come true.

Yes, it is time consuming and rough

on the family life. To that extent it is tough. But each dawn for 12 years has me looking forward to the day. Politics is a clean business with dedicated people. The terms "9 to 5" and "5-day week" are seldom heard. The winning politician is in the business of love and not hate. The average politician takes the cost of serving out of his pocket and not the public's taxes.

These things need saying to challenge the "end justifies the means" image, the "everybody's doing it" image that the White House knowingly and a few ignoramuses unwittingly would give politics.

We are replete with failings personally as I, my staff and my family know all too well. But with the public trust given us by our constituencies—we would no more see that in the mud than the American flag.

Can I prove the above? The answer is "yes." Look at your America as I have asked the people of Connecticut to look at their State.

The truth of American politics is in the schools of this country, not a wiretap; in the hospitals, not a burglary, in the housing projects, not a scurrilous letter; in the parks, not in hush money; in facilities for the retarded, not in spying; in people who volunteer in a thousand ways, not in dirty tricksters; in politicians who reach for the weak first, the strong second, not in hatchet men. In short, dirt does not conceive so much tangible excellence as we have in our country.

The truth of America is not in the deeds of men and women at their worst but rather at their best. Government with its politicians and the people are not apart in a democracy. They are one.

And so it is we will not get any better ethics or more idealism in the Oval Office or on the Senate floor than we do in the voting booths of America.

Yes, I appeal to the people of this Nation now, on this specific piece of legislation, the first reform to come out of Watergate, to stand up and be counted.

Watergate was conceived in an ignorant apathy of the electorate and was executed in semiconscious apathy. Its greatest danger is that it will be forgotten in an apathy of total knowledge.

Mr. President, since I base my request for remedy on the facts, I now would like to move to several memorandums concerning the activities of the organization known as the Plumbers established within the Committee for the Re-Election of the President at the request of the White House.

This is not a general approach I am taking, but rather a very specific one, based on a track record of abuse unparalleled in our history. And I repeat, because these facts are on the table, whether or not they occur again will be determined by what action we take here.

If we take action at all, I can assure the Senate they will go on again and again, in Republican administrations and Democratic administrations. Only the names will be changed. The occurrences and the revelations will be the same.

Mr. MANSFIELD. Mr. President, will the Senator yield, without losing his right to the floor?

Mr. WEICKER. I yield, without relinquishing my right to the floor, to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF INTERIOR DEPARTMENT APPROPRIATIONS, 1975; AND FOR FURTHER CONSIDERATION OF THE PENDING CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, with the distinguished Senator from Connecticut holding the floor, I would suggest, with the concurrence of the Senate, that we adjourn shortly.

In line with the announcement made by the joint leadership on Monday, I ask unanimous consent that at the conclusion of morning business tomorrow, the Interior Department appropriation bill, Calendar 1026, H.R. 16027, be laid before the Senate as the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. After the disposition of H.R. 16027, I ask unanimous consent that we at that time return to the conference report which is now the pending business, and that when it becomes the pending business again, the distinguished Senator from Connecticut (Mr. WEICKER) be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. So that will take care of that for tonight, and if the Senator will now yield the floor, with his rights fully protected——

Mr. WEICKER. I yield the floor. It is my understanding in yielding the floor at this time that I will have the floor again when the bill is again considered.

The PRESIDING OFFICER (Mr. STEVENSON). Under the order, when the Senate resumes the consideration of the conference report, the Senator from Connecticut will automatically be recognized.

Mr. McGEE. Mr. President, reserving the right to object, I ask the distinguished majority leader what time he expects the Senate to convene tomorrow.

Mr. MANSFIELD. I will have to find out whether any Senator has special orders tomorrow. My guess would be either 10:30 or 11, and I would hope we can get on the Interior Department appropriation bill at approximately 11:30.

I would say 11 o'clock.

Mr. McGEE. We would come in at 11 o'clock, and be on the Interior appropriation bill by around 11:30?

Mr. MANSFIELD. Yes. Not later than 11:30.

Mr. McGEE. Not later than 11:30.

Mr. MANSFIELD. And on the disposition of that bill, we will return to the consideration of the pending conference report.

Mr. McGEE. I thank the Senator. I have no objection.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. There is one thing I forgot to mention. I would also like to take up the Truman scholarship bill before the Interior appropriation bill; but, if not, after that bill; and, if it is after, I would amend my unanimous-consent request that the distinguished Senator from Connecticut (Mr. WEICKER) be recognized so that either way he will be fully protected.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GAME MANAGEMENT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11537.

The PRESIDING OFFICER (Mr. STEVENSON) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 11537) to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MANSFIELD. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HART, Mr. MOSS, Mr. STEVENS, and Mr. COOK conferees on the part of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on August 6, 1974, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 2296. An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the productivity and other values of certain of the Nation's lands and resources, and for other purposes.

S. 3669. An act to amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

S.J. Res. 228. A joint resolution to extend the expiration date of the Defense Production Act of 1950.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily and that the Senate turn to the consideration of Calendar No. 1026, H.R. 16027, an act making appropriations for the Department of the Interior and related agencies.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. Is there objection to present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

ORDER FOR ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight it stand in adjournment until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for 15 minutes after the joint leadership has been recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF THE INTERIOR APPROPRIATION BILL TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the hour of 11:30 approximately, the morning business, which I now request, be concluded, and the Senate turn to the consideration of the Interior Appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I would like to lay out the schedule for tomorrow and Thursday and, hopefully, tomorrow to lay out the schedule for Friday.

Tomorrow the Senate will take up the pending business, the Interior Appropriations; Calendar No. 1025, the Truman scholarship bill; and, after these two items are disposed of, we will return to the conference report on H.R. 14715.

On Thursday, the D.C. appropriations bill will be taken up under a time limitation. That will be Calendar No. 1024; also, Calendar No. 987, an act to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes; and that will be under a time limitation.

That will be followed either late Thursday—that will be followed at some time—by Calendar No. 975, Amtrak, on which there is no time limitation.

Other matters which will be taken up during this week or next will be Calendar No. 944, the so-called ERDA bill, which has to do with the consolidation and reorganization of certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Energy Commission, and so forth; Calendar No. 991, U.S.-flag vessels; and Calendar No. 995, the copyright law; Calendar No. 1027, a famine resolution; Calendar No. 1028, the Federal Trade Commission Act and petroleum product costs; and 1029, the Mineral Leasing Act of 1920.

These are not in the order listed, but they indicate the clearness of the calendar because they are the only legislative items which are available to the Senate for consideration at this time.

May I say it is a good indication of how the Senate, throughout this year, has acted with responsibility and restraint and has lived up to its duties in considering legislation of various kinds and disposing of them after due consideration and debate.

ADJOURNMENT TO 11 A.M.

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 11 o'clock tomorrow morning.

The motion was agreed to; and at 5:39 p.m., the Senate adjourned until tomorrow, Wednesday, August 7, 1974, at 11 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, August 6, 1974*

The House met at 12 o'clock noon.

Rev. Jimmy R. Snow, the Temple, Nashville, Tenn., offered the following prayer:

Lord, we're reminded of Your word, telling us to enter into Your gates with praise and into Your courts with thanksgiving. For all You are, we praise You; for all that You've done and are doing for us, we thank You.

In these days and times of unrest, indecision, and spiritual complacency, we need Your love and grace as never before.

Pity us, O God, and remember that we are dust and have need of Your divine direction. God, grant that Your holy spirit may direct our minds and create within us a new heart, void of pride and yielded to Thee.

Help us, Father, not to be "little people."

Jesus, please place within our breasts Your unselfish love, so demonstrated at Calvary, and help us to be ever aware of so great a salvation. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 574. Concurrent resolution authorizing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 15074.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3489. An act to authorize exchange of lands adjacent to the Teton National Forests in Wyoming, and for other purposes.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

RESOLUTION TO REFER BILL FOR THE RELIEF OF ESTELLE M. FASS TO THE CHIEF COMMISSIONER OF THE COURT OF CLAIMS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEONOR LOPEZ

The Clerk called the Senate bill (S. 280) for the relief of Leonor Lopez.

Mr. WYLIE. Mr. Speaker. I ask unanimous consent that the Senate bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF PETER BOSCAS, DECEASED

The Clerk called the bill (H.R. 2637) for the relief of Peter Boscas, deceased.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

LIDIA MYSLINSKA BOKOSKY

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2537) for the relief of Lidia Myslinska Bokosky, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, line 7, strike out "purview" and insert "provisions."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LINDA JULIE DICKSON (NEE WATERS)

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5667) for the relief of Linda Julie Dickson (nee Waters), with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> In line 6, change the word "resident" to read "residence."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CONFERRING U.S. CITIZENSHIP POSTHUMOUSLY UPON LANCE CPL. FREDERICO SILVA

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7682) to confer citizenship posthumously upon Lance Cpl. Frederico Silva, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> 1. In line 3, change the word "national" to read: "native".
>
> 2. Beginning in line 4, following the word "Corps", delete the language "in the vicinity of Que Son, Republic of Vietnam,".

Amend the title so as to read: "An act to confer U.S. citizenship posthumously upon Lance Cpl. Frederico Silva."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MELISSA CATAMBAY GUTIERREZ

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4590) for the relief of Melissa Catambay Gutierrez, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, Melissa Catambay Gutierrez and Milagros Catambay Gutierrez may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of petitions filed in their behalf by Mr. and Mrs. Ulpiano F. Gutierrez, citizens of the United States, pursuant to section 204 of the said Act: *Provided*, That the brothers or sisters of the beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

Amend the title so as to read: "An Act for the relief of Melissa Catambay Gutierrez and Milagros Catambay Gutierrez."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

CONFERENCE REPORT ON H.R. 14715, WHITE HOUSE EMPLOYMENT

Mr. DULSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 14715) to clarify existing authority for employment of White House Office and Executive Residence personnel, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 1, 1974.)

Mr. DULSKI (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DULSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are only three provisions of the conference substitute which differ substantially from the provisions of the House-passed bill and I would like, at this time, to concentrate on those three provisions.

First and most importantly is the provision which authorizes the appointment and compensation of employees in the White House Office and in the Executive Residence at the White House.

As you may recall, the House bill authorized the President to appoint five employees at the rate for Executive level II, $42,500; five employees at level III, $40,000; 10 at level IV, $38,000; 15 at level A, $36,000; and 30 employees at the supergrade rates.

This authority would have taken effect on the date of enactment of H.R. 14715.

In contrast to the House bill, the conference substitute gradually reduces, over a period of 2½ years, the number of positions in the White House Office and in the Executive residence that may be paid at the rate for Executive level II, or $42,500.

Specifically, the conference substitute provides that from the date of enactment until January 1, 1976, the President may continue to pay 14 employees at the rate for Executive level II and 21 employees at rates not to exceed Executive level III. This represents the current level of staffing in the White House Office.

Effective January 1, 1976, the President may appoint and pay no more than 12 employees at level II, 10 employees at level III, 9 at level IV, and 9 at level V.

Then, effective January 20, 1977, the President's staff is further adjusted to 8 employees at level II, 10 at level III, 11 at level IV, and 11 at level V.

An important feature of the conference agreement is the saved pay provisions. Since the existing White House staffing will be continued until January 1, 1976, the saved pay provisions provide that employees on the rolls immediately prior to January 1, 1976, may continue to receive the same rate of pay so long as they continue to perform the same duties.

In addition to the Executive level positions, the President is authorized from the date of enactment to place a total of 35 positions in grades 16, 17, and 18 of the General Schedule, and these positions will be subject to the classification and pay provisions of title 5 of the United States Code.

The conference substitute includes a provision prohibiting the President from paying any other White House employee at a rate in excess of the maximum rate for GS-15.

The second substantive difference relates to the Senate amendment to H.R. 14715, authorizing an appropriation of $1 million each fiscal year to enable the President to meet unanticipated personnel needs.

The House-passed bill contained no such provision.

The conference substitute authorizes an appropriation of only $500,000 for such purposes and further provides that all appointments under such authority will be subject to the classification and General Schedule pay provisions of title 5.

The third substantive difference relates to the period of authorization. All the provisions of the House-passed bill would have continued in effect until changed by subsequent leadership.

The conference substitute, however, includes the Senate language providing for the repeal of section 105, relating to the White House staff, section 106, relating to unanticipated personnel needs, and section 107, relating to the detail of employees to the Wihte House. The Senate amendment provided for the repeal effective July 1, 1978. The conference substitute uses October 1, 1978, to conform with the newly established fiscal year.

In addition to the provisions just discussed, I should like to point out that the conference substitute does not contain the Senate provision dealing with the inspection or furnishing of Federal tax returns. In this connection I have been advised by the chairman of the Ways and Means Committee that both his committee and the Department of the Treasury presently are studying the matter of abuse of Federal tax returns and that recommendations will be forthcoming in the near future.

Mr. Speaker, it is my view that the conferees have worked out a very acceptable compromise and I, therefore, urge adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DULSKI. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I support this conference report and urge that it be adopted.

The report represents a fair and reasonable compromise between the more liberal Senate-passed bill and the restrictive provisions contained in the House bill.

The important thing is that we will now have precise authorizing language in the law for White House staffing—with reasonable limitations—not only on the numbers of staff personnel authorized for the White House, but also on the compensation and classification of the various positions. Heretofore, the language in the appropriations acts has waived all Federal laws with respect to the compensation and employment of most White House personnel.

I would also like to point out that in typical fashion the Senate added a totally ungermane amendment to the bill dealing with access to Federal income tax returns. The House conferees insisted that the amendment be deleted from the conference report, and the Senate conferees so agreed. This action was taken without prejudice to the merits or demerits of the amendment since it was agreed that if any action in this area were desirable, it should originate in the Ways and Means Committee.

In conclusion, Mr. Speaker, I sincerely believe that this legislation represents a great improvement over the existing situation with respect to White House staffing. The Congress has asserted a long overdue measure of control and has provided for regular reports from the President on the operation of the new legislation.

Inasmuch as the new staffing provisions are self-repealing on October 1, 1978, there will be ample opportunity to make any adjustments or changes that might become evident during the next 4 years.

I urge the adoption of the conference report.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. DULSKI. I am happy to yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, I also rise in support of the conference report.

The present situation is such that I cannot resist mentioning this: It is somewhat fascinating and historical, and even ironic, that we are about to agree to this conference report and now the President, who probably will then work under this new authorization, will not be the one we had in mind at the time we were laboring during the last few weeks.

Mr. Speaker, I rise in support of the conference report on H.R. 14715, a bill authorizing the appointment of White House staff, and urge its approval.

The conference report represents a fair and workable compromise between two divergent viewpoints.

First, it continues for the next 18 months the current number of upper level staff positions on the White House Office staff, that is 14 positions in executive level II and 21 in Executive level III and below. This was the viewpoint which prevailed in the Senate but was unsuccessfully advanced in the House.

Second, it provides for a two-step reduction in upper level positions on the White House Office staff, while allowing the continued employment of employees appointed prior to January 1, 1976. On January 20, 1977, the authority to appoint upper level positions on the White House Office staff will be fixed at 12 positions at Executive level II, 10 positions at level III, 9 positions at level IV, and 9 positions at level V. This latter adjustment in the various staff levels represents the goal of the House-passed bill.

The conference report also restores the authorization of funds to the President to meet unanticipated personnel needs in times of emergency. The amount of the authorization is $500,000 for each fiscal year, and it is in my judgment a necessary and proper authorization.

Mr. Speaker, I urge the adoption of the conference report on H.R. 14715.

Mr. DULSKI. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill H.R. 14715, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

A TRIBUTE TO THE HONORABLE WRIGHT PATMAN ON HIS 81ST BIRTHDAY

(Mr. SIKES asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, I take particular pleasure in calling to the attention of the House the fact that this is the birthday of the distinguished and beloved dean of the House, the gentleman from Texas, the Honorable Wright Patman.

Wright says that he is 81. He does not act it. He does not look it. He looks great. Whatever his age, he handles it well. We are proud for him.

Mr. Speaker, I am reminded that there are some of us around here who have been watching, with a degree of trepidation, the passage of the years, and we become concerned about the fact that the number three score and 10 is not too far away, and that is all the Good Lord promised us.

We are the ones who are beginning to wonder if He is going to look the other way, and give us a few more years.

I also take comfort—and Wright is a particularly good example of this—that the 90th Psalm says that for good behavior some may have another 10 years. Wright apparently is safely embarked on his second 10-year extension for good behavior.

Congratulations, Wright.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15544

Mr. STEED. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill H.R. 15544, making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Conference Report (H. Rept. No. 93–1262)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15544) "making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending June 30, 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 46, 47, 55, and 57.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 9, 10, 11, 13, 15, 17, 18, 21, 27, 32, 34, 36, 39, 40, 48, 49, 50, 53, and 54, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$25,850,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$92,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$21,000,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,450,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,008,870,700"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$354,000,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 3, 4, 7, 12, 14, 16, 19, 20, 22, 23, 24, 25, 26, 28, 33, 35, 37, 38, 43, 44, 45, 51, and 52.

Tom Steed,
Joseph P. Addabbo,
Edward R. Roybal,
Louis Stokes,
Tom Bevill,
George E. Shipley,
John M. Slack,
George Mahon,
Howard W. Robison,
Clarence Miller,
Victor V. Veysey,
Bill Young,
Elford A. Cederberg,
Managers on the Part of the House.

Joseph M. Montoya,
Birch Bayh,
Thomas F. Eagleton,
Lawton Chiles,
Gale W. McGee,
John L. McClellan,
Henry Bellmon,
Mark O. Hatfield,
Milton R. Young,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15544) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1975, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—TREASURY DEPARTMENT

Office of the Secretary

Amendment No. 1. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter inserted by the Senate, insert the following: "and not to exceed $10,000 for official reception and representation expenses."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 2. Appropriates $25,850,000 for salaries and expenses instead of $21,600,000 as proposed by the House and $26,500,000 as proposed by the Senate.

Amendment No. 3. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for unforeseen emergencies of a confidential character, and to provide that $3,600,000 shall remain available until expended for repairs and improvements to the Treasury buildings.

Expenses for economic stabilization

Amendment No. 4. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide $2,000,000 to enable the Secretary of the Treasury to terminate and provide for an orderly phaseout by December 31, 1974, of the economic stabilization activities conducted under the Economic Stabilization Act of 1970.

Bureau of Accounts

Amendment No. 5. Appropriates $100,000,000 for salaries and expenses as proposed by the Senate instead of $85,000,000 as proposed by the House.

Payment of Government losses in shipment

Amendment No. 6. Deletes language proposed by the Senate to permit funds to remain available until expended.

Bureau of Alcohol, Tobacco and Firearms

Amendment No. 7. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for the services of expert witnesses at such rates as may be determined by the Director.

Amendment No. 8. Appropriates $92,000,000 for salaries and expenses instead of $87,500,000 as proposed by the House and $94,639,000 as proposed by the Senate.

United States Customs Service

Amendment No. 9. Appropriates $284,800,000 for salaries and expenses as proposed by the Senate instead of $283,000,000 as proposed by the House.

Bureau of the Mint

Amendment No. 10. Appropriates $32,000,000 for salaries and expenses as proposed by the Senate instead of $30,000,000 as proposed by the House.

Bureau of the Public Debt

Amendment No. 11. Appropriates $88,500,000 for administering the public debt as proposed by the Senate instead of $85,000,000 as proposed by the House.

Internal Revenue Service

Amendment No. 12. Reported in technical disagreement. The managers on the part of the House will offer a motion, in connection with the appropriation for salaries and expenses, to recede and concur in the amendment of the Senate to provide for the services of expert witnesses at such rates as may be determined by the Commissioner.

Amendment No. 13. Appropriates $41,000,000 for salaries and expenses as proposed by the Senate instead of $40,000,000 as proposed by the House.

Amendment No. 14. Reported in technical disagreement. The managers on the part of the House will offer a motion, in connection with the appropriation for accounts, collection and taxpayer service, to recede and concur in the amendment of the Senate to provide for the services of expert witnesses at such rates as may be determined by the Commissioner.

Amendment No. 15. Appropriates $712,600,000 for accounts, collection and taxpayer service as proposed by the Senate instead of $705,000,000 as proposed by the House.

Amendment No. 16. Reported in technical disagreement. The managers on the part of the House will offer a motion, in connection with the appropriation for compliance, to recede and concur in the amendment of the Senate to provide for the services of expert witnesses at such rates as may be determined by the Commissioner.

Amendment No. 17. Appropriates $791,000,000 for compliance as proposed by the Senate instead of $780,000,000 as proposed by the House.

United States Secret Service

Amendment No. 18. Appropriates $79,300,000 for salaries and expenses as proposed by the Senate instead of $77,000,000 as proposed by the House.

Amendment No. 19. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for utilization of the Executive Protective Service to provide security at the official residence of the Vice President.

General provisions—Treasury Department

Amendment No. 20. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for furnishing of health and medical services to employees and their dependents in foreign countries.

TITLE II—POSTAL SERVICE

Payment to the Postal Service Fund

Amendment No. 21. Deletes language proposed by the House directing transfer of funds from the Postal Service to the Civil Service Retirement and Disability Fund in view of the fact that legislation concerning this matter has now been enacted.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

A number of items in this bill, and particularly in this title, are legislative in nature but have been proposed in the Budget every year for a number of years. They are not authorized by law and are technically in violation of the Rules of the House on appropriation bills.

The conferees strongly urge the Administration to review this matter and propose legislation for those items which are considered essential to the orderly and efficient functioning of the affected agencies.

Council on International Economic Policy

Amendment No. 22. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for personnel services without regard to the provisions of law regulating the employment and compensation of persons in the Government service.

Amendment No. 23. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide $1,000 for expenses of official entertainment.

Domestic Council

Amendment No. 24. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for services of individuals at rates not to exceed the equivalent of GS–18, and for other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service.

Unanticipated Personnel Needs

Amendment No. 25. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: In lieu of the matter inserted by the Senate, insert the following:

"UNANTICIPATED PERSONNEL NEEDS

"For expenses necessary to enable the President to meet unanticipated personnel needs, for emergencies affecting the national interest, security, or defense which may arise at home or abroad during the current fiscal year, and to pay administrative expenses incurred with respect thereto, as authorized by law, $500,000." The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Executive Residence

Amendment No. 26. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for official entertainment expenses of the President.

Official Residence of the Vice President

Amendment No. 27. Appropriates $315,000 for operating expenses of the official residence of the Vice President as proposed by the Senate.

Federal Energy Office

Amendment No. 28. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide that no part of the appropriation for the Federal Energy Office regulatory functions may be obligated or expended beyond the expiration date specified in Public Law 93–159 without approval of the Appropriations Committees.

National Commission on Productivity

Amendment No. 29. Appropriates $2,000,000 for salaries and expenses instead of $1,500,000 as proposed by the House and $2,500,000 as proposed by the Senate.

Office of Management and Budget

Amendment No. 30. Appropriates $21,000,000 for salaries and expenses instead of $19,400,000 as proposed by the House and $22,500,000 as proposed by the Senate.

Office of Telecommunications Policy

Amendment No. 31. Appropriates $8,450,000 for salaries and expenses instead of $9,400,000 as proposed by the House and $7,500,000 as proposed by the Senate.

Amendment No. 32. Deletes language proposed by the House to provide that not to exceed $1,100,000 shall be available for telecommunications studies and research.

Special Assistance to the President

Amendment No. 33. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts the language "as authorized by law" to conform this appropriation to the legislation concerning this matter (H.R. 14715) which has passed both houses and on which a conference report is now pending.

Amendment No. 34. Deletes language proposed by the House which will be superseded by the legislation referred to above.

White House Office

Amendment No. 35. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter stricken and inserted by the Senate, insert the following: "including hire of passenger motor vehicles, and official entertainment expenses as authorized by law in an amount not to exceed $10,000 to be available for allocation within the Executive Office of the President for official reception and representation expenses, $16,367,000."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE IV—INDEPENDENT AGENCIES

Advisory Commission on Intergovernmental Relations

Amendment No. 36. Appropriates $1,075,000 for salaries and expenses as proposed by the Senate instead of $1,050,000 as proposed by the House.

Civil Service Commission

Amendment No. 37. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide $2,500 for official reception and representation expenses.

Amendment No. 38. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $353,000 for the President's Commission on Personnel Interchange.

Commission on the Review of the National Policy toward Gambling

Amendment No. 39. Appropriates $1,000,000 for salaries and expenses as proposed by the Senate instead of $250,000 as proposed by the House.

Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped

Amendment No. 40. Appropriates $252,000 for salaries and expenses as proposed by the Senate.

General Services Administration

Federal Buildings Fund

Amendment No. 41. Establishes a limitation on availability of revenue in the Fund of $1,008,870,700 instead of $871,875,000 as proposed by the House and $1,044,925,000 as proposed by the Senate.

Amendment No. 42. Establishes a limitation for real property operations of $354,000,000 instead of $293,594,000 as proposed by the House and $370,194,000 as proposed by the Senate.

Amendment No. 43. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter stricken and inserted by the Senate, insert the following:

$101,589,700 of the amounts merged with the fund pursuant to section 210(f)(3) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(3)) of which (a) not to exceed $69,995,700 for the construction of buildings as authorized by law including construction projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

Alabama:	
Mobile Federal Office Building	$224,000
Alaska:	
Fairbanks Federal Office Building and Parking Facility	$638,500
Anchorage Court House, Federal Office Building, and Park Facility	2,000,000
Alaska Highway Border Station	839,000
Juneau Post Office and Court House	12,000
Petersburg Federal Office Building and Post Office	25,000
Arizona:	
Nogales Border Station No. 2	2,670,000
Arkansas:	
Batesville Post Office, Court House, and Federal Office Building	86,000
Fayetteville Court House and Federal Office Building	89,000
California:	
Los Angeles Federal Office Building and Multi-Parking Facility	1,981,000
San Diego Border Station	1,724,000
Hawthorne Federal Office Building	92,000
Santa Rosa Federal Office Building	235,000
Santa Ana Federal Office Building	18,000
San Diego Federal Building	225,000
Calexico Border Station	88,000
Connecticut:	
New Haven Federal Office Building	877,000
Delaware:	
Wilmington Court House, Customs Court, and Federal Office Building	151,000
District of Columbia:	
South Portal Site Federal Office Building	10,631,300
James Forrestal Federal Office Building	170,700
Department of Labor Building	11,083,600
J. E. Hoover Federal Bureau of Investigation Building	514,000
Florida:	
Orlando Courthouse and Federal Office Building	99,000
Tampa Motor Pool	15,000
West Palm Beach Post Office and Courthouse	31,000
Georgia:	
Atlanta, Richard B. Russell Federal Office Building	700,000
Augusta Post Office and Federal Office Building	99,000
Griffin Post Office and Federal Office Building	176,000
Rome Post Office and Courthouse	106,000
Waycross Courthouse and Federal Office Building	19,000
Hawaii:	
Honolulu Federal Office Building	115,000
Idaho:	
Sandpoint Federal Office Building	16,000
Illinois:	
Chicago Federal Supply Center and Parking Facility	312,000
Chicago Federal Archives and Records Center	15,000
Chicago Federal Office Building	1,194,000
Alton Courthouse and Federal Office Building	50,000
Carbondale Federal Office Building	261,000
Indiana:	
Indianapolis Federal Office Building	15,000
Indianapolis Post Office and Courthouse	10,000
Iowa:	
Iowa City Post Office and Federal Office Building	$12,000
Kansas:	
Topeka Courthouse and Federal Office Building	662,500
Kentucky:	
Covington, Internal Revenue Service Center	79,000
Frankfort Courthouse and Federal Office Building	67,000
Louisville Federal Office Building	53,000
Louisiana:	
Houma, A. J. Ellender Post Office and Federal Office Building	100,000
New Orleans Courthouse and Federal Office Building	30,000
Maryland:	
Baltimore, E. A. Garmatz Federal Office Building	22,000
Massachusetts:	
New Bedford, Hastings Keith Federal Building	204,000
Michigan:	
Ann Arbor, Federal Office Building	322,000
Detroit, Patrick V. McNamara Federal Office Building	49,000
Grand Rapids, Courthouse and Federal Building	57,000
Saginaw, Federal Office Building	448,000
Mississippi:	
Aberdeen, Federal Office Building	54,000
Hattiesburg, Federal Office Building	69,000
Oxford, Courthouse, Post Office, and Federal Office Building	82,000
Nebraska:	
Lincoln, Courthouse, Federal Office Building, and Park Facility	67,000
New Hampshire:	
Manchester Federal Office Building	456,000
New Mexico:	
Gallup Federal Office Building	137,000
New York:	
Buffalo Federal Office Building	950,000
Champlain Border Station	262,000
Hyde Park, F. D. Roosevelt Library Extension	65,000
New York, Customs Courthouse and Federal Office Building	113,500
Rochester, Customs Courthouse and Federal Office Building	70,000
New York, Foley Square Courthouse Annex	737,000
North Carolina:	
Winston-Salem, Courthouse and Federal Office Building	839,000
Ohio:	
Akron, Courthouse, Federal Office Building and Parking Facility	43,000
Akron, Post Office	13,000
Columbia, Federal Office Building	861,000
Dayton, Courthouse and Federal Office Building	42,000
Mansfield, Post Office and Federal Office Building	348,000
Oklahoma:	
Oklahoma City, Federal Office Building	603,000
Oregon:	
Eugene, Courthouse and Federal Office Building	30,000
Portland, Federal Office Building	12,000
Pennsylvania:	
Philadelphia, J. A. Byrne Courthouse and W. J. Greene, Jr., Federal Office Building	10,624,000
Williamsport, Courthouse and Federal Office Building	335,000

Puerto Rico:	
San Juan, Courthouse and Federal Office Building	$25,000
Rhode Island:	
Providence, Post Office and Federal Office Building	38,000
South Carolina:	
Columbia, Courthouse, Federal Office Building, Parking Facility and Vehicle Maintenance Facility	955,000
Florence, John L. McMillan Federal Building and Courthouse	327,000
South Dakota:	
Huron, Post Office and Federal Office Building	470,000
Rapid City, Courthouse and Federal Office Building	31,000
Tennessee:	
Nashville, Courthouse and Federal Office Building	130,000
Texas:	
Dallas, Courthouse and Federal Office Building	31,000
McAllen, Border Patrol Sector Headquarters	22,000
Marfa, Border Patrol Headquarters	136,000
Midland, Post Office, Courthouse, and Federal Office Building	135,000
San Antonio, Courthouse and Federal Office Building	594,000
San Antonio, Post Office	73,000
Vermont:	
Norton, Border Station	10,000
Brattleboro, Post Office, Court House, and Federal Office Building	10,000
Virginia:	
Quantico, Federal Bureau of Investigation Academy	555,000
Roanoke, R. H. Poff Federal Office Building	37,000
Virgin Islands:	
Charlotte Amalie, Courthouse and Federal Office Building	45,000
Washington:	
Blaine, Peace Arch Border Station	3,081,000
Seattle, Federal Office Building	2,503,600
Seattle, Federal Center South	2,878,000
West Virginia:	
Morgantown, Post Office and Federal Office Building	200,000
Elkins, Post Office, Courthouse, and Federal Office Building	454,000
Wisconsin:	
Madison, Courthouse and Federal Office Building	680,000
Total	69,995,700

Provided, That the immediately foregoing limits of cost may be exceeded to the extent that they apply to construction projects previously included in the appropriation, Construction, Public Buildings Projects, to the extent that savings are affected in other such projects, but by not to exceed 10 per centum of the amounts previously appropriated for such projects under such appropriation; (b) not to exceed $700,000 for repair and improvement of public buildings; (c) not to exceed $5,245,000 for additional court facilities; (d) not to exceed $16,149,000 for construction services of on-going construction projects; and (e) $9,500,000 for the completion of buildings management projects, including charges for work for other agencies begun in prior years but not yet completed and $2,571,000 to be deposited in the Treasury as miscellaneous receipts.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 44. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter stricken by the Senate, insert the following:

": *Provided further,* That any revenues and collections and any other sums accruing to this Fund, excluding reimbursements under section 210(f) (6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f) (6)), in excess of $1,088,870,700 shall be deposited in miscellaneous receipts of the Treasury of the United States."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

National Archives and Records Service

Amendment No. 45. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to provide for acceptance and utilization of voluntary and uncompensated services.

Amendment No. 46. Appropriates $50,500,000 for operating expenses as proposed by the House instead of $50,000,000 as proposed by the Senate.

Amendment No. 47. Provides $2,000,000 for allocations and grants for historical publications as proposed by the House instead of $1,500,000 as proposed by the Senate.

Defense mobilization functions of Federal agencies

Amendment No. 48. Appropriates $1,500,000 for civil defense mobilization functions as proposed by the Senate instead of $3,000,000 as proposed by the House.

General management and agency operations

Amendment No. 49. Appropriates $10,650,000 for salaries and expenses as proposed by the Senate instead of $10,200,000 as proposed by the House.

Federal management policy

Amendment No. 50. Appropriates $1,730,000 for salaries and expenses as proposed by the Senate instead of $1,600,000 as proposed by the House.

General Provisions—General Services Administration

Amendment No. 51. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate inserting language which would have the effect of prohibiting the use of funds available under Section 111 of the Federal Property and Administrative Services Act of 1949 for the purchase of computer equipment contemplated under the joint General Services Administration-Department of Agriculture MCS project 97-72 contained in Request for Proposal CDPA 74-14 (commonly known as FEDNET), or any successor project.

Amendment No. 52. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows. In lieu of the matter inserted by the Senate, insert the following:

"SEC. 4. Not to exceed 2 per centum of any appropriatons made available to the General Services Administration, excluding the Federal Buildings Fund, for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided,* That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of $2,000,000."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF DEFENSE

Defense Civil Preparedness Agency

Amendment No. 53. Appropriates $63,400,000 for operation and maintenance as proposed by the Senate instead of $60,000,000 as proposed by the House.

Amendment No. 54. Appropriates $18,600,000 for research, shelter survey, and marking as proposed by the Senate instead of $22,000,000 as proposed by the House.

Amendment No. 55. Deletes language proposed by the Senate providing that funds remain available until expended.

Amendment No. 56. Establishes a limitation of $300,000,000 for purchase contract construction of federal facilities instead of $250,000,000 as proposed by the House and $350,000,000 as proposed by the Senate.

TITLE VI—GENERAL PROVISIONS

Departments, Agencies, and Corporation

Amendment No. 57. Deletes language proposed by the Senate concerning the obtaining of records of customers of financial institutions by subpena without notice to such customer.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1975 recommended by the Committee of Conference, with comparisons to the fiscal year 1974 total, to the 1975 budget estimate total, and to the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1974	$6,243,167,000
Budget estimates of new (obligational) authority (as amended), fiscal year 1975	5,618,196,000[1]
House bill, fiscal year 1975	5,503,794,000
Senate bill, fiscal year 1975	5,565,508,000
Conference agreement, fiscal year 1975	5,561,169,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1974	−681,998,000
Budget estimate of new (obligational) authority (as amended), fiscal year 1975	−57,027,000
House bill, fiscal year 1975	+57,375,000
Senate bill, fiscal year 1975	−4,339,000

[1] Includes $41,350,000 in budget amendments not considered by the House.

TOM STEED,
JOSEPH P. ADDABBO,
EDWARD R. ROYBAL,
LOUIS STOKES,
TOM BEVILL,
GEORGE E. SHIPLEY,
JOHN M. SLACK,
GEORGE MAHON,
HOWARD W. ROBISON,
CLARENCE MILLER,
VICTOR V. VEYSEY,
BILL YOUNG,
ELFORD A. CEDERBERG,
Managers on the Part of the House.
JOSEPH M. MONTOYA,
BIRCH BAYH,
THOMAS F. EAGLETON,
LAWTON CHILES,
GALE W. MCGEE,
JOHN L. MCCLELLAN,
HENRY BELLMON,
MARK O. HATFIELD,
MILTON R. YOUNG,
Managers on the Part of the Senate.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 449]

Ashley
Biaggi
Blatnik
Boggs
Brasco
Broomfield
Burke, Calif.
Burlison, Mo.
Carey, N.Y.
Chisholm
Clancy
Clark
Clay
Conyers
Davis, Ga.
Diggs
Downing
Ford
Gray
Gude
Gunter
Hansen, Idaho
Hansen, Wash.
Harsha
Hébert
Hogan
Holifield
Karth
Kemp
McFall
Martin, N.C.
Nedzi
Owens
Pike
Podell
Powell, Ohio
Pritchard
Randall
Rarick
Reid
Riegle
Rooney, N.Y.
Rosenthal
Satterfield
Scherle
Stuckey
Symington
Teague
Traxler
Udall
Waldie
Wright
Young, Alaska

The SPEAKER. On this rollcall 381 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE 100TH ANNIVERSARY OF THE BIRTH OF HERBERT HOOVER

Mr. CULVER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate concurrent resolution (S. Con. Res. 79) expressing the sense of the Congress with respect to the celebration of the 100th anniversary of the birth of Herbert Hoover.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 79

Whereas Herbert Hoover, the thirty-first President of the United States, was born August 10, 1874, in a simple two-room cottage in the town of West Branch, Iowa;

Whereas the Congress of the United States, by Act approved August 12, 1965 (79 Stat. 510), authorized the establishment of the Herbert Hoover National Historic Site, consisting of the Herbert Hoover birthplace and the place where he and his wife, Lou Henry Hoover, were buried, in West Branch, Iowa, to be administered by the Secretary of the Interior for the education and enjoyment of the public; and

Whereas pursuant to the Presidential Libraries Act of August 12, 1955, the Administrator of General Services operates the Herbert Hoover Presidential Library at West Branch, Iowa, containing the personal and official papers of President Herbert Hoover: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby calls upon the Secretary of the Interior and the Administrator of General Services to cause to be conducted on or about August 10, 1974, appropriate ceremonies in celebration of the one hundredth anniversary of the birth of Herbert Hoover, thirty-first President of the United States, in the town of West Branch, Iowa.

The SPEAKER. The Chair recognizes the gentleman from Iowa (Mr. CULVER).

Mr. CULVER. Mr. Speaker, I am privileged to place before the House of Representatives Senate Concurrent Resolution 79, recognizing the centenary of Herbert Hoover's birth which occurs this Saturday, August 10.

The Herbert Hoover National Historic Site and the Herbert Hoover Presidential Library are located at his birthplace, West Branch, Iowa. It will be here that the principal ceremonies honoring the memory of Herbert Hoover will be held. I am proud that they will take place in my congressional district.

Few men in American public life played such a notable role in such a diversity of areas of human experience. Like Thomas Jefferson and John Adams, his active career was long and durable and his range of interests extraordinary. Like another one-term President, John Quincy Adams, his post-Presidential years were among his most productive. Like Theodore Roosevelt, he maintained a vigorous interest in the affairs of his party when he left office. Yet, like Eisenhower, he had a capacity to transcend party and to collaborate genuinely with men as different as President Wilson and President Truman. He was an outstandingly successful cabinet officer and his chairmanship of the two Hoover Commissions has left a lasting imprint on the structure and character of modern federalism and public administration. His direction of food relief and distribution after two world holocausts set a model of principled management and compassion which are of as much enduring significance today as then.

If I may add a personal note, I cherish a memory of President Hoover. In 1954 as a young man just out of college, I was asked by Harrison Spangler, a Cedar Rapids neighbor and the former Republican National Chairman and confidant of Mr. Hoover, to be the driver and escort for the former President during the celebration in West Branch of his 80th birthday. This was for me a memorable occasion and gave me a direct appreciation of the force of his character and the breadth of his perspective. For all who were with him on that day and heard both his public remarks and private observations, there was a renewed sense of how integrity and conviction are the most decisive attributes of leadership in a free society.

Mr. Speaker, I ask the unanimous adoption of this resolution and include in the RECORD a perceptive analysis of Mr. Hoover's career which appears in today's Wall Street Journal.

[From the Wall Street Journal, Aug. 5, 1974]

THE RESTORATION OF HERBERT HOOVER

(By Lee Roderick and Stephen W. Stathis)

Think of the men who were great Presidents and Herbert Hoover won't leap to mind. Think of the Presidents who were great men, however, and he's got to be somewhere near the top of the list.

Hoover, who died in 1964 after one of the stormiest public careers in American history, would have been 100 next Saturday. The first of two Quaker Presidents, he obviously shares something else with the current occupant of the White House: Few other men have ridden the roller coaster of public opinion to such heights and depths.

Hoover, fortunately was blessed with longevity. He was a living ex-President for more than three decades—longer than any other man in U.S. history—and the nation again came to appreciate and honor him as an outstanding humanitarian and public servant.

But questions still remain: Where do the disparaging myths surrounding the 31st President end and the facts begin? How do you separate the image of the public Hoover—the "rugged individualist" and parsimonious President—from that of the private Hoover whose personal generosity and love of children became legendary? His life was full of paradoxes:

With the advent of the Depression, Hoover gained a reputation as a flint-hearted leader blind to the suffering of others. Yet, as the instrument of America's generosity during and after two world wars, he did more than any man of his time to alleviate human misery.

Although a self-made millionaire, Hoover, no believer in laissez-faire, accepted an unprecedented role for government control of the economy.

He was convinced that other men, given the will, could climb the same road to success he had climbed; while his successor, Franklin D. Roosevelt, who lived securely on inherited wealth, came to represent government benevolence toward the unemployed.

Following his presidency, Hoover was defamed as personifying the evils of capitalism. Yet he had refused to keep much of the money given him for public service, distributing it instead among his aides. "The duty of public men in this republic is to lead in standards of integrity—both in mind and money," Hoover wrote. "When there is a lack of honor in government, the morals of the whole people are poisoned. . . ."

Adding to the difficulties of sorting out the "real" Hoover are the vestiges of the unrelenting and disgraceful smear campaign that dogged him during and long after his White House years. Hoover did not cause the Depression. It came at the end of a deceptively prosperous decade in which Americans had grown dizzy with speculative fever. Nonetheless it was his bad luck to be President when the stock market crashed on October 29, 1929, and inevitably he became the nation's scapegoat.

Hoover's very name became a hate-filled prefix: To "Hooverize" formerly had meant to act in a humanitarian way; now it meant to pauperize. Crude wooden shanties were "Hoovervilles," newspapers on park benches were "Hoover blankets " and empty pockets turned inside out were "Hoover flags." Democrats lampooned the President's initial optimism over the Depression. "Prosperity," they said, "is just Hoovering around the corner."

HORATIO ALGER CAREER

It was a precipitate fall from grace for a man who had known little else but success during a Horatio Alger career in which he had lived a lifetime of adventure before ever entering the political arena. An orphan at eight when his mother died. Hoover was a member of the first graduating class at Stanford University in 1895 and began his colorful mining career at the bottom of a shaft in California at $5 a day.

At 23 he was put in charge of some gold mines in the Australian desert and in 1899 became chief mining engineer for the Chinese government. His lasting contributions to humanity were presaged the following year when he directed the food relief in Tientsin during the Boxer Rebellion. Over the next 14 years Hoover's work took him to more than a dozen far flung countries and he was widely regarded as one of the world's foremost mining experts.

Hoover, having amassed a comfortable fortune and not yet 40, was in London when Germany declared war on France in 1914. He was asked by the American Consul General to help get tourists home. "I did not realize it at the moment," he wrote later, "but . . . my engineering career was over forever. I was on the slippery road of public life."

After expediting the return of 120,000 Americans stranded in Europe, Hoover, under President Wilson, then directed the emergency relief of millions of starving civilians in German-occupied Belgium and France and, later, throughout central Europe. He crossed the mine-infested English Channel and North Sea 40 times.

His sympathy for the suffering people of Russia outweighed his disdain for its oppressive new Bolshevik government, and as early as 1919 Hoover vigorously advocated feeding them as well. Snags developed, however, and it was not until a great famine had momentarily humbled the Lenin-Trotsky regime two years later that Hoover was able to take his program to the Russians, some of whom had reached the point of cannibalism. "Twenty-million people are starving," he told a critic. "Whatever their politics, they shall be fed."

Novelist Maxim Gorki, who had first publicly appealed to America for aid, wrote Hoover that "in all the history of human suffering (I know of no) accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished. Your help will be inscribed in history as a unique, gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians . . . whom you have saved from death."

Also serving in Wilson's administration, as Under Secretary of the Navy, was another young man whose political star was rising fast: Franklin Roosevelt. Hoover and Roosevelt became good friends and early in 1920 the latter wrote to their mutual friend Hugh Gibson that Hoover "is certainly a wonder, and I wish we could make him President of the United States. There could not be a better one." To Roosevelt's chagrin, however, when his wish became prophecy, Hoover, whose politics were unknown at the time, would be a Republican.

In 1921 Hoover was appointed Secretary of Commerce by President Harding and was retained by President Coolidge upon Harding's death. Although his progressive principles contrasted sharply with those of his two predecessors and caused concern among some Republicans, in 1928 the GOP nominated him for President and, in the first election he ever entered, Hoover easily defeated Al Smith of New York.

Hoover's presidency, as a whole, was an unfortunate detour in an otherwise brilliant career. Seldom had a President assumed office with greater international stature. Yet Hoover proved singularly unable to translate the wellspring of admiration into political capital. He was not above politics; rather, he was by nature doctrinaire and by practice woefully inept in the art of compromise. Added to these native handicaps was one beyond the power of any single individual to prevent—the worst depression in U.S. history.

Hoover was in office barely six months when the market crashed and the gloom of the Depression started spreading across the American landscape like a cold bay fog. Hoover, contrary to popular impression, took a series of swift and unprecedented actions to revive the nation's economy. Although he first relied on local initiative and moral suasion, he later turned to direct federal intervention.

"Although Hoover had gone much further than any preceding President in taking positive steps to combat the Depression, he had made little political headway for himself or his party," writes historian Frank Freidel. "His measures, while significant innovations, were far below the scale economists would now consider minimal to counter the deflationary spiral."

All of the government's efforts to right the economy proved inadequate and when Hoover drew the line on federal aid to the unemployed and refused to cross it, the stage was set for Roosevelt and his promise of a "new deal." For a generation after Hoover's crushing defeat by FDR in 1932, Democrats would stay in power by running against what was shamefully called "Hoover's Depression."

Throughout the rest of his life, Hoover remained convinced that the nation had been on the road to recovery in the summer of 1932. His voice was drowned out, however, in the color and cacophony of the coming New Deal with its AAA, TVA, WPA and a dozen other agencies and movements. While the Depression obstinately lingered on for years, Roosevelt and his partisans, to their discredit, continued to blame the Depression on Hoover ("a great compliment to the energies and capacities of one man," said the ex-President) and to stubbornly refuse his offers of service. Millions of other Americans also blamed him for their woes.

RETIRING TO PRIVATE LIFE

Hoover and his wife, Lou Henry, retired to private life in Palo Alto, Calif., where he swallowed his hurt and lost himself in causes close to his heart: the Boys Clubs of America, American Children's Fund, better medical education and working directorships of a dozen scientific and educational institutions. For a dozen years he didn't set foot in Washington.

Although he was widely misunderstood by adults, Hoover had no such problem with children, in whose company he often found reprieve. Children are our most valuable resource," Hoover was fond of saying and, in characteristically practical ways, he cultivated the resource. He served as active chairman of the Boys Clubs from 1935 until his death and originated the idea for the United Nations Children Fund (UNICEF).

Hoover, who became a super-uncle to the nation's youngsters, maintained a delightful and voluminous correspondence with children, explaining that "answering their letters . . . has been a great relief from the haunts of nights sleepless with public anxiety." He received many of the world's honors but once said his favorite was this testimonial from a boy's club: "Herbert Hoover is a good egg."

Shortly after Roosevelt's death in 1945, President Truman, scanning the morning newspaper, read that Hoover was in Washington. He sent a limousine to Hoover's hotel and had the former President brought to the White House.

"They brought him into the Oval Room, and I said to him, 'Mr. President, there are a lot of hungry people in the world and if there's anybody who knows about hungry people, it's you,' " Truman related to author Merle Miller. " 'Now there's plenty of food, but it's not in the right places. Now I want you to'

"Well, I looked at him. He was sitting there . . . and I saw that great big tears were running down his checks. I knew what was the matter with him. It was the first time in 13 years that anybody had paid any attention to him."

THE HOOVER-TRUMAN STORY

The warm friendship that subsequently developed between Hoover and Truman—the man who had given him back his pride—is one of the great human interest sketches of American history. "The Hoover-Truman story one day may rival in interest the Adams-Jefferson relationship which also involved two Presidents of sharply divergent political views," said Raymond Henle, who coordinated a long series of recorded interviews as director of the Herbert Hoover Oral History program.

While head of Truman's emergency famine committee, Hoover directed the feeding of millions of starving people in war-ravaged Europe and Asia as he had done a quarter century earlier, traveling 35,000 miles in 22 countries. At an age when most men are in the grave, he proceeded to direct two Hoover Commissions, two-thirds of whose numerous proposals for streamlining the Executive Branch were eventually adopted. When not pursuing his favorite hobby, fishing ("All men are equal before fish. . ."). Hoover was also a prolific writer and lecturer.

Well before his death at the age of 90, the passage of time had brought a new perspective to Hoover's life and prodigious accomplishments. His fellow citizens had regained an appreciation for him and most of them once more regarded him as a truly great American.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I am delighted to yield to my colleague, the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. It is my understanding that this resolution requires no expenditure of Federal funds and is for the very worthy purpose of recognizing the birthday of former President Herbert Hoover.

I appreciate the fact that the gentleman has called up this resolution and I join him in support of it.

Mr. CULVER. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. Mr. Speaker, I think all Americans should be proud of the humanitarian accomplishments of Herbert Hoover. An article in the August 5, 1974, Wall Street Journal indicates the tremendous contributions Herbert Hoover has made to our country and the people of the world. I think the article is informative, and include it in my remarks as this point:

THE RESTORATION OF HERBERT HOOVER

(By Lee Roderick and Stephen W. Stathis)

Think of the men who were great Presidents and Herbert Hoover won't leap to mind. Think of the Presidents who were great men, however, and he's got to be somewhere near the top of the list.

Hoover, who died in 1964 after one of the stormiest public careers in American history, would have been 100 next Saturday. The first of two Quaker Presidents, he obviously shares something else with the current occupant of the White House: Few other men have ridden the roller coaster of public opinion to such heights and depths.

Hoover, fortunately was blessed with longevity. He was a living ex-President for more than three decades—longer than any other man in U.S. history—and the nation again came to appreciate and honor him as an outstanding humanitarian and public servant.

But questions still remain: Where do the disparaging myths surrounding the 31st President end and the facts begin? How do you separate the image of the public Hoover—the "rugged individualist" and parsimonious President—from that of the private Hoover whose personal generosity and love of children became legendary? His life was full of paradoxes.

With the advent of the Depression, Hoover gained a reputation as a flint-hearted leader blind to the suffering of others. Yet, as the instrument of America's generosity during and after two world wars, he did more than any man of this time to alleviate human misery.

Although a self-made millionaire, Hoover, no believer in laissez-faire, accepted an unprecedented role for government control of the economy.

He was convinced that other men, given the will, could climb the same road to success he had climbed; while his successor, Franklin D. Roosevelt, who lived securely on inherited wealth, came to represent government benevolence toward the unemployed.

Following his presidency, Hoover was defamed as personifying the evils of capitalism. Yet he had refused to keep much of the money given him for public service, distributing it instead among his aides. "The duty of public men in this republic is to lead in standards of integrity—both in mind and money," Hoover wrote. "When there is a lack of honor in government, the morals of the whole people are poisoned . . ."

Adding to the difficulties of sorting out the "real" Hoover are the vestiges of the unrelenting and disgraceful smear campaign that dogged him during and long after his White House years. Hoover did not cause the Depression. It came at the end of a deceptively prosperous decade in which Americans had grown dizzy with speculative fever. Nonetheless it was his bad luck to be President when the stock market crashed on October 29, 1929, and inevitably he became the nation's scapegoat.

Hoover's very name became a hate-filled prefix: To "Hooverize formerly had meant to act in a humanitarian way; now it meant to pauperize. Crude wooden shanties were "Hoovervilles," newspapers on park benches were "Hoover blankets," and empty pockets turned inside out were "Hoover flags." Democrats lampooned the President's initial optimism over the Depression. "Prosperity," they said, "is just Hoovering around the corner."

HORATIO ALGER CAREER

It was a precipitate fall from grace for a man who had known little else but success during a Horatio Alger career in which he had lived a lifetime of adventure before ever entering the political arena. An orphan at eight when his mother died, Hoover was a member of the first graduating class at Stanford University in 1895 and began his colorful mining carer at the bottom of a shaft in California at $5 a day.

At 23 he was put in charge of some gold mines in the Australian desert and in 1899 became chief mining engineer for the Chinese government. His lasting contributions to humanity were presaged the following year when he directed the food relief in Tientsin during the Boxer Rebellion. Over the next 14 years Hoover's work took him to more than a dozen far flung countries and he was widely regarded as one of the world's foremost mining experts.

Hoover, having amassed a comfortable fortune and not yet 40, was in London when Germany declared war on France in 1914. He was asked by the American Consul General to help get tourists home. "I did not realize it at the moment," he wrote later, "but . . . my engineering career was over forever. I was on the slippery road of public life."

After expediting the return of 120,000 Americans stranded in Europe. Hoover, under President Wilson, then directed the emergency relief of millions of starving civilians in German-occupied Belgium and France and, later, throughout central Europe. He crossed the mine-infested English Channel and North Sea 40 times.

His sympathy for the suffering people of Russia outweighed his disdain for its oppressive new Bolshevik government, and as early as 1919 Hoover vigorously advocated feeding them as well. Snags developed, however, and it was not until a great famine had momentarily humbled the Lenin-Trotsky regime two years later that Hoover was able to take his program to the Russians, some of whom had reached the point of cannibalism. "Twenty million people are starving," he told a critic. "Whatever their politics, they shall be fed."

Novelist Maxim Gorki, who had first publicly appealed to America for aid, wrote Hoover that "in all the history of human suffering (I know of no) accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished. Your help will be inscribed in history as a unique, gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians ... whom you have saved from death."

Also serving in Wilson's administration, as Under Secretary of the Navy, was another young man whose political star was rising fast: Franklin Roosevelt. Hoover and Roosevelt became good friends and early in 1920 the latter wrote to their mutual friend Hugh Gibson that Hoover "is certainly a wonder, and I wish we could make him President of the United States. There could not be a better one." To Roosevelt's chagrin, however, when his wish became prophecy, Hoover, whose politics were unknown at the time, would be a Republican.

In 1921 Hoover was appointed Secretary of Commerce by President Harding and was retained by President Coolidge upon Harding's death. Although his progressive principles contrasted sharply with those of his two predecessors and caused concern among some Republicans, in 1928 the GOP nominated him for President and, in the first election he ever entered, Hoover easily defeated Al Smith of New York.

Hoover's presidency, as a whole, was an unfortunate detour in an otherwise brilliant career. Seldom had a President assumed office with greater international stature. Yet Hoover proved singularly unable to translate the wellspring of admiration into political capital. He was not above politics; rather, he was by nature doctrinaire and by practice woefully inept in the art of compromise. Added to these native handicaps was one beyond the power of any single individual to prevent—the worst depression in U.S. history.

Hoover was in office barely six months when the market crashed and the gloom of the Depression started spreading across the American landscape like a cold bay fog. Hoover, contrary to popular impression, took a series of swift and unprecedented actions to revive the nation's economy. Although he first relied on local initiative and moral suasion, he later turned to direct federal intervention.

"Although Hoover had gone much further than any preceding President in taking positive steps to combat the Depression, he had made little political headway for himself or his party," writes historian Frank Freidel. "His measures, while significant innovations were far below the scale economists would now consider minimal to counter the deflationary spiral."

All of the government's efforts to right the economy proved inadequate and when Hoover drew the line on federal aid to the unemployed and refused to cross it, the stage was set for Roosevelt and his promise of a "new deal." For a generation after Hoover's crushing defeat by FDR in 1932, Democrats would stay in power by running against what was shamefully called "Hoover's Depression."

Throughout the rest of his life, Hoover remained convinced that the nation had been on the road to recovery in the summer of 1932. His voice was drowned out, however, in the color and cacophony of the coming New Deal with its AAA TVA, WPA and a dozen other agencies and movements. While the Depression obstinately lingered on for years, Roosevelt and his partisans, to their discredit, continued to blame the Depression on Hoover ("a great compliment to the energies and capacities of one man," said the ex-President) and to stubbornly refuse his offers of service. Millions of other Americans also blamed him for their woes.

RETIRING TO PRIVATE LIFE

Hoover and his wife, Lou Henry, retired to private life in Palo Alto Calif., where he swallowed his hurt and lost himself in causes close to his heart: the Boys Clubs of America, American Children's Fund, better medical education and working directorships of a dozen scientific and educational institutions. For a dozen years he didn't set foot in Washington.

Although he was widely misunderstood by adults, Hoover had no such problem with children, in whose company he often found reprieve. "Children are our most valuable resource," Hoover was fond of saying and, in characteristically practical ways he cultivated the resource. He served as active chairman of the Boys Clubs from 1935 until his death and originated the idea for the United Nations Childrens Fund (UNICEF).

Hoover, who became a super-uncle to the nation's youngsters, maintained a delightful and voluminous correspondence with children, explaining that "answering their letters . . . has been a great relief from the haunts of nights sleepless with public anxiety." He received many of world's honors but once said his favorite was this testimonial from a boy's club: "Herbert Hoover is a good egg."

Shortly after Roosevelt's death in 1945, President Truman, scanning the morning newspaper, read that Hoover was in Washington. He sent a limousine to Hoover's hotel and had the former President brought to the White House.

"They brought him into the Oval Room, and I said to him, 'Mr. President, there are a lot of hungry people in the world and if there's anybody who knows about hungry people, it's you,' " Truman related to author Merle Miller. " 'Now there's plenty of food, but it's not in the right places. Now I want you to'

"Well, I looked at him. He was sitting there . . . and I saw that great big tears were running down his cheeks. I knew what was the matter with him. It was the first time in 13 years that anybody had paid any attention to him."

THE HOOVER-TRUMAN STORY

The warm friendship that subsequently developed between Hoover and Truman—the man who had given him back his pride—is one of the great human interest sketches of American history. "The Hoover-Truman story one day may rival in interest the Adams-Jefferson relationship which also involved two Presidents of sharply divergent political views," said Raymond Henle, who coordinated a long series of recorded interviews as director of the Herbert Hoover Oral History program.

While head of Truman's emergency famine committee, Hoover directed the feeding of millions of starving people in war-ravaged Europe and Asia as he had done a quarter century earlier, traveling 35,000 miles in 22 countries. At an age when most men are in the grave, he proceeded to direct two Hoover Commissions, two-thirds of whose numerous proposals for streamlining the Executive Branch were eventually adopted. When not pursuing his favorite hobby, fishing ("All men are equal before fish. . .") Hoover was also a prolific writer and lecturer.

Well before his death at the age of 90, the passage of time had brought a new perspective to Hoover's life and prodigious accomplishments. His fellow citizens had regained an appreciation for him and most of them once more regarded him as a truly great American.

Mr. CULVER. Mr. Speaker, I have no further requests for time.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CULVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the subject of the Senate concurrent resolution just concurred in.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that in the consideration of the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes, all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD, and that I may be permitted to revise and extend my remarks, and to include extraneous material and pertinent tables.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1975

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 3 hours, the time to be equally divided and controlled by the gentleman from Ohio (Mr. MINSHALL) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16243), with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 1½ hours and the gentleman from Ohio (Mr. MINSHALL) will be recognized for 1½ hours.

The Chair now recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is not always wisely spent, but it must be admitted that money is the lifeblood of the Government. Every Cabinet officer, every administrator of a Government program, knows that. Without money, the Government comes to a screeching halt.

We can debate whether or not we provide too much or too little, but money is the essential ingredient of Government. Yes, the money of the taxpayer is the lifeblood of the Government.

It is not inaccurate to indicate that in a basic sense appropriation bills are the most important legislation we deal with each year. Other bills can wait; sometimes they wait for years; sometimes it might be better if they waited forever, but appropriation measures cannot wait.

PROGRESS IN APPROPRIATION BILLS

I think the Congress can take some pride in the fact that it has moved along rather well in a general sense in handling money bills at this session. I cannot, of course, speak for all segments of the Congress, but I can undertake to speak for the Appropriations Committee, of what we have done and are doing in dealing with money—Federal money, the taxpayers' money.

Including the bill before us, the House will have passed 11 of the 13 regular appropriations bills, and also the special energy research and development bill and three supplementals, for a total of $185 billion.

Those who say that Congress is dawdling, is doing nothing, do not seem to have adequate regard for the $185 billion which we will have provided or dealt with thus far in this session, including this bill. I am sure that if the average citizen, who is preoccupied with inflation and many other matters, was asked about these bills which we have passed, he would say, "I didn't know that; I didn't know that." As in the TV commercial, "I didn't know that," would seem to be an understandable response.

Perhaps there is no good way for the citizen to know that we are proceeding with the routine, yet essential business of the Congress through every week and every month of this session. Just today, we are holding two conferences on major appropriation bills but the citizen has no opportunity to know of this important development.

The citizen would have no alternative except to say, "I didn't know that."

But we are, indeed, holding conferences on the very significant Transportation appropriation bill, and another one on the Treasury-Postal Service appropriation bill. The people in the cities and in the countryside are quite interested in those measures.

Tomorrow, we have scheduled a conference on the Public Works-Atomic Energy Commission appropriation.

Mr. Chairman, I speak of a Congress undertaking to fulfill its responsibilities to the people; undertaking to take timely action on matters of such importance as the defense of the Nation and other issues.

The people have seen the House Committee on the Judiciary on television, but not the House Committee on Appropriations, not the Committee on Interstate and Foreign Commerce, not other committees of Congress which could be enumerated.

The appropriation bills need to be well considered, and we must not act in haste. We need not apologize that we sometimes delay in making up our minds as to what to do about spending the taxpayers' money.

We have enacted certain bills into law and other appropriation measures are forthcoming. We have arranged, through the Committee and through the House and Senate, of course, for the orderly operation of the Government in instances where appropriations have not progressed to final enactment doing this through a continuing resolution.

We are trying to proceed in an orderly way to discharge our responsibilities. The action of the House today is evidence of that. Today, as I have said, we are considering the Defense appropriation bill, and what does it involve? It involves $83 billion. It is the largest money bill of the session.

THE GOVERNMENT CONTINUES TO FUNCTION

The legislative process continues to function imperfectly, sometimes unwisely; but the legislative process continues to function, and some of these imperfections and inadequacies are inherent in our system of government.

We are presenting the annual Defense appropriation bill this year 3½ months earlier than it was presented last year. This was made possible largely because of the timely authorization bill which moved through Congress under the expert handling of the House and Senate Committees on Armed Services.

The people of the country need to know the affairs of government continue to move forward. Action of the House today is evidence of that. We are continuing to do our job. So, despite the turbulence, we are ahead of last year's schedule.

NAVAL PETROLEUM RESERVE

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from California.

Mr. BELL. Mr. Chairman, I would like to ask the Chairman (Mr. MAHON) if he would reflect on page 100 of the report, where there is reference to the "Naval Petroleum Reserve." It is said there that the appropriation figure for 1974 is zero. Then there is a subnote 1, which below there says:

> Supplemental Appropriation Act, Fiscal Year 1974 . . . was included in Operation and Maintenance, Navy for the Naval Petroleum Reserve, in addition to $8,334,000 . . .

I assume from that that the total last year as well as this year is about the same approximately, if one adds the supplemental appropriation figure into the regular appropriation?

Mr. MAHON. I believe the gentleman is correct.

Mr. BELL. Is the gentleman aware that the petroleum reserve, for example, in Elk Hills provides for the reserve to be available for us in case of emergency use because of a military need? Is the gentleman aware that that is what the provision means?

Mr. MAHON. With respect to the naval petroleum reserves in Alaska and in California, the House Committee on Appropriations followed the recommendations of the Committee on Armed Services in dealing with this issue. We have provided some $70 million plus above the budget in order to carry out, more or less, the program which has been advocated by the House Committee on Armed Services.

Mr. BELL. Mr. Chairman, my point here is that that is not adequate, as proved by the fact that the Elk Hills field is not prepared for emergency use and will not be for 3 years. I think the fact that the appropriation is so low could be a serious detriment to us in the case of a future energy crisis or in the case of a war that came upon us very quickly. We would not have the use of that 370,000 barrels a day production.

I think that is quite substantial, being close to 10 percent of our Nation's requirements.

Mr. MAHON. Mr. Chairman, I agree that there is controversy as to the adequacy of the program dealing with the oil reserve.

Mr. BELL. Mr. Chairman, if the gentleman will yield further, it does come down to money, I will say to the gentleman from Texas, because money is a very important part of our requirements in putting that field in condition so it can be used for the country's needs. It is not being used, and this is going to be a serious problem for us in the future if we do not do something about that area.

Mr. MAHON. Mr. Chairman, I presume the gentleman's point is that we should provide additional funds for that purpose?

Mr. BELL. The gentleman is correct.

Mr. MAHON. Mr. Chairman, the matter, of course, can and will be given further consideration by the committee. At this point I would not recommend a change in this bill. The matter of change could be taken up later.

GENERAL DISCUSSION OF BILL

I would like to come now to a general discussion of the bill.

REDUCTION RECOMMENDED

Mr. Chairman, as I said, the bill provides $83.3 billion for defense in the current fiscal year which began July 1. We have reduced the President's request by $3.7 billion. Last year the reduction was not quite as much as that, but it was more or less in the same ball park.

We ask for $4.8 billion in this bill above what we provided in the appropriations for fiscal year 1974, the year just ended. I should add that some of this reduction is the result of action by Congress, following the recommendations of the Committee on Armed Services, of the authorization bill wherein the budget as requested by the President was reduced.

We have undertaken to deal as wisely as we could with the budget and with the programs that are recommended for the security of the Nation. We have not indulged in across-the-board reductions. We have tried to specify where reductions should be made in all areas, including manpower programs, research and development efforts and procurement projects.

NO SUPPLEMENTALS

One of the significant things we have done in this bill is to alert the administration to the conclusion of the committee that we would, only with great reluctance, entertain supplemental appropriations for defense during the current fiscal year. Every year we are confronted with supplemental bills for defense.

We have tried to lay down the law to the Pentagon that we will not look with favor upon supplemental requests for further defense funds except as they relate to funds that are already in the budget for pay increases which will be considered later in the fiscal year.

IMPACT OF INFLATION

Mr. Chairman, another thing I should point out is that it is not humanly possible for the Defense Department to carry out and to finance all of the programs for which these funds have been requested because of inflation. There must be a downward trend, a downward tailoring of these funds, in order that the higher priority programs of the Defense Department can be funded from within the resources available.

I say this because the budget is based upon about a 3- to 5-percent rate of inflation. However, we have at this time an annual rate of inflation which is closer to 13 percent. So some of the programs are going to have to be eliminated and some of them are going to have to be postponed and/or restructured as a result of inflation and as a result of the reductions which have been made by the committee in the request.

Mr. Chairman, the Pentagon people like to say, in explaining the defense budget, that the budget in constant dollars is lower than it was last year, that it is lower than it was 10 years ago, that it represents a lower percentage of the gross national product, and so forth. There is some validity to these arguments. However, we are confronted in the real world with dealing with current dollars, and not constant dollars.

HIGH COST OF DEFENSE

Why does defense cost so much? If I may have the attention of the Members for a few moments I would like to explain in very elementary terms why defense costs so much.

In this bill we provide for the procurement of 72 F-15 fighters for the Air Force, 72 of them. What do they cost? They cost $12 million each. The total amount in this bill for those aircraft is three-quarters of a billion dollars. That is a high cost, but we have no way of reducing the price downward so far as the committee is concerned.

We have admonished the Department of Defense to exercise the most responsible management possible for these various programs. Regardless, in just this one instance it will cost three-quarters of a billion dollars for just 72 fighter-type aircraft.

Our B-52 strategic bombers are getting old, and they are going to have to be replaced. We have already spent $1.6 billion on the development of a replacement aircraft, the B-1. It will cost us another $1.5 billion to complete its development. It is a very expensive program. It is estimated that the B-1 bombers will cost, per copy, mind you, $62 million per aircraft. And I would estimate that by the time the production is underway the cost will have escalated to probably as much as $80 million.

If we are to carry out these programs of providing for the defense of our country, as recommended by the Joint Chiefs of Staff, we have to provide the funds that are necessary.

We might look at the Navy for a moment. The F-14 is a type of fighter aircraft for the Navy made in the State of New York at a cost of about $15 million an airplane. We finance in this bill 50 of these airplanes at a cost of $700 million plus.

So when you spend money in large chunks like that you can understand why the costs run up so rapidly into the multibillions of dollars.

The nuclear powered attack submarine cost is $167 million. The development cost of the program is about $200 million.

We do not have a new aircraft carrier in this bill. We had one last year and when fully equipped, it will cost about $1 billion. It is estimated that we will have a request for another one in a year or two.

Even the smaller warships have become more expensive. For example, destroyer type ships cost $94 million each. A patrol frigate, $62 million each. A nuclear powered frigate to escort the nuclear powered carrier now costs $270 million, or more than a quarter of a billion dollars for a single escort ship.

We have had considerable discussion over the months on the Trident submarine. The development costs alone for the Trident submarine, including missiles, is $3.4 billion. That is why you cannot go out and buy a whole stable of Tridents. It will cost about $12 billion to buy 10 of them, complete with missiles and shore facilities.

We need to have tanks for the Army. We have 510 of them in this bill. They cost $350,000 per copy.

The Army requires something like 1,300 helicopter gun ships to support ground forces, and to knock out enemy tanks. The Cobra gunships in the budget this year cost $1.4 million each.

PERSONNEL COSTS

So I could go on and on here, and recount the costs that are involved in the various weapons systems, but the major cost today really is in personnel. More than 55 percent of the money in this bill will go for pay and allowances for personnel.

Back as late as 1968 it cost about $5,000 in pay and allowances for a military man or woman in service. Today it costs about $10,000. We are trying to help make the all-volunteer Army a success. The Department of Defense is working heroically to make it succeed. In order to help they have asked for $100 million—$100 million in 1 year—for advertising to help promote the all-volunteer force. Would the Members care to speculate on how much it costs to try to recruit the all-volunteer force? Six hundred million dollars just for recruitment alone. So it is understandable that defense costs are very great.

We have reduced civilian personnel, both in filled and unfilled positions, by 32,000. For military personnel, men and women in uniform, we recommend a reduction of about 18,000 personnel, and we have specified where these reductions must be made.

THREATS TO PEACE

So I would say, Mr. Chairman, that defense costs a lot, but we live in a turbulent world. All of the turbulence in this world is not confined to Washington, I would warn the Members. The Middle East is at a boiling point. Nobody knows what is going to happen in that oil-rich area where passions are so aroused at this time. We have to maintain our military strength and our military superiority. We are not unaware of developments in Turkey and Greece and Cyprus and the threat of more aggressive war in that area of the world. We know that there is a difficult and unstable situation in Southeast Asia, and we are not unaware of the various threats to the peace and security of the country. So we do not apologize for the size of this bill. We regret that it is necessary to present a bill this large, but adequate defense is expensive, as I have just illustrated.

There are many who would like for it to be larger, and there are many who would like to reduce it. One cannot prove with absolute and precise certainty just where the right figure is, but the Committee on Appropriations has done its best to bring the Members a bill which they can confidently support.

HON. WILLIAM E. MINSHALL

It has been a pleasure, Mr. Chairman, to work through the years on the defense bill with the distinguished gentleman from Cleveland, Ohio (Mr. MINSHALL) the top minority member of the Subcommittee on Defense Appropriations. He has placed the welfare of the country above all other considerations, politically or otherwise. As I see him here on the floor today, I am reminded that when this bill is presented next year, he will not be with us because he has chosen not to run again for his seat in Congress at the end of the present session. But as the chairman of this committee, and as one who has served upon it for a number of years—since 1939, to be more specific—I should like to salute this distinguished patriot, this wise and understanding legislator, the gentleman from Ohio (Mr. MINSHALL). The Members will be hearing from him later in regard to this bill.

CONCLUSION

We are not unanimous in the Committee on Appropriations on this bill, but we are very nearly so. Some amendments will be offered which I hope will not be accepted.

This is about all I should say at the moment. If one needs to know more about this bill, do not necessarily read my speech; read the report which contains the details. The report contains 171 pages. If the Members are interested, they can read the 12,000 pages of hearings.

In our system we have to trust somebody, and through my years of service on the Subcommittee on Defense Appropriations, which runs back for more than a couple of decades, I have found that the Congress generally supports the recommendations of the Committee on Appropriations when it comes to the defense of our country.

Mr. Chairman, I yield at this time to the distinguished gentlemen from Colorado, who is apparently trying to get my attention.

Mr. JOHNSON of Colorado. Mr. Chairman, I did not want to interrupt the gentleman's remarks but I want to ask him a question. I have read some disturbing articles lately which indicate, and I do not know whether they are true or not, which is the reason for my question, but I have seen that after we have paid this high price for this equipment which we have gotten at the various prices for tanks and airplanes and that sort of thing, the Defense Department then gives the equipment away at a lower value. The department evidently marks the value down for inventory and then the equipment is given away to the countries at a lower value and then we replace the equipment at this higher cost. Can the gentleman give us the facts on that?

Mr. MAHON. That issue was thoroughly discussed in connection with the $2.2 billion of aid to Israel at an earlier time. It is true that in the disposition of weapons they are given away or often sold at a lower price than the replacement cost. That is about the way it is in the Defense Department. That is about the way it is in civilian life also. It is true that the people in the Defense Department are not perfect in their handling of matters and we are consistently on the alert to secure more efficiency. We have now 40 or 50 investigators from the committee working month in and month out to try to secure better information and more efficient operation in the Department. Also we have the personnel of the General Accounting Office, for whom we provide about $121 million a year. They are charged with investigating various operations and we charge them with this responsibility and we confer with them about areas of economies in the operation of various portions of the Government. So we make no pretense that mistakes do not occur and that there is no waste, but we are doing the best we can to cope with it. I think as a result of our efforts some degree of success is achieved.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from Florida.

Mr. SIKES. Mr. Chairman, is it not also true that frequently material which is made available to other countries is aging equipment, some of it more or less obsolescent, and naturally it will be priced out at what it appears to be worth at the time and not at the replacement cost of modern equipment? It is inevitable if we are going to dispose of some equipment to other countries that we will do so at less than what it would cost us to replace it with newer, modern equipment.

UNOBLIGATED AND UNEXPENDED BALANCES

Mr. MAHON. Mr. Chairman, I would like to mention something that usually occurs in the debate in the appropriation bill for the Defense Department, and if the members will turn to pages 9 and 10 of the report they will see a statement about the unexpended and unobligated balances available to the Defense Department at the beginning of this fiscal year which total something in the area of $45 billion. We are inclined to say why give them the new money when they have these unexpended and unobligated balances? That is a legitimate question, but the answer to the question is that we believe in full funding and we think we ought to take the full shock of what a nuclear carrier, for instance, costs at one time and we ought to provide the money in the beginning. Usually all of the funds are not required during the first few years, but we provide the money and we see the full cost of the investment we are making and the enormity of the cost. So we do fund these procurement programs fully from the beginning.

But let me point this out. These funds last in the case of shipbuilding and conversion for 5 years, and for 2 years for research and development and for 3 years for other types of procurement. That explains why we have large unobligated balances.

For example, we have provided in this bill over $3 billion to the Navy to build ships. Some ships will not be completed for 5 years; but we provide the funds now. Some of the funds will not be obligated for quite a number of years.

Therefore, the tables will show that the funds are unobligated in some instances and they will show in many instances they are unexpended. They are not available for other purposes, unless the concurrence of Congress is requested and given.

WAR RESERVE STOCKS FOR ALLIES

There are a number of items that will be before us during the debate today. It will be said that we include funds for a buildup of arms and ammunition to be used in the event of trouble in Asia, for instance. We are also providing money here for the procurement of arms and ammunition which will be held in this country for our own stockpiles. If these weapons or ammunition are required in Asia or elsewhere to support what is called the Nixon doctrine of providing equipment rather than manpower, then these funds will be available. They will be available not only for Southeast Asia or that part of the world, they could be available for the Middle East, as was the case when the Arab-Israeli war broke out a few months ago.

I trust that Members will study the report and come to an agreement that this is about the best we can do under the circumstances.

I think it is time for me to yield the floor. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman. Do I understand there is available to the Defense Department at the present time $40 billion to $50 billion in addition to what is proposed to be made available, some $83 billion in this bill?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. I was not aware of that.

Mr. MAHON. I think the gentleman is aware of that. That matter has been discussed every year. The entire $83 billion in this bill are not going to be spent in this fiscal year. That portion of it for personnel, the pay of military and civilian personnel and a lot of other costs will be spent, but the funds provided for aircraft and ships will not be spent by and large in this fiscal year, so it is that kind of animal.

Mr. GROSS. I was not aware with full funding, for instance, of a carrier authorized—I do not believe there is a carrier in this bill.

Mr. MAHON. That is correct, there is not.

Mr. GROSS. There is not?

Mr. MAHON. There is not.

Mr. GROSS. There is not a carrier in this bill, but there are a number of ships.

Mr. MAHON. But if there was, it would be full-funded at this time.

Mr. GROSS. I was not aware of that, but we fund them for the full period of construction.

CENTRAL INTELLIGENCE AGENCY

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. FINDLEY. Over the years I have become more and more disturbed by the Central Intelligence Agency and the lack of information that the Members of Congress have about it. It is my assumption that money to fund this Agency is within the bill that is now before us. Is that a correct assumption?

Mr. MAHON. That is correct.

Mr. FINDLEY. Can the gentleman tell me in any range of figures at all about how much money is provided, even to the closest say $100 million?

Mr. MAHON. Well, I could, but under the law the CIA operation generally is secret. It is the major intelligence agency of our Government and it would not be appropriate for me to say how much money is appropriated in this bill or otherwise for the Central Intelligence Agency; but I would say that Committees of the House and Senate Armed Services and Defense Appropriations ride herd over these programs as best they can.

We cannot keep up with each and every little development in connection with the intelligence agencies of our Government; but we do the best we can to protect the public interest. We are not always successful, but generally speaking, I think we are. I will be glad to talk to the gentleman privately about it.

Mr. FINDLEY. But I think the public does have a great interest in this. Can the gentleman tell me approximately how many Members of Congress know how much money is in the bill for the CIA?

Mr. MAHON. I would not know particularly.

Mr. FINDLEY. Would it be as many as 10?

Mr. MAHON. More than 10, as many as 30, probably. I do not have the exact number.

Mr. GROSS. Mr. Chairman, will the gentleman yield for one other question?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, does the Defense Department put this money—the total fully funded money—out to pasture and collect interest on it?

Mr. MAHON. No, because the money is not withdrawn from the Treasury at all. It is just a commitment. It is a bookkeeping operation.

Mr. GROSS. It is only used as it is drawn down?

Mr. MAHON. Right.

Mr. GROSS. I mean, as it is required and drawn down on the Treasury?

Mr. MAHON. The gentleman is correct.

Mr. GROSS. So it is not out at interest?

Mr. MAHON. Not at all.

Mr. GROSS. As is the revenue-sharing money.

I thank the gentleman.

Mr. MAHON. Mr. Chairman, under leave granted earlier, I would like to place in the record a summary tabulation of the bill and a statement setting forth in detail some of the major recommendations of the committee.

SUMMARY OF BILL BY MAJOR CATEGORIES

Functional title	Appropriation, fiscal year 1974 (new obligational authority)	Revised budget estimate, fiscal year 1975 (new obligational authority)	Committee bill	Committee bill compared with— Appropriation, fiscal year 1974	Committee bill compared with— Budget estimate, fiscal year 1975
Title I—Military personnel	$24,183,264,000	$24,774,468,000	$24,478,748,000	+$295,484,000	−$295,720,000
Title II—Retired military personnel	5,150,700,000	6,040,600,000	6,040,600,000	+889,900,000	
Title III—Operation and maintenance	23,923,702,000	27,049,343,000	25,513,480,000	+1,589,778,000	−1,535,863,000
Title IV—Procurement	17,030,922,000	19,866,617,000	17,544,817,000	+513,895,000	−2,321,800,000
Transfer from other accounts	(499,800,000)		(332,600,000)	(−167,200,000)	(+332,600,000)
Title V—Research, development, test, and evaluation	8,175,858,000	9,322,469,000	8,790,125,000	+614,267,000	−532,344,000
Transfer from other accounts	(3,500,000)			(−3,500,000)	
Title VI—Special foreign currency program	2,600,000	2,900,000	2,900,000	+300,000	
Title VII—Military assistance, South Vietnamese forces	(1,018,000,000)	(1,450,000,000)	922,600,000	+922,600,000	+922,600,000
Transfer from other accounts			(77,400,000)	(+77,400,000)	(+77,400,000)
Title VIII—General provisions (additional transfer authority, sec. 834)	(625,000,000)	(750,000,000	(750,000,000)	(+125,000,000)	
Title IX—Related agency—Defense Manpower Commission	400,000	1,100,000	1,100,000	+700,000	
Total, Department of Defense (NOA)	78,467,446,000	87,057,497,000	83,294,370,000	+4,826,924,000	−3,763,127,000
Transfer from other accounts	(503,300,000)		(410,000,000)	(−93,300,000)	(+410,000,000)
Total funding available	78,970,746,000	87,057,497,000	83,704,370,000	+4,733,624,000	−3,353,127,000
Transfer authority	(625,000,000)	(750,000,000)	(750,000,000)	(+125,000,000)	
Distribution by organizational component:					
Army	20,660,497,000	22,321,454,000	20,348,210,000	−312,287,000	−1,973,244,000
Transfer from other accounts	(232,500,000)		(198,000,000)	(−34,500,000)	(+198,000,000)
Navy	26,073,754,000	28,797,959,000	27,240,652,000	+1,166,898,000	−1,557,307,000
Transfer from other accounts	(156,800,000)		(40,800,000)	(−116,000,000)	(+40,800,000)
Air Force	24,428,492,000	27,293,402,000	25,702,194,000	+1,273,702,000	−1,591,208,000
Transfer from other accounts	(114,000,000)		(93,800,000)	(−20,200,000)	(+93,800,000)
Defense agencies/OSD	2,153,603,000	2,602,982,000	3,039,014,000	+885,411,000	+436,032,000
Retired military personnel	5,150,700,000	6,040,600,000	6,040,600,000	+889,900,000	
Military assistance, South Vietnamese forces	(1,018,000,000)	(1,450,000,000)	922,600,000	+922,600,000	+922,600,000
Transfer from other accounts			(77,400,000)	(+77,400,000)	(+77,400,000)
Related agency—Defense Manpower Commission	400,000	1,100,000	1,100,000	+700,000	
Total, Department of Defense (NOA)	78,467,446,000	87,057,497,000	83,294,370,000	+4,826,924,000	−3,763,127,000
Transfer from other accounts	(503,300,000)		(410,000,000)	(−93,300,000)	(+410,000,000
Total funding available	78,970.746,000	87,057,497,000	83,704,370,000	+4,733,624,000	−3,353,127,000
Transfer authority	(625,000,000)	(750,000,000)	(750.000,000)	(+125,000,000)	

PERSONNEL COSTS

Total personnel costs—military and civilian—will continue to consume between 55 and 60 percent of the $90 plus billion total new obligational authority requested by the Department of Defense in all appropriations. Included in this percentage estimate is the pay and allowances of military and civilian employees including reservists. This portion of the request, which is referred to as the direct personnel cost will require about 45 percent of the Defense budget before pay raises. Retired pay for military personnel will consume another 6.5 percent of the budget. The remaining items which in the aggregate is referred to as "general personnel support" is the most difficult to analyze. Included in this category are such items as family housing, medical support, individual training, overseas dependents education, recruiting and examining, and base operating support. These items add another 6 to 10 percent to the estimated total personnel cost.

Personnel related costs have been consuming an ever larger share of the Defense budget for the past 10 years. During the past 3 years this trend has been held in check largely by reducing the numbers of military personnel employed. The committee's action on the fiscal year 1975 budget should keep the percentage of the Defense budget devoted to personnel expenditures level or entail a slight down turn. This is done through the proposal to make a relatively small reduction in the numbers of military personnel, a larger reduction in the numbers of civilian personnel, and by not reducing various hardware procurement programs as much as has been the case in recent years.

The bill includes funds to support about 2,160,000 military man-years. It is difficult to translate the committee's man-year reduction of 18,000 into an end strength reduction, as explained in the report on page 12. However, it is estimated that the maximum end strength reduction which would result would be about 21,000. This is a reduction which is midway between the positions of the two bodies on the authorizing legislation. The House proposed a reduction of about 2,800 and the Senate 49,000. Eventually, the conferees agreed on the House position.

The largest portion of the reduction in this bill—8,000 man-years—occurs in the Air Force because a program to increase the surge capability of the military airlift fleet by increasing the number of active duty crews and mechanics per aircraft failed authorization. This increase in airlift capability will be made through an expansion in the Air Force Reserve. However, it will take a year or two longer to develop the full additional surge capability using reservists.

The reduction in direct hire civilian personnel is about 32,300 from a request of 1,027,327. Insofar as the committee can determine, nearly all of the positions eliminated are vacant positions. Thus, in many cases it is possible to reduce the budget by the full man-year cost because reduction in force rules do not apply, nor is it necessary to provide severance pay.

RECRUITMENT OF NONHIGH SCHOOL GRADUATES

The bill does not include a provision similar to last year's provision which limited the recruitment of high school dropouts to not more than 45 percent. This section was deleted in order to avoid the controversy which this provision created. However, data made available to the committee this year only reinforces the committee's position that the high school graduate is a much better employment risk.

The proportion of nonprior service male recruits who enlisted in the Armed Services with a high school diploma during fiscal year 1974 continued to decline. In fiscal year 1973, about 53 percent of Army male nonprior service recruits held a high school diploma. These enlistment rates for personnel in this category dropped to about 42 percent last fiscal year. The Marine Corps experienced only a small decline in the numbers of male nonprior service personnel who hold a high school diploma from 48.5 percent to 47.7 percent.

FREE USE OF MILITARY PERSONNEL

The committee report goes into considerable detail on the problem of loaning military personnel to other agencies and offices of the Government without proper reimbursement from these users. Also, the committee has found a number of instances where U.S. military personnel have been used to benefit other governments, but where no reimbursement is made either through the MAP or MASF programs or in direct payments. It is evident that each of the military services goes its own way as to how, when, and under what terms costs associated with the use of military personnel should be reimbursed. The committee made a reduction of $42 million in new obligational authority and asked the services to make up as much of the reduction as possible in fiscal year 1975 through collections from users of military labor.

CORRECTION OF ANTIDEFICIENCY STATUTE VIOLATION

The bill includes $43,356,000 which will restore from deficit balance military personnel appropriations which were spent in excess of availability. An investigation by the Department of Justice on this matter will continue. In addition, the committee's report makes certain recommendations on the use of "M" or old year accounts and financial management in the Navy in general.

HEADQUARTERS AND DEPLOYMENTS IN THE WESTERN PACIFIC

The committee spent a good portion of its efforts reviewing U.S. military operations and deployments in the Pacific. The committee's recommendations for changes in the command structure and deployment in this region are spelled out in length in the report. However, because of the military sensitivity of some of the information relating to this matter, all of the details cannot be expressed in the report. The Department of Defense has been provided with a classified staff study of this matter. While the dollar impacts of the committee's recommendations are not particularly significant in fiscal year 1975, implementation of the recommendation could have a significant impact on the defense budget in future years.

The various headquarters in the Pacific region are too numerous and too large for the forces deployed in the U.S. Pacific command today. The committee has reduced headquarters operations in the region by $10 million in the military personnel appropriation. The committee expects that some of the reduction made in civilian personnel strengths will also be allocated to these headquarters. The Army has already announced the termination of Headquarters, U.S. Army Pacific. The committee recommends some similar changes for the other service component headquarters within CINCPAC. The Headquarters U.S. Pacific Fleet would be disestablished, with residual functions transferred to CINCPAC. The committee suggests a reduction in overall size for Fleet Marine Forces, Pacific Headquarters and Headquarters, U.S. Pacific Air Forces.

The committee also suggests the restructuring of headquarters in Japan, with the commander, U.S. Naval Forces, Japan designated Commander of a new consolidated U.S. Forces, Japan Headquarters.

The committee has recommended some U.S. force reductions in Korea, primarily in the area of support and administrative troops. However, it is also proposed that certain air defense artillery missions be turned over to the ROK Army and that an Army missile organization be disestablished and not replaced by a newer missile system. Certain suggestions are made to reorganize and consolidate the headquarters structure in Korea. Finally, the committee recommends that changes be made in the deployment of the remaining U.S. division in order to enable to have it serve as both a true Korean theater reserve division as well as a Pacific region reserve division. These changes involve moving the division south from the DMZ into a reserve position and replace ROK augmentation troops in the division structure with U.S. personnel.

EUROPEAN REDUCTIONS

No significant reductions or changes in our European forces are proposed in this bill. The committee felt that this was not a propitious time in which to propose any changes. However, this is an area where a detailed review of our command structure and deployments should be made in future years.

PERMANENT CHANGE OF STATION TRAVEL

The committee made a detailed analysis of the DOD request for $1,611,000,000 to move personnel and their belongings from one permanent duty station to another in fiscal year 1975. As a result of a committee directed uniform definition of what constitutes a move, a far more detailed examination of the request was possible this year than in previous years. Based upon this review, the committee is recommending a reduction of $27,390,000 in the Navy request and $22,300,000 in the Air Force request.

The committee is also directing that further steps be taken to make more uniform the PCS accounting systems of the various services.

The committee also recommends that travel payments for reenlistment be terminated because travel is not required nor is it performed. This will save about $22 million annually.

The committee bill includes about $177 million for full travel benefits for junior enlisted personnel in grades E–1 through E–4. This will be a very costly package of benefits in that it could involve an annual cost of up to $200 million. The eventual addition of 30,000 to 50,000 additional U.S. dependents in overseas areas will cause additional pressure for the building and operation of new schools, hospitals, stores, et cetera in areas where serious consideration must be given to deployment draw downs, not increases.

GRADE STRUCTURE

The committee has again this year included a funding limitation which will force the allocation of the appropriate portion of the military personnel strength reduction to the higher ranking commissioned officer grades. The committee included similar language in the House-passed version of last year's Defense appropriation bill. The application of the language—section 846—is different, however, in that it applied only to the total numbers of officers employed by the Department of Defense in grades O–4 to O–10 and does not place specific limitations on each service.

RESERVE FORCES

In summary, the committee added $88,000,000 to the bill to finance the increase of 44,656 in authorized paid drill training strength. This increase is partially offset by reductions in certain reserve personnel programs such as travel expenses, overseas training exercises, school and special training, additional drills for aviators, and in the number of reserve personnel on full time active duty under the provisions of title 10 section 265 of the code.

The committee believes that action on the 48,000 structured space reductions in the Army reserve components should be delayed pending completion of the study which is underway within the DoD and an opportunity for the appropriate congressional committees to review any plan emanating from the OSD study.

OPERATION AND MAINTENANCE

For operation and maintenance, the budget requested $27.0 billion for fiscal year 1975. The appropriation of $25.5 billion is proposed. The total reduction recommended by the committee is $1.5 billion. This amount seems like a large reduction but it really is not when you consider all of the factors included.

Of the total reduction, $1.2 billion is the result of the new procedure for providing support for South Vietnamese forces and by authorization reductions. The remaining $300 million represents additional reductions recommended by the committee.

SUPPORT OF SOUTH VIETNAMESE FORCES

Let me specify some of the actions resulting in the $1.5 billion operation and maintenance reduction. As a result of the new authorizing legislation regarding the support of South Vietnamese forces, a $625.3 million reduction was required in the request for operation and maintenance funds. To implement this legal requirement, the Army's request was reduced $311.9 million, the Navy's $61.7 million, and the Air Forces $251.7 million.

AUTHORIZATION ACTION

The authorizing committees' action also resulted in some major operation and maintenance reductions. First, regarding civilian personnel strength, the authorizing committees reduced the total Defense strength by 32,327 positions. The total strength requested by the Department of Defense is 1,027,327. This was reduced to 995,000. The committee is fully funding the number authorized, but the reduction translates into an operation and maintenance dollar reduction of $408.5 million.

This is the first year that civilian personnel strength has been authorized. The committee recommendation complies with the authorizing act.

Also, as a result of authorization action regarding the increased crew ratio for C–5A/C–141 aircraft, the committee had to reduce the request of the Air Force by $121 million. The authorizing committees directed that any increase in the crew ratio for these aircraft be obtained through the Reserve forces rather than in the active force.

The operational base launch project also failed authorization and this action results in another reduction of $5 million in the Air Force request.

COMMITTEE REDUCTION

The committee recommends further reductions totaling about $316.3 million. The largest is associated with the amount of funds requested for petroleum products in fiscal year 1975.

FUEL

For fiscal year 1975, the Department requested about $3.5 billion for the purchase of petroleum products. This is an increase of about $1.6 billion above the amount currently expected to be spent for these products in fiscal year 1974. The committee thoroughly reviewed the requirements for this large increase and concluded it could make a reduction of $148 million. The committee more than adequately funded the Department's request.

There is a full discussion of the committee's rationale presented in the report beginning on page 81. Briefly, some of the reasons for the committee's recommended reductions are:

First. The payment of prices in excess of those paid by commercial airlines for practically the same type of fuel;

Second. The tariff rates charged by Defense industrially funded operations were increased in excess of that required to pay for the increased cost of fuel. This was done principally to generate extra cash for their operations, which the committee could not permit;

Third. The Defense Supply Agency also included in the purchase price of the fuel sold to its consumers a surcharge to generate extra cash for its operations. The committee is opposed to this practice; and

Fourth. The committee also believed that the Department could make a better effort to conserve on the use of fuel during this period of a national energy shortage. Especially by cutting back on the use of command and administrative aircraft.

MAINTENANCE OF REAL PROPERTY

The next major reduction is in the request of funds for real property maintenance. The Department requested an increase of $273.7 million; from the $859.6 million provided in 1974 to $1.2 billion in 1975. The committee is recommending a reduction of $75 million, allowing for an increase of $198.7 million and a total program cost of $1.125 million.

In reviewing the request for such a large increase, the committee found various deficiencies in the operation and management of this program. The committee was advised that the Department has never made a review of the management of the maintenance program or of its requirements. After the committee's inquiries into this matter, the Department advised that it would begin a review in October of this year. The committee is of the opinion that this is a little late and has directed its own review of the program.

No one in Defense knows what is really required to properly maintain Defense real property facilities. The request for funds is largely based on what is termed the backlog of essential maintenance and repair. But the committee found that adequate standards have not been developed to determine either needed maintenance or funding requirements.

GSA LEASING PROGRAM

As in all other appropriation bills reported for fiscal year 1975 the committee is recommending a reduction of 10 percent of the funds requested. For Defense this action translates into a reduction of about $17.8 million. This reduction has been applied to each appropriation request where such funds were included.

MEDICAL OPERATIONS

The committee again this year is recommending a reduction in the funds requested for defense medical operations. The reduction is being made specifically against the request for funds for the Civilian Health and Medical Program of the Uniformed Services—CHAMPUS.

The request for CHAMPUS was for about $520 million. The committee is recommending a reduction of about $31 million. The committee is also recommending that the remaining $489 million be transferred from the cognizance of the military services to the office of the Assistant Secretary of Defense for Health and Environment who is the executive agent with responsibility for administration of the program.

The total request for Defense military medical operations for fiscal year 1975 is about $3.3 billion, of which the $520 million is the CHAMPUS portion. As pointed out in the report, the cost of this program has risen substantially over the last few years. As a matter of fact, the cost has risen by $715.8 million since fiscal year 1972. Not all of this increase is due to inflation. Most of the additional amount was an attempt on the part of the Congress to provide our military with the best medical health care possible. However, the committee has discovered that the care being provided is not being utilized to the fullest extent possible nor is it effectively administered. Military medical facilities are being operated at about 45 percent of constructed capacity and at about 75 percent of programed operational capacity. With larger staffs, better equipment, and adequate operational facilities, the committee is of the opinion that facilities provided should be more fully utilized.

The recommended CHAMPUS reduction is an attempt on the part of the committee to emphasize to Defense officials the need not only to better administer the CHAMPUS program, but also to force them to require the services to make better use of the medical facilities the Congress has provided.

A substantial portion of persons now using CHAMPUS to obtain civilian health care should be obtaining this care in military medical facilities, military personnel who are the single largest users of the CHAMPUS program.

There is also recommended several other reductions in the operation and maintenance request which are detailed in the committee's report. These range from $1.5 million for intelligence studies to a $35.7 million reduction for Air Force operations in Southeast Asia.

NAVAL PETROLEUM RESERVE

The committee is also recommending an increase of $79 million in operation and maintenance funding. Of this amount, $75 million is for the Naval Petroleum Reserve. The committee is recommending this increase to expedite exploration and development at the petroleum reserves, especially at Elk Hills and Reserve No. 4 in Alaska.

The budget anticipated that funds for increased exploration and development would be derived from production of petroleum at Elk Hills but the authorizing legislation has been rejected by the House Armed Services Committee. However, in rejecting this legislation, the committee recommended that such funds be obtained through the appropriation process and suggested they be made available as soon as possible. In consonance with that committee's desires, the Appropriations Committee is recommending that the additional funds be made available in fiscal year 1975. The committee is also recommending that funds be made available until June 30, 1976, rather than the normal 1 year period for Operation and Maintenance funds. This action is being recommended because the Navy believes it can better manage the use of these funds if made available for 2 years rather than the normal 1 year period.

PROCUREMENT

The fiscal year 1975 procurement budget estimate was $19.8 billion, an increase of $2.8 billion over the $17 billion in new obligational authority made available for fiscal year 1974, and an increase of $2.3 billion over the total $17.5 billion, including transfers of prior year unobligated balances to fiscal year 1974, recommended in the bill last year.

The total amount recommended in the bill for procurement totals $17.8 billion, including $17.5 billion in new obligational authority and $332.6 million in transfers of prior year unobligated balances to fiscal year 1975. We must include the transfers of old balances because we provided those in the bill in lieu of new obligational authority. The total amount recommended in the bill is $1.9 billion less than the request. This is a net figure. We recommend a reduction of $2.3 billion in new obligational authority but propose the transfer of $332.6 million from prior year appropriations to fiscal year 1975 to offset the recommended reduction by that much.

The recommended reduction includes $810.9 million which failed authorization. The authorization reduction includes $287.3 million in MASF funds transferred to a new title of the authorization bill. The reduction recommended to the committee includes a total of $851.7 million in MASF funds deleted from title IV of the bill.

Included in the total of $332.6 million in transfers is $217.6 million in prior year MASF balances which could not be obligated in fiscal year 1974 because of the congressional ceiling of $1,126 million placed on MASF obligations for fiscal year 1974, and $115 million in recoupments of prior year balances. Recoupments stem from various program changes and deobligations which generate funds that are no longer required for budgeted programs.

The Department has or will realize a total of $53 million in free assets in fiscal year 1975. Free assets are funds that are available from sales of items of equipment and stock which do not require replacement. Since this money is or will be available we reduced new obligational authority by $53 million and that also is included in the overall recommended reduction.

ARMY

The Army requested $3 billion 315 million for fiscal year 1975. The bill recommends $2 billion 585.5 million, a reduction of $729.5 million.

We have recommended the funding of six new AH-1Q Cobra/TOW gunships and the modification of 189 Cobra gunships to the AH-1Q configuration. We recommend that the funds requested for 19 CH-47C cargo helicopters and 128 UH-1H utility helicopters be denied because the Army's asset position is such that these helicopters need not be bought.

We have recommended funding quantities of Hawk, Dragon, TOW, and Lance missiles; 510 M60A1 battle tanks, quantities of M60 and M85 machine guns, $636.3 million worth of ammunition, $170.4 million for ammunition plant modernization; $140.8 million for tactical and support vehicles, $272.1 million for communications and electronics equipment, and $264.7 million for other support equipment.

We recommend deletion of $19 million for certain ammunition plant modernization projects, and deletion of funds requested for 1¼-ton trucks, field teletypewriters, 25-ton cranes, railway tank cars, training devices, and the $25.3 million requested for the armored reconnaissance scout vehicle. The latter item was not authorized.

NAVY/MARINE CORPS

The Navy and Marine Corps requested $9 billion 270.4 million for fiscal year 1975. The bill recommends $8 billion 486.2 million, a reduction of $784.2 million.

We have recommended in the bill funding the following major aircraft: 12 A-6E attack aircraft, 6 EA-6B electronic warfare aircraft, 34 A-7E attack aircraft, 50 F-14 fighter aircraft, 12 P-3C ASW patrol aircraft, 45 S-3A ASW aircraft, 6 E-2C early warning aircraft, and 18 new T-34C trainer aircraft.

The authorization legislation deleted $57.3 million for 24 A-4M aircraft, $5.4 million for 6 AH-1J Cobra gunships, and added $7 million for 18 new T-34C trainer aircraft. The subcommittee recommends that $6.7 million for RA-5C modifications and $17.1 million for E-3A/B aircraft modifications be denied because of the age of the aircraft to be modified.

In the missile and other weapons area, we recommend funding 300 Sparrow missiles, 800 Sidewinder missiles, 340 Phoenix missiles, 900 Shrike missiles, 150 Harpoon missiles, 200 Standard medium range missiles, 62 Standard ARM missiles, 400 MK-48 torpedoes, and three MK-30 mobile targets.

The authorization added $15.4 million above the budget for 500 Bulldog missiles. The subcommittee recommends this add-on not be appropriated because the Secretary of Defense did not budget for them after studying the requirement last year. The subcommittee recommends termination of the Condor missile and the Standard Active missile programs. The Condor electro-optical missile duplicates the less costly extended range Walleye II electro-optical "smart" bomb and the Standard Active Missile was a backup to the Harpoon missile which the Subcommittee recommends funding.

With respect to ships, the committee recommends funding a total of 22 new ships and conversion of four others. The 22 new ships include two more Trident submarines—a total of $1.2 billion including $240 million in advance procurement funds—three SSN-688 attack submarines, seven DD-963 destroyers, one DLGN nuclear-powered frigate, four patrol hydrofoil missile ships, three patrol frigates, a destroyer tender, and a fleet ocean tug. The conversions include a submarine tender and three SSBN submarine conversions from Polaris to Poseidon capability.

Four of the seven patrol frigates and the sea control ship were not authorized. The subcommittee strongly recommends against all funding for the sea control ship because our investigative staff study concluded it did not provide a cost-effective addition to our fleet. We also recommended against funding a fleet oiler this year as premature.

AIR FORCE

The Air Force requested $7 billion 179.2 million in procurement funds for fiscal year 1975. The bill recommends $6 billion 703.7 million, a reduction of $475.5 million.

The authorization legislation added $100.1 million for 24 A-7D aircraft, $220.5 million for 12 F-111F aircraft, and $18.9

million for four more A-10 aircraft—in addition to the 26 A-10's budgeted. The authorization recommended $31 million to stretch C-141 aircraft in order to increase their cargo-carrying capability and to increase their service life. The proposal to modify 110 wide-bodied commercial aircraft in the Civil Reserve Air Fleet was not authorized. The subcommittee recommends concurrence in the authorization legislation.

The amount recommended in the bill will provide funds for 24 A-7D attack aircraft, 30 A-10 attack aircraft, six E-3A AWACS aircraft, 72 F-15 fighter aircraft, and 12 F-111F fighter/bomber aircraft.

In the area of Air Force missiles, the authorization legislation denied the $15.6 million budgeted for the "Giant Patriot" Minuteman II operational base launch program. The subcommittee concurs in that action and the funds for the program were not recommended.

The funds recommended in the bill will provide 61 Minuteman III missiles, 300 Shrike missiles, 6,000 Maverick missiles, 300 Sparrow missiles, and funds for such programs as the defense satellite communications system, defense meteorological satellite system, defense support program, and others.

The subcommittee recommends reductions of $26.1 million in the SAC Automated Total Information Network; $22 million in the 496L Spacetrack program for another phased array radar, $6.1 million in the Minimum Essential Emergency Communications Network; $12.9 million in the Continental Operations Range; $15.4 million in the Air Force Satellite Communications System, and $5.6 million in the automated technical control program. The funding requests for these programs were considered to be premature.

F-111 PROCUREMENT

The authorization bill contains $220.5 million for the F-111.

The controversy on this airplane is all behind us now. It has flown almost 400,000 hours and still has the best safety record of any of our combat aircraft.

In a real sense the F-111's saved the B-52 in the latter part of the bombing in North Vietnam by knocking out the SAM sites. The Air Force changed its tactics after the loss of a large number of B-52's, and started sending the F-111's in ahead of the big bomber by about 10 minutes. The F-111 knocked out the SAM sites and not another B-52 was lost in that operation, nor were any F-111's. As a matter of fact, the loss rate of the F-111 in Southeast Asia was only one-sixth of 1 percent.

I think it is a strong point for the F-111 that the pilots and commanders have had nothing but the highest praise for the plane. I do not think there is any doubt that it is the most capable deep-penetration aircraft in the world today.

Probably the most important thing about keeping the F-111 going is that it is the only production line from which we could produce a bomber should the B-1 not be successful. While we support the B-1 it has not flown yet, the production decision is still 2 years away, and the cost has doubled while the expected performance has been degraded.

We can certainly use more tactical F-111's now, and the program serves as a backup to the strategic B-1.

I think it is that simple.

DEFENSE AGENCIES

The subcommittee recommends the $102 million for Defense agencies be funded.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The subcommittee recommends the appropriation of $8.8 billion for the research, development, test and evaluation activities of the Department of Defense. Reductions in the net amount of $532 million are recommended. The $8.8 billion appropriation represents an increase of $614 million over the amount provided last year.

Of the total reducton, $423 million was mandated in the authorization legislation. Over 60 specific reductions were made in the authorizing legislation, and all are reflected in this appropriation. Examples include a $44 million reduction in the B-1 bomber program; $21 million in the heavy lift helicopter program; $37 million in site defense; $20 million, the total requested, in the Navy Agile missile program; $7.6 million in the Trident program; and $16 million, the total requested, for a new strategic submarine program.

VFAX FIGHTER AIRCRAFT

The largest reduction recommended by the subcommittee is in the Navy VFAX fighter aircraft program. A total of $34 million was requested to initiate development of a new fighter aircraft to supplement the F-14 and replace the A-7 aircraft. The total request has been deleted because the VFAX represents a completely different aircraft than either of the lightweight fighter prototypes developed by the Air Force. It has always been the objective of the subcommittee that a Navy and Air Force version of the lightweight fighter be developed. The fighter would be a low cost, lightweight, advanced technology fighter that could be purchased in large quantities by both the Air Force and Navy. The Navy VFAX proposal is for a completely different, more expensive aircraft. The subcommittee believes, in this era of rapid inflation, every attempt must be made to consolidate service programs to reduce costs.

In a related action the subcommittee also recommends a $6.5 million reduction in the Navy F-401 engine program. No requirement exists for this engine if a Navy version of the lightweight fighter is developed.

ANTI-BALLISTIC MISSILE SYSTEM

The subcommittee recommends the appropriation of $45 million for Safeguard and $100 million for the site defense program. The $15 million reduction in Safeguard was made because the Army has $15 million of unobligated prior year funds available. The additional $23 million reduction in site defense is possible because of the new ABM Limitation Treaty between Russia and the United States. The new treaty allows us to continue development of site defense at a slower rate.

PROJECT SANGUINE

The subcommittee recommends that the funding of Project Sanguine be held to last year's level, $8.2 million. Project Sanguine is a Navy submarine communication system, which has encountered difficulties because of opposition to the construction of the massive system in various States. The funding provided is only for continued testing, environmental studies, and site surveys. No funds for full scale development will be provided until a site has been selected, at which, there is no State or local government opposition to the development program.

MAJOR PROGRAMS APPROVED

The recommended appropriation provides funds for all of the major Defense programs. Examples include: $455 million for the B-1, $748 million for Trident, $219 million for the Airborne Warning and Control System—AWACS, $91 million for Advanced Ballistic Missile Defense, $111 million for SAM-D, $60 million for the advanced attack helicopter, $65 million for the main battle tank, $175 million for the F-15 aircraft, and $123 million for Minuteman. These and all other programs will insure that the United States retains its technological advantage over all other countries of the world.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at the outset let me say, after the very kind remarks of our distinguished chairman, I think I should give every consideration to again announcing my candidacy for reelection. However, I think the time for that is a little bit too late. Nonetheless, I am very grateful to our great chairman for the nice things he has said about me.

Mr. Chairman, let me first say that the bill before the House is a good bill. I support the bill, and I will stand with our distinguished chairman of the subcommittee and chairman of the full Committee on Appropriations, the gentleman from Texas (Mr. MAHON) in opposition to any amendments to this bill.

As has already been mentioned, I am not running for reelection, and perhaps that puts me in a singular category along with several others. It distinguishes us for we know we are not coming back here next year. I know a lot of Members do, and I hope most of them do and I think that they will.

However, elections are funny things, and I think this year of all years, we are going to have a lot of surprises. Along with my friend from Iowa, Mr. GROSS, who knows he is not coming back along with about 40 other Members of the House, I do hope that all of my incumbent colleagues who are running for reelection, regardless of their politics, will return to this House Chamber.

Mr. Chairman, I am indeed fortunate to have served on this subcommittee on defense appropriations, starting in 1959 as a freshman member of the subcommittee and now as ranking minority member.

All of us who love America realize that in order to be free, America must be strong. That strength comes in a large measure through the capabilities of our military forces to insure peace.

I do not believe that any Member could work in a better area toward that goal than the one in which I have been privileged to participate. Not only have I had the opportunity to work with and know the great military leaders of the last two decades, as well as the great civilian Secretaries of Defense, starting with Charles E. Wilson, Neil McElroy, Tom Gates, Bob McNamara, Clark Clifford, Mel Laird, Elliot Richardson, and now, of course, Jim Schlesinger.

Not only that, we have had some truly outstanding Americans on our subcommittee. Their names are like a congressional role of honor. Our distinguished chairman, the gentleman from Texas, is one of the great statesmen of our time. He believes in a strong national defense. He also understands the needs of the economy of the country and works to provide the defense we need at the lowest possible cost.

My good friends Bob Sikes and Dan Flood have served on the subcommittee for many years, and their expertise is unexcelled. I can say in all seriousness that the only thing that Bob Sikes is more expertise in is the ability as a wild turkey shooter.

My other friends on the Democratic side, the gentleman from New York (Mr. Joseph Addabbo), the gentleman from California (Mr. John McFall), the gentleman from Georgia (Mr. John Flynt), and the gentleman from Connecticut (Mr. Robert Giaimo). These are hard workers, fast becoming experts, and all men whose patriotism and good conscience and ability are above reproach.

Of course, we have my good friend, the gentleman from Mississippi (Mr. Jamie Whitten). The gentleman from Mississippi (Mr. Whitten) position on our subcommittee was changed because he holds the chairmanship of the Agricultural Environmental and Consumer Subcommittee, as well as being a member of the Public Works Subcommittee, but the gentleman from Mississippi is as knowledgeable and as good a questioner about military affairs as anyone in the Congress.

On the Republican side I have worked closely on the subcommittee with men who, in my opinion, rank among the finest legislators of our time.

Vice President Jerry Ford was ranking member of the subcommittee when I first started out on it in 1959. Mel Laird did a superb job as Secretary of Defense because he had served in an equally superb manner for so many years on the subcommittee, and my late beloved friend, the late Glenn Lipscomb, was a fine man in the national defense area. He was a great American and his loss has been keenly felt.

Our minority leader in the House, another long-time friend, the gentleman from Arizona (Mr. Rhodes) is one of the subcommittee's distinguished alumnae.

Our late colleague, Harry Sheppard, made an indelible mark during his years on the subcommittee.

My friend, Louis Wyman, who has contributed greatly to the strength of our great Nation, should not be forgotten. The torch is now being handed to the gentleman from Wisconsin, Mr. Glenn Davis, and the gentleman from Alabama, Mr. Jack Edwards, on the Republican side of the committee, good friends and able colleagues who have already established, through their splendid service, that they are eminently well qualified and capable of serving our country well after giving so many years of service on the subcommittee.

It is highly gratifying to know that the conditions of patriotism and statesmanship will be continued in the same lofty way in which they were carried on by the other towering figures whom I had the honor of serving with when I was a new member of the subcommittee, the late Clarence Cannon and the ranking minority Member when I started out was our beloved John Taber.

The backbone of the Defense Subcommittee is the excellence—and I say the word "excellence" without any qualification whatsoever—of its professional staff, a brilliant and tireless group as any that I think has ever been assembled: Ralph Preston, Pete Murphy, John Gerrity, Gerald Vanderschaft, and Gordon Casey.

God bless them for the work they have done for this subcommittee. We would be lost without them.

I would be remiss if I did not also mention the memorable contributions made to the efficiency and morale of the subcommittee by another good friend, Randolph Thomas. We all know Randolph, and I tell the Members that our subcommittee would not be right without him around. We see him running around the halls and doing errands for all of us, especially for our good friend, the chairman, but without Randolph, the subcommittee would not be the subcommittee that it is today. His infectious smile, his always happy personality are of great support to us all.

It would have been difficult to have served anywhere in Government with a finer group of Americans. But we have been through some perilous and momentous times together.

Here are just a few of them: The Cuban missile crisis, the Berlin Blockade, the *Pueblo* affair, Vietnam, the Mideast turmoil.

In any crisis in time or in any great decision I would want all of these men at my side.

Mr. Chairman, the Defense Appropriations Subcommittee did not decide overnight to recommend to the House appropriations of $83.7 billion for the Department of Defense. We see the hearings on the committee table, volume after volume. There are nine volumes in all. We received over 12,000 pages of testimony, some of which was not printed because it is classified. We held 50 full days of hearings. Some of the hearings were open and some were closed. We held as many open hearings as we could, consistent with the classification of the material being discussed.

In addition to the hearings on the fiscal year 1975 requirements, we heard a number of reprograming requests of the services.

We started hearings last January 29, and we had our last hearing on July 2, although we have had numerous informal briefings since that time.

The magnitude of an $83 billion program is such that no Member, no staffer, no one in the Pentagon, or anyone else on Earth can fully understand all of the details. I myself certainly do not claim to, and I make no claim that the subcommittee does. But we recognize our huge responsibility and aptly apply ourselves to the task at hand.

MEAT AX CUTS

Mr. Chairman, I know that there are some members of our subcommittee who would like to see further reductions made. The subcommittee has deleted $3.7 billion in a very precise way. I do not think we should make our decisions by a meat-ax approach with percentage reductions.

We have specified the programs which are to be cut back as a result of our recommendations. I fully understand the motives of my friends who would like to reduce the bill further, and I admire them for their sincerity. I recognize, too, however, the dangers of economic inflation and the impact which the Government spending has on inflation.

However, I say to my friends that we have looked at the defense bill with this in mind, and we have recommended those reductions which we think are consistent with maintaining those military forces essential to our national security, and I oppose any further reductions, especially reductions of the meat ax type which take from the Congress the responsibility and the role the Congress has had under the Constitution to provide for the military forces. Under this meat-ax approach, the Defense Department is permitted to say where reductions can be made. I think that Congress, if Congress wants reductions, should say where these reductions should apply.

VIETNAM SUPPORT

Mr. Chairman, probably one of the most controversial areas in this bill is funds for support of the military forces in South Vietnam. The war in South Vietnam was distasteful to many Americans, and it is still easy to be against funds for South Vietnam. However, I must remind my friends in the House that the peace agreement that was worked out in Vietnam is holding together.

There were those who said that without the further presence of U.S. forces, the Government of South Vietnam would fall in a short time. But that Government has not fallen. It is holding its own, and perhaps a little more than that.

We have been involved in Southeast Asia for many years. We have fought side by side with the South Vietnamese. We have brought the war to a conclusion insofar as participation of U.S. combat forces is concerned, and we have brought about a situation in which, although there is still some fighting, the fighting is greatly reduced.

All along it was said that when we withdrew our forces, we would continue to aid the South Vietnamese for as long as the Soviet Union and the People's Republic of China continued to aid the

North Vietnamese. Their aid is continuing, and so is ours.

Think of the impact on our allies in NATO and think of the impact on our friends in the Middle East if we at this point in time would abandon our longtime allies in South Vietnam. I say that to drastically reduce the funds for South Vietnam from the amount recommended in this bill would be tantamount to abandonment.

The administration wanted a program of $1.6 billion in this fiscal year to aid in South Vietnam. The authorization bill cut this amount to $1 billion, and $1 billion is provided in the way of support in the appropriation bill.

We have reformed the procedures and tightened the pursestrings in regard to aid in South Vietnam. I say we have done enough this year, and that the amount recommended in the bill by the committee of $1 billion, which is the same amount which this House agreed to in the authorization conference report last week, should be maintained.

Mr. Chairman, I would like at this point to read for the benefit of my colleagues a letter which I have recently received from the Secretary of State with regard to aid to South Vietnam and his opposition to any further reductions. This letter from the Secretary of State is dated July 31, 1974:

THE SECRETARY OF STATE,
Washington, July 31, 1974.

Hon. WILLIAM E. MINSHALL,
House of Representatives,
Washington, D.C.

DEAR MR. MINSHALL: In accordance with your request this morning, I am providing these additional comments on the pending FY–1975 Military Assistance Bill for the Republic of Viet-Nam which is designed to preserve the rough balance of forces which made possible the movement toward peace—and toward great power disengagement—which has taken place over the past two years. Failure to maintain this balance—which would clearly result from further aid cuts—would cause renewed instability and gravely threaten the progress we have made thus far.

This aid is necessary to fulfill our repeated pledges, to friends and foes alike, to see the struggle through. Failure to honor those pledges, and to sustain the purposes they reflect, would erode the value and credibility of our commitments and thereby reduce our ability to conduct effective diplomacy in the Middle East and other world trouble spots. Put another way, our willingness to bear the vastly reduced but still vital burdens we long ago undertook in Viet-Nam will influence other countries' assessments of our stamina and reliability.

As I have had occasion to state, we have a moral obligation to preserve, to provide the South Vietnamese with the wherewithal to defend themsleves now that they have assumed direct responsibility for their own defense. Our huge investment of human and material resources, and our encouragement through two decades of the South Vietnamese Government and people in their effort to maintain their independence—which we believe redounds to our interests as well as their own—demand that we do not abandon our friends now.

Cuts already made in our military assistance, combined with the rapid inflation which has eroded the value of that assistance, have brought the South Vietnamese armed forces to a level of austerity which, if reduced further, might affect their ability to defend their country against continuing Communist military pressure. Further cuts would weaken them to the point that Hanoi might be tempted to launch another 1972-type offensive.

On the other hand, with adequate external support, South Viet-Nam has become better able to defend itself than ever before, and it has good long-range prospects for self-sufficiency in all fields.

The best hope for a genuine negotiated settlement and eventual reconciliation in Viet-Nam is to maintain the balance of forces which has permitted the progress made thus far.

Therefore, I again reiterate the absolutely vital necessity to insure in our own national interests that the FY–1975 Military Aid level for the Republic of Viet-Nam be maintained at not less than the one billion dollars agreed in the Conference report.

Best regards,

HENRY A. KISSINGER.

I believe that the Secretary of State makes a convincing argument and that the committee bill should be supported.

MILITARY PERSONNEL

In recent years the committee has devoted an increasing proportion of its time to manpower and personnel issues. Certainly, during our review of this request, we did not diminish the amount of effort expended on trying to understand the overall manpower requirements, the need and basis for overseas deployments, the pay structure, the recruiting program, reserve forces and a myriad of other related issues. This is evident from the fact that nearly one half of the pages in this report deal with manpower and manpower-related issues.

Manpower, both military and civilian, employed by the Department of Defense will continue to conserve about 60 cents out of every dollar appropriated in this bill.

Retired pay which is the fastest growing portion of the Defense budget will require about $6 billion in 1975. Thus retired pay alone requires 6.5 percent of the defense budget.

The bill funds about 2,160,000 military manyears and about 995,000 civilian manyears of effort. It is expected that the reductions of 18,000 military and 32,300 civilian positions will have the effect of keeping the overall percentage of the defense budget which is devoted to manpower at about last year's level.

Without significant reductions in manpower which have been made since 1968 we would be spending $37 billion just to pay the 3.5 million man military force which we had in 1968 today. Can you imagine what it would cost to hold manpower costs—military and civilian—to under 60 percent with this size force today—at least $148 billion.

This year the committee concentrated its efforts on the problem of non-Department of Defense agencies of the Government and for that matter even foreign governments using military personnel but not paying for their use. We found that in some cases the military departments were simply failing to bill "customers" or when the billing was done it was late.

We reviewed the headquarters and command structure for the pacific region with special emphasis on headquarters and deployments in Korea.

The committee remains concerned over the cost of the recruiting effort and the ability of some of the personnel who are being recruited to efficiently perform as soldiers.

Other manpower reductions were made for such things as the assignment of Navy personnel to ships before the ship is far enough along in construction to usefully employ them. Also, the committee believes that reductions are possible in the manpower used for flight training by earlier phaseout of training organizations that train personnel for a particular aircraft that is being phased out of the inventory.

OPERATION AND MAINTENANCE

The largest single appropriation request is for operation and maintenance funds. The committee is recommending $25.5 billion of the $27.1 billion requested. The amount recommended is about $1.6 below the request but still about $1.6 billion above the amount provided for 1974. You could call this an even split, if you were comparing the increase in the request for 1975 with the amount provided in 1974.

However, you cannot look at it that way. After taking into consideration the reductions mandated by authorization, the committee only reduced the request by about $300 million. The associated authorization reductions amount to about $1.3 billion of which about $625 million of that amount is a result of the new authorizing legislation regarding the support of South Vietnamese forces.

Another large reduction mandated by authorization is the $400 million plus associated with the civilian personnel strength reduction, which the chairman has already discussed.

The committee was also forced to reduce the Air Force O. & M. request by $121 million because the authorizing committees directed that the increased crew ratio for our strategic airlift forces be accomplished in the Air Reserves rather than in the Active Force.

This committee never has reduced O. & M. funds very much and has not done so this year because these funds are so vital to the support of our overall capabilities to train our forces adequately and move them quickly in the event of a national emergency.

I can state that the recommended reduction on O. & M. are in those areas where the committee believes improvements can be made in managing programs and less funds are required.

PROCUREMENT

The fiscal year 1975 procurement budget estimate was $19.8 billion. Of this total, $13.8 billion required authorization.

The total recommended in the bill is $17.8 billion, which includes $17.5 billion in new obligational authority and $332.6 million in transfers of prior year unobligated balances to fiscal year 1975. The total amount recommended in the bill is $1.9 billion less than the budget estimate. The recommended reduction includes $851.7 million in military assistance service funded, MASF, requests which were deleted from the Defense budget. We have a new title in the bill for military assistance, South Vietnamese Forces.

ARMY

We recommend $2,585.5 million for the Army. This is a reduction of $729.5 million from the request.

We have money in this bill for 195 AH-1Q Cobra/TOW helicopter gunships, about 40,000 missiles, including Hawk, TOW, Dragon, and Lance, 510 M60A1 battle tanks, $636.3 million worth of ammunition, $170.4 million for ammunition plant modernization, and $677.6 million for tactical and support vehicles, communications and electronics equipment, and other support equipment.

We recommended reductions in the procurement of CH-47C cargo helicopters and UH-1H utility helicopters and deletion of $19 million for certain ammunition plant modernization projects. We also recommended deletion in other minor programs. The armored reconnaissance scout vehicle program was not authorized.

NAVY/MARINE CORPS

The bill recommends $8,486,200,000 for the Navy and Marine Corps, a reduction of $784.2 million from the request.

We have provided funds for 204 new aircraft, 22 new ships and conversion of 4 other ships, 2,752 missiles, 450 torpedoes, and 503 torpedo targets. We have also recommended funds for 154 M-60A1 battle tanks for the Marine Corps as well as about 13,000 missiles including Hawk, TOW, and Dragon.

The authorization legislation deleted 24 A-4M aircraft and 6 AH-1J Cobra helicopter gunships, but added 18 new T-34C trainer aircraft to the bill.

We recommend deletion of the remaining AH-1J Cobra gunships because of engine problems being experienced in that program, and termination of the Condor and Standard Active missile programs because they duplicate other ongoing weapons programs. We also recommend termination of the sea control ship and deletion of funding for the fleet oiler.

AIR FORCE

The bill recommends $6,703,700,000 for the Air Force, a reduction of $475.5 million from the request.

We have funded 144 aircraft; 6,661 missiles, including Minuteman III's, Shrike, Maverick, and Sparrow; $358.6 million for ammunition; $79.1 million for vehicular equipment; $392.1 million for electronics and telecommunications equipment; and $1.1 billion for other base maintenance and support equipment.

Six of the 12 AWACS aircraft and the modification of wide-bodied commercial aircraft in the Civil Reserve Air Fleet were not authorized, but 4 A-10 aircraft, in addition to the 26 budgeted, 12 F-111F aircraft, and 24 A-7D aircraft were added to the authorization legislation. Also, the Giant Patriot Minuteman II operational base launch program was not authorized.

We recommended reductions in several Air Force communications programs because the funding requests were premature, and we denied the funds for the continental operations range.

DEFENSE AGENCIES

We recommended $102 million for the defense agencies, the amount budgeted.

RESEARCH AND DEVELOPMENT

We recommend $8.8 billion for R.D.T. & E. This is an increase of $614 million over the amount provided last year.

While this appears to be a large increase in research and development, it really reflects the higher cost of development due to inflation and the addition of new high priority programs. For example, the Army is developing the advanced attack helicopter. This helicopter will cost almost four times as much as the Cobra helicopter in inventory. The new helicopter, however, will take more punishment, carry more ordnance, go faster, fight at night and in all weather. Yes, it costs more, but it does a much better job and has a better chance of surviving.

Relative to the new programs, the R.D.T. & E. effort must reflect changing needs and advances in technology. If not, we cannot stay ahead of possible enemies. Examples of the new programs in this year's appropriation are: Improving the accuracy and increasing the yield of the Minuteman missile, developing air and submarine launched cruise missiles, and beginning engineering development of a new Air Force lightweight fighter. Many of the new programs are in the strategic area, and are the result of the major Soviet effort to develop new ICBM's. We must be prepared to increase our strategic capability if a new equitable strategic arms limitation agreement is not made by 1977.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL of Ohio. I will be glad to yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I want to take this time to express the gratitude of the Greater Cleveland community for the dedicated service of the distinguished gentleman in the well.

We came to the House of Representatives together 20 years ago. We labored together on scores of mutual problems. Our partisan positions were different, our philosophical approaches were diametrically at variance, but we always maintained a respected tolerance for separate positions, in the best legislative tradition.

As the ranking member of the Defense Appropriation Subcommittee, it was essential for the gentleman from Ohio to labor off center stage, but labor, nevertheless, with the largest financial decisions and with the most vital security decisions within the province of any Member.

The gentleman from Ohio has a record which will reflect his concern for a vital defense. That we remain strong today is in no small measure related to his dedicated effort to bring this condition about.

This bill and its predecessors have been the major contribution and achievement of the Member from Ohio.

It is no small distinction to note that these efforts have kept our Nation strong and viable for the past 20 years and well into the future. As a contemporary, as a colleague, and as a neighbor, I wish the gentleman from Ohio good health and happiness in his future plans.

Mr. MINSHALL of Ohio. I thank my good friend and congressional neighbor from Ohio for his most generous remarks. As he has said, we do not agree on political philosophy, but there is one thing we do share accord on: We both have a good eye for a pretty girl.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL of Ohio. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

Let me as well pay a special compliment to the gentleman from Ohio, my good friend the ranking minority subcommittee member (Mr. MINSHALL). I commend him for his dedicated work. He is retiring at the end of this year, and the Congress will be the worse for it. I owe him particular gratitude for he consented to come to New York for special hearings of the Defense Subcommittee when we, in our area, were attempting to convince the Defense Department not to let the opportunity pass by to retain St. Albans Naval Hospital. Because of those hearings and because of Mr. MINSHALL's support, we were thankfully successful in obtaining the time for the Veterans' Administration to take over the St. Albans Veterans Hospital. BILL MINSHALL has served his Nation well in the years he has served in Congress. I am saddened by his pending departure, but I, as all his colleagues do, wish him well in years to come.

I also commend our colleague, the gentleman from New Hampshire (Mr. WYMAN) for his dedicated work in committee and service to this Congress and the Nation.

Mr. MINSHALL of Ohio. I thank my friend and colleague. It could not happen to a nicer guy, getting that hospital opened. He serves his district well and with distinction.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

May I say I wish to join all my colleagues on the Appropriations Subcommittee on Defense, as well as the full committee, to state that we regret the decision of our colleague, the gentleman from Ohio (Mr. MINSHALL) to retire. I frequently say those who retire we can least afford to give up. Certainly the gentleman from Ohio's work has reflected credit on him, the years he has been in the Congress reflect a credit on him, his family, and he has been a real credit to the Nation.

I will say to the gentleman from Ohio that I appreciate the reference he has made to his colleagues who hold him in such high regard. We hate to see him leave, but we just trust he will continue in his efforts to do for his country as he has in the past, and we know he will. We do appreciate his service, and it will be beneficial to us throughout the years.

Mr. MINSHALL of Ohio. I thank my good friend, the gentleman from Mississippi. I will say that if it were not for the House rules he would not have gone to the bottom of the ladder on the committee but he still is up at the top of the congressional roll of honor.

Mr. WHITTEN. I appreciate that. As I describe it, I will say the whole committee rests on me, because I am at the foot.

Mr. MINSHALL of Ohio. Mr. Chairman, I reserve the balance of my time.

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Florida (Mr. Sikes).

Mr. SIKES. Mr. Chairman, let me say in the beginning that I deeply regret the impending loss from the Defense Subcommittee of the Committee on Appropriations of Bill Minshall. He has announced he will retire at the end of this term in Congress. As ranking member of the subcommittee, he has given outstanding leadership in the complicated problems which are associated with the determination of proper defense funding levels. He has been exacting in seeking the facts on which to base his decisions. This is what we expect of a man whose guidance and leadership is so important.

The policy which distinguishes Bill Minshall is not limited to defense matters. It is true of his work in other congressional fields as well.

But in particular his expertise is needed in the maintenance of a strong defense posture.

Bill Minshall is one of the ablest Members of the House and he has been an active Member whose contributions to good government are many and significant. Here he has gained both recognition and friendship. His popularity is deserved. We shall miss him very much in the years ahead, and we wish for him and his family only the best.

Lou Wyman is leaving us, also. This, too, is a very significant loss to the Congress. I have enjoyed a warm personal friendship with Lou Wyman and I have long known the caliber of his ability and his contributions to government. I was delighted when he came to the Defense Subcommittee of the Committee on Appropriations. His work there has fulfilled the highest expectations. He is knowledgeable about defense matters and he has a clear understanding of defense problems.

The soundness of Lou Wyman's votes in the Congress further attests to the void which will exist when he leaves the House, hopefully for a place in the Senate. Understandably, that august body needs his services, but so do we in the House. I shall always treasure my association with and my work with this distinguished and able Member of Congress.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished gentleman from Ohio.

Mr. MINSHALL of Ohio. Mr. Chairman, I should like to thank the gentleman from Florida for his very flattering remarks. It has indeed been a pleasure to serve with him on the subcommittee side by side for these many years. He is one of the outstanding Members of the House and one who puts his country before political consideration.

As I mentioned briefly in my opening remarks, few people in this Chamber realize that the gentleman from Florida, Bob Sikes, and I may sometimes start our day at 3 o'clock in the morning. The early hour gives us time to put in a little turkey shooting before we start toward town to work in the House and, if we seem sometimes to be bleary eyed by noon, we hope our colleagues will realize it is not the result of a night on the town, but it was because we were out in the hills of Virginia trying to shoot one of the hard-to-find wild turkeys.

I thank the gentleman and I hope we will have the privilege again of getting up at 3 o'clock in the morning and going out side by side into the hills of Virginia.

Mr. SIKES. I hope we will continue to be associated on many future occasions, for I value the company of my friend but I wish the gentleman would have stated in his comments that on our happy visits to the woodlands we always were back in time to start the day's work in our office, or in the committee, or in the Congress.

Mr. Chairman, it is essential to America that we have an adequate defense. Yet to do so requires the most careful analysis of the complicated and diversified programs which are proposed in order to achieve the best distribution of funds available. This we have attempted to do. Defense is the target for all those who do not want to cut in their own pet areas of interest. Bill after bill will be brought to the House with few if any cuts; some will have significant increases but always there are those who want to cut defense as the means to achieve a better balance in the budget. This committee always has carefully analyzed defense programs and policies and always has made adjustments downward in expenditures. I can assure you that when we have done our work we have made cuts. There is no need for further cuts.

I hope that the Members of the House will study carefully the report from the committee which has been placed before you. It is one of the most detailed that I have ever seen. It will give you much information about the workings of the committee and its staff. It will serve as a useful reference.

In that connection, let me state that I sincerely believe the Subcommittee on Defense has assembled the best staff of any subcommittee in the Congress. The thoroughness with which defense spending is analyzed is almost unbelievable. The requirements on members of the staff to accomplish this are very demanding. Frankly, I do not see how they can possibly do as much as we ask of them, yet they do their work and it is outstanding.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the distinguished gentleman from Texas, the chairman of our committee.

Mr. MAHON. Mr. Chairman, I wish to join my friend, the gentleman from Florida, in taking note of the work of the staff. The people of the Nation little know how important it is to the Government of the United States and particularly to the legislative branch to have good staff people. We have in our employ able, experienced, and wise staff people. They are not politicians, they are highly competent professionals in another field. They do an outstanding job in serving the Committee on Appropriations.

Mr. SIKES. Mr. Chairman, I subscribe fully to what my distinguished chairman has said.

I have stated that the defense budget will be the target for most of those who do not want cuts in other Government programs. Possibly it is well to call your attention to the fact that despite all its problems the military as an institution is most admired by the public. This was brought out in a public opinion survey which was conducted last fall and released in May. It shows the military as first among 15 public and private institutions. They must be doing something right to have this recognition from the public.

What is being accomplished by the military is done despite increasing problems of cost. There has been a gradual cutback in the size of the U.S. Armed Forces year by year since the end of the involvement in Vietnam. Reductions are being made as fast as world tensions and world circumstances permit and wherever it is safe for this to be done.

A reduction in size of forces and in civilian personnel does not mean a reduction in cost of personnel. Pay costs have increased by leaps and bounds and no one deplores this, but pay of people now commands a substantial part of the defense dollar. This is approximately 60 percent. With the Russians the almost exact reverse is true. We pay a private about $348 per month plus other emoluments. The Russians pay him $3.84 and yet the armed forces in Russia also have top prestige.

I think all of us can applaud the proposals by the Army for an increase in the number of divisions and combat troops within the strength levels which are authorized. This is a needed step in the right direction which has been urged many times by Congress. It simply means that the Army has set out with determination to strengthen its combat arm while cutting back on support forces.

There are some who profess to believe that the military spends a disproportionate share of our national wealth. The truth is the military spends a constantly decreasing share of our national wealth. Other pressing needs have been recognized more and more. National priorities have been reordered. The Nation's defense has suffered in consequence.

In the past 10 years total Federal spending has doubled, and within that spending, aid to education has increased five times, public assistance has tripled, social security has tripled, and health care has increased from less than one-half billion dollars to over $18 billion—a more than 40-fold increase. In the same period, defense spending increased by only about 50 percent in current year dollars. This is well below the rate of inflation which occurred in the same period. In terms of constant dollars, defense expenditures are steadily decreasing.

Even if long-term strategic parity can be assured by successful SALT II negotiations and the rather modest technical improvements in our forces that the new budget provides, the most likely area of military confrontation then will be confined largely to general-purpose forces. We will have available to man them the smallest active-duty force since 1950.

The U.S.S.R. has shown no comparable inclination to reduce its general-purpose troop strength. As pointed out in an article on Soviet military manpower which appeared in the April issue of Air Force magazine—

> In a protracted conventional conflict . . . manpower could well be the decisive element when a rough parity in weapons exists.

Numerical parity in conventional weapons—tanks, SAM's, AAA, tactical fighters, ships—does not exist. In all these categories and many others, we are substantially outnumbered by the U.S.S.R. and will be for the foreseeable future. Those who argue that the quality of our conventional systems will counterbalance Soviet quantity tread increasingly shaky ground.

Secretary of Defense Schlesinger stated the situation very well when he said:

> We maintain a much more modest defense establishment in 1974 than was considered necessary in peacetime only a decade ago.

He also said:

> We must continue to build our peace structure on the hard facts of the international environment rather than on gossamer hopes for the imminent perfectibility of mankind.

What is the score? How good are our defenses? They are good. But the Russians have among their naval shipyards one submarine base with more construction capacity than all of ours combined. They are building full-scale aircraft carriers for the first time. They have a new long-range bomber, more fighter aircraft than we, and three times as many tanks and armored personnel carriers. They are not playing games.

The United States now is beginning to feel the pinch of the SALT I talks. The harsh facts are that the Soviets are embarking on a new multibillion dollar ICBM technology development and deployment program. The SALT talks permit the Soviets to gain a decided strategic advantage over the United States, if they choose, and they undoubtedly now choose to do so.

What is particularly needed is new, modern equipment. Yet costs are so great that we are having to replace existing stocks with constantly smaller numbers of aircraft, ships, and weapons.

The sad story is that the Russians are getting much more equipment per defense dollar than the United States. Already they have much larger numbers of equipment. Now they are exceeding us in rate of modernization. If we learned anything at all from the Arab-Israeli October war, it is that we must have modern, sophisticated weapons in whose maintenance and operation our forces are fully proficient. There is no time to acquire weapons or train men in their use after war begins. We also learned that you cannot move forces and equipment overnight in sufficient numbers to cope with aggression. Israeli losses in men and equipment were much heavier because they had to mobilize after the fighting began. If this was true in a small area, think what it would be like across most of Europe.

The statement has been circulated that the Secretary of Defense has testified that more than $6 billion was added to the defense budget to stimulate the economy. This is not true. Careful questioning in the committee brought out exactly the opposite. If, however, any money had been added to stimulate the economy, the fact remains that this committee has cut the defense budget by $3⅓ billion. Much more than any figure which could possibly be attributed to economic stimulation. There will be an amendment to cut substantially into the funds which the bill provides for South Vietnam. I shall oppose it.

We have been told that we should again tell the South Vietnamese, "It is time to compromise." There is no compromise with communism. We told them to compromise in order to reach a peace agreement at the time we withdrew our forces—but peace never came. If they compromise any more, the next step can be capitulation. The North Vietnamese will be in control.

South Vietnam has stayed alive as a nation despite the fact that the North Vietnamese did not respect the peace agreement, while the South Vietnamese tried to live up to it. South Vietnam has survived without the participation of U.S. military personnel. They survived despite very severe economic strains caused by the departure of the Americans from South Vietnam. Yet, somehow, their morale has stayed high. Their forces are holding their own against Communist pressure.

I doubt that the Members of the House know that the North Vietnamese have sent into South Vietnam—since the beginning of the so-called peace—130,000 troops, 600 tanks, long-range artillery, and antiaircraft batteries; they have built 12 airfields inside South Vietnam, an oil pipeline, a major modern road system which replaces the old Ho Chi Minh Trail. This is a major invasion—a massive buildup. It cost much more than the amount that we are being asked to make available to help South Vietnam to stay alive. The North Vietnamese are not playing games. They mean to conquer all of Indochina.

Mr. Chairman, it is because of this continued pressure by North Vietnam that U.S. support is required. It is just as simple as that. The funds that previously were made available had to be expended faster than was anticipated. The South Vietnamese are still seeking to counter an invasion. Continuing warfare requires a continuation of supply and support. They have inflation problems, too; things cost more. The sharp increase in equipment prices in the United States has reduced the amount of equipment available to them.

These are the reasons more funds are needed.

Ladies and gentlemen, let us not forget that we have a commitment to help the South Vietnamese—not ditch them—help them. I trust Congress does not easily and conveniently forget America's commitments. We have a reputation to uphold, a reputation for standing by our friends and keeping our word to them.

The administration's request was for $1.4 billion. This has been reduced in the committee bill to $1 billion. The proposed amendment would leave only about half of the money that was deemed necessary for the continuation of the South Vietnamese effort. America cannot be expected to continue indefinitely major support for the South Vietnamese, but the support which is requested is infinitely smaller than that which we gave earlier. That support cost us 50,000 lives and a hundred billion dollars. Now the South Vietnamese are fighting their own war. The Government continues to be strong and it continues to have the support of most of the populace. The South Vietnamese are resisting continual gross violations of the truce by North Vietnam, the assassination of village chiefs, the shelling of schools, and military incursions across the truce lines by the North Vietnamese.

If none of this impresses you, then remember the terible plight of American POW's in North Vietnamese and Vietcong hands. Remember that we still are unable to search for the remains of MIA's or to explore the possibility that a few may be alive and in captivity because the Communists will not allow search teams to have access to very large areas of the countryside. And American families still wonder what happened to their loved ones. Who keeps them from learning? the North Vietnamese. They are the people you would help by cutting back on the capabilities of the South Vietnamese to resist.

It should be noted that the House and Senate Armed Services Committees and the House Appropriations Committee have taken a strong position against major unit inactivations and further strength reductions in the Reserve components. Many of us were disturbed by the proposals emanating from the Office of the Secretary of Defense for reductions in the Nation's Reserve strength. We recall only too clearly the problems encountered with Secretary McNamara, who felt that the Reserves did not represent a good fiscal investment and who embarked on a policy which would have decimated these programs.

As it did at that time, Congress has again specifically approved higher average strengths. The great national organizations which make up the Reserve components are dedicated to a strong nation and to adequate defense preparedness. They will fill an increasingly important part in the Nation's defense structure if they are given adequate training and modern equipment.

When that is done, and only then, will they be in position for immediate service when and where they are needed.

That is their justification for existence. For much too long we have heard year after year of plans to modernize the Reserve components and to improve their training programs. In most areas there has been improvement in training. Modernization continues to be limited. Money which was appropriated by Congress for modernization of weapons and equipment for the Reserves has found its way to other areas, such as Vietnam or Israel—or any other trouble spot of the moment.

The intent of Congress should be very clear to the executive branch. Statutory language is not approved in the appropriations bill. We are assuming that the intent and the provisions of committee reports will be respected and complied with. With this background, it should be clear that inactiviation of large numbers of Reserve component units and a serious drop in strength would be in violation of the intent of Congress.

The increasing pay costs for Regular force units requires greater utilization of Reservists in the defense of the Nation. Failure to support the Reserve components as outlined by Congress would be self-defeating in that motivation, morale, and drive of Reservists would be endangered.

Civil affairs units are among those scheduled for deactivation. This, too, is a proposal which has not been carefully thought through. Congress clearly does not support the deactivation of civil affairs units. We recognize the important part they play in defense. It is the considered opinion of many world experts that the next war will be conventional and not nuclear. Always in the wake of troop movements into enemy areas, there is a need for civil administrators who are trained for the difficult tasks of reorganization and of population control. If nuclear war were to materialize, there would be an even greater problem for the control of the devastated areas which such warfare would leave in its wake.

The House does not want to maintain unneeded Reserve units any more than anyone else, but it is clear from the evidence and testimony that there is no general agreement within the Department of Defense on what is required and what is not. There are units which are needed but which are not active. These could well be exchanged for any excess in unneeded units. A much clearer understanding of the organization of the Reserves is indicated before summary action is taken by the Pentagon.

I endorse the HASC report proposal that beginning with fiscal year 1976, the strength authorizations for each Reserve component should include the three major elements of: First, full TOE, second, manning level authorization, and third, strength estimate for the year for appropriation purposes.

I strongly believe that each year the OSD request for strength authorization should specify all three of the pertinent numbers, and specifically address any significant structure or unit changes proposed for the fiscal year within the TOE level. It should be our intent that to the maximum extent units proposed for inactivation be replaced with units needed but either not active or manned. Where a net reduction in TOE strength level is proposed, I believe there should be provided the identification of all units required but not manned, and the specific reasons why they are not proposed for substitution.

It is a heartening and refreshing thing that the strength of Reserve components has surged upward in recent months. This has been particularly true of the National Guard. However, there also has been an outstanding improvement in the Army Reserve strength figure. They will do their part if Congress and the Department of Defense provide adequate support for the Nation's Reserve components.

I want to be sure that the House understands exactly what is proposed in the binary nerve gas program; $5.8 million is recommended for a production facility at Pine Bluff Arsenal, Ark. It does not provide for any production of chemical weapons. There is also a recommendation for $4.9 million for continued research and development on chemical weapons. Continued research is obviously essential.

It is possible that someone will discover a successful antidote to nerve gas. If this is done, it is obvious that another chemical weapon will be developed to replace present stocks. That is the history of warfare. We must also try to stay abreast of all advances in the field of chemical warfare. We do not want to be helpless in this field.

We know that the Russians have the most advanced chemical warfare capability in the world. They place enough emphasis on chemical warfare to completely equip their tanks and armored personnel carriers and similar vehicles with protective devices and fully insulate the crew and passengers from gas attack. We have no protective devices except gas masks or protective clothing, most of which is in old stocks.

The Russian capability was brought out in the October war when vehicles of this type which were captured were found to be fully equipped with protective devices against gas warfare. They would not be subjecting themselves to this cost if they did not envision a use for chemical weapons at some future date.

Our capability is out-of-date. We have stocks of nerve gas which have been in storage for a long time. These stocks are not nearly as large as some writers would have you believe and they are of a type which are dangerous to transport. Every time there is a movement of nerve gas, there is great publicity about the danger and the populace is scared half-to-death by these tactics. Sometime there are incidents which cause damage. The binary gas will be a substitute for present stocks of nerve gas. It is safe to transport because ingredients are separate and not mixed until used in warfare. This is the whole purpose of this program, to build a new nerve gas which can be transported without danger to the public or to the troops.

The Congress has been deluged with inaccurate and unrealistic arguments designed to start us down the road to unilateral disarmament in the chemical warfare field. We should not adopt policy of subjecting American forces to the terrors of gas warfare without any deterrent capability. The Germans said they did not use gas in World War II because they feared retaliatory attacks which could be laid down around their cities because of superior allied air power. If the Russians do not have to fear chemical attacks from Allied forces in the next war, they have little reason not to use this effective weapon when it suits their purpose.

Statements that we are embarking on a $2 billion program. This is completely impounded. In fact it is nearly 10 times as high as the best available estimate.

History has taught again and again that military forces depend on many factors other than numbers of personnel and quantity of materiel. Morale and leadership are essential to military effectiveness. In the dangerous world in which we live today, we need a fully effective military establishment. The leadership that is needed to modernize and upgrade the military should and must come from the Department of Defense. But Congress has a constitutional responsibility to provide for the military forces and to review the effectiveness of the military.

This the House Committee on Appropriations seeks to do in the bill before you.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from Wisconsin (Mr. DAVIS).

Mr. DAVIS of Wisconsin. Mr. Chairman, this bill is brought before us with pride. It is the product of 12 experienced and dedicated individuals. It is a compromise, as all significant measures of this kind must be. But I think it is an appropriate measure for supporting the defense of this country.

This will be the last time that our distinguished ranking minority Member will be sharing in the presentation of this annual and highly significant Defense appropriations bill. He took over this position of leadership on our subcommittee with the passing of one whom he and I admired very much, Glenn Lipscomb, of California.

I think the record since that time demonstrates that our friend, the gentleman from Ohio, has been a worthy successor. There has not been any question but that most of us on the subcommittee on both sides of the aisle, particularly with respect to aircraft development and procurement, have considered him to be the expert in this area on whom we have relied.

We are losing two Members, including the gentleman from New Hampshire (Mr. WYMAN), at least losing him from this subcommittee and from the Committee on Appropriations.

I am sure that Members on both sides of the aisle also will join in the hope that we are not losing his legislative expertise in the Congress of the United States.

I think we have been fortunate, too, with the departure of our minority leader (Mr. Rhodes) from this subcommittee, that he has been replaced by the gentleman from Alabama (Mr. Edwards), who is making a substantial contribution to the efforts of this subcommittee. Certainly all of us look forward to having him back to continue in that contribution in the next Congress.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Ohio.

Mr. MINSHALL of Ohio. Mr. Chairman, I certainly would like to thank my good friend, the gentleman from Wisconsin, for his kind remarks.

It has been a pleasure to have served side by side on this subcommittee with my distinguished friend, the gentleman from Wisconsin. The gentleman and one of his predecessors, Mel Laird, are both possessed of some of the finest qualities any Member could have when it comes to having an insight into the problems we face with our Defense Department. There is no greater authority on defense matters, and especially certain facets of those matters, than my good friend, the gentleman from Wisconsin, Glenn Davis.

Mr. DAVIS of Wisconsin. Mr. Chairman, I thank the gentleman. I want to say again how much the gentleman from Ohio is going to be missed as a member of this subcommittee.

Mr. Chairman, as I mentioned, this subcommittee is made up of 12 experienced and dedicated members, men of differing views, men of strong views. Probably the greatest strength of our chairman, the gentleman from Texas (Mr. Mahon), who also serves as the chairman of the full Committee on Appropriations, has been his success in reconciling these points of view in bringing forth a responsible measure, one which has broad-based support within the committee and in bringing that measure before the Members of the House.

The fact that we are bringing this bill here promptly this year is an act that will save a great deal of money for the Defense Department in the course of this fiscal year. The tardiness of this annual appropriation bill has been one of the great plagues, both upon those who must administer the program in the Defense Department, and those of us who have been delayed for one reason or another in bringing this bill to the floor of the House in a timely fashion in the past.

Mr. Chairman, I know the question that we hear from our constituents and from our colleagues comes up as to why this bill does represent an increase over the amount appropriated last year, in light of the fact that there has been a winding down of a number of the programs of the Defense Department. I suspect the answer primarily is the same answer that we have to give in connection with all of the things that we find necessary to purchase for worthy purposes in our individual lives. Everything that we purchase for defense costs more, just as everything that we purchase in our households costs more.

The cost of fuel has skyrocketed since last year. The unit cost of everything that we buy, whether it is uniforms or whether it is airplanes or whatever it may be, has greatly increased. Then, too, because our personnel levels are being reduced, this means that the hardware that we have must be capable of doing more in the hands of the individual airman, the individual seaman, or the individual soldier. The necessary sophistication of our weaponry makes each individual item cost more than would a similarly used weapon in prior years.

Mr. Chairman, we have in some instances had to take the bit in our teeth and say, "Well, we cannot afford the best in every area."

The Members will recall that we did take the bit in our teeth a couple of years ago with respect to the main battle tank, and we said, "If we are going to be able to buy enough, it is going to have to be something less sophisticated." And so this year we have had to take the same measure with respect to the advanced fighter, the VFAX, and we have said that we cannot afford to have enough of them if they are going to cost this much per copy.

So you will have to come in with a less sophisticated type weapon in order that it will be within the realm of something that we can afford.

Personnel costs of course account for the largest share of the increasing costs. Legislation has been enacted and supported by the overwhelming majority of the Members of this body to provide for automatic pay increases and increases in retirement that continue to go on, not because the members of this committee decided we wanted to do it, but because the Congress as a whole has said that this is what it is going to be.

So we cannot say, well, instead of paying out $10,000 for this man in uniform, we will only pay $9,000. The only alternative we have is to reduce the number of people that will be paid, and the numbers are going down. This bill contemplates a reduction of between 40,000 and 50,000 people, civilian and military.

We have directed, and the report is quite specific, with regard to the reduction in headquarters personnel. There is language in this bill, section 846, that mandates the reduction in the higher ranking military personnel. That is about all that we can do, because we are not able to prorate it at a lower level of cost for the individuals in the service where legislation has been enacted that mandates a certain level of compensation.

The Members will find that the reductions in this bill are spelled out in the report, item by item, and that is the way it should be, and that is the way it must be if we are to provide the legislative guidance and direction that is required as to where these specific reductions should be made.

That brings me to the criticism that I feel obligated to make of the effort that apparently will be made for an overall cut in this appropriation bill, an overall cut justified on the basis of unobligated balances. Then they would mislead—and I believe this is a very fair statement of the situation—they would mislead the Members of this body by saying well, we are going to make these overall reductions except we do not want it to be in research and development, and we do not want it to be in procurement.

I must say in all candor that this represents complete ignorance of the nature of these appropriations. If the reduction is not going to be in either research and development or procurement, and to justify it on the basis that we are simply going to take it out of the $7 billion of unobligated balances that we will find, you cannot take that money at all because in the personnel and the operation and maintenance appropriations there are no unobligated balances. These are annual appropriations. If the money is not obligated in the fiscal year, it lapses and goes into the Treasury.

So, Mr. Chairman, I hope that no one is, in spite of good intentions, misled into thinking that you can support an overall cut without specifying what is to be cut. And then say we do not want you to take it out of research and development, and we do not want you to take it out of procurement, because there is no place else that it can come from. It would be misleading to the public, misleading to your colleagues, and will be erroneously based on the theory that somehow this is going to come out of the unobligated balances from prior years.

It just is not in those accounts from prior years, and the only place it can come from will be the research and development and procurement appropriations.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

Last year we went through the same argument. I presume it has been made year after year by those who want to see the broad base of this appropriation cut. Then the argument was made which the gentleman made, which is very persuasive, that we cannot cut without being specific. We never seem to get to specifics.

I should like to direct the attention of the gentleman to the area of Korea, because nobody has talked about this yet. As I read the report, I cannot find out how much money is spent to maintain the 42,000 troops in Korea. Can the gentleman tell us how much is spent in that regard?

Mr. DAVIS of Wisconsin. I cannot break that down, and I do not know whether anyone can. But I think it is fair to say, that unless one feels that our personnel levels should be reduced, that we are not going to cut this appropriation by directing that we pull the 42,000 men out of Korea. I think the figures will show that it will cost us nearly as much if we keep those men in uniform, and keep them available for the defense of the entire Western Pacific area. I think the record will show that it will cost nearly as much to bring them back home and station them here as it is costing us to keep them in Korea.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Florida.

Mr. SIKES. I thank the gentleman for yielding.

I can assist by providing the figures on the cost of maintaining the troops in Korea, including all support, is approximately $700 million a year. The gentleman has analyzed the situation accurately. It is going to cost substantial amounts, possibly as much, possibly even more, if we have to maintain them elsewhere. Our world commitments being what they are, there is no way to eliminate that many troops from our force structure. So the cost of the troops will have to be borne whether they are in Korea or elsewhere.

If I may take a half minute longer of the gentleman's time, I want to congratulate the distinguished gentleman from Wisconsin for the clarity and the significance of the statement he is making. It is an excellent analysis of the current problems of defense funding. The gentleman has very well brought out the true facts. The committee has reduced the bill as much as possible and yet carry on essential defense functions. I congratulate the gentleman.

Mr. DAVIS of Wisconsin. The gentleman from Florida has had broader experience than I, and I am sure that he could have done a much better job than my humble efforts, in attempting to explain some of the problems that we do have.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. DAVIS of Wisconsin. I yield to the gentleman.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

I should just like—and perhaps the gentleman from Florida (Mr. SIKES) would be the one to answer these questions—to direct the gentleman's attention to page 34 of the report. It talks about the problem of the presence in Korea. It says that the troops are not geared for war and would have to be realined in a time of crisis. It says:

> Also, the division is tasked and manned in such a way that it cannot function as a true reserve either for the Korean theater or for the U.S. Pacific Command.

On page 35, article 6, it says:

> U.S. Army logistical support is not organized along simple, clear lines of responsibility. Like the overall U.S. command structure, the Army logistical framework would have to be realigned—during a crisis—to meet wartime requirements for centralized control.

I am wondering, are these 42,000 troops that are over there, if they are not ready for war, if they are not prepared to defend themselves, if they are not in any kind of reserve, what are they there for? Are they just hostages to fate?

Mr. SIKES. If the gentleman will yield, not at all. The troops are ready for war. They may be needed more elsewhere. They are ready for war in Korea, if war comes.

The committee is concerned with the possibility of needing those forces more elsewhere, having them prepared for use elsewhere within the shortest possible time. Consequently question have been raised which the gentleman refers to. The Department of Defense naturally will look into these matters. In other words, the committee is sincerely looking for places to save money. They want to explore the facts and they want to know if there is a better way to use the troops than the present uses which are being made of them.

The joint operation of the combined forces, the United States and the Korean forces has worked very well in the defense of Korea, but we want to be able to use those troops quickly and effectively elsewhere if the occasion should require it. That is the real thrust of the questions raised in the report.

Mr. DAVIS of Wisconsin. I would say in addition to what my colleague from Florida has said that we have some very competent staff people who made an onsite study in that area, and I believe if the gentleman will turn to page 33 of our report, there and on some of the succeeding pages he will find a very illuminating discussion of the problem. I think the conclusions generally are that there is substantial justification for the maintenance of our troops there but that there are ways that they could be better utilized. Particularly in order to make them more effective as a backup force for our other armed forces in the Western Pacific. While we are committed to continuance of them there, and I believe there is a good justification for it, perhaps we could make them a more effective force.

Mr. JOHNSON of Colorado. Mr. Chairman, if the gentleman will yield further, it seems to me the points made in the report or the conclusions at any rate are at variance with those given by the gentleman from Florida, but I think the report speaks for itself.

But, Mr. Chairman, I would like to ask the gentleman if he would direct himself to a discussion of whether or not this is something that should be continued in view of the nature of the South Korean Government, which obviously is as repressive and dictatorial as any government anywhere else in the world at the present time, and why we should continue on the basis of a 1954 pact to continue to provide armed forces to a country of that nature?

Mr. DAVIS of Wisconsin. Mr. Chairman, I do not look upon these forces as being there just for the defense of Korea, nor as a mark of our approval of the form of government or the operation of the government in this or any other area. I do think the basic justification has to be that they are there for the support of our strategic commitment in that part of the world.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I have several points. First of all it is difficult for me to understand, and I do not think we ought to let the record stand with the idea that we do not have our troops there for the defense of Korea. The difficulty is that the 2d Infantry Division, with Korean augmentation forces in it, is right up there on the frontline. I would say the gentleman from Colorado makes what I think is a good point, when he makes reference to the committee report on page 38, where our committee does in fact urge the Department of Defense to take steps to withdraw the 2d Infantry Division from its advanced position and to remove them south of Seoul. In addition, to eventually remove the Korean augmentation troops from the 2d Infantry Division and to replace them with American troops. Finally to bring the 2d Infantry Division totally out of Korea and to make it a strategic reserve somewhere in the Pacific, but not necessarily in Korea.

I think the record should show that the committee urges a deemphasis of the American presence in Korea but I do not think we should leave the implication that we are trying to maintain or enlarge the American presence in that country.

Mr. DAVIS of Wisconsin. I am sure if I left that impression I did not intend to imply we are maintaining or enlarging our role there. I think our implications are clear, that they should not be in a position where they could bear the brunt of any incident that may occur there.

There is an overall mission for their presence in that area which makes it imperative that we not wed ourselves to the presence of Korean troops within the units of the United States.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentlewoman from New York.

Ms. ABZUG. The thing that is most troublesome, and I think was alluded to by the gentleman from Colorado and to some extent by the gentleman from Connecticut, is that we have been receiving almost daily reports in the newspapers indicating a serious stepping up of repression by the Park regime in South Korea. This includes persecuting, prosecuting and even killing political prisoners drawn from a wide range of people who make up the democratic effort in South Korea, including religious groupings, professors, students, and others.

The presence of some 40,000 or more American troops there gives the impression that we support these actions. We should not associate ourselves with repression of human and civil rights in South Korea. The suggestion in the report that our troops are wanted in South Korea may be accurate insofar as President Park is concerned. But I think the Korean people must regard our continued military presence there as support for that corrupt regime. I do not think it is a good thing to have our troops there. What in our foreign policy authorizes us to back up repressive regimes? Can the gentleman answer that question?

Mr. DAVIS of Wisconsin. I am not going to answer that question at this time. I do not think the presence of our troops there represents the complete approval of any form of government there. I do think that the existence of an aggressive communist dictatorship within a very few miles of this place is something we have to keep in mind.

Ms. ABZUG. I think it is very interesting that the gentleman makes that statement, in view of the fact that we read in the newspapers every day of the crimes being committed by this government against people who are innocent and who seek to bring about a democratic government. We cannot close our eyes to the political consequences for the Korean people of what we are doing. We are there. We have troops there. We give economic and military assistance to South Korea. As Americans we have a responsibility to determine our policy. We cannot wave it away by saying a conflict exists between two parts of that country. It is simply not justifiable.

Mr. DAVIS of Wisconsin. The viewpoint of the gentlewoman is well known and has been frequently expressed.

I think I have to reserve my own judgment in this matter. My judgment is that the presence of our troops in the western Pacific is a matter of strategic importance to the United States.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from California.

Mr. DELLUMS. I tried to listen very carefully to the gentleman's argument. I would simply like to try to expand and broaden the context within which the gentleman from Colorado, in my estimation, raised a very important question.

First of all, there are 42,000 American troops stationed in South Korea When we ask the Department of Defense what is the mission statement of the 42,000, the mission statement is to provide ground combat support to the South Korean Army. The South Koreans have over 600,000 men and women under arms. Most of their commissioned and noncommissioned officers saw combat in the war in South Korea and Vietnam.

Now, the ostensible "enemy," namely, the North Koreans, have approximately 300,000, half that number. They have not fired a shot in combat in over 20 years, with the exception of occasional sniper fire at the border.

Now, if there is any place that the Nixon doctrine can be applied, it is certainly in South Korea.

I would like to ask the gentleman this question. Given 600,000 troops, with officers with combat experience, against a so-called enemy of 300,000 or less, what do 42,000 American troops do? What is the justification for us to provide a ground combat support for over half a million people, when the other persons have literally no experience and are half their size?

Can the gentleman tell us why we continue to justify an extraordinary amount of American taxpayers' dollars which could be dealing with other human questions in this country, while we continue to beef up the military forces in South Korea which has no need for the 42,000 combat troops?

Mr. DAVIS of Wisconsin. I think the best answer I can give to that is to ask the gentleman to look at the map. He will note the political orientation of a great land mass in Asia, of which North Korea is a very minor part.

I think that this is something we need to keep in mind, that we are not just talking about South Korean troops versus North Korean troops. We are talking about the strategic backup those North Korean troops have of a massive kind right in their backyard.

Mr. DELLUMS. Mr. Chairman, last year I asked 68 questions of the Department of Defense, which we by law have a right to do. One of the questions I asked was—at that time it was 38,000, and now it is 42,000—How much firepower is the American taxpayer paying for out of the 42,000?

Is the gentleman aware that between 7,000 and 10,000 of the 42,000 troops are actually designated as combat troops, and the remaining troops are logistical, support and command troops? There is no military expert in this country who points out that we need a 3 or 4 to 1 ratio of supply, logistical, and command troops to one combat trooper.

Why do we have almost 30,000—over 20,000 some odd troops—which have nothing to do with combat stationed there, and we paying all that money for with no real justification?

Mr. DAVIS of Wisconsin. I think those are very misleading figures. First, those who are designated combat troops are interlaced with South Korean troops in many of the units, and these support and logistic troops we have there are not solely for the support of American combat troops in this area.

Mr. DELLUMS. There are 600,000 troops in South Korea. What are they doing?

Mr. DAVIS of Wisconsin. I do not know precisely what they are doing, but they are there and I assume that they have a mission to perform just as our troops do.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for his generous time.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, first I would like to say to those who are disturbed about the kind of government which exists in South Korea, they encourage the overrunning of South Korea by North Korea by pulling out American forces. Let the North Koreans take over, and then we will really see a government that is oppressive. Let us just look at what is across the line before we start worrying too much about the kind of government that is existing in South Korea. Let us look at what we are defending the South Koreans from by our presence.

Significantly, the point that must be kept in mind is that this is a very important, strategic part of the world. Four major powers meet in that corner of the world; the Japanese, the Russians, the Chinese, and the Americans. It is significant politically and is a very important part of the world.

That is touched upon and treated on page 33 of the report which is before the Members, which is entitled, "Rationale for the Presence in Korea."

It reads as follows:

> The rationale for the presence of U.S. forces is partly political, partly military. Political considerations are currently predominant.
>
> Politically, the U.S. presence helps deter an armed attack on South Korea by an aggressive and unpredictable North Korea, or by China or the Soviet Union. It thus serves to maintain stability in Northeast Asia and to prevent a conflict which might lead to a confrontation of major powers. The U.S. presence provides South Korea with the confidence to pursue bilateral negotiations with North Korea on the reconciliation of differences and at the same time helps restrain the Seoul government from overreacting to provocations on the part of Pyongyang. Most importantly, in the opinion of many historians and political analysts, the American presence reassures Japan, the anchor of U.S. policy in Asia.

The comment continues, but it is brought out clearly enough for those who will take the time to read the report.

Mr. DAVIS of Wisconsin. Mr. Chairman, the gentleman from South Carolina (Mr. Davis) has inquired relating to the lines on pages 6 and 7 of the bill which involve alteration, overhaul, and repair of naval vessels and does place a limitation on the amount to be accomplished in navy yards.

The gentleman will recall that last year we took the Navy's figures and inserted them in order to insure that they had to do what the committee considered to be a reasonable amount in the private yards of this country.

When it got into conference in the Senate, this developed into something that admittedly was rather unworkable in that not only was a floor put under the amount available for private yards, but also the amount in the regular navy yards.

Then there was some confusion with respect to its application of the operation and maintenance for the reserve ships for the Naval Reserve.

This year that confusion has been eliminated and I hope that we will not have the same problem that we had last year, when we get into conference with the Senate.

The figure in the bill provides the flexibility which the Navy Department has requested and does permit them to have a substantially greater amount of work done in the navy yards than was possible last year. In fact, it is something well over $100 million that would be permitted to be done in the naval shipyards, over the amount that was permitted in last year's appropriation.

Mr. DAVIS of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Chairman, I thank the gentleman for bringing out these most important points. I would like to ask just one question involving percentage figures in the past. First we had the 65–35 percent ratio. Then we had no percentages whatsoever, which really granted the public yards a little bit under 72 percent and the private yards around 28 percent.

Does the gentleman feel that the percentages here could be accurately stated? The naval request last year was 70–30, whereas the percentage provided here would be more appropriately described as 75 percent public yard and 25 percent private yard; is that not correct?

Mr. DAVIS of Wisconsin. It is something in that neighborhood, but I do not think that anybody can give the gentleman a precise figure in relation to that because of the other elements involving naval ship alteration, overhaul, and repair that are included in the overall appropriation. The percentage figure for navy yards would be exceeded or would exceed the figure from last year.

Mr. DAVIS of South Carolina. Exceeding the figure from last year. I thank the gentleman.

Mr. Charman, I would also like at this time to join in saluting and expressing a word of gratitude to the gentleman from Ohio (Mr. MINSHALL) for the outstanding work he has done on this committee and in behalf of National Defense in past years. His contributions shall long be remembered.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Chairman, I want to thank the gentleman for yielding.

For over 200 years Boston had a Navy yard. As we know, it was closed down last year.

I wrote a letter to Adm. James L. Holloway, Chief of Naval Operations. In it I said:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 5, 1974.

Adm. JAMES L. HOLLOWAY, III, USN,
Chief of Naval Operations, The Pentagon, Washington, D.C.

DEAR ADMIRAL HOLLOWAY: May I begin my letter by saying it was a regrettable incident when the Boston Navy Yard, after 200 years of service, was closed down. I remember some years ago when Robert McNamara, then Secretary of Defense, considered such a move. It was decided to close New York and leave Boston open. The report at that time said the Boston Navy Yard would never be in fear of closure again; it would be necessary for the future because:

1. it was a day closer to Europe
2. it was a day closer to Russia
3. it was closer to the sea lanes of the North Atlantic
4. if anything ever happened to our NATO forces, this would be the route our Navy vessels would ply.

Of course, the Boston Navy has been closed.

I think it extremely compulsory that we should take advantage of the independent New England ship repair yards and make sure they are kept active for our own future defense. It will be impossible to keep these repair yards in any state of readiness with ship repair yard personnel trained to repair Naval vessels without Naval vessels to repair. In case of a national emergency, these repair yards would be an absolute necessity as proven in World War II, the various Mediterranean crises, and the Vietnamese conflict.

The Navy must allow these New England yards to bid on or allocate to them enough work to keep their trained manpower available or admit that the Department of Defense and Navy's statement of 1970 that it is their responsibility to "foster the establishment and retention of a competitive commercial depot maintenance base" was not exactly what they meant.

We must have these yards available in New England for a national emergency, and it would be in the best interests of the United States Navy to keep them alive and producing.

I will address the Floor to this statement.

Very truly yours,
THOMAS P. O'NEILL, Jr.

Mr. Chairman, as I understand it, the country is divided into sections, and if they are not in that particular section, then they are now allowed to bid the work, and they say, of course, the reason for it is home porting.

I have been interested in the Boston Navy Yard, and I fought for home porting for years. I understand that side of the problem. The truth of the matter is that north of Philadelphia, other than the Portsmouth Navy Yard, which is a small yard, we have no yards which we would need in the event of an emergency.

The great bulk of the work of these yards for the most part came from work that was being done at the Boston Navy Yard, and they shipped work to the private shipyards.

So in my opinion, it is absolutely necessary that the Navy change its policy or at least figure out some way that we may use the greatest talent and ability that have been known to America in this area, which saw the birth of the original shipyards of America. Families of generations of workers have worked in these shipyards.

Mr. Chairman, I think it would be a crying shame if the Navy does not change its policy and allow the Navy ships to be transferred up to the Boston Navy Yard to get their repair work done.

Mr. Chairman, I am happy that the gentleman yielded to me so that I have had the opportunity to insert this in this portion of the RECORD.

Mr. WYMAN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. Mr. Chairman, I would like to say for the benefit of the gentleman from Massachusetts, before I yield to the gentleman from New Hampshire, that it has been almost inconceivable to me that the home of the Yankee Clipper and the great shipbuilding area of this country, so far as I know now, does not have a single naval ROTC unit. Something has happened, and I do not know what it is.

Mr. O'NEILL. Mr. Chairman, I really do not know the answer to that.

Mr. DAVIS of Wisconsin. Mr. Chairman, I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Chairman, I thank the gentleman for yielding.

I concur in the remarks made by the gentleman from Massachusetts. We need to have reasonable protection for the shipbuilding and repair capability in the northeastern part of the United States.

With reference to the Portsmouth Naval Shipyard, to which the gentleman from Massachusetts made reference, I would call attention simply to the fact that the primary mission of this yard at the present time in the Navy complex is as a repair and overhaul yard and a conversion yard for nuclear submarines.

So the home porting question and the other matters which have been under discussion are not applicable in terms of the problem which relates generally to what the gentleman from Wisconsin has addressed himself in the early part of this debate.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, as I recall, when we were before the committee, we were talking about an amount for repairs and alterations of naval ships of some $1 billion 179 million. I think that was the Navy figure.

Now, as I understand it, the committee has placed a limitation of $1 billion 130 million in the bill, and on page 91 of the report it is stated that the Navy figure has been reduced to a certain extent. It is indicated that there has been some confusion as to the Naval Reserve and the research ships, et cetera, and that portion of the report concludes with these words:

> This action necessitated a slight increase in the percentage proposed by the Navy but has the advantage of allowing the Navy to allocate the Reserve and research repair work the way it desires, thus giving the Navy greater flexibility in administering the program.

Now, when we read that, we can read it both ways.

You can read it that the Navy is limited or that the Navy has more discretion to spend money in Navy shipyards.

I think the problem the gentleman was concerned about and certainly, in all fairness, I was concerned about, was that when the Navy came in and indicated they were going to do something both in private and public shipyards, that that would actually take place. That has not occurred all of the times in the past.

So what I am concerned about is by reducing the $1,179,000,000 by $49 million, to $1,130,000,000, how does that affect the Navy, and how is that consistent with the language of this report?

Mr. DAVIS of Wisconsin. I think that figure of $1,179,000,000, to which the gentleman refers, includes some reserve capability as well as some research. Actually, the limitation put in here assures that there will be at least $110 million more available for work in naval shipyards than there was in 1974.

Mr. LEGGETT. I understand that. One of the reasons for that is that the budget has substantially escalated in 1975 over 1974. Is it the impression of the gentleman from Wisconsin from reading the report, and from his knowledge of the accounting practices here, that the $1,179,000,000 includes items which are——

Mr. DAVIS of Wisconsin. Not included in this specific appropriation.

Mr. LEGGETT. Which are not included in this appropriation. So that the intent to reduce the allowance to $1,130,000,000 was, in general, to limit the Navy to the amount on which they testified in favor of. Is that correct?

Mr. DAVIS of Wisconsin. I cannot give the gentleman that right to the nearest million dollars, but I think it comes pretty close to doing this when you add some of the other things that are not included in that specific appropriation.

Mr. LEGGETT. It is my understanding that there is some $55 million available for reserve ship repairs. There is some $92 million available for R. & D. I do not exactly know where those funds come from, or how they are made available to the Navy if they are not made available in this bill.

Mr. DAVIS of Wisconsin. Because the language that we are talking about here applies only to Navy vessels.

Mr. LEGGETT. For the operation and maintenance appropriation, on pages 6 and 7 of the bill, the total amount made available for the alteration, overhaul and repair of naval vessels, not more than $1,130,000,000 shall be available for Navy shipyards. Is it the gentleman's interpretation of that language that the limitation would not limit repair and alteration funds in the ship reserve over research and development sections.

Mr. DAVIS of Wisconsin. That is my understanding. That is correct.

Mr. LEGGETT. I think we understand each other.

Mr. DAVIS of Wisconsin. There is complete flexibility with respect to reserve and research appropriations.

Mr. HICKS. Mr. Chairman, will the gentleman yield for a question?

Mr. DAVIS of Wisconsin. Yes; I am happy to yield to the gentleman from Washington.

Mr. HICKS. Mr. Chairman, as the gentleman from Wisconsin knows, I have been very interested in this matter, and I appeared before the gentleman's subcommittee, and at that time I had a letter from the Secretary of the Navy written to the chairman of the Committee on Armed Services in which the Navy was seeking complete flexibility in this area.

What the committee has done this year, does that give the Navy the flexibility that they sought, or does it restrict them in some way?

Mr. DAVIS of Wisconsin. Well, it gives them a great deal of flexibility. It does provide a restriction which I do not think is at all difficult for them. In other words, it is not the situation where last year we got into the setting of a floor for both the navy yards and the private shipyards. There is leeway provided here that would allow them to go further into the total amount available than was the case in the past. I think there is sufficient flexibility her. They will not have the administrative problems that they had last year in connection with it. I think the important thing here is that we are simply making the views of the members of the committee well known to them, that we do not wish them to continue what had occurred up until last year, the constant downdrop in the amount of work that was available to the Nation at private yards.

Mr. HICKS. Actually, the Navy will get what it is after. We do not really need to have the battle this year over this matter that we had last year.

Mr. DAVIS of Wisconsin. I do not believe the Navy has any real basis for complaint with respect to the language that is in this bill.

Mr. HICKS. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, while the people of this Nation stagger under the cumulative effects of the worst inflation in a quarter century, while other Federal agencies absorb in their budgets the rising costs of goods and services, the Department of Defense marches serenely on, cloaked in the invulnerable shield of national security.

The Congress has too often been so in awe of the term, "national security," that year after year it provided the military with any and all they desired. Even today out of an $87 billion defense request, which is $13 billion over last year's request, the Appropriations Committee has cut the budget to only $83.7 billion. At the most charitable, that is a modest cut indeed.

I am not happy with this cut and I shall seek to amend it later. My amendment will be modest too, a $2.5 billion cut, or 3 percent of the total budget. The opponents to this amendment, I am sure, will contend that approval will seriously harm national security. I am now convinced that any defense budget cut, is not a mortal blow to national security.

But before I get into the details of this bill, let me commend first the distinguished chairman of the Appropriations Committee, the gentleman from Texas (Mr. MAHON). I am always impressed with the dedication of the chairman and his willingness to work hard, long hours on a bill that yearly becomes more difficult to put together. But I am especially impressed by the committee report, almost totally the product of the chairman's thinking, which specifies for the first time this year that supplemental Pentagon budget requests will not be looked on with favor.

That is a very important decision by Mr. MAHON. Last year alone, after the House passed the $74 billion budget, the Congress received in 6 months supplemental request for an additional $19 billion, of which they got $14 billion.

I believe that the chairman, as do an increasing number of committee members, is finally convinced that the Pentagon has reached too far, pushed too hard and has diminished cause, for its gargantuan share of the budget dollar.

I would especially like to commend the staff of the Appropriations Committee, not only for the long hours of tedious labor and investigatory research, but for the role the staff played in exposing to the light of day some of the sophisticated Pentagon methods for padding its considerable budget. Without the staff leadership, this budget total would be far, far worse than it is today.

Now, let me talk specifically about this budget and all that is wrong with it.

The purpose of the military is to protect this Nation from external attack. To do this, it must have men, weapons, bases, and all that goes with that. It is the duty of this Congress to provide to the military the tools with which to do the job we want it to do. But through the years, that primary objective has been greatly diffused; the Pentagon now sees its role not only to protect this Nation but to protect all nations. Sometimes they protect nations against their own people, sometimes against outside forces. The Pentagon in these nuclear days needs missiles not only to protect these shores but to destroy other nations should they launch a nuclear attack against us. We now have enough missiles to protect ourselves a dozen times over, even against our most powerful enemy; yet we continue to build more.

The Congress dictated several years ago that the military stop fighting covertly in several Asian nations, and stop supplying them except through normal aid funds. Nevertheless, $539 million of this bill alone goes to supply a fund for Asian nations and their military needs.

As it stands, the budget is filled with extraneous programs. When we point out that peace costs more than war, we are making no idle comment.

I should point out at this time that I enthusiastically support an amendment to be offered later by Congressmen FLYNT and GIAIMO that would cut back military aid to South Vietnam. I was a direct sponsor of that amendment last year. I support it full-heartedly this year.

With peace in our time, this Nation has entered into a period unparalleled in our history. Upon the conclusion of the U.S. involvement in Vietnam, with the congressionally mandated withdrawal of forces from Cambodia and Laos, this Nation has embarked on a military construction binge.

We are spending an almost incomprehensible amount of money on the Trident submarine program, the Minuteman missile, the ABM and other redundant programs. Let me quote for a minute from page 157 of the committee report, a paragraph from my separate views:

> Even though we have massive redundancy in our current strategic systems, this year's Defense Appropriation contains millions of dollars for new systems and improvements in the deployed systems. The RDT&E appropriations, for example, include $455 million for the B–1 Bomber: $748 million for the Trident Submarine; $112.5 million to initiate development of air and submarine launched cruise missiles; $37 million to initiate development of a new ICBM to replace Minuteman; $25 million for a new and larger warhead for Minuteman; $56.7 million to improve the accuracy of Minuteman; $39 million for a terminally guided maneuvering reentry vehicle; $17 million for a new land-based tactical nuclear system called Pershing 11: $236 million for ABM systems, and millions more. What possible justification can be given for all of these systems? What are we trying to prove? Even if all of these systems are developed and deployed, the Soviet Union will continue to retain the capability to destroy the Untied States. End of Quotation.

The point of this, as all of us here know is that most of these systems will never be implemented, they will never be used, they will be obsolete, unnecessary. They are make-work projects designed to keep

Government contractors busy and defense spending up.

By cutting the budget overall, we allow the Pentagon the luxury, needed in this case I believe, of cutting their budgets where it is easiest. Their budgeteers are far more numerous than ours; they know all the sophisticated hiding games. Since they know where they have padded their budget the most, let them take responsibility for trimming it down. If they are really hurt they have an unobligated fund of $6.9 billion to reprogram from.

Certainly, they are very good at raising the budget. In the last 180 days, this Congress has been asked to approve $19 billion in supplemental Defense requests over the basic $74 billion we approved. What is more, we approved $14 billion in supplemental requests. If that is not success, what is? We cut $5 billion without damaging our national security. The chart in the speaker's lobby shows that—

Requested increase in defense budget this year

Fiscal year 1974 appropriation act signed into law, January 2, 1974	$74, 218, 230,000
Fiscal year 1975 budget estimate, February 4, 1974	85, 582, 297, 000
Increase fiscal year 1975 over fiscal year 1974	+11, 364, 067, 000
Fiscal year 1974 second supplemental estimate, February 4, 1974	6, 200, 421, 000
Subtotal, increase	+17, 564, 488, 000
Fiscal year 1975 budget amendments, May 30, and June 24, 1974	1, 475, 200, 000
Total increase in 6 months	+19, 039, 688, 000
Fiscal year 1975 unobligated balance estimate	6, 905, 000, 000
Fiscal year 1975 unexpended balance estimate	44, 099, 000, 000

It is time to use this fund of expertise in the Pentagon's finance offices to the national advantage. The President wants to cut the budget by $5 billion; Arthur Burns wants to cut the budget $10 billion. Do we not all have an opportunity to agree that we can better serve our Nation in this critical period by cutting this budget, rather than letting it drain dollars needlessly? I think we do have a unique opportunity today and I would hope you would support my amendment when it is offered later today.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, I commend the gentleman on his excellent statement and I want to assure him I will support him in his amendment.

Mr. Chairman, we are once again presented with a Defense money bill which not only continues to carry forward misdirected priorities and highly questionable policies and weapons programs but which also will have a damaging effect on our already seriously troubled domestic economy. Although the Appropriations Committee trimmed some $3.4 billion from the administration's original request, this measure is almost $10 billion more than the amount appropriated by the Congress for fiscal year 1974 and does not take into consideration any supplemental requests which may be subsequently sought by the executive branch. As my good friend from New York (Mr. ADDABBO) aptly observed in his separate views, the Congress was asked to consider a total increase for fiscal year 1974 of over $19 billion for the DOD during a 5-month span earlier this year and no one knows at this point how much in additional funds may be requested in the months ahead by the DOD once we act on this money bill today.

The administration repeatedly urges that Federal spending be reduced yet it refuses to follow its own suggestions when it comes to the Defense Department. The only real cuts contemplated by the present administration are in domestic programs which would aid those most in need—programs which are essential to those citizens who are generally at the bottom and middle of the economic rung, the disadvantaged, the minorities, the elderly, the unemployed and the "have nots" of our country. While our Nation's urban centers are increasingly pinched between soaring inflation, rising unemployment, and decreasing budgets, the administration intends to make budgetary cuts which will further restrict and limit domestic programs while having no effect on the military budget.

Aside from these sorely perverted priorities, the Nixon regime's defense proposals involve waste, the continuation of unwise and regressive past policies and inept efforts at pump-priming, such as Secretary Schlesinger's admission earlier in the year that an additional $6 billion had been added in an effort to stave off a recession—the recession we are currently experiencing. How in good conscience can we support a defense measure of this enormity when we are supposedly at peace and are seeking détente with our potential adversaries throughout the world? How, for example, can this body possibly justify the continued support of a regime in South Vietnam which not only perpetrates continued violations of the Paris Peace Agreement but which refuses to conduct national elections and imprisons countless citizens simply on the basis of their political beliefs and peaceful opposition to the present government? One billion dollars will not bring peace or democracy to South Vietnam and our appropriation of additional funds for this ill-conceived effort will do nothing more than encourage our generals and admirals to maintain the present level of military aid to that nation. While I will certainly support the amendment aimed at reducing the military appropriation for South Vietnam to the level of $700 million, I believe that that sum is much too large. I am certain that, when the final figures are tallied, we will learn that far in excess of whatever amount is appropriated for that purpose this afternoon will have been spent.

Beyond the overall size of this measure and the potentially damaging affect it will have on the economy in terms of contributing to the rampant inflation presently being experienced, I am equally disturbed over a number of the weapons and armaments programs which are included in this bill. Especially troubling is the $5.8 million earmarked for the production of a new line of chemical weapons referred to as the binary system for delivering nerve gas. It was my understanding that this Nation was going out of the chemical warfare business and, instead, was taking a lead in arriving at some type of international agreement on controlling chemical weapons. However, this request would seem to belie such an understanding and, instead, give credence to the belief that the United States was simply paying lipservice to the need to develop and promulgate controls on chemical weaponry. By producing such a weapons system how can any other nation interpret our position other than advocating chemical warfare? Furthermore, I understand from those more knowledgeable than I on the subject that we may well be talking about a total cost of $1.5 to $2 billion after current stocks of chemical weapons are destroyed and the new system is produced. I shall certainly support the amendment to be offered by our colleague from Washington (Mr. HICKS) to eliminate all funds for this program and I urge others to do so as well.

Mr. Chairman, I believe that our Nation must have the capability to adequately defend itself and to maintain the delicate balance which exists in the international sector these days. Further, we must also have the capacity to promptly and properly meet our international commitments. However, the vast amount of the money to be appropriated by this legislation today is nothing more than fat which contributes little or nothing to our national defense, which extends badly distorted national objectives and questionable goals and which will seriously aggravate our badly damaged economy. This fat must be trimmed without delay and I am hopeful that the proposed amendment to effect a 3 percent reduction in the military budget will be overwhelmingly adopted. I am also optimistic that this may very well be the last time we are confronted by such a budgetary monstrosity as, by this time next year, the newly formed Committee on the Budget will have had the opportunity to carefully scrutinize defense spending in relation to other funding needs and the overall economic situation. I trust that the Budget Committee will give meaning to the hopes expressed by Messrs. ADDABBO, GIAIMO, OBEY, and ROYBAL that priority be given to true defense needs and that those programs not essential for the country's defense be curtailed.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I realize that I take somewhat of a different view from the line of argument that has gone before; but I started on the Committee on Defense of Naval appropriations in 1943. I sincerely believe that perhaps the greatest danger we have in the United States right now is this ruinous inflation.

Inflation will never be controlled until we review the courses that we have been following in the last number of years. I believe history will bear me out when I say that no nation over a long period of time has been able to spend 28 to 33 or 34 percent of its income on military expenditures. As necessary as defense is, it does not bring any goods. It is not quite as bad as foreign aid, because we do learn something from research. It is a dead weight on the economy and our economy is in bad shape.

When we had the Secretary of Defense before us, I asked him what we learned in Vietnam. He learned we cannot win a war 10,000 miles from home against guerrilla troops in the jungle. I told him the French and Indian war taught us that. We have 42,000 troops in North Korea. Do we not know they would become hostages during the first 2 days of any war? Did we not learn from our recent experience of trying to get our prisoners of war back from Vietnam. People throughout the country were pleading with us and properly so?

Do we not know this bill in itself provides for the transfer of 30,000 or 40,000 more dependents to Europe? If we had an outbreak in that area, do we think, with all these dependents there, we would have a fighting mobile force that could move around and protect us, or would their families become hostages, as we have heard elsewhere? The point I am making, if we are going to have a basic program to defend, we are going to have to see that the economy is protected so we can support defense. The first move in having defense is to quit supporting what amounts to a military establishment in place of a Defense Department.

We are going to have to see that we have soldiers that can move, that we have soldiers not tied down with dependents. We have to have a reserve and a guard who can go ahead about their business during the week and under normal conditions and we can call out during a time of serious trouble.

Right now we have troops around the world who are not actually in shape to defend any of us. I will say and I will repeat it in my extensions of remarks and later in debate, that the first thing necessary in order to maintain an adequate defense is to realize that we cannot support it with our economy in danger. We should take steps to stop this ruinous inflation of 10 percent a year, paying 10 and 12 percent interest now on our earnings.

I remember when I started to practice law. As I drove over north Mississippi, seldom did you see land which was not owned by a joint land bank, a stock company or an insurance company. The same was true over the whole Nation. My friends we are on the road again. We must pull in horns not only here but elsewhere.

There is not a man on any committee, as intelligent as they are, that can tell us how much military we have and where it is. We do not have an up-to-date inventory of what we have in defense.

A few years ago I asked for that when I was on the Military Construction Affairs Committee and it was as surprising to the military as it was to the Congress that we have so many things in so many places. We have a worldwide establishment.

It may not be fair to say so, but several years ago we built a ship and we put one less gun on it in order that the admiral could have three automobiles so that when he landed he could land his car.

I could go on and on and on, but sooner or later we are going to have to look at this situation. We are going to have to cut it back to defense, and say that we wish we could afford this way of life for the military establishment, just like we are going to have to do it on all the civilian things we have. We cannot stand this 10-percent inflation every year for much longer.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire (Mr. WYMAN).

Mr. WYMAN. Mr. Chairman, I rise in support of this bill. The lengthy volumes of hearings bear mute witness to the substantial and protracted efforts of members and an extremely competent staff to cull the wheat from the chaff and come up with a military appropriations bill that adequately but not excessively funds the necessary defense capabilities of this Nation. A single volume of these hearings—for example, part 5—contains more than 1,900 pages.

Because I am seeking other office this marks my last year as a member of the Defense Appropriations Subcommittee and I want to express my appreciation of the privilege that has been mine to serve with the outstandingly competent and dedicated senior Members of this body who comprise the Defense Subcommittee. Our distinguished and capable chairman (Mr. MAHON) has undoubtedly forgotten more than I could remember about the defense requirements of the United States. The extremely competent and learned senior member from Florida (Mr. SIKES) has been an example of proficiency and learning that is universally recognized and respected by all Members of the House on both sides of the aisle. Our distinguished ranking minority member (Mr. MINSHALL) has done yeoman work for our country. All of my colleagues deserve public thanks for their devoted work, much of which goes on in executive session because of security requirements, without fanfare and for the most part without public awareness of the enormously important decisions that must be made on almost a daily basis concerning our missiles, our submarines, communications, command and control, and a thousand and one vital links in a system of military preparedness for any eventuality in an uneasy world. The subcommittee on the minority side will be headed by the competent and experienced member from Wisconsin (Mr. DAVIS) in the 94th Congress for which those who realize the profound responsibilities of defense can rest easier because they know he will do what is right and best for America. With him will be our newest minority member from Alabama (Mr. EDWARDS) who in but a few short years is already a member of the leadership on the minority side.

I shall miss benefiting from the learning and the advice and the example of my friends and outstanding Representatives who make up the balance of the defense subcommittee, Mr. WHITTEN, Mr. FLOOD, Mr. FLYNT, Mr. MCFALL, Mr. ADDABBO, and Mr. GIAIMO. Their dedication and maturity of judgment stands the United States in good stead for nowhere are such vital qualifications needed more than on this particular subcommittee.

Mr. Chairman, I am deeply concerned about the future of defense appropriations. As costs escalate, and pressures mount for additional domestic spending, there is greater and greater risk that defense spending will suffer from the fact that it is largely included in the less than 30 percent of appropriated funds that are in the so-called "controllable" category in the national budget.

We have just established a Congressional Budget Committee in an effort to achieve the salutary and necessary goal of containing annual spending within annual revenues. There are indications from a review of the philosophical backgrounds and voting records of some who have been put on this Budget Committee on the majority side, that the emphasis in their thinking may be more domestic than military. Charged as it is under the new law with the ultimate responsibility for establishing priorities in overall spending, there are increasing indications that defense may be shortchanged in the continuing search for more money for social welfare programs. This must not happen, for all will be lost if our Nation does not maintain a respectable defense deterrent. The defense of the United States of America must remain this country's No. 1 priority in the years ahead.

The cost-price scourge that afflicts the country at this hour is nowhere more apparent than in the current defense budget. Procurement obtains less and less for each dollar because of runaway inflation. Oil costs have escalated beyond all rational bounds. Personnel costs approach a disproportionate 60 percent of the entire defense appropriation, comparing most unfavorably I might say, with the same costs for the Soviet Union. Actually the current defense bill represents the lowest expenditure for defense that the United States has provided since the Korean war. The bill should not be further reduced here today lest the national security be the victim and this is not an overstatement.

In the long run my principal concern is that the Congress should provide and even insist upon the development of an increased conventional warfare capability of U.S. Forces. This is a practical necessity for the simple reason that the retaliatory standoff that is implicit in the nuclear capabilities of the major powers is bound to continue under both SALT I and prospective SALT II agreements. Each side knows that if there is resort to nuclear attack there is enough assured destruction in reserve to make a preemptive first strike a disaster for whatever country might initiate it. Should nuclear missiles be flown it is the end for civilized society as the world has come to know it in this third quarter of the 20th century.

But confrontations and hostilities here and there around the world are bound to take place, and we must be able to meet these challenges with adequate conventional forces. This requires a credible conventional presence. It means better small arms, tanks, lighter fighter aircraft, shoulder fired and portable missiles, laser guided accuracy, and a host of nonnuclear weapons capabilities designed to increase the firepower and attack—as well as defense—thrust of our men in uniform. Only in this way can we successfully reduce the numbers of personnel in the military for only by improving the military productivity and ability of the individual fighting man can we safely reduce the numbers.

Massive troop movements across the oceans are no longer a viable reality in terms of site defense. In no way, for example, could this country hope to confront the huge landforces of the Soviet Union or Red China on a man-to-man basis should a conventional war develop on the continent of Europe or Asia. We, therefore, simply must encourage policy planning to insure that what troops we are able to provide in the field are in top shape with top equipment and imposing firepower. This is going to require significantly accelerated appropriations for both procurement of conventional weapons and research and development of new ones. This is not for destruction but for defense. Without a recognized conventional warfare military capability our diplomatic endeavors in the interests of world stability and peace are bound to be significantly impaired.

In similar vein it has been irresponsibly suggested of late that because our Navy's deadweight tonnage is greater than that of the U.S.S.R. that we are stronger at sea. Nothing could be more inaccurate. Deadweight tonnage is not the test. The Navy needs newer and faster ships. It needs to go more and more in the direction of nuclear propulsion that is not oil dependent far from our shores. We urgently need to take this country away from the practice of burning oil as fuel and in the direction of confining its use to lubrication, using nuclear reaction as the main method of propulsion for vessels—and submarines—of sufficient size to be capable of nuclear propulsion.

One does not need to read "Jane's Fighting Ships" to realize that because of the billions that were spent for so many years on the debacle in Southeast Asia that our Navy has fallen behind the U.S.S.R. We should now proceed to catch up, but in the process let us plan ships and submarines with improved firepower, speed, and usefulness in their basic mission which is to defend our shores and keep open the sealanes for the materials on which we must depend to survive. One of my major concerns with the present defense budget is that it does not provide adequate naval procurement, even though higher than in previous years because of Vietnam. The Navy should plan and request whatever is necessary to keep the United States on top of the seas and it is the continuing obligation of the Congress for the safety and security of the American people to fund these requests after appropriate screening.

Without a careful reading of the committee's report it is impossible to comprehend the full sweep of the provisions of this bill. Funded is everything from the Air Force, Navy, and Army's personnel, operation, maintenance, procurement, and retirements, to procurement of new weapons and research and development of others. Decisions have had to be made on hard questions such as the Navy's Operation Sanguine, its controversial communications system designed for better communications with deep-diving submarines on station in far-off oceans. It is impossible to be certain that every necessary aspect of defense needs have been provided for, or that, in some instances, there has not been an overfunding. I take a dim view, for example, of the so-called antiballistic missile systems that are also funded in this bill for the simple reason that I cannot believe they can be effective against decoy attack.

Be this as it may, however, it is clear that the subcommittee has earnestly sought to do the best it could with the funds available. In this connection it should be constantly remembered that we can only lawfully appropriate what the Armed Services Committees have authorized. Unless there is a prior authorization the rules do not permit an appropriation. In some instances we have felt that authorizations have been insufficient. In others overly generous. An example of reduction by authorization is seen in the funding for military assistance to Southeast Asia which was budgeted at $1.45 billion but authorized at $1 billion. Consequently the limit on this bill was $1 billion which, incidentally, is approximately one-twentieth of the costs for holding the line in Southeast Asia of but a very few years ago, and without the presence of American personnel in combat thanks to implementation of the Vietnamization program. Hopefully the situation in Southeast Asia will stabilize as a standoff in future years, and our appropriations for ammunition and other supplies for the South Vietnamese forces can be adjusted down and eventually out of the picture.

Mr. Chairman, I want to say once again that it has been an honor and a privilege for me to serve on the defense Subcommittee with such outstanding men. I shall always cherish the memory of this service and seek to remember the lessons I have learned in the process.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield 5 minutes to my friend the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time. I would like to address two or three questions to the chairman or some other member of the committee.

I will preface the first question by saying that last year I learned for the first time of the enormous number of counselors in the military service and I wonder how many of them the committee is providing in this bill. I believe that last year there was somewhere in the neighborhood of 15,000 full and part time counselors. Am I wrong about that?

Mr. MAHON. Mr. Chairman, the gentleman is correct. We had considerable discussion last year about the use of manpower in the Department of Defense, and we pointed out what seemed to be an inordinate number of counselors.

The committee through its actions has discouraged the employment of some of these counselors, while agreeing that some were justified. In our actions this year the committee recommended the following which I will read from page 53 of the report:

> The Committee has not recommended any further reductions in this year's request for the employment of counselors of all types in the armed services. The request for these positions has declined from about 16,540 man-years in fiscal year 1973 to 13,750. The Committee will continue to keep a watchful eye on these programs and notifies the Department of Defense that it considers the strength estimates provided in the hearings to be ceilings that are not to be exceeded without prior approval.

This does seem like a large number of counselors, but after hearings and probings with respect to the need for these counselors, many of which are indirectly related to the All Volunteer Force, we went along as indicated in the report.

Mr. GROSS. Mr. Chairman, I think the gentleman's statement that this is an inordinate number is something of an understatement, even at the reduced figure of 13,750 man-years in 1973. What is it presently?

Mr. MAHON. Presently, it is 13,750. It was, in fiscal 1973, the year before last, about 16,500 plus.

Mr. GROSS. And it is what right now?

Mr. MAHON. 13,750.

Mr. GROSS. Does it speak well for the $600 million spent each year on recruiting that we get the types of individuals in the armed services of the country requiring the services of thousands of wetnurses at such heavy cost? What is wrong with our recruiting procedures?

Mr. MAHON. Mr. Chairman, we are certainly spending enough money to have a superb recruiting program.

Of course, we are not able to get all the quality recruits in the Army which we would like to have; 50 percent of the male recruits in the Army are not even high school graduates.

Mr. GROSS. I wonder if there is any way to reestablish in the Armed Forces such as I served in a good many years ago, the recognition of top sergeants in the companies and batteries as counselors and den mothers to take care of the troops?

Mr. MAHON. We have urged the armed services to utilize their own personnel to serve in this capacity, feeling that very often the top sergeant or others in similar capacities could do a better job counseling than some of these people who are employed by the services.

Mr. GROSS. Does the gentleman have a figure in mind as to the cost of all of these thousands of man-hours?

Mr. MAHON. It would be about $12,000 per man-year. Multiply that by the 13,750 and one runs up a very large figure.

Mr. GROSS. I should say one does run up a large figure. The more I inquire about it, the more disappointed I am that we apparently must have all of these full- and part-time counselors to wet-nurse the men and women in our armed services these days. I hope that some way, somehow, we can get a different caliber of personnel in the Armed Forces of the country.

Let me ask the gentleman about the provision in the bill to provide $220,500,000 for the production of 12 F-111 fighter planes. I thought the F-111 program was to be phased out and ended long ago.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GROSS. Mr. Chairman, I thank the gentleman.

To continue what I was saying, I thought the F-111 was to be phased out and ended even before our late colleague, Mr. Rivers, departed this earth. As chairman of the House Armed Services Committee he told us a year or two before he died that this program was to be ended then.

Now I notice another 12 F-111's are to be built at a cost of approximately $18.5 million each. This is hard to believe.

Mr. MAHON. Let me say this, that the follow-up bomber to the B-52 is supposed to be the B-1. Whether the B-1 will ever actually be built, we do not know. It looks as though the projected cost is about $62 million per copy for the B-1 bomber. I would not be surprised if that cost does not escalate up to as much as $80 million a copy.

Whether we undertake to build the B-1 is a matter of great controversy, I agree. But the present version and the former version of the F-111 is, in many ways, the finest plane that this Nation has ever constructed. We have a hot production line which serves as a backup in case the B-1 does not come to fruition. We do not know, in this turbulent world, what the future holds. Therefore, we wanted to maintain a hot line of about one a month of this plane until we had proceeded further.

I wish later to insert in the record some further information as to the F-111.

Mr. GROSS. The F-111 is not the B-1 and never could be the B-1.

Mr. MAHON. No, no, it could not, but if there is never to be a B-1, it would be good to have these planes.

Mr. GROSS. Are the F-111's still produced at Fort Worth, Tex.?

Mr. MAHON. I believe so, 300 miles from my district.

Mr. GROSS. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield 8 minutes to the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Chairman, before addressing myself to the substance of this bill, I want to join with the speakers who have preceded me in paying my sincere respects to the gentleman from Ohio (Mr. MINSHALL) and the gentleman from New Hampshire (Mr. WYMAN), who, at the end of the 93d Congress, will terminate their service on this subcommittee and this Committee on Appropriations. I have an overwhelming and overpowering respect and admiration for these two colleagues of mine. The gentleman from Ohio (Mr. WILLIAM MINSHALL) and I came to the Congress almost simultaneously. The gentleman from New Hampshire (Mr. LOUIS WYMAN) followed us by a few years.

One of the highlights of my service on this committee, especially this subcommittee, has been the opportunity to work with dedicated, competent, able Members like the gentleman from Ohio and the gentleman from New Hampshire, who will soon be leaving us.

Mr. Chairman, when they leave this committee and become, if I may call them this, alumni of this Subcommittee on Appropriations, they will join the ranks of alumni from this subcommittee members of their own party like FORD, Laird, Lipscomb, and RHODES, and members of my own party like Thomas and ANDREWS and others who have distinguished themselves in their service in this House of Representatives by their dedicated and highly motivated work as members of this committee.

To each of these two colleagues who are voluntarily leaving us I wish them Godspeed, good luck, continued health and happiness, and a reasonable amount of prosperity as a reward for the services which they have contributed, not only to the work of this House and this committee, but indeed to our Nation and the people of our country.

We will miss you, and we wish you well.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Ohio.

Mr. MINSHALL of Ohio. Mr. Chairman, I appreciate these very kind remarks made by the gentleman from Georgia, my friend, JACK FLYNT.

I wish to make one exception to them, however. You say, only a "reasonable amount of prosperity." I hope that I will have a lot of prosperity.

You and I have lived together and worked together side by side for some 20 years. We have enjoyed our work on a professional basis and on a social basis. I know our wives are very good friends, and I certainly am going to miss the close association on a professional basis which we have had here.

I want you to know I am not retiring from Congress; I am not retiring from business. I am going to be based here in Washington, and I hope that I will do a little bit better than enjoy "reasonable prosperity."

Mr Chairman, I thank the gentleman for his kind remarks.

Mr. WYMAN. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Chairman, I would like to join with my colleague, the gentleman from Ohio, in expressing my sincere appreciation to the gentleman for his very kind remarks.

I hope, too, that I will still be around here next year but we all know that today the affairs of life and fortune are most uncertain, to put it mildly.

I would like also to comment on the spirit in which the gentleman has made his remarks. That spirit is the same as that under which this subcommittee has always been operated, and it is distinctly nonpartisan. I have never known in the years I have served on this Subcommittee for Defense Appropriations any discussion that was oriented in the direction of whether one was a member of the Democratic Party or a member of the Republican Party. It has always been what is best for America.

Mr. Chairman, in that spirit the gentleman in the well has been one of the leading proponents

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I appreciate very much the gentleman's yielding.

Earlier in the debate I paid tribute to our good friend, the gentleman from Ohio (Mr. MINSHALL) who is retiring, but I did not at that time include the gentleman from New Hampshire, (LOUIS WYMAN). That was because at the moment my mind was on other matters.

I wish to join in the fine statements made concerning our good friend, the gentleman from New Hampshire (Mr. WYMAN), and I wish him the very best in his every undertaking. The gentleman has contributed greatly to this Congress and to this committee.

Mr. Chairman, we hate to see him leave us. We hope he will stay around.

Mr. FLYNT. Mr. Chairman, during the time I have served as a Member of the House I have seen the dollar amount of this bill approximately double from what it was when I first came here. I would like to say that the security of this Nation and the defense of the free world have increased proportionately.

This year the budget request for this bill came to us in the amount of approximately $87 billion. Today we bring before the House an appropriation bill for $83.7 billion.

There are some areas in which some members of the committee would have liked to have made additional cuts. By and large, this bill represents a consensus of the members of this subcommittee and of the members of the Committee on Appropriations.

There is some valid disagreement on the part of some members with the figures and the items which are included in this bill, and it is to one of those that I shall address myself in connection with an amendment which I shall offer at the appropriate time.

We have been told that we can expect, at the present financing levels, an increase in the budget request for this bill of about $6 billion a year in the years that lie ahead. Even at this astronomical rate of increase it is highly probable that a $6 billion annual increase will not keep up with the rate of inflation which confronts this country.

When I first became especially interested in the defense appropriation bill, Mr. Chairman, about 40 percent of the total amount was for military pay and allowances. Today that figure is approximately 60 percent of the total amount of this bill, which means that there is a corresponding reduction in the percentage of the gross amount available for operation and maintenance, procurement, and research and development.

Let me say with regard to research and development that while I recognize the necessity for manpower and hardware and operation and maintenance costs, Mr. Chairman, the items and funds provided in this bill for research, test, and evaluation may be literally the insurance policy of this country for the years which lie ahead.

At the proper time, Mr. Chairman, I shall offer an amendment to line 24, page 26, which will have the effect of reducing our military assistance for Vietnam from $1 billion to $700 million.

Mr. Chairman, this might seem like a somewhat high cut in this area, but when we take into consideration that as nearly as the accountants and statisticians can produce the figures, that the amount expended for this purpose in fiscal year 1974 was approximately $744 million.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FLYNT. Mr. Chairman, I would ask the gentleman from Texas (Mr. MAHON) if I may have 2 additional minutes.

Mr. MAHON. Mr. Chairman, I yield 2 additional minutes to the gentleman from Georgia.

Mr. FLYNT. Mr. Chairman, as I started to say, to provide the amount for military assistance-Vietnam, that is provided in this bill, would be more than a quarter billion dollar increase over the amount expended for this purpose in the preceding fiscal year. Therfore those of us who have worked together in perfecting the language of this amendment have come up with the figure of $700 million. Technically, it is $622,600,000, because there is a $77.4 million item which will not be affected by this amendment. We feel there may have been an overspending, almost in the nature of an overkill, in the amount of funds that have been provided for South Vietnam.

There are many of us who believe that the funds provided by the South Vietnamese themselves might have been spent more effectively if the amounts provided by the U.S. Treasury via the U.S. taxpayers had been less than we had provided in the years which have preceded fiscal year 1975.

Mr. Chairman, I recognize that this is a subject matter on which reasonable men and women can disagree. I respect the views and the attitudes of those who will oppose this amendment, but I offer this amendment in utmost good faith because I believe, with sincerity, that the amount which we seek to provide by this amendment will not only be better for the American taxpayers, but will in the short and long range be better for the Republic of South Vietnam.

So, Mr. Chairman, as I say, at the proper time this amendment will be offered, and I urge favorable consideration of the amendment in this committee when the amendment to reduce military assistance funds for Southeast Asia will be offered under the 5-minute rule.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. MILLER).

Mr. MILLER. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time. I recall when we were in executive session of the full committee, in discussing title VII, military assistance for South Vietnamese forces, that the chairman stated that about $35 million of the funds were used last year for fuel for the South Vietnamese forces. Yet we go back to title VIII, under the general provision on page 48. We find under section 844 that none of the funds contained in this act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-U.S. nationals.

My question is, to someone on the committee, Is Alaska included in the language of section 844, where it so states "continental" United States?

Mr. MAHON. Mr. Chairman, if the gentleman will yield, the intention of the language is certainly to cover the United States, and Alaska, of course, is a State, and Hawaii is a State. We have no thought that any oil or any petroleum would be shipped from the United States to fill the needs in Southeast Asia. We do have an energy problem. In Southeast Asia the oil, the petroleum, which is used comes from Singapore, Indonesia, and that area of the world. I think we have nothing to fear here. I commend the gentleman on his careful examination of the language. I recognize he has a point, but I would hope that with this legislative history there would be no need for any revision of the language which we have now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MINSHALL of Ohio. I yield 1 additional minute to the gentleman from Ohio.

Mr. MILLER. My great concern is with the problem of the energy shortage we have in this country, and I know what timetable we have with the pipeline across Alaska. But, nevertheless, petroleum could be moved out of there, and I want to make sure it does come to the continental lower 48 States if it is removed from that area.

Mr. MAHON. I would like the RECORD to show that would be the firm condition of the Committee on Appropriations of which the gentleman from Ohio is a distinguished member.

Mr. MILLER. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, it certainly pains me to intrude into the calm and orderly atmosphere that we have here today. But I feel I must, because otherwise it would be to indicate that there is agreement, basic agreement, on much that is being said here today, when, in fact, I believe it is fair to say that there is substantial disagreement and that the American people are terribly concerned with what we do and spend in the area of defense.

Let me say at the outset that I will take second place to no one in the principle and in the idea that the United States must have the world's best defense. I want that, and I will do everything I can to assure that posture for the United States, because I believe it is the strong defense posture of the United States during these past 30 years which has contributed most to world peace.

But by the same token, I think that the American people are looking to us in Congress to exercise our judgment and to make the tough decisions where and when the decisions must be made, because we are taxing our people as never before in history. We are taxing them directly through taxes at all levels and we are taxing them indirectly through inflated prices and inflation. Taxing them to pay for the excessive amounts of expenditures at all levels, and especially at the Federal level, because of the billions of dollars which must be borrowed by the Government to pay for our expenditures, military and otherwise. So it behooves us as never before, and particularly our defense subcommittee, to see to it that we cut where we can make the necessary cuts, and there are many such areas.

In the area of military assistance to South Vietnam, where we are advocating a cut from approximately a billion dollars to $700 million, we hear it said how vital South Vietnam is to the United States.

Is it indeed? Is it indeed? The United States and the people of the United States have made it crystal clear to all of us in this Congress that they want out in South Vietnam, and we have indicated to the people that we are out. But how long, I ask the Members, how long do we go on subsidizing every military venture of the South Vietnamese Government. How long do we continue to furnish them with arms and munitions which are costing our people their tax dollars and which could be better spent in the real defense of the United States where the real vital interests of the United States are at stake?

How long do we encourage South Vietnam in its military activities and delay the implementation of a political solution to the long-time problem in Vietnam in accordance with the terms of the Paris agreement?

We must begin to cut military assistance in many areas and certainly in South Vietnam where our military assistance in fact adds to the continuation of a military solution to that war. Now is the time for us to do what I am convinced the American people want us to do, to begin the curtailment of our subsidization of the military activities of South Vietnam with the view to getting out of there.

And along similar lines there is another area of wasteful defense funds, the war reserve stocks for allies, for Asian allies. If the Members will look at page 266 of part 7 of the hearings they will find that there is over a half billion dollars for war reserve stocks for our Asian allies. This means munitions and equipment of over a half billion dollars for this year, over $400 million for last year, almost $1 billion in the last 2 years alone.

The Defense Department has got to recognize that the free and easy days of coming up here and asking Congress for money are gone. They are over with. They should not have $1 billion worth of war reserve supplies. If they need it for our armed forces they should justify it and make their case. But instead of that they are reserving it in the event that our Asian allies, and I suppose they might possibly be the Koreans or the Vietnamese or whomever in Asia, might need this equipment, so it is available for them, in the amount of over $1 billion.

Now Congress has glided over this in the past years and I for one am serving notice on the Defense Department that beginning right now, we are going to make sure that they really justify this huge expense and to see if they cannot curtail this amount.

I could go on and discuss other wasteful defense items but my time has expired.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. GUBSER).

Mr. GUBSER. Mr. Chairman, I too would like to add my words of appreciation to the gentleman from Ohio and the gentleman from New Hampshire for their splendid work which they have done on this committee. One of the finest men I have ever known in this Congress was Glen Lipscomb from my own State. I think we all remember what a wonderful job he did as the ranking minority member on this subcommittee. The nicest compliment I can pay the gentleman from Ohio and the gentleman from New Hampshire is that Glen Lipscomb would have been proud of the way they have conducted themselves.

Mr. Chairman, I have not prepared a speech so some of the statements I am going to be making are generalities but they could be, if I had the time, filled out with specifics.

As I listen to people who are following the current mood of public opinion and say that we can cut this defense budget and is so out of proportion with our national needs, I cannot help but think that these people are engaging in three mistakes. They are making certain fallacious assumptions, they are accepting certain fallacious facts, and they are ignoring other facts.

They are assuming that détente is real, that Russian intentions are peaceful, that her aggressive navy, the largest and the best in the world, which could make the Mediterranean into a Russian lake tomorrow morning, is only for the purpose of show and will not be used.

They are assuming that U.S. forces are today the superior military forces of the world. They are ignoring the age of our fleet. They are ignoring the fact that only one submarine yard in Russia, and there are several others, have the capacity to build more nuclear submarines than all yards in the United States put together.

They are ignoring the efficiency of the Russian Air Force and the efficiency of their ground forces. These are things we just have to assume if we cut this budget too much.

We are going to have to assume that we are No. 1. I hate to say it, but I do not think we are.

We are going to have to assume that the realities of leadtime do not exist, that we could crank ourselves up and do like we did in World War I and World War II and turn out guns and planes in just a few months.

We are going to have to forget that this is an electronic world we live in and it takes years and years of leadtime to get a weapons system out in the field and have it deployed.

We are going to have to assume the fact that defense can be frozen and does not have to remain fluid and that for each weapon there is always a defense that is developed sooner or later. Unless we can change with the times, we remain the No. 2 military power.

We have to accept certain other things. We have to accept the fact that today the procurement portion of the budget, that which buys military hardware, is lower than it has been in many years, the reason being inflation, and the fact that our dollars buy less.

We also have a personnel policy which means that more than 60 percent of the Federal budget goes for what we call people costs. As a result, the procurement percentage of the Defense budget in real dollars is shrinking.

We have got to accept the fact if we are to cut this budget that we are going to have the draft back, because we are going to have to cut back on military salaries and the fringe benefits which attract people into the military service as a career.

The alternative if we are going to supply our manpower needs will have to be the draft, which is repugnant to our American way of life.

We are going to have to ignore certain other facts. We are going to have to ignore the fact that in the last 10 or 15 years social programs and dollars spent for social programs have increased much faster than dollars spent for military defense.

We are going to have to ask ourselves, do dollars solve human problems? Can anyone tell me one social program, just one, that is better today than it was 20 years ago and billions and billions of dollars later? I do not think we can name one.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MINSHALL of Ohio. Mr. Chairman, I yield the gentleman 1 addition minute.

Mr. GUBSER. Yet this country has remained free, in spite of countless threats of aggression from without. As the gentleman from Connecticut has just stated, it has remained free because we have been strong.

Now, I have to repeat the advice I have heard dozens of times from former Speaker McCormack, who has said on the subject of national defense, "If I am going to err, I am going to err on the side of being strong and being safe."

So I urge, please do not go along with the winds of public opinion which are blowing in a certain direction today. Think about the safety of this country. Let us ask ourselves, is détente real? Is this a safe world? Are we No. 1 or No. 2? Are we safe?

I think if we answer those questions, we will realize that many of us are sincere in our belief that only a strong America is a safe America.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, while we have this year the highest proposed military budget in our history, a staggering $83.7 billion, we also have probably the highest inflation and most serious economic problems that we have experienced in many years. This alone is not the basis for determining what to do with the military program. We also have to determine what is necessary for our country, and what would be correct in terms of encouraging peaceful relationships with the entire world.

I, for one, think that many of the issues spoken of today require our support, such as cutting funds for South Vietnam, rejecting a new chemical warfare program, and reducing by $2.5 billion—across-the-board—funds for the military program. These programs are not needed to maintain our country's security. I intend to support these proposed amendments.

I would also like to call attention to the fact that tucked away in this military appropriations bill is an almost unnoticed program, a very dangerous one that will transform America's nuclear strategy from a longstanding policy of deterrence based on a second strike retaliatory capability, to a silo-destroying capability that the Soviet Union may perceive as a first strike threat.

If there is anything that will kill détente, it is a posture that indicates the United States is changing its policy to put itself in a position to conduct a first strike attack upon the Soviet Union. Later in this debate, I shall offer an amendment to eliminate the funds for this new research and development program, which is not needed for our nuclear development, is not needed to maintain our present stable nuclear deterrent policy, is not needed to protect this country, but would instead lead to a dangerous respiraling of the nuclear arms race. This is something we cannot sustain in this country, let alone in the world, either from an economic, military, or diplomatic point of view.

I would suggest that if we want to make a commitment to the real principles of our country and our Constitution at this very trying time, we have to be certain that we do not change to a provocative strategy. This change will add nothing to our security but will increase the danger of war. It will prevent, in addition, a meaningful agreement on arms limitation.

I would urge support for that amendment when it is brought up on the floor.

Mr. MAHON. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I simply want to comment on a statement that appears on page 114 of the report in connection with communications and electronic equipment for the Army, designated as the FATT page printer and the FATT tape relay. The committee report states that it has deleted the $15 million requested by the Army for this field automatic-teletype equipment because they say the Army said that because of delays they could not award a contract for such equipment during fiscal 1975.

Mr. Chairman, I have just been in touch with the comptroller of the Army and he advises me that this statement is in error. He told me that the information that came to the committee on this subject did not come from the Army. In fact he told me that the Army has reclamaed this item, or in other words, has requested its reinstatement in the bill. They did so, the comptroller told me, because the Army has in fact been prepared to award a contract for this valuable, modern communication equipment in the very near future. Mr. Chairman, this is a serious contradiction on this item. The committee has gotten bum dope. I sincerely hope the $15 million for FATT will be restored in the Senate.

Mr. ALEXANDER. Mr. Chairman, today we are asked to approve an appropriations bill totaling almost $3.3 billion. This bill funds one of the most important activities in which our Federal Government is involved—national security.

As has been my practice with regular appropriations bills we have considered this year, I have attempted to determine what amounts of the money we will be approving might be spent in nonmetropolitan areas. As with too many of the previous bills which we have considered, that kind of analysis has not been possible.

And, as with many of these bills the analysis effort has been stymied by the lack of uniformity of categories used in the Presidential budget documents, the congressional committee documents, and the Federal outlays report. In addition, as with some of the other bills which we have reviewed, the report the committee made to the House has provided for lump sum appropriations in some cases.

These practices make it nigh to impossible for a Member of the House not serving on the Appropriations Committee to fully understand how much money we are spending in specific areas. For instance, in fiscal year 1973 the report on outlays by the Department of Defense shows that the following percentages of funds were used in nonmetropolitan areas:

Civilian pay	14.7
Military active duty pay	24.8
Military Reserve and National Guard pay	23.5
Military retired pay	15.1

Unfortunately the manner in which the report on the bill before us today is organized, it is not possible to use it in determining how many dollars these percentages would involve in fiscal year 1975—if the spending levels are maintained, except in one case. That instance is the "Military Retired Pay" category. In this case the figure for nonmetropolitan area outlays would be $912.1 million of the $6 billion recommended by the committee. These expenditures are, of course, determined by the residency of the recipient.

Mr. Chairman, I would hope that in the future the Congress can take action which will make it more feasible for the Members to obtain a more indepth knowledge—from the reports made available during consideration of appropriations bills, of where the money goes.

Mr. NIX. Mr. Chairman, I believe it is essential that the Congress act to reduce wasteful and unnecessary military spending. Our military budget continues its inexorable climb, year after year, despite the fact that we are at war with no one.

I believe we must set a reasonable ceiling on defense expenditures and stick to it. In a period of rampant inflation and economic recession, we must eliminate waste and reduce unnecessary expenditures wherever we find them—including the Defense budget.

In hearings I have conducted on American commitments in Asia, I have come to the conclusion that our military forces are too often assigned to outmoded and expensive asks. We are still spending billions to maintain land armies on the mainland of Asia, when our own national security, as well as stability in the area, would be better served by maintaining a strong and flexible naval force in the Pacific.

I will support an amendment to lower the ceiling on military aid to South Vietnam. Our extravagant subsidy of the South Vietnamese Government is not warranted by the national interest of the United States. The people of Southeast Asia must sooner or later determine their own future. Surely, we have learned by now that we cannot determine it for them.

Mr. Chairman, I believe that the resources of the Federal Government ought to be concentrated on meeting the needs of the American people. We have spent billions shoring up the economy of South Vietnam while our own economy is faltering badly. We have spent billions on the security of other nations while our own people are not secure in their homes and on the streets of our cities.

In the current recession, most Americans are faced with a declining standard of living. More and more, people are finding it impossble to find jobs, to find decent housing for their families, to secure medical care, and even to put food on their tables.

Mr. DEVINE. Mr. Chairman, I would like to introduce my comments into the record concerning the recent action of the Committee on Appropriations. I am sure that this committee has done a commendable job; however, I am concerned that they have deleted the funding for the Condor guided missile weapon system from the fiscal year 1975 budget. I am concerned because:

First. The Condor missile represents a significant advancement in missile technology and will revolutionize the tactical air attack capability which will greatly preserve our valuable resources in aircrews and aircraft, and

Second. Condor has been funded through its highly successful development program and is now on the brink of entering our weapon arsenal to satisfy a requirement that cannot be satisfied with any other tactical air to surface missile system.

I am hopeful that the relatively low level of fiscal year 1975 funding for this weapon system will be retained in the defense budget. This will permit us to realize the fruits of our previous successful development effort and maintain the technological advantage in the tactical air to surface weapons arena that this weapon so uniquely provides.

It is my understanding that the Committee on Appropriations emphasized the low-production rate identified for Condor by the Navy and consequently its high program unit costs. I would submit that Condor is a weapon with a unique capability and that its potential is not fully realized. Also, I would submit that the numbers quoted are not Condor production unit prices; but costs which include all forms of Navy support funds for their laboratories and test equipment and even on-going flight test programs. In order to more clearly delineate these important factors, I would like to read the following summary statement into the RECORD:

CONDOR PROGRAM

1. Status

The Condor Program has successfully completed development and is now ready for operational evaluation of the production version. Fifty Condor missiles are now in pilot production. Follow-on production is planned beginning in FY-75 to introduce Condor into the inventory.

2. Requirement

Introduction of this weapon into inventory is essential because it is the *only* weapon which is effective against highly defended land targets. Recent experience has proven that the loss of our $5–10M per airplane inventory will be severe if these defended targets are directly attacked. Also, the Soviet Bloc employs electronic jamming to which Condor is essentially immune. Without Condor, the price of attacking these targets is:

High loss rate of very expensive aircraft.

Loss and capture of our crews, and

Low rate of target kills in a jamming environment.

3. Differences from Harpoon and Walleye

The application of Condor, Harpoon and Walleye and their roles and missions should be clarified since people often erroneously consider these as similar weapons with overlapping capabilities.

The Harpoon is designed for use against *ship targets only* and does *not* have a land target attack capability.

T.V. Guided Walleye is an aerodynamically improved *bomb* designed to provide only moderate stand-off range and is only useable when electronic jamming is not present.

Condor is a highly maneuverable, powered, long range stand-off *missile* used against high value, heavily defended *land and sea* targets in an electronic jamming environment. It employs a secure command and control data link system which provides target identification, aimpoint selectivity, direct hit capability and target hit assessment.

Neither Harpoon nor Walleye can satisfy the Condor mission requirement for attacking highly defended land targets.

4. Cost

The cost of the Condor missile has been quoted at values that range from $379,000 to $736,000 per round.

It is important to note that:

The present production recurring unit cost of the 50 pilot production missiles is $269,000 per round.

This cost diminishes rapidly (on a steep learning curve) as additional missiles are procured.

The Prime Contractor has not yet had the opportunity to apply industrial production methods which have been successfully employed on other missile programs to further decrease unit cost.

For a follow-on buy of 500 missiles employing an industrial production model, the average production unit recurring cost is reduced to approximately $135,000 per round.

5. Growth application

The Condor modular design permits future adoption of alternate guidance and propulsions systems and larger warheads. Navy planned evolution of Condor to a direct hit, *all-weather* weapon is now in Engineering Develpoment. Continuation of this Dual Mode Condor Engineering Development program will greatly advance stand-off missile guidance technology to meet future requirements for world-wide application.

Additionally, the Dual Mode Condor Program is providing the only development effort related to a light weight, low cost, high resolution imaging radar. This radar is vitally needed for application to sea control aircraft to provide over-the-horizon target acquisition and location capability.

In addition to the above, Condor has been offered for foreign sales, with serious interest expressed by Iran, Israel and some NATO Countries.

6. Summary

As proven in the recent mid-East conflict, the requirement for Condor in today's known SAM environment is vital to effective air operations.

No other weapon nor combination of weapons satisfies this need.

The present contractor production cost of Condor missiles is $269,000 each for 50 pilot production missiles. In rate production, the unit cost for the follow-on 500 missile buy is expected to be $135K. This cost can be further reduced if quantities are increased by foreign sales and application to other U.S. Government aircraft.

Dual Mode Condor is the only direct hit all-weather tactical air to surface missile for use against land targets (of any stand-off range) that the U.S. Government has under development.

Dual Mode Condor is developing the only airborne radar for sea control application in the U.S. today.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the military appropriation bill, H.R. 16243. I do so not only on the basis of misplaced priorities, but more so because of the vast amount of money involved and the large increase from last fiscal year. I believe that passage of this bill in this form will have an inflationary effect on the economy. The economy cannot start any more inflationary pushes.

Before I discuss my objections to this bill, I wish to mention two laudable features contained. First, this is the earliest that a military appropriations bill has been considered by this body since my election to Congress. I congratulate the Committee for its good work. I hope that this trend towards earlier consideration will be continued and escalated.

Second, section 846 of this bill provides for officer grade limitations for grades O-4 through O-10. Last year, I offered an amendment to the authorization act which would have set a limit on the total number of officers. This year I did not, mainly because our distinguished colleague from Alabama (Mr. DICKINSON) informed me that the Armed Services Committee would handle the problem.

I would suggest that in the future all grades be limited by law and that we lower the limits from time to time. The problem of our large officer corps is twofold. First, there is the well known problem of "grade-creep." The ramifications of this problem is well known to all and do not need repetition by my part.

The second problem is the ratio of commissioned officers to enlisted men. In comparison to pre-Vietnam days, the percentage of officers to enlisted in our Armed Forces is much higher today. The problem is not only the expense involved—officers simply cost more than enlisted men—but also in terms of a conventional deterrent. An Army of officers will not be as credible a deterrent as a correctly mixed force.

I do wish to commend the committee for taking this much needed first step and hope that the trend continues in the future.

Despite this good work, I still oppose this proposed appropriation. This contains $83.3 billion. When military construction and foreign military assistance is added in, the total will be close to $90 billion. This is an inflationary amount and will not add to the security of our Nation.

It disturbs me greatly that we may not be able to cut the budget enough to effectively combat inflation. Most of our spending is in uncontrollable areas, and, because of this, beyond the means for Congress to control and cut. There are some appropriations which are not locked in, like military spending. If we are serious about achieving a balanced or surplus budget, there must be a large cut made in military spending. Military spending does not have to take all the cuts, but it must take some.

There are several good amendments which are being offered. With them, this bill may be improved somewhat. These amendments include a ceiling of $83 billion, a cut in the amount of aid to South Vietnam and an end to our binary nerve gas programs. However, while I might vote for this bill if it is so improved, I really do not believe that these proposed cuts go far enough. It is my hope that the Senate will make additional cuts, and that they will be incorporated in conference committee.

Mr. CONYERS. Mr. Chairman, the bugaboo of national security is about to strike again. This time, the Pentagon has skillfully set the artificial brushfire of the Soviet military menace with an intention to drive us over the abyss of fiscal and social bankruptcy. A peacetime military budget such as is here proposed is unthinkable. While we multiply our capability for slaughtering each of the Earth's inhabitants many times over, the starved programs aimed at bringing a minimal standard of living and improved quality of life to all Americans have been moved either to the back burner or often completely off the stove.

Why is this year's request not only the largest peacetime appropriation in our history, but also the first time that the military budget continued to grow in the year following the end of hostilities? The first peacetime budget after World War II was one-fourth of the previous year's, and the first post-Korean expenditure was down 30 percent. The Pentagon's global strategy is now unchanging despite supposedly gigantic changes in world politics including the much heralded shift from "the era of confrontation to the era of negotiation." The answer to this stagnation seems to lie in the remarkable coincidence between new weapon systems and the times when large military industries are looking for something to do. Each corporation has a planning group whose sole function is to choose suitable successors for weapons currently being produced. While the planning procedure is supposed to be an exercise in prediction, it becomes a self-fulfilling prophecy because of the intimate relationship with the armed services.

There can be no victor in a total war and as a corollary, no nation can pressure another with the threat of total war. But the promoters of the defense budget spend more and more each year procuring new strategic weapons systems when present systems are more than adequate.

Many of my colleagues have advanced the notion that a high level of defense spending leads to a high employment figure. On the contrary, no part of the economy with the exception of the space program created as few jobs per billion dollars spent as the military. Military spending could better be replaced with tax cuts or domestic governmental activity in education, housing, nutrition, energy research, health care or law enforcement; with a net gain per billion dollars of an estimated 20,000 jobs.

Why does the Pentagon get to claim inflation for much of their increases, when social programs are held to last year's level or sustaining further slashes? Are the people we are here to represent that inconsequential that we will tolerate decreased attention to their human needs? How long can we in good conscience allow better housing for ICBM's than for human beings? Is the leadership of the world's richest, and I keep hearing best, country going to continue in its blindness to this situation?

Until legitimate justification is proven, I cannot and will never vote for a military appropriation of this incredible magnitude.

Mrs. MINK. Mr. Chairman, House Report 93-1255, accompanying the Defense appropriation bill (H.R. 16243) for fiscal year 1975, proposes the disestablishment of a number of military headquarters in Hawaii.

According to the report, the declining U.S. military involvement in Southeast Asia has resulted in a reduced need for support activities for these forces in Hawaii. Accordingly, the Department of Defense is instructed in the report to close down or reduce commands of the Army, Navy, Air Force, and Marine Corps.

One phase of the planned cutback, the disestablishment of Headquarters, U.S. Army Pacific (USARPAC), has already commenced and is scheduled for completion by December 31, 1974. The closing will reduce civilian personnel at Fort Shafter, Hawaii, by 551 spaces, and military personnel by 852 spaces.

This is the claimed saving by the Army, but analysis proves that the disestablishment of USARPAC is not only false economy but potentially damaging to the defense of the United States. It is the adverse record in connection with the Army closing that prompts me to question the merit of further disestablishments or reductions affecting the Navy, Air Force, and Marine Corps in Hawaii.

I urge that Congress defer the proposal set forth in the House Appropriations Committee report. The concept of Hawaii as the central location of command for military forces in the Pacific has served well for many years. If our reduced involvement in the Vietnam war and elsewhere in Asia has lowered the number of personnel required to perform current missions, that is one thing. It is quite another to railroad out long-time career employees in violation of their rights and with no gain in military efficiency.

USARPAC was established in 1957 as an outgrowth of needs disclosed in the Korean conflict. It has played an important role over the last 17 years, and this should not be discarded lightly in a pell-mell rush to reorganize. Yet many employees have been victimized by reductions in force, with their duties to be carried out by foreign nationals in Japan and Korea. The Army instructed those explaining the disestablishment of Headquarters USARPAC to "avoid any reference which would imply we are disestablishing one headquarters while establishing three other major Army commands," but the hard fact is that the claimed personnel savings will be negligible when additional forces are deployed in Japan, Korea, and other Pacific areas.

Although I requested repeatedly that the reductions in force at headquarters USARPAC be phased out over several years, the Army instead used an accelerated procedure which is very costly because the separated employees must receive severance pay amounting to almost 1 year's salary. Many of the employees had only a year or two left before eligibility for early retirement.

The reduction in force has been carried out with undue haste, to the extent that the Army decided to RIF force and then transfer functions later. Although this apparently violates Civil Service Commission regulations stating that employees must be given an opportunity to transfer with their job or functions prior to being subject to RIF, the Civil Service Commission concurred.

I am attaching letters showing my long battle against these questionable procedures and effects. It seems to me that in light of this past history Congress should reject the proposals until full analysis can be made.

The correspondence follows:

March 11, 1974.

Hon. James R. Schlesinger,
Secretary of Defense, Department of Defense,
The Pentagon, Washington, D.C.

Dear Mr. Secretary: This is to urgently request adequate time be allowed for any disestablishment of the Army's Pacific headquarters at Ft. Shafter, Hawaii.

I am advised plans are still under review for implementing the proposal to shut down this office. In view of the large number of civilian employees involved, any precipitate action would cause grave injury to the careers of many professional employees whose skills are very valuable to the military and the national defense. It would also add appreciably to the unemployment rate. Since the functions they are fulfilling continue essential, I question the overall validity of any claim to savings in money or efficiency. At the same time, any reorganization to assure the continuation of these functions will require a considerable period of time.

Therefore, I request that any implementation plan allow two years at an absolute minimum, and preferably 5 years.

Very truly yours,

Patsy T. Mink,
Member of Congress.

Office of the Secretary of the Army,
Washington, D.C., March 25, 1974.

Hon. Patsy T. Mink,
House of Representatives.

Dear Mrs. Mink: This is in reply to your inquiry concerning the disestablishment of the Headquarters, US Army Pacific (USARPAC), at Fort Shafter, Hawaii.

The Department of the Army recognizes and appreciates your concern for the future of the US Army in the Pacific and, in particular, the disestablishment of Headquarters, USARPAC. The concept to disestablish this headquarters is predicated on the immediate need to improve the Army capability in performing its assigned mission and to comply with the intent of Congressional desires to reduce or eliminate headquarters staffs. This is being accomplished by the recently announced elimination or consolidation of certain management headquarters in the United States and overseas which, in turn, will provide required military spaces to improve the readiness of our combat units and will provide a more responsive command and control system. The personnel spaces realized from these actions will be used to improve the readiness of our combat units, including the 25th Infantry Division stationed in Hawaii.

Although Headquarters, USARPAC, will be disestablished in the near future, many of its functions will continue to be performed at Fort Shafter, at other Army installations on Oahu, or by the joint headquarters in Hawaii. Many of the functions currently performed by Headquarters, USARPAC will be consolidated into other US Army commands such as US Army Forces Command. This consolidation of functions will provide the necessary manpower spaces to improve our combat units. The need to realize these economies cannot be deferred substantially if required budget guidelines and fiscal constraints are to be met.

The Department of the Army will provide assistance, where possible, to ease the burden for those civilian personnel whose positions may be eliminated by this action. General Bennett, Commander in Chief, USARPAC, has instituted a full program to protect the rights of those civilian employees whose positions may be eliminated by this action. On 8 March 1974, each civilian employee received a memorandum from General Bennett outlining civilian personnel actions that he has directed. Further, all civilian personnel have received briefings, a USARPAC Priority Placement Program has been instituted and the USARPAC Outplacement Center was established on 18 March 1974. These actions will afford those personnel whose positions may be eliminated the opportunity to receive the benefits they are entitled to under the Department of Defense Stability of Employment Program for career employees to include priority rights to vacancies and priority for reemployment.

Thank you for your concern in the Army's reorganization and for the opportunity to present to you our rationale for this action.

Sincerely,

J. P. Kingston,
Brigadier General,
GS Deputy Chief of Legislative Liaison.

March 28, 1974.

Hon. James R. Schlesinger,
Secretary of Defense, Department of Defense,
The Pentagon, Washington, D.C.

Dear Mr. Secretary: This is to protest the plan to disestablish Ft. Shafter, Hawaii, which you announced at a Senate hearing.

Civilian employees at the base were notified on March 8 by the commanding general in effect that they may lose their jobs. It is obvious, however, that the Army does not know what will be done.

Instead of following an orderly and planned process, this matter was handled first by announcing the disestablishment and then later trying to determine how it might be feasible. In the process of this latter effort the employees have become potential innocent victims of a scheme that was not sufficiently studied before a decision was made.

Before the Department of Defense knew exactly what functions are to be shifted or what functions are to be continued at Ft. Shafter or at any other installation, or by joint headquarters in Hawaii, it was simply proclaimed that Ft. Shafter would be disestablished. On March 8 the employees were put on notice their position MAY be eliminated. They were told to choose what to do, but since there are no known alternatives, this is impossible. Everything is being "studied". An employee does not know what alternatives to choose from. He is simply left hanging in the air.

This is a shotgun tactic by the Defense Department: You tell an employee, "You may be RIFed; choose where you will transfer to". But they are not told what will be left in Hawaii to transfer *to* after the reorganization!

Some feel threatened. They are signing up for Korea and other locations. This is highly unfair to the dedicated, skilled employees whose services have been valuable to the Army for years and whose contributions are still needed.

I protest this slipshod method of treatment of your career workforce. If economies are needed there are better ways of achieving them than putting employees' necks on the block. This type of leadership is damaging to the armed services.

I urgently request your reconsideration of this decision until an actual plan is developed showing how disestablishment might be achieved. If it is still thought necessary, an adequate time should be allowed to permit reductions to be made by normal attrition.

Very truly yours,
PATSY T. MINK,
Member of Congress.

OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., April 10, 1974.
Hon. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: The Secretary of the Army has asked me to reply to your inquiry addressed to the Secretary of Defense concerning the disestablishment of Headquarters, US Army, Pacific (USARPAC) at Fort Shafter, Hawaii.

The decision to disestablish Headquarters, USARPAC was made in order to improve the overall efficiency and combat capability of the Army. This decision does not mean that Fort Shafter will be closed. Fort Shafter will continue to operate as an Army installation although with a different mission. The Department of Army recognizes the effect of such changes on its civilian employees and is taking positive action to minimize the impact.

General Bennett has instituted a number of programs to minimize civilian employee inconvenience as explained in previous correspondence. The USARPAC Priority Placement Program is the base program and was supplemented by the DOD Priority Placement Program on 4 April 1974. The purpose of the DOD program is to provide an interface with the other military services and with all Federal agencies. In addition, General Bennett is scheduled to meet with the USARPAC Civilian Advisory Council on 15 April 1974 in order to enlist their assistance for job placement assistance in the local communities.

General Bennett also has re-enforced the standing procedure that employees may seek guidance and assistance to insure that their personal requirements are being properly monitored through the civilian supervisory system. The goal of all programs is to insure that every possible channel of communication is open to assist each employee.

To assist the various placement agencies and prospective employers, each employee's personnel record is being audited in order to identify all the individual's skill qualifications. Each employee has been requested to complete a questionnaire indicating individual desires of future employment to include geographic location. The questionnaire program is purely voluntary but each individual is encouraged to participate. The civilian personnel programs have been implemented in order that job placement will coincide with the phased reduction and eventual elimination of the headquarters.

I hope this information will be useful in understanding current USARPAC organizational changes and the great concern the US Army has for the future of its civilian employees in Hawaii.

Sincerely,
J. P. KINGSTON,
Brigadier General, GS, Deputy Chief of Legislative Liaison.

MAY 2, 1974.
Hon. JAMES R. SCHLESINGER,
Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: This is in further regard to your decision to disestablish U.S. Army Pacific Headquarters at Ft. Shafter, Hawaii.

I believe, first, the disestablishment decision itself should be reconsidered. Secondly, if the decision is affirmed to close down this headquarters, the time allowed should be extended, perhaps to as much as five years to permit a phasedown which will not result in hardship and inequity affecting longtime employees.

Regarding the disestablishment itself, I am advised that by May 8 a proposal is due at the Department of the Army for consideration by the Secretary of the Army, with a decision on implementing the plan due by the end of this month. Before this process is completed and the Army becomes committed to a specific plan, I feel that in the interest of the military services and employees, you should reconsider whether disestablishment of USARPAC will result in the claimed benefits.

When the headquarters in Hawaii is eliminated, the proposed plan calls for transferring many of its functions to four overseas commands such as in Korea, Vietnam, and Japan. This transfer of logistical support activities is completely in opposition to the proclaimed Department of Defense policy of having such functions coordinated in CONUS. Under the new scheme, each overseas Army command would have to act as its own theater headquarters for the USARPAC functions and transmit its communications directly to Department of the Army in Washington. This will create four times the workload in logistical support for these installations. There will be four times as many people involved, and no saving at all in personnel expense. In addition, it is impossible to maintain telecommunications between locations in Asia and Washington, D.C., in the same day because of the difference in time zones. The Army needs Hawaii as an intermediary since there is only a 6 hour time difference.

Although in theory the Army seeks to convert to an all-volunteer force, which means placing as many civilians as possible in non-military-type jobs, the effect of the proposed plan is to eliminate all top, experienced civilians at USARPAC and replace them with military personnel who thoroughly lack expertise to function adequately. Thus the military mission which the closure sought to enhance will instead be jeopardized by this change.

The Department of Defense talks a lot about the need to keep all of its experienced civilian personnel, but here is a headquarters being dumped with no real opportunity for these people to move anywhere. Hawaii is surrounded by 2,000 miles of water. It is not like disestablishing a unit in Arkansas and asking the employees there to transfer to Tennessee. Moving from Hawaii to the mainland, or to foreign overseas areas, is an extreme alternative. These skilled employees have their life roots in Hawaii and are unable to move. Yet they are being asked to do so, apparently because the Department is blindly following a preordained scheme heedless of the consequences of its merits.

Most of the workers involved are in their forties. They fall just short of meeting the requirements of 20 years of service at age 50, or 25 years of service at any age, the RIF requirements for retirement. For them in particular a phase-out would be most important.

Since you started this whole process, I ask that you carefully reconsider the impact of and need for this disestablishment. While some reduction in personnel may be justified, you are only causing a meaningless reorganization to occur. The need for the functions of USARPAC will remain and must be performed somehow, unless bases are closed down in Pacific overseas areas. Consequently, an arbitrary closedown without thought to more practical and feasible alternatives serves no logical purpose. In view of the injustice and inequity inflicted on individuals who have worked for the Army nearly all their adult years, I feel you have an obligation to these employees to justify such an approach in concrete and specific terms of objectives being met.

It seems to me the current studies should be directed toward the best method of achieving whatever objective caused you to act against USARPAC, rather than merely to implement a hastily-made decision to follow on alternative. If despite this you still insist on total disestablishment, then common sense would indicate the need for a long-term phase-out which would not purposefully damage the lives of Defense employees. I ask your prompt and urgent reply.

Very truly yours,
PATSY T. MINK,
Member of Congress.

OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., May 13, 1974.
Hon. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: The Secretary of the Army has asked me to reply to your inquiry addressed to the Secretary of Defense concerning your request to reconsider the decision to disestablish Headquarters, US Army Pacific.

As you are aware, the Army must continually plan for and implement measures to streamline and economize while, at the same time, improve efficiency and capability of our forward deployed combat forces and strategic reserves. The decision to disestablish various intermediate headquarters is designed to attain these needs. Technological advances in communications and transportation enhance our ability to coordinate with and support our forward deployed forces directly from Headquarters, Department of the Army.

The Department of the Army, as you have mentioned, has just received USARPAC's implementation plan for disestablishment of Headquarters, USARPAC and realignment of the Army organization in the Pacific during FY 1975. The Army Staff is now in the process of an in-depth evaluation of the plan. The results of the evaluation are not anticipated until early June.

As noted in previous correspondence and in recent news releases in Hawaii, the Department of the Army recognizes the effect disestablishment of Headquarters, USARPAC has on its military personnel and civilian employees. Every effort continues to be expended to minimize the impact associated with the change in our structure in Hawaii and elsewhere.

I know you recognize we must move forward with plans for realignment of US Army forces in the Pacific and I hope this letter provides you with an understanding of the rationale behind our decision.

Sincerely,
J. P. KINGSTON,
Brigadier General, GS, Deputy Chief of Legislative Liaison.

MAY 21, 1974.
Hon. JAMES R. SCHLESINGER,
Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: I am disappointed that my letter to you, to which I expected the courtesy of a reply from you, was assigned to the Army liaison office for perfunctory response.

The enclosed response is not adequate. It misleads by attributing the decision to disestablish USARPAC Headquarters to "technological advances in communications and transportation (which) enhance our ability to coordinate with and support our forward deployed forces directly from Headquarters, Department of the Army." No evidence is offered to support this suggestion, nor was any response made to my inquiry as to higher additional costs and administrative burdens necessitated by the need to create new levels of staffing at overseas foreign locations replacing the Hawaii headquarters.

In view of the continuing lack of response by the Department to the real issues involved in the disestablishment, I respectfully request an appointment to speak with you directly on this matter. In order to be meaningful, such meeting should be held in the immediate future prior to the time the disestablishment plans are approved at the Department of the Army level.

May I have an expeditious reply from you concerning my request for an appointment?

Very truly yours,
PATSY T. MINK,
Member of Congress.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., June 14, 1974.

Hon. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: With regard to your recent letters concerning the phaseout of Headquarters, U.S. Army Pacific, I understand your concern and I would like to explain our reasons for eliminating this and a number of other Department of Defense headquarters around the world.

The decision to disestablish Headquarters, U.S. Army Pacific (USARPAC) was made as a part of an overall Department of Defense effort to reduce headquarters and their costs. Reductions made will be reprogramed whereever possible into combat units. In this way, we believe we can achieve greater combat capability without increasing overall cost.

Concerning your question about the actual manpower savings which will result from eliminating the USARPAC Headquarters, these savings will be significant and will include some logistics support personnel. In computing these manpower savings we do not intend to take credit for USARPAC Headquarters personnel who are transferred to other headquarters. As you know, the implementation plan for disestablishing USARPAC headquarters is in the final stages of review within the Department of Defense. The results of that review including numbers of actual manpower savings and related cost benefits of this decision will be made known to Congress before the end of the month.

With regard to your question concerning whether or not logistics coordination will be more difficult, the answer is that it will not. In the area of logistics, USARPAC Headquarters acted primarily as a collating agency. In the new Army structure this middle man is eliminated and the newly designated U.S. Army Forces Command will work directly with the Department of the Army staff and other military commands or agencies as appropriate. This will not create four times the workload in logistical support, nor involve four times as many people. The decision to eliminate USARPAC Headquarters was based on shortening the line of command from Headquarters, Department of the Army, to Korea, Japan and Okinawa and expanding the control of U.S. Army Forces Command at Fort McPherson, Georgia. Army forces and installations in Hawaii can be administered, managed and commanded just like forces in the Continental United States, and that is the job of Forces Command. The decision was also made possible by the phase-out of Army activity in Southeast Asia.

As previous correspondence with you pointed out, the Department of the Army recognizes the effect disestablishing this headquarters has on its military and civilian employers. We are making every effort to reduce the impact as much as possible. Under the Defense Department's Program for Stability of Civilian Employment, we will work with the Civil Service Commission to assist displaced employees in obtaining other Federal employment. In those cases where civilian employees suffer downgrading, their salaries will be protected to the maximum extent provided by the law and regulations. Close liaison will be maintained with the Department of Labor, state employment offices and private industry to help employees desiring to be placed in the private sector. A U.S. Civil Service Commission representative has been assigned to the outplacement center of USARPAC for civilian employees to arrange job interviews at other Federal agencies in Hawaii.

I sincerely hope that this information assists you in understanding our decision regarding the elimination of Headquarters, U.S. Army Pacific.

Sincerely,
WILLIAM K. BREHM.

JUNE 3, 1974.

Maj. Gen. T. H. TACKABERRY,
Chief of Legislative Liaison, Department of the Army, The Pentagon, Washington, D.C.

DEAR GENERAL TACKABERRY: Please investigate the legality of the procedures used against Federal employees in connection with the disestablishment of headquarters, USARPAC.

I would like this to include an explanation of how they can be issued a RIF notice first and then an order for transfer of positions issued.

The space of one employee was first identified for transfer and the employee so informed. Later, the employee was told there would be a RIF of the position first. Apparently the regulations are changed or implemented according to the changing wishes of the local general. It seems to me there are proper procedures set forth and these should have been followed from the start without change.

Very truly yours,
PATSY T. MINK,
Member of Congress.

OFFICE OF THE SECRETARY OF THE ARMY,
Washington, D.C., July 15, 1974.

Hon. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: This is in reply to your inquiry concerning personnel reduction plans to be used during disestablishment of HQ, United States Army, Pacific (HQ USAR PAC).

The disestablishment of HQ USARPAC will result in the elimination of some functions and the transfer of continuing functions to Headquarters, Department of the Army and other Army commands and activities. The options available for administering the disestablishment are: (1) complete the transfer of function (TOF) first and then apply reduction in force (RIF) procedures or (2) apply RIF procedures first and then accomplish the transfer. If the TOF were to be accomplished first, spaces in support of continuing functions would be transferred out of the competitive area and placed in a new competitive area. Consequently, many employees with senior retention standing and veteran's status, whose positions are abolished, would lose their "bumping" rights. In applying RIF procedures first and then accomplishing the TOF, the competitive ("bumping") area remains intact, thus affording all eligible employees, whose positions are abolished, maximum opportunity to compete for remaining positions in accordance with civil service status and veteran's eligibility requirements as prescribed by the US Civil Service Commission.

On 2 May 1974 the Commander in Chief, USARPAC (CINCUSARPAC), approved the option of applying RIF procedures first to identify employees eligible to accompany functions to the gaining command or activity. This decision was made to provide maximum competition among employees for positions in continuing functions and to protect employees' Civil Service entitlements. It is particularly emphasized that his authority to exercise this option was affirmed by Department of the Army and the US Civil Service Commission. After a visit to HQ USARPAC by a Department of the Army representative, 15–24 May 1974, it was confirmed that tht CINCUSARPAC's decision to conduct RIF first complied with prescribed legal and regulatory requirements.

It is hoped that this information will be of assistance to you.

Sincerely yours,
T. H. TACKABERRY,
Major General, GS,
Chief of Legislative Liaison.

JUNE 3, 1974.

Hon. ROBERT E. HAMPTON,
Chairman, U.S. Civil Service Commission, Washington, D.C.

DEAR MR. CHAIRMAN: Please investigate the legality of the procedures used against Federal employees in connection with the disestablishment of headquarters, USARPAC.

I would like this to include an explanation of how they can be issued a RIF notice first and then an order for transfer of positions issued.

The space of one employee was first identified for transfer and the employee so informed. Later, the employee was told there would be a RIF of the position first. Apparently the regulations are changed or implemented according to the changing wishes of the local general. It seems to me there are proper procedures set forth and these should have been followed from the start without change.

Very truly yours,
PATSY T. MINK,
Member of Congress.

CIVIL SERVICE COMMISSION,
Honolulu, Hawaii, July 9, 1974.

Hon. PATSY T. MINK,
House of Representatives,
Washington, D.C.

DEAR MRS. MINK: This is in further reply to your letter dated June 3 concerning the reduction in force plans being implemented as part of the disestablishment of Headquarters, USARPAC.

As a result of the disestablishment, to occur on December 31, 1974, certain continuing USARPAC functions will be transferred to Headquarters, Department of the Army or to other Army commands. Certain other functions will be eliminated entirely.

Regarding the transferring of functions, the Federal Personnel Manuel Chapter 351 on *Reduction in Force* (RIF), outlines agency management's options when initiating RIF proceedings as part of transfer of function activity. Specifically, management may either carry out the transfer of function and then institute the RIF at the gaining installation if necessary, or it may elect to apply RIF procedures at the losing activity prior to initiating the transfer of functions.

In the first instance, employees identified with the transferring function either must move with that function or be subject to discharge under the adverse action provisions provided for in FPM Chapter 752, *Adverse Action by Agencies.* Employees electing to move rather than face adverse action may yet be affected by a RIF action at the gaining activity undertaken in order to comply with personnel ceiling regulations or to eliminate employees surplus to the efficient operation of the transferring function. In deciding upon the second option, management would be affording employees greater opportunity for continued employment as there would be no need to apply adverse action proceedings against employees refusing to transfer. Moreover, employees affected by the RIF would benefit from such provisions as salary retention, affirmative outplacement programs, displaced employee benefits, etc.

We are aware that the Commander-in-Chief, USARPAC (CINCUSARPAC) has given approval for implementing RIF procedures prior to conducting transfers of function. His stated rationale for doing so is to provide

maximum competition among employees for positions in the transferring functions and to safeguard employees' Civil Service entitlements. The CINCUSARPAC decision is in compliance with Civil Service regulations and law.

We are unsure as to the specifics concerning the case of the employee cited in your letter but we assume that his being told that there would "be a RIF of his position (prior to transfer)" is a result of the agency's decision.

We hope that this information will be of help to you. Please let us know if we can be of further assistance.

Sincerely yours,

Jan K. Bohren,
Area Manager.

July 17, 1974.

Hon. Howard H. Callaway,
Secretary of the Army, Department of the Army, The Pentagon, Washington, D.C.

Dear Mr. Secretary: Your consideration **of the impact upon civilian employees of the disestablishment of U.S. Army, Pacific Headquarters at Fort Shafter, Hawaii, is respectfully requested.**

Despite assurances that every thought is being given to these civilians, most of whom have given over fifteen years to this function, it is now stated, flat out, that all reductions in force will be effectuated by November 1, 1974, to coincide with the retirement of General Bennett so that a replacement need not be brought in for a short period. I am told **that November first is chosen because of executive policy not to present a 'RIF' notice as a Christmas present.**

The initial statements were to the effect that disestablishment would be completed by June 30, 1975. I would respectfully request that at least this date be kept. Only with such a date will it be possible to effectively place all 'RIFed' employees. I would urge your personal examination of the actual figures that have been prepared by the employees' representatives of those who cannot be placed by a December 31, 1974, termination date. They number over 500 employees.

By way of support for the termination date of June 30, 1975, I cite the fact that the actual plan for disestablishment was not announced by yourself until June 27, 1974. A target date of one year would provide a more realistic timetable for placement of all 'RIFed' employees.

The enclosed message indicates further that the ability to achieve an 'orderly' phase down of USARPAC with all pickup of functions in your overseas command posts in Japan, Korea, and Thailand of functions previously served is not feasible because of the lack of computer capability from Washington, D.C., to these overseas installations without trans-shipment out of USARPAC, which is further complicated by the long time difference compounded by the international date line.

From the standpoint of good-faith consideration of the civilian employees' need for more time to locate positions, from the standpoint of money saved and greater efficiency and a more orderly phase down, I respectfully urge that you establish a termination date of June 30, 1975.

Thank you very much.

Very truly yours,

Patsy T. Mink,
Member of Congress.

Office of the Secretary of the Army,
Washington, D.C., July 19, 1974.

Hon. Patsy T. Mink,
House of Representatives.

Dear Mrs. Mink: Mr. Callaway is temporarily away and has asked that I acknowledge your letter of 17 July 1974, regarding the disestablishment of Headquarters, U.S. Army, Pacific.

We will get back to you on this matter as soon as possible.

Sincerely,

J. P. Kingston,
Brigadier General, GS, Deputy Chief of Legislative Liaison.

Mr. FLOOD. Mr. Chairman, when I entered the Chamber a while ago and heard the many kind words being said about my good friend, the gentleman from Ohio, Mr. Bill Minshall, I feared that he had died. But I see my friend here hale and hearty as usual, and I have learned that the occasion for the kind remarks is the fact that since he has chosen not to run for reelection to this body, this is the last time at which he will act as ranking minority member of the Defense Appropriation Subcommittee in the presentation of the Defense Appropriation bill to the House.

I must add my accolades to those of my friends for Bill Minshall has truly been an outstanding member of the committee. Over the years, we have stood together in many a scrap. I recall the decision of the Bomarc. The Air Force pressed Congress for funds for an antiaircraft missile called Bomarc. The gentleman from Ohio and the gentleman from Pennsylvania assured the House it would not work and was not worth the money. In spite of these wise words, considerable funds were expended on this program and today I do not believe anyone would disagree with our position that the program was not worth the money.

Bomarc is just a single example of the efforts of Bill Minshall over a period of two decades to provide for a strong national defense, but to give the taxpayer every possible break through the elimination of programs which could not stand on their own. Those of us on the subcommittee are well aware of his contribution and I am sure most of my colleagues in the House are too. I think the public record should show that the Nation as a whole and the entire Defense Establishment has benefited from Bill Minshall's service on the Defense Appropriation Subcommittee.

What we are talking about today is the military strength of the United States, this year and for years to come. This bill not only has money to pay the personnel and buy the fuel and pay the rents and the other things required to continue our military force today, but it contains money to buy aircraft which will not be delivered for 2 years or more from now; to buy ships which will not be delivered until 5 years from now; and to pay for the research and development on new weapons and equipments required in the 1980's.

The bill as reported by the committee recommends the appropriation of $83.3 billion and additional transfer authority of $400 million for a total funding availabilty of $83.7 billion. Now, that is a lot of money. Some people will say that it is too much money, and amendments will be offered to make reductions.

Let us not kid ourselves. It is a lot of money, but it takes a lot of money to pay for a first-class military establishment today. It takes a lot of money to buy anything today.

Why do we need to spend this kind of money on military forces at a time when we are not at war? The simple answer to that question is that you cannot wait until you are at war to build a military force. Perhaps there was a time some centuries ago when a nation could wait until an attack was made and then start raising military forces and then present a successful defense. If that was ever true, it is certainly not true today. The military adage of "get there firstest with the mostest" is more valid every year. With modern transportation and communications, a war today can be over in a hurry if one of the participants is not adequately prepared in advance.

Why do we need to be prepared today? We need to be prepared because we live in a world with nations who do not wish us well. Some will say that this is an era of détente and that we can reduce our military preparedness, but military strength is as essential today as it ever was. If you want to know what can happen to a country without military strength, ask the people of Poland. Ask the Latvians or the Lithuanians. Ask the Czechs or the Hungarians. They can tell you.

If you think we live in an era of peace, just recall a week ago the confrontation between our two NATO allies—Greece and Turkey—over the island of Cyprus. This confrontation still goes on today. Although active fighting has ceased, no real solution has yet been found.

Look at the Middle East. We have a period of relative peace in the Middle East right now, but I do not know anyone who would be willing to bet a hat that this peace will continue indefinitely.

If you want to know why we have to spend money on national defense, you should sit with the Members of the Defense Appropriations Subcommittee and listen to the intelligence briefings we listen to. You should look at the evidence of build-ups by the Soviet Union in all areas—in intercontinental ballistic missiles, in new ships, in new tanks, in weapons of all kinds. There is no question but what the Russians see themselves as a nation destined to be great and that they realize fully that one price one must pay for national greatness is the price of military strength. We know that, too. We have a first-class military force today and we must continue to have a first-class military force tomorrow, and tomorrow, and tomorrow.

Now, there are weaknesses in the Department of Defense. There always have been. Secretaries and Generals come and go constantly and some are better than others. They waste money. We have found places where we thought they were wasting money and the committee has recommended reductions totaling $3.7 billion from the budget request. There may be some other weak areas but we thought that $3.7 billion was enough to take from the Defense budget at this time. We told the Defense Department that we know that inflation is making it difficult for them to buy the goods and services needed and we told them that where they find other weak programs to take the money from those programs and place it on higher priority, more solid, programs rather than coming back to Congress for additional money. I think that this is an opportunity for the Congress and the Defense Department to work together to a mutual objective of the most defense for the least cost.

Some of the actions taken by the committee not only have a dollar impact on this year's bill but will result in savings amounting to billions of dollars in the years to come. For example, the committee recommends the deletion of all funds for the so-called sea control ship requested by the Navy. The sea control ship is essentially a miniaircraft carrier which is so small that its flight deck could not accommodate conventional aircraft but only helicopters and a yet to be developed vertical take-off and landing aircraft. The sea control ship was highly touted by the previous Chief of Naval Operations but the committee and the Congress generally did not think it was the best way to go in modernizing our Navy. The sea control ship is essentially a defensive ship which would be used to help protect convoys crossing the oceans. We believe that new ships should have offensive capabilities and be able to take the fight to the enemy rather than play a more passive defensive role. The Navy had requested $142.9 million to build the first sea control ship. The authorizing committees looked at this matter carefully and deleted all but $16 million of the request.

In effect, the authorizing committees gutted the program and we propose to give it a decent burial by removing the remaining $16 million. So, insofar as the House is concerned, the sea control ship is dead.

If Congress had approved this program, the first ship was only a beginning. The Navy planned many such ships at a total procurement and operating cost of billions over the years.

Another recommended action by the committee which involves the Navy and which will save billions of dollars is the refusal of the committee to fund a new fighter-bomber aircraft for the Navy. The Navy had requested $34 million to initiate development of a new aircraft known as the VFAX. All of you who have followed Defense matters know that the Air Force is now engaged in the prototype development of a new lightweight fighter aircraft. Both prototypes are flying and both appear to be extremely good aircraft. The committee told the Navy that rather than developing a separate new aircraft for the Navy, the Navy should modify the lightweight fighter aircraft chosen by the Air Force.

One of the most successful military aircraft programs we have had in recent years is the F-4 aircraft which has been made by the McDonnell Corp. in St. Louis, Mo., for a number of years. The F-4 was developed by the Navy, was bought by the Air Force also, and sold to many foreign countries. It has been an outstanding aircraft and more than 4,000 of them have been produced. When you produce large numbers of an aircraft over a long span of time, you work the bugs out and you get the production costs down. We want to see this done again, and we think this can be done with the lightweight fighter being developed by the Air Force and we feel that the success of the program will be much greater if the Navy joins in.

We do not kid ourselves that it will be easy to get the Navy to join in. In all of the military services there is what is called the "NIH" factor which means "not invented here." Anything that they did not initiate and invent within that service or by a contractor employed by that service is not welcomed with open arms. We feel that this parochialism is out dated and results in excessive costs to taxpayers. We call on the Secretary of Defense to exercise his civilian authority to see that the great savings made possible by a joint program are realized.

Mr. Chairman, I could go on with other examples, but the report which runs to 171 pages sets forth all of the committee recommendations in detail and has been available to the Members.

I support the bill as reported by the committee and I urge the Members to support the committee bill. This is no time to be playing fast and loose with national defense. The present state of the Nation and the world situation are such that the consequences of any actions which tend to indicate a softening or a weakening in the resolve of the United States could have far reaching adverse effects. I plan to stand with the chairman in support of the committee bill and urge my colleagues to do the same.

Mr. MINSHALL of Ohio. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE

OPERATION, AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $2,689,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $6,228,389,000, of which not less than $370,000,000 shall be available only for the maintenance of real property facilities.

AMENDMENTS OFFERED BY MR. GIAIMO

Mr. GIAIMO. Mr. Chairman, I offer an amendment, and I have another amendment which is on page 24, which is related to this matter. I would ask unanimous consent that the two amendments be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. GIAIMO: Page 6, line 10: delete "$6,228,389,000" and insert in lieu thereof "$6,190,889,000."

And on page 24, line 9: delete "$1,831,630,000" and insert in lieu thereof "$1,786,630,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut that these amendments be considered en bloc?

There was no objection.

Mr. GIAIMO. Mr. Chairman, both of these amendments deal with the antiballistic missile system known as Safeguard. The first amendment reduces the operation and maintenance portion of the budget by $37½ million. The Army requested $75 million for operation and maintenance of the antiballistic missile system. This amendment cuts their operation and maintenance in half to $37½ million.

The second amendment on page 24 deals with research and development money for the antiballistic missile system wherein the Army asked for research and development of $45 million for this year for the ABM system known as Safeguard. My amendment would cut out all of that $45 million. In effect what my amendment does is it terminates the ABM system Safeguard which is presently located at Grand Forks, N. Dak. It says to the Army: You do not need the $45 million to "operate" this program. You can use $15 million which you have from the prior year in unobligated funds to close it out, and you can use half of your operation and maintenance money, $37½ million, during the process of closing it out.

Why do we suggest that this Safeguard antiballistic missile system be closed out? Bear in mind that the President entered into a treaty with the Soviet Union this summer in July, a month ago, limiting the United States and the Soviet Union to 1 antiballistic missile system each with 100 launchers in each country. Our system is the one known as Safeguard out at Grand Forks, N. Dak., actually to defend our Minuteman defensive missile sites.

We have spent money on the antiballistic missile system, over my opposition and the opposition of many in this Congress, who said it would be a wasteful endeavor. And when we talk about expenditures of money, here is a classic case of wastefulness, where we say, spend money for the defense of the

United States but for heaven's sake spend it wisely.

Mr. Chairman, we have spent $4.9 billion over the years on Safeguard, and what do we have for it? We have yet to have an operational system. Not only that, but we are now going to go to the second generation of antiballistic missile systems known as Site Defense, so that we have really outgrown and made obsolete Safeguard $5 billion later and before we have even implemented it operationally. We have money in this budget for the Site Defense, the new system. We cannot deploy a new system until we discard the old one, because under the treaty agreement we can only have one ABM system. This just does not make sense.

There are additional, more important reasons, which are classified, as to why we should terminate this expenditure of over $80 million for the Safeguard system. Since they are classified I cannot state them here, but if the Members will look in the classified record in the committee table on page 2974 of the record, they will find ample reasons why this is an absolute waste of $80 million which is not going to give the United States one iota of additional security or defense.

But, as some say, "Let us not take any chances here. Let us err on the side of safety." Nonsense! That is the way to bankrupt the American people, the American Government, the American taxpayer.

I say to the Members, after listening to all of the hearings, that if ever there was a place where we could save $80 million or spend it more wisely in another area of defense activity, it involves this obsolete and in my opinion useless Safeguard system which is presently being deployed in North Dakota. But the argument is that we have spent $5 billion on it, so how can we stop now. Admittedly we cannot recoup the waste of $5 billion but we do not have to continue to go on wasting money, we do not have to throw away an additional $80 million because we have already spent $5 billion. I urge the adoption of these amendments.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendments.

In the quietness of this Chamber let us reason together about Safeguard. We started 10 years ago trying to develop an anti-ballistic-missile system. If we could develop a sure fire, utterly reliable anti-ballistic-missile system we could do a great deal for the peace and security of the world and the safety of the United States. So 10 years ago we began working on what we called Nike X. Later it was called another name; it was called Sentinel. And now it is called Safeguard.

All right, we have invested about $5 billion in it. It was for a good cause. We do not know whether, when we start one of these research and development programs, it is going to be a success or not. Well, here we are, nearing completion of Safeguard. The Department of Defense wants to install and test it out with troops to try to learn all the lessons that can be learned and be in a better position to cope with this serious threat to our security in the future. So I think it would be utter folly for the Congress to just cut off a program nearing completion, upon which we have expended about $5 billion. It does not seem like good old Yankee trading to me, and I sincerely hope that we will not adopt the amendments offered by the gentleman from Connecticut.

Our country has agreed with the Soviet Union that they will have one ABM site and we can have one such site. Shall we unilaterally give away this bargaining chip, shall I call it? Shall we unilaterally forsake our effort to learn more about problems associated with anti-ballistic-missile defense?

The Soviet Union has had its system in operation now for about 6 years. So why should we not try to keep ahead in technology—and I think we are ahead in technology with this system? I do not think there is any surefire way and probably there never will be any surefire way to combat the intercontinental ballistic missile, but I would certainly regret to see us back away at a time when the Soviet Union has agreed with us and we have agreed with them that we will each have one ABM site.

Let us get something for this by way of international agreement and let us get something for this by way of technological information. Let us not as a Congress accept and assume the frightful responsibility of letting $5 billion go down the drain without any benefits, without the maximum of benefit that can come from this program. Let us not err on the side of safety. Let us not err at all. Let us go ahead and exploit this program for all it is worth. It is nearing completion and we can have it in standby or for purposes of study and otherwise in the future.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I will be glad to yield to the gentleman but I think the argument I have made is incontestable. I am surprised the gentleman asks me to yield.

Mr. MAHON. Does the gentleman want to go home and say, "Hurrah, hurrah. I was one of those that went along with the committee and spent $5 billion and did not get any benefit from it?"

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding. I want to say that I am against Safeguard and have so told my constituents at home who agree with my opposing this waste of taxpayer dollars. The gentleman says there will be some benefit from this $5 billion. I think the only benefit we can get from the $5 billion is by return to the taxpayers at least $80 million.

Will the chairman agree that all we are talking about is protecting one site, that we have over 1,000 land-based ICBM missiles and all we are talking about is protecting a few at one site?

Mr. MAHON. In this program, we are talking about only one site. It could be saturated by a large number of intercontinental missile warheads.

This is not, frankly, the answer. Maybe there is no answer. Perhaps the Soviets do not have confidence in their system. Maybe we do not yet have confidence in ours, but let us learn what we can.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. GIAIMO and by unanimous consent, Mr. MAHON was allowed to proceed for an additional 2 minutes.)

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Connecticut.

Mr. GIAIMO. The chairman knows I have a great deal of affection for him.

Mr. MAHON. No doubt, and I want to reciprocate.

Mr. GIAIMO. We both want to do what is right. I am sure the gentleman will agree if we could find $80 million, it would be good. We could find other areas of defense where it is much needed; but the gentleman speaks of studying and testing and so forth. What possible good can we get from the deployment of an ABM system?

Now, Safeguard cannot be used. The only time they could be used. God forbid, is if there was an attack on the United States. So we are not really going to learn anything from it and this money could be better used if it were taken out of the Safeguard and put into site defense or a study of new missile technology. So what do we get from the deployment of the Safeguard?

Mr. MAHON. We gain in attempting to learn all we can, without actually using it in war in the field.

I would think the House would not want to abandon this program at this time. I would not like to assume that. Let us vote on the issue.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I will yield if I have further time.

Mr. LEGGETT. The gavel has not fallen yet.

I appreciate the gentleman reasoning with us and I appreciate having his reasons favoring Safeguard. I think the gentleman's reasoning favoring other programs is more salutary; but to carry on research in the Safeguard area after we know what the automated site defense is and the benefits we can gain out of that system——

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. LEGGETT and by unanimous consent, Mr. MAHON was allowed to proceed for an additional 2 minutes.)

Mr. MAHON. I would like to accept the time.

Mr. LEGGETT. To carry on research at the site appears to be rather a tenuous argument to make to spend this $80 million over the $50 million that the gentleman indicated is in the budget to complete out and phase down the Safeguard. If we are going to test the Safeguard, if we will do it in the regular way we have in the past, to wit, Kwajalein, or off the coast of California, we are not going to do any firing off the coast of the Dakotas.

Mr. MAHON. We will see how well those electronic gadgets work and what would be possible under all the circumstances. This is not dissimilar from many efforts we have made, not always successful, for the protection and security of the United States and the peace of the world.

Mr. LEGGETT. Of course, we went to great expense to build the Ajax and the Hercules and we manned those for 15 years. Now the committee has recommended the dismantling of those facilities. To protect us with 30 Spartans and 70 Sprints, at the Safeguard site under consideration, to protect a small number of Minuteman missiles, cannot be a major strategic objective of the United States, as compared with carrying on the important research we are doing with the site defense which is out at Kwajalein.

Mr. MAHON. I would say to the gentleman that my judgment is to the contrary, and it happens to be supported by the Secretary of Defense and the Joint Chiefs of Staff. I believe that we ought to pursue this to the end. We are almost to the end of the program. Let us pursue it to the end.

Mr. FLYNT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I support the amendment offered by the gentleman from Connecticut (Mr. GIAIMO). I wish that it were possible, but it is not possible, to divulge to this House the classified hearings on this subject. I have an idea that if security classifications did not prohibit that, if we could bare these classified hearings, that there would be no doubt but that this amendment would be adopted. It might even be accepted by unanimous consent.

This is a very delicate subject to discuss because of some of the classified testimony which caused some of us to believe that there is nothing to be gained throwing good money after bad. It is true that we have gone through this exercise—maybe an exercise in futility, maybe something better than that—over the 10-year life of the Safeguard program. We do know that it has consumed about 10 years and about 5 billions of dollars of defense funds.

And what has it accomplished and what have we achieved by this expenditure of time and this expenditure of 5 billions of dollars? Let me make this very clear: it is not those of us who offer this amendment who are going to take the action that will be taken in connection with this program. Those things have been decided by other authorities. If we had unlimited funds; if we were operating this Government at a surplus instead of an overwhelming deficit every year, and if we were reducing instead of increasing the national debt year by year with every expenditure that we make, I would have no objection to continuing this program with this $80 million which is in the bill and which the amendment of the gentleman from Connecticut seeks to delete.

But, if it is a case of an exercise in futility, and if it is a case of throwing 80 more million dollars of good money after $5 billions of bad money, then I cannot see the reasoning behind a continuance of what is apparently a futile effort.

Mr. Chairman, it is always with great reluctance—sometimes almost bordering on temerity—that I oppose the position taken by the great chairman of this subcommittee and of this Committee on Appropriations, the gentleman from Texas (Mr. MAHON). I know that he respects the views of those of us who support this amendment, just as we respect his views and the views of others who oppose the amendment and want to spend an additional $80 million in furtherance of this futile, inefficient, and ineffective project known as Safeguard.

I wish that I knew with precision what the answer to this is. I wish that I thought we could derive some additional technology and some additional benefit from the $80 million more which the committee bill proposes to expend on ABM System Safeguard.

If I thought that there were a reasonable opportunity to derive any valid benefit from it, I would oppose the amendment and support the committee position.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. FLYNT, was allowed to proceed for 30 additional seconds.)

Mr. FLYNT. Mr. Chairman, under the circumstances, I cannot see the justification of adding $80 million to an already expended $5 billion for which we have little to show except the technology which we retain in any event.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, hindsight is a wonderful thing. It is almost infallible.

The point is that when Safeguard was begun, it was to provide protection from Russian guided missiles. Their ICBM's are much larger than ours and they have greater throw-weight capability.

In the face of the frightening prospect that the Russians could one day saturate this country and we would have no defense against their missiles, the Safeguard system was begun to forestall any such event.

We could not foresee the SALT talks. We were far along with the Safeguard system before SALT talks were envisioned, and long before they occurred.

The SALT talks produced an agreement that we and the Russians could have two ABM sites each. We have not taken advantage of the right by agreement to build a second site, which would have been around our Capital in Washington. During the recent visit of President Nixon to Russia, a further agreement was made that only one site each would be built.

However, the construction of the site and the knowledge we gained in the construction of Safeguard has provided an added deterrent to warfare, some added deterrent even today to warfare. We will gain, in the completion of the system, a very considerable knowledge about the operation of a Safeguard system by troops, not scientists and technicians, but troops. We can test it fully. We can learn about its performance capabilities. We can learn whether its thousands of parts function properly under field conditions. There are sound reasons for a continuation of the effort.

Yes, we will have a $5 billion investment, but the funds carried in this bill will mean the completion of the system so that it can be tested, and if desirable, mothballed and put back in operation at some future time. If we stop now, we will have nothing to show. For $5 billion we will have nothing to show, nothing.

That is waste. Let us salvage what we can out of this project by completing and testing it.

No, we probably would not have started the project if we had known what we know now, but we could not foresee the future. Let us salvage what we can out of the know-how and testing of a system that is virtually ready to go. Let us not have all of the investment go down the drain. That is what would be accomplished if the amendment were accepted.

There is more to be considered. It is significant that our Government is very anxious to have this system completed as a bargaining chip in future SALT talks or in other negotiations with the Soviets. It may be an important bargaining chip. It offers a capability for defense which will be ready for use if we have a need for it.

The rest of the world surely would question our judgment if we abandon the project now. I think it would be an extremely unwise thing.

Mr. Chairman, I trust the amendment will be defeated.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman very much for yielding.

The gentleman made two comments. First of all, he mentioned two sites.

I would like to point out that on page 136 of the committee report it points out very explicitly, as follows:

> This treaty limits the deployment of an Anti-Ballistic Missile system to one site and only one hundred launchers in either country.

The gentleman made a second point that we must use this new system for blue-chip bargaining purposes. We have already played our blue chips.

Is that not right? We have already agreed as to this, one on one?

Mr. SIKES. Mr. Chairman, I do not know whether the gentleman is for or against the amendment. We have only one site. There will not be a second site.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SIKES) has expired.

(On request of Mr. DELLUMS and by unanimous consent, Mr. SIKES was allowed to proceed for 2 additional minutes.)

Mr. SIKES. Mr. Chairman, I will respond to the gentleman from California.

This is a bargaining chip. It becomes a more important bargaining chip if it is complete, ready to use, and tested. It would have no bargaining posture if we shut it down and by doing so we would lose the money we have invested in it.

Mr. DELLUMS. Mr. Chairman, if the gentleman will yield further, I do not understand his position.

Three weeks ago the deal was already made. If the gentleman was speaking 3 weeks and 1 day ago, I could understand it.

The deal was already made for one site, which explicitly points out that both the United States and the Soviet Union each has a free ride of ICBM's as to either respective country.

What does the gentleman mean by "bargaining chip"? The bargain has already taken place.

Mr. SIKES. Mr. Chairman, there will be further negotiations and further SALT talks. While they are in progress, the more we have on the table to show our strength, the better position we will be in.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

In 1969 I offered the amendment to strike funds for the first appropriation for the deployment of the Safeguard system. At that time we made clear that there were two kinds of funds that were sought to be appropriated for the system.

One fund was for research, and that was to continue. We were in favor of continuing that research. We still are. The other fund was for deployment of the Safeguard system.

At that time the Chinese had just exploded a nuclear device, and the Army used that incident as an excuse to lay out the program for the deployment of 12 sites throughout the country.

The distinguished chairman of our committee, the gentleman from Texas (Mr. MAHON), in examination of the witnesses for the Army who appeared before the committee, asked whether or not the deployment of the system would prevent the Russians or any other country from harming the United States. The answer that was given then was that it could not prevent the Russians from saturating the United States.

That was 5 years ago, that was $5 billion ago, and that is still true today: that with the construction and with the finishing of the construction of the site for which funds are sought in this bill, it will still be true that it will offer little if any protection against the flight of any missiles from a foreign country.

The Soviets know that. They know that they can saturate our ABM site at any time. What kind of a bargaining chip is it if we advance the argument in our negotiations that we have this ABM missile site and, therefore, this is a threat to the Soviet Union?

Obviously it is no kind of a threat at all.

So, Mr. Chairman, I believe that having some $5 billion wasted in the deployment of this system, it makes little sense to spend another $80 million to continue this deployment.

Mr. Chairman I urge support of this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Connecticut (Mr. GIAIMO).

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 40, noes 25.

RECORDED VOTE

Mr. MAHON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 219, not voting 33, as follows:

[Roll No. 450]

AYES—182

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bennett
Bergland
Biester
Bingham
Boland
Brademas
Brinkley
Brotzman
Brown, Calif.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney, Ohio
Clark
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flowers
Flynt
Foley
Ford
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Ginn
Grasso
Green, Pa.
Griffiths
Gross
Gude
Hamilton
Hanley
Hanna
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holtzman
Howard
Hungate
Johnson, Colo.
Jordan
Karth
Kastenmeier
Ketchum
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Luken
McCloskey
McCollister
McCormack
McDade
McKinney
Macdonald
Madden
Mallary
Mathis, Ga.
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Nix
Obey
O'Neill
Patten
Peyser
Pike
Pritchard
Quie
Railsback
Rangel
Rees
Reid
Reuss
Rinaldo
Robison, N.Y.
Rodino
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Skubitz
Smith, Iowa
Stanton, James V.
Stark
Steele
Stephens
Stokes
Stuckey
Studds
Sullivan
Thompson, N.J.
Thone
Tiernan
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Veysey
Whalen
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zwach

NOES—219

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bevill
Blackburn
Boggs
Bolling
Bowen
Bray
Breaux
Breckinridge
Brooks
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Derwinski
Devine
Dickinson
Dorn
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Flood
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Green, Oreg.
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Harsha
Hays
Hébert
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Lent
Lott
Lujan
McClory
McFall
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Michel
Milford
Miller
Mills
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
Parris
Passman
Pepper
Perkins
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Regula
Rhodes
Roberts
Robinson, Va.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruth
Sandman
Satterfield
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thornton
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion

NOT VOTING—33

Biaggi
Blatnik
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
Diggs
Downing
Fish
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
McEwen
McKay
McSpadden
Nedzi
Owens
Patman
Podell
Randall
Rarick
Riegle
Rooney, N.Y.
Scherle
Symington
Towell, Nev.
Waldie
Young, Alaska

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $2,293,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $7,113,254,000, of which not less than $350,000,000 shall be available only for the maintenance of real property facilities.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ECKHARDT. Mr. Chairman, I wish to reserve a point of order. Pending the pressing of the point of order, I want to ask the Chairman of the Committee a question.

Mr. Chairman, the point of order would be made on the language beginning on page 7, line 12 which reads as follows:

> and not to exceed $2,293,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes;

I should like to ask the chairman, does this language mean the same thing as that language frequently used in appropriation bills in which it is said, "Accounted for solely on his certificate?" Does it exempt the expenditure from the provisions of the Budget and Accounting Act of 1921, or does it merely have the effect of requiring certification with respect to expenditure and not affect the comptroller's authority?

I ask that because this language appears repeatedly with respect to the Army on the preceding page and with respect to the defense agencies on page 8. Now, I would assume that this would not prohibit the Comptroller General from investigating the expenditure with respect to its ultimate use in order to make a determination under the Budget and Accounting Act. If that is true, I shall not make the point of order.

Mr. MAHON. Mr. Chairman, if I may be recognized to respond to the question, the language objected to is as follows:

> And not to exceed $2,293,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes.

The purpose of this is to enable the payment to be made upon the certificate of the Secretary of the Air Force, but there is no desire or intent whatever—and I would hope no implication arises there—that it could not be audited and reviewed otherwise by the General Accounting Office.

Mr. ECKHARDT. If that is correct, Mr. Chairman, I withdraw my reservation of the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Contingencies, Defense

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes; $5,000,000.

POINT OF ORDER

Mr. ECKHARDT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ECKHARDT. Mr. Chairman, I raise a point of order to page 13, lines 8 through 14, on the grounds that the same violates rule XXI in that it constitutes a positive provision of law in an appropriations bill that it is not authorized in any authorization bill; and in that it places restrictions and makes changes in the provisions of the Budget and Accounting Act of 1921.

The language in this provision states that,

> For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes; $5,000,000.

The provision would alter the provisions of the Budget and Accounting Act of 1921, which authorized the Comptroller General to inspect and examine all expenditures so that such expenditures be accounted for to him, whereas this provision would place the final determination and the sole accountability in the Secretary of Defense.

I would call the attention of the chairman to the fact that there has been language devised in positive law to take care of this situation in other agencies of Government, and where the Secretary of the Department is not to be held accountable for specific expenditures to the Comptroller General such appears in positive legislation, as, for instance, in the case of the Secretary of the Navy in title 10, U.S.C. section 7202. There it is provided as follows:

> When it is so provided in such an appropriation that funds may be spent on approval or authority of the Secretary for any purposes he determines to be proper, such a determination is final and conclusive upon the accounting offices of the United States. The Secretary may certify the amount of any such expenditure that he considers advisable not to specify, and his certificate is a sufficient voucher for the expenditure of the account.

In like manner, the Secretary of the Navy is given similar authority under title 31, United States Code, section 108, in which it is provided that expenditures by the Department of the Navy from the appropriations for obtaining information from abroad and at home shall be accounted for specifically if, in the judgment of the Secretary of the Navy, they should be made public, and then it provides that he may not be made public if such is best, in his judgment.

However, there is no such statutory authority with respect to the Secretary of the Wepartment of Defense. Rule XXI provides that such authority must be found in existing law if the provision in the appropriation is to survive a point of order.

The holdings by the Chair on many occasions have been that it is the burden of the proponent of the appropriation to show such authority in existing law.

Mr. MAHON. Mr. Chairman, may I be heard?

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. MAHON. Mr. Chairman, this paragraph is in existing law. It has been a part of the law since the memory of man runneth not to the contrary. To be more specific, for some 20 years this has been a provision in the bill.

However, Mr. Chairman, I agree with the gentleman from Texas that his point of order is well taken, and I concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk will read.

The Clerk read as follows:

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; $732,300,000, and in addition, $170,000,000, of which $111,400,000 shall be derived by transfer from "Procurement of Ammunition, Army, 1973/1975" and $58,600,000 shall be derived by transfer from "Procurement of Ammunition, Army, 1974/1976", to remain available for obligation until June 30, 1977.

AMENDMENT OFFERED BY MR. HICKS

Mr. HICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Hicks: Page 16, line 13, strike out "$732,300,000" and insert in lieu thereof "$726,500,000".

(By unanimous consent, Mr. Hicks was allowed to proceed for 3 additional minutes.)

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. Hicks) for 8 minutes.

Mr. HICKS. Mr. Chairman, the purpose of this amendment is quite simple. It strikes $5.8 million from the "Procurement of ammunition, Army" section of the bill, for funds which have been appropriated for a chemical production and load, assembly and pack facilities relating to binary nerve gas. These funds relate to project No. 5750317, as explained on page 113 of the committee report.

Mr. Chairman, binaries are a new means of delivering the same nerve gas we now have in bulk storage and in munitions. Under the binary system, the lethal components are separated by a membrane. In this state, they are harmless. But when the shell is fired, the membrane breaks. As the shell rotates, the ingredients mix to form nerve gas. There are obvious advantages to the binary system: it provides safer handling for transportation and stockpiling. But I hope my colleagues will see that there are disadvantages as well.

Until recently, I have fully supported our chemical warfare programs, as I believed that any curtailment in these efforts would be unwise. Over the past few months I have learned a great deal more about our chemical warfare posture in general, and binary nerve gas in particular. I have reviewed ongoing programs in the Armed Services Subcommittee on Research and Development, of which I am privileged to be a member.

I have read testimony from the Foreign Affairs Subcommittee on National Security Policy chaired by Mr. Zablocki, and the Armed Services Special Subcommittee on Arms Control and Disarmament, chaired by Mr. Wilson. I thank both of these gentlemen for bringing up the subject of binary nerve gas—the record they have provided is useful and instructive. I have received briefings from the Army and the Arms Control and Disarmament Agency, and I have read the open literature on binary nerve gas.

I relate this information to my colleagues not because I pretend to be an expert in this field, but because I have tried to familiarize myself with arguments for and against another generation of nerve gas weapons. Once, I would not have opposed this request. This is no longer so. At some point, it may be necessary to move forward in this area, so the action I request, even if accepted by the House, should not be taken as termination of our nerve gas programs as a whole. I can assure my colleagues that a prudent research and development program is continuing. But in the absence of any compelling need to produce another generation of nerve gas weapons, I do not believe that we should build a production line at this time.

Why is there no compelling need?

By the Army's own estimates, we have approximately 50 million pounds of nerve gas already in stock. Now most of this nerve gas is in bulk form—and it takes leadtime to put it in munitions. In bulk form, nerve gas has an indefinite useful life. Once you shift it to munitions, then we are talking about a 15- to 20-year useful life. In any event, there is no need to go ahead with a production line for more nerve gas—we have enough on hand right now to satisfy requirements for the immediate and foreseeable future.

As a member of the Armed Services Committee, I see at close hand the large number of programs the services ask us to fund. The need for some is more compelling than others—and it is the job of committee members to try to make hard choices to fund various programs. Then the entire Congress must review the choices made in committee. Each choice is tied to a dollar figure. If we choose to go ahead with another generation of nerve gas weapons, we should be aware of the costs. We are not talking about only a 155mm. howitzer projectile—that is just the first type of nerve gas ammunition we are buying into. Next will come an 8-inch shell. To be complete, our modernized nerve gas arsenal must have rockets, spray tanks, cluster bombs, gravity bombs, and air-to-ground rockets. The cost estimates I have seen run from $1.5 to $2 billion.

Some of these costs—as much as $750 million—will go for destruction of our chemical munition stockpiles. The eventual destruction of nerve gas already packaged in munitions is unavoidable, in any case. It will deteriorate, and it must be destroyed. But do we need to spend another billion dollars on nerve gas? Do we need to spend the first installment right now, in the absence of any compelling need?

Mr. Chairman, we are not debating this question in a vacuum. There are ongoing, serious negotiations at Geneva on the subject of chemical warfare. There are men and women on the floor far more knowledgeable about these talks than I. I am hopeful that they will address remarks to this point during the debate. I would only like to say at this time that the opinion stated in the Defense Appropriations Committee's report that "It is the committee's view that this project should be funded pending the outcome of negotiations at the Conference of the Committee on Disarmament in Geneva seeking a ban on chemical weapons," is contrary to the opinion of the Director of the Arms Control and Disarmament Agency, as expressed in testimony before two congressional committees.

Finally, I would like to talk briefly about the military utility of nerve gas. Yesterday, I inserted into the Record the views of Lt. Col. Carl L. Cunningham, U.S.A., retired, on this subject. Lt. Col. Cunningham is a much decorated, 24-year veteran of the Army Chemical Corps. I respect his views because he has served as a chemical officer within the NATO context and on the battlefield in South Vietnam. I realize that many of the arguments he raises are technical in nature, but the reservations he expresses are to my mind, real and substantial.

Nerve gas is often justified as a weapon which will allow a military response below the nuclear threshold. Do my colleagues really feel that nerve gas will be used in a vacuum on the battlefield? We have pledged not to use nerve gas in a first strike against any adversary. If an adversary uses it against us, will retaliation in kind make any appreciable difference? I think not. It is a safe assumption that any adversary using nerve gas against us would take the proper defensive measures: respirators, clothing, and gloves. Retaliation in kind would have little effect in a fast moving, battlefield scenario. In my view, we would need firepower to break up an adversary defensive maneuvers. But now we are talking about a shooting war—perhaps in central Europe. Will the use of nerve gas by either side alter the results?

If we are to go ahead with another generation of nerve gas weapons, are we prepared to adequately protect our men in a lethal chemical environment? How much do we actually know about defensive techniques? In the absence of a compelling need, does it make sense to go ahead with this production line until we make progress in these areas? Lt. Col. Cunningham asserts:

> I can say that most American tactical commanders know far less about the capabilities and employment of chemical weapons, and the safety precautions that would be attendant to them than they know about doctoring mules. He goes on to say, The complicating factor in defense against chemical agents is continuity. Protective masks are only good so long as beard doesn't break the air seal around the face. A man must eat or eventually remove it to rest. Men are very unlikely to be able to sleep for any appreciable period in a mask—or be willing to try, because during sleep the individual could easily dislodge it. How have these matters been dealt with in our Army in training? Have realistic tests of large numbers of troops over at least 3 to 4 days periods simulating a toxic environment been conducted? If the Army has conducted such tests, it would be of interest to me, were I a policy maker, what conclusions they drew from them.

Mr. Chairman, in my opinion, these matters have not been adequately dealt with by the Army and by the Congress. It is my hope that this debate will allow us to discuss the ramifications of the binary nerve gas program in a reasonable and unemotional way. It is my belief that our current supply of nerve gas is sufficient for the immediate and foreseeable future. It is sufficient for deterrent purposes; it is sufficient to give the U.S. credibility in the Geneva negotiations, and it is sufficient to replace existing munitions when they deteriorate. I ask my colleagues to support this amendment to strike funds for binary nerve gas.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. HICKS. I am delighted to yield to the gentleman from California (Mr. Charles H. Wilson) who is the chairman of the Armed Services Special Subcommittee on Arms Control and Disarmament.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I want to commend the gentleman from Washington for offering this amendment. In chairing the Arms Control and Disarmament subcommittee of the Armed Service Commission. I have expressed the same fear that the gentleman from Washington has, that while we are negotiating in Geneva there should be a ban on new chemical warfare programs. Dr. Ikle, head of the Army Control and Disarmament Agency, has said that he is completely opposed to any use of chemical warfare. While we are negotiating in Geneva on this subject it is certainly unwise to start a completely new program such as this.

I would ask for support of the gentleman's amendment.

Mr. HICKS. Mr. Chairman, I thank the gentleman for his remarks.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Washington (Mr. Hicks).

Mr. Chairman, the distinguished gentleman from Washington (Mr. Hicks), author of the amendment, speaks of a $2 billion program. There is absolutely no prospect of a $2 billion program on nerve gas, or any other kind of chemical warfare program. That figure is infinitely higher than that which is conceived as possible. Of course, Congress will determine by authorization and by appropriation how large the future program will be, but no one envisions anything more than even one-tenth of the amount that the Members have just heard. So, let us clear away that misconception now. Let us understand exactly what is proposed.

In this year's program it is proposed that $5.8 million be used for production facilities at the Pine Bluff Arsenal in Arkansas. It is not proposed to begin any production of chemical weapons, only to provide a facility which can produce them.

Then there is a recommendation for $4.9 million for continued research and development in chemical weapons. It is feared that we are falling behind. We need to continue research, and research is costly—$4.9 million is not very much.

Nothing has been said about the danger to our forces and to our populace from chemical weapons in enemy hands. Are we not concerned? Is that not the important thing? We know that the Russians have the most advanced chemical warfare capability in the world—in the world, and about the only effective one, because theirs is fully modernized. They place enough confidence in chemical warfare to completely equip their tanks and armored personnel carriers and similar vehicles with protective devices, and fully insulate the passengers from gas attack. We do not do that because we want to avoid expense. We accept the risk, wisely or not.

We have no protective devices except gas masks and protective clothing, and most of it is in old stocks. The Russian capability is not somebody's dream. It was shown conclusively when captured Russian equipment that was in Arab hands was found to be fully equipped with protective devices against gas warfare. They would not be subjecting themselves to this cost if they were not prepared to use chemical warfare in the future.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Ohio.

Mr. MINSHALL of Ohio. I thank the gentleman for yielding. I should like to commend my good friend, the gentleman from Florida, on the statement he is making in opposition to this amendment. I think the House should know that the gentleman from Florida probably is more knowledgeable about chemical warfare, having been a retired major general from the Chemical Warfare Service, than anybody in this House. He is truly qualified to give us the real facts about this entire chemical warfare appropriation in this bill.

One thing I should like to point out is that the existing stockpile of chemical warfare requirements is aging, and a significant portion of the inventory will be nearing the end of its reliable service life by the time binary replacements are now scheduled to be available. I think it is most important that we have in our stockpile the modern type of binary chemicals that this money will provide.

Mr. SIKES. I appreciate the gentleman's contribution. My concern is that our capability is becoming outdated. We have stocks of nerve gas but they have been in storage a long time. Those stocks are not nearly as large as some would have us believe. We have heard the figure of 50 million pounds used here today. That figure is classified and should not be used, but I can tell the Members that is too high. Much of what we have on hand should be disposed of.

Our present tear gas stocks are of a type which are dangerous when transported. Every time there is a movement of tear gas, there is great publicity about the danger, and the populace gets scared half to death. Sometimes there are incidents that unfortunately cause damage. This is the reason we want to develop a new binary gas, which will be a substitute for present stocks of old, more dangerous nerve gas. The new gas would be safer to transport because the ingredients are separate, and they are not mixed until they are used in warfare. That is the whole purpose of the new program, to have the capability to produce a new nerve gas which can be transported without danger to the public or to the troops, and to modernize, at least in a very modest way, our capabilities.

Congress and the people have been deluged with inaccurate and unrealistic arguments designed to start us down the road toward unilateral disarmament in the chemical warfare field. I do not know why we would want to disarm unilaterally. If we are going to have any capability, it should be an effective capability, and we should let the rest of the world know that we are prepared, if necessary, to defend ourselves from chemical attack.

There is talk about ratification of a ban on chemical warfare. I hope this can be accomplished and I hope it will be a ban that can be enforced. But in the name of commonsense let us protect ourselves until we get a ban on chemical warfare by international agreement.

The Germans said they did not use gas in World War II because they feared retaliatory attacks. The Russians do not have to fear retaliatory attacks today. They know they have superiority in the field. No one should want to resort to chemical warfare. We do not. But we do not know what the Russians plan. The amendment should be defeated.

Mr. ZABLOCKI. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment to postpone the $5.8 million in binary procurement funds contained in the fiscal year 1975 Defense Appropriations bill.

Let me stress at the outset that my decision in this matter is not taken lightly; as a matter of fact, it was arrived at only after long and serious deliberation.

On the whole, there is much to commend in this legislation. Under the able leadership of the distinguished gentleman from Texas (Mr. MAHON), the Appropriations Committee has labored hard on this measure. On the question of the binary funding, however, I felt compelled to take exception.

Only last May the House Foreign Affairs Subcommittee on National Security Policy which it is my privilege to chair held extensive hearings on the subject of "U.S. Chemical Warfare Policy." Because of its serious and far-reaching implications to U.S. national security and foreign policy, the subcommittee reviewed the binery proposal in considerable depth.

On the basis of that hearing review it is my firm belief that U.S. national security interests would be served best by postponing this funding request.

The following reasons—all fully documented in the hearing record—dictate my position:

The estimated $5.8 million requested for procurement in this bill represents only a first step phase. The gentleman from Florida stated no one is considering one-tenth of the $2 billion amount. Testimony in our hearings indicates that the ultimate total cost will more likely total $2 billion—$1 billion for full procurement and an additional $1 billion for disposal of existing stockpiles.

There is no evidence to indicate that the binary system has had adequate open-air testing.

It is apparent that there is no firm regarding the desirabiliy of the binary system. Thus, if the $5.8 million is approved by Congress it would, in effect, be interpreted as congressional approval of the system both within the Defense Department and by other nations.

The binary may not be as effective a chemical weapon as the current system it is designed to replace.

Implementation or the binary will probably prove highly destabilizing to negotiations at the Conference Committee on Disarmament—CCD—at Geneva and thereby seriously jeopardize the chances of reaching a comprehensive international agreement on CW.

While the chief rationale for the binary is increased safety in storage and transportation, there is every reason to believe that our current stockpile is adequate.

In addition, there is doubt regarding the willingness of our NATO allies—West Germany in particular—to accept replacement supplies of the binary weapons, thereby putting into serious question the necessary advantage of forward-based deployment.

Funding of the binary system would be counterproductive; and do not take my word for it. Let me quote some of the specialists on this subject who have testifield before the Subcommittee on National Security Policy and Scientific Development. They are not novices in this field. Let me read a list of some of the witnesses.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. ZABLOCKI was allowed to proceed for 2 additional minutes.)

Mr. ZABLOCKI. Mr. Chairman, I submit our colleagues who testified at the hearings are just as knowledgeable as my good friend, the gentleman from Florida. Among the many experts we heard were Dr. Mathew Meselson, Harvard University Biological Laboratory; Dr. Julian Perry Robinson, professor, Science Policy Research Unit at the University of Sussex, England; Mr. Alan R. Pittaway, of Arthur Young Co., Washington, D.C.; Prof. Richard Baxter, professor of law at Harvard University and president of the American Society of International Law; Dr. Charles C. Price, past president, American Chemical Society; and the Honorable Fred Ikle, Director, Arms Control and Disarmament Agency.

Our hearings on this subject were balanced. The subcommittee heard the views of the Department of State through its spokesman, Dr. Leon Sloss, Deputy Director, Politico-Military Affairs; and the Department of Defense through its spokesman, the Honorable Amos Jordan, Acting Assistant Secretary for International Security Affairs.

Mr. Chairman, I call attention at this point to the statement in the Appropriations Committee report on page 113. What the report states there in reference to the binary is:

> This project should be funded pending the outcome of negotiations at the Conference of the Committee on Disarmament in Geneva seeking a ban on chemical weapons.

But on that same subject what did Dr. Julian Perry Robinson state? On page 68 of our subcommittee's hearings, if I may read, Mr. Chairman, he states:

> Pressures for a successful conclusion of the Geneva negotiations have been building up steadily over the years. It is an achievement of U.S. foreign policy that this should be so. Because controls over nerve-gas proliferation may result, a great deal stands to be gained from a successful outcome in terms both of U.S. security and of international security.
>
> But one very substantial obstacle to further progress at Geneva is now materializing. What has happened is that, over the last few months, a chemical weapons research program that has slowly been gathering momentum since 1954 has reached the point where decisions are being made within the Department of Defense about full-scale development and procurement. The weapons in question embody a new principle for disseminating nerve gas, and are known as "binary munitions." The decisions are apparently being taken without any reference to United States policy for the Geneva talks.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent Mr. ZABLOCKI was allowed to proceed for an additional 1 minute.)

Mr. ZABLOCKI. Dr. Price of the American Chemical Society and the Director of the Arms Control and Disarmament Agency, the Honorable Fred Ikle, likewise have stated that going into this binary program will, indeed, hamper our discussions in CCD.

On page 123 of our subcommittee hearings Dr. Price says:

> No urgent military need presses the United States to take a step that is expensive, potentially hazardous in execution, potentially disadvantageous in encouraging proliferation and, in our view, may inhibit effective action on chemical disarmament.

And on page 190 of those same hearings Dr. Fred Ikle, Director of the Arms Control and Disarmament Agency, makes this observation:

> I think it is quite a simple issue that we are facing here. If we envisage, for example, a ban on the production of new chemical weapons, such as was mentioned as part of the Japanese proposals, then it follows logically that you cannot at the same time ban production and start production. These two would be contradictory.

In conclusion, Mr. Chairman, let me emphasize that in taking this position I am not advocating a negative role of opposition. Far from it. Rather, what I am urging is a postponement of the binary so that this Nation can undertake an intensive effort at the CCD in Geneva to seek a comprehensive ban on CW. Such a positive action is totally in keeping with the traditional U.S. role of moral leadership in the CW area.

It is time that we close the gap between this Nation's often-repeated CW policy objectives as measured against its actions. That time is now. I urge the adoption of the amendment.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is a good deal of emotion whenever we bring up the subject of chemical warfare. I do not pretend to be any expert in this field. The only expertise perhaps that I have is that I happened to be chairman of a committee that went to Israel last November during the Arab-Israeli War. I saw with my own eyes, as did the other 20 members of that committee, exactly what the Russians are doing in this field of chemical warfare and exactly how substantial the preparations are that they have. Every piece of captured Soviet equipment that the Israelis picked up from the Egyptians was fully equipped with chemical warfare defensive material and also radiological warfare and bacteriological warfare material.

This does not mean they have only a defensive capability, however. These equipments were so pervasive that in my judgment it is almost certainly conclusive that the Soviets have a substantial offensive capability, because in this field an army does not go into offensive chemical warfare unless they are already fully equipped defensively; so I think we ought to recognize that we have in our potential enemy, as the gentleman from Florida has said, a highly developed capability in this field. And, therefore, we must do something to deter their use of that ability.

I want to make three specific points, if I may. The first is that if we want to deter something, the best defense is a good offense. That has always been our strategy in the nuclear field. We have not relied on anti-ballistic missiles. We have deterred the Soviet nuclear attacks by maintaining a strong offensive capability of our own. As a result we have not had a nuclear war for 30 years. That is just what we ought to be doing in the chemical field, too.

Second, the point has been made by the gentleman from Wisconsin a moment ago that we already have adequate supplies of chemical warfare materials. So why do we want to get into producing another kind of gas?

Well, the answer is that as a result of all the emotional discussion on this subject over the past 4 years, we have, as a practical matter, wiped out the effectiveness of the stockpiles that we now have.

We have been told that these gases now on hand cannot be moved. If they move on a railroad through anyone's town, it might explode and blow him to Kingdom Come. Also we cannot store this gas. We cannot store it in Denver, for example, because the gentlewoman from Colorado (Mrs. SCHROEDER), does not like it on Stapleton Airfield. We cannot move it from Denver to Utah because the gentleman from Utah (Mr. OWENS) does not want it there. So if we ever get into a situation where we need to call on this supply of gas, we cannot get it where we need it because we cannot move it.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I will yield briefly to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, one point I would like to make about that, is that I am not sure the binaries would be any safer when they are moving. They could explode, so we will still be in the same position on foreward deloyment. We are not able to move the nerve gas more safely just store it more safely.

Mr. STRATTON. I appreciate the gentlewoman's comment, and that brings me to the third point I was going to make.

Since we cannot use our present supply because we cannot move it, and we cannot store it, we have had to develop something new that will be safe. That is what the binary gas system is that has now been developed. It is made up of two innocuous chemicals which do not become poisonous until they are joined together after the projectile has been fired out of the cannon.

The Army had to develop that new gas so that we would have some chemical warfare capability. And now some Members come in and say, "Oh, you can't develop that new gas because you have already got all of these existing stocks."

So, let us not get ourselves into that vicious circle. All we want is a competent and credible capability in this field which will deter any Soviet chemical warfare attack. If we can ever get the agreement that the gentleman from Wisconsin (Mr. ZABLOCKI) talks about a good agreement, an enforceable agreement, then fine. I would be all for it. But until such an agreement materializes, let us make sure that we have a reliable and usable capability to deter the very obvious capability which the Soviets clearly demonstrated in the Israeli war.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to my friend from Washington.

Mr. HICKS. Do we have any of the defensive capabilities the gentleman spoke about seeing over in Israel; the defensive capability?

Mr. STRATTON. I am not sure that we have as good a capability as we saw in Israel, no.

Mr. HICKS. Should we not be spending our money on that, defensive ability then?

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. HICKS and by unanimous consent Mr. STRATTON was allowed to proceed for 2 additional minutes.)

Mr. STRATTON. Mr. Chairman, I would agree that we ought to spend some money on improving our defensive capabilities, but I think these people have been agitating about chemical warfare over the past 4 years as though it was even more terrible than nuclear warfare, have in effect destroyed, in my judgment, our entire offensive capability. So I think our first priority should be to rebuild that offensive capability.

Mr. HICKS. Where is the gentleman going to do the deterring of Russia? In this country or over in Europe?

Mr. STRATTON. We are going to deter them wherever they might undertake to use such a weapon; but if we cannot even use these supplies, then obviously they are not going to deter the Soviets.

Mr. HICKS. So our deterrent is over in Europe right now, on our forward bases?

Mr. STRATTON. I would assume some of it is over there, but I think a good deal of it is back here. The trouble is, if we ever need it over there, we will not be able to get it over. After all, many Members have been telling us that we ought to keep our NATO forces back here and move them over to Europe only when they are needed so that we do not spend too much of our money abroad.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, would the gentleman not agree with me that it would be preferable to spend this amount for defenses against chemical warfare rather than offensive capability?

Mr. STRATTON. Let me answer the gentleman's question. I do not think it makes any more sense to put all of our money into defense against chemical warfare than it does to put all of our money into ABM's. Our best defense against nuclear war is to make sure that we have got a strong offense. I think the same thing applies in chemical warfare.

Mr. ZABLOCKI. As I said earlier, while it is necessary to have a defense against nuclear war, is it not equally necessary to have a defense against chemical and biological warfare? To spend money for offensive capability and not provide money for defense, I believe is an error.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

(By unanimous consent Mr. MAHON was allowed to proceed for 2 additional minutes.)

Mr. MAHON. Mr. Chairman, I asked for the additional 2 minutes in order to discuss with the members of the committee, if I may, the situation with respect to completing the bill.

We have an amendment to reduce funds for Vietnam that will be offered and another overall amendment to reduce the funds in the bill. Otherwise, I know of no additional amendment to be offered. Therefore, I would hope that we can move toward the completion of the consideration of this measure before too long a period of time.

Getting to the amendment with respect to chemical nerve gas, I think we all shudder when we think of it. We wish that there could be no nerve gas in the world, and one of the purposes of having this $5.8 million in this bill is to help move toward a time when there can be a reliable agreement with respect to outlawing nerve gas.

We say here in the report:

> It is the committee view that this project should be funded pending the outcome of negotiations at the conference of the Committee on Disarmament in Geneva seeking a ban of chemical weapons.

This is what we need to do. We need to secure a ban on chemical weapons.

I assume there is some difference of opinion as to whether or not providing these funds will help us move toward a decision at Geneva with respect to this problem, but I would think that it would be helpful in doing so.

I realize that it would be hard to enforce. One can enforce certain types of agreements by the use of satellites and so forth. However, I do not know for sure how anyone would enforce an agreement with respect to the production of nerve gas, but I would hope a way could be found to do so.

Therefore, I would just say that I believe that our negotiator would be in a better position if we established an awareness, in the eyes of the Soviet Union, who are far ahead of us in nerve gas efforts, in my opinion, that we propose to proceed unless a reliable agreement can be reached.

Let me say that in the interest of safety, we ought to find a way to dispose of the old nerve gas that we have, which is so dangerous. It cannot be transported with adequate safety. It is a hazard. We need somehow to get rid of it. But if we are going to have nerve gas, we should have the kind that is transportable.

The thing about the binary gas is that it is not toxic unless the chemicals are combined, and it is not combined until it is actually used. It is far superior to current supplies.

I shall try to limit further debate in in order that we may move on with this bill and conclude it this evening.

Mr. OBEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it has been suggested here by a previous speaker that we need this new binary system in order to help deter the Russians. But one of the things that was not pointed out, at least not sufficiently clearly, in my judgment, is the fact that this gas is going to be stored not in Europe, which is about the only place where it can be used, but right here in the United States.

NATO does not want it. The NATO countries do not want it stored in Europe, and they are going to put up one helluva fight to keep it from being stored there.

I do not understand why it is necessary for us to proceed this year to deter the Russians when there is no practical possibility of deploying it in such a way that it can be used with any immediate effect against a potential Russian attack.

It has been suggested by the chairman of my committee that another purpose of the funding in this bill is to help secure an agreement on chemical warfare. But the fact is that the Director of the U.S. Arms Control and Disarmament Agency, Dr. Ikle, has indicated that far from serving that end, it would in fact provide an obstacle to achieving agreement on this very dangerous subject.

What we are being asked to approve here is a $5.8 million item, a program which our NATO allies do not want, one which could help eliminate our chances of reaching effective international limitations on chemical weapons.

Mr. Chairman, it would seem to me that those considerations would require that we just lay this aside for a year. The authors of this amendment, the gentleman from Washington (Mr. HICKS) and the gentleman from Wisconsin (Mr. ZABLOCKI) who is hardly a dove and I are suggesting not that we eliminate this program, not that we do not forevermore develop binaries, but simply that we lay it aside for a year, that we take the word of the Disarmament Agency and lay it aside for a year to see whether or not during that time we can achieve an international agreement. It seems to me that makes sense.

What is the hurry? What is the immediate and pressing need? I do not see it. I do not think any Member here can point it out.

Once this genie is out of the bottle, it is going to be far more difficult to stuff it in again than if we never let it get out in the first place.

Mr. Chairman, it is very difficult on this floor to achieve $5 million or $6 million or $7 million for programs that are of unquestioned value. We had to practically beg, borrow, and steal to get a measly $13 million in the Labor-HEW appropriation bill to provide that we can test 14 chemicals that are used every day by workers here in the industries of the United States, chemicals which are known to be toxic, chemicals which are known to be cancer-causing.

We only have three chemicals in this country for which standards are established. It is hard as blazes to get $13 million or $14 million for something like that.

How, then, when money is so hard to come by, can this House approve a $5.8 million item like this, one which is of such questionable value and one which the Disarmament Agency itself says will provide an obstacle in our attempts to reach international agreement on chemical warfare?

Mr. Chairman, there will be no harm in allowing us to wait a year to see what the negotiators can do. Let us do it.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendment to delete $5.8 million to improve the chemical production and LAP facility at Pine Bluff Arsenal for production of a 155-millimeter binary projectile.

Last October, immediately prior to the House Armed Servcies Committee hearings on nerve gas storage and transportation, the Army provided several members with a memo that explained the binary concept of chemical munitions and announced the selection of Pine Bluff Arsenal as a site to produce one of the chemical components of binary weapons. The Army's rationale for the new nerve gas weapons stemmed in part from public concern over the storage of mustard gas, phosgene, and GB at the Rocky Mountain Arsenal just 10 miles from the center of Denver. The new binary concept would allow the relatively safe and separate stockpiling of the weapons' two chemical components, neither of which is lethal by itself.

But while the reason for the Army's move would be to protect our own neighborhoods from disaster and to deflate domestic outcries, its decision to produce binary nerve gas weapons would be disastrous to any hope of an international agreement on the control of chemical weapons.

Mr. Chairman, I believe the arguments to defer congressional approval of a production decision for binary nerve gas weapons are overwhelming.

The $5.8 million asked for binaries this year is only the small wedge of a program that is estimated to cost between 1.5 to $2 billion. The new binary nerve gas concept has not been adequately tested and, in fact, may prove to be less effective than the system it is designed to replace. There is no urgent need to move binaries from the research and development phase to the production phase. By the Army's own estimates, there are approximately 50 million pounds of nerve gas currently in stock and most is in bulk storage with an indefinite useful life.

Congressional approval of these funds for binaries will jeopardize any hope for an international agreement of the control of chemical weapons. Mr. Fred C. Ikle, Director of the Arms Control and Disarmament Agency, has warned Congress that production of binaries would undermine efforts to control chemical warfare. Just a month ago at the Moscow summit, the President and Mr. Brezhnev agreed to seek early progress on an agreement "dealing with the most dangerous lethal means of chemical warfare." And after a long period of stagnation, the Conference of the Committee on Disarmament in Geneva has made progress toward an accord. But while binaries add little to our antichemical warfare deterrent, they do significantly add to the verification problem which has been a major stumbling block in reaching an agreement.

Furthermore, if we proceed with production of binary nerve gas weapons—a move which would place the United States in a position of advocating chemical warfare—we would encourage proliferation of nerve gas weapons. There is much apprehension in Geneva and elsewhere that binary chemical weapons would become the "poor man's atom bomb." They are of far greater military significance to smaller countries than to larger ones, and, given their much heralded ease of manufacture and transport, pressures to produce binaries would eventually become severe.

We are a great nation that has always had a heritage based upon the principle that every human life is a thing of value. Nerve gas weapons are designed to exterminate a population, not win ground, liberate, convert, or pacify. Because there is no immediate requirement for another generation of nerve gas weapons and in light of efforts at the Conference of the Committee on Disarmament in Geneva to control chemical weapons, it is my strong belief that congressional approval of these production funds is totally unjustified. I urge my colleagues to support this amendment.

Mr. MAHON. Mr. Chairman, before the debate began I secured the privilege of all Members to revise and extend their remarks in the RECORD on this bill. I wonder now if I might propose that all debate close on this amendment in the very near future.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto conclude at 5:40 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. DELLENBACK. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto to conclude at 5:45 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for 2 minutes each.

The Chair recognizes the gentleman from Oregon (Mr. DELLENBACK).

(By unanimous consent, Mr. DICKINSON yielded his time to Mr. DELLENBACK.)

Mr. DICKINSON. Mr. Chairman, I was disappointed to note that the Appropriations Committee deleted $43.6 million from the Department of Defense appropriation bill for the procurement of 128 UH–1H helicopters and 19 CH–47C helicopters for the Army.

Helicopters are the heart of the Army's airmobility concept and the UH–1H—Huey—and the CH–47C—Chinook—presently are the backbone of the helicopter force. The Huey helicopter is used as the primary troop assault and aeromedical evacuation helicopter and the Chinook is used to move artillery and other large items of equipment and supplies for the front line soldier. It is essential, Mr. Chairman, that the authorized acquisition objective for both helicopters be maintained at or near 100 percent to insure that the Army has superior airmobility over enemy forces in the future.

The information I have—contrary to the Appropriations Committee's contention—is that the purchase of 128 Huey helicopters will not put the Army over its authorized acquisition objective. For example, this projection of AAO fill includes 49 of the substandard UH–1B helicopters, an early version of the UH–1H. In addition, new missions and force structure increases are planned which will place additional demands on the utility helicopter available assets.

Mr. Chairman, at present we have only one source for obtaining the UH–1H. The production line is currently running at the rate of 17 per month. A minimum economical sustaining rate of 10 per month is required for fiscal year 1975. If this production line is closed, then 2 years would be required to reestablish it—at a cost of $2 to $4 million. I do not believe we should take this risk at a time when we have no viable replacement for the Huey.

The committee report indicates that the Army's present inventory of UH–1H helicopters will be sufficient to carry us to the introduction date of the utility tactical transport aircraft system—UTTAS. However, Mr. Chairman, we are presently only in the beginning stages of engineering development of the UTTAS and there will be no significant production until at least 1981. What if we have a situation develop with UTTAS that we had with the Cheyenne helicopter and have to cancel the entire program?

There is a similar situation with the CH–47C helicopter which was deleted from the bill. The committee recommended that the Army wait until an improved Chinook helicopter is available. However, the program undertaken by the Army to improve the maintainability, reliability, survivability and safety of CH–47A/B models of the helicopter is just getting underway. According to my information, reliance on the contemplated modernization program will result in no improvement to the medium life fleet until fiscal year 1980. Then, there will be an aggravation of the shortage while the modernization takes place. Also, not all of the CH–47A's can be modernized. Many of them will be too old or configured in such a manner that modernization is uneconomical.

Mr. Chairman, it is a rare case when I disagree with our Appropriations Committee when it comes to funds for national defense. In this instance, however, I believe they have made two unwise decisions which may have an adverse effect on the Army's ability to perform its mission. I hope the members of the committee will look at this situation again before the defense appropriation bill comes back to the House from the Senate.

Mr. DELLENBACK. Mr. Chairman, I appreciate the gentleman from Alabama yielding me the additional 2 minutes.

Mr. Chairman, I rise in support of the amendment of the gentleman from Washington (Mr. HICKS) to strike the $5.8 million in this bill intended for the construction of a binary chemical munitions production facility at the Pine Bluff Arsenal in Arkansas, and comment briefly on the importance of binary munitions in our defense arsenal at this time.

It seems clear that the appropriation of this money to go ahead with binaries would be the first step down a long road of new production in the field of chemical weapons for the United States. What we are considering, therefore, is a major decision on the direction of our chemical weapons policies.

The military would argue that the funds we are talking about are only for preproduction planning and the purchase of long-leadtime items. The moneys contained in this bill will not finance the actual production of binaries this year—they will set up the facilities and equipment necessary for the future production of these weapons. As far as I can determine from the Army, there may be some building of shell cases to contain the chemicals, but these can be used for other purposes, if not utilized for binaries

These points are true. This, however, would be a beginning—the foundation for next year's production—and our approval of the $5.8 million would, in fact, be our endorsement of the binary munitions program. I fully agree with an argument expressed last week in a Washington Post editorial that—

> Generally, the program poses to Congress perhaps its first good opportunity—and if missed, its last opportunity for a long time—to break the monopoly which special interests in the Pentagon have maintained for a full generation over the nation's policies on CW.

Surely this is the wrong time to begin a new CW program. Yesterday the House overwhelmingly passed a resolution calling for three things: First, the quick ratification of the 1925 Geneva Protocol prohibiting the use of chemical and biological weapons in warfare; second, the resolution of a disagreement between the Senate Committee on Foreign Relations and the administration on whether herbicides and irritant gases should be included in that protocol so that they could move ahead with ratification, and third, a comprehensive review of American policies in regard to chemical weapons. I refer my colleagues to the excellent report and recommendations of the House Foreign Affairs Committee in connection with that resolution—in particular, the concerns expressed by the committee on beginning binary production.

I would also refer my colleagues to the hearings on U.S. chemical warfare policy conducted by the Foreign Affairs Committee before reporting the resolution. A number of important points were brought out in those hearings which bear on today's decision. The first is that the administration is currently involved in the kind of comprehensive review called for in our resolution. I quote from comments made by Mr. Amos Jordan, Acting Assistant Secretary for International Security Affairs of the Department of Defense, who said:

> At this juncture we are in the midst of a very comprehensive recently initiated review. I would expect this review to be consumated in the relatively near future. I think it is unfortunate that the results of the review will not be available for a few months.

I am very pleased to learn that this matter is being reviewed. But, if this is the case, then it seems most unwise for us to approve a new program before this review is concluded and a final determination is made on exactly what our CW policy should be.

A second point, which is related to the review being undertaken, is the actual need for binaries in our chemical arsenal. As was brought out in the hearings, the primary philosophy behind the maintenance of chemical stockpiles is that they serve as a deterrent to the use by any other nation of chemical weapons against us. Questioning of the DOD witness failed to clarify whether we are in an inferior position to the Soviets in this regard. But it did become apparent that we do have an adequate supply for deterrent purposes.

One comment on the need for binaries made by Mr. Jordan was that—

> We need versatility in our stockpile and the present mix of weapons in the stockpile is not necessarily optimal for the requirements ahead.

The real questions here are how much do we really need a deterrent and why we should change our present stockpiles, other than for versatility? It seems to me that this is another area which would be best determined within this comprehensive review we have talked about and that a military decision prior to the conclusion of that review is unjustified.

Third, and most importantly, it became evident during the hearings that the commencement of a binaries production program could do injury to our current negotiations for the control of chemical weapons in the Conference of the Committee on Disarmament at Geneva. Dr. Fred Ikle, the Director of the Arms Control and Disarmament Agency, was questioned about the effect of binary production on the negotiations and replied:

> It is my duty to consider the arms control implications of our policies and also to advise Congress on arms control policies. I have come to the conclusion, as I have mentioned on previous occasions, that at this time we need not go ahead with new production of chemical weapons, binary or otherwise.

He further said:

> At this time, the pros and con come out in favor of not going into production.

And again he repeated—

> My personal judgment is that the arms control considerations argue against chemical arms production at this time.

Another very important point to consider in connection with the Geneva CCD negotiations is the statement made by President Nixon and General Secretary Brezhnev in section II of their joint communique on July 3 in Moscow. I quote:

> Both sides reaffirmed their interest in an effective international agreement which would exclude from the arsenals of states such dangerous instruments of mass destruction as chemical weapons. Desiring to contribute to early progress in this direction, the USA and the USSR agreed to consider a joint initiative in the Conference of the Committee on Disarmament with respect to the conclusion, as a first step, of an international Convention dealing with the most dangerous, lethal means of chemical warfare.

Where is the consistency if we now give the go ahead on binaries?

One last comment on the negotiations is that we are currently deadlocked because of an inability to agree on means of verification. Binaries can be produced in much simpler facilities in a way that could, in fact, compound the problems of verification. To throw this additional burden on our negotiators is unfair and unsound.

I would add that I strongly support the Geneva negotiations and the treaties referred to in yesterday's resolution. If the United States is to assume the moral world leadership that I believe is our responsibility, then we must do all we can to make these negotiations successful. In my opinion, $5.8 million for binaries will not embrace our chances of doing so.

We all recall that the recently passed military procurement authorization for 1975 contained about $5 million for research and development in the field of binary chemical munitions. I have no qualms about that. Research is important and will, in my opinion, both serve as an adequate bargaining chip in arms negotiations and also meet our deterrent needs. But let us now draw the line at research as far as binaries are concerned. This is not the time to move into production. I again urge my colleagues to support the amendment and strike these funds from the bill.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I am happy to yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I would like to commend the gentleman from Oregon (Mr. DELLENBACK) on the splendid statement the gentleman has just made. I also wish to state that I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. DAVIS).

Mr. DAVIS of Wisconsin. Mr. Chairman, I oppose this amendment. If this were—and the inferences that we have heard here in most of the statements that have been made are that it is—if this were for the production of binary chemical artillery I think I would feel the same way as do the proponents of this amendment, but that is not what it is. When we talk about deterrents, all we have here in this bill is the preparation of the facilities at some future time for production if at some later time we in this Congress decide to go ahead with that production.

I think that the development of the facilities, and the acquiring of some of the leadtime items that are required in order to be ready to go into procurement to go into production, if we so decide at a later time, is the significance of the item that is here in this bill. We have no safe, up-to-date stockpile of this type of weapon of any kind. Binary is a safe means of giving us some modern capability in this area without producing it, without procuring it, and I think that is the significance of what we are talking about here.

I think we would, indeed, be foolish if we did not provide ourselves with the facilities that would make it possible to go into procurement, to go into production, at some later time if we decide to do so.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. Hicks).

Mr. HICKS. I just want to make two points, Mr. Chairman: No. 1, We have ongoing negotiations right now. Are we going to stop, as this will be the first step in a new generation of nerve gas weapons? How does that strike the Members when we are talking about cutting out all chemical warfare completely? No. 2, there is no evidence that the Russians have any binaries. They have the same kind of nerve gas that we have stockpiled, and we have sufficient to deter them and continue our talks with a view to discontinuing the use of all nerve gas.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. Zablocki).

Mr. ZABLOCKI. Mr. Chairman, I wish to reply to a statement made here that we are unilaterally disarming on chemical warfare. This simply is not at all true. I would be the last to advocate that. It was also stated that going ahead with the binary system would enhance our negotiating position at CCD. I submit that the very people who are our representatives at CCD in Geneva maintain that going ahead with this binary program would make it much more difficult for them.

Finally, Mr. Chairman, it was stated that we need the binary program ready for production. But should there be an agreement, I might say, let us think, what a waste; what a waste.

Last, it was clearly stated before our subcommittee that there is no need for this program. The need was clearly refuted. Therefore, Mr. Chairman, I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. Hicks).

The question was taken; and on a division (demanded by Mr. Zablocki) there were—ayes, 51, noes 62.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 214, noes 186, not voting 34, as follows:

[Roll No. 451]

AYES—214

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Baker
Barrett
Bennett
Bergland
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brinkley
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Clark
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flynt
Foley
Ford
Forsythe
Fraser
Frenzel
Froehlich
Gaydos
Giaimo
Gibbons
Ginn
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Guyer
Hamilton
Hanley
Hanna
Harrington
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hogan
Holtzman
Horton
Howard
Hungate
Johnson, Colo.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Koch
Kyros
Latta
Leggett
Lehman
Litton
Long, Md.
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McKay
McKinney
Macdonald
Madden
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murtha
Nix
Obey
O'Hara
O'Neill
Patten
Perkins
Peyser
Pike
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Skubitz
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Studds
Thompson, N.J.
Thone
Tiernan
Towell, Nev.
Traxler
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Whalen
White
Widnall
Wilson, Charles H., Calif.
Winn
Wolff
Wydler
Yates
Yatron
Young, Ga.
Young, Ill.
Zablocki
Zwach

NOES—186

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Bafalis
Bauman
Beard
Bell
Bevill
Blackburn
Boggs
Bowen
Bray
Breaux
Breckinridge
Brooks
Brown, Ohio
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Dent
Derwinski
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Fisher
Flood
Flowers
Fountain
Frelinghuysen
Frey
Fuqua
Gettys
Gilman
Goldwater
Gonzalez
Gubser
Haley
Hammerschmidt
Hanrahan
Harsha
Hébert
Henderson
Hillis
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Kazen
Kemp
Ketchum
King
Kluczynski
Lagomarsino
Landgrebe
Lent
Long, La.
Lott
McCollister
McEwen
McFall
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Michel
Milford
Miller
Mills
Minshall, Ohio
Mitchell, N.Y.
Mollohan
Montgomery
Moorhead, Calif.
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Pepper
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Rhodes
Roberts
Robinson, Va.
Rogers
Rose
Rostenkowski
Rousselot
Ruppe
Ruth
Sandman
Satterfield
Shoup
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Steed
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thornton
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Wright
Wyatt
Wylie
Wyman
Young, Fla.
Young, S.C.
Young, Tex.
Zion

NOT VOTING—34

Alexander
Biaggi
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
Diggs
Downing
Fish
Fulton
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Kuykendall
Landrum
McSpadden
Nedzi
Owens
Podell
Randall
Rarick
Riegle
Rooney, N.Y.
Scherle
Stuckey
Symington
Udall
Waldie
Young, Alaska

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; $3,377,317,000, to remain available for obligation until June 30, 1976.

AMENDMENT OFFERED BY MS. ABZUG

Ms. ABZUG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. Abzug: Page 24, line 23, strike out "3,377,317,000" and insert in lieu thereof "3,207,817,000."

Page 24, line 24, change the period to a colon and insert immediately thereafter the following new clause: *"Provided, however,* That no funds appropriated hereunder shall be expended for any of the following programs designed to build counterforce capabilities: Terminally Guided MARV's; Improved Yield on Minuteman III (Mark–12A Warhead); Improved Guidance on Minuteman III; Increased MIRV's on Minuteman III (PAVE PEPPER); Missile Performance Measurement System for Minuteman; and Advanced ICBM Technology."

Ms. ABZUG. Mr. Chairman, included in this bill are approximately $170 million in research and development funds for so-called counterforce programs. This seems a small amount in contrast to the billions we are being asked to approve for the Pentagon's overall spending. But although the dollar cost in this case appears to be comparatively minimal, it will hook us into future expenditures of billions of dollars that cannot be justified by any measure of common sense or rationality.

We have this year the highest military budget in our history. Our people are burdened with runaway inflation. We are told that we must reduce expenditures. Yet at the same time we are asked to vote for a seemingly innocent research and development program that will wind up costing us billions of dollars and that is not in any way essential to the security of our Nation. On the contrary, it will set off a new and more dangerous arms race at a time when most of the world is at peace and when détente offers the hope that both sides can begin to cut back on these staggeringly expensive arms programs that are aimed at mutual destruction.

We are told that these counterforce programs are intended to increase the accuracy of our Minuteman III land-based ICBM's, double their yield, and develop MARV, a terminally guided maneuverable reentry vehicle with pinpoint accuracy.

What this represents is a change in our nuclear strategy, enabling us to destroy Soviet defenses as well as cities. This change adds nothing to our security, increases the danger of war, and prohibits a meaningful agreement on arms limitation. The amendment I propose would strike these funds as unnecessary and provocative.

For more than a decade, the United States and Soviet Union have avoided nuclear war because of the knowledge that either side could retaliate with devastating force. Now Secretary Schlesinger proposes to change this policy of "mutual assured destruction" to one of "counterforce capability."

In reality this means shifting American military strategy to first-strike capability, with the implied threat that this Nation could attack first with such devastating force that it would prevent the Soviet Union from retaliating. Obviously, such a policy can only serve to alarm the Soviet Union into speeding up its own first-strike capacity. This is madness compounded.

The Soviets depend primarily for their defense upon land-based ICBM's in "hardened" silos, encased in concrete. The one thing we cannot do now with expectation of complete success is to directly hit these missiles, although we can come close enough to knock some out. Upgrading our ability to destroy them with pin-point accuracy will upset the mutual understanding that neither nation will carry out a first-strike. If Secretary Schlesinger is correct in saying that "perception" of strength is important, how can the Soviet Union perceive this policy switch as anything but a new intention on our part to attack first?

Senator MCINTYRE, chairman of the Armed Services R. & D. Subcommittee and a leading opponent of counterforce programs, opposes this counterforce program. It came very close to being defeated in the Senate authorization. This is what he says about the counterforce program:

> It will put a hair trigger on nuclear war. The stable nuclear peace that the world has enjoyed in recent years has been secured by the confidence each side has had in the survivability of its retaliatory force—even after an all-out attack. This stability would be undermined by greater counterforce capabilities on either side.

Senator MCINTYRE also said:

> Our real choice is not between strength and weakness but choosing a kind of strength that will meet the threat. And no matter how accurate or powerful our Minuteman may become, these improvements would not make them one iota less vulnerable to any projected Soviet threat against them. In fact they would make them less secure since they might draw Soviet fire . . . the effective counter to any Soviet threat . . . is the survivability of our own deterrent.

The Pentagon and its contractors at this time of year are prone to exaggerate Soviet military strength, and to profess alarm over the SALT I agreement. This agreement, signed in 1972 and effective until 1977, strikes a balance between the U.S. lead in MIRV's and strategic bombers, and the greater size and throw-weight of the Soviet ICBM's. But the United States is already so far ahead in nuclear weapons and technology that Secretary Kissinger could say, in April, that "the gap—in our favor—has increased during the period of the interim agreement, and will continue to increase during the whole period of the interim agreement." One illustration of this increase is the U.S. lead in hydrogen bombs, from 4,700 in 1971 to 7,940 at present—while the Soviets increased their warheads from 2,100 to 2,600. That gives us better than a 3 to 1 advantage.

The superiority of U.S. strength in nuclear weapons is assured for years to come. The Soviet Union has only 200 major cities, yet we have almost 8,000 city-destroying bombs. While Soviet missiles are larger, U.S. missiles are already far more accurate and reliable. We are supposed to be alarmed by the fact that the Soviets are beginning to test MIRV's; we are not often told that the United States already has more than 750 MIRV's tested, deployed on submarines and elsewhere, and fully operational.

Yet in this bill we are proposing to rush ahead with MARV's, the maneuverable missile. Why—when obviously we do not need it in our security? Military leaders on both sides understandably want "strategic superiority." This attitude on both sides, Secretary of State Henry Kissinger indicates, is causing the current stalemate in negotiations to limit nuclear weapons.

"What in the name of God," he asks, "is strategic superiority?" What indeed, when each side can already destroy the other several times over.

We do not need another escalation of the arms race. We do not need to embark on eventually costly programs that will drain away needed resources from the American people and exert new inflationary pressures. We do not need to revive the cold war when the hope is for world peace. The proposal for counterforce funds is a long backward step toward cold war tensions and suspicions when we should be moving toward a comprehensive treaty to end all nuclear testing and to limit and ultimately remove all nuclear weapons. I urge my colleagues to support my amendment, offered with 12 cosponsors, to delete these research and development funds.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the purpose of the amendment is to block certain efforts to improve our intercontinental ballistic missiles. We need to improve the accuracy and effectiveness of our intercontinental ballistic missiles.

Of course, we are hopeful that eventually the SALT talks can result in a slowing down of the arms race.

But what is the picture now? We have on launcher about 1,000 intercontinental missiles, and the Soviet Union has on launcher about 1,600 intercontinental ballistic missiles.

The Soviet Union, under agreements which have been made by our Government, is authorized to have a larger number of ballistic missiles on submarines.

So the effort here is to bring about more sophisticated and accuracy in our ballistic missiles.

This issue was voted on in connection with the armed services authorization bill, and an almost identical amendment to strike out this program was offered, and the vote against that amendment was 370 to 34.

So I would believe that the Congress would not at this time wish to block efforts toward further sophistication of our intercontinental ballistic missiles.

Therefore, Mr. Chairman, I ask that the amendment be voted down.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I want to ask the chairman, the gentleman from Texas (Mr. MAHON) a question: The gentleman said that we needed to increase the accuracy of our missiles. Would the gentleman tell me what the purpose of increasing that accuracy is? Is it designed to knock out the missiles and the silos in the Soviet Union?

Mr. MAHON. It is designed to be more accurate in that kind of an operation. It is designed to provide a greater deterrent against an outbreak of war, and the use of ballistic missiles in the first place.

Mr. FRASER. The chairman, I am sure, is aware of the fact that the arms control people who think about these things say that if the Soviet Union believes that we have a force able to take out their missiles, that this tends to move them toward a preemptive strike, or a strike when they think there is an attack underway, without waiting to see what is going to happen. In other words, it makes a hair-trigger response more likely which would precipitate a nuclear war.

Mr. MAHON. I am afraid my time has about elapsed, but I will say I cannot see why it would not improve our deterrent position to have more accurate and capable intercontinental ballistic missiles, especially since the Soviets have more missiles on launchers than we have.

It seems to me that from the standpoint of negotiation and from the standpoint of national security it is urgently necessary that we improve the quality and accuracy of our missiles, not for the purpose of hitting cities or in hitting missile fields in the Soviet Union or elsewhere, but for the purpose of deterring war.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman for yielding.

Would the gentleman agree that we have some 8,000 or 9,000 separate warheads or bombs now available to us? Is that not true?

Mr. MAHON. We have a lot of warheads on missiles, but we have considerably fewer ballistic missiles on launchers and on submarines than the Soviet Union has under the SALT I agreement.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I thank the gentleman for yielding.

I might add that the more accurate the missiles are the fewer we would need to accomplish a given mission.

Mr. MAHON. Mr. Chairman, I ask for a vote on the amendment.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, first of all, I should like to congratulate the gentlewoman from New York (Ms. ABZUG) for once again presenting this important issue to this House of whether or not we want to endorse Dr. Schlesinger's counterforce program.

The way these programs are supposed to work is this: the Soviets are developing MIRV's they could use to wipe out our ICBM's. Therefore, our logical response is to improve the yield, accuracy, and number of warheads on our offensive missiles so that we can threaten to take out the Soviet ICBM's in return, thereby deterring them from trying to do it to us.

This is a $170 million savings, should we choose to support the Abzug amendment, and I think it deserves very serious consideration.

There are only five things wrong with this strategy of Dr. Schlesinger's. First, we do not need to. Second, the threat does not exist. They cannot take out our missiles. It does not work nearly as well in practice as in theory.

Third, the theory is not any good, either. Fourth, if we ever try to use the counterforce capability, it may backfire on us and cause the United States to sustain the exact damage we are trying to avoid. Fifth, even if we do not use it, it could greatly place in jeopardy American national security by increasing the probability of accidental nuclear war.

Let us go back and look at some of these points in greater detail. First, we do not need counterforce because the Russians do not have it and will not get it, and the threat does not exist and will not exist. We have talked about accuracy. Our weapons today are at least twice to three times as accurate as the Soviet Union's weapons, and this is unclassified information. One does not have to take my word for this. I am expressing the opinion of Air Force Gen. John Meyer, head of the Strategic Air Command, writing in the December issue of Air Force magazine.

General Meyer said it does not matter how many MIRV's the Russians put on their missiles, they cannot bring these warheads down on our ICBM's all at once because the warheads interfere with each other. When a nuclear warhead goes off it kicks up a lot of dust and debris and gives off a good deal of radiation. If you bring another warhead down in the vicinity, that warhead will be destroyed and will not be able to detonate. So the Russians have to spread their attack out over a long period of time. They would have to spread it out over such a long period that before they destroyed any significant number of our Minutemen, there would be no doubt in our mind that we were under attack and we would launch a vast number of Minutemen before they were destroyed.

Remember, this is not me talking; this is Gen. John Meyer, the commander of SAC.

Second, American counterforce is not nearly as good in practice as it is in theory. In practice, the idea is that each side knocks out a bunch of the other side's missiles, it destroys relatively little property and relatively little human life and both sides can come to their senses and stop the war. It is what we call a safe, clean nuclear war. I think that anybody who thinks this can be done has got to rethink his position, because the only way to avoid nuclear war is simply to avoid it and not start a small one hoping that it will not expand.

Third, the theory is not any good either. Counterforce does not mean that you simply destroy some of the other side's military power. In the context of a nuclear war, counterforce is meaningful only if you destroy the other side's ability to destroy your own society. In other words, if we destroy almost all of the Soviet Union's offensive strength. Dr. Schlesinger says he does not want to do this. All he wants to do with these programs is to be able to use perhaps 50 Minutemen ICBM's to destroy possibly 100 Soviet ICBM's instead of the 10 or 20 they could destroy now. With the Soviets having well over 1,500 ICBM's, in strategic terms it does not matter if we take out 10, 50, 500. We will not have real counterforce; all we will have will be a very expensive and inefficient countervalue attack; that is, all we will be doing will be to destroy perhaps a half billion dollars of Soviet property. If we want to do this, we can do it more reliably, cheaply, safely, and nonprovocatively by simply sending two or three Minutemen warheads against a Soviet oil field. And we can do this with our existing missiles.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 2 additional minutes.)

Mr. LEGGETT. Mr. Chairman, fourth, if we tried to use a true counterforce capability, it would backfire on us. Suppose the Soviet Union saw a mass of American warheads coming toward their ICBM's. Do you think they would be such fools as to just sit and let their missiles be wiped out? Do not kid yourself. If we put them in a "use it or lose it" situation, they will go ahead and use it just as we would if they put us in a similar situation. Rather than watch their silos be blown up, the Russians will empty them and rather than limiting damage to the U.S., our counterforce attempt will insure that our society will be destroyed.

Fifth, even if we do not try to use Dr. Schlesinger's counterforce, the simple fact that we deploy it will be enough to increase the chance of accidental war. Despite any propaganda you might have heard to the contrary, the Russians do not have a three-armed Triad deterrent similar to ours. Their bombers are not very good: their only heavy bomber is propeller driven and the new lightly publicized Backfire has shown no evidence that it has a basic terrain-following radar like our F–111; without a terrain-following radar, the Backfire's swing-wing is useless in an attack against the United States.

The chairman talked about the F–111 and why we need to continue that program. I think we need to continue it, and they do not have this capability but we do.

And their nuclear submarines do not seem to be very good either: they have a lot of them but their deployment rate is very low, which indicates that they may not work very well. So all the Russians really have to rely on is their ICBM force. If we develop the capability to destroy their ICBM silos in very large numbers, we will put them in a situation in which they feel that they have no choice but to launch on warning, instead of following their present strategy of maybe riding out a possible attack before launching. So, all it will take will be a flight of geese, or maybe the Moon, to appear on the Soviets' radar screen in such a way that the Kremlin thinks American ICBM's are on the way; the Russians will launch their ICBM's, and goodby civilization.

In short, we do not need these counterforce programs, they will not do any good if we get them and they could do us a great deal of harm. I do not question the sincerity of those who feel American counterforce would be beneficial to national security, but I do say they have not made their case, the case cannot be made, and it is clear that these programs will have the opposite effect from that intended.

I think the better part of valor would be to think very carefully about what we are doing and avoid a nuclear war and avoid it right now and adopt this amendment.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, some people ask me why I want to speak on this particular amendment. I want to speak on this amendment because I think it is a very serious matter we are discussing, and no matter how the vote goes I think it is absolutely necessary to discuss the issue.

The gentlewoman from New York (Ms. ABZUG) has rendered a service to the Congress and to the country in my judgment by raising the issue presented in this amendment on several bills.

The Secretary of Defense in his annual Defense Department Report for fiscal year 1975 on the military posture of the United States, which is the predicate for the funds we are being asked to vote on here and which is the issue sought to be reached by this amendment, stated the drawbacks to sole reliance on assured destruction and the need for options. In other words, that massive deterrence ought not to be the only option available to the President.

The President ought to have some flexibility. Therefore, the argument is presented for additional R. & D. for the new capability envisioned, that would give the President those additional options, would increase missile accuracy, permit the United States to respond with limited nuclear response, and all this worth whatever the cost.

Besides it is argued the Russians continue to improve their capability; this is dangerous to the United States and we should do the same or better mostly better, no matter the cost.

All Members on the Committee on Armed Services and the Committee on Appropriations know and the rest of us should understand, that the President has not been and is not now limited in his options. He is not limited solely to respond to strategic targets; nor is he required only to respond to an attack by an all-out attack. So it is not necessary to postulate a new theory, as the Secretary of Defense did in his 1975 report which is really not new. If the United States wants to fight a limited nuclear war, and I hope we never adopt that kind of policy, the President has that option now.

Additional counterforce capabality does not give him an additional option. The flexibility, in other words, already exists.

The question is how much flexibility do we want to pay for? Furthermore, do we want to introduce into the strategic equation a new factor which will cause a great deal of apprehension, will lead to an arms race, at least unilaterally in the United States, because the ultimate objective is to get "zero accuracy," and Minuteman III now has 0.20 mile accuracy.

It is suggested that the United States should have the capability to destroy the hard missile capability, the retaliatory military force of the Russians, by dropping one of our missiles right down their stack. That is supposed to give us the kind of accuracy that just stops them.

Assuming the United States wants additional accuracy over and above what we are now paying for, the question is do we want to pay for that additional accuracy? How much accuracy do we have now?

Minuteman III, which is part of this R. & D. improvement do you know, has a probable kill capability right now of 92 percent?

Do we know the Minuteman III right now has a single shot capability, one shot dropped right down the stack of any target, of 56 percent?

How much kill do we want to pay for?

I can tell you this. If you had a chance to see the computer projection curves on the cost it would ultimately take to carry out what this R. & D. is predicted to do, the additional 8-percent factor of the probable kill, the additional factor of 44 percent of the single shot capability it would add billions of dollars cost to the military expenditures, and add very little to our credible deterrence.

This is what the issue is. Sure, we want the President to have options. He has them now.

Yes, we want accuracy. Sure, we need the limited flexible response that the President ought to have and we want to be sure our missiles can do the kind of damage we know they can and are capable of doing.

The only issue is really right now when we start planting this particular little seed of R. & D. with only a few hundred million dollars, how much will we really get and how much is it going to cost.

Mr. Chairman, we are going to be faced in the future with a bill for billions of dollars to carry out the implementation of the results of the R. & D. envisioned as this new policy, we will not significantly improve our military posture or credibility and we will help insure a costly arms race.

I respectfully submit the United States does not need to go down this road.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to endorse what the gentleman from Florida said. If we proceed with this research and development, we do not add to our deterrence. We add to the likelihood of a nuclear exchange. That is the beginning and the end of the story.

We have over 9,000 separate targetable warheads today. We can wipe out 160 Soviet cities right now with one submarine equipped with Poseidon missiles.

If the Soviets believe we have achieved a high enough accuracy to take out their land based missiles, they are going to be on a hair trigger to stage a preemptory strike or a strike on warning, which increases the likelihood that the United States will be devastated.

This program makes no sense. This is why many responsible students of arms control feel we are going down the wrong road.

I agree with them, and I urge support of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York (Ms. ABZUG).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LEGGETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 69, noes 328, not voting 37, as follows:

[Roll No. 452]

AYES—69

Abzug
Addabbo
Aspin
Badillo
Biester
Bingham
Brademas
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Carney, Ohio
Collins, Ill.
Conte
Conyers
Corman
Culver
Danielson
Dellenback
Dellums
Drinan
Eckhardt
Edwards, Calif.
Fascell
Ford
Forsythe
Fraser
Green, Pa.
Hanna
Harrington
Hawkins
Hechler, W. Va.
Helstoski
Holtzman
Hungate
Kastenmeier
Koch
Leggett
Luken
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moss
Nix
Obey
Pritchard
Rangel
Rees
Reid
Reuss
Rodino
Rosenthal
Roybal
St Germain
Sarbanes
Schroeder
Seiberling
Stanton, James V.
Stark
Stokes
Studds
Thompson, N.J.
Tiernan
Vander Veen
Vanik
Whalen
Yates
Young, Ga.

NOES—328

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fisher
Flood
Flowers
Flynt
Foley
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan

Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Michel
Milford
Miller
Mills
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
Sandman
Sarasin
Satterfield
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Traxler
Treen
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—37

Biaggi
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Cotter
Davis, Ga.
Derwinski
Diggs
Downing
Fish
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Long, Md.
McEwen
McSpadden
Mathis, Ga.
Mollohan
Nedzi
Owens
Podell
Randall
Rarick
Riegle
Rooney, N.Y.
Scherle
Steiger, Wis.
Symington
Teague
Udall
Waldie
Young, Alaska

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MILITARY ASSISTANCE, SOUTH VIETNAMESE FORCES

For necessary expenses to support South Vietnamese military forces, to be obligated only by the issuance of orders by the Secretary of Defense for such support; $922,600,000, and in addition, $77,400,000, which shall be derived by transfer from "Aircraft Procurement, Air Force, 1974/1976" and shall be available only for the procurement of F-5E aircraft: *Provided*, That this appropriation shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind for South Vietnamese military forces, which obligations shall in the case of non-excess materials and supplies to be furnished from the inventory of the Department of Defense be equal to the replacement costs thereof at the time such obligation is incurred and in the case of excess materials and supplies be equal at the actual value thereof at the time such obligation is incurred.

AMENDMENT OFFERED BY MR. FLYNT

Mr. FLYNT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLYNT: On Page 26, line 24, delete "$922,600,000", and insert in lieu thereof, "$622,600,000."

Mr. FLYNT. Mr. Chairman, this is the amendment to which I referred earlier in the day during general debate, when I said that at the appropriate time I would offer an amendment to reduce the appropriation to support South Vietnamese military forces provided in title VII of this bill, from $1 billion to $700 million.

The technical language of my amendment deletes the figure of $922,600,000 and inserts in lieu thereof the figure of $622,600,000, because there is $77,400,000 in this title which is for aircraft procurement, and is not affected nor intended to be affected by the language of my amendment to reduce the total figure from $1 billion to $700,000,000.

First of all, this cut is not as excessive as it might appear to be from the language which reduces the appropriation by $300,000,000, because when you take into consideration that the amount actually expended out of the appropriation for the same purpose in fiscal year 1974 was only $744 million, so that the net effect of the amendment which is offered at this time is to appropriate $700 million for the same purposes for which the Congress last year appropriated, and from which there was expended out of this appropriation approximately $744 million.

First of all, let me say that a vote for this amendment is a vote for fiscal responsibility. I recognize the fact that this $300 million reduction is not going to balance the budget. I further recognize that this $300 million is not going to take much off of the national debt. But, Mr. Chairman, I do submit that it will make a $300 million dent in it.

There is no military necessity for an appropriation more than the $700 million which my amendment would appropriate. We have been told that this country has a moral commitment, or some kind of commitment, to the Republic of South Vietnam. There would be those who would like to see this figure at $2 billion a year forever. The request for this year was $1,400,000,000. The amount in the authorization is $1 billion, which is the amount carried in this bill.

We have no commitment for any of those figures. The only commitment which the United States of America has is the commitment for the furtherance of peace in Southeast Asia and in Vietnam.

Mr. Chairman, I believe with all of the sincerity of which I am capable that the $700 million will go further to achieve peace and to maintain peace in that tragic and unfortunate part of the world than if we give the entire $1 billion, which the language of the bill unamended would appropriate.

We have gone through this time and time again. The House has previously acted responsibly in reducing the administration's requests for this very program. Up until this year the name of it was military assistance service funded. This year they have changed the terminology. This year it is called military assistance, South Vietnamese forces. By whatever name it is called, it has become increasingly clear that the sooner we make a commitment to the people of this country that we are not going to continue to perpetuate forever warfare in Southeast Asia, the better off this country is going to be, and the better off Southeast Asia is going to be, as well.

We in the Congress again have the responsibility to continue this effort, and we in this committee have the opportunity today to adopt this amendment to strike the figure $1 billion for this program and subscribe the figure $700 million, including the $77,400,000 for aircraft procurement.

I feel that we must communicate to the Government of Vietnam and to President Thieu that the American people are not going to continue to pay $2 billion a year or $1 billion a year to enable him to avoid the political realities of his own country.

Another reason why the figure contained in this bill should be reduced is because the committee bill as written without this amendment would actually provide an increase of $250 million over the amount expended last year.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. FLYNT was allowed to proceed for 1 additional minute.)

Mr. FLYNT. Again, Mr. Chairman, let me say that those who speak of the commitment that we have to South Vietnam, we have fulfilled that commitment and we are continuing to do so. It may indeed be that a $700 million figure in this title would do more to achieve and maintain a lasting peace in Southeast Asia than the total $1 billion figure would.

There are those who would say that we need to continue to spend more and more in South Vietnam and in support of the South Vietnamese forces if we are to achieve that lasting peace for which we all yearn. I postulate the exact opposite of that theory.

I believe that the total figure of $700 million is a more realistic, a more pragmatic figure than the figure of $1 billion contained in the committee bill, and I ask for a vote for this amendment.

Mr. WAGGONNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope that the Members paid particular attention to the statement of the gentleman from Georgia, my friend Mr. FLYNT, because he began his remarks with this statement, in these words, in these exact words:

> This amendment is not as excessive as it might appear to be.

A good debater would stand here and say no more, because the gentleman from Georgia (Mr. FLYNT) has said to the Members in effect that his recommended cut is excessive. That is the end result of his statement and I should say no more.

The gentleman from Georgia (Mr. FLYNT) further said that we had no commitment in Southeast Asia except to the cause of peace. What greater commitment could this Nation have anywhere on the face of this Earth than to the cause of peace? I submit that the commitment to the cause of peace in Southeast Asia is as binding today as it ever was and it is perhaps even more significant today than it ever was.

Further, the gentleman from Georgia (Mr. FLYNT) went on to say earlier in his remarks that $700 million would be a more appropriate figure to carry out our commitment toward the cause of peace than would be the billion dollars proposed by the committee.

The gentleman went further then and said that the asking of the administration was for $1.6 billion. The committee has made a tremendous cut, all I am sure that they felt could feasibly be done and still honor our commitment to the cause of peace and serve the cause of peace.

Then the gentleman from Georgia (Mr. FLYNT) contradicted himself again and said in all probability the $700 million might be a better figure than the billion dollars recommended by the committee. This reflects his honest doubt. What the gentleman from Georgia (Mr. FLYNT) is doing is saying that his judgment toward the commitment for the cause of peace is better than that of the rest of the committee and better than that of the administration, and he might well be right but I do not think so. I am not going to try to superimpose my judgment on his because I do not have the information that the committee has in totality nor do I have the information that the administration has in totality about what we ought to do there.

I am going to say this to you. If there is any question at a point in time when there is a crisis internally within the Government of the United States of America never equaled before, it behooves us in my opinion not to let anybody believe and not to let anybody receive anything that might smack of a signal from this Government that we are backing off from our commitments and from our obligations and from the cause of world peace.

I want to say to my friends, that if ever we want to honor a commitment, it is now. Do not in a time of crisis let people believe that the United States is now too weak to respond to a challenge. Do not force a challenge.

So I am going to say let us utilize the better judgment of the committee and stick with this figure which is $600 million below the proposed budget, let us honor that commitment for peace, and let us get on with it, and let us let nobody believe that the United States is weak.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a letter has been addressed to members of the committee by the Secretary of State, the Honorable Henry A. Kissinger, on this subject.

Now, we recall very well the monumental work which made it possible for an apparent peace to be achieved in Vietnam, largely through the efforts of Henry Kissinger. It is the fault of the North Vietnamese that the peace is not a real one. I am not going to read all the letter, but I want to read a part of it. Please listen to this:

> Cuts already made in our military assistance, combined with the rapid inflation which has eroded the value of that assistance, have brought the South Vietnamese armed forces to a level of austerity which, if reduced further, might affect their ability to defend their country against continuing Communist military pressure.
>
> On the other hand, with adequate external support, South Viet-Nam has become better able to defend itself than ever before, and it has good long-range prospects for self-sufficiency in all fields.
>
> The best hope for a genuine negotiated settlement and eventual reconciliation in Viet-Nam is to maintain the balance of forces which has permitted the progress made thus far.
>
> Therefore, I again reiterate the absolutely vital necessity to insure in our own national interests that the FY–1975 Military Aid level for the Republic of Viet-Nam be maintained at not less than the one billion dollars agreed in the Conference report.

Mr. Chairman, this is a crippling amendment. The administration asked for $1.4 billion. That was the agreed figure it was felt necessary to carry on a satisfactory and effective level of defense for South Vietnam. It has been cut in the Congress to $1 billion. Now we are asked to cut it another $300 million, of which $77 million already is earmarked for aircraft. Seven hundred million dollars is only half of the money which was felt to be essential for the defense of South Vietnam.

I hope we have not forgotten so quickly that we invested 50,000 lives in Indochina—50,000 lives and $120 billion. This $1 billion is a very small investment, compared to what we have already done. Yet with this, all that we have done can be wasted, lost, gone. At least give the South Vietnamese a chance, give them a little more time to work their way out. The South Vietnamese are fighting well. Morale is high. The government is strong. Because of heavy fighting, more supplies, not fewer supplies, are required. Word has reached our Government that the North Vietnamese are becoming discouraged. They have not had the pushover they expected when U.S. forces were withdrawn. The older leaders are getting out of the picture. The young leaders are wondering whether it is worth the effort.

Let us not hand South Vietnam to the Communists on a silver platter. Help the South Vietnamese to keep up a brave fight.

For some time a battle has been in progess over one city which the North Vietnamese are trying to take in order to establish a provisional capital. They have not been able to do it. They have tried for years to capture a city big enough to grace the name of a provisional capital. They have not been able to do it. Do not yank the rug out from under the South Vietnamese now.

Let us think on one other point. This should impress the Members, if nothing else does. We can remember the terrible plight of the American POW's and MIA's captured by the North Vietnamese and the Vietcong. We are still unable to search for the remains of MIA's and to explore the potential that a few may be alive in captivity, because the Communists will not let us have access to areas of the countryside they control. They agreed to do so, but they now refuse.

What will the American families of those MIA's think about a vote that will give aid and comfort to the Communists, a vote that perhaps will forever seal off areas we hope to search for the remains of those missing MIA's?

Yes, it is the North Vietnamese who are preventing this search from going on. It is the North Vietnamese who will not allow peace in Southeast Asia.

This amendment must be defeated.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia, which is cosponsored by myself and Mr. CONTE of Massachusetts. I am shocked at some of the arguments that I heard here this afternoon. I feel that every time we discuss and debate this amendment, we go back about 2 or 3 years to the days when America was still involved in combat activities in South Vietnam.

When are we ever going to get it through our heads that we have gotten out of South Vietnam? We not only have gotten out because of the will of the Congress or the administration, we have gotten out because of the demands of the American people, who year after year ultimately impressed upon us—and to the credit of President Nixon—impressed upon him the necessity of getting out. We are out.

The future of South Vietnam and North Vietnam will be determined between the two in accordance with the terms of the agreement of the Paris agreements. We have no commitment to add to and to give to South Vietnam whatever amount of moneys, the billions that they may ask for. We have a commitment to replace equipment, and yet they come in year after year and ask for more and more money, and we have got to learn to say no.

Mr. Chairman, the gentleman from Louisiana makes reference to the fact that the wisdom, the collective wisdom of the committee, is more to be relied upon than the wisdom and amendment of the gentleman from Georgia (Mr. FLYNT). Let me say something to my colleagues: I have had the privilege of serving on this subcommittee for several years, and there is one man who is in attendance at those subcommittee meetings day in and day out, diligently, and who knows the subject of defense, and that is the gentleman from Georgia (Mr. FLYNT). There is no man that I know of in this Congress who is more determined to do what is right for the United States and for the defense of the United States and for the security of the United States than the gentleman from Georgia (Mr. FLYNT).

Yet, he knows that this is an excessive amount of money which is being asked for; that it is a blank check. He knows that last year, when they asked for $1.6 billion, and they were given $1.126 billion, that in fact the amount spent in fiscal year 1974 was only $744 million.

What are we going to do this year? Reward them and increase the amounts from $744 million to the $1 billion they asked for? No.

The gentleman from Georgia suggests that we cut it back to an amount slightly less than what they used and got last year, $744 million. He suggests $700 million. What will this accomplish? It will act as serving notice on South Vietnam that this blank check from the United States will not continue and last forever; that we are ultimately going to eliminate this wasteful spending.

We do not want to pull the rug out from under South Vietnam, as has been suggested. We do not want to take all the money away at once, but we are going to do it in stages, and we are serving notice on them that we are reducing military aid to $700 million. We think this amount is sufficient for them to defend themselves against North Vietnam and that it will encourage and enable them to sit down and work out a peaceful and political solution to this timeless Vietnamese problem which has beleaguered us and which has sickened the American people for ten long years at least.

I believe the gentleman from Georgia is truly worthy of belief. He has a very balanced approach to problems of this kind, and I know that he would not suggest anything foolish or frivolous or wild. If ever there is an opportunity to save money and to serve notice—not to betray any allies, because we are not breaking a commitment—but to serve notice on the Thieu regime that their era of easy money and easy military supplies has come to an end, this is the time.

Now is the time to do it, and I suggest we do it overwhelmingly by supporting the amendment of the gentleman from Georgia.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment to the Department of Defense appropriations bill for 1975.

The administration has proposed to Congress the largest peacetime military budget in our history. This proposal comes at a time when the administration is freezing budgets and impounding funds appropriated by Congress for vital domestic programs. Moreover, the Secretary of Defense has admitted that his request for national defense needs would have been more than $6 billion lower had he not been encouraged to include funds in the hope that more military buying might stave off a recession. Mr. Chairman, this is not the way to put together a defense budget.

Mr. Chairman, we are currently in a period of stagflation, with both rampaging inflation and a slowdown of economic activity. Federal spending should be used to both create jobs and control inflation. Military expenditures do neither very well.

Military spending is more inflationary than other types of Government expenditures. It results in increased income and demand, without the production of goods to satisfy that demand. This is the classic "too much money chasing too few goods" type of inflation.

A study has shown that $1 billion spent on Pentagon procurement creates 75,812 jobs. Spending the same amount at the State and local government levels on health would produce 80,041 jobs and on education, 104,019 jobs. Military spending, as you can see, is one of the prime causes of inflation and one of the poorest ways to create new jobs.

The next question must then be where to cut the defense budget. While I believe that there are many fat areas which need trimming, one in particular stands out—and that is the area of this amendment, military assistance to South Vietnam.

The present bill includes $922.6 million for this purpose, an amount which is both unjustified and inconsistent with our attempt to disengage both economically and militarily from that long and costly conflict in Southeast Asia.

The authorized ceiling for Vietnam and Laos last year was $1.126 billion. Of that $117 million was for Laos and not requested this year, and $266 million was assistance to Vietnam delivered in prior years but charged to the 1974 budget. Thus the actual fiscal year 1974 level of military aid to Vietnam was $743 million. A reduction to $622.6 million, as provided for by this amendment, represents not a meat-ax approach to defense cuts, but a realistic reflection of the fact that peace should cost less than war!

An increase of the level of aid to the $922.6-million level will simply lead to increased fighting and bloodshed in that already war-torn and ravaged part of the world. Peace will only come about when all parties to that conflict recognize that there is a no-win military situation there. The South Vietnamese Government will only come to that realization if we reduce our level of military support. Only then will the Thieu government find it in its own interest to seek a negotiated settlement.

Mr. Chairman, the defeat of this amendment would represent a victory for those who favor continued warfare in Vietnam and increasing inflation here at home. The adoption of this amendment will be a victory for those who want to see a peaceful settlement to the Vietnamese conflict, and fiscal responsibility in our domestic budget.

Mr. Chairman, I urge the adoption of this amendment.

Mr. WHALEN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I would be glad to yield to my good friend, the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, I would like to associate myself with the remarks made by the gentleman from Massachusetts (Mr. CONTE).

It seems to me the figure proposed in H.R. 16243 creates two very serious problems, First, it aggravates the inflation which our involvement in Vietnam initiated back in 1966, and, second, as the gentleman in the well has pointed out, it thwarts our desire for peace by encouraging continued warfare in Indochina.

Mr. Chairman, I support the amendment.

Mr. MINSHALL of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I assure the Members that I am not going to use my entire 5 minutes in speaking in opposition to this amendment, since many of my colleagues have already given sincere and able arguments on both sides of this very, very important question.

However, I think, in order to put this entire amendment that has been offered here in proper perspective, I would merely like to point out that any further reductions from this $1 billion figure that we already have in the bill would seriously cripple the South Vietnamese capability to defend themselves and would be in violation of the clear understanding—I say that again—of the clear understanding they had from us at the time of the cease-fire.

It was we who told the South Vietnamese that we would give them the tools that they would have to use to finish the job. Furthermore, it was we who undertook a commitment to replace their equipment combat losses on a 1-for-1 basis.

I am not going at this time to describe in detail just how this would weaken them, but, very briefly, a $700 million ceiling would mean that their OM funds, their operation and maintenance funds, would be seriously decreased. Their money for POL—petroleum, oil, and lubricants—would be reduced more than 25 percent. Their communications would be seriously weakened. Ground ammunition would be funded to about 60 percent of the current level recommended by the Department of Defense. As far as procurement of major items of weaponry is concerned, we would not be able to meet those requests.

Mr. Chairman, we on the subcommittee had a very interesting meeting with Secretary of State Kissinger only last Wednesday. It was an informal meeting. At the conclusion of his testimony I asked the Secretary if he would be kind enough to give me a letter stating his arguments for not reducing any further the $1 billion figure. My good friend, the gentleman from Florida, has just read part of that letter, and I have already put this letter in, in its entirety, when we considered this matter in general debate.

Mr. Chairman, I would like to conclude by saying that Dr. Kissinger strongly recommended that we not reduce these funds one iota more, and I say today to my friends in the House that a vote of no on this amendment will be a vote of confidence for Henry Kissinger.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. MINSHALL of Ohio. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to compliment the gentleman on his statement. I agree wholeheartedly with his position.

I think it would be shortsighted in the extreme if we would make a cut in the appropriation proposed. The consequences could only be adverse.

We do have a commitment, whether we want to acknowledge it or not. I think we would be making a major contribution to instability in the area with this approach.

Mr. Chairman, the level of spending which is being proposed is, in my opinion, rockbottom, and I want to say I am very much in opposition to this amendment.

Mr. MINSHALL of Ohio. Mr. Chairman, I thank the gentleman for his remarks.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have plowed this ground over several times at this session of the Congress, and just last week the House and Senate voted to accept a $1 billion authorization figure for aid to South Vietnam. That happened just last week, and it was signed into law by the President. It seems to me that we should agree on the $1 billion figure.

I will agree that the budget estimate was much greater. The estimate was $1.4 billion. That was the request of the administration. We have reduced that figure in the Congress to $1 billion, agreed on it in the House and in the Senate, and sent it to the President in connection with the military authorization bill. But this amendment would cut the original budget request in half, and I do not think such action is defensible, and I rise in opposition to the amendment.

Mr. Chairman, when I look at the shopping list under the $1.4 billion budget estimate, I see that over $400 million was for ammunition. I do not want to cut the ammunition that we have been supplying the South Vietnamese forces.

For aircraft, there was $175 million requested.

The cost of our getting out of South Vietnam was such that we would continue to provide certain military support. South Vietnamese are doing relatively well in support of their independence. I believe that the adoption of this amendment would be bad news in South Vietnam, and it would be good news in Hanoi because the North Vietnamese would feel that the support of the United States was weakening. I do not think at this critical time in our history that we ought to indicate any weakening of our resolve in matters involving the foreign policy of the United States.

Mr. Chairman, I urge the House to do this week what it did last week, and approve the $1 billion for Vietnam rather than cut the President's request for military support to Vietnam by one-half.

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, and Members of the Committee, I rise in opposition to the amendment. I rise in opposition to the amendment because I feel it is not in the best interest of the United States or the free world. I wish that I could, in good conscience, support it. I think my record around here is clear enough in behalf of fiscal responsibility.

Today this subcommittee had a meeting with the Secretary of State, during which this subject was very deeply discussed, and the Secretary is in dedicated opposition to this amendment because of what it will do to him as he tries to carry on his mission of peace around the world.

I also have had opportunity to meet with our Ambassador to South Vietnam, and he is trying to do his best to bring about stability in Southeast Asia.

I think this amendment, if it is carried, would be a signal to North Vietnam that the rest of the world has decided to abandon South Vietnam.

I remember long and well the debate held here on the floor regarding the movement out of Vietnam. Almost everyone who wanted to get out of Vietnam said that once we get out, we will give them all the help that they need to sustain themselves.

This is an amendment that will destroy their opportunity to defend themselves.

Mr. Chairman, I look upon South Vietnam as the Israel of Southeast Asia. And if the money was in here for Israel you could get all you want. And let me tell the Members this: As far as I am concerned, I am supporting Israel in the Middle East because I believe it is a stabilizing force in the Middle East. I believe a stable South Vietnam is a stabilizing force in Southeast Asia. I think it is vitally important that we do the best we can for them.

This amendment, if it is adopted, would reward North Vietnam for its aggression, purely and simply. We are having a difficult time in getting the North Vietnamese to even allow us to look after and find our missing in action. Our Ambassador to South Vietnam hesitates to send out any teams with Americans because some of them have been ambushed, and I think one has already been killed.

Are we going to reward the aggression from the North any further? I think not. I think the most devastating thing that we could do to undermine the ability of the South Vietnamese to provide for themselves would be to adopt this amendment.

In my discussions with our Ambassador to South Vietnam, he said he is confident that, both economically and militarily, if we will carry on a steady course, then we can see within a matter of a relatively very few years the ability of South Vietnam to take care of itself.

I say to the Members that this amendment would, in my opinion, not be in the best interests of peace in Southeast Asia, and it would damage the ability of our Secretary of State to carry on many of his missions. Our commitment to South Vietnam is to try to provide the ability to help themselves. This has been a tradition of the United States. This is why we give our assistance in abundance to the State of Israel, a nation of 3 million people, and Southeast Asia has 14 million people. Do we want to abandon them? We should not abandon either one of them.

We have commitments there that are in the long-term, best interests of the United States.

I would urge everyone to be sure and check their consciences. I know politically it is great to say one is going to vote against $1 billion for South Vietnam. That is the political vote to take. I wish I could take it, but I would have to live with my conscience, and I am not going to support this amendment because it does violence to the traditions of the United States in trying to provide for stability around the world.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 7:40 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MONTGOMERY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 7:45 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was granted will be recognized for 1 minute each.

The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY).

(By unanimous consent, Messrs. YOUNG of South Carolina and MINSHALL of Ohio yielded their time to Mr. MONTGOMERY.)

Mr. MONTGOMERY. Mr. Chairman, I move to strike the last word, and I rise in opposition to this amendment.

I might say that I have tried to keep myself up to date on the Vietnam situation. I returned from Vietnam only 3 weeks ago where I spent 10 days in Southeast Asia and most of the time in South Vietnam.

As the Members will recall, I sent them an updated report on my trip about the missing in action American bodies not recovered in Communist territory, and I mentioned my assessment of the war in Vietnam.

They are now fighting a conventional war, Mr. Chairman, in Southeast Asia. Before, when the Americans were there, we were fighting a guerrilla-type war. It is now a conventional war, tank against tank, and artillery against artillery. The North Vietnamese have invaded South Vietnam so, therefore, the South Vietnamese have had to expend more ammunition and more equipment.

The administration requested—this is my strong point here tonight—$460 million in supplemental appropriations in

1974 for ammunition and equipment for the South Vietnamese.

It was turned down by the committee. I have no criticism of that. But it made the South Vietnamese change their tactics and instead of putting down artillery barrages and bringing in air strikes they have had to use more manpower because we did not give them this supplemental appropriation. The casualty losses for the South Vietnamese have risen 20 percent over the year before. So the South Vietnamese have sacrificed in lives and in wounded.

Yes, the North Vietnamese have invaded the South, but the South Vietnamese are fighting well. It would be a mistake to cut back at this time. When one is defending, such as a bank defending itself against a robber, the bank spends more on security than the robber does himself on robbing the bank. The South Vietnamese have to spend more on defending their country than the North Vietnamese do; it costs the South Vietnamese more troops and equipment and money because they have to defend many different areas. I hope the Members will consider that point.

The North Vietnamese have completely disregarded the Paris Accord. They do not believe in it. Someone mentioned about one of the Americans being killed. The North Vietnamese killed Captain Reese, who was on one of the inspection teams. They killed him in cold blood when they went to an aircraft site looking for remains.

I have great respect for the gentleman from Georgia (Mr. Flynt) and the gentleman from Connecticut (Mr. Giaimo); I generally agree I would like to cut out these funds somewhere down the line. But the way we do can do it is for Dr. Kissinger to work with the Russians and Chinese and if they would quit funding the North Vietnamese we could quit funding. I still think the South Vietnamese can make it, but if we cut back on them and Russia and China continue to fund at the levels they are now doing, our friends, the South Vietnamese, don't have a chance.

I urge my colleagues to oppose this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Leggett).

Mr. LEGGETT. Mr. Chairman, I think the amendment of the gentleman from Connecticut (Mr. Giaimo) and the gentleman from New York (Mr. Addabbo) and the gentleman from Connecticut (Mr. Flynt) ought to be adopted if we do not want to escalate the effort in Southeast Asia. We know the fact that in fiscal year 1974 in Vietnam we expended a total amount of $750 million. The balance up to a billion dollars was for repayment of funds we had expended in previous years. The Giaimo-Flynt amendment merely cuts the $750 million spent last year by $50 million down to a figure of $700 million.

Mr. Chairman, the amendment offered by my colleagues Messrs. Giaimo, Flynt, and Conte is well designed to implement the intent of the House as expressed in my amendment to the authorization bill in May. At that time, the House adopted a form of my amendment to reduce aid to Vietnam to a level that would insure no increase in American participation. Unfortunately, we did not at that time take cognizance of the fact that $266 million of the money given to the MASF program in fiscal year 1974 was actually spent in prior years. That means, quite simply, that we spent about $756 million for military aid to South Vietnam last year; it further means that a $1 billion appropriation would be an effective increase of approximately $244 million for guns and ammunition. It was and is quite clear that an increase in military aid to South Vietnam is not the intention of the House.

When viewed in the context of our total aid package to Vietnam, this amendment makes even more sense. The original administration request for all forms of Vietnam assistance was about $2.4 billion, of which $1.45 billion was for military aid. Even with the reductions already mandated by the Congress, the total aid request still comes to about $1.950 billion, over half of which is taken up with the $1 billion of military aid. I submit that this is far from the proper balance for an aid program designed to produce peace. The amendment offered by my colleagues would reduce the overall figure to about $1.65 billion, of which less than half would be military assistance. If our aid program is designed to produce peace instead of war, this is a far better way to accomplish that end.

Members are all acutely aware of the severe economic difficulties we are now facing; the dollar drain to the Middle East, the inflation and unemployment here at home, and the general economic malaise that grips the country. We have responsibilities to Vietnam, it is true; but we have even greater responsibilities at home. This amendment will not leave Vietnam "high and dry," because it is a modest $56 million reduction from what they received from us last year; it is however, a large step toward bringing our aid budget down to a more manageable level. I strongly urge its adoption.

I would also include at this point in my remarks the total U.S. worldwide military and economic aid program in fiscal 1975. The $2.4 billion program for Vietnam out of a total $8.3 billion program is totally cost ineffective and should be substantially moderated.

The material follows:

U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975

[In thousands of dollars]

	Total economic and military assistance and credit sales	Economic assistance programs					Military assistance and credit sales programs				
		Total economic assistance	AID	Peace Corps	Public Law 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Summary	8,368,726	[2] 4,872,226	2,842,415	82,256	995,928	42,500	3,496,500	1,024,000	872,500	150,000	1,450,000
Africa, total	293,753	251,468	168,992	26,103	56,373		42,285	14,785	24,500	3,000	
Algeria	1,409	1,409			1,409						
Botswana	1,736	1,736		394	1,342						
Burundi	425	425			425						
Cameroon	1,311	1,311		825	486						
Central African Republic	260	260		139	121						
Chad	448	448		444	4						
Congo (Brazzaville)	412	412			412						
Dahomey	499	499		388	111						
Ethiopia	47,939	29,039	25,037	2,798	1,204		18,900	11,300	5,000	2,600	
Gabon	530	530		204	326						
Gambia	442	442		255	187						
Ghana	15,695	15,625	13,746	1,187	692		70	70			
Guinea	333	333			333						
Ivory Coast	2,091	2,091		1,469	622						
Kenya	8,951	8,951	7,493	1,159	299						
Lesotho	1,739	1,739		98	1,641						
Liberia	9,626	9,026	7,206	1,362	458		600	100	500		
Malgasy	168	168			168						
Malawi	410	410		351	59						
Mali	1,286	1,236		356	880		50	50			
Mauritania	290	290		54	236						
Mauritius	1,219	1,219		79	1,140						
Morocco	49,182	34,322	15,210	1,331	17,781		14,860	860	14,000		

Footnotes at end of table.

		Economic assistance programs					Military assistance and credit sales programs				
	Total economic and military assistance and credit sales	Total economic assistance	AID	Peace Corps	Public Law 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Niger	1,957	1,957		1,061	896						
Nigeria	6,133	6,133	3,682	151	2,300						
Rwanda	2,947	2,947	2,500		447						
Senegal	1,870	1,845		606	1,239		25	25			
Seychelles	26	26		26							
Sierra Leone	2,566	2,566		1,655	911						
Sudan	15,960	15,910	10,850		5,060		50	50			
Swaziland	572	572		452	120						
Tanzania	12,054	12,054	10,659		1,395						
Togo	2,089	2,089		1,061	1,028						
Tunisia	21,368	17,468	5,809	1,072	10,587		3,900	2,000	1,500	400	
Upper Volta	2,230	2,230		520	1,710						
Zaire	15,294	11,494	6,013	5,145	336		3,800	300	3,500		
Zambia	8	8			8						
Economic regional programs:											
Central West Africa and Sahel	26,874	26,874	26,874								
East Africa	1,563	1,563	1,563								
Southern Africa	10,123	10,123	10,123								
Africa regional	21,988	21,988	20,527	1,461							
Self-help projects	1,700	1,700	1,700								
Regional military costs	30						30	30			
Asia, total	4,762,069	2,086,017	1,375,949	15,624	680,246	14,198	2,676,052	787,902	318,000	120,150	1,450,000
Afghanistan	17,185	16,985	14,467	1,293	1,175	50	200	200			
Bahrain	83	83		83							
Bangladesh	104,669	104,669	65,220		39,449						
British Solomon Islands	116	116		24	92						
Burma	5,000	5,000				5,000					
Cambodia	550,761	187,011	[3] 110,000		77,011		363,750	362,500		1,250	
China (Taiwan)	80,400						80,400	400	80,000		
Cook Islands	14	14		14							
Cyprus	571	571			571						
Fiji	606	606		606							
Gilbert and Ellice Islands	21	21		21							
Greece	71,000						71,000		71,000		
India	113,894	113,794	75,500	211	38,083		100	100			
Indonesia	221,369	192,469	71,460		120,909	100	28,900	22,700		6,200	
Iran	1,569	1,569		1,569							
Korea	416,368	182,068	25,176	1,902	154,990		234,300	161,500	52,000	20,800	
Laos	143,505	57,405	[3] 56,000		253	1,152	86,100	85,200		900	
Lebanon	10,150						10,150	150	10,000		
Malaysia	12,938	2,653		2,497	156		10,285	285	10,000		
Micronesia	1,061	1,061		1,061							
Nepal	6,991	6,956	5,721	833	402		35	35			
Oman	181	181		181							
Pakistan	123,074	122,794	78,745		43,299	750	280	280			
Philippines	103,715	78,315	49,844	2,178	26,043	250	25,400	17,900	5,000	2,500	
Saudi Arabia	220						220	220			
Sri Lanka (Ceylon)	18,801	18,786	8,000		10,786		15	15			
Thailand	88,587	14,087	6,005	1,218		6,864	74,500	56,000		18,500	
Tonga	338	338		338							
Turkey	232,492	27,492	23,064		4,396	32	205,000	80,000	90,000	35,000	
Vietnam	2,396,553	911,553	[3] 751,000		160,553		1,485,000			35,000	1,450,000
Western Samoa	321	321		321							
Yemen Arab Republic	13,734	13,734	11,496	160	2,078						
Economic regional program	25,365	25,365	24,251	1,114							
Regional military costs	417						417	417			
Latin America, total	592,306	372,206	267,461	19,978	78,137	6,630	220,100	18,250	200,000	1,850	
Argentina	30,900	200				200	30,700	700	30,000		
Belize (British Honduras)	275	275		275							
Bolivia	35,959	29,459	22,239		7,175	45	6,500	3,300	3,000	200	
Brazil	69,308	8,508	2,800	3,287	2,178	243	60,800	800	60,000		
Chile	84,976	63,676	26,035	516	37,097	28	21,300	800	20,500		
Colombia	52,848	35,148	21,908	2,717	9,986	537	17,700	700	17,000		
Costa Rica	2,147	2,147	834	1,104	209						
Dominican Republic	15,855	14,005	5,456	661	7,888		1,850	1,300	500	50	
Ecuador	19,976	7,076	2,050	1,373	3,327	326	12,900	400	12,500		
El Salvador	17,381	12,731	11,561	337	833		4,650	1,100	3,500	50	
Guatemala	21,305	18,955	17,090	1,084	781		2,350	1,300	1,000	50	
Guyana	3,624	3,624	3,550		74						
Haiti	11,055	10,855	8,179		2,676		200	200			
Honduras	28,152	23,502	22,038	766	698		4,650	1,100	3,500	50	
Jamaica	11,399	11,399	8,450	1,357	1,558	34					
Mexico	10,100	5,000				5,000	5,100	100	5,000		
Nicaragua	33,558	29,108	27,826	594	688		4,450	1,100	3,000	350	
Panama	22,266	21,716	21,360		338	18	550	500		50	
Paraguay	7,770	5,420	4,756	585	69	10	2,350	1,400	500	450	
Peru	38,630	17,330	13,489	1,235	2,513	93	21,300	800	20,500		
Trinidad and Tobago	16	16			16						
Uruguay	5,486	786	775			11	4,700	1,600	2,500	600	
Venezuela	19,557	1,857		1,814		43	17,700	700	17,000		
Caribbean regional	6,443	6,443	5,500	908	33	2					
Central America regional (ROCAP)	1,674	1,674	1,634			40					
Inter-American programs	17,650	17,650	17,650								
Economic regional programs	23,646	23,646	22,281	1,365							
Regional military costs	350						350	350			
Middle East, total	969,050	519,807	478,175		41,632		449,243	94,243	330,000	25,000	
Egypt	253,144	253,144	[3] 250,000		3,144						
Israel	378,211	78,211	[3] 50,000		[2] 28,211		300,000		300,000		
Jordan	237,695	88,452	[3] 78,175		10,277		149,243	94,243	30,000	25,000	
Middle East Requirements Fund	100,000	100,000	100,000								

U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975—Continued

[In thousands of dollars]

	Economic assistance programs						Military assistance and credit sales programs				
	Total economic and military assistance and credit sales	Total economic assistance	AID	Peace Corps	Public Law 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Europe, total	15,053	12,522	12,500	22			2,531	2,531			
Austria	24						24	24			
Finalnd	24						24	24			
Malta	9,522	9,522	[3] 9,500	22							
Portugal	860						860	860			
Spain	4,600	3,000	[3] 3,000				1,600	1,600			
Regional military costs	23						23	23			
Other	827,368	721,079	[4] 539,338	[5] 20,529	[6] 139,540	[7] 21,672	106,289	[8] 106,289			
U.S. contributions to international financial institutions, total	909,127	909,127									
African Development Bank Special Fund	15,000	15,000									
International Development Association	320,000	320,000									
Inter-American Development Bank:											
Paid-in capital											
Callable capital											
Fund for special operations	500,000	500,000									
Asian Development Bank:											
Paid-in capital	24,127	24,127									
Callable capital	(96,508)	(96,508)									
Special funds	50,000	50,000									

---

[1] Public Law 480 estimates are planning levels which will be re-examined later in the year in light of revised price estimates, U.S. commodity availabilities and recipient country requirements. If availabilities permit, a Title I Congressional Sales program will be planned for Guinea.

[2] Includes West Bank of the Jordan River and Gaza.

[3] Largely or wholly funded from Security Supporting Assistance or Indochina Postwar Reconstruction accounts.

[4] Includes the following American Schools and Hospitals Abroad $10 million. Administrative expenses, A.I.D. $47.1 million, State $5.9 million, Contingency Fund $30 million, International Organizations and Programs * * *.

[5] Includes Worldwide Support * * *.

[6] * * *.

[7] Includes International Organizations * * *.

[8] Includes Administration * * *.

[9] Includes $909 million * * *.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, we do ourselves no honor when we try to suggest we are helping South Vietnam as a bastion of democracy in Southeast Asia just as we support Israel as a bastion of democracy in the Middle East. It is a most odious and unseemly analogy to compare Israel, which is, in fact, a bastion of democracy, with the corrupt Thieu regime in South Vietnam. When we support the South Vietnam Government we support not the South Vietnamese people or peace, but a corrupt dictator who takes our money and sells our military supplies for scrap, pays for phantom armies, and does as he wishes with our tax dollars.

By continuing to pay for the war and preventing a peace agreement from taking place between the two Vietnams, we are not helping Dr. Kissinger or our country or the people of Vietnam. Instead we are underlining the fact that Dr. Kissinger went there and did not make a real peace. If we want to help him we should cut down U.S. military aid to Vietnam and let peace come.

I support the Flynt-Giaimo-Conte amendment, although I wish it went much further. The $700 million in aid proposed in the amendment is only slightly less than the actual military aid provided last year by the United States. Subtracting previous delivery charges, that aid came to $743 million.

I see no reason in the world why, months after our so-called commitment to South Vietnam ended, we should continue to support President Thieu and his dictatorship. The only discernible result is postponement of a peace agreement, continuation of the fighting, continuation of the repression under which the South Vietnamese people live. That, and the increasing corruption in the hierarchy. Why should Mr. Thieu let go of the good deal he has, when the U.S. Congress keeps funding him? When necessary, he invents phantom soldiers to put on the payroll—nearly one-third of his army, according to a Vietnamese general. He uses our military equipment for scrap metal diverted into the black market. He sees that our military supplies reach the Cambodians, in direct violation of congressional prohibition.

Meanwhile, he runs his country as he pleases, continuing to jail and torture political opponents, and to suppress all civil rights. It is even illegal in South Vietnam to reprint the Paris Peace Agreement.

The argument is often made that we must keep sending aid as long as the other side is aided by the Soviets and by China. This delusion was destroyed with the release of a study by the Defense Intelligence Agency, showing that in 1973, U.S. military aid to Indochina was eight times that of the U.S.S.R. and China; and since 1966, the United States has supplied 29 times as much help as the other two great powers.

With inflation rampant and money tight in our own country, it is time that we stop handing out scarce dollars to a country that uses them so poorly.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. ADDABBO).

(By unanimous consent, Mr. CARNEY of Ohio yielded his time to Mr. ADDABBO.)

Mr. ADDABBO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia (Mr. FLYNT). I also commend the gentleman from Georgia for his dedication in committee and in offering this amendment. He has carefully studied it.

First, this provision does not belong in this bill. This should be part of the foreign aid bill. The only reason it is in this bill is because the military feels they can get anything they want from this House.

Second, the $100 million that the gentleman from Georgia is giving them is to let them understand we want out and they must assume their responsibility. An $18 million cut made by authorizing the committee means we are going to be in there for the next 15 years.

The Appropriations Subcommittee did not cut 1 penny. The original cut was made by the authorizing committee. If we remember correctly, after the request of $1.4 billion, even the chairman of the authorizing committee recommended the cut because they were getting too much.

The $700 million will fulfill all our obligation to resupply them with that equipment under the peace agreement and no more.

I ask for the adoption of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I fully support the amendment. We have had Secretaries of State who have made grievous errors. Although I have a great deal of respect for Mr. Kissinger, he is not infallible. I think we have to weigh Mr. Kissinger's recommendations along side of the toleration limits of the American people. There is a toleration level. If we reach that toleration level because we fail to make positive reductions, then we are going to see the whole support for South Vietnam go down in one fell swoop.

I would fully urge that we carefully consider the argument about the missing MIA's. I hate to say it, but we will never get to those missing MIA's until we achieve a real peace in South Vietnam. That peace will not be achieved until such time we have a standstill with clear-cut lines of demarcation.

Lastly, I would like to argue very strongly that I do not think this country can take much longer the illusion of peace in South Vietnam. As long as we pump money into that country, we are merely perpetuating the illusion of peace, we are not achieving a real peace.

(By unanimous consent, Messrs. HALEY, FISHER, and SIKES yielded their time to Mr. STRATTON.)

(By unanimous consent, Messrs. OBEY and GIAIMO yielded their time to Mr. FLYNT.)

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. FLYNT).

Mr. FLYNT. Mr. Chairman, as has been stated earlier, we have plowed this ground many times. We have plowed it often this year. The debate on this amendment has followed the pattern of debate on similar amendments over the years. The same arguments made against the amendment which I have offered to this bill were the same arguments that we heard for 12 long years for the expenditure of more than $125 billion, at a cost of more than 50,000 American lives. The arguments in opposition to my amendment today are exactly the same kind of arguments that were made for those 12 long years that resulted in the appropriation and expenditure of more than $125 billion.

Finally, an aroused American people and an aroused Congress of the United States undertook to bring this war to a termination and it was done.

The purpose of this amendment here today is to bring the remaining remnants of that war to a close, to a termination, and to a significant and meaningful peace.

We talk about how much this cut would involve. As a matter of fact, Mr. Chairman, this amount ought not to be in this bill at all. I know of no defense nor any security of the United States of America that this billion dollars will buy. on the contrary, the very opposite may be true.

Let me point this out: We are in no way letting down our allies in South Vietnam and Southeast Asia, because the request for economic assistance this year is, in addition to the $700 million which I would leave in military assistance, $911 million of which $751 million comes from the appropriation for the Agency for International Development; $160,553,000 comes from Public Law 480.

We come to a total economic assistance for South Vietnam requested for this fiscal year of $911,553,000. Add to that the $700 million which my amendment would leave in for military assistance to the South Vietnamese forces, and we have a figure in excess of $1,600,000,000 which was originally requested in this item last year.

Mr. Chairman, I urge adoption of my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I agree with the gentleman from Georgia (Mr. FLYNT) on one point, and that is that our only commitment in Vietnam is a commitment to peace. But peace, like Rome, cannot be built in a day. It takes a little bit longer than a day or two, or sometimes even a year, to achieve real peace.

The reason that the South Vietnamese need help from us is because the North Vietnam Government, ever since the conclusion of the peace agreement, has been trying to take over South Vietnam by force. We can achieve peace in South Vietnam when the North Vietnamese realize that they cannot take South Vietnam over by force.

The South Vietnamese are not trying to take anything over. They are not trying to start any war. They are just trying to keep what was given to them by the peace agreement. And let us not forget: It is they who are doing the fighting and the dying now, not American boys. Does that not count for something?

I appreciated the gentleman from Texas (Mr. FISHER) yielding his time to me, because he and I were together on the conference committee that met for 4 long weeks on the defense authorization bill. One of the key items was the item in connection with Vietnam and how much aid we should give them. Very reluctantly, all of the conferees on the House side finally agreed to a figure of $1 billion because we were convinced that this was the rock bottom figure that we could give to the South Vietnamese and still give a chance to survive.

Mr. Chairman, I had the opportunity the other evening of meeting, along with other Members of the House and Senate, with Ambassador Martin, our Ambassador to South Vietnam. He reminded us that the commitment that we had made in the peace agreement was to supply the South Vietnamese one for one, those items that were destroyed in the fighting. And he reminded us that the requirement for this one-for-one replacement is set by the level of fighting the North Vietnamese impose on the South Vietnamese.

Ambassador Martin told us too that if the Congress would come through with this $1 billion, which the conferees had approved in the authorization bill, this would just barely supply a one-for-one replacement. He said too, as we have already been told here tonight, that the North Vietnamese are beginning to get a little discouraged, so if the South Vietnamese can just hold out militarily for another year and demonstrate to the North Vietnamese that their land cannot be taken over by force, we have a real opportunity of achieving a stable peace settlement in that country.

I think we ought to do it. I think we ought to stick it out. We did not abandon South Korea the minute we settled the war there; we stayed with them for a little while. We did not abandon Taiwan; we stuck with them for a while. And if we can stay with the South Vietnamese this year and perhaps 1 year more, I am convinced we can achieve there the peace we all want.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON) for 1 minute.

Mr. MAHON. Mr. Chairman, in previous years funds for support of South Vietnam have been carried throughout the defense bill, and it was very difficult to identify the funds.

This year, as indicated on page 26 of the appropriation bill for defense, we have identified all the money we have provided for South Vietnam in a separate title of the bill. This is $1 billion as compared to the $1.4 billion that was requested.

I say to the Members that this is not the time to reject the plea that has been made by the Secretary of State and others that we not abandon our friends in South Vietnam at a critical period.

Mr. Chairman, I just trust and believe that the House will vote down the Flynt amendment.

Mr. LEHMAN. Mr. Chairman, this Nation has been involved in financing war in Vietnam for far too long. It has already been 25 years since the United States began paying for the French war to reconquer Vietnam. This adventure has brought nothing but grief to the American people, and they have long since made it clear that they want no part of it. They want our involvement in Vietnam terminated, not continued indefinitely. Yet our present policy appears to be aimed at continuing to provide military aid for Vietnamese to continue killing each other as long as the Saigon government is willing.

In their statements before congressional committees and to the public, there is not the slightest evidence that the administration has any plan for bringing this involvement in war in Vietnam to an end. They are apparently just going from year to year without any thought to how it is ever going to end. I believe, therefore, that it is up to Congress to take on the responsibility for terminating our military involvement in Vietnam. We should do so in the most responsible manner possible, and we should at the same time do everything possible to bring about a political settlement of the conflict, as outlined in the Paris Agreement. But let us by all means carry out the will of the American people to end our involvement in killing. Let us begin now to reduce our military aid with the intention of systematically phasing it out over a period of 2 or 3 years.

There is good reason to think that if Congress makes it clear that it will not finance a perpetual war in Vietnam, the Thieu government, which has been unwilling to move toward any real political competition, will get the message and will begin to accommodate itself to the need for a political settlement.

Now is the time for Congress to give a direction and purpose to American policy in Vietnam, to begin moving toward American disengagement and away from perpetual war. I urge my colleagues to support the amendment of the gentleman from Georgia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. FLYNT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. FLYNT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 233, noes 157, not voting 44, as follows:

[Roll No. 453]

AYES—233

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Biester
Bingham
Blatnik
Boland
Brademas
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Clark
Clausen, Don H.
Cohen
Collins, Ill.
Collins, Tex.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dent
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Guyer
Haley
Hamilton
Hanley
Hanna
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Holtzman
Horton
Howard
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McKay
McKinney
Macdonald
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nix
Obey
O'Hara
O'Neill
Parris
Peyser
Pickle
Pike
Preyer
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reid
Reuss
Rinaldo
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Seiberling
Shipley
Shuster
Sisk
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Stark
Steele
Steelman
Stephens
Stokes
Stuckey
Studds
Sullivan
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thone
Thornton
Tiernan
Traxler
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Wampler
Whalen
Whitten
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wylie
Yates
Yatron
Young, Ga.
Zwach

NOES—157

Abdnor
Archer
Arends
Armstrong
Bafalis
Baker
Bauman
Beard
Bevill
Blackburn
Boggs
Bowen
Bray
Breaux
Breckinridge
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Collier
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dennis
Devine
Dickinson
Dorn
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Fisher
Flood
Frelinghuysen
Frey
Froehlich
Gettys
Gilman
Goldwater
Gonzalez
Goodling
Gubser
Hammerschmidt
Hanrahan
Hays
Hébert
Hillis
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hunt
Jarman
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landgrebe
Lott
McEwen
McFall
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Michel
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Murphy, N.Y.
Murtha
Myers
Nelsen
Nichols
Passman
Patman
Patten
Pepper
Perkins
Pettis
Poage
Powell, Ohio
Price, Ill.
Price, Tex.
Quillen
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rostenkowski
Rousselot
Ruppe
Ruth
Sandman
Satterfield
Sebelius
Shoup
Shriver
Sikes
Skubitz
Slack
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Symms
Talcott
Thomson, Wis.
Treen
Vander Jagt
Waggonner
Walsh
Ware
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wydler
Wyman
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—44

Biaggi
Bolling
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
de la Garza
Derwinski
Diggs
Downing
Flowers
Gray
Gunter
Hansen, Idaho
Hansen, Wash.
Hawkins
Hogan
Holifield
Hungate
McClory
McSpadden
Madden
Mollohan
Nedzi
O'Brien
Owens
Podell
Randall
Rarick
Riegle
Roncalio, Wyo.
Rooney, N.Y.
Scherle
Symington
Teague
Towell, Nev.
Udall
Waldie
Wyatt
Young, Alaska
Young, Ill.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BINGHAM: Page 27, line 11, immediately before the period at the end thereof insert the following: ": *Provided further,* That none of the funds appropriated in this title shall be used for compensation or allowances of more than 2,850 citizens of the United States in South Viet Nam who are members of the Armed Services or employees of or under contract to the Armed Services or the Department of Defense or any departments or agencies thereof".

Mr. BINGHAM. Mr. Chairman, this is an amendment that parallels the amendment that the Members have just adopted. The amendment the Members have just adopted calls for a cut of approximately 10 percent in what we are spending for military assistance in South Vietnam. My amendment would propose a comparable cut of 10 percent in the Department of Defense personnel and armed services personnel that are serving there now. We have some 3,150 Department of Defense and Service employees and contract personnel. I do not know how many of the Members realize we have that large a number still in Vietnam, in spite of the fact that under the Paris Agreement of January 1973, we were not to have after 60 days any military advisers or any military personnel, including technical military personnel and military personnel associated with armaments, munitions, war materiel, and so forth.

We have never carried out that elimination of those personnel and, apparently, it was not understood at the time we would. But it was understood that the personnel in our Defense Attaché's Office would be phased out by the end of January of this year and that the civilian contractors would be reduced to below 500 soon thereafter.

That has not happened. Although the numbers have been reduced, we still have 3,100 of these people in Vietnam. Most of them are civilians. They are not in uniform but they are doing the same kind of work as the military were previously. This discourages training of the South Vietnamese.

The report recently submitted in the other body indicated that training was going very slowly among the South Vietnamese to take over the operations that have been done up to now by these American technicians and which should be turned over to the South Vietnamese. A required resolution in service personnel will send a clear signal to the Saigon government that the Congress wants these operations to be taken over rapidly by the Vietnamese.

There is also the danger of capture of these personnel. Americans are located in every district in Vietnam. This is an involvement we want to cut down.

This is a very mild amendment, Mr. Chairman. I am not asking for an elimination of these personnel but simply for a cut of 10 percent, down to 2,850 for this year.

Mr. Chairman, I ask the support of Members for this amendment.

Mr. MAHON. Mr. Chairman, as I understand the figures, we have about 3,288 personnel in South Vietnam, and the amendment would reduce the number by 436; making a total figure of 2,850.

The amendment recently adopted, and unwisely so in my opinion, with respect to support for the military forces in South Vietnam, reduced the amount of such support. I do not myself personally believe, and I cannot speak for the committee, that it is worth having a battle over the amendment just offered. It can be taken to the other body and if the Defense Department considers it wholly unacceptable the matter can be settled at that time.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio (Mr. MINSHALL).

Mr. MINSHALL of Ohio. Mr. Chairman, I certainly support the remarks of the chairman of the committee. If it is totally unacceptable to the Department of Defense we can resolve it at that time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MAHON. Mr. Chairman, I meant to accept the amendment.

Mr. Chairman, I demand a division.

The question was taken; and on a division (demanded by Mr. MAHON) there were—ayes 63, noes 34.

So the amendment was agreed to.

Mr. HARRINGTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise not to offer an amendment but if I could to ask the Chairman of the full committee some questions which have flooded my interest for a period of time and which I think might interest the House to discuss, even given some appreciation for the hour.

It has been widely understood that in a variety of the budgets before the House there has been some funding for areas of clandestine or intelligence-gathering types of activities.

One of the things that has puzzled me, that has stemmed from a conversation with the Director of the CIA in the course of hearings last fall, has been the unwillingness of both the CIA and the congressional oversight committees of intelligence activities to discuss questions concerning the nature of congressional oversight. Although I have only asked questions related to congressional procedures and have not asked questions about the substance of intelligence activities, there has been an effort made not to answer these questions, particularly those which related to oversight of the CIA and its covert operations.

I have asked, as the Chairman knows in a brief discussion with him this afternoon, and in the course of a lengthy letter dated July 17 this year, that a variety of questions be answered on this subject dealing with the general nature of how Congress conducts oversight as far as this kind of activity is concerned.

What I would be interested in doing, if I could, is asking the Chairman to respond, first, to whether or not there is, in fact, money for the CIA in general in the Department of Defense appropriation before us this afternoon.

Mr. MAHON. There are funds for the Central Intelligence Agency in this bill, as there have been since the late 1940's.

Mr. HARRINGTON. Could the gentleman tell me how many Members of the committee are appraised of the nature of funding in some specifics?

Mr. MAHON. All of the subcommittee, 12 members, attended hearings in connection with the CIA activities. The CIA budget is reviewed by 5 of the 12.

Mr. HARRINGTON. The fiscal figures are available to the five, the particular appropriations for the activities of the CIA?

Mr. MAHON. Yes.

Mr. HARRINGTON. Could the gentleman tell me whether there is a separate staff available for the oversight activities on the part of the committee?

Mr. MAHON. There is always a staff man assigned. The gentleman knows that the Committees on Armed Forces of the House and the Senate, and the Committees on Appropriations of the House and the Senate do consider each year from time to time the monetary requirements of the Central Intelligence Agency.

Mr. HARRINGTON. If I could inquire further of the gentleman, there appears to be an effort made from time to time to inform the oversight committee of the various activities connected with the CIA. How often during the course of the last year have they had meetings aside from discussing the general funding of the CIA activities, to discuss the specifics of the CIA operations?

Mr. MAHON. The gentleman has written me about a three-page letter asking me a number of questions about the Central Intelligence Agency. I believe this was one of the questions. After this bill passes and we have a little more time I plan to respond to the gentleman's letter.

Mr. HARRINGTON. I am not questioning that.

Mr. MAHON. The Central Intelligence Agency is the principal intelligence agency of the United States. It would not be appropriate for us, and I am sure the gentleman would agree, to go into the intimate details of the funding of the Central Intelligence Agency on the floor of the House of Representatives. It would reveal information which should not be provided to foreign nations. They do not provide us with such information.

Mr. HARRINGTON. Perhaps the gentleman misunderstood. How often in the course of last year have there been actual meetings of the committee, of the 5 or of the 12, to deal with the specific knowledge of being informed about CIA activities, not looking at the funding, but how frequently has the committee met?

Mr. MAHON. The whole Subcommittee on Defense Appropriations has met regularly in the last 5 or 6 months.

Mr. HARRINGTON. What about the subcommittee group?

Mr. MAHON. The subcommittee group meets from time to time discussing these matters informally at times and more formally at other times.

Mr. HARRINGTON. If I could say to the gentleman, there has been a widespread degree.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

Mr. MAHON (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the remainder of the bill be dispensed with, and the unread portion of the bill be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there any points of order to the remainder of the bill?

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADDABBO: Page 49, after line 3 insert the following:

SEC. 847. Notwithstanding any other provisions of this Act the total sum appropriated to the Department of Defense by this Act shall not exceed $81,200,000,000.

Mr. ADDABBO. Mr. Chairman, this is not just another amendment to cut a defense bill; this is an "American People-Needs or Priorities Amendment."

The President has stated that he will cut $5 billion from the budget or keep the budget at $300 billion, and veto any other increases.

Mr. Chairman, we have passed 10 appropriation bills which cover the needs of all the people of these United States. Programs for health, transportation, the environment, schooling, housing, jobs; people-needs legislation programs which cannot be cut—they were carefully studied and passed by this Congress.

The bill before us does not contain much in the way of people needs and priority programs.

Yes, we must provide for our adequate and sufficient national security. But in these days of inflation and needed budget tightening, we cannot afford window dressing, extra gold braid, and luxuries.

Even the Pentagon has called this a Military Establishment needs bill, not a defense bill.

This, then, is the time for you to decide whether the military must spend over $1 billion on repair of facilities, an increase of over $200 million from last year's appropriation, or whether we need funds now for housing and education and domestic needs; especially when we hear of the many base closings and the money that was to be saved.

Must we spend over $300 million for seven new 707's, the Pentagon not knowing what they will put into them, or do we need better domestic transportation?

Do we need better vocational and manpower retraining programs for our men and women rather than spending U.S. taxpayers' money in training foreign nationals?

Do we need an additional $80 million added to the $5 billion to protect one missile site or do we need the funds for clearing our air and water?

Do we need preservation of fuel for domestic needs rather than flying our men overseas for additional exercises and training that can be just as easily performed here?

Do we need more generals and officers per enlisted man than we had during World War II or do we need more public service employment for our men and women who want to work in productive activities?

I can go on. There are many places within the Military Establishment where cuts can be made without undermining our national security. Remember, with a smaller budget only a few short years ago we were spending $30 billion a year in fighting in Southeast Asia. I know there are many who do not like a meat-ax approach to cut a budget and I am one. But this is a $83.7 billion budget with many facets, some military, some civilian, some administrative; some of the highest priority and some of the lowest. The military made those choices during the Southeast Asia conflict. They can do it now if they are cut across the board.

Again, if we cut too deeply they have a fund of over $10 billion of unobligated and unexpended funds which they can reprogram with congressional approval for high priority programs without increasing the budget we finally vote on.

I urge, on behalf of the American needs and priorities, that my amendment be adopted and the ceiling of $81.2 billion be adopted. This was to be a cut of $2.5 billion but since the adoption of the Flynt amendment this becomes a cut of only $2.2 billion.

Requested increase in defense budget this year

Fiscal year 1974 appropriation Act signed into law, January 2, 1974	$74, 218, 230, 000
Fiscal year 1975 budget estimate, February 4, 1974	85, 582, 297, 000
Increase fiscal year 1975 over fiscal year 1974	+11, 364, 067, 000
Fiscal year 1974 second supplemental estimate, February 4, 1974	6, 200, 421, 000
Subtotal, increase	+17, 564, 488, 000
Fiscal year 1975 budget amendments, May 30 and June 24, 1974	$1, 475, 200, 000
Total increase in 6 months	+19, 039, 688, 000
Fiscal year 1975 unobligated balance estimate	6, 905, 000, 000
Fiscal year 1975 unexpended balance estimate	44, 099, 000, 000

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it has been known for a long time in my district, throughout the country and in the Congress that if one wants to protect a program or an item, the best way to do it is under the name "defense."

I went on this subcommittee first in 1943, and I assure you what we have today is not a Defense Department but a military establishment.

I was able to point out, or we were, 2 or 3 years ago that this Department had over $13 billion in unobligated funds that the Defense Department could and did use; money that had been obtained from the Congress for high priority items or for very, very low priority items with the approval of the committee. With hard work we have pulled that cushion down to $6.9 million now.

It will not cripple a thing to pull that cushion down again by the amount of the Addabbo amendment.

Last year I suggested and the committee approved what was either section 735 or 745. This provision is carried forward in this bill as section 843.

Until then the Department spent billions of dollars for purposes which had been turned down or had not been appropriated for. They would tell the committee, "We have the money already."

The committee, at my suggestion, if I may say so, adopted this provision last year. We have operated under it for 1 year. It reads:

> No part of the funds in this Act shall be available to prepare or present a request to the Committee on Appropriations for the reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

I wish the Members would follow me on this. That section has done no damage, but let us see what good it has done.

Before that section was adopted, they requested of the Congress $1.43 billion for reprograming. The committee allowed them $1,255,000,000. Because of that language, they could not take money they got for higher priority items and spend it for low priority items.

This year because of that provision the Department asked for only $219 million, and the Congress approved $196 million. Therefore, the Members can see that we saved around $1.2 billion, by reason of not letting them use money that they had for things that are prohibited by this section.

I am saying to the Members that the gentleman's amendment reduces a $6.9 billion carryover that they have, subject to this reprograming, by $2.5 billion. It will leave around $4.5 billion for emergencies over and above what we appropriate here.

What is the reason for doing this in this way? We could not judge their ability to carry out what they claim they want to do under this bill. I urge in the ensuing year that we get an inventory of just what we do have and where we are going from here.

Mr. Chairman, the most dangerous thing, in my opinion, that this country faces today is not from Russia, it is not from abroad; it is the rampant inflation at home. I say to the Members that if we are going to get the dollar to the point where it is worth anything, if we are going to get stability in our economy, we must take some action to save our economy. The strength of our economy is the base for our defense. If the economy breaks down, everything goes with it. Thus it is that we must act, and if we are to get the job done, we must cut our Military Establishment back to defense.

I know it is going to be said that we had Mr. Kissinger before us a few days ago. We always have somebody who says we cannot touch this and we cannot touch that. But there is one thing he did say and one thing we all know: that if the economy goes down, the rest of it goes down, too. That is just as sure as I stand here.

I do not believe that having been able to attend no more hearings than I did that I should offer specific cuts on an item-by-item approach. This approach is sound, saves money and like my provision of last year, will save more as time passes. When we cut the carryover funds that are unobligated, funds that they used in the past to get what they wanted, funds that were not obligated to them, we are not doing them any injury in the world.

We must bring our house in order, we must have a streamlined fighting force with modern weapons freed of the movement of dependents around the world which will probably call for shorter tours of duty. To back up such a force we need a trained and ready Reserve and Guard—who follow their occupation, contribute to the economy and help us with inflation, our chief and most dangerous enemy.

Perhaps other Members will not tell us this, but this bill has funds in it to send some 30,000 or 40,000 more dependents to Europe. We have got soldiers around the world who are really unable to defend themselves, who would be hostages if war were to break out.

Think of Korea, think of the many other places, and you will realize the truth of what I say. Once our men or their dependents are captured the American will be for getting them back and we will get in deeper and deeper.

So I say, let us show the people that the Military Establishment is a part of this country, taking its cut in the soft spot, the cushion.

Mr. Chairman, I say to the Members there is no record in history where any nation can spend 30 to 35 percent of their total income over a long period of years in the name of defense without ruinous inflation.

My friends, did you know we cannot hire an Army; that the Defense Department, which got us to raise pay greatly a few years ago "to get men who were qualified to handle the sophisticated weapons of today, are now trying to hire high school dropouts, asking us not to require that 50 percent be high school graduates? They spend on recruiting over $600,000,000 and still cannot get their quota of even dropouts.

We have reached the time for action.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I could understand some Member who is not a member of this subcommittee or not a member of the committee, one who had no opportunity to participate in the specifics of handling the individual appropriations contained in this bill, offering an amendment of this kind. But I simply cannot understand that action by a Member who has had an opportunity to sit in the hearings, who has had a chance to observe that these increased costs are the result of the action of the Congress, not the result of the action of this subcommittee or of the Committee on Appropriations.

We could not say that we are arbitrarily going to cut off $2½ billion, because we do not believe in inflation and we do not believe that should be permitted to increase the cost of these items, because the cost is going up. We could not close our eyes to the fact that the cost of the fuel needed for the operation of ships, planes, and vehicles and the cost of the hardware needed by the Armed Forces have gone up much more than anyone could anticipate.

Mr. Chairman, we did not set the pay raises around here that have now become a fact of life, the provisions that call for automatic increases for both the civilians and the people in uniform who serve in the Department of Defense.

Sure, we had some supplementals. But that is the explanation for them. We did reduce where we thought we could, and there were some things that we could not reduce because they were mandated by law.

So we have the so-called increase in this year's appropriation bill explainable by the same factors.

Yes, I could understand this kind of a broad, across-the-board cut coming from some Member outside the committee. But this is an abrogation of the responsibility of the members of this subcommittee and of the full committee and of the Members of this House. We are saying to them that we do not know where to cut these things, but we are going to take an across-the-board cut, and "We will let you decide where you are going to take them, not where we feel the reductions ought to be made."

In the markup sessions we had, I did not see the chairman of the committee or anybody else putting a muzzle on the members of this subcommittee who want to come in here now with a cut that has to be based on a lack of information and a desire simply to cut across the board.

Mr. MINSHALL of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the distinguished ranking minority member.

Mr. MINSHALL of Ohio. Mr. Chairman, I would like to commend my good friend, the gentleman from Wisconsin (Mr. DAVIS) on his excellent statement, and I would also like to point out to so many of my colleagues on the floor who say to me, "Look, BILL, this bill is $4 billion more than it was last year, why?" My answer to that is that it is actually $1 billion less than last year's bill, and I would like to point out why.

In brief: $1.5 billion of increase in this bill is for the increase in the cost of petroleum. $2.5 billion we have estimated has been attributed to inflation, a conservative figure. And another $1 billion, which makes a total of $5 billion, is the increased cost for the civilian pay increases.

So that the bill is actually $1 billion less than last year's bill, and not $4 billion more.

Mr. DAVIS of Wisconsin. I thank the gentleman from Ohio.

Mr. Chairman, in closing let me say this: You cannot justify this kind of an across-the-board reduction on the basis of unobligated balances that occur because this is in accordance with the method by which we appropriate funds for research and development, and for procurement, not for operation and maintenance, not for personnel, because those funds cannot be carried over. What we are talking about here are funds appropriated to cover entire projects that we knew when we appropriated them could not be obligated, and could not be expended in the fiscal year in which they were made.

So I plead with my colleagues in the name of responsibility not to turn this kind of a reduction over to somebody else over at the Pentagon, but keep that responsibility here where it belongs, and particularly among the members of this subcommittee who had opportunity to offer specific reductions in that subcommittee.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the distinguished gentleman from New York, who is my very good friend, did not tell us where he proposes to make this $2.5 billion cut. I think we are entitled to know that. Congress has a responsibility to say where a cut can and should be taken. This is a meat-ax approach. This just says lop off an arm or a leg, and hope the cut comes in the right place, and does not bleed the patient to death.

Are we going to take it out of personnel? We will have in this fiscal year the smallest active duty force since 1950, and the smallest civilian force in years. The pay is high, but the number is low. The fiscal year has already started, to take personnel cuts beyond those programed will cripple the Defense Department. What bases will be closed by the adoption of this amendment? Will you take the cut out of unobligated funds? That is always a happy hunting ground for people who want cuts in defense. It sounds good, but it will not work. The money already is committed. The funding has been provided and most of it cannot be recaptured because it has been already committed to ongoing programs.

This bill has a provision that in effect says: Do not come up here and ask for reprograming unless it is for a higher priority item. We say by this provision "do not take any funds and reprogram them without receiving our approval." We say in effect the funds we provide cannot be touched.

You can cut procurement. But we already have fewer weapons, fewer guns, fewer tanks, fewer planes, and not as many modern ships as Russia. So if you cut procurement, you put our forces further behind. In modernization and effectiveness is that what you want to do? We have a serious problem now of modernization. We need more weapons, not less.

We need more equipment, not less.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I wonder if the gentleman might tell the members of the committee how many divisions of ready troops the Russians were able to mobilize during the Middle East war and compare that to how many divisions the United States would have been able to mobilize in the same period of time.

Mr. SIKES. The Russians were able to mobilize seven divisions for movement to the Middle East. We would have been able to put together 1⅓ divisions. Theirs were fully equipped.

Research and development—we could cut research and development. Most people do not know much about research and development anyway. It sounds like a good place to make cuts. So we could take it out of research and development and stop progress. Just that simple. Stop progress. If there is any area in which we have to make progress, it is in the development of new and more effective weapons. So we take it out of research and development and stop progress. Yes, this is a meat-ax approach; it would be a highly destructive cut.

I think we must remember that the defense of America should not be called on to accept the last priority in our country. The defense of America should not be called on to bear the brunt of inflation. The military is spending a constantly decreasing share of our national budget. Other pressing needs are recognized more and more. National priorities have been reordered.

For the past few years total Federal spending has been doubled. Within that spending, aid to education increased five times; public assistance tripled; social security tripled; health care fortyfold increase; and defense spending only 50 percent more in current year dollars, and that is below the rate of inflation. In terms of dollars, defense expenditures are constantly decreasing. We cannot afford to take any more cuts unless we want to cripple the defense and security of America.

Mr. WYMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I agree with the statement that was just made by the gentleman from Florida, but I want to comment on what my good friend, the gentleman from Mississippi, had to say about the allegation that carryover funds would be reduced by this amendment. With all due respect to his learning and his seniority on the committee since 1943, this is just not so. These carryover funds that are available to the military are committed funds. We watch this in the Defense Appropriations Subcommittee through the process of reprograming. The gentleman from Mississippi has twice inserted language requiring reprograming only to a higher priority program.

What is proposed here is, as has been aptly described, is a meat ax cut—$2½ billion from the military funds and by a member of the Defense Subcommittee who has not the courage to identify the places that he wants to apply the cut.

We talk about the budget of this country as being uncontrollable. Seventy percent of the budget of this country is said to be uncontrollable. A very substantial portion of defense appropriations are also uncontrollable because they apply to personnel.

We have just so many on the rolls and we have to pay them. The result is that this $2½ billion would have to be applied to procurement or research and development or to bases that would have to be met by more base closures. If Members in this body want to support a proposal that means more closures in their districts, then let them do it.

And let all concerned understand clearly, and the American people realize, that those who vote for this amendment are voting against an adequate national defense for this country.

The appropriation which is before us at a figure of $83 billion is said to be extraordinarily high. But it is not in terms of real purchasing power. Sixty percent of the money in this appropriation is for personnel expenditures as compared with about 30 percent for the Soviet Union. This is a significant disadvantage for the military.

We must keep this country strong. This is not the time, when we have fewer ships, when we have slower submarines, when we have fewer missiles, when we are talking about agreements such as SALT I, and SALT II, to handicap the United States in terms of its retaliatory deterrent whether conventional or nuclear. This is not the time to be undertaking further reductions in the Defense budget, because, Mr. Chairman, it is inadequate as it is.

There is no way to avoid this truth. The figures that are before us are massively deceptive in terms of their application to the needs of this country. We spent many billions of dollars during the period of the Vietnam war, that were required of us, at a loss in terms of procurement. We are going to have to rebuild our Navy and we are going to have to bring our planes up to snuff, and we are going to have to proceed with research and development to build ourselves up, not for the purpose of going around the world as an aggressor or making war upon people, but for the purpose of defending our country and using our diplomacy in the quest for world stability and peace. But for us to be strong for peace we must be strong militarily. Unless we have strength and an adequate defense for this Nation there will not be the kind of world we want to have for all people. Not just for the people of the United States but for the entire world, developed and undeveloped, advantaged and disadvantaged.

With all due respect for those who propose this meat-ax cut, I earnestly implore the Members of this body to deny this amendment. The defense bill is not the proper place for the application of the so-called Bow amendment principle. The pending amendment should be rejected and rejected emphatically.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, this meat-ax approach amendment is similar to an amendment which was offered to the Defense authorization bill out of the Armed Services Committee. That amendment was voted down. I hope the House will reject this approach again.

We have now cut the defense request by $4 billion. We have told the Defense Department where the cuts were to be applied, as we should do if we shoulder our responsibilities.

Now the gentleman's amendment would just say to officers of the Department of Defense that they should take out $2.5 billion more. We would not know where they were going to take the cuts. We would in effect say that we do not know how to do it ourselves thereby relinquishing our authority to the executive branch.

I firmly believe that with all the emphasis on better control of the purse, it is a poor time for us to begin giving such blanket authority to the Department of Defense.

Inflation is at the annual rate of 13 percent. The Secretary of Defense has told us very flatly that it would be impossible to carry on the programs which are in the budget, the military personnel programs in the budget, the procurement programs, and others which are in the budget, with the funds requested in the budget because in the budget for Defense they cranked in a 4-percent inflation factor, but inflation has turned out to be 13 percent and all the budget programs cannot be financed.

I would think the House would want to decide what bases should be closed and what aircraft procurements are to be reduced in number or omitted and what is to be eliminated in the field of research and development and all the rest.

I think in this appropriation bill we ought to do as we did in the Defense authorization bill and vote this meat ax cut down rather than surrender our prerogatives to the Department of Defense.

Mr. Chairman, I urge Members to vote down this amendment.

Mr. CULVER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa (Mr. CULVER).

Mr. CULVER. Mr. Chairman, I rise in support of the amendment to set a ceiling of $81.2 billion on the Department of Defense appropriations bill for fiscal year 1975. This would cut another $2.5 billion from the administration's request, which has already been cut $3.4 billion by the Appropriations Committee, while still leaving this year's defense budget more than $2 billion higher than last year's appropriation.

Significantly, the total cut of $5.9 billion would almost exactly equal the $6 billion in padding which Secretary Schlesinger has admitted was put into the administration's request last winter as a way of stimulating the economy. Defense spending is of course the least efficient way of doing this, since the goods and services produced do not enter the civilian mainstream. But in any event, the administration has now switched signals and is calling for a $5 to $10 billion cut in Federal spending. We should take them at their word and excise the fat they themselves have put into the budget.

There are numerous places where economies can be achieved without at all impairing our security. The committee report itself refers to "a number of new initiatives in the area of strategic offensive weapons" and states that "the committee is not certain that all of them must be fully developed and deployed." This would certainly include, in my judgment, the B-1 bomber against which I have consistently voted, and also the Trident submarine and missile system for which nearly $2 billion is budgeted in the bill before us. These are very expensive weapons items, which have not been shown to be essential and whose curtailment can save us many billions of dollars over the coming years.

I believe significant savings can also be achieved by reducing our support forces in Europe and by bringing back the excessive troop strengths we still maintain in Korea and other Far East outposts. National security requires a healthy economy as well as an adequate defense, and we can spend ourselves into self-destruction if we do not heed the dire warnings of our present inflation.

In the past the House has been reluctant to second-guess the experienced judgment of the Appropriations Committee on the defense budget. But inflation is everybody's business and the fight against it demands the collective efforts of all of us. The Pentagon's budget makes up 70 percent of the controllable funds in this year's budget, so that the bill before us represents the earliest and the best opportunity we have to vote meaningful reductions in Federal spending.

The device of a spending ceiling is also consistent with the mechanism we have chosen to incorporate in the Budget Control Act, which will take effect next year. We can show our fidelity to that reform by adopting the defense spending ceiling I am advocating.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I regret after my long service to have someone say flatly that I am wrong. I would like for the Members at least to listen for a minute. The Appropriations Committee has reprogramed over $15 billion in recent years of funds that have been unspent.

Last year the committee reprogramed $1.2 billion from these unspent funds, so to say that the $6.9 billion unobligated is available for reprograming is entirely correct.

As evidence that we can do it this committee has approved over $15 billion in recent years in reprograming, so I say that we are not wrong in saying that this cut can be applied to the carryover funds that are unspent. That can be done and that is what is contemplated.

As I say, when we wrote the language limiting reprograming in the bill at my suggestion last year, that use of funds for other purposes that we had not approved in Congress was cut from $1.2 billion to $96 million. So it shows it can be done.

Since that language is in the bill, we can afford to reduce the carryover bank balance whenever we want to; so do not say that it is wrong. It has been done by this Congress repeatedly.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

(By unanimous consent, Mr. HAYS was allowed to speak out of order.)

ELECTION REFORM ACT OF 1971

Mr. HAYS. Mr. Chairman, tomorrow the rule will come up on the election reform bill and in the rule there is a provision that all amendments, because this is a very technical bill, all amendments must be printed in the RECORD the day before.

I simply take this brief few seconds to put the Members on notice, because it is not the desire of the committee to preclude anyone from offering amendments; so if there are those who have an amendment, it ought to go in the RECORD tonight.

The reason we asked for that rule is because this is a very highly technical complicated bill. We want to give our staff time to look at each amendment and to see how it fits into this bill and the law we are amending, which is the Election Reform Act of 1971.

Mr. YATES. Mr. Chairman, I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding. I just want to point out to the gentlemen serving on the subcommittee that when we vote for a Defense appropriation bill, we are not voting for what all the money will be spent for in the ensuing year, because they know, as well as I do and as the gentleman from Mississippi just pointed out, that well within that year the money asked for in the original budget is changed over to other programs so this is not a meat ax approach, because they themselves, as I have in appropriations, have changed directions by reprograming within the subcommittee.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 9 o'clock.

Mr. CARNEY of Ohio. Mr. Chairman, I object.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 9 o'clock.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 30 seconds each.

The Chair recognizes the gentleman from Ohio (Mr. CARNEY).

(By unanimous consent, Messrs. GIAIMO, O'NEILL, OBEY, LATTA, and ADDABBO yielded their time to Mr. CARNEY of Ohio.)

Mr. CARNEY of Ohio. Mr. Chairman, do the Members remember a great General of the United States, a great American President, General Eisenhower; President Eisenhower? Do the Members remember his farewell message: "Beware of a military-industrial complex"?

This was a man who devoted his whole life to the military. We should remember what he told us.

Members get their mail from back home, and they tell us to save the American people some money. It is a funny thing that I see some Members here today, whenever a military bill comes up to kill people, to blow people up, say that we cannot afford not to do it.

The very same Members, when school lunches for kids comes up, when the safety of workers comes up, when it is something for the American people, something to fill hungry bellies, something to make America stronger here at home, those very same Members will always say—some Members of this committee and some on the other side—will say, "Oh, we cannot afford it. We cannot do this."

But, we can spend billions and no one raises any objection.

I made this request a few weeks ago when we had a school lunch program here, and I got up and talked along these lines. They said that we could not afford to do it.

I say, are we going to go that way? We have the money to spend billions, but the American people want money saved.

The gentleman from Mississippi, JAMIE WHITTEN, is a great American and member of this committee. He says it can be saved safely. The American people are looking at this. They want some action, and we had better give it to them or things are going to change.

No wonder Congress is in such low esteem with the American people. We have billions to spend to kill people, but nothing for the American people. We had better shape up, because the time is getting late.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, what has happened to the peace dividend? That is what I want to know.

A couple of years ago we thought we would save money after getting out of Vietnam. We saved money and cut appropriations after World War I, after World War II, after the Korean war, but what happened after the Vietnam War? Defense expenditures went up.

I say, vote for the Addabbo amendment and get a little bit of peace dividend.

(By unanimous consent Mr. DAVIS of Wisconsin yielded his time to Mr. MINSHALL of Ohio.)

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire (Mr. WYMAN).

Mr. WYMAN. Mr. Chairman, I just want to make the point now that existing transfer authority under this bill includes $700 million. Reprograming can only take place to a higher level and this is law at the insistence of the gentleman from Mississippi. I think this is a very worthy program, and it is in the law. The current defense budget is the lowest since 1951. It is plagued by inflation and by extraordinary fuel costs. If we want to keep the country strong, we should put aside partisanship or other political considerations and vote against the Addabbo amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, restating the Addabbo amendment, it would merely cut $2 billion out of the $11 billion escalation that is going to occur in fiscal year 1975 spending as compared to 1974.

I think the amendment is eminently good. We are planning on expanding our national debt this year by some $22 billion. This is a place where we can cut, among other places, and I think we ought to do it.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, I rise in opposition to the amendment. The proposal by the gentleman from New York (Mr. ADDABBO) to use unobligated balances of prior years Defense appropriations is just not realistic.

As most Members realize, when a Defense procurement appropriation budget is prepared by the Department, the funds requested represent the full cost of the procurement line item. This is done, at the insistence of the Congress, so that both the Congress and the public can see the total cost of an item as of the time the funds are requested. This is known as the full funding policy.

Under this full funding policy, all the funds appropriated in a given year are committed to specific programs and quantities. Quite often, however, the funds are not obligated to such programs until a later year, depending upon production schedules delineated in the specific contracts involved. It is clear that if prior year unobligated balances were to be applied to new programs, this would amount to canceling out programs previously approved by the Congress which are still in the process of being completed. In other words, we would, if we adopted the gentleman's amendment, be canceling on-going programs to fund present programs—many of which are based on the presumption that the previous programs would be completed. I submit that this is not realistic. I also submit that approval of the amendment would be irresponsible management on the part of the House, since we cannot even identify the specific programs which would suffer.

The amendment would not only defeat the expressed intent of the Congress in previous appropriations bills, it would also severely hamper the Department of Defense in its efforts to maintain an orderly procurement process.

Now the gentleman has also asserted that unexpended balances can be applied to new programs for fiscal year 1975. This is even more unrealistic than the other assertion. Unexpended balances exist because payments to contractors are made upon delivery. Therefore, balances which are classified as obligated but unexpended will be needed and used by Defense to pay contractors for goods to be delivered under existing contracts. It would be completely unthinkable to apply these funds, which are already contractually committed to pay manufacturers for work presently being performed, to any other purpose.

Let me close by asking this question: How many Members of the House are willing to stand up and vote for an amendment which would result in contractors and subcontractors being refused payment for work already in progress? Let me also add that the gentleman's amendment make no provision for the payment of the various lawsuits which would arise should the amendment be passed.

Mr. Chairman, I urge that the amendment be roundly defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I shall support the Addabbo amendment. I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, everyone here is aware that inflation has reached crisis proportions and is the overriding problem facing this country. The distinguished gentleman from Texas (Mr. MAHON) has on many occasions pointed out to us that we are headed for disaster if we do not end the profligate spending habits that have helped produce the inflation. The distinguished gentleman from New York (Mr. ADDABBO) by offering this amendment to place a ceiling on the Defense budget has given every Member a chance to strike a modest but significant blow against inflation. If we do not start placing realistic ceilings on such spending, we will soon lose all control. The 1975 Brookings Institution Study on Budget Priorities estimates that military spending could rise as high as $142 billion a year by 1980 if the programs outlined in the 1975 budget are approved and continued. The cut made by the committee are a good start but are not enough.

Everyone here supports a strong national defense, but I think we would all agree that we should not spend one dollar more than is absolutely necessary. Next to printing money to pay the Government's bills, defense spending is the most inflationary thing we could do, since it puts enormous amounts of money in a few peoples' pockets but does not create any corresponding increase in the production of consumer goods. Furthermore, the same amount of tax dollars spent on housing, mass transit, hospitals, schools, and other things we desperately need will produce up to twice as many jobs.

Everyone here knows there just has to be a tremendous amount of waste in a military budget of $84 billion. Yet, because Congress has yet to equip itself with the means for making effective judgments on all of the programs covered by the Defense budget, it has been difficult to obtain support for reducing or eliminating specific items in the budget. The strength of the amendment offered by the gentleman from New York is that it leaves it to the Pentagon experts to make the decision as to specific items.

Let me give you, however, one example of a specific cut which could save $255 million this year and billions in subsequent years. While you will not find it anywhere in the bill or the committee report, $455 million of the $3.4 billion provided to the Air Force in title V for research and development is to cover work this year on the B–1 bomber; $255 million of this could easily be removed without slowing up current programs or impairing our defenses.

A recent in-depth study, prepared under the auspices of Members of Congress for peace through law, drew the following conclusions on the B–1 bomber program:

1. Strategic nuclear bombardment by aircraft flying over a target and dropping gravity bombs now plays at best only a marginal role in the U.S. strategic deterrent posture and, in the near future, may become strategically superfluous.

2. Both the nature and the size of the planned strategic bomber force are based on its fulfilling a counterforce role. This premise that bombers would be useful in striking Soviet ICBM's on the ground after a nuclear war is already underway is wholly implausible.

3. There is no time urgency to commence production of the B–1 by 1976. The Strategic Air Command plans that the existing force of B–52G's and H's and the FB–111's will be operational through the 1980's. In other words the proposed 244 B–1's are to be an addition to the existing 255 B–52G's and H's and the 66 FB–111's, and are not replacements for them. Such an addition increases the present 21 million pound total bomber payload to nearly 52 million pounds.

4. Of particular interest is the production cost of the B–1 program, which between 1970 and 1974, has gone from an estimated $9.4 billion to an estimated $15 billion. In four years, this represents a 75% overrun in research and development costs and a 55% overrun in estimated procurement costs. This means that in 1974 dollars, by the end of the production phase, we are faced with an overrun of $5.6 billion and the first aircraft has yet to fly. The $15 billion figure excludes such essential follow-on costs as armaments, decoy missiles, improved avionics, a new compatible tanker and operation and maintenance costs, which will likely push the total program to a minimum of $35.5 billion in 1974 dollars and, should costs rise proportionately, by 1979 the total projected costs of 244 aircraft and support resources could be $70 billion. All of this, added to the current $2.2 billion that is being spent annually to replace approximately 100 aircraft a year of the Air Force's combat inventory, adds up to staggering future commitments.

5. The last complete cost-effectiveness study on the B–1 bomber was made in 1966. Rising costs, degraded performance and serious slippages in the program, make the results of those 8-year-old studies almost meaningless.

The B–1 program is making inflationary pressures still more severe and because of its extensive use of costly materials and highly skilled technicians, it is an extremely inefficient method of priming the economic pump or providing jobs. For long-term stability, both the industry and its workers would be better served by legislation that would result in a realistic conversion program that would shift such skills and facilities to civilian needs in the areas of mass transit and development of new sources of energy.

The validity of these recommendations are further borne out in a Comptroller General's report to Congress dated April 17, 1974, entitled "A Study of Alternative Courses of Action for the Strategic Manned Bomber." The unclassified digest of that report states that the total production cost of the projected B–1 fleet will significantly exceed the production cost of other alternative strategic systems.

The Comptroller General concluded that in view of the options still open, the Secretary of Defense should insure that an updated, independent cost-effectiveness study on a force-level basis be prepared for the manned bomber mission and that such study should be completed for use in deciding whether to produce the B–1 aircraft. The appendix of the report contains letters from both the Deputy Secretary and the Assistant Secretary of Defense concurring in the need for a new cost-effectiveness study but not concurring in all of the conditions recommended by the General Accounting Office to insure the study's objectivity.

If the production of the B–1 proceeds next year on schedule, it will mean a much more substantial commitment of federal dollars and a further stimulant to inflation. The suggested $255 million cut in this year's B–1 budget and a postponement of the production decision until 1980 will not only help to curb inflationary military spending this year and in the years to come, but will give the experts a badly needed opportunity to re-evaluate the B–1 in light of its rising costs and declining performance.

The CHAIRMAN. The Chairman recognizes the gentleman from Texas (Mr. PRICE).

Mr. PRICE of Texas. Mr. Chairman, I rise in opposition to this amendment.

As a member of the research and development section of the Committee on Armed Services, I call the attention of the Members to the fact that we took these items item by item and spent almost 30 days trimming this to what we thought was proper, and to just use this meat-ax approach against this Defense spending, I think is ridiculous for it will modify all the work we have tried to do in the 30 days spent by this committee.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. MINSHALL).

Mr. MINSHALL of Ohio. Mr. Chairman, in 1 minute I would like to just say that it seems to be the popular thing to do, to be against defense spending.

I would like to repeat what I said earlier. Those who say that this bill is $4 billion over last year's bill are completely in error. I would like to repeat these figures for those who were not in the Chamber at the time I spoke before. About $1.5 billion of the increase is for petroleum cost increases; $2.5 billion—and that is a conservative estimate—is for inflation; and about $1 billion of this, a total of $5 billion, is for civilian and military pay increases.

I certainly hope that the Members of this House will not go along with this amendment. We have spent many hours in the committee on this budget request.

It is a bare bones budget as far as all of us on the committee are concerned, with very few exceptions.

I hope the Members will defeat this amendment in the interest of national security.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, as the bill now stands, we have cut the Defense budget by $4 billion. The amendment would reduce it by $2.5 billion more. That is too deep a cut, and it should not be done.

Let us show the Nation and let us show the world our resolve. Let us keep this country strong. Let us not weaken under pressure and stress. Let us be aware of the dangers in this world and let us retain our No. 1 position.

Let us vote down the amendment of the gentleman from New York.

Mr. FRENZEL. Mr. Chairman, I rise in support of the amendment offered to H.R. 16423 by the gentleman from New York (Mr. ADDABBO). I do so with the hope that this body will act responsibly in controlling our runaway budget.

Within the last several weeks, administration spokesmen have called for budget cuts ranging from $3 billion to $10 billion. Seventy percent or our controllable budget is in the form of military expenditures. While I will back efforts to get control of back door expenditures, I feel it imperative that we make more than the annual token cut in defense spending.

Frankly, I do not think the gentleman's amendment goes far enough. This budget would still entail an almost 12-percent increase over last year's military budget even if this amendment passes. Nevertheless, it is imperative that we bring this proposed appropriation more in line with the spending priorities of the vast majority of the Members of Congress.

The respective committees have worked long and hard in paring almost $4 billion from the original request. This cut will represent another $2.7 billion cut. It is important if we are to be able to control inflation and change our spending habits that this amendment passes.

I find it interesting that the Department of Defense has close to $38 billion in an unexpended balance currently. The proposed budget will raise this amount to $44 billion. Perhaps one unexposed and overhanging cause of inflation is the money in the pipe—money authorized, appropriated, but not spent. The Congress has no control of these funds when an economic crises comes upon us. Rather than increase the money "in the pipe," we should be interested in decreasing it.

Above all else, a Defense budget must be aimed at providing an adequate defense and security for the people of the United States. It is my belief that this is possible with lower expenditures of money. Many projects can be delayed; not only from a financial standpoint but from a strategic standpoint. If we are able to reach an extension of the offensive strategic arms moratorium with the Soviets, we might have to deactivate useful and effective systems to put new ones on the board.

For instance, we can delay research and development of the B–1. I am not convinced of the merits of this plane, but I realize that all funds thus far expended are for research and development. No decision has yet been made regarding procurement. But it is my understanding that our current intercontinental bombers have a lot more life in them than we originally hoped for. The final determination on the manned bomber could be delayed a few years, thereby saving the American taxpayer a great deal of money.

Perhaps the greatest waste of money is in stationing a large number of American troops in nations which can and should provide for their own defense. Our allies would not let us use our bases to help the Israeli's during their time of need, but they are reluctant for us to abandon these bases in case they need our manpower or our dollars in a future confrontation.

We do not need to keep 300,000 men and 200,000 dependents in Europe to defend Europeans. The Europeans can devote a larger portion of their budget to their own defense. We could save money in a time of inflation, and later perhaps spend more of our budget on programs which are urgently needed at home.

I am not advocating a total withdrawal from Europe nor a removal of our nuclear shield. I am advocating a significant withdrawal, with a small force left behind to show our continuing commitment to the NATO alliance. I urge passage of this amendment, and hope all Members who are seriously concerned about inflation will support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ADDABBO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, noes 216, not voting 40, as follows:

[Roll No. 454]

AYES—178

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Aspin
Badillo
Barrett
Bergland
Biester
Bingham
Bowen
Brademas
Brown, Calif.
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney, Ohio
Clark
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Dingell
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Flynt
Foley
Ford
Forsythe
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Gibbons
Green, Oreg.
Green, Pa.
Gross
Gude
Hamilton
Hanley
Hanna
Hanrahan
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Howard
Hungate
Johnson, Colo.
Jordan
Karth
Kastenmeier
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Lujan
Luken
McCloskey
McCollister
McCormack
McKay
McKinney
Macdonald
Mallary
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Mills
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Nix
Obey
O'Hara
Patten
Pike
Pritchard
Rangel
Rees
Reid
Reuss
Rinaldo
Robison, N.Y.
Rodino
Roe
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Skubitz
Smith, Iowa
Snyder
Stanton, James V.
Stark
Stokes
Stuckey
Studds
Sullivan
Thompson, N.J.
Thone
Traxler
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Whalen
Whitten
Winn
Wolff
Wydler
Yates
Yatron
Young, Ga.
Zablocki

NOES—216

Abdnor
Alexander
Anderson, Ill.
Archer
Arends
Armstrong
Ashley
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bevill
Blackburn
Boggs
Boland
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conlan
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
Dennis
Devine
Dickinson
Donohue
Dorn
Duncan
Edwards, Ala.
Erlenborn
Fish
Fisher
Flood
Flowers
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Grover
Gubser
Guyer
Haley
Hammerschmidt
Harsha
Hays
Hébert
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Latta
Lent
Long, La.
Long, Md.
Lott
McClory
McDade
McEwen
McFall
Madden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Michel
Milford
Minshall, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Neill
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Regula
Rhodes
Roberts
Robinson, Va.
Rogers
Roncallo, N.Y.
Rose
Rousselot
Ruppe
Ruth
Sandman
Satterfield

Shoup
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Van Deerlin
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyman
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion

NOT VOTING—40

Biaggi
Blatnik
Bolling
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
Derwinski
Diggs
Downing
Gray
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
Jones, Ala.
McSpadden
Mollohan
Nedzi
Owens
Podell
Randall
Rarick
Riegle
Roncalio, Wyo.
Rooney, N.Y.
Scherle
Symington
Teague
Tiernan
Udall
Waldie
Wyatt
Wylie
Young, Alaska
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments to the bill? If not, the Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16243) making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for the other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MINSHALL OF OHIO

Mr. MINSHALL of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MINSHALL of Ohio. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MINSHALL of Ohio moves to recommit the bill H.R. 16243 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. DELLENBACK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 350, nays 43, not voting 41, as follows:

[Roll No. 455]

YEAS—350

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Blackburn
Boggs
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harsha
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Van Deerlin
Vander Veen
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—43

Abzug
Badillo
Bingham
Burke, Calif.
Burton, John
Burton, Phillip
Collins, Ill.
Conyers
Dellenback
Dellums
Drinan
Eckhardt
Edwards, Calif.
Forsythe
Fraser
Frenzel
Green, Pa.
Harrington
Hechler, W. Va.
Helstoski
Holtzman
Kastenmeier
Koch
McCloskey
Metcalfe
Minshall, Ohio
Mitchell, Md.
Mosher
Obey
Rangel
Rees
Reuss
Rosenthal
Roybal
Schroeder
Seiberling
Stark
Stokes
Studds
Thompson, N.J.
Vanik
Whalen
Young, Ga.

NOT VOTING—41

Biaggi
Blatnik
Bolling
Brasco
Broomfield
Burlison, Mo.
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
Derwinski
Diggs
Downing
Gray
Griffiths
Gunter
Hansen, Idaho
Hansen, Wash.
Holifield
McSpadden
Mollohan
Nedzi
Owens
Podell
Price, Tex.
Randall
Rarick
Reid
Riegle
Roncalio, Wyo.
Rooney, N.Y.
Scherle
Symington
Teague
Udall
Vander Jagt
Waldie
Wyatt
Wylie
Young, Alaska
Zwach

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Roncalio of Wyoming for, with Mrs. Chisholm against.

Mr. Carey of New York for, with Mr. Riegle against.

Mr. Teague for, with Mr. Clay against.

Mr. Symington for, with Mr. Diggs against.

Mr. Burlison of Missouri for, with Mr. Waldie against.

Until further notice:

Mr. Reid with Mrs. Griffiths.
Mr. Gunter with Mrs. Hansen of Washington.
Mr. Biaggi with Mr. Holifield.
Mr. Davis of Georgia with Mr. McSpadden.
Mr. Gray with Mr. Rooney of New York.
Mr. Brasco with Mr. Owens.
Mr. Nedzi with Mr. Zwach.
Mr. Podell with Mr. Vander Jagt.
Mr. Rarick with Mr. Derwinski.
Mr. Blatnik with Mr. Wyatt.
Mr. Udall with Mr. Broomfield.
Mr. Downing with Mr. Wylie.
Mr. Mollohan with Mr. Scherle.
Mr. Randall with Mr. Price of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION TO PROVIDE FOR TELEVISION AND RADIO COVERAGE OF IMPEACHMENT PROCEEDINGS

Mr. MADDEN, from the Committee on Rules, reported the following report to accompany the privileged resolution (H. Res. 802, Rept. No. 93–1266), which was referred to the House Calendar and ordered to be printed:

The committee on rules, having had under consideration House Resolution 802, by a nonrecord vote reports the same to the House with the recommendation that the Resolution do pass with two amendments, as follows:

1. On page 2, line 1, strike all after the resolving clause and add: "That, notwithstanding any rule, ruling or custom to the contrary, the proceedings in the Chamber of the House of Representatives relating to the resolution reported from the Committee on the Judiciary, recommending the impeachment of Richard M. Nixon, President of the United States, may be broadcast by radio and television and may be open to photographic coverage, subject to the provisions of section 2 of this resolution.

"SEC. 2. A special committee of four Members, composed of the Majority and Minority Leaders of the House, and the Majority and Minority Whips of the House, is hereby authorized to arrange for the coverage made in order by this resolution and to establish such regulations as they may deem necessary and appropriate with respect to such broadcast or photographic coverage; Provided, however, That any such arrangements or regulations shall be subject to the final approval of the Speaker; and if the special committee or the Speaker shall determine that the actual coverage is not in conformity with such arrangements and regulations, the Speaker is authorized and directed to terminate or limit such coverage in such manner as may protect the interests of the House of Representatives."

2. Strike the preamble.

REPORT ON RESOLUTION TO PROVIDE FOR CONSIDERATION OF H.R. 16136, AUTHORIZING CERTAIN MILITARY INSTALLATION CONSTRUCTION

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 1297, Rept. No. 93–1264) which was referred to the House Calendar and ordered to be printed:

H. RES. 1297

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 16136) to authorize certain construction at military installations, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 3, Rule XIII are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

REPORT ON RESOLUTION TO PROVIDE FOR CONSIDERATION OF H.R. 15487, AUTHORIZING STUDY OF FOREIGN DIRECT AND PORTFOLIO INVESTMENT IN UNITED STATES

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 1296, Rept. No. 93–1263), which was referred to the House Calendar and ordered to be printed:

H. RES. 1296

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15487) to authorize the Secretary of Commerce and the Secretary of the Treasury to conduct a study of foreign direct and portfolio investment in the United States, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 15487, the Commitee on Foreign Affairs shall be discharged from the further consideration of the bill S. 2840, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 15487 as passed by the House.

REPORT ON RESOLUTION TO PROVIDE FOR CONSIDERATION OF S. 1868, AMENDING THE UNITED NATIONS PARTICIPATION ACT OF 1945 TO HALT THE IMPORTATION OF RHODESIAN CHROME

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 1298, Rept. No. 93–1265), which was referred to the House Calendar and ordered to be printed.

H. RES. 1298

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1868) to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

GENERAL LEAVE

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks in the RECORD prior to the vote on the amendment which I offered to title VII of H.R. 16243, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE PRESIDENT SHOULD RESIGN

(Mr. MILFORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MILFORD. Mr. Speaker, from gradeschool to the graveyard, Americans are taught that: "Everyone is innocent until proven guilty, and that he is always entitled to his day in court."

We grant these rights to the most common of our criminals and even to the maddest of madmen.

The President of the United States—our President—is also entitled to the same rights and privileges as those extended to suspected murderers, robbers, thieves and other alleged violators of the law.

However, there are also some differences. A President is given certain privileges, power, and a status that is not awarded to other citizens or to citizen-criminals. Criminals do not normally offer themselves as candidates, nor do they take solemn oaths of office to garner our faith.

What is a "common crime," to a citizen, becomes a "high crime" when committed by a President. His punishment, if found guilty, consists of expulsion from office.

The greatest tragedy of this process consists of the punishment that is also levied upon the 200,000,000 innocent victims—the people of this Nation. Like the families of the "common criminal," the citizens of this Nation have committed no crime. Yet, they will bear the brunt of the punishment.

Throughout the seemingly endless investigations, hearings, and inquiries—brought to light by the Watergate incident—all citizens of this Nation have been distressed. Some suspected the worse; some did not dare believe the least. All of us have been aware of the gnawing set of circumstances that made suspicion undeniable.

Special prosecutors, grand juries, courts, and congressional committees have painstakingly gathered data concerning the actions of our President. These investigations have produced a considerable amount of evidence indicating that he has violated our law and trust.

On Monday, August 5, 1974, Richard M. Nixon issued a written statement confessing his action in obstructing justice and admitting a misrepresentation of facts to the people of this Nation. By his own admission, "Impeachment is now a foregone conclusion."

I must reluctantly agree. Reluctant only because of the effects that an impeachment and Senate trial will have on this Nation.

We, as a people, cannot tolerate lawless behavior in elective office—whether conducted by a President or a precinct chariman. Rationalizations that observe similar actions as having been committed by prior officeholders are unworthy of consideration. They should also have been impeached, and any future office holder who violates the law should be impeached.

Perhaps Watergate is a blessing after all. Along with the pain and anguish suffered by every citizen, Watergate will stand as a firm notice to every elected official that this Nation will no longer tolerate illegal, immoral, or unethical conduct by officials in government.

Finally, we must also fairly grant Richard M. Nixon his just due. He has not been all bad. Through his work, our Nation is at peace. His foreign policies have turned cold wars into conversations. Most of us are working, and no one in the Nation need go hungry. He has devoted practically all of his adult life to government service. He has earned some compassion from the American people for himself and his family.

Many in the Congress feel that expulsion from office and the resultant scar on this Nation's history would be an overly harsh punishment. Some would allow a simple resignation, if offered. Yet, the vast majority feels that a positive and punitive action must be taken in order to serve notice on future officeholders who would defy our Constitution.

A few of us pray that the President will resign in order to save our Nation from the trauma of impeachment and trial. However, I also believe that the resignation should be accepted only after a strong censure resolution has been passed, thereby serving notice to all that follow that this Nation is one of laws.

If, of course, no resignation is forthcoming, there is no alternative to following the constitutionally prescribed impeachment process through to the end.

NEW RIVER BILL

(Mr. WAMPLER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WAMPLER. Mr. Speaker, the House Interior and Insular Affairs Committee has before it a bill that would stop the construction of a badly needed hydroelectric pumped storage powerplant in Grayson County, Va. The bill, S. 2439, is known as the New River bill since the powerplant which the bill would stop would be built on a portion of the New River flowing through my congressional district in Grayson County.

The Blue Ridge project, a hydroelectric pumped storage powerplant, will generate 1.8 million kilowatts of badly needed peaking power. The five-man Federal Power Commission, after some 9 years of study, has unanimously approved and licensed the project.

Federal Energy Administrator John C. Sawhill has opposed the New River bill and concluded his statement on the merits of the proposed powerplant and the great need for the energy it will generate by stating:

> Accordingly, we oppose passage of S. 2439 (the New River Bill) with its inherent delays in completion of the Blue Ridge Project. We are concerned with energy shortages and are committed, through Project Independence, to seek new and increased domestic sources of energy supplies. We do not believe that passage of S. 2439 would be consistent with our national goal of energy independence.

I have urged the committee chairman and its members not to report the bill because it would stop the building of the project at a time when we are facing the possibility of brownouts all over the country, and especially here in the East where this badly needed added peaking power would be available. My colleagues in the State of Virginia, all nine of them, Democrats and Republicans, have joined me in sending a letter to the chairman and each individual member urging that they not report the bill. In addition, we have been joined by the Governors of Virginia and West Virginia who have also urged that the committee not report the bill.

I am inserting at this point a copy of the letter from Federal Energy Administrator John C. Sawhill opposing the bill and the letter that the Virginia congressional delegation has sent today to the House Interior Committee members urging that they not report the New River bill, S. 2439.

CONGRESS OF THE UNITED STATES,
Washington, D.C., August 5, 1974.

Hon. JAMES A. HALEY,
Chairman, Committee on Interior and Insular Affairs, Washington, D.C.

DEAR CHAIRMAN HALEY: The New River bill, S. 2439, calling for a study of a section of the New River in Virginia and North Carolina to determine its suitability for inclusion in the Wild and Scenic Rivers System is before your committee. We are writing to ask that you not report the bill for the following reasons:

1. The section of the river which would be subjected to the study on its face does not qualify for inclusion in the system under the Wild and Scenic Rivers Act of 1968.

2. The Federal Power Commission on June 14 voted unanimously to grant a license to build the Blue Ridge Project. The FPC stated in the order that the Blue Ridge Project is essential to the maintenance of an adequate and reliable power supply in the East Central United States and that is construction should not be delayed. The applicant accepted the license on June 24, 1974.

3. A one day hearing before a subcommittee of the Congress should not be substituted for nine years of careful study, over 7,400 pages of sworn testimony, more than 200 technical exhibits and numerous hearings before the expert federal agency which has been designated by the Congress to decide such matters.

4. Putting power benefit to one side, all environmental effects have been thoroughly considered and the FPC has concluded that the environmental benefits to be created by the Blue Ridge will far outweigh its environmental detriments.

5. The project will create one of the principal recreation areas in the eastern United States and provide flood control and industrial development benefits.

6. Congress created the FPC in order to foster the private development of the nation's water power resources. The enactment of S. 2439—after the Blue Ridge license has been issued and accepted—would badly undercut the authority of the FPC and discourage other companies from applying for hydroelectric project licenses in this period of energy crisis when they are most needed. In this very real sense, S. 2439 is inconsistent with and detrimental to the goals of "Project Independence".

The Blue Ridge Project would be built entirely with private funds—approximately $500 million, of which over $16 million have already been spent for feasibility studies, proceedings before regulatory agencies and preliminary land acquisition. A two or three year delay during this period of rapidly escalating costs would effectively kill the project and deny to the country badly needed power.

In addition to those of us signing this letter, the Governors of Virginia and West Virginia have also gone on record as opposing S. 2439.

Enclosed, also, for your information is a copy of the letter from Federal Energy Administrator John Sawhill opposing the bill.

Sincerely,

Thomas N. Downing, M.C., G. William Whitehurst, M.C., David E. Satterfield, III, M.C., Robert W. Daniel, Jr., M.C., Dan Daniel, M.C., M. Caldwell Butler, M.C., J. Kenneth Robinson, M.C., Stanford E. Parris, M.C., William W. Wampler, M.C., Joel T. Broyhill, M.C.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., July 9, 1974.

Hon. WILLIAM C. WAMPLER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WAMPLER: Since our meeting on July 2, my staff and I have had the opportunity to review H.R. 11120, a bill to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the Natural Wild and Scenic Rivers System.

Our review shows that on June 14, 1974, the Federal Power Commission issued a 50-year license to the Appalachian Power Company for its proposed $430 million, 1.8 million kilowatt Blue Ridge Hydro-electric Power Project. This project is to be located on the New River in western Virginia and North Carolina. The initial proposal was approved by the FPC in 1962 and a license application was filed as early as February 1965. The proposed project has been investigated thoroughly over many years, and hearing procedures have offered the opportunity for interested parties to review its impact.

Passage of H.R. 11120 will add a minimum of two years to this already long period of study, investigations and hearings. We found that there is a need for additional power supplies in the area affected. Even the completed Blue Ridge Project will not meet the power requirements of the region, but 1.8 million kilowatts would be a very significant addition. Although we at FEA have not studied the environmental impact of the project, we understand from the FPC news release of June 14, 1974 that the FPC concluded that the project would markedly enhance the recreational potential of a portion of Appalachia. The Commission also found that the environmental consequences of the project would be both profound and, on balance, beneficial.

Accordingly, we oppose passage of H.R. 11120 with its inherent delays in completion of the Blue Ridge Project. We are concerned with energy shortages and are committed, through Project Independence, to seek new and increased domestic sources of energy supplies. We do not believe that passage of H.R. 11120 would be consistent with our national goal of energy independence.

Sincerely,
JOHN C. SAWHILL,
Administrator.

A FAIR DEAL FOR AMERICAN DAIRY FARMERS

The SPEAKER pro tempore (Mr. MCFALL). Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, as I pointed out in a statement on the House floor on Monday, U.S. dairy farmers are caught in a brutal and overwhelming cost-price squeeze brought about by a combination of actions and inactions on the part of their National Government. Because of tragically inept U.S. monetary, economic and export policies, dairy production costs have skyrocketed; and because of sadly misguided import policies, prices that dairy farmers receive for their product have dropped precipitously. During the past year, dairy farmers have been forced out of business at an alarming rate and this coupled with lower quality feed has pushed total U.S. milk production down sharply. So dairy farmers are paying more to produce less in return for less money per unit of production. It takes no economic wizard to see that this is a sure-fire formula for financial ruin.

Mr. Speaker, I sincerely believe that our dairy farmers work harder than any other group of Americans. Day in and day out they toil for long hours to produce the most basic of all foods. For dairy farmers, there are no holidays and no vacations—they must labor from before dawn to dark 365 days a year. Surely, these dedicated, industrious Americans deserve fair treatment from their Government. It is also true that dairy policies directly affect thousands of men and women who are employed in the daily chore of milk distribution and processing.

It has always been my feeling that milk is essential to human life and that it should, therefore, be classified as a strategic material. Millions of mothers depend upon milk daily and, in fact, several times daily for their infants and are totally dependent upon our U.S. dairy industry for an abundant supply of nutritious and wholesome milk. We have all witnessed the disturbances caused by gasoline shortages, but this inconvenience would be a trifle compared to the suffering and hardship that would result from a serious curtailment of our milk supply. Clearly, we must not let our dairy industry be destroyed; we must take the very reasonable and prudent steps that are indicated and necessary to insure a strong U.S. dairy industry capable of meeting our milk requirements in the months and years ahead.

IMPACT OF DAIRY IMPORTS

Dairy farmers are particularly concerned over the import problem and the severe adverse impact that imports have on domestic prices. They are right—U.S. dairy imports, in terms of milk equivalency, were 268 percent as much for January through May of 1974 as they were for the first 4 months of 1973. And it is important to note that substantial quantities of these imports were heavily subsidized by foreign governments—some Common Market countries have subsidized cheese exports to the United States at the rate of up to 34 cents per pound. I believe that U.S. dairy farmers and U.S. dairy processors are the most efficient in the world but it is impossible to compete with that kind of subsidy.

Officials over at our U.S. Department of Agriculture are fond of pointing out that total dairy imports represent only a small fraction of total U.S. milk production—1.5 to 2 percent—but again anybody should be able to understand that even a 1-percent increase in supply can change the market picture from one of balance to one of oversupply and falling prices.

ENCOURAGING IMPORT DEVELOPMENTS

There have been some developments that give us hope that the import picture will change. Apparently, no additional dried milk will be coming in this year under temporary quota authority. This should push import totals for the remainder of 1974 back to more normal levels. In addition, Common Market countries announced about 2 weeks ago that they were eliminating subsidies on cheese exported to the United States. This is, indeed, welcome news, but it seems to me that a more lasting adjustment of the import problem is needed.

The administration has authority to establish duties which offset any subsidies that foreign nations might use to expand their exports of goods to the United States. Unfortunately, this authority has not been exercised despite the fact that representatives of dairy producers have won a court case challenging the failure of administration to institute such countervailing duties with respect to dairy products. Now, the Treasury Department has announced that it will suspend any further action on countervailing duties pending analysis of the effectiveness of the voluntary action taken by Common Market nations.

Mr. Speaker, I am keenly aware of the very sensitive nature of foreign trade activities and can appreciate the suggestion that action on countervailing duties with respect to dairy products could lead to retaliatory action by our trading partners. I am, however, urging Secretary of the Treasury Simon to reconsider his Department's actions on the countervailing duty question since it seems to me entirely reasonable and proper that our foreign friends discontinue subsidizing their agricultural exports to the grave detriment of our own farmers. In addition, I am asking Secretary of Agriculture Butz to take a more aggressive position on this issue in support of American agriculture. Our farmers naturally look to the Department of Agriculture to support their position on such matters and I hope that USDA will fulfill its responsibilities and stand up for our dairy farmers.

It is easy to understand the reluctance of some administration officials to take an aggressive position in support of a fair deal for dairy farmers in view of recent press disclosures. I cannot accept, however, that nothing should be done to assist dairy farmers because of possible criticism. Even if all of the milk fund allegations are proved to be true, this does not affect the right of U.S. dairy farmers to equitable treatment at the hands of their National Government or our duty to insure proper protection from subsidized foreign competition. These family farmers do not deserve to be treated as second-class citizens because of the milk fund scandal.

A PLAN OF ACTION

Mr. Speaker, I ask today that Members of this body join in urging the administration to establish proper controls over foreign imports to insure that U.S. farmers can compete on a fair basis with foreign producers. Our dairy farmers are only asking for a fair chance to compete and I am personally confident that they can produce at a lower cost than anybody else in the world, despite the fact that we have the highest health and sanitary standards of any nation. Second, I propose that we take steps to increase milk price supports to 90 percent of parity to insure farmers a reasonable price for their product until such time as we can establish a durable import policy that will put American farmers on an equal footing with foreign producers. In this connection, I am today introducing legislation to raise milk price supports to 90 percent parity for the remainder of the present April 1, 1974, to March 30, 1975, price support period. Finally, I urge the administration to expedite implementation of the loan guarantee program signed into law last week. This will insure that dairy farmers have access to sufficient loan funds to continue operating.

These three steps will provide desperately needed relief for U.S. dairy farmers. If such action is not taken, however, I firmly believe that more drastic and costly steps will ultimately be required to avoid financial collapse of dairy farmers throughout the Nation. A variety of costly emergency programs will be necessary a little further down the road if the Federal Government does not take firm action now to restrict subsidized dairy imports and to guarantee a proper price for the milk that our own farmers produce.

CONCLUSION

Mr. Speaker, the problems that U.S. dairy farmers face are not of their own making. They have increased productivity tremendously in recent years and have kept prices down as compared to prices of other goods and services. Our dairy farmers are not responsible for the Russian wheat deal; they did not bring on our current inflation; and they did not formulate our sadly inept economic and monetary policies.

U.S. dairy farmers are not asking for a handout and they do not seek preferential treatment. All they want is a fair chance to compete on an equal footing with their counterparts in foreign nations. Our National Government has put them in this terrible bind, between a rock and a hard place, as the saying goes, and it seems to me that we have a clear obligation to right the wrongs that have been perpetrated against the American dairy farmers. I respectfully urge my colleagues to join in this effort.

SUPPORT FOR ENACTMENT OF THE FISCAL INTEGRITY ACT GROWING AMONG MEMBERS AND ECONOMISTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, support for enactment of the proposed Fiscal Integrity Act is growing.

That act would reestablish the fiscal integrity of the Government and its monetary policy through the establishment of ceilings on both revenue and budget outlays, through controls on the issuance of additional money supply, and through requiring all bills and resolutions introduced or reported state on their face how much they would cost the taxpayers.

On Wednesday, July 24, I introduced the Fiscal Integrity Act. Today, I have reintroduced it, as H.R. 16294, with the bipartisan cosponsorship of 18 additional House Members: Mr. DUNCAN, of Tennessee; Mr. BROYHILL of North Carolina; Mr. BRAY, of Indiana; Mr. DICKINSON, of Alabama; Mr. LUJAN, of New Mexico; Mr. GOLDWATER, of California; Mr. BYRON, of Maryland; Mr. BURGENER, of California; Mr. COCHRAN, of Mississippi; Mr. COLLINS of Texas; Mr. FROEHLICH, of Wisconsin; Mrs. HOLT, of Maryland; Mr. KETCHUM, of California; Mr. LOTT of Mississippi; Mr. MITCHELL of New York; Mr. MURTHA, of Pennsylvania; Mr. HINSHAW of California; and Mr. LAGOMARSINO, of California.

On this Friday, I will reintroduce the bill with two additional sponsors, Mr. BOB WILSON, of Caifornia, and Mr. DEVINE, of Ohio. This will bring the number of cosponsors to 20.

And, the concept of imposing mandatory ceilings on revenue and budget outlays, established in relation to the aggregate national income of our taxpayers, is receiving widespread support from noted economists. This concept would be carried into full force and effect by title I of the Fiscal Integrity Act.

ENACTMENT IS ESSENTIAL IF THE CONGRESS IS TO COME TO GRIPS WITH UNCONTROLLED SPENDING

Why is the Fiscal Integrity Act necessary?

The proposed Federal budget for fiscal year 1975, forecasting expenditures of over $304 billion, exceeds the previous year's budget by a full $20 billion. In 1940 our Federal budget was only $10.1 billion.

It took this country 185 years to get to an annual Federal spending level of $100 billion, but it took only 9 more years to double that to the $200 billion level, and then only 4 more years to reach the $300 billion annual level.

The mushrooming national public debt will soon be at nearly $500 billion—half a trillion. It took us over 150 years after 1789 to reach the $200 billion debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion up to half a trillion.

The spiraling rate of inflation could be as high as 14 percent this year. Only a few years ago it averaged around 4 to 5 percent, a more manageable figure.

Look at the bureaucracy sustained by these massive expenditures. Between 1789 and 1974, the population of our country multiplied by 60 times; the bureaucracy multiplied by 8,170 times. Between 1930 and 1974, while the population grew 71 percent, the bureaucracy grew by 462 percent. In 1930, 1 of every 204 people was employed by Government; today, it is 1 of every 77. And, in our work force of 88 million, 1 of every 6.5 employees is on a Government payroll of one form or another—Federal, State, or local.

The average amount of taxes the Federal Government will have to collect from every man, woman, and child in the Nation to meet expenses this year is $1,492 per person—or $5,968 for the average family of four. In 1940 it was $77 per person—or $308 for that average family of four.

And, recent analysis shows that the total sum of new funds which would be authorized by only 400 bills introduced this Congresss would be in excess of $873 billion. And, nearly 15,000 bills have been introduced this Congress—and we still have months to go.

These dangerous economic policies must be halted.

These figures speak to our fiscal policies. What about our monetary policies?

The ever-increasing printing of paper money is estimated to be at between 7 and 8 percent of the total money supply for this year—a factor contributing greatly to the erosion of the purchasing power of the dollar.

Government spending—and the raising of revenue requisite to that spending—has a historical ceiling beyond which it invites either or both the collapse of the economic strength of a nation of the loss of political and economic freedom. The statistics prove the tendencies of Government to siphon off ever greater shares of the people's income for itself.

Government must realize that it cannot indefinitely tax the people at constantly increasing levels without destroying the people's ability to support themselves and their families.

Where, then, do we start in coming to grips with these problems?

I think the place to start is recognizing that the Congress has contributed to the problem, not to its resolution. We have spent too much money, not raised enough to meet the costs of government, have allowed the issuance of paper money to go unabated, and have inadequately reformed our own internal procedures for showing how much money is proposed to be spent by new bills.

We must determine, as a matter of policy, that it is the joint and several responsibility of the legislative and executive branches to reestablish our fiscal integrity through the imposition of a requirement that budget outlays not exceed revenue—that there be balanced budgets; that the issuance of additional money not contribute to inflation; and that each branch have adequate capability to prepare the budget in a manner consistent with those policies. By establishing, at law, a recognition that it is a joint and several responsibility of these two branches, we will stop much of the buck-passing which goes on as to which branch is responsible for our economic woes.

The Congress has tried for nearly 200 years to control overall, total spending by controlling the overall level of appropriations as each individual appropriations bill came to the floor. These efforts—commendable though they may be and successful though some may have been on occasion—simply have not worked sufficiently. The figures which I have cited today—the level of spending, the national debt, the amount taken from each family in taxes, the cost of new programs being proposed—attest to the failure of this institution to hold the line adequately on spending. And, the Budget Reform Act, as enacted, will not be adequate either, for its ceilings are not mandatory or prospective.

The reason these efforts have not worked is that the intentions which underlay them are not directed at the one point where more effective control really could be exercised—at the level of revenue, of income.

We have for too long tried to control spending only where the money flows from the Treasury. In other words, we are trying to plug holes in the Treasury's dike or to heighten that dike, when, instead, we should be trying to control the level of water behind it.

It is always easier to control a problem at its source. The source here is the level of revenue raised by the Government from which programs are then funded. To deal with the question of expenditures alone is to work only with the result of our problem, spending, instead of its cause—too much being taken from the taxpayers with which to do that spending.

When an institution knows that it will have a known amount of dollars with which to work, it typically devises means of spending those dollars. It is human nature. Parkinson's law, thus, states that spending rises to meet income. That is a truth demonstrated by our national experience as a Government. There is a more modern corollary to Parkinson's law which, however, more accurately describes the tendencies of Congress: present spending rises to slightly exceed present income in expectation that future increases in income will cover that spending. When an institution operates from those premises—and the Congress has operated from those premises for years—it means an ever increasing amount of dollars being taken from the taxpayers.

What are the results of such policies?

Federal, State, and local tax collections have risen markedly, as percentages of national income, during the past half century. In 1929, such tax collections constituted only 13 percent of total national income; by 1950, it has risen to 26 percent; and by 1972 it had risen to 34 percent. The increase is even more dramatic when compared to total national personal income: 1930, 15 percent; 1950, 30 percent; and 1972, 43 percent. If present trends continue, by 1985, total government's share of national personal income will have increased to 54 percent—54 cents out of every $1—more than half the people's earnings.

We cannot, of course, as the legislative branch of the Federal Government—and without an elaborate amendment to the Constitution of the United States—establish revenue and budget outlays ceilings binding on all governments—Federal, State, and local.

We can, however, establish such ceilings with respect to the Federal Government. That is what title I of the Fiscal Integrity Act is all about. To insure the stringency of those ceilings, the process and requirement should probably be done as an amendment to the Constitution. I have personally introduced a resolution, House Joint Resolution 816, to provide for such an amendment. But, in the world of realities in which we now must function, the enactment of a bill is more likely than the amending of our Constitution.

Revenue collection cannot, of course, be cut, unless spending is cut commensurately; otherwise, deficits will occur and accrue. The most effective answer to the problem of excessive government spending—and the one embodied in title I of the Fiscal Integrity Act—is the establishment of a ceiling on revenue and budget outlays—a ceiling established in relation to aggregate national income beyond which that ceiling could not go.

Let me be more specific as to title I.

REVENUE AND BUDGET OUTLAYS CONTROL

Title I would establish for each fiscal year a revenue and budget outlays limit for the Government. No appropriation could be made for any fiscal year by the Congress in excess of the revenue and budget outlays limit for that fiscal year.

This revenue and budget outlays limit is the next logical step which should have been included in the recently passed Budget Reform Act. That Budget Reform Act established an initial spending ceiling each spring only as a goal, with the final ceiling established in the fall as an after-the-fact ceiling, meaning that expenditures can still exceed revenue and add to the debt. A balanced budget requirement should have been in that act; it was not. But it is in my bill.

How would the limit work?

The revenue and budget outlays limit for each fiscal year shall be the amount derived by multiplying the estimated aggregate national income for such fiscal year by a "Federal revenue factor."

Thus, from the first year of the operation of this provision, a ceiling in relation to national income is established on government revenue and spending. As the economy grows, new dollars would be available for existing or new programs, but a greater percentage of the peoples income would not be available.

Once that computation is made for the first year, it will—in that first year only—be reduced by 2½ percent in order to cut off the top some of the excessive spending which we now have. Thereafter—for the next 20 years, it will be cut by one-fourth of 1 percent each fiscal year, a more gradual reduction, but one eventually leading to an additional reduction in excess of 5 percent or a 7.5 plus percent total reduction.

One should note that a cut in outlays is accompanied by a cut in revenue—and vice versa—so that cutting revenue will not result in creating more of a deficit—as is now a danger—and cutting outlays should result in a cut in taxes.

The bill specifically requires that, if during any fiscal year the revenue of the Government exceeds the established limit for that year, the amount in excess shall be used for the payment of the public debt of the Government. It cannot be carried over to be spent on programs during a subsequent fiscal year.

The limitations, determinations, estimates, and calculations required to be made by this title shall be made by the newly created Congressional Budget Office, acting through its Director.

What if an emergency arises—such as a large-scale war or severe economic crisis—which absolutely requires spending beyond the revenue level?

In that case—that emergency—a resolution passed by no less than two-thirds of each House of Congress may suspend the limitation, but only to the extent necessary to meet that particular emergency and only for that fiscal year within which the resolution was passed. If the supension is to be continued beyond that fiscal year, the Congress must pass a new resolution allowing it. A vague, general, "times-are-tough" emergency resolution would not be allowable. The provisions of the bill guard against that happening.

It should also be made clear that the power of the House Committee on Ways and Means and the Senate Committee on Finance with respect to tax reform is not impaired by this bill. Within the overall revenue limitation, those committees can carry out any degree of tax reform—increase certain taxes, reducing others—eliminating old taxes, imposes new ones—deemed necessary. The only limitation is that the total revenue collection not exceed that percentage established in relation to aggregate national income for that period.

Is this revenue and budget outlays ceiling, as proposed here, a scheme devoid of support by economists? Not in the least. Here are but a few of the comments I have received on title I from some of the most noted economists in our country.

Paul W. McCracken, Edmund Ezra Day professor of business administration at the University of Michigan and former Chairman of the President's Council of Economic Advisers, stated:

> While I have resisted the idea of arbitrary limits on public spending, I have also reluctantly concluded that they may be necessary. . . . It would be a great step forward if the Congress can bring this to fruition in the next session.

Prof. C. Lowell Harriss of Columbia University and the president of the National Tax Association and Tax Institute of America offered the following personal comments:

> More than normal restraints are appropriate in protecting individuals year in and year out. Experience, the record, must confirm the conclusions about the wisdom of restraining the growth of spending. . . . Federal Government spending is already huge by any reasonable criteria. . . Centralization would not be allowed to grow as it has. Freedom to use State-local government would remain. In a basic sense, I would argue, the proposal would enhance freedom, opportunity, and the fundamentals of humanism.

Additional individual and personal support has also been received from Prof. Milton Friedman of the University of Chicago, the former president of the prestigious American Economics Association and a member of the research staff of the National Bureau of Economic Research; from Prof. Murray L. Weidenbaum of Washington University in St. Louis, a former member of the Council of Economic Advisers and a former Assistant Secretary of the Treasury; from Prof. James M. Buchanan, the director of the Center for the Study of Public Choice of the Virginia Polytechnic Institute; and from the noted economic columnist, Henry Hazlitt.

There is another benefit which would arise from the enactment of this measure, a dimension graphically called to my attention by a tax counsel in Los Angeles:

> An intelligent program will remove the extreme compulsion of the larger income earners to squander their money on poorly conceived and economically senseless tax shelter plans.
>
> If there is anything that this liberal Democrat tax attorney can do to assist you in your efforts, please let me know.

That last comment—offer—calls to our attention that the revenue and budget ceilings proposed in title I are supported by Members of both parties, by liberals and conservatives, by libertarians and traditionalists. It has broad support.

CONTROL OF THE GROWTH IN THE MONEY SUPPLY

When money is printed and there is no increased productivity to stand behind that new money, it robs each of us that holds a dollar of some of its purchasing power.

The short term gains of pumping more money into the economy—which is principally a device allowing Government to pay for much of its debt without borrowing funds for it—produce long-term losses for us all. We are each a little poorer when new money is printed and no productivity accompanies it.

The Board of Governors of the Federal Reserve System now has the power to issue new money supply. Congress gave it that power long ago. It was a mistake.

When new money supply is kept at about 4 or 5 percent, it is at least manageable—even though it still contributes to inflation. But, when that new supply is up around 8 or 9 or even more of a percentage, it results in the 11, 12, 13, even 14 percent inflation we have been experiencing. The charts are clear on this phenomenon; the increase in money supply produces an increase in prices. There is a direct, commensurable correlation between additional money supply and higher prices. That fact cannot be denied.

It is contended by some that there needs to be some increase in money supply—unaccompanied by additional productivity—to keep the Federal Government from having to borrow all of its funds for deficit financing from lending institutions at high interest rates. The answer to that spending is not to print more money; the answer is to stop deficit spending.

It is contended by others that there needs to be some increase in money supply—unaccompanied by additional productivity—to help boost a sagging economy and not to result in lending policies so restrictive as to jeopardize jobs. The answer to that is to find a level at which a sagging economy can be boosted, but not at the expense of the purchasing power of all those who have jobs or who are on fixed incomes and pensions.

Title II of the Fiscal Integrity Act provides that the Board of Governors of the Federal Reserve System must keep additional issuance of money at no more than 1¼ percent per fiscal quarter during ordinary times and 1½ percent per fiscal quarter during extraordinary times—with Congress having to specifically act upon allowing that 1½-percent level.

The Board can tie the issuance of new money directly to national productivity, if it is less than either 1¼ or 1½ percent per fiscal quarter, because the bill does not require any new issuance of money at all, if the Board is so inclined. This allows the use of absolute monetarist theory or the use of reasonable, manageable increases in supply beyond present productivity, but it does not allow for excessive issuance.

As a matter of both philosophy and theoretical economics, I do not believe there should be an additional increase in the money supply which is not coupled with a like increase in national productivity. That is the only way to insure that the printing of additional new money will not contribute to inflation.

We do not, however, live today under either normal or particularly healthy economic conditions. To insist that we immediately require by law that increases in the money supply be coupled with productivity is to put an additional pressure, potentially counterproductive at this time, upon the economic recovery capabilities we now have. It would switch us from one policy immediately 180° in favor of another. I think that would be too drastic and would incur too many risks.

We should, therefore, take a halfway step, and that is what title II of the Fiscal Integrity Act is. It is a step in the right direction but one which would not require an immediate and total reversal in prior policy. As a step in the right direction, once we have reached a stage of economic recovery adequate to take the other step without running unnecessary economic risks, then we can amend the law to do so.

ADDITIONAL FISCAL DISCLOSURE REQUIREMENT

The Congress has taken an important first step—in the enactment of the Budget Reform Act—toward reestablishing its authority with respect to the preparation of the budget for the Government. The motives which underlay the enactment of that act are praiseworthy. Let us hope that the Budget Reform Act does work, and if it does not, as enacted, let us hope we will move quickly to rectify its weak provisions.

An important aspect of budget control was left off the Budget Reform Act as it worked its way through Congress. I speak of a requirement that each bill introduced or reported—which would authorize the expenditure of money—contain at the bottom of the first page of that bill the exact costs of implementing its provisions.

Let us be frank with ourselves. Too many bills are introduced without any real knowledge—even among its sponsors—of the total eventual costs of implementing its provisions, if enacted.

I think it would make all of us stop and think twice about introducing a bill to expand an existing—or enact a new—program, if we knew how much it would cost the taxpayers. As this initial level, this first step, in the process of how our laws are made, it would be a good thing for us to require, of each other and of ourselves, to disclose how much these bills would cost the taxpayers.

Similarly, title III of my bill would require a bill which would save money to show how much money would be saved.

Title III establishes a fairly simple procedure for obtain the figures for these fiscal notes, one which ought to be able to be done with existing staff of the departments and agencies.

CALL FOR ACTION

Mr. Speaker, I believe more effective revenue and budget outlays ceilings and monetary supply control are ideas whose times have come.

I believe—and I think I speak for those who joined me in the sponsorship of the Fiscal Integrity Act today—that whether these proposals are enacted this year, or at some subsequent point, they will be enacted. If not, we run the risk of destruction of our still free economy, our political system, and our free society.

The distinguished chairman of the Committee on Ways and Means, Mr. MILLS of Arkansas, has called for sharp cuts in the budget and for the vetoing of bills in excess of the President's request. I agree with him and in that spirit I ask him to consider the Fiscal Integrity Act which has been referred to that distinguished committee.

The time is now for this body to exert leadership in this area.

MASS STARVATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. GUDE) is recognized for 15 minutes.

Mr. GUDE. Mr. Speaker, one of the great problems facing the world today is mass starvation. I do not refer to hunger or even malnutrition but to actual starvation and death. It is happening now in the Sahel region of Africa as severe drought pushes the desert inexorably south, driving people from their homelands, killing their cattle, their children, and ultimately themselves.

The drought has been there for more than 7 years. Major relief efforts began only last year, and they have proved in a large measure insufficient, inadequate, and inefficiently managed. Delays and lack of concern by the donor nations are matched by inefficiency and corruption by the recipient nations. The Sahel is far away, and we are too preoccupied with our lavish creature comforts to worry about remote deaths.

And of course starvation is not isolated to Africa. Widespread in Africa, it threatens India, Bangladesh, and part of east and Southeast Asia, involving millions of people. The Population Crisis Committee's Declaration on Food and Population explains the dangers clearly:

> The world food situation took a sharp turn for the worse in 1972 and 1973:
>
> 1. Stocks of grain have hit an all-time low since the end of World War II. Surplus stocks formerly held in reserve have nearly been exhausted and no longer offer security against widespread hunger and starvation.
>
> 2. Food prices have reached new highs. Last year, despite a record world harvest, escalating demand nearly doubled grain prices. The increasing cost of food threatens to cause serious hardship for many people already spending most of what they have on food.
>
> 3. Less of the cheaper protein foods, which normally supplement grain diets, is available. The world's fish catch and per caput production of protein-rich legumes, the staple diet in many countries, have declined.
>
> 4. Food shortages have created serious social unrest in many parts of the world and are particularly severe in countries where hunger and the diseases that thrive on under-nourished bodies are prevalent. This scarcity has been aggravated by the consumption of more and more grain to produce meat, eggs and milk.
>
> 5. Mounting fertilizer and energy shortages are reducing food production in certain areas and increasing food prices.
>
> In this new and threatening situation, a bad monsoon in Asia (which could occur in any year), or a drought in North America (like those in the 1930's and 1950's), could mean severe malnutrition for hundreds of millions and death for many millions.

As one of the few grain exporters left in the world, we are inevitably involved in this disaster, as are Australia, New Zealand, and other exporters. Our surpluses represent the world's hope, and we must respond to the world's need. A careful analysis of world food supplies and food markets indicates to me that we should not respond blindly or emotionally or unilaterally. Rather we should respond in a way designed to insure the amelioration of the causes of famine as well as to ease the immediate effects. We must strongly encourage well-researched agricultural development policies. In most instances these should be labor intensive and designed to avoid the urban slums creating industrialization of past foreign aid programs. We must also support sound population planning policies that are not in conflict with the religious or moral beliefs of different nations. We must encourage others to share the burden of relief.

The World Food Conference will convene this November in Rome under the auspices of the Food and Agriculture Organization. At that time many proposals will be considered that attempt to deal with this pressing problem. In my view the most hopeful ones are those that create a system of international reserves to be drawn down in times of shortage. While such programs create logistical problems of storage and transportation, there is general agreement that some form of physical reserve or advance buying is necessary if famine-avoiding supplies are to be available when they are needed.

To that end I have developed a proposal which I intend to offer to concerned groups and organizations, including the FAO, for their consideration and comment. Basically my proposal, which would concern itself primarily with grains but would include a variety of commodities, including some fibers, would set up an international food bank which would accept cash contributions from commodity-exporting nations based on the level of exports, and then convert the cash to food through either direct purchase on the open market and subsequent storage or delivery to food short nations or the purchase of commodity futures which would guarantee adequate reserves in the future. By dealing primarily in cash transactions this proposal should reduce some of the storage and transportation problems likely to occur in any plan of this magnitude.

In addition, the international nature of the reserves, the fact that what storage that occurs will likely be in food short countries, and the participation of the Bank as a buyer in commodity markets will work to stabilize demand and provide a consistent incentive to full agricultural production by farmers the world over. Under our previous system, overproduction has resulted in gluts. These have been relieved either by disastrous systems of farm subsidies where the taxpayer pays twice for his food, or curtailment of production wherein farmers are driven out of the market and scarcities drive prices back up. The Bank's activities will serve to subdue such fluctuations in the world market.

I offer this proposal not as a complete model which need only be agreed to, but as a working draft which may provide some basis for agreement and which attempts to deal constructively with some of the problems raised by other proposals. At this point, I insert a brief outline of my proposal for my colleagues' consideration:

INTERNATIONAL FOOD BANK PROPOSAL

The United Nations World Food Program is to be revised along the following lines:

1. Participating countries would agree to pay a percentage of each unit of a commodity sold (percentage to be agreed upon in the treaty establishing the organization) for export by that country. The percentage would be based on then prevailing market prices, and would be paid by the government to the Bank.

2. Bank accepts all incoming funds, places them in one account, and:

(a) Buys commodities itself on the market. Extent of purchases would be at the discretion of Bank managers. Storage and transportation costs would be borne by the Bank. Purchases would become Bank property and not the property of the country in which they are stored. The Bank would be authorized to construct storage facilities in key locations around the world, subject to agreement by host countries. Commodities could be made available from storage or immediately from purchase to countries in need, need to be determined by the Bank.

(b) buys commodity futures on any commodity exchange. Futures contracts would be purchased to insure available supplies at some future point of possible short supply. Contracts could be:

(i) held for delivery by the Bank, in which case commodities would be added to storage in (b) above, or made available directly to hold them for delivery.

(ii) transferred directly to needy countries which would be required to hold them for delivery.

(iii) sold by the Bank. The Bank would not be permitted to speculate, but would be required to make all its decisions on the basis of anticipated demand for basic commodities. If a sale produces a gain, proceeds would go to the Bank's account. If a loss is incurred, it would come out of the account.

3. Bank transfers to countries will be based on the amounts necessary to meet the needs of the populace, in the Bank's judgment.

4. If sufficient funds were not available to meet all needs, the Bank could:

(a) reduce the amounts to which each needy nation would otherwise be entitled.

(b) appeal for additional commitments by surplus countries.

(c) borrow funds to add to the accounts, loans to be guaranteed (up to agreed upon limits) by signatory nations.

Definition: List of commodities included in the Bank's activities would be agreed upon by the participating nations. Clearly, a considerable part of the Bank's efforts would center on basic grains—wheat, barley, corn, rice, sorghum. However, meat, surplus crops such as bananas, coca, etc., and fibers such as cotton could also be included.

A VOTE FOR IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 10 minutes.

Mr. MARTIN of North Carolina. Mr. Speaker, for 3 months since the release of the transcripts of the Presidential conversations, and for the time since the 4-foot stack of Judiciary Committee materials began arriving, I have been studying this evidence, seeking to master it. I had pledged to my constituents that my vote would be based only on the weight of the evidence of criminal offenses on the part of the President himself. Any lesser standard seemed to me to demean the Constitution by making the outcome a political one.

I stated repeatedly that in order to safeguard the integrity of such a profound vote, the decision on it would have to be mine alone and could not be shared by anyone. I would be accountable for it and I would have to live with it the rest of my life. It could not become politicized or be responsive to pressure.

That is why moments after yesterday's revelation of the June 23, 1972, conversations, I declined to characterize prematurely this new evidence until I had read it and digested it. I have now read it; I am not sure I can digest it.

The clear message of this conversation between President Nixon and his chief of staff, Bob Haldeman, is that the President directly and unequivocally agreed to—and directed—an obstruction of the FBI investigation by the CIA just 6 days after the Watergate burglary. Having now read this conversation in the White House's own transcripts, I can only characterize it as a confession.

Accordingly, I must announce that my vote on article I of the bill of impeachment will be for impeachment for obstruction of justice.

This new evidence is not all that persuades me to take this course. It reinforces the evidence relating to the 18½ minute "gap" in the tape of June 20, 1972, evidence strongly indicating an intentional destruction of highly material evidence. This new evidence confirms, clearly and convincingly, that the President—no later than June 23, 1972—knew far more about the coverup strategy than he acknowledged. We now have what amounts to a confession of such knowledge of the coverup and direction of it.

A conclusion as to guilt had begun to build up without contradiction in my study notes on the "impeach" side of the ledger. Yet, bearing in mind that not quite half my study of the evidence had been completed, it was always possible, theoretically, that further study would uncover some countervailing evidence—just as detailed probing had convinced me that the evidence was insufficient to show that President Nixon ultimately approved the Hunt payments or the Fielding break-in, or that he knew in advance of the Watergate break-in itself.

Because of what was—until yesterday—an open question as to guilt, I considered spending the next weeks in seclusion in order to complete my research uninterrupted. In fact, I had already prepared a statement to that effect and had advised my staff of the extra effort they must make.

Secluded study now, in the face of the evidence I have just read, would be pointless—a charade. There is just no way around this virtual admission of guilt.

It is with genuine regret that I have decided to vote for impeachment for criminal obstruction of justice. My regret arises from my steadfast and unapologetic support—before and since coming to the Congress—for Richard Nixon's policies and efforts to cut inflationary spending and to secure peace around the world. Regardless of the eventual outcome of my impeachment decision. I would have proudly supported new initiatives by him to cut spending and I have put forward a proposal, endorsed by 42 of my colleagues, to use an unprecedented "package veto" in order to balance the budget.

Having supported Richard Nixon for 14 years, you will understand that I fervently hope that history will benignly accord him the credit that is undeniably due him for his many remarkable personal, political, and diplomatic achievements made against great odds and record these achievements alongside his Achillean shame: Which is why I have respectfully closed these remarks with an epitaph for Richard Nixon.

CAMPAIGN REFORM AMENDMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Young) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Speaker, under the rule granted to H.R. 16090, the Federal Election Campaign Act Amendments, I will be prevented from offering the series of amendments which I published in yesterday's Congressional Record, except in drastically abbreviated form. Under this "gag rule," I can offer 3 of my original 13 amendments, and the first only partially. In order to conform with the rule's requirement for publication, I am herewith resubmitting my first amendment, in the form which the rule allows:

Amendment to H.R. 16090, as Reported To Be Offered by Mr. Young of Florida

Page 2, strike out line 9 and all that follows down through page 4, line 8, and insert in lieu thereof the following:

"(b)(1) No individual or political committee (other than a candidate on his own behalf or a principal campaign committee or the treasurer or any deputy treasurer of such committee) may, directly or indirectly, make contributions or expenditures (or both) for the purpose of influencing the election (including the nomination for such election) of any person for Federal office, in an aggregate amount in excess of—

"(A) $1,000 in the case of an election for the office of President, or

"(B) $500 in the case of an election for any other Federal office.

"(2) No individual or political committee (other than a candidate on his own behalf or a principal campaign committee or the treasurer or any deputy treasurer of such committee) may, directly or indirectly, make cash contributions for the purpose of influencing the election (including the nomination for such election) of any person for Federal office, in an aggregate amount in excess of $100.

"(3) A contribution of money may be only in cash (subject to paragraph (2)) or made by means of a check issued by or drawn on a bank which is organized under the laws of the United States or a State.

"(4)(A) No political committee may make a contribution to a political committee which is not a principal campaign committee.

"(B) No political committee, other than a principal campaign committee, may accept contributions from individual contributors unless such contributors designate in writing the name of the candidate or principal campaign committee to which the contribution should be given.

"(c) No principal campaign committee may make any contribution or expenditure except for the purpose of influencing the nomination for election or election of the candidate designating the committee, or for the purpose of communication between the candidate and his constituency, including but not limited to travel by the candidate between the particular district and the Capital, and the production and distribution of newsletters and radio and television tapes.

STATEMENT OF CONGRESSMAN CHARLES W. WHALEN, JR., ON IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. Whalen) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, during the past 2 years I reacted to the Watergate and related revelations with deep concern and, indeed, outrage. Consequently, I was among the 367 Members of the House of Representatives who, on November 15, 1973, authorized the Judiciary Committee to undertake an inquiry to determine whether there is probable cause of Presidential wrongdoing sufficient to justify impeachment. On February 6, 1974, I joined 409 other House Members in granting the committee the subpena power it requested in order to obtain all of the relevant material it needed to complete its investigation in a judicious manner.

I followed the inquiry proceedings very closely. Upon its conclusion, therefore, I had formulated certain judgments with respect to the impeachability of the President. Nevertheless, I felt it incumbent upon me to test these conclusions by undertaking an intensive personal study of all of the relevant material accumulated by the House Judiciary Committee during the course of its impeachment inquiry. Thus, I have begun reading the hearing documents provided all Members by Chairman Rodino. Yesterday, I heard the first 4 of the 19 Presidential tape recordings secured by the committee.

However, President Nixon's statement of August 5 has added an entire new dimension to the impeachment issue. In his communication to the Congress, the President has conceded that he withheld pertinent information from the public, the courts, the Judiciary Committee, and his own attorneys. He further stated that he directed his associates to order the Federal Bureau of Investigation to halt its investigation of the Watergate break-in.

In his own words, the President has admitted that he authorized and ordered obstruction of justice. In light of the President's confession, I am left with no other choice but to vote affirmatively for the first of the impeachment articles recommended by the Judiciary Committee. My conclusion is buttressed by the decision of several Republican members of the Judiciary Committee to switch their votes on article I from "nay" to "aye." As Congressman Wiley Mayne told me:

> This (the President's communication) is the direct link."

Article II is somewhat more complex. I, therefore, shall continue my review of the evidence before finally deciding whether to support or reject it. At the appropriate time I will issue a statement delineating my views concerning article II as well as expanding my thoughts relative to article I.

If President Nixon submits to the Congress all of the material subpenaed by the House Judiciary Committee, this action would seem to make article III moot. Under these circumstances, I would vote against this article. However, if by the time the House of Representatives votes on impeachment, the President has failed to comply with all of the committee's requests for tapes and documents, I will vote to sustain article III.

One final question seems to be in order. Should the President resign? Heretofore, I have felt that the impeachment process should move to its procedural conclusion. However, in view of yesterday's astounding disclosures, I believe that no constructive purpose would be served by deferring the ultimate inevitability, the removal of Richard Nixon from the Presidency. Therefore, for the best interests of our country, I now call upon Mr. Nixon to resign forthwith.

ELECTION REFORM AMENDMENTS PROPOSED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire (Mr. Cleveland) is recognized for 10 minutes.

Mr. CLEVELAND. Mr. Speaker, in compliance with rules requirements for advance publication of amendments to be offered, I hereby give notice that I intend to propose three amendments to H.R. 16090, the Federal Election Campaign Act Amendments of 1974, as time and the rules permit.

These amendments are the essence of simplicity. They would:

First. Reduce the spending ceiling for any House campaign from the $75,000 figure currently in the bill to $60,000. This would inject some realism into the relationship between costs and campaigning, make it easier to raise the limit from small contributions, and reduce the need for subsidies under separate proposals which I expect to be offered.

Second. Reduce from $100 to $25 the size of cash contributions to be permitted. While the higher figure represents progress in our efforts to reduce the influence of cash, the lower figure would go farther in that direction without imposing undue inconvenience on candidate or contributor.

Third. Permit States to set limits on candidates' expenditures lower but not higher—than those in the Federal legislation, which preempts State authority in the field. This States'-rights amendment recognizes that it is absolutely ridiculous for the Federal Government to prevent a small State like New Hampshire from imposing lower limits in keeping with its own experience.

Recently, we have heard a chorus of praise for the State-level political reforms incorporated into the California constitution by referendum. Yet many of the same reform advocates who supported this initiative in State-level innovation have been unalterably opposed to any State role involving Federal elections. My amendment would provide a limited exemption from the Federal preemption in this bill in respect to the setting of spending limits.

The text of my amendments follows:

AMENDMENTS TO H.R. 16090, AS REPORTED TO BE OFFERED BY MR. CLEVELAND

Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$60,000".

Page 11, line 11, strike out "$100" and insert in lieu thereof "$25".

Page 6, immediately after line 2, insert the following:

"(4) Notwithstanding any other provision of law, in the case of an election for the office of Senator, Representative, Delegate, or Resident Commissioner, if expenditure limitations established under State law with respect to such election are in amounts which are lower than the applicable expenditure limitation established by paragraph (1)(C), (1)(D), or (1)(E), then the expenditure limitations established under State law shall apply to candidates in such election in lieu of the applicable expenditure limitation established by paragraph (1)(C), (1)(D), or (1)(E)."

PRESIDENT SHOULD RESIGN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, in contemplating the impeachment question, I long ago decided to impose these rules on my own conduct—

First. To wait until all evidence is in and all arguments are made before making a final decision on how I should vote.

Second. Not to make public evaluations of evidence until the process is over.

Third. Not to recommend publicly that the President resign.

Until today I have, I believe, adhered closely to these rules. Last spring I drafted a letter to the President and secured on it the signatures of 100 House Republicans. In this letter I criticized those who were then appealing publicly to the President to resign.

Last week I introduced a resolution of censure and asked the House Rules Committee to make it in order for consideration so House Members would have a choice between censure and impeachment when the time comes to vote. However, in introducing it, I stated publicly that this should not be interpreted as a decision on my part to vote for censure instead of impeachment. Rather, it would pose an alternative for all Members which, under the House rules, had to be established before the impeachment debate began. I have now decided firmly that I will not vote for censure as an alternative to impeachment, although others may do so.

In light of the President's announcement yesterday, I feel that the time for decision has arrived, despite the self-imposed rules I had set and despite my past statements.

History alone can establish the gravity of the personal wrongdoings of the President. The judgment of history may show these acts in themselves were minor but were compounded and exaggerated by time and events to an excessive and unwarranted degree.

But the gravity of past events, and the degree to which these events justify the removal of the President from office, is secondary to another consideration. That consideration is his capacity to lead.

By his own admission the President has engaged in studied prevarication over more than 2 years. And studied prevarication by a President or any public official is intolerable.

This admission so damages permanently his capacity to lead that I feel he must leave office as soon as possible, through the process of impeachment if need be, but preferably through resignation. I do not see the possibility that the President can regain adequately and swiftly enough the confidence of the public to serve the national interests—if he can regain it at all. This terrible calamity has catapulted the people of this Nation into a grave crisis. The President cannot resolve the crisis by staying. He can help most to resolve it by leaving office.

I have come to this decision with great reluctance.

Until yesterday afternoon, I had hoped beyond hope that the case against President Nixon would not require that he be impeached by the House. Three times I voted for him for the Presidency. I do not now regret any of those votes, although I do regret more than I can put into words the vote I feel I must cast if he fails to resign.

In my judgment, had it not been for Watergate and all that terrible word has come to mean, Richard Nixon would have gone down in history as perhaps the greatest President of this century. The litany of his accomplishments is long indeed. He ended American involvement in the longest and most tragic war in our Nation's history. He brought home all of our prisoners of war. He initiated a peaceful dialog with the People's Republic of China. He negotiated agreements on strategic arms limitations and nuclear testing with the Soviet Union. He opened up vast new foreign markets for American goods. He negotiated a peace in the violent Middle East. He is the very first President in history to have the courage and vision to state publicly and plainly his support for a grand design in foreign policy—namely, federation of those nations committed to individual liberty. He did this in a letter to me dated March 10, 1973—written ironically during the unfolding tragedy of the Watergate coverup.

In short, he brought the world away from the brink of war to the brink of peace, and beyond. History alone will record what happens from this moment on. But Richard Nixon has given the American people, and the world, the first chance this century for a lasting peace—if we can but take advantage of it.

Because of those extraordinary accomplishments, and because I believed until yesterday the evidence presented to the Judiciary Committee was not persuasive beyond a reasonable doubt, I had hoped that the House would not impeach the President for high crimes and misdemeanors.

Yesterday afternoon, President Nixon, in effect, pleaded guilty to the charge of obstruction of justice. In his own words he admitted that he knowingly violated a criminal law of the United States. He further stated that he misused a Federal agency—the CIA—for an illegal purpose. Recalling a statement to the American people he made 1 year ago, when he discussed his immediate reaction to the Watergate break-in, President Nixon stated:

> I therefore gave instructions that the FBI should be alerted to coordinate with the CIA, and to ensure that the investigation not expose these sensitive national security matters.

In his statement yesterday, however, President Nixon revealed that just 6 days after the Watergate break-in he personally obstructed justice by directing the coverup and attempting to get the FBI to limit its investigation of the case. Here is what he said:

> The June 23 tapes clearly show, however, that at the time I gave those instructions I also discussed the political aspects of the situation, and that I was aware of the advantages this course of action would have with respect to limiting possible public exposure of involvement by persons connected with the re-election committee.

Under the circumstances, I am hopeful that the President will decide to save what dignity and historic accomplishments remain to his credit, and remove himself from office. If he fails to do so, I can see no alternative but to vote to impeach him.

It is the President who set as a standard of impeachable conduct the necessity to establish violations of criminal laws. And it is he who now stands convicted—by his own admission—of criminal conduct.

Like President Nixon, I took an oath faithfully to defend the Constitution. I would not be true to my oath if I did not recognize that President Nixon has broken his.

I will add this personal observation of Richard Nixon, the President and the man. Three times since he became President it has been my privilege to meet privately with him in the Oval Office at the White House. Our meetings were long. They concerned matters of foreign policy and Illinois politics. Never in these meetings did I hear the President utter an expletive of any kind. Not once did he say an unkind word about another human being. Never did he intimate an immoral thought or motive.

The Richard Nixon reflected in the recorded Presidential tapes is a man I have never met. He is not the man that I voted for to be President. I have no doubt that the Nation will survive this crisis, no matter whether Richard Nixon remains in office or leaves. In fact, I am convinced that the Nation and our political system will be the stronger for what has happened. It should be self-evident that the American people will not tolerate the kind of conduct which was permitted in the White House, no matter how great the accomplishments of the administration might be.

The great tragedy in all this is that apparently there was a side to President Nixon which few people ever saw and which he was unable to control.

In the final analysis, for his errors and omissions, President Nixon and his family will suffer most, as I am certain they already have. For the Nation, the ordeal of the past months is now drawing to a close. Behind us, in addition to the trying moments known as Watergate, are countless, remarkable accomplishments that have enriched the Nation in full measure. Regrettably, for President Nixon the future is bleak indeed. As we go about our duty, we must do so with compassion and understanding for the Nixons, as well as with conviction and courage.

CAPTIVE NATIONS WEEK A PERENNIAL REMINDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, as in previous years, the 1974 Captive Nations Week served as a perennial reminder of the stark reality of over one million humans under Communist domination and tyranny from the Danube to the Pacific and in Cuba.

As shown in the numerous observance events in all sectors of our Nation, the cloud of detenté and its several vagaries and uncertainties has not by a long shot overshadowed this fundamental truth. Indeed, by focussing attention on the captive nations and peoples, particularly those in the Soviet Union, the recent Captive Nations Week observance—the 15th anniversary of the week—has performed the public service of constructively raising some hard doubts as to the present course taken by détente and contributing to a national forum on the issue.

Continuing with our selective report on the 1974 week, it is with pleasure that I submit for the attention of our Members the following, additional examples of popular American dedication to the principles incorporated in the Captive Nations Week Resolution which Congress passed in 1959: a proclamation by Mayor Tom Bradley of Los Angeles; a report in the July 15 issue of the New York Times of the New York observance; the remarks of Dr. Austin J. App at the Philadelphia rally; and a release on the observance held in Syracuse, N.Y.:

City of Los Angeles Proclamation

Whereas, July 14–20 will be the 15th anniversary of Captive Nations Week;

Whereas, Congress provided for the week in its unanimous Captive Nations Week resolution of 1959, which President Eisenhower signed into Public Law 86–90; and

Whereas, Americans throughout the land and even many foreign countries will be observing the '74 week with prayers and fixed dedication toward the freedom and independence of all the captive nations, including those in the USSR itself; and

Whereas, Congress is seeking to make this 15th anniversary a resounding one so that the world will know that traditional America idealism and politicio-morality, with permanent principles supporting human and national rights so brazenly denied from the Danube to the Pacific and in Cuba, are as vibrant as ever.

Now, therefore, I, Tom Bradley, Mayor of the City of Los Angeles, Do hereby proclaim the week of July 14–20 as Captive Nations Week and extend my best wishes to all involved for continued success in this most worthwhile endeavor.

July, 1974.

Tom Bradley, *Mayor*.

March Up Fifth Avenue Opens Captive Nations Week

More than 1,000 people representing 31 regions under Communist rule marched up Fifth Avenue yesterday morning to begin the 15th annual observance of Captive Nations Week.

Many of the marchers, some of whom wore national costumes, were refugees from Communist-ruled countries.

"I could never go back to the Ukraine," said Mary Klymochko of Brooklyn. "I'll never go back, not while the Communists are there. My father died in Siberia, a prisoner. He was only a farmer. They called him a capitalist."

Mrs. Klymochko, who observes Captive Nations Week every year, has been in this country for 20 years. "I didn't really escape from the Ukraine," she said. " I was deported to Germany by the Nazis for slave labor and liberated there in 1945. When I realized I was free, I knew I could never go back home."

The procession began at St. Patrick's Cathedral, at 51st Street, and ended at the bandshell in Central Park, near 72d Street. There were speeches about conditions in Communist countries.

Dr. Ivan Dolcheff, a Bulgarian refugee and vice chairman of the day's events, said there were "about one million people in the metropolitan area alone who could trace their descent to any one of these 31 nations."

Besides the Ukraine, Dr. Dolcheff listed the following as being under Communist rule: Albania, Armenia, Azerbaijan, Bulgaria, Byelorussia, China, Cossackia, Croatia, Cuba, Czechia, East Germany, Estonia, Georgia, Hungary, Idel-Ural, the Kurile Islands, Latvia, Lithuania, Mongolia, North Caucasus, North Korea, North Vietnam, Poland, Rumania, Serbia, Slovakia, Slovenia, South Sakhalin, Tibet and Turkestan.

A Worthy Détente Must Improve Freedom for the Captive Nations

(By Austin J. App, Ph.D., Asso. Prof. (Ret.) LaSalle College Chairman, Captive Nations Committee of Greater Philadelphia)

Greetings: Master of Ceremonies Mr. Ignatius Billinsky, Congressman Wm. J. Green, the Reverend Clergy, Honored Guests, Ladies and Gentlemen:

I thank Mr. Billinsky for his kind introduction and the Captive Nations Committee of Greater Philadelphia for inviting me to make these opening remarks.

This is the fifteenth annual Observance of Captive Nations Week. Since its first proclamation by Eisenhower in 1959, it can be called the Free World's most notable demonstration of, as Eisenhower put it, "our search for the peaceful instruments" of the liberation of the captive nations. With all my heart, I welcome you to our Observance here in this historic Independence Mall of Philadelphia.

The Congress of 1959 voted such an observance annually "until such time as freedom and independence shall have been achieved for all the captive nations of the world." To implement this resolution, President Nixon, last Friday, proclaimed the week of July 14 Captive Nations Week. He is to be commended for not letting the pressure of "Detente" deter him from doing so. And we are grateful to our governor and to our mayor for issuing proclamations.

THE PHONY DÉTENTE MAKES CAPTIVE NATIONS OBSERVANCE ESPECIALLY URGENT

Precisely now, when Detente might blur our ideal of freedom, is our Observance of transcending value. The Catholic Standard (D.C., July 11, 1974) called the annual Captive Nations Observance a "Perennial Reminder," and explained:

"At the present time . . . 27 nations and groupings of people are under Communist domination. This denies to millions of people the fundamental rights guaranteed by the United Nations Charter."

One can also say it reduces them to the level of convicts. Domination under Communism is not like any other colonialism: it is the most brutal one in all of history. Soviet Russian tyranny is the only professedly atheistic one, the only one ever that needed barbed wire around its borders, not to keep the enemy out, but its own people in. It is not a paradise of the proletariat, it is more like a vast concentration camp. Of its 350,000,000 inmates, only a third are native Russians, the other 225 million are Armenian, Balts, Cossacks, Ukrainians; and East Germans, Poles, Rumanians, Bulgarians and other Balkans. It is these 225 million who may not be enslaved forever. And we must hope that the real Russians, in return for their own freedoms, will accept their liberation.

It was Solzhenitsyn, who on Walter Cronkite's program (Feb. 13) said:

"International detente does nothing to help the situation inside the Soviet Union. . . . And when your businessmen conclude treaties—an alliance—with our leaders and say that guarantees peace, it's obvious to a child that's not true."

WORLD PUBLIC OPINION IS MIGHTY

Solzhenitsyn said "the Western press helped me and Sakharov and all of us to hold out for years." Then he remarked how odd and tragic it is that Western journalists fear nobody in the West but cringe and slink away when they are in Soviet Russia and Red China. We can interpret his words to mean that if Western writers criticized Red wrongs as much as they snoop around for wrong in the West (e.g. Spain, Greece, and Chile since Allende's suicide) the tyrants in the Kremlin would tend to bow to courageous and fair Western opinion.

This must be our hope and our conviction. It is customary for our politicians to talk as if they were ushering in an era of lasting peace! I ask, May anyone claim an era of peace in the face of the Berlin Wall, the Iron Curtain through the middle of once Christian Europe—behind which are 350 million human wretches who may not come or go, who may not talk freely or pray openly, thousands of whom are slaves in a thousand concentration camps, and millions tremble ever in fear of the secret police and slavery in Siberia?

Ladies and gentlemen, if ever the word of Lincoln, that the world cannot remain half free and half slave, had urgency, it has in the face of the Soviet-Russian and Red-Chinese tyranny over one-third of the world and a billion people.

SOMEHOW THEIR LIBERATION MUST BE EFFECTED

Somehow the Christian world, the Free World, must find a way to get these communist enslaved millions liberated. Somehow the United States, whose shameful appeasements to Stalin at Yalta and Potsdam betrayed East Europe to Soviet tyranny, must give top priority to helping these captive nations to be freed. Top priority must not be peace at any price, detente must not be the status quo of a Berlin Wall and an Iron Curtain peace and detente must envisage the sure if gradual progress towards justice and freedom.

Eisenhower, on August 26, 1952, calling "the roll of countries once independent, now suffocating under the Russian Pall," said:

"With all the solemnity I can bring to bear, I say to you that the conscience of America can never know ease until these people of our own blood and our own way are restored to the society of free men. Neither the passage of years nor the power of the tyrant will put an end to our search for the peaceful instruments of their liberation."

That, ladies and gentlemen, must be our ideal and resolution today. Our Observance, and others like it, keep the hope of freedom for the enslaved nations alive. And they remind our politicians, all of them, not only the White House or the State Department, but also the Congress and the Courts that they must keep searching for ways of getting these captive nations liberated.

DÉTENTE MAY NOT RATIFY ENSLAVEMENTS AND TERRITORIAL INJUSTICES

They—and our media and our journalists—must never consider détente as the objective and ultimate goal. Any détente that does little more than freeze the status quo, that in fact ratifies Soviet-Russian tyranny over its twenty-odd nations, is not "successful foreign policy," it is not an honor; it is instead a shame, a betrayal, and a rebuke. It reduces America to the role of a midwife for Red colonialism and enslavement.

Dr. Lev E. Dobriansky, father of Captive Nations Observance fifteen years ago, warns of "The Illusions of Détente" (Ukrainian Quarterly, Summer, 1974). And Phyllis Schlafly (Report, July, 1974), in "The Fraud Called Détente," writes:

> To obtain détente, Henry Kissinger agreed to allow the Soviets a 3-to-2 lead in nuclear missiles and submarines. Then, he gave the Soviets a billion dollars of our wheat on credit and at bargain prices. Finally, he approved spending hundreds of millions of U.S. tax dollars to finance truck and fertilizer factories in Russia."

FOR GIFTS, AMERICA SHOULD ASK FOR THE FAVOR OF FREEDOM

During all these summits and negotiations and gifts to Soviet Russia our negotiators seem not once to have urged, or even hinted, that Soviet Russia might vindicate détente by tearing down the Berlin Wall, or remove the Iron Curtain, or try free elections in its so-called Union of Soviet Republics.

Ladies and gentlemen, unless our government does this everytime it prepares for a gift to Soviet Russia, and explains its request to the world, until then our foreign policy is inadequate, is in fact dangerous, and does not realize the intent of the Congressional Resolution of 1959. And détente remains indeed an illusion and a fraud.

Our 15th Observance here tonight is a reminder to our government, and that means our legislative as well as our administrative branch, that we want a continuing search and strategy for liberation of the captive nations and that we have sufficient trust in the justice of Almighty God that if America tries hard enough and in a sensible way, the Captive Nations will one day be liberated—without a nuclear war. With enough pressure of public opinion by the Free World, the Soviet Russian empire will crumble from within. May we live to see it. Thank you.

"CAPTIVE NATIONS WEEK" OBSERVANCE HELD IN SYRACUSE, N.Y.

SYRACUSE, N.Y.—On Sunday, June 16, 1974, a program observing the 15th anniversary of the Captive Nations Week Resolution was held in the auditorium of LeMoyne College here, attended by some two hundred persons. The observance was sponsored by the Syracuse Captive Nations Committee under the chairmanship of Prof. Anthony T. Bouscaren of LeMoyne College. The Committee consists of representatives of Estonian, Hungarian, Latvian, Lithuanian, Polish and Ukrainian organizations.

Dr. Vviatoslav Klufas, Chairman of the UCCA Branch in Syracuse, and Dr. Myron Kotch, are Ukrainian representatives on the Committee.

Among honorary Committee members are the Most Reverend David Cunningham, Roman Catholic Archbishop of Syracuse, Rabbi Milton Feierstein, Senators Jacob K. Javits and James L. Buckley, Congressmen James M. Henley and William F. Walsh, Mayor Lee Alexander of Syracuse, and others.

DÉTENTE AND APPEASEMENT OF THE U.S.S.R.

The program, chaired by Frank Petrauskas, included presentation of the colors by the American Legion and the captive nations delegations, the pledge of allegiance and performance by ethnic group ensembles.

In opening the program Prof. Bouscaren underscored the American tradition of assisting all peoples who are fighting for their freedom and independence. He decried the present official U.S. policy of detente with the USSR and the neglect of the captive nations. He pointed out that the overwhelming majority of the American people support the aspirations of all the captive nations to freedom and self-determination. He urged the participants to continue their educational work in the U.S. Congress and academia, through the press and other media, to keep the issue of captive nations alive and timely.

EDITOR ASSAILS "IMMORAL MACHIAVELISM"

The principal speaker at the commemoration program was Dr. Walter Dushnyck, editor of The Ukrainian Quarterly in New York City. He dwelt on the significance of the "Captive Nations Week Resolution" of July 17, 1959 as the official recognition of 22 captive nations of Europe and Asia.

Assessing the status of Human Rights in the Captive Lands, the main theme of the address, Dr. Dushnyck described the continuous violations of human rights in both the USSR and the satellite lands.

In discussing Alexander Solzhenitsyn's "Letter to the Soviet Leaders" of September 5, 1973, the speaker underscored the progress in Russian thinking, specifically as regards the non-Russian nations of the USSR. Mr. Solzhenitsyn, he said, not only proposes the abandonment of Communism as an unworkable political ideology, but also proposes the eventual dissolution of the USSR and establishment of national states by the non-Russian peoples.

Dr. Dushnyck took a dim view of President Nixon's Ostpolitik as a self-delusive course which veers to the advantage of the USSR, not the U.S. He challenged that aspect of U.S.-Soviet relations which precludes the U.S. from as much as uttering mild criticism of the oppressive policies of the USSR.

"Our attitude of self-righteousness seems more like a policy of Machiavelism, once practiced by absolutist kings and monarchs in Europe, and, later, by totalitarian dictators," the speaker stated.

"It is up to our press, our academia and the people to understand that any real detente is impossible as long as one of the 'superpowers' is willfully and officially trampling the rights of its citizenry, while begging us to help prop up its tottering economy," Dr. Duchnyck concluded.

The entertainment part of the program was comprised of recitations of poetry of the Hungarian poet, Petöfi, the Ukrainian SUMA Dance Ensemble and music by a Latvian quartet, who played zither-type Latvian national instruments.

THE ADMINISTRATION CONTINUES TO IGNORE CONGRESS ON AID TO COUNTRIES PRACTICING POLITICAL IMPRISONMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, recently I asked the Congressional Research Service to prepare a report on the administration's response to section 32 of the Foreign Assistance Act of 1973. Section 32 provides that:

> It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

The report of the Foreign Affairs Division, Congressional Research Service, indicates that in country after country receiving U.S. aid—Republic of Korea, Greece, Brazil, South Vietnam, Indonesia, Paraguay—political imprisonment has been practiced, yet U.S. aid has not been denied.

According to the Congressional Research Service, the action taken by AID toward implementing section 32 of the 1973 Foreign Assistance Act was to send cables to our embassies in all countries receiving aid under the foreign assistance acts explaining and interpreting the sense of Congress provision concerning denial of assistance to countries practicing political imprisonment and asking for a report on the situation with respect to political prisoners in each country. Answers to this cable have now been received. A followup cable has gone forward, directing the embassies to bring section 32 to the attention of the host government. Answers are awaited as to the reaction of the host countries to this second cable.

The report of the Congressional Research Service follows:

I. POLITICAL IMPRISONMENT IN SELECTED COUNTRIES

A. REPUBLIC OF KOREA

Political and civil liberties have been greatly restricted in the Republic of Korea since late in 1971. A state of national emergency was declared by President Park Chung Hee in December 1971. This was followed by the legislature's adoption of a National Emergency Measures Law, which gave President Park the power to rule by decree in emergency situations. President Park declared martial law in October of 1972 and then proposed a new constitution which further centralized power in the President's office for an indefinite period. These changes were approved in a national referendum held the next month, a referendum in which no public debate was permitted. Martial law was then lifted in December, 1972, and President Park was reelected by the National Conference for Unification, which itself has been established and elected under the new constitution.

While opposition parties are permitted to exist in Korea, they are closely watched. Kim Dae Jung, the 1971 opposition presidential candidate, was kidnapped while in self-imposed exile in Japan last year, reportedly by agents of the Korean Central Intelligence Agency. Since then, according to the *New York Times*, he has largely been confined to his home. He is now being tried by the government on charges of violating the election laws three years ago.

Reports from South Korea indicate that the repression of political opponents of the Park regime is becoming worse. Yun Po Sun, former president of South Korea, was put on trial on July 17, 1974, on charges of having advocated the overthrow of the Park regime and of having provided the equivalent of $1,000 to anti-government student demonstrators. The charges against Yun carry a possible death penalty. According to Western diplomats, over 100 other Koreans were arrested this spring for involvement in anti-government dissidence, and are likely to be tried soon. In addition, seven Koreans were sentenced to death in connection with charges stemming from antigovernment demonstrations this spring, but five of these sentences have been commuted to life imprisonment.

According to U.S. embassy sources, as quoted by Don Oberdorfer in the Washington Post of May 7, 1974, the total of political arrests in South Korea this year is believed to go well into the thousands. In most cases, no charges were filed. Public trials have been supplanted in political cases by closed military courts martial. It is a crime punishable by 15 years imprisonment to petition peacefully for changes in the 1972 constitution, and 36 persons have been sentenced to long prison terms on this specific point.

The Korean Government has claimed that North Korean Communists are behind the political opposition. It argues that the country is still on a wartime footing and must remain that way, in view of North Korean commitments to "national liberation." Furthermore, attempts at rapid industrialization are alleged to have unleashed destabilizing social forces. Given those conditions, the Korean government maintains the issue is one of survival, and that therefore it must take priority over democratic values.

The situation in Korea has prompted the formation of a group in this country, the Committee for Human Rights on Korea. This group has issued a statement urging the U.S. government to protest the "injustice and inhumanity" of the Korean government's acts, and calling on the United States to limit aid to Korea in accordance with the policy expressed in the Foreign Assistance Act of 1973. This statement was reported in the press on July 15, 1974.

No action has been taken by the President to cut off aid to South Korea.

B. GREECE

The repression of democratic freedom in Greece since the "colonels' coup" of 1967 has been widely publicized. Although a subsequent "generals' coup" in November, 1973, ousted the Papadopoulos regime, there has been no change in what has been widely condemned as the dictatorial and repressive methods of the Greek government. An amnesty declared in August of 1973 was short-lived, with some of the released prisoners soon jailed again, along with new detainees. An article in the Saturday Review/World of June 15, 1974 indicates that the number of political prisoners in Greece after the generals' coup exceeded 200.[1] Other political prisoners have been added since then, and the island concentration camp at Yaros was re-opened last winter.

There have been numerous allegations of torture made against the Greek regime. The European Commission on Human Rights examined over 200 complaints of torture in 1968 and 1969, and concluded in its report that the Greek government had officially tolerated the torture and mistreatment of prisoners. Amnesty International, in its Report on Torture, published in 1973, says, in reference to the regime of the Greek colonels (Papadopoulos regime) that it depended on torture to govern. However a staff report issued in 1971 by the Senate Foreign Relations Committee stated that the general feeling among Western observers was that there was less torture than there had been before,[2] and fewer allegations of torture appear to have been made in recent months.

Whatever the situation with respect to torture or maltreatment of prisoners, there is no evidence that the Greek government has abandoned the practice of political imprisonment, nor does there appear to be an indication that it plans to do so in the near future.

U.S. aid to Greece has not been suspended, although pressure has been exerted for this in legislation by Congress from time to time. (Military aid to Greece and Turkey has been suspended, however, in the present Cyprus crisis).

C. BRAZIL

The military regime in Brazil has been in power for ten years. This government has been widely criticized and censured for employing repressive and authoritarian methods. During the term of Castelo Branco, first of the military presidents, various institutional acts conveyed power to the President at the expense of the Congress and the Supreme Court. The political party system was reorganized so that only two political parties were permitted to function; one government-sponsored, and the other the legal opposition. Under the National Security Act, actually a decree issued in 1967, strikes and violations of the press laws were considered political crimes. Institutional Act No. 5, signed December 13, 1968, placed virtually all power in military hands.

A new constitution in 1969 restricted the powers of Congress and declared that congressmen were no longer immune from prosecution for their opinions, comments, and votes in cases of libel, defamation, or other matters covered in the National Security Law. Press censorship was imposed in 1972.

Opposition protests against these oppressive tactics were often met with force and even further repression. The death penalty for psychological, subversive, or revolutionary warfare was introduced after the government had to capitulate to the demands of revolutionaries who kidnapped U.S. Ambassador Elbrick and release 15 political prisoners. The government has clashed with the Brazilian National Conference of Catholic Bishops and many of the Catholic clergy of various political persuasions, with students and others in the academic community, with the press, and with members of the Congress.

The repressive laws and tactics of the Brazilian junta have resulted in the imprisonment of many individuals. According to the article in *Saturday Review/World* mentioned above, the last fixed estimate of such prisoners was 12,000 in 1972.[3] That article says that the number may presently be somewhere between 500 and 5,000. It further states that at least 210 political prisoners and suspects are known to have died in police custody.

This brings up the subject of torture, of which many serious allegations have been made against the Brazilian government. A dossier containing broad charges of murder and torture by Brazilian authorities was endorsed by 61 prominent European Roman Catholics and presented to the Pontifical Commission of Justice and Peace at the Vatican in December, 1969. A similar report was sent to Pope Paul from the Papal Nuncio in Brazil. Pope Paul's mention of torture in his Easter Week message in March 1971 was generally regarded as aimed at Brazil. In 1970 the International Commission of Jurists condemned torture in Brazil. The Organization of American States' (OAS) Inter-American Commission on Human Rights passed a resolution in May, 1972, stating that the evidence collected led to the persuasive assumption that there had been serious cases of torture, abuse and maltreatment of persons of both sexes imprisoned in Brazil. (The Brazilian government, incidentally, has refused to permit onsite investigations by the OAS or any other body). Amnesty International released a report in 1972 charging that over 1,000 Brazilians had been tortured, and naming over 400 other Brazilians as responsible. In its 1973 report on torture, Amnesty International states that it has received several further allegations of torture in Brazil, and it points out that during 1973 Brazilian church officials have been particularly outspoken in denouncing the torture and unexplained deaths of political prisoners.[4]

Generally speaking the Brazilian government has responded in low key fashion to charges that it tortures prisoners. Usually it denies that torture takes place, but on occasion it has admitted excesses, attributing them to local police officers who exceeded their authority. In August 1973 the Brazilian Embassy in Washington reiterated that the torture of political prisoners is not the policy of the government, and that it is not condoned where it might occur.

U.S. aid to Brazil has not been suspended.

D. SOUTH VIETNAM

The citizens of South Vietnam have led a precarious existence for many years, caught as they are in the fluctuating tides of war. Not only were their lives often in jeopardy, but their personal freedoms have been subjected to the political imperatives of either the Viet Cong or the Saigon government, depending on which faction was dominant in a particular area. Communist military forces and cadres forced villagers to pledge their allegiance to the People's Revolutionary Government, extorted tax monies and supplies, impressed young men into military service, and executed local officials and uncooperative citizens without any show of legal process.[5]

In attempting to maintain its power, the Government of the Republic of Vietnam has also heavily infringed the rights of its citizens. Opposition political leaders have frequently been subject to arrest and imprisonment. Many others who oppose the government have also suffered imprisonment.

Estimates as to the number of political prisoners in South Vietnam vary widely. In April, 1973, the American Embassy in Saigon estimated that there were no more than 22,000 civilian prisoners of all types in South Vietnam. Of these, 4,000 were common criminals, and at least 12,000 were sentenced or ordered detained because of Communist-related activities. The Embassy estimated that the number of jailed non-communist dissidents amounted to 500 to 1,000 civilians.

However, other estimates are much higher. Amnesty International has consistently used the figure of 200,000 prisoners of all types in South Vietnam. Robert Shelton, in the article in Saturday Review/World previously cited,[6] states that the number of civilian prisoners is upward of 100,000. The Washington Post, attributing its facts to "American sources" said that South Vietnam holds about 43,717 prisoners, consisting of 19,000 common criminals (including some 8,000 considered to be political prisoners) 4,300 Communist offenders, 6,000 military offenders held in civilian jails, and about 4,000 prisoners awaiting trial.[7]

There also have been allegations of the use of torture in South Vietnam. Amnesty International, in its Report on Torture, charges that there is no doubt that torture is now widely used in areas controlled by Saigon, not only as an instrument of intimidation but as an end in itself.[8] The "tiger cages" on Con Son island have been well publicized, and their existence was attested to by Congressman Hawkins of California and the then Congressman Anderson of Tennessee when they visited Con Son island in 1970. On the other hand, officials of AID maintained in 1973 that while instances of physical abuse have undoubtedly occurred, "there is no widespread or systematic mistreatment of inmates."[9]

U.S. aid to the government of South Vietnam has not been suspended.

E. INDONESIA

Among the other countries receiving U.S. aid which have been reported to hold politi-

---

Footnotes at end of article.

cal prisoners is Indonesia. Large scale detention appears to date from 1965, when there was an abortive leftwing army coup in which six rightist generals were assassinated. The Indonesian Communist Party (PKI) also participated in this coup attempt. When the coup attempt failed the military officers who had come to power retaliated with mass arrests of those involved, or suspected of involvement, in the unsuccessful bid for power. In addition, large numbers of Communists, leftists, and suspected leftists were massacred. Estimates of the number jailed in the wake of the unsuccessful coup run as high as 250,000, while estimates of those killed ran from 300,000 to 500,000.[10]

Present estimates of the number of political prisoners vary widely, with the government avoiding any claim to definitive information. Amnesty International, in a 1970 report, put the total at 116,000. However a 1973 report from the same organization set the total at 55,000, but of this number only some 300 had been tried. The rest were, in effect imprisoned without trial. They are held in some 300 prisons and camps throughout Java and Sumatra. Ten thousand prisoners, including many artists and other intellectuals, are said to be held on the island of Buru in an agricultural labor colony.

The torture of Indonesian political prisoners has also been reported, and is said to have been admitted by the Indonesian Grand Commissioner of Police.[11]

Although U.S. aid to Indonesia was permitted to run out after it was attacked by President Sukarno, it was eventually restored under his successors. U.S. aid to Indonesia is not currently suspended.

F. PARAGUAY

Another country receiving U.S. aid is Paraguay which has been accused of detaining political prisoners. The dictatorship of President Stroessner has maintained itself in power since 1954, ruling through a state of siege which abrogates certain civil rights and constitutional guarantees.

The government maintains that political prisoners do not exist in Paraguay. According to Amnesty International as quoted in the *Miami Herald*, however, there have been at least 150 cases of political imprisonment, some for as long as ten years.[12] Amnesty International has also stated that the random arrest, tortures and subsequent release of Paraguayan citizens is an almost daily occurrence.[13] In April, 1962, the Inter-American Commission on Human Rights of the OAS requested permission from the Paraguayan government to send a commission to investigate accusations of infringement of human rights, but permission was denied.

The United States has not suspended its assistance to Paraguay.

FOOTNOTES

[1] Robert Shelton. The Geography of Disgrace. A World Survey of Political Prisoners. Saturday Review/World. June 15, 1974. p. 16.

[2] U.S. Congress. Senate. Committee on Foreign Relations. Greece: February 1971. Staff Report. 92d Congress, 1st session. Washington. U.S. Gov't. Printing Office. 1971. p. 6.

[3] Robert Shelton. The Geography of Disgrace. Saturday Review/World. Op. cit. p. 16.

[4] Amnesty International. Report on Torture. Gerald Duckworth & Co. Ltd. London. 1973. p. 186.

[5] Hosmer, Stephen T. Viet Cong Repression and Its Implications for the Future. Santa Monica, California, Rand Corporation, 1970. Rand Report No. R-475/1-ARPA. p. 7.

[6] Robert Shelton. The Geography of Disgrace. Saturday Review/World. Op. cit. p. 18.

[7] Washington Post, June 24, 1973.

[8] Amnesty International. Report on Torture. *Op. cit.* p. 157.

[9] U.S. Congress. House. Committee on Foreign Affairs. Subcommittee on International Organization and Movements. International Protection of Human Rights. Hearings. 93rd. Congress. 1st session. Washington. U.S. G.P.O. 1973 p. 968.

[10] Robert Shelton, The Geography of Disgrace. Saturday Review/World. *Op. cit.* p. 17.

[11] Ibid.

[12] Miami Herald. August 14, 1973.

[13] Amnesty International. Annual Report, 1971-72. London. Amnesty International Publications. p. 47.

HARRINGTON AMENDMENT TO CLARIFY POLICE TRAINING PROHIBITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, as the Foreign Affairs Committee continues markup on the Foreign Assistance Act, I intend to offer an amendment to clarify the prohibition on police training contained in section 112 of the Foreign Assistance Act. This amendment would resolve the ambiguities now in the statute, while preserving and strengthening the intent of Congress as expressed in 1973. The amendment I plan to offer is a more carefully revised version of the proposed amendment which appeared in my remarks in the CONGRESSIONAL RECORD on July 31.

Currently, section 112 states that no part of the appropriations made available to carry out the act, including Agency for International Development and Military Assistance program funds, shall be used to "conduct any police training or related program in a foreign country." However, the term "police training or related program" is not defined in the section. The imprecision of this term has left the act open to differing interpretations, and has allowed for the continuation of programs which appear to circumvent the intent of Congress.

It seems clear that in section 112 Congress intended to end the American subsidization of all training programs in foreign countries which involve instruction of policemen in the skills and tactics normally associated with police operations. The committee report accompanying the Senate version of the Foreign Assistance Act of 1973 states plainly of this section:

> United States participation in the highly sensitive area of public safety and police training unavoidably invites criticism from persons who seek to identify the United States with every act of police brutality or oppression in any country in which this program operates. It matters little whether the charges can be substantiated, they inevitably stigmatize the total United States foreign aid effort.

In its approval of section 112, Congress appears to have expressed the philosophy that interference with the domestic law enforcement policies of foreign nations is not a proper aim for American assistance programs. Although it seems obvious that Congress intended to halt police training programs in foreign countries, the lack of precision in the wording of section 112 has allowed for the continuation of programs which circumvent this intent. Currently, at the Army School of the Americas, a Defense Department training school in the Panama Canal Zone, 1,340 military troops from 16 Latin American nations, partially supported by MAP funds, are being instructed in areas such as "Urban Counterinsurgency," "Urban Counterinsurgency Operations," "Internal Development/Civic Action," and "Internal Security Operations." These courses seem to be providing the kind of knowledge and skills that can be used for police-type operations.

The Department of Defense has issued a memorandum—unclassified 8,226—containing its interpretation of section 112, which indicates how the intent of Congress has been misconstrued to allow for the continuation of these programs:

> Assistance in foreign countries under the Foreign Assistance Act for all phases of civilian law enforcement (other than narcotics control) is prohibited. "Law enforcement" includes apprehension and control of political offenders and opponents of government in power (other than prisoners of war) as well as persons suspected of commission of so-called common crimes. Section 112 FAA does not prohibit assistance, pursuant to Sec. 502 FAA, to units whose sole function is that aspect of internal security which may involve combat operations against insurgents or legitimate self-defense of national territory against foreign invasion, whether or not such units are called police." Assistance is, however, prohibited to units which have an on-going civilian law enforcement function as well as a combat function. . . . The prohibition does not apply to units which have a contingency function of supporting the police but which do not have any ongoing civilian law enforcement functions.

Thus, according to DOD's interpretation of the law, military forces which serve an unofficial, non-ongoing-civilian law enforcement function, are not prohibited from receiving U.S. aid or assistance for police training purposes.

In many Latin American nations the military plays a large role in civilian law enforcement practices. Although these duties may not be an official ongoing part of the military's responsibilities, these civilian police activities are, in fact, often performed by the military forces.

In May 1970, the Foreign Affairs Committee issued the "Report of the Special Study Mission on Military Assistance Training—Latin America," which contains information on the civilian law enforcement functions of the military in the four countries they visited. Excerpts from the report, which follow, indicate the extent to which the military is, indeed, involved in civilian law enforcement:

> BRAZIL
>
> Internal security is considered a prime mission for nearly all armed forces units, particularly the Army. While civilian police forces have the primary responsibility for responding to threats of public disorder, they are backed up by military forces as required. . . .
>
> . . . traditional role of the Brazilian military in frontier and interior areas where it has engaged a significant part of its manpower and other resources on projects from which civic benefits result.

> . . . the Brazilian military's concept of professionalism does not include staying out of politics.
>
> PERU
>
> As for internal security, the Peruvian armed forces have proved their capabilities by crushing swiftly and effectively a Castroite uprising. Most officers have received some American training in doctrines of counterinsurgency. The emphasis which the United States military missions have given to civic action has been readily acceptable to the Peruvian military. Their own service schools have constantly stressed the importance of the military role in the "social and economic progress" of the country.
>
> COLOMBIA
>
> U.S. civic action doctrine also has been generally accepted by the Colombian military. Top generals are convinced that if the insurgents are to be kept within manageable bounds, the populace must know and trust the army as a friend and protector. Called "a civic action army" by members of the military group, the Colombian Armed Forces are engaged in a number of projects aimed at benefiting rural citizens.
>
> PANAMA
>
> The internal security capabilities of the National Guard (which includes all the services) have been adequate to cope with the small insurgency organized by supporters of deposed President Arias which periodically surfaces near the Costa Rican border. Our milgroup has promoted increased involvement of the Panamanian forces in civic action. . . .

Just last week, events in Chile demonstrated the continuing law enforcement role often played by the military in Latin American countries. A military tribunal convicted 60 persons of essentially political crimes—sentencing four of them to death by firing squad—a stark example of how the military can easily become heavily involved in domestic criminal justice affairs.

All five of the countries mentioned above, whose military forces were involved in civilian law enforcement functions, are currently having troops trained at DOD's military training schools in the Canal Zone. The troops are being instructed in tactics which are easily adaptable, if not identical, to police functions, and which are of questionable relevance to legitimate military defense training. It is clear to me that the Department of Defense has taken advantage of the vague and imprecise wording of section 112 to instruct these military personnel in what are essentially police tactics.

Action needs to be taken to insure that the intent of Congress, with respect to police training, is fully carried out. Accordingly, section 112 of the Foreign Assistance Act should be refined to ban explicitly the kinds of police training activities which are being carried out by the Army School of the Americas in the Canal Zone. My revised amendment would add the following paragraph to section 112, offering a more specific definition of police training programs:

> AMENDMENT TO H.R. —
>
> Offered by Mr. HARRINGTON
>
> Page 4, after line 22, insert the following new section:
>
> SEC. 6. Section 112 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151j) is amended by adding at the end thereof the following new subsection:
>
> "(c) For the purposes of this section, the term 'police training or related program' shall include any training or instruction of any individual relating to that individual's performance of any civilian law enforcement function in a part-time or full-time capacity, or of a contingent nature."

This paragraph defines "police training or related program" to include any training or instruction of any individual relating to that individual's performance of any civilian law enforcement function in a part-time or full-time capacity, or of a contingent nature. The Department of Defense's own definition of the phrase "law enforcement," set forth in their memorandum—unclassified 8226—is adequate for the purposes of my amendment:

> Law enforcement includes apprehension and control of political offenders and opponents of government in power (other than prisoners of war) as well as persons suspected of commission of so-called common crimes.

I have included the word "civilian" in my amendment because I do not want to interfere with legitimate military police training. It is not my intention that the training of armed forces personnel for law enforcement duties solely within those armed forces, be prohibited by this section. However, I do mean to ban police-related training to military personnel who perform any kind of nonmilitary law enforcement function.

Adoption of this amendment will insure that the intent of Congress can no longer be circumvented by an interpretation of the law which excludes part-time police officers, including military personnel, from the ban on police training in foreign countries.

My amendment makes no substantive changes in section 112. Rather, it defines the terms contained therein more precisely in order to avoid further misinterpretation and circumvention of congressional intent.

EARL WARREN, A JUSTICE TO MATCH OUR MOUNTAINS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEGGETT) is recognized for 10 minutes.

Mr. LEGGETT. Mr. Speaker, "The fair administration of justice is the strongest pillar of government."—George Washington.

On my way to work at the Capitol, I often pass a stone statue of a very fierce and military Roman with chin thrust out, eyes glaring, and sword unsheathed and ready by his side. The pedestal's inscription reads, "The Price of Liberty Is Eternal Vigilance." While I can appreciate that word, I find myself troubled with any notions that our liberties are threatened only by, and therefore can be defended only by, military action. For while those liberties can be destroyed in a single day by an armed aggressor, so too can they be eroded by the callousness and distance of the very government created to preserve those same liberties.

Because Earl Warren recognized and taught that lesson, I celebrate his career and mourn his death. Of course I shall mourn him as a fellow Californian, educated by the same University of California and servant to the same people. I shall miss him as a fellow sportsman of the California wild. I shall miss him as a friend. But my mourning of Earl Warren shall reach down into levels far removed from personal ties and memories, for his impact upon American law and society cannot be overstated.

Earl Warren was a man of moral gravity; he was a man who did not ask "Will it play in Peoria?" but rather wondered "Is it consistent with our national ideals? Is it decent? Is it just? Is it fair? When compared to my stony Roman friend's imposing sword. Earl Warren's humble judicial pen appears to be an unimpressive symbol of vigilance in the defense of liberty. I must suggest, however, that in the real, day-to-day defense of those liberties, that humble quill pen emerges as the great guarantor of their survival.

To Earl Warren law was not a cold and impassionate instrument; rather, he saw law as the articulation of Western history and ethical aspiration. This ethical perspective—the concern for fairness and decency—was often voiced during Supreme Court proceedings. There, after long and technical legal presentations, the Chief Justice would often peer down from the bench and ask the presenting attorney "Yes, but is it fair?" It is altogether fitting and proper that Warren should ask such a question, for to him law "floated in a sea of ethics," and was inseparable from basic considerations of decency and fairness.

No case I know more clearly articulates this concern for fairness than the controversial police procedures case, *Miranda* v. *Arizona* (1966). This case involved a confession obtained from a man not advised of his right to counsel present during police questioning. In reversing the conviction of Ernesto Miranda, Warren wrote of the State responsibility to scrupulously observe the rights of all citizens. Warren was not satisfied that the State had vigilantly protected the rights of the accused.

It will long be remembered that Warren and the Court were long reviled in some quarters for this decision. Many felt Warren to be "soft" on criminals. This is a view which cannot be supported. In a television memorial aired shortly after Warren's death, former Justice Fortas remarked that Warren was neither soft on criminals nor crime. According to Fortas, however, they had a strong interest that—

> When the state brings to bear its power against an individual, even in terms of the accusation of crime, that the democracy cannot survive, liberty cannot survive, unless even the rights of that person are safeguarded.

The Warren Court's decisions range into many areas of social concern beyond police procedures. As former Justice Goldberg remarked:

> The Warren Court sought not the "peace of escapism," but chose rather to confront the troublesome problems of justice plaguing society.

Certainly, one of the greatest of those problems that the Warren Court dealt with was that of race relations.

The case which is both symbol and agent of our Nation's movement toward racial tolerance is Brown against Board of Education. Writing for the Court, Warren found that the "separate but equal" division of educational facilities for blacks and whites to be "inherently unequal." Warren was concerned that the long-range effects of school segregation, having the impact of law, might indelibly stamp into the minds of black youngsters that they were undeniably inferior.

It seems undeniable that this well-known case has had effects far beyond the schoolhouse. If we as a nation are no longer ready to tolerate segregation, if we are no longer ready to tolerate racism, if we find ourselves ready to work for increased understanding between the races, then I must submit we have been influenced by Earl Warren.

Two cases—cases which no law student will ever know—deserve mention. These were cases in which Warren did not write opinions. Yet, these were cases that inflamed Warren. Both were affronts to human dignity.

The first, Hamilton against Alabama, involved the cross examination of a black woman by a white attorney. The attorney addressed the woman only by her first name. To this questionable familiarity, the woman responded,

> My name is Miss Hamilton. Please address me correctly.

The judge found Miss Hamilton in contempt, and the Supreme Court reversed.

A second case, Rice against Sioux City Memorial Bank, involved a native American who was denied burial in a cemetery because it was designed for Caucasians only. Unquestionably, the affronts to human dignity and the American conception of equality which these cases represented were anathema to Warren, for he believed "that there is an American ideal, and that it is encompassed in the words "All men are created equal." I trust that we as a people become inflamed at the racial indignities which Warren despised.

Earl Warren felt that the test of democracy comes not in mere survival but rather in the attention it pays to its ideals. Perhaps that is why Warren felt the celebrated Baker against Carr decision to be the most important of his term, for that decision pursued the ideal of electoral equality and democracy, implying that equal access to the halls of government might produce a greater social good. Is that not the essence of democracy? This decision and others radically changed our lifestyle in Congress, but the country will be better for it.

There are many legal scholars who have responded with skepticism to Warren and his pursuit of an American ethic. I sometimes wonder if these critics have lost the sense of history, the sense of struggle which antedates the Constitution. This was a scholarship Warren knew well.

In opening this reflection, I suggested that Earl Warren was as much a symbol of liberty's vigilant preservation as any American ever was. It now becomes clear that the number of democratic ideals which he pursued is very large indeed.

Reflecting upon the death of so great a friend of democracy and the Republic is an unhappy task. That tragedy, however, is an uncontrovertible fact. There are tragedies potentially awaiting this Nation if we forget the pursuits of Earl Warren. If we allow ourselves to grow unmindful of the ideals which created democracy and tempered our justice, if we allow ourselves to grow cynical, then we may create a tragedy larger than the death of any person. And that is a tragedy which I hope to never reflect upon. Let us avoid such a thing.

We say in California, "Bring me men to match our mountains." Earl Warren of California was a "mountain of a man."

THE PRESIDENT IS EXPOSED AS LIAR AND TRICKSTER IN NEWEST TAPE TRANSCRIPTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 5 minutes.

Ms. ABZUG. Mr. Speaker, with the President's release of the transcripts of his appalling conversations with his aide H. R. Haldeman just 6 days after the Watergate breakin, the moment of truth has finally arrived for Richard Nixon. Now, even the fig leaf is gone.

The President has exposed himself as a liar and a trickster. As his own words indicate, this man does not give a (expletive deleted) for the people of the country, and he should not remain in the White House any longer than it takes for him to get the message that it is all over. It now only remains that the House should vote his impeachment.

Until today I have taken the position that the impeachment process should be carried through a full trial in the Senate, even if it were to take months, with an inevitable decision to remove him from office. I believed this was necessary so that there could be a full revelation to the public of the overwhelming evidence against the President, his full and knowing participation in the Watergate coverup, his abuse of his constitutional powers, and his violation of his oath of office.

This may no longer be necessary. To all intents and purposes the President has admitted his guilt. He is throwing himself on the Senate's mercy, asking it to forgive him and let him stay in office. In so doing, he again shows his habitual contempt for the Congress and the public. Does he really think we hold the Presidency so cheaply that we can allow a lawbreaker and liar to remain at the head of this Nation?

The latest tape transcripts are replete with such elegant comments from Mr. Nixon as "I don't give a—expletive deleted—about the lira. There ain't a vote in it," and "I don't give a—expletive deleted—about the newspapers" and "the worse thing—is to go to anything that has to do with the Arts—the Arts you know—they're Jews, they're left-wing—in other words, stay away!"

These, of course, are not criminal comments. They simply reveal the utter tawdriness of the nature of this man, the moral defectiveness that led him to join in a conspiracy to cover up a burglary, that led him to overreach his constitutional limitations and seek to impose on this Nation an authoritarian government dedicated to the aggrandizement of his personal power and wealth and to the further enrichment of the big corporations that tutored him throughout his opportunistic career.

In the latest tape transcripts there is a section in which Nixon and Haldeman discuss with incredible detail the plans for the President's arrival at the Republican convention in Miami where he was to be crowned for a second term. Haldeman tells the President—

> I think you're overdoing your arrivals.

Mr. Nixon is now overdoing his departure. He should not wait upon further ceremony. He should just go. And if he refuses to go, we should vote him out.

NOMINATION OF ELLA GRASSO FOR GOVERNOR OF CONNECTICUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 10 minutes.

Mr. CULVER. Mr. Speaker, the nomination by acclamation of our colleague, ELLA GRASSO, for Governor of Connecticut has been justly acclaimed across the Nation. Her many talents and political acumen as well as commitment to public service in the finest sense, in but two terms have won her a wide measure of respect and admiration enjoyed by only a few of the distinguished history of this House.

Mr. Speaker, I include at this point a discerning editorial from the July 24 issue of the Des Moines Register commenting on ELLA GRASSO's nomination by the Democrats of Connecticut:

"INCIDENTALLY, SHE'S A WOMAN"

> Even if she never wins another victory, Ella Grasso scored a notable triumph the other day, on her own, being herself. By a unanimous vote, Mrs. Grasso won the Connecticut Democratic party's endorsement as its nominee for governor.
>
> She won without using a husband's coattails, and she won apparently not because she is a woman in a feminist era, but because, as a person, she also is a consummate politician possessed of two of the politician's prime requisites for success—patience and a sense of timing.
>
> For years, Mrs. Grasso has carried the political war in her state, willing, as she says, to do the work and not fret while others got the credit. By plugging away at her political and public service duties, and by stressing an interest in people as individuals, she won election to the Connecticut Legislature, three terms as her state's secretary of state and a seat in the U.S. House of Representatives, where she now is serving her second term.
>
> When Connecticut Democratic Chairman John Bailey used to chortle while wisecracking that "he'd run a woman if he ever thought he was going to lose," Mrs. Grasso bided her time, working without bitterness.
>
> The practical politician in Bailey has a sense of timing, too, and just as 1954 seemed to be the year of the Jewish Abraham Ribicoff (in his race for governor of Connecticut) and as 1960 was the year for the Catholic John F. Kennedy, Bailey apparently sees 1974 as the year of the woman politician in his state. The operative word, however, is politician, and the pertinent adjective is "winning."

Her nomination recognizes the personhood of Mrs. Grasso, which is what movements for equality of opportunity are all about: recognition of an individual's personal abilities, divorced from matters of sex, race or religion.

Mrs. Grasso, 55, thinks "the whole climate of opinion may have changed," and she perceives a "new zest to the whole adventure, and certainly a new spirit." Whatever her fortunes at the polls, by work, brainpower and perseverance, she has made one small step for women, one medium-sized step for peoplekind.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. YATRON) is recognized for 5 minutes.

Mr. YATRON. Mr. Speaker, I hasten to bring to your attention a voting error that occurred on July 18, 1974, involving rollcall No. 389. The vote in question was on an amendment in the nature of a substitute offered by Congressman HOSMER to the strip mining bill, H.R. 11500.

It was clearly my intention to have voted against this substitute to the Strip Mining Control and Reclamation Act. However, I am recorded as having not voted.

I was present on the House floor on July 18 when the measure was considered and I did cast a negative vote on rollcall No. 389. Apparently, some error occurred when I cast my vote, for I followed the prescribed procedure for voting by electronic device.

Therefore, Mr. Speaker, for reasons unknown to me, the electronic voting machine failed to properly record my nay vote and recorded me as not having voted. I respectfully bring this fact to your attention.

AMENDMENT TO BE OFFERED TO H.R. 16090

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I intend to offer an amendment, with an accompanying conforming amendment, to H.R. 16090, the campaign reform bill. I wish to make certain that I am allocated 5 minutes to explain the amendment at the appropriate time during the amending process.

The amendment and the conforming amendment follow:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. KOCH

Page 79, immediately after line 9, insert the following new section:

CAMPAIGN MAIL

SEC. 410. (a) Chapter 95 of the Internal Revenue Code of 1954 (relating to Presidential Election Campaign Fund) is amended by adding at the end thereof the following new section:

"SEC. 9014. CAMPAIGN MAIL.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'campaign mail' means any piece of mail which does not exceed the maximum weight per piece of mail allowable if mailed at the lowest rate per piece established by the Board of Governors of the Postal Service for bulk rate mailings of circulars by qualified nonprofit organizations, and which is mailed by any candidate for the purpose of influencing the election of such candidate;

"(2) the term 'candidate' has the meaning given it by section 301(b) of the Federal Election Campaign Act of 1971, except that such term does not include a candidate for the office of President or Vice President of the United States;

"(3) the term 'eligible candidate' means any candidate who is eligible under subsection (c) to receive campaign mail payments;

"(4) the term 'supervisory officer' means the Secretary of the Senate with respect to candidates for the office of Senator, and the Clerk of the House of Representatives with respect to candidates for the office of Representative, Delegate, or Resident Commissioner; and

"(5) the term 'State' has the meaning given it by section 301(i) of the Federal Election Campaign Act of 1971.

"(b) Campaign Mail Entitlement.—Any candidate who establishes his eligibility under subsection (c) shall be entitled to receive payments for campaign mail under subsection (d).

"(c) Eligibility.—

"(1) In any general election, any candidate who—

"(A) has met the qualifications prescribed by the applicable laws to hold the Federal office for which he is a candidate, and is the candidate of a political party whose candidate in the most recent general election for the office involved received at least 15 percent of the popular votes received by all candidates in such general election; or

"(B) transmits to the Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, to the equivalent State officer), no later than 45 days before the date of the general election, a petition containing the signatures of at least 5,000 individuals registered to vote in the geographical area in which such general election is held,

shall be entitled to receive campaign mail payments under subsection (d).

"(2) The Secretary of State for the State in which the election is held (or, if there is no office of Secretary of State, the equivalent State officer) shall take appropriate steps to certify signatures contained in petitions transmitted by any candidate under paragraph (1)(B). Upon completion of certification, the Secretary of State shall transmit such petitions to the appropriate supervisory officer. The supervisory officer shall not declare any candidate to be eligible to receive allotments until the supervisory officer receives such petitions from the Secretary of State. Each such certification shall be completed no later than 30 days before the date of the election involved.

"(d) Payments.—

"(1) Every eligible candidate shall be entitled to receive payments from the Secretary under paragraph (2) for the mailing of a number of pieces of campaign mail equal to the number of individuals registered to vote in the geographical area in which the general election is held.

"(2) The Secretary shall make payments to an eligible candidate for mailings under paragraph (1) upon the receipt of certification from such candidate that such payments shall be used exclusively for the mailing of campaign mail. The Secretary shall make such payments out of the Presidential Election Campaign Fund established by section 9006(a). Such payments shall be made, however, only after the Secretary determines that amounts for payments under sections 9006(c), 9007(b)(3), and 9037(b) are available in the fund for such payments.

"(3) Whenever a payment is made by the Secretary under this section with respect to campaign mail of any eligible candidate, an amount equal to the amount of such payment shall be attributed toward the expenditure limitation of such candidate under section 608(c) of title 18, United States Code.".

(b) Section 9012(c) of the Internal Revenue Code of 1954 (relating to unlawful use of payments) is amended by inserting "or under section 9014(d)" immediately after "9006".

(c) The table of sections of chapter 95 of the Internal Revenue Code of 1954 (relating to the Presidential Election Campaign Fund) is amended by adding at the end thereof the following new item:

"SEC. 9014. Campaign mail.".

And redesignate the following section accordingly.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. KOCH

Page 79, line 15, strike out "and 409" and insert in lieu thereof "409, and 410".

STRATTON'S AMENDMENT TO H.R. 16090, THE FEDERAL ELECTION CAMPAIGN ACT AMENDMENT OF 1974

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, on tomorrow or at the proper time it is my intention to offer the following amendment to H.R. 16090, the Federal Election Campaign Act Amendments of 1974:

On page 79, line 17, insert a new title, title V, as follows:

TITLE V—FREE POLITICAL BROADCASTING

SEC. 501. The Federal Election Campaign Act of 1971 (Public Law 92-225; 86 Stat. 3) is amended by adding at the end thereof the following new title:

"TITLE V—FREE POLITICAL BROADCASTING

"DEFINITIONS

"SEC. 501. For the purposes of this title—

"(1) the terms 'candidate', 'election', 'Federal office', 'State', and 'supervisory officer' have the meanings given them by section 301;

"(2) the term 'major party' means—

"(A) in the case of an election for the office of President or Vice President, any party whose candidate for President placed first or second in popular votes in either of the two most recent general elections; or

"(B) in the case of an election for the office of Senator, Representative, Resident Commissioner, or Delegate, any party whose candidate for Senator in the State involved placed first or second in popular votes in either of the two most recent general elections;

"(3) the term 'third party' means—

"(A) in the case of an election for the office of President or Vice President, any party whose candidate for President received more than 15 per centum of the popular votes in the most recent general election; or

"(B) in the case of an election for the office of Senator, Representative, Resident Commissioner, or Delegate, any party whose candidate for Senator in the State involved received more than 15 per centum of the popular vote in the most recent general election;

"(4) the term 'minor party' means—

"(A) in the case of an election for the office of President or Vice President, any party, other than a major party or third party, whose candidate for President appeared on the ballot in more than thirty States in the most recent general election; or

"(B) in the case of an election for the office of Senator, Representative, Resident Commissioner, or Delegate, any party—

"(i) whose candidate for Senator in the State involved received more than 5 per centum of the popular vote in the most recent general election;

"(ii) in the case of an election for the office of Senator, which files with the Comptroller General, not later than sixty days before the election involved, a number of signatures of registered voters validated by the Comptroller General which is equal to 5 per centum of the popular votes for the office of Senator in the State involved in the most recent general election; or

"(iii) in the case of an election for the office of Representative, Resident Commissioner, or Delegate, which files with the Comptroller General, not later than sixty days before the election involved, a number of signatures of registered voters validated by the Comptroller General which is equal to 5 per centum of the popular votes for the office of Representative, Resident Commissioner, or Delegate, as the case may be, in the congressional district involved in the most recent general election;

"(5) the term 'eligible candidate' means a candidate determined to be eligible for free broadcast time allotments by the appropriate supervisory officer under section 503(b); and

"(6) the term 'free broadcast time' means time on radio or television stations or networks or on community antenna television as provided under this title.

"FREE POLITICAL BROADCASTS

"SEC. 502. (a) Each radio and television station licensed under the Communications Act of 1934 (48 Stat. 1088), each community antenna television station, and each radio and television network shall, in accordance with the provisions of this title, provide free broadcast time to any eligible candidate in any election for Federal office.

"(b) No radio or television station or network providing free broadcast time under the provisions of this title shall make any charge for the provision of free broadcast time.

"ELIGIBILITY

"SEC. 503. (a) Any candidate of a major party, third party, or minor party shall be eligible, upon certification by the appropriate supervisory officer under subsection (b), to receive free broadcast time in any election for Federal office.

"(b)(1) A candidate may establish his eligibility by filing an application for a free broadcast time allotment under section 504 with the appropriate supervisory officer.

"(2) Such supervisory officer shall, not later than seven days after receiving an application under paragraph (1), determine whether to certify the candidate making such application.

"(3) Any candidate receiving certification under this subsection may be certified as the candidate of not more than one political party.

"(c) Any candidate who is aggrieved by any determination under subsection (b) may petition the supervisory officer making such determination for a hearing with respect to such determination. Such hearing shall be held in accordance with the provisions of section 554 of title 5, United States Code.

"ALLOTMENT

"SEC. 504. (a) In the case of an election for the office of President or Vice President, each eligible candidate shall receive—

"(1) in the case of a major party candidate, two and one-half hours of free broadcast time, no more than thirty minutes of which may be used in any five-day period;

"(2) in the case of a third party candidate, one hour of free broadcast time, no more than thirty minutes of which may be used in any five-day period; and

"(3) in the case of a minor party candidate, thirty minutes of free broadcast time, the total of which may not be used in any five-day period.

"(b) In the case of an election for the office of Senator, each eligible candidate shall receive—

"(1) in the case of a major party candidate, two hours of free broadcast time, no more than thirty minutes of which may be used in any five-day period;

"(2) in the case of a third party candidate, sixty minutes of free broadcast time, the total of which may not be used in any five-day period; and

"(3) in the case of a minor party candidate, thirty minutes of free broadcast time, the total of which may not be used in any five-day period.

"(c) In the case of an election for the office of Representative, Resident Commissioner, or Delegate, each eligible candidate shall receive—

"(1) in the case of a major party candidate, one hour of free broadcast time, no more than thirty minutes of which may be used in any ten-day period; and

"(2) in the case of a third party candidate or a minor party candidate, fifteen minutes of free broadcast time, the total of which may not be used in any ten-day period.

"(d) The free broadcast time of candidates for the office of President and Vice President shall be carried simultaneously by all networks and stations covered by this title.

"(e) The free broadcast time of any candidate for the office of Senator shall be carried—

"(1) simultaneously by all television stations within the State involved; and

"(2) in the event that part or all of the State is not within the broadcast range of a station located within such State, by any station located within bordering States, the broadcast range of which substantially covers the part or the whole of the State not serviced by any station, which the Federal Communications Commission may designate.

"(f) Notwithstanding any other provision of this section, if the candidate of a third party or of a minor party in any election to Federal office is an incumbent with respect to such office, then such candidate shall be entitled to receive the free broadcast time allotment available to any candidate of a major party with respect to such election.

"(g) Any candidate receiving free broadcast time under subsections (a), (b), (c), or (f)—

"(1) shall use the free broadcast time in a manner which promotes a rational discussion and debate of issues with respect to the election involved;

"(2) shall participate in programs in which not more than 25 per centum of the time of each broadcast shall be taken up with presentations other than the candidate's own remarks;

"(3) shall not use less than one minute of free broadcast time in any one program; and

"(4) shall not use more than fifteen minutes of free broadcast time in any twenty-four-hour period.

"(i) Each radio or television station or network providing free broadcast time under the provisions of this title shall make free broadcast time available during the period beginning thirty days before the election involved and ending at the close of the day before such election.

"(j) At least 75 per centum of free broadcast time shall be made available to candidates during prime air time.

"NEWS PROGRAM AND PUBLIC SERVICE PROGRAM APPEARANCES

"SEC. 505. Any appearance by a candidate on a news program or on a public service program at the invitation of the radio or television station or network, community antenna television station, or organization presenting such program, shall not be considered attributable to the free broadcast time allotment of such candidate under section 504.

"EXEMPTION

"SEC. 506. The provisions of section 315 of the Communications Act of 1934 (47 U.S.C. 315) shall not apply in the case of the use of radio or television facilities for free broadcast time under the provisions of this title."

AMENDMENT TO H.R. 16090, ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OBEY. Mr. Speaker, I may offer the following amendment to H.R. 16090 when it is considered by the House on Wednesday and as required I ask that it be printed at this time:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. OBEY

Page 18, line 18, strike out "The" and insert in lieu thereof "Except as provided by subsection (b), the".

Page 18, immediately after line 21, insert the following new subsection:

(b) Notwithstanding the provisions of subsection (a) or any other provision of law, no provision of State law which provides for expenditure limitations with respect to candidates for the office of Senator, Representative, Delegate, or Resident Commissioner, the amounts of which are lower than the corresponding expenditure limitations established by section 608(c)(1)(C), section 608(c)(1)(D), or section 608(c)(1)(E) of title 18, United States Code, shall be superseded or preempted by any such provision of such title, if such provision of State law was enacted after the close of December 31, 1970.

And redesignate the following subsection accordingly.

THE IMPEACHMENT PROCEEDINGS—A CREDIT TO THE CONGRESS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, all Members of the House are, I am sure, gratified by the positive public response to the televised proceedings of the House Judiciary Committee's debates on the articles of impeachment. As a member of the Committee, who sat with all my colleagues through the long months when the evidence was presented and witnesses examined, I am particularly gratified that the public appears to have recognized the dedication of the committee members to the preservation of our Constitution, the effort they made to understand the evidence, and the earnestness with which they attempted to resolve the complex and conflicting factors affecting their momentous decision.

Special credit is due the distinguished chairman of the Committee, Hon. PETER RODINO, whose wisdom, fairness, patience and dedication to duty made possible a procedure which all can recognize as outstanding, whether or not they agree with the result.

Mr. Speaker, one of the first and foremost Americans of distinction to point out the error in President's Nixon concept of the obligations of his high office was Mr. John S. Knight, president of Knight Newspapers. In the latest of his famous "Editor's Notebook" Sunday columns, Mr. Knight rightly observes the "Impeachment Process Strengthens Republic." I offer for the Record his column from the Akron Beacon Journal of August 4, 1974:

IMPEACHMENT PROCESS STRENGTHENS REPUBLIC

(By John S. Knight)

The House Judiciary Committee, following a nine-month inquiry into President Nixon's alleged violations of his constitutional responsibilities, has approved three articles of impeachment which will now be submitted to the House of Representatives for debate and action. These articles must be supported by a full report citing the evidence upon which the charges are based.

Unless President Nixon can mount a powerful counteroffensive, which seems unlikely, the House will vote to impeach the President and he will then be tried by the Senate for the offenses specified.

The articles of impeachment charge the President with criminal conspiracy to obstruct justice in the Watergate case; abusing the powers of the presidency in violation of the Constitution and the rights of citizens; and acting in contempt of Congress by refusing "to produce papers and things" as directed by duly authorized subpenas."

Two other proposed articles, asking that the President be impeached for the 1969 secret bombing of Cambodia and citing the President for tax evasion, were defeated in 26–12 roll call votes.

So President Nixon will soon begin to walk that last mile.

The Judiciary Committee, allowing for an understandable degree of partisanship, comported itself rather well. Chairman Peter Rodino presided with dignity and fairness although he was not above scheduling the debate on President Nixon's alleged financial improprieties and tax evasion in prime television time, when the largest audience was watching and listening.

The televised debates afforded the American public a classic opportunity to see our constitutional processes at work. They provided a new insight into the caliber of the men and women who serve in Congress. In the eyes of the viewer there were heroes and villains, statesmen and demagogs, the highly competent and the mediocrities.

There was torment, too, as sensitive committee members sought to make conscientious decisions by putting aside the man Nixon and thinking in terms of the presidency itself.

Yet one could not help but derive comfort from the fact that our system is working as planned 185 years ago. Robert S. Boyd, Knight Newspapers Washington Bureau chief, put it this way: "Despite the pain and sorrow, the world's oldest democracy is showing that it is still vigorous and flexible enough to cure its internal ailments in an orderly fashion—without revolution, without a coup, without tyranny."

Quite by coincidence and while the Judiciary Committee's hearings were under way, Peru's military government seized that country's eight major independent newspapers and announced it will turn them over to Peruvian labor groups. President Juan Velasco Alvarado said the move was "made in the national interest," which is the Latin American code word for suppression of freedom of thought.

The newspapers include the family-owned El Comercio, founded in 1839, and La Prensa, which began publication in 1905. Both of these leading newspapers are independent and conservative. They have been charging that the government was coming more and more under the influence of Marxist groups.

In Uruguay, military officers have recently been placed in control of major state-owned enterprises, including power and fuel and the Central Bank.

In this context, I might point out that the conservatives, as they call themselves, ought to entertain some second thoughts about their denunciations of the free press in this country.

For it was the press which uncovered the mess in Washington and exposed the arrogance of power within the White House itself.

And yet there are many people—otherwise thoughtful and intelligent—who have a hang-up on Nixon and the press. These individuals really believe, or profess to believe, that the newspapers and the networks are "out to get Nixon," and that Watergate is "just politics" and "a lotta bull."

Apparently it matters not to them that their President is about to be impeached, or that many of the men he selected for administrative posts are now facing charges, have pleaded guilty or stand convicted of violating the law.

These conservatives or members of "the silent majority" are—in my mind at least—really radicals who see no guilt in subverting the Constitution or even flouting the laws of this country.

They look upon the charges against President Nixon as "a plot of the press" to drive him out of office. Rather pathetically, they seek to totally defend Nixon because he has had "such a good record in foreign affairs"—a fact which even his strongest adversaries readily concede.

Actually, the Nixon defenders are the very people who should be outraged over what their hero has done to them.

Many letter writers have favored placing shackles on the press in the form of restricting its freedom. This practice is the first act of any dictator who wishes the truth to be withheld.

Is that what they want in America?

Finally, may I say to those who charge me with "betraying" the President or being intent upon "destroying the country" that I have a substantial stake in America and wish to see the country governed by people of high competence and complete integrity, and without regard to party affiliation.

Secondly, I was "on to Richard M. Nixon" some 20 months ago when I wrote the following comment:

I like Richard Nixon, and respect him for his achievements. But the time has come for a friend to cry out against the cynical disregard for truth and honesty by the Mitchells, Haldemans and other members of the unscrupulous palace guard who apparently are utterly lacking in principle.

The President cannot stand aloof as his surrogates violate all tenets of decency in public office. We do not have an "open administration" as Mr. Nixon pledged in 1968.

As a citizen, I resent being asked to accept on faith the shabby tricks of gutter politics which are being masked in the deep and foreboding silence of those who govern my country.

One year ago, I again pleaded with the President to go before the country and give the people the truth, explaining that "he alone must attempt to restore, if he can, the people's faith in their government."

Instead, there has been a sordid history of coverup, concealment and collective crimes.

So, I have long since given up on Richard Nixon—but on my country, no. For while every good citizen is experiencing some trauma over the thought of impeachment, the present exercise of constitutional procedures will help insure the republic's survival.

AMENDMENTS TO H.R. 16090, AS REPORTED, OFFERED BY MR. DICKINSON

(Mr. DICKINSON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DICKINSON. Mr. Speaker, when H.R. 16090 is debated under the rule granted today, I intend to offer the following amendments:

Page 2, line 10, strike out "(2) and (3)" and insert in lieu thereof "(2), (3), and (4)".

AMENDMENT TO H.R. 16009, AS REPORTED, OFFERED BY MR. DICKINSON

Page 2, line 14, immediately after "committee" and before the parenthesis insert the following: "or an official national committee registered under section 303(e) of the Federal Election Campaign Act of 1971".

Page 2, beginning in line 16, strike out "Contributions" and all that follows down through the period in line 21.

Page 2, line 23, strike out "section 303" and insert in lieu thereof "section 303(a)".

Page 3, immediately after line 3, insert the following:

"(3) Any official national committee registered under section 303(e) of the Federal Election Campaign Act of 1971 shall be exempt from the limitations contained in paragraphs (1) and (2) of this subsection.

Page 3, line 4, strike out "(3)" and insert in lieu thereof "(4)".

Page 3, line 6, strike out "(4)" and insert in lieu thereof "(5)".

Page 3, line 18, strike out "(5)" and insert in lieu thereof "(6)".

Page 3, line 24, strike out"(6)" and insert in lieu thereof "(7)".

Page 20, line 22, strike out "subsection" and insert in lieu thereof "subsections" and immediately after line 22 insert the following:

"(e)(1) Any political party which had candidates for Federal office on the ballot in ten or more States on the Tuesday next after the first Monday in November in the last preceding even numbered year may file a statement with the Board of Supervisory Officers in such form and manner and at such time as the Board may require, designating the official national committee of such political party. Such statement shall include the information required by subsection (b) of this section, together with such additional information as the Board may require.

"(2) Upon receipt of a statement filed under paragraph (1) of this subsection, the Board promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify as registered under this subsection not more than one official national committee for each political party meeting the requirements of this subsection.

Page 20, line 23, strike out "(e)" and insert in lieu thereof "(f)".

AMENDMENTS OFFERED TO H.R. 16090, ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

(Mr. JOHNSON of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JOHNSON of Colorado. Mr. Speaker, by request, I am submitting for printing in the Record two amendments which are proposed to be offered during the consideration of the Federal Election Campaign Act tomorrow or later this week:

Page 79, after line 9, insert the following:

PARTIAL INVALIDITY

SEC. 410. Section 404 of the Federal Election Campaign Act of 1971 is amended to read as follows:

SEC. 404. (a) If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act, and the application of such provision to other persons and circumstances, shall not be affected thereby; and

(b) (1) Notwithstanding that section 608 (b) or section 608(c) of title 18, United States Code, or any portion thereof, is held invalid, an agreement in writing by and between all candidates for nomination or election to any specific Federal office establishing limitations on contributions and expenditures for such nomination or election equal to or less than those provided in said subsections shall be valid and binding upon the parties thereto;

(2) Such agreement shall be filed with the appropriate supervisory officer on forms to be supplied or approved by him.

Renumber following sections accordingly.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RIEGLE (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. BROOMFIELD (at the request of Mr. O'NEILL), for today, on account of official business.

Mrs. CHISHOLM (at the request of Mr. O'NEILL), for this week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 60 minutes, today, August 6, 1974.

Mr. PATMAN, for 60 minutes, August 7, 1974.

(The following Members (at the request of Mr. JOHNSON of Colorado) to revise and extend their remarks and include extraneous matter:)

Mr. KEMP, for 30 minutes, today.

Mr. CRANE, for 5 minutes, today.

Mr. GUDE, for 15 minutes, today.

Mr. MARTIN of North Carolina, for 10 minutes, today.

Mr. YOUNG of Florida, for 5 minutes, today.

Mr. WHALEN, for 5 minutes, today.

Mr. CLEVELAND, for 10 minutes, today.

Mr. FINDLEY, for 5 minutes, today.

Mr. YOUNG of Illinois, for 15 minutes, today.

(The following Members (at the request of Mr. YOUNG of Georgia) to revise and extend their remarks and include extraneous material:)

Mr. FLOOD, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. REUSS, for 30 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

Mr. HARRINGTON, for 5 minutes, today.

Mr. LEGGETT, for 10 minutes, today.

Ms. ABZUG, for 5 minutes, today.

Mr. CULVER, for 10 minutes, today.

Mr. YATRON, for 5 minutes, today.

Mr. VANDER VEEN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DULSKI to revise and extend his remarks on the conference report on H.R. 14715 in the House today.

Mr. LEGGETT to revise and extend his remarks, and include extraneous matter, on the Flynt amendment to H.R. 12643 in the Committee of the Whole today.

(The following Members (at the request of Mr. JOHNSON of Colorado) and to include extraneous material:)

Mr. HANRAHAN in two instances.

Mr. CONTE.

Mr. HOSMER in two instances.

Mr. McCLORY.

Mr. HUBER.

Mr. DEL CLAWSON.

Mr. CRANE in five instances.

Mr. HILLIS in two instances.

Mr. SYMMS.

Mr. RONCALLO of New York.

Mr. DU PONT in two instances.

Mr. ASHBROOK in five instances.

Mr. DERWINSKI in three instances.

Mr. GUBSER.

Mr. DICKINSON in five instances.

Mr. SHRIVER in two instances.

Mr. ARMSTRONG in two instances.

Mr. GILMAN.

Mr. ABDNOR.

Mr. BUTLER.

Mr. VEYSEY.

Mr. ANDERSON of Illinois in two instances.

Mr. FRENZEL.

Mr. FROEHLICH.

Mr. TREEN.

Mr. RINALDO.

Mr. JOHNSON of Colorado.

(The following Members (at the request of Mr. YOUNG of Georgia) and to include extraneous material:)

Mr. PHILLIP BURTON.

Mr. McFALL.

Mr. ANDERSON of California in five instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. DIGGS.

Mr. LEGGETT.

Mr. VANIK in two instances.

Mr. TIERNAN in two instances.

Mr. REES.

Mr. DENT in five instances.

Ms. ABZUG in five instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3489. An act to authorize exchange of lands adjacent to the Teton National Forest in Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 15074. An act to regulate certain political campaign finance practices in the District of Columbia, and for other purposes.

SENATE ENROLLED BILL AND A JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 2296. An act to provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the productivity and other values of certain of the Nation's lands and resources, and for other purposes; and

S.J. Res. 228. A joint resolution to extend the expiration date of the Defense Production Act of 1950.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 14012. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 15074. An act to regulate certain political campaign finance practices in the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. YOUNG of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Wednesday, August 7, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2629. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend certain laws relating to the jurisdiction of the courts of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

2630. A letter from the Administrator of General Services, transmitting a prospectus proposing acquisition of a leasehold interest for the Securities and Exchange Commission in the District of Columbia; to the Committee on Public Works.

2631. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the home production of beer; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 15977. A bill to amend the Export-Import Bank Act of 1945, and for other purposes; with amendment (Rept. No. 93-1261). Referred to the Committee of the Whole House on the State of the Union.

Mr. STEED: Committee of conference. Conference report on H.R. 15544 (Rept. No. 93-1262). Ordered to be printed.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 1296. Resolution providing for the consideration of H.R. 15487. A bill to authorize the Secretary of Commerce and the Secretary of the Treasury to conduct a study of foreign direct and portfolio investment in the United States, and for other purposes (Rept. No. 93-1263). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 1297. Resolution providing for the consideration of H.R. 16136. A bill to authorize certain construction at military installations, and for other purposes. (Rept. No. 93-1264). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1298. Resolution providing for the consideration of S. 1868. An act to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome (Rept. No. 93-1265). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 802. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States (Rept. No. 93-1266). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER (for himself and Mr. Gilman):

H.R. 16275. A bill to amend title 23, United States Code, the Federal-Aid Highway Act of 1973, and other related provisions of law, to increase safety on the Nation's highways; to the Committee on Public Works.

By Mr. ASHBROOK:

H.R. 16276. A bill to further the conduct of research, development, and demonstrations in solar energy technologies, to establish a solar energy coordination and management project, to amend the National Science Foundation Act of 1950 and the National Aeronautics and Space Act of 1958, to provide for scientific and technical training in solar energy, to establish a Solar Energy Research Institute, to provide for the development of suitable incentives to assure the rapid commercial utilization of solar energy, and for other purposes; to the Committee on Science and Astronautics.

By Mr. HANNA (for himself, Mr. Brown of California, Mr. Cronin, Mr. Derwinski, and Mr. Winn):

H.R. 16277. A bill to facilitate the transfer of science and technology and increase cooperation between the United States and other nations through the full utilization of global telecommunication services; to the Committee on Science and Astronautics.

By Mr. HELSTOSKI:

H.R. 16278. A bill to direct the Director of the National Bureau of Standards to issue regulations with respect to recycled oil, and for other purposes; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 16279. A bill to amend the Small Business Investment Act of 1958 to create a pollution control financing program for small business; to the Committee on Banking and Currency.

By Mrs. MINK:

H.R. 16280. A bill to make the Trust Territory of the Pacific Islands eligible to participate in certain Federal fisheries programs, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MURTHA:

H.R. 16281. A bill to amend section 118(c) of title 28, United States Code, to establish a place for the holding of Federal district court in Johnstown, Pa.; to the Committee on the Judiciary.

By Mr. O'HARA:

H.R. 16282. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mrs. SCHROEDER (for herself and Ms. Holtzman):

H.R. 16283. A bill to amend title 39, United States Code, to provide additional standards to regulate the proper use of the penalty mail privilege on an official basis by Government departments, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VANDER VEEN:

H.R. 16284. A bill to amend the Truth in Lending Act to prohibit discrimination on account of age in credit card transactions; to the Committee on Banking and Currency.

H.R. 16285. A bill to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to nutrition education and nutrition-related problems; to the Committee on Education and Labor.

H.R. 16286. A bill to provide financial assistance to the States for improved educational services for exceptional children; to establish a National Clearinghouse on Exceptional Children; and for other purposes; to the Committee on Education and Labor.

H.R. 16287. A bill to amend title 38 of the United States Code to make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of certain increases in monthly benefits under the Social Security Act and other Federal retirement programs; to the Committee on Veterans' Affairs.

H.R. 16288. A bill to amend title 38 of the United States Code in order to increase the rates of educational assistance allowances; to provide for the payment of tuition, the extension of educational assistance entitlement, acceleration of payment of educational assistance allowances, and expansion of the work-study program; to establish a Vietnam-Era Veterans Communication Center and a Vietnam-Era Advisory Committee; and to otherwise improve the educational and training assistance program for veterans; to the Committee on Veterans' Affairs.

H.R. 16289. A bill to amend title 38 of the United States Code in order to improve the business loan program for veterans and to make veterans who served after January 31, 1955, eligible for such program; to the Committee on Veterans' Affairs.

H.R. 16290. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. YATRON (for himself and Mr. Coughlin):

H.R. 16291. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

By Mr. GUDE (for himself, Mr. Mitchell of Maryland, Mr. Gunter, Mr. Shriver, Mr. Edwards of California, Mr. Conyers, Mr. Fraser, Mr. Pepper, Mr. Boland, Mr. Mollohan, Mr. Mazzoli, Mr. Seiberling, Mr. Wright, Mr. Addabbo, Mr. Meeds, Mr. Brown of California, Mrs. Mink, Mr. Runnels, Mr. Bingham, Mr. Martin of North Carolina, Miss Jordan, and Mr. Badillo):

H.R. 16292. A bill to authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. GUDE (for himself, Mr. Helstoski, Mr. Cleveland, Mr. Dingell, Mr. Dominick V. Daniels, Mr. Horton, Mr. Harrington, Mr. Howard, Mr. Railsback, Mr. Steiger of Wisconsin, Mrs. Burke of California, Mrs. Collins of Illinois, Mr. Stuckey, Ms. Abzug, Mr. Clark, Mr. Dickinson, Mr. Bergland, Mr. Ware, Mr. Frenzel, Mr. Stark, Mr. Sarbanes, and Mr. Hanrahan):

H.R. 16293. A bill to authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. KEMP (for himself, Mr. Duncan, Mr. Broyhill of North Carolina, Mr. Bray, Mr. Dickinson, Mr. Lujan, Mr. Goldwater, Mr. Byron, Mr. Burgener, Mr. Cochran, Mr. Collins of Texas, Mr. Froehlich, Mrs. Holt, Mr. Ketchum, Mr. Lott, Mr. Mitchell of New York, Mr. Murtha, Mr. Hinshaw, and Mr. Lagomarsino):

H.R. 16294. A bill to reestablish the fiscal integrity of the Government of the United States and its monetary policy, through the establishment of controls with respect to the levels of its revenues and budget outlays, the issuance of money, and the preparation of the budget, and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Corman, Ms. Holtzman, Mr. Won Pat, Mr. Tiernan, Mr. Forsythe, Mr. Harrington, Mr. Thompson of New Jersey, Mr. Esch, Mr. Duncan, Mr. Stark, Mr. Thomson of Wisconsin, Mr. McCloskey, Mr. Fascell, Mr. Edwards of California, Ms. Mink, Mr. Green of Pennsylvania, Mr. Coughlin, Mr. Dellenback, Ms. Heckler of Massachusetts, Mr. Bergland, Mr. Lagomarsino, Mr. Rinaldo, Mr. Sisk, and Mr. McKinney):

H.R. 16295. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON (for himself, Mr. Riegle, Mr. Baker, Mr. Roy, and Mr. Ashley):

H.R. 16296. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN (for himself, Mr. Bell, Mr. Brown of California, Mrs. Burke of California, Mr. Cohen, Mr. Conlan, Mr. Eilberg, Mrs. Grasso, Mr. Harrington, Mrs. Heckler of Massachusetts, Mrs. Holt, Mr. Murphy of New York, Mr. Nix, Mr. Podell, Mr. Stark, Mr. Van Deerlin, Mr. Won Pat, and Mr. Yatron):

H.R. 16297. A bill to amend title 38 of the United States Code in order to provide financial assistance for the establishment and maintenance of State veterans' cemeteries; to the Committee on Veterans' Affairs.

By Mr. GUDE (for himself, Mr. Matsunaga, Mr. Bell, Mr. Long of Maryland, Mr. O'Brien, Ms. Holtzman, and Mr. Won Pat):

H.R. 16298. A bill to authorize the voluntary withholding of Maryland, Virginia, and District of Columbia income taxes, pursuant to agreements subject to review by the Committee on House Administration of the House of Representatives, in the case of certain legislative officers and employees; to the Committee on House Administration.

By Mr. WAMPLER:

H.R. 16299. A bill to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOB WILSON (for himself, Mr. VAN DEERLIN, and Mr. BURGENER):

H.R. 16300. A bill to amend the provisions of the Marine Mammal Protection Act of 1972 relating to the incidental taking of marine mammals in the course of commercial fishing operations; to the Committee on Merchant Marine and Fisheries.

By Mr. VEYSEY:

H. Con. Res. 586. Concurrent resolution calling for a domestic summit to develop a unified plan of action to restore stability and prosperity to the American economy; to the Committee on Banking and Currency.

By Mr. BINGHAM (for himself, Mr. BIESTER, and Mr. GILMAN):

H. Res. 1293. Resolution to establish a John W. McCormack senior citizen intern program; to the Committee on House Administration.

By Mr. LITTON (for himself, Mr. BELL, Mr. FASCELL, Mr. MCCLOSKEY, and Mr. STARK):

H. Res. 1294. Resolution requesting the President to turn over evidentiary information to the House Judiciary Committee and the Special Prosecutor; to the Committee on the Judiciary.

By Mr. YATES (for himself and Mr. CONTE):

H. Res. 1295. Resolution providing for television and radio coverage of proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States; to the Committee on Rules.

EXTENSIONS OF REMARKS

IN SUPPORT OF H.R. 13377, THE ALLIED WAR VETERANS OF AMERICA MEDICAL ASSISTANCE BILL

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. ROE. Mr. Speaker, as a sponsor of H.R. 13377 which is on the consent calendar for consideration by the Members of the House today to provide hospital and medical care for lawful residents—for at least 10 years—of the United States who were members of the Armed Forces of nations allied with the United States in World War I or World War II, I join with my distinguished colleague from Illinois, Congressman ANNUNZIO, and other sponsors of this measure in urging passage of this long overdue legislation that will finally erase the unreasonable line between past and present citizenships and provide equal treatment under the law for American citizens who served our Nation during World War I and World War II. There is no question that these veterans continue to serve as dedicated, loyal members of a society that they, themselves, helped to preserve for all of us.

It is important to point out that the countries of Czechoslovakia and Poland allied with our Nation during World War I and II experienced drastic changes in their government after the war—changes which deprived the valiant citizens of these nations the very freedom for which they had fought. As some of my colleagues have already testified, one need only look at the record of the Polish Freedom Fighters and their wartime contribution to our people for which we owe a debt of gratitude.

These allied war veterans settled throughout the United States, a great many of them becoming American citizens, contributing their talents, initiative and hard work to the further enrichment of America. The legislation we are considering today recognizes the sacrifice and outstanding service these Americans made to the allied war effort and to their adopted country by providing that they will be eligible for certain essential benefits for hospital and domiciliary care and medical services commensurate with veterans of the U.S. Armed Forces.

In reflection it is significant to note at this point the all-encompassing welcome inscribed at the door to our Nation, "The Statue of Liberty," which reads, in part, as follows:

"A mighty woman with a torch whose flame
Is the imprisoned lightning and her name
Mother of Exiles. From her beaconed-hand
Glows world wide welcome;
Her mild eyes command
The air-bridged harbor that twin cities frame.

"Keep ancient lands, your storied pomp!" cried she with silent lips.
"Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed to me,
I lift my lamp beside the golden door!"

This inscription depicts our symbol of freedom and heritage in a country whose very foundation and existence was born as a haven for all free peoples of the world.

Mr. Speaker, we here in the House now have the great opportunity to confirm our Nation's welcome and acceptance of these citizens and demonstrate America's gratitude, civility and abundant promise of a good life for our adopted veterans of other countries who fought for our cause in World War I and World War II but because of subsequent political circumstances of their government were unable to receive the accord and honor of war veterans as we have been able to do as the land of the free.

During these most trying times when a little help can mean so much to our people who are suffering under unprecedented economic hardships, with personal fiscal resources taxed to the danger point of being confiscatory, I most strongly urge the passage of H.R. 13377 to help provide medical care for these allied war veterans of America.

ABUSE OF POWER

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. MICHEL. Mr. Speaker, since one of the articles of impeachment relates to the abuse of power issue, I bring to the attention of my colleagues an editorial in today's edition of the Peoria Journal-Star which raises some interesting points regarding abuse of power as well as some questions as to what we are really talking about when we use that phrase.

I place the text of the editorial in the RECORD at this point:

[From the Peoria (Ill.) Journal-Star, Aug. 5, 1974]

ABUSE OF POWER

Now that "abuse of power" seems to be accepted by many as a "high crime" and an impeachable offense whether it includes any previously illegal criminal act or not, perhaps we ought to provide for the removal from office of any public official, appointed or elected, who can be convicted of such.

We are going to need some such amendment to the state and federal constitutions to protect ourselves from judicial dictatorships, electoral cabals, and bureaucratic tyrants.

Indeed, we have needed such a defense already and no such tool exists, and none did exist until eager House prosecutors invented it for one man only, the President.

Perhaps, we have invented the one new "criminal" activity that can be used as a curb on "freedom of the press" before this whole chain reaction is over—"abuse of power."

It can cover anything under the sun just about, if you happen to disagree with the current use of "power" by anybody who has it.

What ought we legislate to deal with the "abuse of power" by labor unions and labor leaders? How about the all too frequent "abuse of power" by TV networks over their affiliates?

Do zoning boards sometimes act in ways you regard as an "abuse of power?"

When a judge gives an arbitrary order that proves to be illegal in the appellate court, we might well remove that lower court judge for his "abuse of power."

When Congressmen vote into law an un-Constitutional imposition on us that is so proclaimed by the U.S. Supreme Court, ought we not be able to remove those members of Congress for "abuse of power?"

When a Congressional committee violates the rights of witnesses, and disregards the normal standards of justice under our Constitution and in our system, should we not have the means of removing those committee members from public office for their "abuse of power?"

When a hearing officer imposes vicious conditions on a private operation and relief is ultimately gained in a court of law, can we not get that hearing officer removed from his position of power for an "abuse of power?"

However, what may be the greatest and saddest abuse of power of all is one that we cannot do a thing about except the restraint ourselves.

This is the tyranny of the living over the dead.

A group is now proposing very seriously that we get rid of "The Star Spangled Banner" on the grounds that it fails to meet the aesthetic standards of music as we now know it or the philosophic stresses of the present moment.

It is but one of a long series of traditional things under attack, and I pick it because it has few big vital side issues.

The standards of the music critic and the sociologist are being applied in this argu- The standards of the music critic and the That isn't what the "Star Spangled Banner" is all about, and that isn't what gives it value.

Some people simply sneer at "tradition" of all and any kind, and do not understand what is involved.

What gives the song its special value is the sentiment that generations of Americans have attached to it, and the places it has been played under conditions that gave it special meaning all over the world.

It is part of history. It belongs to all Americans—living and dead.

There are *some* things that do not belong to us alone. We are just the custodians for a while.

It is not only an "abuse of power" to destroy such things in the brief time that we are here, but it is a form of spiritual vandalism.

There are some things that we have an obligation to pass on, that *all Americans* living and dead have a stake in, and ought to have a say about.

We should think twice before we outvote the dead, just because they can no longer stop us, just as an easy and arrogant way to throw our weight around—a power that comes to us just by being alive.

It's the most cowardly, unfair and "chicken" act of all.

And history shows that those eager to disregard their forefathers also disregard their posterity.

Changing rules for the convenience of the moment, and to hell with past principles, turns out to be thoughtless as to future as well.

And dangerous to the survival of a good society.—C. L. Dancey.

R. & D. FOR DOOMSDAY DEVELOPMENT—TEXT OF AMENDMENT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Ms. ABZUG. Mr. Speaker, tomorrow the House will consider H.R. 16243, the Department of Defense appropriations bill. At that time I will offer an amendment to prohibit research and development funds for the counterforce program.

Today I, and 11 other Members of the House, circulated a dear colleague letter outlining the overriding significance of this new strategy. I would like to insert the text of that dear colleague letter and the text of the amendment.

House of Representatives,
Washington, D.C., August 5, 1974.

Re H.R. 16243

Dear Colleague: Last May, when H.R. 14592, the Military Procurement Bill, was on the floor, Rep. Abzug offered an amendment to strike over $250 million in Research and Development funds to increase the accuracy and yield of our strategic nuclear weapons, the so-called counterforce program. Tomorrow, when the Department of Defense Appropriation bill (HR 16243) is under consideration, we plan to offer a similar amendment.

On June 4, following House action on H.R. 14592, the Senate met in an unusual closed session to debate the implications of this new "counterforce" proposal, designed to give the United States a first strike capability. Senator McIntyre, Chairman of the Research and Development Subcommittee of the Senate Armed Services Committee, vehemently opposed to this new program and alarmed by its implications, offered an amendment to strike "counterforce" funds. This amendment was narrowly defeated in the Senate. Senator McIntyre emphasized that counterforce programs would not only "put the hair trigger on nuclear war," but, beyond that, would do nothing to counter the threat to our Minutemen. What he has urged, instead, are programs to insure the survivability of our own nuclear deterrent and more than adequate funds for such programs are included in HR 16243.

Secretary of Defense Schlesinger has supported the request for these funds with alarming reports of Soviet nuclear capability and forebodings that the Soviets might be tempted to use their *future* superiority to strike a knock-out blow at our land-based missiles. Hence, the argument goes, we must develop missiles with greater accuracy to provide us with flexibility in responding to such an attack—we must be capable of striking back at Soviet missile silos as well as at Soviet cities.

The implication of this scenario are overwhelmingly frightening. Rather than creating nuclear stability, these new programs will only further stimulate the nuclear arms race and will increase the hazards of an all-out nuclear war. If either side should fear that it could not strike back effectively after a nuclear attack, it would be sorely tempted to strike first. There is no greater restraining force than the knowledge that one's attack can be retaliated with an effective counter-attack.

Secretary Schlesinger's argument, moreover, is based on several allegations which are unfounded if not totally inaccurate:

1. That Soviet nuclear capability is fast approaching and will soon exceed that of the United States.

Although Soviet missiles are larger and more powerful, our smaller computerized missiles are more effective and more accurate. U.S. nuclear technology is far beyond that of the Soviets and will continue to be well into the 1980's, long after the Salt I agreement ends.

2. That the United States must maintain the *perception* of nuclear superiority and that this perception will somehow strengthen our bargaining position at future Salt negotiating sessions.

Yet Secretary of State Kissinger, after failing to obtain any missile agreement during his recent Moscow visit, indicated that this very "tough guy" role may be jeopardizing future Salt agreements.

Compared to the total request in this bill, the amount involved for research and development of counterforce weapons is small—less than $300 million. But these expenditures will commit us to future expenditures of billions of dollars. More important, they will commit us to a policy which will virtually invite nuclear confrontation and will negate our chances of reaching a realistic Salt II agreement.

The counterforce program represents a radical and dangerous departure from our long-standing policy of nuclear deterrence. At the very lease, such a significant reversal of policy warrants full Congressional examination and debate. We urge your support for the amendment to delete funds for research and development of these new nuclear weapons.

Sincerely,

Bella S. Abzug,
Herman Badillo,
John Conyers,
Andrew Young,
Patricia Schroeder,
Thomas M. Rees,
Dante B. Fascell,
Don Edwards,
Parren Mitchell,
Michael Harrington,
John F. Seiberling,
Robert L. Leggett.

Amendment

Page 26, line 9, insert the following new paragraph:

"Prohibited Activities

"No funds appropriated pursuant to this Title shall be used for any research, development, test or evaluation programs designed to build counterforce capabilities."

DOWNGRADING OF FEDERAL JOBS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 5, 1974

Mr. GONZALEZ. Mr. Speaker, today I am introducing legislation that would correct what I believe is an unfair and arbitrary procedure, the downgrading of Federal jobs.

I have recently been advised that quite a few of the machinists and general machine operators at Kelly Air Force Base in my district are currently being subjected to what is known as a special classification survey. The purpose of this special survey is to apply new Civil Service Commission standards to particular jobs.

While I realize that we want to insure equal pay for equal work, I am concerned that this current procedure will have a serious effect on the moral of the employees involved and will certainly hamper their performance.

The bill I am proposing would give a Federal agency 3 years to downgrade a job classification. After that, an incumbent employee would be protected against having this classification changed.

Under the present system an employee is subject to a lifetime of uncertainty, never knowing when he might be notified that his grade will be lowered. My bill would guarantee him a sense of security after he has performed successfuly at a particular job for a period of 3 years. I believe this legislation is necessary, and I hope that Congress can take expendient action to rectify this situation by passing my bill, which I believe is fair and equitable to both the employee and the agencies involved.

WELFARE STUDY SHOWS NEED FOR REFORM

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ASHBROOK. Mr. Speaker, the Subcommittee on Fiscal Policy of the Joint Economic Committee has released a study of our Nation's welfare system. The subcommittee report is based on an analysis of the welfare benefits available in 100 counties around the country.

The results of the study are deeply disturbing. It indicates that the current welfare system encourages low-income and unemployed fathers to avoid work and desert their families. It also encourages single women and married couples to have children.

Work disincentives are high, according to the study, because the net gain from working often is quite small, if any. An example of this is an unemployed father on AFDC—aid to families with dependent children. If the father goes to work full time at the old $1.60 or new $2 minimum wage, he faces a net loss in discretionary income because the AFDC benefits lost generally are greater than the net wage. A man with a wife and 3 children who finds a full-time job at $1.60 an hour has an after-tax income of $3,034, but loses AFDC benefits of $3,840 a year in San Francisco or $3,588 in Portland, Oreg. It certainly eliminates a major reason for getting a job if by working a man and his family are no better off financially than before.

Although financial incentive to get a job may be lacking, the study shows that there is a financial incentive for fathers to desert their families. If an unemployed father deserts, the average gain in cash and food benefits varies from $1,004 for 1-child families to $1,318 for families with 3 children. This constitutes about a one-third gain in family income.

If the deserting father worked full time at $2 an hour, the average gain in benefits is $1,806 to $2,358. Family income would increase by almost one-half. As the subcommittee contends:

> The study data leave little doubt that welfare does establish large incentives for low-income families to break up, or to never form in the first place. If a woman with children on AFDC does marry, the incentive is for the stepfather to refuse any obligation to support her children thereby keeping them on AFDC.

There also is a large financial incentive for either a single woman or a married couple to have the first child. An unemployed childless woman, for example, can almost double her benefits—with an additional $1,159 in cash and food benefits—by having her first child. If this woman has a second child, the average gain in cash and food benefits is $756. This is a 31-percent increase. Although the gains are lower than for single-parent households, the financial incentive for married couples to have children follows a similar pattern.

It is ridiculous to have a welfare system that encourages single and married women to have children and fathers not to work and to abandon their families. A complete reevaluation of this system is desperately needed.

1974 ANNUAL QUESTIONNAIRE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HILLIS. Mr. Speaker, at this time I would like to share with my colleagues the results of my 1974 annual questionnaire. This poll was distributed to every household in the Fifth Congressional District of Indiana which I represent.

I am pleased to say that the response was overwhelming. I received the largest return since I have been conducting the survey.

Percentages reflected in the tabluation represent returns received through July 29, 1974.

The detailed results of the questionnaire are as follows:

(Answers in percent)

Based on available information, Do you believe President Nixon should

69.3—remain in office.

12.4—leave office by resignation.

18.3—be impeached.

With regard to health insurance coverage, which action should the Federal government take?

38.6—none.

18.5—provide Federal coverage for all basic health needs including preventive care.

42.9—provide Federal coverage only for major illnesses or long-term illnesses.

It is possible that campaign financing reforms will be enacted by the Congress this year. Are you in favor of limiting the total amount of contributions and expenditures and requiring full financial disclosure.

90.2—Yes

9.8—No

In your opinion, should Abortion be:

60.5—a decision to be made by a woman and her physician.

26.6—allowed only in the case of rape, incest, defective fetus, save the life of the mother.

8.5—allowed only to save the life of the mother

4.4—outlawed in all cases.

What action should Congress take in the area of inflation?

15.9—enforce firm wage and price controls.

9.1—place selective controls on inflated sectors.

54.7—Limit Federal spending and balance the Federal budget.

20.3—allow the market to flow freely and find its own level.

The long term goal of U.S. energy independence will require massive research and development of new power sources. To finance such, do you support?

19.2—reliance on the private sector for funds.

17.6—all-out Federally-funded efforts like that used to develop our space program.

36.1—joint government-industry financed programs.

27.1—Federal programs financed through trust funds from an excess profits tax on the petroleum industry.

Are you in favor of a constitutional amendment to prohibit busing?

84.4—Yes.

15.6—No.

TRIBUTE TO STEVE ALLEN

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. REES. Mr. Speaker, in these days of internal crisis at home and unrest abroad, it gives me great pleasure to call your attention to the work of an outstanding artist who has established a remarkable list of achievements dedicated to making life more pleasant for his fellowman. This artist is my good friend Steve Allen, and it would be difficult to name another person who can match his achievements in the theater, television, music, motion pictures, and the literary world.

A tireless worker who never confines himself to one area of the arts, Mr. Allen combines his many talents and boundless energy to produce a veritable cornucopia of creative entertainment. His skills as an entertainer keep him in constant demand, but despite the rigors of his schedule, he continues to find time for an endless series of public service activities.

He appears as a guest lecturer at colleges and universities whenever possible, and he is an active participant in many charitable and social events. To date, he has authored no less than 17 books, with 3 more in preparation, an achievement that few writers have equaled. As a pianist, he has recorded some 40 albums, another mark that few of his peers can hope to match. As a composer, he has written thousands of songs, and at the same time, become a recognized authority on other noted composers, such as George Gershwin. Since the early days of television, Mr. Allen has demonstrated his creative abilities that have earned him recognition as one of the truly creative pioneers of the medium.

Despite these remarkable accomplishments, Mr. Allen continues to be a still-developing artist, ever expanding his talents. During the summer, he has toured theaters across the country with his wife, Jayne Meadows, in three Noel Coward plays, appearing in small towns and cities. His future plans extend into every area of the entertainment spectrum.

If there is one bridge between the tremendous spread of his achievements, it is humor. Mr. Allen is a consummate artist in the varied professional fields, but the quality of humor is always present in his work.

Should he confine himself to the entertainment world, he could hardly be criticized, but Mr. Allen has a sincere concern for political participation as well. He never hesitates to lend active support for candidates or social legislation when he feels changes are needed.

He is, in effect, a modern-day, Renaissance man who reaches out to all the arts. Therefore, it gives me sincere pleasure to salute this exceptional artist and to convey the thanks of America for his many contributions to our happiness and well-being.

EARL WARREN'S LEGACY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. RANGEL. Mr. Speaker, it is difficult to find words to express anew my respect and admiration for the late Chief Justice of the Supreme Court, Earl Warren, and his innumerable achievements for the cause of justice. Where will we find another man of equal foresight, equal courage, and equal humanity?

The only adequate memorial to this great man is to carry out his visionary decisions, to instill meaning in the words "equal justice under the law." The man immortalized by impeachment billboards and bumper stickers would care less for our words than for our actions in praise of him. The following WCBS editorial describes Earl Warren's accomplishments and implicates his unfinished legacy: social progress and equal justice:

The Warren Court

The words "equal justice under the law" are writ in stone on the Supreme Court building in Washington. And no court in our time espoused the cause of equal justice better than the Supreme Court of Chief Justice Earl Warren.

It was the Warren court that handed down the one-man one-vote decision—a decision Chief Justice Warren regarded as its most important achievement. One-man one-vote meant that each member of a legislature had to represent the same number of voters. Sparsely populated rural areas could no longer be represented by the same number of legislators as densely populated urban areas. For, as Chief Justice Warren said, "Legislators represent people not trees."

Then there was the landmark "Brown" decision. The decision written by Earl Warren 20 years ago declared that racial segregation in public schools was unconstitutional because it resulted in unequal education. That was just the beginning. "Brown" opened the floodgates for court decisions that struck down racial segregation in public parks, bus terminals, housing, swimming pools and other public facilities.

The Warren Court also advanced equal rights for those accused of crimes. The court ruled that every defendant no matter how poor should be guaranteed legal counsel, and in the famous "Miranda" case, it held that all persons had the right to consult a lawyer before they were questioned by the police and to be advised of that right.

These decisions added up to a quiet social revolution and the Warren court was accused of everything from coddling criminals to usurping the powers of Congress. Segregationists and John Birchers printed up bumper stickers and billboards that demanded "impeach Earl Warren."

But the 16 years Earl Warren was chief justice resulted in great social progress and during those years new life was breathed into the words over the doorway—"equal justice under the law."

Presented by Sue Cott, Editorial Associate, July 10, 1974.

AIR FORCE HONORS WILLIAM BERLIN'S KARAMURSEL EDUCATION CENTER AS AIR FORCE'S BEST IN 1973

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. BLATNIK. Mr. Speaker, I would like to submit for the Congressional Record an article from Stars and Stripes announcing that the Air Force has named the educational center in Karamursel, Turkey, under the direction of William Berlin, as the best Air Force educational center in 1973. As a long-time friend of Mr. Berlin, I would like to congratulate him on this well-deserved honor and wish him well in his new assignment at the Misawa Air Base in Japan. I know that he will bring the same hard-working, serious approach to providing the best possible educational opportunities for the Air Force personnel in Japan as he has at the Karamursel Center. The article follows:

Honored Education Center Sets High Goal

(By J. King Cruger)

Karamursel, Turkey.—How does an education center get to be the best of its kind in the Air Force?

By innovating and trying harder, say those in charge at Karamursel Common Defense Installation's center. They should know, since they have been named the best in the Air Force for 1973.

The base and the ed center's staff takes education seriously. By order of the base commander, everyone reporting to the base must come to the center for a briefing.

"This is supposed to be mandatory everywhere in the Air Force, but about 90 per cent of those we see have never had a thorough briefing," says William A. Berlin, education center director for the past six years.

Berlin, who will take over the education center at Misawa Air Base, Japan, believes in being aggressive when it comes to education.

"By the end of each June we aim to have no non-high school graduates on this base. We just don't allow people to be here without a high school diploma. One way or another, we'll get a man without a diploma to come in here and earn one. We may have to needle him and we may have to put a little pressure on him. Whatever it takes we'll do it," he says.

And, do it they do. More than 67 per cent of the 1,600 service personnel assigned to the trim, little base south of Istanbul are enrolled in courses they attend during off-duty time.

"Our goal is to have each person leave here with at least two year's college education or the equivalent," says Berlin.

"At the last IG inspection there was no base in USAFE within 60 percentage points of us when it came to those taking courses through local education centers," Berlin says.

Besides Berlin, the ed center staff consists of counselor Chester Maxwell, who moves up to acting director when Berlin departs, T.Sgt. Payton Tanner, NCIOC, and Mrs. Chris Wettle, testing monitor.

In addition to running GED and PREP programs, the center offers courses leading to undergraduate degrees through the University of Maryland and City Colleges of Chicago, and graduate degree programs through Arkansas and Wayne State universities.

Non-credit 10-hour "kitchen" Turkish classes are held four nights a week for all newcomers.

AMENDMENTS TO H.R. 16090, AS REPORTED, OFFERED BY MR. CRANE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. CRANE. Mr. Speaker, when the House considers H.R. 16090, the Federal Election Campaign Act Amendments of 1974, I will be prepared to offer the following amendments:

Amendment to H.R. 16090, as Reported, Offered by Mr. Crane

Page 2, strike line 13 and all that follows down through page 3, line 3, and insert in lieu thereof:

"(2) no candidate or authorized committee may accept contributions from other than individuals or political party organizations."

Amendment to H.R. 16090, as Reported, Offered by Mr. Crane

Page 2, line 16, strike out ", exceed $5,000." and insert in lieu thereof ", exceed $1,000."

Amendment to H.R. 16090, as Reported, Offered by Mr. Crane

Page 4, following line 8, add the following new paragraph:

"(7) For purposes of this section, with respect to a political committee which establishes, administers, and solicits contributions to a separate segregated fund supported by payments from a corporation or labor organization, as permitted under Section 610, the term 'contribution' includes the 'fair market value of services' which an individual who is an employee or member of such corporation or labor organization, respectively, provides to such a committee for, or for the benefit of, a candidate, or which such an individual provides to, or for the benefit of, a candidate at the direction of such a committee."

Amendment to H.R. 16090 as Reported, Offered by Mr. Crane

Page 18, immediately following line 2, add the following language:

"Sec. 103(a). Section 610 of title 18, United States Code is amended by adding at the end of the second paragraph thereof the following:

"*Provided further*, That it shall be unlawful for money or anything of value secured by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisals, or by dues, fees, or other monies required as a condition of employment, to be used to pay the cost of (1) communications by a corporation to its stockholders and their families or by a labor organization to its members and their families supporting or opposing any candidate for any of the offices referred to in this section, or supporting or opposing any political party or political committee, or (2) establishing, administering, and soliciting contributions to a separate segregated fund to be utilized for political purposes by a corporation or labor organization."

Page 18, line 3, redesignate Sec. 103 as Sec. 103(b) by inserting "(b)" before the words "Section 611 of title 18,".

AMENDMENTS TO H.R. 16090

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HANRAHAN. Mr. Speaker, when the House considers tomorrow the Federal Election Campaign Act Amendments of 1974 I intend to offer two amendments. The first would eliminate cash contributions and the second would provide for the disclosure of income and net worth. I, therefore, submit my amendments as follows:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. HANRAHAN

Page 11, line 10, strike out "which, in the aggre-" and all that follows down through line 13, and insert in lieu thereof "for Federal office.".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. HANRAHAN

Page 47, immediately after line 6, insert the following new section:

DISCLOSURE REQUIREMENTS

SEC. 303. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by adding at the end thereof the following new section:

"DISCLOSURE OF INCOME AND NET WORTH

"SEC. 408. (a) Every candidate for Federal office and every individual holding Federal office shall transmit to the Board of Supervisory Officers and to representatives of the communications media designated by the Board under subsection (b), not later than April 30 of each year, a statement which discloses—

"(1) the net worth of such candidate or individual as of the close of the most recent calendar year; and

"(2) the gross income and taxable income of such candidate or individual for the most recent calendar year, as indicated on the income tax return of such candidate or individual required to be filed by section 6012 of the Internal Revenue Code of 1954 (relating to persons required to make returns of income).

"(b) The Board shall publish annually a list of representatives of the communications media in each congressional district, together with a list of such representatives to whom any candidate for Federal office and any individual holding Federal office shall transmit the statement prepared by such candidate or individual under subsection (a).

"(c) The Board shall make available for public inspection any statement transmitted to it under subsection (a).".

INFLATION AND THE CONGRESS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. BINGHAM. Mr. Speaker, a timely article on the special problems the current inflation presents for the Congress appeared recently in the Daily Labor Report published by the Bureau of National Affairs, Inc. (BNA). The article, the first of a three-part report by Ben Rathbun, associate editor for BNA, follows:

I

Faced with what is more and more regarded as the country's most disquieting economic prospect since the 1930s, the Congress finds itself in a dilemma. With Election Day less than three months away, it is engaged in a sometimes frantic quest for practical answers to the inflation problem. Having gone along, with the overwhelming endorsement of the officialdom of business and labor, in the termination of price and wage controls and of the agencies involved with administering the controls, Senators and Representatives now assert that they have no satisfactory answers to the most bullying current question of their constituents: "What are you doing about inflation?"

The problem is compounded by what amounts to a breakdown of mutual confidence, particularly on the inflation issue, between the Congress and the White House. Many in Congress who yearn for better responses on the hustings flatly refuse to support legislative proposals that provide more authority to the White House on price and wage policy. Moreover, their position is mild contrasted with that of the unions, the dominant Capitol Hill pressure group on stabilization policy. Unless Richard Nixon evacuates the White House, the AFL–CIO is not likely to support even the most milktoast stabilization proposals calling for an Executive Branch role in the process.

In effect, labor has become the key to the now doubtful prospects of substantive anti-inflation legislation in this session. However, if Congress should approve legislation going beyond budget restraint in the appropriations process, the most likely bill is the Muskie-Stanton proposal for an Executive Branch monitoring task force with *no power* to impose direct controls on prices and wages.

However, Congress is getting good marks for its creation of the new Senate and House budget committees that make it more likely, but by no means certain, that the appropriations for government spending will be done on a unified basis, instead of by the current fragmented and uncoordinated approach. Depending upon the makeup of the committees and on their administration, their establishment is broadly regarded as an indispensable first step toward an effective national stabilization policy.

Meanwhile, the White House appears to have rejected the advice supported by the President's former chief economic counselor, George P. Shultz, the ex-Secretary of the Treasury, and by John T. Dunlop, the ex-chairman of the Cost of Living Council, that the inflation crisis demands a more comprehensive policy than reliance on keeping a lid on federal spending (fiscal restraint) and keeping a lid on the credit supply (monetary restraint). Before leaving the Administration, Shultz and Dunlop told Congress that fiscal and monetary restraints are important but not sufficient to bring prices under control.

Shultz and Dunlop had supported the concept of an active monitoring agency that would work on an industry-by-industry and on an agency-by-agency basis with business, labor, and the government agencies. The purpose would be to open supply bottlenecks and to induce other reforms to expand supplies and reduce price pressures. The formula offers no immediate prospect of lower prices but is regarded with increasing favor at the Capitol because of its focus on structural and other fundamental causes of inflation. The White House has not explicitly rejected the Shultz-Dunlop approach and even has given it limited lip service. However its actions, particularly when the issue was before the Senate in early May, suggested a distinct lack of enthusiasm for the idea.

Because of the congressional-White House stalemate, the dominant view in Congress is the constructive policy progress on inflation must await the resolution of the current impeachment proceedings.

SURREY'S CONSENSUS

The above are some of the major points that emerged in a series of BNA interviews on what has been happening and what may happen with government policy in inflation. The sum of the comments of Administration officials, senators, representatives and Capitol Hill staff members, government and private economists, and business and union leaders and their counselors also might be illustrated by a Capitol anecdote.

This spring when the Congress was considering the extension of the Economic Stabilization Act, Arnold Mayer, the respected lobbyist for the Amalgamated Meat Cutters, greeted a Senate lobbyist for the White House in this jocular fashion: "Well, what's the unchanged White House position today?" The White House emissary's tongue-in-cheek answer was this: "The unchanged White House position for today is that we are firmly waffling."

The BNA interviews suggest that "firmly waffling" is an appropriate phrase for the approach of both the White House and the Congress in the last six months. They indicate that something akin to policy stagnation on inflation was the dominant condition at both the Capitol and at 1600 Pennsylvania Avenue.

THE SULLEN BECOME MUTINOUS

However, during the past several weeks, both the White House and the Congress have shown more surface signs of mounting a more vigorous search for answers to the critical questions posed by the country's price and interest rate surge. The shifting mood at the Capitol began to manifest itself after members returned from July 4th recess visits to the districts. The climate back home was described by a Joint Economic Committee staff expert, quoting the late Herman Hickman, the Yale football coach, as changing "from sullen to mutinous." Senator Lawton Chiles (D-Fla.) reported at a July 19 conference that he and other senators found that "our people are in a state of near panic over inflation." The July 23 call of a group of conservative and nonactivist senators headed by Dewey Bartlett (R-Okla) for a White House conference on the price crisis also signalled the rising concern of their constituents. Key staff members also began to be sounded out by leading Democratic Senators about an early initiative for establishing an anti-inflation agency.

In the House, its stronger recent antipathy to controls, monitoring or review board measures, continued to be marked. Although aware that no effective policy response capable of satisfying the troubled voters is at hand, numerous Congressmen indicated that the mounting pressures on them "to do something" might force some sort of Democratic legislative initiative during the next two months.

The pressure on Congress also was raised when Arthur F. Burns, the Federal Reserve Board chairman, in effect chided it on July 30 for a do-nothing attitude this spring and called for the reestablishment of the Cost of Living Council, including the Construction Industry Stabilization Committee.

BRONX CHEERS FOR CONTROLS

In the picture at the Capitol, the major unrebutted proposition is the absence of significant support for the reimposition of price and wage controls proposed by Senate Majority Leader Mike Mansfield (D-Mont) and by the House's most influential economic policy leader, Ways and Means Committee Chairman Wilbur Mills (D-Ark). Despite their considerable clout with their colleagues, recent proposals by Mansfield and Mills "sank like iron balls," according to a Congressional observer.

It is noteworthy that the most likely supporters of emergency controls like the Democrats' Shadow Cabinet economists, who have been advising House Speaker Carl Albert (D-Okla.) on anti-inflation policy, declared in their mid-July statement that "an early return to controls is impossible atfer the recent unhappy experience." The Albert panel included its chairman, Otto Eckstein of Harvard University, as well as Arthur Okun of the Brookings Institution, Walter W. Heller of the University of Minnesota and the National City Bank of Minneapolis, and Leon Keyserling, a consulting economist in Washington. All are former chairmen of the Council of Economic Advisers under Democratic Presidents.

The President added his voice to the current anti-controls chorus with his July 25 speech asserting his repudiation of "the discredited patent medicine of wage and price controls."

A BET ON NO-ACTION ON THE HILL

Although the pressures are building at the Capitol, the current skepticism about what might happen was summed up in this comment from a senior staff advisor to the Senate Banking Committee: "Congress will be writhing, snorting, heaving, huffing and puffing right up to Election Day, but I doubt that we'll come up with any kind of anti-inflation agency unless the Fords move into the White House." Among the reasons for the current consensus that no decisive action will be approved by the current Congress are these:

A measure that is more than a Band-Aid must involve wage restraint and would come when labor is engaging in a "catch-up" operation. A powerful and controls-minded Northern Democratic Senator said: "I can't see Congress taking on labor during an election year campaign."

Congressmen and lobbyists, particularly the union representatives at the Capitol, also stress that the Watergate issue had given the Democrats such a lead in the fall elections that the pressure for substantive moves on inflation, outside of action on appropriations bills or individual social programs, had dropped dramtically. AFL-CIO and UAW lobbyists insisted that the Democrats will gain markedly at the polls in the fall elections because of the impact of Watergate. A UAW spokesman said: "If the Democrats weren't in such good shape because of Watergate, they would have to make another run at inflation on the floor just to show their good faith. They may still do just that, but Watergate has made it a lot easier to duck that one."

A spokesman for the House Banking Committee said that "labor is the key to any action" to be taken on an anti-inflation agency in this session. The AFL-CIO's attitude is that labor wants no added stabilization authority given to the White House while President Nixon remains in office. As an AFL-CIO spokesman put it: "Right now, either controls or a monitoring agency is out as far as we're concerned. We can't trust these bastards." This attitude also is shared by many Democrats at the Capitol although it has been little discussed in public forums.

The chances of price and wage legislation in the Senate also will be conditioned by the impeachment schedule as well as by the Senate's estimate of the prospects for conviction. If the House were to impeach the President, the Senate is expected to go on an intensive "trial" schedule leaving no time for debate except for appropriations or emergency issues.

Majority Leader Mansfield said on July 23rd that all committee sessions would be cancelled during the impeachment trial so that "every Senator can be in his seat." He explained that the "normal workload would go by the wayside" except for recessing for "an hour or so" to keep the appropriations bills moving or to handle special legislation.

However, key Senators have indicated that the forces for action on inflation may be strong enough by September to shove a bill onto the floor. This would depend in part on whether the leadership were persuaded that this would not be what Senator Stevenson (D-Ill) called "an exercise in futility." For example, if the House were to vote impeachment by a decisive margin, this might make a Senate vote for conviction of the President more likely. Such a situation might improve the odds on the Senate's passing legislation for a monitoring agency with no control power, for example. The prospects of a new President would help dissipate current Senate inhibitions against giving the Executive Branch authority to run a monitoring or review board operation.

A RENEWED LOOK AT MONITORING

The Muskie amendment calls for a monitoring agency with *no direct or standby controls authority*. Such an amendment was narrowly defeated in the Senate in early May after being approved on a preliminary vote. On the House side, a comparable bill introduced by Representative J. William Stanton (R-Ohio) was knocked down quickly in the Banking Committee.

The Muskie amendment empowered the monitoring agency to focus on specific industries with key supply shortages. With an industry-by-industry approach, the agency would work with business and sometimes with union officials to deal with the problems (a rickety collective bargaining structure; under-capitalization; financing problems aggravated by the government's environmental compliance policy; or other problems peculiar to the industry). The agency also would conduct a continuing review of major governmental buying programs so that their impact on overall consumer and wholesale prices would be taken into account along with a department or bureau's more parochial concern with its immediate constituents. The agency also would have the power to put the spotlight on controversial wage and price decisions by holding hearings and calling for detailed data.

As described by last spring by its principal sponsors, Shultz and Dunlop, it would be *"an operational agency."* It was *not* seen as an organization confined to collecting data and issuing periodic accounts of what had happened in the past. Its mission would be to spot and influence policy decisions *to come.*

However, congressional observers think the monitoring agency lacks "sex appeal" as an election-year action program. It's regarded as offering no "here-and-now" relief to the voters. As Representative Bill Frenzel (R-Minn.), a Banking Committee member said: "Passage of a monitoring bill could merely show that we're trying to do something about the problem. It would be another arrow in the quiver."

THE AGENDA OF ALTERNATIVES

Among the other proposals that may get serious attention on the Hill are these:

A price and wage review board which could ask private or public parties to defer crucial wage or price decisions for 20 to 45 days while the board or its designated panel held hearings or otherwise looked into the decision's impact on prices.

A proposal for selective controls exercised by the White House with congressional oversight. Under this standby control legislation, whenever the President invoked his authority to apply controls to a given product or industry, Congress could veto the action by concurrent resolution. FRB Chairman Burns also has proposed that Congress review any such grant of authority every three to six months to determine how it is being used or not used, and whether it should be extended for another brief period.

The proposal by Representative Jonathan B. Bingham (D-NY), who—like the President—served briefly in the Office of Price Administration, to give Congress the power under a standby controls measure to impose selective controls by its own action "when the President fails to act to achieve the [stabilization] targets." This "novel" procedure, contained in a broader bill (H.R. 14189) with 17 co-sponsors, might be necessary "where, as in the present situation, the executive branch has proven incapable of administering controls in an equitable manner," Bingham noted.

A very detailed stabilization bill, including controls on raw food products, exports, interest and rents as well as on wages and prices. This approach reflects the yearning among the Democratic congressional leadership for a bill acceptable to labor, particularly in a campaign year when real spendable earnings are lagging. The hope would be to quiet labor's fears that it could not get a fair shake under Administration controllers. This approach has received the informal support of of AFL-CIO Secretary-Treasurer Lane Kirkland.

However, the idea evokes strong skepticism at the Capitol even among strong AFL-CIO supporters. Robert O. Harris, a legislative adviser of Senator Eagleton (D-Mo.) reflected this view in his comment: "That just stuff and such. There's never been a program that Congress wrote that didn't have to be spelled out by the Executive Branch." He added: "As a practical matter, we can't say to the Executive: 'You have to take our words literally and not change them one whit.'"

John Dunlop also has pointed to the tendency for detailed stabilization legislation to get overladen with special-interest amendments. George Shultz also recalled how President Harry S. Truman "vetoed [one] . . . version of an economic stabilization act simply because it had gotten loaded up with so many things that he thought it was unworkable."

The concern with labor's "loss" position under controls also is indicated in the proposal of Representative Brock Adams (D-Wash.) for an independent federal agency, the Economic Stabilization Board, with the power to impose controls on prices but *not* wages (H.R. 14436). Adams said: "It is my hope that, in limiting the scope of the bill to the direct control of prices and not wages, we can strengthen the collective bargaining process." He added that the inability of industry automatically to pass on wage increases as higher prices should serve as "a restraining influence on huge wage increases which could fire inflation."

REUSS PROPOSALS

A congressional anti-inflation policy with a more practical chance of adoption than pending anti-inflation agency bills has been pushed by Representative Reuss, one of the most potent House Banking Committee members. As he put it in an interview: "With controls gone for a year or more at least, something must be done for the average employee who has taken a royal diddling." His recommendations may be closer to a consensus on Democratic Party policy on incomes policy than most other bills now pending. They involve the following features:

Adoption of "an essentially neutral fiscal and monetary policy." This means fighting inflation and recession "by how we spend our money rather than by how much we spend," Reuss noted.

Tax relief for low and modest-income families that would take the form of lower payroll taxes, higher standard income-tax deductions, or conversion of the personal income-tax deduction into a tax credit. Reuss's wryly-put notion would be to provide relief to the average employee "without helping J. Paul Getty any further." Reuss noted that "roughly $10 billion has been shifted" from the lower brackets to "the highest income families" since 1968.

A "social contract," including this tax relief, under which the employees would agree through their unions "not to ask for the moon" in contract negotiations. The "social contract" notion, rejected as impractical by FRB Governor H. C. Wallich and others, is similar to proposals advanced by Economists James Tobin of Yale and George Perry of Brookings.

Reshuffling the President's spending priorities by "trimming the defense budget, and boosting public service employment, transportation, and housing."

Selective credit allocation for housing, mass transit, etc.

Curbing the lending policies of the Commodity Credit Corporation, the Export-Import Bank and other U.S. agencies that have an inflationary impact on domestic prices. For example, Reuss took exception to a highly favorable CCC-administered $45 million 15-year loan to Iran for buying U.S. wheat in 1973. There was no good reason, he said, to favor "oil-rich Iran" in the first place. More importantly, the deal would drive up wheat prices for the American consumer. As Reuss put it: "While the Iranians gouge the Americans on oil, the CCC gouges the Americans on wheat. With our wheat dissipated . . . bread prices here rise . . . And, of course, the taxpayers pay for the [CCC loan] program."

Reuss was among the Democrats behind the move to get a reluctant Speaker Albert to seek advice on incomes policy from the panel of economists headed by Otto Eckstein of Harvard. The panel's recommendations are similar in important respects to the above proposals presented earlier by Reuss. The tax relief (but not the "social contract" concept) and the selective credit allocations for housing, mass transit and other predominantly anti-inflation programs also were included in the Democrats' July 31 response to the President's July 25 address on the inflation issue. The Democratic spokesman, Senator Lloyd Bentsen (Tex.) also endorsed a wage and price task force along the lines of the Muskie-Stanton bills.

A dissenting member of the Eckstein group, Harvard Professor J. K. Galbraith, taunted his colleagues for failing to offer anything significantly different from the White House formulas of budget cuts and tight credit. A statement by Galbraith and economist Robert Lekachman said the prescriptions presented to the House by the Eckstein group provided "nothing" in the way of "remedies." As the Galbraith-Lekachman statement put it: ". . . at most, there are prayer and hopeful prediction, both of which the Administration has already exploited to the full."

•

SUPPORT FOR HOUSE INTERNAL SECURITY COMMITTEE

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ASHBROOK. Mr. Speaker, as do many of the House committees, the House Internal Security Committee has, so to speak, its own "constituency," composed of security groups in the public and private sectors. During this past Spring, I have placed in the CONGRESSIONAL RECORD the endorsements and resolutions of a few such organizations who have supported HISC, its appropriations, and its continuance as a viable, permanent standing Committee of the House.

Today I wish to place on the public record the unsolicited comments of a small selection of corporation and industrial executives from among the hundreds who have written to the committee requesting copies of its hearings and studies on the revolutionary antics of New Left terrorists. These comments, I believe, will speak for themselves. Following those will be a few similar quotations from several Government officials whose remarks are also very gratifying, indicating as they do that HISC's publications are serving a worthwhile and useful purpose:

INDUSTRIAL COMMENTS

From a major paint manufacturer in Ohio:

> I appreciate your kindness in sending me copies of the Committee's publications. I am very much interested and hope that I may receive other publications in the near future.

From a large steel company in Pennsylvania:

> You can be sure that I will not only read them (HISC's publications) with interest but will also see that they get to the attention of other interested people in our company.

From a major manufacturer of automation equipment in Minnesota:

> I regard the Committee on Internal Security as an essential means of spotlighting activities of groups which would prefer to work in the dark but warrant scrutiny.

From a major manufacturer of electrical control apparatus in New York:

> The Committee is a valuable asset to us in the Industrial Security field.

From a top designer and manufacturer of aircraft and missiles in California:

> These reports will be invaluable to us in our educational programs aimed at enhancing our Defense Security efforts through security awareness and consciousness.
>
> We should be most grateful if I might obtain three more copies of each for use in other divisions of this corporation.

From a leading producer of pharmaceuticals in New Jersey:

> The study (HISC's study on Political Kidnappings) would be of interest to a number of my counterparts in corporate security positions in industry. I would appreciate your sending me six additional copies which I could then make available to them.

From a major producer of aviation, automotive, and electronic products in Michigan:

> I received with sincere interest the publication on the subject of industrial espionage. I have tried over the years to keep in touch with and support the activities of not only your committee but the old committee under the title of "The Committee on Un-American Activities". My best wishes for your continued success.

From a leading producer of lumber and paper products in Iowa:

> I wish to thank you for sending me the publications. . . . I found these to be very informative and interesting.
>
> I would like very much to be placed on your mailing list for future publications.

From a major manufacturer of food products in Ohio:

> We feel (your) publication may be useful as information to our security program.

From a communications corporation in Missouri:

> We sincerely appreciate your service to the public in these matters (of HISC's publications).

From a multinational corporation which manufactures weapons control systems, navigational equipment, and business machines in New York:

> I am appalled that our legislators expend any time in listening to and evaluating over and over again the attempts . . . to scuttle what I believe is not only an extremely competent and efficient fact-gathering vehicle to assist our legislators, but also an excellent medium for information to the various intelligence groups in government and contractors performing on high-level classified work.
>
> All of the security officers, and I, have found the findings of the Committee on Internal Security have helped immensely in conducting good, classified security programs. I know I can also speak for my contemporaries in and out of government service.

From a major public utility in the Midwest:

> I have followed the work of HCIS and its predecessor, the HCUA for over ten years. Their publications have been enlightening to me and important to the protection of the finest system of government in the world. Their efforts have been well directed and fruitful and they serve a need which is as important now as ever before.

From a large corporation in New Jersey:

> I am convinced that the House Committee on Internal Security has performed a service to the country and do not see how any freedom loving, patriotic American could help but share my view that the only repression this committee is engaged in involves those elements who are working extremely hard to undermine and destroy the very foundations of this republic. In short, I feel very strongly that the House Committee on Internal Security performs a worthwhile and essential function, particularly at a time when all of our institutions and principles are under attack from so many directions. Please be assured that this letter represents not only my views but very similar views held by numerous of my friends and associates. . . .

From a multinational, West Coast corporation which specializes in business, defense, and marine systems:

The publications of the HCIS provide reliable and useful reference data for individuals and organizations with responsibilities in the field of National Security.

In my opinion, the HCIS is making an important contribution to National Security and its activities should receive the wholehearted support of the Congress.

From a large manufacturer of photographic equipment in the East:

I read with particular interest, the study on the Symbionese Liberation Army and . . . on Political Kidnappings, 1968–73, in that they relate to the concern of all Industrial Security people regarding possible hostage situations.

From a national industrial service association:

Continued discussions among the members of our group bring out the unanimous belief that the work of the House Internal Security Committee is absolutely essential for the well-being of this country. A prime example, the Symbionese Liberation Army (SBA) and the kidnapping of Mr. Hearst's daughter. . . .

From a private industrial training facility in New England:

The Academy trains students for the fields of Retail and Industrial Security and this volume (a committee publication) would assist our staff of instructors in this vital area of security. If it is at all possible to secure a few additional copies of our students' library, we will be ever grateful.

From a supporter in Palo Alto, Calif.:

In these days of violent revolutionary activity within the United States . . . , I firmly believe that it is extremely important that accurate, factual information concerning violence oriented revolutionary groups and individuals be brought to the attention of the American people and of course to Congress itself. . . .

Without this Committee the public would have no way of obtaining a true picture of the situation, nor, do I believe, would Congress.

GOVERNMENTAL COMMENTS

From a security specialist at a missile facility in the Southwest:

Any and all material on internal security of the United States would be appreciated. . . . The information you send helps to keep me informed on security matters.

From a security facility in the Department of the Army:

Thank you for . . . forwarding to me twelve copies of "Conduct of Espionage Within the United States". I have distributed them to our field locations, where they have been well received.

There has also been interest expressed in the Committee's . . . "Annual Report" and in "American Maoists: The Revolutionary Union, The Venceremos Organization."

This headquarters has responsibility for directing the conduct of physical security and emergency preparedness surveys of those industrial facilities . . . essential to mobilization programs or military operations. Information such as that contained in the above documents is frequently sought after by industry.

From another security facility of the Army in the Southeast:

We would appreciate four copies of that publication for instructor use.

From a nonmilitary, Government agency:

Personnel of the . . . staff have read these publications and find them interesting and informative.

I am very interested in obtaining additional copies of the publications you sent to me for use at our training. . . .

From a U.S. Naval facility:

As the Security and Safety Division Head . . ., the subject of industrial espionage is of great interest to me.

I would appreciate it if you would forward a copy of this publication entitled, "Conduct of Espionage Within the U.S. by Agents of Foreign Communist Governments".

From the director of a county civil defense unit in the Southwest:

I would appreciate a copy (of a committee publication) to assist us in our Industrial Coordination Program.

SEXIST AIRLINE ADVERTISING—THE FIGHT OF THE ASSOCIATION OF FLIGHT ATTENDANTS'

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Ms. ABZUG. Mr. Speaker, Gus Tyler, the assistant president of the International Ladies' Garment Workers Union, and a nationally syndicated columnist, recently wrote a column on the attempts of the Association of Flight Attendants' to fight against sexist airline advertising.

The AFA, the union of airline stewards and stewardesses, is challenging some of the existing ad campaigns and some of the proposed campaigns. They claim, and I agree, that the advertisements are degrading, disgraceful, and discriminatory. Kathy Rueck, president of AFA, quite rightly states that the primary mission of the flight attendants is the safety of the passengers and nothing else.

I applaud the efforts of the AFA in this campaign and in their other efforts.

I insert Mr. Tyler's column and commend it to the attention of my colleagues:

STEWARDESSES ARE NOT HAREM GIRLS

(By Gus Tyler)

What are the fantasies that flit through the mind of a red-blooded American male executive as he floats above the clouds in a purring super-jet? A reliable source relates the following:

The plane is a magic carpet that transports him to other times and climes. Those lithe young things that smile and slither, tending to his tastes and feeding his fancies, are his odalisques. The cabin is his harem. And he, in his vainglory, is the Sultan of Turkey.

My "reliable source" is Madison Avenue—maker of moods and manipulator of man's madness. Why else would they concoct a slogan like: "Fly me, I'm Barbara?"

The appeal is obviously to male prurience. Otherwise, why not, "Fly me, I'm Robert." Actually and factually, this latter slogan makes more sense. The pilots are men—not women.

The Madison Avenue reading of the male mentality must be accurate because the air line agency is about to carry its sex appeal one step further. The proposed new slogan is to read: "I'm going to fly you like you've never been flown before."

This is carrying things too far, says the Association of Flight Attendants, the union of airline stewards and stewardesses. Apparently there are some people who take this advertising seriously. They choose the publicized airline because they do believe that their ticket to wherever is really a passage to a fabled land where they will be the harem master.

The president of the flight attendants union, Kelly Rueck, proclaims that AFA is "ready to take all appropriate actions, including lawsuits if necessary, to halt the spread of these disgraceful and discriminatory campaigns . . . This is outright sex-selling and it's degrading."

Flight attendants are messengers of mercy and not geisha girls. "According to federal law, flight attendants have but one prime mission abroad airliners—to insure the safety of their passengers in the event of an emergency. Further we take great pride in both our personal professionalism and the quality of our inflight service.

"If sex-oriented campaigns are designed to lure passengers by suggesting they will get anything more than safe, courteous service, the airlines are not being honest with the public."

Perhaps, some overexpectant male might sue the line for breach of promise. But, basically, the union is defending its dues-paying members against the hyperstimulated attentions of those transported passengers who see in the airline ad a license for the licentious. Peddling booze, juggling trays, caring for kids, aiding the elderly, calming the panicky, ordering the disorderly, medicating the sickly, checking the unbelted, storing the baggage, and answering the unanswerable about weather are chores enough without having to massage the aching ego of some misled male.

While the AFA is fighting for itself, it is also making a bigger point: There are publicly useful professions for women that are totally unconnected with the world's oldest profession.

MEDICAL CARE FOR ALLIED VETERANS OF WORLD WARS I AND II

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. GILMAN. Mr. Speaker, yesterday the House passed H.R. 13377, by a vote of 341 to 40. I was pleased to support this measure providing medical and hospital care for members of the Armed Forces of Poland and Czechoslovakia who served with the allies in World War I and II and who have been citizens of the United States for at least 10 years.

As cosponsor of this legislation, I feel strongly that the passage of this measure will correct a loophole in our veterans' benefits laws which prevent some of our most patriotic citizens from receiving the medical assistance they need and deserve.

During World War I and II, many citizens of allied countries joined with our Armed Forces in defending and preserving the world from tyranny and oppression. But the peoples of Poland and Czechoslovakia were denied the freedom for which they fought so bravely.

Accordingly, many of these men and their families emigrated to the United States where they have made significant contributions to the development of our great Nation.

However, since these men were not technically members of our Armed Forces, they were not eligible for any veterans benefits. Moreover, because their former fatherlands are under Communist control, many of them have nowhere to turn for the medical attention they need and deserve.

Accordingly, I am pleased that this measure passed the House and look forward to prompt and favorable consideration in the Senate.

AMENDMENTS TO H.R. 16090

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ARMSTRONG. Mr. Speaker, I wish to give notice of my intent to offer the following amendments to H.R. 16090 when it is considered by the House:

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 6, line 20, strike out "1973." and insert in lieu thereof the following: 1970.".

Page 6, strike out line 21 and all that follows down through page 7, line 10.

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 7, line 10, strike out "reference".

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 13, strike out line 6 and all that follows down through page 14, line 12.

And redesignate the following subsections accordingly.

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 15, strike out line 5 and all that follows down through "(D)" in line 10, and insert in lieu thereof "(C)".

Page 15, line 16, strike out "(E)" and insert in lieu thereof "(D)".

Page 15, line 20, strike out "(F)" and insert in lieu thereof "(E)".

Page 15, line 23, strike out "(G)" and insert in lieu thereof "(F)".

Page 16, line 11, strike out "(H)" and insert in lieu thereof "(G)".

Page 16, line 19, strike out "(I)" and insert in lieu thereof "(H)".

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 49, strike out line 17 and all that follows down through page 53, line 16.

And renumber the following sections accordingly.

Amendment to H.R. 16090, (s Reported, Offered by Mr. Armstrong

Page 61, strike out line 14 and all that follows down through page 78, line 3.

And renumber the following sections accordingly.

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 35, line 11, strike out "Code".

Amendment to H.R. 16090, as Reported, Offered by Mr. Armstrong

Page 78, line 3, strike out "received".

THE SOLUTION TO INFLATION BEGINS AT HOME

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. SHRIVER. Mr. Speaker, President Nixon has asked that each American do his or her part to curb the skyrocketing costs of living. As prices continue to rise, the President has suggested that we must look to ourselves for cures to the problems of inflation.

The Wichita, Kans., Eagle, the largest daily newspaper in my congressional district, has editorialized in support of anti-inflation proposals suggested by the President. The editorial reiterates the President's suggestion that the most successful anti-inflation lobby begins at home. Under leave to extend my remarks in the Record, I include the Eagle editorial:

[From the Witchita (Kans.) Eagle, July 30, 1974]

Its Up to Us

President Nixon offered no major surprises or innovations in his assessment last week of the inflationary fix with which Americans somehow must cope.

But, in appealing to each individual to help subdue skyrocketing costs of living, the President presented a "sensible, realistic course" that is more rational probably than any dramatic strategy his economic advisers could contrive.

Comforting as it is to blame everything from the farm to the White House for all the nation's monetary ills, the individual must look to himself for a cure to the malady.

"We have worldwide inflation," Nixon said, "because people's demands too often are translated into a supply of votes, not a supply of work, saving, initiative and innovation."

His appeal is for Americans to display patience, spirit and sacrifice—and, of course, to spend less—if inflation is to be halted.

Coincidentally, yet underscoring the woes Nixon outlined, predictions the morning after his speech were that wholesale price figures for July will be increased by 3.5 per cent from June figures. In the natural order of inflation, these higher prices will affect the retail market in August.

The unemployment rate is expected to leap by Thanksgiving, the foreign trade deficit is substantially higher than expected and the administration concedes the gross national product will show a significant drop for all 1974.

Also contributing to the problem are wage increases, more strikes, supply bottlenecks and loan demands keeping interest rates at peak levels.

Nixon's plan, again realistically, begins with cutting the federal budget toward a goal of $300 billion from the $305 billion he originally submitted. And he warned he would veto any congressional actions that would raise federal expenditures above that budget.

To indicate he is serious about saving at the top government level, he said the administration would reduce the number of federal employees by 40,000, thus saving the taxpayers $300 million. To prove his concern is genuine, he might start with the White House staff, which is larger than ever before

It is important, as Nixon stressed, tha federal, state and local governments, business and consumers hold down spending an increase saving.

But the greatest responsibility still lie with the individual. The most successfu "anti-inflation lobby" would be the one i each home.

PRESIDENT NIXON SHOULD RESIGN NOW

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. McCLORY. Mr. Speaker, I am issuing the following statement today, which I call to the attention of the President and my colleagues:

Mr. Speaker, the announcement by President Nixon that transcripts of tapes now released to the House Judiciary Committee are "at variance" with earlier public statements makes the President's impeachment inevitable.

In my mind, there is no longer any viable alternative for the President to consider; he must resign immediately or face certain impeachment by the House of Representatives by an overwhelming and humiliating margin. While I am unable to predict a Senate vote on conviction, today's announcement would seem to make exoneration in the Senate a slim prospect indeed.

I have opposed resignation in the past, but I speculated some months ago that at an appropriate time the President might want to consider resignation. Unquestionably, the time has now arrived for the President to exercise this option.

I can see nothing but benefits accruing from such a decision. First, the Nation would be spared the pain and agony of an impeachment debate and vote in the House, which would, as the President himself has conceded, unquestionably go against him. Resignation now would also obviate the need for what would certainly be a most traumatic impeachment trial in the Senate.

In addition, by resigning, the President and his family could be spared the dreadful anguish which they have suffered for too long a period. If he should resign now, the charges against him would never have to be formalized by a vote of the House of Representatives, a vote that it now appears would be overwhelmingly against him.

Resignation now would also spare the entire Nation the agony that a long debate in the House and the Senate would no doubt produce. The American people have been torn by the aftermath of Watergate and related matters for long enough. They would gain nothing by having it continue for the next several months.

I would urge the President to give immediate and favorable consideration to the possibility of resignation.

THE HOUSE AND IMPEACHMENT

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HANRAHAN. Mr. Speaker, we in the House of Representatives will soon have to vote on the vital issue of impeachment. We must study all the facts for and against the President before determining our votes. I wish to insert the following article from the Wall Street Journal for the benefit of my colleagues:

THE HOUSE AND IMPEACHMENT

Broadcast projections that the House of Representatives will impeach the President by a landslide vote, 300 or more in favor, have been creating a bandwagon atmosphere in the capital, with a mass psychology developing not exactly appropriate to a grand inquest. Among the most serious offenders in contributing to this atmosphere are elements of the right wing of the GOP.

The concern in that quarter has little or nothing to do with the pros and cons of the three articles of impeachment reported by the House Judiciary Committee. Rather it is purely and unabashedly political. The assumption is that in his presumed impeachment and disgrace, Richard Nixon will bring down the Republican Party in the November elections, especially decimating the ranks of the House Republicans.

This will occur, so it is reasoned, because there is no way Republican incumbents can vote, aye or nay, without embittering one faction or the other within their core of support at home. A vote to impeach will lose Nixon supporters in the GOP; a vote to not impeach will lose Nixon critics both in the GOP and among the swing voters. The solution, propounded most persistently by William Buckley of The National Review, is for Mr. Nixon to stipulate House impeachment and invite one and all to vote the articles, without prejudice, in order to expedite a Senate trial.

Presidential aide Patrick Buchanan has now floated the idea that this is a possibility. That Mr. Nixon would even consider this option, if he has, would further damage him. It could only be viewed by the public as a sign of panic and an outbreak of political frivolity. If it were done, those House Republicans who attempted to lean on this rationale to explain their abdication of constitutional obligations would deserve the response they would surely get at the polls.

At the same time we find this idea of a harmonized congressional cop-out despicable, we are no less disheartened by the other side of the coin—the bandwagon notion that an avalanche of impeachment votes is already in the bag. If there are now 250 or 300 votes in the bag, the House is dealing in hypocrisy if it does not suspend the rules and vote without debate.

For more than a year, the nation has been pulled one way and another by blocs either favoring or opposing the President's impeachment, with charges, evidence and inferences changing from one day to the next. For the very first time the people can now focus—through their representatives—on genuine articles, on specific charges, and on the evidence in support of same.

By a wide margin, the Judiciary Committee believes it can prove its case to the satisfaction of the House, the Senate and the American people. But there are those on the committee who obviously were not overwhelmed. We cannot discount one iota the intellectual honesty of men like Wiggins of California or Sandman of New Jersey, both of whom were among the minority of Republicans who voted against the unseating of Adam Clayton Powell. There are still two sides to the impeachment argument, and before judging a matter of this overwhelming importance the House has a duty to allow those arguments to be developed to the fullest.

At this stage of the proceedings, every one of the 435 members of the House has a constitutional obligation to face the issue squarely, hear the issues debated and render his own judgment, putting aside bandwagon psychology, preconceptions and fears of political consequences. The process is spelled out in the Constitution and should be allowed to run its due course.

Public reaction to Judicial Committee members on both sides of the argument has been uniformly favorable. Similarly, those Representatives who have the intellectual honesty to follow the high course and vote their conscience will be able, however they vote, to defend themselves at home.

MARTIN E. LEVINE PRESENTS FAREWELL ADDRESS

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. BROYHILL of Virginia. Mr. Speaker, the outstanding farewell address given by Martin E. Levine at the Falls Church High School graduation exercises on June 7, 1974, has been brought to my attention by F. W. Coleman III of Washington, D.C. Under leave to extend my remarks, I would like to insert this excellent presentation into the CONGRESSIONAL RECORD.

FAREWELL ADDRESS PRESENTED BY MARTIN E. LEVINE

When I first began to compose this speech, I decided to look back and see what my predecessors had said in years past. I quickly perceived that the last thing anyone would want to hear tonight would be a report on what the Student Government had done during the past year. I also knew that by this time, all of us should have realized that, as one of my predecessors stated, "You can't always get what you want."

What was left for me to say?

Well, I thought, I could always flail my arms vigorously and denounce the world. This, however, is not much to my liking. The easiest thing a speaker can do is denounce the world. Indeed, many have gone all too far by criticizing everything in general while saying absolutely nothing in particular. We should all be wary of this type of speaker—he is called a demagogue.

Where does that leave me? Have I nothing to say? Ah, but then I must be a representative of the apathetic youth of America we have all read so much about.

No, I reject that entire premise. With news of worldwide importance brought to us on television over our dinner tables, I cannot believe we have become apathetic. Bewildered or numbed at times perhaps, but not apathetic.

What we have here, I think, is a matter of too much self-satisfaction. Certainly, after completing twelve years of school we have reason to be exuberant. However, I think we may have lost sight of the origin of our education. The idea of free and equal education for all has become such an established right and tradition in this country that we may have forgotten when education was a privilege. All of us here to night have been beneficiaries of an essentially free education. Those of us who are going on to college have learned how expensive education can be. Those of us who are going into the job market will definitely learn how valuable education is. Yet, we have accepted this gratuitous offer, handed down to us by men with a vision of a society which attains freedom through knowledge, without much appreciation of how preposterous such a vision was once held to be.

And so I say tonight that this is not a time for activity reports, not a time for speeches wrapped in philosophical quotations, and most certainly not a time for anyone to heed the ignorant rantings of demagogues. This occasion is a time when we should offer a resounding word of thanks. Tonight, a word of thanks must go to the educators, who try to save us precious time by teaching us what others have already learned, and to our forebears, who knew that, though ignorance may be bliss, only knowledge preserves freedom.

NEEDED—A HOUSE URBAN AFFAIRS COMMITTEE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. RANGEL. Mr. Speaker, 70 percent of Americans live in cities. Yet no integrated approach to urban problems is incorporated in the institutional structure of our Government. Housing, crime, drugs, mass transit, and other areas of concern to our metropolitan areas must be dealt with in terms of the entire concept of the city.

Congressional committees should be reorganized to reflect this need. Representative HERMAN BADILLO of New York has recommended institution of a House Urban Affairs Committee, which is described in the following WINS radio editorial. I recommend it to the attention of my colleagues as an important and commendable measure:

NEEDED—A HOUSE URBAN AFFAIRS COMMITTEE

(WINS radio editorial, aired May 3, 1974, Robert W. Dickey, general manager.)

New York Congressman Herman Badillo plans to offer what we think is a very sound amendment to the committee reform legislation being considered by the House of Representatives.

He will propose that a standing committee on urban affairs be created to provide a coordinated approach to the problems of our cities and densely populated metropolitan areas.

As matters currently stand, city representatives must deal with numerous committees in trying to initiate and continue programs which are vital to the solution of urban problems. Many of these committees are dominated by rural lawmakers who have little or no personal knowledge of city problems. And, as a result, much legislation of crucial importance to cities and their neighboring suburbs does not get fair consideration.

The proposed urban affairs committee would have jurisdiction over all laws and programs with a substantial impact on cities such as housing and urban mass transportation. Both these areas of vital concern have been badly neglected under the present committee structure.

In addition, the committee would provide regional planning for urban affairs, including matters of mutual concern to nearby cities or to cities and their suburban neighbors. Almost 69% of the people live in the nation's 243 metropolitan areas, of whom 31% live in the central cities.

We think it's time for a coordinated effort to solve their problems and a house urban affairs committee would be a constructive step in the right direction.

DEFENSE APPROPRIATIONS—WHERE DO THEY LEAD US?

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. VANIK. Mr. Speaker, today I will vote against H.R. 16243, the Department of Defense appropriations bill. I am compelled to offer my criticism of what I think is an entirely too large and too expensive a measure. It is impossible to deal with an appropriation of this dimension in a single bill.

Mr. Speaker, the Appropriations Committee should be highly commended for their announced intention to not consider supplemental appropriations after passage of this bill. I sincerely hope that the committee can indeed adhere to such a plan in the light of the inevitable pressures that the Department of Defense will bring to bear in the coming months. We must make it clear that the Department of Defense can expect treatment no different than all other Federal agencies, and consequently, they must restrict their appropriation requests to a singular, annual budget request that is otherwise fairly normal procedure. The practice of allowing supplemental appropriations to be considered after an annual appropriation has already been made has diminished the Congress' ability to compare yearly spending levels in an effective and reasonable way. The committee's refusal to consider supplementals goes a long way toward reestablishing congressional oversight in this area.

Mr. Speaker, although I believe that the Appropriations Committee has labored long and hard over this legislation, I think that they have not gone far enough. Although they have made some very well thought out alterations in the bill, there remain areas where large amounts of nonproductive or counterproductive moneys can and should be cut.

To begin, the overall appropriation level of H.R. 16243 is simply not reasonable. The committee recommendation of $83.2 billion is, indeed, several billion dollars less than that requested in the administration's budget, but my colleagues know as well as I do that budget requests are traditionally padded for exactly this reason.

There is evidence that this bill contains more Department of Defense padding then we are even accustomed to. Mr. Speaker, I think all of us should remember that is was not too long ago that Secretary Schlesinger, in response to questions from the Defense Appropriations Subcommittee, revealed that there were extra moneys in the DOD budget request to help ease potential economic problems such as growing unemployment rates. Although the Secretary would admit to only "a billion dollars or a billion and a half in 1975," that DOD padding has been alleged to be as high as $5 billion—another reason for cuts and reductions in this bill before us today.

It is incredible, Mr. Speaker, that we would allow the Defense Department to engage in such indulgence. What assurance do we have that such extra moneys will indeed be used for easing economic pressures? What will happen to these funds if they are not needed? Since when was the Department of Defense overseeing national economic policy?

Another area of much concern to me is the extremely large amount of unexpended and unobligated moneys that the Department of Defense still retains from previous congressional appropriations. It seems only logical that the Congress should force the DOD to spend these moneys by making cuts and reductions in the overall spending level. Why should we allow spending levels that currently provide for almost $7 billion in unobligated funds to continue? Why could not the bill before us today be cut by that amount without suffering adverse affects?

Although I object to the overall spending level of H.R. 16243, I also find particular objection in the level of funding included for military assistance to South Vietnam. After years of war, tens of thousands of American lives lost, and continued high levels of postwar financial and military support, we are now no closer to seeing a stabilized government responsive to the needs of its people that we were when we began. We have made a mockery of an aggressive foreign government.

Instead of an orderly reduction in the amount of aid to South Vietnam, this year's appropriation bill would even increase support by over a quarter of a billion dollars. Has the Department of Defense made any attempts to limit this progressive dependence of American money? No. They have not even been able to tell us where and how $1 billion in aid would be spent.

Mr. Speaker, there are a large number of reasons that this measure should be defeated, but most of all it should be defeated as a signal to our Nation's leaders that we can no longer go on spending money for weapons at this rate. The weapons race will not cease unless we are determined to initiate action to end it.

Mr. Speaker, I urge my colleagues to vote against this bill.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. CONTE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. CONTE. Mr. Speaker, when H.R. '090, the Federal Election Campaign Act Amendments of 1974, is before the House of Representatives tomorrow, August 7, I intend to offer the following amendment:

On page 2, line 16, strike out "$5,000" and insert in lieu thereof "$3,000".

SENATOR BENTSEN'S ECONOMIC PROPOSALS

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DENT. Mr. Speaker, on Monday, August 5, I spoke on the floor of a courageous and intelligent voice in the Senate, Senator LLOYD BENTSEN, and several of his economic proposals, with specific reference to the Export-Import Bank and a general reference to the loan apparatus of this country. Inadvertantly these references were omitted from Monday's RECORD.

I had the pleasure to finally get to know the mind of this astute Texan while serving with him on the just-completed pension conference for H.R. 2, which will shortly come to the floor for final passage. But I was further heartened to know of his abilities recently while viewing his television rebuttal to the President's economic policy speech.

I was particularly struck by the points Senator BENTSEN made in regard to Eximbank and our loan apparatus and I commend them to your attention. The points follow:

The first step is action—decisive action—to channel loan money in the most productive directions. We need urgently to expand the output of America's factories and industries—so that they can supply more houses; more energy; more food. One way to do that is to make it possible for essential industries to get the loan money they need.

In my judgment, the President should waste no time in communicating with banks, insurance companies and other lending institutions. He should urge them to launch a voluntary program of credit discipline—aiming the new loans they make toward the neediest and most potentially productive areas—like the housing industry. He should urge the great lending institutions to hold back on loans that do not contribute to the creation of items in short supply.

To reinforce this program of selective credit, Congress should act to give the Federal reserve more flexibility—enough flexibility to guarantee a reasonable level of loans to encourage home building, to expand manufacturing capacity and to help small busienesess.

Meanwhile, we should look, with a careful eye, at the flow of dollars away from the United States into foreign banks and treasuries.

Earlier this year all restrictions on the outflow of U.S. investment money were lifted. Since then, our own banks have increased their loans to foreign customers by $2½ billion. Those loans, called flight money, are flying away when they could be used at home.

It seems to me that when millions of Americans can't get home loans, when American businessmen can't get financing, we should put some restraints on the flow of our dollars out of the country; we should cut back on loans and government grants to other countries. Certainly we have obligations abroad. But our first obligation is to our own people, here at home.

My final point is perhaps the most important of all: the Administration must put its own economic house in order.

President Nixon spoke last week about the need for steadiness in fighting inflation. "The key to fighting inflation," he said, "is steadiness."

Certainly he was right. Nothing can more quickly undermine a President's economic efforts than the appearance—or the fact—of vacillation; of inconsistency; of desperate trial and error.

That is why so many of us in the Congress have been troubled, for the past five years, by the drastic fluctuations in the President's economic efforts: the on-again, off-again controls; the sudden freezes and phases; four Treasury Secretaries, four budget managers, six wage and price controllers, five energy chiefs, three Chief Economic Advisors. And now, another newly-created post: an "Economic Counselor." The President's economic efforts have seemed to be—or have been—a patchwork.

Too many changing policies, replacing one another.

Too many conflicting voices, contradicting one another.

Too many trials—and far to many errors.

Sadly, only four things have really been steady: steadily rising prices; steadily dwindling confidence; steadily cheerful assurances from the Administration—followed by steadily worsening results.

This is the steadiness of failure—not success.

The Russian Wheat Deal and the energy crisis are just two examples of the failure of government to look ahead and provide wisely for our own economic security. Whatever happened to those shrewd Yankee traders? The wheat deal sharply increased the price of bread for your family. And your government's failure to foresee and forewarn us about the energy crisis helped put you in a long gasoline line last winter.

The Federal Export-Import Bank—to cite another example—borrows from our hard-pressed money markets so it can lend Russia $180 million for a fertilizer plant. It makes another loan to Algeria for 20 oil drilling rigs. Yet here at home, shortages of fertilizer and a scarcity of drilling rigs are hindering our efforts to produce more food and fuel. To make matters worse, the Export-Import Bank offered these loans at one-half the interest rate a U.S. company would have to pay. That is neither fair nor wise—and we should stop making such mistakes.

PERSONAL ANNOUNCEMENT

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. VEYSEY. Mr. Speaker, on August 5, I was in California on official business. Had I been here I would have voted to suspend the rules and pass the following measures:

Winter Olympics at Lake Placid, N.Y., Senate Concurrent Resolution 72, rollcall 439, "yea."

Continuation pay for military physicians, H.R. 15936, rollcall 440, "yea."

Air Force officers, H.R. 14402, rollcall 441, "yea."

Medical care for U.S. allies, H.R. 13377, rollcall 442, "yea."

Veterans' housing, H.R. 15912, rollcall 443, "yea."

Federal assistance to Guam, H.R. 13267, rollcall 444, "yea."

National Health Service Corps scholarships, H.R. 16077, rollcall 445, "yea."

Passport application fee increase, H.R. 15172, rollcall 446, "yea."

Amend the Export-Import Bank Act of 1945, Senate Joint Resolution 229, rollcall 447, "yea."

Chemical warfare policy review, House Resolution 1258, rollcall 448, "yea."

WRAL TELEVISION ENDORSES LEGISLATION TO SAVE NEW RIVER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. MIZELL. Mr. Speaker, as my colleagues are aware, the Senate has already taken action to save the New River in North Carolina and Virginia. WRAL-TV of Raleigh, N.C., broadcast a timely editorial on that subject, and, at this time I would like to insert in the RECORD the text of the editorial.

Last month, by an overwhelming 2-to-1 vote, the Senate took the first step toward designating a 70-mile stretch of the New River in Western North Carolina and Virginia a part of the National Wild and Scenic Rivers System. The purpose of this action was to head off plans by the Appalachian Power Company to erect a controversial $430 million hydroelectric complex.

The New River is said to be the oldest river on earth, next to the Nile. It twists its way through one of the last remaining untouched areas of Eastern North America. If ever a stream deserved to be placed within the Wild and Scenic Rivers System, the New River does.

The Federal Power Commission believes otherwise. It cares not so much as a fig for the New River, let alone that Senate bill, which has yet to be acted on by the House. Last week the federal power commissioners voted to go ahead and approve the Power Company project. Their lordships did so despite entreaties from various members of Congress who asked for a delay until the House had a chance to save the river from destruction.

Destruction is precisely the word for what Appalachian Power proposes to do. It wants to dam the river and create two enormous lakes that would drown some 40,000 acres, much of it fertile and productive farmland tilled by the same families for generations. Some 3,000 residents would have to skedaddle for high ground.

To make matters worse, the 70-mile stretch of Scenic River on which the Power Company has cast its eye lies exclusively in the rural mountains of North Carolina and Virginia. None of the electricity Appalachian wants to generate would lighten the workload in this area. On the contrary, Appalachian proposes to transmit every kilowatt to industrialized cities in other states.

For all these reasons and more, the Senate wisely determined to put out its hand and save the New River and those who live within earshot of its rippling waters. The Senate concluded that there are rivers enough not half so scenic and wild to meet the legitimate requirements of the electric power industry.

But the Senate's saving action may go for nothing, thanks to the Federal Power Commission. The Commission first tried to hold a secret hearing on Appalachian's license application, hoping perhaps to avert a prolonged quarrel with backers of the Scenic Rivers bill. But word got out, and the Commission averted a prolonged quarrel by rushing ahead and approving Appalachian's license, effective next January.

The House, tied in knots by impeachment talk, easily may fail to act on the Scenic Rivers bill by then—in which event, the country's umpteenth-hundred hydro plant will effectively eradicate the second oldest river in the world.

TWO REPORTS ON VIETNAM

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ROSENTHAL. Mr. Speaker, an excellent summary account of two recent staff reports on Vietnam appeared in today's Washington Star-News by Oswald Johnson. Because both House and Senate Committees are now considering economic assistance for Vietnam and because both Houses will be voting soon on this matter, this article is especially timely.

The article follows:

[From the Washington Star-News, Aug. 6, 1974]

REPORT CHARGES AIMLESS POLICY IN SOUTH VIETNAM

(By Oswald Johnson)

Despite calculated official optimism, South Vietnam 18 months after the cease-fire is economically, politically and militarily in peril and could continue to be a burden to the United States for years to come.

This gloomy assessment emerges from a Senate Foreign Relations Committee report which charges the Nixon administration with a policy of aimless drift and specifically faults the U.S. embassy in Saigon for deliberately misrepresenting the gravity of the situation.

In addition, the report reveals for the first time the staggering cost in military equipment transferred from U.S. stockpiles to South Vietnam between October 1972, (when peace was "at hand"), and January 1973, when the cease-fire was agreed. That arms bill was $753.3 million—a figure which never appeared in any budget and was never approved by any congressional action.

Except for the details, the report, by committee staff aides Richard M. Moose and Charles F. Meissner, could have been written 10 years ago, when the United States was first sliding into the Vietnam quagmire. In a particularly poignant echo from the past, it describes the U.S. Embassy so committed to the Saigon regime that facts adverse to South Vietnamese policy are deleted from embassy reports to Washington.

The report charged that embassy reports to Washington either distorted or deleted information on deliberate cease-fire violations by the South Vietnamese army, on deteriorating security and poor performance by South Vietnamese troops; and on the actual course of some military actions.

U.S. Ambassador Graham A. Martin answered the charges during a committee hearing by saying deletions were made because he did not believe it necessary to report some actions more than once, and that military information was reaching Washington through Pentagon channels.

A separate report on the House side written by John J. Brady and John H. Sullivan, charged that the U.S. ambassador in Cambodia, John G. Dean, has systematically violated congressional restrictions on the size of his embassy staff and had given military advice to the Phnom Penh government in the face of a congressional ban.

The House report charged that Dean has been boosting the size of his missions by an average of 15 to 22 military and civilians above the 200-man limit imposed by Congress.

To do so, it said, Dean has been flying personnel into Cambodia in the morning and out again at night so that no more than 200 are actually present when counts are taken.

In addition, it said, Dean "by his own admission . . . does not hesitate to give . . . military advice" to the Cambodian government, but maintains that Congress did not intend to preclude advising "at the level at which he performs."

In a lengthy exposition of South Vietnam's faltering post-war economy, the Senate report argues that the country's top-heavy military establishment and excessive reliance on a U.S.-fostered artificial economy of expensive imports will make South Vietnam incapable of self-sufficiency for at least another 10 years.

In the fact of this, the report notes, the Agency for International Development establishment in Saigon is aiming for an economic "takeoff" in five years at the latest. AID officials base that projection in part on a reduction in South Vietnamese military expenditures which, the report notes, Martin and other embassy officials oppose.

Martin is currently in Washington to sell the administration's aid plans to a reluctant and preoccupied Congress. He has been arguing for a two-year program of massive doses of economic aid ($750 to $800 million a year) in addition to the $1.45 billion in military aid the administration has requested. (The report noted that total Soviet and Chinese aid to North Vietnam in 1973 is estimated by U.S. intelligence experts to be no more than $713 million—of which $425 million was estimated as economic aid and only $290 million military aid. This was exactly the reverse of the prevailing 2-to-1 military-to-economic ratio of U.S. aid to South Vietnam.)

The stated theory of Martin's proposed massive aid jolt is that it would push the South Vietnamese economy over the takeoff point in two years, after which it would rapidly become self-sufficient. But Martin's own subordinates in AID see five years necessary before this could happen and other economists cited in the report expect this process to take 10 to 15 years. Accordingly, Martin's rationale is rejected as totally unfounded.

In a carefully understated conclusion to the report, Moose and Meissner made this assessment of the policy Martin is responsible for administering:

"What we saw and heard . . . suggested to us that our present policy toward Vietnam is directed toward the maintenance of the status quo at a time when Washington's attention is directed elsewhere."

The Report said that "the present military confrontation seems likely to continue," with the South Vietnamese unable to expel the North Vietnamese, and the Communists unable to acquire "the decisive edge required to defeat the South militarily."

A critic of administration policy with access to committee materials pointed out, that the two-year period would expire in 1976.

AMENDMENT TO H.R. 16090

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, at the appropriate time during consideration of H.R. 10690 I intend to offer the following amendment:

AMENDMENT TO H.R. 16090 TO BE OFFERED BY MR. ANDERSON OF ILLINOIS

Page 2, line 13

Strike all of the first sentences of paragraph '"2)' and insert in lieu thereof the following:

"2) No political committee (other than a principal campaign committee), including any subsidiary, regional branch or other affiliate acting under the direction or control of such committee, or receiving more than 10 percent of its funds from such committee, shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000."

RESOLUTION OF NEW ENGLAND SENIOR CITIZENS CONFERENCE ON SOCIAL SECURITY

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. TIERNAN. Mr. Speaker, I would like to include for the RECORD a resolution passed by the Senior Citizens Assembly of New England at their conference in Boston on June 26, 1974.

The focus of their attention was the present social security system. I feel that their proposals would be of great interest to a number of my colleagues and I would urge the Congress to carefully consider their suggestions.

RESOLUTION OF NEW ENGLAND UNITED SENIOR ACTION DELEGATES CONCERNING SOCIAL SECURITY

Whereas, the Social Security program has departed markedly from its original aim as a form of insurance for workers and includes not only retired workers but substantial numbers of others who may be older than retirement age or younger than retirement age but who have contributed nothing to the retirement fund:

Be it resolved: That the Congress restudy the basic aims and scope of the entire program and on the basis of that study determine an equitable solution to such problems as:

(a) Whether there should be a ceiling on the amount that a retired person may earn without being penalized by an additional tax;

(b) Whether every worker should contribute to the fund a percentage of his total salary;

(c) Whether if the program continued with its present scope, its operating costs should be funded not only by employers and employees but also by general funds of the Federal Government to defray the costs of non-contributors;

(d) Whether the tax rate may be changed to be more equitable for the low income worker;

(e) Whether a worker shall receive some return on his contribution to the fund when, for good reason, he is unable to work the specified number of quarters to obtain the present, official coverage;

(f) Whether there is a place for an increase in the guaranteed income from the combined programs of Social Security and SSI;

(g) Whether methods may be found to insure that increases in Social Security benefits shall not curtail benefits for the needy from other sources or agencies;

(h) Whether rising costs of inflation may be more quickly met by rising Social Security benefits;

(i) Whether the program shall be administered by an independent agency with total control over all incoming Social Security revenue.

CENTURY OF CHAUTAUQUA

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DULSKI. Mr. Speaker, today marks the 100th birthday of the founding of Chautauqua.

Chautauqua originated as a lakeside assembly grounds for religious teaching, but from the outset its founders had visions of a much broader concept.

Situated on the shore of Lake Chautauqua in western New York State, Chautauqua Institution has persevered through the years and continues to be one of the Nation's great centers of culture.

We who reside in western New York know well of the excellent programs that feature the 2-month summer season. There are drama, opera, lectures, educational programs particularly in music, concerts, recreation, and—last but not least—quiet tranquillity.

There were others who borrowed the Chautauqua name for traveling tent shows which carried culture and education into the smaller communities of our country before the advent of radio and television.

But there is only one Chautauqua Institution.

The U.S. Postal Service is marking this centennial today with the issuance of a special stamp in a ceremony at the institution. I was pleased to be able to join in urging the Postal Service to give this philatelic recognition to Chautauqua.

So, it is "Happy birthday, Chautauqua, long may you reign!"

Mr. Speaker, as part of my remarks, I include an editorial from the Buffalo Evening News:

[From the Buffalo Evening News, Aug. 3, 1974]

CENTURY OF CHAUTAUQUA

Few characteristics of American life have drawn more marvel among visitors to our shores than the widely prevalent penchant for individual self-improvement, cultural enlightenment, and education generally as the way to "get ahead."

"The great voice of America," observed Woodrow Wilson, "does not come from the seats of learning. It comes in a murmur from the hills and woods and farms and factories and the mills, rolling and gaining volume until it comes to us from the homes of common men."

From its founding a century ago, Western New York's world-renowned Chatauqua Institution has kept faith with its ideals as a source of religious inspiration and horizon-broadening for the common citizenry.

Long before the age of the automobile and television, the Chautauqua movement was bringing to the farms and villages of America the idea that education is the most precious right of all, rich and poor, artisan and tradesman, city dweller and frontiersman.

From a lovely lakeside assembly started originally for Sunday School teachers, the mighty vision of Chautauqua's founders found affirmative expression in circuits and programs that pioneered in advancing opportunities for continuing education and systematic studies, as in offerings that were the predecessors of summer schools, correspondence courses and book clubs.

Among the earliest and most vivid boyhood memories of one of our senior editors, indeed, was that of the annual "traveling Chautauqua" in a tiny town in the wheatfield country, way out west in Washington State, where those several mid-summer days of lectures, music and general sociability and enlightenment were the greatest event of the year for families who came in from miles around.

It was no accident that Chautauqua steadily attracted the great and celebrated from the worlds of politics, diplomacy, music, science, and arts and letters. For to a heterogeneous people, the Chautauqua platform gave vent to the best in the American ideology and morality—a belief in the power of democratic dialogue, a faith derived from the age of Enlightenment in individual capacity for betterment, an ecumenical dedication to ideals of equality, justice, and human brotherhood.

In all of this the Chautauqua movement gave substance to the inspirational theme of the "Acres of Diamonds" lecture popularized in Chautauqua tents—the confident assertion that greatness and its rewards are within the reach of any man who sees the need of the people around him and applies himself to fulfilling it. Having remained contemporary or ahead of its times in vibrant responses to changing conditions, Chautauqua in its centennial season deserves to be celebrated as both a beckoning place and a spirit, an asset aptly described by Theodore Roosevelt as "the most American thing in America."

A LESSON IN POLLUTION CONTROL FROM ENGLAND

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. SHRIVER. Mr. Speaker, the heat of summer makes those of us who live and work in cities even more aware of the problems of pollution. Summer heat intensifies the objectionable odors of polluted waters and industrial wastes and makes the task of ending pollution seem an almost hopeless project.

The McPherson, Kans., Sentinel, a newspaper in my congressional district, has suggested editorially that America might take a lesson in pollution control from England. Poverty-stricken England proved that pollution control is not impossible by turning the Thames of London into the "cleanest river in Europe."

Under leave to extend my remarks in the RECORD, I wish to bring the McPherson Sentinel editorial to the attention of my colleagues. The editiorial follows:

[From the McPherson (Kans.) Sentinel, July 29, 1974]

POLLUTION CAN BE CLEANED UP IF WE PAY FOR IT

During all the current environmental protection many doubters claim that hopelessly polluted rivers can never be cleaned up again. When you look at most big rivers in America you may agree. They are nothing but stinking open sewers full of debris of all sorts. Cleanup of such a mess does look hopeless. But other nations already have proved it can be done.

The Thames of London was once rated the stinkingest river in the world. Even way back in Queen Anne's reign the stink was so bad that she threatened to move government headquarters from the Thames to Oxford.

Some 15 years ago, long before we caught the environmental craze, the British government decided to clean up the old stinker. Tough enforcement laws were passed, cities were forbidden dumping their sewage in the Thames. Industries had to stop dumping their wastes. So it went through the whole list of polluters, down even to tiny house boats.

Today the Thames is boasted as the cleanest river in Europe. It cost a half a billion to a poverty-stricken England, but the job was done.

If hard up Old England can do it, looks like we'd better get busy and hit our own pollution problems much harder than all the talk of Washington agencies has accomplished as yet.

IS RHODESIAN CHROME IMPORTANT TO THE UNITED STATES?

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. BINGHAM. Mr. Speaker, next week the House will consider S. 1868, a bill to restore U.S. compliance with United Nations sanctions against Southern Rhodesia. For weeks there has been an active campaign waged to defeat this legislation, and a great deal of inaccurate and misleading information is being supplied to Members of this Congress and to the public. A group of our colleagues today sent a letter to all Members of the House aimed at setting part of this record straight, and I would like to include it in the RECORD at this point:

Last week a mailgram was sent to members of the House by the American Iron and Steel Institute, urging the defeat of S. 1868, the bill to restore the United States to full compliance with United Nations sanctions against Southern Rhodesia. Since the mailgram contained a number of misleading and questionable statements, we are taking this opportunity to respond to it.

The mailgram exaggerates the importance of Rhodesian chrome both in the world market and as a supplier for the United States. It declares that the steel industry "must continue to have access to the major world reserves of metallurgical grade chrome ore—(of which) Rhodesia has more than 67 percent . . ." There is a great difference between *reserves* and *supplies*. Rhodesia is not, despite its reserves, the largest *supplier* of chrome. Last year, when world production of chrome increased by 10 percent, almost one-third of the supply came from the world's biggest supplier, the Soviet Union. Rhodesia accounted for 8 percent, ranking sixth among world suppliers.

As a supplier of chrome to the United States last year, Rhodesia occupied a weak third place, with 11.2 percent of our chrome imports, behind the Soviet Union (52.3 percent) and Turkey (21.6 percent). Moreover, this year the Rhodesian state trade monopoly adopted a policy of *not* exporting chrome ore at all, so as to increase its exports of ferrochrome (processed chrome for making steel) which has a higher value than ore. U.S. Stainless Steel producers are using more and more Rhodesian ferrochrome, but this is causing serious pressure on the domestic U.S. ferrochrome industry. Here is where the adverse employment effect will be felt—against American workers in American ferrochrome plants.

The Iron and Steel Institute states that "the U.S. chrome supply situation currently is critical. Because of record demand U.S. chrome inventories are now at an extremely low level." If the industry is referring to ore supplies for alloy producers, it is important to note again that only 11.2 percent of our imports came from Rhodesia last year, and this year Rhodesia has stopped selling chrome ore. If the alloy industry was caught short because of the unexpected steel boom, then the solution should not be a continued violation of the UN embargo against Rhodesia, but rather the placing of firmer orders from current *non-Rhodesian* sources and perhaps, a stronger commitment from the U.S. Specialty Steel Industry to accept domestic ferrochrome. The hesitancy of business executives should not be taken as an argument that supplies are unavailable and that the U.S. should ignore its international commitments.

Allegations were also made, in the mailgram, that South Africa mixes its chrome ore with Rhodesian ore to produce ferrochrome. The U.S. Bureau of Mines investigated this charge just a month ago and concluded that South Africa *does not* use Rhodesian chrome ore to produce its ferrochrome. Consequently, a reimposition of the embargo on Rhodesian imports does not mean we would lose access to South African chrome or ferrochrome.

So far as reserves of chrome are concerned, we are convinced that the best way to lose U.S. access to Rhodesian chrome over the long run is to continue our present policy—in violation of our international commitments of giving support to a minority regime which cannot long survive. This would place the United States at a competitive disadvantage when that regime is replaced, either through the process of negotiations under the leadership of the anti-communist Methodist Bishop Abel Muzarawa, or by more violent means. Any successive government which is more representative of the majority of the people of Rhodesia could not look with favor on a country supportive of the repressive regime of Ian Smith.

We encourage you to look beyond the dubious allegations which some interests have used in efforts to persuade you to oppose S. 1868. Rhodesia is *not* important to our economy, nor vital to the few stainless steel companies which are reaping advantages at the expense of our national interests, the American ferroalloys industry and its workers.

Sincerely yours,

DONALD M. FRASER,
EDWARD G. BIESTER, Jr.,
WILLIAM WIDNALL,
CHARLES C. DIGGS,
JOHN BUCHANAN.

AMENDMENT TO H.R. 16090

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DU PONT. Mr. Speaker, in order that the Members may have time to inspect two amendments I plan to offer to H.R. 16090, the campaign financing reform bill, I insert the text of these two amendments at this point in the RECORD:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. DU PONT

Page 4, immediately after line 8, insert the following:

"(7) For purposes of this section any organization, and any group promoted, organized and directly controlled by such organization for the primary purpose of making contributions and expenditures shall constitute one political committee."

Amendment to H.R. 16090, as Reported, Offered by Mr. du Pont

Page 2, line 16, strike "$5,000" and insert in lieu thereof "$2,500".

U.S. CIVIL SERVANTS' PAY RAISES TOO MUCH

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HUBER. Mr. Speaker, the question of how much to pay our civil service has always been a thorny one. In recent years, a great deal of emphasis has been placed upon the "comparability" factor. However, a General Accounting Office study recently revealed that the equation used in determining these pay raises was weighted in favor of comparability with the higher paying non-Government jobs. This has resulted in a distortion, the GAO explains, that costs the Government an extra $1 billion a year. Certainly, in these times, with rampant inflation and unbalanced Federal budgets, the U.S. Treasury needs that extra $1 billion. The Congress should take the lead in seeing that this matter is corrected.

I insert the following article:

[From the Detroit Free Press, Aug. 5, 1974]

U.S. Civil Servants' Pay Rises Too Much

Washington.—Government employes responsible for determining pay increases have weighted the figures to give civil servants an extra $1 Billion a year, according to the General Accounting Office.

Documents obtained Sunday from the GAO showed that surveys of private industry salaries conducted by the Department of Labor's Bureau of Labor Statistics give disproportionate weight to the highest paying jobs.

In addition, the GAO report charged that BLS ignored the fact that the median civil service grade is now five rather than four, which means that government employes are climbing the pay scale ladder.

Under Federal law, pay raises for civil servants are based on the survey's findings.

The GAO said the possibly unwarranted increase last October gives each employee more than $250 extra annually and will cost at least $1 billion every year.

One government employee who works in the pay section smiled and said, "What would you expect when civil servants figure the raises paid civil servants? How would you like to figure your own pay raise each year."

The pay law was intended to make government salaries competitive with private industry. The BLS surveys are the basic means for making the comparison and determining pay increases. Another raise being calculated now will be paid beginning Oct. 1.

GAO challenged the methods used to calculate private industry wages. The report, over the signatures of Elmer B. Staats, comptroller general of the United States, concludes: "the methods used to translate private enterprise data into federal pay adjustments were not based on well-founded logical premises."

The report was in the form of a letter dated July 12 and sent to Roy L. Ash, director of the Office of Management and Budget, and Robert E. Hampton, chairman of the Civil Service Commission.

Staats did not allege any violation of the law, but he said the methods used did not "reflect the legislative pay principles."

Staats said "the mixes contained disproportionate numbers of jobs which were highly paid in the private sector thereby biasing average private sector work level rates upward."

Federal employees last October were given a 4.77 percent pay raise. Had the change in the median step been taken into account, Staats said, the employees would have had only a 2.5 percent raise.

Based on a cost of $420 million for each percentage point increase, ignoring the new median cost the Treasury $953 million—a cost that will recur every year.

Staats gave no estimate of the extra cost resulting from the choice of jobs surveyed but it would be added on top of the $953 million.

A SOCIAL SECURITY RIP-OFF

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DRINAN. Mr. Speaker, I am happy to enclose an outstanding editorial from the Boston Herald Advertiser, August 4, 1974, where, once again, the absurdity of the earnings limitation of those on social security is pointed out.

There is no logical justification for the ceiling on earned income for those who are the recipients of social security benefits. I am regularly in touch with countless persons between the ages of 62 and 72 who, despite the diminution in the real value of their social security benefits by reason of inflation, cannot earn more than $2,400 per year.

This indefensible limitation is made more absurd by the fact that any person in this 10-year age group can obtain any amount of unearned income without losing a part of his social security benefits.

The excellent editorial in the Boston Herald Advertiser follows:

A Social Security Rip-Off

According to official government estimates, nearly a million Americans between the ages of 65 and 72 who are entitled to receive Social Security payments are not benefiting from the program at all. And approximately 1.5 million others are receiving payments smaller than the amount to which they are entitled.

Why? Because the Social Security law, as presently written, requires them to forfeit their benefits if they continue to work and earn more than $2400 per year.

For every dollar they earn above that amount their Social Security payments are reduced by 50 cents until, in nearly a million cases, the benefits are cut off completely.

There is no limitation on earnings after the age of 72. And twice in recent years Congress has "liberalized" the earnings restriction, lifting the wage ceiling from $1680 to $2100 in 1972 and by another $300 last year.

But whatever the ceiling, the limitation on earnings is grossly unfair and should be eliminated completely. For it not only robs millions of senior citizens of the benefits of a program to which they have been making contributions from their hard-earned wages for years; it also arbitrarily penalizes only those who continue to work, either by choice or by need.

And in this era of rampant inflation, many older Americans are forced to go on working after the normal retirement age, for they simply can't make ends meet on Social Security benefits alone.

Moreover, the present ceiling on earnings is doubly discriminatory, for it applies only to salaried income. As Senator Barry Goldwater points out in an excellent article reprinted in the August issue of the Readers Digest, a wealthy individual who receives tens of thousands of dollars a year from investment—stocks, bonds, rental income, etc.—can at the same time receive the full benefits from Social Security to which he's entitled.

But a person who has no "unearned" income starts losing his Social Security benefits if he continues to work and his salary exceeds $200 a month.

That situation, as Sen. Goldwater puts it, is "utterly illogical" and an "outrage." The way to correct it, is simply to repeal the earnings limitation. Congress can and should do just that by passing a bill which the Arizona Senator has introduced.

Enactment of the measure will undoubtedly increase the cost of the Social Security program, though probably by not as much as some officials have estimated. And much of the loss would be offset by the revenue from income taxes paid by older workers who stay on the job.

Whatever the cost, it is only right and fair to eliminate the ceiling on earnings and to give every senior citizen the full benefit to which he's entitled, and for which he's already paid, whether he chooses to continue working or not.

I DIDN'T PAY MY BACK TAXES SO SOME GI COULD GO TO SCHOOL

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. LEGGETT. Mr. Speaker, we all know that educational benefits for Vietnam veterans are inadequate by any relative or absolute standard.

When my generation of veterans came home after the Second World War, GI benefits in effect enabled us to go to the higher educational institution of our choice. But today's Vietnam veteran, who has sacrificed years of his life and perhaps parts of his body for one of the most idiotic and unpopular mistakes in our national experience, barely gets enough to scrape through a low-tuition State university—assuming his checks come on time, which frequently is not the case.

Unfortunately, we cannot afford a 1974 equivalent of the World War II benefits. But we can and should pay the cost of the modest tuition assistance program recently passed by the Senate. I believe this position is shared by almost all who are sincerely concerned about the plight of the Vietnam veteran.

I was astounded, therefore, to read that President Nixon has written the chairman of the Senate Veterans Committee to say that tuition assistance is unnecessary, that we cannot afford the $1.3 billion it might cost, and that we should not provide it because it might encourage more veterans to go to college.

These are not the young people Mr.

Nixon referred to as "bums" shortly before four of them were killed at Kent State. These are the Vietnam veterans with whom he has sought to associate himself at every opportunity.

This cavalier indifference to the relatively small amount of money needed for veterans education comes from the head of an administration that admits its defense budget contains, for the explicit purpose of WPA-style padding, more than the $1.3 billion in question. It comes from a man who has furnished his various palaces in incredible luxury—from his $3 cakes of Elizabeth Arden soap on up—at Government expense. It comes from a man who, if he is to be believed, is so comfortably situated that he was able to sign a tax return claiming more than a quarter of a million dollars in fraudulent and illegal tax benefits without even asking his accountants how the benefits were derived.

Such a distorted sense of values is, of course, not an impeachable offense, and it will not influence my vote on impeachment. But it does deepen my conviction that, as far as the state of the Presidency is concerned, we have nowhere to go but up.

At this point in the RECORD I insert the news account by Ned Schariff titled "Nixon Blasts GI Bill Expansion," from the Washington Star-News of August 1, 1974:

NIXON BLASTS GI BILL EXPANSION

(By Ned Scharff)

President Nixon has issued a strong denunciation of proposed changes in the GI Bill of Rights for Vietnam veterans, saying that the measures to broaden educational assistance programs "inflationary and unnecessary."

In a letter released today by Sen. Vance Hartke, D-Ind., author of the revised GI Bill, Nixon said the 7 million war-era veterans did not need the proposed improvements in student loans, tuition and subsistence grants to "prepare themselves for productive lives."

The bill, which passed the Senate by a 91–0 vote in June would provide 18 percent increases in monthly living allowances for GIs attending college, and also would provide tuition grants up to $720 a year.

In the letter, mailed July 30, Nixon complained that the improvements in the bill would add at least $1.3 billion to the cost of educating veterans because it would induce many more veterans to take advantage of the program.

The President told Hartke he should rewrite the bill to limit any extension of benefits to cost-of-living increases.

Nixon's opposition to Hartke's bill was no secret when the Senate passed it two months ago, Representatives of the Veterans Administration and the Office of Management and Budget had stated the White House position in testimony before Hartke's Veterans Affairs Committee.

But the letter received by Hartke today is by far the strongest expression of disapproval to date.

Hartke's aides believe that the letter could herald a presidential veto unless Hartke agrees to modify the bill when it goes to conference with House members.

In addition to re-instituting the tuition assistance payment, which was discontinued after World War II veterans finished college, Hartke's bill would make veterans eligible for low-cost educational loans up to $2,000 per school year and would extend the period of eligibility from 36 months to 45 months—for veterans who cannot attend school full-time.

So far, 51 percent of the Vietnam veterans have applied for grants under the GI Bill, about the same as the percentage of applicants after World War II.

But Hartke has argued that the percentage of applicants now should be much higher because education has become more necessary and because the Vietnam war drew a far higher percentage of the poor and under-educated into the armed services than World War II did.

CAMPAIGN REFORM GAG RULE DENOUNCED

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ARMSTRONG. Mr. Speaker, for several weeks there has been a rumor the House Rules Committee would recommend a gag rule for debate of the campaign reform bill.

Frankly, I have not paid much attention to such rumors until now. Obviously, a gag rule, or a "modified" rule as it has been elegantly described, is so blatantly and highhandedly out of tune with the times that I did not believe the committee would do it. But yesterday the rumors came true.

Just imagine the gall of the committee in using such tactics to ram through a bill which supposedly will clean up politics and bring about fair play in campaigning.

On a straight party line vote, the Rules Committee approved a ruling which will make it impossible to fully debate the merits of the bill and to offer needed amendments.

Let me call attention to some of the many amendments which will not be in order—which cannot even be offered in debate tomorrow—if the Rules Committee proposal is approved by the full House.

Some provisions of the bill are probably unconstitutional. For example, portions of the bill which limit campaign spending by persons other than candidates are strikingly similar to sections of the present law which a New York court recently struck down as violating first amendment freedoms—American Civil Liberties against Jennings.

Although this case was decided on fairly narrow legal grounds, and is presently under appeal, the basic principle is clear to me: the idea of giving candidates a veto power over the right of other persons to express their opinion is totally inconsistent with American traditions.

I do not want to argue the legal issues involved. But from a purely common-sense standpoint the anti-free-speech, anti-free-press provisions of this bill are directly in violation of the spirit and intent of the first amendment of the U.S. Constitution, in my opinion.

The rule proposed by the committee will not even permit the House to consider the issue.

Nor will loophole-closing amendments be permitted if the proposed rule is adopted. The bill purports to limit campaign contributions, but it ignores the so-called in-kind contributions of personal services, food, automobiles, planes, storefronts, and other goods and services. In fact, the bill creates new exceptions to existing definitions of such contributions and expenditures.

Nor does the proposed rule permit amendments aimed at specific abuses uncovered in the Watergate investigations; campaign dirty tricks, espionage, and so on. These abuses are probably far more in need of reform than the self-serving campaign law changes presently in H.R. 16090. But these amendments would not be in order under the rule recommended by the Rules Committee.

Mr. Speaker, this is not a time for partisanship. I have therefore withheld, at least for the time being, comment about the partisan considerations which are apparent in the handling of this legislation in the House Administration Committee and before the Rules Committee. I have done so in the hope that Members of both parties will rise above strictly partisan considerations and vote against this gag rule. Let us have a free and open debate of the bill on its merits, permit amendments to be offered and vote them up or down so the legislation can be judged accordingly. To do otherwise—to bring so-called reform legislation to the floor under such a rotten rule—is a travesty.

I, therefore, hope all Members will join me in voting against the previous question when the proposed rule is presented. If we can defeat the question, it will then be possible to amend the rule and give the House full opportunity for amendment and consideration of this legislation.

A TRIBUTE TO ERNEST GRUENING

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. PHILLIP BURTON. Mr. Speaker, Ernest Gruening, physician, journalist, territorial Governor, U.S. Senator, and statesman, had one of the fullest careers of any American in public service in this century. His death is a loss to all of us who shared the concerns of this great, liberal, giant of a man.

Ernest Gruening's life was dedicated to public service and to the struggle for social, racial, and economic justice.

As the territorial Governor of Alaska, he spearheaded the movement toward statehood and he championed the rights of the Native Alaskans. After Alaskan statehood, he was elected to the U.S. Senate.

Ernest Gruening was a vigorous opponent of our involvement in Southeast Asia and he and Senator Wayne Morse were the only Members of the Senate to vote against the Gulf of Tonkin resolution. History has verified their wisdom and the courage of their principled opposition to the Vietnam war.

The Nation has lost a true elder statesman. He was a good man, a humane man, a man of towering integrity. Senator Gruening will be missed by a nation made richer because of his service.

SHORTAGE OF RAINFALL

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ABDNOR. Mr. Speaker, throughout the summer we have been hearing reports which indicate that the Midwest is suffering through one of the worst drought periods since the dust bowl days of the 1930's. The Midwest is not the only area experiencing a severe shortage of rainfall, as international reports indicate that in Africa and elsewhere prolonged drought conditions threaten millions with starvation. It is in this context that a group of South Dakotans recently visited Washington to meet with South Dakota's congressional delegation and with Mr. Russell Train, Administrator of the Environmental Protection Agency, to discuss continued development of the Oahe irrigation project which is currently under construction in central South Dakota.

In their presentation to EPA Administrator Train, this delegation from South Dakota gave an excellent summary of this important project, its importance to national agricultural output and the overall South Dakota economy, and some of the environmental concerns which have arisen in the development of this project. The thrust of this presentation was to urge cooperation by all concerned to join together to solve the problems that have now been confronted, and to move forward with this irrigation development to insure against dangers such as the drought that is parching much of South Dakota, and to, at the same time, solve other problems and create new opportunities.

I commend the attention of my colleagues to the following statements presented to the Environmental Protection Agency Administrator by South Dakotans listed below, dealing with this timely subject:

THE DAKOTA FARMER

(By L. T. Laustsen, Aberdeen, S. Dak.)

We are here today to visit with you about the James River Valley in South Dakota, and specifically about the 500,000 acres of fertile farm land which lies between the North Dakota border and Huron, South Dakota.

To put this area more in perspective, this land was formed by a glacial lake-bed; hence, it is an area of deep black soil—flat as a table top. Between Aberdeen and Huron it drops as little as 2 to 5 inches per mile.

The James River winds through this area. In the spring when the snows melt, it is often a mile wide in spots; in the fall it is often bone-dry as evidenced by the attached pictures.

Our reason for being here today is to discuss the irrigation of this valley. Though it is rich and fertile, the average rainfall of 18 inches (and much of that very sporadic), this valley has always been a feast and famine farming country. This year, for example, we watched the skies for rainfall for three weeks during late June and early July. None came, and hence we are presently harvesting a half crop of small grain with little prospect of corn, even for silage.

Recently, Congress authorized the Oahe Irrigation Project for this valley. The first part would involve 190,000 acres on the west plain of the James River. Currently, a pumping station is being built to bring water from the Oahe Reservoir on the Missouri to the area in question.

Recently, some opposition has arisen to this entire project. Most of it is centered around a few people whose farms and ranches will be flooded by small reservoirs or whose land will be crossed by canals.

This disturbs those of us in your office today and the large majority of farmers and ranchers who are already planning 15 to 20 years in advance for the use of this badly needed water. It concerns the cities who need municipal, industrial, and recreational water supplies.

We are here today to assure the EPA that we want the Oahe Irrigation and Water Development Project built in the cleanest and most orderly way possible and that it will be operated in the same conscientious manner.

To back that assurance, we would like to remind you that the farmers and ranchers in the area are the same ones who have planted hundreds of thousands of acres of trees in shelter belts. There are those who strip crop their fields to prevent wind erosion, who are the caretakers of millions of upland birds (mostly pheasants), and who have yearly built thousands of dugouts and stockpounds to store our precious water and protect the quality of our streams.

Again, we are here today to work *with* EPA on the long-range aspects of this irrigation and water development program. We want to make it a model—a part of our great Dakota heritage.

We have a very beloved artist, Harvey Dunn, who grew up on a Dakota homestead and became a renowned New York illustrator and art teacher. Harvey used to return to the Dakotas to paint the scenes of his boyhood. The most famous of these paintings is this one, "The Prairie Is My Garden."

We are proud of our land, and we want to continue to think of it as "our garden." We assure you the Oahe project must be built right, and we pledge our cooperation on the entire environmental impact of this sorely needed water development program. We hope that you will be receptive to our views and that this project can move forward as quickly and as orderly as possible.

ABERDEEN AMERICAN NEWS

(By Ellsworth Karrigan, Aberdeen, S. Dak.)

My assignment results from the fact that I am of a generation that has lived the history of Missouri River development dreaming and planning. Thus, in highlighting briefly the history of the Pick-Sloan plan and the Oahe Irrigation Project as related to the ecological and economic improvement of South Dakota, may I offer some personal recollections.

I am a native of Aberdeen and was born 36 years before Congress approved the Missouri Basin program. Dreamers were talking about such a development when I was born. They were still talking about it when I was a child fishing from the Jim River banks and the shores of Scatterwood Lake. Both of these bodies of water are to become factors in the development of the Missouri Basin program which was authorized by Congress in 1944, with the Oahe irrigation project specifically approved in 1963.

When I returned to Aberdeen in 1945 following military service, I was confident of the future of South Dakota because of the progress evident in changing the "Big Muddy"—the nickname for the Missouri River at that time—to a river of gold.

As one who as a child had seen the Jim River flooded miles wide and who as a young man (during the drought of the '30s) had seen it completely dry with its bottom littered with animal skeletons, I was impressed with a proposed plan that would provide more stability to the river valley.

Between those long-ago days and the beginning of construction of the irrigation pumping station near Oahe Dam this spring, many events have occurred. Between 1944 and the start of construction of the pumping station, there were years of gradual progress on the preparations for irrigation.

Each of the four huge Missouri River dams in South Dakota was started and later dedicated with ceremonials attracting on several occasions the President of the United States. The speeches always predicted that South Dakota would profit from its abundance of water, and persons from other states advised they would be glad to have the water if South Dakota should not utilize it to the fullest.

In 1960 the Oahe Conservancy Sub-District, consisting of 15½ counties in South and North Dakota, was organized with an 85 percent favorable vote. In 1966 voters in the sub-district granted contract authority to the Oahe Conservancy Sub-District. The measure was favored by 75 percent.

While opposition has developed during the last year, it is my observation that the great majority of the people who have anticipated the benefits that the Oahe Irrigation Project holds for agriculture are still firmly in favor of the plan and confident that South Dakota, which has made lakes appear where there were none before and established tree belts where none existed, will display its ingenuity in protecting or improving the environment while enjoying the economic and sociological benefits offered by the Oahe Irrigation Project.

REMARKS BY ROBERT RASCHKE, MANAGER, OAHE CONSERVANCY SUBDISTRICT, HURON, S. DAK.

The initial stage of the Oahe Unit was authorized on August 3, 1968 by the 90th Congress. I shall attempt to briefly describe the project plan for your review:

Water will be pumped by the Oahe Pumping Plant at Oahe Dam into the Pierre Canal and will flow 36 miles to Blunt Reservoir. From Blunt Reservoir water will be released as needed into the Highmore and Faulkton Canals which will flow 62 miles to the Cresbard Reservoir. From Cresbard Reservoir water will travel 12 miles to a bifurcation works where part will flow northward through the 37 mile long West Main Canal and southward via the 22 mile Redfield Canal. Irrigable lands in the James River Valley west of the river will be served by these latter two canals.

Spring flood flows, irrigation return flows and supplemental canal discharges will be pumped from the James River at the existing James Diversion Dam via the James Canal to Byron Reservoir. From Byron Reservoir water will be lifted by the Byron Pumping Plant to the East Main Canal and flow northward 41 miles to serve lands east of the James River in Spink County.

In it's present state, the channel of the James River through the project area has insufficient capacity to even carry the average spring run-off without overbank flooding of thousands of acres of fertile bottomlands. The authorized plan for Oahe provides for channel improvement through the project area of sufficient capacity to handle all return flows and pollution abatement releases without aggravating or increasing flooding under natural conditions. Because return flows do not occur until late summer and fall, the increased channel capacity would provide incidental flood relief during periods of spring run-off.

Associated with the project are 18 fish and wildlife development areas totalling nearly 40,000 acres (11 are mitigation or replacement areas and 7 are enhancement areas). Recreation access and facilities for camping picnicking, boating and swimming will be developed on 11 sites at the three regulating reservoirs, North Scatterwood Lake and the James Diversion Dam. Facilities have already been provided at three locations near the Diversion Dam.

Of course recreation in the form of upland game and waterfowl hunting will also be available at the afore mentioned wildlife development areas and along canal rights-of-way and within reservoir take areas.

A study by the South Dakota Department of Health shows that 46 of the 65 municipalities within the Oahe Conservancy Sub-District have water supplies that do not meet state standards for drinking water (1,000 parts per million of dissolved solids) and of those 46, seventeen have T.D.S. in excess of 2,000 p.p.m.

The plan for the initial stage of the Oahe Unit provides for potential water supplies to at least 17 cities and towns. Of the cities proposed for service within the Oahe Unit area, all would receive Missouri River water directly from the main supply system except Huron which is located on the James River downstream from Unit facilities. Mr. Maher will discuss Huron's water problems in greater detail. At the present time the cities of Redfield, Cresbard, Miller, Harrold, Onida and Aberdeen have requested feasibility studies by the Bureau of Reclamation on using Oahe Unit water for municipal and industrial purposes.

THE DAILY PLAINSMAN

(By L. J. Maher)

HURON, S. DAK.—Huron is only one South Dakota community looking toward the Oahe Project to improve its water supply, but it is the only one entirely dependent upon the James River for all its water now and it is the point at which water quality is most frequently challenged.

Historically the city used a ground water well complex (called the West wells) to supplement river water. In the middle 1930's when the James was completely dry, the community survived on water from the well.

In 1959 when the James River ceased to flow for ten months, the West wells were again pumped and found to be inadequate. State standards now prohibit their use and the pumps have been dismantled.

Following the 1959–60 experience, the city of Huron contracted with the federal government for a James River diversion dam to be built by the Bureau of Reclamation to add an additional 1,900 acre feet of storage in the river and provide the city with an adequate water supply from the river until the year 1970.

The dam, which will be entirely paid for by the city of Huron by 1981, is a part of the Oahe Project. By 1970 local and federal officials anticipated that Missouri River water would be delivered into the James to augment the flow. Quality of this water was not questioned at that time.

Quality of water in the James River has never been great. In 1970, the year the federal Water Quality Administration labeled the James "the fourth most polluted river in the United States," your Environmental Protection Agency conducted a two-phase field study of the river at the request of the South Dakota Department of Health. Preliminary conclusions of the EPA, the only ones we have seen published, were that "the study objectives could not be adequately assessed due to unfavorable stream and weather conditions; however, study data indicated the existence of problem areas on the South Dakota reach of the James." What the conclusion failed to note is that these conditions are somewhat normal.

State standards for public water supplies call for a maximum of 1,000 parts of dissolved solid per million. This last year our unprocessed water exceeded the standard from July of 1973 until early March of 1974, and it reached a low point of 2020 p.p.m. in February. The current year will not be much better.

Dissolved solids are only one part of the water quality problem. During periods of low flow and no flow, algae forms and creates taste and odor problems which are almost unmanageable at our city treatment plant.

The Bureau of Reclamation has offered the only solution in sight. We believe the Bureau plan would improve our water supply both quantitively and qualitively during the low flow—no flow periods of the late summer, fall and winter. A South Dakota State University task force report published in South Dakota newspapers last week endorses this contention.

In addition, the project as planned has the physical capability of providing water which would meet state standards year around if that is deemed necessary by the state and by the EPA. There would be some additional costs, but they need not be great; and someone would have to determine who would bear them.

In a letter to the Bureau last spring, you offered to cooperate in a water management plan. We are sure the Bureau would welcome this type of help. We are confident that such cooperation would assure the continuation of the project and would assure us and other South Dakota communities of the adequate water supply we so desperately need.

REMARKS OF JIM RUDDY, HURON, S. DAK.

As a director of the Oahe Conservancy Sub-District and chairman of its Environmental Advisory Committee, I would like to make a few remarks in regard to the sub-district's concern for the recent environmental concerns which have arisen and our sincere efforts to solve them. Since the inception of the sub-district in 1960, the Board has worked closely with the Bureau of Reclamation and has had various committees dealing with the various areas of environmental concern raised by the Bureau. The mitigation and enhancement features of the project which the Bureau insisted be in the project were endorsed by the Board even though they might have weakened the irrigation aspect of the project. The Board was confident and still is that the Bureau of Reclamation was building into the project adequate protection for environmental concerns. This was evidently the feeling of the large majority of the citizens in the sub-district because at the monthly meetings held over the years in all areas of the sub-district we were always greeted with enthusiastic delegations whose only concern seemer to be when Missouri River water would reach the James River Valley and the sooner the better.

It wasn't until a couple years ago that rumblings of environmental concerns were raised in South Dakota, many of them from outside the 15½ county sub-district. The number of environmental groups in opposition kept growing and everyone who had any reason for stopping the project, many of whom had no concern for the environment, hid behind the popular banner of environmental cancern. This movement kept growing and started to get into politics. In late summer of 1973, the sub-district board decided that some type of advisory committee might be helpful to bring the environmentalists into our discussion in an honest effort to build the best possible project and at least try to answer and solve all legitimate environmental concerns. The formulation of this committee has been most difficult as the big cry is to call a moratorium on the project for more study. We know that a moratorium would possibly kill the project for all time, and I am sure that those asking for the moratorium are aware of this. Our Environmental Committee has held two meetings and has asked individuals to be on the committee who represent the most rabid opposition. One of the organizations refused the invitation unless we first agreed to call for a moratorium on the project. It is our feeling that if we call for a moratorium, there is no reason for the committee, as the project is done. Others refused on grounds that serving would be an endorsement of the project. Our board has done everything possible to get the committee underway (we even authorized payment of expenses to committee members) as we had some decline on the ground that they could not afford the costs out of their own pocket.

We do have a nucleus of the committee and have had two official meetings. In no way have we asked anyone to change his views, but have asked everyone to at least pinpoint their opposition. Once this is done, with the environmental concerns clearly defined, we would attempt to solve the concern in a manner mutually satisfactory to all in order that the project can proceed. We are going to proceed, and we are hopeful that reasonable people can and will work together even though they disagree. Our committee should and will benefit all parties and their common interest in environmental protection and enhancement. We seek an approach to a more open dialogue without the mass hysteria of large prepacked town hall type meetings accompanied by clapping, boos and cheers. It is unfortunate that some people insist on a blind alliance to "environment" without reference to the total needs of people. Personally, I believe that along with conservation, ecology, and environmental concerns should go words like economics, jobs, houses and food. Man's right to live in this world with a decent standard of living should be an environmental aim and objective. I for one am sure that this concern that has arisen has done some good. Many points are valid, and I am sure I am more sympathetic to the cause. However, sincere negotiation and dialogue can only be accomplished if both sides are open to compromise. We don't think that progress can be the status quo.

Mr. Train, I show you two newspaper stories regarding news releases from the EPA. The first release certainly hurt our cause. We understand EPA is not against the project. We assure you and your agency that we do want to build the project, but we need your help, counsel, and advice as to what we might do to correct your objections and accomplish our objective. Maybe it would be helpful if your agency would come to South Dakota and assist us in getting our Environmental Advisory Committee off to a constructive start, bringing all interested parties together to address the concerns which have arisen in connection with this important project.

We would appreciate your comments on the Oahe Irrigation Project and the concerns which we have discussed today.

AMENDMENT TO H.R. 16090

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DENT. Mr. Speaker, in my extension of remarks made yesterday, August 5, 1974, I included two amendments which I intend to offer to H.R. 16090, the Federal Election Campaign Act Amendments of 1974. In lieu of the second amendment printed yesterday, I intend to offer the following amendment.

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. DENT

Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$42,500".

Page 16, line 11, strike out "(H)" and all that follows down through "(I)" on line 19, and insert in lieu thereof "(H)".

CAREER LAWYERS AS PRESIDENTS

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HANRAHAN. Mr. Speaker, as of late, the majority of all politicians in Congress have been lawyers. Perhaps there are just too many lawyers and not enough other professions represented in the political field. For my colleagues' interest, I would like to insert the following Washington Post article:

CAREER LAWYERS AS PRESIDENTS

(By Robert C. Maynara)

It appears of late that our national life is dominated by lawyers. The impression is reinforced by watching the 38 lawyers of the House Judiciary Committee wrangling in arcane legalisms over the fate of another lawyer, Richard M. Nixon. And just last week, eight other lawyers circumscribed Mr. Nixon's claim of absolute evidentiary privilege with respect to the White House tapes.

All this public lawyering has led many an American to believe that our politics has always been dominated by lawyers, and that it probably has to be that way, given the complexities of modern life and politics. Mr. Nixon's public relations sought to enhance that unwholesome impression by emphasizing at every opportunity what a sound legal thinker Mr. Nixon was, taking the gravest issues of the state to the solitude of Camp David with a yellow legal pad.

The fact that Mr. Nixon's edited transcripts—to say nothing of other manifestations—don't show him as a particularly astute scholar of jurisprudence or any other kind of prudence has not diminished the legal mystique in our time.

It is valuable, therefore, to note how few of the Presidents of this century have come from the ranks of practicing lawyers. More than that, those who have withstood the test of perspective have been men with virtually no legal experience.

Of the last five Presidents, Mr. Nixon is the lone member of the bar. Lyndon Johnson was a school teacher who turned to politics. John F. Kennedy, after majoring in political science as a Harvard undergraduate, went to war and returned to practice politics. Dwight Eisenhower was a soldier, a Columbia University president and NATO commander, but never a lawyer.

Harry Truman, as every schoolchild knows, was in the haberdashery business for a while, attended law school and served on the local court, but he spent virtually none of his public service in active involvement with the law. Likewise, his predecessor, Franklin Roosevelt, was graduated from Columbia Law School and passed the bar, but was deep into politics within three years. He found little of interest in law practice.

Roosevelt's predecessor, Herbert Hoover, was a mining engineer with a keen gift for administration that won him international acclaim and the presidency. Calvin Coolidge was an active member of the Massachusetts bar, but he soon wandered into politics and made his name in national affairs as the governor who took a hard line against the striking Boston police ("There is no right to strike against the public safety by anybody anywhere any time").

Warren harding, whose scandalous administration is the nearest equivalent in this century to the present national disaster, was a journalist. He studied law for a time, but not very much of it.

Woodrow Wilson before him entered the University of Virginia Law School, but poor health forced him to drop out. He actually practiced in Atlanta for a year, but the paucity of clients propelled him back to the academic world in which he made his early reputation.

The first two Presidents of the 20th century both had legal educations, but Teddy Roosevelt dropped out of Columbia Law. William Howard Taft, his successor in the presidency, was graduated from Cincinnati Law School and spent a short time as the Hamilton County, Ohio, prosecutor and eventually wound up on the bench before and after being President.

Toward the end of the 19th century, the American electorate entrusted the presidency to more lawyers than it was to elect to the highest office in this century.

Only four of the 12 Presidents in the 20th century have been lawyers, and in forty years, Richard Nixon is the only one who spent any substantial amount of his time pursuing law as a career before becoming President. It might not be fair to infer from this that lawyers don't make good presidents, but it is important to note another fact about lawyers in this administration.

It is remarkable merely to note some of the members of the bar—officers of the court—who wound up before the court on criminal charges after service in the Nixon administration: Vice President Agnew, former Attorney General Mitchell and Kleindienst, Domestic Council head John Ehrlichman, White House Counsel John W. Dean III, Egil Krogh of the "plumbers" and Gordon Liddy. The latest is John Connally.

None of this is to suggest that lawyers make poor public servants. Instead the clear lesson is that legal training is no assurance against the danger of being caught up in a nightmare of scandal. Before this experience, many Americans might have been inclined to suspect a knowledge of the law would have provided some instruction to public men on the judicious use of power, to say nothing of the limiting guidelines of the Constitution. When we look at the prominent role lawyers are playing in the drama of the moment, we seem to learn that knowing the strictures of the law is no guarantee of obedience to them.

There is no way to legislate that our public life should be rich in contributions from scientists and poets, preachers and farmers, merchants and mechanics, but it is important to remember that nothing happening now or in our recent past suggests that stocking our positions of public trust with members of the bar enhances our public weal by any estimable measure.

NEWS RELEASE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. HILLIS. Mr. Speaker, today, I issued the following statement concerning the release of new information by the President pertaining to the Watergate affair and events following the break-in:

I am most disappointed and disturbed in the admission by President Nixon that he deliberately withheld information from the public and the Judiciary Committee and was untruthful in his original statements concerning his knowledge of the Watergate break-in.

In the past, I have made every attempt to keep an open mind on the subject of impeachment. I feel that I have a responsibility to the citizens of the Fifth District to weigh all of the evidence presented and not make a quick decision based on partisanship or partial information.

The ultimate decision will have far reaching results and long lasting effects on the future history of our Nation.

While I was just beginning to weigh through the evidence presented to the House Judiciary Committee, I felt that there was not clear and convincing evidence linking the President to the so-called Watergate coverup which would justify calling for his impeachment.

I still reserve final judgment until I have completed an examination of all of the available evidence. Even in light of latest developments in the matter, I shall continue to withhold a final decision as to the articles of impeachment until I have an opportunity to hear and read all of the available evidence but I now feel that a re-evaluation of my earlier position will be necessary.

IN THE INTEREST OF HUMAN RIGHTS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. FRASER. Mr. Speaker, the St. Paul City Council on July 16 approved an amendment to its legislative code making affectional or sexual preference an illegal basis for discrimination in employment, education, housing, public accommodations, and public services. A similar civil rights ordinance was passed by the Minneapolis City Council in March. This second action in the Twin Cities area granting basic human rights to a minority group is reported in the following July 17 Minneapolis Tribune news item:

ST. PAUL COUNCIL PASSES GAY-RIGHTS AMENDMENTS

(By Gerri Williams)

An amendment prohibiting discrimination against homosexuals was passed Tuesday by the St. Paul City Council. The vote was 5 to 1.

Voting in favor were council President Ruby Hunt and Councilmen Leonard Levine, John Christensen, Robert Sylvester and David Hozza. The opposing vote was cast by Councilman Victor Tedesco. Councilman Patrick Roedler was not present, but sent a letter in favor of amending St. Paul's human rights ordinance to include homosexuals.

The amendment adds the words "affectional or sexual preference" to the human-rights ordinance. It guarantees equal opportunity in employment, education, housing, and public accommodations. A homosexual suspecting discrimination in these areas may file a complaint with the St. Paul Human Rights Department.

The amendment has been the subject of controversy since it was introduced June 26. At a public meeting last week, about 20 people spoke about the ordinance. They included representatives from the National Organization of Women, the Minnesota Committee for Gay Rights, and Minnesota Senate Majority Leader Nicholas Coleman, all in support.

CALMING NIXON'S LEGION

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DEL CLAWSON. Mr. Speaker, the Washington Star News for August 5 contains some sound advice for those to whom the events of this week must inevitably deal the harshest blows, no matter the individual construction placed upon these events by the President's loyal supporters across the Nation. A call for calmness is seldom out of place, and in this difficult period of our history, it is particularly appropriate. Under leave to extend my remarks in the RECORD, at this point, I include the editorial by James J. Kilpatrick which follows:

CALMING NIXON'S LEGION

(By James J. Kilpatrick)

The House of Representatives is moving inexorably toward the destruction of Richard Nixon, and some of Nixon's most ardent supporters are moving, in the same tidal wave, toward the destruction of their own best interests.

Forget Nixon for the moment. What are these convulsions doing to the Republican party? And what lies ahead for conservative causes?

The 1972 election saw 47.2 million votes cast for the Republican Nixon, 29.2 million for the Democrat McGovern. If these 76.4 million voters constitute a reasonable political universe, we can make some rough extrapolations from the popularity polls. These polls show that about 26 or 27 percent of the people still stand by the President. Conclusion: Some 20 million voters—call them Nixon's Legion—remain bitterly opposed to the President's impeachment and removal from office.

The figures are rough, but they probably are roughly accurate. A legion of 20 million fired-up voters is a potent political force; and anyone who supposes the President's defenders are not fired up should browse through the mail now flooding Republican offices. The legion sees impeachment as a conspiracy between double-standard Democrats and a double-standard press. These voters have blood in their eyes.

The question arises: How will Nixon's Legion expend its political force? These voters probably have it within their power, if they choose to exercise that power, to make or break a score of Republican or conservative congressmen this fall. By withholding campaign contributions, or by staying home in November, the legion can effectively deny re-election to Members of the House who vote in favor of impeachment.

It would not be an easy road, under the best of circumstances, for Republicans in marginal districts this fall. Rightly or wrongly, a president and his party tend to be blamed for economic ills, and such blame rubs off on a party's candidates. Historically, the party loses close seats in off-year elections. If one adds to these factors the anger of Nixon's Legion, the problems of a pro-impeachment Republican become evident.

Consider, for example, the position of M. Caldwell Butler of Virginia's 6th District. He is a first-termer who won election in 1972 by 55 percent of the vote. Or consider the situation of John M. Ashbrook of Ohio's 17th District. He won his sixth term in 1972 with 57 percent of the vote. Both men are solid conservatives; both are seeking reelection. The arithmetic tells its own story: If the legion abandons these two excellent congressmen, they could be in serious trouble.

Prejudice runs deeper than reason. If it were possible for members of the legion to suspend their pro-Nixon prejudice, and to listen to the cool voice of reason, perhaps they could be persuaded of the political disaster they are courting. Their passionate support of the President can do little for Nixon now; but if this passion is turned in retribution against such men as Butler and Ashbrook, the result could be a liberal landslide.

This is madness. The leaders of organized labor are licking their chops and looking to November. If 30 or 40 seats in the House change hands, passing from moderate-conservative Republicans to moderate-liberal Democrats, we will approach the "veto-proof" Congress that is the dream of organized labor. The consequences cannot be reckoned in terms of labor legislation alone; the consequences would ripple across the whole surface of congressional power. The legion would lose both the battle and the war. What price passion?

The President's defenders cannot let their anger destroy their common sense. Simmer down, I would say. Sober up! Look ahead! If Nixon goes down the drain, let him go. But if we have one ounce of political maturity, let us save what is left.

CONGRESSMAN DIGGS SPEAKS ON AFRICAN AFFAIRS

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. DIGGS. Mr. Speaker. I would like to submit, for the thoughtful consideration of my colleagues, the following statement which I submit to the National Association of Television and Radio Artists now meeting in Los Angeles, Calif.

STATEMENT OF THE HONORABLE CHARLES C. DIGGS, JR.

I would like to take this opportunity to thank you for your interest in African affairs, as expressed by this workshop on African development and the mass media, and to express the hope that your news coverage of African issues will continue to expand.

It is vital that the United States increase its understanding and recognition of the significance of Africa. The media can play a key role in this reawakening of both the U.S. government and its citizens regarding Africa.

Economic interdependence, for example, between the U.S. and majority-ruled Africa is now a fact of life. As indicated in recently-published hearings of the Subcommittee on Africa, U.S. imports ($1,511.6 million) from Africa (excluding Egypt, North Africa, and South Africa) in 1973 were nearly double our exports ($856 million) to that area. Nigeria's exports of oil have become increasingly significant for an energy-conscious U.S. Furthermore, many independent, majority-ruled African countries are major producers of minerals needed by the United States. Malagasy Republic is a major world producer of crystalline graphite, a necessary ingredient in steel production. Zaire supplies 90 per cent of our cobalt. Zambia is the world's largest copper exporter. Surely, these facts serve to illustrate the increasing economic significance to the United States of majority-ruled Africa.

The changing situation in southern Africa further argues for a reevaluation of U.S. foreign policy towards that area. Independence in the Portuguese "territories" is inevitable now. Majority rule is also imminent in Southern Rhodesia, which is illegally governed by the 5% white settler regime and is faced with a continuing civil war, critical shortages of foreign exchange and spare parts for industry, a tightening of U.N. sanctions violating by many countries, and the threat of the loss of its access to the sea through Beira in Mozambique. South Africa, which maintains a repressive system of apartheid, cannot expect to forever sustain its hold over the 75% majority population which is African.

These factors point to the need for a more rational U.S. foreign policy towards Africa. The growing constituency for Africa in this country plays an increasingly vital role towards bringing the necessary changes in U.S. policy.

But a vigilant and informed communications media has a significant part to play in both processes of constituency-building and bringing about a reassessment of U.S. policy regarding Africa. In terms of providing accurate information to the American public, erasing stereotypes about Africa, and serving as a responsible watchdog of the U.S.' African policies, the media is crucial.

So often, significant Africa-related events remain uncovered and unnoticed by the media-at-large in this country. For example, the recent Sixth Pan-African Congress held in Dar es Salaam, Tanzania was a historical coming-together of peoples of African descent from all over the world, for the purpose of seeking common solutions to our common problems. Yet, this was, with the exception of a few black newspapers and local stations, largely ignored by the communications media in this country.

I think the history of the current struggle to repeal the Byrd amendment by passage of S. 1868, a bill to restore the U.S. to full compliance with United Nations sanctions against Rhodesia, is quite illustrative of the broader media's frequent distortions and ignoring of African issues and events. (It should be remembered that Rhodesia sanctions is perhaps the one issue on which black and white constituents alike throughout the country have, for the past year, diligently expressed their support to members of Congress.)

On February 27, 1974, I called a press conference, which launched a coordinated campaign by national black organizations and expressed the determination of the united black community that the Byrd amendment be repealed. This conference was attended by several members of the African diplomatic community, representatives of national black organizations, and the Congressional Black Caucus. Yet, press coverage was virtually nonexistent.

The stainless steel industry and other corporate interests have been very active in their campaign for retention of the Byrd amendment. However, in every one of the myriad of arguments used by these special interests in their lobby for the Byrd amendment, I have found either exaggeration, misconception, or outright falsity. Perhaps, most serious of all, have been attempts by industry spokesmen to convince local steelworkers that they will lose their jobs if sanctions are reimposed. As the United Steelworkers of America indicate in the April 7, 1974 issue of Steel Labor:

"Some companies have made misleading statements that Steelworkers jobs are endangered by the United Nations embargo on Rhodesian chrome . . . The facts are that specialty steel jobs will not be lost but rather USWA ferrochrome jobs have been further jeopardized because of the new pressures from Rhodesian ferrochrome smelting sources . . . Today seven USWA locals who once employed 2,800 workers in four companies in Ohio, West Virginia, South Carolina and Alabama now have a workforce almost 30 percent smaller—directly attributed to ferrochrome imports of which Rhodesia is the largest source.

"When dealing with members of Congress, company spokesmen have never documented possible job loss due to any adherence to the Rhodesian boycott. The job loss scare is directed to the employees, as part of their game plan to use workers as pawns to influence Congressmen."

The misleading arguments of these corporate interests have received some attention in the media-at-large; however, I would urge you as members of the National Association of Television and Radio Artists to continue to expose the facts in this case. Continue to investigate and make Africa's constituents in this country aware of the distortions promulgated by corporate interests on this issue, which is expected to reach the House floor by Tuesday, August 13.

Other African issues which warrant your continued attention include:

(1) Portugal and Africa—It is vital, for the future of southern Africa, that real independence be achieved in Portugal's African "territories" and in Guinea-Bissau. Regarding the latter's application for United Nations Membership, careful attention must be given to whether the U.S. will support or veto this application in the Security Council this month.

(2) The Drought-Stricken countries of Africa—During my recent visit to the Sahel region (towards the end of 1973), I was constantly reminded that the shortfall of food may be at least as great this year as in the past, and that long-term, as well as, immediate assistance was important.

(3) The Role of NATO in Southern Africa—Continued attention must be paid to recent reports that NATO has issued directives to SACLANT in Norfolk, Virginia to begin contingency planning for the defense of the sea routes around southern Africa.

(4) We must be continually aware of the worsening situation of blacks in South Africa.

(5) Namibia—The floggings and detentions without trial by the illegal South African administration, as well as, the recent flight of Owambos from Namibia must be watched.

(6) Problems of economic and agricultural development—In particular, the problem faced by one-crop economies in Africa and the impact of the oil crisis on independent, majority-ruled African countries deserve careful scrutiny.

(7) Finally, specific, African-related legislation now pending in Congress should be followed. These include my Fair Employment Practices Bill, still pending in the House Judiciary Committee; Senator Mondale's amendment to the Trade Bill which would deny tax credits to any U.S. corporations which pay taxes to South Africa for their operations in Namibia; and, legislation pending in the Senate which would provide for a $25 million contribution by the U.S. to the African Development Bank.

In conclusion, I would again urge an expansion of your past coverage regarding Africa. And, specifically, I would urge a renewed and increased attention to the repeal of the Byrd amendment before the August 13 House vote.

CAPITOL HILL LAND GRAB

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. SYMMS. Mr. Speaker, the following editorial entitled "Capitol Hill Land Grab" appeared in the Wall Street Journal. This editorial is excellent in that it exposes the prevailing nature of Government; namely, to expand. For the benefit of my colleagues the editorial reads as follows:

CAPITOL HILL LAND GRAB

Sometimes Congressmen don't know when to stop. How else can you account for the revival of the House of Representatives' predatory instincts toward its neighbor, the Library of Congress? Several years ago the library, one of the greatest research facilities in the world, finally got some land for a much needed third building. But before work could begin on its "James Madison Memorial" annex, the House began to covet the space for a fourth office building. Considering the hideous expense of the recently finished Rayburn building, an overblown monster that would have made Mussolini blush, this land grab was too blatant to carry on in daylight. After some public exposure, the Library of Congress was allowed to carry on.

Now, as our Washington Wire reported recently, 230 Congressmen are petitioning to convert part of the new Madison Memorial to congressional office space when it is finished in 1978. We think this building should remain what it was planned to be, a center for library research and a tribute to one of the greatest thinkers in American politics. The Great Hall of the Library of Congress' main building, one of the architectural gems of Washington, has been cluttered up with temporary offices for the past decade. These office partitions should be surplus when the Madison Building opens. If the House needs more space then, it should ask for them and set them up in the marble expanse of the Rayburn building gymnasium.

AN APPEAL TO CONGRESS

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. TIERNAN. Mr. Speaker, I would like to insert the following letter from a concerned American citizen, Ms. Carol Bragg, in the RECORD. I feel this will contribute greatly to an intelligent discussion of the proposed amendment limiting U.S. aid to South Vietnam.

Ms. Bragg is a Rhode Island resident who is abhorred by the acts of inhumanity perpetrated on the people of South Vietnam by the Thieu regime. Her letter is an impassioned plea for the lives of those pitiful Vietnamese who curse the ignominious Idonesian war. It is emotional and moving.

I am sure that her letter will reach the other Members of Congress as it has myself and I respectfully submit the following for the RECORD:

AMERICAN FRIENDS SERVICE
COMMITTEE, INC.,
Philadelphia, Pa.

DEAR MEMBERS OF CONGRESS: Today I am entering the seventh week of a fast associated with the Tiger Cage Vigil at the steps of the United States Capitol in Washington. I have been fasting since June 24th—taking water only for the first week and drinking small amounts of juice since that time.

I am fasting in order to express to you and to my fellow and sister Americans my deep concern for the victims of the continuing war in Indochina and my distress over continuing American funding of the Saigon and Lon Nol regimes. It is my hope that my fast will in some small way convey the moral unacceptability of the human cost of the war and serve as a reminder that Vietnam is still America's war and still America's responsibility.

The fast itself was inspired by the fast undertaken earlier this spring by 300 Buddhist monks and Cao Dai priests imprisoned in Saigon's Chi Hoa prison. These monks and priests, arrested for refusing to serve in the military, are among the estimated 100,000 civilians currently incarcerated by the Thieu regime for "crimes" ranging from failure to carry an identificaion card or to fly a South Vietnamese flag to "incite neutralism" or writing a peace poem after the Peace Accords were signed. Source (Amnesty International). According to the Buddhist Peace Delegation in Paris, at least one of the fasting monks died; the rest agreed, upon promise of release, to end their fast, were later drafted into the military and now sit in military prisons around the country for refusing to bear arms.

These civilian prisoners are a stark but revealing testimony to the lack of basic democratic freedoms in South Vietnam, and they are a symbol of the many victims of the continuing war.

You are well aware of the magnitude of American military and economic aid to the Saigon government. The United States underwrites over 80 percent of the costs of the South Vietnamese government. The President has requested a total of $1.6 billion in military aid and $750 million in economic aid for the Thieu regime for Fiscal Year 1975. If one combines these figures with the amounts proposed for Cambodia and Laos, the total aid request for Indochina equals $3.7 billion—more than for all the other countries of the world together. And according to the Administration's own admission, 88 percent of that amount would be for war expenditures and only 5 percent for humanitarian assistance (Agency for International Development FY 1975 submission to Congress). The consequences of this aid are obvious: So long as President Thieu can continue to rely upon massive American support, there will be no political settlement in Vietnam, there will be no implementation of the Peace Accords, there will be no peace for the Vietnamese. Similarly, in Cambodia, U.S. aid merely serves to perpetuate the fighting and forestall a peaceful resolution of the conflict.

American planes, bombs, runs and ammunition continue to rain death and destruction upon the peoples of Indochina. American tax dollars and technical assistance maintain in power two regimes which flaunt democratic liberties and insist upon pursuing military victories at great cost to the civilian populations. As you vote for aid to Indochina, please remember the victims of the continuing war:

Please remember the 70,000 civilians killed or wounded in Vietnam during the first year of "peace."

Please remember the nearly 1 million new refugees generated in Vietnam since the signing of the Peace Accords—refugees who live in unspeakably squalid slums in and around the cities or held under threat of death in "resettlement camps" surrounded by barbed wire and guarded by armed soldiers.

Please remember the tens of thousands of homeless, penniless, psychologically-damaged children who now jam the orphanages, children's homes and hospitals of South Vietnam.

Please remember the more than 100,000 civilians imprisoned by the Saigon government for voicing opposition to President Thieu or merely advocating peace.

Please remember the victims of the continuing war and remember that in your votes lie the fate of millions of Indochinese.

In peace,

CAROL BRAGG.

PROVIDENCE, R.I.

AS CONGRESS DEBATES EX-IM, SOVIETS OPPRESS UKRAINIANS AND LATVIANS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ASHBROOK. Mr. Speaker, the House of Representatives will be shortly deciding the future of the U.S. Export-Import Bank. This bank has gained much attention through its ill-advised American taxpayer subsidized loans to the Soviet Union. The Soviets desire such loans to build up their industrial base upon which is constructed their military power.

The United States has been giving aid to the Soviet regime—the same Soviet regime which has been imprisoning and torturing untold thousands of its citizens.

Two cases of such persecution have been recently brought to my attention. The first is the case of the Brothers Bruvers. Two brothers, Pavils and Olafs, have been arrested by the KGB in Latvia. Their only "crime" was the distribution of a public opinion questionnaire which is reproduced at the end of my remarks.

These two brothers are being charged with slandering the Soviet Government. They may be sentenced to years of hard labor in Siberia.

Their parents have been repeatedly interrogated by the KGB. They have been criticized for raising their children as Christians. One of their sons, Danils, has managed to get out of Latvia after a 30-day hunger strike and is spreading this story of Soviet oppression throughout the United States. The American Latvian Association is helping publicize the case in this country.

The second case that I want to discuss is that of Valentyn Moroz, a 38-year-old Ukrainian historian. He has spent 8 of the last 9 years in Soviet prisons and concentration camps.

At his secret trial on November 17, 1970, Moroz stated,

> Only a submissive Moroz would prove useful to you, for by "confessing" he would repudiate himself. . . . But for a Moroz of that breed you have to wait forever. . . . I am being tried behind closed doors, but your secret trial will "boomerang" regardless of whether I am heard, or whether I remain silent, isolated from the world in a cell in Vladimir Prison. There is a silence more deafening than thunder and it cannot be muffled, even should you destroy me. Liquidation is an easy answer, but have you ever considered the truth—that the dead often count more than the living? The dead become a symbol—they are the substance that nourishes the will and strength of noble men.

Ukrainian groups throughout the United States have risen in support of Moroz.

I urge all Americans—those whose roots go back to the captive nations and all other Americans who cherish freedom—to oppose these actions of the Soviets.

When the Congress votes on continuing the Ex-Im Bank, I hope these considerations will play a role. The U.S. Government must go on record as being opposed to these actions of the Soviets. Leaders of other countries have raised their voices in opposition. It is time that we do so also.

At this point I include in the RECORD a translation of the questionnaire that the brothers Bruvers were arrested for circulating a copy of a news release from the Committee for the Defense of Valentyn Moroz.

QUESTIONNAIRE

When filling out this questionnaire, underline the appropriate answer. If your answer is none of those suggested below, write it in the additional space provided. You may underline all answers. This questionnaire may also be completed in Latvian.

Education ________________________________

Age ______________________________________

Profession _______________________________

Nationality ______________________________

1. Do you like your job?

(a) I'm satisfied and I'm well paid.

(b) I'm satisfied, though I'm not paid well.

(c) I'm not satisfied.

Why?

2. Where do you spend your holidays?

(a) In Latvia.

(b) At the health resorts of the USSR.

(c) Traveling abroad.

Other?

How would you like to spend your holidays?

3. Did you buy lottery tickets (DOSAAF, SPORTLOTO, bonds, Lottery of the Latvian SSR, and others)? What was your purpose?

(a) to increase the collective welfare.

(b) desire to win.

(c) wish to promote athletic activities.

or:

4. In what public activities do you like to partake?

(a) Lectures.

(b) Theater.

(c) Cinema.

(d) Demonstrations.

(e) The "subotniki".

(f) Dancing.

(required volunteer work on Saturday).

Other activities?

5. What kind of our radio programs do you like?

(a) Social-political.

(b) Literary.

(c) Musical.

6. What would you like to hear about more often?

7. Give your evaluation of the situation in our country (by the five-point marking system) and explain it briefly:

[Committee for the Defense of Valentyn Moroz, P.O. Box 40121, Palisades Station, Washington, D.C. 20016]

NEWS RELEASE

The Committee for the Defense of Valentyn Moroz is conducting a continuous vigil against death in front of the Embassy of the Soviet Union in Washington, D.C. Picketing of the Soviet government's treatment of Valentyn Moroz is taking place at 16th and K Streets. The Washington action, which began July 22nd, is part of an international movement to demand the release of Moroz and to focus world attention on his illegal imprisonment.

Valentyn Moroz, a 38 year old Ukrainian historian, has spent eight of the last nine years in Soviet prisons and concentration camps. In 1970, he was again sentenced to nine years of imprisonment and five years exile in an illegal closed trial on charges of "anti-soviet propaganda and agitation."

Amnesty International reported that in 1972, Moroz was gravely wounded by criminal inmates and that since that time his health has been declining. Reports by Jewish emmigrants, most recently by Captain Anatoly Radygin who left the Soviet Union in 1973, state that Moroz is now kept with the criminally insane. Appeals to the Soviet government on behalf of Valentyn Moroz by such prominent people as Andrei Sakharov have been to no avail.

On July 1, 1974, Valentyn Moroz began a hunger strike until death to protest the conditions of his imprisonment. Hunger strikes of solidarity with Moroz are in their second week in Ottawa and Winnipeg, Canada. Similar hunger strikes will begin Friday evening, July 26th, in front of the Soviet Embassy in Washington, D.C. and Monday, July 29th, in front of the Soviet Mission to the United Nations in New York.

The Committee for the Defense of Valentyn Moroz calls upon the United States government and especially President Nixon, to intercede on behalf of Valentyn Moroz in an effort to save his life.

CONGRESSMAN RONCALLO CALLS FOR A SMOOTH TRANSITION OF POWER

HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. RONCALLO of New York. Mr. Speaker, yesterday's statement by the President regarding his conversations seeking to block the FBI investigation into the Watergate incident casts the entire empeachment situation in a new light. There is no longer any doubt in my mind, or the President's, or the American people's that Richard Nixon took steps to insure that the investigation would not reach his closest advisers. Impeachment is a certainty in the House and conviction by the Senate is becoming ever more likely.

What must be considered now is not what is best for Richard Nixon, not what is best for the Congress, not what is politically expedient for the coming elections, but what is best for America. This has caused me much agony and many sleepless nights for several weeks—ever since the Judiciary Committee began its formal deliberations and long before yesterday's revelations.

I have come to the conclusion that no public interest would be served by a drawn-out impeachment trial which would tear this Nation apart and which could leave a blot on our history for centuries to come. I believe the time has come to prepare for a smooth and orderly transition of power from Richard Nixon to GERALD FORD, a transition which would appear to necessitate that the President resign his high office so that the full confidence of the American people and of the world can be vested in his successor.

There are two important things to keep in mind during this difficult period. First of all there must be a strong commitment on the part of the Congress for reform of our election campaign practices. After all the shouting and all the vindictiveness, the House will have before it later this week a sham of an election reform bill which effectively allows those who would be regulated to regulate themselves, which allows for continued large contributions by special interest groups, does not provide for Federal funds to match small private contributions in congressional elections, and which does not call for full financial disclosure. I have cosponsored several amendments and will be supporting others to rid the bill of these deficiencies, but I wonder just how deeply some of those who have been most vocal in their condemnation of the President are committed to seeing that these abuses never happen again.

I have supported most of the President's program in the past, although I have voted in opposition when specific measures were not in the best interest of the country or of my district. I think we must separate Nixon the man from Nixon the President. As President, Nixon has accomplished many great things for this country. I know that my four boys are not in Vietnam and will not have to go there thanks to his policies. I know that thanks to Richard Nixon we have removed our collective head from the sand and opened the door to relations with China. On the domestic scene Richard Nixon has begun to turn the tide of ever more massive Government spending and has been working to reduce many of his predecessors' misguided programs which are the major cause of the inflation we are facing today. It is quite probable that no other President could have accomplished this and a great tragedy that events seem to have made it impossible for him to continue in office.

Two years ago the American people gave a strong mandate to Richard Nixon, not to misuse his office, but to use it to carry out his program. I believe this mandate still exists and that the Congress, the press, and the public must and will give Gerald Ford the cooperation he will need to fulfill the wishes of the vast majority of Americans.

MIZELL RESPONSE CONCERNING PRESIDENTIAL STATEMENT AND CONVERSATIONS OF JUNE 23, 1972

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. MIZELL. Mr. Speaker, today I have released the following statement and would like to insert it at this time in the Record:

STATEMENT

In response to yesterday's developments, I have reviewed the most recent Presidential statement and conversations.

It is now clear that the President has acted in a manner unworthy of the highest office in the land.

The evidence that is now available leads me sadly but inescapably to the conclusion that the President has not acted in keeping with his oath of office.

It is now imperative that the House of Representatives quickly perform its Constitutional duty and that the United States Senate sit as Judge on the guilt or innocence of the President.

DR. RAY MILLER'S "ACRES FOR TOMORROW" PLAN HELPS MEET TODAY'S NEEDS

HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. McFALL. Mr. Speaker, as the world's appetite for food and fiber becomes increasingly ravenous, the American farmer is being called upon to expand production to a level unprecedented in man's history. And, as American agriculture pulls out the stops, it is reassuring to know that the additional arable land necessary for expansion on this order of magnitude, is readily available for tillage.

The availability of that rich and fertile land, is in no small part attributable to the foresight of a man of extraordinary vision. That man is Dr. Raymond W. Miller.

Twenty years ago, Dr. Miller presented a new concept before the annual convention of the American Association of Agricultural College Editors.

The idea provided for payments to farmers who took their excess land out of production, and the Christian Science Monitor, on July 20, 1954, quoted Dr. Miller as stating that—

> Such a program might be called "acres for tomorrow". That is precisely what it would be.
>
> Our population is growing and may go to 275 or 300 million during the next century.

The Monitor went on to add that—

> There will be an acute need then for good cropland. "Acres for tomorrow" would also be a vital reserve during times of national emergency . . .

Dr. Miller, then a visiting lecturer at the Harvard Business School, never took exclusive credit for the idea. He was, however, an ardent and vocal proponent of the concept. His "mothball" plan, as he sometimes called it, would not only reduce surplus production, but would give the land a rest to restore its fertility.

In April 1956, Kansas Senator Frank Carlson and Arkansas Congressman Brooks Hays each read laudatory statements into the Record praising Dr. Miller's vigorous advocacy of this innovative concept. It was at this time that Senator Carlson introduced legislation providing for the establishment of the "set-aside" concept as an integral part of the farm program.

The concept became a reality and all of us have become the beneficiaries of this man's vision.

Dr. Miller's long and distinguished career goes beyond his role as an educator and author and includes service as consultant to the United Nations Food and Agriculture Organization, and also long involvement with American farmer cooperatives and the agricultural problems of developing nations.

Although Dr. Miller now resides in Washington, he maintains close contact with his many friends and relatives in California which was his permanent home until 1942 hen w he accepted a position as an adviser to the head of the War Production Board. Even now he maintains an interest in farming operations with his brother, Dave, near Linden, Calif., a farming community, which I have had the privilege of representing in the House of Representatives for 18 years.

It is with great pleasure that I take this opportunity to salute Dr. Miller.

NATIONAL RIVER ACADEMY OFFERS INNOVATIVE PROGRAM

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ALEXANDER. Mr. Speaker, since 1970 the National River Academy of the United States, located in Helena, Ark., of the First Congressional District, has charted a steady course in training rivermen for our Nation's waterways.

It is an innovative 22-month program that provides 2 months work in the "field" for every 2 months in the classroom. In this case the field is the entire 25,000 miles of the Mississippi.

The novelty of the program will likely arouse the suspicion and resistance of river oldtimers. But the present course should make believers out of skeptics and make skilled pilots out of young men.

As the academy graduates its first class of cadets, I wish to commend to my colleagues the second article of the Times-Picayune series by Clint Bolton on the National River Academy:

[From the New Orleans Times-Picayune, June 30, 1974]

RIVER INDUSTRY WILL SCRUTINIZE NATIONAL ACADEMY NEW TO THE MISSISSIPPI

(By Clint Bolton)

For all that the National River Academy at Helena, Ark., is almost as new to the Mississippi River as the five young New Orleanians who reported there last April 29, it is in the last analysis only a projection of all that has gone before.

It will be novel, innovative and will be praised and damned, lauded and cursed. River oldtimers will view it with suspicion and some resistance. It will be carefully scrutinized by the river industry in this country and world wide.

But as the present course is set it will make believers out of skeptics and it will make skilled pilots out of young men by sound but unusual methods.

From the first cadet class through the newest group which entered last April, the New Orleans area has always been represented. This is as it should be because if it were not for The River there would be no New Orleans.

It is appropriate, therefore, that young Orleanians become part of the National River Academy and part of the city's lifestream, the river.

AUGUST GRADUATE

Graduating in August will be three young Orleanians. They are James E. Carlin; son of Mr. and Mrs. Thomas P. Carlin of Harvey; William A. LaGarde III, whose parents live in Norco; and Melvin P. Richard.

During a recent visit to Helena, I was unable to meet with these cadets in the academy's first graduating class, as the entire class was completing a final two months "run on the river." They would return to the academy after that final 60 days of practical experience and go into intense classroom training to pass the Coast Guard licensing examinations.

However, the rest of the New Orleans delegation was "aboard" at the piloting academy and when the word was passed that a photographer and writer were visiting to do a story for The Times-Picayune the group was promptly dubbed the "New Orleans Specials." Other publications have done articles about the National River Academy but none have, like The Times-Picayune, focused as heavily on "hometown talent."

YOUTHFUL DERISION

Despite some youthful derision and a little color-me-green-with-envy ribbing from the other cadets, the "New Orleans Specials" will not suffer any prolonged agony for being singled out journalistically.

The overall esprit de corps at the academy is excellent and reflects not only the outgoing attitude of the cadets but the sincere and soundly constructive leadership of the facility.

"Right now and for a few years to come, we will be a very limited outfit in terms of numbers," Capt. Pierre R. Becker told me.

"I wish we could double up our entrants every year. But we just don't have the living quarters for them right now and as we do expand our first concern will be to the tops, the utmost in teaching, both in terms of instructors and tools. With that will go an expansion program of cadets.

"Right now from me down to the newest arrival there is a feeling of unity, of common purpose. Sure, your New Orleans gang will probably be known on the River all their lives as 'The New Orleans Specials' but if it started out as kidding it will some day be part of this academy's tradition.

"Other pilots of these same years will pass them on the river and say, 'That's ole Soandso. He was at the academy when I was there. We called him and the other fellers from New Orleans the Specials."

IN WORLD WAR II

We both grinned a little. Pierre R. Becker was in the first graduating class of the Merchant Marine Academy at Kings Point. It was the class that got a hurry-up finishing off and was shipped out into the World War II action. He is also recently retired from the Navy Reserve as a captain. Capt. Becker knows a good deal about seagoing tradition and how, in after years, officers recall events which become legend and tradition.

On the Big River, legend and traditions abound. The National River Academy will make a contribution.

Cadets at the academy begin with a combination of instruction. The not-so-simple art of learning how to handle lines is basic This is "decking" and a good deckhand is a good deckhand on a towboat, a tanker to the Persian Gulf, or a cruise liner warping into a dock in an exotic tropical port.

Immediately adjacent to the main building of the River Academy which houses administrative offices, classrooms, mess and recreational facilities and the two-to-a-room dormitory wing, is a dock practice area. Anyone viewing this sector is entitled to say, "So what. You have a small, beached old towboat and a small scale concrete parking lot which you've studded with butts, bollards and other stuff to make it look like a dock. Beyond that you've got valves and pipes to look like a tank barge. What's so great about that?"

GOOD SHIP "LITTLE ROCK"

Well, it just so happens that beaten-up little Toot of a towboat is the good ship Little Rock which long ago paid her dues on the rivers. Now tucked away on shore she provides new cadets with the first steps in deck to dock line handling.

The butts and bollards and other items including the pipes and valves in the "tanker" area have valid purpose. While some of the cadets have had exposure to towboating or have worked in marinas or around oil rigs a lot of them have never tied up much more than the family outboard.

The art of securing lines and lacing a string of barges into a compact and manageable whole is not arcane but young Rene Peytral of New Orleans, who is one of the "new bunch" looked at me and said, "I know everything is standing still. I know that loop is big enough. But I've been heavin' this line for 15 minutes and I haven't got the knack of it yet."

"Hang in there. Throw five in a row and I might give you a Panda, just like you'd get at the Hoop-La game at Pontchartrain Beach.".

NO SHADE FOR CADETS

It was 90 degrees in the shade and no shade that afternoon but the cadets were swarming all over the Little Rock and the mock-up dock and tanker layout. In addition to training young men to become river pilots in 22 months, the National River Academy has several short courses for young men now working on the river who want to obtain licenses or certificates from the Coast Guard.

There is a three-week course for experienced personnel who were already serving as master-pilot aboard vessels prior to the new licensing system.

The academy has a three-week course for an "operator's" license which is for the experienced steersman-deckhand and a similar course for mates. Other courses ranging in length from one week to four include tankerman (USCG Certificate); engineer (USCG License); deckhand and radar observer. There is even a course for cooks and as I have never had a bad meal on a tow, I said to Capt. Becken "Cooks? What can you teach those guys?"

"From your point of view nothing. But they need some training in ordering supplies, portion control, dietary methods. Things like that."

It makes sense.

NOT NEW ORLEANS COOKIN'

On the other hand lively Alfred "Pete" Peralta, an almost compulsive spokesman for the "New Orleans Specials," grinned when I said, "How's the chow?"

"It is definitely not New Orleans cookin'," he said firmly.

MIGHT SEND HOME

Christopher Cusimano, whose parents, Mr. and Mrs. Andrew Cusimano, live at 11445 Curran Blvd., rocked back in one of the recreation room's many chairs and said, "We might send home for some real red beans, rice, smoked sausage and do a little New Orleans cookin'."

William Ross Mitchell III, whose parents live in Metairie, wondered aloud about a "big boil . . . crawfish, shrimp, crab, the whole works."

The consensus, however, was "the chow's okay" and between classroom instruction and physical hours on the mock-up docking facilities, youthful appetites are enormous.

Over a monumental Dagwood ("Up here no French bread") the irrepressible Peralta said, "I'll close my eyes and pretend it's an everything po'boy," and Rene Peytral said, "I dreamed about an oyster loaf the other night."

After midday chow and for an hour or so in the evening when all classes have secured, the school's small PX or canteen is opened. It is a countered corner of the mess hall and is supervised by second classman Joseph T. Davisson. His parents are Mr. and Mrs. T. B. Davisson of 1603 Jo Ann Place.

ON "DELTA QUEEN"

Cadet Davisson is a mature young man, sporting a handsome mustache of the British Guards persuasion. He has had prior experience on towboats and also has worked on the last sleep-aboard passenger ship on the nation's inland waterways, the Delta Queen.

His "store" stocks the usual assortment of toiletries, candy, smoking supplies, notebooks, stationery, ballpoints, pencils and National River Academy souvenirs; pennants, patches, cigarette lighters and other trinketry.

Joe Davisson will graduate in a few months. He regards his time as a cadet as one of the major investments of his life.

"Actually, a thousand dollars a year isn't all that much. As a matter of fact it really is a good buy. During the time we are aboard the towboats we get paid $100 a month. That's what we get. Just walkaround money maybe but the rest of our towboat pay becomes part of our tuition. So if we put up $1000 a year and get back in cash at least $400 we are only paying $600. Our various books and other learning tools come to about another $30. Of course we buy uniforms and other stuff. But the price is right."

"How much do you fellows need to get by here?" I asked the group.

DOWNTOWN HELENA

"Practically nothing. No place to spend it."

Christopher Schneidau, whose parents are Mr. and Mrs. O. J. Schneidau of 7812 Willow Street, said, "You ever been in downtown Helena?"

"No. I came out straight to the Academy. But I can figure out it is not exactly the French Quarter."

Somebody else said, "It isn't the Quarter, it isn't Fat City."

Peralta said, "It is right out of that movie, 'American Graffiti.' Big action is everybody drives up and down Cherry Street wavin' noddin' hello to everybody else. Know what I would do if I lived in Helena?"

"What?"

"Enter the National River Academy so I could get a good job on the river and just go by dear ole Helena and give her a coupla toot-toots on the whistle."

"Look, it isn't New Orleans but it isn't all that bad."

"No. But it isn't all that great. I told my Dad about it up here and he said, 'Well, at least you won't get into trouble.' One way he's right. But the last thing I want is trouble. Me, I came here to learn to be a pilot, to make myself a career.

"We got some guys here you could call drop-outs. If a guy doesn't dig going to college is he some kind of creep? And if he learns about this place and wants to take a shot I don't think that's bad at all.

OFFICE NOT FOR HIM

"I didn't want to be a lawyer, a doctor of anything like that. I don't think I'd be happy working in an office. At least not right now. This thing . . . the whole river . . . that's for me. But this is no place for a guy who is just dropping out. You learn and remember. You know how many aids to navigation there are between the Huey P. Long Bridge and Baton Rouge?"

"No . . . and neither do you."

"I admit that. But one of these days I'm gonna know them and all the others. That's part of this stuff here."

Dedication is also a part of what's up there at Helena. It is almost a tangible force.

Part of the National River Academy dedication is to a soon-to-be-realized dream. From the superintendent to the New Orleans Specials who had their first sight of the academy on April 29, 1974, you hear it . . . "Wait 'til we get the simulator."

MEDICAL BILLS MAY FORCE FAMILY TO LOSE HOME

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mrs. GRASSO. Mr. Speaker, the tragic story of George DeVirgilio, his wife Peggy, and their 4-year-old son, Dean, relates the plight of a family caught in the middle: burdened by inflation, by heavy medical costs, and by a system which offers little assistance to the middle class.

The DeVirgilio's predicament is one of intense personal suffering. George is a proud, ambitious, hardworking man—whose family has come upon hard times.

The story of these gallant people is a clear and convincing indication of the pressing need in this country for some form of national health insurance. We must ensure that American families like the DeVirgilio's are protected against the ravaging burden of medical costs for treatment and care.

For the benefit of my colleagues, I insert the following story on the plight of the DeVirgilio family, as it appeared in the August 1 edition of the Hartford Courant.

The article follows:

SON AUTISTIC, WIFE ILL—MAN FEARS HOME LOSS WITH MEDICAL BILLS

(By Joseph A. O'Brien)

NORTH CANAAN.—It was a troubled home without a mother and 4-year-old Dean sat alone at the big dining room table Tuesday eating the supper his father had cooked.

It was a tomato sauce dish with bread and butter and milk, and Dean ate in silence. His Father, George DeVirgilio talked in the nearby living room of their brown wood-frame house on a sharp curve of heavily traveled Rt. 44.

Dean can speak, but he can't carry on a conversation. His father said Dean has been diagnosed as having "minimal brain dysfunction, semi-autism, epilepsy, asthma, various allergies" and emotional disturbance.

"Autistic children" withdraw into themselves," said his father.

But it wasn't Dean's problems the reporter came to hear about. His father had written The Courant about the financial situation that may force Dean and his parents to lose their home.

Money has been tight for the family and things got worse a month ago when Dean's mother, Mrs. Peggy DeVirgilio was admitted to Hall-Brooke Hospital in Westport. She has "extreme depression," De Virgilio said.

It wasn't always this way for DeVirgilio. He was listed in the 1972 edition of "Outstanding Young Men of America." In past years, he was a foreman at the Waring Products factory in New Hartford and later worked at a Hartford bank.

He now works fulltime in the engineering department at the Torrington Co. as a time study man and Saturdays at Fuller Hardware Store here. The money doesn't go far enough.

Last year the family's total income was $9,900, with medical expenses of $3,090.

DeVirgilio said his group insurance at the factory helps pay his wife's hospital bill of $120 per day plus other charges. He is paying $210 per week above the insurance coverage.

He bought his house two years ago and has a mortgage with Canaan Savings Bank.

He's four months behind in his mortgage payments of $152 per month including money for property taxes. He also is paying off a loan for the 10 per cent down payment when he bought his house and mortgaged is for $14,500.

DeVirgilio has borrowed heavily in an attempt to keep up his payments and buy food. "Instant coffee this week went from $1.89 to $2.07," he said. "It adds up fast."

Last week he borrowed $500 from the factory credit union to pay his wife's hospital bill.

He also increased a finance company loan to the maximum of $1,800. "I borrowed the money to live with," he said. "Right now I'm back up to $1,800 at 21 per cent interest. That amounts to $2,400 that I owe them."

He said, "I'm trying to provide a home and everything else."

SEEKS HELP

DeVirgilio has written to Gov. Meskill and U.S. Rep. Ella T. Grasso, D-6th Dist.

He said he received no reply from Meskill but a Grasso aide phoned him twice and advised him of ways to help his son. "We were very pleased that she did at least try," he said.

TRIED WELFARE

DeVirgilio said he tried to get help from state welfare but could not. He also said he was told he does not qualify for the food stamp program because of his income.

He said he has tried the Veterans Administration but does not qualify for help because he is a peace-time Navy veteran. He said Social Security cannot help him because he is not disabled.

He pays $22 a week to keep Dean at a day-care home while he works.

Dean gets allergy and asthma shots at the Sharon Clinic and DeVirgilio said he owes the clinic $500 for visits by his wife, Dean and himself.

"I would like to see some kind of a fund started for people who have these problems," he said.

"They have all kinds of funds for everything else. Like $4 million for a people mover."

"What really bothers me," he said, "is that you hear the plight of people on welfare and minority groups. But you never hear about the middle class that is trying to do something. Or the so-called middle class, it's not anymore."

Dean hadn't finished his supper, but he climbed onto his father's lap. He smiled in silence. His father asked that Dean not be photographed and declined to have his own picture taken.

"We'll help you back out of the driveway," said his father.

"That's a wicked curve."

Dean and his father stood opposite their driveway and waved when the road was clear.

TRIBUTE TO WAYNE MORSE

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. PHILLIP BURTON. Mr. Speaker, I should like to join with my colleagues in paying tribute to the memory of the distinguished former Senator Wayne Morse.

Wayne Morse was a man of towering conscience, conviction, and integrity. A renowned legal scholar, former dean of the law school at the University of Oregon, Wayne Morse was a champion of working men and women who vigorously supported President Truman's veto of the Taft-Hartley Labor Act.

In the Senate he was a champion of home rule for the citizens of the District of Columbia.

Wayne Morse, 10 years ago recognized the folly of the Vietnam war and voted against the original Gulf of Tonkin resolution. Time has proven the correctness of his views and confirmed the integrity of his courageous action.

The country has lost a true patriot and public servant. I should like to join with my colleagues in extending sympathy to his wife.

The Nation and the Congress are the richer because of Wayne Morse's service. His record of public service sets a standard for all who would serve the common good.

THE RED CHINESE MANPOWER PROGRAM

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. LANDGREBE. Mr. Speaker, I ask that an article from the July 31 New York Times be included in the RECORD for the purpose of pointing out that Red China also has a manpower program designed to overcome the problem of unemployment. The people of China risk being shot by the People's Liberation Army, being eaten by sharks, drowning at sea, being keelhauled by the People's Navy, and being torn to pieces on oysterbeds in order to avoid participating in Mao's comprehensive manpower training program. Perhaps that fact will not induce our liberal friends to reconsider their plans for a great society, but maybe someone, somewhere will have second thoughts about the policies our Government is adopting.

The article follows:

HONG KONG GETTING CHINESE FLEEING RURAL DUTY

(By Joseph Lelyveld)

HONG KONG, July 30.—It's an old story, with an ebb and flow that is almost as regular as the tides, and no one seems to notice when the tide is a little swollen. But the fact is that the number of illegal immigrants fleeing to this overcrowded British colony from the adjacent Chinese province of Kwangtung is higher now than it has been in a decade.

Sometimes they climb over or tunnel under the wire fencing that China has strung along the colony's 22 miles of land border. Sometimes they hijack a motorized junk from a fishing commune, or bribe a fisherman to drop them off on one of Hong Kong's outlying islands.

But mostly they swim, staying in the water from four to twelve hours until they land on a beach or mudflat that is under British jurisdiction. To reach that point, they have to move stealthily through the Chinese countryside by night, eluding the patrols and trained police dogs of the People's Liberation Army. Also, they need stamina to overcome cramps, and wit to stay out of the beam of searchlights mounted on Chinese patrol boats, which sometimes operate within 100 yards of Hong Kong's shore.

More than anything else, they need luck. In Deep Bay, which lies to the west of Hong Kong's New Territories, there are oyster beds that can cut swimmers to ribbons at low tide and oystermen who occasionally apprehend them and turn them back to Chinese authorities.

THERE ARE ALSO SHARKS

In Mirs Bay, which lies to the east, there are strong currents that can sweep swimmers past one of the several small islands for which they usually aim and out to the South China Sea. Now and then, there are also sharks. Two weeks ago a 23-year-old woman named Tang Lai-yee managed to swim to safety after a shark had snapped off her right foot. Her three companions never made it.

In the first six months of the year, the police here reported the arrival of 2,833 illegal immigrants from Kwangtung, an increase of 35 per cent over the number reported for the first half of 1973, and more than twice as many as were reported for all of 1970.

The police statistics are the known cases. The number of the unknown cases, Cantonese who quietly meld into Hong Kong's population without bothering to make themselves known to the authorities, is anyone's guess. The immigration Department, which operates on the theory that the police statistics should generally be multiplied by a factor of three, estimates that 8,230 persons escaped in the first half of the year.

Even if that estimate is accepted, it represents only a trickle when set against Kwangtung's population of 42 million, let alone the total of more than 800 million Chinese. But a substantial proportion of the illegal immigrants these days are urban youths who have been sent to rural communes from Canton and other cities in Kwangtung as part of the general movement in China to send "educated young people" from the cities to the countryside.

Reviewed in that context, the rise in the number coming to Hong Kong does not seem incidental.

In the last four years, it is said, more than 100,000 youths have been "rusticated" from Canton to the communes. In that same period, about 70,000 illegal immigrants are estimated by the Immigration Department-to have made their way to Hong Kong. Even if the estimate is discounted by 50 percent and it is assumed that only one in four was a "sentdown" youth—a conservative guess—that would still leave nearly 9,000 youths who have fled to the colony to evade that draft. Many more must have tried and failed.

Interviews with the youths tend to confirm the impression left by the statistics—that Hong Kong is alluring now to many young Chinese who live near enough to make the attempt because it represents a haven from the countryside.

Reached here last month on his second attempt after five-and-a-half years on a rubber plantation on Hainan Island, traced his own decision to flee to a photograph he received in the mail in 1972. The picture showed a young man posing in front of the Hong Kong skyline, dressed in a smart sports jacket and a tie. He was a friend of a friend, and he had reached the colony by swimming.

"I never saw such beautiful clothes in Canton," the former Red Guard said.

In June, 1973, the young man made his first attempt to flee and was attacked by a police dog just as he reached the coast. He was then arrested and held in detention camps for a little more than a month before being sent back to the rubber plantation. The first camp, in Paoan County, had about 300 young men like himself, he estimated, who had been caught trying to flee; the second. in Canton, had about 1,000.

MANY PRACTICE SWIMMING

Back on Hainan Island, he was put through a routine "criticism" session but otherwise not punished for his defection. By a ruse, he managed to get back to Canton where he persuaded his younger brother to join him in plotting another attempt to reach Hong Kong. From January to May this year, he said, they swam in the Pearl River for several hours a day in order to build up their stamina.

Many young men and women were swimming there, too. Swimming has been regarded as a revolutionary activity elsewhere in China ever since Chairman Mao Tse-tung's celebrated swim in the Yangtze River eight years ago. In Canton, however, the motives of a dedicated swimmer are likely to be suspect.

The former Red Guard and other refugees who were interviewed described a youth scene in Canton that has its own special slang, full of new coinages that are used in veiled discussions of the prospects for fleeing. They speak, for instance, of shifting their feet, meaning that they are pointing them now to Hong Kong; or of pulling up anchor, meaning that they are ready to go.

Because a permit is needed to buy a compass in Canton, the young man said, he made his own in preparation for the 10-day hike that he and his brother took to the coast. Asked where he learned to make a compass, he replied: "It's common knowledge among the young men my age in Canton."

He said he had been earning 22 yuan (about $11) a month on the rubber plantation. Illegal immigrants from the less prosperous communes in southeast China not infrequently quote levels of remuneration of $5 a month or less when questioned about their motives for flight.

The minority of the new arrivals who put their motives in political terms almost invariably say that they had trouble in China because of a "bad" class background; that is, that they lived under a cloud because their forebears were landlords or merchants.

But according to Prof. Martin Whyte, a University of Michigan sociologist who has had 70 extended interviews with refugees as part of a study on the rural family in Kwangtung, "most of the cases fit generally into the category of economic opportunity."

The coastal provinces of Kwangtung and Fukien, he noted, have traditionally regarded emigration as a way out of economic difficulties. "To a certain extent," he said, "these people are not totally apolitical in that they feel that the political system keeps them from having opportunities they think they should have. But most of them cannot be called anti-Communist. Essentially, they are just looking for a better break."

The former Red Guard, who used a Chinese term that is best translated as "escapee" to describe himself, said he had come to Hong Kong because he wanted a job with a future. "They say there is no unemployment in Canton," he remarked, 'but that's because everyone is sent to the countryside. Going to the countryside isn't employment."

THE RADICAL ATTACK UPON ACADEMIC FREEDOM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. CRANE. Mr. Speaker, in recent days there have been increasing attacks upon academic freedom at the Nation's colleges and universities. Speakers expressing unpopular opinions have been forced from lecture platforms and a new effort is being made by radical students and their supporters on university faculties to enforce a new conformity upon American intellectual life.

At both the Universities of Chicago and Toronto, for example chapters of Students for a Democratic Society attempted to prevent Prof. Edward Banfield of the University of Pennsylvania, a distinguished expert in urban affairs, from speaking. Professor Banfield has become a target of the radical left because, as James Ring Adams points out in the Wall Street Journal, he "is an influential critic of social reform proposals who has irritated many liberals by his argument that the state of the cities is neither as bad nor as easily changed as it has been made out to be."

The attack against scholarly ideas does not, however, end with Professor Banfield. Mr. Adams writes:

> On a number of college campuses across the country, reputable scholars have found themselves targets of a campaign against "racism," even though nothing in their writings would seem to raise the issue. The SDS and several smaller groups . . . have harassed professors at Temple University, San Francisco State College, Wayne State University, the University of Connecticut at Storrs, and the University of Washington.

The SDS publication, New Left Notes, boasts of attempts to ban such "racist" books as an introductory sociology text that discussed "the culture of poverty" theory, a psychology text that explains IQ tests, and a popular environmentalist tract that warns about overpopulation.

At Yale University, 150 students took part in a noisy demonstration which prevented Prof. William C. Shockley from participating in a debate. Kingman Brewster, Jr., president of Yale, denounced the 75 minute chanting, stomping, clapping protest as representing the choice of "storm trooper tactics in preference to free speech."

Measure, the publication of the University Centers for Rational Alternatives, a group headed by such leading academicians as Sidney Hook, Joseph Scrandis, and M. M. Todorovich, declares:

> The picture being formed is becoming clearer. Radical groups from the remains of the New Left are making a serious and concerted effort to regain their former position on American campuses. They hope that the grace charge of racism will do it for them. By focusing on some of the more extreme extrapolations . . . they hope to associate with them others whose teachings may have nothing to do with race at all. They then can hope to tar all those who defend academic freedom as racists too. These efforts have led to disgraceful acts of political terrorism against individual professsors.

Mr. Adams' article, "Shut Up, Professor!", which appears in the June 25, 1974, issue of the Wall Street Journal, is an important contribution to the discussion of this unfortunate state of affairs. I wish to share this article with my colleagues, and insert it into the RECORD at this time:

SHUT UP, PROFESSOR!

(By James Ring Adams)

In the recently-ended academic year, few if any colleges closed down in crisis. The mood has been described as apathetic, and even complacent. But measured against academic ideals, the campuses are still disturbed. Faced now with disruptions from small and often loony radical groups, colleges have not yet found a way to insure that free speech can take place.

For at least two universities, indeed, academic freedom controversies have outlasted the school year. Last week a Chicago criminal court took up charges against five nonstudents charged with disrupting a meeting at the University of Chicago and hitting a dean. (The cases were continued to August 29, on a defense motion.) Meanwhile, the University is pressing extradition proceedings in the Detroit courts against two other out-of-state disrupters. At the University of Toronto, a circus-like televised disciplinary hearing has entered its sixth, and possibly final week.

Both the Chicago and Toronto incidents involved efforts by SDS chapters to prevent lectures by Edward C. Banfield, the University of Pennsylvania's controversial but highly regarded urbanologist. As these incidents show, speech disruptions are no longer confined to a few questionable cases, like Dr. William B. Shockley's amateur racial theorizing. Prof. Banfield is an influential critic of social reform proposals who has irritated many liberals by his argument that the state of the cities is neither as bad nor as easily changed as it has been made out to be. But the attack against scholarly ideas doesn't end with him.

On a number of college campuses across the country, reputable scholars have found themselves targets of a campaign against "racism," even though nothing in their writings would seem to raise that issue. The SDS and several smaller groups allied in a "Committee Against Racism" have harassed professors at Temple University, San Francisco State College, Wayne State University, the University of Connecticut at Storrs, and the University of Washington. The SDS New Left Notes boasts of attempts to ban such "racist" books as an introductory sociology text that discusses the "culture of poverty" theory, a psychology text that explains IQ tests, and a popular environmentalist tract that warns about over-population, Paul Ehrlich's "The Population Bomb."

THE NCLC'S OBSESSION

The National Caucus of Labor Committee, a separate group obsessed with alleged "CIA and KGB brainwashing" attempts against its members, goes after researchers on behavior modification wherever it thinks it finds them. (A recent NCLC pamphlet on two doctors doing drug research at a New York medical college accused them of training "zombie" hit-squads of former drug addicts "to terrorize the population and prepare the way for a military take-over within a few months.")

These groups usually count only a few student members, and their attacks against professors have been heavily reinforced by off-campus sympathizers. As the incidents at Chicago and Toronto illustrate, universities have had trouble coming to grips with this pattern.

At Professor Banfield's March 20 University of Chicago appearance, one of the American Enterprise Institute's bicentennial lectures, the school tried to limit the audience to invited guests and students. But as some 30 picketers marched outside, about 10 nonstudent radicals got in, flashing forged university ID cards. After the introduction, said one Chicago professor the disrupters tried to rush the stage. People in the audience stopped them, he said, "and after some minor pushing and more shouting the disrupters . . . got off the stage and took up a position directly in front of it, where they unfolded a banner and chanted slogans such as "Racist Banfield you can't hide. We charge you with genocide."

"For the next fifty minutes," the professor continued, "Banfield sat patiently on the stage while the disrupters alternated between vilifying his name and shouting a repetitive harangue at the audience." The talk was canceled at the end of the hour. (It was delivered the next day before a smaller group of professors.)

Some faculty complain bitterly that the administration should have called city police to evict the intruders. School officials reply that they feel no inhibition about forcibly removing disrupters but that in this case they feared that physical damage would result. In fact, Chicago did take steps to identify the nonstudent intruders and is now pressing charges against seven of them in the city courts. Two students in the incident have already received six month "suspended suspensions" (which go into effect if the students cause more trouble), and the student government voted by a three-to-two margin to kick SDS off campus for two terms.

A week before the Chicago talk, Professor Banfield went through a two-day ordeal at the University of Toronto. His lecture and seminar appearances on March 12 were marked mainly by steady heckling, although a number of radicals stormed on stage after his afternoon talk and might have caused him injury if several Toronto faculty hadn't intervened. At his major lecture the second day—on Adam Smith—campus police took elaborate measures to protect Mr. Banfield's personal safety. But someone forgot to secure the lecture platform.

When Prof. Banfield arrived to mount the podium, the SDS had taken over the stage and draped it with the placards reading "no academic freedom for racists." One nonstudent, who some thought wore a set of brass knuckles under his black gloves, threatened to harm him if he went further. His Toronto faculty hosts angrily called off the lecture, and Prof. Banfield went home.

Toronto is having a more difficult time than Chicago in coping with the incident. Immediately after the second lecture, members of Toronto's Faculty Association indignantly accused the administration of laxity and demanded firm measures to protect freedom of speech. Within a week, Toronto President John Evans proposed a broad policy on disruptions to the University Governing Council, the equivalent of a board of trustees. The university would guarantee that any disrupted meeting would be reconvened within 24 hours and would provide all necessary protection, including metropolitan police.

But at a crowded meeting on March 28 to vote these rules through, the council was itself the scene of turmoil. As the overflow crowd was turned away from the council chamber, some 50 SDS sympathizers tried to force their way in. Breaking in doors and slugging it out with a rear guard of campus police, they burst into the meeting and drowned out the speakers with their shouts. The council broke up. But it reconvened hastily the next afternoon, calling in 100 metropolitan police for protection. In a calm and unhurried atmosphere, it voted through the disruption policy.

The council also tried to settle the problem of how to deal with the student disrupters, a major problem since Toronto's disciplinary body, called the Caput, was in the advanced stages of atrophy. (No action has been taken against nonstudents in the Banfield incident, or anyone in the governing council disruption.) This unwieldy body, consisting of deans from various departments, would have been abolished altogether last year if students hadn't voted down the proposed replacement. The council gave it jurisdiction over the disrupters, but the trial quickly became messier than anyone had expected. By a quirk of Ontario law, the Caput has quasi-judicial powers and the two SDS defendants are exploiting them to the full. The radicals, conducting their own defense with protracted cross-examinations, have subpoenaed up to 200 defense witnesses. To cap off the confusion, presiding officer Albert Abel, a Toronto law professor, agreed at the beginning to allow local educational television to videotape the proceedings.

Said one student, "It's like Woody Allen's parody of the Chicago Seven trial."

THE TORONTO RATIONALE

Like the University of Chicago group, the Toronto SDS claims that their basic purpose is to keep "racist" speakers off the campus. Said one sympathizer, "Protesters who prevent academic racists from lecturing take the position that the very expression of racist theories is a crime to be physically stopped in much the same way as the burglar must be stopped. . . . To those who say 'How can racism be the issue unless we first hear what the speaker has to say?' . . . the reply must be that their right to hear the speaker must cede to the right of his victims to be free from racial discrimination." A student leader of the Toronto group claimed to draw his inspiration from the way "Stalin and the Communist scientists fought and exposed the 'academic racists' of the 1920s, 1930s and 1940s."

But this campaign against "racism" uses a very broad definition of this term. The charges against Professor Banfield rest on evidence like his positions in favor of "removal of the minimum wage, arrests in the ghetto on 'probable cause,' and 'closely supervised housing projects'" (to quote one SDS leaflet). The Toronto chapter, which has tried to raise support among that city's 300,000 Italian immigrants, called him "anti-Italian." (Even though Mr. Banfield is married to the daughter of Italian immigrants to the United States.)

Chicago radicals, trying to rouse their own constituency, labeled him "anti-Latin." SDS propaganda at his own University of Pennsylvania gravely accuses him of hostility toward "blacks, poor whites, Asian-Americans and native-born Americans," as well as women.

(The Toronto Faculty Association formally denounced these "libelous and scurrilous attacks" on Professor Banfield's work as "conscienceless distortion of some of his cultural and class generalizations, taken wholly out of their proper context.")

No matter how blatant on their face, however, these disruptions and propaganda campaigns ultimately have a corrosive effect on the academic atmosphere. Professor Banfield's reputation has been blackened among people who are totally ignorant of his work. The Chicago bureau of the Associated Press, for instance, reported on May 16 that he "has written that blacks are inferior to whites," such a bald misstatement that even the SDS has hesitated to use it. The AP corrected its error eight days later.

This pressure also makes people reluctant to spread their ideas, or even lecture publicly. Professor Banfield himself wants to spare other institutions the turmoil that has already weakened Toronto and Chicago. He says, "I don't want to be in the position of a rat carrying fleas infected with the bubonic plague from one place to another."

Yet some of the more naive "anti-racist" demonstrators scarcely seem aware of the damage they are doing. Professor Banfield recalls that one of his most persistent hecklers at Toronto, a very indignant young girl, came up to him between sessions and asked him to autograph an SDS flyer. "It leaves you gasping," he said. "What kind of politics is this?"

ALLENSWORTH PARK PROJECT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. ANDERSON of California. Mr. Speaker, it is no effort to recall the contributions of Frederick Douglass, Mary McLeod Bethune, George Washington Carver, Harriet Tubman, and many other great black Americans who made and continue to make history. Today, I am extremely proud to give tribute to another great black American who made history many of us have little or no knowledge about—Lt. Col. Allen Allensworth.

Lieutenant Colonel Allensworth was born a slave in 1842 somewhere on a Southern plantation. Reportedly sold twice on the auction block before he escaped, Allensworth fought for the Union side in the Civil War. After the war, he stayed with the military as an Army chaplain, serving through the Spanish-American War. Upon retirement, Allensworth was honored with the rank of lieutenant colonel, retired, the highest rank attained by any black person at that time.

Lieutenant Colonel Allensworth then went to California with the dream of establishing a community for his people, where all blacks might live and share a cultural heritage. Eventually, a site in Tulare County, located between the central valley cities of Fresno and Bakersfield was chosen by the colonel.

In 1908, a colony bearing the colonel's name became the first and only kind of community establishment for blacks. The town of Allensworth grew rapidly, and in 1912 a school district was formed.

The small black town even expanded to include a judicial district in 1914. At its peak, the Allensworth Colony developed into an 80-acre enterprise and supported nearly 200 families. Today, in 1974, a few remaining members of this still all-black town in California remember well how the people of Allensworth once gathered around the colonel to hear his philosophy of life. One long-time resident remembers Colonel Allensworth as a "good and capable leader." Now, a variety of factors including the passing of the colonel in 1914, and inadequate living conditions have sent the town on the road to decline. However, Allensworth will not sink into obscurity.

California is in the process of purchasing the town of Allensworth. Proposition 1, which was recently passed by California voters, allows for the development of State beaches, parks, and recreation and historical facilities. This bond measure will supply a substantial amount of funding toward Allenworth's goal of becoming a black historical park. The project will focus on and represent the growth and contributions of blacks as a result of their roots in Allensworth.

Entire restoration of the colony as it was in the days of the colonel is planned, including the colonel's house, town buildings, and a church. Plans for the reconstruction of the Allensworth Colony also involve a complete intellectual center, a museum, research area, and other significant emphases on black culture.

In charge of drawing up incorporation papers for the implementation of Allensworth is Dr. Kenneth G. Goode, vice chancellor of the University of California at Berkeley. According to Dr. Goode, the complete reconstruction of Allensworth will span a 10-year period. Black consultants, Willis & Associates, will plan the pattern and design of the colony. A black ranger has also been signed on for coordination of Allensworth as a park project. Richard Humphrey of Senior Planning in Los Angeles is acting administrator for the project.

Unique is the Allensworth project for it involves an all-black town expanding into a historical facility not only emphasizing black culture, but black direction as well. This makes the culmination of this project, its authenticity and scope, a black American first. Hopefully, this endeavor of restoring the town of Allensworth, Calif., will bring awareness of forgotten contributions of black America.

Mr. Speaker, I commend the determination and initiative of Lt. Col. Allen Allensworth in founding a colony for his people. And I also commend the remaining residents of the town of Allensworth, whose very faith and courage make the upcoming Allensworth Historical Park project possible.

DEFENSE APPROPRIATIONS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Ms. ABZUG. Mr. Speaker, I am very much disturbed that the Committee on Appropriations has seen fit to cut only $3.7 billion from the requested appropriation for the Department of Defense. Even this is partially offset by transfer authority for $410 million from appropriations for previous years, leaving a net cut of only $3.3 billion.

I am disturbed by the enormous appropriation of over $83 billion—almost $5 billion more than last year—in this one bill, which by no means covers all aspects of military expenditures. But I am even more disturbed by the implications of such funding. We appear to say to the world that we have no serious intention of seeking peace, but instead plan new and aggressive action.

To explain in detail some of these implications, I testified on May 30, 1974, before the Subcommittee on Defense Appropriations of the House Appropriations Committee. I would like to insert that testimony into the RECORD today:

TESTIMONY OF THE HONORABLE BELLA S. ABZUG BEFORE THE SUBCOMMITTEE ON DEFENSE APPROPRIATIONS

Mr. Chairman, Members of the Committee, I appreciate this opportunity to present for your consideration my objections to the military budget for Fiscal Year 1975. As you know, I have objected each year to the ever-rising military budget, and this year I object even more strenuously. For this year we have not only the highest peacetime budget in our history, but the most dangerous request ever made by the Pentagon: the proposal to convert our nuclear policy to a first-strike capability.

I will return to that, but first let me note the newly provocative stance in the overall request. The very magnitude of the request is staggering—over $94 billion dollars. After other wars, the Pentagon budget has been drastically reduced. This year we are asked to increase war expenditures by some $8 billion, or 9.4%. Why? When even the Secretary of Defense concedes that this is "the first budget in a decade that does not include support of US forces in combat."

Then we are asked to approve new land forces with new equipment; to extend our air-lift capacity; to continue supporting dictatorships all over the world. I thought we had renounced the role of world policeman—but in this year's budget we are asked to authorize a "stabilizing military presence" in the Indian Ocean, which has traditionally been a zone of peaceful commerce among nations. We are beginning a whole new program of chemical weapons, rather than agreeing to the Geneva Protocol which bans their use. We are asked to retire prematurely our existing surface ships in favor of an entirely nuclear navy.

Most dangerous of all, we are asked to approve more accurate nuclear weapons to that we can pinpoint our destructiveness "not only on cities and (missile) silos" but also upon "a long list of important assets" such as airfields and construction plants.

Well aware of the implications, the Pentagon is tooling up civil defense again. In his March posture statement, Secretary Schlesinger outlined plans for the evacuation of millions of Americans from 250 urban areas. Pilot projects are to begin in eight to ten areas this summer. This is the first major civil defense initiative since the early 60's, when a very tense situation existed between the US and the Soviet Union.

All of this is being watched by the rest of the world with great alarm; especially by the Soviet Union, which can only react by increasing its own defenses.

This is a confrontation budget. Negotiation itself is viewed as another form of combat. Despite all the Administration's rhetoric about detente, SALT agreements and mutual balanced force reductions, we are moving in the direction of more, and more aggressive, weaponry. We are told we must develop ever more lethal weapons as "bargaining chips". Obviously hawks in the Soviet Union will insist upon doing the same. Where will it end?

Let us examine briefly several aspects of the proposed budget. That $94 billion represents nearly 48% of government spending requiring approval by Congress. An additional $2.8 billion in a supplemental request for 1974 would, according to Senator Proxmire, make the amount "more than $10 billion higher than last year's budget in current dollars and a whopping $4.4 billion after fully allowing for inflation."

In the Military Procurement bill, for example, weapons procurement is up 23.4%, research, development, testing and evaluation, up 15.9%, operation and maintenance of the military establishment, 13.7%, active duty military personnel, up 6.5%, reserves including the National Guard, up 9%.

In other legislation soon to be considered by the Congress we will be asked to approve $3.3 billion for military construction, $1.3 billion in military aid to allies, $47 million for the Selective Service System and, please note, $86 million for civil defense. This is in addition to the military component of the Atomic Energy Commission's budget, almost $1.5 billion.

The uses proposed for these funds freeze us into commitments that add nothing to our national security, but increase provocation.

Let us start with Southeast Asia, because we thought we were through with Southeast Asia. The public still labors under the delusion that peace with honor has been achieved in this region, because our troops no longer fight there. Yet we are still asked to fund the Saigon government at the same level as last year—and the House of Representatives goes along with this, while the Senate Armed Services Committee recommends only a token cut in funds. We still plan to underwrite 86% of the expenses of the government of South Vietnam—a small, elite segment of the population, building Swiss bank accounts while average people die in the postwar war. We still pay the salaries of several thousand "civilian technicians" without whom Saigon could not maintain the world's fourth largest air force: American civilians keep the planes running. We still maintain in a country the size of an average state, the biggest American Embassy in the world, and "our" Ambassador advises the State Department not to give full and honest answers to a U.S. Senator's question. Nor will the Saigon government admit visitors—except for a chosen few—to the prisons in which, it is alleged, thousands of neutralists are confined without trial.

The Administration proposes to give more aid to Indochina than to the rest of the world combined: $3.7 billion for Indochina, compared to $3.543 billion for the rest of the world.

Put another way, 0.8 of the world's population is receiving 46.6% of total U.S. economic and military aid. This is contained in funds for Indochina Postwar Reconstruction ($917 million); Food for Peace, $237.8 million; Military Assistance Service Funded programs ($1.6 billion originally requested): Military assistance program and credit sales, $49.8 million; and Indochina-related forces, $463 million. These figures are compiled from the AID summary submitted to Congress in April, the State Department and the Department of Defense comptroller's office.

Of this $3.7 billion, the House authorized $1.126 billion in the Military Procurement bill now before us, HR 14592. The Conference Committee is to be congratulated for refusing to permit a Pentagon bookkeeping charge that would have given South Vietnam an extra $266 million in a supplemental request for 1974. But why should we be giving $1.126 billion to South Vietnam, or even the $900 milion that the Senate Committee recommended?

As Senators Abourezk, McGovern and others pointed out in testifying before the Senate Armed Services Committee, as US military aid has increased, our so-called commitment has increased, following the dangerous precedent of the 1950s. Not only are we supporting a corrupt regime, we are making it impossible that any accommodation will be reached by the warring sides. The World Bank has predicted that foreign aid will be necessary through 1990. Is the United States prepared to permit this continuing drain on our resources?

We accuse Hanoi of violating the peace agreements, which is undoubtedly true; but Saigon's violations are numerous also. It is even illegal to reprint the Paris Peace Agreement in South Vietnam—which tells us a great deal.

Further, our troops are still poised in Thailand, some 30,000 of them, with the sole purpose of resuming bombing if fighting intensifies—despite the many Congressional expressions disapproving such bombing.

Through such aid, and the presence of thousands of troops, the American military influence continues to dominate Southeast Asia and the CIA influence is strong.

We are beginning to urge Japan to assume a military role, over the protest even of the Japanese government. It is ironic that the Japanese have so thoroughly incorporated the non-military philosophy we left with them 25 years ago—and now we urge them to reverse it.

In other parts of the world, too, American military support is the dominant factor. For example, we are giving to the military junta that took over Chile, the aid we denied to the Allende government. In Greece we continue supporting a government that suppresses its citizens' freedoms.

Are we in effect imposing a Pax Americana upon the rest of the world? If we had a new, constructive approach there might be some justification; instead we follow the old dictum that Might makes Right. We have not yet grasped the 20th century reality; we live in one world that can all too easily be blown up.

This brings me to my major concern—the start of new nuclear hardware that would improve the accuracy and yield of our missiles and eventually enable us to destroy an enemy's retaliatory forces by a first strike. It is claimed that this would give the President greater "flexibility" of reponse to a nuclear threat.

Our missiles for many years have been targeted on Soviet cities, and theirs on ours, in a defensive posture that prevented either side from risking a first strike. What we now propose would move away from the concept of "mutual assured destruction" to an acceptance of limited nuclear war. If we now retarget our missiles to aim at Soviet defenses, as well as cities, we are inviting the interpretation that we plan to knock out their capacity to retaliate. This adds what the Federation of American Scientists calls "a new rung on the nuclear ladder . . ."

It is directly opposed in spirit to the resolution introduced by Senators Kennedy and Mathias, with 26 cosponsors, calling for "equality through reductions" rather than building up weapons.

As always at budget time, the Pentagon tells us that there is a new threat from the Soviet Union. Upon analysis, however, the threat is that the Soviets *may* catch up to us in *one* area by the 1980s. No one claimed, or would dare to claim, that we are behind the Soviets in overall military capability.

I would like to include here a table of Strategic Weapons Milestones, compiled by the Center for Defense Information. Not only does it show a consistent U.S. lead in weapons development, it also shows that the Soviet Union does not even have some 12 components that we consider essential, such as carrier-based aircraft with nuclear weapons, on-board computers in missiles, and operational MIRVs.

Senator McIntyre, chairman of the Senate Armed Services Committee on Military Research and Development stated on May 1:

"I for one get weary and skeptical of the uncritical litany which somehow judges our technology in the worst possible light and theirs in the best . . . Their subs are *not* as quiet; their missiles *not* as accurate; their warheads *not* as efficient; their computers *not* as advanced; their ASW *not* as effective; their sub-launched missiles are *not* MIRVed; their bombers are *not* truly intercontinental."

Secretary of Defense James R. Schlesinger has acknowledged that U.S. strategic forces have for years had the capability, both in weapons and in planning, for a "flexible response." "Our war plans," he said in his March statement, "have always included military targets."

The only thing we cannot now do is to hit with extreme accuracy their hardened military targets.

STRATEGIC WEAPONS MILESTONES

	United States	Soviet Union
Atom bomb	1945	1949.
Intercontinental strategic bomber	1948	1954–55.
Carrier-based aircraft with nuclear weapons.	1950	Not to date.
Intercontinental strategic bomber.	1948	1954–55.
Hydrogen bomb test	1952	1953.
Forward land-based aircraft with nuclear weapons.	Not to date	Early 1950's
Submarine cruise missile	1954 (no longer operational).	1962.
ICBM test	1958	1957.
Low-penetration bomber	1959	Not to date.
Nuclear-powered strategic submarine (16 tubes and long-range missiles).	1960	1968.
Forward land-based missiles	1959–60 (no longer operational).	Not to date (Cuba 1962 failed).
Supersonic bomber	1960	Not to date.
Heavy ICBM	1960	1960.
High speed reentry missiles (high ballistic coefficients for accuracy).	Early 1960's	Not to date (tests 1973).
Forward bases for strategic submarines.	1961	Not to date.
On-board computers in missiles.	1960	Not to date. (tests 1973).
Solid propellant ICBMs	1962 (1,000 in 1974).	1968 (60 in 1974).
Synchronous orbit satellites (for good early warning capability).	1963	1974.
MRV testing	1963	1968.
Penetration aids in missiles (chiefly, decoys, etc.).	1964	Not to date.
MRV missiles operational	1964	1973.
Testing of ICBM MIRV	1968	1973.
Testing of SLBM MIRV	1968	Not to date.
ICBM MIRV operational	1970	Do.
SLBM MIRV operational	1971	Do.
Operational ABM system	Not to date (1975 planned).	1968–69?.

We could, however, kill about 21% of the Russian population from immediate effects of bombs, and destroy about 72% of their industrial capacity.

Musing about this in March, President Nixon told a secret strategy session, according to Jack Anderson:

"I could push this button right here, and in twenty minues, seventy million Russians would be dead. And twenty-five minutes later, seventy million Americans would be dead."

I doubt that we need to improve upon that.

The US has 7,940 strategic warheads now and is expected to have almost 10,000 by 1977. There are only 200 major cities in the Soviet Union. And the Soviets have only 2600 strategic nuclear weapons. In 1971 the United States had 4700 and the Soviets, 2100. It is obvious how greatly the US lead has increased since the SALT agreement in 1972. We continue producing these weapons at a rate of about four a day; the Soviets, about one a day. How much is enough?

Military planners profess great alarm that the Soviets have begun testing MIRVs: Multiple independently-targeted re-entry vehicles. They do not remind us that the US already has more than 750 operational and deployed MIRVs.

The MIRVs, in fact, are a good example of the arms race. At the insistence of the Pentagon, the US developed MIRVs even while the SALT talks were progressing. MIRVs made obsolete the Soviet's chief defense, the intercontinental ballistic missile. They are now racing to catch up and are in the testing stage. Meanwhile we move on to MARVs—maneuverable nuclear warheads that can be redirected in flight by a sensor in the warhead and an on-board computer. These horrors may even be used in combination with an entirely new ICBM.

The Pentagon claims that improved accuracy will minimize "collateral damage"—

that is, civilian casualties. The claim is patently absurd. In an Article in SCIENTIFIC AMERICAN for May 1973, Barry Carter states, "Since the possible improvement in accuracy for the Minuteman, for example, is at most about 1000 feet even in the long run, the number of civilian fatalities will hardly be reduced significantly if a warhead at least 3 to 11 times the size of the Hiroshima bomb lands a few hundred feet closer to the intended target. . . . If there is a large-scale nuclear exchange, then there simply is no way of keeping civilian damage at a low level. The effects not only of immediate blast but also of radioactivity would kill millions."

Throughout the article he argues that the risks we take for minimal improvements in yield and accuracy are unacceptable. Even Secretary Schlesinger, in defining his strategy of "essential equivalence" recently testified that "We do not have to have a match for everything in their arsenal. They do not have to have a match for everything in our arsenal."

These new counterforce programs, in other words, do not meet any existing or foreseeable need. They vastly increase the risk of nuclear war and decrease the likelihood of agreements.

Further, the Congress should entirely reject the proposal to retire prematurely our existing naval surface ships and to build all future "major combatant vessels" with nuclear propulsion. This policy can only be viewed as a make-work welfare program for private shipyards.

Nuclear propulsion may make the Poseidon/Polaris submarines harder to detect but nuclear propulsion will add nothing to firepower or speed or maneuverability. The greater endurance and time spent between port-calls would be of importance only in a protracted war at sea with the Soviet Union. In an age of strategic nuclear weapons, this is a contingency too remote to be plausible. No increase in the cost of oil could conceivably offset the inordinate expense of the initial cost of construction of an all nuclear fleet, or the dangers of proliferating nuclear materials.

Growing concern among our European allies caused the chief representative at the 26-nation Geneva Disarmament talks to attempt reassurance. US Ambassador Joseph Martin stated last week that "the US government has no intention whatever to treat such tactical systems as interchangeable with conventional arms. We fully appreciate that the distinction, or 'firebreak' between nuclear and nonnuclear arms is a major factor in preventing nuclear warfare, and we will not act to erode this distinction."

While such promises are hopeful they are not entirely reassuring, since promises have not always governed actions. A more prudent course would be a flat prohibition upon the development or deployment of very small tactical weapons such as "atomic grenades" or land mines.

The Pentagon, according to the Washington Post report of the disclaimer at Geneva, would not be precluded by this stated policy from "making some qualitative improvements in existing types of tactical nuclear weapons, such as reducing the atomic yield or improving the accuracy of artillery shells or tactical missile warheads." But it is precisely these improvements that are causing the concern among other countries.

In recent debate on HR 14592, the Military Procurement Bill, I introduced an amendment that would have deleted some $250 million for research and development of the following programs designed to build counterforce: the Mark 500 Warhead for Trident submarine, improved targeting of sub-launched ballistic missiles; terminally guided MARVs, improved yield on Minuteman III, increased accuracy on Minuteman III, Missile performance measurement system for minuteman, and a new fixed base ICBM. The amendment was defeated but I believe that as the Congress and the Nation come to understand what is involved in these new programs, they will cut them off now before they balloon into billion-dollar monstrosities.

In a report on "Military Policy and Budget Priorities" a group of 21 former members of the Defense establishment headed by former Asst. Sec. of Defense Paul C. Warnke, stated that "None of the counterforce programs ... should be included in the FY 1975 budget. This relatively low request for research and development money would be the opening wedge for programs which could in time cost billions of dollars. We should halt these dangerous and unnecessary new programs now before they start; not start them as 'bargaining chips.' Experience has shown that we cannot rely on arms control negotiations to stop such developments once really underway."

We need only compare the budgets of the two agencies to assess their relative importance to this Admiinstration. The Arms Control & Disarmament Agency gets a paltry $9.5 million, while the Dept. of Defense is slated to get $94 *billion*.

Not only are we risking nuclear war, we are inviting local disaster. The threat posed to our own people by stepped-up nuclear production is incalculable. The chilling possibilities are described by Thomas O'Toole in the *Washington Post* for May 26 and 27: the possibilities for atomic theft and blackmail, by small nations and terrorist groups; and the threat of accidents during transportation of nuclear materials. The risk of incineration from nuclear theft, Mr. O'Toole explains, is greater than that of being hit by lightning—perhaps one chance in 100,000. For plutonium and enriched uranium are being transported all the time, all over the country, and the Atomic Energy Commission admits that security precautions are not nearly tight enough. Their own study concluded that "... the point of view adopted, the amount of effort expended and the level of safety achieved in keeping special nuclear material out of the hands of unauthorized people is entirely out of proportion to the danger to the public. . . ." Between one and two million people, they note, have already been trained by the United States in the handling, moving and operation of nuclear weapons. The AEC actually loses as much as 100 pounds of uranium and 60 pounds of plutonium every year, enough to make more than 10 atomic bombs.

We lose the bombs, too. Four fell out of a B–52 over Palomares in Spain, and another four fell from another B–52 over Greenland. These were recovered, but another bomb is lost and still missing in a South Carolina swamp, and one in the Pacific.

Outside of weapons in stockpile, the US has over 40,000 atomic weapons scattered around the world. Most are in the United States but some 7000 are in Europe and a smaller number in the Far East. Even a "small" bomb could kill over 100,000 people by blast and 5000 by radiation.

The AEC has also demonstrated that the expertise needed to make such a bomb is becoming more and more plentiful, and the instructions exist in any library.

The proliferation of atomic plants will simply increase the availability of material. The US now has some 55 atomic power plants, with 150 planned by 1980 and 1000 by the end of the century. There are 90 such plants overseas.

If the public realized the daily dangers in which we all live as a result of such proliferation, a hue and cry would arise that would drown out even the Pentagon lobby.

We have also become numb to the dangers of nerve gas, but we are just beginning to be aware of new dangers posed by the proposed conversion to a "binary" system for producing chemical weapons. One component would be placed in projectiles in Pine Bluff, Arkansas; the other component, an alcohol reagent obtained commercially, would be shipped, stored and handled in a separate cannister that would be loaded into the weapon just before firing. Supposedly this would reduce the danger, since the separate chemicals do not become lethal until the shell is spinning toward its target.

However, the overall risks of this project are tremendous—and very similar to those implicit in the "improvement" of nuclear weapons. Arm Specialist Herbert Scoville, Jr., points out that it is a vast jump from conventional to nuclear war; but by interjecting chemical weapons, "you are putting an intermediate step in the escalation of warfare to weapons of mass destruction . . ." Chemicals, in other words, are a temptation to retaliation.

If we were really seeking to defend the US from chemical warfare, we would be manufacturing gas masks and body armor. Mr. Evans of Colorado has correctly stated that "the supreme irony of our chemical nerve agents is that they pose the greatest danger to our own people."

Some twelve million dollars is requested this year for this conversion, and the eventual cost is expected to be $1.5 to $2 billion. This would keep us in the nerve gas business for years to come.

Again, this conflicts with our supposed goal of reducing and controlling armaments. While our negotiators at Geneva continue to "express interest" in banning chemical weapons, they have produced no concrete proposal. U.S. insistence upon exempting herbicides and riot control agents from any agreement has prevented our signing the Geneva Protocol, which we ourselves introduced in 1925. This leaves our negotiators in an embarrassing position, as the only major power refusing to ratify the protocol—while the Russians gain a propaganda advantage by proclaiming their willingness to halt the production and use of chemical and biological agents.

Why, our constituents ask, would Congress go on blindly approving such fantastic and dangerous spending? The question deserves study.

Laying aside the Freudian fascination of boys with "the big bang"—and laying aside the "Mt. Everest psychology," that because a technology exists, we must use it—I believe that the answer lies in part with the American obsession to be "Number one." If someone suggests that we aren't, we begin to worry, without really examining the facts.

The U.S. spends 60% of all money spent for armaments in the world, and 95% of all the money spent in this hemisphere.

From this and the evidence earlier quoted, I would say we need have little fear of not being Number One militarily. Whether we are first in the hearts of our client states is another matter.

Much of our hardware is developed not for the direct protection of the United States but for the protection of our NATO allies. On their behalf we maintain thousands of troops in Europe and stockpile nuclear and chemical weapons which they would not tolerate on their own soil.

This is not altruism, needless to say. We do it to protect our big business interests, chiefly oil firms. But it is ridiculous to suppose that any European war, in this day and age, would drag on with conventional weapons. It would quickly escalate to a nuclear confrontation and the interjection of the new intermediate step would hasten that tragedy. Our client states do not relish the thought of becoming a battle-ground again, many express understandable fear that our "protection" may prove merely a temptation to conflict. And if our military planners believe that such a war could be confined to European shores, their thinking needs updating.

Another factor in the reluctance of Congress to act is the nature of Congress itself. Committees naturally tend to favor those agencies for which they are responsible:

The Armed Services Committees in both bodies lean toward the Armed Services. The Chairman of the Research and Development Subcommittee of the Senate Armed Services recommended the deletion of funds for the counterforce programs; the committee refused to delete them.

The Committees actually do not dig too deeply into military requests; often they parrot the Pentagon line. For documentation I refer you the Congressional Record of May 20, where many of Chairman Hébert's statement in the Committee Report are shown to be identical to the Pentagon's report to him. Supposedly this is a committee of experts, but with a few notable exceptions, they rely for their expertise on the Pentagon. And the Pentagon couches its requests in language calculated to intimidate the laymen.

The Pentagon mystique is aptly described in the Washington Monthly for May 1973 by C. Robert Zelnick:

". . . The Pentagon's opponents face much the same difficulty as critics of the flat-world theory did in earlier centuries; since conclusive evidence and information is so scanty, it's hard to prove your point . . . The Pentagon does what it can to add to this mystique, dressing its proposals up in unintelligible acronyms (ARBES, SCAD, etc.) and hoarding the data necessary to evaluate the terms. Outside investigators soon discover how limited their resources are. They must rely on a handful of former military officers, a few once-and-future Defense officials, and perhaps five or six knowledgeable congressmen and their staff aides. For evaluating almost any area of national policy, authorities are legion and resource material virtually inexhaustible. But in defense debates, the Pentagon's edge is usually insuperable."

I believe it is up to the Members themselves to correct this situation. The recent poll showing that of all American institutions the military is the most admired, simply confirms the sad erosion of confidence in elected representatives. For a people as great as ours to repose their faith in military might is a tragic commentary on our ineffectiveness here. Military might poses nothing but threat to ourselves and the world. Surely we have something better to offer the American People!

The Administration has frankly conceded that some $6 billion has been added to the military budget "to stimulate the economy." Secretary Schlesinger seem to feel that this is perfectly rational. Yet the average citizen can point out at a glance the tremendous need existing in every community for better housing, schools, health and other social services. Further, these jobs would become available not just to highly skilled persons but to the low-income low-skilled workers who are hardest hit by unemployment. Military jobs on the contrary usually demand high technical skills; these too could be better used. Senator McGovern has repeatedly proposed an economic conversion plan which would utilize both skilled and unskilled workers. A House Committee is now drafting an economic development bill through which the $6 billion could be far better channeled.

We must remember, too, that the end product of jobs produced by the military is pure waste. The planes and tanks and bombs and missiles produced by thousands of workers are far beyond our legitimate defense needs. Either they are used in war—which becomes more and more unthinkable—or they soon become obsolete and are scrapped. In either case, what a waste of human and material resources!

Even so conservative an institution as the First National City Bank of New York warns that increased military spending "could be an inflationary stimulus to an economy that has already started on the road to recovery . . . historically, it has seldom proved good economics to give an economy a fiscal shot in the arm by upping defense outlays."

The earlier mentioned group of 21 former top officials of the Defense Department, the CIA, the National Security Council, and the U.S. Arms Control and Disarmament Agency, headed by former Assistant Secretary of Defense Paul C. Warnke, in its report on this proposed budget, snows how cuts could be made that amount to almost $15 billion—in general purpose forces, strategic forces, military efficiency, the military assistance program, and aid to Southeast Asia. I include a brief summary of their recommendations (see 11B Chart: Summary of Feasible Reductions in FY 1975 Military Budget Authority).

Other organizations have recommended cuts ranging from $10 billion to $20 billion.

At this time of scarcity of fuel, food and consumer needs, Americans are being asked to pare down their spending. It is completely untenable to exempt spending that contributes nothing to our real defense.

I urge this committee to recommend an overall cut of at least 15 billion dollars from the military budget.

In the end it comes back to the matter of trust. For twenty years we and the Russians have had to trust each other's will to live. Even Secretary Schlesinger notes that "historically, the Russians have always been a prudent and sober people." And again, speaking of the decision to start nuclear war, he says that there is "no danger that decision will be made lightly so long as we can rely upon the rationality of decisionmakers." Let us not press that rationality too far by irrational actions.

I agree with the former Assistant Secretary of Defense and the twenty other former members of the Defense Establishment, who conclude that ". . . our true national security is neither measured nor insured by tanks, planes, missiles, warships and armed men but by the fundamental strength, unity and confidence of our people in our institutions, our economy, and our society. We do not protect but endanger that real security by excessive military spending."

Thank you for your patient attention.

SUMMARY OF FEASIBLE REDUCTIONS IN FISCAL YEAR 1975 MILITARY BUDGET AUTHORITY

[In billions of dollars]

General purpose forces	5.9
Asia committed forces	2.4
Indian Ocean carrier	.1
Reserves	.6
Procurement	2.8
Military efficiency	4.0
Military support personnel	2.0
Civilian bureaucracy	2.0
Strategic forces	2.5
Counterforce program	.3
Trident submarine	1.4
B–1 bomber	.5
Strategic defense	.3
Southeast Asia military assistance	1.4
Military assistance program	1.1
Total feasible reductions	14.9

TIME TO REINSTITUTE CAPITAL CONTROLS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. VANIK. Mr. Speaker, last January, the administration terminated all controls on capital outflows. Since that time we have witnessed an alarming flight of U.S. capital abroad. When this step was taken, I expressed my grave reservations over this policy with these words:

> In view of the sullen economic climate in this country, it is difficult to justify removing controls from capital outflows. We will need capital investment in this country to meet the demands of our economic slowdown, to develop our energy resources, to expand industrial production and create jobs.

I am sorry that events have confirmed my fears. Last month, Andrew Brimmer, a member of the Federal Reserve Board, reported that foreign lending activity by U.S. banks had jumped by $8.5 billion to a level of $34 billion since the termination of controls. This jump represents an increase of about one-third over the level allowed under controls.

At a time when the demand for business loans remains strong, it seems foolish to stand by and watch the widespread flight of capital to foreign markets. This drain exacerbates the already serious problem of illiquidity and high interest rates—consequences of the tough anti-inflationary policies of the Federal Reserve Board.

Mr. Speaker, it is time we reinstitute these restraints. We need a more balanced program to fight our dual problems of inflation and recession. The Federal Reserve Board's tight money policy is being undercut by the expansion of capital outflows. It is not inconceivable that the Federal Reserve will soon be forced into the position of increasing the monetary supply just to keep up with this drain. This expansion could touch off new inflationary pressures and a new wave of speculation against the dollar.

A more prudent economic policy would call for a re-establishment of capital export restraints. We should take steps now to reinstitute the three programs terminated by the administration last January—the interest equalization tax, the Commerce Department's controls on direct investment abroad, and the Federal Reserves voluntary foreign credit restraint program. These three coordinated programs provide a balanced framework to insure that our capital outflow does not precipitate a liquidity crisis in our own economy.

Of utmost importance is the Federal Reserve's program to control foreign lending of U.S. banks. Banking institutions are the principle source of our present capital outflow. In the first 5 months of this year foreign assets of U.S. banks increased by a greater margin than in all of 1973. With the other types of capital flows—long term investments abroad and the acquisition of foreign securities—the data on the impact of terminating capital controls is unclear. These capital flows must be more carefully monitored.

We are seeing ominous signs of a liquidity crisis. The utility industry is facing the worst capital crunch in its history. Municipalities, as well, are suffering from a severe case of capital starvation. Interest rates continue at record levels. Our improvident monetary policies are driving us closer and closer to the brink of a new wave of inflation. We must take steps now to reinstitute adequate controls before the wholesale export of American capital strangles the vitality of our economy.

PROPOSED AMENDMENTS TO THE CAMPAIGN REFORM BILL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. FRENZEL. Mr. Speaker, when the election reform bill, H.R. 16090, is before the House, I and my colleagues, Mr. FROEHLICH and Mr. DU PONT, intend to offer the following amendments:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 2, line 14, immediately after "committee" and before the parenthesis insert the following:

, an official national committee registered under section 303(e)(1) of the Federal Election Campaign Act of 1971, or an official Senate Campaign Committee or an official Congressional Campaign Committee registered under section 303(e)(2) of the Federal Election Campaign Act of 1971

Page 2, beginning in line 16, strike out "Contributions" and all that follows down through the period in line 21, and insert in lieu thereof the following:

No official national committee registered under section 303(e)(1) of the Federal Election Campaign Act of 1971 shall make contributions to any candidate (other than the candidate for the office of President of the United States for whom it is serving as the principal campaign committee), and no official Senate Campaign Committee or official Congressional Campaign Committee registered under section 303(e)(2) of such Act shall make contributions to any candidate, with respect to any election for Federal office, which, in the aggregate, exceed $10,000.

Page 2, line 23, strike out "section 303" and insert in lieu thereof "section 303(a)".

Page 20, line 22, strike out "subsection" and insert in lieu thereof "subsections" and immediately after line 22 insert the following:

"(e)(1) Any political party which had candidates for Federal office on the ballot in ten or more States on the Tuesday next after the first Monday in November in the last preceding even numbered year may file a statement with the Board of Supervisory Officers in such form and manner and at such times as the Board may require, designating the official national committee of such political party. Such statement shall include the information required by subsection (b) of this section, together with such additional information as the Board may require.

"(2) Any political party, the members of which comprised more than 20 per centum of the membership of either the Senate or House of Representatives on January 3 of the last preceding odd-numbered year, may file a statement with the Board of Supervisory Officers in such form and manner and at such times as the Board may require, designating the official Senate Campaign Committee and the official Congressional Campaign Committee of such political party. Such statement shall include the information required by subsection (b) of this section, together with such additional information as the Board may require.

"(3) Upon receipt of a statement filed under paragraph (1) or (2) of this subsection, the Board shall promptly verify such statement according to such procedures and criteria as it may establish and shall certify as registered under this subsection not more than one official national committee, one official Senate Campaign Committee, and one official Congressional Campaign Committee, for any party meeting the requirements of this subsection.

Page 20, line 23, strike out "(e)" and insert in lieu thereof "(f)".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 2, beginning in line 9, strike out "paragraphs (2) and (3)" and insert in lieu thereof the following: paragraph (2)

Page 2, strike out line 13, and all that follows down through page 3, line 3.

Page 3, line 4, strike out "(3)" and insert in lieu thereof "(2)".

Page 3, line 6, strike out "(4)" and insert in lieu thereof "(3)".

Page 3, line 18, strike out "(5)" and insert in lieu thereof "(4)".

Page 3, line 24, strike out "(6)" and insert in lieu thereof "(5)".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 2, line 16, strike out "$5,000" and insert in lieu thereof "$10,000".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 4, immediately after line 8, insert the following:

"(7) No candidate or his principal campaign committee may knowingly accept any contribution from any political committee, other than an individual or a local, State, or national political party organization registered under section 303 of the Federal Election Campaign Act of 1971, unless (A) such political committee is acting as the agent of an individual contributor, (B) the individual contributor designates such candidate or his principal campaign committee as the recipient of such contribution, and (C) the identity of the individual contributor is furnished to such candidate or his principal campaign committee by such political committee. No undesignated contribution to a political committee acting as an agent of an individual contributor may be made to a candidate or his principal campaign committee by such political committee.".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 29, line 12, strike out "(C)" and all that follows down through "(D)" in line 16 and insert in lieu thereof "(C)".

Page 29, line 20, strike out "(E)" and insert in lieu thereof "(D)".

Page 30, line 8, strike out "(D)" and insert in lieu thereof "(C)".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FRENZEL

Page 13, line 15, strike out "(C)" and all that follows down through "(D)" in line 19 and insert in lieu thereof "(C)".

Page 13, line 23, strike out "(E)' and insert in lieu thereof "(D)".

Page 14, line 11, strike out "(D)" and insert in lieu thereof "(C)".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. FROEHLICH

Page 2, strike out line 13 and all that follows, down through page 3, line 3, and insert in lieu thereof the following:

"(2) No candidate or campaign committee may accept contributions from other than individuals or a local, State, or national political party organizations registered under section 303 of the Federal Election Campaign Act of 1971."

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MR. DU PONT

Page 2, line 16, strike out "$5,000" and insert in lieu thereof "$2,500".

ONE NATION UNDER GOD

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. GUBSER. Mr. Speaker, my good friend, Col. Allison Miller of Los Altos, Calif., recently commended two articles in the magazine Sharing, a journal of Christian healing, to my attention. I believe there is much food for thought in these articles and would like to share them with my colleagues and all readers of the CONGRESSIONAL RECORD.

ONE NATION UNDER GOD

Serena

July 4th is the signal for orators and press media to extoll the "great American virtues." We will be urged to consider and emulate the sterling qualities of our ancestors—and I join the chorus!

Let us be very careful to remember the common denominator of them all—under God! Consistently, throughout our history we find the golden thread of reliance on God for guidance, power, and protection. Even our coins carry the reminder, "In God we trust." Religion has been the very basis of our democracy!

Before we allow freedom of religion to be reinterpreted as freedom from religion, leading to denial of all religion, let us consider what happens to the "great virtues" when the concept of *under God* is eliminated.

Self-reliance, interpreted as "God helps those who help themselves", was an absolute necessity to the pioneers and to all who dared to establish a new nation. This led to mutual reliance. How often helping each other was absolutely essential to survival! Without *under God*, self-reliaince deteriorates into "Every man for himself, and the devil take the hindermost". Mutual concern and helpfulness are drowned in the wave of "What's in it for me?"

Industry—Without hard work the nation could never have prospered. Wilderness survival required it. *Under God*, man rested on Sunday; he worked as hard as he could, but he had an innate trust that God would do the rest. When an honest day's toil *under God* deteriorates into desperately driving one's self beyond human endurance in ruthless competition, all manner of evil results: heart attacks, ulcers, strokes, family problems, frustration, discontent, etc. There is fulfillment in work we need to do or enjoy doing. But when work becomes an obsession that leaves no time or energy for family, church, community, or even the recreation necessary for health, when it becomes a god to which all else is sacrificed, it becomes a devastating evil.

Economy—For generations, parents have tried to teach "Waste not, want not", "Save for a rainy day", "Husband your resources". Upon this concept, *under God*, the great majority of Americans have supported themselves, achieved increasingly high standards of living, and provided for their sustenance in old age. But when the size of a nest-egg becomes the god, the virtue of economy is degraded to miserliness, extreme selfishness, a total lack of concern for the needs of others. It leads to such greed that even honesty is forgotten.

Free Enterprise—Almost any economics expert maintains that America's success in commerce results from this fundamental principle, that it has made America great, and any limitation on it is dangerous. This was true when it was *under God*. But when God is not in control, exploitation results.

Competition—*Under God,* competition is stimulating and often enjoyable. Under the individual of the very goals for which it strives. (Each success becomes empty in itself and stimulates an even more difficult ambition, a vicious circle). Most of Jesus' principles contained the essence of good sportsmanship. We ignore them at our peril.

Charity—Charity *under God* is lovingly sharing what we have with the less fortunate. Without God, it leads to self righteousness, judgmentalism, patronage, pride, encouragement of weaknesses, even income tax evasion. God honors charity only when it is based on love and thanksgiving for our own bounty. Jesus warned, *Let not your left hand know what your right hand doeth.* If it's done to get your name in the paper, *Ye have had your reward.*

Liberty—Our fore-fathers considered liberty to be freedom from oppression. To interpret liberty solely as freedom to do as one pleases interferes with the rights of others to the same freedom. It results in a battle as to who shall be free rather than the concept that *everyone* shall be free. (If you are free to take my money, I am not free to use it as I wish.)

Truth can be the excuse for damaging gossip with the defense that the teller considers it "to be the truth". Education can become harmful propaganda when presented only in the light of the teacher's philosophy. Helpfulness can be unconscious attempt to control. Morality can be seen only in the light of one's personal evaluation. ("Your sins are very bad; mine are excusable or insignificant, because I'm so righteous in other ways.") Even love can be possessiveness, making selfish demands for reciprocation, thus interfering with another's freedom.

Let us return to the Independence Day concept of "under God" and resist those who, under the guise of religious freedom, are making a determined onslaught on our fore-father's concept. They seek to remove God from our schools, from our observances of special days, and even from our support of time honored institutions.

Truly, every virtue *without God* can deteriorate into vice.

Let us remember that our fore-fathers relied on God's guidance in founding our nation, that we have prospered *under God,* that He has richly blessed us. Let us thank Him for his bounty and His protection.

May we never forget that true freedom is voluntarily living *under God* because we love Him and refraining from interfering with the freedom of others because we love them as ourselves.

GOD SAVE OUR LAND

Beginning with me! Have I done my part?

Have I often expressed my thanks for:

God's role in the birth and development of my nation?

Those who toiled, sacrificed, dedicated their lives and even gave them that I might have these blessings?

Our natural resources and pleasantness of our land?

Others who are honestly, unselfishly working to improve the heritage of the next generation?

Have I been a good steward of all these blessings?

Have I shared generously and lovingly my time and money, with no ulterior motive?

Have I conserved natural resources and avoided polluting them?

What civic, educational, or philanthropic activities have I supported?

Have I been a good citizen?

Have I worked, voted, talked in the best interests of the whole nation?

Have my words been those of encouragement or of criticism?

Do I condone in myself what I condemn in others? (Income tax evasion, speeding, discrimination, etc.)

How is my nation better because of me?

Have I exercised Christian love for my Nation?

Have I loved my neighbor as myself?

Do I forgive transgressors and pray that they will reform?

Do I pray at least daily for my nation and its leaders?

Do I praise God in all things, asking him to transmute evil or disaster into blessings?

Did I join other Christians on April 30th in beseeching God's mercy on our nation? Do it now!

If My people . . . shall humble themselves, and pray, and seek My face, and turn from their wicked ways. . . . I will forgive their sin and I will heal their land.

Let him who is without sin cast the first stone.

Blessed is the nation whose God is the Lord.

AMENDMENTS TO H.R. 16090, AS REPORTED, OFFERED BY MR. TREEN

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 6, 1974

Mr. TREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following amendments proposed to be offered by me to the bill.

AMENDMENT TO H.R. 16090, AS REPORTED, TO BE OFFERED BY MR. TREEN

On Page 25, line 22:

Strike out "subsections (b) and (c)" and insert in lieu thereof, "subsection (b)"

On Page 25, line 22:

Insert "and" immediately after the semicolon

On Page 25, lines 23 and 24:

Strike lines 23 and 24

On Pages 26, line 1:

Strike out "(a)" and insert in lieu thereof "(b)"

SENATE—*Wednesday, August 7, 1974*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty and eternal God, whose love never fails, never forgets or forsakes us, Thou knowest how greatly we need Thee in these crucial days to guide our thoughts, to answer our doubts, and to keep our faith strong and steadfast. Bestow upon us a constant sense of Thy divine presence and power. Grant that we may be men and women who carry the light of truth and righteousness in our heart, unwavering in our fidelity to truth, undiminished in our commitment to Thee. In faithfulness to Thee, give us the courage to do what we ought to do when we ought to do it. Grant us grace to welcome with thankful hearts every act of redemption. Give us grace to walk humbly with Thee and to embody in ourselves that spirit of compassion, kindness, and love which were the marks of the Master, in whose name we pray. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, August 6, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1027 and 1028.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PARTICIPATION OF THE UNITED STATES TO REDUCE FAMINE AND HUMAN SUFFERING

The Senate proceeded to consider the resolution (S. Res. 329) relating to the participation of the United States in an international effort to reduce the risk of famine and lessen human suffering, which had been reported from the Committee on Foreign Relations with amendments. On page 2, beginning at line 3, strike out the following language:

> (1) the contribution by the United States to the growing economic and human crisis in the developing world should be primarily in the form of food and the means and technology to produce it;

and insert in lieu thereof the following language:

> (1) while the United States Government must continue to emphasize and support the expansion of population planning activities as being essential to the long-range curtailment of global food demand, the United States should also contribute to alleviating the immediate economic and human crisis of the developing world by providing assistance in the form of food and the means and technology to produce it;

On page 3, in line 4, strike out "(a)" and insert in lieu thereof "(A)".

On page 3, in line 9, strike out "(b)" and insert in lieu thereof "(B)".

On page 3, beginning at line 13, strike out the following language:

(3) the United States should increase its matching pledge to the world food program for 1975–1976 and encourage other nations to do so;

On page 3, in line 16, strike out "(4)" and insert in lieu thereof "(3)".

On page 3, in line 17, strike out "(a)" and insert in lieu thereof "(A)".

On page 3, in line 20, strike out "(b)" and insert in lieu thereof "(B)".

On page 3, in line 23, strike out "(5)" and insert in lieu thereof "(4)".

On page 4, in line 3, strike out "(6)" and insert in lieu thereof "(5)".

On page 4, in line 12, strike out "(a)" and insert in lieu thereof "(A)".

On page 4, in line 14, strike out "(b)" and insert in lieu thereof "(B)".

The amendments were agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, is as follows:

Resolved, That it is hereby declared to be the sense of the Senate that—

(1) while the United States Government must continue to emphasize and support the expansion of population planning activities as being essential to the long-range curtailment of global food demand, the United States should also contribute to alleviating the immediate economic and human crisis of the developing world by providing assistance in the form of food and the means and technology to produce it;

(2) the President, the Secretary of State, and the Secretary of Agriculture and their advisors should (A) give the highest priority to the immediate expansion of American food assistance through the existing authority of the Public Law 480 legislation restoring title I sales and title II grants to at least the 1972 commodity levels and (B) take such additional steps as might be necessary to expedite the transfer of American food commodities on concessional and donation terms to those nations most severely affected;

(3) the President and the Secretary of State should (A) negotiate with other major food exporting nations to seek to obtain their participation in this emergency effort proportionate to their share of world food exports; and (B) strongly encourage oil exporting nations to contribute a fair share to these efforts to assist the most severely affected nations;

(4) the United States should announce its desire to work with the oil exporting and other nations in a major effort to increase world fertilizer production with the possibility of including the offer of American technology and capital; and

(5) the President should encourage the American people to reduce the noncritical, non-food-producing uses of fertilizer which now total nearly three million tons of nutrient a year, to make available increased fertilizer supplies for raising food production at home and in the developing world.

SEC. 2. It is further declared to be the sense of the Senate that the President of the United States and the Secretaries of State and Agriculture should, and are hereby urged and requested to (A) maintain regular and full consultation with the appropriate committees of the Congress and (B) report to the Congress and the Nation at regular intervals on the progress toward formulating an American response in a cooperative framework to the world food crisis and the needs of the most severely affected developing countries.

SEC. 3. The Secretary of the Senate is directed to transmit copies of this resolution to the President, the Secretary of State, and the Secretary of Agriculture.

FAIR MARKETING OF PETROLEUM PRODUCTS ACT

The Senate proceeded to consider the bill (S. 1694) to amend the Federal Trade Commission Act to regulate commerce and to assure adequate and stable supplies of petroleum products at the lowest cost to the consumer, and for other purposes, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause, and insert the following:

That this Act may be cited as the "Fair Marketing of Petroleum Products Act."

SEC. 2. (a) As used in this Act:

(1) The term "distributor" means a person engaged in the sale, consignment, or distribution of petroleum products to wholesale or retail outlets whether or not he owns, leases, or in any way controls such outlets.

(2) The term "franchise" means any agreement or contract between a refiner or a distributor and a retailer or between a refiner and distributor, under which such retailer or distributor is granted authority to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or distributor, or any agreement or contract between such parties under which such retailer or distributor is granted authority to occupy premises owned, leased, or in any way controlled by a party to such agreement or contract, for the purpose of engaging in the distribution or sale of petroleum products for purposes other than resale.

(3) The term "refiner" means a person engaged in the refining or importing of petroleum products.

(4) The term "retailer" means a person who was or is engaged in the sale of any refined petroleum product for purposes other than resale within any State, either under a franchise or independent of any franchise upon the date of enactment of this Act.

(b)(1) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless he furnishes prior notification pursuant to this paragraph to each distributor or retailer affected thereby. Such notification shall be in writing and sent to such distributor or retailer by certified mail not less than ninety days prior to the date on which such franchise will be canceled, not renewed, or otherwise terminated. Such notification shall contain a statement of intention to cancel, not renew, or to terminate together with the reasons therefor, the date on which such action shall take effect, and a statement of the remedy or remedies available to such distributor or retailer under this section together with a summary of the applicable provisions of this section.

(2) A refiner or distributor shall not cancel, fail to renew, or otherwise terminate a franchise unless the retailer or distributor whose franchise is terminated failed to comply substantially with any essential and reasonable requirement of such franchise or failed to act in good faith in carrying out the terms of such franchise, or unless such refiner or distributor withdraws entirely from the sale of refined petroleum products in commerce for sale other than resale in the United States.

(c)(1) If a refiner or distributor engages in conduct prohibited under subsection (b) of this section, a retailer or a distributor may maintain a suit against such refiner or distributor. A retailer may maintain such suit against a distributor or a refiner whose actions affect commerce and whose products with respect to conduct prohibited under paragraph (1) or (2) of subsection (b) of this section, he sells or has sold, directly or indirectly, under a franchise. A distributor may maintain such suit against a refiner whose acitons affect commerce and whose products he purchases or has purchased or whose products he distributes or has distributed to retailers.

(2) The court shall grant such equitable relief as is necessary to remedy the effects of conduct prohibited under subsection (b) of this section which it finds to exist including declaratory judgment and mandatory or prohibitive injunctive relief. The court may grant interim equitable relief, and actual and punitive damages (except for actions for a failure to renew) where indicated, in suits under this section, and may, unless such suit is frivolous, direct that costs, including reasonable attorney and expert witness fees, be paid by the defendant. In the case of actions for a failure to renew, damages shall be limited to actual damages including the value of the dealer's equity.

(3) A suit under this section may be brought in the district court of the United States for any judicial district in which the distributor or the refiner against whom such suit is maintained resides, is found, or is doing business without regard to the amount in controversy. No such suit shall be maintained unless commenced within three years after the cancellation, failure to renew, or termination of such franchise or the modification thereof.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title of the bill was amended so as to read: "A bill to regulate commerce and to protect petroleum product retailers from unfair practices and for other purposes."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nomination of Richard W. Murphy, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

ENVIRONMENTAL PROTECTION AGENCY

The second assistant legislative clerk proceeded to read sundry nominations in the Environmental Protection Agency.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

BIPARTISAN FOREIGN POLICY

Mr. MANSFIELD. Mr. President, on yesterday, Secretary of State Henry Kissinger stated, in discussing U.S. foreign foreign policy, that—

> The point I want to make on behalf of Cabinet Members involved with foreign policy is that the foreign policy of the United States has always been conducted and will continue to be conducted on a bipartisan basis in the national interest. . . .

I want to state, as the majority leader of the Democratic Party in the Senate, that we fully endorse the views expressed by Secretary Kissinger and that despite our domestic difficulties, we will continue, as Democrats, to work with our Republican counterparts to make certain and to make known to all countries that our foreign policy will continue to be conducted on a bipartisan basis, that the moves made by the Nixon administration to normalize relations with the People's Republic of China, to further détente with the Soviet Union, and to use our efforts to stabilize the situation in the Middle East, all will be continued. Let no one be dissuaded that our domestic difficulties—and they are very grave—with in any way, shape or form be diverted from the course of bipartisanship in the conduct of our foreign policy in the weeks, months, and years ahead. That factor is not in question.

Mr. HUGH SCOTT. Mr. President, as the Republican leader, I am in full agreement with the statement made by the distinguished majority leader.

Our Senate Foreign Relations Committee, on which both of us serve, has issued a report in which it again states that it has full confidence in the Secretary of State; that had the information been available to it which subsequently appeared in the public press at the time it recommended the confirmation of the nomination of the Secretary of State, it would then have done exactly what it did and would have recommended such confirmation.

The report of the committee completely and fully affirms the integrity of the Secretary of State in regard to these matters.

The Republican Party in the Senate—and I am sure in the other body and in the country—will join its colleagues in the Democratic Party in honest and full and generous support of the foreign policy of the United States, as developed and enunciated by a succession of Presidents of both parties, that whatever happens in this country internally, we will, as the distinguished majority leader says, make known to all countries that our foreign policy will continue to be conducted on a bipartisan basis.

The program and progress of détente with the Soviet Union will continue unabated. The relationship with the People's Republic of China, now happily restored to a better condition than heretofore, will continue—and will, I hope, continue to improve, and I believe it will. Our policies in the Middle East undoubtedly will continue to have the support of both parties, as will our policies with regard to Europe, to Latin America, and to the rest of the world.

The distinguished majority leader and I appeared at the Council of Foreign Ministers in Mexico City, at the invitation of the Secretary of State, to make this clear to our Latin American neighbors. We have constantly sought to maintain this commitment to bipartisanship.

This is of immense importance to us and to the world. No matter what staggering impact there may be upon the country's internal affairs, the system is working: It is working in the legislature, it is working in the courts, it is working in the executive, and we will resolve our differences and will be the stronger for it.

The statement of the distinguished majority leader is in the highest sense patriotic and responsible, and I am glad that he has made it. I intend to keep copies of this colloquy to show to our visitors from other nations who have expressed their concern about us and do not really understand the strength of our system and its deep and firm and spreading roots. This is a great and a strong country, and there is much more that is right with it than is wrong with it.

It is well that we should constantly remember this and that we should constantly make it clear to our friends and to our sister nations throughout the world. Therefore, I express my deep and grateful thanks to the distinguished majority leader for his customary responsibility and his having set once more the tone of bipartisanship, which is the best assurance of the strength and the survival of a strong and a proud nation, which I hope will, before long, once more become a happy nation.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. METZENBAUM). Under the previous order the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum to be charged to the time of the Senator from West Virginia.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3331.

The PRESIDING OFFICER (Mr. METZENBAUM) laid before the Senate the amendment of the House of Representatives to the bill (S. 3331) to clarify the authority of the Small Business Administration, to increase the authority of the Small Business Administration, and for other purposes, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Small Business Amendments of 1974".

SEC. 2. (a) The Small Business Act is amended—

(1) by redesignating subsection (b) of section 2 as subsection (c) and by adding after subsection (a) of that section the following new subsection:

"(b) The assistance programs authorized by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.";

(2) by striking out paragraphs (1) and (2) of section 4(c), and inserting in lieu thereof the following:

"(c) (1) There are hereby established in the Treasury the following revolving funds: (A) a disaster loan fund which shall be available for financing functions performed under sections 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), 7(c) (2), and 7(g) of this Act, including administrative expenses in connection with such functions; and (B) a business loan and investment fund which shall be available for financing functions performed under sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, including administrative expenses in connection with such functions.

"(2) All repayments of loans and debentures, payments of interest and other receipts arising out of transactions heretofore or hereafter entered into by the Administration (A) pursuant to section 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), and 7(c) (2) of this Act shall be paid into a disaster loan fund; and (B) pursuant to sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and IV of the Small Business Investment Act of 1958, shall be paid into the business loan and investment fund.";

(3) by striking out paragraph (4) of section 4(c), and inserting in lieu thereof the following:

"(4) The total amount of loans, guarantees, and other obligations or commitments, heretofore or hereafter entered into by the Administration, which are outstanding at any one time (A) under sections 7(a), 7(b)(3), 7(e), 7(h), 7(i), and 8(a) of this Act, shall not exceed $6,000,000,000; (B) under title III of the Small Business Investment Act of 1958, shall not exceed $725,000,000; (C) under title V of the Small Business Investment Act of 1958, shall not exceed $525,000,000; and (D) under section 7(i) of this Act, shall not exceed $450,000,000."; and

(4) by adding at the end of section 7 the following three new subsections:

"(i)(1) The Administration also is empowered to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern, or to any qualified person seeking to establish such a concern, when it determines that such loans will further the policies established in section 2(b) of this Act, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals: *Provided, however*, That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $50,000. The Administration may defer payments on the principal of such loans for a grace period and use such other methods as it deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administration may, in its discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administration: *Provided, however*, That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency.

"(2) The Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guarantees, participations in loans, and pooling arrangements authorized by this subsection.

"(3) To insure an equitable distribution between urban and rural areas for loans between $3,500 and $50,000 made under this subsection, the Administration is authorized to use the agencies and agreements and delegations developed under title III of the Economic Opportunity Act of 1964, as amended, as it shall determine necessary.

"(4) The Administration shall provide for the continuing evaluation of programs under this subsection, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(5) Loans made pursuant to this subsection (including immediate participation in and guarantees of such loans) shall have such terms and conditions as the Administration shall determine, subject to the following limitations—

"(A) there is reasonable assurance of repayment of the loan;

"(B) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(C) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loans is made;

"(D) the loan bears interest at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the program as the Administration may determine to be consistent with its purposes: *Provided, however*, That the rate of interest charged on loans made in redevelopment areas designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3108 et seq.) shall not exceed the rate currently applicable to new loans made under section 201 of that Act (42 U.S.C. 3142); and

"(E) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

"(6) The Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this subsection are allotted to small business concerns located in urban areas identified by the Administration as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administration shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this subsection.

"(7) No financial assistance shall be extended pursuant to this subsection where the Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

(j)(1) The Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the cost of projects designed to provide technical or management assistance to individuals or enterprises eligible for assistance under subsection 7(i) of this Act, with special attention to small business located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(2) Financial assistance under this subsection may be provided for projects, including without limitation—

"(A) planning and research, including feasibility studies and market research;

"(B) the identification and development of new business opportunities;

"(C) the furnishing of centralized services with regard to public services and Government programs including programs authorized under subsection 7(i);

"(D) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(E) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

"(F) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

"(3) The Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(4) The financial assistance authorized by this subsection includes assistance advanced by grant, agreement or contract; but does not include the procurement of plant or equipment, or goods or services.

"(5) The Administration is authorized to make payments under grants and contracts entered into under this subsection in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments.

"(6) To the extent feasible, services under this subsection shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(7) The Administration shall provide for an independent and continuing evaluation of programs under this subsection, including full information on and analysis of, the character and impact of managerial assistance provided, location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations deemed advisable by the Administration shall be included in the report required by section 10(a) of this Act.

"(8) The Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this subsection and subsection 7(i) of this Act. The Administration shall provide for the continuing evaluation of programs under this subsection and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

"(k) In carrying out its functions under subsections 7(i) and 7(j) of this Act the Administration is authorized—

"(1) to utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of such State or subdivision without reimbursement;

"(2) to accept, in the name of the Administration, and employ or dispose of in furtherance of the purposes of this Act any money or property, real, personal, or mixed, tangible, or intangible, received by gift, devise, bequest, or otherwise;

"(3) to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 655(b)); and

"(4) to employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; to compensate individuals so employed at rates not in excess of $100 per diem, including traveltime; and to allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually."

(b) Title IV of the Economic Opportunity Act of 1964 is hereby repealed; and all references to such title in the remainder of that Act are repealed.

SEC. 3. The Small Business Act is further amended—

(1) by amending section 5(b) by striking out "and" following paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and by adding at the end of paragraph (9) the following new paragraphs:

"(10) upon purchase by the Administration of any deferred participation entered into under section 7 of this Act, continue to charge a rate of interest not to exceed that initially charged by the participating institution on the amount so purchased for the remaining term of the indebtedness; and

"(11) make such investigations as he deems necessary to determine whether a recipient of or participant in any assistance under this Act or any other person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or of any rule or regulation under this Act, or of any order issued under this Act. The Administration shall permit any person to file with it a statement in writing, under oath or otherwise as the Administration shall determine, as to all the facts and circumstances concening the matter to be investigated. For the purpose of any investigation, the Administration is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpena issued to, any person, including a recipient or participant, the Administration may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Administration, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found."; and

(2) by striking out the third sentence in paragraph (2) of section 7(h) and inserting in lieu thereof: "The Administration's share of any loan made under this subsection shall bear interest at the rate of 3 per centum per annum."

SEC. 4. Section 10 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(g) The Administration shall transmit, not later than December 31 of each year, to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a sealed report with respect to—

"(1) complaints alleging illegal conduct by employees of the Administration which were received or acted upon by the Administration during the preceding fiscal year; and

"(2) investigations undertaken by the Administration, including external and internal audits and security and investigation reports.".

SEC. 5. Section 18 of the Small Business Act is amended by adding at the end thereof the following new sentence: "If loan applications are being refused or loans denied by such other department or agency responsible for such work or activity due to administrative withholding from obligations or withholding from apportionment, or due to administratively declared moratorium, then, for purposes of this section, no duplication shall be deemed to have occurred.".

SEC. 6. (a) The Small Business Investment Act of 1958 is amended—

(1) by striking out in the table of contents in section 101 all references to title IV and section numbers therein and inserting in lieu thereof the following:

"TITLE IV—GUARANTEES

"PART A—LEASE GUARANTEES

"Sec. 401. Authority of the Administration.
"Sec. 402. Powers.
"Sec. 403. Fund.

"PART B.—SURETY BOND GUARANTEES

"Sec. 410. Definitions.
"Sec. 411. Authority of the Administration.
"Sec. 412. Fund.";

(2) by striking out section 403 and inserting in lieu thereof the following:

"FUND

"SEC. 403. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitations as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $10,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested.";

(3) by striking out "$500,000" in section 411 and inserting in lieu thereof "$1,000,000"; and

(4) by adding after section 411 the following new section:

"FUND

"SEC. 412. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed $3,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested."

(b) Unexpected balances of capital previously transferred to the fund pursuant to section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694), as in effect prior to the effective date of this Act, shall be allocated, together with related assets and liabilities, to the funds established by paragraphs (2) and (4) of subsection (a) of this section in such amounts as the Administrator shall determine. In addition, the Administrator is authorized to transfer to the fund established by paragraph (4) of subsection (a) of this section not to exceed $2,000,000 from the fund established under section 4(c)(1)(B) of the Small Business Act: *Provided,* That section 4(c)(6) and the last sentence of section 4(c)(5) shall not apply to any amounts so transferred.

SEC. 7. Section 4(b) of the Small Business Act is amended—

(1) by striking out "three" in the third sentence and inserting in lieu thereof "four"; and

(2) by inserting after the third sentence the following new sentence: "One of the Associate Administrators shall be designated at the time of his appointment as the Associate Administrator for Minority Small Business and shall be responsible to the Administrator for the formulation of policy relating to the Administration's programs which provide assistance to minority small business concerns and in the review of the Administration's execution of such programs in light of such policy."

SEC. 8. Sections 7(a)(4)(B) and 7(a)(5)(B) of the Small Business Act are each amended to read as follows: "the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum; and".

Sec. 9. (a) Section 7(b) of the Small Business Act is amended by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and" and by adding immediately after paragraph (7) the following new paragraph:

"(8) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern seriously and adversely affected by a shortage of fuel, electrical energy, or energy-producing resources, or by a shortage of raw or processed materials resulting from such shortages, if the Administration determines that such concern has suffered or is likely to suffer substantial economic injury without assistance under this paragraph."

(b) The first paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out "or (7)," immediately following "(6)," and inserting in lieu thereof "(7), or (8),".

Sec. 10. Section 5 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(e) The Administrator shall designate an individual within the Administration to be known as the Chief Counsel for Advocacy and to perform the following duties:

"(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other Federal agency which affects small businesses;

"(2) counsel small businesses on how to resolve questions and problems concerning the relationship of the small business to the Federal Government;

"(3) develop proposals for changes in the policies and activities of any agency of the Federal Government which will better fulfill the purposes of the Small Business Act and communicate such proposals to the appropriate Federal agencies,

"(4) represent the views and interests of small businesses before other Federal agencies whose policies and activities may affect small businesses; and

"(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government which are of benefit to small businesses, and information on how small businesses can participate in or make use of such programs and services.".

Sec. 11. (a) The first sentence of section 411(c) of the Small Business Investment Act of 1958 is amended by inserting "administer this program on a prudent and economically justifiable basis and shall" immediately after "after".

(b) Section 411(c) of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Within 30 days after the date of enactment of this sentence and at monthly intervals thereafter, the Administration shall publish the cost of the program to the Administration for the month immediately preceding the date of publication. The Administration shall conduct a study of the program in order to determine what must be done to make the program economically sound. Within one year after the date of enactment of this sentence, the Administration shall transmit a report to Congress containing a detailed statement of the findings and conclusions of the study, together with its recommendations for such legislative and administrative actions as it deems appropriate."

Sec. 12. Section 7(a) of the Small Business Act is amended by adding at the end thereof the following new paragraph:

"(8) During the fiscal year ending June 30, 1975, the Administrator shall make direct loans under this subsection in an aggregate amount of not less than $400,000,000.".

Sec. 13. The General Accounting Office is directed to conduct a full-scale audit of the Small Business Administration, including all field offices. This audit shall be submitted to the House and Senate not later than six months from the date of enactment of this Act.

Mr. CRANSTON. Mr. President, on May 2, 1974, the Senate sent to the House S. 3331, a bill to increase the ceiling authority of the Small Business Administration from $4.875 billion to $6 billion; transfer title IV of the Economic Opportunity Act of 1964 to the Small Business Act; increase the authorization and maximum for the surety bond and lease guarantee; increase the SBA loan maximum and clarify the interest rates on loans to handicapped persons.

The House rejected only one of the Senate amendments, the increased SBA loan maximum, and added several amendments with which the Senate is in agreement.

I do not want to take up too much time explaining the bill on a section-by-section basis since a summary is available in the record on this legislation, however, I would like to discuss some of the highlights of the bill.

SMALL BUSINESS ENERGY AMENDMENT

The House Banking Committee to expedite matters added as an amendment H.R. 13068, the Evins small business energy bill that is identical to S. 3096 my bill that is now pending on the Senate Calendar. Since there is no disagreement here, I will defer calling S. 3096 to a vote because the House language in section 9 of S. 3331 is acceptable and a conference can be avoided on this matter.

As energy related costs skyrocket, thousands of small businessmen are being forced to close their doors. This amendment will provide an avenue for small businessmen to obtain loan assistance in the critical months ahead as they attempt to adjust to the new requirements imposed by the energy crisis. Independent truckers, gasoline retailers, hotel and motel and restaurants, small plastics processors and manufacturers, automobile and recreational vehicle dealers, and a host of other small businesses are facing a bleak future due to rising prices due to the energy shortage. Uncertainties created by the energy crunch, shortages of materials, rising inflation, tight money and high interest rates have taken their toll on small businesses and are expected to continue to be with us in the coming months. In times of economic uncertainty, it is usually the small businessman who gets hit the hardest and needs the most help. The small business energy amendment will provide loan assistance, refinancing, and deferred payments where need can be shown.

SURETY BOND GUARANTEE

The Senate version of S. 3331 increased the surety bond guarantee maximum from $500,000 to $1,000,000 and separated the lease guarantee fund from the surety bond fund noting that the surety guarantee program was a social program and could not be operated on an actuarially sound basis.

As to section 11 of the House version of S. 3331 relating to SBA's surety bond guaranty program, I note the full House replaced the House Banking and Currency Committee's language, which required fees based on "sound actuarial methods and underwriting practices" with its own language, requiring that SBA "administer this program on a prudent and economically justifiable basis," while studying ways "to make the program economically sound."

This change is significant. The House thereby rejected actuarial soundness in favor of economic justification and soundness. To me, "economically justifiable" and "economically sound" mean the same thing: The sum of the benefits to the Nation should equal the cost of the program. The cost includes losses and administration of the program. The benefits include SBA's fees, the additional taxes that the new entrepreneurs will pay and generate, the employment they will provide and any other economic benefits which the program produces. This is the true measure of cost effectiveness of a Government program, and it should apply here. The actions of the full House is acceptable to the Senate as it is our feeling that this kind of program can never be actuarially sound, nor was it meant to be. Additionally, I await the requested studies that are going to be done on this issue.

DIRECT SBA LOANS

The House Banking Committee added an amendment requiring the SBA to make $400 million in direct loans available before the end of the current fiscal year. On July 11, 1974, I appeared before the Senate State-Justice-Commerce Appropriations Subcommittee and requested that the SBA be given $400 million so that the original legislative purpose of the SBA can be accomplished—low interest loans to the small businessmen of America.

Mr. President, I ask unanimous consent to have printed in the Record my testimony indicating my full support for House action in this regard.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Senator Alan Cranston

The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist and protect, insofar as is possible, the interest of small business concerns in order to preserve free competitive enterprise.

Historically, the Small Business Administration was developed as part of the Reconstruction Finance Corporation, a Federal agency established during the Depression to help get the country back on its feet. The RFC provided billions of dollars of loans at reasonable interest rates to priority areas of the economy deprived of credit on reasonable terms from private lending institutions. RFC was dismantled in the post war years. However, its programs to provide credit to viable small businesses and industries which could not obtain investment capital from banks and other lenders survived and has made a significant contribution to the small businessman.

When Congress created the Small Business Administration, it wanted to establish a stable source of long term, low interest capital for small business to serve the small businessman in exactly the same periods as we face now—high interest rates and tight money. Congress authorized the SBA to make three types of business loans—(a) direct loans with a 5½% statutorily set interest rate handled completely by the SBA; (b) immediate participation loans in which funds are supplied both by the SBA and a private lending institution. Interest rate on SBA's share is 5½% and the prevailing market rate on the private lender's share; (c) guarantee loans administered solely by the bank with the SBA guaranteeing up to 90% of the principal in case of default. Interest rates are the full prevailing market rates.

Quite understandably, the desirability to the small businessman of the various types of loans is directly related to the differing interest rates carried by each. Obviously, the least desirable is the bank guarantee.

Instead of assisting small businessmen with low-cost direct loans as money has tightened, the SBA has gone in just the opposite direction and has forced thousands of small businessmen to pay unnecessary extra interest charges at a time when they can least afford to pay such rates. In 1963, for example, 92.2% of SBA's business loan activities were in the form of either direct or immediate participation. However, in 1973, direct and immediate participation loans had fallen to 6.8% of the total loan volume. In fiscal year 1974, SBA made available only $40 million in direct 7a loans and $22 million available in immediate participation loans. These figures are pale indeed when compared to the more than $1 billion that SBA will make available in guarantees during fiscal 1975.

The SBA is not completely at fault. The Office of Management and Budget has consistently slashed SBA budget requests for more funds. When Congress, in 1971, directed $13 million into the SBA loan fund, OMB impounded it.

The SBA, in an effort to meet the problems of increased demands for loan money and inadequate funding of the direct loan program, endeavored to expand its bank guarantee program. The restrictive and unrealistic policies of OMB placed the agency's loan activities under a severe handicap. From 1966 through 1970, the total dollar volume used for direct loans suffered an unbelievable drop from $115.5 million to $1.9 million. In effect, the program ceased to exist, defeating the sole source of low-interest loans for the Nation's 5½ million small businesses, thus defeating the very purpose it was created to serve. Congress has consistently over the years requested that the Administration restore the SBA's powers to provide low-interest rate loans as originally intended by the enabling legislation.

In the past, the Office of Management and Budget has given as its excuse for refusing to allow SBA to make more direct loans that the statutory interest rate on these loans of 5½% is below the cost of money to the Government; that it costs the Government more to obtain the money in the open market than it would receive in interest from the small businessman; and, thus, the loans were being provided on a loss basis.

Our colleagues in the House are well on the way to removing this objection. Upon insistence from small businessmen, they have amended the Small Business Authorization bill to raise the interest rate on direct loans up to the cost of money in the government. H.R. 15578 has been reported and is expected to go into conference with the Senate by the end of July. While the House action raises the rate on direct loans, the rate would still be less than the small businessman would have to pay if he were forced to obtain a bank-guaranteed loan which currently is set at 10½%. It is assured that this bill will pass. Now Congress must put the burden on the Administration to supply the needed funds for direct low interest rate loans to small businessmen. The Administration can no longer have the excuse of excessive cost when the interest rate is equal to what it costs the Government to raise the money. The small businessmen who ask Congress to raise the interest have made it clear that they are not looking for handouts. They only want an opportunity to obtain financing that will allow them to remain competitive. SBA's direct loan program was designed to accomplish this. Now we must give it an opportunity to succeed. The House, in the SBA Appropriations bill that will soon return to the Senate has mandated that the SBA during fiscal year 1975 make available at least $400 million in direct regular business loans. This can only be accomplished if the SBA is given the necessary appropriation.

As the climate deteriorates for creation and growth of small business, I appear before you today to request $400 million for direct aid to the small businessman of this country. It is tragic, indeed, when the Export-Import Bank can provide 7% money to finance the sale of a widget or computer to the Soviet Union when an American businessman cannot finance purchase of either for less than 12½. A dependable source of long term, low interest capital is vital to the present and future economic health of the Nation's small business community. I know that you will do all in your power to assure its availability.

Mr. McINTYRE. Mr. President, there is one question that I should like to ask the Senator from California. Does this act as written deny the energy-crisis related loans to ski operators that might have been hit by both energy shortages and a snow drought during this past winter.

Mr. CRANSTON. The language of S. 3331 is identical to my bill S. 3096 and would authorize long term, low cost loans to assist small concerns directly affected by a shortage of fuel, electrical energy, energy producing resources or raw or processed materials resulting from listed shortages. It does not apply to normal business risks such as fluctuations in price or changes in weather conditions.

However, I think that the legislative history can be made clear that ski operators should not be precluded from assistance under this bill because they were subject to snow drought in addition to reduced tourism because of limited gas supplies. These industries have had snow drought for 3 years—however it was the energy crises that tipped the precarious economic balance they have been able to maintain over the several years. I would not want this act construed as denying help to these small businesses.

Mr. President, I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the shrimp fishermen of my State and other Gulf States are in dire financial straits at this very moment. For many sizes of shrimp, our fishermen are receiving less than half of the price that shrimp brought at dockside one year ago. At the same time, operating costs for these small businessmen have ballooned.

I am advised by the National Marine Fisheries Service that the current plight of the shrimp fishermen is directly traceable to the energy shortage of last fall. According to NMFS, a large portion of domestic shrimp consumption occurs outside the home—in restaurants, carryouts and the like. Last fall, during the national energy shortage, tourist automobile travel declined sharply, and along with this decline there was a significant drop in tourist restaurant sales. The serious impact of the energy shortage on small restauranteurs was, in fact, one of the chief examples cited by Administrator Kleppe in his testimony before the Senate Banking Committee.

During the final quarter of 1973, U.S. shrimp consumption totaled only 72 million pounds—a drop from the previous quarter and from comparable periods in earlier years. As NMFS states:

> Normally, demand for shrimp increases during the late year holiday season, but in 1973, fourth quarter consumption was 9 million pounds lower than the third quarter of 1973, and nearly 18 million pounds below average fourth quarter consumption for 1968–72.

Mr. President, we cannot say for sure just what percentage of this decline was attributable to the energy shortage. But unquestionably the energy shortage contributed directly to the tremendous downturn in shrimp consumption in the fall of 1973. That drop has led to vast oversupply conditions and the falling dockside prices that have nearly wiped out hundreds of shrimpers—small businessmen trying to make a living from the sea.

If the energy crisis were not harsh enough in terms of shrimp consumption, surely these small businessmen have been "seriously and adversely affected" by the cost of diesel fuel. Many shrimpers who were paying 16 to 18 cents a gallon for fuel last summer are paying between 35 and 40 cents today. This increase is devastating because, as NMFS states, fuel costs constitute nearly 30 percent of the shrimp fisherman's operating costs.

Mr. President, I am pleased to note that the House bill has been amended to make clear that, so long as the fisheries loan fund is depleted and subject to moratorium, fishermen will not be barred from small business loans by the "duplication" prohibition of section 18 of the act.

I trust it is equally clear that the shrimpers of my own State and other States have been "seriously and adversely affected" by the energy shortage, and that these small businessmen are fully within the contemplation of the energy relief provisions of this bill. Is that also the understanding of the Senator from California?

Mr. CRANSTON. On the basis of the facts the Senator has described, that would certainly be the intention of the legislation.

Mr. JOHNSTON. I thank the Senator from California.

Mr. BIBLE. Mr. President, as chairman of the Select Committee on Small Business, I rise to urge the passage of S. 3331, the Small Business Amendments of 1974.

Basically, as the Senator from California (Mr. CRANSTON) has stated this bill would raise the ceilings under which SBA can make and guarantee loans in its various categories and also transfer certain statutory authority to the agency for programs which it is already operating and augment other activities of the Small Business Administration.

I should like to comment particularly on section 9 of the bill which would provide authority to assist small businesses seriously and adversely affected by shortages of fuel or materials resulting from energy shortages.

Since the energy shortage became a crisis in the autumn of 1973, the Select Committee has vigorously sought to protect and preserve the interests of smaller firms faced with energy and material shortages. Three days of excellent public hearings were held in November 1973, by the Senator from Georgia (Mr. NUNN), pursuant to which a number of recommendations went forward to the Federal Energy Administration, the Small Business Administration and other executive agencies concerned.

Section 9 of this bill was drafted as a direct result of the cooperation engendered by the efforts of the Select Committee. The Small Business Administration and particularly its general counsel, were able to respond to our requests by working with all of the House and Senate committees concerned to draft a sound recommendation in this area.

This proposal was introduced in the Senate as S. 3096 on March 1, 1974. At that time, I commented extensively on the background of the measure (CONGRESSIONAL RECORD, March 1, 1974, pp. 4877–4878) and pointed out a number of additional constructive steps which the Small Business Administration had taken in response to the disadvantaged circumstances of small business and the initiatives of our committee.

One of the most effective of these steps was the creation on an Energy and Materials Office at SBA which coordinated the agency's internal response to the energy crisis, enhanced its relations with other agencies working on these problems, and completed a timely statistical study of the impact of energy problems on small business. This survey served as the basis for reporting of this measure by Senator CRANSTON's subcommittee and passage by the Senate.

At the time the mandate for this office was about to expire, we initiated a letter to SBA on behalf of myself, Senators CRANSTON, NUNN, JAVITS, and WEICKER, urging SBA to retain this unit as a ready capability for the Agency's on-going work in the energy and materials areas, as well as the basis for emergency actions in any future emergency.

Our letter strongly recommends:

> . . . that the energy and materials function at SBA be continued in an appropriate form (and with) adequate personnel . . . in order to assure that the responsibilities of this office are carried out (and) that SBA will continue the fine work it began in this area.

I ask unanimous consent that a copy of our correspondence and the reply of Hon. Thomas S. Kleppe, Administrator of the Small Business Administration, be included in the RECORD at this point for the information of all concerned.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JUNE 18, 1974.

Hon. THOMAS S. KLEPPE,
Administrator,
Small Business Administration,
Washington, D.C.

DEAR MR. ADMINISTRATOR: It is our understanding that earlier this year you created a temporary SBA Office of Energy and Materials and that the authority for this office has recently expired.

The SBA Energy and Materials Office appeared to be a very useful focal point in SBA's fine response to the energy and material shortages of 1973–74. These actions were summarized in your February 5 release entitled "SBA Develops New Plan to Meet Energy Crisis" which we placed before the Senate on March 1, 1974 (*Congressional Record,* p. 4878).

Your February 5 address persuasively stated the reasons for creating this energy and materials capability at SBA, and that subsequent events have demonstrated the wisdom of this policy.

As a result of the efforts of the SBA Energy and Materials Office, you included as a part of your testimony on April 30 before the Small Business Subcommittee of the Senate Banking, Housing and Urban Affairs Committee on S. 3096 (a bill that was developed as a result of cooperation between the Congress and the Small Business Administration) an excellent study of the impact of energy shortages on different segments of the small business community. This study continues to be helpful to both Members of Congress and the Executive branch in understanding the nature of the problems created by the energy crisis.

In addition, your press release of February 5 cites other benefits to be derived from the establishment of the Energy and Materials Office such as creating the ability to:

"... work closely with the Congress, the Federal Energy Office and all other governmental and business organizations concerned with these problems . . ."

This Energy Office provides an appropriate vehicle whereby the SBA can represent small business interests at the formative stages in the development of the broad range of legislation and regulations being considered which will not only affect the business community at the present time but also have wide range implications as to their future. The work of this Energy Office provides a mechanism whereby the small business community (representing 97½ percent of the businesses and nearly ¼ of the total work force) no longer has to react after the fact.

As you have pointed out so well, the Enery and Materials Office is most effective in early analysis, recommendations and concerted follow-through on SBA aspects of legislation and rule-making as well as affecting the SBA's own internal program responses and interagency relations in the energy and material areas. In our experience, there are tasks that, manifestly, no other Federal agency will undertake.

As we have stated in the past, the current initial shortages, particularly in petroleum products and steel, will continue to pose serious difficulties for the small business community and the entire economy during the next several years. We believe these problems will not go away, but will continue to affect the entire commercial climate in this country and will therefore have a major impact not only on the small business community, per se, but also upon the conditions under which SBA assistance will be sought and administered.

For these reasons, we strongly recommend that the energy and material function be continued at SBA, in an appropriate form, and that adequate personnel be assigned to this activity on a full-time basis in order to assure that the responsibilities of this office are carried out in a timely manner. We sincerely hope that SBA will continue the fine work it began in this area. We would very much appreciate having your thoughts as to the continuation of the SBA Energy and Materials Office and the points raised in this letter. We are of the opinion that the continuation of the Energy and Materials Office is an important element in our desire to maintain the competitive free enterprise system.

Cordially,

JACOB K. JAVITS, Ranking Minority Member, Senate Small Business Committee.
ALAN CRANSTON, Chairman, Subcommittee on Small Business; Senate Banking, Housing and Urban Affairs Committee.
ALAN BIBLE, Chairman, Senate Small Business Committee.
SAM NUNN, Chairman, Subcommittee on Environmental, Rural and Urban Economic Development; Senate Small Business Committee.
LOWELL WEICKER, Ranking Minority Member, Subcommittee on Small Business; Senate Banking, Housing and Urban Affairs Committee.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., June 25, 1974.

Hon. ALAN BIBLE,
Chairman, Senate Small Business Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you very much for your letter, which we received yesterday afternoon, concerning our Office of Energy and Materials Programs.

I can assure you that we completely agree with you that the energy and materials problems are going to be with us for quite some time to come and that the small business community needs an advocate at SBA to serve it.

We felt that we could best address our responsibility by creating a temporary office and asking it to design a program for the longer term. For this reason we transferred able people from other offices in the Agency into this office to help us develop such a program. Once the initial coordinative work was done, and now that the individual program offices of the Agency have developed their response plans, and now that we have decided to create a permanent Office of Advocacy in another section of the Agency, we feel that this temporary activity can be gradually phased into that. For the time being, we are maintaining the shell of the Office of Energy and Materials Programs with Mr. Mollett and an assistant, and have asked them to call for other staff personnel any time it is needed. We believe this to be an essential interim step to assure continuation of projects underway and to assure orderly transition on this important program effort. When the Advocacy Office is finally organized, and this will take us 2 or 3 months to complete, we would plan to transfer full responsibility and functions of the Office of Energy and Materials Programs to that area. It is envisioned that the Advocacy Office will give high priority attention to energy and materials matters and will devote the appropriate personnel resources specifically to this function.

I want to assure you that we wish to be able to respond quickly to all problems in this area that face the small business community and hope this will do it with minimum duplication of efforts in our Agency. Also, let me assure you that we will continue to aggressively pursue all energy related issues and problems which affect small business interests within each of our program departments.

We very much appreciate your very thoughtful comments and observations. Your support and that of your staffs have contributed greatly to our efforts to assist America's small business through this most difficult period.

Sincerely,

THOMAS S. KLEPPE,
Administrator.

Mr. BIBLE. It is especially appropriate in connection with the consideration of this legislation to point out that the laws we in Congress pass are, in the end, only as effective as their implementation by the executive agencies which have day-to-day responsibility in these areas. SBA fulfills a unique role in representing the interests of 97½ percent of the U.S. business community. Small firms account for more than one-half the employment and nearly 40 percent of the gross national product including many areas which are critical for the functioning of our economy.

Accordingly, I hope that the executive branch of the Government, particularly the Office of Management and Budget and the Small Business Administration will bear in mind the intent of Congress as evidenced by the activity and suggestions of the select and legislative committees on small business in the Senate in this energy area.

Specifically, we hope that SBA's Office of Energy and Materials is adequately staffed and encouraged to provide appropriately for the application of the legislation we are considering to help smaller firms cope with energy shortages, and to plan and work for the solution of their other manifold difficulties in the energy and materials fields.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House of Representatives.

Mr. HUGH SCOTT. Mr. President, there is no objection.

The motion was agreed to.

Mr. MANSFIELD. I ask unanimous consent that Calendar No. 921, S. 3096, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, do I have any more time remaining, of the time allotted to the Senator from West Virginia?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. MANSFIELD. I yield back that time.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. METZENBAUM). Under the previous order, there will not be a period for the transaction of routine morning business not to extend beyond the hour of 11:30 a.m.

Is there morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT TO BUDGET REQUEST FOR THE DEPARTMENT OF JUSTICE (S. Doc. 93-101)

A communication from the President of the United States proposing an amendment to the request for appropriations transmitted in the budget for the fiscal year 1975 in the amount of $3,700,000 for the Department of Justice, which was referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EAGLETON, from the Committee on the District of Columbia, without amendment:

H.R. 7218. An act to improve the laws relating to the regulation of insurance companies in the District of Columbia (Rept. No. 93-1075).

H.R. 12832. An act to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia (Rept. No. 93-1076).

By Mr. EAGLETON, from the Committee on the District of Columbia, with an amendment:

H.R. 15842. An act to increase compensation for District of Columbia policemen, firemen, and teachers; to increase annuities payable to retired teachers in the District of Columbia; to establish an equitable tax on real property in the District of Columbia; to provide for additional revenue in the District of Columbia, and for other purposes (Rept. No. 93-1077).

By Mr. EAGLETON, from the Committee on the District of Columbia, with amendments:

H.R. 15791. An act to amend section 204(g) of the District of Columbia Self-Government and Governmental Reorganization Act, and for other purposes (Rept. No. 93-1078).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY:

S. 3884. A bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals. Referred to the Committee on Labor and Public Welfare.

By Mr. RIBICOFF:

S. 3885. A bill to amend subchapter II of chapter 73 of title 10, United States Code, to redefine the terms "widow" and "widower", and for other purposes. Referred to the Committee on Armed Services.

By Mr. CRANSTON:

S. 3886. A bill to amend the Small Business Investment Act of 1958 to increase a pollution control financing program for small business. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JOHNSTON (for himself and Mr. CHILES):

S. 3887. A bill to protect consumers and domestic producers of shrimp by requiring that imported shrimp and food products made in whole or in part of imported shrimp bear marking showing the country of origin of such imported shrimp. Referred to the Committee on Finance.

By Mr. DOMINICK:

S. 3888. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes. Referred to the Committee on Commerce.

By Mr. McCLURE:

S. 3889. A bill to amend chapter 2 of title 16, United States Code (relating to national forests), to provide a share of timber receipts to States for school and roads. Referred to the Committee on Agriculture and Forestry.

By Mr. RIBICOFF (for himself and Mr. HARTKE):

S. 3890. A bill to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II. Referred to the Committee on Veterans' Affairs.

By Mr. STEVENS:

S. 3891. A bill to establish a Fisheries Manpower Development Program and for other purposes. Referred jointly by unanimous consent to the Committee on Commerce and the Committee on Labor and Public Welfare.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY:

S. 3884. A bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals. Referred to the Committee on Labor and Public Welfare.

INCOME INCENTIVE FOR HANDICAPPED PERSONS IN SHELTERED WORK SITUATIONS

Mr. HUMPHREY. Mr. President, I am introducing an amendment to the Rehabilitation Act of 1973, the purpose of which will be to provide wage supplements to handicapped individuals working in sheltered workshops or work activity centers. This long-needed measure will provide the handicapped worker with a means of achieving a significant measure of independence and dignity. At the same time, the wage supplement would act as an incentive for self-improvement.

For a long time our country has done little to aid the handicapped to achieve that measure of self-fulfillment of which they are capable. There has been a hidden, or sometimes overt, assumption that the handicapped worker is a total invalid, that he cannot help himself, or even that he must be protected from society and society must be protected from him.

This is a costly conception, both in terms of the human toll it takes of the handicapped and their families, and in terms of the financial burdens which it unnecessarily imposes on society.

The human dimension is paramount. One of the great political principles of our national life is that every person shall have the opportunity to achieve whatever degree of self-reliance and self-fulfillment he is capable of. This is obvious in the negative sense—in the sense that the Government must not interfere with the rights of its citizens. But it should be equally clear that the Government has a positive obligation to assist those with a handicap—whether it be cultural, mental, or physical.

This principle has recently been recognized in a number of court decisions around the country dealing with the problem of education for the handicapped. The courts have held repeatedly over the last 2 years that the States have the responsibility of providing specialized education for the handicapped which meets their needs to the same degree that the ordinary processes of education meet the needs of those children who do not suffer from any handicap. They have declared that the meaning of equal education is not that everyone is offered the same thing, but that everyone has the same relative opportunity to learn in an environment which will enable him to learn most effectively.

The Congress has recognized the urgency of making equal education for the handicapped a reality by passing the amendment to the education bill (H.R. 69), sponsored by Senator MATHIAS and myself, which provides over $600 million for educational programs for the handicapped. And the Congress is carrying that work further with an effort to establish a permanent program of educational aid for the handicapped in a bill (S. 6) presently being considered by the Senate Labor and Public Welfare Committee.

Congress is also beginning to recognize the need to institutionalize the principles, procedures, and programs through which the rights of the handicapped are to be defended. A "bill of rights" for the handicapped (S. 3378) is also under consideration in the Senate Labor and Public Welfare Committee.

The other cost of failing to recognize the rights and opportunities for the handicapped is a social and financial cost. It can cost between $30 and $50 a day to care for the handicapped in an institutionalized setting. That is a cost of over $15,000 a year, for the full life of the person who is institutionalized. Most often, there is no need for such institutionalization. The handicapped person can usually achieve some degree of self-reliance.

In some cases he can become fully self-reliant, and serve as a fully productive member of society. It is certainly better to provide a small stipend on a program which enables a handicapped person to become fully self-reliant, or to provide a modest stipend on a permanent basis to a person who is thereby able to become partially independent and to be productive in at least a limited way, than it is to foot the bill for permanent, high cost incapacity and institutionalization. This, of course, is the whole idea behind sheltered workshops and work activity centers.

Sheltered workshops and work activity centers provide a productive work environment for the handicapped person who is not able on a regular and continuing basis, because of his handicap, to meet the demands of employment at which he could earn the minimum wage. But there are considerable problems in the present operations of such workshops, and it is quite often impossible for the handicapped worker in a workshop to support himself.

What my proposal provides for is a series of pilot programs to study the advantages of a system of wage supplements which simultaneously provide an incentive to the worker to increase his productivity—if feasible, to a level which would enable him to leave the workshop—and a means to become self-sustaining.

We need to examine the feasibility and effectiveness of such a program on a nationwide basis. The Department of Health, Education, and Welfare is presently beginning a study of such a program which they plan to complete in 2 years. But this study is going to have to be theoretical unless we provide some demonstration projects for the Department to examine. I think we need to see how these programs operate in the flesh.

Specifically, this measure would specify the following mechanisms for wage supplements:

Every handicapped worker in a sheltered workshop would be provided with a wage supplement of $1 per hour in addition to his wage, up to and including the point where his wage reaches 70 percent of the minimum wage. For wages above that point, the wage supplement will be reduced 7 cents for each additional 10-cent increment in wages, with the entire wage supplements to be eliminated for any wage in excess of 140 percent of the minimum wage.

The wage supplement is to be provided separately from payment for work produced, so that it will be clear that the supplement is not part of the wage. And wages are to be paid on a basis equivalent to what a nonhandicapped worker would be paid for producing the same volume of work per hour.

The payment of a wage supplement is not to affect the payment of social security or retirement benefits.

The great advantage of this formula is that there is no sudden cutoff point for the wage supplement, so that there is continuous incentive for the handicapped worker to increase his productivity, and this incentive may well encourage him to achieve a level of productivity where he no longer requires the support of a sheltered workshop.

One further provision of this legislation is that the activities of the workshops themselves are monitored, and the workshops are encouraged to make a positive contribution to the self-improvement of the handicapped workers.

Because we live in a culture which is oriented to the nonhandicapped, it is necessary to provide certain special services to meet the needs of handicapped workers to enable them to earn a living wage and to lead a meaningful life. This proposal is aimed at assisting handicapped workers who are already employed and who need a further supplement to meet the economic needs of daily living.

Mr. President, I ask unanimous consent that the text of this bill be inserted at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Wage Supplements for Handicapped Individuals Act".

SEC. 2. Title IV of the Rehabilitation Act of 1973 is amended by adding at the end thereof the following new section:

"WAGE SUPPLEMENTS FOR HANDICAPPED INDIVIDUALS

"SEC. 408. (a) In order to demonstrate the feasibility of the payment of wage supplements to handicapped individuals and severely handicapped individuals who are employed on a long-term basis in rehabilitation facilities which are sheltered workshops or work activity centers, there are authorized to be appropriated $2,200,000, for the fiscal year ending June 30, 1975, $4,800,000, for the fiscal year ending June 30, 1976 and $9,600,000, for the fiscal year ending June 30, 1977.

"(b)(1) The Secretary is authorized to conduct demonstration projects either directly or by way of grant, contract, or other arrangement with public or private nonprofit agencies or organizations under which wage supplements are paid to handicapped individuals or severely handicapped individuals who are emloyed in rehabilitation facilities which are sheltered workshops or work activity centers in accordance with the provisions of this section.

"(2) The Secretary shall carry out the program authorized by this section so as to determine the feasibility of the payment of wage supplements for such individuals on a nationwide basis and so as to assure that such payments are made in each region throughout the United States.

"(c) No wage supplement payment may be made under this section unless an application is made by the appropriate public or private nonprofit agency or organization. Each such application shall contain provisions to assure—

"(1) that the rehabilitation facility in which the handicapped or severely handicapped individual is employed is a sheltered workshop or work activity center or other similar facility which is eligible for obtaining certification for handicapped individuals under section 14(d) of the Fair Labor Standards Act of 1938;

"(2) that the wage supplement payable to any qualified handicapped worker be set aside and not included as a part of the income of the handicapped worker earned under provisions of section 14 of the Fair Labor Standards Act;

"(3) that when the earned income of the handicapped worker is 70 percent or less of the hourly minimum wage, he shall receive a wage supplement of $1.00 per hour, and that for each additional ten cents per hour of earned income, seven cents per hour shall be subtracted from the handicapped worker's wage supplement, the wage supplement to be eliminated entirely when the earned income is in excess of 140 percent of the minimum wage;

"(4) that wage supplement payments will be determined over a six-month period of sustained work effort in a rehabilitation facility meeting the requirements of paragraph (1) under which the handicapped individual or severely handicapped individual has engaged in a work program of at least thirty hours during each week, except that the payment of any wage supplement may be made on an estimated basis, on a weekly or monthly basis pursuant to an agreement between the applicant and the Secretary;

"(5) that each wage supplement payment to a handicapped individual or severely handicapped individual will be made separately from payment of the earned wages to that individual; and

"(6) that each applicant shall maintain such fiscal control and fund accounting procedures as the Secretary determines necessary to insure the proper disbursement of wage supplements payable under this section, and shall make such reasonable reports as the Secretary may require to carry out his functions under this section and shall keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

"(d) No handicapped individual or severely handicapped individual shall be eligible for a wage supplement payment under this section unless such individual—

"(1) is employed in a rehabilitation facility which is a sheltered workshop or a work activity center which meets the requirements of paragraph (1) of the preceding subsection;

"(2) has attained sixteen years of age;

"(3) has an earning capacity which is sufficiently impaired that such an individual is unable to obtain and hold employment compensated at a rate at the minimum wage applicable under section 6 of the Fair Labor Standards Act of 1938 without regard to any exclusion in that Act; and is not otherwise engaged in a training or evaluation program under this Act, pursuant to regulations promulgated by the Secretary, which involves either activities or such a significant portion of the time of the individual as to be inconsistent with the provisions of this section.

"(e) In order to assist public agencies and private nonprofit organizations which are employing handicapped individuals and which meet the requirements of paragraph (1) of subsection (b) of this section, to participate in the program authorized by this section, the Secretary is authorized to make a grant to each such participating agency or organization in an amount not to exceed 10 per centum of all wage supplement payments in that fiscal year made to individuals of that agency or organization. For the fiscal years ending June 30, 1976, and June 30, 1977, the Secretary is authorized to enter into an agreement with any such agency or organization to make an increased payment under this section based upon the success which such agency or organization has in reducing reliance by handicapped individuals and severely handicapped individuals upon wage supplements by an increased reliance upon earned wages by such individuals.

"(f) In carrying out the provisions of this section, the Secretary is authorized, jointly by regulation with the Secretary of Labor, to provide further requirements for the certification of a rehabilitation facility pursuant to paragraph (1) of subsection (b) of this section. Any such regulations may contain provisions requiring—

"(1) that each such facility shall pay to individuals eligible for assistance under this section wages at a rate equal to wages paid to nonhandicapped workers in industry in the vicinity for essentially the same type, quality, and quantity of work performed, except as prescribed under paragraphs (2) and (3) of section 14(d) of the Fair Labor Standards Act of 1938;

"(2) that each such facility will not compete unfairly in obtaining work or in the sale of products or the furnishing of services; and

"(3) such other reasonable requirements for the maximum efficient operation of any such facility as the Secretary and the Secretary of Labor may require.

"(g) Notwithstanding any other provision of law, the payment of a wage supplement to a handicapped individual or a severely handicapped individual under this section shall not affect the eligibility of any such individual to receive payments under the Social Security Act or any other similar retirement or public assistance payments.

"(h) Not later than April 1, 1977, the Secretary is authorized to prepare and submit to the Congress a report on programs authorized by this section together with such recommendations for additional legislation as he determines desirable."

SEC. 3. The table of contents of title IV of the Rehabilitation Act of 1973 is amended by adding at the end thereof the following new item:

"SEC. 408. Wage supplements for handicapped individuals.".

By Mr. CRANSTON:

S. 3886. A bill to amend the Small Business Investment Act of 1958 to increase a pollution control financing program for small business. Referred to the Committee on Banking, Housing and Urban Affairs.

A POLLUTION-CONTROL FINANCING PROGRAM FOR SMALL BUSINESSES

Mr. CRANSTON. Mr. President, a rising number of small businesses are being forced to shut down because of their inability to obtain long-term financing at reasonable cost to purchase pollution-abatement equipment. Large businesses, on the other hand, have been increasingly satisfying such financing requirements through the issuance in their behalf of tax-exempt pollution control revenue bonds by State or local agencies. I am introducing today legislation that will open the same revenue-bond alternative to small businesses by means of a self-supporting lease guarantee program administered by the Small Business Administration. With this lease guarantee backup, small businesses would be able to tap the tax-exempt bond market on a reasonable parity with larger firms.

American industry in the next 5 to 10 years will spend well in excess of $30 billion on pollution control equipment and systems to meet existing Federal legislation. Recognizing that capital outlays of this magnitude have a negative impact on individual companies, industry and the economy as a whole, the Treasury specifically amended its regulations on the permissible size of industrial-revenue bond issues to allow for the unlimited issuance of tax-exempt industrial revenue bonds to finance pollution-abatement facilities. The majority of States have followed with special legislation to implement this type of financing.

Under the program, a State or local pollution control authority issues tax-exempt pollution control revenue bonds in behalf of a private corporation. The facilities financed from bond proceeds are then leased to the corporation, whose lease payments to the authority provide the funds to meet principal and interest on the bonds. In 1973, $1.8 billion in revenue bonds were issued by State and local authorities to finance pollution abatement projects. The Daily Bond Buyer reveals not a single small business has been the beneficiary of these financings.

Pollution control bond financing has been a major factor in accelerating compliance with environmental standards by industry. In addition, it has been a decisive factor in enabling many corporations to continue operations of marginal facilities in critical areas of employment and to maintain production of vital goods and materials. Since pollution control revenue bonds are secured solely by the lease payments between the public authority and the private corporation, bondholders look to the corporation as the ultimate security for the bonds. The bonds of large businesses have found broad acceptance among institutional investors because of their national recognition and established creditworthiness, as evidenced by credit ratings from Moody's and Standard & Poor. Moreover, the liquidity of these bonds afforded by the large size of the issues and the recognition of the issuer's name by dealers enhance the attractiveness of these bonds to institutional investors.

Small businesses, on the other hand, lacking these advantages, have been effectively eliminated from the long-term tax-exempt bond market. There is no institutional investor support for small, unrated issues of local corporations, nor sufficient investment banking interest to develop business and arrange the financing.

Accordingly, small businesses have been forced to borrow at higher rates for shorter time periods, seriously impacting upon their cash flow. Overall costs to small businesses are additionally increased because the pollution control expenditures are higher per unit of output than for large businesses which benefit from economies of scale. Equally important is the typical lack among small businesses of highly specialized environmental management and engineering skills which might otherwise aid in the planning and sizing of pollution-abatement projects.

The resulting economic gap between large and small businesses could cause a further deterioration in the position of small businesses in the Nation's industrial structure. Given the position of small businesses as a major source of industrial employment and a principal supplier of raw materials for processed goods, their prospective shutdown would impact on a substantial segment of the U.S. economy and workforce. The extent of this potential impact is illustrated by California where 72 percent of the State's workforce is employed by the small business sector and 20,000 firms in that sector have been ordered to meet State pollution abatement standards.

The following is a list of those industries in which small businesses will most seriously be affected by environmental regulations:

LIST OF INDUSTRIES MOST AFFECTED BY ENVIRONMENTAL REGULATIONS

1. Grey Iron Foundries.
2. Metal Plating.
3. Feed Lots.
4. Food and Agricultural Processing.
5. Stone, Clay, and Glass.
6. Secondary Metal Processing.
7. Paper and Pulp.
8. Mining.
9. Asphalt Production.
10. Leather Tanning.
11. Chemical and Petroleum Processing.
12. Textiles.
13. Transportation.

The responsibility for implementing a viable pollution-financing program for small businesses rests in the Small Business Administration, as indicated by the Federal Water Pollution Control Act Amendments of 1972. The SBA reviewed for more than 1 year the needs of small businesses in the context of existing programs and the time pressures associated with meeting EPA standards. It was concluded that a new financing alternative was required which would insure:

First. Ready availability of funds.

Second. Maximum borrowing costs.

Third. Maximum repayment terms consistent with the economic life of the purchased facilities or equipment.

Fourth. Minimum leadtime to activate the new program.

Fifth. Maximum participation by the private sector.

Sixth. Minimum outlay of Federal funds for program support and use of Federal personnel.

Seventh. Establishment of a self-supporting program with minimum loss risk.

This proposed legislation meets these criteria, and provides small businesses with equal access to the low cost, long term financing now available to big business. This legislation, in brief, calls for grouping the financial requirements of a number of small businesses within a given State into individual bond issues which would be sold by the appropriate State or local authority. The bond proceeds would be used to construct the facilities needed by the firms and leased back to them. The lease payments would provide the funds to meet bond principal and interest. The SBA, under authority of this legislation, would insure the individual lease payments for a fee adequate to cover operating costs and projected losses.

Passage of this legislation would uniquely enable small businesses to obtain adequate funds for their needs at reasonable rates and terms because of: First, the established institutional market for industrial revenue bonds; second, the investment-grade quality which the SBA lease guarantee program provides; third, the tax-exempt status of the bond offerings; fourth, sufficient repayment period, by reason of the longer term bond schedule, and fifth the obligatory virtue of almost immediate operability, considering the existence of enabling legislation in most States.

The program benefits additionally from the fact that there is a complex infrastructure already in place for this type of financing which would assure the Federal Government of proper utilization of funds and careful financial review. Moreover, there would be an absolute minimum outlay of Federal funds to support the program owing to its self-supporting nature, coupled with only a modest manpower requirement to oversee the financing which would largely be done at the State, local, and private levels. This proposed financing program offers still other advantages to small businesses. By grouping the small businesses, it will be possible to provide them with significant savings in engineering design and environmental management costs. In addition, it provides an opportunity for small businesses in the same pollution basin area to finance a common treatment facility on a joint basis.

The SBA-guaranteed/tax-exempt bond program for small businesses is clearly the cheapest and most efficient method of accommodating their pollution-control financing needs. Creditworthiness, and a prime investment rating, would be assured. Rates, accordingly, would be low. Issue size, for liquidity purposes, would be large. Equity, in terms of major corporations, would be restored. And with the promise of a receptive institutional market for the bonds, the necessary incentive to investment bankers to assemble such issues would be fully and effectively provided.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3886

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 403 of the Small Business Investment Act of 1958 is amended—

(1) in the first sentence thereof by striking out "and part B of this title";

(2) by striking out "$10,000,000" and inserting in lieu thereof "$25,000,000"; and

(3) by striking out "programs" each time it appears therein and inserting in lieu thereof "program".

SEC. 2. Title IV of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following new section:

"SEC. 404. (a) For purposes of this section, the term—

"(1) 'pollution control facilities' means such property (both real and personal) as the Administration in its discretion determines is likely to help reduce, abate or control air or water pollution or contamination by removing, altering, disposing, or storing pollutants, contaminants, wastes, or heat, and such property (both real and personal) as the Administration determines will be used for the collection, storage, treatment, utilization, processing, or final disposal of solid waste.

"(2) 'qualified contract' means a lease, sublease, loan agreement, installment sales contract, or similar instrument, entered into between a small business concern and any person.

"(b) Whenever the Administration determines that small business concerns are or are likely to be at an operational or financing disadvantage with other business concerns with respect to the planning, design, or installation of pollution control facilities, or the obtaining of private financing therefor (including financing by means of revenue bonds issued by States, political subdivisions thereof, or other public bodies), it may guarantee, upon such terms and conditions as the Administration may prescribe, either directly or in cooperation with a qualified surety company or other qualified company through a participation agreement with such company, the payment of rentals or other amounts due under qualified contracts, and any such guarantee shall be for the full amount of the payments due under such qualified contract. Any guarantee made by the Administration pursuant to this section shall be a full faith and credit obligation of the United States.

"(c) The Administration shall fix a uniform fee which it deems reasonable and necessary for any guarantee issued under this section, to be payable at such time and under such conditions as may be determined by the Administration. Such fee shall be subject to periodic review in order that the lowest fee that experience under the program shows to be justified will be placed into effect. The Administration may also fix such uniform fees for the processing of applications for guarantees under this section as it determines are reasonable and necessary to pay administrative expenses incurred in connection therewith. The Administration may require that an amount, not to exceed one-fourth of the average annual payments for which a guarantee is issued under this section, be placed in escrow upon such terms and conditions as the Administration may prescribe.

"(d) Any guarantee issued under this section may be assigned with the permission of the Administration by the person to whom the payments under qualified contracts are due.

"(e) Section 402 shall apply to the administration of this section."

By Mr. JOHNSTON (for himself and Mr. CHILES):

S. 3887. A bill to protect consumers and domestic producers of shrimp by requiring that imported shrimp and food products made in whole or in part of imported shrimp bear marking showing the country of origin of such imported shrimp. Referred to the Committee on Finance.

Mr. JOHNSTON. Mr. President, for myself and Senator Chiles, I am introducing today a bill to close a loophole in our import laws which has deprived the American consumer of essential marketplace information and, at the same time, struck a devastating blow against our domestic shrimp industry.

Each year, millions of pounds of shrimp are imported into the United States. For example, in the first 5 months of 1974, some 96.9 million pounds entered from 15 major exporting countries. This represents an increase of nearly 30 percent from import levels during the same months of 1973.

Surprisingly, there is no requirement of existing law that shrimp caught and processed abroad be so labelled when they are sold to American consumers. Consumer Reports, in its March 1974 issue, tested frozen shrimp; but the magazine was unable to reach any firm conclusions about the relative quality of imported and domestically produced shrimp because labelling did not reliably state the country of origin.

Mr. President, American consumers need to know, and have a right to know, the country of origin of a food product as vulnerable as shrimp.

"Once the delicate shrimp are swept out of the sea," Consumer Reports observes, "they are prey to mishandling." At every leg of the shrimp's long journey to the supermarket or restaurant table, there are risks of deterioration and contamination.

Obviously, Mr. President, American processing plants are subject to inspection by the Food and Drug Administration. Foreign plants are not. The American consumer is entitled to know what he is buying, and to opt for American health standards.

Furthermore, I believe that the consumer is entitled to show his support for our domestic shrimp industry by insisting upon American shrimp. I know the good people of my own State of Louisiana would rally to the support of the Louisiana shrimp industry if they were given a fair and open chance to do so.

Indeed, the absence of adequate labeling makes it impossible for officials of the Departments of Agriculture and Defense to determine whether they are complying with other provisions of law which require the Government to purchase American food products.

This situation cannot be permitted to continue.

You may ask: How can it possibly be that shrimp are imported into the United States and sold without proper country of origin labeling? Under the Tariff Act of 1930, all products imported into the United States must be labeled as to country of origin until such products reach "an ultimate purchaser in the United States."

The answer, Mr. President, is simple: The Bureau of Customs has engrafted onto the Tariff Act an exception to the general requirement of labeling to the ultimate purchaser. The Bureau has said that anyone who effects a "substantial transformation" of an imported product is himself an ultimate purchaser. Country of origin labeling stops with a person who effects a substantial transformation.

In the case of shrimp, this has meant that anyone who processes imported shrimp is usually the first but also the last person to know that he is dealing with imported merchandise. This applies not only to shrimp food products, like TV dinners; but as well to processors who simply thaw, bread, and repackage frozen shrimp. Amazingly, as a result of the so-called "J-list," there does not even seem to be a labelling requirement for "processors" who simply import bulk frozen shrimp and repackage them without cooking or preparation of any kind.

The bill I introduce today, Mr. President, would put an end to this practice. It would declare, in no uncertain terms, that shrimp must be labelled by country of origin until they reach the ultimate purchaser—defined to mean only a person who obtains shrimp or shrimp products with no intent to sell or exchange them.

My bill would, in effect, overrule the J-list and the "substantial transformation" doctrine as it is now applied to imported shrimp.

I might also add, Mr. President, that my bill would require imported shrimp to be so labelled when they are sold in restaurants. Of course, the bill permits labelling in this instance by means of a menu designation or bill of fare. Since more than half of all shrimp in this country are consumed away from home, in the restaurant, it is essential that full disclosure be extended to this level.

Mr. President, I see nothing in this legislation which is unduly burdensome to the processors and distributors and restauranteurs of this country. But I realize that this legislation will require some adjustments of labelling and packaging, and in the case of the restaurants, some reprinting or remarking of existing menus.

Consequently, the bill does not become effective until 120 days after its enactment.

There is one additional feature of the bill that deserves specific mention. Because the bill requires labeling of imported shrimp long after they are released from customs, it might well be asked whether the Bureau of Customs is competent to enforce labeling requirements in the supermarkets and restaurants of this Nation. For this reason, the bill specifically requires customs officials—to ensure that the shrimp will be adequately marked from importation to the ultimate purchaser before releasing the shrimp from customs custody and—to enter into agreements with other Federal agencies if such agreements are necessary to enforce the requirements of the bill.

Finally, Mr. President, I would emphasize again the severe plight of the shrimp fishermen in this country. While costs for diesel fuel, netting, labor and other essential inputs have risen rapidly the shrimp fisherman is getting dockside prices for smaller shrimp that are less than half of 1973 price levels. Many fishermen are in imminent danger of losing their boats because they cannot pay off their boat loans from the proceeds of below-cost sales of shrimp. Time and time again, these proud people have asked me why the staggering imports of shrimp into this country are not at least labeled so the consumer can exercise an intelligent choice.

By Mr. DOMINICK:

S. 3888. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes. Referred to the Committee on Commerce.

Mr. DOMINICK. Mr. President, it is my pleasure to introduce today a bill granting special relief for the airport serving Grand Junction, Colo. This bill is needed to enable the airport authorities to complete the acquisition of land necessary for the operation and possible expansion of the airport. A few years ago the airport authorities arranged to exchange a part of the land they had acquired from the Federal Government for a tract of private land. Due only to a technicality in the law under which Grand Junction acquired the Federal land, the airport cannot complete this trade. When the Government granted the land, the law stipulated that if any of the land was not used for airport purposes, ownership of the "misused" land would revert to the Government. We repealed this reverter provision in 1970; nevertheless, the General Counsel of the Federal Aviation Agency has ruled that it still applies to the Grand Junction case.

Because of this FAA ruling, I am asking that this bill be passed to exempt the Grand Junction airport from the reverter provision. This bill does not, however, release the airport authorities to use their federally granted land any way they wish. In place of the old reverter provision, I am asking that the airport be placed under the authority of a law which instructs the Administrator of the FAA to determine in individual cases whether land granted for an airport can be used for nonairport purposes. In this way, the FAA can insure, before releasing the Grand Junction land for exchange, that it is no longer necessary for the safety of airport users.

Mr. President, because of the important location of the Grand Junction Airport—it is in the heart of Colorado's oil shale area and is the only airport between Denver and Salt Lake City serving big commercial jets—I would ask speedy consideration of this bill.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act, the Administrator of the Federal

Aviation Agency is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated September 14, 1951, under which the United States conveyed certain property to the city of Grand Junction, Colorado, for airport purposes.

By Mr. RIBICOFF (for himself and Mr. HARTKE):

S. 3890. A bill to amend title 38, United States Code, to provide hospital and medical care to certain members of the Armed Forces of nations allied or associated with the United States in World War I or World War II. Referred to the Committee on Veterans' Affairs.

Mr. RIBICOFF. Mr. President, today I am introducing legislation to assure Polish and Czechoslovakian war veterans living in the United States of veterans' medical benefits.

This proposal would provide hospital, domiciliary care and medical services by the Veterans' Administration to those who served in combat during World Wars I or II as members of the Czechoslovakian or Polish armed services as allies of the United States. They must have been American citizens for at least 10 years to qualify and they must not be entitled to equivalent care or services provided by a foreign government or ally of the United States.

We must help these courageous freedom fighters. Unlike others who fought with great courage against the enemies of the United States, these veterans could not return to their homes because communism had taken over in their native lands. They chose America as their new home and we must not turn our backs on them when they need medical care.

Several allied countries, including Canada, Britain, Australia, and New Zealand have already granted full veterans' privileges to the Polish veterans who settled in their land. The United States has not yet done so, despite the fact that we already provide medical and hospital benefits to World War I veterans of the Philippine Armed Forces.

It is estimated that 35,000 veterans are potentially eligible for benefits under this bill.

A similar bill cosponsored by Congresswoman ELLA GRASSO, passed the House on Monday. I am pleased that my bill is cosponsored by Senator VANCE HARTKE, chairman of the Senate Veterans Committee.

By Mr. STEVENS:

S. 3891. A bill to establish a Fisheries Manpower Development Program and for other purposes. Referred jointly by unanimous consent to the Committee on Commerce and the Committee on Labor and Public Welfare.

Mr. STEVENS. Mr. President, the legislation I introduce today, the "Fisheries Manpower Education Act of 1974," would initiate a means for U.S. fishermen, fisheries technicians, engineers, and scientists, now and in the future, to acquire the skills needed to harvest our Nation's share of the world's food fish stocks.

On February 7, 1973, this body passed Senate Concurrent Resolution 11, expressing a national policy of support of the U.S. fishing industry. The legislation later passed the House. Senate Concurrent Resolution 11 cited some of the reasons the United States, which led the world in fish production a few years ago, now ranks sixth or seventh and must import 60 percent of our food fish needs from other nations. Mentioned were such factors as intensive foreign fishing off our coasts, rising operating costs, obsolescence of equipment and methods.

The validity of the premises of Senate Concurrent Resolution 11, and the serious need for increased support of our fisheries industry have been documented in Commerce Committee hearings in various coastal regions of the United States and here in Washington on whether or not our Nation should extend its fisheries jurisdiction to 200 miles. We have repeatedly heard in those hearings that unrestrained foreign fishing operations off our shores will surely result in permanent loss of one species after another unless effective conservation-management practices are imposed on foreign fishermen, as they already have been on our own.

We have heard that much of our fleet is deteriorating because the domestic fisherman cannot see his way clear to invest the large sums of money necesary to upgrade his equipment when the resource is swiftly being destroyed.

Most of the facts arising from these hearings are grim ones. Yet, there also has been a distinct note of promise. In general the fishermen we have heard are far from defeated. The proud spirit which has led the American fisherman to the sea for generations is alive and well. He is confident that if he is allowed to compete on equal terms, under equitable rules and regulations, with his foreign adversaries, he will run them off the water.

Mr. President, I have every confidence that the commitment of Senate Concurrent Resolution 11 will be honored by the Congress, and that piece-by-piece the economic and regulatory requirements will be provided. The Fisheries Manpower Education Act of 1974 is a very important one of those pieces. In fact, it rightly should be one of the first considered, because education takes time; and skilled manpower must be available on a timely basis to keep pace with the development of the industry.

Two of the more obvious questions to be explored as this legislation is considered are: First, can and will the industry employ additional trained people, and second, can our educational community as it exists today provide the necessary training?

I first learned that there is a problem in the fisheries manpower field when a progressive fisheries company in Alaska ventured into a major expansion necessitating the use of much larger and more modern vessels than previously needed. It soon found that the proven fisherman-skippers who had grown with the company had no practical way of acquiring the necessary skills to make the transition into the new vessels. Skippers from traditional maritime sources, on the other hand, knew nothing of fishing. After hearing testimony from and talking to fishermen from other States, I find that this situation is widespread. Statistics published by the National Marine Fisheries Service show that the number of U.S. vessels exceeding 5 net tons increased from 5,562 in 1940, to 11,496 in 1950, to 13,591 in 1970, despite the serious deterences I have noted. Moreover, I think there is no doubt that extended U.S. fisheries jurisdiction will be achieved soon either through international agreement or interim unilateral action, and that there will be a consequent increase in the larger, more modern vessels and gear. Inevitably, our fisheries labor force, reported by NMFS to include 140,538 fishermen and 86,813 processing and wholesaler workers, has now and will have a growing need for upgrade and entry training.

In order to learn what is being done now in the field of education the Subcommittee on Oceans and Atmosphere, with the assistance of the U.S. Office of Education, in the fall of 1973, conducted a survey of education and training resources in the United States which prepare manpower for the scientific fishing industry. The focus of the survey was on programs that directly produced trained technicians for modernized fishing fleets.

Each chief State school officer was asked to identify such institutions and programs in the State and to include the number of students trained in 1972, the numbers currently enrolled, and the occupation for which training is provided.

That initial survey tends to confirm the view that the output of trained manpower in scientific fishing techniques for U.S. fishing fleets is grossly inadequate for current and projected fish harvesting needs.

In several States having extensive coastlines, Connecticut and Maryland, for example, the industry primarily relies on a father-and-son type of business where training is part of the family way of life. The increasing importance of fish protein to the United States and to the world points to the long-range need to supplement such informal training systems with more extensive and planned programs of training in scientific fish harvesting methods.

The United States training resources are currently concentrated in the nine States of Alaska, California, Florida, Maine, New Jersey, Oregon, Rhode Island, South Carolina and Washington State. In addition, the four States of Connecticut, Georgia, Mississippi and Texas reported limited training resources at the present time.

Most of the instruction in scientific fishing techniques is taking place in public education facilities such as area vocational-technical schools, high schools, community, and junior colleges and universities having programs such as the University of Rhode Island's fisheries and marine technology program. Another good example is seen in my own State of Alaska. In the spring of each year, Kodiak Community College holds a fisheries institute lasting 5 days at 8 hours per day. A total of 1,400 attended in 1972; attendance was 424 in 1973; and this past spring totaled 724 persons.

Not all, however, are public education agencies. In Maine, the Fisheries Extension Division of the Department of Sea and Shore Fisheries has an extension service which conducts research in marine gear and works with fishermen and fishing associations in the use and operation of marine gear used in the fishing industry.

Most of the States reported other important programs that directly and indirectly support the U.S. fishing industry. Included in these are baccalaureate and graduate programs in the marine sciences, high school and post-secondary programs in marine technology, as well as marine research programs that support the seafood/fishing industries. The Virginia Institute of Marine Science at Gloucester Point engages in an extensive program of public education in the marine sciences in addition to work in research and developmental activities related to the State's seafood industry. Oregon State University's Marine Science Center has similar public education and research programs. In Connecticut, the Marine Science Institutes at Avery Point and at Noank conduct programs of research and training related to the management of commercial fisheries. These are primarily at the graduate level.

In summarizing the results of the survey, the U.S. Office of Education said:

> As vital as these related programs are to the industry, there remains the problem of a shortage of technicians trained in the most up-to-date harvesting methods. Here the Federal Government has a vital role to play in stimulating and, if necessary, providing the resources to establish required training facilities and programs.

Mr. President, last summer I traveled as a representative of the Senate Commerce Committee to the Soviet Union, specifically to observe the means through which that nation prepares the necessary manpower for its gigantic global fishing operations. As you know, the U.S.S.R. has assigned a top priority for fisheries because of the vast national need for protein. The Soviet Union now ranks second only to Japan in fisheries and shows no sign of slowing down. The educational system necessary to maintain the vast labor force of the fisheries endeavor provides some 10,000 newly trained personnel annually. I visited 2 of the 23 regional fisheries academies which offer 2- to 3-year technical courses leading to junior officer qualifications for graduates. I was most impressed by the work-oriented practical nature of the training, which utilizes 30 training vessels, and by the reported small dropout rates, near 100-percent employment opportunity for graduates, and obvious high prestige enjoyed by Soviet fishermen. The technical academies and three fisheries universities, I was told by fisheries officials in Moscow, are but part of a complex system through which an individual who has completed elementary school may follow any of a number of combinations of institutional schooling, on-job training and correspondence programs and, depending on his abilities and aspirations, eventually qualify as a fishing vessel crewman, officer, master, administrator, engineer or scientist.

The proposal I introduce today is to help stimulate the interest of American youth in fisheries careers, and to provide the best possible technical education for them and for working fishermen.

The act fundamentally would involve the National Marine Fisheries Service and qualified advisers from the fisheries community to assure a practical type of training. It would establish within the National Marine Fisheries Service a Fisheries Manpower Development Office which would be responsible for the development of four basic programs. The first of these would be an orientation program, including visual aids, publications, motion pictures, and other materials designed to stimulate the interest of elementary and secondary school students, of coastal communities, in fisheries. I have in mind a fisheries counterpart to in-school programs such as Future Farmers of America. At the next level would be pilot programs, one each in four major fisheries regions of the United States to provide 2-year high school accredited technical training programs at 11th and 12th grade levels for youths 16 to 19 years of age. Also provided would be upgrade training, both institutional and correspondence, for working fishermen in the major fishing regions. Finally, there would be provision for scholarships for selected, motivated individuals planning to pursue fisheries management, engineering, and scientific careers.

Mr. President, I ask unanimous consent that the bill be jointly referred to the Committee on Commerce and the Committee on Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I commend the "Fisheries Manpower Education Act of 1974" for the consideration of my colleagues as a necessary adjunct to a revitalized U.S. fishing industry and ask unanimous consent that the bill be printed in full in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3891

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, To authorize the Secretary of Commerce to take action necessary to implement this Act which may be cited as the "Fisheries Manpower Education Act of 1974".

FINDINGS AND PURPOSE

Sec. 2. (a) The Congress finds that—

(1) the highly mechanized distant water fishing fleets of foreign nations have, in recent years, massively harvested North American fish species without regard to the need to sustain the species;

(2) the United States fishing industry, which prior to heavy foreign fishing off our coasts, had little need for large, modern fishing vessels to harvest nearby stocks, must modernize because it is unable to effectively compete against foreign fleets;

(3) interest in fisheries careers is declining among young Americans;

(4) there is inadequate formal educational opportunity available to working fishermen to enable them to keep pace with technological advances and qualify for the more responsible jobs in the industry;

(5) a largely expanded zone of United States fisheries jurisdiction is possible within the near future either through international treaty or domestic legislation;

(6) Possible United States assumption of management authority over an expanded fisheries zone mandates a United States responsibility to assure optimum harvest of fish to help meet the protein needs of mankind, while sustaining the species; and

(7) optimum harvest of the species necessitates a modernization of United States fisheries equipment and methods to an extent not within the present capacity of the fisheries labor market.

(b) It is therefore the purpose of this Act to undertake a pilot program designed to promote the interest of American youth in careers in the fishing industry and designed to develop improved educational opportunities for advancement by such youths and individuals now engaged in commercial fisheries consistent with their personal aspirations and abilities and the needs of the fisheries.

DEFINITIONS

Sec. 3. As used in this Act the term—

(1) "Advisory Council" means the National Advisory Council on Fisheries Manpower Education;

(2) "elementary school" means any such school as defined in section 801(c) of the Elementary and Secondary Education Act of 1965;

(3) "institution of higher education" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965;

(4) "local educational agency" means any such agency as defined in section 801(f) of the Elementary and Secondary Education Act of 1965;

(5) "Office" means the Fisheries Manpower Development Office established under section 4;

(6) "private vocational training institution" means any institution as defined in section 108(11) of the Vocational Education Act of 1963;

(7) "secondary school" means any such school as defined in section 801(h) of the Elementary and Secondary Education Act of 1965;

(8) "Secretary" means the Secretary of Commerce;

(9) "State educational agency" means any such agency as defined in section 801(k) of the Elementary and Secondary Education Act of 1965;

(10) "vocational school" means any area vocational education school as defined in section 108(2) of the Vocational Education Act of 1963; and

(11) "community college" means any such school as defined in section 1018 of the Higher Education Act of 1965.

ESTABLISHMENT OF THE FISHERIES MANPOWER DEVELOPMENT OFFICE

Sec. 4. (a) The Secretary shall establish within the National Marine Fisheries Service a Fisheries Manpower Development Office. The Office shall be headed by a Director who shall be appointed by the Secretary.

(b) The Secretary shall administer the provisions of this Act through the Office established under this section.

ORIENTATION PROGRAM

Sec. 5. (a) The Secretary is authorized and directed to develop and carry out an orientation program for use in the public elementary and secondary schools of the coastal States of the United States designed to acquaint American youths with the nation's commercial fishing industry and to stimulate their interest in a fisheries career.

(b) The Secretary is authorized and directed to make available to local educational agencies in coastal States such materials developed pursuant to subsection (a) of this section as he finds will promote the purpose of this Act.

(c) The Secretary is authorized and directed to make grants to and enter into contracts with local educational agencies for the furnishing to such agencies of promotional and instructional materials (including motion pictures, texts and other materials) designed to carry out the orientation program developed under this section.

TECHNICAL FISHERIES TRAINING

SEC. 6. (a) (1) The Secretary is authorized to enter into contracts with any vocational school, community college or private vocational training institution for the establishment and operation of not to exceed four pilot projects under which technical training for a fisheries career will be provided for a two-year period to youths who have attained 16 years of age but are not 20 years of age. Wherever appropriate the training project conducted pursuant to a contract entered into under this subsection shall provide for in-residence training. Such training shall include appropriate training aboard a vessel actively engaged in harvesting fish.

(2) At least one such contract shall be entered into with a vocational school, community college or private vocational training institution located in the States bordering the East Coast of the United States, one in a school or institution located in the States bordering the Gulf of Mexico, one in a school or institution located in States bordering the Pacific Coast of the United States and one in a school or institution located in Alaska.

(b) Each contract entered into pursuant to this section shall provide for the recruitment, counseling, training, job development, and supportive services of the youths who are enrolled in the project assisted under this section. Supportive services shall include subsistence and housing, books and supplies, medical and dental service, and transportation costs and all other costs related to such recruitment, counseling, training, job development, and supportive services, and where appropriate, uniforms.

(c) (1) No youth shall be eligible to be enrolled in a project assisted under this section who has not completed at least 10 grades of elementary and secondary education and who shall further agree to complete a high school diploma or its equivalent subsequent to enrollment. Under criteria established by the Secretary the requirement of this paragraph may be waived in appropriate cases.

(2) Each contract entered into under this section shall contain provisions adequate to assure the vocational school, community college or private vocational training institution will establish an appropriate board consisting of officials of that school or institution (including officials of the State or local educational agency concerned) and fishing vessel operators and fishermen to establish the requirements for the enrollment of youths in the project assisted pursuant to that contract.

(d) The Secretary shall give priority to contracts entered into with vocational schools, community colleges, or private vocational training institutions in which the youths enrolled will be completing the requirements for a certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate.

UPGRADING TRAINING

SEC. 7. (a) (1) The Secretary is authorized to enter into contracts with any vocational school, community college or private vocational training institution for the establishment and operation of not to exceed four (4) pilot projects under which working fishermen may acquire additional skills in order to keep pace with technological advances and qualify for more responsible jobs in the industry.

(2) Such training shall be designed in appropriate modules in order to permit flexible entry into the program and exit upon completion of a desired training goal, and may include off-season institutional training and year-round correspondence programs.

(b) At least one such contract shall be entered into with a vocational school, community college or private vocational training institution located in the States bordering the East Coast of the United States, one in a school or institution located in the States bordering the Gulf of Mexico, one in a school or institution located in States bordering the Pacific Coast of the United States and one in a school or institution located in Alaska.

(c) Each contract entered into pursuant to this section shall provide for the recruitment, counselling, training, job development, and supportive services as required of the working fishermen who are enrolled in the project assisted under this section.

(d) Each contract entered into under this section shall contain provisions adequate to assure the vocational school, community college or private vocational training institution will establish an appropriate board consisting of officials of that school or institution (including officials of the State or local educational agency concerned) and fishing vessel operators and fishermen to establish the requirements for the enrollment of working fishermen in the project assisted pursuant to that contract.

SCHOLARSHIP PROGRAM

SEC. 8. (a) In cooperation with the administration of the National Sea Grant Program the Secretary is authorized to award scholarships for study at institutions of higher education for both graduate and undergraduate study for persons who plan to pursue a career in the engineering, management, or scientific fields related to the development of the nation's fisheries.

(b) The Secretary shall allocate fellowships awarded under this section among institutions of higher education in such manner and according to such plan as will, insofar as practicable, (1) provide an equitable distribution of fellowships throughout the United States with particular consideration of institutions located in coastal States, and (2) attract individuals to pursue such a career.

(c) (1) The Secretary shall pay to persons awarded fellowships under this section such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(2) The Secretary shall (in addition to the stipends paid to persons under subsection (c) (1)) pay to the institution of higher education at which such person is pursuing his course of study, in lieu of tuition charged such person, such amounts as the Secretary may determine to be consistent with prevailing practices under comparable federally supported programs.

(d) (1) A person awarded a fellowship under the provisions of this part shall continue to receive payments provided in subsection (c) only during such periods as the Secretary finds that he is maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, in an institution of higher education, and is not engaging in gainful employment other than part-time employment by such institution in teaching, research, or similar activities, approved by the Secretary.

(2) The Secretary is authorized to require reports containing such information in such form and to be filed at such times as he determines necessary from any person awarded a fellowship under the provisions of this part. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, library, archive, or other research center approved by the Secretary, stating that such person is making satisfactory progress in, and is devoting essentially full time to, the program for which the fellowship was awarded.

REPORT

SEC. 9. Not later than six months after the termination of programs authorized by this Act, the Secretary shall prepare and furnish to the President and the Congress a report on all programs authorized by this Act. Such report shall include an evaluation of each program and shall include recommendations for additional legislation as he deems necessary and appropriate.

PAYMENTS

SEC. 10. Payments made pursuant to grants or contracts under this Act may be made in installments, and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

WITHHOLDING

SEC. 11. Whenever the Secretary after giving reasonable notice and opportunity for a hearing to any contractee or grantee under this Act finds—

(1) that the program or project for which payments under such grant or contract was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or project there is a failure to comply substantially with any such provision;

the Secretary shall notify such grantee or contractee of his findings and no further payments may be made to such grantee or contractee by the Secretary until he is satisfied that such noncompliance has been, or will promptly be, corrected. The Secretary may authorize the continuation of payments with respect to any program or project assisted pursuant to this Act which is being carried out by such grantee or contractee and which is not involved in the noncompliance.

ADMINISTRATIVE PROVISIONS

SEC. 12. (a) In order to carry out his functions under this Act the Secretary is authorized to—

(1) procure temporary and intermittent services to the same extent as authorized by section 3109 of title 5, United States Code;

(2) secure from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the United States Government, or of any State, or political subdivision thereof, information, estimates, and statistics required in the performance of his functions under this Act;

(3) enter into and perform such contracts, leases, cooperative agreements or other arrangements as may be advisable without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) and other provisions of law relating to competitive bidding; and

(4) appoint such regional advisory councils as he deems appropriate; and

(5) accept and use with their consent, with reimbursement, such services, equipment and facilities of other Federal agencies as are necessary to carry out such functions efficiently and such agencies are authorized to loan, with reimbursement, such services, equipment and facilities to the Department of Commerce.

(b) Each such department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish such information, estimates, and statistics directly to the Department of Commerce upon written request made by the Secretary.

NATIONAL ADVISORY COUNCIL ON FISHERIES MANPOWER EDUCATION

SEC. 13. (a) There is established an Advisory Council on Fisheries Manpower Education composed of 20 members appointed by the President from among individuals who are widely recognized by reason of experience, education, or training as specially qualified to serve on such Council. In making such appointments the President shall give due consideration to individuals representing coastal States.

(b) The Advisory Council shall make recommendations to the Secretary relative to the carrying out of his duties under this Act.

(c) The Advisory Council shall select its own Chairman and Vice Chairman.

(d) Each member of the Advisory Council who is appointed from private life shall receive $125 per diem (including travel time) for each day during which he is engaged in the actual performance of his duties as a member of the Council. A member of the Council who is in the legislative, executive, or judicial branch of the United States Government shall serve without additional compensation. All members of the Council shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

AUTHORIZATION

SEC. 14. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act not to exceed three years from the date of enactment.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 796

At the request of Mr. PELL, the Senator from Kansas (Mr. DOLE) was added as a cosponsor of S. 796, a bill to improve museum services.

S. 3649

At the request of Mr. PELL, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3649, the Social Security Recipients Fairness Act.

S. 3753

At the request of Mr. MCCLURE, the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Wisconsin (Mr. NELSON), the Senator from Tennessee (Mr. BROCK), the Senator from South Carolina (Mr. THURMOND), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 3753, a bill to provide memorial transportation and living expense benefits to the families of deceased servicemen classified as POW's or MIA's.

S. 3798

At the request of Mr. JAVITS, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 3798, the Economic Opportunity and Community Partnership Act of 1974.

S. 3863

At the request of Mr. PERCY, the Senator from Nebraska (Mr. CURTIS), the Senator from North Dakota (Mr. YOUNG), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 3863, a bill to name the synthetic gas pilot plant in Rapid City, S. Dak., the "Karl E. Mundt Gasification Pilot Plant."

S. 3864

At the request of Mr. MCGOVERN, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 3864, the National Nutrition Education Act of 1974.

SENATE JOINT RESOLUTION 231

At the request of Mr. EAGLETON, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of Senate Joint Resolution 231, establishing an emergency task force on the economy.

AMTRAK IMPROVEMENT ACT OF 1974—AMENDMENT

AMENDMENT NO. 1783

(Ordered to be printed and to lie on the table.)

Mr. MAGNUSON. Mr. President, today I am submitting, along with Senators JACKSON, HARTKE, and BEALL, an amendment to S. 3569, the Amtrak Improvement Act of 1974, that will fill an important void in Federal leadership by creating a much needed program to restore, rehabilitate, and use the many railroad stations of historic and architectural merit which might otherwise fall to the wrecker's ball.

Over 40,000 railroad stations were built in the United States since the first station in the United States was erected in 1830, at Mount Clare, in Baltimore. The National Endowment for the Arts has estimated that approximately 20,000 of them still stand, many of which are sturdy, handsome structures of considerable architectural merit. Unfortunately, time is running out for many of these worthwhile structures. Most of the stations still standing are owned by various railroad companies, who frequently have little need for them. Typically, they are given minimal maintenance at best, and in many cases they have been effectively abandoned altogether. A recent report on "Reusing Railroad Stations," funded by the National Endowment for the Arts, observed that:

> As each day passes, water seeps deeper beneath roof piles, cracks increase between stones, and a little more plasterwork decomposes. It is essential to act quickly if railroad stations are not to pass into memory along with those who built them.

This report concludes that:

> The scope of required action, especially for saving the larger stations, is so great that the federal government must provide leadership.

Mr. President, the amendment I am introducing today along with my distinguished colleagues would provide the badly needed Federal leadership to meet the needs that have been identified by the National Endowment for the Arts and others. Senator HARTKE, for instance, has been deeply involved in attempting to secure adequate station facilities for the use of rail passengers here in our Nation's Capital. The provisions regarding Union Station contained in section 12 of S. 3569 are well thought out responses to the need to assure adequate facilities for the increasing numbers of rail passengers here in Washington. This amendment will assure that the commitment of the Federal Government to wisely using rail stations extends beyond Washington, D.C., and the identification of the problems and the cosponsorship of this amendment is typical of Senator HARTKE's leadership in this area.

If the reuse of rail stations is to be successful, however, it will require not just the commitment of the Federal Government. The actions and commitments of individuals, communities, private industry, foundations, and government at all levels is needed to assure that this valuable resource is not lost. This amendment is structured to assure the maximum input from all those sources. Additionally, the Rail Passenger Service Act would be amended to insure that Amtrak takes into account the historical and architectural integrity of the available buildings when considering what type of station should be used for present day rail passenger service. Amtrak has done an excellent job of retaining and cleaning some of the finest stations in the country; Philadelphia, 30th Street; Chicago, Union Station; Los Angeles; and, Indianapolis are but three examples of outstanding stations that are still used by Amtrak and which deserve preservation on the basis of architectural integrity. However, in several cases, Amtrak has turned to small plastic prefabs for new passenger stations rather than tackling the rising maintenance costs of old structures; frequently maintenance or other costs make this the only prudent choice. This legislation may foster the sort of multiple use in combination with Federal assistance that will change the economics of those situations. I am hopeful that Amtrak will give every consideration to the possibility of leasing or otherwise acquiring what space is needed in stations that can be used for a multiplicity of purposes in order to both facilitate the retention of architecturally worthwhile buildings and continue their use as railroad stations wherever possible.

Mr. President, I am hopeful for favorable consideration by the Senate of this proposal as quickly as possible. There is no time to lose in beginning a rational program to preserve what still remains of the architectural heritage that exists in railroad stations. Mr. President, I request unanimous consent that this amendment be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks and those of my colleagues.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I am pleased to cosponsor this amendment with the distinguished chairman of the Senate Commerce Committee, Mr. MAGNUSON, and the distinguished chairman of the Surface Transportation Subcommittee (Mr. HARTKE) and the distinguished Senator from Maryland (Mr. BEALL).

As chairman of the Interior Committee, I have long had a strong interest in the preservation of the natural landscape of the United States. For instance, it has been recognized for some time now that such unique resources as the Grand Canyon, the North Cascades, and Cape Cod should be kept from destruction or abuse through our National Park, National Seashore, and National Forest system. The despoilment of our natural environment has also become a major issue with which most Americans are readily conversant. Unfortunately, while the foolishness of fouling our own life support systems with waste of various kinds is becoming increasingly recognized, we have been too slow in recognizing that we are quickly destroying another important human resource—railroad stations.

As Senator MAGNUSON has pointed out, already the number of stations in existence in the United States has been approximately cut in half, and many of these structures are of considerable architectural and historic merit. At the moment, less than 60 of the remaining 20,000 stations are on the National Register of Historic Places, and as each day passes, we come closer to losing some of the finest examples of 19th and 20th century American architecture. The fact that there have been over 6,500 applications of railroad stations to be placed on the National Register so far is indicative of the quality of many of the remaining stations. The most tragic aspect of the continuing destruction of many of these fine old buildings is that the proper Federal leadership in cooperation with communities, States, individuals, philanthropic organizations, and private enterprise can convert many of these unused or underused facilities into useful productive buildings that would not only preserve our priceless architectural heritage, but give valuable service to the communities in which they are located. The provisions of this amendment that incorporate the contributions that can be made by the Advisory Council on Historic Preservation, established by the Congress in 1966, and the National Endowment for the Arts, which recently funded a national workshop and report on reusing railroad stations, will help to assure that the preservation and reuse of these facilities will be accomplished in a tasteful manner.

Mr. President, I am pleased to cosponsor this amendment, and would urge its adoption by the full Senate.

Mr. HARTKE. Mr. President, I am pleased to join with my distinguished colleagues, Senator JACKSON, Senator MAGNUSON, and Senator BEALL, in sponsoring this amendment to the Amtrak Improvement Act of 1974. As chairman of the Surface Transportation Subcommittee, I have first-hand knowledge of the outstanding example of American architecture that is exemplified in many of the railroad stations still in existence throughout the United States. They are very much worth preserving and reusing, and provide a unique opportunity to combine the worthwhile preservation of an architecture and construction that cannot be feasibly duplicated today, while at the same time converting them to multimodal transportation use and other uses that will provide substantial community benefits.

This amendment will not result in simply preserving these fine buildings that exist all across the United States, however worthwhile that may be; it also contemplates the productive use of these structures by the communities in which they are located. The best possible use of a station is to continue the use for which it was originally designed—rail passenger service. The amendment requires Amtrak to use these structures whenever feasible. But that will not be enough in all cases, because of the diminished—but increasing—volume of rail passenger traffic since the period in which most of these buildings were erected. Many of these fine old stations can be profitably used for both today's rail passenger service while at the same time serving other modes of transport, such as intercity and urban bus systems, other forms of urban mass transit, airport transportation connections, and other forms of transit. Where the transit needs of a community do not fully utilize the station resources, there are many other innovative uses to which they can be put. A good example is the current proposal to reuse the outstanding Union Station in Indianapolis, in my own State of Indiana. The station will continue to be used for rail passenger service and possibly for other modes, but in addition many shops and other commercial enterprises are expected to locate within it. This will contribute to the continued viable commercial use of a structure that could never be reproduced today.

Mr. President, the National Endowment for the Arts, in conjunction with the Educational Facilities Laboratories of New York, recently organized a national meeting on saving old railroad stations that was held in Indianapolis. There was an unexpectedly large turnout at the meeting, and I am advised that not only were a number of mayors and other government representatives present but the private sector has shown an unprecedented amount of interest in the reuse of railroad stations. I am also pleased that the meeting was held in Indianapolis because the renovation of Union Station there is a showcase of the preservation and sensitive adaptation of a beautiful structure to today's uses. I am hopeful that this amendment will contribute to the preservation and productive use of many more of these structures, and hope that the Senate acts expeditiously on it. There is no time to lose.

AMENDMENT NO. 1783

On page 16, line 22, delete "new subsection" and insert in lieu thereof "two new subsections".

On page 18, line 6, delete " "." at the end thereof.

On page 18, between lines 6 and 7 insert the following:

"(i) (1) The Secretary shall provide financial, technical and advisory assistance in accordance with this subsection for the purpose of (A) promoting on a feasibility demonstration basis the conversion of not less than three railroad passenger terminals into intermodal transportation terminals; (B) preserving railroad passenger terminals that have a reasonable likelihood of being converted or otherwise maintained pending the formulation of plans for reuse; and

(C) stimulating State and local governments, local and regional transportation authorities, common carriers, philanthropic organizations, and other responsible persons to develop plans for the conversion of railroad passenger terminals into intermodal transportation terminals and civic and cultural activity centers.

"(2) Financial assistance for the purpose set forth in paragraph (1)(A) of this subsection shall be granted in accordance with the following criteria: (A) the railroad passenger terminal can be converted to accommodate such other modes of transportation as the Secretary deems appropriate, including motor bus transportation, mass transit (rail or rubber tire), and airline ticket offices and passenger terminal providing direct transportation to area airports; (B) the railroad passenger terminal is listed on the National Register of Historic Places maintained by the Secretary of the Interior; (C) the architectural integrity of the railroad passenger terminal will be preserved and such judgment is concurred in by consultants recommended by the Chairman of the National Endowment of the Arts and the Advisory Council on Historic Preservation and retained for this purpose by the Secretary; (D) to the extent practicable, the use of station facilities for transportation purposes may be combined with use for other civic and cultural activities, especially when such use is recommended by the Advisory Council on Historic Preservation or the Chairman of the National Endowment for the Arts, or the consultants retained by the Secretary upon their recommendation; and (E) the railroad passenger terminal and the conversion project meet such other criteria as the Secretary shall develop and promulgate in consultation with the Chairman of the National Endowment of the Arts and the Advisory Council on Historic Preservation. The Secretary shall make grants not later than July 1, 1976. The amount of the Federal share of any grant under this paragraph shall not exceed 80 per centum of the total cost of conversion of a railroad passenger terminal into an intermodal transportation terminal.

"(3) Financial assistance for the purpose set forth in paragraph (1)(B) of this subsection may be granted in accordance with regulations, to any responsible person (including a governmental entity) who is empowered by applicable law, qualified, prepared and committed, on an interim basis pending the formulation of plans for reuse, to maintain (and present the demolition, dismantling, or further deterioration of) a railroad passenger terminal: *Provided*, That (A) such terminal has, in the opinion of the Secretary, a reasonable likelihood of being converted to or continued for reuse as an intermodal transportation terminal, a civic or cultural activities center, or both; and (B) planning activity aimed at conversion or reuse has commenced and is proceeding in a competent manner. Funds appropriated for the purpose of this paragraph and paragraph (1)(B) of this subsection shall be expended in the manner most likely to maximize the preservation of railroad passenger terminals capable reasonably of conversion to intermodal transportation terminals or which are listed in the National Register of Historic Places maintained by the Secretary of the Interior or which are recommended (on the basis of architectural integrity and quality) by the Chairman of the National Endowment for the Arts or the Advisory Council on Historic Preservation. The amount of the Federal share of any grant under this paragraph shall not exceed 90 per centum of the total cost of such interim maintenance for a period not to exceed 5 years.

"(4) Financial assistance for the purpose set forth in paragraph (1)(C) of this subsection may be granted, in accordance with regulations, to a qualified person (including a governmental entity) who is prepared to develop practicable plans meeting the zoning, land-use, and other requirements of the applicable State and local jurisdictions in which the railroad passenger terminal is located as well as requirements under this subsection; who shall incorporate into the designs and plans proposed for the conversion of such terminal into an intermodal transportation terminal, a civic or cultural center, or both, features which reasonably appear likely to attract private investors willing to undertake the implementation of such planned conversion and its subsequent maintenance and operation; and who shall complete the designs and plans for such conversion within 2 years following the approval of the application for Federal financial assistance under this subsection. In making grants under this paragraph, the Secretary shall give preferential consideration to applicants whose completed designs and plans will be implemented and effectuated within 3 years after the date of completion. Funds appropriated for the purpose of this paragraph and paragraph (1) (C) of this subsection shall be expended in the manner most likely to maximize the conversion and continued public use of railroad passenger terminals which are listed in the National Register of Historic Places maintained by the Secretary of the Interior or which are recommended (on the basis of architectural integrity and quality) by the Advisory Council on Historic Preservation or the Chairman of the National Endowment for the Arts. The amount of the Federal share of any grant under this paragraph shall not exceed 90 per centum of the total cost of the project or undertaking for which the financial assistance is provided.

"(5) Within 90 days after the date of enactment of this subsection, the Secretary shall issue, and may from time to time amend, regulations with respect to financial assistance under this subsection and procedures for the award of such assistance. Each application for assistance under this subsection shall be made in writing in such form and with such content and other submissions as the Secretary shall require.

"(6) The National Railroad Passenger Corporation shall give preference to using station facilities that would preserve buildings of historical and architectural significance.

"(7) Each recipient of financial assistance under this subsection shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit. Until the expiration of 3 years after completion of such project or undertaking, the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which, in the opinion of the Secretary or the Comptroller General, may be related or pertinent to such financial assistance.

"(8) There is authorized to be appropriated to the Secretary for the purpose set forth in paragraph (1) (A) of this subsection sums not to exceed $80,000,000; (B) for the purpose set forth in paragraph (1) (B) of this subsection sums not to exceed $10,000,000; and, (C) for the purpose set forth in paragraph (1) (C) of this subsection sums not to exceed $10,000,000. Such sums as are appropriated shall remain available until expended.

"(9) As used in this subsection, "civic and cultural activities" include, but are not limited to, libraries, musical and dramatic presentations, art exhibitions, adult education programs, public meeting place for community groups, convention visitors, and others, and facilities for carrying on activities supported in whole or in part under Federal law.

"(10) Nothing in this subsection shall be construed to invalidate the eligibility of any station for funds designed to assist in its preservation or reuse under any other federal program or statute.".

CONSUMER PROTECTION—AGENCY FOR CONSUMER ADVOCACY—AMENDMENT

AMENDMENT NO. 1784

(Ordered to be printed and to lie on the table.)

Mr. McCLURE submitted an amendment intended to be proposed by him to Amendment No. 1647, intended to be proposed by Mr. Helms, to the bill (S. 707) to establish a Council of Consumer Advisers in the Executive Office of the President, to establish an independent Agency for Consumer Advocacy, and to authorize a program of grants, in order to protect and serve the interests of consumers, and for other purposes.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1613

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the following Senators' names be added as cosponsors of my Amendment No. 1613, which I intend to propose to the military construction authorization bill, S. 3471: Mr. Abourezk, Mr. Baker, Mr. Bayh, Mr. Brock, Mr. Brooke, Mr. Burdick, Mr. Chiles, Mr. Dole, Mr. Eastland, Mr. Hart, Mr. Helms, Mr. Inouye, Mr. Mathias, Mr. Mondale, Mr. Nelson, Mr. Packwood, Mr. Proxmire, Mr. Ribicoff, Mr. Hugh Scott, Mr. Thurmond, and Mr. Tunney.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, the distinguished Senator from California (Mr. Cranston) joined in cosponsorship of this amendment at the time it was introduced.

AMENDMENT NO. 1748

At the request of Mr. Hartke, the Senator from Kansas (Mr. Pearson) was added as a cosponsor of Amendment No. 1748, intended to be proposed to the bill (S. 1950) to provide for the licensing of automotive repair shops and damage appraisers.

CORPORATE DISCLOSURE HEARINGS SCHEDULED

Mr. METCALF. Mr. President, the Government Operations Committee Subcommittee on Budgeting, Management, and Expenditures and the Subcommittee on Intergovernmental Relations will resume joint oversight hearings next week on Federal agency collection, tabulation, and publication of information and data from regulated firms.

On Wednesday, August 14, beginning at 10 a.m., in room 3302 Dirksen Senate Office Building, the subcommittees will receive testimony from Representative Michael Harrington, Democrat of Massachusetts, and Prof. Martin E. Lybecker.

Further information regarding these hearings may be obtained by calling the Subcommittee on Budgeting, Management, and Expenditures at 225-1474, majority office, or 225-1480, minority office or the Subcommittee on Intergovernmental Relations at 225-4718.

ADDITIONAL STATEMENTS

LET THE CONSTITUTIONAL PROCESS WORK ITS WILL

Mr. ROBERT C. BYRD. Mr. President, on May 13, I spoke out against the demands for resignation of the President which had risen with intensity in the early days of that month.

On Monday, August 5, the day before yesterday, President Nixon announced his decision to make public the transcripts of three recorded conversations with H. R. Haldeman of June 23, 1972. The public has reacted at the content of these recorded conversations with great shock. Calls for his resignation are now coming from some of his erstwhile strongest defenders.

I, too, have been greatly surprised and saddened at the revelation that the President, once again, has issued a statement at variance with previous statements and admitting serious acts of omission in not informing his staff or counsel or the American people fully and truthfully of the contents of some of the taped conversations being turned over to Judge Sirica as part of the process of compliance with the recent Supreme Court ruling.

I have been critical of the tactics employed by the President throughout the Watergate crisis, including the delaying tactics employed by his attorneys to impede the investigation by the special prosecutors and the House Judiciary Committee. I have no defense to make for the President in his having deceived his counsel, his staff, the Congress, and the American people, as revealed in the transcripts of the three recorded conversations made public the day before yesterday.

However, I feel compelled to raise my voice against the rising tide of calls for the President's resignation.

Without in any way intending anything in derogation of those who are now calling upon Mr. Nixon to bow out, I feel that there is altogether too much of a stampede psychology at work.

Mr. Nixon released his most recent statements from the tapes relating to the Watergate coverup in the full knowledge that those statements would be damaging to his case. By his own admission he said that the statements would hurt him.

At the same time he said that, taken in the complete context of this tragic affair in our country's history, he believes himself to be not guilty of any offense that warrants impeachment and removal from office.

Resignation in the circumstances now prevailing would be tantamount to an admission of guilt, but unless there would be an explicit admission of guilt, some people would always have doubts and would feel that the President had been drummed out of office. A presumption of innocence may strain credulity at this point. Nevertheless, I continue to believe that the constitutional processes that have been set in motion must be carried to their logical conclusion. They should not be aborted in the mistaken belief that there is an easier way.

If the President's position is that, when all evidence and all factors are finally considered, his part in the disgraceful and totally unacceptable Watergate events do not warrant his conviction by the Senate, then he should have his day in court in the same way that any other citizen would be given the opportunity to defend his actions in a formal trial.

Despite the fact that the preponderance of the evidence now appears to weigh conclusively against the President, I do not believe that any shortcuts should be resorted to simply in order to bring the matter to a quicker resolution.

I do not relish the prospect of having to go through an impeachment trial. But neither do I buy the specious argument that the country would be better served in the long run by forcing the President out of office by public clamor.

My attitude, Mr. President, can best be summed up by saying that the guilt or innocence of Richard Nixon, and his continuance in office or his removal, should be determined in the manner prescribed by the Constitution. It is my considered judgment that only in that way can respect for and confidence in our constitutional processes be maintained.

TELEVISION BROADCASTING OF IMPEACHMENT TRIALS

Mr. GRIFFIN. Mr. President, yesterday the senior Senator from Ohio, Mr. TAFT, made an excellent statement before the Senate Committee on Rules and Administration. His remarks concerning televising of a possible impeachment trial in the Senate deserve the attention of every Senator.

I ask, therefore, that Senator TAFT's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ROBERT TAFT, JR., BEFORE THE SENATE RULES COMMITTEE—AUGUST 6, 1974

At the outset, I would like to commend the members of this committee for reviewing at this early point the procedural rules which would apply if the President is brought to an impeachment trial in the Senate. If such a trial does occur, the Senate will sit as both Judge and jury, ruling on the facts, on the law and on the procedures to be followed. Procedural decisions such as the role of the Chief Justice as Presiding Officer, rules of evidence, standards of proof, television coverage of the trial, and other points, will, in these circumstances, carry enormous substantive and political weight. How the Senate decides to proceed could go a long way toward determining not just the atmosphere of the trial, but, possibly the trial's outcome and the extent to which the public sees that outcome as just and acceptable. I appreciate your giving me the opportunity to present my views on two very important aspects of that procedure—television coverage of the trial and the burden of proof necessary to convict in such a trial.

Before proceeding to testify on either of these subjects, I would like to make it abundantly clear that I have taken no position with regard to impeachment or trial in the event of an impeachment, and in accordance with our Constitutional duties, I do not intend to do so until all of the evidence is presented, if a trial occurs. I am also entirely uncertain as to whether or not television coverage of an impeachment trial would be favorable or unfavorable to the respondent, although the tenor of authorities which will be mentioned later would seem to sustain the likelihood that the respondent would be prejudiced in his case.

I would also like to clarify that while I have had in the past, and my family and I still have, some commercial interest in the television media, what I say here today is totally without relation to what might be the favorable or unfavorable effect upon that media of the decision by this committee except that I believe it would be de minimus as to any monetary effect to me personally.

My position is also taken without regard to what decision I might suggest as to permitting general television coverage of sessions of the Senate or of its committees. The objections that will be discussed with regard to coverage of a possible trial, do not, in my opinion, exist as to these questions; and generally, as in the case of the vote of the Senate Banking Committee last year, I favor opening of all committee sessions to fullest media coverage.

All of us who have been elected to public office are aware of the revolutionary effect television has had on American politics and government. In the 1950's, I ran for State Legislature without any use of television in my campaign and even with little use of it in my campaign for Congress at large from Ohio as late as 1962. I felt that it was expensive and that it was not needed. In 1964, I ran for the United States Senate in the same year that our Colleague Barry Goldwater ran for the Presidency. Who can forget the little girl disappearing in the infamous mushroom cloud, or the East Coast Saw-Off Ads which the Johnson Campaign played on television? The impact on the Goldwater Campaign was devastating. I didn't change my mode of campaigning nor did I make any special preparation prior to debating Senator Steve Young on television that year. Without professional make-up or preparational foremat, I argued the issues and, largely on the basis of youth, expected to look better than Steve Young. On the contrary, Steve Young was prepared by professionals and with their help he came off extremely well. It became quite clear that something has happened since that period when my father was cornered by Lawrence Spivac on "Meet the Press" about certain polls that indicated that Dwight D. Eisenhower was more popular with the voters, after which statement my father affronted the camera head on and replied, "The Gallup Poll is Rigged!"

In my Congressional Campaigns in 1966 and 1968, I got smarter and looked for professional assistance. I practiced before the television cameras in a class at the CBS Studios along with Gerald Ford, Bill Steiger and House Colleagues.

In my 1970 Senatorial Campaign, my campaign staff wisely demanded that I get the treatment, with coaching by Bob Goodman, Roger Ailes, and others. We went the full route: How you sit down, how you look down to move to another camera. How you get up, how you check your floor lighting. Watch out for close stripes and other diversions, empty your pockets, no confusing check suits or close stripe shirts, bold ties not blotchy ones. How you look for a chance to put in your three or four zingers into a debate. How you introduce your family, I'm still not good at it, but to be even tolerable takes practicing and conditioning. We all know it! And, eventually, it becomes second nature—with little direct thought.

How I suggest that even more happens inside the head than outside. You become an actor. You speak, act and think in relation to your audience if you are any good, and few candidates are elected who aren't.

I ask you now to reflect what this means in a trial in the Senate. What chance is there that most members of the Senate will truly forget for one second the presence of TV cameras—no matter how sequestered, boxed, or limited. How unavoidable will it be that some of us will inevitably slip in whole or in part into the role of presenting our own case to a jury of the TV audience—to support our eventual or predetermined individual judgment as to how each of us votes.

Let's provide for procedures which will allow us to evaluate the facts in the calm, dignity and true light of reason, not the blinding seering klieg lights of television cameras. Let any trial be full and open, but let it be fair. Fairness and television coverage are mutually exclusive.

In the early days of television, the famous Kefauver hearings were covered on live television. This prompted the late Judge Thurman Arnold to write a penetrating and provocative essay in the June, 1951 issue of the Atlantic Monthly entitled "Mob, Justice, and Television." Some of Judge Arnold's points seem appropriate today:

"The vice of this television proceeding is not in the way this particular committee conducted itself but in the proceeding itself. Any tribunal which takes on the trappings and aspects of the judicial hearing, particularly where there is compulsory examination of witnesses, must conform to our judicial traditions, or sooner or later it will develop into a monstrosity that demands reform. Those traditions are: 1. It must be public and at the same time not a device for publicity. 2. It must protect the innocent even at the cost of letting the guilty escape. Television has no place in such a picture. For witnesses it is an ordeal not unlike the third degree. On those who sit as judges, it imposes the demoralizing necessity of also being actors. For the accused it offers no protection whatever."

Mr. Chairman, with these considerations in mind, it is no wonder that the Senate by its own rules and good sense generally prohibits TV coverage of its proceedings regardless of how crucial or important a particular debate may be. The intrusion of television in our proceedings involves the substantial risk of undermining the reliability of the system designed to protect fair trial, and I submit this rationale is equally applicable to an impeachment trial involving the President. When we have allowed it, as in the Watergate Hearings, it is for a non-judicial, investigatory function. The Senate ban is in harmony with the rules and practices prevailing in Federal courts which prohibit the televising and photographing of a judicial proceeding. Furthermore, all but two of fifty states, presently operate under the same restrictions. In addition, Canon 35 of the Judicial Canons of the American Bar Association although having no binding effect on courts nevertheless reflects the view that judges should ban television cameras except for purely ceremonial events and proceedings which are to be shown only in educational institutions and after the case is over and all direct appeals exhausted.

I submit that this is persuasive evidence that our concepts of a fair trial do not accommodate such an indulgence. Furthermore, it is submitted that if there is to be a change in the Senate rule banning TV or a suspension thereof it should not come vis-a-vis an impeachment trial. Unquestionably issues and allegations of partisanship would arise which would be most difficult to rebut under the circumstances.

In support of my position that TV coverage of Senate impeachment proceedings is not appropriate, I submit it is not necessary to reach a determination whether this trial is essentially a legal proceeding versus a potitical process or some hybrid combination. It is a fact that by Constitutional mandate, the President having been accused by the House of committing impeachable offenses warranting his removal, is entitled to a trial by the Senate. At the very least this trial is a quasi-judicial proceeding which commands safeguards necessary to ensure that the President obtains a fair hearing.

As Mr. Charles L. Black, Jr. has written in his book Impeachment on page 10 thereof, and I quote:

"In function, then the 'trial' (referring to an impeachment trial) in the Senate is, as its name implies, at least quasi-judicial The important thing is not the name given but the thing desired—total impartiality, at least resembling that of a faithful judge or juror."

In fashioning rules for the conduct of the proceeding, the Senate cannot compromise the principle of affording a fair trial because to do so is to undermine Constitutional guarantees and to risk the public's distrust in our system of government. Moreover, even in assuming for argument's sake that the proceedings may not be criminal in nature because the ultimate penalty imposed may be only the removal from office, the nature of the penalty should not diminish our task of affording a fair hearing in all respects together with a resulting just judgment.

In reaching my conclusion, I am not unmindful that maximum freedoms must be permitted in allowing the press to exercise its function of fully covering every aspect of this impeachment proceeding and communicating with our constituents regarding each development. However, this freedom to inform and the public's right to be informed must be balanced against the maintenance of absolute fairness required in this judicial or quasi-judicial process. In my view, televising this proceeding is inherently violative of the President's right to a fair hearing. We could argue, and I shall, at length, on the legalities, precedents, and legal, moral, and governmental principles involved for and against television coverage, but for myself, I know, and for most other Senators, I have a strong conviction that the conduct we follow, the thinking we do and therefore the conclusions we reach will be affected deeply by the presence of television coverage. There is nothing we can do to prevent this from being true, but let us recognize it as the truth, and recognize that it interferes disastrously with the prospects of a fair trial in a trial where fairness may be the most crucial test of all to be applied by history. The charges are extremely serious, but they will be minimized as compared to a judgment of time that partisanship, self-aggrandizement, or personal political advantage dominated the procedures of the Senate.

As Senators, we should want no part of it. The public will be informed and fully, without TV coverage of the Chamber, as we know well, but let us carry out our duties as we will swear to do—to judge the case impartially to the best of our ability, to allow the accused due process of law in these deliberations, without the omnipresent mind-corrupting aura of grease paint *affecting our duties and deliberations.*

The most definitive decision dealing with the effects of televising courtroom proceedings in a defendant's criminal trial appears in *Estes* v. *Texas*, 381 U.S. 256. There the Supreme Court recognized the inherent invalidity of televising the accused's criminal trial as infringing upon his fundamental right to a fair trial guaranteed by the due process clause of the 14th Amendment.

Some will challenge the applicability of the Court's decision in *Estes* to impeachment proceedings, saying that impeachment is not a judicial forum; hence the *Estes* rationale is not controlling. I disagree. As the Court in *Estes* emphasized, the function of our judicial machinery is to ascertain the truth. Without question, this is the function of our impeachment inquiry. Our Senate rules must be geared toward this objective. As was stated by the majority in *Estes, the use of television, however, cannot be said to contribute materially to this objective.* I agree that this pronouncement is applicable to the instant matter. I know that inherent in TV coverage, by its very nature, is a potential adverse impact upon we Senators who sit in judgment. This is a unique historical occasion where we directly participate in a major history-making event. As such, and in our individual searches for the truth, we must confine our mind to the factfinding process. We must never be dissuaded from this function by our conscious or unconscious yielding to the effects of a nationwide television coverage of our solemn proceedings. We are elected officials and as such we can never dispel the feeling that our constituents have their eyes upon us. Experience dictates that it is not only possible, but most probable that it will have direct bearing on how we vote as to the ultimate issues. I submit that it can have no other effect.

Television coverage opens the door to a myriad of irrelevant influences. Ambitious participants, publicity minded counsel and witnesses may do what comes naturally in order to carry off a satisfactory TV performance.

Moreover, the minute any of us step on that TV covered floor, we will then instantly be out of our proper role, charged by the Constitution, of judging impartially the allegations that the President has committed high crimes and misdemeanors sufficiently serious to justify his removal from office. Gentlemen, it is human nature that our eyes will be fixed on the camera and our minds distracted with the telecasting rather than with the testimony and ascertainment of the truth of the ultimate issues for our decision. We cannot afford to divide our attention in this proceeding for it would not only deny the accused due process but also undercut confidence in the guilt-determining aspect of this procedure.

In the wake of the pervasive pre-trial publicity including televising the Watergate Committee and Judiciary Committee, I feel the intensity of public emotion created by TV coverage of the trial.

Television coverage will play havoc with our decision-making process. It will provide us with more public exposure than anyone of us could otherwise expect. It creates unparalleled opportunity to create a favorable impression on our constituents. It places us in the role of presenting our own case to a jury consisting of the TV audience in support of our eventual or predetermined individual judgment as to how each of us votes. As such, TV coverage can only impede or unduly delay the proceedings to the prejudice of the President and the American people.

It affects the nature of the questions we propose or fail to propose because of our preoccupation with knowing that our questions are being monitored by our constituents and friends. If our constituents are hostile to the President, a televised Senator-juror, realizing he must return to the people who elect and support him, may well be lead to what the Court in Estes realized, "not to hold the balance nice and clear and true between the State and the accused." It is also true that we, as elected jurors, will be subjected to reviewing selected parts of the proceedings which the requirements of broadcasters determined must be emphasized and telecast. This would subconsciously influence us more by seeing this reenacted selected testimony and is yet another inherent problem of which I am extremely concerned.

The adverse impact of TV on us as jurors is sufficient in and of itself to eliminate the use of it in this quasi-judicial courtroom setting. The potential for abuse and the temptations presented to us which detract from our Constitutional oath are the kinds of dangers referred to by Mr. Justice Douglas when he warned that ". . . it (TV) is dangerous because of the insidious influences which it puts to work in the administration of justice." 46 ABAJ841 (1960). And as Chief Justice Taft wrote in *Tumey* v. *Ohio*, 273 U.S. 527, ". . . the requirement of due process of law in judicial procedure is not satisfied by the argument that men of the highest honor and the greatest self-sacrifice could carry it on without danger of injustice. Every procedure which would offer a possible temptation to the average man as a judge to forget the burden of proof required to convict the respondent, or which might lead him not to hold the balance nice, clear and true between the State and the accused, denies the latter due process of law."

Actually, because of the pervasive amount of pretrial publicity the respondent has experienced through the televising of the Judiciary Committee, Senate Watergate Committee hearings, and the extensive coverage prior to those hearings, it will be extremely difficult to guarantee due process of law in the Senate even now. See *Shepherd* v. *Maxwell*, 384 U.S. 333 (1966). An editorial in the August 5th edition of The Cincinnati Enquirer has focused upon the problem of pervasive pre-trial publicity in this impeachment proceeding. The article in relevant part states, and I quote:

"In the high drama of the televised sessions, the eloquent language in which charges were made and the measured tones in which votes were cast, it is easy to get the impression that there is a preponderance of evidence against Mr. Nixon and that the actions of the Judiciary Committee in recommending impeachment are based on conviction alone.

"For many members, that may well have been the case. But there is more to it than that."

I believe television of impeachment proceedings in the Senate offers such temptations and in accordance with the *Tumey*, *Estes* and *Shepherd* rationale ought not to be allowed. As Mr. Justice Black so succintly stated in, *In Re Murchison, et al.*, 349 U.S. 405 at 136, "But our system of law has always endeavored to prevent even the probability of unfairness . . . justice might satisfy the appearance of justice." Not even the dissenters in *Estes* suggested that televising trials was affirmatively desirable. On the contrary, Mr. Justice Stewart (with whom Justices Black, Brennan and White joined wrote:

"I think that the introduction of television into a courtroom is at least in the present state of the art, an extremely unwise policy." 381 U.S. at 601

Not only is there adverse impact on us as jurors in this proceeding, but also television coverage must affect and impair the nature of testimony given. Witnesses will act and respond to the coverage differently. Some may be over-confident, cocky and be given to overstatement; others shaken by the fear of national coverage may become demoralized and falter under the 3rd degree atmosphere knowing his voice and difficulties are being viewed by the whole world. Witnesses may be reluctant to testify thereby impairing the search for truth.

Also of serious concern is that a potential witness may, by watching the testimony of others on television, build his own testimony on a foundation of which he has no direct knowledge. Or, in the alternative, he may refuse to tell his version of what he knows to be true for fear that it contradicts the weight of testimony given by others before him. He could so shape his testimony as to make its impact crucial.

The Supreme Court recognizing this problem in *Estes* stated, "The impact upon a witness of the knowledge that he is being viewed by a vast audience, is simply incalculable." The presence and participation of a vast audience creates a tense atmosphere and places great pressures upon the witnesses. It is not conducive to a quiet search for the truth, which this impeachment proceeding must be.

Moreover, an analysis of the *United States* v. *Kleinman, et al.*, 107 F. Supp. 407, leads me to conclude that witnesses may not be compelled to testify by contempt proceedings before Congress where TV coverage has created an atmosphere nullifying a thoughtful, calm, considered, truthful, factual disclosure. The Court explained its reasoning as follows:

(4) The only reason for having a witness on the stand, either before a committee of Congress or before a court, is to get a thoughtful, calm, considered and, it is to be hoped, truthful disclosure of facts. That is not always accomplished, even under the best of circumstances. But at least the atmosphere of the forum should lend itself to that end.

In the cases now to be decided, the stipulation of facts discloses that there were, in close proximity to the witness, television cameras, newsreel cameras, news photographers with their concomitant flashbulbs, radio microphones, a large and crowded hearing room with spectators standing along the walls, etc. The obdurate stand taken by these two defendants must be viewed in the context of all of these conditions. The concentration of all of these elements seems to me necessarily so to disturb and distract any witness to the point that he might say today something that next week he will realize was erroneous. And the mistake could get him in trouble all over again.

Under the circumstances clearly delineated here, the court holds that the refusal of the defendants to testify was justified and it is hereby adjudged that they are not guilty.

As an additional factor against television coverage, the presence of television will yet place another burden and responsibility upon the jurors thus rendering our task even more complex and difficult. Physical intrusion including the presence and the operation of the television equipment will be an impediment in the conduct of the proceedings. This point is supported by the fact that the Senate is required to make this television decision first because other rules which must be subsequently agreed upon will be in accommodation to the fact that there is television coverage.

Certainly we should not ignore the impact of television on the accused. Although he need not be present at the impeachment trial if he desires to be present, he should be free from the mental and emotional harassment which is inherent in television coverage, and atmosphere not that of a police line-up or 3rd degree. One cannot doubt that television will magnify the impact of public opinion on the trial. The inevitable close ups of his gestures, expressions and conferences with counsel will transgress his personal sensibilities, cause the President embarrassment, affront his dignity and sensibilities, and interrupt concentration on the proceedings which should be free from distraction. As long as Mr. Nixon remains our Chief of State, he is entitled to be free from the detrimental effects of television coverage in the defense of his cause.

Eliminating the TV cameras will not deprive the public of its right to know. It is our tradition and the precedent of the Andrew Johnson trial to permit the fullest coverage by the press of any impeachment, and this coverage will be continuing as free and extensive as necessary to inform viewers. Recognizing that there will be indeed adequate coverage of the event, which all citizens have a right to have, I believe that the prejudicial aspects of television coverage to Mr. Nixon outweighs the desirability for national TV coverage. The intrusion of television into this trial of the President involves the risk of undermining the integrity of the trial process thus jeopardizing our national need to emerge from this domestic crisis unimpaired. I recommend against it.

The second issue I wish to address is the sufficiency of proof necessary to convict the President in a possible ensuing impeachment trial. Some Senators, including the distinguished Senate Majority Leadership, has suggested that the Senate should reduce the burden of proof under which the President could be convicted from "beyond a reasonable doubt" to a "clear and convincing evidence" standard.

For the reasons I will discuss, I respectfully submit to this Committee that the measure of persuasion for any impeachment trial must and should be that of "beyond a reasonable doubt". The Congress has always required proof beyond a reasonable doubt for impeachment proceedings and no justification for deviation from the standard exists in this case.

The Constitution states that the Senate shall have ". . . the sole power to try all impeachments." Art I, Section 3, Clause 6. In carrying out that quasi-criminal function, the Constitution provides that ". . . no person shall be convicted without the concurrence of two thirds of the members present," Art. I, Section 3, Clause 6. Finally, the Constitution expressly provides that such a verdict "shall not extend further than to remove from office," and the President can receive further "punishment according to law." Art. I, Section 3, Clause 7.

The only trial of an incumbent President occurred as the result of an impeachment resolution passed on Tuesday, February 25, 1868, which led to the passage of eleven articles of impeachment on March 2, 1868. ("The Great Impeachment and Trial of Andrew Johnson," T. B. Peterson & Brothers (1868), reprinted in 1974 by Dover. All citations to the Dover edition hereinafter will be referred to as "Dover ———," and the page numbers are those of the 1974 reprint.) In connection with that trial, the Senators knew that proof had to be "beyond a reasonable doubt" to afford a conviction. As General Benjamin F. Butler, counsel for the House of Representatives, conceded, if the Senate was acting as a court, and not the Senate, then:

". . . The Managers of the House of Representatives must conform to those rules as they would be applicable to public or private prosecutors of crime in courts, and that the accused may claim the benefit of the rule in criminal cases, that he may only be convicted *when the evidence makes the fact clear beyond reasonable doubt, instead of by a preponderance of the evidence.*" (Emphasis added). Dover ed., p. 48, March 30, 1968)

General Butler thus squarely put the question before the Senate, and the transcript shows that the Senate did not accept the argument that it was merely acting as a legislative body. Instead, on strenuous opposition, the Senate adopted rules which used phrases and procedures borrowed from the criminal courts (See the following Rules, now printed as part of the "Rules and Manual of the United States Senate"; Rule IV (Chief Justice not President pro tem shall "preside . . . during the consideration of said articles and upon the trial", Rule VIII ("accused" not answering shall be deemed to have entered "a plea of not guilty"), Rule XI (a "trial"), Rule XV (Senate shall deliberate its "decision" with the doors "closed"), Rule XXIII (Final question shall lead to judgment of "acquittal", or "convict(ion)).

Furthermore, by its very conduct in permitting the Chief Justice to act as a presiding judge, the Senate clearly moved from its legislative function into that special form of Court which can best be seen as quasi-criminal. Indeed, by the end of the trial, it was stated without contradiction that where the Senate had so acted, the President was entitled to the highest standard of persuasion. As the Counsel for the President, Mr. Groesbeck of Ohio, stated on Saturday, April 25, 1868, during his closing arguments the accused ". . . can only be convicted *when the evidence makes the case clear beyond a reasonable doubt . . .*" (Dover, p. 207) (Emphasis added). Nothing that occurred thereafter changed that position, and the Senate acquiesced and agreed *to this very day that such was the required measure of persuasion.*[1]

See also Vol. 9, Wigmore on Evidence, Section 2497, pgs. 327–325. As Judge Bingham, one of the House Managers, said in his closing argument on May 4, 1868, ". . . The Senate . . . sitting on the trial of an impeachment, is the highest judicial tribune in the land." (Dover, p. 264).

A standard of "clear and convincing" evidence would be an unconstitutional *ex post facto* action. The Constitution explicitly limits the Congressional power to enact all necessary rules of its proceedings, Art. I, Section 5, Clause 2, by prohibiting "ex post facto" action. Art. I, Section 9, Clause 3. In the landmark case of *Calder* v. *Bull*, 3 Dall (U.S.) 386, 1 L.ed 648(1798), the Supreme Court defined the phrase "ex post facto" within the meaning of the Constitution and explicitly held that the following legislative acts were prohibited:

1st. Every law that makes an action done before the passing of the law, and which was innocent when done, criminal; and punishes such action, 2d. Every law that *aggravates a crime, or makes it greater* than it was, when committed. 3d. Every law that changes the punishment, and inflicts a greater punishment, than the law annexed to the crime, when committed, 4th. *Every law that alters the lead rules of evidence and receives less, or different, testimony, than the law required at the time* of the commission of the offence in order to convict the offender. *All of these, and similar laws, are manifestly unjust and oppressive. (1 L.ed at p. 650.) (Emphasis added.)

Thus, requiring *less* persuasion to find the facts under a "clear and convincing" standard violates the Constitution by virtue of the fact that such a change in the standard would occur *after* the President took the actions sought to be charged in the Articles of Impeachment. That an impeachment conviction is "punishment" within the scope of prohibited *ex post facto* legislation is obvious. An excellent analogy is that of disbarment from the practice of law. As the Supreme Court held in *Ex Parte Garland,* 71 U.S. (4 Wall. 3, (1867) ". . . exclusion from any of the professions or any of the ordinary avocation professions or any of the ordinary avocation of life for past conduct can be regarded in no other light than as punishment for such conduct."

The principle that prohibits alteration of the legal rules of evidence so as to require less proof than when the offense was committed has been explicitly affirmed in *Hopt v. Utah,* 110 U.S. 574, 28 L.ed 262(1884) (". . . alter degree, or lessen the amount or measure of the proof . . . necessary to conviction . . . " 28 L.ed at p. 268) and *Beazell v. State of Ohio,* 269 U.S. 167, 70 L.ed 216 (1925) (quantum and kind of proof to establish guilt or innocence must remain the same). In *Landay v. United States,* 108 F.2d. 698, 705 (6th Cir. 1939), cert. den. 309 U.S. 681(1940), the Sixth Circuit stated that:

---

[1] The standard for the ordinary civil action is proof by a "preponderance of evidence." Wigmore, *supra,* p. 325. In certain *civil cases,* the standard of "clear and convincing proof" is used to show fraud, undue influence, parol gifts, mutual mistakes, etc. Wigmore, *supra,* pgs. 329–334. That standard has been closely confined to such equitable cases, and was never even suggested during the Johnson trial.

" . . If the statute authorizes conviction upon proof *less in amount or degree* than when the offense was committed, it is ex post facto, and unconstitutional." (108 F. 2d at p. 705) (Empahis added).

Surely this Senate will not deny the protection of the Constitution to a trial of the President.

Not only would such a rule be unconstitutional, it might lead to another constitutional conflict of grave dimensions; the President might seek a writ from a lower, appellate, or intermediate court (under the "all writs statute" (28 U.S.C. Sec. 1651) or as a matter of the original jurisdiction of the Supmeme Court under Article III, Section 1 and 2. While it seems clear that a writ can issue to prevent a judicial body from acting beyond its constitutional limits see e.g. *Phillips v. Hart,* 83 F.Supp. 935, 939 (D.C. Del. 1949) (District Courts); *Ex Parte Republic of Peru,* 318 US. 578, 87 L.ed. 1014 (Supreme Court), and were the Senate trial an ordinary Article III proceeding, the remedy would be appropriate; 63 Am Jur.2d, prohibition, Sec. 6. Here, however, I believe the Supreme Court of some lower court could do great damage to the principle of separation of powers were it to intervene before the trial occurred ro during it. During the Johnson trial, it was asserted without contradiction that the Court could not control the Senate body. See closing argument of Judge Bingham, May 4, 1868 (Dover, p. 265). But a recent commentator disagrees on the premise that the Court was weak and divided at the time of the Johnson trial. 'Impeachment, the Constitution Problems," Chapter III (Judicial Review), Berger, Raoul (Harvard University Press, 1974). If Berger's argument that appeal lies to the Supreme Court is correct, then the President has at least a colorable right to ask the Federal judiciary to issue a writ" . . . in aid of their respective jurisdiction . . ." 28 U.S.C. Sec. 1651.

In conclusion, the Constitution abhors the passage or application of *ex post facto* rules. Public passion is not sufficient reason to disagree in this regard, and, indeed, now is the time to regard these rights most preciously. (See, e.g., Senator Robert A. Taft's argument that the death sentence at Nuremberg in 1946 ". . . violate that fundamental principle of American law that a man cannot be tried under an ex post facto statute" and that to do so would ". . . clothe vengence in the forms of legal procedure." (New York Times, p. 1, Sunday, October 6, 1946).

I respectfully submit to this Committee that the measure of persuasion for any impeachment trial of President Nixon must and should be that of "beyond a reasonable doubt."

DR. KISSINGER'S ROLE IN WIRETAPPING

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that there be printed in the Record the report of the Committee on Foreign Relations on the inquiry concerning Dr. Kissinger's role in wiretapping 1969–71.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report on the Inquiry Concerning Dr. Kissinger's Role in Wiretapping 1969–71, Summary

At the request of Secretary of State Henry A. Kissinger, the Committee on Foreign Relations has re-examined his role in the wiretapping of certain newsmen and government officials in the period 1969–1971. After reviewing the additional documentation now available, hearing testimony from all appropriate and available witnesses, and interviewing other knowledgeable persons, the Committee has concluded that there are no significant discrepancies between the new information developed and Dr. Kissinger's testimony before the Committee during the confirmation hearings last year. The Committee reaffirms the conclusion stated in its report on his nomination (S. Ex. Rept. 93–15) that ". . . Mr. Kissinger's role in the wiretapping of 17 government officials and newsmen did not constitute grounds to bar his confirmation as Secretary of State."

CONSIDERATION OF THE WIRETAP ISSUE DURING THE CONFIRMATION PROCESS

The wiretap issue was considered by the Committee at length during the hearings on Dr. Kissinger's nomination. However, the Committee did not at that time have access to the basic FBI documents involved in the wiretaps, documents which were the basis for a number of recent news stories raising questions concerning Secretary Kissinger's previous testimony.

During the confirmation hearings the Committee heard Dr. Kissinger in public session on September 7, 10 and 11, 1973. On September 10 Members discussed the wiretap issue in executive session with Attorney General Richardson and Deputy Attorney General Ruckelshaus. Following that discussion the Committee appointed two members to meet with Mr. Richardson and Mr. Ruckelshaus to obtain additional information. On September 11 Senators Sparkman and Case, along with Dr. Carl Marcy of the Committee staff, examined, and discussed with Dr. Kissinger, Mr. Richardson, and Mr. Ruckelshaus, a 29-page FBI summary of the wiretap program dated June 25, 1973, which had been prepared for Mr. Ruckelshaus while he was acting director of the FBI. Two other documents were shown to Senators Sparkman and Case at that time, a letter from Mr. Hoover to Dr. Kissinger dated May 13, 1969, and a memorandum of talking points prepared for Dr. Kissinger by the then Colonel Haig for a June 4, 1969, meeting with Mr. Hoover.

The Subcommittee reported to the full Committee that it ". . . is of the opinion that Dr. Kissinger's role in the surveillance was not such as to bar him from confirmation by the Senate." After receiving the Subcommittee report the full Committee discussed the wiretap issue at length with Dr. Kissinger in two executive sessions on September 17.

Those hearings and the transcript of the earlier executive session with Attorney General Richardson and Deputy Attorney General Ruckelshaus were sanitized and released to the public. The Committee is now releasing additional portions of those transcripts in order to expand to the maximum extent possible the public record of what was told to the Committee last year.

The full Committee agreed with the Subcommittee's findings and concluded that "Mr. Kissinger's role in the wiretapping of 17 government officials and newsmen did not constitute grounds to bar his confirmation as Secretary of State." His nomination was approved by the Committee by a vote of 16 to 1 on September 18 and was confirmed by the Senate on September 21 by a vote of 78 to 7.

The Committee was concerned over the use of "national security" or foreign policy as a justification for wiretapping and stated that it intended to keep the wiretapping policy under review to insure that neither officers nor employees of the Department of State, the National Security Council, or any other agency, nor private citizens, would be subjected to the treatment to which officers of the Department of State and the NSC and members of the press were exposed during the wiretap operation and to see what could be done to prevent abuses under the guise of a "national security" label.

At the meeting when Dr. Kissinger's nomination was approved, the Committee unanimously adopted a resolution to "undertake a full examination of the use of electronic and other means of surveillance of American citizens in connection with alleged intelligence gathering or other activities related to . . . foreign policy. . . ."

Subsequently, a Subcommittee on Surveillance was appointed to carry out the Committee's mandate for a study of the general issues involved in warrantless wiretapping, with Senator Muskie as Chairman. This Subcommittee has held a number of hearings on wiretapping jointly with two subcommittees of the Committee on the Judiciary.

The Committee on Foreign Relations is still very much concerned about the broader issues posed by the 17 wiretaps and hopes that the efforts of these three subcommittees will ultimately result in the enactment of effective statutory safeguards to govern the use of wiretaps for foreing policy or related purposes.

THE CURRENT INQUIRY

The current controversy arose from the publication of a number of news reports and editorials which questioned portions of Dr. Kissinger's testimony before the Committee last year relative to his role in the wiretapping program. The news reports and comments, based largely on FBI documents not then released to the public and a garbled excerpt from a tape of a Presidential conversation on February 28, 1973, created some public concern that the Secretary had not been truthful with the Committee in describing his role in the initiation and conduct of the wiretap program.

On June 10, 1974, Secretary Kissinger sent a letter to the Chairman of the Committee stating that the news reports and editorial comment ". . . involve fundamental issues concerning the truthfulness and completeness of my testimony; hence they raise issues of public confidence and directly affect the conduct of our foreign policy." He asked that the Committee review the matter, stating ". . . at this sensitive period I feel it important that the Committee which first examined the evidence, and which has a special concern with the conduct of foreign affairs, should have an opportunity to review it (i.e., his testimony) once again." The Committee agreed unanimously to the Secretary's request for a review.

During the current inquiry the Committee received excellent cooperation from the Department of Justice, which furnished the Committee with all of the documents in its files bearing on Dr. Kissinger's role in the wiretapping, a vast amount of materials which were not available during the confirmation hearings. However, no documents were received from the White House and the Committee was told that none had been found relative to the wiretapping program. Executive Branch officials have said that the FBI documents are the only official records that exist concerning the wiretap program.

However, answers to written inquiries were obtained from former Attorney General Mitchell, who, through his attorney, declined an invitation to testify. In addition, Mr. William C. Sullivan, a former FBI official who was a key participant in the program, provided extensive written answers to Committee inquiries. Mr. Sullivan, who suffered a heart attack recently, was anxious to testify personally but was prohibited by his doctor from doing so.

The Committee held six hearings during the inquiry, receiving testimony from Attorney General William Saxbe; FBI Director Clarence Kelley and his associates; Mr. Bernard Wells, a retired FBI agent who handled much of the paperwork on the wiretaps; Secretary Kissinger; former Secretary of State Dean Rusk; and General Alexander

M. Haig, Jr., Assistant to the President. In addition, numerous informal interviews were conducted. All of the hearings were in executive session since discussion of individual wiretap cases was necessary to bring out essential facts from each of the witnesses except that in the case of former Secretary Rusk other considerations were involved. The hearing transcripts have been sanitized, leaving in as much as possible, so that the record will speak for itself.

COMMITTEE OBSERVATIONS AND CONCLUSIONS

The purpose of the Committee's inquiry was not to investigate the wiretap operation per se. Nor does the Committee consider it necessary to make definitive findings of fact on each of the allegations that have been made concerning Dr. Kissinger's role in the wiretapping. In fact, this new record may raise additional questions about certain aspects of the wiretap program. But, we believe it should lay to rest the major questions raised about Secretary Kissinger's role.

The Committee had no illusions about the difficulty of establishing precisely what took place in the wiretap program. There are some discrepancies between the FBI documents and the testimony of participants in the program. Probably it will never be possible to determine exactly what took place. More than five years have passed since the wiretaps were initiated and time has taken its toll in life, memory, health, and records.

Some questions can be answered only by President Nixon.

Others could be answered only by the late J. Edgar Hoover.

Some inconsistencies between the testimony and the FBI documents can be resolved only by Mr. William C. Sullivan, who is physically unable to testify.

Other aspects will remain a mystery due to apparent gaps in the FBI documents.

Recollections of participants have become hazy and uncertain with the lapse of time.

Realizing the impossibility of laying to rest every question about the wiretap program and Secretary Kissinger's role in it, the Committee set a more modest and realistic objective. The Committee approached this inquiry with two questions in mind:

1. Is there a basis in ascertainable fact to conclude that Dr. Kissinger misrepresented his role in the wiretapping during his testimony last year?

2. Would the Committee, with all of the information it now has concerning the wiretapping program, reach the same conclusion it did last September that ". . . Dr. Kissinger's role in the wiretapping of 17 government officials and newsmen did not constitute grounds to bar his confirmation as Secretary of State?"

After considering all of the testimony and relevant materials, the Committee has concluded that the answer to the first is "No," and the answer to the second is "Yes".

In making this inquiry the Committee has not addressed itself to the legality of the wiretaps involved. It is neither passing judgment on the constitutionality of warrantless wiretaps for foreign/national security purposes nor on whether these individual wiretaps were properly justified if, in fact, warrantless wiretaps for such purposes were legal at the time. These are matters for the courts to decide.

But it should be noted that Dr. Kissinger's participation in the wiretapping came after assurances by the Attorney General that such wiretaps were lawful and by Mr. Hoover that similar wiretaps were carried out under previous Administrations. It is highly unlikely that anyone with Dr. Kissinger's background, largely within the academic world, would question assurances of legality and precedents from the nation's chief law enforcement officers. In carrying out his orders from the President, Dr. Kissinger was acting on the assumption, backed by Attorney General Mitchell and FBI Director Hoover, that the wiretaps were perfectly legal.

The Committee has not found any significant inconsistencies between Dr. Kissinger's testimony of last year as to his role in wiretapping and the new evidence now available. It matters little whether the President's decision to use wiretaps in an effort to trace the source of leaks was made on April 25, 1969, as now appears to be the case, or May 9, 1969, as Dr. Kissinger had thought when he testified last year. None of the discrepancies that has emerged pierce the heart of the issue here: Is there solid reason to doubt that Dr. Kissinger was truthful last year in describing his role?

To be sure, there are inconsistencies between the FBI documents and the testimony. For example, in the documents, there is a letter from Mr. Sullivan to Mr. Hoover dated May 20, 1969, which states that Dr. Kissinger came to Mr. Sullivan's office that morning and ". . . read all the logs." Dr. Kissinger cannot recall such a visit, and Mr. Sullivan assured the Committee that he neither saw nor talked to Dr. Kissinger during the entire time the wiretap program was in operation.

Much of the recent controversy over Dr. Kissinger's role seems to be a question of semantics, particularly over the meaning of the words "initiate" and "request" in relation to his participation in the wiretapping. Words in FBI documents or on Presidential tapes cannot be considered as definitive statements either of what transpired or of Dr. Kissinger's part in the overall program. They should be considered only in relation to the framework of the overall policy ordered by the President and the total evidence now available.

Did Dr. Kissinger *initiate* the wiretap program by urging it on the President? Or, did he merely *participate* in the wiretapping, carrying out a program ordered by the President, as he testified last year?

In a letter to the Committee dated July 12, 1974 in response to a Committee request for additional information, the President wrote:

"I ordered the use of the most effective investigative procedures possible, including wiretaps, to deal with certain critically important national security problems. Where supporting evidence was available, I personally directed the surveillance, including wiretapping, of certain specific individuals.

I am familiar with the testimony given by Secretary Kissinger before your Committee to the effect that he performed the function, at my request, of furnishing information about individuals within investigative categories that I established so that an appropriate and effective investigation could be conducted in each case. This testimony is entirely correct; and I wish to affirm categorically that Secretary Kissinger and others involved in various aspects of this investigation were operating under my specific authority and were carrying out my express orders."

None of the FBI documents relates to the meeting at which the decision was made to use wiretaps to check for leaks. Representatives of the White House advised the Committee that there are no records of what occurred at the decision-making meeting, which apparently took place on April 25. 1969.

Secretary Kissinger told the Committee ". . . I did not initiate the program, I did not recommend the program, and I had nothing to do with its establishment. I then participated in the program, once it was established, according to criteria that had been laid down in the President's office." The President stated that he initiated the program. Dr. Kissinger's role, as he described it last year and again this year, was that of assisting in implementing a program ordered and directed by the President. The Committee has received no new information which contradicts that description of his role.

Semantic problems arise again in the question of whether or not Dr. Kissinger "initiated" individual wiretaps. Secretary Kissinger testified last year that he supplied names to the FBI of those fitting the criteria agreed upon in the meeting with the President but that ". . . in supplying the names we did not specifically request a tap, although we knew, of course, that this could be, was a probable outcome." In testimony this year he explained that: "Insofar as the submission of a name triggered a series of events which resulted in a wiretap, it could be said that the submission 'initiated' the tap."

There are unexplained contraditions between the testimony and the documents relative to the wording of individual wiretap requests. Documents concerning "requests" for wiretaps were generally prepared without the benefit of personal contact between the drafter and the "requester," whose real identity is sometimes doubtful. Upon questioning, Mr. Bernard Wells, the FBI agent who handled the preparation of most of the papers relative to the program slated that the wording on the individual request forms could not be taken literally.

The Committee was unable to settle to its satisfaction some questions about the initiation and termination of certain wiretaps. But it did establish to its satisfaction that Secretary Kissinger's role in the program was essentially as he described it in testimony last year.

In summary, the Committee is of the opinion that it has appropriately inquired into Dr. Kissinger's role in the wiretapping, pursuant to his request following the recent controversy, and the Committee now concludes that there are no contradictions between what Dr. Kissinger told the Committee last year and the totality of the new information available. The Committee reaffirms its position of last year that his role in the wiretapping ". . . did not constitute grounds to bar his confirmation as Secretary of State." If the Committee knew then what it knows now it would have nonetheless reported the nomination favorably to the Senate.

TUITION ASSISTANCE TO VIETNAM VETERANS

Mr. INOUYE. Mr. President, I understand that the House and Senate Veterans Affairs Committee met in conference yesterday afternoon to consider the fate of the Vietnam Era Veterans Readjustment Assistance Act of 1974. Because of opposition from certain members of the House conferees progress on final agreement on this important bill has been hampered. In light of that fact, I respectfully urge those Members of the House Conference committee who have stated their opposition to the tuition grant provision to heed the good counsel of subcommittee Chairman Henry Helstoski and ranking minority member Margaret Heckler of the House Veterans Affairs Subcommitteee on Education and Training. Both Representatives Helstoski and Heckler, who have been studying the need for a tuition program in their subcommittee, have expressed their support for it, as has Speaker Albert and a large number of other Representatives. I further urge the conferees to read, absorb and accept the unanimous report of the Senate Veterans Affairs Committee and to consider the 91 to 0 vote on the Senate floor in favor of this legislative proposal.

I urge the members to recall the findings of the study undertaken on behalf of the Veterans' Administration by the Educational Testing Service and the final report of the National League of Cities/U.S. Conference of Mayors Special Veterans Opportunity Committee. Both these studies documented the essential need for variable tuition assistance to Vietnam veterans. I urge the conferees to listen to the pleadings of the leaders of the American Legion, the National Association of Concerned Veterans, and several other veterans groups for such necessary aid to our veterans. And finally, I urge the conferees to take note of the thousands of letters from Vietnam veterans who have eloquently stated their belief that without the kind of assistance provided in the Senate version of this new GI bill an equal opportunity to higher education will continue to elude them.

I have been disturbed by the tenure of the debate over the tuition proposal. Numerous spurious arguments against the proposal have been advanced that fall on their face when the true facts about the effectiveness of our present GI bill are brought forth. The Senate version of this bill has been called an income attractive measure. Such a characterization is an insult to those veterans who risked life and limb in the jungles of Southeast Asia on our behalf. These soldiers did not join our Armed Forces either as draftees or as volunteer recruits in an effort seek the easy way out. They will not utilize the GI bill to rip off our Government. They will use it for what it was intended; that is, to gain the education necessary to become productive members of our advanced economy.

It has been said that the tuition provision will provide a subsidy to high-cost schools. A hard look at the statistics of participation rates indicates that in no instance do Vietnam veterans make up a large enough potential student body for any institution of higher learning to gear their tuition costs toward luring veterans through their doors at the expense of other students and the American taxpayer. The $720 provided in tuition under the Senate bill may make up much of the difference between high- and low-cost public schools, but not the thousands of dollars difference between public and private colleges.

The simple facts are that veterans who are poor, disadvantaged, and/or married with dependents cannot utilize their present benefits. This is especially the case depending on the State in which the veteran lives. When our veterans joined the service, they were promised that upon their discharge we would give them adequate assistance to get a good education.

Our present GI bill does not fulfill that promise. That commitment was not contingent upon where a GI resided. Are we really willing to cut and run from that commitment? I do not believe so.

The President, in his unfortunate letter of June 30 to Chairman HARTKE, maintained that the tuition provision and other elements of the proposed new GI bill are—

> Clearly inflationary and unnecessary for our Nation's veterans to prepare themselves for productive lives.

Yet, he admits that 5 million of our veterans have not been able to utilize their benefits, so obviously these proposed changes are necessary.

I do not believe that they are inflationary because in my view the cost of these educational programs actually constitute an investment which is low risk and high yield. We all know that for every dollar spent on the GI bill for World War II veterans, between $6 and $8 in increased income tax revenues were returned to the Federal Treasury out of the increased incomes of these better educated veterans. Tomorrow's return on today's expenditures will be even greater. Additionally, any short-run benefits to the Nation as a whole resulting from placing the burden of inflation on today's veterans will be wiped out in the long run as these veterans live less productive lives, unable to conrtibute their full share of skill and ability in our economy because of the education we deny them. The money for veterans programs can be found. What is needed is the will to look for it.

Obviously, I am firmly committee to the Senate version of this essential and vital piece of legislation. The Senate conferees are aware that in the event they return from the conference with a less than viable bill, the Senate will insist that they return to conference and come back with a bill that will meet the needs of the veteran. I would support and lead such an effort on the Senate floor. But I am confident that such a move will be unnecessary because, in the final analysis, I am confident that Chairman HARTKE and the Senate conferees will stand firm in their commitment and that wisdom and fairness will prevail with the Members of the House. I look forward to a quick agreement on a bill which includes improved benefits and a tuition provision. I am hopeful that such a bill can be placed on the President's desk in the very near future.

POLICIES OF THE SOVIET UNION

Mr. THURMOND. Mr. President, several articles published recently should be helpful to those who might interpret détente as a basic change in Soviet purposes or Communist ideology.

An article entitled "Détente? Of What Kind" by Zbigniew Brzezinski appeared in the August 4 issue of the Washington Post. This article, which is excerpted from Mr. Brzezinski's testimony before the Senate Foreign Relations Subcommittee, deserves careful study by the Members of Congress.

Another article by Philip Nobile, Universal Press Syndicate, appeared in the July 24 issue of the Omaha World-Herald. It is entitled "Russia's Ministry of Fear" and also illuminates current behavior in the Soviet Union.

Mr. President, I ask unanimous consent that both of these articles be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DÉTENTE? OF WHAT KIND

(By Zbigniew Brzezinski)

Brzezinski is director of Columbia University's Research Institute on Communist Affairs, on leave as director of the Trilateral Commission in New York. The following is excerpted from his recent testimony before the Senate Foreign Relations subcommittee on multinational corporations.

It has often been said—and rightly so—that there is no alternative to détente. But it is also true that there can be different kinds of détente. The Soviet leaders have made it quite plain that they have a very clear concept of the kind of détente they desire and—by and large—they have so far succeeded in shapping U.S.-Soviet relations accordingly.

The Soviet view of detente—explicitly and openly articulated by Soviet leaders—is that of a limited and expedient arrangement, which in no way terminates the ideological conflict even as it yields tangible economic benefits. On the contrary, it has been emphasized over and over again that "peaceful coexistence" is a form of class struggle and that ideological conflict, far from abating, is to intensify during detente. This intensified ideological hostility, however, is not to stand in the way of economic cooperation, for—as stated by Prof. Marshall Shulman in his testimony before the Senate Banking Committee on April 25, 1974—"rather than face the politically painful choice of instituting fundamental economic reforms, the Soviet leadership has opted for a massive effort to overcome its shortcomings by increasing the flow of trade, advanced technology, capital and management experience from abroad."

To be sure, such a limited détente is better than no détente, and it can be viewed as a necessary way station on the road towards a more comprehensive détente. Yet it must be recognized, especially if the existing détente is to be accompanied by large-scale and long-range U.S. investments in the Soviet Union, that such a limited détente is potentially quite unstable. Ideological hostility, artificially kept alive by deliberate impediments to more extensive contacts, can itself become a source of tension, while changes in leadership, be it American or Soviet, can bring to the fore individuals and groups less favorably disposed even to the existing limited détente, a détente then rather susceptible, given its limited scope, to easy reversal.

Were that to happen, and especially if that should happen after a period of sustained U.S. investment in the Soviet economy, with heavy Soviet indebtedness, a rather undesirable situation could develop. One can certainly conceive of a Soviet leadership being tempted to use both its indebtedness to the United States and American dependence on Soviet raw materials for political ends. Moreover, the very scale of Soviet indebtedness would, paradoxically, give the Soviet leadership additional bargaining leverage.

This is why it is clearly in the U.S. interest and that of peace in general, deliberately to seek a more comprehensive and therefore a more enduring U.S.-Soviet détente which is not artificially compartmentalized to economics alone and which is not offset by officially sustained ideological antagonism. Such a more comprehensive détente—which should be our explicit goal—would involve a broader social, cultural and political accommodation, the shaping of more extensive social links, the expansion of political collaboration especially in regard to the many new global problems, the adoption not only of the principle but also of the practice of true reciprocity in our relations, and a rejection of the harmful and antiquated concept of an intensifying ideological and class struggle being part of the détente relationship.

But current Soviet behavior in at least five areas is not consistent with progress toward such a more comprehensive and enduring détente:

1. IDEOLOGICAL HOSTILITY

As noted, the Soviet emphasis on continued and intensifying ideological hostility contradicts the spirit of détente, and it does create a potential threat to it.

2. STRATEGIC SECRECY

The secrecy surrounding Soviet military planning, development and deployment stimulates understandable anxieties and engenders legitimate concerns regarding the extent and depth of Soviet commitment to détente. It certainly poses the question whether détente is not viewed by at least some Soviet leaders merely as a breathing spell, designed to lull the United States while the Soviet Union attempts to move from parity toward something which could be translated into political superiority. This is what makes an equitable SALT II a major litmus test of Soviet intention. This is also what makes current U.S. R&D aid to the Soviet Union so difficult to justify, given its obvious military applications. I have particularly in mind the U.S.-Soviet space venture, which has become a vehicle for one-sided transfer of U.S. space technology to the Soviet side.

3. GLOBAL INDIFFERENCE

The Soviet Union remains remarkably insensitive to global issues which cry out for greater cooperation among the advanced countries. Despite the fact that the Soviet Union is one of the key beneficiaries of the higher commodity prices, it has not been particularly responsive to the need for massive aid to the less developed countries most afflicted by the higher energy-food costs. Moreover, the Soviet Union has been relatively passive on other global issues, and it has shown a tactically cynical indifference to the threat of nuclear proliferation generated by India's atomic explosion.

4. HUMAN RIGHTS

The Soviet record on the issue of human rights leaves much to be desired. While President Nixon and Secretary of State Henry Kissinger are right when they say that we cannot insist that other governments alter their systems to please us, to assert that proposition is to skirt the real issue. It is a political fact that many Americans do have a direct and highly personal concern for at least those Soviet citizens who wish to leave the Soviet Union, and in that sense the issue is not only a domestic one; it affects adversely and directly Soviet-American relations much in the same manner that any U.S. limitations on the right of Americans wishing to leave for the Soviet Union—were such limitations to exist—would affect American-Soviet relations. (The spurious argument of domestic non-intervention did not prevent—correctly—the Soviet leaders from condemning Nazi anti-Semitic practices and, more recently, it has affected Soviet-Chilean relations.) Moreover, given this country's traditions, the adoption of a posture of amorality is to give up something very precious, something which should not be given up lightly.

5. RECIPROCITY OF TREATMENT

U.S. diplomats, businessmen, tourists, newspapermen and scholars are subjected to incomparably more harassment than are their Soviet counterparts in the United States. American scholars have been not only harassed but even excluded from the Soviet Union—in marked contrast of the welcome extended here to Soviet specialists. The Soviet side is free to lobby in the United States, and even to promote joint U.S.-Soviet lobbies in America, whereas American access even to the Soviet elite is strictly circumscribed. Almost every day produces some example of highly asymmetrical treatment, most recently in the form of direct physical interference by Soviet police with the right of access to the U.S. Embassy in Moscow. Such non-reciprocity of treatment is a basic violation of the concept of détente.

(It should be noted that the above list does not include any reference to divergent U.S. and Soviet positions on important regional issues, such as the Middle East or Europe. It is only natural that the two major powers, each in a different geopolitical situation, would have diverse and occasionally conflicting estimates of their regional interests.)

The foregoing five considerations should be borne in mind when defining the U.S. attitude towards investment in the Soviet Union and especially U.S. credits for Soviet economic development. Progress towards greater accommodation on the five issues mentioned above would justify more extensive American commitments and credits; indeed, some commitments might be made to encourage such progress, but even in that case the existing level of U.S. concessionary credits to the U.S.S.R. appears to me to be sufficient.

We should also not lose sight of the fact that U.S.-Soviet economic relations are politically calibrated on the Soviet side, with its system of state economy. For the United States with its relatively free market economy, it is difficult to infuse a sense of political purpose into U.S.-Soviet economic relations, yet without such an effort it will continue to be the Soviet side which will derive more marked political advantages. Accordingly, Congress should explore some means of creating a more formal instrument, perhaps even some joint executive legislative coordinating organ, designed to monitor this important economic relationship so that U.S. political interests are not slighted. It simply does not follow that what is good for some U.S. business is automatically good for the United States.

Comprehensive reciprocity in U.S. and social relations—political, strategic, and social—is the only solid base for an enduring détente. Until we obtain such reciprocity, we would be wise to cultivate détente prudently, not allowing the economic relationship to become its primary blossom. In brief, the time is not yet ripe for a high-risk U.S. portfolio in the Soviet Union.

RUSSIA'S MINISTRY OF FEAR: INTERVIEW WITH JOHN BARRON

(By Philip Nobile)

Universal Press Syndicate

John Barron is senior editor of Reader's Digest. He once served as a naval intelligence officer in Berlin, but his penetration of the Soviet Union's secret police has been more journalistic than undercover. He spent four years interviewing counter-espionage agents and gained the confidence of KGB defectors. The result is published in "KGB: The Secret Work of Soviet Secret Agents, a Scholarly Thriller Fit for the Average Anti-Communist."

Russia is a police state. In the rush toward detente we seem to be ignoring the totalitarian character of our Soviet friends. It is far more diplomatic (and perhaps more fruitful) to dismiss Solzhenitsyn's "Gulag Archipelago" and sip champagne with its ultimate warden Leonid Brezhnev.

But still it doesn't hurt to know how the running dogs of Russian Communism keep their country on the leash. The KGB, or Committee for State Security, is the Soviet ministry of fear. Not only does the KGB ride herd on Russian society, but it executes foreign policy as well. Soviet embassies and trade missions abroad are packed with KGB agents bent on international dirty tricks.

Q. How powerful is the KGB? It appears to be a CIA, FBI and military intelligence wrapped into one.

A. You can't compare the KGB to any Western organization or complex of organizations because only the KGB has been entrusted with such enormous power over a society. Were the CIA and FBI summarily abolished tomorrow we wouldn't perceive any changes whatsoever in our daily lives. Americans wouldn't be more free to speak, travel, study, worship or emigrate. But if the KGB suddenly disappeared, all Soviet society would perforce change rather rapidly.

Q. The KGB must have quite a payroll then.

A. Nobody in the West has precise data on KGB personnel. The best estimate is a staff of half a million and to this you must add a myriad number or part-time spies and informants who permeate Russian institutions.

Q. How does the KGB manage its totalitarianism?

A. Apart from exile, concentration camps and the new technique of declaring enemies of the state insane, the heart of the KGB's control rests in fear. The KGB runs the Soviet Union according to the principles of tyranny enunciated by Aristotle 2500 years ago. Aristotle said that a successful tyranny depended on isolating citizens from each other and making them feel powerless against the state. And that's precisely what the KGB has done, by creating a spy society in which ordinary Russians are afraid to confide their true thoughts to others. Political opposition is therefore inhibited.

Q. Is the KGB the tail that wags the Russian dog?

A. No. The KGB faithfully executes the policies of the Politburo, the ruling body of the Soviet government. Generally, it does what it's told. But that's why its actions are so frightening. The KGB represents calculated, considered policy decisions of the Soviet leadership.

Q. Other dictatorships survive without the security overkill of a KGB. Why is Russia so scared?

A. The Communist dictatorship today is in exactly the same position that the Bolsheviks were in after winning the revolution in 1917. They don't govern with the consent of the governed. They have no basis for their power except force. No wonder then that the Politburo relies on the KGB so heavily.

Q. That doesn't explain the KGB aggressiveness abroad.

A. The Soviet Union remains wedded, if we can believe what they continuously proclaim to us and to their own people, to the projection of the Communist system into the whole world. But they can't achieve this policy aim by popular appeal or by outright aggression without risking nuclear war. So they must pursue expansionism through the essentially clandestine means of the KGB.

Q. How good is the KGB in espionage?

A. The KGB is very effective for two reasons 1) massive size and 2) the willingness of the Soviets to accept high losses and embarrassing publicity in spy operations. On the whole, the KGB is probably no better, and perhaps not even as good as its competition, especially when you consider that it is operating in a far easier clime. Spying, after all, is not as arduous in free societies as it is in closed ones. In terms of covert operations, the KGB achieves far more than the CIA.

Q. Are you implying that the CIA is less eager, less venturesome than the KGB?

A. In most areas of the world, U.S. selfish interests are served by stability. But the opposite is true for the KGB. The objectives of the services are not the same.

Q. What have been the KGB's greatest hits?

A. Its biggest success is the continuing subjugation of the Soviet people. To maintain a society of one hundred nationalities—with a total population of 240 million—in complete servility is an almost epic accomplishment.

In foreign affairs, perhaps only the KGB is aware of its grandest successes. However, we do know that they made possible the erection of the Berlin Wall after stealing U.S. contingency plans which showed they could probably get away with it.

But by and large, the KGB has failed in Egypt, Africa and South America.

Q. Has the CIA penetrated the KGB?

A. Yes, but whether those penetrations continue, I couldn't say. Had any intelligence service in the West suffered the penetrations and defections the KGB has, there would be an enormous clamor to abolish that service. Yet the KGB, immune to public outcry, goes on enduring its losses.

Q. Why do Western countries allow the Russians to stock their embassies with KGB agents?

A. In the honest desire to develop more productive relations with Russia, men of good will in the West are fearful of seeming antagonistic. Russia has discerned this attitude of ours and protests loudly when actions are taken against the KGB.

On the contrary, I believe the expulsion of known KGB personnel from Western countries would have a very salutary effect on detente.

Q. If we meet a Russian national in the U.S., should we presume he's a KGB agent?

A. Not necessarily. But if you meet a Soviet citizen and he continues to see you, then it's a fair assumption he's with the KGB or has come under its control. No Russian is allowed prolonged contact with any foreigners unless the KGB assents.

Q. Well, why does Russia risk endangering the era of good feeling between herself and the U.S. by keeping the KGB on the go?

A. To the Soviets, detente means the resolution of certain issues and an agreement not to blow each other up. But it doesn't for a moment abate, or much less halt, what they call "the ideological struggle." So they see no inconsistency between supporting clandestine warfare and detente.

TIME IS RUNNING OUT FOR THE NEW RIVER

Mr. ERVIN. Mr. President, on May 28, 1974, the Senate by a vote of 49–19 passed a bill to designate the New River, in North Carolina and Virginia, as a potential component of the National Wild and Scenic Rivers System. Despite the Senate's determination that this beautiful river—the second oldest river in the world—should be studied for possible inclusion in the Wild and Scenic Rivers System, the Federal Power Commission on June 14, 1974, issued a license for the construction of a hydroelectric project on the New River to become effective January 2, 1975. This hydroelectric project would destroy forever the scenic and recreational value of the New River.

S. 2439, the Senate-passed bill, is now pending before the House Interior Committee. It has been favorably reported to the full committee by the Subcommittee on National Parks and Recreation, chaired by Congressman Roy Taylor, of North Carolina. Mr. President, in view of the January 2, 1975, deadline for legislative action to save the New River—imposed on the Congress by the Federal Power Commission—it is now absolutely essential that Congress enact S. 2439 during this session. The people of North Carolina through their elected officials have expressed strong opposition to the construction of this power project. In an editorial of August 7, 1974, the Raleigh News and Observer expressed this strong feeling and urged action by the House of Representatives to save the New River from destruction. I ask unanimous consent that this editorial, entitled "House Should Act Now on New River," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

House Should Act Now on New River

Action by the House of Representatives to clear the decks for impeachment has endangered a measure important to North Carolina. The bill would delay a hydroelectric project that threatens to turn America's oldest river into a reservoir rimmed by mudflats, flood 40,000 acres of farmland and force evacuation of 800 homes. Unless the House approves the bill shortly, Appalachian Power Co. will be free to loose its bulldozers on the New River Valley.

The measure would designate a 70-mile stretch of the river in the northwestern North Carolina counties of Alleghany, Ashe and Watauga and southwestern Virginia for study and possible protection under the Wild and Scenic Rivers Act. The Senate already has passed the proposal as a result of the work of Senators Sam Ervin and Jesse Helms. Robert Morgan, the Democratic nominee for Senator Ervin's seat, has endorsed it. Rep. Roy A. Taylor, D-N.C., whose subcommittee on National Parks and Recreation has handled the legislation in the House, is sympathetic to it.

Despite this broad congressional support, the New River bill and the New River may fall victims to the necessity for moving on to the impeachment debate. The loss would be tragic. For a power dam with an estimated life span of only 50 years, the nation would trade a river 100 million years old—second oldest in the world to Egypt's Nile. With it would go one of the state's few remaining reaches of unpolluted, free-flowing water, a unique blend of northern and southern flora and fauna and 68 varieties of fish.

Surely the nation can afford to wait the two years specified in this measure before deciding if the New River is to be destroyed, finally and forever.

FINANCIAL DISCLOSURE BY SENATOR TUNNEY

Mr. TUNNEY. Mr. President, a number of my colleagues recently have made public disclosure of their personal income, taxes, and financial holdings.

I commend them for doing so. I share their belief that public office is a public trust. Our constituents have the right to know the sources and the amount of our income. And they have a right to public disclosure and assurances that our tax bills have been paid and that we have met the obligation that falls on every citizen of this Nation.

Accordingly, I am making public my personal financial statement. I ask unanimous consent that it be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

1973

Income (gross):	
Salary from United States Senate	$42,500
Honorariums	22,943
Stocks and bonds:	
Capital Gains and Dividends: (Alexander & Alexander, Amerada Hess; Bets Laboratories; Heublein Inc.; Holiday Inns; Johnson & Johnson; Lowe's Companies; Reynolds Industries; The Washington Group)	**73,595
Taxes paid for 1973:	
Federal	$25,662
California	6,262
Current real estate interests:	
Residence: Northwest, Washington, D.C.	
Residence: Los Angeles, Calif.	
Two mortgages at Riggs National Bank; Washington, D.C.	
Real estate taxes:	
Washington	2,317.50
California	2,309.86

**Bulk of proceeds of sale placed in Blind Trust at G. H. Walker, Laird, % Mr. Thatcher Brown, Jr.; 55 Water Street, New York, New York.

THE MIDDLE EAST

Mr. BROCK. Mr. President, we meet today amid increased reports of renewed military buildup in the Midlle East. These reports ignite fears that a situation which we had come to look on as changing for the better, may be deteriorating. This would be tragic. Only a month and a half ago, President Nixon was exchanging toasts with President Hafez Assad of Syria. The exchange was historic, for this was the first time that an American President had visited Syria and it was to underline the beginning of permanent and positive relations between the Syrian Arab Republic and the United States.

During this historic exchange of toasts President Assad stressed his hope that a just and lasting peace in the Middle East would allow Syria to "play an appropriate role in the activities of the international community wherewith to serve both themselves and humanity at large." The recognition of this wider responsibility indicates a strong personal commitment by President Assad to move Syria to new levels of responsibility in the international community.

Anyone with the most superficial acquaintance of Middle East history and politics can attest to the strains and pressures exerted on Syria, Iran, Iraq, Saudi Arabia, Jordan and, of course, Egypt as they were catapulted into the era of contemporary power politics. Each amateur historian has searched the faces of changing Arab leadership and examined closely their actions for that leader who could endure these pressures. Restoring honest and favorable relations among the Arab and the American people has been a concern of Congress and will continue to be in the future.

For peace and its accompanying benefits were in the past as they are today—the single objective and policy of the Government. I am deeply hopeful that the current leadership in Syria, as well as throughout the Arab world, will join us in this new attempt at peace, for President Hafez Assad has before him an opportunity to maintain the momentum of good will which began with the now famous Kissinger shuttles of May.

We, in the U.S. Senate, are about to consider the confirmation of a new ambassador to Syria. Seldom in the confirmation process has one so steeped in knowledge of the Mideast been elevated to this post. On Tuesday of this week, the Senate Foreign Relations Committee heard testimony from Mr. Richard W.

Murphy, nominated by the administration to be Ambassador to the Syrian Arab Republic. Fluent in Arabic and French, he served in his last foreign assignment as Ambassador to Mauretanea.

The Senate has now in this nomination a singular talent in statescraft and foreign relations. Mr. Murphy has served in previous posts throughout the Middle East, in particular in Jordan, Saudi Arabia, and in Syria, as well as acting as the State Departmental Personnel Director for Near Eastern and South Asian Affairs. I hope that the Senate Foreign Relations Committee will act quickly and favorably to recommend speedy confirmation by the full Senate.

Confirmation of an ambassador is urgently needed to revive that spirit which characterized United States-Syrian relations only a month and a half ago. One measure of U.S. efforts to retain that momentum was our participation in what is the oldest trade fair in one of the oldest countries in the world. Beginning on July 25 and running through August 20 the Damascus International Fair has served as a vehicle to move closer to normalization of relations. To this fair the State Department has sent as ambassadors of good will the 155 members of the Florida State Marching Band. As we all recognize, there are no greater ambassadors of good will than our youth.

This initiative, however, cannot be sustained by U.S. efforts alone. President Assad has pledged his desire to begin a "new phase of relations between our two countries—a phase based on mutual respect, unselfish cooperation and adherence to the provisions of the United Nations Charter." One element of that charter is held most precious to all Americans, that is the universal declaration of human rights adopted by the United Nations general assembly on December 10, 1948. I would like to quote from the article of that declaration:

> ARTICLE 2
>
> Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.
>
> ARTICLE 13
>
> 1. Everyone has the right to freedom of movement and residence within the borders of each state.
>
> 2. Everyone has the right to leave any country, including his own, and to return to his country.
>
> ARTICLE 14
>
> 1. Everyone has the right to seek and to enjoy in other countries asylum from prosecution.

Over the last 2 years, reports reaching this country from many sources indicate what may be a government policy which has departed from this. Although many Arab countries have allowed freedom of travel, the Jews of the Syrian Arab Republic, some 5,000 in number, have, in effect, been denied civil rights, and suffered crippling restrictions on their freedom of movement, prosecutions and arbitrary arrests. Latest available reports indicate that the right of exit is totally withheld—even from Jews with foreign passports. Jews are herded into ghettos, barred from movement beyond a four kilometric distance from their homes. Homes of Jews in the city of Karieshliya are blatantly marked with a sign in red. Entry into the demarcated Jewish quarter in Damascus is forbidden to foreigners and all Jewish schools and most synogogues have been closed down. This is clearly an unnecessary impediment to better relations between the two governments and their peoples.

The same enlightenment, which led to a cease-fire and which I continue to believe will stifle the fires of war in the Mideast, as exercised by President Assad should be exercised in Syrian relations with the Syrian Jewish Community. Americans of Syrian descent, I am certain, join me in the desire to maintain the pace of movement toward peace in the Mideast. Tennesseans of Jewish and Arab heritage are confirmed in their recognition of the need to remove barriers which impede any furtherance of that movement.

WIND POWER

Mr. METCALF. Mr. President, when the bipartisan Solar Energy Congressional Conference was held on June 10, one of the more interesting pieces of literature distributed was an article on wind power from a Special Alternative Energy Issue of the Mother Earth News. It told of the lifelong efforts of Marcellus Jacobs to perfect the wind generator, a device in which interest is being revived because of the energy crisis.

According to the interviewer, Marcellus Jacobs "is the man who almost singlehandedly invented the first practical wind powered electrical generating system. He is the man who originated nearly all the noteworthy advances in the field from 1930 to 1956. And he is the man who dominated this specialized mini-industry until the day he decided to move on to other interests."

Mr. President, Marcellus Jacobs began his experiments in wind power generation on his father's ranch near Wolf Point, Mont. In time, he and his brother formed a Montana corporation for production of what he calls "windplants," and eventually moved the business to Minneapolis.

Because I think this fascinating story will contribute greatly to an understanding of the potential of wind power, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Plowboy Interview—Marcellus Jacobs

Note.—On June 2nd and 3rd, 1973 a Wind Energy Conversion Workshop was held in Washington, D.C. The gathering was sponsored by the National Science Foundation and implemented by the National Aeronautics and Space Administration.

Well sir . . . conferences and symposiums and workshops and all the other fancy meetings held to "study" a problem are all right, I suppose. But a fellow sometimes wonders if they're worth the trouble it takes to organize them.

This particular assembly was no exception. For, we're told, after nearly two days of absorbing reports and addresses from people who've experimented with and used wind power . . . many of the "experts" and "engineers" there still didn't have what you could call a grasp of the energy source's potential. "You mean you really run all your lights and appliances and a typewriter and stereo and TV on electricity produced by a windplant? You mean you're doing that right now?" one incredulous engineer asked Henry Clews. "I mean, if this thing actually works we should find out if it's practical enough to put into production."

It was then that an authoritative-looking 70-year-old gentleman rose to his feet in the audience and said, in effect: "Why, you young whippersnapper. You're trying to reinvent the wheel. Not only will windplants work . . . not only can they be put into production . . . and not only can they be manufactured and sold profitably . . . but I personally built and marketed approximately 50 million dollars worth of the units from the early 30's to the mid-50's. We were already in full swing before you were born."

Now I hasten to add that genial, polite Marcellus Jacobs didn't address the young and well-meaning (but somewhat ignorant) engineer quite so abruptly. Mr. Jacobs did, however, leave no doubt that windplants could be made to work. And he should know: Marcellus Jacobs is the man who almost singlehandedly invented the first practical wind-powered electrical generating system. He's the man who originated nearly all the noteworthy advances in the field from 1930 to 1956. And he's the man who dominated this specialized mini-industry until the day he decided to move on to other interests.

Marcellus Jacobs hasn't manufactured a windplant since 1956 . . . but people who know still fight to find one of his old second or third hand units. Why? Well, Admiral Byrd set up one of the Jacobs systems at the South Pole in 1933. On June 17, 1955, Richard E. Byrd, Jr., wrote a letter to Mr. Jacobs in which he said:

> I thought it might interest you to know that the wind generator installed (by my father) . . . at the original Little America, was still intact this year after almost a quarter of a century . . . The blades were still turning in the breeze (and) show little signs of weathering. Much of the paint is intact."

Marcellus Jacobs, in short, designed good windplants. He built 'em good too . . . and he built 'em to last.

Mr. Jacobs now lives and works on other environmentally oriented projects in Florida and Steve Weichelt recently visited him there. During the course of their conversation, Steve asked Jacobs to describe the development of his plants and to comment on the future he sees for wind power.

Plowboy. Mr. Jacobs, when and where were you born?

Jacobs. I was born in 1903 in Cando, North Dakota . . . up near the Canadian border. Then dad moved to a ranch in Montana south of Wolf Point . . . thirty miles from the Fort Peck Dam on the Missouri River. Wheat and cattle country.

Plowboy. Where did you go to school?

Jacobs. Everywhere. I didn't graduate from any university but I went to school in several different places. After I left high school I took one year of electrical training in Indiana and a special six-month course in electricity in Kansas City. Most of my education, though, just came from studying on my own. I got the books and picked up what I could from them, and thought the rest out for myself.

Plowboy. Which came first? Did your interest in electricity lead you to find that you could produce this form of power from the wind . . . or did you set out to do something useful with moving air masses, and end up harnessing them to electrical generators?

Jacobs. It was a little bit of both. When I was still in high school I built and sold little peanut radios that operated on storage batteries . . . and pretty soon we wanted motors and welders and drill presses and what have you that operated on current. At the same time, I had always been intrigued by the wind. It was natural, I suppose, to put the two interests together.

Plowboy. I take it then that you used the wind to produce the first electrical power you generated?

Jacobs. Oh no. Our ranch was 40 miles from town and in them days, of course, there wasn't any Rural Electrification Administration lines running all over the country. We—there were eight children in our family—had to make do with kerosene lamps and so on . . . but we soon got tired of that. So we rigged up an old secondhand engine to run a little DC generator. But it fluctuated every time the load changed so we hooked the generator up to some old car batteries to balance the system some and that worked pretty well. Along about then, though, we started a hand forge and put a motor on that and we needed more current than our engine-driven generator would produce. This was about 1922.

Plowboy. And that's when you began experimenting with windplants.

Jacobs. Yes. I first tried to use a fan off one of the regular water-pumping windmills we had there on the ranch. I took a Ford Model T rear axle and cut the side shaft off where one of the wheels was supposed to go and I put the big fan on instead. Then I mounted the tail vane out where the other wheel should be . . . and I extended the drive shaft down to the ground where I had my generator. I just locked the differential with a pin so that as the wind turned the fan it would drive the shaft.

Plowboy. Did it work?

Jacobs. Oh yes, after a fashion. But there were several things wrong with the setup. It wasn't efficient, you know . . . there was no real gain. One of those big water-pumping windmill wheels is designed to catch all the wind in its diameter right at the start. Otherwise it'll never go. It'll just sit there. Unless the pump has lost its prime, that wheel has to lift water right from the instant it begins turning. It needs a lot of starting torque . . . and that's why it has so many large blades.

Once the wheel gets up some speed, however, about 80% of those blades get in each other's way. They begin fighting each other. In fact, a water-pumping windmill needs all the power it generates just to run *itself* in an 18 or 20 mph wind. You can pull the pump rod loose and the wheel won't run away. It can't. The force of the wind during a storm may blow the wheel into the tower and push the tower over . . . but the fan won't over-rev and tear itself apart.

The wheel we finally came up with for a windplant, now, is altogether different. There's no load on it at the beginning, you see . . . just the very slight drag of two ball bearings. The three little blades sticking out of the wheel's hub are all you need to start the thing turning in a two mph breeze. And those narrow blades are also all you need to catch every bit of air that moves through the wheel's diameter when the wind blows 20 mph. They'll do it better than all those sails on a water-pumping windmill's fan too. A three-bladed windplant propeller may develop between six and eight horsepower in an 18 mph wind, while an ordinary windmill wheel of the same diameter sitting right beside it won't produce much over two.

Plowboy. How long did you experiment with the old water-pumping windmill fans before you gave up on them?

Jacobs. Well, we messed around for three years or so. We even made a governor that turned every one of the blades—to feather them—on such a wheel . . . but there were just too many other factors working against the design. To put it very simply: If you can catch all the wind that moves through a certain diameter with three blades, there's no need to have fifty of them hanging out there. The extras just get in the way.

Plowboy. But why *three?* Why not two blades? Or four?

Jacobs. We tried them. We tried those other numbers. See, I learned to fly in 1926 or '27 and that gave me the idea that an airplane-type propeller was what we wanted. Most of those props, of course had only two blades so that's what we used.

Plowboy. You took one right off an airplane?

Jacobs. They didn't have the right pitch. But we made some windplant propellers that were quite similar to the ones used on aircraft. We didn't stay with them long, though. I discovered—very early in the game—that a two-bladed propeller has vibration problems that a prop with three blades doesn't have.

Plowboy. But we're still using two-bladers on airplanes!

Jacobs. Not always. When Curtiss-Wright developed some of that company's first really big engines at the start of World War Two, they found that the powerplants tore themselves right out of their mounts when the planes were kicked into an abrupt turn. I won't go into a long, confusing explanation of why this happens. It's enough to say that the Curtiss-Wright engineers and test pilots wrecked a bunch of aircraft before they finally solved the problem by going to three-bladed propellers . . . something I had done years earlier with my windplants.

See, this potentially destructive situation always exists with propellers that have two blades. It's always there but most of the time it doesn't give airplanes any trouble. I mean . . . when you make a turn with a plane, how large a curve do you usually fly? A quarter mile? Half mile? That's not nearly sharp enough to cause a problem. But a windplant supported in its center on a bearing whips right around, doesn't it? There just isn't any way to make a two-bladed wheel hold up on a windplant. Sooner or later—and probably sooner—it'll snap off at the hub . . . or one of the blades will let go.

Plowboy. But a three-blader won't.

Jacobs. No.

Plowboy. OK. Why wouldn't four blades be better yet?

Jacobs. Well, there'd be no object in going to four.

Look. It doesn't matter if you have one blade or a dozen . . . if you design them right you can make that wheel catch all the wind that comes through it. You can stand behind those spinning blades and strike a match and it'll hardly blow out. You're catching all the wind, you see, and slowing it down and changing its direction. One blade is just as good as four or five or more.

The only trouble with one blade, however, is that you can't balance it . . . and two blades have the vibration problem I've mentioned. A wheel with three blades nicely solves both these problems and you'd be foolish to add any more.

Plowboy. Why?

Jacobs. Because the tips of that wheel are moving through the air at 125 mph and every time you put on another tip you're adding unnecessary drag. It takes a lot of enregy to push something through the air at 125 mph, you know. That's a waste of power.

There's another factor involved too. We wanted our windplants—which had 15-foot-diameter propellers—to develop their maximum charging rates in a wind of, say, 20 mph . . . but we didn't want their tip speed to exceed 125 mph. A three-bladed prop met these requirements admirably.

Plowboy. All right. This takes us up to about 1927. What happened next?

Jacobs. Well, once we had the propeller design worked out, we still had two main problems: speed and pressure. If you want to get as much power as you can from a light breeze, you've got to have a propeller of large diameter. But when you have a large diameter, you've also got something you can't control in a high wind. You need some way to regulate your propeller's speed and you want to be able to take the pressure of the wind off your blades during a real gale.

So I developed the fly-ball governor. I mounted weights on the hubs of our propellers so the centrifugal force of higher speeds would twist all three blades identically, see, and change their pitch. This automatically feathered the propellers in high winds. It both slowed them down and relieved the pressure against them.

Plowboy. There's another kind of governor, you know . . . made by the Zenith Corporation.

Jacobs. They call that a governor! It's like holding the throttle down on your car while you step on the brakes to slow down! Their blade is fixed, you see, and when you apply a brake out here the way they do, you only slow down the propeller. You don't relieve the pressure of the wind blowing against those blades. I've replaced hundreds of those windplants when storms just pushed their blades right into the towers.

Plowboy. Your plants never had that trouble?

Jacobs. Never. We set the centrifugal controls so our blades couldn't receive more than the pressure for which they were rated. We've had winds of more than a hundred miles an hour on our plants down there at the South Pole. No problem. We've had plants scattered all over the West Indies and on the Florida Keys, and we've never had one go down in a hurricane yet.

Plowboy. Did you patent your governor . . .

Jacobs. Yes, but Curtiss-Wright stole it from me on a technicality.

Plowboy. . . . and did you start putting it on windplants?

Jacobs. Oh yes. We built about 20 or 25 plants out there in Montana from 1927 to 1931. They all had our new propellers and governors on them and we sold them to ranchers in the area.

Plowboy. What did you use for generators?

Jacobs. We bought our generators from Robbins and Myers and we built both 32- and 110-volt DC systems. I think we got our towers from the Challenge Windmill Company in Batavia, Illinois. The towers, you know, were actually meant for water-pumping windmills. Nobody else was making windplants. We invented the business in North America . . . I guess the world. A few others were playing around with ideas but we were the first to manufacture a practical machine.

In 1931 we sold our ranch holdings—my brother was with me at the time—and I formed a Montana corporation, sold stock and really set up to make windplants. Later, of course, I moved the operation to Minneapolis.

Plowboy. Did you go right into production on an assembly line basis back there in 1931?

Jacobs. No, we spent about a year or better designing and building a big generator. There wasn't one available at that time that would produce 2,000 watts of power at our working range of 225 rpm. You couldn't buy one anywhere, so we designed and built one just for our propeller.

Now this was quite important for a couple of reasons: Number one, there's a lot more to good propeller design than most people realize and, number two, the best propeller in the world isn't worth much if the generator it turns isn't exactly matched to the prop.

See, the whole idea of high-speed propeller design is to throw the wind that hits the blades . . . the whole idea is to throw it out quickly. You don't want it to drag all the way along the back of the blades. That's a tremendous amount of friction—a tremendous force—and you want to eliminate it. Sometimes a very little change—a 64th of an inch—in the curve on the back of a propeller can affect its power output a seemingly immeasurable amount.

Well, forty years ago, I designed a special machine that would let me determine just how efficient a blade design might be. I had a test stand made up that extended out two feet past the end of a propeller and at each foot along the arm we mounted a separate wind pressure gauge. We checked a lot of blades on that stand until we knew exactly how to design a propeller that was as efficient as we could make it.

Plowboy. And then you built a generator to match the prop?

Jacobs. Yes. We had to balance the generator's load to match the efficiency of the propeller. If your blades work best at a certain rpm in a 7½ mph breeze, they should turn exactly twice as fast when the wind blows 15 mph, shouldn't they? They won't catch all of that 15 mph wind unless they do, will they?

OK. The trick is to design the generator so that its load increases just fast enough to allow the propeller to double its rpm as the force of the wind doubles. And that's what we did . . . right up to the top speed we wanted, which was 18–20 mph.

Now this wasn't easy, because a conventional generator doubles its output when its speed increases by only something like 25%. Obviously that wasn't a very good match for our propeller . . . so we tried several things until we finally came up with a special alloy for the field poles in the generator. We finally got a combination that made the load of the generator fit the output power curve of the propeller over the entire range of windspeeds up to 22, –3 or –4 miles an hour . . . where the blades were set to feather out.

It was a lot of trouble, but it was worth it. Wincharger, for instance, didn't take the time to balance the components of its plant in this manner and that unit was only one-third as efficient as ours at higher windspeeds.

Plowboy. Wow. You really took pains to design and build the best possible windplant, didn't you?

Jacobs. Oh yes. I've only told you a part of it. We came up with our own special brushes in the generator, you know.

It's not too hard to set up a big DC generator and run it with a stationary engine, see, because you've got a fixed speed of operation and you can adjust everything so it's working the best for that rate of output. Now I'm particularly thinking of the commuter arm and its brushes which slide from one wound coil to another inside the generator. Every time those brushes move from coil to coil, you know they want to throw a spark. When you break DC you get an arc . . . and those flashes will bum little rust spots on the commutator and then it'll just grind the brushes off in a matter of months.

What you look for, of course, is the neutral zone . . . the one small area where your brushes will throw the least spark as they leave one coil and go to the next. This isn't too hard to find and when you've got a fixed speed on your engine and generator you can set everything just right to make use of it.

A windplant isn't like that, though. It's set to kick its generator into operation at about 125 rpm and it reaches full output—3,000 watts or whatever—up around 225 rpm. Now that's OK . . . but everytime the rpm varies—and it can change a thousand times a day—the neutral zone shifts. No matter how you adjust your commutator, then, your windplant's brushes are going to be set to throw a much bigger spark than you'd like as they move from coil to coil during the greater part of the plant's operation.

Everyone in the business faced this problem, of course, but none of the others ever licked it. We did. I developed a brush made up of a layer of graphite, then carbon, then graphite, then carbon. This gave us a brush with a high cross-section resistance. The DC current would practically quit flowing before the brush made its jump from one coil to the next and that was just what we wanted.

We tried to get National Carbon to make these special brushes for us but they weren't even interested enough to send a man out to see us. Stackpole couldn't understand what we wanted either but they did build the brushes to our specifications and that licked the commutation problem. We've had plants run ten or fifteen years on their orginal set of brushes. That's unusual. Ask anyone who's operated other manufacturers' windplants.

Plowboy. Didn't you also make some noteworthy breakthroughs in the way you regulated the voltage of your units?

Jacobs. Yes. That's another tough situation you have to face with DC. To change the irregular power generated by the wind into a steady flow of current for use, you have to go through batteries. The only trouble is that you can't let your generator feed the same amount of electrical energy to the batteries all the time or you'll burn the storage cells out. As a charge is built in a battery—as the battery becomes more nearly "full"—you want to charge it at a slower and slower rate.

Well, Wincharger and all the others tried this and that but they never came up with the voltage regulators and cutoffs they needed to solve the problem. That's why you always had to get up at two o'clock in the morning or some other unhandy hour and shut those plants off to keep them from burning out their storage banks.

We had the only windplant that didn't have this trouble because ours was the only one which was completely voltage regulated. Our control—we called it the Master Mind—inserted a resistance into the generator fields to weaken their output as the batteries filled up.

Now that was a problem in itself because the Master Mind contained a set of points that had to open and close thousands of times a week. This meant thousands of arcs and flashes. Eventually the points would stick and make the generator begin to run like a motor as soon as the wind died down. That wasn't good, you know, because it would soon drain all the energy stored in the batteries.

We licked that one by developing what we called our "reverse current relay". We ran a little bit of direct current—opposite in polarity to the main flow—right back through the points to make them open with one quick flash instead of just hang there, floating, until they'd burned themselves out. It was a little shunt circuit, actually, that opened and closed the main cutoff with one clean action just when we wanted it to.

Plowboy. How long did it take you to figure all this out?

Jacobs. Well, from the time we started fooling with windplants . . . about ten years. Our most important work was done in less than two years . . . from 1931 to 1933. By '33 or '34 we were in pretty good swing. We came up with a few improvements as we went along, of course . . . but after 1936 or '37 we ran for 20 years without making any basic changes in our design.

Plowboy. I suppose you brought in an expert from time to time for consultation.

Jacobs. No, because back then there weren't any experts on slow-speed electrical generation. There were no experts on voltage regulation and nobody had ever heard of making an airplane-type propeller for a generator. There were no books on the subject . . . nothing to go by. I developed my own expertise. When you have a problem, you know, you just stick with it until you find a solution. That's how I would up with more than 25 patents. Every one of those patents represents a problem that we solved.

Plowboy. Well it seems that there's more than just problem solving involved here. People who know say that yours are still absolutely the finest windplants ever manufactured by anybody anywhere in the world. You must have had strong feelings about the quality of any equipment that bore your name.

Jacobs. Oh sure. I'm kind of a freak, see. I want things to work forever. I built my plants to last a lifetime.

I've had battles with manufacturers all my life. When I started looking for bearings to put in our windplants, I found out that what the companies that made them called "permanent" . . . would last about two years. The bearings themselves were very pretty good, see, but the seals around the races would dry out and let the grease inside get away after a few years. What I did was take some of the bearings used in the rear axle of a car, mount them in a special compartment with a special lubricant and then put my own seal over them. They'll last 20 years that way . . . and 20 years is closer to a lifetime than two.

We've had plants that have run 25 years with no lubrication. I talked to a rancher out in New Mexico last July and he's been using his for *over* 25. He's still using it and he's never done much more than climb up once a year and tighten a few bolts and whatnot.

The brushes on most windplants, as you know, go out all the time. They don't last long at all. Well I got a letter about a year ago from a mission in Africa. The people there bought their plant in 1936 and that letter was their first order for replacement brushes. They've used the generator all that time. Same thing with our blades.

Plowboy. Yes! I wanted to get to that. Tell me about the construction of your propellers. Did you make them of metal?

Jacobs. Oh, no. Solid metal—even aluminum—would have been too heavy. Too much centrifugal force. The more flywheel effect you get, see, the more trouble you have shifting the plant around and that means more strain on all the component parts.

We did stamp out some hollow aluminum blades once, but they weren't at all satisfactory in the north country. They had a tendency to sweat. Frost would form on their insides and throw them out of balance . . . and that could shake a plant completely apart.

No. Our old standby was aircraft-quality, vertical grain spruce. Sitka spruce from the West Coast. I used to go out and select the lumber personally and have carloads of it shipped back to the factory. During the war, I had a little trouble getting the quality I wanted.

Plowboy. And how did you turn the raw lumber into blades?

Jacobs. We rough-cut the airfoils first—from 2 X 8 planks—on a special machine. Then we put them aside in the kiln-dry rooms for several weeks to make sure they were completely set and weren't going to warp. After that we made our final cuts.

Plowboy. Did you hand-sand them?

Jacobs. No, we had a great big sanding machine that worked down both sides of a blade. It was set up like a planer or a duplicating lathe, you know. You clamped your raw blade into mounts on one side and then you ran a set of feeler rollers over a perfectly finished blade that was always mounted on the other side. This guided the application of power sanders to the unfinished airfoil . . . and you could smooth it right down to the exact contours of the master very quickly, easily and automatically this way.

Plowboy. How did you finish the blades?

Jacobs. With an asphalt-base, aluminum paint.

Plowboy. And that's all?

Jacobs. That's all they needed. Propellers we built 25 or more years ago are still going strong.

Plowboy. I notice that you never put a brake on your plants.

Jacobs. No, our tail vane was enough. We had it hinged so we could lock it straight behind the generator or swung away off to the side. It would remain streamlined to the wind either way, of course, so when it was in the second position it pulled the generator and propeller right around edgeways to the moving air. This took most of the wind off the blades and they'd sit up there and just idle during violent storms.

Plowboy. But other manufacturers could swing the tail vanes on their machines to the side too.

Jacobs. Yes, but most of them did it the wrong way. They fastened the vane straight behind the generator with springs and you had to use a line from the ground to pull it around to the side. If that line broke during a gale, there was nothing you could do about it. The windplant would run away and tear itself all to pieces . . . unless you had a brake that you could apply . . . and brakes, for some other reasons, weren't a good idea either.

We set our spring up the other way, see. It always wanted to hold the vane to the side and you had to use a line to pull the tail straight back. This way, if the line broke, the vane would pull the propeller around and make it idle. Ours was designed to protect itself if anything went wrong.

Plowboy. So you never used a brake?

Jacobs. We tested some when we were still experimenting out in Montana, and very quickly found that they're a source of trouble. The brake bands freeze up and you have to climb the tower with a hammer and knock them loose. Besides that, it's not very smart to completely stop a windplant propeller. The ice mostly freezes on the lowest blade and that'll wreck your plant if you turn it loose. It's much better to let the propeller swing around a little bit during a winter storm. What ice or frost it collects will be distributed evenly that way and won't give you any trouble.

Plowboy. Fantastic. You really checked out all the angles, didn't you? What did this translate to in business?

Jacobs. Oh, I don't know exactly. We must have built about 50 million dollars worth of plants in 25 years.

Plowboy. Wow! What was your biggest year?

Jacobs. I can't remember . . . but I think we had 260 employees at one time. We could produce eight to ten plants a day working one shift and during the war we ran three. We ran around the clock in Minneapolis and I even bought another factory in Iowa and ran it for a few years. We didn't build windplants out there but we manufactured similar equipment . . . electrical and magnetic hardware for the Army and Navy. Gear that protected our ships from the Germans' magnetic mines . . . stuff like that.

Plowboy. I've heard you once came up with another protective device. Something to do with pipelines.

Jacobs. Yes, I'm quite proud—I'd say justifiably so—of the cathodic protection system I devised in 1933. I don't know if you're familiar with the problem or not, but when you put big pieces of metal in the ground—things like pipelines—they just waste away. They don't rust . . . but the metal is carried into the dirt by electrolysis. It's just eaten up and carried away. The earth, in effect, is electroplated at the expense of the pipeline.

I found that this action can be stopped by putting a little negative direct current—only 3/10 of a volt—on the metal and a little positive DC into the surrounding soil. This discovery has saved the pipeline companies millions upon millions of dollars. All the big bridges are now protected this way too. Every very large steel structure.

Plowboy. Have you developed anything else that the ordinary individual would find more directly related to your windplants?

Jacobs. Well we used to sell everything you'd need on the ranch—fans, motors, electric irons, toasters, percolators, freezers, refrigerators, whatever—all built to run on 32-volt DC. Hamilton Beach manufactured them for me to my specifications. I even had a freezer that was so well insulated you could unplug it and it would keep ice cream frozen for four or five days. All this equipment could be powered by our windplants, of course.

Plowboy. Do you think those days will ever come back? What future do you see for windplants?

Jacobs. There'll always be a small, scattered market for individual plants—especially in the more remote areas of the world—but the Rural Electrification Administration has pretty well killed the demand for self-contained DC systems in this country. AC is just too readily available everywhere. Alternating current is all over the place . . . often at artificially low prices. That's a tough combination to beat and I quit trying to fight it in the 50's. I could see the handwriting on the wall back around '52, '53, '54 . . . and we closed the factory in 1956.

Plowboy. But conditions *are* changing. There *is* an energy crisis now, you know. The AC is going to get more and more expensive and we're going to have to tap some power sources—such as the wind—that we haven't really thought a lot about in the past.

Jacobs. Yes, but I still feel that the individual DC plant is largely a thing of the past. If I were building windplants today, I'd go AC. And I wouldn't concentrate on the small units . . . I'd think about larger ones that could feed directly into the distribution grid that's already set up.

As a matter of fact, I proposed just that idea to Congress in 1952. The power companies, you know, already have a great number of steel towers set up to carry their transmission lines across the country. I added to this the fact that AC generators require almost no maintenance at all . . . and I came up with an idea: Put windplants right on top of the towers.

Pick a stretch—I took Minneapolis to Great Falls for an example—and install a thousand AC windplants on the towers in between. It doesn't matter what the wind does, at least some of the generators will be producing all the time. Just let 'em feed supplemental power into the grid whenever the wind blows.

The beautiful part of this plan is the fact that the wind blows strongest and most steadily when we need it most . . . in the winter. I've talked to the men who manage the power grid and they tell me electric heat has become so popular that they're now forced to keep thousands of dollars' worth of standby diesels on hand . . . just to handle the winter overload.

Plowboy. OK. But let's say that someone who reads this doesn't agree with you. Let's say he wants to go into business right now manufacturing essentially the same windplant you produced for 25 years. What happened to your old dies, the old tools? What about your patents?

Jacobs. The equipment is all gone. I stopped in at the factory a while back and it's used for something else now. None of the original setup is there at all. As for the patents . . . quite a few are public property now.

Plowboy. All right. Let's get even more basic. What if an individual wants to go out and build his own windplant the way you put your first ones together . . . with materials he finds in junkyards and other odds and ends?

Jacobs. Well I haven't been active in the field for 15 or 18 years now. There's a lot of new stuff I'm not familiar with . . . but I'd say that some of the AC generators and the rectifiers now available should make that pretty easy.

Plowboy. You're not actively engaged in windplant work of any kind at this time?

Jacobs. No, I have other interests now.

Plowboy. You mean you don't think about wind-driven generators at all?

Jacobs. Well . . . I did buy one of my old plants out in New Mexico this summer . . . and I've still got quite an assortment of DC equipment and appliances packed away. I'm doing it mostly for my son, you know . . . but I imagine I'm going to have a little fun setting that windplant up and running it this winter.

DEVELOPMENTS IN GREECE

Mr. KENNEDY. Mr. President, in the few short days since the Greek military junta invited Constantine Karamanlis to assume the office of Premier, he has acted swiftly and surely to begin restoring democracy and human liberties to his troubled nation. He has restored freedom of speech and of the press—the irreducible requirements of democracy. He has released political prisoners, restored Greek citizenship to people who had opposed the old regime, reinstated the Greek constitution, and promised free elections.

These are all constructive and welcome steps that create real hopes that the long night of oppression in Greece will at last be over. Yet the days ahead will be difficult ones for Mr. Karamanlis and for other men and women of democratic belief. The institutions and practices of a free nation cannot be revived overnight; attitudes of cooperation cannot be taken for granted in a nation ruled by an iron fist for most of a decade; the give and take of politics within agreed limits cannot emerge without a period of growing pains.

In this difficult period, Mr. Karamanlis—and other Greek democrats—will need the help and encouragement of people in other countries who are concerned about the freedom of Greece and the renewal of its free institutions and liberties. In the United States, where our Government helped keep in power the military junta that has now been replaced, we bear a special responsibility for encouraging these hopeful developments. I know that my colleagues here in the Senate join me in wishing Mr. Karamanlis well in his efforts. And I urge the administration to act positively in support of Greek democracy.

Mr. President, the New York Times has written a thoughtful editorial on developments in Greece. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, Aug. 5, 1974]

Good Start in Greece

In less than two weeks, Constantine Caramanlis and the wide spectrum of democratic forces supporting his Government of National Unity have transformed the political climate in Greece. Mr. Caramanlis is no miracle worker, but—given the political realities in Greece after seven years of military dictatorship, plus the Cyprus crisis—it is difficult to see how the 67-year-old Premier could have progressed any more rapidly toward the restoration of national consensus, freedom and political democracy.

Mr. Caramanlis immediately restored freedom of speech and of the press. He decreed a sweeping political amnesty, releasing thousands who had been jailed and often tortured by the military police. And he restored the citizenship of eminent Greeks who had been stripped of rights for speaking or acting against the corrupt and repressive military regime.

Returning to Greece after eleven years in exile, he was able in a remarkably short time to construct a Cabinet of experienced, qualified ministers representing most democratic tendencies from moderate left to moderate right and including fresh talent that had been imprisoned or exiled by the military rulers. By way of emphasizing the exodus of the armed forces from power, he named as Defense Minister a veteran civilian politician and foe of the fallen junta, former Foreign Minister Evanghelos Averoff.

Mr. Caramanlis has also reinstated Greece's 1952 Constitution, scrapping the junta's 1968 document which attempted to entrench the armed forces in a permanent position of decisive political power, beyond the control of any civilian government. He has reassigned some of the most dubious personnel from the former junta to remote posts far from Athens headquarters.

What Mr. Caramanlis has thus far refused to do is to take drastic punitive action against the officers who overthrew the legitimate Government in 1967 or even against those responsible for the persecutions and torture over the seven years of the dictatorship. The necessity for maintaining as much armed forces unity as possible in light of the Cyprus crisis is probably a factor in the Premier's hesitation on this matter.

Even many Greeks imprisoned or exiled by the junta believe, however, that the armed forces will clean their own house, thoroughly and quite promptly, if they are not subjected to wholesale humiliation for the junta's excesses. The decisive pressure for the withdrawal of Brigadier Ioannides and his henchmen and for the invitation to Mr. Caramanlis to restore civilian rule came, after all, from within the Army.

Senior officers, acutely embarrassed by the repression, might have overthrown the junta at various times during the last seven years had they not been persuaded that its continuation in power was favored by the United States. The report that Washington has now instructed its agencies, including the C.I.A., to keep hands off Greek politics is as welcome as it is overdue.

So far, Mr. Caramanlis's performance—even including his refusal to deal peremptorily with junta leaders and his postponement of any decision on the future of King Constantine and the monarchy—has enjoyed broad support. The only major dissenting voice has been that of Andreas Papandreou, son of the late Prime Minister, who has moved steadily leftward in his years of exile.

Mr. Papandreou will run great risk if he launches all-out political war on the Government of National Unity. There is no reason to doubt that Mr. Caramanlis will make good his pledge to hold free elections, probably within six months, and restore parliamentary democracy at the earliest feasible moment.

Only a return to the bitter political warfare that helped bring on the 1967 coup, or the continuation of Turkey's reckless expansion on Cyprus, would be likely to disrupt the Caramanlis timetable and risk new political intervention by Greece's armed forces. Her allies must make every effort to persuade Turkey to be reasonable. Only Mr. Papandreou can decide if he also will be reasonable.

THE SPACE PROGRAM

Mr. HRUSKA. Mr. President, the advance of technology in this country during the past two decades has been a very remarkable story. Chief among the many technological feats has been the development and progress of the space program.

We have witnessed many breakthroughs in the field of science as a result of the resourceful use of our technology which has taken us to the outer reaches of space. One of the most outstanding achievements in this area has been the development of a system to help us live a better life on earth.

On July 23, 1972, the National Aeronautics and Space Administration—NASA—launched the Earth resources technology satellite—ERTS—to provide high-quality photographs of the earth. The satellite was launched to determine if the resource of the Earth could be inventoried using photographs and other data taken from nearly 600 miles in space. Photographs taken from the orbiting satellite allow scientists to make rapid calculations of the amount and condition of large land areas. This is an activity that conventional surveillance methods prohibited because of physical limitations.

The program has proved to be very successful.

On August 7, 1973, I had the distinct pleasure of participating in ceremonies to dedicate the Karl E. Mundt Federal Building near Sioux Falls, S. Dak., which houses the Earth Resources Observation System—EROS—Data Center. Senator MUNDT was instrumental in seeing that the center—which is used to analyze the data obtained from ERTS and other sources—was established in the Midlands.

In the year since that dedication, the EROS Data Center has become the focal point for an increasing number of activities related to the analysis of material which can be applied to very practical uses.

For example, the photographs can be used to detect geologic structures beneath the surface of the Earth. These structures may be able to aid scientists in the search for available mineral deposits, oil and water.

These photographs can be useful in detecting blight on various types of crops. Using this information, more accurate predictions of productivity can be made. Along the same lines, vegetation density can be determined and irrigated land can be measured. In addition, various types of ground cover and plant life can be identified. This is very important in terms of predicting crop volume. On rangeland, overgrazed areas can be detected and burned areas from range fires measured and monitored for recovery. The same principle can be applied for determination of damage in wooded areas from forest fires.

Water runoff and storage and snow pack can be analyzed and the results interpreted to help prevent flooding and facilitate water management decisions.

Land development can be measured to aid in land use planning efforts and the state and quality of the environment can be determined by analysis of air and water pollution revealed in the photographs. The effects of strip mining also can be seen through the use of the ERTS cameras.

The technology that has been developed can provide our scientists with all of this—and even more—vital information. However, the key question is: "How is this data being used?" I am afraid that the answer is: "Very inefficiently."

The purpose of this technology is to aid man. But unless some changes are made, the valuable information that is being provided by ERTS and other Earth-monitoring sources will not be used to its full potential. The mission of the EROS Data Center in Sioux Falls is to process and disseminate this material. However, the timeliness of the information is all-important in many cases. Floods can be prevented, crops saved or fires put out if the situations in which they exist are discovered in time.

Currently, the EROS Data Center has no equipment to receive transmissions from ERTS or other Earth-surveillance systems. The EROS people "borrow" three NASA receiving stations in Maryland, California and Alaska, which are also being used for other programs. Incredibly, in this day of instant communications, the processed data from the satellite is sent by mail to Sioux Falls. It is ironic that material photographed and sent back to Earth by a complex electronic system arrives at its destination in South Dakota like any other piece of mail. Millions of dollars have gone into the development and perfection of the ERTS and the EROS, but much of their effectiveness is lost because of delays. Because of the extraordinary load upon the present reception and processing system, not all of the data relayed from the satellite is made available to those who need it. Currently, as long as 3 months can elapse from the time the information is sent from the satellite to the time it is ready for dissemination by the data center. Of course, by this time, some of the material is outdated and useless.

Clearly, then, there is need for corrective action to make the whole process a viable, beneficial operation.

The consequences of full utilization of these technological resources can be very significant. Using information provided by the ERTS and processed by the EROS, the rising overhead costs of producing food can be reduced. With advanced knowledge of soil conditions, water supplies and other physical factors affecting crop production, our Nation's farmers certainly will be much better prepared to realize maximum benefits. Reduced costs to farmers should in turn mean lower prices for consumers at the supermarket. Everyone should be able to realize a better return for money invested.

Likewise, this Nation is engaged in a program to increase farm production to assure not only that Americans receive the food they need, but also that the ever-rising demands from the rest of the world for our agricultural products are met.

Agriculture exports for this year are expected to exceed $20 billion. But this record level may have to be increased even more to help offset possible balance-of-payments deficits brought on by our need for foreign aid. The Treasury Department estimates that the United States will pay a record $25 billion for the oil it imports this year.

By utilizing the technological resources available—including the ERTS and the EROS—this country has the capability to produce even greater amounts of grain and other food products to sell to the world.

To help realize these potentials, it is my belief that the role of the EROS Data Center must be upgraded during the next few years.

Although the Appropriations Committee has recommended that the appropriation for the EROS for fiscal year 1975 be maintained at the fiscal year 1974 operating level, I feel that an increased amount of operating funds for the EROS Data Center be made available beginning with the next fiscal year.

Accordingly, I am bringing this proposal to the attention of the Department of the Interior, NASA and the Office of Management and Budget for their early and favorable consideration as the budget estimates for fiscal year 1976 are being prepared. I earnestly commend it to them as a very necessary project for the future development of our technological and natural resources.

It is my estimate that the data center in Sioux Falls would need approximately $45 million over the next 3 fiscal years to realize its potential capabilities. This would include funds for increased personnel, construction of an ERTS receiving and processing station, and a general upgrading of its capability to supply data to users, decrease delivery time and provide data in more usable and suitable forms for interpretation.

I realize this is a large amount of money, but it is a small price to pay for the potential benefit that will result for our great Nation. We have invested billions of dollars to bring the world into the space age. We should not be hesitant to invest a little more so that man may utilize the resources available to him.

PRIME MINISTER RABIN

Mr. HARTKE. Mr. President, on June 3, 1974, the new Prime Minister of Israel brought to the Knesset—the Israeli Parliament—a new government to lead Israel through the delicate negotiations being conducted in the Middle East to determine the road millions of people shall pursue.

In personality, training and interests, Prime Minister Yitzhak Rabin belongs to the generation whose task it has been first to win and later to defend Israel's freedom. He was born in Jerusalem in 1922, the son of American pioneer Zionists, and pursued a course of study preparing him for a career of pioneer farming.

After graduation with honors from the Kadoorie agricultural school in Lower Gallee, he enlisted in the palmach, a unit of the Israeli Army, to fulfill his defense service. This period was to last for 27 years, rising from underground fighter to Chief of Staff of the Israel Defense Forces and Commander of the Israel Army in the 6-day war. It was then that he was appointed Ambassador Extraordinary and Plenipotentiary to the United States.

Mr. President, the agreements reached in the Middle East are a first and necessary step to the pursuit of peace and prosperity for all the peoples of that area. We in the U.S. Congress who have insisted upon the free communication of principles among the parties while assuring our Israeli friends military adequacy, see now the beginning of mutual understanding between neighbors.

The Rabin approach to settlement of the differences between Israel and her neighbors is the early settlement of differences between Israel and Egypt. With the improvement of relations between Israel and Egypt as a guide, other relations throughout the Middle East would develop through bilateral communication and agreement with multilateral consideration of principles.

Mr. President, I ask unanimous consent to have an article by columnist Crosby S. Noyes, entitled "The Rabin Approach," which appeared in the Washington Star-News, printed in the RECORD following my remarks, and also ask unanimous consent that excerpts of Prime Minister Rabin's remarks of June 3, 1974, to the Israeli Knesset, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE RABIN APPROACH

(By Crosby S. Noyes)

If Israel's new prime minister, Yitzhak Rabin means what he says, the Middle East peace negotiations will be not only much longer but also quite different than had been generally expected.

What had been expected, following agreement on troop separations between Israel, Egypt and Syria, was the opening of a full-scale peace conference in Geneva in a few weeks or months. The conference would be presided over by the United States and the Soviet Union as joint chairmen. It would be attended by all parties to the conflict—including, presumably some form of representation for the Palestinian Arabs.

Rabin, in his opening address to the Israeli parliament last week, saw things rather differently. The next stage on the road to peace, he said, must be between Egypt and Israel. What Rabin evidently foresaw were essentially bilateral negotiations—perhaps conducted through an intermediary—leading to a further Israeli withdrawal in the Sinai, new agreements on the demilitarization of the area and, ultimately, a full settlement.

The rest, Rabin strongly implied, could come later—perhaps much later. Instead of a single big package-deal to be worked out in the international forum at Geneva, Israel clearly prefers to cope with one problem at a time, starting with the easiest. As for Syria, the new prime minister said, "there is no place for an interim stage," and he doubted "whether Syria is ready to sign a peace treaty with Israel." The same quite evidently applies to the other thorny problems of the area.

This piecemeal approach to a general settlement makes very good sense from the point of view of the Israelis—and perhaps of the Egyptians as well. The Israelis are prepared to return most, if not all, of the Sinai to Egypt as long as the Egyptian army does not reoccupy it. Egyptian President Anwar Sadat gives the impression of being genuinely anxious for a settlement with Israel in order to devote his energies to Egypt's pressing internal problems.

For its part, the United States has long been convinced that an improvement in relations between Israel and Egypt is the key to eventual peace in the Middle East. If both countries see it to their mutual advantage to settle their differences, the danger of a new large-scale war would virtually disappear.

If a solid agreement between Israel and Egypt could be worked out, other problems which now seem completely intractable might ultimately yield to negotiated solutions. Adamant positions now held by all parties on such issues as the Golan Heights, Jerusalem and the solution of the Palestinian problem could change in the context of a permanent and internationally guaranteed peace settlement.

There is, in fact, only one flaw to the Egypt-first, piecemeal approach to an overall settlement favored by the Israelis, and it is a very large flaw. The strategy is certain to be bitterly resisted by other Arab governments and groups—notably the Syrians and Palestinians—and also quite possibly by Sadat himself.

No matter how much the Egyptian president may wish to reach agreements with Israel, he will be under tremendous pressure from the rest of his Arab brethren to make any deals contingent on the solution of other problems, including emphatically Jerusalem and the Palestinians. Any attempt to untie the big package and deal with its component parts separately will be denounced loudly and promptly as a betrayal of the Arab cause.

This will be particularly true of any negotiations conducted within the framework of the Geneva peace conference. In that conspicuous setting, the possibility of any serious negotiations will be minimal and the temptation for making propaganda speeches irresistible. And with the Russians taking an active role in the proceedings, the chances of the kind of honest brokerings that Henry Kissinger specializes in will become exceedingly remote.

Given this prospect, there is at least room to doubt that the much-heralded peace conference will ever get under way, or that if it does, it will provide a forum for genuine negotiations. Israel's suggestion for quiet, bilateral bargaining makes more sense, if some means can be found to overcome the Arabs' suspicions of each other.

EXCERPTS FROM AN ADDRESS BY PRIME MINISTER YITZHAK RABIN

The Separation of Forces Agreement with Syria is a further stage in the transition from war to pacification in our region. The Separation of Forces Agreement with Egypt has been carried out so far to the complete satisfaction of Israel. We all hope that the Separation of Forces Agreement with Syria will be carried out in a similar fashion.

OUR TASKS

The following tasks will occupy a central place in our lives.

(a) To safeguard Israel's security, to foster the strength and power of the IDF and to strive constantly and persistently for a true peace.

(b) To build a modern, just, free and independent society living a dynamic and culturally rich life in a stable democratic system, with every effort to involve the younger generation in decisions and responsibility.

(c) To ensure social welfare through the application of a special effort by the community for the advancement of those strata still in distress.

(d) To increase immigration and improve absorption methods in the effort to stimulate tens of thousands of Jews from all countries of the Diaspors to settle in Israel; a constant endeavor to forge closer ties with world Jewry.

(e) To make incessant efforts to consolidate and develop the economy.

(f) To strengthen our international position and the establishment of closer relationships with the nations of the world, first and foremost with the United States.

SAFEGUARDING SECURITY

The maintenance of the strength and power of the IDF is the guarantee of our security. Even when we did not succeed in deterring our enemies from war, the IDF showed the strength to defeat the aggressors on the battlefield.

The new government will do all in its power to foster the army and increase the quantity and the quality of its armaments, with new types of equipment, so that it may be ready for any test.

OUR EFFORTS TOWARD PEACE

The aspiration for peace has guided, and will continue to guide, the policy of the government. Twenty-six years of war have not in any way altered our view of peace with our neighbors as a central goal of our policy. In the future we will continue to strive to reveal every hope and every spark of hope for the advancement of peace. Our policy is clear. We prefer peace to new military victories, a stable peace, a just peace, an honorable peace, but not peace at any price.

The Six-day War gave the State of Israel the greatest military victory in Jewish history.

But we were not intoxicated by victory. The Government of Israel was ready to attain a peace agreement with our neighbors, being prepared for territorial compromise. But this readiness met with no response. Under no circumstances will the Government of Israel agree that threats of war, international pressure and terrorist activity shall compel us to return to the situation and the conditions which existed before the Six-day War. All our efforts—from the end of the Six-day War to the Yom Kippur War—to advance toward peace came to nought.

OBSTACLES TO PEACE

Two obstacles were raised by the Arab states on the road to peace:

(a) The demand for an Israeli commitment to total withdrawal to the lines of 4 June 1967 as a pre-condition for any dialogue.

(b) Opposition to all direct negotiations between the parties, at every stage of negotiations.

The Yom Kippur War has brought about a change in this attitude of our neighbors, and only this change has made it possible to achieve the Separation of Forces Agreements.

ACHIEVING A TRUE PEACE

Israel will continue to strive for true peace. True peace is not merely a peace between diplomatic representatives, but peace between the peoples, a peace which finds expression daily, in open borders, across which contact can be established in all spheres of life.

The question arises whether such a peace can be achieved by a sudden transition from war to peace. I should like to hope and believe that this goal can be obtained. Israel will spare no effort to fulfill this aspiration. At the same time we must soberly view the harsh reality as it is. Therefore, we shall simultaneously seek a way to advance toward peace by stages, to advance toward peace through partial arrangements, which will ensure pacification of the battlefield by means of a flare-up or surprise attack. We must strive for arrangements which will create conditions under which we shall be able to test the intentions of each Arab state, whether it is really bound for peace or not.

The Government of Israel decided as far back as 1971 to examine the possibility of partial settlement with Egypt, involving limited withdrawal. And pursuant to this trend—the Separation of Forces Agreements with Egypt and Syria now should be viewed as part of a comprehensive concept, calling for progress toward peace by stages. Indeed, each of the Agreements on the Separation of Forces contains an explicit statement of a just and lasting peace in the Middle East.

THE NEXT STEP

Now that the Agreements have been signed, the question arises: What next? Where do we go from here?

The policy of the new government will be, in the first place, to watch the fulfillment of the Agreements. First of all we must examine the implementation of the military part of the Agreements, which involves scrupulous observance of the cease-fire on land, at sea and in the air, as well as the thinning-out of forces on the Syrian side, as was done in the Egyptian sector.

But we must examine no less to what degree Egypt will fulfill its intentions regarding the rehabilitation of the towns along the Suez Canal and the opening of the Canal to international navigation. We must also examine Syria's actions: Will she bring back the population of the villages in the salient and in Kuneitra in order that they may become peaceful civilian settlements, living in peace alongside our settlements on the Golan Heights? Only when we are really convinced that Egypt and Syria are intent on full observance of the Separation of Forces Agreement will the chances for continued dialogue toward peace increase.

EGYPT IS THE KEY

Through the years of the State of Israel's existence, it has been proven that the key to proceeding towards war or advancing towards peace lies in the policy of the Arab states towards Israel.

First and foremost, the issue depends on the attitude of Egypt, as the foremost country in the Arab world. There has been no war between the Arab states and Israel in which Egypt was not directly involved. There has been no termination of a war without Egypt being the one to decide on its cessation. Thus was it in the War of Independence, in the Sinai Campaign, in the Six-day War, and this is what happened during and after the Yom Kippur War.

Had Egypt not agreed to a cease-fire, had she not signed the six-point Agreement, sent her representatives to the Geneva Conference and signed the Separation of Forces Agreement, we would not have had an agreement on Separation of Forces with Syria. It follows that the next stage on the road to peace must be between Egypt and Israel.

BILATERAL ARRANGEMENTS

Israel's agreement to participate in the Geneva peace conference was based on the assumption that at this conference the foundation would be laid for arrangements between Israel and each of her neighbors. The issues in dispute between Israel and each of her neighbors are different. Each arrangement must be on a bilateral basis. Each arrangement must be founded on the undertaking of explicit mutual commitments between Egypt and Israel, between Syria and Israel, between Jordan and Israel, and between Lebanon and Israel. There is no place for any further element constituting a party to the negotiations for peace.

With regard to relations between Egypt and Israel, two possibilities are discernible:

The first—transition from a state of Separation of Forces to a contractual peace for the elimination, once and for all, of the war and the conclusion of true peace between our peoples and countries.

The second—proceeding to a further stage on the road towards peace, whereby Egypt will forego maintenance of the state of belligerency.

SYRIA

As for Syria, after attainment of the Separation of Forces Agreement and its implementation to the letter, there is no place for an interim stage. Once we achieve further progress in a settlement with Egypt, the question will arise whether Syria is indeed ready to sign a peace treaty with Israel, and it is essential that the leaders of the neighboring countries realize that Israel is entitled to defensible borders. Israel will not return—even within the context of a peace treaty—to the 4 June 1967 lines. These lines are not defensible borders, and they constitute a temptation for aggression against us, as has been proven in the past.

JORDAN

We shall be prepared to discuss with the Government of Jordan the problems between us. We are interested in concluding peace negotiations with Jordan. We aim at a peace treaty with Jordan which will be founded on the existence of the two independent States: Israel with United Jerusalem as its capital and an Arab State to the east of Israel. In the neighboring Jordanian-Palestinian state, the independent identity of the Palestinian and Jordanian Arabs can find expression in peace and good-neighborliness with Israel. Israel rejects the establishment of a further separate Arab state west of the Jordan.

During the discussions on the establishment of the outgoing government, the question arose as to how the government should act if, after negotiations with Jordan, the hour of decision should arrive. The answer to this question was clear: the Government would conduct negotiations with Jordan and make decisions at each stage of the negotiations, but no peace treaty would be concluded with Jordan if it involved territorial concessions involving parts of Judea and Samaria before the people were consulted in new elections. This undertaking is also given by the new government.

GENEVA CONFERENCE

This conference was arranged for the holding of negotiations between the states directly involved in the question of peace in the Middle East—Egypt, Syria, Jordan and Lebanon—which border on Israel. Should it be proposed to invite any other body, such a proposal, like any other raised within the framework of the conference, would require the prior approval of all the states which have agreed to participate in the conference.

Israel rejects the invitation of representatives from the sabotage and terror organizations as participants or observers. The Government of Israel will not conduct negotiations with terrorist organizations whose declared goal is the destruction of the State of Israel.

LEBANON

Regarding Lebanon, there is no territorial dispute between us and it is easy to reach peace with her. Unfortunately, however, the Government of Lebanon is not yet ready to make peace with us.

Moreover, Lebanon has become a central base for the operations of the sabotage and terror organizations which carry out despicable acts of murder. The Government of Lebanon bears full responsibility to prevent hostile acts planned and carried out from her territory for if it does not do so the Lebanese Government will bear all the responsibility arising out of the terrorist activities originating in its territory.

Recently the Palestinian terrorist organizations have intensifield their activities—

infiltration attacks, attempts to take hostages and vile acts of murder. The declared aim to these organizations is to destroy the State of Israel, to undermine the good relations between Jews and Arabs in Israel. They are trying to create an atmosphere of fear and panic. Let the terrorists and their leaders know that this goal will not be attained, that the IDF has the strength and vigor to take bold and systematic measures against the terrorist organizations at any time or place that may be required.

NEIGHBORLY RELATIONS WITH ARABS AND DRUZE

Recent events in the north and attempted attacks by the terrorists require the government to continue to foster good neighborly relations among Jews, Arabs and Druze. The Arab and Druze population of Israel has proved its loyalty even in difficult times throughout the 26 years of the existence of the State and this deserves proper appreciation. The Government of Israel will do everything in its power to prevent the deterioration of these relations and will continue to develop a relationship of mutual trust and honor between the Jewish people and the Arabs and Druze in Israel.

RELATIONS WITH UNITED STATES

Over the last few years the friendly relations between Israel and the United States, its Presidents, leaders and people have grown firmer and stronger. The ties between us are based not only on the American ideal of justice and the ideals of peace and democracy that both our nations adhere to but also on common interests. The friendly relations have had very real results in the military economic and political strengthening of Israel.

An outstanding manifestation of these relations was the U.S. readiness to help Israel at the time of the Yom Kippur War.

Now, after attainment of the Separation of Forces Agreements with Egypt and Syria there are grounds for believing that the United States will increase its substantive aid to Israel.

SOVIET ROLE

We are in the midst of the era of detente, and if it is indeed the wish of the powers to introduce the thaw into the Middle East as well, this requires that the Soviet Union change its policy toward Israel, stop encouraging the hostility of the most extreme Arab states, avoid any move making for military escalation, and recognize Israel's right to defensible borders.

IMMIGRATION TO ISRAEL

We shall not weaken in the struggle for the liberation of those imprisoned for love of Zion and for the right of the Jews in the Soviet Union to come and settle in Israel.

We will call upon the nations of the world to support our brethren in the Soviet Union in their struggle for the right to leave. We shall act to ensure the welfare and survival of our Jewish brothers in Syria.

STRENGTHENING TIES WITH DIASPORA JEWS

The Jewish people in the Diaspora have been and will always be the State of Israel's truest ally. The Government will work to strengthen the ties between the Diaspora and Israel. We shall try to encourage Jews abroad to be involved in the experience of Israel. We shall seek ways to have them share in our thinking about the momentous problems which need to be resolved and to facilitate their investment of spiritual and not only material resources in Israel.

THE CABINET

The composition of the Cabinet I am presenting today for endorsement by the Knesset is as follows:

1. Prime Minister, Yitzhak Rabin.
2. Deputy Prime Minister and Minister for Foreign Affairs, Yigal Allon.
3. Minister of Agriculture, Aharon Uzan.
4. Minister without portfolio, Shulamit Aloni.
5. Minister of Labor, Moshe Baram.
6. Minister of Commerce and Industry, Haim Bar-Lev.
7. Minister without portfolio, Israel Galili.
8. Minister without portfolio, Gideon Hausner.
9. Minister of Police and Minister of the Interior, Shlomo Hilel.
10. Minister of Education and Culture, Aharon Yadlin.
11. Minister of Transport, Gad Yaakobi.
12. Minister of Information, Aharon Yariv.
13. Minister of Justice and Minister of Religious Affairs, Haim Yosef Zadok.
14. Minister of Tourism, Moshe Kol.
15. Minister of Health and Minister of Social Welfare, Victor Shemtov.
16. Minister of Housing, Avraham Offer.
17. Minister of Defense, Shimon Peres.
18. Minister of Finance, Yehoushua Rabinowitz.
19. Minister of Absorption, Shlomo Rozen.

The communications portfolio will be held by the Prime Minister *pro tem.* and I hope that within a short while I shall be presenting to the Knesset the Minister-designate for this portfolio.

A TIME FOR HOPE AND CONFIDENCE

Something has happened to this country since the Yom Kippur War. Even though we scored one of our greatest victories in that war, many of us have deeply troubled hearts.

This feeling is due to a combination of two factors: Unwarranted expectations that vanished in the war and the grief for the human lives lost in the campaign. We are sensitive to human life, and the war, with its dead and wounded, has had a profound effect on our lives.

But here and there were those who exploited this feeling of depression in order to increase confusion and spread weakness and perplexity, who have tried to turn legitimate differences of opinion into a dialogue of the deaf, mutual tolerance into a witch-hunt, and public debate into factionalism. Some have forgotten the ancient historic lesson that "because of causeless hatred Jerusalem was destroyed".

We must shake off our despondency. If we look about us we will see that we are not in the vale of tears. Our cause is just and our strength has increased; our full rights and our spiritual vigor have not lost their momentum.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, a perennial criticism of international agreements on human rights in general and of the Genocide Convention in particular is that such accords are violative of our basic constitutional guarantees. However, this is most assuredly not the case with respect to the Genocide Convention.

The Supreme Court in *Geoffroy* v. *Riggs* (1889) described the rather broad power to enact a treaty in the following expansive language:

> It would not be contended that it (the treaty-making power) extends so far as to authorize what the constitution forbids, or a change in the character of the government or in that of one of the states, or a cession of any portion of the territory of the latter, without its consent. But with these exceptions it is not perceived that there is any limit to the questions which can be adjusted touching on any matter which is properly the subject of negotiations with a foreign country.

The major substantive provisions of the Genocide Convention—those defining the crime, establishing the crime, prescribing the punishment, providing for the settlement of disputes, calling upon the United States to execute the treaty by appropriate legislation, providing for extradition in accordance with the laws and treaties in force—are not violative of the Constitution and have been included in principle in many of the treaties to which the United States is a party—some of them going back to the 18th century. These provisions have not only not denied our citizens any of their constitutional rights but have, in many cases, enhanced them.

Further, Mr. President, even if the articles of the Genocide Convention were, on their face, violative of the Constitution, the Supreme Court has always recognized that a treaty cannot authorize what the Constitution forbids—Reid against Covert, Missouri against Holland, and Geoffroy against Riggs. In short, the Genocide Convention provisions do not and cannot violate the Constitution.

SENATOR HANSEN'S PRAYER BREAKFAST ADDRESS

Mr. PERCY. Mr. President, during my tenure in the Senate I have found the Senate prayer breakfast meetings a valuable source of strength and the members of the group to be an inspiration.

Those of us in the group may differ completely in our political philosophies and in the direction of our priorities, but when we periodically meet together we are reminded that our common purpose here in the Senate has a goal far more meaningful than political considerations.

In fact, partisan considerations become meaningless as we study the relationship of human beings to their God. These meetings reinforce our spirituality and remind us of our place in the universe.

Early in July my friend and colleague Clifford Hansen addressed the prayer breakfast group most meaningfully. I would like to share Senator Hansen's remarks of July 10 with those Senators who were not fortunate enough to attend that meeting.

In his address, Senator Hansen talked of three concepts which are invaluable to us as we carry on our work here in the Senate. They are especially relevant now as we work toward the closing days of this Congress and as we think through our responsibilities under the Constitution at this time of trial for the President and the country.

Senator Hansen reminded us of the responsibility we lawmakers have to the needs of the citizens of this Nation.

He said:

> We should realize that the best legacy we can leave to our posterity is good government—insuring freedom and the opportunity to pursue excellence.

He also discussed the motives of political candidates and offered a harsh list of questions that we who seek public office must ask ourselves to determine that we have the interests of the people, rather than our own self-aggrandizement, in mind before we choose to begin a campaign.

In closing, Senator Hansen dealt with the subject of inner strength and confidence which will sustain a man or woman in spite of the most awesome obstacles. Using the writings of Adm. Richard E. Byrd and the English explorer Robert Falcon Scott as examples of courage in the face of nearly insurmountable odds, the Senator illustrated very clearly and poignantly the need for people to have developed such a close relationship with their Creator that adversity—even death—will not triumph over them in the end. The stories of the explorers illustrated the fact that our status and even our work are worthless if, when the world we have built up crumbles around us, we cannot face that loss with equanimity and faith.

Mr. President, I ask unanimous consent now that the address of Senator Clifford Hansen before the Senate Prayer Breakfast be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Speech Given by Senator Clifford P. Hansen, Senate Prayer Breakfast, Wednesday, July 10, 1974

Last month while speaking to the Wyoming Stock Grower's Association, I was presented a cartoon depicting two debt-ridden, long-suffering, hard-bitten cowmen talking to their Senator.

One observed, "Senator, how about passin' a law that'd do away with all the laws Congress passed lately."

There is little irony in their cynicism.

What laws are good for America?

In recent years, as we keep in mind the preamble to the Constitution, the goal of "promoting the general welfare" has motivated more Senators to legislate, I believe, than any other single objective.

Although we may often be in complete disagreement about the need or the desirability of a law, the ascription of evil designs to others is not common.

As we make comparisons with citizens of other countries, we must realize the relative good fortune of any American insofar as material possessions and access to needed services are concerned.

Churchill once said, "The inherent vice of capitalism is the unequal sharing of blessings; the inherent virtue of socialism is the equal sharing of miseries."

How can we make this a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity?

How can the temporal needs of man be satisfied by public law without damaging his moral fiber?

Some of the sharpest disagreements among members are brought into focus as we propose to promote the general welfare.

H. L. Mencken said, "For every human problem there is a solution that is simple, neat, and wrong."

Obviously Mencken wasn't criticizing the Senate. Most of our legislative solutions are neither simple nor neat.

Some time ago Senator Bennett gave us an opportunity to reflect upon the dimension of our problems and the limitations of our well-intentioned efforts in these halls when he quoted Goethe's character Faust:

"Before we can possess those things which we inherit from our fathers we must first earn them for ourselves."

The German author has another similar translation which goes like this:

"He only earns his freedom and existence who daily conquers them anew."

There are some members of this body who believe it may be equally as important to know what we can't do and should not attempt as to be filled with unbounded faith in our own omniscience and omnipotence. As legislators, we should realize that the best legacy we can leave to our posterity is good government—insuring freedom and the opportunity to pursue excellence.

Every two years one third of the members of this body are elected by the people of their respective states. What are some of the more common motivations behind the typical candidacy? Are these purposes fulfilled?

I thought it might be interesting and worthwhile to examine our thoughts to see what we hope to accomplish.

Has some basic need of the society we know still lacked fulfillment?

Is it a belief that the man we succeeded was unresponsive to changing times and challenges?

Is it the desire for power?

For prestige?

Is it cupidity?

What will we think of our stewardship as we look back?

What values are important?

How might we judge ourselves?

Recently at a meeting in Washington, Dr. Stephen Ophard of the Calvary Baptist Church of New York City observed:

"The man who goes out to change society is an optimist. The man who goes out to change society without changing self is a lunatic."

He took as his test the 14th Chapter of Proverbs, 34th verse: "Righteousness exalteth a nation: but sin is a reproach to any people."

There are few elective bodies in the world with power comparable to the United States Senate. No one can walk these corridors without sensing this fact. Awareness of the special significance of this place—these institutions, the men whose lives and examples and dedication brought this government into being, whose convictions set it apart from most others and whose loyalty and unfailing love helped preserve it—is inescapable.

It has been said that the first few months one is here he is likely to ask, "How did I ever get here?" And not infrequently later rhetorically to ponder, "How did some of these other men get here?"

Our abilities to contribute toward making this a more perfect union may vary as widely as do our specific ideas on individual issues.

But on certain things I think we can agree:

Each of us knows of some of his own shortcomings and vices; they need not be enumerated. We know them and God knows them.

Each of us would like to be a better man.

Each of us knows that there is really little time allotted to us.

Each of us knows the importance of faith and courage.

Let us examine just these four beliefs. We can't undo the things we have done wrong. But there is always a new beginning.

Mary Pickford said it well: ". . . this thing that we call 'failure' is not the falling down, but the staying down."

Most of us would agree that the challenge of isolation presents us with the opportunity to look at ourselves. The sham and guise of appearances no longer serve to defend us from an accusatory conscience. The transitory accolades of friends, the momentary acclaim of the press, and the homage fleetingly paid to people of importance is gone. Under such conditions a man's thoughts are most likely to turn to real values and enduring verities. Lillian Watson describes one man's thoughts:

"Admiral Richard E. Byrd found himself in such a situation as he lay in his shack buried beneath the ice of Antarctica and fought for life against seventy-below temperature, carbon-monoxide fumes escaping from his faulty stove, and an almost overwhelming desire to sleep. He recorded the effects of this experience upon his sense of values:

" 'The universe is an almost untouched reservoir of significance and value,' and man need not be discouraged because he cannot fathom it. His view of life is no more than a flash in time. The details and distractions are infinite. It is only natural, therefore, that we should never see the picture whole. But the universal goal—the attainment of harmony—is apparent. The very act of perceiving this goal and striving constantly toward it does much in itself to bring us closer and, therefore, becomes an end in itself . . .

I realized how wrong my sense of values had been, and how I had failed to see that the simple, homely unpretentious things of life are the most important . . .

When a man achieves a fair measure of harmony within himself and his family circle, he achieves peace; and a nation made up of such individuals and groups is a happy nation. As the harmony of a star in its course is expressed by rhythm and grace, so the harmony of a man's life-course is expressed by happiness . . .

At the end only two things really matter to a man, regardless of who he is; and they are the affection and understanding of his family. Anything and everything else he creates are insubstantial; they are ships given ever to the mercy of the winds and tides of prejudice. But the family is an everlasting anchorage, a quiet harbor where a man's ships can be left to swing in the moorings of pride and loyalty."

While each of us knows the importance of faith and courage, too often we fail to understand the power of prayer.

Dr. Alexis Carrel makes this observation drawing upon a lifetime of practicing medicine:

"Prayer is a force as real as terrestrial gravity. As a physician, I have seen men, after all other therapy has failed, lifted out of disease and melancholy by the serene effort of prayer. It is the only power in the world that seems to overcome the so-called 'laws of nature;' the occasions on which prayer has dramatically done this have been termed 'miracles.' But a constant, quieter miracle takes place hourly in the hearts of men and women who have discovered that prayer supplies them with a steady flow of sustaining power in their daily lives."

Courage, that special quality always in short supply, has seldom been more dramatically displayed than by an Englishman and his companions, as they vainly tried to return to their base camp at the South Pole.

Not often does man know with certainty that his end is near and realize at the same time the only possibility of being able to transmit his thoughts lies in the hope that what he writes may be discovered by others searching for his remains. Such was the clear realization confronting Robert Falcon Scott as he and an intrepid group of four others sought to be the first to reach the South Pole. Listen to Lillian Watson:

"When at last they did reach it, bitter disappointment faced them. They were too late! Amundsen, the Norwegian explorer, had been there before them, had beaten them to it. Crushed and heartsick, they turned back.

"The story of their cruel march back towards civilization, of their heroic struggle against the forces of nature, and of their cheerful courage and unfailing devotion to each other is one of the most inspiring sagas of the twentieth century. Week after week they pushed through cold and wind. Week after week they faced weariness, hunger, and pain.

"One of the five weakened; and though they did what they could to help, he soon gave up the struggle and died.

"Another was injured; and unwilling to be a burden to his companions, he quietly walked out into the blizzard and disappeared.

"The three who were left pushed on, tormented and exhausted, but still trying to cheer each other and still gallantly pretending there was hope. At last, unable to continue, they pitched camp—and prayed for a break in the weather. But it got worse. A blizzard roared day and night over the icy wastes and kept them imprisoned. Their fuel gave out. Their food gave out. The end was near, and they knew it.

"Captain Scott faced death with the same proud courage with which he had faced disappointment and hardship. Suffering terribly, his body brittle with cold, his fingers so stiff he could hardly hold a pencil, he wrote a last message to the world:

I do not regret this journey. We took risks; we knew we took them. Therefore we have no cause for complaint. We bow to the will of Providence, determined still to do our best to the last.

Had we lived, I should have had a tale to tell of the hardihood, endurance, and courage of my companions which would have stirred the heart of every Englishman. These notes and our dead bodies must tell the tale . . .

"Eight months later the bodies of the three men were found, and with them Captain Scott's notes and diary."

The last letter Scott wrote was to his friend Sir James M. Barrie, from whom he asked help and care for his wife and child.

Captain Scott's final entry in his diary was, "For God's sake, look after our people."

His request is embodied in the ancient prophet Micah's words of timeless relevance to us: "To do justly, to love mercy, and to walk humbly with thy God."

GREENING OF THE PAVEMENT PEOPLE

Mr. RIBICOFF. Mr. President, one of the most serious problems facing this Nation is the continued migration of Americans from rural areas to our already overcrowded cities. As a result, a serious imbalance has resulted with 90 percent of America thinly populated and 10 percent incredibly congested.

For the past few years I have been working with Dr. Peter C. Goldmark of Stamford, Conn., on his imaginative project to correct the imbalance.

Dr. Goldmark, the inventor of the longplaying record, has begun a project, the New Rural Society, which seeks to use modern telecommunication technology to make rural life more attractive and thus stem outward migration.

Dr. Goldmark has written an interesting article for the August 2, 1974 New York Times, entitled "Greening of the Pavement People." I ask unanimous consent that Dr. Goldmark's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GREENING OF THE PAVEMENT PEOPLE

(By Peter C. Goldmark)

STAMFORD, CONN.—The recent unexpected defeat in Congress of the Land Policy and Planning Assistance Act of 1973, popularly known as the Land Use Bill, which was designated in a modest way to redirect patterns of American growth, deprived the nation of an important chance to deal with one of the major sources of America's current difficulties, the continued misuse of the land on which we live.

The demise of this bill, which is temporary, I hope, also indirectly encourages the continuing migration of people from country to metropolitan areas—a migration that in the last 50 years has left 90 per cent of America thinly populated and 10 per cent incredibly congested.

Unless this balance is rectified, it is my view that some of our major problems, such as energy conservation, crime and pollution, will intensify. To reverse this process is, of course, difficult, and for the last two years I have directed a program that, I feel, offers a solution.

This program, known as the New Rural Society and funded through Fairfield University by the United States Department of Housing and Urban Development, seeks to restore, not by Federal fiat but through the democratic process, the population balance between city and country by making life in rural areas more attractive to those who would like to live and work there. The project is being carried out in ten towns in a northeastern Connecticut planning region.

The key element in this process is the redirection of modern technology, particularly in the telecommunications field, toward society's critical needs.

Electronics have not been sufficiently exploited for the benefit of rural Americans. For example, in medicine and health care a number of studies, including the New Rural Society project, have demonstrated that by using such existing communications technology as television links, data-transmission and voice-transmission techniques, and the computer, health care in sparsely populated sections of the country can be markedly improved.

Similarly in education, teaching applied through satellite technology can convert the "little red schoolhouse" into the kind of educational experience that only metropolitan centers offer today and bring the classroom of a large university to interested students in distant areas. The recent launching of the National Aeronautics and Space Administration's educational satellite ATS-6, beamed to Alaska, the Rocky Mountains and Appalachian areas, may demonstrate the economics and effectiveness of such an approach for bringing education to people in remote regions.

Metropolitan cultural activities—plays, could be carried by satellite and cable teleoperas, concerts, ballet, museum visits—vision to people in rural areas who might otherwise not have the opportunity to view them.

Obviously these applications of communications technology are not going to be sufficient by themselves to attract people to the countryside. However, if we attract major service businesses or their components, or government operations, to rural areas, we will be able to open up new jobs that in turn will help attract people. Many of the apparent advantages that induced businessmen to set up operations in large urban centers can be provided in the country. The business conference, for instance, need not require a dozen executives converging on a city or its suburbs from distant points. It can be recreated realistically by innovative audio techniques without executives ever leaving their home base. A Connecticut bank recently installed an audio-conference system that provides the three-dimensional voice effect of a regular boardroom even though the participants are many miles apart.

The New Rural Society plan also holds a unique opportunity for America to become independent of energy sources from abroad.

Energy and pollution were not issues when the majority of the population was spread over a greater part of the country. But when more and more people concentrated in large cities, where three-quarters of all Americans now live, energy needs required that coal be given up for oil to avoid pollution. A voluntary redistribution of population will permit the return of coal, America's most plentiful source of electric power, since smaller, dispersed coal-burning plants can provide sufficient energy without excessive pollutants.

The single largest use of energy in transportation is in daily commuting by automobile to jobs in the metropolitan areas, which consumes more than half our supply of gasoline. The New Rural Society, with its job-near-home philosophy, strongly encourages walking or bicycling or short rides in small cars. Our current technology is sufficiently advanced to make feasible low-cost electric cars free of pollution.

A recent Gallup Poll showed that more than one-half of all urban dwellers in the United States would prefer to live and work in rural areas. There are thousands of rural towns that our study has pinpointed as places to which the population can move. However, I think it is essential to maintain through local planning and land-use standards a uniform population increase in these communities. With proper planning measures, additional yearly growth rate would be 1 or 2 per cent per town.

But I think it takes nothing short of creating a national goal to get the entire process under way. The consequences of doing nothing about population imbalance are too frightening to contemplate.

U.S.-FLAG AIR TRANSPORTATION SYSTEM IMPORTANT TO AMERICA

Mr. HUMPHREY. Mr. President, the United States-flag air system is vital to this country. It serves our national defense, our security, and our economy. It is our link with the world at a time when fast communication is critical.

However, the United States-flag system bears the burden of a number of discriminatory and unfair competitive practices in international air transportation. These practices were documented in a Civil Aeronautics Board study completed last August. And the Aviation Subcommittee of the Senate Committee on Commerce, under the able chairmanship of Senator HOWARD W. CANNON, has held hearings on legislative remedies to address the impact of actions by large, government-owned, government-controlled, and government-financed foreign airlines, which are adverse to our private enterprise carriers.

It is abundantly clear that United States-flag airlines have been sustaining severe financial losses. For the first half of 1974, as reported recently in the Wall Street Journal, Pan American World Airways sustained a net loss of $32.8 million. I understand the Trans World Airlines has experienced losses of similar scope.

A substantial portion of these losses can be attributed, of course, to skyrocketing prices of jet fuel. Pan Am reported, for example, that in June, fuel costs had risen 85 percent over a year earlier. But price-per-gallon increases have been even more severe over recent months.

On July 31, the Civil Aeronautics Board approved air fare increases of 5 percent on the North Atlantic and 4 percent on the Mid-Atlantic, as proposed by the International Air Transport Association—the group of airlines with world routes. These fare increases reportedly are directly attributable to the rising price of fuel. But they constitute the fourth round of increases on the Atlantic during 1974—making the average fare level more than 30 percent higher than a year ago.

But these measures can, in large measure, be self-defeating. They can continue to result in fewer numbers of American citizens travelling overseas, as the cost of travel becomes prohibitive.

Mr. President, the competitive position of our flag carriers must not be further eroded. We are talking about an industry providing about 100,000 jobs, and involving supportive sectors employing more than 1 million men and women.

The U.S.-flag system earns some $3 billion in foreign exchange annually, and this would be lost if the system stopped. In 1974, the U.S. trade balance deficit is projected at over $5 billion. Without the earnings of the U.S. airlines, this dollar outflow would be 60 percent higher, and this would compound the serious monetary problems created by fluctuating oil prices.

In addition, we must recognize the influence of the U.S.-flag system on aircraft exports. We have earned some $2.7 billion on the sale of civilian aircraft and engines. A recent study by the Boeing Co., shows a close correlation between U.S. orders and oversea sales. Our airlines tend to set the new-plane production line moving by being the first customers for these planes; the foreign airlines follow suit.

Moreover, the U.S.-flag system plays a vitally important role in assisting U.S. Government operations oversea. These airlines are the foundation of our Civil Reserve Air Fleet—the essential supplement to our Air Forces in quickly transporting military personnel and material anywhere in the world. And the U.S. airlines serve our State Department in the evacuation of American personnel from areas threatened by revolutions and other emergencies.

There are certain steps that the executive branch of the Federal Government can and must take without delay in assisting U.S.-flag airlines to achieve competitive equality with foreign airlines.

I have stated my full support for legislative action to continue the Export-Import Bank. But it is a fact that the Export-Import Bank finances the purchase of American-built aircraft, by foreign airlines, at lower interest rates than are available to the U.S. airlines. Loans to foreign carriers run about 6 to 7 percent, while U.S.-flag airlines are paying upward of 10 percent and more for interest when they place their loans with institutions in the United States. Exim Bank policies should be revised in the interest of parity and fair competition, where foreign governments are otherwise enabled to divert their revenues to heavily subsidize their airlines.

Second, U.S. payments to our airlines carrying overseas mail should be on a par with payment rates for foreign airlines. I am advised that the Universal Postal Union pays foreign airlines more money for carrying the same mail the same distance than it pays U.S. airlines. Apparently, this is the result of a mail formula administered by the CAB that works out to a lower rate than the UPU pays. Flying side-by-side, from New York to London, for instance, a foreign airline gets paid $1.77 a ton mile while the U.S.-flag line gets only 29 cents a ton-mile.

Third, it seems clear that international negotiations should be pressed on the matter of airport and airway user charges. U.S. airlines have complained strongly about discriminatory practices by foreign governments, which include the charging of steep airport and airway user fees to U.S.-flag airlines, which are then passed on as a subsidy to the foreign government-controlled or financed airline.

Congressional study of further measures to assure the maintenance of a viable U.S.-flag air system, concomitant with necessary reforms by our airlines to achieve maximum cost efficiency, is also clearly warranted.

Our sole purpose in launching these efforts ought to be to fulfill the mandate of the Civil Aeronautics Act, engaged by Congress in 1938. The main tenet of that law is that the United States should promote air transport so that it will serve the foreign and domestic commerce, the national defense, and the requirements of the U.S. Postal Service. The challenge today is to assure that equal competitive opportunities in international commerce are available to our airlines.

THE WORLD FOOD SUPPLY

Mr. McGOVERN. Mr. President, recently the Select Committee on Nutrition and Human Needs. which I have the privilege to chair, held a series of hearings on the development of a national nutrition policy. One subject covered during those hearings dealt with the world food situation and what policy the United States should develop to deal with it. Partly as a result of those recent hearings, the St. Louis Post-Dispatch published an extremely perceptive and detailed series of articles by William K. Wyant, Jr. I urge my colleagues to review these articles, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FOOD-SHORTAGE PERIL: TIME'S RUNNING OUT

(By William K. Wyant Jr.)

"And I beheld, and lo a black horse; and he that sat on him had a pair of balances in his hand."—Book of Revelation.

WASHINGTON, July 6.—The dread Four Horsemen of the Apocalypse, vividly described by St. John in the Bible, have come to symbolize famine, war's devastation, pestilence and death. Famine was the black horse. Its hoof-beats are being heard nowaday, in some places.

The sound of the hooves is loudest where hunger is a way of life for tens of millions—in such crowded, less-favored, less-developed parts of the earth as India, Pakistan, Bangladesh, sub-Saharan Africa. In North America, it is hardly heard at all except, perhaps, on a quiet day at the supermarket.

There is wide disagreement as to how serious the international food shortage might become, short-term and long-term. But nearly everybody with an informed opinion agrees that bad luck with this year's crops could be disastrous, causing widespread starvation.

Looking ahead another three decades or so, peering into the next century, an impressive array of experts and politicians is sounding the alarm bell about population growth. Unless more is done now, they warn, the drain on the earth's resources will become intolerable.

Anyone inclined to be a Pollyanna about the future must grapple with the dismal fact that the world either cannot or will not—in any event, is not—feeding the people already on Earth. There is a chronic shortfall, unrelated to any emergency.

Hunger and malnutrition were widespread in the poorer countries when the globe's population reached two billion in 1930. They are widespread today, with the total population approaching four billions. The projection for the year 2000—only a quarter century away—is for six to more than seven billion mouths to feed.

The growth, now progressing at a rate of about 75,000,000 a year, will be mostly in the poorest, hungriest places where today fully one-third to one-half the people get insufficient food and where 20 to 25 per cent of the children die before reaching age five—in many instances without ever seeing a square meal.

"Nearly 800,000,000 individuals—40 per cent out of a total of two billion—survive on incomes estimated (in United States purchasing power) at 30 cents per day in conditions of malnutrition, illiteracy and squalor," said World Bank President Robert S. McNamara at Nairobi last September.

Even so, cases of classical, count-the-ribs starvation are seldom encountered. What generally happens is that chronically malnourished or under-nourished people fall prey to various ailments that kill them. Scientists calculated the number of deaths in West Africa due to famine last year at 101,000.

Affluent Americans have been exposed all their lives to melancholy reports of hunger and want in faraway lands. They have responded generously. They are slow to get stirred up about a food problem of new dimensions, just as was the case with the energy shortage that took many citizens by surprise last year.

Despite frantic tub-thumpings by informed individuals, not much public interest has been generated thus far in the United Nations Population Conference to be held in Bucharest in August or the full-dress World Food Conference at Rome in November.

Food and nutrition experts complain that the message is not getting through to people. Politicians are not taking it seriously enough. Several witnesses made that point at recent hearings in Washington before the Senate's Select Committee on Nutrition and Human Needs.

"I have a feeling they think it is not as serious as I have painted it," Nobel laureate Norman E. Borlaug told Senator George McGovern (Dem.), South Dakota, the committee chairman. Borlaug said it might take a disaster—such as tens of millions starving to death—to force a sharper focus.

Working with wheat in Mexico, Borlaugh developed high-yield strains that greatly increased harvests in Indian and other countries in the 1960s. Other scientists improved rice yields. This so-called "green revolution" bought a little time, Borlaug says, but the time is being wasted.

He spoke out passionately for control of "this population monster with its many tentacles which reaches out and tries to suppress the standard of living . . . "

There were multiple warnings about food production losing the race with population in the 1960s, but in that decade the food picture seemed to be brightened perceptibly, despite drouth in India. The miracle grains were introduced in poor countries. Grain was bountiful in the United States.

What has happened to make the outlook more grim in the mid-1970s? What is different? The response is that some of the factors that permitted a degree of complacency—such as the existence of large American food reserves—have changed while the factors causing concern, such as population growth, have not.

The decisive year was 1972. The weather was bad; It was unfavorable in the Soviet Union, India, China, Australia, in the Sahelian region of Africa and in Southeast Asia. The world's cereal output—including wheat as well as coarse grains and rice—dropped by 33,000,000 tons. This was the first decline in more than two decades. Even in the United States there was a drop.

Plagued by severe cold but warmed by President Richard M. Nixon's visit to Moscow, the Soviet Union made the most massive grain purchases in history. The United States shipped the Russians 13,000,000 tons in fiscal 1973. Mainland China also bought American grain. The world price of wheat soared.

While these and other demands were wiping out the American grain carryover—the accumulated surplus long available to stabilize food prices and help other nations in need—American farm products were used to wipe out this nation's trade deficit in 1973 and help pay for rising oil imports.

"Not everyone understands fully how much we depend on agricultural exports," Secretary of Agriculture Earl L. Butz told the National Press Club in April after returning from a trip to six Asian countries.

"We export two thirds of our wheat," he said, "one half of our soybeans, one third of our cotton and one fourth of our feed grains. The production from one harvested crop acre out of four goes overseas."

Butz spoke with pride of the fact that American agricultural exports last year topped food imports by an impressive 9.3 billion dollars, offsetting a large deficit in industrial trade and paying the nation's bill for oil bought abroad.

A major change that has come out of all this is a fundamental shift away from the American farm policy that for 40 years controlled and restricted farm output. Farmers are no longer being paid to withhold acreage from production. They are subject to the vagaries of the world market.

In consequence, the United States does not plan—as Butz puts it—to stockpile food for the world at taxpayers' expense in the bins of the Commodity Credit Corp. Furthermore, the United States reserve acreage of farmland is feeling the bite of the plow.

One of the reasons the experts consider the present world food situation so precarious is that reserve stocks have been virtually eliminated. There is not enough surplus on hand to fill the breach in the event of bad weather.

The weather has been playing strange tricks of late. The United States is commonly thought to be "disaster-proof" but the extent to which man's food is dependent on the American granary, and to a lesser extent those of Canada and Australia, is frightening.

"During the period since World War II," says Lester R. Brown of the Overseas Development Council, "the world has had two major safety valves: carryover stocks of grain in the principal exporting countries, and cropland held idle in the United States under Government farm programs.

"Together these reserves provided a substantial buffer against the vagaries of weather and the whims of the marketplace.

"In 1961 these two reserves combined represented 222,000,000 tons of grain, or 95 days of world consumption. By 1974 reserves had declined to just 26 days—mere pipeline supplies.

Brown and many other food authorities, including Don Paarlberg, director of agricultural economics for the Department of Agriculture, emphasize that a bad harvest in one or more of the major producing countries—something like 1972, for example—could be grim.

In addition, there is the adverse factor imposed by the doubling or tripling of food, energy and fertilizer prices over the last year or so. This has resulted in costs that some of the poorer countries cannot meet.

The upward spiraling of costs has put a terrible squeeze on about 40 of the world's poorest countries, the largest being India with 600,000,000 people. These countries must compete with richer nations for the necessities of life. The 40 have a population of about 900,000,000 and are mostly in Africa, South Asia, and the Caribbean and Central America.

Because of the economic squeeze, the United Nation's Children's Fund (UNICEF) is fearful that its special programs for young people in the poorest countries will go by the board. At present, UNICEF estimates that 10,000,000 children suffer from severe malnutrition and may die from its effects. Millions more are vulnerable.

SUFFER THE CHILDREN

(By William K. Wyant, Jr.)

"I have been assured by a very knowing American of my acquaintance in London, that a young child well nursed is at a year old a most delicious, nourishing and wholesome food, whether stewed, roasted, baked, or boiled . . ."—Jonathan Swift, 1729.

WASHINGTON, July 8.—The great English satirist Jonathan Swift wrote a biting essay called "A Modest Proposal" in which he suggested, with savage humor, that the children of poor people in Ireland be fattened up, sold on the market, and eaten.

Swift's purpose was to call attention in a dramatic way to the plight of the poor. It is true today, as it was more than 200 years ago when Swift wrote, that millions of young human beings would be better fed if they had the status of meat animals valuable in commerce.

This is not an exaggeration. Steers being prepared for market in this country are better nourished than countless numbers of children elsewhere. An American dog or cat, with a reasonably humane master, is a king by comparison.

There are pockets of poverty in the United States and other developed lands, but well-to-do people seldom if ever see young victims of the grosser consequences of inadequate diets except on television and in press photographs.

They know little of the ailment called kwashiorkor, caused chiefly by protein shortage and manifesting itself in bloated bellies, or the one known as marasmus, which comes from deficiencies in both calories and protein and turns a child into a shrunken hulk.

Tragic situations, both chronic and acute, exist in various parts of the globe:

In Mali, Africa, one of the sub-Saharan countries oppressed by long drouth, a United States health team found that up to 80 per cent of children in one nomadic group were "acutely undernourished."

In India, nearly 1,000,000 children die each year because of lack of food, and 60 per cent of India's young children at low income-levels suffer from moderate to severe malnutrition.

In Guatemala, diarrheal diseases often associated with poor nutrition kill 500 times as many children in the preschool years as they do in this country.

The United Nation's Children's Fund fears that the current world food shortage could bring about an even worse slaughter of the innocents.

A special worry is for the 400,000,000 to 500,000,000 children estimated to be in about 40 countries regarded as most impoverished and least able to deal with the surging world costs of food, oil and fertilizer. Their increased outlays this year are put at more than three billion dollars.

Typically these countries—mainly in South Asia and Africa and the Caribbean area—were already on the ropes financially before the prices of essential commodities doubled and tripled. When the ante went up, they did not have enough chips—no oil, nothing much to sell in international trade.

"Faced as they are with unexpected emergency needs for assistance on a massive scale, simply to survive as viable economies, these countries are going to find it extremely difficult to maintain their basic services for children, let alone expand them," said UNICEF Executive Director Henry R. Labouisse in May.

There has long been what UNICEF calls a "quiet emergency" in which 10,000,000 children over the world, at a given point in time, are suffering from severe malnutrition and in danger of death. What gives urgency to an already grievous problem is that things now could get much worse, quickly.

UNICEF is trying to encourage governments to provide simple, basic services at the village level. The neediest children often are found in remote rural places. Many live in squalid slums in or around cities—the teeming, crowded favelas of Latin America, the bustees of India.

The Children's Fund's financial resources are small and thinly spread. Richer nations sweeten the fund, but operations in the field involve the co-operation and support of host countries whose input may be serveral times that of UNICEF. Thus, a withdrawal by local governments would cause great harm.

"If they have to make cuts in national budgets and in their import programs," Labouisse warned, "the chance is that they will begin to cut back in these social fields."

On the average, children in the poorer countries receive less than half the protein consumed by children in countries such as the United States. In 1970, a child born in the United States had a 14 times better change of reaching age 5 than one born in Guinea, in Africa. He had an 11-to-one advantage over a baby born in India and a 7-to-one advantage over a Guatemalan.

When the children who expire before age one are ruled out, the disparities between rich and poor nations become much more staggering. For the one-to-four age group, the proportion of children who died was 80 times higher in Pakistan than in Sweden in 1970.

Alan Berg's "The Nutrition Factor," published under auspices of the Brookings Institution in 1973, took note of a report that one Latin American clergyman did not register children until they reached 2 years of age, because so many die before that it isn't worth it."

As the United Nations prepares for the World Food Conferences in Rome this November, a meeting suggested by Secretary of State Henry A. Kissinger, the well-to-do countries are thinking in terms of providing additional billions in assistance to bail out those nations that have been caught in an unmanageable food-energy-fertilizer crunch.

Labouisse, while heartily approving the prospective enrichment of aid, finds himself haunted by a worry that UNICEF—the UN agency with a special responsibility for children—will be crowded aside. He is determined to prevent that.

As is pointed out by the New Orleans-born executive director, formerly United States ambassador to Greece, UNICEF deals in millions rather than billions but needs a great deal more money if it is to do what needs to be done for the young.

Labouisse's 1975 target for general purposes and long-range programs is $100,000,000, a sum which advocates say is about what people spend in the United States for home gardening. It is an amount that might be lost in the Pentagon's budget, without being missed for a few days.

The hundred million, about $20,000,000 more than UNICEF has this year, includes funds from governments and private sources. About $8,000,000 comes from the sale of greeting cards and $15,000,000 from other sources, among them the Halloween "Trick or Treat" collection made by children.

Contributions by governments for general purposes have been moving up to a level estimated this year at $54,000,000 to $57,000,000 The United States has been putting in $15,000,000, the largest donation, while the Soviet Union in 1973 gave about $814,000. Sweden chipped in more than $10,000,000 that year.

Because of world-wide inflation, the extra $20,000,000 UNICEF wants for its regular work in 1975 will permit no expansion. In addition, UNICEF hopes to raise an additional $57,000,000 for special emergency tasks in Indochina, Ethiopia and the Sahel in Africa, Pakistan and elsewhere.

In addition, Labouisse is passing the tambourine for an additional $40,000,000 to $50,000,000 a year for two or three years to help poor countries deal with the current economic crisis without faltering in the vital area of basic services for children. He puts stress on child nutrition and health in Africa and Asia.

Although the Children's Fund has a special mission, it is obvious that other United Nations agencies—the World Health Organization and the Food and Agricultural Organization—also benefit the young. So do a host of churches, private groups and foundations.

Hunger, malnutrition and neglect of children can and do occur in rich countries like the United States, with a per capita income of more than $5000 a year, as well as in the poorest countries such as India, with $110, or Mali, with $70.

But there is a difference, World Bank President Robert S. McNamara says, between relative poverty and absolute poverty. The absolute kind is rare in the well-to-do nations. McNamara defines it as "a condition of life so degraded by disease, illiteracy, malnutrition, and squalor as to deny its victims basic human necessities."

Hungry children, wherever they may be, are now almost universally regarded as a reproach to civilized man even though there is a strong persistence of the old, traditional view that starvation is one of nature's ways of taken care of the population problem.

In the Universal Declaration of Human Rights adopted by the UN's General Assembly more than a quarter century ago, it was stated that "everyone has the right to a standard of living adequate for the health and well-being of himself and of his family." Food was the first necessity to be mentioned.

On paper at least, the world's children received a special safeguard of their very own in 1959 when the General Assembly approved a Declaration of the Rights of the Child which says, among other things: "The child shall have the right to adequate nutrition, housing, recreation and medical services."

The UN proclaimed also that in all circumstances children shall be among the first to receive protection and relief. Unfortunately, there have been many slips twixt cup and lip. As Labouisse bleakly observes, children are apt to be the first to have their needs forgotten if things get tight.

Getting the right kind of food to the young, in sufficient quantity, is a very complex task. It involves not only the sheer availability of food—the problem in many places—but education about proper diet, sanitation, and the like. Ignorance, apathy, selfishness, politics and human stubborness are obstacles.

A pair of blue jays seem to know by instinct what to feed their nestlings and where to get it. For human parents, life is more complicated. Even well-to-do American mothers, aided by Dr. Benjamin Spock and blessed with abundance, have trouble distinguishing wheat from chaff at the market. Physicians may disagree about what is or is not nutritious.

But there is not much disagreement among medical and nutritional experts about the evil consequences of the kind of gross malnutrition and under-nutrition that falls to the lot of multiple millions of children in the poorer lands.

There is nothing much new about the misfortunes of the young in the less-developed countries, except that an impressive number of experts warn that they threaten to get worse.

SURGING POPULATION THREATENS TO OUTSTRIP WORLD FOOD OUTPUT

Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio. A slight acquaintance with numbers will show the immensity of the first power in comparison with the second.—Thomas Robert Malthus, 1798.

(By William K. Wyant Jr.)

Washington, July 9.—When the twin problems of food and population are debated nowadays, there is frequent mention of the gentle English parson, Thomas Robert Malthus and his grim view of the universe—namely, that man's tendency to multiply will cancel out man's efforts to improve the quality of life.

The bleak Malthusian rule, laid down 176 years ago, is that much of humanity is doomed to misery and want because expanding numbers will always outrace food production. Driven by his logic, he opposed charity for the poor, fearing it would encourage them to have children who could not be fed.

Food output has been stepped up since Malthus's time to a degree he could not have imagined, but so has population growth. The frightening outlook that some experts now forsee has caused Malthus to emerge from the shadows and receive a belated curtain call.

". . . Do not think that the ghost of Malthus has been exorcised," said Addeke H. Boerma of The Netherlands, director general of the United Nations Food and Agriculture Organization, in a speech to the International Development Conference last October.

It is true that the world has the technological capacity to feed many more people than now inhabit the planet, Boerma said, but there is more to the food and population equation than technology.

What must be recognized, Boerma said, is that "the world has never come anywhere close to a situation in which everyone has had enough food for an adequate standard of living . . .

"Today, in fact, there are grounds for believing that, as a result of events in the last year or so, the situation has actually become worse."

World Population Year is currently being observed by the United Nations, which is sponsoring a World Population Conference at Bucharest, Romania, Aug. 19–30. In November, the UN will hold its World Food Conference at Rome.

Some of the experts are not hesitating to say that the prospective growth in the number of people on Earth is a greater danger than the threat of nuclear war.

The UN estimates a world total of nearly four billion for mid-1974—actually 3,940,249,000—and is projecting an increase of another billion by 1985.

The rate of increase is about 2 percent a year. At that rate, the world's population would double in 35 years. About 75,000,000 persons a year—16 times the population of Missouri—are being added, and as was observed by Malthus, the total expands with increasing speed.

Although the rich industrialized countries appear to be stabilizing their population growth, the less-developed countries—typically those least able to feed and employ their people—are not.

Short of war, famine or pestilence of incredible dimensions, the world will have several billion more mouths to feed in 30 years or so. The UN's assumption is that another doubling by the year 2000 is inevitable.

The impact of such growth is difficult to grasp in a state such as Missouri, with a population of fewer than 5,000,000 and a density of under 70 persons a square mile. It is easier to understand in Calcutta, which by the early 1960s had more than 100,000 persons a square mile.

Lester R. Brown, in his new book, "In The Human Interest," published as background for The Bucharest conference next month, explained that it took the world until 1830, roughly three decades after Malthus issued his tract, to reach the one-billion mark in population. In another 100 years, in 1930, the two-billion mark was reached. The total had doubled in one century.

Since President Herbert Hoover's period and the Great Depression, the rate of growth has soared. It took only 30 years to add the third billion in 1960, another 15 for the fourth in 1975. Another billion are expected by 1986, a duration of only 11 years. In nine more, by 1995, the sixth billion is to be achieved.

The population of the United States, the wealthiest of nations, doubled from 1920 to the present, moving from 105,710,000 several years after World War I to a total of 211,-551,000 in April 1974. But this country's rate of increase has declined recently to only about seven-tenth's of one per cent.

At that rate, the United States population would still be well under half a billion a century hence. In the developed nations generally, including the Soviet Union and Japan, comparable and in many cases larger reductions in growth have been attained.

It is a different story, for most of the less-developed countries, where most of the people live and where per capita annual income often is less than $200. The World Bank lists more than 22 nations where population growth ranged between 3 and 4 per cent in the period 1965–71. This means a doubling in 17 to 24 years.

Mexico is an example. Brown calculated that Mexico, with a population of 50,000,000 in 1970 growing at 3.3 per cent annually, would have 1.2 billion people in the year 2070 if the rate were not slowed. For major countries, the most spectacular growth rate was in El Salvador, which had 3.9 per cent.

A special case is India, which has about 616,357,000 people and is growing at a rate of about 2.2 per cent. The Indians have an ambitious family planning program, but their huge population would double in 32 years at the current rate. Outside experts do not see how it can be leveled off before it soars to more than one billion.

"Whatever we are doing, the world population is going to double in the same time span that it has taken the United Nations to build up its present social and economic programs," says Rafael M. Salas, a Filipino, the executive director of the UN's Fund for Population Activities.

The governments of the United States and other nations have taken a marked interest in the population problem in recent years. This country's outlays for research and family planning services are put at more than a billion dollars from 1971 to 1975, with an additional half billion in help to other countries.

Nobody has yet belled the population tiger, but there is a glimmer of hope in the widespread assumption among experts that the world's resources could—if properly used—support in reasonable comfort more than twice the present number of people.

The evidence is substantial that as human beings grow more prosperous and can look forward to a decent life they tend to have fewer children. Malthus himself recognized that this was the case.

Militating against any "pie in the sky" complacency, however, is the failure of the world as presently organized to feed, clothe and house a great part of its present numbers. Can it reorganize in 30 years or so to take care of twice the population?

Those concerned are haunted by a feeling of too little being done too late. Former Senator Joseph D. Tydings (Dem.), Maryland, now special counsel for the UN Fund for Population Activities, expressed the mood recently in testimony before the Senate Select Committee on Nutrition and Human Needs.

Tydings told of having taken a delegation of Japanese through the slums of Calcutta last October.

"No description of Lucifer's regions by theologians or writers of the past are as utterly grim and grotesque," Tydings said, "as a walk in the streets of present-day Calcutta.

"The sight of starving children struggling with ravens and emaciated dogs for scraps of food on rotten piles of garbage, or the late evening garbage trucks picking up corpses from the sidewalks in their daily clean-up, leaves you with a sickness of the soul and mind and spirit for weeks and weeks thereafter."

LOW GRAIN RESERVES COMPOUNDING WORLD FOOD PROBLEM

"The major catastrophe will happen before the end of the century. We shall, in the rich countries, be surrounded by a sea of famine, involving hundreds of millions of human beings . . ."—C. P. Snow at Fulton, Mo., November 1968.

(By William K. Wyant, Jr.)

WASHINGTON, July 10—When Lord Snow made his "State of Siege" address at Missouri's Westminister College nearly six years ago, he predicted that the world's well-to-do would some day watch at their television sets as millions of their fellow-mortals starved to death before their eyes.

It has begun to look as if Snow was right, in some respects at least. He feared local famines, beginning in the period 1975–80, would spread into a "sea of hunger." It is now mid-1974, and people are already watching television shots of starving people in the Sahel region of Africa and elsewhere.

In 1972, a year of bad weather, world grain production fell about 70,000,000 tons short of a demand that has been rising by more than 30,000,000 tons a year, rain or shine. Last year's crop was better, but this year the outlook is widely regarded as hazardous.

It is hazardous because world grain reserves are dangerously thin—now down to less than 30 days of consumption—because the poorest countries are being priced out of the food, oil and fertilizer markets, and because of myriad uncertainties about the 1974 harvest.

What frightens some of the experts is that there is not enough margin for error. It alarms them that a "silent crisis of malnutrition" now affects up to one billion human beings and might get worse.

In terms of grain, the actual shortfall of the 1972 crop was only about 3 per cent of world production. This was doubled by a 3 per cent increase in demand, stemming from the annual population rise of about 75,000,-000 persons and by growing competition for available food.

There is fairly general agreement that another 1972 would be a calamity. And although this year's crop has been forecast in favorable terms, it is obvious that the vagaries of weather could upset predictions, and that what has happened before could happen again.

The note of urgency was sounded clearly in a preliminary assessment issued June 2 in preparation for the United Nations World Food Conference to be held at Rome Nov. 5–16. It was released by Sayed Ahmed Marei, the Egyptian who is secretary-general of the conference.

By 1985, the assessment said, the vast majority of poor or developing countries will have a total cereals gap of 85,000,000 tons a year if the present growth rates for population, food production and demand continue as they are now. This would mean a need to import about three times more than the poor nations received in 1969–72.

"If, as expected, the 1974 harvests are good in some countries beating all records," the UN report says, "then stocks can be partly replenished, but it will take more than one good season to bring them back to safe levels. At the same time, a shortfall in some areas cannot be ruled out.

"In such a case, an equitable distribution of available export supplies might become a matter of great concern. Thus, the world's food situation has suddenly become exposed to an uncertainty of unacceptable proportions."

The UN assessment, largely prepared by its Food and Agriculture Organization, noted that "the optimism about the world food situation and prospects that was prevalent at the end of the sixties has given way to widespread anxiety."

Total grain production on the earth was about 1.2 billion tons in 1972. It has been going up by about 30,000,000 tons a year, but in the less-developed countries the rate of advance in food output has barely kept up with population growth. In more than 40, it has fallen short of population and the growth of demand at home.

For both the short term and the long term, the rest of the world depends heavily on the United States. This country produces about one fourth of the total grain but is the source of more than 40 per cent of what moves in world trade. It is the principal repository of reserve grain stocks, which now have declined to only about 89,000,000 tons, analysts estimate.

To make matters worse, international food assistance has been declining as prices rose and supplies became tight. And shipments from rich to poor countries reached a peak of 18,000,000 tons in 1964–65 and for many years accounted for 30 to 45 per cent of what the poor countries imported.

But in 1972–73 food aid shipments declined to below 10,000,000 tons, the lowest since the late 1950s, and this year the outlook is for a further fall to 5,000,000 or 6,-000,000 tons. Food assistance has come mainly from United States surplus stocks under Foor for Peace, but that cornucopia shows signs of petering out.

All in all, it is a cobra's basket of problems that will bring the rich and poor nations to the conference table in Rome in the autumn. A charitable desire to take care of the needy is not the only motive that brings them together. Disrupted world markets and hunger-related political turbulence affect rich and poor alike.

At the Rome meeting, much will be expected of the United States. This wealthiest of countries, with a corner on food comparable to what the Persian Gulf sheikhs have on oil, will be in the position of a billionaire at a church supper.

C. P. Snow's gloom-and-doom view of the future has been echoed by many. William and Paul Paddock's "Famine—1975!" came out in 1967. Paul R. Ehrlich's "The Population Bomb"—too many people, too little food, a dying planet—was published the next year.

In 1972 the so-called Club of Rome, a group of scientists and thinkers backed by research at the Massachusetts Institute of Technology, exploded a bombshell called "the limits to growth." It imparted a sense of extreme urgency.

But a great many responsible observers are more cheerful than Lord Snow although keenly aware of shoals ahead. For example, Roger Revelle, director of population studies at Harvard University, said in 1970 that "the proportion of the world's human population which is seriously malnourished is less than at any time since the Paleolithic."

D. Gale Johnson, chairman of the economics department at the University of Chicago, found absolutely no basis last December for statements that "half the world's population goes to bed hungry every night."

Johnson acknowledged that " a significant fraction" of people have diets that adversely affect human life and activity, but he pointed out that for most people, throughout most of recorded history, food had been a chancy affair, with disaster ever present as crops were put in.

"My position is a simple one," Johnson said, ". . . namely, that the percentage of the world's population who find themselves subject to actual famine conditions is probably lower now than at any time in the past and that per capita food supplies are now at a level that has permitted a major increase in life expectancy in the past two decades."

It is true, as Johnson pointed out, that with improvements in communication and transport the incidence of outright famine has diminished. In Bengal's great famine of 1769–70, about 10,000,000 died. In the Bengal famine of 1943, one fatality estimate is 1,500,000. But disaster was averted by heroic effort when famine stalked Bihar—north of Bengal—in 1966–67.

The current drought, misery and famine in the sub-Saharan tier of Sahelian countries in Africa demonstrate, however, that there are limits to what the developed nations are willing or able to do in remote areas where communications are poor and massive help is needed.

It is one thing to ship food to a stricken area when food is in surplus in the United States and a few other exporting countries. It would be a different, more terrifying problem if crops failed in a country as large as India, for example, and if there was nothing much to ship in.

ANXIETY OVER CHANGES IN CLIMATE

> Behold, there come seven years of great plenty throughout all the land of Egypt: and these shall arise after them seven years of famine . . .—Book of Genesis

(By William K. Wyant, Jr.)

WASHINGTON, July 11.—In the Bible, young Joseph warned Pharaoh to lay up grain against the bad years. Modern-day Pharaohs in the White House and elsewhere are getting word from climatologists that the weather ahead may bring lean times.

Joseph's advice to Egypt was to set up large grain reserves so that people would eat when crops failed. That was done, and it worked. Modern world leaders are not so fortunate. If they meet bad weather in the near future, they will be caught in a terrible bind.

The view is widely shared among scientists that the last few decades have been a time of extraordinarily good weather and that a period of less favorable, colder climate is overdue, if not already at hand.

In these halcyon decades, mankind has made giant strides in the production of food. The number of mouths to feed has about doubled in 45 years, moving from two billions to nearly four. With all these people on board, what happens if Spaceship Earth runs into a gale?

The worst consequences now foreseen would fall on the huge areas of Asia and Africa that depend on fickle but life-saving monsoon rains, but even the United States, as older Americans who recall the Dust Bowl of the 1930s know, is not exempt from the vagaries of climate.

Among climatologists, a leading soothsayer on the gloomy side is Reid A. Bryson, director of the Institute for Environmental Studies at the University of Wisconsin. He is one weatherman unfraid of putting his forecasts on the line. What has happened before, he insists, could happen again.

Bryson, was quoted in Fortune magazine in February as saying that the climatic change now going on could, if it continued, affect all the world's population—"like a billion people starving." Last month he told the Post-Dispatch: "All hell can break loose this year."

Not all of Bryson's colleagues agree with his more dramatic conclusions. Many go along with him generally, but lack his certainty. As a modern-day Joseph, however, he has been getting the ear of the high and mighty as he challenges conventional wisdom and exhorts them to be careful with food.

While the United States Department of Agriculture was projecting the best American crop in history this year, and a pretty good one in the Soviet Union, Bryson was saying the generally optimistic forecasts are not necessarily so.

"The evidence is now abundantly clear," he told Senators at a hearing last October, "that the climate of the Earth is changing and is changing in a direction that is not promising in terms of our ability to feed the world.

"Since about 1940 the northern hemisphere has been cooling off, rapidly approaching the levels of 100 years ago, but, more important than this cooling, the pattern of climate—especially the pattern of where the rains fall—has also been changing."

The change was slight, under one degree centigrade. But the International Federation of Institutes for Advanced Study at Stockholm alerted political leaders in May that the cooling trend is cutting into growing seasons and causing climatic extremes.

A shortfall of only about 3 per cent in world grain production brought great disruption and misery in 1972, the experts pointed out, and the consequences of even worse weather can be imagined.

A factor causing much concern to Bryson and others is an apparent southward movement of the great inland deserts of North Africa and Asia, along with displacement of the monsoon rainfall that nourishes crops now feeding the hungry half of the world in regions south of the deserts and north of the Equator.

In the great monsoon belt—China, sub-Saharan Africa and China—the winters are dry and rains come in the summer. When the rains do not come, there is grief and trouble. Bryson says monsoon failure is associated with thickening of polar ice, which has been happening.

India had drouths every three or four years in the early part of the twentieth century, Bryson told Congress last fall, but with better weather of recent decades the frequency of drouth fell to once in 18 years. In the last few years the rate has been going up.

"If drouths return to India with a frequency like that which prevailed at the turn of the century," he said, "but with a population swollen four-fold, the human and political consequences will be enormous."

As for the Sahelian zone of sub-Saharan Africa—a tier of six wretchedly poor countries where human beings and cattle have been dying—Bryson says that the 30,000,000 inhabitants are up against an adverse climatic trend that began in 1951. It is not, he says, merely six or seven years of drouth, as often supposed.

The six Sahelian countries are Mauritania, Senegal, Mali, Upper Volta, Niger and Chad. Their per capita incomes range from $70 to $250 a year. People are migrating south from the encroaching desert. Drouth and famine have taken heavy toll to the east, in Ethiopia.

The Rockefeller Foundation invited Bryson, Lester R. Brown of the Overseas Development Council, and others to a conference in New York in January on weather and climate change. The foundation will help finance an international climate research project in which the Soviet Union will take part.

Copies of the Rockefeller conference report went to the World Bank in Washington and to federal officials. Bryson attended a meeting at San Diego in April under White House sponsorship, and another in Washington in June. He recited the history of climatic change and applied the lessons of that history to the future.

The word that climate must be taken seriously apparently was passed to Secretary of State Henry A. Kissinger, who in his address to the sixth special session of the United National General Assembly in April described as "ominous" the possibility of changes in the monsoon belt and perhaps elsewhere.

As Kissinger said, the poorest countries are tormented by many disasters that are man-made. The specter of adverse climatic shifts involves natural forces over which man has little or no control, except insofar as he can store up food against bad weather.

India, with its more than 600,000,000 people—many millions of them chronically on short rations—is a grim example of the intransigence of the climate-population-food problem.

In 1769–70 came the great famine in Bengal in which about 10,000,000 are said to have perished.

In 1790–92, the so-called "skull famine" in which the Indian casualties were so numerous they could not be buried.

In 1876–78, a major famine that killed 5,000,000 Indians while about 9,000,000 to 10,000,000 Chinese were starving in the north part of China.

In 1899–1901, another Indian famine that took 1,000,000 lives.

In 1943, during World War II, the Bengal famine in which fatalities are estimated variously at 1,500,000 to 3,000,000.

It is a point of great pride with the Indians that since independence from Great Britain in 1947 they have managed to avoid that kind of mass starvation. They have doubled grain production since the 1950s, moving from about 55,000,000 tons two decades ago to 108,000,000 last year.

But there have been some very close shaves with disaster. To its friends, India has appeared like a blindfolded man tottering on the edge of a cliff. The 1965–66 drouth would have been costlier had it not been for massive food shipments from the United States.

And but for spectacular increases in wheat output achieved with the miracle grains of the Green Revolution, which India embraced heartily in the 1960s, the dry years of the early 1970s, might have taken a heavy toll in lives, American experts believe. As it was, the 1972 crop was short and India had to import 4,000,000 tons.

This crop year does not look good for India. Dry weather in January and February destroyed hopes for a bumper 30,000,000-ton wheat crop, as did lack of fertilizer and fuel for irrigation pumps. The yield was only 23,000,000 tons. For India's second harvest, mostly rice, the summer monsoon was late and some fear that the total year's crop might be as low as 100,000,000 tons—not enough.

In an interview here, Indian Ambassador T. N. Kaul emphasized that India had progressed from an annual grain crop of less than 50,000,000 tons in 1947 to around 115,000,000 and was targeting 140,000,000 by 1979.

Ambassador Kaul said 115,000,000 tons would be adequate and "we can make it" on only 110,000,000.

'If there is a good monsoon, O.K.," he said. "If the monsoon is unfavorable, we could be short anything from 5,000,000 to 15,000,000 tons."

In contrast to India and the Soviet Union, where crops are dangerously vulnerable to weather, the United States is blessed with an extraordinary variability in climate and growing conditions.

"We never get a drouth that affects all our food growing in one year," says William M. Johnson of the Agriculture Department's Soil Conservation Service. Local disasters occur, but not a combination that breaks down production all over the country at the same time.

"As we learn more," Johnson says, "we are approaching a disaster-proof agriculture."

Nevertheless, the United States is subject to adverse climatic trends just as are other places. Grievous drouths affecting vast areas have occurred, as when dust rose high over the Great Plains in the 1930s. Wet weather can wreak havoc also.

The Soil Conservation Service is watching with apprehension as farmers of the Midwest, Great Plains and Southern Plains plow up millions of acres that have been held in reserve. Already, there are reports of heavy damage from wind erosion.

UNITED STATES CALLED COMPLACEMENT ABOUT WORLD HUNGER

"All flesh is grass, and all the goodliness thereof is as the flower of the field."

—ISAIAH

(By William K. Wyant Jr.)

WASHINGTON, July 12.—The Arabs have the oil and the Americans have the food. Less fortunate peoples will be looking hopefully to both when the United Nations World Food Conference meets in Rome next November to talk about feeding the hungry.

Food or the lack of it is acknowledged to be a problem of extreme urgency. Massive international efforts to solve it are being urged. Whether the many-tongued array of national spokesmen gathering in Rome will act decisively and effectively is in doubt. History argues no.

Among scientists concerned about food and population, there is strong dissatisfaction over what they regard as complacency among politicians in the United States and elsewhere. The leaders, they say, are ignoring the circling buzzards of famine.

In a lecture to the Indian Academy of Science at New Delhi last March, the American Nobel laureate Norman E. Borlaug got a standing ovation when he suggested that "all decision-makers quit eating for 15 days before making decisions on food." The last three days, he said, they ought to do without water, too.

"It's a good idea," said Senator George McGovern (Dem.) South Dakota, last month when Borlaug testified before McGovern's select Committee on Nutrition and Human Needs.

Borlaug won the Nobel Prize for his work in Mexico under Rockefeller Foundation auspices. He developed high-yield, short-strawed wheat that would take plenty of fertilizer without getting top-heavy and falling over. He thinks the Green Revolution, as some term it, bought precious time that politicians are frittering away.

"Without food, we only live for about three weeks at best," Borlaug remarked to the McGovern panel.

It is, Borlaug suggested, "a pretty precarious way to run a world" to tolerate a situation in which food reserves are well-nigh exhausted, the poorest countries need grain and oil and fertilizer they cannot pay for at increasing prices, and a major crop failure this year or next would bring ruin.

Borlaug said he had flown over the oil-rich Arabian peninsula a few weeks earlier at night. So much natural gas was being "flared"—wasted—that it looked like the Land of the Midnight Sun. That gas, he said, should be used to make nitrogen fertilizer.

A lot is being said currently about the wastage of natural gas in connection with Arab oil production. Indian Ambassador T. N. Kaul said Saudi Arabia alone was flaring half as much gas as the United States uses in a year. India stands to lose millions of tons of grain this year because fertilizer cannot be had.

Plenty of fertilizer is essential for the new miracle wheat and rice that offer prospects for increasing per-acre yield in countries that are short of food.

It makes no sense to waste the Persian Gulf's natural gas or to withhold nitrogen fertilizer from developing countries where it has a two-fold impact on grain output, but that is what is being done. In consequence, the poor nations will be short millions of tons of grain this year they otherwise could grow for themselves.

The UN's Food and Agriculture Organization has just reported that the less developed countries will be lacking 2,000,000 tons of nitrogen fertilizer for the next crop. This means a loss of 16,000,000 to 20,000,000 tons of grain, enough to feed 100,000,000 people by Asian standards.

"It will cost these countries 3 billion dollars more to import food from elsewhere than if they got the fertilizer now," said James P. Grant, president of the Overseas Development Council. He estimated the United States uses about 3,000,000 tons a year for such purposes as lawns, golf courses and cemeteries.

President Richard M. Nixon is being urged by concerned members of Congress to ask the American people to "practice austerity" on nonessential uses of fertilizer so that increased amounts can be freed up to farmers in this country and for shipment abroad.

Expansion of world fertilizer was a major point in the address made at the UN May 9 by Senator Hubert H. Humphrey (Dem.) of Minnesota, who declared that the "battle against global poverty and disease is being lost."

Much of the emphasis at the Rome conference will be on re-establishing a world food reserves and on finding ways whereby the richer nations can temper the wind for some 40 or more poorest countries—the "Fourth World"—which, it is feared, might go under if not helped.

The list of the poorest ranges from Afghanistan in Asia to Zaire in Africa. It includes India and Bangladesh and Pakistan, a clutch of African countries and some elsewhere in Asia and the Caribbean. In general, these are countries that did not have enough chips to stay in the international poker game when the ante went up.

It has been estimated by the Overseas Development Council, an independent, nonprofit organization here, that the non-oil producing countries of the developing world—totaling about 90 in all—will have to spend about 15 billion dollars more this year for oil, food and fertilizer than last year. For the poorest 40 of them, the deficit is about 3 billions.

In contrast, the council's estimate is that the Organization of Petroleum Exporting Countries, centering around the Persian Gulf, will be raking in five times more money this year than in 1972—about 85 billions of which 50 to 65 will be available for investment or deposit.

More than half the prodigious oil bonanza will go to the five states of Saudi Arabia, Libya, Kuwait, Abu Dhabi and Qatar. The population of the five combined is only about 11,000,000 people.

Even for the United States, the wealthiest and most advanced industrially of nations, the hike in oil prices has caused difficulty. But the United States has been able to offset its oil purchases by selling farm products abroad, particularly grain.

This agriculturally productive country has been immensely generous in the past with its surplus. Under Food for Peace, billions of dollars worth of wheat and other grains and commodities have been given away abroad or sold on easy terms. But the larder is about cleaned out. The emphasis is on food for oil.

"A world community must assure that all its people are fed," Secretary of State Henry A. Kissinger told the United Nations last Sept. 24, in proposing the World Food Conference to be held in Rome this autumn.

The conference objective, as suggested by Kissinger, was to talk about "ways to maintain adequate food supplies, and to harness efforts of all nations to meet the hunger and malnutrition resulting from natural disasters."

Kissinger said nations in a position to do so should offer technical assistance in the conservation of food. He said the United States was ready to join with others in providing that help.

At the UN's special session April 15, Kissinger was more eloquent. He said the United States, with another record harvest in sight, would take part in a "major world-wide effort to rebuild food reserves." A central conference objective, he said, must be to restore the world's capacity to deal with famine.

"A condition in which one billion people suffer from malnutrition is consistent with no concept of justice," he said, as he called for a balance between food production and population growth.

With great expectations, the Rome conference was organized. Sayed Ahmed Marei, longtime minister of agriculture in Egypt, was appointed secretary-general with three deputies—John A. Hannah of the United States, Aleksei Roslov of the Soviet Union, and Sarta Aziz of Pakistan.

Hannah, former president of Michigan State University, was until recently head of the Agency for International Development. He is being assisted by Andrew J. Mair, a former Colorado farmer who heads AID's office of Food for Peace.

The United States co-ordinator for the Rome conference is Ambassador Edwin M Martin, a senior adviser to Kissinger. Working with Ambassador Martin are Glenn Tussey of the Agriculture Department and Daniel Shaughnessy of Food for Peace.

"It is essential to agree on an international system of national food reserves which will prevent us from being dependent on the luck of good weather to prevent widespread famine, as has been the case last year and this," Martin said.

Another prime objective of the conference will be to expand agricultural production where more food is needed. Some observers think the less developed countries became too dependent on the American granary. There is immense potential for expansion, but it will require massive inputs of capital.

Farmers in the United States tend to dislike the building up of huge reserve stocks because they are subject to political control and can be dumped on the market, depressing prices.

The United States, as the principal source of surplus or export food, would be unlikely to agree to a World Food Bank plan governed by others, and Secretary of Agriculture Earl A. Butz has made it clear this country will not continue to store food at high cost to taxpayers.

As the nation hammers out its position in the food emergency—what it will do and what it will not do—some tension is reported between Kissinger as the food diplomat and Butz, a champion of free market, big farm output, and sales abroad at good prices.

It is inevitable that there will be cleavage at Rome between the developed nations and the hungry have-nots. The rich will blame the poor for not being able to cut the mustard, and having too many children. The poor will say the system is rigged against them and they are not getting enough help.

A conviction widely held among persons worried about over-population is that the birth rate in the poor lands will decline only when and if the general standard of living there goes up.

Basically, many observers say, the answer if it is found in time will be the organizing of a world that grows more grain and fewer people. Isaiah's words "all flesh is grass" contain truth as well as poetry in that grain—like plankton in the sea—is the staple in the food chain.

Americans consume nearly a ton of grain per capita, but most of it is eaten indirectly in the form of animal protein—meat, eggs, poultry. People in the poorest countries eat about one-fifth as much grain each, most of it directly.

"Some cattle are more important than some human beings," an indian official here remarked with grim humor.

Noting this as conspicuous consumption that may have to be cut down in this country and other rich nations, Lester R. Brown of the Overseas Development Council is fond of quoting a Chinese official who said he did not think the world could afford more than one United States.

MOMENT FOR REFORM

Mr. CLARK. Mr. President, today the House of Representatives will begin debate on H.R. 16090, proposed amendments to the Federal Election Campaign Act.

As it comes to the floor, the House bill falls far short of the legislation passed last April by the Senate (S. 3044). The House bill does not provide for public financing in congressional elections. Nor does it establish a truly independent commission to enforce election laws.

However, as a New York Times editorial points out this morning:

> To a considerable extent these shortcomings can be modified on the floor of the House. They can be further corrected when a conference committee comes to reconcile the bill with its Senate counterpart. The important objective now is to get the legislation approved, primarily because both House and Senate versions would introduce a new, historic and essential principle into the American editorial system—the principle that government itself has an obligation to help meet the costs of political compaigning.

Mr. President, I ask unanimous consent that the full text of the editorial appear in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 6, 1974]

MOMENT FOR REFORM

Among the last major bills the House of Representatives will consider before taking up the impeachment of President Nixon is a vital one to reform the financing of political campaigns. The timing is appropriate. There is hardly a strand in the web that now envelops the President that does not have its origin in campaign money—from the illegal contributions of the dairy cooperative to the laundered cash that financed the Watergate break-in.

The measure before the House has serious weaknesses. The public funding it would provide, on a matching basis, applies only to Presidential elections. Enforcement provisions, while far more realistic than those in the current campaign law, would still leave too much leeway to the Congressional establishment, which has shown time and again that it cannot be counted on to discipline its own members. Spending limits are too low, favoring incumbents and handicapping their challengers. Not the least of the bill's defects is that the ceilings it places on contributions make no distinction between donations from good-government groups and those from special interests of the very sort that proved so corrupting. If anything, they favor the latter.

To a considerable extent these shortcomings can be modified on the floor of the House. They can be further corrected when a conference committee comes to reconcile the bill with its Senate counterpart. The important objective now is to get the legislation approved, primarily because both House and Senate versions would introduce a new, historic and essential principle into the American electoral system—the principle that government itself has an obligation to help meet the costs of political campaigning.

The spending of money on that process is not in itself an evil; on the contrary, the expenditure is vital to the education of the electorate. But with costs reaching the peaks they have, corruption was bound to increase and indeed to infect the entire political system. Only controlled public funds can now minimize that source of infection. Whatever the complexities and deficiencies of the pending legislation. it moves in that direction. It should be passed now and, if need be, improved later.

EMERGENCY ENERGY EMPLOYMENT ASSISTANCE ACT OF 1974

Mr. JAVITS. Mr. President, on February 8, I introduced with nine cosponsors, S. 2993, the Emergency Energy Employment Assistance Act of 1974. Cosponsors of this measure include the chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, Senator NELSON, Mr. WILLIAMS, the chairman of the Committee on Labor and Public Welfare, on which I serve as ranking minority member, and Senators BIDEN, BAYH, BROOKE, HATHAWAY, KENNEDY, RANDOLPH, and RIBICOFF.

Under our proposal, there would be added to the Comprehensive Employment and Training Act of 1973 a new title, "Special Emergency Energy Employment Assistance Program." Under this new title, there are authorized to be appropriated for fiscal year 1974 and the succeeding fiscal year such sums as may be necessary, not to exceed $4 billion over the 2-year period; the 2-year period would, of course, be modified during subcommittee consideration, as fiscal year 1974 has ended since introduction.

Funds appropriated under this authority would be deposited in a special emergency employment assistance fund for utilization by the Secretary of Labor for the provision of transitional public service employment opportunities, and related training and manpower services, when the rate of national unemployment exceeds 6 percent for 3 consecutive months.

Funds could also become available before the 6-percent level if either the President or the Congress, by concurrent resolution, determines, after reviewing forecasts of anticipated levels of economic activity, that specified amounts should be made available.

Funds would be made available by the Secretary through the mechanism of the State and local prime sponsors system established and now generally in place under the Comprehensive Employment and Training Act of 1973.

I am very pleased to report that Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve System, yesterday, August 6, 1974, in testimony before the Joint Economic Committee, on which I serve as ranking minority member, indicated that he supports the expenditure of $4 billion for public service jobs if unemployment exceeds 6 percent; he also indicated that national unemployment—now at 5.3 percent—might reach the 6-percent level by the end of this year.

In that connection, Chairman Burns proposed the provision of 800,000 jobs with the $4 billion at a cost of approximately $6,000 per job; under our proposal we projected that the same amount of funds, $4 billion, would create "at least 500,000 jobs," based upon our use of a $8,000 per job cost figure, derived from the experience under the Emergency Employment Act of 1971. Of course, as this matter is considered by the committee, we will consider the exact number of meaningful—as opposed to "dead-end"—jobs that may be provided at various levels of appropriation.

Similarly, in testimony before the joint committee on Friday, August 2, the Secretary of the Treasury, William Simon, indicated that he was "intrigued" by our proposal, and would discuss it with the President.

Mr. President, this is very welcome support and interest from very key members of the administration who are responsible for the Nation's response to the economic situation.

The chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, Mr. NELSON, has indicated his intention to hold hearings on this measure in the very near future, at least by early next month.

Mr. President, I ask unanimous consent that there be printed in the RECORD an article from today's New York Times entitled "Burns Asks Job Program if Unemployment Tops 6 Percent," in regard to Dr. Burns testimony, transcripts for which are not yet available.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 7, 1974]

BURNS ASKS JOB PROGRAM IF UNEMPLOYMENT TOPS 6 PERCENT

(By Edwin L. Dale Jr.)

WASHINGTON, August 6.—Dr. Arthur F. Burns, chairman of the Federal Reserve Board, proposed today a $4-billion program of public service employment to create some 800,000 jobs in state and local government if the nation's unemployment rate should rise above 6 per cent of the labor force.

Dr. Burns told a highly receptive Congressional Joint Economic Committee that this would ease the pain of a necessarily prolonged program of budgetary and monetary restraint on the economy to cure inflation. He also termed "wholesome" a suggestion of Senator Charles H. Percy, Republican of

Illinois, that in enacting the new program of emergency job creation Congress should also "trigger in" some tax increase to pay for at least part of the program.

Senator Percy mentioned elimination of the deduction on Federal income tax returns of state and local gasoline taxes, which he said would raise $600-million in revenue.

Secretary of the Treasury William E. Simon said during a television interview last Sunday that he was "intrigued" by a similar suggestion made by Senator Jacob K. Javits, Republican of New York. Thus, Administration backing of the plan seems a good possibility.

Dr. Burns also suggested today toughening President Nixon's proposal of last week for a new cost of living task force to monitor price and wage increases in important sectors of the economy. The Reserve's chief, speaking for the entire seven-man board, said the new agency should be empowered "to appoint ad hoc review boards that could delay wage and price increases in key industries, hold hearings, make recommendations, monitor results, issue reports, and thus bring the force of public opinion to bear on wage and price changes that appear to involve an abuse of economic power."

He suggested under questioning that the new boards should have the power to delay wage or price increases by 30 or 45 days. Without such additional power, he said, the President's proposal would be "quite ineffective." Again, he received a sympathetic response from those committee members who commented on the idea.

Dr. Burns declined under questioning from Senator Javits and Senator William Proxmire, Democrat of Wisconsin, who is the chairman of the committee, to assess the economic effect of a transfer of power from President Nixon to Vice President Ford. The Reserve, he said, "must stay out of impeachment politics."

Asked if there might not be a "new spirit of cooperation" on the part of business and labor in exercising price and wage restraint, he said "there is a distinction between rhetoric and reality, and the rhetoric will improve more than the reality."

As for a possible improvement in the stock market from the removal or resignation of the President, he said only that "the fortunes of the stock market will depend fundamentally on corporate profits and the level and direction of interest rates." He called profits "dangerously low" despite recent inceases in the dollar amount of profits reported.

POLICY IS REITERATED

In his prepared statement and in response to questions Dr. Burns reiterated the basic Government policy of sustained monetary and fiscal (budget) restraint, with a resulting "period of slow growth" in the economy and "a higher rate of unemployment than any of us would like."

He made these other points:

There has been some "financial adventuring" on the part of banks that is "especially deplorable," but taken as a whole "the commercial banking system in the United States is entirely sound and can be counted on to continue to function efficiently."

Unlike Mr. Simon, he feels that dealing with the huge financial flows resulting from higher oil prices is an "unmanageable problem in the absence of a reduction in prices." Central banks alone cannot cope with the problem.

Despite the Reserve's policy of restraint, "clearly the American economy is not being starved for funds." Growth of money and credit "is still proceeding at a faster rate than is consistent with general price stability over the longer term." But the policy has succeeded in reducing "credit extended to private domestic borrowers" in the first half of 1974 as compared with the first half of 1975 by an annual rate of $20-billion, to $145-billion.

While the economy remains sluggish "recent economic movements do not have the characteristics of a cumulative decline in business activity."

Despite the huge increase in the cost of imported oil, strength in exports and inflows of capital from oil-producing countries have meant that "the high price of imported oil has not created a serious balance-of-payments problem for the United States."

A reduction of Federal spending would be the single most effective anti-inflation move and could have "dramatic effects on our financial markets."

BANK-REFORM NEED SEEN

Dr. Burns said there was a need for reform in the nation's banking laws and that "before too many months" the Reserve would propose such reform. But he added that "we are not going to have a collapse of the banking system."

Discussing the public service employment proposal, Dr. Burns said a major merit of it was that it could be "triggered out" as overall unemployment is reduced. Another merit, he added, was that it would be directed to the localities where the unemployment problem was most serious.

He said he estimated that a $4-billion program—the same amount suggested by Senator Javits—would create nearly 800,000 jobs on the assumption of an average wage of about $6,000 a year for those hired.

THE SPREAD OF NUCLEAR WEAPONS

Mr. KENNEDY. Mr. President, 29 years ago this week, the United States dropped the first atomic bombs on Hiroshima and Nagasaki. The nuclear age had begun, in death and destruction.

Nearly 3 decades later, five more countries have become nuclear powers. The destructive power of these weapons has increased manifold with the largest blast almost 4,500 times more powerful than the Hiroshima bomb. Weapons and the means of their delivery have grown in number and complexity, until at least two nations have the ability to destroy virtually all of mankind. It has become insane to contemplate a war fought with these weapons.

How far have we come in controlling nuclear weapons during the past 29 years? There have been a number of significant achievements, including the Partial Test Ban Treaty of 1963, the Nonproliferation Treaty of 1969, and the limits placed on offensive and defense missile forces by the United States and the Soviet Union in 1972.

But these are only small steps toward ending the threat of a further use of nuclear weapons in war. The SALT talks are stalled. The Moscow summit produced nothing in arms control of any significance. And the Threshold Test Ban Treaty, to be submitted to the Senate, may even encourage the spread of nuclear weapons to other countries, by preventing peaceful nuclear explosions and by ignoring the requests of many nations for a long-awaited halt to superpower testing. The treaty would not go into effect until March 1976; it permits testing of weapons nearly 12 times the size of the Hiroshima bomb; and it contains no positive commitment to reduce testing to zero.

Mr. President, the United States and the Soviet Union both continue to expand their nuclear arsenals, even though both have developed massive overkill. And there is a grave danger that more nations will build nuclear weapons, for a variety of reasons. India's test of a nuclear device on May 18 has shattered the belief that the nuclear powers could be limited to the five members of the United Nations Security Council.

If India's example is not to become a new "shot heard around the world," the United States must develop with other countries a real strategy of nonproliferation. Yet we have none. The administration pursues an indiscriminate policy of providing nuclear reactors, fuels, and technology to other nations. It wrongly places faith in the Nonproliferation Treaty as its sole effort to create agreed limits on the spread of nuclear weapons. And it virtually ignores the imperative need for the superpowers to demonstrate real restraint in their own nuclear arms race.

We must develop a nonproliferation strategy, and act on it, before it is too late. We must do so now, without waiting for the 5-year review of the Nonproliferation Treaty in 1975.

This strategy must have at least eight elements:

First. We must join with the Soviet Union in showing real restraint in nuclear arms, including a rapid and effective halt to the testing of nuclear weapons;

Second. We must seek with the Soviet Union to restrict the political uses of nuclear weapons, so that other countries will be less tempted to build them for reasons of national prestige;

Third. We must join with all major arm suppliers in exercising restriant on the sale or other supply of conventional weapons in volatile areas of the world, where countries may be stimulated to supplement conventional power with nuclear weapons;

Fourth. We must seek international agreement to expand the concept of nuclear free zones—now applying to Latin America and Antarctica—beginning with the Middle East and the Indian Ocean area.

Fifth. We must review our overall policy concerning the sale of nuclear reactors to other countries, and seek a similar and coordinated review by other potential suppliers; in no case should we supply reactors to any country that has not signed and ratified the Nonproliferation Treaty, or that is not willing to accept stringent safeguards on U.S.-supplied nuclear materials.

Sixth. We must renew our efforts to gain the signature and ratification of all countries to the Nonproliferation Treaty;

Seventh. We should begin discussions now with other countries on the 5-year review of that treaty, including the more effective application of international safeguards on nuclear materials; and

Eighth. We must engage in serious efforts—as we are doing in the Middle East—to help mitigate local situations of conflict that could tempt more countries to acquire nuclear weapons.

Mr. President, this eight-point program for nonproliferation is essential if we are to begin building real barriers to the spread of nuclear weapons. It is appropriate for us this week to rededicate ourselves to this effort. For—lest we forget—the world will otherwise be more likely to see yet more Hiroshimas, yet more Nagasakis, yet more incineration of human beings beneath the deadly mushroom cloud.

THE RELATIONSHIP BETWEEN COMPETITION AND INFLATION

Mr. TUNNEY. Mr. President, Robert E. Wood of the Los Angeles Times recently wrote an article on the relation between competition and inflation which I believe merits the attention of every Member of the Senate and House.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Competition Held Cure for Inflation

By Robert E. Wood

A growing number of government policy makers and independent economists are becoming convinced that the American economy is no longer competitive enough.

And unless the structure of the economy itself is changed to foster more competition, they contend, the nation is likely to keep suffering long-term inflation.

The reason: even the most aggressive anti-inflation measures now available will work only temporarily if there is not enough competition to keep prices down.

Various groups are now beginning to study what changes might be needed to encourage competition. The proposals are still tentative and preliminary, but it is clear that their effects would be dramatic and far-reaching.

Various practices of corporations, of labor unions, of government and its regulatory agencies, of the international trading community and of the world monetary system are being eyed as apparent causes of the inadequate competition that builds in inflation over the long term.

And, while congressional figures rate current changes of passage for most reform proposals as zero, some politicians suspect the pressure for these changes will grow as more people realize how discouraging the long-term inflationary outlook is now.

Under the present economic setup, many argue, only a prolonged and deeply injurious slump in business conditions and employment will permit even a temporary reduction in the inflation rate.

And, once the necessary long recession is over, they contend, inflation could build up quickly again because of the way the economy works.

"I'm concerned that we're going to have a lot of trouble getting out of this one," said John R. Stark, executive director of the Joint Economic Committee of Congress, referring to the current round of inflation. "It's going to hang in there for quite a while, and I'm afraid it might even get worse."

He, too, blames the dearth of competition for much of the long-term problem.

That sounds ludicrous to the worker just laid off his job, or to the corporate president whose lieutenants have been fighting furiously to cut costs to hold on to customers.

But the experts point to specific areas where the competitive forces of the marketplace have been dulled by regulation, by new practices, or by the dominance of large outfits. The way these key sectors are set up, the analysts point out, prices may stay level or go up—but are unlikely to go down under even the most favorable conditions.

Government-regulated industries are being called a major culprit. The Interstate Commerce Commission and the Civil Aeronautics Board set the fares that railroads, trucking companies and airlines are allowed to charge on interstate runs, and economists maintain that these agencies have dulled competition and aimed their policies—not at the lowest possible fares—but at keeping even the marginal carrier in business.

(Even that strategy failed in the railroads' case. The Penn Central collapsed and the government-sponsored National Railroad Passenger Corp., better known as Amtrak, had to relieve Penn Central and other railroads of virtually all passenger business.)

Only the Securities and Exchange Commission has insisted on promoting price competition in brokerage firms' commission fees, and the shift away from fixed brokerage rates is still not complete.

The protective attitude of most regulatory agencies has pervasive effects, according to one highly placed Nixon appointee close to the Federal Reserve Board.

"What we need is a pricing system in these businesses where—if it IS true that prices can't be reduced during a slowdown because companies would suffer losses—then they must exert some restraint against raising prices when times are good," he said.

There's a tendency to try to have it both ways. Regulated industries, and others too, talk about high costs as justification for price increases when times are bad. Then when things get better, they say demand is too strong and they have to raise prices again. And they get what they want because competition isn't strong."

Experts raise the same complaint about the government's role in agriculture, in medical care and in energy pricing.

"There is a rather obvious list," said Otto Eckstein, Harvard University professor who was a member of the Council of Economic Advisers under President Lyndon B. Johnson. "The most pressing is agriculture. We simply cannot allow the Agriculture Department to set policies all by itself."

Eckstein and others contend that Agriculture Department policies on acreage allotments and on the purchase and sale of surplus commodities are aimed at maintaining the farmer's income, not at serving the nation's needs. They point to recent actions affecting grains and meats as examples.

Similar concerns are being voiced about government allocation systems for oil and gas, which tend to mute competitive forces.

Murray L. Weidenbaum, a former Nixon Administration Treasury official who has returned to his professorship at Washington University, St. Louis, blames much of the problem on the government's own activities in the marketplace.

"So many government programs give an inflationary bias," Weidenbaum complained. "There are all sorts of credit subsidies, government credit programs that protect some groups of favored borrowers and make it more difficult for the rest of the economy to get money. The result is high interest rates as others compete for credit."

The government has special credit arrangements for savings and loan associations, for farmers, for home buyers who take advantage of the FHA and VA loan programs, for small businesses and for many other groups.

"Each year the government, through credit agencies, controls an ever larger share of the savings pool and investment funds in this country," Weidenbaum said. "About 10% of the pool went this route in 1960. By 1970 it was 25%. And it's probably a third or more by now."

The effect, he reasons, is to shortchange investment in new productive capacity—which might quell inflation—and to drive interest rates ever higher."

Weidenbaum also faults government procurement programs for stifling competition. The Davis-Bacon Act requires workers on government construction jobs to be paid at the highest going rate. Another law sets similar guidelines for employes of government suppliers. Still another sets minimum wages on contracts to provide services to the federal government.

In the defense budget alone, Weidenbaum estimates that the savings "would be in the billions" if defense procurement red tape and detailed requirements were overhauled and streamlined. That, too, would foster more competition.

Another major area for improvement, according to Weidenbaum and many others, is the nation's complex of antitrust laws.

"The fact is that present antitrust policy says that if you're a medium-size guy, and try to merge with another, we're going to try to stop you," says Rep. Henry S. Reuss (D-Wis.), a member of the Joint Economic Committee. "But if you're so big that you already control everything, we won't do anything."

Charles I. Schultze, a senior fellow at the Brookings Institution who was budget director under President Johnson, goes further. "I'm not exactly sure of the details, but the antitrust laws should perhaps incorporate more of an economic view than a legal view," he said.

"We should concentrate not so much on illegal actions, but on unwantable results. If a certain industry is pursuing certain practices which are perfectly legal, they may nonetheless result in rigid prices."

The concern centers on huge key industries dominated by a few companies, like steel, autos, oil and computers. More price competition in these areas would help the whole economy because of the central role they play.

Many conservative economists point out that some labor unions have become monopolies of sorts, and that new laws may be needed to reflect the tremendous growth in labor's power since the early 1930s.

One proposal advanced several years ago—and still discussed occasionally—is to bring labor unions under the antitrust umbrella. Another is to establish a special tax on the profits of companies that grant excessive or inflationary wage increases to their workers. Neither seems likely to win much support, although some experts say there might be a chance of passing milder legislation—outlawing restrictions on entry into specific trades, for example, or softening apprenticeship requirements.

Even the foreign trade arena doesn't offer enough competition to keep American prices down, according to many analysts. Hendrik Houthakker, an economics professor at Harvard University and former Nixon economic adviser, pointed out last week in an essay in the Wall Street Journal that textiles, steel and many other markets are specifically protected against foreign competition by quotas which restrict imports. These artificial barriers should be phased out in a wide-ranging series of proposals for reform, he argued.

Reuss complains that the effects of trade protectionism are even more widespread. "We are still restricting supplies unconscionably," he said. "We are raising the price of meat now that the growers are having to face reasonable prices. The government is bidding up those prices while it's sending agents to hornswoggle the Australians into cutting down their meat exports to us."

A small minority of economists is looking at the makeshift new international monetary and payments system as another possible enemy of competition.

Since the United States suspended redemption of foreigners' dollars for gold at a fixed price in 1971, currency exchange rates have been allowed to float up and down on world markets in response to supply and demand.

Bankers and government leaders generally like the new system because it spares them the headaches of monetary crises, the speculative fevers that used to occur whenever investors thought one currency might be changed in value.

But the fixed-rate system and its more rigid prewar counterpart, the gold standard, did force governments to think twice about pursuing inflationary policies lest a currency crisis erupt. And the old fixed rates also kept price competition an important factor in world trade.

"With all its failings," writes Stanford University economics professor G. L. Bach in his recent book, "The New Inflation," the old gold standard "did provide a monetary religion that brought the government and the public up short when they felt the urge to spend more than they were taking in, both through the check it imposed on expansion of the money supply . . . and through the international gold drain if inflation exceeded the rate in other countries."

That competitive discipline is greatly diminished today, Bach points out.

"If we had a perfectly competitive economy," he said in an interview, "and if monetary and fiscal authorities behaved themselves, we would have a stable-price world."

However, he said, "That would call for a really quite dramatic structural change."

And not everyone is sure how long such a change would be helpful—if it were ever passed.

"Those actions for improving the structure of the economy are very important and would help efficiency," said William J. Feller, a member of the President's Council of Economic Advisers. "But they might not be effective quarter after quarter, year after year.

"They are highly desirable for their own sake, and could make it easier to follow the kind of monetary and fiscal policies we should follow. But that connection is a less close one."

"The Joint Economic Committee staff was instructed last week to conduct a new "intensive study" of inflation and to make recommendations for dealing with the problem by year's end.

Many are at a loss to imagine how a comprehensive package of reforms, which would affect virtually all Americans, would stand a chance of passage.

Schultze of Brookings suspects that a major income-maintenance program, even more massive than the welfare reform proposed by President Nixon during his first term, would be needed to win the support of all the disparate interest groups who might be threatened by such legislation.

"Then," he said, "if you tied it all to a list of 20 measures—a very large package rather than going at it piecemeal—you might give up enough Ralph Nader-type support. The public abhorrence of inflation would be a powerful weapon."

Some reforms are fairly popular. Reminded that President Nixon in his latest economic policy speech had announced plans for a "sweeping review" of regulatory agencies' practices, Democrat Reuss said simply: "That's good. I wish he'd start tomorrow."

Stark of the Joint Economic Committee concluded: "By definition, competition and the relatively free flow of resources is the most efficient way of operating an economy. When we have rigidities working against that, we must try to reduce them.

"There is a great anxiety about this. The next step is to create a little more intensive level of awareness, and hope it will attract more vigor and positivism."

ADMINISTRATION SUPPORTS EXTENDING THE 55-MILE-PER-HOUR SPEED LIMIT

Mr. PERCY. Mr. President, I am pleased to report to the Senate that the administration has expressed its strong support for the indefinite extension of the nationwide 55-miles-per-hour speed limit. In letters to me and to Senator RANDOLPH, both the Department of Transportation and the Federal Energy Administration have recently endorsed S. 3556, the bill I introduced in May to extend the 55-mile-per-hour speed limit beyond its current expiration date of June 30, 1975. The support of the two agencies of the Federal Government most concerned with energy conservation and highway safety is particularly helpful in our continuing effort to demonstrate the effectiveness of the new reduced speed limit.

In endorsing the legislation, Secretary of Transportation Claude S. Brinegar, cited figures to show that highway fatalities have declined on an average of about 23 percent during the first 6 months of this year. The Secretary noted that since November, 7,000 fewer people were killed on our streets and highways than were killed in a similar period a year earlier. He said that a large part of that reduction in fatalities resulted from the lower speed limit.

Similarly, in his endorsement of the legislation, Administrator John C. Sawhill of the Federal Energy Administration stated that:

> The nationwide 55 mph speed limit is a bright spot of policy which has emerged from last winter's energy crisis.

Mr. Sawhill said:

> If every car, bus and truck in America remains under 55 mph, the Nation can save more than eight million gallons of petroleum products daily.

I am extremely grateful to the members of the Senate Committee on Public Works, which last week approved the indefinite extension of the 55-mile-per-hour speed limit as a provision of the Federal aid highway legislation. The distinguished chairman of that committee, Senator RANDOLPH, was the father of the nationwide 55-mile-per-hour speed limit, and is a principal cosponsor of S. 3556. Senator STAFFORD, ranking minority member of the Subcommittee on Roads, is also a principal consponsor of the extension bill. The other Senators who have cosponsored this important legislation are Senators WEICKER, RIBICOFF, CHILES, and GRAVEL. I thank all of them for their support.

Mr. President, I ask unanimous consent that the letters and press release of the Department of Transportation and the Federal Energy Administration be printed in the RECORD. I also ask unanimous consent that letters I have received from the Governors of Washington, West Virginia, and New Mexico be printed in the RECORD. These are in addition to the Governors' responses which I reported to the Senate on July 25. Finally, I ask unanimous consent that an article on enforcement of the 55-mile-per-hour speed limit, which appeared in the Wall Street Journal of August 2, 1974, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., July 29, 1974.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: This is in response to your request for our views on S. 3556, a bill you introduced with Senators Randolph, Stafford, and Weicker which would make permanent the temporary highway speed reduction required by the Emergency Highway Energy Conservation Act.

Please find enclosed the Department's favorable report on S. 3556 to the Chairman of the Committee on Public Works.

Sincerely,

CLAUDE S. BRINEGAR,

OFFICE OF THE
SECRETARY OF TRANSPORTATION,
Washington, D.C., July 29, 1974.

Hon. JENNINGS RANDOLPH,
Chairman, Committee on Public Works,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for our comments on S. 3556, a bill "To conserve energy and save lives by extending indefinitely the 55 miles per hour speed limit on the Nation's highways."

This bill would amend Chapter 1 of Title 23 of the United States Code by adding a new Section 154 to make permanent the temporary highway speed reduction required by Section 2 of the Emergency Highway Energy Conservation Act (P.L. 93–239). In all other material respects, this new section would be identical to Section 2 of the Act.

Since the etsablishment of reduced speed limits several months ago, we have experienced a marked reduction in highway fatalities, and we believe this overwhelming safety benefit dictates that the current 55 mph limit be extended. While there are competing economic considerations, we believe at this time that they are outweighed by the increased safety on the highways. We would continue to study the impact that a permanent reduction in the speed limit is likely to have and, if necessary, would recommend appropriate amendments.

However, there is a significant technical question in the bill which should be resolved. Both Section 2(b) of the Highway Energy Conservation Act and Section 154(a) as proposed in the bill appear to provide that a State must commit each of three separate prohibited acts before the Secretary would be required to disapprove further projects under the Federal-aid Highway Program. This interpretation arises from the use of "and", rather than "or", as the connective word in the listing of the three acts. Since we believe that it would be unlikely for any State to commit all three acts and that the first act alone (maximum speed limit in excess of 55 mph) should be sufficient to merit project disapproval, we recommend that the acts be listed disjunctively.

Subject to the foregoing comments, we support the enactment of S. 3556.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this report for the consideration of the Congress.

Sincerely,

RODNEY E. EYSTER,
General Counsel.

Department of Transportation,
Office of the Secretary,
Washington, D.C. July 23, 1974.

U.S. Secretary of Transportation Claude S. Brinegar recommended today that Congress enact legislation making permanent on all the Nation's highways the present 55-mile-per-hour speed limit.

The recommendation was made in a letter to Senator Jennings Randolph of West Virginia, chairman of the Senate Committee on Public Works. Secretary Brinegar said the reduction in the number of highway fatalities during the eight-month period since the 55-mile limit became effective in November 1973, justifies Congressional action making it permanent.

In his letter to Randolph, the Secretary cited figures to show that highway fatalities have declined on an average of about 23 percent during the first six months of this year. He said that since November, 7,000 fewer people were killed on our streets and highways than were killed in a similar period a year earlier. He said that a large part of that reduction in fatalities resulted from the lower speed limit.

Mr. Brinegar said there are competing economic factors to be considered in the decision to make the 55-mile limit permanent. But he said those factors are outweighed by the increased safety on the highways.

The Secretary's letter was written in response to Senator Randolph's request for the Department's views on the proposed Federal-Aid Highway Act of 1974 now before the Senate Committee on Public Works. As approved by the Subcommittee on Transportation, the bill contains a provision making the 55-mile limit permanent.

The speed limit now in effect was authorized in the Emergency Highway Energy Conservation Act, approved by Congress last year as a means of conserving fuel. Unless Congress takes further action, the present limit expires July 1, 1975.

The highway legislation pending before the Senate committee also contains a provision which would increase funding for various Federal-aid highway programs for the fiscal years 1974 through 1976. Another provision would authorize alteration of existing highway construction contracts to compensate for increased costs resulting from inflation.

Secretary Brinegar said the Department is opposed to both of these provisions. The first, he said, would create further inflationary pressure throughout the economy, while the second would give preferential treatment to one group of contractors—all of whom have been affected by the same cost increases.

Federal Energy Administration,
Washington, D.C., August 2, 1974.
Hon. Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Senator Percy: I was most happy to read of your sponsorship of S. 3556, to make the 55 m.p.h. speed limit permanent. The energy conserved and the lives preserved make this a very important piece of legislation, and we are pleased to support it.

If Energy Conservation and Environment can be of any assistance to your staff in this matter, please feel free to have them get in touch with us.

Sincerely,

Roger W. Sant,
Acting Assistant Administrator, Energy Conservation and Environment.

Federal Energy Administration,
Washington, D.C., July 31, 1974.

Sawhill Endorses Permanent 55 MPH Limit; Urges States to Follow Suit

Federal Energy Administrator John C. Sawhill today endorsed a movement in Congress to make the nationwide 55 mph speed limit permanent for interstate highways. He also urged State Governments to follow suit and warned the Nation's motorists not to allow driving speeds to creep back up to former levels.

Said Sawhill, "The nationwide 55 mph speed limit is a bright spot of policy which has emerged from last winter's energy crisis. I would certainly endorse, and I believe the American people would support, a movement in Congress to make it permanent." Under existing legislative authority, the 55 mph limit would expire on interstate highways on June 30, 1975.

In urging the Nation's 50 Governors to support a permanent 55 mph limit for state highways, Sawhill cited a recent Gallup Poll which showed 72 percent of those interviewed favor the maintainance of the nationwide 55 mph limit.

Sawhill noted that there have been 7000 fewer traffic deaths and perhaps as many as 200,000 fewer injuries in the first half of 1974 as compared to the same period last year, primarily attributable to the 55 mph law.

Sawhill also stressed the importance of the potential fuel savings the Nation can achieve with strict adherence to the 55 mph limit.

"If every car, bus and truck in America remains under 55 mph, the Nation can save more than eight million gallons of petroleum products daily. Such savings are especially significant as winter approaches and refineries must switch production from gasoline to home heating oil," Sawhill said.

Sawhill also noted that a permanent 55 mph speed limit would encourage car manufacturers to adjust engines for increased efficiency at lower speeds and might result in nationwide reductions in automobile insurance rates.

Sawhill conceded that there is some complacency in the observance and enforcement of the 55 mph speed limit as memories of last winter's energy crisis fade in the public mind.

Said Sawhill, "We look to the continuing cooperation of the Nation's Governors in enforcing the 55 mph speed limit as the best protection against the erosion of that limit, and the savings in energy and lives which it has brought for the American people."

"We also look to the good sense and self-discipline of the American motorist in obeying the Nation's speed limit laws and practicing energy conservation on the Nation's highways."

State of Washington,
Olympia, Wash., July 5, 1974.
Senator Charles H. Percy,
U.S. Senate,
Washington, D.C.

Dear Chuck: Thank you for your letter in behalf of energy conservation and for the copy of your statement in support of your bill to extend indefinitely the 55 mph speed limit. I am sure you know how thoroughly I embrace the same point of view and how committed I am to awakening our peoples to the impending crisis and what has to be done.

Your statement of the case for the 55 mph speed limit is particularly thorough and convincing. What is most needed at this point is the repeated recognition of the points you have made and the strength of leadership in public officials at all levels of government to forego the temptation of assuring their constitutents that we have successfully surmounted the crisis. For some it might be politically tempting to defer attention to inevitable problems as long as possible, but it surely is not the leadership we will have to have in order to endure beyond our immediate ease and comfort.

Although the lower speed limit was undertaken as an energy conservation measure, its contribution toward greater safety has proved to be an especially rewarding by-product. Indeed the reduction in the number of accidents and in their severity has been of a magnitude sufficient to alone constitute justification for the lower speed limit. Much has been made of the fact that reduced travel has also been a factor in the improved safety record—which, of course, is true—but the experience in this state during the seven-month period of slower speeds as compared to the same period of the prior year shows a 15 percent drop in the number of fatal accidents on those roads affected by the change in speed limits as compared to only an 11 percent drop on all other roads whose posted speeds were already at or below 55 mph. Isolating in that way the factor of reduced speed from the factor of reduced travel confirms without doubt your point that the lower speed has in fact been an important contributor to highway safety.

You have my full support, Chuck, in your efforts on the 55 mph speed limit, and I think you would be interested in knowing of the appreciable amount of correspondence I have been receiving to the same effect. It suggests strongly that there is considerable receptivity among the people toward energy conservation in general and the 55 mph speed limit in particular.

Sincerely,

Daniel J. Evans,
Governor.

State of West Virginia,
Charleston, W. Va., July 25, 1974.
Hon. Charles H. Percy,
U.S. Senator
Washington, D.C.

Dear Senator Percy: Thank you for taking time to share with me your thoughts relative to continuation of a national 55 mph speed limit. I agree that the benefits of this measure are significant enough to warrant its retention.

The necessity to continue energy conservation measures following the removal of the Arab Oil Embargo has caused considerable controversy. Many individuals do not believe that an energy shortage exists. The serious gasoline supply shortfalls that persisted no more than three months ago were perceived as a transitory problem. I believe that we are still faced and will continue to be confronted with a petroleum shortage. We must convince the public that their conservation efforts are not in vain.

In order to minimize wasteful fuel consumption, I have and will continue to support a national policy that calls for the retention of a maximum 55 mph speed limit. Further, the corresponding reduction in highway fatalities should remind us that conservation on our highways means more than economic savings alone. Following a review of S. 3556, I would concur that such legislation is necessary and desirable considering the present constriction of supply and assured availability of petroleum.

I understand and appreciate your concern in this matter and, as Governor, I continue to pledge West Virginia's support to Congress' efforts in the energy conservation area.

Sincerely yours,

Arch A. Moore, Jr.,
Governor.

STATE OF NEW MEXICO,
Santa Fe, N. Mex., July 26, 1974.

Hon. CHARLES H. PERCY,
Senator from Illinois, U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Your thoughts and information regarding the current national 55 mph speed limit were interesting and persuasive. I am concerned, as you are, that energy-related problems will continue at least into the intermediate future and that state and federal governments must continually strive to find the means to alleviate the resulting hardships.

Fuel consumption and fatalities in New Mexico have also been reduced dramatically since a 55 mph speed limit was imposed and this is very gratifying. Nevertheless, we in the Western states confront a situation probably not encountered in your great state. Because many of the Western states are sparsely populated and larger than their sister states to the east, the 55 mph limit affects the population more dramatically. As the distances involved are often great, a reduced speed limit has more of an impact here than in states where the necessities of life and most business activities are within a small radius of most of the population. New Mexicans often must travel many miles to obtain suitable consumer products and conduct their daily business. While I am not necessarily advocating different speed limits for different regions of the nation, I feel the unique situation of the Western states deserves mention when any legislation imposing a national standard or limitation is being considered.

Be assured, however, that the State of New Mexico will continue to vigorously pursue not only the objectives of conservation but the ultimate development of alternative energy sources. Thank you again for your thoughts and information.

Sincerely,

BRUCE KING,
Governor.

[From the Wall Street Journal, Aug. 2, 1974]

MANY DRIVERS EXCEED THE 55-MPH LIMIT BUT DO SLOW DOWN

Few motorists on the nation's highways are sticking within the energy-saving 55-mile-an-hour speed limit. Only on rare occasions are highway patrolmen willing or able to enforce that limit strictly. Still, Americans are driving a litle slower than they have in the past, perhaps five to 10 miles an hour slower. And this appears to be true despite a sharp rise in the number of speeding summonses issued in many states.

To determine how rigidly, and with what results, the new speed limit is being enforced, Wall Street Journal reporters in 10 cities took to the highways last Friday. They clocked traffic, alone or with the help of radar-equipped troopers. And, at highway plazas and police barracks, they interviewed dozens of patrolmen, automobile drivers and truckers.

They found that your chances of getting a speeding ticket are almost nonexistent at 60 m.p.h. The risk edges up at speeds above 60, and it rises sharply at speeds above 65—except in a few places, where enforcement policy or the whims of individual troopers allow speeds as high as 70 m.p.h.

FEWER TRAFFIC DEATHS

Despite uneven enforcement and widespread noncompliance, the 55-m.p.h. limit has won strong support in high places. A Senate committee this week recommended that it be made permanent. Republican Sen. Charles Percy of Illinois, a sponsor of the Senate proposal, told his colleagues last week that he had written the 50 governors about it and received replies from 27; most, he said, are "enthusiastic" about keeping the new limit. Officials of the Department of Transportation also want to keep it.

John C. Sawhill, head of the Federal Energy Administration, calls the new limit "a bright spot of policy which emerged from last winter's energy crisis." If it were universally respected, he says, the country could save more than five million gallons of oil products a day. "Over the past six months," he says, "we have been saving a significant proportion of that."

Mr. Sawhill and the National Safety Council also cite figures showing a sharp decline in traffic deaths. The safety group says all traffic deaths in the first six months this year fell 23% to 20,406 from 26,600 in the first half of 1973. Mileage logged on the nation's turnpikes dropped 14% in the same period, while turnpike traffic deaths declined by 60%.

The new speed limit is less popular on the highways, especially among truckers. "It stinks," says Peter Card, a trucker on the Massachusetts Turnpike. He admits he drives faster than the limit, but he says, "If you're watching your rearview mirror for a gumball machine"—a patrol car—"you're not watching what's ahead."

DISTANT EARLY WARNING

Many truckers carry citizens-band radios to warn other truckers, and get warnings, of road hazards, patrol cars or radar units. "I wouldn't drive across the Delaware Memorial Bridge without my CB," says David L. Poore, a beefy over-the-road trucker from Delaware.

Partly hiding his radar-equipped car behind a bridge abutment on the Pennsylvania Turnpike, highway patrolman Robert Taylor notes that every truck passing by is moving at exactly 50 miles an hour. He laughs and says, "There might be slightly more to this than meets the eye. Nearly every trucker within five miles in both directions knows we're sitting here"—because of warnings over their citizens-band radios. Even at night, he says, "Bam. You hit the first two trucks, and that's it."

Mr. Taylor's instructions are simple. He is to give citations—the basic one calls for a $10 fine and $5 costs—to drivers clocked faster than 61 m.p.h. (When the turnpike speed limit was 65 m.p.h., drivers also got leeway of 6 m.p.h.) So he pulls his blue-and-white car off the road and attaches his megaphone-shaped radar device to the left rear window, pointing it at traffic approaching from the rear. He calibrates the device with a set of tuning forks and then sits down to watch its indicator on the dash.

One of the first cars to come along registers at 66 m.p.h., dipping to 65, 60 and then 55 as its driver nears the patrol car. Mr. Taylor speeds off and stops the car. But in the 10 minutes or so in which he is writing one a ticket, at least a dozen cars whiz by at faster than 61. Mr. Taylor notices this; he says it's getting him "psyched up," so he hurries his ticket-writing chore.

FEWER FLAGRANT SPEEDERS

But traffic is especially heavy today. It's one of those days, Mr. Taylor decides, on which "if you tried to pick up everybody over 61, you'd go crazy." So he starts out after only the most blatant speed offenders those running about 10 m.p.h. over the limit. It's foolish, he says, to break into heavy traffic and risk a major accident simply to catch a mild offender.

Mr. Taylor and 33 other officers at the Somerset state police barracks are writing more than 1,000 tickets a month, double last year's rate. The officers say that their 55-mile stretch of highway had only 226 accidents in the first half of 1974, down from 819 in the first half of 1973.

Police in Pennsylvania and elsewhere say they've spotted far fewer flagrant offenders in recent months: "The speeds that we're issuing summonses for today are less than they used to be," says New York State Police Lt. J. F. Ryan. "Before February," says Georgia trooper Bruce Pickett, "we would have been picking up people doing 80 or 90, sometimes 100 miles an hour. Drivers are definitely going slower now."

Mr. Pickett is stationed near the crest of a hill. He has set his radar to buzz at 70 m.p.h., giving drivers a generous 15-m.p.h. leeway, and he waits. In two hours, only one driver, at 72 m.p.h, is ticketed for speeding "Sometimes, if I sit here long enough without getting anybody," Mr. Pickett says, "I lower my radar to 68."

That's not because he has to meet a quota, says his superior, Major Hugh Hardison. It's just that the troopers are trying to ticket drivers who are creating a danger by going markedly faster than the average flow of traffic. Traffic arrests in Georgia have increased about 10% since February.

The average traffic speed varies from place to place, but 60 or a little more seems typical. Lt. Ryan of New York figures the average speed on Interstate 287 has dropped to between 60 and 65 m.p.h. from more than 70 m.p.h. before the new speed limit. On the Ohio Turnpike, Wall Street Journal reporter Bill Hieronymus drove 30 miles westbound in exactly 30 minutes, a speed of precisely 60 m.p.h. He was passed by 40 cars and trucks, but he passed only two himself. Mr. Hieronymus drove another 25 minutes at a constant speed of 65 m.p.h., passing 22 cars and getting passed himself by only seven. Thus, he figures, a speed between 60 and 65 m.p.h. would have put him in the traffic flow.

Near the end of his test, Mr. Hieronymus watched a state patrolman giving a ticket to the driver of a purple Gremlin that had passed the line of traffic earlier. The patrolman insisted that the 55 m.p.h. limit was being enforced absolutely, with no leeway. When Mr. Hieronymus pointed out that traffic generally was exceeding 60 m.p.h., another trooper conceded that "we just try to slow everybody down."

Frederick A. Vierow, acting director of the Ohio Department of Public Safety, says that "anyone violating the 55 m.p.h. limit is subject to arrest." But, he says, "we do depend a lot upon the discretion of the officer to understand his function on the highway and his role in slowing down traffic." Ohio's arrests for moving-traffic violations rose to 42,644 in June from 34,726 in June last year.

A "GOOD IDEA," BUT . . .

In California, highway patrolman Steve White says, "We normally allow a little leeway for speedometer fault—up to 58 m.p.h. Between that and 65 m.p.h., the officer has the choice of giving a verbal warning or a written citation. Anyone going 65 m.p.h. or higher gets a written citation. The number of citations written since the 55 m.p.h. limit went into effect has tripled in California. Still, a spokesman for the highway patrol says, a survey shows the average freeway speed has fallen to slightly above 58 m.p.h. from 67 m.p.h. two years ago.

Talks with drivers also suggest that although few adhere to the new limit, most are driving slower. A typical observation, from a driver on the Pennsylvania Turnpike: "I'm still speeding, but where I'd go 70 last year, I'm going 60 this year." Ronald De George, an Oakland, Calif., schoolteacher, says he drives as fast as 65 m.p.h. and "I guess you could call me a habitual lawbreaker." But he adds, "I broke the 65 m.p.h. limit, too, by going 70." Mrs. Elaine Fuld of New York City says she drives 5 m.p.h. above the new limit, the same as she did above the old.

Law enforcement officials wonder how long all this will last. Some believe that compliance with the new limit, never total anyway, has started to decline. "At first," says a spokesman for the Texas Department of Public Safety, "there was a high degree of voluntary compliance. But gradually people have started inching up their speeds again." Still, he credits a one-quarter reduction in traffic deaths to the new limit. "We had about 80% compliance with the 55-m.p.h. limit at first," Georgia's Major Hardison says. "Now it's down to about 20%."

California Highway Patrol studies show that noncompliance reaches 70% to 80% on freeways in thinly populated areas and more than 40% in the cities. "Certainly it's discouraging to an officer to try to enforce a law that has a high level of noncompliance," a spokesman says. "The strange phenomenon about the 55-m.p.h. speed limit," says California Patrol Capt. Bill Mulhare, "is that everyone you talk to is in favor of it. Nobody ever says it's a bad law, but everyone abuses it."

James Quine, a Framingham, Mass., gasoline-station attendant, says he thinks the 55-m.p.h. limit is a good idea, although "sometimes the only person trying to uphold it in traffic almost gets killed." He himself drives at 65 m.p.h.

MONTANA LAGS BEHIND OTHER STATES IN FUNDS COMMITTED TO HOUSING AND IMPROVEMENT OF RURAL WATER AND SEWER SYSTEMS

Mr. METCALF. Mr. President, the director of the Farmers Home Administration for the State of Montana, Mr. Richard D. Smiley, in an interview with the Missoulian earlier this year said:

> Private enterprise could do everything the Farmers Home Administration and the Federal Housing Authority is (sic) doing and do it more effectively.

Given Mr. Smiley's attitude toward the programs he is responsible for administering, it is not surprising that the State of Montana has lagged significantly behind other States of similar size and population in funds committed to housing or improvement of rural water and sewer systems.

The most recent example is in the allocation of the $120 million released for water and sewer construction. Montana will receive $662,000, $150,000 less than South Dakota and less than half of the North Dakota share.

Mr. Smiley cannot be held responsible for the administration of his office before June 1972, when he was appointed State Director. However, he may be held accountable for his assessment of it and for the record written since that time.

Mr. Smiley says that "the Government programs should take less of a role or certainly fill only those gaps where private enterprise can not get the job done" and that FmHA in Montana is "continuing to expand the housing program."

Evidently Mr. Smiley has not found many gaps appropriate for his agency to fill. In the Nation in the period fiscal years 1968–73, Montana ranked 47th in the homeownership program in relative program size, the number of homeownership loans relative to number of families in bad housing in primarily nonpoverty households. Our neighbors, Idaho at first, Wyoming at 12th, North Dakota at 13th, and South Dakota at 22d, were light years ahead of us—and still are.

With nowhere to go but up, Montana made only 13 initial section 502 loans for every thousand households in the first three quarters of fiscal 1974, while the national average was 25. South Dakota FmHA made 23, North Dakota 26½, Wyoming 48½, and Idaho 124. Montana's section 504 home repair program is less than one-fifth that of any adjoining State.*

While Mr. Smiley defends his statement to the Montana Building Material Dealers Association calling for curtailment of Government's role in housing construction, letters from my constituents describe the slump in the housing industry and call for Federal intervention to save the industry.

With respect to housing generally, it cannot be said that recent years have seen an administration of programs that is faithful to the intent of Congress, as Mr. Smiley asserts. It was not Congress that placed a moratorium on housing programs a year and a half ago. It was the administration which Mr. Smiley serves and defends. To suggest, as this servant of the Nixon FmHA does, that a discredited policy that has helped significantly in bringing the housing industry to its present moribund condition should be followed to bring it to life tells us much of Mr. Smiley's capacity to learn from experience.

Mr. President, I ask unanimous consent that my correspondence with Mr. Smiley be printed in the RECORD, together with a letter from a realtor of a firm of real estate brokers in Bozeman.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOZEMAN REALTY,
Bozeman, Mont., July 3, 1974.

Hon. LEE METCALF,
U.S. Senator,
Washington, D.C.

DEAR MR. METCALF: I'm in the Real Estate business and would like your help in improving our present situation. The housing industry is in a slump of growing proportions, housing starts are down Nationally, and for the past year, sales volume has been falling. Mortgage funds are subject to tight money constraints, are increasingly difficult to obtain, and a steadier supply of mortgage money is desperately needed.

I am urging you to get the House Banking and Currency Committee to act favorably upon H.R. 14490. I would also like you to get the House Banking and Currency Committee to add to the new housing bill the provisions of H.R. 14749, Mr. St Germain's bill to increase the lending capacities of savings and loan associations at this critical period of a mortgage money drought.

Please ask the House Ways and Means Committee, which is now considering a tax reform bill, to remember the unhappy economic state of residential, commercial, and industrial real estate, and heed the constructive recommendations submitted to each member of the House Ways and Means Committee by Realtor President Joseph Doherty.

I strongly urge you to press for action on the above items. It is in all of our best interests to see that the outflow of mortgage money from our lending institutions is made more readily available before current conditions degenerate further.

I appreciate your concern in this matter.

Sincerely yours,

——— ———.

U.S. DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Bozeman, Mont., June 18, 1974.

Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: Thank you for your letter of May 22 with the attached news release which appeared in The Missoulian regarding a speech I made to the Montana Building Material Dealers Association at their annual convention.

Yes, I was quoted correctly.

My topic for the convention was, "Where Will the Financing for Tomorrow's Housing Come From?". I think this question was adequately answered and as indicated, if we continue on the road we are going, a great share of the housing in America will come from public funds and will be or could result in public debt. I happen to believe that private enterprise should be building houses when at all possible. The remainder of the article speaks for itself.

I am attaching some recent news clippings which should clearly indicate to you that despite my feeling of the role of private enterprise in housing and that government programs should take less of a role or certainly fill only those gaps where private enterprise cannot get the job done, they will show you we are continuing to expand the housing program under the Farmers Home Administration in Montana. They will also demonstrate to you that we are making our program known. The samples included are only a small part of our efforts to make the Farmers Home Administration housing program known to all. So, I think you can conclude that despite your obvious thoughts that someone may be tending the FmHA housing program in Montana who does not believe in it, that we are in fact carrying out the wishes of the Congress and the President of the United States in administering the housing program to the best of our ability and hiding it from no one.

In closing, I might say that I simply forthrightly responded to the question of the Montana Building Material Dealers Association and the answers I gave them were exactly what is happening today in housing and the direction I feel it should go.

Sincerely,

RICHARD D. SMILEY,
State Director.

[From the Missoulian, Mar. 20, 1974]

STATE FHA BOSS CRITICIZES GOVERNMENT HOME LENDING

(By Charles S. Johnson)

Private enterprise—not the federal and state governments—should assume the leadership in financing homes for Americans, Richard Smiley, state director of the Farmers Home Administration, said Tuesday.

Even though he heads the federal agency

---

*Figures taken from "Six Years of Progress (with variations)," Farmers Home Ad Programs, fiscal years 1968–73, by George W. Rucker, Rural Housing Alliance, January 1974, Washington, D.C.

in Montana, Smiley, a former state legislator from Bozeman, criticized the expanding roles of governmental bodies in financing housing.

"My viewpoint is that unless the attitude of the public changes, financing will come more and more from public funds," he said in an interview with The Missoulian. "That could result in additional public debt, which I am completely opposed to."

Smiley, an unsuccessful Republican candidate for Congress in 1966 and 1968, was in Missoula to participate in a panel discussion at the Montana Building Material Dealers Association annual convention.

"There is no reason why private enterprise can't do it (finance homes instead of government agencies)," he said, referring to banks and savings and loan associations.

"Private enterprise could do everything the Farmers Home Administration and the Federal Housing Authority is doing and do it more effectively," Smiley added.

Through ignorance, the public is contributing to the problem, according to Smiley.

"Politicians are offering utopia to the public," he said. "Even though it's unworkable the public is buying it at the polls."

Smiley blamed Republicans as well as Democrats for offering "grandiose schemes" to use public funds to finance housing.

"We are now getting in Washington and Helena exactly what we deserve because we haven't paid attention," the federal official said.

One reason Americans have gone along with public financing of housing is because of the "greed" of private enterprise in this field, he said.

But this greed on the part of private enterprise is nowhere near the problem "as the politician who offers something for nothing," the federal official said.

Smiley also criticized laws that penalize persons for fixing up their homes by increasing taxes.

"I say it ought to be the other way around," he said. "You should get a tax incentive or reduction for fixing up your home."

Smiley said he is encouraged by some changes in the Farmers Home Administration. He cited a new program for business and individual loans, for which a private source provides the money and the government guarantees it will be repaid.

"I think we're beginning to see a little more of this viewpoint in Washington and the administration of the Farmers Home Administration, but not in the Congress or in the populace anywhere," he said.

Smiley's office handled about $26 million in loans to Montanans last year.

MAY 22, 1974.

Mr. RICHARD SMILEY,
Montana State Director,
Farmers Home Administration,
Bozeman, Montana.

DEAR MR. SMILEY: I received copies of an article in The Missoulian for 20 March reporting an interview with you by Charles S. Johnson. Would you please advise me if you have been correctly quoted in the enclosure?

Thank you for your courtesy.

Very truly yours,

——— ———.

EXCESS CAPACITY OFFERED BY FOREIGN AIRLINES TO THE UNITED STATES

Mr. CANNON. Mr. President, the international airlines of the United States are a vital part of the international commerce of this country and the maintenance of a vital communications link with most other countries of the world. Their continued viability is of importance to the economy of the United States in view of their contribution to trade, export of services and the airlift capability they represent.

Your Subcommittee on Aviation has been holding hearings in which the myriad of problems facing our international carriers have been discussed. The difficult competitive problems that face our private enterprise airlines stem, in no small part, from the nearly frantic growth in the number of foreign airlines seeking to provide service to the United States. The lucrative American market has drawn like a magnet the airline of nearly any country that can gather together sufficient funds to form an airline and to purchase aircraft. At the present time there are no less than 57 foreign scheduled airlines authorized to provide service to the United States. Most of these carriers are Government-owned and the fact that their operations may not be profitable does not deter the national interest decision which prompt their venture into aviation operations to this country.

The prime traffic market of the North Atlantic is inundated with airlines operating too many frequencies, too many empty seats and unprofitable services. Facing this flood of foreign competition, all trying to tap the rich American origin market, our private enterprise U.S.-flag carriers are finding it more and more difficult to maintain themselves as viable competitors.

The U.S. Government is not blameless in this situation. We have entered bilateral agreements with many foreign countries who cannot justify independent airline operations to this country; we subsidize the purchase of American-made aircraft equipment by these airlines through the Export-Import Bank which provides loans at low interest rates unavailable to competing U.S. carriers; and we do not enforce the capacity principles of the bilateral agreements which are supposed to require foreign airlines to provide levels of service adequate to meet the demands of traffic between their country and the United States.

The volume of excess capacity being operated by foreign airlines on the North Atlantic today is enormous. Many airlines are operating at load factors too low to be justified and they are striving to invade markets other than their own.

To give my colleagues an example of what has happened in recent years, airline service between the city of Chicago and Europe is almost totally dominated by foreign carriers. One U.S. airline operates between Chicago and Europe. No less than nine European airlines operate services to Chicago and in 1972 they captured over 82 percent of the traffic between Chicago and Europe. By granting to so many foreign carriers the right to serve Chicago we have practically driven the U.S. airline out of the market.

There are a number of European airlines which have not scheduled their capacity to handle only the traffic between the United States and their country. Rather they seek to tap a large part of the total United States-Europe market. Last year Icelandic Airlines carried nearly 300,000 passengers between the United States and Europe. Were these 300,000 people visiting Iceland? Last year KLM carried over 400,000 passengers between the United States and Europe, but the latest data indicates that less than 40 percent of this traffic was destined for the Netherlands—the remaining passengers were destined for other parts of Europe. The same is true of Sabena, which carried just under 200,000 passengers last year, but less than 40 percent were destined for Belgium.

Is it any wonder with this flood of airlines and capacity that U.S.-carriers are seeking assistance from their Government? I believe that they are due that assistance in, at least partly, the form of a firm resolve to correct these serious problems of excess capacity. If the bilateral agreements are not being observed by these foreign carriers—and there seems to be unanimous agreement in this country that they are not being observed—then it seems to me that we must take appropriate steps to bring about enforcement. Delay can no longer be justified. Weakness will bring the ruin of our industry.

The Civil Aeronautics Board has pending a revision of its rules which will permit it to enforce the capacity provisions of the bilateral air transport agreements. These agreements which were negotiated for the most part in the early years after World War II must be made workable if the commercial stability of the U.S.-flag system is to be preserved. I hope the CAB will move promptly to adopt whatever measures are required to put some teeth into the negotiating positions of the United States. It is not in our best interests to ignore any longer the overwhelming pressures brought upon our carriers by this excess of foreign competition.

The continued availability of U.S.-flag services is required in the national interest. In the past few months, the point has been driven home that we must not be dependent upon foreign controlled entities for some of our basic resources. Air transportation is no less a basic resource than energy or other important elements of our national economy. We cannot be dependent upon foreign flag airlines for our international services. The international agreements underlying this country's international air transportation structure must be adhered to. We must make them work. If they cannot be made to work they must be changed.

The executive departments and the Civil Aeronautics Board have ample power to deal with these problems of excess capacity. What is required is a resolve to enforce the commercial bargains struck so many years ago. As chairman of your Aviation Subcommittee I intend to do all I can to insure that the policies followed by our Government adequately reflect a concern for equal treatment for our carriers and a healthy competitive environment not destructive of their continued existence.

LEGAL SERVICES CORPORATION ACT OF 1974

Mr. JAVITS. Mr. President, on July 25, 1974, the President signed into law, the Legal Services Corporation Act of 1974 (P.L. 93-355).

This is landmark legislation in the effort to break the syndrome of poverty. The legal services program has been properly designated as one of the most significant we have been able to develop out of the antipoverty effort, and the administration is to be highly commended for its cooperation in establishing it into law.

Mr. President, this was a very long struggle—lasting over 3 years—and many of the most ardent supporters of the legal services corporation—including members of the organized bar who have contributed so much to this effort—were very sincerely concerned with the compromise bill, feeling that additional compromises should not have been made.

This view was reflected on July 12, in an editorial in the New York Times, entitled "Saving Legal Services." That editorial described as a "risky solution" and a "high price," the compromise that we were then working out.

Today, the New York Times has very graciously printed a letter to the editor by me in response to the editorial, which spells out exactly why I and the other sponsors—notwithstanding our own belief in the backup centers and concerns with restrictions on other points already in the bill—felt the compromise was necessary in order to preserve the program and the concept of the legal services corporation, and urging swift implementation of the new law.

In connection with implementation, I wish to note that I testified before the Subcommittee on Labor-HEW appropriations on July 25, requesting that the full amount authorized under the new law, $90 million for this fiscal year 1975, be included in the Labor-HEW appropriations bill now being considered in the Senate.

I ask unanimous consent that my letter to the editor, appearing in the August 7 edition of the New York Times, together with the original editorial of July 12, to which I referred, be printed in the Record.

There being no objection, the letter and editorial were ordered to be printed in the Record, as follows:

[From the New York Times, Aug. 7, 1974]

Legal Services: The Successful Compromise

Washington, *July 26, 1974.*

To the Editor:

I am writing to comment on your July 12 editorial "Saving Legal Services," describing as a "high price" and "risky solution" the Administration-urged compromise then being worked out in the Congress by me and Senators Taft, Nelson, Cranston, Mondale and others with respect to H.R. 7824, the Legal Services Corporation Act of 1974, which the President—very commendably—signed into law on July 25.

The compromise, dropping the specific authority for "back-up centers" from the conference bill, was accepted most reluctantly, since the centers—including excellent centers in New York—have been a key element of the existing legal services program, providing research and other support to the lawyers who represent the poor.

But the real "risky solution" would have been to follow the urging of the editorial that the conference bill be sent to the President without change.

It was clear that the President had made firm commitments to veto the conference bill even though it substantially met his own specifications, and that a veto could not have been overridden in the House of Representatives, which had failed earlier by only seven votes to recommit the bill to conference for elimination of back-up centers.

Thereafter, it would have been highly doubtful not only that any worthwhile legislation to establish such a corporation could be enacted but in the interim the existing effort conducted by the Office of Economic Opportunity—including particularly back-up centers—would have been in clear jeopardy after Sept. 30, when the continuing resolution under which funds have been made available expires, especially with the House's previous refusal to provide new "fall-back" authority for the current program.

The "ambush in the House" on the compromise forecast by the editorial did not materialize; in fact, the House of Representatives approved the compromise by 265 to 136, and the Senate passed it by 77 to 19.

Importantly, during such consideration, both supporters and opponents of the compromise bill made it clear that, while the authority to fund back-up centers had been dropped, the corporation and individual legal services programs retained the ability to continue their efforts "in house."

The President has now kept his commitment to the establishment of a legal services corporation, which he first urged in 1971.

It is now the responsibility of the Administration, the American Bar Assoication, the organized state and local bar, the legal services' attorneys and others who have contributed so much to the effort to work together with renewed spirit and dedication toward prompt establishment of the corporation, with a prestigious board of directors, to the end of a creative and professional development of the gifted program of legal services for the poor—without any dilution of the current effort in the interim.

Jacob K. Javits,
U.S. Senator from New York.

[From the New York Times, July 12, 1974]

Saving Legal Services

In a last-minute maneuver, Senate friends of the legal services program made a deal and embarked on a course that could endanger the entire attempt to insure continuation of the poverty law effort. Shrinking from threat of a Presidential veto, Senators Javits and Taft sold the idea that the price for getting Mr. Nixon's signature was to drop legal back-up centers from the bill.

That is a high price and a risky solution. The fifteen back-up centers, most of which are located at universities around the country, provide research expertise, model briefs and the judgments of professors and seasoned attorneys to the often inexperienced poverty lawyers in the field. To drop those centers would be to subject the program to partial lobotomy.

Moreover, the compromise move endangers the whole bill because it involves sending it back to the floor of the House, where the program has many enemies. The last time around, those opponents went after the bill with maces and meat axes. In the wake of all the compromises, one more ambush in the House might be fatal.

The biggest problem with the compromise is that a Presidential veto makes so little sense that the threat seems barely credible. The conference bill was a delicately wrought compromise. Legal services proponents had accepted even more restrictions than the White House had proposed and the measure satisfied all of Mr. Nixon's objections to an earlier Congressional attempt to create the legal services corporation which he himself had originally requested. Thus, in essence, the White House was threatening to veto its own bill.

This latest accommodation goes beyond prudent politics and moves in the direction of abject surrender. The Senate ought to reject it, approve the conference bill and send it on to the President for his signature.

GI BILL INEQUITIES

Mr. McGOVERN. Mr. President, as a further response to doubts that may have been raised by President Nixon's criticism of the Senate tuition proposal for Vietnam veterans, I ask unanimous consent that there be printed in the Record a detailed analysis of the inequities this program is designed to remedy. Members can then judge for themselves whether or not the tuition plan is "unnecessary," as the President has claimed.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Inequities of Present GI Bill System

The present GI Bill system violates the intent of Congress and denies education and training to millions of needy Vietnam era veterans. The use of the present GI Bill is often inverse to the need for education, training, and readjustment assistance.

Today's GI Bill:

Discriminates against poor, minority and educationally disadvantaged veterans.

Discriminates against veterans with families to support.

Discriminates against veterans who live in states with high-cost public education.

Severely restricts the effective use of a veteran's total benefits.

Severely limits the number and types of educational and training programs available to veterans.

These are the conclusions of the congressionally commissioned Veterans Administration study conducted by the Educational Testing Service of Princeton, New Jersey. These conclusions are verified and supported by Veterans Administration statistics, hearings and studies conducted by the National League of Cities, U.S. Conference of Mayors, the American Association of Community and Junior Colleges, the New York City Mayor's Office of Veterans Action, and by the personal experiences and testaments of Vietnam era veterans.

HISTORY OF THE GI BILL

"The World War II GI Bill was one of the most important and effective pieces of social legislation ever enacted. It profoundly affected the fortunes of veterans and postwar society and it transformed the Nation's higher education systems."—Report of the Educational Testing Service on Educational Assistance Programs for Veterans.

The World War II GI Bill extended education and training opportunities to World War II veterans, assisted their readjustment to society, and eased the impact of 17 million returning veterans on employment. This bill produced 450,000 engineers, 180,000 doctors, dentists, and nurses, 360,000 teachers, 150,000 scientists, 107,000 lawyers, 233,000 accountants, 36,000 ministers, 380,000 metal workers, 138,000 electricians, 83,000 policemen and firemen, 700,000 businessmen, 17,000 writers and journalists.

Sixty-five members of the House of Representatives and twenty Senators trained under the World War II GI Bill.

The "GI Bill of Rights" was directly responsible for a 200% increase in the number of undergraduate, graduate and doctoral degrees conferred by institutions of higher learning—from 160,000 in 1946 to over a half a million in 1950. Despite abuses GI Bill dollars enabled public colleges and universities to expand their facilities, academic resources and develop facilities to the extent that a college education became possible for the average American.

The massive scientific, medical, technological, cultural, political, economic, vocational, industrial and social contributions of World War II veterans, and others who owe their education to the World War II GI Bill, cannot be estimated, but the economic contributions of what the Veterans Administration called the "best investment in American history" can be. The Internal Revenue Service estimates the 14 billion dollars invested in the World War II GI Bill was returned six times over by veterans in increased tax revenues. If the Government's 62.5 billion dollar profit were to include revenues from non-veterans who benefited from the GI Bill's expansion of the educational system, it could reach over 150 billion dollars.

Despite the enormous benefit to both veterans and the Nation, the World War II GI Bill was subject to abuses and administrative problems. In 1952, a special Congressional investigating committee, headed by Congressman Olin Teague, concluded:

"In view of the waste, abuse, and inefficiency which occurred during the World War II program, it would be grossly unfair to veterans of the Korean conflict and to the Nation as a whole, to extend the present program without corrective action. Veterans of the Korean conflict are no less entitled to readjustment benefits than veterans of World War II. The scholarship allowance should be sufficient to maintain a veteran-student under reasonable and normal circumstances in a reliable institution with customary charges for nonveteran students used as a guide."

The resulting action was the abandonment of the separate tuition payment and monthly subsistance allowance system and the adoption of the present one-payment system of a monthly allowance payment for the purpose of covering both educational and subsistance expenses.

The present GI benefit system was adopted to prevent abuses, but has instead unintentionally denied educational and training benefits to the most needy of Vietnam era veterans.

COMPARISON OF THE WORLD WAR II GI BILL AND THE VIETNAM ERA GI BILL

I. *Tuition assistance*

A. World War II

The World War II GI Bill paid a monthly subsistance allowance *and* the full cost of tuition, books and fees at almost every public and private college, university, vocational, professional, and technical institution in America. By paying tuition, the World War II GI Bill accorded all veterans an equal opportunity to enter education and training programs. In the few schools where tuition, books and fees exceeded the $500 a school year ceiling, any veteran could accelerate the consumption of his 48-month entitlement to cover the difference. In current buying power, the World War II direct tuition payment is equivalent to $2,517 (per nine month school year).

B. Vietnam Era

The Vietnam Era GI Bill provides no direct payment for tuition, books and fees. It pays only a monthly subsistance allowance to veterans enrolled in education and training programs. Vietnam era veterans unable to pay the "educational" costs necessary to enter education and training programs receive none of the educational and training benefits they are entitled to. The financial resources available under today's GI Bill limits veterans without supplemental resources to education and training programs at low-cost public institutions.

II. *Monthly subsistence allowance*

A. World War II

The World War II GI Bill paid a monthly subsistance allowance equal to one-third the average national monthly earning. Since the GI Bill paid for tuition, books and fees, all of the veterans' subsistance allowance could be devoted to "living expenses".

B. Vietnam Era

The Vietnam Era GI Bill pays only a monthly subsistance allowance to veterans enrolled in school. Since the Vietnam veteran must pay the cost of tuition, books and fees from his monthly subsistance allowance, the portion of his subistance allowance that can be devoted to "living expenses" depends upon the amount of the subsistance allowance that is left after "educational expenses".

All World War II veterans were assured of paid "educational expenses" and of receiving an equal monthly subsistance allowance for their "living expenses". The amount of a Vietnam veteran's monthly subsistance allowance that can be devoted to living expenses after educational expenses are paid varies greatly from veteran to veteran, school to school, and state to state.

III. *Cost of basic living essentials—food, shelter and transportation*

A. World War II

The World War II GI Bill went a long way toward providing the basic living essentials. Food and transportation were not expensive, and low-cost housing was available. Government housing was provided to World War II veteran students by converting existing military and federal facilities into student housing; furnishings, beds and equipment were provided at government expense; public war housing projects were converted into low-rent student housing facilities, and government surplus housing (quonset huts, barracks, etc.) were transported to and erected at government expense on college sites.

B. Vietnam Era

The Vietnam Era Veteran must cover not only the cost of living, but the cost of tuition, books and fees with his monthly GI Bill subsistence allowance. The cost of living has increased over 200% since World War II. Government subsidized housing is no longer available and housing near schools, especially for married veterans, is limited and expensive. The cost of food has increased 14% in the last year and the energy crisis has inordinantly increased housing and transportation expenses.

IV. *Part-time employment*

A. World War II

Part-time employment was readily available after World War II and most veterans required little or no supplementation of their GI benefits.

B. Vietnam Era

The Vietnam Era GI Bill requires substantial supplementation for veterans in private institutions in states with high cost public education and veterans with families to support. Parttime employment is scarce and Vietnam era veterans must compete with many other needy students for available jobs. The energy crisis is reducing the employment market and the number of parttime public service employment positions available to veteran students.

V. *Financial aid*

A. World War II

The World War II GI Bill required little or no supplemental financial aid since it paid the veteran's tuition, books and fees at almost every public and private school in America. Veterans received as much as $300 in "mustering out" pay, which could supplement their educational financial needs.

B. Vietnam Era

The Vietnam Era GI Bill requires substantial supplemental assistance for veterans desiring to attend private school, out-of-state public schools, or schools in states with high cost public education. Despite the great need for financial assistance, Vietnam veterans are often discriminated against by financial officers who refuse veterans scholarships because they are receiving "aid" from the GI Bill. The influx of many minority and economically disadvantaged persons into the educational system has put a substantial demand upon student financial assistance that might otherwise be available to veterans.

Vietnam era veterans do have the Work Study and Cost of Instruction programs which were not available to veterans of World War II. Presently these programs amount to $3 a month per veteran in training.

VI. *Period of entitlement*

A. World War II

The World War II veteran with 3 years of military service was entitled to a total of 48 months of benefits which could be accelerated to cover "educational expenses" in excess of $500 a school year.

B. Vietnam Era

The Vietnam era veteran with 18 months of military service is entitled to a total of 36 months of benefits which he must use over a period of 36 months or longer.

VII. *Special programs*

A. World War II

MUSTERING OUT PAY

World War II and Korean War veterans received $300 in "mustering out" pay if they served at least 60 days including service outside of the U.S., $200 if they served wholly within the U.S., and $100 if they served less than 60 days. "Mustering out" money could be used however the veteran chose, including supplementing his education and training needs.

52–20 PROGRAM

The 52–20 program, a Federal unemployment insurance payment, provided the unemployed World War II veteran with $20 a week for 52 weeks.

48-MONTH ENTITLEMENT

There were no "special programs" for "educationally disadvantaged" World War II veterans (veterans with less than a high school education). 28.3% of World War II veterans had 8 years or less education, and 26.3% had 1–3 years of high school, which made 54.6% of the World War II veterans "educationally disadvantaged" by today's standards. The 48 month entitlement period, however, did enable World War II veterans to take 12 months of remedial or preparatory work and still have sufficient benefits to pursue a normal 4 year college education.

Under the World War II GI Bill there were thousands of institutions that provided "educationally disadvantaged" veterans with technical, vocatioal, educational and professional skills and opportunities they would not otherwise have been able to obtain.

B. Vietnam Era

REMEDIAL AND PREPARATORY PROGRAMS

There are three special programs for "educationally disadvantaged" Vietnam era veterans with remedial or preparatory needs that provide the same opportunities as the additional 12 months of education and training entitlement that were available to World War II veterans. They are:

Free entitlement. Free entitlement assists veterans with academic deficiencies in attaining a high school diploma, General Educational Development certificate, or refresher or preparatory courses needed to qualify for enrollment in a post secondary program, without charge to a veteran's 36 month entitlement period.

Predischarge Education Program. This is the inservice "free entitlement" program. It enables veterans to prepare (without charge to their entitlement) for their future education, training or vocational programs through programs of education or training while in the service.

Tutorial Assistance. Tutorial assistance programs provide special help to veterans in overcoming difficulties in a subject required for the satisfactory pursuit of an educational objective. In addition to his educational subsistence allowance, a veteran may receive an additional $50 a month for a maximum of 9 months or until a total of $450 has been used.

OTHER SPECIAL PROGRAMS

Work Study Program. The work-study program provides an allowance to veterans pursuing full time programs in exchange for services such as outreach activities, paper processing, school liaison and telephone staffing. The program is currently limited to a maximum $250 allowance for which the veteran must work 100 hours during an enrollment period. The work study program is also restricted to 4 million dollars during a fiscal year.

COST OF INSTRUCTION PAYMENT PROGRAM

The veterans' Cost of Instruction programs provides funds to schools who offer specific services and incentives to attract and assist Vietnam era veterans. The program is funded at 24 million dollars.

INADEQUACIES OF THE VIETNAM ERA GI BILL

Congressional Declaration of intent of the Veterans Educational Assistance Program:

"The Congress of the United States hereby declares that the purpose of the educational program created by this chapter is for the purpose of (1) enhancing and making more attractive service in the armed forces of the United States, (2) extending the benefits of a higher education to qualified and deserving young persons who might otherwise be unable to afford such an education (3) providing vocational readjustment and restoring lost educational opportunities to those servicemen and women whose careers have been interrupted or impeded by military service and (4) aiding such persons in attaining the vocational and educational status they might normally have aspired to and obtained had they not served their country."

The present Veterans Educational Assistance Program violates the intent of Congress by denying education and training opportunities to millions of needy and deserving Vietnam era Veterans. The use of the present GI Bill is inverse to the need for education, training and readjustment assistance.

Vietnam era veterans most able to use the present GI Bill:

1. *Single veterans.* 1 in 2.6 single veterans is currently using his GI benefits for education and training, compared to only 1 in 7.5 veterans with dependents.

2. *Veterans in states with low-cost public education.* "There is a marked difference (35 to 60%) in participation rates between states in the eastern section of the nation and the western section of the nation. This may be due in part to low tuition costs, and greater access to public institutions (particularly junior colleges) in the West."—Department of Veterans Benefits, Veterans Administration, Information Bulletin, April 1973.

VETERANS LEAST ABLE TO USE THE PRESENT GI BILL

1. *Married Veterans.* 2 out of every 3 Vietnam era veterans are married, yet only 1 in 7.5 married veterans is currently using his education and training benefits. Out of 4,700,000 married Vietnam veterans, only 630,000 are using the GI Bill. (42% married vs. 58% single veterans *currently* using the GI Bill).

2. *Black Veterans.* The participation rate for black veterans under the Korean War GI Bill was 53%. It is less than 25% for black Vietnam era veterans.

3. *Educationally Disadvantaged Veterans.* The participation rate for educationally disadvantaged veterans (veterans with less than a high school education) is less than 30% compared to 50% for non-educationally disadvantaged veterans.

4. *Veterans desiring to attend private schools.* 18% of all Vietnam veterans using their benefits for college level programs are enrolled in private institutions with 50% of all World War II veterans enrolled in college level programs at private institutions.

INADEQUACIES OF THE PRESENT GI BILL

A. Discrimination against married veterans and veterans with dependents.

Two thirds of all Vietnam era veterans are married, yet only one in 7.5 (13.8%) married Vietnam veterans is currently using his education and training benefits. (See Appendix A)

The subsistence allowance paid to veterans with dependents goes only half as far in meeting their "living expenses" as does the subsistence allowance paid a single veteran. (See Appendix B) Discounting "educational expenses" (which are constant regardless of the marital status of a veteran) subsistence allowances (as approved by the House of Representatives in H. R. 12628) of: $250 for a single veteran is 1.6% less than the average amount needed for "living expenses", $297 for a veteran with one dependent is 46% less than the average amount needed for "living expenses", and the $339 for a veteran with two or more dependents is 58% less than the average amount needed to meet "living expenses".

On the average a single Vietnam era veteran is 50% better off in meeting his living expenses under the GI bill than is the married veteran.

Married veterans have the difficult burden of pursuing an education and supporting a family. The scarcity of part time employment to supplement GI benefits make it impossible for many married veterans to ever use their benefits. Often, veterans pursuing an education and supporting a family through part-time or full-time employment find that the dual responsibilities place an unacceptable burden on family and academic life. The 1972 Harris survey on veterans readjustment found that 60% of married veterans not in school would use their educational and training benefits if they were provided with adequate financial assistance.

B. Restrictions on the type & number of institutions *available to veterans for education and training.*

1. Public v. private institutions.

The World War II GI Bill paid the full cost of "education expenses" at almost every public and private educational, technical, vocational or professional institution in America. Regardless of his lack of funds, or place of residence, a World War II veteran needed only meet the admissions requirements of an educational or training institution, and the GI Bill would meet the financial requirements up to $500 a school year, the equivalent of $2,517 in today's buying power. In the few institutions where educational expenses exceeded $500 a school year, the veteran could accelerate the consumption of his 48 month entitlement. The World War II GI Bill provided veterans an equal opportunity to attend the educational or training program of their choice. Under the present GI Bill system, many of the colleges, universities, technical and vocational institutions that were open to World War II veterans are closed to Vietnam era veterans who cannot pay their "educational expenses".

The present educational assistance system pays only a monthly subsistence allowance to veterans enrolled in school. If a Vietnam veteran cannot pay the "educational expenses" needed to enter an education or training institution, he will receive none of the benefits that he is entitled to.

"Educational expenses" were not a significant factor in a World War II veteran's choice of educational and training programs and institutions because the GI Bill paid "educational expenses".

"Educational expenses" are a major factor in a Vietnam era veteran's choice of educational and training programs and institutions because the veteran must pay for "educational expenses".

"Educational expenses" determine not only if a Vietnam era veteran will be able to use his benefits at all, but substantially limit the type of educational and training programs and the number of educational and training institutions available to Vietnam era veterans.

Under the World War II GI Bill 50% of the veterans in college level programs attended private colleges and universities. The average cost of "educational expenses" at private college level institutions under the World War II GI Bill was $446 for an ordinary school year (nine months), $54 under the $500 a school year limit.

The 1974 cost of "educational expenses" at a private college level institution is $2,245 a school year, $265 more than a single veteran's entitlement for a school year. This completely rules out a private education for Vietnam veterans without substantial supplemental resources. Less than 20% of the Vietnam era veterans in college level programs are attending private institutions. (See Appendix F and Appendix G)

C. Discrimination against veterans in states with high cost public education.

"The accessibility of postsecondary education for the Vietnam conflict veteran is a function not only of his military service but also his particular state or residence. The effectiveness of the benefits is directly related to the availability of low cost readily accessible public institutions. The current veteran seeking to use his educational benefits finds that equal military service does not provide equal readjustment opportunities with respect to attendance at post secondary schools."

"It appears that the states are subsidizing the cost of education for veterans of the Vietnam conflict as compared with earlier subsidization by the Veterans Administration. Since higher costs of education appear to reduce participation, this is a significant factor in determining whether the veteran in a particular state will participate in education."—Report of the Educational Testing Service September 19, 1973.

"There is a marked difference in participation rates between states in the eastern section of the nation and the western section of the nation. This may be due in part to low tuition costs, and greater access to public institutions (particularly junior colleges) in the west".—The Veterans Administration DVB Information Bulletin, April 1973.

Analysis of participation rates by state (see Appendix C and Appendix D) indicate a direct correlation between participation and the availability of low cost easily accessible institutions of higher learning.

39% of veterans participating in college level programs attend community colleges compared to 29% for non-veterans.

D. *Restriction to four-year programs of instruction.*

Under the present educational assistance system, a veteran with two or more years of honorable military service is entitled to $7,920 in benefits if he is single, $9,393 if he has one dependent, and $10,728 if he has two deepndents. However, he is restricted to using those benefits at a maximum rate of $220 a month (single), $261 a month (one dependent), and $298 a month (two dependents), over a period of 36 months or longer. *The 36 month restriction on a veteran's use of his benefits is the most serious shortcoming of the Veterans Educational Assistance system.* The 36 month limitation makes the Veterans Educational Assistance Program ineffective except for single veterans attending low cost institutions. This restriction makes it impossible for the two thirds of all Vietnam era veterans to effectively use their GI Bill benefits without substantial supplementation even though they are rightfully entitled to total benefits that would enable many to fulfill their educational or training objectives.

Congress established the GI Bill "to provide vocational readjustment and restore lost educational opportunities to those service men and women whose careers have been interrupted or impeded by active military service". Married veterans often suffer the severest interruption in their family lives, and the greatest impediments to their careers, yet they are denied effective readjustment assistance by the present GI Bill.

Denying veterans access to educational assistance that would enable them to attend two year technical, vocational, or professional institutions, and to complete their education at private institutions or attend graduate, medical or law school, defeats the purpose of the GI Bill.

The Office of Education estimates that only one in five jobs will require a college degree in the next six years. Because the present GI Bill restricts veterans' access to many technical and vocational programs, it is denying large numbers of veterans the alternative of gainful employment in secure and productive careers where college degrees are unnecessary.

The average educational level for all Vietnam era veterans is 12.5 years. Over 1 million Vietnam era veterans have completed one or more years of college prior to or during their military service. If they were attending a private institution, or are married, the current GI Bill does little to restore their lost educational opportunities.

The World War II GI Bill had a provision which enabled veterans to accelerate their benefits if their yearly "educational expenses" exceeded the $500 ceiling. This acceleration provision assured that every World War II veteran had the opportunity and the flexibility to attend the institution and pursue the education and training program of his choice.

ANALYSIS OF VETERANS ADMINISTRATION CLAIMS AND STATISTICS

The Veterans Administration's statistics and claims often convey the impression that the Vietnam era veteran is as well off, or better off, than the World War II veteran. Some of the most frequent VA claims are:

Claim

"Nearly 4.5 million veterans and servicemen have trained under the current GI Bill since it went into effect in June 1966" and ". . . the participation rates for Vietnam veterans have now exceeded those of World War II and Korean veterans".—The Veterans Administration Profile of the Vietnam Veteran, March 1974.

Reality

The "Veterans Administration has used participation rates *only* as an indicator of what percentage of eligible veterans use their entitlement, and *not as a measure of whether the GI Bill educational programs were serving their intended purpose.*"

"While the Veterans Administration does now collect and report data on degree and vocational objectives, there is little data currently available on completion rates in such programs. *Without this information it is difficult to determine the ultimate effectiveness of the GI Bill use.*

"We have been of the view that the assessment of the effectiveness or quality of education and training has not been explicitly committed to the VA by the Congress. We believe this is a matter which should be considered further."—The Veterans Administration, September 1973.

The Veterans Administration participation rate statistics measures only the number of veterans who have received some benefits and not 1) the number of veterans who have completed educational and training programs, 2) the number of veterans forced to terminate programs and their reasons for termination, 3) the amount of time the veterans participated under the GI Bill, and 4) whether the GI Bill is fulfilling the intent of Congress and meeting its objectives.

Claim

"The average Vietnam veteran attending a 4 year public or a 2 year public institution has educational benefits slightly higher than his World War II counterpart when adjustments for changes in the Consumer Price Index are made. 'In terms of buying power,' the educational assistance for Vietnam era veterans is comparable to that available to World War II veterans". *"The Vietnam era veteran actually has $292 (per nine month school year) more in buying power than did the World War II veteran!"*—The Veterans Administration, September 1973.

Reality

According to the Department of Veterans Benefits of the Veterans Administration, the $500 paid for tuition, books, and fees and supplies under the World War II GI Bill is currently equivalent to $2,517 in today's buying power. The current dollar value of the World War II subsistance allowance for a nine month school year is $1,278 for no dependents, $1,800 for one dependent, and $2,061 for two or more dependents. By adding the current buying power of the World War II tuition payment and subsistance allowance for a school year and comparing the total to the total a Vietnam Veteran receives from today's GI Bill for a school year ($1,980 for a veteran with no dependents, $2,349 for a veteran with one dependent, and $2,682 for a veteran with two dependents), it is apparent that *the Vietnam era veteran actually has $1,896 (per nine month school year) less in buying power than did the World War II veteran!*

APPENDIX A

AVERAGE MONTHLY "LIVING EXPENSES" FOR VIETNAM ERA VETERANS ATTENDING SCHOOL[1]

	Single veteran	Married veteran	Married with children
Rent	$87	$155	$173
Food	69	128	180
Clothing, cleaning and laundry	20	33	42
Transportation	45	45	45
Medical	8	24	30
Child care			23
Miscellaneous	25	48	41
Total monthly expenses	254	433	534
Total proposed monthly GI bill subsistence payment, H.R. 12628 (includes 13.6 percent increase)	250	297	339
Supplemental income needed to meet monthly living expenses	4	136	195
Percent difference between subsistence allowance and veterans average living expenses	1.6	46	58

[1] Source: Educational testing service report (excluding educational expenses and adjusted to January 1974 consumer price index.)

APPENDIX B

GI BILL PARTICIPATION BY DEPENDENCY STATUS

	Number	Percent
A. Dependency status of Vietnam era veterans:		
Total Vietnam era veterans	7,000,000	100.0
Total Vietnam era veterans without dependents	2,300,000	33.0
Total Vietnam era veterans with dependents	4,700,000	67.0
B. Dependency status of Vietnam era veterans currently using GI bill benefits:		
Total Vietnam era veterans currently using GI bill	1,500,000	100.0
Total Vietnam era veterans without dependents using GI bill	870,000	58.2
Total Vietnam era veterans with dependents using GI bill	630,000	41.8
	Percentage	Ratio
C. Comparison of Vietnam era veterans currently using GI bill benefits to all Vietnam era veterans by dependency status:		
All Vietnam era veterans currently using GI bill to all Vietnam era veterans.	21.4	1 in 5.
All Vietnam era veterans without dependents using GI bill to all Vietnam era veterans without dependents.	37.8	1 in 2.6.
All Vietnam era veterans with dependents using GI bill to all Vietnam era veterans with dependents.	13.4	1 in 7.5.

Note: Dependent denotes eligible veteran with child, parent, or wife to support.

Conclusion: Veterans without dependents are currently using GI bill benefits at a rate of 288 percent greater (3 to 1) than veterans with dependents.

APPENDIX C

TABLE A.—RESIDENT AND NONRESIDENT UNDERGRADUATE TUITION RATES AT STATE COLLEGES AND UNIVERSITIES, 1973–74 ACADEMIC YEAR. (WHERE DIFFERENT, 1972–73 TUITION RATES IN PARENTHESIS)

	Undergraduate tuition and/or required fees	
	Resident	Nonresident
ALABAMA		
Ala. A&M U	$280(270)	$630(520)
Auburn U	525(450)	1,050(900)
U. of Alabama	510	1,020
Alabama State U	405(345)	630(570)
Florence State U	470(450)	470(450)
Livingston University	439(430)	612(603)
U. of Ala.—Huntsville	525	1,050
U. of Montevallo	360	570
U. of South Alabama	579	867
ALASKA		
U. of Alaska	472(402)	1,072(1,002)
ARIZONA		
Ariz. State U	320	1,210
U. of Arizona	411	1,301
Northern Arizona U	330(304)	995(969)
ARKANSAS		
U. of Arkansas, Fayetteville	400	930
U. of Arkansas, Pine Bluff	400	1,000
Arkansas Polytechnic College	410	940
Arkansas State U	400	700
Henderson State College	400	800
Southern State College	410	680
State College of Arkansas	410	920
CALIFORNIA		
U. of California, System	644	2,144
Cal. Maritime Academy	1,380(1,080)	1,680(1,380)
Cal. St. Polytechnic U.:		
Pomona	163	1,156
San Luis Obispo	165	1,300(1,100)
California St. Colleges:		
Bakersfield	39	1,100
Dominguez Hills	146(143)	1,256(1,253)
San Bernadino	157	1,270
Sonoma	140	1,345(1,250)
Cal. St. Universities:		
Chico	166(160)	1,276(1,270)
Fresno	168	1,278
Fullerton	160	1,270
Humboldt	163	1,399(1,273)
Long Beach	164	1,369(1,274)
Los Angeles	165	1,236(1,110)
Northridge	164	1,145
Sacramento	160	1,110
San Diego	161	716
San Francisco	164	1,110
COLORADO		
Colorado State U	778(570)	2,069(1,759)
U. of Colorado, Boulder	593(576)	1,959(1,895)
Adams State College	471(456)	1,446(1,431)
Fort Lewis College	433(418)	1,337(1,283)
Metropolitan St. College	330(333)	1,080(1,062)
Southern Colo. St. Coll	474(450)	1,489(1,389)
U. of Northern Colo	427(402)	1,303(1,200)
Western St. Coll. of Colo	358(349)	1,003(1,315)
CONNECTICUT		
U. of Connecticut	715(655)	1,715(1,555)
Central Conn. St. Coll	570	1,410
Southern Conn. St. Coll	524	1,424
Western Conn. St. Coll	450	1,350
DELAWARE		
Delaware St. C	355(345)	930(920)
U. of Delaware	585(475)	1,560(1,350)
DISTRICT OF COLUMBIA		
District of Columbia Teachers Coll	70	1,082
Federal City College	132	852
FLORIDA		
Fla. A&M U	570	1,620
Florida State U	570	1,620
U. of Florida	570	1,620
Florida Atlantic U	570	1,620
Florida Technological U	570	1,620
U. of North Florida	570	1,620
U. of South Florida	570	1,620
U. of West Florida	570	1,620
GEORGIA		
Fort Valley St. C	387(382)	927(922)
Georgia Inst. of Tech	534	1,419
U. of Georgia	539(519)	1,259(1,239)
Albany State College	435	975
Armstrong State College	$405(390)	$945(930)
Augusta College	400(390)	940(930)
Columbus College	396	936
Georgia College	423	963
Georgia Southern Coll	367(361)	787(781)
Valdosta State College	429(387)	969(792)
West Georgia College	417	957
HAWAII		
U. of Hawaii	223(233)	733(743)
IDAHO		
U. of Idaho	380(356)	1,280(1,156)
Boise State College	356	1,296
Idaho State U	276(373)	1,126(1,123)
Lewis-Clark St. College	240	840
ILLINOIS		
Southern Illinois U	579	1,437
U. of Ill., Chicago Circle	636	1,626
U. of Illinois, Urbana-Champaign	686	1,676
Eastern Illinois U	599(691)	1,445(1,437)
Governors State U	585	1,650
Illinois State U	611(585)	1,272(1,246)
Northeastern Illinois U	476(520)	1,322(1,366)
Northern Illinois U	603(574)	647(617)
Sangamon State U	472(447)	1,133(1,110)
Southern Illinois U. at Edwardsville	589(584)	1,447(1,442)
Western Illinois U	561(558)	1,407(1,404)
INDIANA		
Indiana U	682(650)	1,560(1,490)
Purdue U	700	1,600
Ball State U	630	1,260
Indiana State U	660(600)	1,260(1,110)
IOWA		
Iowa State U	600	1,332(1,230)
U. of Iowa	620	1,350(1,250)
U. of Northern Iowa	600	1,100(1,000)
KANSAS		
Kansas State U	526(746)	1,316(1,066)
U. of Kansas	544(486)	1,334(1,076)
Fort Hays Kansas St. Coll	475(407)	970(802)
Kan. St. Coll. of Pittsburg	390	885(785)
Kansas St. Teachers Coll	394(386)	889(781)
Wichita State U	536(459)	1,327(1,060)
KENTUCKY		
Kentucky State U	455(395)	985(911)
U. of Kentucky	480(405)	1,210(1,120)
Eastern Kentucky U	420(360)	950(875)
Morehead State U	420(380)	950(896)
Murray State U	425(365)	955(881)
North'n Kentucky St. Coll	420(360)	950(876)
Western Kentucky U	420(360)	950(876)
LOUISIANA		
La. St. U	320	950
Southern U	284	914
Grambling College	332	782
Louisiana Tech U	334(318)	964(948)
McNeese State U	290(285)	530(525)
Nicholls State U	302	932
Northeast Louisiana U	292(270)	922(900)
Northwestern State U	302(294)	932(924)
Southeastern Louisiana U	165	480
MAINE		
Maine Maritime Academy	600	1,350(1,200)
U. of Maine:		
Augusta	400	1,400
Farmington	400	1,400
Fort Kent	430	1,430
Machias	400	1,300
Presque Isle	400	1,400
MARYLAND		
U. of Maryland, College Park	698(639)	1,698(1,439)
U. of Md., Eastern Shore	345(320)	695(620)
Bowie State College	570(450)	1,020(655)
Coppin State College	520(335)	970(685)
Frostburg State College	636(420)	1,086(770)
Morgan State College	651(460)	1,051(835)
St. Mary's Coll. of Md	470(460)	720(710)
Salisbury State College	721	1,179(954)
Towson State College	546(436)	996(886)
U. of Md., Baltimore Cty	560(500)	1,560(1,300)
MASSACHUSETTS		
U. of Mass	520(469)	1,320(1,069)
Boston St. College	369(318)	669
Fitchburg St. College	$300(250)	$600
Framingham St. College	300(250)	600
Massachusetts Coll. of Art	405(353)	705(703)
North Adams St. College	357(302)	652
Salem St. College	400(350)	800(700)
Southeastern Mass. U	420(370)	700(650)
Westfield St. College	300(250)	600
Worcester St. College	395(345)	695(645)
MICHIGAN		
Mich. St. U	720(675)	1,620(1,530)
U. of Michigan:		
Freshman-Soph	800(696)	2,600(2,260)
Junior-Senior	904(696)	2,800(2,260)
Wayne St. U	704(668)	1,893(1,857)
Central Michigan U	550(510)	1,240(1,110)
Eastern Michigan U	565	1,353
Grand Valley St. College	517(480)	1,305(1,224)
Northern Michigan U	495	1,260
Oakland U	602(557)	1,562(1,502)
Saginaw Valley College	510(450)	1,290(1,200)
Western Michigan U	540	1,140
MINNESOTA		
U. of Minn	592(550)	1,522(1,456)
Bemidji St. College	453(416)	827 (788)
Mankato St. College	333(307)	580 (555)
Moorhead St. College	333(307)	508 (555)
St. Cloud St. College	330(308)	578 (555)
Southwest Minn. St. Coll	453(416)	824 (787)
Winona St. College	477(438)	873 (834)
MISSISSIPPI		
Alcorn A&M C	400	1,000
Mississippi State U	506	1,106
U. of Miss	516	1,116
Alcorn A & M College	400	1,000
Delta St. College	434(428)	1,034(1,028)
Miss. St. Coll. for Women	474(465)	1,074(1,065)
Miss. Valley St. College	400	1,000
U. of Southern Mississippi	320	920
MISSOURI		
Lincoln U	370(350)	640(620)
U. of Missouri	540	1,540
Central Missouri St. U	315(300)	915(900)
Harris Teachers College	205	NA
Missouri Southern St. Coll	300	710
Missouri Western St. Coll	340	720
Northeast Missouri St. U	280	760
Northwest Missouri St. U	310(300)	690(800)
Southwest Missouri St. U	300	900
MONTANA		
Mont. State U	476(471)	1,376(1,318)
U. of Montana	487(471)	1,387(1,318)
Eastern Montana Coll	450(445)	1,350(1,292)
Montana Coll. of Mineral Science and Technology	378(375)	1,278(1,223)
Northern Montana Coll	430(413)	1,330(1,260)
Western Montana Coll	434(432)	1,334(1,280)
NEBRASKA		
U. of Nebraska	484	1,210
Kearney State Coll	505(403)	865(711)
U. of Neb. at Omaha	600(492)	1,508(1,218)
Wayne State College	555(443)	915(751)
NEVADA		
U. of Nevada	519	1,719
NEW HAMPSHIRE		
U. of New Hampshire	983(1,033)	2,233
Keene State College	617	1,450
Plymouth St. Coll. of the U. of New Hampshire	714	1,547
NEW JERSEY		
Rutgers U	725	1,310
College of Medicine and Dentistry of New Jersey:		
New Jersey Dental Sch	1,188	1,838
New Jersey Med. Sch	1,135(1,125)	1,775
Rutgers Medical Sch	1,200(1,250)	1850(1900)
Graduate Sch. of Biomedical Sci	635	805
Glassboro St. College	535	1,070
Jersey City St. Coll	636	1,171
Montclair St. Coll	679	1,339
Newark Coll. of Engineer	632	1,216
Ramapo Coll. of N.J	674	1,209
Stockton St. College	666	1,201
Trenton State College	640	1,175
NEW MEXICO		
New Mexico State U	466	1,296
U. of New Mexico	456	1,284
Western New Mexico U	333	900

APPENDIX C—Continued

TABLE A.—RESIDENT AND NONRESIDENT UNDERGRADUATE TUITION RATES AT STATE COLLEGES AND UNIVERSITIES, 1973–74 ACADEMIC YEAR, (WHERE DIFFERENT, 1972–73 TUITION RATES IN PARENTHESIS)

	Undergraduate tuition and/or required fees	
	Resident	Nonresident
NEW YORK		
City U. of New York	$70	$620
Cornell U. (statutory)	1,350(1,200)	1,950(1,800)
State U. of New York:		
Fresh-Soph	750(740)	1,175(1,165)
Junior-Senior	900(890)	1,400(1,390)
Queens College of City U. of New York	138	1,338(1,038)
State U. of New York:		
Empire State College	900(786)	1,468(1,234)
Maritime College	800[600]	1,300 900]
St. U. of N.Y. Colleges:		
Brockport	890[740]	1,390[1,165[
Buffalo	887[737]	1,387[1,162]
Fredonia	800[650]	1,300[1,075]
Geneseo	800[650]	1,300[1,075]
New Paltz	875[725]	1,375[1,150]
Old Westbury	800[650]	1,300[1,075]
Oneonta	800[650]	1,300[1,075]
Oswego	800[650]	1,300[1,075]
Plattsburgh	800[650]	1,300[1,075]
Potsdam	895[885]	1,395[1,385]
	[745(735)]	[1,170(1,160)]
Purchase	650	1,075
Utica/Rome	800	1,300
NORTH CAROLINA		
N.C. A&T U	542(525)	2,075(2,074)
N.C. State U	474(427)	2,034(2,002)
U. of North Carolina	439(422)	1,997
Appalachian St. U	485(467)	2,070(2,067)
East Carolina U	438(423)	2,004
North Carolina Central U	443(421)	2,043(2,021)
Pembroke St. U	389(390)	1,730
U. of N.C. at Wilmington	368(396)	1,923(1,936)
Western Carolina U	169(166)	691(699)
Winston-Salem St. U	490(472)	1,875(1,872)
NORTH DAKOTA		
N. Dak. St. U	435	1,164
U. of N. Dak	456	1,184
Dickinson S. College	415(406)	952(943)
Mayville St. College	305	852
Minot St. College	400	937
Valley City St. College	405(396)	942(933)
OHIO		
Kent St. U	804	2,004
Miami U	780	1,980
Ohio State U	750	1,800
Bowling Green St. U	780	1,179(1,143)
Central St. U	663(648)	1,188(1,173)
U. of Akron	705	1,605
U. of Toledo	780	1,935
Wright St. U	780(750)	1,680(1,650)
Youngstown St. U	630(570)	1,200(1,050)
OKLAHOMA		
Langston U	337	832
Oklahoma State U	456	1,236
U. of Okla	448	1,200
Central St. U	340	835
East Central St. College	348	843
Northeastern St. College	352(345)	847(840)
Northwestern St. College	332(327)	827(822)
Oklahoma College of Liberal Arts	335	830
Southeastern St. College	355	835
Southwestern St. College	330	825
OREGON		
Oreg. St. U	451(425)	1,633(1,484)
U. of Oregon	566(534)	1,748(1,593)
Eastern Oregon St. College	549(519)	1,392(1,239)
Southern Oregon College	549(513)	1,392(1,233)
PENNSYLVANIA		
Pennsylvania St. U	900(885)	2,100(1,986)
Temple U	1,050(970)	1,950(1,870)
U. of Pgh	1,012(982)	2,002(1,972)
Bloomsburg St. Coll	750(700)	1,500(1,400)
California State College	820(770)	1,570(1,470)
Cheyney State College	415(780)	1,576(1,470)
Clarion State College	750(700)	1,380
East Stroudsburg St. Coll	840(790)	1,470
Edinboro State College	750(700)	1,380
Indiana U. of Pennsylvania	750(700)	1,500(1,400)
Kutztown State College	750(700)	1,380
Lincoln U	1,018(1,418)	1,718(1,418)
Lockhaven State College	750(700)	1,380
Mansfield State College	NA(760)	NA(1,450)
Millersville State College	750(700)	1,500(1,380)
Slippery Rock State Coll	750(700)	1,500(1,380)
RHODE ISLAND		
U. of Rhode Island	$761	$1,661
Rhode Island College	490	1,175
SOUTH CAROLINA		
Clemson U	$640	$1,340
S.C. State C	480	960
U. of South Carolina	570	1,280
Francis Marion College	410	910
Winthrop College	560(470)	1,220(1,130)
SOUTH DAKOTA		
S. Dak. St. U	596(510)	1,337(1,132)
U. of S. Dak	554(500)	1,259(1,076)
Black Hills State College	525(455)	1,058(874)
Dakota State College	550(488)	1,017(936)
Northern State College	397(345)	390(765)
U. of South Dakota at Springfield	492(436)	1,024(856)
TENNESSEE		
Tennessee State U	351	1,161(1,071)
Austin Peay State U	318	1,128(1,038)
East Tennessee State U	378	1,188(1,113)
Memphis State U	348	1,068(948)
Middle Tennessee State U	358	1,168(1,078)
U. of Tennessee:		
Chattanooga	416(396)	1,226(1,116)
Martin	414(390)	1,224(1,110)
TEXAS		
Prairie View A&M U	198	1,422
Texas A&M U	288(279)	1,368(1,359)
Texas Southern U	346(284)	1,422(1,364)
Texas Tech. U	292(290)	1,444(1,442)
U. of Houston	266(256)	1,346(1,336)
U. of Texas, Austin	378(267)	1,458(1,347)
Angelo St. U	300(280)	1,380(1,360)
East Texas St. U	322(250)	1,402(1,330)
Midwestern U	120	1,200
North Texas St. U	170(152)	710(692)
Sam Houston St. U	276	1,356
Southwest Texas St. U	270(218)	1,350(1,298)
Stephen F. Austin St. U	280	1,360
Texas A&I U. Kingsville	270(190)	1,350(1,270)
West Texas St. U	280	1,360
UTAH		
U. of Utah	480	1,155
Utah St. U	453(438)	963(948)
Weber State College	405	810
VERMONT		
U. of Vermont	1,088(1,086)	2,688(2,536)
Castleton St. College	720	1,850
Johnson St. College	720	1,850
Lyndon St. College	720	1,850
VIRGINIA		
U. of Virginia	622(597)	1,447(1,372)
Virginia Poly Inst. & State U	627	1,227
Virginia State C	690	1,150(950)
George Mason College	690(640)	1,410(1,360)
Longwood College	585(500)	935(850)
Madison College	652(647)	1,077(1,072)
Mary Washington Coll	792(762)	1,547(1,517)
Old Dominion U	470	870
Radford College	480(462)	879(861)
Virginia Commonwealth U	590(540)	1,190(1,080)
WASHINGTON		
U. of Washington	564	1,581
Washington St. U	564	1,581
Central Washington St. Coll	495	1,359
E. Washington St. Coll	495	1,359
Evergreen St. Coll	495	1,359
W. Washington St. Coll	495	1,359
WEST VIRGINIA		
W. Virginia U	310	1,140
Bluefield State College	242(240)	992(990)
Concord College	240	990
Fairmont State College	242(232)	992(982)
Marshall U	282	1,082
Shepherd College	280	1,030
West Liberty State College	270(250)	1,020(1,000)
W.Va. Institute of Tech	277(260)	1,027(1,010)
West Virginia State Coll	250	1,000
WISCONSIN		
U. of Wisconsin—Madison:		
Freshman-Soph	573(558)	1,906
Junior-Senior	628(558)	2,006(1,906)
U. of Wisconsin:		
Eau Claire	$604(528)	$1,846(1,673)
La Crosse	611(535)	1,853(1,680)
Oshkosh	602(526)	1,844(1,671)
Platteville	620(544)	1,862(1,689)
River Falls	627(537)	1,869(1,680)
Stevens Point	519(518)	1,717(1,663)
Stout	604(528)	1,846(1,673)
Superior	610(534)	1,852(1,679)
Whitewater	607(531)	1,849(1,676)
WYOMING		
U. of Wyoming	411	1,377

Sources: National Association of State Universities and Land-grant Colleges and American Association of State Colleges and Universities.

APPENDIX D

TABLE B.—VIETNAM-ERA VETERAN GI BILL ENROLLMENT IN JUNIOR AND 4-YEAR COLLEGES BY STATES BASED ON PARTICIPATION RATES

	April 1973 Vietnam Era veteran population	Percent ever in college under GI bill
1. California	756,000	37.0
2. North Dakota	15,000	36.6
3. Arizona	64,000	34.2
4. New Mexico	32,000	31.0
5. Oregon	81,000	30.0
6. Idaho	22,000	29.3
7. Utah	40,000	29.0
8. Washington	142,000	28.9
9. Wyoming	11,000	28.9
10. South Dakota	15,000	28.7
11. Hawaii	29,000	28.5
12. Colorado	85,000	27.7
13. Oklahoma	91,000	26.3
14. Kansas	69,000	26.2
15. Florida	224,000	26.1
16. Montana	24,000	26.1
17. Texas	355,000	25.7
18. Nebraska	44,000	25.2
19. Michigan	266,000	23.0
20. Wisconsin	130,000	22.1
21. Alabama	93,000	21.9
22. North Carolina	142,000	21.9
23. Missouri	147,000	21.6
24. Illinois	321,000	21.6
25. New York	478,000	21.3
26. Minnesota	133,000	21.2
27. Mississippi	46,000	21.1
28. Maryland	139,000	21.1
29. Louisiana	97,000	20.9
30. Tennessee	119,000	20.4
31. Rhode Island	34,000	20.1
32. Arkansas	53,000	19.9
33. Massachusetts	188,000	19.8
34. Connecticut	95,000	19.4
35. Iowa	83,000	19.2
36. Virginia	158,000	19.4
37. Delaware	20,000	18.9
38. West Virginia	46,000	18.5
39. South Carolina	80,000	18.4
40. Nevada	20,000	17.6
41. Maine	30,000	17.5
42. Georgia	152,000	17.3
43. New Jersey	208,000	17.0
44. New Hampshire	28,000	16.9
45. Ohio	336,000	16.8
46. Pennsylvania	357,000	16.4
47. Kentucky	87,000	16.4
48. Alaska	12,000	18.0
49. Indiana	167,000	14.3
50. Vermont	14,000	14.2

Source: Derived from Veterans' Administration, DVB, IB 24–73–3. Appendix table 13.

KIDNEY DISEASE QUESTIONNAIRE—II

Mr. HARTKE. Mr. President, as we approach the debate on national health insurance, it is vital that we take a look at the experience of other health programs involving the Federal Government to learn from their mistakes and failures.

The kidney disease program under medicare is the only national health program which recognizes health care as a matter of right.

Mr. President, I ask unanimous consent that the second portion of letters received in response to a questionnaire which I sent to hospital associations throughout the country earlier this year be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAINT FRANCIS HOSPITAL,
Waterloo, Iowa, April 10, 1974.
Hon. Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: Your letter of March 15, 1974, regarding Public Law 92-603, section for Chronic Renal Disease, was referred to St. Francis Hospital, one of nine Iowa Hospitals providing Renal Dialysis.

The difficulties encountered at the inception of the program were comparable to those brought about by every government program to date, namely, the law becomes effective before the policies and procedures are worked out and communicated. In this case there was lack of information about billing procedures. As a consequence, billing errors occurred. In addition, long delays in payment (up to three months without any reimbursement) resulted in a backlog of over $28,000.00. We received our first payment of $9,550.00 on October 28, 1973, four months after the program started.

The backlog that still exists is one primarily due to lack of information in the beginning. Errors on original billings have not been corrected, e.g., $13,292.25 correction in process and $2,003.95 due since August for deceased patient.

We believe that two changes should be made in the regulation:

(1) Hospitals should receive payment for billed charges; and

(2) Payment for routine services of physicians should be made directly to physician.

Thank you for your concern in improving this program.

Sincerely,

SISTER ERNA,
Assistant Administrator.

TRINITY REGIONAL HOSPITAL,
Fort Dodge, Iowa, April 1, 1974.
Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: The Iowa Hospital Association asked that I respond to your letter of March 15, 1974, inquiring about the impact of Public Law 92-603—hemodialysis provisions. I will attempt to answer as many of your questions as possible.

Our problems with the program center around two main areas: (1) the actual mechanics required in filing for and receiving reimbursement on hemodialysis patients, and (2) the arbitrary $150.00 per treatment limit established for reimbursement.

The following information is submitted to address the first of these problems and explain the specific impact of the program on our workload. We have experienced increased clerical work in preparing hemodialysis claims as compared to other routine medicare claims because of the following:

1. Laboratory charges must be separated into routine and non-routine categories. Research and documentation in this area requires a considerable amount of time.

2. Form 2742 (Personal History) must accompany the first claim form submitted and Form 2743 must accompany each 483 claim form submitted (monthly). These are time consuming.

3. Since medicare has now indicated that they will pay 80% of the covered charges it requires additional claims processing for non Blue Cross coinsured patients. In one instance settlement of complete coverage required preparation of three different types of claims.

4. Limited non Blue Cross coinsurance coverage carried by some patients will require collection of a portion of the balance over medicare from the patient. Since a portion of the patient balance will not be collectible from the patient, it will require special handling and billing techniques that must be done manually.

5. Changes in the interpretation of the reimbursement schedule have required modification of our procedures of consolidating information for the preparation of claim forms. We were originally told that the full settlement would be made by medicare and the collection of coinsurance would be unnecessary. This has now been converted to the present reimbursement formula.

These factors have required the scheduling of additional hours and even overtime hours that are devoted exclusively to the hemodialysis claims procedures. This has led to what amounts to at times the involvement of one full-time claims clerk in dealing with renal dialysis claims exclusively.

The second major problem area is the $150.00 per treatment (which includes the physician's fee) restriction placed on hemodialysis patients. The majority of hemodialysis units in the State of Iowa were established as satellite units of the University of Iowa, Iowa City. The intent of establishing satellite units was to make dialysis more readily available to the general population rather than requiring patients to drive to Iowa City for treatment. It was felt that if the patient could remain at home he/she would be able to retain their job and therefore, would less likely become a burden to society. It was recognized at the outset that this would mean that the satellite units would have comparatively low volume and higher unit costs then would exist at the University Hospital center in Iowa City.

The $150.00 limitation on reimbursement places these low volume units in a situation where, in most cases, they are receiving a lower reimbursement than their unit costs of providing the service. For example, in at least three of the satellite units in the State of Iowa including Trinity Regional Hospital, the average cost per unit is greater than $150.00 not including the physician's fee. The obvious conclusion to this is that a unit forced to operate this service on a loss basis may not elect to offer this service in the future. It has been discussed among the satellite units in the State of Iowa and to the extent they are forced into this position many would in fact elect not to offer hemodialysis as a service within their hospital. It would not be economically feasible on a loss basis in lieu of the myriad of financial demands on the hospital and the constraints of the Economic Stabilization Plan and 3rd Party Reimbursement (i.e. the limitation of reimbursement to the hospital based upon cost or charges whichever is lower).

I strongly urge you to insist that the Senate Finance Committee suggest changes in regulations which govern the program in the following areas:

(1) Repeal the $150.00 limitation and reimburse for dialysis as with other acute services. (Section 1122 of P.L. 92-603 will discourage overdevelopment of dialysis units.)

(2) Revise the claims filing methodolgy with a view toward simplification.

(3) Allow the physician to bill separately for care rendered to dialysis patients instead of requiring that he contract with the hospital which is unfair to both parties.

On behalf of our dialysis patients both present and future I would be grateful for any positive influence you can bring to bear in this area.

My sincere thanks for your interest and consideration in this matter.

Respectfully,

GARY L. EDWARDS,
Acting Administrator.

UNIVERSITY OF IOWA,
Iowa City, Iowa, April 30, 1974.
Hon. Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.
Re Your letter of March 15, 1974 regarding Public Law 92-603

DEAR SENATOR HARTKE: Under separate cover, Dr. Richard Freeman has answered in some detail regarding the implementation of Public Law 92-603 and the considerable delays that have arisen with respect to that implementation. As Chairman of the Transplantation Committee of the University of Iowa Hospitals, I should like to add that these problems, unless resolved, have the potential impact of creating very unnecessary and costly duplication of dialysis and transplantation facilities here at the University of Iowa and in other parts of our state-wide program. The central piece of legislation that still is unresolved is whether a Veterans Administration Hospital can be a provider of services under this law. Our transplantation-dialysis program is truly and maximally integrated utilizing the best of both institutions to provide chronic dialysis, home dialysis, and transplantation to veteran and non-veteran patients throughout the region. As examples, all of the home dialysis training is done in the Veterans Administration Hospital, approximately one-half of the chronic dialysis patients are non-veteran, whereas all of the transplantation surgery and immediate followup care is provided at the University Hospital. Finally, the followup transplantation clinic is held at the VA Hospital. I stress this only to illustrate the degree of inter-relation, and to perhaps make it clear why separation would destroy this cooperation and necessitate very expensive duplication of facilities, and even more profound, duplications of professional and supportive staff.

It is my understanding that the question as to whether the VA can be a provider under Public Law 92-603 has already consumed a great deal of thought and is currently being reviewed by the Office of Management and Budget, but early resolution is critical to this institution since we are continuing the program of both dialysis and transplantation without any payment being made to the Veterans Administration Hospital. How long they will be able to support this care without making some compromises in the program is uncertain. Quite laudably, the Hospital Director and his superiors have taken the position that they must not reduce their support and commitment to the patients of this region until such time as either the issue is favorably resolved or comparable facilities can be built, but the monies incurred for non-veteran support are limited and the matter is of very great concern to everyone involved.

I, and everyone associated with the dialysis-transplantation program, would be pleased to provide further information if you so desire. We appreciate your interest and concern about the administration of Public Law 92-603 and the problems which appear to have been inadvertently created.

Sincerely,

JOHN S. THOMPSON, M.D.,
Chairman, Transplantation Committee,
Vice Chairman and Professor, Chief,
Medical Service, VA, Hospital.

UNIVERSITY OF IOWA,
Iowa City, Iowa, April 16, 1974.
Hon. Senator VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: This is in response to your letter of March 15, 1974 to the Iowa Hospital Association requesting information about the experience of Iowa hospitals and physicians with regard to the Chronic Renal Disease program established under Public Law 92-603.

This experience fiscally can be summarized at the University of Iowa Hospitals and Clinics as follows:

A. Medicare will not cover services furnished our Medicare patients which we purchase from Veterans Administration Hospital at Iowa City in order to avoid unnecessary duplication of medical facilities:

Exhibit I describes the problem to SSA.

Exhibit I-a is the SSA response which does not resolve the fundamental problem and indicates the Central Offices in Washington of the SSA and VA have the matter under discussion.

B. We have approximately $600,000 in Chronic Renal Disease claims in our accounts receivable for which payment has not been made to us because of lack of clarity in the implementation regulations. This lack of clarity results in submitted claims being held in process for months by the intermediary or delays our submission of claims to the intermediary. A good example relating to one element of the CRD program is the charge for organ acquisition.

Exhibit II is a letter dated August 28, 1974 wherein (See question IV) we request clarification of how to calculate charge for organ acquisition.

Exhibit II-a gives the SSA response to questions I, II and III, however, as of April 8, 1974 we have not had a response to question IV.

In conclusion, since July 1, 1973 Medicare payments received for services furnished Chronic Renal Disease patients have been essentially insignificant. We have reached the point where the economic stability of the total institution is being jeopardized by this program. We appreciate your interest, and if there is other clarification or documentation which you desire, please let us know.

Sincerely,
KENNETH H. YERINGTON, C.P.A.,
Director, Financial Management and Control.

UNIVERSITY OF IOWA,
Iowa City, Iowa, January 25, 1974.
Mr. JERRY SCONCE,
Program Officer, Bureau of Health Insurance, SSA, Department of Health, Education, and Welfare, Region VII, Federal Building, Kansas City, Mo.

DEAR MR. SCONCE: Mr. Richard Heger, Assistant Vice President for Provider Reimbursement, Hospital Service, Inc. of Iowa, our Medicare intermediary, has referred us to your office for follow-up and resolution of the following problem:

University of Iowa Hospitals and Clinics and Veterans Administration Hospital are situated at adjacent locations in Iowa City, Iowa. They conduct a joint renal program for their respective patients. We have been informed by the intermediary that when renal services are purchased from Veterans Hospital "under mutual use sharing arrangement" for University Hospitals' patients who are beneficiaries under the Medicare program they will not be "covered services" nor will such purchased service costs be reimbursable by the Medicare Program to University Hospitals. The rationale for this position is that the Veteran's Hospital is also a federal program and if the Medicare Program reimburses University Hospitals for services it purchases from Veteran's Hospital for Medicare patients, the federal government has, in effect, paid twice for such services:

Our understanding is that as a result of our payments to Veteran's Hospital the federal tax monies required to support Veteran's Hospital have been reduced. Thus, there is no duplication of payment and furthermore, there is as a consequence, a more appropriate accounting picture of the true costs of each federal program.

The significance and adverse nature of the intermediary's ruling can be outlined as follows:

(a) We are presently purchasing renal services from Veteran's Hospital at the rate of $450,000 annually.

(b) Because of the broad scope of the Medicare Chronic Renal Disease Program, these purchased services are almost exclusively applicable to beneficiaries of that program.

(c) If University Hospitals renal patients are to be provided the care to which they are entitled, and if the cost of such care purchased from Veteran's Hospital by University Hospitals for its Medicare beneficiaries patients is not recoverable from the Medicare Program, then it will be necessary for University Hospitals to expand its facilities and staff to provide these services because Veterans Hospital has no economic interest in providing $450,000 of annual free care to University Hospital patients.

(d) This, of course, will result in duplication of facilities resulting in minimal and possibly no reduction in cost at Veteran's Hospital and considerably in excess of $450,000 additional cost at University Hospitals. Inasmuch as the Medicare Program will reimburse University Hospitals if it provides the services, this will result in duplication of costs supported by taxpayers and patients because the Veteran and Medicare health programs are both federal programs.

In conclusion, we ask for your ruling that services we purchase from Veteran's Hospital be allowed as covered services and as reimbursable costs under the Medicare Program. Because of the magnitude of the problem, both fiscally and in providing appropriate care to which our Medicare patients are entitled, we ask that, if necessary for a favorable ruling, the matter be pursued immediately through to the very highest level of the Department of Health, Education and Welfare. If you have any questions or need additional data, please do not hesitate to contact me.

JOHN W. COLLOTON,
Director and Assistant Vice President for Health Affairs.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Kansas City, Mo., March 11, 1974.
Mr. JOHN W. COLLOTON,
Director and Assistant Vice President for Health Affairs, the University of Iowa, Iowa City, Iowa.

DEAR MR. COLLOTON: In your letter of January 25, 1974 you expressed your concern with the impact of Medicare policy as it relates to reimbursement for services provided by the VA hospitals on the treatment of chronic renal disease patients in Iowa. Ed Brennan of my staff has also been in contact with you regarding your letter. The issue you raised of reimbursement for services rendered by VA providers has become especially crucial in the area of renal dialysis and kidney transplant services and, since the implementation of the chronic renal disease provision of the Medicare Law, numerous situations have come to the attention of the Bureau of Health Insurance. We would like to summarize and clarify the present Medicare policy as it relates to services rendered by the Veterans Administration hospitals.

The interim regulations implementing Section 290 I of Public Law 92-603 did not modify Medicare's coverage of services provided in a VA facility. The law still prohibits Medicare payments to Federal providers of service except one which is providing services to the public generally as a community institution and for certain emergency services. However, the Bureau of Health Insurance is continuing to actively explore with representatives of the Veterans Administration possible approaches to the use of VA resources where coordination is medically appropriate and legal under both programs.

Presently, as with the University of Iowa Hospital and the Veterans Administration Hospital, contracts for an exchange or purchase of services relating to renal dialysis and transplant are in effect, and Medicare renal providers are desiring to bill the program for costs incurred in purchasing the services.

Services, such as incidental diagnostic and therapeutic services that are purchased from the VA hospital "under arrangements" are reimbursable to the participating provider. These must be of the type which meet the very specific requirements set out in Section 207 of the Hospital Manual for purchase "under arrangements." For example, laboratory services, radiology and tissue typing if purchased under arrangements from a VA hospital could be includable Medicare costs. However, services such as room, board, routine medications, nursing services, operating and recovery room are not considered the type of service that can be purchased under arrangements, and costs incurred for their purchase would not be reimbursable under Medicare. This would prohibit reimbursement for transplants performed in the VA hospital.

Outpatient renal dialysis services furnished to a Medicare beneficiary by a VA hospital under arrangements with a participating hospital are not reimbursable under the current policy described above since the participating hospital would be functioning only as a billing channel for the VA hospital and would not be providing any direct services to the patient or exercising professional responsibility over the patient's care. However, with respect to renal dialysis services furnished to an inpatient of a participating provider by a VA hospital under arrangements, reimbursement may be made to the Medicare hospital providing: (1) the need for dialysis is not the sole purpose of hospitalization; (2) the patient is taken to the VA hospital only for the limited purpose of dialysis and is returned to the participating hospital as soon as medically practical; and (3) the patient remains an inpatient of the participating hospital which continues to exercise professional responsibility for his overall care.

A participating hospital may purchase cadaver kidneys for transplantation to Medicare beneficiaries from nonparticipating hospitals, including VA hospitals, when an equally suitable kidney is not available from a participating provider. The second paragraph of the Coverage Section of the Manual of Instructions for Chronic Dialysis Provider Limited Care Facilities dated July 11, 1973, provides for this reimbursement.

We have forwarded a copy of the contract between the University of Iowa Hospital and the Veterans Administration Hospital to Blue Cross of Iowa for their determination of which expenses would be allowable costs. You will be contacted shortly by the intermediary to discuss the specific costs involved.

Please contact us if problems should arise or if you have any questions concerning this letter. We would like to express our appreciation for your letter of concern and we have forwarded it to the appropriate person in our Central Office for aid in the discussions that are presently being conducted between the Veterans Administration and the Social Security Administration.

Sincerely,

Warren H. Robinson,
Regional Representative, Health Insurance, SSA.

University of Iowa,
Iowa City, Iowa, August 28, 1973.

Mr. Robert Kuhlman,
Medicare Coordinator, Hospital Service Inc. of Iowa, Medicare Fiscal Intermediary Liberty Building, Des Moines, Iowa

Dear Mr. Kuhlman: In our review of the interim regulations covering the Medicare Chronic Renal Disease (CRD) program the following questions have arisen:

QUESTION I

What services are billable to the Medicare program when a patient receives an organ transplant on June 27, 1973 and is discharged July 16, 1973. If he is eligible for medicare coverage July 1, 1973 are all services rendered in connection with this hospitalization (whether rendered prior to or after July 1, 1973) fully covered by the program?

QUESTION II

A provider hospital elects to replenish supplies consumed by home dialysis patients. The provider has determined that a "three month" replenishment quantity is the most economical and practical order size. Can these three month replenishment orders be billed in total to the program at the time of delivery to the home dialysis patient?

QUESTION III

A provider elects not to provide home dialysis equipment on a rental basis. If the provider is willing to purchase such equipment for the patient, can the provider bill the program for the cost (including installation) of the equipment in total upon its delivery to the patient?

QUESTION IV

The regulations are unclear as to what costs are included in the organ excision cost center and the derivation of the standard organ charge relative to live donor acquired organs. Assuming that on July 1, 1973 the Hospital employed a clairvoyant accountant who provided the following facts relative to 1973–74 transplant services:

a. 75 organs will be acquired in the following manner:

1. 5 are to be acquired from other hospitals:

(a) VA Hospital,[1] 2 at $1,000 each equals $2,000.[2]

(b) St. Luke's, 1 at $1,300 each equals $1,302.[2]

(c) Mercy, 2 at $1,200 each equals $2,400.[2]

The total of 5 above equals $5,700.

2. 8 are to be excised from cadavers at University Hospitals at a cost of $1,000 each equals $8,000.[3]

3. 2 are to be excised from live donors who are relatives of the transplant recipient. The donors hospitalization costs may be summarized as follows using charges recorded for services furnished the donor (assume that the hospitals actual allowable costs are precisely coordinate with its charges).

	Donor A	Donor B	Total
Routine services (room and board)	$975	$845	$1, 820
Operating room	420	406	826
Anesthesia	100	100	200
X-ray, laboratory, drugs, blood, and other hospital services	540	500	1, 040
Surgeon and anesthesiologist fee	868	868	1, 736
Total	2, 903	2, 719	5, 622

4. Histocompatability Tissue Typing Cost is $5,700.

5. Total cost of organs from all sources as set forth above are $25,022.

b. 5 of the 15 organs will not be transplanted as they were not preservable.

c. Based on the above data, what is the appropriate "standard charge" for the 10 excised organs to be billed by University Hospitals in the following circumstances:

NUMBER OF ORGANS TRANSPLANTED

1. Two organs furnished other "provider" hospitals: 2.

2. Organs transplanted in Donee patients: Donee A (brother of Donor A)—1; Donor B (brother of Donor B)—1.

3. Organ transplanted in VA Hosp. Iowa City patients who were transferred to University Hospitals for Transplant Services: 2.

4. Other University Hospital patients: 4.

We would appreciate your prompt response to the above questions as we have claims pending relative to these matters.

Sincerely,

Kenneth H. Yerington,
Director, Financial Management and Control.

September 11, 1973.

Mr. Robert G. Kuhlman,
Assistant Medicare Coordinator, Hospital Service, Inc. of Iowa, Liberty Building, Des Moines, Iowa.

Dear Mr. Kuhlman: You wrote August 30, 1973, asking us to comment on questions relating to the renal disease provisions raised by The University of Iowa. We are delaying our answer to question number IV as we are coordinating our investigation with the national policy regarding requirements for the establishment of separate cost centers.

Reimbursement may be made for a transplant, if all other coverage requirements are met, only if it is performed on July 1, 1973, or after. However, if the transplant occurred after July 1 and the kidney was excised at some earlier date, these excision costs may be included in the bill for the transplant.

If a provider bills for a three month quantity of supplies for a home dialysis patient at the time of delivery, this would be acceptable. Note, however the limitation regarding supplies on page 10 of the advance Intermediary Letter on renal disease. Even though the Manual for Provider Limited Care Facilities indicates only one month's supply can be billed, the policy has changed and the provider can bill quarterly for disposable supplies.

A provider may be reimbursed under Part B on a reasonable cost basis for durable medical equipment which it sells to a beneficiary for use in his home. Page 32 of the Chronic Dialysis Provider Limited Care Facilities Manual points out that the provider must submit one SSA–1483 for the purchase price including installation and the intermediary must determine periodic monthly payments and make payment to the provider in installments. The beneficiary is responsible for the deductible and the coinsurance.

Thank you for referring these questions for our consideration. We will be contacting you shortly regarding the additional concern expressed by the University.

Sincerely,

William R. Blake, Jr.,
Contractors Officer Health Insurance, SSA.

Saint Vincent Hospital,
Sioux City, Iowa, May 8, 1974.

Re Your letter of 3/15/74 to Iowa Hospital Association, Inc. re: Kidney Disease Program

Senator Vance Hartke,
Russell Building,
Washington, D.C.

Dear Senator Hartke: I wish to compliment you on being the author of this Kidney Disease Program with coverage under the Medicare Program.

We fully agree with your statements and the statements from Hospitals and Physicians contained in the Congressional Record of March 5, 1974 which all indicate a program in chaos. Our problems are identical to those of other providers. Unfortunately the program just isn't working satisfactorily because of entirely too much red tape and special handling. For example, we have still not reached an agreement wtih our physician as to his fee per treatment after ten months of discussion. We have provided this service for ten years and have never experienced so many unresolved problems.

The ultimate payment to the provider of the lessor of (1) charges or (2) costs or (3) $150.00 per treatment seems completely unreasonable and unrealistic.

I believe providers for the Kidney Disease Program deserve some type of current financing and some special consideration during such a monumental trial period of a program which was so badly needed by the American public. Unfortunately this red tape and confusion have tended to thwart the whole purpose of your plan.

Our answers to your specific questions are contained on page 2 which is attached.

Thank you for this opportunity to comment.

Sincerely,

C. J. McGuire,
Controller.

QUESTIONS AND ANSWERS

1. Q. What problems arose at the inception of the program?

A. There were no specific regulations and we could not get specific answers from our Intermediary nor from the Kansas City Regional office.

2. Q. Have those problems been eliminated as of this date?

A. No.

3. Q. Have new problems arisen?

A. Yes. Although we follow the General Guidelines in submitting our claims, the local Intermediary seems to have more specific guidelines and require us to revise and resubmit numerous claims particularly on Home Dialysis Patient claims. Another survey form SSA9734 is a typical example of additional trivia required by S.S.A.

4. Q. Approximately how many patients are being served by the program?

A. We currently have nine patients receiving treatment here plus two others on home dialysis.

5. Q. Does your state have any program to supplement Federal benefits under the kidney disease program?

A. Yes. However, it again has its own rules and regulations and lacks coordination with Medicare.

6. Q. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

A. At present we have ten dialysis patients owing a total of over $60,000.00. As you know we can only bill once per month.

As required, we recently finished repaying almost $100,000.00 in current financing. We are not only out the $100,000.00 but on top of that now run an average of $60,000.00 due us from Dialysis patients, which reduces our cash position by a total of $160,000.00.

Shouldn't Hospitals be entitled to some form of current financing just from Kidney accounts?

---

[1] Not a "provider" hospital.

[2] Includes surgeon and anesthetist fees.

[3] Includes surgeon fees.

7. Q. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

A. Yes. Because of the limited number of Providers, we think it would be more feasible to deal directly with the Kansas City S.S.A. office rather than through local intermediaries. Hopefully, a Regional Office could handle all claims and questions and provide some consistency and assistance to all concerned and eliminate one more layer of red tape.

KANSAS HOSPITAL ASSOCIATION,
Topeka, Kans., April 8, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE This has reference to your inquiry concerning the implementation of the chronic renal disease program here in Kansas.

One of the hospitals, Trinity in Dodge City, reports practically no activity.

Our response from the University of Kansas Medical Center is quite comprehensive, and I am attaching a copy of Dean Miller's letter of April 4, 1974.

As soon as we've heard from the third hospital, we will forward the information to you.

Thank you for the opportunity to offer these comments.

Respectfully yours,

FRANK L. GENTRY,
Executive Director.

UNIVERSITY OF KANSAS
MEDICAL CENTER,
Kansas City, Kans., April 4, 1974.

Mr. FRANK L. GENTRY,
Executive Director, The Kansas Hospital Association, Topeka, Kans.

DEAR FRANK: This letter is in response to your inquiry regarding the status of the Renal Disease Program at the University of Kansas Medical Center. It is of some reassurance that Senator Hartke has taken it upon himself to look into this program with an objective of reconciling the original intent of renal legislation to the substitute that has evolved by application of outmoded, incoherent, chaotic and unbelievably restrictive regulations. In general, the enactment of P.L. 92–603 has represented a step backward in the process of relief of chronic renal disease patients from some of the financial burdens inherent to the disease.

Prior to July 1, 1973 patients with chronic renal disease in Kansas were more than reasonably successful in obtaining sources of financial support from insurance carriers, public assistance programs, state, local and private agencies. Subsequent to the enactment of P.L. 92–603 and the implementation of the program, many of these third party payers, particularly state, local and private sources, dropped their coverage based on the assumption that the Medicare program would provide coverage for this catastrophic disease. In general, prior to July 1, 1973 a patient with renal disease could expect at least 95% to 97% financial support for his health services. Today that same patient can expect 80% to 85% coverage for those same services.

With respect to specific questions asked in Senator Hartke's letter, I will respond to each question individually. The following points are by no means all inclusive, but rather, the major highlights which seem to be most critical at this time.

Question 1. What problems arose at the inception of the program?

Virtually no information existed about the program until August or September. There was a distinct lack of any direction even after drafts of regulations were received augmented by what seemed to be definite reluctance to communicate concerning problems for which answers are needed. The same dearth of information has existed with regard to identification of the criteria for fulfilling the requirements of a medicare authorized transplant center.

Problems were encountered once billing instructions were disseminated. Before bills could be submitted or paid, regulations and or interpretations were further changed. This happened on at least three occasions and resulted in a substantial rebilling effort which was made doubly tedious in the first place due to the multiplicity of forms used in connection with the new program.

Doctors fees have been tied to hospital charges lumped under one "screened" charge, without regard to the expenditure of time of physician in care of the home maintenance dialysis patient. This situation has had the effect of taking a financial incentive to establish such home programs out of the picture. The corresponding tendency is therefore a trend away from home dialysis which in terms of program costs is much less costly than in center maintenance dialysis.

Although the 3 month waiting period before start of benefits may have some positive aspects with regard to cost control, program wide, it nevertheless provides an additional financial burden representing the cost of one full quarter of care. In many cases the families can ill afford this burden when, taken in perspective, they will be faced with substantial financial outlays for continuance of care. This is especially true when one can only expect an 80% payment by medicare for some instances of treatment.

Regulations from the beginning have been excessively rigid with regard to consideration of what is routine for the care of a maintenance dialysis patient. Application of the so called medicare routine laboratory criteria to this area of service tends to reduce this aspect of patient care to a numbers game.

Question 2. Have those problems been eliminated as of this date?

Some problems have been alleviated with regard to mechanics. More information has been made available and more definite billing criteria have been promulgated. However, the guidelines with regard to establishment of a facility as a transplant center remain rather nebulous. There is still an impression at this level, however, that every question advanced breaks new ground judging from the responsiveness along the pipeline to the Bureau of Health Insurance. The log jam of back billing has been alleviated somewhat, although the mechanics involved and the information required for billing is burdensome.

The philosophy of tying physicians fees into a hospital charge package still exists and shows little signs of alleviation. This leaves this important factor in a precarious position.

The three month waiting period remains an established fact as does the routine criteria for performance of laboratory procedures on maintenance dialysis patients.

Question 3. Have new problems arisen?

New problems have very definitely arisen. Questions have been resolved with regard to the handling of claims, etc. at the expense of flexibility. Where at one time no information existed we now have the information, however, some of the procedures are so involved in red tape and require such a high degree of physician involvement in documentation that we stand in jeopardy of being prohibited from obtaining reimbursement by the mere fact that it is not economically feasible nor workable from a standpoint of physicians time allocation to go through the routine required to get reimbursed. A case in point concerns the physician's involvement when lab tests considered non-routine by the Bureau of Health Insurance must each be individually documented in order to be approved for payment. If a $1.00 blood test is done and is outside of Bureau of Health Insurance arbitrary guidelines, the specific reason for ordering that test must accompany the bill.

Continuing problems exist with regard to recognition by Bureau of Health Insurance of the myriad of variables and treatment situations in management of patients with Chronic Renal Disease. The Bureau of Health Insurance is attempting standardization of costs and charges which do not lend themselves to fitting of patterns, e.g.: institutions are required to arrive at cost figures for the acquisition of organs to be transplanted into patients. Due to many variables, this is difficult enough, however, in addition to costing for transplant organs this institution or its supplying organ bank is being forced to absorb the cost of component services such as tissue typing lab work done for other hospitals, who are maintenance centers only, for patients who may never be transplanted at this institution. When queried on this subject, the intermediary by phone asked a representative at the Bureau of Health Insurance what could be done and essentially was told that no adjustment in policy could be made.

The paper documentation for billing required for payment of claims is such that administrative expenses alone are forcing costs of renal programs up to an excessive degree. The institution must either pass these costs on, run the operation by subsidy of growing deficits to the detriment of other hospital services, terminate the program or get some relief with regard to the stringency of the bureaucratic regulations under which the program is administered.

There is growing concern at this institution concerning the criteria being evolved in the program in relation to continuance of recognition as a Medicare authorized transplant center. It is feared that the number of transplants required in a given time period arbitrarily set as a standard with which all hospitals will have to conform will not recognize the teaching hospital. A basic consideration for existence of the program at the University of Kansas Medical Center is its value for teaching physicians in this discipline.

Question 4. Approximately how many patients are being served by the program?

Approximately forty patients are on the renal program at the University of Kansas Medical Center. Twenty-five of these fall within Medicare guidelines for chronic renal disease. The others are post transplant, non-eligibles and pending eligibilities.

Question 5. Does your state have any program to supplement Federal benefits under the kidney disease program?

State supplemental support exists from Title XIX sources and other programs such as the state renal program. However, many sources are being phased out due to erroneous understandings that Medicare will provide adequate coverage.

Question 6. Is there, at present, any appreciable backlog of intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

There is no significant backlog, however, the gap between reimbursement and actual charges is widening especially with respect to outpatient and home maintenance care. In these instances laboratory services provided are not being reimbursed because Medicare documentation requirements are not being met. This problem was discussed earlier in this letter.

Question 7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

A great deal of time could be spent on itemizing individual problems as related to particular difficulties that require a more equitable means of handling in order to pro-

vide the greatest benefit to the program and hence to the patient. However, it appears, at least by observation from this level that the entire program needs to be reassessed from it's original aspect. The needs of the chronic renal disease patient need to be given the priority rather than what seems to have evolved as an overriding concern for the cost of the program. Parenthetically, it appears that this great concern for cost overrun has of itself induced a bureaucratic process that has increased the cost of the program inordinately in relation to it's importance.

We appreciate the opportunity to voice our opinion and hopefully by doing so will assist in affecting some much needed changes in this program. If further, more detailed information is indicated, please do not hesitate to call us.

Sincerely yours,
Russell H. Miller,
Dean for Medical Center Administration.

Medicare Division,
Louisville, Ky., April 19, 1974.

Hon. Vance Hartke,
U.S. Senator,
Washington, D.C.

Dear Senator Hartke: Mr. Hasty Riddle, Executive Vice-President of the Kentucky Hospital Association, has forwarded to me a copy of your letter concerning the adoption of Section 299I, Chronic Renal Disease Provision of P.L. 92–603.

In your letter you expressed an interest in receiving an answer to the seven questions you proposed. After consultation with members of my staff, we feel that the following are true and concise responses to the questions.

1. What problems arose at the inception of the program?

The benefits under this provision began July 1, 1973. The interim instructions for processing and payment of claims were received after effective date. Social Security Administration forms necessary for submission of claims were received late resulting in a delay of claims processing. Question arose in the area of claims processing, reimbursement, and reimbursement accounting procedures for which there were no answers.

2. Have those problems been eliminated as of this date?

Not completely.

3. Have new problems arisen?

Yes. Problems of complying with Medicare regulations on financial arrangements that existed between facilities prior to Medicare coverage July 1, 1973 such as, one facility acting as a central supply source for other facilities and facilities having arrangements to provide certain ancillary services.

4. Approximately how many patients are being served by the program?

Seventy four.

5. Does your state have any program to supplement Federal benefits under the kidney disease program?

Yes. The Bureau of Rehabilitation Services and the Medicaid Program.

6. Is there, at present, any appreciable backlog in intermediary reimbursement to health care providers under the kidney disease program? If so, how much of a backlog?

None.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

Simplification of form completion. Elimination of stringent requirements on frequency of services and identifying routine/non-rountine laboratory services.

We hope this information will be of help and if we can be of further assistance, please feel free to contact us.

Sincerely,
Frank F. Broadus, Jr.,
Director.

University of Kentucky,
Lexington, Ky., April 17, 1974.

Hon. Vance Hartke,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: I am grateful for this opportunity to comment on your letter about possible problems with Public Law 92603 i.e. the Renal Medicare Program. You already have received a letter from our administrator, Mr. William E. Corley, but I would like to respond also.

I am Director of the Renal Program at the University of Kentucky Medical Center which is responsible for tertiary renal care for half the population of this state i.e. about 1.6 million people. As you are probably well aware, there have been serious delays in implementing the Renal Medicare Program and indeed, during numerous discussions with my colleagues in Nephrology, we have commented that the local arrangements for which we had fought in our various states (with Medicaid and Vocational Rehabilitation and other third party carriers) were in fact superior to the current chaotic situation. I know that the intent of the law was excellent but its implementation has been seriously defective at the local level. The local carriers for both hospital and physician reimbursement were not adequately prepared to administer the law and indeed, as you know, the final guidelines are even yet not promulgated.

There is a further serious situation which, as Chairman of the Veterans Affairs Committee, you are in a special position to influence. I suspect that you may have heard of this problem already from Dr. Stuart Kleit who is Director of the Renal Program at the University of Indiana at Indianapolis. Both in Indianapolis and at Lexington very carefully constructed sharing agreements between University Medical Centers and affiliated V.A. Hospitals were instituted in order to benefit both veteran patients and nonveteran patients requiring tertiary renal care. Speaking for my own center, I am in no doubt that the care of veterans with renal disease is benefitted by this program and that no veteran has been denied appropriate renal care. Delivery of dialysis and transplant therapy requires coordination of many facilities which are often not totally available in any one large hospital. For example, while home dialysis training is performed in the V.A., many of the transplant support facilities are in our University Medical Center. In the past two or three months, Social Security has refused to reimburse University Medical Centers for delivery of dialysis, or other end stage renal care to nonveteran patients in V.A. facilities. This will cause these University-V.A. sharing agreements to fall apart.

Thirty percent of the dialysis beds in this country are in V.A. facilities and to exclude these from involvement in the Renal Medicare Program seems ridiculous. As I understand it, negotiations between the V.A. authorities and the Social Security Administration for the Renal Medicare Program have reached a high level in Washington (Mr. Weinberger and Mr. Johnston) but once again intolerable delays seem to be resulting.

I am sure that I also speak for Dr. Kleit in that we would be most willing to furnish you with any further information and hope that you can help in solving this problem which is seriously interfering with our ability to deliver required end stage renal care to both veterans and nonveterans. I am aware of this situation not only in Kentucky but in several other large medical centers throughout the U.S.A.

Thank you again for this opportunity to comment on an area in which you have been a leader in the Senate and the nation.

Sincerely,
Robert G. Luke, M.D.,
Associate Professor of Medicine, Director, Renal Division.

University of Kentucky,
Lexington, Ky., April 12, 1974.

Hon. Vance Hartke,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: A copy of your March 15th letter to Mr. Riddle of the Kentucky Hospital Association has been forwarded to our attention. We are most happy to respond to the questions which you enumerate relating to Medicare assistance to persons with chronic renal disease.

1. What problems arose at the inception of the program?

One of the major problems which arose at the inception of the program was our inability to obtain definitive information as to specific services Medicare would sponsor. Intermediaries also were not prepared to provide reimbursement and lacked a working knowledge of the complexities of the renal program. Agencies (commercial insurance and Vocational Rehabilitation), that provided the majority of financial support to renal patients prior to the Renal Medicare program, began reducing their financial support in anticipation of the Medicare coverage and before specific reimbursable services were identified.

2. Have those problems been eliminated as of this date?

These problems have improved to this extent: intermediaries and providers are developing a working knowledge of the renal program and SSA areas of support. As the temporary guidelines issued by the SSA in July 1973 are interpreted and applied, the problems are easing. However, the responsiveness of the SSA to the immediate need for financial support of the patient continues to be extremely slow.

3. Have new problems arisen?

Yes;

a. Chronic renal patients hospitalized for serious illness related to the dysfunction of the kidneys such as congestive heart failure, hypertension, etc., require detailed justification for exceeding the SSA established types and frequencies of tests and procedures. The SSA established types and frequencies of tests apply to established noncomplicated chronic patients. It appears SSA does not recognize that a defined chronic patient can be in an acute medical condition.

b. At this time, only the artificial kidney machine is considered a reimbursable expense by SSA. Clarification of coverage for other items of durable equipment is needed such as water purifying equipment and single needle unipuncture units.

c. A VA hospital (located contiguous to our institution) recently planned and established a dialysis unit which would provide home training for our non-VA patients. SSA now states they will *not* reimburse us for home training dialysis performed at the Veterans Administration unit. The intent of the sharing agreement between University Hospital and the Veterans Administration Hospital was to reduce duplication and provide efficient economical patient care. If this decision is not reversed, SSA will be forcing unnecessary duplication of very expensive health care services.

d. We experience long delays (several months at least) in obtaining patient Medicare numbers from SSA.

4. Approximately how many patients are being served by the program?

Number of patients being served by our

program: Patients currently in the program, 33; Patients covered under Medicare, 14; and Patients coverage under Medicare pending, 17.

5. Does your state have any program to supplement Federal benefits under the kidney disease program?

Kentucky Medicaid for eligible patients will pay the 20% of costs, not paid by Medicare, for disposable home dialysis supplies. At this time, we have not received information from Medicaid concerning reimbursement of durable equipment. Medicaid will also reimburse for costs incurred during the 3-month Medicare waiting period. Vocational Rehabilitation will sponsor patients, who qualify under their regulations, for the 3-month waiting period and will also pay the 20% of costs not covered by Medicare for disposable supplies and durable equipment.

6. Is there, at present, any appreciable backlog in intermediary regulations which govern the kidney disease program? If so, how much of a backlog?

At the present time, there is an intermediary reimbursement backlog of approximately $32,500.00.

7. Do you believe that any changes should be made in the regulations which govern the kidney disease program? If so, what changes would you recommend?

We recommend a change in the regulations governing the kidney disease program which would reduce the eligibility period from three to two months. Also, we recommend all of the above mentioned problems be resolved.

We appreciate your concern and assistance. If we may provide any additional information, please contact us.

Sincerely,
WILLIAM E. CORLEY,
Associate Hospital Director.

KENTUCKY HOSPITAL ASSOCIATION,
Louisville, Ky., April 1, 1974.
Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: We have your letter of March 15, 1974, with respect to P.L. 92–603, which established the chronic renal disease program for Medicare beneficiaries. I am afraid that from my limited point of view, without completing a statewide survey, I do not have enough information to give you specific answers to the questions propounded in your letter.

In the interest of saving time, I am taking the liberty of forwarding a copy of your letter to the administrator of Louisville General Hospital, Mr. A. G. Dierks; the administrator of the University of Kentucky Hospital, Mr. Judge T. Calton; and Mr. Frank Broadus, Jr., the director of the Blue Cross Medicare Division, whose parent organization, Blue Cross, has the contract for the administration of Medicare here in Kentucky, with the request that they quickly study your letter and provide you with direct replies based on their experience. Short of a complete survey by our organization, which would take several weeks; it would appear that the above approach would provide essential answers to your questions.

We would be most happy to hear from your legislative assistant, Mr. Marlowe, should there be further suggestions as to developing the data which you desire. We realize that time is of the essence and should you think it appropriate, we would go ahead and develop a survey to give you specific answers from the majority of the some 130 hospitals in the state.

We all appreciate your intense interest in the kidney disease program and always stand ready to help when possible.

Sincerely yours,
HASTY W. RIDDLE,
Executive Vice President.

MASSACHUSETTS HOSPITAL ASSOCIATION,
Burlington, Mass., May 8, 1974.
Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: At the time of your inquiry concerning the Massachusetts experience with the chronic renal disease program, we solicited information from Edmund Lowrie, M.D., Chief of Dialysis at the Peter Bent Brigham Hospital in Boston. Since approximately two thirds of the patients currently being treated in Massachusetts are under the management of the Peter Bent Brigham, Dr. Lowrie was the most knowledgeable person to answer the questions that you raised. A copy of his comments are attached.

I take the liberty of recommending that you might want to contact Dr. Lowrie in the future for comments. I know that he would be more than willing to assist you in future fact-finding.

Perhaps the recent changes in the policies will help to eliminate some of the difficulties encountered to date.

If we can assist you in the future, please do not hesitate to call upon us.

Sincerely,
MARY B. CONCEISON, R.N., M.S.,
Director, Professional Relations.

PETER BENT BRIGHAM HOSPITAL,
Boston, Mass., April 17, 1974.
MARY B. CONCEISON, RN, MS,
Director of Professional Relations, Massachusetts Hospital Association, Burlington, Mass.

DEAR MS. CONCEISON: Please excuse my delay in responding to your letter of inquiry. I have unfortunately been out of town, and I hope the delay has not inconvenienced you in any way. I will attempt to answer in numerical order the questions which you have posed.

1. Since its inception, the program has not been well administered either by the Bureau of Health Insurance or the carriers. Many decisions have been arbitrary, poorly planned and inconsistently implemented. Policies of these groups have resulted in legal action brought by physicians in the States of California and New Jersey. While no such action is pending in the Commonwealth, the administration of these programs has been sufficiently poor to warrant it. For example, there were marked delays in reimbursement for services during the last half of 1973 and these have persisted. The local branch of the Bureau of Health Insurance and the intermediary had no reservation about holding claims submitted between June and December of 1973 for payment in 1974. That decision, of course, had tremendous tax implications and took substantial pressure to affect its reversal. Even so, not all physicians and providers were properly paid.

By the intermediary's own admission, payments are still delayed and there is no firm policy regarding what is and what is not a reimbursable service. Those responsible for formulating policy have taken the position that a physician's service is not necessary in the provision of routine hemodialysis therapy. If there is some medical complicating illness, fees may be submitted, but these must be justified on an individual basis. There has been no firm policy defining what is and what is not a reimbursable service, however. Identical claims have been paid and denied at various times.

The problem likely results from some administrative inefficiencies on the part of the intermediary but may be due in large part to delays in formulation of reasonable policy by the Bureau of Health Insurance.

Further, those interim policies promulgated by the Bureau of Health Insurance created a large furor in the medical community. I have enclosed an article written by Dr. John Merrill, Director of this Renal Section, which summarizes our thoughts on those guidelines.

2. & 3. Some problems have improved, but they certainly have not been eliminated. We have recently had productive but preliminary discussions with the intermediaries, but it remains to be seen whether these improved communications will bear fruit. We have not, on the other hand, indulged in recent meaningful communication with the local representatives of the Bureau of Health Insurance.

4. Currently there are some 500 patients receiving dialysis therapy in the Commonwealth of Massachusetts. The attack rate of chronic renal failure is estimated to be between 60 and 70 new patients per million population per year. Most of these patients will be covered by this new Federal program. Not all patients will remain on dialysis, however, because many will receive renal transplants.

5. The State runs hemodialysis units at the Lemuel Shattuck Hospital in Boston and in Lakeville, Mass. There is no state-run renal transplant program, however. Further, the State administers the Medicaid programs which will support or act as co-insurer for individuals with chronic renal failure. In general, their fees to both physicians and providers are less than those offered by other carriers. We believe that the Federal funding of dialysis and transplantation would ultimately preclude the necessity for state-run programs.

6. I have generally covered this subject under item 1, above. There is a severe backlog which may date from 6 to 9 months. A substantial portion of physicians' charges are currently backlogged and there is no clear indication of when they will be paid.

7. The program should be administered in a reasonable, fair and consistent fashion. These principles have been sadly lacking heretofore. Some discussions with representatives of our local Bureau of Health Insurance office leads me to believe that they have an innate distrust of the health care industry and, as such, approach many decisions with preconceived ideas and a highly biased attitude. Such an attitude is not consonant with an efficient, problem-solving approach to the implementation of a new program. As such, better communications between physicians or individuals experienced in this form of health care delivery and persons at some administrative level charged with the administration of this program are essential.

Finally, with regard to the Interim regulations, per se, Dr. Merrill's enclosed comments nicely state many of our own thoughts.

I hope that these comments are of some use to you. I realize that they are general in nature. You may require or desire specific examples or clarification of some points. If so, please do not hesitate to contact me, as I will be more than happy to cooperate with you in all possible ways.

Very sincerely yours,
EDMUND G. LOWRIE, M.D.

[From the Journal of Renal Technology, December/January, 1974]

[Interim Regulations, Section 2991, Public Law 92–603]

COMMENTARY

(By John P. Merrill, M.D., Director, Cardiorenal Section, Peter Bent Brigham Hospital, Boston, Massachusetts)

The policy guidelines as promulgated by HEW in their letters to the intermediary, I believe, create problems for the practicing physician. The thrust of the communication is that the physician involvement in the care of dialysis patients is minimum and indeed it has been recommended that only 5% of the patients undergoing chronic hemodialysis will require physician input on an ongoing basis. I believe this type of statement is totally unfounded, wtihout any scientific evidence and should not be promulgated by the Federal Government as a flat statement of intermediaries. I would like to see the data on which such an assumption is based. I am sure there are none.

Secondly, the physician "supervision" or participation for routine functions in the dialysis unit, i.e., responsibility for nursing services, policy manuals, and routine medical care, i.e. fluid orders, etc., are clearly necessary. This is recognized by the documents sent to the intermediary; however, the charge or fee for this service has been included in the facility charge. In other words, for outpatient services, although SSA and HEW recognize that some physician participation is required, the physician has been lumped in the total charge that the hospital or facility levies for the treatment. This to me is a step backwards and a real attempt to salary the physician. I believe it makes more sense to identify a certain dollar value per treatment for this care, i.e., $20 or $25, and allow the physician to bill separately.

What has been created here is a situation in which the physician must quarrel with the institution for his money. In situations where several physicians are attending or caring for patients on a dialysis unit, the situation would be intolerable. In other words, each individual physician must be on some type of "salary" which as far as I can see may or may not be related to the amount of work involved.

It would seem to me that a specific fee for "medical supervision" is in order and should be separated from the facility charge. The facility should not be allowed to include in its calculation of rate, any physician salary unless it has on its staff full-time people part of whose salary is allocated to this procedure.

The guidelines also call for identification of major medical events during a dialysis procedure which can be billed for separately by the physician. This is totally distinct from the "medical supervision" and "usual and customary" charges prevail. I see nothing wrong with this and I believe for too long we have been treating these patients gratis for their interdialysis problems. On the other hand, if a satisfactory medical supervisory fee were established, i.e., $25—it might be possible to attend the patient during dialysis without an individual charge. In other words, a $25 fee for the physician could include any catastrophic circumstance that may occur during the dialysis procedure. I think most physicians would welcome this kind of approach. Any major problems requiring hospitalization or emergency care at night, at home, etc. would have to be identified as separate events and billed for separately.

In the past several years, hemodialysis has grown from a therapy which was offered only in universities and medical centers to a widely spread clinical, therapeutic modality. The criteria for acceptance into hemodialysis programs have become much less stringent and this form of therapy is available in most areas to all individuals who require it. Hemodialysis no longer is denied in most centers on the basis of concurrent medical illness, complicating medical factors and/or age. For instance, a 65 year old patient may now be an acceptable candidate, whereas his age may have precluded his acceptance 5 or 6 years ago. The net effect of these changes has been to increase the proportion of complicated and older patients in recent years.

Generally, only the best patients and those with a stable home environment are selected for home dialysis. Patients on home dialysis are therefore generally more stable and are dialyzed by one family member who, while not being as competent as a nurse or trained technician, dialyzes only one patient and is very familiar with that patient's particular responses. The selection process leaves a residual of older and more complicated patients (i.e., patients with diabetes, arteriosclerotic heart disease, chronic lung disease, etc.) in the center and 3–4 patients are dialyzed simultaneously by a technician or nurse who may dialyze as many as 20 different patients in any given week.

These population and situational differences not withstanding, one year survival rates for our center dialysis patients have been somewhat superior to those observed in our home dialysis population (93% vs. 88.5% respectively). These differences are magnified at two years and reach statistical significance (86% vs. 78% respectively). While patients do not experience a catastrophic or complicating medical episode with each dialysis, physician input in essential to the management of each dialysis for most of our patients.

The early detection of disease is stressed so that acess, infections, congestive heart failure and other complications are discovered and treated early so that unnecessary hospitalization may be prevented. While physician supervision does not attend each home dialysis and while home dialysis is generally considered less expensive than center dialysis, the costs of added hospitalization are usually not accounted for in determining physician and total care costs in home dialysis patients. In general, complicating illness is discovered later in home dialysis patients, and hospitalization is more frequently required. A fair cost comparison which includes these factors is, to our knowledge, not available.

Unfortunately, hemodialysis is not an exact science and certainly not a cure-all. Patients participating in the program develop complications which may be totally unexpected. As such, I believe that it is not fitting to legislate a scheduled program of supervision.

I also believe sincerely that patients on chronic hemodialysis require individual attention by physicians on a continuing basis. It is inadequate to see them once a month for medical problems and even then the "extended visit" as proposed by the Government every six months is not sufficient. As you know, depending upon the population of patients served, one can prevent problems from occurring easier than one can reverse them. This is so true in the type of population we serve. Although not all patients require physician attendance, a sufficient number do to make it good policy to have a physician make rounds in the unit.

If a physician charge which is moderate, i.e., one that would cover a routine visit but be insufficient for more in-depth examination were established, I believe the whole process as far as reimbursement would "balance out." This is how it has been done in the past and, as you know, we attend patients during the procedure on a flat fee basis and do not relate our bill to the amount of time spent with the individual patient. To do the latter would be extremly cumbersome, probably never be done accurately and waste a great deal of physician time in sorting out the paper work. There is no question in my mind that physician participation is necessary in dialysis treatments and we are only quarreling over what level of reimbursement should be afforded for these services.

In short, the major problem with the present guidelines is that they tend to amalgamate the physician supervision with the facility charge and create a situation in which one cannot identify what belongs to the doctor. I believe this should be changed and a dollar fee should be identified per treatment which can be billed separately by the physician. If it is not billed separately by the physician it should be clearly identified by the facility as being a physician component. This is not always so and I am sure a polling of nephrologists would substantiate my position. I think there would be agreement that a patient group recruited from the environs of Seattle requires an entirely different approach than those who dwell in cold-water flats in New York City or in the Roxbury ghetto of Boston. One must individualize and what is preventative medicine for a group of college freshmen is certainly not suitable for residents of Appalachia.

I would disagree with those who maintain that most patients require little supervision by a physician.

MICHIGAN HOSPITAL ASSOCIATION,
Lansing, Mich., April 9, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: In response to your March 15 letter, Michigan hospitals have experienced a number of problems in obtaining reimbursement for the treatment of chronic renal disease. For the first six months, no payments were received from the Medicare intermediary. Payments are now being made and while the problem is not as serious as it once was, there still exists a considerable backlog of payments.

It is our understanding from talking with the twenty-nine hospitals in Michigan that provide care for the chronic renal patient that this backlog has not been reduced significantly in the the past two months. As a result, the Michigan Hospital Association with support of the Michigan Kidney Foundation has developed a position paper expressing its concern about this new Medicare program. I have enclosed a copy of this position paper for your information. You will note we are also concerned about the fact this program is not based on reimbursement for cost.

In response to your question on state programs, October of 1973, the Office of Health and Medical Affairs developed a Renal Disease Plan for Michigan. When this plan is fully implemented it will provide for the early detection and treatment of renal disease. We feel this will prove an important edge to the Federal program.

If you should have any questions or if you wish to have more detailed information, please contact me.

Sincerely,

H. ALLAN BARTH,
Execeutive Vice President.

RECOMMENDED MHA ACTION PLAN FOR CHRONIC RENAL DISEASE PROGRAMS—OCTOBER 18, 1973

After reviewing the facts surrounding the implementation of the Medicare Chronic Renal Disease Program, we recommend that the Board of Michigan Hospital Association conduct the following activities with regard to the program:

1. Adopt the drafted position statement expressing the concerns of those involved in the delivery of renal dialysis services.
2. Send a letter to Michigan Blue Cross, Social Security Administration, the Secretary of HEW, and all Michigan Congressmen and Senators pointing out the program's shortcomings and requesting immediate corrective action.
3. Encourage national and other state hospital and professional associations to evaluate the Chronic Renal Disease Program and embark on a similar course of concerted action to change the program.
4. Transmit the MHA position to the appropriate state, and local government officials and legislators.

[Chronic Renal Diseases Under Medicare, P.L. 92-603]

POSITION PAPER

(Endorsed By: All Michigan Hospitals with Renal Units, Michigan State Medical Society, Kidney Foundation of Michigan, Michigan Hospital Association, December 11, 1973)

Additionally, the reimbursement ceilings do not consider differences in the definition of care between facilities including variations in the mix of ancillary and supportive services. If strictly enforced, the limits may place undue hardship upon those institutions whose personnel and space costs are above the national average and, whose utilization rate fluctuates. Therefore, reimbursement ceilings should particularly consider differences between in-hospital and limited care units.

HOME DIALYSIS

It is recognized that where medically and psychologically appropriate, home dialysis treatment may be preferable to a hospital treatment from a cost containment point of view. The Intermediary Letter indicates that criteria for determining the proper location (home or facility) for dialysis treatments will be developed and that hospitals not complying with the criteria may be subject to further limitations on reimbursement. In instituting such a policy HEW should realize that home dialysis may be easier and more practicable in some areas of the country than in other areas. For example an educated engineer would usually do better than an uneducated individual living in slum conditions. Since hospitals do not control the prescription of patient services, penalizing hospitals for such problems represents an improper imposition of corrective action. This problem may be particularly acute in hospitals which may not have the resources for monitoring dialysis programs to the extent implied in the Intermediary Letter. Revenue lost through through Medicare's failure to meet its financial obligations to the hospital could only be recovered by passing these losses on to other patients.

DOCUMENTATION

The Intermediary Letter indicated several conditions under which documentation is required of the hospital. Among these are:

1. Completion of a detailed questionnaire for cost data;
2. Medicare Payment form;
3. Inpatient Hospital and Extended Care Admission and Billing form;
4. Provider Billing for Medical and Other Health Services Billing form;
5. Request for Medicare Payment form;
6. Medicare Chronic Renal Disease Patient History form;
7. Medicare Chronic Renal Disease Charge and Service Information form; and
8. Other supplemental forms.

INTRODUCTION

We support the principles advanced in Public Law 92-603 with regard to chronic renal disease and recognize our responsibility in encouraging efficient, high quality delivery of renal transplant and dialysis services. However, we do not believe that the guidelines for implementing the program as expressed in the Department of Health, Education, and Welfare Part A Intermediary Letter No. 73-25 and Part B Intermediary Letter No. 73-22, hereinafter called Intermediary Letter, are conducive to the successful delivery of dialysis services to endstage renal patients. As such, we believe the provisions of the Intermediary Letter do not reflect the full intent of the legislation and is unduly restrictive in the processing and payment of claims and establishing treatment norms for these services.

The following comments are intended as constructive criticism of the program, and it is hoped that these observations and recommendations will be received in the spirit with which they were composed.

NATIONAL KIDNEY FOUNDATION AND PHYSICIANS FOR RENAL REPLACEMENT THERAPY

We support the principles of the National Kidney Foundation as expressed in its revised position paper of August, 1973, and the undated position paper of the Physicians for Renal Replacement Therapy.

REIMBURSEMET LEVELS

The reimbursement limits established by the Intermediary Letter are $150 per treatment for maintenance dialysis services and $190 per training self-dialysis lesson. The limits include hospital costs, physician's component of hospital costs, and laboratory fees. Reimbursement limits fall to $145 and $185 respectively when the laboratory is billed separately under specified conditions. We believe the fee ceilings are inadequate, arbitrary, and do not reflect differences in costs within localities and between regions of the country. We note that all other programs under Medicare are cost-based and that these intermediary regulations are a departure from these programs. Furthermore, these new regulations combine the reimbursement of the facility and the physician, thus providing another significant change in the Part A and Part B philosophy. We feel strongly that reimbursement of physicians should be on a fee for service basis and should be separate from the reimbursement of the facility.

Hospitals are also required to establish separate cost centers related to hemodialysis. Hospitals will incur additional costs in completing these forms and in modifying existing accounting procedures to accommodate the Medicare requirements. Reimbursement for these added costs is not addressed in the Intermediary Letter.

The burden of complying with the myriad of government forms falls on the physician as well as the facility providing service. For example, documentation is required for exceeding the allowable number of weekly dialysis treatments, office visits, and the specified mix and frequency of laboratory and other tests. Besides adding a substantial burden of paperwork on the physician, the requirement complicates patient care by committing the physician to a fixed standard which may not be appropriate and exposes the physician to claims of malpractice.

Recommendations:

1. Because reimbursement limits set by HEW are arbitrary, inadequate and unrealistic, and fail to acknowledge local and regional differences in cost, we recommend reimbursement for dialysis services under Medicare be based on cost. This is not to suggest that costs should be permitted to increase unjustifiably, but that reasonable costs should be recognized as they are incurred by the facility providing services. A regional or local reviewing body should be established with authority to determine the reasonableness of a facility's cost and to adjust reimbursement levels accordingly.

2. We recommend that until such time the reimbursement limits are readjusted and the programs described above are implemented, HEW should authorize facility and physician reimbursement based on the customary and usual charges for such services. Payments should be made to a facility regardless of its participation status and retroactive to July 1, 1973.

3. With regard to physician reimbursement, it is appropriate that the cost of physician administration and supervision of a dialysis unit be included as a part of the facility cost. We recommend reimbursement for the physician's personal services be distinct from facility cost and subject to regional or local peer review.

4. It is recognized the Secretary of Health, Education, and Welfare has the legal authority to establish criteria for determining the appropriate location for dialysis (home or facility) and to limit reimbursement in cases deviating from the criteria. The regulations should permit charges for services rendered in good faith until a determination is made that the patient should receive an alternate service.

5. It is recognized that some documentation and revision of accounting procedures may be necessary to implement the Chronic Renal Disease Program. We recommend the documentation should be kept to a minimum and periodically reviewed by HEW from a cost-benefit viewpoint to reduce costs to their minimum. All costs incurred in adjusting to the new requirements should be recognized as a part of total facility cost.

6. We recommend the determination of appropriate laboratory tests, number of weekly dialysis treatments, number of office visits, and dialysis visits be made by the physician and subject to regional or local peer review. If norms must be established, individual documentation should not be required for every patient. A certain percentage of a physician's patients will exceed the established norm. Only after the physician has exceeded this percentage should documentation be required.

IDAHO'S SNAKE RIVER PLAIN—A POEM

Mr. McCLURE. Mr. President, some of my colleagues in this Chamber are luckier than I am. They live closer to home and probably do not suffer the occasional pangs of homesickness that I do when I get a particularly moving letter from a constituent. This year the problem is compounded by the probability of a short recess and so less than average time for vacation.

Maybe those who normally take longer trips would like to take a look at the most beautiful State in the Union. One of my constituents, Mrs. Annie H. Hanson, has written something which ought to tempt even the most confirmed beachlover. I hope it makes you feel the way it does me—like catching the next plane to God's country:

IDAHO'S SNAKE RIVER PLAIN

The Snake River Plain is a beautiful place,
Here our Pioneer parents came.
They brought their families, and built log homes,
And with courage the wilderness tamed.

God gave us cool, peaceful forests,
On hillsides of mountains sublime.
Snow covered, they hold and supply moisture,
For our crops through the summertime.

Just stand and look in any direction,
In this lovely Snake River Plain;
Behold the trees, the expanse of green fields,
And acres of gold ripening grain.

The heavens are blue as the sun shines down
On streams running clean and pure.
Where rainbow trout dart here and there,
And fishermen cast their lure.

Here is our Targhee Forest
Where cattle by hundreds graze.
Where the Trumpet Swan in the early dawn,
Honks his message through morning haze.

Mountain valleys sprinkled with blossoms,
Where Sego Lillies and Lupine grow.
Choke cherries and huckleberries
He gave us for food here below.

Oh you who live in this valley—
Keep the Commandments of God!
Show Him your deepest gratitude
For this fertile, life-giving sod!

And for the abundance of water
Unstinted He gave lavishly!
Our thirsty acres drink it up,
The rest feeds another valley!

Oh Idaho! This is your Birthright!
The mountains the lakes and the streams.
Use them, enjoy them, with wisdom,
To fulfill life's purpose and dreams.

Learn of Him how He gave them,
To us on the Snake River Plain.
Learn too, how He gave His precious life,
That we might be with Him again.
—ANNIE H. HANSON.

ECONOMIC POLICY: CURBING THE TWO-PRONGED DILEMMA OF INFLATION AND RECESSION

Mr. GURNEY. Mr. President, several weeks ago, 82 percent of the American public expressed their belief that our economy was in deep turmoil. Just last week, another nationwide poll reported that almost half of all Americans now cite inflation as the country's No. 1 problem.

Mr. President, it is no longer mere rhetoric that the current 12-percent rate of inflation—the most severe rate of inflation in the last two decades—stands to severely ruin this Nation's economic well-being. It is especially disheartening to learn that our Nation's output of goods and services declined for the second quarter in a row, a statistic which falls within the so-called technical definition of a recession.

Whether or not we have experienced a mild recession—and that will not be determined until the prestigious National Bureau of Economic Research has examined all the indicators—it is obvious to every American that our economy is a very sick patient, indeed. Each issue of our magazines' contains articles speculating on a depression. Nervous investors drive up the price of jewelry, precious metals, and gems; for others, real estate is thought to be a good hedge against inflation despite its high price; and the gold bugs warn of a great crash in the value of paper currency, worldwide. Finally, the left-wing militants are eagerly predicting that the age of industrialism is coming to an end.

I do not concur with this doomsday oratory, nor do I believe that we are headed for a depression. Moreover, if we are truly in the midst of a recession, current evidence suggests that its effects will be mild and certainly not insurmountable. Finally, I am firmly convinced that the worst inflation in the last 25 years can be brought under control—but only if more stringent measures are adopted.

INFLATION

While the United States may, indeed, be more fortunate than other countries—such as Great Britain, Italy, India, or France—inflation has been accelerating at a devastating pace since the mid-sixties. The following are the annual rates of increase in the cost of living index since shortly after the Korean war:

Percent rise in cost of living

Year:	
1955	0.4
1956	2.9
1957	3.0
1958	1.8
1959	1.5
1960	1.5
1961	.7
1962	1.2
1963	1.6
1964	1.2
1965	1.9
1966	3.4
1967	3.0
1968	4.7
1969	6.1
1970	5.5
1971	3.4
1972	3.4
1973	8.8
1974 (first quarter, annual rate)	14.2
1974 (second quarter, annual rate)	10.9

Source: Consumer Price Index.

Although some economists believe that inflation will slow somewhat during the second half of 1974, this prediction now looks shaky in light of recent information on wholesale and retail prices. For example, the wholesale price index for May 1974 rose at a seasonally adjusted rate of 1.3 percent—an annual rate of 16 percent—due mostly to rising industrial commodity prices. Although the June increase amounted to a seasonally adjusted 0.5 percent—a 6 percent annual rate—this downward shift is not expected to last long, because food prices are now increasing, and because industrial commodity prices jumped 2.2 percent in June—an annual rate of 26.4 percent.

Consumer prices have also resumed their rapid rise since some moderation in April. The Consumer Price Index rose 1.1 percent, seasonally adjusted, in May, equal to an annual inflation rate of 13.2 percent, and prices were some 10.7 percent higher than prices a year ago. Finally, just last week the Commerce Department announced that consumer prices continued to rise in June by 1 percent, seasonally adjusted for normal changes. Here again, this new figure equals an annual rate of 12 percent, and is some 11.1 percent above the index 12 months ago.

CONSUMER PRICE INDEX

[1967=100]

	Index for June 1974	Percentage change from—		Point change from May 1974
		May 1974	June 1973	
UNITED STATES				
All items	147.1	+1.0	+11.1	+1.5
Food	160.3	+.4	+14.7	+.6
Housing	149.2	+1.1	+11.4	+1.6
Transportation	140.7	+2.3	+12.9	+3.1
Health and recreation	139.4	+1.2	+7.2	+1.7

Source: Bureau of Labor Statistics.

Of special importance, the prices of all nonfood commodities rose 1.3 percent in June—the sixth straight month in which the increase has exceeded 1 percent. For those economists who acknowledge that inflation has been generated largely by rising food and energy costs, this trend in the nonfood sector is reason for further uneasiness.

Yet, on the bright side, the Commerce Department recently reported that the GNP "deflator"—a price index often used because it is more comprehensive than the familiar Consumer Price Index—had a rate of increase that declined in the second quarter to 8.8 percent. In the first quarter, the rate exceeded 12 percent. Such a trend may very well signal a cooling-off period characterized by more stable supply and demand, especially since the effects of worldwide demand and oil price inflation are now subsiding. But, in spite of these conflicting economic indicators, there are other stumbling blocks on the horizon.

GROSS NATIONAL PRODUCT

In the first quarter of 1974, the gross national product—a measure of this country's output in goods and services—suffered its sharpest decline since 1958, with a 7 percent loss, adjusted for inflation. In the second quarter, preliminary data indicate that GNP declined again by 1.2 percent, due primarily to a sharp deterioration in our balance of trade; that is, oil imports. While technically speaking, this may qualify as a recession, the National Bureau of Economic Research, the officially accepted umpire for determining when a drop in the economy qualifies as a recession, has consistently held that two quarters of decline are not sufficient. Other economic indicators must be taken into account. Thus, the picture brightens somewhat, for according to Geoffrey Moore, one of the Bureau's senior analysts:

> Unless there is a further deterioration in other measures and a much more widespread decline, this period does not seem comparable with the other five recessions since World War II.

Mr. Moore is alluding to a number of economic trends which run counter to those experienced during a "normal" recession. For instance, unemployment has held steady for the last 3 months—5.2 percent for May and June; 5.3 percent in July—and has risen much less in the last several quarters than during the recessions of 1960 and 1969. Corporate profits even with inflation factored in, have also been rising strongly. According to Argus Research Corp., even excluding inventory profits, profits are up $34.9 billion since 1969, a compound annual growth rate of 10.6 percent, which is faster than the rate of growth of the economy as a whole. Thus, if profits remain sturdy, unemployment might not rise as much this year as some economists have been predicting. Economist William Freund of the New York Stock Exchange cites another reason for minimizing the decline in GNP:

> The decline was not due to any sudden collapse in demand; rather, it resulted largely from shortages in many industries operating at, or near, capacity. Thus, the current weakness should not be interpreted as a recession in traditional terms. An economy afflicted with major materials shortages differs fundamentally from an economy suffering a recession in demand.

Not surprisingly, this country's capacity utilization rate for basic material industries like steel, paper, cement, and petroleum refining, among others, although down from the fourth quarter of 1973, is still very high when compared to earlier years.

Meanwhile, total industrial output of factories, mines, and utilities rose at an adjusted annual rate of 1.3 percent for the second quarter, compared with a 6.6 percent drop during the first three months of this year.

In a similar vein, total business inventories rose $3.7 billion, 1.6 percent, in May, equaling the largest monthly increase since last year. Unfilled orders also jumped $3.8 billion in June to a record high $131 billion.

INVENTORIES SEASONALLY ADJUSTED

[In millions of dollars]

	Manufacturing and trade total	Manufacturing	Retail trade	Merchant wholesalers
1973				
January	198, 157	108, 187	57, 388	32, 582
February	199, 956	109, 082	57, 823	33, 051
March	201, 317	110, 174	57, 898	33, 245
April	202, 529	110, 577	58, 378	33, 574
May	204, 623	111, 625	59, 012	33, 986
June	206, 961	113, 025	59, 788	34, 148
July	208, 776	113, 910	60, 213	34, 653
August	210, 548	114, 907	60, 677	34, 964
September	212, 227	116, 114	60, 847	35, 266
October	214, 284	117, 224	61, 681	35, 379
November	217, 637	118, 435	62, 937	36, 265
December	221, 357	120, 870	63, 561	36, 926
1974				
January	224, 657	122, 570	64, 261	37, 826
February	227, 726	124, 831	64, 394	38, 501
March	230, 590	126, 500	64, 743	39, 347
April	232, 586	128, 438	64, 855	39, 293
May	[1] 236, 295	130, 763	65, 615	39, 917
June				
July				

[1] Preliminary data.

Unfilled orders, seasonally adjusted

Manufacturing

[Millions of dollars]

1973:	
January	$86, 473
February	88, 251
March	91, 269
April	94, 239
May	97, 460
June	101, 120
July	103, 145
August	106, 268
September	108, 144
October	110, 586
November	113, 015
December	114, 694
1974:	
January	116, 445
February	118, 599
March	119, 955
April	122, 961
May	127, 114
June (preliminary data)	130, 872

SOURCE.—Dept. of Commerce.

All of the above data, including a slight improvement in consumer spending for the second quarter, a slight resurgence in outlays for housing, and an apparent bottoming out of U.S. automobile production, support what I have been saying all along. It is unlikely that our economy will fall into a "real" recession; although if it does, its effects will be mild. However, most analysts still expect the economy to show little or no real growth in the second half of 1974.

THE HIGH COST OF LIVING

But, while a severe recession does not appear too likely, the high cost of living is another matter altogether. According to the Labor Department, the average cost of supporting an urban family of four rose, from autumn 1972 to autumn 1973, 10.8 percent for a lower budget, 10.3 percent for an intermediate budget, and 9.9 percent for a high budget. Social security taxes rose even more rapidly—23.9 percent for the lower budget, and 34 percent for each of the other two budgets. Finally, personal income taxes have also increased, thus revealing one of the most painful effects of inflation; namely, as personal income rises in order to keep pace with inflation, a family's tax bracket shifts, and the breadwinner ends up paying a greater percentage of his or her income in taxes.

At the same time, however, personal income has also been rising. Personal income rose $21 billion in June of 1974—seasonally adjusted to a rate of 0.7 percent over May—to $1.142 trillion, due primarily to increases in the minimum wage and salary adjustments for Federal employees. Nonetheless, the purchasing power of the average worker's weekly take-home pay has dipped an additional 4.5 percent in the last 12 months.

INTEREST RATES

Interest rates has surged during the last several months largely because of the Federal Reserve Bank's deliberate policy of limiting credit in order to discourage bank loans, and hence, the inflationary pressures in the economy. For example, business loans at commercial banks expanded at an annual pace of 22 percent in the first quarter, followed by a 23-percent rate in the second quarter. Meanwhile the prime rate which is the rate that banks charge on loans to their most credit worthy corporate customers has climbed from a momentary low of 8½ percent this March to over 12 percent in July. This not only represents a 30-percent increase in less than 5 months' time, but understates the actual rate of interest being charged to other less credit worthy customers. Reports reaching my office have mentioned figures in the 13- to 15-percentile range, when all costs are considered. In light of these developments, many small businessmen have been unable to obtain loans due to a host of factors, including such things as State usury laws, SBA regulations which limit interest rates to 10½ percent, or their own lack of retained earnings.

Many economists attribute the spurt in short-term interest rates primarily to inflation. Corporations and large retail firms, dismayed by the sagging stock market and short on internal resources to cover rising operations costs, have run to the banks to tide them over. In other cases, the propensity toward inventory hoarding during an inflationary period has spurred the number of bank loans. Still other businessmen believe that their long-awaited expansion programs will never become any cheaper so they are borrowing now. All in all, the effect has been to drive down stock and bond prices, to unleash a massive outflow of funds from savings and loan institutions to higher yielding credit instruments, and to literally starve the housing industry which depends on the savings and loan for financing. Mortgage rates across the country now vary between 9 and 10 percent.

HOUSING

There is probably no better weather vane of inflation and the impact of exorbitant interest rates than the current housing slump.

In June of this year, despite an 8-percent rise in new housing starts over May, the rate is still 26 percent off from the 2,152,000 units started in June of 1973. Even more serious, building permits over the past 12 months have declined 45 percent. Moreover, Michael Sumichrast, chief economist for the National Association of Home Builders, has stated that home contractors now have an inventory of 450,000 houses that are unsold.

Reflecting the general hard times in the home construction industry, some 440 firms have collapsed in the first quarter of this year, up 40 percent from 1973's first quarter, while over 10 percent of this Nation's construction workers are now out of work.

As I have stated, investors have been withdrawing their funds from mortgage-making savings and loan institutions to invest in the capital market: Certificates of deposit, corporate promissory notes, Government paper, and the like. The effect on our country's savings banks has been a reported net outflow of $650 million in the first 4 months of 1974, a reduction larger than in any other 4-month period in our history. More recently, the Federal Home Loan Bank Board reported that savings and loan deposits exceeded withdrawals by only $40 million for the month of June, some 20.6 percent below that of a year ago. Because of declining deposits, mortgage loans at savings and loan institutions totaled $4.16 billion in June, down 13 percent from May and off 26 percent from $5.59 billion last year. Complicating matters further, the Mortgage Bankers Association recently reported that inflation has resulted in the highest number of late home mortgage payments in the last 20 years.

These factors, added to the rising cost of construction and materials, make the outlook for housing in this country very grim news indeed.

PROSPECTS FOR A WAGE EXPLOSION: INFLATIONARY DYNAMITE

The most likely cause of built-in, long-term inflation now appears to be the probability that wage increases in the next several months will outrun gains in productivity. Already wage settlements have been moving to the level of 10 percent per annum; and several observers, including the Chairman of the Federal Reserve System and the former director of the now-defunct Cost of Living Council, now fear double-digit inflation for the remainder of this year because of rising labor costs.

According to Data Resources, Inc., an economic research organization based in

Cambridge, Mass., the average hourly earnings in the nonfarm private economy rose at an annual clip of 19.1 percent during May, compared with a rate of increase of only 6.3 percent in the 12 preceding months. For example, in the week that ended June 15, 1974: 54,000 California food workers got a pay raise of 10.7 percent; 110,000 low-paid textile workers got 12.9 percent; 18,500 American Airlines workers got 11.3 percent; some Pennsylvania operating engineers got 9.9 percent; some Detroit supermarket clerks 14.3 percent; and some San Francisco automobile mechanics 13.7 percent.

Predictably, the Department of Labor announced that average wage increases yielded by all new contracts, with and without escalator clauses and covering 1,000 workers or more, rose 10 percent in the second quarter of 1974, up sharply from the 7.6-percent rate in the first quarter. As of this July, strikes—another indicator of wage discontent—now number almost 600 individual disruptions, the highest total since records were first kept in 1958.

Many economists now suspect that as material costs abate, the economy will move into wage-push inflation in the latter quarter of 1974 and into 1975 as labor attempts to overcompensate for recent losses in purchasing power. Thus, if there is one fact most likely to perpetuate double-digit inflation, it will be a wage explosion. Unless wage demands are curbed, serious inflation may be here to stay for the next 2 or 3 years.

ASSESSMENT

Is it little wonder that consumer confidence in our economy remains at one of its lowest points in the last 25 years? A recent survey by the University of Michigan's survey research center that—

> In May of 1974, the proportion of the public expecting inflation of 10 percent or more increased from 14 percent to 25 percent of respondents, while the proportion saying that prices wouldn't go up further decreased from 31 percent to 18 percent.

Of special importance, much of the decline in consumer confidence has been attributed to inflationary expectations and a "lack of faith in Government."

Mr. President, I cite the above statistics not as a scare tactic, but to show that new and more stringent anti-inflationary measures are urgently needed. More than just a dose of that "oldtime religion"—and here I refer to balancing the budget, limiting monetary growth, and restraining the demand for credit—the economy deserves the talents of a skilled surgeon. It is for this reason that I concur with economist William J. Fellner of the President's Council of Economic Advisers who has stated that—

> Our difficulties with inflation have resulted very largely from a lack of credibility of policy makers' promising that they will adopt the measures required for assuring an acceptable behavior of the price level.

However, if Congress loses the confidence of the American people, and that prospect is getting worse every day, I fear a crisis of "inflationary expectations" will result whereby consumers rush to spend rather than save.

Mr. President, as Economist Alan Greenspan has warned, the United States "is rapidly approaching the crisis threshold of inflationary expectations which if pierced, threaten massive economic disruption." The times truly demand far-reaching solutions, and I intend to support a number of measures which will be discussed below. For the moment, however, I should like to give my personal views on the major cause of inflation: excessive Government spending and monetary growth.

GOVERNMENT: THE MONEY MACHINE

Without a doubt, inflation is the single greatest problem we face today, and Federal overspending and indebtedness, over the long term, has been the greatest single cause of inflation. To be sure, the inflationary trends in our economy have been primarily generated by rising food and energy prices. But some of our troubles have external origins. An increase in world demand, two devaluations of the dollar in the space of 3 years, a poor wheat harvest, the temporary failure of the anchovy catch, and the Arab oil boycott have all stimulated cost-push inflation.

Inflation may originate with devaluations, crop failures, swings in psychology, and even abrupt cost increases for energy and raw materials. In the long run, however, it is a monetary phenomenon. It cannot be sustained unless the money is there to finance it, and it will not be reduced if growth in money remains excessive. Thus, after allowance for special factors such as food and energy, the current inflation dates back to the deficit financing of the Vietnam war and to the expansionist policies following a mild recession in 1970–71. Since the sixties, a whole new batch of social programs has been undertaken by the Federal Government. In the last 10 years, while defense spending was increasing by 50 percent, spending for domestic programs leaped 191 percent. As a result, the budget has grown from $118.4 billion in fiscal year 1965 to an estimated $305.4 billion in fiscal year 1975.

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956–75 INCLUSIVE

[In millions of dollars]

Fiscal year	Receipts	Outlays	Surplus or deficit	Debt interest
1956	74, 547	70, 460	+4, 087	6, 787
1957	79, 990	76, 741	+3, 249	7, 244
1958	79, 636	82, 575	−2, 939	7, 607
1959	79, 249	92, 104	−12, 855	7, 593
1960	92, 492	92, 223	+269	9, 180
1961	94, 389	97, 795	−3, 406	8, 957
1962	99, 676	106, 813	−7, 137	9, 120
1963	106, 560	111, 311	−4, 751	9, 895
1964	112, 662	118, 584	−5, 922	10, 666
1965	116, 833	118, 430	−1, 596	11, 346
1966	130, 856	134, 652	−3, 796	12, 014
1967	149, 856	158, 254	−8, 702	13, 391
1968	153, 552	178, 833	−25, 161	14, 573
1969	187, 784	184, 548	+3, 236	16, 588
1970	193, 743	196, 588	−2, 845	19, 304
1971	188, 392	211, 425	−23, 033	20, 959
1972	208, 649	231, 876	−23, 227	21, 849
1973	232, 225	246, 526	−14, 301	24, 167
1974 (est.)	266, 000	269, 500	−3, 500	29, 100
1975 (est.)	294, 000	305, 400	−11, 400	31, 500

Source: Budget of the U.S. Government, fiscal year 1975, Office of Management and Budget, and the Treasury Department.

For the fiscal years 1970 through 1975, the cumulative deficit according to recently published figures will come to $78.3 billion. Thus, the national debt, which was $367.1 billion at the end of fiscal year 1969, is now expected to reach $507.3 billion by the end of fiscal year 1975, an increase of 38 percent in little over 6 years.

Not only has Federal spending gone unchecked, but the money supply has been growing at a pace which exceeds our ability to expand production. For example, unless Federal deficits are accompanied by an expansion in the money supply, they tend to induce sharply rising interest rates. This occurs because deficits are financed through Federal borrowing which reduces money in circulation that would otherwise be available for lending. In the last 6 months, the money supply, consisting of currency and bank checking accounts, grew at an annual rate of 8.1 percent. By comparison, even during the spendthrift decade of the sixties, the average growth in the money supply amounted to approximately 3.8 percent. Hence, an indispensable ingredient to eventually controlling our excessive rate of inflation, must be to gradually reduce monetary growth to between 2 and 3 percent a year and then to stabilize that rate over a period of years. Unfortunately, this is a painful 2- to 4-year proposition which may not bring quick results and suffers from the possibility of inducing a recession.

Monetary restraint will only be effective if it is backed up by fiscal restraint. The administration has announced that it will seek a balanced budget for fiscal year 1976 approximating some $330 billion in estimated spending. Even more recently, we have been told by Presidential Adviser Kenneth Rush and Director Roy Ash of the Office of Management and Budget, that the fiscal year 1975 budget will create a deficit of perhaps no larger than $2 or $3 billion. With an enforced spending limit of $300 billion, revenue is now estimated to exceed the original figure of $294 billion due to inflation, better growth, and lower unemployment than anticipated.

Despite these bright appearances in an otherwise dreary picture, I am convinced that with inflation running as high as it is, the Government ought to be running a surplus instead. I, therefore, heartily endorse the statement of Arthur Burns, Chairman of the Federal Reserve Board, to the effect that the budget should be cut by at least $10 billion. This may require some belt-tightening, and even austerity for awhile, but in the long run, it is just plain good commonsense. In fact, I recently voted for an amendment on the Senate floor which limits fiscal year 1975 expenditures to $295 billion, in effect, this allows a small budget surplus.

For the time being, however, we should not be fooled into thinking that only a balanced budget and less monetary growth will stem the tide of inflation. For, while the Federal debt has grown enormously in the last several years, as a percentage of the gross national product, it has actually declined. Thus, for the short term, the causes of unemployment, recession, and inflation are no longer influenced as significantly by a budget surplus or deficit as they once were. Limiting the money supply should, therefore, not be the sole means of combating inflation.

PROPOSALS

Mr. President, the Harris survey recently reported that a near majority of the American public no longer has confidence that the Federal Government knows how to prevent a depression or even to control a recession. Moreover, 48 percent of the American public interviewed in a mid-July survey of the Gallup organization now hold the Government responsible for causing inflation. This is, indeed, a sad commentary on the public's trust in Government, but perhaps a positive signal for the adoption of more stringent anti-inflation measures. Philosophically, I am in complete agreement with economist Alan Greenspan as to the underlying reasons for public malaise over the economy. According to Mr. Greenspan, the failure of Government in controlling inflation can be attributed to an "ever-increasing focus on short-term benefits at the expense of long-term costs." Mr. Greenspan, of course, is referring to the polarization of the economy and the inability of Government officials to adopt long-range goals, instead of opting for short-term political benefits.

Mr. President, the measures which I propose today should curb inflation as well as soften any negative effects stemming from higher unemployment. It will be a painful task, during which economic growth will probably be sluggish and unemployment may increase.

In general, the program which I have outlined today will reverse our long-held policies that penalize saving and encourage consumption. It will eventually curb high interest rates while at the same time providing much needed liquidity to our long-term debt markets. Finally, the Federal budget must be brought under control if long-term inflation is to be held in check. Increased authority on the part of the Federal Reserve to regulate reserve requirements as well as to enhance monetary policy is included. Double-digit inflation can be controlled, but only if we are willing to adopt a long-term solution.

A. BALANCE THE BUDGET

The administration has already announced a revised fiscal year 1975 budget figure which suggests that the deficit will approximate some $2 or $3 billion, rather than the $11 billion originally anticipated. Outlays are not expected to exceed $300 billion, down substantially from an earlier figure of $305.4 billion. For fiscal year 1976, the President will seek a balanced budget of approximately $330 billion.

But, this is not sufficient. In the midst of this country's worst inflation since World War II, I see no reason why the Federal budget cannot be balanced this coming year. I have already voted to place a $295 billion limit on the fiscal year 1975 budget, and I urge my fellow colleagues here in the Senate to carefully consider whether pending legislation to increase outlays should be rejected in the interest of reducing inflation.

B. CUT SPENDING BY $10 BILLION

I propose that Federal spending be cut across the board by at least $10 billion in fiscal year 1975. All agencies of the Federal Government should bear their fair share of an anti-inflationary cutback in spending.

C. LIMIT MONETARY GROWTH

I am in total agreement with numerous economists that this Nation's money supply which is a reflection of deficit spending must be reduced from its 8-percent rate for the first two quarters and eventually stabilized at a rate which varies between 2 and 4 percent. However, notwithstanding my support for a lower rate of monetary growth, cutting back too quickly on our country's money supply could produce a serious economic disruption. Thus, caution must be exercised as growth is gradually reduced. Of equal importance, Congress should make a commitment to keep this lower rate permanent, so that we may avoid the wide fluctuations in the rate over the last few years.

D. STRICT CONTROL OVER THE BUDGET

The Budget Reform Act of 1974, which the President recently signed into law, will set up a new budget office in order to provide Congress with the same expertise as that of the executive branch. The new legislation provides that oversight committees in both the Senate and the House will be established with the primary objective to enforce spending limits. Thus, for the first time in its history, Congress will have the ability to recapture control over the budget. Although I cannot overemphasize the need for rapid implementation of this new law, I hope that the members of these committees will not use their position as a weapon to advance their own pet projects, or to promote their own version of social reform.

E. CAPITAL GAINS TAXES

Taxes on capital gains should be reduced via a graduated rate the longer an investor holds on to an asset, whether it be real estate, securities, or whatever.

Our effort to curb inflation and lower exorbitant interest rates is presently hindered by depressed growth in our Nation's long-term equity markets. Especially at this juncture in our Nation's history, there are too few incentives to save and invest for the future. Thus, because stock and bond prices are depressed, expansion-oriented companies are being forced to drive up the prime interest rates in order to expand their productive capacity and to meet the new antipollution regulations. By enacting the above tax reform, I believe the following beneficial effects would occur: A resurgence of investment in stocks and bonds, reduced consumer spending and greater savings, a gradual deflation of interest rates, more money for housing construction, and a healthier economy.

F. A $200 INTEREST EXCLUSION

The housing industry is currently suffering from a drought produced by high interest rates and too little money to finance construction. In order to encourage savings and repair the damage to home construction, I announce today my support for a $200 tax exclusion applicable to the interest from regular savings accounts and retail certificates of deposit of up to $20,000 at savings and loan institutions.

G. MONETARY REFORM: RESERVE REQUIREMENTS FOR LOANS

The Federal Reserve Board has introduced legislation in Congress to regulate the reserve requirements of all banks as well as to require more comprehensive reports on their daily monetary status. Currently, only 41 percent of this Nation's banks belong to the Federal Reserve System, a fact which severely hinders the Fed's effort to control inflation by adjusting certain reserve requirements or by tightening up bank credit.

Effective monetary control—and hence the success of our antiinflation policy—is best carried out by a strong central bank with sufficient power to insure the outcome of its program. However, at the present time, the Fed's course of action is jeopardized by its inability to obtain up-to-date information necessary to foster an economic environment more consistent with high employment and stable prices. I, therefore, intend to support this legislation.

H. MINIMUM TAX

Taxpayers should not be permitted to avoid the income tax rates, graduated from 14 to 70 percent, either through exclusion preferences, itemized deductions or the payment of a 10-percent surcharge. At the present time, however, the existing minimum tax has not been effective with respect to wealthy individuals who pay little or no tax. I, therefore, intend to support legislation that will require every taxpayer to subject at least half of his adjusted gross income—including certain tax preferences—to Federal income taxation. The Treasury Department estimates that this proposal will net the Government an additional $745 million in revenue.

I. WAGE AND PRICE TASK FORCE

While I oppose wage and price controls as both unfair to workers and as a restraint to increased output, the Government needs some device to monitor wages and prices during the next year or two. I, therefore, heartily endorse the recommendation of Arthur Burns, Chairman of the Federal Reserve Board, that a special task force be established which could delay wage and price increases in key industries by 30 or 45 days, hold hearings, make recommendations, monitor results, and generally bring the force of public opinion to bear against wage or price increases that involve an abuse of economic power, or which could otherwise prolong inflation.

LETTER FROM AN IMPRESSIVE SLUGGER

Mr. HART. Mr. President, let me share with you the letter of Sandy Cash, of Oak Park, Mich., who has written what surely is the last word about the "girls in Little League dispute." This impressive slugger writes:

This is like all prejudice. It doesn't matter who or what you are . . . If girls fairly make the team, they should not be excluded just because they are girls . . .

And she is surely right.

So that we may all benefit from Ms. Cash's wisdom, I ask unanimous consent that her letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR SENATOR HART: I am writing to you about the controversy on girls in the Little League. I think there would *be* no problem if Little Leaguers' parents would stop living in the "20's" and "30's" when they were our age. I know girls that are *as* strong (or plenty stronger) as the boys in my neighborhood. If you just look at it this way. Some boys are stronger or weaker than others. So are girls. But stop making so many generalizations! People used to think you had to be white, protestant, rich and male to be successful in anything. This is like ALL prejudice. It doesn't matter who or what you are! Girls are just as good ballplayers as boys, and if they *fairly* make the team, and meet the team's standards, they should NOT be excluded just because they are girls.

Sincerely,

SANDY CASH.

TRIBUTE TO NEW JERSEY SBA OFFICE

Mr. WILLIAMS. Mr. President, recently the Newark, N.J., Star-Ledger did a story on the activities of the Newark Area Office of the Small Business Administration.

As the article will indicate, the Newark SBA Office is providing an outstanding service to small businessmen in New Jersey in providing much-needed financial assistance when conventional borrowing is unavailable.

I have known the Newark Area Director, Mr. Andrew Lynch, for many years and I commend him and his staff for the fine job they are doing in helping small businessmen. I would like to share with my colleagues the article which appeared in the Star-Ledger on Wednesday, July 3.

Mr. President, at this point in my remarks, I ask unanimous consent that the article from the Star-Ledger be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Newark Star-Ledger, July 31, 1974]

SBA GIVES BUSINESSES AN AVENUE FOR NEW HOPE

(By Alexander Milch)

A meat-cutting firm which was able to stay in Newark, a clothing store restored after the 1967 riots and a steel wire company in Carteret encouraged to enlarge—those are some of the results of lending activities of the Small Business Administration (SBA) office in Newark.

Andrew P. Lynch, state director who has been on the job since the SBA office was established in Newark in 1962, has filed his annual report showing a record $50.5 million in loans to small business of the state in the fiscal year ended June 30, and an overall total since 1953 of $330.3 million. Prior to the establishment of the Newark office, loans for New Jersey were authorized out of New York and Philadelphia.

The stories behind these figures are told by grateful businessmen helped by the SBA when conventional borrowing was unavailable.

Davis White Co., a wholesale meat company, in 1964 wanted to renovate and expand its plant at 222 Norfolk St., in Newark's Central Ward, but bank or insurance company financing was not available.

"We were told we could get the loan only if we would build in the suburbs, not Newark," said Franklin Davis, president and chairman.

But Davis, whose company had been founded in 1906, wanted to remain in Newark, where he does substantial institutional selling. He explained his predicament to the SBA and was granted a long-term loan of more than $200,000. Ordinarily, banks are encouraged to do the lending, with the SBA guaranteeing up to 90 per cent of the loan. Direct loans, at 5½ per cent interest, are made only in special cases such as Davis White's.

Davis, who employs 40 in his plant, is happy to remain in Newark and expressed gratitude for the SBA assistance. The plant was not touched in the 1967 riots.

That however was not the case with Andy's Clothing Store at 482 Springfield Ave., Newark, which was wrecked and vandalized in the riots.

Andrew Gondov, a Hungarian emigre who started the store in 1965, a year after he came to this country, was unable to start up again, for no clothing manufacturer would give him credit.

His appeal to the SBA for help was quickly answered with a direct loan of $10,660, now mostly repaid. It enabled him to replace the store front, install new fixtures and obtain new stocks of men's clothing. He is back in business, and according to his brother-in-law and store manager, Anton Wilheim, business is good.

"Without that loan, nothing would have pulled us through," said Wilheim. "There was no way we could have continued otherwise. About 85 per cent of our business is from regular customers. Even people who have moved away come to shop at our place," he said.

A problem of a different sort concerned Martin Mayer, head of Mayer Management Group Inc. of Livingston. The holding company wanted to set up a Foodtown supermarket in a mall proposed for 50 Sussex Avenue in East Orange's Fourth Ward, but didn't have the credit rating of national food chains, none of which, incidentally, was interested in the project. Financing for malls is usually obtainable only if firm leases are in hand.

The SBA came to Mayer's aid with insurance guaranteeing $1.4 million in rental payments over a 20-year lease period by his Sussex Mall Foodtown Inc. for 24,000 square feet out of 45,000 square feet of space in the mall. This permitted First National State Bank of Newark to provide construction financing for the developer, and the Prudential Insurance Co. of Newark to take over the long-term financing. The one-time premium for the insurance came to $30,000.

The store was opened in 1972 and is doing quite well, according to Mayer, who also has two Foodtown stores in Newark, and is planning two more in Bergen County. He said he was "delighted" with SBA's cooperation and assistance.

Republic Wire Corp. of Carteret was started in 1957 as a small wire mill. According to Norman Geller of South Orange, its president, the firm has expanded its operations through the years with SBA help. Sales this year are estimated at more than $10 million.

In 1962, a $350,000 bank loan guaranteed by the SBA, plus $200,000 in debenture lending by customers, enabled Republic to enlarge by bringing in new equipment. The financing also brought an end to Republic's reliance on high-cost factoring.

Republic has paid off its SBA obligations, and has since obtained conventional bank financing for a multimillion dollar electric-furnace steel mill in Sayreville. Started in 1971, it is the New Jersey Steel and Structural Corp., with an annual capacity of 300,000 tons of the metal.

Rudolfo Strauss and his brother Luis came to this country 10 years ago, giving up their plastics business in Cuba. Rudolfo, after working in plastics plants in Newark, finally was able to start up Strauss Plastic Co. at 111 Gotthardt St., Newark, with his brother in 1972 with the help of an SBA-guaranteed bank loan for $75,000.

The company, employing 32, makes plastics parts for cars and cosmetics use. Sales were $1.2 million last year—but are being threatened now by shortage of styrene and other plastics manufacturing components.

Carmel Santonello had a little linen supply business in Jersey City employing eight people and doing $60,000 in annual sales—until a $150,000 SBA-guaranteed loan in 1965 enabled him to expand by acquiring Supreme Linen Supply Co. at 124–130 Delancy St., Newark. That loan was repaid, and then another $130,000 SBA-backed loan was obtained in 1973 for further expansion through purchase of routes. The business, Supreme Santell Linen Supply Inc. at the Delancy Street location, employs 100 people and has sales of $1 million a year.

One move out of Newark aided by the SBA took place in 1968, when M. Polaner & Sons Inc., makers of jams, had to leave because their plant on Morris Avenue was condemned to make way for the New Jersey Medical College. The agency approved a $350,000 bank loan for Polaner repayable over a 10-year period, and the firm built a new plant at 462 Eagle Rock Ave., Roseland.

CONSUMER PROTECTION

Mr. HART. Mr. President, much of the debate on the Agency for Consumer Advocacy has centered on whether a new agency to protect consumers is really necessary. Critics of the bill argue that existing agencies adequately protect the consumer's interest. The National District Attorneys' Association's economic crime task force has recently studied this question. This group, perhaps more familiar with economic crime directed at the consumer than any in the country, has concluded that the ACA is not only necessary but indispensable in protecting the consumer from improper business conduct. I have recently received a letter from Mr. Robert Leonard, chairman of the economic crime committee and able prosecuting attorney of Genesee County, Mich., and signed by 23 prosecuting attorneys from around the Nation, which states the reasons for the N.D.A.A.'s endorsement of the ACA. I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PROSECUTING ATTORNEY,
Genesee County, Mich., July 13, 1974.

Hon. PHILIP A. HART,
U.S. Senator,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR HART: Chairman of the Economic Crime Committee of the National District Attorneys' Association, I am writing this letter to you and to every other member of the United States Senate in regard to your current consideration of the proposed Consumer Protection Agency Act, which is designated as S. 707. This letter is being sent to you in behalf of all the members of the National District Attorneys' Association's Economic Crime Task Force as well as in behalf of other participating officers of the N.D.A.A., all of whom acknowledge and concur in my writing to you the following statement of support for S. 707. The names of these several officers of the N.D.A.A. appear beneath my signature, *infra*. As representatives of the N.D.A.A., we believe it is incumbent upon us to express to you our position in regard to this important piece of proposed legislation which would establish, on the national level, an agency which we believe would be of tremendous benefit to every consumer throughout the United States.

We, as prosecutors, are all too familiar with the onslaught of economically-based crime which is directed toward the consumer. In our opinion, it is indeed unfortunate that the Congress of the United States has failed in the past to create such a Federal agency to protect consumers. We urge that the present opportunity to act favorably upon S. 707 should not be ignored.

As Chairman of this Economic Crime Task Force my colleagues and myself have within the last several months been actively engaged in the investigation of many forms of "white-collar" crime which have been perpetrated against the American consumer. For example, we have actively looked into the current practices and procedures of the oil industry in this country, among other things, in an effort to discover whether these actions have involved the violation of our state antitrust and fraud laws. Our basic purpose has been to ferret out much of the conduct which is so difficult to observe and which has such a pervasive effect on the welfare of the American consumer. The unconscionable rise in the price of fuel and gasoline has had devastating impact on the economic welfare of many of our citizens. As a result, our organization and Task Force have pursued their obligations to the public to investigate this situation with vigor and immediacy.

I would like to here relate to you several of our experiences in this context which, I believe, point out with specificity the reasons why a national agency to protect the American consumer is necessary. In this regard, I would like to discuss some of the experiences that our Task Force has faced in the recent past as well as some of the pertinent experiences which I have experienced as Prosecuting Attorney in our consumer protection efforts on behalf of our citizens.

Let me first speak to some of the difficulties which the Economic Crime Task Force has faced in attempting to pursue its investigation of the oil industry and to gain cooperation from the supposedly concerned federal agencies. During the week of March 15, 1974, in preparing for a meeting with the oil company officials in April the member offices of the Energy Crisis Committee of the Economic Crime Task Force of the N.D.A.A. sent staff people to Washington, D.C., to attempt to collect data and to conduct interviews with legislative committees, administrative agencies and trade associations.

The Committee staff people received a generally unsatisfactory reception at the U.S. Department of Justice, the F.T.C., and at most of the legislative committees currently involved in similar investigations of the oil industry. These staff members had considerable difficulty in obtaining information from any of the legislative committees which concern the current investigations of the various aspects of the petroleum industry, and which information had not already been publicly disseminated. Two predominant attitudes of these legislative committees became apparent, in our opinion, both of which operated to impede any meaningful cooperation with our staff members.

First, the legislative committees involved here perceived the investigative efforts of the Energy Crisis staff as being merely local, narrow in scope, and therefore not "truly serious" and deserving of their full and co-equal cooperation.

Second, these committees displayed a patently "jealous" posture in relation to the data and information which they had collected. In effect, each committee seemed desirous of guarding its own information and of isolating the same for its own particular investigative purposes, notwithstanding that such information obviously would have been helpful to our common objective of investigating the petroleum industry.

This kind of a "balkanized" attitude on the part of these several legislative bodies was shared by the several federal administrative agencies, which are also now involved in the investigation of the oil business. Thus, the U.S. Justice Department, the Federal Trade Commission, and the Federal Energy Office all took much the same "non-cooperative" attitude in regard to our requests for information as the legislative committees had.

As a result of this lack of cooperation, the N.D.A.A.'s investigation of the oil industry has been denied the extremely valuable benefits of access to the vast amount of relevant information and evidence which has already been garnered on the national level.

Of course, we are well aware that these committees and agencies may have quite valid reasons for not disclosing to us at this time the content of certain information. We recognize that some of this information may be of a confidential nature. But this very fact confirms the basic need for a central, federal consumer agency which, as a part of the federal government itself, could have access to such information without violating any well-founded need for preserving this confidentiality. Such a federal agency would at least be granted initial "insider" access to this material which is apparently being denied to the various, "outside" state and local investigative units. The federal consumer agency would conversely present to all other federal agencies and bodies a picture of permanence, stability, and peerage—all of which characteristics would promote intra-federal, inter-state and inter-local cooperation in investigative efforts.

Another example of the need for a CPA-type of law is my poor experience with the efforts and aid provided by the F.D.A. in our investigation of dangerous toys in our community. I would like now to bring to your attention our experience in this regard in relation to the area of dangerous toys.

The Consumer Protection Division of the Genesee County Prosecutor's Office has been involved in toy safety pursuits, investigations, and projects since before the Christmas toy season of 1971. In 1971 and 1972, toy safety regulation on the federal level was in the hands of the Food and Drug Administration (F.D.A.). Our experience, in general, with the F.D.A. in this field was distressing and unrewarding. Although the F.D.A. had published a so-called "banned toy" list for public dissemination, its list was not only incomplete, but was moreover misleading, inaccurate, and was the result itself of highly questionable "safety-testing" procedures.

The F.D.A., in fact, appeared to us to wish to discourage action on our part to effect compliance by local retail toy outlets with the federal agency's own standards, as weak and incomplete as they were. Furthermore, the "safety-testing" standards of the F.D.A. were themselves specious, illusory, arbitrary, and wholly unscientific, and allowed toy manufacturers to easily make minimal and meaningless "alterations" or "revisions" to "banned" toys to technically bring them outside of the limited purview of the "banned toy" list with F.D.A. acquiescence and approval. F.D.A. regulation then, in our experience, was regulation in form only without substance and without true protection for children-consumers, the most helpless consumers of all.

In 1973, federal regulation of the top industry passed from the F.D.A. to the newly created Consumer Products Safety Commission (C.P.S.C.). Although the C.P.S.C. appears to be more favorable to citizen and local agency input in regard to hazardous toys than was the F.D.A. "leadership". The present "banned toy" list is still incomplete and inadequate. Although the C.P.S.C. appears to more actively encourage local attempts to effect compliance with its standards, it nevertheless appears just as recalcitrant to initiate prosecutions against the toy manufacturers for non-compliance, as with the F.D.A.

Thus, although the Genesee County Consumer Protection Division has identified hundreds of *per se* "banned toys" and other dangerous toys not technically on the "banned toy" list, and has further informed both the former F.D.A. and the present C.P.S.C. of these findings over the last some three years, not a single federal prosecution has been commenced in Genesee County, Michigan. It can safely be assumed that such lack of federal agency action on the local level has been repeated across the United States.

In December, 1973, my office filed 81 petitions in regard to dangerous toys found in Genesee County with the C.P.S.C. pursuant to its rules, wherein we requested the C.P.S.C., on behalf of all citizens in Genesee County, to abate the sale and marketing of such dangerous toys in our county. Now, some seven months later, the C.P.S.C., to our knowledge, has taken absolutely no action whatsoever in response to any of these 81 petitions.

The indifference and "do-nothing" attitude of the former F.D.A. and the more positive but as yet unproductive action of the C.P.S.C. toward helpless American children who use and play with such dangerous toys has further demonstrated to me the imperative demand for a concerned and active federal Consumer Protection Agency. The heretofore lack of concern on the part of these federal administrative agencies for our children has indeed been personally disheartening and distressing to me as Prosecuting Attorney of Genesee County, Michigan. I sincerely believe that a federal Consumer Protection Agency, being a federally equivalent agency of the C.P.S.C. and other federal agencies, would more likely be successful in abating this inexcusable neglect on the part of the federal government in this important sphere of activity which so strongly affects the interests of every American family.

Another area which has been of extreme concern to me, to my office, and to consumers throughout my county as well as throughout this nation, is the mobile home industry. Many Americans have, out of economic necessity, been forced in ever-increasing numbers to turn to this less expensive mode of living from conventional housing. They have concomitantly been required to accept the many fire and safety hazards which are inherent in the numerous, presently mass-produced mobile homes throughout this nation, which have been and are being manufactured under the most minimally protective "industry" codes and regulations which can be imagined. The current issues relating to this industry indeed involve the very life or death of the mobile home resident.

In Genesee County, Michigan, alone in the last few months at least 10 persons have died horrible and agonizing deaths in at least 22 mobile home fires. There have also been many other such fires and similar deaths across the state of Michigan in the same time period. The Consumer Protection Division of my office, as a result of these "fire trap" and "tinder box" consumer deaths, has waged an ongoing campaign and investigation to have greater and more protective "life-safety" rules and standards promulgated by the concerned state bodies and regulatory agencies in Michigan over the manufacture and sale of mobile homes in our state. The impact of our efforts has just recently begun to have been felt on the state level and has been reflected in the enactment of both rules and legislation creating somewhat higher but still inadequate "fire-safety" standards for mobile home construction in Michigan.

One of the primary reasons that our efforts and the efforts of other consumer groups have not met with greater success is the extreme and overwhelming industry-dominance and influence within the concerned state agencies, bodies, and *ad hoc* advisory committees which have the responsibility for adopting or enacting mobile home safety standards. This "pro-industry" bias which exists at the state level of government in Michigan has operated to deny all efforts to have the consumer interest fairly and impartially considered at that level in regard to the issue of mobile home safety.

There does not exist in Michigan an independent, governmental agency with the technical expertise and resources to match those of the national mobile home manufacturers, of their component manufacturers, or of their respective insurance companies. Thus, our state government in Michigan has been and will be continually presented with a biased and one-sided set of documents, information, statistics, and experimental data which will surely support the desire and ends of the mobile home industry to keep building and safety standards to the bare minimum, notwithstanding the repeated tragedies associated with mobile home living.

Indeed, such a "pro-industry" bias and imbalance of financial and technical resources in regard to this business exists not only on the state level but also on the federal level of government. A gross example of this situation is reflected by recent action on the part of the National Bureau of Standards (N.B.S.) taken in 1973. Last year, the Mobile Home Manufacturers Association, the national trade association of mobile home manufacturers (M.H.M.A.), provided a substantial private grant of money to the N.B.S., a federal agency within the U.S. Department of Commerce, for the purposes of conducting experimental, scientific tests of the fire and flammability characteristics of mobile homes and their component materials.

Although it would be presumptuous to believe that the N.B.S. would be at all "pro-industry" biased, either in the conducting of such tests or in the compilation of the results therefrom because of the fact that the federal agency was in part privately funded by the industry itself, it can safely be assumed that the results of any such governmental testing may, when they are finally made public, clearly remain beneath a cloud of suspicion and doubt.

The public may very well *perceive* that such "official", governmental test results, paid for in part by the private industry which itself was the subject of such testing, necessarily must reflect some inherent bias in favor of the industry whose "gift" made the very tests possible in the first place. Neither the NBS nor any other federal agency charged with the responsibility of vindicating the public interest should ever have to be placed in a position where its actions or published information are inherently "tainted" in the public eye because of any forced reliance upon private industry for necessary funding, either in whole or in part.

The proposed federal Consumer Protection Agency would cure and correct the very appearance of impropriety or bias alluded to above by itself providing necessary funds to other governmental or private agencies for research and testing in areas vitally affecting the consumer interest. The existence of the CPA thus would obviate any need for federal testing agencies to turn to questionable private or industry sources of funding.

The "pro-industry" bias (and even the appearance of such bias) toward business and the interests of industry on the part of concerned governmental agencies, both on the federal and state level, certainly operates to the detriment of the public and the consumer. This bias directly results in the dissemination of misinformation, selective information favorable only to the industry side of a question, and inadequate knowledge and understanding for the people. It is my hope that a federal Consumer Protection Agency would tend to at least give some semblance of balance in the resolution of the many important issues which affect the public interest, such as those concerning the mobile home industry in which I have been deeply and personally involved.

In this context, it is extremely relevant that another vital function of the proposed CPA will be to *independently* gather information to carry out its purposes effectively in behalf of the consumer. The CPA will have the authority to conduct and promote research and investigation into all matters which affect the consumer interest. The CPA will be able to publish and inform the public about matters closely connected to the public interest. It will provide *bona fide* information for public dissemination. It will provide such information from a centralized, uniform and authoritative source. It is the lack of just such a source of information that has so severely jeopardized the health, safety and well-being of the American public countless times in the past as a result of the public's uniformed uses of dangerous and hazardous goods, among other things.

We are all aware that the Federal government should and must take positive leadership and initiative in the battle to protect our citizens from those forms of crime and improper business conduct which are perhaps the least observable crimes of all. We believe that it is imperative that the Federal government now take positive and immediate action to protect the American consumer.

Proposed Senate Bill 707, which would establish a Federal Consumer Protection Agency (C.P.A.) to represent and advocate the interests of all consumers throughout this nation before all the federal agencies and federal Courts, is a remarkable and laudable vehicle to further the above goals. We strongly urge every member of the U.S. Senate to favorably support, endorse, and vote for the enactment of this Bill into law.

Crimes against the consumer and economic crime are a *national* problem. Prosecutors on the state and local levels by themselves cannot deal with this problem in the most effective terms. National recognition of the problem is an essential precondition to effectively dealing with it on the local level. The proposed legislation would be a fundamental and necessary first step in the ongoing battle which we must wage to protect the American public and its economic welfare. There now exists in this country a strong lack of confidence in the processes of government and the ability of government to protect the individual in those areas where he most needs protection in this day and age of inflationary spirals. It is thus essential that this lack of confidence be dealt with on a firm and direct basis. Certainly, one of the major ways in which the public's confidence in its government can be restored is by the action of the U.S. Congress in creating a federal agency, the only purpose of which will be to directly serve and protect the economic interests of every individual in this nation. A federal Consumer Protection Agency can and must now be made a reality.

Such an agency, would serve and promote many worthwhile protections, goals and needs which are now demanded by the American consumer. The American people desperately need an effective "voice" in the policy-making decisions of the federal government which directly affect them.

The establishment of the CPA would merely allow the side of the consumer to be heard. We cannot understand how any federal agency or business could properly object to this simple and basic expression of fundamental fairness.

The proposed CPA under S. 707 would additionally perform other vital functions on behalf of the consumer which we wholeheartedly support. The CPA would further serve as the focal point or "clearinghouse" in the federal government for complaints by consumers. This centralized function, which would further augment the effective access by the consumer to his government, will also certainly tend to enhance the average citizen's confidence in the processes of his government. It will help to restore the public's basic faith and trust in government at every level.

As Chairman of the Economic Crime Committee, and on behalf of the other designated public prosecutors and members of the foremost National Association of Prosecuting Officials in this nation, my colleagues and myself have felt a special and urgent obligation to express to you our unqualified endorsement and approval of the proposed consumer protection agency act as it is now embodied in S. 707.

It is our part as public officials to help stem the current onslaught of economic crime against the American consumer on the state and local levels. However, this battle cannot be successfully waged merely on our levels. It is essential for the federal government to provide uniform, centralized and authoritative help in this task. The proposed federal Consumer Protection Agency would indeed provide such necessary help and direction. A centralized and integrated response to the plight of the American consumer on the federal level has been desperately needed for a long time. We strongly urge that every Senator respond to this serious plight at this time and endorse the passage of S. 707 into law.

Sincerely yours,

Robert F. Leonard, Chairman, Economic Crime Committee National District Attorneys' Association.

John O'Hara, President, Covington, Kentucky.

Milton Allen, Baltimore, Maryland.
Eugene Gold, Brooklyn, New York.
Patrick Leahy, Burlington, Vermont.
Joseph Busch, Los Angeles, California.
Edward Cosgrove, Buffalo, New York.
Richard Gerstein, Miami, Florida.
Carol Vance, Houston, Texas.
John Price, Sacramento, California.
George Smith, Columbus, Ohio.
William Cahn, Mineola, New York.
Donald Knowles, Omaha, Nebraska.
Edwin Miller, San Diego, California.
Christopher Bayley, Seattle, Washington.
Keith Sanborn, Wichita, Kansas.
Dale Tooley, Denver, Colorado.
Carl Vegari, White Plains, New York.
Preston Trimble, President Elect, Norman, Okla.
Brendan Ryan, St. Louis, Missouri.
Emmet Fitzpatrick, Philadelphia, Pa.
Harry Connick, New Orleans, Louisiana.
Bernard Carey, Chicago, Illinois.
Dennis DeConcini, Tuscon, Arizona.

APPALACHIAN STATE UNIVERSITY CONFERS HONORARY DEGREE UPON SENATOR SAM J. ERVIN, JR.

Mr. ROBERT C. BYRD. Mr. President on July 13, 1974, Appalachian State University held its 75th Anniversary Convocation on its beautiful campus at

Boone, N.C., and conferred the honorary degree of doctor of constitutional law upon our colleague, Senator Sam J. Ervin, Jr., who spoke at such convocation.

The degree was conferred by Chancellor Herbert W. Wey, who read the following citation:

A native-born son of northwestern North Carolina and a life-long worker for its improvement, who through application of ability and responsibility is recognized as one of the nation's foremost constitutional lawyers—a devoted and beloved husband and father—an acclaimed legislator and statesman—a defender of his country in time of peril—an ardent and consistent supporter of higher education—a devout churchman—a defender of individual freedoms—a widely sought and highly respected friend and counselor—Appalachian State University recognizes and honors you, *Sam J. Ervin, Jr.*, and doubly honors herself by unanimously choosing you to receive her honorary degree. Therefore, I, too, am honored and also highly pleased to confer upon you the degree of *Doctor of Constitutional Law.*

In presenting Senator Ervin to Chancellor Wey for the awarding of the degree, D. Dwight Crater, chairman of the board of trustees of Appalachian State University, made the following remarks:

Three years prior to the founding of Appalachian State University, Sam J. Ervin, Jr. was born in Morganton, North Carolina. He was reared and has continued to live—when not involved with the business of the United States—in the city of Morganton and Burke County. He is a true son of northwestern North Carolina whose ancestry helped to shape the form of their native area of our state. Even his speech associates him more intimately with those of us who love this portion of the state, for whatever his accomplishments or however famous he may have become, there remains in his accent the colorful overtones of his heritage.

Senator Ervin's formal education charts a classic route—the public schools of his home county and later undergraduate work at the University of North Carolina at Chapel Hill where in 1917 he received his A.B. degree. *After* he had been admitted to the North Carolina bar in 1919, he went to Harvard Law School where in 1922 he received his LL.B degree. His total education, however, has been drawn from many sources: the halls of the North Carolina General Assembly and the United States Congress; the benches of the Criminal Court of Burke County; the North Carolina Superior Court and the North Carolina Supreme Court; Membership on the North Carolina State Board of Law Examiners, and Chairmanship of the North Carolina Commission for the Improvement of the Administration of Justice. The Senator is the recipient of over 10 honorary doctorate degrees and has served on the Board of Trustees of Morganton graded schools, Davidson College and the University of North Carolina at Chapel Hill.

A defender of his country, he was twice wounded in battle and twice cited for gallantry while serving with the American Expeditionary Force in France during the First World War. He is the wearer of the French Fourragere and holds the Distinguished Service Cross, ranked only by the Congressional Medal of Honor.

By profession and vocation, Senator Ervin is a lawyer, specifically a constitutional lawyer without peers. From the beginning of his distinguished career as a jurist in 1935, the first amendment to the Constitution has been the measure in the law—the preservation of individual freedom. To that end he is the author or sponsor of significant legislation such as the Criminal Justice Act of 1964, Law Enforcement Assistance Act of 1965, Bail Reform Act of 1966, Narcotic Addict Rehabilitation Act of 1966, Military Justice Act of 1968, Omnibus Crime Control and Safe Streets Act of 1968, and Bill of Rights for American Indians (1968).

Senator Ervin has served the State of North Carolina in the United States Senate since 1954. He is chairman of the Committee on Government Operations; a Member of the Judiciary Committee and Chairman of its Subcommittee on Constitutional Rights, Revision and Codification of the Laws, and Separation of Powers; Chairman of the Subcommittee on Status and Forces Treaty of the Armed Services Committee, and Chairman, Select Committee on Presidential Campaign Activities.

Some of the Senator's Morganton friends and neighbors say that, although he has reached the apex as a constitutional lawyer, he is really a statesman at heart. They say his first diplomatic characteristics were noticed when he somehow persuaded Margaret Bruce Bell to marry him back in June, 1924. From that union has come a son, two daughters and, at last count, seven grandchildren.

Numerous oral commentaries have been made and history will verbally record the accomplishments of the Senator from North Carolina, but none will describe him more accurately than Joseph McCaffrey. Mr. McCaffrey said on the program "Meet the Member" over Radio Station WMAL, Washington, D.C.:

"Sam Ervin is (the) one of freedom's last hopes. He is a man who believes the constitution means what it says, and that the protection it offers man and his rights is as real today as when those men in Philadelphia hammered it all together almost 200 years ago.

Sam Ervin of North Carolina is one of the great ones in an age that doesn't boast very many."

It is therefore altogether fitting and proper, Chancellor Wey, that the institution which serves his native area now recognize and honor Senator Ervin.

It is with honor and with pride that I present to you Senator Sam J. Ervin, Jr., one of the most outstanding citizens and public servants of North Carolina, and a personal friend, for the awarding of the degree *Doctor of Constitutional Law.*

ASSISTANCE TO VIETNAMESE CHILDREN

Mr. WILLIAMS. Mr. President, on July 30, I introduced an amendment to S. 3394, the Foreign Assistance Act Amendments, which would significantly increase the assistance our Government is providing to the South Vietnamese children who have been disadvantaged by the war. I have introduced legislation on four separate occasions for the relief of these children, and Congress initiated a program for them last year as an earmarked priority in the foreign assistance program.

The child welfare program in South Vietnam is designed to provide immediate and urgently needed assistance to the indigent children. It is also accomplishing a longer ranged objective of strengthening the family unit. An article on child welfare programs in the August 2 edition of the New York Times by David K. Shipler documents the successes this approach has had in South Vietnam. I think it will be especially gratifying to those Members of Congress who have actively supported this program to know that it is working so well.

Mr. President, I ask unanimous consent that the article from the New York Times be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Saigon Welfare Plan Aims at Reducing Abandonment

(By David K. Shipler)

Saigon, South Vietnam, August 1.—Something very minor but very important happened not long ago in a wooden shack with a dirt floor near the vast garbage dumps at the edge of Saigon, Mrs. Tang A. Kieu, who lives there with her six children, was given $24.

She had not asked for the money, for she had despaired of help. It was offered by a kind-faced Buddhist nun who is working at the frontier of a pioneering Government effort to introduce a welfare program to South Vietnam.

It is a program for children, aimed primarily at preventing their abandonment by mothers and grandmothers who, hard pressed as the economy continues to deteriorate, might be tempted to relinquish a child to the misery of an orphanage.

This form of welfare plays to the industriousness of the Vietnamese. It succeeds only when the recipient responds with hard work and enterprise.

THE PLASTIC BAG BUSINESS

Mrs. Kieu, for example, used to scavenge in the dumps, picking up discarded plastic bags to sell for recycling. She gathered so few and earned so little—100 to 200 piasters, or 15 to 30 cents a day—that it was not enough for food, she explained, "so we were weak and could not work as hard."

When the Buddhist nuns who run a day-care center heard about Mrs. Kieu, they investigated. "They said I was poor so they gave me money," she said.

The small grant was like a pitcher of water to prime a pump. Now Mrs. Kieu no longer collects the bags herself but buys what neighborhood children have gathered, washes them in soapy water and resells them. Since she has capital, she can deal in larger quantities, and her income has more than doubled.

"Now we have enough to eat," she said. "We can have two full meals a day."

"She has gone from being destitute to being poor," observed Miss Phan Ngoc Quoi, who directs the program for the Ministry of Social Welfare.

Funded with $476,000 from the United States Agency for International Development, the welfare program, known as family assistance, gives only one-shot grants, or short-term subsidies in an effort to avoid the dependence that is typical of welfare in the United States.

Furthermore, Miss Quoi, who has a master's degree in social work from Loyola University in Chicago, has tried to keep the program unbureaucratic by bypassing the ministry's own workers in the provinces and channeling the money through private agencies, mostly religious groups with grass-roots contacts.

This cuts overhead; she says—only 10 per cent of the funds go for agency expenses—and probably keeps the program more honest than if Government officials handled the money.

Even so, "we have to run this program on trust," Miss Quoi explained, adding, "I make random checks, and agencies have to keep their prestige."

The effort is too new and too small to have had much impact on the 900,000 to one million children who have lost one or both parents. But it has already taught something about the resilience of the economy and its ability to amplify the impact of a bit of well-placed cash.

Mrs. Dang Thi Kai, for example, has been struggling to feed her seven children since 1968, when her husband was killed. She would buy a few vegetables on credit, sell them in the market and then pay her creditors with interest. She barely made a profit, and her children were thin and weak.

BABY PIGS AND VEGETABLES

When the family-assistance program presented her with $55, she used $16 to buy two baby pigs. The rest she put into buying vegetables—this time for cash and in large quantities, which she sold on the market for a larger profit.

She used the unsold vegetables and scraps around the marketplace to feed her pigs, which grew in about five months to the point where she could sell them for about $130. Of that $48 went for a sewing machine and to send a daughter to dressmaking school.

Mrs. Kai is fattening three baby pigs now and her children are in school. "If they hadn't given me money," she said, "I might have become a beggar. No other choice—begging or stealing—but with stealing you land in jail."

"We have failures too," Miss Quoi noted. But she is determined to do what she can to keep children with their families, and her program's theme taps several significant currents in South Vietnamese society.

One is resentment against the notion of adoption by foreigners. Many Vietnamese in government and the press view the idea that a child is automatically better off in the United States or Western Europe as insulting, and there is a growing conviction—shared by American aid officials—that the problems of children in Vietnam are so vast that they must be solved in Vietnam.

GRANT TO ADOPTION AGENCY

The American aid program, and even an adoption agency, Holt Children's Service, take the position that adoptions abroad, which are expected to total only about 1,100 this year, and child-welfare programs must be pursued simultaneously.

Holt has a $500,000 grant from the United States with which it plans to begin a family-assistance program similar to the Social Welfare Ministry's, but using private American agencies to select recipients and distribute the funds.

Another current of change is the increased acceptability of Government intervention in an area—child welfare—that had traditionally been the jurisdiction of the extended family. Family stability has been so disrupted that social workers find considerably less aversion to the once-unthinkable idea of Government help.

As a consequence both American and South Vietnamese officials demonstrate growing interest in the child-welfare programs. The United States Government gave $7.2-million to such efforts in the last fiscal year and has asked Congress for $10 million for this year.

"We could use twice as much," a South Vietnamese official said.

THE RESTORATION OF HERBERT HOOVER

Mr. HATFIELD. Mr. President, Saturday, August 10, commemorates the 100th anniversary of President Herbert Hoover's birth. Being a great admirer of the Nation's 31st President, I wish to print in the RECORD an article by Lee Roderick and Stephen W. Stathis which appeared in the Wall Street Journal on Monday, August 5.

This article, "The Restoration of Herbert Hoover," goes a long way toward helping us understand a greatly misunderstood man—a man whose achievement and greatness are only now gaining full appreciation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RESTORATION OF HERBERT HOOVER

(By Lee Roderick and Stephen W. Stathis)

Think of the men who were great Presidents and Herbert Hoover won't leap to mind. Think of the Presidents who were great men, however, and he's got to be somewhere near the top of the list.

Hoover, who died in 1964 after one of the stormiest public careers in American history, would have been 100 next Saturday. The first of two Quaker Presidents, he obviously shares something else with the current occupant of the White House: Few other men have ridden the roller coaster of public opinion to such heights and depths.

Hoover, fortunately was blessed with longevity. He was a living ex-President for more than three decades—longer than any other man in U.S. history—and the nation again came to appreciate and honor him as an outstanding humanitarian and public servant.

But questions still remain: Where do the disparaging myths surrounding the 31st President end and the facts begin? How do you separate the image of the public Hoover, the "rugged individualist" and parsimonious President, from that of the private Hoover whose personal generosity and love of children become legendary? His life was full of paradoxes.

With the advent of the Depression, Hoover gained a reputation as a flint-hearted leader blind to the suffering of others. Yet, as the instrument of America's generosity during and after two world wars, he did more than any man of his time to alleviate human misery.

Although a self-made millionaire, Hoover, no believer in laissez-faire, accepted an unprecedented role for government control of the economy.

He was convinced that other men, given the will, could climb the same road to success he had climbed; while his successor, Franklin D. Roosevelt, who lived securely on inherited wealth, came to represent government benevolence toward the unemployed.

Following his presidency, Hoover was defamed as personifying the evils of capitalism. Yet he had refused to keep much of the money given him for public service, distributing it instead among his aides. "The duty of public men in this republic is to lead in standards of integrity—both in mind and money," Hoover wrote. "When there is a lack of honor in government, the morals of the whole people are poisoned. . . ."

Adding to the difficulties of sorting out the "real" Hoover are the vestiges of the unrelenting and disgraceful smear campaign that dogged him during and long after his White House years. Hoover did not cause the Depression. It came at the end of a deceptively prosperous decade in which Americans had grown dizzy with speculative fever. Nonetheless it was his bad luck to be President when the stock market crashed on October 29, 1929, and inevitably he became the nation's scapegoat.

Hoover's very name became a hate-filled prefix: To "Hooverize" formerly had meant to act in a humanitarian way; now it meant to pauperize. Crude wooden shanties were "Hoovervilles," newspapers on park benches were "Hoover blankets," and empty pockets turned inside out were "Hoover flags." Democrats lampooned the President's initial optimism over the Depression. "Prosperity," they said, "is just Hoovering around the corner."

HORATIO ALGER CAREER

It was a precipitate fall from grace for a man who had known little else but success during a Horatio Alger career in which he had lived a lifetime of adventure before ever entering the political arena. An orphan at eight when his mother died, Hoover was a member of the first graduating class at Stanford University in 1895 and began his colorful mining career at the bottom of a shaft in California at $5 a day.

At 23 he was put in charge of some gold mines in the Australian desert and in 1899 became chief mining engineer for the Chinese government. His lasting contributions to humanity were presaged the following year when he directed the food relief in Tientsin during the Boxer Rebellion. Over the next 14 years Hoover's work took him to more than a dozen far flung countries and he was widely regarded as one of the world's foremost mining experts.

Hoover, having amassed a comfortable fortune and not yet 40, was in London when Germany declared war on France in 1914. He was asked by the American Consul General to help get tourists home. "I did not realize it at the moment," he wrote later, "but . . . my engineering career was over forever. I was on the slippery road of public life."

After expediting the return of 120,000 Americans stranded in Europe, Hoover, under President Wilson, then directed the emergency relief of millions of starving civilians in German-occupied Belgium and France and, later, throughout central Europe. He crossed the mine-infested English Channel and North Sea 40 times.

His sympathy for the suffering people of Russia outweighed his disdain for its oppressive new Bolshevik government, and as early as 1919 Hoover vigorously advocated feeding them as well. Snags developed, however, and it was not until a great famine had momentarily humbled the Lenin-Trotsky regime two years later that Hoover was able to take his program to the Russians, some of whom had reached the point of cannibalism. "Twenty million people are starving," he told a critic. "Whatever their politics, they shall be fed."

Novelist Maxim Gorki, who had first publicly appealed to America for aid, wrote Hoover that "in all the history of human suffering (I know of no) accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished. Your help will be inscribed in history as a unique, gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians . . . whom you have saved from death."

Also serving in Wilson's administration, as Under Secretary of the Navy, was another young man whose political star was rising fast: Franklin Roosevelt. Hoover and Roosevelt became good friends and early in 1920 the latter wrote to their mutual friend Hugh Gibson that Hoover "is certainly a wonder, and I wish we could make him President of the United States. There could not be a better one." To Roosevelt's chagrin, however, when his wish became prophecy, Hoover, whose politics were unknown at the time, would be a Republican.

In 1921 Hoover was appointed Secretary of Commerce by President Harding and was retained by President Coolidge upon Harding's death. Although his progressive principles contrasted sharply with those of his two predecessors and caused concern among some Republicans, in 1928 the GOP nominated him for President and, in the first election he ever entered, Hoover easily defeated Al Smith of New York.

Hoover's presidency, as a whole, was an unfortunate detour in an otherwise brilliant career. Seldom had a President assumed office with greater international stature. Yet Hoover proved singularly unable to translate the wellspring of admiration into political capital. He was not above politics; rather, he was by nature doctrinaire and by practice woefully inept in the art of compromise. Added to these native handicaps was one beyond the power of any single individual to prevent—the worst depression in U.S. history.

Hoover was in office barely six months when the market crashed and the gloom of the

Depression started spreading across the American landscape like a cold bay fog. Hoover, contrary to popular impression, took a series of swift and unprecedented actions to revive the nation's economy. Although he first relied on local initiative and moral suasion, he later turned to direct federal intervention.

"Although Hoover had gone much further than any preceding President in taking positive steps to combat the Depression, he had made little political headway for himself or his party," writes historian Frank Freidel. "His measures, while significant innovations, were far below the scale economists would now consider minimal to counter the deflationary spiral."

All of the government's efforts to right the economy proved inadequate and when Hoover drew the line on federal aid to the unemployed and refused to cross it, the stage was set for Roosevelt and his promise of a "new deal." For a generation after Hoover's crushing defeat by FDR in 1932, Democrats would stay in power by running against what was shamefully called "Hoover's Depression."

Throughout the rest of his life, Hoover remained convinced that the nation had been on the road to recovery in the summer of 1932. His voice was drowned out, however, in the color and cacophony of the coming New Deal with its AAA, TVA, WPA and a dozen other agencies and movements. While the Depression obstinately lingered on for years, Roosevelt and his partisans, to their discredit, continued to blame the Depression on Hoover ("a great compliment to the energies and capacities of one man," said the ex-President) and to stubbornly refuse his offers of service. Millions of other Americans also blamed him for their woes.

RETIRING TO PRIVATE LIFE

Hoover and his wife, Lou Henry, retired to private life in Palo Alto, Calif., where he swallowed his hurt and lost himself in causes close to his heart; the Boys Clubs of America, American Children's Fund, better medical education and working directorships of a dozen scientific and educational institutions. For a dozen years he didn't set foot in Washington.

Although he was widely misunderstood by adults, Hoover had no such problem with children, in whose company he often found reprieve. "Children are our most valuable resource," Hoover was fond of saying and, in characteristically practical ways, he cultivated the resource. He served as active chairman of the Boys Clubs from 1935 until his death and originated the idea for the United Nations Childrens Fund (UNICEF).

Hoover, who became a super-uncle to the nation's youngsters, maintained a delightful and voluminous correspondence with children, explaining that "answering their letters . . . has been a great relief from the haunts of nights sleepless with public anxiety." He received many of the world's honors but once said his favorite was this testimonial from a boy's club: "Herbert Hoover is a good egg."

Shortly after Roosevelt's death in 1945, President Truman, scanning the morning newspaper, read that Hoover was in Washington. He sent a limousine to Hoover's hotel and had the former President brought to the White House.

"They brought him into the Oval Room, and I said to him, 'Mr. President, there are a lot of hungry people in the world and if there's anybody who knows about hungry people, it's you,' " Truman related to author Merle Miller. " 'Now there's plenty of food, but it's not in the right places. Now I want you to'

"Well, I looked at him. He was sitting there . . . and I saw that great big tears were running down his cheeks. I knew what was the matter with him. It was the first time in 13 years that anybody had paid any attention to him."

THE HOOVER-TRUMAN STORY

The warm friendship that subsequently developed between Hoover and Truman—the man who had given him back his pride is one of the great human interest sketches of American history. "The Hoover-Truman story one day may rival in interest the Adams-Jefferson relationship which also involved two Presidents of sharply divergent political views," said Raymond Henle, who coordinated a long series of recorded interviews as director of the Herbert Hoover Oral History program.

While head of Truman's emergency famine committee, Hoover directed the feeding of millions of starving people in war-ravaged Europe and Asia as he had done a quarter century earlier, traveling 35,000 miles in 22 countries. At an age when most men are in the grave, he proceeded to direct two Hoover Commissions, two-thirds of whose numerous proposals for streamlining the Executive Branch were eventually adopted. When not pursuing his favorite hobby, fishing ("All men are equal before fish. . . ."), Hoover was also a prolific writer and lecturer.

Well before his death at the age of 90, the passage of time had brought a new perspective to Hoover's life and prodigious accomplishments. His fellow citizens had regained an appreciation for him and most of them once more regarded him as a truly great American.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1975

The PRESIDING OFFICER (Mr. METZENBAUM). Under the previous order, the Senate will now proceed to the consideration of H.R. 16027, which the clerk will report.

The assistant legislative clerk read as follows:

Calendar 1026, H.R. 16027, an act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The Senate resumed the consideration of the bill.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

Mr. BIBLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. H.R. 16027.

Mr. BIBLE. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. I believe the Senator from Missouri (Mr. SYMINGTON) has a bill that he wants to call up. I understand that those who are interested in this bill are present and ready to proceed.

HARRY S. TRUMAN MEMORIAL SCHOLARSHIP ACT

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1025, S. 3548.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3548) to establish the Harry S. Truman memorial scholarships, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Public Welfare with an amendment.

Mr. SYMINGTON. Mr. President, when I introduced the Harry S. Truman Memorial Scholarship bill on the next to last day of May, I expressed the hope that the legislation would be approved in this session of Congress. At that time 59 Senators, Democrats and Republicans, cosponsored the bill and in subsequent days, the number grew to 67. The bipartisan support for this measure no doubt has contributed to prompt consideration in committee.

I wish to express my appreciation to the Senator from Rhode Island (Mr. PELL), chairman of the Subcommittee on Education, and the Senator from New Jersey (Mr. WILLIAMS), the chairman of the full committee, as well as my colleague Senator EAGLETON, who is a member of the committee, for the early and favorable consideration of the legislation. Hopefully this example may be followed in the House so that before this year is out, the Harry S. Truman Scholarship program will have been established.

Clearly, however, it is the substance of the bill and the provisions for the award of 51 undergraduate scholarships annually on a competitive basis for those young men and women who would pursue public service careers that has brought the prompt and favorable action on this bill in the Senate; also, the fact that the memorial is particularly appropriate for our 33d President and has the wholehearted support of Mrs. Truman.

Some of our finest leaders have not been college graduates. Harry S. Truman is among them.

He was known, however, as a widely read student of American history. President Truman also held a firm belief in the value of formal education and took every opportunity to encourage young people to pursue educational advantages.

In the span of Harry S. Truman's lifetime there was an explosion in the number of college trained men and women in the United States.

In 1884 when Harry Truman was born, some 811 colleges and universities awarded 13,372 degrees, both bachelor and advanced degrees.

Eighty-eight years later, 1,192,000 men and women received college degrees in 1972 from the Nation's 2,665 institutions of higher education.

As the Nation has grown and society

has become more complex, government too has expanded in size, scope and also in terms of the variety of knowledge and skills required.

Many scholarship programs have been initiated and are now available, but there are none we know of at the undergraduate level designed specifically to encourage young Americans to prepare in college for careers in government.

Through the Truman memorial scholarship program we would hope to help to motivate young people to consider and to prepare for careers in public service during their college years.

We see Truman scholars entering public service at all levels of government—city, county, State and Federal.

We also see the Truman scholarship program as an additional step in expanding opportunities for those young Americans desiring college educations to obtain them.

We believe as well that the Truman scholarship program should serve as an impetus toward better recognition of the talents required and the contributions made by many men and women in political life who work through the democratic process and democratic government to improve human affairs.

After all, the supreme need of our time today is no different than described by Harry Truman in 1949 when he said:

> The supreme need of our time is for men to learn to live together in peace and harmony

Seeking to forge a framework through which men and women locally, nationally and internationally can better learn to live together in peace and harmony must be a prime goal of those men and women who would serve in a government based on the consent of the governed.

I am proud that the Senate will honor the 33d President with a memorial which will serve these both practical and idealistic purposes. It is a particularly fitting memorial for Harry S. Truman.

Mr. President, I also want to express appreciation to my colleague (Mr. EAGLETON) for expediting this bill through his committee.

Mr. EAGLETON. Mr. President, I thank my distinguished senior colleague from Missouri, the guiding light and genius of this bill now pending before the Senate.

If I can speak on behalf of my colleague and use words which perhaps modesty would not permit him to use on his own behalf, I think his bill was truly a labor of love on his behalf.

The senior Senator from Missouri modestly failed to mention his long and meritorious service under former President Truman in a whole host of responsible capacities. Memory may fail me in reciting Senator Symington's service under President Truman. My recollection is that STUART SYMINGTON serves as head of the Reconstruction Finance Corporation, as Assistant Secretary of War for Air, and the Nation's first Secretary of the Air Force, all under Harry S. Truman, a man STUART SYMINGTON served, knew, loved and respected.

I shall take a few minutes to talk about Harry Truman in the context of August 7, 1974, when our Nation finds itself in a time of enormous travail; at a time of great national sadness; at a time in which there is no partisan glee; at a time, to use the vernacular of baseball, when "there is no joy in Mudville."

Would that we could have with us, living, a Harry S. Truman, the independent man from Independence! Harry S. Truman would be the last to describe himself as a genius. Like all of us, he was mortal and subject to human frailty. He had a temper, and sometimes that temper got the better of him. Some of those expressions are well known and are recorded in history, as, for example, his famous exchanges with columnist Drew Pearson.

Despite the fact that Harry Truman's formal education was that of a high school graduate, and despite the fact that he did not possess the oratorical eloquence of his immediate Presidential predecessor, Franklin Delano Roosevelt, Harry Truman had two qualities in such enormous abundance that they were with him, a way of life. Those qualities were candor and courage. Harry Truman, although the phrase was not common in his era, "told it like it is." You may not have liked what he said—at times, he was abrasively blunt—but you knew what he meant, you had no doubt as to the sincerity of the positions that he espoused—and you knew he would "do his damnedest" to see his decisions carried out.

Bear in mind that some of those positions, in their day and their time, were quite controversial. He was the President who integrated the armed services.

He espoused at the 1948 Democratic Convention—when everyone said President Truman was destined to go down to overwhelming defeat—the first civil rights plank for the Democratic Party. The resulting "Dixiecrat" splitoff showed how courageous an action this was.

He was the first President to espouse some system of public national health insurance. Although medicare and medicaid did not come into being until 1965, the concept of medicare and medicaid was the concept of Harry S. Truman. It, too, was controversial.

But he spoke out. I repeat: He spoke out with a refreshing candor, a refreshing bluntness that we find missing from the American body politic in the year 1974.

So I think it is tremendously appropriate on August 7, 1974, at a time when this country is going through a reliving of Theodore Dreiser's "An American Tragedy," that a bill that will perpetuate the memory and the love of Harry Truman comes before the Senate.

This bill is more than symbolic. It has true meaning. Young men and women for generations to come will be the beneficiaries of this legislation and, as they go through their lives, will proudly carry with them the memory of him in whose name this bill is enacted. I hope that whoever those young men and women may be—parenthetically I hope that some of them end up in this body and that perhaps one of them some day ends up at 1600 Pennsylvania Avenue—that they will comport themselves in the honest, candid, courageous style of Harry S. Truman—one of the most extraordinary men this great Nation has ever produced.

Mr. President, Harry Truman's gravestone reads as follows:

> HARRY S. TRUMAN
>
> Born May 8, 1884, Lamar, Missouri.
>
> Died December 26, 1972.
>
> Married June 29, 1919.
>
> Daughter born February 17, 1924.
>
> Judge, Eastern District, Jackson County, Jan. 1, 1923 to Jan. 1, 1925.
>
> Presiding Judge, Jackson County, Jan. 1, 1927 to Jan. 1, 1935.
>
> United States Senator, Missouri, Jan. 3, 1935 to Jan. 18, 1945.
>
> Vice President, United States, Jan. 20, 1945 to Apr. 12, 1945.
>
> President, United States, Apr. 12, 1945 to Jan. 20, 1953.

Were I permitted to add some words to this gravestone, I would add these: A candid and honest man.

Mr. TAFT. Mr. President, I rise to support this measure and to commend the distinguished Senator from Missouri for bringing it to the attention of the Senate.

Harry Truman, it seems to me, particularly in these difficult days we face in the area of foreign policy, should be recognized for having taken a realistic and very courageous attitude toward a reconsideration of our policy at a time when it was very difficult—indeed, it often must have been soul-searching—to make some of the decisions which he made in this connection.

This is a most appropriate type of memorial, one that will continue as a living gift to the memory and life of Harry Truman, a fine cause. I am glad this choice has been made.

When the bill came before the committee, my intention was drawn to another matter of unfinished business insofar as memorializing our ex-Presidents is concerned, in proposed legislation that is pending relating to the memorial that Congress helped establish for President Eisenhower (Eisenhower College). I considered whether or not it might be appropriate to bring up this bill as an amendment to this measure, and I have determined that it would not be appropriate. But I do take this occasion to mention the matter, because the House Committee on Banking and Housing has reported the Eisenhower College bill favorably. It is my understanding that the bill will go to the House floor shortly and hopefully may be coming to this body.

Without some appropriate action by Congress, the effort that Congress has already put into this matter and that many thousands of private citizens have undertaken for this college will not be successful.

I merely raise this matter so that the Senate may be aware of the situation, and in acting upon the Truman memorial, we will be aware of the other obligation, which I hope we will honor.

Mr. President, I would very much appreciate it if the Senator from Missouri would add my name as a cosponsor of the bill.

Mr. SYMINGTON. First, I wish to say that it would be an honor to have the bill cosponsored by the distinguished Senator from Ohio.

Also, I thank him, for my colleague, who has been very busy in the last few days, and myself for his kindness in handling the matter in which he is so interested, apart from the bill that we are considering. I also am grateful for the kind words that he said about the former late President from our State of Missouri, Harry Truman, who was so eloquently described by my colleague a few minutes ago.

In regard to the Senator's comment concerning former President Eisenhower, I assure the Senator that the great American in whose name a college has been established also happened to be my good friend. When I was Assistant Secretary of War, he was Chief of Staff of the Army. His office and mine adjoined. I visited him in Denver several times before he became President, and I know we all respect him as another truly great American.

Again, I thank my friend from Ohio for his understanding about this situation, and I assure him that I shall support him to the best of my ability when he brings any bill incident to a memorial to President Eisenhower to the floor of the Senate.

Mr. BIBLE. Mr. President, will the distinguished senior Senator from Missouri yield to me for an observation and comment on this particular legislation?

Mr. SYMINGTON. Mr. President, it is always a privilege to yield to one of my favorite Senators, not only because of his intelligence, but also because of the kindness he has shown to me in the 20-some years we have served together in the Senate, the senior Senator from Nevada.

Mr. BIBLE. I appreciate that comment, Mr. President. I reciprocate. I share a similar high esteem and affection for both Senators from Missouri.

I am proud to be a cosponsor of this particular legislation. It brings back to mind my first meeting with the late Harry S. Truman. I met him in Carlin, Nev., in one of my campaigns. He looked at me—I knew who he was; he did not know me from Adam. He just looked at me and said,

> Bible, Bible. I want you to know that is the greatest political name I have ever heard.

I have always associated that remark with the late President Truman. During the times I met with him, when he often came back to Washington, we chuckled a bit over it.

I commend all the Senators for their comments, especially the speech by—I call him "Race Horse Eagleton" now as a result of the fine showing he made in Missouri yesterday. I say that the speech he made in behalf of Harry Truman brought a tear to my eye. It was one of the most dynamic, one of the most positive I have ever heard. I commend him for it. I wish him well as he goes into the general campaign.

I think he is off to a good start. Out our way, he would be, maybe, a 3-to-1 favorite now, perhaps even better than that.

I am glad to put that in the RECORD. If there is anything that might indicate that that has a gambling tinge to it, I shall let him expunge it from the RECORD.

I yield the floor.

Mr. SYMINGTON. Mr. President, I ask that the bill be considered favorably by the Senate.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed. the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

That this Act may be cited as the "Harry S. Truman Memorial Scholarship Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

because a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because of special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and national government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S. Truman through the creation of a perpetual educational scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the Board of Trustees of the Harry S. Truman Scholarship Foundation;

(2) "Foundation" means the Harry S. Truman Scholarship Foundation;

(3) "fund" means the Harry S. Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965;

(5) "State" means each of the several States of the United States and the District of Columbia; and

(6) "Secretary" means the Secretary of the Treasury.

ESTABLISHMENT OF THE HARRY S. TRUMAN SCHOLARSHIP FOUNDATION

SEC. 4. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry S. Truman Scholarship Foundation.

(b) The Foundation shall be subject to the supervision and direction of the Board of Trustees. The Board shall be composed of fifteen members, appointed by the President, by and with the advice and consent of the Senate, one of whom shall be selected annually by the Board to serve as Chairman. Members of the Board shall be appointed as follows:

(1) one member from among the Members of the Senate;

(2) one member from among Members of the House of Representatives;

(3) one member who is a representative of the Truman family;

(4) four members from among individuals who are educators or scholars;

(5) one member from among the chief executives of the States;

(6) one member from among individuals who are mayors or chief executives of counties;

(7) one member from among individuals who are in the field of finance;

(8) one member from among individuals who are in the field of foreign policy;

(9) two members from among individuals who are members of the bar of the highest court of a State, of whom one shall be a Federal judge or a State judge; and

(10) two members to be citizen representatives of the public.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, five for terms of two years, five for terms of four years, and five for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

SCHOLARSHIPS AUTHORIZED

SEC. 5. (a) The Foundation is authorized to award, in accordance with the provisions of this Act, not to exceed fifty-one scholarships in any fiscal year beginning after the first fiscal year in which sums are appropriated pursuant to section 14 for undergraduate study for persons who plan to pursue a career in public service. An award recipient shall be chosen in each State and shall be known as a Truman scholar.

(b) Scholarships awarded under the provisions of this Act shall be for undergraduate study leading to a bachelor's or equivalent degree at any institution of higher education approved by the Foundation in accordance with section 6(a) as an institution offering courses of study, training, research, and other educational activities designed to prepare persons for a career in public service including the history, tradition, and practice of American politics, the development of any skills useful to the solution of problems customarily associated with public service.

(c) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(d) In addition to the number of scholarships authorized to be awarded by subsection (a) of this section, the Foundation is authorized, as it deems advisable and practicable, to award scholarships equal to the number previously awarded during any fiscal year under this Act but vacated prior to the end of the period for which they were awarded.

SCHOLARSHIP REQUIREMENTS

SEC. 6. (a) A student awarded a scholarship under this Act may attend any institution of higher education, if that institution—

(1) offers courses of study, training, research, and other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation; and

(2) agrees to participate in a program established by the Foundation providing for a course of study for such scholarship students for a period not to exceed one academic year at an institution of higher education or a consortium of such institutions, located in or near Washington, the District of Columbia.

(b) Each student awarded a scholarship under this Act shall sign an agreement, in such terms as the Foundation may prescribe, stating that he has a serious intent to enter the public service upon the completion of the educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his educational program. For the purpose of this section, educational program is not limited to the academic program for which a scholarship is awarded under this Act.

SELECTION OF TRUMAN SCHOLARS

SEC. 7. (a) The Foundation is authorized to enter into arrangements with the chief executive of each State under which a State selection committee for Truman scholars is established in that State in order to conduct a statewide competitive examination and to select each year the Truman scholar for that State.

(b) The Foundation is authorized under limitations prescribed by the Board to reimburse each State for necessary and reasonable expenses incident to the selection of a Truman scholar pursuant to this section.

(c) If no Truman scholar is selected from a particular State for any year pursuant to an arrangement under this section, the Foundation may select an outstanding student from that State through competitive examination conducted within that State.

(d) No person may be selected as a Truman scholar for any State who, at the time of his selection, is not a resident of that State.

STIPENDS AND INSTITUTIONAL ALLOWANCES

SEC. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board, or $5,000, whichever is less, for each academic year of study.

SCHOLARSHIP CONDITIONS

SEC. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such scholarship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Foundation or pursuant to regulation.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this Act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, the program for which the scholarship was awarded.

(c) No scholarship shall be awarded under this Act for study at a school or department of divinity.

TRUMAN MEMORIAL SCHOLARSHIP FUND

SEC. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S. Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it pursuant to the authorization provided by section 14 of this Act.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market place. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 11. The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as are necessary and appropriate to enable the Foundation to carry out the purposes of this Act.

EXECUTIVE SECRETARY

SEC. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(132) Executive Secretary of the Harry S. Truman Scholarship Foundation.".

ADMINISTRATIVE PROVISIONS

SEC. 13. In order to carry out the provisions of this Act, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Secretary be compensated at a rate to exceed the rate provided for employees in grade 15 of the General Schedule set forth in section 5332 of title 5, United States Code.

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) reecive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditure.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

APPROPRIATIONS AUTHORIZED

SEC. 14. There are authorized to be appropriated $30,000,000 to the fund.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

PRESIDENTIAL APPROVAL

A message from the President of the United States stated that he had approved and signed S. 39, an act to amend the Federal Aviation Act of 1958 to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to provide a more effective program to prevent aircraft piracy; and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. METZENBAUM) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON GOVERNMENT SERVICES TO RURAL AMERICA—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. METZENBAUM) laid before the Senate a message from the President of the United States transmitting the fourth annual report on Government services to rural America, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

I am transmitting herewith the fourth annual report on Government services to rural America, as required by the Agricultural Act of 1970.

RICHARD NIXON.

THE WHITE HOUSE, *August 7, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the following measures with amendments in which it requests the concurrence of the Senate:

S. 210. An act to authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts;

S. 3301. An act to amend the Act of October 27, 1972 (Public Law 92–578);

S. 3355. An act to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to provide appropriations to the Drug Enforcement Administration on a continuing basis;

S. 3782. An act to amend the Public Health Service Act to extend for one year the authorization of appropriations for Federal capital contributions into the student loan funds of health professions education schools;

S.J. Res. 229. A joint resolution to amend the Export-Import Bank Act of 1945; and

S. Con. Res. 72. A concurrent resolution extending an invitation to the International Olympic Committee to hold the 1980 winter Olympic games at Lake Placid, N.Y., in the United States, and pledging the cooperation and support of the Congress of the United States.

The message also announced that the House has passed the following measures in which it requests the concurrence of the Senate:

H.R. 8352. An act to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes;

H.R. 14402. An act to amend the Act of September 26, 1966 (Public Law 89–606), as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased;

H.R. 15172. An act to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service;

H.R. 15912. An act to amend chapter 37 of title 38, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes;

H.R. 16045. An act to amend the Solid Waste Disposal Act to authorize appropriations for fiscal years 1975 and 1976, and to make certain technical and conforming changes;

H.R. 16243. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes;

H.J. Res. 1104. A joint resolution to extend by 62 days the expiration date of the Export Administration Act of 1969; and

H. Con. Res. 583. A concurrent resolution authorizing the Clerk of the House to make corrections in the enrollment of H.R. 69.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky; and

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez and Milagros Catambay Gutierrez.

The enrolled bills were subsequently signed by the President pro tempore.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolutions were each read twice by their titles and referred as indicated:

H.R. 8352. An act to establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 14402. An act to amend the Act of September 26, 1966 (Public Law 89–606), as amended, to extend for 2 years the period during which the authorized numbers for the grades of lieutenant colonel and colonel in the Air Force are increased; to the Committee on Armed Services.

H.R. 15172. An act to authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the U.S. Postal Service the execution fee for each application accepted by that Service; to the Committee on Foreign Relations.

H.R. 15912. An act to amend chapter 37 of title 38, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 16045. An act to amend the Solid Waste Disposal Act to authorize appropriations for fiscal years 1975 and 1976, and to make certain technical and conforming changes; to the Committee on Public Works.

H.R. 16243. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes; to the Committee on Appropriations.

H.J. Res. 1104. A joint resolution to extend by 62 days the expiration date of the Export Administration Act of 1969; to the Committee on Banking, Housing and Urban Affairs.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1975

The Senate resumed with the consideration of the bill (H.R. 16027) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is H.R. 16027.

Mr. BIBLE. Mr. President, I ask unanimous consent that Mr. Dwight Dyer and Mr. James Bond of the staff of the Committee on Appropriations have the privilege of the floor during consideration of H.R. 16027.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, it is my privilege to bring before the Senate the appropriations bill for the Department of the Interior and related agencies. Further, I am pleased to report that the total recommended new budget authority, combined with those portions that were funded this year in the special energy research and development appropriation, is under the budget estimates by some $2 million. Discounting items that were not considered by the House, the bill is also below the House-passed measure by some $2.5 million. The combined total of new budget authority is more than $891 million over 1974 appropriations, but this figure should be adjusted to $577 million to present a fair comparison. I will get to that in more detail later.

I bring these figures out early because, as we are all well aware, there is a growing mood to cut back appropriation bills the past few weeks. So I think it is important to note at the outset that, as far as appropriations handled by the Interior Subcommittee that I have the privilege to chair, we are under the budget and under the House. And when we examine the increases over 1974, which is a comparison that my good friends have been using lately—as I shall do shortly—I think we can understand why the committee has not recommended any deeper cuts in the budget.

BILL SUMMARY

For the record, Mr. President, I shall briefly summarize the bill. As outlined in the committee report, a total of $3,389,239,310 is recommended for the bill. This includes $3,170,394,310 in new budget authority and $218,845,000 in appropriations to liquidate contract authority. For this bill, that is $18,164,600 over the budget estimates and $21,064,000 over the House allowances. The bill total is an increase of $599,743,110 over 1974.

These figures apply to all Interior Department agencies except those specified in the report, and as I noted earlier, the bill does exclude appropriations carried this year in the energy R. & D. appropriation bill.

For the Interior Department agencies a total of $2,159,589,000 in new budget authority and contract liquidation funds is recommended while the balance of $1,229,650,310 is for related agencies including the Forest Service, National Foundation on the Arts and the Humanities, Smithsonian Institution, Indian Health Service and Indian education, and the American Revolution Bicentennial Administration.

1974 INCREASES

I noted at the outset that the combined appropriations handled by the Interior and related agencies subcommittee fall below the budget and the House amounts. But I also noted they run some $891 million over 1974 in new budget authority. That is the figure we must examine.

First, $313 million of that combined increase was in the Interior portion of the energy R. & D. bill and has been enacted. That relates directly to urgent energy programs for the Nation.

Second, another $340.7 million of the increase is for programs that did not exist in 1974 or were largely bypassed in funding. I am speaking, for instance, of the land and water conservation fund, which is funded at $300 million this year as it was in 1973. Only $76 million was provided in 1974 under an austerity program. Although we are resuming normal funding for this essential program, last year's reduction makes it appear as a major increase of more than $223 million. Then there is $68 million in the bill for the new Indian Financing Act and $49 million for acquisition of Klamath Indian lands.

On the other hand, there is some $113 million in firefighting costs in the 1974 appropriation which is not yet reflected in 1975 estimates. The end result is an approximate adjustment to $227 million in 1974 increases for ongoing programs that are controllable. What are these increases for? Let us take a closer look.

Energy: In this bill alone there is more than $120 million directly related to energy—Outer Continental Shell leasing, oil and gas pipeline studies, geothermal leasing, strip mining research and the like. That is more than $50 million over 1974.

Environmental protection: Another major factor in the increases is environmental protection. There is more than $190 million in this bill involved in this essential activity—much of it tied to the environmental consequences of the proposed new energy initiatives. This represents an increase of some $60 million over 1974 and results mainly from strict new requirements for environmental protection imposed by Congress.

Natural resource management: For ongoing programs in management of the Nation's natural resources—the development and protection of its timber, minerals, range, and recreation programs there is more than $1.5 billion in the bill. This itself represents an increase of $300 million over 1974. Involved in this are the energy and environmental programs I mentioned earlier.

Indian programs: There is a total of more than $1 billion in this bill for Indian programs, an increase of more than $150 million over 1974. Here, as in other programs, the committee has recommended reductions in some areas, increases in others. A large part of the increase is the new Indian Financing Act which I mentioned a moment ago.

Bicentennial: This bill also funds many important aspects of the American Revolution Bicentennial celebration. There is nearly $74 million for Bicentennial activities of the National Park Service, the Smithsonian Institution and the American Revolution Bicentennial Administration. That is an increase of more than $12.9 million over 1974, reflecting an increase in tempo as we approach the Nation's 200th anniversary year, which is obviously just around the corner.

These are the major increases, and as may be quickly seen, they are tied to some of the Nation's highest priorities. Although the committee's recommendations did reflect a net reduction in the combined budget total, we felt it was necessary to respect these priorities.

REVENUES

Another important point that must be emphasized in considering funding for Interior and related agencies is the revenue generated by several of these activities. I think one thing to which we can point with pride in this bill is the fact that this measure, involving appropriations of close to $4 billion, will generate $8.7 billion in revenue. That is the estimated total income from oil and gas leases, timber and grazing receipts and related programs. This is an appropriation measure that pays for itself twice over and more. Obviously, the committee would not have met its responsibilities if it had not considered the impact of any budget reductions on income-producing activities.

PROPOSED AMENDMENTS

This is an item which I am sure I shall be repeating many times during the course of the debate today, if I anticipate correctly what might happen: It should be stressed that the committee was confronted with more amendments than ever before during the 6 months of hearings, analyses, and refinements on the budget proposals. In addition to budget amendments totaling more than $500 million from the administration itself, 64 Members of the Senate offered more than 180 separate proposals that involved some $950 million in additional appropriations. Adding to this the requests of hundreds of nongovernmental witnesses, the committee received requests that, if approved, would have driven the budget upward by $1.5 billion or more.

There was not one single, solitary request to reduce the budget except within the committee, and that was at the tail end of our deliberations.

SUMMARY OF CHANGES

To conclude my remarks I will briefly summarize the major changes in the budget recommended by the committee:

Timber and range resources: We have agreed with the House in providing some $15 million in additional funding for reforestation and timber stand improvement. This is clearly a vital program, and the administration's failure to meet deficiencies in this area and others pointed out by the GAO and others must be corrected. In all we increased the Forest Service budget by $28.2 million. We also added $2 million in range management for the Bureau of Land Management and Forest Service, another area that was lacking.

Indian needs: The President's budget recommended more than $920 million for ongoing programs for Indian health, education and welfare. The committee has increased this amount by nearly $10 million, and has also approved $68 million to implement the new Indian Financing Act.

Energy: There is more than $120 million in the bill for the various energy-related programs of the Interior Department, over and above those amounts included in the energy R. & D. appropriation. The committee generally has endorsed the full budget request for these activities but has applied restraints in such areas as expanded Outer Continental Shelf leasing to insure the Nation's environmental integrity will not be sacrificed to its energy needs. We believe both ideals can be served under our recommendations.

Recreation and wildlife: To programs serving the Nation's fish and wildlife and recreation needs the subcommittee has added more than $17 million. These are selected additions directed at the highest priorities of the Fish and Wildlife Service, the Park Service and the Forest Service. They include an additional $2 million for salmon production to meet the recent crisis that has occurred in Washington State as the result of a Federal court decision on Indian treaty fishing rights.

Reductions: Clearly, we could not meet these needs without some reductions, and we have recommended what we believe to be reasoned and selective cuts. We are reducing Federal agency travel requests by more than $4 million by applying a selected cut of approximately 10 percent. We have adopted the standard 10 percent GSA space cost reductions. We have trimmed salaries and expenses wherever possible. We have reduced the Smithsonian administrative budget $2 million, for example, but still allowed a $10 million increase over 1974. We have also concurred in the House reduction of $16 million in the total programs of the Arts and Humanities endowments.

In that connection, as I think the report probably makes a little more crystal clear, I am very well aware of the great interest in the arts and humanities in this country. I am sure that these two items have probably elicited more mail, more pleas, and more requests than almost any other item we had. But let me try to put this in perspective.

I have been a long-time strong supporter of the arts and humanities. If my memory serves me well, I think I saved this appropriation from sudden collapse early in its history. But let me say that in fiscal year 1973, we increased the total appropriations for the arts and humanities by $20 million. Last year, in fiscal year 1974, we increased it by $43 million. This year, under the committee's recommendations, we will increase it by another $40 million.

So, capsulizing, that means that the Appropriations Committees of both the House of Representatives and the Senate have recognized the popularity of, the need for, and the interest in this program, and I think we have been more than generous.

We have increased that fund for the arts and humanities by $100 million over a space of 3 years. It seems to me that, with our budgetary priorities and budgetary restraints, that has been recognition of the value of these great programs. I think the House did an admirable job this year on that particular item, and I am very happy to say that we stayed with the House on it.

Mr. President, in order to put this bill in its proper parliamentary form, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, in line 9, strike out "$140,696,000" and insert "$141,126,000".

On page 2, in line 14, strike out "$6,655,000" and insert "$6,725,000".

On page 5, in line 25, strike out "$13,795,000" and insert "$13,990,000".

On page 6, beginning with line 3, insert:

"OFFICE OF SALINE WATER

"SALINE WATER CONVERSION

"For expenses necessary to carry out the provisions of the Saline Water Conversion Act of 1971 (42 U.S.C. 1959–1959h, as amended), including not to exceed $1,043,000 for administration and coordination expenses during the current fiscal year, $3,007,000, to remain available until expended."

On page 6, in line 15, strike out "$5,010,000" and insert "$5,210,000".

On page 7, in line 19, strike out "$100,666,000" and insert "$101,168,000".

On page 8, in line 3, strike out "$13,447,000" and insert "$14,347,000".

On page 9, at the end of line 21, after the comma, insert "including not to exceed $100,000 for reconstruction of certain streets in Harpers Ferry, West Virginia,".

On page 9, in line 23, strike out "$209,437,000" and insert "$209,425,000".

On page 10, in line 18, strike out "$53,466,000" and insert "$63,290,000".

On page 10, in line 24, strike out "$24,126,000" and insert "$27,500,000".

On page 13, in line 17, strike out "$203,195,000" and insert "$205,044,000".

On page 14, in line 3, strike out "ADMINISTRATION" and insert "ADMINISTRATIVE".

On page 14, in line 26, strike out "$67,803,000" and insert "$68,413,000, of which not to exceed $1,500,000 shall remain available until expended".

On page 16, in line 8, strike out "$77,703,000" and insert "$76,163,000".

On page 16, in line 9, strike out "$26,991,000" and insert "$27,791,000".

On page 17, in line 12 after "reservations," strike out "or lands," and insert "lands, or treaty fishing rights tribal use areas;".

On page 17, in line 22, strike out "$467,096,000" and insert "$466,100,000: Provided, That $570,000 shall be available to assist the Pyramid Lake Paiute Tribe of Indians in the operation and maintenance of facilities for the restoration of the Pyramid Lake fishery pursuant to the Washoe Act (43 U.S.C. 614)".

On page 18, in line 8, strike out "$66,571-000" and insert "$55,512,000".

On page 18, line 23, after "further," strike out "That not to exceed $1,300,000 shall be available to assist the Brockton Public Schools, Montana, for construction of school facilities" and insert "That the unobligated balance of $10,300,000 previously appropriated for Mt. Edgecumbe School and four Regional Dormitories in Alaska shall be made available for the construction of Chevak, Northway, Hooper Bay, Galena, and Alakanuk Schools, Alaska: *Provided further*, That not to exceed $100,000 appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, to the Edgar, Montana, Public School District No. 4, shall be made available to the newly established Plenty Coups High School District No. 3, Big Horn County, Pryor, Montana: *Provided further*, That $580,000 shall be available to assist the Pyramid Lake Paiute Tribe of Indians in the construction of facilities for the restoration of the Pyramid Lake fishery pursuant to the Washoe Act (43 U.S.C. 614): *Provided further*, That not to exceed $110,000 shall be for assistance to the Rough Rock School on the Navajo Indian Reservation, Arizona, for equipment: *Provided further*, That not to exceed $1,195,000 shall be available to assist the Ramah-Navajo School Board, Inc., including not to exceed $800,000 for construction of school facilities and not to exceed $395,000 for purchase of school equipment: *Provided further*, That not to exceed $128,000 shall be available to assist the Heart Butte School, Blackfeet School District No. 1, Montana, for planning for construction of school facilities;"

On page 20, in line 6, after "Neopit" strike out the semicolon and "and that not to exceed $1,433,000 shall be available to assist the Ute Indian Tribe of the Uintah and Ouray Reservation, Utah, for development and construction of the Big Springs Domestic Water System."

On page 23, in line 23, strike out "$14,950,000" and insert "$14,450,000".

On page 25, in line 3, strike out "$63,500,000" and insert "$61,700,000".

On page 25, in line 4, strike out "$2,500,000" and insert "$700,000".

On page 26, in line 13, strike out "$11,790,000" and insert "$12,040,000".

On page 26, in line 18, strike out "$19,629,000" and insert "$19,504,000".

On page 26, in line 22, strike out "$10,954,000" and insert "$10,523,000".

On page 28, in line 2, after "Interior", insert "and for the emergency rehabilitation of burned-over lands under its jurisdiction".

On page 29, beginning with line 20, insert:

"SEC. 107. The sum of $261,278,000 appropriated under the head, Office of Coal Research, Salaries and Expenses, in Public Law 93–322, signed June 30, 1974, includes $12,500,000 for a program for magnetohydrodynamics (MHD), of which $5,000,000, as described in Senate Report 93–903 and House Report 93–1123, shall be used in part to initiate design of an MHD engineering test facility, and there shall be undertaken immediately the design and planning of such engineering test facility, to be located in Montana, large enough so as to provide a legitimate engineering basis which when achieved will enable the immediate construction of a commercial scale MHD plant (500 MWe or above) for possible operations in the mid-1980's."

On page 30, in line 19, after "lands" insert "and emergency rehabilitation".

On page 30, in line 25, strike out "$306,278,000" and insert "$305,627,000".

On page 31, beginning with line 2, insert "and for the emergency rehabilitation of burned-over lands under its jurisdiction".

On page 31, in line 15, strike out "$75,487,000" and insert "$74,860,000".

On page 32, line 5, strike out "$31,459,000" and insert "$28,692,000".

On page 32, beginning with line 10, insert:

"YOUTH CONSERVATION CORPS

"For expenses necessary to carry out the provisions of the Act of August 13, 1970, as amended by Public Law 92–597, $10,240,000, to remain available until the end of the fiscal year following the fiscal year for which appropriated: *Provided*, That $5,120,000 shall be available to the Secretary of the Interior and $5,120,000 shall be available to the Secretary of Agriculture: *Provided further*, That the funds appropriated in this paragraph shall be available only upon the enactment into law of authorizing legislation."

On page 32, in line 25, strike out "$120,464,000" and insert "$121,275,000".

On page 37, at the end of line 14, strike out "$174,000" and insert "$171,000".

On page 37, in line 25, strike out "$225,352,000" and insert "$227,336,000".

On page 38, in line 9, strike out "$55,406,000" and insert "$61,912,000".

On page 44, in line 15, strike out "$6,673,000" and insert "$6,623,000".

On page 45, in line 20, strike out "$644,000" and insert "$693,000".

On page 46, beginning with line 3, insert:

"PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

"SALARIES AND EXPENSES

"For necessary expenses, as authorized by section 17 of Public Law 92–578 as amended, $824,000, to remain available until expended: *Provided*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation."

On page 46, in line 18, after "Purchaser" insert a colon and *"Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

Mr. BIBLE. Mr. President, before I yield the floor, I want to state what a fine experience it has been, during this past few years, to work with my delightful and knowledgeable expert friend from the great State of Alaska (Mr. STEVENS). Senator STEVENS has been the ranking minority member on this committee during that period of time. He has been at all times cooperative. He served as chairman of many of the hearings because of the pressures of time on all of us, and I want to commend him again, and say what a great pleasure and privilege it has been to work with him.

Mr. President, I yield the floor.

Mr. STEVENS. Mr. President, I am grateful to the chairman of our subcommittee for his last statement. Before I present a brief summary of the bill from my point of view, I would like to make a few statements about my distinguished colleague from Nevada.

The Senator from Nevada is managing the regular Interior appropriations bill for the last time. He will be retiring upon the completion of his present term. This will complete 20 years of outstanding service to his State and the Nation in the U.S. Senate. Senator BIBLE has been a member of the Interior Committee since 1955, and since that time has been chairman of the Parks and Recreation Subcommittee, which prior to 1965 was known as the Public Lands Subcommittee.

I might state that during that period of time from 1956 through 1960 I was with the Interior Department and worked from the other end of the avenue with the distinguished Senator from Nevada.

To this position, he added his membership on the Appropriations Committee in 1959. In 1969 he took over from former Chairman Carl Hayden as chairman of the Interior Appropriations Subcommittee.

Mr. President, during the time Senator BIBLE has been chairman of these two subcommittees, the National Park Service has undergone its period of greatest growth. This, along with his work in natural resources, has been his greatest accomplishment. He has always been a very hard worker, willing to take on extra duties as he did last year when he chaired the Public Works Appropriations Subcommittee in Senator STENNIS' absence. This has not won him a lot of headlines here in Washington but he has won the deep respect of all his colleagues and he is, I would venture to say, one of the best liked Senators on either side of the aisle.

I speak, Mr. President, as a Senator from Alaska because we in Alaska owe Senator BIBLE a special "thank you" for all he has done for my great State. He led the fight in the conference for the Alaskan Native Claims Settlement Act, worked hard to help us recover from the earthquake of a few years ago, and his leadership in the natural resources area has been very beneficial to our State.

As a State which has over half of the public lands of the United States, we owe him a particular debt of gratitude. I personally thank him for his knowledge of the Nation's and Alaska's peculiar problems, and his invaluable help to me in my service on the subcommittee to date.

I can only say to the Senator from Nevada that we regret very much that he is leaving. We wish him good luck and, we hope, good fishing in the years to come, and look forward to his repeated visits to our State where he will always be welcome as a great friend of Alaska.

Mr. President, going now to the bill, our distinguished chairman has given a good and complete summary of the Interior appropriations bill for fiscal year 1975. There are, however, some aspects of the bill that I would like to reemphasize.

The bill provides for an appropriation of $3,389,239,310, and while this is $18,164,600 over the budget for the bill, the appropriations for the Department of the Interior and related agencies is below the budget if you include Interior's portion of the special energy research and development appropriations bill that we previously passed and which has now become law.

Mr. President, the fact that some activities funded in this bill will generate a large amount of revenues must be pointed out again and again and reemphasized again and again. The current forecast is that receipts will be in excess of $8.7 billion. Most of these receipts will come from activities under the Bureau of Land Management, including timber sales, mineral leasing, grazing fees, rights of way leases, sale of public land, and materials and mineral leasing on the Outer Continental Shelf. And again I point out that a substantial portion of those revenues are from my State.

Mr. President, the committee's recommendations are, I think, fair and reasonable. We are providing funds for human needs benefiting the Indian people and Alaskan Natives, support for cultural activities by the Arts and Humanities and the Smithsonian Institution and funds for wise management of our Federal land, mineral, and timber resources. As well, we are providing a large amount of funds for the Nation's Bicentennial activities.

Mr. President, as the chairman mentioned, we received a substantial number of requests from our colleagues totaling more than $800 million. We have tried to be as fair to each request as possible without bringing to the Senate a bill that is too far over the budget and I do hope that our colleagues who submitted these amendments appreciate the position the committee is in. We just could not recommend all of the additions that were requested without substantially placing the budget in an imbalance for this year.

Mr. President, our distinguished chairman has been most kind and courteous in his cooperation with every Member of the Senate without regard to which side of the aisle he is on. He has demonstrated through the hearings and the markup of this bill his usual courtesy, and again he has leaned over backward to accommodate all of the members of the committee and the Senate and all of the members of the public who wished to testify on this bill.

It is with a great deal of sadness that we realize that the Senator from Nevada (Mr. BIBLE) will not again be managing a regular appropriations bill. I am sure he will be here again for the supplemental this fall, but I again thank my distinguished colleague for the wisdom that he has tried to pass on to those of us who serve with him and for his generous cooperation with everyone who appeared before the committee.

I reemphasize, Mr. President, what the chairman has said, and I shall try to learn from his leadership again by perhaps not getting too personal about it, but the amendments that have been suggested by those who have voted to cut appropriation bills on the floor this past week are so substantial that had we listened to their advice in committee we would have added more than $800 million to the bill.

I understand many of them will come on the floor and urge us to cut the bill in spite of the consideration which had been given to these amendments and in spite of the balance that is present in this bill, and I hope that my distinguished senior colleague will not mind if I get a little more particular with these people as they approach us in connection with this bill as it is here on the floor, because I think it is a good bill. It is a bill that should go on now to conference with the House, and it should be passed as early as possible so that these moneys may be put to work as early as possible to generate a greater income from our natural resources in the years to come.

Mr. President, I yield the floor.

Mr. HOLLINGS. Mr. President, in consideration of the other amendment, in whatever form the manager of the bill would like it to come up, I am prepared to make a motion for recommittal of this bill to the Appropriations Committee with instructions to cut it by $170 million, which is approximately 5 percent, and to let them pick out the particular items. But I emphasize in the very first breath it will not affect the Indians, as we do not intend to be cutting the Indians' welfare payments.

Before I yield momentarily to our distinguished colleague from Illinois (Mr. PERCY), let me say that I guess I have voted and been associated, amongst all the senior Senators, with no one more than the distinguished Senator from Nevada (Mr. BIBLE).

I am always interested in votes.

There are various groups, the ECA, ADA, and AFL-CIO, which put out voting analyses.

The University of South Dakota is the only one I know of that uses all the votes, that does not single out specific votes, only the ones they want to interest themselves in. The University of South Dakota study takes every single vote cast and identifies the individual Senator with the remaining 99 Members in the body.

I have been interested in the fact that I voted almost each time very near the vote that my distinguished friend from Nevada has cast. It tells me, when I am in doubt and wondering whether I am wandering from the path, that I can go and find good counsel and sustenance from his advice. I have done it many times.

I am distressed, as we all are, that he is leaving. I am pleased that he will be associated with his son in the practice of law and instructing in Nevada, and traveling some. I hope he travels to our State.

I do not know any better expression than that he is the nicest Senator I know. He is pleasant, respectful, helpful; he is intellectually a giant; and he has great, good judgment.

I go back to Lyndon Johnson, who told me, as he told others, that there are two kinds of Senators: we have work horses and we have show horses.

I think ALAN BIBLE from Nevada leads the pack as the work horse of this body. He does it very thoroughly and I commend him on his hard work.

I hate to have to be placed in a position to make this particular motion, but I shall speak to that later.

I yield to the Senator from Illinois.

Mr. BIBLE. Before he does that, will the Senator yield to me?

Mr. HOLLINGS. Yes, sir.

Mr. BIBLE. After those fine things being said, I feel like the prize fighter coming out of the corner of the ring when his second gives him some chloroform.

I am sure that is what my distinguished friend from South Carolina has done; he has given me the chloroform. I know the solar plexus punch will come along later.

He has commented that his record is very similar to mine and I am mighty proud of that, that we regard these issues in such close accord all the time.

All I would say is that if he wants to improve his batting average and stay close to me, the best way to do it is just to withdraw that motion he plans to make, because I do not support that motion.

I just wanted to spread that comment on the RECORD and I shall be ready for the solar plexus punch a little later on.

Mr. HOLLINGS. I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I send an amendment to the desk and I ask unanimous consent that its reading be dispensed with because I will explain it later.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 10, line 18, insert the following: in lieu of $63,290,000 insert $64,036,000.

Mr. PERCY. Mr. President, first I would like to say that one of the most enjoyable periods I have ever spent in the Senate was working on the Appropriations Subcommittee on the Interior, working on the matters we are dealing with today.

Working with the Senator from Nevada (Mr. BIBLE) was one of the greatest experiences I have had. Working with the Senator from North Dakota (Mr. YOUNG), who has distinguished himself through the years, and with other colleagues in the Senate on these matters that are so important to this country, was a wonderful experience.

I could not have been more pleased when my distinguished colleague from Oregon (Mr. HATFIELD) succeeded me as the ranking minority member on the subcommittee, and now the distinguished Senator from Alaska (Mr. STEVENS).

One of the matters I dealt with at the time and was very gratified, indeed, to have the understanding and full accord of the members of the subcommittee and the members of the Appropriations Committee, was the Lincoln Home National Historical Site in Springfield.

Mr. President, in 1971, President Nixon went to Springfield, Ill., to sign the bill establishing the Lincoln Home National Historic Site. This home honors one of the country's greatest Presidents, as well as the State and the city which he called home. It was in Springfield that Abraham Lincoln developed as a skillful country lawyer, able politician, and a gallant statesman. The only home he ever knew was this one, and he left it with great reluctance when he moved from Springfield to Washington in 1861 to take the oath of office as President. It was during his years of ownership of this home that Lincoln prepared himself for the Presidency. With the coming of the 1976 bicentennial this place will become an important part of our Nation's celebration. The Illinois Bicentennial Commission has declared the Lincoln Home National Historic Site a "focal point" for the American Revolution Bicentennial celebration in Illinois.

Since 1971, progress has been made on this homesite: the State of Illinois has deeded the home to the Federal Government; the city of Springfield has transferred to the Federal Government all of the land it owned in the four-block area surrounding the home; and the National Park Service has reprogramed from existing funds the money to purchase the remaining land in the area. Recently, the NPS acquired 11 pieces of property on which will be located a future visitors center.

Funds are needed now for the construction of a visitors center, parking facilities, and to relocate a house. The House of Representatives has approved the Department of the Interior's appropriation bill containing $746,000 for the Lincoln Home Project. This amount for the homesite was based upon the attached March 19, 1974 letter from the National Park Service. The Senate Appropriations Committee's recommendation for the Department of the Interior's appropriation does not include this figure. Today, I am introducing an amendment which would add $746,000 to the Senate's Department of the Interior appropriation bill.

It is my understanding that one of the reasons that money for this project was not included in the Senate Committee's recommendation is the timing on the filing of the environmental impact statement. I have been informed that the environmental impact statement on this construction will be sent to Washington in the next 2 weeks and that the Director of the homesite in Springfield will be ready to let a contract during this fiscal year. If the Senate does not include in the Interior appropriation the $746,000 for this project, then the progress of the project will have stopped in midstream, with buildings standing vacant and the present and the potential visitors unaccommodated. In addition, the Lincoln Home National Historic Site will not be ready for our Nation's 1976 celebration. Let us proceed as planned with this project so that we can in the year of the Bicentennial honor appropriately a great man and a great President.

I request the Senate's affirmative action on my amendment.

I defer to the good judgment of the chairman of the subcommittee who I know shared from the outset my enthusiasm for this project.

I am happy to yield to the distinguished Senator from Oregon. He is one of the outstanding experts, certainly in the Senate if not in the country, on Abraham Lincoln.

Mr. HATFIELD. I thank the Senator for his very fine compliment, and I would like to associate myself with his plea today to the Senate.

Mr. President, I want to add a few very personal comments in tribute to my distinguished colleague and beloved friend, Senator BIBLE, who is retiring from Senate service at the end of the year. While I have tried in the past to express my sense of loss that I will feel when Senator BIBLE leaves the Senate, I think it is fitting to pause during debate on this appropriations bill—where he so ably gives those of us on the subcommittee so much guidance—and reflection his impact on the bill, and in broader terms about the entire question of public lands management, and their "Bible imprint."

As a first term Senator, I began service on the Committee on Interior and Insular Affairs with Senator BIBLE, and he served as my mentor on many public lands issues where we from the West share common interests. His wise counsel, his guidance and leadership on this committee, helped me personally a great deal during my early years in the Senate. He has supported many bills of direct importance to my State.

When I later jointed the Committee on Appropriations Senator BIBLE again assisted me in gaining a better understanding of the workings of this committee. Just as Senator BIBLE had used his wisdom to guide matters before the Interior Committee, he also applied this understanding of our country's natural resource matters in areas before the Interior Appropriations Subcommittee, where he has chaired it so ably.

As the only other Senator besides Senator BIBLE who serves on both the authorizing Senate Interior Committee and the Senate Appropriations Committee, I will miss my colleague's wise counsel in the years ahead, as will all of us with an interest in natural resources.

I shall not go any farther in praising my good friend, for I do not want these comments to sound like a eulogy. I do want, however, to express my appreciation, both for myself and for residents of my State, for the leadership on public land matters shown over the years by the Senator from Nevada. We are in your debt for your service.

Senator BIBLE, the Senate subcommittee chairman on the Interior Committee, and I heard the testimony given in 1971 on a bill introduced by the Senator from Illinois (Mr. PERCY) calling for the authorization of this national historic shrine.

The Senator from Nevada (Mr. BIBLE) and I both gave it full support at that time, which led to its passage by the entire Senate.

Mr. President, I am deeply concerned that the Nation as a whole have a program for adequate celebration of the Bicentennial. I am frankly rather heartsick at this time to see this endeavor struggling along with very little evidence of a national program or any grand strategy.

I therefore feel that when a State like the State of Illinois has made its contribution and has indicated its preference of having the focus of the Bicentennial placed on the Lincoln home, that we now, at the Federal level where we have assumed the responsibility of sufficient development and adequate provision for visitors for this shrine, must move ahead with our responsibility in terms of not only the funding in this fiscal year, but also in the preparation of having it ready for the Bicentennial.

I am sure there will be many people from the western part of the country, from my part of the country, and from other parts of the country, who will travel to and from Washington, crossing and traversing the Middle West, who will want to see these extraordinary and outstanding shrines along the way of which this, to me, will be one of the greatest.

I know that Senator BIBLE, our chairman of the Interior Subcommittee of the Committee on Appropriations, has expressed his keen interest in this. I think the Senator from Illinois, in dicating this impact study is now available, has certainly added new evidence to the consideration of this particular proposal in the conference committee.

As one of the conferees, I want to assure the Senator from Illinois that I will cooperate with the ranking member (Mr. STEVENS) and with my chairman (Mr. BIBLE) in giving this very careful consideration in the conference committee that will be coming up in the next few days, and hopefully work out a solution which will meet his request.

Mr. PERCY. Mr. President, I ask unanimous consent that the letter dated March 19, 1974, to Representative FINDLEY from the Associate Director of the U.S. Department of Interior, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 19, 1974.

Hon. PAUL FINDLEY,
House of Representatives,
Washington, D.C.

DEAR MR. FINDLEY: Thank you for your letter regarding a "One Year Program" for the Lincoln Home National Historic Site which the National Park Service would be capable of undertaking if sufficient funds were available. We apologize for this late reply.

Under the regional alignment recently implemented, the Lincoln Home came under the jurisdiction of our Midwest Region. On March 8, a team from the Midwest Regional Office visited the site to determine the priorities and what could be accomplished in fiscal year 1975.

Our Denver Service Center is responsible for accomplishing most of the National Park Service's planning and design work. Because of its current heavy workload on parks directly associated with the American Revolution Bicentennial program, it advises that planning for the Lincoln Home must be delayed until later this fiscal year. These plans are to start with preparing the interpretive prospectus, then follow up with the prerequisite preplanning to design drawings for projects to be constructed. At best, it would be late in fiscal year 1975 before any contracts could be awarded for actual construction on these projects.

We have requested a reprogramming of fiscal year 1974 funds for planning of a visitor center, site improvements, landscaping, and parking facilities at the Lincoln Home. Assuming that our request is granted and the necessary lands are acquired this fiscal year, we believe that we would be able to award contracts for the following work late in fiscal year 1975. These are preplanning estimates based on costs of similar facilities:

Amount: Visitor center, exhibits, audiovisual programs, site preparation, landscaping and parking facilities, $693,000; Relocation of the Corneau House and site preparation, $53,000; Total, $746,000.

We appreciate your continued interest and support of the Lincoln Home.

Sincerely yours,

J. LEONARD NORWOOD,
Associate Director.

Mr. PERCY. The distinguished Congressman, Representative PAUL FINDLEY, in whose District Springfield is located, has been a pioneer in this whole concept of restoring this home.

It was his initiative that brought this project about in the House. I have been very pleased, indeed, to work with him in the Senate.

The Department of Interior has indicated that if funds are made available, contracts can be awarded in fiscal year 1975.

Mr. BIBLE. Mr. President, the distinguished senior Senator from Illinois had earlier spoken to me about this item. It is true that this was in the House-passed bill as it came to the Senate. We checked the item out. We were advised that the planning, design and environmental impact work was not to be ready to go to construction. I am happy to learn from the Senator from Illinois that it appears that that timetable has now been updated and that they will move faster than was originally indicated to us.

Let me say that no one admires Abraham Lincoln more than the senior Senator from Nevada. We have always felt he was the father of our State because, as a matter of fact, we came into the Union in 1864 and we came in to do several things: We came in No. 1, to preserve the Union, to bring the treasure of our gold and silver from the mining camps of the West into the Union side of a misunderstanding between the States. It has been called everything else, but I have always called it a misunderstanding.

In addition to that, we were brought into the sisterhood of States at a time when they needed additional votes for the ratification of the 13th, 14th, and 15th amendments.

If my memory serves me well, and I am not the great historian that my distinguished friend from Oregon is, I believe one of our earliest Senators was the sponsor of an amendment and led the fight here on the Senate floor for ratification of the 13th, 14th, and 15th amendments. So we feel very close to Abraham Lincoln.

I assure my friend that in view of these newly discovered facts, I would hope that he would withdraw his amendment; that he would allow us to consider it, and to take it to conference because it will be in conference, even if the amendment does not prevail.

We did not have all the facts before us, evidently. Two fellow Members who will be with me on that conference are both on the floor, the Senator from Alaska and the Senator from Oregon. I gather from the sentiment expressed by the Senator from Oregon that he rather favored the amendment of the Senator from Illinois.

That being true, one could almost hazard a guess that we might do pretty well in conference.

I would hope the Senator would let us take it to conference and see if we can get it worked out.

Mr. PERCY. Mr. President, I deeply appreciate the comments of the distinguished senior Senator from Oregon and the distinguished senior Senator from Nevada. I would presume we would have the support of the ranking minority member, the distinguished Senator from Alaska, to whom I referred earlier in my remarks. If this would have his support as well, then I think that I would be inclined to follow the advice of the floor managers of this bill who will be going to conference, and withdraw the amendment.

I would be happy to yield to my distinguished colleague from Alaska for his comments.

Mr. STEVENS. Mr. President, I, of course, will follow the lead of our distinguished chairman in the negotiations in the conference. I recognize the great urgency that the Senator from Illinois has stated.

There will be other items in conference. I am sure the Senator from Illinois knows that there is a give and take in conference and we will do our best to see to it that his desires are achieved.

Mr. PERCY. I appreciate that very much indeed.

With those assurances I am prepared to withdraw my amendment.

Mr. STEVENSON. Mr. President, I am pleased to support this amendment which would add $746,000 for construction of a visitors center for the Lincoln Home in Springfield. That sum was approved by the House of Representatives but deleted by the Senate Appropriations Committee.

Mr. President, the significance of the Lincoln Home does not need elaboration—particularly during our preparations for the Bicentennial celebration. I am sure no one will argue that this historic site should not be preserved and made accessible to the public.

What may need elaboration is the need for this appropriation. The Lincoln Home ranks 10th on the list of National Park Service attractions—drawing more visitors per year than all but 9 other Park Service facilities. Yet it has no visitors center to accommodate the 659,700 people who pass through annually.

Unless this appropriation is made, it will be impossible to have the visitors center finished in time for the Bicentennial—when we can expect many more visitors to the Lincoln Home.

Almost all of the land needed for this visitor center has been acquired. The necessary relocation has been accomplished. We need only this appropriation to start construction.

Mr. President, the Illinois Bicentennial Commission has officially declared the Lincoln Home a focal point for the 1976 celebration. This appropriation will enable the Park Service to provide an enriching experience for those who visit this site during our 200th anniversary, and in years after. I hope the distinguished managers of the bill will accept the amendment or, if not, that they will accept the House position in conference.

Mr. PERCY. Mr. President, I ask unanimous consent that my amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. MANSFIELD. Mr. President, MHD electric power generation, which was first developed in the United States, promises operating efficiency 50 percent better—60 to 40 percent—than the most advanced steam turbine plants, and a greater increase—60 to 32 percent—over that of nuclear plants. It will burn coal, our most abundant domestic fuel resource. It will operate with greatly reduced stack emissions, well within the specified limits for pollution control. And it will require much less, or no, cooling water, thus greatly decreasing or eliminating thermal pollution.

MHD is currently under development in other countries besides the United States, particularly the Soviet Union, which has built and operates an experimental 25 MW MHD powerplant. We are falling behind. If MHD is to play its role in solving the Nation's energy crisis by 1990, and if the United States is to maintain its technological leadership in the field and establish itself as a principal world supplier of MHD systems, an aggressive national MHD development program is needed.

Since 1968, Senator METCALF and I have been urging a national program to develop MHD power generation. I believe that the distinguished manager of the bill, chairman of the Appropriations Subcommittee on Interior and Related Affairs, will attest that Senator METCALF and I have been the principal proponents for funding MHD in the Interior Department's Office of Coal Research's budget every year, including fiscal year 1970 when the first funds were provided.

On August 9, 1968, Mr. Cordell Moore, Assistant Secretary of the Interior, wrote me—

> We are convinced that a direct energy conversion system, such as MHD, holds considerable promise for the development of the vast energy resources of the Northern Great Plains.

On August 22, 1968, I wrote to the President urging him to include $10 million in the fiscal 1970 budget request to be utilized during a 4-year period for construction of a pilot plant to be in operation by 1975. I also asked that he consider Montana as the most logical site for such a plant.

On September 20, 1968, Senator METCALF and I wrote to the Secretary of the Interior Stewart Udall urging him to give serious consideration to the construction of an MHD pilot project near the vast coal fiields in Montana. Secretary Udall responded and stated—

> I am personally sold on the MHD research project and I agree with you that it would make sense to have such a project based in Montana. Further, the several hours I have spent inquiring into this subject have convinced me that our country must undertake a major MHD research project within the next few years.

Note, this was September 1968.

On May 8, 1969, James R. Smith, Assistant Secretary of the Interior, informed me that fiscal constraints under the fiscal year 1970 budget were not conducive to the undertaking of a new MHD pilot plant.

On May 23, 1969, I called the attention of the Senate to an article by Mr. Gene Smith entitled, "The United States Trails Soviet in Exotic Power." I pointed out that it was a sad commentary on the attention this Nation is giving to advanced power generator techniques especially since it was an American scientist who developed the Nation's first MHD generator 10 years before. Senator METCALF and I again urged an immediate initiation of plans for a pilot plant in Montana to bring low-cost power to our growing population and to industry without the side effects of air and water pollution.

On November 6, 1969, Senator METCALF and I wrote to Secretary of the Interior Hickel again asking that funds be requested to get underway with an MHD research program. Secretary Hickel replied on December 18, 1969, stating—

> We are as enthusiastic as you are about this program and we, too, are aware of its great promise for eliminating thermal pollution.

But he also pointed out that no decision had been reached concerning MHD and the Office of Coal Research budget.

On April 1, 1970, I appeared before the Subcommittee on Interior Appropriations again asking for funds for this important project. Only $400,000 was included in the budget that year for MHD, and this committee increased that amount by $200,000 for a total of $600,000 in fiscal year 1971. This was the first significant step in providing impetus to this important research.

On July 22, 1970, I asked the distinguished manager of the bill whether it was the intent of this committee that the Department should initiate research in the immediate future on MHD even in advance of a final report of an electric research council task force. He assured me that was the intent.

Nothing significant was achieved by the Office of Coal Research in this area, and, again, on May 9, 1973, after the onset of the worldwide energy crisis, I appeared before this committee asking that the request of the administration for $3 million for MHD research be increased to $8 million. I pointed out that MHD technology had not gone along as far as I had hoped due to the inadequate interest and support of the administration.

Again, in 1974, I requested consideration for an appropriation of $2.5 million in fiscal year 1975 to further develop MHD techniques and applications within the State of Montana. This resulted in the following language being adopted in the report supporting Public Law 93-322, the energy research and development appropriations bill:

> The net decrease below the amount proposed by the House includes an addition of $5,000,000 for MHD (magnetohydrodynamics) to initiate design and planning work on an engineering test facility and to provide for additional research on MHD techniques and applications at the Montana College of Mineral Science and Technology and other units of the Montana University System . . .

The Office of Coal Research has spent only a fraction of the moneys appropriated and has consistently ignored the intent of the Congress that MHD development should be accelerated. Indeed, not only has OCR failed to properly use the general funds provided for this purpose, but has to date even refused to use any of the funds specifically designated at the initiation of the distinguished Chairman of the Appropriations Committee, Senator MCCLELLAN, for use at the University of Tennessee.

Recently, the members of the Appropriations Committee discussed the need for accelerating MHD research and development and the immediate beginning of the design and planning for an MHD engineering test facility as provided in the Special Energy Appropriations Act referred to above. That legislation, as you will recall, specifies that MHD research and development will be done at the Montana College of Mineral Science and Technology at Butte, in cooperation with the Montana University system and in collaboration with existing MHD expertise in the private sector.

In past years, the MHD appropriations amendments which Senator METCALF and I authored were general in nature. Given the urgency of the current energy crisis and the attitude of OCR, I believe it is now incumbent upon the Congress to strengthen MHD research and development activities and to leave no doubt in the minds of the Secretary of the Interior and the Director of the Office of Coal Research, that Congress does not intend to be ignored and that an accelerated program will be initiated so as to make MHD commercially available in the 1985–1990 period.

The Office of Coal Research is leaning heavily on a so-called national plan which envisions a demonstration of engineering feasibility of MHD by 1984 with a commercial application near the year 2000.

Given the facts available and the time already wasted, I believe that this time schedule is much too conservative. For example, the OCR plan states that—

> Past research and development efforts have not disclosed any fundamental technical barriers requiring major scientific discoveries or break-throughs.

Recently, John C. Sawhill, the Federal Energy Administrator, reported in connection with the signing of the U.S./U.S.S.R. Energy Cooperation Agreement in Moscow by Presidents Nixon and Podgorny, that the Soviet Union has planned a 1,000 megawatt electric powerplant using an MHD generator.

Various distinguished scientists and engineers, representing universities and industry, have repeatedly testified before the Appropriations Subcommittee on the Interior and Related Affairs that the technology is on hand to design and build the large scale MHD generator. Further, that given the will to do so, MHD can be commercially available before 1990. Incidentally, in his statement, Mr. Sawhill said that—

> The United States can learn a great deal about magnetohydrodynamics from the Soviets and could improve U.S. efficiency in that area.

That this statement was made is a sad commentary since the first successful MHD generator was developed in the United States and most of the theoretical work has been done here.

Given this background, I am convinced that the United States can recapture its lead in this new technology and make MHD commercially available well in advance of the OCR timetable. To do so requires determination, and a willingness to spend the money to accomplish this goal.

Since Public Law 93-322, the Energy Research and Development Appropriations Act, was signed, my office has been informed by the Director of the Office of Coal Research that that agency is unable to comply with the language outlined in the report. Dr. William Gouse, has indicated that he needs specific legislative authority to proceed with an experimental test facility in Montana as directed and appropirated for by the Congress. He and his advisers take the position that his office does not have grant authority, which is true, and must pursue a lengthy and cumbersome contractual and site selection procedure unless specifically directed otherwise.

In my view of the history of this important project, I feel it is incumbent upon the Congress to direct the executive branch, specifically the Office of Coal Research, under the Department of the Interior, to move aggressively in this field and to carry out the intent of Public Law 93-322.

With respect to establishing the engineering test facility, let me say that I am convinced that all the resources of the Nation should be brought to bear on this technology. I support the work going on in Tennessee, Massachusetts, California, Ohio, and elsewhere, and I believe it should be expanded. Hopefully, OCR will cease its delay in funding the University of Tennessee with the moneys appropriated for that institution.

MHD is a technology particularly suited to the western coal States and it is appropriate that a significant portion of the research and development effort should take place there. The Montana College of Mineral Science and Technology is one of the leading schools in its field in the country and the Montana State University at Bozeman has outstanding faculty and facilities. The two schools are in the process of completing a cooperative effort with the AVCO Everett Research Laboratory. AVCO developed the first operating generator, has designed and built every large MHD generator that has operated in the United States and is currently involved in designing the channel for the Soviet Union's 25 megawatt MHD plant. The laboratory is internationally recognized as the leader in the field of MHD.

By placing the engineering test facility in Montana and combining the MHD expertise at AVCO with the resources and capabilities at Montana Tech and the Montana University, system we will have created a most powerful national team to conduct MHD development.

This brings me to the purpose of my amendment included in the bill. Given the history of OCR's attitude, we cannot reasonably expect it to respond to the will of the Congress. I believe that this amendment will demonstrate with the force of law that it is national policy that MHD is to be commercialized in the 1980's unless some now unforeseen, fundamental, technical barrier should arise.

The language will also demonstrate that the Congress has the will to provide OCR with both the direction and the funds necessary to expand MHD research and development and to get on immediately with the engineering test facility in Montana.

Mr. BIBLE. Mr. President, I commend the Senator from Montana, our most distinguished and lovable and expert majority leader.

The speech he has just made sounds familiar to me. I have heard it many times on the floor of the Senate. We have tried to accommodate ourselves to his wishes in this matter, and in this particular bill I hope we are successful.

In order to get the power of his office and his feeling behind this matter, I am going to suggest that he be added as a conferee on this bill. I am sure that his position will prevail. I think he is right. I know his position will prevail in the Senate. I would like to have the added weight of his prestige, of his office, and of his great State behind us when we go to conference, which I hope will be sometime next week.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BIBLE. I am happy to yield.

Mr. MANSFIELD. May I say to the distinguished manager of the bill now being considered and debated by the Senate that it will be a pleasure for the Senator from Montana to serve as a conferee under the chairmanship of the distinguished Senator from Nevada.

Mr. BIBLE. I appreciate that. We will leave off our western holsters as we walk into the conference.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BIDEN). The bill is open to further amendment.

Mr. HATHAWAY. Mr. President, I should like to call to the attention of the manager of the bill, the Senator from Nevada, an amendment I had prepared, which I discussed with him earlier, which would earmark a certain amount of funds for spruce budworm disease, which is of unusual proportions in the State of Maine at this time.

I understand that because of different climatic environmental conditions that have not prevailed in other years, the budworm is much more plentiful than usual. In past years, we have been able to take care of it with the appropriation that has been given to the Forest Service.

Also, I understand that the money appropriated in May to take care of such insects and diseases, even though authorized to carry over to this fiscal year, has already been committed.

I am simply calling this matter to the attention of the subcommittee chairman, the floor manager of the bill, so that we may have on the RECORD a colloquy indicating that we would like the Forest Service to use the funds that are appropriated under this bill to the extent they can be used to help in connection with this matter, until such time as another supplemental comes up, which I understand will be some time in September, which would address itself to this problem directly.

Mr. BIBLE. Mr. President, the Senator was kind enough to discuss with me his concern about this problem, which is of almost crisis proportions, in connection with our constant fight against the insects that invade our trees. All over the United States, we have tried to be responsive to that need. This problem certainly should have top priority.

I am not familiar with the details of the particular insect invasion that the Senator has mentioned. I hope he keeps in touch with me. I am sure we will have at least one more supplemental before we recess or adjourn sine die this year. He can rest assured that it certainly will have my very careful attention.

We have this problem with the gypsy moth. We have the tussock moth in the Northwest region of our country. We are making some headway in this very difficult problem, but we should make more.

We will advise the Senator when we are going to have a hearing. I do not know whether it will be in the budget, but I am sure he can make an adequate showing to have some dollars in the budget to fight this problem.

Mr. HATHAWAY. I understand that, in the meantime, the Forest Service will do what it can. The State in this case is willing to appropriate $5 million of its own. About 5 million acres are affected, and it is estimated that it will take about $2 an acre to get the problem under control.

Mr. BIBLE. I think it always makes any proposition a little more attractive when the State is concerned and has the problem and says, "We are willing to match it on a dollar-for-dollar basis."

If $10 million will do the job in cleaning up this problem, then certainly I can say unequivocally that I would be very happy to support it.

Mr. HATHAWAY. I thank the Senator.

Mr. BIBLE. I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 1782

Mr. NELSON. Mr. President, I call up my amendment No. 1782.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 47, between lines 3 and 4, insert a new section as follows:

"SEC. 303. None of the funds appropriated by this Act may be used for the purpose of applying the herbicide 2, 4, 5-T to any lands within the United States National Forest System.".

On page 47, line 4, strike out "SEC. 303" and insert in lieu thereof "SEC. 304".

Mr. NELSON. Mr. President, this amendment to the Interior appropriations bill would prohibit the use of herbicide 2,4,5-T on any lands within the U.S. National Forest System. Should this bill pass without this restriction, the U.S. Forest Service will be using 2,4,5-T on 61 national forests in 23 States in this country. Mr. President, I ask unanimous consent to have a list of national forests in the 23 States printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. Mr. President, this activity has come under question by scientific experts and concerned citizens throughout the Nation. National concern about 2,4,5-T dates from the period of its indiscriminate use in Vietnam as part of the military defoliant agent Orange. Concern about the environmental and health dangers of this chemical was based on scientific information indicating that the contaminant TCDD dioxin present in 2,4,5-T was the world's most toxic synthetic substance and that only 6 parts of dioxin in 10 billion parts bodyweight was a lethal dose in laboratory tests on guinea pigs.

In a study published on July 16, 1974, Dr. Theodore D. Sterling, a member of the National Academy of Sciences' Advisory Committee on 2,4,5-T to the Administrator of the Environmental Protection Agency, summed up the dangers posed by 2,4,5-T.

I read now from Dr. Theodore Sterling's report of a few weeks ago. I especially invite the attention of the distinguished Senator from Nevada to this report, because he may not have an opportunity as yet to look at Dr. Sterling's report, which was published on July 16 of this year.

The accumulated evidence, makes it increasingly certain that the widespread use of 2,4,5-T may have serious consequences on the health and well-being of the populations of North America and especially on the well-being of pregnant women and their offspring.

He continued:

> 2,4,5-T, containing minimal amounts of TCDD and in a "technically" pure state is definitely teratogenic, embryotoxic, and fetogenic, may well be mutagenic and carcinogenic, and exposure to TCDD induces lethal and sublethal chronic health effects . . . evidence . . . indicates that TCDD is built up and maintained and that additional dioxins may be introduced to the environment by thermal events.
>
> Finally, 2,4,5-T related tetradioxins "are clearly persistent and biocumulative."

In my view, the U.S. Forest Service's plan to use 2,4,5-T is a deadly serious mistake. The Forest Service insists that the 2,4,5-T which they plan to use in the national forests is different from the 2,4,5-T used for military defoliation and crop destruction in Vietnam. It is true that the Forest Service administers less 2,4,5-T per acre than the military sprayed in Vietnam. It is also true that today's 2,4,5-T product contains a very much smaller amount of dioxin than was present in Army formulations. But the fact remains that TCDD dioxin is indesputably present in all 2,4,5-T, including the mixtures which the U.S. Forest Service proposes to spray in 61 national forests this year.

Dr. Matthew Meselson of Harvard University, the head of the herbicide assessment commission of the American Association for the Advancement of Science, has commented about the tendency to misunderstand the significance of only very slight amounts of dioxin in the environment and the food chain.

> We've been a little bit hypnotized by hearing that there is no more than even a tenth of a part per million of dioxin in the current production batches of 2,4,5-T. We've been hypnotized into thinking that that must be negligible. And it is a welcome improvement, I'm sure. But I'm not at all sure it is negligible. It may, in fact, be quite serious.

After botulinum toxin, dioxin is the world's most toxic substance. Since it is present in 2,4,5-T in only very, very small amounts, this fact has induced considerable unjustified complacency about its use. It is also dangerous in very, very small amounts.

Dioxin is, in fact, 100 times more toxic than the lethal nerve gas VX. The Science Policy Division of the Library of Congress made an extrapolation for us about 2 years ago which showed that, assuming a lethal dose in experimental animals is directly equivalent for man, then one, just one, medicine drop of dioxin would kill 1,200 people.

Numerous tests have also indicated dioxin's potential for inducing birth defects. Dr. Jacqueline Verrett of the Food and Drug Administration reports that in chick and mammalian studies, dioxin is "some 100,000 to a million times more potent" than the tranquilizer thalidomide which caused a large number of birth defects in Europe.

How much dioxin is too much dioxin? The shocking truth is that for decades we have used this agent without knowing the answer to this crucial question. Over the years, I have pointed out the need to conduct a comprehensive scientific investigation to answer this burning question.

In fact, some 4 years ago, I offered an amendment on the floor of the Senate, which was defeated, to prohibit its further use for spraying in Vietnam. Less than 1 year later, the Army suspended the use of this defoliant in Vietnam.

Two years ago when it was learned that 2,4,5-T was being employed for defoliation in Grant County, Wis., I called for a ban on its use in this country pending adequate scientific safety tests. At the time, I emphasized that—

> The controversy over the use of 2,4,5-T represents both the typical and classic case concerning the public policy questions at issue whenever it is proposed to introduce a new and active agent into the marketplace. . . . There is a very fundamental public policy issue at stake here which, it seems to me, we must confront head-on. The issue is this: are we going to permit the widespread use of potent and toxic agents without requiring prior adequate scientific safety tests?

My position with regard to the national forest issue is the same as it was in the Grant County controversy. The fact of the matter is that all the facts are not in on 2,4,5-T, and the studies that have been conducted indicate that dioxin in 2,4,5-T is deadly dangerous.

In 1970, the herbicide assessment commission of the American Association for the Advancement of Science said of 2,4,5-T.

> Its potential importance lies in the fact that it is exceedingly toxic, may be quite stable in the environment, and being fat soluable, may be concentrated as it moves up the food chain into the human diet.

In the past year, the Environmental Protection Agency has also tried to measure the dangers of 2,4,5-T. This January lawyers at the Environmental Protection Agency filed a pretrial brief which brings up to date scientific information developed by EPA scientists and by other experts throughout the Nation. This document has received very little public notice, if any, but the scientific concerns raised by the EPA brief are more than enough evidence to merit suspension of plans to spray in the national forests, pending conclusion of EPA's extensive and recently expanded monitoring program and a final decision by the EPA Administrator about the prudence of releasing this substance into the environment.

This brief of the EPA is a dramatic commentary on the tremendous potential for hazard threatened by the use of 2,4,5-T and its contaminant dioxin. I think it is significant that even though this brief is not a complete and definitive study, it still indicates disturbingly serious danger of 2,4,5-T.

I call the attention of the distinguished Senator from Nevada to the conclusions that were printed in the Environmental Protection Agency's brief. This is from the January pretrial brief of the Environmental Protection Agency. Here is what that brief concluded:

> Available information . . . depicts a hazard of birth defects from 2,4,5-T and TCDD.
>
> As with the various reproductive effects noted, there are indications that TCDD is mutagenic.
>
> The carcinogenic potential of 2,4,5-T related TCCD exists.
>
> These facts describe a pernicious, little understood toxicant, capable in minute quantities of inducing a variety of chronic illnesses and, perhaps of causing death as a delayed response to exposure . . . TCCD poisoning may be cumulative . . . . Because the effects of long-term exposure to low levels of TCDD remain undetermined, an acceptable level for man cannot be set. If TCDD exposure causes delayed lethality, or if continuous impingement of TCDD on human organisms otherwise causes cumulative effects or if TCDD concentrates in human tissues, a level of exposure which would be safe for the general population may not exist. Even residues below the current level of detection may be unsafe.
>
> Information . . . indicates the capacity of TCDD to penetrate, persist, to move and to bio-concentrate in the aquatic and terrestrial environment, given the incomparable toxicity of this small molecular compound, and given the practical nonexistence of facts about its ecological effects, the respondent suggests that it cannot make a reliable conclusion that TCDD is not causing serious environmental injury.
>
> There is evidence that the polychlorophenal in 2,4,5-T may decompose into dioxin when exposed to high temperatures, such as might occur with incineration or even cooking of food. TCDD can be generated by the thermal stress of 2,4,5-T and some of its metabolites. This raises the potential for the generation of additional dioxin under environmental conditions. The widespread use of 2,4,5-T, coupled with the persistency of TCDD and its extreme toxicity, therefore, raises the possibility that people may be exposed to a latent destructive force—the accidental or unknown triggering of the thermal release mechanism by which "harmless" amounts of 2,4,5-T, its esters or salts, convert to lethal tetra-dioxin.
>
> It has not been established that dioxin and 2,4,5-T do not accumulate in body tissues. If one or both does accumulate even small doses could build up to dangerous levels within man and animals, and possibly in the food chain as well.
>
> Tetra-dioxin . . . is clearly both persistent and bio-cumulative. . . . Model ecosystem studies suggest that TCDD bioconcentrates more than DDT . . . a(n) . . . acquatic ecosystem showed catfish to accumulate tetra-dioxin in only three days by a factor of 14,000. . . . Analysis of residues in Vietnamese shrimp and crustaceans detected significant levels of tetra-dioxin following defoliation treatments with 2,4,5-T in regions draining into the areas from which the shrimp were collected. It appears that these residues have not declined appreciably between 1970 and 1973, although defoliation ceased in 1969. . . . Wildlife in the vicinity of Agent Orange application at Eglin Air Force Base retained measurable levels of TCDD several years after use of the herbicide was stopped.
>
> It . . . appears that at least 25% of the dietary intake of tetradioxin may be stored in body tissues . . . withdrawal of cattle from a diet contaminated with dioxin for as long as one week may have little effect in decreasing TCDD residues. Therefore, current label provisions requiring "feed off" periods on dioxin free food in order to assure the absence of dioxin residues in the meat are not likely to be effective in reducing tetra-dioxin residues if present in any significant amounts.
>
> Monitoring wildlife collected along rights-of-way in the U.S. demonstrate, as does the Vietnamese aquatic residue data, that 2,4,5-T related TCDD can enter the food chain from "non-food" uses.
>
> . . . 2,4,5-T related tetra-dioxin is persistent and it bio-concentrates. It is quite capable of penetrating into the environment and contaminating the human food supply.
>
> In any area (rangeland) of 2,4,5-T

> application, aerial distribution of 2,4,5-T and TCDD beyond the immediate site of application, uptake from there and further transport, are distinct possibilities. The absence of air monitoring samples of TCDD prevents a determination of whether TCDD persists and is transported long distances in the atmosphere.
>
> . . . it is probable that water transport of TCDD occurs.

Mr. President, I ask unanimous consent that the full text of the EPA brief be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NELSON. Selections from the above EPA brief indicate the dangers threatened by 2,4,5-T and dioxin. The brief also indicates areas that still require further scientific study.

In any case, no one can state with any degree of certainty that using 2,4,5-T is safe. And until we are sure it is safe, we should not be relasing this substance into the environment.

The Environmental Protection Agency has pledged to continue its monitoring program and exhaustive scientific tests to ascertain what the dangers of 2,4,5-T are. Until the Environmental Protection Agency can develop adequate tests, then it seems to me the height of folly to have another arm of the Government, the Forest Service, routinely spraying the national forests.

The idea of using 2,4,5-T in the national forests, which are a multiple use natural resource, is particularly questionable since there is a 4-year-old ban on 2,4,5-T in recreation areas and hundreds of thousands of people of course, do enter the forests for purposes of recreation every year.

Sound public policy dictates restraining all use of potent and toxic agents such as 2,4,5-T until adequate safety tests are conducted. This policy should particularly apply to agencies of the U.S. Government.

In this regard, it should be noted that the national forests' planned use of 2,4,5-T in two national forests in Wisconsin has been halted by the Federal Court of the Eastern District of Wisconsin. The Wisconsin State Department of Natural Resources claimed in court that the U.S. Forest Service had not prepared an adequate environmental impact statement; this claim may well have validity in the cases of 59 other operations planned in the 23 States where the U.S. Forest Service is requesting appropriations in this bill to spray 2,4,5-T.

When appropriate scientific studies and the EPA review are conducted, it may well be that a safety level can be established. If so, then EPA no doubt will authorize its use under proper standards and guidelines. If such a safety level cannot be established, obviously it should not be used.

We are closer now to the truth on 2,4,5-T than we were when we so blindly dumped 100 million pounds of herbicides on South Vietnam. But all the facts are not yet in.

Knowing what we do, however, it seems to me the height of folly to have the U.S. Forest Service shutting its eyes to the data available in the EPA pretrial brief while they routinely spray in the U.S. national forests.

Passage of this amendment will suspend the spraying activity for this fiscal year. It is hoped that by next year the Environmental Protection Agency will be prepared to make a final decision on the wisdom of using this chemical agent.

Now, I do not expect that we will receive more than a half dozen votes for this proposal, because I am sure that most of the Senate has not had the opportunity, most of the Members have not had the opportunity, to address themselves to this issue. In fact, the half dozen Members to whom I have spoken were not aware at all what in fact the herbicide was; how it was used; for what its purpose is.

Nevertheless, on any issue of this kind the fight has to start someplace, and I venture to guess that those who vote against prohibiting its use now will be apologizing to their constituents in about a year or two when the further accumulating evidence conclusively convinces people that it is an agent that is dangerous to use in the manner in which it is now being used.

Mr. President, I yield the floor.

Exhibit 1

Planned use of 2,4,5-T—Fiscal year 1975

Region 1: Montana, none; Idaho, none.

Region 2: Wyoming, Medicine Bow.*

Region 3: None.

Region 4: See attached page.

Region 5: California, El Dorado, Klamath, Lassen, Mendocino, Modoc, Plumas, San Bernandino, Sequoia, Shasta-Trinity, Sierra, Six Rivers, and Tahoe.

Region 6: Oregon, Mt. Hood, Rouge River, Willamette, Winema, Siuslaw, Siuslaw, and Umpqua.

Washington, Mt. Baker, Olympic, Snoqualmie, Gifford Pinchot, and Wallowa-Whitman.

Region 8: Arkansas, Ozark; Kentucky, Daniel Boone; Mississippi, NF in Mississippi; Texas, NF's in Texas.

Louisiana, Kisatchie; Tennessee, Cherokee; Virginia, Jefferson and George Washington.

Region 9: Pennsylvania, Allegheny; Illinois, Shawnee, New Hampshire, White Mountain.

Wisconsin, Chequamegon and Nicolet; Minnesota, Chippewa and Superior; Michigan, Huron-Manistee and Ottowa.

West Virginia, Monongahela; Missouri, Clark and Mark Twain; Ohio and Indiana, Wayne-Hoosier.

Region 4: Utah, Fishlake, Manti-LaSal, Uinta, and Wasatch; Idaho, Boise, Salmon, Sawtooth, and Targhee.

Exhibit 2

[United States of America Environmental Protection Agency Before the Administrator]

Respondent's First Pretrial Brief

(FIFRA Consolidated Docket No. 295)

NATURE OF THE PROCEEDINGS

This case is the culmination of a prolonged effort to test in a public forum the response of the pesticide Registrants herein to serious questions as to the risk to public safety raised by the use of 2,4,5-Trichlorophenoxyacetic Acid (2,4,5-T).

Initial public concern over the use of 2,4,5-T was motivated by reports in the summer and fall of 1969 of an alleged increased incidence of birth defects in South Vietnam, potentially linked to a military defoliation campaign utilizing this phenoxy herbicide.[1] A broad screening of pesticide and industrial chemicals, thereafter, by the Bionetics Research Laboratory confirmed that 2,4,5-T fed to laboratory mice and rats induced the birth of deformed offspring.

Federal agencies made the initial regulatory response in the spring of 1970 after the Secretary of Health, Education and Welfare speaking on behalf of the Surgeon General informed the Secretary of Agriculture that, ". . . a prudent course of action must be based on the decision that exposure to this herbicide may present an imminent hazard to women of child-bearing age."[2] On April 15, 1970 the Secretary of Agriculture announced the immediate suspension of the registrations for all 2,4,5-T products used in lakes, ponds and ditch banks, and for 2,4,5-T liquid formulations used around homes, recreation areas and similar sites involving direct human exposure.[3] Shortly thereafter USDA cancelled the registrations of all granular 2,4,5-T formulations for use around the home and similar places of potential human exposure and cancelled all registered uses of 2,4,5-T on food crops intended for human consumption.[4]

Pursuant to the provisions of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)[5] four registrants challenged the order of cancellation, two requesting a hearing and two moving that the matter be referred to an Advisory Committee of the National Academy of Science. Public hearing was deferred, pending issuance of the Advisory Committee Report, accomplished on May 7, 1971.

The Advisory Committee concluded that based on current patterns of usage of 2,4,5–T and what was known about its fate in the environment, it was unlikely that accumulation could occur so as to constitute a hazard to human health. The majority opinion was, however, accompanied by a warning—that there was an absence of environmental information about a particularly poisonous contaminant of 2,4,5–T formulations, 2,3,7,8-Tetrachlorodibenzoparadioxin (TCDD or tetra-dioxin), and that this toxicant could pose a problem for human health, although a level of .1 ppm (parts per million) may be acceptable.

A minority report was filed, which reasoned that the Committee in its optimism had neglected to consider fully the consequences of the dearth of data on the fate of TCDD in the food chain and in tissue.

After due consideration of these contrasting opinions the Administrator of the Environmental Protection Agency[6] continued in effect the order of cancellation.[7] In subsequent orders[8] the Administrator elaborated upon the reasons for continuing the cancellation, as follows:

1. A contaminant of 2,4,5–T—tetrachlorodibenzoparadioxin (TCDD, or dioxin)—is one of the most teratogenic chemicals known. The registrants have not established that 1 part per million of this contaminant—or even 0.1 ppm—in 2,4,5–T does not pose a danger to the public health and safety.

2. There is a substantial possibility that even "pure" 2,4,5–T is itself a hazard to man and the environment.

3. The dose-response curves for 2,4,5–T and dioxin have not been determined, and the possibility of "no effect" levels for these chemicals is only a matter of conjecture at this time.

4. As with another well-known teratogen, thalidomide, the possibility exists that dioxin may be many times more potent in humans than in test animals.

5. The registrants have not established that the dioxin and 2,4,5–T do not accumulate in body tissues. If one or both does accumulate, even small doses could build up to dangerous levels within man and animals, and possibly in the food chain as well.

Footnotes at end of article.

---

*2,4,5-TP (Silvex).

6. The question of whether there are other sources of dioxin in the environment has not been fully explored. Such other sources, when added to the amount of dioxin from 2,4,5–T, could result in a substantial total body burden for certain segments of the population.

7. The registrants have not established that there is no danger from dioxins other than TCDD, such as the hexa- and heptadioxin isomers, which also can be present in 2,4,5–T, and which are known to be teratogenic.

8. There is evidence that the polychlorophenols in 2,4,5–T may decompose into dioxin when exposed to high temperatures, such as might occur with incineration or even in the cooking of food.

9. Studies of medical records in Vietnam hospitals, and clinics below the district capital level suggests a correlation between the spraying of 2,4,5–T defoliant and the incidence of birth defects.

10. The registrants have not established the need for 2,4,5–T in light of the abovementioned risks. Benefits from 2,4,5-T should be determined at a public hearing, but tentative studies by this agency have shown little necessity for those uses of 2,4,5–T which are now at issue.

These expressions of doubt as to the safety of and necessity for using 2,4,5–T on human food crops are now among the issues for adjudication in this Consolidated Proceeding.

Registrant Dow Chemical Company then obtained an injunction against further administrative action on 2,4,5–T.[9] After almost two years of "interlocutory judicial jousting"[10] the legal impediments to a public hearing were removed when the U.S. Court of Appeals overturned the lower court injunction.

At this time significant new information was revealed which altered the course of this controversy. Residues of 2,4,5–T related TCDD were reported in Vietnamese fish and crustaceans, and the development of the refined instrument sensitivity (parts per trillion) necessary for determining whether TCDD is penetrating into the United States environment was disclosed.[11]

In response to the greatly increased analytical sensitivity, Respondent initiated an extensive environmental and human monitoring project for TCDD. The finding of TCDD in Vietnamese fish disclosed a potential threat to public health and to the environment from even the non-food uses of 2,4,5-T (rangeland, rights of way, forestry), and in response, pursuant to section 6(b) (2) of the FIFRA as amended, EPA issued a Notice of Intent to Hold a Hearing to determine whether all remaining registered uses of 2,4,5-T should be cancelled.[12]

The issues therein designated for hearing, in addition to those already set for hearing on the cancelled food uses of 2,4,5-T, are as follows:

A. The health hazards to man and to other animals which may be caused by 2,4,5-T and/or its extremely toxic contaminant, 2,3,7,8,-tetrachlorodienzo—p-dioxin (TCDD), with emphasis on the following:

1. Is 2,4,5-T or TCDD a teratogen?

2. Does 2,4,5-T or TCDD induce other adverse reproductive effects?

3. Is 2,4,5-T or TCDD a mutagen?

4. Is 2,4,5-T or TCDD a carcinogen?

5. Can exposure to 2,4,5-T or TCDD induce sublethal chronic health effects?

6. Can chronic, low-level exposure to 2,4,5-T and/or TCDD cause delayed lethality?

B. The extent of the health risk for man and other animals posed by 2,4,5-T and TCDD, with emphasis on the following conditions:

1. Can additional TCDD be generated in the environment by the thermal stress of 2,4,5-T or its metabolites?

2. Can 2,4,5-T or TCDD persist and bioaccumulate in the environment?

3. What are the avenues of human and animal exposure to 2,4,5-T and TCDD? For example, can aerial drift or water transport of 2,4,5-T or TCDD cause movement of these compounds away from the site of application?

4. Are 2,4,5-T or TCDD residues being stored and accumulated in the human food supply and in human and animal tissue, including humans and wildlife directly exposed to 2,4,5-T?

5. Are other dioxins and similar contaminants, besides TCDD, present in 2,4,5-T and, if so, what risk to health do they constitute?

6. What are other environmental sources of dioxins particularly TCDD, and do these sources enhance the total dioxin body burden and exacerbate the health risks raised by 2,4,5-T and related TCDD?

7. What are the current levels of dioxins in registered 2,4,5–T products and in technical material used to formulate these products?

8. Do the current methods of manufacture of 2,4,5–T provide for consistently low levels of dioxins in the final technical product and what are the quality control measures used to minimize dioxin levels?

C. The necessity for the continuation of the registered uses of 2,4,5–T, with emphasis on the following:

1. What are the pests which each registered use is intended to control and the degree of control achieved by each use?

2. What is the cost, timing, and rate of application of 2,4,5–T for each use?

3. What alternative controls exist for each registered use and what is the cost and effectiveness of each alternative?

4. Do alternative pesticide products cause adverse environmental effects?

5. What are the economic implications of these alternatives, including that of no control?

By motion of Respondent on October 2, 1973 and order of the Chief Administrative Law Judge on November 12, 1973 these hearings on all registered uses of 2,4,5–T have been consolidated into the proceeding herein.

LEGAL FRAMEWORK OF THE PROCEEDING

From this Consolidated Proceeding a final determination will be derived as to whether the registrations of 2,4,5–T should be cancelled. This decision by the Administrative Law Judge and ultimately by the Administrator is shaped significantly by certain principles.

The registrations at issue must fall unless it can be convincingly demonstrated that these uses of 2,4,5–T do not cause unreasonable adverse effects on the environment.[13] In reaching the determination as to unreasonable adverse environmental effects, the risk to public health and to wildlife must be balanced against any benefit to the public's welfare from continued use of 2,4,5–T. Constituents of the overall balance are the answers to scientific and technical questions posed as issues for this hearing, supra. It is the burden of Registrants and of the Intervenors in behalf of continued registration to answer these questions and to persuade the Administrative Law Judge and the Administrator by clear and convincing evidence that each contested use of 2,4,5–T does not present an unacceptable risk of adverse environmental effects.

That Respondent must go forward with an affirmative exposition of those facts which indicate why the food uses of 2,4 5–T should be cancelled and which address the questions raised as to all 2,4,5–T uses does not obviate Registrants' burden of ultimate persuasion on each issue of this proceeding.

RESPONSE TO THE HEARING ISSUES

Information available to Respondent will work considerably to resolve the issues in the 2,4,5–T controversy. In its First Pre-Hearing Brief, Respondent sets forth that information which is now developed. Respondent's current data, however, does not thoroughly illuminate certain areas of inquiry. In this regard, it is anticipated that Registrants, in attempting to demonstrate the safety of and social necessity for their pesticide product, will adduce significant new data, derived from thorough research and field monitoring, particularly on the crucial questions involving the toxicity of low-levels of TCDD. The Advisory Committee requested such data in May, 1971. Surely the intervening 2½ years has been sufficient for Registrants to undertake meaningful research on these questions.[15]

Many of the issues presented in the Administrator's 2,4,5–T Orders of November 4, 1971 and April 13, 1972 are subsumed under issues contained in the Statement of Issues of July 19, 1973. Where appropriate herein, Respondent has grouped these related issues. The numerous subsidiary questions are discussed first; ultimate questions are then discussed where Respondent is prepared to adopt a regulatory position.

A. The health hazards to man and to other animals which may be caused by 2,4,5–T and/or its extremely toxic contaminant, 2,3,7,8-tetrachlorodibenzo-p-dioxin (TCDD), with emphasis on the following:

TERATOGENICITY

1. Is 2,4,5–T or TCDD a teratogen?

A contaminant of 2,4,5–T—tetrachlorodibenzoparadioxin (TCDD, or dioxin)—is one of the most teratogenic chemicals known. The registrants have not established that 1 part per million of this contaminant—or even 0.1 ppm—in 2,4,5–T does not pose a danger to the public health and safety.

There is a substantial possibility that even "pure" 2,4,5–T is itself a hazard to man and the environment.

The dose-response curves for 2,4,5–T and dioxin have not been determined, and the possibility of "no effect" levels for these chemicals is only a matter of conjecture at this time.

As with another well-known teratogen, thalidomide, the possibility exists that dioxin may be many times more potent in humans than in test animals.

Studies of medical records in Vietnam hospitals and clinics below the district capital level suggest a correlation between the spraying of 2,4,5–T defoliant and the incidence of birth defects.

Teratology is concerned with the origin and development of congenital malformations, which are abnormalities in the structural or functional development of the embryo or fetus. Embryotoxicity is a more general term which describes fetal toxicity, growth retardation and teratology. It is clear that 2,4,5–T and TCDD constitute a potential teratogenic and embryotoxic hazard to man.

Ascertaining the effect of 2,4,5–T on the fetus has been complicated by the presence of various amounts of TCDD in the tested 2,4,5–T. However, tests with 2,4,5–T in which the content of TCDD was 1 ppm or less indicate that even so-called "pure" 2,4,5–T is teratogenic. Terata including kidney abnormalities and deformed eyes and tails has been induced by 2,4,5–T in different strains of rats at levels of 100mg/kg/day. Embryotoxicity has been induced in rats as doses as low as 50mg/kg.[16]

Fetal deformities, including exencephaly, missing eyelids, delayed head ossification and cleft palate were produced in hamsters tested with 2,4,5–T at doses from 40 to 80 mg/kg, containing less than 0.1 ppm TCDD[17] The dosage of 80 mg/kg caused a significant decrease in the percentage of viable fetuses per litter. A dosage of 40 mg/kg with no detectable TCDD caused decreases both in the percentage of viable fe-

---

Footnotes at end of article.

tuses and in the average fetal weight. Increasing the amount of TCDD in the 2,4,5-T generally increased the incidence of adverse effects in the hamster.

Courtney and Moore[18] using 2,4,5-T at 100 mg/kg, containing less than .05 ppm TCDD produced cleft palate and kidney malformations in three strains of mice. Roll[19] demonstrated that 2,4,5-T can produce cleft palate in mice at 35 mg/kg. Neubert and Dillman[20] induced cleft palate in mice with 45 mg/kg 2,4,5-T, containing less than .02 ppm TCDD. As little as 15 mg/kg of purified 2,4,5-T and 12 mg/kg of 2,4,5-T butyl ester caused a decrease in fetal weight (fetotoxicity).

TCDD has been demonstrated to be a potent teratogen and embryotoxicant inducing adverse effects in the microgram per kilogram (ug/kg) range in all species tested. Two teratogenic effects have been clearly related to TCDD, cleft palate and kidney abnormalities.[21] Other effects include involution of lymphatic tissues, predominately a drastic reduction in the size of the thymus, the spleen and the lymph nodes. Because this impairment of the lympatic organs causes a postnatal impairment of a basic defense system and thereby causes a pronounced reduction in postnatal survival the effect may be considered teratogenic, even though they may also occur in young or adult animals treated with TCDD.

Other TCDD effects are embryotoxic, not teratogenic, and are also induced in adult and young animals under the toxic influence of TCDD. These are intestinal hemorrhage, the infiltration of fat into the liver, subcutaneous edema and delayed ossification.[22] Sparschi, *et al*[23] found increased fetal mortality, early and late fetal resorption and intestinal hemorrhage of the fetus of rats at a dietary dose of .125-.2 ug/kg. In this study no embryotoxic effects were noticed at .03 ug/kg; a dose approximately 600 ppt in the rats diet during the critical period of pregnancy. Courtney and Moore[24] produced kidney abnormalities in rat fetuses with .5 ug/kg TCDD. They reported cleft palate and kidney abnormalities in three strains of mice after dams were injected with 1 to 3 ug/kg during days 6-15 of pregnancy. Neubert[25] reported a clear-cut potentiating teratogenic effect between 2,4,5-T and TCDD.

Available knowledge makes demonstrating the presence of a public risk of 2,4,5-T, TCDD-induced birth defects less difficult than assessing the magnitude of that risk. One gap in the state of the medical art is precise knowledge of the predictive value for man of terata testing in animals. Imprecision is inherent in extrapolating from test animals to man, but the application of certain guidelines demonstrates the importance of such testing in predicting risk to man:

1. Society should not knowingly permit its members to be used as divining rods for discerning hidden destructive forces. Laboratory animals are, therefore, not a convenience but a necessity if public agencies are not to await the noticeable occurrence of human birth defects which can be traced directly to a specific source before taking protective measures.

Even a significant increase in human birth defects which might be related to 2,4.5-T, TCDD would likely be inapparent from normal observation of the incidence of birth defects. There is no national registry of teratogenic effects. Nor has any major human teratogen been detected by prospective monitoring of the population at large. The teratogenicity of X-ray, German measles, thalidomide and methyl mercury were recognized not by epidemiological survey but rather by individual medical practitioners who observed small "clusters" of deformities and traced them to the source.[26] The terata induced in laboratory animals by 2,4,5-T, TCDD, primarily cleft palate and kidney abnormalities, are not so egregious (as contrasted, for example, with the absence of limbs, caused by thalidomide) as to make an increase in the human incidence of such deformities readily noticeable.

The fact that public exposure to TCDD would likely come through residues in the food supply, would prohibit even the "cluster" approach to detecting human terata, such as was pursued in the cases of thalidomide and other major teratogens, rendering a very real effect from 2,4,5-T, TCDD all the more hidden from detection by observation of the population. These informational voids compel reliance upon test animals.

2. Physiological variations existing between test animals and man do not necessarily indicate that man will be unresponsive or less responsive to 2,4,5-T and TCDD. They may be such as to render man more susceptible. Variations may exist between man and test animal in the distribution and release of TCDD during vital periods in organogenisis, in the time and degree of association of TCDD with the embryo or fetus, and in the elimination of TCDD from the maternal and fetal receptors. Little is understood about the etiology of birth defects. Even less is known about the long-term behavior of tetra-dioxin in the body of mammals. Nothing is known about the retention, distribution and elimination of TCDD in the human organism. Man may thus respond more readily than test animals to this teratogen.

The thalidomide experience is demonstrative. The lowest observed effective dose for human terata was .5 mg/kg/day. The hamster, dog, rat and mouse exhibited effects at 350, 100, 50 and mg/kg/day, respectively.[27]

Thus, laboratory tests on mammalian species showing that 2,4,5-T and TCDD are teratogenic present real grounds for concern. But these animal tests permit no more refined a practical conclusion, particularly as to TCDD, than that a risk of unknown magnitude exists of causing human birth defects by using 2,4,5-T so as to contaminate the public food supply. There is no accepted procedure for setting safe levels for man based on no-effect levels for terata produced in the laboratory.

The potential greater sensitivity of man to this teratogen renders highly tenuous any effort to extrapolate "no effect" levels for man. In addition, there is no widely accepted scientific procedure for establishing a safe level for teratogens in the food supply. Further, reliable no-effect levels for tetra-dioxin, in the laboratory species tested, which take into account a proportionality between the number of animals tested and the resultant teratogenic effect, may not have been ascertained. For example, in the case of thalidomide, a teratogen much more potent in man than in the tested animals, laboratory tests may have failed to designate a threshold level even for the test animals.[28] In this regard, the fact that laboratory testing on TCDD (carried out on very small numbers of animals) demonstrates its teratogenic action at extremely low levels casts even greater doubt on the wisdom of attempting to set an acceptable "safe level" for the millions of people at presumptive risk.

Other difficulties make impossible at present predicting an acceptable no effect level for this teratogen. Just as man may be much more susceptible than test animals, some persons in the exposed, at-risk population will be more susceptible to teratogenic effects than others. The genetics of cleft palate, for example, indicate varying susceptibilities to the inheritance of this birth defect.[29] Further, only a fraction of the women who took thalidomide gave birth to deformed children.[30] With varying individual susceptibilities, establishing one level for the protection of all women would be speculation.

There is also lacking any clear indication that human exposure to 2,4,5-T, TCDD has not caused significant increases in birth defects. Past surveys of human exposure have not arrived at statistically significant conclusions. However the report to the American Association for the Advancement of Science[31] does indicate higher stillbirths and malformations in certain areas and during periods of the heaviest 2,4,5-T defoliation campaign in Vietnam. That a spurious effect may have been produced in this survey by incomplete data does not, however, necessarily indicate that the effect was to exaggerate the incidence of stillbirths and terata. Rather, the importance of this effect may as well have been to disguise a higher level of birth defects.[32]

Available information, then, depicts a hazard of birth defects from 2,4,5-T and related TCDD. The magnitude of the risk cannot be reliably quantified. The extent, therefore, of the hazard to man must depend on the risk of human exposure, particularly to tetra-dioxin. Where the risk of such exposure is direct, Respondent will seek the final cancellation of the related 2,4,5-T use. Where information as to the risk of human exposure is less clear, Registrants must bear the burden of demonstrating that the risk is de minimis or that the particular pesticide use in question has compelling public importance, so as to outweigh even a minor threat of human exposure.

A.2. DOES 2,4,5-T INDUCE OTHER ADVERSE REPRODUCTIVE EFFECTS?

Substantial questions have been raised as to whether adverse reproductive effects are induced by 2,4,5-T and TCCD. Moore, *et al.*[33] have reported adverse postnatal effects on the kidneys of mice whose dams were treated with TCDD. The importance of TCDD in mothers milk is suggested by the fact that the highest incidence of kidney abnormality occurred in those progeny whose mothers had been treated with TCDD during the nursing period.

2,4,5-T administered during pregnancy has been demonstrated to cause increased restoration and decreased fetal and maternal weight.[34] Thomas and Lloyd[35] found that 2,4,5-T behaved similarly to other organochlorines, e.g., dieldrin and DDT, in decreasing the ability of the mouse prostrate gland to accumulate androgen, probably the consequence of reducing the actual uptake of androgen. The research with "toxic fat," infra, p. 24, showed a marked decrease in spermatogenesis linked to TCDD. It is known that decreased sexual drive is among the reported chronic symptoms of persons who have been occupationally exposed to 2,4,5-T, TCDD.[36]

The significance of these indicators for human or wildlife reproduction is unclear. While Registrants must attempt to demonstrate the unimportance of such facts, it is unfortunate that there has been a failure to complete necessary multi-generation reproductive studies with 2,4,5-T, TCDD.

A.3. IS 2,4,5-T OR TCDD A MUTAGEN?

As with the various reproductive effects noted, there are indications that TCDD is mutagenic. One in vitro study[37] wth bacteria exposed to 2,4,5-T noted no mutagenic effects. However, a practical negative conclusion cannot be reached from this study. Here, also, Registrants' laboratory research and occupational hygiene information should be adduced to speak more clearly to the question of the importance for man of these risks.

Hussain, *et al.*[38] using three distinct bacterial systems reported TCDD to be mutagenic. Jackson[39] demonstrated a dramatic inhibition of mitosis and the production of cytological abnormalities in the African blood lilly at levels of .2 to 1 ug/1 TCDD.

Footnotes at end of article.

A.4. IS 2,4,5–T OR TCDD A CARCINOGEN?

The carcinogenic potential of 2,4,5–T related TCDD exists. The available information conveys no discernible indication that 2,4,5–T itself, is a carcinogen.

The carcinogenic potential of TCDD is determined from the following work. Buu-Hoi, *et al.*[40] reported that intraperitoneal doses of TCDD (1 and 10 mg/kg) induced liver lesions in rats. These lesions were characterized by amisokaryosis, frequent binucleation, and focal hyperplasia of Kuffer cells. They also reported a similarity between TCDD and known heptacarcinogenic compounds in the effects on microsomal hydroxylases and in reducing liver arginase.[41]

Gupta, *et al.*[42] reported degenerative liver lesions and large multinucleated heptatocytes, produced by 10 ug/kg/day TCDD in rats for 13 days. The researchers conclude that the presence of these cells, the increased number of mitotic figures, and the pleomorphism of cord cells point to the need for assessing the possibility that TCDD induces hyperplastic nodules or neoplasms.

A.5. CAN EXPOSURE TO 2,4,5–T OR TCDD INDUCE SUB-LETHAL CHRONIC HEALTH EFFECTS?

6. CAN CHRONIC, LOW-LEVEL EXPOSURE TO 2,4,5–T AND/OR TCDD CAUSE DELAYED LETHALITY?

Except for the potential reproductive and mutagenic damage previously discussed, available information does not indicate that exposure to low levels of 2,4,5–T, itself, induces chronic effects. The apparent rapid human excretion of 2,4,5–T tends to support a tentative conclusion that chronic ill health would not be expected from long-term low-level exposure.[43]

The same cannot be said for 2,4,5–T related TCDD or other possible toxic contaminants of 2,4,5–T. The facts on TCDD's chronic health effects are of major evidentiary concern. These facts describe a pernicious, little understood toxicant, capable in minute quantities of inducing a variety of chronic illness and, perhaps, of causing death as a delayed response to exposure. The burden of mitigating this concern must be particularly heavy for Registrants in that the risk is clearly raised by every available research effort and the lifetime feeding studies in mammalian species, necesary to effectively lay to rest these strong signals, have not been conducted.

Of major concern is the effect of TCDD on lymphoid tissue, previously discussed.[44] Related to such impairment of an organism's basic defense system is the conclusion of Vos, *et al.*[45] that TCDD at sublethal doses suppresses the cell-mediated immunity in both mice and guinea pigs. The authors suggest that, in the absence of major pathologic effects except in the lymphoid system, the death caused by sub-lethal doses was due to impairment of the organism defense mechanism. Zinkl, *et al.*[46] observed TCDD related lymphophenia in mice and guinea pigs, a result which is consistent with its noted immuno-suppressive effects.

Allen and Carstens[47] fed monkeys various percentages of "toxic fat", reported to contain 35 ppm of TCDD and other dioxions. There was an inverse relationship between the percent toxic fat in the diets and the number of days the monkeys survived. Monkeys fed 5 or 10% began dying around the third month. At the lowest dose, the total dioxin intake which produced a mean survival time of 445 days was 2.15 mg/1.[48] In all test groups, the TCDD induced a variety of chronic illness one or two months before death, including alopecia and subcutaneous edema, focal neurosis of the liver, gastric ulcers, reduced hematopoiesis and spermatogenesis.

These test data suggest that TCDD poisoning may be cumulative.[49]

Daily doses of 10 ug/kg/TCDD killed 15 of 16 rats, on days 15 through 31.[50] Rats receiving 1 ug/kg for 31 days suffered decreased weight gain which was reversed after cessation of dosing. A no effect level was not found and whether withdrawal after chronic exposure may reverse more serious ill-effects is unclear. Dosing guinea pigs with 1 ug/kg a week killed all animals, on the average within four weeks.[51]

Fries[52] added TCDD (C^{14} labelled) in the diet of rats at 7 and 20 ppb. The rats were placed on the feed for 6 weeks and withdrawn for 4 weeks. After 6 weeks of feeding a plateau in the body residues had apparently not been attained in either sex. Decreased feed consumption and weight gain were observed. The liver/body weight ratio was also increased. This effect was reversed by withdrawal but only as to the lower dose.

Poland and Glover[53] using the chick embryo conclude that TCDD is approximately 3 orders of magnitude more potent than other known porphyrogenic compounds. Goldstein, *et al.*[54] also conclude that TCDD is the most potent porphyrogenic chemical known. A single dose of 150 ug/kg TCDD caused a 4,000 fold increase in the uroporphyrin content of the mice livers within 3 weeks and increased induction of ALA synthetase. Similar effects were induced by weekly doses of 25 ug/kg for one month. In addition to porphyria, extensive liver damage, atrophy of the thymus, edema and terminal hemorrhages were observed. The authors suggest effects may be seen at lower levels after longer periods of exposure.

Because the effects of long-term exposure to low levels of TCDD remain undetermined, an acceptable level for man cannot be set. If TCDD exposure causes delayed lethality or, if continuous impingement of TCDD on human organs otherwise causes cumulative effects, or if TCDD concentrates in human tissue, a level of exposure which would be safe for the general population may not exist. Even residues below the current level of detection may be unsafe.

A. THE RISK TO THE ENVIRONMENT (NON-HUMAN)

Of the twenty or so different chemical compounds commonly called 2,4,5–T, each contains impurities or inert ingredients in the technical pesticide product. Among these impurities is such "inert" material as TCDD. The total published wildlife toxicological information for these compounds and their impurities is slightly more than zero.

An abundance of data on other toxicants[55] has permitted Respondent in its regulatory posture to parse with relative precision. With little environmental data now available, Respondent will adhere to certain guidelines, derived from existing knowledge, in its effort to illuminate the sphere of ecological hazard. Hopefully, Registrants and their intervenors by proffering reliable field and laboratory data on the degree of environmental risk, will also avoid parsing with a cleaver. Surely Registrants cannot insist that "body counts" are necessary before the trier of fact herein can reasonably conclude that unacceptable risk to the non-human environment exists. Respondents environmental guidelines for this proceeding are as follows:

(1) The "indirect" ecological effects on wildlife from using 2,4,5–T are a subject for discussion in this hearing. Many wild species are dependent for their very survival upon the availability of specific habitats. Some must have even specific plants to exist. For example, "range management," the widespread, indiscriminate removal of sagebrush by 2,4,5–T (or by other means), will eliminate the sage grouse which depends upon sagebrush for 99% of its food.[56] Similarly, the Montana Fish and Game Commission showed that 2,4,5–T used for total brush control in one area had caused an 86% reduction in mule deer.[57] The Registrants and appropriate Intervenors must discuss the extent of such range management, and the environmental as well as the economical acceptability of more restricted brush control or strip spraying, by which areas of brush necessary for wildlife habitat are left standing.

(2) There is no reason to assume that the demonstrated low-level toxicity of tetradioxin is not exerting its effect in the environment. Rangeland application of 2,4,5-T may amount to 4 pounds acid equivalent per acre, resulting in 120–960 ppm on grasses. The dioxin content of the grasses therefore could reach .96 ppb assuming an initial TCDD level of 1 ppm in the 2,4,5-T. Grass-eating wildlife species with an acute oral LD_{50} of .6 ug/kg (that of the most sensitive non-wildlife species tested so far, the guinea pig) would consume a median lethal dosage by the time of ingesting one-half their body weight in grasses, a feat which would require one to three days for small species. Less TCDD could produce teratogenic effects. Given the extremely rapid environmental scavenging of dead or deformed small species, the detection of such field mortalities would be extremely difficult.

(3) Information discussed, infra, indicates the capacity of TCDD to penetrate, persist, to move and to bio-concentrate in the aquatic and terrestrial environment. Given the incomparable toxicity of this small molecular compound, and given the practical nonexistence of facts about its ecological effects, the Respondent suggests that it cannot make a reliable conclusion that TCDD is not causing serious environmental injury. Demonstrating a socially acceptable risk is the obligation of Registrants.

B. The Extent of the Health Risk for Man and Other Animals Posed by 2,4,5-T and TCDD, with Emphasis on the Following:

1. Can Additional TCDD be Generated in the Environment by the Thermal Stress of 2,4,5-T or its Metabolites?

There is Evidence that the Polychlorophenol in 2,4,5-T May Decompose into Dioxin when Exposed to High Temperatures, Such as Might Occur with Incineration or Even Cooking of Food.

TCDD can be generated by the thermal stress of 2,4,5–T and some of its metabolites. This raises the potential for the generation of additional dioxin under environmental conditions. The widespread use of 2,4,5–T, coupled with the persistency of TCDD and its extreme toxicity, therefore, raise the possibility that people may be exposed to a latent destructive force—the accidental or unknown triggering of the thermal release mechanism by which "harmless" amounts of 2,4,5–T, its esters or salts, converts to lethal tetra-dioxin.

Tests[58] demonstrate the thermal conversion of alkaline salts of 2,4,5–T into TCDD. Sodium 2,4,5–Trichlorophenate held at the melting point produced measureable quantities of TCDD. Baughman and Meselson[59] report they have repeatedly formed TCDD at the 1000 to 2000 ppm level by heating the sodium salt of 2,4,5–T, a form most likely to persist on wood.

Recent work by Thomas[60] corroborates the observations of Baughman and Meselson. A summary of these findings is as follows:

1. When the sodium salt of 2,4,5–T+Cu+NaOH are heated in a closed tube (entire tube heated) at 450°C for 6 hours, ca 10 ppm of TCDD are produced.

2. When the sodium salt of 2,4,5–T and 2,4,5–trichlorophenol are heated in an open tube (only the bottom of the tube is heated) in a sand bath at 350° for 7½ hours, between 250 and 500 ppm of TCDD are produced.

3. When the sodium salt of 2,4,5–T and 2,4,5–trichlorophenol are heated in a closed tube (entire tube heated) at 350° for 7 hours, ca 1500–3000 ppm of TCDD are formed.

Footnotes at end of article.

Thus three independent groups have demonstrated this thermal conversion into TCDD.[61]

Pyrolysis has also been shown to form dioxins from chlorophenates, under presumably anhydrous conditions.[62] Five chlorophenates, from 2.4 dichlorophenate to pentachlorophenate were tested, each formed a corresponding dioxin.

Crosby[63] reports the formation of octachlorodioxin from the burning of wood treated with pentachlorophenol.

Buu-Hoi[64] reported the formation of tetradioxin from burning vegetation. No details are available on the procedures followed in burning the foliage or in collecting the samples. Analyses of the mass spectra asserted to be that of TCDD do not appear completely valid.[65]

Most existing tests on the burning or the heating of 2,4,5–T treated products (vegetation, meat, fat) have not produced detectable tetra-dioxin.[66] But the level of analytical sensitivity in these experiments was .05 to .1 ppm. Current sensitivity for such analyses is down to about 5 parts per trillion. The generation of TCDD at levels much lower than .05 ppm would be toxicologically significant. In addition, the multitude of environmental conditions under which 2,4,5–T, its salts and esters, can be exposed to thermal stress makes complete laboratory replication impossible and prohibits reliance on only a few negative laboratory tests.

B.2. CAN 2,4,5-T OR TCDD PERSIST AND BIOACCUMULATE?

The registrants have not established that the dioxin and 2,4,5-T do not accumulate in body tissues. If one or both does accumulate even small doses could build up to dangerous levels within man and animals, and possibly in the food chain as well.

B.4. ARE 2,4,5-T OR TCDD RESIDUES BEING STORED AND ACCUMULATED IN THE HUMAN FOOD SUPPLY AND IN HUMAN AND ANIMAL TISSUE, INCLUDING HUMANS AND WILDLIFE DIRECTLY EXPOSED TO 2,4,5-T

2,4,5-T does not appear to be a persistent compound, but not enough is known about its metabolic products or pathways and about the presence of conjugated including "bound" products, and therefore undetected residues in foods resulting from the use of 2,4,5-T.

Unfortunately, methods for the determination of "bound" residues will only detect those conjugated products to the extent to which they are subject to the technique in use. For example, the method of Chow, et al[67] can lead to significantly higher results for "bound" residues of 2,4,5-T in rice straw than the method of Yip and Ney or the current method of the Food and Drug Administration.[68] There remains however, the possibility of the presence of other conjugated products not so cleaved which would not be detected. Much of this area has not been clarified by the Registrant.

Many species metabolize 2,4,5-T.[69] Also, 2,4,5-T can be rapidly degraded by soil organisms, usually not persisting into the next growing season. The degradation rate in soil is influenced by climatic conditions and microbial action.[70] Because definitive soil metabolism studies are unavailable the buildup of persistent metabolites, however, cannot be discounted. Nor can movement of 2,4,5-T metabolites into rotational crops be discounted since current analytical techniques may be unresponsive to residues of bound 2,4,5-T or its metabolites.

Storage of 2,4,5-T metabolites in the tissues of certain aquatic organisms may also occur. Exposure of fish to degraded 2,4,-D residues results in tissue accumulation of metabolites.[71] It is reasonable to conclude, based on the similarity of many of the degradation products of 2,4,-D and 2,4,5-T, that aquatic organisms would also store 2,4,5-T metabolites.

Considerable data exists on the persistence of 2,4,5-T in grasses.[72] Rapid decline of 2,4,5-T residue is observed, starting immediately after treatment and reaching "negligible" levels in about 6 months. This decline must be the combined result of dilution, plant metabolism, surface erosion, volatilization and photodegradation. Residues of 2,4,5-T and of the 2,4,5-Trichlorophenyl moiety in milk and meat resulting from the use of 2,4,5-T in pastures and on rangeland have been reviewed.[73] While the author concludes that residues in milk, meat, fat or meat by-products are not likely to be significant if 2,4,5-T is used according to label direction, more recent research shows that "bound" residues of 2,4,5-T in sheep and cattle livers may be measurable (> .05 ppm) even after withdrawal from a diet containing 2,4,5-T.[74] No data are available on the fate of metabolic products from forest or right-of way applications of 2,4,5-T.

Monitoring of human food supply appears to corroborate these conclusions on the persistency of 2,4,5-T, although nothing is known about potential metabolites of 2,4,5-T in human food or the presence of bound residues which are not subject to detection by existing 2,4,5-T analytical methods.

Since 1969 the Food and Drug Administration (FDA) has monitored for chlorophenoxy acetic acids in the following commodities:

(1) Whole grains for human use, such as wheat, corn, rice, oats, etc.

(2) Animal by products including slaughtered mammals and fowl.

(3) Milk.

(4) Other dairy products.

From 1969–1971, 19 of 1226 samples contained 2,4,5,-T or 2,4,-D derivatives, ranging from a trace to .02 ppm. All but one sample was milk.

Earlier FDA results are summarized reliably in the May 7, 1971 Advisory Committee Report, "From about 10,000 food and feed samples examined from 1964 through 1969 only 25 contained trace amounts of 2,4,5-T (less than 0.1 ppm) and only two contained measurable amounts, 0.19 ppm in a sample of milk in 1965 and 0.29 ppm in a sample of sugar beets in 1966. Furthermore of the 134 total diet samples involving 1600 food composites (Market Basket Survey) analyzed from 1964 through April 1969, only 3 contained 2,4,5-T. Two were dairy products containing 8 to 13% fat with .008 and 0.19 ppm in the fat. A single meat, fish and poultry composite from Boston consisting of 17 to 23% of fat was found to contain .003 ppm 2,4,5-T on a fat basis."[75]

Tetra-dioxin, on the other hand, is clearly both persistent and bioaccumulative. It resists microbial deteriorating.[76] Out of 100 microbial strains which degrade most persistent pesticides, only 5 showed any ability to degrade TCDD. Soil studies indicate that tetra-dioxin has a half-life of greater than one year.[77] That no metabolites were found in this research also indicates the absence of microbial degradation. Herbicide test plots sprayed with Agent Orange (2,4-D and 2,4,5-T) have shown measurable amounts of TCDD several years after final treatment.[78]

Model ecosystem studies suggest that TCDD bioconcentrates more than DDT. A two trophic level, model ecosystem with mosquito larvae and brook silverside minnows demonstrated a bioaccumulation factor of TCDD in minnows 540 times that of the TCDD in the water. DDT's accumulation factor by comparison was 306.[79]

A similar aquatic ecosystem showed catfish to accumulate tetradioxin in only three days by a factor of 14,000.[80] A direct relationship was observed between concentrations in ambient water and in the tissues of several aquatic species, when tetra-dioxin was introduced into the aquatic system in the form of treated sediment. The following illustrates the observed relationship between TCDD concentration in soil and in the water:

TCDD Concentration in Soil (PPM): 0.1, 0.01, 0.001, 0.0001.

TCDD Concentration in Water (PPT): 7.13, 0.66, 0.26, 0.05.

When the soil content was .1 ppm TCDD, various acquatic organisms accumulated the following levels of tetra-dioxin:

Organism, TCDD level (PPM), and time of exposure:

Algae, .08, 28–29 days.
Duchweek, .03, 28–29 days.
Snails, .12, 28–29 days.
Daphnia, .16, 28–29 days.
Gambusia, .44, 3 days.
Catfish, .10, 3 days.

Therefore, rice flood waters and sediment containing 2, 4, 5–T related TCDD may well transport tetra-dioxin from the ricefields to fish and crayfish, components of the human food supply. For example, a one pound per acre treatment of rice with 2, 4, 5–T containing .1 ppm TCDD will generate a tetradioxin level of approximately 24 ppt in the upper ¼ inch of soil. A graphical extrapolation of the soilwater data discussed, supra, indicates that this could lead to a water concentration of 0.1 ppt. A direct correlation between water and fish concentrations would result in a tetra-dioxin level of 28 ppt in fish within 3 days of exposure to rice flood water.

Residue data corroborate these conclusions as to the persistency and bioaccumulation of 2, 4, 5–T related TCDD.

Analysis of residues in Vietnamese shrimp and crustaceans detected significant levels of tetra-dioxin following defoliation treatments with 2,4,5–T in regions draining into the areas from which the shrimp were collected.[81] It appears that these residues have not declined appreciably between 1970 and 1973, although the defoliation ceased in 1969.

Wildlife in the vicinity of areas of Agent Orange application at Eglin Air Force Base retained measurable levels of TCDD several years after use of the herbicide was stopped.[82]

Beef calves fed for 28 days on diets containing 100 and 1800 ppm 2,4,5–T with .5 ppm TCDD, retained substantial amounts of tetra-dioxin in the fat and in the liver.[83] It therefore appears that at least 25% of the dietary intake of tetra-dioxin may be stored in body tissues. Fries feeding rats 7 and 20 ppb TCDD suggests that 75% of the total retained residues may be stored in the liver.[84]

Table I infra suggests that the withdrawal of cattle from a diet contaminated with dioxin for as long as one week may have little effect in decreasing TCDD residues. Therefore, current label provisions requiring "feed off" periods on dioxin free food in order to assure the absence of dioxin residues in the meat are not likely to be effective in reducing tetra-dioxin residues if present in any significant amounts.

Cattle, sheep and goats fed immediately after application of 2,4,5–T to rangeland accumulated residues of tetra-dioxin in their fat from 6 to 41 ppt and in the liver from 1 to 5 ppt.[85] The tetra-dioxin content of the commercial 2,4,5–T used was .04 ppm. Using a factor of fat/TCDD diet of 2.1 (See Table I) one can calculate a value of 10.08 ppt, which could be expected in the fat of a young calf exposed to similar residues.

Monitoring of wildlife collected along rights of way in the U.S. demonstrates, as does the Vietnamese aquatic residue data, that 2,4,5–T related TCDD can enter the food chain from "non-food" uses. Shrews sampled accumulated tetra-dioxin residues up to 397 ppt, averaging 202 ppt.[86]

Thus, 2,4,5–T related tetra-dioxin is persistent and it bioconcentrates. It is quite capable of penetrating into the environment and contaminating the human food supply. While Respondent is in the midst of extensive residue monitoring in order to define this hazard more precisely, it is now the obligation of those who profess the safety of this pesticide to prove their position in the face

---

Footnotes at end of article.

TABLE I.—TCDD LEVEL IN BEEF CALF FAT AND LIVER RESULTING FROM CONTROLLED EXPOSURE (28 DAYS) TO DIETS CONTAINING VARIOUS LEVELS OF CONTAMINATED 2,4,5-T [3]

Dow Chemical Co. calf number (control)	Total calf weight (kilograms)	Total amount of forfeited diet fed over 28-day period (O)	P.p.m. 2,4,5-T in fortified diet (O)	P.p.t. TCDD in fortified diet (O)	P.p.t. TCDD found in calf fat (N.D.)	P.p.t. TCDD found in calf liver (N.D.)	TCDD p.p.t. fat, p.p.t. diet	P.p.t. TCDD expected in fat if 100 percent of TCDD absorbed [2]	Percent TCDD uptake from diet
862	242	231	100	50	103	28	2.1	365	28
868	251	255	300	150	300	61	2.0	1,171	26
872	213	178	900	450	505	168	1.1	2,918	17
878	222	172	1,800	900	1,120	406	1.2	5,440	21
878	222	172	1,800	900	1,120	406	1.2	5,440	21
969	215	114	[1] 1,800	900	1,077	240	1.2	3,585	30

[1] TCDD content of 2,4,5-T was 0.5 p.p.m.

[2] Based on a fat content of 13 percent for a 500 lb steer. (See Morrison, J. B., "Feeds and Feeding," p. 202, Morrison Publishing Co., Ithaca, N.Y. (1954).

[3] Feeding period followed by 7-day withdrawal from TCDD containing feed.

B. 3. WHAT ARE THE AVENUES OF HUMAN AND ANIMAL EXPOSURE TO 2,4,5-T AND TCDD? FOR EXAMPLE CAN AERIAL DRIFT OR WATER TRANSPORT OF 2,4,5-T OR TCDD CAUSE MOVEMENT OF THESE COMPOUNDS AWAY FROM THE SITE OF APPLICATION?

Besides the contamination of the sites of 2,4,5-T application with the uptake of pesticide residues by plants and animals in those areas and the resulting bio-concentration, there are indications that 2,4,5-T and related tetra-dioxin will be transported aerially and by water beyond the sites of application.

Aerial application of 2,4,5-T cannot be made without aerial drift. The magnitude of such dispersal depends on the droplet size, wind velocity, humidity, type of formulation used, air temperature and altitude of the aircraft.

Elaborate precautions taken with the aerial use of Tordon 225 (USEPA Reg. No. 464-407) exemplify this problem of drift on rangeland. Tordon 225, a formulation of 2,4,5-T and picloram used to control mesquite, cannot be aerially applied unless a buffer zone between food crops of up to ½ mile is maintained. Aerial applicators are given special training. Similarly the aerial use of 2,4,D—a phenoxy herbicide, on Louisiana rice fields must not be applied closer than ½ mile to susceptible crops, and only under the supervision of a state inspector.[87]

In addition, drought conditions on the range and the persistency of tetra-dioxin in soil suggest the probability that TCDD contained in topsoil is transported by wind erosion. Thus, in any area of 2,4,5-T application, aerial distribution of 2,4,5-T and TCDD beyond the immediate site of application, uptake from there and further transport, are distinct probabilities. The absence of air monitoring samples of TCDD prevents a determination of whether TCDD persists and is transported long distances in the atmosphere.

Similarly, while Respondent has not yet completed field monitoring, it is probable that water transport of TCDD occurs. Given the demonstrated persistency of TCDD in the soil, gulley and sheet erosion would be expected to carry silt particles from the upper layers of soil into bodies of water for transport. This would be especially true as to poorer quality, over-grazed rangelands, where the ratio of grass tuft to bare ground is low. In poor-condition, short-grass ranges bare spaces of 1 to 4 feet can predominate.[88] It is probable that 2,4,5-T is also directly applied to rangeland water holes. Livestock and wildlife drinking such water are likely exposed to TCDD via the sediment suspended in such waters or as TCDD which has dissolved in the water.

Suspended sediment containing TCDD in rice fields and rights of way would also be transported by run-off from such sites. Once the tetradioxin (as sorbed on silt particles) reaches water a new sorption/desorption equilibrium is established, with discrete amounts of tetra-dioxin dissolving directly into the water.

Estimates by Miller, et al.[89] are that forest applications of 2,4,5-T can be expected to cause residues of about .01 ppt of TCDD in streamwater, if a tetra-dioxin level of .1 ppm exists in the original formulation. Direct application of 2,4,5,-T to streamwater would cause most of this residue. Therefore, based on the solubility of tetra-dioxin in water and provided no adsorption occurs on benthic surfaces or suspended solids, all such tetra-dioxin would be expected to remain in solution. Using considerations discussed, *supra*, for graphically projecting aquatic residue bio-accumulation, tetra-dioxin could be expected to build up to at least 23 ppt in fish from such forest applications.

Contamination of water supplies with tetra-dioxin is further suggested by recent monitoring data on streams in the Western United States.[90] The Canadian River near Whitefield, Oklahoma, and the Arkansas River below Van Buren, Arkansas showed the greatest contamination of 2,4,5,-T with levels ranging from .03 ppb – .04 ppb and .01 – .04 ppb, respectively. Other streams with detectable levels were the Brazos River at Richman, Texas (.01 ppb - .06 ppb), the Pecos River near Artesia, N.M. (.05 ppb) and the Green River at Green River, Utah (.07 ppb). Since the analytical methodologies utilized were sensitive only to 2,4,5-T and its esters, TCDD or degraded 2,4,5-T in terms of trichlorophenol moiety metabolies would not be identified. Therefore, the levels of 2,4,5-T detected are indicative of substantially higher inputs of 2,4,5-T followed by microbial degradation.

In addition, the fact that residues of tetra-dioxin are detected in Vietnamese shrimp caught 30 kilometers from the shore also suggests that this contaminant is quite mobile.[91]

B. 5. ARE OTHER DIOXINS AND SIMILAR CONTAMINANTS BESIDES TCDD PRESENT IN 2,4,5-T AND, IF SO, WHAT RISKS TO HEALTH DO THEY CONSTITUTE?

B. 6. WHAT ARE OTHER ENVIRONMENTAL SOURCES OF DIOXINS PARTICULARLY TCDD, AND DO THESE SOURCES ENHANCE THE TOTAL DIOXIN BODY BURDEN AND EXACERBATE THE HEALTH RISKS RAISED BY 2,4,5–9 AND RELATED TCDD?

The absence of other chlorodioxins, chlorodibenzofurans and chlorinated hydroxy diphenyl ethers has not been carefully established for any currently registered technical 2,4,5-T products. In 1972, Firestone[92] conducted a survey of dioxins in trichlorophenol samples collected in 1970 using a gc/ms (gas chromatograph, mass spectrometry) method. Other dioxins including 2,7 dichloro, 1,3,6,8-tetrachloro and a pentachlorodioxin were found. Chlorofurans and chloroethers were also found. A hexachlorodiophenyl ether was found in one sample and trichlorotetrachloro- and pentachloro furans were found in some of the other samples. No information is available on the presence or absence of 2,3,7 trichloro dibenzo-p-dioxin although bioassays by the method of Poland[93] suggest that this compound may have a potent biological activity in the same order of magnitude as TCDD. The recent findings of additional, unknown "neutral" contaminants in production grade 2,4,5-T[94] clearly demonstrates how little is known about various impurities in 2,4,5-T. Similar impurities in the "neutral" fraction of 2,4,5-T have also been noted in our own laboratories.[95]

In any event, all chemicals made by manufacturing processes having the capability of forming impurities with the degree of toxicity of TCDD should be supported with quality control procedures capable of detecting and quantifying such materials. Furthermore, once the Registrants have identified all of the impurities, these should be toxicologically evaluated. The so-called "predioxins", hydroxy chlorodiphenyl ethers[96] should also be evaluated in terms of their possible presence in 2,4,5-T formulations. If present, these materials are potential sources for 2,4,5-T related dioxin formation under environmental conditions.

Table II gives a list of registered pesticide products in addition to 2,4,5-T which are expected to be potential sources of dioxins. Of these, five utilize 2,4,5-trichlorophenol as a manufacturing intermediate, and therefore can be expected to add to the overall environmental burden of dioxin. Since some of these compounds have established tolerances on food or feeds, any dioxins residues entering the food supply from these sources would be directly additive to any similar residues resulting from the use of 2,4,5-T.[97]

A special and unique situation is encountered with the currently registered use of ronnel [0,0-dimethyl 0-(2,4,5-trichlorophenyl) phosphorothioate]. When used as a supplement to cattle food[98] this compound is a potential source of TCDD in beef and dairy cattle. At the currently registered dosage of .002 lbs. active ronnel (in food) per 100 lbs. of body weight per day for 7 consecutive days, a 500 lb. beef containing 13.7% fat could accumulate up to 5 parts per trillion TCDD in its body fat. This is based on a retention factor of 25% (see Table II), and a TCDD content of .05 ppm in the ronnel. Another potential source of TCDD could be from the photochemical reductive dechlorination of higher dioxins, especially hexachloro, heptachloro and octachloro dioxin found in pentachlorophenol.[99]

Also, the additive toxic effect of other chlorodioxins, including the octa, hexa, penta, tri and di isomers, all of which can be found in one or more of the products listed in Table II, cannot be discounted. For example, 2,3,7 trichloro-dioxin demonstrates a high degree of biological activity in the enzyme screening process of Poland.[100] To date all compounds showing high activity with the Poland enzyme assay have also been found to be patent acnegens and/or are highly embryotoxic. Formation of 2,3,7-trichloro dioxin from TCDD by reductive dechlorination caused by photochemical effects is a distinct possibility. If these residues accumulate as readily as TCDD, their biological effect would, indeed be additive in nature.

Footnotes at end of article.

TABLE II

2,4,5-trichlorophenol and salts.

2,4,6-trichlorophenol.

2,3,4,6-tetrachlorophenol and salts.

Pentachlorophenol (and sodium salt).

2,4-dichlorophenyl benzenesulfonate.

p-chlorophenyl 2,4,5-trichlorophenyl sulfone (Tetradifon).

2,4-dichlorophenoxy acetic acid (2,4-D) and its derivatives.

2,(2,4,5-trichlorophenoxy) propionic acid and derivatives (2,4-DP).

0-2,4-dichlorophenyl 0,0-diethyl phosphorothioate (VC-13).

0-2,4-dichlorophenyl p-nitrophenyl ether (TOK).

2-(2,4,5-trichlorophenoxy) ethyl 2,2-dichloropropionate (Erbon).

0,0-dimethyl 0-(2,4,5-trichlorophenyl) phosphorothioate (ronnel).

3,6-dichloro-o-anisic acid (Dicamba).

3,5,6-trichloro-o-anisic acid (Tricamba).

Tris-(2,4-dichlorophenoxy) ethyl phosphite.

Hexachlorophene.

0-(4-bromo-2,5-dichlorophenyl 0,0-dimethyl phosphorothioate (Bromophos).

B-7 WHAT ARE THE CURRENT LEVELS OF DIOXINS IN REGISTERED 2,4,5-T PRODUCTS AND IN TECHNICAL MATERIAL USED TO FORMULATE THESE PRODUCTS

B-8 DO THE CURRENT METHODS OF MANUFACTURE OF 2,4,5-T PROVIDE FOR CONSISTENTLY LOW LEVELS OF DIOXINS IN THE FINAL TECHNICAL PRODUCT AND WHAT ARE THE QUALITY CONTROL MEASURES USED TO MINIMIZE DIOXIN LEVELS?

Transvaal, Inc., states that the TCDD content of its 2,4,5-T acid, from which their products are derived, is less than 2 ppm and averages less than 1 ppm.[101] Registrant Thompson-Hayward Chemical states that their product contains less than 0.1 ppm TCDD.[102] Dow Chemical Co. has repeatedly stated that technical 2,4,5-T produced since 1970 in their plant contains less than 0.1 ppm.[103] C. H. Boehringer Sohn, Ingleheim, Germany, states that since 1970, the TCDD content of their technical 2,4,5-T has been held at less than 0.1 ppm.[104]

Recent analyses by EPA of technical products from the three U.S. manufacturers are shown in Table III. The representativeness of these levels and the tetra-dioxin levels in formulated products remains to be demonstrated by Registrants.

TABLE III.—RECENT ANALYSES[1] OF TECHNICAL 2,4,5-T PRODUCTS MANUFACTURED IN THE UNITED STATES

Company and EPA regulation No.	Description	Date of collection and lot size	Identification No.	TCDD level (ppm)
Dow, 464-205	Dow 2,4,5-T propylene glycol butyl ether ester, 69.2 percent.	July 13, 1973, lot No. 675233, 1-gal can	102526	<0.1
Do	do	July 13, 1973, lot No. 675293, 1-gal can	102527	<0.1
Do	do	July 13, 1973, lot No. 675423, 55-gal drum	102530	<0.1
Transvaal, 11687-30	2,4,5-T acid, 100 percent	July 13, 1973, bin No. 90 (3,500 lb)	104593	<0.1
Do	do	Sept. 21, 1973, bin No. 121 (3,500 lb)	104593	<0.1
Do	do	Sept. 21, 1973 bin No. 100-16 (3,500 lb)	104593	<0.1
Do	do	Sept. 21, 1973, bin No. 70 (3,500 lb)	104593	<0.1
Do	do	Sept. 21. 1973, bin No. 100-10 (3,500 lb)	104593	<0.1
Do	do	Sept. 21, 1973, bin No. 119 (3,500 lb)	104593	<0.1
Thompson Hayward, 148-924	2,4,5-T isooctyl ester tech, 97 percent	July 12, 1973, from 10,000-gal bulk tank	102206	<0.1

[1] Analyses conducted at EPA/OPP/TSD Laboratory, Beltsville, Md.

C. THE REGISTRANTS HAVE NOT ESTABLISHED THE NEED FOR 2,4,5-T IN LIGHT OF THE ABOVE-MENTIONED RISKS

The necessity for the continuation of the registered uses of 2,4,5-T.

1. What are the pests which each registered use is intended to control and the degree of control achieved by each use?

2. What is the cost, timing and rate of application of 2,4,5-T for each use?

3. What alternative controls exist for each registered use and what is the cost and effectiveness of each alternative?

The registered uses of 2,4,-T are intended to control a multitude of weed and plant pests.[105] Over 1.8 million acres of rice are harvested annually in the United States. 100,000 of these acres are treated with 2,4,5-T, virtually all within the States of Arkansas and Mississippi. In Arkansas, 10 percent of the crop (44,000 acres) is treated with 2,4,5-T, while in Mississippi, 85 percent (44,000 of 51,000 acres) receive treatment.

For rice weeds the herbicide is applied in one foliar application of .75 to 1.25 lb/acre at a cost of *approximately* $4 to $5 acre, for the control of arrowhead, coffeebean, curly indigo, gooseweed, ducksalad, Mexican weed, redstem, smartweed, spikerush and umbrellaplant.

However the major agricultural use of 2,4,5-T is for the control of brush on rangeland. There is some use for brush control on pastures but it is much less extensive. Texas, Oklahoma and New Mexico are the primary users of 2,4,5-T for rangeland control. Within these 3 states approximately 1.4 of 177 million acres of rangeland receives 2,4,5-T treatment each year. Because treatment lasts for several years, about 8.4 million acres of range are currently benefiting in varying degrees from chemical brush control.

2,4,5-T is used on pastures and rangeland to control woody species; blackjack oak, mesquite, post oak, sand shinnery oak and yucca. One foliar application of ½ to 2 lbs/acre, depending on the rate of regrowth is made every 5-6 years at a cost of approximately 4-6 dollars per acre. In heavily infested areas a second application may be necessary the following year. The application is made during the period of rapid growth or while leaves are expanding.

The USDA has estimated that 430,000 acres of forest land are treated annually with 2,4,5-T, exclusive of its use by the United States Forest Service. It is used for site preparation, conifer release, and pine release, to control alder, bigleaf maple, blackjack oak, California black oak, Ceanothus, chinquapin, gum, Oregon white oak, sumac, vine maple, white oak, and wild cherry and other species. Application rates for each major forestry use are:

Site Preparation—One foliar application at a rate of 2-4 lbs acre after leaves of undesirable hardwoods have fully expanded, but before planting of seedlings.

Conifer release—One foliar application 2-4 years after seedlings have been planted (depending on rate of regrowth of undesirable hardwoods). Application should be made prior to budbreak of the conifers to prevent injury at a rate of 2-4 lbs. acre.

Pine Release—one foliar application 2-4 years after seedlings have been planted (depending on rate of regrowth of undesirable hardwoods) after spring growth of pines has hardened, at a rate of 2-4 lbs acre.

Specific data on the remaining registered uses (Rights of ways, Roadways, Fencerows and wasteland) is unavailable, although an estimated 2.2 million acres of rights of way is treated annually.

It is used to control ailanthus, alder, ash brambles, basswood, ceanothus, chinquapin, elm, ground cherry, gum, hickory horsenettle maple mesquite, poison ivy, locust, oak, persimmon sassafras, shinnery oak, sumac, Virginia creeper, wild cherry, and other species. 2,4,5-T for these uses is applied as follows.

(a) one foliar application every 5-6 years (depending on rate of regrowth) to brush 6-8 ft tall during the period of most active growth, at a rate of 2-12 lbs acre depending on species to be controlled and density of population

(b) one basal bark treatment anytime of the year gives satisfactory control to susceptible species less than 6 inches in diameter at breast height, at a rate of 12-16 lbs acre/100 gals of solution.

(c) frilling can be employed during anytime of the year on any size tree at a rate of 8-16 lbs. acre/100 gals solution.

(d) injections can be made during anytime of the year on any size tree at a rate of 4 lbs acre 10-20 gals of solution with satisfactory results.

(e) stump treatment are utilized on freshly cut trees more than 2 inches in diameter at the base, at a rate of 12-16 lbs acre/100 gals of solution.

There are available generally effective alternatives for the great majority of these 2,4,5-T uses. 2,4,5-TP, "silvex", appears to be the most broadly effective substitute for all registered uses. Table IV contains a list of registered alternatives to 2,4,5-T.

Silver, MCPA, and 2,4-D all provide varying degrees of control for the rice weeds that are controlled by 2,4,5-T. The following chart lists these weeds and the herbicide(s) providing the best control:[106]

Arrowhead—all provide a similar degree of control.

Dayflower—all provide a similar degree of control.

Smartweed—all provide a similar degree of control.

Coffeebean—2,4, 5-T; Silvex; 2.4-D.
Curly indigo—2,4,5-T; Silvex.
Ducksalad—2,4-D.
Gooseweed—2,4,5-T; Silvex.
Mexicanweed—2,4,5-T; Silvex.
Redstem—Silvex; 2,4-D.
Spikerush—Silvex; 2,4-D.
Umbrellaplant—2,4-D.

For every weed listed, that is controlled by 2,4,5-T, there is at least one alternative that is either equal to or superior to the control achieved with 2,4,5-T. In most cases there are 2 or more.

The major concern over the use of these alternative herbicides is the phytotoxic hazard to nearby susceptible crops as a result of drift and volatility. All four phenoxy herbicides (including 2,4, 5-T) will adversely affect highly susceptible crops, such as cotton and soybeans, if allowed to drift onto them during application. However, they do differ as to the degree of injury. Injury to cotton caused by these four herbicides, in order of greatest to least injury, is 2,4-D; MCPA; Silvex; and 2,4,5-T. For soybeans the order is Silvex; 2,4,5-T; 2,4-D; and MCPA.

It would appear that the most satisfactory alternative to 2,4,5-T (regarding drift haz-

---

Footnotes at end of article.

ard) would be Silvex when applied adjacent to cotton. In areas where soybeans are grown both 2,4–D and MCPA would produce even less damage than 2,4,5–T.

An important point in considering drift is that most injury problems are the direct result of misapplication, and if care is not taken in applying these herbicides, as indicated on the registered labels, even 2,4,5–T is a hazard to nearby susceptible crops.

Concerning volatility, all 3 of the alternative herbicides can be formulated as the salt. Since the hazard from the use of a salt formulation is negligible, their application near susceptible crops poses no greater volatility problem than that of 2,4,5–T.

C.4. DO ALTERNATIVE PESTICIDE PRODUCTS CAUSE ADVERSE ENVIRONMENTAL EFFECTS?

With the possible exception of one herbicide and on the basis of available information, Respondent believes the registered alternatives are environmentally acceptable. 2,4,5–TP (Silvex), apparently the most broadly substitutable herbicide for 2,4,5–T uses, is suspected of containing tetradioxin. It is anticipated that this question will be resolved, particularly by reliable facts from Silvex registrants, before the close of this proceeding. Should 2,4,5–TP prove to be free of dioxins and of other inordinately toxic, persistent contaminants, it too, would be considered environmentally acceptable.

C.5. WHAT ARE THE ECONOMIC IMPLICATIONS OF THESE ALTERNATIVES, INCLUDING THAT OF NO CONTROL?

Should silvex prove to be a safe alternative, the economic impact of cancelling all registered 2,4,5–T uses would not be significant. Respondent is in the process of developing specific cost-effectiveness information on the remaining substitutes and on the economic impact, if any, of cancelling the remaining registrations of 2,4,5–T.

TABLE IV

Registered alternative herbicides for 2,4,5–T

Rice—2,4,5; 2,4,5–TP (Silvex); MCPA: Propanil; Molinate.

Pasture and rangeland:

Foliar—2,4,D; 2,4–D+2,4,5–T; 2,4–D+Dicamba; 2,4–TP (Silvex); MCPA; Ammonium sulfamate.

Basal park—2,4–D+2,4,5–T; 2,4–D+2,4–DP; 2,4–D+Dicamba; Dicamba; Bromacil.

Frill—2,4–D; 2,4–D+2,4,5–T; 2,4–D+2,4–DP; 2,4–D+Picloram; Ammonium sulfamate; Dicamba.

Stump—2,4–D; 2,4–D+2,4,5–T; 2,4–D+2,4–DP; 2,4–D+2,4,5–TP; 2,4,5–TP; Ammonium sulfamate.

Rights-of-Way, Reforestation (site preparation), Roadways, Fencerows, Wasteland (foliar)—2,4–D; 2,4–D+2,4,5–T; 2,4–D+Picloram; 2,4–D+Dicamba; 2,4–D+2,4–DP; 2,4,5–TP; Karbutilate; Amitrole; Ammonium sulfamate; Maleic hydrazide (growth retardant); Cacodylic acid; MSMA.

Rights-of-Way, Roadways, Fencerows, Wasteland (basal bark, frill, injection, and stump)—See herbicides listed in Pasture and Rangeland.

Reforestation (conifer and pine release)—2,4–D; 2,4–D+2,4,5–T; 2,4,5–TP.

SUMMARY OF RESPONDENT'S POSITION

The use of 2,4,5–T on rice, in accordance with label directions and widely recognized and accepted practice, causes unreasonable adverse effects on the environment and must be cancelled.

The rice use constitutes a direct application (the only remaining one) of 2,4,5–T and 2,4,5–T related tetra-dioxin to human food. By its potential contamination of rice and its associated contamination of water and aquatic species, also a part of the human food supply, this use creates a direct route for the ingestion by man of tetra-dioxin, a teratogenic and incomparably poisonous compound.

Testing on tetra-dioxin demonstrates the extreme potency of minute quantities, a fact which cannot be obfuscated by specious comparisons between the "small" amounts of this toxicant available for environmental contamination and greater amounts of other infinitely less toxic and non-teratogenic contaminants. Besides the gross qualitative and quantitative differences in toxicity, tetradioxin has demonstrated persistency and a propensity for biomagnification.

It has not been demonstrated that the risk to man from this compound is insignificant. Any such assertion is speculative, founded not on reliable research, but on the mere hope that man is less not more sensitive than the mammalian species tested in the laboratory.

In theory, perhaps, Registrants, in fulfilling their burden of ultimate persuasion, cannot "prove a negative", that the use of 2,4,5–T presents absolutely no risk. In fact existing information compels the conclusion that a direct food use of 2,4,5–T presents a clear hazard to public health. Nothing derived from scientific research, field experimentation or experienced observation of widespread human exposure to 2,4,5–T demonstrates, to the contrary, that this risk is of insignificant proportions. Respondent's best scientific judgment, compatible with the conclusion in 1970 of the Surgeon General and the Secretary of Health, Education, and Welfare, is that while the magnitude of this hazard cannot be quantified, it constitutes a direct risk to man. It is untenable that society should unknowingly and involuntarily be subjected to this hazard in light of an absence of substantial benefit from the use of 2,4,5–T on rice and the availability of substitutes for this use. Such risk is, indeed, socially unacceptable.

For the moment, Respondent reserves its judgment on the remaining registered uses of 2,4,5–T. Whether the health hazard raised by the food uses of 2,4,5–T is also presented by the other uses, depends principally upon the risk of human exposure to tetra-dioxin from these uses. In this regard a so-called "non-food" use, on rangeland and pasture, raises serious questions of safety because of its rather obvious link to human ingestion of tetra-dioxin. Respondent believes, the relationship must be established somewhat more firmly.

In addition, while data do not clearly demonstrate its mobility, the patterns of 2,4,5-T application (all uses), TCDD's apparent persistence in soil and its vapor pressure (similar to that of DDT) all suggest that tetradioxin, like DDT, can be expected to penetrate readily in the environment, ferreting out human food sources unrelated to and beyond the areas of 2,4,5-T use. Whether widespread environmental distribution is occurring from these "non-food" uses and the ecological and human health impact of such broadcasting of tetra-dioxin are not yet obvious. Clearly the potential for risk exists.

Respondent anticipates that it will develop more information on these remaining substantial questions of safety. Further, those who would favor the continued distribution of this extraordinary toxicant must illuminate their optimistic conclusions of safety with convincing evidence. Respondent would prefer that a decision, herein, rest on thorough scientific information, reasoned inference and reliable prediction, rather than on the sheer force of law. But the hazard to public safety is clearly raised. The Congress has seen fit to protect the public health in such cases by compelling cancellation of these pesticides, unless Registrants can convincingly demonstrate the acceptability of the public risk. There is no overwhelming social benefit from 2,4,5-T. Registrants can, therefore, meet their burden only by reliable negative long-term toxicity testing on tetradioxin, by thorough environmental monitoring for TCDD and by adequate human survey of the chronic effects of exposure.

CONCLUSION

Respondent's evidence will prove that the risk to public health from the use of 2,4,5-T on rice is unequivocally greater than any social value derived from such use. This pesticide use causes unreasonable adverse effects on the environment and should be cancelled.

Respectfully submitted,
TIMOTHY L. HARKER,
Office of the General Counsel, Counsel for Respondent, Office of Hazardous Materials Control, Environment Protection Agency.

FOOTNOTES

[1] Report of the Advisory Committee On 2,4,5–T to the Administrator of the Environmental Protection Agency, May 1971, p. 3.

[2] Ibid, at p. 4.

[3] USDA-PRD, PR 70–1, 20 Apr. 1970.

[4] USDA-PRD, PR 70–13, 1 May 1970.

[5] 7 USC 135 *et. seq;* amended, 1972, 7 USC 136 *et. seq.* (Supp. 1973).

[6] EPA under the Reorganization Plan No. 3 of 1970 (December 2, 1970, 35 Fed. Reg. 15623) was entrusted with the administration of the FIFRA.

[7] Determination and Order of the Administrator, August 6, 1971 (36 Fed. Reg. 14777).

[8] Orders of the Administrator of November 4, 1971 and April 13, 1972 (FIFRA Docket Nos. 42 and 44).

[9] Unreported; Memorandum and Order; E. D. Ark., June 22, 1972.

[10] *Dow Chemical* v. *Ruckelshaus,* 477 F. 2d 1317, 1326 (8 Cir. 1973).

[11] Baughman and Meselson. An Analytical Method for Detecting TCDD (Dioxin): Levels of TCDD in Samples from Vietnam; Environ. Health Persp., Exper. Issue No. 5, pp. 27–35, 1973.

[12] 38 Fed. Reg. 19860, July 24, 1973.

[13] 7 USC 136. The term "unreasonable adverse effects on the environment" means any unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide.

[14] See *Neodane Company, Inc.* v. *Environmental Protection Agency*, 470 F. 2d 194 (8 Cir. 1971); In *Re Stevens Industries,* 37 F.R. 13369 (1972); aff'd *EDF* v. *Environmental Protection Agency,* No. 72–1548 (CADC, 1973); *EDF* v. *Ruckelshaus,* 439 F. 2d 584 (CADC, 1971); *Stearns Electric Paste Company* v. *EPA,* 461 F. 2d 293, 304, 306 (7 Cir., 1972); and *Reasons Underlying the Registration Decisions Concerning Products Containing DDT, 2,4,5–T, Aldrin and Dieldrin,* Environmental Protection Agency Release, March 18, 1971, at p. 4, where the Administrator stated: "It is clear from the statute, the legislative history, and judicial construction that the burden of establishing the safety and effectiveness of a product remains with the registrant from the time of initial application through continued registration of the product."

[15] The Advisory Committee's recommendations included:

"That existing deficiences in information relative to possible accumulation in the soil and possible magnification in the food chain of the dioxin TCDD be rectified by specific research directed to this end, with these questions to be subjected to scientific review within three years of the present date and yearly thereafter until these questions are resolved.

That additional postregistration monitoring for adverse effects of agricultural chemicals be established, to include both surveillance for such effects in man and domestic and wild animals, as well as consideration of the applicability of new methodology that may be evolved for specialized testing, e.g., for carcinogenesis, mutagenesis or teratogenesis." op. cit. Note 1 at p. 67.

[16] Op. cit., Note 1.

[17] Collins, T. F. X., and Williams, C. H. Environ, Contam. Toxicol. 6:559–567, 1971.

[18] Courtney, K. D., and Moore, J. A., Toxicol. Appl. Pharmacol., 20:396–403, 1971.

[19] Roll. R., Fd. Cosmet. Toxicol., 9:671–679, 1971.

[20] Neubert, D. and Dillman, I., Naunym-Schmiedeberg's Arch. Pharmacol., 272:243–264, 1972.

[21] Neubert, D., *et al.*, Environ. Health Persp., Exper. Issue No. 5, pp. 67–79, 1973.

[22] Ibid.

[23] Sparschu, *et al.*, Food Cosmet. Toxicol. 9: 405–412, 1971.

[24] Courtney and Moore, Toxicol. Appl. Pharmacol. 20:396–403, 1971.

[25] Op. cit., Note 21.

[26] Report of the Secretary's Commission on Pesticides and Their Relationship to Environmental Health, Parts I and II, U.S. Department of Health Education and Welfare, December 1969, pp. 661–662.

[27] Kalter, H., Teratology of the Central Nervous System: Induced and Spontaneous Malformations of Laboratory, Agricultural and Domestic Animals. Chicago, University of Chicago Press, 1968.

[28] Jusko, William J., Pharmacodynamic Principles in Chemical Teratology: Dose-Effect Relationships. Journ. Pharmac. and Exper. Therap., Vol. 183, No. 3, 1972, pp. 469–480.

[29] Personal Communication, Matthew Meselson, Harvard University, January 11, 1974.

[30] Op. Cit., Note 26, at p. 659.

[31] Meselson, M. A., A. H. Westing and J. D. Constable, 1970. Background Material Relevant to Presentations at the 1970 Annual Meeting of the AAAS, Herbicide Assessment Commission of the American Association for the Advancement of Science. Revised January 14, 1971.

[32] Op. cit., Note 1, at pp. 71–72.

[33] Op. cit., Note 18.

[34] Dougherty, W. H., *et al.*, Alst 9 p. 7, 12th Annual Meeting Soc. Toxicol., 1973.

[35] Thomas, J. A. and Lloyd, J. W., *Pesticides and the Environment*, Intercontinental Medical Book Corp., N.Y. pp. 43–51, 1973.

[36] Bauer, H., Schulz, K. H., Spiegelberg, U., Arch. Gewerbepath, Vol. 18, 538–555, 1961.

[37] Anderson, K. J., *et al.*, J. Agric. Food Chem. 20:649–656, 1972.

[38] Hussain, S., *et al.*, Ambio., 1(1):32–33, 1972.

[39] Jackson, W. T., J. Cell. Sci. 10:15–25, 1972.

[40] Buu-Hoi, N. P., *et al.*, Naturwiss. 59 (4):174–175, 1972.

[41] Buu-Hoi, N. P., *et al.*, C. R. Acad. Sci. (Paris) D273(3):708–711, 1971.

[42] Gupta, B. N., Environ. Health Persp. Exper. Issue No. 5., pp. 127–140, 1973.

[43] Gehring, P.J., *et al.*, Toxicol. App. Pharmacol. 26:352–361, 1973.

[44] *supra*, p. 13.

[45] Vos, J.G., *et al.*, Envir. Health Persp., Exper. Issue No. 5, pp. 149–162, 1973.

[46] Zinkl, *et al.*, Environ, Health Persp., Issue No. 5, pp. 111–123, 1973.

[47] Allen and Carstens, Amer. J. Vet. Res. 28: 1513–1526, 1967.

[48] Flick, *et al.*, Poultry Sci., 52: 1637–1641, 1973.

[49] Baughman and Meselson, Environ. Health Persp., Exper. Issue No. 5, pp. 27–35, 1973.

[50] Gupta, *et al.*, Environ. Health Persp. Issue No. 5, pp. 125–140, 1973.

[51] ibid. at p. 127.

[52] USDA–Beltsville; unpublished.

[53] Poland, A. and Glover, E., Science, 170, 476–477 (1973).

[54] Goldstein, *et al.*, Fed. Proc., 32 702 (Abstr. 1973)

[55] See In *Re Stevens Industries*, 37 F.R. 13369.

[56] 8th Western States Sage Grouse Workshop Proceedings, Lewiston, Montana, August 7–8, 1973, p. 19.

[57] Personal Communication, State of Montana Department of Fish and Game, Helena, Montana.

[58] Langer, H. G., *et al.*, Environ. Health Persp., No. 5, pp 259–266 (1973).

[59] Communication with the Office of Pesticide Programs (OPP), U.S. EPA., July 30, 1973.

[60] Private communication with Mr. Carroll Collier, OPP, EPA; Beltsville, Md.

[61] op. cit., Notes 58–60.

[62] op. cit., Note 58.

[63] Crosby, *et al.*, Environ. Health Persp., No. 5, pp. 259–266 (1973).

[64] Buu-Hoi, *et al.*, Comptes Rendus Acad. Sci., Paris, *273* Series D, 708 (1971).

[65] op. cit., Note 62.

[66] Watts, R. R. and R. Storher, JAOAC, *56* (4) 1026 (1973).

[67] Chow, et al. Bull. Env. Cont. Toxic. 6 576 (1971).

[68] Yip and Ney, Weeds *14* 167 (1966); and FDA Pesticide Analytical Manual Vol. 1, Sections 222.13c, 222.14, 222.15, & 222.16(b) (1968 rev'd ed.)

[69] Loos. M.A. "Degradation of Herbicides", pp. 1–49, Ed. P.C. Kearney, Marcel Dekker Inc. N.Y. (1969).

[70] Bauer, *et al.* Weed Sci., *17* 567 (1969); Alexander & Aleen, J.Agr. Food Chem. 9 45 (1961).

[71] Schultz, D.P.K. Agr Food Chem., *21* 186 (1973).

[72] Op. cit., Note 70; and Bovery, R. Bauer, Bull Env. Cont. Toxic *8* (4) 229 (1972).

[73] Leng, M. L., Down to Earth, *28* (1) 12 (1972).

[74] Pesticide Petition, 2,4,5–T, the Dow Chemical Company, No. 1 F 1102.

[75] Op. cit., Note 1.

[76] Matsamura, F. and H. Benezet, Env. Health Persp. No. 5,253 (1973)..

[77] Kearney, P. C. *et al.*, "Chlorodioxins—Origin and Fate," E. Blair, et pp. 105–111, Amer. Chem. Soc., Adv. Chem Sin 120, 1973.

[78] Private Communication with OPP Major Mabson, USAF, Wash. D.C.

[79] Op. cit., Note 76.

[80] Private Communication, USDA. Isensee.

[81] Baughman and Meselson, op. cit, Note *49*.

[82] Op. Cit, Note 78.

[83] EPA, OPP TCDD Monitoring Project.

[84] Private Communication, Fries. G. USDA Beltsville, Md.

[85] *Op cit* Note 83.

[86] Ibid.

[87] Gerlow, A. R., "The Economic Impact of Cancelling the Use of 2,4,5-T in Rice Production", p. 7, ERS–510, USDA, Washington, D.C., 1973.

[88] The Yearbook of Agriculture—"Grass", p. 525, USDA, Washington, D.C., 1948.

[89] Miller, R., *et al.*, Envir, Health Persp. No. 5, 177 (1973).

[90] Manigold, D. B. and J. Schulze, Pest. Mon. J., *3*(2) 2 (1969).

[91] Personal Communication, Matthew Meselson, Harvard University. These shrimp as juveniles may have ingested the TCDD while in estuaries near the shore.

[92] Firestone, D. *et. al.*, JOAOC, 55(1) 35 (1972).

[93] Poland, A. and E. Glover, Science *179*,476 (1972).

[94] Huston, B., J. Agr. Food Chem., *30*(3) 724 (1972).

[95] Op. cit., Note 60.

[96] Nilsson, C. and L. Renberg, "Further Studies on Impurities in Chlorophenol." Unpublished manuscript.

[97] EPA Compensium of Registered Uses; Section III–R–1. 2.

[98] ibid.

[99] Plimmer, J. *et. al.*, Science *173* 748 (1971).

[100] Op. cit., Note 93.

[101] Letter from Dr. A. E. Sidwell, Transvaal, Inc, 3/30/73.

[102] Letter from Mr. Edwin Upton, Thompson Hayward Chemical Co., 3/29/73.

[103] Personal Communication, OPP, EPA.

[104] Letter from Mr. Donald Yoder, BASE Wyandotte Corp, May 14, 1973.

[105] See Table IV for General Estimates of the Rate, Timing and Costs of Application of 2,4,5–T.

[106] USDA Handbook 289 and 292, and State Herbicide Recommendations.

Mr. BIBLE. Mr. President, the very distinguished Senator from Wisconsin knows of my strong affection and admiration for him, and I want to commend him for bringing this problem to the attention of the Senate. I wish he had brought it to my attention a little earlier than a day or two before we marked the bill up in the subcommittee. I did not know about that until almost the day we were marking it up. We never had a chance to hold a hearing on this, and I would be reluctant to support an amendment on which I had had no hearing at all.

The Senator from Wisconsin is performing a great service in this area of sounding warnings on this whole range of pesticide and herbicide problems, and I can assure him that if he brings this before us further down the road this session when we get into the first supplemental, we could have a hearing and get into this problem a little more thoroughly.

We did check it out quickly with the Forest Service, and they advised us in a written statement which we have, and which is a part of our markup memorandum that the chemical 2,4,5–T, is used for fire breaks and to reduce forest fire hazards, and the like. They use it as well to promote timber growth in eradicating competing underbrush. According to the Forest Service, the chemical is used only as it is labeled and registered with the Environmental Protection Agency. Certainly the EPA has clear authority to control the use of this chemical, and I understand has the question under study.

Now, the Senator from Wisconsin may turn out to be right; I do not know, but it is under study. It is something with which I have absolutely no familiarity, and I have been advised that this matter has been taken to the courts in his native State of Wisconsin, and that there is an injunction against its use there. I have not had the opportunity of checking into that case in its details. I do not know whether it has been appealed or whether that is a decision of the final court or not. I just do not know.

Mr. NELSON. It is a temporary injunction.

Mr. BIBLE. Perhaps the Senator from Wisconsin would enlighten me on that point.

Mr. NELSON. It is a temporary injunction, and there will be further argument on it in another 10 days or so.

Mr. BIBLE. I thank the Senator from Wisconsin. But I do not think it is the proper function of the Appropriations Committee, in its appropriations process, to step into a controversy of this nature, and I am sure it does have controversy, without full hearings.

I do not know whether the Senator has taken this case to EPA or not. Has this case been submitted to EPA?

Mr. NELSON. This case?

Mr. BIBLE. This particular problem.

Mr. NELSON. Yes. I am putting into the RECORD a brief of the Environmental Protection Agency which is a dramatic and powerful indictment of the use of 2,4,5-T.

It is absolutely clear that we do not have evidence that this agent is safe.

We do have evidence that it is the most lethal synthetic agent known to man; that it is teratogenic; that it may be mutagenic and carcinogenic. The Environmental Protection Agency says it cannot set a safe level—that it does not know enough about it to know whether or not there is a safe level.

The Environmental Protection Agency has announced it is going to expand its monitoring and scientific studies. Hopefully within a year or two, it will be able to reach some conclusion about whether or not it is safe to use this agent at all and, if so, under what circumstances.

So all I am saying to the Senator is that we have an agent that is so potent that six-tenths of 1 part per billion by body weight was a lethal does on guinea pigs in the laboratores and so potent that, according to the Library of Congress Scientific Division, which at my request did an extrapolation, if you assume that dioxin has the same effect on human beings as guinea pigs, then one eyedropper of dioxin would kill 1,200 people. Well, these facts, it seems to me, are enough for Congress to say, "Halt, stop right there. Do not gamble with the health of the human beings of this country. Do not gamble with a hazardous agent that may create havoc and may have ramifications of disastrous consequence throughout the environment because all the evidence is not yet in."

Yet all the evidence that is in indicates that it is a very, very, very dangerous agent and, as public servants, we ought to be saying to the Forest Service, "Stop it. There is no urgency."

They are spraying it in the Nicolet and the Chequemegon Forests in Wisconsin in order to kill the broad leaf trees to let the pines grow up underneath. What is the urgency?

Mr. BIBLE. I can understand the feeling and the emotion and the great appeal of my friend from Wisconsin. I asked a very simple question——

Mr. NELSON. The Senator asked me if the EPA had taken a stand, and I was reciting what it was.

Mr. BIBLE. The Senator's answer was a little longer than I had anticipated. It sounded more like a speech. But I am always delighted with the responses of my friend from Wisconsin.

I know others have looked into it thoroughly and, at this point, I would like to yield to the Senator from Idaho for his observation.

Mr. McCLURE. I thank the Senator for yielding.

I think at this time it might be well to complete the record of what the EPA has done. While the Senator from Wisconsin is entirely correct that these charges were made——

Mr. NELSON. Mr. President, I cannot hear.

Mr. STENNIS. Mr. President, may we have quiet.

Mr. NELSON. I wonder if the Senator would use his microphone.

Mr. McCLURE. I am using my microphone, I would say.

The EPA did in their brief recite exactly as the Senator has said they did, but the Senator neglects to add to the Record what I think is important to add, and that is the EPA did on June 24 of this year make a finding.

Their finding said that they should not cancel the registrations that are now in effect pending the further hearing.

I think it is important after EPA has filed that brief, they have had their advice from various committees, evaluated the advice they were able to get, stated the following conclusion, which I think the Record should include.

I refer to a memorandum which is at a meeting of the Environmental Protection Agency on June 24 of this year, quoting the statement of Dr. William Upholt, Senior Science Adviser to the Acting Assistant Administrator for Water and Hazardous Materials.

After rather lengthy evaluation of the current status of knowledge on the particular subject, he says:

> The environmental degradation of 2,4,5-T itself is sufficiently rapid that currently registered products should not result in detectable residues if used according to label instructions.

On the same date, EPA under their Administrator, Mr. Quarles, made the following statement:

> Quarles indicated that the continued use of 2,4,5-T on rice, rangeland, and rights of way—the only permissible uses—"should not result in detectable residues of the herbicide if it is used according to label instructions. Thus the health implications of these uses are believed to be minimal."

This finding by EPA was not ill-advised or hastily taken. It follows the studies that have been going on since 1969.

It follows the recommendation of the Advisory Committee on 2,4,5-T to the Administrator of EPA, which is dated in May 1971, in which they reached the conclusion that primarily registration of 2,4,5-T was worthy of continuation, but that the extension of the withdrawal was not at this time justified by any evidence which was credible enough for them to take that action upon.

There was also a President's Science Advisory Panel which reached the same conclusion in March 1971.

I think rather than saying that the evidence raises inferences of hazard that justifies this kind of convulsive action without hearings in the Senate that we should instead respond to the hearings and the advice that has been taken as a result of extensive hearings by people who are very competent to evaluate the scientific evidence and to make a measured and responsible judgment.

We have set in force certain actions here. The Congress of the United States has mandated under both the EPA and under other law that hearings be held, and those hearings have been held.

The results of those hearings say, do not take this step now. We do not know enough to take this step now.

Without broadening the inquiry or the discussion here today, I think it is worthwhile noting that we earlier tried to do something of this nature in other fields and we acted hastily and I think inadvisedly and we did outlaw, through the administrative procedures, not by Congress, the use of DES in fattening livestock.

That action was later challenged in court and the court threw it out, said there was not enough evidence upon which to base the action taken by the Administrators.

What we are seeking to do here is to impose a hasty judgment that it is, in the face of the conclusions of those people who have devoted a great deal more time than we have to the question of whether or not it should be outlawed.

I would suggest that the Senator from Nevada is exactly correct, that to take this action now without knowing what the effects of 2,4,5-T are would be an ill-advised action and it flies in the face of the conclusions reached by those people charged by law with making the investigation.

I would like to point out, too, that while the amendment of the Senator from Wisconsin referred only to the use of 2,4,5-T on the U.S. national forest system, I do not know why if, indeed, this is good, it should not also be applied to the lands under the administration of the Bureau of Land Management.

If it is good in one, it is good in the other.

I wish to inform Senators what is being done in terms of the use on rangelands of the United States.

Under the administration of the Bureau of Land Management under a national ecosystem untrammeled by man, conditions not here when man was regulating what happened on those lands, we had a succession of uses.

One of those was the intermittent burning of rangelands caused by entirely natural forces, not manmade forces, lightning, fires, and the like, that removed a certain amount of brush.

We also find in some of our grasslands, grass is the natural climax vegetation in that area, but where we have had heavy grazing and the grass has been depressed in its vitality and has not been stimulated by the fires which we have also suppressed, that grass has been supplanted by brush.

So what we attempt to do in this respect, in certain places, we go back in trying to reestablish what was, in effect, the natural ecosystem there prior to the interference by man.

This is one of the tools used to do that, and it will. I suspect if we took all grazing off those lands and we allowed fires to burn as they naturally would burn that over the next 50 or 100 years the brush would again be eliminated and grass would again establish itself as the primary vegetation in that area.

Can we wait 50 or 100 years, or should we wait 50 or 100 years to have that accomplished in the natural evolution of the ecosystems?

I think not.

Certainly, every consumer in this country is aware of the high prices we are paying for meat.

While we may get into an argument as to all the reasons why meat is as high as it is at the consumer level today, certainly it will not be any lower if we restrict the ability of the public lands of this country to sustain grazing animals that then flow into the food chain for human beings. I think the people across this land are interested in that, as well.

So I think the amendment, in spite of all its good intention, in spite of all the very legitimate concern which the Senator from Wisconsin has expressed, is premature.

It is not based upon the best scientific information available to us. It would be counterproductive to the very things we are concerned about today in terms of the cost of living of the average American citizen and the kind of nutrition which we hope they will have in having good protein foods available to them.

The amendment should not be approved.

Mr. President, I ask unanimous consent that copies of the two documents to which I made reference be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

2,4,5–T

(Note: At a meeting of parties to the Environmental Protection Agency 2,4,5-T hearing on June 24 at 11:15 a.m. the Office of Water and Hazardous Materials recommended to John Quarles, the Deputy Administrator of the Environmental Protection Agency, that the cancellation action against the use of 2,4,5–T on rice be withdrawn and that the hearings on all other uses of 2,4,5–T be terminated without prejudice. The following statement was made by Dr. William Upholt, Senior Science Adviser to the Acting Assistant Administrator for Water and Hazardous Materials, at the meeting to explain the basis for the recommendation by the Office of Water and Hazardous Materials.)

SCIENTIFIC EVIDENCE REGARDING 2,4,5–T

In 1969, the Bionetics Laboratories (under contract to the National Cancer Institute) provided experimental evidence that 2,4,5–T produced birth defects in mice.

Investigation showed that Bionetics Laboratories had obtained their supply of 2,4,5–T several years earlier, at about the time that Dow was discovering the dioxin problem associated with chloracne. Bionetics had purposely used technical 2,4,5–T as sold at the time rather than a purified grade. Immediately NIEHS initiated new experiments to determine whether or not dioxin might be the source of birth defects.

In April of 1970, scientists at NIEHS reported to the Surgeon General that the purest 2,4,5–T they were able to obtain (less than 0.1 ppm TCDD as contrasted with over 25 ppm TCDD in the earlier production) still produced birth defects in experimental mice when the pregnant females were administered subcutaneously 100 mg/kg body weight.

On the basis of this evidence that the purest 2,4,5–T available commercially produced birth defects, the Surgeon General conferred with representatives of the Department of the Interior and the Department of Agriculture (the latter then administered the FIFRA) and the latter decided to suspend registration of those 2,4,5–T products which could be expected to result in direct exposure to women of childbearing age. This included liquid formulations for use around the house and garden and all products that could be expected to be used around recreational areas or where water supplies might be contaminated. Other products for use on food crops were canceled for fear residues might persist but were not suspended because the hazard was not considered imminent. The four manufacturers appealed only those cancellations which would affect use on rice, which meant that all of the other cancellations became final at the end of 30 days.

Under FIFRA procedures in 1971, a scientific advisory committee was convened to review the evidence. The most important part of their findings was that the hazard from 2,4,5–T was minimal, but because of the inevitable contamination by dioxins, they recommended that current supplies of 2,4,5–T should be canceled if they contained over 0.5 should be limited to 0.1 ppm TCDD. They further recommended that even products with less than 0.5 ppm TCDD should be labeled to avoid exposure of women of childbearing age (they said pregnant women). The Administrator recognized this as clear evidence of hazard of current production and, in the absence of adequate evidence of benefits of continued use of 2,4,5–T on rice, chose to continue the cancellations with the expectation that they would be taken to public hearings promptly.

After a series of delays, the public hearings were scheduled to begin in 1973 when the evidence against 2,4,5–T was still essentially as described above, complicated by the difficulty in determining the TCDD content of formulated products and of residues.

At about that time a new method for the analysis of TCDD was described which used high resolution mass spectrography and was claimed to be sensitive to as little as 1 part per trillion as a residue. All parties to the hearings agreed on the desirability of delaying the hearings until it was possible to try out the new analytical procedure and to attempt to obtain new evidence on residues of TCDD thereby. The equipment needed for this new analytical method is expensive and not commonly found in residue laboratories so a limited number of samples could be analyzed over a period of six to ten months. They were selected to detect possible residues in human fat and milk, in rice, in beef, and in fish and wildlife with the greatest potential exposure to 2,4,5-T. During this postponement research was also conducted to confirm evidence of teratogenicity of the current production of 2,4,5-T and the levels of TCDD that might accumulate in mice being chronically exposed to TCDD as part of a carcinogenicity experiment.

As in not unusual with a new, highly sensitive, analytical procedure, some difficulties arose in applying the new technique to samples of rice and human tissues so that, in spite of additional postponement, the results from those critical samples are not yet available. The results from the other samples leave little doubt as to the presence of TCDD in at least seven of the 300 or so samples so far analyzed but there is considerable doubt as to the exact amount (different analyses on the sample vary by up to 20 fold). Also, there is even some question as to whether or not some of the residues are clearly TCDD or an interferring impurity that might show up at the same point on the graph.

Clarification of these remaining questions regarding the residues of TCDD that can be expected from use of current production of 2,4,5-T will require more samples and some improvement in the analytical procedures especially in explaining differences between different laboratories. It is estimated that adequate resolution of these remaining problems with TCDD residues may well require another two years or more.

Meanwhile the research on teratogenicity of 2,4,5-T indicated that the purest 2,4,5-T available definitely produces birth defects in mice and that the frequency is independent of the amount of TCDD, so there seems little question but what 2,4,5-T itself is teratogenic as reported by the NIEHS laboratories in 1970 when the initial action against 2,4,5-T pesticides took place. More important, during this postponement of the public hearings, the Department of Defense conducted intensive studeis on the best method of disposing of their surplus herbicide containing 2,4,5-T. Their studies made it clear that 2,4,5-T itself is rapidly degraded in certain soils. Other evidence has been uncovered to show that 2,4,5-T residues have a halflife of one to two weeks in the environment, so that even though 2,4,5-T is teratogenic, little or no residue is apt to remain in food as a result of use on rice, rangeland, or other uncancelled uses. With recommended uses, residues should not exceed 0.1 ppm 2,4,5-T in food.

In summary, it is now clear to the OW&HM that 2,4,5-T is itself teratogenic so that women of childbearing age should not be exposed directly. Thus the suspensions and unchallenged cancellations of such products should be reaffirmed. On the other hand the environmental degradation of 2,4,5-T itself is sufficiently rapid that currently registered products should not result in detectable residues if used according to label instructions. There remains considerable question as to the ultimate fate of the TCDD present in currently produced 2,4,5-T. Though TCDD is known to be highly toxic, the residue levels to be expected from current uses of 2,4,5-T are still unknown as is the toxicity of TCDD at such levels. Moreover TCDD as well as other dioxins are alleged to contaminate other pesticides including other herbicides such as silvex and erbon. The other dioxins are thought to be considerably less toxic than TCDD but the full evaluation of what residues are expected from these other pesticides and the probable hazard from those residues will require considerably more research.

The conclusion seems clear that there is insufficient evidence regarding residues of 2,4,5-T and dioxins in the environment and the hazards associated therewith from the remaining registrations of 2,4,5-T pesticides. On the other hand, we must intensify efforts toward fuller analysis of possible hazards from TCDD and other dioxins from all trichlorophenol-derived pesticides as rapidly as improved analytical procedures and properly designed testing permits. The results of such analyses may or may not justify reopening the question of hazards of 2,4,5-T as well as the related pesticides.

[Environmental News from EPA, June 24, 1974]

EPA Withdraws Formal Hearing on Herbicide 2,4,5–T Due to Lack of Data

The U.S. Environmental Protection Agency today withdrew formal hearings on the cancellation of certain uses of the herbicide 2,4,5–T. The Agency found that adequate data does not yet exist to assess the potential hazards associated with the use of 2,4,5–T on rice, rangeland, and rights of way. The formal hearings were scheduled to begin in August of this year.

EPA Deputy Administrator John Quarles decided to withdraw the hearing following a meeting between all parties to the cancellation proceedings: the Dow Chemical Company (manufacturer of 2,4,5–T), the U.S. Department of Agriculture, and the Environmental Defense Fund.

Quarles found it inappropriate to continue administrative proceedings when evidence which would in large part determine the outcome of those proceedings remains scientifically unavailable.

The Deputy Administrator stressed the need for "continued and intensive efforts to develop the information required to resolve the questions associated with the use of 2,4,5–T and similar compounds. The manufacturer and the environmental group also recognize this need, and indicated interest in continuing to work with EPA in the resolution of health effects issues."

The lack of data on the health effects of 2,4,5–T applies both to the compound itself and to a common contaminant known as tetrachloro-dibenzo-para-dioxin (TCDD). EPA cited difficulties in the use of a new method for detection of TCDD, and uncertainties concerning the persistence of 2,4,5–T as the primary obstacles to a full evaluation of the herbicide.

Last year, hearings on 2, 4, 5–T were postponed until August, 1974, so that samples of human milk and fat, beef, rice, and wildlife could be analyzed for TCDD residues using the new method.

Quarles said, "We had anticipated having the benefit of a breakthrough on the analytical methodology in time to permit us to go forward with the hearing. Until this break-

> through occurs, a hearing would not be productive."
>
> The new analytical technique was thought to be sensitive to quantities to TCDD as small as 1 part per trillion (ppt). However, researchers have encountered many difficulties in proper application of the technique and verification of results. Without firm data on the residues of TCDD and 2, 4, 5-T which persist in the environmental, evaluation of the health effects of the herbicides is not possible. 2, 4, 5-T and its contaminant, TCDD, have been shown to produce birth defects in test animals when the compound is fed to pregnant mice. Other studies, however, indicate that residues of 2, 4, 5-T on crops and in water disappear quickly removing the opportunity for human exposure. The extent to which TCDD persists in the environment is unknown because the results of monitoring for TCDD have been inconclusive.
>
> In 1970, the U.S. Department of Agriculture issued final cancellation of all uses of 2, 4, 5-T around the home and garden, in recreational areas, or where water contamination could occur. All such uses are presently illegal, and are in no way affected by today's decision.
>
> Quarles indicated that the continued use of 2, 4, 5-T on rice, rangeland, and rights of way—the only permissible uses—"should not result in detectable residues of the herbicide if it is used according to label instructions. Thus the health implications of these uses are believed to be minimal."

Mr. NELSON. Mr. President, I would like to respond to the distinguished Senator.

He makes two points; one, this action is precipitous; two, it is not based upon the best scientific evidence.

On both counts, with all due respect, I think the Senator is clearly wrong.

There is nothing precipitous about establishing a principle that no toxic agent shall be introduced into the marketplace until the manufacturer of the agent, produces adequately controlled, scientific studies, to prove the safety of the agent.

That is a fundamental principle with which no scientist in this country would argue.

Every single prescription drug and every single over-the-counter drug that goes into the marketplace must pass a safety test of the Food and Drug Administration. Safety has been proved by adequately controlled scientific studies. That exact principle should be applied to any toxic agent because we are medicating everybody and everything with these agents.

Now as for point two, the Senator says there is inadequate scientific evidence. I would challenge him or the Forest Service to name one sentence of positive scientific evidence that supports the conclusion of safety.

Dr. Theodore Sterling, a member of the National Academy of Sciences Advisory Committee on 2,4,5-T to the Administrator of the Environmental Protection Agency, had this to say about 2,4,5-T. In a report on July 16, 1974, just a couple of weeks ago, he stated:

> The accumulated evidence makes it increasingly certain that the widespread use of 2,4,5-T may have serious consequences on the health and well-being of the populations of North America, and especially on the well-being of pregnant women and their offspring.

He continues:

> 2,4,5-T containing minimal amounts of TCDD and in a technically pure state is definitely teratogenic, embryotoxic, fetogenic, and may very well be mutagenic and carcinogenic, and exposure to TCDD induces lethal and sublethal chronic health effects.

This is one of the greatest authorities in America. Can any Senator here name a single scientist who says we have adequate studies to prove it is safe? As a matter of fact, in the reference that the Senator made the Environmental Protection Agency simply say it does not have enough scientific evidence to establish a safe level.

This is the Environmental Protection Agency's position.

However, EPA also details in its brief a long series of comments about the hazards of 2,4,5-T and dioxin. I already read some of these comments; I shall repeat only a couple of them.

The brief of the Environmental Protection Agency says:

> Available information . . . depicts a hazard of birth defects from 2,4,5-T and TCDD. . . . As with the various reproductive effects noted, there are indications that TCDD is mutagenic. . . . The carcinogenic potential of 2,4,5-T related TCDD exists.

Dr. Meselson, who has also been studying this subject for some years, likewise concludes that there is a serious potential hazard from a dioxin in 2,4,5-T.

In 1971, the Administrator of the Environmental Protection Agency reported:

> A contaminant of 2,4,5-T—tetrachlorodibenzoparadioxin (TCDD, or dioxin)—is one of the most teratogenic chemicals known. The registrants have not established that one part per million of this contaminant—or even one-tenth part per million—in 2,4,5-T does not pose a danger to the public health and safety.

That, in sum, is the position of the EPA to this date.

Mr. STEVENS. Will the Senator yield?

Mr. NELSON. For a question?

Mr. STEVENS. For a question.

Mr. NELSON. I yield for a question.

Mr. STEVENS. The Senator would agree, would he not, that EPA in fact has registered this product as set forth, with label directions, and set the conditions under which it may be used by Federal agencies? Is that not correct?

Mr. NELSON. That is correct. They have said it may be used. But they have also said that it may not be used in yards, in gardens, in recreation areas, where water contamination might occur or on any crop, with the possible exception of rice.

The conclusions that they reach frighten the daylights out of anybody who reads them. They flatly say right now that they cannot name a safe level, and that they must continue their studies.

They do not have the courage to take the stand they should. They admit they do not know what a safe level is, if there is such a thing. Yet, they have not issued a total ban while they try to find a safety level, if there is such a thing. So they have stuck with the limitation they established 4 years ago and they are going to continue their monitoring program to determine whether or not a safe level can be established. For heaven's sake, if we just read what EPA says about dioxin, we would take it off the market and await their final report.

Mr. STEVENS. I say to my friend, if I may have a little dialog with him on the matter since he raised the question with the subcommittee, we did take the matter up with the Forest Service. I say to my friend that he is arguing with the EPA, not with the Forest Service. The Forest Service continues to abide by the EPA directions, by their labeling instructions.

When the Senator has completed, I shall be happy to tell him what they have told us with regard to the functions of the herbicide 2,4,5-T. I do think that some of our colleagues may be of the opinion that we are overruling the EPA in what the subcommittee did.

The EPA has set the standards for the use by the Forest Service. The Forest Service is complying with that use. There continue to be questions raised by those who disagree with EPA, even though they have had their day before the EPA. Even though EPA continues to research the very serious questions they have raised, the EPA continues to permit this use by the Forest Service.

Having chartered the EPA to manage questions such as this for the Federal Government, and having an agency such as the Forest Service trying its best to live within the guidelines that Congress sets down, I think——

Mr. NELSON. May we have order, Mr. President? I cannot hear the distinguished Senator from Alaska.

The PRESIDING OFFICER. Will the Senators take their conversations to the cloakroom?

Mr. BARTLETT. Will the Senator yield for a unanimous-consent request?

Mr. NELSON. Yes.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the following staff members be accorded the privilege of the floor during this debate and vote: Lyman Perring, Richard Robb, Kay LaFortune, David Russell, and Bud Scoggins.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. May I inquire whether the Senator seeks the yeas and nays on this amendment?

Mr. NELSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. May I continue with my good friend?

Again, I would ask why it is that the Forest Service should be singled out with regard to this use when it has the greatest need for substances of this type to carry out the work it must do in our national forests. It is complying specifically with what the EPA has instructed it to do with regard to the use of this herbicide. Does my friend have any indication that the Forest Service is not using 2,4,5-T as directed by the EPA?

Mr. NELSON. I would assume they would comply with directions. I do not have any evidence that they do not.

Mr. STEVENS. May I ask my friend the question. Is it true that your argument is with the EPA and not with the Forest Service?

Mr. NELSON. My argument is with both of them. But the Senator is correct; the standards for its use were established by the Environmental Protection Agency. Those standards permitted its use for rangeland improvement and for forestry management. The Forest Service is using it in compliance with those directions. I do not know of anybody in the Forest Service, however, who is really qualified to make a scientific judgment on this question. They may have somebody; I do not know.

Mr. STEVENS. I want my friend to know that I shall respond to him later but I thank him for the opportunity, as a Senator from Alaska, to be a defender of the EPA.

I am sure that he will recognize the irony of that situation in regard to what we have gone through over the last 5 years. In any event, I want the record to be clear that I am defending the EPA because, as I understand it, they are following the procedures that Congress instructed them to follow with regard to the test of the substance, and the Forest Service is following what EPA told them as to the conditions under which the substance could be used. We are in agreement on that.

Mr. NELSON. That is correct.

May I say to the distinguished Senator from Alaska that the fact that he is defending the EPA ought to make both the EPA and the Senator from Alaska nervous.

In any event, let me point out that all one has to do is to read what the Environmental Protection Agency itself, says. Read what Dr. Sterling of the National Academy of Sciences' Advisory Board says to the EPA. Read what Dr. Meselson says. One cannot come to any conclusion except that the use of this agent poses a serious, potential environmental and health threat.

So I say, why continue to use it when we do not have the final scientific evidence about the question of whether or not any amount of dioxin can be safely introduced into the environment? Nobody has answered that question.

The fact is that the Environmental Protection Agency advised me over a year ago that they were going to remove 2,4,5-T from the marketplace for rangeland use. Then on July 19, 1973, they issued a notice of intent to hold hearings. They state that there is not enough scientific evidence to set a safe level of dioxin in 2,4,5-T. They said this to me by letter in early 1973, and they still concede that. So they should comply with their own scientific findings and stop its use.

I should like to conclude, for the moment, by saying that this issue is not new. We argued this issue over 4 years ago on the floor of the Senate. I offered an amendment in 1970, to prohibit the use of the Agent Orange for defoliation in Vietnam. We lost that vote on the floor of the Senate, and I said at that time that those who voted against it would regret their vote.

We know the tragedy that has been caused in Vietnam by that substance, in contamination of the environment and the marine creatures and in the indications that there have been birth defects and serious illness as a consequence of it—not to say anything about the vast destruction from excessive defoliation. The National Academy of Sciences in its herbicide study says that it will take as much as a hundred years before Vietnam recovers from some of that destruction.

This substance has been around for a long time. I have read every piece of literature on this question that I can find. Someone from my office or I have talked to the most distinguished scientists in America on this question. So far as I know, we have looked at everything that every scientist has said about this substance. Every scientist in America who has studied the matter, says there is great potential hazard in the dioxin in 2,4,5-T.

There is no urgency for spraying the Nicolet and Chaquemegon National Forests in Wisconsin. My amendment would only delay by 1 or 2 years the forest management project they have in mind, which is simply to kill the broadleaf trees so that the evergreen can grow up underneath.

Why should we expose that environment and endanger the entire ecosystem by spraying when we do not have all the facts? All the facts we do have, indicate that there is a serious potential health hazard in this agent because of the dioxin present in all 2,4,5-T.

Mr. President, I yield the floor.

Mr. McGEE. Mr. President, I am opposed to this amendment, on the basis that the EPA has stated it does not have enough data to make a valid, responsible judgment on this matter at this time.

Environmental consequences of irresponsible use of pesticides are serious, and I do not dispute the need for caution in this area. However, 2,4,5-T has been, and currently is, the subject of intensive research. That research is not completed yet, and what results have been presented so far do not justify a wholesale ban on this chemical. The EPA has prohibited its use in home and garden products, a judgment with which I do not argue.

But it is a valuable tool in rangeland management, and in the management of our national forests. This chemical is used in my own State of Wyoming, on the Medicine Bow National Forest, and conditions there are such that I would hate to see a hobbling of any management technique available to continue the beauty and utility of those lands.

The EPA itself canceled hearings scheduled to consider a ban on this chemical. Those hearings were canceled for the reason that I oppose this amendment—there is simply not enough evidence on hand today to justify either a complete ban, or complete approval. Until there is, the needs are there and this chemical can meet them. I am always open to new evidence, and indeed, I hope this issue can be settled soon. But the research must be conducted before we reach any decision here, before we take any action that we may very well regret at a later date.

Mr. STEVENS. Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, the justification that was given to us by the Forest Service for the use of 2,4,5-T.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Let me point out what this means, just to take some of the problems involved, and they are financial as well as practical.

For example, the cost of 2,4,5-T ranges from $20 to $40 per mile in the forest. We are talking about forest use now, use for fire management, roadside brush control, timber stand improvement, and range management. Any alternative method would run from $100 to $1,000 per mile, from 5 times to 50 times the cost involved in terms of management techniques.

Let me point out that with regard to the areas where they use 2,4,5-T herbicide, where it is the choice of the manager to use it, if it is not utilized, there will be a loss of about 9,500 boardfeet per acre in the cutting period.

So that the Senator will realize what this means, that is approximately the amount of timber that is used in a one-family home. It is about 15 tons of paper. I am sure the Senator realizes how short we are of these materials today and how much we are trying to improve the production of the forest.

The Forest Service states that they use 2,4,5-T only as it is labeled and registered by the EPA. The products they use must be registered by the EPA, and they are used in accordance with the label directions. They find that the alternative to using 2,4,5-T could have even more drastic consequences.

There are other alternative methods. I am informed that a single spraying of 2,4,5-T would be an effective control, for example, in brush control; whereas, the alternative herbicides available would require three or more sprays. I am sure the Senator would like to require knowledge of what the alternative herbicides would do, but I am sure he would also realize that it would be used three times as much, so another substance might cause equal or greater environmental harm.

I am sure that the Senator does not want us to stop fire management, roadside brush control, and timber stand improvement. The range management problems are unique. We are not talking about backyard use. We are not talking about use in the areas where there is a high population base. We are talking about the national forests, in very remote areas, such as my own, where the population is practically nil.

The difference is whether we want to have this management within the amount of money we have available or whether we are, in fact, going to cause an increase in the cost of management, from 5 to 50 times the cost of using 2,4,5-T.

I point out to the Senator that we asked the EPA to conduct hearings before they registered substances such as this. They have, in fact, registered 2,4, 5-T for this use, under specific directions, and the Forest Service is following those directions.

Under those circumstances, Mr. President, I am compelled to oppose the Senator's amendment and to urge my colleagues to support the use by the Forest Service of the substance that has done so much to improve the protection for the national forests, under circumstances entirely consisent wih the most stringent environmental protection regulations.

Exhibit 1

Department Statement — Justification Statement for Forest Service Use of 2,4,5-T

The herbicide 2,4,5-T is used on our National Forests for four basic functions: fire management, roadside brush control, timber stand improvement, and range management.

Herbicides are required in forest fire management to maintain firebreaks and reduce fuel volumes in brushfields and other high hazard areas. For certain brush species, specifically scrub oak, control is possible with a single spraying of 2,4,5-T while any alternative herbicide treatment requires three or more resprayings. Not only are these alternative treatments more expensive, but the environmental consequences of repeated sprayings are more drastic.

Similarly, 2,4,5-T is effective against "hard to control" species of brush along roadsides. This herbicide typically controls the brush growth for three years, whereas, other registered pesticides control these plants for one or two years as do mechanical or hand methods. The cost of 2,4,5-T ranges from $20 to $40 per mile, whereas, mechanical methods range from $100 to $1,000 per mile.

In timber stand improvement 2,4,5-T is used because it is very effective against hard to control brush species which compete with the coniferous trees we wish to establish as the stand. The herbicide 2,4,5-T will suppress the competing vegetation for up to three years, thereby, giving the conifers a chance to become the dominant species. Other registered herbicides that give this degree of brush control are not as selective as 2,4,5-T and adversely affect the conifers. Other registered herbicides that control brush without adverse effects upon conifers require retreatments which add unnecessarily to the pesticide load on the environment. The loss of timber production on the areas where 2,4,5-T is the herbicide of choice but is not utilized would be about 9,500 board feet per acre over the rotation period. This is the amount of lumber required for one home, two apartments, or fifteen tons of paper. Non-herbicidal methods of control are much more expensive, contribute to soil erosion, and are usually followed by resprouting of the brush in a year or two.

In range management 2,4,5-T is used to control those species of plants for which there are no chemical alternatives available and where mechanical methods are ineffective or disrupt the fragile grassland environment, leaving the soil to wind and water erosion. Where they are appropriate, substituting mechanical brush control methods or other chemical control methods will usually increase costs of control from 2 to 20 times. On rangeland, with limited profit margins, many thousands of acres that need treatment would go untreated.

As with the operational use of all pesticides, the Forest Service uses 2,4,5-T only as it is labeled and registered by the U.S. Environmental Protection Agency. We feel that these products registered with the EPA, when used according to their label directions, are effective for the uses intended and pose no significant adverse effects upon our environment.

The PRESIDING OFFICER (Mr. William L. Scott). The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, unlike the Senator from Wisconsin, I can find no scientist who speaks out for continued use under the present registration. I may have paraphrased that incorrectly.

Again I refer to the recommendation that was made on June 24 of this year to the Environmental Protection Agency by Dr. William Upholt, Senior Science Advisor to the Acting Assistant Administrator for Water and Hazardous Materials, in which he recommended that the hearing in regard to further withdrawal of the use of 2,4,5-T be postponed until such time as scientific evidence could be adduced to support such an action by the EPA.

The Senator from Alaska has pointed out, I think very forcefully, that EPA has already conducted hearings and already had a limited withdrawal, which is also the same as saying licensed, limited use of 2,4,5-T. But let me read the result of the hearings and the action taken by the EPA following that recommendation on June 24 of this year.

I read from what is known as the Environmental News, issued by EPA, reflecting their decision on that date:

> Last year, hearings on 2,4,5-T were postponed until August, 1974, so that samples of human milk and fat, beef, rice, and wildlife could be analyzed for TCDD residues using the new method.
>
> Quarles said, "We had anticipated having the benefit of a breakthrough on the analytical methodology in time to permit us to go forward with the hearing. Until this breakthrough occurs, a hearing would not be productive."
>
> The new analytical technique was thought to be sensitive to quantities to TCDD as small as 1 part per trillion (ppt). However, researchers have encountered many difficulties in proper application of the technique and verification of results. Without firm data on the residues of TCDD and 2,4,5-T which persist in the environment, evaluation of the health effects of the herbicide is not possible.
>
> 2,4,5-T and its contaminant, TCDD, have been shown to produce birth defects in test animals when the compound is fed to pregnant mice. Other studies, however, indicate that residues of 2,4,5-T on crops and in water disappear quickly, removing the opportunity for human exposure. The extent to which TCDD persists in the environment is unknown because the results of monitoring for TCDD have been inconclusive.

I could read at length from the kind of scientific evidence that is available on both sides, and I certainly agree that there is a controversy. But that controversy is not so one-sided as we have been led to believe by some of the arguments. Certainly there is a substantial and a very credible body of very learned and eminent scientists who claim that the evidence is sufficient to cause the banning of the substance. There is also a substantial body of those who say that the hazard in this instance is not as great as the hazard in some other commonly used and licensed substances.

Let me, for example, remind the Senator that there are birth defects that are caused by such common compounds as aspirin and vitamin A. We still use the aspirin, and we have not yet removed the licensing of vitamin A, when those birth defects caused by those substances are at least as critical as—and some say more damaging than—the birth defects caused by the use here, the possible birth defects caused by the use of this substance. I think it becomes very clear that on balance, the judgment made by the EPA—I use that term advisedly, "the judgment made by the EPA"—is sustained by the evidence and that the action which the Senator from Wisconsin suggests today is not sustained by the evidence.

Thank you, Mr. President.

Mr. KENNEDY. Mr. President, the recent decision of the Environmental Protection Agency to withdraw its legal motions to seek a ban on the substance known as 2,4,5-T raises serious questions for the public health and safety.

This substance is the highly toxic defoliant used in the Vietnam war and is strongly suspected of having caused the dramatic rise in the number of birth defects and fetal deaths among Vietnamese at the height of U.S. 2,4,5-T spraying there during the 1960's. That conclusion was drawn in a report prepared by a distinguished group of American scientists for the American Association for the Advancement of Science, and printed in the Record of March 3, 1972.

This past March, a committee of the National Academy of Sciences submitted a report to the Congress confirming the earlier report's findings that the 18.8 million gallons of herbicides dropped on Vietnam from 1962 to 1971 by the United States destroyed much of the country's economically important forests. It also suggested that herbicidal poisons may have found their way into the Vietnamese food chain, and recommended further intensive studies of the reports that the chemical caused disease, death, and birth defects.

The herbicide contains a particularly toxic contaminant, dioxin, which has been shown to kill laboratory animals in concentrations of less than one part per billion. Dioxin is considered one of the most toxic environmental poisons known, far surpassing DDT in hazardousness. In laboratory tests, pregnant mice and rats fed relatively small doses sustained fatal death rates of 50 to nearly 100 percent. Many of the surviving offspring were deformed in ways resembling the deformities seen in Vietnam. Yet, it is still permitted to be used in the United States.

Dr. Matthew Meselson, a Harvard University biochemist who was one of the principal scientists to study the effects of 2,4,5-T in Vietnam has said of the EPA decision:

> Dioxin is slightly more toxic than the most toxic nerve gas developed for wartime use.

Mr. President, a group of Senators recently sent a letter to Chairman McClellan requesting the Appropriations Committee to deny the Department of Defense request to produce additional nerve gas weapons in fiscal year 1975. We requested the denial on the grounds that such weapons are inhumane, they would undermine sensitive international negotiations preparing to ban them, and they present a fatal threat even to friendly populations in their vicinity.

Certainly if one toxic substance is unacceptable in warfare, we should not tolerate the use of an even more toxic substance to be widely used in the United States when it is suspected of entering the environment and the food we eat.

Mr. President, the EPA says that it is dropping its legal motions because the evidence that dioxin is entering our environment and food in sufficient levels to warrant concern is inconclusive. This attitude will allow this fatal toxin to continue to be used until such time as deaths and deformities make the evidence conclusive. It places the burden of proof that the herbicide is harmful on the government, rather than on its producers. It sets a critical precedent, with implications for a whole range of products whose safe use by the consumer has been questioned, that producers hereafter may have no obligation to prove the safety of their products.

Mr. President, I strongly urge the Environmental Protection Agency to reconsider its decision and to press forward with its legal motions requiring the producers of 2,4,5–T to prove that this herbicide does not expose Americans to sufficient levels of dioxin to produce the horrible effects it produces in laboratories.

I hope my colleagues will join with me in urging the EPA to continue seeking a ban on 2,4,5–T until such time as it is proven safe to the public.

In the interim, I urge support of the Nelson amendment to this bill.

I ask unanimous consent for the following news article on this subject be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, June 27, 1974]

EPA Ends Drive To Ban Defoliant: Says It Lacks Evidence To Press Move on 2,4,5–T—News Study Planned

(By Royce Rensberger)

After more than three years of research to determine the hazard to Americans of domestic use of a highly toxic defoliant used in the Vietnam war, the Environmental Protection Agency has withdrawn its legal motions seeking a ban on the substance, known as 2,4,5–T.

Although the herbicide, which contains a still more toxic contaminant, dioxin, is widely used in the United States and dioxin has been shown to kill laboratory animals in concentrations of less than one part per billion, the EPA said Monday that it lacked sufficient evidence to press for a ban.

The Environmental Defense Fund, which has been cooperating with the EPA in this case, contended that the withdrawal represented a fundamental policy change that shifts the burden of proof from the manufacturer to the Government.

Heretofore, William Butler, the group's lawyer, argued, it had been up to manufacturers to prove the safety of their products when challenged. Now, he said EPA seemed to be saying it had to prove the product's harmfulness. An EPA spokesman disagreed.

UNRELIABLE TECHNIQUE

The E.P.A. said it had withdrawn its legal challenges when the agency's scientists found they were relying on evidence derived from an analytic technique now known to be unreliable. The method had suggested that dioxin was entering the environment and being picked up in food in levels sufficient to warrant concern.

Anson Keller, the E.P.A.'s assistant general counsel, said his agency was not abandoning the case but was planning a new research effort, relying, on other methods, to determine more reliably whether dioxin is a threat. If this evidence is found, he said the attempt to an 2,4,5-T would be resumed.

Dioxin is considered one of the most toxic environmental poisons known, for surpassing DDT in hazardousness. Although the evidence is inconclusive, some doctors believe that a dramatic rise in the number of birth defects and fetus deaths among Vietnamese is attributable to use of the herbicide as a defoliant there. The rise paralleled the rise of 2,4,5-T spraying there during the nineteen-sixties.

In laboratory tests, pregnant mice and rats fed relatively small doses sustained fetal death rates of 50 to nearly 100 per cent. Many of the surviving offspring were deformed in ways resembling the deformilities seen in Vietnam.

DOW'S POSITION

The Dow Chemical Company, sole manufacturer of the compound from which it and two other concerns produce, 2,4,5-T, has long contended that its product does not pose the hazard that critics cite.

Several persons close to the controversy said that while they recognize the flaws in the analytic method used by E.P.A., they feared that withdrawal of the legal action would lead to a slowdown in further research.

"If there is a let-up in this research, I think that would be dreadful," said Dr. Matthew Meselson, a Harvard University biochemist who was one of the principal scientists to study the effects of 2,4,5-T in Vietnam. "Dioxin is slightly more toxic than the most toxic nerve gas developed for wartime use."

"We think E.P.A. is making a fundamental mistake," Mr. Butler, the Environmental Defense Fund lawyer, said in an interview. He contended that the reliable evidence now available should be sufficient to take the herbicide off the market.

"Now that E.P.A. is assuming the burden of proof that this is harmful," Mr. Butler said, "the precedent is being established that the chemical companies have no obligation to prove the safety of their products."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from Alaska (Mr. Gravel), the Senator from Louisiana (Mr. Long), and the Senator from New Mexico (Mr. Montoya) are necessarily absent.

I further announce that the Senator from Maine (Mr. Muskie) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), and the Senator from Kansas (Mr. Pearson) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. Case) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. Case), would vote "yea."

The result was announced—yeas 34, nays 56, as follows:

[No. 353 Leg.]

YEAS—34

Abourezk
Allen
Bentsen
Biden
Chiles
Clark
Cook
Cranston
Dominick
Ervin
Fulbright
Hart
Hartke
Haskell
Hathaway
Hollings
Hughes
Javits
Kennedy
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Nelson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Tunney
Weicker
Williams

NAYS—56

Aiken
Baker
Bartlett
Beall
Bellmon
Bennett
Bible
Brock
Brooke
Buckley
Burdick
Byrd,
 Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Magnuson
Mansfield
McClellan
McClure
McGee
Moss
Nunn
Pastore
Randolph
Scott, Hugh
Scott,
 William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—10

Bayh
Case
Church
Gravel
Long
Mathias
Montoya
Muskie
Packwood
Pearson

So Mr. Nelson's amendment (No. 1782) was rejected.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend until there is order in the Senate.

Mr. BIBLE. Mr. President, may we have order?

CONGRESS SHOULD TAKE A 30-DAY RECESS

Mr. CURTIS. Mr. President, few people would dispute the fact that Washington, D.C. is not typical of the United States. Here in the Capital City we are confronted with propaganda, pressures, and emotion. I believe the best thing that could happen for our country would be for Congress to take a 30-day recess, on the condition that the Members of Congress spend the time with their constituents.

On the 7th of July 1974, I appeared on the ABC program of "Issues and Answers." I spent a sizable portion of my time in defense of the President of the United States. The letters that I received following that broadcast have been tabulated. I received a total of 226 letters, of which 213 were for the President and 13 were against.

On Tuesday, August 6, I appeared on NBC's "Today Show." My entire time spent in defense of the President.

In the first 24 hours following that broadcast we received a number of telephone calls and telegrams. Ninety-four telephone calls were received supporting the President and 27 telephone calls were received opposing the President. The telegrams received were 77 supporting the President and 17 against

Within the last 2 weeks a former Member of Congress wrote to 400 former Members of Congress. This letter went to Democrats and Republicans alike.

They were asked for their opinion on the question of impeachment of the President. The first 103 replies were as follows:

Republicans for impeachment	4
Republicans against impeachment	59
Democrats for impeachment	22
Democrats against impeachment	18

Mr. President, again I feel that the interests of this country would be served by Congress taking a 30-day recess.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16027) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Mr. JAVITS. Mr. President, I shall only be about 2 minutes. I have a few questions I would like to ask Senator BIBLE.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New York.

Mr. JAVITS. Mr. President, the appropriation for the Arts and Humanities Endowments was cut $10 million in the House.

Mr. BIBLE. Mr. President, may we have order. I can hardly hear the Senator from New York.

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order.

Mr. JAVITS. Mr. President, the appropriation for the Arts and Humanities Endowments was cut $10 million in the House to $145 million.

The Senate committee has sustained this cut, although the agency sought restoration. I would greatly appreciate it if I could get from the manager of the bill his feeling on the matter. This is a program which has been led in the most gifted way by Nancy Hanks and Dr. Berman, respectively. It has aroused a tremendous response in the country. The cost/benefit ratio is enormous, considering what is spent and what it engenders in the way of expenditure in the arts.

Mr. BIBLE, Mr. President, may we have order. It is still difficult to hear the Senator from New York.

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until the Senate is in order.

The Senator may proceed.

Mr. JAVITS. A great part of the program breaks down on a local basis with State aid as an important element, as well as grants-in-aid to groups and individuals in the various States. Indeed, this is the preponderant aspect of the bill, and I would like to ask my colleague, because I know he has over the year tremendously favored this particular activity, as to his feeling of why the committee decided to go along with the House instead of restoring the cut.

Mr. BIBLE. Mr. President, I am delighted to respond to the distinguished senior Senator from New York who long has shared my concern and my interest in this program.

My own dedication to the program has been well-documented over the years, and I think there is probably no foundation that has a more versatile lobbyist than Nancy Hanks, the Director of the Arts Endowment, and certainly the humanities has a good advocate in Dr. Berman. I know them personally, and I have a great admiration for them. About this time of year I see them with increased frequency around the halls of Congress. But I think the cut was made and is well-founded.

There was a cut from the budget, there is no doubt about that.

I wish to read from the report because I think it puts it in proper perspective. In the year 1973 the total appropriations bill for the arts and humanities was increased by $20 million; in 1974 it was increased by $43,761,000; and again this year, as the result of House action—and I think they acted properly and carefully and advisedly—it has increased another $40 million. That means in 1973 they had a $20 million increase; in 1974 they had a $43 million increase; and in this current year, in the fiscal year bill now before us, they had another increase of $40 million, even with the recommended reduction.

That is a total of a little over $100 million in the space of 3 years, and I think it is a program that has come along and grown as the needs and demands and matching of the Nation required.

I might just simply put one other figure in the RECORD. When it first started out, which was not too far back, in 1967, they had $6 million for arts and $2 million for the humanities. Since that time we have brought it up by leaps and bounds. We think it is a responsible budget now, and I think it is adequate to do the job.

Mr. JAVITS. Well, Mr. President, I would have felt that the budget amount should have been allowed. But I know the devotion of this particular subcommittee chairman to this program, and I hope very much that if the agency finds really that it is restricted in its operations by this cut, even taking into consideration the total status financially in the arts of the country, that it will feel it has a sympathetic ear and may return, either this year in connection with a supplemental or in the next fiscal year, with the feeling that the cut does not represent any precedent of disapproval or any feeling that the budget went too far, but simply took account, as Senator BIBLE has said, of the overall necessities of this particular appropriation bill.

Mr. BIBLE. I think that is true. This is $40 million more than they got last year and that is pretty good because we are going to be confronted a little later in the day with a cut of 5 percent, a cut of $170 million from this budget.

So the Senator can see some of the problems we are facing.

Mr. JAVITS. I can.

Mr. BIBLE. Mr. President, I yield to the Senator.

Mr. HUMPHREY. Mr. President, I want to associate myself with the distinguished Senator from New York. I earlier spoke with the distinguished chairman from Nevada about this particular item in the Interior Department Appropriation.

I believe that the attitude of the committee has been made very well here. It is my judgment that this program of the arts and humanities is one of our better programs, it has had excellent leadership.

In the State of Minnesota, we have had a statewide program which I believe has commanded the respect and attention of an overwhelming number of our people.

I had hoped we might be able to restore in this budget, at least, the administration's request less about 3 percent, which we have been doing on other bills, but the chairman has indicated that this appropriation this year is approximately $40 million more than last year.

Mr. BIBLE. That is correct, $40,725,000.

Mr. HUMPHREY. That is a sizable increase and I am hopeful that the comment of the Senator from New York, namely, that if this program seems to be in any way jeopardized, that under the terms of the authorization we will be able to consider in a supplemental whatever additional funds might be needed.

I have no way of knowing whether those funds will be needed, but if so I am confident that the Committee on Appropriations will look upon it sympathetically.

Mr. President, the authorization for the National Foundation of the Arts and Humanities is $200 million, and I believe that modest figure would be far more appropriate for the support of the arts and humanities in a country of our size and resources. Most of us are certainly aware of the importance of bringing our artistic institutions to the people. Adequate funding for this program helps to insure the cultural well-being of our Nation and this is especially important as our bicentennial celebration draws near.

We cannot allow the development of our artistic institutions and humanities to be crippled by a temporary shortage of funds, since it will certainly be difficult to reassemble the talent that is dispersed as a result of no funds. I do not think our country can afford to cut the support for the arts and humanities, especially when the United States is so far behind most of the major nations when it comes to funding the arts and humanities in the first place.

Mr. President, I strongly urge my colleagues to support continued full funding of the National Foundation on the Arts and the Humanities.

Mr. President, the National Endowment for the Arts and the National Endowment for the Humanities, served by a joint administrative staff, have compiled an impressive record of accomplishment in carrying out this policy with very limited funds. Chaired respectively by Miss Nancy Hanks and Dr. Ronald S. Berman, and provided with excellent guidance by their 26-member private citizens councils, the Endowment have made great progress in making the benefits of the arts and humanities available to all our citizens, in maintaining the criteria of quality and excellence, and in providing essential assistance for independent research and creativity. It is clear that Federal funds have been a major stimulus for State matching funds and for private support for these programs.

The Minnesota State Arts Council has effectively utilized grants received under the Endowment's Federal-State partnership program over the past two fiscal years to provide support for a tour by the Minnesota Orchestra in States of the upper midwest, for the dance coordinated residency touring program, and for various community arts programs. Promising writers have received fellowships; more audiences have been enabled to enjoy the annual Bach Festival; support has been given for an exhibition entitled "American Indian Art;" the Minneapolis Society of Fine Arts has been helped to take art collections to the people; the St. Paul Civic Philharmonic Society has launched a college residency program and carried through its concert opera project; notable opera productions in Minneapolis and St. Paul have been made possible; and the Children's Theater Co., in Minneapolis has received support for performances throughout the metropolitan area.

These are only some of the highlights of exceptional accomplishments in Minnesota as a result of Endowment grants. In addition, the Guthrie Theater Co., whose productions have achieved nationwide recognition, has received major support under this program. The company's travelling production of John Steinbeck's "Of Mice and Men" made a 10-week tour of the upper midwest that took it to 15 cities in six States. Its performances reached 66,000 people. And these performances were supplemented by educational programs, seminars between company members and students at local schools, and creative drama sessions.

The Minnesota Humanities Commission, chaired by Mr. Russell W. Fridley, director of the Minnesota Historical Society, has made grants, on a matching basis, to colleges, libraries, educational television stations, museums, historical societies, and community organizations to share with the public at large the insights of humanists. These can include relating the humanities to public issues, encouraging open discussion about basic questions of social values, government and law, et cetera, where the philosopher, the historian—the humanist exercising his discipline—can make a vital contribution toward promoting voluntary joint decisions and collective action on current problems. It is my conviction that such programs must continue to be carried out in an atmosphere of independence and innovation if they are to be a catalyst for effective cooperation.

The National Endowment for the Humanities has taken imaginative steps to broaden public exposure to the vital importance of these disciplines. Beginning April 12, the Humanities Film Forum, made possible by a grant from the Endowment, will present 10 outstanding films to television viewers across the United States—some of which are cinematic translations of great literary works, and others providing new insights into major historical events and developments. This fall, newspaper readers in over 125 communities will be able to take a college-level course over a 20-week period in American studies, under an extension program, called "Courses by Newspaper," launched by the University of California, San Diego.

Mr. President, I have a special interest in this matter because I introduced here in the Senate years ago the first bill for the National Council of Arts, later on that was the National Council of Arts and Humanities. That bill was passed. I have taken some personal pride in the fact that it has come to fruition in a splendid nationwide program.

I do feel that the National Foundation on the Arts and Humanities has a great role to play in the Bicentennial and I am hopeful that nothing we do here will in any way limit this program to fulfill its true objectives in these coming years.

I want to thank the chairman and particularly the Senator from New York for their support.

It is terribly important that we have that support.

Mr. JAVITS. Mr. President, I have one or two very quick questions.

I sent some extensive information to the Senator from Nevada (Mr. Bible) for the committee on the item of the State University of New York, the so-called Syracuse Project which deals with a proposed research project on urban environmental forestry involving a consortium of Princeton, Yale, Cornell, Rutgers, Pennsylvania State, University of New Hampshire, University of Connecticut, University of Massachusetts, and State University of New York, Syracuse. This is an important project to study many of the problems involved in urban forestry. The House did put $450,000 in its bill for this program.

May I have the privilege, as it was not allowed in the Senate, of submitting to the Senator additional information in the hope that our Senate conferees may take a somewhat different view on that item when it comes up in conference than apparently they took in passing the bill out of the committee.

I ask unanimous consent that my latest letter to the subcommittee on this matter be placed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

July 9, 1974.

Hon. Alan Bible,
Chairman, Subcommitte on Interior, Senate Committee on Appropriations, Senate Office Building, Washington, D.C.

Dear Alan: I write to urge your support of a $425,000 research project which, I understand, has been included by the House Appropriations Committee in funding for the U.S. Forest Service.

This item is the proposed research project on urban environmental forestry to be located on the campus of the State University of New York, College of Environmental Science and Forestry, Syracuse, New York. It is an adjunct project to the U.S. Forest Service's Pinchot Institute of Environmental Research. Approximately one-half of the funds would be used for grant studies in cooperation with a consortium of other universities which include; the University of Massachusetts, the University of Connecticut, the University of New Hampshire, Pennsylvania State University, Cornell University, Princeton University, Yale and Rutgers University. This consortium was established under the a research organization dealing with urban Pinchot Institute in 1971, and has developed environmental forestry through the efforts of approximately sixty scientists and other professionals. Basically, this grant will provide for a study to avoid catastrophes such as we have witnessed in the Arlandria area (Four-Mile Run), in nearby Virginia.

You will recall the devastating floods which have wiped out property and taken their toll on human lives each time that area has been hit by heavy rains. The houses comprising Arlandria were built without the benefit of planning. Trees were clearcut for that development, leaving the area without protection against erosion and floods.

The lessons learned from the Arlandria experience and the development patterns which are going forward in many areas in the Northeast make this grant essential. The research to be done by this consortium will attempt to find ways to allow urban needs to be met without making the East Coast corridor a strip of concrete. But as urban areas—cities, shopping centers, suburban developments—push farther and farther into the forest areas of the Northeast, we must make certain that planning is utilized so that urban needs can co-exist with nature's buffers against catastrophes.

These studies will provide guidelines and suggestions or making the best use of soils, water and vegetation in the wise development of our urban needs. Instead of arbitrarily replacing our land with concrete, creating potential "Arlandrias" throughout the Northeast, the results of these research projects will be available to all communities and other governmental units to help them plan prudently.

With best wishes,
Sincerely,

Jacob K. Javits.

Mr. BIBLE. The Senator from New York was kind enough to mention this item to me before bringing it before the full Senate. This is an item which was touched on by him in a letter. I do not know about the extensive backup that there was to that letter. It is not reflected in my markup notes.

But I am perfectly willing to receive additional information that we can carry to the conference when we confer with our counterparts on the House side.

As the Senator from New York correctly states, the House did add $450,000, I think his request was $425,000.

But, nevertheless, the item will be before us in conference and if the Senator from New York, with his usual thorough style, can give us additional information, we will be happy to do it at the conference.

Mr. JAVITS. I thank my colleague and I will do that promptly.

Finally, Mr. President, I wish to thank the committee for their consideration of the appropriation for the Gateway National Recreation Area on the magnitude of about $6 million to enable us to get started on this huge resource in the New York area which will serve millions and millions of people using that seacoast and in a very advantageous way.

Finally, Mr. President, I wish to thank the committee for their consideration in providing the funds for the restoration of that great historic monument, Fort Stanwix in Rome, N.Y. This is a project which the people of Rome have been looking forward to for some time and many of us, including the mayor, William Valentine, have been seeking this funding. Fort Stanwix, which dates back to the French and Indian War is to be restored for the Bicentennial celebration and the project will bring needed jobs and a boost to Rome's economy which needs it badly.

I ask unanimous consent that an article in the Washington Post describing this project be placed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

ALL ROADS IN ROME LEAD TO HISTORICAL RECONSTRUCTION

(By Elizabeth C. Mooney)

Git up there mule, here comes a lock, We'll make Romme 'bout 6 o'clock.—Old Canaller Song

It was an inauspicious day for the launching. A fine misting rain was falling and the banks of the old Erie Canal were muddy and rutted. Nevertheless, 300 citizens of Rome, N.Y., plus assorted dogs and children, huddled under umbrellas and watched as a lightweight tractor, with the help of several sweating and straining men, shoved the 25-ton canal packet boat Independence down the runway for her maiden trip 40 yards across the canal.

She hit the muddy water stern first and had to be nudged off the launching planks. The newly restored Erie rose in a welcoming splash and a dampish cheer from the crowd saluted her. Her creator, Bill Ott, breathed easier as he watched her settling easily in the water and slapped his son, Gary, exuberantly on the back.

That was the scene last month as the lusty old Erie Canal went back in business, even if only in fun.

When the nation celebrates its 200th birthday in 1976, the citizens of Rome, mean to be a part of the festivities. Revolutionary history is fashionable these days and Rome is long on history. After years of enduring japes about all roads leading to Rome, they mean now to make it come true. The Independence, which this summer will make trips up the Erie a mile-and-a-half to Ft. Bull, a French and Indian fort, is only the opening gun. The Romans are constructing a combination of attractions which add up to a sort of historic Disneyland.

Rome, eight miles from New York State Thruway exits 32 or 33, is a small industrial city in the Mohawk Valley. Lately, the government of the United States sent a task force from the Interior Department to reconstruct Ft. Stanwix, a key fort in the French and Indian War, first built in 1758. Nineteen years later, it survived a siege by Col. St. Leger on his way through the Mohawk Valley to join in an attack on Albany that was to divide the colonies by cutting New York in half.

General Herkimer, bringing a relief force to help the fort, was ambushed at Oriskany, five miles down the road from Ft. Stanwix, and the resulting battle is considered the bloodiest of the Revolution. The fort survived when Gen. Benedict Arnold arrived to relieve it and the British retreated, leaving large quantities of supplies. Two months later Burgoyne surrendered and the tide of battle turned. It is said that the American flag was first flown in battle at Ft. Stanwix.

The original outlines of the fort are now visible in the archeological digs, and on exhibit in the headquarters across the way are various relics which have lately been unearthed. You can see cannon and musket balls, old uniform buttons, a rare tomahawk pipe and some of the eight-inch wrought iron nails from the wooden gate of the fort. Partially reconstructed Oriental and English pottery are also on display and the bones of a good many passenger pigeons which the besieged patriots ate during the attack.

The National Park Service Ranger will take you on a free tour and show you the charred rear walls of the fort. This summer, students dressed in 18th-century costumes are working on the digs, and they'll be glad to point out the moat and the officers' barracks buildings.

The people of Rome, who don't consider you a native unless your grandfather was born there, think their long-range history may just put their city on the map. Mayor William Valentine and his Historic Rome Development Authority have renamed Rome the "City of American History," and the mayor is getting ready for what he thinks will be a large tourist business.

"We expect eventually a minimum 600,000 visitors a year," says Mayor Valentine. "The Economic Research Company of California, the same company who did the research for Disneyland, said to prepare for that many. We're making plans and we think we can handle them."

The Independence and Ft. Stanwix are a reality, but Mayor Valentine and the Romans have further ideas. They have discovered an old narrow-gauge steam locomotive and are planning to install a track for it along the banks of their reconstructed mile and a half of the Erie. Visitors can go by the Independence to Ft. Bull and return on the train. If enough funds are found before the Bicentennial, they will also be able to wander about in a canal village, vintage 1840, of the type that the canallers knew when they made the nine-day trip from Albany to Buffalo by the horse drawn packets.

Central New York State has plenty of 1840 houses of the right type and plans are to move them intact to the canal.

Rome is the right place for this reconstruction, as a peek into the Rome Historical Society on Spring Street will make clear. The first shovelful of dirt for the canal was dug by Governor DeWitt Clinton at Rome on the Fourth of July, 1817, when it was considered the engineering marvel of the day. It was a cheap, fast route through the Appalachians and it opened up the West. The barges were pulled by mules and the packets, like Rome's Independence, by horses plodding along the canal's dirt path.

Bill Ott, who together with his son built the Independence, says it wasn't easy. He is a carpenter and canal boats are a little out of his line; especially since he never saw one. But a team of engineers provided him with the plans and he started out from scratch felling enormous oaks with wood so hard that he had to soak planks in boiling water to bend them for the prow. The tiller is hand-hewn and the nails are the type usually used for light metalwork. It took Ott all winter; and central New York winters have to be seen to be believed. The snows come in October and are still around in late March. Ott worked under a plastic tent.

Rome expects to absorb the tourist influx well and has made special plans for the traffic it will bring. The little city has, as you might expect, some good Italian restaurants, but its real forte is the beautiful surrounding countryside in the valley of the Mohawk.

A summer picnic at the Oriskany battleground might combine history and a treat for the eye. Take a look at the state of New York's dioramas of the ambush and then find a spot on the hillside overlooking the point where Gen. Herkimer's horse was shot from under him. It's known as the Bloody Ravine, but you wouldn't know it now. Amtrak winds through the valley like a toy train and you'll take heart when you see that all the beautiful countryside isn't ruined yet.

Mr. BIBLE. The Senator is correct. As the Senator well knows, I was prepared to handle what I call the Gateway East; it was one of our first experiments in bringing an urban park to an urban area. I think the need was great.

We were happy to endorse the $6.9 million in this year's budget.

Mr. JAVITS. I thank my colleague for his cooperation and indulgence, and I thank the Senator from South Carolina (Mr. Hollings).

Mr. HUMPHREY. Will the Senator yield to me for one observation?

Mr. BIBLE. I am very happy to yield to the Senator.

Mr. HUMPHREY. I appreciate this courtesy as I have to go to a committee for a markup, as the Senator knows. That is why I asked for a chance to interrupt my colleagues who have been here so long.

On the matter of the Park Service and the areas that relate to Park Service reservations, I spoke to the chairman of the subcommittee and I had an amendment that I was going to offer that would have required the National Park Service to report within 60 days after the enactment of this act on an evaluation and recommendations for improvement of the National Park Reservation Service.

It has now been explained to me that the distinguished Senator from Ohio (Mr. Metzenbaum) will hold hearings on this whole subject matter and, indeed, I understand that the Senator from Nevada will be looking into the matter so that it would not be necessary to have an amendment, but rather to conduct an investigative study of what the Park Service is doing in the matter of contracting out reservation services.

Mr. BIBLE. The Senator from Minnesota states the problem correctly, and he did bring this up to me before his speaking now.

It is true that this problem was called to my attention by the Senator from Ohio (Mr. Metzenbaum), and they apparently have had some real problems with this Ticketron adaptation of making campground reservations for the Park Service.

It is a very alarming story as told to me, but I have consulted with my chairman of the full Interior Committee, the Senator from Washington (Mr. Jackson), and I assured Senator Metzenbaum that we will have hearings just as soon as we can give proper notices. He has agreed to chair them for me.

I think it is a problem that should be looked into, must be looked into because, certainly, the reservation system, as the Park Service is trying to handle it now, leaves a great amount to be desired.

We will look into it very quickly and I hope we can come up with a realistic answer to the problem.

Mr. HUMPHREY. I thank the chairman and I surely want to do everything I can to cooperate with the Senator from Ohio (Mr. Metzenbaum).

Mr. PELL. Mr. President, a little over a year ago, at the beginning of May, 1973, we spent 2 days in this Chamber debating an appropriate level of funding for the National Foundation on the Arts and the Humanities.

As chairman of the Special Subcommittee on Arts and Humanities—and as its chairman since its inception more than 10 years ago, I would like to add—I had the opportunity of proposing and defending a level of authorized funding for the Foundation and its two Endowments, the National Endowment for the Arts and the National Endowment for the Humanities. This level, which was approved by the Senate on May 2, 1973, was well above that recommended today to us by the Senate Committee on Appropriations.

To put today's debate into perspective, let me remind my colleagues of the amounts we considered carefully and approved in the spring of 1973. These were sums for a new 3-year authorization for the Foundation and its two Endowments.

For fiscal 1975—the year we are considering today—we approved a total authorization of $280 million, or $140 million for the National Endowment for the Arts and $140 million for the National Endowment for the Humanities.

The total of $280 million resulted from comprehensive hearings held before the subcommittee. It was unanimously approved by the subcommittee and approved by the full committee, the Committee on Labor and Public Welfare, without a dissenting voice.

And that level of funding—after full-scale debate lasting 2 days—was approved by the Senate by a vote of better than 2 to 1.

Mr. President, I review this legislative history in order to demonstrate that the total funding for the two Endowments for fiscal 1975, as recommended to us by the Appropriations Committee, is a most reasonable and indeed modest sum within this important frame of reference.

It is also reasonable and modest within the framework of the authorized amounts approved last year in Senate-House conference. That sum, that total for both Endowments, was $200 million.

I believe that the Committee on Appropriations and the Subcommittee on the Interior, under the distinguished leadership of Senator BIBLE, has acted with all appropriate prudence and with a full responsibility toward maintaining needed economies. Naturally, I would have preferred a higher level of funding, in keeping with the action we took in the Senate in May 1973, and in keeping with the congressionally approved authorization. I was indeed pleased as floor manager of the authorizing legislation when these higher levels of funding were approved by the Senate by such a substantial majority.

These programs—those of both Endowments under the excellent and imaginative leadership of Nancy Hanks for the arts and Ronald Berman for the humanities—are just beginning to have the impact on our national life which we in the Congress envisioned 9 years ago, when the two Endowments were created.

As the original Senate sponsor of this legislation, I am delighted by the progress which has been made. It has been fostered by bipartisan support led by the exceedingly able Senator from New York (Mr. JAVITS) who has, for all these years, been ranking minority member of the Subcommittee on Arts and Humanities, and of the full Committee on Labor and Public Welfare. I also commend especially the pioneering work of Senator HUMPHREY.

Recently a report published by the Associated Councils of the Arts which received nationwide press coverage emphasized that 89 percent of the Nation's adult population feel that the arts are important to the quality of life in their communities.

It pointed out that 64 percent of the adult public—93.1 million Americans—would be willing to pay an additional $5 a year in taxes if the money were directed toward support of the arts and cultural facilities. It pointed out that almost three-fourths of our population enjoy cultural activities on a regular basis.

Ever greater demands are being placed on our cultural institutions. Inflation affects them as it does other sectors in our country.

Mr. President, the arts and humanities are not luxuries to be appreciated by a limited few. They are central to our national well-being. We should consider this funding level as recommended to us by the committee as a modest but essential investment in the cultural development of this Nation.

We are still far behind other leading nations in this regard. Only a short time ago I pointed out to my colleagues that Great Britain is spending at a governmental level $100 million annually for the arts alone; and their population is one-quarter our own, and their gross national product is one-twelfth ours in size.

Let us strongly endorse the committee recommendation. Let us not reduce the figures proposed to us.

Ultimately our civilization will be judged by our cultural achievements. For the first time in our history we have a Federal program to encourage and advance this cause. Let us allow it to develop to meet the critical needs confronting our cultural institutions all across the United States.

Mr. HOLLINGS. Mr. President, at this point, I think the arts and humanities program is a good way to begin discussion of a cut in this particular budget.

I think the distinguished chairman of the subcommittee just made my argument, but did not quite follow through as I hoped he would. When asked about the arts and humanities, the distinguished chairman said that only a few years ago they had $6 million, now look at what has been done, we have in 1973 given an additional $20 million, last year we gave an additional $43 million.

So it is said to the Senator from New York, why are we not satisfield with another $40 million?

My question would be, why can we not hold up even on that $40 million or, if we cannot hold up on that, what can we hold up on? We have got a problem. How can we implement what we resolved to do by a vote as of May 9 and again on June 13, in all solemnity, to bring this budget from $305 billion back down to $295 billion?

Some would say, "Take it all out of defense." Others, "Oh, no, the tremendous waste is with HEW."

Then, the other day, when we get into the Transportation appropriation, they say, "No, the Coast Guard is safety; the FAA is safety. A cut would be jeopardizing lives."

When we get to the health measures, they are going to talk of cancer, and in the past I have been one of the favorite sponsors to make that talk.

When we finally get down to the Public Works appropriation, which the distinguished Senator from Mississippi chaired, which could be withheld for a year, we were voted down in the Senate.

We come to Interior appropriations and start talking about the arts, humanities, and public parks. Could they not be withheld in the light of this raging inflation?

Since President Nixon has taken office, a dollar that anyone had in his pocket on January 20, 1969, is worth 75 cents. I do not know any clearer or more dynamic way to try to put it.

What we are doing is saying what we are all for—for art, humanities, health, and transportation. Everybody is for everything, but what about the poor taxpayer?

We thought that the Budget Committee would do this. With my distinguished colleague from Florida (Mr. CHILES), I went to the Budget Committee caucus and tried to suggest some way, in an orderly fashion, to cut back on each item in the budget by some 3 to 5 percent, to let the committees do it if they would, so that we would end up by the end of our work in this crucial year—with impeachment and everything else confronting us—with the figure that the Senate has said should be the limit, $295 billion.

I have not talked with Arthur Burns of the Federal Reserve on this point, but I am confident that if we could show this kind of direction and this kind of sobriety in our treatment of appropriations measures, this kind of responsibility, that then we would be able to try to release some money for housing, cut the interest rates, and get this country moving again. It has to work together. But when the Budget Committee was asked, the distinguished chairman said, "No." He said that is not for the Budget Committee this year; that is for the Appropriations Committee.

Let me say a word about the Committee on Appropriations, because I pride no greater than any service my service on that committee. Let us not confuse courtesy with committee work. No one ever intends to be discourteous.

There was some comment to the effect that some of the subcommittee chairmen or some of the colleagues within the committee had not considered the chairman or communicated their intentions. I have done my level best to communicate.

In that particular committee when we were marking up Transportation, the question was asked of the distinguished chairman of the subcommittee (Mr. ROBERT C. BYRD) how we were doing, and he started listing the progress being made on the floor.

I said, "Parliamentarily, yes; fiscally, no." I said, "Mr. Chairman, we have to cut it here because if we do not cut it, where else will it be cut?" When this particular measure arose, they came and said, "Wait a minute," we have listened to all the witnesses. I can understand the year before last I heard all of the witnesses before the Appropriations Subcommittee on State, Justice, and Commerce. It is hard work, and you hate to have your hard work upset on the floor after it has come through the subcommittee and committee.

We tried in the full committee on this particular measure, Mr. President. I raised the question of a 5-percent cut and I was resoundingly voted down as though I were proposing something impolite or distasteful or was an intruder, that I should not have even raised that question. So what happens? We come to my distinguished friend, the Senator from Nevada. What do we do in light of our vote to cut the budget, all the talk we have about inflation, and about the security and stability of the country?

The distinguished Senator from Missouri time and again has told us our national security, like a three-legged stool, stands not only on the military hardware and troops, but the second leg is the confidence of the people in their government—which is now in question—and the third leg is that of economic stability.

When we all come and join hands and say, "Yes, we are going to recognize this, and how we have been robbing that housewife of 25 cents of that dollar in the last 5 years," this committee comes forth with an increase over last year of $665.8 million. Does that look like any awareness of inflation in the Senate? Everybody praises each other. All the Senators have gone off in their little committees, marking up more, and growling as they come back on the floor, "Do you still have that amendment up?"

One of them suggested that I said I had votes. Let me put it this way: If I thought I had the votes, we would have had a good 10 percent or more cut. I was trying to pare it down to something realistic, something that might pass. None of us want to get into the Indian welfare payments, but certain it is that when you come to new parks, when you come to the order of priorities in this country, we have raised parks $223,8 million for land and water conservation funds, moneys back to the States so that they can acquire and we, in turn, can acquire and develop parks, with planning and construction money at another $43.3 million, for a total of $267 million. For what?

Who is going home to the supermarket and tell the housewife at the counter, "Guess what I did, I got you a park"? We can use the main street of every town in America as a public park. There will not be any business there if we keep on spending. They will be quiet, peaceful, and restful places to grow trees, not to have any economic prosperity, not to stabilize the security of this country.

Why do we now come with a quarter million dollars more for parks?

We could go to page 25 of the report, the Klamath Indian lands. Is that not a great one? I am sure they can make a very persuasive presentation. They just said for starters $49 million.

I wonder if my distinguished colleague, the chairman of the subcommittee, would yield on this point and answer a question.

If that start is $49 million, what is the total cost for the Klamath Indian lands?

Mr. BIBLE. I am happy to respond to my friend from South Carolina any time. It is always a pleasure to see him standing there in his magnificence. I am happy to rise and attempt to answer the question.

If the Senator will look at page 25, it is an item of $49 million, and it is an item that would permit the Forest Service to initiate acquisition of the Klamath Indian forest lands in Oregon as authorized by Public Law 93-102.

The authorizing language was passed only after full hearings. The purpose was to protect the forest lands, the forest trees, before they went to the subdivisions.

Mr. HOLLINGS. That is the initial cost. What is the total cost?

Mr. BIBLE. The total cost? It is a one-shot deal, as I recall.

Mr. HOLLINGS. I notice it says to initiate the acquisition. Even if it is the total cost, could that not be withheld just 1 more year to see if we can try to balance this budget like we all want to do and like we all voted for?

Mr. BIBLE. If that is one of the places where the Senator from South Carolina chooses to take some of the dollars he is talking about in his amendment, we certainly could consider it. But my impression was they have to have these many dollars because they have to file a suit. They have to put up the full appraised value when they file the condemnation suit. That is the reason for it.

Mr. HOLLINGS. I understand the reason. I am just trying to see if, in the ordering of priorities and trying to cut back, we could withhold. We know it is done after due consideration.

If this amendment is adopted, I will be amazed, because I know many Senators who would go along, perhaps, to cut the Transportation bill, who would go along on HUD and Space Sciences, because they did not have anything in it, and who would quietly say now, "No. I got my park in this one."

Why in the world would we go over a quarter of a billion dollars and all of a sudden jump from an appropriation of about $73 million last year and put in another $227 million this year—up to $300 million? It is $267 million, but the House allowance is $300 million, and the committee recommendation on page 8 is $300 million.

Mr. BIBLE. Would the Senator like me to respond.

Mr. HOLLINGS. Yes.

Mr. BIBLE. That is the Land and Water Conservation Fund. I am sure the Senator voted for those earlier amendments and the funding authorization of $300 million. These are the dollars that are taken out of the oil and gas revenues at the rate of $300 million a year. This goes for a variety of purposes, as the Senator knows. It was funded at $300 million a year in fiscal 1973.

Last year, the 1974 fiscal year, the budget that came to us cut it back to the neighborhood of $75 million, down by $225 million. They just did not fund it at the same level they had in earlier years. This makes it appear this year as a large increase when actually we are only returning to the previous level.

What do these dollars do? They go to acquire lands in the Park Service, the Forest Service, and others. They go to send dollars to the Senator's State and to my State and to every other State to acquire and develop park lands.

Of course, the problem is that we are constantly caught in this escalation of land values. I suppose the rate in this area is between 12 and 15 percent.

If the Senator is sincere, as I know he is, the thing that should be done is to deauthorize many of these projects. If they were deauthorized, we would not be faced with the burden of attempting to fund them for acquisition and development and operation. That is the problem we have, and the Senator from South Carolina knows that as well as I do. I have been to Fort Sumter and some of the other great areas. Once you start these projects, you have to do one of two things. You have to go ahead and try to complete them. If you postpone them, the cost will be such that, on an average, it will be 12 or 15 percent more each year.

Mr. HOLLINGS. As with the chicken and the egg, which comes first? How are you going to tackle it unless you stop spending?

Is it the Senator's theory that in order to catch up with inflation, we should spend more, because the following year it will cost even more? Is that the Senator's approach to the budget?

Mr. BIBLE. No, but I do feel that if we cut out all the spending that the Senator from South Carolina advocates, we might have some increasingly difficult problems, not only with the increase in costs but also an increase in unemployment. These are jobs, all the way through. It means people are employed. If they are unemployed, I am sure somebody is going to have to pay for that, and that will increase the costs as well.

Mr. HOLLINGS. The Senator from Nevada referred to the Senator from South Carolina. I should remind my colleagues that the Senator from Nevada voted in June to come back to the $295 billion. We are both against inflation.

What about unemployment? That is a tough one. It cannot be taken lightly. It is said that a two-tenths of 1 percent increase in unemployment is brought about by a $10 billion cut in the budget. So if we are talking about jobs, we have to be realistic and face up to it. They are not easy choices. There are some hard sacrifices to be made. Before we can get this monster, inflation, in hand, we will have to suffer temporarily a little more unemployment. We cannot kid ourselves. We cannot continue to buy faster and with larger amounts and acquire park land for another quarter of a billion dollars because the land is going to cost more. The problem is not to get more land. The problem is for the homeowner to get a home to live in, for the person who is paying rent to be able to get money for the payments.

Let me bring out some evidence in the record, because we have tried to identify the cause of inflation. There are many causes, with respect to the crop failures, the Soviet wheat purchases, and the quadrupling of the oil prices since October of last year.

The main culprit is the addition to the supply of money. During the 5-year period when the Senator from Nevada and I both were in the Senate, under President Johnson, we had both guns and butter. We increased the supply of money some 47 percent, from $259 billion to $382 billion.

Under President Nixon, in 5 years, from 1969 through 1973, the money supply increased from $382 billion to $571 billion. So in that 10-year period of 1964 to 1974, or the end of 1973, we literally doubled the supply of money. Even more, we increased it a whopping 120 percent, while the increase in the production of goods was only about 50 percent. So there is more money chasing goods, as the economist says, which is the cause of inflation, and the Federal Government is the main culprit.

We cannot get any relief from our colleagues in the international community, because the 10 major industrial nations in that 10-year period also doubled their money supply, from $332 billion to $690 billion. So it is worldwide inflation. It is no salve whatever to say, "Look at what is happening in Italy or England. Why should you complain and nobody else?"

No one is complaining. If you cannot get the leadership which calls for wage and price control, if you cannot get the leadership to cut the budget, if you cannot get the Appropriations Committee to cut the budget, every one of them barreling out here with an additional half-billion dollars, then who is there in this Government—or, specifically, in the Senate—to stand and say, "No"?

I yield to the Senator from Georgia.

Mr. NUNN. Mr. President, I should like to ask the Senator from South Carolina one or two questions; but, first, I commend him for taking the lead on this important measure.

I also want to express my sincere appreciation to the Senator from Nevada for his excellent leadership in this area. I assure him—speaking for myself and I think for others who would like to cut this budget—that we are doing this on every budget that comes up. There is nothing personal about this. There is nothing in our action against the subcommittee or the Appropriations Committee or the Department of Interior and Insular Affairs or the worthwhile portions of this bill. We feel that we have to take a look at the overall picture of the economy. If we do not do this but instead become immersed in the small picture, we are going to wreck the economy of this country and the well-being of the American people.

I should like to ask this question of the Senator from South Carolina, so that the record will be clear:

Approximately two-thirds of the amount in this budget is to go to the Interior Department, and this appropriation of $2.5 billion is up $504 million over the amount appropriated last year, which is about 30 percent. Is this correct?

Mr. HOLLINGS. That is correct. The Interior Department already has been given plenty for research and development in energy.

Mr. NUNN. The energy research and development bill has already passed, has it not?

Mr. HOLLINGS. That is correct.

Mr. NUNN. So we are not doing anything in this measure to delete the research and development for energy.

Mr. HOLLINGS. No. We are not trying to cut off anything whatever.

In fact, I will give the distinguished Senator a little time to look through this budget while I am answering the question of the Senator from Georgia, to tell me where in these increases we make money. I feel that I can make the categorical statement—subject to correction by the Senator—that we are not spending money to make money in these increases. We are making money on the land that the Federal Government has always owned. Perhaps the Senator can single one out and say that this is a particular increase in the appropriation that helps us make $8.7 billion.

Mr. NUNN. There is also the question of lead time to consider. With the 12-percent inflation rate, even if these lands produce something 10 years or 5 years from now, we still are going to pay a high price for it over the next 2 or 3 years.

I ask the Senator from South Carolina another question: As I understand it, the total asked for in this bill is approximately $3.38 billion, and this is $18.8 million more than the President of the United States asked for. Is that correct?

Mr. HOLLINGS. That is correct. And mind you, what the President asked for is an inflationary request.

Mr. NUNN. The President asked for a $11 billion deficit, and we have passed a resolution, which I voted for and I am sure many other Senators now on the floor did, to cut that down to $295 billion. Yet this particular bill does not cut the President's budget the necessary 5 or 6 percent to get to that $295 billion. Instead, it increases it by $18.8 million.

Is that right?

Mr. HOLLINGS. That is right.

Mr. NUNN. I understand, also, that this total is $599.7 million more than the amount appropriated in fiscal year 1974, which would be an increase of about 18 percent. Is that information also about correct?

Mr. HOLLINGS. That is right, sir. It is an actual increase of about $599,743,000 over 1974.

Mr. NUNN. I know the Senator from South Carolina shares my strong concern for the national security of this country, and I see the Senator from Missouri (Mr. SYMINGTON) here. I know he has that strong opinion.

I have heard an argument used, not just in the last few days when we have been debating the appropriations bill, but at other times as well. The argument has been used against making spending cuts on the basis that if we do not spend this money now, we shall have to spend more next year because the inflation rate is going up so much. I would like to ask the Senator from South Carolina if he can accept that argument.

Mr. HOLLINGS. I suggest that the Senator go home and tell his wife that and see how long his bank account lasts. Tell her to hurry up and spend the money because next year inflation is going to be worse.

Or tell that to a State government. You see, the device here in Washington is a printing press. The Federal Government can print dollars; the State of Georgia cannot.

Every State in America now is coming around to fiscal responsibility. They have to balance their budgets. They have to make the loans and do the borrowing and come forward each year. State governments are used to this. The Federal Government has no discipline. They will tell us that we have to spend faster in order to make it, like "Alice in Wonderland," running as fast as we can in order to keep up, not even to get ahead.

That just does not make sense. That is the kind of economic chaos we are in.

Mr. NUNN. With this kind of argument, when we get to the military budget, I suppose we should use the inflation argument to say that if we do not double the appropriation for the Trident submarine, or double expenditures to buy other weapons, it will cost us a lot more than an $80 billion or $82 billion defense budget because of rising costs. To avoid these costs, we could say we ought to double this year's defense budget and buy all these things in 1 year. Then we can tell the American people, look, we are saving you money because we are doubling up this year and the Federal Government is spending so much, printing so much money, that next year the inflation rate is going to be 18 percent, and we are saving that 18 percent.

Mr. HOLLINGS. Right; the Senator from Georgia puts it in a very clear fashion.

Will the Senator yield?

Mr. NUNN. I am glad to yield.

Mr. BARTLETT. Will the Senator yield?

Mr. HOLLINGS. Yes, I yield to the distinguished Senator from Oklahoma.

Mr. BARTLETT. Following along with some of these questions, Mr. President, that the Senator from Georgia was asking, is it not true that this bill is $18 million more than the House bill?

Mr. NUNN. I believe the Senator from South Carolina has responded that that is correct, that there is about $18 million more in the bill than the President asked for, notwithstanding the previously expressed sentiment of the Senator to cut the President's budget down to $295 billion and dampen the inflationary effect of the President's budget. So the Senator is correct.

Mr. BARTLETT. It is my understanding, also, that the 5-percent cut would still leave the bill with $436 million more that the 1974 appropriation.

I want to express my support for the action and the motion of the Senator from South Carolina, and for this leadership. Also, I wish to express my admiration for my colleague on the Interior Committee, the floor manager of this bill. I know that he has done a lot to cut out the fat and has removed the fat from the bill.

I think it is also a matter, in reducing expenditures, that it is necessary to remove good programs. One of the things I like about the motion made by the Senator from South Carolina is that it will leave to the Committee on Appropriations the job of making the precise reductions. Certainly, they are the ones who are qualified to do this, and certainly it is not a matter that should be done on the floor. I think that this does permit reductions to be made in an intelligent way

My membership on the Committee on the Interior makes me, I would say, probably a little prejudiced for the contents of this bill. Certainly, I want to show no disrespect to the floor manager, my distinguished friend.

I also want to represent the people from Oklahoma, and their desire today is to see this body, the Congress and the administration set an example for people across the country to live within their means, to have restraint in spending, to reduce the deficit, and hopefully, to balance the budget. Inflation is making it difficult for the Committee on Appropriations because of the rising costs of ongoing programs. The actions here today will, in my mind, work to reduce the rate of inflation, work to reduce the current interest rates, and make it easier in the future to expect the additions required to appropriations to be more nominal just to continue ongoing programs.

Mr. NUNN. Will the Senator from Oklahoma yield for a question on that point?

Mr. BARTLETT. Yes, I yield.

Mr. NUNN. I know the Senator from Oklahoma and myself, and the Senators from Kentucky, from Florida, from Alabama, from New Mexico, and other Senators have been working for 2 weeks in order to get seriously into the details of the appropriations bills. I am sure the Senator would agree with me when I say that the effort we are making here today is not based on any objection to this particular appropriation; rather, it fits into the overall framework of trying to do our best to cut down the deficit that the President has proposed. If we could do that, we would have the gratitude of every American.

I think the Senator would concur that we have done this on every bill that has come up. This is the overall, consistent policy we have been attempting to implement. Does the Senator agree with that?

Mr. BARTLETT. I heartily agree with the Senator from Georgia. I also express my personal opinion that on the bills on which we have not been successful, I hope we shall have the opportunity to have those approached in the same manner by the subcommittees of the Committee on Appropriations, and to have the good programs in them reduced so that the overall benefits will be that much larger. There is no reason that only the Interior bill or a few bills should suffer the impact of the reduction and other programs do not.

Mr. NUNN. Would the Senator agree with the statement that since the Senate has already appropriated about $30 billion without any tangible net decrease in the President's budget, this has put the Senate in a position where, if we are really serious about the $295 billion ceiling or something in that neighborhood, we have to cut more from the appropriations bills that are still to come? Including this Interior bill we are debating today?

Would the Senator further agree that if this bill passes without a significant cut, such as the Senator from South Carolina has proposed, what that will do with the next bill that comes up, and the next, if we are really serious about fiscal responsibility in this country, is cut farther and farther into those budgets in order to maintain in real reduction the total budget?

Mr. BARTLETT. I agree, and I say further that this would make the burden completely unbearable and unfair to those particular programs that would be involved in the larger cut.

Mr. TUNNEY. Will the Senator yield?

Mr. BARTLETT. Yes, I yield to the Senator from California.

Mr. TUNNEY. I think that the 5-percent reduction amendment which is being proposed by the Senator from South Carolina is desperately needed. It is needed in this appropriation bill, and across the board, in all appropriations bills. There should be no sacred cows.

It seems to me that when we start talking about the problems of inflation in this country, we have to recognize that 12, 13, or 14 percent inflation is outrageous in that it puts a 12, 13, or 14 percent tax on the average wage earner in this country. It also has the effect of producing on Wall Street a loss of investor confidence and a withdrawal of funds from the equity markets. Industry then cannot find the equity it needs to grow and expand. It has an impact upon management-labor negotiations, in encouraging labor to ask for settlements of 10 to 15 percent per year over the 3- or 4-year period of a contract.

I think that by announcing now to the American people—and that is what the Senate can do by agreeing to this amendment—that we are going to have cuts across the board in our Federal spending, we will create a psychological atmosphere and environment in this country that will be most beneficial. I think we will have a return of capital to the equity markets. I think we will stiffen the backs of management in labor negotiations. We will have recognition by labor leaders that Congress means business, and they will, by reason thereof, be prepared to settle for less in the way of wage increases.

I cannot help but feel that a dramatic cut of 5 percent in Government spending would be one of the most beneficial things that could happen to the economy of our country this year, and it would put us in a position where we are moving toward a balanced budget.

I do not anticipate that we will be able to balance the budget; but the closer we get to balancing the budget, the less money the Federal Government will have to borrow.

Mr. NUNN. Mr. President, will the Senator yield on that point?

Mr. TUNNEY. I yield.

Mr. NUNN. I think that is is a very important point, because when we see what is happening every day, with the Government obliged to come out with 9-percent Treasury bills, with our having a run on savings and loan associations which is crippling the housing industry and the construction industry, every dollar by which we reduce Federal spending, I think, will mean we will have that much more money available for the needs of the private sector, including housing. So I think the Senator from California has made an excellent point.

Mr. TUNNEY. I thank my distinguished colleague from Georgia. As the Senator says, we should take a look at what is happening in the mortgage market of this country where, for example, in the Washington area—Virginia, Maryland, and Washington, D.C.—you cannot get a home loan, it is absolutely impossible, they are making no home loans; and all across the country we see a crippled housing industry.

Just recently, when the Government came out with a bond issue paying 9 percent, people in Los Angeles were lined up around the block trying to get some of that 9-percent Federal paper. And this money was either coming out of the equity markets, with people selling stock and investing it in these high-yield issues, or it was coming out of the savings and loan industry.

Mr. BARTLETT. I heartily agree with the Senator from California. I believe the psychological impact of what we do in the Senate will have its effect on many areas that affect the economy. I believe that people do not really expect action to be taken. Some are saying that the budget is uncontrollable, that it cannot be reduced, that the deficit will be perhaps even larger than that proposed by the President.

So I strongly concur with the statements of the Senator from Georgia and the Senator from California. I believe the action taken in recent days and the action proposed by the Senator from South Carolina today are excellent examples for the rest of this country to emulate, and actions that are in the best interests of the country and in the interests of a sound economy.

Mr. HOLLINGS. Mr. President, for the purpose of parliamentary clarity, may we have the motion stated? I think it has been stated, but I would like to hear it again, on behalf of myself and others.

The PRESIDING OFFICER. The motion will be stated.

The assistant legislative clerk read as follows:

> The Senator from South Carolina (Mr. HOLLINGS), for himself and others, moves to recommit H.R. 16027 together with any proposed amendments thereto at the desk for further consideration by the Committee on Appropriations, with instructions that the Committee reduce the total amount of the bill by at least $170 million.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the motion.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I yield first to the Senator from Missouri, and then to the Senator from Kentucky.

Mr. SYMINGTON. Mr. President, I have listened with interest to the significant remarks of the distinguished Senator from South Carolina.

As my colleagues know, for some time I have worried about the steadily increasing debt of the United States. No one in this body has more respect for the distinguished senior Senator from Nevada than I, but it would appear more and more people of this country realize that our most important problem, probably the most important problem, is the problem of our economy.

I have forgotten the figures on the number of countries that have been destroyed from the outside as against those that fell internally, but the countries destroyed from outside enemy action are negligible compared to those that went down because of troubles inside their own country.

In this connection, the other day I received a letter from a man considered the leading practical economist and investment adviser in my part of the country; and also in New York, Chicago, and the west coast. If the Senate will bear with me, I shall read a letter received from him in the last week, which points up the grave problems we now face from a monetary and fiscal standpoint.

He says:

> You and I have had frequent discussions over the years about many subjects. However, the emphasis has been on questions of the economy, both national and international.
>
> During this extensive period, I have always had a basic posture of optimism. Although recognizing the seriousness of the trend over the past several years, I consistently maintained the posture that the problems were of such a nature that they could be overcome and I was able to project "over" the then existing problem. For instance, if it was during a recessionary period, one could reasonably see the correction and subsequent resumption of growth.
>
> However, this has changed dramatically. The current economic problems facing this country and the entire world are so monumental that one cannot reasonably predict the outcome. In other words, I "cannot see the light at the end of the tunnel". This is a matter of grave concern to me.
>
> It is fully recognized that the United States situation cannot be viewed in isolation. Today the world and its economies are so interdependent that events in other countries inevitably have their effects here and visa versa. However, we have substantially more opportunity to correct our economic problems than the others.
>
> Obviously, the area of my concern revolves around the question of unbridled inflation and its consequences. This inflation currently is rampant and shows no indication of meaningfully abating. The ramifications of a continued unsatisfactory inflationary rate are so well known that they do not have to be delineated here.
>
> It is not enough to say that other countries have more severe problems than we do. Our primary obligation is the United States. The other countries might well not be able to cope with the effects of inflation and this would put a strain on us and others, but our primary concern is to correct these vicious trends and restore the confidence in the future. In my opinion, even if the proper remedial actions were properly and effectively instituted, it could still be several years before the inflation rate is reduced to an acceptable level. The price is high and the consequences will be painful but the alternative is unacceptable. I sincerely believe that the American people will cooperate and do what is required of them.
>
> Without a sound economy, the other fundamentals such as a strong defense, faith and credibility in the Government and the future are not available.
>
> I am gravely concerned and, therefore, wanted to write you my thoughts.

Mr. President, in effect, the comments emphasize what the Senator from South Carolina, in his able fashion, is presenting to the Senate and the people of the country this afternoon. I support him.

In my State we have two great cities. Both are in effect bankrupt. The State government cannot spend more money than appropriated by the State legislature.

So what happens? Down here come people from all walks of life, with various ideas. I said to my administrative assistant the other day, "I think over half of the people who come in to see us come in because they say they need dollars. He said, "It is over 75 percent."

The printing presses are rolling out those green pieces of paper called dollars which now, in effect, have been completely severed from any true relationship with gold. It really is not important what the dollar is worth; rather what people think it is worth, not only here in this country but those who control some $90 billion of Euro-dollars and Japanese dollars; what people think about its value, all over the world.

There was a time in 1949 when we held 56½ percent of the monetary reserves of the world, the most we ever held. Today it is estimated that by 1980, on the basis of present extrapolations, the oil-producing countries of the world will control 70 percent of all monetary reserves. It has also been estimated that with the additional money $80 billion being paid to those countries this year as against last year for oil, they can purchase control of the 13 largest companies in the United States.

These are typical of thoughts that run through my mind.

We now have the Federal Reserve putting $1.2 billion into a bank in trouble in New York. We have the troubles of a big bank in Germany, and hear ominous news about the condition of some other banks in this country at this time.

So I would hope no one would consider this amendment an effort to keep anything from the American people in the way of what they should have for a more secure and better life. What we are really doing, and I am talking as a supporter of the amendment of the Senator from South Carolina—is protect the people, trying to protect their buying power, their ability to go into supermarkets, to give them a decent life as citizens of this country.

I commend the Senator from South Carolina, and fully support his amendment.

Mr. HOLLINGS. Mr. President, if the Senator from Missouri will yield, I want to make one comment.

If this giant inflation is killed, the David in that scenario would be none other than STUART SYMINGTON of Missouri.

I have sat on the Policy Committee for several years now. This did not start with the inflation of this year or last year.

As I pointed out, the deterioration in the value of dollars in the last 10-year period has been a continuous thing. But equally constant and continuous has been the fight of the Senator from Missouri to try to stabilize this economy. He has made a most powerful statement. The power comes not merely from his sincerity and wisdom but, more than anything else, the fact that he was a businessman, a successful businessman, who faced the depression and inflation and these other things, faced them successfully, and who continually admonished us as junior and younger Members within this body about the significance of trying to arrest this inflation.

Now, the fact is that since he has been a former Secretary of the Air Force, he has been subjected to derision and criticism as a dove, as a fellow who would sell out. This is the most insulting thing I have ever had to listen to from time to time by business people and others who should know better. He never denies the military one iota of what they need.

What he is trying to do is to strengthen that military by first strengthening the American dollar. I really appreciate the contribution he has made.

I know the Senator from Georgia (Mr. NUNN) wanted to make a comment.

Mr. SYMINGTON. Before he does, Mr. President, I would thank my very able friend from South Carolina for his undeserved but deeply appreciated remarks.

I guess what we are trying to do is to preserve the economy of the United States, and am grateful for what he has said.

Mr. NUNN. Mr. President, will the Senator from South Carolina yield?

Mr. HOLLINGS. I yield.

Mr. NUNN. I would like to add my commendation to the Senator from Missouri. I remember when I first arrived in the U.S. Senate, shortly after I got here, we were in the Armed Services Committee together, and we were talking about some of the overall international problems, particularly the balance of payments, the balance of trade; and the Senator from Missouri told me of some statements he had made earlier.

I went back and, with the help of his staff, I found speeches he had made not in 1972 and 1973, when we started seeing the present trend, but back in 1966, 1967, 1968, and 1969.

I do not know of any person with whom I have come in contact who predicted more accurately the very dilemma in which we find ourselves today. The Senator from Missouri has been talking about the economic problems, the international balance-of-trade problems, the international balance-of-payment problems we are facing now, for a number of years.

I would like to add my voice to those who agree with what the Senator has been saying, and to commend him for his leadership, not just today but in the past as well, because he has made the point well over a number of years, and I think that we are beginning to come to this realization.

I would like to ask the Senator from Missouri a question—I believe that the 10 and 12 percent inflation we are experiencing today is the equivalent of cutting every budget that we pass through this body, whether it is the Pentagon, the Navy, the Army, the Air Force, or whether it is the Interior Department which we are talking about today, or whether it is HEW or anything else. This inflation is the equivalent of cutting these budgets 10 or 12 percent because, by the time the money appropriated really gets spent, there is that much less purchasing power.

So I would guess the Senator from Missouri would agree with the statement that if we are able to cut this rate of inflation down even to 6, 7, or 8 percent in the next 12 months, in effect, we will be increasing the budgets of these people who think they have to have every last penny at the present time.

Mr. SYMINGTON. There is no question about it.

As the able Senator knows, I am deeply grateful for his remarks. This double-digit inflation we are now into—the first time since the Civil War—has resulted in cutting the income of everybody. You cannot float logical bond issues. Issues only a few months ago considered most desirable. You have, as someone mentioned earlier today on the floor, citizens now flocking to get 9 percent tax-free money, U.S. securities. That is unprecedented.

There is one big difference, which I hope every American would realize, between this recession, which shortly could be a depression, between now and 1932.

In 1932 we had heavy unemployment but the dollar became steadily more valuable instead of less valuable. Today, primarily because of the billions upon billions of dollars we have gotten into the habit of sending out of this country, we not only have heavy unemployment, but are moving into double-digit inflation, a steady lessening in the purchasing power of the dollar.

Mr. STEVENS. Will the Senator yield?

Mr. HOLLINGS. I promised to yield first to the distinguished Senator from Kentucky, and then I will yield to the Senator from Alaska.

Mr. HUDDLESTON. I thank the Senator from South Carolina.

I want to commend the Senator from South Carolina for the motion he has presented here and my colleagues for the comments they have made on this very important issue facing America today.

I also recognize and acknowledge the tremendous, hard-working and diligent job that has been done by the distinguished Senator from Nevada, by all the subcommittee chairmen of the Appropriations Committee, and by the committee itself, in developing these bills, in attempting to balance the needs and the wants of the people of this country against the available resources and in bringing to the floor what they consider to be the best proposals for our Nation.

I think we have to recognize that while all these appropriations and all these programs are designed to meet some need or some problem facing our country, the No. 1 problem is the economy. That has been said 100 times here this afternoon. It has been said over and over for the last several months. People have known this for a long time. And, they have been looking to Washington, looking to Congress, for some kind of action to help alleviate this problem. So far, they have not seen any.

Just days ago, five of us decided it would be a good idea to bring together leaders of Congress, leaders of the Executive Branch, leaders of business, industry, and labor, to sit down and work out a game plan so that we would have some way to proceed, so that the people would have some confidence that at least their government was trying to do something to help meet the tremendous economic difficulties that they are faced with every day—every time they go to the grocery store, every time they go downtown, every time they go to the gas station, every time they get their bills and try to pay them. Yet no action has yet come.

Now, the distinguished Senator from Missouri has very correctly pointed out that the situation we find ourselves in today is not a common situation—not an ordinary one. Worldwide conditions have a great deal to do with it. There are many, various causes of the current inflation. There are a lot of reasons for the other economic dislocations that we find.

We cannot resolve everything here in this body. We cannot overcome all the problems. But one arena where we can do something, and where we have the responsibility to do something is that of Federal expenditures.

Every economist, everybody who looks at the problem we are in now, says that at least one of the major causes is the deficit of the Federal Government—expenditures above revenues which we have seen year after year and which the distinguished Senator from Missouri outlined just a moment ago. So this is an area where we can do something and a number of us believe that this is the time for action.

It is too late now for business as usual. I know it is not customary for appropriation bills to come to the floor and then be recommitted. But this is not a usual time. It is, instead, a time for extraordinary action.

The approach suggested by the Senator from South Carolina does not cut out any programs, not eliminate any program. It is a simple way to reduce expenditures, while leaving enough for adequate funding of the necessary programs. I think it is little enough to do.

I am not willing to say, regardless of all the hard work that the committee and subcommittees did, that the Senate of the United States is a nonentity, without force, without effect, in meeting this very serious problem of the economy. I am not willing to say that the Senate of the United States is incapable of demonstrating economic sanity and fiscal responsibility.

I believe that the motion by the Senator from South Carolina is just one little step, but a step that we must take if we are to restore some of the confidence of the American people and if we are to indicate that the Senate of the United States, regardless of what is happening in the rest of the echelons of government is ready to bite the bullet, ready to reexamine all our pet projects and programs, ready to accept this slight decrease in expenditures so that we can demonstrate to those we represent that we are going to try to meet this economic problem that faces our country and put our Nation back on sound economic footing.

Thank you, Mr. President.

Mr. HOLLINGS. Mr. President, before yielding to the distinguished Senator from Alaska, the minority leader on this bill, I wish to bring into focus and proper light certain comments so that there be no misunderstanding.

There is a saying that Senators have asked all around the way it got up to this $665 million more in this bill than what we spent last year, that every Senator writes in his letters and asks for his millions and millions of dollars and then runs back to the cameras and the home folks and the press and says he is for economy and against inflation.

On that score here, cut them 5 percent, necessary to the wisdom of the committee, eliminate them. I say that I am willing to take my bumps with the other fellow.

I think the Senator from Nevada will remember a week before last when we did not get the increase on the Cowpens Battlefield Monument project and my colleague the senior Senator and I were both discussing it, I said that I would oppose an increase, that I would forgo it because I could see I was going to meet myself coming around the corner here.

With respect to the committee system, I am aware of the distinguished senior Senator from Arkansas, my chairman, as he well knows as the junior member I held all the hearings on that particular subcommittee which he had at that time when he was back tending to his most pressing business.

I enjoyed it, I learned a lot, and I am the first to agree with that feeling, what if you do all the work and work up the bill and then, willy-nilly on the floor, they meat ax across the floor and cut it, that there is that human reaction of resentment. But I think inflation is even more serious.

Number one, I hope there is no resentment because we have taken the senior Senator's admonition and gone to the committee. The motion I make now was made and voted down within the Appropriations Committee.

Finally, we do not come and act like we have agreements.

As I said earlier, when the distinguished chairman was on the floor, I would like to cut 10 percent. I do not think a 5-percent cut is sufficient. Five percent is only $170 million. We are increasing this $599 million, so if we take $170 million, it is still $373 million more for 1975 than for the year 1974.

This is more than adequate and more than I would want to vote for, but I have to be realistic.

Be that as it may, I finally will get to the point and will ask the Senator from

Alaska, who is prepared to take the floor, the other idea extended here, that this is a money-making bill, that this brings in some $8.7 billion in revenues, and if that is the case, looking at these particular increases, I would appreciate it if the Senator from Alaska could point out the particular increase that really makes money, that is a part of that $8.7 billion in revenues. My point is while we need enough spending money to make money, I feel we make the money on what we already have. I know the money we are making, but there is nothing in the increases over 1974 in this particular bill that is going to help us make that $8.7, is there?

We could pass the same bill, is my point, in this particular fiscal year as we operated under in the last fiscal year and still make $8.7 billion, but I am willing to be corrected.

Could the Senator point to the increase that makes that $8.7 billion?

Mr. STEVENS. Is the Senator prepared to yield the floor?

Mr. HOLLINGS. Yes, and I am prepared to hear the Senator's answer.

Mr. STEVENS. Mr. President, I have listened with interest to this exchange from those people that want to cut this bill by $170 million.

I would feel a lot better about it if, as the Senator from Nevada stated, it had been presented to the subcommittee at the time that we reviewed the requests from our colleagues, some 183 requests, which asked us to add almost $800 million to the bill.

As a matter of fact, as I have repeatedly pointed out, half of these public lands are in my State. My State will receive about $106 million under this bill, which is roughly a slight increase over last year.

If the Senator from South Carolina would like to be informed about that, I will tell him about some of the money-making activities.

We have about $12 million for some of the activities related to the Alaskan pipeline: surveillance required for the protection of the environment; development of the approaches to the Valdez area; the work that is going to be done by the Bureau of Land Management and the United States Geological Survey in carrying out their duties under the stipulations entered into to protect the Alaskan environment as we proceed with the pipeline.

I wonder if the Senator from South Carolina knows that it is going to be paid back. It is completely refunded by the pipeline company under the agreement that we have.

Mr. HOLLINGS. I will stand corrected to the tune of $12 million. I want to get up to this $665 million.

Mr. STEVENS. Let me tell the Senator about the $120 million in this bill related to energy, in addition to what we have already enacted into law in the emergency energy bill. Again, if the Senator from South Carolina would be fair with this committee and realize that we took a great portion of this bill out and put it in the emergency energy bill, if he will look at the two bills together, we are still under the budget. We are more under the budget than any bill so far.

My good friend asks what produces income. We have money here for the Bureau of Land Management to continue its work on the Outer Continental Shelf. We have money here for the Bureau of Land Management in connection with the oil and gas leases that are going to be entered into this year, and which will have additional income to the Federal Government.

We have money here for the Forest Service as it increases its cutting cycle from the national forests to meet national needs consistent with environmental objectives. It needs additional money.

All of those things are going to proceed at a lesser rate, if the Senator from South Carolina is successful.

Let me point out to my good friend I would feel a little differently about it if the Californians who now seek to cut $170 million from this budget, who already have $243 million in this budget, if they would come to us and say, "Would you please take some of that $243 million out of this bill? We do not want it. We want to meet national objectives in terms of inflation."

I would feel better if the Senators from New Mexico came to us and said to cut some of the money they have in this budget. They have some $165 million. It is a small State in terms of my State, in terms of Geological Survey, Fish and Wildlife, the Forest Service, and so on. The activities of this bill in my State just dwarf what is going on in New Mexico, yet they have almost $50 million more in this bill for the State of New Mexico. And they want to cut? Does the Senator from South Carolina believe that they want to cut that money from the bill, $165 million, for the State of New Mexico?

Where were they when we tried to work out the national priorities in terms of this?

Again I point out to my good friend, the distinguished Senator from Nevada in his last year has presented a bill that really met the national objective. We held the line. To put it right out, in order to get the money I need for the Bureau of Mines and the U.S. Geological Survey to survey the mineral potential of some 80 million acres that some want to withdraw from my State, we gave up $1 million that was to be used for investigation of the Arctic pipeline. We took the $1 million and put $500,000 in the Bureau of Mines and $500,000 in the Geological Survey.

In years gone by, I think my good friend from Nevada would have added the money and we would have gone to the conference and fought it out. This year we set a level and we kept below it. One cannot say we went over what the subcommittee said we would do. The chairman of our subcommittee mentioned that.

Those of us who exercise discipline in the subcommittee to really be selective in terms of the national need come out and someone says, "Slash it across the board. Take 3.5 percent off the Alaskan pipeline."

What does it mean? It will be completely repaid as far as these activities are concerned under the contract.

What does my good friend do with regard to the other activities that are here?

As my good friend mentioned, we tried our best for the arts and humanities. We have agreed with the House. It is less than the budget, but it is $40 million more than last year. Do you want us to cut the arts and humanities still further?

Mr. HOLLINGS. Give them what they had last year. They got $20 million more for 1973 and $43 million more for the last year. Hold the line.

Mr. STEVENS. We have already cut $16 million off of them in terms of what the budget requested, and the Senator wants to cut $40 million off?

Mr. HOLLINGS. The budget request means nothing. You and I know that.

The distinguished gentleman used the expression "to exercise discipline in the subcommittee," if I heard correctly, and has itemized $65 millon in increases that have to do with making money.

Let us assume that, and call that discipline. How about the additional $600 million over last year? I am not talking about cutting budgets. I am talking about increases over fiscal year 1974 in the face of inflation. Does the gentleman from Alaska call that exercising discipline?

Mr. STEVENS. Does the Senator from South Carolina listen to me when I say we have to consider the energy bill in connection with this one? We took a lot of items out. Again we point out that there is less money in this bill than the budget in total amount, and less than last year, if we look at the energy bill.

Mr. HOLLINGS. I am not looking at the energy bill.

Mr. STEVENS. I fought with my friend from South Carolina for the $19 million more we wanted for NOAA. That was for a national need. Now we have reviewed 183 amendments from Members of this body and we have been selective in terms of meeting the needs of their States, consistent with the national need to hold down expenditures.

Again, I say to my friend, we are dealing with income-producing properties. Can he tell me a corporation in this country that has annual expenditures of $3.3 billion and has a net return of $8.7 billion? Where do we make money for the Federal Government as much as we do in this bill?

Mr. HOLLINGS. On that basis, double it. Why does the Senator not double it? Spend $6 billion and make $16 billion. We will all be rich.

Mr. STEVENS. If we could find a way to maximize returns, increase the return to the Federal Government, consistent with the national objectives, I think we would have. But, I say to my friend, we sat there day in and day out and listened to these witnesses, which he has done, too; Members of the Congress, members of the public, Members of this very body. No one asked us to cut. Everybody asked us for more money.

My good friend here with the patience of Job and the wisdom of Solomon comes up with a bill that should have been able to sail through this body because it is the most conservative Interior appropriation bill under the circumstances that we have ever seen. Now, the Senator wants to cut it.

Mr. HOLLINGS. Will the Senator yield for a question?

Mr. STEVENS. I will yield if he will answer one question. The Senator asked us to take this back to the committee and cut $170 million.

Mr. HOLLINGS. Right.

Mr. STEVENS. Does the Senator have a list where he wants it cut?

Mr. HOLLINGS. No. This is why I want to go along with the distinguished chairman of the Appropriations Committee. He said, and I agree, that the judgment will be employed and exercised by the Senator from Alaska and the distinguished subcommittee chairman. It is not a personal thing. The Senator is more familiar with the bill. He has heard the witnesses. We are not disregarding that. The Senator says no one asked. I was about to ask. I will just make the statement. On June 13, the Senator from Alaska asked. He asked what? He asked to cut the $305 billion down to $295 billion.

Mr. STEVENS. What is that?

Mr. HOLLINGS. That is when you voted to cut the Federal budget from $305 to $295 billion. How are we going to do it? That is what I ask.

Mr. STEVENS. I voted for the limitation.

Mr. HOLLINGS. Yes, everybody wanted to do so. But when we come down to everybody's budget, health has to have cancer, transportation, the Coast Guard and the FAA has to have safety. Do not run us up a quarter-billion dollars in public parks and then go back home and tell constituents the Senator is interested in stopping inflation. That is what this is in this bill.

Mr. STEVENS. I still have the floor, I believe.

Mr. HOLLINGS. I thought the Senator yielded.

Mr. STEVENS. Yes, I voted for that, and we sat within the committee and we established limits. Our subcommittee is still within the limit we established.

If the Senator wants to criticize somebody, he should criticize people who are going beyond that, because we are not. Beyond that, he will not succeed in what he is doing, because when we go back to the committee, it will not be the people who got their amendments added to this bill who will lose out.

If the Senator wants to cut $170 million, he should urge specific places where he thinks it should be cut. I do not think the Senator should say that it should be cut across the board or cut a department. Tell us where there is $170 million worth of fat in this.

Mr. HOLLINGS. I will do it right away. On page 9, land and water conservation fund, a $223.8 million increase. On page 12, planning and construction. That is more parks. That is an additional $43.3 million. That makes a total of $269 million—more than a half-billion dollars in new parks. Last year we had $76 million. Why jump it up to $300 million, in the face of inflation?

That is one place I can mention, not being experienced on this bill.

The Senator from Alaska said that money could be made on this. The distinguished Senator from Alaska knows that he is not making $8.7 billion on these increases.

I will grant the Senator, without argument, the increase he pointed out on energy, $53 million; on the Alaska pipeline, $12 million, and several of the others. But there is still the money in the humanities and arts.

One can go right down the list, and all these are goodies. We had the pork barrel with the public works, and we can call this the cracker barrel, the little sweet things. Our distinguished leader is kind and generous; he is Santa Claus; and he is giving us all we have asked for. I do not believe he should be miffed when we say this because I have to make a talk on inflation.

Mr. BIBLE. The Senator did get that message?

Mr. HOLLINGS. I got that message. I have been willing to take the 5-percent cut or cut everything in South Carolina.

Mr. BIBLE. What was the last statement?

Mr. HOLLINGS. I do not mind cutting everything in here for South Carolina. I say that in sincerity.

Mr. BIBLE. I do not think the Senator should say that in a campaign year. [Laughter.]

Mr. HOLLINGS. If that is what we have to do to kill inflation, I will say it.

I said it is like having a little Lent in the church, a little self-denial. That is the discipline. I was amazed when the Senator from Alaska said that in the subcommittee discipline was exercised. We just fattened it up some by $665 million.

Mr. STEVENS. That is not true. We did not fatten up this bill. We cut it back. Those are increases over fiscal 1974 that the Senator is mentioning. They are not increases over the budget this year. We took more than 183 requests from Members of this body. They asked us for more than $800 million, and $18 million of that is involved here. That took some discipline.

I again say to the Senator that he is talking about the land and water conservation fund. It was $76 million in fiscal 1974 and it is $300 million here. That money is earned from the oil and gas lease sales, and it is in a special fund. That money is used to acquire more lands for conservation.

I do not recall that we put through birth control yet in this country. There are more people demanding access to these parks and demanding facilities in these parks, demanding that we protect the forests as we use them, demanding that we do things right, as we do in our Alaska pipeline. That is costing a great deal of money, and we are willing to pay it back.

I could understand this if the Senator were speaking of defense, saying that we spent a lot of money and perhaps we could take 5 percent off a defense bill. The chairman has said that he is going to do this. The Senator does not give us credit for that discipline.

Look at each of these, item by item. Here is the book. There is a tab in each one. I do not know about the committees on which the Senator from South Carolina serves, but the chairman goes through this page by page.

The Senator says we should not spend the land and water conservation fund, when it is building up and has been set aside for that purpose, and is for the acquisition of land which will cost more next year. The Senator from South Carolina is the one who is going to cause inflation in the Federal budget. We assessed the need to buy that land now, rather than pay more money for it later. I think the money ought to be spent each year. It is not going to be inflationary to spend it. It is going to save the taxpayers money to get the land that Congress has already told the Federal Government to buy this year rather than next year.

Mr. HOLLINGS. Mr. President, will the Senator yield the floor?

Mr. STEVENS. Yes.

Mr. HOLLINGS. I will go along with the word—not discipline, really.

The distinguished leader put in the Record cuts that were made from the requests made by the President in 1970, 1971, 1972, 1973, and 1974, which amounted to some $23.5 billion that we have cut from what President Nixon had asked for in that 5-year period. But the same President and the same Senate and the same Congress spent $100 billion more than we brought in. I do not call that discipline.

The Senator from Arkansas, our chairman, has led the way. He asked us about this at the beginning of the year. But, as a member of the Appropriations Committee, I see these bills roll out on the floor—a half a billion dollars more, $620 million there, and this one which is more than last year. Every year we get a fiscal and every year the Government gets a physical.

It has been fattened up from 1974. We started fiscal year 1975 at the beginning of July, and we are fattening this up, and that is in the bill the committee reported. It has been fattened up by $665.8 million. To me, that is not discipline. We are really going down the drain in this country if we are going to sell each other that thought. We have to stop and say "no." I think we ought to get the Senator from Alaska's assistance on this measure.

Mr. STEVENS. Mr. President——

Mr. HOLLINGS. I will yield for a question.

Mr. STEVENS. Mr. President, I thought I had yielded to the Senator from South Carolina. Do I have the floor?

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from South Carolina has the floor. The Senator from Alaska did yield to him.

Mr. HOLLINGS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I yield to the Senator from Arizona.

STATEMENT OF PERSONAL PRIVILEGE

Mr. GOLDWATER. Mr. President, I have never before taken the floor of the Senate to find fault with the press and television of America. I am forced to do it at this time because of two—if I would be allowed to use the word—damn lies that have appeared on NBC this morning and ABC this afternoon, having to do with my supposed visit to the White House last night and being turned away.

I have not been in the White House in about 2 weeks. I have not seen the President of the United States since May 5 or May 10.

If the American television people and the American press cannot start to be honest in this country, God help us. You are a rotten bunch.

[Applause in the galleries.]

Mr. BIBLE. Order, Mr. President.

The PRESIDING OFFICER. The Senate will be in order.

The Chair cautions visitors in the galleries that they are the guests of the Senate. Demonstrations of approval or disapproval are not permitted. The Chair will be compelled to clear the galleries if there are further demonstrations.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16027) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Mr. BIBLE. Mr. President, we have had a very interesting afternoon, and I am going to make no statement that will excite my good friends of the press.

We have discussed this matter pro and con. We have been up the hill and down the hill. I do not think anything else has to be said about the motion of the Senator from South Carolina to recommit. I addressed myself to that earlier today.

This is a realistic bill. We believe that the figure of the committee should be supported. I am perfectly willing to suggest that now we should go to a vote.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. William L. Scott). The Chair, on behalf of the President pro tempore, pursuant to Senate Concurrent Resolution 85, appoints the following Senators to attend the Day of National Observance for the 200th Anniversary of the First Continental Congress, to be held in Philadelphia, Pa., October 14, 1974: The Senator from Rhode Island (Mr. Pastore), the Senator from Georgia (Mr. Nunn), the Senator from Pennsylvania (Mr. Hugh Scott), and the Senator from Pennsylvania (Mr. Schweiker).

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1975

The Senate continued with the consideration of the bill (H.R. 16027) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I agree with the Senator from Nevada.

Mr. President, the junior Senator from Kansas would like to join the Senator from South Carolina as a cosponsor to his motion to recommit the Interior appropriation bill.

The instruction to the committee to reduce the appropriation by $170 million or by a little more than 5 percent is both reasonable and necessary in view of the severe problem the Nation is having with inflation. The motion to recommit gives the committee flexibility in deciding what programs should be cut.

COMMITTEE SETS PRIORITIES

The Interior appropriation bill contains funds for some extremely vital programs, including some energy-related activities and some greatly needed programs to assist Indians. At the same time, expenditures for some of the recreation programs in this bill are not likely to have the same high national priority.

So it is my feeling that the members of the Appropriations Committee, having heard the testimony on these programs, are best qualified to determine the priority for the funds. At the same time, the members of the committee are commendably among the most fiscally responsible Members of the Senate, and I trust in their ability to achieve a rational and anti-inflationary appropriation bill.

INCREASE IN 1975 BUDGET OVER 1974

This level of reduction is especially appropriate in view of the tremendous increase in the recommended expenditures for this year over last year. For fiscal year 1974, the appropriation for this same bill was set at about $2.8 billion. The funding recommendation this year of nearly $3.4 billion is more than a 21-percent increase. And I also note that $543 million will be included in a special energy research and development appropriation, which is normally included in this bill. When the R. & D. funds are counted with the recommended appropriation in this bill, we see that funding would be increased by nearly 41 percent.

Mr. President, we are beset with an inflation rate of over 12 percent. When this bill represents more than a 40-percent increase over last year, it is hard for me to believe that anyone could object to a reduction of 5 percent to the appropriation we are considering.

In recent days, we have seen the movement in the Senate growing stronger to meet our responsibilities in holding down Federal spending. I am pleased to have been among those leading this movement. It is clear to me that we in the Senate have a responsibility to continue these reductions in this and future appropriation bills.

I urge the support of every Senator for this motion to recommit with the instruction to cut spending by $170 million.

Mr. NUNN. Mr. President, I rise in support of the motion to recommit this bill to committee with instructions to reduce the total appropriated by $170 million, or 5 percent.

Once again the question before the Senate today is how serious are we in trying to cut Federal spending and bring balance back to the budget. According to the latest Gallup poll, more than half the American people blame the Government for our runaway inflation. When we look at the record of the recent past of mounting Federal spending and repetitive deficits, we simply cannot disagree with this judgment.

In May and June of ths year, when the Senate voted twice to place a ceiling of $295 billion on the Federal budget this fiscal year, I was heartened to think that we might be prepared to act to dampen inflation instead of fueling it as in past years. But when he began the present cycle of appropriations a few weeks ago, it seemed that once again we would stumble over the obstacle of translating overall policy into specific program cuts.

Mr. President, I am happy to say that in the last few days we have seen the few grow into the many. We have seen a wide surge of solid support for real dollar reductions in specific appropriations measures. Last Friday, we saw the distinguished Senator from West Virginia lead the fight to cut his own bill, the transportation appropriation bill, by 3½ percent, and we saw 58 Senators join in passing that amendment. On Monday, we saw the chairman of the Appropriations Committee, the distinguished Senator from Arkansas, move to have the HUD, NASA, and veterans appropriation bill returned to the committee to enable it to make further reductions, and we saw 74 Senators pass that motion with only two voices in dissent.

Today the measure before us is the Interior appropriation bill. I believe there is good reason to apply the same full measure of fiscal restraint to this bill that we have tried to apply to the others. I do not mean to imply in any way that the Appropriations Committee has not worked diligently and ably to present a sound and solid measure with a reasonable balance between economy and action. We all know the dedication and responsibility of the distinguished Senator from Nevada and his colleagues. But the present bill was forged in committee without the strong element of fiscal restraint which we now agree must be given fuller weight. I believe the committee should reconsider the bill in the light of this new reality.

This appropriation bill provides funding authority for the Department of Interior, the Forest Service, several independent Indian agencies, and a number of cultural and planning activities. Of the total amount appropriated, more than two-thirds will go to the Department of Interior. Its appropriation of $2.15 billion is up $504 million over the amount appropriated last year, an increase of 30 percent.

For the bill as a whole, the total amount appropriated is $3.38 billion. This is $18.8 million more than the President asked for. Moreover the total is $599.7 million more than the amount appropriated in fiscal year 1974. This is an increase in 1 year of 18 percent.

In my view, this brief summary makes

clear that the impact of the bill is inflationary. With a total appropriation 18 percent higher than last year, we are asked to authorize a level of spending substantially above the rate of inflation or the cost increases which would have to be included to maintain programs at last year's level. The inflation rate during fiscal year 1974 was 11 percent. In fiscal year 1975, inflation is expected to run between 7 and 10 percent. For Federal spending to outstrip this measure of cost increases will only insure that inflation rises even higher and faster.

A 5-percent cut in this bill, or a reduction of $170 million as the present motion calls for, will bring the funding increases back in line with cost increases. Moreover, it will contribute to our effort to spread budget reductions equitably across all Federal activities to insure that no one segment, or group, or program must bear the burden of our failure to reduce the others. With more than $30 billion already appropriated this year without any real net reduction below the President's budget, we must act now on each and every bill or abandon our effort.

I would point out too, that a reduction in this bill will have only a marginal effect on energy research which we all agree must be accelerated. The major energy programs of the Department of Interior were included this year in the energy research and development bill which we passed in June. They will not be affected by our action today. If we were to add these programs back to the Department of Interior for this year and last year for comparative purposes, the total increase this year over last would rise to $912.8 million. This represents an aggregate increase of 30 percent.

Mr. President, in moving to recommit the HUD appropriation bill earlier this week, the Senator from Arkansas assured this body that he and the members of the Appropriations Committee, as agents of the Senate, would do everything possible to reflect the will of the Senate. He assured us the committee would give every consideration to trying to reach a balanced budget. I understand the distinguished chairman has already taken action to carry that pledge into effect.

I congratulate the Senator on that action and I look forward to seeing the appropriation bills still to be reported heavily weighted in favor of fiscal restraint. I do not favor the meat ax cut across the board except as a last resort. That approach denies us the benefit of the expertise and judgment of the committee in implementing the overall policy we establish. The present motion will insure that we and the country profit from the committee's experience. I urge my colleagues to join me in supporting the motion.

Mr. HATFIELD. Mr. President, I oppose any attempt to cut this bill further. Supporters of this cut must remember that our subcommittee already has pared this bill down from not only the budget request, but also from the millions of dollars sought in budget increases by our fellow Members of Congress.

Some of my colleagues supporting this cut must fail to see the correlation between reforestation and housing. I am sure that I could thumb through the CONGRESSIONAL RECORD and find speeches by nearly every one of the supporters of this cut regarding the need for better housing programs, the high cost of housing, and offering suggestions regarding housing.

Without reforestation, such pronouncements are meaningless. Reforestation is the key to decent housing programs for the people of this country. Let us look for a moment at the amendment I offered to increase reforestation by $15 million above the administration request of $35 million. At a reforestation rate funded by $35 million, it would take some 35 years to reduce the 3.3-million-acre backlog needing reforestation. This could be cut to little over 10 years by proper funding. I would have liked to add even more than this $15 million we did include, but I recognize the need to keep all funding levels down. Therefore, I thought this $15 million Senate addition is the minimum we should consider. The so-called budget cutters should realize they are destroying future housing goals for their children and their children.

Reforestation is the only realistic method available to forest land managers for the restoration of many resources, for ecological renewal and recreation needs, and for housing material sources.

I would note in passing, that some of those active these past weeks in seeking these budget cuts opposed strongly our various attempts to pare down the military budget, and who supported to the end U.S. activities in Indochina. I would point out that with the $423 million the United States spent in 1973 to bomb Cambodia after the January cease-fire until the August fund cutoff, we could have reforested America.

This defoliation of Indochina has really resulted in the defoliation of America. Millions of acres that must be reforested to meet future forestry needs of this country lie untouched because a budget pours billions into military spending at the expense of such critical natural resource needs.

Other bureaucratic decisions such as the one to increase timber cutting without increasing reforestation, road-building, watershed, or recreation aspects of the budget only emphasize the isolation of these decisions from professional foresters, from interested Members of Congress, and from a public that knows that more funding in all these areas is needed and needed now.

The energy crisis will intensify demands for wood building supplies because wood substitutes have a much higher "pollution price tag." When aluminum is processed into building material and compared with comparable wood products, the aluminum reflects an energy drain and pollution price tag 10 times that of wood. With the energy situation we face today and in the future, wood becomes more and more attractive, as solar energy reproduces new trees with a small environmental price tag. In addition, the forest resource is renewable and biodegradable—two major environmental assets not shared by alternative building materials.

The mounting pressures of an expanding population, burgeoning growth, and rising demands in America today dictate that we determine the best course and purpose for the Nation's forest lands.

Our forests must not become a national grab bag, with each special interest muscling others aside to stake its claim. The paramount task must be to reach common agreement on national forestry goals and objectives. The inevitable result of the present controversy over forest land uses leads to confusion as to purpose, uncertainty as to achievement, and causes inconclusive legislative debate at Federal, State and local levels.

Today, the amount of available forest land in the United States is shrinking, while demands for forest commodity and noncommodity uses are surging upward. We are committed by the reality of an expanding population to utilization of a steadily increasing stream of forest resources for conversion into goods and services for more of our people. U.S. Census Bureau projections indicate a gain of 75 million more people by the end of this century. This means that the potential demand for timber in the United States will increase about 75 percent in the next three decades. At 1970 prices, projected timber demands will exceed projected supplies by as much as 20 billion board feet in the year 2000. Under these conditions, substantial increases in price will occur under supply and demand.

Past experiences show that low cost housing is the first to go down when prices go up, and low cost housing for low income groups is one of the most important social problems facing America today. In addition, the 1973 mortgage money increase of some 60 percent has frozen the middle class out of new housing. Anyone who has looked at houses recently can bear witness to this steep climb.

Five recent timber supply studies provide ample supporting data on what must be done. These studies all repeat that essential forest investments are not being made, thereby precluding a satisfactory level of management intensity. Major opportunities exist to step up utilization of the 300 million acres of small nonindustrial private lands. Without increasing even the level of management intensity, utilization could be boosted significantly by a vigorous reforestation program to revitalize forest producing land now fallow or idle.

As a member of the Interior Appropriations Subcommittee, I worked in 1972 to add $5 million for reforestation, only to see it impounded. That $5 million is not even one-half the cost of one B-52 bomber.

The funding our committee provides in this bill is more realistic, but even more funding is needed if we are to meet our housing needs. I urge supporters of this proposed cut to think about the need for better housing before they support this cut. They should think about environmental protection, about wilderness areas, and the other aspects of multiple use management.

I want, Mr. President, to add a few words about other aspects of forest management, for this bill goes beyond reforestation alone.

In addition, an urgent need exists to accelerate forestry research, technical assistance, and conservation education. Expenditures for forestry research are far too low to satisfy the problems of timber utilization and environmental enhancement. Much more needs to be learned about ecological relationships, tree genetics, soil nutrition, harvesting techniques, wood utilization, water qualities, aerial logging methods, and optimum multiple use development.

The extensive nonindustrial privately owned acreage in the United States is not growing its share of timber. Economic incentives are necessary to increase timber production on these lands for public benefit. If the public is to share in these benefits, it is only fair the public share in the cost of producing them.

The Nation's forests offer our people a tree-based environment—an environment for timber growth and an environment for psychic and social well-being The challenge of the future is not to teach man how to minimize his impact upon the forest, but to maximize the forest's impact upon man.

What is needed must begin with reconciliation and agreement between divergent interests to bring about a strong, united national effort necessary to enact substantive forestry legislation.

A challenge here is to step up utilization of our timber. All aspects of utilization must be increased in a scientific manner that does not degrade other forest uses. In addition, better utilization of logs at the mills is needed. These utilization questions offer a challenge that can and must be solved, and are ones well within the reach of today's applied technology.

Forecasts of future demands on all segments of our dwindling natural resources list shortages, potential shortages, and continued crises. Improved management of our forests, however, will offer one renewable resource that can meet the increasing demands upon it from the various segments of society. Recreation, timber production, watershed protection, fish and wildlife, wilderness—meeting the need of all these competing uses is possible if we meet this challenge of better forest management.

In conclusion, Mr. President, I would like to mention three other amendments I added in committee, and point out how they help us meet these goals. The bill contains $2.8 million not in the budget request for construction of the west wing of the Corvallis, Oreg., Forestry Sciences Research Laboratory. This will allow vital forest-related research on seeding planting and nursery practices; on solviculture of mixed conifers; on the genetics of Douglas-fir and other Pacific Northwest conifers; on brushfield reclamation, and on watershed management research, including anadromous fish habitat management.

Another amendment added by the subcommittee would provide $1,187,000 for the Bureau of Sport Fisheries national fish hatchery at Warm Springs Indian Reservation. This hatchery, when completed, will produce about 1.5 million salmon and trout annually with a combined weight of some 165,000 pounds for stocking waters of the Warm Springs Indian Reservation in northwestern Oregon.

In addition to supplying the fish, the hatchery will provide substantial economic benefits to the Warm Springs Indians through the sale of fishing permits, guide services, and related services connected with the fishing industry. It also will provide employment and training for Indians wishing to enter the fisheries field.

To date, some $2,445,000 has been appropriated for this project. Funds this year are needed for the holding pond complex, a rearing water system, a spawning facility, and to equip the hatchery building. Without these funds construction of the hatchery would come to a halt.

The last amendment we added in subcommittee affecting Oregon directly is $60,000 in the Forest Service budget for the La Grande Forest Service Range and Wildlife Habitat Laboratory.

Last year, research was initiated into acute bovine pulmonary emphysema, a serious livestock disease. It is suspected to be brought on by grazing changes.

Funds are necessary to conduct a second phase investigation of physiological features of this disease simultaneously with the ongoing research to identify the range conditions which are associated with it. With the completion of these stages, work on possible controls through range management and veterinary medicine can begin.

In Grant County, Oreg., alone, $75,000 was lost in 1972, all directly attributable to this disease. It has been estimated that the total impact on Grant County in 1973 was $1.2 million.

This is a good bill, one under the original budget requests. We cut it in subcommittee to the bone. Further cuts should not be made, and the legislation should be approved as is.

Mr. BIBLE. Mr. President, I promised earlier to yield whatever time he might want, because there is not a time limit, to the distinguished chairman of the full committee (Mr. McCLELLAN).

I think we are ready to vote. I have thought that practically every other 5 minutes of today. I could be wrong.

The Senator from South Carolina assures me that we are ready to vote.

Mr. McCLELLAN. Mr. President, as far as I am concerned, we are about ready to vote. I have no long speech to make. I simply recognize the problems that confront all of us with respect to public spending.

I am doing what I can to make reductions in the bills over which I have prime responsibility. I think I can say to the Senate that insofar as the defense bill is concerned, in a sense of cooperation, the subcommittee will recommend a very substantial reduction in defense spending, and I am confident that the Committee on Appropriations will generally sustain what the subcommittee, I think, will recommend.

I also make this comment about it: You can cut from the defense bill $10 million, $20 million. You can cut whatever you want to. The question is, do you want to incur that much risk to the security of this country? Sad to say, there will always be fat in it. In a $80-odd billion bill, there is no way to get that out. I only mention this preliminary to what I want to say, because to cast the implication here in this body that there is no conscientious and serious effort on the part of the Committee on Appropriations to bring about reductions in these appropriations is not quite accurate.

We are doing our best and, of course, the committee can reduce further what we recommend if it wants to. That is true, as I said. It can go just as far as it deems that we are willing to incur the risk of further disarmament or reducing our military posture. That is a matter that addresses itself to all of us.

As to this particular bill, I have no particular projects in it except one that I know about, and it is a money-making project. It is already partially constructed and already paying off more than it cost, and there is another section of it which, if constructed, will accommodate, this year and next, the 30,000 people that were turned away from it last year because this was not completed when they were willing and ready to pay the money to do it.

That is just one project. There are many in here, I am sure, that will not pay off. We can take a reduction in this; we can take a reduction in many of them.

The point I wish to make is that I would hope that the members of the Committee on Appropriations and other Members of this body will be fair to the Committee on Appropriations. If there are projects which ought to be cut 5 percent or cut 20 percent, or taken out, present them to the committee and let us have the opportunity to do it.

I know we may send it back, and do it that way. But are we going to have all the bills sent back? Are we going to try to do all this work over again? It is not easy, because there is a discipline among us today to try to bring about these reductions.

I hope the Senate will sustain what the committee has done thus far. We have passed some bills without this 5-percent reduction. I do not think it is right, at this hour, to begin forcing this kind of reduction and show favoritism in one department as against another.

I hope that the committee will sustain what has been done.

If it goes back to the committee, of course, I know the distinguished Senator from Nevada will do his best with the subcommittee to work it out. But I hope we will not make this a practice and set a precedent of doing this on every bill that comes before us. I hope that this proposed recommittal will be rejected.

Mr. BIBLE. I thank the chairman of the Committee on Appropriations. Obviously, he understands my sentiments. I do not think any case has been made for sending the bill back to reduce it $170 million. We have talked on this since 12 o'clock noon, and this is 4 hours later. There is very little I can add. I think most people have their positions.

I think the case has not been made for

sending it back. I think this is a responsible bill. I think it meets the needs of today in the climate of today.

With those few short words, I suggest we get on to the voting.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. The Senator is correct; the yeas and nays have been ordered.

Mr. BIBLE. I suggest that the roll be called.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina to recommit with instructions. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from Alaska (Mr. Gravel), the Senator from Louisiana (Mr. Long), and the Senator from New Mexico (Mr. Montoya) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), and the Senator from Kansas (Mr. Pearson) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. Case) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. Case) would vote "nay."

The result was announced—yeas 37, nays 54, as follows:

[No. 354 Leg.]

YEAS—37

Allen
Baker
Bartlett
Bellmon
Bentsen
Biden
Brock
Buckley
Byrd,
  Harry F., Jr.
Chiles
Cook
Curtis
Dole
Domenici
Eagleton
Fulbright
Gurney
Hansen
Helms
Hollings
Huddleston
Hughes
McClure
McGovern
McIntyre
Nunn
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott,
  William L.
Stafford
Symington
Taft
Thurmond
Tunney

NAYS—54

Abourezk
Aiken
Beall
Bennett
Bible
Brooke
Burdick
Byrd, Robert C.
Cannon
Clark
Cotton
Cranston
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
McClellan
McGee
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Pastore
Pell
Randolph
Scott, Hugh
Sparkman
Stennis
Stevens
Stevenson
Talmadge
Tower
Weicker
Williams
Young

NOT VOTING—9

Bayh
Case
Church
Gravel
Long
Mathias
Montoya
Packwood
Pearson

So the motion to recommit was rejected.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats. The Senator will suspend.

Mr. BIBLE. May we have order, Mr. President?

The PRESIDING OFFICER. The Chair is attempting to obtain order and will request that the Senators take their seats and take their conversations to the cloakroom. Will the Senators cease their conversations.

The Senator from Nevada.

Mr. BIBLE. Mr. President, while we have a good attendance on the floor I would like to inquire whether there are any other Senators who have amendments either to increase or to decrease the amount in the bill?

Mr. ALLEN. Mr. President——

Mr. BIBLE. Apparently there are no further amendments.

Mr. ALLEN. If the Senator will yield——

Mr. BIBLE. I have already promised to yield to the two Senators from Alabama. My understanding is this would just be for a colloquy, and I would certainly hope we would get a third reading in about 10 minutes for the Senators who are here.

I yield to the two Senators from Alabama. Let them flip a coin, and I will recognize them one after the other, whichever way they want.

I will first recognize the senior Senator from Alabama (Mr. Sparkman). We do not even need to flip the coin.

Mr. SPARKMAN. I thank the chairman of the committee for yielding.

Mr. President, I simply want to say——

The PRESIDING OFFICER. Would the Senator please use his microphone?

Mr. BIBLE. May we have order, Mr. President. I think we will be to the third reading momentarily.

Mr. SPARKMAN. Mr. President, I regret that the committee saw fit to delete in this bill construction funds which had been approved by the House of Representatives for the remaining section of the Natchez Trace Parkway in northwest Alabama.

These moneys are urgently needed to initiate construction of the 11.4 miles from Margerum in Colbert County, Ala., to the Alabama-Mississippi State line. During the decade of the sixties a bridge was constructed across the Tennessee River between Colbert and Lauderdale Counties, Ala., as a part of the Natchez Trace Parkway, but the access and enjoyment of the bridge and points south of the river has been badly hampered by the 11.4 miles I have just mentioned.

I am advised by officials of the National Park Service that the entire section from the river area to the Alabama-Mississippi State line could be under contract during the current fiscal year provided funds in the amount of $8.4 million were made available. In our efforts to cut back spending, however, we are requesting only the million dollars in moneys approved by the other body in passing its version of H.R. 16027.

The Natchez Trace Parkway, although incomplete, has already proven to be one of the most popular facilities of the National Park Service. Construction of the uncompleted section in Colbert County, Ala., will result in total enhancement of this splendid and important national recreational facility.

I would hope that the Senate conferees would go along with this particular aspect of the House version of the Interior Department appropriations bill in conference.

I just want to say I am sorry that the committee did not see fit to include in the bill the same provision that the House had there with reference to the completion of a stretch of the Natchez Trace Parkway in Alabama.

I notice there is $6 million or $5.4 million to do that work down in Mississippi. This is the only interior project in Alabama, with the exception of that little forestry station that the committee has provided funds to build in Auburn, and this project has been underway for many years. It is lacking, I think, only 51 miles in Alabama to complete it. The House included, as I recall, $1 million.

Mr. BIBLE. That is correct. The Senator from Alabama is correct.

Mr. SPARKMAN. I am not going to offer an amendment, but I hope in conference the Senate's committee will consider very seriously agreeing to the House proposal on it to complete this project inside Alabama.

Mr. BIBLE. We have had many pleas on the completion of the Natchez Trace. The Senator from Mississippi pointed out his problems in his State of Mississippi. I know the Senator from Alabama has some problems in Alabama.

Mr. SPARKMAN. Just one small stretch.

Mr. BIBLE. I understand.

Mr. SPARKMAN. Built from Nashville down——

The PRESIDING OFFICER. Will the Senators suspend? The Senate is not in order and we would ask the cooperation of all the Senators and the employees of the Senate.

The Senator may proceed.

Mr. SPARKMAN. There is just one stretch, I believe it is just 11 and four-tenths miles.

Mr. BIBLE. I realize the importance of this project to both of the Senators from Alabama and to other people in Alabama. But if the Senators from Alabama had been here when that sterling gentleman from South Carolina was assaulting this budget from one end to the other——

[Laughter.]

Mr. SPARKMAN. I was here.

Mr. BIBLE (continuing). He would have understood why we had to make a few cuts here and there.

But I want to say that that problem has been resolved, and we will be very happy to take this item to conference. We will get ourselves some more and additional information.

I found out in the years that I have worked on these Interior appropriations bills, I guess it is my Western training, that the thing to do is to take on a few of the House items, so that we are not spending all our time arguing over the Senate items.

I never felt that was the correct way to negotiate. Out our way, where some of us have in the past played cards, one has always got to have a little something in the hole card. It is a Western expression, and I am not going to explain it to those who do not gamble.

Mr. PASTORE. Mr. President, will the Senator yield? We, in Rhode Island, are not gamblers, but we follow the same procedure.

Mr. BIBLE. That is fine.

Mr. SPARKMAN. Let me say this, in conference the conferees have to build up credits back and forth.

Mr. BIBLE. That is what we are trying to do.

Mr. SPARKMAN. All I am suggesting is to consider the House position on this.

Mr. BIBLE. We will consider it very carefully, and I hope the Senator will give us some additional information.

Mr. SPARKMAN. It is a small stretch there.

Mr. BIBLE. I realize that, and I want to make the RECORD clear that there is a lot more in this budget for Alabama than just this little project. I do not want to get into that but simply say that we will do the best we can.

I now yield to the distinguished junior Senator from Alabama (Mr. ALLEN).

Mr. ALLEN. I thank the distinguished chairman.

First, I want to associate myself with the remarks of my distinguished colleague (Mr. SPARKMAN) in regard to the Natchez Trace and for the completion of this highway throughout Alabama. I would hate to have them come to the boundary of Alabama and then have to get off the highway in Alabama to go to Mississippi. I would like to get this missing link completed.

I rise to call the chairman's particular attention to the fact that on page 38 of the House report provision has been made for a $816,000 appropriation for construction funds to complete the southeast regional forestry sciences laboratory at Auburn University at Auburn, Ala., and I notice that this item was deleted from the bill by the Senate committee.

I would like to call attention to the fact that this is a 2-year project. As a matter of fact, it originally started back in 1972 when $110,000 in planning funds were appropriated to develop plans and specifications for the forestry sciences laboratory proposed for construction on a 6-acre plot donated by Auburn University, and that appropriation was made, and then in the appropriation bill last year $700,000 were appropriated to put up the shell of the building.

It was contemplated that the remainder of the funds, $816,000, would be appropriated this year to complete the project. The work remaining in this last stage includes completion of facilities in the main laboratory to house the research on silviculture of longleaf pines, landscaping, drive and parking areas and construction of the greenhouse headhouse, chemical storage building, and shop-warehouse.

I do not believe we can afford to delay the completion of this vital project any longer, as you are aware further delays result in greater costs.

I know that the chairman would not like to have a bill just halfway completed when the appropriation was split in two.

Mr. BIBLE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ALLEN. To complete the bill halfway, and it was contemplated that time that the remainder of the appropriation would be made available in this appropriation bill, the House would appropriate the funds.

Mr. BIBLE. I understand, and may I just respond very briefly?

I have checked into this item that the Senator from Alabama was kind and courteous enough, as he always is, to call to my attention in advance of what he is saying now.

He states it correctly, the first appropriation was $700,000, and I understand that they just opened bids on this in April of this year, 1974.

Mr. ALLEN. That is on the second half.

Mr. BIBLE. My understanding is that that is the first phase. It will be operational on its own.

Now the second phase to which the Senator addresses himself is to expand the program and that does require the figure of $816,000.

Mr. ALLEN. Yes.

Mr. BIBLE. I do not believe we went into this in depth on the Senate side. I have no great familiarity with it. I checked it out since he has called it to my attention.

I will do all I can to explain this very thoroughly. It still will be in conference with the House. We will do the best we can to move forward with this matter.

Mr. ALLEN. I know the chairman will, and having full confidence in the chairman and not wishing to go counter to his wishes, we are making this request in policy rather than seeking to have an amendment adopted here on the floor, which we certainly want to avoid.

Mr. BIBLE. Well, I am glad the Senator feels that way because I might have to oppose it.

Mr. ALLEN. That is exactly what I had in mind. We thought that, but decided we would throw ourselves on the distinguished chairman's mercy, that he would see fit to go along with us.

Mr. BIBLE. I always believe in compassion, mercy, and sympathy, so we will have it in conference and take a good look at it.

Mr. ALLEN. I thank the chairman very much. Of course, my distinguished senior colleague joins in.

Mr. BIBLE. If there are no further amendments, and there appear to be none, I ask for a third reading.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. McGEE. Would the senior Senator from Nevada (Mr. BIBLE) yield for a brief question?

Mr. BIBLE. I would be happy to yield to the Senator from Wyoming.

Mr. McGEE. The chairman will recall that during consideration of the Supplemental Appropriations Act in December 1971, the committee, at my request, made available the appropriated sum of $2,215,000 for improvements at the Jackson Hole Airport. This money was to remain available to the National Park Service on a continuing basis until the planning, development, and improvements could be completed. As you know, this airport is located in the Grand Teton National Park in Wyoming.

Although there have been some delays in developing the plan, I am advised that the Park Service is now ready to proceed with these improvements. The total cost will approximate $2 million. All of these funds will be spent in cooperation with the Federal Aviation Administration and the local airport board.

Mr. President, the planned improvements are for safety reasons and are extremely important to the community of Jackson and the many, many tourists who fly into that area the year around. The air traffic has increased tremendously in recent years due to the increased number of visitors to Yellowstone National Park and Grand Teton National Park in the summer, as well as the newly developed Jackson Hole ski areas in the winter.

The flight safety and efficiency improvements of which I speak have been developed in cooperation with the FAA and include such items as runway surface improvements, construction of a new taxi and parking area, improved lighting systems—all of which are vital for providing public safety at the airport.

Mr. President, I note that on page 12 of the committee report the language indicates that the committee has directed that $1 million in unobligated funds appropriated earlier for delayed projects be reprogramed to help finance new projects added by the committee. The House committee called for reprograming $2.8 million.

Mr. President, the question I have is whether the $1.8 million difference is clearly intended by the committee to be held and utilized for the Jackson Hole Airport safety improvement project? I know that this was the intent of the committee and Congress last year, and I want the record to be clear that this is once again our intent.

Mr. BIBLE. I thank the Senator from Wyoming (Mr. McGEE) for raising this question.

The House is calling for the reprograming of $2.8 million in Park Service construction funds, has said it is looking at $800,000 in unused funds for Cape Hatteras and $2 million that was originally appropriated in 1972 for extension of the Jackson Hole Airport runway in Wyoming. After House passage of the Interior appropriations bill, the committee learned that the Park Service intends to use the Jackson Hole funds for general airport improvements. This had not been brought to the committee's attention previously, and that is the basis for the misunderstanding.

However, the committee has reduced the reprograming to only $1 million. I can say to the Senator that the committee definitely does not intend, as a part of this recommended reprograming, to take any funds away from Jackson Hole Airport.

This is a matter for conference, and I hope it can be worked out to everyone's satisfaction. Meanwhile, I think it would be wise for the Park Service to give the committee official notification of its plans to modify the use of the Jackson Hole appropriation, since it is not being used for the specific purpose for which it was appropriated.

Mr. McGEE. The House position, of course, would put the Jackson Hole Airport safety improvement program in jeopardy. I certainly hope that when we take this bill to conference, Mr. Chairman, that the Senate position in this matter will prevail. I also wish to take this opportunity to thank the senior Senator from Nevada (Mr. BIBLE) for his continuing cooperation in this matter.

Mr. BIBLE. I thank the senior Senator from Wyoming.

Mr. HANSEN. Mr. President, a matter related to the fiscal year 1975 appropriation for the National Park Service very much concerns me, and I hope the Senate conferees will take it into account when they meet with the House conferees to resolve differences between the two versions of H.R. 16027.

When the House Appropriations Committee considered this bill, $2.8 million of National Park Service funds appropriated in previous fiscal years was reprogramed for use on a variety of projects. There was no indication either in the House committee report on H.R. 16027 or during the House floor debate on the bill, as to which projects the committee intended to "unfund" in order to reprogram this amount; however, I am advised that $2 million previously appropriated for safety improvements at the Jackson Hole Airport in Grand Teton National Park, Wyo., and $800,000 intended for storm damage repair at Cape Hatteras, was reprogramed by the House committee for other uses.

Mr. President, the $2 million for safety improvements at Jackson Hole Airport was first appropriated by Congress in fiscal year 1972, and having worked on this project prior to that time and ever since that time, I naturally am concerned about the action taken recently by the House committee, which subsequently was approved by the full House on July 24.

My colleagues may recall that the $2 million originally was added to a supplemental appropriation in order to pay for improvements at the airport, including the extension of the runway. This improvement plan at one time had the full support and approval of the National Park Service, but the extension of the runway subsequently became embroiled in controversy and enmeshed in the various stages of environmental impact studies and hearings, due to the fact that the airport is located within Grand Teton National Park.

In May of this year, following several years of studies, surveys, public hearings, meetings, and the preparation of draft and final environmental impact statements concerning the runway extension, Secretary of the Interior Rogers Morton announced publicly that the extension would be held in abeyance pending the completion of a regional transportation and airport site location study to determine "whether there are other sites which would be viable alternatives to an extension of the runway at Jackson Hole Airport in Grand Teton National Park, Wyo." The transportation study is to be conducted by the Department of Transportation.

In that same public statement, and in subsequent letters to me and to the congressional delegations of Wyoming, Idaho, and Montana, Secretary Morton said with the exception of the runway extension, the improvements proposed at the airport were necessary and important, and he said he had directed the National Park Service to proceed with certain safety improvements at the Jackson Hole Airport which the Federal Aviation Administration and the National Park Service have long agreed are required for flight safety and efficiency. Of the improvements needed at this airport, Mr. President, only the extension of the runway was subject to controversy, and the improvements outlined by the Secretary in his May 22 press release, and for which the $2 million would be spent, have the support of proponents and opponents of the runway extension. None of this money would be spent to extend the runway, since that is a dead issue at this point.

The House committee's action means, of course, that the necessary improvements at Jackson Hole Airport cannot be undertaken until such time as Congress again appropriates additional money to do the job.

There is every reason to proceed now with the remaining safety improvements, and that is precisely what Secretary Morton said he would do. In a letter dated May 23, 1974, he said:

> In the meantime, I have directed the National Park Service to proceed with strengthening and widening the existing 6,305-foot runway, constructing a parallel 6,305-foot taxiway, providing additional aircraft and vehicle parking, installing a new sewage system, and making other minor improvements. I agree that the Federal Aviation Administration projects that are necessary for flight safety and efficiency should be implemented.

I would hope the Senate's record of consideration of H.R. 16027 might reflect the fact that the National Park Service made a commitment to the Jackson Hole Airport authority to proceed with certain safety improvements, and that it intended to utilize this $2 million to pay for those improvements. I am pleased to join my colleague from Wyoming, Senator McGEE, in urging the Senate conferees to consider this matter when they meet with the House conferees to work out a compromise between the two versions of this legislation.

A commitment has been made, and funds are available to meet the commitment. I hope the Congress will agree those funds should remain available, and should not be reprogramed for other purposes.

I ask unanimous consent to have printed in the RECORD at this point a copy of a May 23 letter from Secretary of the Interior Rogers Morton; my June 4 letter to the Secretary on the same subject; his June 28 response; and a May 24 press release from the Interior Department outlining the improvements to be undertaken.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., May 23, 1974.

Hon. CLIFFORD P. HANSEN,
U.S. Senate,
Washington, D.C.

DEAR CLIFF: I have asked the Department of Transportation to conduct a regional transportation and airport site location study to determine whether there are other sites which would be viable alternatives to an extension of the runway at Jackson Hole Airport in Grand Teton National Park, Wyoming. It is my hope that this study can be completed in 1 year.

In the meantime, I have directed the National Park Service to proceed with strengthening and widening the existing 6,305-foot runway, constructing a parallel 6,305-foot taxiway, providing additional aircraft and vehicle parking, installing a new sewage system, and making other minor improvements. I agree that the Federal Aviation Administration projects that are necessary for flight safety and efficiency should be implemented.

I have made these decisions after a careful study of the environmental, economic and safety consequences of all the alternatives available to me.

I fully appreciate the implications this decision has upon Jackson. Hopefully, a permanent solution can be found what will serve both the community and the Grand Teton National Park.

Sincerely yours,
ROGERS C. B. MORTON,
Secretary of the Interior.

[Department of the Interior News Release]

SECRETARY MORTON AGREES TO IMPROVEMENTS FOR GRAND TETON AIRPORT; DECISION ON RUNWAY EXTENSION WILL AWAIT REGIONAL TRANSPORTATION STUDY

Secretary of the Interior Rogers C. B. Morton today announced that the National Park Service will make safety improvements to Jackson Hole Airport in Grand Teton National Park, Wyoming, but said a regional transportation study will be conducted to determine whether there are other sites which would be viable alternatives to an extension of the runway.

Secretary Morton said he has directed the National Park Service to strengthen and widen the existing 6,305-foot runway, construct a parallel 6,305-foot taxiway, provide additional aircraft and vehicle parking, install a new sewage system and make other minor improvements.

The Secretary said he has not yet determined whether the proposed extension of the runway to 8,000 feet is essential to its continued operation but that the Federal Aviation Administration should consider installing an instrument landing system, a lighted runway and air traffic control tower.

"By these actions," Secretary Morton said, "we can eliminate the safety hazards that may exist at the airport and greatly reduce the number of overflights there but not make an irreversible decision until all alternatives have been carefully considered."

Secretary Morton said he expects the FAA to begin work soon on the regional transportation study aimed at analyzing possible alternative sites for the airport. The facility is operated by the five-member Jackson Hole Airport Board, a public body authorized by the town of Jackson, Wyoming. The Board has a special use permit, issued by the National Park Service, to operate the airport within the national park.

"Especially in view of the energy shortage it behooves us to make sure we completely understand how best to move people to and from this beautiful area and around the national parks and forests once they get there," the Interior Secretary said.

"Further, I am charged by law to permit airport operations in a National Park only if they are necessary to the proper performance of the functions of the Department of the Interior, and the Secretary of Transportation must determine that no prudent and feasible alternative exists to the use of parklands for the airport improvement."

Funds for the extension of the runway were appropriated by the Congress in December 1971. The extension was proposed to allow use of pure jet commercial aircraft at the airport which extension supporters argue is necessary for reliable year around service to the Jackson area.

COMMITTEE ON FINANCE,
Washington, D.C., June 4, 1974.
Hon. ROGERS C. B. MORTON,
Secretary of the Interior,
Washington, D.C.

DEAR ROG: I want you to know how much I appreciate the courtesies you have extended me in regard to the Jackson Hole Airport proposal. You have been very thoughtful.

While I wish that you would have made a decision to extend the runway now, I am grateful that you did not close the door to the possibility of the future extension. I am hopeful that the study of the alternatives to the extension of the airport can be expeditiously prepared. Our past experience would also indicate the need for obtaining professional consultants to complete this study.

Now that the decision has been made to proceed with the other improvements, there is a need to clarify who will administer the appropriate funds. I would encourage you to delegate to the Airport Board the authority to supervise the construction of the authorized improvements.

I do not mean to imply that the Park Service or the FAA should not approve the final plans and specifications. However, I understand that the procedural requirements of the Park Service and the FAA may be different. If this is the case, needless duplication would result. There should be no need to require separate plans to be submitted to the Park Service and the FAA. Furthermore, if both agencies must be involved in every detail relating to the construction of the project, the date of completion will be needlessly delayed. The Airport Board would be best qualified to oversee these details.

Thank you for your cooperation and assistance.

With best regards,
Sincerely,
CLIFFORD P. HANSEN,
U.S. Senator.

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., June 28, 1974.
Hon. CLIFFORD P. HANSEN,
U.S. Senate, Washington, D.C.

DEAR CLIFF: Thank you for your letter concerning the improvements at the Jackson Hole Airport in Grand Teton National Park. I, too, desire that the alternative study be promptly completed so that the long-range future of the airport can be decided. This will also acknowledge the copy of your letter to Director Walker of the National Park Service.

I also agree with you that the number of agencies supervising installation of the necessary airport improvements be kept to a minimum. At an interagency meeting held in Jackson on June 10, it was decided that the National Park Service will complete the preparation of contract documents, plans, and specifications. Upon completion, the Service will turn over its work, the appropriated funds, and responsibility for construction to the Airport Board. We believe that this is the most expeditious approach to installation of improvements.

We appreciate and understand your concern in this important matter, and we will expedite the airport improvements and the regional transportation study.

Thank you for your cooperation, and we will keep you informed on our progress.

Sincerely yours,
ROG,
Secretary of the Interior.

Mr. TUNNEY. Mr. President, the legislation we are considering, the Interior Department appropriations bill, contains $10 million earmarked for land acquisition in the Lake Tahoe Basin.

It is my understanding that this money will be used to purchase from the Fibreboard Corp., a 10,123.9 acre tract northeast of Lake Tahoe in Placer County, Calif. I fully support this acquisition. After carefully reviewing the facts, I feel that Federal acquisition of this property is necessary to prevent further degradation of the lake.

As Senators are aware, the land in question was originally sought by the Forest Service in exchange for timber credits under the general exchange authority. This would have resulted in a $2.4 million loss to the 16 northern California counties in which the timber exists. As a result, the exchange was not likely.

Therefore, I believe that the Interior Committees of the House and Senate acted wisely by deciding on a direct purchase. Keen congressional vigilance at Tahoe is our best tool to insure that Federal money is not spent without full assurances that the purchase will be in the best interest of all who strive to protect this matchless alpine lake.

Mr. ROTH. Mr. President, once again we are being asked to approve a budget-breaking spending bill. The amount of money recommended by the Committee for the Interior Department and related agencies is almost $600 million over last year's appropriations. This final figure represents an 18-percent increase over last year's spending, an increase that is clearly inflationary and irresponsible. To make matters worse, the committee is recommending a spending increase despite the fact that many of the programs in last year's bill are not even included in this year's bill. Several agencies and activities normally carried in this bill were funded in the special energy research and development appropriations bill. When the amount of spending in the two bills are combined, presenting a more accurate comparison with last year's spending, the total increase is nearly $1 billion, or 21 percent, over last year's appropriations.

A portion of the increase can be attributed to energy-related programs. I supported these programs in the special energy research and development appropriations bill, but I cannot support the large increase in spending for the programs contained in this bill. The Congress has to get away from the idea that each and every Federal program is entitled to an automatic spending increase every year.

Within the past 9 months, the Congress responded to the energy crisis with a united and coordinated effort. I believe it is high time for the Congress to respond to the inflation crisis with the same determination as it responded to the energy crisis. Inflation is a problem that affects all of the American people, and the Members of Congress have an obligation to take action to reduce the inflation problem.

A reduction in Federal spending and an end to deficit spending is the most effective way that the Congress can reduce inflationary pressures in the economy.

I intend to vote against this inflationary increase in Federal spending, and I urge each of my colleagues to do the same.

Mr. BIBLE. Mr. President, I ask for the yeas and nays on passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. HARRY F. BYRD, JR. Will the Senator from Nevada yield for a question?

Mr. BIBLE. I am happy to yield to the Senator.

Mr. HARRY F. BYRD, JR. Have there been floor amendments changing the total figure, and if so, what is the new figure?

Mr. BIBLE. There have been no floor amendments which in any way change the figures which the Senator has before him in either the bill or the report.

Mr. HARRY F. BYRD, JR. I thank the Senator.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. LONG), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

Mr. TOWER. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), and the Senator from Pennsylvania (Mr. HUGH SCOTT) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) is absent on official business.

I further announce that, if present and

voting, the Senator from New Jersey (Mr. Case), and the Senator from Pennsylvania (Mr. Hugh Scott) would each vote "yea."

The result was announced—yeas 69, nays 18, as follows:

[No. 355 Leg.]

YEAS—69

Abourezk
Aiken
Allen
Baker
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Clark
Cook
Cotton
Cranston
Curtis
Dominick
Eastland
Ervin
Fannin
Fong
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Moss
Muskie
Nelson
Pastore
Pell
Percy
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stennis
Stevens
Stevenson
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—18

Bartlett
Biden
Buckley
Byrd, Harry F., Jr.
Chiles
Dole
Domenici
Eagleton
Gurney
Helms
Hollings
Huddleston
Nunn
Proxmire
Roth
Scott, William L.
Symington
Taft

NOT VOTING—13

Bayh
Case
Church
Fulbright
Goldwater
Gravel
Griffin
Long
Mathias
Montoya
Packwood
Pearson
Scott, Hugh

So the bill (H.R. 16027) was passed.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McGEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Bible, Mr. McClellan, Mr. Robert C. Byrd, Mr. McGee, Mr. Montoya, Mr. Chiles, Mr. Mansfield, Mr. Stevens, Mr. Young, Mr. Hatfield, and Mr. Bellmon conferees on the part of the Senate.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, I cannot let this occasion go by without paying my respects to the senior Senator from Nevada, who has handled his last Interior appropriation bill on the floor of the Senate. He is retiring voluntarily after a long and distinguished career.

I know of no man more modest, more worthy, and more understanding than Alan Bible.

I just want you to know—and I think I speak for every **Member of the Senate**—that we are indebted to you for the statesmanship and the understanding and the consideration you have shown to all of us through the years, regardless of party or where we come from. You have been a Senator's Senator, in my opinion, I am indebted to you for the fine service you have performed for your State and for this Nation.

[Applause, Senators rising.]

Mr. BIBLE. Mr. President, if I had known that the distinguished Senator from Montana was going to say that, I would not now be standing on the Republican side of the Chamber. [Laughter.]

I remain a Democrat, but I think I can respond while standing in the midst of my Republican friends.

These have been rewarding years and challenging years. I have said many times that I hope I have made a few contributions. Thank you very much. [Applause.]

AMENDMENT OF THE ATOMIC ENERGY ACT OF 1954

Mr. PASTORE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 3698.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3698) to amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology which was to strike out all after the enacting clause, and insert:

That subsection 123 d. of the Atomic Energy Act of 1954, as amended, is revised to read as follows:

"d. The proposed agreement for cooperation, together with the approval and determination of the President, if arranged pursuant to subsection 91 c., 144 b., or 144 c., or if entailing implementation of sections 53, 54, 103, or 104 in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith, shall have no force or effect unless and until specifically approved by Act of Congress.

Sec. 2. The amendment made by the first section of this Act shall apply to any agreement or any amendment to any agreement, if the agreement or the amendment is proposed or entered into after July 1, 1974.

Mr. PASTORE. Mr. President, I move that the Senate disagree to the amendment; request a conference thereon with the House of Representatives; and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Pastore, Mr. Symington, Mr. Montoya, Mr. Aiken, and Mr. Baker conferees on the part of the Senate.

AMENDMENT OF THE EXPORT-IMPORT BANK ACT OF 1945

Mr. STEVENSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 229.

The PRESIDING OFFICER (Mr. William L. Scott) laid before the Senate the amendment of the House of Representatives to the joint resolution (S.J. Res. 229) to amend the Export-Import Bank Act of 1948, which was on line 4, strike out "August 31" and insert "September 30".

Mr. STEVENSON. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXTENSION OF EXPIRATION DATE OF THE EXPORT ADMINISTRATION ACT OF 1969

Mr. STEVENSON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 1104.

The PRESIDING OFFICER (Mr. William L. Scott) laid before the Senate House Joint Resolution 1104, which was read twice by its title, as follows:

A joint resolution (H.J. Res. 1104) to extend by sixty-two days the expiration date of the Export-Administration Act of 1969.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 1104) was considered, ordered to a third reading, read the third time, and passed.

MINORITY PARTY MEMBERSHIP ON THE COMMITTEE ON THE BUDGET OF THE SENATE

Mr. TOWER. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 378) was considered and agreed to, as follows:

Resolved, That the following shall constitute the Minority Party's membership on the Committee on the Budget of the Senate for the remainder of the 93rd Congress: Peter H. Dominick of Colorado, Milton R. Young of North Dakota, Roman L. Hruska of Nebraska, Jacob K. Javits of New York, Paul J. Fannin of Arizona, Robert Dole of Kansas.

EMPLOYMENT OF WHITE HOUSE OFFICE AND EXECUTIVE RESIDENCE PERSONNEL—CONFERENCE REPORT

The PRESIDING OFFICER (Mr. William L. Scott). Under the previous order, the Senate will now resume consideration of the conference on H.R. 14715.

Mr. WEICKER. Mr. President, I move to table the conference report on H.R. 14715, employment of White House office and executive residence personnel.

I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce

that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from Alaska (Mr. Gravel), the Senator from Louisiana (Mr. Long), and the Senator from New Mexico (Mr. Montoya) are necessarily absent.

Mr. TOWER. I announce that the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), and the Senator from Pennsylvania (Mr. Hugh Scott), are necessarily absent.

I also announce that the Senator from New Jersey (Mr. Case) is absent on official business.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott) would vote "nay."

The result was announced—yeas 54, nays 34, as follows:

[No. 356 Leg.]

YEAS—54

Abourezk
Allen
Baker
Bartlett
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Byrd,
  Harry F., Jr.
Chiles
Clark
Cook
Cranston
Dole
Eagleton
Ervin
Fulbright
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Javits
Johnston
Kennedy
McGovern
McIntyre
Metzenbaum
Muskie
Nelson
Nunn
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—34

Aiken
Bellmon
Bennett
Bible
Burdick
Byrd, Robert C.
Cannon
Cotton
Curtis
Domenici
Dominick
Eastland
Fannin
Fong
Hansen
Hruska
Hughes
Humphrey
Inouye
Jackson
Magnuson
Mansfield
McClellan
McClure
McGee
Metcalf
Mondale
Moss
Pastore
Randolph
Scott,
  William L.
Stennis
Stevens
Talmadge

NOT VOTING—12

Bayh
Case
Church
Goldwater
Gravel
Griffin
Long
Mathias
Montoya
Packwood
Pearson
Scott, Hugh

So the motion to table the conference report was agreed to.

Mr. WEICKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. TAFT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, there will be no further votes tonight.

REVISING AND AMENDING THE PRICE-ANDERSON INDEMNITY PROVISIONS OF THE ATOMIC ENERGY ACT OF 1954, AS AMENDED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 987, H.R. 15323, so that it may become the pending business.

The PRESIDING OFFICER (Mr. McIntyre). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 15323) to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Joint Committee on Atomic Energy with amendments, on page 2, beginning at line 10, to strike out the following language:

And provided further, That as the term is used in subsection 170 c., it shall include any such occurrence outside the United States or any other nation if such occurrence arises out of or results from the radioactive, toxic, explosive or other hazardous properties of source, special nuclear, or byproduct material licensed pursuant to Chapters 6, 7, 8, and 10 of this Act, which is used in connection with the operation of a licensed stationary production or utilization facility and/or moves outside the territorial limits of the U.S. in transit from one person licensed by the Commission to another person licensed by the Commission.

And insert in lieu thereof:

And provided further, That as the term is used in subsection 170 c., it shall include any such occurrence outside the United States if such occurrence arises out of or results from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material licensed pursuant to chapters 6, 7, 8 and 10 of this Act, other than for import or export or for nuclear ship propulsion, which takes place outside the territorial limits of the United States or any other nation.

On page 8, in line 12, strike out ": *Provided further,* That notwithstanding any other provision of this Act the indemnification provisions shall not apply to any 'nuclear incidents' occurring in any nation other than the United States."

On page 10, in line 23, strike out ", announced by the Atomic Energy Commission on June 27, 1973" and insert in lieu thereof "entitled 'An Assessment of Accident Risks in U.S. Commercial Nuclear Power Plants', AEC Report Number WASH-1400".

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

INFLATION POLICY STUDY

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. Con. Res. 93.

The PRESIDING OFFICER (Mr. McIntyre) laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 93) relating to an inflation policy study, with the following amendment:

Page 2, line 7, after "to," insert "the causes of the current inflation and".

Mr. MANSFIELD. I move that the Senate concur in the amendment of the House of Representatives.

The motion was agreed to.

Mr. JAVITS. Mr. President, could we have another little idea from the majority leader? I know what the concurrent resolution is, and I am in favor of it, but could the Senator tell us what the House did today?

Mr. MANSFIELD. It is a perfecting amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

Page 2, line 7, after "to," insert "the causes of the current inflation and".

Mr. JAVITS. I thank the Chair.

AUTHORIZATION FOR THE CLERK OF THE HOUSE OF REPRESENTATIVES TO MAKE CORRECTIONS IN THE ENROLLMENT OF H.R. 69

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 583, authorizing the Clerk of the House of Representatives to make corrections in the enrollment of H.R. 69.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The assistant legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, is authorized and directed to make the correction described in the following sentence. Immediately after subsection (b) of section 121 of title I of the Elementary and Secondary Education Act of 1965, which is added by section 101(a)(2)(E) of the bill, insert the following:

"(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c).

SEC. 2. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence. In section 252 of the bill, strike "Title IV" and insert in lieu thereof "Title V".

SEC. 3. The Clerk of the House of Representatives in the enrollment of such bill is further authorized and directed to make the correction described in the following sentence. In the title of section 612 of the bill, strike out "Office" and insert in lieu thereof "Bureau".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the concurrent resolution (H. Con. Res. 583) was considered and agreed to.

LEGISLATIVE PROGRAM

Mr. TOWER. I take this opportunity to ask the majority leader as to what else is contemplated for this evening, and what the business will be for tomorrow and for the remainder of the week, to the extent that he is able to tell now.

Mr. MANSFIELD. Mr. President, there will be no further business this evening, but the first order of business tomorrow will be the bill on atomic energy. I think the big difficulty will be over the Price-Anderson provisions.

Following that, it is anticipated that we will take up Calendar Order No. 1024, H.R. 15581, the District of Columbia appropriation bill, and following that, Calendar No. 975, S. 3569, the so-called Amtrak bill.

If we finish with those three bills tomorrow, we will not meet on Friday. But if we do not finish, we will come in Friday to complete the work which will be begun tomorrow.

Mr. TOWER. I thank the distinguished majority leader.

Mr. MANSFIELD. On Monday, may I say to the distinguished acting Republican leader, the Senate will proceed to the consideration of the unfinished business, which is the Consumer Protection Agency measure, but I believe we will spend some time on Monday on the Housing conference report, which I believe is ready and which the Senator from Alabama (Mr. SPARKMAN) has indicated he will be prepared to take up.

Mr. TOWER. May I ask the majority leader whether it is anticipated that a cloture motion will be filed on Monday on S. 707?

Mr. MANSFIELD. No, I do not think so. Some attention has been given to a previous commitment, and one may be filed, but we are anxious to determine what will happen in that area as soon as possible.

ADJOURNMENT UNTIL 10 A.M.

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 o'clock tomorrow morning.

The motion was agreed to; and, at 5:26 p.m., the Senate adjourned until tomorrow, Thursday, August 8, 1974, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 7, 1974:

CORPORATION FOR PUBLIC BROADCASTING

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for the terms indicated:

For the remainder of the term expiring March 26, 1978:

Amos B. Hostetter, Jr., of Massachusetts, vice Theodore W. Braum, resigned.

For a term expiring March 26, 1980:

Joseph Coors, of Colorado, vice Albert L. Cole, term expired.

Lucius Perry Gregg, Jr., of Illinois, vice James R. Killian, Jr., term expired.

Lillie E. Herndon, of South Carolina, vice Frank Pace, Jr., term expired.

John Whitney Pettit, of Maryland, vice Robert S. Benjamin, term expired.

IN THE ARMY

Col. Frederick Adair Smith, Jr., [redacted], U.S. Military Academy, for appointment as Dean of the Academic Board of the U.S. Military Academy under the provisions of title 10, United States Code, sections 4333 and 4335.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 7, 1974:

DEPARTMENT OF STATE

Richard W. Murphy, of Virginia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

ENVIRONMENTAL PROTECTION AGENCY

Roger Strelow, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency.

James L. Agee, of Washington, to be an Assistant Administrator of the Environmental Protection Agency.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, August 7, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The fruit of the Spirit is in all goodness and righteousness and truth.—Ephesians 5: 9.

Almighty God, who hast gathered our people into a great nation and art calling them to live together with justice and good will, renew our spirits in Thee and restore to us a good relationship with those with whom we live and work.

Look with Thy favor upon those who serve our country here on Capitol Hill. Grant unto them wisdom of mind, strength of character, goodness of heart, and so direct them in their decisions that peace and justice may prevail for the benefit of all our people.

We pray especially for our President, our Speaker, and every Member of Congress. Make them equal to their high tasks, just in the exercise of power, generous in judgment, and always loyal to the royal within themselves.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 30, 1974:

H.R. 7207. An act for the relief of Emmett A. and Agnes J. Rathbun;

H.R. 9440. An act to provide for access to all duly licensed clinical psychologists and optometrists without prior referral in the Federal employee health benefits program;

H.R. 11295. An act to amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to to carry out such act, and for other purposes; and

H.R. 15461. An act to secure to the Congress additional time in which to consider the proposed amendments to the Federal Rules of Criminal Procedure which the Chief Justice of the U.S. Supreme Court transmitted to the Congress on April 22, 1974;

H.R. 377. An act to authorize the Secretary of the Interior to sell certain rights in the State of Florida; and

H.R. 3544. An act for the relief of Robert J. Beas.

On August 5, 1974:

H.R. 14592. An act to authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 566. Concurrent resolution to provide additional copies of hearings and the final report of the Judiciary Committee on the impeachment inquiry.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12281. An act to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 11537) entitled "An act to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HART, Mr. MOSS, Mr. STEVENS, and Mr. COOK to be the conferees on the part of the Senate.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15155, PUBLIC WORKS APPROPRIATIONS, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on the bill (H.R. 15155) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PERSONAL STATEMENT

(Mr. HANLEY asked and was given permission to address the House for 1 minute.)

Mr. HANLEY. Mr. Speaker, I rise today to announce that my vote in favor of the Giaimo amendments to reduce funding for the Safeguard ABM system was incorrectly recorded.

I have consistently supported funding for the Safeguard system and I have every intention of continuing to do so.

I believe that continuation of this program is essential to our Nation's efforts to develop a more advanced system such as site defense. The practical experience we would gain in the operation of Safeguard would prove invaluable in the development of site defense.

To support the emasculation of Safeguard now, after nearly 20 years of ABM research and $4.9 billion expended would seem to me to be the height of fiscal folly.

CONGRESSMEN'S STATEMENTS ON WATERGATE INAPPROPRIATE

(Mr. RUTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUTH. Mr. Speaker, there has been some interest in my response to the many questions we have all received concerning the impeachment inquiry. For the record I insert my response at this point.

STATEMENT OF EARL B. RUTH—AUGUST 6, 1974

During the entire Watergate investigation, my feeling has been that statements by Congressmen were not appropriate. Primarily, I have felt that as one sitting on the impeachment jury an open mind is a prerequisite for fairness.

Those who have made premature statements have convinced me that my position is correct. Many of their statements have been influenced by either what they hoped to be true or what they suspected to be fact.

As evidence unfolds, I feel that if and when a Representative is called upon to cast a vote the issue will be more clear-cut, which in reality is the purpose of the investigation.

I realize that the current flurry of comment is due to the President's latest statement and it is very tempting to try interpreting these recent developments. However, with things happening so fast, just as yesterday's statement can have no relevance to events of today, so can today's statement be outmoded tomorrow.

FOURTH ANNUAL REPORT ON GOVERNMENT SERVICES TO RURAL AMERICA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93-330)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Agriculture and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the fourth annual report on Government Services to rural America, as required by the Agricultural Act of 1970.

RICHARD NIXON.

THE WHITE HOUSE, *August 7, 1974.*

PROVIDING FOR CONSIDERATION OF H.R. 16090, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1292 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1292

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, and all points of order against title IV of said bill for failure to comply with the provisions of clause 4, rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, the bill shall be considered as having been read for amendment. No amendment, including any amendment in the nature of a substitute for the bill, shall be in order to the bill except the following: In title I, (1) germane amendments to subsection 101(a) proposing solely to change the money amounts contained in said subsection, providing that said amendments have been printed in the Congressional Record at least one calendar day before being offered; and (2) the text of the amendment to be offered on page 13, following line 4, inserted in the Congressional Record of August 5, 1974, by Mr. Butler. In title II, (1) germane amendments to the provisions contained on page 33, line 17 through page 35, line 11, providing they have been printed in the Congressional Record at least one calendar day before being offered; and (2) the amendment printed on page 26620 of the Congressional Record of August 2, 1974. In title IV, (1) germane amendments which have been printed in the Congressional Record at least one calendar day before they are offered, except that sections 401, 402, 407, 409, and 410 shall not be subject to amendment; and (2) the text of the amendment printed in the Congressional Record of August 2, 1974, at page 26520 which amendment shall be in order, any rule of the House to the contrary notwithstanding: *Provided, however,* That notwithstanding the foregoing provisions of this resolution, amendments to any portion of the bill shall be in order, any rule of the House to the contrary notwithstanding, if offered by the direction of the Committee on House Administration, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 456]

Biaggi
Blatnik
Brasco
Burke, Calif.
Chisholm
Clark
Clay
Conyers
Coughlin
Davis, Ga.
Diggs
Downing
Edwards, Ala.
Esch
Giaimo
Gray
Gude
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Holifield
Ichord
McKinney
McSpadden
Macdonald
Mollohan
Murphy, N.Y.
Nedzi
Owens
Patman
Podell
Powell, Ohio
Randall
Rarick
Reid
Riegle
Rooney, N.Y.
Roybal
Ruppe
Scherle
Smith, N.Y.
Stark
Stokes
Sullivan
Ullman
Wiggins
Wylie

The SPEAKER. On this rollcall 386 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION TO FILE CONFERENCE REPORT ON S. 2510, CREATING FEDERAL OFFICE OF PROCUREMENT POLICY

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the Senate bill S. 2510.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-1268)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2510) to create an Office of Federal Procurement Policy within the Executive Office of the President, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the text of the bill, insert the following:

That this Act may be cited as the "Office of Federal Procurement Policy Act".

DECLARATION OF POLICY

SEC. 2. It is declared to be the policy of Congress to promote economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch of the Federal Government by

(1) establishing policies, procedures, and practices which will require the Government to acquire property and services of the requisite quality and within the time needed at the lowest reasonable cost, utilizing competitive procurement methods to the maximum extent practicable;

(2) improving the quality, efficiency, economy, and performance of Government procurement organizations and personnel;

(3) avoiding or eliminating unnecessary overlapping or duplication of procurement and related activities;

(4) avoiding or eliminating unnecessary or redundant requirements placed on contractor and Federal procurement officials;

(5) identifying gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations, and directives, relating to or affecting procurement;

(6) achieving greater uniformity and simplicity, whenever appropriate, in procurement procedures;

(7) coordinating procurement policies and programs of the several departments and agencies;

(8) minimizing possible disruptive effects of Government procurement on particular industries, areas, or occupations;

(9) improving understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;

(10) promoting fair dealing and equitable relationships among the parties in Government contracting; and

(11) otherwise promoting economy, efficiency, and effectiveness in Government procurement organizations and operations.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that economy, efficiency, and effectiveness in the procurement of property and services by the executive agencies will be improved by establishing an office to exercise responsibility for procurement policies, regulations, procedures, and forms.

(b) The purpose of this Act is to establish an Office of Federal Procurement Policy in the Office of Management and Budget to provide overall direction of procurement policies, regulations, procedures, and forms for executive agencies in accordance with applicable laws.

DEFINITION

SEC. 4. As used in this Act, the term "executive agency" means an executive department, a military department, and an independent establishment within the meaning of sections 101, 102, and 104(1), respectively, of title 5, United States Code, and also a wholly owned Government corporation within the meaning of section 101 of the Government Corporation Control Act (31 U.S.C. 846).

OFFICE OF FEDERAL PROCUREMENT POLICY

SEC. 5. (a) There is established in the Office of Management and Budget an office to be known as the Office of Federal Procurement Policy (hereinafter referred to as the "Office").

(b) There shall be at the head of the Office an Administrator for Federal Procurement Policy (hereinafter referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate.

AUTHORITY AND FUNCTIONS

SEC. 6. (a) The Administrator shall provide overall direction of procurement policy. To the extent he considers appropriate and with due regard to the program activities of the executive agencies, he shall prescribe policies, regulations, procedures, and forms, which shall be in accordance with applicable laws and shall be followed by executive agencies (1) in the procurement of—

(A) property other than real property in being;

(B) services, including research and development; and

(C) construction, alteration, repair, or maintenance of real property;

and (2) in providing for procurement by recipients of Federal grants or assistance of items specified in clauses (A), (B), and (C) of this subsection, to the extent required for performance of Federal grant or assistance programs.

(b) Nothing in subsection (a)(2) shall be construed—

(1) to permit the Administrator to authorize procurement or supply support, either directly or indirectly, to recipients of Federal grants or assistance; or

(2) to authorize any action by recipients contrary to State and local laws, in the case of programs to provide Federal grants or assistance to States and political subdivisions.

(c) The authority of the Administrator under this Act shall apply only to procurement payable from appropriated funds: *Provided*, That the Administrator undertake a study of procurement payable from nonappropriated funds. The results of the study, together with recommendations for administrative or statutory changes, shall be reported to the President of the Senate and the Speaker of the House of Representatives at the earliest practicable date, but in no event later than two years after the date of enactment of this Act.

(d) The functions of the Administrator shall include—

(1) establishing a system of coordinated and to the extent feasible, uniform procurement regulations for the executive agencies;

(2) establishing criteria and procedures for an effective and timely method of soliciting the viewpoints of interested parties in the development of procurement policies, regulations, procedures, and forms;

(3) monitoring and revising policies, regulations, procedures, and forms relating to reliance by the Federal Government on the private sector to provide needed property and services;

(4) promoting and conducting research in procurement policies, regulations, procedures, and forms;

(5) establishing a system for collecting, developing, and disseminating procurement data which takes into account the needs of the Congress, the executive branch, and the private sector;

(6) recommending and promoting programs of the Civil Service Commission and executive agencies for recruitments, training, career development, and performance evaluation of procurement personnel.

(e) In the development of policies, regulations, procedures, and forms to be authorized or prescribed by him, the Administrator shall consult with the executive agencies affected, including the Small Business Administration and other executive agencies promulgating policies, regulations, procedures, and forms affecting procurement. To the extent feasible, the Administrator may designate an executive agency or agencies, establish interagency committees, or otherwise use agency representatives or personnel, to solicit the views and the agreement, so far as possible, of executive agencies affected on significant changes in policies, regulations, procedures, and forms.

(f) The authority of the Administrator under this Act shall not be construed to—

(1) impair or interfere with the determination by executive agencies of their need for or their use of, specific property, services, or construction, including particular specifications therefor; or

(2) interfere with the determination by executive agencies of specific actions in the award or administration of procurement contracts.

(g) Except as otherwise provided by law, no duties, functions, or responsibilities, other than those expressly assigned by this Act, shall be assigned, delegated, or transferred to the Administrator.

ADMINISTRATIVE POWERS

SEC. 7. Upon the request of the Administrator, each executive agency is directed to—

(1) make its services, personnel, and facilities available to the Office to the greatest practicable extent for the performance of functions under this Act; and

(2) except when prohibited by law, furnish to the Administrator and give him access to all information and records in its possession which the Administrator may determine to be necessary for the performance of the functions of the Office.

RESPONSIVENESS TO CONGRESS

SEC. 8. (a) The Administrator shall keep the Congress and its duly authorized committees fully and currently informed of the major activities of the Office of Federal Procurement Policy, and shall submit a report thereon to the President of the Senate and the Speaker of the House of Representatives annually and at such other times as may be necessary for this purpose, together with appropriate legislative recommendations.

(b) At least 30 days prior to the effective date of any major policy or regulation prescribed under section 6(a), the Administrator shall transmit to the Committees on Government Operations of the House of Representatives and of the Senate a detailed report on the proposed policy or regulation. Such report shall include—

(1) a full description of the policy or regulation;

(2) a summary of the reasons for the issuance of such policy or regulation; and

(3) the names and positions of employees of the Office who will be made available, prior to such effective date, for full consultation with such Committees regarding such policy or regulation.

(c) In the case of an emergency, the President may waive the notice requirement of subsection (b) by submitting in writing to the Congress his reasons therefor at the earliest practicable date on or before the effective date of any major policy or regulation.

EFFECT ON EXISTING LAWS

SEC. 9. The authority of an executive agency under any other law to prescribe policies, regulations, procedures, and forms for procurement is subject to the authority conferred in section 6 of this Act.

EFFECT ON EXISTING REGULATIONS

SEC. 10. Procurement policies, regulations, procedures, or forms in effect as of the date of enactment of this Act shall continue in effect, as modified from time to time, until repealed, amended, or superseded by policies, regulations, procedures, or forms promulgated by the Administrator.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated to carry out the provisions of this Act, and for no other purpose—

(1) not to exceed $2,000,000 for the fiscal year ending June 30, 1975, of which not to exceed $150,000 shall be available for the purpose of research in accordance with section 6(d)(4); and

(2) such sums as may be necessary for each of the four fiscal years thereafter.

Any subsequent legislation to authorize appropriations to carry out the purposes of this Act shall be referred in the Senate to the Committee on Government Operations.

DELEGATION

SEC. 12. (a) The Administrator may delegate, and authorize successive redelegations of, any authority, function, or power under this Act, other than his basic authority to provide overall direction of Federal procurement policy and to prescribe policies and regulations to carry out that policy, to any other executive agency with the consent of such agency or at the direction of the President.

(b) The Administrator may make and authorize such delegations within the Office as he determines to be necessary to carry out the provisions of this Act.

ANNUAL PAY

SEC. 13. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(100) Administrator for Federal Procurement Policy.".

ACCESS TO INFORMATION

SEC. 14. (a) The Administrator and personnel in his Office shall furnish such information as the Comptroller General may require for the discharge of his responsibilities. For this purpose, the Comptroller General or his representatives shall have access to all books, documents, papers, and records of the Office.

(b) The Administrator shall, by regulation, require that formal meetings of the Office, as designated by him, for the purpose of establishing procurement policies and regulations shall be open to the public, and that public notice of each such meeting shall be given not less than ten days prior thereto.

REPEALS AND AMENDMENTS

SEC. 15. The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) is amended as follows:

(1) Section 201(a)(1) of such Act (40 U.S.C. 481(a)(1)) is amended by inserting "subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act," immediately after "(1)".

(2) Section 201(c) of such Act (40 U.S.C. 481(c)) is amended by inserting "subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act," immediately after "Administrator,".

(3) Section 206(a)(4) of such Act (40 U.S.C. 487(a)(4)) is amended to read as follows: "(4) subject to regulations promulgated by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act, to prescribe standardized forms and procedures, except such as the Comptroller General is authorized by law to prescribe, and standard purchase specifications.".

(4) Section 602(c) of such Act (40 U.S.C. 474) is amended in the first sentence thereof by inserting "except as provided by the Office of Federal Procurement Policy Act, and" immediately after "herewith,".

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the Senate bill, insert the following: "An Act to establish an Office of Federal Procurement Policy within the Office of Management and Budget, and for other purposes."

And the House agree to the same.

CHET HOLIFIELD,
FERNAND J. ST GERMAIN,
DON FUQUA,
FRANK HORTON,
JOHN N. ERLENBORN,
Managers on the Part of the House.

LAWTON M. CHILES,
SAM NUNN,
WALTER D. HUDDLESTON,
WILLIAM V. ROTH,
WILLIAM BROCK,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2510) to create an Office of Federal Procurement Policy, submit the following joint statement to the Senate and the House in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

Except for certain clerical, conforming, and other clarifying and technical changes, the changes made to deal with the differences between the Senate bill and the House amendments are noted below:

TITLE

The conference substitute changes the title of the act to conform with changes in the text. The title, as modified, is to establish an Office of Federal Procurement Policy (OFPP) within the Office of Management and Budget (OMB), and for other purposes.

SECTION 1—SHORT TITLE

The conference substitute provides for citing the act as the "Office of Federal Procurement Policy Act".

SECTION 2—DECLARATION OF POLICY

The conference substitute incorporates section 2 of the Senate bill declaring it to be congressional policy to promote economy, efficiency, and effectiveness in procurement, but eliminates one of the 12 original specifications for accomplishing this policy, to wit: "conforming procurement policies and programs, whenever appropriate, to other established Government policies and programs". The conferees agreed that the appropriate priorities and other relationships between procurement and other government programs should be governed by other specific legislation.

SECTION 3—FINDINGS AND PURPOSE

The conference substitute here and throughout the bill incorporates the language of the House amendment (subsection 2(a)) giving the OFPP responsibility for procurement "policies, regulations, procedures, and forms." The Senate bill treated procedures and forms as a means of implementing policies and regulations. The conferees recognize that these are closeknit responsibilities which are difficult to differentiate. The conferees agree that the OFPP generally should focus on matters of broad policy and regulatory scope and leave to the agencies details of implementing procedures and forms to the extent consistent with achievement of OFPP policy objectives.

The conference substitute adopts the statement of purpose in the House amendment (subsection 2(b)), but with changes to include the full name of the Office of Federal Procurement Policy and to spell out that procurement policies, regulations, procedures, and forms are to be "in accordance with applicable laws." The use of this language here and elsewhere in the conference substitute (subsection 6(a)) makes clear that OFPP policies must be subject to and consistent with congressional enactments. The conference substitute is substantially the same as the Senate bill except for omission of the phrase "through a small, highly qualified and competent staff." the conferees concur in this view but think it more appropriate to reflect it by report language and allow it to be effected by controlling appropriations for the OFPP.

SECTION 4—DEFINITION

The conference substitute incorporates the language of the House amendment (section 3) defining the term "executive agency." There is no change in substance from the Senate bill (subsection 4(a)(1)) except that the District of Columbia is excluded completely. Under the Senate bill the District of Columbia was included but was authorized to exempt itself under the provisions of the District of Columbia Self-Government and Governmental Reorganization Act. Exclusion of the District of Columbia will still leave the District of Columbia free to conform to OFPP policies and regulations as it deems appropriate.

The conference substitute in conformity with the House amendment does not include the definitions in the Senate bill of the terms "Office," "Administrator," and "Federal assistance," References elsewhere in the conference substitute take the place of the definitions of "Office" and "Administrator."

No definition is included for the term "Federal assistance" or the House counterpart, "Federal grants or assistance," particularly since this is the subject of separate legislation (H.R. 9060; S. 3514). The term is intended to include transactions for payment of money or transfer of property in lieu of money, generally referred to as program or project grants, grants-in-aid, and grants in lieu of research and development contracts as authorized by the 1958 Federal grants statute (42 U.S.C. 1891 et seq.). However, for the purposes of this act, the conferences do not intend that the OFPP responsibility with regard to "Federal assistance" should extend to programs for the furnishing of assistance through technical, specialized, and informational services; or assistance in the form of general revenue sharing, loans, loan guarantees, insurance, and similar "no strings attached" aids to State and local governments.

SECTION 5—OFFICE OF FEDERAL PROCUREMENT POLICY

Subsection 5(a)

The Senate bill placed the OFPP in the Executive Office of the President and made it subject to Presidential direction. The Senate felt a strong need for a high degree of independence for the OFPP. The House amendment placed the OFPP within the OMB, which is a component of the Executive Office.

The conference substitute follows the language of the House amendment in locating the OFPP within the OMB. This accords with a preference expressed by the Commission on Government Procurement in recommending the creation, by statute, of the OFPP. The reference to Presidential direction is omitted as being unnecessary, since the OMB and its components are necessarily subject to Presidential direction.

The conferees agree that placement of the OFPP in the OMB will give the new Office prestige and leverage in dealing with the executive agencies and thereby will enhance its ability to discharge the important responsibilities conferred by the act.

Although, as a component of OMB, the OFPP will be subject to supervision and direction by the OMB Director, and through him by the President, the conferees wish to emphasize that the Administrator of the OFPP is charged with the duties and responsibilities set forth in this act and will be held accountable by the Congress for their effective performance. Other provisions in this act are consistent with the concern for independence. These include:

(1) A requirement for Senate confirmation of the Administrator, the only OMB official other than the Director and Deputy Director whose appointment is made subject to such confirmation.

(2) Vesting the functions of the OFPP in the Administrator rather than in the OMB Director, this being the only instance in which an OMB official other than the Director has a statutory charter.

(3) Authorization of separate appropriations for the OFPP.

(4) A provision that the appropriations may be expended only for the purposes of the act.

(5) A requirement that the Administrator, rather than the Director of OMB, keep the Congress fully and currently informed of his activities, including his recommendations.

(6) A requirement that the Administrator give the Congress 30 days, advance notice before the effective date of any major policy or regulation.

(7) A provision that the Administrator is not to be assigned any functions other than those provided in the act.

Subsection 5(b)

The conference substitute incorporates the provision in the Senate bill (subsection 5 (b)) designating the head of the OFPP as Administrator for Federal Procurement Policy. This is in lieu of the designation of the head of the OFPP in the House bill (subsection 4(b)) as an Associate Director for Federal Procurement Policy of the Office of Management and Budget. The OFPP head is to be appointed by the President, with the advice and consent of the Senate.

The conferees agree that the title of "Administrator" will give greater emphasis to the distinct role the OFPP is expected to play in the area of procurement policy.

In view of the conferees' agreement to locate the OFPP in the OMB the Senate bill provision requiring Presidential appointment and Senate confirmation of a Deputy Administrator (subsection 5(c)) was no longer considered appropriate. It is expected that the Deputy Administrator and other OFPP personnel will be appointed pursuant to regular Civil Service procedures.

In the light of their responsibilities and the status of the executive agency officers with whom they will be dealing, the conferees agree that the Deputy Administrator should be a GS-18 and that an adequate complement of other supergrade positions should be allocated to the OFPP by the U.S. Civil Service Commission. The conferees regard this as essential to attract outstanding talent and provide the high level of leadership in procurement policy coordination contemplated by the act and the Commission on Government Procurement.

SECTION 6—AUTHORITY AND FUNCTIONS

Subsection 6(a)

The conference substitute incorporates, with minor change, the provisions of the Senate bill (subsection 6(a)) stating the responsibility of the OFPP for prescribing policies, regulations, procedures, and forms for procurement, which shall be followed by all executive agencies and Federal grantees. This is substantially the same as the House amendment provisions (subsection 5(a)).

Subsection 6(b)

The conference substitute incorporates, with clarifying changes, the language of subsection 6(b) of the Senate bill directed against the OFPP authorizing procurement actions by State and local government grantees contrary to State or local law, or authorizing Federal procurement or supply support to grantees. This takes the place of substantially similar provisions found in subsections 5(a) and 5(d) of the House amendment.

Subsection 6(c)

This subsection of the conference substitute incorporates provisions found in the House amendment (subsection 5(a)) excluding nonappropriated fund activities from the scope of the act. This takes the place of a similar provision in the Senate bill (subsection 6(d)(4)) which was limited to *military* nonappropriated fund activities. The conference substitute also incorporates a provision in the Senate bill, but not in the House amendment, for the Administrator to conduct a study of procurement by nonappropriated fund activities and report to the Congress within two years.

Subsections 6 (d), (e)

The conference substitute adopts a combination of language in the Senate bill (subsection 6(c)) and the House amendment (subsection 5(b)) enumerating six specific functions of the OFPP. There are a number of clarifying changes, including one to make clear that the OFPP will recommend and promote rather than oversee Civil Service Commission and other agency procurement personnel programs. The conference substitute also drops one enumerated function in the Senate bill (subsection 6(c)(2)) as redundant to another enumerated function (subsection 6(d)(3) of the conference substitute).

Subsection 6(e) of the conference substitute incorporates provisions in the Senate bill (subsection 6(c)(8)) and in the House amendment (subsection 5(c)) for the OFPP to consult with executive agencies in the development of policies, regulations, procedures, and forms. The conference substitute adopts the Senate language authorizing designation of other agencies to coordinate agency views.

Subsection 6(f)

The conference substitute incorporates with minor changes the provisions found in the House amendment (subsections 5(d) (1) and (2)) to rule out any authority of the OFPP to interfere with executive agency procurement actions or determinations of procurement needs. Counterpart provisions were included in the Senate bill (subsections 6(d) (1) and (2)).

A provision in the Senate bill (subsection 6(d)(3)) defining the authority of the OFPP to deal with procurement procedures and forms was deleted as redundant to other provisions in the conference substitute (subsection 6(a)) giving the OFPP general authority over policies, regulations, procedures, and forms.

Subsection 6(g)

To assure that the OFPP will not have its procurement reform role diluted, the conference substitute includes specific language that, except as otherwise provided by law, the Administrator will have only those functions expressly assigned by the act. The conferees do not wish the Administrator to be burdened with extraneous responsibilities or to have any of his functions transferred elsewhere.

SECTION 7—ADMINISTRATIVE POWERS

The conference substitute incorporates substantially identical provisions found in the Senate bill (subsection 7(b)) and the House amendment (section 6) providing for executive agencies to furnish the OFPP with services, personnel, facilities, and access to records. The conference substitute omits other administrative provisions found in subsections 7(a) and 7(c) of the Senate bill as no longer necessary or appropriate in view of placement of the OFPP in the OMB.

SECTION 8—RESPONSIVENESS TO CONGRESS

Subsection 8(a)

The conference substitute incorporates modified language of the Senate bill (subsection 8(a)) for the Administrator to keep the Congress and its committees fully and currently informed and to submit annual and other reports on the major activities of the Office. The conferees agree that this wording is to be given a reasonable interpretation permitting submission of information on a summary basis at intervals consistent with the intent of this subsection. The conference substitute omits a provision in the Senate bill (subsection 8(b)) requiring the Administrator and OFPP personnel to testify before Congress. The conferees agree that it would be anomalous to spell out this requirement for the OFPP without a similar requirement for all executive officials. Nevertheless, the conferees expect that OFPP personnel will be available for information and testimony before congressional committees, and there is no intent to imply that the OFPP, or any other office, is beyond the reach of congressional committees.

Subsections 8 (b), (c)

The conference substitute incorporates a provision for the Administrator to give 30 days' advance notice of any proposed major policy change to the Committees on Government Operations of the Senate and the House of Representatives, with a description thereof, a summary of reasons, and the names of OFPP representatives designated for consultation with the committees. This reporting requirement is intended also to extend to policies implementing executive orders. This is a modified version of a provision found in the Senate bill (subsection 8(c)) but not in the House amendment. The conference substitute adds a provision for waiver by the President in emergency cases, but omits a provision for the proposed policy to be rendered ineffective by resolution of either House within 60 days.

SECTION 9—EFFECT ON EXISTING LAWS

The conference substitute follows the language of the House amendment (section 8) making any authority of executive agencies to prescribe policies, regulations, procedures, and forms subject to the authority of the OFPP. The Senate bill included a substantially similar provision (section 9).

SECTION 10—EFFECT ON EXISTING REGULATIONS

The conference substitute adopts a Senate bill provision (section 10) continuing existing procurement policies, regulations, procedures, and forms in effect until repealed, amended, or superseded by OFPP action. A substantially similar provision was contained in the House amendment (section 9).

SECTION 11—AUTHORIZATION OF APPROPRIATIONS

The conference substitute incorporates, with changes, the provisions in the Senate bill (section 11) authorizing appropriations. As changed, this provision authorizes appropriations not to exceed $2 million for the fiscal year ending June 30, 1975, of which not more than $150,000 is to be available for research, and authorizes appropriations as may be necessary for each of the four fiscal years thereafter. It also provides that subsequent legislation to authorize appropriations is to be referred in the Senate to the Committee on Government Operations. The authorization of $2 million for the first fiscal year is in lieu of the $4 million authorized in the Senate bill, and in lieu of the $1 million estimated by the report on H.R. 15233 of the Committee on Government Operations (H. Rept. No. 93-1176, pp. 6-7).

The conference substitute is in lieu of a provision in the House amendment (section 10) which indefinitely authorized such unspecified sums as may be necessary to carry out the act. However, the conference substitute does include language, reflecting the House amendment, that appropriations shall be available "for no other purpose." This is intended to assure that such appropriations will be used only for activities of the OFPP and will not be mingled with appropriations for other OMB activities.

SECTION 12—DELEGATION

The conference substitute incorporates a Senate provision (section 12) authorizing delegation to OFPP personnel, and also to other agencies of any OFPP authority except the basic authority of OFPP to direct procurement policy and prescribe policies and regulations. The wording is changed specifically to authorize redelegation as provided in a counterpart provision of the House amendment (section 11). The House amendment did not include the restriction as to delegating the basic authority of the OFPP.

SECTION 13—ANNUAL PAY

The conference substitute adopts the provision of the House amendment (section 12) for compensating the Administrator at Executive Level IV ($38,000) rather than Executive Level III as provided in the Senate bill (section 13).

SECTION 14—ACCESS TO INFORMATION

Subsection 14(a)

The conference substitute incorporates identical provisions found in the Senate bill (subsection 14(a)) and the House amendment (section 13) giving the Comptroller General access to records of the OFPP.

Subsection 14(b)

The House conferees receded from their objection to subsection 14(b) of the Senate bill and accepted a modified version thereof in the conference substitute. There was no similar provision in the House amendment. This subsection of the conference substitute requires the Administrator to open to the public certain formal, scheduled meetings of the OFPP concerning the establishment of procurement policies and regulations and specifies that a ten-day notice will be given of such meetings. The Administrator is to designate the meetings subject to this subsection and prescribe, by regulation, the procedures to be followed in the conduct of such meetings. Although the Administrator is given authority to determine the need for and conduct of the public meetings, in general, it is intended that the formal meetings of the Office will be conducted so as to give substantial visibility to its rulemaking determinations. This subsection complements the provisions of subsection 6(d)(2) calling for the timely, effective solicitation of the viewpoints of interested parties, and is in line with the policy declaration in subsection 2(9) on improving the understanding of procurement policies.

SECTION 15—REPEALS AND AMENDMENTS

The conference substitute adopts with technical changes provisions in the House amendment amending four sections of the Federal Property and Administrative Services Act to make the authority of the Administrator of General Services to issue regulations and forms subordinate to the authority conferred on the OFPP Administrator to prescribe procurement policies, regulations, procedures, and forms under this act. The Senate bill covered two similar amendments to the Federal Property and Administrative Services Act. The technical changes in the conference substitute make clear that no authority is given to the OFPP Administrator apart from that specifically conferred by other provisions of this act.

Chet Holifield,
Fernand J. St Germain,
Don Fuqua,
Frank Horton,
John N. Erlenborn,
Managers on the Part of the House.
Lawton M. Chiles,
Sam Nunn,
Walter D. Huddleston,
William V. Roth,
William Brock,
Managers on the Part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 16090, FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The SPEAKER. The gentleman from Texas (Mr. Young) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska (Mr. Martin), for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1292 provides for a modified open rule with 2 hours of general debate on H.R. 16090, the Federal Election Campaign Act Amendments of 1974.

House Resolution 1292 provides that all points of order against title IV of the bill for failure to comply with the provisions of clause 4, rule XXI—prohibiting appropriations in a legislative measure—are waived.

House Resolution 1292 also provides no amendment, including any amendment in the nature of a substitute for the bill, shall be in order except the following: in title I: First, germane amendments to subsection 101(a) proposing to change the money amounts regarding contribution and expenditure limits contained in that subsection, providing that the amendments have been printed in the Congressional Record at least 1 calendar day prior to being offered; and second, the text of the amendment to be offered on page 13, following line 4, inserted in the Congressional Record by Mr. Butler on August 5, 1974, pertaining to the consideration of bank loan endorses to be counted as contributors.

In title II: First, germane amendments relating to the composition of the Board of Supervisory Officers provisions contained on page 33, line 17 through page 35, line 11, providing they have been printed in the Congressional Record at least 1 calendar day before consideration; and second, the amendment printed on page E5246 of the Congressional Record of August 2, 1974, relating to a change in the composition of the Board of Supervisory Officers and also deleting the authority of congressional committees to review campaign regulations. In title IV: First, germane amendments which have been printed in the Congressional Record at least 1 calendar day before they are offered, except that sections 401, 402, 407, 409, and 410—pertaining to public financing for Presidential campaigns—shall not be subject to amendment; and second, the text of the amendment printed in the Congressional Record of August 2, 1974, relating to matching public financing for congressional elections, which shall be in order, any rule of the House to the contrary notwithstanding.

House Resolution 1292 also provides that amendments to any portion of the bill shall be in order, any rule of the House to the contrary notwithstanding, if offered by the direction of the Committee on House Administration, but such amendments shall not be subject to amendment.

H.R. 16090 places limitations on campaign contributions and expenditures, it facilitates the reporting and disclosure of the sources and disposition of campaign funds by centralizing campaign expenditure and contribution reporting. The bill also establishes a Board of Supervisory Officers to oversee enforcement of and compliance with Federal campaign laws and strengthens the law for public financing of Presidential general elections and authorizes the use of the dollar checkoff fund for financing Presidential nominating conventions and campaigns for nomination to the office of President.

Mr. Speaker, I urge the adoption of House Resolution 1292 in order that we may discuss, debate, and pass H.R. 16090.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, House Resolution 1292, as the gentleman from Texas (Mr. Young) has explained, provides for 2 hours of debate on this very important piece of legislation.

Unfortunately, however, this resolution provides practically for a closed rule on the bill that will be debated by this body this afternoon. The Members can carefully go through the rule and the bill itself and they will find that really only three amendments are in order:

First, in regard to the amount of money which a candidate may expend or the amount of money which may be contributed to a candidate's campaign;

Second, an amendment may be offered in regard to changing the composition of the Board of Supervisory Officers, which amendment will be offered by the gentleman from Minnesota (Mr. Frenzel);

And then the third amendment will be in order in regard to endorsers of loans from banks to political campaigns. This is another loophole in this present bill.

Those in essence are the only 2 amendments to be allowed to the bill itself.

Mr. Speaker, without going into all of the details of the bill, I would like to point out some of the loopholes that we are confronted with in this piece of legislation. The American people are demanding, Mr. Speaker, that the Congress enact tough legislation to tighten the laws in regard to campaign receipts and campaign expenditures in the conduct of campaigns. This bill does not meet the criteria that the American people are demanding today.

Let me point out further some of the loopholes in this legislation. First, we have the so-called slatecard expenditures. This provides that a committee or an organization may expend any amount that it wishes in regard to candidates in a situation where there are three or more candidates included in the advertising without being reported nor counted in the total expenditures of that candidate from his receipts.

This is restricted somewhat, but newspaper ads can be taken out by labor unions, the American Association of Manufacturers, the chamber of commerce, or other groups if three or more candidates are advertised through this means. This is a wide loophole which disregards the total expenditures as set forth in this legislation.

Mass mailings may be made by these organizations. Sample ballots may be distributed and, as I said, newspaper ads may be covered.

Then we have another loophole in this bill which allows a $500 limit of personal property, so-called. This would allow fat cats or friendly people to stage receptions, cocktail parties, and dinners in their homes for the purpose of promoting the candidacy of a particular Member running for Federal office. This also is not included in the total expenditures reported.

Rides on private jets or airplanes or donated travel, such as hauling a candidate around his district in an automobile, and so forth, is not reported. This is another loophole.

A fourth loophole concerns vendors, in regard to the sale of food or beverages at reduced prices for receptions or dinners by people friendly to a particular candidate.

The SPEAKER. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, there are exemptions also for organizations in communications to their members where these organizations are not organized primarily for the purpose of influencing political elections.

Mr. Speaker, again I point out there are far too many loopholes in this legislation, and there is no chance, and I repeat, no chance at all, to offer amendments to change these provisions. Therefore, Mr. Speaker, we propose, on our side of the aisle, to make an attempt—and I hope it will be successful—to vote down the previous question, and I urge the Members to vote "no" on the previous question. I intend then to offer a resolution which provides for an open rule, not requiring that the amendments to be offered be published in the CONGRESSIONAL RECORD 1 calendar day previously. Also: that the bill shall be read by title rather than by section. I urge the Members to vote "no" on the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I was a little surprised to see the gentleman from Nebraska riding in here on a white horse, because the gentleman has never been noted in my time here of being such a champion in carrying out election reforms.

Just let me take a minute or two to clear the air a little bit about the loopholes the gentleman talks about. We do provide in the bill—and I think it is a sensible provision—that if some woman gives a coffee party in her own house, and invites 30 or 40 of her neighbors in, that she does not have to report to the Federal Elections Commission, which is set up in this bill, that she made a contribution to a candidate, and the candidate, who may not know about it and failed to report it, could be subject to legal sanctions if he did not report it.

If that is a great big loophole, then I will argue this with you all afternoon. There is a limit on it.

We have a couple of committee amendments that were adopted in the committee this morning, and which will be offered to further tighten it up. The gentleman from Minnesota (Mr. FRENZEL) was concerned about them, and the gentleman is satisfied that these amendments we will offer will make it workable.

It was not the intention of the committee to create great big loopholes. It was the intention of the committee not to have anyone who might want to engage in a little neighborhood politics subject to indictment, fine, and imprisonment, because they did not know that if they spent $20 for cookies and coffee they had to make a report to the Federal Elections Commission.

What we tried to do is put a tight limit with some sensible—and I emphasize the word sensible—exemptions.

What about the travel amendment? We are saying—and I am paraphrasing some language—we further tightened that up with a committee amendment that if a person voluntarily, on his own, comes into the gentleman's district to help him, then his expenses which he pays for up to $500 shall not be considered a contribution. That is all.

We are saying, furthermore, these are the big loopholes the gentleman is talking about, that if one gives a reception on his own as a fund raiser and he has a friend who has a motel, or any other place that he can hold a reception in, and he sells the person the food and beverage at wholesale price, that the difference between the wholesale price and the retail price is not considered a contribution.

He may not sell it to the person at less than cost. He may not lose a dime on it. If he does, that becomes a contribution, and that, again, to the extent of $500. If it is $600, he has got to list it.

These are just some commonsense exemptions that we have found over the past few years that we had better write into law, because if we do not we are going to have some rulings that just make it impossible to comply with the law.

Let me just give the Members one example of what I am talking about. Under the laws of the State of Ohio, one has to pay $50 filing fee and have 100 signatures or he cannot get on the ballot. That is the law. The secretary of state of Ohio, who is not a great friend of mine, says this is not a campaign expenditure; it is a legal requirement.

But under the rules promulgated by the Commission, they told me that I had to file—and I did not realize this until I had already filed—an amended return saying that I had contributed $50 to myself and then another set of papers saying I had spend $50 to pay the election board my filing fee.

That appealed to me as so ridiculous that I refused to do it. I simply wrote a letter to the Clerk of the House and I said, "I went to the Election Board and filed my papers, and I reached in my billfold and paid $50, which the law requires, and I have a receipt for it. You can consider that as saying I made a contribution to myself and, therefore, spent it, or anything you want to, but this letter is all I am filing."

I had the letter notarized, and I sent it in. Up to now I have not been indicted, but I may be. I cannot tell.

All we are trying to do in this bill is pass a tight expenditures law. I want to reiterate again for the benefit of those who supported the substitute 2 years ago which was floated by my friend, the gentleman from Illinois (Mr. ANDERSON), who stood on this floor and said: "We do not need limitations; we just need disclosure; that will do the job," the bill I brought to the floor 2 years ago had limitations of $15 million on a Presidential campaign. I do not say this with any pleasure, but I will say this, if that bill had been passed and the substitute had not been passed—and I know it was not in the name of the gentleman from Illinois (Mr. ANDERSON), but it was his bill; he got Mr. BROWN or somebody else to introduce it for him, but it was his bill——

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 additional minutes to the gentleman from Ohio.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I just want to make a point. I am sure the gentleman now in the well would not mislead the House. When I said I did not think we need the limitations, I was referring to overall limits.

Mr. HAYS. Mr. Speaker, I cannot yield any further; I do not have the time.

I will say that if we had limitations in the amount I specified 2 years ago, the country would not be in the trauma it is in today, because all of these people would not have been running around all over the country with bags full of money.

In retrospect, the President could have been elected for $4.59 given the situation we were in.

Mr. DAVIS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of the resolution. I ask that we do not vote down the previous question. I just say simply that if we vote down the previous question and do not have this rule and adopt some of the amendments that are floating around, it will make the Hatch Act look like the Bill of Rights.

Mr. HAYS. I think the gentleman has summed it up better than I could.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield to the gentleman from Alabama (Mr. Dickinson) 3 minutes.

Mr. DICKINSON. Mr. Speaker, I want to say why I am going to oppose this rule. I would like to get the attention of the Members because I think this is probably something they have not thought of before. I favored the idea of requiring the printing of proposed amendments in the Congressional Record at least one calendar day prior to their consideration, but I had never envisioned that in its infinite wisdom the Rules Committee would not provide any guarantee of at least 24 hours so that the Members could comply with this requirement.

This is the situation we are faced with now. We are considering adopting a rule that requires on its adoption that we have to have gone back to yesterday and have printed in the Record something that will make it in order to introduce today. How can this be so? We were told, some of us on the inside, that this was going to be so, and some of us did get our amendments put in the Record yesterday. But what are we doing?

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield, but I have only a few minutes.

Mr. HAYS. I appreciate the gentleman's cooperation.

Mr. Speaker, I announced to the House last night we would do this when there were at least 250 Members here on the floor, for whatever that is worth.

Mr. DICKINSON. That is all right. I happen not to have been here. But if 250 Members were here, that means about 250 Members were not here. They had no notice and even those present had no staff in their office due to the lateness of the hour.

I think the basic fundamental constitutional right of the Members is being abrogated and threatened if we start this type of procedure. What we are saying is that we must have at least 1 calendar day notice to get one's amendment printed, but immediately upon adoption of this rule we go right into the bill. There is no way one can protect himself unless one is privy to what is going on inside the committee or has some knowledge of it.

The "Rules of Proceedings" say:

> In the exercise of their constitutional power to determine their rules of proceedings, the House of Congress may not "ignore constitutional restraints or violate fundamental rights, and there should be a reasonable relation between the mode or method of proceeding established by the rule and the result which is sought to be attained.

If we start this type of procedure, then no Member can ever be sure that he will be allowed to introduce an amendment even if it would normally be in order and it would be germane. We are denying to the Members of the House the right to offer an amendment that would normally be in order, that would be acceptable, but if he does not have the knowledge ahead of time that the rule would require him to do this, then he is precluded.

For this reason I urge the Members to vote down the rule and the previous question.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Tennessee (Mr. Jones).

Mr. JONES of Tennessee. Mr. Speaker, I support the motion and I support the rule on H.R. 16090.

This is a very complex bill which the House Administration Committee has spent many long hours writing and rewriting. In size alone, it numbers 79 pages, more than double the length of the committee print we started with last March.

I think that all of us on the committee learned a lot during the hearing and markup process. There is a tendency to think that we are all experts on political campaigns and on election law. And that may be true in our own districts. But this bill is bigger than the Seventh Congressional District of Tennessee. It is being proposed as a new law to govern the conduct of all candidates for Federal office and all political committees that get involved in the campaigns of any candidate for Federal office anywhere in the country.

We have produced a good bill. It took a long time and it was not easy. It is not a perfect bill; there are still points of controversy. But under this rule, amendments will be offered to answer every doubt a Member may have about this bill.

Public financing of elections is one of the controversial points. H.R. 16090 provides for a complete package of public financing for the 1976 Presidential election. I favor that, because it is in the Presidential election that millions of dollars are required, where the public is demanding that we put a stop to the excessive influence of the special interests. We need to make sure that the abuses of 1972 do not happen again, and that is the reason I am supporting the idea of paying for the next Presidential election out of the dollar check-off fund.

Some people think we need to extend public financing to House and Senate elections as well. I disagree. I think we ought to give this new idea a trial run in the 1976 Presidential primaries to see how it will work. But to my colleagues who want to extend public financing to congressional races, let me assure you that you will get a chance to vote for such an amendment under the rule we are considering.

Then, there are some who feel we need to change the enforcement mechanism. Personally, I think Pat Jennings, the Clerk of the House, has done an outstanding job overseeing the thousands of pages of reports which candidates must file. As far as I can discover, there have been no complaints about the operation of his office or the office of the Secretary of the Senate during the past 2 difficult years we have operated under the current election law.

But for the Members who wish to provide for somebody else to serve on a Board of Supervisory Officers, an amendment will be offered to provide for this.

There are other amendments planned. I agree with some of my colleagues who feel that $75,000 is too much to spend on a primary, that $75,000 is too much to spend on an election for the House. I plan to support the amendment offered by my friend from Pennsylvania (Mr. Dent) to lower this amount. Others of you plan to support amendments to increase this amount.

My point is this: Under the rule proposed by the Rules Committee, all of these amendments will be in order.

The major vote that will not be in order will be proposals to create new loopholes for political party committees, to permit wealthy individuals and special interest groups to give money to a political party, which in turn could provide services to candidates. Under the bill, no committee can give a candidate more than $5,000. I think that is more than enough.

I can assure you that we will have many hours of debate under the 5-minute rule on the many amendments that will be offered under the pending rule. However, a completely open rule would prevent us from completing work on this bill for another week.

Look at what happened during the debate on the strip mining bill. Very few of us have any mining in our districts, yet the debate went on and on and on—almost 2 full weeks of legislative time. Unfortunately, we just do not have 2 weeks left on the calendar to devote to this very important bill.

I speak from the experience of our committee deliberations. To those of you who really believe in election reform, who sincerely want to get a good bill passed this year to make sure that we do not have a repeat of the scandals of 1972—I urge you to support the rule on this bill.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS. I do not see the gentleman from Alabama on the floor, but I would like to announce to the membership, it would not be my position, nor do I know it would be the purpose of anybody on the committee, to object to an amendment not printed in the Record which would be otherwise germane under the rule.

I want the Members to know that if it is germane and the rule is adopted and if the amendment is germane or an amendment to an amendment, we do not intend to object.

We asked for that because this is an extremely technical bill, as the gentleman from Tennessee knows. We had hoped that on major amendments we would be put on notice so our legal staff would have a chance to examine them and tell us what the implications are; but I have no intention to preclude a Member if the rule is adopted from offering any amendment to any section that the rule says amendments are in order to.

Mr. MARTIN of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. JONES of Tennessee. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I would

like to point out that under the resolution we are considering at the present time any Member of the House could object to the offering of an amendment that is not printed in the Record.

Mr. HAYS. Mr. Speaker, if the gentleman will yield further, I am aware of that. I think all Members of the House are aware of this and if the rule is adopted and the amendment is germane, it will be accepted.

Mr. JONES of Tennessee. Mr. Speaker, I urge support for this bill.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. Anderson).

Mr. ANDERSON of Illinois. Mr. Speaker, Members of the House, it is certainly not an overstatement to say that this is a bill for which the country has been waiting, and one in which every one of the 435 Members of this body is very, very much interested. The only question before us during this hour is the kind of rule under which we are to debate this bill.

I am asking the Members to vote down the previous question. I want a rule. I want a bill, but I suggest that it is a travesty on the legislative process and an insult to every one of the 435 Members of this House to tell us that we should be limited by the kind of rule that is proposed in this case.The Democratic caucus in February 1973, at least adopted some rules that were postulated in order to meet Democratic aims to do away with what they said was the iniquitous procedure that had been followed by the Committee on Ways and Means in presenting closed rules. Yet, we have the distinguished chairman—I think he is here—of our Committee on Rules take office in this Congress, and I remember reading an interview where he said he wanted the Members—referring to the Members of this body—to vote. "That is what they are sent here for."

Yet, they are going to muzzle the Members of this House today with the kind of rule suggested for adoption. Vote down the previous question; give us a chance to legislate. We will do that responsibly and intelligently.

Mr. Speaker, I took the trouble to see what some of the people around the country who are really interested in the subject of reform had to say about this, and I have letters and will put them in the Record. John Gardner wrote:

> Dear Representative Anderson: We deplore the failure of the House Rules Committee to fully open up the contribution and spending limits of H.R. 16090 to germane amendments.

I have a letter which I will put in the Record that I frankly solicited from Ralph Nader saying the same thing:

> The failure yesterday of the House Rules Committee to fully open up the contribution and spending limits of H.R. 16090 to amendments is an inappropriate action.

I am reminded of the claims that are given that this is the "Sunshine Congress." We have opened up the House to let the sunshine in. I have read that in the closing scene of the musical production "Hair" that they take off their clothes and they are naked by the time they finish, "Let the Sunshine In." Those who say they are for reform of the procedures of this House are going to be equally naked this afternoon in their pretentions to open up this body to let the sunshine in if they support this closed rule.

If we adopted the kind of modified closed rule that is being sought, and there are at least 10 areas—10 areas that were called to my attention as a member of the Committee on Rules in which perfectly legitimate amendments are sought to be offered on the floor of this House, and to suggest that in a matter as fundamentally as important as the electoral process, how we solicit campaign funds, how we are elected to office, is not of equal interest to every Member of this body—and I appreciate the gentleman's expertise, I appreciate the 21 markup sessions that it took to produce a bill and I am glad he is here today.

Many of the provisions, perhaps most of them, I will support, gladly support, but I would suggest that to deny us who are interested in other areas of the bill what is our legitimate right to write a piece of legislation of this interest and of this import on the floor is to deny us the right we ought to have as Members of this body.

Mr. Speaker, the letters follow:

Common Cause,
Washington, D.C., August 6, 1974.

Hon. John B. Anderson,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

Dear Representative Anderson: We deplore the failure of the House Rules Committee to fully open up the contribution and spending limits of HR 16090 to germane amendments. This action prevents major issues in controversy on the campaign finance bill from being considered on the House floor.

We believe that the House in considering the rule on HR 16090 should vote to defeat the previous question and should adopt an open rule making all germane amendments in order. To do less will seriously jeopardize House consideration and action on campaign finance reform in 1974.

Sincerely,

John Gardner.

August 6, 1974.

Hon. John B. Anderson,
House of Representatives,
Longworth House Office Building,
Washington, D.C.

Dear Representative Anderson: The failure yesterday of the House Rules Committee to fully open up the contribution and spending limits of HR 16090 to germane amendments is an inappropriate action. Legislation of the dimensions of HR 16090 needs to receive full consideration on the floor of the House. This action prevents major areas of legitimate controversy from being considered by all members of the House of Representatives.

The House, in considering the rule on HR 16090 (H. Res. 1292), should vote to defeat the previous question and should vote an open rule making all germane amendments in order. HR 16090, the Anderson-Udall amendment and the Frenzel-Fascell amendments should be passed with the benefit of full debate and consideration of all relevant points of view.

Yours truly,

Ralph Nader.

Public Citizen,
August 6, 1974.

Dear Member of Congress: This Wednesday and Thursday, August 7th and 8th, the House will debate a bill of immense importance to the democratic institutions of the United States—H.R. 16090—the Federal Election Campaign Act Amendments of 1974.

The House Administration Committee's bill reforms several areas of campaign financing abuses—abuses which have brought scandal, disrespect and criminal convictions not only to Presidential campaigns, but to congressional, state and local campaigns as well.

The Committee's bill would establish expenditure and contribution limits for individuals and committees; would provide public funds from the income tax check-off fund for Presidential general and primary campaigns; and would provide funds for national party conventions. However, it does contain two glaring omissions.

First, the bill limits any public support to only Presidential campaigns, completely omitting congressional races. Representatives John Anderson (R-Ill.) and Morris Udall (D-Ariz.) are proposing an amendment to cover congressional campaigns that deserves your support. Under this amendment, money from the income tax check-off fund would be provided to congressional candidates for general elections on a matching basis for private contributions of $50 or less. The matching funds could only be used for voter communication functions, i.e., radio and TV, newspaper advertising, billboards, etc. and would be limited to ⅓ of the candidate's spending limit (under the Committee's bill, to $25,000). In addition, each candidate will have to raise a threshold amount equal to 10% of the spending limit in order to qualify for matching payments. Thus, frivolous candidates would not qualify for these funds.

The second omission concerns enforcement powers. Representatives William Frenzel (R-Ill.) and Dante Fascell (D-Fla.) are introducing an amendment to correct this deficiency. As a *Washington Post* editorial, August 5, 1974 said, ". . . for there could be no more constructive change in federal campaign practices than to have the regulatory laws—whatever they may be—aggressively and consistently policed by an agency with enough authority to do the job." Given the history of weak enforcement of campaign financing laws and the extensive evidence of misuse of law enforcement agencies for political purposes, anything less than a truly independent elections commission with sufficient law enforcement authority will be perceived by citizens as a self-serving arrangement.

Congress Watch supports the provisions of the Committee bill to provide public funds for Presidential general elections, primaries, and nominating conventions. We oppose, however, the high limit on contributions by special interest groups ($10,000 per election).

Reform of the campaign financing system is one of the most difficult challenges facing the 93rd Congress. The Senate is firmly on record for serious reform. It is now the duty of the House of Representatives to see that the abuses which have brought the democratic institutions of America such disrespect are corrected. Your support of the Anderson-Udall and the Frenzel-Fascell amendments and HR 16090 is crucial to the reconstruction of citizen trust in government.

The House Rules Committee has failed to fully open the contribution and spending limits of HR 16090 to germane amendments. The House, in considering the rule on HR 16090, should vote to defeat the previous question and should adopt a rule making all germane amendments in order. It is inappropriate for a bill of the importance of HR 16090 to be considered under a rule which does not allow for major areas of controversy to be considered on the floor.

Yours truly,

Joan Claybrook.
Morgan Downey.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Speaker, I would like to extend my congratulations to the gentleman from Illinois for what he said, and I associate myself with his remarks. I would like to say that as long as this Congress tries to start election reform by adopting a gag rule, it cannot expect to be any better thought of by the public than it unfortunately is.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman is correct. There is the utmost irony in a situation where we find that we are legislating reform under the kind of rule that it proposed here this afternoon.

Vote down the previous question; let the gentleman from Nebraska offer an open rule so that we can work our will on this vital piece of legislation and get on with the kind of reform that the country is waiting for.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I rise in opposition to the previous question on House Resolution 1292, the rule for consideration of H.R. 16090, the Federal Election Campaign Act Amendments of 1974.

H.R. 16090 is one of the most important legislative items on our calendar this year; it provides for long-overdue reforms in Federal election laws. The American people have been calling for these reforms ever since the revelations of widespread abuses by many candidates and campaign organizations of both parties during the 1972 elections. It is unfortunate that there has been such substantial delay in getting a bill before the House, and that we must consider it at a time of domestic upheaval which diverts our energies and attention.

I have long been a vigorous supporter of campaign reform, both in the Florida State Senate and here in the House. I agree with millions of Americans that there are glaring defects in existing Federal law, and I have introduced my own campaign reform bill, H.R. 11735, to correct these defects. My bill is much tougher in many respects than H.R. 16090, and I had therefore looked forward to offering amendments to the committee bill to make it tougher.

However, the Rules Committee has unfortunately decided that H.R. 16090 will be considered under what is essentially a "gag rule." Whole crucial sections of the bill will, under House Resolution 1292, be totally exempt from amendment. We will not be able to toughen up the provisions of H.R. 16090, nor will we be able to close some very glaring loopholes in the bill.

As I noted previously, campaign reform is one of the most pressing issues of our time. I am reluctant to vote against the rule for consideration of such an important bill, because I feel that H.R. 16090 should be debated and passed, with certain amendments. But the rule which we have before us today is totally unsatisfactory for consideration of this measure because it does not allow the House to work its will in the normal legislative manner. Therefore, Mr. Speaker, I am going to join other Members in voting against the previous question on House Resolution 1292 so that we may bring H.R. 16090 to the floor under a completely open rule.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Speaker, as a member of the Committee on House Administration which produced this bill, I rise in opposition to its consideration under what amounts to a closed rule. It would be an utter disgrace for the House to act on the critical issue of political campaign reforms while denying Members meaningful opportunity to improve it by amendment.

The record will show that this legislation was finally reported, more than 2 years after the Watergate break-in, by a committee dominated—like the rest of the House—by the majority party. Many amendments offered in committee were rejected by party-line vote. Some amendments such as the Brademas proposal to use check-off funds for matching of small contributions to candidates in presidential primaries were adopted with bipartisan support, including my own. Yet the bill with all its deficiencies is essentially a Democratic product.

It is significant to me that many of the amendments barred from consideration by this rule deal with special-interest contributions, the problem of pooling of funds so as to prevent identification of original donors, and in-kind contributions.

The affinity of organized labor for the majority party makes all too evident the basis for resistance to this type of reforms, as well as other measures to tighten up this legislation. Because the majority does operate from a privileged sanctuary, the media and election reform advocates will probably remain respectfully and benignly silent.

The spectacle of a sharply limited rule is all the more abhorrent in view of the impeachment proceedings now in process of being accelerated. Granted, the fixing of responsibility for Watergate is the principal priority response to Watergate. But a close second is election reform. To do only half the job now would be manifestly a return to business as usual, politics as usual and I will have no part in it.

Incidentally, a third priority is further progress in congressional reform, from which this rule represents a giant step backward. It would be absolutely absurd to abandon our progress toward a more open and responsive Congress in enacting a legislative response to the closed-door horrors of Watergate. I, for one, tend to view this as being of a piece with the tactics of the Democratic Caucus in bottling up the latest congressional reform proposals.

One might argue that the debate would last too long, that the bill might be extensively altered. That is no excuse for preventing the House from working its will. I reject the suggestion that Members cannot act constructively and responsibly. Indeed, we have an obligation to assure that they are confronted with the opportunity and the responsibility to vote these pending amendments up or down, on the record.

I insist that we must take the time. The body has recently scheduled an entire 2 weeks of debate on impeachment. It now appears that 1 week will suffice. There is no way the House could spend its time more in the public interest than to take an entire week, if need be, to do the job that must be done on this bill.

Mr. CRONIN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts (Mr. CRONIN).

Mr. CRONIN. Mr. Speaker, Congress has spent the past year and a half attempting to enact a meaningful campaign reform bill. During this period, many of us strongly and consistently urged prompt action by the House Administration Committee, only to be met with delay after delay. I was pleased when the committee—at long last—reported out a campaign reform measure, because I foresaw the opportunity to transform all of our efforts into reality.

Although I do not believe the bill as reported is strong enough to prevent campaign financing abuses, it is a good base from which to initiate an effective reform. Through the adoption on the floor of many strengthening amendments—several of which I am cosponsoring—I believe that the House could pass a meaningful reform bill which could be further strengthened in a House-Senate conference.

Now, through the procedural tactic of a modified closed rule, we are prohibited from even offering these amendments which I feel are necessary if we are to claim, with any integrity, that we have enacted a reform measure. If this rule is adopted, many of the major areas of controversy of campaign financing will never be considered by the 93d Congress. Instead of ignoring these issues, I feel it is the responsibility of every Member of Congress to take a public stand of each of them, so that their constituents will know exactly how their Congressman has voted on legislation to change the law which governs his reelection efforts. I believe the full House should have the opportunity to consider each of these amendments and to determine its merit.

Although I am certain my vote on the previous question to this rule could be misinterpreted by some of my constituents as "antireform," I am equally confident that my constituents will not be deceived by attempts to limit true campaign reform. Openness is a basic ingredient if any democratic system is to work; openness is what reform is all about. If we are truly concerned about reform with this bill on campaign financing and campaign practices, then it is imperative that we have an open rule. Therefore, I will vote no on the previous question, and I urge my colleagues to do likewise.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. HAYS), the chairman of the committee.

Mr. HAYS. Mr. Speaker, I would yield to the gentleman from Illinois, who refused to yield to me, but that is beside the point.

I just want to make a few observations. The gentleman from Indiana (Mr. DENNIS) has shifted his position once this week on a very vital matter. He might shift again when he understands what is involved here.

A lot of the Members are shifting their positions over there, when they should not have taken one, as I did. I did not have to shift.

Let me say this to you, Mr. ANDERSON: I can understand the speech you made, and if I had been the author of the bill which produced Watergate, as you were, with no limitations I would be making the same kind of speech you made.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, during the past 2 years, the American public has been forced to witness the depressing spectacle of massive violations of our campaign laws under a coverup atmosphere. Do we now dare to subject the American people to the irony or perhaps the outrage of considering the campaign finance reform bill under a closed rule?

The confidence of the American people in their Government is too low for us to embark on such a risky undertaking. With public cynicism and alienation so rampant, a campaign reform bill that is considered under a closed rule will be short on credibility.

The rationale for the closed rule is that the House cannot be trusted to deal with one of the most important issues it will consider all year. If our own leadership does not have confidence in us, then how can we expect the American people to have any confidence in us?

I think we can be trusted to handle the people's business. I think that is what we were elected for. If the public is to regain confidence in the Congress, then we have to show confidence in ourselves. I think the best way to display that confidence is for all Members to commit themselves to the principle that open proceedings are the way to obtain the best bill possible.

The closed rule will both stifle debate and discussion and drastically limit the amendments that can be offered. Only about half a dozen amendments will be in order. Proponents claim that, under an open rule, the House will take weeks to complete a bill. To date, there have been only about 50 separate amendments printed in the RECORD. Committee amendments will eliminate many of these. Under our proposed open rule, these are the only amendments that could be offered. A close examination of these amendments demonstrates that all of them are germane to the topic at hand, and should be debated.

I do not want to discuss the merits or demerits of the bill, but in an 80-page comprehensive election reform bill, each of us can find ideas for amendment. Why should some of us be more equal than the rest? We used an open rule in 1971, and we all survived.

Mr. Speaker, the case for an open rule is overwhelming.

We are not going to bring sunshine into the electoral process by considering the campaign reform bill in the dark.

We cannot expect the public to have confidence in this body, when we ourselves do not have sufficient confidence to allow Members to work their will freely on one of the most important issues of the year—an issue on which each of us has plenty of expertise.

What a dreadful irony it will be to handle a bill designed to open up the political processes under a procedure that is not open.

The public is not going to believe that this bill will open up the processes when it is legislated under a closed rule.

I urge Members to vote down the previous question so that we can consider the bill under an open rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. Mr. Speaker, with due respect to the feelings of the gentleman from Minnesota (Mr. FRENZEL), who has worked long and hard on this legislation and of the gentleman from Illinois (Mr. ANDERSON), I rise in support of this rule. I do so because, notwithstanding the fact that it is not completely open, every single section of the proposed legislation in which there has been a major public interest is open and will be open.

Further, our distinguished committee chairman, the gentleman from Ohio (Mr. HAYS), has indicated a willingness not to object to amendments which have not been printed in the RECORD if they are germane. What could be more open than that?

It has not been my habit to vote for closed rules, but I really honestly do not consider this to be closed since the very vital elements of it are open.

Mr. Speaker, only this morning in committee there were adopted and agreed to by the gentleman from Minnesota (Mr. FRENZEL) and by other members, including myself, five committee amendments which go a long, long way toward satisfying the desires of those who really want meaningful election reform. Certainly the American people want it and demand it, and they are going to get it. We are going to get a very splendid piece of legislation as a result of this process.

I see no need to open it up further, especially on those technical aspects which really do not go to the heart of the matter. The heart of the matter is in the financing, in the limitation, and in the enforcement procedures, all of which are open.

Mr. Speaker, I respectfully request the Members of the House to vote for this rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Speaker, I thank the gentleman from Nebraska for yielding this time to me.

I commend the gentleman from Nebraska for his leadership in this matter in drawing the attention of the House to the serious shortcomings of this rule. I also particularly commend the gentleman from Illinois (Mr. ANDERSON), who has underscored so vividly the reasons of principle and conscience why this rule must be defeated. He has pointed out, and I think we all know, the moral implications of bringing this bill to the House floor for consideration under an antireform rule.

The very idea of bringing an election reform bill to the floor of the Congress of the United States under a closed rule is absurd, and it would be laughable if it were not tragic.

Mr. Speaker, I want to say a word about some needed amendments which will be precluded unless we vote down the previous question so an amendment providing for an open rule can be adopted.

Let me call attention of the Members to provisions of this bill as it is now written which give to candidates for public office a veto power over the rights of publication and speech of other persons. The language contained in this bill is strikingly similar to that which was held by a New York court to be unconstitutional just a few months ago. It is not my purpose to argue the legal considerations, but I just do not see how we can give that kind of a veto power to any person over the free speech and publication rights of another person without violating the first amendment of the Constitution.

I think we ought to have an amendment to strike that provision out of the bill. The Committee of the Whole ought to be entitled to take this matter up under debate and vote on an amendment which would be proposed on that portion of the bill.

Second, I want to point out this bill does not deal effectively with in kind contributions. It does not close the existing loopholes; it opens up new loopholes, not only as to limitation but also as to reporting.

Third, Mr. Speaker, I want to respond to the chairman of the committee, the gentleman from Ohio (Mr. HAYS), who has mentioned Watergate. One of the most serious shortcomings of this piece of legislation is that it fails to take into account the abuses revealed by the Watergate investigation. This rule would not make in order. amendments to the bill which would be offered by the gentleman from California (Mr. Del Clawson) and others aimed at outlawing specific Watergate types of abuse. I refer to campaign spying, and espionage, and that kind of thing. In my judgment, these are far more in need of legislative attentive than other aspects of the bill that comes before us.

Let me say to the Members of the House that worthwhile amendments will be proposed; let them be considered and vote them up or down on their merits. I urge my colleagues to vote down the previous questions so that the Members of this body can exercise their prerogatives and have free and open debate on the bill and its amendments.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Mr. Speaker, I yield 3 minutes to a distinguished member of the committee, the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I rise in support of the rule, and urge that the Committee on Rules and the Committee on House Administration be supported in their effort to produce what I believe can mark a milestone in major campaign reform legislation written by the Congress of the United States.

The gentleman from Illinois (Mr. Anderson) who has himself made a significant contribution to the shaping of public opinion on this important legislation, remarked that the only question before the House today was the rule. That is not the only question. The real question coming up, in my judgment, is whether we will have a campaign reform bill this year or not. For one of the reasons for the rule that has been brought forth by the Committee on Rules to the floor of the House today is to make sure, on the one hand, that all of the major matters that are in controversy or that may have been considered by the Committee on House Administration are in fact brought before the floor of the House so that we will have a chance to vote on them while, on the other hand, assuring that we are not hit with such a raft of amendments that may be frivolous in nature that, with time running out in this session of Congress, they could pose a danger to the passage of effective campaign reform legislation this year.

Mr. Speaker, I think it is important to note, if the Members will look at the rule, that germane amendments to limitations on expenditures and contributions will be made in order.

The amendment to be offered by the gentleman from Virginia (Mr. Butler) to make bank loan endorsers contributors is in order. Germane amendments to the composition of the supervisory board are in order, and the Fascell-Frenzel amendment relating to the Supervisory Board is made in order. These parts of title IV which have to do with public financing will be made in order, and the rule specifically permits a vote on the Anderson-Udall amendment on public financing of congressional elections. Committee amendments are also made in order under the rule.

There will be, therefore, this speaker, ample opportunity for the House to work its will in this bill on matters of substance.

The Committee on House Administration considered nearly 100 amendments over the many days of markup. We worked long and hard.

I want to say further, Mr. Speaker, that this is a bipartisan bill. The gentleman from Minnesota (Mr. Frenzel) made contributions. Members on both sides of the aisle made contributions.

So, Mr. Speaker, I suggest that the real issue here, and I am not now going to take time to go into the substance of the major features of the bill, but the real issue here is: Do the Members want a campaign reform bill this year or not? If they do, then they should vote for the previous question and the rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to ask the chairman of the Committee on House Administration, the gentleman from Ohio (Mr. Hays), a question.

The gentleman has stated that he would not object to amendments being offered on the floor regardless of whether they had been published in the Congressional Record 1 calendar day previous to today.

I would ask the gentleman from Ohio, does the gentleman's statement also include that the entire bill be open to amendment, and that the gentleman does not object to amendments to other sections?

Mr. HAYS. Of course not. I said anything that the rule does make in order.

Mr. MARTIN of Nebraska. I decline to yield any further. I am glad the gentleman from Ohio clarified that, because we still have a closed rule before us.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. Frey).

Mr. FREY. Mr. Speaker, reference was just made to the position of the gentleman from Indiana (Mr. Dennis) and by implication to other Members on our side of the aisle who served on the Committee on the Judiciary. I certainly was proud of these men, or I was proud of the entire Committee on the Judiciary in the way they approached this issue of impeachment. It was obviously a tough issue and tore a lot of people apart. But these men acted on the evidence, and they acted within their consciences.

Then changes of position in light of the new evidence was not only courageous but correct. To question this is to do these men a disservice.

During this time of the debate on impeachment we heard from both sides of the committee words like "fairness and justice," words like "bipartisan approach," and words like "rule of law."

The Judiciary Committee, I think, acted on the whole within these concepts and most of us in this country were proud of such actions.

I would say to my colleagues on the other side of the aisle that we are in a position today where the House can continue in the path which the Committee on the Judiciary followed. Certainly, it is a tough vote to vote down the previous question and provide an open rule when the head of the Democratic Campaign Committee wants a modified closed rule. But your position is not nearly as tough as the position that many of us have been in and had to wrestle with. There is only one fair way to approach this issue. That is to vote down the previous question and open up this rule and give us a real chance at reform. It is something that we want; it is something that this country needs. This country will not tolerate a double standard of conduct; one for impeachment of the President, the other for the Democratic Party and the Congress. It is time in the House for fairness, not partisan action. The vote will tell the story more than any words.

Mr. YOUNG of Texas. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. Dent).

Mr. DENT. Mr. Speaker, I take this moment just to say that I endorse the rule and the previous question on it, because I started this little bill on its way with the hearings in our subcommittee over a long period of time. Most of the closed parts of the bill are matters that in my honest opinion have very little to do with campaign behavior. Most of them are kinds of regulations and criteria that have to be put into legislation for guidelines.

The real heart of the legislation that all of us are interested in is the matter of solicitation of funds, the spending of funds, limitations or no limitations. I am going to support the rule. But I say to the House that ever since I started working on the bill before we put it up to the full committee, Mr. Hays took all of the hard work and all of the blame and abuse on the legislation because some persons do not believe one has to have time to work, and he had to have time. The Members may think this is an argument on a rule. Can they imagine what we have gone through for over 2 years in the committee?

I intend to offer two amendments. I will offer one myself and the other will be offered by the gentleman from Georgia (Mr. Mathis) dealing with the limits of spending, dealing with the total amounts, dealing with how much one can contribute and how much one can accept. That is what the people call reform. That is what the people are interested in.

When we get to the floor and action on the bill, I hope some of us will stay around and let me give them the facts after 2 years of intense work on this bill.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 3 minutes to the distinguished Minority Leader, the gentleman from Arizona (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, I rise in opposition to the rule on H.R. 16090, the Federal Election Campaign Act Amendments of 1974, and I ask that the previous question be voted down so that the rule may be amended.

I have consistently urged enactment of responsible campaign reform legislation, and I feel it is a priority for the 93d Congress. The House Administration Committee has worked long to develop H.R. 16090, and while I do not agree with all of the committee's proposals I commend the members for their diligent efforts. I cannot, however, allow the rule under which we will consider this important legislation to go unchallenged.

In a straight partyline vote, the Committee on Rules adopted House Resolution 1292, a "modified closed" rule. Instead of full and open consideration of campaign reform, the rule permits Members to amend only a few, specific portions of the bill.

On such a vital issue, where real, workable reform is essential, it is unconscionable that the major party would impose a gag rule.

As set forth in the statement by the Republican Policy Committee, H.R. 16090 contains many areas of serious concern. For that reason the House should have every opportunity to work its will and consider not just the provisions adopted by the House Administration Committee but the substantive amendments proposed by other Members of the House.

I think it is strange, Mr. Speaker, of those sections which are eligible for amendment under this rule the section which have to be amended in order to shut off the "soft money" type of contribution is not one. In other words there are no amendments which can be offered which would shut off the kind of contribution which certainly is unconscionable, if not illegal. I do not know why it would be that any campaign reform bill worthy of the name would not shut off the largest source of illegal aid that we have in the whole country.

It has been said that this bill does not deal with all of the things which caused Watergate. That is undoubtedly true, but I think it is even more serious that it does not even deal with the type of opening in the artery of the political system which causes the hemorrhage which the "soft money" causes.

I do not believe that the gentleman from Ohio really is getting his hats mixed up, and that he is wearing his hat as the chairman of the Democratic Congressional Committee with as much more pride as he wears the hat of the chairman of the House Administration Committee. I just think it is at least suspect that this "soft money" phase of the bill is not covered adequately.

I ask that the previous question be defeated so that the proper amendments can be offered to make this truly a campaign reform bill which will be evenhanded as it deals with both parties.

Mr. YOUNG of Texas. Mr. Speaker, I yield 1 minute to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I rise in strong support of the rule.

I ask the Members on our side of the aisle to stay with the gentleman from Ohio, the chairman of the committee, who has worked so long and arduously on this bill.

It is quite unexpected that the minority party should at the last minute come up with the roadblocks that they have. Their actions have made this a partisan issue. I certainly hope that our party stays with the gentleman from Ohio (Mr. HAYS) and I congratulate him and his committee for the work which they have done in reporting a campaign reform bill that has teeth in it. H.R. 16090 is a strong measure, and it is a giant step toward improving Federal campaign practices.

The bipartisan House Administration Committee has had an exhaustive and lengthy debate on this issue. They have spent over 4 months drafting this legislation and have considered more than 95 amendments. Chairman HAYS has been fair and patient with all the members of his committee, and everyone—Democrats and Republicans alike—have had ample opportunity to offer amendments and alternative proposals.

The leadership considers this bill of highest priority in the 93d Congress. The American people have been waiting long enough for a straightforward and positive response from the Congress on the numerous campaign abuses stemming from the Watergate affair. The Senate has already acted. Time is running out. The House must agree on an effective campaign reform package as a step toward restoring public confidence in Government.

I believe that this bill meets that objective. It is a solid measure, which corrects some of the abuses of campaign financing that were so graphically pointed out to all of us over the past 2 years. H.R. 16090 places strict limits on campaign contributions and expenditures—simplifies campaign reporting procedures and provides for public financing of the 1976 Presidential election.

If this badly needed reform is to become effective in time for the 1976 election, it must be acted upon this session. I repeat—time is running out. We must have immediate action by the House so that the differences with the Senate-passed bill can be worked out quickly in conference. This is why I think the rule is a fair and reasonable one.

It allows for amendments to the most controversial sections of the bill: expenditure limits, contribution limits, composition of the board, public financing of both Presidential and congressional elections, and bank loan endorsers as contributors. We cannot delay action. Public confidence in the electoral process will continue to erode unless we act responsibly and expeditiously on this bill. If we do not adopt this rule, we will open up the floor to amendments that will prolong interminably the debate and final action on this urgently needed legislation. That would not only be self-defeating, it would also be a betrayal of the public mandate to their representatives to act immediately on substantive revisions in our campaign financing laws.

Mr. Speaker, the rule is openly fair. We cannot delay action. I urge all my colleagues to vote "aye" on the previous question.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Speaker, the very credibility of this Congress reform spirit depends upon adoption of an open rule for this Federal Election Campaign Act Amendments bill so that a number of crucial perfecting amendments can be considered. Without these amendments, this Congress, under the facade of reform, will be passing laws that in reality are insufficient and incomplete.

I have been a strong proponent of Federal campaign reform throughout my short tenure here in the House. This rule, House Resolution 1292, which limits consideration of perfecting amendments to only certain sections of the bill is inimical to the very spirit of reform.

Numerous crucial amendments have been drafted for this Federal election campaign reform bill. But many of these cannot even be considered because of this modified closed rule that we have been given by the Rules Committee. How are we to be able to develop the best possible legislation for Federal election campaign reform if we are unwilling to subject the entire bill to proper scrutiny? Does this Congress fear consideration of all these amendments? Is this true reform?

This bill in its present form is not the true campaign reform legislation we so crucially need and I cannot accept it until certain basic and crucial revisions are affected.

Halfway measures designed to appease the appetite without satisfying the hunger of the times for thorough election campaign reform are little better than no pretense at reform.

This bill fails to provide for any Federal funding in congressional elections, but requires comprehensive public financing of Presidential election campaigns. I urge adoption of the Anderson-Udall amendment to eliminate this double standard and extend clean election standards to congressional races. The Anderson-Udall congressional matching amendment provides for limited public funds to match small private contributions to congressional campaigns.

I also urge adoption of the Frenzel-Fascell amendment to create an independent body to enforce compliance with these clean election laws and require full congressional accountability.

This bill before us, H.R. 16090, limits congressional campaign expenditures to $75,000. It sounds good to the lay ear. But surely we are all aware that such an across-the-board spending limitation gives a nearly insurmountable advantage to the incumbent.

As incumbents with the franking privilege, high profiles in our district media, and full time to devote to being Congressmen, we naturally have a tremendous advantage over any challenger. I have heard some of my colleagues estimate the advantage to be one of as much as $80,000.

A challenger limited to spending $75,000 must attempt to overcome a Congressman also spending $75,000 in addition to his huge incumbency benefits. Is this limitation equitable when we know that a challenger must spend so much more than the incumbent just to be in the race?

Common Cause prefers a $90,000 spending limitation; $75,000 seems quite low for major congressional campaigns. The point is that with the present format of the legislation, any lowering of the limitation level would only exacerbate the disadvantage of the nonincumbent. Clearly we need to develop a mechanism to create greater equity in campaigns by allowing challengers to spend an amount to begin to counter the incumbency advantage. The solution may be a lower spending limitation for the incumbent.

I suspect that my colleagues on the other side of the aisle are anticipating the predicted landslide congressional victories for their party this fall. So naturally they are anxious to pass this bill, heavily weighted in favor of the incumbent, which will become law next year with Congress heavily controlled by the Democratic majority. Such a bias to the advantage of the incumbent will insure their continued strength and domination in this body. The new election campaign laws would not apply to this fall's election campaigns.

Finally, Mr. Speaker, I believe it essential that we establish strong financial disclosure laws for candidates and elected officials. To this end I am a cosponsor of H.R. 16195. We had hoped to offer that bill as the Steelman amendment to H.R. 16090 before us today. But to my distress the Parliamentarian ruled the proposed amendment nongermane and the Rules Committee refused the special rule necessary for its consideration.

For the record, though, this financial disclosure legislation is something this Congress must concern itself with in the very near future.

That is where we stand now with H.R. 16090. With these necessary amendments we can make it an acceptable Federal election campaign act amendments bill; without these amendments the American people will have to wait another year for true election campaign reform laws.

I urge this Congress to demand an open rule for consideration of amendments to H.R. 16090.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Speaker, one of the major responsibilities of this Congress is to eliminate the abuses in our Nation's election processes, but the reform proposal before us is surely deficient in this desired result. It does have a number of strong points, but there are still too many weaknesses in the bill that can only be corrected by amendment.

Unfortunately, we will not be allowed to offer those amendments on the House floor. The chairman of the House Administration Committee saw to that when he went before the Rules Committee. The result is a rule allowing only the five amendments he approved. Others will not be allowed because, by his own admission before the committee, they would not benefit Democrats.

In my opinion, this is an irresponsible answer to the Nation's plea for open election processes. The bill that should accomplish that goal has become itself a closed partisan issue. As it now stands, there can be no amendment to restrict the "in-kind" contributions Democrats enjoy from big labor. Instead, the limitation has actually been increased from $100 provided in present law to $500 per individual. Nor can any amendment even be considered to restrict contributions by organized griups, whether they be big labor or big business, which deny the individual's right to decide which candidate receives his contribution.

According to the present bill, incumbents still have too great an advantage over their challengers in congressional races. I also question whether or not the American people want to finance Presidential nominating conventions of political parties with their tax dollars.

We need responsible nonpartisan campaign reform to guarantee fair competition in our election processes, not a package that simply carries the title of "reform" but in fact is designed to assure advantages to only one political party. If we indeed want true reform and open elections in this country, we also need to open up the debate and amendment procedure by which this reform legislation is written.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, the majority leader apparently feels that Republican Members are throwing obstacles in the way of election reform. Nothing could be further from the truth. Our situation typifies the dilemma of the minority. For too long we have been working and calling upon the majority for progress in Federal campaign legislation. Having committed ourselves in many ways to the concept of reform, we are now presented with a reform package, credible in appearance, but inclusive of partisan mischief. What do we do to "throw obstacles in the way of reform"? We ask for the right of amendment, to protect our party procedures and our view of what is appropriate. To criticize this insistence is partisan politics, for we have no further remedy; and so we must take our chances that the public will misinterpret a vote against a restrictive rule. I think most people realize this problem exists for any minority on any issue within the control of the majority. I regret that the majority in this case has not dealt with this vital subject on a level above traditional politics.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. MAYNE).

Mr. MAYNE. Mr. Speaker, I rise in opposition to the attempt by moving the previous question to prevent debate and amendment of House Resolution 1292, the resolution providing for consideration of H.R. 16090, the Federal Election Campaign Act Amendments of 1974. The resolution provides for a closed rule allowing only amendments of five special types to be considered. The Members of the House, as well as the Nation, have long awaited this legislation, one of the most important bills to come before the House in this Congress. It is completely inappropriate to hog-tie and hamstring this House through a closed rule so that it can not even consider the several very important amendments that would be offered to this legislation, in order to strengthen its provisions, improve its enforceability and feasibility, fill the loopholes, and correct the several defects evident in the bill as reported.

H.R. 16090 as reported by the House Administration Committee constitutes a substantial improvement over the present law regarding campaign financing and disclosure, and I commend the chairman and members of the House Administration Committee for their work and efforts in preparing it and bringing it before the House. However, it is sadly deficient in several major instances.

The Senate Select Committee on Presidential Campaign Activities—the Watergate Committee—in its recent report stated that an independent Federal Elections Commission is the single-most important change needed in existing law. Early in May, 1973, I cosponsored introduction with the distinguished gentleman from Illinois (Mr. ANDERSON) of H.R. 7901, the Clean Elections Act, which proposed establishment of just such a Commission. The House Republican task force on election reform under the able chairmanship of our colleague from Minnesota (Mr. FRENZEL) in July, 1973, publicly recommended enactment of such a reform.

I am gratified that the Chamber of Commerce, the White House, and such public-interest groups as the League of Women Voters, Common Cause, and Congress Watch have joined in urging enactment of this absolutely essential reform. I share their disappointment that the House Administration Committee bill instead provides for an inadequate, Congress-dominated, nonindependent mechanism to administer this act. I strongly urge my colleagues to defeat the motion for the previous question so that the Frenzel amendment establishing a more independent administration and enforcement agency may be given the consideration it deserves. I am a cosponsor of the Frenzel amendment and shall give it my strong support.

The Anderson-Udall Clean Elections Act introduced in May of last year with my full support also proposed public financing through limited matching of private contributions for congressional candidates. I cannot understand the present bill's failure to incorporate similar provisions as a protection against candidates being tempted to rely on "fat-cats" and special interest groups for campaign financing in the future. I am an early cosponsor of the amendment proposed by the gentleman from Illinois (Mr. ANDERSON), which would establish a system of matching grants for congressional general elections, matching payments for private contributions of $50 or less, and I am pleased that public interest groups including the League of Women Voters, the Center for Public Financing, Common Cause and Congress Watch all agree that adoption of this amendment is essential if we are to obtain true campaign financing reform.

The bill contains still other deficiencies which cry out for correction by floor amendments, amendments which will not be allowed unless the proposed closed rule is amended into an open rule. For example, the bill as reported exempts certain gifts-in-kind from limitations and disclosure, such as up to $500 of unreimbursed travel expenses. Furthermore, the bill does not require the amount of a bank loan whose endorser waives repayment after an election be counted as part of his total allowable contribution. The bill's limitations on special interest group contributions to campaigns are woefully inadequate. I intend to support appropriate amendments to correct these deficiencies if the closed rule is amended to permit such amendments to be offered—but we must first defeat any attempt to move the previous question and thereby prevent amendment of the rule.

Ladies and gentlemen of the House, I respectfully urge all to join in defeating this effort to gag the membership and prevent it from working its will, and to amend the rule so that we may adopt these desperately needed amendments and enact campaign reform legislation of which this House can truly be proud. It is indeed time for this House to agree to effective campaign reform as a straight-forward response to the so-called Watergate abuses and a step toward restoring public confidence in Government and especially in this Congress.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. HUDNUT).

Mr. HUDNUT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as an original cosponsor of the Anderson-Udall bill, on Monday, August 5 I submitted a statement before the House Rules Committee appealing to them to adopt an open rule on H.R. 16090 that would permit the offering of amendments during debate on the House floor, including one that several of us are interested in to require complete financial disclosure of everyone in public life above the $32,000 level of income, which might or might not be ruled germane or might or might not be in the view of the House a good idea. They voted against this open rule on a straight party line vote. This was most disappointing even though we have great respect for the wisdom and integrity of our colleagues on the other side of the aisle.

It appears the majority does not want to allow a bill to pass that would in any way discomfit or disadvantage their Members on their side of the aisle who presently control the Congress. It appears that they are more eager to perpetuate themselves than to effect true campaign reform, and more concerned about the narrow self-interest of incumbents and special groups than they are in the public's interest in clean, competitive election campaigns by persons who are willing to be forthright and open with the public about their sources of income. The public should know this. They should be aware of the support of the other party for a closed rule. And they should also be assured that I and many of my colleagues on our side of the aisle intend to fight this issue as hard as we can.

Mr. Speaker, I urge my colleagues to vote "no" on the previous question.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I happen to be one of those Members not fortunate enough to serve on the House Administration Committee and who, therefore, will be foreclosed from an opportunity to present an amendment to this legislation, unless we get an open rule. I, frankly, resent that.

It was said in the Committee on Rules that there were no experts on campaign reform. I would submit there are 435 experts in this House on campaign reform and that we all deserve some opportunity to work our will on this legislation.

Now, we had an open rule the last time we had campaign reform legislation in 1971 and 1972 and we got good legislation out of it; at least we got legislation that is substantially better than what we had been operating under previously. That is not the case with this proposed legislation.

We admire and respect the gentleman from Ohio (Mr. HAYS). He is one of the cleverest and funniest speakers in this House and he is a man of considerable power in this body; but this bill is merely an exercise in that power, unless we can get an open rule.

This bill is also an example of his cleverness. While it is called reform legislation, it strengthens the hand of the majority party and those groups which generally support that party. But it is bipartisan to the extent that it benefits incumbents of both parties.

The funny thing about this bill is that it comes to the floor under a gag rule passed by the Rules Committee on a straight party-line vote. The argument that reform of campaigns should be passed under gag rule—that we cannot amend a bill to give the public a fairer share in how their campaign contributions are to be collected, spent, and reported.

Mr. Speaker, I regret that this has become such a partisan bill, but perhaps the times make the circumstances.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker and Members of the House, I take the well with less than wholehearted support for broad sweeping election reform legislation. I am really speaking only as an individual, for I would say the majority of my party would not probably not hold to that particular position.

I frankly would be content with something providing for full disclosure of contributions in limited amounts, both cash, and in kind, closely monitored and with stiff penalties for violations.

There is no simple solution to this problem upon which we are about to legislate. There is a wide disparity of conditions that prevail in this country. What is good for New York City certainly is not good for the hinterlands out in the Midwest in Peoria or in some rural community.

On the expenditure side, I have to take a very practical stance. I am representing a party in the minority. How can we in the minority ever hope to gain majority status when incumbency carries with it so many advantages and we Republicans are so outnumbered here in the Congress. Challengers are tightly limited by this bill and cannot possibly compete with incumbents in those districts where expensive media can make the difference.

The Senate-passed bill is for all practical purposes an incumbent protection act. All of us here today are incumbents. As a practical matter, none of us are about to give our challengers an advantage; but I think just simple equity dictates that at least we debate this overall question.

I can appreciate the chairman's concern over opening this thing up and having some silly amendments being offered here and people demagoguing all over the place. I should like to be the first one down here in the well to help fight those kind of silly amendments.

I must say, Mr. Speaker that I do resent being so restricted, as we can be under this rule. I feel strongly, as do several other Members with responsible amendments, that our legitimate rights in this House are being submerged simply by sheer weight of political numbers. For that reason, I take this time to ask that we vote down the previous question and open up the rule so we may have an opportunity to offer our constructive amendments and have them stand or fall on their merit after reasonable debate.

Mr. MARTIN of Nebraska. Mr. Speaker, again I urge the Members of the House to vote down the previous question so that we can have open debate on this matter for a very important piece of legislation and the Members of the House can be able to work their will in the forming of the election process.

The present resolution we have before us precludes amendments to about 95 percent of the bill and the Members will not be allowed to offer amendments to most of the sections of the legislation because of the type of resolution we are currently considering.

Again I urge a no vote on the previous question, so that we may have an open debate on this bill and the Members can work their will. The people of the United States expect no less from their Congress.

Mr. YOUNG of Texas. Mr. Speaker, I yield the remaining 4 minutes to the gentleman from Arizona (Mr. UDALL) for the purpose of closing debate.

Mr. UDALL. Mr. Speaker, sometimes we cannot have everything we want. I want debates under open rules whenever possible, but I also want to end a national system of election laws that have brought disgrace and shame to this country.

We have today an historic opportunity to change that system of laws, and I see the thing possibly going down the drain, and I do not like it. I would have preferred to have debated this bill a year ago. I think we should have done so. I would have preferred to have taken 5 or 6 days to debate it. But the clock is running and we are confronted with a condition where we are going to adjourn for a recess in a week or 2 weeks or 3 weeks. The Senate is probably going to start an all day program on the impeachment trial, and we have some tough choices.

One choice is to conform to procedural purity here and probably lose a bill which has 95 percent of what I want and what I think the gentleman from Illinois (Mr. ANDERSON) wants and those who have supported this long bipartisan effort want. The other choice is to do something we do not like to do and support—not a closed rule—this is a modified open rule—which takes two pages in the rule to list the kinds of things, parts of the bill that are open for debate. So we can stand on procedural purity on one side and lose an historic opportunity. I reluctantly decline to be a party to such a destructive choice.

Let me make a couple of things clear. Most of the points in dispute; most of the points mentioned are either in the law, the kind of things the gentleman from Colorado talked about such as spying, dirty tricks, these kinds of things, are in the law and people have gone to jail for violating them; or they are in the bill; or they are made open for debate and amendment in the rule.

The rule provides that the Anderson-Udall public financing amendment is available for debate; the Frenzel-Fascell, supervisory authority is open for debate. The amounts for limitation of spending and contributions are open for debate. The Butler amendment to take care of the problem of bank loans is open for amendment and debate.

So, what are we talking about here? We are talking about losing an historic opportunity, because we are insisting of some kind of theoretical procedural sanctity and we are going to end up with a fiasco here this afternoon where we lose an opportunity we have all fought for. I do not think we ought to do that. I think we ought to support this most sensible, modified, open rule in this case. Before this day is out we will have sent on to conference with the Senate a darn good bill. In that conference, many of the other things my friends are concerned about can be corrected.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I want to thank the gentleman from Arizona for yielding to me.

I have the same problem with open rules as the gentleman has expressed having himself, but I am convinced of the mood of the House, having listened to this debate and having followed the media reporting of this matter and rule, the mood which prevails in this House today is one of few of the media and that with a completely open rule, there are going to be totally unworkable and unrealistic amendments offered which this Congress will not have the courage to resist. Emotions and fear of being against reform with prevail.

We will have an unworkable bill which will guarantee each of us 4-year terms—2 years when we are elected and 2 years in jail, because nobody can comply with what I think we will be faced with. Let us use some commonsense for a change.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Speaker, I thank the gentleman for yielding to me.

For the record, I would like to address myself to the gentleman from Ohio, the chairman of the committee, who remarked that somehow an amendment I offered to the 1971 Campaign Finance Act was responsible for Watergate.

The hearings on that act began in June 1971; it was reported to the House in October 1971; it was not brought to the floor until December 1971; it was stalled in conference until mid-January 1972; so that we did not get an effective date for enactment until April 1972.

I think the record shows who is responsible for the fact that we have Watergate.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I certainly agree with every word the gentleman from Arizona has said. This is a much stronger bill than the Senate bill, and a far stronger bill than the cynics thought this Congress would enact.

Mr. UDALL. Mr. Speaker, I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the gentleman from Arizona.

I want to join in his comments. I support this rule because every major issue has been considered or is reachable by amendment. There are obviously many other amendments which could be offered but in the interest of passing in this session of Congress the important reforms contained in this bill and leave for later additional improvements.

The SPEAKER. The time of the gentleman from Arizona has expired.

All time has expired.

Mr. BAUMAN. Mr. Speaker, I rise in opposition to the adoption of the closed rule, House Resolution 1292, which would provide for consideration of the Federal Election Campaign Act Amendments of 1974. While the House Administration Committee has worked for some time on this measure, and has reported a bill to the floor of the House which will provide for significant reform, I would agree with many of my colleagues that it is inappropriate to consider a bill of this importance with a closed rule. It is clear that at a time when both the country and the Congress are attempting to recover from the excessive campaign practices of past elections, all Members of the House of Representatives should have the opportunity to offer amendments which they sincerely believe will correct certain deficiencies in the measure as reported by the committee.

One major provision of the bill as reported by the committee which should be corrected would place a limitation of $5,000 on the contributions of political committees to candidates for Federal office. The definition of a political committee clearly includes the National and State committees of both major parites, and this action if approved by the House would significantly weaken the two-party system as we know it in this country. I would support those Members of the House who feel that National and State committees of major parties should be excluded from the definition of political committee for the purposes of contribution limitations.

Throughout the history of this Republic political parties have been important institutions in our political process and have provided a measure of stability in our political system. If the opportunity was offered, I would join with the minority members of the House Administration Committee in supporting an amendment which would provide for continued viability of our national and State parties so that they may assist candidates as the need arises, and to provide for the continuation of the two party system in this country. This is just illustrative of many other areas of this legislation which should be strengthened by the adoption of constructive floor amendments, including those sections dealing with special interest groups, and the inability of the committee to deal affectively with the problems associated with in kind contributions.

I would hope that my colleagues will realize that the people of this country will be watching what we in the Congress do in the area of campaign reform legislation, and it should be incumbent upon us to provide for a thorough and complete discussion of this bill and of all amendments which would strengthen the provisions of the legislation. I hope that my colleagues will vote to oppose the adoption of this rule and will vote to provide for an open rule instead. To do any less is political cynicism disguised as "reform."

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in opposition to debate of the campaign reform bill under the restrictive procedures proposed by the House Rules Committee.

I do so because I am deeply disturbed that the leigslation approved by the House Administration Committee does not include the provisions of my own Election Campaign Espionage bill which would outlaw political spying in election campaigns.

This bill, which I introduced last year, is designed to prohibit individuals from interfering in the political campaign of any other candidate. It would prohibit the use of contributions for the commission of any illegal act such as wiretapping, electronic surveillance, burglary, or other such activities.

And, it makes it a felony to cover up any violation of Federal election laws.

It is his type of repugnant political activity that we must be seeking to end and I believe we should go ahead and do so directly rather than indirectly through other controls.

I believe very strongly in the concept embodied by my bill because the type of behavior known as "Watergate" has no place in the American election process and is completely contrary to our system of free and open elections.

Bill Stodart, my administrative assistant who passed away last month, worked quite closely with me in the process of developing this proposal.

He did the basic research needed to perfect the language and achieve the goal we both sought to reach.

It was his keen sense of the need for morality to retain and improve America's participatory democracy that helped to come up with the idea for this legislation and get it into final form.

The distinguished gentleman from Minnesota (Mr. FRENZEL) offered my proposal as an amendment in the committee but it was not accepted. If possible amendments are prohibited when the bill is considered on the floor of the House, it will be impossible to offer this amendment to outlaw "dirty tricks" and coverups.

The gentleman from Minnesota has been most helpful in trying improve the bill before us. It is a "dirty trick" to prevent the House from considering amendments to a bill of this nature.

Therefore, I urge the House to reject the rule and allow a more stringent regulation of conduct in political campaigns to be included in this measure.

GENERAL LEAVE

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of House Resolution 1292.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Before the Chair goes into the question, he desires to state that the monitor on the Republican side is not in order. The Chair has tried to see if we could get up a substitute monitor but apparently there is not sufficient time.

While the Chair could order the vote taken by rollcall, the Chair thinks that both sides can use the Democratic monitor and can alternate in the use of the monitor and save that much time. Therefore, the Chair will ask the Democratic operator and monitor to alternate with the Republican operator and monitor.

For what purpose does the gentleman from New York rise?

Mr. WYDLER. I just want to make it clear to the Chair that in coming onto the House floor at 12 o'clock, I informed the clerks of the House that the Republican monitor was not working. That was within a few minutes after noon today.

The SPEAKER. The Chair was not informed about that until 2 minutes ago. The Chair is the proper person to be advised of things of this sort.

The Chair is going to order that the vote on the previous question be taken by electronic device.

Without objection, a recorded vote was ordered on the motion for the previous question.

The vote was taken by electronic device, and there were—ayes 219, noes 190, not voting 25, as follows:

[Roll No. 457]

AYES—219

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bergland
Bevill
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carey, N.Y.
Carney, Ohio
Casey, Tex.
Chappell
Clark
Collins, Ill.
Conyers
Corman
Cotter
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Dingell
Donohue
Dorn
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Ford
Fountain
Fraser
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gunter
Haley
Hamilton
Hanley
Harrington
Hawkins
Hays
Hébert
Helstoski
Henderson
Hicks
Holtzman
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Luken
McCormack
McFall
McKay
Macdonald
Madden
Mahon
Mann
Maraziti
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Mills
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Passman
Patman
Patten
Pepper
Perkins
Pickle
Pike
Poage
Preyer
Price, Ill.
Randall
Rangel
Rees
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Satterfield
Schroeder
Seiberling
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waldie
White
Whitten
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NOES—190

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Biester
Blackburn
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Butler
Camp
Carter
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Robert W., Jr.
Davis, Wis.
Dellenback
Dennis
Derwinski
Devine
Dickinson
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Gilman
Goldwater
Goodling
Gross
Grover
Gubser
Gude
Guyer
Hammerschmidt
Hanrahan
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McKinney
Madigan
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Mazzoli
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Mosher
Myers
Nelsen
Obey
O'Brien
Parris
Pettis
Peyser
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Rousselot
Ruppe
Ruth
Sandman
Sarasin
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Skubitz
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Veysey
Walsh
Wampler
Ware
Whalen
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOT VOTING—25

Biaggi
Brasco
Chisholm
Clay
Davis, Ga.
Diggs
Downing
Fulton
Gray
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Holifield
McSpadden
Mollohan
Owens
Podell
Rarick
Rooney, N.Y.
Scherle
Stubblefield
Teague
Vander Jagt
Wylie

So the previous question was ordered.

The Clerk announced the following pairs:

Mr. Fulton with Mr. Hanna.
Mr. Biaggi with Mr. McSpadden.
Mr. Teague with Mr. Rarick.
Mr. Rooney of New York with Mr. Stubblefield.
Mr. Podell with Mr. Harsha.
Mrs. Chisholm with Mrs. Hansen of Washington.
Mr. Davis of Georgia with Mr. Hansen of Idaho.
Mr. Mollohan with Mr. Scherle.
Mr. Owens with Mr. Wylie.
Mr. Downing with Mr. Vander Jagt.
Mr. Diggs with Mr. Gray.
Mr. Clay with Mr. Holifield.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 330, nays 78, not voting 26, as follows:

[Roll No. 458]

YEAS—330

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Cohen
Collier
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dent
Devine
Dingell
Donohue
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Harrington
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hogan
Holt
Holtzman
Horton
Howard
Hungate
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—78

Archer
Arends
Armstrong
Ashbrook
Baker
Bauman
Beard
Blackburn
Bray
Brown, Mich.
Brown, Ohio
Clancy
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Crane
Davis, Wis.
Denholm
Dennis
Derwinski
Dickinson
Erlenborn
Forsythe
Frelinghuysen
Froehlich
Goldwater
Goodling
Gross
Grover
Gubser
Hammerschmidt
Harsha
Hillis
Hinshaw
Hosmer
Huber
Hudnut
Hunt
Hutchinson
King
Kuykendall
Lagomarsino
Landgrebe
Lott
McCollister
McEwen
Madigan
Martin, Nebr.
Michel
Mosher
Myers
Obey
Parris
Powell, Ohio
Rhodes
Rousselot
Schneebeli
Shoup
Shuster
Skubitz
Smith, N.Y.
Spence
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Treen
Wilson, Bob
Wyatt
Wydler
Wyman
Young, Fla.
Young, S.C.
Zion

NOT VOTING—26

Biaggi
Brasco
Carey, N.Y.
Chisholm
Clay
Davis, Ga.
Diggs
Downing
Evins, Tenn.
Gray
Hanna
Hansen, Idaho
Hansen, Wash.
Holifield
McSpadden
Mathias, Calif.
Mollohan
Owens
Patman
Podell
Rarick
Rooney, N.Y.
Scherle
Vander Jagt
Waldie
Wylie

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Downing with Mr. Holifield.
Mr. Rooney of New York with Mr. Hanna.
Mr. Carey of New York with Mr. McSpadden.
Mr. Biaggi with Mr. Hansen of Idaho.
Mr. Mollohan with Mr. Rarick.
Mrs. Chisholm with Mr. Gray.
Mr. Davis of Georgia with Mr. Scherle.
Mr. Diggs with Mr. Patman.
Mr. Evins of Tennessee with Mr. Vander Jagt.
Mr. Clay with Mr. Owens.
Mr. Waldie with Mrs. Hansen of Washington.
Mr. Podell with Mr. Wylie.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT THURSDAY, AUGUST 8, 1974, TO FILE CERTAIN PRIVILEGED REPORTS

Mr. YOUNG of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tomorrow night, Thursday, August 8, 1974, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 15405, DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 15405), making appropriations to the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. HAYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. HAYS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 16090, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. HAYS) will be recognized for 1 hour, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 1 hour.

The Chair recognizes the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I propose to take as little time in general debate as possible. There is usually not a very heavy attendance, and I think we will get down to the crux of the disagreements, if any, under the 5-minute rule.

I want to quickly run through the general provisions of the bill.

There are questions that Members have, and I will yield myself more time in an attempt to answer them.

In title I, the Criminal Code amendments, we have these limits of $1,000 per election by any person to a candidate. A "person," of course, is a broad term under the law. There is a $5,000 limit per election on contributions to candidates for Federal office by multicandidate committees. That would be the Democratic Campaign Committee, the Republican Campaign Committee, et cetera.

There is a $25,000 limit on the amount one individual may contribute in one year to all candidates. In other words, if a man wanted to contribute $1,000 to 25 candidates, he could do it, and then the ball game is over for him.

This gets away from the type of $2.5 million contributions and $1 million contributions that were had on both sides the last time, and of course, if the bill stays as it is, there will be no contributions in Federal elections because we propose to fund them out of the income tax checkoff.

The expenditure limits are set overall in this way: The President for the general election, $20 million; for the primary election, $10 million; for the Senate, $75,000 or 5 cents times the population of the State, whichever is larger; in the House, $75,000 in each primary and general election.

Expenditure limitations would be increased by the cost of living escalation.

There is a prohibition against a candidate spending more than $25,000 of his own funds in an election. That, of course, includes the candidate, his wife, and members of his immediate family.

We allow an exemption for slatecards and sample ballots being exempted from the reporting requirement. The reason for that is that in very, very many geographical areas of this country there are counties with a population of 20,000, 30,000, and 40,000 where the parties in the county on both sides put out a sample ballot. I will use, for example, one county in my district in Ohio which has a population of 16,000 people. You can buy 16,000 sample ballots, even at today's prices, for less than $300 if you buy them from the people who print the ballots.

In Ohio the law requires anything labeled "sample ballot" to have the names of every candidate for both parties on it.

Mr. Chairman, under the old law, if that party spent $300 in this year's election for sample ballots, which would be one for every household in the county, they would be forced, under the penalty of fine and imprisonment, whether they knew it or not, to report to the Federal Election Commission that they had spent $20 on my behalf, for instance, because there are 15 candidates this year in my district on the ballot.

That is the kind of little thing that is one of the technical violations, of which there are literally thousands, that we are trying to eliminate by what seems to me to be a rather sensible exemption.

Under the Disclosure Act we simplify the reporting requirements. We provide for a single 10-day preelection report instead of the 5-day and 15-day report that the present law provides. The reason we did that is simply because the 5-day provision was not realistic. By the time you got your books closed, got your report made, and got it down here and the clerk put it on his computer and it was recorded, it was difficult to get copies in by election day.

So we did away with this. We now make one report mandatory 10 days before election and another 30 days after election.

I think the Members are also going to be delighted to know that we have eliminated these reports which had to come quarterly, most of which said, zero, zero, zero, but which had to be notarized and sent in. In any quarter in any year in which you do not spend $1,000 in that quarter, you do not make a report until the end of the year, when you make a cumulative report. If you spent over $1,000 in a quarter, you have to file a report.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. HAYS) has expired.

Mr. HAYS. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, we waive quarterly reports if they fall within the 10 days of a pre- or post-election report. In other words, if a quarterly report came within 10 days or 30 days after election, you just combine them and make one report.

We require each candidate to have a principal campaign committee. I am going to take a little time to explain that. If you have nine counties in the district or nine wards in the city and you want to have a committee in each ward, that is all right, but you have got to designate one committee as your principal committee. All of those country or ward committees have to report whatever they spend in your name to the principal committee, and the principal committee is responsible and must make the report to the reporting authority.

Mr. Chairman, we have agreed, by a committee amendment, with the gentleman from Minnesota (Mr. FRENZEL) and the gentleman from Florida (Mr. FASCELL), as well as other Members—the committee agreed to it this morning—that the committee will offer an amendment on the composition of the board, which will be as follows: The board will be composed of six people, four voting members and two nonvoting members. The four voting members will be appointed, two by the Speaker of the House and two by the Vice President of the United States.

I wish to tell the Members that we included the Vice President of the United States in an effort to be eminently fair to the minority side, because normally those appointments are made by the Speaker of the House and the President pro tempore of the Senate, and they are both Democrats. However, we stipulate that those appointees must be, one from each party in both cases, and to that are added the Clerk of the House and the Secretary of the Senate as nonvoting members of the Board, for the purpose of being there and being in on the promulgation of rules and regulations and being available for Members to consult as to what are the proper procedures so that one can make out his report and have some real feeling that he is within the law.

We also have compromised another thing in the bill which will be offered as a committee amendment. Under the old bill the reporting authority got together and made rules and regulations and they changed the law. It was 5 days and 15 days, but by regulation they changed it to 22 days and 12 days. We do not think that ought to be done. We had in there that any rules or regulations they made could be vetoed by either committee, but we decided that raised a constitutional question. So, by committee amendment, we will change that so that anything they promulgate can be vetoed within 30 days by a vote of either House of the Congress.

In other words, it would probably be referred to the committee. If they thought it worthwhile, they would bring it to the House for a vote.

In title II we amend the Hatch Act so as to allow State and local government employees to participate on a voluntary basis in certain partisan political activities.

We strengthen and expand the existing dollar checkoffs now limited to the financing of Presidential elections. The gentleman from Indiana (Mr. BRADEMAS) will explain this later in detail. We make the dollar checkoff self-perpetuating to assure that the money may be used within the election, and we set aside $20 million for each major political party. We define major political parties and minor political parties, and something will be available for the minor political parties.

The definition of a minor political party is one that got 5 percent of the vote in the last election. As I say, there is $20 million for each major party in the State, and they may not raise any money privately, and they may not spend more than $20 million, which must be spent again through a designated single committee, which may be the national committee or it may be another, but it must be one single committee, and they will not be out running all over the country, raising money.

Finally, we put in the law that political committees with no gross income for the taxable year would not be required to file income tax returns for that year. The IRS rules that whether you made a nickel or not you had to file a return.

Well, I was chairman around here many years ago when the Committee on Excess Government Paperwork was formed, and I think this was excess government paperwork. Anybody who does not have any income does not have to file a return, so why should a political committee which has no income be forced to file a return? We just wiped it out. That is one of the reasons of the waiver on points of order in the rule.

Mr. Chairman, I have touched on the high points, and other Members will explain in greater detail other sections. The members of the committee will be available to answer any questions that other Members may have.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield myself 1 additional minute.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, the gentleman from Ohio serves as the chairman of the Democratic Congressional Campaign Committee, and the gentleman and I are friendly adversaries in the sense that one of my responsibilities around here is chairman of the Republican Campaign Committee.

I have one question. The gentleman stated that there is a $5,000 limitation on contributions to candidates for Federal office by committees other than one's "principal" campaign committees, and the gentleman from Ohio I think in the course of his general debate a moment ago likened the congressional committees to some of the better known recognized special interest groups. What was the rationale in the treatment of those kinds of committees as though they are on a par with the respective congressional campaign committees we chair?

I would like to think our respective national committees, senatorial and congressional campaign committees, could be looked upon in a special way—even in this bill. Why could we not have been excluded from this limitation?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAYS. Mr. Chairman, I yield myself 1 additional minute in order to answer the question posed by the gentleman from Illinois (Mr. MICHEL).

Mr. Chairman, I would say to the gentleman from Illinois—and I understand that this is a complicated matter—that the rationale was in trying to make a distinction between the different candidate committees—and it was not my contention, and I want to make a little legislative history here, and I do not think it was the intention of the committee, to include whatever services we give to any candidate as far as the $5,000 is concerned.

In other words, if you furnish a candidate with a voting record, or my voting record, or if I furnish a candidate with the gentleman's, that is not included. We were talking about the way I understood it, and I believe that is the intent—a cash contrbiution to the candidate's campaign.

Mr. MICHEL. Strictly a financial contribution under an information and educational allowance, or whatever we might call it; but the inhouse kind of contributions that our respective committees have been accustomed to making candidates or to incumbents would be excluded?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield myself 3 additional minutes.

It is my belief that they are not included—just the cash contributions.

Mr. MICHEL. I thank the gentleman.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. I thank the gentleman for yielding.

As the gentleman knows, when he appeared before the Rules Committee, I raised a question relative to the definition of the term "any election" as used in section 101. I raise the question for the reason that, while setting the limitation on the amount that any person may contribute, the term "any election" is used, in setting the maximum for expenditures that any candidate may make, the term "any campaign for nomination for election, or for election" is used.

Mr. HAYS. May I say to the gentleman I do not have the section at my fingertips, but there is a section in there defining elections, and in the definition of election as the term is used, it means any primary, any runoff, and any general election.

Mr. MATSUNAGA. That is fine. For the purpose of establishing legislative history, I thought I should raise the question.

Mr. HAYS. It is also in the bill in the definition.

Mr. MATSUNAGA. I will remind the gentleman that the definition merely refers to existing law, which is not printed in the bill itself.

Mr. HAYS. But in the Ramseyer report it is there, and it is defined that way.

Mr. MATSUNAGA. I thank the gentleman.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Michigan.

Mr. CONYERS. I appreciate the chairman's yielding to me.

I should like to have him explain, if he would, the question I raised with him before that apparently requires new political parties to have to accumulate 5 percent of the vote, which means that it would have to go from 0 percent to in excess of 5 percent. I know that it is in existing legislation, and is continued in the bill.

Mr. HAYS. Let me say that there is defined in there—and one of the other Members is going into it in depth—major party and minor party—and a minor party is one which accumulated 5 percent—and new parties. A minor party, to be called a minor party and to be eligible, must have gotten the 5 percent in the last election, but that is subject to amendment. That is in one of the sections that is open, and it could be amended.

Mr. CONYERS. The gentleman from Ohio perceives, then, the problem I am raising?

Mr. HAYS. I do.

Mr. CONYERS. We are precluding new parties from getting started. Both of the major parties in the United States pried themselves from splinter groups or from different political formations and entities. What we are now requiring is that these new parties, to get the benefit of public financing—as important and vital as it is—we are now in effect requiring to grow to at least 5 percent or die. I think that is a very serious situation that ought to be gone into very carefully by the Chairman and the Members.

Mr. HAYS. Let me say to the gentleman that I respect his position. He and I may have a fundamental philosophical disagreement about this without affecting our friendship. I personally would like to do anything I can to protect the two-party system, because I am too familiar with too many European countries that have multiparty systems that have degenerated into almost anarchy. There will be provisions for debate on this under the 5-minute rule. There will be provision for amendment, and I do not want to use more time because I have promised a lot of time; but I will be glad to discuss it further with the gentleman under the 5-minute rule.

Mr. CONYERS. Before we get into the 5-minute rule, the 5-minute rule, as I see it practiced on the floor, is that after we start the 5-minute rule, a great number of Members will decide that we ought to cut off the 5-minute rule—and I am referring to the $90 billion Department of Defense bill that was just considered yesterday.

Mr. HAYS. I will assure the gentleman that he will have 5 minutes if I have to get it and give it to him myself.

Mr. CONYERS. I am not only concerned about getting the 5 minutes but I am equally concerned about the provisions that limit new and small parties which ought to be thoroughly considered in passing this legislation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding. I wanted to ask my colleague, the gentleman from Michigan, did he vote for the closed rule?

Mr. CONYERS. I think that is an irrelevant question.

Mr. ROUSSELOT. I do not think so. As a matter of fact, it is a most relevant question because an open rule would have guaranteed the gentleman from Michigan more adequate time for appropriate amendments.

Mr. FRENZEL. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama (Mr. DICKINSON), the ranking minority member of the Committee on House Administration.

Mr. DICKINSON. Mr. Chairman, let me say at the beginning that I want to compliment the chairman of the committee, the gentleman from Ohio (Mr. HAYS) and the membership of our committee for the conscientious hard work that they have put forth in bringing forward this bill. We had 21 different sessions on markup. We charged up the hill many times and charged back down again, and we charged up on the same hill again. There are many things in this bill that are good, that are salutary, that are needed.

There are many things in this bill that I object to that I would like very much to see removed from the bill. For instance, I favor some of the spending limitations, but on the question of campaign expenditures for Members of Congress I think that the amount is excessive. We voted I do not know how many different times on different figures and they ranged anywhere from $150,000 per election down to as low as $50,000 or even less. We finally settled on the figure of $60,000 per election. We tried to take into account the differences in rural areas and metropolitan areas or industrialized areas and agricultural areas in trying to work some equity because we realize the situation is different from Manhattan, say, to the rural areas of my 13 counties, and it costs more in some areas.

I felt that $60,000 was the most equitable figure we could have settled on. After we voted on it, it came up again and then we voted on $75,000. I can support the $75,000, but if an amendment is offered I will vote to go back to $60,000, because this means $50,000 per election, which means every time we vote.

It means that if there is a primary, that is $75,000. Then if there is a runoff a month later, that is $75,000, or a total of $150,000 which we will have spent right there. It is not a pass through and it is not cumulative, but we can spend $75,000 per election there or $150,000 total for the primary and runoff, and then it there is a general election, that is another $75,000, and if there is a runoff after that general election, as is permitted in some States, there is another $75,000, and it is up to $300,000 for a seat in the Congress, which I think is too high.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I offered an amendment in the committee which reduced the amount of expenditure per election to $42,500. The gentleman supported that, and I would appreciate the gentleman's support in this instance as on that date.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I think it might be appropriate to make the observation that in the last election the challengers who defeated incumbents spent on the average, $120,000 to defeat the incumbents. I subscribe to the gentleman's personal view and hope that we could keep campaign expenditures down to a minimum in each one of our districts, but the facts of life prove that the only way one can possibly unseat those of us who are incumbents with our built-in advantages, and this was particularly true in 1972, is to spend considerable sums of money. So the $42,500, while good talk for the folks back home, is one of those kinds of amendments I referred to during the consideration of the rule as rather ridiculous and it will put the Members unfairly to the mast on the floor when we get under the 5-minute rule.

Mr. DICKINSON. I thank the gentleman for his observation.

Mr. Chairman, moving right along now, there are other features of the bill I find most repugnant and objectionable. For instance, on the financing of national conventions out of the public till, there is $2 million set aside here to finance the national conventions.

This is bad for many reasons. They say, "If you do not want it, we will make it optional." The Democrats say, "We want it. You don't have to take it if you don't want it."

We can find going through the whole thread of this bill the partisanship, I suppose, which is part of this ball game; but let me remind all of us that with the pursestrings goes control. That is a simple axiom of life that we cannot change.

When Federal funds go in, sooner or later we will have Federal control. We will find when the Federal Government starts financing purely partisan campaigns and elections, then they will start setting parameters of how many delegates we are going to have, the composition of the delegates. Ultimately we will find there are some disadvantaged ones that say, "We don't have the money to serve as a delegate." So we will see the Federal Government paying the salaries and transportation expenses of delegates to go to national conventions, all out of the taxpayers' pocket. This is one of the things I am adamantly opposed to. I think it is wrong. The taxpayers of the United States should not finance national conventions.

We heard the statement a bit earlier that do not let procedural purity keep us from this historical chance. This historical chance to what, to freeze in the incumbents? Procedural purity, and the thing I objected to when we were discussing the bill and the reason I wanted to vote it down under the discussion of the rule, I wanted to vote down the rule, because for the first time we required a proposed amendment to be printed 24 hours or a calendar day in advance and then moved immediately into the bill without preserving that 24 hours for the Members to avail themselves of the opportunity.

This is ludicrous. This means anybody that did not guess or hear or pick up a rumor yesterday that we were going to pass this rule today, if he did not have inside information and get his amendment in the RECORD yesterday, even though it is germane, even though it is acceptable in every other way, he cannot offer it today.

I think this is bad procedure. I think we are setting a bad precedent. I cannot imagine the Committee on Rules setting up this rule without at least guaranteeing 24 hours to a person to avail himself of this opportunity, but they did so. That was one good reason I think for opening up the rule.

Mr. Chairman, I think we need campaign reform. I think there are many good areas in here. I was very pleased to hear the chairman of our full committee in the colloquy with the gentleman from Illinois saying it was not intended that the overhead expense of the two campaign committees, such as salaries, rent and heat and so forth, be prorated in donations and given to the various incumbents that they serve, but only the cash contributions were to be intended; but as I pointed out in my special views in the report, in setting up the authority, whatever the authority there is to oversee and carry out the aims and wishes of this bill, we must be careful that in the name of reform we do not drive out and scare people away, good dedicated honest people who are interested in the Government of this country, scare them out of politics by stringing so many trip wires that they do not know if they are going to jail or not if they are a candidate or even helping a candidate.

I did serve on the special subcommittee that was set up to monitor elections by the Congress. The Clerk of this House certified over 5,000 violations of the last election law of the House of Representatives alone, over 5,000 violations to the Justice Department for investigation and/or prosecution.

I am very fearful if we are not careful in setting up whatever authority is to control this, if we do not get somebody knowledgeable and sympathetic and with commonsense, if we set up a Commission that is going to be headhunters, we are all going to be in danger of what the gentleman from Louisiana said earlier. We will be serving two sentences, one for 2 years in the Congress and one for 2 years in jail.

So, let us be very careful in considering what we are doing here. I am anxious to get a good campaign bill, and I hope I can vote for this on final passage.

But, some of the abuses in here, some of the things provided for such as public financing of some of these elections, make the bill ridiculous, in my opinion. To think the taxpayers should finance me in my campaign, or my opponent and considering the proliferation of candidates that are going to emerge as soon as they find out there is tax money involved, is staggering, I cannot think of a better business to go into than the public relations business for political campaigns.

Mr. DENT. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. MINISH).

Mr. MINISH. I thank the chairman for yielding. Mr. Chairman, under the Campaign Reporting Act of 1971, the American Federation of Teachers filed a report showing they distributed close to $70,000 to different Members of Congress and to certain other groups. I was charged with that entire amount.

I brought it to the attention of the Clerk of the House, and he said the reason they did that was because in the report that they filed, they said they were supporting Senator MONDALE, and myself, so I was credited with the entire amount.

My question is this: Could that happen under this legislation?

Mr. DENT. Mr. Chairman, if the gentleman will yield, I will say absolutely not. It should not have happened under the old legislation. There were many cases exactly like this in the country. Certain groups would make contributions to more than one candidate, but the candidates in turn would say they received money but had not named that group as their contributor.

The gentleman evidently named the Federation of Teachers and he probably turned the name in showing that the organization had contributed to him. However, they also sent in a report stating the amount of money they have spent. Having no other names, and the gentleman having admitted that was his contributor, they turned it all into his account. This happened in many situations all over the country.

Mr. MINISH. Mr. Chairman, as I look around the floor, there are at least eight Members here who received money from the American Federation of Teachers AFL–CIO that I was credited with. I only received $250.

Mr. DENT. The only advice I can give the gentleman is to go see the Clerk.

Mr. Chairman, I yield 11 minutes to the gentleman from Indiana (Mr. BRADEMAS)·

Mr. BRADEMAS. Mr. Chairman, I rise in support of H.R. 16090, the Federal Elections Campaign Amendments of 1974.

I would first like to take this opportunity to pay special tribute to the distinguished chairman of the committee, the gentleman from Ohio (Mr. HAYS). Mr. HAYS worked diligently day after day in the markup sessions on the bill and if major campaign reform legislation is passed by Congress this year, much of the credit will be due to WAYNE HAYS.

Because the gentleman from Ohio has been subjected to considerable criticism on this matter, I believe it only fair to make the point I have just made.

Mr. Chairman, members of the House Administration Committee have worked long and hard on this bill. We considered almost 100 amendments, offered by both Republicans and Democrats, and we have reported to the House what I believe to be a very sound campaign reform bill—one which will significantly improve and strengthen current law.

To quote from a letter to me of July 25, 1974, from the able codirectors of the Center for Public Financing of Elections, Susan B. King and Neal Gregory, following the action of the House Administration Committee in reporting H.R. 16090—

> We would like to commend you and your colleagues on the House Administration for the months of work which resulted in yesterday's reporting out of the Campaign Reform Bill.
>
> . . . Your action in moving to clean up the way in which we finance Federal elections was a very positive response to the current crisis of confidence in government. This is a good bill of which the Committee can be proud.

Mr. Chairman, the existing campaign finance laws include the Federal Elections Campaign Act of 1971, the Presidential Election Campaign Fund Act, and certain portions of the United States Criminal Code. The most significant of these is, of course, the Federal Elections Campaign Act, which calls for the disclosure of campaign expenditures and contributions.

Although the Federal Elections Campaign Act has only been in effect for little over 2 years, it has become apparent that certain provisions of the law need to be strengthened. Further, the law failed to reach one of the most serious campaign finance problems—the excessive influence of big money in political campaigns.

Mr. Chairman, the committee bill meets these problems by improving the disclosure requirements of the Federal Elections Campaign Act and by providing for a Board of Supervisory Officers to strengthen the enforcement of campaign finance laws. To meet the problem of spiraling campaign expenditures and the excessive influence of big money, the bill sets strict limits on campaign expenditures and contributions. And to limit the influence of big money in the area which, I believe, offers the greatest potential for abuse—all phases of election to the office of President—the committee bill strengthens the existing dollar check-off law with respect to the Presidential general elections and authorizes the use of checkoff funds for Presidential nominatig conventions and Presidential primary elections.

Mr. Chairman, although I would like briefly to summarize the major provisions of the bill, I would like to focus my remarks on two important features of the bill—the Board of Supervisory Officers and the sections dealing with public financing of Presidential elections.

CONTRIBUTION LIMITS

Mr. Chairman, the committee bill limits contributions to candidates by persons to $1,000 per election—primary, runoff, special election, and general election.

The bill permits committees which have: First, been registered for 6 months pursuant to the Federal Elections Campaign Act of 1971; second, which have received contributions from more than 50 persons; and third, which have contributed to at least 5 candidates for Federal office to contribute to candidates up to $5,000 per election. This limit on contributions by so-called multicandidate committees applies equally to the Republican and Democratic Congressional Campaign Committees and to the National, State, and local committees of the political parties as well as to broad-based citizens groups which support candidates for Federal office.

By providing higher limits on contributions by multicandidate committees, our committee recognized the important role of broad-based citizen interest groups—whether conservative, such as the Americans for Constitutional Action, or liberal, such as the National Committee for an Effective Congress.

To curtail the influence of excessive political contributions by any single person, the bill establishes a $525,000 limit on the amount any individual can give to all candidates for Federal office in a single year.

Mr. Chairman, these limits were subject to lengthy debate in the committee, and I believe we have provided for limits which are low enough to bar excessive contributions, yet not so low so that it would be impossible for candidates to raise adequate campaign funds without incurring exorbitant fundraising costs.

EXPENDITURE LIMITS

Mr. Chairman, the bill would curb spiraling campaign expenditures by setting strict limits on campaign spending.

Candidates to the office of President would be able to spend only $20 million; candidates for the nomination to the office of President could spend a total of $10 million.

Senate candidates would be able to spend the higher of either $75,000 or 5 cents times the population in the candidate's State in each of the primary and general elections.

And House candidates would be able to spend $75,000 in each of the primary and general elections.

In addition to these general expenditure limits, the committee bill allows candidates to spend up to 25 percent above the limits to meet the costs of fund raising. This provision is particularly important in view of the cost of raising campaign funds through small contributions.

Mr. Chairman, these expenditure limits were adopted after extensive and thorough debate in our committee, and I believe the limits we have recommended are low enough to prevent excessive campaign expenditures, yet high enough to allow challengers to mount meaningful campaigns and to permit both incumbents and challengers to communicate their positions on campaign issues to the voters.

PRINCIPAL CAMPAIGN COMMITTEES AND DISCLOSURE REPORTS

To simplify reporting requirements and facilitate the dissemination of campaign finance information, the bill eliminates unnecessary disclosure reports and provides for the designation of principal campaign committees to make all committee expenditures on behalf of a candidate and to file a consolidated report of all such expenditures and all contributions of committees which support the candidate.

Mr. Chairman, the committee bill eliminates the 15- and 5-day preelection reports required by existing law and requires instead a single preelection report 10 days before each election. In addition, the bill requires a report 30 days after each election. Quarterly reports would still be required, but a candidate would not have to file a quarterly report if it falls within 10 days of the pre- or post-election report or if in that quarter neither contributions or expenditures exceed $1,000.

BOARD OF SUPERVISORY OFFICERS

To assure full compliance with and effective enforcement of the election laws, the committee bill establishes an independent Board of Supervisory Officers.

The Board would be composed of the three existing supervisory officers—the Clerk of the House, the Secretary of the Senate, and the Comptroller General—and four public members appointed by the Speaker of the House and the President of the Senate. To assure that the members of the Board are selected on a bipartisan basis, one of the Speaker's appointments shall be made from a list of recommendations provided by the House majority leader, and one from a list of recommendations provided by the House minority leader. Similarly, one of the President of the Senate's appointments would be made from a list of recommendations provided by the Senate majority leader and one from a list of recommendations provided by the Senate minority leader.

Under the bill, the supervisory officers would retain their existing authority to maintain disclosure reports and other records. Any apparent violation of election laws which they discover would have to be referred immediately to the Board.

The Board would be responsible for reviewing the actions of the individual supervisory officers, supervising development of rules and regulations, and the preparation of forms to assure they are uniform, to the extent practicable. To assure that the regulations developed by the Board and the supervisory officers conform to the law, all regulations would have to be submitted to congressional committees with election law responsibilities for review.

The Board would have the authority to investigate possible violations of the law, subpena records and witnesses, hold hearings, and refer appropriate apparent violations of the election laws to the Department of Justice for criminal and civil enforcement action. To avoid referring technical and minor violations to the Department of Justice, the Board would be authorized to encourage voluntary compliance through informal means.

And to assure expeditious enforcement action by the Justice Department, the bill requires the Attorney General to report to the Board on the status of referrals—60 days after the referral and at the close of every 30 days period thereafter.

Mr. Chairman, I would like here to note that I will later be offering a committee amendment to this section of the bill which will modify the composition of the Board. Very briefly, the amendment will provide for a six-member Board composed of four public members who will be appointed by the Speaker of the House and the President of the Senate, on a bipartisan basis, and the Clerk of the House and the Secretary of the Senate, both of whom will serve as nonvoting members.

The amendment will also amend the "review of regulations" provision in the committee bill to provide that all rules and regulations be submitted to the Senate and the House for review, rather than to the House Administration Committee or the Senate Rules and Administration Committee.

I will provide a more complete explanation when the amendment is considered, but I would like to observe that this amendment received the unanimous support of the House Administration Committee and will, I believe, strengthen the enforcement of campaign finance laws.

PUBLIC FINANCING OF PRESIDENTIAL ELECTIONS

And finally, Mr. Chairman, the bill provides a full package for public financing of Presidential elections.

First, the bill strengthens existing law with respect to public financing of Presidential general elections. As you are aware, the dollar checkoff law, first passed in the 92d Congress and amended last year, allows individuals to designate on their annual tax return that a dollar be paid to the Presidential Election Campaign Fund, or the so-called dollar checkoff fund. The amount of money available for Presidential general elections is limited to the amount voluntarily designated by individual taxpayers that candidates may use public funds, or they may continue to finance their campaigns through private resources.

The committee bill amends current law to provide that the amount of public money available from the checkoff fund conforms to the spending limit for Presidential general elections—$20 million and to provide that the dollar checkoff fund be self-appropriating to assure that the dollars checked off by individual taxpayers are actually available.

In addition, the bill authorizes the use of dollar checkoff funds for Presidential nominating conventions.

Mr. Chairman, I think it is important to note that the current system of convention financing is a de facto public financing scheme. The national nominating conventions are now paid for principally by corporate and union advertisements in the convention programs. And much of the cost of this convention advertising is passed on to each taxpayer by means of tax deductions for these ads.

This section of the bill is based on a recommendation of the bipartisan Commission on Convention Public Fnancing, composed of top officials of both the Republican and Democratic national committees. It repeals the provision authorizing tax deductions for convention advertising and provides up to $2 million for major parties and proportionately smaller amounts for minor parties to defray the costs of conducting Presidential nominating conventions. The bill specifically prohibits, however, the use of public funds for direct cash payments to delegates and candidates.

Public financing would be voluntary and any political party that wished to continue to finance its convention with private resources could continue to do so. However, overall expenditures from both public and private sources would, under ordinary circumstances, be limited to $2 million.

Finally, Mr. Chairman, the bill provides for limited public financing of Presidential primary elections by authorizing matching payments from the dollar checkoff fund for small contributions.

Candidates would receive matching payments for the first $250 or less received from each contribution. The maximum amount of public money a candidate could receive would be one-half the expenditure limit for Presidential primaries. Under this bill, that means each candidate could receive up to $5 million. To prevent public financing of frivolous candidates, the bill would require a candidate to accumulate at least $5,000 in matchable contributions in each of 20 States.

All public funds would come from the surplus in the dollar checkoff fund after funds have been set aside to meet the estimated obligations of Presidential general elections and nominating conventions. Since experts estimate that the checkoff fund will contain approximately $64 million by 1976 and that some $46 million would be used for general elections and conventions, approximately $18 million should be available for primary elections.

Mr. Chairman, this Presidential public financing package is one of the most important features of the bill. Clearly, the potential for the abuse of big money is the greatest in the area of Presidential elections, and public financing would, in my view drastically reduce this potential.

Mr. Chairman, H.R. 16090 is a solid piece of campaign reform legislation, one which if passed, will prove to be a major advance in the financing of campaigns for Federal office.

Some critics have charged that the bill is loophole ridden and that it fails to provide an effective enforcement mechanism. These critics allege that the enforcement entity in the bill builds on a system of nonenforcement by the Clerk of the House and the other supervisory officers, and they infer that these deficiencies can never be corrected under the present approach because of the "appearance" of a conflict-of-interest situation. To support their case, they cite a whole litany of alleged shortcomings of the Clerk and the other supervisory officers.

Mr. Chairman, I have gone to some trouble to review the criticisms of this bill to determine if there is any solidity to these charges. And I must say that after investigation, there appears to be no basis for these allegations.

Take, for example, the charge that "the Clerk of the House waited until after the election to forward many of the violations to the Justice of Department. The Clerk reported 5,000 unprocessed violations (most of them trivial or minor). The Clerk did not actively search for and investigate incomplete filings."

From April 7, 1972, the effective date of the 1971 elections law, throughout the 1972 election year, the Clerk made 15 separate referrals of violations to the Justice Department. The Clerk averaged making such a referral once every 16 days during 1972. Of the 4,893 referrals of apparent violations made during 1972, 3,192 or approximately two-thirds were made before the general elections of 1972. A goodly portion of the remaining 1,701 apparent violations were either not committed or not uncovered by audit until after the general elections. Each report filed with the Clerk by a candidate or political committee was audited. Each apparent violator was contacted separately on the deficiency by both the Clerk of the House and the Special Committee To Investigate Campaign Expenditures prior to being referred to the Justice Department.

This dual investigatory procedure by the Clerk and the special committee averaged approximately 40 days from the time an apparent violation was uncovered by audit until it was referred to the Justice Department. None of these referrals were for trivial or minor violations such as forms not being signed, or forms not being notarized. These referrals included failure to file, late filing, corporate contributions, union contributions, contributions from Government contractors, exceeding candidate's spending limitations, and other apparent violations of Federal election laws. Under section 308 of the election law, the Clerk's responsibility was to refer apparent violations to the Justice Department. Under the law the Attorney General has prosecutorial discretion on which cases he chooses to prosecute and it is his responsibility to perfect each case prior to trial.

Or take the charge that "since the Clerk apparently did not conduct any field investigations, the Justice Department was forced to reexamine and reinvestigate many of the complaints reported by the Clerk."

The Clerk has regularly conducted numerous field investigations and hearings on complaints. Some of these investigations and hearings were held jointly with the bipartisan House Special Committee To Investigate Campaign Expenditures. During the 1972 elections, the Clerk of the House has been the only supervisory officer to hold field investigations and hearings on election campaign complaints—and all of these hearings have been open to the public.

In fact, a review of the record of the Clerk of the House and the other supervisory officers shows that overall they met their election law responsibilities fairly and efficiently. And the enforcement entity in the bill builds on this expertise by creating a Board composed of these supervisory officers and four public members of national prominence. I am certain that both the high quality of these public members and the scrutiny of the Board by the public will remove any taint of an apparent conflict of interest.

Mr. Chairman, the House Administration Committee has labored long and hard on this measure, and has developed what I believe is a most significant piece of campaign finance legislation, and I would urge all my colleagues to give it their full support.

Mr. Chairman, I want to add just one word to what was observed by the gentleman from Arizona (Mr. UDALL), who has contributed so significantly to the shaping of the climate for the kind of legislation we are today considering. Time is running out. There is scheduled to come before the House in a few days, a very major piece of business which will preoccupy us all and, presumably, the other body as well, and then there will be a brief recess.

Mr. Chairman, it seems to me that it would be tragic if we were to fail in our obligation to the American people to produce a campaign reform bill in 1974 that can respond to the abuses of which we are all now too painfully aware.

H.R. 16090, with the committee amendments to which I have already alluded and with certain other committee amendments to which the gentleman from New Jersey (Mr. THOMPSON) and other Members will address themselves, represents a solid, substantial campaign reform bill around which Members of the House, both Democrats and Republicans, of every point of view, can rally.

The time to act is now, 1974, not 1975. So I urge adoption of H.R. 16090, I hope with overwhelming support from both sides of the aisle.

Mr. BELL. Mr. Chairman, will be gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I yield 1 additional minute to the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Chairman, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I want to ask a question of the gentleman. It is a technical one, but I think perhaps the gentleman knows the answer, and I want to make a little legislative history on the floor.

Let us take an off election year. And I might say this happened in California a year or so ago. It was an off year, and a candidate who had not declared himself to be a candidate, but he goes around the State. He makes airplane trips. He has dinners and meetings, and so forth. And this runs up to a considerable amount of expense, and yet at the time he was not a candidate because it was an off election year, and he was not a declared candidate. He may spend over $25,000.

My question is: Would that $25,000 be considered as an expenditure for his election if he was not at that time himself an announced candidate for office, and it was an off election year?

Mr. BRADEMAS. In response to the gentleman's inquiry, I would say that he must declare himself a candidate to be a candidate.

Mr. BELL. But the gentleman from Indiana knows there have been a number of candidates for statewide office who have made speeches and made public appearances who have not announced as to whether they were or were not candidates.

Mr. BRADEMAS. I understand. But if we were to take California, if I were to cite an example——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield an additional minute?

Mr. DENT. I yield 1 additional minute to the gentleman from Indiana.

Mr. BRADEMAS. I thank the gentleman. And I believe I can respond to his question more fully, and simply, by referring him to page 42 of the committee report on H.R. 16090, and the definition of "candidate" in section 591(b) of title 18, United States Code, which reads as follows:

> (b) "candidate" means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, to Federal office, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

Mr. BELL. So that the $25,000, or even above that, could be spent without the person running or apparently not running publicly, at least?

Mr. BRADEMAS. I believe that the definition of "candidate" I have just cited will answer the gentleman's question.

I hope I have responded satisfactorily to the gentleman's question.

Mr. BELL. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in response to the inquiry made by the gentleman from California (Mr. BELL) I might state that the law says a candidate is a candidate whenever he or she raises or expends money in behalf of a candidacy, or when a committee does so for them. In addition, of course, if he or she is a declared candidate, or a candidate under the particular State law at that time, he or she is also a candidate under our law.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from California.

Mr. BELL. What the gentleman from Indiana (Mr. BRADEMAS) said, was that so long as they are not a declared candidate, or because you cannot exactly prove that they are, then he or she could continue the expenditures as long as they are not declared candidates.

Mr. FRENZEL. If it was for a goodwill trip, yes, but if the expenditure one made was for a sign that said "Vote for Jones for Congress," then maybe they would come under the definition.

Mr. BELL. In other words, if word were mentioned that he or she were a candidate.

Mr. FRENZEL. Exactly; then he or she would be a candidate under the law.

Mr. BELL. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. CRANE), a member of the Committee on House Administration, and whose amendments are not allowed under the closed rule.

Mr. CRANE. Mr. Chairman, I thank my distinguished colleague from Minnesota for yielding this time to me.

Mr. Chairman, for openers, I would like to extend my congratulations to my colleagues on the Committee on House

Administration for the time and energy they have put into preparing this rather prolix campaign "reform" bill. I put the word "reform" into quotation marks, Mr. Chairman, because, unfortunately, my colleagues in this body saw fit earlier this afternoon under our vote on the rule to prohibit me from introducing some amendments which I had anticipated I might have the opportunity to present for consideration, and which, in my judgment, represent the real substance of campaign reform, while much of that contained in the proposed legislation I do not view as reform at all. On the contrary, I think it is going to set our political system back rather considerably.

One of the areas of concern that many people have touched upon in the past several months in connection with the revelations accompanying Watergate and related matters is influence peddling in politics. We are all too familiar with the role of the milk lobby, and the question of whether in fact contributions from the milk lobby had any impact on decisionmaking in the White House.

In this connection we had an amendment introduced before our committee by the distinguished gentleman from Wisconsin (Mr. FROEHLICH) which would have dealt with this question of influence-peddling by special-interest groups, and which would remove any doubt in anyone's mind as to whether any vested-interest group was exercising undue influence on the decisionmaking of a Member. This amendment that the gentleman from Wisconsin (Mr. FROEHLICH) had initially proposed before the committee, and was defeated in the committee, I intended to bring before the whole House. It would have prohibited contributions from political committees to candidates except for contributions from the respective congressional campaign committees of the Democratic and Republican Parties, and the Senate campaign committees.

As the gentleman from Wisconsin (Mr. FROEHLICH) very capably explained to the committee at the time he introduced this amendment, this would have had the effect of removing any area of doubt as to whether the realtors through REALPAC, or business and industry through BIPAC, or the American Medical Association through AMPAC, or for that matter, even the American Conservative Union through its Conservative Victory Fund.

Also the Political Education Committee of the AFL–CIO—was exercising undue influence over Members through campaign contributions. That, in my estimation, was a salutary amendment. It was one that I think should have been adopted by the committee and incorporated into this bill.

The second amendment I intended to offer deals with contributions in kind. This has been an area where we are all too aware of a number of abuses—and they are not confined exclusively to unions. When corporations provide, for example, unreported aircraft travel, that surely is an abuse as much as when unions engage in the providing of services of a similar nature. Such contributions should have an appropriate fair market value attached to them and classified and reported as in-kind contributions. That was the second amendment that I had hoped to bring up before this committee.

The third is one that I introduced first before the committee at the time we had our Reporting Act legislation 2 years ago. This would have prevented the use of involuntarily raised union moneys for political purposes, whether those were voter registration drives or get-out-the-vote drives. I do not think there is any question in anyone's mind that these have distinctly partisan overtones.

I can understand so long as silence in the law permits this injustice to continue, that those people who are so inclined will exploit this deficiency in the law. I have been waiting vainly for the American Civil Liberties Union to get involved in the fight on behalf of the civil liberties of these people whose involuntarily raised union moneys, which must be paid frequently as a condition for employment, are being used to subsidize political objectives contrary to their own.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. Mr. Chairman, I yield 2 additional minutes to the gentleman from Illinois.

Mr. CRANE. I yield to the gentleman from Indiana.

Mr. DENNIS. I thank both of the gentlemen for yielding.

I simply want to say that in my judgment the gentleman from Illinois in the well is making a very important contribution to this debate, although unfortunately there are very few people here to hear it. The essential cynicism of the process we are going through this afternoon is illustrated by the consideration of this so-called reform bill, which is being considered under a rule where the three important amendments mentioned by the gentleman, indeed, essential amendments for any real campaign reform, to anyone who knows anything about the subject realistically cannot even be considered by this body, cannot even be voted upon. The essential cynicism of this situation is a sad commentary on our whole operation here, and I am glad the gentleman at least is still allowed to point out the need, even though in this body we are not allowed to have a vote.

Mr. CRANE. I thank the gentleman for his comments.

In conclusion I would like to add this one final note. In connection with the abuses we have thought about and heard reported in the media over the past year or so, I think it is essential for us to bear in mind that there is one overriding reason for abuse that this body ought to consider, for it gets to the nub of the problem. In answering the question why people are willing to spend millions of dollars and willing to circumvent the law as a means of obtaining influence here, I think the answer is that the Federal Government in Washington is too vast and too sweeping in its powers and exercises life and death control over too many aspects of American life. When we address ourselves to this problem, we will have begun the most meaningful campaign reform and not before.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I would like to associate myself with the remarks of the gentleman from Illinois (Mr. CRANE).

Mr. Chairman, one way or another, this Congress soon will act on campaign spending reform. I am sure all my colleagues will want to be on record back home as being solidly on the side of representative government, and solidly opposed to special interests.

However, unless the campaign reform legislation we enact covers in-kind—noncash—political expenditures by special interest groups, we will be doing more harm than good.

Dave Broder of the Washington Post recently addressed that point:

> If access to large sums (of cash) is eliminated as a potential advantage for one candidate or party by the provision of equal public subsidies for all, then the election outcome will likely he determined by the ability to mobilize other forces. The most important of these factors are probably manpower and publicity. Legislation that eliminates the dollar influence on politics automatically enhances the influence of those who can provide manpower or publicity for the campaign.

Such nonreform legislation would by definition leave virtually unchallenged the bosses of big labor in the political arena—making a mockery of the political ambitions of the estimated 16 million wage earners who must pay union officials for representation they do not want or lose their jobs.

Like most Americans, we recognize the serious need for further careful examination and reform of the practices under which political campaigns are financed. That is why we are supporting efforts in this House to address the reform issue to "in-kind" as well as direct financial aid.

There is not one of us who can honestly deny the excessive influence union officials exert in this Congress, because of the political support they provide. Support which Mrs. Helen Wise, the recent past president of the teachers union, says will amount to "millions and millions" this year.

Twelve years ago, Justice Hugo Black in his dissent in IAM against Street said:

> There can be no doubt that the federally sanctioned union-shop contract here, as it actually works, takes a part of the earnings of some men and turns it over to others, who spend a substantial part of the funds so received in efforts to thwart the political, economic and ideological hopes of these whose money has been forced from them under authority of law.

That situation has not changed. The use of compulsory union dues for political purposes seriously jeopardizes our system of representative government. It dilutes every citizen's political freedom and outrageously violates the basic rights of workers whose money is being misused. We believe that there can be no meaningful campaign reform legislation unless it contains provisions which will put a stop to these political spending abuses.

A recent public opinion study by Opinion Research Corp. showed that 78 percent of all union members—and a greater majority of the general public want union dues kept out of politics.

Can we deny them and still claim to be representatives of the people?

Mr. FRENZEL. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, we have reported this bill at great length in the Record, and in the committee report, which of course, will stand for itself. Like the chairman of the committee, I hope we do not use all of our time in the scheduled debate and that we do proceed on a prompt basis to the amendments allowed.

Our job has been rendered a great deal easier by the passage of the closed rule, which we on this side disagreed with. But since the vote has gone against us we must proceed as that restrictive rule directs.

Mr. Chairman, the bill before us is a mixed bag. The committee labored mightily, and diligently, and produced a good vehicle, but an imperfect one. The bill has been considerably strengthened within the last 24 hours due to the hard work on the part of the chairman of the committee in constructing what I think are important compromises to be reflected in the committee amendments. These will do a great deal to shore up what I think are some of the weak spots in the bill that is before us.

There are many strengths in the bill and the committee is to be commended for those strengths. For instance, the limitations on contributions and expenses, while all of us may disagree with the various levels, have got to be something that is necessary and something the people want.

The single committee, the limitation on cash, the preemptions of State rules, the restoration of reasonable rights under chapter 611 for Government contractors the removal of State and local employees from unreasonable Hatch Act restrictions, the redefinition of restrictions on foreign nationals, the restrictions on honorariums are all important features of this bill. All of us will undoubtedly agree to the merits of these features even if we might have some complaints with some of the particular numbers involved.

I am particularly pleased with the committee amendment which will relate to the board of supervisory officers because I think it answers a number of the complaints I had about the committee bill. I am pleased that the compromise has been able to worked out.

What has not been worked out is the subject of public financing of elections which in my judgment is destructive to our election processes and will reduce individual participation and reduce party strength in this country.

The bill itself is restrictive to political party activities because it equates a broad-based national political party with any small special interest group of 50 persons. Each is able to contribute $5,000 to any campaign, and in my judgment this particular facet of the bill makes a special interest, a single tiny special interest, the equivalent of a political party. It renders violence to the concept that political parties are important and necessary to our system of government.

It is also my regret that the clearinghouse function, which was previously provided by the General Accounting Office, has been dispensed with in this particular bill. It may be possible to resurrect it now that we have a new board of supervisory officers. It is the one element in the Federal Government that renders some good to State governments.

We seem to have plenty of interest in telling the States how to run elections, but no interest in helping them with the elections. The clearinghouse served in that function and it is my hope that will be restored to the bill.

Mr. Chairman, I hope we adopt some of these amendments, but certainly not the Anderson-Udall amendment, and that we move this bill along and produce for the American people a good election reform bill at a time when confidence in our Government is threatened.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. Gaydos).

Mr. GAYDOS. Mr. Chairman, I rise in support of this bill.

Mr. Chairman, the Committee on House Administration has spent many hours in marking up this bill and, at this time, I want to congratulate both the Chairman, Mr. Hays, as well as my colleagues on the committee for their diligent efforts in drafting the legislation which is now before the House. It was evident to all the members of the committee that there was no easy answer to the many problems that were raised. I do think, however, that the bill before us is a good one. It reflects an attempt to meet the problems arising out of the 1972 elections and to provide a means of preventing their repetition in future elections.

We must bear in mind the fact that many of the abuses of the 1972 elections which have been exposed, were brought to light only because of the disclosure requirements of the Federal Elections Campaign Act of 1971. Furthermore, we must not lose sight of the fact that many of those responsible for those abuses have been and are still being prosecuted under existing law.

So I submit that we do have existing law that has been beneficial.

I. LIMITATION ON EXPENDITURES AND CONTRIBUTIONS

The purpose of the bill before us is to add to the 1971 act by providing additional restrictions on campaign activities. The 1971 act established limitations on the amount that a candidate could spend on "communication media." The substantial sums spent in the 1972 Presidential campaign, namely $54 million by Mr. Nixon and $28 million by Senator McGovern, as well as some House campaigns involving expenditures by individual candidates in excess of $100,000, and even a few in excess of $200,000 have demonstrated that a limitation on only a portion of the total campaign expenditures is inadequate.

Accordingly, the bill before us would place an overall ceiling on campaign expenditures. For Presidential campaigns this would be $10 million in the preconvention period and $20 million in the general election. When compared with the expenditures on the 1972 election, it is abundantly clear that it is the intent of the bill that the tide must be reversed and allowable Presidential campaign expenses must be substantially reduced.

With respect to senatorial campaigns the limits are 5 cents multiplied by the population of the State—but in no case less than $75,000—for each election; primary and general.

For House campaigns the limits are $75,000 for each election; primary and general—and runoff if needed.

Admittedly the $75,000 limitation has to be arbitrary as many candidates spent substantially less while others spent more, but in order to take into consideration variations between congressional districts, the committee concluded that $75,000 was an appropriate limitation.

The bill does contain two provisions that could affect these limitations. One provision allows an increase in the ceiling based on an increase in the price index from the base period of 1973 and the year preceding the election. The second provision does allow a candidate to exclude from the limitation any expenses—not to exceed 25 percent of the limitation—for the costs entailed in fundraising. These provisions apply to all Federal elections.

Much has been made about the existence of the few very large contributors who appear to play a disproportionate role in the elections of Federal officials. The provisions of this bill setting very low contribution limits should eliminate the potential for abuse by the very large donors. No individual can contribute more than $1,000 to a candidate for each election—a total of $2,000 for primary and general, or $3,000 if a runoff is included—and no individual can contribute more than $25,000 to all candidates for all Federal elections in a single year.

Strict enforcement of these provisions should both eliminate the undue influence of the very large contributor to past elections as well as encourage many more individuals to contribute to the candidates of their choice. No longer will an individual be discouraged from making a modest contribution to an election campaign because of his feeling that his contribution will mean nothing compared to the substantial contribution of the very affluent individual.

The lack of participation and apathy of such a large segment of the electorate is a problem that concerns all of us. The setting of very low limits on individual contributions should serve to convince these individuals that they should take a more active part in election campaigns, to educate themselves as to the candidates and issues involved and to contribute to those candidates who promote their interests.

With respect to contributions by organizations, the bill provides a limit of $5,000 on contributions by a "political committee" to any candidate for any election.

A candidate cannot contribute more than $25,000 from his personal funds or the personal funds of his immediate family in connection with his own campaign.

There are additional provisions which prohibit contributions by foreign nationals and cash contributions in excess of $100.

II. DISCLOSURE

In order to make the disclosure provisions of the 1971 act more effective, the bill requires that each candidate designate a "principal campaign committee" to make expenditures on behalf of the candidate and to be responsible for the preparation and filing of reports to reflect the activities of all committees which support a candidate. This should inhibit the proliferation of campaign committees and provide a single report to reflect all activities in support of the candidate.

The bill amends existing law by repealing the provision requiring the 15-day and 5-day report and instead requiring a 10-day report which would have to be mailed no later than the 12th day prior to the election. Experience has indicated that the 5-day report has been of little value because the short time span involved between filing and the election prevents the most effective use of the information contained therein.

III. FINANCING OF PRESIDENTIAL ELECTIONS

The bill contains provisions which mark a radical change from the present private system of financing presidential elections. It expands on the dollar checkoff procedure which was adopted in 1971 by providing each major party with funds up to $2 million to cover the expenses of the party's nominating convention. Minor parties would be eligible for a lesser sum based on their past vote or to be reimbursed on the basis of their present vote in the general election.

Payment for convention expenses would be the first claim on the funds available from the checkoff procedure.

The major parties would be eligible to receive up to $20 million to cover expenses incurred in the general election. Minor parties would be eligible to a lesser amount. If a party chooses to use this method and funds available from the dollar checkoff fund are insufficient to cover the entire $20 million then the parties would be allowed to raise the difference from private sources.

With respect to presidential prenomination activities, the bill provides for funds from the dollar checkoff fund to be available on a matching basis. This is to assure that a candidate for nomination has sufficient national support and is not a frivolous candidate.

The use of funds from the dollar checkoff are limited only to the Presidential elections. Experience to date indicates that the overwhelming number of instances of election campaign abuses involved the recent Presidential campaign.

I am not presently convinced that the use of the checkoff system is going to be a complete solution to this problem, but I do support this approach with the hope it will be a viable solution.

On the other hand, I am not convinced at this time that the dollar checkoff system should be applied to other Federal elections. There is a substantial difference both in the magnitude and the process of Presidential elections as compared to elections to congressional office which make the former more appropriate for the use of public rather than private funds. The problem of frivolous candidates alone is one that could be a nightmare in the case of public funding of congressional elections.

Furthermore, I am quite optimistic that the limitations on contributions and expenditures provided in the current bill when combined with the disclosure provisions of the 1971 act as amended by the bill before us will eliminate the opportunity for campaign abuses in congressional elections.

We must not be unmindful of the fact that the constitutionality of funding Federal elections from the dollar checkoff system is far from clear.

Accordingly, I support the approach of the bill before us which limits the dollar checkoff system to the Presidential election.

CONCLUSION

The bill that the House Administration Committee has reported to the full House is a sound and workable approach to a very complex problem.

I sincerely urge my colleagues to give their full support to it.

Mr. FRENZEL. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado (Mr. ARMSTRONG).

Mr. ARMSTRONG. Mr. Chairman, it is my purpose to ask some questions about provisions of the bill which trouble me. I refer to language on line 21 of page 6. I would like to read it and put it in perspective:

> "(e) (1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

I would like to inquire of the floor manager of this legislation whether or not I correctly understand that this section limits not just the right of candidates or their supporters, but other persons who are in no way related to the campaign or the candidates on either side.

Mr. FRENZEL. It is my impression that this $1,000 limitation was the committee's response to the question of free speech, which was at least hinted at in the ACLU-Jennings case. We decided we should let an individual spend $1,000 to defeat or to elect the candidate, which amount would not be spent through the particular candidate's campaign committee or through the candidate personally. What we are doing, I think, in a short phrase, is to allow every individual a thousand dollars' worth of free speech.

Mr. ARMSTRONG. Mr. Chairman, the gentleman from Minnesota has come quickly to the heart of my concern. We are talking about other persons, not candidates or their committees.

The thing I do not understand, and I wish we could have some explanation, is how we can limit the right of free speech to $1,000 worth. The first amendment says we may not abridge free speech; we may not curtail; we may not diminish; we may not shorten. Is that not exactly what we are doing by this amendment?

Mr. FRENZEL. Mr. Chairman, if the gentleman will yield further, the gentleman is correct. We are at least modifying or containing the right of free speech exactly as the Supreme Court said, that one can shout "Fire" anywhere he wanted to except in a closed building. We are saying that a person can have $1,000 worth of free speech to elect a candidate or to defeat him.

We chose $1,000 because that was the limit we put on individual contributions to the committees. We said there ought to be a limit which would be similar for independent expenditures. The constitutionality may be doubtful, but if so, then the individual limitation is also doubtful.

Mr. ARMSTRONG. I thank the gentleman for his explanation.

But let me make it clear my concern is not primarily legalistic, but simply to draw attention of the Members to the fact that we are tampering in a very unfortunate way with free-speech rights, not of candidates or their supporters, but other persons, persons who may be entirely unrelated to the candidates, who may be citizens' groups, as was the committee in the New York decision—American Civil Liberties Union against Jennings.

May I now ask whether or not this $1,000 limitation would apply to advertisement or advocacy of the pros and cons of issues which may be clearly identified with the candidates, even though the candidates are not clearly identified within the meaning of the definition which follows this paragraph?

For example, if we have two candidates clearly defined on an emotional issue such as busing, inflation or amnesty, can citizens go out and advocate one side or the other of the issue and not mention candidates and escape this limitation?

Mr. FRENZEL. In my judgment, they cannot. This particular amendment was proposed by the gentleman from Michigan (Mr. NEDZI). The gentleman will find in our committee records that gentleman's explanation. I think he intended to cover by the words "clear and unambiguous" reference to a candidate the kind of thing the gentleman is discussing. One cannot by subterfuge or indirection escape that description if in fact the candidate, opposed or proposed, is apparent.

Mr. ARMSTRONG. Let me suggest that

while such issues as busing or amnesty may be clear cut, other issues are less sharply defined. I feel that we will find ourselves in a quagmire of litigation as committees try to determine where this line is.

May I ask a further related question of the gentleman? Supposing a committee seeks to advocate the election of 10 candidates and buys a $10,000 ad. Is it then to be prorated among the 10 of them?

Mr. FRENZEL. That is my understanding.

Mr. ARMSTRONG. May I ask, if the money is spent for an organizational effort not directly related to a candidate; for example, suppose to hire poll watchers or campaign workers, which in the end may be the most effective political expenditure of campaign funds, does it escape this limitation and other similar limitations in the bill?

Mr. FRENZEL. In my judgment, that expense would have to be prorated also, depending on the number of candidates.

Mr. ARMSTRONG. Suppose it is not for a candidate, but simply an expenditure for this purpose in the area?

Mr. FRENZEL. We can think up all kinds of situations that are difficult to explain. I think we have to take each one on its face. If there is a party expense which is pure overhead and is not directed at any single candidate, or may flow over to non-Federal type candidates, we will simply have to interpret those as they come up.

That is one of the reasons the committee wrote into the bill the advisory opinion section, which I hope will be helpful to candidates of all parties.

Mr. ARMSTRONG. Mr. Chairman, in the brief time remaining, I would like to again thank the gentleman from Minnesota for his explanations and to comment the gentleman and others who worked on this legislation for their sincerity of purpose. But I think they have gone far astray. I think they are making a terrible mistake which will be ultimately invalidated by the courts, but which will in the meantime cause a great harm.

I hope that there may yet be a way to amend the bill to strike out this provision.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I will yield if I have any time left.

Mr. FRENZEL. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ARMSTRONG. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I wish to associate myself with the gentleman's concerns. I think there is a real question as to whether or not we can put a quantified limit on the individual's constitutional rights of free speech, whether it is about political campaigns or anything else, but in particular political campaigns, which strikes at the heart of the operation of our Government.

I think the gentleman has raised a substantial point which, if this legislation is thoughtfully considered, will sustain his viewpoint.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. Thompson).

Mr. THOMPSON of New Jersey. Mr. Chairman and members of the committee, I do not intend to use 5 minutes, but I cannot let this opportunity pass without commending, in particular, the chairman of the committee (Mr. Hays) and the members of the committee.

I have heard virtually innumerable attacks on the chairman and on members of the committee for being dilatory, for not wanting legislation, and for stalling, all of which attacks which have been unfair and untrue.

This is enormously complicated legislation, and I would expect that of the members of the committee, there were at least an average of 10 amendments in the hands of each one of them. The gentleman from Minnesota (Mr. Frenzel) himself must have had 50 amendments. I had about 12 or 14.

We operate under the 5-minutes rule, and everyone was given every possible opportunity to be heard and to have his amendments voted upon. Virtually innumerable votes were taken, and in the course of this we saw a committee operate in the best possible and most democratic fashion in terms of give and take.

The gentleman from Minnesota referred to the committee amendments which were agreed upon a bipartisan and unanimous basis. I shall present 4 of them. They are not long, nor are they complicated, but their effect is to tighten up what we consider to be loopholes in this very excellent legislation.

Groups from outside this body, with particular interests, have been heard. They were present at the markups, have had their input, and have been paid attention to. In many cases their suggestions have been accepted.

In the final analysis, the votes of the committee, despite individual differences on individual sections or words or interpretations, were agreed upon almost totally unanimously in order to get this legislation to the floor.

I simply want to reiterate my confidence in the chairman and in my colleagues on the committee and to suggest to the Members that it is absolutely impossible to draft a perfect piece of legislation which is as complicated as is this. We think that we voted as well as can be done, and there may be subsequent changes necessary, but nevertheless, we are answering to an honest and much-needed response from the American public for meaningful election reform. That is the essence of this legislation.

We shall achieve the desires of the American public, and we shall do so honorably in this process today.

Mr. FRENZEL. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee (Mr. Baker).

Mr. BAKER. Mr. Chairman, in the catalog of abuses, compulsory political donations by union members rank right up there with the worst.

Absolutely no one argues against union officials' right to assist their political friends. It is precisely the same right enjoyed by business groups. The trouble begins when unions take dues money to finance that assistance.

How do they do this? Mostly through the services they perform for prounion candidates. Union political front organizations, notably the Committee on Political Education, COPE, conduct get-out-the-vote drives in neighborhoods likely to go for right-thinking candidates; they turn over buildings, trucks, telephones, and computers to friends of the union viewpoint.

Now if the dues-paying union man happens to like the candidate his union is helping, he may not worry much about where his dues are going. But what if he hates the fellow, cannot stomach his views for a minute? It is too bad, but there is no help for him: Like it or not, he is going to subsidize a candidate for whom he refuses to vote.

The issue, then, is one of political freedom. Either the union member has the right to withhold support from a given candidate or he has not the right. There is no other way of looking at it.

In 1972 the unions spent some $50 million on their political friends, only about 10 percent of which, according to labor columnist Victor Riesel, came from voluntary giving.

Accordingly, I would have been supporting the proposed amendments to curb "in kind" as well as directed donations.

As the Dallas Morning News wrote in a recent editorial, we can—

> Take it from George Meany: "Existing laws aren't nearly strong enough to prevent the use of union dues for political purposes." The ban, as the AFL–CIO chieftain puts it, is "honored as far as I am concerned by everybody in the breach."

I do not know how I can vote for this discriminatory legislation since the rule prohibiting amendments has been adopted.

Mr. FRENZEL. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. Michel).

Mr. DEL CLAWSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Illinois (Mr. Michel).

Mr. MICHEL. Mr. Chairman, I would like first to commend the committee for several of the items that are incorporated in the legislation, namely, the establishment of one central campaign committee through which we would do all of our reporting. I think that is certainly laudable. The fact that it establishes an independent election commission or board, I think, is good and sound and, as the Chairman pointed out, the simplifying of the election reporting requirements is surely desirable.

Then, too, the $100 limitation on cash contributions, in view of the shocking abuses that we have read and heard about within the last 18 months or so. One item that has not been touched upon up to this point, and that is the limitation of $1,000 on honorariums with a total of $10,000 in total for any Federal official.

And while this may in some respects be aimed at some of the Members of this body, I think in the main it is aimed at the Members of the other body who have been so piously proclaiming from time to time that Members of Congress do not need any pay raises, while all the time making as much and more in honorariums as their salary as Senators. I commend the committee for facing up to this thing and laying it right out here for everybody to see for what it is worth.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman for yielding.

I want to inform the gentleman that that particular amendment happens to be my amendment, and he is absolutely right.

Mr. MICHEL. I did not know that, but I would expect that the gentleman from Illinois, from conversations we have had in the past, would be the one inclined to offer that kind of an amendment. Obviously he had enough support to persuade his fellow committee members to write that into the legislation brought before us here today.

I do have some reservation, however, about the $1,000 contribution limitation. I do not need it in my own case. I think my maximum contribution is $250 in this particular campaign. But we do have some big, significant races here in this body on both sides of the aisle, and I think from a practical point of view, when one runs for the U.S. Senate, that may very well be a low limitation. I believe the limitation in the Senate-passed bill is $3,000. Of course, that could very well be compromised.

I have some other serious reservations with respect to the $5,000 limit per election on contributions to candidates by our recognized national party organizations, as I engaged the chairman of the committee in a brief colloquy during his presentation. I think that limitation on some of the special interest groups is very much in order, but I would surely much have preferred that each of our national committees and our congressional and senatorial campaign committees would have been excluded from that $5,000 limitation. I want to see both of the principal national parties enhanced. I want to see them as two strong, vigorous parties, and I think by this figure equalizing special interest groups with our national recognized Republican and Democratic national congressional and senatorial campaign committees really downgrades the importance of our respective nationally recognized committees.

I personally would have preferred that limitation to be something in the neighborhood of $10,000 or more. So I have to voice my reservation here today.

I am also concerned about the flat $75,000 limitation on any race. In my own case, I would hope that we would not spend more than $25,000 or $30,000 in a race in which I am running, but as an 18-year incumbent, I would expect that all of the good will that I have built up over the period of many years would not require 50, 60 or more thousand dollars. As I said earlier in the exchange with the gentleman from Alabama (Mr. DICKINSON) for a challenger to unseat an incumbent in 1972, it took an average of $125,000 to get the job done.

And again, representing the party in the minority in this body, I just cannot concede to this figure of $75,000. I think the problem—and I really do not criticize the committee so much in arriving at this figure as I do the incapacity of the general public to really comprehend it, are the differences that prevail throughout the country from one district to the other.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. I thank the gentleman for yielding again. I would like to point out that I was responsible for the $75,000 amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WARE. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. MICHEL. Mr. Chairman, I yield again to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, as I pointed out to my friend, the gentleman from Illinois (Mr. MICHEL), I was also the sponsor of the $75,000 limitation which was a compromise in the committee. We had several figures. But I want to point out that we can add $19,000 more to that, because we provide in the committee bill for 25 percent of the $75,000, but in the end, in reality it amounts to $94,000.

Mr. MICHEL. On that point I might ask the gentleman a question. As I read it, we provided for a 25-percent amount over the $75,000, but would that be limited to the expenditures involved in raising the money, in raising the funds initially?

Mr. ANNUNZIO. It could be limited. I would call it the meat-and-potato amendment. If one has a banquet for example the cost of the meat and the potatoes would come out of that, out of the moneys one would raise.

Mr. MICHEL. Or if there was a direct mail expenditure, that would be included?

Mr. ANNUNZIO. Yes.

Mr. MICHEL. I thank the gentleman.

Then, one final point I would like to make in transgressing upon the Member's time in general debate here is what I see is left out of the bill and which I would liked to have seen offered in the form of an amendment to appropriately treat the in-kind services and goods, for the special interest groups often make substantial contributions by providing in-kind services and goods, such as telephones, cars, airplanes, computer time, staff "volunteers," and the like.

The committee bill would exempt these contributions from both the limitation and in some cases the disclosure requirements.

To prevent this type of campaign abuse, the amendment I had intended to offer before adoption of the closed rule would have prevented or prohibited such in-kind contributions in excess of $100.

I might say that in the four particular special elections for seats in the House of Representatives that were held earlier in the year it has been estimated with pretty good justification, and I will insert with my remarks, when I have asked for permission to revise and extend, some documents that will lead us to believe in just those four special elections the in-kind services provided actually approached or exceeded the amount of hard contributions.

Current law defines the word "contribution" to exclude "services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate or political committee," and the committee bill further exempts certain other limited personal services, so my amendment would have had no effect on truly voluntary efforts by individuals on behalf of a candidate.

The amendment would, however, have curbed the type of "in-kind" contributions of special interest groups that have resulted in millions of dollars worth of what are, in effect, unreported campaign contributions.

Such contributions have been extensively documented in past campaigns, and represent a serious violation of the spirit, if not the actual letter, of our campaign law.

While several legislative methods of dealing with this problem have been suggested, a flat prohibition of "in-kind" contributions in excess of $100 is by far the most effective since it would eliminate, beyond the $100 level, the inevitable questions that arise over the worth or dollar value of such services to a candidate.

It seems to me if we hope to maintain any measure of credibility in our efforts at campaign reform, we must certainly take the steps necessary to curb abuses such as this.

Mr. Chairman, I am inserting in the RECORD the material I referred to earlier.

PENNSYLVANIA'S 12TH DISTRICT

The documented record of the race between Democrat John Murtha and Republican Harry Fox reveals that literally tens of thousands of union dollars were poured into the campaign by Murtha for former Representative John Saylor's (R–Pa) seat in the 12th District.

Contributions were of two types:

1. "Hard" contributions, in the form of cash donations, from thirty-two different union political action committees in the amount of $25,450.00 that were made to the Citizens for Murtha Committee.

2. "Soft" contributions, in the form of full time union staff personnel from national COPE, state COPE, the Pennsylvania state AFL–CIO and various other unions, the mailing by unions in behalf of Murtha, organizational activity at Indiana University that was clearly coordinated with Frontlash and supervised by a union "volunteer", last minute get-out-the-vote activities, polls conducted by the state AFL–CIO, and others such "soft" contributions. The amount identified in this area—by no means a full tally since the record for most of these hidden contributions remain in the hands of private organizations—comes to over $40,000—or nearly double the amount of hard contributions made by union officials.

STAFF TIME

It is clear that at least 20 union officials contributed time and effort during the campaign. They were:

1. Alexander Barkan, Director, COPE, $32,274.00 annual salary and $6,727.23 expenses.

2. Joseph Ferguson, Business Agent, International Ladies Garment Workers, $11,388.00 annual salary and $1,274.46 expenses.

3. Douglas Allen, Pennsylvania State AFL–CIO, salary unknown.

4. Mike Trbovich, Vice President, United Mine Workers, $31,100.57 annual salary and $3,049.04 expenses.

5. John Vento, Pennsylvania State AFL–CIO, salary unknown.

6. Carl Stellmack, Pennsylvania State AFL–CIO, salary unknown.

7. Harry Boyer, Pennsylvania State AFL–CIO, salary unknown.

8. Bernard Lurye, Assistant Manager, Garment Workers, $12,855.00 salary and $938.25 expenses.

9. James Myers, Organizer, AFSCME, $8,793 salary and $8,563.05 expenses.

10. Andrew Koban, District 15, Steelworkers, $17,314.59 salary and $4,179.56 expenses.

11. Edward Monborne, District 2, and International Exec. Board Member NMW, $22,491.73 salary and $4,600.61 expenses.

12. Frank Kulish, District 2 President, UMW, $15,314.17 salary and $87.22 expenses.

13. Mike Johnson, Vice President, Pennsylvania State AFL–CIO, salary unknown.

14. Robert Spence, International Representative, COMPAC, salary unknown.

15. Walter Carmo, Pennsylvania Education Assoc., salary unknown.

16. Chuck Krawetz, UMW, salary unknown.

17. Arnold Miller, President, UMW, $36,283.79 salary and $3,966.71 expenses.

18. Irwin Aronson, staff Pennsylvania State AFL–CIO, salary unknown.

19. Tom Reddinger, President, Indiana Labor Council (IAM), union salary, if any, unknown.

20. Dana Henry, member, IAM, no union salary.

Each of these individuals were identified—either through newspaper accounts, internal memos or union newsletters and papers—as having spent from one day to as much as five weeks promoting the Murtha candidacy.

One unionist, Tom Reddinger, identified by the Johnstown Tribune-Democrat as President of the Indiana County Central Labor Council, admitted in a personal interview, that he took five weeks of unpaid leave time from his job at Fisher-Scientific Company, Indiana, Pa., to work in the Murtha campaign. He further stated that all his expenses during this time were paid for by the Pennsylvania State AFL–CIO, including the cost for four telephones at headquarters, that, according to a General Telephone Company spokesman in Johnstown, would cost $126.80 during the five week period. Based on Reddinger's rate of pay with Fisher, his "in-kind" contribution in salary during the five week period would come to approximately $1,000.

Where salaries are available, the union official involved was pro-rated at the actual salary (plus identifiable expenses), for the period of time he was involved; where no salary was available, a reasonable figure of $15,000 per annum was assigned (a low figure in light of the bulk of identified salaries of union officials.)

On this basis, it was determined that salaries involved amounted to $5,902.78 and expenses to $2,317.73, for a total of $8,220.51.

PRINTING

There were four mailings to the 66,000 union members in the district and 6,500 active and retired teacher union members by the Pennsylvania AFL–CIO COPE and the Political Action Committee for Education (PACE), political arm of the state teachers union (Penn. State Education Association).

The two mailed under Permit #1, Harrisburg (the permit is held by Speed Mail, Inc.) were costed out by reputable printers at the following rates:

1. Mailing of January 18, 1974 to 1,000 retirees only:

Printing, $10 and postage, $80 (mailed first class); totals $90.

Mailing of January 25, 1974 to 6,500 active and retired educators:

Printing at $10/m, $650 and postage, $520 (mailed first class) totals $1,170.

Two additional mailings were sent out at the non-profit organization rate (1.7 cents per piece) under permit #668 at Pittsburgh, Pa., a permit registered to the Pennsylvania State. . . . Costs of these two mailings, were as follows:

Mailing to 66,000 union members in District by United Labor Committee:

Printing at $27/m, $1,782; postage at 1.7¢, $112; and postage $191, totals $2,025.

The second quoted postage cost is the difference between a non-profit mailing rate of 1.7¢ and what the candidate would have had to pay if the mailing had gone out regular bulk mail rates.

Mailing to same members in district of flyer with four halftones:

Printing at $40/m, $2,640; postage at 1.7¢, $112; and postage, $191; totals $2,943.

Thus, the total value of mailings by unions in behalf of the Murtha candidacy came to $6,288.00.

OTHER CONTRIBUTIONS

Other "soft" contributions by unions to the Murtha race included:

1. At least 15,000 telephone calls by the Indiana County Central Labor Committee to members of the union in the county. (Source—interview with Tom Reddinger.)

2. "at least $12,000 is expected to go into the district from labor for last minute campaign expenses and election day activities." (Philadelphia Bulletin, February 3, 1974.)

3. "$14,000 which . . . the state and national AFL–CIO and COPE committees spent to house and feed staff members at a downtown Johnstown motel during the election campaign." (Johnstown Tribune-Democrat, January 30, 1974.)

4. The AFL–CIO was "operating out of 15 rooms at the Sheraton Inn, on Market Street." (Johnstown Tribune-Democrat, December 18, 1973.)

5. The state AFL–CIO conducted a telephone poll for Murtha in the 12th District (Johnstown Tribune-Democrat, December 18, 1973.)

6. Democratic telephone bank workers use facilities of Gautier Hall, which is owned by the Steelworkers Union (photo in the Johnstown Tribune-Democrat, February 5, 1974.)

SUMMARY

By category, identifiable soft contributions by unions to the Murtha campaign are as follows:

Staff time, salaries and expenses deferred	$8, 220. 51
Printing and postage for mailings	6, 288. 00
Student activities	369. 53
Other:	
Last minute get-out-the-vote	12, 000. 00
Costs at the Sheraton	14, 000. 00
Subtotal	40, 878. 04

When one includes the "hard" (reported) contributions of $28,450.00, it can be seen that the value of the total union effort in the district is at least $66,328.04, or nearly as much as Murtha reported for his entire campaign.

OHIO'S FIRST DISTRICT

There is very little doubt that, both in and off the record, union officials and their political organizations had a tremendous impact on the race between the Democrat, Tom Luken, and the Republican, Bill Gradison, on March 5th.

Direct contributions by union political organizations to the Luken for Congress Committee were made by thirty-three separate union organizations in the amount of $30,875.00.

The scope and significance of the indirect contributions by union officials is captured in the February 8, 1974 edition of The Chronicler, a bimonthly publication of the Cincinnati AFL–CIO Labor Council, which is distributed to 2,000 labor officials in the Cincinnati area.

In it, an announcement is made of the "most important business meeting for all union stewards and committeemen geared to their vital part in labor's effort to insure the election of Tom Luken to Congress." It goes on to note that "materials will be furnished and *definite assignments outlined* for the action required to build a Luken victory . . ." (emphasis supplied)

The cost of the space devoted in the Chronicler to Luken over the January 8-March 25 period represents an indirect cost of $360 alone.

In addition, William Sheehan, head of the Labor Council, disclosed that at least 4 national and state staffers were in for the election—or as George Meany put it on "Face the Nation" on March 3rd concerning the race, "We're putting in the usual—we're sending in outsiders. Some of our COPE men . . ."

Among those in Cincinnati were Ray Alverez, Area Director of COPE ($2,085.46 contribution in salary and expenses under previous formula); Ruth Colombo, COPE, ($1,977.19 pro rated salary and expenses for one month); Jane Adams Ely, Ohio State AFL–CIO (salary unknown); W. C. Young, National Field Director, COPE (salary $20,373.50 expenses $8,659.84). Ely and Young were in for an undisclosed period of time, but the bare minimum of salary and expenses for even one day's stay could reasonably be put at $500.00.

Thus, identifiable staff time and expenses for union officials came to $4,562.65.

Moreover, Alverez stated in an interview that at least 84,000 telephone calls were made from the phone banks at the Central Labor Council to union members in the District. If the cost of those calls were projected at the same 4½ cents per call rate used in Michigan, that would place their value at $3,780.00.

As in other districts, there were many mailings to union members:

1. At least two—one dated February 18, 1974 and another February 28, 1974 were sent out to members of District 30, United Steelworkers of America.

2. Another mailer dated February 28, 1974 was sent to all members of Local 863, UAW.

3. Yet another mailer dated February 18, 1974 was sent to members of the Amalgamated Clothing Workers.

4. Space was devoted in local union papers to promoting the candidacy of Luken.

In all at least $8,342.65 in paid staff time and telephone costs on a projected basis were pumped into the Luken's campaign.

MICHIGAN'S EIGHTH DISTRICT

As in the case with other special, off-year elections, the race between Democrat Robert Traxler and Republican Jim Sparling was significantly influenced by the infusion of "hard" and "soft" contributions made by union officials to the Traxler campaign.

Hard contributions amounted to nearly $29,000.00 with the United Auto Workers—an independent union based in the state—contributing nearly half the "hard" labor money, as reported by the Traxler for Congress Volunteer Committee.

Some 22 labor political action groups contributed $28,880 in "hard" money to the campaign, a figure that even cursory research shows does not realistically measure the contribution on the part of the union hierarchy in behalf of the Traxler campaign.

STAFF

A minimum of eight national, state, and local union officials contributed their salaried staff time (plus expenses) to the project of getting Traxler elected.

Those officials were:

James George, United Auto Workers (UAW), Detroit, annual salary $17,093.80, expenses $4,285.06,

Sam Fishman, UAW, salary $23,088.10, expenses $6,219.25,

Ray Alverez, Area Director, AFL–CIO COPE, salary $19,772.50, expenses $6,868.17,

Ernest Dillard, UAW, Detroit, salary, $18,294.65, exp., $6,246.37,

W. C. Young, National Field Director, COPE, salary $20,373.60, expenses $8,659.84,

John Dewan, UAW, Madison Heights, Michigan, salary $16,943.80, expenses, $3,992.16,

Ruth Colombo, Assistant Area Director, Women's Activities Program (COPE), salary $20,360.50, expenses $3,365.90.

In addition, Wallace J. "Butch" Warner, 2575 N. Orr Rd., Hemlock, Michigan, was off his job (unpaid) from January 14, 1974 through the election (April 16, 1974) to work as coordinator on the campaign for the "Traxler for Congress Labor Coordinator."

An employee of Michigan Bell and a paid staffer as President of Communications Workers of American Local No. 4108, Warner's worth to the campaign (he is a cable splicer and earns $225 per week under terms of the union contract) come to $3,202.50.

Warner disclosed in an interview that he had indeed worked with COPE and UAW personnel, identifying Sam Fishman as having been on the scene for at least one week, W. C. Young for 10 days, Ruth Colombo as having supervised for "at least 10 days" the phone banks used to contact the 43,000 active UAW members, 5,000 retirees and 25,000 AFL–CIO members in the district.

For various reasons—such as an unlisted number, personnel moving, etc.—some 50% of the 73,000 union members, according to Warner were not contacted. Thus, some 43,800 calls were made, many of them twice, once they were identified as in the Traxler camp. Assuming ½ of those contacted were in this category, that means approximately 65,200 phone calls to union members alone at the rate of 4½ cents per call (as billed in Michigan) for a net cost of $2,922.

In terms of paid staff time, we must weigh in the appropriate pro rata share of Ray Alvarez' salary and expenses. Alvarez candidly admits he was assigned to work in three congressional districts (Ohio 1, Michigan 5 and Michigan 8) from January 3 through April 16—or 28% of his annual time.

Thus, in all three races, his "in-kind" contribution was $6,256.40, a third of which ($2,085.46) is allocated to the race in Michigan 8.

Applying the same pro rata formula, the "in-kind" contributions for other COPE and UAW operatives are as follows:

W. C. Young had salary of $738.00 and expenses of $309 which totals $1,047.

Ruth Colombo had salary of $738.00 and expenses of $309 which totals $1,047.

Sam Fishman had salary of $444.00 and expenses of $120 which totals $564.

In summary, a cursory glance will establish at least $7,945.96 in "soft" contributions of paid staff time to the Traxler campaign.

PRINTING

In addition to the identifiable staff time and expenses involved, a substantial "soft" contribution come in the form of four separate mailings, three of which were sent "To all UAW members in Michigan's 8th Congressional District." Copies of those mailings are attached as "A."

Two different mailing permits were used at the non-profit organization rate, with permit #3333, which belongs to American Mailers and Binders of Detroit, on two mailings, and the UAW's own permit #8000 being used for the third.

In terms of cost, as estimated by a Michigan printer, here is what each of the mailings would cost:

Mailing of March 30, 1974 to 43,000 UAW members:

Printing at $28.80/m, $1,238.40; Postage at 1.7¢, $73.10; and postage, $124.70 totals $1,436.20.

Mailing of April 2, 1974 to 43,000 UAW members: (It is noteworthy that this mailing made from Detroit under permit #3333, contained as an insert a six panel brochure allegedly paid for by the Traxler for Congress Volunteer Committee).

Printing a two page letter at $38.30/m, $1,668.40; postage at 1.7¢, $73.10; and postage at 2.9¢, $124.70, totals $1,866.20.

Mailing of April 6, 1974 to 43,000 UAW members:

Printing, $1,688.40; postage at 1.7¢, $73.10; and postage at 2.9¢, $124.70, totals $1,866.20.

Mailing of "8th Congressional District Special Election Edition" of Michigan *AFL–CIO News* (Vol. 35, No. 37, April 16, 1974) to UAW members in the 8th District.

(In this 8 page tabloid, five pages are devoted unabashedly promoting the candidacy of Traxler. Taking ⅝ths of the costs the "in-kind" contribution is shown below.)

Printing, $2,750.00; and postage, $200.00, totals $2,950.00.

Thus, total soft printing costs contributed by the UAW and Michigan State AFL–CIO to the candidacy of Traxler came to a total of $8,118.60.

SUMMARY

It is therefore reasonable to state that many thousands of dollars in soft contributions were funnelled into the Michigan 8 race by the unions and union officials.

The contributions break down as follows:

"Hard" contributions from labor sources, $28,880.

"Soft" contributions:

Staff time and expenses	$7,945.96
Printing	8,118.60
Telephone costs	2,922.00
Total	18,986.56

This "investment" is over and above the reported money, for a grand total union contribution of $47,866.00

Additionally, three union officials were identified as being on the scene, whether as paid or unpaid is not clear. The three were: James George, UAW, Detroit (annual salary of $17,093.80); Ernest Dillard, UAW, Detroit (annual salary of $18,294.64); and John Dewan, UAW, Madison Heights (annual salary $16,943.80).

MICHIGAN'S FIFTH DISTRICT

The race for Vice President Gerald Ford's former seat in Congress was somewhat different from the other three special elections, in that a professional firm—headed by John Martilla—took over direction and management of the Vander Veen campaign.

Nevertheless, the union influence directing the campaign was exercised in both a direct and indirect fashion, much as it was in all other special elections.

1. Direct contributions as filed by the treasurer of the Vander Veen for Congress Committee lists some 12 separate union political action groups contributed a total of $18,711.00 to the Vander Veen campaign—or approximately 38% of the total direct reported contributions of $49,588.70.

2. Indirect contributions. Perhaps because a professional consulting firm was retained to direct the Vander Veen campaign, the "high profile" maintained by union officials while working in other special elections was not as evident. However, Ray Alvarez, area Director of the AFL-CIO's Committee on Political Education (COPE) admitted to having been in Michigan's 5th District. Under the same formula developed for the Michigan's eighth District some $2,085.46 of Alvarez' annual salary and expenses of $26,590.67 could be considered an indirect campaign contribution.

The printing area was one that afforded a good deal of "in-kind" support for the Democrat. Curiously, the same format, type face, halftones, paper, three of the pages are exactly the same and appeared in a tabloid-type mailer that went out under *both* the permit number of the candidate (#552) and the permit of the Western American mailers (#1), which mailed the piece in behalf of Region 1–D, United Auto Workers, Box H, Grand Rapids, Mich.

In terms of specific mailings and costs, the following were sent during the course of the campaign:

Two page letter, enclosing a xeroxed "fact sheet" on Vander Veen plus a postage paid return card under Permit #4721 addressed to Region 1–D, UAW, soliciting workers for the Vander Veen campaign.

Printing, $1,151.70; postage at 1.7c, $374.00; and postage at 2.9c, $638.00, totals $2,163.70.

Tabloid mailer (mentioned previously) sent to all UAW members in the district.

Printing, $2,373.00; postage at 1.7c, $374.00; and postage at 2.9c, $638.00, totals $3,385.00.

In addition a separate tabloid mailer was also prepared that is, once again, similar & identical in places to the other two tabloids. The difference is that this is printed on offset stock instead of newsprint and in all likelyhood mailed at an estimated cost of $3,315.00 to all UAW members in the district.

Thus total "in kind" printing and contributions to the Vander Veen campaign came to $8,863.70; combined with the salary for just one member of the COPE staff, Ray Alverez, the total in kind contributions in their quietest of the districts comes to at least $10,949.30.

Obviously, not all "soft" contributions are covered in the report on this district—telephones, etc.—but the low profile maintained by union officials during the race makes them almost impossible to detect.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, I rise today in support of H.R. 16090. I want to particularly congratulate the chairman of the full committee for the patience that he exercised during the past 6 months while the committee was deliberating all of the amendments that have been offered in committee to this legislation. As a cosponsor of this legislation, I would also like to pay tribute to the gentleman from Minnesota (Mr. FRENZEL), the gentleman from Ohio (Mr. DEVINE), the gentleman from Alabama (Mr. DICKINSON), the gentleman from Pennsylvania (Mr. DENT), the gentleman from Indiana (Mr. BRADEMAS) and the gentleman from New Jersey (Mr. THOMPSON); in fact, all the members of the full Committee on House Administration for the diligent manner in which they attended all the meetings in order to come out with a bill that deals with limitations, that deals with disclosure and deals with an idea whose time has come. I refer to public financing.

I would like to remind the Members of this House that in 1968 we passed in the House on a Christmas tree bill a $1 contribution the taxpayer would designate to which political party his contribution would go. In the public finance section of this legislation we have $24 million that has already been collected by the Internal Revenue Service checked off by the citizens as a voluntary contribution. It is estimated that by 1976 we are going to have $60 million in this fund.

I want to also remind the Members of this House that I am totally against any moneys being taken out of the general revenue fund for purposes of financing an election; but I do strongly favor the fact that the American people checked off and have mandated the Members of Congress to act, "We have given you voluntarily $60 million. We expect you to use this money so that we can have the kind of elections in America that we can feel comfortable with, and especially with the Members of the Congress and the President of the United States."

This is the reason we included in the bill a limitation of $20 million for candidates on a presidential level, $20 million for the Democrats and $20 million for the Republicans, and $2 million for each party convention.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. ANNUNZIO. Mr. Chairman, there is $2 million for each party convention and with the Presidential primaries to be financed, as fully explained by my distinguished colleague, the gentleman from Indiana, Mr. JOHN BRADEMAS, that we would have to collect $250 in small contributions, a total of $5,000 in 20 States, a total of $100,000 to be eligible to qualify.

I believe in congressional public financing and the checkoff system. If the money is there and if the committee can work its will this afternoon, I would like to see both the Democratic Congressional Committee and the Republican Congressional Committee, with my good friend from Illinois (Mr. MICHEL), that those committees be used as a vehicle to distribute that public money that has been designated by the taxpayers to be used for public financing of congressional elections.

Mr. HAYS. Mr. Chairman, I yield 7 minutes to the gentleman from Pennsylvania (Mr. DENT), the chairman of the Elections Subcommittee.

Mr. DENT. Mr. Chairman, with all of the talk about the closed rule and not allowing certain sections of the bill to be open for amendment, I can say to the Members that for the number of years—not only months—that our committee held hearings and so forth, and the committee itself under the gentleman from Ohio (Mr. HAYS), with its meetings and markups for 22 sessions, the major point of discussion in all of these days and hours has been the question of money—m-o-n-e-y—the root of all evil and the source of much good.

Money is the name of the game in politics, and until we admit that and stand up and face it, all of the reforms that we may yap about and talk about and try to get our attention about are just so much talk.

As long as one candidate can spend $204,000 in a general election against a candidate who spends $2,775, it is a farce and a fraud upon the body politic; as long as the total number of candidates in the entire primary and general last year, who were candidates in the primaries and won and went on to the general election, 834 candidates spending a total of $40 million less $8,000.

We are proposing in this legislation to increase that spending allowance, almost by mandate in this law, to $240 million for 835 candidates. Who on God's earth is going to say that this is a reform when we are proposing to spend $7,395,000 for an election for Members of Congress more than the entire salaries of all the membership of the Congress combined?

The reason this has all come to this stage is because those who talk reform do not want reform; because every public organization demanding reform is basing it upon greater expenditures for elections, instead of less; when these same organizations fight every attempt by the Congress or even by the Commission on Salaries to raise or increase the salary of Congressmen. All right, they all agree, Common Cause and the rest, they agree that we should spend $240 million to get elected, but not one cent for an increase in pay to put us in a position where we would not have to go out with cap in hand and a tincup asking for donations.

"Please put money in the pot so that I can run for Congress. Please send me some money so that I can buy some matches and cards. Please do that. I want to serve in the Congress. I want to be a public servant, but you better send me some money or else I will not be able to do it, and if I am not there, I cannot do you any favors."

That is the condition we find ourselves in, because we have allowed this office to be bought and sold and traded around like a commodity. Three hundred and twelve thousand dollars by one candidate who ran against another candidate in the same election, who spent $208,000. It goes from the sublime to the ridiculous. The average spending of the Members of this Congress, of the total number of Members running, was $47,000. But, we are saying to 5 percent—5 percent of the candidates for Congress spent near the amount that we are saying in this bill ought to be the amount to spend for Congress.

The other 95 percent somehow found a way into the Congress with much, much, much less. The limit of one's spending is not the criterion that we measure an election on.

Let me just show the Members some of the examples, if they wish.

We have in one State—I will not mention the names of the Members; it might embarrass them, and I would not want to do that—but a Democrat spent $274,000 against a Republican who spent $152,000. The Republican was a nonincumbent and won.

We have in our House a very wonderful man. I think the Members would recognize him by the clothes he wears. He spent $218,000 to get elected to a seat in Congress. I want to know what kind of service he can render to his people that entitles him to $218,000 worth of expenditures on his part.

He had running against him a candidate who spent $169,000 and another one who spent $212,000 and beat a candidate against him—not a challenger, a candidate; they were both nonincumbents—he beat a candidate who spent $306,000.

Here we have another example of $518,000 and in another instance, $520,000 for a job that pays a total of $85,000.

I do not know. Maybe some of the Members come from some place where they have a money machine.

Here is what happens because of this. Here is an opus written by a well-known newspaperman. Let me give the Members his analysis of Congress: "$661 million puts Congressmen on Easy Street."

He starts off by asking a question, and I will give anyone a dime who can answer it.

This is what he says:

"What costs $661 million a year, travels a lot, talks a lot, talks himself to sleep, and writes letters even when he is not written to? Two guesses. Do you give up? Why, it is an easy answer: The Congress of the United States."

The Congress is now about to come on scene in a great public spectacle on the impeachment.

If we Members figure this out, it comes to about $1 million-plus per Member per year that the taxpayers have to pay.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. HAYS. I have another minute left, I understand. I will be glad to yield it to the gentleman from Pennsylvania.

Mr. DENT. I do not want to read the whole thing, but I just want to tell the Members what he counts as an emolument, as a great piece of the gravy train.

He says: "The Library of Congress provides him with free reading matter by bedtime if by chance he cannot sleep, and when he dies, the deceased Member receives automatically an extra year's salary to help him out with his own final arrangements."

Mr. Chairman, I think we ought to put this man up for the Pulitzer Prize.

Mr. FRENZEL. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. Blackburn).

Mr. BLACKBURN. Mr. Chairman, we are now engaged in trying to pass a campaign reform bill—a bill which most Americans want to see adopted. I believe it is almost incredible, however, that this long and detailed bill makes absolutely no mention of what is probably the largest single abuse of our present campaign laws. I refer to the giant loophole which, in effect, allows union dues to be used in vast quantities, perhaps $100 million in a general election, to be funnelled by the union leaders to their favored candidates. Two international unions—caught red-handed in these practices—have recently agreed as a result of court cases to refund to their members those portions of their union dues which have been spent on political campaigning. These were the Brotherhood of Railway and Airline Clerks and the International Association of Machinists. A recent article in the Wall Street Journal, January 29, 1974, makes it very clear that cash-equivalent political expenditures by union officials far outweigh their direct cash aid to candidates.

I should like to submit this article for the Record at this time:

Money's Just One Tool Machinists Use To Help Favored Office Seekers—Indirect Aid Is a Big Item, Court Records Indicate; How Democrats Benefited—Some of the Dough Is Soft

(By Byron E. Calame)

Los Angeles.—Like the President himself, some of Richard Nixon's foes in organized labor have been surrendering sensitive political records.

The International Association of Machinists, in a case initiated by a group of dissident members of the union, was forced by a federal court here to release thousands of documents. They reveal in unusual detail how the IAM goes about electing its friends to federal office.

This rare glimpse into the inner workings of one of the AFL–CIO's largest (800,000 members) and most politically active unions shows that there is a lot more to a union's political clout than the direct financial contributions reported to government watchdogs—and labor's political experts say the machinists probably adhere to the campaign spending laws as closely as any union.

The documents indicate that direct gifts are often overshadowed by various services provided free of charge to favored candidates under the guise of "political education" for union members. The indirect aid includes some of labor's most potent poltical weapons; assignment of paid staff members to candidates' campaigns, use of union computers, mobilization of get-out-the-vote drives.

TRIPS AND DINNERS

Dues have also been used, the documents indicate, to supply IAM-backed candidates with polls and printing services and to finance "nonpartisan" registration drives, trips by congressional incumbents back home during campaigns, and dinners benefiting office seekers endorsed by the machinists. Machinist-backed candidates are almost invariably Democrats.

An important question is whether these dues-financed activities violate federal laws that for decades have barred unions and corporations from using their treasury funds to contribute "anything of value" to candidates for federal office. Money for such direct contributions by unions must come from voluntary donations coaxed out of the members. The federal statutes do permit unions to spend dues for partisan politicking directed at the union's members and their families, on the theory that this sort of thing is internal union business, and the money used for this activity is called "education money," or "soft money."

The political activities of the machinists' union are, indeed, aimed at the union's members and are therefore proper, says William Holayter, director of the union's political arm, the Machinists Non-Partisan Political League.

DRAWING THE LINE

Even labor's critics concede that it is sometimes hard to draw the line between activities designed to sell a candidate to a union's members and those intended to sway voters in general. A member of the machinists assigned to promote a candidate among other machinists may inevitably find himself wooing other voters as well.

Still, the machinists' documents suggest that the union has often sought to provide maximum assistance to a candidate by use of soft money. "The problem," says one labor political strategist, "is that the machinists put too much in writing." The late Don Ellinger, the widely respected head of the Machinists Non-Partisan Political League who died in 1972, evidently had a penchant for memos.

Spending reports filed with the Senate for the 1970 campaign show that the Machinists Non-Partisan Political League openly gave Sen. Gale McGee $5,000; the internal records now disclose that the Wyoming Democrat also received at least $9,300 in noncash assistance. Direct donations to Texas Democrat Ralph Yarborough's unsuccessful Senate reelection bid in 1970 were listed at $8,950; one document indicates he got other help worth at least $10,680. While the league poured $15,200 directly into Democrat John Gilligan's unsuccessful 1968 bid for an Ohio Senate seat, the documents show it indirectly provided more, $15,500.

RECEIPT UNREPORTED

Available records indicate that few, if any, campaign committees for machinist-backed candidates listed indirect aid from dues money as contributions. Prior to a 1972 toughening of disclosure requirements, candidates evidently found it easy to spot loopholes that were used to avoid reporting such indirect assistance.

The dissident machinists who forced disclosure of their union's files had brought their suit with the backing of the National Right to Work Legal Defense Foundation. The dissidents wanted the court to bar the union from using dues money for any political activity—including such clearly legal endeavors as politicking directed at its own members and traditional union lobbying efforts. The real goal of the right-to-work foundation is to eliminate the forced payment of dues. A federal judge dismissed the suit Dec. 19, largely because the union offered to start rebating the dues of any member who disagrees with the union's stand on political or legislative issues. The dissident group appealed the decision Jan. 10.

One questionable arrangement of the machinists helped reelect Sen. McGee in 1970. Alexander Barkan, director of the AFL–CIO Committee on Political Education, asked the machinists early that year to put the names of 65,000 "Democrats in Wyoming" on the machinists' computer for the Senator's use in "mailings, registration, etc." The minutes of the Machinists Non-Partisan Political League executive committee show that Mr. Ellinger recommended handling the chore but warned that it would have to be financed with "general-fund money" (the league's separate kitty composed of voluntary donations and would be considered "a contribution toward the Gale McGee campaign.")

Despite the warning, internal records show that bills totaling $9,302.74 for the operation were paid out of the league's political-education fund, built from dues money. Computing & Software Inc. was paid $4,696.84. Minnesota Mining & Manufacturing Co. received $414, and $4,191.90 went to reimburse the IAM treasury for cards it provided.

Doubts about such arrangements may be raised in the coming report by the Senate Watergate committee. Though Republican hopes for public hearings on union campaign contributions will probably be disappointed, the committee staff has asked unions broad and potentially explosive questions about the services provided to candidates.

Watergate revelations, some union politicians believe, have demonstrated that labor can never collect enough rank-and-file donations to rival campaign contributions by business bigwigs. "There is no way we can match them," says Mr. Holayter of the machinists. "It's silly to try." Hence the importance of the indirect contributions.

This is one reason why the AFL–CIO is pressing for public financing of federal campaigns; its strategists obviously figure that a ban on direct contributions would leave labor in a better position relative to business than it is in now.

If past performance is any guide, the machinists' union would still be a valuable supporter for its political favorites if public financing were adopted. Its indirect assistance in staffers' time alone has totaled in the tens of thousands of dollars, the court documents show.

Printing is another campaign expense that the IAM often helps its friends meet. With the 1970 elections coming up, an aide to Rep. Lloyd Meeds passed to the machinists a bill for the printing of the Washington Democrat's quarterly newsletter. "The newsletter went to every home in the Second District," the aide rejoined in one of the released documents. "We had a tremendous, positive response to it." Although the newsletter had been distributed far beyond the IAM's ranks in an election year, a soft-money check for $695.17 to the printer was quickly dispatched to a local union official.

Early in the 1972 reelection drive of Sen. Thomas McIntyre, the Machinists Non-Partisan Political League agreed to spend $1,000 "for assistance in newsletters" put out by the New Hampshire Democrat. And earlier, during Rep. John Tunney's successful 1970 bid for a California Senate seat, the league picked up a $1,740 tab for printing of a brochure that compared the Democrat's voting record with that of the GOP incumbent, George Murphy. Some of the brochures were passed out at a county fair.

The amount of union staff time devoted to candidates' campaigns is difficult to pin down. Irving Ross, a certified public accountant retained by the suing dissident machinists to analize the IAM documents, filed an affidavit giving "incomplete" tabulations. Mr. Ross says the time that IAM "grand lodge representatives" and "special representatives" spent on campaigns in 1972 was worth $39,175. The amounts were $56,241 in 1970 and $42,921 in 1968, he says. The IAM says the figures are too high, but it didn't challenge them in court.

A status report prepared by the machinists political unit in late August 1970 shows that at least one field representative was working full time on each of over 20 congressional campaigns. IAM agents often become almost part of the candidate's campaign staff. When Robert Brown was assigned full time to Indiana Sen. Vance Hartke's reelection campaign in May 1970, he set up an office right in the Democrat's headquarters and had the title of chairman of the Indiana Labor Committee for Hartke. Another IAM representative, William Wolfe, was assigned to Yarborough campaigns in Texas in 1970 and 1972—and was being paid out of the union treasury in May 1972 even though a new law effective in April 1972 specifically barred a union from using dues money to pay for services rendered to a candidate, thus spelling out more clearly an old prohibition.

The union also takes machinists out of the shop for campaign duty, giving them "lost time" compensation out of dues money to make up for the loss of regular pay. Thus, the files show, two Baltimore machinists got $282.40 a week while working for the Humphrey presidential campaign for five weeks in 1968. A Maryland IAM official said later that the two "did a first-rate job, especially in smoking out the local Democratic politicians who were inclined to cut the top of the ticket" and persuading them not to do so.

Rep. Richard Hanna of California got $500 from the machinists to help finance a $6,000 "nonpartisan" registration effort to help get him reelected in 1970. In a letter requesting the union's aid, the Democrat predicted that the drive would "raise the district to at least 53.5% Democratic . . . because most of the unregistered voters are Democrats." He said the registrars would be preceded by "bird dogs," meaning that Democratic workers would roam out ahead of the registrar to identify residence of unregistered Hanna supporters.

The machinists' union's airline credit cards come in handy when incumbents are earger to get home in election years. Early in 1969, the executive committee of the machinist political unit authorized the expenditure of $3,600 to buy plane tickets home for unnamed "western Senators" during the following year's campaign. The league's "education fund" provided Sen. Yarborough and his aides with $705.60 worth of tickets during his 1970 reelection campaign. The files show that $500 went to Sen. Albert Gore, Democrat of Tennessee, during his losing reelection effort in 1970.

Machinist officials contend the organization pays for such travel because the candidate speaks to a union group or "consults with union leadership" in his district. But correspondence in the files indicates that this is more of a rationalization than a reason. Take a 1969 Ellinger memo to Sen. Yarborough outlining procedures "for all transportation matters." It states:

> "We would like our files to contain a letter . . . indicating that you intend to be in Texas on a particular date to consult with the leadership of our union. If a trip includes a member of your staff, the letter should also name the staff member as being included in the consultation."

"Appreciation dinners" for Senators and Representatives often serve as a conduit for "soft money." Consider the ten $100 tickets the IAM bought to a 1969 testimony gathering for Sen. Frank Moss, Democrat of Utah, who faced an election in 1970. "Since Moss is not yet an announced candidate, we can use educational money for this event and later consider this as part of our overall contribution," the minutes of the league's executive committee explain.

Mr. FRENZEL. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Chairman, I thank the gentleman for yielding.

The American public wants campaign reform, and I think the majority of the Members of this body want campaign reform, and I intend to vote for portions of this legislation.

I should say, however, that campaign reform, whether it involves financing or whether it involves special interest groups or whatever, is not genuine reform until we start to face the basic question of personal financial disclosure.

It seems to me that the greatest doubt, the greatest amount of suspicion in the minds of the American people, has to do with the decisions that we in this House make, decisions made in the executive branch and in the judicial branch that affect the public interest, those decisions that are made daily by all of us, whether elected or appointed.

Those decisions are decisions that affect defense contracts and affect mineral leases and all these things, as well as other potential conflicts of interest which we in this body and these other two branches of Government might have.

Mr. Chairman, many of us have voluntarily disclosed not only our statement of assets and liabilities but also our private income tax returns.

However, it is not enough to have voluntary disclosure. The standards which we have to abide by now provided in the form A and form B are minimal. They do not get to our sources of income; they do not get to our assets and liabilities except as it applies to debts and transactions above a certain amount.

It just seems to me that the field of personal financial disclosure is the major uncharted area as far as campaign reform is concerned.

Mr. FREY. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to my colleague, the gentleman from Florida.

Mr. FREY. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman for his own personal work in this area. I have also been involved in this matter for several years.

I think to a certain extent this does constitute an invasion of privacy of each and every Member. Yet under the circumstances we face today I think we must take that extra step and make that extra amount of effort to win back the confidence of the people in this country in ourselves and in all those who are in politics.

As distasteful as it is personally to me—and it frankly is—I think it is the price we have to pay. It is the price we have to pay, because of the loss in confidence that we have experienced.

Mr. Chairman, it is a shame that we are not able, under these procedures, to bring this matter up and to get this meaningful reform enacted.

Mr. STEELMAN. Mr. Chairman, the gentleman makes a good point.

Under the rule that has been adopted, we will not be able to offer this amendment. I wish to say that I intend to remain active in this field, and I know that the cosponsors of this amendment also intend to remain active in this area of personal financial disclosure, not because of the wrongdoing it may uncover or the wrongdoing it may prevent, but because of the contribution it will make toward restoring public trust. It seems to me that is the lacking commodity right now.

The personal example set by Vice President FORD, I think, with respect to the scrutiny of his public and private affairs during the investigation he underwent, was a major contributing factor to the public support that he has now.

Mr. Chairman, I just want to say that I hope at some point, if not in this session, certainly in the next session we will get a bill, the like of one which I introduced, along with cosponsors, that would require personal financial disclosure, not only on the part of us who serve in the legislative branch but also on the part of those who serve in the executive and judicial branches. I think it is only by this sort of approach that we will make a genuine contribution to restoring public trust and thereby complement the other steps I hope we will take today in reforming campaign finance practices.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, earlier in the day, the chairman of the committee, the gentleman from Ohio (Mr. HAYS), stated that he would not object to amendments that were serious. I wonder if the gentleman would indicate now whether he would object to an amendment such as this.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I said that I would not object to any amendment that was germane under the rule. The amendment which the gentleman is talking about is not germane.

The CHAIRMAN. The time of the gentleman from Texas (Mr. STEELMAN) has expired.

Mr. HAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, to respond further to the gentleman from Texas and the gentleman from Florida, I would tell the Members on the other side, if they have not already heard it, that Senator GOLDWATER was on television a few minutes ago saying that there would be a resignation today. That will do more to restore confidence than all the breast-beating that the gentleman from Texas can do from here on out.

Mr. FRENZEL. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas (Mr. STEELMAN).

Mr. STEELMAN. Mr. Chairman, I thank the gentleman for yielding additional time to me.

I will say for the benefit of the chairman of the committee, the gentleman from Ohio (Mr. HAYS), that this amendment that I sought to offer and which the rule precludes would have applied to the President and to the Vice President the same standards with respect to personal disclosure that I would have applied to those of us who serve here in the legislative branch.

It seems to me the standing of the Congress in the opinion polls, at least the ones I have seen this year, have been lower than those of the President. So I think we have an example to show in that respect, also.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I will say to the gentleman that after the performance of the Committee on the Judiciary may I say after the performance of the members of the committee on both sides, I think the next poll will show that the standing of Congress will have gone up a great deal.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. STEELMAN. I yield to the gentleman from Washington.

Mr. PRITCHARD. Mr. Chairman, I would like to say that we were led to believe that we were going to have this bill opened up for serious amendments. Now we find the gentleman from Ohio says this does not apply. That is just the reason why I think it is a gag rule. I think we are doing an injustice to the Nation with respect to the cause of election reform when we bring this type of a rule to the floor, limited rule, or whatever you want to call it, instead of an open rule.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENZEL. I yield 1 additional minute to the gentleman from Texas.

Mr. STEELMAN. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I resent the inference cast by the gentleman from Washington. I did not mislead anybody, and I did not try to mislead anybody. I said, in response to a question that the gentleman asked about publishing his amendment 24 hours before in the CONGRESSIONAL RECORD, and the gentleman said he did not know until today that that was a requirement, I said I would not object, and hoped that no one else would object to an amendment which would be germane under the rule being offered to the House just because it was not published in the RECORD. And that is all I said.

If the gentleman from Washington was misled, then the gentleman was misled because the gentleman either was not listening or was not here, or did not understand what I said.

Mr. PRITCHARD. Mr. Chairman, if the gentleman will yield further, I desire to state once again that this is a gag rule that we are working under. I believe that this is serious election reform that the gentleman in the well is bringing forth. This is why I believe that we should open up the financial affairs of we Members of the Congress. We are not ordinary citizens—and I repeat, we are not ordinary citizens—we are public servants. If we are going to have election reform that is meaningful, we are going to have to have this included before the public will have some real confidence in the Members of the Congress.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. MATHIS).

Mr. MATHIS of Georgia. Mr. Chairman, I, too, would like to join in with my colleagues on both sides of this body today in offering my congratulations to the chairman of the committee for the time the gentleman has spent in bringing before the House this legislation, which I believe goes a long way toward restoring the confidence and the faith of the American people in our democratic institutions, and hopefully in our public servants, we politicians, if you will.

There is one thing that I would like to point out in this bill that has not been pointed out before, and that is we have removed the limitation on the media expenditures. The House in its wisdom adopted in 1971 legislation fixing a ceiling of $50,000 that could be expended on media. We have repealed that section, and we leave it to the candidate's own judgment as to where he wants to spend the money, where he can get the best results for his dollar in his campaign.

The one big fault that I find in the bill is that it simply allows too much money to be spent on elections.

We come in here, and we talk about campaign reform. We talk about restoring the faith of the people in the processes of our Government, and yet we are allowing $270,000 plus to be spent by a candidate for Congress in any given year. I want to suggest once again to all of you who feel as I do that this figure is too high; that I will offer at the proper time an amendment that will reduce the amount of money that can be spent in any one election to $42,500.

It makes no sense at all to me to allow a candidate for Congress to spend $270,000 for a job that pays $42,500.

I do not think there is any way we are going to restore the confidence of the American people in this Congress as an institution unless and until we adopt some kind of a realistic spending figure.

Mr. HAYS. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I thank the gentleman from Ohio for yielding me this time.

This bill has three provisions in it which everyone concerned about campaign reform wanted, and they have been accomplished, limitation of expenditures, complete disclosure, and public financing. The committee bill, with the committee amendments is a good one.

I know that there are those who will seek to lessen the amount that can be spent by a candidate for Congress. The bill now provides $75,000 in addition to the actual cost of raising the money. There will be some who are going to say they are going to outreform the reformers by reducing that amount. That would not serve the American public because to give a nonincumbent a reasonable chance of winning requires a reasonable sum for campaigning.

While I thought there should have been a higher limit, for example, $90,000, the amount in the bill is a reasonable amount, and I would hope that it will not be changed.

I also want at this moment to pay my respects to the distinguished chairman of the committee, Mr. HAYS. The chairman of our committee has been the subject of a great deal of what I consider to be unfair attacks and abuse on the ground that he was stopping the reform bill from coming to the floor. It is just the other way. The fact it, it was primarily through his efforts that the bill reached the point where we were able to bring it to the floor. I know that the chairman gives at least as good as he gets in debate, so I do not think he was as upset about the attacks as those of us were who serve on the committee and were aware of what was taking place.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, I thank the gentleman for yielding.

I want to compliment the gentleman from New York for his work on the committee.

Mr. BADILLO. Mr. Chairman, I am pleased that we have the opportunity today to improve and expand upon the reform of our political process which we began with passage of the Federal Election Campaign Act of 1971. We have had ample time over the past 3 years to observe the loopholes and inadequacies of that particular measure, and the bill before us today, H.R. 16090, will remedy some of the deficiencies of our earlier effort.

The Federal Election Campaign Act Amendments of 1974 will for the first time set absolute ceilings on expenditures for campaigns for all Federal offices. It sets much-needed limits on individual contributions to any single candidate and aggregate contributions for all Federal offices in any year. It places limits on cash contributions and restricts a candidate's personal financing of his own campaign. Most importantly, H.R. 16090 authorizes the use of public funds for Presidential elections and establishes qualifications for raising donations in small amounts to receive Federal matching funds for primary elections.

I believe, Mr. Chairman, that H.R. 16090 provides us a vehicle to enact a meaningful campaign reform bill in this Congress. The provisions of this bill are important and they set new standards for campaign practices. However, the measure needs considerable amplification if we are not to be accused of being half-hearted in our commitment to campaign reform. The events of the 1972 election, in all their sordid detail, cry out for a response from us, and I am convinced that the American people will accept nothing less in 1974 than comprehensive legislation to eliminate once and for all the pervasive influence of private wealth in the election of candidates for Federal office.

True campaign reform entails much more than setting limits on contributions and expenditures. I support the establishment of such ceilings as a necessary beginning, and though nobody has an excess of wisdom in determining what the magic figures should be, the committee levels provide a yardstick that I am willing to see enacted into law in order to get the principle of such limitations into the statute books. Should experience indicate the advisability of revising the amounts upward or downward at a later date, we will find it relatively simple to amend an existing law.

We all agree that spending for national elections has simply gotten out of hand, Mr. Chairman, and our initiatives should be stimulated by the sorry record of intimidation, coercion, and blatant tradeoffs between candidate and contributors in the 1972 Presidential campaign. By putting ceilings on election expenditures, we can at least limit the opportunities for corruption and conflict of interest when large sums of money are sought from every possible source.

The ceilings in H.R. 16090 of $10 million for Presidential primaries and $20 million for general elections for the highest office in the land are realistic and should be adequate to conduct an effective campaign around the country. Our approval of this principle should be overwhelming since we have witnessed the temptations that are succumbed to by those in possession of funds far in excess of what is needed for election campaigns per se.

The American people have endorsed the principle of public funding of elections by their response to the dollar checkoff on Federal income tax returns. I am gratified that this totally voluntary system will establish a Presidential election campaign fund in the neighborhood of $70 to $80 million for the 1976 election. The healthy public participation is convincing proof to me that the public wants an end to the corrupting influence of private campaign contributions and is willing to provide the funding that will accomplish that reform. Public financing of Presidential elections will not forever end the possibility of corruption or secret deals in the Oval Office, but it will make it far easier for men of integrity seeking that high office to avoid indebtedness to the special interests which can be counted on to show up sooner or later to demand their quid pro quo, usually out of the pockets of the public.

What I find inexplicable, Mr. Chairman, is the omission from H.R. 16090 of public financing for House and Senate election campaigns. I cannot understand how the committee could endorse the removal of private money from Presidential races and not concede that the public interest lies in the same treatment of congressional elections. Consequently, I am joining the movement to amend this bill to provide Federal matching funds for congressional general elections. This particular amendment will authorize public matching funds for up to one-third of the spending limit for the office. A requirement that 10 percent of the candidate's spending limit must be raised in contributions of $50 or less will provide an incentive for the participation of more small donors than has been the case, reducing the traditional reliance on a handful of wealthy donors.

I regret that we are not today voting on full public financing of all Federal elections, but that is a goal which I believe we will reach in succeeding years and one which I am certain the American people will subscribe to if we take the necessary first step of approving the Anderson-Udall amendment to H.R. 16090. It is much cheaper for the public to underwrite election campaigns than it is to pay for Government policies such as the milk price support increase and the late unlamented oil import quota system, two of the most glaring examples of the price extracted from the average person for political deals struck between candidates and well-heeled industry lobbies. When Government decisions are made on the basis of what is right and just for the country as a whole, we will have a climate of greater respect for the political process and greater confidence in officials selected by the people to participate in making those decisions for them.

I will also support the Fascell-Frenzel amendment to create an independent Federal Elections Commission to oversee and insure compliance with the laws governing Federal elections. A commission composed of six full-time public members nominated by Congress and appointed by the President will inspire more public confidence than the committee bill's board of four public members and three—the Comptroller General, Secretary of the Senate, and Clerk of the House—who are intimately involved in the legislative process and whose tenure is decided by incumbent officials they would have to regulate. The confidence of the people in the political process is what this is all about, Mr. Chairman, and to merit that confidence we must make it clear that we in no way are hedging our responsibility to observe the law and submit our conduct to the scrutiny of objective public officers. I regard an independent Federal Elections Commission as absolutely essential to any serious reform of our election campaign laws.

Mr. Chairman, I urge my colleagues to accept these strengthening amendments to the bill and send H.R. 16090 to conference with the Senate to insure enactment of a meaningful Federal election campaign reform law this year. We have had such legislation before us for 3 years, and there can be no excuse for further delay. Grievous abuses of Federal elections are amply documented and have been paraded before us for all too many months now. The American people have a right to expect us to stand up and be counted on this issue, and I do not believe they will settle for partial or limited reform. This is our opportunity to demonstrate whether we believe that we have a living political process worthy of improvement and perpetuation. Passage of a strong campaign reform bill is our mandate from the people, and I hope that we will meet that high expectation in this Chamber today.

Mr. HAYS. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. Phillip Burton).

Mr. PHILLIP BURTON. Mr. Chairman, I would like to associate myself with the remarks of the gentleman from New York and add my own personal commendation to the distinguished chairman of the Committee on House Administration. The gentleman from Ohio (Mr. Hays) is really in many, many respects a very misunderstood Member. His basically kind and generous nature is not understood universally. Very importantly, his commitment to make the House a responsive instrument to resolve the public policy issues confronting this country is known by all who watch him and work with him.

I think that the gentleman from New Jersey (Mr. Thompson) should be commended; the gentleman from Indiana (Mr. Brademas); the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. Dent); the gentleman from Illinois (Mr. Annunzio); the gentleman from Pennsylvania (Mr. Gaydos); the gentleman from Tennessee (Mr. Jones); the gentleman from New York (Mr. Koch); the gentleman from West Virginia (Mr. Mollohan); the gentleman from South Carolina (Mr. Gettys), and the gentleman from Georgia (Mr. Mathis); and the whole committee on our side, because they have brought to the floor a most worthy product. More importantly, they have permitted all of those amendments that had meaningful support to be the subject of the House working its will.

I would also like to note, the gentleman from Minnesota (Mr. Frenzel) who has played a very constructive role in the developing of this legislation. While we are at it—the gentleman from Florida (Mr. Fascell), the gentleman from Arizona (Mr. Udall), the gentleman from Illinois (Mr. Anderson), the gentleman from Washington (Mr. Foley), and the gentleman from New York (Mr. Conable), have all contributed to the important public dialog on the nature of the legislation the House should write.

I freely predict when the sound and fury is behind us, just as did our Committee on the Judiciary reflect great credit on this institution by its conduct in recent weeks, similarly the Committee on House Administration and the House itself will send to the Senate a meaningful, responsible, and effective campaign reform bill that will come to grips with most of the urgently pressing campaign financing problems.

So, Mr. Chairman, again I want to commend the committee and say I am sure within the next 2 days we are going to write legislation every single man and women in this House can be most proud of.

Mr. WRIGHT. Mr. Chairman, this is an historic day in the life of our political institutions. The bill presently before us offers historic opportunity to help get politics out of the gutter and back onto a platform of public respect envisioned by those who drafted the Constitution.

This clearly is one of the most important bills which will come before us this year. In my opinion, as I shall point out in these remarks, it does not go quite far enough nor perform the total cleanup that I would like to see performed.

But what it does is in every respect salutary. It is, on balance, an exceptionally good bill and a much stronger bill than cynics had thought this Congress would pass.

We owe it to all those who want to believe in the basic goodness and decency of the American system to pass this bill by an overwhelming and resounding majority.

One of the saddest byproducts of the Watergate scandals has been the general impression that politics and our historic system of electing public officials is by its very nature corrupt—that it always has been, always will be, and that there is no use trying to make it otherwise.

This is tragic for two reasons. First, it is not true. Second, by destroying faith in the political processes, this cynical idea destroys faith in the system itself. It is up to us to restore that faith, and to make the American system of public elections worthy of public confidence.

Ridiculed in public print, satirized by cartoonist and comedian, butt of the street corner humorist and self-righteous moralist alike, politics is as necessary to the functioning of our society as water is to the flow of a river. It does not have to be filthy and corrupted—and neither does the river—for man has the wisdom, if he has the will, to keep them both clean.

Politics—the process of elections—is the lifeblood of democracy, the fuel that propels the engines of a free society. To profess love for the democratic form of government but disdain for politics is to pretend to honor the product while despising the process that creates it.

There have been abuses of the system. There is no denying it. We should not close our eyes to those abuses. We should correct them. We must devise laws that prevent their recurrence.

No facet of American life has cried out more loudly for reform than that of political campaign financing. It has cast a lengthening shadow over all else we do in our public institutions.

More than 6 years ago—in April 1967—I wrote an article for Harper's magazine calling for reform of the campaign financing laws. For years their cynical neglect made a mockery of our elective system. Under leave to extend my remarks, I am inserting a copy of that article for printing in the RECORD at the end of my statement.

Three years ago, Congress finally acted. It passed in 1971 the most sweeping campaign reform law since the Corrupt Practices Act of 1925. Although the public seems largely unaware of that law, it was a long step in the right direction. The bill we are considering today would build and improve upon it.

The 1971 law strictly limits total campaign expenditures in communications media. It makes candidates themselves responsible for reporting all moneys spent in their behalf during a campaign, puts an end to the devious practice of hiding behind phony "committees" whose expenditures the candidate pretended to know nothing about.

Under the 1971 law, full public disclosure must be made of every contribution in excess of $100 including the name and address of the contributor. Now, in light of the mammoth contributions revealed by the Watergate hearings—single contributions in the range of $50,000 and upward, some from corporations and thus clearly illegal under even the old 1925 law, which slipped in just days before the new law took effect and went officially unreported—we now are considering an absolute limit of $1,000 that any one individual may lawfully give to any Federal political campaign. I support this provision.

Enactment of this proposed limit will go a long way to reduce the shameful reliance upon a few enormous contributors who more and more have held the keys to the gates of public service, particularly in the larger States—California, New York, Texas, Illinois, Pennsylvania, Ohio—where it now can take $2 million or more to conduct a winning statewide campaign.

The bill presently before us would limit total expenditures in most congressional campaigns to no more than $75,000. Surely that is enough, unless we merely wanted to turn Congress into an exclusive playground of the wealthy and put its seats up for auction to the highest bidder, like seats on the New York Stock Exchange. I think we well could do with a lower ceiling.

Another extremely useful reform which went into effect in 1972 seeks to broaden the base of political fund-raising and give more plain citizens a piece of the action. It permits a tax deduction for any individual American contributing up to $50 to the candidate or party of his choice—or up to $100 on a joint husband and wife income tax return.

Unfortunately, this law has been little publicized. When it becomes generally known, it should provide encouragement for many small and moderate contributors to take up the slack heretofore filled by contributions in the multithousand-dollar range.

Personally, I would support an even stronger inducement, such as a tax credit rather than just a deduction, for any individual contribution up to $25.

Along the same line, Congress has tried to freshen the springs of Presidential campaign financing by permitting every taxpayer to check a square on his income tax report authorizing exactly $1 of his tax to go to the national Presidential campaign. This particular law was administratively emasculated in 1973 by on the 1040 tax return form, the IRS required any citizen desiring to avail himself of it to take the initiative, ask for and fill out an entirely separate form. Most citizens did not know to do so. Most did not even know of the law.

Under outraged pressure from Members of Congress who supported that reform, IRS was forced this year to carry out the intent of the law. The box now appears on the form 1040 itself, and a lot of good Americans did check the form and authorize the $1 deduction. I predict that, as it becomes better understood in subsequent years, more and more Americans will avail themselves of this means to provide clean and unfettered money for Presidential campaigns.

Some now are suggesting public financing of all political campaigns, including congressional elections. In other words, pay campaign expenses out of taxes. There is one thing wrong with this: it does not give the citizen any choice.

It would be thoroughly wrong, in my opinion, to take tax money from an individual and arbitrarily turn it over to some candidate or party of which that citizen does not approve. If you are a Republican, for example, it seems to me that you would have every right to object if the Government took some of your taxes and used them to finance Democratic political campaigns. And a Democrat would have every right to be unhappy about the reverse.

The answer, in my judgment, does not lie in paying congressional campaign costs out of public tax money. It lies in popularizing political contributions among average citizens, helping them to understand that it is a function of citizenship, and making it easier for them to contribute of their own volition to the candidates and parties of their own individual choice and preference.

Tainted money, however, is not the only evil that has been brought to light in the recent Senate and House investigations. One cannot blame the average citizen for being more than a little sickened by the illegal use of spies, burglary, electronic surveillance, fake documents and phony charges against the opposition.

Not only have there been thefts and illegal wiretaps. Telegrams have been sent falsely bearing the names of other parties. One of the rottenest and most callous abuses cited was the forging of a bogus telegram, purporting to be a State Department document, with the sole and express purpose of maligning the reputation of the late President Kennedy.

Phony press releases have been handed out purporting to come from an opposing candidate, with the deliberate intent of misrepresenting and embarrassing him and misleading the public. Elaborate hoaxes have been perpetrated, such as the one that pretended to document a connection between the late President Kennedy and the assassination of President Diem of South Vietnam. A lot of people have innocently believed these malicious frauds. How can they know, so long as this type of deliberate deceit is permitted, until it is too late?

Each of these offenses has been confessed in open hearings, sometimes without any apparent sense of shame or repentance. The cynical defense is that "everybody does it." And that just may be the most monstrous falsehood of all. Many public officials are decent. Many have never corrupted the political process in any such way. Nobody should, and anyone who does should be punished for the irreparable harm he commits not only to the reputation of another but to the sancity of the political process itself.

Certainly it ought to be a punishable offense deliberately and knowingly to spread malicious untruths about the opposition. If lying and deceit about campaign contributions and expenses should be forbidden, as needed they should be, then intentional lying about the opposition is equally reprehensible. It ought to be equally punished.

Without doubt the one thing that has done more than any other to poison the political process, to disenchant decent Americans with political life and keep good men out of it, is the nauseating prevalence of slander and personal abuse in political campaigns.

For this reason, I feel that the bill presently before us, as good as it is, does not go far enough. I would like to see the legislation broadened to make all the penalties which it applies against misrepresenting campaign gifts and expenditures equally applicable against: First, publication of any spurious statement and attributing it to the opposition; second, reproducing any bogus telegram or communication falsely purporting to bear the signature of any other person; third, signing a false name to any political advertisement or letter to a newspaper editor; fourth, the use of "bugging" devices against political opposition; and fifth, using trick photography to cast an opponent in an unfair and untrue light.

I was prepared to offer such an amendment to this bill, but as I understand the rule, an amendment of that type would not be in order. I urge the committee to keep it in mind for future legislation.

If democracy and our form of elective government are sacred, then the political processes that create them should be equally sacred. Those processes can be kept clean. It is up to all of us to insist that they are.

Enactment of this bill today will be one long stride in that direction.

Although something short of a total answer to all of our Nation's electoral problems, the bill deserves to be considered on the basis of the affirmative reforms it makes.

On this basis, it clearly deserves our support.

The article referred to follows:

[Reprinted from Harper's magazine, April 1967]

Washington Insight: Clean Money for Congress

(By Jim Wright)

No facet of American life cries out more loudly for reform than the dingy gray area of political campaigns financing, which casts a lengthening shadow across all else we do in our elective public institutions.

As a veteran of seven successful campaigns for the U.S. House of Representatives and one losing race for the Senate, I've experienced at first hand the skyrocketing cost of politics. It is now, in fact, nearly impossible in most states for men of modest means to seek high elective office—unless they are willing wards of the wealthy.

The price of campaigning has risen so high that it actually imperils the integrity of our political institutions. Big contributors more and more hold the keys to the gates of public service. This is choking off the wellsprings of fresh, new thought and severely limiting the field of choice available to the public. I am convinced, moreover, that the intellectual *quality* of political campaigns is deteriorating as a result.

One curious by-product of big money in politics is the slick, shallow public-relations approach with its nauseating emphasis on "image" at the expense of substance. In the arenas where Lincoln and Douglas once debated great issues, advertising agencies last year hawked candidates like soap flakes.

Nineteen sixty-six was the year of the political singing commercial; easily seven or eight times as much money was spent on 20-second or 50-second spots on TV as on programs permitting any serious discussion of issues. Candidates hired professional pollsters to sample the electorate and offer advice on the most effective color combinations, lettering styles, and photographic poses. The whole business was taking on a patently phony, make-believe veneer.

This situation will not change unless Congress enacts a meaningful body of law to reform the antiquated and unenforceable regulations that are evaded by almost every candidate and ridiculed by the public. In the past decade eighteen different proposals designed to do this have been introduced in Congress. Not one has been acted upon.

Campaign expenditures for federal office generally fall under the purview of an ancient statute known as the Corrupt Practices Act of 1925. This law must have had some meaning in its day. But in 1966 it was about as effective as stuffing popcorn into the mouth of a running fire hose. The law stipulates among other things that a candidate for the House may spend no more than $5,000 in his bid for election, and a candidate for the Senate no more than $25,000. If I told you I had never spent more than $5,000 in a House race. I'd be a hypocrite. And if I actually had spent so little in my first race, I'd never have been elected. The same applies to at least 95 per cent of my colleagues. The huge loophole in the law lies in the fact that a candidate need not report the funds collected and spent in his behalf by a *committee*. The transparent fiction is that this goes on without his knowledge.

No candidate has ever been prosecuted for noncompliance with the Corrupt Practices Act (it carries penalties of two years' imprisonment and a $10,000 fine for willful violation). In times past, revelations of flagrant overspending or unsavory contributions evoked shock and public censure.

But today our very capacity for indignation seems to have withered. We take huge expenditures for granted. In the New York Senate race of 1964, for example, winner Robert F. Kennedy is reported to have spent $1,236,851, and over a million was spent in behalf of loser Kenneth B. Keating.

Last October Republican headquarters in New York announced that $4,330,000 had been spent up to that point in the campaign to reelect Governor Nelson Rockefeller and his running mates.[1] Jesse M. Unruh, Speaker of the California Assembly and a key political figure in the state, says Republicans spent between $5 million and $6 million in electing Ronald Reagan last year. Unruh believes the steadily mounting price of politics is putting pressure on both parties to nominate movie stars and other political neophytes with well-known names and faces. It simply takes too much cash to publicize an unknown, however well qualified.

Why does the pursuit of public office cost so much? Let me itemize out of my own experience in Texas, which is by no means unique. Just one firstclass letter to every family in Texas requires—in production and postage—approximately $300,000. A single billboard in one of our big cities rents for $550 a month. Others can be had for only $75 or $100 a month. But multiply this by the thousands it takes to cover a large state. A 30-minute TV broadcast which I did on eighteen of the fifty television stations in Texas cost me a little over $10,000. The same amount of time, on the same stations, if taken in 20-second spots, would have cost $400,000. The "quicky" spot announcement is by far the most expensive thing on television.

Even races for House seats, with their more limited constituencies, can consume staggering sums. For example, an unsuccessful primary race for a Congressional nomination in North Carolina last year cost approximately $250,000 in mass-media advertising alone.

My Democratic colleague, Dick Ottinger of New York, frankly reported an outlay of $193,000 in his successful bid for office in 1964. He is to be commended for his candor.

But what kind of example do we give to the public for obedience to law? There may be some excuse when the general populace ignores an obviously unworkable and commonly disobeyed ordinance. But what excuse can there be for us who have it directly in our hands to change the law? It is our very profession to make the law, and to make it mean something—if, in fact, we want it to mean something! By refusing either to abide by it or to change it, we present a sad spectacle indeed.

CONVENIENTLY BLIND AND DEAF

An impossible dilemma confronts a candidate who wants both to obey the law and tell the truth. Last summer John J. Hooker, Jr., a Nashville attorney who unsuccessfully sought the Tennessee gubernatorial nomination, promised during his campaign to make a complete public report on his expenditures. He fulfilled the pledge on September 4, showing total spending of $591,296.27.

Political pros in Tennessee were shocked. Certainly it wasn't the first time there had been expenditures in this range; but it was the first time such a public disclosure had been made in the history of the state. Hooker could hardly have affronted tradition more flagrantly had he denounced old folks or come out in favor of General William Tecumseh Sherman.

The legal limit for a statewide primary race in Tennessee is $25,000. Hooker may have rendered himself subject to prosecution, though it is doubtful that one would be pressed. His successful opponent, Buford Ellington, played it safe and traditional. He filed a solemn declaration just a whisker under the legal limit—$24,809.12. A similar figure was rendered, straight-faced, by the manager of former Governor Frank Clement's winning race for the Senate nomination—$24,089.22.

Ellington, questioned by newsmen conceded that, of course, it costs a lot more than $25,000 to run such a race. But he maintained that a candidate was complying with the law if he did not "personally know" of the various expenditures in his behalf. (His own report made no reference to funds devoted to advertising, the inference being that the candidate had traveled throughout his state blind to billboards, car stickers, and newspaper ads, and deaf to his own radio and TV commercials.)

---

[1] Richard Nixon, perhaps not a wholly unbiased observer, is reported to believe that Rockefeller actually spent close to $14 million in his reelection race.

Ellington should not, however, be singled out for censure. Pretending not to know of expenditures in one's behalf is an accepted practice. When lawmakers generally flout the law, democracy is in peril. But still greater evils result when lawmakers are subjected to mounting financial pressures.

Just last year a Senate committee examined the ethics of Senator Tom Dodd of Connecticut, who paid off his campaign debts with the proceeds of testimonial dinners at each of which the principal speaker was a Vice President (Lyndon Johnson for the first two, Hubert Humphrey for the third). More than two thousand of Senator Dodd's constituents bought tickets to one or more of these gala affairs, which jointly netted over $100,000.

For a public official, debt is delibitating. It can plague his conscience and divide his energies. It can sorely test his integrity, or sap his courage at the very time he needs it most. Ultimately, if he remains single-minded in his devotion to the public weal and keeps his back resolutely turned upon temptation, debt can drive him, despairing, out of public life. Sometimes its shadow hovers over him for years afterwards.

I know this at first hand. In 1961, I made an unsuccessful race in a special election for the U.S. Senate. After it was over, we figured that we had spent some $270,000. Obviously, it hadn't been enough. But I ended up owing $68,000, mostly for debts which I had not personally authorized. It took me two and a half years to retire the notes.

Consider the case of Democrat Leonard Wolf of Iowa, who served one term in the House. He came to Congress in January 1959 owing $89,000 in campaign debts and business losses incurred while campaigning. He was defeated in 1960 when Nixon carried Iowa for the Republicans. Today, six years after leaving office, Wolf has finally paid off most of the $89,000. When friends urged him to run again in 1966, he understandably said, "No, thanks."

But even this financial disaster seems minor compared with the experience of James E. Turman who conducted an unavailing campaign for Lieutenant Governor of Texas in 1962. He came close, made the runoff, but lost in the second primary. For almost five years, he has been making regular monthly payments from his personal income to retire his campaign debt. And he calculates that, on this schedule, he will not be in the clear until 1981. It will take *nineteen years* to pay for one near-miss at the polls!

Perhaps you're thinking, "That's too bad, but it's his tough luck. A fellow who can't afford it shouldn't take on a campaign of that kind." And perhaps you'd be right. But where does that leave any able young American who genuinely wants to contribute his time and talent to the political life of his country? Unless he has inherited spectacular wealth, it leaves him at the mercy of large contributors, who will expect him in one way or another to serve their interests.

TEN MILLION HANDS TO SHAKE

So far as my own case goes, I've been luckier than most politicians. When I made my first run for Congress I had enough money of my own to pick up the tab personally for half (about $8,000) of the campaign cost. Since the beginning, I've made it an unvarying rule never to accept more than a $100 contribution from any individual. The average over the years has been around $10. This preserves my independence from personal obligation. I wouldn't want it otherwise. A Congressman can get by this way if he's fortunate—as I am—in having a very understanding constituency.

But this formula is impossible for a statewide contest, as I discovered in my 1961 try for the Senate. In that race, two balloons of fantasy exploded in my face. The first was the notion that if I announced my candidacy early, I would frighten off prospective aspirants. Instead, seventy-one would-be candidates threw their hats in the ring, creating the biggest field of entries in the history of Texas politics. If this raised some doubts as to my ability to intimidate opposition, I argue that it should have established me as a *leader of men*, since never before had so many followed the example of one.

My second and more serious fallacy was the assumption that a determined man in good health could make up by prodigious personal effort what he lacked in finances. I would simply campaign harder than anyone else in the race.

In the ensuing four months, I traveled 27,000 miles, made 678 speeches, slept an average of four-and-a-half hours a night and worked off eighteen pounds. During one week, I averaged eleven speeches a day in as many different localities. But it was like trying to siphon off the Gulf of Mexico with an eyedropper. For there were then ten million people in Texas; if I worked sixteen hours a day and wasted no time, it would have taken me some twenty-eight years to talk for one minute with every citizen in the state. I had four months.

The upshot was that I came close, but not close enough. Out of the seventy-two entries, I barely missed second spot which would have put me in the runoff, with John Tower, the sole Republican. Tower subsequently won over airline executive Bill Blakley who had nosed me out of the number two position. Each of these two men had spent on billboard, newspaper, and radio advertising at least three times the amount I'd been able to put together.

I planned to make the race again in 1966 when Senator Tower would be up for reelection. But, as the time drew near, the problem of money again loomed large. I could not bring myself to initiate alliances with those who could provide the wherewithal in big chunks. This is, alas, the accepted way in Texas, and probably in most states. Nor, with a son in college and two daughters almost ready to enter, could I mortgage their futures on another underfinanced race which might leave me owing $100,000 or more and out of a job.

In a last-ditch effort to find a broad base of campaign financing I bought $10,000 worth of television time for one statewide broadcast. I told the audience exactly what it costs to run a statewide campaign in Texas, and said that I would become a candidate for the Senate if 25,000 individual Texans who agreed with my views would participate to the extent of contributing $10 each.

The response was good. I received nearly seven thousand letters—a bona fide expression of grass-roots support. But contributions and precise pledges totaled only $48,828.50—far less than the $250,000 I had considered a minimum base.

I am convinced that I could have won with sufficient public exposure. But to obtain it I would have had either to make a beggar of myself in repeated telecasts, or to meet privately with affluent individuals and organized groups to discuss what I could do for them primarily rather than for the United States. I'm not temperamentally suited for the former rule nor conscientiously fitted for the latter.

So there was nothing to do but return the generous contributions and forget about running for the Senate.

MARTINIS AND LOBBYISTS

My experience is no great tragedy for America. But when the same thing happens all over the country, then the consequences are ominous.

Senator Dodd's testimonial dinners were at least supported by his own constituents. This is not true of the now-familiar Washington cocktail party which is financed by lobbyists.

The Congressional friends of the honoree are generally importuned to attend these gatherings (on free ducats), while blocks of tickets—ranging in price from $50 to $1,000—are bought by various lobbyists. Everybody stands around nibbling hors d'oeuvres and sipping martinis until a whistle blows and a few words are said in behalf of the honored guest. His campaign fund receives the proceeds. One trade-association executive was invited—in an eighteen-month period—to seventy such receptions.

Another money-raising gimmick, employed by the national party headquarters, is the fancy brochure with ads selling for $10,000 to $15,000 a page. The Democrats' latest book is called "Toward an Age of Greatness"; the Republicans' is titled "Congress—The Heartbeat of Government." Eleven of the nation's top twenty-five defense contractors have bought ads in brochures of this kind and they've deducted the price from their taxes as a "business expense."

Many advertisers have been corporations, legally prohibited from contributing to campaigns. But the proceeds go to the national campaign committees which divide them among various Congressional candidates. Other advertisers include companies whose activities are directly regulated by the government, including six airlines (American, Braniff, Continental, Eastern, Pan American, and TWA); three railroads—the Milwaukee Road, Southern Railway System, and Union Pacific; the Tennessee Gas Transmission Company; and various steamship lines. Does anyone believe that these companies—and others throughout the country who more quietly slip multi-thousand-dollar contributions into the individual campaign coffers of their favored candidates—expect no selfish return?

A more subtle lure, for Presidential campaign money, is the chance to visit socially with the President at party functions by joining the President's Club at annual dues of $1,000. Recently, plans were said to be under way to create an "elite" President's Club, with dues of $10,000, the additional bonus being an invitation to the White House. I find it embarrassing that any President should have to engage in such maneuvers. And I deplore the legal vacuum that makes them necessary.

BROADENING THE BASE

President Johnson in his draft bill last year asked Congress to require that *every* gift and *every* expenditure of $100 and more, whether taken or spent by the candidate himself or by one of his "committees," be publicly reported. He also proposed that $5,000 be established as the absolute maximum which any one individual or interest may lawfully contribute to any one campaign. (In my view, $5,000 is still too much: I think the figure should be reduced to around $1,000.) The President's main recommendation was that political contributions of up to $100 be deductible in computing one's income taxes, as are philanthropic gifts. I would like to go even further: I think we should offer a tax *credit*—deductible from the tax itself rather than from reportable income—of contributions up to $25.

This is the indispensable key to any really workable reform. Average Americans, with no axe to grind except good government, must be induced to take up the slack if we are to free American politics from its disgraceful dependence upon the little handful of blue-chip contributors.

To be effective, individual tax deductions and ceilings on individual contributions should be coupled with a practical and legally enforceable upper limit on allowable expenditures. Surely there should be *some* limit—high enough to permit each side an adequate campaign of public enlightenment but low enough to take politics out of the commercial marketplace, where today it almost can be said that public office is up for sale to the highest bidder.

I introduced in the 89th Congress and again this year a bill which would limit expenditures for House candidates to not more than $30,000 for a party primary and an additional $30,000 for a general election. (The two figures add up to precisely the amount of a Congressman's salary for a two-year term.) For Senatorial races my bill proposes a ceiling related to the population of the state. It would be calculated by multiplying $30,000 by the number of Congressmen from that state. In Texas, for example, with twenty-three members of the House, a Senate candidate could spend up to $690,000 for a primary and the same amount for a general election. In New Hampshire or New Mexico, with two House seats each, the ceiling would be $60,000. For Maryland, it would be $240,000; in New York and California, a little more than a million dollars. With all parties and all contestants honoring the same law, this would be enough.

I do not pretend to know how much should be allowed for Presidential campaigns. The present unrealistic law purports to limit a party committee to raising and spending no more than $3 million a year. However in 1964, the two major parties reported expenditures of $29 million. Nobody knows how much more went unreported.

In the closing weeks of the 89th Congress, concern over the enormous cost of Presidential campaigns resulted in a legislative surprise—a special amendment to the "Christmas Tree" tax bill.

The new law provides that any taxpayer, by simply placing a check mark in a box which will appear on future income-tax forms, may authorize $1.00 of his taxes to be placed in a Presidential Campaign Fund. He will not be able, however, to direct which party gets his dollar. Proceeds will be divided equally between the major parties. A minor party (one receiving more than five million but less than fifteen million votes in the immediately preceding Presidential election) may have a *pro rata* share based upon the number of votes it got. The law stipulates that the total in dollars placed in this fund may not exceed the total votes cast in the previous Presidential election for all major and minor parties. Using 1964 votes as a base, this would make the maximum more than $70 million.

This plan is at least worth a try. Its weakness, of course, is that it gives the citizen no choice as to which party shall receive his largess, and, since it applies only to Presidential campaigns, it still leaves the candidates for Congress right where they were—at the mercy of the big contributors.

In addition to legislation that would limit Congressional candidates' campaign expenditures, I think it might be worthwhile considering another requirement: that a certain minimum amount of *prime TV time* be made available without charge in 15-minute or 30-minute segments as a *public service* to all candidates for the Senate and House. This has been done abroad, notably in Great Britain, where lavish campaign spending is considered not only bad form but actually hurtful to the cause of the spenders.

In my opinion, the profligate spending and shallow sloganeering that are becoming commonplace in American politics insult the public's intelligence and do the electorate a grave disservice.

Traditionally, Americans have mistrusted the concentration of power in too few hands. We have steadily democratized the ballot. In the space of one generation, we have sounded the death knell to the "white man's primary," passed civil-rights voting laws, swept aside the rotten boroughs of maladjusted districts, and outlawed the poll tax. But of what real effect is all of this if we cannot recruit our elected officials from all levels of our society? Of what value is "one man, one vote" if the real power remains in the hands of the few who provide the money for political campaigns? What real choice does the voter have when only a limited few can afford to get their names on the ballot?

This year Congress will once again consider bills designed to restore decency and sense to political financing. Let us hope that this will be a year of action.

Mr. GILMAN. Mr. Chairman, at long last we have before us an election reform measure for consideration. While imperfect, this measure will nevertheless, lay the groundwork for providing substantial changes in our election law, changes which should help to tighten the controls of campaign contributions and expenditures of candidates for Federal offices, provided that we adopt an open rule to the bill before us, H.R. 16090, the Federal Election Campaign Act Amendments.

Mr. Chairman, the American people have clearly expressed their staunch support for election reform. Having witnessed the debacle of the past 2 years, resulting in instituting proceedings for the impeachment of our President as a result of undesirable, illegal campaign practices, the American public, to whom we are all responsible, has recognized the necessity for campaign reform making its views known to each of us. We now have the responsibility of bringing about such reform of our election laws.

The committee bill we are considering offers several recommendations worthy of consideration, including: a $100 limitation on cash contributions; limiting individual contributions to $1,000 and substantially increasing the penalties for violations of election laws.

However, the committee did not go far enough with its recommendations. In the event that we are successful in adopting an open rule, I intend to support several important amendments.

In September of 1973, I joined in cosponsoring the Clean Elections Act of 1973. During consideration of the bill before us, my colleague from Illinois, Mr. ANDERSON, intends to offer an amendment which, if adopted, will add to the committee bill a major portion of the Clean Elections Act . . . a system of partial public financing of congressional campaigns by matching small contributions with funds appropriated from the "dollar check-off" fund now present in our tax return forms. This amendment will not impose any additional burden on the taxpayer, nor will it force any individual to designate a dollar of his tax moneys for campaign financing. Only those funds which are specifically earmarked by individual citizens in their tax returns will be used to finance, in matching payments, congressional campaigns.

Another questionable provision in the committee bill relates to the enforcement of election laws. While the committee bill establishes a supervisory board for overseeing the enforcement of election laws, the committee proposed that the membership of this board include the Clerk of the House, the Secretary of the Senate, the Comptroller General, with additional members appointed by the House and Senate leadership. Such a proposed board is not sufficiently independent of congressional control to permit a free hand in administering and enforcing the election laws. Accordingly, I intend to support an amendment to be offered by my colleague from Minnesota, Mr. FRENZEL, which provides for a separate and totally independent supervisory board with civil enforcement powers to act as a truly responsive watchdog over election laws.

The adoption of these two amendments would bring us much closer to what is needed to insure the necessary safeguards for our electoral system.

Mr. Chairman, if ever there was a time for a stringent, strict bill regulating campaigning for all Federal elections, this is the time. By adopting a half-hearted measure we will be reneging in our constitutional responsibilities, abdicating the trust our constituencies have placed in us.

Accordingly, Mr. Chairman, I urge my colleagues not only to adopt an open rule on this measure to enable us to fully debate the amendments offered today, but also to vote in support of a strong campaign reform measure so that we can help restore the faith and confidence of the American people in our democratic form of government.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 16090, the proposed Federal Election Campaign Act Amendments of 1974.

There is no other measure which the American people today recognize the need for than this one, Mr. Chairman. The events of the last few days have become a discordant reprise of a sad song played secretly before, during and after the 1972 campaign. H.R. 16090 offers us the opportunity to stop the music.

By and large, Mr. Chairman, H.R. 16090 is a thoughtful and far-reaching piece of legislation, notwithstanding the fears expressed by many during the long and difficult months of committee consideration. That is not to say that the bill cannot be strengthened; it can. I intend to support several amendments I believe are crucial if the campaign finance reform bill is to be truly a reform bill. But I believe the chairman of the House Administration Committee, the gentleman from Ohio (Mr. HAYS) and the subcommittee chairman, the gentleman from Pennsylvania (Mr. DENT), and the other committee members, deserve a great deal of credit for the legislation they are presenting to the House today.

At the risk of repeating what some of my colleagues have set forth, I would like briefly to note the major provisions of H.R. 16090:

CONTRIBUTION LIMITS

Contributions by a person to a candidate for Federal office would be limited to $1,000 per election, applied separately to primary and general elections. Contributions by multi-candidate committees would be limited to $5,000 per election. Contributions by any individual in any year to all candidates for Federal office could not exceed $25,000. Contributions made in currency or cash would not be allowed in excess of $100.

EXPENDITURE LIMITS

Candidates for President would be limited to $10 million in campaign expenditures for primary elections and $20 million for general elections. Senatorial candidates could spend up to $75,000 or 5 cents per voting age population, whichever is greater, in each of the primary and the general elections. House candidates would be limited to $75,000 per election. In all instances, candidates could spend up to 25 percent over and above these limits to meet fundraising expenses. No cash expenditure could exceed $100. No candidate could spend more than $25,000 of his own money or that of his family for any election.

DISCLOSURE

A single 10-day pre-election report would be required, instead of the 15-day and 5-day reports now specified. The postelection report would be due 30 days after the election, rather than January 31 of the following year, as in present law. All receipts and expenditures would have to be reported through a central committee, to avoid fragmenting information and making public scrutiny more difficult.

INDEPENDENT ENFORCEMENT ENTITY

To supervise Federal election laws, the bill would create an independent Board of Supervisory Officers. I was greatly pleased to learn that a compromise amendment will be offered and accepted by the committee to change the composition of the Board so as to insure its independence from congressional control. Enforcement would remain with the Justice Department, but a new Assistant Attorney General would be created to deal with this area of the law.

Mr. Chairman, I am gratified to note that H.R. 16090 contains many provisions which I have been advocating for years, and have attempted to effect through legislation of my own. My most recent bill, H.R. 12268 of this Congress, calls for full public financing of Presidential elections building on the dollar check-off, a principle virtually assured by the committee bill; establishment of an independent Elections Commission to administer the law, toward which the committee bill is a good step; limits on both expenditures and contributions; prohibitions of large cash transactions of any kind; and strengthened reporting requirements.

Of course, a number of amendments are in order under the rule reported by the Rules Committee and adopted earlier this afternoon by the House. Many of the amendments are thoughtful, desirable additions to the bill, and I will support some of them. Particularly important will be the amendment offered regarding partial public financing of congressional campaigns, sponsored by a broad coalition of House Members. It conforms closely to the plan contained in H.R. 7612, the so-called Anderson-Udall bill, which I warmly endorsed at the time I introduced my own bill earlier this year.

One of the areas most fraught with difficulty, Mr. Chairman, is that of limitations on expenditures. Although care must be taken that the limit is not so high as to permit anyone to buy an election, even more care must be taken to avoid setting the limit so low that challengers cannot overcome the name identification advantage and high visibility of incumbents. I understand fully that I am addressing a Chamber full of candidates, only a handful of whom are challengers. But each House Member serves a relatively short time, as these things are measured, and I know that my colleagues will be guided as they consider this matter by their respective views of what is best for the Republic.

Mr. Chairman, a glance at the timetable facing us makes it clear why it is imperative that we act on this legislation without any delay. The awesome task of impeachment lies only days ahead in this House; it may occupy all of September or October, or both, in the other body. Other major legislation—mass transit, foreign aid, housing, veterans' benefits—all await final action. Adjournment will follow not long after, and then we must await the 94th Congress. The closer we come to a Presidential election just 2 years hence, the greater the resistance to changes that might affect one party more than the other.

So the time to act is now, Mr. Chairman. And the proper action is passage of H.R. 16090. I urge my colleagues to do just that, by an overwhelming margin.

Mr. McKAY. Mr. Chairman, I rise in support of the legislation before us today, the Federal Election Campaign Amendments of 1974. I would like to commend the members of the Committee on House Administration for their work on this historic legislation to revise campaign laws and change practices by which candidates for Federal office obtain and expend campaign money.

The committee bill reforms present campaign law by limiting contributions that an individual or a group may make to a candidate for Federal office. It also limits the amount of money that may be spent by congressional or Presidential candidates. And, it places limits on the amount that a candidate may spend from his own pocket. The bill provides public financing from the dollar check-off fund for Presidential general elections and primaries and for national party conventions. There are also provisions for improving reporting requirements.

Mr. Chairman, it is critical that the 93d Congress take action to reform campaign practices. I am in substantial agreement with provisions of this bill. However, I feel that in certain instances it does not go far enough in reforming campaign procedures. There are several amendments before us today which will correct inadequacies in the bill and strengthen it.

I support an amendment before us to provide some public financing of congressional races. This amendment will provide a system of financing in congressional elections that enhances the importance of the small contributor, while lessening the influence of the special interests. The amendment provides safeguards to insure that frivolous candidates do not receive public funds. I can see no justification for reforming the Presidential election process while turning our backs on congressional races.

I also support an amendment to lower the ceiling on allowable group contributions. Under the committee bill a political committee may contribute $5,000 per election, per candidate. Thus, a candidate could receive $5,000 in the primary in September from a special interest group, and another $5,000 for the general election campaign in October, from the same group. A system that allows group contributions of $10,000 to a single candidate will retain the undue influence of special interests in our political process. This ceiling is too high. I support the amendment to reduce the contribution limit for groups to $2,500 per candidate, per election.

I support an amendment to create an independent Board of Supervisory Officers. It is appropriate that the Clerk of the House, the Secretary of the Senate, and the Comptroller General, as employees of the Congress, should have advisory duties only on the Board of Supervisors. The amendment before us goes on to eliminate the veto power of the House Administration Committee and the Senate Committee on Rules and Administration. Only an independent enforcement committee can administer this law with fairness and impartiality. I urge support of this amendment.

Mr. Chairman, we have here an opportunity to give new direction and life to American politics by correcting abuses and bringing reform to the political process. I urge my colleagues to support the bill before us, with these amendments.

Mr. BROWN of California. Mr. Chairman, I rise in support of the general provisions and thrust of H.R. 16090, the Federal Election Campaign Act Amendments of 1974. I also wish to state that I will support two important amendments to this legislation, the first to provide for partial public financing of congressional general elections and the second to revise the Board of Supervisors provision to further insulate the regulators from the regulated.

I do not think it is necessary for me to elaborate on the provisions of this bill, or to explain my reasons for supporting particular provisions, except in a general sense. Others have done an excellent job of explaining the reasons for and the meaning of these proposals.

I would like to explain some of the background that led to my current philosophy on campaign reform. I have had the rather unique experience of conducting a statewide campaign for the U.S. Senate in the most populous State in the Union, California. I have also conducted five campaigns for the House of Representatives, and I am in the middle of my sixth campaign. Due to circumstances beyond my control, I have had to conduct two of those House campaigns as a nonincumbent. The first time was in 1962 when the total election costs were about $80,000, and the last time was in 1972 when the total election costs were about $175,000. Mr. Chairman, I submit that $175,000 is far too much money to spend on a congressional seat in the

House, and while I was fortunate enough to be able to raise these large sums, I believe most candidates would not be so fortunate. During my U.S. Senate campaign I discovered just how difficult it is to reach a larger electorate, and the importance of adequate financing, even when the candidate has a large and dedicated volunteer organization. Money may not have made the difference in that campaign, but the suspicion always remains that it may have.

I speak today as both a victim and a beneficiary of the current election laws. The conclusion that I have reached from these experiences and from the general knowledge that I share with my colleagues about other elections, is that virtually no reform can be so strong that it would result in a system worse than that which we have today. When I consider all of the potential for abuses in the present system, I am amazed that we have done as well as we have with the archaic laws that govern Federal elections.

My own State of California sent shockwaves through the Nation last June when it resoundingly adopted the citizens' initiative on election reform, proposition 9. That law is stricter than H.R. 16090 in some respects, and not as thorough in other respects. This is to be expected. The House bill before us differs from the Senate bill, and each of these bills differs in some respects from what may be considered a logical approach by others interested in campaign reform. I am not discouraged by this variety of legislative remedies to the existing Federal election process. In fact, I am encouraged because the interest shown in this subject will probably result in good, solid permanent election reforms. I do not think that the bill before us today is the final word in election reform either. I would hope that the process is continually reviewed and analyzed and revised until it truly serves the public interest in the maximum. It is with this thought in mind that I support H.R. 16090.

One main provision of campaign reform must be public financing. Numerous proposals have been put forth to guarantee that public financing is fair to all parties concerned. It is a concept that must be carefully thought out. I believe the Anderson-Udall-Conable-Foley amendment to this bill is such a proposal, and I fully support it. Again, I do not believe this provision is the last word in public financing, especially since it ignores primary elections. Nevertheless it is a positive step in restoring integrity and balance to our electoral process.

In conclusion, I wish to reiterate my support for this legislation and repeat my belief that our work should not end with the legislation we begin considering today.

Mr. BROWN of Ohio. Mr. Chairman, since 1972, we have witnessed an accelerating corrosion of the confidence of Americans in our system of electing candidates for public office. We have witnessed an increased skepticism on the part of the American people that the independence of their elected officials has been undermined by large political contributions from either powerful individuals or special interest groups.

It is this lack of confidence and growing skepticism which have led to the legislation we are now considering. The bill before us, by placing a limit of $1,000 on individual contributions to a political candidate and a $5,000 limitation on contributions to a candidate by special interest committees, represents an important step toward reducing the influence gained by special interests through political contributions.

Unfortunately, the bill does not go far enough toward reducing the influence which special interests can have via campaign contributions. The amendment I had hoped to offer—the contributors rights amendment—sought to go one step further. It would have provided that a candidate—or a political committee acting on his behalf—could only accept contributions from individuals, with the sole exception being a contribution of a political party organization. Other organizations would have been able to act as agents of the individual contributor, but the individual would have been permitted to designate to whom the contribution would be given and the agent would have been required to identify the original donor:

It is apparent in Washington that a small number of business, labor, and professional organizations exert influence on the Federal Government far out of proportion to the constituency which they serve.

As of May 31, 1974, according to a widely published survey, political action committees representing business, agriculture, health, labor, and other interest groups held cash on hand of $14.7 million. This is in addition to $2.7 million already given on behalf of 1974 congressional races. That amounts to $40,000 per congressional district to influence political races this year. The total of $17.4 million in special interest group funds which is available for the 1974 congressional races is almost twice the $9.7 million reported as available for the 1972 congressional elections. And the fund raising for this year is far from over.

The way in which these special interest groups are able to exert such a disproportionate influence is through the accumulation of relatively small and anonymous donations from their members. Then, by zeroing in with large campaign contributions on key races in the House and Senate or other marginal elections where the outcome is in doubt at the time of the donation, the power brokers who head the special interest groups are able to keep "friendly ears" in Washington and elsewhere for their special interests. While in theory there is nothing essentially wrong with the expressions of a common viewpoint through a collective campaign donation, in practice there are serious flaws.

To begin with, to say that member contributions are "collected" by these special interest groups is often the wrong characterization. "Forced" is often more correct, whether the special interest group is a labor organization, business, or professional group or "special cause" organization. Often the individual has no choice but to give, no choice as to how much he will give, and no voice in who shall receive his financial support for a political campaign. Decisions as to who receives donations and how much a candidate is to receive are usually made by the power brokers who head the committees. There is often little or no input from the individual donor whether a union member, doctor, or businessman who is the original source of the money.

In essence these people are asked to pour money into the wide mouth of a funnel without any real idea of where the spout comes out. The only thing they know is that "it will help the cause." The political action committee system is often a denial of the individual's basic right to free political self-expression.

All each of us has as a personal political right, after all, is our vote, our voice, our volunteer effort, or our individual financial contribution. Under the present system, the individual's donation is too often corrupted in ways which he would never understand or approve. It makes a mockery of the "informed electorate" concept by encouraging boss-type politics. If funds are to be aggregated for a particular use, it should be the result of a conscious decision on the part of the individual contributor and not the result of pressure tactics from special interest power brokers.

Under the bill before us, contributions which are earmarked must be disclosed. The bill, however, does not prevent an individual from channeling several thousand dollars to a special interest group without designating the recipient of his donation but knowing full well that a substantial part of his donation will end up in the hands of a particular candidate.

The amendment I suggested would have gone one step beyond the earmarking language in the bill and require that all contributions knowingly accepted by a candidate, with the exception of contributions from political parties, be fully identified as to the original individual donor source. This could close a major gap in present law by blocking individual efforts to avoid disclosure and circumvent the law.

By adopting this amendment, Congress would have met its obligation to strengthen the voice of the individual citizen in his government by protecting the sanctity and underscoring the importance of his individual financial contribution to a political candidate or campaign. The individual would have been able to control where his political donation would go and would have been able to know who would be spending it. This amendment would have served to tighten the group's accountability to its members and the politician's accountability to the individuals who are the ultimate support of his election.

Mr. VANIK. Mr. Chairman, today is a welcome day for the membership of this body. Almost 2 years after the most corrupt national political campaign in our history, we are provided the opportunity of making substantial repairs on our battered and abused electoral process. The hour is late—but we must act now to restore a measure of integrity to American politics.

The fact that we are even considering so comprehensive a measure as the Federal Election Act amendments is testimony to our neglect over the years of one of our basic freedoms—the right to vote. We have allowed our electoral process to be perverted by monied interests seeking special favors. No one needs to be reminded of the litany of sordid events which together have brought us to the brink of a wholesale subversion of the American political system. As public servants, we have no more important task to perform than to restore the basic confidence and faith of our citizens in the vitality, strength, and fairness of our political institutions.

I believe that each individual must make his or her own commitment to restore the integrity of that process. This is the opportunity that lies before us today.

Mr. Chairman, I support the thrust of this legislation. Nonetheless, gaps must be filled. Most important, is the need to establish an impartial board to supervise the administration of the Federal Elections Act. In devising a procedure for the selection of the membership of this Board, Congress must work with extreme caution. After two years of endless stories of dirty political deals, the American people have had their faith shattered. It will not be an easy task to rebuild this faith. For this reason, we must go out of our way to insure that the membership of the Supervisory Board is above reproach. The Supervisory Board will function as the public's eyes and ears—if we are careless in choosing its members, the credibility of our efforts here today will be destroyed.

I intend to support an amendment to strengthen the independence of the Board of Supervisors in the committee bill.

The second major area of weakness in the committee bill is the failure of the legislation to cover adequately the financing of congressional candidates in general election campaigns. This omission strikes to the heart of the integrity of our reform effort itself. If we are not willing to subject ourselves to the same constraints we establish for Presidential candidates, then we have cast a long shadow over our own intentions in drafting this legislation.

The events of the last few months have inexorably thrust the Congress into a more dominant role in the conduct of our national affairs. To assume this additional responsibility, Congress must have the faith and confidence of the electorate. Without this support, the effectiveness of our leadership will quickly erode.

We must recognize that we are entering a new era of congressional leadership. In preparation, we should take steps now to include congressional campaigns under the financing requirements of this legislation. Specifically, I will support the effort to extend matching payments from the checkoff fund for congressional candidates in general elections.

Mr. Chairman, this legislation—with the perfecting amendments I have mentioned—provides us with a good starting point for the restoration of our political system. But if there is one lesson these long months of Watergate have taught us, it is that the institutions of our government require constant vigilance and maintenance. The sustained involvement of a concerned citizenry is the only real guarantee that our Government will perform efficiently, effectively, and fairly.

Mr. CULVER. Mr. Chairman, I wish to voice my strong support for two amendments to H.R. 16090, the Federal Election Campaign Act Amendments of 1974. Though H.R. 16090 goes a long way toward improving Federal campaign practices, it falls short of ending many of the abuses that we have witnessed during the preceding 2 years. I, therefore, urge my colleagues to support two key amendments that will be introduced today, both of which I have cosponsored.

The Frenzel-Fascell amendment would insure strong and effective enforcement of our campaign laws; and the Anderson-Udall amendment would establish public financing of congressional elections by creating a matching payment system for congressional general elections which would be financed out of the "dollar checkoff" fund already provided in H.R. 16090 for Presidential elections.

Prohibitions and limitations are not sufficient by themselves to restore confidence and equity in the electoral process. We must break with the precedent of large donations, and provide incentives to encourage a resurgence of citizen participation in campaigns while at the same time reasonably equalizing the terms of competition between incumbents and challengers.

I, therefore, fully support efforts to amend H.R. 16090 to include a system of matching payments for small contributions to congressional campaigns. The thrust of such a system is not to eliminate private money from campaigns, but to shift the source of funding from the special interests and large contributors to a broad base of citizen participants. With entitlement to a $50 Federal matching payment for each equivalent contribution raised privately, candidates would have a far stronger incentive to turn to the people to finance their campaigns.

There can be no more constructive change in Federal campaign practices than to have our campaign laws aggressively and consistently policed and enforced by an agency with the proper authority. If we are going to have an equitable election law that protects the rights of the general public we must establish an independent administration and enforcement agency.

Unfortunately, H.R. 16090 leaves congressional employees—the Clerk of the House and the Secretary of the Senate—in an enforcement position, and maintains the congressional committee veto of rules and regulations. This situation gives the appearance of a conflict of interest since employees of the House and Senate are charged with identifying and reporting possible violations of the law committed by their employers. Even with the most conscientious and well-intentioned Clerk of the House and Secretary of the Senate, the public is certain to be skeptical and question the objectivity and zeal of their enforcement efforts against persons to whom they owe their jobs.

An independent commission would eliminate the present conflicts of interest, reverse the long history of nonenforcement, and achieve proper integration of the administrative and enforcement mechanisms of the law. Most importantly, a Commission would foster much needed public confidence in the effectiveness and fairness of election laws as well as in the aspirants for public office.

Finally, it must be remembered that we face a broader issue than "Watergate." The corruption that we have seen during the last 2 years is a manifestation of a more serious problem.

The U.S. Constitution lists few eligibility requirements for holding public office. However, the unwritten requirements are staggering. Under present conditions, there are clear handicaps for a person to run for public office in this country unless he or she is independently wealthy or is willing to seek the help of people or organizations of wealth. Watergate happened in part because a small group of unprincipled men had large sums of money—some of it laundered money, secreted in safes and suitcases. Nothing is more corrupting than unlimited money. If absolute power corrupts absolutely, uncontrolled money corrupts uncontrollably.

In 1972, candidates across the country spent $400 million. Significantly, incumbents were able to raise and spend twice as much as their challengers. More than two-thirds of this money was raised, not from a broad range of concerned citizens contributing small amounts of money, but from a very small number of individuals and groups.

One quality should not be pertinent to a candidate's qualification to hold public office, and yet this quality has often become the most critical to his chances of success—that is, the amount of wealth he can command. The democratic quality of choice is inherently diminished where a public election must depend in significant part upon one's ability to raise money.

There is a desperate need to equalize the political influence of all citizens in the United States. We must act to insure that the inequality in the amount of money one has or can command does not disproportionately affect the extent of their political influence.

Carefully designed public subsidization of elections constitutes an attempt to insure that the rights guaranteed by the first amendment are shared equally among the people.

Mr. HARRINGTON. Mr. Chairman, I rise in support of H.R. 16090, the Federal Election Campaign Act Amendments of 1974, as strengthened by the Anderson-Udall, Fascell-Frenzel, and Conte amendments.

By placing limits on campaign expenditures, controlling the runaway costs of elections, and making available matching public funding, this act will permit candidates without great personal wealth or wealthy friends, and without the advantages we all enjoy as incumbents, to realistically seek public office.

The "seedmoney" requirements should discourage frivilous candidates, but at the same time levels set in the legislation are sufficiently modest that no serious contender should be locked out of running an effective campaign by the monetary demands on candidates.

These provisions are central to the legislation, and have received considerable public attention. They certainly deserve the support of the Congress, but I would also argue that adequate enforcement and public disclosure are equally necessary to cleaning up our electoral process. Designation of a principal campaign committee and the institution of tighter reporting regulations will provide the public with greater access to the financial records of office-seekers. But most importantly the creation of an independent Federal Election Commission will move us closer to the goal of honest campaign financing. Without a strong regulatory agency, even the best legislation could prove worthless.

I would offer only one word of caution to my colleagues—in setting expenditure levels, they must not be set too low. A primary goal of any election should be the dissemination of information to the voters, and certainly that is necessary if a candidate is to have any realistic chance of winning. My experience in Massachusetts gives me a feeling that any ceiling whether it is $75,000 or some other number may in fact be unrealistic in many parts of the country and certainly anything much below a $75,000 figure could leave a challenger in a situation in which he would automatically be overwhelmed by the built-in advantages of an incumbent.

In closing, while the optional public financing of H.R. 16090 may not ultimately be the best approach available, particularly since the red herring issue of public versus private financing may mar future campaigns, this bill at least offer one way of removing the influence of money from our electoral system. What we want are campaigns which are informative, broadbased, and financed with money that does not carry strings or responsibilities leading public officials to violate their public trust. For only when the political arena is open to all candidates, and only then they are freed from the controlling influence of large contributions, will confidence in our electoral process be warranted.

Therefore, Mr. Chairman, I urge my colleagues to vote for this legislation before us today.

Mr. BOLAND. Mr. Chairman, H.R. 16090, the Federal Election Act Amendments of 1974, is a measure whose time has truly come.

A scant 3 years following the enactment of the Federal Elections Campaign Act of 1971, which provided the first reform of election law since 1925, we in this country have witnessed a debacle in election funding and misuse of campaign funds that has revealed to us all too clearly the pressing need for a far more thorough overhaul of our election laws.

The abuses of Watergate are, very simply, traceable in large respect to money.

I am a cosponsor of the original Anderson-Udall bill, H.R. 7980, which first brought this issue to the House. At the time that bill was introduced, none of us could have foreseen how truly necessary it has become.

There were no spending limits at the time of Watergate. There was, as a result, no problem in establishing the slush funds that financed the break-in at the Democratic National Committee offices.

There were no contribution limits either. Thus, it was no problem for officials of the Committee to Re-Elect the President to acquire funds for their various covert and illegal activities.

The cumbersome reporting requirements which each candidate must file, under current law, were not yet in effect when Maurice Stans and other Presidential fund-raisers collected millions in cash and unreported contributions.

Even today, it would be difficult for a citizen, with all of a candidate's reports before him, to determine how much indeed had been contributed to a candidate—and from whom.

One reason for this is that there is no limitation on the number of political committees that a candidate can form—or cause to be formed in support of his candidacy.

During the 1972 Presidential campaign, there were thousands of political campaigns formed. Some of those committees—Democratic and Republican—have yet to straighten out their tangled affairs.

The prospect of a similar state of confusion is imminent with the 1974 congressional races just ahead.

Lastly, the present law does not limit the cash amount of a contribution. It ought to be painfully obvious to anyone who has kept up with the far-flung and nefarious enterprises associated with Watergate corruption that cash offers too facile a medium for unethical and illegal activities.

Its untraceability and easy transferability obviously played a great role in tempting those who originally set up the network of espionage and sabotage in the Nixon campaign apparatus.

I will not say that H.R. 16090 offers a perfect solution to the evils that have beset the campaign process despite the 1971 law. Yet, something has to be done in short order to shore up the gaps which have opened in the wall we had sought to build around the improper influences that can act on candidates and their selection.

The new law that we now consider would take several basic steps toward restraining and greatly reducing the influence of big money and special interest groups.

Five essential reforms have been proposed: Individual and organizational contribution limits, expenditure ceilings for Presidential, senatorial, and congressional races, simplified reporting and expenditures for candidates centered in a single, principal campaign committee, independent supervision of the new law by a board of election supervisors and public financing of Presidential elections.

In the area of limits for individual political contributions, maximum amounts of $1,000 per candidate are allowed for both primary and general elections. An individual aggregate in contributions to all candidates cannot exceed $25,000 per year. There is a similar $25,000 aggregate for families in each calendar year. State political party organizations and multi-candidate committees can contribute up to $5,000 to a candidate per election. The use of middlemen to disguise or evade attribution in contributing funds is also prohibited. No cash contributions in excess of $100 are to be allowed. In addition, no contributions from a foreign national can be accepted by a candidate or his committee.

Expenditure limits in Presidential races on a per candidate basis are $10 million for primary spending and $20 million for the general election. Senate candidates would be allowed to spend $75,000 per election or $.05 per State resident, whichever is greater. Congressional candidates can spend $75,000 in both the primary and general elections. In addition, up to 25 percent more of a candidate's total allowance in senatorial and congressional races can be spent in exempted fund-raising efforts. These figures may in the future be raised in concert with rises in the price index from year to year by virtue of an escalation clause in the bill.

A last limitation centers on the independent expenditure by an individual or individuals in support of a candidate.

If unconnected to campaign spending by the candidate or a political committee, these expenses can total an aggregate of $1,000 per individual.

An extremely important feature of the bill is the new recommendations it has for campaign funding disclosure. The number of reports are reduced, but most significantly, all filings must now be made by a principal campaign committee for the candidate.

This committee is responsbile for collecting and collating all the receipts and expenditures of other committees supporting the candidate. This measure not only reduces the mass of paperwork required under present law, it also makes an understandable and comprehensive picture of a candidate's campaign funding possible for the first time.

This reform, alone, is worth the long fight that has finally brought this measure to the floor.

The Board of Supervisors, which would oversee and administer the law, will consist of seven members, the three existing supervisory officers of campaign laws—the Comptroller General, Secretary of the Senate, and Clerk of the House—plus four public members appointed by the House and Senate, on the recommendations of the majority and minority leadership of those bodies.

The Board will supervise the actions of the individual supervisory officers, help insure compliance with the election laws, and formulate overall policy with respect to campaign laws.

It will also give advisory opinions, conduct investigations, and report on an annual basis to the Congress.

The Board will, in conducting its investigations, hold hearings which may result in its referring violations to the Justice Department for prosecution. It can also declare candidates who fail to file their reports ineligible to run again for the office they seek.

The final innovation of the bill before us as a revolutionary one. Public financing of Presidential elections.

Utilizing funds from the dollar check-off fund, funding in order of priority will be provided to pay: Up to $2 million in legitimate political conventions expenses for each party, the entire $20 million limit per Presidential nominee in the general election and Federal matching funds for up to one-half of the overall per candidate limit.

In the last situation, each candidate will have to raise a threshold amount of at least $100,000, of which $5,000 must come from 20 States in $250 denominations or less.

As I have said, this bill offers broad and necessary changes in our election campaign laws.

I will support it for the great strides that it takes toward the restoration of strong positive public confidence in the election process.

In particular, the use of the dollar check-off fund to finance Presidential campaigning offers us a method whereby those citizens who wish to can contribute their tax dollars—at no expense to them—to free national politics from the influence of big money and special interest.

In this vein, I also wish to go on record in wholehearted support of several amendments which will be offered to this bill.

The first and most important amendment, which I have cosponsored, will be introduced by Representative ANDERSON, UDALL, CONABLE, and FOLEY. It also will make use of the dollar check-off fund, but for the financing of congressional and senatorial general elections.

The method employed in providing the financing for these elections involves—like that for Presidential primaries—a mixture of public and private financing. But, unlike the Presidential financing measures, the fundings provided from the checks-off fund will match only very small private contributions, $50 or less.

In addition, no candidate would be eligible for Federal contributions in excess of one-third of the candidates spending limit.

Use of the funds is further limited to certain specified media and other uses which are best calculated to reach the broadest segment of the voters.

Frivolous candidates will be unable to profit by the provisions of the amendment because each candidate must raise at least 10 percent of his spending limit in contributions of $50 or less before he is eligible for matching Federal funds.

This amendment has the great advantage, to my mind, of costing the American public no more than they are themselves willing to contribute to Federal matching funds.

Since, in either case, citizens pay no extra or any less tax, their convictions are their guide.

At present, the dollar check-off fund is growing by large percentages each year. There will be, I am convinced, ample funds available for this matching fund program in congressional races.

It is further, a system that can not help but insure that it is the little guy who makes a matching payment possible. If we are limiting individual qualifying contributions to a $50 maximum, there can be no doubt that a great many people will have to give before any check-off funds are available to the candidate. That is a sort of populist insurance that I feel is pretty hard to beat.

In addition to this amendment, I support two others. One will reduce the per election maximum contribution any group can make to a candidate—and that to be offered by Congressmen FRENZEL and FASCELL, to beef up and fully insure the independence of the Board of Supervisors that will administer this law.

Mr. Chairman, the legislation before us today offers some unique but highly workable answers to the questions in everyone's mind that were created by Watergate. Watergate is with us still—and may be for some time to come, but the sickness from which it was spawned can be cured. People in this country want to believe in their Congressmen. I am convinced that they would welcome the return of stability and confidence in government.

H.R. 16090 presents an opportunity to give those things to them that we may not again be presented with. We have an opportunity to return election politics to the people of this country, to take it from those who would win by purchase.

Populism is a much bandied-about phrase, but it can receive more meaning from what we do here today than any other force in this country. I urge the passage of this bill and the amendments I have endorsed. That result will reap unending benefits to this Nation and to those who made it all possible. We are those people and today is the day of reckoning:

I would like to append to my remarks an editorial that I have clipped from the July 7, 1974, Springfield Republican.

It sets out, to my mind, the very considerable advantages of the Anderson-Udall-Conable-Foley amendment, which the paper so graciously commends me for supporting.

I would like, in my turn, to point out that both for myself and for many other Members of this body, much of the encouragement, the research and the inspiration for this bill and the amendments which will be offered to it are the work of Common Cause, whose dedicated staff has labored unstintingly to advance this most crucial reform.

I would like to add my thanks—and I am sure, that of many others—for their contributions.

The article referred to follows:

MATCHING FUNDS REFORM FACTOR

U.S. Rep. Edward P. Boland, D-Springfield, in taking issue with the House Administration Committee's rejection of public funding for congressional campaigns, supports a sorely needed reform.

Much to his credit, Boland parts company on the issue with those House incumbents who are reluctant to surrender what they regard as an advantage to themselves in keeping funding strictly private.

What the congressman favors, as does Common Cause, is a mixture of small private contributions with some public funds—a limited matching system, in other words.

Public funds would match the House candidates' private contributions up to $50 each—but only up to a level that would be written into the law. Unlimited public funds would not be available to any candidate.

Also, the candidate would have to show a reasonable level of public support by collecting a certain amount—such as $7500—in contributions of no more than $50 each.

Thus serious candidates would qualify, as other candidates are screened out, for the public funding. And he or she would receive matching funds for all private gifts of $50 or less—up to the maximum set by the law.

This proposal, which will be offered during House floor action on campaign law reform, would set the public funding maximum at one-third of whatever overall spending limit is finally legislated.

The matching system would broaden the base of private contributions by encouraging candidates to seek more of these. In turn it would make the candidate more representative of the people.

Conversely, it would make candidates less dependent on, and obligated to, big special-interest contributors. At present, 90 per cent of campaign giving comes from less than one per cent of the population.

Fully as important, the matching funds system would give challengers of incumbents a more equitable stake in the election. A side-effect of that could be more responsible performance in office by an incumbent.

Mrs. HOLT. Mr. Chairman, the House Administration Committee should never have brought the Federal Election Campaign Act to the floor with a modified closed rule that bars major amendments.

This subject is too important to the Nation to be treated as a routine piece of legislation to be shot through this House, and many of us have important objections to provisions of H.R. 16090. Mr. Chairman, after reviewing this bill, I have concluded that it does very little in the way of reform, but actually aggravates conditions that already plague our election system.

For example, the ceilings established for campaign expenditures by candidates for the House of Representatives are much too high. A House candidate would be allowed to spend $75,000 in a primary election and $75,000 in a general election for a total of $150,000. I know of no House election campaign in Maryland in which spending by individual candidates has reached so high. Indeed, the norm would be in the neighborhood of $100,000 for both primary and general elections.

If we are really interested in campaign reform, we will try to reduce campaign spending below the existing norm, or we will not have anything that could be called reform. As presently written, this bill is an open invitation to spend up to the excessively high limits, and to terests to reach those limits.
raise sufficient money from special in-

The legislation also continues the unfair rule that allows labor organizations to contribute to campaigns while corporations are barred from making such contributions. We should not continue allowing the dues of union workers to be donated by union leaders to candidates who may not be supported by individual members. And we should not continue the practice of stacking the election system against business and for organized labor.

I must also vehemently protest the provisions for public financing of Presidential election campaigns. The effect of such a system is to force taxpayers to support candidates not of their choice, and I believe that would be unconstitutional.

Perhaps it is time for us to go back to some fundamental principles on the use of tax dollars. Many of us have a strong conviction that tax dollars should be used only for essential public services.

Mr. Chairman, bumper stickers, signs, balloons, advertisements, caterers for political rallies, and various gimmicks are not public services by any stretch of the wildest imagination. The provisions for public financing of Presidential campaigns are also blatantly discriminatory against any third political party, and indeed could be said to prevent the rise of any third party. I have the gravest doubts as to the constitutionality of that discrimination.

Mr. Chairman, many of us wanted to have an open rule for this bill so that it could be amended to effect a true reform without violating the constitutional rights of our citizens. The alternative is to vote against this legislation.

Mr. MURTHA. Mr. Chairman, I would like to share with my colleagues some of my thoughts, and the thoughts of my constituents, on the very important subject of televising the impeachment proceedings of the full House.

A great help to me in deciding how to vote on the resolution came from a special poll I conducted in the 12th Congressional District. The poll results gave me not only statistical evidence on public sentiment, but provided an outlet for the expression of individual opinions that helped to clarify the issues in my own mind and convince me of the proper decision.

I support the motion to televise the House debate. Before that debate actually begins, though, I believe it is important for the Representatives, the public, and television personnel to reflect on the significane of the House vote.

Impeachment represents the single most important decision this Congress was granted by the framers of the Constitution. The entire impeachment process has been compared to a trial of a public official from grand jury through verdict; and it is basically a trial. But we must remember it is not only a trial of the person charged, but also represents a test of the Congress, and of the strength of the Constitution itself.

It seems vital to me that the people be given every opportunity to judge the congressional process, the evidence presented, the full debate, and the final verdict. It seems to me the way to insure such a complete examination is to make available the entire procedure—unedited, uninterrupted, and uninterpreted—to the American people.

I have no doubt that given the full information, the intelligence and commonsense of the American people will render a proper verdict, not only on the final outcome, but on the Congress and the impeachment procedure as well.

The final decision this Congress makes will be effective only if it justifies public support. And to insure agreement and support by the public, it becomes essential that the people have access to the same complete set of facts the Congress does.

To test public sentiment on this question, Mr. Chairman, I conducted a special "Instant Poll" of a cross-section of 3,500 persons in the 12th Congressional District. I asked these people whether they favored or opposed the televising of the House impeachment procedure. The results of that poll showed:

In favor of televising; 66.7 percent.

Opposed to televising: 31.8 percent, and

Undecided: 1.5 percent.

It is essential, though to examine some of the many important comments accompanying these results. Particularly, I would like to analyze some very well-considered comments by those opposing televising the procedure. These comments provide important guidelines for all of us involved.

First, many persons argued that cameras should be barred because this is a judicial procedure. Certainly the electronic media are properly excluded from regular trials. But the reasons for this normal exclusion are: First, potential disruption of the trial since most courtrooms are not equipped for television coverage; second, unfair publicity in the community at large which could prejudice future jurors in a retrial; third, possible slander of a defendant or witness; and fourth, the fact that most trials do not directly affect the well-being of the entire community.

While all these are valid concerns in a standard trial, they seem less applicable to the special procedure we face. In this situation, the community-at-large must be the ultimate judge, and we must remember this. There is much less possibility of unfair slander, but we must all remember the rules of fair and ethical judicial behavior. And in this procedure we have a chance to correct what many people believe has already been unfair publicity.

Second, many constituents fear the presence of television cameras would turn the proceedings into a "circus-like" atmosphere with the attention of the Members directed to politics rather than a serious debate of the evidence.

Let me say first that I have great respect for the seriousness of the Members of this Chamber. I do not believe the presence of cameras or TV lights will deter us from our task. I believe the House Members will carefully weigh the evidence. I do not believe we will turn aside the serious judicial nature of this procedure. I believe the dignity of the Judiciary Committee hearings illustrates the conscientiousness of the Members as we approach this debate. Moreover, as I mentioned earlier, if Congress does not conduct itself properly, then we too deserve to be judged by the people.

Third, some individuals in the poll added they were tired of the entire "Watergate" problem and did not want it spread across their televisions for the next few months. I can understand the frustration of individuals over the events of the last year in Government. I can also understand the desire for Government to get on with other critical problems such as the economy.

The fact is, though, that we have been working on many problems including the economy. Outside the glare of front-page attention in the last few weeks we have considered election reform, vital strip-mining legislation and have passed 11 of the 13 regular appropriation bills. Just this week we passed the defense appropriations bill 3½ months earlier than last year. We are all anxious to bring this impeachment inquiry to conclusion, and I am sure the House will proceed with all deliberate speed. Impeachment is only one part of our concern, though, and we have not stopped activity in other vital areas. Moreover, I believe in the long run the impeachment process—once concluded in whatever manner—will help with those problems by reuniting the country and restoring public trust in our institutions and constitutional form of government.

Also, Mr. Chairman, I would like to address a few brief remarks to the television networks. As we all know, there has been considerable private and public criticism of the news media over the past few years. I think everyone would agree that there is nothing more critical to a democracy, than a free, responsible press. The next few months provide the news media—and particularly television—with an opportunity to show their maturity, responsibility, and commitment to democracy by covering the impeachment process with the respect, decency, balance, fairness, and comprehensiveness that this most important story deserves.

A century ago Americans knew little of the daily developments in the presidential impeachment proceeding then being conducted. This year, Americans have an opportunity to look in on history. The news media faces the burden of being the people's daily eyes and ears. They must present the information in the spirit of the free flow of ideas that is fundamental to a democracy. I believe the media are capable of this task. I urge them to prove it with their coverage.

A final word: As far as my own feelings on impeachment are concerned, I enter the debate prepared to listen, and to make a final judgment based on the facts presented. I ask the people of my district—regardless of your present feelings—to join with me in this fair judgment, aided by the on-the-spot coverage of the events, so that history records our people as being willing to listen and render a fair judgment.

Ms. HOLTZMAN. Mr. Chairman, campaign finance reform is long overdue. The abuses in campaign financing have so often been documented in past elections on every level and in both parties that the public has become almost completely cynical about the integrity of the electoral processes.

The Watergate scandals have focused our attention on these problems and have made it doubly necessary to enact corrective legislation.

As a member of the House Judiciary Committee, I witnessed during our impeachment inquiry some of the worst abuses in campaign financing. The availability of enormous sums of money permitted the Committee to Re-elect the President, for example, to finance an elaborate scheme of political intelligence including the break-in at the Democratic National Committee headquarters. The plumbers were financed with campaign funds. The availability of millions of dollars in cash coupled with lax reporting requirements made it possible to engage in illicit activities without fear of disclosure and permitted the illegal collection of substantial contributions from corporations. The ability to accumulate huge war chests of campaign money resulted in the milk deal and ITT scandal.

We must have a nationwide commitment to reforming campaign finance so that the process of getting elected does not—as it sometimes has in the past—become a means of attaching a candidate to special interests rather than to voters. We need to insure that our elected officials will be independent and accountable to the voters who elected them. We need to insure that strict spending limits are adopted so that bloated campaign chests do not become a temptation and incentive for dirty tricks or other illicit activities. We need to insure strict reporting requirements to prevent illegal contributions and illegal expenditures, and we must have an agency that can effectively and independently monitor the campaign financing process.

This particular bill, the Federal Election Campaign Act amendments, contains provisions for achieving these objectives and cleaning up the electoral process and for those reasons I support it.

This bill also contains additional provisions that will bring about other desirable reforms.

First, it permits public funds as well as private funds to be used to finance Presidential campaigns. Funds for public financing will not come from tax revenues but from the dollar checkoff and will thus encourage and depend on voluntary citizen participation. Availability of public financing will hopefully mean that Presidential candidates will not have to turn to special interest groups for contributions and that the office will be accessible to persons who are not wealthy. I would have liked to see such public financing provisions extended to senatorial and congressional races as well.

The bill also permits public financing of Presidential nominating conventions—a reform prompted by the scandal arising from the ITT contributions to the Republican National Convention in 1972 and designed to prevent its recurrence.

The bill also limits the amounts which an individual or group may contribute to any one candidate. The purpose of this provision is to prevent special interests from capturing a candidate.

In all these respects, the bill is an improvement over the present situation. It will help, I believe, to make campaigns more honest.

Nonetheless, the hidden implications and biases of this bill are grave indeed and I have very serious misgivings about it.

Some of the provisions designed to correct the worst abuses may also have the effect of making election to Federal office inaccessible to persons who are not incumbents, not wealthy or mavericks—those, in other words, who are not likely to be supported by big political machines, big business, big unions, big anything.

Let me point out these problems more specifically. First, all candidates for the same office are subject to the same spending limits. Sounds fair enough. But the fact is that on the average, newcomers usually have to spend more money than incumbents in order to win. The incumbent has built-in advantages. He is well-known to the voters. He has access to the frank. He has won an election before. Accordingly, the "even handedness" of campaign spending limits will tend to freeze out newcomers.

The second problem arises from the limitation on contributions by individuals to not more than $1,000 to any candidate. The purpose of this provision is to prevent any candidate from being beholden to particular interests. This sounds laudable. At the same time, however, the bill permits special interest groups and political parties to contribute up to $5,000 to any one candidate. Thus, the bill gives an edge to the kind of candidate who is likely to attract support from political machines or special interest groups. In addition, the bill allows the wealthy candidate to use up to $25,000 in personal funds to finance his campaign. But what about the person who does not have $25,000 and who is either too new or too independent to get $5,000 from special interest groups or political machines? And what about the nonincumbent who has the foregoing disabilities and, in addition, is not sufficiently well-known to pick up a significant number of small contributions to get his or her campaign off the ground?

I believe that the clear effect of these provisions is to give an unfair advantage to candidates who have been an "in" with the special interest groups or the political machines, who are wealthy or who are incuments. The nonrich, nonmachine-supported newcomer is going to have a difficult time.

In addition, political parties and established interest groups tend to support moderate, conventional candidates. But American politics needs the mavericks, the outsiders, candidates from the entire political spectrum. The centrist pull encouraged by this bill will make such candidates dependent upon individual contributions, and if they are not wealthy or well-known, they may not be able to obtain the financing to conduct effective campaigns. By excluding the mavericks and those on the extremes of the party spectrum, this bill in the long run may help stultify the political process.

We, as incumbents, would not be adversely affected by the type of limitations contained in this bill. Indeed, for the reasons I have stated, we would probably be helped. But I remember when I ran for Congress. I had no machine support; my family and I were not in a position to give $25,000 to my campaign; I was not as well known as the incumbent. If this bill had been in effect I may not have been able to obtain the initial financing from individuals that I needed to take my campaign to the people.

I do not believe that, in making this long overdue effort to clean up politics, we should also perpetuate the status quo. I fear that the groups and persons who worked hardest for this legislation, in the face of the intolerable campaign financing abuses of recent years, did not adequately consider the antinewcomer anti-independent biases of the bill. They compromised too easily.

I will support this legislation as an important first step, but I will work for—and believe the public must insist on—further reform. We would do a grave disservice to the American people if, in attempting to eliminate the financial abuses of our political system, we exclude those people who can breathe fresh life into it.

Mr. FRENZEL. Mr. Chairman, I yield back the balance of my time.

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Under the rule, the bill is considered as having been read for amendment.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by redesignating subsections (b) and (c) as subsections (f) and (g), respectively, and by inserting immediately after subsection (a) the following new subsections:

"(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraph (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the appropriate supervisory officer and to the intended recipient.

"(c) (1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election, or for election, by a candidate for the office of Senator, the greater of—

"(i) 5 cents multiplied by the population of the geographical area with respect to which the election is held; or

"(ii) $75,000;

"(D) $75,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner; or

"(E) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States;

"(B) expenditures made on behalf of any candidate by a principal campaign committee designated by such candidate under section 302(f) (1) of the Federal Election Campaign Act of 1971 shall be deemed to have been made by such candidate; and

"(C) the population of any geographical area shall be the population according to the most recent decennial census of the United States taken under section 141 of title 13, United States Code.

"(3) The limitations imposed by subparagraphs (C), (D), and (E) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(d) (1) At the beginning of each calendar year (commencing in 1975), as there becomes available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Comptroller General and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1973.

"(e) (1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate under the provisions of subsection (c)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1), the term 'clearly identified' means—

"(A) the candidate's name appears;

"(B) a photograph or drawing of the candidate appears; or

"(C) the identity of the candidate is apparent by unambiguous reference.".

(b) Section 608(a) (1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a) (1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election, or election, to Federal office in excess of $25,000.".

(c) (1) Notwithstanding section 608(a) (1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a) (2) of title 18, United States Code.

(d) (1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a) (20) of the Immigration and Nationality Act (8 U.S.C. 1101(a) (20)).".

(4) (A) The heading of such section 613 is amended by striking out "agents of foreign principals" and inserting in lieu thereof "foreign nationals".

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e) (1) Section 608(g) of title 18, United States Code (as so redesignated by subsection (a) of this section), relating to penalty for violating limitations on contributions and expenditures, is amended by striking out "$1,000" and inserting in lieu thereof "$25,000".

(2) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(3) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(4) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f) (1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this subsection) aggregating more than $10,000 in any calendar year;

shall be fined not less than $1,000 nor more than $5,000.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, and 615 of this title—."

(3) The table of sections for chapter 29 of title 18, United States Code, is amended

by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.

"615. Limitation on contributions of currency.

"616. Acceptance of excessive honorariums.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating prohibition of contributions in the name of another.

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND PRINCIPAL CAMPAIGN COMMITTEE

SEC. 102. (a) Section 591(d) of title 18, United States Code, relating to the definition of political committee, is amended by inserting immediately after $1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly, the nomination for election, or election, of any person to Federal office, except that any communication referred to in paragraph (f) (4) of this section which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(b) Section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines, or other similar types of general public political advertising (other than newspapers): *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(c) Section 591(f) of title 18, United States Code, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of three or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers), (H) any costs incurred by a candidate (including his principal campaign committee) in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate (including his principal campaign committee) in excess of an amount equal to 25 per centum of the expenditure limitation applicable to such candidate under section 608(c) of this title, or (I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising: *Provided*, That the cumulative value of activities by any person on behalf of any candidate under each of clauses, (D) or (E) shall exceed $500 with respect to any election;".

(d) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new paragraph:

"(i) 'principal campaign committee' means the principal compaign committee designated by a candidate under section 302(f) (1) of the Federal Election Campaign Act of 1971.".

POLITICAL FUNDS OR CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section shall not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—DISCLOSURE OF FEDERAL CAMPAIGN FUNDS

PRINCIPAL CAMPAIGN COMMITTEE

SEC. 201. Section 302 of the Federal Election Campaign Act of 1971, relating to organization of political committees, is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee.

"(2) Except as otherwise provided in section 608(e) of title 18, United States Code, no political committee other than a principal campaign committee designated by a candidate under paragraph (1) may make expenditures on behalf of such candidate.

"(3) Notwithstanding any other provision of this title, each report or statement of contributions received by a political committee (other than a principal campaign committee) which is required to be filed with a supervisory officer under this title shall be filed instead with the principal campaign committee for the candidate or whose behalf such contributions are accepted.

"(4) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (3) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the appropriate supervisory officer in accordance with the provisions of this title.

"(5) For purposes of paragraphs (1) and (3) of this subsection, the term 'political committee' does not include any political committee which supports more than one candidate, except for the national committee of a political party designatd by a candidate for the office of President of the United States under paragraph (1) of this subsection.".

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 202. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee and which does not support more than one candidate, reports and notifications required under this section to be filed with the supervisory officer shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

Sec. 203. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentence and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A) (i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt"; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304 (a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraph:

"(2) Each treasurer of a political committee which is not a principal campaign committee and which does not support more than one candidate shall file the reports required under this section with the appropriate principal campaign committee.".

(b) (1) Section 304(b) (8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(2) Section 304(b) (11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

Sec. 204. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by adding at the end thereof the following new subsection:

"(e) If a report or statement required by section 303, 304(a) (1) (A) (ii), 304(a) (1) (B), or 304(a) (1) (C) of this title to be filed by a treasurer of a political committee or by a candidate, or if a report required by section 305 of this title to be filed by any other person, is delivered by registered or certified mail,, to the appropriate supervisory officer or principal campaign committee with whom it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

DUTIES OF THE SUPERVISORY OFFICER

Sec. 205. (a) (1) Section 308(a) of the Federal Election Campaign Act of 1971, relating to duties of the supervisory officer, is amended by striking out paragraphs (6), (7), (8), (9) and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with him, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a) (7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b) (1) Section 308(a) (10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (b)".

(2) Section 308 of such Act, relating to duties of the supervisory officer, is amended—

(A) by striking out subsections (b) and (c);

(B) by redesignating subsection (a) as subsection (c); and

(C) by inserting immediately after subsection (a) the following new subsection:

"(b) (1) The supervisory officer, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate or the Committee on House Administration of the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the committee of the Congress which receives a statement from the supervisory officer under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the supervisory officer may prescribe such rule or regulation. In the case of any rule or regulation proposed by the Comptroller General of the United States, both the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives shall have the power to disapprove such proposed rule or regulation, and the Comptroller General may not prescribe any rule or regulation which has been disapproved by either such committee. No supervisory officer may prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the supervisory officer proposing to prescribe any rule or regulation under this section is the Secretary of the Senate, he shall transmit such statement to the Committee on Rules and Administration of the Senate. If the supervisory officer is the Clerk of the House of Representatives, he shall transmit such statement to the Committee on House Administration of the House of Representatives. If the supervisory officer is the Comptroller General of the United States, he shall transmit such statement to each such committee.

"(4) For purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Committee on Rules and Administration of the Senate, any calendar day on which the Senate is not in session, with respect to statements transmitted to the Committee on House Administration of the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such committees, any calendar day on which both Houses of the Congress are not in session.".

DEFINITIONS OF POLITICAL COMMITTEE, CONTRIBUTION, EXPENDITURE, AND SUPERVISORY OFFICER

Sec. 206. (a) (1) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Sec. 301. When used in this title and in title IV of this Act—".

(2) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)".

(3) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

(b) Section 301(d) of the Federal Election Campaign Act of 1971, relating to the definition of political committee, is amended by inserting immediately after "$1,000" the following: ", or which commits any act for the purpose of influencing, directly or indirectly the nomination for election, or election, of any person to Federal office, except that any communication referred to in section 301(f) (4) of this Act which is not included within the definition of the term 'expenditure' shall not be considered such an act".

(c) Section 301(e) (5) of the Federal Election Campaign Act of 1971, relating to an exception to the definition of contribution, is amended by inserting "(A)" immediately after "include" and by inserting immediately before the semicolon at the end thereof the following: ", (B) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor, (D) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary personal services by such individual to any candidate or political committee, or (E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (B) or (D) shall not exceed $500 with respect to any election".

(d) Section 301(f) of the Federal Election Campaign Act of 1971, relating to the definition of expenditure, is amended—

(1) in subparagraph (2) thereof, by striking out "and";

(2) in subparagraph (3) thereof, by inserting "and" immediately after the semicolon; and

(3) by adding at the end thereof the following new subparagraph:

"(4) notwithstanding the foregoing meanings of 'expenditure', such term does not include (A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate, (B) nonpartisan activity designed to encourage individuals to register to vote or to vote, (C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office, (D) the use of real or personal property by an individual owner or lessee in rendering voluntary personal services to any candidate or political committee, including the cost of invitations and food and beverages provided on the individual's premises for candidate-related activities, (E) any unreimbursed purchase or other payment by any individual for travel expenses with respect to the rendering of voluntary services by such individual to any candidate or political committee, (F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office, or (G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in magazines or other similar types of general public political advertising (other than newspapers): *Provided,* That the cumulative value of activities by any person on behalf of any candidate under each of clauses (D) or (E) shall not exceed $500 with respect to any election;".

(e) Section 301(g) of the Federal Election Campaign Act of 1971, relating to the definition of supervisory officer, is amended to read as follows:

"(g) 'supervisory officer' means the Secretary of the Senate with respect to candidates for the Senate, and committees supporting such candidates; the Clerk of the House of Representatives with respect to candidates for Representative, Delegate, and Resident Commissioner, and committees supporting such candidates; and the Comptroller General of the United States with respect to candidates for President and Vice President, and committees supporting such candidates.".

(f) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by striking out and" at the end of paragraph (h);

(2) by striking out the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the folling new paragraphs:

"(j) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 203(f) (1); and

"(k) 'Board' means the Board of Supervisory Officers established by section 308(a) (1).".

BOARD OF SUPERVISORY OFFICERS

SEC. 207. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating section 311 as section 314; by redesignating sections 308 and 309 as sections 311 and 312, respectively; and by inserting immediately after section 307 the following new sections:

"BOARD OF SUPERVISORY OFFICERS

"SEC. 308. (a)(1) There is hereby established the Board of Supervisory Officers, which shall be composed of 7 members as follows:

"(A) the Secretary of the Senate;

"(B) the Clerk of the House of Representatives;

"(C) the Comptroller General of the United States;

"(D) two individuals appointed by the President of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(E) two individuals appointed by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House.

Of each class of two members appointed under subparagraphs (D) and (E), not more than one shall be appointed from the same political party. An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term for the member he succeeds. Any vacancy occurring in the membership of the Board shall be filled in the same manner as in the case of the original appointment. Members of the Board appointed under subparagraphs (D) and (E)—

"(i) shall be chosen from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Government of the United States (including elected and appointed officials);

"(ii) shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment;

"(iii) shall serve for terms of 4 years, except that, of the members first appointed under subparagraph (D), one shall be appointed for a term of 1 year and one shall be appointed for a term of 3 years and, of the members first appointed under subparagraph (E), one shall be appointed for a term of 2 years; and

"(iv) shall receive compensation equivalent to the compensation paid at level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315), prorated on a daily basis for each day spent in the work of the Board, shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from their usual place of residence, in accordance with section 5703(b) of title 5, United States Code.

"(2) Notwithstanding any other provision of law, it shall be the duty of the Board to supervise the administration of, seek to obtain compliance with, and formulate overall policy with respect to, this title, title I of this Act, and section 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code.

"(b) Members of the Board shall alternate in serving as Chairman of the Board. The term of each Chairman shall be one year.

"(c) All decisions of the Board with respect to the exercise of its duties and powers under the provisions of this title shall be made by majority vote of the members of the Board. A member of the Board may not delegate to any person his vote or any decisionmaking authority or duty vested in the Board by the provisions of this title.

"(d) The Board shall meet at the call of any member of the Board, except that it shall meet at least once each month.

"(e) The Board shall prepare written rules for the conduct of its activities.

"(f)(1) The Board shall have a Staff Director and a General Counsel who shall be appointed by the Board. The Staff Director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The General Counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Board, the Staff Director may appoint and fix the pay of such additional personnel as he considers desirable. Not less than 30 per centum of the additional personnel appointed by the Staff Director shall be selected as follows:

"(A) one-half from among individuals recommended by the minority leader of the Senate; and

"(B) one-half from among individuals recommended by the minority leader of the House of Representatives.

"(2) With the approval of the Board, the Staff Director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

"POWERS OF THE BOARD

"SEC. 309. (a) The Board shall have the power—

"(1) to formulate general policy and to review actions of the supervisory officers with respect to the administration of this title, title I of this Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code;

"(2) to oversee the development of prescribed forms under section 311(a)(1);

"(3) to review rules and regulations prescribed under section 104 of this Act or under this title to assure their consistency with the law and to assure that such rules and regulations are uniform, to the extent practicable;

"(4) to render advisory opinions under section 313;

"(5) to expeditiously conduct investigations and hearings, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities;

"(6) to administer oaths or affirmations;

"(7) to require by subpena, signed by the Chairman, the attendance and testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board under section 311(c); and

"(8) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

"(b) Any district court of the United States, within the jurisdiction of which any inquiry is carried on, may, upon petition by the Board, in case of refusal to obey a subpena of the Board issued under subsection (a)(7), issue an order requiring compliance with such subpena. Any failure to obey the order of such district court may be punished by such district court as a contempt thereof.

"REPORTS

"Sec. 310. The Board shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Board in carrying out its duties under this title, together with recommendations for such legislative or other action as the Board considers appropriate.".

(b)(1) Section 311(a)(9) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a)(1) of this section and by section 205(a)(1) of this Act), relating to duties of the supervisory officer, is amended by striking out "appropriate law enforcement authorities" and inserting in lieu thereof "Board, pursuant to subsection (c)(1)(B)".

(2) Section 311(c)(1) of such Act (as so redesignated by subsection (a)(1) of this section and by section 205(b)(2) of this Act), relating to duties of the supervisory officer, is amended to read as follows:

"(c)(1)(A) Any person who believes a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board.

"(B) Any supervisory officer who has reason to believe a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred shall refer such apparent violation to the Board.

"(C) The Board, upon receiving any complaint under subparagraph (A) or referral under subparagraph (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(i) report such apparent violation to the Attorney General; or

"(ii) make an investigation of such apparent violation.

"(D) Any investigation under subparagraph (C)(ii) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant with respect to the apparent violation involved, if such complainant is a candidate. Any notification or investigation made under subparagraph (C) shall not be made public by the Board or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(E) The Board shall at the request of any person who receives notice of an apparent violation under subparagraph (C), conduct a hearing with respect to such apparent violation.

"(F) If the Board shall determine, after any investigation under subparagraph (C)(ii), that there is reason to believe that there has been an apparent violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Board shall endeavor to correct any such apparent violation by informal methods of conference, conciliation, and persuasion.

"(G) The Board shall refer apparent violations to the appropriate law enforcement authorities if the Board is unable to correct such apparent violations, or if the Board determines that any such referral is appropriate.

"(H) Whenever in the judgment of the Board, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.".

(3) Section 311 of such Act (as so redesignated by subsection (a)(1) of this section), relating to the duties of the supervisory officer, is amended by adding at the end thereof the following new subsection:

"(d) In any case in which the Board refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Board with respect to any action taken by the Attorney General regarding such apparent violation. Each such report shall be transmitted no later than 60 days after the date the Board refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Board may from time to time prepare and publish reports on the status of such referrals.".

(4) The heading for section 311 of such Act (as so redesignated by subsection (a)(1) of this section) is amended to read as follows:

"DUTIES OF THE SUPERVISORY OFFICER; INVESTIGATIONS BY THE BOARD"

(c) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by adding at the end thereof the following new sections:

"JUDICIAL REVIEW

"Sec. 315. (a) The Board, the supervisory officers, the national committee of any political party, and any individual eligible to vote in any election for the office of President of the United States are authorized to institute such actions in the appropriate district court of the United States, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 316. Notwithstanding any other provision of law, there are authorized to be appropriated to each of the supervisory officers and to the Board such sums as may be necessary to enable each such supervisory officer and the Board to carry out their duties under this Act.".

ADVISORY OPINIONS

Sec. 208. Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by inserting immediately after section 312 (as so redesignated by section 207(a)(1) of this Act), the following new section:

"ADVISORY OPINIONS

"Sec. 313. (a) Upon written request to the Board by any individual holding Federal office, any candidate for Federal office, or any political committee, the Board shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this title, title I of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Board. The Board shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Board with respect to such request.".

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

Sec. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"Sec. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATION; ENFORCEMENT

Sec. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"Sec. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title I of this Act, title III of this Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no person shall be prosecuted, tried, or punished for any act or omission which was a violation of any provision of title I of this Act, title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of the Federal Election Campaign Act Amendments of 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ENFORCEMENT

"Sec. 407. (a) In any case in which the Board of Supervisory Officers, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Board under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502(a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b)(1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a)(1) Title I of the Federal Election Campaign Act of 1971, relating to campaign communications, is amended by striking out section 104 and by redesignating sections 105 and 106 as sections 104 and 105, respectively.

(2) Section 104 of such Act (as so redesignated by paragraph (1) of this subsection), relating to regulations, is amended by striking out ", 103(b), 104(a), and 104(b)" and inserting in lieu thereof "and 103(b)".

(b) Section 102 of the Federal Election Campaign Act of 1971, relating to definitions, is amended by striking out paragraphs (1), (2), (5), and (6), and by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

(c) (1) Section 315 of the Communications Act of 1934 (relating to candidates for public office, facilities, rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(2) Section 315(c) of such Act (as so redesignated by paragraph (1) of this subsection), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'licensee' and 'station licensee' when used with respect to a community antenna television system, mean the operator of such system.".

APPROPRIATION TO CAMPAIGN FUND

SEC. 403. Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed $20,000,000.".

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a)(3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c)(1) Section 9002(1) of the Internal Revenue Code of 1954 (relating to the definition of "authorized committee") is amended to read as follows:

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.".

(2) Section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended—

(A) in subparagraph (A)(iii) thereof, by striking out "an" and inserting in lieu thereof "the";

(B) in the second sentence thereof, by striking out "an" and inserting in lieu thereof "his"; and

(C) in the third sentence thereof, by striking out "an" and inserting in lieu thereof "the".

(3) Section 9003(b) of such Code (relating to major parties) is amended—

(A) by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee"; and

(B) by striking out "any of" each place it appears therein.

(4) Section 9003(c) of such Code (relating to minor and new parties) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(5) Section 9004(b) of such Code (relating to limitations) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(6) Section 9004(c) of such Code (relating to restrictions) is amended by striking out "committees" each place it appears therein and inserting in lieu thereof at each such place "committee".

(7) Section 9007(b)(2) of such Code (relating to repayments) is amended by striking out "committees" and inserting in lieu thereof "committee".

(8) Section 9007(b)(3) of such Code (relating to repayments) is amended by striking out "any" and inserting in lieu thereof "the".

(9) Subsections (a) and (b) of section 9012 of such Code (relating to excess expenses and contributions, respectively), as amended by sections 406(b) (2) and (3) of this Act, are each amended by striking out "any of his authorized committees" each place it appears and inserting in lieu thereof at each such place "his authorized committee".

CERTIFICATION FOR PAYMENT BY COMPTROLLER GENERAL

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATIONS.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Comptroller General shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Comptroller General under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Presidential Election Campaign Fund Advisory Board may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by such Board that, due to extraordinary and unforseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMPTROLLER GENERAL.—Any major party or minor party may file a statement with the Comptroller General in such form and manner and at such times as he may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Comptroller General may require. Upon receipt of a statement filed under the preceding sentences, the Comptroller General promptly shall verify such statement according to such procedures and criteria as he may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Comptroller General shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Comptroller General shall have the same authority to require repayments from the national committee of a major party or minor party as he has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Comptroller General under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by him under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) of such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Presidential Election Campaign Fund Board under section 9008(d)(3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

(5) Section 9012(e)(1) of such Code (relating to kickback and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention,".

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(a) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"SUBTITLE H. Financing of Presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by adding at the end thereof the following:

"CHAPTER 97. Presidential Primary Matching Payment, Account.".

(c) Subtitle H of such Code is amended by adding at the end thereof the following new chapter:

"CHAPTER 97—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"Sec. 9031. Short title.
"Sec. 9032. Definitions.
"Sec. 9033. Eligibility for payment.
"Sec. 9034. Entitlement of eligible candidates to payments.
"Sec. 9035. Qualified campaign expense limitation.
"Sec. 9036. Certification by Comptroller General.
"Sec. 9037. Payments to eligible candidates.
"Sec. 9038. Examinations and audits; repayments.
"Sec. 9039. Reports to Congress; regulations.
"Sec. 9040. Participation of Comptroller General in judicial proceedings.
"Sec. 9041. Judicial review.
"Sec. 9042. Criminal penalties.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"Sec. 9032. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, the political committee designated under section 302(f)(1) of the Federal Election Campaign Act of 1971 by the candidate of a political party for President of the United States as his principal campaign committee.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Comptroller General' means the Comptroller General of the United States.

"(4) Except as provided by section 9034 (a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

"(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means a transfer of funds between political committees, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person who are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9037.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"Sec. 9033. Eligibility for Payments.

"(a) Conditions.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Comptroller General any evidence he may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Comptroller General any records, books, and other information he may request, and

"(3) agree to an audit and examination by the Comptroller General under section 9038 and to pay any amounts required to be paid under such section.

"(b) Expense Limitation; Declaration of Intent; Minimum Contributions.—To be eligible to receive payments under section 9037, a candidate shall certify to the Comptroller General that—

"(1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

"(3) the candidate has received contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions received from any person under paragraph (3) does not exceed $250.

"Sec. 9034. Entitlement of Eligible Candidates to Payments.

"(a) In General.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committee, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) Limitations.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9035. Qualified Campaign Expense Limitation.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation established by section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9036. Certification by Comptroller General.

"(a) Initial Certifications.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Comptroller General shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034.

"(b) Finality of Determinations.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9038 and judicial review under section 9041.

"Sec. 9037. Payments to Eligible Candidates.

"(a) Establishment of Account.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9007(b)(3) are available for such payments.

"(b) Payments From the Matching Payment Account.—Upon receipt of a certification from the Comptroller General under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Comptroller General from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received. Transfers to candidates of the same political party may not exceed an amount which is equal to 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed an amount which is equal to 25 percent of the total amount available in the matching payment account.

"Sec. 9038. Examinations and Audits; Repayments.

"(a) Examinations and Audits.—After each matching payment period, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committee who received payments under section 9037.

"(b) Repayments.—

"(1) If the Comptroller General determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, he shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Comptroller General determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

he shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) NOTIFICATION.—No notification shall be made by the Comptroller General under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) DEPOSIT OF REPAYMENT.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"Sec. 9039. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Comptroller General shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by him under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) REGULATIONS, ETC.—The Comptroller General is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038 (a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which he determines to be necessary to carry out his responsibilities under this chapter.

"(c) REVIEW OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9040. PARTICIPATION BY COMPTROLLER GENERAL IN JUDICIAL PROCEEDINGS

"(a) APPEARANCE BY COUNSEL.—The Comptroller General is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) INJUNCTIVE RELIEF.—The Comptroller General is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments, or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"Sec. 9041. JUDICIAL REVIEW

"(a) REVIEW OF AGENCY ACTION BY THE COMPTROLLER GENERAL.—Any agency action by the Comptroller General made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Comptroller General for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Comptroller General.

"Sec. 9042. CRIMINAL PENALTIES

"(a) EXCESS CAMPAIGN EXPENSES.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) UNLAWFUL USE OF PAYMENTS.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) FALSE STATEMENTS, ETC.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this chapter, or

"(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(d) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committee, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committee shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEWS OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) REVIEWS OF REGULATIONS.—

"(1) The Comptroller General, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such committee does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Comptroller General may prescribe such rule or regulation. The Comptroller General may not prescribe any rule or regulation which is disapproved by either such committee under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

SEC. 410. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall become effective 30 days after the date of the enactment of this Act.

(b) The amendments made by sections 403, 404, 405, 406, 407, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1973.

The CHAIRMAN. No amendments, including any amendment in the nature of a substitute for the bill, are in order to the bill except the following:

In title 1: Germane amendments to subsection 101(a) proposing solely to change the money amounts contained in said subsection, providing they have been printed in the CONGRESSIONAL RECORD at least 1 calendar day before being offered; and the text of the amendment to be offered on page 13, following line 4, inserted in the CONGRESSIONAL RECORD of August 5, 1974, by Mr. BUTLER.

In title 2: Germane amendments to the provisions contained on page 33, line 17, through page 35, line 11, providing they have been printed in the RECORD at least 1 calendar day before being offered; and the amendment printed on page 26619 in the RECORD of August 2, 1974.

In title 4: Germane amendments which have been printed in the RECORD at least 1 calendar day before they are offered, except that sections 401, 402, 407, 409, and 410 shall not be subject to amendment; and the text of the amendment printed on page 26520 in the CONGRESSIONAL RECORD of August 2, 1974.

Amendments are in order to any portion of the bill if offered by direction of the Committee on House Administration, but said amendments shall not be subject to amendment.

Are there any Committee on House Administration amendments to title I?

COMMITTEE AMENDMENTS

Mr. THOMPSON of New Jersey. Mr. Chairman, I offer three committee amendments to title I of the bill and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

On page 13, beginning in line 10, strike out "(B)" and all that follows down to but not including "(C)" in line 15, and insert in lieu thereof the following: "(B) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities."

Page 15, beginning in line 10, strike out "(D)" and all that follows down to but not including "(E)" in line 16, and insert in lieu thereof the following: "(D) the use of real or personal property and the cost of invitations, food and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities."

And on page 13, beginning in line 19, strike out "(D)" and all that follows down through "political committee," in line 23 and insert in lieu thereof the following: "(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate,".

Page 15, beginning in line 16, strike out "(E)" and all that follows down through "committee," in line 20, and insert in lieu thereof the following: "(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate,".

And on page 14, line 11, insert ", (C)," immediately after "(B)".

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, these amendments being simply technical in nature and having been widely circulated among the members of the committee and unanimously agreed to, I ask unanimous consent that further reading of the amendments be dispensed with and I shall undertake to explain them.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Chairman, the amendments to title I, beginning at page 13 are technical amendments relating to exemptions of certain in-kind expenditures and contributions from the spending and contribution limits provided in the bill. The purpose, generally, of these amendments is to further limit the scope of these exceptions. These amendments were fully discussed by the members of our committee and were approved unanimously at our meeting this morning.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, these amendments were adopted in the Committee on House Administration this morning and were accepted unanimously. They relate to the loopholes to which I referred in my minority remarks in the committee report and do satisfy about 95 percent of my objections to the loopholes as they existed in the bill.

I think they really go a long way to make this bill acceptable. I would urge they be accepted and properly passed.

Mr. HAYS. Mr. Chairman, I move to strike the last word.

I do want to say that these amendments were accepted unanimously. I think now that the gentleman from Minnesota (Mr. FRENZEL) has said they satisfy 95 percent of his objections, any time we can satisfy the gentleman from Minnesota (Mr. FRENZEL) 95 percent, we ought to move forward. So I propose to take no more time and urge the adoption of the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey (Mr. THOMPSON).

The committee amendments were agreed to.

The CHAIRMAN. Are there further committee amendments to title I?

AMENDMENT OFFERED BY MR. DU PONT

Mr. DU PONT. Mr. Chairman, I offer an amendment to title I.

The Clerk read as follows:

Amendment offered by Mr. DU PONT: Page 2, line 16, strike "$5,000" and insert in lieu thereof "$2,500".

Mr. DU PONT. Mr. Chairman, as required by the rule adopted by the House today, my amendment was published at pages 27062 and 27063 of yesterday's RECORD.

Mr. Chairman, this is a very simple amendment. It proposes to reduce from $5,000 to $2,500 the amount of money that a special interest committee can contribute to a candidate.

It is my personal opinion that special interest committees should not be allowed to contribute anything to candidates, but very plainly that is not a viable alternative. I think the very least we can do is bring the special interest group limit somewhat more in line with the other features of the bill.

The bill as reported by the committee has a $1,000 limit, per election, on contributions by any individual person, and then it goes on to set a $5,000 limit for committees. It seems to me that these two figures are substantially out of balance; that it is the individual, who wants to be encouraged, it is the individual we ought to be looking to in order to finance our political campaigns.

I think the reason we have gotten into trouble in our election process, as we have recently seen from the Watergate problem, is that we have had special interest groups—the milk lobby, various business funds, various union groups—giving large amounts of money to political candidates. I think if we get the special interest groups out of politics, we would be a lot better off.

Therefore, I am trying to prevent the evil of large amounts of money coming in, not from people—and people are the ones who should be supporting the candidates—but from special interest groups. I think that my amendment goes a long way toward ending this evil.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, for a point of clarification, does the gentleman's amendment include the respective political party committees, or is it restricted solely to outside groups?

Mr. DU PONT. I would say to the gentleman that my amendment simply changes the figure on line 16 of page 2 from $5,000 to $2,500. Therefore, it affects all committees covered by that subsection. It is my understanding that the subsection does cover political committees.

So, let me stress again the fact that what we ought to be talking about is people, and not organizations.

It is possible to raise a substantial amount of money—more, in fact, than the $75,000 limit imposed by this bill—by using people and by using a limit of $100 per person. I know that is the fact because I have done it. In my campaign in Delaware this year, we had 5,000 contributors. We set a limit of $100, and we raised $80,000.

So, I do not believe we need the special interest groups at all to finance political campaigns. I urge adoption of my amendment.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I have not read the text of the gentleman's amendment, but would he tell me if the Republican Congressional Campaign Committee and the Democratic Congressional Campaign Committee, for example, would be included as special interest groups under the terms and language of his amendment?

Mr. DU PONT. Those are not the terms of my amendment, I would say to the gentleman from Illinois. Those are the terms of the bill. My amendment simply changes the figure in the bill; but yes, they would be included. I would very much prefer that political committees, where I do not see any particular problem, were defined differently and were left alone. But, if we have to lower the limit on political committees in order to get the special interest groups out of politics, I would be in favor of it.

Mr. MICHEL. The gentleman may very well have heard my earlier remarks in which I complained about that $5,000 limitation affecting our nationally recognized political committees, so on those grounds I think I would have to oppose the amendment.

Mr. DU PONT. I am certainly sympathetic with the gentleman's problem, and I would only say that we have to attack his problem because of the way the committee has drawn the bill, and he is an unintentioned casualty of a very good amendment.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would start out by saying to the gentleman from Illinois (Mr. MICHEL) that this does apply to the committee of which he is chairman. There is no question about that. The gentleman from Delaware was very candid, and he said it did apply.

I am not particularly surprised—well, I am a little surprised—that of all people, the gentleman from Delaware would bring up his amendment.

The gentleman from Delaware has access to funds that most other Members in this body would not have access to, and I am not very impressed by the fact that he is limiting the amount of contributions in Delaware, because if one gets anybody by the name of Du Pont or who is related to the Du Ponts contributing $100 bucks, he can raise $1 million. Therefore, this puts a limitation on us poor boys, a pretty severe restriction.

I do not think that this amendment needs much debate. The gentleman from Illinois (Mr. MICHEL) made a pretty eloquent plea about it. He thinks $5,000 is too low for the committees, and there will be an amendment offered later which will help that situation. If he sees fit to support it, that is up to him. Personally, however, I think the committees ought to have the right to contribute whatever funds they can legitimately and honestly get their hands on because I am a great believer in the two-party system.

If we continue to offer amendments and to restrict the rule of the parties and the committees, then we may well find ourselves in the same situation that some of our friends in Europe are in.

I think it is kind of significant to note that there is not a majority government in Western Europe today. The reason many of the European countries are in the trouble they are in is because of the multiparty system and the fact that every government over there is a coalition government. When the people go to vote, they do not know whom to vote against because they do not know who really in the government makes the decisions.

That is one of the strengths of our system.

I oppose the gentleman's amendment basically on the philosophical grounds that it does weaken the two-party system, and I stand for the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware (Mr. DU PONT).

The amendment was rejected.

The CHAIRMAN. Are there additional eligible amendments to title I?

AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. MATHIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MATHIS of Georgia: Page 4, line 23, strike out "$75,000" and insert in lieu thereof "$42,500".

Mr. MATHIS of Georgia. Mr. Chairman, this is a very simple amendment. It reduces the amount of money that can be spent in any primary, any primary runover, or any general election from $75,000 down to $42,500.

I offered this amendment in committee. It was defeated by the members of the committee, who felt that it was a lower figure than they were willing to accept. I said at that time that I would offer it on the floor in order that all the Members of this House would have an opportunity to express themselves on what I considered to be a very vital issue.

I might point out, as the gentleman from Indiana (Mr. BRADEMAS) said earlier in his statement, that in addition to having the $75,000 spending ceiling, we allow an additional $17,000 to be spent by a candidate or his committee under the guise of fund raising, which makes a grand total of $93,000. If we multiply that by three, which is the primary, the primary runover, and the general election that we have in most States, then we are up to about $280,000 that can be spent by a candidate or his committee in any year.

As I said earlier during general debate, I think it is a farce for us to come in and talk about campaign reform and leave that kind of expenditure ceiling in this bill.

It is a matter of record that in 1972, in all congressional elections, 57 percent of all the candidates who were running—and that was 834—spent less than $42,500, which is the amount in my amendment.

The average amount spent per candidate is, as the gentleman from Pennsylvania said earlier in the debate, $47,801. We would reduce that by $5,000 by my amendment.

Mr. Chairman, I have here a list of the top big money spenders in the 1972 election. I have laid it here on the table, and if the Members want to see some gigantic, stupendous sums that were spent in attempting to win a job that pays $42,500 a year, they can walk by this table and take a look.

For example, a fellow named Brown who ran out of Arizona as a Democrat spent $274,000 in 1972; and the list goes on and on and on.

I think it is utterly ridiculous for us to talk about campaign reform and then leave an expenditure ceiling of $280,000 in this bill.

Mr. Chairman, I urge the Members to support my amendment and let us do something that will truly restore the confidence of the people in the democratic institution of this country, and particularly in this House.

Mr. HAYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I feel duty bound to defend the committee bill, which was the consensus of a majority of the members of the committee.

I will say to the gentleman from Georgia (Mr. MATHIS) very candidly that never in the 13 times I have run for Congress have I spent $42,500 in any single primary or election. So I have some sympathy for the gentleman's point of view.

However, this matter was discussed up and down and back and forth in the committee. There were members who wanted it lower than this figure. The committee started out with a $60,000 limit. That was debated. We went back and forth and up and down the street and finally came up with the $75,000 figure. I think every Member was conscientious about it, and I have no objection obviously to every Member voting his conscience on this amendment.

Mr. Chairman, what the committee tried to do in the aggregate was to balance off the charge that the lower amount would be an incumbent's figure against an unconscionable amount of a quarter of a million dollars or $150,000, both of which I would consider unconscionable amounts of money.

So while $75,000 may not be the most ideal figure in the world, it is the one that the majority of the members of the committee supported. I feel it was the best judgment we could come up with.

Therefore, I am going to support the committee position, although, as I say, I have never spent that much money and I do not have any intention of ever spending that much money.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I thank the gentleman from Georgia for introducing this amendment. I offered it myself and it was defeated in the committee, and now another attempt is made by the gentleman to introduce it here.

I believe any reasonable person will admit that if we establish a base of spending which is equal to our total salary for 2 years, we are spending about all we should be allowed to spend. This is the only job in the whole world where we can shamelessly face the people and say we are going to spend 2½ times our gross salary to win the office.

Somewhere there must be a question in the mind of somebody: What is the attraction in that office? What is the come-on? What is the little gift that you might receive for winning an office that costs you 2½ times more than what you are going to get paid?

I know Members of this Congress—I know them intimately and personally—who actually live on the salaries that they receive in Congress. Can we imagine that, living on the salary that we receive in Congress?

Anybody can take that person on in an election under the limitations we put in here, and defeat him, because he does not have either the money in his own right, or the kind of a district that will raise that kind of money.

I know Members in this Congress who move from a district they cannot win in into a district where this type of a candidate lives, and they have won, and are sitting in this Congress today.

I do not believe that anyone can honestly say that $85,000, twice our total salary, is too little to spend for the office that we seek.

I have an amendment that I will offer at a later time, although I doubt whether it will be allowed, but in any event I would like the opportunity at that time to explain it. That amendment will not cure everything, but I do believe that if this Congress accepts this amendment it will raise the respect that this Congress should be held in by the people of our Nation.

I have already given to the Members of this House information provided by our staff as to a sampling of the high rollers in this gamble for public office, such figures that I am sure would not be believed. One man spent $216,000, who was licked by a person who spent $215,000. One fellow spent $195,000 beating a man who spent $218,000.

We are not talking about Monte Carlo. We are talking about the House of Representatives of the Congress of the United States. And here we are, and we are not talking about what Watergate taught us; we are not talking about the evils of going out and getting contributions beyond the needs of the office. No, we are talking about increasing those expenditures.

When you talk about $187,500 in my district, you are talking about a gambling game without a limit, it is a no-limit poker game in my district when you talk about this kind of dough.

I say to the Members that you are not fooling the people, although you do in this bill, because we say to the public that there is a spending limit of $75,000 on each election, because if you will go back and check you will find that we have a nice little sweetener in there.

Do you know what that nice little sweetener is—$18,750 a year that we are going to be allowed to spend over and above the $75,000 in order to be able to raise the money to get the $75,000.

I think that on page 12 we should have another amendment to allow us 10 percent on $25,000 so we could raise $25,000 so we could raise the $75,000, because I do not know how we can raise the $18,000 if we do not have any allowance to do it with.

This means that each man and woman in this room can spend $93,750 for a primary, a special runoff, and a general election.

I do not know how you fellows raise your money or where you get it; it is none of my business, but I know one thing: That in 43 years of public life I do not believe that I have spent the total that you are allowing for your next campaign for one Member of this House, and I ran for the U.S. Senate in between times. I do not understand where this money comes from.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I regret having to oppose the amendment offered by my distinguished and good friend, the gentleman from Georgia (Mr. MATHIS) but I do so for two reasons:

In the course of the markup of this legislation we started with amounts as high as $125,000 for a primary, and another $125,000 for the general election. The concensus was rather overwhelming that that was indeed excessive. Nevertheless, outside groups were asking for sums infinitely greater than $75,000, which was the concensus of the committee.

Then $90,000 was tried, without success.

Finally it was agreed upon that, lower amounts having been defeated, that $75,000 would be adequate.

Mr. Chairman, I too have run a number of times. In fact, 10 times for Congress, to be exact, and only once did I find it necessary to raise and spend $72,000.

My average is considerably less than this. In my district, indeed in the State of New Jersey, we have no private television. New Jersey, being a very small State, is covered by the New York and Philadelphia stations. I do not find myself able, and never have found myself able, to buy television time. This does not apply, however, to a great many of my colleagues who must rely on the media and television, which in itself is a very expensive process.

I think that this sum is perfectly reasonable. I think that the individual candidate will make a judgment as to how much his constituency believes he should spend or how much he should not and will act accordingly. But at least here we have a real flexibility.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend, the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. I thank the gentleman for yielding.

I want to say that I commend the gentleman's committee on a very fine compromise here. They had some tough choices. In this case they made a very responsible choice.

We have had really two evils that outside groups, I think, have complained about. One was the enormous amount of money that some candidates were spending in congressional elections. The other evil was the so-called insulation of incumbents through low limits that permitted a real conscientious, sincere challenge of an incumbent. Here the gentleman has struck a balance. He has ended the outrage of a half million dollars being spent in House contests. At the same time he has given challengers and incumbents the right amount to spend, an adequate amount to make their case. I think this is a good, sound, and compromising balance, and I would hate to see it upset.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. I certainly want to thank the gentleman from Arizona for not endorsing my amendment.

Mr. FRENZEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Maryland.

Mr. GUDE. I thank the gentleman for yielding.

I rise in opposition to the amendment. I do feel this is an antichallenger amendment and we should vote it down. I believe that the committee has struck a good balance in providing a limitation which gives incumbents and challengers equal opportunities for success as far as campaign financing is concerned.

Mr. FRENZEL. I thank the gentleman for his contribution.

Mr. Chairman, the committee has done its best to find a middle ground in candidate expenditures. Like the gentleman from Illinois (Mr. MICHEL) I really think there should be a greater expenditure allowed, because I found that in the very few incumbent races in 1972 where about a dozen challengers beat incumbents, the average expenditure was about $120,000. The average expenditure of all candidates for Congress in the general elections is much less, of course—between $30 and $40,000. Most of those races are perfunctory pro forma races that do not need anything. All the action is in about 40 races. Each district is different. We need the higher limits unless we are going to be guilty of the charge that we are protecting ourselves.

If we accept the amendment offered by the gentleman from Georgia, we will be guilty, in my judgment, of the very strongest kind of incumbent protection. Judged by the basis of the other democracies in the world, the United States ranks in the middle or lower third of expenditures per capita for its election processes. Its average expenses are well below those of the average parliamentary democracy.

It makes no sense to relate our expenditures to our salaries, since most of us do not contribute to our own campaigns. Anyway, under this law we are now passing, the contribution limit will be restricted to $1,000, so there will be no undue influence from any particular individual or group of individuals.

Mr. Chairman, I think it would be a dreadful mistake if we mess up the delicate balance of this bill by accepting the amendment offered by the gentleman from Georgia.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for yielding.

I wish to associate myself with the remarks of the gentleman from Minnesota and point out just a couple of other things.

The reason why some candidates spend a great deal more money than the salary involved and the reason why people are willing to put that kind of money and contributions into a race is because the Congress disposes of, not just $42,500 a year per Member, but hundreds of millions of dollars per year per Member. That is why this is an important thing to a great many people who are interested in what happens to their taxes and to the affairs of this country.

We just cannot afford to put ourselves into the position of protecting the incumbent and locking out the challenger. My campaign committee spent twice $42,500 in my first race, and if they had not, I probably would not be here. It took a large amount of media coverage just to acquaint the voters with the fact that I existed and with the issues as I saw them. I was an unknown running against a 20-year incumbent whose name was a household word.

Now that I am here, I am not going to vote to make it next to impossible for other challengers to do the same sort of thing. The possibility of effective challenge helps keep the system open and keep us on our toes.

Mr. FRENZEL. I thank the gentleman. I assure him that some of my best friends are incumbents and I would even let my daughter marry one.

Basically, while the incumbents are good people and deserve to be reelected, let us not let ourselves open to criticism by making it impossible for a challenger to unseat us.

Mr. SEIBERLING. If the gentleman will yield further, I would like to point out one other thing, and a crucial thing, which is that under this bill the amount of money that can be spent by a candidate from his own pocket and the amounts that can be given by a single contributor are limited. That will keep the spending down, and avoids putting an arbitrary ceiling on total expenditures.

Mr. FRENZEL. I thank the gentleman from Ohio.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania, the chairman of the subcommittee (Mr. Dent).

Mr. DENT. Mr. Chairman, all the talk I hear is of incumbents, as if spending is the answer. But our records do not show that. I invite the Members to come to my office and examine them. High spending is not the answer to elections. The key to election is the same old fundamentals, such as the character of the person running, what kind of person he is, what kind of life he lives, what kind of community spirit he exhibits. It is not the total amount of money.

Mr. FRENZEL. I thank the gentleman for his contribution. If the gentleman did support the limitation of in kind contributions I would be more sympathetic.

Mr. GAYDOS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I will not use all the time unless my good friend, the gentleman from Pennsylvania (John Dent) asks me to yield, but I do want to make one point.

It has been admitted repeatedly that this is a compromise. The members of the committee compromised. What did we compromise and because of whom? We compromised because outfits such as Common Cause and, without mentioning them specifically, others pressured the committee and put forth their positions. Everybody had their input except one very vital segment of America, and that is the people of this country; the constituents of the Members and my constituents. They were not consulted.

The amendment is a reasonable amendment. The $42,500 is a good response to taxpayers who raise the question repeatedly, and this is by far the greater percentage of the criticism which has been raised. What is the outcry? Why run for a job that pays $42,500 a year?

Now, I submit for the consideration of this House that the committee has repeatedly admitted that $75,000 is a compromise. I ask the Members to use their good judgment and respond by supporting the realistic amount of $42,500 for each election.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GAYDOS. I yield to my colleague, the gentleman from Pennsylvania.

Mr. DENT. The gentleman from Ohio said that he spent twice the $42,500, if he had not, he would not be here.

I thought the gentleman had such sterling character that he would be here if he spent one-third of that amount. If he could spend $15,000 and get elected, would the gentleman say the other fellow would have to spend $175,000 to beat him?

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield further, I would say if a man has been in office for some time, everybody knows who he is. But if they do not know his opponent, John Smith, John Smith has to spend a certain minimum to acquaint the electorate with the simple fact that he exists.

Mr. DENT. The only problem with that is that not one Member of Congress was born an incumbent. We all had to start sometime.

Mr. HAYS. Mr. Chairman, I would like to say, I am just trying to defend the committee amendment, but some of the people speaking for it are almost convincing me not to defend it any more.

Now, my dear friend, the gentleman from Ohio (Mr. Seiberling) said he spent that money and that is how he got here. He would have got here if he had stayed home in bed, because his incumbent opponent had ceased to serve the district, and the district knew it.

The gentleman from Ohio (Mr. Seiberling) had one other advantage. He had a well-known name. I remember when I was a kid in Ohio there was a sign with a little boy in pajamas holding a candle and it said, "Time to retire. Get a Seiberling."

Mr. SEIBERLING. I have to correct the gentleman. It said, "Time to retire. Get a Fisk."

Mr. HAYS. Anyway, it was a well-known name in Akron.

I might say that one time in my career I had an opponent who said he spent a quarter of a million dollars. That is the year I spent $42,000.

I am going to defend the committee amendment; but just let me say that incumbency is no sure way to stay in office, unless at the same time, unless we continue to serve the needs of our districts and if we do that, we can stay in for $3.95, and if we do not, we could not stay in for $395,000.

The CHAIRMAN. The Chair would like to state a problem, so that the Members will understand the dilemma of the Chair correctly.

The Chair is supposed to recognize Members, taking into account three factors: First, membership on the committee; second, alternation between the two sides of the issue; and, third, alternation between the two sides of the aisle.

The Chair, therefore, is going to inquire of each Member as he initially recognizes him, for what purpose does the gentleman rise, so that the Chair will be aided in being fair in presiding over the debate.

The Chair recognizes the gentleman from Pennsylvania (Mr. Gaydos) for approximately one-half minute.

Mr. GAYDOS. I thank the Chair.

As a concluding observation for the consideration of my colleagues, since we must have a limitation, I pose the question, what is wrong with the salary pertaining to the office?

The CHAIRMAN. The time of the gentleman has expired.

Mr. KOCH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, on a number of occasions in the course of this debate Members have risen to in some way or other correlate the congressional salary of $42,500 with what they think appropriate to spend in running for office, as though there were anybody in this Chamber who believed that they should run for this office and pay all the expenses of the campaign themselves. I doubt there is a single person who has done that or would advocate it. Indeed, in our legislation we limit what any one of us can pay toward his own campaign, to prevent the rich man from buying the election.

Would anyone suggest that a Member of the other body running for office, who also gets $42,500 should spend $42,500 to run for that office, or that the President who gets $200,000 should run on a campaign budget of $200,000? That simply would make no sense.

Now, what the committee tried to do was this. It sought to make it possible for someone who has not run for office to run and not feel that that person had been shut out simply by virtue of not being able to spend the reasonable sums necessary for the media, for the mailings, for the radio, or for television in that particular district necessary to acquaint voters with his or her positions on issues.

In my own district, on each occasion that I have run, my opponent spent either one and a half, twice as much, and in one case, three times that which I spent. I am proud of the fact that I won without equaling those expenditures, but that does not affect the basic issue.

The basic issue was and is this, especially in my second and third terms: The people in my district knew me. The people in my district did not have to have the mailings and radio and television that my opponents thought were necessary for them to become known. I would feel, if I deprived my opponent of spending a reasonable sum—and I am not now talking about the sums the chairman of the subcommittee referred to when he talked about $150,000, $200,000 and more, sums that are not in this bill. I am talking of a reasonable sum, which $75,000 is.

Again this bill permits $75,000 to be spent. Another non sequitur has been introduced that someone referred to $17,500 above the $75,000, was referred to. Do the Members know what that money is? Let me tell you: When a Member has a dinner and the cost of the meat and potatoes and stamps for mailing for that dinner comes to x number of dollars, a maximum of 25 percent of whatever the Member has raised may be deducted for expenses. Does that not make sense? I think it does.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Chairman, I appreciate the gentleman yielding to me. I want to associate myself with his remarks.

As the Members know, in the committee I was the sponsor of the $75,000 amendment. I would like to point out to the members of the committee that we have 435 districts in the United States. There were many figures put forth; $100,000, $125,000, $150,000. I studied all of these figures and thought that I came out with a reasonable figure.

The size of districts are different. Some are concentrated in cities and some have 20 and 40 counties. There is nothing in this law that says a candidate must spend $75,000. If he does not need $75,000 to get elected, he may spend $50,000 or less, but let us not take this on a personal basis per district.

Each Member knows what the needs of his district are. We are trying to cover all of the districts. We are not saying that a candidate must spend $75,000, but we are trying to establish that this is not an incumbency bill, and we are saying to the people who are our opponents, that they can raise $75,000 to spend $75,000 and to run for this high office as a Member of the Congress of the United States.

So, I want to urge my colleagues to vote down the amendment and support the committee.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. KOCH. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I cannot match the eloquence of my Mediterranean friend from Illinois, but I am delighted to associate myself with his remarks, as well as those of the gentleman from New York (Mr. Koch), and to oppose this amendment. I see that the gavel is about to fall, and would therefore urge defeat of the amendment.

Mr. HAYS. Mr. Chairman, I would like to make a unanimous-consent request, and would like to explain my reasons for it.

I made a commitment to the leadership that I would try to ask the committee to rise by 5:15 so that the leadership can bring up the television resolution—which may be a moot thing—but they want to bring it up in any case. I was wondering if we could finish debate by sometime around there.

Mr. Chairman, I ask unanimous consent that debate on this amendment close at 5:20.

I do not propose to use any time myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was made will be recognized for three-quarters of 1 minute each.

The Chair recognizes the gentleman from New York (Mr. Pike).

(By unanimous consent, Mrs. Mink yielded her time to Mr. Pike.)

Mr. PIKE. Mr. Chairman, I have heard so much about the advantages to an incumbent. I want to just tell the Members of my own personal experience. I ran for office the first time, and I spent $7,000. The district happened to be Republican 3-to-1 against me, and I lost by 40,000 votes.

I ran again, and I spent $12,000, and I was elected. It was the same district. It was still 3-to-1 Republican.

People do not vote for incumbents unless they are doing a decent job. They are just as willing to vote against incumbents if they do not think they are doing a decent job.

Nobody in my district says that he voted for Richard Nixon, but says that he voted against George McGovern.

Mr. Chairman, it is very rarely that I rise in support of an amendment of the gentleman from Georgia or even agree with him philosophically, but the number $42,500 is not there just because it is the salary of a Congressman. It is there because spending $75,000 is just too much money to spend on a congressional campaign.

If I do not need to spend $75,000 in my district, if I can get elected by spending $12,000, and I have never come anywhere near $75,000 in my district, for Heaven's sake, why on Earth should anybody have to spend $75,000?

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. Burlison).

Mr. BURLISON of Missouri. Mr. Chairman, I would like to commend my able friend, the gentleman from Georgia, on his amendment, and I rise in support of it.

I think that the figure of $93,000 for a primary campaign and $93,000 for a general election campaign is an unconscionably high ceiling. I believe that with this type of ceiling, Mr. Chairman, we are opening the door to blatant impropriety and fraud in our elections.

I know that there will be a dramatic increase in campaign spending when we vote public financing, which, though not in this bill at the present time, will surely come. When we have public financing, you can be sure each candidate will utilize the full amount of the ceiling.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. James V. Stanton).

Mr. JAMES V. STANTON. Mr. Chairman, I ran for Congress against a 28-year incumbent, and I spent $38,000, and I beat him. I got 65 percent of the vote in the primary.

If we want a lesson out of Watergate, the lesson ought to be: Cut down the amount of money you spend in a campaign.

I see the leading reformers of this House trying to urge the expenditure of $93,000 in a primary and $93,000 in a general election, and I think that is unconscionable. I do not think the American people want anything other than the reduction of money spent in elections.

Mr. Chairman, I support the amendment offered by the gentleman from Georgia (Mr. Mathis).

(By unanimous consent, Mr. Denholm yielded his time to Mr. Davis of South Carolina.)

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. Davis).

Mr. DAVIS of South Carolina. Mr. Chairman, I rise in support of the amendment.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of South Carolina. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I thank the gentleman from South Carolina, my dear friend, for yielding.

I would like to make one observation as we come to the critical moment of voting on my amendment. That is that none of my so-called liberal reform-minded friends who have risen to oppose this amendment can give me a good reason for their position. That gives me a little cause to pause and wonder about how serious they are about campaign reform.

When these Members go back to their districts and they are stumping among their people this year and they are asked what they did about campaign reform, are they going to tell their people, "I supported a bill that provided for the expenditure of $280,000 by any candidate for Congress in any election year"?

That is simply not campaign reform, I submit.

Mr. Chairman, I thank my friend, the gentleman from South Carolina, for yielding, and I again urge support for my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. Breaux).

Mr. BREAUX. Mr. Chairman, I rise in support of the amendment.

I wish to point out that although some Members think this is an incumbent provision, I think that the gentleman from Ohio (Mr. James V. Stanton) is correct when he says that this is plenty of money, that this is enough money.

Mr. Chairman, I urge, again, support for the amendment.

(By unanimous consent, Messrs. Hanrahan and Annunzio yielded their time to Mr. Michel.)

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, the amendment offered by the gentleman from Georgia (Mr. MATHIS) may very well play well in Albany as it would play well in Peoria, my hometown.

However, I do not think we can take that parochial a view concerning an amendment of this kind. We must look at the effect it would have throughout the balance of the country.

Frankly, if the gentleman would couple his proposal here with one to make fully accountable and reportable every in-kind contribution, then he would be making a real valuable contribution, because in four of the five special elections we held earlier this year there were over $50,000 worth of in-kind unreportable, unaccountable expenditures.

A few weeks ago our friend, SAM YOUNG, who is running against our former colleague, Ab Mikva, up in the suburban district of Chicago challenged Ab to limit his campaign to $100,000. Ab turned him down. Incidentally, there was also another challenge: "Let us not take money from out of State." And Ab turned down this challenge.

The point I am making here, as my good friend, the gentleman from Illinois, has said, is this: It is different in Peoria than it is in the suburban districts of Chicago, New York, or any of the other metropolitan centers of this country.

I personally said at the outset of this debate that I was less than enthusiastic about doing anything with respect to broad, sweeping reform since it is such a difficult job to write this legislation and apply it nationally under different kinds of conditions which do exist throughout this country.

Mr. Chairman, I think the committee is to be commended for taking all of these factors into account and coming up with the figure in this bill, which I personally think is too low, even though I have never spent that much money in my own case. However, I feel I must take a national view, as I think all of us on both sides of the aisle should.

Mr. Chairman, I urge defeat of the amendment offered by the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. Mr. Chairman, I will say to the gentleman that in-kind contributions are covered in this legislation, and the gentleman from Georgia supported those amendments in committee.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I think the point has been well made that what we are dealing with here is a national problem. Many of the Members who have spoken in favor of this amendment reflect their own personal experiences. This is natural. But there are other Members with very different personal experiences. We have to provide a ceiling that is reasonable, that allows challengers in all types of districts throughout the country to make a realistic challenge. That is why this is a national problem, and that is why the committee has proposed a higher figure than had been agreed upon by the committee when the committee considered the last campaign spending regulation bill. The figure reflects a realistic estimate under current circumstances.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. LENT).

Mr. LENT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia (Mr. MATHIAS).

In the past 2 years, we have seen how big money can corrupt our electoral process. And while some of my colleagues might feel that the spending limit proposed in this amendment is too low, I believe that strong medicine is needed to ensure that the events of the past 2 years are not repeated.

Significantly lower spending limits will have several positive effects. First, they will make candidates conduct campaigns which will put them in constant personal contact with the people. In addition, they will remove the financial barriers which currently stand in the way of the average citizen's ability to run for political office. Most importantly, they will reduce the necessity to accept or become dependent upon money from special interest groups and wealthy contributors.

The average citizen has a great deal of difficulty understanding how candidates can spend $100,000 in 3 months in quest of an office that pays a salary of $42,500 per year. Indeed, it sometimes appears that high political office is for sale, and we must prove to the American people that such is not the case. In 1972, congressional candidates on Long Island spent an average of $45,000 each. For the most part they proved that campaigns can be run on reasonable budgets, and I believe that other candidates throughout the country will find that they, too, can conduct successful campaigns given the same financial restrictions.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska (Mr. THONE).

(By unanimous consent, Mr. THONE yielded his time to Mr. FRENZEL.)

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, the supporters of this amendment seem to assume that we have to spend the $75,000. I have never spent much more than $40,000, nor have my opponents, but there are 435 districts in our country, and they all vary.

We have kicked around a lot of different values, some of them indefensible, some of them far too low. I heard in the cloakroom about a colleague running for a statewide office, and he was joking. He lost, and he said that his colleague had committed an unfair campaign practice. I asked him what that was, and he said that his opponent had gone all throughout the State referring to him as "Congressman So-and-So."

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Chairman, there are 435 different congressional districts in the United States, and as we have already observed during the debate, the circumstances under which a campaign is conducted are different in each district.

In my own district, for example, television is very important, because we have three television stations and it is used by most candidates for the House of Representatives. In Cook County, however, it is not used because the cost is prohibitive. That is just one example.

The committee has tried to come up with a reasonable and fair amount and I hope the amendment is rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I rise in support of the propositions that our Federal election laws are in need of strengthening and what is popularly called reform.

The other body acted early in this Congress on election reform passing a measure in November of last year.

Both that proposal and the proposal we are considering here on the floor recognize the need for reform but they answer that need by injecting the Treasury of the Federal Government into the breech, though in differing degrees.

I have no quarrel with laudable proposals which recognize that moderate Federal support in addition to contributions from the private sector can provide an important and healthy avenue for citizens to participate in the electoral process.

Indeed, a candidate's right to public funds ought to be measured by his ability to obtain grass root support—that includes support from small contributors.

In 1973, I polled the constituents of my district and 1 of the 10 questions I asked was "Should Federal tax dollars be used to finance election campaigns?"

The response that I received was 71.4 percent in the negative. Again, in June of this year, I asked the same question. The response again was overwhelmingly in the negative, 63.1 percent responding "No."

In August, 1973, I introduced my own version of election campaign reform legislation. My bill contains many of the provisions contained in this bill we are now considering. My approach to limiting contributions is, however, designed to make it more attractive to small contributors to participate in the election process. Rather than Federal subsidies, which surely must come from the taxpayer and must be distributed by an additional layer of Federal bureaucracy with all its attendant expense, I prefer amending the tax laws to increase credit and deduction allowances for limited political contributions thereby encouraging such contributions and preserving freedom of choice in making contributions.

It seems, however, that any proposal amending the tax laws as my bill would do, is inevitably lost in the morass of tax bills piled at the door of the House Ways and Means Committee.

The intent of the 1971 Federal Elections Campaign Act—accountability—is what needs strengthening in my opinion. I shall therefore support the amendments that will be offered by my colleague, Mr. FRENZEL, to establish a more independent administration and enforcement agency. Further, I will support amendments that will be offered by my distinguished colleagues, Messrs. BROWN, BUTLER, DU PONT, MICHEL, ANDERSON, and FRENZEL that would prohibit the pooling of funds and require that contributions be identified as to original donors and that would limit the proliferation of political committees which are designed to circumvent the contribution limitations contained in the bill.

I believe it should be unlawful for any person, other than a candidate, an official national party committee or any official congressional or Senate Campaign Committee to make directly or indirectly contributions or expenditures on behalf of any candidate in any calendar year. One and only one committee should be authorized by a candidate to act for him and in his behalf and that that committee should be held accountable along with the candidate to the independent administration and enforcement agency envisioned by the supporters of the amendment that will be offered.

Because we have experienced flagrant violations of the intent and even the letter of our existing election campaign laws is no reason, to change the good, our time honored system of campaigning for grassroots support, while trying to insure adherence to reasonable standards of decency and integrity. I shall therefore oppose amendments providing for Federal subsidies to congressional candidates.

I commend to my colleagues attention the editorial view of the Christian Science Monitor contained in Tuesday's edition.

> One key question to be debated is that of public financing itself. Its supporters (including Common Cause) see it as an effort to reduce the pressure of the pocketbook on candidates, with all the attendant potential for abuse. Its opponents (including a majority of the Senate Watergate committee itself) argue that, in Jefferson's words, "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical." They predict excessive Federal bureaucracy and control in conflict with the First Amendment right of free political expression.
>
> This question deserves the fullest debate. If public financing is accepted, it should apply to all Federal candidates. But it should be recognized that public financing of itself does not necessarily mean political reform. In some European and Asian countries with public financing, there have been problems of unstable coalition governments and influence by special-interest groups representing religions or occupations, for example, rather than money. With or without public financing, campaign reform must extend to party and electoral reform—as well as to that individual integrity without which any legislation must fall short.

Mr. FRENZEL. Mr. Chairman, the statement that was made by the gentleman from Illinois (Mr. ANNUNZIO) really sums up my feelings on this matter. The committee looked into high numbers and looked into low numbers. We tried to accommodate the different circumstances existing in the different districts. In one district it is better to campaign through the mails; in another through television; another in other ways; some direct; some more expensive and some cheaper.

What we tried to do was pick a figure that would not provide our opponent, our challenger, with the right to criticize us for unfairly protecting ourselves.

I think we have found a reasonable figure. In fact, I would like it higher. I think it would be a terrible mistake if we accepted the amendment offered by the gentleman from Georgia (Mr. MATHIAS).

Do not confuse preventing your opponent from having an honest chance with reform. There is no reform in squashing your oppositon before he starts.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. HAYS) to close debate.

Mr. HAYS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. MATHIS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MATHIS of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 223, not voting 24, as follows:

[Roll No. 459]

AYES—187

Anderson, Calif.
Andrews, N. Dak.
Ashbrook
Ashley
Badillo
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Bowen
Bray
Breaux
Brinkley
Broomfield
Brown, Calif.
Burke, Fla.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Conlan
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
Denholm
Dent
Devine
Dickinson
Dingell
Dorn
Dulski
Duncan
Eckhardt
Edwards, Ala.
Esch
Eshleman
Evins, Tenn.
Fisher
Flowers
Flynt
Ford
Fountain
Gaydos
Gettys
Gilman
Ginn
Goldwater
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harsha
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holt
Hosmer
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kemp
Ketchum
King
Latta
Leggett
Lent
Long, Md.
Lott
Lujan
McClory
McEwen
McKay
Macdonald
Madden
Madigan
Mahon
Martin, Nebr.
Mathis, Ga.
Mayne
Melcher
Miller
Mills
Mink
Mitchell, Md.
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nichols
Nix
Obey
O'Hara
Pettis
Pike
Poage
Powell, Ohio
Price, Tex.
Quie
Quillen
Randall
Rangel
Reuss
Roe
Rogers
Rooney, Pa.
Roush
Rousselot
Roybal
Runnels
Ruth
Ryan
Sandman
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Skubitz
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Towell, Nev.
Traxler
Ullman
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Whitten
Widnall
Wilson, Bob
Winn
Wydler
Yatron
Young, Fla.
Young, S.C.

NOES—223

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Arends
Armstrong
Aspin
Bafalis
Bell
Bergland
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Brademas
Breckinridge
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Casey, Tex.
Cederberg
Clawson, Del
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
de la Garza
Delaney
Dellenback
Dellums
Dennis
Derwinski
Donohue
Drinan
du Pont
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Forsythe
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Giaimo
Gibbons
Gonzalez
Green, Pa.
Gude
Gunter
Hanna
Harrington
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Hillis
Hinshaw
Hogan
Holtzman
Horton
Howard
Hudnut
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jordan
Karth
Kazen
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Lehman
Litton
Long, La.
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Milford
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Moakley
Nedzi
Nelsen
O'Brien
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Peyser
Pickle
Preyer
Price, Ill.
Pritchard
Railsback
Rees
Regula
Reid
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roncalio, Wyo.
Roncallo, N.Y.

Rose
Rosenthal
Rostenkowski
Roy
Ruppe
St Germain
Sarasin
Sarbanes
Satterfield
Schroeder
Seiberling
Sikes
Sisk
Smith, N.Y.
Staggers
Stark
Steelman
Steiger, Wis.
Stratton
Studds
Symms
Talcott
Thompson, N.J.
Thone
Thornton
Tiernan
Treen
Udall
Van Deerlin
Veysey
Waggonner
Waldie
Ware
Whalen
White
Whitehurst
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—24

Barrett
Brasco
Carey, N.Y.
Chisholm
Davis, Ga.
Diggs
Downing
Gray
Hansen, Idaho
Hansen, Wash.
Holifield
Landrum
McSpadden
Mosher
Murphy, N.Y.
Podell
Rarick
Rhodes
Rooney, N.Y.
Scherle
Slack
Stokes
Teague
Vander Jagt

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HAYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bolling, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16090) to impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks and include extraneous matter on the bill under discussion today (H.R. 16090).

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DISCHARGING COMMITTEE ON THE JUDICIARY FROM CONSIDERATION OF S. 2201 AND REFERRING SENATE BILL TO COMMITTEE ON PUBLIC WORKS

Mr. DONOHUE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the consideration of the Senate bill (S. 2201) to provide for the settlement of damage claims arising out of certain actions by the United States in opening certain spillways to avoid flooding populated areas, and that it be rereferred to the Committee on Public Works.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TELEVISION AND RADIO BROADCAST OF PROCEEDINGS OF THE HOUSE OF REPRESENTATIVES

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 802 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 802

Whereas clause 33 of rule XI of the Rules of the House of Representatives provides for coverage by television and radio broadcast of committee hearings which are open to the public; and

Whereas there is no provision in said rules for coverage by television and radio broadcast of proceedings in the House Chamber, except that such coverage is prohibited by the ruling of previous Speakers of the House; and

Whereas it is probable that there will be brought to the floor of the House for its consideration the question of the impeachment of the President of the United States; and

Whereas the question of the impeachment of the President is of such historic and national importance as to command the keen interest of every American throughout the Nation; and

Whereas television and radio facilities are available to broadcast throughout the Nation the historic proceedings in the Chamber of the House on the question of the impeachment of the President; and

Whereas it is in the national interest that the historic debate be broadcast by radio and television facilities throughout the Nation: Now, therefore, be it

Resolved, That, notwithstanding any ruling or custom to the contrary, the proceedings in the Chamber of the House of Representatives on any resolution to impeach the President of the United States may be broadcast by radio and television facilities.

Sec. 2. The Speaker of the House of Representatives is authorized to appoint a committee of five members, including the majority and minority leaders, to provide such arrangements as may be necessary in connection with such broadcast.

With the following committee amendment:

Strike out all after the resolving clause and insert:

That, notwithstanding any rule, ruling, or custom to the contrary, the proceedings in the Chamber of the House of Representatives relating to the resolution reported from the Committee on the Judiciary, recommending the impeachment of Richard M. Nixon, President of the United States, may be broadcast by radio and television and may be open to photographic coverage, subject to the provisions of section 2 of this resolution.

Sec. 2. A special committee of four members, composed of the majority and minority leaders of the House, and the majority and minority whips of the House, is hereby authorized to arrange for the coverage made in order by this resolution and to establish such regulations as they may deem necessary and appropriate with respect to such broadcast or photographic coverage: *Provided, however*, That any such arrangements or regulations shall be subject to the final approval of the Speaker; and if the special committee or the Speaker shall determine that the actual coverage is not in conformity with such arrangements and regulations, the Speaker is authorized and directed to terminate or limit such coverage in such manner as may protect the interests of the House of Representatives.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker. House Resolution 802 provides that the proceedings in the Chamber of the House of Representatives relating to the resolution reported from the Committee on the Judiciary, recommending the impeachment of Richard Nixon, President of the United States, may be broadcast by radio and television and may be open to photographic coverage. House Resolution 802 provides for a special committee of four Members, the majority and minority leaders of the House of Representatives and the majority and minority whips of the House of Representatives, to arrange for the radio, television, and photographic coverage. Their arrangements shall be subject to the final approval of the Speaker of the House. If the special committee or the Speaker shall determine that the actual coverage is not in conformity with the promulgated arrangements and regulations, the Speaker is authorized to terminate the coverage in a manner consistent with the interests of the House of Representatives.

On July 22, the Committee on Rules recommended, and the House approved, House Resolution 1107, introduced by the gentleman from Utah (Mr. Owens) providing for a change in the Rules of the House of Representatives to allow broadcasting of committee meetings. The Committee on the Judiciary's proceedings relating to the impeachment of President Richard Nixon were broadcast and the people of the United States were given an opportunity to view the proceedings in their entirety.

It is now appropriate that under the terms of House Resolution 802 the American people be allowed to observe the House of Representatives consideration of articles of impeachment against Richard Nixon, President of the United States. The praiseworthy manner in which the Committee on the Judiciary conducted its meetings on impeachment is one of the strongest arguments that can be advanced for broadcasting the House debate on impeachment.

The American public and the Members of this body owe a debt of gratitude to the gentleman from Illinois (Mr. Yates), the author of House Resolution 802 and who for the last 6 months has shared his views on this matter of vital importance with the Members of Congress, the media, and the public. He is to be commended for perseverance, persistence, diligence, and good judgment.

Mr. Speaker, broadcasting of the House of Representatives impeachment proceedings will present to the American people the factual charges and arguments in a more complete and totally different perspective than from the printed media. Broadcasting and photography will complement the coverage by the printed media. The electronic media are part of today's life. It must be allowed to broadcast in its entirety the most important issue of our time—the debate in the Chamber of the House of Representatives concerning the articles of impeachment against Richard Nixon, President of the United States. I respectfully urge the adoption of House Resolution 802.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will inform my good friend, the chairman of the committee, the gentleman from Indiana (Mr. MADDEN), that I agree with every word he said about this resolution. I support it.

Just let me commend my good friend, the gentleman from Illinois, for his foresight and his good judgment and also his perseverance in seeing to it that this resolution was brought before the Committee on Rules and now before the House for its consideration.

I would just like to mention that the resolution provides for a very good committee composed of 4 members, the majority leader, the minority leader, the majority whip, and the minority whip.

The regulations shall be subject to the final approval of the Speaker, and I am sure that the Speaker will see to it that if and when these proceedings are televised, we will have gavel-to-gavel coverage.

We will have no commentary, and we will have no commercials. I think this is most important.

I, for one, from all reports that we have had on the coverage of the Committee on the Judiciary, would like to commend the networks for their coverage of those proceedings. I think we have received nothing but praise for the way they have handled the coverage.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Is it clearly understood that the arrangements and the regulations promulgated by the special committee of four Members will deal exclusively and only with the television and radio coverage of the House proceedings?

Mr. LATTA. It also takes care of photographic coverage. There is some provision for still cameras, as I understand it, and that is the reason the language appears on page 2, lines 16 and 17: "and may be open to photographic coverage."

Mr. GROSS. Well, is it clearly understood that these arrangements and regulations will apply only to photographic coverage and to television and radio coverage and will not go to regulations governing the Members of the House of Representatives?

Mr. LATTA. Mr. Speaker, that is my understanding.

Mr. GROSS. Mr Speaker, I thank the gentleman.

Mr. MILFORD. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Texas.

Mr. MILFORD. Mr. Speaker, I thank the gentleman for yielding.

Do I understand the gentleman to say that there will be a prohibition against commercials during the broadcasting of these proceedings?

Mr. LATTA. That is correct.

Mr. VAN DEERLIN. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I will be happy to yield to the gentleman from California.

Mr. VAN DEERLIN. Mr. Speaker, in addition to the ban on commercials, I understood the gentleman from Ohio to say that there would be a ban on commentaries?

Mr. LATTA. Mr. Speaker, let me say to the gentleman from California that they will follow the same procedure that they followed at the time the hearings in the Committee on the Judiciary were being televised.

I think that they restricted themselves very well. We have no complaints, or I at least have no complaints.

Mr. VAN DEERLIN. Mr. Speaker, if the gentleman will yield further, I agree that while the Committee on the Judiciary handled itself in a manner that has reflected credit on the full House, it seemed to me that the network coverage of those proceedings was also of the highest order. The gentleman has cited radio and television coverage of the Committee on the Judiciary as an example of what we seek to achieve. I judge then, that the gentleman would not seek to impose a gag rule against any explanatory efforts by network personnel, in the same manner as was done at the committee hearings.

Mr. LATTA. That is a matter that will be taken up by the committee, and will have the final approval of the Speaker. I am sure that whatever regulations they come up with will meet the approval of the House.

Mr. VAN DEERLIN. The gentleman from Ohio is the only one who said there was going to be a ban on commentaries.

Mr. LATTA. May I just suggest to the gentleman from California that I had reference to the time prior to the Committee on the Judiciary hearings being held. At that time we said we did not want somebody saying that this was Mr. Such-and-So, or this is Mr. So-and-So, and he is going to say such and such, and that we rather interpret his remarks as such and such.

I think—and I am expressing my own personal opinion—that every Member of this House knows what he is attempting to say in the well of the House without somebody telling the American people what he is saying.

Mr. VAN DEERLIN. If the gentleman will yield still further; the gentleman, I am sure, can recognize that in radio coverage of the hearings, where there is no possibility for visual identification or for any announcement on the screen, it is necessary for a radio anchor man to indicate who is speaking when a Member's voice comes in.

The gentleman would not want to reduce that kind of coverage, would he?

Mr. LATTA. Absolutely not.

Mr. VAN DEERLIN. I just think it is important while we are taking this step, to make certain that we are not establishing, as the sense of Congress, that we wish to impose any restrictions over camera coverage, or voice coverage of these proceedings that were not present in the Judiciary Committee broadcasts.

Mr. LATTA. Let me just mention to the gentleman from California that there will be some restrictions on the camera coverage. As I understand, there will be only three cameras, and they will be focused on the tables here, on the well, and on the Chair.

Mr. VAN DEERLIN. Does the gentleman mean that this has been decided upon already?

Mr. LATTA. It was pointed out before the Committee on Rules that that was the understanding. They are not going to be panning the entire Chamber, and they will not be panning the galleries. They will be focused on these tables here, in the well, and on the Chair.

Mr. VAN DEERLIN. Will the gentleman yield still further?

Mr. LATTA. I will be happy to.

Mr. VAN DEERLIN. Mr. Speaker, I would say to the gentleman from Ohio that that is not set forth in the resolution.

Mr. LATTA. I am telling the gentleman what the understanding is.

Mr. VAN DEERLIN. It makes it a little difficult for some of the Members to know what is going on, inasmuch as we appear to be creating a new committee to determine these important details.

Mr. GROSS. Mr. Speaker, if the gentleman will yield, does the gentleman know whether we will have these floodlights on, and that we will have to live with those floodlights on for some 24 hours a day?

Mr. LATTA. The question arose at the time of the hearings before the Committee on the Judiciary being televised as to whether or not the lights would be on high for them, or on dim. If you want to appear in color you will have to have the bright lights.

Mr. GROSS. I do not care to appear in living color.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, with respect to the question that was raised by the gentleman from California, I spoke to the Speaker a few moments ago, and the regulations respecting the televising will be worked out between the broadcasting companies and the committee that is to be appointed under this resolution.

The primary coverage as pointed out by the gentleman from Ohio will be in the well and on the committee table. But the Speaker has indicated that will not be the total coverage; that in order to have the same kind of coverage that we had during the Committee on the Judiciary proceedings, it left the Speaker momentarily out. But the fact remains that the committee is going to insist upon no coverage of Members of the House which will demean them or demean the conduct of the House.

Mr. VAN DEERLIN. Mr. Speaker, will the gentleman yield for one final comment?

Mr. LATTA. I yield to the gentleman from California.

Mr. VAN DEERLIN. I thank the gentleman for yielding.

Whether this House is demeaned or not depends a great deal more on the Members of the House than it does on the network coverage of the House. I would surely express the hope that we will continue to place faith in the advice given by Thomas Jefferson that if he had a choice between a free press and government—one without the other—he would have no hesitation in choosing the free press.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the author of the resolution, the gentleman from Illinois (Mr. YATES).

Mr. YATES. I thank the gentleman for yielding.

Mr. Speaker, I want only to say that I want to pay my tribute to the members of the Committee on the Judiciary for having conducted themselves as superbly as they did. There were many in the House who feared that before the television cameras Members of the House who were on that committee would resort to histrionics or demagogic behavior. I think that the members of the committee proved that there is a high quality of representation in this House, and that before the television cameras they projected their eloquence, they projected their intelligence, and they projected their conduct throughout the country. Theirs was the highest quality of representation.

Mr. ROSENTHAL. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. ROSENTHAL. I appreciate the gentleman's yielding.

I wonder if the gentleman would want to speculate on what chances he thinks there are that these proceedings would in fact come into being, and that there will be a televising?

Mr. YATES. I will tell the gentleman what the Speaker said. He said we cannot act on the basis of rumor, and that if we have to proceed with this debate, it is going to take place.

Mr. ROSENTHAL. This resolution would only cover these particular events?

Mr. YATES. That is correct, I will say to the gentleman.

I will say to the House that this will be a historic first. Never before have the proceedings of the House, beyond the proceedings of opening day up to the time of the swearing in of Members, ever been broadcast.

Mr. Speaker, I feel that the debate on this resolution, if such debate takes place, will be of the same high quality that marked the debate in the House in the proceedings before the Committee on the Judiciary.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I certainly agree with the comments that he makes about the gravity of the situation, how serious it is, how the Members ought to have a chance to be involved, how the people of America ought to have the opportunity to see firsthand what we are doing and how we are doing it.

I will say to the gentleman that I intend to support this resolution, but I also intend to see that the Members of the House participate in this, and that they will be here whether it is televised or not. I just want to put them on notice that should we reach the point during these very, very important debates where there is not a quorum present, I intend to use the rules of the House to guarantee that a quorum does remain present.

Mr. YATES. That is the gentleman's privilege, may I say to the gentleman.

Mr. Speaker, I yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I might recommend that the leaders on both sides of the aisle might, at the beginning of each House session, inform the millions of people who will be listening in that the work of the Members of Congress consists of many duties including attending committee meetings and also office work.

About 80 percent of a Congressman's time is confined to detail work apart from his presence in the House Chamber.

Mr. LATTA. Mr. Speaker, the question has come up here and I hope after we pass this resolution and the committee has been formed they will decide against having any photographic equipment in the Speaker's Lounge. The question has come up whether or not as the Members leave the Chamber and then go out into the Speaker's Lounge there will be photographic equipment. Certainly the committee and the Speaker can take care of this problem.

GENERAL LEAVE

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 802.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. LANDGREBE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 385, nays 25, not voting 24, as follows:

[Roll No. 460]

YEAS—385

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dingell
Donohue
Dorn
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Harrington
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.

Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—25

Collins, Tex.
Dennis
Dickinson
Fisher
Goodling
Gross
Harsha
Hébert
Henderson
Hutchinson
Ichord
Landgrebe
Lott
Montgomery
Nichols
Passman
Poage
Shuster
Skubitz
Steiger, Ariz.
Taylor, Mo.
Waggonner
Whitten
Wiggins
Wilson, Charles, Tex.

NOT VOTING—24

Aspin
Barrett
Brasco
Carey, N.Y.
Chisholm
Davis, Ga.
Diggs
Downing
Gray
Hansen, Idaho
Hansen, Wash.
Holifield
Kuykendall
McSpadden
Murphy, N.Y.
Podell
Rarick
Rhodes
Rooney, N.Y.
Scherle
Stokes
Teague
Vander Jagt
Wilson, Charles H., Calif.

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Murphy of New York with Mr. Aspin.

Mr. Teague with Mr. Barrett.

Mr. Rooney of New York with Mr. McSpadden.

Mr. Gray with Mr. Rarick.

Mr. Davis of Georgia with Mr. Vander Jagt.

Mrs. Chisholm with Mrs. Hansen of Washington.

Mr. Carey of New York with Mr. Hansen of Idaho.

Mr. Diggs with Mr. Holifield.

Mr. Downing with Mr. Kuykendall.

Mr. Podell with Mr. Stokes.

Mr. Charles H. Wilson of California with Mr. Scherle.

The result of the vote was announced as above recorded.

The preamble was stricken.

A motion to reconsider was laid on the table.

HISC'S DUAL FILING SYSTEM

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, I should like to bring to the attention of our colleagues a matter related to the functioning of the House Internal Security Committee. On February 1, 1974, at the request of Nat Hentoff, a well-known author and columnist for the Village Voice, I wrote to Chairman Richard H. Ichord requesting that he furnish me Mr. Hentoff's file kept by the committee for transmittal to him. In due course, on February 12, I received a letter and enclosure containing, as the chairman put it, "information found in a search of committee indices concerning Mr. Nat Hentoff" and forwarded that material on to him.

I had occasion to see Mr. Hentoff, who was a participant with me in a seminar conducted by the Roscoe Pound American Trial Lawyers Foundation in Cambridge, Mass., June 7–8, 1974, on the subject of the right to privacy. He told me that he had been informed that HISC maintains two sets of dossiers on those that the committee considers to be of political interest, with one set being available upon request to the subject of the data file and the other not.

On July 3, I wrote to Chairman Ichord bringing this information to his attention and asking whether it was accurate. I also asked that if in fact two sets of files were maintained on Mr. Hentoff, the information in the undisclosed file be provided for transmittal to Mr. Hentoff.

On July 18, I received a response from Chairman Ichord in which he confirmed the existence of the two files and denied access to Mr. Hentoff or to me on his behalf, to the second file.

I bring this matter to the attention of our colleagues because I suspect that most of them like myself, were unaware of the separate filing systems maintained by the committee. And I believe the disclosure demonstrates the need to implement either the Hansen report which would place the function of internal security within the jurisdiction of the Judiciary Committee or the Bolling report which would place it within the Government Operations Committee.

The correspondence follows:

U.S. House of Representatives,
Washington, D.C., February 1, 1974.
Richard H. Ichord,
Chairman, Internal Security Committee,
Washington, D.C.

Dear Mr. Chairman: I have been requested by Nat Hentoff, who has had some dealings with your Committee, to obtain access for him to the file on him maintained by your Committee. Would you permit him to see his file or alternatively, if you would not do so, allow me to view the file and report its contents to him. I believe that contents of the files maintained by your Committee should be available for inspection by the respective individual on whom the file is maintained, to, at the very least, make certain that errors are corrected and explanations where necessarily provided.

If I understood you correctly when we discussed the files of the Committee, sometime ago, they contain no independent inquiry on the part of the Committee, but consist of a collection of news clippings and other public documents concerning the particular individual. If that is so, what harm could there be in providing Mr. Hentoff and anyone else similarly affected with access to these "biographical materials"?

I would appreciate your advising me as to whether access could be arranged, and if not, why not.

All the best.

Sincerely,

Edward I. Koch.

Committee on Internal Security,
Washington, D.C., February 12, 1974.
Hon. Edward I. Koch,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Koch: In response to your letter of February 1, 1974, I have enclosed information found in a search of Committee indices concerning Mr. Nat Hentoff.

Sincerely yours,

Richard H. Ichord,
Chairman.

U.S. House of Representatives,
Washington, D.C., February 22, 1974.
Hon. Richard H. Ichord,
Chairman, Committee on Internal Security,
Washington, D.C.

Dear Mr. Chairman: I want to acknowledge with thanks your letter of February 12th and the enclosure.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., July 3, 1974.
Hon. Richard H. Ichord,
Chairman, Internal Security Committee, House of Representatives, Washington, D.C.

Dear Mr. Chairman: You will recall your providing, at my request, the HISC file on Nat Hentoff, a writer for the Village Voice and a constituent of mine.

Mr. Hentoff now advised me that he has ascertained that HISC "has two sets of dossiers on everyone they consider to be of sufficient political interest to maintain a file on;" one set being the information you furnished to me; the other set having as Mr. Hentoff put it, "a lot more 'raw' information to use the argot of the secret police, and thereby a lot more damaging information—unchecked, unverified."

I am writing to you to ask whether Mr. Hentoff's information on the two sets of files is accurate; and if in fact two sets do exist, I would appreciate your providing me with the undisclosed file including all the raw, unverified data contained therein for examination by Mr. Hentoff. Since it concerns him, I believe he should be made aware of it. You will recall that on a prior occasion you advised me that the HISC files merely contain information culled from public sources such as newspapers. If there has been a change in the procedure, or if I did not understand you clearly on the nature of these files, I would be most obliged if you would provide me with what, in fact, the HISC files consist of.

Sincerely,

Edward I. Koch.

Committee on Internal Security,
Washington, D.C., July 18, 1974.
Hon. Edward I. Koch,
House Office Building,
Washington, D.C.

Dear Ed: This is in response to your letter of July 3, received July 8.

I do recall providing you with a report of information found in a search of committee indices regarding Nat Hentoff, and I recall further that in the village Voice of March 7, 1974, Mr. Hentoff stated that you had "persuaded" me to send it to you. As you know, no persuasion was necessary. You made your request routinely, and we responded routinely and promptly.

Mr. Hentoff's column was filled with inaccuracies and misleading statements, and I have no reason to think that he would do otherwise with any further information which we might be able to furnish concerning him. However, that is not why I must deny his request, through you, for additional information.

The committee does maintain two types of files. One type is sometimes referred to as the "public" files. This does not mean that the public is free to browse among them. It simply means that these files consist of material from public sources. Such material could be found independently by any good researcher, and there is nothing secret about it, either in its content or in our methods of obtaining and processing it. In response to written requests from Members, the committee's reference service prepares reports based upon information in these public sources.

Like any other investigative body, this committee necessarily has files which contain lead material and confidential information. Material in these "investigative" files is not used for general reference purposes, and it is available only to key staff members—for investigative purposes, and as a basis for determining the need for hearings. I hardly think I need to point out that, because of the nature of these files, it is essential to maintain their confidentiality, and to prevent misuse of any information therein, by strictly denying access to all persons except the few key people who have immediate responsibility for investigations and hearings. Mr. Hentoff would have you and the public believe that this "raw" material is freely disseminated. This is not the case; moreover, neither I nor other members of the committee have direct access to these files.

Being an investigative committee, we necessarily record information regarding individuals, because the organizations whose activities we are concerned with are made up of individuals; however, the purpose of our investigations is to discover the facts regarding subversive organizations, to serve as a basis for legislation, rather than to assemble "dossiers" on individuals. In fact, whatever reports are compiled on individuals usually result from requests, such as yours in February, from Members of Congress who desire such information. Under normal procedure, it is only then that a folder is set up on the individual, as a repository for the Member's letter and the ensuing report of our findings.

I personally do not know what information, if any, relating to Mr. Hentoff may be in the investigative files of the committee. Disregarding Mr. Hentoff's penchant for publishing information from and about the committee, along with this inevitable diatribe, I believe you will understand the untenable position the committee would be placed in were I to set a precedent of releasing confidential information, even for private use.

If you have not had occasion to do so, you may be interested in reading the enclosed extract from "Cannon's Procedure in the House of Representatives" concerning committee papers. As you will note, the right of a committee to preserve secrecy of papers and proceedings has been sustained by Federal court.

Sincerely,

RICHARD H. ICHORD,
Chairman.

CANNON'S PROCEDURE IN THE HOUSE OF REPRESENTATIVES

(By Clarence Cannon)

COMMITTEE PAPERS

Each committee shall keep complete records of committee actions including votes on any question on which record vote is demanded (§ 735; 61 Stat. 367).

Noncurrent "records of Congress" are transferred to National Archives at end of session (§ 932; 61 Stat. 367).

The files of a committee are under the jurisdiction of the chairman subject to the direction of the committee. No officer or employee shall permit access to committee papers or furnish copy of papers in the committee files without authorization (III, 2663). Clerks may not produce committee records, even in response to legal process, except on formal authorization by the committee (VIII, 2496). Committees sometimes make their clerks custodians of their papers, allowing access even to their own members by express permission of the committee only (IV, 4577, 4578). Right of committee to preserve secrecy of papers and proceedings sustained by Federal court (Union v. General Electric, 127 F.S. 134, November 18, 1954). Official stenographers furnish transcripts of testimony before committees only on written authorization of the chairman of the committee (VIII, 3459).

Bills and papers referred to a committee are delivered to the clerk of the committee in the committee room (§ 403), and the House has investigated delay in the transmission of a paper to a committee (VI, 371).

The papers and files of a subcommittee are in the exclusive custody of the subcommittee and access thereto may not be demanded by a member of the committee who is not a member of the subcommittee pending its report to the committee en banc (IV, 4577).

On final adjournment of Congress, clerks of committees are required to deliver to the Clerk of the House bills and other papers referred to the committee during the Congress (V, 7260).

JULY 29, 1974.

NAT HENTOFF,
25 Fifth Avenue,
New York, N.Y.

DEAR NAT: Enclosed is a copy of the letter that I have received from Chairman Ichord and my response sent to all Members of his Committee. With your permission, I would like to put the entire correspondence in the CONGRESSIONAL RECORD Wednesday, August 7.

Sincerely,

EDWARD I. KOCH.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., July 30, 1974.

DEAR COLLEAGUE: I would like to bring to your attention a situation concerning your Committee and the records which it keeps which I believe to be important. First some background. At the request of Nat Hentoff, a noted author and writer for the Village Voice, I requested of Chairman Richard Ichord the information contained in the files of your Committee concerning Mr. Hentoff. Material was sent to me by the Chairman with his letter of July 18 and I transmitted that material to Mr. Hentoff.

Subsequently, Mr. Hentoff informed me that he had learned that the Committee maintained two files, one semi-public and the other secret. I wrote to Chairman Ichord on July 3 in which I advised him of Mr. Hentoff's allegation concerning the two files and the request that if two files existed he provide me with the information in the undisclosed file on Mr. Hentoff, again at his request.

I received a response from Chairman Ichord dated July 18 in which he advised me that there are indeed two files, one available to Members, based upon information from public sources. He went on to say however, that there is a second "investigative" file available only to key staff members. In that letter he says, ". . . neither I nor other Members of the Committee have direct access to these files."

I am writing to ascertain whether you concur in the maintenance of such files—indeed whether the existence of the second file system is known to you. And further whether you would not consider supporting a change in your Committee procedures so as to make these two files available to the subject of the dossier upon his request. The House Internal Security Committee is not intended to be a law enforcement agency. The information contained in its files is intended as the Chairman himself puts it, "to serve as a basis for legislation, rather than to assemble 'dossiers' on individuals."

A copy of the correspondence that I have had with the Chairman follows. I would appreciate having your comments on this matter.

Sincerely,

EDWARD I. KOCH.

1972 BANKING AND CURRENCY COMMITTEE INVESTIGATION INTO THE WATERGATE AFFAIR

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Texas, Mr. PATMAN, is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, decisions of the Judiciary Committee have once again called attention to the inquiries conducted by the Banking and Currency Committee into various aspects of the Watergate case during the summer and fall of 1972.

Much new information about the efforts to stop this investigation and to "screw it up," as the President describes it, has come to light in the release of the tapes of White House conversations on September 15 between the President, H. R. Haldeman, and John Dean. This tape establishes the deep concern which the White House had about this ongoing inquiry and outlines a variety of steps which the White House planned to set in motion to prevent the investigation from proceeding.

Mr. Speaker, it is reasonable to assume that additional information and evidence on these activities will be forthcoming as additional tapes and transcripts are released and as testimony is presented in various trials.

Some opponents of article one, as proposed by the Judiciary Committee, have attacked the Banking and Currency Committee investigation as a "political fishing expedition." Others have, incorrectly, contended that no inquiry took place, only a stated intention by the chairman to conduct an investigation. There have been other attacks, but the fact is that no meaningful investigation has been attempted at any point in this case without bitter opposition developing. Wherever these investigations have come up, whether in the Banking Committee, the Senate Watergate Committee, or the Judiciary Committee, outlandish attacks have been leveled. And by now I suspect that the Congress and the public are able to place these verbal excesses in context.

Since these questions have come up, I feel that it is important that the record be kept straight. However, it is my intention to leave the basic evidence and documentation of this particular area to the House Judiciary Committee when it brings its impeachment articles to the floor. They have done a magnificent job of developing the evidence to date and it is not my intention to interfere or to move into their arena in any way.

But, addressing my remarks to what did happen in the Banking and Currency Committee in 1972, let me state to the House that our efforts had broad-based support in the committee—albeit, in the end, not a majority—let me also state that the preliminary inquiries and reports which were conducted under the rules of the committee were beneficial and contributed substantially to the development of the facts at that time. I regret greatly, and I know this is shared by a great number of members of the commitee, that we could not do more and I still feel that there are many areas which the committee should look into after the current impeachment questions are cleared away.

Mr. Speaker, I also want to emphasize that this effort was not limited to the chairman of the committee but was a joint undertaking by a number of members of the committee who felt that we should look into major issues clearly under the jurisdiction of the committee—issues very closely related to banking and financial matters which the committee had looked into in the past. During the summer of 1972, these issues were discussed informally among many members of the committee and Representatives Henry Reuss and Henry Gonzalez were particularly emphatic about the need of the committee to take a look at the use of foreign bank accounts in the furtherance of the schemes of the Committee to Re-Elect the President.

As early as June 22—shortly after the breakin at the Democratic headquarters at the Watergate—I wrote to Dr. Arthur Burns, Chairman of the Federal Reserve Board, in an attempt to secure as much information as possible on the currency which was found on the burglars. As the House knows, the banks are required to maintain certain records of currency transactions and the Federal Reserve Board has the means of tracing the bills issued by its District banks. Unfortunately, the Federal Reserve Board Chairman declined the request which went forth from both myself and Senator Proxmire and this avenue of inquiry was cut off.

However, our interest in this case expanded as information came to light later in the summer that huge sums of money had apparently entered the country from a Mexican banking institution and that these drafts had been negotiated through at least four separate commercial banks in the United States. It became readily apparent that the money had traveled through the banking systems of both Mexico and the United States with the ultimate receipts—or at least part of it—ending up in the bank account of Bernard Barker, who has since been convicted as one of the burglars in Watergate.

With mounting reports of widespread use of the banking systems in the United States and Mexico and the transfer of huge blocs of currency, the need for at least a preliminary inquiry into the issues became more apparent. This was particularly true in view of the fact that the Banking and Currency Committee, in 1968, 1969, and 1970, had spent a great deal of time investigating the transfer of United States capital to bank accounts in other nations and growing law enforcement problems associated with these massive exports of currency.

This 3-year effort, which was carried on with the assistance of Robert Morgenthau, then U.S. attorney for the Southern District of New York, culminated in the passage of legislation which became Public Law 91–508—the so-called Foreign Bank Secrecy Act.

In mid-August, Representative Reuss expressed further concern about various aspects involving the export of capital and the Foreign Bank Secrecy Act and on August 17, I instructed the staff of the Banking and Currency Committee to review the entire question and to make a report to me on the feasibility of conducting a full-scale investigation. To carry out this preliminary inquiry, I instructed the staff to conduct limited interviews of some of the principals in the case and to gather whatever documents were available concerning areas under the jurisdiction of the committee. It was my feeling that such preliminary information would give the committee guidance on what, if any, areas demanded a full-scale investigation.

In carrying out my instructions under the rules of the committee, the staff availed themselves of information gathered by the General Accounting Office in its investigation of campaign law violations alleged against the Committee to Re-Elect the President and its subsidiaries. In addition, the staff interviewed a number of persons including those in the district attorney's office in Miami, Fla.; banking officials in Florida who had knowledge of the transfer of funds in that State; Maurice Stans, the chairman of the Finance Committee to Re-Elect the President; officials of the Pennzoil Co. of Houston, Tex., who received and transported large sums of funds to the Finance Committee to Re-Elect the President including the Mexican bank drafts and attorneys for officials of the Texas and Southwest divisions of fund-raising efforts being carried on in behalf of the President. These preliminary inquiries raised serious questions clearly under the jurisdiction of the committee. It also revealed apparent conflicts between different officials in the campaign organization as to the raising of funds, particularly those involved in the Mexican bank drafts.

In addition to the $89,000 from Mexico, investigators had discovered another $25,000 in the Bernard Barker bank account which appeared to have been the proceeds of a $25,000 cashiers check drawn on the First Bank and Trust Co. of Boca Raton, Fla., and payable to Kenneth H. Dahlberg, who was then the chairman of the Minnesota Finance Committee to Re-Elect the President. It was later learned that this money was in reality a contribution that had originally been made in cash by Dwayne Andreas, a Minneapolis, Minn., businessman and banker.

The next month, Mr. Andreas applied to the Comptroller of the Currency for a new national bank charter in the Minneapolis area. Mr. Dahlberg was also on the same application for the charter and the charter was later granted by the comptroller in what appeared to be unusually quick time. This matter was looked into extensively by the staff during this preliminary inquiry.

Mr. Speaker, this report along with a subsequent report revealed much new information about the campaign operations and made it all the more clear why full-scale investigations were needed. Mr. Speaker, I want to place in the Record at this point two news articles, one written by Bob Woodward and Carl Bernstein of the Washington Post and a second by Dick Barnes and H. L. Schwartz III of the Associated Press concerning this first preliminary report:

[From the Washington Post, Sept. 13, 1972]

Report Critical Of Stans—Secret Fund Shift Known; Probe Likely

(By Bob Woodward and Carl Bernstein)

Maurice H. Stans, the finance chairman of President Nixon's re-election campaign, personally approved the secret—and perhaps illegal—transfer of campaign funds through Mexico, according to a confidential report by the House Banking and Currency Committee staff.

The 58-page report also asserts that Stans changed his story about the Mexican funds during the course of interviews and correspondence with Committee investigators.

At first, says the report, Stans, former Secretary of Commerce, denied having knowledge about the transfer of some $100,000 in campaign funds through Mexican banks, and then later admitted that he had been told of the transfer.

On the basis of the Banking and Currency Committee report, which is highly critical throughout of the Nixon campaign's bookkeeping, Committee Chairman Wright Patman (D-Tex.) announced last night that he will ask his Committee to conduct full public hearings into Republican campaign funds linked to the Watergate bugging case.

The report also says that Texas fundraisers took $700,000 to Washington in an oil executive's suitcase on April 5, just two days before the stricter campaign disclosure law took effect.

The report says the $700,000 was carried to the headquarters of the Committee for the Re-election of the President by Roy Winchester, vice president of public relations for the Pennzoil United Corp.

Included were four Mexican checks totaling $89,000, which has been traced to the Miami bank account of one of the five men arrested inside Democratic National headquarters at the Watergate here on July 17.

In addition, the suitcase contained $11,000 in cash from Mexico. Most of the remaining $600,000 was raised in Texas, the report said.

A copy of the report, compiled by the House Committee staff over the last four weeks, was obtained yesterday by The Washington Post.

In a highly critical section of the report titled "The shifting positions of Maurice Stans," the report says that Stans "repeatedly' denied any knowledge of the transfer of campaign funds through Mexico.

These denials took place in an interview with staff members on Aug. 30, according to the report.

However, the report says that William Liedtke, president of Pennzoil and chief Southwest fund-raiser for Mr. Nixon, told the staff investigators that he got approval for the Mexican transaction on April 3.

The transaction "had been cleared by Stans," the report says.

"Faced with the obvious conflicts between the Stans and Liedtke versions and with growing reports of more than $89,000 crossing the Mexican-Texas border," Patman then wrote Stans on Aug. 31, the report says.

Stans, former Secretary of Commerce, replied on Sept. 5, saying that he now recalled that on April 3 he had been "informed by our Texas chairman (Robert H. Allen) of a possible contribution of $100,000 in U.S. funds in Mexico."

The report also charges that "it is difficult to reconcile" Stans' statements with President Nixon's assertions at an Aug. 29 press conference when the President said:

"We have cooperated completely. We have indicated that we want all the facts brought out . . . We want the air cleared. We want it cleared as soon as possible."

Spokesmen for the Nixon re-election committee have repeatedly denied that any more than $89,000 of their campaign contributions moved through Mexico.

Last night, a Committee spokesman said that Stans has not yet seen the Banking Committee report and thus could offer no immediate comment.

The report also says that a bank charter was granted by the Federal Reserve Board "in an unusually rapid time—88 day" to a syndicate headed by Dwayne Andreas, the Minnesota investor whose $25,000 contribution to the Nixon campaign also was eventually deposited in the bank account of one of the Watergate suspects.

The Banking and Currency Committee staff determined that the bank charter was issued with unusual speed, "particularly considering the fact that the shopping center in which the bank is to be located has not been constructed and apparently the bank could not be ready for banking operations until 1974 or 1975.

Because of the unusual haste in granting the charter, the report says, the matter should be investigated by the Committee.

In a covering letter with the report, Rep. Patman said: "It appears that the Committee to Re-Elect the President and its allied groups are willing to go to any lengths to conceal the identity and the origins of these checks.

"We do not know whether these funds were raised in the United States or Mexico and we do not know whether they are the type of funds which could be legally contributed to or received by a political committee," Patman said.

"Indications are that $100,000 came out of Mexico in one chunk and it is reasonable to question whether or not additional sums traveled these same routes," he said.

The report says the money that moved through Mexico would represent illegal contributions if the funds came from foreign nationals, who are banned from contributing to U.S. campaigns. However, the Committee said it was unable to determine who the money came from because Stans and other Nixon committee officials refused to disclose the source.

Last night, Patman said in a telephone interview that he was disappointed that a copy of the staff report had leaked out.

Patman said he will request his Committee to open full public hearings.

He said that he will also ask the Committee to subpoena Stans and John N. Mitchell, the head of the Nixon committee until July 1.

"I feel that most (Committee) members will vote for the subpoenas because they will feel it is their duty," Patman said.

"This should be regarded as a preliminary report based on limited inquiries undertaken by the staff under my instructions," Patman said. "It is not intended as an A to Z answer to the complex questions raised concerning the Watergate case."

Meanwhile, U.S. District Court Judge Charles R. Richey said yesterday that he is seriously considering dismissing the Democratic Party's Watergate bugging suit because the lawyers for the Democrats missed a filing deadline.

Although Harold Ungar, one of the Democrat's lawyers, argued in a hearing before Richey yesterday that missing the deadline was a minor matter in the civil suit, Richey said that he considered the issue "a very serious matter."

The focus of the discussion was a motion filed Aug. 31 by Henry Rothblatt, attorney for the five men charged in connection with the June 17 break-in at the Democratic National Committee headquarters in the Watergate office building.

Rothblatt's motion asked the suit to be dismissed on the grounds that Lawrence F. O'Brien, named as the principal plaintiff in the suit, no longer was chairman of the Democratic National Committee and had suffered no personal loss or damage as a result of the break-in.

The motion also challenged O'Brien's representation on behalf of all registered Democratic voters across the country.

Lawyers for the Democrats were given until Sept. 11 to respond to the motion. Rather than responding, Ungar attempted Monday to file an amended version of the suit, adding new defendants, additional details and attempting to meet some of the shortcomings of the original suit pointed out in Rothblatt's motion.

The U.S. District Court clerk refused to accept the amended version without an order from Richey permitting it. The amended version, along with the request for Richey's permission to file it was filed yesterday with the clerk—one day after the deadline.

During yesterday's hearing, Richey cited a rule of the District Court that if a party to a case fails to file an answer to a motion "within the prescribed time, the court may treat the motion as conceded." Rothblatt argued that since the Democrats failed to respond to his motion to dismiss, they had conceded.

In the meantime, Edward Bennett Williams, one of the Democrats' lawyers, took the ninth deposition in the suit yesterday from Hugh W. Sloan Jr., former treasurer of the Committee for the Re-election of the President.

Lawyers for both sides were given until Sept. 18 to file briefs with Richey on whether the suit should be dismissed or not. Richey promised a ruling by Sept. 20.

Mexico "Bugging" Money Rushed From Texas

(By Dick Barnes and H. L. Schwartz III)

Washington.—Money from Mexico linked to the Watergate affair was part of $700,000 in secret Nixon campaign gifts stuffed into a suitcase and rushed to Washington in an oil company plane last spring, according to a confidential House staff report.

The document, distributed Tuesday night to members of the House Banking Committee, also said a Southwestern fund raiser for the President's campaign had contradicted denials of involvement with the Mexican transactions by chief Nixon fund raiser Maurice H. Stans.

Committee investigators said they were unable to determine if the money—$100,000 in all—actually came from Mexicans or from U.S. citizens living in that country.

But they said that on the surface it appeared the money was from foreign nationals and, if that is true, accepting it is a violation of U.S. banking laws.

The 58-page report, compiled during the past several weeks, both adds to the bizzare developments in the Democratic headquarters bugging case and vividly describes last-minute efforts by Nixon fund raisers to beat the April deadline of a new elections law requiring full disclosure of campaign donors.

Despite a stern warning by committee Chairman Wright Patman, D-Tex., against releasing the report to newsmen, a copy was obtained by columnist Jack Anderson who made it available to The Associated Press.

Sen. George McGovern has seized on the bugging case and the question of an anonymous $10 million contributed to Nixon before the new law took effect April 7, making them a major issue in his campaign for president.

A new disclosure in the report is that a total of $100,000 came from Mexico. Previously it was known that $89,000 linked to the Watergate affair was made up of four checks drawn on a Mexican bank.

Patman told committee members in a covering letter:

"The $89,000 of Mexican bank checks which went into the Republican campaign and then into the account of Bernard Barker, one of the suspects in the Watergate burglary, raises tremendous questions for the committee.

"It appears that the Committee to Re-Elect the President and its allied groups are willing to go to any lengths to conceal the identity and the origins of these checks."

It has previously been learned that the four checks drawn on the Mexican bank passed through the hands of Stans and other Nixon committee officials, then wound up in Barker's Miami bank account.

But the report provides the first account to challenge the original contention of Stans and he knew nothing about transfer of the funds which came from or passed through Mexico.

Patman's investigators said they questioned Stans Aug. 30 and that he denied knowledge of the transfer of any campaign funds to Mexico. If funds were transferred, Stans said, these were decisions of contributors seeking anonymity. In that interview, he did not mention his conversation with Liedtke, the investigators said, despite numerous opportunities.

The report gives this account:

In late March and early April, a group of Nixon fund raisers in Texas, headed by William Liedtke, president of the Pennzoil Corp., were collecting contributions in the Southwest.

Liedtke told committee investigators he was approached by Robert Allen, president of Gulf Resources and Chemical Co., in Houston and Texas fund-raising chairman for Nixon, who told Liedtke he could "raise United States money in Mexico" for the campaign.

Liedtke told investigators he talked by telephone April 3 with Stans to find out if there were any legal problems with obtaining such funds from Mexico.

Liedtke said Stans told him he would check. That afternoon on the following morning, Stans told Liedtke it was "okay to bring the money to Washington," Liedtke told the investigators.

Liedtke then told Allen that Stans had cleared the plan to obtain money through Mexico.

On April 5, a messenger brought a large pouch to Liedtke's Pennzoil office in Houston and opened it in the presence of Liedtke and Roy Winchester, a Pennzoil vice president.

The agent deposited four checks totaling $89,000 from Banco International of Mexico City and 110 one-hundred dollar bills on Liedtke's desk. The checks were made out to Manuel Ogarrio Daguerre, a Mexican attorney who represented Allen's company in Mexico. Winchester said they were endorsed.

The agent asked for a receipt but didn't get one. Winchester and Liedtke told investigators that "in the fund-raising business you don't deal in receipts."

Soon after the agent left, the cash and checks were packed in a suitcase with other funds collected by the fund raisers. Winchester said the suitcase held about $150,000 in cash and $550,000 in checks and negotiable stock certificates.

Late that afternoon, less than 36 hours before the new federal law would go into effect, the Pennzoil officials, said the report, "gathered up the $700,000 and took it to the Houston Airport to a waiting Pennzoil Company plane. Accompanying this bundle of Republican contributions were Winchester and another Pennzoil employe, Peter Mark, described by Liedtke as 'young and strong' and whose job it was to ride 'shotgun' on the funds."

Arriving in Washington late that night, Winchester and Mark went to the Nixon finance committee offices near the White House and turned the money over to Hugh W. Solan Jr., then committee treasurer.

Prodded by a Patman letter, Stans wrote the committee Sept. 5 that he recalled being

> "informed by our Texas chairman of a possible contribution of $100,000 in U.S. funds in Mexico."
>
> The report said he also changed his figure on Mexican money from $89,000 to $100,000 between Aug. 30 and Sept. 5.
>
> The report says Liedtke's statements "would appear to indicate participation by Stans in events involving the Mexican transactions, and it would appear difficult for Stans to have obtained legal opinions without knowledge of some details of the planned transactions."
>
> The report says Stans told investigators he did not believe the $89,000 in checks actually were contributions by the Mexico City lawyer but money from others.
>
> The investigators, however, said they could find no records to show whose money it was—and that Stans said at one point there were no circumstances under which the names would be released and later that he didn't know the identities.
>
> Noting the Mexico City lawyer's endorsements on the checks and the absence of donors' names, the report raised the question of whether the contribution was from a Mexican national, and thus illegal.
>
> The committee had asked Stans to testify at a hearing this Thursday, but he refused.
>
> In another bugging case development Tuesday, a federal judge delayed until Sept. 20 a ruling on technical questions involved in a civil suit brought by Democrats against the bugging suspects and others. Meanwhile he suspended the taking of depositions by both sides.

After these discoveries by the staff, I sought the voluntary cooperation of Maurice Stans, as the chief fund-raising agent for the President and asked that he testify before the committee along with Phillip S. Hughes, who headed up the elections unit of the General Accounting Office. However, Mr. Stans refused this request and it quickly became apparent that the committee would need subpena power if it were to proceed with an investigation.

Many members of our committee and, judging from our mail, large numbers of the American people, wanted answers to the questions that had been raised by the committee report and by the continuing revelations coming forth from a variety of quarters. And as the Washington Post on October 3, 1972 said—the day that I sought a vote in the Banking and Currency Committee on subpenas:

> . . . That is why the decision taken today by Mr. Patman's committee is, in its own way, a critical test of how far we have gone in this process of corrosive disillusionment, how free we still are, how responsible we are capable of being. It was Mr. Patman's committee staff, after all, which looked into the Watergate matter and first raised in a formal way a number of real questions about the conduct and character of Mr. Nixon's re-election campaign. We have subsequently asked many of those questions here in these columns and we will not go over that ground again today. It is enough for now to note that the questions are of great magnitude, and that they go to the heart of our governmental processes.

As this House knows, these questions were not answered in 1972, but were left to fester as the coverup grew. The vote in the committee was 20 to 15 against carrying on a full-scale investigation and issuing subpenas.

Mr. Speaker, I want to place in the RECORD my statement to the committee on that date as well as the list of persons and institutions we attempted to subpena and my closing statement:

OPENING STATEMENT OF CHAIRMAN WRIGHT PATMAN, HOUSE BANKING AND CURRENCY COMMITTEE, TUESDAY, OCTOBER 3, 1972

This morning the Committee will decide whether to meet its responsibility to investigate those aspects of the Watergate case that fall under the jurisdiction which has been assigned us by the House of Representatives.

It is clear that both the domestic and foreign banking systems were widely utilized to transfer and conceal large campaign contributions which have become involved in the Watergate affair.

We know that at least $100,000 was exported and/or imported from Mexico and that at least $89,000 of Mexican checks went through the Finance Committee to Re-Elect the President and ended up in the Miami bank account of Bernard Barker, one of the persons indicted in the Watergate burglary.

We also know that another $25,000 contribution which involved two applicants for a Federal bank charter—Dwayne Andreas and Kenneth Dahlberg—also passed through the Finance Committee to Re-Elect the President and on to the same bank account in Miami. We also know that this particular bank charter was granted by the Comptroller of the Currency under what appear to be unusual procedures.

This Committee, of course, sounded the alarm nearly four years ago about the growing use of foreign bank channels—and the international transfers of cash—to further tax evasion, drug traffic, stock manipulation and other criminal activities in the United States. We had bi-partisan support in investigating these cases and the Foreign Bank Secrecy Act passed this Committee on a 35 to 0 vote and went through the House on an unanimous vote.

It would now seem strange if this Committee were to ignore the international transfer and concealment of massive campaign contributions which may have been used to finance the greatest political espionage case in the history of the United States. Surely our concern is no less simply because this particular use of foreign bank accounts may have involved leading political figures.

This is a serious case—one which goes right to the heart of our system of Government. The charges and allegations have touched high levels of our Government, reaching right into the White House and involving former members of President Nixon's Cabinet.

In light of the seriousness of these charges—and their reflection on the integrity of our Governmental and political processes—it is reasonable to expect these officials to come forward with the facts. Many of them have issued carefully worded denials through their attorneys and through the Republican campaign apparatus, and I would think that these gentlemen would welcome an opportunity to present the facts in an open forum.

In fact, the President of the United States—Richard Nixon—on August 20 conducted a nationally-televised press conference to explain the Watergate affair, and at that time he called for an airing of the facts. I quote:

"What really hurts in matters of this sort is not the fact that they occur, because overzealous people in campaigns do things that are wrong. What really hurts is if you try to cover it up. . . . We have indicated that we want all the facts brought out . . . This kind of activity, as I have often indicated, has no place whatever in our political process. We want the air cleared. We want it cleared as soon as possible."

The hearings we are asking for in this Committee would do exactly what the President told the American public he wanted done—"clear the air."

But, since the President's televised statement, his campaign functionaries have done everything possible to prevent this Committee from proceeding. The President's own finance chairman, Maurice Stans, refused to appear voluntarily in an open session of this Committee, and others connected with the campaign have done everything possible to avoid questions about the case. It is obvious that there will be no "clearing of the air" unless this Committee issues subpoenas and conducts open hearings.

Faced with the obvious contradictions of the President's August 29 press conference, some—including the President's Justice Department—have claimed in recent days that the opposition to the hearings is based solely on a concern for the rights of the seven indicted by the Federal Grand Jury on September 15. Concern for the defendants' rights is proper, and I am not going to criticize newly-found converts to the cause of civil liberties.

The tracing of the wanderings of these campaign monies through foreign countries and back into the United States; the investigation of a "quickie" bank charter; the determination of how the banking systems were used to conceal these massive transfers of funds; and the other financial aspects do not directly involve the charges in the indictments against the seven defendants.

The grand jury, for its own reasons, chose to deal only with the questions concerning the break-in at the Watergate and the immediate eavesdropping aspects of the case. As the Members of this Committee know, the grand jury did not deal with the broader questions involving the finances and there is no reason why these hearings cannot be conducted without prejudicing the rights of any of these defendants. It is my intention to conduct them—and I am sure this is the intention of all Members of the Committee—in a careful manner to avoid impinging of the criminal cases already underway.

The Delaney case and other cases which have been cited in the attempt to block this investigation simply do not apply to the kind of situation that is before the Committee today and I have attached a memorandum to my statement outlining why this is clearly so.

This last-minute concern being expressed about the defendants' rights is, in my opinion, nothing more than a smokescreen to hide the real reasons why some people do not want these hearings to proceed.

Somewhere along the line I hope we will hear some voices raised about the rights of the American people to know the facts—the full facts—about this sordid case. Some people will shout "politics" and I want to remind them that we do have a political process by which we select our leaders in this nation. It is a proud process—an integral part of our entire system and it should be preserved.

The people have a fundamental right to select their leaders—their President—unhindered by criminal subversion of the political process. Totalitarian governments often engage in the harassment of opposition political parties through espionage and other means, but this has no place in our system.

It has been suggested that the Committee should wait and conduct these investigations at some later date. All of us are aware of the stories which have appeared in the Washington Post in recent days describing the hurried efforts to destroy records and to obstruct those seeking the facts.

If these hearings are delayed until after the election and until these political committees are dissolved and their personnel scattered, the American people will never have the facts. We either act now or we simply come up with meaningless shreds of paper and a long list of witnesses who can no longer be found.

But there are other more important facts to consider about the timing of these hearings. In a national election the American people—the voters—are the jury and it is proper—and essential—that the jury have the facts before it renders its verdict. The people who are opposing immediate hearings seem to be saying "let the jury render its verdict first and then we will tell them what actually happened."

The issues here today are not complicated. The Members of this Committee will either vote to give the American people the facts—all the facts—about this political espionage or they will shut the door—possibly for all times—on this sorry affair.

RESOLUTION

Resolved, That the Committee on Banking and Currency authorizes the Chairman to use all necessary and proper means within the Rules of the House of Representatives and the rules of the Committee on Banking and Currency, including the use of subpoena power, to compel the attendance of the witnesses specified in section 2 and the production by such witnesses of all books, records, minutes, memoranda, correspondence and other related documents and materials which will enable the Committee to fully investigate the extent to which—

(1) financial institutions and foreign financial arrangements were used in providing or facilitating the collection of funds for the Committee to Re-Elect the President or any affiliate fundraising entities;

(2) contributions to the Finance Committee to Re-Elect the President were involved in the application for, or granting of, a charter of any institution governed or regulated or under legislation which is within the jurisdiction of this Committee;

(3) any such funds were involved in the commission of illegal acts, if any; and

(4) the import or export of foreign or domestic monies were used in the funding of the Finance Committee to Re-Elect the President;

in order to determine whether legislative proposals, the subject matter of which is in the jurisdiction of this Committee, should be initiated. The use of subpoena power shall be authorized to obtain only such books, records, minutes, memoranda, correspondence and other pertinent documents and materials and the attendance and testimony of witnesses from the Committee to Re-Elect the President, its officers, officials, and directors, both past and present, as well as from all parties to such funding and financial transactions mentioned above, only so long as they are relevant to the transactions, and from institutions, within the jurisdiction of this Committee.

SEC. 2. Subpoenas under this resolution shall issue to—

(1) Robert Allen;

(2) American Telephone & Telegraph Company and all Federal and State licensed telephone companies, including:

Chesapeake & Potomac Telephone Company of Washington

Chesapeake & Potomac Telephone Company of Maryland

Chesapeake & Potomac Telephone Company of Virginia

Southwestern Bell Telephone Company of Houston, Texas

Southern Bell Telephone Company of Miami, Florida;

(3) Dwayne Andreas;

(4) Alfred Baldwin;

(5) Paul Barrick;

(6) Records relating to the Mexican transfer of campaign funds in the possession of appropriate Federal Reserve Banks and the Internal Revenue Service;

(7) John Caulifield;

(8) Arden Chambers;

(9) Maury Chotiner;

(10) Chase Manhattan Bank;

(11) Continental Illinois Bank and Trust Company of Chicago;

(12) Kenneth H. Dahlberg;

(13) John Dean;

(14) Edward Failar;

(15) Finance Committee to Re-Elect the President and other committees related thereto;

(16) Financial institutions which have in the past or in the present maintained accounts for the Finance Committee to Re-Elect the President or related committees, including:

National Savings and Trust Company of Washington

First National Bank of Washington

Riggs National Bank

American Security and Trust Company;

(17) First City National Bank of Houston;

(18) First National Bank Building, 1701 Pennsylvania Avenue, N.W.;

(19) First National City Bank of New York;

(20) Harry Fleming;

(21) Sally Harmony;

(22) Gulf Resources and Chemical Corporation and all its subsidiaries;

(23) Frederick La Rue;

(24) Clark MacGregor;

(25) Jeb Stuart Magruder;

(26) Robert C. Mardian;

(27) John N. Mitchell;

(28) Robert Odle;

(29) Herbert L. Porter;

(30) Ectore Reynaldo;

(31) Republic National Bank of Miami;

(32) Hugh W. Sloan;

(33) Maurice H. Stans;

(34) The Bank of America;

(35) William Timmons;

(36) The Watergate Hotel, 2600 Virginia Avenue, N.W., Washington, D.C.;

(37) Watergate Office Building, 600 New Hampshire Avenue, N.W., Washington, D.C.;

(38) Watergate East Apartments, 2500 Virginia Avenue, N.W., Washington, D.C.;

(39) Watergate South Apartments, 700 New Hampshire Avenue, N.W., Washington, D.C.;

(40) Watergate West Apartments, 2700 Virginia Avenue, N.W., Washington, D.C.

SEC. 3. The Chairman of this Committee is authorized to take all necessary and proper action, as provided under H. Res. 114, adopted by the House March 2, 1971, and in his capacity as Chairman, to implement the provisions of this resolution and facilitate such investigation.

STATEMENT OF CHAIRMAN WRIGHT PATMAN, HOUSE BANKING AND CURRENCY COMMITTEE FOLLOWING COMMITTEE VOTE ON WATERGATE, TUESDAY, OCTOBER 3, 1972

The vote here this morning is a disappointment for all Americans . . . a disappointment for everyone except those with a self-interest in concealing the facts.

But this is just one inning in a battle to lay these facts before the American people. The battle is far from over and all the White House pressure in the world won't prevent the facts from coming out.

The American people—in my opinion—will not tolerate this massive cover-up. They will not tolerate a President using his political party to raise funds for political espionage. The American people are a powerful jury, and I predict they will weigh this cover-up very carefully in the coming weeks.

This concealment of the facts—as voted by the Committee this morning—was engineered by the White House and by the same people who engineered the laundering of funds in Mexico and the other transactions which have come to light in connection with this Watergate affair.

If the American people demand it, I am convinced that this Administration, the President and his Republican Party are going to have to make the facts available. The people have rights and they have a right to have their political processes protected and not subverted.

I predict that the facts will come out, and when they do I am convinced they will reveal why the White House was so anxious to kill the Committee's investigation. The public will fully understand why this pressure was mounted.

Mr. Speaker, I am confident that this investigation, if it had been carried forward, would have uncovered much of the Watergate facts and would have prevented the massive cover-up efforts which took place in the ensuing months. This colloquy between Sam Dash and John Dean during the hearings of the Senate Watergate Committee are instructive:

> Mr. DASH. "Now, if all those witnesses had been called by the Patman committee at the time those hearings were going to be held and had answered according to the subpena, what in fact was the concern of the White House."
>
> Mr. DEAN. "Well, if those hearings had been held, there is a good chance these hearings would not be held today, because I think that would have unraveled the coverup." [1]

After additional evidence was uncovered by the Washington Post indicating even more widespread activities, I again called a committee meeting and sought voluntary testimony from four witnesses: John Mitchell, John Dean, Maurice Stans and Clark MacGregor. John Dean refused to come on the grounds that the President had invoked "executive privilege" and the other three declined on advice of counsel. However, the Members attending that meeting on October 12—the second meeting—agreed that the staff should continue to attempt to collect information on this case. A second staff report was issued on October 31 and it revealed new information about the movement of the Mexican money and revealed for the first time that the campaign had also received money from Luxembourg.

This second report also dealt extensively with efforts to discover the movement of currency in the campaign and detailed the activities of Walter T. Duncan, who at that time was the largest single contributor to the Finance Committee to Re-Elect the President. This second report also discussed extensively the manner in which the accounts had been maintained at the Finance Committee to Re-Elect the President and with various banks, as well as payments to a variety of White House personnel and expenditures involving the activities of James McCord and Alfred Baldwin. The report also revealed apparent attempts to monitor bank accounts of Members of Congress.

---

[1] "Presidential Campaign Activities of 1972, Senate Resolution 60," Hearings before the Select Committee on Presidential Campaign Activities of the U.S. Senate, 93d Cong., 1st session; "Watergate and Related Activities: Phase I, Watergate Investigations," Book 4, Page 1566, June 29, 1973.

Mr. Speaker, I place in the RECORD a copy of a Los Angeles Times article concerning this report:

REPORT LINKS FOREIGN ACCOUNT TO NIXON FUND: HOUSE BANKING STUDY DISCLOSES $30,000 CLEARED THROUGH LUXEMBOURG INSTITUTION

(By Robert L. Jackson)

WASHINGTON.—President Nixon's campaign organization received at least $30,000 through a secret bank account in Luxembourg last spring, the House Banking and Currency Committee said Tuesday.

A staff study on the break-in at and alleged bugging of Democratic headquarters last June, released by committee Chairman Wright Patman (D-Tex.), called it "reasonable to assume that the total amount (from foreign bank accounts) is substantially higher."

Committee investigators, in an earlier report Sept. 12, detailed how $100,000 was channeled through Mexico to the Committee for the Reelection of the President. These funds, part of which wound up in the Miami bank account of one of the bugging suspects, were from a donor or donors who wished to remain anonymous, authorities said.

The new study said that bank debit memorandums and copies of transfers involving Washington and Philadelphia banks "show that President Nixon's campaign received at least $30,000 through the Banque Internationale a Luxembourg in late March and early April."

TEN MILLION DOLLARS EARLIER

The Nixon committee has acknowledged receiving about $10 million in campaign gifts before April 7, the date a new federal election disclosure law took effect, GOP officials have declined to disclose the names of these donors on ground they were not yet covered by the new law.

A spokesman for the Nixon committee called the congressional report "a vicious document" and "a dishonest collection of innuendo" aimed at shoring up the presidential candidacy of Democratic Sen. George S. McGovern.

The spokesman said he could not answer specific points raised in the report "until we have read it in its entirety."

The Patman committee did not identify the U.S. banks involved in the Luxembourg transfers, nor did it allege that the funds were connected with the bugging attempt at Democratic national headquarters in the Watergate complex.

"The Committee to Reelect the President has successfully hidden the names of the donors of these additional foreign checks," the report said.

"As a result, we do not know the circumstances under which funds reached the United States, but in light of the revelations involving the Mexican transfers this is obviously fertile ground for investigation."

Patman did not say what law he believed was violated by the Luxembourg bank transfers. He has previously emphasized, however, that it is a federal violation for a foreign national to contribute to a U.S. presidential campaign. And he has said that the Nixon committee has not identified the sources of funds coming from the Mexican bank accounts.

Patman, who twice sought in vain to obtain majority approval of his committee for subpoena power and full hearings on the Watergate case, said in a covering letter that he would again push for a full probe of these banking transactions after Congress reconvenes next January.

The banking committee study, in which investigations for the General Accounting Office assisted, charged that GOP financial records were marked by "inaccuracies, omissions and improper recording of receipts."

In addition, the report said, "The evidence . . . indicates possible violations of federal laws and regulations involving bank record-keeping."

Among "discrepancies" in the Nixon committee records or the ledgers of its banks, according to the report:

—A balance of $2 million in GOP funds at one bank last April 7, "whereas the books of the reelect committee showed a balance of $2.8 million."

—Crediting a $305,000 contribution from Texas rancher W. T. Duncan, although Duncan's gift was a promissory note worth only $294,799 when the Nixon committee sold it to a Washington bank.

—Depositing $250,447 "to an account of a nonexistent political committee."

The Patman committee said it believes the Nixon campaign actually collected $15 million to $20 million from unidentified donors before April 7, rather than the $10 million acknowledged by Republican officials.

NO SUBSTANTIATION

In addition, the report charges—but fails to substantiate—Hugh W. Sloan Jr., former Nixon campaign treasurer, once considered a plan "to monitor the personal bank accounts of public officials."

The report quotes an unidentified Democratic friend of Sloan's as saying Sloan "told me that he had a call . . . from someone who indicated they could monitor the deposits of Democratic senators and congressmen to learn of any illegal campaign financing that might go through personal accounts."

Sloan refused to talk to congressional investigators, and the banking committee—without subpoena power—could not compel his testimony, the report said.

THE RURAL TELEPHONE USER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT), is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, I view with deep concern the trend in the communications industry for independent companies to develop and sell equipment for selective interconnection to the Bell System. The end result of this practice may well be the abandonment of the traditional pricing system for telephone service.

For years the telephone companies have provided service to the individual homeowner at a rate that was below the actual cost of the service. They were able to provide this "subsidy" because the commercial service provided to the large business users provided a sufficiently high profit margin to help support the home phone service.

The public utility theory for telephone service was akin to the postal service. Services so basic as telephone and mail should be provided for almost all citizens at approximately similar prices regardless of where in America they happen to live or operate a business.

In recent years we have seen the proliferation of competing services provided by outside companies for interconnection to telephone company lines and equipment. The telephone company subscribers believe that there are two distinct dangers to be considered. The first is that these companies are "skimming the cream" from the big city high volume business subscribers. The ultimate result must be an increase in rates to the residential, rural, low volume subscribers. So far neither the Bell System nor the governments have a complete economic study of this development, but they can point to the experience of South Central Bell. That company contends that the $5.90 per month which residential subscribers pay for local service would nearly double if it were not for augmenting revenue from higher profit business services.

Such a large increase in telephone rates in our State or area could cause undue economic hardship on all residential telephone users, but it would fall heaviest on those who can least afford it, and who also most need their telephones. The aged and the shutins, particularly in rural areas, count on the telephone for keeping in touch and for summoning help in emergencies. Many live on fixed incomes, and if their rates were doubled many would be forced to give up telephone service entirely. Increased rates would also bear unfairly on those with low incomes who have come to depend upon having a telephone available.

In our part of the country homes are much more widely separated than in the big cities and the phone company has to run and maintain longer lines from the roads to individual houses. Our towns tend to be smaller, and do not represent large telephone marketing areas. We receive, and are grateful for the excellent service, at reasonable rates, from the Pacific Telephone & Telegraph Co. We know that this is made possible, at least in part, by the large business uses in places like San Francisco and Los Angeles. We believe that this system has worked well in the past and should not be abandoned without the Government and the subscribers knowing the full economic and social impact. We feel that the entrance into the market by these new companies who are only interested in servicing the large and profitable commercial accounts will force the telephone companies to completely revise their rate schedules. The loss of the large commercial accounts, and the accompanying profits, will force the telephone companies to turn to the residential subscriber and the small businessman for the revenues to support the entire system. The economic impact, as well as the social impact, of such a change could easily be disasterous.

Mr. Speaker, I and other members of our Appropriations Subcommittee have urged the FCC to investigate this entire situation thoroughly and make a full economic impact study. We feel that before any decisions are made which will significantly affect rate structures, a comprehensive economic study should be completed and the results made public. Only then can we see the true cost to the consumer of this new "selective" competition in this area.

PANAMA CANAL: JUGULAR VEIN OF INTEROCEANIC COMMERCE AND HEMISPHERIC SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, among the organizations in the United States that feature debates on national policy questions of prime importance is the International Platform Association of Cleveland, Ohio, of which Ted Mack is president and Dan Tyler Moore is director general and board chairman. At its 1974 annual convention in Washington, D.C., at the Sheraton Park Hotel, its afternoon session on August 1 was devoted to a debate on this timely subject: "Should the United States surrender sovereignty over the Canal Zone to the Republic of Panama?"

The participants in the discussion were the Honorable Aquilino Boyd, former Minister of Foreign Affairs of Panama and now that country's Ambassador to the United Nations Organization in New York, for the affirmative side and myself for the negative, with George Crile, of Harper's magazine of Washington, D.C., presiding. The audience was largely of a public opinion-forming character but included leaders in Government service as well as in other fields from various parts of the Nation.

In his opening remarks Mr. Crile summarized the background of the two speakers as regards the canal question. It is quite interesting that Ambassador Boyd in January 1959, was a leader in the Panamarian National Assembly that, on January 12 of that year, officially branded me as the "Republic of Panama's No. 1 Gratuitous Enemy" (H. Doc. No. 474, 89th Cong., pp. 100 and 103). That action was the result of my strong defense in the Congress of the treaty-based rights, power, and authority of the United States over the Canal Zone and canal. In spite of the 1959 action by Mr. Boyd I was glad to share the platform with him.

As part of my preparation for the debate, I compiled from the best sources available a comprehensive paper summarizing essential facts of the interoceanic canal problem, and how to meet it. The solution offered was directed toward two main objectives: First, retention by the United States of its undiluted sovereignty over the Canal Zone; and second, the major modernization of the existing Panama Canal according to the time-tested Terminal Lake-Third Locks plan, which was developed in the Panama Canal organization as a result of World War II experience and won the approval of the President as a postwar project.

Some 31 identical resolutions reaffirming U.S. sovereign control over the Canal Zone have been introduced in both the House and Senate with strong nonpartisan support in each body. Identical bills for the major modernization of the existing canal are also pending in both Houses of the Congress, with the wide support from many civic, fraternal, and patriotic organizations, important maritime interests including the Panama Canal Pilots Association, and the national organization of the AFL–CIO.

In these general connections, attention is invited to the address by Senator STROM THURMOND on "Panama Canal—A New Look," in the CONGRESSIONAL RECORD of August 1, 1974, pages 26250–26255, especially the 1973 memorial to the Congress from the Committee for Continued U.S. Control of the Panama Canal and the 1973 resolution of the Panama Canal Pilots Association on major modernization that he quoted.

Although it was not possible to deliver all of my prepared address at the August 1 debate because of lack of time, I shall include its entire text along with the texts of the indicated Canal Zone sovereignty resolutions and bills for major canal modernization as parts of my remarks.

PANAMA CANAL: JUGULAR VEIN OF INTEROCEANIC COMMERCE AND HEMISPHERIC SECURITY

(Address by Hon. DANIEL J. FLOOD of Pennsylvania before the International Platform Association in the Sheraton Park Hotel, Washington, D.C., August 1, 1974)

Mr. Chairman, members of the International Platform Association, distinguished guests, ladies and gentlemen:

The Panama Canal annually transits some 15,000 vessels from about 55 countries. About 70 percent of its traffic either originates or terminates in United States ports. Such facts, in a realistic sense, establish it as the jugular vein of interoceanic commerce and hemispheric security.

Among the gravely vital issues now before the Congress are: 1. The threat to continued undiluted sovereign control by the United States over the U.S. owned Canal Zone; and 2. the completion of the suspended major modernization of the existing Canal. All other Canal questions, however important, including the vaunted old idea of a "sea-level" canal, are irrelevant and should not be permitted to confuse. (Ho. Rept. No. 92–1629, p. 36.)

For proper understanding, it is essential to know certain elemental facts in canal history:

First, in 1901, in a treaty with Great Britain, the United States made the long range commitment to construct and operate an isthmian canal under the rules governing the operation of the Suez Canal.

Second, in 1902, the Congress authorized the President to acquire by treaty the "perpetual control" of a canal zone, as well as the purchase of all property in it, for the construction of the canal and its "perpetual" operation.

Third, in 1903, after the secession of Panama from Colombia, the United States, in a treaty with Panama, acquired a grant "in perpetuity" of sovereign rights, power and authority over the indispensably necessary protective frame of the canal zone for $10,000,000. In the same treaty, our country assumed the annual obligation for payment to Panama of the Panama Railroad annuity from $250,000, previously paid by that company to Colombia. This annuity, justifiably adjusted in the 1936 treaty and gratuitously increased in the 1955 treaty, is not a "rental" for the use of the canal zone as so often misstated in the press and reference books but only the augmented annuity of the railroad, the entire stock of which was purchased by the United States for canal purposes.

Fourth, after acquiring sovereign control over the canal zone, the United States obtained title to all privately owned land and property in it by purchase from individual owners, making the zone our most expensive territorial acquisition, estimated in 1973 to have cost $161,938,571. This sum is more than the combined costs of all our other territorial acquisitions. (Cong. Record, vol. 119, pt. 14, pp. 18431–2.)

Fifth, during the decade, 1904–1914, the United States constructed the canal in what was the pest hole of the world and a land of endemic revolution, transforming the zone and surrounding areas into models of tropical health and sanitation that won world acclaim, and serving as a force for political stability.

Sixth, under a 1914 treaty with Colombia ratified in 1922, the United States paid that country $25,000,000 and gave it valuable transit rights in the use of both the canal and railroad. In return, Colombia, the sovereign of the isthmus prior to November 3, 1903, recognized the title to both the canal and railroad as vested "entirely and absolutely" in the United States.

Seventh, in 1950, the Congress, in the Panama Canal Reorganization Act, specifically provided that the levy of tolls is subject to the terms of the three previously mentioned treaties.

Eighth, from 1904 through June 30, 1971, the total investment of U.S. taxpayers in the canal enterprise, including its defense, was $5,695,745,000.

Ninth, the validity of the title of the United States to the Canal Zone has been recognized by the U.S. Supreme Court (*Wilson* vs. *Shaw*, 204 U.S. 24, 1907, at 31–3.)

From all of the above, the evidence is conclusive that the United States is not a squatter resting on the banks of the Panama Canal but its lawful owner with full sovereign rights, power and authority and no amount of demagoguery or sophistry can alter the essential facts. Moreover, article IV, section 3, clause 2 of the U.S. Constitution vests the power to dispose of territory and other property of the United States solely in the Congress, which includes the House of Representatives as well as the Senate.

I believe that the domestic impact of the possible closing of the Panama Canal cannot be overlooked. This is especially true in light of the impact on world commerce and various national economies which have occurred as a result of the periodic closings of the Suez Canal. If the Panama Canal were closed to American shipping, it would obviously complicate the transfer of military vessels from the Atlantic to the Pacific and vice-versa. But it would also have great impact on our domestic way of life.

The American merchant marine, which is badly in need of modernization, would be placed under immense strain if it were required to transport cargo around the continent of South America. Cargoes would be reduced, fuel consumption would be increased, and the cost of transporting these cargoes would be significantly increased. Within the Continental United States, our trucking industry and rail freight industries would be called upon to bear an additional burden. This would have a major impact on our environment, on highway congestion, and on domestic energy consumption. All of these factors could contribute to higher costs and thus aggravate the current inflation. (Congressional Record, vol. 120, pt. 13, pp. 17298–9.)

As foreseen by those who formulated the historic canal policies, the canal zone and canal form part of the coast line of the United States. Thus, its continued efficient operation and protection are just as vital to interoceanic commerce and hemispheric security as are the safe navigation and defense of the Chesapeake and San Francisco Bays.

In recent years, the U.S. Department of State has been infiltrated by elements hostile to continued U.S. sovereign control over the Panama Canal. Its record has been one of misrepresentation and falsification in the waging of campaigns so often illustrated by that agency's repeated efforts to dismember the canal enterprise by piecemeal erosions.

For example, there is the case of the Panama Railroad in which the State Department attempted to liquidate that important rail link and actually succeeded in giving away its freight yards and passenger stations in Panama City and Colon.

The Congress stepped into the situation and, after an independent investigation, saved the main line. Now, you have a railroad without its designed terminals. Can you imagine anything more stupid?

It was, therefore, no surprise to informed Members of the Congress when Communist Party General Secretary, Leonid I. Brezhnev, and U.S. Secretary of State, Henry A. Kissinger, early this year visited the Caribbean about the same time, the first to Cuba and the latter to Panama.

In a joint statement on February 7, 1974, from Havana, the U.S.S.R. supported the Cuban demand for the "unconditional removal" of the American Guantanamo Naval Base. (Congressional Record, Vol. 120, pt. 12, pp. 16316–16318.) In a second joint statement on February 7, Secretary Kissinger and Panamanian Foreign Minister Juan A. Tack, without advance authorization by the Congress, announced their approval of an 8-point "agreement on principles" to govern the negotiation of a new Panama Canal Treaty. (Congressional Record, Vol. 120, pt. 3, p. 2998.)

Stripped of its ambiguities, contradictions and fallacies, this Kissinger-Tack diplomatic trick is a blue-print for an abject surrender of U.S. treaty-based sovereign rights, power, and authority over our most strategic waterway, which, if not blocked, is certain to open a Pandora's box of difficulties. The resulting problems would involve the treaty rights of Great Britain and Colombia as well as the interests of maritime nations that use the canal and have to pay tolls. Some of these countries are already delving into the situation and will undoubtedly take steps to protect their interests.

In an address before the center for Inter-American relations at New York on March 19, 1974, Ambassador-at-Large Ellsworth Bunker, Chief Negotiator for the Panama Canal Treaty, explained the rationale of administration policy in the canal negotiations. His statement of concern was consonant with the joint statement of principles initialed by Secretary of State Kissinger at Panama on February 7, 1974. (*Strategic Review*, summer 1974, P.G.)

Ambassador Bunker asserted that the consent of the Panamanian people to the U.S. presence in the Canal Zone had been reduced to unacceptable levels. He believes that successful operation of the canal by the United States requires a higher level of acceptance by Panama, and that this acceptance can be negotiated. He thinks it necessary to that end to revise the objectionable provisions of the 1903 Treaty which conveyed the Canal Zone to the United States.

Ambassador Bunker accepts at face value the allegations of the Torrijos Government of Panama that the Canal Zone constitutes an intolerable division of Panama by a foreign sovereignty exercising full powers in the Zone, that the condition was imposed seventy years ago but is now archaic, that the United States can operate and defend the Canal while the Canal Zone territory is returned to the full jurisdiction of Panama, and that a treaty to accomplish the change will restore cooperation between the United States and the Republic of Panama.

The Bunker analysis did not note the quality of the government of Panama, representing the usurpation of power by the commander of the national guard and displacement of the elected president of the republic. It did not note that the regime is closely alined with the Castro government in Cuba and with other left-wing forces in Latin America hostile to the United States. It did not explain that the decline of acceptance of the U.S. presence by Panama is the product of mob manipulation by forces determined to compel U.S. withdrawal from the Canal Zone.

In sum, the Bunker thesis treats the inspired attacks of Marxist-Leninist radicals as the voice of the people. It assumes that these attacks on the U.S. Canal Zone can be moderated with benefit to canal operations by giving the zone territory back to Panama. But these premises lack credibility. The apparent aim of the government of Panama is not to improve relation with the United States but to take the canal. While we agree that cordial relations with Panama are desirable, we do not believe the State Department prescription represents a prudent approach to that relationship.

As to the appeal so often made to North American idealism and generosity to "return" the Canal Zone to Panama, what are the facts? That country prior to November 3, 1903, was a part of Colombia, from which it seceded. It did this only after years of frustrated waiting for Colombia to arrange for constructing that canal at the Panama site.

When Isthmian leaders saw the long hoped for project endangered by the threatened construction of the Isthmian Canal at Nicaragua, Panama declared its independence and the United States then made the treaty with Panama instead of Colombia.

When construction started in 1904, the jubilation of the Panamanian people was practically unanimous. Their extensive employment and other income from Canal Zone sources now totals about $187,490,000 annually, giving Panama the highest per capita income in Central America.

What is the basis for Panamanian demands for the "return" of the Canal Zone to Panama? Its jurisdiction over the territory was brief—from November 3, 1903, to February 26, 1904, a period of three months and 23 days. If the Zone is to be given to any country it should be Colombia; but the Congress would be just adamant in opposing such proposal as it is to giving it to Panama.

The President of the United States, in a mistaken gesture of friendship on advice of the State Department, on September 14, 1960, after the adjournment of the Congress and in disregard of a resolution adopted by the House of Representatives by a vote of 382 to 12 in opposition to the display of the Panama flag in the Zone, directed that it be flown at one place as "visual evidence" of Panama's "titular sovereignty" over it.

Instead of improving relations with Panama this action served to widen the breach in our judicial structure caused by the 1936 and 1955 treaties, with the predicted results that turbulent political elements in Panama would interpret such display as admission by the United States of full Panamanian sovereignty. Today, Panama flags are flying from one end of the zone to the other equal with those of the United States, even on such vital structures as the locks, thus serving to prolong agitation for full Panamanian control.

Most certainly, these flags should be removed. For the flag has only one meaning and that is sovereignty. The only flag that should fly in the zone is that of the United States.

What is meant by "titular sovereignty?" This term has a long history going back to Secretary of State Hay and Secretary of War Taft, who, in unfortunate uses of language recognized that by the terms of the 1903 treaty Panama retains a "titular sovereignty" over the Canal Zone.

Actually, no such phrase can be found in that treaty. Neither a Secretary of State nor any other Government official had the authority then or at any time to imply any curtailment whatsoever of the total sovereign rights, power, and authority of the United States in the Canal Zone as defined in the 1903 treaty. Any abridgement involving the disposal of territory or other property of the United States without prior authorization by both Houses of the Congress is not valid.

At best, "titular sovereignty" can only mean a reversionary interest on the part of Panama in the sole event that the United States should abandon the Canal or fail to meet its treaty obligations for its "perpetual" operation. Despite my repeated requests, the State Department has failed to define the term "titular sovereignty" which failure has added to the public confusion affecting the question of Canal Zone control.

As previously stated, there are only two basic issues regarding the Panama Canal: 1. Continued undiluted U.S. sovereignty over the Canal Zone; and 2. The major modernization of the existing canal. All other matters, however important, including the extensively propagandized sea level proposal are asserted to be irrelevant. (H. Rept. No. 92–1629, p. 36.) They only serve to delay and confuse the proper solution, with resulting inconvenience to the users of the canal and those who operate it.

As to whether the United States should surrender its sovereignty over the Canal Zone to Panama, there is no doubt as to how our people stand. Following a national TV debate on this question on March 15 1973 over the advocate program, more than 12,000 viewers reported, with 86 percent of them against any surrender. In recent months, my own correspondence from 48 of the United States and abroad, including Panama itself, is almost unanimously opposed.

As said on other occasions, I can think of no better way to bring about another time-wasting confrontation with the Congress than to send to it a treaty calling for the surrender to Panama of U.S. Canal Zone territory. In such event, the Congress, in the exercise of its constitutional responsibility (U.S. Constitution, Act. IV, Sec. 3, Clause 2) will dispose of any pact of intended subservience where it belongs—in the waste basket.

The U.S. policy of exclusive sovereign control over the Canal Zone and canal is based upon realities, including treaties with Great Britain, Panama and Colombia. For the United States to assume the obligation of operating and defending the canal after surrender of sovereignty over its protective frame of the Canal Zone would place our government in the position of having grave responsibility without requisite authority, which is unthinkable.

I suggest that to enter such negotiations today is a serious abandonment of U.S. authority and responsibility. To confide this crucial waterway to the nominal control of a small country which is ill-qualified to administer or defend it is an act of great power irresponsibility. If Great Britain had, in 1951, asserted the world interest in Suez and committed military forces to defend that interest, the canal would not have been closed but would today be a lively artery of commerce bringing great tributory benefit to the people of Egypt. Our people do not wish to have a Suez situation at Panama.

The operation of the Canal by the United States on an extraterritorial basis, as has been proposed, in a land of endless intrigue and turmoil, could only result in endless conflicts and recriminations.

In additional, it would remove an "island" of stability in the isthmus that has often served as a haven of refuge for Panamanian leaders seeking to escape assassination. One of the most recent users of the Canal Zone as an asylum was Señora Torrijos, the wife of Panama's chief of government, during an attempt to depose her husband while he was out of his country. Most certainly, the Congress will never appropriate huge funds for any major canal project in an area that the United States does not control.

The give-aways contemplated in the previously mentioned "agreement on principles" for negotiation of a new canal treaty were not authorized by the Congress. They are obvious attempted usurpations of power that must be put down.

Recent State Department attitudes as regards the sovereignty issue can have no reasonable interpretation as an honest effort to ease tensions. Its officials know that Dictator Torrijon has publicly proclaimed his esteem for the Red regime in Cuba, expressed his admiration for the Soviets, and openly threatened violence against the Canal Zone. This is the strong man of the pro-Soviet defacto government of Panama to which self-proclaimed liberals in the State Department seek to surrender U.S. sovereignty over the zone; and this, without even stipulating any terms for Panama to pay for the billions spent by the U.S. taxpayers on the canal enterprise and its defense.

As for the major modernization of the existing canal, this work was authorized in 1939 under existing treaty provisions and hailed as the largest single engineering project in the world. Started in 1940, it was suspended in 1942 because of more urgent war needs after expending more than $76,000,000, mainly for huge excavations at Gatun and Miraflores for larger locks, which are usable. When to this sum are added $95,000,000 spent on enlarging Gaillard Cut from 300 to 500 feet, the total already applied toward major modernization of the canal is more than $171,000,000.

During World War II there was developed in the Panama Canal organization, as a result of war experience, the first comprehensive solution of the canal operational problems derived from demonstrated needs, known as the terminal lake-third locks plan, which won the approval of President Franklin D. Roosevelt as a postwar project. Most significantly, this plan does not require a new treaty with Panama, which is a paramount consideration (*Cong. Record*. July 24, 1939, p. 9834).

Legislation for it, now pending in both Senate and House, has strong support among Panama Canal pilots, who know canal operational needs at first hand, important shipping interests, engineers, ecologists, navigators, leading patriotic, civic, fraternal, and labor groups, including the national organizations of the A.F.L.–C.I.O. moreover, the plan will preserve the fresh water barrier between the oceans thus preventing the infestations of the Atlantic Ocean with the poisonous Pacific sea snake and voracious crown of thorns starfish.

When this long overdue work is resumed, its economic and other advantages to the isthmus and interoceanic commerce will be so obvious that current agitations should vanish like a tropical fog in the morning sun. In addition it could be the occasion for helping Panama by building a bridge over the Atlantic end of the canal to correspond with that across the Pacific end at Balboa and aiding in the relocation or extension of the Panama free zone in Colon to Panamanian territory east of the U.S. Canal Zone.

Historically, the Caribbean has long been a focal area of conflict because its location is strategic. Today, Soviet power has Cuba, Soviet submarines cruise regularly in nearby waters, and a main Soviet objective is directed toward wresting control of the Panama Canal from the United States making it a pawn in international power politics. Thus, the real issue in the Canal Zone sovereignty question is not United States control versus Panamanian but continued undiluted U.S. sovereignty over the zone versus U.S.S.R. control; and these are the issues that should be recognized in the Congress and the nation. Their importance is shown by the introduction in both the Senate and House of strongly supported resolutions in opposition to any surrender. In addition, the legislatures of the states, acting in their highest sovereign capacities, have started to adopt resolutions calling upon their delegations in the Congress to oppose the projected give-away. Recent examples are Virginia, South Carolina, and Maryland.

The elements in the country and State Department that most loudly advocate surrender of the Canal Zone to Panama are precisely those that urged U.S. support for Communist Mao Tse-Tung in China with the claim that he was only a mild "agrarian reformer" and later urged the installation of Fidel Castro in Cuba while ridiculing evidence that he was a red revolutionary.

What is needed now is prompt action in the Congress on pending measures concerning sovereignty and modernization. This will quickly clear up the present confused atmosphere as regards U.S. control over the Canal Zone and lead to resumption of work on the needed increase of capacity and operational improvements. When completed, the latter will provide—at least cost—the best canal for the transit of vessels—practicable of achievement and greatly increase its concentrational capabilities for our naval forces. This will be of increasing importance as the numbers of our naval vessels go down toward their pre-World War II level.

Thus to get on with our great responsibility and obligation to enlarge the Panama Canal and improve its operations, we must be uncompromisingly emphatic in declaring that our answer to any proposed abrogation or curtailment of complete U.S. sovereign control over the Canal Zone is a resounding no; and we shall say it again, again, and again—no!

The United States has dallied too long over futile hopes of accommodating ideological hostility. We can have the respect of our neighbors only when we show a proper regard for our own rights and interests and a steadfastness in providing the service to world commerce which we have undertaken in Panama. (*Strategic Review*, Spring 1974, pp. 42–3.)

As our Latin neighbors are governed by reasonable men, it does not impose too heavy a burden on United States diplomacy to ask that it sustain the reasonable premise that U.S. sovereignty in the Canal Zone is essential to the continuing operation of the canal. The interests of all our neighbors, including Panama, and of more distant countries are thereby best served.

Secretary of State Charles Evans Hughes had this in mind when on December 15, 1923 the Panamanian Ambassador raised the issue of sovereignty. The Secretary informed the Ambassador that, "Our country would never recede from the position which it had taken in the note of Secretary Hay in 1904. This Government could not, and would not, enter into any discussion affecting its full right to deal with the Canal Zone and to the exclusion of any sovereign rights or authority on the part of Panama. . . . It was an absolute futility for the Panamanian Government to expect any American administration, no matter what it was, any President or any Secretary of State, ever to surrender any part of these rights which the United States had acquired under the Treaty of 1903."

Secretary of State Hughes recognized that the acquired U.S. sovereignty was essential to operation of the canal and must endure as long as the canal endures. His policy is the right policy today, as it was then.

The United States came to this strategic part of the world not for gold or conquest, as the conquistadores had come before them. The United States came only to do a job where others had failed. The French had tried to build another Suez with little understanding that the problem was entirely different. They left behind a record of bankruptcy and failure. The United States, with the vigor of a rising young nation that had just finished spanning its twin coasts with railroad track, had the vision and the genius to put together the diplomatic engineering financial and organizational resources necessary to overcome all obstacles.

In short the United States had made the Panama Canal with its protective frame of the Canal Zone a symbol of its achievement. It is part of the great heritage of our Nation. It is representative of the "can-do" psychology that sustains our national consciousness and underpins the national morale. It is a lifeline of trade and of national security.

If we hand over this territory in response to unreasonable demands at Panama and the clamor of our Marxist enemies we will pass a watershed in our history. One more turning point will mark the decline of a great Nation.

H. RES. 804

Whereas United States diplomatic representatives are presently engaged in negotiations with representatives of the de facto Revolutionary Government of Panama, under a declared purpose to surrender to Panama, now or on some future date, United States sovereign rights and treaty obligations, as defined below, to maintain, operate, protect, and otherwise govern the United States-owned canal and its protective frame of the Canal Zone, herein designated as the "canal" and the "zone", respectively, situated within the Isthmus of Panama; and

Whereas title to and ownership of the Canal Zone, under the right "in perpetuity" to exercise sovereign control thereof, were vested absolutely in the United States and recognized to have been so vested in certain solemnly ratified treaties by the United States with Great Britain, Panama, and Columbia, to wit:

(1) The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, under which the United States adopted the principles of the Convention of Constantinople of 1888 as the rules for operation, regulation, and management of the canal; and

(2) The Hay-Bunau-Varilla Treaty of 1903 between the Republic of Panama and the United States, by the terms of which the Republic of Panama granted full sovereign rights, power, and authority in perpetuity to the United States over the zone for the construction, maintenance, operation, sanitation, and protection of the canal to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority; and

(3) The Thomson-Urrutia Treaty of April 6, 1914, proclaimed March 30, 1922, between

the Republic of Colombia and the United States, under which the Republic of Colombia recognized that the title to the canal and the Panama Railroad is vested "entirely and absolutely" in the United States which treaty granted important rights in the use of the canal and railroads to Colombia; and

Whereas the United States, in addition to having so acquired title to and ownership of the Canal Zone, purchased all privately owned land and property in the zone, from individual owners, making the zone the most costly United States territorial possession; and

Whereas the United States since 1903 has continuously occupied and exercised sovereign control over the zone, constructed the canal, and, since 1914, for a period of sixty years, operated the canal in a highly efficient manner without interruption, under the terms of the above-mentioned treaties thereby honoring their obligations, at reasonable toll rates to the ships of all nations without discrimination; and

Whereas from 1904 through June 30, 1971, the United States made a total investment in the canal, including defense, at a cost to the taxpayers of the United States of over $5,695,745,000; and

Whereas Panama has, under the terms of the 1903 treaty and the 1936 and 1955 revisions thereof, been adequately compensated for the rights it granted to the United States, in such significantly beneficial manner that said compensation and correlated benefits has constituted the major portion of the economy of Panama giving it the highest per capita income in all of Central America; and

Whereas the canal is of vital and imperative importance to hemispheric defense and to the security of the United States and Panama; and

Whereas approximately 70 per centum of canal traffic either originates or terminates in United States ports, making the continued operation of the canal by the United States vital to its economy; and

Whereas the present negotiations, and a recently disclosed statement of "principles of agreement" by our treaty negotiator, Ambassador Ellsworth Bunker, and Panamanian Foreign Minister Juan Tack, Panama treaty negotiator constitute a clear and present danger to hemispheric security and the successful operation of the canal by the United States under its treaty obligations; and

Whereas the present treaty negotiations are being conducted by our diplomatic representatives under a cloak of unwarranted secrecy, thus withholding from our people and their representatives in Congress information vital to the security of the United States and its legitimate aconomic development; and

Whereas the United States House of Representatives, on February 2, 1960, adopted House Concurrent Resolution 459, Eighty-sixth Congress, reaffirming the sovereignty of the United States over the zone territory by the overwhelming vote of three hundred and eighty-two to twelve, thus demonstrating the firm determination of our people that the United States maintain its indispensable sovereignty and jurisdiction over the canal and the zone; and

Whereas under article IV, section 3, clause 2 of the United States Constitution, the power to dispose of territory or other property of the United States is specifically vested in the Congress, which includes the House of Representatives: Now, therefore, be it

Resolved, That is it the sense of the House of Representatives that:

(1) The Government of the United States should maintain and protect its sovereign rights and jurisdiction over the canal and zone, and should in no way cede, dilute, forfeit, negotiate, or transfer any of these sovereign rights, power, authority, jurisdiction, territory, or property that are indispensably necessary for the protection and security of the United States and the entire Western Hemisphere; and

(2) That there be no relinquishment or surrender of any presently vested United States sovereign right, power, or authority or property, tangible or intangible, except by treaty authorized by the Congress and duly ratified by the United States; and

(3) That there be no recession to Panama, or other divestiture of any United States-owned property, tangible or intangible, without prior authorization by the Congress (House and Senate), as provided in article IV, section 3, clause 2 of the United States Constitution.

H.R. 1517

A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Panama Canal Modernization Act".

SEC. 2. (a) The Governor of the Canal Zone, under the supervision of the Secretary of the Army, is authorized and directed to prosecute the work necessary to increase the capacity and improve the operations of the Panama Canal through the adaptation of the Third Locks project set forth in the report of the Governor of the Panama Canal, dated February 24, 1939 (House Document Numbered 210, Seventy-sixth Congress), and authorized to be undertaken by the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), with usable lock dimensions of one hundred and forty feet by one thousand two hundred feet by not less than forty-five feet, and including the following: elimination of the Pedro Miguel Locks, and consolidation of all Pacific locks near Agua Dulce in new lock structures to correspond with the locks capacity at Gatun, raise the summit water level to its optimum height of approximately ninety-two feet, and provide a summit-level lake anchorage at the Pacific end of the canal, together with such appurtenant structures, works, and facilities, and enlargements or improvements of existing channels, structures, works, and facilities, as may be deemed necessary, at an estimated total cost not to exceed $950,000,000, which is hereby authorized to be appropriated for this purpose: *Provided, however*, That the initial appropriation for the fiscal year 1974 shall not exceed $45,000,000.

(b) The provisions of the second sentence and the second paragraph of the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), shall apply with respect to the work authorized by subsection (a) of this section. As used in such Act, the terms "Governor of the Panama Canal", "Secretary of War", and "Panama Railroad Company" shall be held and considered to refer to the "Governor of the Canal Zone", "Secretary of the Army", and "Panama Canal Company", respectively, for the purposes of this Act.

(c) In carrying out the purposes of this Act, the Governor of the Canal Zone may act and exercise his authority as President of the Panama Canal Company and may utilize the services and facilities of that company.

SEC. 3. (a) There is hereby established a board, to be known as the "Panama Canal Advisory and Inspection Board" (hereinafter referred to as the "Board").

(b) The Board shall be composed of five members who are citizens of the United States of America. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, as follows:

(1) one member from private life, experienced and skilled in private business (including engineering);

(2) two members from private life, experienced and skilled in the science of engineering;

(3) one member who is a commissioned officer of the Corps of Engineers, United States Army (retired); and

(4) one member who is a commissioned officer of the line, United States Navy (retired).

(c) The President shall designate as Chairman of the Board one of the members experienced and skilled in the science of engineering.

(d) The President shall fill each vacancy on the Board in the same manner as the original appointment.

(e) The Board shall cease to exist on that date designated by the President as the date on which its work under this Act is completed.

(f) The Chairman of the Board shall be paid basic pay at the rate provided for level II of the Executive Schedule in section 5313 of title 5, United States Code. The other members of the Board appointed from private life shall be paid basic pay at a per annum rate which is $500 less than the rate of basic pay of the Chairman. The members of the Board who are retired officers of the United States Army and the United States Navy each shall be paid at a rate of basic pay which, when added to his pay as a retired officer, will establish his total rate of pay from the United States at a per annum rate which is $500 less than the rate of basic pay of the Chairman.

(g) The Board shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Secretary and such other personnel as may be necessary to carry out its functions and activities and shall fix their rates of basic pay in accordance with chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. The Secretary and other personnel of the Board shall serve at the pleasure of the Board.

SEC. 4. (a) The Board is authorized and directed to study and review all plans and designs for the Third Locks project referred to in section 2(a) of this Act, to make on-the-site studies and inspections of the Third Locks project, and to obtain current information on all phases of planning and construction with respect to such project. The Governor of the Canal Zone shall furnish and make available to the Board at all times current information with respect to such plans, designs, and construction. No construction work shall be commenced at any stage of the Third Locks project unless the changes and modifications of such plans and designs, have been submitted by the Governor of the Canal Zone to, and have had the prior approval of, the Board. The Board shall report promptly to the Governor of the Canal Zone the results of its studies and reviews of all plans and designs, including changes and modifications thereof, which have been submitted to the Board by the Governor of the Canal Zone, together with its approval or disapproval thereof, or its recommendations for changes or modifications thereof, and its reasons therefor.

(b) The Board shall submit to the President and to the Congress an annual report covering its activities and functions under this Act and the progress of the work on the Third Locks project and may submit, in its discretion, interim reports to the President and to the Congress with respect to these matters.

SEC. 5. For the purpose of conducting all studies, reviews, inquiries, and investigations deemed necessary by the Board in carrying out its functions and activities under this Act, the Board is authorized to utilize any official reports, documents, data, and papers in the possession of the United States Government and its officials; and the Board is given power to designate and authorize any member, or other personnel, of the Board, to administer oaths and affirmations, subpena witnesses, take evidence, procure information and data, and require the production of any books, papers, or other documents and records which the Board may deem relevant or material to the performance of the functions and activities of the Board. Such attendance of witnesses, and the production of documentary evidence, may be required from any place in the United States, or any territory, or any other area under the control or jurisdiction of the United States, including the Canal Zone.

SEC. 6. In carrying out its functions and activities under this Act, the Board is authorized to obtain the services of experts and consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, at rates not in excess of $200 per diem.

SEC. 7. Upon request of the Board, the head of any department, agency, or establishment in the executive branch of the Federal Government is authorized to detail, on a reimbursable or nonreimbursable basis, for such period or periods as may be agreed upon by the Board and the head of the department, agency, or establishment concerned, any of the personnel of such department, agency, or establishment to assist the Board in carrying out its functions and activities under this Act.

SEC. 8. The Board may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

SEC. 9. The Administrator of General Services or the President of the Panama Canal Company, or both, shall provide, on a reimbursable basis, such administrative support services for the Board as the Board may request.

SEC. 10. The Board may make expenditures for travel and subsistence expenses of members and personnel of the Board in accordance with chapter 57 of title 5, United States Code, for rent of quarters at the seat of government and in the Canal Zone, and for such printing and binding as the Board deems necessary to carry out effectively its functions and activities under this Act.

SEC. 11. All expenses of the Board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the Chairman of the Board or by such other member or employee of the Board as the Chairman may designate.

SEC. 12. There are hereby authorized to be appropriated to the Board each fiscal year such sums as may be necessary to carry out its functions and activities under this Act.

SEC. 13. Any provision of the Act of August 11, 1939 (54 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), or of any other statute, inconsistent with any provision of this Act is superseded, for the purposes of this Act, to the extent of such inconsistency.

MILITARY JUSTICE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. DAVIS) is recognized for 15 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, some days ago, my colleague, Congresswoman SCHROEDER, of Colorado, acclaimed the nomination of Justice William Erickson of her home State to the U.S. Court of Military Appeals. Justice Erickson is indeed an eminent jurist; his nomination honors him and honors the court on which he will serve.

She also used the occasion, however, to lambaste the military justice system with a number of timeworn and tired criticisms which paint the system as a medieval anachronism which denies our servicemen and women the fair and equitable treatment guaranteed citizens of this Nation by the Constitution. I believe her comments in this regard were unfair. They were unfair to Justice Erickson's predecessors and colleagues now on the bench of the Court of Military Appeals—learned and dedicated members of the legal profession who have fashioned a framework for a speedy and truly equitable criminal justice system for the military through their judicial decisions.

Her remarks were unfair to the Congress, which has enacted the Uniform Code of Military Justice and the Military Justice Act of 1968 to deal with criticisms which had been leveled at military justice in the past—criticisms which before these landmark enactments were often justified. And her remarks were unfair to the thousands of citizens in the military—military commanders, military lawyers, and the common soldier—who have worked to make the system fair, just, and effective.

The Founding Fathers recognized the wisdom and necessity of providing a system of military justice separate and apart from the civilian criminal courts. The Supreme Court recently had occasion to recognize and reaffirm this truth. The justices held that—

> [T]he military is, by necessity, a specialized society separate from civilian society. We have also recognized that the military has, again by necessity, developed laws and traditions of its own during its long history. The differences between the military and civilian communities result from the fact that, "it is the primary business of armies and navies to fight or be ready to fight wars should the occasion arise . . .
>
> [The Uniform Code of Military Justice] cannot be equated to a civilian criminal code. It regulates aspects of the conduct of members of the military which in the civilian sphere are left unregulated. . . .
>
> [Note the] relationship of the Government to members of the Military. It is not only that of law-giver to citizen, but also that of employer to employee. Indeed, unlike the civilian situation, the Government is often employer, landlord, provisioner and lawgiver rolled into one. That relationship also reflects the different purposes of the two communities.

This is why there is a separate military justice system. This is why the military courts are not integrated into the Federal judiciary. Military life is different from civilian life. Military law is different from Civilian law—and it must be so if the military is to be ready to perform the duty which we citizens expect and demand that it perform: the defense of the Nation.

None of this is to say that the soldier or seaman or airman is any less a citizen than any of us, or that he forfeits his constitutional rights when he is called to answer before the court-martial. The Supreme Court said some 20 years ago that—

> Military courts, like the State courts, have the same responsibilities as do the Federal courts to protect a person from violation of his constitutional rights.

The Court of Military Appeals—which was so poorly served in the remarks of my colleague from Colorado—has long since embraced this very same view—that—

> The protections of the Bill of Rights, except those expressly or by necessary implication inapplicably, are available to members of our armed forces.

These words translate into a military criminal justice system which is speedier than the civilian courts, which is more open and less secretive than the civilian system, which give defendants greater access to legal counsel, and which has a more liberal and effective appeal system. Look at what the military defendant is guaranteed under the Uniform Code:

He has an absolute right against self-incrimination. No military man or woman suspected of a crime need answer any question directed to him, without qualification. Long before the Supreme Court demanded that a criminal suspect be warned of his rights prior to a police interrogation, the Uniform Code demanded a warning of the right to silence before any military suspect could be interrogated. Of course, a military suspect has the right to free legal counsel before being questioned.

Before any military trial, the military defendant and his lawyer have the right to see all the evidence the prosecution will use at trial. They are entitled to know who the prosecution witnesses will be and what they will testify. Civilian criminal courts have no discovery right with such a broad scope. In all felony cases in the military, there is a formal pretrial investigation at which the defendant and his lawyer are present, and in which they fully participate—stark contrast to a secret civilian grand jury hearing from which a defendant and his lawyer are excluded and the contents of which he is not entitled to see.

Confinement of a military defendant before trial is only allowed under very limited circumstances. It is indeed true that the military defendant has no "right to bail," if by this we mean the "right" to pay an exorbitant fee for a bail bond. But if he is in pretrial confinement, there are procedures by which he may apply for release from confinement and seek review of long continued pretrial confinement or denial of a request for release. He can also apply to have post-trial confinement deferred until all appeals are completed. The military's lack of money bail in no way means that the military defendant lacks the ability to secure his release from pre- and post-trial confinement.

Speedy trial is demanded in the military justice system. The Court of Military Appeals demands that if a defendant is confined before trial, he must be tried within 90 days. Likewise, once a trial is completed, the case must be acted on and forwarded to the appellate courts within 90 days if the defendant is confined. If the Government fails to meet these time standards, the case is dismissed. No civilian court demands that anything near these time standards be met.

The Court of Military Appeals demands that any military officer who authorizes a search for and seizure of criminal evidence must have the same "probable cause to search" that a civilian magistrate must have before issuing a search warrant. The same judicial scrutiny and the same standards apply in both the military and civilian systems. The military still has its barracks inspections—it always has and probably always will. But again, the military courts refuse to allow these inspections to be a ruse for a search for criminal evidence. The military law reports have numerous examples of this principle—while the military commander can inspect, he cannot search for criminal evidence under the guise of inspecting.

Every serious military case receives automatic appellate review. There is no need to apply, no need to assign errors to the appeal court, no need to demand a transcript—the appeal is automatic. The appeal is free. Appellate defense counsel is provided—free of charge. To oversee, to supervise the military appellate system is the Court of Military Appeals—composed of civilians, not military men—the members of which serve only upon the advise and consent of the Senate of the United States. Look at what this court had demanded for the military defendant. Look at what the Uniform Code provides for him. This is not a system to be ashamed of, but one which deserves our praise.

It is apparent after cataloging these safeguards guaranteed the military defendant that the military criminal justice system is not one that lags behind the civilian system, but one that leads it in many ways. It was over 15 years after the enactment of article 31 of the Uniform Code—the mandatory requirement that a military suspect be warned of his rights before questioning—that the Supreme Court adopted a mandatory warning requirement in Miranda against Arizona.

Almost 3 years after the Court of Military Appeals made the concept of "speedy trials" concrete with its mandatory 90-day trial rule where the accused is in pretrial confinement, the Senate just last week passed legislation which would apply similar standards to criminal prosecutions in the Federal civilian courts.

In its "Standards Relating to Discovery and Procedure Before Trial," the American Bar Association recommends "more permissive discovery practices than are [now] provided by applicable law in any jurisdiction in the United States" as a means to "correct general dissatisfaction with criminal litigation." These are standards approved by the ABA in 1970—nearly 20 years after the Uniform Code of Military Justice adopted the pretrial discovery rule of full disclosure of the prosecution's case to a military defendant before trial. The military justice system leads, not follows. Who knows what other procedural or substantive safeguards now a part of the military justice system will at some later date be adopted by the civilian courts and applied to all citizens of our country?

When Justice Erickson begins his service on the Court of Military Appeals, the "sensitivity for the constitutional rights of those prosecuted" which my colleague from Colorado so rightly attributes to him will meet a similar sensitivity and respect on the part of his colleagues on the bench, on the part of the military attorneys who appear before him, and indeed it will be evident in the cases he hears. So many of the military attorneys he will see—nearly all of the appellate trial attorneys in the services—are young lawyers who will "serve their tour"—be it in the Army, Navy, Air Force, Marines, or Coast Guard—then return to civilian life.

Incidentally, I am convinced that the reason these bright young lawyers leave is in part due to the failure of Congress to enact legislation which would provide them additional compensation. These attorneys bring into the military the same values, the same education and background, the same respect for law which their civilian counterparts take into civilian practice. It is inaccurate and naive to think that a system peopled with and administered by lawyers of this character and background would be suffered by them to trample on the rights of defendants—their clients—whom they have sworn to defend.

They work in a criminal justice system which they recognize is open, honest, fair, and in many respects a model for our civilian criminal courts.

ARTICLES OF IMPEACHMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. Rodino) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, as the House is aware, the Committee on the Judiciary will be reporting a resolution, together with three articles of impeachment, impeaching Richard Nixon, President of the United States.

It is currently the intention of the committee to seek a rule limiting otherwise germane amendments to the articles when they reach the floor.

AMENDMENT TO FEDERAL CAMPAIGN ACT AMENDMENTS OF 1974

The SPEAKER per tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 15 minutes.

Mr. ANNUNZIO. Mr. Speaker, my amendment makes only two changes in the amendment placed in the Congressional Record last Friday by my colleagues Representatives, Udall, Anderson, Foley, and Conable.

Under their amendment, small private contributions to a candidate in the general election can be matched with dollar checkoff funds; and so can small contributions to the congressional campaign committees of each party up to $1 million per year.

My amendment would in no way change the matching system in the their amendment as it applies to candidates. It would, however, make the congressional campaign committees of each major party eligible to receive up to $1 million per year directly from the dollar checkoff fund. Thus, the House and Senate Democratic campaign committees would be eligible each year to receive a total of $1 million from the dollar checkoff fund, and so would the House and Senate Republican campaign committees.

These funds could be used only to make contributions to a congressional candidate running in the general election.

My amendment would further provide that notwithstanding any other provision, the congressional campaign committees would be allowed to make campaign contributions to each candidate in the general election of up to $10,000. This would allow, for example, both the Democratic and Republican campaign committees in the House to give each candidate from their party running in the general election a contribution of up to $10,000. The $10,000 per candidate, furthermore, could come from any combination of private and public funds as determined by the congressional campaign committee. In addition, the congressional campaign committees would remain free under section 608 to provide up to $5,000 to a candidate in the primary election from funds raised privately by the campaign committee.

The amendment follows:

On page 78, line 4, add the following new subsections (d), (e) and (f) to Section 408.

CONGRESSIONAL MATCHING PAYMENT ACCOUNT

Sec. 408. (d) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by substituting the following new Subtitle H:

"Subtitle H. Financing of Federal Election Campaigns."

(e) The analysis of chapters at the beginning of subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Chapter 98. Congressional Matching Payment Account."

(f) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new chapter:

"Chapter 98—CONGRESSIONAL MATCHING PAYMENT ACCOUNT

"SEC. 9051. SHORT TITLE

"This chapter may be cited as the 'Congressional Matching Payment Account Act.'

"SEC. 9052. DEFINITIONS

"For purposes of this chapter—

"(1) 'authorized committee' means the principal campaign committee of a candidate for federal office as designated under Section 302(f) of the Federal Election Campaign Act of 1971;

"(2) 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance or deposit of money, or a contribution of products or services;

"(3) 'eligible candidate' means a candidate for election to federal office who is eligible under section 9053, for payments under this title;

"(4) 'Federal office' means the federal office of Senator, or Representative;

"(5) 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office;

"(6) 'matching account' means the Congressional Matching Payment Account established under section 9057;

"(7) 'official political party committee' means a political committee organized by the House or Senate members of any political party having more than 15 percent of the membership of either the House of Representatives or Senate of the United States and designated as an official political party committee by the appropriate House or Senate caucus of the political party;

"(8) 'qualified campaign expenses' means only those campaign expenses incurred in behalf of a candidate for the use of:

"(i) broadcasting stations to the extent that they represent direct charges for airtime;

"(ii) newspapers, magazines and outdoor advertising facilities to the extent that they represent direct charges for advertising space;

"(iii) direct mailings to the extent that they represent charges for postage; and

"(iv) telephones to the extent that they represent lease and use charges for equipment.

Provided, That qualified campaign expenses shall not include any payment which constitutes a violation of any law of the United States or of the state in which the expense is paid or incurred.

"(9) 'Representative' means a Member of the House of Representatives, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

"SEC. 9053. ELIGIBILITY FOR PAYMENTS

"(a) To be eligible to receive any payments under section 9057 for use in connection with his general election campaign, a candidate shall certify to the supervisory officer that the candidate is the nominee of a political party for election to the federal office of Representative or Senator or is otherwise qualified on the ballot as a candidate in the general election for such office, and he and his authorized committees have received contributions for that campaign in the amount of 10 percent of the maximum amount he may spend in the general election under section 608(c): *Provided,* That no candidate in the general election for the office of Senator need raise more than $50,000.

"(b) To be eligible to receive any payments under section 9057 for use as campaign contributions an official political party committee shall have its chairman certify to the supervisory officer its status as an official political party committee.

"(c) In determining the amount of contributions received for purposes of subsection (a) and of Section 9054(a)—

"(1) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) no contribution from any person shall be taken into account in the case of a candidate to the extent that it exceeds $50 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his election campaign;

"(3) no contribution from any person shall be taken into account unless the recipient submits to the supervisory officer at such times and in such form as the supervisory officer may require, a matching payments voucher. Such voucher shall include the full name of any person making a contribution together with the date, the exact amount of the contribution, the complete address of the contributor and such other information as the supervisory officer may require.

"(4) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, to the extent that it was received prior to three months before the special general election is held.

"(5) no contribution from any person shall be taken into account in the case of a candidate to the extent that it was received by a candidate or his authorized committee in pursuit of an unsuccessful attempt to obtain his party's nomination for the federal office being sought,

"(d) Certification under this section shall be filed with the supervisory officer at the time required by the supervisory officer.

"SEC. 9054. ENTITLEMENT TO PAYMENTS

"(a) Every eligible candidate is entitled to payments in an amount which is equal to the amount of contributions received by that candidate subject to the provisions set forth in Section 9053.

"(b) Notwithstanding the provisions of subsection (a), no candidate is entitled to the payment of any amount under this section which, when added to the total amount of any other payments made to him under this section exceeds the amount of thirty-three percent of the expenditure limitation applicable to him for his general election campaign under section 608(c).

"(c) Notwithstanding the provisions of subsection (a), no candidate shall be entitled to receive any payments under this section prior to the date on which the nominating process is complete in the candidate's state for the federal office being sought in the general election, provided that in no event shall any funds be paid to any candidate prior to June 1 of the calendar year in which the general election is held, or in the case of a special general election, prior to three months before the special general election is held.

"(d) Each official political party committee is entitled to receive in a given calendar year an amount equal to $1 million when added to the amounts received by all other official political party committees of that political party during the calendar year.

"(e) No campaign contributions made by an official political party committee to a Congressional candidate shall be eligible to be matched by the candidate with funds otherwise available under this chapter to the candidate.

"SEC. 9055. LIMITATIONS

"(a) No candidate and his authorized committee who receive payments under this chapter shall use these funds except for qualified campaign expenses incurred for the period set forth in Section 9054(c).

"(b) No official political party committee which receives funds under this chapter shall use those funds except for purposes of making general election campaign contributions to Congressional candidates.

"(c) Notwithstanding any other provision of this Act or any other Act, and notwithstanding the contribution limitations contained in Section 608 of title 18, United States Code, no official political party committee shall make contributions to a Congressional candidate for use in a general election in excess of $10,000 when added to all other contributions received by that candidate from all other official political party committees of that political party for use in a general election.

"(d) All payments received by a candidate or official political party committee under this chapter shall be deposited in a separate checking account at a national or state bank designated by the candidate or official political party committee and shall be administered by the candidate or the candidate's principal campaign committee or by the official political party committee. No expenditures of any payments received under this chapter shall be made except by checks drawn on this separate checking account at a national or state bank. The supervisory office may require such reports on the expenditures of these funds as it deems appropriate.

"(e) Notwithstanding any other provision of this chapter, no more than 100 percent of the allowable spending limit for a given candidate in a general election under Section 608(c), shall be paid under this chapter to all eligible candidates in that race; provided that the Secretary of the Treasury, in seeking an equitable distribution of such funds shall make such distribution in the same sequence in which such certifications are received pursuant to Section 9056.

"SEC. 9056. CERTIFICATIONS BY SUPERVISORY OFFICER

"(a) After a candidate or official political party committee establishes its eligibility under section 9053 and subject to the provisions of Section 9054, the supervisory officer shall expeditiously certify from time to time to the Secretary of the Treasury for payment to each candidate or official political party committee the amount to which that candidate or official political party committee is entitled.

"(b) Initial certifications by the supervisory officer under subsection (a), and all determinations made by it under this chapter, shall be final and conclusive, except to the extent that they are subject to examination and audit by the supervisory officer under section 9058 and judicial review under section 9060.

"SEC. 9057. PAYMENTS TO ELIGIBLE CANDIDATES

"(a) The Secretary of the Treasury shall establish and maintain an account known as the Congressional Matching Payment Account. The funds in this Matching Account shall be available for payment to any candidate or official political party committee eligible to receive payments under section 9053. The Secretary shall deposit in a Presidential election year into the Matching Account the excess amounts available under Section 6096, after the Secretary determines and allocates the amounts required in that Presidential election year in accordance with sections 9006, 9008 and 9037.

"In each of the two years following a Presidential election, the Secretary shall deposit into the Matching Account that portion of the annual amounts designated by taxpayers under section 6096 that equals the excess above twenty-five percent of the total amount made available in the last Presidential election in allocating funds under sections 9006, 9008 and 9037. The monies in the Matching Account shall remain available without fiscal year limitation.

"(b) Upon receipt of a certification from the supervisory officer under section 9056, and subject to the provisions of sections 9053, 9054, and 9055, the Secretary of the Treasury shall promptly pay the amount certified by the supervisory officer from the Matching Account to the candidate or official political party committee to whom the certification relates.

"(c) If on June 1 of any election year the Secretary determines that the funds deposited in the Matching Account pursuant to paragraph (a) amount to less than 100 percentum of the maximum aggregate entitlement for such election, he shall, notwithstanding any other provision of this Chapter, limit payments to each candidate to an amount which bears the same ratio to the maximum entitlement of such candidate as the amount of funds in the Matching Account bears to the maximum aggregate entitlement.

"(d) For the purpose of this section—

"(1) 'maximum entitlement' means the total amount of payments which may be received by a candidate subject to the limitation of section 9054(b); and

"(2) 'maximum aggregate entitlement' means an amount which is the product of two and the sum of the maximum entitlements for each Federal office for which an election is to be held.

"(e) No payment shall be made under this chapter to any candidate for any campaign in connection with any election occurring before October 31, 1976, or to any official political party committee before June 1, 1976.

"SEC. 9058. EXAMINATION AND AUDITS; REPAYMENTS

"(a) After each general election, the supervisory officer shall conduct a thorough examination and audit of all candidates for Federal office and official political party committees with respect to the funds received and spent under this chapter.

"(b)(1) If the supervisory officer determines that any portion of the payments made to an eligible candidate or official political party committee under section 9057 was in excess of the aggregate amount of the payments to which the recipient was entitled, it shall so notify that recipient and the recipient shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the supervisory officer determines that any portion of the payments made to a candidate under section 9057 for use in his general election campaign was used for any purpose other than for qualified campaign expenses in connection with that campaign, the supervisory officer shall so notify the candidate and the candidate shall pay an amount equal to that amount to the Secretary.

"(3) If the supervisory officer determines that any portion of the payments made to an official political party committee under section 9057 were used for any purpose other than to make general election campaign contributions to Congressional candidates, the supervisory officer shall so notify the official political party committee and the official political party committee shall pay an amount equal to that amount to the Secretary.

"(4) Amounts received by a candidate under this chapter may be retained for thirty days after the general election for the purpose of liquidating all obligations to pay qualified campaign expenses which were incurred for the period set forth in section 9054(c). After the thirty-day period following the election, all remaining federal funds not yet expended on qualified campaign expenses shall be promptly repaid by the candidate to the Matching Account.

"(5) If the supervisory officer determines that any candidate who has received funds under this chapter, is convicted of violating any provision of this chapter, the supervisory officer shall notify the candidate and the candidate, shall pay to the Secretary of the Treasury the full amount received under this chapter.

"(6) No payment shall be required from a candidate or official political party committee under this section in excess of the total amount of all payments received by the candidate or official political party committee under section 9057.

"(c) No notification shall be made by the supervisory officer under subsection (b) with respect to a campaign more than three years after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Matching Account.

"SEC. 9059. REPORTS TO CONGRESS

"(a) The supervisory officer shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the supervisory officer deems necessary) incurred by a candidate and his authorized committees, and by each official political party committee, who received any payment under section 9057.

"(2) the amounts certified by it under section 9056 for payment to each candidate and his authorized committees and each official political party committee; and

"(3) the amount of payments, if any, required from that candidate or official political party committee under section 9058, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a House or Senate document.

"SEC. 9060. JUDICIAL REVIEW

"(a) Any agency action by the supervisory officer made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the supervisory officer for which review is sought.

"(b) Review Procedures—The provisions of Chapter 7 of Title 5, United States Code apply to judicial review of any agency action, as defined in Section 551 (13) of Title 5, United States Code.

"SEC. 9061. UNLAWFUL USE OF PAYMENTS

"It shall be unlawful for any person who receives payment under this chapter or to whom any portion of such payment is transferred, knowingly and willfully to use, or authorize the use of such payment or such portion for any purpose other than for the specific purposes authorized by this chapter.

"SEC. 9062. FALSE STATEMENTS

"It shall be unlawful for any person knowingly and willfully to furnish any false, fictitious or fraudulent evidence, books or information to the supervisory officer under this chapter or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books or information relevant to a certification by the supervisory officer.

"SEC. 9063. KICKBACKS AND ILLEGAL PAYMENTS

"It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received under this Chapter or in connection with any expenditures of payments received under this chapter.

"SEC. 9064. PENALTY FOR VIOLATIONS

"(a) Any knowing and willful violation of any provision of this chapter is punishable by a fine of not more than $25,000, or imprisonment for not more than one year, or both."

SAVE THE SMALL SAVER

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the Banking and Currency Committee, on which I serve, has reported out H.R. 15928, a bill to limit the issuance of variable interest notes. This bill will be considered by the full House shortly.

I would like to provide our colleagues with background on this legislation and why I believe it should be defeated.

This legislation, although well intentioned, constitutes an act of discrimination against small savers and perpetuates rather than solves the deposit withdrawal problems confronting residential mortgage lending thrift institutions.

The measure would broaden the Federal Reserve Board's authority to regulate deposit interest rates to include small denomination, long term variable interest notes issued by bank holding companies, redeemable at short term intervals, usually 6 months. The first such issue, that made by Citicorp, would be redeemable initially in June of 1976 and carry an initial interest rate of about 9.7 percent. Three other large bank holding companies, Chase Manhattan Corp. and Mellon and Crocker National Corp., intend to market similar instruments in the near future, as well as a New York City savings bank.

Those who support this bill warn that other bank holding companies will soon follow suit and the result will be massive withdrawals from lower yielding savings and loan association and mutual savings bank deposit accounts for investment in this new type of instrument. The interest paid on these variable rate notes will be pegged at 1 percent above the average rate on 3-month Treasury bills. The supporters of this legislation hope to solve this problem by giving the Federal bank regulatory agencies the authority to control the interest rate applied to these notes and thereby control the degree by which the notes can compete for small saver deposits. The purpose of this proposal is to help safeguard the pool of savings and loan association and mutual savings bank funds available for home loans.

No one wants to assure the availability of adequate funds on reasonable terms for residential mortgage loans more than I, but not at the expense of the small saver. In testimony before the Senate Banking Committee's Subcommittee on Financial Institutions, two consumer organizations, Consumer Federation of America and Consumers' Union of the United States, stressed that variable rate interest notes have particular appeal to relatively small savers. From its inception, Regulation Q has been used to prevent commercial banks from outbidding residential mortgage lending thrift institutions for consumer deposits of under $100,000. Large depositors have had unrestricted opportunities to invest in higher yielding, unregulated time deposits above the $100,000 level provided by all types of banking institutions and a variety of high yielding, large denomination Federal and corporate debt instruments sold in the open market.

The burden of supporting residential mortgage lending thrift institutions has been forced on small savers. In effect, we are being asked in this legislation not only to continue but to reinforce a policy which forces small savers to subsidize mortgage borrowers, big and small, by curtailing their investment opportunities, thereby blocking them from full participation in the free enterprise system. At the same time, large wealthy depositors are left unrestrained to maximize profits through investment in high-yielding Federal and corporate debt paper, sometimes yielding as much as 10 to 13 percent per annum.

The situation is made all the more ironic by the fact that thrift institutions, as well as commercial banks, have consistently, insistently, and successfully resisted proposals to impose interest rate ceilings on their loans as part of the economic stabilization program which placed temporary controls on virtually every other segment of the economy. Now these same lending institutions are crying out for what amounts to severely restrictive controls on the earning ability of small savers—in effect confining them to lower yielding consumer deposits.

The following schedules are designed to show the enormous difference between what small savers are earning on time deposits under current interest rate ceilings as compared to what would be earned under the initial Citicorp interest rate on its 15-year variable interest rate notes. The comparison applies to commercial and mutual savings banks, savings and loan associations, and credit unions. Data is based on the latest available deposit statistics.

Included in the projections is the assumption that at least 30 percent of passbook deposits in commercial and mutual savings banks, savings and loan associations and credit unions, and 10 percent of consumer demand deposits in commercial banks would be switched to time deposits if such deposits were paying the initial Citicorp rate of 9.7 percent. This assumption is regarded as a conservative one, since the earning power of Citicorp notes is almost twice the earning power of passbook deposits and much more as compared to demand deposits.

Calculations based on this data show that small savers would earn $33.4 billion per year at recent levels of personal savings under a Citicorp-type note as compared to $19.1 billion earned under current depository interest rate ceilings. This is a difference in earnings to small savers of $14.3 billion per year, or 75 percent more from Citicorp-type notes than under present interest rate ceilings applied to small savings under current Federal regulations. Do we really want to penalize the small saver by this vast amount?

Extending Regulation Q authority to cover bank holding company notes will ultimately prove to be a meaningless exercise. Adoption of this bill will in no way prevent nonbanking corporations from issuing similar high-yielding notes which will compete for small saver funds. In fact, nonbanking corporations are expected to do just that, perhaps all the more so if Regulation Q authority is used to prevent bank holding companies from entering the market with debt instruments of this type.

TABLE 1.—SUMMARY OF DIFFERENCE IN INTEREST EARNED PER ANNUM BY SMALL SAVERS AT DEPOSITORY INSTITUTIONS, APPLYING CURRENT DEPOSIT YIELDS AND INITIAL CITICORP YIELD

Type of institution	Total paid per annum under regulated deposit ceilings	Total paid per annum at Citicorp rate of 9.7 percent
Commercial banks	$7.6	$14.4
Savings and loan associations	8.0	13.3
Mutual savings banks	3.1	5.0
Credit unions	.4	.7
Total	19.1	33.4

TABLE 2.—DIFFERENCE IN INTEREST EARNED PER ANNUM BY SMALL SAVER ON COMMERCIAL BANK DEPOSITS, APPLYING CURRENT DEPOSIT YIELDS AND INITIAL CITICORP YIELD—4TH QUARTER 1973

		Interest earnings (in billions)	
Type of deposit and total deposits (in billions)	Current bank interest rate (percent)	Total paid per annum at current bank interest rate	Total paid per annum at Citicorp rate of 9.7 percent
Time deposits under $100,000 ($104.6)	4–7.25	$5.0	$10.1
30 percent of passbook deposits ($37.1)	3.5–5	1.7	3.6
10 percent of consumer demand deposits ($7)	0	0	.7
Total		7.6	14.4

Source: Federal Reserve Board statistics.

TABLE 3.—DIFFERENCE IN INTEREST EARNED PER ANNUM BY SMALL SAVER ON FEDERALLY INSURED SAVINGS AND LOAN ASSOCIATIONS DEPOSITS, APPLYING CURRENT DEPOSIT YIELDS AND INITIAL CITICORP YIELD—SEPT. 30, 1973

		Interest earnings (in billions)	
Type of deposit and total deposits (in billions)	Current association interest rate (percent) [1]	Total paid per annum at current association interest rate	Total paid per annum at Citicorp rate of 9.7 percent
Time deposits under $100,000 ($105.7)	6.12	$6.4	$10.2
30 percent of passbook deposits ($32.3)	5.23	1.6	3.1
Total		8.0	13.3

[1] FHLBB weighted interest rate.

Source: Federal Home Loan Bank Board.

TABLE 4.—DIFFERENCE IN INTEREST EARNED PER ANNUM BY SMALL SAVER ON MUTUAL SAVINGS BANK [1] DEPOSITS, APPLYING CURRENT DEPOSIT YIELDS AND INITIAL CITICORP YIELD—APR. 30, 1974

		Interest earnings (in billions)	
Type of deposit and total deposits (in billions)	Current mutual savings bank interest rate (percent)	Total paid per annum at current mutual savings bank interest rate	Total paid per annum at Citicorp rate of 9.7 percent
Time deposits under $100,000 ($83.1)	6.6–7.43	$2.1	$3.2
30 percent of passbook deposits ($19.0)	5.6	1.0	1.8
Total		3.1	5.0

[1] Includes Massachusetts Savings Banks.

Source: FDIC and Mutual Savings Central Fund of Massachusetts.

TABLE 5.—DIFFERENCE IN INTEREST EARNED PER ANNUM BY SMALL SAVER ON FEDERAL AND STATE CREDIT UNION DEPOSITS, APPLYING CURRENT DEPOSIT YIELDS AND INITIAL CITICORP YIELD—DEC. 31, 1973

		Interest earnings (in billions)	
	Current credit union interest rate (percent)	Total paid per annum at current credit union interest rate	Total paid per annum at Citicorp rate of 9.7 percent
Savings deposits (in billions) ($24.6)	[1] 5.74	$0.4	$0.7
Total		.4	.7

[1] National Credit Union Administration weighted interest rate.

Source: National Credit Union Administration.

None of this is to deny the serious problem of deposit outflows confronting residential mortgage lending thrift institutions and the resulting curtailment of home loan funds. The problem is an old and predictable one, occurring every time tight money-high interest rate conditions prevail. Moreover, it occurs despite the exercise of Regulation Q authority over interest rates paid on consumer deposits by commercial banks, savings and loan associations, and mutual savings banks. Large depositors have unhesitatingly moved their money out of thrift institutions to purchase higher yielding market instruments, leaving the small depositors with a return which is less than the rate of inflation and nowhere else to go.

Long-standing national policy, in effect, dictates that savings and loan associations and mutual savings banks experience serious deposit outflows resulting in curtailment of housing credit during inflationary, tight money-high interest rate periods. Such lending institutions are required to have the bulk of their assets in long-term, relatively low-yielding residential mortgages. Thus, the amount of interest they can pay on deposits is limited; and they are disadvantaged in terms of being able to compete for funds.

A better approach to this problem is to enable all depository lending institutions to evenly compete for funds and reward savers, regardless of prevailing economic conditions. This can be accomplished by allowing savings and loan associations and mutual savings banks to expand their lending activities to include short-term consumer and business loans and provide checking account, trust and other services now reserved exclusively to commercial banks.

In short, thrift institutions—and I include credit unions under that label—should be allowed to offer all of the services now offered by commercial banks. They should, in effect, be allowed to convert themselves, over an appropriate transition period to minimize market disruption, into commercial banks. This does not mean that these institutions, as a matter of free choice, could not specialize in home mortgages or consumer loans, or trust management, or any other legitimate banking function that competition and public needs seem to demand. But the choice would be theirs, not dictated by the law. And, most important of all, the choices of the public for banking services of all kinds would be broadened, thus substantially improving competition, innovation and efficiency in banking, and thereby reducing costs and improving banking services for the public.

In addition, expansion of the thrift institutions' lending and banking service activities in this way will provide them with substantial new sources of income which will reflect current market interest rates. The ability to make short-term, high-yielding consumer and business loans will place them in a much better position to offer competitive interest rates for deposits.

Admittedly, a subsequent reduction in the volume of their residential mortgage lending may occur if savings and loans associations and mutual savings banks are allowed to move into the field of commercial banking. But it must also be acknowledged that present economic circumstances have hamstrung the thrift institutions' ability to make housing loans anyway. Under their present structure, housing credit has dwindled to a trickle; and at the same time small savers are deprived of the opportunity to earn market rates for their savings. There may be some justification to continuation of the present structure of savings and loan associations and mutual savings banks if the sacrifice being made by small savers resulted in an adequate pool of housing credit. But it isn't an either-or situation. It is a nothing situation in which residential mortgage lending thrift institutions, their depositors, home buyers and home sellers are all losers.

However, if we are to permit residential mortgage lending thrift institutions to become commercial banks for the reasons cited, then a way must be devised to assure the availability of adequate housing loan funds.

The following approaches are among the suggestions that have been made:

Require all major types of financial institutions, including all depository institutions, private pension funds, foundations, and life insurance companies, to make prescribed investments in housing in a way which will assure that this responsibility is evenly and easily shared.

Establish a National Development Bank to provide loan funds for housing and for other priority areas of the economy when credit is not available from private lenders on reasonable terms.

Provide Federal interest rate subsidies for low- and moderate-income families who cannot otherwise afford mortgage loans at market interest rates.

Lower required bank reserves to promote housing and other priority area loans and increase reserves to discourage non-priority investments.

The above noted proposals are, I am sure, only a few among many that should be developed and explored fully to see that adequate sources of credit are made available to provide decent housing for our people. At this point, the idea that most appeals to me is having free banking competition among all depository institutions and, as the "dues" for their charters, Federal deposit insurance, central bank services, tax exemptions, and other privileges given by the people through the Government, require these financial institutions, on an equal basis, to invest a certain minimum level of their assets in the housing market.

In any event, all feasible approaches to providing adequate funds for housing should be explored.

The point is that continued reliance on Federal interest rate restrictions on small deposits, regardless of whether it is applied to Citicorp-type notes or not, perpetuates the unfair penalty imposed on small savers and tends to keep the Nation locked into periodic housing credit crunches. We would be better advised to address ourselves to serious fundamental solutions rather than adopting legislation that will only worsen the situation.

The least we can do right now is to help small savers by defeating this bill, thereby leaving the way open for them to purchase high-yielding debt instruments in denominations they can afford. I also believe the Treasury should return to its earlier practice, abandoned in 1969, of issuing short-term Treasury bills in denominations of $1,000, instead of the current $10,000 minimum. The recent Treasury move to allow $1,000 denominations for medium and longer term issues, though welcome, is no substitute for the small savers' need for higher yields and liquidity. If we do not want to stop the continued discrimination against the small saver by severely limiting his ability to earn market rates of interest, we should apply these government-imposed interest rate restrictions on all depositors regardless of the size of their deposits. In short, we should at least provide "equal protection of the law" for the rich and the poor.

The fact is that adoption of this bill will constitute nothing more in the long run than an exercise in futility and discrimination. This may also force the thrift institutions to finally realize how unrealistic their position is in terms of current and future economic conditions, and finally make them understand that they must support substantial reform of our financial system if they want to survive as viable institutions.

In sum, instead of indulging in this periodic ritual of plugging the dike again, we should be engaged in reforming our antiquated financial system to better serve the public at large.

LETTER TO PRESIDENT NIXON

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I would like to take this opportunity to once again express my sorrow that the Soviet Union refuses to grant its citizens the basic rights of freedom and liberty. Without a doubt, this is one reason the Soviet Union has failed to develop as quickly as its potential suggests it could. Any country that will imprison men with proven intellectual capabilities, cannot have much desire to help mankind overcome the enormous difficulties threatening the survival of the human race.

Congress must recognize, within the context of closer association, that it is the duty of the United States to support the cause of freedom and the end of oppression of groups of people within the Soviet Union. All too often, this duty is ignored while American citizens attempt to rally support for the cause.

To illustrate the situation, I include as a portion of my remarks in the RECORD the following items. The first is a letter to President Nixon from the Captive Nation's Committee of Onondaga County, and the second is a description of the predicament two young Ukranian intellectuals, Valentyn Moroz and Leonid Plyushch, have found themselves in.

The articles follow:

CAPTIVE NATIONS COMMITTEE,
SYRACUSE AND ONONDOGA COUNTY,
Liverpool, N.Y., June 20, 1974.

President RICHARD M. NIXON,
White House
Washington, D.C.

DEAR MR. PRESIDENT: We as free American citizens, and representatives of the Captive Nations in Onondoga County, appeal to you on behalf of two young Ukrainian intellectuals who, as political prisoners, are being tortured to death by the Soviet government: they are Valentyn Moroz, 38-year-old Ukrainian historian, who is being systematically beaten and tortured by common criminals in the infamous Vladimir Prison in the Russian Republic, and Leonid Plyushch, 34-year-old Ukrainian mathematician and cybernetics specialist, who is near death in a "psychiatric ward" in the City of Dnipropetrovsk in Ukraine.

We appeal to you, Sir, in the name of humanity and justice, to intercede immediately with the Soviet government to release forthwith these two Ukrainian intellectuals and allow them to travel abroad, so they may receive proper medical attention which is denied them in their own country. Moroz and Plyushch are not criminals; on the contrary, they are young idealists who sincerely believe in the principles of justice and freedom.

By letting them die deliberately, the Soviet government will not escape international responsibility, but this will only confirm the grave charges of Alexander Solzhenitsyn, the great contemporary Russian writer, to the effect that the USSR is ruled by people devoid of all humanity, and as such is unworthy of being a member of the United Nations, or to receive any concessions or recognitions by the United States of America.

Therefore, once more, we earnestly urge you, Mr. President, to use the power and influence of your high office to save the lives of two young Ukrainian intellectuals, while speaking with the high officials of the Soviet Union in Moscow.

Respectfully yours,
Dr. Anthony T. Bouscaren, Chairman; Tibor Helcz, Cochairman; Walter Anton, Estonian; Istvan Babnigg, Hungarian, Dr. Myron Kotch, Ukrainian; Arthur Kott, Polish; Frank Petrauskas, Lithuanian; Carl Tarver, American Legion; Imants Ziedins, Latvian.

I. THE CASE OF VALENTYN MOROZ

Valentyn Moroz was born on April 15, 1936 in the Volhynia oblast of the Ukrainian SSR; he attended the University of Lviv, from which he was graduated in 1958, and was instructor of history and geography in Lutsk and Ivano-Frankivsk. In August, 1965, he was arrested and charged with "anti-Soviet propaganda and agitation" and in January, 1966, he was sentenced to 4 years at hard labor. He served his sentence in Camps No. 1 and No. 11 in Yavas in the Mordovian ASSR.

While in the penal camp, Moroz was tried by a camp court and committed to solitary confinement. In the camp he wrote A Report From the Beria Preserve, exposing the brutal system of concentration camps. Released on September 1, 1969, he could not find a job; even his wife was dismissed from her job because of her husband's "criminal record." In that time he wrote A Chronicle of Resistance in Ukraine, Amidst the Snows and Moses and Dathan.

On June 1, 1970, Moroz was again arrested by the KGB, evoking large-scale protests in the defense throughout Ukraine. Despite these protests, Moroz was sentenced on November 17, 1970 to nine years imprisonment and five years of exile from Ukraine.

In November, 1972, Amnesty International, in its Newsletter (Vol. II, No. 11, London), reported that Moroz was severely beaten by some criminal inmates in Vladimir Prison, whereafter he was transferred to a prison hospital in Kiev, Ukraine. When his health improved, he was again transferred to Vladimir Prison, one of the most notorious in the whole of the USSR. According to reliable reports, in January, 1974, Moroz was again cruelty beaten by common criminals, apparently with the full knowledge, if not instigation, of the prison authorities. Instead of being sent to a hospital, he was placed in solitary confinement.

II. THE CASE OF LEONID PLYUSHCH

Leonid Plyushch was a member of the Initiative Group for the Defense of Human Rights in the USSR. Up to 1968 he was a research officer at the Institute of Cybernetics of the Ukrainian Academy of Sciences in Kiev; in that year he was dismissed from his position and arrested for dissident activities. In January, 1972, by a decision of the Supreme Court of the Ukrainian Republic he was sent to the Dnipropetrovsk psychiatric hospital-prison for an indefinite period.

He is being held in a ward where there are more than 25 persons confined with him in appalling conditions of humiliation, persecution and physical suffering. The unregulated and senseless administration of large doses of haloperidol has caused a sharp deterioration in his health, extreme exhaustion and continuous shivering, weakness, swellings, spasms, and loss of appetitie. Plyushch can no longer read, write letters, or take advantage of the one-hour exercise period allowed to the prisoners.

Every request by his wife to be informed of her husband's diagnosis and of his condition and treatment has been rejected by the hospital administration. His wife saw him on January 4. Since then no letters have been received from him.

H.R. 16223. FEDERAL LEGISLATION AND ENVIRONMENTAL QUALITY

(Mr. BROWN of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I have taken this time to discuss H.R. 16223, a bill to provide the States with the right to adopt or enforce requirements with respect to certain environmental matters. This bill reflects a growing frustration that State and local government officials have felt with the impact, often unintended, of Federal legislation in the area of environmental quality. The Federal involvement with environmental legislation has always been caused by a great and overriding national need to act to protect the public health and welfare. At the time major legislation was passed in the areas of air pollution, water pollution, noise, radiation, and pesticide control, there was already a great deal of local concern and legislation on these subjects. In other cases, State and local governments have acted since the passage of landmark Federal legislation.

The good faith efforts of Federal, State, and local governments to protect the public health and welfare, and enhance or protect their quality of life, have not always lead to harmonious interactions and results. Some intergovernmental conflicts are to be expected, and must be resolved through the long process of trial and error. Other conflicts are primarily unintentional, and are mainly the result of varying legal interpretations of legislative intent and loose drafting. These conflicts can be largely resolved by the passage of this bill, H.R. 16223.

The summary of this bill implies that States do not already have the right to adopt or enforce requirements to protect or enhance the environment. I do not believe this is true, but unfortunately we have ample court decisions that have interpreted the commerce clause of the U.S. Constitution to do just that. I understand the need for Federal preemption in special cases, and this bill does not undermine that power. This bill seeks to prevent the interpretations of the commerce clause, when applied to certain environmental legislation, from preempting the rights of the States to enforce laws that do not specifically conflict with Federal legislation.

There are two particular Supreme Court decisions that are, in my opinion, examples of court decisions that went beyond the legislative intent and were also adverse to the public interest. The first is the Northern State Power Co. against Minnesota decision that ruled that the Atomic Energy Act preempted the right of States to control the discharge of radioactive wastes. The second case that I would like to mention is the Burbank against Lockheed Air Terminal Inc. decision that ruled that the Noise Control Act of 1972 preempted the local jet aircraft curfew ordinance.

If these two cases stood alone, an omnibus bill such as the one I have introduced would not be necessary. Unfortunately, they do not stand alone and there are court cases charging Federal preemption of numerous State and local laws throughout the country. It appears likely that such challenges will become more common as State and local governments continue to take tougher action to preserve their quality of life.

I doubt that very many Members of Congress would vote to prevent a State or local government from protecting the health and welfare of the people under its jurisdiction. In fact, Federal environmental legislation usually includes a phrase similar to the following: "Nothing in this act precludes or denies the right of any State or political subdivision thereof to establish and enforce controls." Since this is the case, why is there so much legal confusion? I think I will leave the answer to that question to the lawyers. Suffice it to say that there is much conflict and confusion about the degree and extent of Federal preemption in the areas of environmental controls.

H.R. 16223 is very clear in its purpose. Section 1 states:

> The purpose of this Act is to direct that, to the fullest extent possible, the policies, regulations, and public laws of the United States should not be interpreted as precluding or denying to any State or political subdivision thereof the right to adopt or enforce any standard, requirement, limitation, or other restriction, with respect to major governmental actions significantly affecting the quality of the human environment. It is also the purpose of this Act to insure that compliance with any standard, requirement, limitation, or other restriction of any State or political subdivision thereof with respect to such actions should not relieve any person of the obligation to comply with the provisions of any Federal law or regulation or order issued pursuant to such law.

I think this language is not only a reaffirmation of the intent of the writers of the Constitution, but it also reflects the will of Congress and the commonsense view of Federal legislation. If we wished to describe it in terms of political philosophy this would be called the "new federalism."

I believe this bill should become law not only to clarify the legislative intent in this broad field, but to encourage initiative and creativity at the State and local governmental level. Too often other levels of government have despaired of making any lasting impact because they believed the Federal Government would step in and preempt everything that they had done. The Federal bureaucracy, as we all know, cannot solve all of the Nation's problems. Even when it acts in an area that desperately needs action, the Federal Government frequently can not do as good a job as a State or local government. The extreme differences in the various parts of the country require varying solutions to similar problems. It is for this reason that the Federal bureaucracy has decentralized itself into regions. I think this is a very wise move that should be continued and encouraged. In a like manner some States are decentralizing their own bureaucracies as are some cities, down to the neighborhood. This bill would encourage this trend, and reassure State and local governments that this policy has the support of the Congress. I believe that we must adopt this approach in this area of individualized human values, that of the quality of life.

Mr. Speaker, I ask for unanimous consent to insert into the RECORD a copy of a Congressional Research Service paper prepared at my request by the American Law Division on the subject of "Federal Preemption in Environmental Laws" and the entire text of H.R. 16223 at this time.

The CRS report and bill follows:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., May 22, 1974.

To: Honorable GEORGE BROWN,
From: American Law Division.
Subject: Federal Preemption in Environmental Laws.

Enclosed is a report which summarizes the case law and legislative documents pertaining to federal preemption provisions found in environmental laws.

GEORGE COSTELLO,
LINDA BREEDEN,
Legislative Attorneys.

FEDERAL PREEMPTION IN ENVIRONMENTAL LAWS—DISCUSSION OF THE CASE LAW AND LEGISLATIVE HISTORY

The exercise by Congress of its power to regulate interstate commerce, Art. 1 § 8, cl. 3, has for a number of years been expanding into areas formerly thought to be subject primarily to regulation by the states pursuant to their "police powers." One such area is environmental control. As more and more aspects of environmental control come under federal regulation, questions inevitably arise as to what, if any, power states retain to regulate the same or related matters. In some laws Congress expressly delimits the extent to which states may continue to regulate the same matters. State laws inconsistent with such express federal provisions will be held invalid through operation of the supremacy clause, Art. VI., cl. 2, assuming the federal law is a valid exercise of the commerce power or some other enumerated power. Federal laws which do not explicitly delimit the federal-state responsibilities can cause more problems of interpretation. Courts will then be required to resolve the basic question of congressional intent to preempt.

The Supreme Court has long ago indicated that each case challenging the validity of a state law for inconsistency with federal law must be considered on its own particular facts.

"There is not—and from the very nature of the problem there cannot be any rigid formula or rule which can be used as a universal pattern to determine the meaning and purpose of every act of Congress. This Court, in considering the validity of state laws in the light of treaties or federal laws touching the same subject, has made use of the following expressions:

"Conflicting; contrary to; occupying the field; repugnance; difference; irreconcilability; inconsistency; violation; curtailment; and interference. But none of these expressions provides an infallible constitutional test or an exclusive constitutional yardstick. In the final analysis, there can be no one crystal clear distinctly marked formula. Our primary function is to determine whether, under the circumstances of this particular case, Pennsylvania's law stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress. *Hines* v. *Davidowitz*, 312 U.S. 52, 67 (1941).

Even within the class of what might be considered as environmental control statutes. Congress has manifested no coherent pattern with regard to preemption, and the problem of interpreting ambiguities relating to preemption is no less difficult. This paper first discusses court cases concerning preemption in environmental laws. It will then discuss the legislative histories of various environmental preemption provisions which have not been interpreted by courts.

One of the most requently cited decisions relating to preemption in the environmental control context is *Huron Portland Cement Co.* v. *Detroit*, 362 U.S. 440 (1960), upholding application of the city's smoke abatement code to ships inspected, licensed and enrolled by the federal government for operation on the Great Lakes. Some doubt, however, is cast upon the continuing vitality of the principles set forth in Huron by the recent decision of the Supreme Court in *Burbank, Burbank* v. *Lockheed Air Terminal Inc.*, 411 U.S. 6254 (1973), holding that a city ordinance placing an 11 p.m. to 7 a.m. curfew on jet flights from the Hollywood-Burbank Airport was preempted by the Federal Noise Control Act of 1972. Huron had emphasized that pollution control measures such as the smoke abatement code, "designed to free from pollution the very air that people breathe clearly [fall] within the exercise of even the most traditional concept of what is compendiously known as the police power." 362 U.S. at 442. The exercise of that police power by the States and the exercise by Congress of the power to regulate interstate commerce can be concurrent, the Court continued, unless the state regulation is preempted by federal laws, or "unduly burdensome on maritime activities or interstate commerce."

"In determining whether state regulation has been preempted by federal action, "the intent to supersede the exercise by the State of its police power as to matters not covered by the Federal legislation is not to be inferred from the mere fact that Congress has seen fit to circumscribe its regulation and to occupy a limited field. In other words, such intent is not to be implied unless the act of Congress fairly interpreted is in actual conflict with the law of the State." (citations omitted) 362 U.S. at 443.

Under the facts in Huron, no actual conflict was found. Indeed, the Court pointed to a section of the federal air pollution control law declaring a "policy of Congress to preserve and protect the primary responsibilities and rights of the States and local governments in controlling air pollution." 42 U.S.C. § 1857 (1970).

On the other hand, the Court in the more recent Burbank case found actual conflict between the local curfew on jet flights and the "pervasive nature of the scheme of federal regulation of aircraft noise" embodied in 49 U.S.C. § 1431 (411 U.S. at 633). While acknowledging that "(c)ontrol of noise is of course deep seated in the police power of the States," the opinion of the Court concluded in rather broad language that the "pervasive" scheme of federal control of noise seems to us to leave no room for local curfews or other local controls." 441 U.S. at 638 (emphasis added). The actual conflict of concern to the Court was that between local curfew ordinances restricting hours of jet traffic and the necessary "flexibility of the FAA in controlling traffic flow." Were the Court to uphold the Burbank ordinance and other localities across the country to follow suit in enacting similar measures, the opinion reasoned, hours of permissible jet traffic would be significantly curtailed, and the increased congestion during those hours could result in decreased safety and increased noise in communities near airports. The four dissenting Justices in Burbank pointed to indications in both the House and Senate Reports on the Noise Control Act of 1972 that it was not intended "to alter in any way the relationship between the authority of the Federal Government and that of State and local governments that existed with respect to matters covered by section 611 of the Federal Aviation Act of 1958 prior to enactment of the bill." H.R. Rep. No. 842, 92d Cong. 2d Sess. 10 (1972); S. Rep. No. 1160, 92d Cong. 2d Sess. 11 (1972). The Senate Report accompanying the 1968 amendments to the section had declared that, although federal law preempts the field of noise regulation insofar as it involves controlling the flight of aircraft, the 1968 amendments were not designed to "affect the rights of a State or local public agency, as the proprietor of an airport, from issuing regulations or establishing requirements as to the permissible level of noise which can be created by aircraft using the airport. . . . Just as an airport owner is responsible for deciding how long the runways will be, so is the owner responsible for obtaining noise easements necessary to permit the landing and takeoff of the aircraft. . . . (T)he Federal Government is in no position to require an airport to accept service by noisier aircraft, and for that purpose to obtain additional noise easement." S. Rep. No. 1353, 90th Cong., 2d Sess. 7 (1968). Because of the significant impact which local curfews on jet traffic might have upon "controlling the flight of aircraft," the Court majority might have based its decision solely upon such impact. The broader language concerning the "pervasive" federal scheme of noise regulation leaving "no room for local curfews or other local controls" brings into question what, if any, state and local controls of airport noise are still permissible.

Other sections of the Noise Control act of 1972, unlike the section governing aircraft noise, (49 U.S.C. § 1431), expressly preempt state and local control. Thus 42 U.S.C. § 4905, authorizing the establishment of noise emission standards for products distributed in commerce, contains the following language.

"(e) State and local regulations.

"(1) No State or political subdivision thereof may adopt or enforce—

"(A) with respect to any new product for which a regulation has been prescribed by the Administrator under this section, any law or regulation which sets a limit on noise emissions from such new product and which is not identical to such regulation of the Administrator; or

"(B) with respect to any component incorporated into such new product by the manufacturer of such product, any law or regulation setting a limit on noise emissions from such component when so incorporated.

"(2) Subject to sections 4916 and 4917 of this title, nothing in this section precludes or denies the right of any State or political subdivision thereof to establish and enforce controls on environmental noise (or one or more sources thereof) through the licensing, regulation, or restriction of the use, operation, or movement of any product or combination of products. (Pub. L. 92-574, § 6, Oct. 27, 1972, 86 Stat. 1237.)"

Sections 4916 and 4917, relating to standards for rail and motor carriers, permit state and local controls if the Administrator of EPA and the Secretary of Transportation determine that such controls are "necessitated by special local conditions and . . . not in conflict with regulations promulgated under this section." The section of the House Report explaining the scope of preemption is reproduced below:

RESPONSIBILITIES OF THE FEDERAL GOVERNMENT, THE STATES, AND THEIR POLITICAL SUBDIVISIONS IN ABATING AND CONTROLLING NOISE

The Committee was presented with differing views as to the proper roles of the Federal Government, the States and localities in the effort to achieve noise abatement. In the Committee's bill the general concept of Federal preemption for new products for which Federal standards have been established—the concept proposed by the Administration—was retained.

Section 6 of the Committee's bill affects the authority of States and political subdivisions over noise emissions only in one respect: State and local governments are preempted from prescribing noise emission standards for new products to which Federal standards apply, unless their standards are identical to the Federal standards. A similar provision applies to component parts. For products other than new products to which Federal standards apply, State and local governments retain exactly the same authority they would have in absence of the standard setting provisions of the bill. The authority of State and local government to regulate use, operation, or movement of products is not affected at all by the bill. (The preemption provision discussed in this paragraph does not apply to aircraft. See discussion of aircraft noise below.)

Nothing in the bill authorizes or prohibits a State from enacting State law respecting testing procedures. Any testing procedures incorporated into the Federal regulations must, however, be adopted by a State in order for its regulations to be considered identical to Federal regulations.

Localities are not preempted from the use of their well-established powers to engage in zoning, land use planning, curfews and other similar requirements. For example, the recently-enacted Chicago Noise Ordinance provides that heavy equipment for construction may not be used between 9:30 p.m. and 8:00 a.m. within 600 feet of a hospital or residence except for public improvement or public service utility work. The ordinance further provides that the motor of a vehicle in excess of four tons standing on private property and within 150 feet of residential property may not be operated for more than two consecutive minutes unless within a completely enclosed structure. Such local provisions would not be preempted by the Federal Government by virtue of the reported bill.

The Committee gave some consideration to the establishment of a Federal ambient noise standard, but rejected the concept. Establishment of a Federal ambient noise standard would in effect, put the Federal government in the position of establishing land use zoning requirements on the basis of noise—i.e., noise levels to be permitted in residential areas, in business areas, in manufacturing and residential areas; and within those areas for different times of the day or night. It is the Committee's view that this function is one more properly that of the States and their political subdivisions, and that the Federal Government should provide guidance and leadership to the States in undertaking this effort.

The Committee felt it to be desirable to authorize the Administrator of the EPA to enter into agreements with States which would authorize State officials to enforce violations of the Act, and adopted the Administration provision to this effect.

H.R. Rep. No. 842, 92d Cong., 2d Sess. 8–9 (1972)

The Senate Report, No. 92–1160, Senate Public Works Committee 92d Cong., 2d Sess. (1972), reprinted at p. 4655 of 2d 3, U.S. Code Cong. and Adm. News, 92d Cong., 2d Sess.) p. 4655, also discussed the preemption question in some detail. It explained that the Act is intended to strike the following balance between state and federal authority:

It is the intention of the Committee to distinguish between burdens which fall on the manufacturers of products in interstate commerce and burdens which may be imposed on the users of such products. In the judgment of the Committee, noise emission standards for products which must be met by manufacturers, whether applicable at the point of introduction into commerce or at any other point, should be uniform.

On the other hand, States and local governments have the primary responsibility under the bill for setting and enforcing limits on environmental noise which in their view are necessary to protect public health and welfare. This essentially local responsibility is not assumed or interfered with by this bill, although Federal leadership and technical assistance are provided in the criteria required by section 407(a) which will set forth levels of environmental noise protective of public health and welfare. (P. 4660.)

Senator Muskie appended minority comments to the *Senate Report* in which he specifically objected to the broad preemption provision concerning products and aircraft emission standards. His principal objections are quoted below:

Therefore, in consideration of the pending legislation, I expressed reservations regarding a broad preemption provision for product and aircraft emission standards. The States have moved actively in this field. Federal noise pollution responsibility is new and little the significant authority or responsibility exists. Conversely, a number of States have regulatory programs which impose emission controls on noisy products which controls are enforceable, both at the point of sale and the point of use.

I cannot support Federal preemption which protects product manufacturers and the air transportation industry without effective regulatory programs which will enhance the quality of the environment. Substitution of Federal law for State law without assurance that public health will be protected is poor public policy.

The second point of concern with the legislation reported from the Committee has to do with the problem of aircraft noise and regulatory mechanism recommended to deal with that problem. To date, regulation of aircraft noise pollution has been the sole responsibility of the Federal Aviation Administration. The Federal Aviation Administration has had this responsibility since its inception. It has had a specific legislative mandate for the past four years. And its record is wholly inadequate.

I understand why the Federal Aviation Administration's response has been inadequate. The FAA's responsibility is not to reduce the environmental impact caused by aircraft noise. Its primary responsibility is to promote air commerce and to protect safety. Regulation of noise from aircraft is not consistent with that primary mission. (P. 4671.)

The Atomic Energy Act, 42 U.S.C. § 2011 *et seq.*, which has no express preemption section, has been interpreted by courts to preempt state control of radioactive waste discharges from nuclear power plants. In the absence of such federal regulation, control of radioactive wastes might well be considered to fall within even the most traditional concept of the state police power. In *Minnesota* v. *Northern State Power Co.*, 405 U.S. 1035 (1972), the Supreme Court summarily affirmed the decision of the United States Court of Appeals for the Eighth Circuit, 447 F. 2d 1143 (8th Cir. 1971), holding that state regulation of the discharge of such radioactive wastes is preempted by the Act. The state of Minnesota was attempting to enforce standards stricter than those imposed by the AEC. Under the terms of the Act, all nuclear power plants must be licensed for construction and operation by the AEC. Congressional intent to preempt control of radioactive wastes was found by the Court of Appeals to be implicit in sections of the Act authorizing the AEC by formal agreement to turn over to states carefully limited aspects of its regulatory authority, and prohibiting relinquishment of other aspects of its control. The Court of Appeals emphasized 42 U.S.C. §2021(c), which prohibits the AEC from relinquishing to states authority over "the construction and operation of any production or utilization facility." Control over construction and operation of such a facility "necessarily includes control over radioactive effluents discharged from the plant incident to its operation." 447 F. 2d at 1149, nt 6. Further support for preemption of control over radioactive wastes was found in 42

U.S.C. § 2021(k), which provides that "(n)othing in this section shall be construed to affect the authority of any state or local agency to regulate activities for purposes other than protection against radiation hazards."

Other aspects of state regulation affecting nuclear power plants less directly than control of radioactive wastes may still be valid under the principles of the Northern States opinion. Conformity of the siting of nuclear plants to state and local zoning controls may be one such area. The California Supreme Court has upheld the power of the State to regulate safety aspects, not related to radiation hazards, of the location of nuclear power plants. *Northern California Assoc. to Preserve Bodega Head and Harbor, Inc.* v. *Public Utilities Commission*, 37 Cal. Rptr. 432, 390 P. 2d 200 (1964). The Court pointed to 42 U.S.C. 2021(k), *supra:*

> In view of subdivision (k) of section 2021, respondent commission unquestionably has authority to inquire into safety questions apart from radiation hazards. Accordingly, since the location of an atomic reactor at or near an active earthquake fault zone involves safety considerations in addition to radiation hazards, it is clear that the federal government has not preempted the field . . . and that the states' power in determining the locations of atomic reactors are not limited to matters of zoning or similar local interest other than safety. 390 P. 2d at 204.

AEC regulations now include "seismic and geologic siting criteria for nuclear power plants," (10 C.F.R. Part 100, Appendix A) so it is possible that a different result would now be reached in litigation to determine a state's power to regulate location of nuclear plants on the basis of geological conditions. The reasoning of the California Supreme Court might still be invoked in support of a state's power to control other aspects of land use and pollution controls.

The Huron, Burbank, Northern States, and Bodega Bay cases are the principal decisions discussing preemption in environmental control laws. There has been no case law interpreting the preemption provisions of the laws discussed below.

The 1970 Amendments to the Clean Air Act greatly extended the authority of the federal government in the control of air pollution. For example, the federal government is directed to establish national ambient air quality standards. Previously, this task had been left up to the states.

The Clean Air Act expressly permits states to adopt stricter standards except in certain specified areas. (42 U.S.C. Sec. 1857d–1) Exclusive federal regulation or identical state regulation is required with regard to new motor vehicles, fuel additives, aircraft, and hazardous pollutants from new stationary sources (42 U.S.C. Sec. 1857f–6a, 1857f–6c, 1857f–11).

The legislative documents do not describe in any detail the process by which Congress decided upon either exclusive federal regulation on a system of stricter state regulation. We have examined the House Report no. 91–1146, Interstate and Foreign Commerce Committee, 91st Cong., 2d Sess. (1970) and the Conference Report, 391–1783 91st Cong., 2d Sess. (1970), both of which are reprinted in 3 U.S. Code Cong. and Adm. News, 91st Cong., 2d Sess. (1970) beginning at p. 5356. Both reports summarize the express preemption clauses found in the Clean Air Act. Neither report discusses in any detail the background for the legislative decisions concerning preemption. With regard to aircraft, the House Report states: "The authority of the Secretary to establish emission standards would preempt State authority to establish or enforce any aircraft emission standards." (p. 5359, U.S. Code Cong. and Administrative News cited above) Such a legislative decision concerning exclusive federal control of aircraft emission standards is probably based on the past practices of nearly exclusive federal regulation of aircraft.

In one instance, the House Report discussed the reason for exclusive federal control of emission standards for new stationary sources involving extreme hazards or substantial dangers to health or welfare. It noted that federal standards will prevent states from competing for new industries without adequate control of the emissions. (P. 5358.)

It can be seen that no uniform approach to preemption was adopted in the Clean Air Act. Air pollution was viewed as a complex problem affecting many industries. In some, such as the automobile industry and the aircraft industry, a uniform federal approach was deemed preferable to varying state standards.

The legislative documents pertaining to the Noise Control Act were previously mentioned under the case law discussion of *Burbank* v. *Lockheed Air Terminal, Inc.*, 411 U.S. 624 (1973).

The Federal Water Pollution Control Act contains a section (33 U.S.C. Sec. 1370) expressly permitting states to adopt more stringent water pollution standards. It contains a proviso precluding states from adopting such standards if other sections of the act provide for exclusive federal control. An example of a proviso is section 1316(c)(d) which does not permit states to adopt a new source standards of performance for facilities owned or operated by the federal government. Another section precludes states from regulating marine vessel sanitation devices (sec. 1322(c)).

Neither the Senate Report (#92–414 Public Works Committee 92d Cong., 1st Sess. (1941)) nor the Senate Conference Report (#92–1236, 92d Cong., 2d Sess (1972) reprinted in 3 U.S. Code Cong. and Adm. News, 92d Cong., 2d Sess. at p. 3668 (1972)) contain any detailed discussion of the section or the exceptions to it.

With regard to pesticides, states cannot impose additional or different labeling or packaging requirements. (7 U.S.C. Sec. 1362) This provision is similar to the Clean Air Act and other acts which require uniform standards for nationally distributed products. States may regulate the sale or use of pesticides within the state if such regulation is at least as strict as the federal regulation. A state may also register a pesticide for use in the state if "special local need" requires it and the E.P.A. so approves. This section is similar to the special local conditions of the Noise Control Act. The legislative discussion centered on whether to permit local governments to regulate pesticides.

GEORGE COSTELLO,
LINDA BREEDEN,
Legislative Attorneys.

H.R. 16223

A bill to provide the States with the right to adopt or enforce requirements with respect to certain environmental matters

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

STATEMENT OF PURPOSE

SECTION 1. The purpose of this Act is to direct that, to the fullest extent possible, the policies, regulations, and public laws of the United States should not be interpreted as precluding or denying to any State or political subdivision thereof the right to adopt or enforce any standard, requirement, limitation, or other restriction, with respect to major governmental actions significantly affecting the quality of the human environment. It is also the purpose of this Act to insure that compliance with any standard, requirement, limitation, or other restriction of any State or political subdivision thereof with respect to such actions should not relieve any person of the obligation to comply with the provisions of any Federal law or regulation or order issued pursuant to such law.

AMENDMENTS TO EXISTING LAW

SEC. 2. (a) Section 116 of the Clean Air Act is amended to read as follows:

"SEC. 116. Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce (1) any standard or limitation respecting emissions of air pollutants, or (2) any requirement respecting the control or abatement of air pollution. Compilance with the requirements of any State or political subdivision thereof with respect to the emissions of air pollutants or the control or abatement of air pollution shall not relieve any person of the obligation to comply with the provisions of this Act."

(b)(1) Section 6(e) of the Noise Control Act of 1972 is amended to read as follows:

"(e)(1) Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any law or regulation which sets a limit on noise emissions from any product or any component incorporated into any product. Compliance with the requirements of any State or political subdivision thereof with respect to controls on environmental noise emissions from any product or any component incorporated into any product shall not relieve any person from the obligation to comply with the provisions of this Act.

"(2) Nothing in this section precludes or denies the right of any State or political subdivision thereof to establish and enforce controls or environmental noise (or one or more sounds thereof) through the licensing, regulation, or restriction of the use, operation, or movement of any product or combination of products."

(2) Section 17(c) of the Noise Control Act of 1972 is amended to read as follows:

"(c)(1) Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any standard applicable to noise emissions resulting from the operation of any equipment or facility of a surface carrier engaged in interstate commerce by railroad. Compliance with the requirements of any State or subdivision thereof with respect to noise emissions resulting from the operation of any equipment or facility of a surface carrier engaged in interstate commerce by railroad shall not relieve any person of the obligation to comply with the provisions of this section.

"(2) Nothing in this section shall diminish or enforce the rights of any State or political subdivision thereof to establish or enforce standards or controls on levels of environmental noise, or to control, license, regulate, or restrict the use of any product."

(3) Section 18(c) of the Noise Control Act of 1972 is amended to read as follows:

"(c)(1) Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any standard applicable to noise emissions resulting from the operation of any motor carrier engaged in interstate commerce. Compliance with the requirements of any State or political subdivision thereof with respect to noise emissions resulting from the operation of any motor carrier engaged in interstate commerce shall not relieve any person of the obligation to comply with the provisions of this section.

"(2) Nothing in this section shall diminish or enhance the rights of any State or political subdivision thereof to establish and enforce standards and controls on levels of environmental noise, or to control, license, regulate, or restrict the use, operation, or movement of any product."

(c) Section 510 of the Federal Water Pollution Control Act is amended to read as follows:

"SEC. 510. Nothing in this Act shall (1) preclude or deny any State or political subdivision thereof or any interstate agency the right to adopt or enforce (A) any standard or limitation respecting discharges of pollutants, (B) any requirement respecting control or abatement of pollution, or (C) any standard or limitation respecting the release of radioactive materials and thermal discharges in water, or any requirement respecting control or abatement of pollution from radioactive materials and thermal discharges; or (2) be construed as impairing or in any manner affecting the right or jurisdiction of the States with respect to the waters (including boundary waters) of such States. Compliance with the requirements of any State or political subdivision thereof with respect to discharges of pollutants or release of radioactive materials and thermal discharges in water shall not relieve any person of the obligation to comply with the provisions of this Act."

(d) Subsections (a) and (b) of section 24 of the Federal Insecticide, Fungicide, and Rodenticide Act is amended to read as follows:

"(a) Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any law or regulation with respect to the sale or use of any pesticide or device or any requirements for labeling and packaging any pesticide or device;

"(b) compliance with the requirements of any State or political subdivision thereof with respect to the sale, use, labeling, or packaging of any pesticide or device shall not relieve any person from the obligation to comply with the provisions of this Act; and".

(e) (1) Title VI of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new section:

"STATE AUTHORITY

"SEC. 613. Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any law or regulation with respect to noise emissions resulting from the operation of any aircraft or airport or any aircraft equipment or facility. Compliance with the requirements of any State or political subdivision thereof with respect to noise emissions resulting from the operation of any aircraft or airport or any aircraft equipment or facility shall not relieve any person of the obligation to comply with the provisions of this Act."

(2) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading "TITLE VI—SAFETY REGULATION OF CIVIL AERONAUTICS" is amended by adding at the end thereof the following:

"SEC. 613. State Authority."

(f) Section 271 of the Atomic Energy Act of 1954 is amended to read as follows:

"SEC. 271. Agency Jurisdiction.—

"a. Nothing in this Act shall be construed to affect the authority or regulations of any Federal, State, or local agency with respect to the generation, sale, or transmission of electrical power produced through the use of nuclear facilities licensed by the Commission, except that nothing in this section (except subsection b. of this section) shall be deemed to confer upon any Federal, State, or local agency any authority to regulate, control, or restrict any activities of the Commission.

"b. Nothing in this Act shall preclude or deny any State or political subdivision thereof the right to adopt or enforce any standard or limitation with respect to the disposal of radioactive waste materials. Compliance with any standard or limitation with respect to the disposal of any radioactive waste materials shall not relieve any person of the obligation to comply with the provisions of this Act."

GENERAL PROVISION

SEC. 3. (a) The Congress authorizes and directs that, to the fullest extent possible, the policies, regulations, and public laws of the United States shall not be interpreted as precluding or denying any State or political subdivision thereof the right to adopt or enforce any standard, requirement, limitation, or other restriction, with respect to major governmental actions significantly affecting the quality of the human environment. Compliance with any standard, requirement, limitation, or other restriction of any State or political subdivision thereof with respect to such actions shall not relieve any person of the obligation to comply with the provisions of any Federal law or regulation or order issued pursuant to such law.

(b) All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures, for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purpose and provisions of this Act, and shall propose to the President and to the Congress, not later than 6 months after the date of enactment of this Act, such measures as may be necessary to bring their authority and policies into conformity with the intent and purpose of this Act.

LAWRENCE LUNT: CUBAN PRISONER

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, in recent months there has been a rising chorus of criticism of U.S. policy toward Cuba, a policy which, incidentally, is mandated by a resolution of the Organization of American States. While I believe that our current policy should be maintained, I do not rise today to argue the merits or demerits of our policy but simply to call attention to the case of one U.S. citizen who remains a prisoner in Cuba, Lawrence Kirby Lunt.

Along with a number of other House and Senate Members I have been working quietly with the Department of State to secure Mr. Lunt's release after more than 9 years in Cuban jails. The article from the July 12, 1974, Miami Herald which I will include as part of my remarks details international efforts to secure Mr. Lunt's release in exchange for more than 9 years in Cuban jails. The article from the July 12, 1974, Miami Herald which I will include as a part of my remarks details international efforts to secure Mr. Lunt's release in exchange for a Cuban soldier held captive by the Government of Portugal.

The release of Mr. Lunt upon the concurrent release of Cuban Capt. Rodriguez Peralta was the Cuban Government's own proposal. It does not involve an obligation by the United States but it does involve a Cuban commitment to the Vatican and to Mr. Lunt's family. I hope all of those who would have us believe that the time has come to change our policy toward Cuba will take note of this case and of the cold-hearted way in which the Cuban Government continues to intentionally shatter the dreams and the lives of one small American family.

It is my hope that the Cuban Government will reexamine the commitments which they have made and decide to honor them and allow Mr. Lunt to rejoin his family. The referred-to article follows:

[From the Miami Herald, July 12, 1974]

"CIA SPY" IS PAWN IN A GAME OF PROMISES

(By Frank Soler)

Lawrence Kirby Lunt wants to go home.

The Fidel Castro government wants to keep him in Cuba.

The resulting stalemate has sparked a dramatic behind-the-scenes international dispute over the fate of a man whom the Cubans accuse of being a master agent for the CIA.

The tussle already has involved five nations in two continents within the past several months. And it promises to set off more sparks before it is resolved.

Currently, the Vatican, Belgium and the United States are pressing for completion of a complex and highly sensitive prisoner swap between Cuba and Portugal.

The Cubans, who formally agreed to the exchange in a communique to the Vatican in 1971, now are balking at completing the swap.

At stake are the remaining years in the life of a tall, wiry man who roamed the American West as a youngster, then became a ranchhand, fought in two major wars, married a Belgian girl and settled down as a cattleman in pre-Castro Cuba's westernmost Pinar del Rio province.

For Lunt, who opted to remain there following Castro's takeover in 1959, is now 50.

And he still has 21 years to serve of the unusually harsh 30-year prison term imposed on him by a Cuban revolutionary tribunal in April of 1965.

Over repeated denials of an angry Lunt, the tribunal claimed the American was responsible for recruiting Cubans to supply economic, political and military information about the Castro regime to Washington.

The verdict came as no surprise. Lunt was found a CIA spy who had to pay for his anti-revolutionary crimes.

That was that.

The Massachusetts native who as a member of the U.S. Air Force survived World War II and the Korean conflict suddenly found himself in a Cuban jail.

His properties were confiscated by the regime.

And his wife, Beatrice, along with the couple's three young children, eventually left the Caribbean island; having failed to gain Lunt's release from within, she was determined to do so from without.

But the years passed in frustrating solitude.

For Lunt, who was sent pariah-like from one prison to another, with exercise and chess as his only friends and companions—he did (and does) push-ups morning, noon and night.

For Beatrice, who took the children to Brussels, Belgium, to continue the struggle for her husband's freedom from her own homeland.

And for Lunt's own family, anguished by

visions of steamy tropical jail cells that were totally alien to the slow-drawling, peaceful ways of America's rural Midwest.

It was six long years after Lunt's trial and imprisonment that the first crucial break occurred in the case.

The Vatican, acting at the behest of Lunt's family, sent a special emissary to Havana in 1971 to discuss the American's release.

The Cubans told the emissary they were willing to release Lunt—for a price.

The price, they said, was to be the release of one Pedro Rodriguez Peralta, a Cuban army captain wounded and captured while leading African guerrillas against Portuguese troops in Portuguese Guinea in November of 1969.

The Cubans made a formal commitment with the Vatican and all appeared set for a successful, Hollywood-style prisoner exchange.

Then the bottom fell out.

Portugal, dismissing "unofficial suggestions" from the Vatican, Belgium and the United States, refused to free Rodriguez Peralta.

Instead, then-Portuguese Prime Minister Marcelo Caetano ordered the Cuban's relatively minor sentence of 18 months imprisonment plus a small fine set aside and called a new trial. Rodriguez Peralta's sentence was increased to 10 years in prison.

There things stood until last April 25, when Caetano's right-wing regime was toppled in a military coup led by liberal Gen. Antonio de Spinola, a veteran of the brutal Portuguese Guinea guerrilla campaigns.

Spinola promptly announced an amnesty for all "political prisoners" jailed by the previous government.

Sensing a complete reversal of the situation and saying they were "on very good terms" with the Spinola government, the Cubans reneged on the 1971 Rodriguez Peralta-for-Lunt deal.

Instead they called for his "unconditional" release as a political prisoner of the previous regime.

The Cubans apparently misinterpreted Spinola's intentions, however. For he has refused to free the Cuban soldier despite strong Cuban protests and demonstrations by leftist Portuguese.

Only recently, Spinola called the Cuban charge d'affaires in Lisbon to his office for a private chat.

Spinola reportedly told the Cuban that Rodriguez Peralta would be freed only if Cuba honored its 1971 commitment to the Vatican. Otherwise, Rodriguez Peralta would remain in jail.

The Cubans have countered by hiring the brother of Portugal's first prime minister under Spinola, Adelino de Palma Carlos, to defend Rodriguez Peralta.

But Palma Carlos resigned from his post suddenly on Tuesday, leaving Rodriguez Peralta in the hands of the brother of a former prime minister who may now be viewed with disfavor by Spinola's regime.

It's still too early to tell how Palma Carlos' resignation might affect the Lunt case.

Herald sources, however, indicate that Spinola is determined to retain Rodriguez Peralta until Lunt is freed.

"The Portuguese have indicated they regard the Cuban government's note to the Holy See of March 1971 to be an international obligation," said one source.

"And it is one of the principles of Portugal's new revolutionary government that international obligations be respected."

Meanwhile, while the game of international oneupmanship progresses, a groundswell movement on Lunt's behalf has been taking shape in the United States.

The U.S. State Department will say only that it is interested in the fate of Lunt because he is an American citizen being held abroad.

But conservative and liberal congressmen alike have been privately expressing their hope that Lunt's case can be quickly resolved.

One of Lunt's cowboy pals, Sam Steiger, now a conservative Republican congressman from Arizona, is urging White House intervention in the affair.

Colorado Sen. Peter Dominick has gained the attention of a group of nonpartisan senators, including some who favor rapprochement between the United States and Cuba, and they, too, are speaking on Lunt's behalf.

And, in a letter to Secretary of State Henry Kissinger Feb. 27, the joint leadership of the House said, "We hope that this matter can be successfully resolved." The letter said due notice should be taken of the "urgent humanitarian considerations involved" and added "it seems that speedy and effective measures should be taken."

The urgent humanitarian considerations to which the letter referred was the grave illness that has prostrated Lunt's elderly mother in Colorado.

"Lunt's mother has had a stroke. She is unable to move. This has been pointed out to the Cubans again and again," said one source close to the case.

The source suggested three possibilities when asked why the Cubans still were balking at freeing Lunt.

"First, the Cubans may be displaying a personal animosity against this prisoner—he is not even allowed visitors. They may wish to do everything to prevent his release even though this may involve breaching a promise made to the Pope.

"Second, the Cubans may be hoping for the establishment of a totally Communist government in Portugal that might be willing to release Rodriguez Peralta unilaterally.

"Third, Castro may be trying to provoke this into an incident that might induce U.S. policy changes toward Cuba.

"It is ridiculous to suppose that the fate of one man can cause U.S. policy changes. The Cubans' attitude will only serve to create new grounds for antagonism," said the source.

Through all this, the source said, Lunt—now in Havana's La Cabana prison—has maintained good spirits.

"He does his exercises. Mainly push-ups. And he plays chess. He is in good condition. He's bearing up well.

"The Cubans look upon this man as some master spy, which he is not. He is just a guy that has been caught in a situation beyond his control."

CLAUDE PEPPER HONORED BY UNIVERSITY OF MIAMI

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, at the commencement exercises on June 2, 1974, the School of Medicine of the University of Miami presented our distinguished colleague and my good friend, Claude D. Pepper, with an honorary doctor of science degree.

In presenting this honor, special note was made of Claude's 45 years of public service in the Florida Legislature, in the U.S. Senate, and in the U.S. House of Representatives and his devotion during those years to legislative efforts to establish Federal programs for medical research and medical facilities construction. As we in this Chamber well know, Claude was an early leader in efforts to develop what we now know as the National Institutes of Health, and his early enthusiasm and leadership have never diminished.

I know that our colleagues are as pleased as I am that Claude's leadership and achievements have been recognized in this manner by the University of Miami, and join me in congratulating him for this outstanding honor.

I would like to call to the attention of our colleagues the citation read at the ceremony in tribute to our very distinguished colleague:

University of Miami School of Medicine
Commencement, June 2, 1974

Claude Denson Pepper, one of Florida's best known and most distinguished citizens, who has served 45 years in public life as a representative of the people of the state of Florida and of the nation. As a young attorney in 1929, he was elected to the Florida House of Representatives. Subsequently, he was a U.S. Senator for 14 years and now, for the past 12 years, he has been an eminent member of the U.S. House of Representatives. Dominating his career has been his humanitarian concern for the welfare and well-being of his fellow men, young and old, from the community, to the national and international level. The history of national health legislation could not be written without mentioning Claude Pepper. As far back as 1937, he co-sponsored creation of the National Cancer Institute. In the following years, he spearheaded additional legislation, leading to today's National Institutes of Health, which are credited with revolutionizing medical science and medical care, here and abroad. He was a prime mover in the passage of the Hill-Burton Act, to which many of our hospitals are indebted. He zealously advocated bills for Community Health and Mental Retardation, Nurse Training, Health Professions Assistance and the Heart-Cancer-Stroke program.

Mr. President, in recognition of his devotion to the health needs of his fellow men and his leadership in promulgating legislation which contributed to the education of members of the health professions, gives impetus to medical research, and provides facilities for treating the sick, I present Claude D. Pepper for the degree of Doctor of Science.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Parris) to revise and extend their remarks and include extraneous material:)

Mr. Talcott, for 5 minutes, today.

Mr. Young of Illinois, for 10 minutes, today.

Mr. Miller, for 10 minutes, today.

(The following Members (at the request of Mr. Ginn) to revise and extend their remarks and include extraneous matter:)

Mr. Flood, for 5 minutes, today.

Mr. Davis of South Carolina, for 15 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Vander Veen, for 5 minutes, today.

Mr. Reuss, for 30 minutes, today.

Mr. McKay, for 5 minutes, today.

Mr. Annunzio, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Patman, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,390.

Mr. Brown of California, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $1,043.

Mr. Wright, to include extraneous material during general debate on H.R. 16090.

(The following Members (at the request of Mr. Parris) and to include extraneous material:)

Mr. Frenzel in two instances.

Mr. Steiger of Wisconsin.

Mr. Crane in five instances.

Mr. Wyman in two instances.

Mr. McCloskey.

Mr. Smith of New York.

Mr. Skubitz.

Mr. Young of Illinois.

Mr. Heinz.

Mr. Symms.

Mr. Talcott in two instances.

Mr. Lent in two instances.

Mr. Cleveland.

(The following Members (at the request of Mr. Ginn) and to include extraneous material:)

Mr. Carey of New York in two instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Anderson of California in two instances.

Mr. Mahon.

Mr. Tiernan.

Mr. Vander Veen.

Mr. Corman in five instances.

Mr. Murphy of New York.

Mr. Diggs.

Mr. Andrews of North Carolina.

Mr. Milford in five instances.

Mr. Matsunaga.

Mr. Ginn.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky;

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez and Milagros Catambay Gutierrez;

H.R. 5637. An act for the relief of Linda Julie Dickson (nee Waters); and

H.R. 7682. An act to confer U.S. citizenship posthumously upon Lance Cpl. Federico Silva.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 2537. An act for the relief of Lidia Myslinska Bokosky; and

H.R. 4590. An act for the relief of Melissa Catambay Gutierrez and Milagros Catambay Gutierrez.

ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Thursday, August 8, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2632. A letter from the Deputy Under Secretary of Agriculture, transmitting a draft of proposed legislation to repeal the statutes relating to the issuance of cotton acreage and production reports; to the Committee on Agriculture.

2633. A letter from the Secretary of the Air Force, transmitting a report of Air Force experimental, developmental and research contracts of $50,000 or more, covering the 6 months ended June 30, 1974, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

2634. A letter from the Deputy Chief, Office of Legislative Affairs, Department of the Navy, transmitting notice of the intention of the Department of the Navy to donate certain surplus property to the city of Clifton Forge, Va., pursuant to 10 U.S.C. 7545; to the Committee on Armed Services.

2635. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on assistance-related funds obligated for Cambodia during the fourth quarter of fiscal year 1974, pursuant to section 655(f) of Public Law 92-226 [22 U.S.C. 2415(f)]; to the Committee on Foreign Affairs.

2636. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of a determination by the Secretary of State that it is essential to the national interest of the United States that the programs for selectively encouraging U.S. private investment as authorized by title IV of part I of the Foreign Assistance Act of 1961, as amended, be resumed in the Arab Republic of Egypt, and that such programs will neither directly nor indirectly assist aggressive actions by Egypt, pursuant to section 620(p) of the act [22 U.S.C. 2370(p)], and Executive Order 10973; to the Committee on Foreign Affairs.

2637. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering fiscal year 1974 on personal property donated to public health and educational institutions and civil defense organizations under section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and real property disposed of to public health an educational institutions under section 203(k) of the act, pursuant to section 203(o) of the act [40 U.S.C. 484(o)]; to the Committee on Government Operations.

2638. A letter from the Administrator of General Services, transmitting a draft of proposed legislation to amend the act entitled "An Act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1933, and for other purposes" approved June 30 1932, as amended, to increase the amount of money allowed to be spent for alterations, improvements and repairs to rented premises and to exempt from the act's application all real property leases where the annual rent is $15,000 or less; to the Committee on Government Operations.

2639. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of an order entered in the case of an alien found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(I)(ii)(b)]; to the Committee on the Judiciary.

2640. A letter from the President, National Safety Council, transmitting a report of the audit of the financial transactions of the council for 1973, pursuant to section 15 of Public Law 93-259; to the Committee on the Judiciary.

2641. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 5, United States Code, to authorize civilians employed by the Department of Defense to administer oaths while conducting official investigations; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee on Banking and Currency. H.R. 16032. A bill to authorize the Secretary of the Treasury to change the alloy and weight of the one-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, New York; without amendment (Report No. 93-1267). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee of Conference. S. 2510. (Report No. 93-1268). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Carolina (for himself, Mr. Aspin, and Mr. Wyman):

H.R. 16301. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the amount of certain cancellations of indebtedness under student loan programs; to the Committee on Ways and Means.

By Mr. CRANE:

H.R. 16302. A bill to amend the Internal Revenue Code of 1954 to allow an individual a tax credit for medical and dental expenses; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 16303. A bill to extend the Emergency Petroleum Allocation Act of 1973 until June 30, 1975, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS:

H.R. 16304. A bill to amend section 303 of the Communications Act of 1934 to require that radio receivers be technically equipped to receive and amplify both amplitude modulated (AM) and frequency modulated (FM) broadcasts; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Colorado:

H.R. 16305. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES of Oklahoma:

H.R. 16306. A bill to further develop rural America by improving health care delivery and to provide incentives for health care personnel to practice in rural areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KARTH:

H.R. 16307. A bill to further the purposes of the Wilderness Act by designating certain lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MURPHY of Illinois (for himself, Mr. ROGERS, Mr. CARTER, Mr. ANNUNZIO, Mrs. COLLINS of Illinois, Mr. HANRAHAN, Mr. MADIGAN, Mr. METCALFE, Mr. KLUCZYNSKI, Mr. ROSTENKOWSKI, Mr. YATES, and Mr. YOUNG of Illinois):

H.R. 16308. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of New York:

H.R. 16309. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer, his spouse, or his dependent, who is disabled, and for other purposes; to the Committee on Ways and Means.

By Mr. SEBELIUS:

H.R. 16310. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. SKUBITZ:

H.R. 16311. A bill for the relief of the officers and crew of the U.S.S. *Squalus;* to the Committee on Armed Services.

By Mr. STEELMAN (for himself and Mr. RAILSBACK):

H.R. 16312. A bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to excute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. TIERNAN:

H.R. 16313. A bill to improve the Nation's energy resources; to the Committee on Interstate and Foreign Commerce.

By Mr. WALSH:

H.R. 16314. A bill to amend title II of the Social Security Act to provide that the remarriage of an individual entitled to widow's or widower's insurance benefits shall in no case have the effect of terminating or reducing such benefits; to the Committee on Ways and Means.

By Mr. BREAUX:

H.R. 16315. A bill to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1974 and 1975, and to impose a duty on imported shrimp; to the Committee on Ways and Means.

By Mr. CRONIN:

H.R. 16316. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the establishment of certain standards relating to gasoline tanks; to the Committee on Interstate and Foreign Commerce.

By Mr. KYROS (for himself, Mr. ROGERS, Mr. SATTERFIELD, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. NELSEN, Mr. HASTINGS, Mr. HEINZ, and Mr. HUDNUT):

H.R. 16317. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain limitations respecting the authority of the Secretary of Health, Education, and Welfare to regulate certain foods for special dietary use under that act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHMAN:

H.R. 16318. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, Mr. ESCH, Mr. McDADE, Mr. JONES of Oklahoma, Mr. MITCHELL of New York, Mr. BOB WILSON, Mr. RODINO, Mr. JONES of North Carolina, Mr. STARK, Mr. STEELE, Mr. CONYERS, Mr. CASEY, Mr. ULLMAN, Mr. NIX, Mr. STEIGER of Arizona, Mr. HICKS, Mr. BROYHILL of North Carolina, Mrs. HECKLER of Massachusetts, Mr. LENT, Mr. EILBERG, Mr. VIGORITO, and Mr. MAZZOLI):

H.R. 16319. A bill to further the conduct of research, development, and demonstrations in solar energy technologies, to establish a solar energy coordination and management project, to amend the National Science Foundation Act of 1950 and the National Aeronautics and Space Act of 1958, to provide for scientific and technical training in solar energy, to establish a Solar Energy Research Institute, to provide for the development of suitable incentives to assure the rapid commercial utilization of solar energy, and for other purposes; to the Committee on Science and Astronautics.

By Mr. McCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, Mr. THOMPSON of New Jersey, Mr. BEVILL, Mr. MATSUNAGA, Mr. VEYSEY, Mr. WYMAN, Mr. YOUNG of Georgia, Mr. MURPHY of New York, Mr. MEEDS, Mr. POAGE, Mr. SEIBERLING, Mr. WAGGONNER, Mr. HALEY, Mr. ECKHARDT, Mr. LEHMAN, Mr. RARICK, Mr. SARBANES, Mr. BLATNIK, Mr. BADILLO, Mrs. SCHROEDER, Mr. ST GERMAIN, and Mr. ASHLEY):

H.R. 16320. A bill to further the conduct of research, development, and demonstrations in solar energy technologies, to establish a solar energy coordination and management project, to amend the National Science Foundation Act of 1950 and the National Aeronautics and Space Act of 1958, to provide for scientific and technical training in solar energy, to establish a Solar Energy Research Institute, to provide for the development of suitable incentives to assure the rapid commercial utilization of solar energy, and for other purposes; to the Committee on Science and Astronautics.

By Mr. McCORMACK (for himself, Mr. TEAGUE, Mr. MOSHER, Mr. GOLDWATER, Mr. CHARLES WILSON of Texas, Mr. DELLENBACK, Mr. PREYER, Mrs. HOLT, Mr. FASCELL, Mr. WON PAT, Mrs. GRASSO, Mr. CAREY of New York, Mr. DANIELSON, Mr. ABDNOR, Mr. CARNEY of Ohio, Mr. HUBER, Mr. STUDDS, and Mr. ANDERSON of California):

H.R. 16321. A bill to further the conduct of research, development, and demonstrations in solar energy technologies, to establish a solar energy coordination and management project, to amend the National Science Foundation Act of 1950 and the National Aeronautics and Space Act of 1958, to provide for scientific and technical training in solar energy, to establish a Solar Energy Research Institute, to provide for the development of suitable incentives to assure the rapid commercial utilization of solar energy, and for other purposes; to the Committee on Science and Astronautics.

By Mr. MOAKLEY:

H.R. 16322. A bill to authorize the acquisition of certain property in the District of Columbia for the purpose of providing living quarters for congressional interns and pages of the Senate and the House of Representatives, and for other purposes; to the Committee on Public Works.

H.R. 16323. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income amounts won in State lotteries; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. ANDERSON of California, Mr. ANDERSON of Illinois, Mr. BEVILL, Mr. BROWN of Michigan, Ms. COLLINS of Illinois, Mr. CORMAN, Mr. DE LUGO, Mr. DRINAN, Mr. EDWARDS of California, Mrs. GRASSO, Mr. HICKS, Mr. HOGAN, Mr. MELCHER, Mr. MURTHA, Mr. PATTEN, Mr. PEPPER, Mr. RONCALIO of Wyoming, Mr. ROSENTHAL, Mr. SARASIN, Mr. STEELE, Mr. TIERNAN, Mr. VANDER VEEN, Mr. WILLIAMS, and Mr. WINN):

H.R. 16324. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITEHURST (for himself and Mr. ROBERT W. DANIEL, JR.):

H.J. Res. 1107. Joint resolution to proclaim October 1974 as UHF Television Month; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H. Res. 1299. Resolution increasing the number of positions of expert transcribers to official committee reporters; to the Committee on House Administration.

By Mr. REID:

H. Res. 1300. Resolution affirming support of U.S. foreign policies; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

517. The SPEAKER presented a memorial of the Assembly of the State of California, relative to the emigration of Soviet Jews; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GROVER:

H.R. 16325. A bill for the relief of Joon Pyo Lee; to the Committee on the Judiciary.

By Mr. WYMAN:

H.R. 16326. A bill for the relief of Albert J. Dunbrack; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

REPORT NO. 5, 1975 BUDGET SCOREKEEPING—AS OF AUGUST 2, 1974

HON. GEORGE H. MAHON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. MAHON. Mr. Speaker, I offer for insertion in the RECORD for the information of Members, their staffs, and others, excerpts from the "Budget Scorekeeping Report No. 5, as of August 2, 1974," as prepared by the staff of the Joint Committee on Reduction of Federal Expenditures. The report itself has been sent to all Members.

The excerpts from the report follow:

EXCERPTS FROM 1975 BUDGET SCOREKEEPING REPORT NO. 5

This Budget Scorekeeping Report No. 5 is published in abbreviated form. It shows the impact of congressional action on the President's revised 1975 budget recommendations through August 2, 1974.

This report includes analysis of the scorekeeping highlights together with the main scorekeeping tables. It also includes summarized background information with respect to the revised budget requests and certain other significant budgetary factors. And, on tables 4 and 5, the report shows the current status of appropriation bills and necessary authorizing legislation. Reference to an earlier report in this series is suggested for full detail and historical comparisons. (See 1975 Budget Scorekeeping Report No. 2 as of June 7, 1974.)

It should be understood, of course, that action on significant legislation is still pending and may be expected to materially affect calculation of the impact of congressional action on the President's fiscal 1975 budget authority and outlay requests.

SCOREKEEPING HIGHLIGHTS

Fiscal year 1975—outlays

The impact of congressional action through August 2 on the President's fiscal year 1975 budget outlay requests, as shown in this report, may be summarized as follows:

[In millions]

	House	Senate	Enacted
1975 budget outlay estimate as revised and amended to date	$306, 312	$306, 312	$306, 312
Congressional changes to date (committee action included):			
Appropriation bills:			
Completed action	—209	+395	—76
Pending action	—2, 631	—359	
Legislative bills:			
Completed action	+766	+1, 234	+1, 194
Pending action	+859	+2, 454	
Total changes:			
Completed action	+557	+1, 629	+1, 118
Pending action	—1, 772	+2, 095	
Total	—1, 214	+3, 724	+1, 118
Deduct: Portion of congressional action included in May 30 revisions	+311	+311	+311
1975 budget outlays as adjusted by congressional action to date	304, 787	309, 725	307, 119

Completed actions: A summary of major individual actions composing the $1,118 million total outlay impact of completed congressional action to date on budgeted 1975 outlays follows:

COMPLETED ACTION OF BUDGETED OUTLAYS (EXPENDITURES)

Bills (including committee action)—Congressional changes in 1975 budgeted outlays (thousands)

1974 supplemental bills (1975 outlay impact):	
Second Supplemental	—$215, 000
Further Urgent Supplemental	—30
1975 regular bills:	
Agriculture, Environmental and Consumer Protection	+130, 000
Special Energy Research and Development	+20, 000
Legislative Branch	—11, 000
Legislative bills:	
Veterans educational benefits—extend delimiting period	+759, 100
Child nutrition and school lunch	+200, 000
Civil Service minimum retirement	+157, 000
Veterans disability benefits increase	+134, 800
Food assistance and special milk programs	+75, 000
Postponement of postal rate increases	+45,200
Donated commodities, older Americans	+5, 500
Civil Service survivor benefits	+4, 600
Civil Service—early retirement, hazardous occupations	+3, 400
Deputy Marshals pay raise	+1, 900
Congressional Record, reduced postage fees	—8, 486
Military flight pay incentive	—16, 700
Rejection of salary increases for federal executives	—34, 000
Unemployment benefits extension (trust fund)	—133, 000
Total, 1975 outlay impact of completed congressional action	+1, 118, 284

Pending actions: The major pending legislative actions affecting 1975 budget outlays which have passed or are pending in one or both Houses of Congress are shown in detail on Table 1 and are summarized below.

MAJOR PENDING ACTIONS ON BUDGETED OUTLAYS (EXPENDITURES)

Bills (including committee action)	Congressional changes in budgeted 1975 outlays (in thousands)	
	House	Senate
Appropriation bills:		
Public Works and Atomic Energy	+$32, 000	+$65, 000
Interior and related agencies	+8, 300	+11, 000
District of Columbia	—15, 000	—23, 000
HUD, Space, Science, Veterans	—30, 000	—90, 000
Treasury-Postal Service	—77, 000	—57, 000
State, Justice, Commerce, the Judiciary	—79, 000	
Labor, Health, Education and Welfare	—315, 000	
Transportation and related agencies	—355, 000	+265, 000
Defense	—1, 800, 000	
Legislative bills (backdoor and mandatory):		
Veterans educational benefits	+195, 500	+977, 500
Housing and Community Development Act	(1)	+553, 000
Emergency energy unemployment	Rejected	+500, 000
Small business direct loans	+360, 000	
Civil Service survivor annuity modification	+202, 000	(2)
Public safety officers death gratuity	+43, 700	(2)
Hopi and Navajo Tribes relocation	+28, 800	

[1] Undetermined.

[2] Action taken last session.

Fiscal year 1975—budget authority

The impact of congressional action through August 2 on the President's fiscal year 1975 requests for new budget authority, as shown in this report, may be summarized as follows:

[In millions]

	House	Senate	Enacted
1975 budget authority requests as revised and amended to date	$325, 749	$325, 749	$325, 749
Congressional changes to date (committee action included):			
Appropriation bills:			
Completed action	+33	+246	+157
Pending action	—4, 360	—400	
Legislative bills:			
Completed action	+899	+1, 271	+1, 380
Pending action	+2, 619	+5, 651	
Total changes:			
Completed action	+932	+1, 517	+1, 537
Pending action	—1, 741	+5, 251	
Total	—809	+6, 769	+1, 537
Deduct portion of congressional action included in May 30 revisions	+311	+311	+311
1975 budget authority as adjusted by congressional action to date	324, 629	332, 207	326, 975

Completed actions: A summary of major individual actions composing the $1,537 million total impact of completed congressional action to date on 1975 budget authority requests follows:

COMPLETED ACTION ON BUDGET AUTHORITY REQUESTS

Bills (including committee action)—Congressional changes in 1975 budget authority (in thousands)

Appropriation bills:	
Agriculture, Environmental and Consumer Protection	+$138, 532
Special Energy Research and Development	+32, 361
Legislative Branch	—14, 197
Legislative bills:	
Veterans educational benefits—extend delimiting period	+759, 100
Child nutrition and school lunch	+200, 000
Civil Service minimum retirement	+172, 000
Veterans disability benefits increase	+134, 800
Food assistance and special milk programs	+75, 000
Postponement of postal rate increases	+45, 200
Civil Service—early retirement, hazardous occupations	+41, 100
Donated commodity program for older Americans	+5, 500
Civil Service survivor benefits	+4, 600
Deputy Marshals pay raise	+1, 900
Congressional Record—reduce postal fees	—8, 486
Military flight pay incentive	—16, 700
Rejection of salary increases for federal executives	—34, 000
Total, 1975 budget authority impact of congressional action	+1, 536, 710

Pending actions: The major pending legislative actions affecting 1975 budget author-

ity which have passed or are pending in one or both Houses of Congress are shown in detail on Table 1, and are summarized below.

MAJOR PENDING ACTIONS ON BUDGET AUTHORITY REQUESTS

Bills (including committee action)	Congressional changes in 1975 budget authority requests (in thousands)	
	House	Senate
Appropriation bills:		
Public Works	+$63, 159	+$41, 377
Interior and related agencies	+18, 921	+16, 390
District of Columbia	−16, 600	−26, 600
HUD, Space, Science, Veterans	−41, 519	−139, 928
Treasury, Postal Service and General Government	−73, 052	−52, 688
State, Justice, Commerce, the Judiciary	−100, 355	
Labor, Health, Education and Welfare	−106, 456	
Transportation and related agencies	−341, 400	−238, 912
Defense	−3, 763, 127	
Legislative bills (backdoor and mandatory):		
Federal Home Loan Bank System—temporary increase in standby borrowing authority		+2, 000, 000
Housing and Community Development Act	+1, 500, 000	+1, 650, 000
Veterans educational benefits	+195, 500	+977, 500
Emergency energy unemployment	Rejected	+500, 000
Civil Service survivor annuity modification	+362, 000	(1)
Small business direct loans	+360, 000	
Private pension protection	+100, 000	+100, 000
Public safety officers death gratuity	+43, 700	(1)
Hopi and Navajo Tribes relocation	+28, 800	

[1] Action taken last session.

Fiscal year 1974

The impact of now completed congressional action, and inaction, in the current session on the President's revised 1974 requests for budget authority and outlays, as shown in this report, may be summarized as follows:

[In millions

	House	Senate	Enacted
Congressional changes:			
Budget outlays:			
Appropriation bills	−$875	−$775	−$880
Legislative bills	+162	+151	+151
Inaction on proposed legislation	−93	−90	−380
Total	−806	−715	−1, 109
Budget authority:			
Appropriation bills	−1, 722	−1, 455	−1, 799
Legislative bills	−27	−38	−38
Inaction on proposed legislation	−2, 996	−3, 105	−3, 394
Total	−4, 745	−4, 598	−5, 232

The scored impact of completed appropriation and other legislative action and inaction this session affecting fiscal year 1974, ended June 30, 1974, includes the following major items:

[In millions]

Bill (including committee action)	Budget authority	Outlays
Second supplemental appropriation bill	−$1, 798, 756	−$880, 000
Unemployment benefits extension		+161, 000
Veterans educational benefits	+44, 800	+44, 800
Social security benefit extension for presumptive disability		+24, 000
Rejection of salary increases for Federal executives	−7, 000	−7, 000
Military flight pay incentive	−21, 200	−21, 200
Veterans disability benefits increase	−49, 600	−49, 600
Inaction on legislative proposals:		
Consolidated education grants	−$2, 851, 985	
Payment to Postal Service fund	−284, 667	−$284, 667
Asian Development Bank	−120, 635	−9, 600
Other	−137, 100	−85, 600

Congress was asked to act this session on proposals to increase 1974 revenue by $1.2 billion, mainly the windfall profits tax on the oil industry. Such action was not taken.

The $1.1 billion impact of Congressional action and inaction on 1974 budget outlay proposals this session, and the failure to act on $1.2 billion in revenue proposals, have the combined effect of increasing the 1974 deficit by about $100 million.

THE REVIEW OF THE INTERNATIONAL COMMISSION ON JURISTS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. FRASER. Mr. Speaker, the Review of the International Commission of Jurists is most worthy of our attention.

The International Commission of Jurists was founded "to realize the lawyer's faith in justice and human liberty under the Rule of Law." The Review "is to focus attention on the problems in regard to which lawyers can make their contribution to society in their respective areas of influence and to provide them with the necessary information and data." Both quotations are from the Review. The Review is edited by the Secretary-General of the Commission, Mr. Niall MacDermot, a former member of the British Parliament.

I have just received Review No. 12, and I place in the RECORD a brief description of this issue. Readers of the RECORD interested in learning more about the Commission or the Review should write:

International Commission of Jurists,
109, route de Chêne, 1224 Chêne-Bougeries, Geneva, Switzerland.

The article follows:

REVIEW NO. 12

Review No. 12 of the International Commission of Jurists which has just appeared, carries eye witness reports on the condition of the rule of law in Chile and Uruguay, as well as a report on the coup in Portugal by a staff member present in Lisbon at the time.

The Review contains an analysis of developments in Southern Africa including the likely consequences of the recent change of regime in Portugal on the future of that area, together with details of new repressive legislation passed in South Africa. This legislation permits the classification of organizations as "affected organizations" by administrative action, following which they are unable to receive monies from abroad. Another law, the Riotous Assemblies Amendment Act, reduces almost to a nullity what little possibility still existed in South Africa for peaceful protest.

In the new issue there are also reports on the work of the UN Human Rights Commission; on the International Convention making *apartheid* a crime under international law; and on the present law applying to loss of nationality and exile.

Human Rights in Islamic Law are discussed in an article by Khalid M. Ishaque of the Karachi Bar.

The I.L.O.'s experience in examining Human Rights situations is described in an informative article by Mr. C. Rossillion, Chief of the Discrimination Section of the International Labour Organization. The work of the recent first session of the Diplomatic Conference on Humanitarian Law, in which a preliminary draft including liberation wars in the concept of international conflicts was passed, is commented upon in an article by Dr. S. Suckow.

This issue of the Review announces the appearance of an ICJ study on the breakdown of the rule and the reign of terror existing in Uganda, and a report on the continuing torture and ill-treatment of political suspects in Uruguay.

CIVIL RIGHTS PROGRESS IN NEW YORK

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. RANGEL. Mr. Speaker, civil rights can be undermined in subtle ways. In this age of individual dependence on Government it is vital that these rights be scrupulously protected against Government abuse. Just because the Federal Government provides public schools, does that mean it has the right to expel public school students en masse? Of course not. But there are many less obvious realms of governmental power in which individual liberties can be overwhelmed by dependence on Government largesse. Public licensing is such a realm. What rights does an applicant have in the face of his need for a license from the local or Federal Government?

The New York Legislature recently acted to protect the rights of individual applicants for licenses. This new law protects from discrimination those who have been arrested but not convicted. I insert in the RECORD a WINS radio editorial describing the law. I urge my colleagues to study the law as a standard for securing the civil rights of individuals who are dependent on the Government.

The editorial follows:

A STEP FORWARD FOR CIVIL RIGHTS

(By Robert W. Dickey, general manager, WINS Radio)

Among the less publicized bills recently approved by the Albany lawmakers is one which we think represents a step forward for individual rights.

This bill would amend the State civil rights law to prohibit any public licensing agency from inquiring about or acting upon arrests which have not been followed by convictions. Many types of employment in New York as elsewhere require a license from some public agency. Under current law, these agencies are permitted to ask license applicants whether they have ever been arrested, despite the fact that they might have subsequently been found innocent.

Thus, the applicant is forced to explain an arrest for an offense on which he or she has been legally absolved and it could prejudice a chance for a job. This would be grossly unfair.

It is a long-established principle of American justice that a person is presumed innocent until proven guilty. An arrest, which may have been made in error, is not the same thing as a conviction in which the person has been found guilty of some offense.

Thus, a line should be clearly drawn between questions pertaining to arrests and those pertaining to convictions. This principle should apply to the job applications of private employers and employment agencies as well as public licensing agencies.

We think that a further amendment of the law to that effect should be approved as soon as possible.

FREE ENTERPRISE SYSTEM

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. GINN. Mr. Speaker, we are all talking now about how the Government can pull this country out of the tidal waves of inflation. The fact, of course, is that the Government and its deficit spending got us into the mess in the first place, so I am not very optimistic about the Government pulling us out of the fire.

I believe that in the final analysis the solution to our inflation crisis will come from our own free enterprise system. If we will simply cut the Federal red tape that burdens our free enterprise system we would go a long way toward putting our economy back on track.

Mr. Speaker, one of the reasons that our free enterprise system works so well is the fact that our small businessman is one of the most productive and efficient forces in our economy. The small businessman is a great national resource, and it is one of which we can all be proud.

I am sure that many Members could cite examples of businesses that excel, but I am proud of the fact that my own First Congressional District boasts one of the finest. I am referring to the Robbins Packing Co. in Statesboro, Ga.

This year the Robbins Co. is celebrating its 25th anniversary. The firm was founded by Charles M. Robbins, Sr., on September 17, 1949. Charles M. Robbins, Jr., and Lewis W. Hook joined the company soon thereafter.

In continuing its pattern of growth, Robbins was incorporated in 1957. Extensive plant construction in 1965 and 1971 has permitted continued growth. Today, Robbins employs 75 individuals and contributes more than $2 million to the local economy in livestock purchases alone.

Mr. Speaker, I am delighted that Robbins is a member of the fine business community in my district, and I congratulate them for their industry and hard work over the years. Their fine spirit and activity as a good neighbor in our community reflects well upon themselves and all Americans.

TEXT OF JUDICIARY IMPEACHMENT RESOLUTION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. FRENZEL. Mr. Speaker, the articles of impeachment recommended by the Judiciary Committee are here inserted for use by our constituents:

TEXT OF JUDICIARY'S IMPEACHMENT RESOLUTION

(Following is the text of the Resolution of Impeachment reported by the House Judiciary Committee:)

Resolved, that Richard M. Nixon, President of the United States, is impeached for high crimes and misdemeanors, and that the following articles of impeachment be exhibited in the Senate.

ARTICLE I

In his conduct of the office of President of the United States, Richard M. Nixon, in violation of his constitutional oath faithfully to execute the office of President of the United States and, to the best of his ability, preserve, protect, and defend the Constitution of the United States, and in violation of his constitutional duty to take care that the laws be faithfully executed, has prevented, obstructed, and impeded the administration of justice, in that:

On June 17, 1972, and prior thereto, agents of the Committee for the Re-Election of the President committed unlawful entry of the headquarters of the Democratic National Committee in Washington, District of Columbia, for the purpose of securing political intelligence. Subsequent thereto, Richard M. Nixon, using the powers of his high office, engaged, personally and through his subordinates and agents, in a course of conduct or plan designed to delay, impede, and obstruct the investigation of such unlawful entry; to cover up, conceal and protect those responsible; and to conceal the existence and scope of other unlawful covert activities.

The means used to implement this course of conduct or plan included one or more of the following:

1. Making or causing to be made false or misleading statements to lawfully authorized investigative officers and employes of the United States;

2. Withholding relevant and material evidence or information from lawfully authorized investigative officers and employes of the United States;

3. Approving, condoning, acquiescing in, and counseling witnesses with respect to the giving of false or misleading statements to lawfully authorized investigative officers and employes of the United States and false or misleading testimony in duly instituted judicial and congressional proceedings;

4. Interfering or endeavoring to interfere with the conduct of investigations by the Department of Justice of the United States, the Federal Bureau of Investigation, the Office of Watergate Special Prosecution Force, and Congressional committees;

5. Approving, condoning, and acquiescing in, the surreptitious payment of substantial sums of money for the purpose of obtaining the silence or influencing the testimony of witnesses, potential witnesses or individuals who participated in such unlawful entry and other illegal activities;

6. Endeavoring to misuse the Central Intelligence Agency, an agency of the United States;

7. Disseminating information received from officers of the Department of Justice of the United States to subjects of investigations conducted by lawfully authorized investigative officers and employes of the United States, for the purpose of aiding and assisting such subjects in their attempts to avoid criminal liability;

8. Making false or misleading public statements for the purpose of deceiving the people of the United States into believing that a thorough and complete investigation had been conducted with respect to allegations of misconduct on the part of personnel of the executive branch of the United States and personnel of the Committee for the Re-Election of the President, and that there was no involvement of such personnel in such misconduct; or

9. Endeavoring to cause prospective defendants, and individuals duly tried and convicted, to expect favored treatment and consideration in return for their silence or false testimony, or rewarding individuals for their silence or false testimony.

In all of this, Richard M. Nixon has acted in a manner contrary to his trust as President and subversive of constitutional government, to the great prejudice of the cause of law and justice and to the manifest injury of the people of the United States.

Wherefore Richard M. Nixon, by such conduct, warrants impeachment and trial, and removal from office.

ARTICLE II

Using the powers of the Office of President of the United States, Richard M. Nixon, in violation of his constitutional oath faithfully to execute the office of President of the United States and to the best of his ability to preserve, protect and defend the Constitution of the United States, and in disregard of his constitutional duty to take care that the laws be faithfully executed, has repeatedly engaged in conduct violating the constitutional rights of citizens, impairing the due and proper administration of justice and the conduct of lawful inquiries, contravening the laws governing agencies of the executive branch and the purposes of these agencies. This conduct has included one or more of the following:

(1) He has, acting personally and through his subordinates and agents, endeavored to obtain from the Internal Revenue Service, in violation of the constitutional rights of citizens, confidential information contained in income tax returns, for purposes not authorized by law, and to cause, in violation of the constitutional rights of citizens, income tax audits or other income tax investigations to be initiated or conducted in a discriminatory manner:

(2) He misused the Federal Bureau of Investigation, the Secret Service, and other executive personnel, in violation or disregard of the constitutional rights of citizens, by directing or authorizing such agencies or personnel, to conduct or continue electronic surveillance or other investigation, for purposes unrelated to national security, the enforcement of laws, or other lawful function of his office. He did direct, authorize, or permit the use of information obtained thereby, for purposes unrelated to national security, the enforcement of laws, or any other lawful function of his office, and he did direct the concealment of certain records made by the Federal Bureau of Investigation of electronic surveillance;

(3) He has, acting personally or through his subordinates and agents, in violation or disregard of the constitutional rights of citizens, authorized and permitted to be maintained a secret investigative unit within the office of the president, financed in part from money derived from campaign contributions,

which unlawfully utilized the resources of the Central Intelligence Agency, engaged in covert and unlawful activities and attempted to prejudice the constitutional right of an accused to a fair trial;

(4) He has failed to take care that the laws were faithfully executed, by failing to act when he knew or had reason to know that his close subordinates endeavored to impede and frustrate lawful inquiries by duly constituted executive, judicial and legislative entities, concerning unlawful entry into the headquarters of the Democratic National Committee and its coverup, and other unlawful activities, including those relating to the confirmation of Richard Kleindienst as attorney general of the United States, electronic surveillance of private citizens, the break-in into the office of Dr. Lewis Fielding, and the campaign fiancing practices of the Committee to Re-Elect the President.

(5) In disregard of the rule of law, he knowingly misused the executive powers by interfering with agencies of the executive branch, including the Federal Bureau of Investigation, the criminal division, and the office of Watergate Special Prosecution Force of the Department of Justice, and the Central Intelligence Agency, in violation of his duty to take care that the laws be faithfully executed.

In all of this, Richard M. Nixon has acted in a manner contrary to his trust as President and subversive of constitutional government, to the great prejudice to the cause of law and justice, and to the manifest injury of the people of the United States.

Wherefore Richard M. Nixon, by such conduct, warrants impeachment and trial and removal from office.

ARTICLE III

In his conduct of the office of president of the United States, Richard M. Nixon, contrary to his oath faithfully to execute the office of president of the United States, and to the best of his ability, preserve, protect, and defend the Constitution of the United States and in violation of his constitutional duty to take care that the laws be faithfully executed, has failed without lawful cause or excuse to produce papers and things as directed by duly authorized subpoenas issued by the Committee on the Judiciary of the House of Representatives on April 11, 1974, May 15, 1974, May 30, 1974, and June 24, 1974, and willfully disobeyed such subpoenas.

The subpoenaed papers and things were deemed necessary by the committee in order to resolve by direct evidence fundamental, factual questions relating to presidential direction, knowledge or approval of actions demonstrated by other evidence to be substantial grounds for impeachment of the president.

In refusing to produce these papers and things Richard M. Nixon, substituting his judgment as to what materials were necessary for the inquiry, interposed the powers of the presidency against the lawful subpoenas of the House of Representatives, thereby assuming to himself functions and judgments necessary to the exercise of the sole power of impeachment vested by the Constitution in the House of Representatives.

In all of this, Richard M. Nixon has acted in a manner contrary to his trust as president and subversive of constitutional government, to the great prejudice of the cause of law and justice, and to the manifest injury of the people of the United States.

Wherefore, Richard M. Nixon by such conduct, warrants impeachment and trial and removal from office.

INFLATION AND GOVERNMENT

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. BINGHAM. Mr. Speaker, part 2 of a recent study from the Bureau of National Affairs Daily Labor Report on the course of Government inflation policy deals with recent criticisms of the Nixon administration's handling of its twin policy weapons, budget and credit restraint. I insert herewith the article by BNA associate editor, Ben Rathbun:

"CAP THE KNIFE" AND FISCAL POLICY

The Nixon Administration's continuing insistence on budget or fiscal restraint, and credit or monetary restraint as the twin pillars of anti-inflation policy ran into significant criticism. For example, the effectiveness of fiscal policy as one of the main responses to higher prices was questioned by one of the Administration's most influential leaders, HEW Secretary Caspar W. Weinberger, the former director of the Office of Management and Budget under President Nixon. In his little-reported Doubleday Lecture in May, Weinberger indicated that the Administrations' reliance on keeping a lid on congressional spending is an illusion due for the dustbin of economic history.

Of all the Nixon Administration figures directly concerned with the budget since 1968, none has more of a reputation as a budget cutter and as an exponent, therefore, of a tough fiscal policy than Weinberger; hence his nickname, "Cap the Knife." Before coming to Washington, Weinberger had earned a name as a skilled and persistent budget-cutter in California Governor Ronald Reagan's administration.

For Weinberger to express his skepticism about fiscal policy is an arresting development. In his lecture, he rejected the Keynesian approach to economic policy and economic stabilization as bankrupt. Writing in the 1920s, British economist John Maynard Keynes plumped for heavy government spending when the economy needed stimulation and fiscal retrenchment for an overheated economy. Weinberger noted that Keynes never had to go up to Capitol Hill to propose that Congress cut back spending programs. He summed up this way:

"International conditions, private collective bargaining arrangements, and scientific discoveries, just to name three, have a far greater influence on our economy today than whether the budget has a deficit of $10 or $20 billion in an economy where the GNP is approaching a trillion and a half. . . . Increased spending may help fan the flames of inflation, but restraint does not put them out—if real budget restraints were ever possible."

Weinberger did not reject budgetary restraint as an essential aspect of Administration policy. He confined himself to its relatively minor role in combatting an inflationary spiral. Meanwhile, others at the Capitol and in the business community said their doubts about the Administration's dedication to fiscal austerity were spurred by the record budget deficits of $23 billion for the fiscal year ending June 30, 1971; $23.2 billion for fiscal 1972; and $14.3 billion for fiscal 1973.

OMB and White House economic advisers also have stressed that it has been the long-time position of "the public finance people" that if you want to be serious about fiscal policy and budget cutting, you have to give the President discretionary tax authority. To make it work, the President must have some authority for tax cutting. In this view, Congress cannot respond swiftly enough to save the policy from failure.

FRB AND CREDIT: THE POLICY VERSUS THE PRACTICE

The execution of the Administration's other policy weapon, monetary policy, also has been criticized. The charge is an echo of the persistent view of Prof. Milton Friedman of the University of Chicago that inflation is created in "the stately and impressive Grecian temple on Independence Avenue [in Washington] that houses the Governors of the Federal Reserve Board." The Board's critics among the bankers, businessmen, academicians, and at the Capitol insist that the stated policy of monetary restraint has been seriously at odds with the Fed's actual practice since 1970. They note that the money supply, defined as currency in circulation plus demand deposits, expanded by 4.5 percent in 1970. Thereafter, it hit the up-escalator with a 7.0 percent expansion in 1971 followed by 6.4 percent and 7.4 percent in '72 and '73.

According to this thesis, the Fed—fearful of the persistently high six percent unemployment rate—switched from monetary restraint to markedly expansionist tactics. A major aim was to try to bring down unemployment prior to the 1972 election campaign.

The newest member of the Board, Henry C. Wallich, formerly of Yale University and the Treasury Department, indicated recently that the switch from restraint indicated the Fed's impatience with the failure of its tight credit policy to help reduce the inflation inherited by the Nixon Administration. In a May 30 speech, Wallich cautioned that monetary policy is effective only when applied in a most gradual way. He said that the Fed's "impatience with the slowness of results" of the monetary restraints of 1968–71 became a prime cause of the continuing inflation after 1970.

At the Capitol and even among some of the FRB's own regional presidents, there is growing frustration at what is regarded as the contradictions between the Fed's endlessly-reiterated policy of keeping the money supply from expanding too swiftly and its expansionist practice. However, there is recognition that too tight a rein on the money supply can cause a broad-scale "money crunch," including a crisis for the savings and loan and other savings institutions. There also is recognition that out-of-line federal spending puts great pressure on the Fed to expand the money supply, and that Burns is correct—up to a point—in leveling an accusatory finger at his severest congressional adversaries, like Chairman Wright Patman of the House Banking Committee.

At the same time, they believe that Burns has tried to do too much. As an influential Congressional staff member put it: "Burns has been overly-ambitious in his policy moves. He has tried to do contradictory things, notably in his attempts to play the Big Daddy on both prices and unemployment. His eye should have been more on the price precinct."

A House Banking Committee staff member recalled that Shultz, as the Labor Secretary, used to advise the unions *not* to bet on inflation. He repeatedly warned labor leaders not to raise their demands too high. Such action, said Shultz, would foolishly ignore the Administration's monetary and fiscal policies for keeping prices under restraint. The practical effect, according to the Shultz strictures, was that labor would be courting unemployment. "Experience" said the committee official, "now shows that Shultz was dishing out lousy advice to his AFL–CIO pals."

Updating his comment, he noted that a

July 1974 Administration bid for union restraint must seem to the unions "like an invitation to play Russian roulette." As he put it: "Judging by the past, the Fed's going to ratify those 15 percent wage demands" by expanding the money supply accordingly.

MONETARY AND FISCAL TOOLS ARE "NOT ENOUGH"

Ex-Cost of Living Council Chairman John Dunlop has agreed that fiscal and monetary policy are "the major tools" for cooling off or stimulating the economy. However, he represented a developing point of view on the Hill and among union leaders, bankers, and economists when he added: "But I reject the absolutism and exclusivity of this [analysis]."

He added this comment in a June 1974 speech in San Francisco:

"The experience of recent years supports the realistic judgment that monetary and fiscal policies are not sufficient tools by themselves to restrain effectively the types of inflation we have had. . . . It matters little whether monetary and fiscal tools are inherently inadequate to deal with contemporary inflation or that the users are inhibited by practical considerations in their application of these classical measures. The simple fact is that monetary and fiscal tools are not enough . . . and we must get to the task of developing other measures even though their contribution might be less immediate or powerful."

In the same vein, a 1974 Joint Economic Committee report said this of the lessons of the 1973 inflation: 1973 has shown that "inflation is a hydra-headed problem, and a more sophisticated set of policy instruments must be developed to deal with it." The report added that monetary and fiscal policy "must be coordinated with specific programs directed at particular sectors of the private economy and at the relationship of the domestic economy to the world economy."

However, businessmen and economists at July 1974 White House sessions on inflation found a frosty welcome for policy initiatives going beyond fiscal and monetary restraint. They indicated that the President and his principal economic advisers, notably Greenspan, appeared to have little interest in policy "innovation."

The Administration officials noted that the only revised ingredient in their formula was the willingness "to tough out" a restrictive policy for a year or two regardless of the fallout of political chips or casualties. In a subsequent comment on the practical implications of this "steady-as-we-go" approach, Greenspan said: "Certainly you run a risk [of politically-dangerous unemployment]. And the probability is that you'll get a sluggish, perhaps stagnating economy." But he indicated that the government, particularly the Fed and the White House, must stop trying to have it both ways, with restrictions to cure inflation and concomitant money supply expansion to ward off unemployment. Greenspan's preoccupation with fiscal restraint also was underscored by his answer on an earlier occasion to a question about his three dominant priorities: "The budget. The budget. The budget."

In partial rejoinder, a high executive of one of the largest manufacturing corporations who was not at the White House meetings said: "This 'sweat-it-out' policy would be fine by itself if the so-called free market were as free as the Greenspans and the Simons say it is. But it ain't all that free. There's where the fantasy comes in."

NIXON AND THE JAWBONE

As for the White House "jawboning" scorned by Nixon over the years but discussed with favor in the President's July 25 speech on the economy, observers are skeptical about his authority to wield the jawbone effectively these days. For example, the President's friend and supporter, Victor Riesel, the syndicated columnist, wrote this in mid-July about the White House's frustrations in its relations with the labor movement on inflation policy:

"They [the White House staff] want restraint by labor. The White House wants to ask for it personally. But Dick Nixon now has no business agent."

There are lots of new faces [charged with doing something about labor policy] in the White House. Nice chaps. But they really don't know their way around, nor do they know anything about labor disputes and economic settlements.

"One former Nixon policy maker says, There literally is no effective communication between the White House and labor. I can't remember when this was so."

Two of the most effective Administration emissaries to labor had been Shultz and Dunlop, but both have departed. Federal Mediation Service Director W. J. Usery, Jr., a former Machinists official who also served as a liaison man between the Administration and George Meany in Nixon's first term, now is less than welcome at AFL–CIO headquarters. His protracted consideration and ultimate rejection of a high AFL–CIO job last year was not pleasing to the AFL–CIO high command.

Shultz, now a top officer of the Bechtel Corporation, San Francisco, offered a small assist in July by organizing a golf foursome at the Burning Tree Club near Washington with Meany and Kenneth Rush, the new White House counsellor on economic affairs. But Meany aides and ex-Administration figures view this as nothing but Meany's longtime practice as "a master power broker" of keeping the pipeline open to the White House. It is no signal, they say, that Meany, so long as Nixon remains, will offer support on economic issues.

In a July 29 colloquy with Senator Proxmire at a Joint Economic Committee hearing, Rush discouraged the notion of an activist President in executing stabilization policy. He indicated that there would be very little jawboning from the President or other White House spokesmen. He told Proxmire that he regarded the White House role on stabilization initiatives as closer to "education" than to jawboning.

Rush also coldly rebuffed the notion of White House promulgation of wage and price guidelines for management and labor. When Proxmire reminded him that guideposts had been "very successful from 1962 to 1966 [with the Administration getting] marvelous cooperation from labor," Rush displayed the minimal possible enthusiasm for such counsel.

As for his relations with Meany, Rush said in an interview that he has "a very high regard for Mr. Meany." He indicated his hope that the lines can be kept open to the AFL–CIO but declined to make any comment about what he is doing to assuage what Washington observers regard as the most bitter conflict between labor and the White House in U.S. history. As a Meany spokesman noted: "This is much worse than when John L. Lewis [the United Mine Workers' president and the country's most influential labor leader at the time] turned on FDR and called his Vice President Cactus Jack Garner 'a poker-playing, whiskey-drinking, evil old man.' "

A PLUS FOR CONGRESS

The 1974 Congressional Budget and Impoundment Control Act requiring the establishment of Senate and House Budget Committees is designed to shuck the fragmented and unprogrammed congressional approach to appropriating money. It has had widespread praise, particularly for its anti-inflation implications. James W. McLane, the former Deputy Director of the Cost of Living Council, has called it "the most important law passed in the last five years. For the first time, the Congress will have the budgetary planning and analytical arm it has never had before." The plaudits have come from all areas of the political scene. John Dunlop has noted that congressional assertion of control over its own appropriations process is a fundamental first step toward an effective national stabilization policy.

Nevertheless, supporters of the law are reserving judgment about its effects. After saying this is "clearly a step in the right direction and long overdue," Alan Greenspan, the chairman-designate of the Council of Economic Advisers, was asked if "it will work."

His answer: "I will announce it a success when we go through the first round of that and all the individual budgets are cut down a little bit, and we're . . . [hearing] all sorts of howls in the process." Also giving pause to observers is the failure of a comparable experiment under the 1946 Congressional Reorganization Act. The Act called for a unified budget, but the process was deemed so unsatisfactory that it was abandoned after one year.

A WARNING WORTH REPEATING

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. TALCOTT. Mr. Speaker, many of us who serve in the Congress are deeply concerned that unless the people of this Nation become aware of the irreversible damage that is being done to our land, the water and the air, we will soon find our natural resources fully depleted, the land destroyed, the air fouled, and the water polluted.

Neither the threat, nor the recognition that the danger exists, is new. Sixty-six years ago President Theodore Roosevelt spoke before the Conference on the Conservation of Natural Resources. I would like to share some of his words with you today:

> We have become rich because of the lavish use of our natural resources, and we have just reason to be proud of our growth. But the time has come to inquire seriously what will happen when our forests are gone, when the coal, the iron, the oil and the gas are exhausted, when the soil has been further impoverished and washed into the streams, polluting the rivers, denuding the fields and obstructing navigation. These questions do not only relate to the next generation. It is time for us now as a Nation to exercise the same reasonable foresight in dealing with our great natural resources that would be shown by any prudent man in conserving and wisely using the property which contains the assurance of well being for himself and his children.

As Americans, we have certain unalienable rights, but we also have "unalienable responsibilities." One of these is to protect, conserve and restore our natural resources.

STATEMENT ON IMPEACHMENT

HON. IKE F. ANDREWS

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ANDREWS of North Carolina. Mr. Speaker, it became apparent some months ago that I as a Member of the U.S. House of Representatives might be called upon to consider certain articles of impeachment against President Nixon. I gave much consideration to how I should approach this awesome potential responsibility.

I concluded that my essential task was to prepare myself to cast as fair and as intelligent a vote as was possible. To this end, I determined that I should not in any manner or to any degree engage in any public prosecution or defense of the President and that I should keep an open mind until such time as I became aware of clear and convincing evidence of the President's guilt of impeachable offenses and that unless and until such should occur, I should presume him innocent.

I began and have continued to study the law and the evidence involved in this issue.

During many weeks of such study and consideration I was of the opinion that the key to my judgment might well rest upon what interpretation I placed upon those pertinent words in the Constitution, "high crimes and misdemeanors." I no longer believe it necessary, in this instance, to distinguish between a narrow or a broad interpretation of those words.

As the evidence increased in quantity and in weight, it seemed to me that the most pertinent criminal statute might be USCA 18, section 1510. This statute provides that its violation is a felony. That is to say, it is more than a misdemeanor. It is a high crime. I am attaching a copy of that statute hereto and in its entirety. Its entitlement is "Obstruction of Criminal Investigations".

On August 5, 1974, I read a statement issued by President Nixon on that day, which statement made reference to a conversation which he says occurred between himself and his Chief of Staff, H. R. Haldeman, on June 23, 1972. On yesterday, August 6, 1974, I read a transcript of that conversation as released by the President. Both of these documents are now matters of public record.

This admitted conversation by the President makes it clear that some 6 days following the Watergate break-in—wherein persons other than the President violated criminal statutes of the United States and for which they have been convicted and sentenced by Federal Courts—and at a time when the Federal Bureau of Investigation—a "criminal investigator" as defined in the above statute—was conducting an investigation of such crimes, President Nixon directed H. R. Haldeman to "obstruct" and even to "prevent" such investigations of such crimes for reasons admitted to be personal and political.

It is my considered and firm opinion that the President's directive to Mr. Haldeman constitutes strong evidence of a violation of USCA 18, section 1510 and that such violation constitutes an impeachable offense as defined in the Constitution; namely, high crimes or misdemeanors.

I am now convinced that in order for the House of Representatives to adhere to responsibilities assigned to it by the Constitution, this body must deem it justified and necessary to call upon the U.S. Senate to conduct a trial of President Richard M. Nixon upon a charge of the commission of impeachable offenses.

Therefore, I have determined that I will vote at least for article 1 of the bill of impeachment against President Nixon.

The material referred to follows:

OBSTRUCTION OF CRIMINAL INVESTIGATIONS

§ 1510. Obstruction of criminal investigations.

(a) Whoever willfully endeavors by means of bribery, misrepresentation, intimidation, or force or threats thereof to obstruct, delay, or prevent the communication of information relating to a violation of any criminal statute of the United States by any person to a criminal investigator; or

Whoever injures any person in his person or property on account of the giving by such person or by any other person of any such information to any criminal investigator—

Shall be fined not more than $5,000 or imprisoned not more than five years, or both.

(b) As used in this section, the term "criminal investigator" means any individual duly authorized by a department, agency, or armed force of the United States to conduct or engage in investigations of or prosecutions for violations of the criminal laws of the United States. (Added Pub. L. 90-123, § 1(a), Nov. 3, 1967, 81 Stat. 362.)

CROSS REFERENCES

Wire or oral communications, authorization for interception, to provide evidence of offenses under this section, see section 2516 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1961, 2516 of this title.

TEXACO INCREASES OIL DRILLING

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. COLLINS of Texas. Mr. Speaker, last week, Texaco released its operations report for the first 6 months of 1974. During recent months, press headlines have stated that Texaco and other major oil companies have shown tremendous profits. Unfortunately, these news stories do not examine the figures and do not note the underlying causes of the operations facts. I would like to share with my colleagues some of the actual figures as contained in the Texaco report.

Texaco's revenue from domestic operations dropped from $199 million in 1973, to a figure of $183 million in 1974. This is a decline of 8 percent. Although worldwide net income was up for the first half of 1974, Texaco's Chairman and Chief Executive Officer Maurice F. Granville noted:

> Market prices outside of the United States late in the second quarter of 1974 began to decline from earlier levels following resumption of more normal deliveries after the cutbacks and embargoes were withdrawn. It also becomes apparent that substantially higher world market price levels for petroleum products, as well as conservation practices were having a significant dampening effect on demand.

It is also interesting to note that $25 million of the increase in the company's total earnings was attributable to the effect of the higher net value, in terms of U.S. dollars, of operating earnings realized in the currencies of foreign countries. Here we have a foreign exchange valuation figure which is strictly a paper profit figure.

Texaco made one more extremely important comment regarding international operations. They referred to Libya's nationalization of Texaco's interests in that country. We never seem to mention the fact that these oil companies have suffered nationalization and loss of assets in their foreign investment and high-risk business.

Inventory profits for the first 6 months of 1974 were $339 million for Texaco. This money, in turn, was reinvested to provide replacement inventories of petroleum. While inventory profits provided a higher statement for Texaco during this period, they are nonrecurring. Next time there could be an inventory loss.

Maurice Granville pointed out that—

> Earnings for the first six months, excluding inventory profits, averaged less than 2 cents a gallon for all petroleum and products sold by the Company during the period.

Let us look at this profit. Last week I was commenting on the average 15 cents in sales and excise taxes that rest on every gallon of gasoline sold at the pump. This means that for every 2 cents profit Texaco earned on a gallon of gasoline, seven times as much was paid in Government taxes at the service station.

I was impressed with Texaco's leadership in working to solve our current energy domestic crisis. During the first half of 1974, Texaco's capital and exploratory expenditures for additional oil and gas production totaled $1,060,000,000. If you consolidate all types of worldwide net income and every paper figure, you come up with a figure of $1,049,771,000. This means that Texaco more than reinvested all of its earnings during this first half of 1974 into additional oil exploration and development.

What is the summary of Texaco's first 6 months report? These two key facts stand out: The first one is that earnings on actual operations within the United States which were based on the business operations themselves, were down 8 percent from 1974 compared to 1973. The next important fact was that, including all types of profits from all worldwide sources, Texaco had capital and exploratory expenditures larger than gross earnings received. In other words, Texaco has met the challenge, and is expanding tremendously on its drilling and development program. This expansion was made in spite of the tremendous risk involved and the decline in domestic earnings.

What this country needs is to encourage more growth and development in the oil business. Otherwise, the energy shortage that hit us a few months ago will come back with increased severity in a couple of years. America must become self-sufficient and America must develop more and more of its energy reserves. Texaco is to be congratulated on the aggressive leadership they are taking in meeting America's energy crisis.

RACISM—APPROVED AND DISAPPROVED

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. LANDGREBE. Mr. Speaker, I would like to insert into the RECORD an article from the July 25 New York Times about the Onondaga Indian tribe in upper New York State. Racism comes in all colors: black, white, red, and yellow. Yet it is only white racism that is disapproved by the mass media and the liberal intellectuals. All other forms of racism are praised by the liberals as progressive, if not entirely virtuous. I think that the result of racism and radicalism among the blacks and the Indians has been largely ignored by the media. The ruthlessness with which the radical racists of all races oppress those who do not share their "progressive" and "liberal" views ought to be given much greater coverage in the press than it has been.

The article follows:

DEFYING INDIANS, FAMILY BURNS HOME RATHER THAN TURN IT OVER TO CHIEFS

(By David Bird)

NEDROW, N.Y.—A white woman and her Indian husband last night burned the house in which they reared their 11 children, rather than turn it over to chiefs of the Onondaga tribe.

The burning came after three days in which Indians raided and harassed white and mixed-blood families that were resisting a three-month-old ultimatum by the chiefs to vacate the Onondaga reservation near Syracuse. White families have reportedly been menaced and beaten and their homes vandalized.

The chiefs insist that local authorities are powerless to abrogate their sovereignty, although today they agreed to meet with a black Federal mediator, whom they accepted as the representative of another sovereign entity, the United States of America.

The couple who burned their home, Calvin and Ruth Gibson, had built the house themselves over a period of 25 years. They were among seven families who had resolved to challenge the chiefs' eviction notice. Twenty-two other families had left within the last two months, bowing to the wishes of the Indian council, which said the reservation was becoming too crowded.

Yesterday afternoon, Mrs. Gibson said, a group of Indians drove to her home overlooking a broad valley and tormented her family. Her husband, a full-blooded Onondaga, is crippled.

"They crashed the doors, beat us and said we had to get out because they were going to move a chief into our house," Mrs. Gibson said tearfully as she sat in the fire station of this town on the edge of the Indian lands. The station serves as the command post for Sheriff Patrick Corbett of Onondaga County, who had 110 deputies working through the night to keep order on the tense reservation.

FRIENDS AIDED EVACUATION

Mrs. Gibson said that after the raiding Indians left, she and her husband had decided that if they could not keep their home, they did not want their tormentors to have it. Hurriedly, they cleared out their belongings, loading them into cars and trucks driven by friends.

Then they set a match to a gasoline-soaked mattress and watched as the house burned down to the basement and concrete-block foundation.

This afternoon, one of the Gibsons' sons, 19-year-old Gary, poked through the still-hot ruins of the house to salvage bits of copper tubing and pipe. The rest of the family is split up, staying temporarily with relatives and friends.

"I want to make sure we get everything," Gary said as he worked, occasionally burning his hands. "I sure as hell don't want the chief to get anything. They're too lazy to fix up their own houses, so they just try to take someone else's."

For the Gibson's the question of staying on the reservation has been settled with grim finality. But a few of the other white and mixed families still hope to be able to remain.

The Indians have spurned the idea of negotiations, suggested by the local District Attorney. Moreover, the issue is complicated because treaties with the Federal Government have guaranteed the Onondaga chiefs sovereignty over the area.

CIVIL LIBERTIES CONCERN

Local civil liberties groups are concerned about the legal rights of the Indians and also about the basic protection of law for the whites. "We're torn between our support of sovereignty and our insistence on due-process protection," said Clifford Forstadt, director of the central New York chapter of the American Civil Liberties Union.

Mr. Forstadt said that a group of Indians had pushed him down a flight of stairs as he tried to block a summary eviction yesterday.

"I am appalled by the denial of due process," he said, adding that the Indians might have the right to banish people from the reservation but that each case must be weighed legally.

District Attorney Jon K. Holcombe made no headway with his suggestions that he intercede legally to press the chiefs' claims in court.

Leon Shenandoah, one of the chiefs, rejected this offer, holding to the view that no one but the Indians had authority on the reservation.

Mr. Holcombe was reduced to such gestures as pleading for the rights of one white man to return to his home to pick up some clothes before leaving for good.

The man was George Dimler, who has lived on the reservation with his Onondaga wife for 30 of his 63 years.

"I'll get out," said Mr. Dimler with tears welling. "I don't want my wife or anybody to get hurt."

Some of the worried residents here said that before the trouble had flared openly this week, they had been assured that state troopers would respond when summoned for help.

But, they said, no troopers came when they called yesterday. Today, Sgt. Fred Fessenger of the Lafayette station of the state police acknowledged having received the calls. He said the information had been routed to the sheriff's office because "eviction is a civil process."

The sheriff's office disputed this interpretation, asserting that the state police wanted to avoid a ticklish job.

"I think we were thrown a hot potato and had to grapple with it," said William Lynn, the deputy on duty at the command post here.

Not all the reservation Indians have agreed with the Chiefs' position, and some say they have been threatened and driven off.

"They accused me of being a defender of whites and Christianity, and they said those two things have to go," said Alice Thompson, an Onondaga, as she rested in the bingo hall of the fire station.

Miss Thompson said she had wanted to see more democratic involvement on the reservation, adding that the Chiefs had dispersed tribal money as they wanted, without accounting to anyone.

"It's my nation," Miss Thompson said, "but it's become a dictatorship with just one group of families—the Shenandoahs, the Cooks and the Powlesses—deciding everything themselves in the Long House.

The Federal official who joined the discussions with the Indian leaders was Edward Cabell, a mediator with the Department of Justice. He flew in last night. By late afternoon he was called into the Long House for an hour of discussion. His only comment was that "discussions are being held."

Oren Lyons, one of the chiefs, took the opportunity to reiterate what he said was the right of the chiefs to take over property and evict whites. He showed a letter written on July 2 to President Nixon stating that if the United States did not evict the whites, the chiefs would. He said the United States did not act, therefore, the chiefs' hands were forced.

IMPEACHMENT OF THE PRESIDENT

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. LENT. Mr. Speaker, the revelation that the President held back evidence and deceived not only his own counsel and staff but also the Congress and the American people as well, has gravely shaken public confidence in him and wounded his ability to continue to lead our Nation. The June 23, 1972, transcript clearly demonstrates that he knew of the break-in into Democratic Party headquarters long before the March 21, 1973 date he previously stated, and worse, that he was personally involved in the coverup and misused the FBI and CIA for these purposes. On the basis of his own admission of August 5, 1974, and my examination of all the evidence, I have arrived at the unhappy judgment that the President is guilty of obstruction of justice under article I of the charges leveled by the House Committee on the Judiciary.

In addition, the new evidence made available August 5 may well cause me to vote "aye" on article II which charges that the President misused his power.

The most important aspect of our entire system of government is equal justice under the law—the principle that no person—whether he be rich or poor, black or white, ordinary citizen or President—is above the law. Coverup of criminal activity and misuse of Federal agencies can neither be condoned nor tolerated. And as long as we adhere as a Nation to this principle, our Nation will remain great and strong.

A PERCEPTIVE COLUMN ON THE FISCAL YEAR 1974 ALL-VOLUNTEER FORCE RESULTS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, George Will's newspaper column has proved to be a source of commonsense and good advice to a nation in need of wise counsel. A topic on which he is particularly knowledgeable is the all-Volunteer Armed Force.

Recently, he noted the results of the 1974 program particularly in terms of manpower quality and socioeconomic composition. The success of the first year without the draft, as he states, demonstrates that "the all-Volunteer Force stands out as the rarest kind of Government achievement. It is a program that is and ought to be popular."

I shall insert this item in the RECORD and I commend it to the attention of my colleagues:

[From the Philadelphia Inquirer, Aug. 4, 1974]

NIXON DESERVES CREDIT FOR THE ALL-VOLUNTEER ARMED FORCE

(By George F. Will)

WASHINGTON.—As the rafters crash down around him, let us pause to praise one of Mr. Nixon's finest achievements, the all-volunteer armed force.

The evidence from fiscal year 1974, which ended June 30, is that the three major worries about the all-volunteer force—that there would not be enough volunteers, that they would not be of sufficiently high quality; that they would include "too many" blacks—were unwarranted.

The four services were authorized to have a strength of 2,174,000 on June 30. They had 2,163,000.

Determined critics of the all-volunteer force, disappointed that there have been adequate numbers of volunteers, now are claiming that today's volunteers are of a lower quality than yesterday's conscripts.

It is standard and sensible practice to compare today's force with the 1964 force. That was the last year of the pre-Vietnam era, and total strength of the forces was approximately the size it is today.

In 1964, 68 percent of all new entrants had high school diplomas. Today 66 percent do. The percentages of new entrants who are high school graduates has risen since 1964 in the Air Force. But the statistics about high school diplomas are not significant.

There is no clear correlation between an enlistee's possession of a high school diploma and his ability to acquire and perform a military skill. The relevant statistics are these: In 1964, 85 percent of all new entrants scored "average" or "above average" in trainability testing. The figure today is 90 percent.

People who say today's recruits are of low quality do not understand the facts. People who say there are "too many" blacks in the armed forces do not understand the facts, or the Constitution.

The American military age population is 13 percent black. The most recent statistics on blacks as a percentage of the military's total enlisted strength showed that blacks comprise 15 percent of that total.

Blacks comprise 21 percent of new enlistments in fiscal 1974.

The percentage of black volunteers is higher than the percentage of blacks in the population for the same reason that for years, the percentage of rural and Southern volunteers has been higher than the rural and Southern percentage of the population. Enlistment is especially attractive to people whose opportunities in the civilian economy are limited.

That is why Army Sceretary Howard Calloway, a Georgian, is correct in insisting that the number of black recruits is "a success story. Blacks see the Army as a place where they get a fair shake, and they do."

Thus in the irremedial confusion of Washington today, the all-volunteer force stands out as the rarest kind of government achievement. It is a program that is and ought to be popular.

THE NATIONAL POWER AGENCY

HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. TIERNAN. Mr. Speaker, today I am reintroducing a bill to establish a national power grid and a series of bulk power supply agencies. The purpose of this legislation is to assure an adequate, reliable, and low-cost electric power supply consistent with the enhancement of environmental values. It will concomitantly promote competition in the electric power industry and preserve a semblance of equilibrium in our balance of payments through reduced demand on foreign oil.

I have previously spoken to the Congress at length on the environmental and cost benefit justifications for a national power grid. Today I will concentrate on reasons why, from a standpoint of high foreign oil prices and our precarious balance of payments situation, my legislation should be acted upon by the Congress immediately.

The shortage of low-cost fuel known as the "energy crisis" has taught us that we can no longer afford to waste our precious fuel reserves. The horrendous increases in foreign oil prices and the resulting havoc in our balance of payments has made energy conservation a paramount objective in the years ahead.

There is a substantial amount of waste in our production of electric power. In particular it has been estimated that we produce 27 percent more power than we consume. Why? Because each utility company has the burden of maintaining power reserves to compensate for equipment breakdown and other emergencies. An interconnected grid system in this country would obviate such a surplus power reserve, produce a cost saving factor of about one-third, and most importantly, would dramatically reduce our dependence on foreign oil.

How does this system work? Say New York experiences an equipment breakdown at the peak load time of 5 o'clock and has no power reserve. With my grid system, power could be transported from Los Angeles, which is 3 hours behind New York and not at peak load time, to New York. Thus New York would not have to maintain a reserve load of wasted power.

Is it really important to reduce our demand on foreign oil? Yes, not even considering the possibility of an oil embargo by the Arabs, simply too much money is leaving this country to pay for imported oil. We must accept the admonition of Gerald Pollack in "The Economics of the Energy Crisis," Foreign Affairs, April 1974, that:

> If demand does not fall off appreciably when prices rise and if supplies remain tight, import bills will keep rising. By 1985 they might well approach $200 billion, some $150 more than in 1973.

A national power grid would do much to appreciably reduce this country's reliance on foreign oil through the efficient and rational allocation of our electric power.

I would also like to point out for the record that if we are ever to have the large-scale implementation of solar energy and/or tidal power, we must have a national power grid. The aforementioned power sources will be in remote areas, and unless we have an interconnected system of extremely efficient high-powered transmission lines, we will never be able to utilize these clean, inexhaustible power sources.

The bill that I am reintroducing today would establish a National Power Grid Corporation, financed by tax exempt bonds. This corporation would, be responsible for the bulk supply of electric power. It could generate power either by contracting with existing utilities or by construction and operating its own large-scale plants. The corporation would move this power throughout the country using a "grid" system of extra high voltage transmission lines.

In each of the regions of the United States there would be established a Regional Bulk Power Supply Corporation. These corporations would be largely independent of the National Corporation. Direction would be by a three-man board, one member representing private power companies, one representing public companies and one representing consumers. They would market the National Grid's power to the utilities in the region but would not be in the business of distribution. Rather, they would sell their power through a series of transmission lines to the utilities in the region, private and public, who would then market the power to the consumer.

Further the system of the grid will eliminate the burden utilities now have of maintaining reserves to compensate for equipment breakdown and other emergencies. The resulting operating efficiencies could produce a cost/saving factor of one-third which would be passed on to the consumer.

RELIEF OF "SQUALUS" CREW

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. SKUBITZ. Mr. Speaker, today I have introduced a bill which would provide for the relief of the officers and crew of the U.S.S. *Squalus*. This bill would authorize the Secretary of the Navy to pay each person who was an officer or an enlisted member assigned to duty aboard the U.S.S. *Squalus* at the time of its sinking on May 23, 1939, an amount equal to the submarine pay he would have received, pursuant to the act entitled "an act to provide additional pay for personnel of the U.S. Navy assigned to duty on submarines and to diving duty"—(45 Stat. 412, approved on April 9, 1928—as amended, if the U.S.S. *Squalus* had not sunk.

Mr. Speaker, the U.S.S. *Squalus* sank on May 23, 1939, as the result of mechanical failure. Of the 59 crew members and civilian employees on board, only 33 survived. From May 23 to November 13, 1939, surviving members of the crew were assigned to the salvaging and drydocking of the submarine. During this period these men continued to receive submarine pay. After they had been reassigned to other ships, the Comptroller General ordered repayment of the submarine pay on the grounds that they were not on active submarine duty. It is my understanding that this period of not being on active submarine duty includes the period of time that the submarine was on the bottom with all hands on board. Since the payments had already been made, the crewmen were required to make repayment from their subsequent salaries, adding financial hardship to the physical and emotional damage already inflicted.

When this situation was brought to my attention, I took the matter up with the Secretary of the Navy. I informed him that I thought it was disgraceful that these men were docked their pay, although they were still in the Navy and worked for the Navy during all that time. I have received this reply from J. William Middendorf II, Secretary of the Navy:

> The Comptroller of the United States ruled in his decision B-4764 of July 21, 1939 (19 CompGen 90), that neither officers nor enlisted members were entitled to receipt of submarine pay after the sinking. As indicated in this decision, the law authorized payment of such pay to officers while serving on duty on board a submarine, and to enlisted members while assigned to duty on board a submarine. In an earlier decision (A-84974 of April 13, 1937), the Comptroller General ruled that, in the case of an enlisted member, a temporary omission of actual service up to 30 days is permissible without a loss of submarine pay. The Comptroller General concluded by deciding that it was impossible for the officers of the U.S.S. *Squalus* to actually perform duty on board the vessel and that the omission of service on the part of the enlisted members exceeded 30 days; therefore, payment of submarine pay was not authorized.
>
> Unfortunately, decisions of the Comptroller General are conclusive and binding on the Navy. Since this injustice resulted from such a decision, the only remedy would be enactment of relief legislation.

Mr. Speaker, since it is obvious this wrong can only be righted by legislation, I am today submitting this bill. I hope that this matter will be given the careful, sympathetic attention that it deserves.

EDUCATIONAL NEEDS OF THE HANDICAPPED

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. BRADEMAS. Mr. Speaker, last week the House gave overwhelming bipartisan support, by a vote of 323 to 83, to the conference report on H.R. 69, a bill to extend the Elementary and Secondary Education Act.

Included in that bill, Mr. Speaker, as I told my colleagues at the time were provisions of vital importance to 7 million handicapped children in our society: an extension of the title I ESEA set-aside for the handicapped as well as an extension of the Education of the Handicapped Act.

The conferees on H.R. 69, Mr. Speaker, agreed to accept in modified form an amendment first offered by the distinguished senior Senator from Maryland, the Honorable CHARLES McC. MATHIAS, which would significantly increase for the fiscal year 1975 only, the amounts of money the Federal Government provides to the States for educating the handicapped.

This 1-year increase was accepted in order to provide States under court order to make available the educational services the handicapped need, immediate relief pending the approval of H.R. 70, a bill to enable the Federal Government to pay up to 75 percent of the excess costs involved in educating the handicapped, which is now under consideration before the Education Subcommittee I am privileged to chair. The 1-year increase, Mr. Speaker, is in effect, a stopgap provision to help handicapped children until a more comprehensive bill can be passed.

Mr. Speaker, on Sunday, May 19, 1974, the New York Times published an excellent article by Richard Flaste describing the current practice of "mainstreaming" handicapped children—placing them in classrooms with their nonhandicapped peers—and the educational and financial difficulties involved in providing services for the handicapped.

Because I believe this article accurately describes the problems involved with special education as well as the need for additional money for teachers and equipment, I insert it at this point in the RECORD:

[From the New York Times, Sunday, May 19, 1974]

HELPING HANDICAPPED INTO EDUCATION'S MAINSTREAM

(By Richard Flaste)

At least one out of 10 school-age children is handicapped, suffering from deafness, blindness, speech impairment, mental retardation, physical deformity, an emotional disorder or some other potential obstacle to performing effectively as a student.

These handicapped children are at the heart of a change, in philosophy and practice, that is affecting school systems throughout the country. There is a movement to "mainstream" many of these children, to put them into classrooms with their nonhandicapped peers.

A century ago the school systems' principal method of dealing with most handicapped children was to ignore them. The systems left it up to the Helen Kellers of the country to rise through extraordinary courage, while others remained in limbo.

Later, efforts were made, with both humanitarian and educational rationale, to give these youngsters "special education in classes of all handicapped students. They could learn at their own rates and not feel peculiar. There were—and are—good segregated classes for the handicapped, classes offering specialized, individual instruction. For some of the severely disabled, this may be the only possible form of education.

But in the minds of many educators and government officials, this system means segregation. In many instances, there has been neglect of children and low-quality instruction. A child diagnosed as less competent than his "normal" peers might be assigned to a "special class" and life there, out of sight and out of touch with society.

So today there is the movement to integrate handicapped children from preschool through high school, all the while providing them with support services. The movement has taken on such force and speed that some educators fear that the welcome opportunity may be lost through hasty implementation.

Ten states—Arizona, Arkansas, Connecticut, Colorado, Florida, Massachusetts, Mississippi, New Jersey, Tennessee and Texas—have used the law and special executive decrees to mandate a general thrust toward "mainstreaming." In many other states (New York among them), the movement is more amorphous, but the philosophy clearly exists.

The drive toward mainstreaming is intertwined with the declared desire to provide adequate education for all children. There is wide agreement that perhaps 50 percent of the nation's 7 million handicapped youth are not having their educational needs met. Some are not in school at all; others are in classes where they trail behind, with no recognition of their problems.

A state well established in mainstreaming is New Jersey. There, for the last several years, educators have leaned heavily on a formalized team-evaluation approach. Psychologists and other specialists give each pupil psychological and medical examinations, and they study the social and learning histories of the child. Then the child, whenever possible, is given a regular classroom as his base of operations.

The child may leave that base periodically to get special help so he can keep up with everybody else: He may attend a "resource room" where he joins other handicapped children for instruction and help with emotional problems, or he may get assistance on a one-to-one basis from a teacher whose job it is to keep him on the right track. Some 15,000 children who in other times might have been segregated are being served in this program.

Children who cannot tolerate full-time mainstreaming, or whose learning capabilities are too low to deal with it, are integrated only part of the time, perhaps attending gym or shop with normal peers.

Massachusetts will begin a similar program next fall, but with a different approach. Teams of evaluators will assign a child to a position on a continuum of services that includes nine categories: from totally separated—for those so severely handicapped, say, the schizophrenic, that no integration seems feasible—to totally integrated.

Mainstreaming frequently calls for educational ingenuity, even though an integrated class usually has only two or three handicapped children. The deaf child with concomitant speech difficulties, for instance, doesn't have a problem in learning so much as he has a communication problem. So a teacher might be equipped with an overhead projector to use instead of a blackboard. The projector allows the teacher to write instructions and information for the whole class, keeping up the usual stream of talk—but without turning away from the deaf child who must see her lips at all times. Blind children are provided braille materials.

One difficulty is that some regular teachers who suddenly find themselves with handicapped children lack the insight to deal properly with the situation. This has happened in Pennsylvania, and this summer there will be a special program to train regular teachers for these situations.

While the movement is expanding, at the same time it is being criticized for poor coordination and inequitable administration. There is no coordinated "battle plan", or standardized guidelines, for mainstreaming, and no significant data on its efficacy, or on the number of children involved.

Martin Kaufman, a prominent researcher with the United States Bureau of Education for the Handicapped, complained recently, with some frustration, that mainstreaming is "a groovy word, but an ill-defined concept."

The bureau will be funding research in at least 15 states to determine for whom and under what circumstances mainstreaming is beneficial. And this summer, data should be available from earlier research done on mainstreaming in Texas.

As an example of administrative problems, in Arizona, where all school districts will have to integrate the handicapped to the extent possible by 1976, there is an estimated need for 3,000 more specially trained teachers.

Parents of normal children frequently pose a problem because they are uncomfortable with the thought of having handicapped children in a class with their own. Sometimes there must be discussions to foster understanding, and these parents are assured that the handicapped children would not be allowed to disrupt the education for everyone else.

There are other problems: For example, where does a child go if he has been integrated as a preschooler and there is no elementary school prepared to take him?

COST IS A MAJOR FACTOR

Another controversial aspect is cost. There is one view that mainstreaming may be cheaper for a school district because it avoids transportation and other special arrangements necessary for segregated schools. This view raises the question of how significant a factor finances is in the movement.

A second view is that mainstreaming, if it is done properly, can be as expensive as segregating the handicapped. Dr. Alan Abeson of the Council for Exceptional Children says that on the average it costs $35,000 to provide a complete education for a handicapped child, with 85 per cent of that going to salaries. With mainstreaming, he says, "you may eliminate a lot of segregated classes, but you still need the personnel."

An example of mainstreaming done with a large support staff is Intermediate School 237 in Queens, where the handicapped poulation (100 out of a total of 1,100) has about one staff member for every three students.

I.S. 237 does not use the resource room model. It employs instead a special education division that gradually prepares pupils to enter the mainstream, first only in shop perhaps, then if they are able, the children enter academic classes such as social studies.

This year there were 15 handicapped youngsters in academic classes (next year there should be 30), including a dwarf who had always been in segregated classes and a boy who had such behavioral problems as compulsive stealing and fighting.

The boy with the behavioral problems explained after a recent eighth-grade social studies class how important it was to be trusted enough to be allowed to enter the regular class, to be able to say hello to normal children in the halls, "you know, the way friends do."

A girl with cerebral palsy, articulating her words laboriously but with skill, said she would be integrated into academic classes next year and that she couldn't wait because it meant she would be treated like a "real person." She said, "I . . . am . . . so . . . happy."

SIMULATORS TRAIN CADETS AT NATIONAL RIVER ACADEMY

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ALEXANDER. Mr. Speaker, the old thinking on river navigation and training has given way to technology and the use of simulators to train modern-day river pilots.

I wish to share with my colleagues the third in a series of articles on the National River Academy which explains how technology has spread to river navigation:

[From the New Orleans Times-Picayune, July 4, 1974]

(Third of a series)

NATIONAL RIVER ACADEMY: SIMULATOR USED TO TRAIN CADETS FOR FUTURE WORK

(By Clint Bolton)

It had been an idyllic way to go to Helena, Arkansas. Seventy-two relaxing hours aboard the MV Elaine Jones of the Canal Barge Co., Capt. Billy Turfitt, master.

I had gone aboard one afternoon early in May at the Hess Terminal in Marrero. A few hours later the tow (four 295-foot barges carrying "black oil" to Peoria) eased upstream through thick river traffic and we passed under the Huey P. Long Bridge.

Cap'n Billy said, "Know what happens now?"

"Yeah . . . north of the Huey P. Long bridge you operate on Western Rivers Rules. Below that it is Inland Waters."

"Correct, and step to the head of the class. So you're goin' to the River Academy?"

"Yeah . . . Sounds like a good idea but I still don't know how they're gonna teach a young man all about the river in 22 months."

"Me, neither. But they've got some pretty sharp people up there. I was up there a few days. Brushin' up on rules of the road and the like. You know all these new Coast Guard regulations about licensing had us all jumpin' . . . even with grandfather's clause. Funny in a way. Here I been on the river almost all my life. Gotta lotta years in right here with Canal Barge and I have to prove I know how to pilot. After all these years . . . Well, I know the Coast Guard isn't tryin' to shoot us oldtimers down. But there's a cryin' need for pilots and masters. Building more towboats by the dozens, every year. Somebody has to man 'em. Qualified Personnel? By working right here on the river. Learning ever' little twist and turn. Sure you can teach a young feller in a classroom the Inland and Western Rivers rules . . . International Rules . . . how to read a chart . . . some engineerin' and a lot of other things we all learned the hard way. But that simulator . . . that's something else again. How you gonna fake wind, current, length of tow, tonnage, all the other conditions?"

SIMULATED FLYING

"Well, the whole thing started back in War Deuce with something called the Link trainer. Simulated flying conditions."

"I know that. But a tow is something else. Look, I'm not sayin' it can't be done. They've put men on the moon and they've transplanted hearts. I'd be stupid to say you can't do this or that. Personally, I think the River Academy is a great idea. But that simulator. I just dunno.

"Neither do I. That's why I'm going up to Henela."

A foreign flag freighter came rippin' by just then and Cap'n Billy was busy for a spell.

Three days later we shook hands and said the usual "See ya next time" things and I stepped off Elaine Jones into the Helena Marine Serviceboat. Cap'n Bill was out on the bridge. The last thing I heard was his shout, "Will you please find out about that simulator?"

I did.

Here's the straight dope on an instructional feature which, like the National River Academy, will be the first and only thing of its kind in our world.

The NRA's simulator can be used not only for instruction on the Mississippi but via electronic application could be adapted to the Niger, the Amazon, the Rhine, the Dneiper.

Not that emerging countries in Africa or more sophisticated governments elsewhere will be in a big rush to start their own piloting academies and install their own simulators. In due course the National River Academy will be geared to accept qualified cadets from overseas. That day is well in the future.

JOBS FOR CADETS

At the present and on into the next two decades the American waterways industry can absorb every cadet graduating from the Helena institution.

With Cap'n Billy Turfitt's farewell injunction in mind I asked Capt. Pierre R. Becker, superintendent of the academy, the big question.

"What's all this about a simulator?"

The I'm-glad-you-asked-me look was an ear-to-ear grin and Capt. Becker said. "Let me introduce Mr. DePola of American Airlines."

Then they went to work on me. J. A. DePaola is titled "Manager Simulator Operational Support" which means he is the main man in the development and use of simulator devices for training air lines pilots.

American Airlines is an acknowledged leader in this form of aviation instruction and at Fort Worth pilots from other domestic and foreign airlines are trained or "refreshed" on that company's simulators.

The river pilot simulator trainer will offer a sophisticated program that produces a 90 percent-trained pilot through economy, safety, quality, convenience, and performance.

POTENTIAL PILOTS

A potential pilot who completes the simulator program will be professed in safety, casualty reviews, radio telephone techniques, radar interpretation, rules of the road, and numerous hours actually operating a tow (via simulator) through designated hazarodus areas.

The simulator will also serve to upgrade pilots from small to medium to large tows, as well as serve as a management tool for rechecks of present masters and pilots every six months.

The simulator will train pilots through realistic duplications of actual circumstances a pilot will experience as he controls a mock-up of a towboat and her tow.

To the man at the controls, he will stand in a "pilothouse" typical of most towboats, and the view he will see out of its windows will be very much like he would see in any one of several pre-selected "test areas."

The scene he sees will be projected onto screens surrounding the pilothouse mock-up.

As he controls his "tow," the scene will change in response to his controls and the external "forces" imposed by an instructor.

The instructor can vary such conditions as river currents, wind velocity and direction, targets, and visibility. Emergencies which can be simulated include engine failures, generator failures or the appearance of an unexpected tow.

Realistic simulation of radio communications and radar presentations will also be included.

COMPANY EXECS

The River Pilot Simulator Advisory Committee, composed of 25 executives from towboat companies and shipyards, experienced captains, etc., is chaired by Capt. Noble L. Gordon, president of the Mid-South Towing Co. The committee established basic characteristics of the training simulator.

Type of Simulation: Includes model board, vamp. light, and computer-generated images. The model board type is recognized as the system that will meet NRA needs.

Barge Tow Presentation: A downstream presentation is more important than an upstream presentation and fully loaded barges will be more meaningful for training purposes than empties.

Horsepower: Capability of controlling horsepower ranges from 700 to 10,000 hp. The pilothouse controls will have the provision for 1, 2, 3 and 4 throttles.

Visibility: Zero, unlimited, limited, day, and night. Intermittent views of astern, port and starboard sides are essential.

Color vs. Black and White: A colored presentation is essential for identification of appropriate lights.

Current Adjustments: One to nine miles per hour. The simulator will be capable of displaying one of two models in a high water condition.

Eddy Currents: Reflected through current adjustments.

Sound: Whistle capabilities, engine noise level, air release-throttle, and swing meter.

Vibrations: Maneuvering—ahead, astern.

Radar: Appropriate radar presentation duplicating modelboard configuration, navigational aids, bridges, etc. Single radar (3-CM) one-half to six miles in range.

Communication, Radio telephone—one VHF.

Winds: Zero to 30 miles per hour—gusts from any direction included.

Emergencies: Engine failure, steering failure, loss of electric power, loss of air, and fire alarm.

Collision and-or Grounding: Sensing element—signal, alarm, and a taped noise level simulating the breaking up of rigging.

Traffic Models: Image of large and single tows and pleasure craft.

Pilothouse Controls: Full scale mock-up—operable gauges, swing meter, two searchlights, air gauges, and tachometers.

The model board simulates areas along the Mississippi, Illinois and Ohio rivers and the Gulf Intracoastal Waterway.

CONSTITUTIONALITY OF CAMPAIGN EXPENDITURE CEILINGS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. SYMMS. Mr. Speaker, the constitutionality of several of the proposed changes in our campaign laws has been seriously questioned by Prof. Albert Cover of Yale University in the summer 1974 issue of Policy Studies Journal.

Professor Cover very cogently points out that public financing would necessarily involve coercing citizens through their taxes to support the propagation of ideas they may strongly oppose. Limits on campaign spending may also limit freedom of speech and expression and insofar as limits favor incumbents they may deny challengers the equal protection of the laws.

Mr. Speaker, I believe these issues need to be raised and carefully considered. As Professor Cover concludes:

> The prospect of having major electoral rules rewritten by the courts should prod Congress into considering the constitutional issues likely to be raised there.

I should like to submit this article for the RECORD at this time:

THE CONSTITUTIONALITY OF CAMPAIGN EXPENDITURE CEILINGS

(By Albert Cover, Yale University)

In 1972 Congress enacted the first significant campaign reform legislation since the Federal Corrupt Practices Act of 1925. The Corrupt Practices Act nominally limited political contributions, but its loopholes were numerous and they were commonly exploited. No candidate was ever prosecuted for exceeding the contribution limitations of the Act. With one minor exception the Federal Elections Campaign Act of 1971 (FECA) repealed all contribution limitations, but it imposed expenditure limitations for the first time. Realizing that overall spending limitations would be very difficult to enforce, Congress set ceilings only on communications media.

The 1972 election proved somewhat disappointing to those who had hoped that FECA would reduce campaign spending and fraud, so more comprehensive reform proposals were introduced in the 93rd Congress. Many of these proposed reforms linked overall spending limits with some kind of public subsidy for campaigns. The intent of these reforms is clearly praiseworthy. They presumably would foster the ability of less affluent citizens to run for federal offices, prevent some well-financed political viewpoints from drowning out all others, and limit the influence of major contributors. More generally, reforms are intended to imbue the electoral process with greater equality of political opportunity.[1]

Congress admittedly has broad powers to regulate the electoral process, but these powers are constitutionally limited ones. Unfortunately, currrent reform proposals raise a number of grave constitutional questions. These questions are particularly significant in view of a recent federal court's decision declaring unconstitutional the enforcement mechanism of FECA's limitations on media spending.

I. ACLU V. JENNINGS

Section 104(b) of FECA provides that no newspaper may charge for advertisements "on behalf of" a candidate until the candidate certifies to the newspaper that such charges will not cause the candidate to exceed his media spending limitation. Similar certification is required of the candidate who would benefit from an advertisement critical of another candidate. In 1972 the American Civil Liberties Union attempted to place an ad in the New York Times opposing legislation to limit court ordered busing. The ad included an "honor roll" of Representatives who had previously opposed this anti-busing policy. The Times declined to run the ad until the ACLU had complied with FECA's elaborate certification procedure. The ACLU refused to comply and then sought an injunction against enforcement of FECA's certification procedure on various constitutional grounds. In the fall of 1973 a three-judge federal court handed down its decision in the case, *ACLU* v. *Jennings*.[2]

The most egregious constitutional difficulty discussed in the court's opinion involved prior restraints on free speech arising under FECA's certification procedure. The court pointed out that—

> "Candidates favorably named in ads . . . are provided with the opportunity of effectively blocking publication by refusing to make the requisite certification statements. They simply may not desire, for political reasons or otherwise, their names associated with certain organizations. . . . But the airing of opinion in a public forum must not be subordinated to political expediences."

A second problem pointed out in the opinion was the vagueness of certain crucial phrases used in FECA. A major loophole in the old Corrupt Practices Act was that candidates only had to report contributions made with their "knowledge or consent." To close the obvious loophole of limiting only expenditures made with the knowledge or consent of candidates, FECA included in its media limitations spending by or "on behalf of" candidates. In *ACLU v. Jennings* the court repeatedly castigated Congress for its failure to define clearly the crucial phrase. The court was particularly concerned lest nonpartisan and politically unaffiliated groups submit advertisements for print which would be viewed by the media as requiring certification even though the ads were issue oriented. It stressed that the "press is entitled to, and the Constitution demands, proper guidance free from ambiguity and vagueness" to exclude from coverage "expressions of opinion unintended and incapable of regulation." Considering FECA's ill-defined standards and its restriction on First Amendment rights, the court declared Section 104(b) "facially unconstitutional" and therefore enjoined its enforcement. FECA's media limitations were left intact, but they could not be effectively enforced.

Of course, the *ACLU* decision could be appealed to the Supreme Court, but it still raises thorny constitutional issues. If Con-

---

Footnotes at end of article.

gress engages in further electoral reform, it should face potential constitutional issues straightforwardly. Many such questions confront reform efforts, and clearly only a small number can be discussed here. This article will focus initially on the First Amendment issues discussed in the *ACLU* decision. In particular, can Congress enact enforceable spending limitations while still respecting traditional limitations on its power to regulate free speech? The article will then discuss spending limitations in light of the Constitution's guarantee that all persons shall enjoy equal protection of the laws.

II. FIRST AMENDMENT

Do spending limitations infringe on the First Amendment right of free speech? The question could be answered directly if the Supreme Court had ever considered Congress' power to enact general spending limitations, but there are no Supreme Court cases directly on this point. The Court has let stand prohibitions on the political activities of government employees and prohibitions on political contributions by unions and corporations.[3] The Court, however, has carefully exercised its prerogative of deciding cases on the narrowest of ground to avoid addressing major constitutional issues. It has done so repeatedly in cases involving limitations on political activity.

Even if the Court had upheld the constitutionality of political limitations on certain groups, it would not follow that the Court would approve blanket limitations on the political activities of the electorate. It is one thing to forbid unions to pool dues for political contributions but it is quite another to forbid individuals to use their own funds to support candidates of their choice.[4] The latter case raises much more sharply First Amendment problems.

Lacking any firm judicial guidance on Congress' power to enact spending curbs, we must determine less directly whether political expenditures are covered by the First Amendment's protection of free speech. As a preliminary point, "it is clear that the Amendment at times covers more than sheer verbal communications."[5] The protection of "symbolic speech" has been upheld on many occasions. Furthermore, debate on public issues would seem to be at the heart of what the First Amendment was intended to protect. The courts should be especially sensitive, therefore, to limitations on the amount of political information available to the electorate. Since spending limitations clearly restrict political communications, they are constitutionally suspect from the start.

This does not necessarily mean that expenditure ceilings are unconstitutional. Courts have not traditionally viewed First Amendment rights as absolute ones. Under a variety of circumstances their infringement has been sustained by the courts.

For example, under the "clear and present danger test" First Amendment rights can be abridged if laws are needed to forestall some imminent and substantial evil.[6] A second standard used by the courts, the "balancing test," provides a more appropriate way of assessing the constitutionality of spending limits. The balancing test weighs the government's interest in abridging constitutional rights against the individual's right to enjoy guaranteed freedoms. In balancing governmental and individual interests, the courts are often forced to determine whether there are any "less restrictive alternatives" or "less drastic means" by which the government's interest can be advanced.[7] The purpose here is to ensure that if First Amendment rights must be abridged, then they will be restricted as little as possible. This consideration raises the question of whether there are alternatives which do less violence to the First Amendment than do expenditure limitations.

Spending ceilings enforce a rough measure of political equality by reducing political communication to some arbitrary, maximum level. In contrast, a variety of other devices reduce inequality by increasing the flow of information to the electorate. Their intent is not to restrict the activity on behalf of some candidates but to ensure that all candidates have at least some opportunity to present their case.

The most commonly discussed device to guarantee at least a minimum amount of exposure for candidates is direct public subsidies for campaigns. A particularly attractive reform proposal is an expanded system of tax incentives for political contributions. Unlike direct subsidies, tax incentives do not require Congress to develop any formula for distributing funds. The flow of political contributions simply reflects the independent decisions of millions of taxpayers. Tax incentives thus avoid major constitutional issues.[8]

Other proposals would serve to increase equality of political opportunity to a lesser extent. The government could subsidize campaign information brochures; all candidates could receive a limited number of postal franks; broadcast advertising rates for political announcements could be reduced or subsidized. By themselves none of these proposals are likely to have great impact, but they do illustrate positive alternatives to expenditure limitations.

III. EQUAL PROTECTION

Although not often considered in this context, the equal protection doctrine raises further questions about the constitutionality of spending limitations. The crucial issue here is whether ceilings foster an invidious discrmination with respect to some class of candidates. If so, the proposed spending limitations would not be constitutional.

One could argue that spending limitations help challengers as a rule by preventing incumbents from exploiting fully their superior fund-raising capability. For example, in 1972 incumbent Representatives spent on average nearly twice as much as their challengers.[9] A strong counterargument, however, is that relatively few incumbents would actually be forced to curtail spending if Congress enacted "reasonable" ceilings ($90,000–$120,000). On the other hand challengers usually need to outspend incumbents by a substantial margin if they are to win. Only ten incumbent Representatives were defeated in the 1972 general election; on average they spent $40,000 less than their successful opponents. Given the enormous electoral advantage enjoyed by incumbents from other sources, spending ceilings probably discriminate against challengers. A study of campaign financing concluded that "to limit the amount of money which a candidate may spend does not equalize political opportunity; it simply aggravates other inequalities."[10] And these other inequalities favor incumbents.

The list of official allowances and subsidies available to members of Congress is long and diverse. Office equipment, district office rent and equipment, stationery, postage, telephone and telegraph service, travel, printing, government publications, radio and television recording studios, and mass mailing assistance are just a few of the perquisites of office. Between 1961 and 1973 the staff authorized for each Representative rose from nine to seventeen.[11] Since 1960 the volume of franked mail sent from congressional offices has tripled and now exceeds 250 million pieces annually.[12] The point is not that these resources are necessarily turned to overtly political ends but that using them will almost inevitably have beneficial political ramifications.

A neat example of this can be found in the timing of mass mailings from House offices. Many Representatives send out newsletters or questionnaires at the end of each Congress. This is a logical time to report on congressional affairs, but it also happens to mark the beginning of intensive pre-election campaigning. The pre-election increase in mass mailings is reflected in the work load of the House "folding room," more formally known as the Publications Distribution Service. The folding room has special facilities to handle mass mailings, so most of them are prepared there. Figure (not reproduced) 1 reveals the typical cycle of election and non-election year activity in the folding room. As we would expect, the peak work load occurs immediately before an election.[13]

By keeping in touch with constituents, members help overcome the chief political handicap that faced many of them initially—the fact that relatively few voters knew them at all when they entered politics. Members understand very well Stokes and Miller's conclusion that "recognition carries a positive valence; to be perceived at all is to be perceived favorably."[14] One of the greatest political advantages of incumbency flows from this quite straightforwardly. As a rule incumbents are much more widely known than are their challengers. To the extent that spending limitations prevent a challenger from overcoming this recognition advantage, limitations make incumbents less vulnerable at the polls.

The situation confronting challengers is illustrated in Table 1. In House districts contested by an incumbent, about half the adults were unable to recall either candidate's name shortly after the 1964 and 1968 elections; almost two-thirds of the adults recognized neither candidate after recent mid-term elections. At best only a third of those surveyed could recall the names of both candidates. Most importantly, while 20 per cent of those surveyed know only the incumbent's name, a mere 1 or 2 per cent recognized the challenger exclusively. These figures help explain why challengers must substantially outspend incumbents to defeat them and why spending limitations would operate to entrench incumbents even more deeply than they are now.[15]

TABLE 1.—RECOGNITION OF INCUMBENTS AND CHALLENGERS IN POSTELECTION SURVEYS

[In percent]

Year	Respondent recognized: Challenger only	Incumbent only	Both	Neither
1964	1.8	20.5	31.7	46.1
1966	1.0	18.1	19.6	61.3
1968	2.3	17.9	31.4	48.4
1970	1.0	21.5	11.9	65.9

IV. CONCLUSIONS

If further electoral reforms are enacted, the government's interest in fostering political equality must be reconciled with the right of individuals to exercise their constitutionally guaranteed freedoms. Unfortunately, current measures do not indicate that constitutional issues have been seriously considered. The problems are admittedly difficult ones; but if Congress ignores the substantial conflict arising from attempts to reform the electoral process, then the courts will be left with the task of fashioning an acceptable solution. The prospect

---

Footnotes at end of article.

of having major electoral rules re-written by the courts should prod Congress into considering the constitutional issues likely to be raised there.

FOOTNOTES

[1] J. Fleishman, "Freedom of Speech and Equality of Political Opportunity: The Constitutionality of the Federal Election Campaign Act of 1971," 51 *North Carolina Law Review* 455 (1973); I. Ferman, "Congressional Controls on Campaign Financing: An Expansion or Contraction of the First Amendment?" 22 *American University Law Review* 360 (1972).

[2] ACLU v. Jennings, —— F. Supp. —— (D.C.D.C., November 14, 1973).

[3] Fleishman, pp. 434–38.

[4] *Ibid.*, p. 434.

[5] *Federal Election Reform: Hearings Before the Subcommittee on Elections of the Committee on House Administration*, 93rd Cong., 1st Sess., p. 401. See further citations there.

[6] Ferman, pp. 351–52; H. Court and C. Harris, "Free Speech Implications of Campaign Expenditure Ceilings," *Harvard Civil Rights—Civil Liberties Law Review* 221 (1972).

[7] *Federal Election Reform*, p. 407; Court and Harris, p. 224; M. Redish, "Campaign Spending Laws and the First Amendment," 46 *New York University Law Review*, 923–24 (1971).

[8] A. Rosenthal, "Campaign Financing and the Constitution," 9 *Harvard Journal of Legislation* 330 (1972).

[9] "Common Cause: Incumbents Do Raise More Funds," *Congressional Quarterly Weekly Report*, XXXI, 48 (December 1, 1973), p. 3130.

[10] Ralph K. Winter, Jr., "Money, Policies, and the First Amendment," in *Campaign Finances: Two Views of the Political and Constitutional Implications*, by Howard R. Penniman and Ralph K. Winter, Jr. (Washington: American Enterprise Institute, n.d.), p. 56.

[11] Harrison W. Fox, Jr. and Susan Webb Hammond, "Congressional Staffs and Congressional Change," Paper presented at the American Political Science Association (New Orleans: September, 1973), p. 8.

[12] Representative Bill Frenzel, "Election Reform Bill Expected in March," *Congressional Record*, vol. 19, pt. 33, p. 43602.

[13] *Ibid.* Representative Frenzel's remarks include monthly data from January, 1967 through December, 1972. A new franking law forbids most mass mailings immediately before elections, so presumably the peak work load will be somewhat earlier than in previous years. Work load data is in terms of "work units." A unit consists of one operation (e.g., folding or inserting) on one piece of mail.

[14] Donald Stokes and Warren Miller, "Party Government and the Saliency of Congress," *Public Opinion Quarterly*, XXVI (1962), p. 541.

[15] The data was supplied by the Inter-University Constorium for Political Research. Of course, the ICPR is not responsible for any conclusions drawn from this analysis.

It may be useful to emphasize that data come from districts contested by an incumbent.

BAN THE HANDGUN—LII

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. BINGHAM. Mr. Speaker, the absence of a national gun control law makes a mockery of city and State attempts to curtail the proliferation of lethal handguns. No local law can be effective if similar restrictions are lacking in nearby areas.

The grim consequences of this situation are frequently felt in New York City. Despite its unusually strong gun control regulations, New York is the scene of much tragic and unnecessary handgun violence due to the easy availability of firearms in bordering States and in illegal markets.

Last Wednesday another senseless tragedy occurred demonstrating once again the folly of inconsistent and inadequate gun control laws. A woman standing on a Bronx subway platform was shot and killed by an illegally acquired handgun which discharged when it was accidentally dropped to the platform by its owner. Incidents like this add further rebuttal to the dangerous reasoning of the National Rifle Association's favorite maxim, "Guns don't kill—people do." As long as handgun possession remains unchecked, accidents are inevitable. It is time the Congress acted to put the safety of the Nation's citizenry above the interests of the gun lobby. I include herewith an August 1 article from the New York Times describing the Bronx shooting:

WOMAN SLAIN ON IRT PLATFORM AS GUN IN FALLING BAG GOES OFF

(By Joseph P. Fried)

A woman standing on an IRT elevated platform in the Bronx was shot and killed yesterday morning when a fellow passenger dropped a shoulder bag containing a pistol that discharged when the bag hit the platform.

A suspect arrested several hours later at the Manhattan movie-equipment company where he works was charged by the police with homicide and illegal possession of a deadly weapon. The homicide charge was lodged even though the police said that they believed the shooting to be an accident. The victim and suspect, they said, did not know each other.

Meanwhile, the city's new program to curb nighttime crime on the transit system went into its second night last night and early this morning with Transit Authority officials saying that the first night "went extremely well."

The program, which includes closing cars in the rear half of subway trains in outlying areas, is in operation between 8 P.M. and 4 A.M. as an experiment for at least two months.

TWO ROBBERIES REPORTED

A Transit Authority spokesman said that during the first night of operation, from 8 P.M. Tuesday until 8 A.M. yesterday, there were two reported robberies in the subways, neither one on a train. During the same hours the previous night, the spokesman said, two robberies and a larceny—the latter not involving a threat—were reported. These incidents too did not occur on trains.

The spokesman, Louis Collins, said that there were no reports of "excessive delays" during the first night of the anticrime program's operation, even though passengers, often confronted by closed cars in an arriving train, took longer to board because they had to scurry up the platform to the open cars.

The major incidents reported on the subways Tuesday night and yesterday were the apparently accidental Bronx shooting and an incident, on an IRT platform at the Borough Hall station in Brooklyn, in which a woman was knocked to the ground by a man and forced to commit a sexual act.

The shooting, at about 8:30 A.M., and the sexual assault, about an hour earlier, occurred outside the anticrime program's hours. No transit policemen were patrolling the stations involved when the crimes occurred, Mr. Collins said.

The police identified the shooting victim as Gloria Brooks, 38 years old, of 2048 Mapes Avenue in the Bronx. She was hit by a single bullet in the station at East 174th Street and Boston Road. The man arrested in the case is Carl Johnson, 25, of 2001 University Avenue in the Bronx.

He was taken into custody shortly before noon at Cinemobile Systems, Inc., at 624 West 52d Street, where he was said to be an electrician and repairman. The police said they had traced him there because witnesses reported that the bag he dropped and quickly picked up before fleeing had the company's name on it.

DROUGHT IN AFRICA

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. DIGGS. Mr. Speaker. I would like to insert, for the thoughtful attention of my colleagues, a letter which I recently sent to Miss Dorothy Height, president of the National Council of Negro Women, concerning the drought in Africa.

The letter follows:

AUGUST 5, 1974.

Miss DOROTHY HEIGHT,
President, The National Council of Negro Women, Sheraton Park Hotel, Washington, D.C.

DEAR MISS HEIGHT: I would like to take this opportunity to commend the National Council of Negro Women for its interest in national and world food problems, as expressed in the "Consultation on Food for People," currently being held at the Sheraton Park Hotel here. I heartily support your initiative to bring to public attention the urgent issues of famine, malnutrition, and severe food shortages. It is vital that we continue to seek common solutions for the immediate future, as well as for the medium- and long-term.

As Chairman of the Subcommittee on Africa of the House Foreign Affairs Committee, I have been particularly concerned with the plight of the many in Africa who are affected by a severe and prolonged drought. The nations concerned across the southern edge of the Sahara Desert are among the poorest in the world. In fact, four of the six hardest-hit nations are among 25 countries identified internationally as the poorest. These are countries where per capita income is less than $100 annually and the rate of literacy is less than 2 percent. Yet, these countries have, until recently, managed at least to feed their populations with small amounts of foreign aid.

Over the past year, the United States has been a generous donor to the most seriously affected countries: Senegal, Mauritania, Upper Volta, Niger, Chad, and Mali. The Foreign Aid Act of 1973 authorized $25 million for emergency and recovery needs to the Sahal, and the recently-approved Foreign Disaster Assistance Act provides $85 million in relief to the drought-stricken countries of Africa.

However, we must continue to focus on the development of U.S. support for a major long-term African Sahel Development Program to build up the resources of the six countries concerned to assist in their efforts to halt the advance of the desert and to render their land fertile and productive.

During my trip to the Sahel last year, government officials were unanimous in indicating that their major priority is the utilization of precious water resources. This includes irrigation schemes along the major rivers, the construction of dams to regulate the rivers and to conserve flood water, and the use of underground water where appropriate. There is then a need for large-scale reforestation, livestock improvement programs and many other rural development projects together with the establishment of processing industries for agricultural produce.

The southward encroachment of the desert at nearly 30 miles per year must be halted and reversed. Transportation links must be expanded so that supplies may be moved from points of entry to points of need.

There is no easy or cheap answer to this problem of desert encroachment. The only practical approach is a carefully-planned program to stabilize and develop the water and other resources available in the area. It will require large injections of capital over many years; but even more important, there is a need for sensitivity on the part of concerned Americans to the overwhelming handicaps facing the people of Africa. We need a broadly-based commitment to cooperation with Africans according to their own aspirations for a life free from hunger, towards restoring this area to its ancient role as the bread-basket of Africa.

Again, I would like to thank you for your initiatives in this area.

Sincerely,

CHARLES C. DIGGS, Jr.,
Chairman, Subcommittee on Africa.

GENERAL AVIATION'S IMPORTANCE SOARS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. MILFORD. Mr. Speaker, most of us in the Congress are familiar with the man, Alex Butterfield. Most of his name identification is attributed to him being the first person to make known the existence of the Presidential tapes we have been listening to lately.

However, far afield from that, is his excellent administration of the Federal Aviation Administration.

Under Alex Butterfield's leadership, major steps toward greater safety, aviation modernization, and airport construction have been taken.

Because of his hard work in his present position, and because of the cogency of remarks he made recently, I would like to commend this speech to my colleagues in the Congress:

REMARKS BY ALEXANDER P. BUTTERFIELD, ADMINISTRATOR, FEDERAL AVIATION ADMINISTRATION

I am particularly pleased to have been invited by your President, Paul Poberenzy, to talk with you this evening. Seeing so many convention participants gathered here—men and women truly dedicated to the advancement of aviation education and the development of sport aviation—is a great tribute to the fine work Paul is doing for us all. I know you are all proud of his record of achievement.

I am also pleased to have EAA's General Manager, Tom Poberezny, and your Vice President, Ray Scholler, here on the stage with me this evening. Since I plan to discuss what we're doing to better communications between the FAA and its constituency and the increasing urgency for professionalism among pilots, it's good to know that I've got at least three good listeners—and that they can't leave until I do.

As most of you know, I am sure, FAA's investment during the 70's concentrates on airport construction, expansion and modernization, and in providing vastly improved equipment to operate our airways facilities. But what is important to all of you here is that in connection with all of this work much of the effort will greatly benefit general aviation. We feel a real urgency for accomplishment in this area because of the great rate of growth in your segment of industry. It's very important to us because, on an annual basis, general aviation is now transporting nearly 60 million passengers on intercity flight.

By 1980 estimates are that general aviation will be moving more than 120 million persons intercity aboard a fleet numbering well over 230,000. What's more, and equally important to us, is the fact that these planes will be providing the only access to 92 percent of the nation's 12,000 airports.

Under these circumstances, you can readily understand why FAA has made a new commitment to help pilots develop new levels of professionalism. We've got to do this despite the fact that in some quarters FAA is taken to task for exercising "undue" concern over the comparatively few general aviation accidents in relation to, for example, the staggering totals of accidents on our nation's highways.

To the more erudite among our pilot community such comparisons are pointless, of course. And we agree. We think there are too many accidents and loss of lives in aviation and the full resources available to the FAA are being put to use in reasonable and, I believe, highly effective programs to attain the most effective degree of accident prevention possible.

As many of you are aware, industry and government have become deeply involved in the means of reducing the potential of midair collisions, particularly as traffic grows. In the recent past, two airborne collision avoidance systems—one known as CAS—and another, the proximity warning indicator—known as PWI—have been considered. Today, the increased capability and lower cost points strongly to CAS as the most attractive airborne system. But whether CAS can be brought to within the economic purview of general aviation remains to be seen. The decision between airborne and ground systems will be a difficult one. But, you may be sure, the entire subject will be fully considered and discussed before any decision is made.

But whatever system of collision avoidance eventually emerges, the potential for pilot error may remain the greatest danger. As a matter of fact, during the past several years the National Transportation Safety Board has conducted continuing analyses of midair collisions. Their findings support our conclusions on the need to upgrade flying skills and prerequisites for flying training and maintenance schools, as well as in other areas of expertise supporting flight.

Most collisions between general aviation aircraft—nearly three-fourths of them—occur in clear weather, outside high density areas, and in the immediate vicinity, or in the landing pattern, of an uncontrolled airport. I think we can all agree we've got to find better ways to avert such tragedies.

We're making progress. We've upwards of 80 well-trained accident prevention specialists at work throughout the country doing their part to help pilots improve flight skills. We're very proud of what these few—and I emphasize few—are doing for aviation safety. I say "few"—because they are trying to administer to the needs of nearly three-quarters of a million pilots. So as you can see, their talents are thinly spread to say the least. But they're doing an excellent job. I know, for we've heard nothing but praise for their work.

In 1973, for example, FAA accident prevention specialists conducted nearly 4,000 safety education clinics and seminars which were attended by nearly 284,000 airmen. In addition, the FAA specialists conducted more than 3,000 flight proficiency checks and counseled some 54,000 individual airmen in flight safety-related matters. In the first five months of 1974—January through May—FAA accident prevention specialists have conducted 1,938 safety clinics and seminars attended by some 117,000 airmen; they've conducted nearly 1,000 flight proficiency checks; and counseled 22,700 individual airmen in regard to flight safety matters.

Our partners in industry, upon whom we also depended heavily in developing pilot professionalism, so far this year have conducted 3,549 safety clinics and meetings attended by 52,349 airmen; they've conducted 7,981 flight proficiency checks and have individually briefed 34,664 airmen on flight safety-related matters.

In a related effort, we have just completed "Operation Ground Assist." This program was instituted on June 15 and was completed July 15. I hoped to be able to tell you some of our preliminary findings, but a complete report on this important effort won't be available for about two more weeks. Nevertheless, I would like to take a few minutes to tell you about what we had in mind when we initiated this project—what we hoped to learn, and what we believe pilots may have gained from the two-way informational exchange.

First off, the 30-day effort was designed to spark—not just for the 30 days obviously—increased vigilance in accident prevention by calling to everyone's attention the details they may be continually overlooking for personal flight safety. I am convinced that most accidents begin before the aircraft's engines are started. The Flight Standards Division personnel sought to identify those deficiencies that appear in most accident reports as casual factors. For instance, lack of currency in the aircraft on the part of pilots, airmen and aircraft records out of date deficiencies in maintenance shop procedures and record keeping and a myriad of other items that add up to a serious accident potential.

The sole purpose of operation ground assist has been to help spot these shortcomings and encouraging pilots and maintenance personnel to engage in a two-way exchange of safety information.

The response was, for the most part, enthusiastic. A great many airmen have written to me commenting on the program. They were in favor of the project and thought it timely, albeit of short duration. In their letters and telegrams, many reported unsafe conditions at various airports, alleged deficiencies in "the system" and other potential accident causes.

On the other hand, there were some who missed the point entirely, or who had not been made aware beforehand of the scope and purpose of the program. A few accused the FAA of engaging in gestapo-like tactics and worse.

Nevertheless, the consensus is that operation ground assist served a highly useful purpose and that more of this type of activity should be placed on the FAA agenda of "things to do in behalf of flight safety" in the future. Depending upon what is learned from the detailed reports of operation ground assist, I may, indeed, call for another. If and when I do, you may be sure you'll be among the first to know.

The Congress is providing the resources and support to build the finest aviation system in the world. But none of the improvements now under way can devolp pilot judgment or automatically upgrade flying skills. These are personal goals that a pilot must seek for himself in behalf of his fellow airmen, those who fly with him, and those whose safety on the ground may be affected by his actions. It is precisely this kind of professionalism in building and operating aircraft which makes the EAA such an outstanding organization.

Early in my career as Administrator of FAA, I decided it was necessary to confer, on a continuing basis, with all segments of the aviation industry; that is, if I expected to do the right job for FAA and accomplish the right job for you. I needed, and continue to need, the confidence and understanding of all segments of our industry—manufacturers, air carriers, the many disparate elements of general aviation, airport operators, supplies—everyone.

To get things started, I asked our Office of Plans to arrange a series of meetings with various user groups. As you may know, a special sport aviation listening session just for this purpose was arranged at Hales Corners, Wisconsin, in February. I asked Paul Poberezny to get a representative group together to discuss their problems with our top FAA people.

We spent an evening and the next morning "listening" and discussing the major issues facing each of you—the experimentalist, the homebuilder, the acrobatic pilot, the soaring enthusiast, the antique and warbird restorers, and others who belong to this wonderful fraternity of sports aviation.

The group assembled by Paul included the President of the EAA Divisions; Bill Ross of the Warbirds; Verne Jobst of the International Aerobatic Club; and Buck Hilbert of the Antique and Classic Division. We also had Dick Schreder of the Soaring Society of America, Jim Bede of Bede Aircraft, Ken Brock of the Popular Rotarcraft Association, Charlie Hillard of the Aerobatic Club of America, and many other individuals who were representatives of the activity of sport aviation.

I won't take the time this evening to detail our discussions at this meeting, for I am sure Paul and his able staff have already summarized them for you in his reports to the membership. However, if you'd like a copy of our report on the session, write to the FAA and ask for a copy of the FAA Listening Session on Sport and General Aviation, Hales Corner, Wisconsin. We'll be glad to send you a copy.

In addition to bettering the lines of communication established through such meetings in general, you people now have the distinction of having a man assigned in FAA to serve as a focal point for all EAA contacts. Paul Poberezny asked that it be done and we were pleased to oblige. Charlie Schuck, who I believe all of you know well, serves in this capacity. Let him know your problems. I know he'll do his best to work them out to our mutual advantage. If he doesn't—let me know.

You, as a group, are receiving a fair portion of our time and I think Paul will verify that his business relations with FAA have greatly improved; that is, getting to the people who will have to initiate changes or take action on existing problems.

One such example was getting that P47 out on the field to Oshkosh for this Fly-In. The Aircraft was restricted from cross-country operations until it had a minimum of 50 hours of flight time. This was not within the intent of our policy. So a call from Bill Ross to Charlie Schuck, who, in turn, went to the Region, cleared the limitations, and that beautiful Thunderbolt got here for the Fly-In. The point is—and I really mean this—the FAA is dedicated to making flying more safe, more efficient and more accessible to all segments of the aviation community.

Incidentally, you will be interested to know, we have just issued an NPRM which, among other things, will establish a special certificate, outside of the experimental category, for aircraft fabricated and assembled by persons who undertook their construction solely for their own education or recreation. This has become tentatively identified as a "custom-built" certificate, and arose from a petition originally submitted by EAA June 29, 1971.

This proposed rule will provide more objective standards regarding what is required of the builder than is the case with the present "amateur-built" classification under the experimental category. A transition period of two years is proposed during which certification in either "experimental" or "custom-built" categories would be permitted, following which all such aircraft would be certificated. In the "custom-built" category, aircraft already certificated as "amateur-built" would not be required to change over to the new category (Jim Rudolph's presentation will go into the details), but can do so at their owners option.

In addition, proposals to amend Parts 43 and 65 to establish a new "repairman certificate (custom-built)" is included. These will permit a builder to perform maintenance on aircraft built by him, and establish standards for the issuance of this certificate.

Now that I have told you what we are doing, I would like to tell you what you could do for us. I like to regard our association as a two-way street as I emphasized in my recent letter to airmen and in my 30-day Operation Ground Assist project.

I want you to know that I personally am committed to the prevention of accidents. Every time I read of another aircraft accident—no matter what type of aircraft is involved—and I study the reports of each and every one, I am deeply saddened. Let there be no mistake about that. During 1973, there were a total of 4,180 general aviation accidents which resulted in 1,340 fatalities. Of these totals we suffered 2,340 personal flying accidents which resulted in 823 fatalities. This is 57 percent of all accidents for all segments of general aviation—57 percent. What's more, in the first six months of 1974, we have already experienced another 1,238 personal flying accidents with 413 fatalities. Sadly, in this category, to extrapolate for the entire year, we anticipate 2,476 accidents and 826 fatalities. But we don't need 2,476 personal flying accidents. We shouldn't have any of them. I'm sure such grim prospects are as unacceptable to you as they are to me.

I have set a national goal of reducing general aviation's accident rate by 5 percent this year and by 5 percent again next year. It's not much, I know, but it's a realistic goal to say the least. To achieve it—if we achieve it—it will only be accomplished with your help. If you will be honest with yourself and live within your capability we can reach this goal. True, we will always face some accidents as long as we defy gravity. Still, if we remember that our airspace forever remains a transportation medium unforgiving of pilot error, we can make good headway for flight safety for all of us.

In closing, I must say that I have been tremendously impressed with the professionalism displayed by general aviation and particularly the EAA membership. Along safety's centerline, you have taken the responsibility and have policed your flight activities to a remarkable degree. You deserve the flight freedoms afforded you. But remember this. Only through mutual understanding and a close working relationship can you continue to enjoy what you now have. Keep up the good work. Speaking for the Federal Aviation Administration we will continue to look to Paul Poberezny and the Experimental Aircraft Association as our focal point for the continued development of safe sport aviation activities.

Thank you.

PURGATORY ON WHEELS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ASPIN. Mr. Speaker, I would like to take this opportunity to commend to the attention of my colleagues a very perceptive and well written article by Eugene Meyer entitled "Purgatory on Wheels." I believe Mr. Meyer has made an articulate and effective case for increased regulation of the mobile home industry. In a time when more and more of our citizens are finding mobile home ownership attractive we should all be looking for ways to insure that mobile homeowners are afforded the same rights conventional homeowners expect:

PURGATORY ON WHEELS

(By Eugene Meyer)

The mobile home community today is not unlike the small town of yesterday—a place where people think it's good to get to know your neighbor. A place where you can take a walk with a sense of security. . . . A community like this preserves the best in American life.—Burgess Meredith, narrating a mobile home industry film

The Nightingale-Woodley Hills trailer park is located off old U.S. 1 in Virginia, a few miles below Washington. It is hidden from the highway behind a Shaky's pizza parlor, a car wash and an old motel featuring nightly topless dancers. Rutted roads wind through the hilly park, where 500 or so vintage trailers are jammed together in an elegant exterior of tarnished metal and exposed wheels. Some perch precariously on cinder blocks. Throughout the park are signs, handlettered and printed, small but discernible: BEWARE OF THE DOG.

For the privilege of residing here, there's a $100 entrance fee, even though the used trailer is already in the park when you buy it. If you move one in, the neighbors say, it's $300 or $400. Nobody has leases. "It's one stop above the ghetto," observed one resident.

Maggie Thornton came to Woodley Hills 15 years ago from the mountains of Southwestern Virginia. A widow, she is 60 but looks much older. She lives cramped in a tiny 7-by-27 foot trailer that costs her $57.40 a month to buy. She pays another $70 to the park for "site rent," plus utilities.

Soon after she moved in two years ago, the furnace almost exploded. The toilet didn't flush. Her foot crashed through the rotten planks of the bathroom floor. Rain leaked inside through light sockets, most of them inoperative. Now, wood patches cover the rot on the bathroom floor, at the front door, by the kitchen sink. The ceiling is bare plywood.

She bought her home from AA Mobile Market, one of several trailer sales lots that dot The Richmond Highway (U.S. 1), blending into the strip of gas stations, hamburger drive-ins and fried chicken joints. "Everything we agreed to do was done," the firm's vice-president said. "She had a chance to inspect the home to see if it was good enough for her standards." At AA Mobile Market, salesman Hank Ridge says there is a 30-day guarantee, but that basically, "What you see is what you get."

Maggie Thornton's son, a carpenter, his wife and baby also live in Woodley Hills, in a 15-year-old trailer they rent for $140 a month. The three generations of Thorntons all seem trapped, like the black welfare family in the ghetto on the welfare treadmill with no way to get off. When new homes and used ones start at $40,000 with high down-payments and ten percent mortgages, when low-cost apartments are being wiped out by urban renewal and the government refuses to build subsidized housing for the Maggie Thorntons of this world, they are lucky to have *any* roof over their heads, even one that is bare plywood.

INSECURITY ON WHEELS

Not all trailer parks (or mobile home parks, as the industry prefers to call them) are as visibly depressing as Nightingale-Woodley Hills. But for many of the 8.5 million people living in these uniquely American structures, reality is far from the glowing industry propaganda.

Most of the nation's mobile home dwellers live in 24,000 parks. The rest live in rural areas, in the hills of Appalachia, or on prairie reservations, all generally on land they own. California and Florida are the two leading mobile home states, with 2,200 and 1,300 parks respectively in 1968. In these two states are located 245 of the 290 industry-rated top parks. Young marrieds and retired couples predominate in all parks, with retirees especially filling the Florida parks, where 77 percent of mobile home dwellers are over 65 years of age.

Promising "security" against the outside world ("24-hour uniformed security guards," advertises one Florida "retirement village"), mobile home parks deliver insecurity from within. Tenant rights in city apartments are generous compared to the tyranny inflicted on mobile home owners. The mobile home owner who finds himself arbitrarily and summarily evicted will discover virtually no spaces available elsewhere reinforcing the reluctance to protest. In fact, a mobile home generally moves only once, from the factory to the park, where it is likely to change hands but not location.

Most mobile home parks sprouted when undeveloped land on the outer suburban landcape was cheap and plentiful. Yesterday's exurban frontier has become today's clutter. Whether as discrimination or sensible planning, county officials now restrict—through sewer moratoriums and zoning—the spread of what they consider the trailer blight.

While the lawmakers have tried to discourage new mobile home parks, they have done little to protect those already in them. In many states, mobile homes are classified as vehicles, and therefore exempt from local building and housing codes, even though studies have shown mobile homes more susceptible to damage from fires, tornados and hurricanes. According to one study, winds of 40 to 50 miles an hour will tip one over; at 70 m.p.h., "the unit explodes. And although industry spokesmen like to point out that states have adopted the American National Standards institute code for mobile home construction, critics say enforcement is minimal.

What state laws do exist are a hodge-podge. Fewer than ten states have laws regulating mobile home parks. Michigan protects owner-tenants from arbitrary and retaliatory eviction but requires no lease and allows entrance and exit fees. Florida requires that units be tied down, as hurricane protection, but allows entrance fees, reported as high as $2,500 at one Miami park. Delaware requires a written lease with a 120-day minimum, and bars retaliatory evictions. Maine bars eviction if the tenant-owner can prove the park owner wants the space to get entrance fees or to locate a new mobile home he just sold. Except in Michigan, where a state agency prosecutes violators, enforcement is generally left to the individual mobile home owner, who must file a civil court suit.

Such problems don't concern most Americans. And not just the general public but even the housing activists have generally ignored the problems of trailer people. The ripping-off of redneck America has never been a trendy cause, so mobile home owners largely suffer in silence. "For most people, to do otherwise would mean out and out eviction," says Lily Jarman of Ralph Nader's Center for Auto Safety. Tenant activism that has mobilized ghetto dwellers and luxury apartment tenants hasn't caught on with trailer people, Jarman says, "because of the flak that would ensue." The result is despair and resignation.

IT'S HARD TO FIND A PLACE

A mile below Laurel Raceway, midway between Washington and Baltimore, Rebecca Cooke was pouring change into a soda machine next to her home, Smith's Mobile Home Court. She was barefoot and pretty with a soft, Southern voice, blond hair and the sad look of white poverty. She and her husband, at 20, two years younger than her, were refugees from Charleston, West Virginia, where jobs were as scarce as filet mignon. She was "kind of home sick," she said. But in Laurel, he had found work in a gas station, she in a carryout, and they had high hopes.

They had one child, two years old, and another on the way. They were paying $48 a week to rent an aging trailer. It was less than ten years old, but that qualifies it as a relic among mobile homes, which deteriorate and depreciate faster than cars. "The handles are off all the doors," Rebecca Cooke said. "It looks like some folks who lived there before they didn't take care of it. The rent's a little high, too. But we're just staying until we can buy furniture and save up $185 for the deposit on an apartment." It takes no clairvoyance to know that months later, Rebecca Cooke will still be at Smith's, trying to scrape up that $185 for a downpayment on the good life.

Altogether, there are some 20 trailers at Smith's, five too many according to county officials. Howard County housing chief B. Harrison Shipley was surprised to learn Smith's had any rental units, the only ones the county inspects. "They had 11 at one time," he said. "We've had problems with the way they kept them, deteriorated and unsafe."

The trailers at Smith's lack "skirting," the metal facade of permanency that some parks require to hide the wheels. Except for patches of grassless earth between and underneath the trailers, Smith's provides no play space for children. The park is separated from U.S. 1 by a wide, rocky shoulder. A metal bin sits by the road, the receptacle for everyone's trash and garbage.

Behind the trailers bordering the highway the land drops sharply into bottomland by a stream. It is here that Rebecca Cooke's trailer is located. There used to be a dozen more, parked in a circle, flooded from time to time by the rain-swollen creek. They remained there anyway, the only land at Smith's legality zoned for trailers, until the local power company acquired the property.

Families living by the creek could move to high ground or leave. John Lowell, a retired bricklayer with a grizzled, unshaven face, moved his 1968 trailer to the high ground. His rent doubled, from $60 to $120 a month. "You got to put up with the high rent," he said. "It's hard to find a place."

Helen Patterson, manager of Crane's Trailer Court in Laurel, Md., knows the mobile home industry from the inside, and she despises it. Crane's is roughly 30 years old one of three adjacent parks that sit in the median of U.S. 1 like small islands in a raging river of cars. Helen Patterson has lived there for eight years, five as park manager. An American flag decal decorates the door of her 1971 three bedroom mobile home. Country music from the radio fill the kitchen and living room.

Helen Patterson is outraged at most park rules, extra charges, admission fees and intimidation of residents—all of which she says are almost endemic to the industry. In most parks, she says, "If you're a friend of the manager, you can do what you want." If you're not a friend, she adds, you are often to accept "fantastic rules and changes: If you have four kids, you pay extra. If your mother wants to stay overnight, you pay extra. If you have a second car, a washer-dryer, you pay extra. A park restricting people like that holds them down to a lower standard of living."

At Crane's, there is a single rent of $65 a month, plus $11.45 in county tax. The rules are few. "My most stringent ones have to do with health—no trash around the trailers; you're responsible for your own kids."

To Helen Patterson, trailer people are often "a better grade of people. Some of them are old. Maybe they don't look as nice." But they are mostly honest, hard-working people "who do about the same as everyone else." At Crane's, that means construction, carpentry, high tension work, sheetmetal work, trucking.

But outsiders, Helen Patterson says, "well, they seem to sit back and look at us as if we were some kind of roving strangers, trash. It's a hangover from the days when everything in trailers was carnies. Even now, when you go to borrow money, and you put down a mobile home court as your address, they look at you and go, 'Ah-hem.' Automatically, you're inferior. They seem to take the attitude if you live in a mobile home, you can't afford anything else."

WELCOME TO FRIENDLY VILLAGE

Friendly Village of Dulles, 20 miles from Washington and within earshot of Dulles Airport in Virginia, is to the U.S. Route 1 trailer parks what a luxury high-rise is to red-brick housing projects. Three years old and determined to keep its fresh, unblemished look, it admits no mobile homes more than two years old. It is a socially self-contained community with its own swimming pool, tennis, volleyball and badminton courts, billiards room, clubhouse, men's and women's organizations, spaghetti dinners, classes in ceramics and knitting.

With 500 spaces on 94 treeless but well-manicured acres, Friendly Village is the largest park in the D.C. area. It separates families with kids from families without, on paved streets named after airlines. More than 20 miles from the urban core, it is patrolled nightly by an off-duty Fairfax County cop. Its residents include only a handful of blacks.

"I know all about the Route 1 parks—that's what's killing us with the garden clubs and the environmentalists," says big Bill Boisseau, 325-pound, 6-foot, 5½-inch general manager. "This is like a mansion compared to Route 1. We try to get into areas where you don't have to deal with the very low-income people." "What we're looking for is good families," adds second-in-command Dick Leisenring. "We will not allow it to become a 'trailer park.' If people don't want first class living, we have no room for them."

It costs $200 to $300 a month to live in Friendly Village. "Definitely not low-income," Leisenring says proudly. In addition to basic monthly rent—two months of it in advance Friendly Villagers must buy skirting ($375), two sets of steps ($325), an awning ($495), and a $10,000 liability-property damage insurance policy ($175).

Eighty-three percent of the residents live in double wides, two 12-foot wide units bolted together: status in the mobile home subculture. Friendly Village gets four stars from Woodall's Mobile Home & Park Directory, the Duncan Hines of the industry. It's not the top rating, but it's close.

Many residents are either newly moved in or in some way associated with the park; 46-year-old Harry C. Zimmerman, however, was a newcomer. He and Jessie, his wife, had moved from a $42,000 home into a $20,000 Vindale, the Cadillac of mobile homes. "With a 10-year mortgage and the Good Lord, this will someday be ours," said Zimmerman, a cargo supervisor at Dulles. Richard Cotten, also with a new Vindale, had been "driven" from his site-built house by high taxes. Cotten is a professional right-winger who buys radio time and publishes a newsletter. He likes "the security in the park" and its "responsible management."

Management means "no rules people can't live within," Leisenring says. Most of them, however, need a slide rule to be understood. For Sale signs are forbidden. Undefined "immoral conduct will not be tolerated." Once a family moves in, it needs management's okay to add to its number. Kids (limit of three) and pets (limit of two) cost $5 each a month. Pets may not be over 10 inches high "at the hips, measured when the animal is standing erect, and not over 26 pounds."

Break a rule and leave for five days, and you can lose your unit and everything in it. You are subject to eviction on 30 days notice with no reason required. Three days notice, if you default on site rent or "other charges," or fail to abide by all "rules and regulations."

There is no residents' association here, says Boisseau's secretary, Paul Douglas, because "they haven't found it necessary." Visiting Nader's Raiders concluded, however, "If carefully guided, there is potential for getting together an underground tenants union or grievance committee." The biggest obstacle: "Eviction phobia."

For, despite its name, Friendly Village isn't always friendly.

Consider the case of Douglas Schlacter, 30-year-old auto mechanic with a wife and three kids. Schlacter bought his home through the park for $7,200 in April 1972. "Everything was made to look great," he recalls. "But after we paid for the trailer, everything changed—right from the beginning." When the new mobile home was moved to its site, the trailer hitch broke, puncturing the insulation and causing water leakage. Electrical wires were loose, plumbing defective. "They just didn't care," Schlacter says. "The salesman told my wife, 'You know, you didn't buy a Cadillac.' If you complained, that's when you had trouble. They tried to evict us."

Before he was evicted, Schlacter got a lawyer and moved out. The park bought back his defective year-old trailer, for $6,000—a loss of $2,400, including the cost of extras Schlacter had purchased.

Paul Douglas said the Schlacters' problem was "they couldn't accept the fact they bought a cheap unit. Due to the fact that he was such a troublemaker and created such a distubrance up and down the street, we tried to evict him. Our decision was that troublemakers we don't need."

TIN-CAN SUBURBIA

Back in 1930, a mere 1,300 trailers were built by the infant industry and nobody called them mobile homes. Most of the trailers in those days were home-made boxes on wheels, pulled by cars and used exclusively for recreation. By 1936, there were some 250,000, according to one estimate, but it was still a cottage industry. In 1937, the four major commercial producers made only 9,900.

The Depression changed the picture. Trailers no longer symbolized leisure; they symbolized unemployment. The destitute families of Middle America, refugees from the Dust Bowl and from economic forces beyond their control and comprehension, took to the road in search of work. As unwelcome at each new town as the last, they camped together on the back roads, squatting on vacant land, their camps carrying the usual load of poverty ills.

"The tin can tourist," wrote the *New York Times* in 1937, "pays less for social services than any citizen of the United States." And so it was that the early laws, many still on the books, were written to control and isolate trailer people rather than to regulate an industry. So it is that the California trailer park law, as late as 1970, prohibited squtting camping along roads and congregating in informal campgrounds.

And so it is that the law also required one toilet, one shower, and one lavatory for each sex for every 100 lots—a requirement park owners have tried to turn into a marketing plus by making such facilities into community centers.

After World War II, recalls Vee Schulze, a 44-year-old maintenance worker who lives in a camp city just outside Washington, D.C., "they popped up because there were no other living facilities. Your lower class lived in them then because they were cheap. It was the bad apple in the bushel."

Veterans on the GI bill also lived, on college campuses, in government-donated trailers recycled during the early postwar years. By 1950, however, the veterans had graduated from both college and trailer living. Their dream was a conventional house in exploding suburbia, not more of the same. That year, only 60,000 mobile homes were built—one tenth the number built two decades later.

Today, mobile homes are a $4.5 billion a year business. In 1973, the 600,000 mobile homes accounted for about one-half of all new single family dwellings. By January 1974, although delivery of mobile homes had dropped by one-third, their share of all new single family homes had risen to 66 percent.

Five firms accounted for one-third of the mobile homes built. The largest producer, with nearly ten percent of the market, is Skyline Corporation. It is based in Elkhart, Indiana, apparently the mobile home capital of the world with 50 companies within a 26-mile radius of its city hall.

The mobile home industry in the 1960s and early 1970s has made rich men of hustlers who mostly live in stick-built houses. As the mobile home industry has expanded, so have mobile homes. Eight and ten-foot wide models are now obsolete. Twelve wides are standard, with 14-wides increasing (in states that allow such widths to be towed on highways) and double-wides gaining in popularity. Today's mobile homes are nearly three times larger than their World War II predecessors.

Mobile homes (except double wides) come furnished from the factory starting at about $6,000. The low price tag is, of course, deceiving. For mobile homes represent, as Boston economist Carol S. Greenwald put it, "low cost housing with high cost financing." Financing is short term at high interest rates, often 12 percent and as high as 21.5 percent in Michigan. Buying a mobile home is more like buying a car than a house. The final irony is that because of the nearly $1 per mile cost in moving a unit, mobile home owners are even less mobile than most Americans.

TIME FOR A BREAKTHROUGH

That mobile homes have become such a major share of the American housing market is reason enough to turn the industry, through legislation, into something more than an unregulated frontier caricature. There is no excuse for the abuses that exist. It is not enough to say, as Gerald Ford did last year before a mobile home manufacturers' meeting in Washington, that "This industry sort of epitomizes the free enterprise system."

There are obvious reforms that must be enacted: long-term leases of one year or more to provide the security within that mobile parks now promise from without, a ban on non-refundable entrance and exist fees; no rules that restrict lifestyles unless they invade the rights of others; no rataliatory evictions; no monopoly sales of mobile homes and accessories by park owners; creation of enforcement agencies to take offenders to criminal court, rather than leaving mobile home owners the more difficult, costly, and protracted route of filing their own civil suit for damages or relief.

More for reasons of regulation than taxing policy, the contradiction between mobile homes as vehicles and mobile homes as houses must be resolved, so that local officials can inspect the units before they're sold. Especially in need of closer supervision are second-hand sales. All parks should be inspected regularly to enforce health and safety standards. And as long as park owners are responsible for roads and utilities in a park, they must be made legally responsible as well, or else municipalities must provide such services.

Warranties must be extended from 90 days to one year, and service must be rendered where the mobile home is parked, not at the factory (a stipulation in some warranties which makes them worthless). There is another reason for extending the time limit. Federally-insured financing for mobile homes demands a one-year warranty. The lack of it largely explains why such programs go virtually unused, and are, in effect, meaningless. The answer is not to weaken the government requirement, but to force the industry, through legislation, to bring its warranty length into compliance.

Mobile homes will never become low-income housing until the financing period is extended, thereby reducing monthly payments. Currently, savings and loan associations are permitted to finance for 15 years, only if the mobile home is more than 14 by 68 feet, far bigger than most.

Banks are unlikely to make long-term investments in structures that literally fall apart after a few years. To build mobile homes better, the industry says, would simply jack up the price. But the total price tag alone is not what determines who can afford to buy; the monthly payment is paramount, and as long as mobile homes are financed over seven to nine years, the monthly payment for new models will remain high.

Mobile homes are low-cost housing if paid for in cash. The Nixon Administration has touted, but not begun on any large scale, a program of family housing allowances. Instead of providing monthly rent payments, the government could offer lump sums of cash for outright purchase of mobile homes. Beyond this, if former Housing Secretary George Romney's Operation Breakthrough failed to find new doors to cheaper mass-produced housing, at least one door has long been opened by the mobile home industry.

The United States has an enormous housing problem that extends beyond those we still call the Poor. Interest rates and construction costs are pricing what little new housing is being built beyond the reach of even middle-income Americans. Surely the depressing poverty of Nightingale-Woodley Hills and the 1984 double-speak of Friendly Village are not the final words on this one approach to new housing in America. In fact, the recent upsurge in mobile home construction is almost certain to continue. And as it does, the growing constituency of mobile home owners is likely to become a force that legislators cannot afford to ignore.

CIA INTERVENTION IN GREECE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. HARRINGTON. Mr. Speaker, the Boston Globe, in an editorial of August 3, 1974, has spoken out strongly against revelations of CIA interference in Greece and other countries.

The editorial declared that—

> It is as though the CIA is bound and determined to demonstrate that the United States has become the adversary to self-determination both at home and abroad and the buttress of autocratic governments the world over

It is encouraging that such respected newspapers as the Boston Globe are showing their outrage over CIA intervention in the affairs of foreign countries. In the last couple of months, particular attention has been given to unlawful CIA intervention into this country's domestic affairs. CIA intervention into the domestic affairs of foreign countries is simply the other side of the coin and deserves equal attention in the press and Congress. Such intervention is equally illegal and is a manifestation of the same drive for unchecked power on the part of the executive branch of Government.

The editorial follows:

CIA's EXIT IN GREECE

It will come as a surprise to many Americans to learn that the Central Intelligence Agency apparently has closed shop in Greece, departing with lock, stock and bags of tricks. Despite persistent rumors, it has never been certain that the CIA has been operating in Greece at all.

But according to authoritative news reports, the clandestine espionage agency not only has been operating in Greece, but, at least since the advent in 1967 of the now-deposed military junta, practically has been masterminding Greek politics as well.

According to an account this week in The New York Times, the CIA has meddled extensively in Greek domestic politics, shifting its allegiance among various factions. For a while in the mid-1960s, the agency reportedly even backed the leftward government of former premier George Papandreou. But mostly it has aided conservative figures.

The agency, for instance, reportedly subsidized and shepherded George Papadopoulos, the Greek colonel who led the 1967 coup overthrowing Papandreou. CIA operatives also worked closely with Brig. Gen. Demetrios Ioannides, who acceded to the head of the military dictatorship in another coup last year.

The Observer, the London newspaper, last year revealed evidence suggesting that the CIA engineered the downfall of the democratically-elected Greek government in 1967. Similarly, it now has surfaced that the CIA operative closest to Ioannides returned to Greece to confer with the general shortly before the July 15 rebellion in Cyprus, which was headed by Greek officers.

Taken together, the circumstances indicate that the CIA has been pulling the strings for some time in the puppet show in Greece, where democracy originated many centuries ago. The failure of the rebellion on Cyprus has toppled the army junta that ruled Greece for seven years and may have uprooted the CIA there as well.

In any case, it is heartening that the American sleuths are disengaging themselves from Greek internal affairs. CIA antics have proved as indefensible in Greece as in the agency's illicit part in the Plumber's Watergate capers.

It is as though the CIA is bound and determined to demonstrate that the United States has become the adversary to self-determination both at home and abroad and the buttress of autocratic governments the world over.

As Victor Marchetti and John D. Marks, former US intelligence agents, said in their book, "The CIA and the Cult of Intelligence:" "The CIA is not defending our national security. It seeks rather to maintain the status quo, to hold back the cultural clock, in areas that are of little or no significance to the American people. These efforts are doomed to failure."

AMENDMENT TO H.R. 15264

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. WOLFF. Mr. Speaker, on Friday, when the House considers the Export Administration Act (H.R. 15264), I will be offering an amendment which is designed to give Congress and the American people advance warning to head off potential shortages of important raw agricultural commodities.

This amendment would require the Secretary of Agriculture to look ahead and determine whether certain raw agricultural commodities, now subject to the reporting requirements of the 1970 Agricultural Act, will be in short supply during the crop year. If the Secretary finds that a commodity will be in short supply, he is required to transmit this information to Congress, together with a detailed plan for coping with the shortage. The Secretary of Commerce would have input into developing this plan.

Mr. Speaker, this amendment does not require the imposition of export controls. What it does seek to require is a responsible and planned approach to dealing with food commodities that are in short supply. Such an approach is essential if we are to guard against the kind of economic damage that accompanied the Russian wheat deal and if we are to avoid hastily contrived export controls that alienate traditional trading partners.

An identical amendment, offered by Senator JAVITS, was adopted in the Senate. The other body has recognized the need to give the American people some assurance that we will have adequate food supplies and that we will not experience the drastic fluctuations in price and supply that marked last year's food dilemma. I hope the House will recognize the need for this assurance and support my amendment on Friday.

The complete text of my amendment to H.R. 15264 follows:

AMENDMENT OFFERED BY MR. WOLFF TO H.R. 15264, AS REPORTED

Page 3, immediately after line 7, insert the following:

"(3) Within ninety days after the beginning of the crop year the Secretary of Agriculture shall determine which commodities, if any, subject to the reporting requirements of section 812 of the Agricultural Act of 1970, are likely to be in short supply. A commodity shall be determined to be in short supply if the Secretary of Agriculture estimates that the total quantity of the commodity that will be produced in the crop year will be insufficient to provide for anticipated domestic consumption, commercial exports, programed food assistance commitments, disaster relief assistance and other emergency assistance, and a reasonable carryover at the end of the crop year. The Secretary of Agriculture with the concurrence of the Secretary of Commerce shall submit his findings to Congress together with a plan or plans to cope with the anticipated shortage."

Page 3, line 7, strike out the quotation marks.

CONGRESSMAN CARNEY SPEAKS OUT ON DEFENSE APPROPRIATIONS BILL

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. CONYERS. Mr. Speaker, I am quite impressed and in complete accord with the remarks of my colleague, the Honorable CHARLES CARNEY of Ohio, delivered during the debate on the Department of Defense appropriations bill.

It is an incredible state of affairs when a military bill of this magnitude is so readily approved while the country's serious domestic ills remain unaddressed. I look forward to working with CHARLES CARNEY and other Members who can no longer tolerate this shameful ordering of our national priorities.

In hoping that the maximum number of people will review his straightforward statement, I am inserting it in the RECORD at this time:

Mr. CARNEY of Ohio. Mr. Chairman, do the Members remember a great General of the United States, a great American President, General Eisenhower; President Eisenhower? Do the Members remember his farewell message: "Beware of a military-industrial complex"?

This was a man who devoted his whole life to the military. We should remember what he told us.

Members get their mail from back home, and they tell us to save the American people some money. It is a funny thing that I see some Members here today, whenever a military bill comes up to kill people, to blow people up, say that we cannot afford not to do it.

The very same Members, when school lunches for kids comes up, when the safety of workers comes up, when it is something for the American people, something to fill hungry bellies, something to make America stronger here at home, those very same Members will always say—some Members of this committee and some on the other side—will say, "Oh, we cannot afford it. We cannot do this."

But, we can spend billions and no one raises any objection.

I made this request a few weeks ago when we had a school lunch program here, and I got up and talked along these lines. They said that we could not afford to do it.

I say, are we going to go that way? We have the money to spend billions, but the American people want money saved.

The gentleman from Mississippi, JAMIE WHITTEN, is a great American and member of this committee. He says it can be saved safely. The American people are looking at this. They want some action, and we had better give it to them or things are going to change.

No wonder Congress is in such low esteem with the American people. We have billions to spend to kill people, but nothing for the American people. We had better shape up, because the time is getting late.

HOUSE-APPROVED MILITARY BUDGET SHOWS LACK OF FISCAL RESTRAINT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. DRINAN. Mr. Speaker, I was profoundly disappointed in the failure of this body yesterday to make responsible reductions in the Department of Defense appropriations bill (H.R. 16243). At a time when the grave economic situation demands fiscal restraint, I am unable to justify to my constituents the expenditure of more than $83 billion for the military.

The House did adopt two excellent amendments which I was pleased to support. The first eliminated a $5.8 million appropriation for the development of a new binary nerve gas program. We already have approximately fifty million pounds of nerve gas in our military stockpiles. We should be working to ban weapons of chemical warfare, rather than inaugurating new and costly programs.

The second amendment approved by the House reduced the appropriations for military aid to South Vietnam from $1 billion to $700 million. Americans are no longer being killed in Southeast Asia; but the war continues to rage, fueled by American planes, bombs, guns, and ammunition. Contrary to the repeated assurances of the administration, the United States has not yet gotten out of Vietnam. We remain involved to the tune of billions of dollars in military aid which helps to support the dictatorship of President Thieu. The $300-million reduction in the appropriations level imposed by the House yesterday represents an important step in the right direction.

Unfortunately, the House failed to make more substantial cuts in the proposed budget. I voted for unsuccessful amendments to delete funding for the obsolete Safeguard missile system and for the dangerous new program of counterforce first-strike weapons development. An amendment to reduce the entire budget by $2.2 billion, which I supported, was rejected by a narrow margin.

In its final form, the budget approved by the House last evening provided $83.4 billion to the Department of Defense for fiscal 1975. We in the Congress have been urged to help slow inflation by exercising fiscal restraint. Apparently, the military budget, which represents our largest Federal expenditure, is not subject to this same standard of responsible spending. Increased spending for the military at a time when crucial domestic programs are being curtailed strikes me as a tragic confusion of priorities. I could not join a majority of my colleagues in approving this excessive Defense Department appropriation.

ATTORNEY GENERAL SAXBE SPEAKS OUT FOR ANTITRUST ENFORCEMENT

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. HEINZ. Mr. Speaker, the Republican Task Force on Antitrust and Monopoly Problems is deeply concerned over the problems of enforcing existing antitrust laws. Enforcement of the antitrust statutes not only is a necessary ingredient in the running of our free enterprise system, but also would benefit the consumer in many ways by creating more competition in the market place.

Currently, the task force is studying competition in the agriculture field. In a series of hearings, the task force members have heard the views of representatives from the Agricultural Marketing Service of the Department of Agriculture, the National Council of Farmer Cooperatives, the National Broiler Marketing Association, Consumers Union, the National Consumers Congress, and the Honorable Thomas E. Kauper, Assistant Attorney General for Antitrust. The Honorable Lewis A. Engman, Chairman, Federal Trade Commission, the National Association of Food Chains, and the Secretary of Agriculture, Earl L. Butz are scheduled for later meetings.

The task force's goal is to propose legislative changes to rectify anticompetitive situations, keeping in mind a general philosophy that when the marketplace is open and competitive, it is the best regulator of industry and the best insurance against inflation.

The Honorable William B. Saxbe, Attorney General of the United States, in a recent address before the National Conference for State, County, and City Consumer Office Administrators, discussed his views on antitrust enforcement and other matters of concern to consumers. I include here Mr. Saxbe's thought-provoking remarks, and I urge my colleagues to read them carefully:

ADDRESS BY THE HONORABLE WILLIAM B. SAXBE, ATTORNEY GENERAL OF THE UNITED STATES

I very much appreciate the opportunity to be with you today as you conclude the work of this important conference.

In one way or another, your efforts touch the lives of all Americans, and I hope that this conference will lead to a substantial increase in the level of public service that we can provide.

The range of your efforts should be exceptionally broad for the common definition of a consumer is, very simply, one who consumes.

But the consumer today is all too often in the perilous position of himself being consumed by forces which he may seldom understand and over which he has precious little control.

It is our job to see that the consumer is given not merely a better break but rather is given all of the rights to which he is entitled. In short, the consumer must receive the full protection of the law.

For centuries, the creed in the marketplace has been to let the buyer beware. I think it is about time that we begin to insist on some new responsibilities on the other side of the fence.

It is time for a change: To also let the seller beware, and let the manufacturer beware as well. The public should insist on honest value received for honest dollars paid.

And perhaps even more important, the white collar criminal should be on notice that his illegal business practices will not be tolerated either.

When government fails in the consumer area, and it has failed far too often, a wide range of costs is extracted from the public. It may be in the health hazards of the polluted air we breathe or in the outright theft of our money when we purchase a product whose price has been fixed.

Consumers should be on guard at all times to make sure they receive the goods and services for which they pay. But in a society as complex as ours, government has a responsibility to help inform them about the potential problems they face—and teach them how to protect themselves.

Law enforcement and consumer agencies also have a duty to help resolve conflicts. And when voluntary compliance fails, there must be prompt and vigorous prosecution for violations of the law.

In addition, new statutes and new programs are vital—as are joint efforts by the Government, the business community, and the public to help elevate the ethical conduct of the marketplace.

Much more is involved in this matter of consumer affairs than, for instance, the failure of a store to honor the warranty on a faulty television set. In an astounding number of cases, human life is involved.

The Consumer Product Safety Commission reports that an estimated 20 million Americans are injured each year by products used in and around the home. About 110,000 are disabled permanently and 30,000 are killed.

No one suggests that the manufacturer is to blame in each and every case. But the bare statistics alone should compel us to reach the conclusion that something has gone wrong and that at least part of the blame might be placed on the producer.

An unsafe product can be potentially as bad as a robber holding a pistol to your head—and then pulling the trigger. All too often, the result is the same, as the Consumer Product Safety Commission statistics so graphically show.

In a book called "The Incurable Wound," Berton Roueche wrote an account of a three-year-old boy who easily opened a bottle of aspirin and ate the contents while his mother slept. Within a fairly short time, the child was dead. The author included the incident while tallying up the deadly perils that lurk in nearly every home medicine cabinet and in cleansers and other materials used by nearly every housewife. He summed it up by quoting a young scientist at a poison control center who said:

"Most people take life for granted. In fact, it's the most delicate thing in the world. One false step and it's over."

Those words should be engraved in the minds of every person who has anything to do with goods used by the public—As well as those of us whose duties include protection of the public.

Some businessmen complain about new laws passed by the Government and new regulations imposed on the quality and safety of commonly used products.

But I often wonder why more of them don't make improvements on a voluntary basis intead of letting the problems become so gross that the Government has to act—and then only after enormous suffering has occurred.

The industrialist watching smoke belch from the chimneys of his factory should have had a glimmer that the air was being poisoned. The drug manufacturer should have had an inkling that child-proof containers for his product might have been a prudent step to take.

All of us should be more alert to products and practices which may pose a clear and present danger. Some years ago, manufacturers were required to print a warning of health hazards on cigarette packages. But there are no similar warning required, for instance, on alcoholic beverages—despite the fact that an estimated nine million Americans suffer from alcoholism, and alcohol-related problems cause more than 85,000 deaths a year.

In considering consumer matters, it is apparent that the problems are of such magnitude that no one sector of our society can hope to solve them by itself.

Every member of the consuming public will have to become much more aware of the threats posed to both his pocketbook and his health, and where possible join fellow citizens in responsible civic action programs to protect his interests.

The worlds of business and finance are going to have to engage in deeper soul-searching that hopefully will lead to self-policing on a much broader scale.

The businessman, like the physician, has humanitarian responsibilities—whether he recognizes it or not.

And government at every level simply must begin to realize some time-honored truths—starting with the basic principle that it exists to serve the people, not to thwart them through subservience to special interests.

Greater levels of cooperation also are needed among all of the groups in the public and private sector. Whatever else is done, none of us can afford to let the steam go out of the consumer movement. The toll already is too great, and it would be immeasurably greater if apathy allows old ways to reassert themselves.

For its part, the Department of Justice is faced with a number of problems as it attempts to carry out its responsibilities in the consumer area.

In the few months that I have been Attorney General, I have found that consumer resources in the Federal government are not adequate and that there is fragmentation of existing programs which hamper their effectiveness.

The Department of Justice has statutory responsibility to represent the Government in a variety of criminal and civil actions related to consumer problems. These include enforcement of the food and drug laws, statutes on unsafe products and dangerous substances, and mail fraud and related laws.

There is another area of our responsibility which transcends the individual consumer, though it is one which affects all of us—no matter what our occupation, no matter what our income.

I am referring to the antitrust enforcement program of the Department. The antitrust laws have been called the original consumer legislation. But more to the point, the vigorous enforcement of those statutes can have a major and beneficial impact on the entire economy and the whole free enterprise system.

One might hazard a guess that a nation that spends as much time as we do talking about the virtues of free enterprise really believes in the vigorous tugging and hauling of the marketplace. But just mention antitrust enforcement to business and industrial leaders and see what kind of a reaction you get.

As long as it is directed against somebody else, they favor it. But if they are the target of enforcement efforts, then the complaints begin, and so do the dire predictions that their companies will be ruined and whole segments of the economy shattered. And their supporters pop up all over: consumers who are also stockholders; labor unions; and often even Congressmen who are otherwise vocal in their support of strong enforcement.

To their dire predictions that antitrust means disaster, I can only say that it is nonsense.

I am convinced that the opposite is true: That we will be in for some very tough sledding if we do not enforce the antitrust laws and stop a wide range of practices detrimental to the economy and to the citizens of this country.

If businessmen insist on cutting corners and breaking laws in their quest for profits, then they will set us on a course that could wreck the entire free enterprise system.

The bottom line on any firm's ledger book should certainly show profits. But it also must include ethical conduct and a sense of responsibility to the larger society.

If businessmen refuse to obey the antitrust laws, then we have no recourse but to prosecute them as vigorously as we prosecute anyone who commits fraud, or sells narcotics, or violates the civil rights of another. Those laws are designed to assist the consumer by encouraging lower prices for goods and services. When firms compete freely, prices do tend to go down as the companies become more creative and more efficient.

When there is a monopoly, however, or when firms join together to fix prices or restrict competition, the cost of goods to the customers tends to rise substantially. Given enough illegal activities, profound influences begin to make themselves felt in the entire economy, which also impact adversely on the consumer.

Faced with these problems, I believe it is my responsibility as Attorney General to see that the antitrust laws are vigorously enforced.

Let me say here that I feel the Antitrust Division of the Department of Justice has done an excellent job in this Administration. It is functioning more effectively now than at almost any time in its history. Its attorneys are highly motivated and dedicated to the fair enforcement of the laws. But that is not to say that there is no room for improvement in the Division's operation.

One action, which I intend to put into effect July 1, is to end the long-standing procedure whereby the Attorney General must personally approve or disapprove each complaint proposed by the Antitrust Division.

I will of course retain responsibility for antitrust policy and make my views on antitrust enforcement known to the Division, but I feel my basic role is to help develop overall policy and leave the individual cases to the staff.

As it stands now, a potential complaint is subject to as many as eight separate and time-consuming reviews, including that of the Attorney General, before it is filed in court. By eliminating the Attorney General from that review procedure in non-policy type complaints, the Division will be able to process cases more rapidly within the Department.

In the absence of statutory requirements, other legal divisions normally bring such cases on their own and I see no reason why Antitrust should not conform to that practice.

Even as procedures are being streamlined, however, we are still faced with the problem of adequate resources. The proposed budget for the Antitrust Division for fiscal 1975 is about $16 million. That is only slightly more than the budget for the River Basins Surveys program of the Federal government. I don't suggest for a moment that river basin surveys are not important, but I do think that antitrust should have a somewhat higher priority.

In the current fiscal year, there is an authorized level of 327 attorneys in the Antitrust Division, and for the coming year we are seeking 40 additional lawyers.

Even this modest increase was severely cut by the House Appropriations Committee, but I was extremely pleased that the original request was restored on the floor of the House this past Tuesday. The 216 members who voted in favor of restoring funds for these badly needed lawyers deserve the respect of all consumers.

We are also studying other new approaches that might be implemented in the Antitrust Division, including additional field offices and a roving strike force that would move around the country developing priority cases.

I will shortly ask the National Association of Attorneys General and the National District Attorneys Association to develop closer levels of cooperation with the Department on enforcement of antitrust laws. The Antitrust Division already is giving some assistance to state and local enforcement agencies, but I believe it should be greatly increased.

I also will instruct the Law Enforcement Assistance Administration to increase its assistance to states and localities for reduction of white collar crime—including antitrust violations. LEAA recently awarded more than $1 million to the District Attorneys Association to continue a consumer fraud program being carried out on a pilot basis by 15 local prosecutors. That program should be expanded to every state, with antitrust enforcement being an integral component.

Fraud has become an enormous problem throughout the Nation but Federal enforcement efforts are handicapped because of the limited scope of the mail fraud statute. I believe the Congress should consider enacting a general fraud statute that would give the Department the power to prosecute a wide variety of offenses that now go largely unchallenged. Tough criminal penalties are needed rather than civil sanctions which too often are toothless.

Finally, the Department has major responsibilities in the field of public education. We will shortly publish a new brochure which explains antitrust and tells the consumer what he can do to support proper enforcement. The message is simple: Be alert to possible violations, and when you find something suspicious call it to the attention of enforcement agencies listed in the booklet. It is only a small, initial step—and we will have to build on it.

Public education programs are essential because, on the Federal level, about 95 per cent of all antitrust actions that are initiated stem from citizen complaints.

Substantial benefits can result from responsible and widespread citizen support for the consumer movement. I hope that they let us all know what is on their minds, as well as inform enforcement agencies of possible violations of the law.

In closing, let me say that what the consumer needs is an epidemic of competition, of truth, and of quality. He will be the better for it, and so will the country.

Thank you.

GOLD AND ECONOMIC FREEDOM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. CRANE. Mr. Speaker, amidst the ever-growing evidence of the seriousness of our economic problems, two recent events give cause for optimism: the nomination of Alan Greenspan to be Chairman of the Council of Economic Advisers and the passage of legislation legalizing ownership of gold effective January 1, 1975.

For years Mr. Greenspan, president of Townsend-Greenspan & Co., a New York economic consulting firm, has sounded warnings of the dangers that lie ahead as long as the rate of increase in Federal expenditures and credit guarantees is allowed to run in excess of the revenue-raising capacity of our tax system. Inflation, Mr. Greenspan argues, is the inevitable result of such a policy and can be checked only by balancing the U.S. budget.

Thus the appointment of Mr. Greenspan, who is a staunch advocate of free enterprise, indicates that the administration seriously intends to follow a policy of fiscal and monetary restraint, and abandon—forever, I hope—interventionist policies such as wage-price controls.

The legalization of ownership of gold is likewise good news to everyone suffering the effects of inflation. Gold cannot be inflated and thus can serve as a store of value to protect one's savings from inflation.

While these two events may appear to be unrelated, there is a sense in which their happening now is not accidental. It is the rapidly rising inflation of the past several years that led to the public pressure which has resulted in the legalization of gold ownership.

This same inflation has generated economic conditions so serious as to threaten our basic political and economic freedoms which in turn has led Government leaders now to call on the advice of the man who predicted it and knows how to correct it.

Therefore it is particularly appropriate to call to the attention of my colleagues an essay by Mr. Greenspan entitled "Gold and Economic Freedom." This essay appeared in Capitalism: The Unknown Ideal by Ayn Rand, New York: the New American Library, 1966; and in the July 1966 issue of the Objectivist, copyright 1966 by the Objectivist, Inc. It is reprinted here with permission:

Gold and Economic Freedom

(By Alan Greenspan)

An almost hysterical antagonism toward the gold standard is one issue that unites statists of all persuasions. They seem to sense—perhaps more clearly and subtly than many consistent defenders of laissez-faire—that gold and economic freedom are inseparable, that the gold standard is an instrument of laissez-faire and that each implies and requires the other.

In order to understand the source of their antagonism, it is necessary first to understand the specific role of gold in a free society.

Money is the common denominator of all economic transactions. It is that commodity which serves as a medium of exchange, is universally acceptable to all participants in an exchange economy as payment for their goods or services, and can, therefore, be used as a standard of market value and as a store of value, i.e., as a means of saving.

The existence of such a commodity is a precondition of a division of labor economy. If men did not have some commodity of objective value which was generally acceptable as money, they would have to resort to primitive barter or be forced to live on self-sufficient farms and forego the inestimable advantages of specialization. If men had no means to store value, i.e., to save, neither long-range planning nor exchange would be possible.

What medium of exchange will be acceptable to all participants in an economy is not determined arbitrarily. First, the medium of exchange should be durable. In a primitive society of meager wealth, wheat might be sufficiently durable to serve as a medium, since all exchanges would occur only during and immediately after the harvest, leaving no value-surplus to store. But where store-of-value considerations are important, as they are in richer, more civilized societies, the medium of exchange must be a durable commodity, usually a metal. A metal is generally chosen because it is homogeneous and divisible: every unit is the same as every other and it can be blended or formed in any quantity. Precious jewels, for example, are neither homogeneous nor divisble.

More important, the commodity chosen as a medium must be a luxury. Human desires for luxuries are unlimited and, therefore, luxury goods are always in demand and will always be acceptable. Wheat is a luxury in underfed civilizations, but not in a prosperous society. Cigarettes ordinarily would not serve as money, but they did in post-World War II Europe where they were considered a luxury. The term "luxury good" implies scarcity and high unit value. Having a high unit value, such a good is easily portable; for instance, an ounce of gold is worth a half-ton of pig iron.

In the early stages of a developing money economy, several media of exchange might be used, since a wide variety of commodities would fulfill the foregoing conditions. However, one of the commodities will gradually displace all others, by being more widely acceptable. Preferences on what to hold as a store of value, will shift to the most widely accepted commodity, which, in turn, will make it still more acceptable. The shift is progressive until that commodity becomes the sole medium of exchange. The use of a single medium is highly advantageous for the same reasons that a money economy is superior to a barter economy: it makes exchanges possible on an incalculably wider scale.

Whether the single medium is gold, silver, seashells, cattle or tobacco is optional, depending on the context and development of a given economy. In fact, all have been employed, at various times, as media of exchange. Even in the present century, two major commodities, gold and silver, have been used as international media of exchange, with gold becoming the predominant one. Gold, having both artistic and functional uses and being relatively scarce, has always been considered a luxury good. It is durable, portable, homogeneous, divisible, and, therefore, has significant advantages over all other media of exchange. Since the beginning of World War I, it has been virtually the sole international standard of exchange.

If all goods and services were to be paid for in gold, large payments would be difficult to execute, and this would tend to limit the extent of a society's division of labor and specialization. Thus a logical extension of the creation of a medium of exchange, is the development of a banking system and credit instruments (bank notes and deposits) which act as a substitute for, but are convertible into, gold.

A free banking system based on gold is able to extend credit and thus to create bank notes (currency) and deposits, according to the production requirements of the economy. Individual owners of gold are induced, by payments of interest, to deposit their gold in a bank (against which they can draw checks). But since it is rarely the case that all depositors want to withdraw all their gold at the same time, the banker need keep only a fraction of his total deposits in gold as reserves. This enables the banker to loan out more than the amount of his gold deposits (which means that he holds claims to gold rather than gold as security for his deposits). But the amount of loans which he can afford to make is not arbitrary: he has to gauge it in relation to his reserves and to the status of his investments.

When banks loan money to finance productive and profitable endeavors, the loans are paid off rapidly and bank credit continues to be generally available. But when the business ventures financed by bank credit are less profitable and slow to pay off, bankers soon find that their loans outstanding are excessive relative to their gold reserves, and they begin to curtail new lending, usually by charging higher interest rates. This tends to restrict the financing of new ventures and requires the existing borrowers to improve their profitability before they can obtain credit for further expansion. Thus, under the gold standard, a free banking system stands as the protector of an economy's stability and balanced growth.

When gold is accepted as the medium of exchange by most or all nations, an unhampered free international gold standard serves to foster a worldwide division of labor and the broadest international trade. Even though the units of exchange (the dollar, the pound, the franc, etc.) differ from country to country, when all are defined in terms of gold the economies of the different countries act as one—so long as there are no restraints on trade or on the movement of capital. Credit, interest rates and prices tend to follow similar patterns in all countries. For example, if banks in one country extend credit too liberally, interest rates in that country will tend to fall, inducing depositors to shift their gold to higher-interest paying banks in other countries. This will immediately cause a shortage of bank reserves in the "easy money" country, inducing tighter credit standards and a return to competitively higher interest rates again.

A fully free banking system and fully consistent gold standard have not as yet been achieved. But prior to World War I, the banking system in the United States (and in most of the world) was based on gold; and even though governments intervened occasionally, banking was more free than controlled. Periodically, as a result of overly rapid credit expansion, banks became loaned up to the limit of their gold reserves, interest rates rose sharply, new credit was cut off and the economy went into a sharp, but short-lived recession. (Compared with the depressions of 1920 and 1932, the pre-World War I business declines were mild indeed.) It was limited gold reserves that stopped the unbalanced expansions of business activity, before they could develop into the post-World War I type of disaster. The readjustment periods were short and the economies quickly reestablished a sound basis to resume expansion.

But the process of cure was misdiagnosed as the disease: if shortage of bank reserves was causing a business decline—argued economic interventionists—why not find a way of supplying increased reserves to the banks so they never need be short! If banks can continue to loan money indefinitely—it was claimed—there need never be any slumps in business. And so the Federal Reserve System was organized in 1913. It consisted of twelve regional Federal Reserve banks nominally owned by private bankers, but in fact government sponsored, controlled and supported. Credit extended by these banks is in practice (though not legally) backed by the taxing power of the federal government. Technically, we remained on the gold standard; individuals were still free to own gold, and gold continued to be used as bank reserves. But now, in addition to gold, credit extended by the Federal Reserve banks ("paper" reserves) could serve as legal tender to pay depositors.

When business in the United States underwent a mild contraction in 1927, the Federal Reserve created more paper reserves in the hope of forestalling any possible bank reserve shortage. More disastrous, however, was the Federal Reserve's attempt to assist Great Britain, who had been losing gold to us because the Bank of England refused to allow interest rates to rise when market forces dictated (it was politically unpalatable). The reasoning of the authorities involved was as follows: If the Federal Reserve pumped excessive paper reserves into American banks, interest rates in the United States would fall to a level comparable with those in Great Britain; this would act to stop Britain's gold loss and avoid the political embarrassment of having to raise interest rates.

The "Fed" succeeded: it stopped the gold loss, but it nearly destroyed the economies of the world, in the process. The excess credit which the Fed pumped into the economy spilled over into the stock market—triggering a fantastic speculative boom. Belatedly, Federal Reserve officials attempted to sop up the excess reserves and finally succeeded in braking the boom. But it was too late: by 1929 the speculative imbalances had become so overwhelming that the attempt precipitated a sharp retrenching and a consequent demoralizing of business confidence. As a result, the American economy collapsed. Great Britain fared even worse and rather than absorb the full consequences of her previous folly, she abandoned the gold standard completely in 1931, tearing asunder what remained of the fabric of confidence and inducing a worldwide series of bank failures. The world economies plunged into the Great Depression of the 1930's.

With a logic reminiscent of a generation earlier, statists argued that the gold standard was largely to blame for the credit debacle which led to the Great Depression. If the gold standard had not existed, they argued, Britain's abandonment of gold payments in 1931 would not have caused the failure of banks all over the world. (The irony was that since 1913, we had been, not on a gold standard but on what may be termed "a *mixed* gold standard"; yet it is gold that took the blame.)

But the opposition to the gold standard in any form—from a growing number of welfare-state advocates—was prompted by a much subtler insight: the realization that the gold standard is incompatible with chronic deficit spending (the hallmark of the welfare state). Stripped of its academic jargon, the welfare state is nothing more than a mechanism by which governments confiscate the wealth of the productive members of a society to support a wide variety of welfare schemes. A substantial part of the confiscation is effected by taxation. But the welfare statists were quick to recognize that if they wished to retain political power, the amount of taxation had to be limited and they had to resort to programs of massive deficit spending, i.e., they had to borrow money, by issuing government bonds, to finance welfare expenditures on a large scale.

Under a gold standard, the amount of credit that an economy can support is determined by the economy's tangible assets, since every credit instrument is ultimately a claim on some tangible asset. But government bonds are not backed by tangible wealth, only by the government's promise to pay out of future tax revenues, and cannot easily be absorbed by the financial markets. A large volume of new government bonds can be sold to the public only at progressively higher interest rates. Thus, government deficit spending under a gold standard is severely limited.

The abandonment of the gold standard made it possible for the welfare statists *to use the banking system* as a means to an unlimited expansion of credit. They have created paper reserves in the form of government bonds which—through a complex series of steps—the banks accept in place of tangible assets and treat as if they were an actual deposit, i.e., as the equivalent of what was formerly a deposit of gold. The holder of a government bond or of a bank deposit created by paper reserves believes that he has a valid claim on a real asset. But the fact is that there are now more claims outstanding than real assets.

The law of supply and demand is not to be conned. As the supply of money (of claims) increases relative to the supply of tangible assets in the economy, prices must eventually rise. Thus the earnings saved by the productive members of the society lose value in terms of goods. When the economy's books are finally balanced, one finds that this loss in value represents the goods purchased by the government for welfare or other purposes with the money proceeds of the government bonds financed by bank credit expansion.

In the absence of the gold standard, there is no way to protect savings from confiscation through inflation. There is no safe store of value. If there were, the government would have to make its holding illegal, as was done in the case of gold. If everyone decided, for example, to convert all their bank deposits to silver or copper or any other good, and thereafter declined to accept checks as payment for goods, bank deposits would lose their purchasing power and government-created bank credit would be worthless as a claim on goods. The financial policy of the welfare state requires that there be no way for the owners of wealth to protect themselves.

This is the shabby secret of the welfare statists' tirades against gold. Deficit spending is simply a scheme for the "hidden" confiscation of wealth. Gold stands in the way of this insidious process. It stands as a protector of property rights. If one grasps this, one has no difficulty in understanding the statists' antagonism toward the gold standard.

FAST BREEDER REACTOR

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ASPIN. Mr. Speaker, the Atomic Energy Commission's draft environmental impact statement on the fast breeder nuclear reactor is totally inadequate. The President's Council on Environmental Quality should force the AEC to withdraw the present draft statement.

The Council on Environmental Quality oversees the preparation of environmental impact statements and their evaluation. The AEC has done such an incredibly sloppy job that the present draft should be withdrawn and an entirely new draft impact statement be written. Of course, the Council on Environmental Quality has no specific authority to require withdrawal of the statement but they sure can jawbone and they should in this case.

Recently, Supreme Court Justice William O. Douglas halted a Corps of Engineers dam project based on CEQ's disapproval of the draft environmental impact statement. Based on Mr. Justice Douglas' decision I believe that CEQ should pressure the AEC to withdraw this statement.

In the decision Justice Douglas wrote:

> The Council on Environmental Quality, ultimately responsible for the administration of NEPA and most familiar with its requirements for environmental impact statements, has taken the unequivocal position that the statement in this case is deficient . . . that agency determination is entitled to great weight.

Mr. Justice Douglas concluded, based on CEQ's opposition, that the Warm Springs Dam project in California should be halted.

Mr. Speaker there are a number of deficiencies in the current draft environmental impact statement which require rewriting of the current draft statement. The present statement fails to consider the hazards involved in a nuclear reactor which produced large amounts of plutonium. The AEC has failed to consider the adequacy of safeguards to prevent theft of highly poisonous plutonium by terrorist groups or the possibility of someone stealing enough plutonium to build a crude nuclear bomb.

The impact statement provides no policy options to the development of the fast breeder reactor. Although some alternative source of energy such as solar energy and light water nuclear reactors were discussed at length in the statement, specific policy options or alternatives were never developed by the AEC in the draft environmental impact statement.

Similarly, the economic analysis of the fast breeder reactor prepared by the AEC is misleading at best. The cost-benefit analysis assumed that the cost of the fast breeder reactor will decrease because of so-called learning curves lowering the cost of reactors over time. But, at the same time, the study assumed that there is no decrease in the cost of conventional or light water nuclear reactors as a result of learning curves. Based on the alleged decrease in cost of the fast breeder reactor, the AEC claims the fast breeder is more economical. Mr. Speaker, this is phony economics. In addition, the cost-benefit analysis assumed growth rates in electricity demand are simply too high. The study says that the United States would double its consumption of electricity every 10 years and based its conclusions that the fast breeder reactor is economically sound on that assumption.

A number of Federal agencies including the Federal Energy Office and the National Science Foundation have not reviewed or commented on the draft statement in apparent violation of the National Environmental Policy Act. These agencies have primary responsibility for Project Independence and the development of alternatives. No final statement should be issued until they have commented on the draft.

In order for the AEC to conform with the spirit and the letter of the NEPA, this draft environmental impact statement should be withdrawn, rewritten and resubmitted for comments. I am enclosing a copy of my letter to CEQ Chairman Peterson. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 5, 1974.

Mr. RUSSELL W. PETERSON,
Chairman, Council on Environmental Quality, Washington, D.C.

DEAR MR. PETERSON: I am writing to you today in order to request that the Council on Environmental Quality take the necessary steps to obtain the withdrawal of the current draft environmental impact statement on the Liquid Metal Fast Breeder Reactor (LMFBR) program. I believe an entirely new draft environmental impact statement should be written by the AEC and reviewed by all relevant governmental agencies.

I am aware that the Council on Environmental Quality has no specific statutory or regulatory authority to require withdrawal of the statement. But I would like to draw your attention to a recent decision by Supreme Court Justice William O. Douglas in the case *Warm Springs Dam Task Force et al.* v. *Lt. General William C. Gribble, Jr., et al.* Mr. Justice Douglas wrote: "the Council on Environmental Quality, ultimately responsible for the administration of NEBA and most familiar with its requirements for environmental impact statements, has taken the unequivocal position that the statement in this case is deficient . . . that agency determination is entitled to great weight."

Based on this recent decision by Supreme Court Justice Douglas and the inadequacy of the current draft statement, I hope that the CEQ will make every effort to persuade the AEC to withdraw and rewrite the LMFBR draft environmental impact statement.

I believe that the current draft environmental impact statement is deficient since it fails to consider the hazards involved in a nuclear reactor which produces large amounts of plutonium. The AEC has, in fact, failed to consider the adequacy of safeguards to prevent the theft of highly toxic plutonium by terrorist groups or the possibility of someone stealing enough plutonium to build a crude nuclear bomb. The impact statement also provides no policy options to the development of the Fast Breeder Reactor. Although some alternative sources of energy such as solar energy and light water nuclear reactors are discussed at length, specific policy options or alternatives were never fully developed by the AEC in the draft environmental impact statement.

Similarly, a cost-benefit analysis prepared for the Fast Breeder Reactor draft environmental impact statement is misleading at best. The study assumes the cost of the Liquid Metal Fast Breeder Reactor will decrease because of a so-called learning curve lowering the cost of reactors over time. But, at the same time the study assumes that there is no decrease in cost for the conventional or light water nuclear reactor as the result of the learning curve. Based on the alleged decrease in cost of the Fast Breeder Reactor, the AEC claims that the Fast Breeder is more economical. Also, the cost-benefit analysis assumes growth rates of electricity demands are simply too high. I am sure that you and the staff of the CEQ will agree that the U.S. should avoid doubling its consumption of electricity every ten years.

Finally, a number of federal agencies including the Federal Energy Administration and the National Science Foundation have not reviewed or commented on the draft environmental impact statement in apparent violation of the National Environmental Policy Act. These agencies have primary responsibility for Project Independence and the development of one alternative—solar energy. No final statement should be issued until they have commented on the draft statement.

In view of the total inadequacy of the current draft environmental impact statement and the CEQ's responsibility to oversee the proper implementation of the National Environmental Policy Act, I hope that you can persuade the AEC to withdraw its current draft environmental impact statement.

I hope that you could arrange for members of your staff to meet with members of my staff regarding this problem before any final decision is made by the CEQ concerning the disposition of the current AEC draft environmental impact statement.

Thank you very much for your cooperation in this matter.

Sincerely,

LES ASPIN,
Member of Congress.

AMENDMENT TO H.R. 16090

HON. ELIZABETH HOLTZMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Ms. HOLTZMAN. Mr. Speaker, I am concerned that the limitations which the Federal Election Campaign Act Amendments of 1974 (H.R. 16090) sets on individual contributions may make it even more difficult than it now is for a challenger to unseat an incumbent candidate.

An unknown challenger often may not have access to the large number of potential contributors to which the incumbent has access. The challenger may be dependent for initial "seed" money on a few contributors, and, accordingly, may compensate for this disadvantage only by initially soliciting relatively large sums from these few contributors. Three or four contributions of $2,500–$3,000 each may often determine whether the challenger's campaign even gets off the ground.

Therefore, under House Resolution 1292 I wish to give notice of the following:

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MS. HOLTZMAN

Page 2, line 12, strike out "$1,000" and insert in lieu thereof "$3,000".

AMENDMENT TO H.R. 16090, AS REPORTED, OFFERED BY MS. HOLTZMAN

Page 2, line 12, strike out "$1,000" and insert in lieu thereof "$2,500".

COMMENCEMENT ADDRESS BY ARCHIBALD COX DELIVERED AT STANFORD UNIVERSITY

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. McCLOSKEY. Mr. Speaker, the events of the last few days have produced a great deal of dismay on both sides of the aisle. It may be of particular value, therefore, to note some optimistic and affirmative comments on the system, delivered recently by a great American student of our system of government.

These comments were made in an address to the graduating class of Stanford University on June 16, 1974, by the Honorable Archibald Cox, former Special Prosecutor:

CAN THE SYSTEM WORK?

(Commencement address by Archibald Cox, Williston Professor of Law, Harvard Law School, delivered at Stanford University June 16, 1974.)

I am very greatly honored by the invitation to join in your Commencement. Pleased also, but a little taken aback. Taken aback because of uncertainty about the function of a commencement address by a professor. If four or more years of professional lectures have failed to do the trick, what can one more professor—dare I say, "even a Harvard professor"—add in 20 minutes?

Let me explain the orgins of my talk.

Last October during the press conference which preceded my departure from Washington I was asked why I accepted the post of Special Prosecutor. I gave my explanation and then observed:

Besides, I have a sort of naive belief that right will prevail in the end. Later a young woman at Columbia demanded to know the ground for this belief.

A little later President Lyman's invitation arrived, and it occurred to me that this might be a good occasion to explain my confidence that the little bit one can do in his own time makes it worth preserving in the effort.

Let us begin with the immediate and then gradually broaden the focus.

The immediate is Watergate. If one's attention becomes transfixed by the seamy side, he is likely to conclude that passion arrogant grasping for power, cynicism and distrust have eroded self-government, while obstructionism and the misdeeds of lawyers are destroying confidence in the administration of justice. I am one of those who also sees at stake two ancient principles of liberty: 1) that the law applies to all men equally, the judges as well as the judged, the governors no less than the governed; 2) that the Executive, which means the President, be under the law. But there is another side to Watergate. It proved that the nation has a conscience. It is more important that our idealism is a live and vital force than to learn once again that some men have proved untrustworthy.

I would also mention that there is another side to government. Hugh Sloan of the Committee to Re-Elect the President was entirely wrong when he said:

If you go into politics . . . then sooner or later you have to compromise. You either compromise or get out. It just, sooner or later, takes the edge off your values.

Hugh Sloan was wrong because he could not distinguish—or did not distinguish—political aims and political opinions from judgments of right and wrong, from the moral limitations whose observance is essential in the long-run legitimacy of political power. In the realm of policy one must often take half-a-loaf or even a quarter-loaf with a view to coming back for more tomorrow. Compromise is unavoidable if conflicting goals and rival interests in any free society are to be merged. This kind of compromise in the interests of the whole society requires no surrender of moral values. Anyone who has been in government knows many men and women, in offices both high and low, who faithfully observe the line between policy and moral principle; and by their conduct they gain both respect and power. In Leland Stanford's time the widest scope for the exercise of a man's vital powers lay in taming the wilderness, in developing America's riches, and in building financial and industrial empires. Today without a doubt it lies in government, because government, in our kind of country, is simply all of us trying to live together.

Let us broaden the focus slightly.

This June brings my 40th reunion, and I cannot help making a few random comparisons which I think meaningful. In 1934 Hitler's storm troopers were moving toward their zenith with brutality and oppression for all but the master race. The scourge of infantile paralysis still killed tens of thousands of children and doomed more to lives with crippled limbs. The minimum factory wage was not yet 25 cents an hour. There was no social security, no medicare. Men were supposed to be independent and self-reliant, but 20% of the work force, one out of five, were unemployed.

During the past 40 years we have accomplished two social and political revolutions peacefully within the existing frame of government.

One was the New Deal. The practice and theory of government were revolutionized. Laissez-faire yielded to social responsibility. Industry and labor were brought under a measure of control. Industrial workers gained new opportunities and new protection. A vast transfer of economic and political power was accomplished. Some of the power has slipped back, I fear, but the transfer was nonetheless tremendous, and much of the transfer remains.

Next came the civil rights revolution—again within the rule of law. On May 17 this year we celebrated the 20th anniversary of *Brown* v. *Board of Education.* After that State laws enforcing a caste system based upon race were invalidated, and enforcement gradually stopped. New doctrines were developed to extend the reach of the Equal Protection Clause. New federal statutes were enacted curtailing practices restricting equal voting rights, denying equal accommodations, denying equal employment opportunities, and assuring equal housing.

The application of the equal protection clause to the black people led to revived concern with other inequalities in our national life, especially discrimination based upon sex.

Granted that the tasks are unfinished, granted too that resulting bureaucracy seems remote and hard to mangae, still may we not have confidence in a system that can peacefully produce two great egalitarian revolutions within 40 years and also within a framework of constitutionalism?

Let us expand the focus still further for a moment. Thursday I ask a friend whether he could lend me a ready-made commencement address. He replied, "Can you think of a better time to be alive?" And I ask you—can you?

In the Elizabethan Age perhaps. Those were years of boisterous confidence and extraordinary creativity, but also of disease, poverty, ignorance and extraordinary cruelty. Men were hanged for scores of petty crimes. The populace turned out in joy to see men burned, spitted alive, or drawn and quartered. You may say that we kill more efficiently on a larger scale now, but at least we have grown squeamish and kill from a distance, and we do it only when we call it war.

Perhaps you would wish to live with the Founding Fathers. That was another extraordinary age. A contemporary described Jefferson as "a gentleman of 32 [years], who could calculate an eclipse, survey an estate, tie an artery, plan an edifice, try a cause, break a horse, dance the minuet, and play the violin." Two years later, of course, he wrote the Declaration of Independence and built our faith in the common man. I think I would like to have lived in that age if I could have been Thomas Jefferson or John Adams or Alexander Hamilton.

But suppose that one were not Thomas Jefferson but a slave, or an indentured servant, or an impressed seaman, or a woman dying alone in childbirth in a sod hut in a remote forest clearing. I think I'd rather draw my lot today.

I think next of the Hellenes. They breathed freedom and had a nobler view of man than ours even though they also faced grief, death and sorrow without papering over the facts of their condition. But the facts are that citizens of Athens built their state upon the backs of slaves, and there was also Sparta as well as Athens.

I grant you that it is harder than it used to be to have confidence in the system. Time has destroyed many of our illusions. The quick conquest of a continent and the Horatio Alger story bred a folklore of endless resources and easy success. For all but the unfortunate, technology and industrial organization poured out a seemingly endless flow of material comforts. American might in two wars led us to suppose that our power extended to the farthest reaches of the globe. Now we see our cities become unlivable; the succession of cars, television sets and refrigerators proves a wasteland. Our power in the world is limited. We have lost our innocence and learned our capacity for evil, witness the bombs dropped on Southeast Asia and the discrepancy that still exists between our pretenses and practices in the treatment of blacks, chicanos and native Americans.

All this is true, and we should face up to it. But I do think in order to maintain our sense of proportion we may also recall that the speed of communication, the vivid frightening and sickening pictures on the television screen, and the social consciences of editors and newsmen make us aware of wrongs and suffering that in the past were simply beyond the individual's ken. That our awareness has expanded and our concern has increased put us two steps ahead. Too much of the press seems obsessed with whatever is wrong, with the violent, the perverse and the abnormal, to give us a fair perspective.

Contemporary literature and the arts tell of men the absurd, the pervert, the drop-out, but rarely man the hero, or even the tragic—for the tragic requires a degree of nobility and few current authors see nobility in man. It is also harder to bear the wrongs and cruelties attributable to human shortcomings. In the past, misfortune and suffering were as inexorable as sowing and reaping, or birth and death.

Should the plague come, should the crops fail, still one could say with the Psalmist, "The judgments of the Lord are righteous altogether." The sense of inevitability is gone. Man feels that man is in charge. And he is in charge as never before in history. So we now have to face the perception simply expressed by Pogo: "We have met the enemy, and it is us."

Harder to face—yes. But also a moment in time for a burst of idealism and optimism—and for staying power. Never before has any substantial part of the world been freed from the pressures of unremitting struggle for food, clothing and shelter. In the U.S. and most of Europe three of the four forces of the apocalypse have retreated; ignorance, disease and poverty—all except war; and war is now as always within human control and only the result of human perversity.

So it is mostly in our own hands and the question becomes, what view of man will you take from here? Errant, stumbling, selfish, indifferent to cruelty, and often cruel himself; in all perhaps very little above the brute. Yes, but I say, still above the brute. As we read history, we can see individual men and women rise to just below the angels: Pericles, Michelangelo, St. Francis of Assisi, Abraham Lincoln, Martin Luther King. A true list would have no end. Consider too man's vision of man's potential: Prometheus of Greek mythology, for example, or the gentle spirit of the Sermon on the Mount. Such dreams and such individuals are part of us, I submit to you; they are our potential.

In what I am trying to say there are no "saving truths," no guarantees, no answers to the staggering problems that confront us and all the world. But perhaps one can take from the university not only a sense of perspective but an attachment to a way of life. Woodrow Wilson called it "the spirit of learning":

What we should seek to impart in our colleges, therefore, is not so much learning itself as the spirit of learning.

The physical scientist knows that too bow before the burning bush is no substitute for the patient exploration of observable data and the constant checking and rechecking of induced hypotheses. The historian and humanist know that the record of human experience is replete with proof that some of the greatest wrongs have been done and many of the most civilizing and liberalizing ideas have been suppressed in the names of Truth and Conscience. The "spirit of learning" is the way of freedom and reason, of mutual trust, civility and respect for one another.

As the scholar does not know the truth he seeks, as he lacks assurance that there is a truth and knows only that by putting one foot before the other, despite false starts and blind alleys, he makes a little progress, so upon our joint human adventure we do not know the goal, we have no proof there is a goal but can catch glimpses of a bright potential and perhaps can see that by reason, mutual trust and forbearance, man can learn to walk a little straighter.

These qualities might not matter so much, I suppose, if we were content with authority, uniformity, and security of a sort for the conformist. But if men—and women too—are of equal dignity and worth, if though destined to live and work together our goal is the freedom of each to choose the best he can discern, if we seek to do what we can to move toward the realization of these beliefs, then authority will not suffice and some means must be found to mediate between the self-interested, passionate factions, each convinced of its righteousness and each demanding all for itself and the extinction of all opposition. Yet the only means consonant with freedom—so far as discovered—is to impart to the State and its citizens what Wilson called the "spirit of decency":

The spirit of learning is the way of freedom and of reason, of even-handed inquiry, of civility, and respect for one another. The spirit of learning is willing to reach conclusions, act upon them, until a better hypothesis appears, yet it is spirit that is not so sure that it is right.

I take your time for just one current example:

We are now shaping for future generations the instruments for dealing with wrongdoing by a President's close associates and the only instrument with which to deal with a President alleged to be fundamentally unfaithful to his trust.

We need to restore above all else our confidence in the honesty and integrity of our government, which in our country, of course, means our confidence in ourselves. The manner in which the further investigations of the impeachment proceedings is conducted, the role of reason, the degree of impartiality, the degree of effort to achieve justice, will affect our self-confidence more than the vote.

In the heyday of Joseph McCarthy 20-odd years ago, the intellectual world, including the press, was properly outspoken about the danger of *ex parte* accusation, about the unfairness of planting stories in the press without adequate opportunity for reply, and about the lack of true adversary proceedings.

Last Wednesday morning the newspapers told of an interview with a member of the House Judiciary Committee, in which he asserted that the Committee had "proof positive" that the Secretary of State ordered wire-taps upon the members of the staff of the National Security Council but when asked to reveal the proof, he replied that to give out the proof would be improper. Several weeks earlier someone on the staff or a member of the Ervin Committee gave the press proposed findings of guilt upon men under indictment and awaiting trial. The similar incidents have been too numerous to excuse them by careless slips of the tongue alone. Still we read no editorials condemning current *ex parte* accusations, "leaks" to the press, and judgment without true adversary proceedings.

Are they now any less unfair than they were 20 years ago? Do not misunderstand me—my brief is with the prosecution. I think that liberty was at stake and the kind of abuse that investigation has proven occurred in high places deserves only contempt and punishment of those found guilty.

Procedural fairness does not depend upon whose ox is gored.

So I hope that you will take from here a sense of the value of method and a long view. Youth measures in only one direction, we are told: from things as they are to an ideal of what things ought to be; while the old measure things as they are against the past they remember. The students of recent years belonged to an extraordinarily idealistic, honest and courageous generation: idealistic enough to see what can be, honest enough to face the gap between what is and what can be, and courageous enough to seek instant correction.

I hope that you will never become patient about the gap between what is and what ought to be.

But of course the "boob-tube" is misleading and the millennium cannot be achieved at once. As in the past, most men and women go blundering along, some inept, but doing the best they can; some selfish, power-hungry, and all of them possessing the capacity for evil. I have heard it said that today's classes, in their discouragement, retreated from idealism and commitment. Their style has changed, I think, but I doubt that there is a loss of underlying commitment.

But honesty and disappointment with failure to achieve the millennium should not lead to obsession with whatever is bad, and so to cynicism and despair, or to escape into the perverse and abnormal.

For those who take the long view of man's experience will find that from time to time there were other societies no less honest and courageous than ours in facing all the ugliness, cruelty and indifference that the mirror reveals, but which also held a brighter, nobler view of man, and had the greater courage to pursue the vision.

And perhaps, if you compare where we are with where we have been, as well as where we ought to be, you will conclude that even if you cannot bring about the millennium, still we can help each other to suffer a little less and learn to walk a little straighter.

I can give you no assurance even of that, but I can and do promise you joy in the endeavor.

MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. SMITH of New York. Mr. Speaker, it is my privilege to insert in the Record each month the monthly calendar of the Smithsonian Institution. The August calendar of events follows:

August at the Smithsonian

THURSDAY, AUGUST 1

Demonstration.—Jewelry-making demonstrated by Stephen Bondi, of Catholic University. Finished pieces are also displayed, 1 to 4 p.m. The Renwick Gallery. In conjunction with the current exhibition on contemporary goldsmithing. Free.

FRIDAY, AUGUST 2

Rehabilitation Medicine Film.—*Wonder Engine of the Body; Heart to Heart;* and *Kevin Is Four*. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Films are scheduled each Friday in conjunction with the current exhibition *Triumph Over Disability*.

SUNDAY, AUGUST 4

Oriental Rugs and Brunch.—Discussion of oriental rugs by Anthony Landreau, Director of the Textile Museum. Mr. Landreau will also examine and identify rugs brought in by participants. Brunch and music will be provided in the gardens. 11 a.m. The Textile Museum. $15.50.*

Summer Shorts.—*Song of the Prairie* by Jiri Trnka; *Castro Street* by Bruce Baillie; *Buccaneer Bunny; Mint Tea; Calder's Circus* with Alexander Calder; *Energy* by Tim Huntley. 3:30 p.m. Carmichael Auditorium, History and Technology Building. $1.25.*

TUESDAY, AUGUST 6

Philatelic Dedicatory Lecture.—*Chautauqua,* by Dr. Keith Melder, former Smithsonian Curator of Political History and currently consultant in American History to the New York State Historical Association. This lecture marks the issuance of a "Rural America" stamp at Chautauqua, New York, and the one-hundredth anniversary of the founding of the Chautauqua Institution, especially known for its traveling tent that brought the best in entertainment and oratory to the rural areas of America, 8 p.m. Carmichael Auditorium, History and Technology Building. Cosponsored by the Smithsonian Institution and The Postal Service. Free.

Museum Talk: *FDR.—Our Stamp Collecting President*. Speaker: Franklin R. Bruns, Jr., Associate Curator, Postal History, 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

WEDNESDAY, AUGUST 7

Research Fellows Lecture.—*The Image of the Black in 19th Century American Painting,* by Karen Adams, doctoral candidate, Emory University. Final lecture in the series presented by NCFA Research Fellows as a result of their dissertation research. 12:30 p.m. National Collection of Fine Arts. Free.

THURSDAY, AUGUST 8

Creative Screen.—*Aurum*—an exploration of the age-old attraction for gold and its transformation into treasures. *Of Jewels and Gold*—intricate pieces of jewelry created in the studios of international designers and goldsmiths. Complete program begins 11 a.m., 12:15, and 1:30 p.m. The Renwick Gallery. FREE.

FRIDAY, AUGUST 9

New Installation.—*20th Century Painting and Sculpture*. Artists include Joe Shannon, Fritz Scholder and Billy Morrow Jackson. Works are primarily from the NCFA collections, with some on loan for the special showing. National Collection of Fine Arts, through September 29.

Rehabilitation Medicine Films.—*Modern Medicine Looks at the Heart;* and *The School that Love Built*. 12:30 p.m. Carmichael Auditorium, History and Technology Building. FREE.

SUNDAY, AUGUST 11

Oriental Rugs and Brunch.—Anthony Landreau, Director of the Textile Museum, discusses oriental rugs and examines those rugs brought in by participants. Brunch will be served, with music also provided. 11 a.m. The Textile Museum. $15.50.*

Summer Shorts.—*Snow White* with Betty Boop; *Peege* with Barbara Rush; *Time Piece* by Jim Hinton; *The Mad Baker; Fall Creek* by Jon Jost; *Melies*. 3:30 p.m. Carmichael Auditorium, Museum of History and Technology. $1.25.*

Exhibition.—*The Message Makers*. An examination of the decision making process used in the selection of messages in the four media—TV, radio, films and newspapers. Examples from each of the media are in the exhibit including photos, slides, video tape, teletype. Anacostia Neighborhood Museum, through October 27.

MONDAY, AUGUST 12

Ballet Series.—George Gelles conducts a series on contemporary dance focusing on the Joffrey Ballet, the José Limon Dance Company and the Paul Taylor Dance Company. Films, open discussions and performances by local dancers are included. Among the performers will be Elly Canterbury, Diane Frank and Marcia Sakamoto. 7:30 p.m. Reception Suite, History and Technology Building. Remaining programs in the series will be held on August 19 and 26. $16.*

TUESDAY, AUGUST 13

Museum Talk.—*Sizes, Shapes and Uses of Stamps*. Speaker: Reidar Norby, Associate Curator, Postal History. 12:30 p.m. Carmichael Auditorium, History and Technology Building. FREE.

THURSDAY, AUGUST 15

Creative Screen.—*Aurum;* and *Of Jewels and Gold*. Repeat program. Showings at 11 a.m., 12:15 and 1:30 p.m. See August 8 for details. FREE.

FRIDAY, AUGUST 16

Exhibition.—*Horatio W. Shaw*. Twenty-five paintings and ten drawings by Shaw (1847–1918), a little-known farmer-painter of the late 19th century. Shaw's strong sense of design and obsessive attention to detail give great force and vitality to the environment of the Michigan farm area. National Collection of Fine Arts, through February 2, 1975.

Drawing Dinosaurs.—A drawing class for children, conducted by Barbara Price, instructor at the Corcoran School of Art. Students use the models and actual skeletons of dinosaurs to create their own series of drawings. Designed for ages 8–12. 8:30 a.m. to 10 a.m. $4.*

Rehabilitation Medicine Films.—*Candidate for a Stroke;* and *Toward Tomorrow*. 12:30 p.m. Carmichael Auditorium, History and Technology Building. FREE.

SUNDAY, AUGUST 18

Summer Shorts.—*1970* by Scott Bartlett; *Trouble Indemnity* with Mr. Magoo; *Two* by Robert Bean; *The Mysterians; The House* by Louis van Gasteren. Complete program begins 3:30 p.m. Carmichael Auditorium, History and Technology Building. $1.25.*

MONDAY, AUGUST 19

Ballet Series.—Second in a three-part series conducted by George Gelles, with films, open discussion and performances by local dancers. See August 4 for details.

TUESDAY, AUGUST 20

Museum Talk.—*How New Is the New Math?* Speaker: Elaine Koppelman, Post-Doctoral Research Fellow, Section of Mathematics. 12:30 p.m. Carmichael Auditorium, History and Technology Building. FREE.

FRIDAY, AUGUST 23

Children's Workshop.—Students create a mural based on the favorite tales of *Through the Looking Glass* and *Alice in Wonderland*. Movement and expression in their visual interpretation is enhanced by the students acting out the characters. All materials are provided. Conducted by Bonnie Webb, of the Resident Associates Program. 11:30 a.m. to 1 p.m. Designed for ages 5–7. $4.*

Rehabilitation Medicine Films.—*Back on the Job; Help for Young Hearts; The Way Back*. 12:30 p.m. Carmichael Auditorium, History and Technology Building.

SUNDAY, AUGUST 25

Summer Shorts.—*Jump Rope* by the Computer Image Corp.; *The Making of Butch Cassidy and the Sundance Kid; Scram* with Laurel and Hardy, 3:30 p.m. Carmichael Auditorium, History and Tecnology, $1,25.*

Recital.—*The National Capital Chapter of the Tubists Universal Brotherhood Association* (TUBA) in a debut recital of music for tuba ensembles and tuba with piano. 3 p.m. Hall of Musical Instruments, History and Technology Building. Free.

MONDAY, AUGUST 26

Ballet Series.—Final program in a three-part series conducted by George Gelles, with films, open discussion and performances by local dancers. See August 4 for details.

TUESDAY, AUGUST 27

Museum Talk.—*19th Century Household Textiles in America*. Speaker: Rita J. Adrosko, Curator, Textiles. 12:30 p.m. Carmichael Auditorium, History and Technology Building.

WEDNESDAY, AUGUST 28

Supper Concert.—*The Potomac Brass Quintet,* in a program of Baroque music by Pezel, Reiche, and Scheidt, with additional works by Bach, Mozart, Gabrieli, Franckenpohl. A selection written for the quintet by Washington composer Russell Woolen will also be performed. 8 p.m. Courtyard, Fine Arts and Portrait Gallery Building. Cold box lunch and wine will be served. $11.

FRIDAY, AUGUST 30

Rehabilitation Medicine Films.—*Better Odds for a Longer Life; Because She Lived;* and *Children and Language Disorders*. 12:30 p.m. Carmichael Auditorium History and Technology Building. Free.

DISCOVERY ROOM

Museum of Natural History: An area where visitors of all ages can touch, handle and smell a wide variety of natural history specimens of all shapes and sizes ranging from whale fossils to petrified wood. Now open seven days a week—Monday through Thursday: 12 noon to 2:30. Friday through Sunday: 11 a.m. to 3 p.m. On weekends, free tickets are required and may be picked up at the rotunda Info desk.

DOCENT APPLICANTS

Hirshhorn Museum and Sculpture Garden

Applications are being accepted for docent tour guides at the Hirshhorn Museum and Sculpture Garden. Those persons selected will be required to take one course in modern

---

Footnote at end of article.

art history as well as attend at least five tours of the museum during the fall. Training will then be given at the Hirshhorn in January. For further details call the Education Office, 381-6713.

INFORMATION VOLUNTEERS NEEDED

The fall recruitment is currently under way for Smithsonian Information Volunteers to staff desks in all of the museums on the Mall, including the new Hirshhorn Museum and Sculpture Garden. The program operates seven days a week and requires a minimum of three hours of service weekly. For information, call 381-6264, by September 1.

DOCENT TOUR GUIDES

Docent tour guides are needed at the Museum of History and Technology, Museum of Natural History, and the Air and Space Building. Training will begin on September 10. Applications are currently being accepted. Call Magda Schremp, 381–6471, for further information.

DEMONSTRATIONS

Museum of History and Technology

Spinning and Weaving—Tuesday through **Thursday, 10 a.m.–2 p.m., 1st floor.**

Printing and Typefounding: Monday, Tuesday, Thursday, Friday, 2–4 p.m., 3rd floor.

Musical Instruments. A selection of 18th and 19th century instruments, and American folk instruments, Hall of Musical Instruments, 3rd floor, 1:30 p.m., Mondays and Fridays—keyboard; Thursday—folk.

MUSEUM TOURS

Walk-In Tours—Monday through Friday through August 23.

Museum of History and Technology. Every half hour beginning 10:30 a.m. Last tour 4:30 p.m.

National Air and Space Museum. Every 45 minutes beginning 10:15 a.m. Last tour 3:45 p.m. Tours begin in the Air and Space Building and include the Arts and Industries Building.

Pre-Arranged Group Tours—Call 381–6471.

Highlights of the Museum of History and Technology, Museum of Natural History, or National Air and Space Museum.

EXPIRIMENTARIUM

Air and Space Building

To See the Earth as It Truly Is. A new show that begins in Washington, D.C., travels past the moon, the solar system, the Milky Way galaxy to a hypothetical distant cluster of galaxies, and looks back at each point to see the earth and its place in the universe. Tuesdays through Sundays, 11 a.m., 12 noon, 1, 2:30, 3:30 and 4:30 p.m. Please note: Shows start promptly, and doors cannot be opened for late arrivals. The show lasts 33 minutes.

RECENTLY OPENED

Contemporary Counterparts of Early American Craftsmen.—Hal Painter. A handwoven knotted wool tapestry created by Painter, a weaver from Oregon. The tapestry combines modern idiom and traditional technique, demonstrating the relationship of **today's sophisticated craftsmenship to that** of colonial times. Through Labor Day. Museum of History and Technology.

American Etching of the 1880's.—Special exhibit area, Hall of Printing and Graphic Arts. Museum of History and Technology. Through September 30.

Man Made Mobile.—The Western Saddle: Sixteen examples of equestrian mobile seating from the Persian-Moorish type of the 1500's to the modern saddle. Slide and other illustrations show how the saddle enabled pioneers to develop the West and how mobile seating is used today in modern vehicles. Through January 4, 1976. The Renwick Gallery.

Jewelry Fit for a Queen.—Fifteen royal and nonroyal gems, crowns and jewelry, including the earrings of Marie Antoinnette, an imperial Russian nuptial crown with 1535 diamonds, an emerald and diamond *Inquisition Necklace* and an evening bag covered with approximately 100 seed pearls per square inch. Many of the pieces are from the collection of the late Marjorie Merriweather Post. Museum of Natural History.

INSECT ZOO

Live insects and arachnids—including ants, bees, termites, tarantulas, and a wide variety of other local species—are exhibited with insect zookeepers on hand to explain the habits and background of each. National Museum of Natural History, through August.

DOMESTIC STUDY TOURS

For information on the following tours, contact Mrs. Howe, Room 106–SI, Smithsonian Institution, Washington, D.C. 20650, or call 381–5910.

North Carolina Crafts: Aug. 18–24, 1974.
Iceland: Aug. 17–31, 1974.
Northwest: Sept. 8–18, 1974.
"All About Antiques": Oct. 12–19, 1974.

HOURS

Open 7 days a week

Freer Gallery of Art, National Collection of Fine Arts, National Portrait Gallery, The Renwick Gallery, Smithsonian Institution Building—10 a.m.–5:30 p.m.

Anacostia Neighborhood Museum—10 a.m. 6 p.m. Monday through Friday; 1–6 p.m. weekends.

Extended Hours through Labor Day:

Arts and Industries Building, National Air and Space Museum, National Museum of History and Technology, and the National Museum of Natural History—10 a.m. to 9 p.m.

Deadline for September calendar entries: August 5. The Smithsonian Monthly Calendar of Events is prepared by the Office of Public Affairs, Editor: Lilas Wiltshire.

RADIO SMITHSONIAN

Radio Smithsonian, a program of music and conversation growing out of the Institution's many activities, is broadcast every Sunday on WGMS–AM (570) and FM (103.5) from 9–9:30 p.m. The program schedule for August 4th, 11th, 18th, 25th respectivley:

Are There Evil Forces in Our Society? Part two of a discussion featuring psychiatrists Rollo May, Thayer Green, and Charles Taylor.—Aug. 4.

First Man on the Moon: Five Years Later. The Apollo 11 astronauts at the Smithsonian to celebrate the fifth anniversary of their historical trip to the moon.—Aug. 11.

The 1974 Festival of American Folk-life, Part I. Highlights of the music and people that make the Folk-life Festival one of the Smithsonian's most popular events.—Aug. 18.

The 1974 Festival of American Folk-life, Part II.—Aug. 25.

Use of funds for printing this publication approved by the Director of the Office of Management and Budget, June 3, 1971.

TOURS, CLASSES AND WORKSHOPS

Sponsored by the Smithsonian Resident Associate Program

Fall classes for both children and adults begin in August. For a complete schedule and registration openings, call 381–6722.

Walking tours around the Washington area, as well as day and weekend tours are scheduled. For further information on these and other Associates tours, call 381–5157.

Dial-a-Phenomenon.—737–8855 for weekly announcements on stars, planets and world-wide occurrences of short-lived natural phenomena.

Dial-a-Museum.—737–8811 for daily announcements on new exhibits and special events.

Puppetry Workshop

Two-week workshops conducted by Allan Stevens, for both children and adults. Each workshop consists of six sessions. All materials are included. Dates given are beginning dates.

Aug. 12—Teens and Adults (ages 13 and over). 7:30–9:30 p.m., Monday, Wednesday, and Thursday. $50.

Aug. 13—Children (ages 6–12), 10 a.m.–12 noon. Tuesday, Wednesday, Thursday. $30.

For reservations, call 381–5395.

FOOTNOTE

*** Indicates programs sponsored by the Smithsonian Resident Associate Program. Discounts are available for members and students. For attendance or other information call 381-5157. Unless otherwise indicated, tickets should be purchased in advance.**

A YOUNG MAN'S UNTIRING EFFORTS TO SAVE THE NEW RIVER

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. MIZELL. Mr. Speaker, no individual has worked harder in our effort to save the New River than Mr. Bill Painter, director of the American Rivers Conservation Council. This young man's untiring efforts have been an inspiration to all of us who wish to save the New River.

I would like to share with my colleagues Mr. Painter's thoughtful statement delivered before the House Interior and Insular Affairs Subcommittee on National Parks and Recreation during hearings on legislation to provide for a study of a section of the New River in Virginia and North Carolina for possible inclusion in the National Wild and Scenic Rivers System:

Statement of Bill Painter, Director, American Rivers Conservation Council

Mr. Chairman and distinguished members of the Parks and Recreation Committee. Thank you for the opportunity to appear before you in support of H.R. 11120 which would add a section of the beautiful New River in North Carolina and Virginia to the study category under the Wild and Scenic Rivers Act.

Perhaps the most unique feature of this river is its age, estimated at some 100 million years, making it one of the very oldest rivers in the world. It was once part of the mighty Teays River, which was forever altered by the action of glaciers during the last ice age.

Another outstanding aspect of the river is the fantastic botanical diversity found in the forests and fields of the surrounding countryside. This too is partly the result of the glaciers of the ice age, which created a mix of plant life characteristic of the northern and southern regions of our country. Furthermore, the *Manual of Vascular Flora of the Carolinas* by Radford, Ahles and Bell identifies some 8 rare species found in the area of North Carolina through which the river flows.

The New sports a significant fishery, with some 68 species of fish having been identified. Eleven of these species have been identified as rare and endangered. The North Carolina Department of Natural and Economic Resources has stated that the reach of the New in Ashe and Allegeny Counties is the largest and highest quality smallmouth bass fishery in the state.

Boating is popular along the New. It is mostly a gentle river which can be negotiated by persons with little skill, and a small degree of danger. There are, however some stretches of rapids which can provide exhilaration, but few risks. This is truly a river for all members of the family.

The New is a beautiful river, passing through mountain passes and wide valleys. Some areas are heavily forested, while others are dedicated to agriculture. The waters of the New are pure—one of the largest clean free flowing rivers left in the eastern U.S. The scenic qualities of the New were sited in *Virginia's Scenic Rivers*, a report of the Virginia Commission of Outdoor Recreation.

In conclusion, we feel that this stretch of the New River is more than qualified for inclusion in the study category under section 5(a) of the Wild and Scenic Rivers Act. As the U.S. Environmental Protection has said, this is ". . . a major environmental resource of marked scenic, recreational and biological value. . . ." The American Rivers Conservation Council urges swift approval of H.R. 11120.

MARIHUANA USE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. BIAGGI. Mr. Speaker, today I wish to discuss the serious problem of marihuana use as well as the current status of existing laws governing possession of this drug. This is a problem which has received much attention and publicity in recent years, and one which has a particularly powerful effect on millions of young people in this Nation.

It has been reliably estimated that between 12 and 20 million adolescents and young adults in this country use or have tried marihuana. In other terms, this means that roughly 7 million pounds of marihuana and hashish were consumed in the United States, and all indications point to the fact that this figure is growing daily.

It is in light of these startling and alarming statistics that I vigorously believe that this situation merits the serious attention of this Congress in terms of opposing any relaxation of the current marihuana laws.

There are many in this Nation who strongly advocate a less punitive law for the marihuana user, maintaining that our present drug policy only breeds further disrespect for the law and thus serves to exacerbate the problem even more. However, this same segment of our population has consistently failed to realize the significance of reports being circulated by scientists and doctors throughout the Nation who have testified to the serious and adverse effects of cannabis smoking.

One serious disclosure related to marihuana usage has been the findings that it has the effect of impairing the body's immunity system. According to noted physiologist and pharmacologist of Columbia University, Dr. Gabriel Nahas, cannabis smoking results in a lower production of white blood cells thereby lessening the body's important ability to combat disease. In addition, Prof. W.D.M. Paton, professor of pharmacology at Oxford University, has found that regular users can develop a tolerance for the drug, requiring higher levels to achieve satisfaction. Professor Paton further notes that marihuana and hashish use among children may result in a generation of young "old people," as cannabis interferes with cell division and metabolism and may affect adolescent development.

Perhaps the most startling and frightening discovery which has recently been uncovered by the medical world is the causal relation established between marihuana smoking and cancer, genetic mutation, and birth defects. Although additional investigation is expected in this area, Dr. Akira Morishima, a prominent member of the department of pediatrics staff at Columbia University, has found that such damaging effects may be attributed to an increase in the number of chromosomes in each cell. This shortage leaves the smoker with less than the normal complement of 46 chromosomes. Discoveries such as this one which will affect the future generations of our Nation's children are something we cannot continue to overlook.

Serious effects upon brain functions have also been discovered. Studies in England by a group of British investigators have uncovered a pattern of cerebral atrophy among heavy marihuana users, prompting their urgent appeal for intensive studies on the neurological consequences of drug abuse. These revelations appear to be quite serious, and the frequency of their disclosures by the scientific world is rising at a frightening rate.

Mental health hazards, too, must be considered when examining the adverse effects of marihuana usage. Both the American Medical Association's Council on Mental Health and the National Academy of Sciences have warned that cannabis is dangerous and a public health concern. More specifically, investigators at the Addiction Research Center in Lexington, Ky., have shown that the isolated chemically active ingredient of the cannabis group caused psychotic reactions in humans tested at the center. In addition, Drs. Harold Kolansky and William T. Moore, between the period of 1965 and 1970, noted a sizable increase in the numbers of individuals who showed the onset of psychiatric problems shortly after beginning marihuana usage. Those who used the drug more often showed serious psychological effects, sometimes complicated by neurologic signs and symptoms.

Such serious findings as these regarding the physical and mental well-being of millions of our young population certainly warrants all of our immediate and serious consideration. We are dealing with a grave health problem, one which requires action aimed at reducing the number of cannabis users, not at encouraging increased accessibility to marihuana. We must also recognize that we are not dealing solely with the marihuana problem, but with the whole macrocosm of drug abuse which afflicts our society today. Involvement with pot is only the first link in a chain leading to more serious drug abuse. To relax the laws prohibiting the use of marihuana would only serve to encourage increased pot smoking and a freer drug environment while failing to alleviate the numerous deleterious effects of the drug.

It is time for the Congress to finally adopt a firm stand in decisively resolving the current drug dilemma. Any sensible drug policy must begin with a logical evaluation and thoughtful recognition of the hazardous consequences of continued marihuana usage. Any legislation which attempts to ease the user's accessibility to marihuana only sidesteps this responsibility and constitutes an inexcusable disservice to the welfare of our youth. A serious and thorough examination of the overwhelming statistics of the current users as well as the accumulating reports by our Nation's experts of the damaging side effects of marihuana appear to me to be the most sobering evidence of the dire need for maintaining strict adherence to the present marihuana laws.

HAWAII CONGRESSIONAL DELEGATION SAYS MAHALO TO AMERICAN SCHOOL FOOD SERVICE ASSOCIATION

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. MATSUNAGA. Mr. Speaker, I want to bring to the attention of my colleagues the fact that the American School Food Service Association, an organization dedicated to improved child nutrition and a better school lunch program, is holding its 28th annual convention here in Washington, D.C. this week. ASFSA has extended an invitation to all Members of Congress to attend its convention and learn more about the association's vital work.

In this connection, ASFSA recently initiated Project Mahalo to say "thank you" to Members of the Congress for their past support of ASFSA's legislative program. Nancy Miura of Hawaii, the able chairman of Project Mahalo, is urging all of her committee members to invite their legislators to the association's banquet tonight. I might add that all four Members of the Hawaii congressional delegation have accepted her invitation. In fact, Hawaii was the first State to achieve a 100-percent response.

Mr. Speaker, it is we Members of Congress who ought to thank the American School Food Service Association for its leadership in the field of child nutrition. Surely, nothing could be more important to us as legislators than making sure that every child in America receives at least one balanced, nutritious meal every day. I hope that all of my colleagues will be able to attend tonight's banquet or a session of the ASFSA convention to learn more about the important work of the association and to say "Mahalo" (thank you in Hawaiian) to the members of ASFSA.

I am submitting for inclusion in the CONGRESSIONAL RECORD a brief description of Project Mahalo published in the July/August edition of the School Foodservice Journal, the official publication of the American School Food Service Association:

DON'T FORGET TO SAY "MAHALO"

Mahalo is Hawaiian for "thank you" and Project Mahalo was designed as a program for ASFSA members attending convention to thank their representatives and senators in the United States Congress for their support of or interest in school foodservice legislation.

Project Mahalo is a Public Information Committee project thought up by Chairman Nancy Miura from Hawaii (hence its name). Committee members hope that each state association and each chapter will contact its congressional delegation and invite them to participate in ASFA's 28th national convention.

Committee members have been urging states to personally invite legislators. "Explain who attends Convention and what normally takes place on the program. Tell them that by attending they will really go home with a better understanding of school lunch, child nutrition programs and the involvement and dedication behind school lunch."

State and chapter representatives have been urged to preregister congressional "mahalo" guests. Remember that this preregistration means only that your congressional members' names are listed as a prospective convention attendee. Send names of those congressmen preregistering to ASFA and ASFA will prepare a name tag for each. Congressional representatives will not be required to pay the convention fee.

Extra tickets for such events as the annual banquet will be available for those wishing to bring their congressmen to this event. Tickets will be $15 each. Hawaii was the first state to announce that its entire delegation will be at the banquet Wednesday night. But advance registration shows that delegations from all over the country will be in attendance.

If you haven't already, don't forget to say "Mahalo" to your state's congressmen!

THE BATTLE OVER FRANCONIA NOTCH RAGES ON

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. CLEVELAND. Mr. Speaker, the hard-fought battle over whether or not to extend Interstate Route 93 through Franconia Notch rages on. Franconia Notch, which is located in my congressional district, is nationally known for its spectacular scenery and as the home of the great natural face of stone known as the Old Man of the Mountain.

A crusade which has been launched by some "environmentalists" to prevent the extension of a scenic parkway as a section of I-93 through Franconia Notch has received a good deal of attention from some of the national media, including a recent article in the Sunday edition of the New York Times. I have been disheartened by the distorted coverage which the issues involved in the dispute seem to have generated.

A column in the Boston Globe of August 6, 1974, entitled " 'Save the Notch' Battle Reaching Court Stage" by columnist David Farrell was called to my attention recently. It is refreshing to read an objective account of the issues involved in the Franconia Notch controversy. I compliment Mr. Farrell on his objectivity. I commend his column to those of my colleagues who are interested in fair reporting of controversial issues involving the quality of the environment in balance with other requirements of our civilization.

The article follows:

[From the Boston Globe, Aug. 6, 1974]

"SAVE THE NOTCH" BATTLE REACHING COURT STAGE

(By David Farrell)

FRANCONIA NOTCH.—The tremendous job the New Hampshire Highway Dept. has done on the construction of Interstate Rte. 93 to the Lincoln area should dispel the apprehension of environmentalists who have panicked over the proposed extension of the beautiful superhighway north through the Notch to the Franconia region.

A month ago a new 7½-mile segment of the double-barreled expressway to a point near the Kancamagus Wilderness Highway was opened to motorists in time for the Fourth of July holiday traffic.

Now only the final, 12-mile link between the rising country just to the south of the spectacular Flume and the completed northern portion of the new roadway just beyond Mittersill remains to be constructed.

Environmentalists, spurred on by a new protest group known as Save The Old Man, Inc., plan a last-ditch court drive aimed at blocking the last leg of the new highway dominated by Cannon Mountain on the west side of Franconia Notch and Mts. Liberty, Lincoln and Lafayette to the east.

They fear that natural treasures like rock-formed profile on one end of Cannon—known as the Old Man of the Mountain—will be jeopardized by the intrusion of bulldozers and the blasting which are an essential part of highway construction.

The battle to "Save the Notch" hasn't surfaced to any degree in the tough contests being waged for the Republican and Democratic nomination contests for governor Sept. 10.

There is general agreement among most of the major politicians and candidates in the state that completing the final leg of I-93 through this spectacular park area is a must for the economy of depressed communities to the north like Lisbon and Littleton.

And most tourists who are forced to leave I-93 at Lincoln and often crawl along the uphill, two-mile Rte. 3 behind trailer trucks struggling to climb the long slope through the notch of the Franconia Range, favor the completion of the interstate highway link.

A motorist has to drive the 60-mile stretch of I-93 from Concord north to Lincoln to appreciate the caliber of work the state of New Hampshire has done on this artery to the resort regions of Lake Winnipesaukee, Waterville Valley, Loon Mountain, the Kancamagus east-west hookup with the Conway area, and Cannon.

On past performance there is every reason to believe that no harm would be done to the Flume, the Basin, the Old Man of the Mountain, Profile, Lonesome and Echo lakes and assorted other attractions by the extension of I-93 from Lincoln to Franconia.

But the men behind the new group attempting to block any invasion of the Notch don't agree. Lindsay Fowler, Williams College senior and Appalachian Mountain Club hutman in the region, founded Save The Old Man, Inc. and is now raising funds for the legal drive to thwart the proposed interstate extension.

He contends that irreparable damage to the scenic attractions in the entire area will be inflicted if the highway men have their way.

"Franconia Notch is nationally known for the most sublime scenery of New Hampshire and as the home of the great, natural face of stone recognized as the Old Man of the Mountain," Fowler said.

"But a parkway through Franconia Notch? Who would ever believe it would or even could, come about?"

Joining Fowler in his "Franconia Notch: Paved or Saved" campaign is Richard Wright, managing editor of the weekly New Hampshire Times.

Wright recently ran a special edition of his tabloid with 17 full pages of articles, pictures, maps and editorials devoted to the drive to rescue the Notch.

The newspaper has been exhorting its readers to aid the legal fund being set up to fight the superhighway by sending contributions to Save the Old Man, Inc., P.O. Box 147, Twin Mountain, N.H. 03595.

No final action on the interstate link will come until a new environmental impact study of the project is finished.

That study, authorized two months ago, will be conducted by the VTN Corp. of Cambridge, Mass., and is expected to take more than a year.

Unless a decidedly adverse impact is forecast by the VTN survey, the extension of I-93 through the Notch will get underway in 1976 and target date for completion is set for 1978.

IRRESPONSIBLE FEDERAL GOVERNMENT SPENDING

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ASHBROOK. Mr. Speaker, as unbalanced Federal budget follows unbalanced Federal budget, the national debt and the rate of inflation continue to grow. The big spenders continue on their path with little regard to future costs for their new programs.

Federal spending commanded 12.4 percent of the gross national product in 1956, in 1966, 17.1 percent and will probably constitute an estimated 25.1 percent for fiscal year 1976. Social and economic programs have increased in expenditure an average rate of 12.6 percent for each of the last 10 years. Spending has been increasing more than twice as fast as the growth of the GNP. In other words such spending is increasing faster than our ability to pay for it.

To restore fiscal sanity to this country, we must start reducing spending. Sometimes it is not politically popular to say no to various programs that have great titles with huge price tags. However, this must be done. Spending cannot be brought under control until unnecessary programs are cut back and limits placed on new programs. At this point I wish to include in the RECORD an editorial from the August issue of Government Executive entitled "The Rush to a Crisis in Public Spending":

THE RUSH TO A CRISIS IN PUBLIC SPENDING

(By C. W. Borklund)

This Nation's Governments, Federal, State and local, are on trial. But, thanks to such obfuscations as the Watergate—and related—business, it doesn't seem to have been noticed much.

Governments, particularly legislators, for at least the past half-dozen years or so, have been doing things which, added up, can only be labelled, at best, "Ignorant and Irresponsible." Upshot is, they are rushing the country into a monumental crisis in Public spending.

In about four to six calendar years, the results of the trend will make the Watergate inquisition seem like a child's game. The most frightening "cover-up" in Washington, to us, is not in the White House Oval Office over tape recordings.

Rather, it's the smoke screen that has blown up around the facts of how the taxpayer's dwindling supply of resources is being gobbled up by Government programs. We'll have a full-blown documentation of this next month.

In the meantime, consider:

In 1956, Federal spending commanded 12.4% of the Gross National Product (GNP); 17.1% in 1966; 25.1%, probably, for fiscal 1976; and, on present trends, 35–37% in 1986.

For comparison's sake, Federal spending at the peak of World War II was about 50% of the GNP. What war are we fighting now?

It's not a military one. To the extent that he deserves all the credit, (and he doesn't), President Richard Nixon has outdone former Presidents Kennedy and Johnson when it comes to increased funding for so-called "social programs."

In fiscal 1968, Johnson's last budget year, total obligational authority (TOA) for Defense and military assistance programs was $75.6 billion. Assuming the current Defense budget request is approved, which seems probable, TOA for fiscal 1975 will be $92.6 billion which is, in effect, a decrease in Defense spending since 1968 when inflation's impact on the dollar's buying power is thrown into the equation.

On the other hand, Federal, State and local spending for domestic social and economic programs was $123 billion in 1966. Unless some program already legislated is cancelled or sharply cut back, social and economic program spending will be $402.4 billion in 1976. In sum, for each of the last 10 years, those programs have been increasing in expenditures at an average annual rate of 12.6% and currently show no signs of slowing down.

In other words, it's been increasing more than twice as fast, roughly, as the growth of the GNP—and thus of the tax base that's supposed to pay for it. What is more, we can't find any evidence anywhere of any political pundits worrying about what is being done to the taxpayer's pocketbook.

If they fret publicy at all about the issue, their target for cutbacks is routinely the Defense budget. Headlined a recent *Washington Post* article: "Brookings (Institution) Sees Defense Cost of $142 Billion." (by 1980.) Echoed *Business Week*: "A new spiral for defense spending."

Baloney. Why don't they talk about a real issue? Where, in 1980, are we going to get the 12.6% of additional funds—on top of the 12.6% increase in 1979 and 1978 and 1977 and 1976—to pay for social security and for the welfare recipients and Medicare and pollution control and education programs and mass transit and occupational safety and Government employees? (In contrast to the 3.2 million persons on the Pentagon payroll, 14 million work for State and local government—and while the former number is trending down, the latter one is rising about as fast as the number of dollars they're spending.)

We are routinely amazed at the ability of high-level Public figures to ignore these trends. Politicians being voted out of office they blame on "Watergate." The failure of social and economic programs to deliver what they've promised they blame on "lack of financing because of the money being spent in Defense."

"If we could only get another $10 billion out of Defense," they say, "we could clean up the rivers and the air and give every kid in the country a college education and guarantee the poor and the old an adequate income and cure every disease afflicting man."

Nonsense. What did they do with the $100 billion more a year they've already received? What happened to the $52 billion a year the Feds have been sending back to the grass roots level?

The University of Michigan Institute for Social Research did an opinion survey recently of how well the Public thought 15 public and private institutions were serving the country. At the top of the "Very good" list: "the U.S. military."

At the top of the "very poor" list, in order: "President and Administration;" "Federal Government;" "Labor Unions;" "Local Governments;" "All Courts, Judicial System;" "State Governments;" "U.S. Congress" *Government* has an image problem and flimflamming the Public out of half its money without giving back noticeable benefit is not the way to a better rating.

But "image" is hardly the most important part of it. At one time, this Nation could afford to suffer and suborn the transgressions of its governments.

But not *today!*

And not at these *prices!*

UTILITIES SECRETLY FUND PRO-NUCLEAR GROUP

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. ASPIN. Mr. Speaker, four major Wisconsin utilities were secretly financing a pronuclear power group known as Safe—Secure Adequate Future Energy—operating in Wisconsin Rapids and Stevens Point, Wis.

A Stevens Point public relations firm—Menzel/Williams & Associates—and one of its executives, Bob Williams, has been hired by the four utilities and is providing the pronuclear power group with full services free of charge.

The four companies—Wisconsin Electric Power, Wisconsin Power & Light, Wisconsin Public Service Corp., and the Madison Gas & Electric Co.—want to build a $1 billion nuclear plant in Lake Koshkonong, Jefferson County and possibly additional plants including one in Rudolph; Wood County.

"We conned the utilities into letting us use him—Williams—until we could get on our feet financially," admitted Mr. William Cownie, secretary of SAFE to a member of my staff. The Williams' firm has supplied public relations assistance and organizational aid including setting up a public opinion survey in Rudolph.

According to the SAFE treasurer, Mrs. Rita Bemke, SAFE has only $60 in its treasury. You can be sure that $60 would not buy Mr. Williams' service for even a day. Mr. Williams' firm allegedly hired canvassers, wrote the questionnaire, and is in the process of tabulating the questionnaire for SAFE.

Mr. Speaker, I first learned of SAFE after receiving questions from some labor union members near Koshkonong area about what independent group studying nuclear power existed in Wisconsin.

The labor members were interested in jobs developed by nuclear power, but were also warned about how independent the so-called independent groups really were.

When questioned about SAFE's relationship to the utilities, Williams told a member of my staff that he was employed by the utilities and did a considerable amount of work for the SAFE organization. When asked if the utility was paying for the services provided to SAFE, Williams referred the question to Tom Fogarty, chairman of SAFE. Fogarty, contacted by my office, refused to discuss SAFE's finances with a member of my staff except at a meeting with his full executive committee in Wood County.

Wisconsin utilities are operating like the CIA—setting up a phony front organization and secretly funding it to carry out the utilities' pronuclear propaganda campaign.

Mr. Speaker, I am making a formal complaint about the secret funding in a letter to Wisconsin Public Service Commission chairman, William Eich. These four utilities may be taking some of the consumers' payments for electricity and secretly funneling them into a pronuclear power organization. While this activity may not be strictly illegal, it is clearly unethical and immoral. I am asking the Public Service Commission to formally audit the four utilities' payments to the Williams public relations firm and disallow those costs from the inclusion in any rate increase. The Wisconsin Public Commission is holding a hearing Thursday to discuss the entire problem. I hope that the Public Service Commission will explore the possibility of prohibiting utilities from promoting private groups which take a stand on controversial issues like nuclear power. It is simply wrong for the utilities to secretly fund propaganda organizations that promote their own interests. Secretly funding SAFE deceives the people of Wisconsin and also ultimately increases the cost of electricity to them.

Officials of SAFE have told me that they hope to start their own fundraising activities to become independent of the utilities' support.

HIROSHIMA: LOOKING BACK

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 7, 1974

Mr. RANGEL. Mr. Speaker, 29 years ago yesterday, the United States committed the ultimate act of war. Seeking to end the American-Japanese conflict in World War II, it dropped the atomic bomb on the city of Hiroshima. As a result of this act, experts estimate that between 80,000 and 200,000 people lost their lives.

We would do well to look back and remember Hiroshima, not in a narrow and isolated way, but rather in the larger context of present efforts to halt the nuclear arms race and, hence, avoid future Hiroshimas.

The superpowers are presently engaged in efforts to limit nuclear proliferation. If we have learned any lesson from August 6, 1945, it is that these efforts must be successful. Hiroshima must signal not the beginning, but the end of the possibility and realization of nuclear aggression. We should not expect and cannot accept anything less.